

# FIRST HALF 2025 RESULTS PRESENTATION

19<sup>th</sup> February 2025

# IMPORTANT NOTICE

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## Information contained in this presentation:

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- 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.

## Definitions:

- 1H23 = six months ended 31 December 2022
- 2H23 = six months ended 30 June 2023
- FY23 = financial year ended 30 June 2023
- 1H24 = six months ended 31 December 2023
- 2H24 = six months ended 30 June 2024
- FY24 = financial year ended 30 June 2024
- 1H25 = six months ended 31 December 2024
- 2H25 = six months ended 30 June 2025
- FY25 = financial year ended 30 June 2025
- 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
- Cash EBITDA\* = Underlying EBITDA, less Capitalised development costs
- NPAT = Net profit after tax
- NPATA\* = Net profit after tax excluding tax effected amortisation of acquired intangibles and non-recurring items
- EPSa = Earnings per share on NPATA
- EBITDA and NPATA are non-IFRS measures that have not been audited or reviewed by Hansen's auditors.

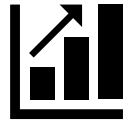
## AGENDA

- Operational Highlights
- Results Details
- M&A Update
- FY25 Guidance
- Q&A
- Financial Statements





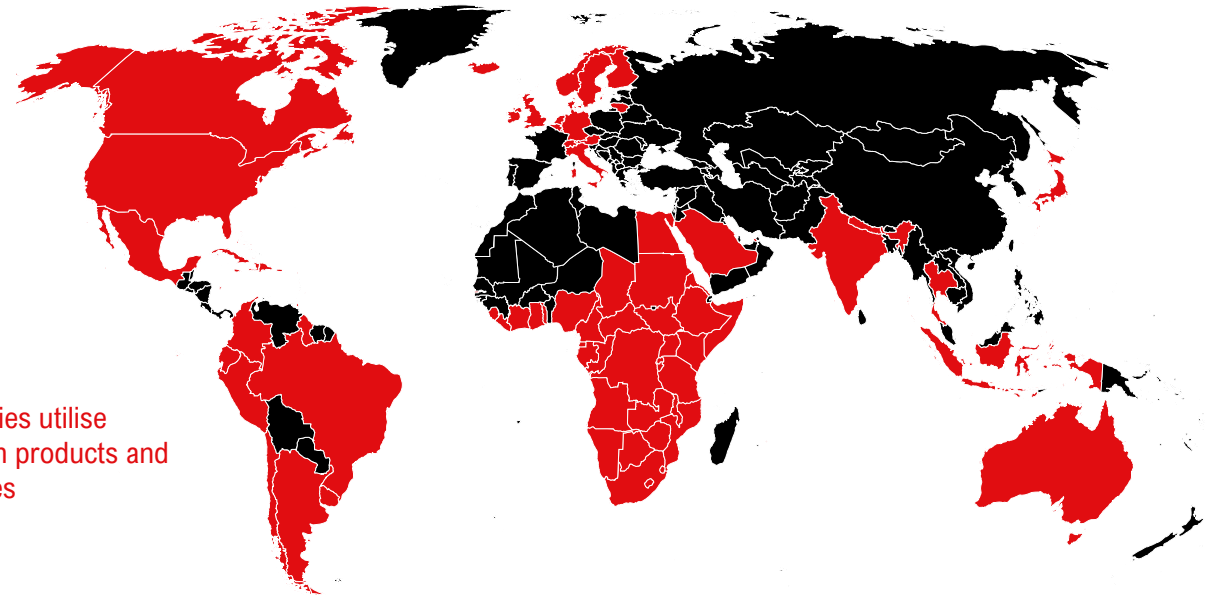
Hansen (ASX: HSN) is a global provider of software and services to the energy & utilities and communications & media industries. With our award-winning software suite, we help customers in over 80 countries to create and deliver new products and services, engage with customers, and control and manage critical revenue management and customer support processes



~15% Revenue CAGR since 2008



Consistently low churn rates with average customer tenure greater than 10 years



+80 Countries utilise Hansen products and services



Enabling customers to transform their business to support new communications, energy and utilities-based services



Providing Modular, Cloud-Based Products for the Cloud-driven Evolution



Delivering Engaging, Omni-Channel Experiences



The title 'OPERATIONAL HIGHLIGHTS' is displayed in large, bold, white uppercase letters. It is centered within a wide, solid red horizontal band that spans the width of the slide. The background of the slide is a photograph of a wind turbine in a cloudy sky, with the red band partially obscuring the turbine's blades.

Andrew Hansen – Global CEO & Managing Director

# OPERATIONAL HIGHLIGHTS



Signed a transformative \$50m five-year agreement with VMO2, a Joint Venture between Telefónica and Liberty Global



New wins including City of Kingsport who selected Hansen to modernise their water-billing and customer-engagement experience



Supported Å Entelios, one of the Nordics largest B2B retailers, in its expansion into the Danish market



Awarded the EcoVadis "Committed" badge reflecting our dedication to achieving our sustainability goals



Strategic investment of \$2.2m for a 30% stake in Dial AI to develop and distribute AI solutions for existing and new customers



Since acquiring powercloud, we've streamlined operations and reduced its overall cost base

# 1H25 FINANCIAL SUMMARY

## Revenue & Earnings

Forecast to significantly accelerate in the 2<sup>nd</sup> Half

**\$178.0m** + 6.1% v 1H24  
Operating Revenue

**\$38.1m** - 26.9% v 1H24  
Underlying EBITDA<sup>1</sup>

21.4% Underlying EBITDA Margin

**\$29.1m** - 37.0% v 1H24  
Cash EBITDA<sup>2</sup>

16.3% Underlying Cash EBITDA Margin

## Financial & Capital

Short-term impact of powercloud turnaround

**\$10.4m** \$30.4m 1H24  
Operating Cash Flow

**(\$5.8m)** \$18.3m 1H24  
Free Cash Flow

**0.5x** 0.1x 1H24  
Leverage Ratio

## Shareholders Returns

~18% share price increase across 1H25

**6.19¢** - 53.4% v 1H24  
Basic EPSa<sup>3</sup>

**5¢** In line with 1H24  
Dividend Per Share

**81.0%** 37.8% 1H24  
Dividend payout ratio<sup>4</sup>

Notes:

Amounts shown on a reported basis unless otherwise stated

1. Underlying EBITDA excludes (\$6.5m) of non-recurring items
2. Cash EBITDA is Underlying EBITDA less Capitalised development costs
3. Basic EPSa, based on NPATA
4. Dividend payout ration based on NPATA

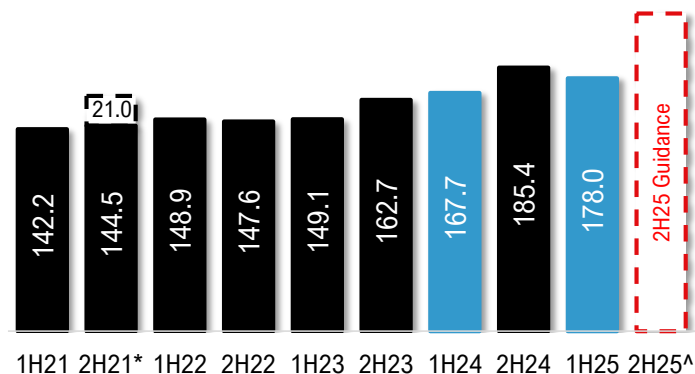
# RESULTS DETAILS

Richard English - Chief Financial Officer



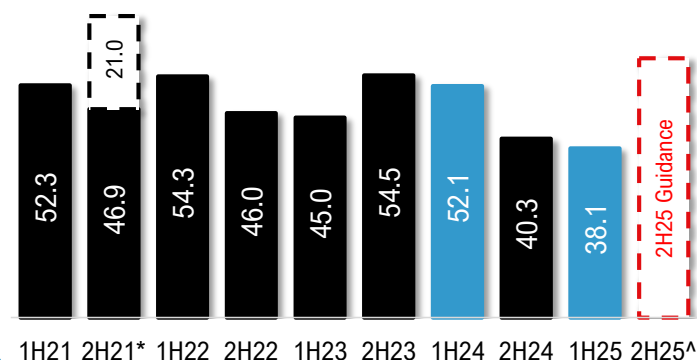
# EXPECTATIONS FOR A STRONG FULL YEAR

## Operating Revenue (\$m)



Operating Revenue up 6.1% vs 1H24. The Group's revenue is expected to be significantly stronger in 2H25 driven by the timing of upgrade works and licence fees

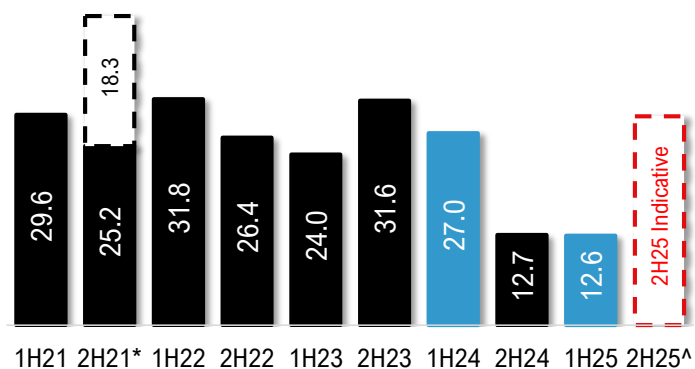
## Underlying EBITDA (\$m)



Underlying EBITDA down 26.9% vs 1H24 driven by:

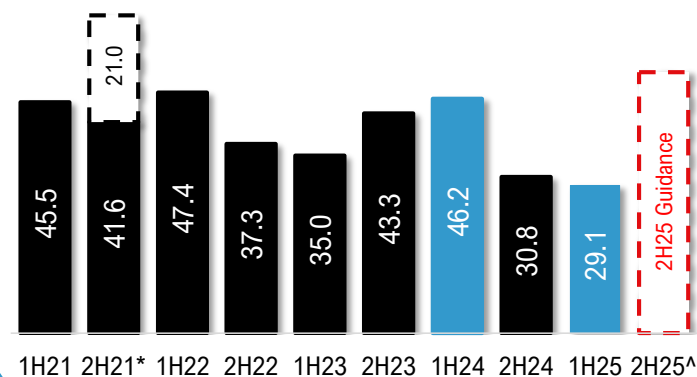
- Lower licence fees vs strong 1H24
- Upgrade delays shifting revenue to 2H25
- 2H margins to be particularly strong

## Underlying NPATa<sup>1</sup> (\$m)



Services and licences revenue was delayed to the 2H25 and the loss-making performance of powercloud (with no tax losses recognised in the half) resulted in a low 1H25 result

## Cash EBITDA<sup>2</sup> (\$m)



Cash EBITDA reflects the movement in Underlying EBITDA. The Group continues to invest significantly in R&D and 2H25 profitability is expected to be very strong

Notes:

Amounts shown on a reported basis unless otherwise stated

\* Includes Telefónica Germany

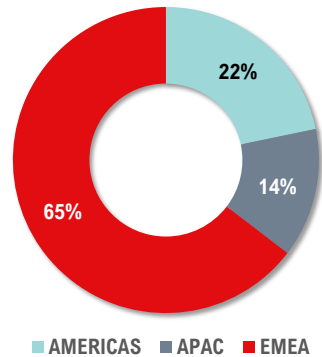
^ Based on FY25 Guidance Midpoint

<sup>1</sup> Net profit after tax excluding tax effected amortisation of acquired intangibles and non-recurring items

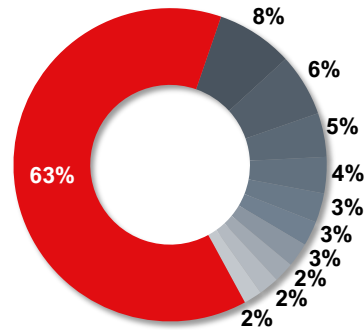
<sup>2</sup> Cash EBITDA is Underlying EBITDA less Capitalised development costs

# WELL DIVERSIFIED REVENUE ACROSS VERTICALS AND REGIONS

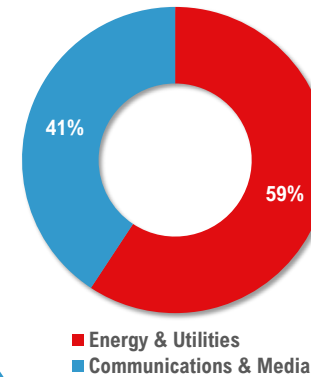
## Revenue Diversity



- Customer 1
- Customer 2
- Customer 3
- Customer 4
- Customer 5
- Customer 6
- Customer 7
- Customer 8
- Customer 9
- Customer 10
- Other Customers

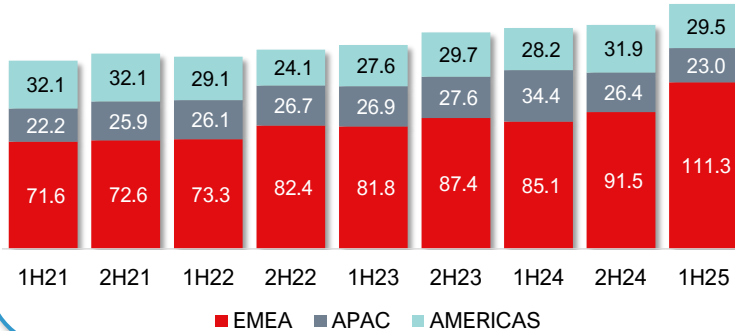


## Revenue by Vertical (\$m)



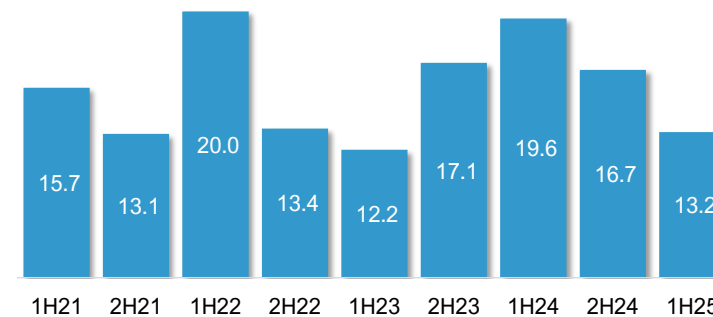
VERTICAL	1H24	1H25	Movement
<b>Energy &amp; Utilities</b>	<b>97.7</b>	<b>105.5</b>	<b>8.0%</b>
AMERICAS	21.1	21.2	0.5%
APAC	31.2	20.3	(34.9%)
EMEA	45.4	64.0	41.0%
<b>Communications &amp; Media</b>	<b>70.0</b>	<b>72.5</b>	<b>3.6%</b>
AMERICAS	12.6	17.5	38.9%
APAC	6.0	4.0	(33.3%)
EMEA	51.4	51.0	(0.8%)
<b>Total</b>	<b>167.7</b>	<b>178.0</b>	<b>6.1%</b>

## Support & Application Revenue (\$m)



- Highly predictable and repeatable revenue sources
- Support revenue recognised evenly over the contracted term
- Application revenue is fees received for configuration, implementation and customisation

## Licence Revenue (\$m)

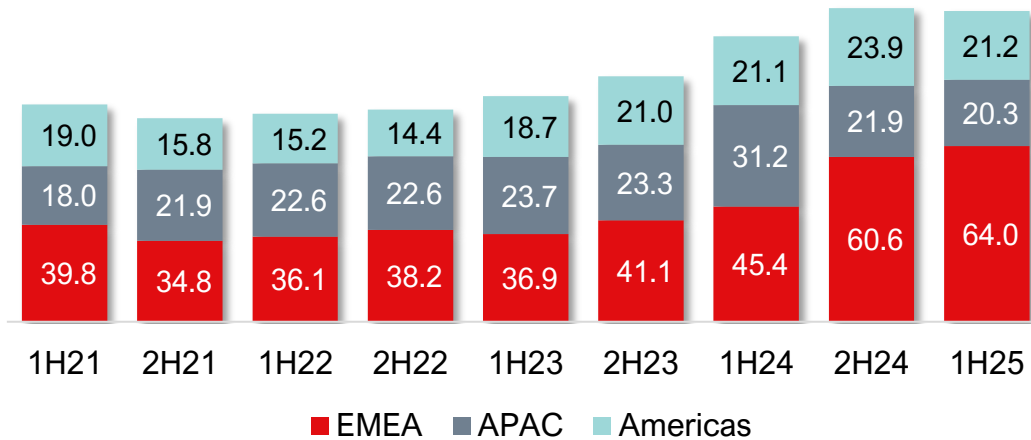


- We tailor our contracts to suit our customers' needs
- Impacted by IFRS 15 accounting standards
- Certain contracts require upfront recognition for licences
- Average renewal 3-5 years

# REVENUE BY VERTICAL

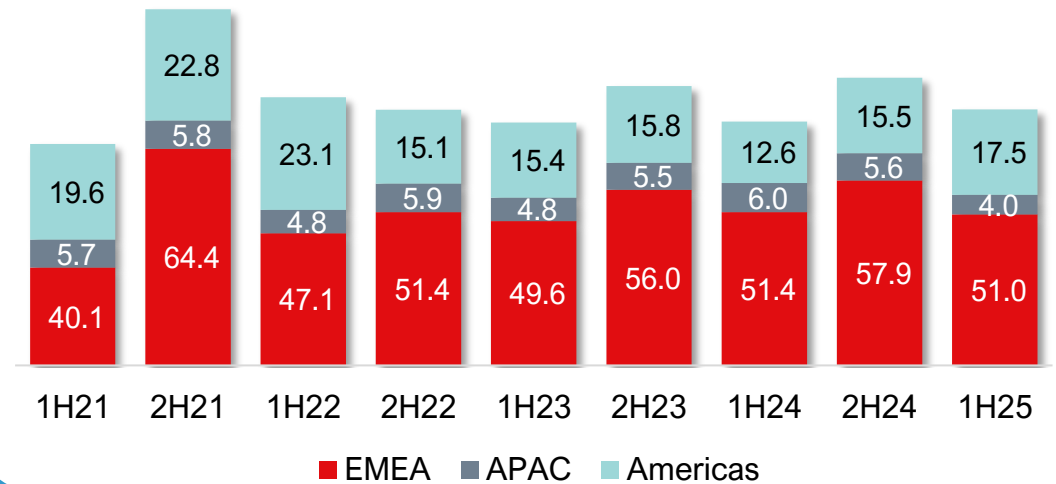
## Energy & Utilities (\$m)

\$105.5m 1H25 Operating Revenue



## Communications & Media (\$m)

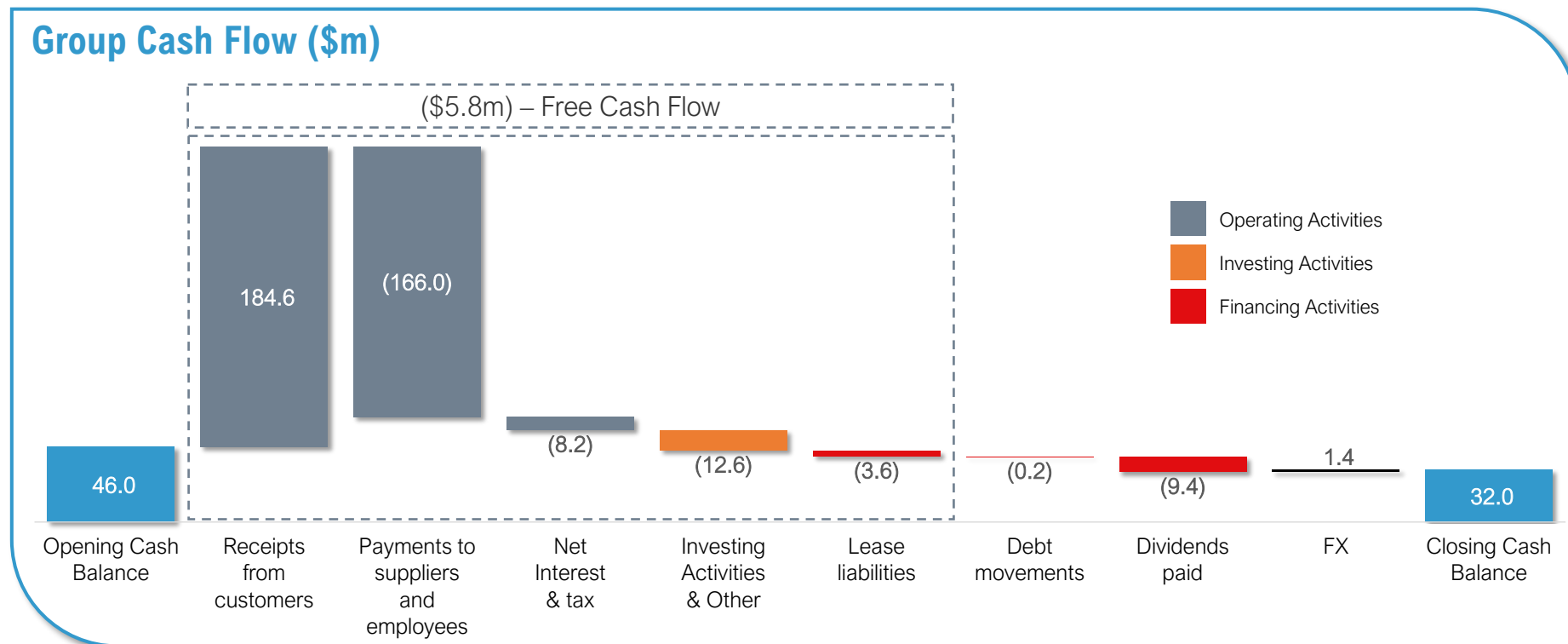
\$72.5m 1H25 Operating Revenue



- The Energy & Utilities sector is transforming, unlocking organic growth opportunities, including in our newly acquired powercloud business in Germany
- Hansen's software enables utilities to integrate renewables, smart grids, EV charging, and efficiency programs while ensuring compliance and automating energy management
- Tailored solutions for these technologies open new potential revenue streams as utilities expand services

- The demand for legacy system upgrades is accelerating, creating growth opportunities
- Hansen's Communications Suite is recognised as best in class by TM Forum, reinforcing our leadership in the industry
- Our recent VMO2 win highlights our expertise, and we continue engaging with leading communications companies to support their evolving needs

# SIGNIFICANT CASH INFLOWS EXPECTED DURING 2H25



## Reinvesting in our products

- \$9.0m of capitalised R&D with more expensed refining our core products



## Returning funds to share holders

- Reflecting the Group's optimism for FY25 \$9.4m paid out as a dividend to shareholders



## Dial AI Investment

- The Group purchased 30% of Dial AI for \$2.2m



## powercloud restructure

- During 1H25 the Group funded ~\$13m in the powercloud business with ~\$6.5m recognised as non-recurring items

- The Group currently has ~\$44m of accrued income from a variety of factors
- There is a build-up of working capital due to several large projects including the new contract with SSE which was announced in June 2024
- There is also IFRS15 related accrued income totalling ~\$20m that unwinds over several years

# M&A UPDATE

Andrew Hansen – Global CEO & Managing Director  
Niv Fernando – Chief Strategy Officer

# POWERCLOUD UPDATE



Now cash generative and expected to deliver positive Underlying EBITDA for FY25

Continued investment in Management, reinforced with Hansen Executive support



Anticipating revenue growth from FY26 as the German energy market transitions, beginning with smart meter roll out

Continued focus on existing customers in the German market



Significant investment behind the core product (RCS) for a major release in the coming months

Focused on product enhancement to support customers in the rapidly changing German market

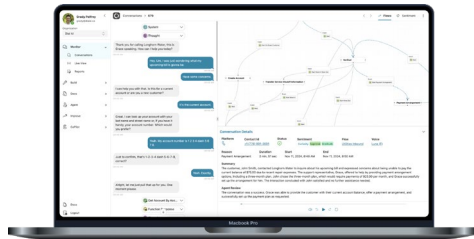


# FURTHER INVESTMENT IN AI CUSTOMER SOLUTIONS

## INVESTED CAD \$2M (~A\$2.2M) FOR 30% STAKE IN DIAL AI

### Product Overview

- The AI Virtual Agent, is designed for call centre optimisation
- It seamlessly integrates with back-end systems to enable the management of hundreds of simultaneous interactions, delivering 24/7 omnichannel support
- With real-time monitoring, it enhances efficiency, customer satisfaction, and operational consistency while reducing wait times



### Benefits – Game Changing

- Transforms customer interactions with lightning-fast responses, effortless scalability, and round-the-clock support
- Empowers customer service agents by handling routine queries while understanding sentiment
- Seamless communication across channels and languages
- With AI-driven intelligence, it delivers smooth, personalised experiences while maintaining reliability, security, and a human touch where it matters most

Strategic collaboration to enhance, integrate and globally distribute Generative AI solutions as part of Hansen's end-to-end offering

# FY25 GUIDANCE

Andrew Hansen – Global CEO & Managing Director



# STRONG GROWTH INDICATORS FOR FY25 AND BEYOND

**Energy & Utilities:** Demand for sophisticated billing and support continues to grow as energy retailers grapple with the complexities of monetising distributed energy solutions, like solar panels, batteries and EV chargers and this means growth potential for Hansen as each new solution creates a new billable meter point

**Communications & Media:** As many Tier 1 communication companies increasingly contend with complex legacy systems that impact speed to market and cost to serve, more and more are seeking best in breed software to improve their customer support and overall offering, this results in more RFPs in market and, with Hansen's market leading software and recent success with Telefónica Germany and VMO2 UK, we anticipate winning further upgrades and new logos

**powercloud:** Germany the third largest global economy is on the cusp of an energy transition where energy retailers will need to advance their systems to manage the new paradigm. This will bring more retailers to market as they will increasingly require upgrades to their billing systems

**AI & Product Development:** Advancing from basic chatbots to generative AI presents a major opportunity for Hansen to enhance customer service, compliance, and efficiency. By leveraging AI-driven automation, we have commenced streamlining workflows, reducing costs, and delivering more intuitive, scalable solutions, reinforcing our commitment to innovation and customer value

**M&A:** Hansen has a strong track record of M&A including acquisition and successful integration and continues to assess the market for ideal new opportunities

# FY25 GUIDANCE REAFFIRMED

## FY25 Operating Revenue

\$398m - \$405m

5% - 7%

FY25 Growth vs FY24 including annualised powercloud revenue of \$44.2m

## FY25 Underlying EBITDA

\$92m - \$101m

Underlying EBITDA Margin  
23 - 25%

## FY25 Cash EBITDA<sup>^</sup>

\$76m - \$85m

Cash EBITDA Margin  
19 - 21%

- It is anticipated that the Group's 2H25 will be significantly stronger than 1H25 due to:
  - new logo implementations
  - customer upgrades
  - the signing of the VMO2 contract
- The unaudited January 2025 monthly results have been finalised and January YTD Operating revenue was \$230m with Underlying EBITDA of \$67m
- The FX impact year-to-date through January 2025 is immaterial
- Hansen is expected to experience tailwinds due to industry demand across both verticals

<sup>^</sup> Cash EBITDA is Underlying EBITDA less capitalised development costs

# Q & A

# FINANCIAL STATEMENTS & APPENDIX

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Dec-24 \$'000	Dec-23 \$'000
Operating revenue from contracts with customers	177,964	167,743
Finance Income	366	195
Other income	611	510
<b>Total revenue from contracts with customers and other income</b>	<b>178,941</b>	<b>168,448</b>
Employee benefit expenses	(109,398)	(93,531)
Amortisation expense	(19,726)	(16,552)
Depreciation expense	(6,229)	(6,647)
Property and operating rental expenses	(1,741)	(1,491)
Contractor and consultant expenses	(2,306)	(2,144)
Software licence expenses	(3,333)	(1,519)
Hardware and software expenses	(17,218)	(11,943)
Travel expenses	(1,673)	(1,478)
Communication expenses	(849)	(916)
Professional expenses	(4,586)	(3,174)
Finance costs on borrowings	(2,182)	(1,680)
Finance costs on lease liabilities	(709)	(457)
Foreign exchange losses	(79)	(145)
Other expenses	(5,827)	(3,228)
Share of net loss of associate	(34)	-
<b>Total expenses</b>	<b>(175,890)</b>	<b>(144,905)</b>
<b>Profit before income tax expense</b>	<b>3,051</b>	<b>23,543</b>
Income tax expense	(2,981)	(5,922)
<b>Net profit after income tax expense for the half-year (NPAT)</b>	<b>70</b>	<b>17,621</b>
<b>Other comprehensive income/(expense)</b>		
<i>Items that may be reclassified subsequently to profit and loss</i>		
Exchange differences on translation of foreign operations	13,808	(3,686)
<b>Other comprehensive income/(expense) for the half-year, net of tax</b>	<b>13,808</b>	<b>(3,686)</b>
<b>Total comprehensive income for the half-year</b>	<b>13,878</b>	<b>13,935</b>
Basic earnings (cents) per share attributable to ordinary equity holders of the Company	0.03	8.68
Diluted earnings (cents) per share attributable to ordinary equity holders of the Company	0.03	8.56

## RECONCILIATION OF UNDERLYING EBITDA AND NPATA

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Dec-24 \$'000	Dec-23 \$'000
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) <sup>1</sup> - Reconciliation		
<b>Profit before income tax expense</b>	<b>3,051</b>	<b>23,543</b>
Add back		
Amortisation expense	19,726	16,552
Depreciation expense	6,229	6,647
Finance costs on borrowings	2,182	1,680
Finance costs on lease liabilities	709	457
Finance income	(366)	(195)
Foreign exchange losses / (gains)	79	145
<b>EBITDA<sup>1</sup></b>	<b>31,610</b>	<b>48,829</b>
Add back		
Separately disclosed items	6,501	3,274
<b>Underlying EBITDA<sup>2</sup></b>	<b>38,111</b>	<b>52,103</b>
Less		
Capitalised development costs	8,967	5,947
<b>Cash EBITDA<sup>3</sup></b>	<b>29,144</b>	<b>46,156</b>
Underlying net profit after tax before acquired amortisation, net of tax (NPATA <sup>1</sup> ) - Reconciliation		
<b>Net profit after income tax expense for the half-year (NPAT)</b>	<b>70</b>	<b>17,621</b>
Less		
Tax effect of separately disclosed items	(1,950)	(833)
Separately disclosed items	6,501	3,274
<b>Underlying net profit after income tax expense for the half-year (Underlying NPAT)<sup>2</sup></b>	<b>4,621</b>	<b>20,062</b>
Less		
Less acquired amortisation, net of tax	7,977	6,911
<b>Underlying net profit after income tax before acquired amortisation, net of tax (Underlying NPATA)<sup>1</sup></b>	<b>12,598</b>	<b>26,973</b>

<sup>1</sup> EBITDA is a non-IFRS term, defined as earnings before interest, tax, depreciation and amortisation, excluding net foreign exchange gains/(losses) and loss on investments in associate.

<sup>2</sup> Underlying EBITDA, exclude separately disclosed items, which represent the one-off costs 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.

<sup>3</sup> Cash EBITDA is Underlying EBITDA less Capitalised development costs

<sup>1</sup> Underlying net profit after tax but before acquired amortisation, net of tax or underlying NPATA exclude separately disclosed items, which represent the one-off costs during the period and acquired amortisation, net of tax.

<sup>2</sup> Underlying net profit after tax or underlying NPAT exclude separately disclosed items, which represent the one-off costs during the period.

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Dec-24 \$'000	Jun-24 \$'000
<b>Current assets</b>		
Cash and cash equivalents	31,997	46,021
Receivables	65,087	62,829
Accrued revenue	43,976	36,508
Other current assets	8,932	7,640
<b>Total current assets</b>	<b>149,992</b>	<b>152,998</b>
<b>Non-current assets</b>		
Investments accounted for using the equity method	2,194	-
Plant, equipment & leasehold improvements	12,826	15,710
Intangible assets <sup>1</sup>	376,796	372,124
Right-of-use assets	17,834	16,385
Deferred tax assets	8,377	7,013
Other non-current assets	1,345	1,317
<b>Total non-current assets</b>	<b>419,372</b>	<b>412,549</b>
<b>Total assets</b>	<b>569,364</b>	<b>565,547</b>
<b>Current liabilities</b>		
Payables	29,358	31,534
Lease liabilities	4,937	4,889
Current tax payable	3,440	3,727
Provisions	27,566	30,208
Unearned revenue <sup>1</sup>	40,566	37,940
<b>Total current liabilities</b>	<b>105,867</b>	<b>108,298</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities <sup>1</sup>	32,525	32,920
Borrowings	72,241	70,221
Lease liabilities	15,268	14,240
Provisions	242	915
Unearned revenue	958	1,808
<b>Total non-current liabilities</b>	<b>121,234</b>	<b>120,104</b>
<b>Total liabilities</b>	<b>227,101</b>	<b>228,402</b>
<b>Net assets</b>	<b>342,263</b>	<b>337,145</b>
<b>Equity</b>		
Share capital	151,368	150,599
Foreign currency translation reserve	15,515	1,707
Share-based payment reserve	14,086	13,440
Retained earnings	161,294	171,399
<b>Total equity</b>	<b>342,263</b>	<b>337,145</b>

<sup>1</sup> Certain balances have been restated in accordance with the accounting for business combination following the finalisation of acquisition accounting associated with powercloud. Refer to Note 10 to the Financial Report which can be found on the Company's web site.

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Dec-24 \$'000	Dec-23 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	184,639	183,019
Payments to suppliers and employees	(165,988)	(141,837)
Interest received	366	195
Finance costs on borrowings	(2,035)	(1,527)
Finance costs on lease liabilities	(709)	(457)
Income tax paid	(5,913)	(9,039)
<b>Net cash from operating activities</b>	<b>10,360</b>	<b>30,354</b>
<b>Cash flows from investing activities</b>		
Payments for investment in associate	(2,184)	-
Payments for plant, equipment and leasehold improvements	(1,405)	(2,543)
Payment for capitalised development costs	(8,967)	(5,947)
<b>Net cash used in investing activities</b>	<b>(12,556)</b>	<b>(8,490)</b>
<b>Cash flows from financing activities</b>		
Dividends paid, net of dividend re-investment	(9,407)	(9,337)
Payment of loan refinancing fees	(210)	-
Repayment of borrowings	-	(16,599)
Repayment of lease liabilities	(3,624)	(3,577)
<b>Net cash used in financing activities</b>	<b>(13,241)</b>	<b>(29,513)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(15,437)</b>	<b>(7,649)</b>
Cash and cash equivalents at beginning of the half-year	46,021	54,279
Effects of exchange rate changes on cash and cash equivalents	1,413	(1,520)
<b>Cash and cash equivalents at end of the half-year</b>	<b>31,997</b>	<b>45,110</b>

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The logo consists of a stylized red 'H' symbol. The top bar of the 'H' is composed of two separate red squares. The vertical stems are connected at the bottom by a thick red horizontal bar.

HANSEN