

Manager, Company Announcements
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000



Hansen Technologies Ltd
ACN 090 996 455
A Hansen Technologies Company
2 Frederick Street
Doncaster Victoria 3108
Australia
+61 3 9840 3000
hansencx.com

7 June 2021

Hansen receives non-binding conditional proposal from BGH Capital at \$6.50 per share

Hansen Technologies Limited (ASX:HSN) (“Hansen”) announces that it has received an unsolicited, preliminary, conditional and non-binding proposal from BGH Capital Pty Ltd (“BGH Capital”) to acquire 100% of the outstanding shares in Hansen by way of a scheme of arrangement for a price of \$6.50 cash per Hansen share (“Proposal”).

The Proposal values Hansen at an enterprise value of \$1.3 billion and represents a:

- 33% premium to the \$4.88 VWAP for the six months prior to Friday, 4 June 2021; and
- 25% premium to the \$5.18 closing price at the end of trading on Friday, 4 June 2021.

The cash consideration price will be reduced by the value of any dividends or other distributions declared, proposed or paid after date of the offer letter. The price also assumes that Hansen achieves its FY21 earnings guidance.

Key conditions to the Proposal are set out in Appendix A.

Intention to recommend

The Board has considered the Proposal having regard to the prospects for the Company and in the context of maximising value for Hansen shareholders. It has determined that progressing the Proposal is in the interests of all shareholders.

The Directors of Hansen, other than Andrew Hansen as discussed below, intend to unanimously recommend the Proposal to shareholders (at the offer price of \$6.50 cash per Hansen share), subject to the parties entering into a binding scheme implementation deed (“SID”) on terms consistent with the Proposal following completion of BGH Capital’s due diligence. The intended recommendation is also subject to no superior offer being received and an independent expert concluding (and continuing to conclude) that the Proposal is in the best interests of Hansen shareholders.

Arrangements with Andrew Hansen

Hansen’s Managing Director and CEO, Andrew Hansen, has agreed to work together exclusively with BGH Capital to seek to implement the Proposal pursuant to a co-operation agreement. As part of that co-operation agreement, Andrew Hansen has agreed to procure that with respect to Hansen shares that he owns or controls, those shares will be voted in favour of any scheme of arrangement to effect the Proposal, and will not be voted in favour of (and will be voted against) any competing proposal during an exclusivity period.

Andrew Hansen is a director of Othonna Pty Limited which acts as the trustee of the Hansen Property Trust, a substantial shareholder of Hansen. Andrew Hansen has agreed to use his best endeavours (including by exercising all votes in his capacity as a director of Othonna and a beneficiary of the Hansen Property Trust) to promptly procure that Othonna, in respect of all Hansen securities in which it has an interest in, to provide the undertakings that Andrew Hansen has provided to BGH Capital under the co-operation agreement.

It is proposed that interests associated with Andrew Hansen and the Hansen Property Trust (subject to Andrew Hansen obtaining Hansen Property Trust's agreement as contemplated under the co-operation agreement) will receive some or all of their consideration in the form of shares in the ultimate holding company of the acquiring entity under the scheme. As a result, those interests will likely vote in a separate class at the scheme meeting.

As a result of Andrew Hansen entering into the co-operation agreement, the Hansen Board is putting in place formal protocols in relation to Andrew Hansen's access to information and employees, and attendance at Board meetings in relation to the Proposal.

Process, Exclusivity and Confidentiality Arrangements

Hansen and BGH Capital have executed a Process and Exclusivity Deed which will govern the process under which BGH Capital will undertake due diligence and the parties will work towards agreeing and executing a binding SID. In addition, the parties will enter into a separate Confidentiality Agreement to provide appropriate confidentiality obligations.

A period of exclusive due diligence access has been granted, which is to commence on the date of the Process and Exclusivity Deed and will run for a period of six weeks following provision of due diligence materials ("Exclusivity Period").

The exclusivity provisions that will apply during the Exclusivity Period include customary "no shop", "no talk", "no due diligence" and notification protections to match any Competing Proposal.

A copy of the Process and Exclusivity Deed is attached in Appendix B. Investors should refer to that document for a detailed understanding of the agreed arrangements.

Hansen will continue to keep the market informed of any material developments in accordance with its continuous disclosure requirements. There is no certainty that the Proposal will result in a transaction being put forward to shareholders for consideration and shareholders do not need to take any action in relation to the Proposal at this time.

Hansen has appointed GrilloHiggins Lawyers as its legal adviser, and is finalising the appointment of a corporate adviser, in relation to the Proposal.

This announcement has been authorised for release by the Hansen Board.

For further information:

Julia Chand
Company Secretary
+61 9840 3000

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 www.hansencx.com

Appendix A – Terms of the Proposal

The Proposal is subject to a number of conditions, including the Board of Hansen, other than Andrew Hansen, announcing that it intends to unanimously recommend the Proposal to shareholders in the absence of a Superior Proposal, subject to an independent expert opining that the scheme is in the best interests of shareholders, and subject to execution of a SID reflecting agreed commercial terms and otherwise customary terms, including Foreign Investment Review Board approval.

Entry into the SID will also be subject to:

- the satisfactory completion of due diligence;
- that Hansen does not sell or agree to sell any material asset in the Company;
- finalisation of debt commitments for the transaction; and
- final approval to submit a binding proposal from the BGH Investment Committee.

For personal use only

Appendix B – Process and Exclusivity Deed

For personal use only

BGH Capital Pty Ltd
Hansen Technologies Limited

Process and Exclusivity Deed

Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000 Australia
T +61 2 9230 4000
F +61 2 9230 5333
www.allens.com.au

© Allens Australia 2021

For personal use only

Contents

1	Definitions and Interpretation	1
	1.1 Definitions	1
	1.2 Interpretation	4
	1.3 Consents and approvals	4
2	Confidentiality Agreement	5
3	Due diligence	5
	3.1 Confirmatory due diligence	5
	3.2 Conduct of due diligence by BGH	5
	3.3 No restrictions on other arrangements	5
4	Negotiation of Potential Transaction	6
	4.1 Negotiation of Potential Transactions	6
	4.2 Commitment of resources	6
	4.3 Support of the Proposal	6
5	Termination	6
6	Exclusivity	7
	6.1 Termination of existing discussions	7
	6.2 No shop restriction	7
	6.3 No talk restriction	7
	6.4 No due diligence	7
	6.5 Notification by Hansen of a Competing Proposal	7
	6.6 Matching right	8
	6.7 Normal provision of information	9
	6.8 Extension of Exclusivity Period	9
7	Remedies	9
8	Agreed Announcements	10
9	Limitation of Liability	10
10	General	10
	10.1 Benefit of Deed	10
	10.2 Amendment	10
	10.3 Assignment	10
	10.4 Notices	11
	10.5 Entire Agreement	12
	10.6 Further assurances	12
	10.7 Governing law and jurisdiction	12
	10.8 Severability of provisions	12
	10.9 No waiver	12
	10.10 No merger	12
	10.11 Costs and duty	13
	10.12 Counterparts	13

This Deed is made on

2021

Parties

- 1 **BGH Capital Pty Ltd** (ACN 617 386 982) of Level 26, 101 Collins Street, Melbourne, Victoria 3000 (**BGH**).
- 2 **Hansen Technologies Limited** (ACN 090 996 455) of 2 Frederick Street, Doncaster, Victoria 3109 (**Hansen**).

Recitals

- A On or before the date of this Deed, BGH provided to Hansen a non-binding indicative offer letter in respect of a potential transaction.
- B In connection with that potential transaction, each party has agreed to progress the potential transaction on the terms of this Deed.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply (including in the Recitals) unless the context requires otherwise.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to his Deed.

ASX means ASX Limited (ACN 008 624 691).

BGH Capital Fund Entities means one or more of the constituent entities of a private equity fund managed or advised by BGH.

BGH Investigations has the meaning given in clause 3.2(a).

Business Day means a day other than a Saturday, Sunday, public or bank holiday in Melbourne, Australia.

Competing Proposal means any expression of interest, proposal, offer, transaction or arrangement, whether existing before, on or after the date of this Deed, which, if entered into or completed, could mean that a person other than the BGH Capital Fund Entities or any entity or entities owned by them (either alone or with any Associate thereof) would:

- (a) directly or indirectly acquire Voting Power in, or have a right to acquire a legal, beneficial or economic interest in, or control of, 15% or more of the Hansen Securities;
- (b) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain an economic interest in, all or a substantial part of the assets or business of Hansen;
- (c) directly or indirectly acquire Voting Power in, or have a right to acquire a legal, beneficial or economic interest in, or control of, all or a majority of the Hansen Securities controlled by Andrew Hansen or any of his Associates;
- (d) acquire control (within the meaning of section 50AA of the Corporations Act) of Hansen;
or
- (e) otherwise directly or indirectly acquire, merge or amalgamate with, or acquire a controlling shareholding or economic interest in, Hansen or any of its Related Entities or in all or substantially all of their respective assets or business, whether by way of

takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy-back or repurchase, sale or purchase of assets, joint venture, reverse takeover, dual-listed company structure, recapitalisation, establishment of a new holding company for Hansen or other synthetic merger or any other transaction or arrangement.

Confidentiality Agreement means the confidentiality agreement to be entered into between BGH and Hansen on or around the date of this Deed.

Exclusivity Period means the period commencing on the date of this Deed and ending at 5.00pm (Melbourne time) on the date that falls six weeks after the first date that Hansen has provided BGH with access to the Virtual Data Room, which is populated with substantially all of the documents (to the extent that they exist) in relation to the matters or areas of enquiry proposed to be undertaken by BGH as part of the BGH Investigations and which are accessible to BGH), as extended in accordance with clause 6.8.

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister (including, for the avoidance of doubt, the Commonwealth Treasurer), the Australian Securities and Investments Commission, the Australian Competition and Consumer Commission, the Australian Taxation Office, ASX and any regulatory organisation established under statute or any stock exchange.

Hansen Board means the board of directors of Hansen (as constituted from time to time), and includes any authorised committee of directors.

Hansen Group means Hansen and its Related Entities.

Hansen Securities means any Securities of Hansen Group.

Hansen Shareholder means a person who is identified on the register of members of Hansen maintained by, or on behalf of, Hansen in accordance with section 168(1) of the Corporations Act as a holder of Hansen Securities from time to time.

Indicative Offer Letter means the confidential and non-binding indicative offer letter from BGH to Hansen in relation to the Proposal.

Proposal means the proposal under which one or more BGH Capital Fund Entities or any entity or entities owned by them, whether alone or in conjunction with one or more Associates, will acquire all or substantially all of Hansen Securities pursuant to a scheme of arrangement, takeover bid or otherwise substantially in accordance with, the price and terms described in the Indicative Offer Letter.

Related Entity means, in relation to an entity (the **first entity**):

- (a) a subsidiary of the first entity;
- (b) an entity of which the first entity is a subsidiary; or
- (c) a subsidiary of another entity of which the first entity is also a subsidiary,

where, for the purposes of this definition, **subsidiary** has the meaning given in the Corporations Act, but an entity will also be taken to be a subsidiary of an entity if it is controlled by that entity (as defined in section 50AA of the Corporations Act) and:

- (d) a trust may be a subsidiary, for the purpose of which a unit or other beneficial interest will be regarded as a share; and

- (e) an entity may be a subsidiary of a trust if it would have been a subsidiary if that trust were a body corporate.

Relevant Interest has the meaning given to that term by section 9 of the Corporations Act.

Representative of a party means:

- (a) any Related Entity of the party; and
- (b) any:
 - (i) affiliate, director, officer or employee; or
 - (ii) if the party is BGH, the investors in a private equity fund managed or advised by BGH or its Related Entity, and any actual or potential source of equity or debt financing engaged by BGH or its Related Entities in connection with the financing of the Proposal;
 - (iii) professional adviser (including industry, technical or commercial consultant, financial adviser, legal adviser or accountant),

of the party or any of its Related Entities.

Scheme Implementation Agreement means the scheme implementation agreement to be entered into by a Related Entity of a BGH Capital Fund Entity and Hansen in relation to the implementation of the Proposal.

Securities of a person means:

- (a) any shares in or other securities of that person;
- (b) any securities convertible into shares in or other securities of that person; or
- (c) any legal, equitable or economic interest in any such shares or securities.

Superior Proposal means a bona fide Competing Proposal, in the form of an offer or agreement that is capable of being implemented as a binding proposal (whether or not subject to conditions), received by Hansen that the Hansen Board determines, acting in good faith and in order to satisfy what the Hansen Board considers to be its fiduciary and statutory duties (after having obtained written advice from Hansen's legal adviser and, if appropriate, financial adviser):

- (a) would, if completed substantially in accordance with its terms, result in an acquisition of control (as defined in section 50AA of the Corporations Act) of Hansen or all or substantially all of the assets of the Hansen Group;
- (b) is reasonably likely to be completed in accordance with its terms, having regard to conditionality and taking into account all financial, timing, regulatory and other aspects of such proposal, including the form of consideration, the timing of implementation and the conditions of the such proposal and the capacity of the proposing party to consummate the transactions contemplated by the Competing Proposal (including having regard to funding sources and ability to consummate a transaction of a similar size and nature); and
- (c) would, if completed substantially in accordance with its terms, result in a transaction that is more favourable to Hansen Shareholders than the Proposal, taking into account all the terms and conditions of the Competing Proposal.

Third Party means any person other than BGH, a BGH Capital Fund Entity or any their Related Entities.

Virtual Data Room means the virtual data room established by Hansen for the purposes of providing information to BGH for the purposes of BGH Investigations.

Voting Power has the meaning given in section 610 of the Corporations Act.

1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.
- (c) Nothing in this Deed is to be interpreted against a party solely on the ground that the party put forward this Deed or a relevant part of it.
- (d) The following rules of interpretation apply unless the context requires otherwise.
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a clause, Schedule or Annexure is a reference to a clause of, or Schedule or Annexure to, this Deed.
 - (vi) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
 - (vii) A reference to an agreement or document (including a reference to this Deed) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Deed or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
 - (viii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form (and includes a communication by electronic mail).
 - (ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
 - (x) A reference to *conduct* includes an omission, statement or undertaking, whether or not in writing.
 - (xi) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
 - (xii) Unless defined in this Deed or the context requires otherwise, a word defined in the Corporations Act has the same meaning in this Deed.

1.3 Consents and approvals

If the doing of any act, matter or thing under this Deed is dependent on the consent or approval of a party or is within the discretion of a party, such consent or approval may be given or such discretion may be exercised conditionally or unconditionally or withheld by the party in its absolute discretion.

2 Confidentiality Agreement

Nothing in this Deed limits or affects the operation of the Confidentiality Agreement in accordance with its terms.

3 Due diligence

3.1 Confirmatory due diligence

The parties acknowledge that Hansen has agreed to permit BGH to conduct due diligence investigations for the purposes of determining whether to proceed with the Proposal.

3.2 Conduct of due diligence by BGH

- (a) During the Exclusivity Period, BGH will conduct commercial, financial, tax, technology, IT and legal due diligence in respect of Hansen together with such other investigations and activities as it determines for the purposes of achieving the Proposal (**BGH Investigations**).
- (b) Subject to paragraph (d), in order to enable BGH to undertake BGH Investigations, and subject to BGH complying with its obligations under the Confidentiality Agreement, Hansen agrees (throughout the Exclusivity Period) to:
 - (i) promptly provide BGH and its Representatives with access to all information concerning Hansen and its business which is in the possession of Hansen and which is reasonably requested by BGH for the purposes of conducting BGH Investigations, including the information described in the Due Diligence Request List;
 - (ii) at the request of BGH, to arrange for such presentations by, and discussions with, Hansen senior management as BGH considers appropriate (acting reasonably) and on the basis that Representatives of Hansen will be entitled to attend and observe such presentations and discussions; and
 - (iii) provide access to the Representatives of Hansen and instruct them to cooperate with BGH in relation to BGH Investigations.
- (c) Hansen will use its best endeavours to ensure that the Virtual Data Room includes all documents (to the extent that they exist) in relation to the matters or areas of enquiry described in the Due Diligence Request List within 5 Business Days of the date of this Deed.
- (d) Hansen has no obligation to provide BGH with access to materials, premises or personnel if that access would result in unreasonable disruptions to Hansen's business, would breach an existing confidentiality obligation owed to a third party or any applicable law or require Hansen to make any disclosure that would compromise legal privilege. Hansen must endeavour to obtain from relevant third parties consent in sufficient time to allow BGH to undertake due diligence on this information during the Exclusivity Period.

3.3 No restrictions on other arrangements

For the avoidance of doubt:

- (a) neither BGH nor Hansen has any obligation to proceed with the Proposal following completion of BGH Investigations; and
- (b) nothing in this Deed is to be taken as constraining BGH from requesting other arrangements, terms or conditions to implement the Proposal if BGH determines to

proceed with the Proposal and nothing in this Deed is to be taken as any agreement by Hansen to agree to such request.

4 Negotiation of Potential Transaction

4.1 Negotiation of Potential Transactions

- (a) BGH and Hansen agree that, during the Exclusivity Period, they will negotiate in good faith a Scheme Implementation Agreement and any other transaction documents required to implement the Proposal.
- (b) BGH and Hansen each acknowledge and agree that:
 - (i) the Proposal remains indicative and incomplete and subject to BGH Investigations, investment committee approval and negotiations between the parties;
 - (ii) the Proposal is expected to proceed by way of a scheme of arrangement, but may proceed by way of takeover bid or other agreed transaction structure;
 - (iii) this Deed is not intended to, and does not, impose any binding obligations on the parties to give effect to the Proposal; and
 - (iv) the Proposal will not become binding on the parties until such time as the Scheme Implementation Agreement (and any other transaction documents required to implement the Proposal) is approved by the Hansen Board and the investment committee of BGH and is duly executed.

4.2 Commitment of resources

BGH and Hansen agree during the Exclusivity Period to commit all reasonably necessary resources (including management and financial, legal and other professional advisory resources) at their own cost to enable:

- (a) BGH to complete BGH Investigations in relation to the Hansen Group; and
- (b) the preparation, negotiation and finalisation of a Scheme Implementation Agreement (and any other transaction documents required to implement the Proposal).

4.3 Support of the Proposal

Hansen undertakes that its directors (other than Andrew Hansen) intend, on entry into a Scheme Implementation Agreement, to unanimously recommend to Hansen Shareholders to vote in favour of the resolutions to implement the scheme of arrangement in relation to the Proposal at a meeting of Hansen Shareholders, in the absence of a Superior Proposal and subject to an independent expert concluding, and continuing to conclude, that the Proposal is in the best interests of the Hansen Shareholders.

5 Termination

- (a) This Deed will terminate automatically at such time as the Scheme Implementation Agreement is executed.
- (b) Upon termination, this Deed will have no further force or effect and the parties will have no further obligations under this Deed, provided that each party will retain any accrued rights and remedies, including any rights and remedies it has or may have against the other party in respect of any past breach of this Deed.

6 Exclusivity

6.1 Termination of existing discussions

Hansen represents and warrants that, as at the time of execution of this Deed, it is not in any negotiations or discussions, and has ceased any existing negotiations or discussions, in respect of any Competing Proposal with any person (other than, for the avoidance of doubt, the discussions with BGH and its Representatives in respect of the Proposal).

6.2 No shop restriction

During the Exclusivity Period, Hansen must not, and must ensure that each of its Representatives do not, except with the prior written consent of BGH, directly or indirectly solicit, invite, encourage or initiate any Competing Proposal or any enquiries, negotiations or discussions with any Third Party in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal, or communicate any intention to do any of those things.

6.3 No talk restriction

- (a) Subject to clause 6.3(b), during the Exclusivity Period, Hansen must not, and must ensure that each of its Representatives do not, except with the prior written consent of BGH, enter into, continue or participate in negotiations or discussions with, or enter into any agreement, arrangement or understanding with, any Third Party in relation to, or that may reasonably be expected to lead to, a Competing Proposal, even if:
- (i) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Hansen or any of its Representatives; or
 - (ii) the Competing Proposal has been publicly announced.
- (b) Clause 6.3(a) does not apply to the extent that it restricts Hansen from taking or refusing to take any action with respect to a Competing Proposal (in relation to which there has been no contravention of this clause 6) if, acting in good faith (after having obtained written advice from Hansen's legal adviser and, if appropriate, financial adviser), and in order to satisfy what the Hansen Board considers to be its fiduciary and statutory duties, determines that, where there is a Competing Proposal, the Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal.

6.4 No due diligence

Without limiting the general nature of clause 6.3, during the Exclusivity Period, Hansen must not (directly or indirectly), and must ensure that each of its Representatives do not, except with the prior written consent of BGH, make available to any Third Party or permit any such Third Party to receive any information relating to Hansen or any of its Related Entities, in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal.

6.5 Notification by Hansen of a Competing Proposal

- (a) During the Exclusivity Period, Hansen must promptly notify BGH if:
- (i) it is approached by any Third Party requesting or proposing that it take any action of a kind that would breach its obligations under clauses 6.3 or 6.4; or
 - (ii) it proposes to take any action of a kind that would breach its obligations under clauses 6.3 or 6.4.
- (b) During the Exclusivity Period, within 24 hours after Hansen receives any Competing Proposal, Hansen must give BGH notice in writing of:

- (i) the existence of the Competing Proposal; and
- (ii) the name and identity of the Third Party who has made the applicable Competing Proposal and all material terms of the applicable Competing Proposal (including details of the proposed price or implied value (including details of the consideration if not cash alone), conditions, timing and break fee (if any), together with a copy of any material confidential information concerning the operations of the Hansen Group provided to any person associated with the Competing Proposal not previously provided to BGH.

6.6 Matching right

- (a) Without limiting clauses 6.1, 6.2 or 6.3, during the Exclusivity Period, Hansen:
 - (i) must not, and must procure that each of its Related Entities do not, enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which any one or more of a Third Party, Hansen or any Related Entity of Hansen proposes or propose to undertake or give effect to an actual, proposed or potential Competing Proposal; and
 - (ii) must use its best endeavours to procure that none of its directors publicly recommend an actual, proposed or potential Competing Proposal (or recommend against the Proposal) or make any public statement to the effect that they may do so at a future point,
unless:
 - (iii) Hansen has provided BGH with the material terms and conditions of the actual, proposed or potential Competing Proposal, including price and the identity of the Third Party making the actual, proposed or potential Competing Proposal;
 - (iv) Hansen has given BGH at least five Business Days after the date of the provision of the information referred to in sub-paragraph (iii) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal; and
 - (v) BGH has not announced or otherwise formally proposed to Hansen a counterproposal to the Competing Proposal by the expiry of the five Business Day period in sub-paragraph (iv).
- (b) If BGH proposes to Hansen or announces a counterproposal to the Competing Proposal (**BGH Counterproposal**) by the expiry of the five Business Day period in sub-paragraph (a)(v):
 - (i) Hansen must procure that Hansen Board considers the BGH Counterproposal and determines whether, acting reasonably and in good faith, the BGH Counterproposal would provide an equivalent or superior outcome for the shareholders of Hansen as a whole compared with the Competing Proposal, taking into account all of the terms and conditions of the BGH Counterproposal and then promptly give BGH notice of the determination of the Hansen Board (stating reasons for the determination);
 - (ii) if the determination is that the BGH Counterproposal would provide an equivalent or superior outcome for Hansen Shareholders as a whole compared with the Competing Proposal, then, for a period of five Business Days after Hansen gives BGH notice of Hansen Board determination under paragraph (i), Hansen and BGH must use their best endeavours to agree the transaction documents

- necessary to reflect the BGH Counterproposal and to implement the BGH Counterproposal, in each case as soon as reasonably practicable; and
- (iii) if the determination is that the BGH Counterproposal would not provide an equivalent or superior outcome for Hansen Shareholders as a whole compared with the Competing Proposal, then Hansen must allow BGH a further two Business Days after Hansen gives BGH notice of Hansen Board determination under sub-paragraph (i), to amend the BGH Counterproposal to address the reasons identified by Hansen in the notice given under sub-paragraph (i) and if BGH does so then the process in sub-paragraphs (i) and (ii) will apply to the amended BGH Counterproposal as if it was a "BGH Counterproposal" for the purposes of those sub-paragraphs.

6.7 Normal provision of information

Nothing in this clause 6 prevents a party from:

- (a) providing information to its Representatives;
- (b) providing information to any Government Agency;
- (c) providing information to its auditors, customers, joint venturers and suppliers acting in that capacity in the ordinary course of business;
- (d) providing information required to be provided by law;
- (e) making presentations to brokers, portfolio investors, analysts and other third parties in the ordinary course of business; or
- (f) responding to queries or discussion points raised by a Hansen Shareholder to Hansen in respect of that shareholder's shareholding (including in relation to that shareholder's future intentions regarding its shareholding), provided that these queries or discussion points were not initiated by Hansen and that Hansen's responses to these queries or discussion points do not solicit, invite, encourage or initiate a Competing Proposal.

6.8 Extension of Exclusivity Period

- (a) Subject to clause 6.8(b), if, before the end of the Exclusivity Period, BGH confirms to Hansen in writing that it has completed its BGH Investigations and that it is willing to proceed with a transaction substantially on the terms of the Proposal, then the Exclusivity Period will be extended by two weeks from the date it would otherwise have expired.
- (b) There will be no extension to the Exclusivity Period as contemplated by clause 6.8(a) if Hansen has received a Competing Proposal that satisfies the requirements of clause 6.3(b) and BGH has failed to make a BGH Counterproposal in accordance with clause 6.6 before the end of the Exclusivity Period. If BGH has made a BGH Counterproposal in accordance with clause 6.6 before the end of the Exclusivity Period, the Exclusivity Period may be extended in accordance with clause 6.8(a).
- (c) The parties agree that they will act reasonably and in good faith when complying with their obligations under this clause.

7 Remedies

Each party acknowledges that any breach of this Deed will cause material damage to the other party and that damages may not be a sufficient remedy for such breach. Accordingly, the other party has the right to seek injunctive relief or specific performance as a remedy for any actual or threatened breach, in addition to any other remedies available at law or in equity under or independently of this Deed.

8 Agreed Announcements

Subject to any obligations of either party under law, each party agrees to notify and consult with the other party prior to making any public announcement to the ASX in connection with the Proposal (including any announcement in connection with a Competing Proposal).

9 Limitation of Liability

- (a) Notwithstanding any other provision of this Deed, Hansen acknowledges and agrees that:
- (i) BGH enters into and performs this Deed and the transactions it contemplates in its capacity as manager or adviser to each of the constituent entities of the BGH Capital Fund I (the **BGH Fund**) and in no other capacity. This applies also in respect of any past and future conduct (including omissions) relating to this document or those transactions;
 - (ii) BGH is not liable to pay or satisfy any of its obligations under and in connection with this Deed and those transactions and will have no liability to the other parties except to the extent of BGH's right of indemnity out of the assets of the BGH Fund;
 - (iii) if those assets are insufficient, the other parties will not seek to recover any shortfall by bringing proceedings against BGH personally and may not seek the appointment of a liquidator, administrator, receiver or similar person to BGH or prove in any liquidation, administration or arrangement of or affecting BGH; and
 - (iv) the other parties waive their rights and release BGH from any personal liability whatsoever in respect of any loss or damage which cannot be paid or satisfied out of the assets of the BGH Fund.
- (b) The limitation of liability under clause 9(a) will not apply to the extent that BGH's right of indemnity from the BGH Fund of which BGH is a manager or adviser is reduced or lost as a result of operation of law or as a result of any fraud, negligence, wilful misconduct or breach of trust by BGH.

10 General

10.1 Benefit of Deed

- (a) BGH holds the benefit of each promise and obligation in this Deed expressed to be for the benefit of the BGH Capital Fund Entities on trust for the benefit of each BGH Capital Fund Entity.
- (b) Each BGH Capital Fund Entity can enforce this deed directly against Hansen.

10.2 Amendment

This Deed may be amended only by another deed executed by all the parties.

10.3 Assignment

- (a) BGH may not assign any its rights or obligations under this Deed, or attempt or purport to do so, without the prior written consent of Hansen (acting reasonably).
- (b) Hansen may not assign, charge, create a security interest over, encumber or otherwise deal with any of its rights or obligations under this Deed, or attempt or purport to do so, without the prior written consent of BGH (acting reasonably).

10.4 Notices

Any notice, demand, consent or other communication (a **Notice**) given or made under this Deed:

- (a) must be in writing and signed by the sender or a person duly authorised by the sender (or in the case of email, set out the full name and position or title of the sender or person duly authorised by the sender);
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand, fax or email to the address, fax number or email address below or the address, fax number or email address last notified by the intended recipient to the sender:
- (i) to BGH: BGH Capital Pty Ltd
Level 26
101 Collins Street
Melbourne
Victoria 3000

Attention: Hari Morfis, General Counsel
Email: hmorfis@bghcapital.com
 - (ii) to Hansen: Hansen Technologies Limited
2 Frederick Street
Doncaster
Victoria 3108

Attention: Company Secretary
Email: julia.chand@hansencx.com
- (c) will be conclusively taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country);
 - (iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax number or name of recipient and indicating that the transmission has been made without error; and
 - (iv) in the case of email, the earlier of:
 - (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and
 - (C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a Business Day in the place specified by the intended recipient as its postal address under clause 10.4(b) or:

- (A) in the case of delivery by hand, post or fax, at a time that is later than 5pm; or
- (B) in the case of delivery by email, at a time that is later than 7pm,

in the place specified by the intended recipient as its postal address under clause 10.4(b), it will be conclusively taken to have been duly given or made at the start of business on the next Business Day in that place.

10.5 Entire Agreement

- (a) This Deed contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively **Conduct**) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with its subject matter. No party has relied on or is relying on any other Conduct in entering into this Deed and completing the transactions contemplated by it.
- (b) In the event of there being any inconsistency between the terms of this Deed and the Indicative Offer Letter (including any amendment, supplement or addendum to the Indicative Offer Letter), the terms of this Deed will prevail.

10.6 Further assurances

Each party must do anything necessary (including executing agreements and documents) to give full effect to this Deed and the transactions contemplated by it.

10.7 Governing law and jurisdiction

This Deed is governed by the laws of Victoria. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

10.8 Severability of provisions

Any provision of this Deed which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of that provision in any other jurisdiction.

10.9 No waiver

A failure to exercise or a delay in exercising any right, power or remedy under this Deed does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

10.10 No merger

The rights and obligations of the parties will not merge on completion of any transaction contemplated by this Deed. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing a transaction.

10.11 Costs and duty

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Deed. All duty (including stamp duty and any fines, penalties and interests) payable on or in connection with this Deed and any instrument executed under or any transaction evidenced by this Deed must be borne equally by the parties.

10.12 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument. The parties agree that an electronic copy of a counterpart received from a party will be regarded as an original copy of that counterpart received from that party.

For personal use only

Executed and Delivered as a Deed.

Executed as a deed in accordance with section 127 of the *Corporations Act 2001* by **BGH Capital Pty Ltd:**

Director Signature

Director/Secretary Signature

Print Name

Print Name

Executed as a deed in accordance with section 127 of the *Corporations Act 2001* by **Hansen Technologies Limited:**

Director Signature

Director/Secretary Signature

Print Name

Print Name

For personal use only