DELIVERING AN INNOVATIVE FUTURE

Half-Year Report
to 31 December 2024

HANSEN

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At Hansen, we are committed to continuous innovation, developing and evolving products and solutions with agility to meet the dynamic needs of our customers and the industries they serve.

ENERGY & UTILITIES OPERATING REVENUE

$105.5m

Up 8.0% from 1H24

COMMUNICATIONS & MEDIA OPERATING REVENUE

$72.5m

Up 3.6% from 1H24

DIRECTORS' REPORT

The Directors present their report together with the half-year financial report of the consolidated entity ('the Group') consisting of Hansen Technologies Limited ('the Company' or 'Hansen') and its controlled entities for the six months ended 31 December 2024, and the Independent Auditor's Review Report thereon. This half-year financial report has been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

Principal activities

The principal activities of the Group were the development, integration and support of software and services for the Energy & Utilities and Communications & Media sectors.

Directors

The names of the Directors in office at any time during the whole of the half-year and up to the date of this report are:

Mr David Trude (Chair)
Mr Andrew Hansen (Global CEO and Managing Director)
Mr Bruce Adams
Ms Lisa Pendlebury
Mr David Howell
Mr David Osborne (retired on 21 November 2024, did not seek re-election at AGM)
Mr Don Rankin
Ms Rebecca Wilson

Review of Operations

The Group's operating result for the half year to 31 December 2024 comprised of the following:

	6 months ended		
	31 Dec 24 A$ million	31 Dec 23 A$ million	Variance %
Operating revenue	178.0	167.7	▲ 6.1%
Underlying EBITDA[(1), (2), (4)]	38.1	52.1	▼ 26.9%
Cash EBITDA[(1), (2), (4), (5)]	29.1	46.2	▼ 37.0%
NPAT	0.1	17.6	▼ 99.6%
Underlying NPAT[(1), (4)]	4.6	20.1	▼ 77.1%
Underlying NPATA[(1), (3), (4)]	12.6	27.0	▼ 53.3%
Basic earnings per share (EPS) (cents)	0.03	8.68	▼ 99.7%
Basic EPSa based on underlying NPATA (cents)[(1),(3)]	6.19	13.28	▼ 53.4%

(1) The Directors believe the information additional to IFRS measures included in the Financial Report is relevant and useful in measuring the financial performance of the Group. These include: Cash EBITDA, 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 adjusted to exclude tax-effected amortisation of acquired intangibles.

(4) Underlying EBITDA, underlying NPAT and underlying NPATA 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.

(5) Cash EBITDA is Underlying EBITDA less capitalised development costs.

During 1H25, Hansen achieved a 6.1% increase in operating revenue to $178.0m driven by the acquisition of powercloud completed on the 12 February 2024 and growth in the Communications & Media vertical. Excluding the impact of powercloud, revenue declined by 7.2%, largely driven by the timing of licence fees and the completion of major implementation projects being delayed until 2H25 due to customer constraints. Additionally,1H24 experienced significant recognition of licence fees which typically renew over three to seven-year cycles.1H25 licence fees were comparatively low but are anticipated to be significantly stronger in the second half of the financial year following the signing of the agreement with VMO2 in 2H25.

The Group's revenue remains highly diversified across geography, currency, product, and industry, with no single customer contributing more than 8% of total revenue. Customer retention remains strong, with consistently low churn rates and an average customer tenure of 10+ years.

Hansen's core industries — Energy & Utilities and Communications & Media — are experiencing rapid transformation, presenting opportunities for organic growth.

The Energy & Utilities vertical had a number of large licence renewals during 1H24 and revenue for a material upgrade in APAC was largely completed and recognised during 1H24 while customer delays during 1H25 resulted in key upgrade works being pushed back to 2H25. This resulted in a 14.8% revenue decline excluding powercloud.

Including powercloud, the Energy & Utilities vertical revenue grew 8.0% compared to 1H24. This growth was supported by key client engagements such as Å Entelios' expansion into Denmark, the City of Kingsport's modernisation of water-billing systems and the expansion of our relationship with Vattenfall and Stockholm Exergi.

The Communications & Media vertical increased revenue 3.6% compared to 1H24. As many communication companies grapple with complex legacy systems that impact speed to market and cost to serve, there is a growing demand for best-in-class software to improve customer support and overall offerings. With our market-leading product suite and robust pipeline, we remain well-positioned for further growth in the communications sector.

In February, Hansen signed a five-year master agreement with VMO2, a communications joint venture between Telefónica and Liberty Global in the UK. Valued at approximately A$50m, this agreement will enable VMO2 to modernise its legacy systems, streamline operations, and significantly reduce the cost-of-service delivery. The benefits from this transformational deal will begin to materialise in 2H25.

The Group's Underlying EBITDA was $38.1m and Cash EBITDA was $29.1m for 1H25, both declined versus the previous period impacted by the timing of licence fees, delays in upgrade projects into the second half and investment in headcount to support the expected growth of the business.

Operating cash flow decreased by $20.0m from 1H24 to $10.4m, impacted by a reduction in EBITDA and an increase in working capital. Customer related receivables, including accrued income less unearned revenue, increased by $14.2m when compared to 1H24, driven by the acquisition of powercloud, as well as upgrades and implementations that are being billed on a milestone basis. Whilst a significant portion of accrued income will be billed and collected in 2H25, there is approximately $20m that relates specifically to the IFRS15 accounting standard and will be unwound in the short to medium term.

In terms of investment initiatives, the Group funded a further $13m in powercloud to restructure the business, reduce its fixed cost base and implement Hansen systems and processes. By implementing prudent cost containment measures and reducing staff from 390 to 140, powercloud has realised approximately $31m annualised cost savings. The Group continues to expect significant potential upside in Germany, the world's third largest economy. With the German energy market's transformation, there's a growing demand for scalable, innovative solutions. The German marketplace is very immature in relation to many parts of EMEA, with the roll-out of smart meters only recently commencing. The Group expects strong potential for growth as these changes unfold over the medium term.

Innovation remains central to Hansen's strategy, supported by continued investment in R&D. In November 2024, the Group invested CAD $2m (~A$2.2m) for a 30% stake in Dial AI, based in Vancouver, Canada. Dial AI has developed an advanced AI-powered tool designed to enhance customer interactions through automation and intelligent responses. This directly helps businesses address key digital engagement challenges by streamlining communication, improving efficiency and providing a seamless customer experience.

Hansen also remains steadfast in its sustainability goals, achieving a 40% reduction in emissions since FY22. The Company's Australian operations have been certified as Carbon Neutral for three consecutive years, and EcoVadis awarded Hansen with a 'Committed' badge, underscoring the Group's global dedication to sustainable practices.

Reflecting its ongoing financial stability and predictable cashflows, the Board has declared an interim dividend of 5.0 cents per share, partially franked. This commitment to shareholder returns aligns with Hansen's positive outlook and strong earnings trajectory expected across FY25. With a transformative agreement in the communications sector and significant progress in restructuring powercloud, Hansen is well-positioned to deliver on its guidance for FY25.

The Directors wish to thank the entire Hansen team for their outstanding contributions during the first half of the financial year, as well as our customers and shareholders for their continued trust and support. We look forward to capitalising on the opportunities ahead and delivering sustained value to all stakeholders.

Significant Changes in the State of Affairs

There have been no significant changes in the Group's state of affairs during the half-year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year is provided immediately after this report.

Rounding of Amounts to Nearest Thousand Dollars

In accordance with ASIC Corporations *(Rounding in Financial/ Directors' Reports) Instrument 2016/191*, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest million dollars.

Signed in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001:*

David Trude
Chair

Andrew Hansen
Global CEO and Managing Director

Dated: 19 February 2025

AUDITOR'S INDEPENDENCE DECLARATION

RSM Australia Partners

Level 27, 120 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Hansen Technologies Limited and its controlled entities for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

Jason Croall

J S CROALL
Partner

Dated: 19 February 2025
Melbourne, Victoria

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Dec 24 $'000	Dec 23 $'000
Operating revenue from contracts with customers	4(a)	177,964	167,743
Finance income		366	195
Other income		611	510
Total revenue from contracts with customers and other income		178,941	**168,448**
Employee benefit expenses		(109,398)	(93,531)
Amortisation expense	5	(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)	–
Total expenses		(175,890)	**(144,905)**
Profit before income tax expense		3,051	**23,543**
Income tax expense		(2,981)	(5,922)
Net profit after income tax expense for the half-year	3	70	**17,621**
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translation of foreign operations		13,808	(3,686)
Other comprehensive income/(expense) for the half-year, net of tax		13,808	**(3,686)**
Total comprehensive income for the half-year		13,878	**13,935**
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

The accompanying notes on pages 9 to 18 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Dec 24 $'000	Jun 24 $'000
Current assets			
Cash and cash equivalents		31,997	46,021
Receivables		65,087	62,829
Accrued revenue	4(b)	43,976	36,508
Other current assets		8,932	7,640
Total current assets		149,992	152,998
Non-current assets			
Investments accounted for using the equity method		2,194	–
Plant, equipment & leasehold improvements		12,826	15,710
Intangible assets(1)	5	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
Total non-current assets		419,372	412,549
Total assets		**569,364**	**565,547**
Current liabilities			
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(1)	4(b)	40,566	37,940
Total current liabilities		105,867	108,298
Non-current liabilities			
Deferred tax liabilities(1)		32,525	32,920
Borrowings	7	72,241	70,221
Lease liabilities		15,268	14,240
Provisions		242	915
Unearned revenue	4(b)	958	1,808
Total non-current liabilities		121,234	120,104
Total liabilities		**227,101**	**228,402**
Net assets		**342,263**	**337,145**
Equity			
Share capital	9	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
Total equity		**342,263**	**337,145**

(1) 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.

The accompanying notes on pages 9 to 18 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

For the half-year ended 31 December 2024	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Balance as at 1 July 2024		**150,599**	**15,147**	**171,399**	**337,145**
Net profit after income tax expense for the half-year		–	–	70	70
Movement in carrying amount of foreign entities due to currency translation		–	13,808	–	13,808
Total comprehensive income for the half-year		**–**	**13,808**	**70**	**13,878**
Transactions with owners in their capacity as owners:					
Share-based payment expense – performance rights	6	–	735	–	735
Tax associated with employee share-based plans		–	(89)	–	(89)
Equity issued under dividend reinvestment plan	8	769	–	–	769
Dividends declared	8	–	–	(10,175)	(10,175)
Total transactions with owners in their capacity as owners		**769**	**646**	**(10,175)**	**(8,760)**
Balance as at 31 December 2024		**151,368**	**29,601**	**161,294**	**342,263**

For the half-year ended 31 December 2023	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Balance as at 1 July 2023		**148,688**	**19,544**	**170,648**	**338,880**
Net profit after income tax expense for the half-year		–	–	17,621	17,621
Movement in carrying amount of foreign entities due to currency translation		–	(3,686)	–	(3,686)
Total comprehensive income for the half-year		**–**	**(3,686)**	**17,621**	**13,935**
Transactions with owners in their capacity as owners:					
Share-based payment expense – performance rights	6	–	275	–	275
Equity issued under dividend reinvestment plan	8	816	–	–	816
Dividends declared	8	–	–	(10,153)	(10,153)
Total transactions with owners in their capacity as owners		**816**	**275**	**(10,153)**	**(9,062)**
Balance as at 31 December 2023		**149,504**	**16,133**	**178,116**	**343,753**

The accompanying notes on pages 9 to 18 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Dec 24 $'000	Dec 23 $'000
Cash flows from operating activities			
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)
Net cash from operating activities		10,360	**30,354**
Cash flows from investing activities			
Payments for investment in associate		(2,184)	–
Payments for plant, equipment and leasehold improvements		(1,405)	(2,543)
Payments for capitalised development costs	5	(8,967)	(5,947)
Net cash used in investing activities		(12,556)	**(8,490)**
Cash flows from financing activities			
Dividends paid, net of dividend re-investment	8	(9,406)	(9,337)
Payment of loan refinancing fees		(210)	–
Repayment of borrowings		–	(16,599)
Repayment of lease liabilities		(3,624)	(3,577)
Net cash used in financing activities		(13,240)	**(29,513)**
Net decrease in cash and cash equivalents		(15,436)	**(7,649)**
Cash and cash equivalents at beginning of the half-year		46,021	54,279
Effects of exchange rate changes on cash and cash equivalents		1,412	(1,520)
Cash and cash equivalents at end of the half-year		31,997	**45,110**

The accompanying notes on pages 9 to 18 form part of these consolidated financial statements.

1. Basis of preparation

The consolidated interim financial statements as at, and for, the half-year ended 31 December 2024 ("the half-year financial report") comprise of the financial statements of the consolidated entity ("the Group"), consisting of Hansen Technologies Limited ("the Company" or "Hansen") and its controlled entities. The Company is a company limited by shares, incorporated and domiciled in Australia.

The half-year financial report was authorised for issue by the Directors as at the date of the Directors' Report.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(a) Basis of preparation of the half-year financial report

The half-year financial report has been prepared in accordance with AASB 134 *Interim Financial Reporting and the Corporations Act 2001*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The half-year financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial report for the year ended 30 June 2024 and any public announcements made by the Company during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted in the Group's annual financial report for the year ended 30 June 2024. In addition, the Group has adopted the following accounting policies in the preparation of the 31 December 2024 half-year financial report:

i) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (ii) below), after initially being recognised at cost.

ii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss. The carrying amount of equity-accounted investments is tested for impairment on a yearly basis.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Changes in comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(b) Rounding amounts

The Group has applied the relief available under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and, accordingly the amounts in the half-year financial report and in the Directors' Report have been rounded to the nearest thousand Australian dollars, or in certain cases to the nearest million Australian dollars.

2. Segment information

(a) Description of segments

The operating segments are identified based on the types of services provided to the Group's customers. Discrete financial information about each of these operating businesses are reported to the executive management team on at least a monthly basis.

Where operating segments meet the aggregation criteria, these are aggregated into reported segments. Operating segments are aggregated based on similar products and services provided to the same type of customers using the same distribution method.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis and excludes depreciation and amortisation. Inter-segment pricing is determined on an arm's length basis and are eliminated on consolidation. There are no significant transactions between segments.

Change in reporting segments and restated comparative segment information

As announced in June 2024, changes have been made to reporting segments and assessment of the Chief Operating Decision Maker ('CODM') to best support the Group's global reach, increased size and anticipated growth. The previously reported Billing segment is now aggregated into the Energy & Utilities ('E&U') and Communications & Media ('C&M') operational verticals based on the customers they service. The previously reported 'other' category has been aggregated into these two operational verticals based on the customers they service. Comparative segment information has been restated to reflect these changes.

Reportable segment	Description of segment
Energy & Utilities	This segment encompasses the sale of software and the provision of consulting services for the Energy & Utilities customers that primarily operate in electricity, gas and water.
Communications & Media	This segment encompasses the sale of software and the provision of consulting services for the Communications & Media customers that primarily operate in telecommunications and pay-TV.

(b) Segment information

6-months ended 31 Dec 2024	Note	E & U $'000	C & M $'000	Total $'000
Segment revenue				
Total segment revenue	4(a)	105,487	72,477	177,964
Revenue from external customers		**105,487**	**72,477**	**177,964**
Segment result				
Total segment result		34,449	34,303	68,752
Segment result from core operations		**34,449**	**34,303**	**68,752**

6-months ended 31 Dec 2023	Note	E & U $'000	C & M $'000	Total $'000
Segment revenue				
Total segment revenue	4(a)	97,745	69,998	167,743
Revenue from external customers		**97,745**	**69,998**	**167,743**
Segment result				
Total segment result		45,537	36,345	81,882
Segment result from core operations		**45,537**	**36,345**	**81,882**

Segment revenue and result for the 6-months ended 31 December 2024 has been impacted by the acquisition of powercloud as disclosed in Note 10.

(i) Reconciliation of segment profit from core operations to the consolidated statement of comprehensive income

	Note	Dec 24 $'000	Dec 23 $'000
Segment result from core operations	2(b)	68,752	81,882
Corporate administrative costs		(37,108)	(33,053)
Depreciation and amortisation		(25,955)	(23,199)
Share of net losses of associate		(34)	–
Net foreign exchange losses		(79)	(145)
Net finance costs		(2,525)	(1,942)
Profit before income tax expense		**3,051**	**23,543**
Income tax expense		(2,981)	(5,922)
Profit after income tax expense for the half-year		**70**	**17,621**

Corporate administrative costs (Finance, Legal, Human Resources, IT services, Corporate and other central functions) are costs that cannot be readily allocated to individual operating segments. Further, depreciation and amortisation costs are not used by the CODM for making operating and resource allocation decisions. Hence, these costs are shown in the reconciliation of reportable segments to Group totals.

For the half-year ended 2024 and comparatives, the separately disclosed items have been allocated directly to the attributable segment.

(ii) Segment assets and liabilities

No information regarding segment assets and segment liabilities has been disclosed, as these are not reported to the CODM for the purpose of making strategic decisions.

3. Separately disclosed items

The Group has disclosed underlying EBITDA and underlying profit after tax, referring to the Group's trading results, adjusted for certain transactions during the year that are not representative of the Group's regular business activities. The Group considers that these transactions are of such significance to understanding the ongoing results of the Group, that the Group has elected to separately identify these transactions to determine an ongoing result to enable a 'like-for-like' comparison. These items are described as 'separately disclosed items' throughout this Financial Report. As the operations from this jurisdiction did not represent a separate major line of business or geographical area of operations to the Group, the results from this jurisdiction were not separately disclosed as a discontinued operation.

6-months ended 31 Dec	2024 $'000	2023 $'000
Net increase to underlying EBITDA		
One-off costs incurred	(6,501)	(3,274)
Total	**(6,501)**	**(3,274)**

One-off costs incurred

For the half-year ended 31 December 2024, the Group recognised one-off costs relating to acquisition and restructuring activities totalling $6,501,000. Of these costs, $98,000 in legal fees was incurred in relation to the 30% acquisition of a Canadian company, Dial AI on 12 November 2024 and are included within the 'Professional expenses' account in the Group's consolidated statement of comprehensive income. Dial AI is a cloud native support agent that delivers real-time responses to voice and text interactions. The remaining $6,403,000 relate to further restructuring costs for powercloud. These restructuring costs are included within the 'Employee benefit expenses' account in the Group's consolidated statement of comprehensive income.

In the previous financial period, the Group recognised one-off costs relating to restructuring totalling to $3,274,000. These costs, which primarily included redundancies and associated costs, are part of the Group's strategy to better integrate the business and align staffing according to customer demand. These costs are included within the 'Employee benefit expenses' account in the Group's consolidated statement of comprehensive income. As the operations from this jurisdiction did not represent a separate major line of business or geographical area of operations to the Group, the results from this jurisdiction were not separately disclosed as a discontinued operation.

3. Separately disclosed items (continued)

Reconciliation with Group statutory measures

6-months ended 31 Dec	2024 $'000	2023 $'000
Underlying EBITDA	38,111	52,103
Less separately disclosed items	(6,501)	(3,274)
EBITDA[1]	31,610	**48,829**
Underlying net profit after tax before acquired amortisation, net of tax [2]	12,598	26,973
Less acquired amortisation, net of tax	(7,977)	(6,911)
Underlying net profit after tax [3]	4,621	20,062
Less separately disclosed items	(6,501)	(3,274)
Tax effect of separately disclosed items	1,950	833
Net profit after income tax expense	70	**17,621**

(1) 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.

(2) 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.

(3) Underlying net profit after tax or underlying NPAT exclude separately disclosed items, which represent the one-off costs during the period.

4. Revenue

(a) Disaggregation of revenue from contracts with customers

Set out below and the next page is the disaggregation of the Group's revenue from contracts with customers:

6-months ended 31 Dec 2024	E & U $'000	C & M $'000	Total $'000
Types of goods and services			
Licence	1,927	11,256	13,183
Support and maintenance	70,170	29,029	99,199
Application[1]	32,558	32,001	64,559
Hardware/software sales and other revenue	832	191	1,023
Total revenue from contracts with customers	105,487	72,477	177,964
Revenue by geographic segment			
APAC	20,328	3,941	24,269
Americas	21,187	17,536	38,723
EMEA	63,972	51,000	114,972
Total revenue from contracts with customers	105,487	72,477	177,964
Timing of revenue recognition			
Goods and services transferred at a point in time	2,250	6,435	8,685
Services transferred over time	103,237	66,042	169,279
Total revenue from contracts with customers	105,487	72,477	177,964

(1) Services revenue has been renamed to Application revenue. No changes to the accounting policy have occurred other than a name change.

6-months ended 31 Dec 2023	E & U $'000	C & M $'000	Total $'000
Types of goods and services			
Licence	7,550	12,043	19,593
Support and maintenance	50,483	27,522	78,005
Application[(1)]	39,347	30,349	69,696
Hardware/software sales and other revenue	365	84	449
Total revenue from contracts with customers	**97,745**	**69,998**	**167,743**
Revenue by geographic segment			
APAC	31,190	6,043	37,233
Americas	21,142	12,558	33,700
EMEA	45,413	51,397	96,810
Total revenue from contracts with customers	**97,745**	**69,998**	**167,743**
Timing of revenue recognition			
Goods and services transferred at a point in time	7,517	5,604	13,121
Services transferred over time	90,228	64,394	154,622
Total revenue from contracts with customers	**97,745**	**69,998**	**167,743**

(1) Services revenue has been renamed to Application revenue. No changes to the accounting policy have occurred other than a name change.

(b) Contract balances

	Dec 24 $'000	Jun 24 $'000
Asset: Accrued revenue	43,976	36,508
Liability: Unearned revenue (current)	(40,566)	(37,940)[(1)]
Liability: Unearned revenue (non-current)	(958)	(1,808)

Accrued revenue mainly relates to software licences deployed on contract inception which have yet to be billed to the customer. Accrued revenue is transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. Unearned revenue primarily relates to advance consideration received from customers representing support and maintenance services, software and SaaS contracts.

(1) The Unearned revenue (current) restated balance of $37,940,000 was adjusted by $897,000 in accordance with the accounting for business combination following the finalisation of acquisition accounting associated with powercloud. Refer to Note 10(b).

5. Intangible assets

	Goodwill $'000	Technology and other intangibles at cost $'000	Software development at cost $'000	Total $'000
Cost				
At 1 July 2024, as restated	257,751	216,049	144,322	618,122
Additions	–	–	8,967	8,967
Net foreign currency movements arising from foreign operations	8,548	5,893	3,148	17,589
At 31 December 2024	266,299	221,942	156,437	644,678
Accumulated amortisation and impairment				
At 1 July 2024	(1,606)	(140,830)	(103,562)	(245,998)
Amortisation charge	–	(7,554)	(12,172)	(19,726)
Net foreign currency movements arising from foreign operations	(15)	(2,006)	(137)	(2,158)
At 31 December 2024	(1,621)	(150,390)	(115,871)	(267,882)
Net book amount				
At 31 December 2024	264,678	71,552	40,566	376,796

	Note	Goodwill $'000	Technology and other intangibles at cost $'000	Software development at cost $'000	Total $'000
Cost					
At 1 July 2023, as previously stated		221,840	192,782	129,503	544,125
Increase due to acquisition of subsidiary		40,487	–	27,973	68,460
Additions		–	–	15,461	15,461
Net foreign currency movements arising from foreign operations		(4,265)	(3,732)	(642)	(8,639)
At 30 June 2024, as previously stated		258,062	189,050	172,295	619,407
Adjustment on goodwill	10	(311)	(974)	–	(1,285)
Transfer in/(out)		–	27,973	(27,973)	–
At 30 June 2024, as restated		257,751	216,049	144,322	618,122
Accumulated amortisation and impairment					
At 1 July 2023, as previously stated		(1,608)	(125,145)	(84,552)	(211,305)
Amortisation charge		–	(18,127)	(19,127)	(37,254)
Net foreign currency movements arising from foreign operations		2	2,442	117	2,561
At 30 June 2024, as previously stated		(1,606)	(140,830)	(103,562)	(245,998)
Net book amount					
At 30 June 2024, as previously stated		256,456	48,220	68,733	373,409
At 30 June 2024, as restated		256,145	75,219	40,760	372,124

6. Share-based payments

During the financial period, 605,357 performance rights were granted to employees under the Company's Employee Performance Rights Plan. This amount includes 115,151 rights issued to the Global CEO & Managing Director following approval obtained at the Company's Annual General Meeting on 21 November 2024.

The Employee Performance Rights are issued as part of the long-term incentive plan. Performance rights are vested in three tranches subject to service conditions, an absolute total shareholder return hurdle ("aTSR") and relative non-performance market conditions such as revenue and/or profit margin depending on the key performance indicators assigned to the employee. Additionally, performance rights can only vest if the Company's total shareholder return is positive over the measurement period.

The measurement period of the rights is from 1 July 2024 to 30 June 2027, with an expected vesting date of 30 September 2027. Management has assessed an estimated fair value at grant date of the performance rights subject to the aTSR condition of $3.88 per right using a Monte Carlo simulation option pricing model. The fair value of performance rights subject to non-market conditions for non-key management personnel and key management personnel is $2.88 and $4.15 respectively per right and was estimated using a Black Scholes option pricing model.

The models consider the term of the performance rights, the impact of dilution (where material), the share price at grant date and expected volatility of the underlying share, the risk-free interest rate for the term of the performance rights and the correlations and volatilities of the peer group companies.

The model inputs for the performance rights granted during the six months ended 31 December 2024 included:

- grant date: 1 July 2024
- expected vesting date: 30 September 2027[1]
- measurement period: 1 July 2024 to 30 June 2027
- share price at grant date: $4.49
- expected price volatility of the company's shares: 27.5%
- expected dividend yield: 2.46%
- risk-free rate: 4.00%

(1) Expected vesting date is as advised in writing by the Board following consideration of performance during the measurement period, but no later than 30 September 2027

For the six months ended 31 December 2024, the Group has recognised $735,000 of share-based payment expense, presented as part of 'Employee benefit expenses' in the consolidated statement of comprehensive income (six months ended 31 December 2023: $275,000).

7. Borrowings

	Dec 24 $'000	Jun 24 $'000
Non-current		
Secured		
Term facility – gross borrowings	72,544	70,539
Term facility – prepaid borrowing costs [1]	(303)	(318)
Total	72,241	**70,221**

(1) This amount does not impact the available facility.

On 23 December 2024, the Group refinanced its syndicated multi-currency facility established to fund the acquisition of powercloud and working capital requirements. The total facility limit was reduced to $91m and has a maturity period of 37 months, expiring on 31 January 2028. The average interest rate of the borrowings is 5.48%.

8. Dividends

A regular interim dividend of 5 cents per share has been declared, partially franked, and will subsequently be paid on 27 March 2025. The amount declared has not been recognised as a liability in the accounts of Hansen Technologies Limited as at 31 December 2024.

	Dec 24 $'000	Dec 23 $'000
Dividends paid during the half-year (net of dividend re-investment):		
5 cents per share final dividend paid 20 September 2024(1) – partially franked	9,406	–
5 cents per share final dividend paid 20 September 2023(2) – partially franked	–	9,337
Total	**9,406**	**9,337**
Proposed dividend not recognised at the end of the half-year. The proposed dividends are stated before dividend reinvestment, which reduces the Group's amount of dividend cash payable:		
5 cents per share interim dividend (5 cents partially franked)(3)	10,175	–
5 cents per share interim dividend (5 cents partially franked)(4)	–	10,160

(1) The final dividend paid of 5 cents per share franked to 2.1 cents, comprised of a regular dividend of 5 cents per share.
(2) The final dividend paid of 5 cents per share franked to 1.5 cents, comprised of a regular dividend of 5 cents per share.
(3) The proposed interim dividend of 5 cents per share, franked to 3.3 cents
(4) The interim dividend of 5 cents per share, franked to 2.3 cents.

9. Contributed capital

(a) Issued and paid-up capital

	Dec 24 $'000	Jun 24 $'000
Ordinary shares, fully paid	**151,368**	**150,599**

(b) Movements in shares on issue

	Ordinary shares (excluding Treasury shares)	Treasury shares	Total share capital	
Half-year ended 31 December 2024	No. of Shares	No. of Shares	No. of Shares	$'000
Balance at beginning of half-year	203,050,749	458,692	203,509,441	150,599
Shares issued under the dividend reinvestment plan	173,119	–	173,119	769
Performance rights exercised	21,596	(5,302)	16,294	–
Balance at end of half-year	**203,245,464**	**453,390**	**203,698,854**	**151,368**

Treasury shares are shares in the Company that are held by Hansen Technologies Limited Employee Share Plan Trust (the Trust) for the purpose of holding shares for the satisfaction of rights under the existing and future equity awards plan. The Trust was established on 24 June 2022.

10. Business Combinations

On 12 February 2024, Hansen acquired 100% of the shares of powercloud GmbH (powercloud) for a total purchase consideration of $29.4m. Further, an equity injection of $24.9m was provided on the same day. Of this amount, $8.9m was used to facilitate the settlement towards an existing shareholder loan and $15.4m was utilised for initial working capital purposes. The acquisition was fully funded via debt, by utilising an existing syndicated multi-currency facility on the same pricing terms as the existing Hansen debt obligation that was in place at the time of acquisition.

Founded in 2012, powercloud is a leading provider of mission-critical billing and customer management software products serving tier-1 and 2 utility companies and regional municipalities across Germany, including many of the largest Germany utility retailers. This acquisition will significantly expand Hansen's scale and scope in the utilities sector, in addition to the depth of the existing operational presence in Germany, Austria and Switzerland.

The fair values of the identifiable assets and liabilities acquired as at the date of the acquisition were previously reported at their provisional amounts in light of the timing of the transaction. At 31 December 2024, the provisional fair value of assets and liabilities acquired has been finalised, including the corresponding goodwill and purchase price consideration, as detailed below:

	Note	Provisional Fair value $'000	Adjustments $'000	Finalised Fair value $'000
Assets acquired:				
Cash		47,543	–	47,543
Receivables		7,992	–	7,992
Prepayments and other current assets		4,048	–	4,048
Intangibles	5	27,973	(974)[a]	26,999
Plant and equipment		650	–	650
Right-of-use assets		5,390	–	5,390
Total assets acquired		**93,596**	**(974)**	**92,622**
Liabilities acquired:				
Payables		10,279	–	10,279
Accruals and provisions		14,699		14,699
Unearned revenue	4(b)	9,381	(897)[b]	8,484
Shareholder loan		56,474	–	56,474
Lease liability		5,390	–	5,390
Deferred tax liability		8,488	(388)[c]	8,100
Total liabilities acquired		**104,711**	**(1,285)**	**103,426**
Net identifiable (liability) acquired		**(11,115)**	**311**	**(10,804)**
Add:				
Goodwill arising on acquisition	5	40,487	(311)	40,176
Total purchase consideration		**29,372**	**–**	**29,372**

The Group has made retrospective adjustments to the accounting for the business combination in the comparative amounts for the financial year ended 30 June 2024 as follows:

10. Business Combinations (continued)

(a) Intangibles

During the measurement period, the information gathered determined that the fair value under AASB 13 Fair Value Measurement resulted in an adjustment of $974,000 against the provisional intangible balance.

(b) Unearned revenue

Information obtained during the measurement period resulted in a $897,000 adjustment to the fair value amount, in accordance with AASB 13 Fair Value Measurement, using the build-up approach for unearned revenue from customers who had paid for powercloud services upfront at the acquisition date.

(c) Deferred tax liability

The adjustment to the fair value of the intangibles has resulted in the reduction of a deferred tax liability of $388,000.

Goodwill arose on the acquisition of powercloud due to the combination of the consideration paid for the business and the net liabilities acquired. The value of goodwill represents the strong positioning of powercloud in the energy market and includes the future benefit arising from the expected future earnings, synergies with the Group's products and operations and personnel assumed via the acquisition. None of the goodwill is expected to be deductible for tax purposes.

Transaction costs

There was no additional transaction costs incurred during the period in relation to the acquisition.

Revenue and loss contribution

powercloud has contributed $22.3m of revenue and a loss of $7.3m to the Group's consolidated results for the period. If the acquisition of powercloud had occurred on 1 July 2023, powercloud would have a 2023 comparative contributed revenue of $25.0m and a loss after tax of $25.1m. It is important to note that viewing this performance in isolation is not reflective of the ongoing performance of the acquired business.

Analysis of cash flow on acquisition

	$'000
Outflow of cash to acquire subsidiary	
Cash consideration	29,372
Add: Settlement of shareholder loan	8,931
Net cash outflow of cash – investing activities	**38,303**

11. Subsequent Events

There has been no other matter or circumstance, which has arisen since 31 December 2024 that has significantly affected or may significantly affect:

(i) the operations, in financial years subsequent to 31 December 2024, of the Group;

(ii) the results of those operations; or

(iii) the state of affairs, in financial years subsequent to 31 December 2024, of the Group.

DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 5 to 18 are in accordance with the *Corporations Act 2001*, including:

(a) complying with Accounting Standards, in particular AASB 134 *Interim Financial Reporting*, and t he *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and

(b) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2024 and of its performance for the half-year ended on that date.

In the Directors' opinion, there are reasonable grounds to believe that Hansen Technologies Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors, pursuant to section 303(5)(a) of the *Corporations Act 2001*.

David Trude
Chair

Andrew Hansen
Global CEO and Managing Director

Melbourne
19 February 2025

RSM Australia Partners

Level 27, 120 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
To The Members Of Hansen Technologies Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Hansen Technologies Limited (Company) and its Controlled Entities (Group) which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Hansen Technologies Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of Hansen Technologies Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated:19 February 2025
Melbourne, Victoria

CORPORATE DIRECTORY

Directors

David Trude, Chair
Andrew Hansen, Global CEO and Managing Director
Bruce Adams, Non-Executive
Lisa Pendlebury, Non-Executive
Don Rankin, Non-Executive
David Howell, Non-Executive
Rebecca Wilson, Non-Executive

Company secretary

Julia Chand

Principal registered office

Level 13, 31 Queen Street
Melbourne, Victoria 3000
T (03) 9840 3000

Share registry

MUFG Corporate Markets (AU) Limited
A division of MUFG Pension & Market Services
Locked Bag A14
Sydney South NSW 1235 Australia

Stock exchange

The Company is listed on the Australian Stock Exchange
ASX code: HSN

Auditors

RSM Australia Partners
Level 27, 120 Collins Street
Melbourne, Victoria 3000

Solicitors

GrilloHiggins
Level 25, 367 Collins Street
Melbourne, Victoria 3000

Other information

Hansen Technologies Ltd ABN 90 090 996 455,
incorporated and domiciled in Australia,
is a publicly listed company limited by shares.

HANSEN