Q3 2023

Jon Erik Engeset, CEO
David Bandele, CFO

9 November 2023

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Key highlights

- **Strong growth in revenues and profitability year-over-year**
- **Record high activity for Mobile Pipeline**
- **Strategic review of Hexagon Ragasco initiated**
- **Significant orders announced since end Q2:**
    - Hexagon Agility: NOK ~1.1 billion
    - Hexagon Ragasco: EUR 20 million

Driving Energy Transformation

In the first three quarters of 2023, our solutions enabled the avoidance of

1,034,900

metric tons of CO_2 equivalents

Equal to 250,000 petroleum cars off the road for one year

Q3 2023 Key financials

Revenues
NOK **1,252** million
(NOK 1,080 million)

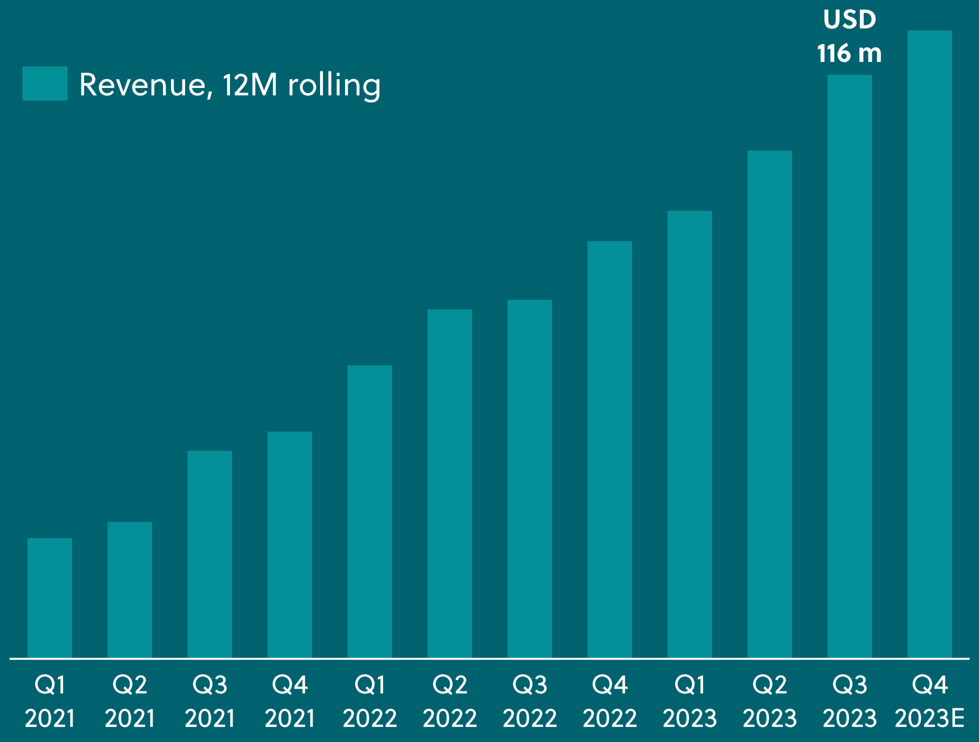
EBITDA
NOK **124** million*)
(NOK 68 million)

EBITDA margin
10%
(6%)

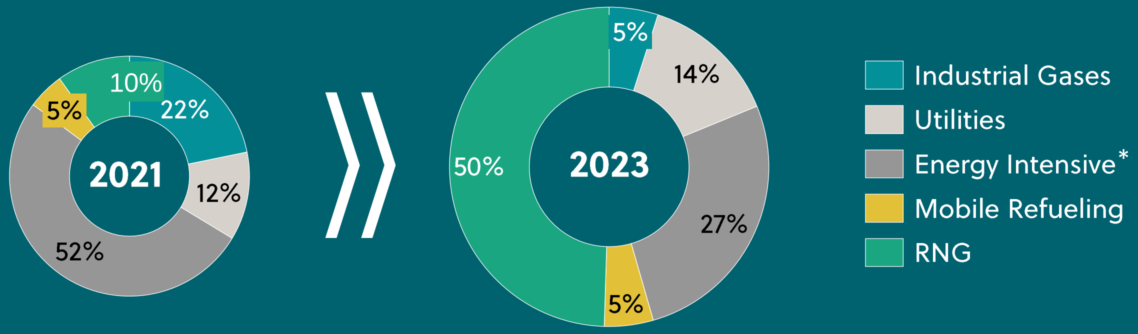
**) Including NOK 12 million of costs releated to Hexagon Ragasco strategic review*

Mobile Pipeline

Mobile Pipeline revenue development
USDm



Customer segmentation development and key comments



- Strategic shift towards RNG
- Substantial opportunities in other key markets
  - Europe, Latin America and Middle East

*Includes oil & gas customers.

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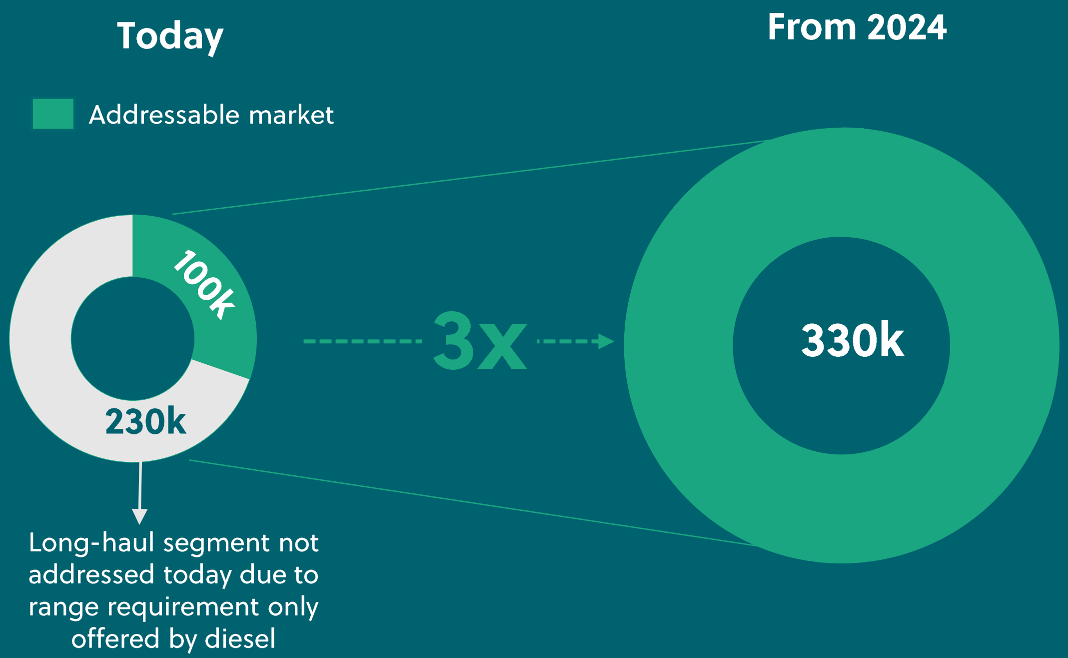
Next generation natural gas engine (X15N) expected to be launched mid-2024

- First OEMs expected to open order books in January 2024 – deliveries from Q3 2024
- Certification of X15N expected mid 2024 with production commencing in 2H 2024
- **25** field test units including **Hexagon Agility customers UPS and Matheson**

US heavy-duty truck addressable market for natural gas solutions
(# trucks sold per year)



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2020-24 capacity investment program in Hexagon Agility allows for growth well above 2025 target

Major capex initiatives 2020-2024

2020-2022	2023	2024
Expanding cylinder capacity for Truck in **Lincoln, NE**	Expanding cylinder capacity for Truck in **Lincoln, NE**	Upgrading cylinder capacity for Mobile Pipeline in **Lincoln, NE**
Expanding cylinder capacity for Transit Bus in **Kassel, Germany**	Establishing assembly capacity for Mobile Pipeline in **Kassel, Germany**	Establishing cylinder capacity for Truck in **Salisbury, NC**
		Moving assembly capacity for Transit Bus from Raufoss, Norway to **Kassel, Germany**
		Expanding assembly and installation capacity for Truck and moving from Fontana to **Rialto, CA**

Group financial targets 2025

Revenue
>NOK 6bn

EBITDA
15% margin

USD ~55m aggregated capacity investments

~200% increase in Truck and Bus cylinder capacity

~35% increase in Mobile Pipeline cylinder capacity

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Capacity expansion in Salisbury

Footprint allows 4 additional lines at attractive incremental cost if / when required

2024

2 new production lines

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Hexagon Ragasco continues expanding customer base

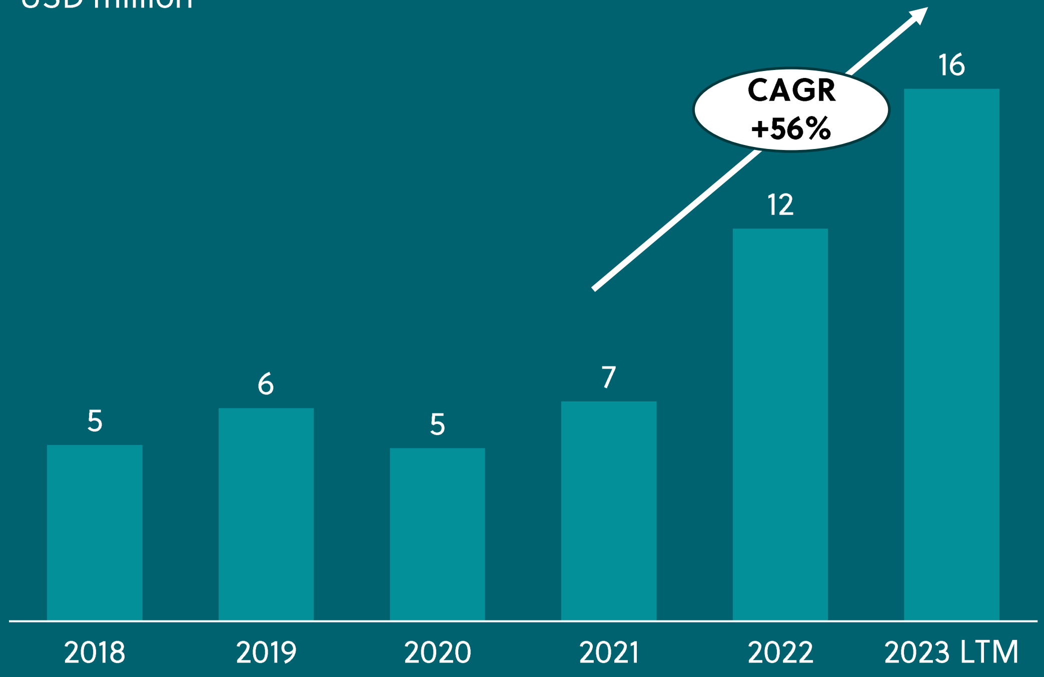
Five-year distribution agreement with Gasco in Saudi-Arabia

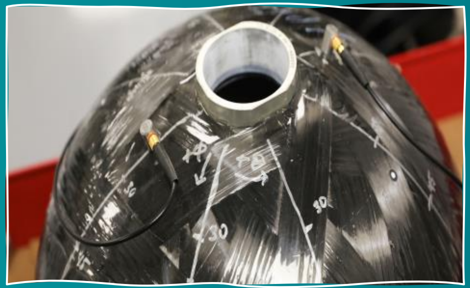
- **Five-year** contract (2023-2028)
  - Deliveries starting in Q1 2024
- Total value around **EUR 20 million**

New customers acquired 2022-2023 YTD

Hexagon Digital Wave - smart growth

Revenue
USD million





Modal Acoustic Emissions

Composite cylinder testing and requalification services (Type 4)

Ultrasonic Examination

Metallic cylinder testing machines, software subscription and services (Type 1)

Smart Systems

Automation, optimization, telemetry and monitoring solutions

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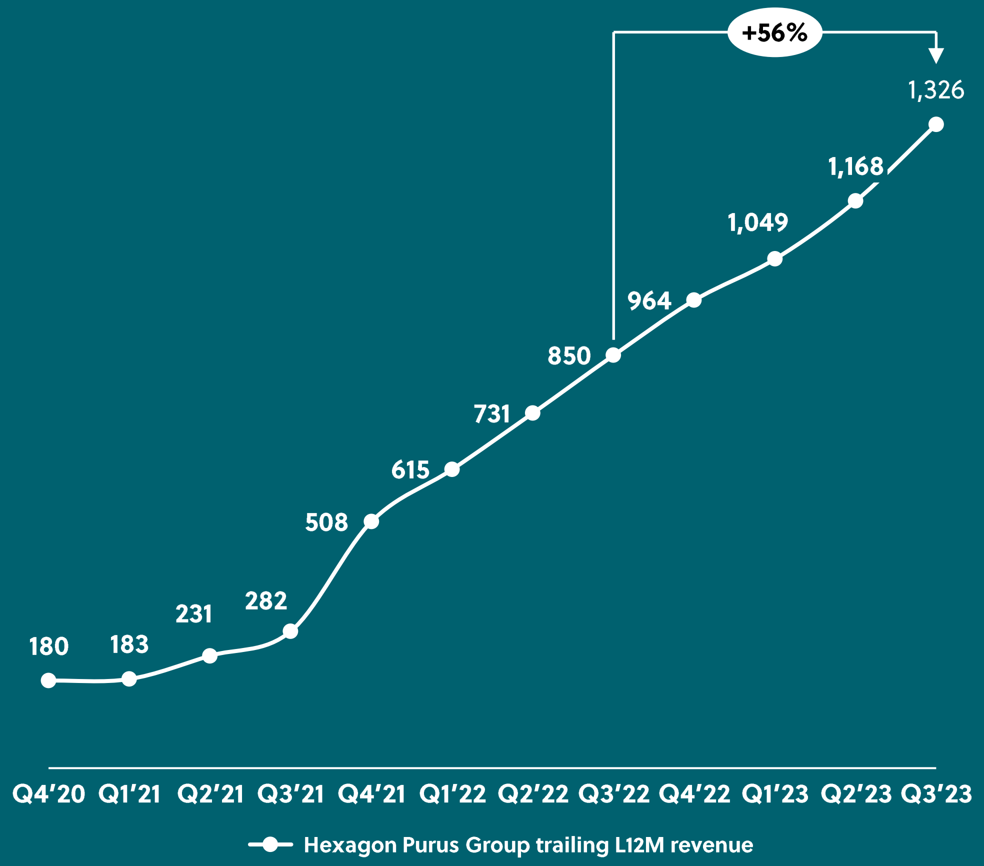
Hexagon Purus
Continued revenue growth, strong order book

Last 12 months revenue is up 56% YoY



Highlights

- **Strong momentum** for hydrogen infrastructure solutions
- **Inaugurated new hydrogen** cylinder production hub in Kassel, Germany
- **Strong order backlog** with firm purchase orders of approximately NOK 1.1 billion
- Frame agreements supporting 2025 target of NOK 4-5bn revenue and EBITDA break-even

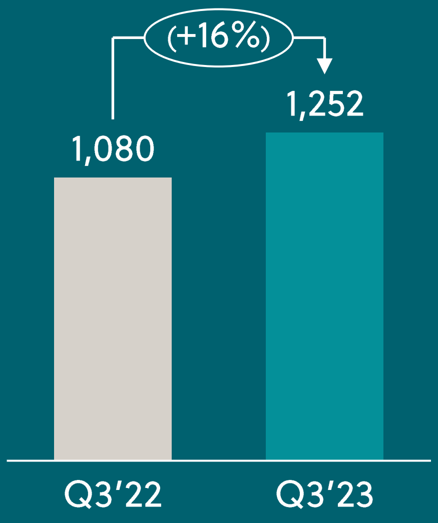
Financials


FRONT
HEXAGON AGILITY
Driving energy transformation
COAXIS energy
C607
Powered by Natural Gas

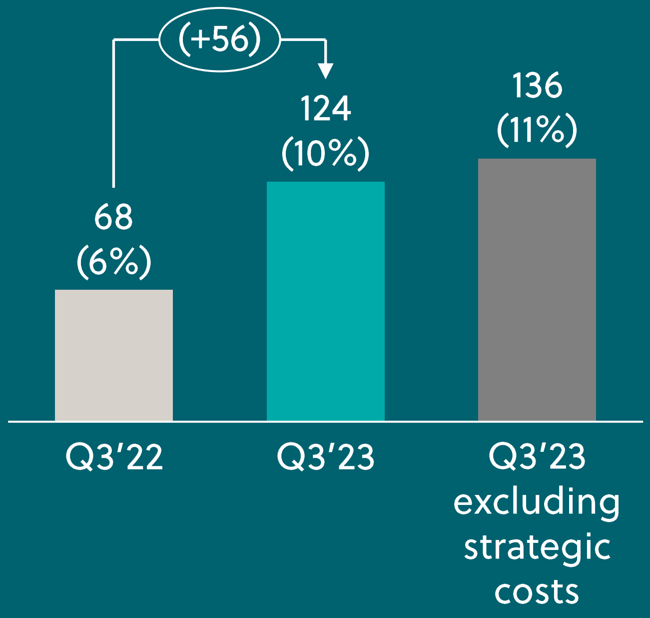
Financial highlights | Q3 2023

Hexagon Group

Revenue
NOKm



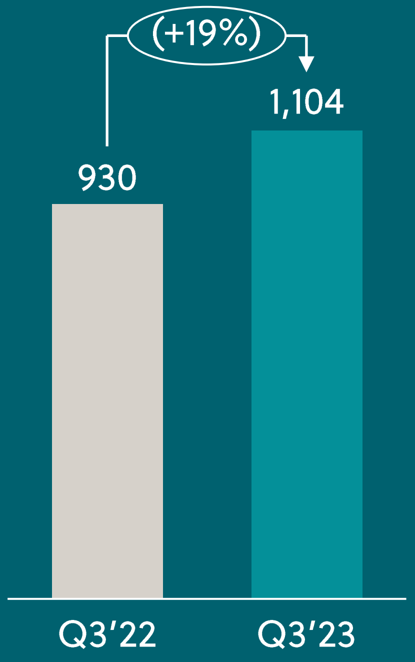
EBITDA
NOKm



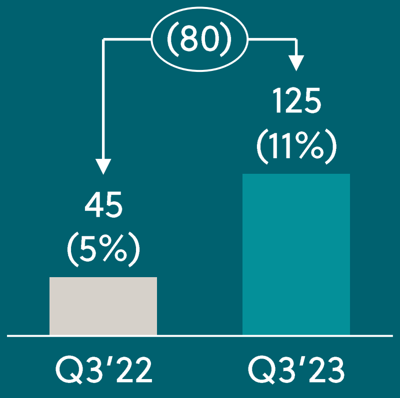
- **16% revenue growth** driven by continued growth in Hexagon Agility
- Significantly **improved margins** in Hexagon Agility
- Close to **doubling** year-over year **EBITDA**
  - Includes NOK 12 million of costs related to strategic review of Hexagon Ragasco

Hexagon Agility | Q3 2023

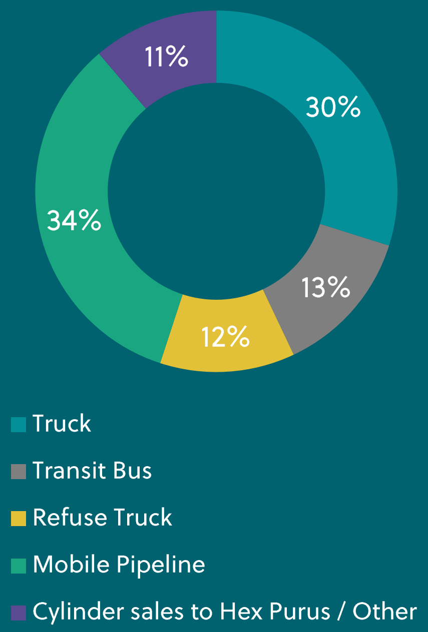
Revenue
NOKm



EBITDA
NOKm



Revenue split



- **19% revenue growth**
  - Record Mobile Pipeline & strong -sales to Hexagon Purus
  - Solid Refuse Truck & Transit bus volumes
  - Lower y-o-y Heavy-Duty Truck; however improved q-o-q
- **Recovering margins**
  - Effects of higher pricing realized through P&L
  - Stable but high carbon fiber input cost

Diversified revenue streams supporting critical infrastructure and decarbonization targets

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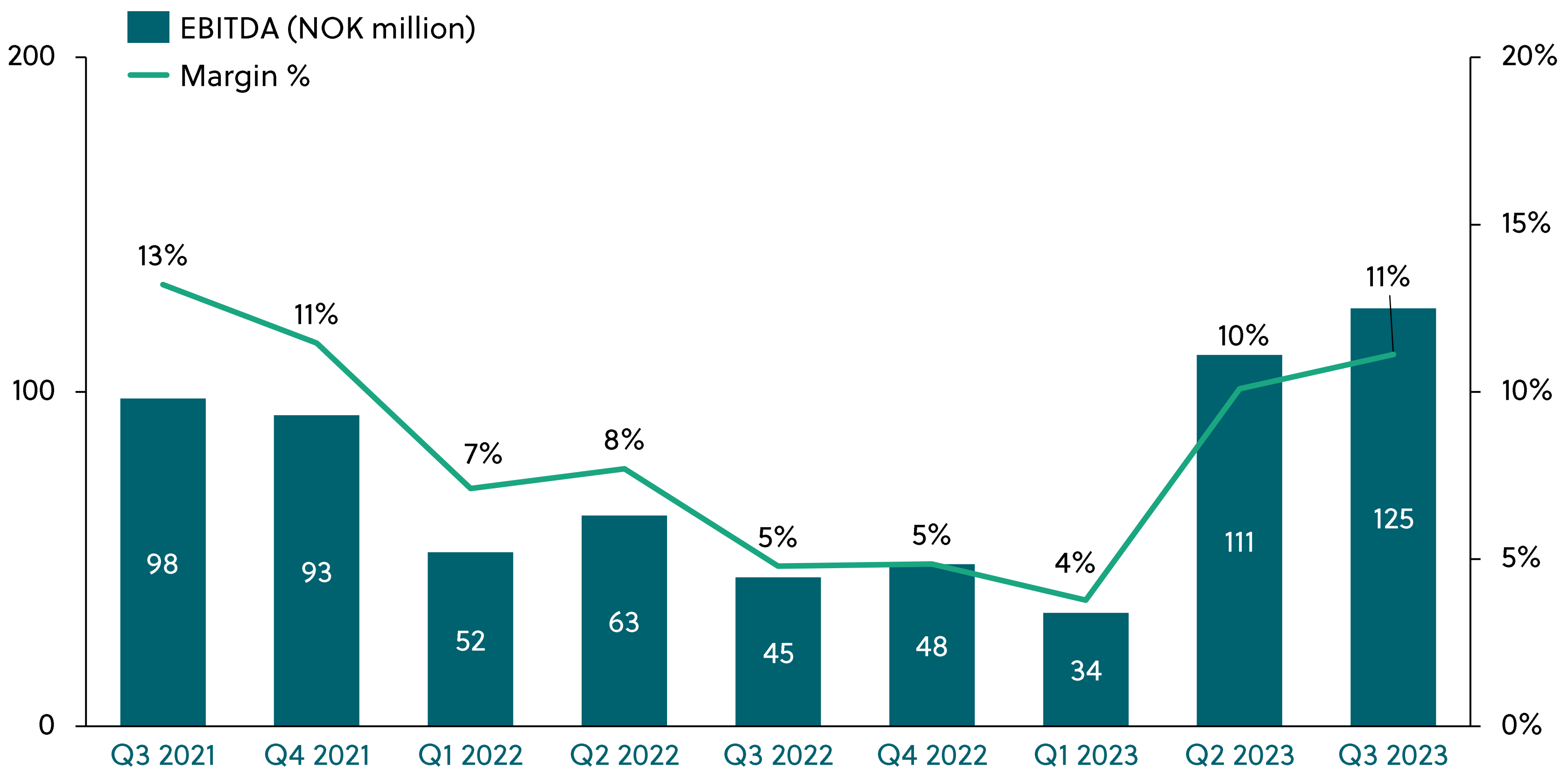
Hexagon Agility EBITDA margin progression

Quarterly EBITDA and Margin



Pricing effects are mitigating cost inflation

Short-term, margins can improve further with volume

Medium-term, margins will improve further with sustainable productivity gains and scale from new 15L natural gas engine launch

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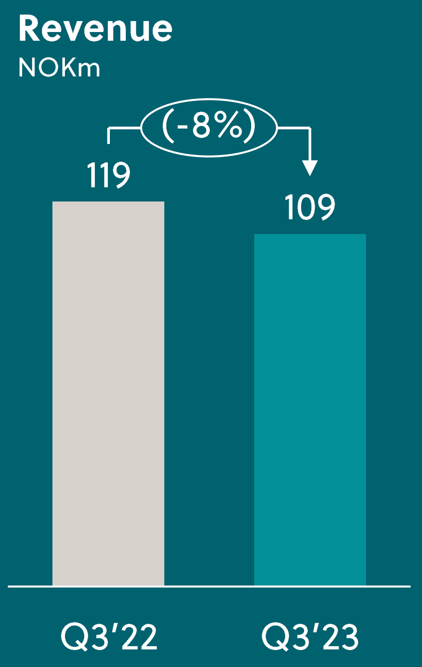
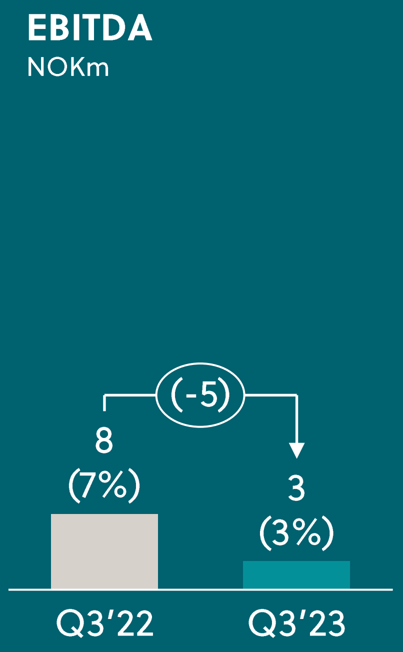
Hexagon Ragasco | Q3 2023



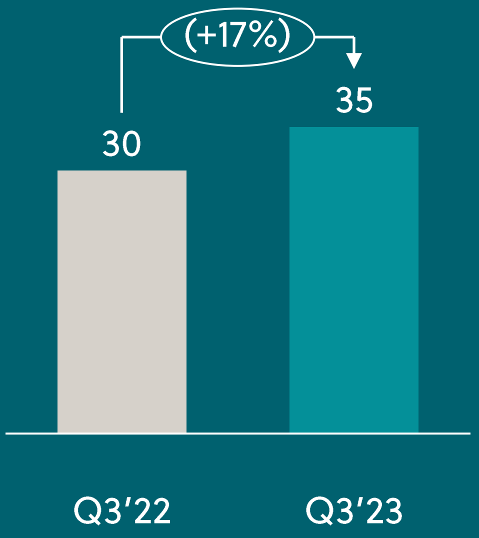


- **Seasonally low revenues**
  - Weak volumes in Europe
  - Strong growth in Middle-East and African volumes
- **Profitability:**
  - Margins impacted mainly by lower volumes

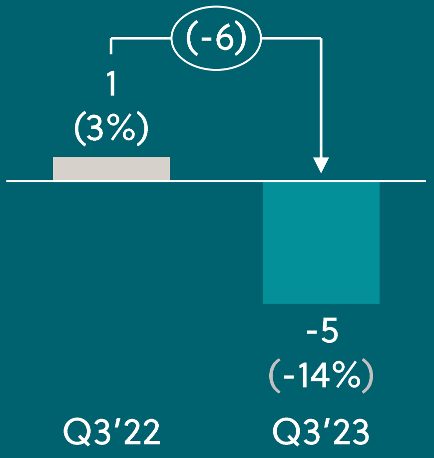
Resilient business with growing global customer base

Hexagon Digital Wave | Q3 2023

Revenue
NOKm



EBITDA
NOKm



- **3x growth** in services (MAE) business[1]
- Lower machine sales in product (UE) business[1]; timing related
- **Investment in operational** capacity weigh on margins

Modal Acoustic Emission (MAE) technology is core to Hexagon's product differentiation strategy and certified pre-owned program

1) *UE =Ultrasonic Examination machines, MAE= Modal Acoustic Emission testing*

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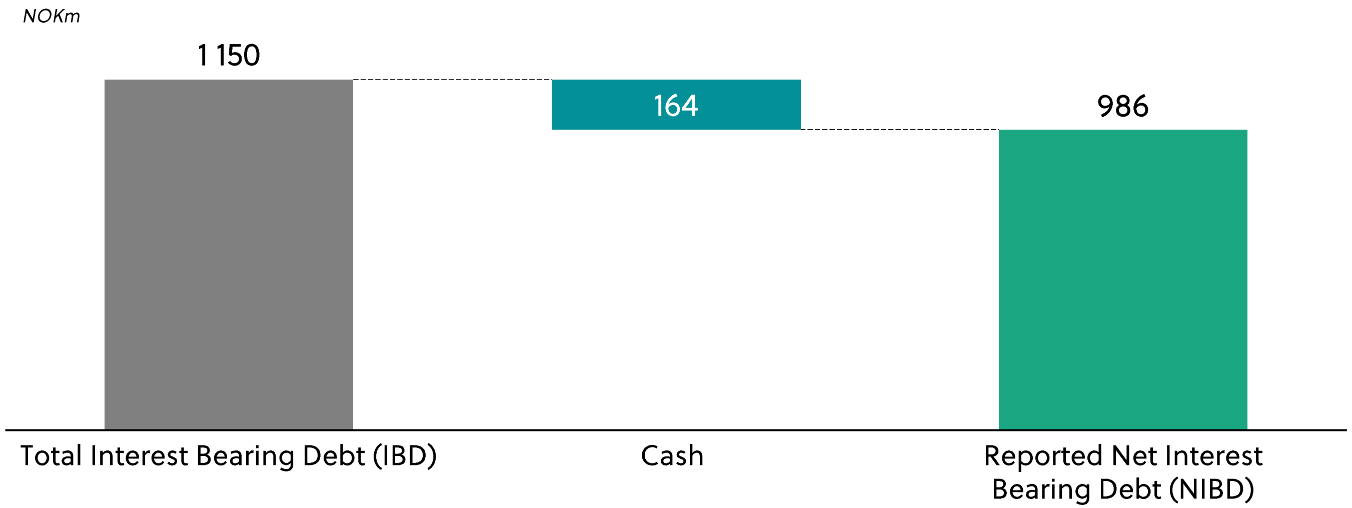
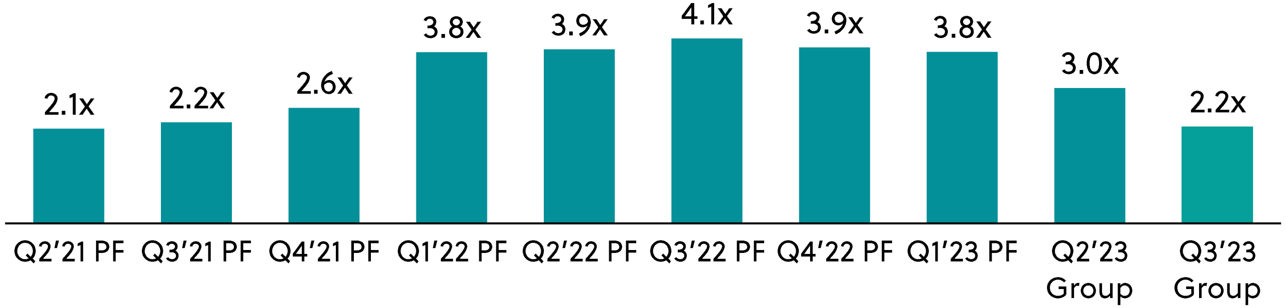
Hexagon Group leverage



NIBD/EBITDA LTM



- **As at Q3, Hexagon Group has NOK 711 million in available liquidity**
  - Total NIBD of NOK 986 million
  - NIBD/EBITDA leverage of **2.2x**

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Outlook

Hexagon Group 2023 outlook

Solid backlog and focus on operational output to deliver on rest of year

HEXAGON AGILITY

Mobile Pipeline
Strong RNG driven growth with healthy backlog for 2024

Transit & Refuse
Resilient volumes

Heavy-Duty Truck
Q4 order book healthy with backlog extending into 2024; US OEM strike activity may delay small portion of revenues into 2024

HEXAGON RAGASCO

LPG cylinders
Seasonally lower H2 2023; expect some pick up in Q4 vs Q3 2023 but weaker **LPG cylinder** than Q4 2022 primarily due to order postponements

HEXAGON DIGITAL WAVE

Cylinder testing and inspection technologies
Continued growth of Ultrasonic Examination products and Modal Acoustic Emission trailer requalification services expected

Revenue

Solid Group topline expected for Q4

EBITDA

Expecting 2023 full year margin at similar level as YTD

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Key takeaways

Strong top-line growth

Margin improvement through 2023

Hexagon Purus equity accounted for from Q3 2023

2025 Targets Hexagon Group

Revenue: >NOK 6bn
EBITDA margin: ~15%

Q&A

Appendix

Investor relations information

Exchange

Ticker symbol: HEX
ISIN: NO0003067902
Exchange: Oslo Børs

Market cap

NOK ~5.3 bn

Market capitalization

Investor base

~ 5,480

Shareholders

~ 60%
International ownership

Financial calendar 2023

Q3'23	9 November
Q4'23	14 February

Equity analyst coverage

ABG
Carnegie
Danske Bank
DNB
Nordea
SEB
Sparebank 1

For details, please visit our **website**

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[1] based on share price as of market close on 8 November 2023.

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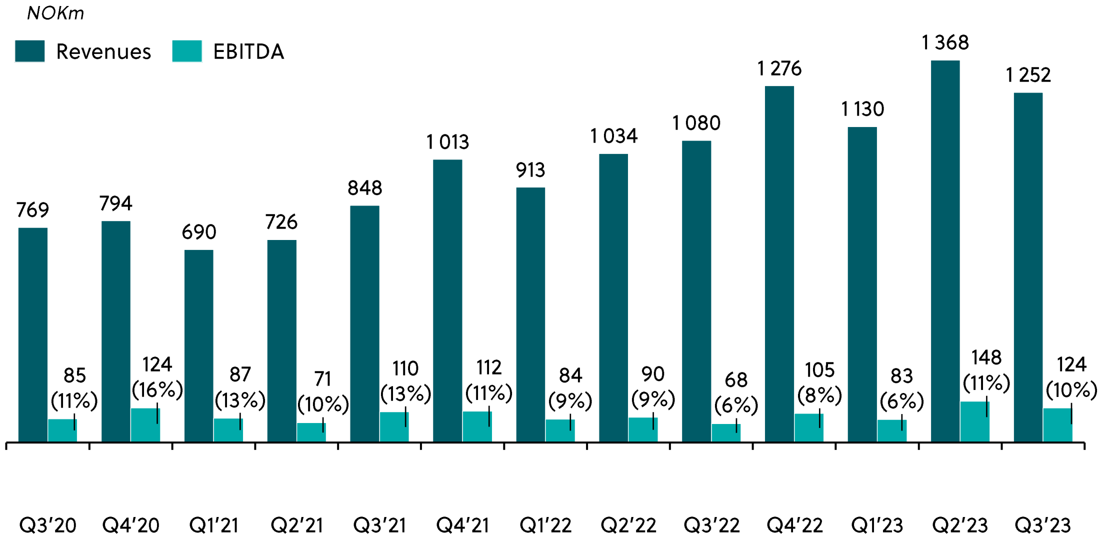
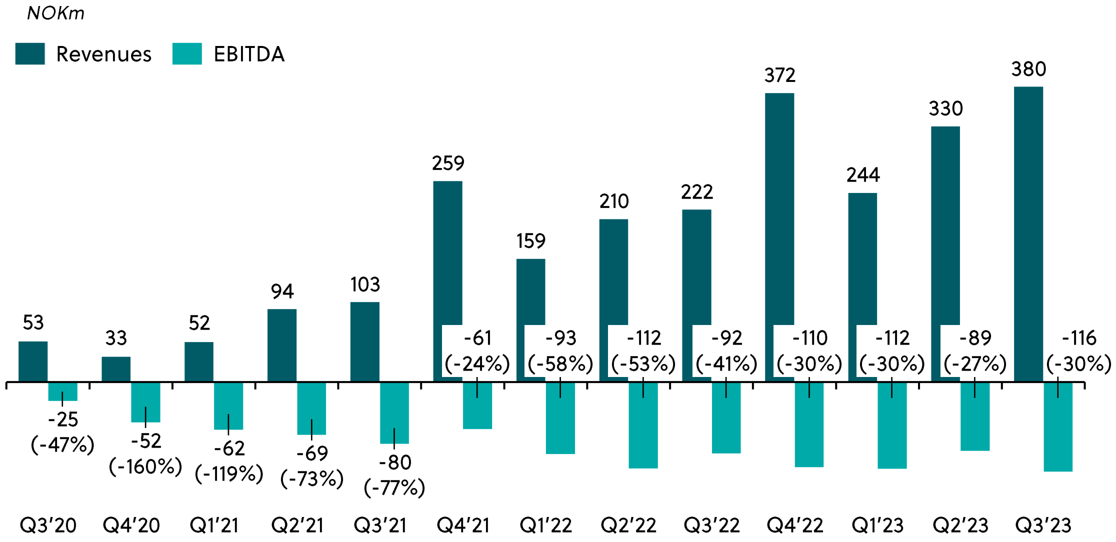
Hexagon proforma financial highlights (1/3)

Hexagon Group (excluding Hexagon Purus)*



Hexagon Purus*



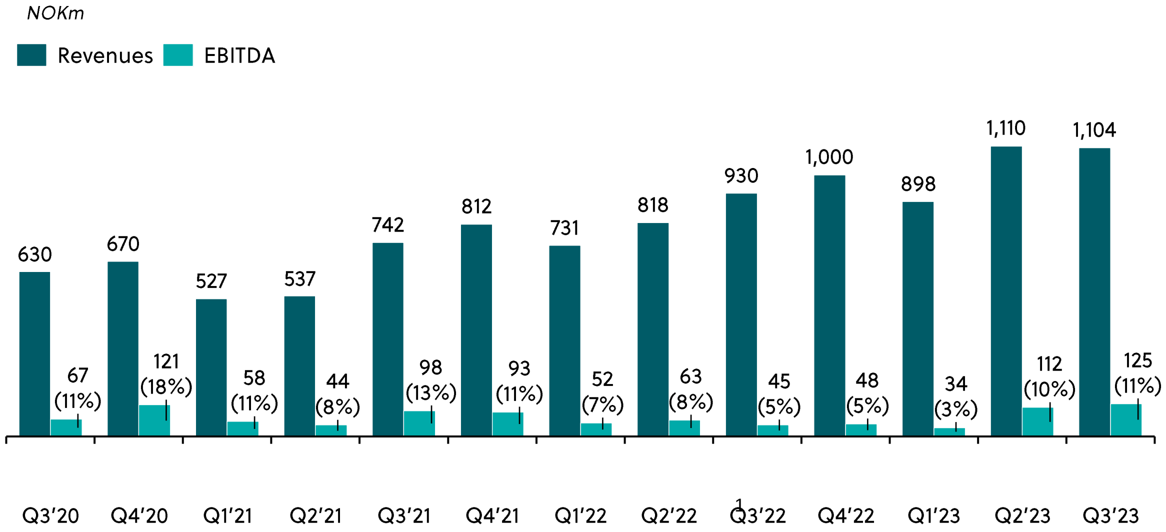
- **Hexagon (excl. Hexagon Purus) provides clean solutions with strong ESG benefits**
  - Hexagon Agility**: (renewable) natural gas clean mobility solutions
  - Hexagon Ragasco: Portable LPG cylinders for household and leisure applications
  - Digital Wave: smart technology for monitoring and testing of cylinder systems and creating circular economy by extending life expectancy

- **Hexagon Purus provides clean and sustainable fuel solutions for battery electric and hydrogen vehicles**

**2020: preliminary unaudited pro-forma figures after adjusting for reorganizations; 2021 segment reported and is after central/corporate and eliminations within the segments*
*** previously referred to as g-mobility and being rebranded to be consistent with other reported segments and ahead of transferring operational responsibility of CNG LDV business to Hexagon Agility by 1.1.22*

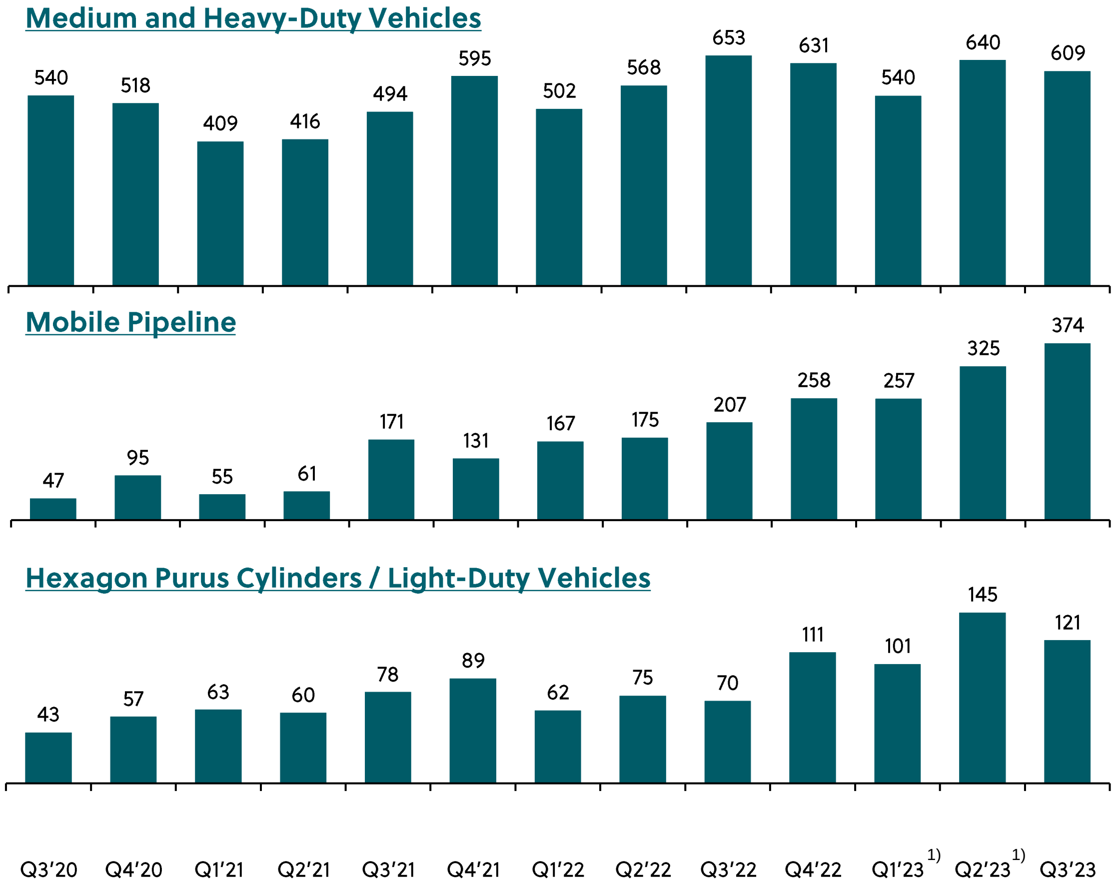
Segment proforma financial highlights (2/3)

Hexagon Agility*



- Hexagon Agility provides (renewable) natural gas clean mobility solutions for Heavy and Medium Duty Vehicles, Mobile Pipeline, and Light-Duty Vehicles
- Global leading provider within markets including Heavy-Duty/ Medium-Duty Trucks, Refuse Truck, Transit Bus, Gas Transportation, Mobile Refueling units and Passenger cars

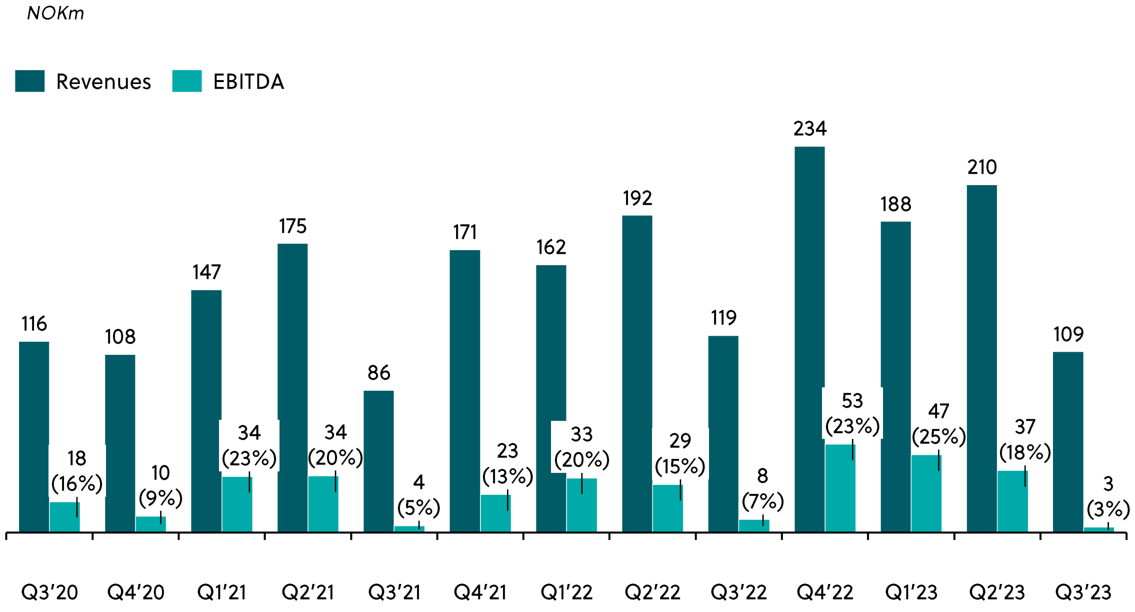
Hexagon Agility split (after eliminations)* NOKm



*Previously referred to as g-mobility and being rebranded to be consistent with other reported segments and ahead of transferring operational responsibility of CNG LDV business to Hexagon Agility by 1.1.22; 2020: preliminary unaudited pro-forma figures after adjusting for reorganizations; 2021 segment reported
1) Corrected compared to previous quarters due to reclassifications.

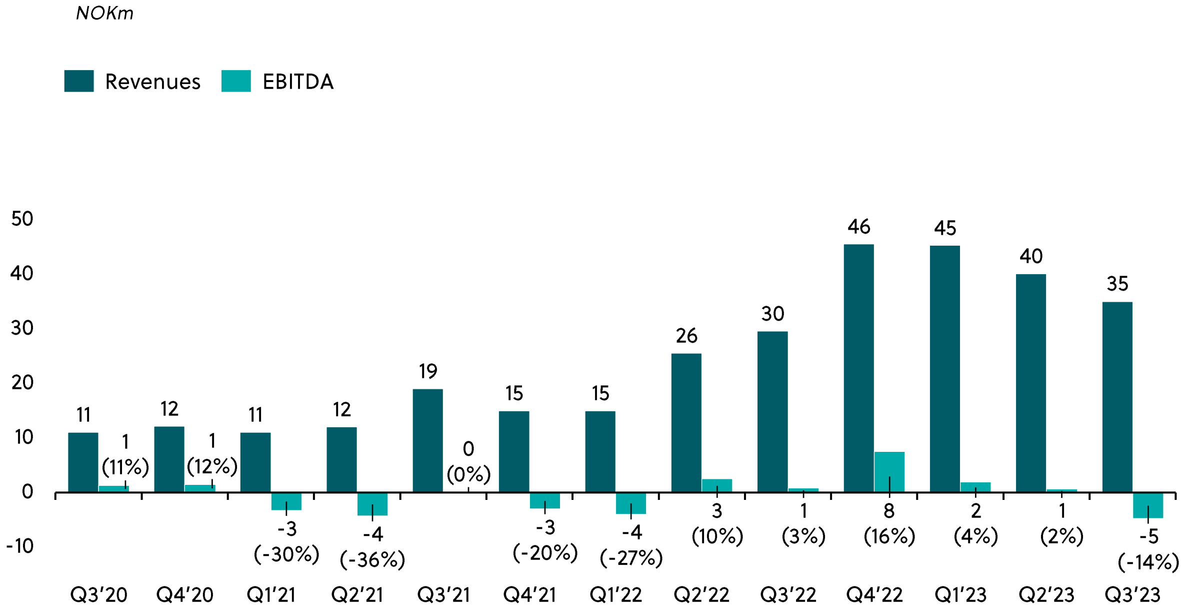
Segment proforma financial highlights (3/3)

Hexagon Ragasco



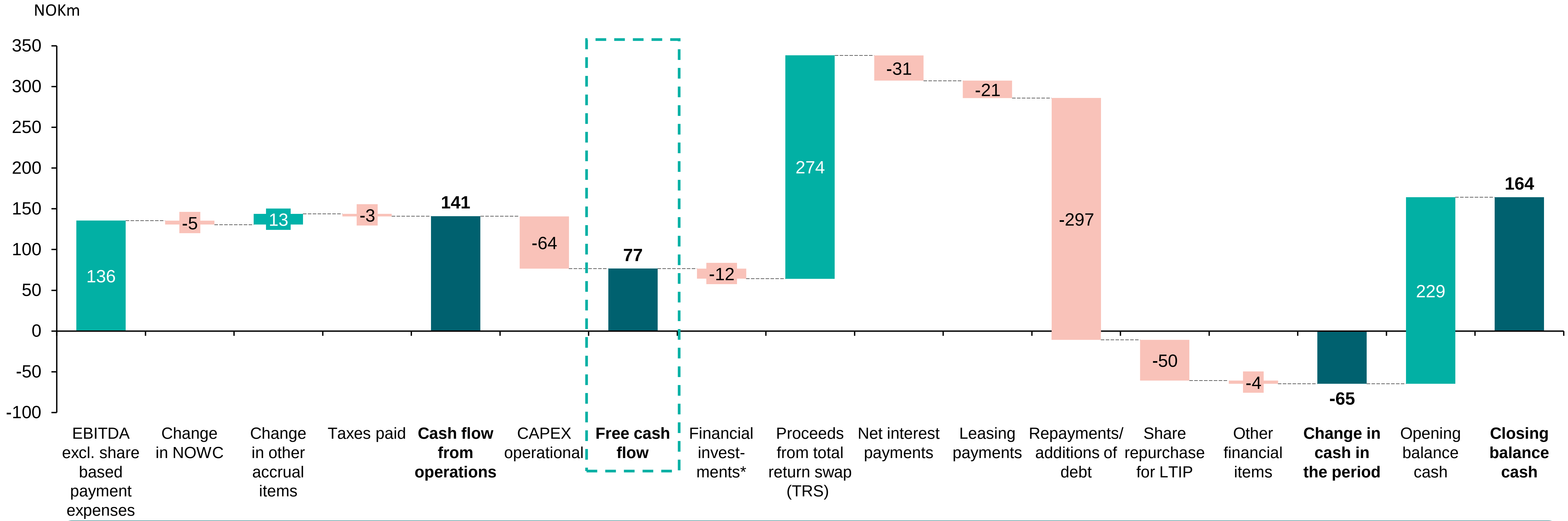
- World leading provider of LPG composite cylinders
- Delivered over 20 million cylinders worldwide
- Strategic agenda include IoT and digitalization providing connectivity and driving value chain transformation

Hexagon Digital Wave



- Proprietary safety technology – Modal Acoustic Emission (MAE) technology for testing and certifying cylinders
- Strategic agenda include cylinder digitalization with real-timing monitoring, testing and certification, creating a circular economy through enabling life extension

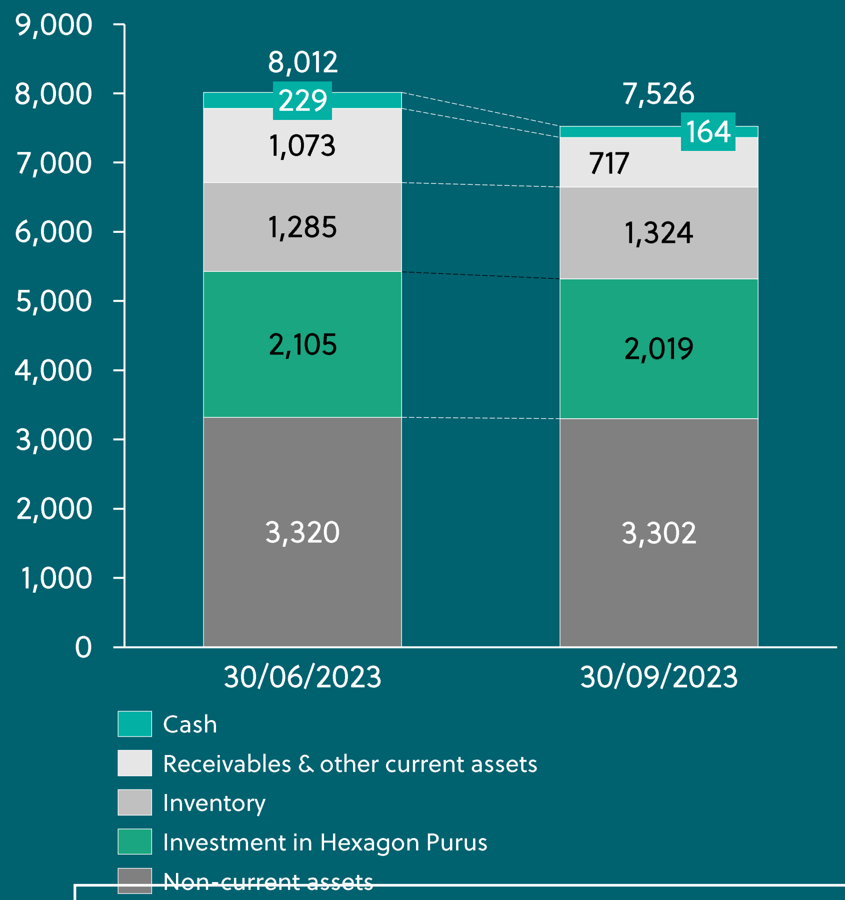
Group cash Q3 2023

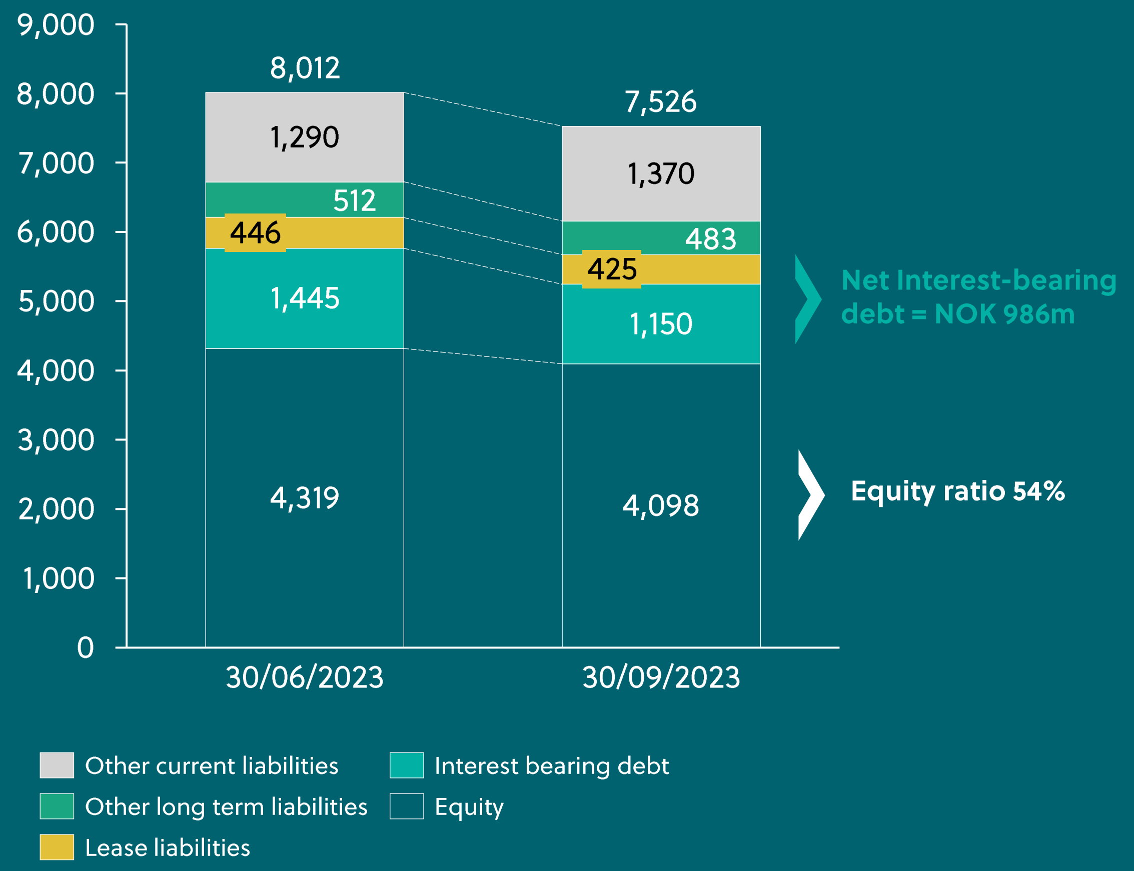


Hexagon Group cash down NOK 65m to NOK 164m primarily due to paying down drawn loan facilities with cash from Total Return Swap

* Financial investments relate to loans to Cryoshelter

Hexagon Group Balance sheet | Q3 2023 vs Q2 2023





Balance sheet strengthened through debt reduction in the quarter

Clean air everywhere