

Press Release

13 October 2020, 08:00 CEST

HANDICARE PUBLISHES PRELIMINARY EARNINGS FOR THE THIRD QUARTER OF 2020

Today, Handicare, a global market leader in stairlifts, publishes preliminary earnings for the third quarter of 2020 due to higher profit than market expectations.

The preliminary third quarter results are expected to substantially exceed market expectations as a result of the successful establishment of a more competitive cost base as well as key stairlift markets recovering significantly after a period of lockdowns.

Adjusted EBITA for the third quarter is anticipated to be EUR 6.1 million which represents a margin of 11.5%, compared to EUR 3.9 million (6.5%) for the corresponding period in 2019. Adjusted EBITDA is anticipated to be EUR 7.7 million which represents a margin of 14.4%. Revenues for the quarter are anticipated at EUR 53.2 million, compared to EUR 55.3¹ million for the corresponding period in 2019. Revenues in Handicare's key focus area, Accessibility, is anticipated at EUR 40.7 million, compared to EUR 38.7 million for the corresponding period in 2019 resulting in an organic growth of 6.2%.

The improvement in earnings is mainly the result of key stairlift markets, including North America, and the core European markets opening up again after months of restrictions due to the pandemic. This has together with the successful completion of the structural cost reductions initiatives part of the Lift Up Program contributed to the overall improvement in profit. Handicare's financial position and cash flow have continued to improve and the leverage ratio (net debt / adjusted LTM EBITDA, excluding IFRS16) is anticipated at 1.3x for the third quarter.

All figures presented in this press release are preliminary and unaudited. The final report for the third quarter will be published at 8:00 a.m. CET on 5 November 2020. Handicare will not provide any additional comments or details until after the full report has been published.

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This information is information that Handicare Group AB (publ) is required to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CET on 13 October 2020.

Note 1: Excluding the divested entity Vehicle Accessibility Denmark.

About Handicare

Handicare offers solutions to increase the independence of disabled or elderly people, and to facilitate for their care providers and family. The offering encompasses a comprehensive range of curved and straight stairlifts, transfer, lifting and repositioning aids and vehicle adaptations. Handicare is a global company with sales in more than 40 countries and is one of the market leaders in this field. The head office is in Stockholm, Sweden and manufacturing and assembly is located at four sites distributed across North America, Asia and Europe. In the twelve-month period to June 2020, revenue amounted to MEUR 214 and the adjusted EBITA margin was 5.1%. Employees amounted to 850 and the share is listed on Nasdaq Stockholm. For more information, www.handicaregroup.com.