

RECONCILIATION TABLES FOR ALTERNATIVE PERFORMANCE MEASUREMENTS

The alternative performance measurements below have been used in HANZA's interim reports

Gross margin

The measurement is considered relevant to give a picture of HANZA's contribution to the operations after material costs.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
- Change in inventories in production, finished goods and work in progress on behalf of others, SEK millions	-21.2	-15.1	2.1	-9.1	-8.5	-14.3	16.4
- Raw materials and consumables, SEK millions	-271.1	-306.5	-322.9	-279.2	-271.5	-266.0	-288.8
= Gross profit, SEK millions	210.8	237.4	278.3	259.6	235.5	226.3	225.3
/ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
= Gross margin, %	41.9%	42.5%	46.5%	47.4%	45.7%	44.7%	45.3%

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
- Change in inventories in production, finished goods and work in progress on behalf of others, SEK millions	-34.2	-13.0	2.1	-15.5	-6.4	2.1	16.4
- Raw materials and consumables, SEK millions	-900.5	-629.4	-322.9	-1,105.5	-826.3	-554.8	-288.8
= Gross profit, SEK millions	726.5	515.7	278.3	946.7	687.1	451.6	225.3
/ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
= Gross margin, %	43.7%	44.5%	46.5%	45.8%	45.2%	45.0%	45.3%

EBITDA and EBITDA margin

The measurements are considered relevant to give a picture of HANZA's operational profitability before depreciations, amortizations and write-downs.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.2	-16.1	16.8	8.1	14.3	17.1	17.3
+ Depreciations, amortizations and write-downs, SEK millions	23.0	35.2	24.7	27.9	21.8	20.9	21.6
= EBITDA, SEK millions	38.2	19.1	41.5	36.0	36.1	38.0	38.9
/ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
= EBITDA margin, %	7.6%	3.4%	6.9%	6.6%	7.0%	7.5%	7.8%

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.9	0.7	16.8	56.8	48.7	34.4	17.3
+ Depreciations, amortizations and write-downs, SEK millions	82.9	59.9	24.7	92.2	64.3	42.5	21.6
= EBITDA, SEK millions	98.8	60.6	41.5	149.0	113.0	76.9	38.9
/ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
= EBITDA margin, %	5.9%	5.2%	6.9%	7.2%	7.4%	7.7%	7.8%

EBITA and EBITA-margin

The measurements are considered relevant to give a picture of HANZA's operational profitability before amortizations and write-downs of intangible assets, which primarily are intangible assets identified in acquisition analysis.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.2	-16.1	16.8	8.1	14.3	17.1	17.3
+ Amortizations and write-downs of intangible assets, SEK millions	6.2	3.5	3.6	3.6	3.1	2.2	2.2
= EBITA, SEK millions	21.4	-12.6	20.4	11.7	17.4	19.3	19.5
/ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
= EBITA-margin, %	4.3%	-2.3%	3.4%	2.1%	3.4%	3.8%	3.9%

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.9	0.7	16.8	56.8	48.7	34.4	17.3
+ Amortizations and write-downs of intangible assets, SEK millions	13.3	7.1	3.6	11.1	7.5	4.4	2.2
= EBITA, SEK millions	29.2	7.8	20.4	67.9	56.2	38.8	19.5
/ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
= EBITA-margin, %	1.8%	0.7%	3.4%	3.3%	3.7%	3.9%	3.9%

Operating margin (EBIT-margin)

The measurement is considered relevant to give a picture of HANZA's operational profitability.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.2	-16.1	16.8	8.1	14.3	17.1	17.3
/ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
= Operating margin (EBIT-margin), %	3.0%	-2.9%	2.8%	1.5%	2.8%	3.4%	3.5%

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.9	0.7	16.8	56.8	48.7	34.4	17.3
/ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
= Operating margin (EBIT-margin), %	1.0%	0.1%	2.8%	2.7%	3.2%	3.4%	3.5%

Operating profit from operational segments (Operational EBIT), EBITA and EBITA margin

The measurements are considered relevant to give a picture of HANZA's long-term operational profitability.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.2	-16.1	16.8	8.1	14.3	17.1	17.3
+ Business development costs (Business development segments EBIT), SEK million	0.2	-0.3	0.8	1.3	7.3	1.6	5.5
= Operating profit from operational segments (Operational EBIT), SEK millions	15.4	-16.4	17.6	9.4	21.6	18.7	22.8
+ Amortizations and write-downs of intangible assets, SEK millions	6.2	3.5	3.6	3.6	3.1	2.2	2.2
= Operational segmentens EBITA, SEK millions	21.6	-12.9	21.2	13.0	24.7	20.9	25.0
/ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
= Operational EBITA margin, %	4.3%	-2.3%	3.5%	2.4%	4.8%	4.1%	5.0%

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Operating profit (EBIT), SEK millions	15.9	0.7	16.8	56.8	48.7	34.4	17.3
+ Business development costs (Business development segments EBIT), SEK million	0.7	0.5	0.8	15.7	14.4	7.1	5.5
= Operating profit from operational segments (Operational EBIT), SEK millions	16.6	1.2	17.6	72.5	63.1	41.5	22.8
+ Amortizations and write-downs of intangible assets, SEK millions	13.3	7.1	3.6	11.1	7.5	4.4	2.2
= Operational segmentens EBITA, SEK millions	29.9	8.3	21.2	83.6	70.6	45.9	25.0
/ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
= Operational EBITA margin, %	1.8%	0.7%	3.5%	4.0%	4.6%	4.6%	5.0%

Business development segment EBITA

The measurement is considered relevant to show the size of HANZA costs that are not connected to the operations.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
Business development segment EBITA (=Business development segment EBIT)	-0.2	0.3	-0.8	-1.3	-7.3	-1.6	-5.5

Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
Business development segment EBITA (=Business development segment EBIT)	-0.7	-0.5	-0.8	-15.7	-14.4	-7.1	-5.5

Operating capital, return on operating capital and capital turnover on operating capital

The measurement are considered relevant to give a picture of capital used in the operations and return on that capital.

Isolated quarters	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019
+ Balance sheet total, SEK millions	1,520.3	1,530.9	1,638.1	1,527.9	1,618.6	1,237.1	1,280.9
- Cash and cash equivalents, SEK millions	-110.1	-98.4	-97.0	-66.7	-103.7	-85.1	-91.6
- Financial assets, SEK millions							
- Non-interest-bearing liabilities, SEK millions	-415.8	-460.0	-503.8	-420.2	-459.0	-378.7	-391.8
= Operating capital, SEK millions	994.4	972.5	1,037.3	1,041.0	1,055.9	773.3	797.5
+ EBITA, SEK millions (se above)	21.4	-12.6	20.4	11.7	17.4	19.3	19.5
/ Average operating capital, SEK millions	983.5	1,004.9	1,039.2	1,048.5	914.6	785.4	734.1
= Return on operating capital, %	2.2%	-1.3%	2.0%	1.1%	1.9%	2.5%	2.7%
+ Net sales, SEK millions	503.1	559.0	599.1	547.9	515.5	506.6	497.7
/ Average operating capital, SEK millions	983.5	1,004.9	1,039.2	1,048.5	914.6	785.4	734.1
= Capital turnover on operating capital, %	0.5	0.6	0.6	0.5	0.6	0.6	0.7
Accumulated values	Jan-Sep 2020	Jan-Jun 2020	Jan-Mar 2020	Jan-Dec 2019	Jan-Sep 2019	Jan-Jun 2019	Jan-Mar 2019
+ Balance sheet total, SEK millions	1,520.3	1,530.9	1,638.1	1,527.9	1,618.6	1,237.1	1,280.9
- Cash and cash equivalents, SEK millions	-110.1	-98.4	-97.0	-66.7	-103.7	-85.1	-91.6
- Financial assets, SEK millions							
- Non-interest-bearing liabilities, SEK millions	-415.8	-460.0	-503.8	-420.2	-459.0	-378.7	-391.8
= Operating capital, SEK millions	994.4	972.5	1,037.3	1,041.0	1,055.9	773.3	797.5
+ EBITA, SEK millions (se above)	29.2	7.8	20.4	67.9	56.2	38.8	19.5
/ Average operating capital, SEK millions	1,017.7	1,006.8	1,039.2	855.9	863.3	722.0	734.1
= Return on operating capital, %	2.9%	0.8%	2.0%	7.9%	6.5%	5.4%	2.7%
+ Net sales, SEK millions	1,661.2	1,158.1	599.1	2,067.7	1,519.8	1,004.3	497.7
/ Average operating capital, SEK millions	1,017.7	1,006.8	1,039.2	855.9	863.3	722.0	734.1
= Capital turnover on operating capital, full year measurement %	2.2	2.3	2.3	2.4	2.3	2.8	2.7

Net interest-bearing debt and net debt/equity ratio

The measurements are considered relevant to evaluate the financial risk in HANZA.

	Sep 2020	Jun 2020	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019
+ Interest-bearing liabilities, SEK millions	614.6	587.1	610.4	610.0	661.3	416.4	451.1
- Cash and cash equivalents, SEK millions	-110.1	-98.4	-97.0	-66.7	-103.7	-85.1	-91.6
- Short-term investments, SEK millions							
= Net-interest-bearing debt, SEK millions	504.5	488.7	513.4	543.3	557.6	331.3	359.5
/ Shareholders equity, SEK millions	489.9	483.8	523.9	497.7	498.3	442.0	438.0
= Net debt/equity ratio, times	1.0	1.0	1.0	1.1	1.1	0.7	0.8

Operational net debt

The measurements are considered relevant to increase comparability with periods before adaption of IFRS 16 and acquisition of RITTER.

	Sep 2020	Jun 2020	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019
+ Net-interest-bearing debt, SEK million (see above)	504.5	488.7	513.4	543.3	557.6	331.3	359.5
- Provisions for post-employment benefits	-113.5	-109.0	-115.2	-108.9	-118.4	-4.7	-4.7
- Lease liabilities related to buildings and premises	-66.2	-72.9	-80.9	-84.2	-93.8	-65.1	-70.8
= Operational net debt	324.8	306.8	317.3	350.2	345.4	261.5	284.0

Equity ratio

The measurement is considered relevant to, over time, give a picture of the portion of the total capital used which comes from shareholders equity and external financing respectively. This makes it possible for investors to evaluate HANZA's long-term financial stability.

	Sep 2020	Jun 2020	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019
+ Shareholders equity, SEK millions	489.9	483.8	523.9	497.7	498.3	442.0	438.0
/ Balance sheet total, SEK millions	1,520.3	1,530.9	1,638.1	1,527.9	1,618.6	1,237.1	1,280.9
= Equity ratio, %	32.2%	31.6%	32.0%	32.6%	30.8%	35.7%	34.2%

Equity per share

The measurement is considered relevant to show the net worth per share.

	Sep 2020	Jun 2020	Mar 2020	Dec 2019	Sep 2019	Jun 2019	Mar 2019
+ Shareholders equity, SEK millions	489.9	483.8	523.9	497.7	498.3	442.0	438.0
- Paid but not yet registered equity, SEK millions							
/ Number of shares outstanding on the balance sheet date	33,979,928	33,979,928	33,979,928	33,979,928	33,979,928	30,979,928	30,979,928
= Equity per share, SEK million	14.42	14.24	15.42	14.65	14.66	14.27	14.14