



FY17 ANNUAL GENERAL MEETING

23 NOVEMBER 2017



Important notice

This presentation has been prepared by Hansen Technologies Limited (Hansen).

Information contained in this presentation:

- is intended to be general background information only, and is not intended that it be relied upon as advice to investors or potential investors and is not an offer or invitation for subscription, purchase, or recommendation of securities in Hansen
- should be read in conjunction with Hansen's financial reports and market releases on ASX
- includes forward-looking statements about Hansen and the environment in which Hansen operates, which are subject to significant uncertainties and contingencies, many of which are outside the control of Hansen – as such undue reliance should not be placed on any forward looking statements as actual results or performance may differ materially from these statements
- includes statements relating to past performance, which should not be regarded as a reliable guide to future performance
- includes certain financial information not recognised under IFRS which Hansen considers useful to assist in evaluating Hansen's performance – however, such information has not been subject to audit or review in accordance with Australian Auditing Standards.

All dollar values are in Australian dollars (A\$) unless otherwise stated.

Board of Directors



David Trude

Non-Executive Chairman

More than 45 years experience within the banking and securities industries. Hansen Director since 2011.



Andrew Hansen

Managing Director and Chief Executive Officer

Andrew is the CEO and serves on the Board as Managing Director. Since being appointed CEO in 1993, Andrew has transformed Hansen's strategy to become a leading global billing & customer care and data management provider in over 80 countries.



Bruce Adams

Non-Executive Director

Over 25 years experience as a commercial lawyer, practising extensively in the areas of IT and M&A. Hansen Director since 2000.



Sarah Morgan

Non-Executive Director

Extensive experience as a corporate adviser, primarily at Grant Samuel. Hansen Director since 2014.



David Osborne

Non-Executive Director

Over 40 years experience in public practice as an accountant, registered tax agent and registered company auditor. Hansen Director since 2006.



Jennifer Douglas

Non-Executive Director

More than 20 years experience within the technology and media industries, including over 10 years at Telstra. Hansen Director since 2017.

AGENDA

- 1 CHAIRMAN'S ADDRESS
- 2 CEO'S PRESENTATION
- 3 FORMAL BUSINESS

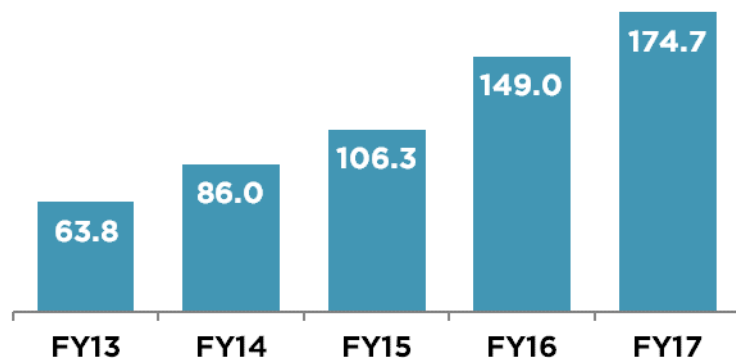
A grayscale photograph of a group of people sitting around a large conference table in a meeting room. They are engaged in discussion, with some looking at laptops and others at each other. The image is semi-transparent, serving as a background for the text.

CHAIRMAN'S ADDRESS

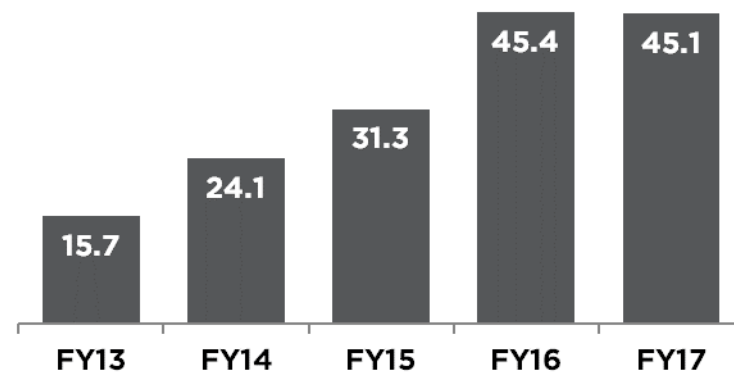
David Trude

FY17 financial summary

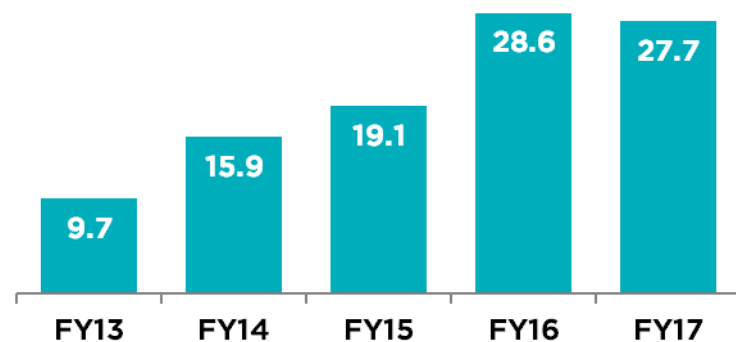
REVENUE (\$m)



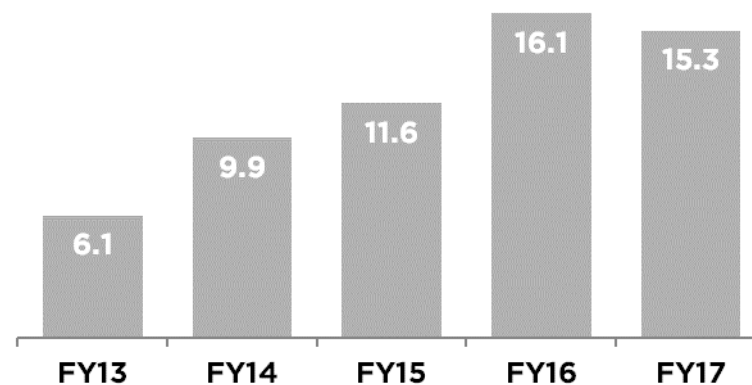
EBITDA (\$m)



NPATA¹ (\$m)



EPS² (cents)

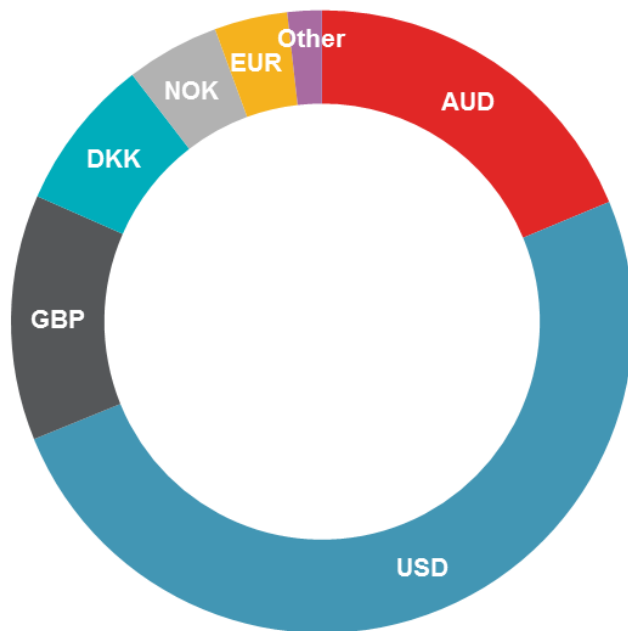


1. NPATA = Net profit after tax excluding amortisation of acquired intangibles

2. Basic EPS based on NPATA

Currency

FY17 REVENUE BY CURRENCY

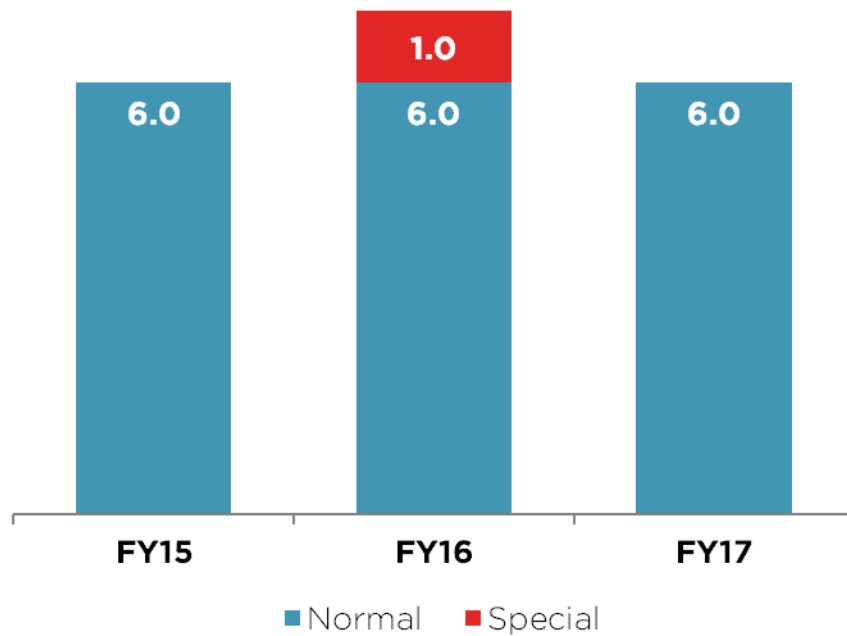


- Due to the strong appreciation of the AUD against most major currencies in FY17, **revenue** would have been **\$8.7m higher** on translation to AUD on a constant currency¹ basis
- The 21% appreciation of the **AUD against the British Pound** following Brexit not only lowered revenue, but also had a **disproportionate impact on EBITDA** as some of the direct costs of servicing our UK customers are in Australia

1. Constant currency equals FY17 results translated to AUD at FY16 average exchange rates

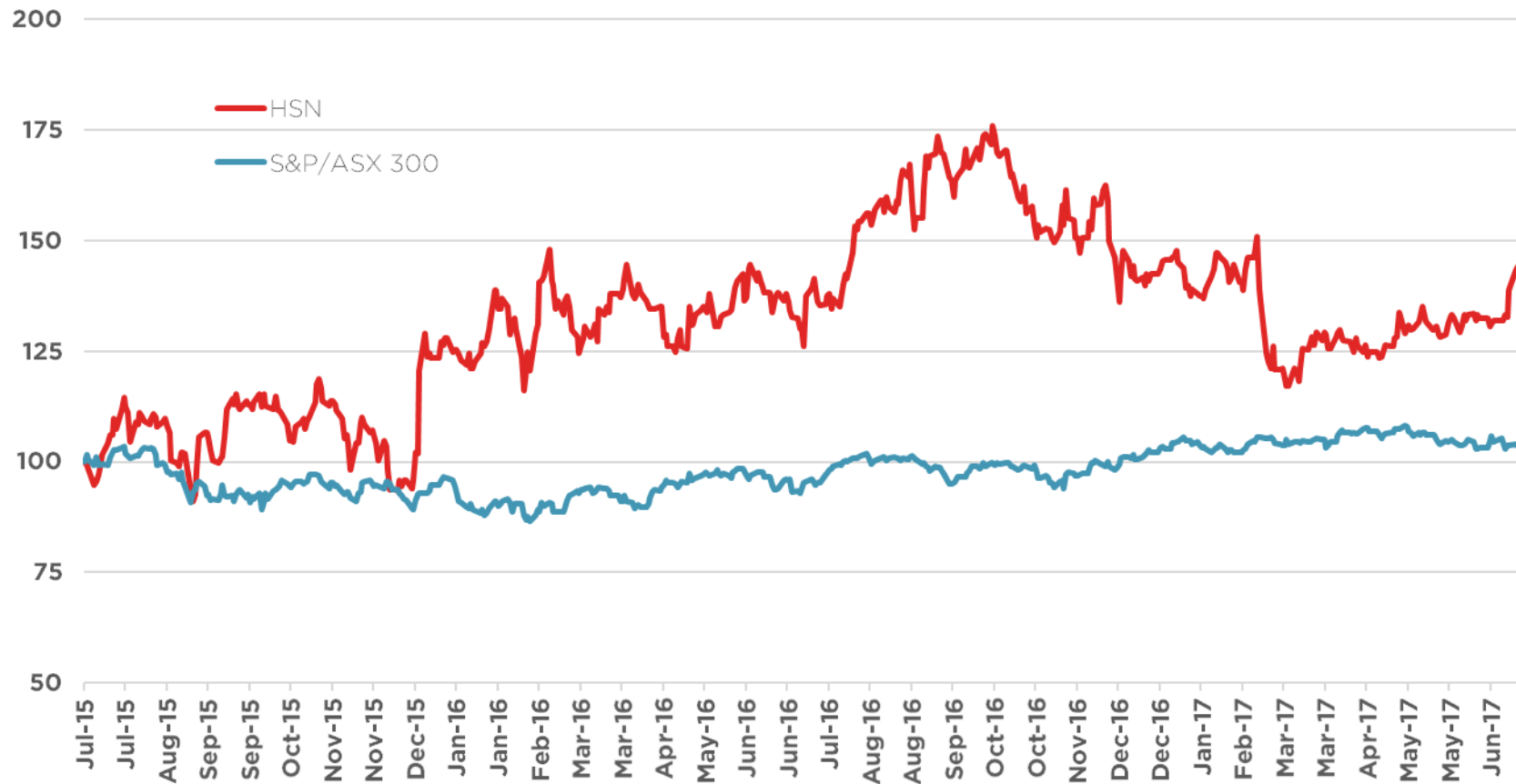
Dividends

DIVIDENDS PER SHARE (cents)



- Final 3 cent fully franked dividend (paid on 28 September) brings total dividends for FY17 to 6 cents, fully franked
- 7 cents paid in FY16 included a 1 cent special dividend to distribute available franking credits
- FY17 dividends represents a dividend payout ratio of 41% of NPATA
 - which balances a policy of distributing franking credits to shareholders whenever possible and retaining a portion of earnings to fund further strategic, value creating acquisitions

Over the past 2 years, **Hansen's share price has appreciated 50%** ... while the S&P/ASX 300 index has risen 4%



HSN v S&P/ASX 300 from 1 July 2015 to 30 June 2017



CEO'S PRESENTATION

Andrew Hansen

Hansen long term **strategy**

Stick to our core business of billing & data management ... and owning our IP

Diversify our customer base across multiple industry verticals, geographies and products

Have the best people – who deliver smart business outcomes for our customers

Continually evolve our products – to help our customers succeed

Leverage our global experience

Drive organic growth through strategic partnerships with our customers and providing solutions to their evolving business needs

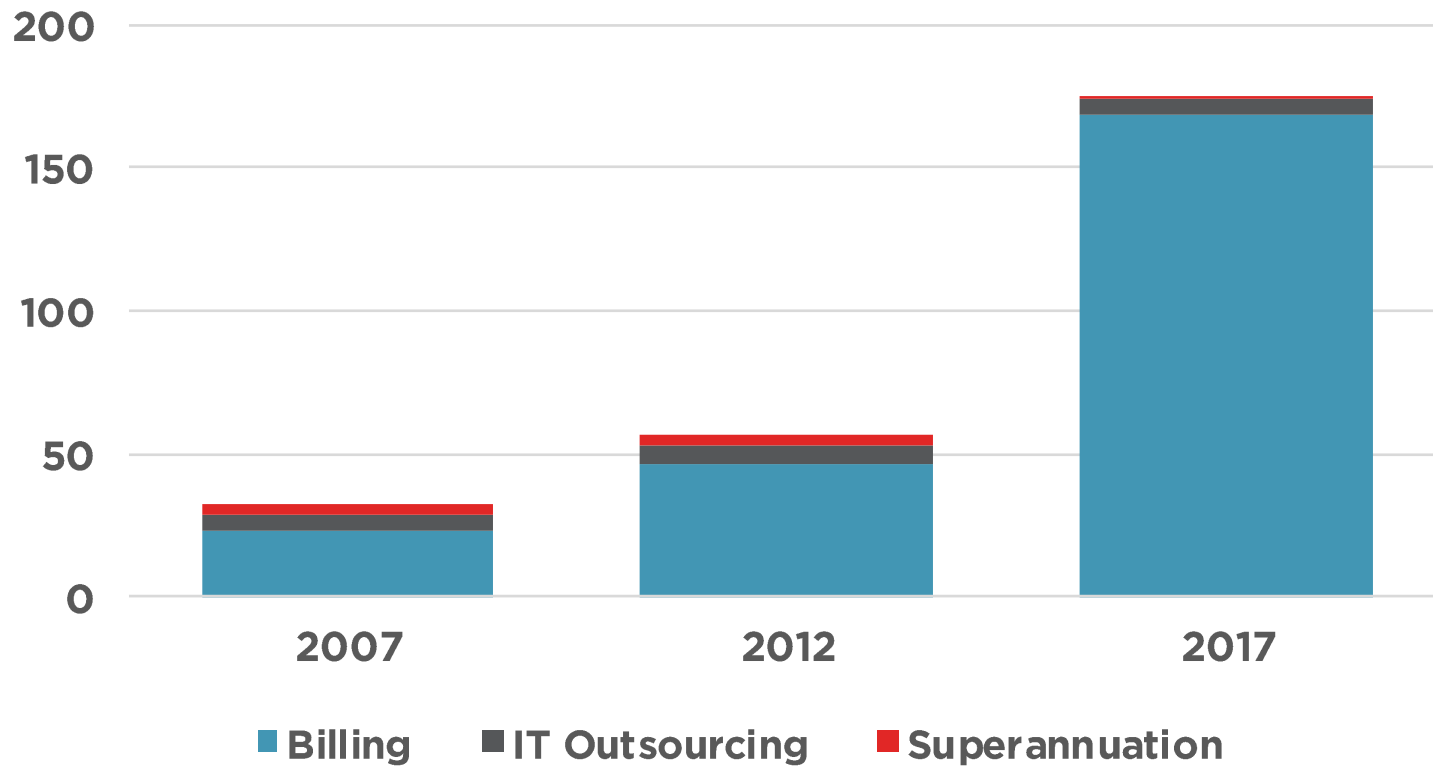
Enter new markets and segments through strategic acquisitions

Build recurring revenue streams

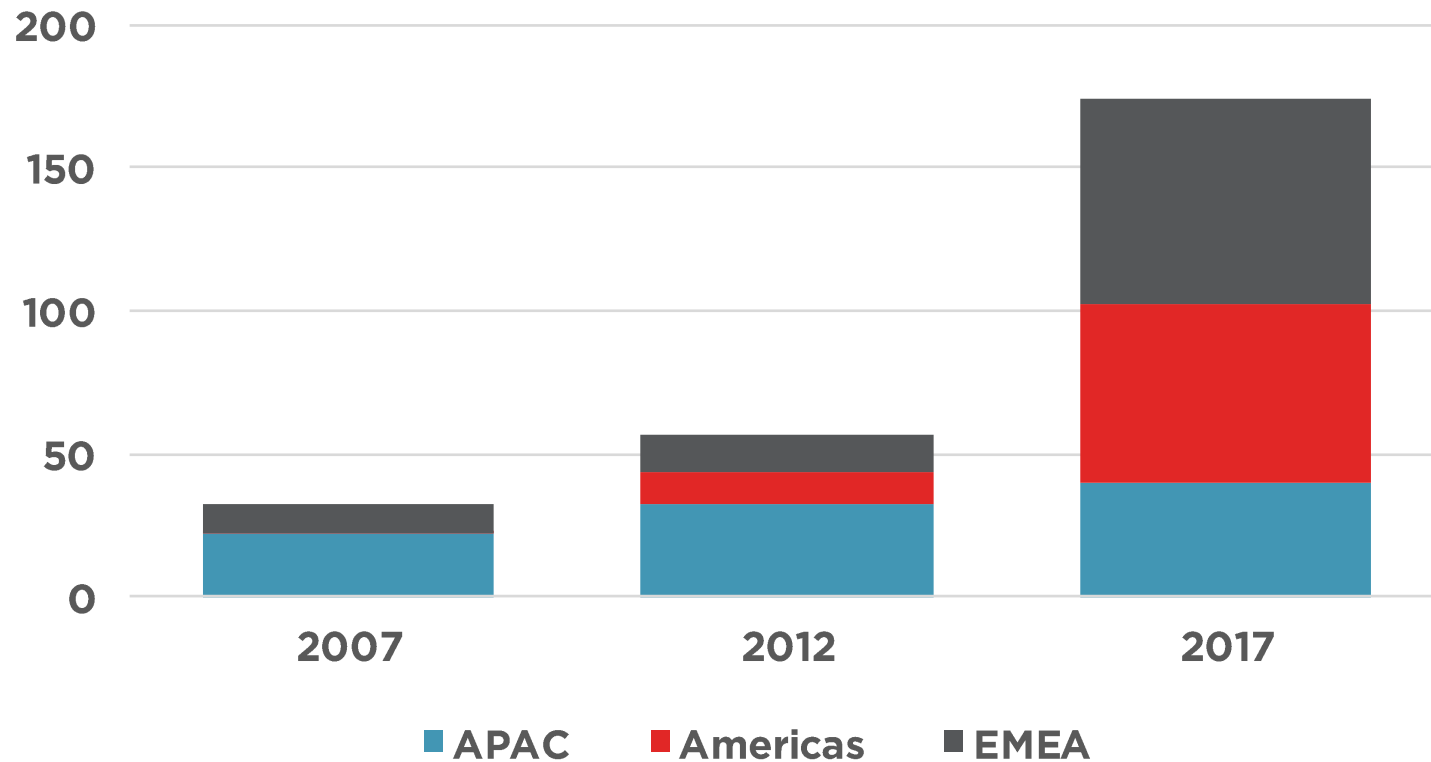
Target 25-30% EBITDA margins

Maintain a conservatively geared balance sheet

Over the past 10 years, we have focussed on **growing our core billing business**, whilst owning our IP



... expanding and diversifying **geographically**

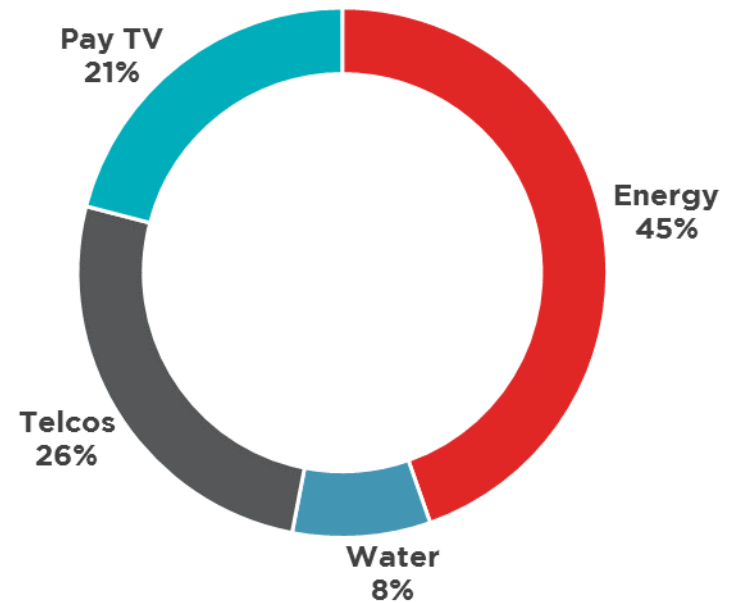


... and diversifying by **industry vertical**

BILLING REVENUE BY VERTICAL - 2007



BILLING REVENUE BY VERTICAL - 2017



A **diversified, global** customer base

ENERGY



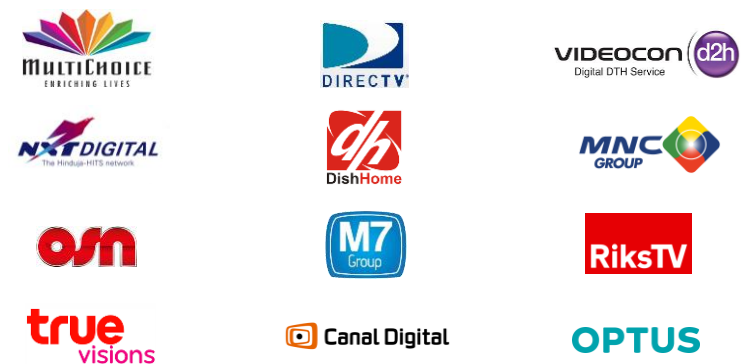
WATER



TELCOS



PAY-TV



Hansen **global footprint**

1,000+ employees | **18** countries | **500+** customers | **80+** countries serviced



FY17 ... more strategic acquisitions

SOLUTIONS

- US based
- A\$14.2m purchase price
- Expands our US energy offering – providing a SaaS billing & outsourcing solution targeted at new entrants into the increasingly contestable energy markets
- Acquired effective 1 July 2016
- A\$29.1m revenue in FY17

HIAFFINITY

- UK based
- A\$8.5m acquisition cost
- Expands our water billing presence from the US to the UK, Australia, Africa and the Americas
- Acquired effective 1 Nov 2016
- A\$5.5m revenue in FY17

ENORO

- Nordics based
- A\$96m enterprise value
- Gives us a strong energy presence in the Nordics – the most advanced energy market in the world – and an entrée into the broader European energy market
- Acquired effective 1 July 2017
- Calendar year 2017 forecast revenue of A\$55m and EBITDA of A\$9m

The recent acquisition of **Enoro** expands our **energy presence** into the **Nordics** and the broader **European market**

- Leading provider of customer information systems and data management systems for the Nordic energy market – the most advanced energy market in the world
- Also has an expanding footprint in the broader European market
- Approximately 300 customer installations and 270+ employees



3 PRODUCT LINES:

CUSTOMER INFORMATION SYSTEMS (CIS)	METER DATA MANAGEMENT (MDM) SYSTEMS	ANALYTICS SOFTWARE
<ul style="list-style-type: none">• Directly aligns with our core business - providing billing and customer care solutions• Customer base primarily in Norway, but also a growing position in Sweden and Finland following an entry in 2016	<ul style="list-style-type: none">• Software solutions for Meter Data Management (MDM) and Energy Data Management (EDM)• Customer base principally in Finland, Germany and Sweden, with a growing footprint in Netherlands, Switzerland and Austria	<ul style="list-style-type: none">• Recently developed, cloud-based software tool that analyses high-volume consumption data from MDM systems• Allows utilities to better understand customers and identify new business opportunities

A **conservatively geared** balance sheet

- To fund the \$96m acquisition of Enoro:
 - \$46m was drawn from a new \$105m banking facility
 - \$50m of equity was raised
- Pro-forma net debt post funding Enoro was \$31.8m
 - Equating to net debt/equity of 16%
- Leaves significant balance sheet capacity to support future growth

\$m	Jun 2017 Actual	Jun 2017 Pro-forma with Enoro	Sep 2017 Actual ¹
Cash	15.0	14.5	21.1
Debt	0.3	46.3	46.2
Net Debt / (Cash)	(14.7)	31.8	25.1

(1) After payment of \$5.2m final FY17 dividend (net of DRP)

(2) Net Debt calculated as Debt less Cash

Trading update & Outlook

- FY2018 has started positively
 - Customer orders that commenced last financial year have flowed strongly into this year, with a number of regulatory initiatives creating a need for customers to update existing systems, and some licence revenue has also been recognised
 - EBITDA margins have improved from FY2017, and we are expecting margins in the first half of FY2018 to be towards the middle of our 25-30% target range
 - Enoro (acquired effective 1 July 2017) has performed in line with expectations
 - Impact from currency movements have been broadly neutral in aggregate
- While expecting a strong first half to the year, it is too early to determine the impact on the second half from a number of variables including currency movements, staff utilisation initiatives, process efficiencies, and the recognition of project revenue that blends through reporting periods
- Therefore, the outlook for the full year remains unchanged, with increased profitability still expected from both: growth in underlying profitability and a positive earnings¹ contribution from Enoro

1.Excluding the amortisation of acquired intangibles



FORMAL BUSINESS

Consideration of Accounts and Reports

To table the financial report of the Company and its controlled entities and the related reports of the Directors and Auditors for the year ended 30 June 2017 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors

- Shareholders may ask questions and make comments on the operations and management with regard to the Reports
- Shareholders may also ask the representative of the Company's Auditor (Pitcher Partners) questions about the content and conduct of the audit

Resolution 1

Adoption of Director's Remuneration Report

To consider and, if thought fit, pass the following resolution as a non-binding resolution of the Company:

'In accordance with the requirements of the Corporations Act, adopt the Remuneration Report for the year ended 30 June 2017 as it appears in the Directors' Report within the Annual Report 2017.'

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
66,308,844	1,151,831	1,557,900	211,275
96.07%	1.67%	2.26%	

* Open votes totalling 358,990 (0.52%) in favour of the Chairman will be voted in favour of Resolution 1

Resolution 2

Re-election of Mr Bruce Adams

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘That Mr Bruce Adams, a Director retiring by rotation in accordance with the Company’s Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
92,401,396	13,477,767	1,696,024	199,732
85.89%	12.53%	1.58%	

* Open votes totalling 479,234 (0.45%) in favour of the Chairman will be voted in favour of Resolution 2

Resolution 3

Re-election of Mr David Trude

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘That Mr David Trude, a Director retiring by rotation in accordance with the Company’s Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
103,311,705	2,570,809	1,692,673	199,732
96.04%	2.39%	1.57%	

* Open votes totalling 475,883 (0.44%) in favour of the Chairman will be voted in favour of Resolution 3

Resolution 4

Election of Ms Jennifer Douglas

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘That Ms Jennifer Douglas, a Director appointed by the Board effective from 15 February 2017 until this annual general meeting of the Company in accordance with the Company’s Constitution and being eligible and having signified her candidature for Office, be and is hereby elected a Director of the Company.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
105,031,987	272,038	1,715,033	755,861
98.14%	0.25%	1.60%	

* Open votes totalling 498,243 (0.47%) in favour of the Chairman will be voted in favour of Resolution 4

Resolution 5

Approval of the Hansen Technologies Employee Performance Rights Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘ That for the purpose of Listing Rule 7.2, Exception 9, as an exception to Listing Rule 7.1 and for all other purposes, Shareholders approve the performance rights plan known as the “Hansen Technologies Employee Performance Rights Plan” and the grant of Performance Rights and the issues of Shares under the Plan, which is summarised in the Explanatory Notes.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
67,132,627	1,529,498	1,584,938	190,247
95.57%	2.18%	2.26%	

* Open votes totalling 381,148 (0.54%) in favour of the Chairman will be voted in favour of Resolution 5

Resolution 6

Grant of Options to Chief Executive Officer/Managing Director Mr Andrew Hansen for financial year ended 30 June 2017

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘ That for the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 535,714 options to Mr Andrew Hansen under the Hansen Employee Option Plan on the terms and conditions set out in the Explanatory Notes.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
66,164,686	1,997,909	1,592,544	682,171
94.85%	2.86%	2.28%	

* Open votes totalling 388,266 (0.56%) in favour of the Chairman will be voted in favour of Resolution 6

Resolution 7

Grant of Performance Rights to Chief Executive Officer/Managing Director Mr Andrew Hansen for financial year ending 30 June 2018

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

‘That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 175,458 Performance Rights to Mr Andrew Hansen under the Hansen Technologies Employee Performance Rights Plan on the terms and conditions set out in the Explanatory Notes.’

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
66,161,823	1,957,937	1,620,125	697,425
94.87%	2.81%	2.32%	

* Open votes totalling 415,847 (0.60%) in favour of the Chairman will be voted in favour of Resolution 7

THANK YOU

