HANSEN
POWER THE NEXT.™

FY20 RESULTS PRESENTATION

28 August 2020

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

Definitions

- FY19 = financial year ended 30 June 2019
- FY20 = financial year ended 30 June 2020
- Reported EBITDA* = Earnings before interest, tax, depreciation and amortisation, excluding net foreign exchange gains (losses)
- Underlying EBITDA* = Earnings before interest, tax, depreciation and amortisation, excluding net foreign exchange gains (losses), not including non-recurring items
- EBIT* = Earnings before interest and tax, excluding net foreign exchange gains (losses)
- NPAT = Net profit after tax
- NPATA* = Net profit after tax excluding tax effected amortisation of acquired customer and technology intangibles

*EBITDA, EBIT, NPATA, Recurring revenue and Non-recurring revenue are non-IFRS measures that have not been audited or reviewed by Hansen's auditors

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AGENDA.

Company overview and results highlights

Strategy

Dividend and outlook

Q&A

Appendix

HANSEN.

A global technology company serving the Gas, Electricity, Water and Communications industries.

580+
Customers Globally

80+
Countries

Tier 1 and 2 customers

CREATE-DELIVER-ENGAGE

We develop and implement purpose-built software enabling our customers to **create** and bring to market new products and services faster, **sell and deliver** them flawlessly to customers and **engage** meaningfully at all points of customer interaction.

THE HANSEN MISSION.

To further grow our best in class core business through aggregating mature, entrenched and predicable businesses in the energy and communications sectors.

OUR STRATEGY.

Leverage our global experience

- Leverage new and existing technologies
- Cross-sell

"Hansenisation" of aggregated businesses

- Deploy proven and agile technology methodologies
- Predictable management and systems

Diversification

- Vertical, geographic and customer diversification

Future opportunities

- A disciplined approach to further aggregation opportunities

H2 2020 IN CONTEXT.

1. Uncertainty of impact of COVID-19; war room established
2. Unsure of customer impact, planned around a 15% decline of revenues
3. Accelerated integration of Sigma
4. Defined work from home program for all staff
5. Implemented regional management structure

COVID-19 customer impact did not eventuate to date

Work from home - maintained productivity trajectories

Exceeded mid-point EBITDA guidance by >3%

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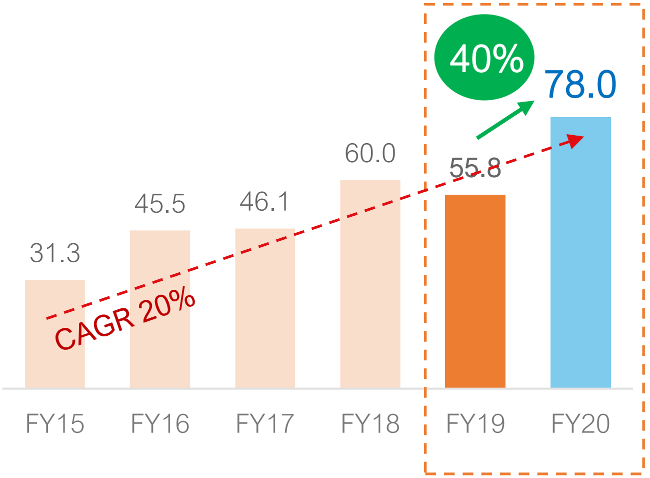
BACKGROUND ON EBITDA DEFINITIONS.

EBITDA RECONCILIATION.

Comparative EBITDA ($M)

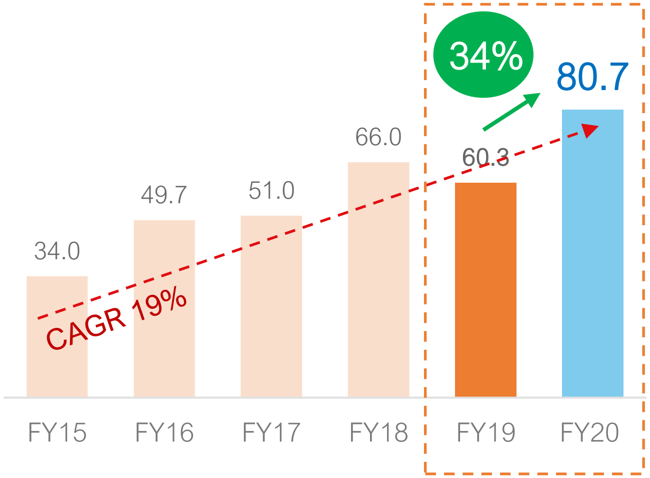
Pre-IFRS16 excluding non-recurring items



- FY20 Comparative EBITDA margin: 25.9%

Reported EBITDA ($M)

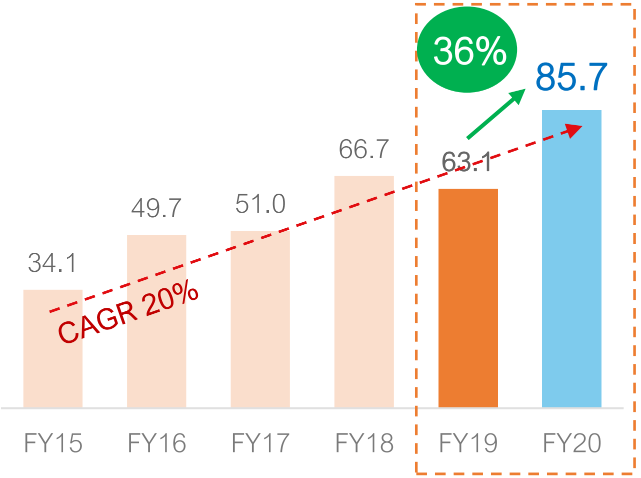
IFRS16 adopted



- FY20 Reported EBITDA margin: 26.8%

Underlying EBITDA ($M)

IFRS adopted excluding non-recurring items



- FY20 Underlying EBITDA margin: 28.4%

FY20 HEADLINES.

A RECORD YEAR.

REVENUE

$301.4m

▲ 30%

REPORTED EBITDA[1]

$80.7m

26.8% margin

▲ 34%[1]

UNDERLYING NPATA[2]

$47.4m

▲ 41%

REVENUE DERIVED FROM OWNED IP

97%

REVENUE VISIBILITY

95%

1. 34% gain is on reported FY20 EBITDA including non-recurring items against reported FY19 EBITDA including non-recurring items ($60.3m)
2. Underlying NPATA = Net profit after tax excluding tax effected amortisation of acquired intangibles and non-recurring items (refer slide 31 for reconciliation)

FY20 HEADLINES.

A RECORD YEAR.

ADJUSTED EPS[1]	DIVIDEND	NET DEBT[2]
23.9c ▲ 40%	3c (interim paid) + 5c (base final) + 2c (special)	$116.5m ▼ $34.9m

1. Adjusted Basic EPS, based on Underlying NPATA
2. Net Debt excluding AASB 16 lease liabilities

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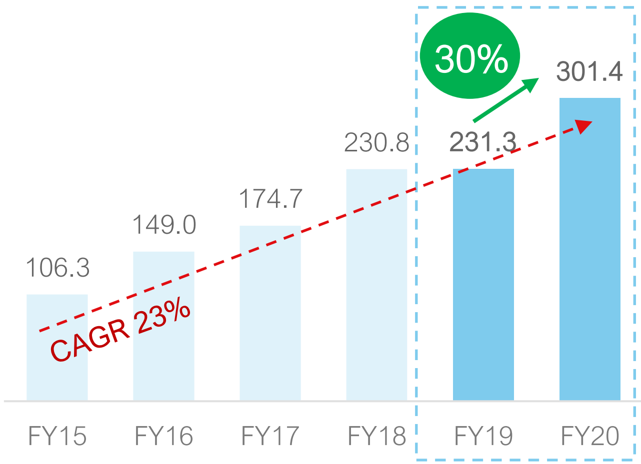
A RECORD SET OF RESULTS.

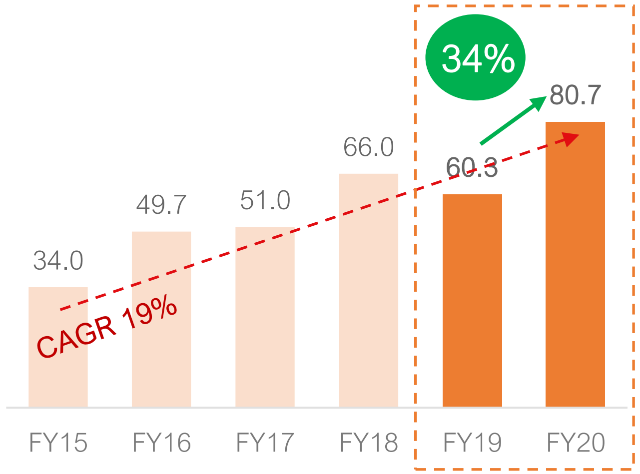
RECORD EARNINGS.

REVENUE ($M)



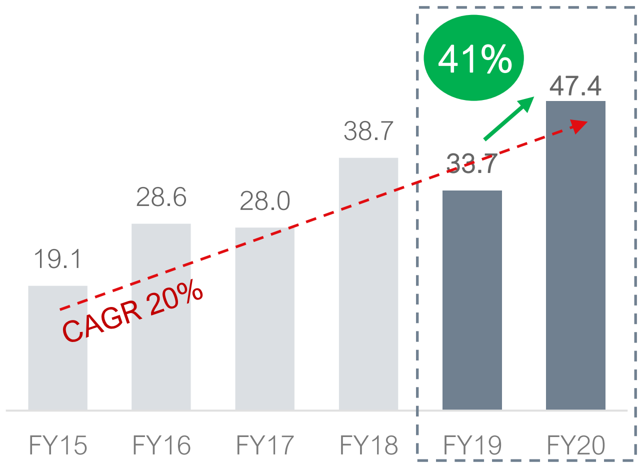
- Impact of COVID-19 from customers negligible.
- Revenues from our owned IP of 97%.
- Strong new logo wins contributing to organic revenue growth of 2.9%.

EBITDA[1] ($M)



- Reported EBITDA increased 34% to $80.7m (26.8% margin) due to operating leverage and cost reductions late in the year.
- Efficiencies from regional management and Indian and Vietnam development centres.
- Immaterial government, rent or other support relating to COVID-19.

UNDERLYING NPATA[2] ($M)



- Effective tax rate decreased from 22.7% in FY19 to 13.7% in FY20.
- Applying “Hansenisation” to Sigma and broad cost reductions, margins have been improved.
- Significant pay-down of debt reducing interest rate margin and cash burden by annualised c. $3m from start of year.

Notes:
1. FY20 EBITDA = Reported EBITDA including $5.0m of non-recurring items; FY19 EBITDA = Reported EBITDA including $2.8m of non-recurring items; prior years adjusted for impact of AASB16.
2. Underlying NPATA: net profit after tax excluding tax effected amortisation of acquired intangibles and one-off items.

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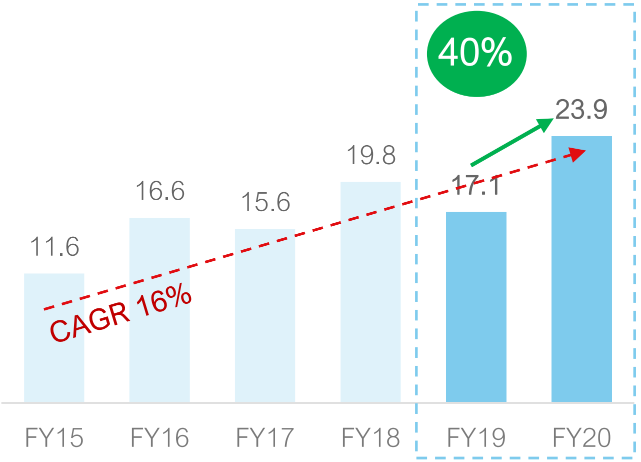
A RECORD SET OF RESULTS.

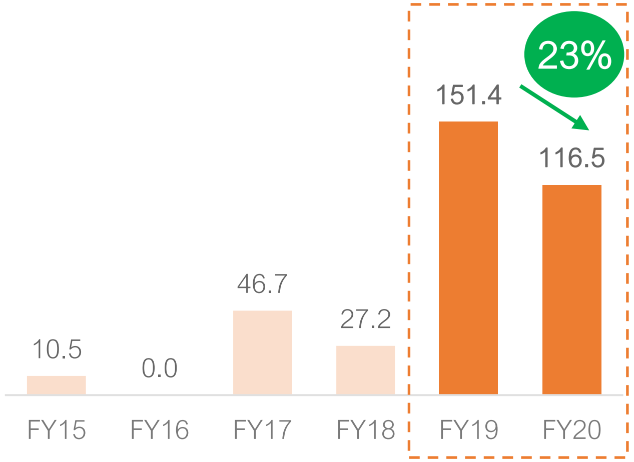
STRONG CAPITAL MANAGEMENT.

EPSa[1] (Cents)



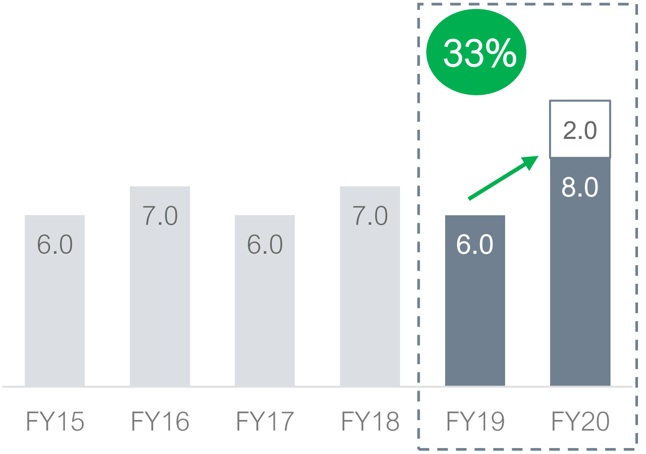
- Use of debt to grow EPS by managing cost of capital.
- Group margin expansion driving significant EPS upside.

NET DEBT[2] ($M)



- Cash flows enabling significant reduction in net debt.
- Total available liquidity = $61m, comprising cash of $44.5m and $16.6m undrawn of the debt facility.
- Strong capital structure and liquidity position supports an increased dividend.
- Significant headroom (leverage of 1.46x[3]) for more aggregations.

DPS (Cents)



- Base FY20 dividend of 8.0c, 33% higher than FY19.
- Additional special dividend of 2.0c.
- Cash flows ensure continued opportunity for investment in products and new aggregations.

Notes:
1. Adjusted Basic EPS, based on Underlying NPATA.
2. Net Debt excluding AASB 16 lease liabilities for FY20 and pre-paid borrowing costs.
3. Leverage ratio: net debt (including pre-paid borrowing costs) / EBITDA excluding impact of IFRS16 and non-recurring items.

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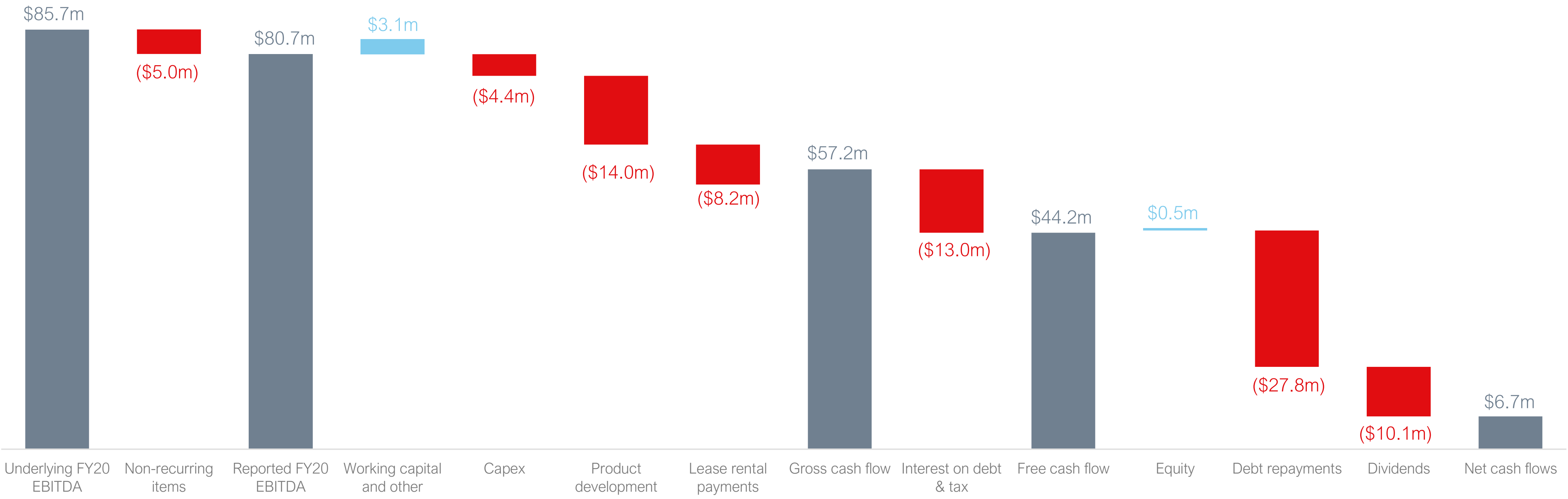
A RECORD SET OF RESULTS.

STRONG CASH FLOW, REDUCTION IN NET DEBT AND INCREASED OPPORTUNITIES FOR GROWTH.



- Very strong Free Cash Flow of $44.2m, up from $30.1m in FY19.
- Net debt reduced by $34.9m to $116.5m following $27.8m of debt repayments + net cash inflow & debt FX impact.
- Leverage ratio[1] of 1.46x vs 2.16x in FY19, highlighting significant headroom for further borrowing capacity.

Notes:
1. Leverage ratio: net debt (including pre-paid borrowing costs) / EBITDA excluding impact of IFRS16 and non-recurring items.

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KEY ACHIEVEMENTS IN FY20.

1 ACCELERATING HANSENISATION

- Acceleration of integration of Sigma.
- Profitability enhanced via aggregated business.
- Ongoing focus on profitability improvements across the business.
- Lessons learnt for next time with the speed of integration.

2 TRANSITIONING TO WORK FROM HOME

- Business transitioned quickly to a remote working environment.
- Customers continued to receive the customary high levels of support.
- Tried and tested management team driving growth and margins.
- Regional management.

3 HIGH CUSTOMER SATISFACTION

- Net customer gain 103%.
- Customers did not deviate from upgrading / refreshing technology with us.
- Foundations of a global team, follow the sun support.
- Record year of new logo wins bringing more than $70m.

4 COMPANY INVESTMENT

- $25m+ of R&D investment.
- Continued investment in development centres.
- Significant investment in back-office systems and security.

5 RECORD FINANCIAL PERFORMANCE

- Record revenues, EBITDA, NPATA, EPSa and dividend.
- 97% of revenue from owned IP.
- Revenue visibility of 95%.
- Free Cash Flow $44.2m, up from $30.1m in FY19.

Profitability improvements across the business.

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OUR TALENT DURING THE GLOBAL PANDEMIC.

Our People & COVID	• Our people adapted well during COVID to full time working from home • Business retained key talent • No confirmed cases of COVID in workforce, no office contamination. • Return to work strategy is conservative with mainly part-team returns where required.
Globally diversified talent	• 73.7% of people are based in country of customer or product support • Five largest country footprints: India – 270; USA – 165; Australia – 164; Norway – 137; Vietnam – 102. • Full Time Equivalent employees: 1,365 or 96.7%; Part Time: 47 or 3.3%; • Flexible working: 100% of employees (excluding essential monitoring).
Gender Diversity	• Hansen's gender split is 66% male and 34% female • Hansen has a policy of the best person for the job • 2020 gender stats are 39% female hires.
Age Diversity	• A balanced team of youth and experience. • 1/3 of our team are in career establishment stage. • 2/3 of our team have more than 12 years of software industry experience making them experts and experienced.
Tenure Breakdown	• Average tenure across the organization 6.4 years. • Leadership team has >17 years tenure within the company.

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AGENDA.

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Appendix

HANSEN

THE DRIVERS OF OUR SUCCESS.

LONG TERM VALUE ACCRETIVE AGGREGATION OF MATURE, ENTRENCHED, AND PREDICTABLE BUSINESSES.

1 Best in class customer care, billing and product catalogue solutions	• Strong, profitable, cash generative, underlying business. • Mission critical software, database of record for products and customers. • Modern and feature-rich evolving applications.
2 Hansen Future Opportunities	• Competitors still fragmented and regionalized. • COVID-19 will provide further opportunities. • Vigilant, disciplined and focused on best, most value-accretive aggregations.
3 Successful aggregation strategy	• 20-year record of successful, targeted business aggregations. • Industry and regional focused expansion. • “Bulls Eye”: industry, region, IP in systems supporting product, customers and billing.
4 The ‘Hansenisation’ approach	• Deploying proven processes and methodologies. • Margin optimization via integration and proven best practices.
5 Our global diversification	• Two industries. • 80 countries. • 580 customer across 16 product lines.

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1. BEST IN CLASS PROVIDING END TO END CUSTOMER CARE, BILLING AND PRODUCT CATALOGUE SOLUTIONS.

CREATE, INNOVATE, DEFINE

Build new and bundled to market in days not months

CUSTOMER ACQUISITION & FULFILLMENT

Customer lifecycle – including pricing, quoting, acquisition and fulfillment

BILLING, RATING AND DATA CAPTURE

Aggregating usage from metering systems, networks and partners, pricing and rating, billing, accounts receivable, payment

CUSTOMER CARE RETENTION & ENGAGEMENT

Increasing customer understanding and engagement through multichannel communication and analytics

Leverage all aspects to ensure customers can thrive and be future-proofed with Hansen.

1. BEST IN CLASS PROVIDING END TO END CUSTOMER CARE, BILLING AND PRODUCT CATALOGUE SOLUTIONS.

RECORD YEAR OF NEW LOGO / LICENCE WINS BRINGING MORE THAN $70M OF REVENUE OVER CONTRACT TERMS.

EXPANDED DOMINANT NORDIC POSITION

fortum

LUMME ENERGIA

Entelios

ELENIA

CLOUD & PRODUCT EVOLUTION

AT&T

REGINA

nuuday

auroraenergy

M7

DIGITAL SERVICE ENABLEMENT

westernpower

Simplyenergy by ENGIE

stc

AGILE INNOVATION & 5G ENABLEMENT

airtel

SmarTone

VOCUS communications

LIBERTY LATIN AMERICA

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2. HANSEN FUTURE OPPORTUNITIES.

A DISCIPLINED APPROACH TO AGGREGATION OPPORTUNITIES.

WHAT WE ARE LOOKING FOR

- Focus will be on robust and mission critical existing verticals.
- Ownership of IP.
- Regional explanation or leverage.
- Complementary applications.
- Potential other verticals.

HOW WE EVALUATE IT

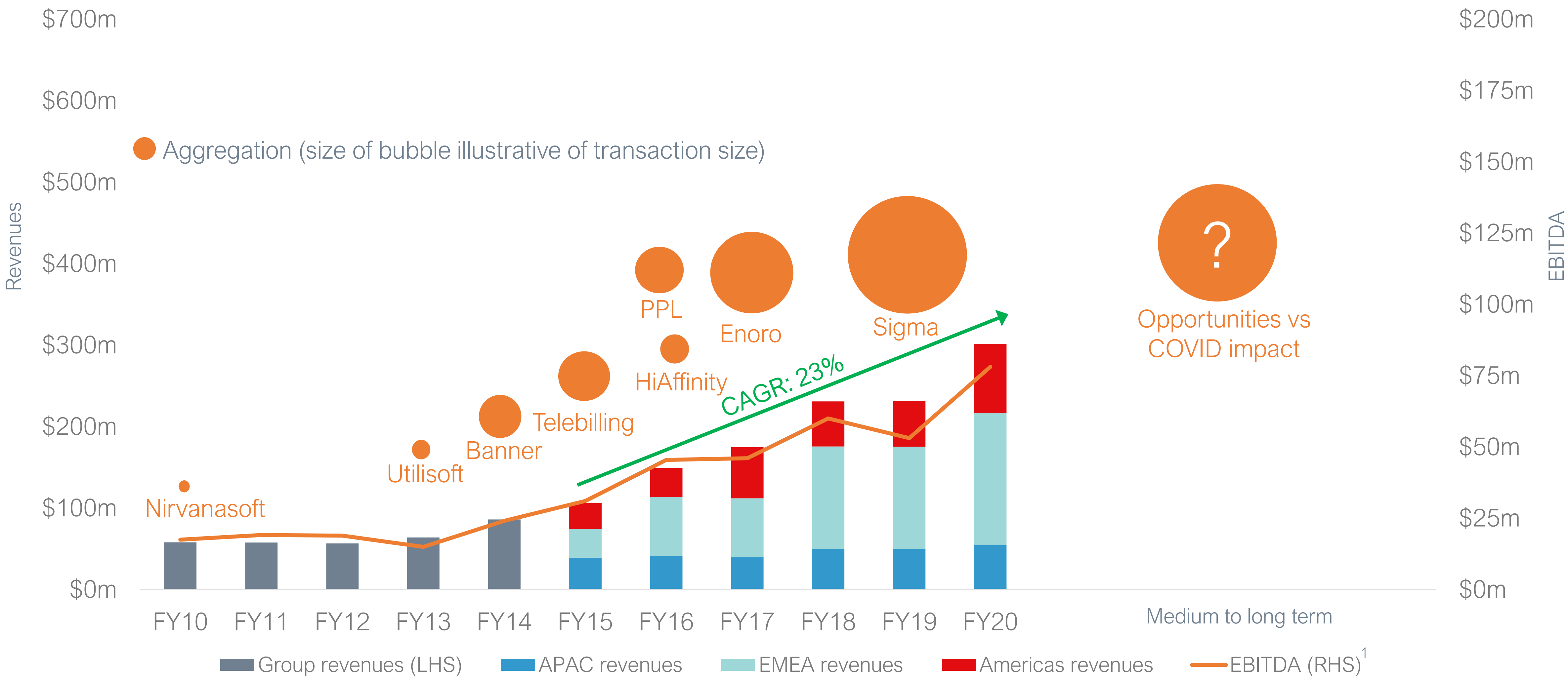
- We evaluate each opportunity with the same successful approach deployed over 20 years.
- Profit and loss under our management methodologies.
- We are uncompromising on strategic and financial rationale.
- We don't fall in love.

HOW WE GO ABOUT IT

- Capital management, knowing our capacity.
- Clear internal buy in.
- Integration planned during due diligence to hit the ground running.

Businesses which will benefit from Hansenisation and enhance our core competency.

3. SUCCESSFUL AGGREGATION STRATEGY.



Notes:

1. EBITDA presented as EBITDA adjusted for non-recurring items and net foreign exchange gains (losses), presented on a pre-AASB16 basis for historical comparability.

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4. THE 'HANSENISATION' APPROACH.

PROVEN ABILITY AND PROCESSES TO DRIVE VALUE ACCRETIVE AGGREGATION.

Drive yield expansion and operating leverage

- Identify margin improvement during initial engagement.
- Price businesses as stand alone, margin improvements not priced in.
- 30, 90, 360 days prior.
- 30 days messaging to staff and customers.
- 90 days reporting to talk the same language.
- 360 days goal for full integration.
- Relying on over 40 years of industry experience to consistently exceed our customer expectations, driving both retention and upside services.

Corporate goal

- Aggregate a mature and predictable customer base.
- We don't just aggregate, we integrate to leverage knowhow and assets.
- Drive margins to Hansen Group level of 25-30%.

Further opportunities

- Broaden foundation.
- Deepen talent pool.
- De-risk single point.

Ensure newly acquired customers and employees can thrive and be future-proofed with Hansen.

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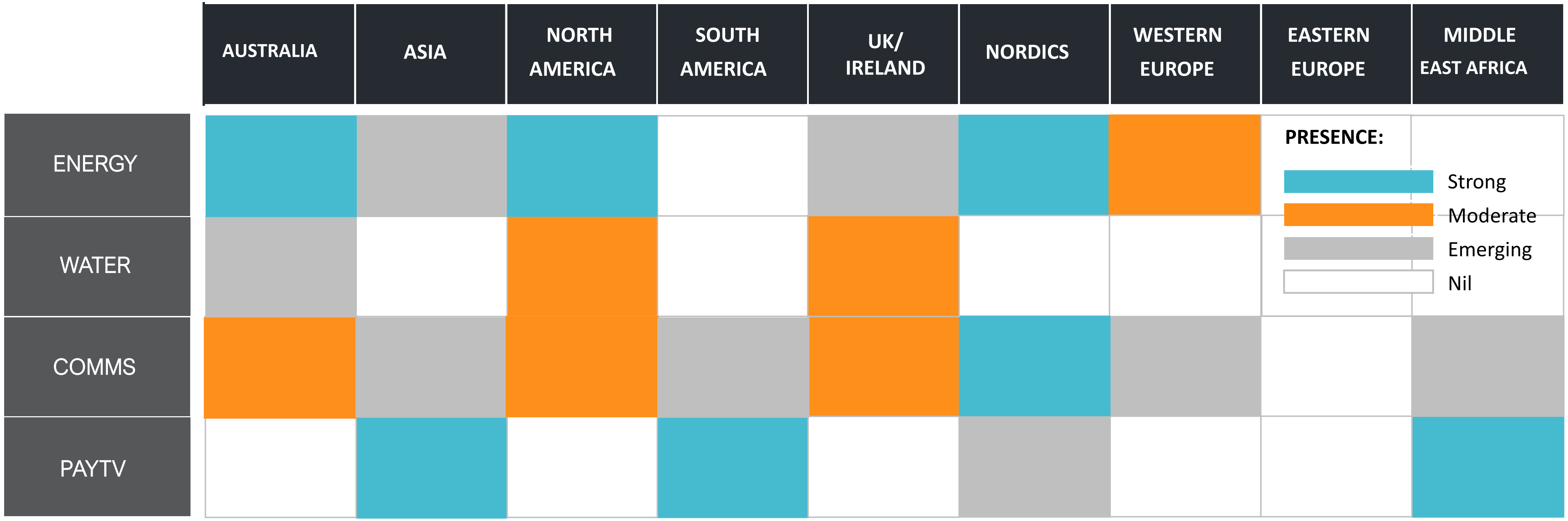
5. OUR GLOBAL DIVERSIFICATION.

GLOBAL PLATFORM MITIGATES RISK AND CREATES GROWTH OPPORTUNITIES.



- We diversify to mitigate risk and create growth opportunities.
- We have a global footprint in over 80 countries.
- We have no key dependency on any one region, customer, vertical or currency.

- Our mission critical software is diversified across gas, electricity and water, and communications.
- Average client tenure in >10 years.
- Average tenure of key management >17 years, across all key jurisdictions.

AGENDA.

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Strategy

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Q&A

Appendix

CAPITAL MANAGEMENT.

RECORD DIVIDEND WHILE STILL REDUCING DEBT AND INVESTING IN GROWTH.

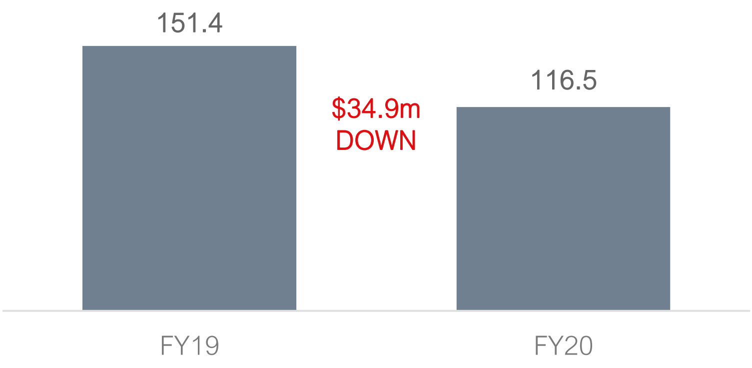
Our position:

- In FY20, net debt was reduced by $34.9m to $116.5m.
- Leverage ratio[1] = 1.46x at 30 June 2020.
- Well supported by banks

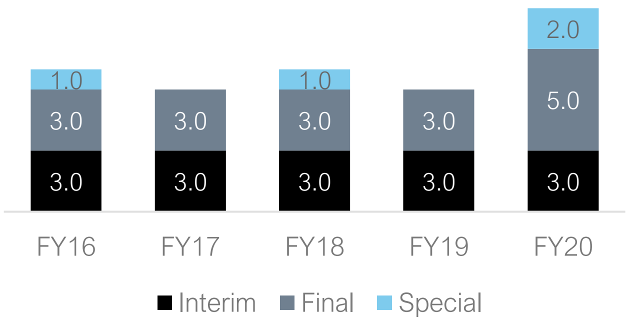
Capital management philosophy:

- Having considered Hansen's capital requirements, strong capital structure and liquidity position, the Board has determined an increased dividend to return money to shareholders is appropriate.
- Final FY20 dividend of 7.0 cents per share has been declared, 10% franked, taking total dividends for FY20 to 10.0 cents, representing a 46% NPATA payout ratio for the year.
- Level of dividend is at the discretion of Board subject to available cash and activity being undertaken at the time - targeting 5 cents base final dividend on an ongoing basis.
- Hansen's strong cash generation means that even with this increased dividend and special dividend we have the cash flows to invest in our products and fund acquisitions.

NET DEBT ($M)



DIVIDEND (Cents)



Leverage ratio[1] to 1.46x at 30 June 2020; down from 2.16x 30 June 2019.

Notes:

1. Leverage ratio: net debt (including pre-paid borrowing costs) / EBITDA excluding impact of IFRS16 and non-recurring items.

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FY21 OUTLOOK.

CAUTIOUS SHORT-TERM OUTLOOK WITH EXCITING LONGER-TERM FUTURE.

Considering the continuing uncertainty caused by the ongoing pandemic, we are not providing earnings guidance for FY21 and look forward to updating the market with our progress following the release of our half year 2021 results.

BUT WHAT YOU HAVE IN HANSEN.

- ✓ Established in 1971.
- ✓ A highly proven and talented Executive management team.
- ✓ A predictable and cash generative focused business.
- ✓ Owners of pre-eminent software IP at the very heart of our customers.
- ✓ Serving mature and established industries.
- ✓ High barriers to entry.
- ✓ Subject matter experts in our field.
- ✓ 97% of all revenues derived from our software.
- ✓ Track record of >30 very successful acquisitions.
- ✓ A play book for aggregation of a largely regionalised and disparate competitors.
- ✓ A great future ahead.

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Appendix

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Strategy

Dividend and outlook

Q&A

Appendix

EBITDA RECONCILIATION.

A$m	Group FY19	Group FY20 1H20	2H20	FY20
Operating Revenue	231.3	144.3	157.0	301.4
Other income	1.6	1.1	0.0	1.1
Remuneration	(137.8)	(85.8)	(88.8)	(174.6)
Other expenses	(50.2)	(29.1)	(27.1)	(56.2)
R&D Exp Capitalised	10.9	7.2	6.9	14.0
Total expenses	**(177.0)**	**(107.7)**	**(109.1)**	**(216.8)**
Underlying EBITDA excluding non-recurring items		**37.7**	**48.0**	**85.7**
Operating lease payments		(3.7)	(4.0)	(7.7)
Comparative EBITDA excluding non-recurring items	**55.8**	**34.0**	**43.9**	**78.0**
Comparative EBITDA Margin	**24.1%**	**23.6%**	**28.0%**	**25.9%**
Restructing costs	(0.1)	(2.3)	(3.9)	(6.2)
Other non-recurring items	(2.7)		1.1	1.1
Reported EBITDA (post IFRS16)		**35.5**	**45.2**	**80.7**
Reported EBITDA Margin		24.6%	28.8%	26.8%
EBITDA (pre IFRS16) including non-recurring items	**53.0**	**31.8**	**41.2**	**73.0**

Restructuring costs relate to severance payments to employees to reduce headcount
Other non-recurring items relate to profit on sale of a property ($0.4m) and COVID-19 grants ($0.5m) and other ($0.2m)

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UNDERLYING NPATA RECONCILIATION & IFRS16 IMPACT.

A$m	FY19	FY20 Comparable	Operating lease expense Reversal	AASB 16 Depreciation & Interest	FY20 Reported	FY19 v FY20 Comparable
Operating revenue	**231.3**	**301.4**			**301.4**	▲ 30%
Other income	1.5	2.3			2.3	
Operating expenses	(179.8)	(230.7)	7.7		(223.0)	
EBITDA	**53.0**	**73.0**	**7.7**		**80.7**	
Depreciation	(3.8)	(4.4)		(7.0)	(11.3)	
Amortisation of R&D	(6.9)	(8.6)			(8.6)	
Amortisation of acquired intangibles [1]	(12.1)	(22.4)			(22.4)	
EBIT	**30.3**	**37.6**	**7.7**	**(7.0)**	**38.3**	
Net interest	(2.0)	(8.0)		(1.2)	(9.2)	
Net FX gains (losses) [2]	(0.5)	0.7			0.7	
Profit before tax	**27.8**	**30.3**	**7.7**	**(8.1)**	**29.8**	
Income tax	(6.3)	(4.1)			(4.1)	
NPAT	**21.5**	**26.2**			**25.8**	▲ 22%
EBITDA normalisation						
EBITDA	53.0	73.0			80.7	
Non-recurring items (pre-tax) [3]	2.8	5.0			5.0	
Underlying EBITDA	**55.8**	**78.0**			**85.7**	▲ 40%
NPATA normalisation						
NPAT	21.5	26.2			25.8	
Add back: amortisation of acquired intangibles	12.1	22.4			22.4	
Add back: tax adjustment on amortisation	(2.4)	(4.9)			(4.9)	
Add back: non-recurring items (net of tax) [3]	2.5	3.7			3.7	
Underlying NPATA	**33.7**	**47.4**			**46.9**	▲ 41%
Adjusted EPS (Based on NPATA)	**17.1**	**23.9**			**23.7**	▲ 40%
EPS (Based on NPAT)	10.9	13.2			13.0	

Notes:
1. Amortisation of acquired intangibles is the amortisation of identifiable intangible assets arising from business combinations
2. Net foreign exchange gains (losses) are excluded from EBITDA and EBIT
3. Refer Note 4 to the Financial Statements for separately disclosed items
4. EBITDA, EBIT and NPATA are non-IFRS measures that have not been audited or reviewed by Hansen's auditors

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CASH FLOW IFRS16 IMPACT.

A$m	FY19	FY20 Comparable	Lease Reversal	FY20 Reported
EBITDA	**53.0**	**73.0**	7.7	**80.7**
Working capital/other	(0.4)	2.6	0.5	3.1
Net interest	(2.0)	(6.7)	(1.2)	(7.9)
Income tax	(6.7)	(6.2)		(6.2)
Operating cash flow	**43.9**	**62.7**	**7.0**	**69.7**
Capex	(3.0)	(4.4)		(4.4)
Capitalised development costs	(10.9)	(14.0)		(14.0)
Free Cash Flow	**30.1**	**44.3**		**51.2**
Acquisitions	(159.4)	0.0		0.0
Transaction costs & deferred remuneration	(4.3)	0.0		0.0
Share issues	0.5	0.5		0.5
Borrowing proceeds (payments)	160.9	(27.8)		(27.8)
Repayment of lease liabilities	(0.1)	0.0	(7.0)	(7.0)
Dividends (net of DRP)	(12.6)	(10.1)		(10.1)
Net Cash Flow	**15.1**	**6.8**		**6.7**
FX impact on cash balances	(0.1)	(0.5)		(0.5)
Cash Balance	**38.3**	**44.4**		**44.4**

For other detailed financial disclosures please see released accounts

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