



HANZA interim report January–September 2023

HANZA reports increased sales in the third quarter of 2023 and expects growth to continue in 2024. The operating margin increased significantly and reached a record high, 9.3% (6.0). The positive earnings trend continues down to the bottom line where earnings per share increased by 66% to 1.21 (0.63).

Third quarter 2023

- Net sales increased by 14% to SEK 955 million (838). Adjusted for currency and re-invoicing of energy and material costs in quarter 3, 2022, the organic growth amounted to 10%.
- Operating profit (EBITA) increased to SEK 89 million (50), corresponding to an operating margin of 9.3% (6.0).
- Profit after tax amounted to SEK 49 million (26), corresponding to SEK 1.21 (0.73) per share before dilution and SEK 1.21 (0.72) after dilution.
- Cash flow from operating activities amounted to SEK 5 million (83).

The nine-month period 2023

- Net sales increased by 21% to SEK 3,087 million (2,548). Adjusted for currency, acquisitions and re-invoicing of energy and material costs during 2022, growth amounted to 16%.
- Operating profit (EBITA) increased to SEK 268 million (149), corresponding to an operating margin of 8.7% (5.8). The margin was positively affected by received energy subsidy of SEK 7 million. Excluding this item, the operating profit amounted to SEK 261 million, corresponding to an operating margin of 8.5%.
- Profit after tax amounted to SEK 167 million (81), corresponding to SEK 4.21 (2.28) per share before dilution and SEK 4.19 (2.25) after dilution.
- Cash flow from operating activities amounted to SEK 180 million (126).

CEO Erik Stenfors comments the report:

"Due to vacations, the third quarter comes with some capacity challenges, and it is also our weakest quarter in terms of sales. Therefore, we are pleased to see an underlying organic growth of 10%.

By creating higher customer value, we attract new customers and enable higher earnings. We continue to increase our margin, and in Q3 we achieved the Group's highest ever operating margin of 9.3%.

Looking at 2024, we see continued growth from our existing customer base. In particular, we note an increased demand in the Other Markets segment next year, which is pleasing as this segment has

had a lower growth rate than the Main Markets segment.

Organic growth brings a need for increased capacity. We ensure this primarily through a cost-effective expansion of existing manufacturing clusters, what we call a modular expansion. We also continue to explore potential capacity acquisitions, and the number of possibilities has increased during the fall."

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 07-11-2023 07:59 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 2022 had sales exceeding SEK 3.5 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, Mitsubishi Logisnext, Oerlikon, Perkin Elmer, SAAB, Sandvik, Siemens and Tomra. HANZA is listed on Nasdaq Stockholm's main list.

For more information please visit: www.hanza.com