



HANZA continues the strategy work following the Orbit One integration

HANZA has completed the integration and efficiency program launched in March 2024 and is now considering the next steps in the strategy "HANZA 2025". While new factories are being completed in Estonia and Sweden, HANZA initiates union negotiations in Sweden and an employee consultation process in Finland regarding the proposed closure of two smaller production units during 2024. The purpose is to consolidate customer volumes to further increase operational efficiency and customer value.

In January, HANZA completed the acquisition of Orbit One, the company's largest acquisition to date. To respond to the economic slowdown, the Group subsequently launched an efficiency program. The integration of Orbit One and the efficiency program have now been completed, and HANZA is therefore considering the next step according to the strategy "HANZA 2025".

The strategy includes further development of operations according to the Group's cluster concept. A new sheet metal hall in Estonia will be opened in June, and a new assembly hall in Sweden is expected to be completed by the end of 2024. At the same time, HANZA sees that the company can further increase operational efficiency, and hence customer value, by consolidating customer volumes and is examining the possibility of closing two smaller units, one in Huddinge, Sweden, with about 30 employees, and one in Heinävesi, Finland, with about 40 employees.

HANZA will notify the Swedish Public Employment Service and the Finnish Employment and Economic Development Office of the planned closures of the production units. Negotiations with union representatives on the possible closures will start immediately and will be handled in accordance with local regulations in each country. These measures could result in a potential one-off cost in the second quarter totaling approximately SEK 20 million, mainly in the form of rent and potential redundancy costs.

"The integration and efficiency program has been implemented smoother and faster than planned. As a result, we are already ready for the next stage of HANZA 2025, where we are reviewing how we can consolidate customer volumes into the new and existing units in a way that provides the best customer value in the long term," says Erik Stenfors, CEO HANZA. "We have great understanding and compassion for those who could be affected by these plans and will manage this process in a fair and transparent way, with support and assistance to all concerned."

HANZA considers that the acquisition of Orbit One, together with the successfully completed integration and efficiency program, as well as the strategic projects that are now continuing, will ensure that the Group reaches the financial targets for 2025. The Group's strong financial position also provides opportunities for further strategic 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 03-06-2024 08:00 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. 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.

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