

An active quarter at the end of “HANZA 2025”

First quarter 2025

- Net sales increased by 6% to SEK 1,326 million (1,253). Adjusted for currency and acquisitions, net sales decreased by 3%.
- Adjusted operating profit amounted to SEK 97 million (67), corresponding to an adjusted operating margin of 7.3% (5.3). Operating profit amounted to SEK 86 million (67), corresponding to an operating margin of 6.5% (5.3). For comparable units, excluding acquisitions and items affecting comparability, the operating margin amounted to 7.3%.
- Adjusted earnings per share after dilution amounted to SEK 1.14 (0.68). Earnings per share after dilution amounted to SEK 0.90 (0.77).
- Cash flow from operating activities amounted to SEK 68 million (31)

6%

Sales growth

7.3%

Adjusted operating margin

34%

Equity ratio

Financial overview

Key ratios ¹ (SEK million, where not otherwise stated)	Q1 2025	Q1 2024	Full year 2024	R12
Net sales	1,326	1,253	4,851	4,924
Adjusted operating profit ²⁾	97	67	301	331
Adjusted operating margin (%) ²⁾	7.3	5.3	6.2	6.7
Operating profit	86	67	273	292
Operating margin (%)	6.5	5.3	5.6	5.9
Adjusted earnings per share after dilution (SEK) ²⁾	1.14	0.68	3.11	3.57
Earnings per share after dilution (SEK)	0.90	0.77	2.54	2.68
Cash flow from operating activities	68	31	569	606
Interest bearing net-debt	1,196	930	700	1,197
Net debt/adjusted EBITDA (times)	2.3	1.9	1.6	2.3
Equity ratio (%)	33.9	38.8	40.7	33.9

¹⁾ See *Key ratios and definitions* for information on the key figures.

²⁾ Adjusted operating profit is defined as operating profit excluding items affecting comparability, see also Note 4.

³⁾ EBITDA from acquisitions is included for the correct ratio to net debt.

CEO comments

With an active start to the year, we have established a solid foundation for 2025. Among other things, we have completed our largest acquisition to date, opened two newly built factories, and strengthened our business support. We have also launched a new marketing program to meet new opportunities in a changing world economy. We are thus well equipped to reach our financial targets.

Scalable expansion – organically and through acquisitions

In February, we inaugurated our new assembly hall in Sweden, a project we decided on a year ago. Our skilled team in Värmland completed the project on time, and under budget. Prior to the inauguration, we rented temporary premises, but now assembly takes place in direct connection to sheet metal processing, creating a much more efficient flow.

In March, the mechanics contract manufacturer Leden Group became part of HANZA. This group also includes a newly built sheet metal plant in Finland, inaugurated in January this year. Integration is ongoing, as is a joint project to optimize production. The acquisition has also opened completely new and exciting customer dialogs. In addition, our unit in Ronneby saw increased deliveries in the quarter, following the consolidation with Huddinge, and we have carried out extensive development of our business system in Germany.

The quarter's growth of 6% was mainly due to acquisitions, but at the end of the quarter we saw organic growth in "old HANZA" which is expected to continue. Leden, which is included in the Group as of March, also has a stable sales trend that amounted to approximately SEK 320 million during the quarter. Pro forma, including Leden, sales thus amounted to SEK 1,535 million in the quarter.

Profitability improved sequentially; the adjusted operating margin for "old HANZA" amounted to 7.3%, compared to 7.1% in the previous quarter. Leden shows an operating margin of 7.2% for March.

With HANZA's expansion rate, financial discipline is important. We are therefore pleased with a good cash flow during a busy quarter; SEK 68 million (31). Even after the purchase price was paid, we have a solid balance sheet, the equity/assets ratio amounted to 34%, and we expect Leden to add to the positive cash flow when our work to optimize the working capital reach full impact.

Marketing program for a new global environment

A year ago, we predicted that the recession would continue into 2025, which has proven to be right. This year, the situation has changed with the new US administration, although it is too early to draw conclusions on how the economy will be affected.

At a time when global supply chains are being challenged, HANZA is uniquely positioned as the leading partner for customers seeking a complete and local manufacturing solution. We have already acted proactively by launching a dedicated marketing program targeting stable and growing industries such as defense, energy and security, and with an increased focus on supply chain optimization - especially towards Germany.

Next step: From HANZA 2025 to HANZA 2028

In parallel with this marketing initiative, we are focusing on finalizing our strategy "HANZA 2025". In Finland and Estonia, the integration of Leden is ongoing, in Poland the transition continues following the integration of the factory from Orbit One, and in Sweden the new factory is being scaled up to full operation. A few other smaller programs are ongoing, all with the aim of being completed this year. Our new sales remain good and the business we secured in 2024 will contribute to our turnover this year.

With a successful start to the year, a good financial position and some additional planned activities, we confidently reiterate our financial targets, including an operating margin of 8% for the full year 2025.

HANZA is the youngest contract manufacturer in the Nordic region, but already one of the largest in Europe. One reason is our scalable business model, and later this year - during the final phase of HANZA 2025 - we intend to launch the next stage of expansion: HANZA 2028. Work is ongoing and our direction has become even clearer following the changes that have taken place under the new US administration. Welcome to join us on our journey into the future!

Kista, May 6, 2025

Erik Stenfors, CEO



Significant events

- On March 3, HANZA completed the acquisition of the Finnish billion-SEK company Leden Group Oy, a leading player in advanced mechanical manufacturing. Through the acquisition, HANZA strengthens its market position and mechanical expertise in Finland and Estonia, and broadens its customer base.
- Part of the purchase price for Leden consisted of 2,300,000 newly issued shares. The issue was registered by the Swedish Companies Registration Office on March 4. Thus, the total number of shares in HANZA amounts to 45,959,340.
- In January, Leden, which is now part of HANZA, opened a new production facility for sheet metal mechanics in Oulainen, Finland. The new unit covers just over 21,000 square meters and employs around 250 people. The total investment amounts to approx. 35 MEUR
- In February, HANZA inaugurated a new assembly hall in Töcksfors, Sweden. The new factory is an investment of approx. SEK 75 million, covers 8,800 square meters and will increase capacity and operational efficiency.



The new assembly hall in Töcksfors, Sweden, was inaugurated in February. The acquisition of Leden broadens HANZA's mechanical competence.

Financial calendar

At 10 am on May 6, 2025, HANZA will host a conference call for investors, analysts and media, during which CEO Erik Stenfors and CFO Lars Åkerblom will present the interim report for the first quarter.

Link to the presentation:

<https://hanza.events.inderes.com/q1-report-2025>

May 13, 2025	Annual General Meeting
May 15, 2025	Proposed record date for dividend rights
May 20, 2025	Proposed date of dividend distribution
July 22, 2025	Interim report, second quarter, 2025
Oct 28, 2025	Interim report, third quarter 2025

Market

General

HANZA follows a market strategy that aims to create a well-balanced customer base in selected industries. Accordingly, no customer should reach 10% of HANZA's annual turnover, and the ten largest customers combined should account for less than 50%. HANZA meets these targets, even after the acquisition of Leden.

Examples of selected industries are the mining industry, defense and security industry, energy companies, medical technology, agricultural and forestry companies and recycling companies. Geographically, customers are mainly located in the Nordic countries and Germany, but some customers are also located in the rest of the world. The volume of direct sales to the United States is less than 1%.

Market development

HANZA saw a decline in volumes from several customers in early 2024, while other customers continued to grow. Since then, the market situation has remained fairly constant.

Assessments from the industry in which HANZA operates have during 2024 gradually postponed forecasts for when an economic upturn can be expected. HANZA's own assessment has been that a recovery may take place in 2025, although it is not expected to return to levels prior to 2024. With the new administration in the US, uncertainty about the timing of an economic upturn has increased.

HANZA has dimensioned the cost situation according to the current market situation, but at the same time maintains a very good capacity for volume increases.

HANZA's market position

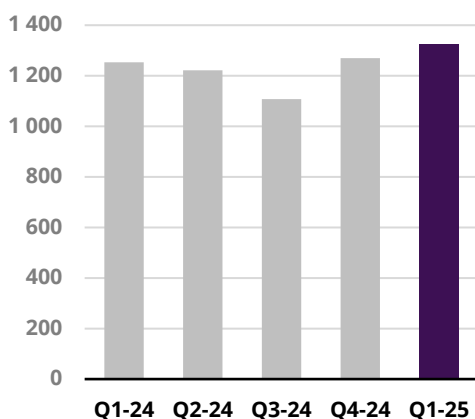
HANZA has retained all its customers and also won new important contracts in 2024 that will contribute to sales in 2025 and beyond.

HANZA offers an alternative to traditional contract manufacturers, which is particularly in demand in a weaker economy. When the market declines, lower volumes can therefore be replaced by new market shares. New sales have continued to be good in 2025, which will contribute to sales in 2026 and beyond.

Furthermore, HANZA's business model is supported by the trend towards complete and regional manufacturing. This trend has been driven primarily by trade barriers, transportation costs, delivery times, environmental aspects and the pandemic. The invasion of Ukraine has also added a political dimension, where companies with manufacturing in risk areas are considering moving production closer to the market to secure their supplies. Uncertainty about future tariffs following the US presidential election has also increased the need for local manufacturing. The economic downturn in Germany, mainly driven by the automotive segment where HANZA is not active, may provide new opportunities for so-called MIG™ contracts.

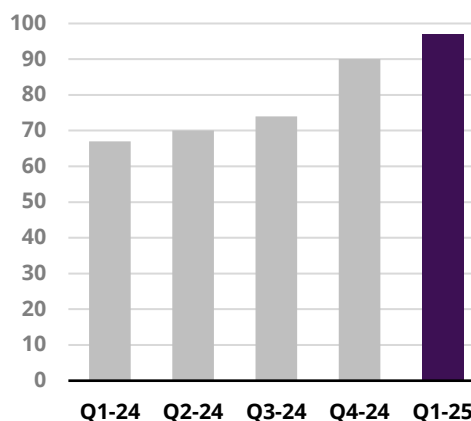
Sales, SEK million

Net sales for the last five quarters



Operating profit, SEK million

Adjusted operating profit for the last five quarters



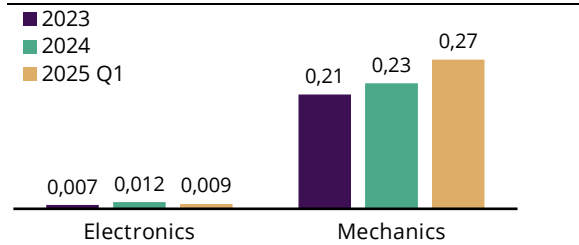
HANZA's Sustainability work

HANZA's sustainability work is focused on three areas: Environment & Climate, Safety & Ethics and Colleagues. The sustainability goals, together with the financial goals in the company's overall strategy "HANZA 2025", shall ensure that HANZA achieves long-term profitable and sustainable growth.

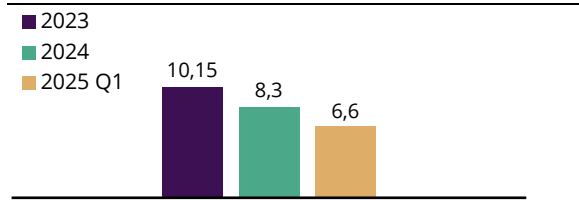
Selected activities from the first quarter

- Extensive work was carried out with HANZA's Sustainability Report for 2024, which was published at the end of March. The report was created as far as possible in accordance with the European Sustainability Reporting Standards (ESRS).
- All factories in Sweden have now been connected to the EcoVadis sustainability rating platform. Three of these factories achieved a silver rating, while one factory is still awaiting its result. In addition to the Swedish units, one factory in Germany, two in Finland and one factory added through the acquisition of Leden Group are also connected to EcoVadis.
- Cybersecurity is a highly prioritized area within HANZA, and we are certified according to ISO 27001. During the quarter, our work was also assessed by CyberVadis, where we are proud to have achieved the gold level.
- The acquisition of Leden Group was finalized during the quarter, and work has begun to integrate the new factories' emission data into HANZA's climate calculations for 2024.

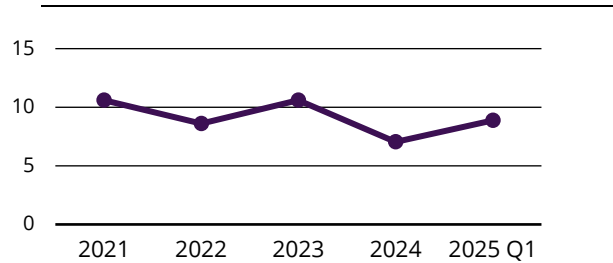
Hazardous waste (ton/SEK million) ¹⁾²⁾



Energy use (MWh/SEK million) ¹⁾²⁾



LTIFR (Work related injuries/millions of worked hours) ¹⁾



¹⁾ The graphs above do not include Leden which was acquired in March 2025

²⁾ The figures for energy use in 2023 and 2024 also include energy consumption generated by the use of natural gas and propane. Q1/2025 includes only electricity consumption and district heating, which are the sources of Scope 2 greenhouse gas emissions.

The increase in hazardous waste is due to the timing of the change of washing liquid in the painting process coinciding in the same quarter for several factories. The figure is therefore expected to balance during the year.

Financial development

First quarter

Net sales amounted to SEK 1,326 million (1,253), a growth of 6%. Sales have increased through acquisitions. Exchange rate fluctuations had a negative impact of SEK 1 million. Excluding currency and acquisitions, organic growth amounted to -3%.

The gross margin for the quarter amounted to 42.5% (42.1). EBITDA for the quarter amounted to SEK 138 million (104), corresponding to a margin of 10.4% (8.3). Adjusted operating profit amounted to SEK 97 million (67), corresponding to an operating margin of 7.3% (5.3).

Items affecting comparability in the quarter relate to costs for the acquisition of Leden, factory relocation in Töcksfors, adjustment of asset values when implementing the Group's ERP system in one of the subsidiaries in Germany, and a major restructuring project in Poland. The Group's operating profit amounted to SEK 86 million (67), corresponding to an operating margin of 6.5% (5.3).

Net financial items amounted to SEK -32 million (-26), of which exchange rate losses amounted to SEK 2 million (exchange rate gain of 6). Profit before tax for the quarter amounted to SEK 47 million (35), profit after tax amounted to SEK 40 million (34). Income tax corresponds to a tax rate of 15% (3). The higher tax rate is mainly due to the fact that Q1 2024 included a release of additional purchase price of SEK 20 million that was not taxable. The tax rate for the full year 2024 amounted to 11%. Adjusted earnings per share for the quarter amounted to SEK 1.14 (0.68) before dilution and to SEK 0.90 (0.77) after dilution.

Cash flow and investments

Cash flow from operating activities amounted to SEK 68 million (31) in the first quarter. The higher cash flow is mainly due to improved earnings and lower tied-up working capital, the change in which amounted to SEK -14 million (-27).

Investments in the quarter amounted to SEK 216 million (416), of which investments in acquisitions accounted for SEK 186 million (358). Other investments relate to construction SEK 8 million (8) and machinery and other fixed assets SEK 22 million (50).

Financial position

Interest-bearing net debt at the end of the period amounted to SEK 1,196 million (930), an increase during the quarter by SEK 496 million, due to the acquisition of Leden, which increased debt by SEK 552 million.

Adjusted for acquisitions, debt decreased by SEK 56 million. Reported net debt/adjusted EBITDA amounts to 2.8. If acquired companies' EBITDA before the acquisition is included, this ratio amounts to 2.3 times, which is below the company's financial target of 2.5.

Total assets at the end of the period amounted to SEK 4,890 million (3,745). The increase is mainly due to the acquisition of Leden. Equity at the end of the period amounted to SEK 1,657 million (1,454), corresponding to an equity ratio of 33.9 % (38.8).

Dividend

The Board of Directors has proposed to the Annual General Meeting a dividend of SEK 0.80 per share (1.20), corresponding to an amount of SEK 35 million (52) for the financial year 2024.

Parent company

The parent company's net sales consist solely of income from group companies. No investments were made in the parent company during the quarter.

Significant risks and uncertainties

The risk factors that generally have the greatest significance for HANZA are unexpected external events, financial risks and changes in demand. For more information on risks and uncertainties, see note 3 in the company's annual report for 2024. No significant changes in risks have occurred since the annual report for 2024 was submitted.

Related party transactions

During the quarter, there were no significant transactions between the HANZA Group and related parties other than those described in Note 32 of the company's annual report for 2024.

The share

The number of shares amounted to 43,659,340 at the beginning of the year and increased by 2,300,000 during the first quarter through a directed share issue to the sellers of Leden. At the end of the period, the number of shares amounted to 45,959,340.

Colleagues

The average number of employees in Q1 amounted to 2,795 (2,694). At the end of the period, the number of employees amounted to 3,173.

This report has not been subject to review by the company's auditor.

Segment overview

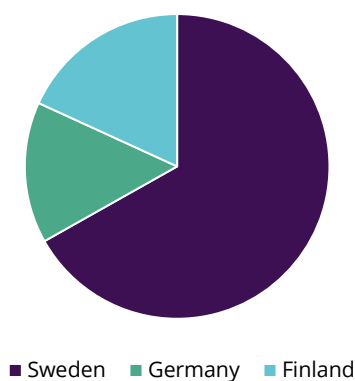
Description of segment reporting

HANZA divides its manufacturing operations into so-called manufacturing clusters and applies a financial segmentation based on primary customer markets. In addition, there are activities in development and consulting as well as business development. These are reported in a separate segment.

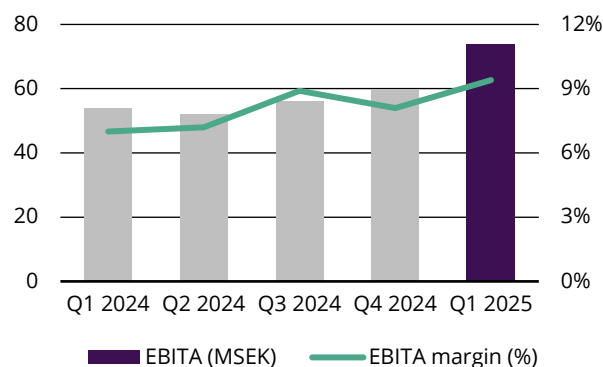
Main market segment

SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
External net turnover	787	770	2 864
Adjusted operating profit	74	54	222
Adjusted operating margin (%)	9.4	7.0	7.8

Breakdown of net sales by manufacturing cluster



Adjusted operating profit



The Main Markets segment is characterized by manufacturing clusters located within or in the vicinity of HANZA's primary geographic customer markets, which currently consist of Sweden, Norway, Finland and Germany.

The segment currently includes HANZA's manufacturing clusters in Sweden, Finland and Germany. HANZA's operations in these areas are based on close cooperation with customers'

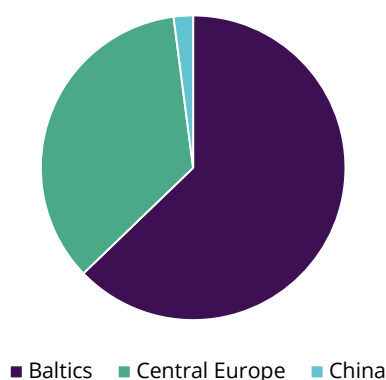
development departments and proximity to their factories and/or end markets.

External net sales in the first quarter increased by 2% compared with the corresponding period in 2024. Adjusted for acquisitions and currency, net sales decreased by 6%. Adjusted operating margin amounted to 9.4% (7.0). For comparable units, the adjusted operating margin amounted to 9.4% (7.0).

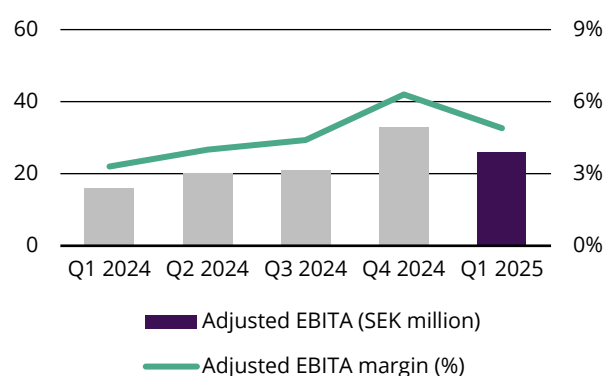
Other markets segment

SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
External net turnover	535	480	1,973
Adjusted operating profit	26	16	90
Adjusted operating margin (%)	4.9	3.3	4.6

Breakdown of net sales by manufacturing cluster



Adjusted operating profit



The Other markets segment refers to manufacturing clusters located outside HANZA's primary geographical customer markets. Today, this segment includes HANZA's manufacturing clusters in the Baltics, Central Europe and China. The business is characterized by a high work content, extensive complex assembly, and proximity to important end customer areas.

External net sales in the first quarter increased 11% compared with the corresponding period in 2024. Adjusted for acquisitions and currency, net sales increased by 2%.

Adjusted operating margin amounted to 4.9% (3.3). For comparable units, the adjusted operating margin amounted to 4.9% (3.3).

Business development and services segment

Business Development and Services segment refers to revenues and expenses from the services offered by HANZA in advisory and development services, as well as costs not allocated to the manufacturing clusters, mainly related to group-wide functions within the parent company, as well as group-wide adjustments not allocated to the other segments.

Revenue from external customers amounted to SEK 4 million (3) in Q1, and adjusted operating profit to SEK -3 million (-3).

Financial reports

Condensed consolidated income statement

SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net turnover	4	1,326	1,253	4,851
Change in stocks of work in progress, finished goods and work in progress on behalf of others		-25	-13	-80
Raw materials and supplies		-737	-713	-2,722
Other external costs		-144	-129	-522
Personnel costs		-299	-312	-1 142
Depreciation and impairment of tangible fixed assets		-52	-37	-169
Other operating income and expenses		17	18	57
Operating profit (EBITA)	4	86	67	273
Depreciation and amortization of intangible assets		-7	-6	-34
Operating profit (EBIT)	4	79	61	239
Financial items – net	5	-32	-26	-114
Profit before tax	4	47	35	125
Income tax		-7	-1	-14
Profit for the period		40	34	111
Earnings per share				
Before dilution, SEK		0.91	0.77	2.55
After dilution, SEK		0.90	0.77	2.54

Consolidated statement of comprehensive income

SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Profit for the period		40	34	111
Revaluation of post-employment benefits		2	-	-
Tax on non-recoverable items		-	-	-
Total items not to be reversed in the income statement		2	-	-
Exchange rate differences		-61	35	33
Total items that may subsequently be reversed in the profit and loss account		-61	35	33
Other comprehensive income for the period		-59	35	33
Total comprehensive income for the period		-19	69	144

Condensed consolidated balance sheet

SEK million	Note	2025-03-31	2024-03-31	2024-12-31
ASSETS				
Fixed assets				
Goodwill		709	529	529
Other intangible assets		209	152	135
Tangible fixed assets		1,118	790	902
Right-of-use assets		692	230	282
Other fixed assets		3	2	2
Deferred tax assets		38	31	37
Total fixed assets		2,769	1,734	1,887
Current assets				
Stocks of goods		1,211	1,317	1,137
Accounts receivable		467	361	213
Other receivables		162	155	124
Cash and cash equivalents		281	178	276
Total current assets		2,121	2,011	1,750
TOTAL ASSETS		4,890	3,745	3,637
EQUITY				
Equity attributable to equity holders of the parent		1,657	1,454	1,480
DEBTS				
Long-term liabilities				
Post-employment benefits		94	106	102
Deferred tax liabilities		109	92	79
Liabilities to credit institutions	3	923	509	601
Leasing liabilities		540	147	166
Total long-term liabilities		1,666	854	948
Current liabilities				
Liabilities to credit institutions	3	264	373	161
Leasing liabilities		104	55	73
Other interest-bearing liabilities	3	57	33	6
Trade payables		653	570	590
Other liabilities		489	406	379
Total current liabilities		1,567	1,437	1,209
TOTAL EQUITY AND LIABILITIES		4,890	3,745	3,637

Consolidated statement of changes in equity in summary

SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Opening balance		1,480	1,345	1,345
Profit for the period		40	34	111
Other comprehensive income		-59	35	33
Total comprehensive income		-19	69	144
Transactions with owners				
New issue		195	40	40
Share savings program 2025		1	1	4
Issue expenses		-	-1	-1
Dividends		-	-	-52
Total contributions from and value transfers to shareholders, recognized directly in equity		196	40	-9
Closing balance		1,657	1,454	1,480

Consolidated statement of cash flows in summary

SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Cash flow from operating activities				
Profit after financial items		47	35	125
Depreciation and amortization		59	43	203
Other non-cash items		-5	-8	-35
Income tax paid		-19	-12	-50
Cash flow from operating activities before changes in working capital		82	58	243
Total change in working capital		-14	-27	326
Cash flow from operating activities		68	31	569
Cash flow from investing activities				
Acquisitions		-186	-358	-367
Investments in fixed assets		-30	-58	-267
Disposal of fixed assets		2	2	2
Cash flow from investing activities		-214	-414	-632
Cash flow from financing activities				
New issue		-	39	39
Loans raised		316	416	564
Repayment of loans		-156	-243	-563
Dividends		-	-	-52
Cash flow from financing activities		160	212	-12
Increase/decrease in cash and cash equivalents		14	-171	-75
Cash and cash equivalents at the beginning of the period		276	340	340
Exchange rate differences in cash and cash equivalents		-9	9	11
Cash and cash equivalents at the end of the period		281	178	276

Condensed parent company income statement

SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Operating revenue		11	8	37
Operating expenses		-12	-8	-37
Operating result		-1	0	0
Financial items – net		-5	-	-10
Profit/loss after financial items		-6	-	-10
Appropriations for the financial year		-	-	45
Profit/loss before tax		-6	0	35
Tax on profit for the period		-	-	-7
Profit/loss for the period		-6	0	28

Condensed balance sheet of the parent company

SEK million	Note	2025-03-31	2024-03-31	2024-12-31
ASSETS				
Financial fixed assets		1,876	1,388	1,187
Short-term receivables		103	18	277
Cash and cash equivalents		23	-	154
TOTAL ASSETS		2,002	1,406	1,618
EQUITY AND LIABILITIES				
Equity		889	723	699
Untaxed reserves		2	2	2
Long-term liabilities		728	405	504
Overdraft facilities		-	30	-
Current liabilities		383	246	413
Total liabilities		1,113	683	919
TOTAL EQUITY AND LIABILITIES		2,002	1,406	1,618

Notes

Note 1 | General information

HANZA AB (publ), corporate identity number 556748-8399, has its registered office in Stockholm municipality. Unless otherwise stated, all amounts are reported in millions of SEK (MSEK) and refer to the Group.

Figures in brackets refer to the corresponding period last year. The interim information on pages 6 to 8 forms an integral part of this financial report.

Note 2 | Basis of preparation of the reports and accounting policies

HANZA AB applies IFRS (International Financial Reporting Standards) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The interim report for the parent company has been prepared in accordance with Chapter 9 of the

Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

The accounting principles are in accordance with the principles applied in the previous financial year. For more information on these, please refer to Note 2 in HANZA AB's annual report for 2024.

Note 3 | Financial instruments – Fair value of financial liabilities measured at amortized cost

The majority of the Group's borrowings have a maturity of 5 years and bear interest at variable rates. The Group's other borrowings consist of a small number of contracts entered into at different times and with different maturities, essentially at floating rates.

On this basis, the carrying amounts can be considered a good approximation of fair values. The fair value of short-term borrowings corresponds to their carrying amount, as the discounting effect is not material.

Note 4 | Revenue and segment information

Description of revenue from contracts with customers

HANZA's revenue comes primarily from the production of components, subsystems and complete assembled products according to customer specifications, but where HANZA has been involved in customizing the manufacturing process. HANZA's performance obligation is deemed to be fulfilled when the component or assembled product is delivered to the customer. Exceptions to this are in cases where there is an agreement with the customer on buffer stocks of finished components or products.

In these cases, the performance obligation is considered fulfilled already when the component or product is placed in the buffer stock and is thus available to the customer.

The breakdown of external revenue by segment, which follows the Group's clustered organization, is shown in the segment information on pages 7-8. In addition, external revenues are presented by manufacturing technology, Mechanics and Electronics, at the end of this note.

Note 4 | Revenue and segment information, *cont.*

Profit by segment

Segment results are reconciled to profit before tax as follows

SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Operating profit (EBITA)			
Main markets	65	39	176
Other markets	26	12	75
Business development and services	-5	16	22
Total EBITA	86	67	273
Amortization of intangible assets	-7	-6	-34
Operating profit (EBIT)	79	61	239
Financial items - net	-32	-26	-114
Profit before tax	47	35	125
Items affecting comparability			
Revaluation of acquisition purchase price	-	20	53
Transaction costs	-2	-	-16
Factory relocation	-4		
Revaluation of assets when changing ERP system	-4		
Integration costs	-1	-20	-65
Total	-11	-	-28
EBITA by segment excluding items affecting comparability			
Main markets	74	54	222
Other markets	26	16	90
Total	100	70	312
Business development and services	-3	-3	-11
Total	97	67	301
Items affecting comparability	-11	-	-28
EBITA	86	67	273
Revenue from external customers by manufacturing technology			
Mechanics	678	584	2,221
Electronics	644	666	2,616
Business development and services	4	3	14
Total	1,326	1,253	4,851

Note 5 | Financial items – net

SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Financial income and expenses			
Interest income	1	1	4
Interest costs	-26	-27	-95
Other financial expenses	-5	-6	-25
Total financial income and expenses	-30	-32	-116
Net exchange rate gains and losses	-2	6	2
Total financial items	-32	-26	-114

Note 6 | Asset and business combinations

Acquisitions during the year

On March 3, 2025, all shares in Leden Group Oy in Finland were acquired. The company is a leading player in advanced mechanical manufacturing and had approximately 620 employees at the time of the acquisition. Transaction costs amounted to approximately SEK 18 million, of which SEK 16 million was charged to Q4 2024 and SEK 2 million to Q1 2025. The costs are reported as other external costs.

The purchase price was calculated at SEK 479 million based on the company's balance sheet as of February 28, 2025, and the initially estimated remaining purchase price. At closing, SEK 230 million was paid and shares and options worth SEK 196 million were issued. In addition to the initial purchase price, additional purchase price of a maximum of EUR 15 million may be paid, depending on the financial development in Leden. The remaining purchase price is estimated in the acquisition analysis to SEK 56 million (EUR 5 million), which is discounted to SEK 53 million.

In the acquisition, an intangible asset in the form of customer relationships of SEK 83 million was identified. The amortization period for these customer relationships is estimated at 10 years. Deferred tax liabilities relating to this item amount to SEK 17 million. In addition, goodwill of SEK 198 million is recognized in the acquisition. This goodwill consists primarily of market position and personnel, as well as synergies with HANZA's other operations in Finland and Estonia. It is not tax deductible.

The table below summarizes the purchase price for Leden and the fair value of assets acquired and liabilities assumed recognized at the acquisition date and the cash flow from the acquisition. Revenue in the acquired companies amounted to SEK 319 million during the quarter, of which SEK 209 million is attributable to the period prior to the acquisition and SEK 110 million is included in consolidated revenue. Profit after tax for the quarter amounted to SEK 2 million, of which SEK 0 million was attributable to the period before the acquisition and SEK 2 million is included in consolidated profit.

Purchase price, SEK million	
Purchase price paid	230
Newly issued shares and options	196
Initial estimated remaining purchase price	53
Total estimated purchase price	479
Reported amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	44
Intangible fixed assets	85
Tangible fixed assets	245
Right-of-use assets	453
Other fixed assets	1
Stocks of goods	153
Trade and other receivables	258
Deferred tax liability	-23
Liabilities to credit institutions	-255
Leasing liabilities	-439
Trade and other payables	-241
Total net assets identified	281
Goodwill	198
Total net assets contributed	479
Cash flow effect of the acquisition	
Cash and cash equivalents paid at closing	-230
Cash and cash equivalents in the company	44
Cash flow from the acquisition	-186

Key ratios and definitions

	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Alternative performance measures			
EBITDA, SEK million	138	104	442
EBITDA margin, %	10.4	8.3	9.1
Operating segments EBITA, SEK million	91	51	251
Business development and services segment EBITA, SEK million	-5	16	22
Operating EBITA margin, %	6.9	4.1	5.2
Operating profit (EBITA), SEK million	86	67	273
EBITA margin, %	6.5	5.3	5.6
Adjusted operating profit, SEK million	97	67	301
Adjusted operating margin, %	7.3	5.3	6.2
Operating capital, SEK million	3,358	2,499	2,313
Return on operating capital, %	3.0	3.1	13.3
Capital turnover on operating capital, times	0.5	0.6	4.7
Return on capital employed, %	2.5	2.5	10.1
Net interest-bearing debt, SEK million	1,196	930	700
Net debt/equity ratio, times	0.7	0.6	0.5
Net debt / adjusted EBITDA, times	2.8	2.2	1.7
Equity ratio, %	33.9	38.8	40.7
Equity per share at the end of the period, SEK	36.06	33.29	33.89
Weighted average number of shares before dilution	44,374,896	43,581,785	43,640,057
Adjustment for the calculation of diluted earnings per share:	249,466	163,000	156,250
Weighted average number of shares after dilution	44,624,362	43,744,785	43,796,307
Number of shares at the end of the period	45,959,340	43,659,340	43,659,340

Key figures according to IFRS

EBIT

Earnings before interest and taxes. Operating profit before net financial items, appropriations and taxes.

Alternative performance measures

The following alternative performance measures are used in this report. Reconciliation tables for alternative performance measures and the reasons for using each individual measure are published on the company's website www.hanza.com.

Return on capital employed

Operating profit after adding back financial items divided by average capital employed.

Gross margin

Net sales less the cost of raw materials and consumables and changes in work in progress, finished goods and work in progress divided by net sales.

EBITDA

Earnings before interest, taxes, depreciation, and amortization. Earnings before interest, taxes, depreciation, amortization and impairment of tangible and intangible assets.

EBITDA margin

EBITDA divided by net sales.

EBITA

Earnings before interest, taxes, and amortization. Earnings before amortization and impairment of intangible assets, net financial items, appropriations and taxes.

EBITA margin

EBITA divided by net sales.

Equity per share

Equity at the balance sheet date adjusted for unregistered share capital divided by the registered number of shares at the balance sheet date.

Adjusted operating profit

Operating profit before amortization and impairment of intangible assets, adjusted for items affecting comparability.

Adjusted EBITDA

EBITDA adjusted for depreciation of additional right-of-use assets for leased properties according to IFRS 16.

Items affecting comparability

Items of income and expense in operating profit that arise only exceptionally in the course of business. Items affecting comparability include income and expenses such as acquisition costs, the translation of contingent considerations, gains and losses on the sale of land and buildings, debt forgiveness, costs of major restructuring such as the relocation of entire plants and major impairment losses.

Capital turnover on average operating capital

Net sales divided by average operating capital.

Net debt/equity ratio

Net interest-bearing debt divided by equity.

Net debt to adjusted EBITDA ratio

Net debt at the end of the period divided by adjusted EBITDA rolling 12 months.

Operating segments EBITA

Operational EBITA. EBITA for the segments Main markets and Other markets.

Operational EBITA margin

Operating segments' EBITA divided by operating segments' net sales.

Operational capital

Balance sheet total less cash and cash equivalents, financial assets and non-interest-bearing liabilities.

Return on operating capital

EBITA divided by average operating capital.

Net interest-bearing debt

Interest-bearing liabilities including provisions for post-employment benefits excluding estimated financial liabilities right-of-use assets for leased properties and premises under IFRS 16 less cash and similar assets and short-term investments.

Equity ratio

Equity divided by total assets.

Capital employed

Balance sheet total minus non-interest-bearing provisions and liabilities.

When performance measures are given for rolling 12 months, this refers to the sum of the last 12 months up to the period indicated.

About HANZA

HANZA is a global knowledge and manufacturing company that modernizes and streamlines the manufacturing industry. Through product development, supply chain consulting and with our own factories grouped in regional manufacturing clusters, we create stable deliveries, increased profitability and an environmentally friendly manufacturing process for our customers.

HANZA was founded in 2008 and had an annual turnover of approximately SEK 4.9 billion in 2024. The company has approximately 3,100 employees in seven countries: Sweden, Finland, Germany, Estonia, Poland, Czech Republic and China.

Among HANZA's clients are leading product companies such as 3M, ABB, EATON, Epiroc, GE, Getinge, John Deere, Mitsubishi, SAAB, Sandvik, Siemens and Tomra.

HANZA is listed on Nasdaq Stockholm's main list.

On www.hanza.com you can find further information about the HANZA Group, as well as financial reports, presentations and press releases.

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This report has been prepared in both Swedish and English versions and in case of discrepancies between the two, the Swedish version shall prevail.

HANZA