



HANZA AB (publ) successfully completes a directed new share issue of 3,500,000 shares and raises proceeds of approximately SEK 147 million

HANZA AB (publ) ("HANZA" or the "Company") has, in accordance with the Company's press release earlier today, completed an accelerated bookbuilding procedure and resolved on a directed new share issue of 3,500,000 shares at a subscription price of SEK 42.00 per share (the "Directed New Share Issue"). The subscription price for the shares in the Directed New Share Issue has been determined through an accelerated bookbuilding procedure carried out by Pareto Securities AB ("Pareto Securities" or the "Manager"). The Directed New Share Issue was substantially oversubscribed. Through the Directed New Share Issue, HANZA will receive proceeds amounting to approximately SEK 147 million before transaction related costs (of which SEK 10.5 million will be paid later and is conditioned by an approval from an extraordinary general meeting). A number of Swedish and international institutional investors, including Cicero Fonder, Fondita Fund Management Company Ltd, Lupus Alpha and Origo Fonder participated in the Directed New Share Issue. In addition, Färna Invest AB, a company owned by board member Gerald Engström, participated. Färna Invest AB was allocated 250,000 shares, conditioned by an approval from an extraordinary general meeting.

"We are proud to be able to carry out an ownership expansion to reputable international and institutional investors. The issue will enable a rapid and cost-effective expansion to meet continued high demand and gives our recently launched strategy, HANZA 2025, a flying start," says Erik Stenfors, CEO.

Purpose

On 8 November, 2022, the Company announced a strategy for the coming years, "HANZA 2025", with new financial goals, including reaching sales of SEK 5 billion in 2025 with an operating margin of 8 percent. The strategy also includes activities and investments to meet increased demand from existing customers in non-cyclical industries.

The net proceeds from the Directed New Share Issue are intended to be used for a cost-effective, rapid capacity increase of existing manufacturing facilities in Sweden, Estonia and Central Europe, with expanded production space and machinery.

Furthermore, the Directed New Share Issue makes it possible to broaden the current owner base to Swedish and international investors who intend to participate long-term in the Company's continued growth journey.

Summary of the Directed New Share Issue

- The subscription price in the Directed New Share Issue amounts to SEK 42.00 per share and has been determined through an accelerated bookbuilding procedure carried out by Pareto Securities.
- Through the Directed New Share Issue, HANZA will receive proceeds amounting to approximately SEK 147 million, before transaction related costs (of which SEK 10.5 million will be paid later and is conditioned by an approval from an extraordinary general meeting).
- The Directed New Share Issue was subscribed for by a number of Swedish and international institutional investors, including Cicero Fonder, Fondita Fund Management Company Ltd, Lupus Alpha and Origo Fonder. In addition, Färna Invest AB, a company owned by board member Gerald Engström, participated. Färna Invest AB was allocated 250,000 shares, conditioned by an approval from an extraordinary general meeting.
- Through the Directed New Share Issue, less the allocation to Färna Invest AB, the number of shares in the Company will increase by 3,250,000, from 35,779,928 to 39,029,928. The share capital of the Company will increase by SEK 325,000.00, from SEK 3,577,992.80 to SEK 3,902,992.80. If the allocation to Färna Invest AB is approved by the extraordinary general meeting, the number of shares in the Company will increase further by 250,000 shares to a total of 39,279,928 and the share capital of the Company will increase further by SEK 25,000.00 to a total of SEK 3,927,992.80.

The Directed New Share Issue

The Board of Directors of HANZA has, based on the authorization granted by the annual general meeting held on 10 May 2022, resolved on the Directed New Share Issue which was directed to Swedish and international institutional, and other qualified, investors. The Directed New Share Issue, less the allocation to Färna Invest AB, comprises 3,250,000 new shares at a subscription price of SEK 42.00 per share and the Company will hereby receive approximately SEK 136.5 million before transaction related costs. The allocation to Färna Invest AB is conditioned by an approval from an extraordinary general meeting. Notice of the extraordinary general meeting will be published through a separate press release. If the allocation to Färna Invest AB is approved by the extraordinary general meeting, the number of shares in the Company will increase further by 250,000 shares to a total of 39,279,928 and the share capital of the Company will increase further by SEK 25,000.00 to a total of SEK 3,927,992.80. The total increase of the share capital and the number of new shares will thus amount to SEK 350,000.00 and 3,500,000 shares, respectively.

The subscription price has been determined through an accelerated bookbuilding procedure and corresponds to a discount of approximately 9.7 percent compared to the closing price of the Company's share on Nasdaq Stockholm on 16 November 2022. The Board of Directors' assessment is that the subscription price in the Directed New Share Issue is in accordance with market conditions since it has been determined through the bookbuilding procedure led by Pareto Securities as Sole Global Coordinator and Sole Bookrunner.

The Directed New Share Issue was carried out as a directed new share issue with deviation from the shareholders' preferential rights to, in a timely and cost-effective manner, secure financing on favorable terms for the Company's continued growth. The Board of Directors has assessed that the need for additional capital is limited to such an extent that the costs for a preferential rights issue would be high in proportion to the capital raised. Furthermore, the delay from conducting a preferential rights issue could lead to loss of the opportunity to carry out potential acquisitions or other investments. The Board of Directors has, in the choice of type of share issue, considered it positive that HANZA's shareholder base, through the Directed New Share Issue, is further strengthened and diversified among Swedish and international institutional, and other qualified, investors. The Board of Directors' overall assessment is therefore that the reasons for conducting the Directed New Share Issue

outweighs the reasons for the principal rule to issue shares to shareholders with preferential rights, and that a share issue with deviation from the shareholders' preferential rights therefore lies in the interest of the Company and all of its shareholders. As the subscription price in the Directed New Share Issue will be determined in a bookbuilding procedure, it is the Board of Directors' assessment that the subscription price is determined in accordance with market conditions.

If the allocation to Färna Invest AB is approved, the number of shares and votes in HANZA will, through the Directed New Share Issue, increase by a total of 3,500,000, from 35,779,928 to 39,279,928. The share capital of the Company will increase by a total of SEK 350,000.00, from SEK 3,577,992.80 to SEK 3,927,992.80. The Directed New Share Issue entails a dilution of approximately 8.9 percent based on the total number of shares in HANZA after the Directed New Share Issue.

Undertakings

In connection with the Directed New Share Issue, the Company has undertaken, with customary exceptions, not to issue additional shares for a period of 6 months after the announcement of the outcome in the Directed New Share Issue. All of the Company's board members and senior executives have undertaken, with customary exceptions, not to sell or in other ways dispose their shares (and other securities) in the Company for a period of 90 calendar days after the announcement of the outcome of the Directed New Share Issue.

Advisors

Pareto Securities AB acts as Sole Global Coordinator and Sole Bookrunner. Advokatfirman Lindahl acts as legal adviser to the Company in connection with the Directed New Share Issue.

Important information

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*This press release is not a prospectus as set forth in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not approved any securities offering to the public in any member state of the EEA and no prospectus has been published or will be published in*

connection with the Directed New Share Issue. In each member state of the EEA, this message is only directed towards "qualified investors" in that member state in accordance with the definition in the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of Article 86(7) of the Financial Services and Markets Act 2000) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the shares. Any investment decision in connection with the Directed New Share Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Manager. The Manager acts for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This press release does not constitute a recommendation for any investors' decisions regarding the Directed New Share Issue. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

Failure to follow these instructions may result in a breach of the Securities Act or applicable laws in other jurisdictions.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur

or circumstances that arise in relation to the content of this press release, unless this is required under law or Nasdaq Stockholm's rulebook for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in HANZA have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in HANZA may decline and investors could lose all or part of their investment; the shares in HANZA offer no guaranteed income and no capital protection; and an investment in the shares in HANZA is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed New Share Issue. Thereto, notwithstanding the Target Market Assessment, it shall be noted that the Manager will only provide investors who meet the criteria for professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in HANZA.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in HANZA and determining appropriate distribution channels.

This disclosure contains information that HANZA AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 16-11-2022 23:26 CET.

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About HANZA:

HANZA is a global knowledge-based manufacturing company that modernizes and streamlines the manufacturing industry. Through supply-chain advisory services and with production facilities grouped into regional manufacturing clusters, we create stable deliveries, increased profitability and an environmentally friendly manufacturing process for our customers. The company was founded in 2008 and in 2021 had sales exceeding SEK 2.5 billion. The company has six manufacturing clusters: Sweden, Finland, Germany, Baltics, Central Europe and China. Among HANZA's clients are leading companies such as 3M, ABB, Epiroc, GE, Getinge, John Deere, Saab, Sandvik, Siemens and Tomra.

HANZA is listed on Nasdaq Stockholm's main list (ticker: HANZA).

For more information please visit: www.hanza.com