



Gentrack Group

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20 December 2024

Gentrack Annual Report 2024

The full 2024 Annual Report for Gentrack Group Limited (NZX/ASX: GTK) is attached to this notice and is also available to view and download from the Investor Centre at:

<https://gentrack.com/investor-centre/>

Included in this year's report is Gentrack Group's first Climate Statement.

For the purposes of ASX Listing Rule 1.15.3, Gentrack confirms that it continues to comply with the NZX Listing Rules.

ENDS

Contact details for this announcement:

Anna Ellis
Company Secretary
Gentrack Group Limited
+64 9 966 6090

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>

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Gentrack Group Limited

Annual Report 2024

Contents

This report is dated 20 December 2024. The annual report has been approved by the Board and is signed on behalf of the Board by:



Andy Green
Chairman



Fiona Oliver
Director

Chairman and CEO's commentary

Overview

Gentrack's market segments of energy, water and airports are growth markets providing essential services.

Gentrack's mission in utilities is to help the world accelerate towards a net zero future by supporting the global modernisation of energy and water retailers. Gentrack has c690 committed utility professionals who are passionate about this purpose. They work tirelessly to demonstrate our leadership in this dynamic landscape as utilities world-wide embark on their transformation journey.

Strong revenue growth comes in part from doing more with our current customers as they innovate. They face a myriad of drivers for system change including regulatory and competitive dynamics; data insights from real time smart meter interactions; time of use pricing; great customer experience; new operating models; and per capita water consumption targets.

Additionally, we have four new utility customers in FY24, including new wins in Saudi Arabia and the Philippines. We now have utility customers in eight countries. The pipeline of new opportunities continues to develop and, as we said in our May 2024 earnings forecast, we are targeting further wins in FY25 in our current markets and new territories.

Separately, our Airports Division, Veovo, which operates in 23 countries and over 140 airports, is playing a leading role in the digitization and modernisation of the industry. We have a top-class team and great technology with over 90 professionals in the division.

We expect continued progress at Veovo. With almost no customer churn, continued new wins (such as FY24 wins of Manchester Airports Group and the airports of Saudi Arabia) add depth to our recurring revenue base. We expect to secure renewals, upsells and new wins from our strong pipeline in FY25.



Revenue:
\$213.2m

up 25.5% vs. FY23 and up 50% when excluding \$27.6m of one-off revenues in FY23 from insolvent customers



EBITDA:
\$23.6m

vs. \$23.2m in FY23 (FY24 impacted by a \$7.1m charge against payroll costs on the Group's LTI schemes due to the significant growth in our share price and the accelerated amortisation of these costs)



Statutory NPAT:
\$9.5m

vs. \$10.0m in FY23



Cash:
\$66.7m

\$17.5m increase in the year after \$12.9m Amber investment in H1'24



No dividend payable

Financial performance

For the Group, revenues increased 25.5% over the prior year period to \$213.2m. In our Utilities business, total revenue grew by 23% to \$181.3m. Underlying Utilities revenue, excluding \$27.6m of revenue in FY23 from insolvent customers, grew by 51%. Upgrades and other customer transformations, new customer wins and strong demand for innovation and change from across our customer base helped drive our non-recurring revenues 104% higher to \$60m. Whilst wins and upsells from prior periods increased our recurring revenues by 33% to \$121.3m.

New customer wins in the UK and the Middle East have powered Veovo to a 45.5% increase in revenue over the prior period to \$31.9m. The project work to implement these wins alongside upgrades from existing customers have driven non-recurring revenues 101% higher v prior year to \$15.7m. This includes \$6.8m (\$2.0m in FY23) of revenue from sales of hardware sourced from our supplier network. Customer wins and upgrades from prior periods have also pushed recurring revenues 15% higher to \$16.3m.

EBITDA at \$23.6m (\$23.2m in FY23) includes \$7.1m booked against expected payroll tax on the Group's LTI schemes (compared to \$0.3m in FY23). This follows the strong rise in our share price across the year. The tax is based on the share price at vesting. Furthermore, for LTI awards to management made at the start of FY24 more shares vest and vest earlier when the share price is higher and so we are now amortising most of this expected cost over two rather than three years.

We have continued to increase investment in strategic R&D, all of which has been expensed, as well as increase our sales & marketing spend to support our international expansion.

Our NPAT of \$9.5m (\$10m in FY23) includes a \$1.3m loss being our share of the losses of Amber in which we acquired a 10% stake during the year. Alongside our equity we hold a seat on Amber's Board and so account for this investment as an associate company within our financial statements.

Gentrack continues to deliver strong cash generation. Our cash as of 30 September 2024 was \$66.7m, a \$17.5m increase over the start of the year, after investing \$12.9m in Amber.

Gentrack's Utilities and Veovo businesses both operate in high growth and consolidating markets. Today 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.

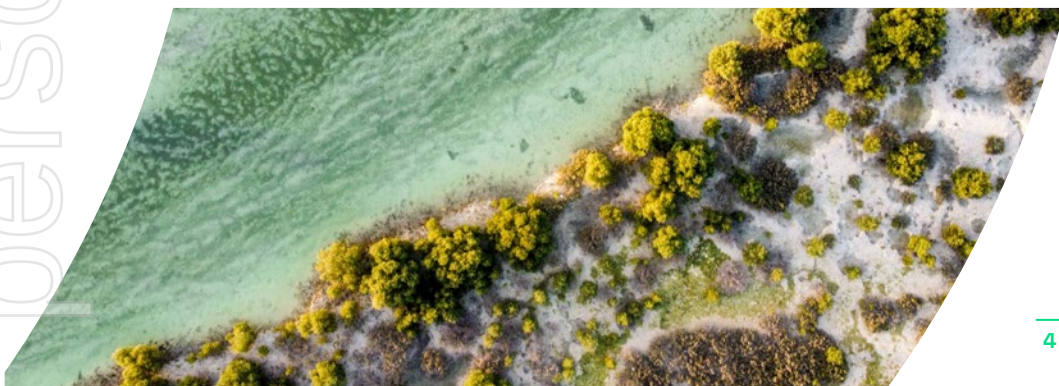
Bringing value to our Energy and Water customers

Gentrack and our customers are also consistently recognised as leading and shaping the industry's change. Some examples include:

Red Energy, which has been the Canstar Leading Energy Supplier for 13 years in a row in Australia, the world's most dynamic energy market.

Ecotricity, which is Citizens Advice Customer Experience leader in the UK, the world's most competitive energy market.

Mercury who won the New Zealand CIO Awards from global market intelligence firm, IDC for Business Transformation through IT.



g2.0 and other technology updates

The g2.0 technology strategy, with Salesforce's Energy and Utility Cloud embedded, is resonating very well with our existing and potential customers. A recent testament to this has been g2.0 winning three prestigious awards at the Asian Business Review Awards 2024 for Enterprise Software Energy, Enterprise Software Utilities, and ESG Tech Utilities.

In November 2023, Genesis Energy selected our g2.0 solution to modernise their business and we are making good progress in this transformation program which will remain a key program across FY25. Upgrade discussions with parts of our customer base are underway and new customer sales are on g2.0.

We have a strong and exciting technology roadmap for FY25. We continue to invest in data solutions for better AI insights and automation as well as a broad range of sellable, add on functionality that energy and water customers need as they transform and innovate.

We continue to invest in products in areas such as dynamic pricing and propositions for distributed energy sources such as battery optimisation for industry, homes, and electric vehicles. Our minority investment in Amber accelerates our roadmap in this key energy transition domain. Amber is an Australian based technology company and energy retailer that gives customers direct access to real time energy prices and the technology to automate their home batteries and EVs. Their product is augmenting our solution well and we see encouraging interest in the combined Gentrack and Amber solution. We are pleased to have achieved our first win on a joint Gentrack and Amber solution in Europe.

We also work with other distributed resources management technology suppliers to bring the right energy solution to our customers in this nascent market.

Veovo's leading technology capabilities

Veovo has had another strong year of growth. Airports have returned to 2019 passenger numbers and that has meant a drive for technology to deliver more capacity and better journeys.

FY24 has seen a number of big projects for Veovo. We have had major success in the Middle East with large contracts in Saudi Arabia for our Passenger Predictability products and the delivery of Airport Billing in Dubai. In the UK, Manchester Airport Group has selected Veovo for Passenger tracking and Queue measurement across all their airports.

We continue to have excellent customer retention, with upgrades to our Gen8 platform for airport operations being rolled out in New Zealand, Australia, the UK, and North America. This is driving both growth and cementing Veovo's incredible record for customer retention.

We expect Veovo to continue this strong story in FY25, with current projects becoming operational and a strong pipeline of opportunities with existing and new customers.

Climate statement

Our FY24 Annual Report will include our first Climate Statement under New Zealand climate related disclosures regime. We believe that our technologies can play a key role in accelerating a sustainable future for the planet. Our platforms support automation and operational efficiency at airports. At Utilities, we deliver customer centric solutions that can help end customers adopt greener solutions to advance the energy transition.

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.



A. J. Green

Andy Green, CBE
Chairman



G. Miles

Gary Miles
CEO

Board of Directors



Andy Green, CBE
Chairman

Additional roles:

Commissioner, National Infrastructure Commission
Senior Independent Director, Airtel Africa
Chair, WaterAid
Chairman, Lowell
Chair, Nominet



Fiona Oliver
Audit & Risk
Committee Chair
People & Culture
Committee Chair
(Until 30 September 2024)

Additional roles:

Board Member, Guardians of New Zealand Superannuation
Board Member and Audit & Risk Committee Chair, Summerset Group Holdings Ltd (NZX/ASX)
Board Member, Kingfish Limited, Barramundi Limited, Marlin Global Limited
Board Member, New Zealand Water Polo
Board Member, Freightways Limited (NZX)
Board Member and Audit & Risk Committee Chair, Clarus Group



Gillian Watson
Non-Executive
Director
People & Culture
Committee Chair
(From 1 October 2024)

Additional roles:

Chair, char.gy Ltd (UK-based EV charging port business)
Non-Executive Director, Statera Energy Ltd
Non-Executive Director, Vidrala SA
Senior Independent Director, Carr's Group plc
Executive role – Noble & Co (part-time)
Chair, DC 25 Investment Fund



Darc Rasmussen
Non-Executive
Director

Additional roles:

Non-Executive Director, Objective Corporation (ASX:OCL)
Chair of the Board, Urbanise.com (ASX:UBN)
Director, Strategic Outcomes



Stewart Sherriff
Non-Executive
Director



Gary Miles
Chief Executive Officer

Our leadership



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Our vision is to accelerate the world towards a net zero future by leading the global modernisation of energy and water retailers.

These sectors have suffered underinvestment for decades and now taking major steps to transform.

We are determined to be a global leader shaping the industry change, and together with our customers, we are energised to create a more sustainable future for all.

Gary Miles
Chief Executive Officer

”



Multi-segment scope across **17 regulatory environments** (B2B & B2C, water and energy)



Business update

The global imperative of decarbonisation is accelerating demand, regulatory changes, and customer expectations, creating new business opportunities across the worldwide energy and water industries. Utilities are central to this transition, acting as the pivot around which sustainable energy and water system revolve. From deploying new physical and digital infrastructure to developing new service-based business models and creating new energy markets, utilities are poised to become the technical and operational foundation for the energy transition.

Throughout FY24, Gentrack reaffirmed its role as the partner of choice, helping our customers in achieving their goals. Our mission is to accelerate the world towards a net zero future by leading the global modernisation of energy and water retailers.

As utilities transition from 'simple commodity providers' to multi-solution energy transition providers, they must re-platform IT systems and rethink operating models, adopting cutting-edge billing and CRM technologies. That's the essence of Gentrack g2.0: a cloud-based solution combining Salesforce's leading CRM pre-integrated with a modern billing system, redeveloped on AWS cloud, leveraging 37 years of meter-to-cash expertise.

Gentrack's solution differentiates from traditional legacy systems with pre-built, out-of-the-box customer journeys (business processes) that can be extended and customised with low-code/no-code technologies. The modular g2.0 stack allows our customers to modernise at their own pace, starting for instance, with Data Modernisation, to leverage g2.0 Data & Analytics capabilities, harness data growth, and improve business performance control.

Gentrack's g2.0 has been recognised as a leading solution in the industry earning three prestigious awards at the Australian Technology Excellence Awards, run by the Asian Business Review: Enterprise Software for Utilities, Enterprise Software for Energy, and ESG Tech for Utilities.

FY24 has been another remarkable year for Gentrack, highlighted by new customer wins, expansion into new countries, and the renewal and upgrade of strategic customer partnerships – helping them strengthen and advance their leadership positions.

Our focus remains on helping our customers to:

1. Modernise their IT stack to save costs, streamline operations and boost innovation
2. Deliver a first-class customer experience
3. Accelerate the transition to net zero



Modernisation

First-class customer experience

Net zero acceleration



New logo

Vocus Group, a multi-services company connecting people, businesses, governments, and communities across Australia, has selected Gentrack to implement a modern billing system and customer experience product suite to serve its **Dodo** customers. By migrating its customer base to the Gentrack platform, Dodo will benefit from advanced data analytics, seamless integration with Salesforce, and a scalable cloud-based solution powered by Amazon Web Services (AWS).

This partnership enables Dodo to expand its multi-play services, including internet, gas, electricity, mobile, and bundled offerings, solidifying its position as a leading service provider in the Australian market.

“

By leveraging Gentrack’s advanced billing system, we are poised to deliver exceptional service to our customers while driving innovation in the energy sector.

Nitesh Naidoo

Chief Executive, Consumer, Vocus Group

”

Customer awards

Transforming the core IT system is a pivotal moment where the role of the CIO can become a high-stakes risk or a rewarding success. In September 2024, Mercury’s Head of Integration, Nick Pudney received the New Zealand CIO Awards (sponsored by the analyst company IDC) for ‘Business Transformation through Digital and IT’, highlighting the impact of digital transformation.’

After acquiring Trustpower, **Mercury** selected Gentrack as its unified billing and CRM provider, phasing out Mercury’s SAP platform. The project was successfully delivered on time, on budget, and with no impact on customer satisfaction during the migration.

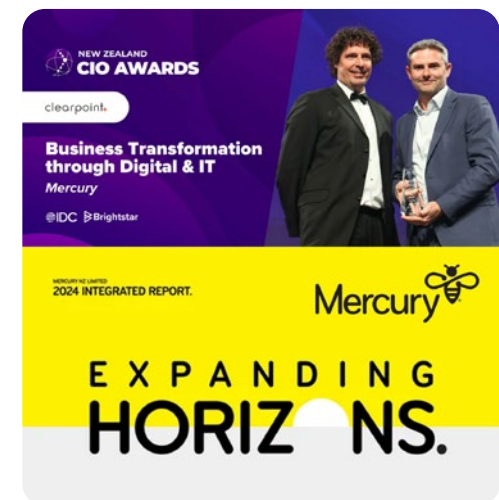
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We had three choices [for our unified billing and CRM selection]: to use the Mercury technology stack, which was SAP based, to use the Trustpower technology stack, which was Gentrack based, or to choose a new third way forward. It became clear to us that if we wanted to leverage multi-product bundle retail in New Zealand, the Gentrack stack was going to support us to achieve our long-term ambitions.

Vince Hawksworth

Chief Executive Officer, Mercury

”



Modernisation

First-class customer experience

Net zero acceleration



Strategic partnership renewed

In 2024, several key customers reaffirmed their confidence in Gentrack, and we are proud to count **npower Business Solutions (nBS)** among them.

Throughout our five-year relationship, npower Business Solutions and Gentrack have successfully completed one of the largest business transformations in the industry, bringing npower and E.ON's I&C customer operations onto a common billing and CRM platform. This strategic move, combined with a broader business transformation programme, has accelerated nBS's digital capabilities and strengthened its position as a leader in the dynamic I&C energy sector and the transition to net zero.

“

We brought together two businesses, E.ON and npower. That migration we think is the biggest I&C migration that's ever been done within the UK market. Now we're looking to the future and how does this market evolve with data flexibility, AI and all those things and we're really looking forward to working with you [Gentrack] to help us unlock that.

Anthony Ainsworth

Chief Operating Officer,
npower Business Solutions

”

Cloud migration / go live – water

Water Authority of Fiji (WAF) is facing a range of increasing challenges, including impacts of climate change, aging infrastructure, environmental impacts, rapidly growing tourist demand, a skills and capacity shortage, and an unviable financial model. To address these, WAF has taken a major step forward in its digital transformation journey with the successful 2024 launch of Gentrack's cloud-based platform on Amazon Web Services (AWS).

Now fully operational, this innovative technology is delivering significant business benefits by enhancing customer service, streamlining billing and collections, and supporting advanced water metering across Fiji.

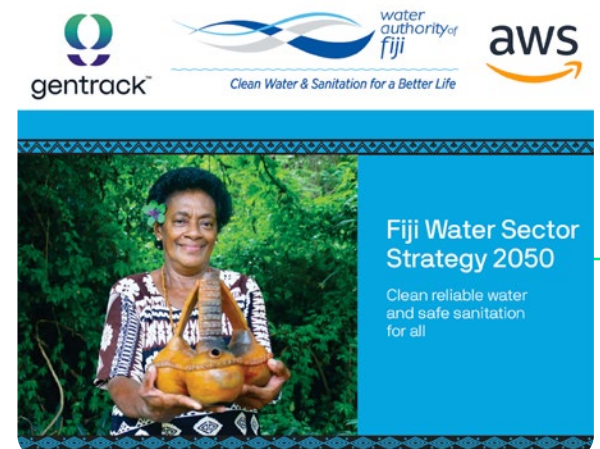
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It's a major step forward in our journey to improve our service delivery to all our valued customers. The new cloud platform will enable us to better serve our customers and meet our strategic objectives as an essential service provider in Fiji.

Sekove Uluinayau – MBA, MAICD

Chief Customer Officer, WAF

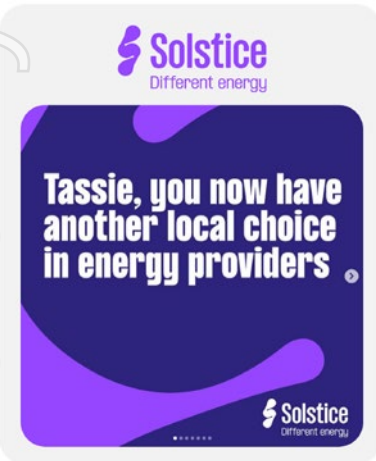
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Modernisation

First-class customer experience

Net zero acceleration



Market expansion & rebranding

Solstice Energy is on a mission to transform the Tasmanian energy landscape, and Gentrack is proud to be a key partner in their successful 2024 rebrand and market expansion from being a gas provider to dual gas and electricity supplier.

With Gentrack's advanced technology, Solstice Energy now benefits from a stable billing system, unified customer data, and the flexibility to offer bundled gas and electricity services, keeping them ahead of evolving market trends.

“

The energy market is undergoing significant national and international change, and Solstice Energy is changing with that to become a diversified energy business.

Gentrack's ongoing innovation and support ensure that we provide a reliable and efficient service, reinforcing trust in our systems and service.

Sarah Thurstans (GAICD)

General Manager Retail, Solstice Energy

”

Time-to-market / instant innovation

PacificLight Power Pte Ltd, a leading power generator and electricity retailer in Singapore, has achieved a remarkable transformation in customer service and billing operations through Gentrack's cloud-based solution.

In just 8 months, they successfully transformed their customer service and billing for residential customers, both on-schedule and on-budget. This upgrade allows them to onboard new customers in 1-2 minutes and launch new promotions within 30 minutes.

“

On average, it takes approximately 30 minutes for us to set up a new campaign within the system. If we were to include User Acceptance Testing, the entire process would take between 1-2 hours if both processes were to be done concurrently.

[since migration to Gentrack] We see a significant reduction in billing errors, resulting in fewer customer complaints and improved customer satisfaction. This reduction in customer issues not only saved the company resources spent on addressing complaints but also enhanced our overall operational efficiency. Additionally, the streamlined billing process allowed us to allocate resources more effectively, leading to cost savings.

Ms Geraldine Tan

General Manager, PacificLight Energy

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Modernisation

First-class customer experience

Net zero acceleration

ecotricity

Ecotricity ranked #1 in customer service by Citizens Advice



Ranking	Energy firm	Score out of five
1	Ecotricity	3.77
2	Utility Warehouse	3.62
3	British Gas	3.42
4	Gofer The Mower	3.29
5	Supermarket	3.27
6	Octopus Energy	3.27
7	Good Energy	3.22
8	Electricity Energy	3.21
9	EDF Energy	3.17
10	No 10 Energy	3.05
11	British Gas	2.98
12	Energy Trust	2.88
13	Home Energy	2.86
14	EDF Energy	2.81
15	Utility	2.80



UK #1 in customer experience

Once recognised as a disruptive force for green energy, **Ecotricity** is now celebrated for delivering the best residential customer experience in the UK. Ranked #1 for customer service by Citizen Advice, in Q1 and Q2 2024, Ecotricity topped 15 UK utilities, with a star rating of 3.77 out of 5 – 23% above the average energy supplier score of 3.07/5.

Since moving out from SAP systems, Ecotricity has leveraged Gentrack's advanced technology to enhance customer interactions and streamline billing processes. We're proud that in 2024, Ecotricity, chose to extend its partnership with Gentrack.

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Our partnership with Gentrack allows us to better serve our domestic and commercial customers, providing smooth and reliable account management. The energy landscape is always evolving, and we look forward to continuing this relationship to accelerate our mission for a greener Britain.

Asif Rehmanwala

Chief Executive Officer, Ecotricity

”

Customer excellence – once again

In 2024, our valued Australian customer, **Red Energy**, once again received Canstar Blue's award for 'Most Satisfied Customers' – an impressive achievement, marking 14 consecutive years. Canstar, Australia's biggest financial comparison site, helps consumers confidently chose the right products by comparing more brands than any other platform.

Adding to their successes, in April 2024, Red Energy also received the Roy Morgan Customer Satisfaction Award for 'Electricity Provider of the Year', marking their second consecutive win in this category and their eighth Roy Morgan Satisfaction Award overall.

These recognitions are a testament to Red Energy's unwavering commitment to delivering exceptional customer service.



Modernisation

First-class customer experience

Net zero acceleration



New logo, new country

AC Energy (ACEN part of Ayala Group) aims to provide clean, reliable and affordable energy in Asia Pacific and grow its renewables capacity to 20GW by 2030. The company is committed to achieving a 100% renewable energy generation portfolio by 2025 and becoming a net zero greenhouse gas emissions company by 2050.

In 2024, ACEN choose Gentrack for next generation CRM and billing as it accelerates renewable energy growth. The strategic technology partnership will enhance ACEN customer experience and supports its future sustainability plans.

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This partnership is not only about operational efficiency; it's about ensuring that we deliver the best possible experience for our customers. Gentrack's g2.0 software is perfectly aligned with our strategy, providing the scalability and flexibility needed to meet the dynamic demands of the energy market.

Tony Valdez

Senior VP and Head of Market Transformation,
AC Energy

”

New logo, new partner

In February 2024, Gentrack invested in Australian utility and technology provider **Amber Electric** to enhance and globally license Amber's disruptive distributed energy resource management (DERM) solution. This partnership has led Amber Electric to transition from its legacy IT stack to Gentrack's next generation g2.0 billing and CRM platform. Amber has also achieved significant international success partnering with E.ON Next in the UK. This rapid growth and the strong global market demand highlight the uniqueness and superiority of Amber's solution.

“

From our first meeting with Gentrack it was clear we have a common vision. For us, having a strong global delivery partner who is reliable, respected and capable is essential. Gentrack will accelerate our ambition of maximising and expanding the number of markets we can reach with our technology.

Dan Adams

Co-CEO and Co-Founder, Amber Electric

”



Business update: airports

In FY24, Veovo achieved record results, with revenues of \$31.9m and profits of \$5.3m, marking a growth of 45.5%. Our technology supported over one billion passengers across more than 140 airports, helping airports manage surging passenger volumes and capacity constraints. As traveller numbers surpass pre-pandemic levels, airports face pressure to improve both passenger experience and operational efficiency while grappling with delayed capital expansion projects.

To address these needs, the industry has accelerated its digital transformation efforts, and Veovo is leading this shift. Our intelligent airport solutions enable airports to optimise resource management, reshape passenger experiences, and make operations more predictable and profitable.

In Saudi Arabia, we are rolling out our passenger flow technology to support the country's aviation expansion. This advanced system provides real-time insights into bottlenecks, allowing airports to make quick, data-driven adjustments to staffing and resource allocation. A similar new initiative with **Manchester Airports Group (MAG)** in the UK has seen its three airports benefit from one of Europe's largest airport LiDAR implementations.

As the market leader in airport revenue management systems, we have just completed the roll out at one of the world's largest aviation hubs in Dubai, making their airline billing more accurate, reducing revenue leakage and improving billing efficiency through greater automation.



James Williamson
Chief Executive Officer



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With the data from Veovo, we have opened up a whole new world... about how we can redesign our airports to maximise the opportunities for our passengers and our business – it has been a very enjoyable and fruitful journey so far with more to come.

Nick Woods
CIO
Manchester Airports Group (MAG)



”



Veovo's commitment to long term partnerships with customers is evident in the major airport system upgrades launched this year for customers like Auckland, Montreal, Cairns, Bristol, Finland's Finavia and Christchurch. We continue to have incredible customer retention, with all our major clients committing to our Generation 8 platform. We have also seen this customer group embrace our wider product offering with examples including **Sydney Airport** deciding to replace their legacy billing system with our Revenue Management platform this year. In addition, several European and North American airports are expanding their use of our people flow technology beyond queue measurement to "kerb to gate" and AI enhanced prediction.

Veovo's influence also extends to industry standards, as we actively participate in shaping aviation's future. As a member of the ACI World IT Standing Committee, we collaborate with airport CIOs to set benchmarks for innovation and in FY24 led the development of new guidelines for AI in airport operations.

Looking to FY25, we remain committed to advancing technologies that drive "Airport 4.0" and Total Airport Management, ensuring airports operate more efficiently and deliver exceptional passenger experiences. Our focused developments in AI, machine learning, and cloud-based solutions will keep Veovo at the forefront of airport innovation, meeting the evolving needs of our global customers.

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With our new airport operations system, we look forward to being able to take advantage of Veovo's developments in artificial intelligence, machine learning and automation.

Bevan Blakeney

Manager of ICT
North Queensland Airports



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Veovo is a phenomenal partner in helping us aggregate the data we need to build curated experiences for passengers.

Brian Cobb

CIO
Cincinnati Airport



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Our people

At Gentrack we truly value our people and their commitment to our company vision to accelerate the world towards a net zero future by leading the global modernisation of energy and water retailers.

Our people are at the heart of enabling this transformation, and our company's success is based on a one-team mindset and an inclusive, engaging culture across our entire global footprint.

Gentrackers have exceptional technical skills and expertise together with passion and energy – our values of respect for one another drives our ways of working. Therefore, our people strategy is focused on energising and engaging everyone so we can grow and win together, as one team.



Focus in FY24

FY24 was a key year to connect and embed – this meant continuing to implement, embed and enhance our people programs in a connected way.

We evolved our development programs, going deeper to gain insights for our people so they can have more tailored and impactful development plans. As the company expanded into new markets, we accelerated learning and development experiences by promoting knowledge-sharing programs.

Through more connected insights, we have a clear view on the growth aspirations of our people, global succession plans, and future investment strategies.

Priorities in FY25

In FY25, our strategic focus will be to elevate our growth mindset. We recognise that we are all accountable for sharing knowledge and training others – embracing a “learn it all” rather than a “know it all” approach. Our focus is on continuous improvement, powered by AI across our global footprint. Growing in all aspects of industry knowledge, leadership, commercial acumen and technical skills. So that we can continue to deliver to our mission critical vision.

FY24 highlights

People development and growth

3D ID

This year saw the launch of our new approach to People Development – a bespoke product known as 3D ID, connecting our online development plans, 360° feedback on leadership styles and approaches, and a dashboard collating insights.

The 3D ID experience provides insights for an enriching development discussion enabling our people to gain insights into their development and create tailored action as a result.

Our people are at the core of our success, and with the application of 3D ID, we can understand personal growth aspirations, motivations and mobility for global development. This ensures our people expertise is fully utilised, continuously invested in, and always evolving.



India Calling

Our India Delivery Centre continued to grow this year, with Gentrackers from across the globe travelling to our centre in Pune, taking part in a global knowledge-sharing program: “India Calling”. This key development program leverages the knowledge and expertise of our global team while driving collaboration and shared learning experiences – fostering our One Team ethos.

Listen to understand

We continue to listen to understand our employee voice via our biannual engagement survey. Ensuring that each year we implement strategic responses to drive change in line with the engagement drivers of our people.

As an insight-led business, we prioritise action planning and implementation across the entire business. Our shared action plans within our engagement platform work alongside team engagement sessions such as the Quarterly Leadership Forum (QLF) which bring together leaders and key influencers to reflect on our performance, celebrate our achievements and align on strategic priorities.

Emerge & Evolve

Emerge & Evolve are our bespoke leadership and management programs that equip aspiring and existing leaders with the tools to grow and develop in their leadership career.

Offering tailored 12-month programs at two levels, participants gain an accreditation from the University of Melbourne or The Chartered Management Institute. Over 50 of our leaders achieved their accreditations this year, and 40 more globally have signed up for our next cohort. Leadership development is a purposeful investment by Gentrack, and we look forward to the first cohort in India participating in the program this year.

Our global expansion allows us to offer global career pathways, and this year we saw 10% of the population promoted with examples of our people relocating to new locations as a result.

The logo for 'Emerge & Evolve' is displayed on a light blue and purple curved background. The word 'emerge' is in a dark blue font, and 'evolve' is in a purple font, with a small ampersand between them. The letters 'e' in both words are stylized with a green leaf-like shape.

Reward and recognition

We believe in reinvesting our success in our people and continue to offer market-aligned compensation, motivating variable reward with performance bonuses available for all, and long-term incentive share programs offered to our top talent.

Through our peer-led recognition program, KUDOS, we continue to celebrate our individuals for their innovation, storytelling, excellence, collaboration and positivity – with over 5,000 moments of recognition celebrated this year.



Equity, Diversity and Inclusion

This year, we launched 'GenUine', our refreshed Equity, Diversity and Inclusion (EDI) strategy. Together, we are committed to continue to power up our diverse teams enabling an equitable and inclusive environment for all. We achieve this as one team via the power of Allyship.

Our EDI strategy is commercially driven, innovative, and intentionally simple in its design, with 4 key pathways:



Learning and Development: If you don't understand, you cannot be an Ally. There is a responsibility for all of us to learn, and GenUine provides opportunities for us to come together and deepen our EDI knowledge.



Global Programs: Our global strategic programs address different areas of focus within the EDI space over time, shaped by the voice of our people. These programs are designed globally and delivered locally.



Regional Initiatives: We recognise that it is not a one-size-fits-all approach for our diverse population. Our global teams leverage our Allyship and GenUine frameworks to create local, strategic EDI impacts through regional Employee Resource Groups (ERGs).



Finally, we have **Staying GenUine** – the voice of our people matters, and we believe in creating shared strategies. Our annual survey and communications platform provides opportunities for us to listen and ideate together as one diverse team.



Our culture is one where together, we enable our diverse teams to feel valued, included, and empowered to succeed. Together, we are GenUine. Our people remain at the heart and start of everything we do, ensuring a sustainable and successful organisation as a result. In the next section, we explore how their contributions positively impact another of our company values – **Respect for our Planet.**

The genUine logo features the word 'genUine' in a lowercase, sans-serif font. The 'u' is stylized with a rainbow gradient, and the 'i' has a dot with a rainbow gradient. The logo is set against a background of overlapping purple, yellow, and green shapes.

Our planet

Our commitment to respecting the planet is supported by our global sustainability strategy. Our strategy consists of four key pillars which reach across our people, partners and product.

Enable our people

We play to win: our commitment is serious

Our Global Sustainability Task Force (GSTF) will be empowered to drive our sustainability ambitions and support our local communities.



Develop & build cleantech

We believe in the power of cleantech

We will invest in and drive cleantech solutions for our customers and support our product strategy. We will strive to become the centre of excellence for sustainable innovation.



Power through partnerships

We cannot cross the finish line alone

We recognise the importance of our partners and the industry in achieving a net zero future. We will actively collaborate and partner in sustainability initiatives to achieve collective success.



Share our progress

We take accountability and show integrity

We will measure and report our carbon footprint, whilst actively taking steps to reduce emissions across our global enterprise. We aim to provide transparent, high-quality climate related disclosures.



Enable our people

Our Global Sustainability Task Force (GSTF) is a force multiplier, driving impactful action across the globe. Together, the teams have delivered over 32 sustainability-centric events globally. Aligned with their regional locations, we have seen a broad range of sustainable initiatives undertaken, from; direct support of an NGO in India, where our GSTF partnered with the Naam Foundation, through to beach clean-ups, carbon reduction initiatives and a successful campaign for the reduction of single use plastics in the UK, which received local government endorsement and the participation of 56 local businesses.



To amplify the power of our people globally we utilise our dedicated sustainability engagement platform, 'Giki', where individuals undertake personal challenges to reduce carbon emissions, cut down on plastics, and conserve water. Every small, sustainable action taken by our people, when multiplied across the group, creates tangible benefits for the planet.

We have taken our commitment to sustainability a step further by introducing a green incentive, through funding tree-planting initiatives. This direct investment in biodiversity aids reforestation efforts in regions such as Madagascar, Tanzania, Mozambique, and Ethiopia. These projects go beyond environmental impact; they support local farmers and communities by creating jobs and increasing social value. We are pleased to report that this year we funded 5,505 trees via Ecologi, our tree planting partner.



Power through partnerships

Our sustainability strategy recognises the importance of collaboration with our partners, customers and value chain. Partnering on thought leadership as well as undertaking shared change activities and joint ventures to optimise our impact.

Within our value chain globally and locally we have made significant progress in gathering data insights to understand the impact of our value chain as well as achieving meaningful change in waste reduction methods and associated impact on our carbon footprint.



Develop and build cleantech

To achieve our vision to accelerate the world towards a net zero future we have continued to provide technology leadership and products to enable our energy and water retailers to modernise.

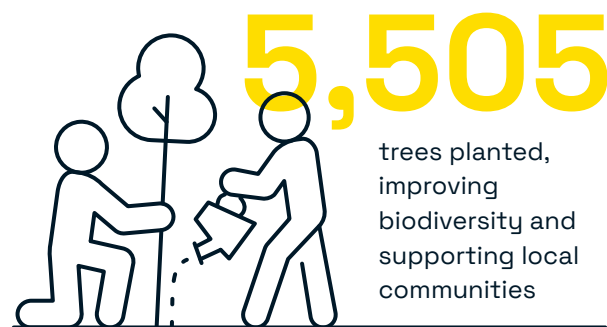
Our intent to be a leader in this space is further demonstrated by our investment in Amber – a technology company that enables customers to maximise their use of green energy and enhance the financial returns from their use of solar, batteries and electric vehicles.



Share our progress

This is our first year formally adopting the Aotearoa New Zealand Climate Standard and providing our inaugural Climate Related Disclosure (CRD) contained within this Annual Report (page 54). We are pleased to report that our Scope 1 and Scope 2 CO₂e emissions have been measured and reported in accordance with the Greenhouse Gas Reporting Protocol.

Our continued transition to renewables has accelerated significantly this year, with 80% of our operationally controlled sites now on renewable energy tariffs. We remain focussed on achieving 100% renewable energy across all our locations.





Gentrack Financial Statements

For the year ended 30 September 2024

Independent Auditor's Report

To the shareholders of Gentrack Group Limited - Report on the audit of the financial statements

Opinion

We have audited the financial statements of Gentrack Group Limited (the "Company") and its subsidiaries (together the "Group") on pages 27 to 43, which comprise the consolidated statement of financial position of the Group as at 30 September 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended of the Group, and the notes to the consolidated financial statements including material accounting policy information.

In our opinion, the consolidated financial statements on pages 27 to 43 present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2024 and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ernst & Young provides statutory filing services to Veovo A/S. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. We have no other relationship with, or interest in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Revenue recognition – software implementation

Why significant	How our audit addressed the key audit matter
The Group has reported revenues of \$213 million. Accounting for the portion of revenue related to software implementation projects of \$64 million requires consideration of the inherent complexities of software implementation projects and the use of estimation. As a result, we consider this a key audit matter. Where implementation projects run over more than one financial year, revenue for the year is recognised based on their stage of completion using the proportion of actual hours at the reporting date compared to management estimates for total forecast hours. Accurate recording of this revenue is highly dependent on: ▶ Detailed knowledge of individual characteristics of a contract, including its unique terms, knowledge of the software and expected length of time to complete contractual milestones; ▶ Ongoing adjustments to estimated hours to complete implementation taking into consideration changes in scope, estimated timing and project delays; and ▶ Changes to total expected project revenue for contract variation or additional billing for changes in scope or additional hours incurred. Disclosures in relation to the Group's revenue are included in note 3.2 to the consolidated financial statements.	In obtaining sufficient appropriate audit evidence, we: ▶ selected a sample of implementation projects focusing on projects that were in progress at balance date. For the projects selected, where relevant, we: ▶ assessed whether revenue recognised was consistent with contractual terms and NZ IFRS 15, including any allocations of contract revenue between initial license fee, design and implementation, and maintenance phases of the contracts; ▶ obtained the project status reports as at 30 September 2024 and considered whether the project manager had performed a review to ensure actual hours reflect work performed to date and forecast hours reflect current expectations; ▶ recalculated revenue to date based on actual hours incurred as a percentage of total forecast hours to ensure revenue was recognised in line with the project manager's estimate; and ▶ assessed the forecast hours to complete and project status through discussion with project managers and senior management, and challenged significant changes in total forecast hours post year end to understand if these should have been reflected in the forecast as of the year end ▶ assessed appropriateness of the deferred revenue balance at year end by reference to the percentage of completion of implementation projects; and ▶ considered the adequacy of the associated disclosures in the financial statements.

Information other than the financial statements and auditor's report

The directors of the Company are responsible for the annual report, which includes information other than the consolidated financial statements and auditor's report which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.

Directors' responsibilities for the financial statements

The directors are responsible, on behalf of the entity, for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

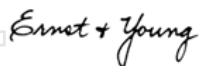
In preparing the consolidated financial statements, the directors are responsible for assessing on behalf of the entity the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>. This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Grant Taylor.



Chartered Accountants
Wellington
25 November 2024

DIRECTORS RESPONSIBILITY STATEMENT

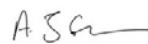
The Directors are required to prepare financial statements for each financial year that present fairly the financial position of Gentrack Group and its operations and cash flows for that period.

The Directors consider these financial statements have been prepared using accounting policies suitable to Gentrack Group's circumstances, which have been consistently applied and supported by reasonable judgements and estimates, and that all relevant financial reporting and accounting standards have been followed.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of Gentrack Group and to enable them to ensure that the financial statements comply with the Companies Act 1993. They are also responsible for safeguarding the assets of Gentrack Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors of Gentrack Group authorised these financial statements for issue on 25 November 2024.

For and on behalf of the Board of Directors:



Andy Green

Chairman
Date: 25 November 2024



Fiona Oliver

Director
Date: 25 November 2024



Financial Statements 30 September 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
	SECTION	NZ\$000	NZ\$000
Revenue	3.13.2	213,242	169,884
Expenditure	3.4	(189,657)	(146,692)
Profit before depreciation, amortisation, other income, financing, foreign exchange gain or loss and tax		23,585	23,192
Depreciation and amortisation	3.5	(8,993)	(8,451)
Profit before other income, financing, foreign exchange gain or loss and tax		14,592	14,741
Other Income	3.3	1,693	1,574
Foregin exchange gains/(losses)		36	(184)
Finance expense		(1,497)	(1,461)
Finance income		1,131	355
Share of loss of an associate	2.4	(1,339)	-
Profit before tax		14,616	15,025
Income tax expense	7.1	(5,070)	(4,979)
Profit attributable to the shareholders of the company		9,546	10,046
OTHER COMPREHENSIVE INCOME*			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Share of other comprehensive profit of an associate	2.4	252	-
Translation of international subsidiaries		3,417	5,056
Total comprehensive profit for the period		13,215	15,102
EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY (EXPRESSED IN DOLLARS PER SHARE)			
Basic earnings per share	6.4	\$0.09	\$0.10
Diluted earnings per share	6.4	\$0.08	\$0.10
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ISSUED			
Basic	6.4	103,112	99,983
Diluted	6.4	113,828	103,566

*Disclosure of excess income tax benefit on share-based payments is disclosed under Statement of Changes in Equity.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		2024	2023
	SECTION	NZ\$000	NZ\$000
CURRENT ASSETS			
Cash and cash equivalents	4.3	66,679	49,186
Trade and other receivables	5.1	44,434	37,789
Income tax receivable		167	123
Inventory	5.8	576	408
Total current assets		111,856	87,506
NON-CURRENT ASSETS			
Property, plant and equipment	5.5	2,898	3,092
Lease assets	9.1	12,823	12,637
Goodwill	5.2	111,955	109,420
Intangibles	5.4	21,510	26,311
Investment in an associate	2.4	11,801	-
Deferred tax assets	7.2	14,840	10,607
Total non-current assets		175,827	162,067
Total assets		287,683	249,573
CURRENT LIABILITIES			
Trade payables and accruals	5.6	11,933	8,591
Lease liabilities	9.1	2,738	2,287
Contract liabilities		17,056	13,622
GST payable		2,751	2,493
Employee entitlements	5.7	22,686	19,033
Income tax payable		1,626	2,748
Total current liabilities		58,790	48,774
NON-CURRENT LIABILITIES			
Lease liabilities	9.1	14,417	15,018
Employee entitlements	5.7	3,897	835
Deferred tax liabilities	7.2	2,776	3,530
Total non-current liabilities		21,090	19,383
Total liabilities		79,880	68,157
Net assets		207,803	181,416
EQUITY			
Share capital	6.1	200,698	196,031
Share-based payment reserve		11,738	6,187
Foreign currency translation reserve		9,382	5,965
Retained earnings		(14,015)	(26,767)
Total equity		207,803	181,416

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

For and on behalf of the Board who authorised these financial statements for issue on 25 November 2024.

ASG

Andy Green
Chair

Date: 25 November 2024

Fiona Oliver

Fiona Oliver
Director

Date: 25 November 2024

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2024

2024						
NZ\$ '000	SECTION	SHARE CAPITAL	SHARE BASED PAYMENT	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October		196,031	6,187	(26,767)	5,965	181,416
Profit attributable to the shareholders of the company		-	-	9,546	-	9,546
Other comprehensive income		-	-	252	3,417	3,669
Total comprehensive income for the period, net of tax		-	-	9,798	3,417	13,215
TRANSACTION WITH OWNERS						
Excess income tax benefit on share-based payments		-	-	2,954	-	2,954
Issue of share capital	6.1	4,667	(4,667)	-	-	-
Share-based payments	6.2	-	10,218	-	-	10,218
Balance at 30 September		200,698	11,738	(14,015)	9,382	207,803
2023						
NZ\$ '000	SECTION	SHARE CAPITAL	SHARE BASED PAYMENT	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October		194,009	2,877	(37,887)	909	159,908
Profit attributable to the shareholders of the company		-	-	10,046	-	10,046
Other comprehensive income		-	-	-	5,056	5,056
Total comprehensive income for the period, net of tax		-	-	10,046	5,056	15,102
TRANSACTION WITH OWNERS						
Excess income tax benefit on share-based payments		-	-	1,074	-	1,074
Issue of share capital	6.1	2,022	(2,022)	-	-	-
Share-based payments	6.2	-	5,332	-	-	5,332
Balance at 30 September		196,031	6,187	(26,767)	5,965	181,416

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
	SECTION	NZ\$'000	NZ\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		212,672	165,301
Payments to suppliers and employees		(171,654)	(137,647)
Income tax paid		(6,632)	(1,735)
Net cash inflow from operating activities		34,386	25,919
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	5.5	(1,087)	(1,958)
Investment in an associate	2.4	(12,888)	-
Net cash outflow from investing activities		(13,975)	(1,958)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for lease liabilities	9.1	(2,534)	(1,634)
Lease liability finance charge	9.1	(1,108)	(1,069)
Interest paid		(389)	(392)
Interest received		1,131	355
Net cash outflow from financing activities		(2,900)	(2,740)
Net increase in cash held		17,511	21,221
Foreign currency translation adjustment		(18)	578
Cash at beginning of the financial period		49,186	27,387
Closing cash and cash equivalents		66,679	49,186

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024



GENERAL INFORMATION



ACCOUNTING POLICIES



CRITICAL JUDGEMENTS



GENERAL INFORMATION

The notes are consolidated into nine sections. Each section contains an introduction and general information which is indicated by the symbol above. The layout of these financial statements has been streamlined to present them in a way that is more intuitive for readers to follow. This is achieved by laying out the accounting policies and critical judgements alongside the notes and focusing information in a way which provides increased clarity and ease of understanding.

The first section details general information about Gentrack Group and guidance on how to navigate through the financial statements.



ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out throughout the document where they are applicable. These policies have been consistently applied to all the years presented, unless otherwise stated.

Accounting policies are identified by this symbol above.



CRITICAL JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements and estimates on historical experience and on various other factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values for assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these critical judgements and estimates may be found throughout the financial statements as they are applicable and are identified by this symbol.

1. GENERAL INFORMATION

Gentrack Group Limited is a limited liability company, domiciled and incorporated in New Zealand and registered under the New Zealand Companies Act 1993. The registered office of the Gentrack Group Limited (Company) is 17 Hargreaves Street, St Marys Bay, Auckland 1011, New Zealand.

The financial statements presented are for Gentrack Group Limited (the parent) and its subsidiaries (Gentrack Group) for the year ended 30 September 2024. Prior year comparatives are for the year ended 30 September 2023.

The financial statements of Gentrack Group for the year ended 30 September 2024 were authorised for issue in accordance with a resolution of the directors on 25 November 2024.

Gentrack Group's principal activity is the development, integration, and support of enterprise billing and customer management software solutions for the utility (energy and water) and airport industries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES



This section outlines the legislation and accounting standards which have been followed in the preparation of the financial statements along with explaining how the information has been consolidated and presented.

2.1 KEY LEGISLATION AND ACCOUNTING STANDARDS

The financial statements of Gentrack Group have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards as appropriate to profit-oriented entities. The financial statements comply with International Financial Reporting Standards (IFRS).

Gentrack Group is a FMC entity for the purposes of the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013 and is listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX).

The financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013.

2.2 BASIS OF CONSOLIDATION

Subsidiaries are entities over which Gentrack Group has control. Gentrack Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. In assessing control, potential voting rights that currently are exercisable are considered. Subsidiaries are fully consolidated from the date that control is transferred to Gentrack Group. They are deconsolidated from the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by Gentrack Group.

Intra-group balances and any unrealised income and expenses arising from intra-group transactions, are fully eliminated in preparing the financial statements.

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of Gentrack Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in New Zealand dollars (NZD) which is Gentrack Group's presentation currency. All financial information has been presented rounded to the nearest thousand dollars (\$000) in the financial statements.

TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

FOREIGN CURRENCY TRANSLATION RESERVE (FCTR)

Gentrack Group translates the results of its foreign operations from their functional currencies to the presentation currency using the closing exchange rate at balance date for assets and liabilities and the average monthly exchange rates for income and expenses. The difference arising from the translation of the statement of financial position at the closing rates and the statement of comprehensive income at the average rates is recorded within the foreign currency translation reserve within the statement of changes in equity.

2.3 BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to Gentrack Group. Control is the exposure or right to variable returns from involvement with the entity and the ability to affect those returns through power over the entity.

Gentrack Group recognises the fair value of all identifiable assets, liabilities, and contingent liabilities of the acquired business. Goodwill is measured as the excess cost of the acquisition over the recognised assets and liabilities. When the excess is negative (negative goodwill), the amount is recognised immediately in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

2.3 BUSINESS COMBINATIONS (CONTINUED)

Gentrack Group has not made any acquisitions during the year ended 30 September 2024 or 2023. For details of acquisitions made in prior years refer to the 2018 Annual Report.

2.4 INVESTMENT IN ASSOCIATES

An associate is an entity over which Gentrack Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

On January 31, 2024, Gentrack Group finalised a subscription deed, obtaining a 10% stake in Amber Holding Corporation Pty Limited (Amber). Amber's primary business activities are software sales and energy retail. The Group has a seat on Amber's Board. According to NZ IAS 28 Investment in Associates, Gentrack's presence on Amber's Board signifies the existence of Gentrack's significant influence over Amber, leading Gentrack Group to use of the equity method of accounting for its interest in Amber in the consolidated financial statements.

Amber's financial year ends in June. To align with Gentrack Group's financial reporting, Amber's financial statements are adjusted to match the corresponding reporting period. The accounting policies of Amber are consistent with Gentrack Group's policies. As a result, no additional adjustments are required when recognising and measuring Gentrack Group's share of Amber's profit or loss after the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

2.5 GROUP INFORMATION

The financial statements include the following subsidiaries:

ENTITY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	SHAREHOLDING 2024	SHAREHOLDING 2023
Gentrack Group Australia Pty Limited	Holding company	Australia	100%	100%
Gentrack Pty Limited	Software sales and support	Australia	100%	100%
Veovo Holdings (Denmark) ApS	Holding company	Denmark	100%	100%
Veovo A/S (formally Blip Systems A/S)	Software development sales and support	Denmark	100%	100%
CA Plus Limited	Software development sales and support	Malta	100%	100%
Veovo Group Limited	Holding company	New Zealand	100%	100%
Gentrack Limited	Software development sales and support	New Zealand	100%	100%
Gentrack Holdings (UK) Limited	Holding company	United Kingdom	100%	100%
Gentrack UK Limited	Software development sales and support	United Kingdom	100%	100%
Junifer Systems Limited	Dormant	United Kingdom	100%	100%
Evolve Parent Limited	Holding company	United Kingdom	100%	100%
Evolve Analytics Limited	Dormant	United Kingdom	100%	100%
Gentrack Private Software Limited	Software development and support	India	100%	100%
Gentrack Information Systems Technology Company	Software sales and support	Kingdom of Saudi Arabia	100%	100%
Gentrack (Singapore) Pte Limited	Software sales and support	Singapore	100%	100%
Veovo Inc	Software sales and support	United State of America	100%	100%
Veovo NZ Limited	Software sales and support	New Zealand	100%	100%
Veovo UK Limited	Software sales and support	United Kingdom	100%	100%
Veovo IP Limited	Software development	New Zealand	100%	100%

In October 2024, Gentrack France SAS, a wholly owned subsidiary of Gentrack UK Limited, was incorporated to support the Gentrack Group in software development and sales initiatives.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

2.6 IMPACT OF STANDARDS ISSUED BUT NOT YET ADOPTED

The External Reporting Board has issued NZ IFRS 18 Presentation and Disclosure in Financial Statements, FRS 44 Disclosure of Fees for Audit Firms' Services, as well as amendments to existing international accounting standards. Gentrack Group will adopt NZ IFRS 18 and FRS 44 when mandatory and does not expect NZ IFRS 18 and FRS 44 to have a material impact on its financial statements.

There were no other new effective standards adopted on 1 October 2023 that had a material impact on the financial statements.

3. GROUP PERFORMANCE

This section outlines further details of Gentrack Group's financial performance by building on the information presented in the Statement of Comprehensive Income.

3.1 OPERATING SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments are aggregated for disclosure purposes where they have similar products and services, production processes, customers, distribution methods and regulatory environments.

Gentrack Group currently operates in two business segments, utility billing software and airport management software. Consistent with prior years, Gentrack Group's corporate costs are included in the utility segment. These segments have been determined based on the reports reviewed by the Board (Chief Operating Decision Maker) to make strategic decisions.

In the table below we split the revenues between point in time and over time recognition: Over time recognition is when the fulfilment of our obligation to provide goods and services and the customer's ability to obtain the benefit from that occurs continuously over a period of time. Point in time recognition is where that happens at a point in time. Revenue recognised over time include annual fees, support services and project revenues recognised over the stages of completion. Revenue recognised at a point in time includes the part of our managed services revenue which is recognised when the customer benefits have been confirmed and, within our airport segment (also referred to as the Veovo business) hardware sales included as part of the implementation of a project.

The assets and liabilities of Gentrack Group are reported to and reviewed by the Chief Operating Decision Maker in total and are not allocated by business segment. Therefore, operating segment assets and liabilities are not disclosed.

2024	UTILITY	AIRPORT	TOTAL
	NZ\$000	NZ\$000	NZ\$000
TIMING OF REVENUE RECOGNITION			
Point in time	29,025	6,799	35,824
Over time	152,285	25,133	177,418
Total revenue	181,310	31,932	213,242
Expenditure	(163,064)	(26,593)	(189,657)
Segment contribution (1)	18,246	5,339	23,585

2023	UTILITY	AIRPORT	TOTAL
	NZ\$000	NZ\$000	NZ\$000
TIMING OF REVENUE RECOGNITION			
Point in time	31,542	1,990	33,532
Over time	116,395	19,957	136,352
Total revenue	147,937	21,947	169,884
Expenditure	(128,403)	(18,289)	(146,692)
Segment contribution (1)	19,534	3,658	23,192

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

3.1 OPERATING SEGMENTS (CONTINUED)

(1) Segment contribution is defined as profit before depreciation, amortisation, other income, financing, foreign exchange gain or loss and tax.

A reconciliation of segment contribution to profit attributable to the shareholders of the company is as follows:

	2024	2023
	NZ\$000	NZ\$000
Segment contribution (1)	23,585	23,192
Depreciation and amortisation	(8,993)	(8,451)
Other Income	1,693	1,574
Foreign exchange gains/(losses)	36	(184)
Finance expense	(1,497)	(1,461)
Finance income	1,131	355
Share of loss of an associate	(1,339)	-
Income tax expense	(5,070)	(4,979)
Profit attributable to the shareholders of the company	9,546	10,046

	2024	2023
	NZ\$000	NZ\$000
REVENUE BY DOMICILE OF ENTITY		
Australia	51,388	39,543
New Zealand	34,617	19,824
United Kingdom	105,892	97,433
Rest of World	21,345	13,083
Total revenue	213,242	169,884
REVENUE BY DOMICILE OF CUSTOMER		
Australia	55,252	42,374
New Zealand	26,982	14,665
United Kingdom	98,763	95,128
Rest of World	32,245	17,717
Total revenue	213,242	169,884

In 2024, Gentrack Group generated \$24.6m from a single utility customer domiciled in the United Kingdom (2023: \$26.4m).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

3.2 OPERATING REVENUE



Gentrack Group recognises revenue from customers when the performance obligation has been accomplished. A performance obligation is accomplished when the customer has received all the benefits promised under the performance obligation. The following sections detail the type of revenue recognised within each category.



Revenue recognition involves certain revenue streams being recognised based on the stage of completion. This process uses estimations of time required to complete the project and is based on detailed information on hours worked to date, prior experience, and project scheduling tools. Gentrack Group employs project managers to provide regular information to management on the progress of all projects. All estimates are reviewed by management prior to revenue recognition.

Contract assets are initially recognised for revenue earned from services in progress and are reclassified to trade receivables on stage of completion. Contract assets are subject to impairment assessments.

Contract liabilities are recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract assets and contract liabilities typically are recognised as trade receivables and revenue (respectively) within a 12-month period.

ANNUAL FEES

Annual fees include software support and maintenance charged on software licenses and software subscriptions. Revenue from annual fees is generally recognised over the period the benefits are consumed by the customer.

SUPPORT SERVICES

Support services are post implementation value-add professional services related to ongoing upgrades, minor software revisions and extended support. Support services revenue is recognised when the service is complete or on a stage of completion basis.

LICENSES

Revenue from license fees is recognised when the customer can benefit from the licensed software. License fees that are highly interrelated with project services are recognised based on a stage of completion of the project.

PROJECT SERVICES

Revenue from project services is recognised based on the stage of completion of the project. This is typically in accordance with the achievement of contract milestones and/or hours expended and forecast hours to complete the project.

MANAGED SERVICES

Managed Services includes revenues where Gentrack uses its own software and expertise, on behalf of customers, to deliver either improvements in the energy reconciliation process or supporting customers with billing and operational back-office processes. Revenue is recognised when the service is complete or over the period that the benefits are consumed by the customer.

OTHER

Other revenue is primarily revenue from hardware and the recharge of ad-hoc costs that are recharged to customers. Revenue from hardware sales is recognised when the hardware has been delivered to the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

3.2 OPERATING REVENUE (CONTINUED)

	2024	2023
	NZ\$000	NZ\$000
OPERATING REVENUE:		
Annual fees	68,989	72,673
Support services	38,491	28,276
Project services	64,133	34,763
Licenses	4,757	490
Managed services	30,067	31,630
Other	6,805	2,052
Total operating revenue	213,242	169,884

3.3 OTHER INCOME

GOVERNMENT GRANTS



Government grants including certain types of credits receivable from tax authorities are recognised at their fair value where there is a reasonable assurance that the grant will be received, and Gentrack Group will comply with all attached conditions. When a grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Included as other income in the statement of comprehensive income during the financial year are amounts expected to be received from the UK tax authorities as a credit against UK corporation tax in the form of Research and Development Expenditure Credits (RDEC) to compensate for eligible research and development activities performed in the United Kingdom.

3.4 EXPENDITURE

The table below provides a detailed breakdown of the total expenditure presented in the statement of comprehensive income.

	2024	2023
	NZ\$000	NZ\$000
PROFIT / (LOSS) BEFORE TAX INCLUDES THE FOLLOWING SPECIFIC EXPENSES:		
Employee entitlements*	135,497	108,572
Administrative costs	7,851	6,567
Third party customer-related costs	21,304	9,897
Advertising and marketing*	2,255	2,634
Consulting and subcontracting*	16,097	13,801
Other operating expenses	6,653	5,221
Total expenditure	189,657	146,692

*We have reclassified some amounts within financial year 2023 to more appropriately reflect our expenditure. Employment entitlements and advertising & marketing are \$0.7m and \$0.2m lower respectively; and consulting and subcontracting is \$0.9m higher than previously disclosed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

3.4. EXPENDITURE (CONTINUED)

Included in the total expenditure above, Gentrack Group has expensed \$22.7m in Research and Development expenditure (2023: \$21.9m). This Research and Development expenditure includes payroll costs, employee benefits and other employee related costs, direct overheads, and other directly attributable costs related to performing Research and Development activities.

3.5 DEPRECIATION AND AMORTISATION

Depreciation on assets is calculated using the straight-line method to allocate the difference between their original costs and their residual values over their estimated useful lives.

Except for goodwill and brands, intangible assets are amortised on a straight-line over their estimated useful lives, from the date that they are available for use.

		2024	2023
		NZ\$000	NZ\$000
DEPRECIATION EXPENSE			
Depreciation on property plant and equipment		1,300	1,059
Depreciation on lease assets	9.1	2,183	1,793
		3,483	2,852
AMORTISATION EXPENSE			
Amortisation		5,510	5,599
		5,510	5,599
Total depreciation and amortisation		8,993	8,451

3.6. NET FINANCE EXPENSES

Finance income comprises interest income that are recognised in the Statement of Comprehensive Income. Interest income is recognised as it accrues, using the effective interest method.

Finance expense comprises interest expense on borrowings, lease liability finance charges, and impairment losses recognised on the financial assets (except for trade receivables) that are recognised in the statement of comprehensive income. All borrowing costs are recognised in the statement of comprehensive income using the effective interest method.

		2024	2023
	SECTION	NZ\$000	NZ\$000
FINANCE INCOME			
Interest income		1,131	355
		1,131	355
FINANCE EXPENSE			
Interest expense		(389)	(392)
Lease liability finance charges	9.1	(1,108)	(1,069)
		(1,497)	(1,461)
Net finance expense		(366)	(1,106)

4. CASH, BORROWINGS AND CASH FLOWS

This section outlines further from the statement of cashflows and provides details on the cash and cash equivalents held in the statement of financial position. Cash comprises cash at bank and short-term deposits.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

4.1 RECONCILIATION OF NET SURPLUS TO CASH FLOWS

		2024	2023
	SECTION	NZ\$000	NZ\$000
RECONCILIATION OF OPERATING CASH FLOWS WITH NET PROFIT AFTER TAX:			
Profit after tax		9,546	10,046
ADJUSTMENTS FOR NON-CASH ITEMS			
Deferred tax	7.2	(2,066)	(3,667)
Impairment provision - Trade receivables		(486)	(230)
(Gain)/Loss on foreign exchange transactions		(38)	184
Share based payments		10,218	5,209
Interest expense	3.6	389	392
Interest income	3.6	(1,131)	(355)
Lease liability finance charges	3.6	1,108	1,069
Depreciation and amortisation	3.5	8,993	8,451
Share of loss of an associate		1,339	-
Non-cash items		18,326	11,053
ADD/(DEDUCT) MOVEMENTS IN OTHER WORKING CAPITAL ITEMS:			
Increase in trade and other receivables		(5,308)	(7,373)
(Increase)/Decrease in tax payable		(1,189)	5,337
Increase/(Decrease) in GST payable		146	(283)
Increase in contract liabilities		3,340	1,206
Increase in employee entitlements		6,280	4,350
Increase in trade payables and accruals		3,245	1,583
Net working capital movements		6,514	4,820
Net cash inflow from operating activities		34,386	25,919

4.2 BANK FACILITIES AND BORROWINGS

Gentrack Group has a \$25 million multicurrency facility with Bank of New Zealand. This facility is to provide additional funding as required for acquisitions and general corporate purposes. The BNZ facility expires on 16 December 2024, at which time the Group intends to replace or extend this facility.

The facility is secured by a general security agreement under which the bank has a security interest in Gentrack Group assets. Covenants are in place and compliance is reported quarterly. At all times during the period Gentrack Group has met the covenant requirements.

At 30 September 2024 \$Nil (2023: \$Nil) of the facility has been drawn down.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

4.3. CASH AND CASH EQUIVALENTS



Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term and highly liquid investments with original maturities of three months or less.

	2024	2023
	NZ\$000	NZ\$000
Cash at banks	33,285	21,779
Short-term deposits	33,394	27,407
Total cash and cash equivalents	66,679	49,186

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of Gentrack Group, and earn interest at the respective short-term deposit rates.

5. ASSETS AND LIABILITIES



This section outlines further details of Gentrack Group's financial position by building on information presented in the statement of financial position.

5.1. TRADE AND OTHER RECEIVABLES



Gentrack Group recognises trade and other receivables initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment provision for trade receivables and contract assets consists of the expected credit loss in accordance with NZ IFRS 9 Financial Instruments and a specific provision.



The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on trade receivables and contract assets net of specific provisions applying lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A specific provision is established when there is forward looking evidence that Gentrack Group will not be able to collect all amounts due according to the original terms of the receivables. The carrying amount of an asset is reduced using provision accounts, and the amount of the loss is recognised in the profit and loss. When a receivable is uncollectible, it is written off against the specific impairment provision account. Subsequent recoveries of amounts previously written off are credited against the profit and loss.

	2024	2023
	NZ\$000	NZ\$000
Trade receivables	28,021	28,402
Impairment provision - Expected credit loss	(317)	(296)
Impairment provision - Specific provision	(967)	(3,264)
Provision for volume discounts*	(91)	(160)
Contract assets*	12,401	8,944
Sundry receivables and prepayments	5,387	4,162
Total trade and other receivables	44,434	37,789

*Financial year 2023 has been updated to separate contract assets related balance from volume discounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.1. TRADE AND OTHER RECEIVABLES (CONTINUED)

MOVEMENT IN TRADE RECEIVABLES IMPAIRMENT PROVISION

	2024	2023
	NZ\$000	NZ\$000
Opening balance	3,560	4,009
Increase in impairment provision	21	135
Amounts received	(443)	(699)
Effect of movement in foreign exchange	63	129
Bad debt written off	(1,917)	(14)
Total trade receivables impairment provision	1,284	3,560

Most of the impairment provision is reflective of B2C energy suppliers in the United Kingdom that went into administration during 2022 and 2021.

The expected credit loss provision for trade receivables has been measured using the same techniques as the prior year, determined as follows.

2024	CURRENT	1-60 DAYS PAST DUE	61-120 DAYS PAST DUE	121-180 DAYS PAST DUE	OVER 180 DAYS PAST DUE	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Gross carrying amount	18,624	7,423	921	5	1,047	28,021
Expected credit loss allowance	93	113	38	0	72	317

2023	CURRENT	1-60 DAYS PAST DUE	61-120 DAYS PAST DUE	121-180 DAYS PAST DUE	OVER 180 DAYS PAST DUE	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Gross carrying amount	21,824	2,415	953	-	3,211	28,402
Expected credit loss allowance	109	36	34	-	117	296

5.2. GOODWILL



Goodwill represents the difference between the cost of acquisition and the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units (CGU) and is not amortised but is tested annually for impairment.

	2024	2023
	NZ\$000	NZ\$000
Opening balance	109,420	106,240
Exchange rate differences	2,535	3,180
Net book value	111,955	109,420
Goodwill allocated to Utilities	109,055	106,520
Goodwill allocated to Veovo	2,900	2,900
Net book value	111,955	109,420

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.3 IMPAIRMENT TESTING

IMPAIRMENT TESTING OF GOODWILL AND OTHER ASSETS

At each reporting date, Gentrack Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, Gentrack Group makes a formal estimate of the recoverable amount. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell or the asset's value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments and the time value of money and the risks specific to the asset. Value in use is determined by discounting the future cash flows generated by each CGU. Cash flows were projected based on five-year business plans. Financial year 2024 Weighted Average Cost of Capital (WACC) is an average of the latest rates used by the analysts that cover Gentrack (2023 WACC was based on CAPM methodology using market specific inputs). The WACC for each CGU is reviewed at least annually.

Gentrack Group tests annually whether goodwill has suffered any impairment or more often as required, in accordance with the accounting policy stated above. The recoverable amounts of cash-generating units have been determined based on value in use calculations. In preparing the five-year forecasts, management has reviewed the assumptions and weighed up the information available at the time to ensure the forecasts are appropriate given the CGU's position and the prevailing market conditions. The WACC and terminal growth rates used in these calculations are set out in the table below:

CASH GENERATING UNIT	WACC 2024	Terminal Growth Rate 2024	WACC 2023	Terminal Growth Rate 2023
Utilities	9.8%	2.6%	10.2%	1.9%
Veovo	9.8%	2.6%	11.0%	1.9%

IMPAIRMENT TESTING RESULTS

The calculations confirmed there was no impairment of goodwill during the year for the Utilities or Veovo CGU's.

For the Utilities business the key assumption is the CAGR of revenue across the five-year period commencing 1st October 2024. Under management's projections this would need to drop below 0% for the recoverable amount to be less than the carrying value of the Utilities CGU. Management's projections, under all scenarios, project a CAGR comfortably above this and this compares to growth in revenue in FY24 for the Utilities business of 22.6% (2023: 36.7%).

For the Veovo business, the carrying value of the CGU is below the annual cashflow being generated by this business and so the assessment is not sensitive to changes in assumptions in management's projections.

Management believes that any reasonable possible change in the key assumptions for either CGU would not cause the carrying amount to exceed the recoverable amount.

5.4 INTANGIBLE ASSETS

CAPITALISED DEVELOPMENT

Costs that are directly associated with the development of software are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use.
- management intends to complete the software product and use or sell it.
- there is an ability to use or sell the software product.
- it can be demonstrated how the software product will generate probable future economic benefits.
- adequate technical, financial, and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.4 INTANGIBLE ASSETS (CONTINUED)

Software development costs that meet the above criteria are capitalised. Other development expenditure that does not meet the above criteria is recognised as an expense as incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Software development costs recognised as assets are amortised over their estimated useful lives.

BRANDS

Brands acquired are considered to have an indefinite useful life and are held at cost and are not amortised but are subject to an annual impairment test consistent with the methodology outlined for goodwill above.

OTHER INTANGIBLE ASSETS

Other intangible assets consist of internal use software, acquired source code, trade-marks, and customer relationships. They have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

AMORTISATION

Except for goodwill and brands, intangible assets are amortised on a straight-line basis in the statement of comprehensive income over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

- Acquired source code 10 years
- Internal use software 3 years
- Customer relationships 10 years
- Trademarks 4 years
- Capitalised development 5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. No changes were made to useful lives and residual values during financial year 2024. Acquired source code and internal use software are categorised as software in the below table.

2024	SOFTWARE	CUSTOMER RELATIONSHIP S	BRAND NAMES	TRADEMARK S	CAPITALISED DEVELOPMENT	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Opening balance	13,835	7,070	5,024	-	382	26,311
Amortisation	(3,415)	(1,725)	-	-	(370)	(5,510)
Movement in foreign exchange	468	239	-	-	2	709
Closing net book value	10,888	5,584	5,024	-	14	21,510
Cost	47,527	25,432	5,024	905	2,820	81,708
Accumulated amortisation	(36,639)	(19,848)	-	(905)	(2,806)	(60,198)
Net book value	10,888	5,584	5,024	-	14	21,510

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.4 INTANGIBLE ASSETS (CONTINUED)

2023	SOFTWARE	CUSTOMER RELATIONSHIPS	BRAND NAMES	TRADEMARKS	CAPITALISED DEVELOPMENTS	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Opening balance	16,379	8,350	5,024	122	923	30,797
Amortisation	(3,272)	(1,652)	-	(124)	(551)	(5,599)
Movement in foreign exchange	728	372	-	2	10	1,112
Closing net book value	13,835	7,070	5,024	-	382	26,311
Cost	46,305	24,815	5,024	874	2,774	79,792
Accumulated amortisation	(32,470)	(17,745)	-	(874)	(2,392)	(53,481)
Net book value	13,835	7,070	5,024	-	382	26,311

5.5 PROPERTY PLANT AND EQUIPMENT

In the statement of financial position property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on assets is calculated using the straight-line method to allocate the difference between their original costs and their residual values over their estimated useful lives, as follows:

- Furniture & equipment 7 years
- Computer equipment 3 to 7 years
- Leasehold improvements Term of lease

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised in the statement of comprehensive income.

2024	FURNITURE & EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENTS	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Opening balance	542	1,635	915	3,092
Additions	77	1,002	8	1,087
Depreciation	(89)	(1,090)	(121)	(1,300)
Disposal	(9)	(12)	(1)	(22)
Movement in foreign exchange	9	25	7	41
Net book value	530	1,560	808	2,898
Cost	1,227	5,001	1,424	7,652
Accumulated depreciation	(697)	(3,441)	(616)	(4,754)
Net book value	530	1,560	808	2,898

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.5 PROPERTY PLANT AND EQUIPMENT (CONTINUED)

2023	FURNITURE & EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENTS	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Opening balance	481	998	726	2,205
Additions	196	1,457	305	1,958
Depreciation	(6)	(941)	(112)	(1,059)
Transfer	(132)	132	-	-
Disposal	(7)	(14)	-	(21)
Movement in foreign exchange	10	3	(4)	9
Net book value	542	1,635	915	3,092
Cost	1,719	4,739	2,532	8,990
Accumulated depreciation	(1,177)	(3,104)	(1,617)	(5,898)
Net book value	542	1,635	915	3,092

5.6 TRADE PAYABLES AND ACCRUALS

Gentrack Group recognises trade and other payables initially at fair value and subsequently measured at amortised cost using the effective interest method. They represent liabilities for goods and services provided prior to the end of the financial year that are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 45 days of recognition.

	2024	2023
	NZ\$000	NZ\$000
Trade creditors	4,738	3,420
Sundry accruals	7,195	5,171
Total trade payables and accruals	11,933	8,591

5.7 EMPLOYEE ENTITLEMENTS

Liabilities for salaries and wages, including non-monetary benefits, payroll taxes, long service leave, and annual leave are recognised in employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Cost for non-accumulating sick leave is recognised when the leave is taken and measured at the rates paid or payable.

	2024	2023
	NZ\$000	NZ\$000
CURRENT		
Long service leave	629	669
Other short-term employee benefits	22,057	18,364
	22,686	19,033
NON-CURRENT		
Long service leave	1,104	835
Other employee benefits	2,793	-
	3,897	835
Total employee entitlements	26,583	19,868

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5.8 INVENTORY

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using a weighted average method and includes expenditure incurred to purchase the inventory and transport it to its current location. Net realisable value is the estimated selling price of the inventory in the ordinary course of business less costs necessary to make the sale. The cost of inventories consumed during the year are recognised as an expense and included in expenditure in the statement of comprehensive income.

6. CAPITAL STRUCTURE

This section outlines Gentrack Group's capital structure and details of share-based employee incentives which have an impact on Gentrack Group's equity.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Where any Gentrack Group company purchases the Company's equity share capital (treasury shares), the consideration paid is deducted from equity attributable to the Company's equity holders until the shares are transferred outside the Gentrack Group.

Ordinary shares are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company and rank equally with regard to the Company's residual assets.

6.1 CAPITAL MANAGEMENT

The capital structure of Gentrack Group consists of equity raised by the issue of ordinary shares in the parent company.

Gentrack Group manages its capital to ensure that companies in the Group can continue as a going concern. Gentrack Group is not subject to any externally imposed capital requirements.

	SHARES ISSUED		SHARE CAPITAL	
	2024	2023	2024	2023
	000	000	NZ\$000	NZ\$000
Ordinary Shares	101,798	100,480	196,031	194,009
Issue of new ordinary shares	1,692	1,318	4,667	2,022
	103,490	101,798	200,698	196,031

During 2024 1,667,850 performance rights (2023: 1,251,422) in relation to the Long Term Incentive Schemes vested, resulting in the same number of new shares being issued. Also 24,358 (2023: 68,737) shares were issued as part payment of Gentrack Group Directors fees.

6.2 SHARE-BASED PAYMENTS

Gentrack Group operates equity settled, share-based payments schemes under which it receives services from employees, as consideration for equity instruments of Gentrack Group. A valuation is completed for each scheme at the grant date to estimate the fair value of the performance rights granted. Management also makes estimates about the number of performance rights that are expected to vest which determines the expense recorded in the statement of comprehensive income.

The shared based payments were introduced to retain, attract, incentivise and align employees with shareholder and Company objectives.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

6.2 SHARE BASED PAYMENTS (CONTINUED)

Gentrack Group operated the follow three share schemes during the year:

- **Senior Leadership Long Term Incentive Scheme**
 - o At the Special Shareholders meeting, held on 9th October 2023, shareholders approved the issue of up to 9,437,000 performance rights in total for the Chief Executive Officer (CEO) and senior management under the Senior Leadership Long Term Incentive Scheme in respect of the financial years ending 30 September 2024, 2025, and 2026. These performance rights are subject to tenure and achieving both Earnings Per Share (EPS) and share price appreciation hurdles. The EPS hurdle is set at fixed rates for each vesting year and for the share price appreciation hurdle an incremental vesting scale applies for performance rights eligible to vest. Effective financial year 2024, for ease of reference, this new senior leadership scheme, the CEO and Senior Leadership performance rights granted after 1 October 2023, are categorised as the Executive Leadership LTI Scheme.
 - o For Senior Leadership Long Term Incentive grants made in prior years, performance rights are subject to a combination of tenure and the EPS hurdle, split evenly and that will vest after 18 months and three years respectively, dependent on achievement of the period of service and EPS performance hurdle.
- **Gentrack Long Term Incentive Scheme** - This scheme is for selected key employees who are not part of the senior leadership long term incentive scheme. The performance rights vesting under this scheme are subject to the participants continuing to be employed by Gentrack Group at the end of the vesting period.
- **CEO Long Term Incentive Scheme** - This scheme was introduced in 2020 for the CEO and the final grant under this scheme was made in October 2022. The 2021 and 2022 awards are yet to fully vest. The remaining performance rights under this scheme are subject to a combination of tenure and share price appreciation hurdles.

For accounting purposes, the fair valuation of the schemes are as follows:

- **Executive Leadership LTI Scheme** - under this grant a weighted estimate of the number of shares expected to vest is made based on the probability of each share price appreciation hurdle being met at each vesting date. These probabilities have been derived by considering the published guidance (available at the date each grant is awarded) of market analysts over Gentrack's share price and future growth. The weighted estimate assumes an 80% probability that the share price reached at vesting dates lies within the range created using this guidance. However, varying this assumption by 5% up or down does not significantly affect the accounting charge derived from this valuation model.
- **All other schemes** - the fair value of the performance rights is determined at the grant date using the Black Scholes valuation method.

The fair value of the performance rights is recorded as an expense in the profit or loss over the vesting period, based on Gentrack Group's estimate of the number of performance rights that will vest, with a corresponding entry to the share-based payment reserve within equity. During the year ended 30 September 2024 \$10.2m has been recognised in the profit or loss (2023: \$5.3m).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

6.2 SHARE BASED PAYMENTS (CONTINUED)

Below is the table of remaining outstanding performance rights at 30 September 2024.

GRANT DATE	VESTING DATE	TOTAL VALUE OF GRANTED PERFORMANCE RIGHTS	PERFORMANCE RIGHTS GRANTED
2024		NZ\$000	000
1 October 2021	Early December 2024	266	183
1 October 2022	Early December 2025	1,672	349
Total Senior Leadership LTI Schemes		1,938	532
1 October 2021	End of November 2024	282	161
1 October 2022	End of November 2024	1,055	309
1 October 2022	End of November 2025	1,055	309
1 October 2023	End of November 2024	863	129
1 October 2023	End of November 2025	863	129
1 October 2023	End of November 2026	863	129
Total Gentrack LTI Schemes		4,980	1,167
1 October 2021	31 October 2024	157	90
1 October 2021	End of November 2024	157	90
1 October 2022	31 October 2024	266	97
1 October 2022	Early December 2024	266	97
1 October 2022	31 October 2025	266	97
1 October 2022	Early December 2025	266	98
Total CEO LTI Schemes		1,378	570
1 October 2023	Early December 2024	4,812	3,191
1 October 2023	Early December 2025 and 2026*	7,925	Up to 5,256
Total Executive Leadership LTI Schemes		12,737	8,447
Total Performance Rights Outstanding		21,032	10,715

*The number of performance rights that will vest on each vesting date is dependent on meeting the performance hurdles and the share price at that date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

6.2 SHARE BASED PAYMENTS (CONTINUED)

GRANT DATE	VESTING DATE	TOTAL VALUE OF GRANTED PERFORMANCE RIGHTS	PERFORMANCE RIGHTS GRANTED
2023		NZ\$000	000
1 October 2020	End of November 2023	687	463
1 October 2021	Early December 2024*	266	183
1 October 2022	31 March 2024	1,672	349
1 October 2022	Early December 2025*	1,672	349
Total Senior Leadership LTI Schemes		4,297	1,344
1 October 2021	End of November 2023	282	161
1 October 2021	End of November 2024	282	161
1 October 2022	End of November 2023	1,107	325
1 October 2022	End of November 2024	1,107	325
1 October 2022	End of November 2025	1,107	324
Total Gentrack LTI Schemes		3,885	1,296
1 October 2021	31 October 2023	157	90
1 October 2021	End of November 2023	157	90
1 October 2021	31 October 2024	157	90
1 October 2021	End of November 2024*	157	90
1 October 2022	31 October 2023	266	97
1 October 2022	End of November 2023	266	97
1 October 2022	31 October 2024	266	97
1 October 2022	Early December 2024*	266	98
1 October 2022	31 October 2025	266	97
1 October 2022	Early December 2025*	266	98
Total CEO LTI Schemes		2,224	944
Total Performance Rights Outstanding		10,406	3,584

*The actual date will be dependent on the date of release of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

6.2 SHARE BASED PAYMENTS (CONTINUED)

PERFORMANCE RIGHTS MOVEMENTS

Below is a summary of all performance rights, granted, vested and forfeited across all the equity settled share-based payments schemes operated by Gentrack Group during 2024:

GRANT DATE	2024		2023	
	AVERAGE EXERCISE PRICE PER PERFORMANCE RIGHT	NUMBER OF PERFORMANCE RIGHTS	AVERAGE EXERCISE PRICE PER PERFORMANCE RIGHT	NUMBER OF PERFORMANCE RIGHTS
		000		000
As at 1 October	\$2.90	3,584	\$1.56	2,564
Granted during the year	\$5.32	8,858	\$3.68	2,395
Vested during the year	\$2.74	(1,668)	\$1.50	(1,251)
Forfeited during the year	\$4.88	(58)	\$4.42	(125)
As at 30 September	\$4.91	10,715	\$2.90	3,584

6.3 DIVIDENDS

During the financial year 2024, \$Nil dividends were paid (2023: \$Nil).

6.4 EARNINGS PER SHARE



Gentrack Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares on issue during the year, excluding shares purchased and held as treasury shares.

Diluted EPS is determined by adjusting the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares on issue for the effects of the dilutive impact of potential ordinary shares, which comprise performance share rights granted to employees.

Potential ordinary shares are treated as dilutive when, and only when, their conversion to ordinary shares would decrease EPS or increase the profit per share.

	2024	2023
Profit attributable to the shareholders of the company	9,546	10,046
Basic weighted average number of ordinary shares issued	103,112	99,983
Shares deemed to be issued for no consideration in respect of share-based payments	10,715	3,584
Weighted average number of shares used in diluted earnings per share	113,828	103,566
Basic earnings per share	\$0.09	\$0.10
Diluted earnings per share	\$0.08	\$0.10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7. TAX

7.1 INCOME TAX EXPENSE



In the statement of comprehensive income, the income tax expense comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax payable also includes any tax liability arising from the declaration of dividends.

	2024	2023
	NZ\$000	NZ\$000
INCOME TAX EXPENSE COMPRISES:		
Current tax expense	10,084	9,782
Deferred tax expense	(5,014)	(4,803)
Tax expense	5,070	4,979

RECONCILIATION OF INCOME TAX EXPENSE

The relationship between the expected income tax expense based on the domestic effective tax rate of Gentrack Group at 28% (2023: 28%) and the reported tax expense in the statement of comprehensive income can be reconciled as follows:

	2024	2023
	NZ\$000	NZ\$000
Profit before tax	14,616	15,025
Taxable income	14,616	15,025
Domestic tax rate for Gentrack Group	28%	28%
Expected tax expense	4,092	4,207
Non-assessable income	(1,597)	(428)
Non- deductible expense*	1,025	635
R&D tax credits	-	(85)
Recognition previously unrecognised losses	(306)	(848)
Tax losses for which no deferred tax was recognised	1,293	1,568
Difference in tax rates of overseas subsidiaries	223	(341)
Change in tax rates	-	(517)
Prior period adjustments	340	788
Actual tax expense	5,070	4,979

*Amortisation related to intangibles created on acquisition are non-deductible for tax purposes. The intangibles amortisation and related deferred tax are amortised over 10 years.

As at 30 September 2024 Gentrack Group has \$14.6m (2023: \$10.5m) of imputation credits available for use in subsequent reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7.2 DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by Gentrack Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different entities where there is an intention to settle the balance on a net basis.

Additional income tax expenses that arise from the distribution of cash dividends are recognised while the liability to pay the related dividend is recognised. Gentrack Group does not distribute non-cash assets as dividends to its shareholders.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefits will be realised.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Management applies judgement when reviewing current business plans and forecasts to ascertain the likelihood of future taxable profits.

The movement in temporary differences has been recognised in the statement of comprehensive income. Deferred tax has been recognised at a rate at which they are expected to be realised: 25% for United Kingdom entities, 28% for New Zealand entities, 30% for Australian entities, 22% for Denmark entities, 21% for US entities, 17% for Singapore entity and 25% for India.

Movement in temporary timing differences during the year:

	OPENING BALANCE	TEMPORARY MOVEMENT RECOGNISED	CURRENCY TRANSLATION	CLOSING BALANCE
	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Trade and other receivables	(1)	2	0	1
Intangible assets	(2,095)	1,282	(136)	(949)
Contract liabilities	1,237	(73)	18	1,182
Provisions for doubtful debts and sundry accruals	6,551	4,863	56	11,470
Losses carried forward	1,470	(982)	38	526
Other	(85)	(78)	(3)	(166)
Net deferred tax	7,077	5,014	(27)	12,064

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7.2 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

	OPENING BALANCE	TEMPORARY MOVEMENT RECOGNISED	CURRENCY TRANSLATION	CLOSING BALANCE
	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Trade and other receivables	(88)	81	6	(1)
Intangible assets	(2,811)	922	(206)	(2,095)
Contract liabilities	947	339	(49)	1,237
Provisions for doubtful debts and sundry accruals	3,578	2,875	98	6,551
Losses carried forward	897	723	(150)	1,470
Other	56	(137)	(4)	(85)
Net deferred tax	2,579	4,803	(305)	7,077

8. FINANCIAL RISK MANAGEMENT

Gentrack Group is exposed to credit risk, liquidity risk and market risks which include foreign currency risk, commodity price risk and interest risk. This section details each of these financial risks and how they are managed by Gentrack Group.

The Board of Directors has overall responsibility for the establishment and oversight of Gentrack Group's risk management framework. Gentrack Group's risk management policies are established to identify and analyse (amongst other risks) the financial risks faced by Gentrack Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Gentrack Group's activities.

8.1 CREDIT RISK

Credit risk is the risk of financial loss to Gentrack Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and it arises principally from Gentrack Group's trade receivables from customers in the normal course of business.

Gentrack Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit worthiness of a customer or counter party is determined by several qualitative and quantitative factors. Qualitative factors include external credit ratings (where available), payment history and strategic importance of customer or counter party. Quantitative factors include transaction size, net assets of customer or counter party, and ratio analysis on liquidity, cash flow and profitability.

In relation to trade receivables and contract assets, it is Gentrack Group's policy that all customers who wish to trade on terms are subject to credit verification on an ongoing basis with the intention of minimising bad debts. The nature of Gentrack Group's trade receivables is represented by regular turnover of product and billing of customers based on the contractual payment terms.

Gentrack Group has an impairment provision that represents its estimate of future incurred losses in respect of trade and other receivables. The impairment provision consists of the expected credit loss provision in accordance with NZ IFRS 9 and a specific doubtful debt provision is used where there is internal and external evidence that indicates a trade receivable is impaired.

The carrying amount of Gentrack Group's financial assets represents the maximum credit exposure as summarised in the table below:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8.1 CREDIT RISK (CONTINUED)

	2024		2023	
	GROSS	IMPAIRMENT PROVISION	GROSS	IMPAIRMENT PROVISION
	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Current*	31,025	(93)	30,876	(109)
Past due 1-60 days	7,423	(113)	2,415	(64)
Past due 61-120 days	921	(30)	845	(177)
Past due 121-180 days	6	(1)	-	-
Past due over 180 days	1,047	(1,047)	3,210	(3,210)
	40,422	(1,284)	37,346	(3,560)

*Current includes contract assets.

Gentrack Group's trade receivables and contract assets are not exposed to any significant credit exposure to any single counterparty or group of counterparties having similar characteristics. Trade receivables and contract assets consist of several customers in various geographical areas. Based on historic information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good. Sundry receivable and prepayments comprise of prepaid expenses and lease bonds that do not carry credit risk.

As at 30 September 2024 there are no significant concentrations of credit risk for financial assets designated as at amortised cost or at fair value. The carrying amount reflects Gentrack Group's maximum exposure to credit risk for these financial assets.

Judgement has been applied to the recovery of all trade receivables and contract assets, with management confirming that all carrying amounts are deemed to be recoverable and not impaired.

The credit risk for cash and cash equivalents is considered negligible since the counterparties are highly reputable financial intuitions with high quality external credit ratings.

8.2 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect Gentrack Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

FOREIGN CURRENCY RISK

Gentrack Group is exposed to currency risk on transactions that are denominated in a currency other than the functional currency of Gentrack Group (NZD), primarily the following currencies Australian Dollar (AUD), Pound Sterling (GBP), EURO (EUR), US Dollar (USD), Singaporean Dollars (SGD), Indian Rupees (INR), Saudi Arabia (SAR) and Danish Kroner (DKK). Trade in INR were not significant for disclosure.

Gentrack Group's exposure to foreign currency risk at the reporting date was as follows (all amounts are denominated in New Zealand Dollars):

	AUD	GBP	EUR	USD	DKK	SGD	SAR
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
2024							
Cash and cash equivalents	10,622	36,189	2,317	7,092	167	1,939	1,144
Trade and other receivables	6,602	27,281	-	-	972	2,160	3,349
Trade and other payables	(3,282)	(2,937)	(416)	(116)	(152)	(744)	-
Net exposure	13,942	60,533	1,901	6,976	987	3,355	4,494
2023							
Cash and cash equivalents	10,717	30,717	2,124	653	379	285	-
Trade and other receivables	4,028	24,912	-	1,606	614	1,559	-
Trade and other payables	(597)	(3,438)	(129)	(679)	(115)	(1,385)	-
Net exposure	14,148	52,191	1,995	1,580	878	459	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8.2 MARKET RISK (CONTINUED)

The following table summarises the sensitivity of other comprehensive income and equity with regards to Gentrack Group's financial assets and financial liabilities affected by AUD/NZD exchange rate, the GBP/NZD exchange rate, the EUR/NZD exchange rate, the USD/NZD exchange rate, and the DKK/NZD exchange rate with all other aspects being equal. It assumes a +/-10% change in the NZD to the currency exchange rate for the year ended 30 September 2024 (2023: 10%). These +/-10% sensitivities have been determined based on the average market volatility in exchange rates in the preceding 12 months.

	OTHER COMPREHENSIVE INCOME / EQUITY						
	AUD	GBP	EUR	USD	DKK	SGD	SAR
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$001	NZ\$002
2024							
10% strengthening in NZD	(1,267)	(5,503)	(173)	(634)	(90)	(305)	(409)
10% weakening in NZD	1,549	6,726	211	775	110	373	499
2023							
10% strengthening in NZD	(1,286)	(4,745)	(181)	(144)	(80)	(42)	-
10% weakening in NZD	1,572	5,799	222	176	98	51	-

Gentrack Group's exposure to foreign exchange rates varies during the year depending on the volume of foreign currency transactions. Even so, the analysis above is representative of Gentrack Group's exposure to market risk.

8.3 LIQUIDITY RISK

Liquidity risk is the risk that Gentrack Group will not be able to meet its financial obligations as and when they become due and payable. Gentrack Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they become due and payable, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Gentrack Group's reputation.

Gentrack Group has sufficient cash to meet its requirements in the foreseeable future.

The following table details Gentrack Group's contractual maturities of financial liabilities, as at the reporting date:

	ON DEMAND	LESS THAN 3 MONTHS	3 TO 12 MONTHS	1 TO 5 YEARS	>5 YEARS	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
2024						
Trade payables	-	4,738	-	-	-	4,738
Lease liabilities	-	951	2,854	14,018	2,868	20,691
	-	5,690	2,854	14,018	2,868	25,430
2023						
Trade payables	-	3,420	-	-	-	3,420
Lease liabilities	-	826	2,477	12,434	5,755	21,491
	-	4,245	2,477	12,434	5,755	24,911

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8.4 INTEREST RATE RISK

Gentrack Group's interest rate risk primarily arises from short term bank borrowing, cash, and advances from related parties. Borrowings and deposits at variable interest rates expose Gentrack Group to cash flow interest rate risk. Borrowings and deposits at fixed rates expose Gentrack Group to fair value interest rate risk.

The following tables detail the current interest rate of the interest-bearing financial assets and liabilities and interest rate repricing profile.

	FLOATING	FIXED UP TO 3 MONTHS	FIXED UP TO 6 MONTHS	FIXED UP TO 5 YEARS	TOTAL
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
ASSETS					
Cash on demand	33,285	-	-	-	33,285
Term deposit	-	33,394	-	-	33,394
Total exposure	33,285	33,394	-	-	66,679

	EFFECTIVE INTEREST RATE +1%	EFFECTIVE INTEREST RATE - 1%
	NZ\$000	NZ\$000
Cash on demand	336	(336)
Term deposit	337	(337)
Total exposure	674	(674)

8.5 FINANCIAL INSTRUMENTS

Gentrack Group's financial assets are measured at amortised cost. Gentrack Group's financial assets are held within a business model whose objective is to hold the financial asset to collect contractual cash flows and the financial asset gives rise to contractual cash flows on specified dates that are payments of principal and interest on the principal outstanding.

Gentrack Group's financial liabilities are measured at amortised cost.

Gentrack Group's financial assets and liabilities by category are summarised as follows:

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash at bank and on hand and the carrying amount is equivalent to fair value.

TRADE RECEIVABLES

These assets are short term in nature and are reviewed for impairment; the carrying value approximates their fair value.

TRADE PAYABLES

These liabilities are mainly short term in nature with the carrying value approximating the fair value.

FAIR VALUES

Gentrack Group's financial instruments that are measured after initial recognition at fair values are grouped into levels based on the degree to which their fair value is observable:

- Level 1 - fair value measurements derived from quoted prices in active markets for identical assets.
- Level 2 - fair value measurements derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - fair value measurements derived from valuation techniques that include inputs for the asset or liability which are not based on observable market data.

There have been no transfers between levels or changes in the valuation methods used to determine the fair value of Gentrack Group's financial instruments during the period. As at 30 September 2024 Gentrack Group has no level 3 financial instruments (2023: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8.5 FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL INSTRUMENTS BY CATEGORY

	2024	2023
	NZ\$000	NZ\$000
FINANCIAL ASSETS MEASURED AT AMORTISED COST		
Cash and cash equivalents	66,679	49,186
Trade receivables and contract assets	39,047	33,627
	105,726	82,813
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST		
Trade payables	(4,738)	(3,420)
Lease liabilities	(17,155)	(17,306)
	(21,894)	(20,725)

9. OTHER INFORMATION

9.1 LEASE ASSETS AND LEASE LIABILITIES

RECOGNITION AND MEASUREMENT OF GENTRACK GROUP LEASING ACTIVITIES

Gentrack Group predominantly leases property for fixed periods of 1-12 years and may have extension options. These extension options are usually at the discretion of Gentrack Group and are included in the measurement of the lease asset if management intends to exercise the extension. Lease terms are negotiated on an individual basis and contain a variety of terms and conditions. However, these lease agreements do not impose any covenants. Lease amendments relate to short-term lease extensions.

Leases are recognised as a right of use asset (lease asset) and a corresponding lease liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period. The lease asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Lease assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Key movements related to the lease assets and lease liabilities are presented below:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

9.1 LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)

LEASE ASSETS

	2024	2023
	NZ\$000	NZ\$000
Balance at 1 October	12,637	8,560
Additions	2,136	6,431
Terminations	-	(178)
Amendments	-	(316)
Depreciation charges	(2,183)	(1,793)
Exchange differences	233	(67)
Lease assets at 30 September	12,823	12,637
Property	12,823	12,637
Lease assets at 30 September	12,823	12,637

LEASE LIABILITIES

	2024	2023
	NZ\$000	NZ\$000
Balance at 1 October	17,306	13,082
Additions	2,136	6,431
Terminations	-	(196)
Amendments	-	(310)
Payments	(3,642)	(2,731)
Accretion of interest	1,108	1,069
Exchange differences	247	(39)
Lease liabilities at 30 September	17,155	17,306
Less than one year	2,738	2,287
One to five years	11,821	9,796
More than five years	2,596	5,223
Lease liabilities at 30 September	17,155	17,306

LEASE EXPENSES

	2024	2023
	NZ\$000	NZ\$000
Depreciation charges	2,183	1,793
Finance charges	1,108	1,069
Lease expenses	3,291	2,862

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

9.2 AUDITORS REMUNERATION

The table below sets out the amounts paid to Gentrack Group's auditors, EY, and non-EY auditors during the year ended 30 September 2024.

	2024	2023
	NZ\$000	NZ\$000
EY - audit fees	492	461
Non EY audit firm fees:		
- Audit fees	56	16
- Accounting advice and taxation & compliance services	69	53
Total fees paid to auditor(s)	617	530

9.3 KEY MANAGEMENT AND RELATED PARTIES

 Key management personnel are defined as those persons having authority and responsibility for planning, directing, and controlling the activities of Gentrack Group, directly or indirectly, and include the Directors, the Chief Executive, and their direct reports. The following table summarises remuneration paid to key management personnel.

	2024	2023
	NZ\$000	NZ\$000
Short-term employee benefits	7,332	8,065
Share-based payments	5,544	3,352
Directors fee	677	665
Remuneration paid to Key Management Personnel	13,553	12,082

Gentrack Group's Directors are also directors of other companies.

Some of the Directors and key management personnel are shareholders in Gentrack Group Limited. Gentrack Group does not transact with the Directors or key management personnel, and their related parties, other than in their capacity as Directors, consultants, and employees. Refer to note 2.4 for more information on other related parties.

9.4 OTHER DISCLOSURES

CAPITAL COMMITMENTS

There are no capital commitments at 30 September 2024 (2023: \$Nil).

CONTINGENCIES

BNZ has provided guarantees of \$0.4m (2023 \$0.7m guarantees were provided by BNZ and ASB New Zealand) on behalf of the Gentrack Group, these guarantees are in place for compliance, property leases and credit card programs.

EVENTS AFTER BALANCE DATE

There were no material events after balance date.

On 25 November 2024, the Gentrack Group Board determined that no final dividend will be paid out for the 2024 financial year (2023: nil).

Corporate governance

The Board recognises the importance of good corporate governance, particularly its role in delivering improved corporate performance and protecting the interests of all stakeholders.

The Board is responsible for establishing and implementing the Company's corporate governance frameworks and is committed to fulfilling this role in accordance with best practice while observing applicable laws, and NZX Corporate Governance guidance.

This section sets out the Company's commitment to good corporate governance and addresses the Company's compliance with the eight fundamental principles of the NZX Corporate Governance Code, 1 April 2023 edition (NZX Code). The Company considers that it has been in compliance with the recommendations of the NZX Code during the FY24 financial year.

The Company's Constitution, the Charters and most of the policies referred to in this Corporate Governance Statement are available on the Company's website www.gentrack.com ("Company Website") in the Governance and Charters section of the Investor Centre.

This corporate governance statement is current as at 20 December 2024 and has been approved by the Board.

PRINCIPLE 1 – ETHICAL STANDARDS

Directors should set high standards of ethical behaviour, model this behaviour, and hold management accountable for these standards being followed throughout the organisation.

The Board maintains high standards of ethical conduct and the Chief Executive Officer is responsible for ensuring that high standards of conduct are maintained by all staff and for managing any breaches of these standards. The Board has adopted a "Code of Ethics", a copy of which is available in the Investor Centre section of the Company's website. New employees are familiarised with the Company's standards for conduct on commencing work with the Company and when any material changes are made to the policy.

The Board is the overall and final body responsible for all decision making within the Company, with the core objective of representing and promoting the interests of shareholders by adding long-term value to the Company.

The Company has a Share Trading Policy for the approval of all share purchases and sales by key management personnel, and Directors. A copy of this policy is available in the Investor Centre section of the Company's website.

The Company undertakes appropriate checks of prospective Directors prior to putting forward a candidate for election and provides material information in its possession relevant to such a decision to security holders.

PRINCIPLE 2 – BOARD COMPOSITION & PERFORMANCE

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.

BOARD CHARTER

This describes the Board's role and responsibilities and regulates internal Board procedures; a copy of this document is available in the Investor Centre section on the Company's website.

The Board directs, and supervises the management of the business affairs of the Company including, in particular:

- ensuring that the Company's goals are clearly established, and that strategies and resources are in place for achieving them;
- ensuring that there is an ongoing review of performance against the Company's strategic objectives;
- approving transactions relating to acquisitions and divestments and capital expenditure above delegated authority limits;
- ensuring that there is an ongoing assessment of business risks and that there are appropriate control and accountability systems in place to manage them;
- monitoring the performance of management and overseeing company-wide remuneration, employment and health and safety practices;
- appointing the Chief Executive Officer, setting the terms of their employment and, where necessary, terminating their employment;
- approving and monitoring the Company's financial and other reporting and ensuring the Company's financial statements represent a true and fair view; and
- setting the dividend policy.

NOMINATION AND APPOINTMENT

The procedures for the appointment and removal of Directors are ultimately governed by the Company's Constitution. The Board has established a People and Culture Committee whose role is to, amongst other things, identify and recommend to the Board individuals for nomination as members of the Board and its Committees, taking into account such factors as it deems appropriate, including experience, qualifications, judgement and the ability to work with other Directors.

COMPOSITION OF BOARD

As at 30 September 2024 the Board comprised six Directors, as follows:

DIRECTOR	APPOINTMENT DATE
Andy Green (Non-executive Chair)	2 November 2020
Stewart Sherriff (Non-executive Director)	5 October 2020
Gary Miles (Managing Director)	1 October 2020
Fiona Oliver (Non-executive Director)	26 February 2019
Darc Rasmussen (Non-executive Director)	12 December 2019
Gillian Watson (Non-executive Director)	1 June 2024

Since the date of appointment, Directors have been re-appointed at Annual Meetings when retiring by rotation as required.

Nick Luckock ceased to hold office on 28 February 2024, during the accounting period. Following Nick Luckock's resignation, the Board composition was reviewed and Gillian Watson, a female Board member, was appointed to the Board on 1 June 2024.

Profiles of each current Director are available in the Investor Centre section on the Company's website. The Company has written agreements with each Board member establishing the terms of their appointment.

DELEGATION

To enhance efficiency, the Board has delegated some of its powers to Board Committees and other powers to the Chief Executive Officer. The terms of the delegation by the Board to the Chief Executive Officer are documented in the Board Charter and more clearly set out in the Company's Delegated Authority Framework. This framework also establishes the authority levels for decision-making within the Company's management team.

DIRECTOR INDEPENDENCE

The Board Charter requires that at least 50% of Directors be "independent". The Board takes into account the guidance provided under the NZX Listing Rules in determining the independence of Directors.

The Board will review any determination it makes as to a Director's independence on becoming aware of any information that may have an impact on the independence of the Director. For this purpose, Directors are required to ensure that they immediately advise the Board of any relevant new or changed relationships to enable the Board to consider and determine the materiality of the relationships.

The Board considers that Andy Green, Stewart Sherriff, Fiona Oliver, Darc Rasmussen and Gillian Watson are independent Directors in that they are not executives of the Company and do not have a direct or indirect interest or relationship that could reasonably influence (or be perceived to influence), in a material way, their decisions in relation to the Company. None of the factors set out in the NZX Corporate Governance Code that may cause a Board to determine that a director is not independent apply to these Directors.

Gary Miles is the Chief Executive Officer of the Company and is not considered to be an independent director.

SELECTION AND ROLE OF CHAIR

The Chair of the Board is elected by the non-executive Directors. The Board supports the separation of the role of Chair and Chief Executive Officer. The Chair's role is to manage the Board effectively, to provide leadership to the Board, and to facilitate the Board's relationship with the Chief Executive Officer.

Andy Green was appointed by the Board as Chair on 2 November 2020. As noted above, Andy Green is an independent Director. Andy brings transformation and technology leadership to the role of the Company Chair. In 2020 he was awarded Commander of the British Empire (CBE) for his contributions to the Information Technology and British Space Industries. His passion to transform the industry to support sustainable water and energy resources is further demonstrated by his roles as the Chair of WaterAid UK and as a UK National Infrastructure Commissioner. Andy spends his time in both Australia and the UK which contributes both a local presence and global perspective to the Company's customers and shareholders.

DIVERSITY AND INCLUSION POLICY

The Company continues to promote all forms of diversity with a Diversity and Inclusion policy that is available in the Investor Centre on the Company's website and a Company strategy focused on promoting diversity, ensuring equity and fostering inclusion. The Company recognises that building a diverse and inclusive workplace culture will result in enhanced relationships with stakeholders, better customer service, improved financial performance and a stronger corporate reputation.

A global Equity, Diversity and Inclusion survey was carried out in February 2024 to collect demographics of the Company internationally and capture people's current sentiment toward the Company culture to inform a strategic response. Details of our approach can be found in the People section on page 19 of this Annual Report. The Board considers that for the year ended 30 September 2024, the objectives for achieving diversity have been met.

At 30 September 2024, the gender breakdown for the Company (and its wholly owned subsidiaries) was as follows:

	BOARD	SENIOR EXECUTIVES	ALL EMPLOYEES
FY24			
Female	2	1	243
Male	4	10	539
Non-Binary	-	-	-
% Female	33%	9%	31%
FY23			
Female	1	1	217
Male	5	9	530
Non-Binary	-	-	1
% Female	17%	10%	29%

These figures include permanent full-time, permanent part-time and fixed-term employees, but not independent contractors or consultants. A Senior Executive is defined as an employee who reports directly to the Chief Executive Officer. The Company recruits for predominantly technology roles.

DIRECTOR EDUCATION

All Directors are responsible for ensuring they remain current in understanding their duties as Directors. The Board encourages Directors to undertake appropriate training to enable them to remain current on how best to discharge their responsibilities and keep up to date on changes and trends in areas relevant to their work. Directors are provided with industry information and receive copies of appropriate Company documents to enable them to perform their role. In addition, briefings from senior management and key advisors to the Company are arranged for Directors.

RETIREMENT AND RE-ELECTION

The Board acknowledges and observes the relevant Director rotation/retirement rules under the NZX Listing Rules.

DIRECTORS' SHARE OWNERSHIP

The table of Directors' shareholdings is included in the Disclosures section of this Annual Report.

INDEMNITIES AND INSURANCE

Deeds of Indemnity have been granted by the Company in favour of the Directors in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as Directors.

The Directors' and Officers' Liability insurance covers risks normally covered by such policies arising out of acts or omissions of Directors and employees in their capacity as such.

BOARD MEETINGS

The Board has a standard schedule which includes a minimum of six meetings per annum. In addition, other Board meetings are held as needed to deal with specific matters such as acquisition-related activity. In the year ended 30 September 2024 there were nine Board meetings in total. There were also separate meetings of the Board Committees. Directors receive detailed information in Board papers to facilitate decision making. At each meeting the Board considers key financial and operational information as well as matters of strategic importance.

Executives regularly attend Board meetings and are also available to be contacted by Directors between meetings. Directors who are not members of the Committees are invited to attend all meetings of the Committees.

	BOARD		AUDIT AND RISK COMMITTEE		PEOPLE AND CULTURE COMMITTEE	
DIRECTOR	NO. OF MEETINGS	NO. ATTENDED	NO. OF MEETINGS	NO. ATTENDED	NO. OF MEETINGS	NO. ATTENDED
Andy Green	9	9	6	6	4	4
Fiona Oliver	9	9	6	6	4	4
Darc Rasmussen	9	9	6	6	-	4
Stewart Sherriff	9	9	-	-	4	4
Gillian Watson ¹	4	4	-	1	1	1
Gary Miles	9	9	-	-	-	2
Nick Luckock ²	3	3	-	-	-	-

Attendance at Committee meetings of Directors who are not Committee members is included in the table above. Membership of the Board Committees is set out below.

The Board has a broad range of skills and expertise necessary to meet its objectives and adequately discharge its responsibilities. Using a Board skills matrix, the Board has determined that to operate effectively and to meet its responsibilities it particularly requires competencies in the following areas: industry knowledge, technology and digital, software, cloud, online and operating platforms, customer focus, strategy and development, financial acumen, risk, governance, environmental and social, people and culture, and executive leadership. The Board skills matrix is set out opposite.

GENTRACK GROUP BOARD SKILLS MATRIX

Andy Green
Chair

Fiona Oliver
Non-Executive Director

Darc Rasmussen
Non-Executive Director

Stewart Sherriff
Non-Executive Director

Gary Miles
CEO

Gillian Watson
Non-Executive Director

Highly Competent - Extensive experience, including serving as a key resource and advising others

Competent - Complete understanding and experience in practical application

Aware - Fundamental understanding and knowledge



Industry knowledge

Experience working in the utilities and/or airport software industries with knowledge of relevant markets, economic drivers and global business perspectives



Technology and digital

Experience in developing or overseeing the development and application of technology in large and complex businesses, with reference to technology, innovation, digital transformation and customer experience



Software, cloud, online and operating platforms

Expertise and experience in the development and delivery of software and digital solutions through managed services and cloud and/or online platforms



Customer focus

Experience in developing and overseeing the embedding of a strong customer-focused culture in large and complex organisations, and a demonstrable commitment to achieving customer outcomes



Strategy and development

Expertise in corporate strategy, defining strategic objectives and developing businesses, including experience in strategic reviews, M&A and strategic partnerships



Financial acumen

Highly proficient in financial accounting and reporting for public companies, experience in capital markets and investor relations



Risk

Experience in anticipating, recognising and managing risks, including financial, non-financial and emerging risks, and monitoring risk management frameworks and controls



Governance

Experience as a Director of a listed entity, with knowledge of governance issues, with reference to applicable legal, compliance, regulatory and voluntary frameworks



Environmental and social

Experience in understanding and identifying potential risks and opportunities arising from environmental and social issues, including human rights and climate related reporting



People and culture

Experience in workplace health and safety, cultures, morale, inclusion and diversity, management development, succession, workforce planning, remuneration and talent retention initiative



Executive leadership

Experience in a CEO or similar senior leadership role in an organisation of significant size or complexity



BOARD ACCESS TO INFORMATION AND ADVICE

The Company Secretary is responsible for supporting the effectiveness of the Board by ensuring that policies and procedures are followed and co-ordinating the completion and dispatch of the Board agendas and papers.

All Directors have access to the senior management team to discuss issues or obtain information on specific areas in relation to items to be considered at Board meetings or other areas as they consider appropriate. Further, Directors have unrestricted access to Group records and information.

The Board, the Board Committees and each Director have the right, subject to the approval of the Chair, to seek independent professional advice at the Company's expense to assist them to carry out their responsibilities. Further, the Board and Board Committees have the authority to secure the attendance at meetings of external advisers with relevant experience and expertise.

CONFLICTS OF INTEREST

The Board Charter outlines the Board's policy on conflicts of interest. Where conflicts of interest do exist, Directors excuse themselves from discussions and do not exercise their right to vote in respect of such matters.

PERFORMANCE REVIEW

The last formal review of the Board's performance was undertaken in September 2021. It is intended that a Board evaluation will be carried out in the next financial year.

PRINCIPLE 3 – BOARD COMMITTEES

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

BOARD COMMITTEES

The Board has established two Committees: the Audit and Risk Committee, and the People and Culture Committee. The Charters of each Committee are in the Investor Centre section of the Company's website.

The membership of each Committee at 30 September 2024 was:

1. Audit and Risk Committee – Fiona Oliver (Chair), Andy Green (ex-officio), Darc Rasmussen
2. People and Culture Committee – Fiona Oliver (Chair), Gillian Watson, Andy Green (ex-officio), Stewart Sherriff.

All of the members of the above committees are independent directors. Management and other employees attend Committee meetings at the invitation of the respective committee. The CFO is regularly invited to attend Audit and Risk Committee meetings. The CPO is regularly invited to attend People and Culture Committee meetings.

For further details on the functions of the Audit and Risk Committee please refer to "Principle 7". For further details on the functions of the People and Culture Committee please refer to "Principle 2" and "Principle 5".

The Board updated the Company's Takeover Response Manual in 2024. The Takeover Response Manual has been prepared for the Company by external advisers and has been accepted by the Board. The manual outlines the procedures to follow in the event the Company receives an unsolicited takeover offer or approach by a potential acquirer and is designed to ensure the Company manages any takeover offer or approach in accordance with applicable laws.

PRINCIPLE 4 – REPORTING & DISCLOSURE

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

The Company is committed to maintaining a fully informed market through effective communication with the NZX and ASX, the Company's shareholders, analysts, media and other interested parties. The Company provides all stakeholders with equal and timely access to material information that is accurate, balanced, meaningful and consistent.

The Board has adopted a Market Disclosure Policy and a Shareholder Communications Policy, copies of which are available in the Investor Centre section on the Company's website. The Policies have been communicated internally to ensure that they are strictly adhered to by the Board and the Company's employees. The Company has been listed on the NZX Main Board and the ASX since 25 June 2014 and has at all times complied with its continuous disclosure obligations.

Directors consider at each Board meeting whether there is any material information which should be disclosed to the market.

The "Code of Ethics", Board Committee Charters and other key governance documents are available in the Investor Centre section of the Company's website.

The Company is a climate-reporting entity under the Financial Markets Conduct Act 2013. The financial year ending 30 September 2024 is Gentrack's first reporting period under the Climate-Related Disclosures regime and is included in this report at page 54.

PRINCIPLE 5 – REMUNERATION

The remuneration of Directors and executives should be transparent, fair and reasonable.

The Board has a People and Culture Committee, comprising Gillian Watson (Chair), Fiona Oliver, Andy Green (ex-officio), and Stewart Sherriff. Gillian Watson has taken over the role of Chair of the People and Culture Committee from Fiona Oliver from 1 October 2024. Fiona Oliver remains a member of this Committee. One of this Committee's principal functions is to oversee the remuneration strategies and policies of the Company. The People and Culture Committee is governed by a formal charter, a copy of which is available in the Investor Centre section on the Company's website.

The Remuneration Policy Statement is available in the Investor Centre section of the Company's website.

DIRECTOR REMUNERATION

The Company distinguishes the structure of non-executive Directors' remuneration from that of executive Directors. Total Directors' fees are currently set at a maximum of \$800,000 per annum for the non-executive Directors. The actual amount of fees paid in the past year was \$684,132.

CEO REMUNERATION

Gary Miles' salary is structured as follows:

Fixed Base Salary

For FY24 Gary has a Fixed Base Salary of GBP£403,000 per annum (FY23 GBP£403,000 per annum), exclusive of pension contributions of 4% of base salary and reviewable at the Board's discretion annually after the release of the full year results.

Annual Incentive Plan

On target performance is eligible for an annual incentive payment of 100% of the fixed base salary. The actual annual incentive payment (if any) is determined at the discretion of the Board after assessing the performance of the Company and the performance of the CEO against performance targets and priorities agreed annually. For FY24, those performance targets were based on a score card of measures incorporating financial performance against budget (60% of score card); employee engagement and employee turnover (20% of score card); number of new customer wins (10% of score card) and technology strategy (10% of score card). His short-term incentive payment for FY24 was GBP£413,000 (FY23 GBP£423,150).

Long Term Incentive

The CEO's remuneration package includes the issue of performance rights that were approved at the Annual Meeting in February 2021 and amended at the Annual Meeting in February 2023:

- an initial grant of 500,000 performance rights of which half vested immediately on the start of Gary's employment and the other half of which vested on 1 October 2021. The vesting of this initial grant of performance rights was not subject to vesting conditions or performance hurdles.
- an annual grant of performance rights commencing in October 2020 that is calculated and vests in accordance with the following:
 - number of performance rights = Z/Y
 - "Z" = Gary's annual base pay, including pension contribution, converted into NZD and multiplied by 120%; and
 - "Y" = the volume weighted average price of Gentrack's shares over the 10-day trading period ending on the last trading day immediately prior to the annual grant
- The first annual grant of performance rights vested on 1st October 2021 in accordance with the agreed criteria
- Subsequent annual performance rights vest one third each year over three years with half of rights eligible to vest each year subject to Gentrack Group achieving certain performance hurdles and the other half of rights eligible to vest doing so without reference to performance hurdles. The performance hurdles for the grant on 31st October 2021 are based on the compound annual growth rate of Gentrack's earnings per share as follows:
 - below 7%, no performance rights subject to performance hurdles will vest;
 - equal to 7%, 50% of performance rights subject to performance hurdles will vest;
 - equal to or above 12%, all performance rights subject to performance hurdles will vest; and
 - between 7% and 12% performance rights will vest on a straight-line basis between 50% and 100%;
- The performance hurdle for the grant on 31st October 2022 is based on share price appreciation:
 - below 7% no performance rights subject to performance hurdles will vest;
 - equal to 7% 50% of performance rights subject to performance hurdles will vest;
 - equal to or above 10%, all performance rights subject to performance hurdles will vest; and
 - between 7% and 10% performance, the percentage of performance rights to vest will be calculated on a straight-line basis.

Senior Leadership Long Term Incentive Scheme

In addition, in FY24, Gary was granted 2,454,000 performance rights under the Senior Leadership Long Term Incentive scheme that was approved by shareholders at a special meeting in October 2023. Of these performance rights, 926,892 vested in December 2024 in respect of FY24.

An aggregate of up to 9,437,000 performance rights can be issued to Gary and other members of the senior management team selected by the Board in respect of the financial years ending 30 September 2024, 30 September 2025 and 30 September 2026.

The details of the scheme can be reviewed in the Notice of Meeting from October 2023 in the Investor Centre section of the Gentrack website. The key terms include:

- there are three potential vesting dates on which the performance rights may vest, depending on whether applicable performance hurdles have been met. The potential vesting dates will be shortly after the release of Gentrack's audited financial statements for the financial years ending 30 September 2024, 30 September 2025 and 30 September 2026;
- the performance hurdles required to be met at each vesting date are an EPS hurdle for the respective financial year immediately prior to the vesting date, a share price appreciation hurdle and continued employment with Gentrack;
- the EPS hurdle must be met for any performance rights to vest at the relevant vesting date (if that does not occur, it will not matter that the share price appreciation hurdle has been met). The EPS hurdle is a defined number for each of the financial years ending 30 September 2024, 30 September 2025 and 30 September 2026.

The EPS hurdles for the respective financial years are as set out below:

- NZ\$0.16 in respect of the financial year ending 30 September 2024;
- NZ\$0.19 in respect of the financial year ending 30 September 2025; and
- NZ\$0.22 in respect of the financial year ending 30 September 2026.

For these purposes EPS is that reported in Gentrack's audited financial statements for the relevant financial year with adjustments made to Net Profit After Tax to reflect:

- expensing amounts capitalised in the year (if any) in respect of research and development;
- adding back any amortisation of intangible assets;
- adding back the (non-cash) accounting charge for share based payments; and
- adjusting for the tax or deferred tax impact on the items set out above.

Where shares have been issued following vesting of the performance rights, issued in this tranche, or vesting is expected in respect of those performance rights, those shares are also excluded from the calculation of EPS in respect of this hurdle.

Provided that the EPS hurdle is satisfied at the relevant vesting date, the share price appreciation hurdle determines how many (if any) performance rights will vest at the relevant vesting date and in respect of the second and third vesting dates (if applicable), this takes into account any performance rights that have vested at the preceding vesting date(s).

The share price used to assess the share price appreciation hurdle is to be calculated as the volume weighted average price of Gentrack's shares as quoted on the NZX Main Board and the ASX (including both on-market and off-market trades) over the ten trading days immediately following the release of Gentrack's audited financial statements for the financial year immediately prior to the relevant vesting date ("VWAP share price").

An incremental vesting scale applies should the VWAP share price used to assess the share price appreciation hurdle be between NZ\$5.00 and NZ\$10.00 with respect to a vesting date. Irrespective of the VWAP share price on the first vesting date, no more than 3,565,000 performance rights may vest on the first vesting date. When assessing how many (if any) performance rights will vest at the VWAP share price on the second and third vesting dates, any performance rights that have vested on a previous vesting date would be deducted from the number of performance rights to vest on that vesting date.

Except to the extent that additional shares are required to be sold to satisfy a participant's tax liability, participants must retain at least 50% of the Gentrack shares issued to them for 12 months following the relevant vesting date.

EXECUTIVE REMUNERATION

The Executive remuneration policy consists of an annual incentive plan (bonus scheme) based on fixed compensation for Executives (excluding General Managers) and measured by the Company scorecard (performance targets are as set out above within details on CEO's remuneration). General Managers have aligned commission plans to drive revenue growth and achieve new customer wins. In addition, the Executive team are eligible for a proportion of the Senior Leadership Long Term Incentive scheme approved by shareholders and summarised above, with variable percentages according to role and individual performance.

PRINCIPLE 6 – RISK MANAGEMENT

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

The Board is responsible for approving the risk framework to assist with identifying, assessing, and managing its risk. The Audit and Risk Committee of the Board oversees this activity, monitoring the robustness of the systems and processes used to manage all strategic business risks. Please see “Principle 7” below for further detail in relation to the Audit and Risk Committee.

The Company’s senior management maintain a Risk Register which is reviewed by the Audit and Risk Committee and forms a key part of the risk management framework. The Risk Register identifies and evaluates strategic risks, assesses their potential impact, the likelihood they crystallise and sets out the main internal controls and actions to mitigate each risk. Individual senior managers are assigned to own and manage these identified risks. In FY24, key risks reviewed by the Audit and Risk Committee included risks inherent in technology investments, expansion into new markets and maintaining high levels of staff engagement and retention as the Company grows strongly. There was also continued focus on information security and cyber risk as well as the review of climate related risks and opportunities (a summary of which is set out with the Company’s Climate Statement). The Company considers that it has a low exposure to economic risks, because the sectors we serve are essential services that do not react significantly to economic cycles.

To support its commitment to Information Security Management, the Company is ISO/EC 27001:2022 certified. This is an international standard which helps organisations manage and control information security. The Company also maintains a Services Organisation Control “SOC2” Type I Standards in respect of the security and availability controls over applicable Gentrack services which is then assessed by an independent third-party auditor. This attestation provides our customers with high level assurance and confidence that Gentrack G2 internal controls are suitably designed and operating effectively.

The Company does not have an internal audit function, but through the steps outlined above the Board ensures the company is reviewing, evaluating and continually improving the effectiveness of its risk management and internal control processes.

Employees are required to adhere to health and safety compliance documents and instructions, in particular the Health and Safety Policy.

The Board receives regular updates on business risk topics, such as health and safety and information security.

PRINCIPLE 7 – AUDITORS

The Board should ensure the quality and independence of the external audit process.

The Board is committed to a transparent system for auditing and reporting of the Company’s financial performance. The Board established an Audit and Risk Committee, which performs a central role in achieving this goal. The members of the Committee provide a balance of independence, sector experience and relevant professional experience and qualifications.

The Audit and Risk Committee’s principal functions are:

- to assist the Board in fulfilling its responsibilities for the Company’s financial statements and external financial reporting;
- to assist the Board in ensuring that the ability and independence of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired;
- to assist the Board in ensuring appropriate accounting policies and internal controls are established and maintained; and
- to assist the Board in ensuring the efficient and effective management of all business risks.

One of the main purposes of the Audit and Risk Committee is to ensure the quality and independence of the audit process. The Chair of the Audit and Risk Committee and Chief Financial Officer work with the external auditors to plan the audit approach. All aspects of the audit are reported back to the Audit and Risk Committee and the auditors are given the opportunity at Audit and Risk Committee meetings to meet with the Board.

The Audit and Risk Committee has adopted a formal Charter, a copy of which is available in the Investor Centre section on the Company’s website. The Audit and Risk Committee meets regularly to identify risks and determine how to mitigate these. The Company uses external contractors as required for specific audit reviews.

The Company’s external auditors will attend the annual meeting and are available to answer questions relating to the conduct of the external audit and the preparation and content of the auditor’s report. Details of the audit fees paid to EY and fees paid to other auditors during FY24 are included in note 9.2 of the Financial Statements.

The Company does not have an internal audit function. Where required, such audit activity is conducted by third parties, not by the Company’s external auditors.

PRINCIPLE 8 – SHAREHOLDER RIGHTS & RELATIONS

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

The Company currently keeps shareholders informed through:

- the annual report;
- the half-year update;
- the annual meeting of shareholders;
- disclosure to the NZX and ASX in accordance with the Company’s Shareholder Communications Policy and Market Disclosure Policy; and
- the Investor Centre section on the Company’s website.

The Company’s Shareholder Communications Policy and Market Disclosure Policy are designed to ensure that communications with shareholders and all other stakeholders are managed efficiently. The Chair, Chief Executive Officer and Chief Financial Officer are the points of contact for shareholders and analysts.

The Board considers the annual report to be an essential opportunity for communicating with shareholders. The company publishes its results and reports electronically on the Company Website. Investors may also request a hard copy of the annual report by contacting the Company’s share registrar, MUFG Corporate Markets. Contact details for the registrar appear at the end of this report.

The Company considers the annual meeting to be a valuable element of its communications programme. The Chair will provide an opportunity for shareholders to raise questions for their Board. The Chair may ask the Chief Executive Officer and any relevant manager of the Company to assist in answering questions if required. As noted earlier, the Company’s external auditors will also attend the annual meeting and are available to answer questions relating to the conduct of the external audit and the preparation and content of the auditor’s report.

The Company held a Special Meeting of shareholders on 10 October 2023 to consider changes to the Company’s senior management incentive scheme. The Company gave less than 20 working days’ notice of the meeting in order to ensure that the long-term incentive arrangements were in place as close as possible to the start of the FY24 financial year.

ENTRIES RECORDED IN THE INTERESTS REGISTER

The Company maintains an Interest Register in accordance with the Companies Act 1993. The following entries were made in the Interests Register for the period 1 October 2023 to 30 September 2024 and require disclosure:

- Andy Green disclosed that he ceased to be a non-executive director of Link Administration Holdings (after it was acquired by Mitsubishi UFJ Trust and Banking on 16 May 2024).
- Gillian Watson made an initial disclosure of interests to the Board on her appointment on 1 June 2024:
 - Chair of UK-based EV charging port business, char.gy Ltd.
 - Non-executive director of renewables power system support business, Statera Energy Ltd.
 - Director - BME-listed glass manufacturer, Vidrala SA, and LSE-listed specialty agriculture and engineering company, Carr’s.
 - Executive role - Origination and transaction execution for power and energy businesses at Scottish-headquartered investment bank, Noble & Co (part-time).
 - Chair, DC 25 Investment Fund.

SHAREHOLDINGS OF DIRECTORS IN GENTRACK GROUP LIMITED AT 30 SEPTEMBER 2024

	TYPE OF HOLDING	2024 RELEVANT INTEREST IN SHARES HELD	2023 RELEVANT INTEREST IN SHARES HELD
Gary Miles	Direct	1,085,890	887,468
Andy Green	Beneficial Interest	137,360	113,002
Darc Rasmussen	Beneficial Interest	13,000	13,000
Stewart Sherriff	Beneficial Interest	20,000	20,000
Fiona Oliver	Beneficial Interest	4,570	2,070

SECURITIES DEALINGS OF DIRECTORS

During the year, Directors disclosed the following transactions in respect of Section 148(2) of the Companies Act 1993. These transactions took place in accordance with the Company's Share Trading Policy.

	NATURE OF RELEVANT INTEREST	DATE OF TRANSACTION	NUMBER OF SECURITIES ACQUIRED/ (DISPOSED)	CONSIDERATION
Gary Miles	Direct	1 November 2023	187,191	Nil. Vesting of Performance rights under the Senior Management LTI Scheme.
	Direct	1 November 2023	(87,980)	\$4.90 per share. Sold to pay tax on LTI award.
	Direct	29 November 2023	187,191	Nil. Vesting of Performance rights under the Senior Management LTI Scheme.
	Direct	29 November 2023	(87,980)	\$5.79 per share. Sold to pay tax on LTI award.
Andy Green	Beneficial Interest	13 October 2023	18,170	\$4.82 per share. Issue of Ordinary Shares in part payment of director remuneration for previous financial years.
	Beneficial Interest	5 April 2024	6,188	\$8.08 per share. Issue of Ordinary Shares in part payment of director remuneration for the period.

REMUNERATION OF DIRECTORS

Details of the total remuneration of, and the value of other benefits received by, each Director of Gentrack Group Limited during the financial year ended 30 September 2024 are as follows:

	2024	2023
Andy Green	300,000*	300,000
Fiona Oliver	121,250	110,000
Nick Luckock	35,417	85,000
Stewart Sherriff	95,625	85,000
Darc Rasmussen	96,250	85,000
Gillian Watson	35,590	-
TOTAL	684,132	665,000

*At the annual meeting of shareholders of the Company in February 2021, shareholders approved the Directors having a discretion to pay all or some of a non-executive director's remuneration through an issue of shares in the Company. For the 2022 financial year onward, it was agreed that the equity-based component of Andy Green's remuneration was set at one-third of his total annual remuneration (i.e., currently \$100,000 per annum), to be satisfied through the issue of shares in the Company.

Gary Miles' CEO remuneration is disclosed under Principle 5 above. Gary does not receive additional remuneration for his role as an executive Director of the Company.

Nick Luckock ceased to hold office on 28 February 2024, during the accounting period. Gillian Watson was appointed to the Board on 1 June 2024 (during the accounting period) with director remuneration of GBPE50,000 per annum (approximately \$104,500). Following her appointment to the Board, the Board reviewed Director remuneration for all Board members and adopted a new structure for the period from 1 July 2024 so that Director remuneration is standardised internationally, as follows:

- for the Chair, annual director fees consisting of \$300,000, comprising \$200,000 in cash and \$100,000 in newly issued shares;
- for directors other than the Chair:
 - annual director fees payable to each non-executive director of \$100,000.
 - annual fees payable to members of the Audit and Risk Committee as follows:
 - \$20,000 for the chair of the Audit and Risk Committee; and
 - \$10,000 for other members of the Audit and Risk Committee,
 - annual fees payable to members of the People & Culture Committee as follows:
 - \$15,000 for the chair of the People & Culture Committee; and
 - \$7,500 for other members of the People & Culture Committee; and
- additional annual fees of \$5,000 to all directors who travel overseas for a board meeting (in addition to the reimbursement of expenses).

Directors are expected to acquire shares in Gentrack over a three-year period with a view to accumulating a holding that is equivalent to 50% of their base directors' fee. Once this stake has been acquired, movements in Gentrack's share price will not trigger any further expectation to acquire shares.

The Board sought external and independent benchmarking advice from KPMG to provide market data and commentary to inform decisions in respect to the adjustments.

The two tables below set out the Directors annual remuneration before and after the Board's review.

DIRECTOR REMUNERATION FROM 1 OCTOBER 2023 UNTIL 30 JUNE 2024 (PER ANNUM FIGURES)

	FEE	FEE FOR AUDIT & RISK COMMITTEE	FEE FOR PEOPLE AND CULTURE COMMITTEE	TOTAL ANNUAL REMUNERATION
Andy Green (Chair)	\$300,000	-	-	\$300,000
Fiona Oliver	\$85,000	\$15,000 (Chair)	\$10,000 (Chair)	\$110,000
Darc Rasmussen	\$85,000	-	-	\$85,000
Stewart Sherriff	\$85,000	-	-	\$85,000
Gillian Watson	\$104,500	-	-	\$104,500
Total	\$659,500	\$15,000	\$10,000	\$684,500

DIRECTOR REMUNERATION FROM 1 JULY 2024 UNTIL 30 SEPTEMBER 2024 (PER ANNUM FIGURES)

	FEE	FEE FOR AUDIT & RISK COMMITTEE	FEE FOR PEOPLE AND CULTURE COMMITTEE	TOTAL ANNUAL REMUNERATION
Andy Green (Chair)	\$300,000	-	-	\$300,000
Fiona Oliver	\$100,000	\$20,000 (Chair)	\$15,000 (Chair)	\$135,000*
Darc Rasmussen	\$100,000	\$10,000	-	\$110,000*
Stewart Sherriff	\$100,000	-	\$7,500	\$107,500*
Gillian Watson	\$100,000	-	\$7,500	\$107,500
Total	\$700,000	\$30,000	\$30,000	\$760,000

Non-executive Directors are not paid any additional fees or benefits that do not relate to services as a director.

*Fiona Oliver, Stewart Sheriff and Darc Rasmussen each received \$5,000 as a an additional fee for travel to the UK for a Board meeting in September.

EMPLOYEE REMUNERATION

The number of current employees of the parent and subsidiaries receiving remuneration and benefits above \$100,000 in the year ended 30 September 2024 are set out in the table below:

REMUNERATION	NUMBER OF EMPLOYEES	REMUNERATION	NUMBER OF EMPLOYEES
\$100,000 - \$110,000	51	\$330,001 - \$340,000	3
\$110,001 - \$120,000	40	\$340,001 - \$350,000	3
\$120,001 - \$130,000	34	\$350,001 - \$360,000	1
\$130,001 - \$140,000	31	\$370,001 - \$380,000	1
\$140,001 - \$150,000	33	\$380,001 - \$390,000	1
\$150,001 - \$160,000	34	\$390,001 - \$400,000	1
\$160,001 - \$170,000	32	\$400,001 - \$410,000	2
\$170,001 - \$180,000	16	\$410,001 - \$420,000	1
\$180,001 - \$190,000	18	\$420,001 - \$430,000	1
\$190,001 - \$200,000	18	\$470,001 - \$480,000	1
\$200,001 - \$210,000	14	\$510,001 - \$520,000	1
\$210,001 - \$220,000	18	\$570,001 - \$580,000	1
\$220,001 - \$230,000	7	\$680,001 - \$690,000	1
\$230,001 - \$240,000	11	\$710,001 - \$720,000	1
\$240,001 - \$250,000	11	\$720,001 - \$730,000	1
\$250,001 - \$260,000	5	\$790,001 - \$800,000	1
\$260,001 - \$270,000	7	\$800,001 - \$810,000	1
\$270,001 - \$280,000	7	\$1,250,001 - \$1,260,000	1
\$280,001 - \$290,000	7	\$1,260,001 - \$1,270,000	1
\$290,001 - \$300,000	5	\$1,330,001 - \$1,340,000	1
\$300,001 - \$310,000	2	\$1,920,001 - \$1,930,000	1
\$310,001 - \$320,000	1	\$3,800,001 - \$3,810,000	1
\$320,001 - \$330,000	2		

The table above shows the number of employees whose remuneration and benefits for the year ended 30 September 2024 were within the specified bands above \$100,000. The remuneration figures shown in the table include all monetary payments actually paid during the year ended 30 September 2024, including bonus/commission payments and the market value of shares (issued under LTI schemes) which have vested during the year. The table does not include amounts paid post 30 September 2024 that related to the year ended 30 September 2024, such as bonuses/commission payments or the accounting value attributed to shares issued under LTI schemes during the year ended 30 September 2024.

SPREAD OF SHAREHOLDINGS

The analysis of shareholding by size of holding as at 5 November 2024 is:

SIZE OF HOLDING	NUMBER OF HOLDERS	FULLY PAID ORDINARY SHARES NUMBER OF SHARES	% OF ISSUED CAPITAL
1–1,000	1,596	685,157	0.66
1,001 – 5,000	1,232	3,101,808	2.99
5,001 – 10,000	285	2,081,680	2.01
10,001 – 50,000	214	4,269,247	4.12
50,001 – 100,000	36	2,642,278	2.55
Greater than 100,000	48	90,902,007	87.67
TOTAL	3,411	103,682,177	100

TWENTY LARGEST SHAREHOLDERS

The twenty largest shareholders of fully paid ordinary shares as at 5 November 2024 were:

NAME	NUMBER OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
Citicorp Nominees Pty Limited	13,524,634	13.04
J P Morgan Nominees Australia Pty Limited	10,422,239	10.05
HSBC Custody Nominees (Australia) Limited	9,491,554	9.15
HSBC Nominees (New Zealand) Limited	7,604,980	7.33
HSBC Nominees (New Zealand) Limited	6,246,206	6.02
Anacacia Pty Ltd	4,800,510	4.63
Bnp Paribas Nominees NZ Limited Bpss40	4,634,684	4.47
Accident Compensation Corporation	3,170,507	3.06
Bnp Paribas Noms (Nz) Ltd	2,924,200	2.82
UBS Nominees Pty Ltd	2,904,720	2.80
New Zealand Depository Nominee	2,347,923	2.26
Tea Custodians Limited	2,306,240	2.22
Mirrabooka Investments Limited	2,292,000	2.21
Bnp Paribas Nominees Pty Ltd	1,627,527	1.57
Bnp Paribas Noms Pty Ltd	1,370,219	1.32
Custodial Services Limited	1,313,638	1.27
Gary Miles	1,185,101	1.14
Public Trust	932,892	0.90
Citibank Nominees (Nz) Ltd	873,742	0.84
National Nominees Limited	826,588	0.80
TOTAL	80,800,104	77.90

The percentage shareholding of the 20 largest shareholders of Gentrack Group Limited fully paid ordinary shares was 77.9%.

SUBSTANTIAL PRODUCT HOLDER NOTICES RECEIVED AS AT 30 SEPTEMBER 2024

According to notices given under the Financial Markets Conduct Act 2013 the following persons were substantial holders in Gentrack Group Limited at 30 September 2024 in respect of the number of voting securities set out opposite their names. The below shares may not represent the exact amount of shares currently held by these shareholders due to subsequent changes in shareholding after the lodging of the various Substantial Product Holder notices and after the financial year end.

NAME	NUMBER OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL	DATE OF NOTICE
Milford Asset Management Limited	10,469,653	10.117	23 September 2024
National Nominees Ltd ACF Australian Ethical Investment Limited	5,954,350	5.75	3 September 2024
Regal Funds Management Pty Ltd	5,178,174	5.004	14 August 2024
TOTAL	21,602,177	20.871	

The total number of issued voting shares of Gentrack Group Limited at 30 September 2024 was 103,682,177. Voting at a meeting of the shareholders is via a poll. At the meeting, every shareholder present in person, or by representative has one vote for each fully paid ordinary share in the Company.

At 30 September 2024, there were 85 shareholders holding unmarketable parcels of less than A\$50.

SUBSIDIARY COMPANY DIRECTORS

The following people held office as Directors of subsidiary companies at 30 September 2024:

Gentrack Limited	John Priggen, Allan Sampson
Veovo Group Limited	John Priggen, James Williamson, Gary Miles, Hayden Davies
Gentrack Group Australia Pty Limited	John Priggen, Mark Humphreys
Gentrack Pty Limited	John Priggen, Mark Humphreys, Gary Miles
Gentrack UK Limited	John Priggen, Mike Carruthers
Gentrack Holdings UK Limited	John Priggen, Mike Carruthers
Junifer Systems Limited (not trading)	John Priggen
Gentrack (Singapore) Pte Ltd	John Priggen, Geoffrey Childs, K Kalaai Araasi Pillai (Stepping Stone)
Gentrack Software Private Ltd	John Priggen, Mrs. Kanchan Girish Hoondlani (TMF) Mr. Amitesh Kumar Sahu (TMF)
Gentrack Information Systems Technology Company	Mohammed Al-Humoud, Mike Carruthers
Veovo Holdings (Denmark) A/S	James Williamson, John Priggen, Peter Knudsen
Veovo A/S	James Williamson, John Priggen, Peter Knudsen
CA Plus Limited	James Williamson, John Priggen
Evolve Analytics Limited (not trading)	John Priggen
Evolve Parent Limited (not trading)	John Priggen
Veovo Inc	John Priggen, James Williamson
Veovo NZ Limited (trading from 1 October 2020)	John Priggen, James Williamson, Hayden Davies
Veovo UK Limited (trading from 1 October 2020)	John Priggen, James Williamson
Veovo IP Limited (trading from 1 October 2020)	John Priggen, James Williamson, Hayden Davies

The following former Directors of the Company's subsidiaries ceased to hold office during the year:

Amol Ganpati Mainkar (TMF), Anugraha Mundra (TMF) from Gentrack Software Private Ltd.

Directors of the Company's subsidiaries do not receive any remuneration or other benefits in respect of their appointment.

DONATIONS

In accordance with section 211(1)(h) of the Companies Act 1993, the Company made donations of \$1,263 during the year ended 30 September 2024 to Diversity Works NZ.

No donations were made to political parties.

CREDIT RATING

The Company has no credit rating.

FOREIGN EXEMPT LISTING

ASX approved a change in the Company's ASX admission category from an ASX Listing to an ASX Foreign Exempt Listing, effective from the commencement of trading on 30 March 2016.

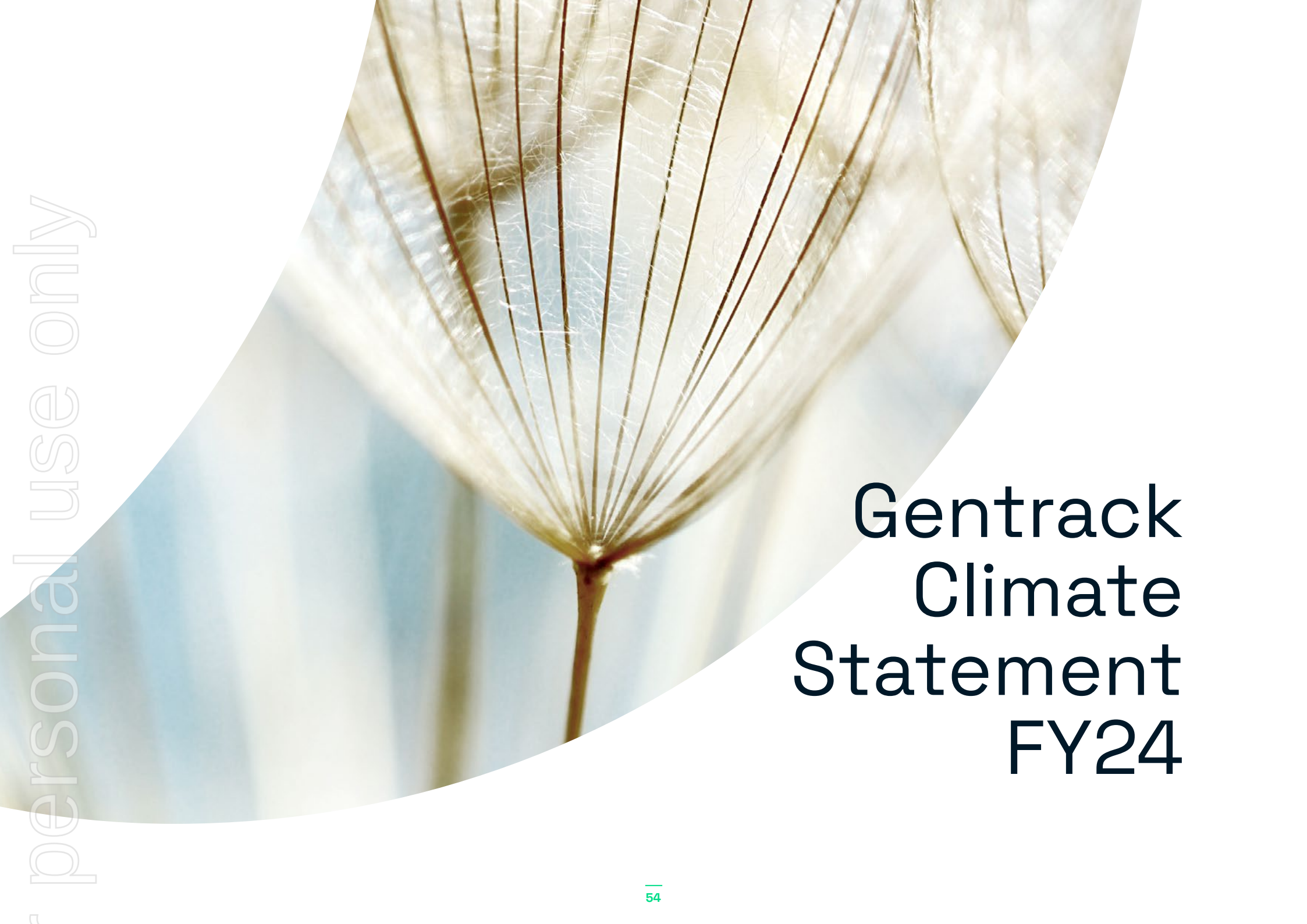
The Company continues to have a full listing on the NZX Main Board, and the Company's shares are still listed on the ASX. The Company is primarily regulated by the NZX, complies with the NZX Listing Rules, and is exempt from complying with most of the ASX Listing Rules (based on the principle of substituted compliance).

WAIVERS

No waivers from the application of the NZX Listing Rules have been utilised by the Company during the year ended 30 September 2024.

ANNUAL MEETING

Gentrack Group Limited's Annual Meeting of Shareholders is expected to be held in February 2025. A notice of Annual Meeting and Proxy Form will be circulated to shareholders in January 2025.



Gentrack Climate Statement FY24



Introduction

Gentrack Group Limited (Gentrack) is a climate-reporting entity (CRE) under the Financial Markets Conduct Act 2013. This climate statement is for the financial year ending 30 September 2024, which is Gentrack's first reporting period under the Climate-Related Disclosures regime.

Our vision

To accelerate the world towards a net zero future by leading the global modernisation of energy and water retailers.

Our technology streamlines the management and the launch of complex and innovative energy and water offerings, accelerating the market adoption of sustainable solutions. By leveraging these technologies, utilities can optimise their operations, enhance efficiencies, and facilitate the transition to a resilient future.

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 for their billing and customer relationship management. Gentrack, with our partners Salesforce and AWS, are leading today's transformation with g2.0.

Our belief is that the transition to net zero depends on achieving a critical mass of end customers adopting new green solutions, which in turn demands modern and dynamic billing and CRM systems to drive it forward.

Veovo continue to revolutionise the way airports and transport hubs manage their operations, providing breakthrough technology that accelerates the transition to intelligent, automated and more efficient organisations.

Gentrack provide technologies that play a key role in accelerating a sustainable future for the planet through optimisation, efficiencies and delivering customer centric solutions that advance the energy transition.



We were pleased to announce a AUD \$12m investment in Amber, reinforcing our commitment to accelerating the energy transition to net zero. Amber is an Australian-based technology company and energy retailer that allows customers to take advantage of real-time energy market price fluctuations.

By controlling and automating the way their solar PV, home battery and EVs operate throughout the day, customers can not only maximise their use of green energy but also enhance the financial returns from their installations.

Our investment includes an agreement that will see Gentrack and Amber further develop, sell internationally, and deploy an end-to-end solution for billing, customer care, and smart distributed energy management – driving the energy transition forward to greener future.

\$12m
investment



Australia is a country that has one of the most decentralised grids worldwide and leads in rooftop solar penetration. For our customer, EnergyAustralia, we are at the heart of an initiative aimed at overcoming the hurdles associated with the widespread adoption of solar panels.

The 'Home Solar Bundle' includes the installation and maintenance of solar panels and batteries with zero upfront cost and a guaranteed energy price for seven years. This can significantly accelerate the customer transition to renewables by lowering the barrier to entry and associated upfront costs or maintenance headaches, while also accelerating the global energy transition to net zero.

\$0
upfront cost



By adopting Gentrack's software, our customer Genesis Energy is able to deploy their *EVERywhere* plan, a New Zealand first that allows you to charge on the road and pay as if you were at home.

Currently, as set out by Genesis Energy, the freedom to go *EVERywhere* can save up to 70% on traditional charging infrastructure incentivises customer uptake of EV charging opportunities and use of renewable energy.

Save up to
70%
on traditional charging

Our approach

In preparing our first Climate-Related Disclosure (CRD), we have elected to use the guidance of external climate consultancy, *thinkstep-anz* for the 2024 reporting period. They have provided expertise in both drafting the CRD and in producing Gentrack's Greenhouse Gas (GHG) emissions inventory. Additionally, details pertaining to utilised adoption provisions are located at the end of this report.

thinkstep-anz are a specialist climate consultancy located in both Australia and New Zealand. They have deep expertise in carbon measurement and reporting alongside the production of Climate Related Disclosures. *thinkstep-anz* are certified B Corp and a signatory to the UN Global Compact.

Many of the assumptions, metrics and measurements used in preparing this Climate Statement involve the exercise of Gentrack's judgement or are based on our estimate of the current or future position, which we considered to be reasonable at the time this document was prepared. No information presented in this document that is based on our judgements or estimates should be taken as a guarantee of future outcomes.

Governance

Our corporate governance practices enable the proper operation of our company, consistent with our values, stakeholders and shareholders' best interests and legal requirements. We are committed to a corporate governance structure that promotes long-term shareholder value creation.

The Board is the governance body ultimately responsible for oversight of Gentrack's climate-related risks and opportunities.

Our strategy incorporates the assessment of Climate related Risks and Opportunities (CRROs) that could impact Gentrack. These are considered within the broader risk management framework already in existence at Gentrack.

The Gentrack Board is responsible for approving the risk framework to assist with identifying, assessing and managing its risk (including climate) in a pro-active and efficient manner. The Audit and Risk Committee (ARC) of the Board oversee this activity, ensuring the effective and efficient management of all strategic business risks, including monitoring of climate-related risks.

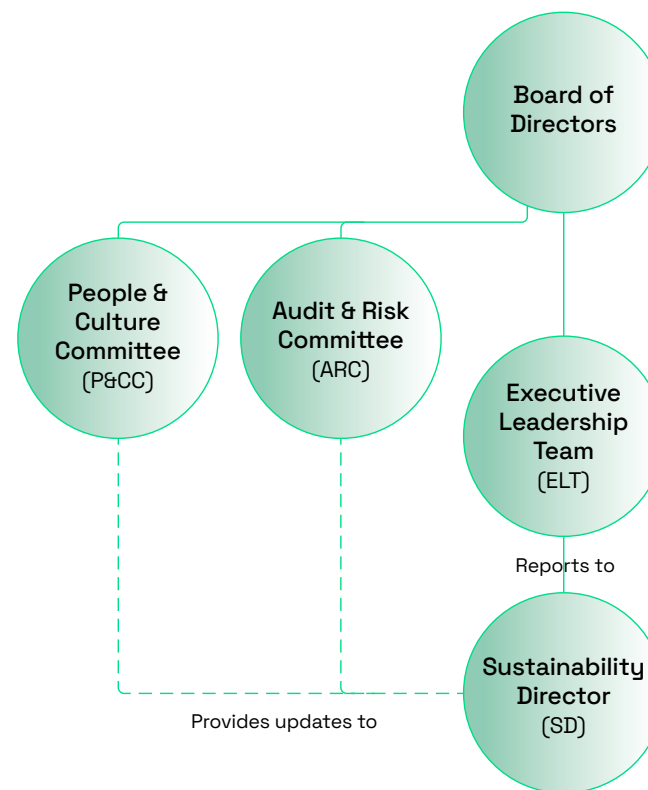


Figure 1: Governance structure

Gentrack uses a skills matrix to ensure its Board has an appropriate range of skills and competencies to govern Gentrack. The skills and competencies Gentrack consider relevant to ensuring appropriate oversight of climate-related risks and opportunities include governance, environmental and energy sector experience.

A summary of the Board skills matrix is available on page 46. The Board also received a 'Climate Risk & Disclosure' workshop on 29th July 2024 delivered by thinkstep-anz.

Governance oversight

The Board considers relevant sustainability matters including CRROs through both the Audit and Risk Committee (ARC) and the People and Culture Committee (P&CC) (See Figure 1). In FY24 the ARC had six meetings and the P&C had four meetings. The Global Sustainability Director provides Climate Risk updates to the ARC through existing risk management processes. Specific risks are reported every month as part of the CEO's report to the Board.

The ARC includes 'Climate' as an independent risk vector in the Risk Register, specifically focusing on resilience to physical and transitional climate risks and compliance with reporting regulations. The 'Global Sustainability Director' has been assigned as the risk owner. During 2024 financial year the ARC considered presentations on climate-related matters and risks at four of its six meetings.

In FY24, the ARC provided oversight of the scenario analysis by reviewing and providing feedback on the scenarios and associated risks, and the Board approved the scenarios used.

Role of management

The ARC has assigned climate-related responsibilities to members of our Executive Leadership Team (ELT). The CFO and CPO are Senior Executive Sponsors, and the work is led by the Global Sustainability Director who is responsible for implementing our sustainability strategy. The Sustainability Director meets fortnightly with the CPO and monthly with the CFO to apprise them of updates, alongside frequent meetings with the CEO.

In July 2024 a dedicated Climate Workshop was conducted across the entire ELT to review the findings and ensure alignment and understanding of risks and opportunities. The Climate Workshop remains an annual standing item for the ELT.

As part of our sustainability strategy, a dedicated Global Sustainability Task Force (GSTF) was established, consisting of at least 4 teams of 8+ people regionally across the group, with a current membership of 38 globally. The GSTF is responsible for developing and communicating our sustainability efforts across the business and plays a key role in our transition plan. The regional teams meet with the Sustainability Director monthly, alongside regular engagement with regional ELT members to continue to advance the strategy across the Group. Each regional GSTF has a dedicated representative that communicates progress through regular, regional townhalls. Where required, the GSTF will report matters to the ARC through the Global Sustainability Director.



Strategy

Connected to our vision and our values, our sustainability strategy seeks to integrate all elements of sustainability across our entire enterprise, engaging our people, our processes, our product and our partners.

One pillar of the strategy directly focuses on delivering transparent disclosures and reporting, including the measurement of our CO₂e footprint. For an update on our sustainability strategy please refer page 20.

Transition Plan Aspects of Strategy

For our initial reporting period under the climate-related disclosures framework, we are using Adoption Provision 3 and have not yet finalised our transition planning. However, we are actively working on developing the transition plan aspects as part of our strategy. Climate-related metrics and targets have not yet been established. Remuneration is not directly measured against climate related risks and opportunity metrics.

Enable our people

We play to win: our commitment is serious

Our Global Sustainability Task Force (GSTF) will be empowered to drive our sustainability ambitions and support our local communities.



Develop & build cleantech

We believe in the power of cleantech

We will invest in and drive cleantech solutions for our customers and support our product strategy. We will strive to become the centre of excellence for sustainable innovation.



Power through partnerships

We cannot cross the finish line alone

We recognise the importance of our partners and the industry in achieving a net zero future. We will actively collaborate and partner in sustainability initiatives to achieve collective success.



Share our progress

We take accountability and show integrity

We will measure and report our carbon footprint, whilst actively taking steps to reduce emissions across our global enterprise. We aim to provide transparent, high-quality climate related disclosures.



Capital Deployment & Vulnerability to CRROs

Our efforts to identify new markets and help enable the global energy transition through our capital investment in clean tech continues in line with our growth ambition. As a technology company focused on accelerating the world towards a net zero future by leading the global modernisation of the Energy and Water retailers, we believe we are well positioned to mitigate our climate-related risks while capitalising on the opportunities.

We have identified our physical and transitional risks and climate opportunities (See table on page 63), at present – these have the potential to impact all our assets and business activities. However, as part of our transitional planning process we will further develop our understanding to determine with greater precision the percentage of assets or business activities that may be vulnerable, including specific capital deployment. Currently, we do not have specific capital deployment against CRROs. As part of our transition plan, we will review our R&D investment in our product to determine the proportion related to CRROs.

Environmental impacts

As a technology company our main environmental impact is limited to carbon and captured in our GHG emissions inventory. We continually seek to reduce our emissions as a responsible business. Throughout FY24 we have successfully transitioned a further three people centres to renewable energy, meaning 80% of our

operationally controlled sites are now on renewable energy tariffs with the aim to be operating with 100% renewable energy by FY25. To date, Gentrack has not had to manage any material impacts of a physically changing climate.

Transitional impacts

Transitional impact has largely been felt through the mechanism of increased resource and compliance costs associated with climate reporting legislation e.g. NZ CRD requirements, alongside increasing stakeholder expectations for quantification and transparency in relation to climate-related activities, impacts, risks and opportunities. During FY24 no significant climate related physical impacts were reported. Gentrack has responded to the transitional risks created by the introduction of climate disclosure regulation in New Zealand through the production of this climate statement.

Scenario analysis undertaken

Gentrack followed guidance provided by New Zealand's External Reporting Board (XRB) when undertaking scenario analysis to CRROs, that could impact its strategy and business model now and into the future.

We conducted scenario analysis in FY24 with the assistance of thinkstep-anz. In a facilitated workshop CRROs were presented and discussed by all members of the ELT across the Gentrack Group. This was to determine CRROs that may be material to Gentrack over the short, medium and long-term.

Focal question

The focal question presented to frame the workshop was:

“What CRROs are affecting the Gentrack Group (including its office sites) now, what CRROs could plausibly affect the Gentrack Group over the short, medium and long-term, and how material are those CRROs to the Group's business model and strategy both now and in the future?”

Organisational boundary and value chain

Gentrack's global office locations were included within the organisational boundary for the purposes of CRRo identification and analysis, including all assets under Gentrack's operational control.

Scenario rationale and data sources

The scenario analysis used:

- a. An 'Orderly' 1.5°C scenario,
- b. A 'Disorderly' 2.0°C scenario
- c. A 'Hot House' $\geq 3.0^\circ\text{C}$ scenario

The scenarios were chosen to provide a sound basis to assess the resilience of our business model and strategy against selected CRROs. The following data sources were used in preparing the scenarios:

- The Intergovernmental Panel on Climate Change (IPCC) sixth assessment synthesis report (AR6)
- The Network for Greening the Financial System (NGFS) hypothetical scenarios. The NGFS "net zero 2050", "Delayed Transition" and "Current Policies" scenarios were utilised in producing the 1.5°C, 2.0°C and $\geq 3.0^\circ\text{C}$ scenarios
- The International Energy Agency (IEA) 2023 World Energy Outlook
- Selected advice to the NZ Government from the Aotearoa New Zealand Climate Change Commission (CCC)

Time horizons for scenarios

- All temperature outcomes in the scenarios relate to global temperatures in 2100. These were coupled with the various global ambition levels associated with limiting global warming
- Gentrack's time horizons for scenario planning: Short-term 1-5 years (2030), Medium-term 5-15 years (2040) and Long-term 15-30 years (2055). Gentrack's strategic planning horizon is focused on a 5-year window

Climate scenarios

- Future impacts and their materiality were considered based on three future scenarios and narratives. These have been built around a scenario "architecture" which draws on both global "pathways" to a low emissions future. Combining data sources and associated predictions in this way helped to present workshop participants with plausible futures

Scenario architectures

In the absence of sector specific guidance, thinkstep-anz developed the following scenario architectures following best practice to frame plausible futures and facilitate the analysis.

	Orderly 1.5°C	Disorderly 2.0°C	Hot House >3.0°C
Policy ambition	1.5°C	2.0°C	>3.0°C
Pathways	RCP 2.6 SSP 1-1.9 NGFS: “Net Zero 2050” IEA: “Net Zero Emissions” CCC: Tailwinds	RCP 2.6 SSP 1-2.6 NGFS: “Delayed Transition” IEA: “Sustainable Development” CCC: Headwinds	RCP 8.5 SSP 3-7.0 NGFS “Current Policies” IEA “Stated Policies” CCC: Current Policies
Material CRROs	Transitional	Transitional and Physical	Physical
Policy reaction	Immediate and smooth	Delayed to 2030's	None
Technology change	Fast change	Slow - Fast change	Slow change
Behaviour change	Fast change	Slow - Fast change	Slow change
Physical risk severity	Low-Moderate	Moderate-High	Extreme
Transition risk severity	Moderate-High	High	Low
Socio-political instability	Low-Moderate	Moderate	High
Market response (to decarbonisation technology)	High demand High competition	Medium demand High competition	Lower demand High competition
Energy pathways	There is a global focus on achieving net zero by 2050. This includes a transition to renewables, investment in clean energy, adoption of technology and the phasing out of fossil fuels.	Low carbon sources represent 40% of the global energy mix by 2040. There is a mainstreaming of electric vehicles and a focus on energy efficiency. Power generation is decarbonised leading a decline in coal demand.	Current policies like Nationally Determined Contributions under the Paris Agreement as well as industry actions related to clean energy technologies leave a significant gap to net zero by 2050.
Macroeconomic trends	Many global economies transform with climate change and decarbonisation being prioritised. The economic transformation leads lower short-term GDP growth but more significant growth in the medium to long term as the costs of adaptation are lower.	Economic transformation is delayed until post-2030. GDP growth is low in the short to medium term. Long-term economic trends are difficult to predict as decisions need to be made on the prioritisation of decarbonisation as well as adaptation.	There is no significant economic transformation in relation to decarbonisation. Over the medium to long-term increasing economic impacts are felt due to climate change impacts and the need to implement increasingly expensive adaptation measures.

Scenario narratives

The scenario architectures, presented above, were used to create entity level scenario narratives for three plausible futures Gentrack may face:

Orderly Transition (1.5°C)

There is global adoption of strong, effective climate policies, driving down emissions and decarbonising the energy sector and transport by 2050.

The transition occurs in a coordinated manner across all jurisdictions and all sectors. There are clearly signalled policy changes in 2024/25 aligned with RCP2.6, ratcheting goals and targets to reach net zero emissions by 2050. Global emission trading scheme (ETS) settings create strong incentives to stimulate investment in renewable energy and build low carbon infrastructure. The decarbonisation of carbon intensive industries continues with focused funding. Complementary policies support the widespread adoption of electric vehicles and equitable access to affordable energy.

Rapid change begins with the electrification of the light passenger fleet, followed by heavy transport over a longer period utilising a mix of electrification and low carbon fuels. Globally annual rainfall patterns are expected to change, with moderate increases projected in the frequency and intensity of storms, river flooding, drought and fire weather.

Disorderly Transition (2.0°C)

Globally climate policies are expedited after 2030 with limited time for consultation. As a result, the cost of decarbonisation increases significantly.

Global ETS settings are aligned to emissions budgets reaching out to mid-Century. This reduces incentives to invest in low-carbon technology, renewable energy and low carbon infrastructure, until the late-2030's. Consumer confidence in transport electrification takes much longer to generate, uptake of electric vehicles is slow, but increases beyond 2030.

Appetite to decarbonise varies, creating a gap between industry leaders and those who wait for low carbon technologies to become more affordable. Extreme weather events increase in frequency and severity, and further intensify after 2040. This causes significant supply chain disruption and damage to those assets exposed to a high risk of physical climate impacts such as storm damage, fire conditions and flooding.

Hot House (>3.0°C)

Globally spending on mitigation is cut and efforts directed at maximising renewable energy generation and decarbonisation are abandoned.

The global carbon price plummets and fails to have any material effect on consumer behaviour. Supply chain disruption caused by more severe physical impacts of climate change introduces significant price volatility. The transport transition effectively stalls, uptake of electric vehicles remains low.

The projected increase in mean air temperature is >3.1°C by the end of the century. Changes in annual rainfall patterns are expected to be more extreme, river flooding, drought and fire weather are projected to reach extreme levels in most areas of the world. There will be a strengthening of storm tracks, windspeeds and precipitation from associated "atmospheric rivers".

Climate Related Risks and Opportunities

The following material CRROs, and their anticipated impacts, were identified under three plausible futures, sites noted under physical CRROs are those with the highest risk of impact:

Critical Drivers	Impact on Gentrack	Timeframes	CRRO under an Orderly 1.5°C Transition	CRRO under a Disorderly 2.0°C Transition	CRRO under a Hot House >3.0°C Transition
Transitional Climate Related Risks and Opportunities					
Products and services	Developing products and services to meet changing customer preferences	Short and Medium-term	Risk: Potential loss of customers if some businesses fail in the new environment. Opportunity: Increased revenue from new or optimised products which support the new regulatory requirements. Opportunity: Products and services will support customers contribution to transition.	Risk: Increased risk of loss of customers in a fast-tracked environment as regulations drive changes in the market. Risk: In a fast-track environment costs will increase e.g. offsets, low carbon energy, impacting customers bottom line. Opportunity: Increased interest in our offerings from customers and increased market value to meet regulatory requirements.	As for 1.5°C but exacerbated in 3.0°C and experienced over the long term as well as the medium-term.
Climate risk and decarbonisation	Meeting regulatory requirements and stakeholder/ investors expectations around decarbonisation	Short, Medium and Long-term	Risk: Financial risk to offset commuter and air travel. We rely on air travel to do business and expansion of business in Asia and Veovo (aviation) will increase this. Opportunity: Our technology is at the forefront of being able to drive the transition through driving consumer change and reducing cost to serve. Opportunity: Decarbonisation through renewable energy powered cloud-based computing.	Risk: Financial risk to offset commuter and air travel delayed until after 2030 with the potential for costs to be significantly higher. Opportunity: Regulations become more relaxed driving growth and allowing multiple new suppliers – providing further business opportunities.	Risk: Geopolitical/sovereignty as energy and water become critical and controlled, impacting billing models. Opportunity: Provide services at a National level to support critical systems.



Critical Drivers	Impact on Gentrack	Timeframes	CRRO under an Orderly 1.5°C Transition	CRRO under a Disorderly 2.0°C Transition	CRRO under a Hot House >3.0°C Transition
Transitional Climate Related Risks and Opportunities					
Sector positioning	Addressing legal activity and costs due to climate activism and/or sector positioning	Short and Medium-term	Opportunity: Reputational benefits from providing services that accelerate the transition.	Risk: New service offerings (e.g. low or no cost) disrupting the market. Risk: Reputational risk (especially for aviation) from air travel for business to engage with customers face to face. Opportunity: Reputational benefits from providing services that accelerate the transition.	As for 2.0°C but exacerbated in 3.0°C and experienced over the long term as well as the medium-term.
Low carbon technologies	Existence, adoption, availability, cost of low carbon technologies	Short-term	Opportunity: Data capture to help businesses transition. Risk: Increased costs to move faster from a core activity of billing to support businesses transition. Risk: Competitor risk of not being first into some areas of offerings.	As for 1.5°C but exacerbated in 2.0°C and experienced over the medium term as well as the long-term.	As for 1.5°C but exacerbated in 3.0°C and experienced over the long term as well as the medium-term.
Climate resilient technologies	Existence, adoption, availability, cost, climate resilient technologies	Short and Medium-term	Opportunity: Increased revenue and customer base from cloud-based opportunities.	Risk: Increased competitor offerings as the ecosystem changes. Customers will have more choice impacting our sector positioning.	As for 2.0°C but exacerbated and accelerated in 3.0°C and experienced over the long term as well as the medium-term.
Competitors	Competitors developing and marketing disruptive technologies in response to a changing climate	Short-term	Risk: New product or service offerings (e.g. low or no cost) disrupting the market.	As for 1.5°C but exacerbated and accelerated in 2.0°C and experienced over the medium term as well as the short-term.	As for 2.0°C but exacerbated and accelerated in 3.0°C and experienced over the long term as well as the medium-term.

Critical Drivers	Impact on Gentrack	Timeframes	CRR0 under an Orderly 1.5°C Transition	CRR0 under a Disorderly 2.0°C Transition	CRR0 under a Hot House >3.0°C Transition
Physical Climate Related Risks and Opportunities					
Heatwaves: increasing persistence, frequency and magnitude	Extended heatwaves affecting our people and customers	Short, Medium and Long-term	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g. Pune, Singapore, Riyadh). Risk: Impact on Gentrack and customer operations from damage to infrastructure.	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g. Pune, Singapore, Riyadh). No increased risk in a disorderly scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. No increased risk in a disorderly scenario.	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g. Pune, Singapore, Riyadh). Increased risk under a hot house scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.
More and longer dry spells and drought	Drought conditions affecting staff and customers	Short, Medium and Long-term	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g. Melbourne, Singapore). Risk: Impact on Gentrack and customer operations from damage to infrastructure.	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g. Melbourne, Singapore). No increased risk in a disorderly scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. No increased risk in a disorderly scenario.	Risk: Impact on staff who live in areas that could be impacted by heatwaves (e.g., Melbourne, Singapore). Increased risk under a hot house scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.
Increasing fire – weather conditions: harsher, prolonged season	Wildfires affecting staff, journey to work and customers	Short, Medium and Long-term	Risk: Impact on staff who live in areas that could be impacted by wildfires (e.g. Pune, Melbourne). Risk: Impact on Gentrack and customer operations from damage to infrastructure.	Risk: Impact on staff who live in areas that could be impacted by wildfires (e.g. Pune, Melbourne). No increased risk in a disorderly scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. No increased risk in a disorderly scenario.	Risk: Impact on staff who live in areas that could be impacted by wildfires (e.g. Pune, Melbourne). Increased risk under a hot house scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.

Critical Drivers	Impact on Gentrack	Timeframes	CRR0 under an Orderly 1.5°C Transition	CRR0 under a Disorderly 2.0°C Transition	CRR0 under a Hot House >3.0°C Transition
Physical Climate Related Risks and Opportunities					
Increased storminess and extreme winds (including tornadoes and cyclones)	Tornadoes and sub-tropical storms affecting staff, journey to work and customers	Short, Medium and Long-term	Risk: Impact on staff who live in areas that could be impacted by tornadoes and sub-tropical storms (e.g. Orlando, Singapore and Auckland). Risk: Impact on Gentrack and customer operations from damage to infrastructure.	Risk: Impact on staff who live in areas that could be impacted by tornadoes and sub-tropical storms (e.g. Orlando, Singapore and Auckland). No increased risk in a disorderly scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. No increased risk in a disorderly scenario.	Risk: Impact on staff who live in areas that could be impacted by tornadoes and sub-tropical storms (e.g. Orlando, Singapore and Auckland). Increased risk under a hot house scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.
River and pluvial flooding: changes in frequency and magnitude in rural and urban areas	Floods affecting staff, journey to work and customers	Short, Medium and Long-term	Risk: Impact on staff who live in areas that could be impacted by seasonal flooding (e.g. Riyadh). Risk: Impact on Gentrack and customer operations from damage to infrastructure.	Risk: Impact on staff who live in areas that could be impacted by flooding (e.g. Riyadh). No increased risk in a disorderly scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. No increased risk in a disorderly scenario.	Risk: Impact on staff who live in areas that could be impacted by flooding (e.g., Riyadh). Increased risk under a hot house scenario. Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.
Sea level rise – coastal and estuarine flooding: increasing persistence, frequency and magnitude	Flooding and inundation due to rising sea levels impacting staff and customers	Long-term	Risk: Impact on staff who live in areas that could be impacted by rising sea levels (e.g. Auckland, Melbourne, Singapore, London). Risk: Impact on Gentrack and customer operations from damage to infrastructure. Increased risk under a hot house scenario.	As for 1.5°C but exacerbated and accelerated in 2.0°C.	As for 2.0°C but exacerbated and accelerated in 3.0° C.



Risk management

Our risk management framework helps us to identify different categories of risk e.g., compliance, operational, reputational, financial, and people risks and are subject to regular review by the ARC. Enterprise risks are contained in the Risk Register and are reviewed by the Audit and Risk Committee as part of this risk management process. Additionally, to develop our understanding of climate risk we conduct an annual climate workshop with C-Suite stakeholders. CRROs have been identified and assessed through the scenario analysis process described in the strategy section of this climate statement. Material CRRO's have been identified using Gentrack's existing risk management framework.

Material CRROs will be lodged in the company Risk Register and progress on their management will be subject to annual review by the Audit and Risk Committee as part of our structured risk management process. We have intentionally focused on assets we retain direct influence and control over and have excluded value chain components over which Gentrack retains no ability to manage risk e.g. aviation authorities and security infrastructure, data centre partners and customer-controlled infrastructure (meter points).

Metrics and targets

Greenhouse gas emissions

For the year ended 30th September 2024, we have produced our Greenhouse Gas (GHG) emissions inventory with the support of external climate consultancy, *thinkstep-anz*. The approach we have taken and our summary of FY24 emissions is outlined below. Gentrack's GHG emissions are reported in tonnes of CO₂ equivalents (t CO₂e), as required by the GHG Protocol.

Measurement protocol

Gentrack has produced an annual GHG emissions report for FY24 in accordance with the following standards and guidance:

- Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard Revised Edition (WBCSD/WRI, 2015); and
- Greenhouse Gas Protocol (GHG Protocol) – Scope 2 Guidance (WRI, 2015)

Operational control approach

This report has taken the operational control approach, as defined by the GHG Protocol (WBCSD/WRI, 2015), which means that 100% of the GHG emissions from operations over which Gentrack had control in financial year 2024 (FY24) are accounted for in this report (WBCSD/WRI, 2015).

The following business areas were included in Gentrack operational approach:

- London office
- Tewkesbury office
- Vodskov office
- Auckland office
- Melbourne office

This approach was chosen as it aligns with our financial accounting. We have also chosen this approach with a view to future emissions reporting and associated emissions reduction measures.

Global warming potential (GWP)

GWP of GHG is applied to calculate the total CO₂e emissions. Gentrack used the GWP values as set out in 2023 MfE Workbook.

Total emissions for FY24

The emissions reporting for FY24 covers Scope 1 and Scope 2 as we are continuing to expanding our emissions inventory through collecting Scope 3 emissions data.

The Scope 1 and 2 measurements relate to our locations in; Melbourne, London, Tewkesbury, Auckland and Vodskov. Our sites in Pune, Riyadh, Singapore and Orlando are serviced offices and will be considered under Scope 3.

During FY24 we have successfully transitioned a further three sites (London, Tewkesbury and Auckland) to green energy plans and intend to achieve 100% transition by FY25 for all five locations.

As per GHG Protocol the location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using grid-average emission factor data). The market-based method reflects emissions from no or low emissions electricity that companies have contracted (or if no renewable electricity supply is contracted (nor available for contracting) using then residual mix emission factor).

Materiality Threshold

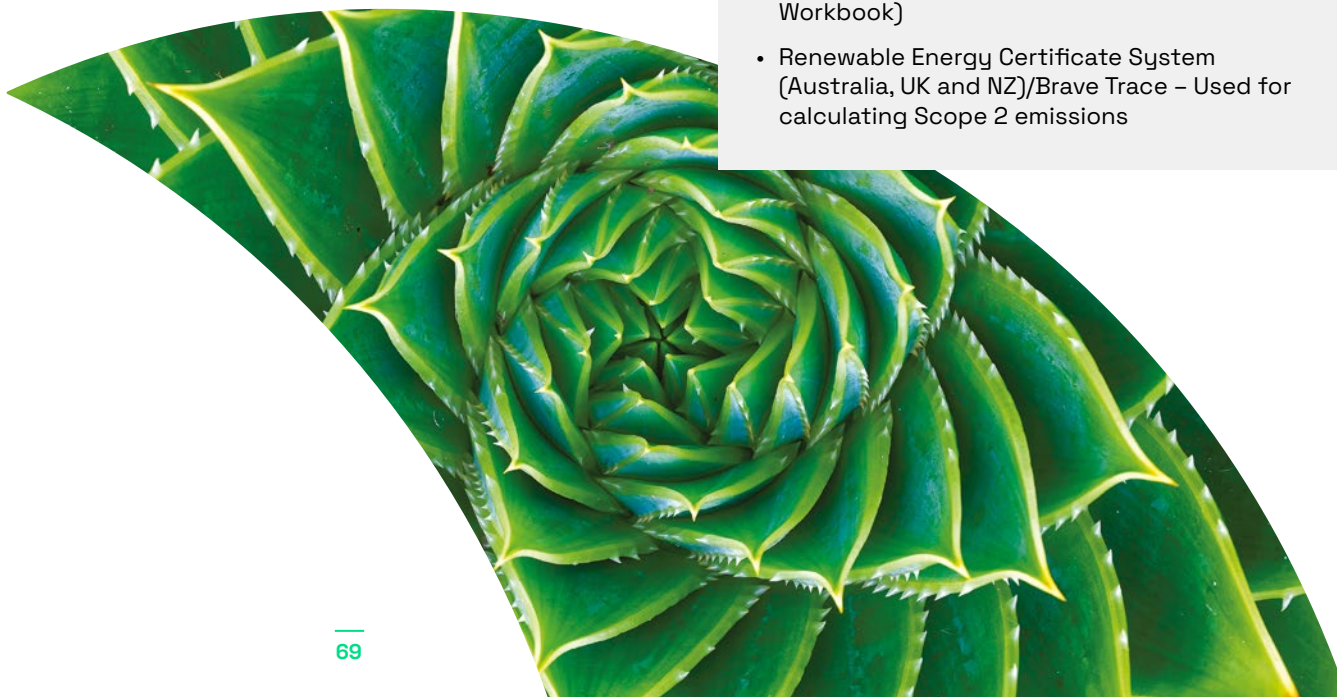
A materiality threshold of 1% of total emissions per scope has been selected to classify each of the emissions sources and categories. If emissions from a particular source or category exceed this threshold, it is classified as 'material' in the context of each scope. Sources or categories below this threshold are classified as immaterial. It should be noted that the materiality threshold can be defined by the reporting company.

Emission sources or categories below the materiality threshold may still be included in reporting where the data is easily available and deemed of interest to stakeholders.

Emission factors

Gentrack uses the latest published emission factors available at the time of reporting, including from the following sources which we used to prepare our FY24 GHG emissions inventory and reporting:

- New Zealand Ministry for the Environment (MfE) – Measuring Emissions: A Guide for Organisations (2023 MfE Workbook)
- UK Department for Business, Energy and Industrial Strategy (BEIS) and Department for Energy Security and net zero – Government Conversion Factors for Company Reporting of Greenhouse Gas Emissions (2023 BEIS Workbook)
- Australian National Greenhouse Accounts (NGA) Factors, Australian Government Department of Climate Change, Energy, the Environment and Water (2023 NGA Factors Workbook)
- Renewable Energy Certificate System (Australia, UK and NZ)/Brave Trace – Used for calculating Scope 2 emissions

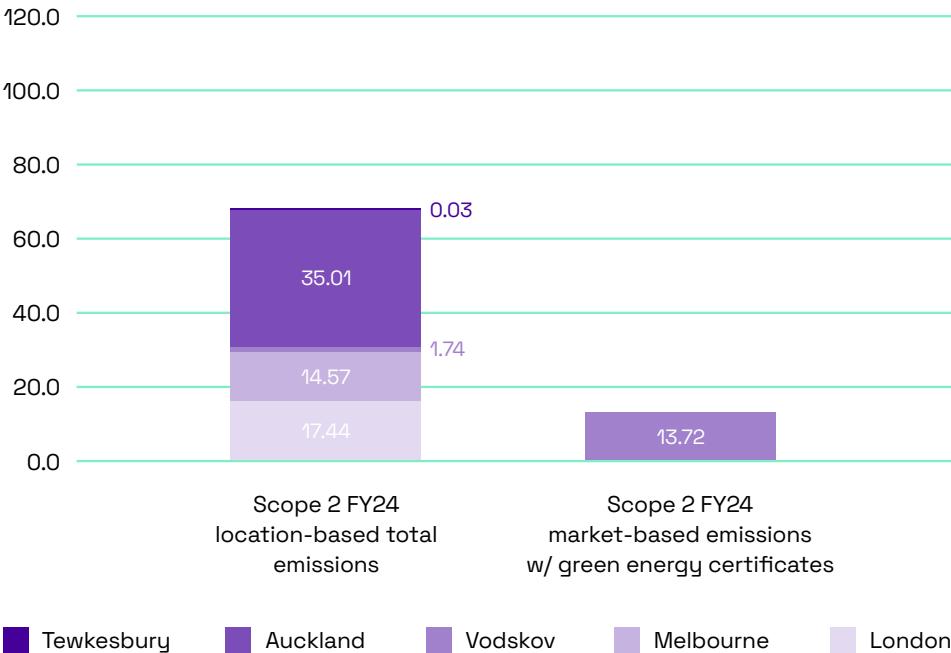


GHG inventory

Scope	Country	Source	Location-based emissions (t CO ₂ e)	Emissions (t CO ₂ e) including market-based certificates
1 Direct emissions	Australia	Natural gas – stationary combustion	7.86	7.86
2 Indirect emissions	UK (London)	Electricity	17.44	0
	UK (Tewkesbury)	Electricity	0.03	0
	Australia (Melbourne)	Electricity	14.57	0
	Denmark (Vodskov)	Electricity	1.74	13.72
	New Zealand (Auckland)	Electricity	35.01	0.14
	Totals (Scope 1 & 2)		76.65	21.72

* Scope 2 location-based emissions are included in the table to comply with GHG Protocol dual reporting requirements. Scope 2 market-based emissions are used for all further analysis.

Scope 2 estimated contributions [t CO₂e] – comparison with and without green energy certificates



Emissions by Greenhouse Gas

The table below provides details of the contribution by greenhouse gas of our Scope 1 and 2 emissions. Some countries do not provide a split for Scope 1 or 2 emission factors into different gases. Consequently, the total of gasses does not always align with total emissions.

Emission source	Emissions (t CO ₂ e)	Emissions (t CO ₂)	Emissions (t CH ₄)	Emissions (t N ₂)
Natural gas – stationary combustion	7.9	7.84	0.02	0.000
Grid electricity (Auckland and Vodskov)	13.9	0.14	0.00	0.00
Total	21.7			

Methodologies and uncertainties

The table below sets out the methodologies and uncertainties used to calculate our Scope 1 and Scope 2 emissions.

Category	Activity	Calculation method	Data source	Data quality/uncertainty
Scope 1				
Stationary combustion	Emissions from Natural gas for space heating	Natural gas consumption (GJ) multiplied by the relevant emissions factor	Invoices from natural gas supplier	Supplier invoices Low uncertainty
Scope 2				
Electricity	Indirect emissions from the purchase and used of electricity in Gentrack's global offices	Electricity consumption data (kWhrs) multiplied by the relevant emissions factor for market-based emissions	Invoices from electricity suppliers Certificates from renewable electricity certification schemes	Supplier invoices Renewable energy certificates Low uncertainty

For FY24 there is a level of uncertainty to our emissions reporting as a result of both estimation and data quality (the level and effect of which is noted in the table above). Uncertainty will reduce as we continue to improve and refine our data collection.

We are pleased to report that a new meter system specific for our London site is due to be introduced in late 2024 which shall greatly enhance our fidelity of data for FY25 reporting.



Exclusions

The Auckland office has a diesel generator for back up purposes and was confirmed that it had not been used in FY24. There are no fugitive emissions from refrigerant gases considered for FY24 as no top-ups were reported.

Emissions intensity

Currently Gentrack consider the most appropriate emissions intensity figure to be kgCO₂e per NZ \$ of revenue. However, other options will be considered as the understanding of our emissions profile increases and climate reporting across our sector globally continues to develop.

Industry based metrics

We are continuing to explore industry-based metrics for the data and technology sector with a view to adopting them to ensure future-proofing.

Targets

Gentrack is actively developing a comprehensive GHG emissions inventory and is committed to exploring emission reduction strategies and setting targets once it gains a deeper understanding of its full Scope 1-3 inventory.

Further consideration will be given to the Science Based Target Initiative (SBTi) net zero framework to inform possible options for emissions targets including an emissions intensity approach.

Offsets

Gentrack has not used emissions offsets and remains focused on reducing emissions at this stage.

Internal Emissions Pricing

Gentrack does not use an internal emissions price program.

Base year and recalculation procedure

The FY24 inventory is used as base year for Gentrack's annual reporting.

The approach used for the FY24 inventory will be used as the basis for future reporting for Gentrack's operations, and its use as a base year will support consistency and comparison over time.

Gentrack will review its base year inventory each year to ensure representativeness and to enable consistent tracking over time. The base year shall be recalculated and restated in the event of significant changes ($>\pm 5\%$) in emissions, resulting from:

- Structural changes that have a significant impact on the company's base year emissions, such as acquisitions, divestments, mergers, and outsourcing or insourcing of emitting activities
- Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data
- Discovery of significant errors, or a number of cumulative errors that are collectively significant
- Changes in the categories or activities included in the scope 3 inventory





Statement of Compliance

This Climate Statement complies with the requirements set out in the NZ CS issued by the XRB, as they apply in respect of the FY24 reporting period.

Adoption Provisions

The following adoption provisions have been applied to ensure compliance with Aotearoa New Zealand Climate Standards (NZ CS).

Adoption Provisions	Description
Adoption provision 1: Current financial impacts	This adoption provision provides an exemption from disclosing the current financial impacts of the physical and transition impacts identified and from disclosing an explanation of why we are unable to disclose this information.
Adoption provision 2: Anticipated financial impacts	This adoption provision provides an exemption from disclosing the anticipated financial impacts of climate-related risks and opportunities reasonably expected by the entity and from disclosing an explanation of why we are unable to disclose this information. It also provides an exemption from disclosing a description of the time horizons over which the anticipated financial impacts of climate related risks and opportunities could reasonably be expected to occur.
Adoption provision 3: Transition planning	This adoption provision provides an exemption from disclosing the transition plan aspects of our strategy, including how our business model and strategy might change to address its climate-related risks and opportunities; and the extent to which transition plan aspects of our strategy are aligned with our internal capital deployment and funding decision making processes.
Adoption provision 4: Scope 3 GHG emissions	This adoption provision provides an exemption from disclosing greenhouse gas (GHG) emissions: gross emissions in metric tonnes of carbon dioxide equivalent (CO ₂ e) classified as Scope 3.
Adoption provision 5: Comparatives for Scope 3 GHG emissions	This adoption provision provides an exemption from disclosing comparative information for each metric disclosed for the immediately preceding two reporting periods.
Adoption provision 6: Comparatives for metrics	This adoption provision provides an exemption from disclosing, for each disclosed metric, comparative information for the immediately preceding two reporting periods
Adoption provision 7: Analysis of trends	This adoption provision exempts Gentrack from disclosing an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period.

Corporate directory

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About Gentrack

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.

