



PRESS RELEASE

Halmstad, April 16, 2024

CORRECTION: Missing MAR label in previous press release - "HMS Networks realize immediate cost synergies and launches cost-saving program to streamline the organization".

HMS Networks (publ) issues a correction to the press release published earlier today – “HMS Networks realizes immediate cost synergies and launches cost saving program to streamline the organization”. The correction refers to the fact that the press release did not have a MAR label referring to the EU Market Abuse Regulation (MAR). The following information should have been included in the press release: "This information is such that HMS Networks AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 7:30 CEST on April 16, 2024." The correct press release is published below in its entirety.

Halmstad, April 16, 2024 - Following the closing of the acquisition of Red Lion Controls (“Red Lion”) on April 2, 2024, HMS and Red Lion have started the work of realizing synergies between the companies and hereby announces immediate cost synergies. Additionally, as a result of strong organic growth the last few years, and a dampened market demand experienced over the recent quarters and a slower market recovery, HMS is now initiating a cost-saving program to reduce the costs and streamline the organization to be positioned for further growth.

The main initiatives of the program will be to realize early cost synergies from the acquisition of Red Lion and a restructuring of the Anybus organization, but also a fine-tuning of the European organization. The program is expected to affect approximately 45 positions in total, of which approximately 25 positions in Sweden, and result in cost savings of about SEK 30 million in 2024, with a full year effect of about SEK 55 million. As a result of the program, HMS will commence negotiations with labor unions in Sweden.

The expected cost savings will gradually materialize during the second quarter of 2024, with full impact from the start of the third quarter of 2024. As a result of the cost-saving program, the company expects one-time restructuring costs of approximately SEK 35 million during the second quarter.

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This information is such that HMS Networks AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 12:00 CEST on April 16, 2024.

HMS Networks AB (publ) is a market-leading provider of solutions in Industrial Information and Communication Technology (Industrial ICT) and employs over 1 200 people. Local sales and support are handled through over 20 sales offices all over the world, as well as through a wide network of distributors and partners. HMS reported sales of SEK 3,025 million in 2023 and is listed on the NASDAQ OMX in Stockholm in the Large Cap segment and Telecommunications sector.