

YEAR-END REPORT 2022

- **Rapid organic growth: Q4 revenue 1 bn SEK**
- **“HANZA 2022” achieved, new targets set for 2025**
- **Strong outlook. Possible new acquisitions**

Audiocast, February 14th, 2023

Erik Stenfors, CEO
Lars Åkerblom, CFO



AGENDA

- **Highlights of 2022**
- **Financial development**
- **Outlook**
- **Q&A**



Highlights 2022

→ Continued sales success...

- Existing customers increase order volumes and awards HANZA new contracts
- New customers added continuously
- A favorable macro trend

→ ...requires cost-effective capacity expansion

- New 12,000 sqm assembly hall in Tartu, Estonia, ca. 80 MSEK.
- Purchase of sheet metal plant, 6,300 sqm + land 11,000 sqm, ca. 40 MSEK.
- Opening new facilities in Poland, Czech Republic and China, expanding factory space by more than 6,000 sqm.

→ Also expanding the service side of HANZA

- Acquiring a product development company; Budelmann Elektronik GmbH in Germany.
- New name HANZA Tech Solution, marks a start of further development of the service side.

→ Directed share issue, 147 MSEK

- Together with a strong financial position, this gave HANZA 2025 a flying start.
- Broadening ownership internationally. Main owner Gerald Engström participated



HANZA's new building for complex assembly, left in the picture.



HANZA's thin sheet mechanics in Estonia. To be expanded In 2023

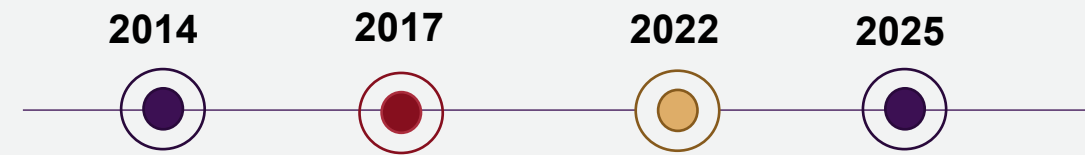


The management of HANZA Tech solutions, Jeannine and Christoph Budelmann.



Highlights 2022

HANZA reaches another milestone



YEAR-END REPORT 2017

Strategy "HANZA 2022"

- IPO on Nasdaq main list
- Establish HANZA in Germany
- Selected acquisitions
- Streamline clusters

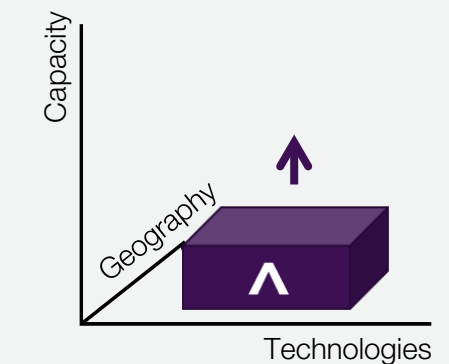
(MSEK)	2017	Target 2022
Sales	1,400	2,050
EBIT	36	123

Geographic expansion



YEAR-END REPORT 2022

Strategy "HANZA 2025"



(MSEK)	2022	Target 2025
Sales	3,549	5,000
EBITA	212	400

Capacity and Services expansion



HANZA 2025 - FINANCIAL TARGETS

KPI	Previous target / policy	Updated target	
Growth	Average annual revenue growth: Minimum 10%	Sales 5 bn SEK in 2025	Increased
Profitability	Average operating margin: Minimum 6%	Operating margin at end of 2025: Minimum 8%	Increased
Capital structure	Equity/Assets ratio: Minimum 30%	Equity/Assets ratio: Minimum 30%	Unchanged
Debt ratio	---	Net debt/EBITDA: Maximum 2.5 times	New
Dividend	30% of profit after tax, with consideration of the company's financial status.	30% of profit after tax, with consideration of the company's financial status.	Unchanged



Q4-22 Financial development

General

- Net sales 1 bn SEK (717 MSEK). High organic growth, 29%
- Operating profit 63 MSEK (43) → EPS of 1.1 SEK (0.7)

Segment Main markets

- Net sales 562 MSEK (407)
- Operating profit increased to 41.7 MSEK (35.3)
 - Cluster Sweden continues presents a solid margin > 10%
 - Other clusters increase profitability according to plan.

Segment Other markets

- Net sales 434 MSEK (309)
- Operating profit increased to 23.7 MSEK (7.0)
 - The earnings more than triples, driven by the completion of production facilities in 2022.

Comments

- The operating margin is slightly misleading in 2022 due to invoicing of some energy/material costs without mark-up.
- Main markets received a repayment of AFA insurance in Q4/21. Including the repayment, the operating profit amounts to 41.6 MSEK.



FY 2022 Financial development

General

→ In 2022, increased profitability, positive cashflow and the new share issue strengthen HANZA financial position

Sales and Earnings

→ Turnover increases by more than 1 bn SEK to 3 549 MSEK (2 515)

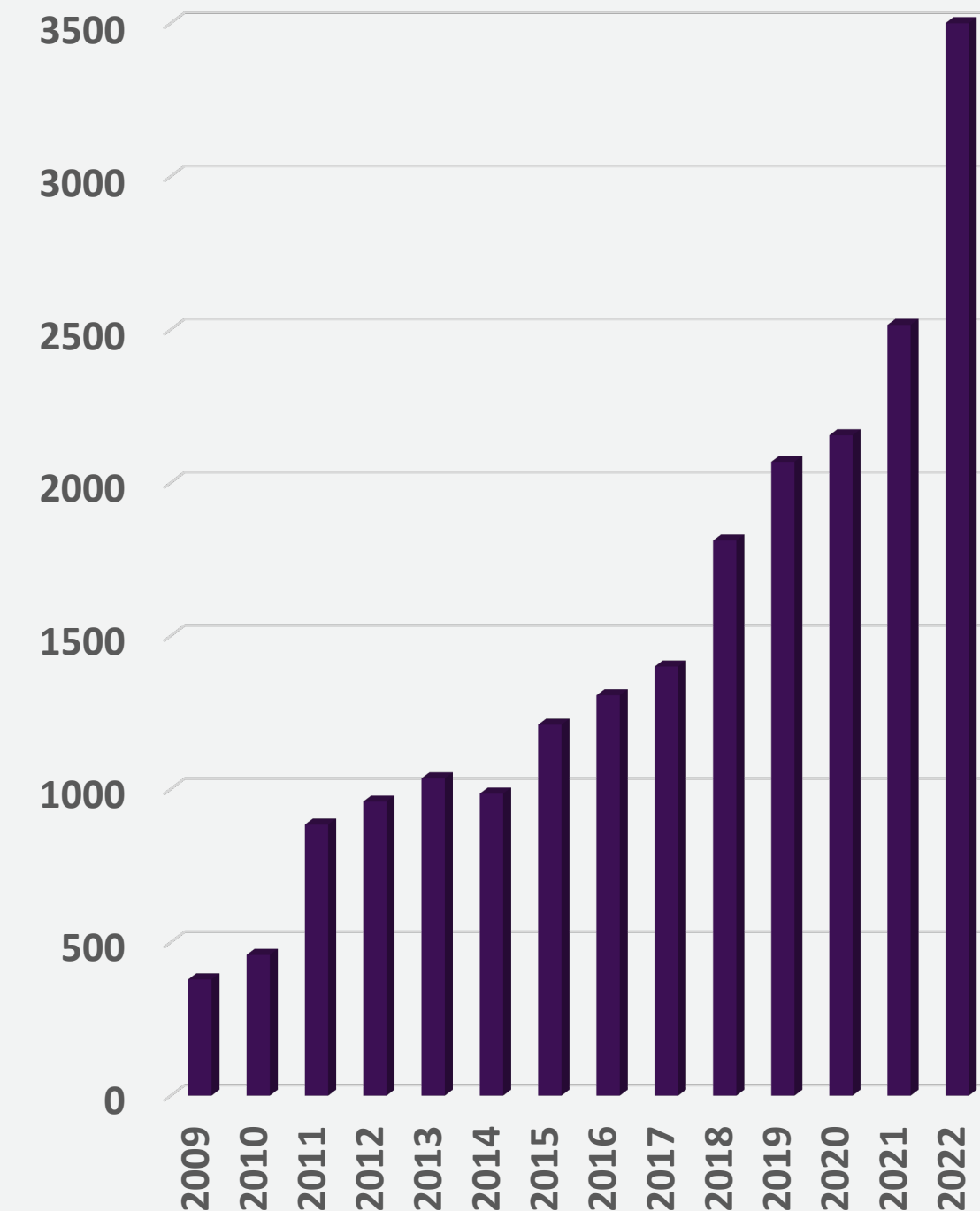
→ Organic growth was 27% for the FY 2022 and 29 % in Q4

→ ATH operating profit in 2022: 212 MSEK (143)

Comments

→ The material shortage situation reduced sales and earnings in 2022

ANNUAL SALES (MSEK)
CAGR = 19 %



FY 2022 Financial development

Cash flow

Despite the need to maintain a higher stock level, the cash-flow from operations was positive every quarter, totaling 145 MSEK in FY 2022

Net debt

A strong cash flow together with the new share issue contributed to a rapid reduction in debt. Net debt /EBITDA decreased from 2.9 to 1,9

EPS

All time high EPS of 3.35 in FY 2022 (2.26)

The Board of Directors proposed a dividend of 0.75 SEK per share (0.5)

(MSEK)	Q4 2022	Q4 2021
Equity	898	586
Equity/Asset ratio	35%	30%
Cash-flow operations (3 m.)	20	60
Cash	136	46
Net debt	556	583
Net debt /EBITDA	1,9	2.9
EPS in Q4 (SEK)	1.06	0.70



HANZA's share issue

- 3,5 M shares (dilution of 9,8%)
- 147 MSEK (before transaction cost, 3%)
- Directed share issue to institutional owners, attracting new investors in Germany, Finland and Norway.
- Main shareholder Gerald Engström participated with 250 000 shares after unanimous approval at an EGM.
- To be used for a cost-effective, rapid capacity increase of existing manufacturing facilities in Sweden, Estonia and Central Europe, with expanded production space and machinery.
- Further machinery investments of ca. 100 MSEK made in Dec. Also, decision to expand the sheet metal factory in Tartu, Estonia.

HANZA's shareholders on December 31st, 2022

Ownership structure as of 31.12.2022	Shares	%
Färna Invest AB	8,807,194	22.42
Clearstream Bankings S.A	3,671,859	9.35
Håkan Halén	2,357,470	6.00
Francesco Franzé	2,266,000	5.77
Nordnet Pensionsförsäkring AB	1,880,313	4.79
SHB Luxembourg cl acct Sweden	1,751,654	4.46
Eugen Steiner	1,000,000	2.55
Avanza Pension	948,191	2.41
RBCB - Lux Ucits Ex-Mig	827,992	2.11
State Street Bank and Trust Co	769,988	1.96
10 largest shareholders	24,280,661	61.82
Other shareholders	14,999,267	38.18
Total shares	39,279,928	100.00

Source: Euroclear



Main owner,
Gerald Engström
8,807,194 shares
(22.42%)



Chairman
Francesco Franzé
3,578,091 shares
(9.1%)



Board member
Håkan Halén
2,357,470 shares
(6.0%)



CEO
Erik Stenfors
453,000 shares
(1.2%)

HANZA's senior executives own a total of approx. 1.3 M shares (3.7%)



A large industrial robot arm, white and black, is shown in a factory setting. The arm is positioned vertically, with its end effector (a grinding wheel) visible. The background is a bright, blue-tinted industrial environment.

Outlook

❖ Sales: A strong starting position

Order book at all-time high, solid customer base, new customer agreement and positive macro trend.

❖ Capacity: A clear growth strategy

Through cluster expansion and possible acquisition. The service side is also expanding.

❖ Next milestone: Expected launch in 2025

The next step may be a geographical expansion.

Q&A

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A close-up, low-angle shot of industrial machinery, likely a lathe or mill. The image shows various metal components, including a tool holder and a cutting tool. The brand name 'KLANG' is visible on several parts. A specific component is marked with 'Max. 100Nm'. The lighting is dramatic, highlighting the metallic textures and sharp edges of the machinery.

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