



HANZA Year-end report 2023

HANZA AB reports that a successful quarter closed the year 2023. Sales exceeded SEK 1 billion with an operating margin of 8.4% (6.3), excluding acquisition costs. For the full year 2023, the group thus reaches an operating margin of 8.4 % (6.0). During the quarter, HANZA acquired Orbit One, a group with a billion SEK turnover, making it HANZA's largest acquisition to date. Furthermore, a directed issue of SEK 300 million was successfully completed. The Board proposes to increase the dividend to SEK 1.20 per share (0.75).

Fourth quarter 2023

- Net sales increased by 5% to SEK 1,056 million (1,001). Adjusted for currency and re-invoicing of energy and material costs, the growth amounted to 4%.
- Operating profit (EBITA) increased to SEK 76 million (63), which corresponds to an operating margin of 7.2% (6.3). Adjusted for costs related to the acquisition of Orbit One and cost of revaluation of additional purchase price, the underlying operating profit was SEK 89 million, which corresponds to an operating margin of 8.4%.
- Profit after tax increased to SEK 47 million (40), which corresponds to SEK 1.16 (1.06) per share before dilution and SEK 1.15 (1.04) after dilution.
- Cash flow from operating activities amounted to SEK 97 million (19).

Full year 2023

- Net sales increased by 17% to SEK 4,143 million (3,549). Adjusted for currency, acquisitions and re-invoicing of energy and material costs, the growth amounted to 12%.
- Operating profit (EBITA) increased to SEK 344 million (212), which corresponds to an operating margin of 8.3% (6.0). Non-recurring items (mainly received energy subsidy and costs related to acquisitions) affected the result negatively by SEK 6 million. Excluding these items, operating profit amounted to SEK 350 million, corresponding to an operating margin of 8.4%.
- Profit after tax increased to SEK 214 million (121), which corresponds to SEK 5.36 (3.35) per share before dilution and SEK 5.31 (3.30) after dilution.
- Cash flow from operating activities amounted to SEK 277 million (145).
- The Board proposes a dividend of SEK 1.20 (0.75) per share for 2023.

CEO Erik Stenfors comments the report:

"Through the acquisition of Orbit One, HANZA reaches a pro forma turnover of SEK 5.2 billion for 2023. This exceeds our financial target for 2025 and the Board has therefore decided to increase the target by 30% to SEK 6.5 billion for 2025. A target that HANZA is ready to fulfill."

"Orbit One has a couple of percentage points lower operating margin than HANZA, which in combination with weaker demand from some customers, lowers the group's margin. However, we have already started our integration and synergy program and we are confident that the work will have a positive impact on the margin already during this year. Next year – 2025 – we should again exceed an 8% operating margin."

"HANZA has shown stable cash flows for many years, which continued during the period. For the fourth quarter, cash flow from operating activities amounted to SEK 97 million, and for the full year 2023 it amounted to SEK 277 million. In addition, we have a strong financial position with an equity to asset ratio exceeding 45% and a net debt/EBITDA ratio that has decreased to 0.8 (1.9). Overall, this gives us a high financial preparedness for new business opportunities and for possible further acquisitions."

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 13-02-2024 07:30 CET.

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Important information

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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. HANZA was founded in 2008 and today has a pro forma annual turnover of over SEK 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, SAAB, Sandvik, Siemens and Tomra. HANZA is listed on Nasdaq Stockholm's main list.

For more information please visit: www.hanza.com