



**HANZA**

**Q1 - 2025**

**An active quarter paves the way  
for completion of "HANZA 2025"**

Audiocast, May 6<sup>th</sup>, 2025

Erik Stenfors, CEO  
Lars Åkerblom, CFO



# The global view: New local supply chains are needed



**Blocking the Suez channel**

New world re-order: how Trump's tariffs will reshape global supply chains

An aerial view of a port area filled with many colorful shipping containers stacked in neat rows. A yellow crane is visible in the center, and a small boat is in the water.

**Attacks in the Red Sea**



**Blocking Baltimore ports**

**A post COVID-19 outlook: the future of the supply chain**  
**From globalization to regionalization**



**Low level in Panama Canal**



# Positioned for a new regional manufacturing landscape

## ➤ Concept: Local, complete manufacturing

## ➤ Expertise: Rewire supply chains

- 25 factories. ~ 3,200 colleagues.
- Five Manufacturing Clusters in Europe, one Gateway in China.
- Low exposure to trade barriers
- HANZA offers not only manufacturing, but also an improved supply chain ("MIG™"). This generates sales even during economic downturns.

Sweden  
~700 HC

Finland  
~ 600 HC

Baltics  
~ 900 HC

Germany  
~ 300 HC

Central Europe  
~ 600 HC

China  
~ 70 HC

Heavy mechanics



Machining



Sheet metal



Electronics



Wire harnesses

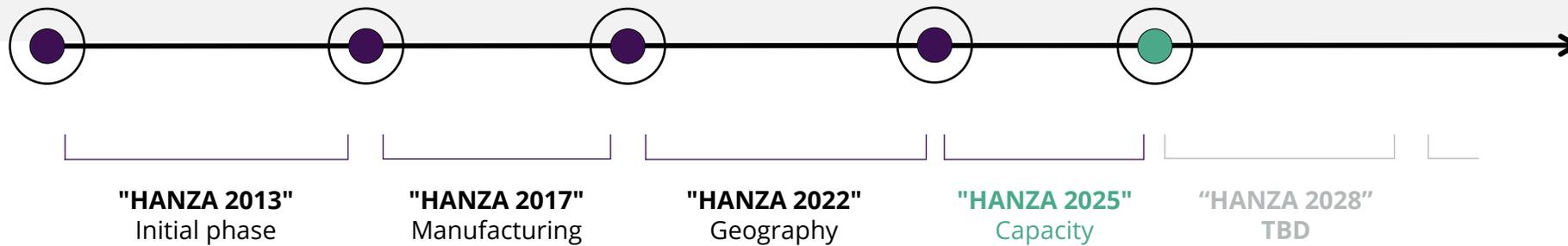


Complex assembly



# Structured expansion model

For different economic conditions



# Q1 - 2025

- Progress report
- Sustainability and Financial development
- Conclusions and Outlook
- Q&A



# Progress report

## Leden acquisition: Completed March 2<sup>nd</sup>, integration ongoing

- **HANZA and Leden complement each other as planned**  
Together we strengthen our shared expertise and capacity  
Leden include a 21,000 sqm. production facility for sheet metal mechanics, inaugurated in January 2025.
- **Similar corporate culture promotes integration**  
Split according to the cluster concept: Finnish units to cluster Finland, Estonian units to cluster Baltics. Short integration period expected.
- **Expanded customer base**  
Several customer meetings have already been held with companies such as Eaton, Danfoss, and ABB Finland.
- **Synergies to be expected**  
On the cost side, to reach the margin target, and on cash flow.  
The acquisition also included a minor non-core unit (own products), currently under evaluation to ensure strategic fit.

Cluster Finland



**Jukka Haapalainen,**  
President Cluster Finland  
(former CEO Leden)



● Leden unit  
● HANZA unit

Cluster Baltics



Inauguration of HANZA's new hall in Töcksfors, Sweden



## Progress report

### Completion of the “HANZA 2025” strategy. Tailormade new market program.

- **New Swedish factory**  
Inaugurated the new assembly hall of 8,800 sqm in Sweden on Feb 11<sup>th</sup>. Today operational, significantly improving production flow and efficiency.
- **HANZA 2025 completion**  
Activities within the HANZA 2025 strategy are underway in all regions, notably the development of operations in Poland following the integration of the Orbit One plant in Poland
- **New Market program, “Lynx”**  
Launched a focused market program targeting stable, high-potential sectors such as defense, energy, and security, plus a special emphasis on supply chain solutions for Germany (MIG™).

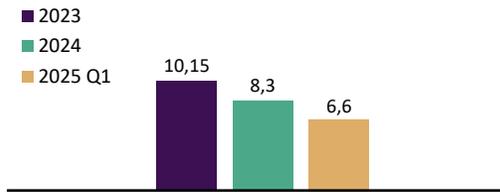


# Sustainability

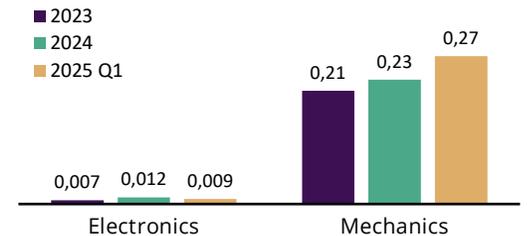
## Main activities during the quarter

- **Sustainability Reporting 2024**  
HANZA's 2024 Sustainability Report, aligned with ESRS, was published in March after a thorough development process.
- **EcoVadis Expansion**  
All Swedish factories are now assessed by EcoVadis; three reached Silver level. Sites in Germany, Finland, and the Leden Group are also included.
- **Cybersecurity Performance**  
HANZA follows the ISO 27001 information security standard and received a gold rating from CyberVadis during the quarter.
- **Integration of Leden Group**  
As Leden Group was acquired this quarter, and emissions data integration into HANZA's 2024 climate reporting has begun.

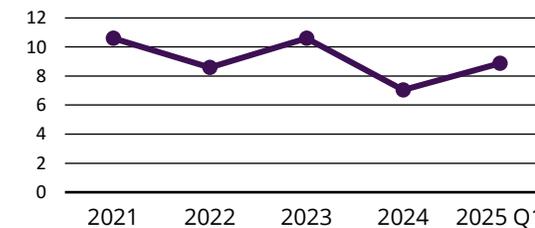
Energy use (MWh/MSEK)



Hazardous waste (ton/MSEK)



LTIFR (Lost Time Injury Frequency Rate)  
No. of work-related injuries resulting in lost time/ M hours worked



The graphs above do not include Leden, which was acquired in March 2025.



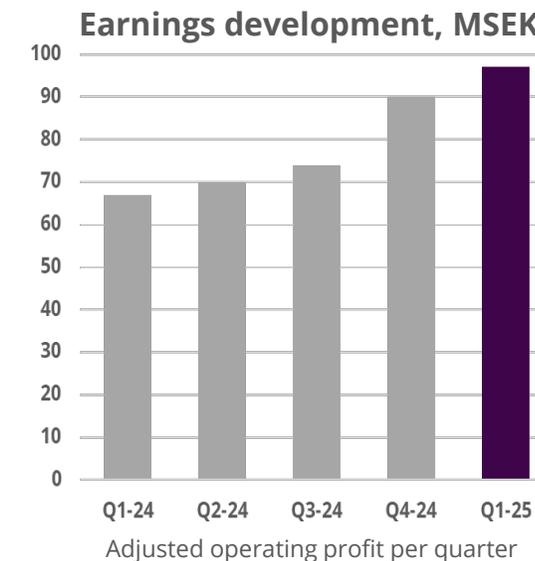
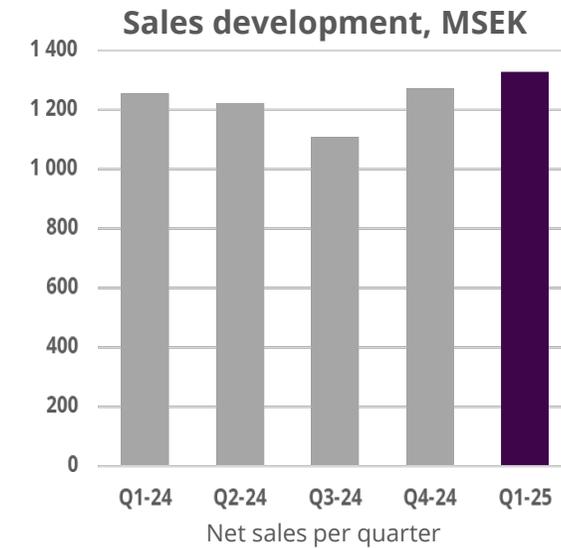
# Q1 Financials

## Sales

- Net sales increased 6%, and reached a record of 1,326 MSEK, driven by the acquisition of Leden.
- Solid sales performance from Leden. Pro forma, HANZA and Leden sales amounted to 1,535 MSEK
- Organic growth resumed in “old HANZA” toward the end of the quarter.

## Earnings

- Adjusted operating profit reached a record 97 MSEK.
- Adjusted operating margin continued to improve sequentially to 7.3%, from 7.1% in Q4/24. (5.3 % in Q1/24).
- Leden reported 7.2% in March, its first month within HANZA.
- Adjusted EPS increased to SEK 1.14 (0.68), driven by improved profitability.



# Q1 Financials

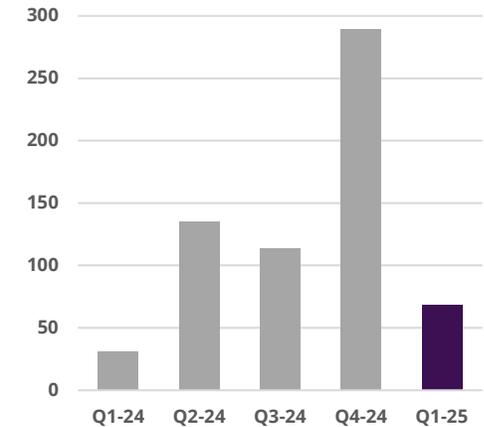
## Cash flow

- Positive cash flow is essential to support HANZA's rapid expansion.
- Operating cash flow amounted to 68 MSEK (31), in line with HANZA's track record of strong cash generation.
- Cash flow peaked in Q4/24 following the previous acquisition (see graph). Leden is also expected to contribute after our working capital activities.

## Financial position

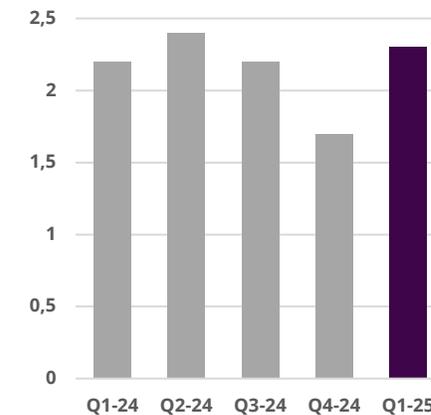
- The balance sheet remains solid post-acquisition, equity ratio of 34%.
- Net debt increased to 1,197 MSEK, mainly due to the Leden acquisition. Excluding acquisition, debt decreased by 86 MSEK.
- Net debt/EBITDA increased to 2.3 due to the Leden acquisition, below the 2.5x financial target. A gradual reduction is expected. (Compare with the acquisition Q1-24, see graph.)

## Cash flow development, MSEK



Cash flow from operations per quarter

## Net debt to EBITDA ratio development



Net interest-bearing debt divided by adjusted EBITDA, including acquisitions, by quarter



# Q1 Financials

## Segment Main markets

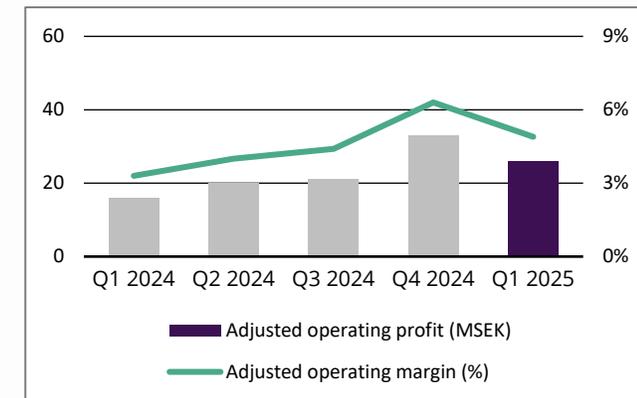
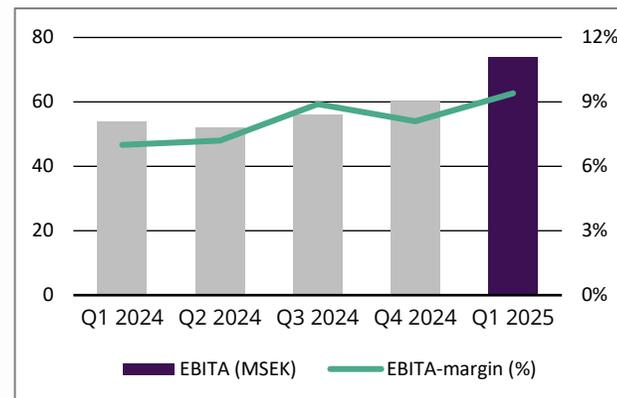
- Net sales up 2% to 787 MSEK (770)  
Sales down 6% adjusted for acquisitions and currency.
- Adjusted operating profit totaled 74 MSEK (54), corresponding to an operating margin of 9.4% (7.0) and for comparable units were 9.4%.
- Volume drop in Germany affects both sales and margin negatively.

## Segment Other markets

- Net sales up 11% to 535 MSEK (480) and 2% adjusted for acquisitions and currency.
- Adjusted operating profit totaled 26 MSEK (16), corresponding to an operating margin of 4.9 % (3.3 %) and for comparable units were 4.9 %.
- MIG™ projects contributes to sales and margin
- Non-core operations from Leden represent approximately 22 MSEK in sales in March, operating at a lower margin level.

## General

- Margins are affected to some extent by normal calendar effects.



= Main Markets

= Other Markets

# Ownership & Share

## Main owners as of 31 March 2025 %

Färna Invest AB	22.74
Francesco Franzé	8.25
Clearstream Banking S:A	5.69
Första AP-fonden	4.95
ODIN Fonder	4.14
Nordnet Pensionsförsäkring AB	3.98
Tredje AP-fonden	2.74
Nordea Bank ABP	2.46
Swedbank AS (Estonia)	2.25
Inbox Capital AB	2.19
10 largest shareholders	59.38

## Some shareholding updates

- Number of shares increased by 2,9 M to 44.0 M
- Proposed dividend 0.80 SEK (1.20) corresponding to 35 MSEK
- AGM will be held May 13
- CEO Erik Stenfors has continued to increase the ownership in 2025 and now holds 633,000 shares, corresponding to 1.4 %



## Conclusions and Outlook

### **HANZA 2025 completion**

→ Significant progress during the first quarter, with important activities completed. The integration of Leden is progressing well and HANZA has a strong financial position.

### **Tailormade market program**

→ While completing HANZA 2025, we have launched a targeted marketing initiative aimed at key market segments. This is expected to generate results already in 2025.

### **Embarking on HANZA 2028**

→ Preparing for the next operational and financial milestone, HANZA 2028. Using on our scalable platform, we aim to take the next leap in growth and operational performance.



# Q & A





# Manufacturing made easy



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