

21 February 2022

## DRIVING GROWTH AND PROFITABILITY IN A STRONG HALF

### 1H22 Result

Hansen Technologies Limited (ASX: HSN) (“Hansen”, the “Company”) is a growing aggregator of mature, entrenched and predictable providers of software to the Gas, Electricity, Water and Communications industries.

#### RESULTS SUMMARY

A\$ million (actual currency)	1H22	1H21	Variance (%)
Operating revenue	148.9	142.2	5%
EBITDA <sup>(1), (2)</sup>	53.9	51.4	5%
Underlying EBITDA <sup>(1), (2), (4)</sup>	54.2	52.3	4%
Underlying NPAT <sup>(4)</sup>	23.6	20.9	13%
Underlying NPATA <sup>(1), (3), (4)</sup>	31.8	29.6	7%
Basic EPS based on underlying NPATA (EPSa)(cents) <sup>(1)</sup>	15.9	14.9	7%

A\$ million (constant currency)	1H22	1H21	Variance (%)
Operating revenue	147.9	142.2	4%
Underlying EBITDA <sup>(1), (2), (4)</sup>	53.8	52.3	3%
Underlying NPATA <sup>(1), (3), (4)</sup>	31.6	29.6	7%
Basic EPS based on underlying NPATA (EPSa)(cents) <sup>(1)</sup>	15.8	14.9	6%

Notes:

(1) : The Directors believe the information additional to IFRS measures included in the press release is relevant and useful in measuring the financial performance of the Group. These include: EBITDA, NPATA and EPSa.

(2) : EBITDA is a non-IFRS term, defined as earnings before interest, tax, depreciation and amortisation and excluding net foreign exchange gains (losses).

(3) : NPATA is a non-IFRS term, defined as net profit after tax, excluding tax-effected amortisation of acquired intangibles.

(4) : Underlying EBITDA, underlying NPAT and underlying NPATA exclude separately disclosed items, which represent the one-off costs and income during the period. Further details of the separately disclosed items are outlined in Note 3 to the Financial Report which can be found on the Company's web site.

Note: This ASX announcement should be read in conjunction with the Financial Report which can be found on the Company's web site.

Hansen's Chief Executive Officer, Andrew Hansen, said: “The 1H22 result was a great outcome for Hansen across all key metrics. Once again Hansen is proving its resilience and strong business fundamentals delivering strong performance in a challenging Global market.”

#### Revenue

Operating revenue for 1H22 was \$148.9m, up 5% on 1H21.

Our global diversification coupled with our two primary verticals has delivered revenues from new customer delivery, digital transformation, strategic upgrades and specific professional services initiatives. More and more customers are looking to Hansen as a valued long-term partner as they look to secure their digital future.

## **EBITDA**

Underlying EBITDA for 1H22 was \$54.2m, up 4% on 1H21.

When compared to the prior corresponding period licence revenues are up \$5.7m driving an EBITDA margin of 36.4% for the half.

The cost base delivering this result has otherwise been maintained relative to the underlying revenue profile.

## **Cash flow and debt**

Hansen's strong business fundamentals continue to deliver free cash flow after lease payments of \$35.6m, up from \$28.9m in 1H21.

This strong cash position has allowed us to reduce debt levels by \$10.0m in the current period (1H21: \$10.3m), while funding dividends of \$9.1m (1H21: \$13.0m).

## **Update on aggregation strategy**

A history of successful aggregation is set to continue with our core business providing the people and the capital to continue to drive this successful strategy. Many opportunities exist and we will continue to be vigilant, disciplined and focused, only bringing the most value-accretive opportunities into the Hansen fold. Our M&A team continues to search and screen for all relevant aggregation opportunities and with the world opening slowly an increased number of opportunities are being assessed.

## **Dividend**

Reflecting our strong cash generation, the Board has declared an interim, partially franked dividend of 7.0 cents per share, up from 5.0 cents per share in 1H21. The record date for the interim dividend is 25 February 2022 and the payment date is 21 March 2022. The Dividend Reinvestment Plan (DRP) will again be available to shareholders with no discount. The DRP election cut-off date will be 28 February 2022.

## **FY22 Outlook**

We maintain our previous guidance, with operating revenue expected to be marginally improved over FY21 (excluding Telefonica) with an EBITDA margin trending towards our long-term target.

## **Long-term financial targets**

Given our track record of organic and inorganic growth and visibility in the market, we are maintaining our target of \$500m of revenue by 2025 driven by organic revenue growth and our proven aggregation strategy.

We are targeting long-term EBITDA margins exceeding 30%, driven by an ongoing focus on profitability and operational leverage as we continue to grow the business.

## **Investor Briefing**

An investor and analyst briefing conference call to discuss the results will be held at 11am (AEDT) on 21 February 2022. Click on the link below to pre-register for the call. You will be sent an invitation and dial in details.

<https://s1.c-conf.com/diamondpass/10019452-26ehr8.html>

**For further information:**

**Investor and analyst enquiries**

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**About Hansen**

Hansen Technologies (ASX: HSN) is a leading global provider of software and services to the energy, water and communications industries. With its award-winning software portfolio, Hansen serves 550+ customers in over 80 countries, helping them to create, sell, and deliver new products and services, manage and analyse customer data, and control critical revenue management and customer support processes. For more information visit Hansen at [www.hansencx.com](http://www.hansencx.com)