



# ACQUISITION OF SIGMA SYSTEMS.

1 MAY 2019.



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All dollar values are in Australian dollars (AUD) unless otherwise stated.

# TRANSACTION OVERVIEW.

## SIGMA OVERVIEW

- Founded in 1996, Sigma is a leading global provider of catalog-driven software products for telecommunications, media, and high-tech companies
- The software products streamline complex product and service offerings and provide a faster path to creating, selling & delivering new digital and traditional products and services
- 70+ customers, 480+ employees and Head Office in Toronto, Canada

## PURCHASE PRICE AND FUNDING

- Sigma is being acquired for an enterprise value (EV) of CAD\$157.0 million (AUD166.2m<sup>1</sup>)
- Equates to an EV/EBITDA multiple of 8.3x CY18<sup>2</sup> normalised EBITDA<sup>3</sup>
- Funding will be 100% provided by a new bank debt facility of AUD\$225m
- The acquisition is expected to close on 31 May 2019

## STRATEGIC RATIONALE

- The business is a high-quality asset – being a global leader in its core business
- Sigma significantly expands Hansen’s scale and scope in the telecommunications sector
- Cross-sell opportunities exist into Hansen’s large utilities customer base by integrating the Catalog product into our energy product offerings, as well as PayTV

## FINANCIAL IMPACT

- Sigma’s CY18 revenue was CAD73.1m (AUD75.5m<sup>4</sup>) and CY18 normalised EBITDA<sup>3</sup> was CAD18.8m (AUD19.4m<sup>4</sup>)
- The acquisition is expected to be earnings per share (EPS) accretive in FY20<sup>2</sup>, excluding amortisation of acquired intangibles<sup>5</sup>

1. Based on a AUD/CAD (Canadian Dollar) exchange rate of 0.9444

2. All references to “CY18” refer to the 12-month period ending 31 December 2018. References to “FY20” refer to the forecast financial year ending 30 June 2020

3. Normalised EBITDA is a non-IFRS measure which represents EBITDA which has been adjusted to capitalise research and development (R&D) spending. The normalisation adjustment for R&D spending capitalised is an estimate, and represents approximately 4% of CY18 revenue

4. Based on an average AUD/CAD exchange rate of 0.9684 for CY18

5. Earnings per share excluding amortisation of acquired intangibles is a non-IFRS measure.

# SIGMA'S PRODUCTS.

A portfolio of catalog-driven software tools empowering customers to manage complex customer offerings – combining traditional and digital products and services

## CATALOG

- Provides a single source of “knowledge” for all of the service providers’ products and services
- Enables the introduction and management of new and existing products and services with a single point of control, thus reducing the time-to-market for new offerings

## CONFIGURE PRICE QUOTE

- Catalog-driven, this product applies real-time, enterprise-wide pricing structures to quote and capture orders
- Used for standardised consumer offerings to complex tailored enterprise services

## ORDER MANAGEMENT

- Provides end-to-end management of an order, from when it is placed to when it is fulfilled and operational

## PORTFOLIO INVENTORY

- Provides single source of “knowledge” on all the products customers have ordered, the services that were activated for those products, and the resources that were provisioned for those services

## PROVISIONING

- Network service and device activation product
- Manages, tracks and activates a complete range of network communication services and devices from a set of preconfigured activation solutions

## INSIGHTS

- Analytics tool that provides service providers with real-time visibility of operational and sales performance at a granular level
- Allowing them to adjust sales strategies as necessary

# SIGMA'S CUSTOMERS.

**>70**  
Customers

**>40**  
Countries Deployed

**>8 years**  
Average Customer Age

Some of the customers:

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## AMERICAS



## EMEA



LIBERTY GLOBAL









## APAC



# STRATEGIC RATIONALE.

Strong strategic rationale exists for the acquisition of Sigma

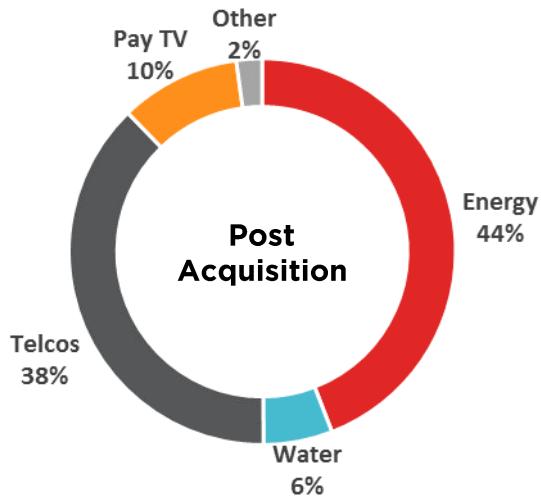
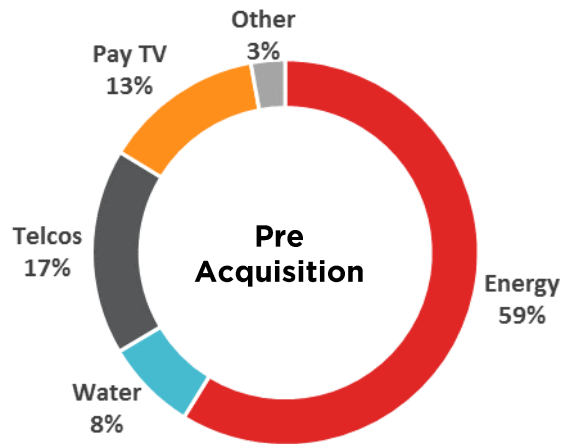
-  The business is a high-quality asset – being a global leader in providing enterprise catalog-driven software products to the telecommunications, media and high-tech sectors
-  Products sit within or adjacent to our core business of billing and customer management, and are well designed to capture growth opportunities from the rollout of new telecommunications services such as 5G
-  Significantly expands our scale and scope in the telecommunications sector – revenue from the telecommunications sector would have been 38% of total revenue in CY18 on a pro-forma basis if Sigma was owned during that period, compared to actual of 17%
-  Cross-sell opportunities exist into Hansen’s large utilities customer base by integrating the Catalog product into our energy product offerings, as well as PayTV
-  Further expands the depth and breadth of our global presence
-  Expected to be earnings per share accretive in FY20, excluding amortisation of acquired intangibles<sup>1</sup>

1. Earnings per share excluding amortisation of acquired intangibles is a non-IFRS measure.

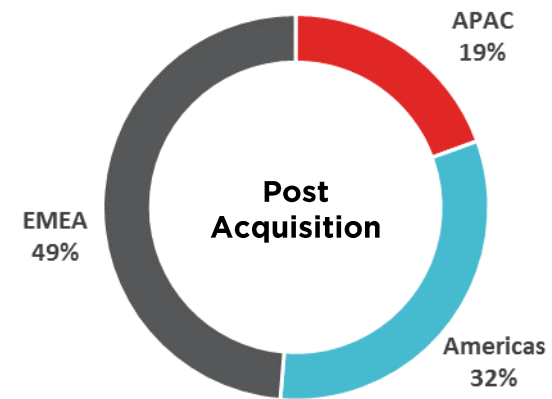
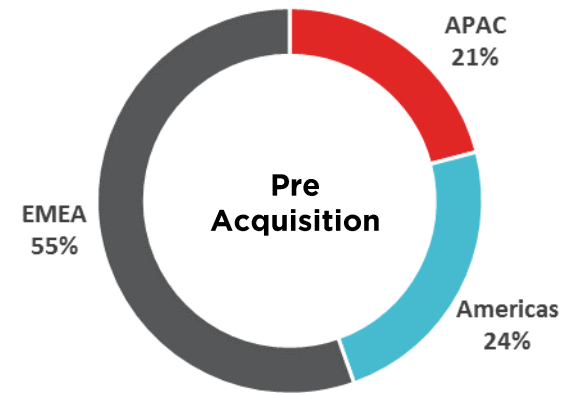


# HANSEN PRE AND POST ACQUISITION.

## REVENUE BY VERTICAL



## REVENUE BY GEOGRAPHY



Pro-forma based on CY18 revenue

# HANSEN FOOTPRINT BEFORE THE ACQUISITION.

	AUSTRALIA	ASIA	NORTH AMERICA	SOUTH AMERICA	UK/ IRELAND	NORDICS	WESTERN EUROPE	EASTERN EUROPE	MIDDLE EAST AFRICA
ENERGY	Strong	Emerging	Strong	Nil	Emerging	Strong	Moderate	Nil	Nil
WATER	Emerging	Nil	Moderate	Nil	Moderate	Nil	Nil	Nil	Nil
TELCOS	Nil	Nil	Nil	Nil	Moderate	Strong	Emerging	Nil	Nil
PAYTV	Nil	Strong	Nil	Strong	Nil	Emerging	Nil	Nil	Strong

**PRESENCE:**

- Strong
- Moderate
- Emerging
- Nil



# HANSEN FOOTPRINT **AFTER** THE ACQUISITION.

	AUSTRALIA	ASIA	NORTH AMERICA	SOUTH AMERICA	UK/ IRELAND	NORDICS	WESTERN EUROPE	EASTERN EUROPE	MIDDLE EAST AFRICA
ENERGY	Strong	Emerging	Strong	Nil	Emerging	Strong	Moderate	Nil	Nil
WATER	Emerging	Nil	Moderate	Nil	Moderate	Nil	Nil	Nil	Nil
TELCOS	Emerging	Emerging	Strong	Emerging	Strong	Strong	Strong	Nil	Nil
PAYTV	Nil	Strong	Nil	Strong	Nil	Emerging	Nil	Nil	Strong

**PRESENCE:**

- Strong
- Moderate
- Emerging
- Nil

**THANK YOU.**

