

HANSAMATRIX



Innovator and Manufacturing Solution High-Tech Group

Company presentation – CEO meets Investors

November 26, 2018



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Investment case

Overview

- Complete B2B solutions with full range of design, industrialisation and manufacture of high tech products
- One of the leading Nordic and Baltic electronic system development and manufacturing companies

Key strengths

- Full utilisation of their intellectual and technical capacities
- Knowledge intensive technologies and lean, efficient and cost-effective volume manufacturing operation
- Operates 2 modern, high capacity plants and develops R&D team and site
- In business since 1999 and established BRAND

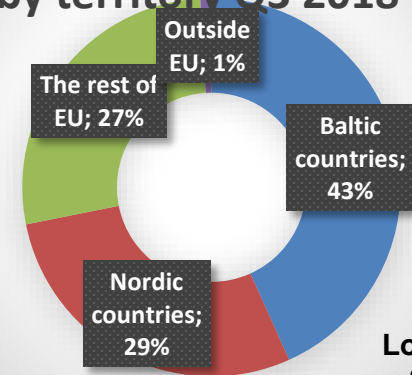
Strategy

- Clear focus on growth: expand capacity by investing in high tech product manufacturing capacity and development
- Product and manufacturing knowledge development for future tech needs

Investment opportunity

- Company has platform and knowledge for growth
- Experienced and technically skilled management
- Direct exposure to strong Baltic macro story

21 MEUR TTM Sales split by territory Q3 2018

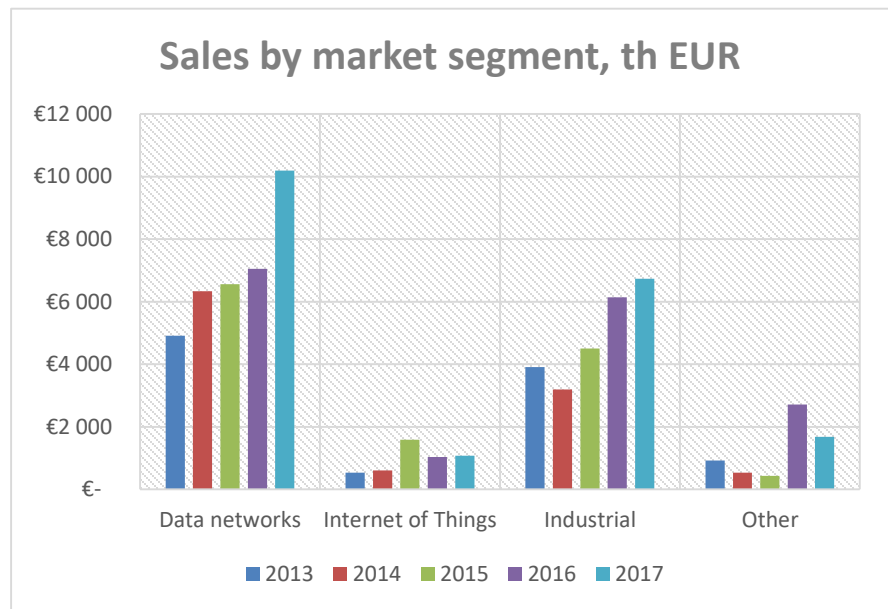


Locations of plants



Company in focus

- Complete solutions in electronics product development and manufacturing
- Core operations have stable growth results and margins
- From 2012 to 2017 the annual sales growth on average 21.6%
- A leading manufacturing facility of its kind in the Nordic/Baltic region with a focus on automation



Internet of Things: is the network of physical objects or "things" embedded with electronics, software, sensors, and network connectivity, which enables these objects to collect and exchange data

EURm	2012	2013	2014	2015	2016	2017
Net turnover	7.4	10.3	10.7	13.4	16.9	19.7
Cost of sales	-5.4	-8.1	-8.6	-10.7	-14.7	-15.9
Gross profit	2.0	2.2	2.1	2.7	2.3	3.7
Operating profit	0.9	0.9	0.9	1.5	0.8	1.9
Net profit	0.8	0.8	-2.0	1.1	0.6	1.7
EBITDA	1.8	1.8	1.8	2.5	2.2	3.7
Net Debt	6.2	5.3	6.0	5.7	5.7	4.5

2014 one off loss due to Hanza Holding AB shares sold and related impairment totaling EUR 2.6m

Source: HansaMatrix annual consolidated reports

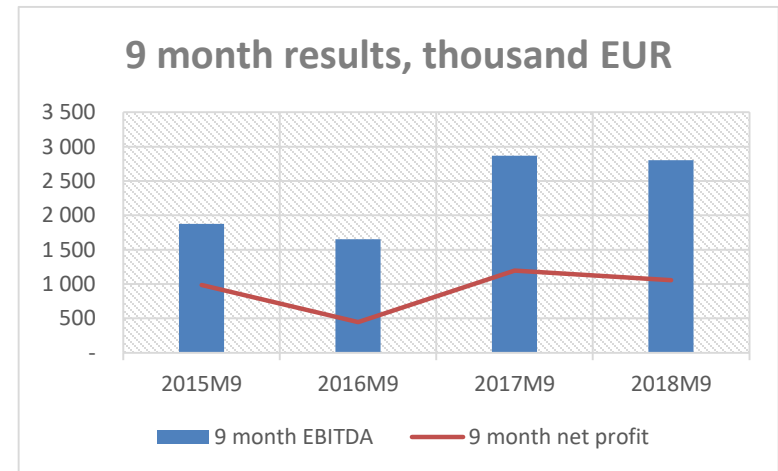
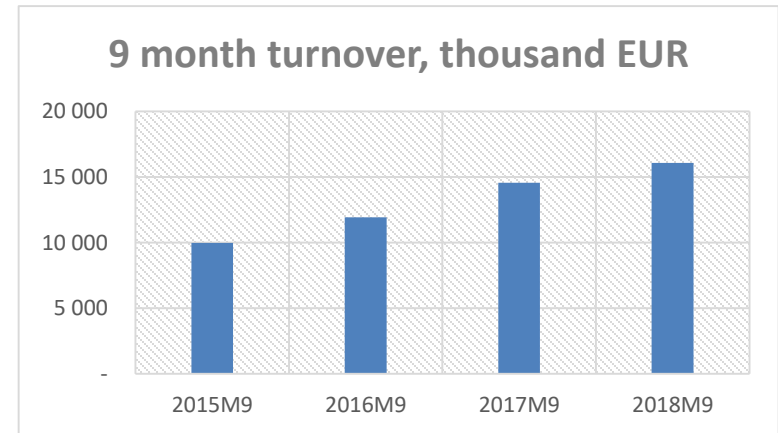
HansaMatrix Reinvented

- Transformation of EMS into ODM, and further into Product knowledge company (like Lenovo, Qantas, Foxconn, e.a.)
- HansaMatrix Reinvented:
 - Fast time to market integrated manufacturing house for complex electronic/boxbuild/optical products from prototypes to medium volume production (experienced team in setting up and expanding manufacturing facilities)
 - Innovation labs with R&D team and prototype fabrication with ongoing product development projects in Medical products, Internet of Things hardware, Optical products, structured light projection, AR/VR hardware
 - Product arm with investments in LightSpace Technologies, EUROLCDs and Buildit accelerator. Globally leading liquid crystal diffuser technology (with own production) and Volumetric 3D image display technology for professional use (science, medicine, defence) and consumer use (AR/VR, automotive and gaming)



2018 - 9 Month results

- Turnover – 16.09 M EUR - increase by 11% from 2017 9 months period;
- EBITDA result – 2.80 M EUR – decrease by 2% from 2017 9 months period;
- Net profit – 1.06 M EUR – decrease by 11% from 2017 9 months period;
- 9 months EBITDA margin of 17.4% and net profit margin of 6.6%
- Several factors contributed to turnover slow down in Q3 and slight profit decline:
 - Ongoing deficit of some important electronic components;
 - Yearly salary inflation ~10% which puts pressure on salary increase;
 - Fire accident at client's warehouse that impacted turnover for several months



Recent and upcoming events

- 2018-10-31 The European Investment Bank (EIB) has approved 10 million EUR long-term quasi equity financing facility in support of HansaMatrix group's planned investments, which total 20 million EUR in the years 2018-2020.
- 2018-10-31 HansaMatrix has signed contract and received purchase order in amount of 3 million USD to supply high complexity electronic assemblies over period of years 2019-2020 to industrial segment corporate customer with location outside EU. Customer name according to the contract remains confidential.
- Announced company webinar on Q3 and 9m company results – November 28, 9:00
- Announced extraordinary shareholder meeting on November 30, 10:00



Guidance statement

- From the time of listing in 2016 the Company has already provided investors and its shareholders guidance on revenues for the period up to the year 2018, forecasting annual revenues to reach 20 million EUR by year 2018. As we are in the Year 2018 this guidance confidently fullfills.
- At the 2019 HansaMatrix estimate of gross revenues for the coming 3 year period:
 - ✓ revenue by year 2020: to reach 30 million EUR
 - ✓ EBITDA margin by year 2020: to be between 12 to 15%



Dividend policy

- The Company intends to pay dividends each year. However the exact payout ratio will be dependent on several factors including (but not limited to):
 - Absolute profitability levels in a particular year
 - Investment opportunities
- Year 2016 dividend in the amount of EUR 0.03 per share (approx 10% of net profit) was paid on May 25, 2017
- Year 2017 dividend in the amount of EUR 0.08 per share (approx 10% of net profit) was distributed in two tranches –
 - the first EUR 0.04 per share at May 25, 2018 (May 23, 2018 as Ex-date, May 24, 2018 as Record date);
 - the second EUR 0.04 per share at November 15, 2018 (November 13, 2018 as Ex-date, November 14, 2018, as a Record date)





Thank you!

