



# Q3 2024



# A word from the CEO

## Strong commercial momentum and operational efficiency drive record-high EBITDA

We delivered a strong third quarter, achieving revenues of NOK 1 250 (1 148) million and a record-high EBITDA of NOK 184 (120) million, resulting in an EBITDA margin of 15% (10%).

The strong results were driven by consistently solid deliveries from the Mobile Pipeline business and increased volumes of fuel systems for heavy-duty natural gas trucks. Greater volumes, along with operational improvements and favorable raw material prices, increased plant utilization and contributed to improved margins.

### High activity in RNG fuel systems with a number of new adopters coming online

The introduction of Cummins' new X15N engine enables natural gas trucks to have parity with diesel in both power and range - tripling Hexagon's addressable market for fuel systems.

In Q3, we saw a nearly 40% increase in heavy duty truck sales compared to Q2, despite overall headwinds in the freight industry caused by overcapacity.

In addition to a substantial order for renewable natural gas (RNG) fuel systems from a major refuse company, we recently secured fuel system sales worth USD 4.3 million from over 30 leading Class 8 fleets testing the new X15N engine. Notably, 40% of these fleets are new adopters of RNG/CNG (compressed natural gas). Following on the heels of piloting activity, the breadth of fleets placing new orders, and the continued high quoting activity, signifies that the market is embracing this technology as expected.

### Continued strong performance in Mobile Pipeline

Hexagon Agility's Mobile Pipeline business continued its growth trajectory with another strong quarter in both top-line and bottom-line performance.

Sustained high demand is driven by the economic competitiveness of RNG/CNG relative to conventional energy like diesel, as well as customers' decarbonization targets.



### Hexagon Purus fully funded

In October, Hexagon Purus successfully raised NOK 1 billion with participation from Hexagon Composites and Mitsui. The capital raise is intended to fully fund the company well past the point of cash flow break-even. Hexagon Purus has delivered remarkable growth in the past years, and we remain committed to be a part of the company's continued success.

### Looking ahead

The company's robust Q3 performance, coupled with the anticipated rise in demand for sustainable solutions in heavy-duty transport and gas distribution, lays a strong foundation for future success.

Looking ahead, Hexagon is in a pole position to capitalize on significant growth opportunities in the renewable gas sector. We remain confident in our ability to achieve our goals both in the short and long term.

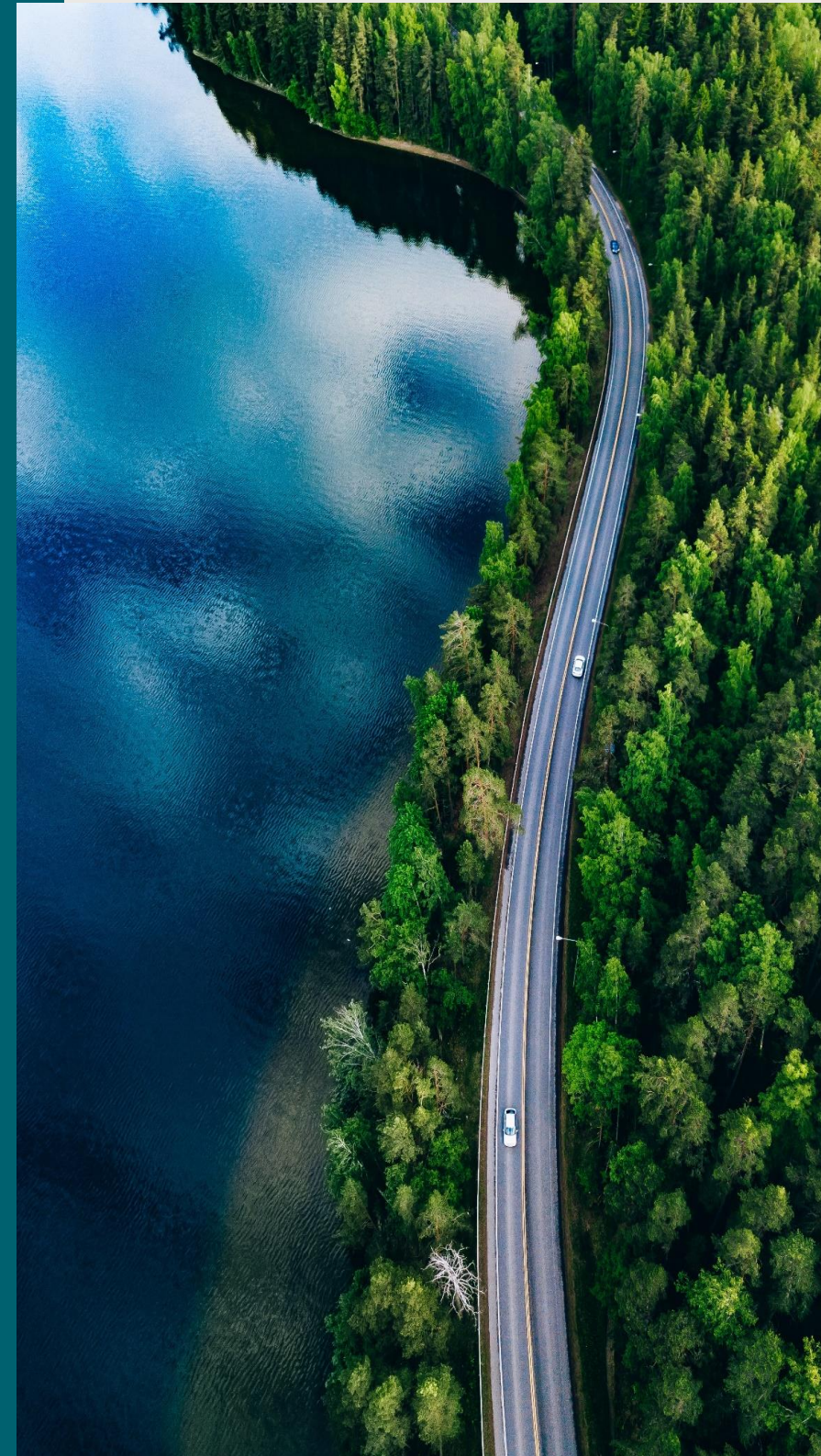
Best regards,

**Jon Erik Engeset**  
CEO, Hexagon Composites



# Highlights Q3 2024 and after balance sheet date

- **Record-high EBITDA** with a **15% margin**
- **Significant performance improvements** and increased heavy-duty truck activity in Hexagon Agility's fuel systems business
- Successful **equity private placement** of NOK 300 million, further bolstering the financial position with NOK **~1.6 billion in liquidity reserves** at quarter-end
- X15N initial orders from over 30 fleets
- Participation of NOK 383 million in Hexagon Purus' successful capital raise of NOK ~1 000 million



# Key figures continuing operations<sup>1)</sup>

	Third quarter			Year to date			Full year	
(NOK millions)	2024	2023	2022	2024	2023	2022	2023	2022
<b>Hexagon Agility</b>								
Revenue	1 220	1 104	930	3 226	3 113	2 478	4 321	3 478
EBITDA	203	125	45	408	271	160	381	209
EBITDA margin	17%	11%	5%	13%	9%	6%	9%	6%
<b>Hexagon Digital Wave</b>								
Revenue	39	35	30	125	121	70	179	116
EBITDA	0	-5	1	0	- 2	- 1	8	7
EBITDA margin	0%	-14%	3%	0%	- 2%	- 1%	4%	6%
<b>Corporate functions and eliminations<sup>1)</sup></b>								
Revenue	-9	9	4	2	21	16	27	18
EBITDA	- 19	0	14	- 9	-2	13	-23	9
<b>Hexagon Group</b>								
Revenue	1 250	1 148	963	3 344	3 254	2 565	4 526	3 612
EBITDA	184	120	60	380	266	172	366	224
EBITDA margin	15%	10%	6%	11%	8%	7%	8%	6%

1) Historical income statement figures for the Group have been re-presented due to the sale of Hexagon Ragasco on 3 June 2024 and the deconsolidation of Hexagon Purus on 29 June 2023. Both companies have been re-presented as discontinued operations in the Group's historical income statements, allowing comparability of historical financials for continuing operations of the Group. See also note 13 and 14.

# Financial summary

## Hexagon Group

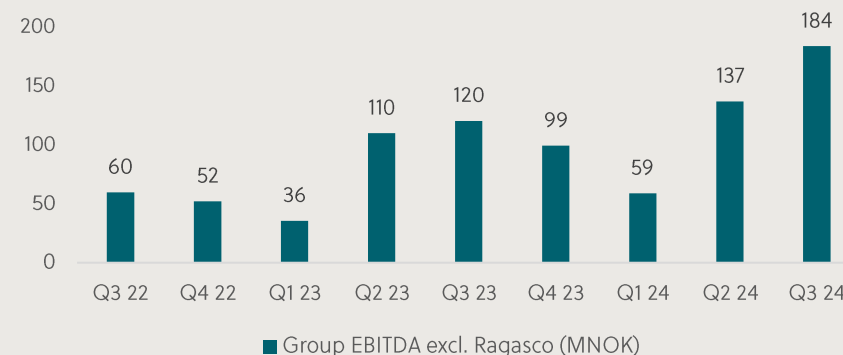
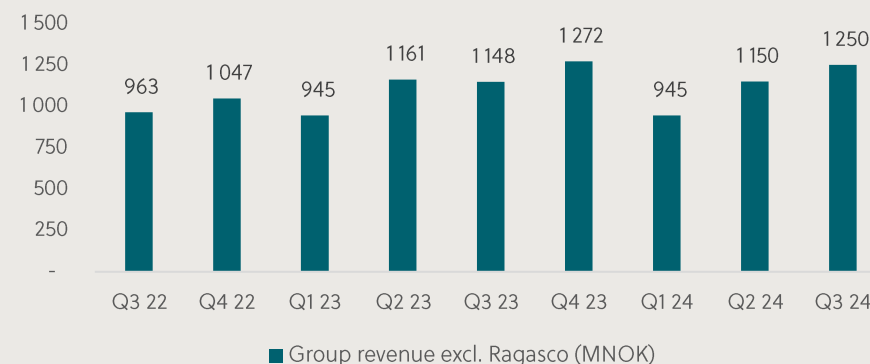
On 3 June 2024, Hexagon sold its LPG composite cylinder business, Hexagon Ragasco, to Worthington Enterprises. Historical financial figures for the Hexagon Group have been re-presented for comparability of continuing operations. Following the sale of Hexagon Ragasco, continuing operations comprise the operating segments Hexagon Agility and Hexagon Digital Wave. Historical financials of Hexagon Ragasco are presented net in the statement of income under discontinued operations – together with the gain from the sale which amounted to net NOK 677 million.

Furthermore, on 29 May 2024, Hexagon acquired a non-controlling 49% stake in Worthington Enterprises' Sustainable Energy Solutions (SES) business, a leading European supplier of high-pressure cylinders and systems for storage and distribution of compressed natural gas, hydrogen and industrial gases, with production facilities in Austria, Poland and Germany. The investment in SES has been accounted for by use of the equity method from 29 May and represents an associated company of the Group together with Hexagon Purus and Cryoshelter BioLNG.

### Operating results from continuing operations

In the third quarter of 2024, Hexagon Group (excluding Hexagon Ragasco) reported combined revenues of NOK 1 250 (1 148) million, and a record high EBITDA of NOK 184 (120) million for an EBITDA margin of 15% (10%). The Group margin is driven by Hexagon Agility, delivering 17% (11%) EBITDA-margin from a much-improved performance in the heavy-duty fuel systems business on top of recurring strong performance in the Mobile Pipeline distribution business. See segment results section for further details.

On a year-to-date basis, Hexagon Group (excluding Hexagon Ragasco) generated NOK 3 344 (3 254) million in revenues and NOK 380 (266) million in EBITDA for an EBITDA margin of 11% (8%).





**Profit/loss from continuing operations**

Profit/loss before taxes from continuing operations in the third quarter was NOK 56 (162) million, of which NOK -87 (-91) million was related to share of losses from investments in associates, and NOK 30 (-137) million in other net financial items. Losses from investments in associates were largely related to Hexagon Purus.

On a year-to-date basis, profit before taxes from continuing operations was NOK -216 (-211) million, heavily impacted by share of losses from associates of NOK -264 (-98) million (predominantly from Hexagon Purus<sup>1)</sup>), net interest expenses of NOK 106 (120) million, and fair value development of Hexagon Purus total return swap (TRS) of NOK +8 (-91) million. See also note 4 for further details of net financial items.

**Profit/loss from discontinued operations**

Profit/loss from discontinued operations relates to Hexagon Ragasco which was sold to Worthington Enterprises on 3 June 2024, and Hexagon Purus which was deconsolidated as an operating entity on 29 June 2023. In 2024, discontinued operations relate solely to Hexagon Ragasco, while 2023 figures also include financials related to Hexagon Purus. The net gain from the sale of Hexagon Ragasco recognized in Q2 2024 amounted to NOK 677 million. Reference is made to note 14 for further details and financials from discontinued operations.

**Total profit/loss**

Adding the profits/losses from continuing operations with the profits/losses from discontinued operations, year-to-date total profit before taxes for the Group was NOK 479 (1 911) million.

**Balance sheet development**

At the end of the third quarter, the Group balance sheet amounted to NOK 7 284 million compared to NOK 6 684 million at the end of the second quarter. The change in total assets during the quarter is largely explained by the NOK 300 million equity raise made in August 2024 and recognition of a new right-of-use lease asset commissioned in Salisbury, North Carolina, the location for new cylinder capacity expansion.

Following the sale of Hexagon Ragasco in Q2 2024 and the NOK 300 million equity raise in August, the financial position and flexibility of the Group has strengthened significantly. At the end of the quarter, interest-bearing debt amounted to NOK 1 090 million and net Interest-bearing debt was NOK 573 million, compared to NOK 753 million at the end of the second quarter, and NOK 1 526 million at the end of the first quarter.

**Cash flow and liquidity**

Net cash flow from operating activities in the third quarter was NOK 14 million (140) million. The slower cash conversion was largely due to higher net operating working capital in Hexagon Agility. Net cash flow from investing activities was NOK -54 million, of which NOK 90 million was related to capex with some other offsetting net-positive effects. Net cash flow from financing activities was NOK 224 million in the quarter, explained by net proceeds from equity raise of NOK 291 million offset by interest- and lease payments of NOK 66 million in total.

The reported cash flow statement for the third quarter of last year is not comparable with the current quarter's cash flows as Hexagon Ragasco's cash flows are included in last year's reported cash flows. Similarly, on a year-to-date basis, the reported cash flow for 2024 includes Hexagon Ragasco's cash flows up to and including May 2024, and the reported cash flow for 2023 includes Hexagon Purus' cash flows up to and including June 2023. The reported cash flow statements are thus not comparable with the current Group structure. Reference is made to the consolidated cash flow statement for further details.

Unused credit facilities at the end of the quarter amounted to NOK 1 100 million, translating to a liquidity reserve of NOK 1 617 million. The Board considers the liquidity and the financial position of the Group as strong.

1) Current year-to-date share of losses from associates are significantly higher than last year due to Hexagon Purus was not accounted for as an associate by use of the equity method until Q3 2023.

## Key developments during the quarter

- In July, Hexagon Agility received an order for Mobile Pipeline TITAN-modules from a global leading industrial gas company worth USD 12.8 million (approx. NOK 135 million)
- In August, Hexagon Agility announced a significant order of USD 18.7 million for RNG fuel systems from major refuse fleet in North America
- On 20 August, Hexagon Composites ASA raised NOK 300 million in gross proceeds through an equity private placement.

## Key developments after the quarter

- X15N initial orders from over 30 fleets
- Participation of NOK 383 million in Hexagon Purus' successful capital raise of NOK ~1 000 million

# Segment results

## Hexagon Agility

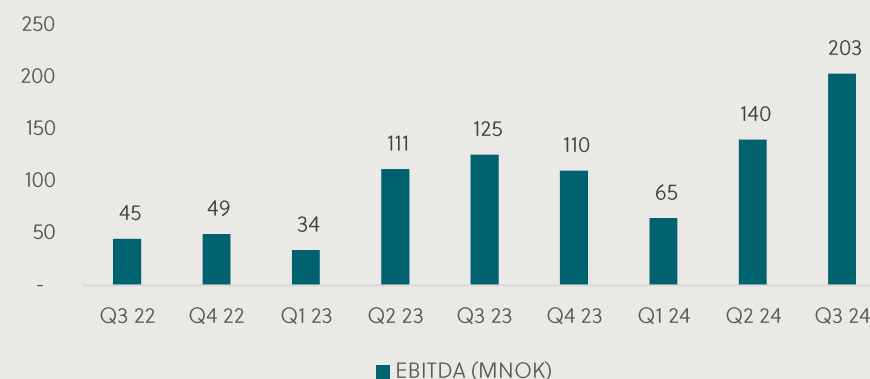
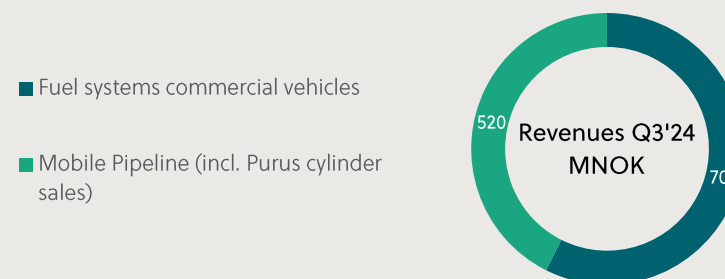
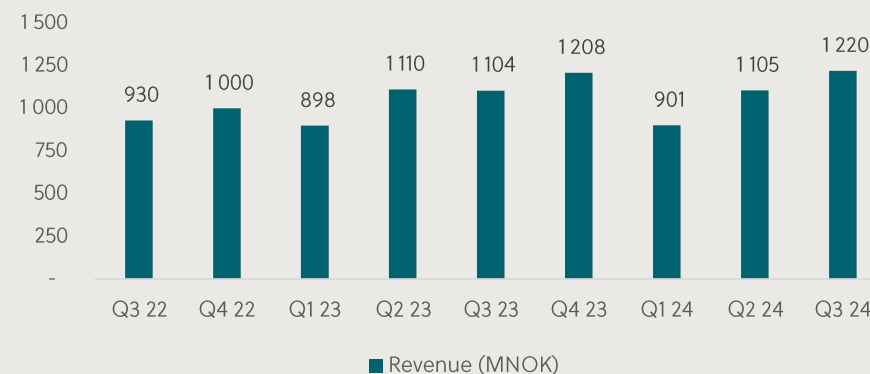
Hexagon Agility is a global provider of natural gas fuel systems for commercial vehicles and gas distribution solutions.

In the third quarter of 2024, Hexagon Agility recorded combined revenues of NOK 1 220 (1 104) million, and a record-high EBITDA of NOK 203 (125) million, with an EBITDA margin of 17% (11%). The improved performance this quarter was largely attributed to higher fuel systems volumes for heavy-duty trucks, including deliveries to part of the UPS order announced in May. The order included systems that will be coupled with Cummins' new X15N natural gas engine.

While transit bus and medium duty volumes were somewhat slower, the uptick in refuse and heavy-duty truck volumes contributed to much improved overall profitability in the fuel systems business. The higher volumes provided a higher utilization of our plants which combined with operational improvements and better raw material prices supported better margins. Additionally, the Mobile Pipeline gas distribution business had yet another strong quarter both in terms of top-line and bottom-line performance, yielding a solid performance for Hexagon Agility as a whole.

On a year-to-date basis, Hexagon Agility recorded revenues of NOK 3 226 (3 113), including approximately NOK 55 million in positive FX translation effects compared to the same period last year. Although revenues in the fuel systems are somewhat lower than in the same period last year, this shortfall was neutralized by a significant increase from the Mobile Pipeline distribution business.

Hexagon Agility's EBITDA for the first nine months came in at NOK 408 (271) million, translating to an EBITDA margin of 13%, compared to 9% last year. A significant positive volume effect in Mobile Pipeline coupled with improved margins in the fuel systems business explains the overall improvement in Hexagon Agility's EBITDA performance.



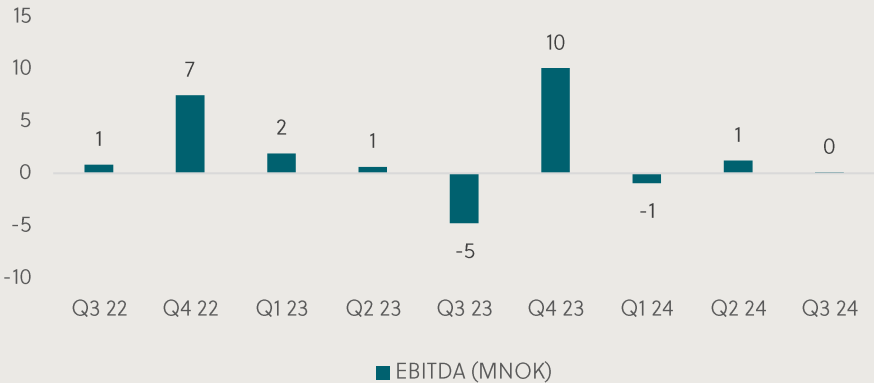
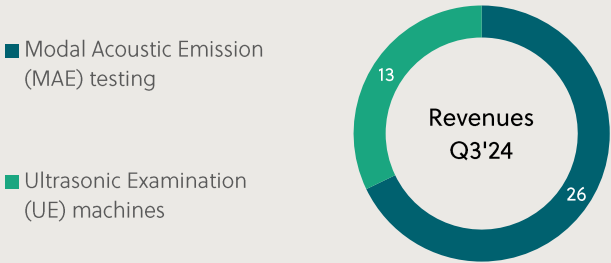
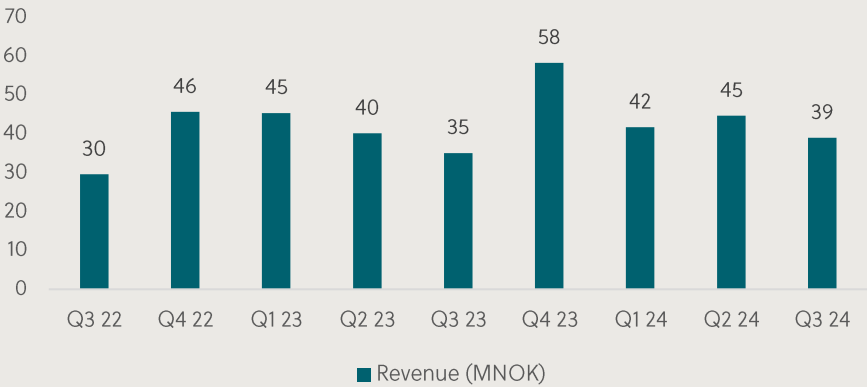


## Hexagon Digital Wave

Hexagon Digital Wave offers innovative cylinder testing and monitoring technologies that reduce down-time and inspection costs while improving inspection accuracy.

In the third quarter of 2024, Hexagon Digital Wave recorded revenues of NOK 39 (35) million and an EBITDA of NOK 0 (-5) million. Although revenues and EBITDA were better than in the same period last year, the overall performance was relatively soft. The soft performance was primarily due to reduced volumes in the UE (Ultrasonic Examination) machine business. In contrast, the MAE (Modal Acoustic Emission) requalification service business maintained consistently high levels. The shortfall in the UE business is however expected to recover in the fourth quarter as deliveries have been deferred from Q3 to Q4.

On a year-to-date basis, Hexagon Digital Wave recorded revenues of NOK 125 (121) million and an EBITDA of NOK 0.4 (-2.2) million for an EBITDA margin of 0.3% (-1.9%). While the MAE business has had a positive development, the UE business has seen challenges on the volumes side due to specific key customers holding back its own capex in 2024. The insufficient volumes generated a break-even EBITDA for the first nine months.



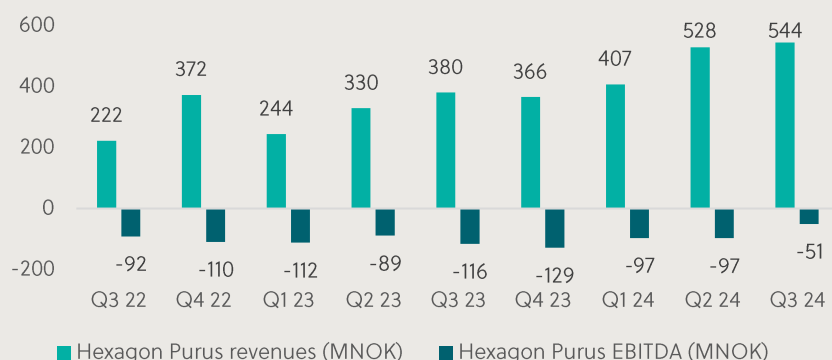
# Investments in associates

Hexagon holds strategic investments in three associated companies: Hexagon Purus (HPUR.OL) with 38% ownership, Sustainable Energy Solutions (SES) with 49% ownership and Cryoshelter BioLNG with 40% ownership.

## Hexagon Purus – 38% ownership

Hexagon Purus is a global leader in key technologies needed for zero emission hydrogen and battery-electric mobility and infrastructure with production facilities in North America, Europe and Asia.

In the third quarter of 2024, Hexagon Purus generated revenues of NOK 544 (380) million, up >40% compared to the same period last year, driven by its Hydrogen Mobility & infrastructure (HMI) segment, in addition to some positive one-offs related to the termination settlements with Daimler Truck North America. EBITDA ended at NOK -51 (-116), representing an operational improvement from its Hydrogen Mobility & Infrastructure (HMI) segment as well as some positive one-offs, offset by continued ramp-up investments and operating losses in its Battery Systems and Vehicle Integration (BVI) and in its China joint venture.



Profit after tax for Hexagon Purus for the first nine months of 2024 ended at NOK -535 (-499) million. Hexagon's share of the losses in Hexagon Purus amounted to NOK -220

million for the first nine months of 2024. See note 12 for further information on the equity method accounting of Hexagon Purus.

For further details pertaining to the operational and financial development of Hexagon Purus, please refer to Hexagon Purus' stock exchange announcement on [30 October 2024](#) and its third quarter report which will be published on 28 November 2024 on [www.hexagonpurus.com/investors](http://www.hexagonpurus.com/investors).

## Sustainable Energy Solutions (SES) – 49% ownership

SES is a leading European supplier of high-pressure cylinders and systems for storage and distribution of compressed natural gas, hydrogen and industrial gases, with production facilities in Austria, Poland and Germany. Hexagon acquired a non-controlling 49% stake in SES from Worthington Enterprises on 29 May 2024 which is accounted for by use of the equity method in the Hexagon Group accounts.

At the end of the third quarter, Hexagon's share of the profits/losses in SES relates to the period from June to September, which amounted to a loss of NOK -17 million. On a gross basis, SES generated NOK 390 million in revenues and an EBITDA of NOK -24 million in the same period. See note 12 for further information on the equity method accounting of SES.

## Cryoshelter BioLNG – 40% ownership

Cryoshelter BioLNG is an Austria-based company specialized in the development of cryogenic tank technology for liquified renewable natural gas (LNG). The company is still in its infant phases of serial production and is currently delivering its inaugural order to a large global package delivery company.

Hexagon's share of the losses in Cryoshelter BioLNG amounted to NOK -27 (-12) for the first nine months of 2024, see also note 12. Hexagon also supports Cryoshelter's development with convertible loans and ordinary loans. Total loans granted in 2024 amount to NOK 140 million while accumulated loans amount to NOK 240 million. For more information about Cryoshelter, visit [www.cryoshelter.com](http://www.cryoshelter.com)

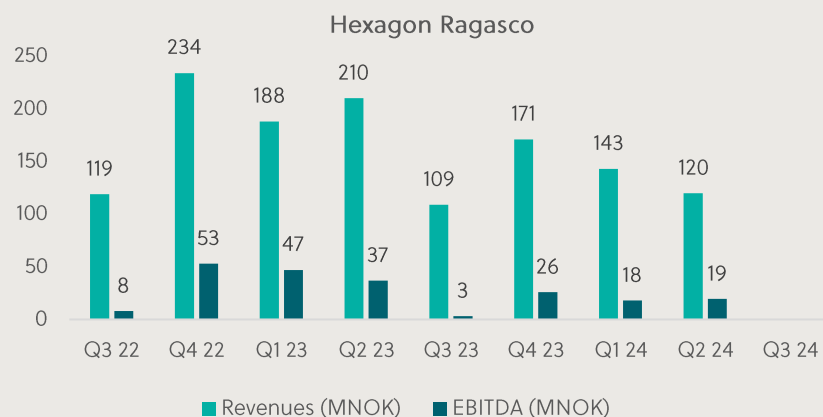
# Discontinued operations

Discontinued operations relate to Hexagon Ragasco which was sold to Worthington Enterprise on 3 June 2024 and Hexagon Purus which was deconsolidated as a subsidiary and operating entity on 29 June 2023.

As both Hexagon Ragasco and Hexagon Purus represented separate major lines of business and separate segments within the Hexagon Group prior to the divestments, both components represent discontinued operations and have thus been presented as such. See also note 14 for further information on discontinued operations.

## Hexagon Ragasco

As Hexagon Ragasco was sold on 3 June 2024, the financials for 2024 in the graph below shows Hexagon Ragasco's development until 3 June 2024 and there are thus no financial figures related to Hexagon Ragasco beyond Q2 2024.

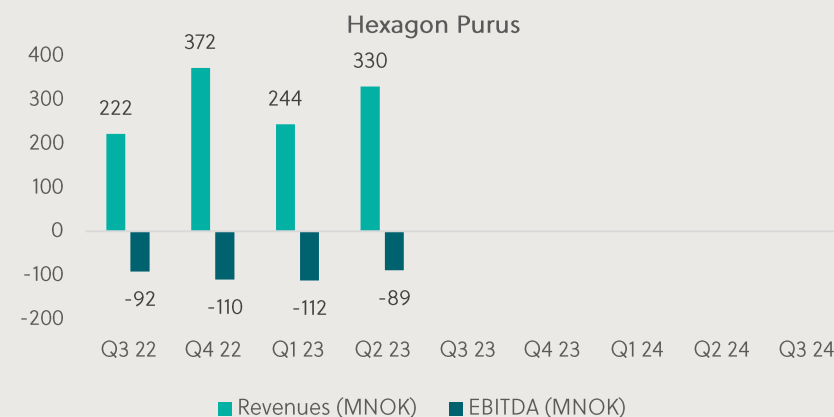


In its last two months (April and May 2024) as a subsidiary of Hexagon, Hexagon Ragasco generated NOK 120 million in revenues and an EBITDA of NOK 19 million. Volumes were lower than the same two months last year due to destocking effects in the Scandinavian and European market and coupled with some delays in deliveries to a major customer in Saudi Arabia.

The sale of Hexagon Ragasco to Worthington Enterprises was concluded based on an enterprise value (EV) of NOK 1 050 million, including a contingent consideration of NOK 50 million. Depending on the financial performance of Hexagon Ragasco in FY2024, the total EV-consideration may increase to NOK 1 150 million. Following the sale, Hexagon Composites recognized a gain of NOK 677 million. The gain is presented as a part of discontinued operations on the face of the income statement. See also note 13 for further information.

## Hexagon Purus

Effective 29 June 2023, Hexagon Purus was deconsolidated from the Hexagon Group and presented as discontinued operations, see also note 13 for further information pertaining to the deconsolidation. Since the same date, Hexagon's retained ownership of 38% in Hexagon Purus has been accounted for by use of the equity method. The figures below depict the operating financials for Hexagon Purus that were fully consolidated in the Hexagon Group until 29 June 2023, and which for presentation purposes have been presented as discontinued operations.



Due to the deconsolidation, there are no financial figures related to Hexagon Purus beyond Q2 2023. For further details pertaining to the operational and financial development of Hexagon Purus, please refer to Hexagon Purus third quarter report published 5 November 2024 on [www.hexagonpurus.com/investors](http://www.hexagonpurus.com/investors)



# Outlook

Hexagon is focused on carbon negative and near-zero emission energy solutions, supported by world-class manufacturing and digitalization, enabling customers to reach their net-zero ambitions. Together with clients and partners, the Company is finding new ways to make alternative energy solutions available and affordable.

Global regulations support the energy transition. In addition to far-reaching programs, such as REPower EU and the US Inflation Reduction Act, a number of federal and regional programs addressing transportation are also being implemented. Hexagon is actively engaging with regulatory bodies in the EU and the US in the promotion of “well to wheel” basis methods of emissions which support the increased deployment of CO<sub>2</sub>-neutral fuels such as biomethane/renewable natural gas (RNG).

## Hexagon Agility

Hexagon Agility’s current margins and overall profitability have improved significantly in the current quarter after a relatively soft start in the first half of 2024. The improvement is largely attributed to higher heavy-duty truck volumes which are expected to continue into the fourth quarter, supported by remaining deliveries on the completion of the USD 60 million UPS order for RNG fuel systems announced in May. This is complemented by a healthy backlog for Other Truck customers.

The fuel systems business remains highly active, despite overall overcapacity headwinds in the freight industry. Hexagon Agility is actively engaged in significant quoting activity for fuel systems related to the X15N .,

The order book, including a significant order from long-standing customer UPS, is now expanding with many customers new to CNG/RNG trucking. The new orders include over 30 leading Class 8 fleets of which 40% are new adopters of RNG/CNG. These customers are drawn by the diesel-like performance of the new engine and its attractive fuel economics. When combined with RNG fuel, this offers a ready-to-deploy and fast-track route to decarbonization for fleets and OEMs.

So far, two of the top four North American truck brands, Kenworth and Peterbilt, have opened order books for trucks powered by the new engine, with DTNA (Freightliner) flagging start of production in mid-2025. Altogether they represent approximately two-

thirds of the North American heavy-duty truck market. Hexagon’s addressable market for Natural Gas driven heavy-duty trucks increases threefold due to the X15N engine, as it opens the long-haul segment served by diesel engines. Hexagon’s current capacity expansion program is timed to support and meet the strong growth expected through the rest of the decade and beyond.

The Board is pleased with the recovery of margins within the fuel systems business this quarter after the macro shocks of the past two years, and especially in a period when the general freight market has been at a low level. Although volumes and margins may fluctuate quarterly due to variations in customer ordering patterns, the increased adoption of CNG/RNG fuel systems driven by the X15N engine is expected to secure the achievement of annual margin targets of 15% in Hexagon Agility.

For the Mobile Pipeline business, and the business expects to finish off 2024 at a strong level. Additional production capacity came online successfully in September 2024. The sustained high demand is driven by the economic competitiveness of RNG/CNG relative to conventional energy such as diesel, and customers’ decarbonization targets. These underlying factors are expected to drive growth and higher volumes for Mobile Pipeline in the years ahead.

## Hexagon Digital Wave

The demand for Hexagon Digital Wave’s Modal Acoustic Emission (MAE) requalification services is expected to retain consistently high activity throughout 2024 while volumes in the UE business is expected to increase. Over time, Hexagon Digital Wave is expecting growth within its MAE business due, in part, to the historical growth development of its offerings and the regulatory requalification testing requirements of over-the road gas distribution, including Hexagon’s Mobile Pipeline business. As revenues follow the 5-year periodic inspection requirements of the modules, and with both 2015 and 2020 being years with historically lower sales, 2025 is expected to have a dip in revenues before restoring to higher levels thereafter. This may be mitigated through increases in market share of testing and more diverse applications.

*These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. For further information please refer to the section “Forward-Looking Statements” at the end of this report.*

# Risks and uncertainties

The Hexagon Composites Group is active in sales and purchasing in many geographies and markets. Exports represent a considerable part of the Group's sales. Currency risk is the Group's largest financial risk factor, and the Company employs forward currency contracts in addition to natural hedges to mitigate these risks. In the Board's view there are no major changes to the risk composition for the Group compared with 2023. The Group is by nature exposed to the general macro climate factors, including those resulting in post-pandemic global supply chain disruptions, and how these directly or indirectly impact the business positively or negatively. For additional information about risks and uncertainties we refer to Hexagon Composites' 2023 annual report. It is not expected that the above exposures and risks will have a material effect on the Group or its financial position in the next reporting period.

Oslo, 6 November 2024

The Board of Directors of Hexagon Composites ASA

**Knut Flakk**  
Chair

**Kristine Landmark**  
Deputy chair

**Takayuki Tsunashima**  
Board member

**Liv Astri Hovem**  
Board member

**Sam Gabbita**  
Board member

**Eva Sagemo**  
Board member

**Joachim Magnusson**  
Board member

**Jon Erik Engeset**  
President & CEO

# Condensed Interim Financial Statements for the Group

## Consolidated statement of income

(NOK 1000)

	Note	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
			Re-presented		Re-presented	Re-presented
Revenue from contracts with customers	3	1 248 619	1 144 089	3 338 772	3 246 612	4 516 666
Other operating income	3	232	2 894	1 442	4 302	5 066
Rental income	3	1 253	917	4 031	3 206	4 383
<b>Total revenue and other income</b>		<b>1 250 104</b>	<b>1 147 900</b>	<b>3 344 245</b>	<b>3 254 121</b>	<b>4 526 115</b>
Cost of materials		615 646	610 428	1 688 804	1 772 445	2 488 126
Payroll and social security expenses	11	293 664	267 978	826 826	811 104	1 122 652
Other operating expenses		156 808	149 077	448 473	404 411	549 812
<b>Operating profit before depreciation and amortization (EBITDA)</b>		<b>183 987</b>	<b>120 418</b>	<b>380 141</b>	<b>266 160</b>	<b>365 525</b>
Depreciation, amortization, and impairment	5, 6	70 553	54 064	189 907	161 251	219 942
<b>Operating profit (EBIT)</b>		<b>113 434</b>	<b>66 354</b>	<b>190 234</b>	<b>104 909</b>	<b>145 583</b>
Share of profit/loss of investments in associated companies	12, 13	- 87 150	- 91 146	- 263 720	- 98 177	-176 574
Impairment loss on associated companies	12	0	0	0	0	- 702 000
Other financial items (net)	4	29 771	- 137 334	- 142 963	- 217 523	- 282 768
<b>Profit/loss before taxes from continuing operations</b>		<b>56 055</b>	<b>- 162 126</b>	<b>- 216 448</b>	<b>- 210 791</b>	<b>- 1 015 759</b>
Income tax expenses		53 859	- 12 327	38 399	- 22 180	- 1 491
<b>Profit/loss after taxes from continuing operations</b>		<b>2 197</b>	<b>- 149 799</b>	<b>- 254 847</b>	<b>- 188 612</b>	<b>- 1 014 268</b>
Profit/loss after taxes from discontinued operations (Hexagon Ragasco)	13, 14	0	- 9 399	691 023	58 253	73 085
Profit/loss after taxes from discontinued operations (Hexagon Purus)	13, 14	0	0	0	2 049 703	2 049 703
<b>Total profit/loss before taxes</b>		<b>56 055</b>	<b>- 172 981</b>	<b>478 502</b>	<b>1 911 086</b>	<b>1 113 741</b>
<b>Total profit/loss after taxes</b>		<b>2 197</b>	<b>-159 198</b>	<b>436 176</b>	<b>1 919 344</b>	<b>1 108 520</b>
of which attributable to equity holders of the parent		2 197	-159 198	436 176	2 016 492	1 205 668
of which attributable to non-controlling interests		0	0	0	- 97 148	- 97 148
<b>Earnings per share in NOK</b>						
Basic		0.01	- 0.76	2.17	9.57	5.53
Diluted		0.01	- 0.79	2.07	9.26	5.33



## Consolidated statement of comprehensive income

(NOK 1000)

	Note	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Profit/loss after taxes		2 197	-159 198	436 176	1 919 344	1 108 520
<b>Other comprehensive income</b>						
Translation differences when translating foreign activities		- 21 988	-23 856	53 566	207 343	141 639
Translation differences related to deconsolidated subsidiary reclassified to profit or loss	13	0	0	10 693	- 118 307	- 118 307
Share of other comprehensive income of joint ventures and associates	12	13 053	0	25 336	0	- 21 590
<b>Net total of items that may be reclassified to profit or loss in subsequent periods</b>		<b>- 8 935</b>	<b>- 23 856</b>	<b>89 595</b>	<b>89 036</b>	<b>1 741</b>
Actuarial gains/losses for the period (net after tax)		0	0	0	0	- 1 433
<b>Net total of items that will not be reclassified to profit or loss in subsequent periods</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 1 433</b>
<b>Total other comprehensive income</b>		<b>- 8 935</b>	<b>- 23 856</b>	<b>89 595</b>	<b>89 036</b>	<b>308</b>
Attributable to:						
Equity holders of the parent		- 8 935	- 23 856	89 595	55 461	- 33 267
Non-controlling interests		0	0	0	33 575	33 575
<b>Total comprehensive income</b>		<b>- 6 738</b>	<b>-183 054</b>	<b>525 771</b>	<b>2 008 380</b>	<b>1 108 828</b>
Attributable to:						
Equity holders of the parent		- 6 738	-183 054	525 771	2 071 953	1 172 401
Non-controlling interests		0	0	0	- 63 573	- 63 573

# Consolidated statement of financial position

(NOK 1000)	Note	30.09.2024	30.09.2023	31.12.2023
		Unaudited	Unaudited	Audited
<b>ASSETS</b>				
Property, plant, and equipment	5	882 662	966 073	947 938
Right-of-use assets	5	485 133	337 281	365 624
Intangible assets	6	1 769 667	1 866 362	1 785 606
Investment in associated companies	12, 13	1 108 286	2 026 786	1 225 107
Other non-current financial assets	10	470 746	111 367	125 667
Other non-current assets		5 062	4 358	2 269
Deferred tax assets		14 961	8 635	19 013
<b>Total non-current assets</b>		<b>4 736 518</b>	<b>5 320 861</b>	<b>4 471 225</b>
Inventories		1 251 777	1 324 168	1 110 406
Trade receivables		597 507	550 334	551 356
Contract assets		0	0	0
Other current financial assets	13	50 000	0	0
Other current assets		131 336	166 865	140 760
Bank deposits, cash and similar		516 894	163 606	154 350
<b>Total current assets</b>		<b>2 547 514</b>	<b>2 204 974</b>	<b>1 956 872</b>
<b>Total assets</b>		<b>7 284 032</b>	<b>7 525 835</b>	<b>6 428 096</b>

(NOK 1000)	Note	30.09.2024	30.09.2023	31.12.2023
		Unaudited	Unaudited	Audited
<b>EQUITY AND LIABILITIES</b>				
Paid-in capital		1 017 190	726 568	726 568
Other equity		3 046 849	3 371 293	2 487 465
<b>Equity attributable to equity holders of the parent</b>		<b>4 064 039</b>	<b>4 097 861</b>	<b>3 214 033</b>
Non-controlling interests	13	0	0	0
<b>Total equity</b>		<b>4 064 039</b>	<b>4 097 861</b>	<b>3 214 033</b>
Interest-bearing liabilities (non-current)	9	1 090 239	1 096 509	0
Lease liabilities (non-current)	7	528 058	370 683	387 260
Other financial liabilities (non-current)	8	338 603	323 504	0
Pension liabilities		515	458	1 591
Deferred tax liabilities		128 835	152 039	131 018
Provisions (non-current)		9 232	7 907	8 594
<b>Total non-current liabilities</b>		<b>2 095 481</b>	<b>1 951 099</b>	<b>528 462</b>
Interest-bearing liabilities (current)	9	0	53 123	1 108 468
Lease liabilities (current)	7	47 660	54 469	61 867
Trade payables		465 709	518 786	384 015
Contract liabilities		101 925	348 791	332 658
Other financial liabilities (current)	8, 10	116 315	91 157	376 909
Income tax payable		50 092	44 053	65 835
Other current liabilities		264 511	292 014	287 840
Provisions (current)		78 299	74 481	68 011
<b>Total current liabilities</b>		<b>1 124 512</b>	<b>1 476 875</b>	<b>2 685 601</b>
<b>Total liabilities</b>		<b>3 219 993</b>	<b>3 427 974</b>	<b>3 214 063</b>
<b>Total equity and liabilities</b>		<b>7 284 032</b>	<b>7 525 835</b>	<b>6 428 096</b>



## Consolidated statement of cash flows

(NOK 1000)

	Note	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
<b>Operating cash flows</b>						
Profit before taxes from continuing operations		56 055	- 162 126	- 216 448	- 210 791	- 1 015 759
Profit before taxes from discontinued operations	14	0	- 10 856	694 950	2 121 877	2 129 500
<b>Profit before taxes</b>		<b>56 055</b>	<b>- 172 982</b>	<b>478 502</b>	<b>1 911 086</b>	<b>1 113 741</b>
Gain from sale / deconsolidation of subsidiary	13	0	0	- 676 736	- 2 351 302	- 2 351 302
Depreciation, amortization and impairment	5, 6	70 553	63 496	207 596	248 709	317 331
Share of profit/loss of investments in associated companies	12	87 150	91 146	263 720	98 177	176 574
Impairment loss on associated companies	12	0	0	0	0	702 000
Net interest expense		29 295	38 804	106 690	155 174	189 791
Share based payment expenses	11	14 340	11 877	33 703	42 194	57 919
Changes in net operating working capital <sup>1)</sup>		- 233 511	11 756	- 526 184	26 594	88 431
Other adjustments to operating cash flow		- 9 823	96 238	- 24 486	58 652	88 607
<b>Net cash flow from operating activities</b>		<b>14 058</b>	<b>140 335</b>	<b>- 137 196</b>	<b>189 285</b>	<b>383 090</b>
- of which from continuing operations		14 058	162 061	- 107 095	438 346	640 453
- of which from discontinued operations - Hexagon Purus		0	0	0	- 290 914	- 290 914
- of which from discontinued operations - Hexagon Ragasco		0	-21 726	- 30 101	41 853	33 551
<b>Investing cash flows</b>						
Purchase of property, plant & equipment	5	- 86 639	- 61 697	- 210 042	- 361 399	- 424 045
Purchase of intangible assets	6	- 3 809	- 2 529	- 9 679	- 35 145	- 43 195
Interest received		20 017	4 333	30 430	26 317	32 017
Settlement of contingent considerations related to acquisitions		0	0	0	- 85 963	- 85 963
Total return swap cash collateral payments		68 507	0	0	0	0
Proceeds from sale of shares in subsidiary	13	0	0	944 200	0	0
Other proceeds from sale of subsidiary (repayment of intercompany debt)		0	0	128 973	0	0
Proceeds from sale of shares in associated companies	12	0	274 029	0	274 029	274 029
Purchase of shares in associated companies	12	-865	0	- 122 219	- 29 305	- 29 305
Other investments in associates (convertible bond investment in Hexagon Purus)	10	0	0	- 200 000	0	0
Other investments	10	- 51 583	- 12 409	- 138 485	- 46 840	- 78 320
<b>Net cash flow from investing activities</b>		<b>- 54 371</b>	<b>201 727</b>	<b>423 178</b>	<b>- 258 305</b>	<b>- 354 781</b>
- of which from continuing operations		- 54 371	207 494	443 892	135 729	66 111
- of which from discontinued operations – Hexagon Purus		0	0	0	- 369 949	- 369 949
- of which from discontinued operations – Hexagon Ragasco		0	- 5 767	- 20 714	- 24 085	- 50 943

1) Changes in net operating working capital consist of net changes in inventories, trade receivables, contract assets, trade payables and contract liabilities.

## Consolidated statement of cash flows (cont.)

(NOK 1000)

	Note	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
<b>Financing cash flows</b>						
Net repayment (-) / proceeds (+) from interest bearing loans	9	0	- 296 877	- 11 255	230 941	189 073
Interest payments on interest-bearing liabilities		- 32 976	- 35 108	- 111 660	- 138 591	- 170 964
Repayment of lease liabilities (incl. Interests)	7	- 33 404	- 21 299	- 75 714	- 79 166	- 101 052
Net proceeds from share capital increase		290 531	0	290 531	0	0
Net proceeds from share capital increase in subsidiary		0	0	0	576 180	576 180
Net proceeds from purchase (-) and sale (+) of treasury shares		0	-50 050	0	- 63 722	- 63 722
<b>Net cash flow from financing activities</b>		<b>224 152</b>	<b>- 403 335</b>	<b>91 902</b>	<b>525 643</b>	<b>429 516</b>
- of which from continuing operations		224 152	- 398 033	64 808	- 753 094	- 844 842
- of which from discontinued operations – Hexagon Purus		0	0	0	1 299 708	1 299 708
- of which from discontinued operations – Hexagon Ragasco		0	- 5 302	27 095	- 20 970	- 25 350
<b>Net change in cash and cash equivalents</b>		<b>183 838</b>	<b>- 61 273</b>	<b>377 885</b>	<b>456 623</b>	<b>457 825</b>
Net currency exchange differences		- 2 681	- 3 926	8 531	- 33 151	- 43 609
Cash and cash equivalents derecognized due to deconsolidation of subsidiary	13	0	0	- 23 872	- 973 413	-973 413
Cash and cash equivalents at start of period		335 736	228 806	154 350	713 547	713 547
<b>Cash and cash equivalents at end of period</b>		<b>516 894</b>	<b>163 606</b>	<b>516 894</b>	<b>163 606</b>	<b>154 350</b>
<b>Liquidity overview</b>						
Cash and cash equivalents at end of period		516 894	163 606	516 894	163 606	154 350
Available unused credit facilities		1 100 000	546 877	1 100 000	546 877	588 745
<b>Liquidity reserve</b>		<b>1 616 894</b>	<b>710 483</b>	<b>1 616 894</b>	<b>710 483</b>	<b>743 095</b>

## Consolidated statement of changes in equity

(NOK 1 000)	Note	Share capital	Treasury shares	Share premium	Other capital reserves	Foreign currency translation reserve	Other equity	Equity - holders of parent	Non-controlling interests (NCI)	Total equity
<b>As of 1 January 2023</b>		<b>20 162</b>	<b>- 65</b>	<b>2 075 999</b>	<b>132 346</b>	<b>281 136</b>	<b>482 327</b>	<b>2 991 905</b>	<b>476 901</b>	<b>3 468 806</b>
Profit/loss after tax for the period							2 016 492	2 016 492	- 97 148	1 919 344
Other comprehensive income for the period	13					55 461		55 461	33 575	89 036
<b>Total comprehensive income</b>						<b>55 461</b>	<b>2 016 492</b>	<b>2 071 953</b>	<b>- 63 573</b>	<b>2 008 380</b>
Share-based payments					32 603		6 559	39 163	3 032	42 194
Movement in treasury shares etc.			- 73				- 63 649	- 63 722		- 63 722
Share capital increase in subsidiary							260 942	260 942	239 058	500 000
Transaction cost related to capital increase in subsidiary							- 17 793	- 17 793	- 8 224	- 26 018
Share capital increase from NCI in other subsidiaries									102 198	102 198
Convertible bonds – equity component	9						190 363	190 363	87 989	278 352
Convertible bonds – transaction cost equity component	9						- 5 495	- 5 495	- 2 540	- 8 034
Dividend in kind	13			- 1 369 455				- 1 369 455		- 1 369 455
Derecognition of NCI following deconsolidation of subs.	13								- 834 841	- 834 841
<b>As of 30 September 2023</b>		<b>20 162</b>	<b>- 138</b>	<b>706 544</b>	<b>164 949</b>	<b>336 597</b>	<b>2 869 747</b>	<b>4 097 861</b>	<b>0</b>	<b>4 097 861</b>
<b>As of 1 January 2023</b>		<b>20 162</b>	<b>- 65</b>	<b>2 075 999</b>	<b>132 346</b>	<b>281 136</b>	<b>482 327</b>	<b>2 991 905</b>	<b>476 901</b>	<b>3 468 806</b>
Profit/loss after tax for the period							1 205 668	1 205 668	- 97 148	1 108 520
Other comprehensive income for the period	13					- 10 244	- 23 024	- 33 267	33 575	308
<b>Total comprehensive income</b>						<b>-10 244</b>	<b>1 182 644</b>	<b>1 172 401</b>	<b>- 63 573</b>	<b>1 108 828</b>
Share-based payments					48 328		6 559	54 887	3 032	57 919
Movement in treasury shares etc.			- 73				- 63 649	- 63 722		- 63 722
Share capital increase in subsidiary							260 942	260 942	239 058	500 000
Transaction cost related to capital increase in subsidiary							- 17 793	- 17 793	- 8 224	- 26 018
Share capital increase in other subsidiaries									102 198	102 198
Convertible bonds – equity component	9						190 363	190 363	87 989	278 352
Convertible bonds – transaction cost equity component	9						- 5 495	- 5 495	- 2 540	- 8 034
Dividend in kind	13			- 1 369 455				- 1 369 455		- 1 369 455
Derecognition of non-controlling interests related to deconsolidation of subsidiary	13								- 834 841	- 834 841
<b>As of 31 December 2023</b>		<b>20 162</b>	<b>- 138</b>	<b>706 544</b>	<b>180 674</b>	<b>270 893</b>	<b>2 035 899</b>	<b>3 214 033</b>	<b>0</b>	<b>3 214 033</b>



(NOK 1 000)	Note	Share capital	Treasury shares	Share premium	Other capital reserves	Foreign currency translation reserve	Other equity	Equity - holders of parent	Non-controlling interests	Total equity
<b>As of 1 January 2024</b>		<b>20 162</b>	<b>- 138</b>	<b>706 544</b>	<b>180 674</b>	<b>270 893</b>	<b>2 035 899</b>	<b>3 214 033</b>	<b>0</b>	<b>3 214 033</b>
Profit/loss after tax for the period							436 176	436 176	0	436 176
Other comprehensive income for the period	13					64 259	25 336	89 595	0	89 595
<b>Total comprehensive income</b>						<b>64 259</b>	<b>461 512</b>	<b>525 771</b>	<b>0</b>	<b>525 771</b>
Share-based payments					33 703			33 703		33 703
Share capital increase		845		299 155				300 000		300 000
Transaction cost related to capital increase				- 9 469				- 9 469		- 9 469
Movement in treasury shares etc.			90				- 90	0		0
<b>As of 30 September 2024</b>		<b>21 007</b>	<b>- 48</b>	<b>996 230</b>	<b>214 377</b>	<b>335 152</b>	<b>2 497 320</b>	<b>4 064 039</b>	<b>0</b>	<b>4 064 039</b>

## Note 1: General information and basis for preparation

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The condensed consolidated interim financial statements for the third quarter of 2024, which ended 30 September 2024, comprise Hexagon Composites ASA and its subsidiaries (together referred to as "the Group"). The company's headquarters are at Korsegata 4B, 6002 Aalesund, Norway. Hexagon Composites ASA is listed on the Oslo Stock Exchange under the ticker HEX.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of The Group for the year which ended 31 December 2023.

For a more detailed description of accounting principles see the consolidated financial statements for 2023, available on the Company's website [www.hexagongroup.com/investors](http://www.hexagongroup.com/investors)

The accounting principles used in the preparation of these interim accounts are the same as those applied to the consolidated financial statements for 2023.

The Group has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

These condensed consolidated interim financial statements were approved by the Board of Directors on 6 November 2024.

## Note 2: Estimates

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The preparation of the interim accounts entails the use of valuations, estimates and assumptions that affect the application of the accounting policies and the amounts recognized as assets and liabilities, income, and expenses. The actual results may deviate from these estimates. The material assessments underlying the application of the Group's accounting policy and the main sources of uncertainty are the same as for the consolidated accounts for 2023.

## Note 3: Business segment data

(NOK 1000)

	Q3 2024 Unaudited	Q3 2023 Unaudited	YTD 2024 Unaudited	YTD 2023 Unaudited	FY 2023 Audited
<b>Hexagon Agility</b>					
Sale of cylinders, systems, and equipment (at point in time)	1 097 631	998 929	2 822 351	2 786 161	3 885 528
Sale of systems, services, and funded development (transferred over time)	0	0	0	0	0
Sales of cylinders, systems, and equipment to group- and associated companies	121 602	101 948	399 908	321 135	428 174
Other operating income	0	2 507	0	2 700	2 700
<b>Total revenue from contract with customers</b>	<b>1 219 233</b>	<b>1 103 384</b>	<b>3 222 258</b>	<b>3 109 996</b>	<b>4 316 402</b>
Rental income	1 253	904	4 026	2 939	4 102
<b>Total revenue and other operating income</b>	<b>1 220 486</b>	<b>1 104 288</b>	<b>3 226 285</b>	<b>3 112 935</b>	<b>4 320 503</b>
Segment operating profit before depreciation (EBITDA)	203 184	125 313	407 583	270 720	380 903
Segment operating profit (EBIT)	139 485	76 226	237 411	124 958	181 586
Segment assets			4 892 674	4 599 571	4 166 566
Segment liabilities			2 117 714	1 958 576	1 596 489
<b>Hexagon Digital Wave</b>					
Sale of cylinders, systems, and equipment (at point in time)	36 900	33 345	119 453	106 601	160 893
Sale of systems, services, and funded development (transferred over time)	0	0	0	0	0
Sales of cylinders, systems, and equipment to group- and associated companies	1 859	1 304	4 624	12 329	15 485
Other operating income	188	387	1 140	1 576	2 340
<b>Total revenue and other operating income</b>	<b>38 946</b>	<b>35 036</b>	<b>125 217</b>	<b>120 506</b>	<b>178 718</b>
Rental income	0	0	0	0	0
<b>Total revenue</b>	<b>38 946</b>	<b>35 036</b>	<b>125 217</b>	<b>120 506</b>	<b>178 718</b>
Segment operating profit before depreciation (EBITDA)	118	- 4 765	398	- 2 247	7 813
Segment operating profit (EBIT)	- 3 016	- 6 457	- 8 045	- 7 266	1 044
Segment assets			144 622	128 945	122 689
Segment liabilities			86 105	68 679	57 427

Following the sale of Hexagon Ragasco to Worthington Enterprises on 3 June 2024, the Group consists of Hexagon Agility and Hexagon Digital Wave as operating segments. Hexagon Ragasco financials are presented as discontinued operations in note 14. See also note 13 for further information related to the sale of Hexagon Ragasco.

## Note 4: Other financial items (net)

(NOK 1000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Interest income	19 668	5 850	31 711	17 860	25 055
Interest expenses	- 36 347	- 38 876	- 111 343	- 122 392	- 157 546
Interest expenses on lease liabilities (IFRS 16)	- 14 120	- 5 170	- 26 158	- 15 125	- 20 443
Net interest expenses	- 30 799	- 38 196	- 105 790	- 119 657	- 152 934
TRS derivative gain/loss	56 226	- 91 157	8 294	- 91 157	- 124 609
Other derivatives gains/losses	- 14 815	- 961	- 50 543	9 376	1 396
Foreign exchange gains/losses	19 446	- 6 622	6 030	- 16 547	- 7 132
Other financial expenses/income (net)	- 287	- 398	- 955	462	512
<b>Other financial items (net)</b>	<b>29 771</b>	<b>- 137 334</b>	<b>- 142 963</b>	<b>- 217 523</b>	<b>- 282 768</b>

## Note 5: Tangible assets

(NOK 1000)	2024			2023		
	Property, plant, and equipment	Right of use assets	Total 2024	Property, plant, and equipment	Right of use assets	Total 2023
<b>Carrying value as of 1 January</b>	<b>947 938</b>	<b>365 624</b>	<b>1 313 562</b>	<b>1 336 307</b>	<b>473 233</b>	<b>1 809 539</b>
Additions continuing operations	188 123	229 772	417 895	135 770	36 078	171 848
Additions discount. operations – Hexagon Purus	0	0	0	196 535	7 521	204 056
Additions discount. operations – Hexagon Ragasco	21 919	3 569	25 488	29 094	11 128	40 222
Depreciations from continuing operations	- 85 864	- 53 310	- 139 174	- 70 559	- 43 401	- 113 960
Depreciations from discount. operations - Hexagon Purus (note 14)	0	0	0	- 21 103	- 13 881	- 34 984
Depreciations from discount. operations - Hexagon Ragasco (note 14)	- 13 336	- 4 215	- 17 551	- 21 909	- 6 793	- 28 702
Impairments from continuing operations	- 3 457	0	- 3 457	0	0	0
Currency translation differences	21 288	9 866	31 153	107 717	32 687	140 404
Derecognition from deconsolidation of Hexagon Purus (note 13)	0	0	0	- 725 778	- 159 292	- 885 070
Derecognition from deconsolidation of Hexagon Ragasco (note 13)	- 193 948	- 66 174	- 260 122	0	0	0
<b>Carrying value as of 30 September</b>	<b>882 662</b>	<b>485 133</b>	<b>1 367 795</b>	<b>966 073</b>	<b>337 281</b>	<b>1 303 354</b>



## Note 6: Intangible assets

(NOK 1000)	2024				2023			
	Goodwill	Customer relationships	Other intangible assets <sup>1)</sup>	Total intangibles	Goodwill	Customer relationships	Other intangible assets <sup>1)</sup>	Total intangibles
<b>Carrying value as of 1 January</b>	<b>1 232 880</b>	<b>252 447</b>	<b>300 279</b>	<b>1 785 606</b>	<b>1 717 097</b>	<b>363 924</b>	<b>489 833</b>	<b>2 570 853</b>
Additions continuing operations	0	0	9 679	9 679	0	0	18 258	18 258
Additions discount. operations - Hexagon Purus	0	0	0	0	0	0	16 886	16 886
Additions discount. operations - Hexagon Ragasco	0	0	0	0	0	0	0	0
Amortizations from continuing operations	0	- 19 869	- 27 407	- 47 276	0	- 23 400	- 23 892	- 47 292
Amortizations from discount. operations - Hexagon Purus (note 14)	0	0	0	0	0	- 10 737	- 13 035	- 23 772
Amortizations from discount. operations - Hexagon Ragasco (note 14)	0	0	- 138	- 138	0	0	0	0
Currency translation differences	40 428	8 598	7 299	56 325	148 522	30 860	26 591	205 973
Derecognition from deconsolidation of Hexagon Purus (note 13)	0	0	0	0	- 583 031	- 90 553	- 200 962	- 874 545
Derecognition from deconsolidation of Hexagon Ragasco (note 13)	- 32 350	0	- 2 179	- 34 529	0	0	0	0
<b>Carrying value as of 30 September</b>	<b>1 240 958</b>	<b>241 176</b>	<b>287 533</b>	<b>1 769 667</b>	<b>1 282 588</b>	<b>270 095</b>	<b>313 679</b>	<b>1 866 362</b>
<i>1) Other intangible assets consist of technology and development, patents and licenses and other rights</i>								

## Note 7: Lease liabilities

(NOK 1000)	2024	2023
<b>Carrying value as of 1 January</b>	<b>449 127</b>	<b>551 592</b>
New lease liabilities recognized in the period - continuing operations	229 772	36 328
New lease liabilities recognized in the period - discount. operations - Hexagon Purus	0	7 521
New lease liabilities recognized in the period - discount. operations - Hexagon Ragasco	3 569	11 128
Cash payments for the principal portion of the lease liability	- 48 504	- 55 417
Cash payments for the interest portion of the lease liability	- 27 210	- 23 748
Interest on lease liabilities - continuing operations	26 158	15 125
Interest on lease liabilities - discontinued operations - Hexagon Purus	0	6 828
Interest on lease liabilities - discontinued operations - Hexagon Ragasco	1 052	1 795
Currency translation differences	12 119	37 808
Derecognition from deconsolidation of Hexagon Purus (note 13)	0	- 163 807
Derecognition from deconsolidation of Hexagon Ragasco (note 13)	- 70 366	0
<b>Carrying value as of 30 September</b>	<b>575 718</b>	<b>425 152</b>

## Note 8: Other financial liabilities

(NOK 1000)	Carrying value 1 January 2024	Fair value adjustment	Additions in the period	Settlements /payments in the period	Reclass. from non- current to current	Currency translation	Derecognition from deconsolidation of Hexagon Purus	Carrying value 30 Sept. 2024
Cross currency swap (fair value)	0	- 20 966	0	0	359 569	0	0	338 603
<b>Total non-current other financial liabilities</b>	<b>0</b>	<b>- 20 966</b>	<b>0</b>	<b>0</b>	<b>359 569</b>	<b>0</b>	<b>0</b>	<b>338 603</b>
Cross currency swap (fair value)	252 299	107 270	0	0	- 359 569	0	0	0
Other current financial liabilities (TRS)	124 609	- 8 294	0	0	0	0	0	116 315
<b>Total current other financial liabilities</b>	<b>376 909</b>	<b>98 975</b>	<b>0</b>	<b>0</b>	<b>- 359 569</b>	<b>0</b>	<b>0</b>	<b>116 315</b>

The table above and below shows the movements of current and non-current other financial liabilities in the period. As Hexagon Purus was fully consolidated as a subsidiary up until 29 June 2023, the comparable table for 2023 below includes thus movements related to Hexagon Purus.

(NOK 1000)	Carrying value 1 January 2023	Fair value adjustment	Additions in the period	Settlements /payments in the period	Reclass. from non- current to current	Currency translation	Derecognition from deconsolidation of Hexagon Purus	Carrying value 30 Sept. 2023
Cross currency swap (fair value)	216 885	106 618	0	0	0	0	0	323 504
Contingent liabilities from business combinations (fair value)	39 789	0	0	0	- 39 789	0	0	0
<b>Total non-current other financial liabilities</b>	<b>256 675</b>	<b>106 618</b>	<b>0</b>	<b>0</b>	<b>- 39 789</b>	<b>0</b>	<b>0</b>	<b>323 504</b>
Deferred payment from business combination (amortized cost)	45 776	0	0	- 52 267	0	6 491	0	0
Contingent liabilities from business combinations (fair value)	29 275	0	0	- 33 426	39 789	8 655	- 44 294	0
Other current financial liabilities (TRS)	0	91 157	0	0	0	0	0	91 157
<b>Total current other financial liabilities</b>	<b>75 051</b>	<b>91 157</b>	<b>0</b>	<b>- 85 693</b>	<b>39 789</b>	<b>15 146</b>	<b>- 44 294</b>	<b>91 157</b>

Deferred payments and contingent liabilities are related to the acquisition of Wystrach in 2021 within the Hexagon Purus Group. The remaining liabilities related to this acquisition were derecognized from the Hexagon Group accounts following the deconsolidation of Hexagon Purus as of 29 June 2023.

## Note 9: Interest-bearing liabilities

(NOK 1000)	2024			2023			
	Non-current bank loans	Current bank loans	Total 2024	Non-current bond loans	Non-current bank loans	Current bank loans	Total 2023
<b>Liabilities as of 1 January</b>	<b>0</b>	<b>1 108 468</b>	<b>1 108 468</b>	<b>0</b>	<b>1 482 140</b>	<b>234 674</b>	<b>1 716 814</b>
<b><i>Financing activities with cash settlement:</i></b>							
- New liabilities		607 339	607 339	800 000	0	0	800 000
- Transaction costs		- 9 750	- 9 750	- 23 091	0	0	- 23 091
- Repayment of liabilities		- 618 595	- 618 595	0	- 365 398	- 180 569	- 545 967
<b><i>Financing activities without cash settlement:</i></b>							
- Reclassification 1st year`s instalments	0	0	0	0	0	0	0
- Reclassifications <sup>1)</sup>	1 088 735	- 1 088 735	0	0	0	0	0
- Equity component of convertible bond (less transaction costs)			0	- 270 318	0	0	- 270 318
- Currency translation differences			0		5 421	0	5 421
- Other transactions without cash settlement	1 505	1 272	2 777	21 024	4 900	0	25 924
- Derecognition from deconsolidation of Hexagon Purus <sup>2)</sup>			0	- 527 615	- 30 554	- 982	- 559 151
<b>Liabilities as of 30 September</b>	<b>1 090 239</b>	<b>0</b>	<b>1 090 239</b>	<b>0</b>	<b>1 096 509</b>	<b>53 123</b>	<b>1 149 632</b>

1) Hexagon's debt facilities with its banking partners, DNB and Danske Bank, were due to its less-than-12-month maturity, classified and presented as current as of 31 December 2023. On 30 April 2024, Hexagon renewed its debt facilities, and the bank loans have thus been reclassified and presented as non-current as of 30 September 2024.

The principal loan financing facility in Hexagon Composites ASA is a Senior Secured bilateral facility with DNB Bank and Danske Bank. Following the renewal of the debt facilities on 30 April, the overall size of the committed facility increased by NOK 500 million, to NOK 2 200 million, comprising a term loan of NOK 1 100 million, an overdraft facility of NOK 250 million, and a multi-currency revolving credit facility (RCF) of NOK 850 million. The main tenor is for 3 years with extension of 1 +1 years available in relation to the term loan and RCF. As of quarter-end, total drawings amounted to NOK 1 100 million excluding amortized transaction costs of 9.8 million. Unused credit facilities were NOK 1 100 million.

All financial covenants related to the financing facility agreement were compliant per quarter-end.

2) As a result of the deconsolidation of Hexagon Purus as described in note 13, Hexagon Purus' interest-bearing debt as of 29 June 2023, consisting mainly of the debt component of a NOK 800 million convertible bond, was derecognized from the group accounts of Hexagon Composites, and is thus only present in the comparable table for 2023.

## Note 10: Financial instruments

For financial instruments that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period.

### Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

**Level 3:** Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

There were no transfers from one level to another in the measurement hierarchy from 2023 to the end of the current quarter of 2024. Hexagon Group has no items defined as level 1. Set out below is a comparison of the carrying amount and the fair value of financial instruments as of the current balance sheet date and 31 December 2023.

(NOK 1000)	Level	30 September 2024		31 December 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets:</b>					
Other non-current financial assets <sup>1)</sup>	2	470 746	470 746	125 667	125 667
Other current financial assets <sup>2)</sup>	2	50 000	50 000	0	0
<b>Total financial assets</b>		<b>520 746</b>	<b>520 746</b>	<b>125 667</b>	<b>125 667</b>
<b>Financial liabilities:</b>					
Non-current contingent liabilities	3	1 090 239	1 100 000	0	0
Other non-current financial liabilities (cross currency swap)	3	338 603	338 603	0	0
Current interest-bearing liabilities	2	0	0	1 108 468	1 111 255
Other current financial liabilities <sup>3)</sup>	2	116 315	116 315	376 909	376 909
<b>Total financial liabilities</b>		<b>1 545 157</b>	<b>1 554 918</b>	<b>1 485 376</b>	<b>1 488 164</b>

1) Other non-current financial assets of NOK 470.7 million relate largely to convertible bond investment of NOK 213.5, loans to Cryoshelter BioLNG of NOK 240.1 million, fair value on interest rate swaps of NOK 11.4 million and other minor investments of NOK 5.8 million.

2) Other current financial assets of NOK 50 million relate to contingent consideration placed in Escrow related to the sale of Hexagon Ragasco.

3) Other current financial liabilities of NOK 116 million relate to the negative fair value of a total return swap (TRS).

On 29 June 2023, Hexagon Composites entered into a total return swap (TRS) with financial exposure to 13 839 872 shares in Hexagon Purus ASA, representing 5% of the total outstanding shares in Hexagon Purus ASA. The total return swap gives Hexagon Composites financial exposure to any change in the fair value of the underlying 13 839 872 shares from the initial amount of NOK 19.80 per share. The TRS is classified as a financial derivative with changes in fair value to be recognized through profit or loss. At the end of the quarter, the fair value of the TRS was NOK -116.3 million.

## Note 11: Share-based payment

### Share-based payment in Hexagon Composites ASA

The Company has a performance share units program (PSUs) and a restricted share units program (RSUs) covering certain employees in senior positions.

### Performance share unit programs (PSUs)

All PSUs are non-transferable and will vest subject to satisfaction of the applicable vesting conditions (fulfilling revenue, group EBITDA and share price targets). The actual number of PSUs vested will depend on performance and vary from minimum zero to the maximum awarded PSUs in each program. Each vested PSU will give the holder the right to receive one share in the Company at an exercise price corresponding to the par value of the shares being NOK 0.10.

### Restricted share unit programs (RSUs)

The RSUs are subject to continued employment three years after date of grant, and each participant will at such time receive such number of Hexagon shares as corresponds to the number of RSUs allocated to them.

Share-based payment programs	PSUs (maximum)	RSUs
<b>Outstanding 1 January 2024</b>	<b>8 476 437</b>	<b>524 527</b>
Granted during the year	5 480 154	157 000
Instruments exercised	- 1 024 375	- 91 132
Instruments lapsed/cancelled/adjusted	- 2 565 339	- 127 589
<b>Outstanding 30 September 2024</b>	<b>10 366 877</b>	<b>462 806</b>
Exercise price (NOK) (in the case of new shares issued)	0.10	0.10
Expected lifetime (years)	3 years	3 years
Weighted average exercised share price (NOK) during the year	18.46	39.15

The fair value of the PSUs and RSUs was calculated on the grant date, based on the Black-Scholes model, and the cost is recognized over the service period. Cost associated with the programs were NOK 35.7 million YTD per 30 September 2024. The cost in the third quarter was NOK 17.1 million. The fair value of all outstanding PSUs (maximum 10,366,877) and RSUs (462,806) is estimated to NOK 84.4 million per 30 September 2024.

In addition to the above-mentioned instruments, the Company has issued bonus arrangements to certain executives within the Group. The bonus arrangements are dependent upon the share price development of Hexagon Purus ASA and is converted to a given number of cash settlement options in Hexagon Purus ASA, for the purpose of calculating quarterly fair values using the Black-Scholes model. These cash settlement arrangements involved total expenses of NOK -2.2 million YTD 30 September 2024. Expenses in the third quarter were NOK 1.6 million. Remaining unamortized accrual is estimated to MNOK 1.2 as of 30 September 2024.



## Note 12: Investments in associates

List of associated companies	Country	Business segment	Acquisition / recognition	Ownership 30.09.2023	Ownership 31.12.2023	Ownership 30.09.2024	Accounting method
Hexagon Purus ASA	Norway	Other	20 June 2023	38.4%	38.4%	38.3%	Equity method
Worthington Cylinders Austria GmbH ("SES")	Austria	Other	29 May 2024	n/a	n/a	49.0%	Equity method
Cryoshelter BioLNG GmbH ("Cryoshelter")	Austria	Agility	1 August 2022	40.0%	40.0%	40.0%	Equity method

### Income statement reconciliation

	Hexagon Purus		Sustainable Energy Solutions (SES)		Cryoshelter		Total	
(NOK 1000)	2024	2023	2024	2023	2024	2023	2024	2023
Share of profit after tax	- 200 940	- 75 649	- 16 658		- 25 430	- 10 353	- 243 028	- 86 001
PPA amortizations	- 18 672	- 10 196	0		- 2 020	- 1 980	- 20 692	- 12 176
<b>Total profits/losses from investments in associates per 30 September</b>	<b>- 219 612</b>	<b>- 85 845</b>	<b>- 16 658</b>	<b>0</b>	<b>- 27 450</b>	<b>- 12 332</b>	<b>- 263 720</b>	<b>- 98 177</b>

### Balance sheet reconciliation

	Hexagon Purus		Sustainable Energy Solutions (SES)		Cryoshelter		Other associates <sup>1)</sup>		Total	
(NOK 1000)	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Carrying value as of 1 January</b>	<b>1 225 107</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>20 243</b>	<b>0</b>	<b>33 029</b>	<b>1 225 107</b>	<b>53 272</b>
Purchase of shares			122 219						122 319	0
Share capital contributions							29 305		0	29 305
Fair value recognition of remaining shareholding		2 378 695							0	2 378 695
Sale of shares		- 274 029							0	- 274 029
Share of profit after tax incl. PPA amortizations	- 219 612	- 85 845	- 16 658		- 27 450	- 12 332	- 4 402		- 263 720	- 102 579
Share of other comprehensive income	25 336								25 336	0
Derecognition following deconsolidation							- 57 804		0	- 57 804
Currency translation effects			- 45		- 611	55	- 128		- 657	- 73
<b>Carrying value as of 30 September</b>	<b>1 030 832</b>	<b>2 018 820</b>	<b>105 516</b>	<b>0</b>	<b>- 28 061</b>	<b>7 965</b>	<b>0</b>	<b>0</b>	<b>1 108 286</b>	<b>2 026 786</b>
<i>Fair value of the investment (if there is a quoted market) as of 30 September</i>	<i>1 243 666</i>	<i>1 405 236</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>		

1) Other associates relate to associated companies of Hexagon Purus. As a result of the deconsolidation of Hexagon Purus effective 29 June 2023, these associated companies were derecognized from the group accounts of Hexagon Composites and are thus not a part of the 2024 figures.

## Sustainable Energy Solutions (SES)

On 29 May 2024, Hexagon acquired 49% of the shares in Worthington Cylinders Austria GmbH (parent company of the SES business), a leading European supplier of high-pressure cylinders and systems for storage and distribution of compressed natural gas, hydrogen and industrial gases, with production facilities in Austria, Poland and Germany. Following the transaction, Worthington Enterprises as seller retained 49% of the shares while senior executives of SES hold the remaining 2%. Based on the substance of the share-purchase agreement and the shareholders' agreement entered into as a part of the transaction, no single shareholder will have control over the company, nor will the shareholders have joint control over the company. Consequently, Hexagon has concluded that it has significant influence over the company and has accounted for the investment as an associate by use of the equity method. Hexagon's share of the profit after tax in SES from 29 May 2024 to 30 September 2024 was NOK -16.7 million.

The acquisition of SES was concluded based on an enterprise value of SES of USD 20 million on a 100% basis, which, after adjusting for net debt and net working capital items, translated to an equity value of USD 22 million. HEX' investment amounted to USD 10.8 million for 49% of the shares, equating to NOK 114.1 million excluding transaction costs. Transaction costs directly associated with the acquisition of the shares amounted to NOK 8.1 million. These transaction costs have been capitalized and added to the carrying amount of the investment.

As part of the accounting for the acquisition of SES, Hexagon is undertaking a "notional" purchase price allocation (PPA), identifying and valuing assets and liabilities of SES. Fair value adjustments, if any, will not be recorded separately because the investment itself is a single line item. However, such adjustments will form the basis for additional depreciation, amortization and similar adjustments that will be reflected in Hexagon's share of SES's results in subsequent periods. The PPA was not completed as of the date these interim financial statements were authorized for issue and consequently the accounting for the acquisition reflects provisional amounts, which may be subject to change in subsequent periods to reflect new information obtained about the financial position of SES as of the acquisition date. Management expects to have completed the PPA prior to the release of the company's interim financial statements for the quarter ending 31 December 2024.

## Hexagon Purus

### Initial recognition as associated company on 29 June 2023

Following loss of control and deconsolidation of Hexagon Purus as a subsidiary effective from 29 June 2023, Hexagon Composites' investment in Hexagon Purus has been accounted for as an associated company applying the equity method. On 29 June 2023, following the dividend-in-kind decision, Hexagon Composites' ownership in Hexagon Purus was effectively reduced to 43.4%. The initial recognition and measurement of Hexagon Purus under the equity method amounted to NOK 2 379 million, representing 43.4% of the fair market value of Hexagon Purus on 29 June. Furthermore, on 29 June, Hexagon Composites sold 13.8 million Hexagon Purus shares and simultaneously entered into a total return swap (TRS) representing 5% of the total outstanding shares in Hexagon Purus. The transaction was closed at NOK 19.80 per share for a total consideration of NOK 274 million. Based on the substance of the agreements and the circumstances for the sale, the sale of shares associated with the TRS agreements was accounted for as a reduction in ownership of an associate. Since the sale of shares under the TRS agreement was made subsequently on the same date as the loss-of-control event, the sale represented a zero-gain transaction. From 29 June and onwards, Hexagon Composites accounts for 38.4% of the profits/losses in Hexagon Purus via the equity method in addition to amortizations of fair value/PPA-adjustments. See also note 13 for further information related to the deconsolidation of Hexagon Purus. The table below shows the purchase price allocation of Hexagon Purus as of 29 June 2023.

	(NOK 1000)	Hexagon Purus 100% basis	Hexagon share		
	Ownership %		38.4%		
	Number of shares	276 797 456	106 296 223		
	Share price (NOK / share)	19.80	19.80		
<b>a</b>	<b>Market value of equity as of 29 June 2023</b>	<b>5 480 590</b>	<b>2 104 665</b>		
	Book values as of initial recognition 29 June 2023				
	Non-current assets	1 917 324	736 294		
	Current assets	1 900 183	729 712		
	Non-current liabilities	738 189	283 481		
	Current liabilities	731 115	280 764		
<b>b</b>	<b>Book value of equity as of 29 June 2023</b>	<b>2 348 204</b>	<b>901 761</b>		
<b>a – b</b>	<b>Fair value adjustments / PPA-adjustments:</b>	<b>3 132 386</b>	<b>1 202 904</b>		
	- hereof intangible assets	778 206	298 848	25%	Lifetime: 7 – 15 years
	- hereof goodwill	2 354 180	904 056	75%	Lifetime: Indefinite

### Impairment testing of Hexagon Purus

During the last 1.5 years, Hexagon Purus has experienced a significant decline in its market value. As of 30 September 2024, the Hexagon Purus share price closed at NOK 11.70 per share, translating to a fair value of Hexagon's share in Hexagon Purus of NOK 1 244 million. Compared to the share price as of the date of Hexagon's initial fair value recognition of Hexagon Purus as an associated company of NOK 19.80/share as of 29 June 2023, this represents a 41 per cent decline. Comparable peer companies within the hydrogen and battery sector have experienced similar share price developments in the same period.

In the fourth quarter of 2023, Hexagon performed an impairment test of its investment in Hexagon Purus based on a value-in-use calculation. The impairment test carried out resulted in an impairment of NOK 702 million and an adjusted carrying value of NOK 1 225 million as of 31 December 2023. Considering Hexagon's equity method accounting of Hexagon Purus in the first nine months of 2024, the carrying value as of 30 September 2024 ended at NOK 1 031 million. As of the end of the third quarter of 2024, Hexagon reassessed its impairment test carried out in the fourth quarter of 2023 and concluded that the underlying free cash flow assumptions for the impairment still stand. Consequently, no further impairments or reversal of impairments of its investment in Hexagon Purus have been made.

Key assumptions for calculating value in use of the investment are related to estimates for revenues, EBITDA margins, discount rates and growth rates beyond the forecast period. A forecast period until 2030 with an extrapolation towards 2033 (total of 9 years) has been used, concurrent with the forecast period used in the determination of intangible assets and goodwill in the purchase price allocation of Hexagon Purus as of 29 June 2023. Hexagon Purus' business plan projections imply significant growth. However, as a reflection of the overall equity market's increased implicit risk towards Hexagon Purus, Hexagon has for impairment test purposes incorporated somewhat higher risk factors to Hexagon Purus' revenue growth rates towards 2030 both within the hydrogen and the battery electric mobility sector, as well as somewhat lower profit margins in the same forecast period. For subsequent periods beyond the 6-year forecast horizon, the Group has prudently phased in a declining growth rate towards an expected average growth rate for the economy in general. A weighted average cost of capital (post-tax) of 11.0 per cent has been used as a discount rate for free cash flows. Although Hexagon Purus expects to make profit at EBITDA level during 2026, a significant portion of the estimated value-in-use amount lies in the terminal value which is dependent upon the size of the company and its free cash flow generation at the end of the forecast period. Despite future cash flows are inherently uncertain, Hexagon management expects Hexagon Purus will capitalize and deliver on its business plan, and that the current carrying value represents a fair estimate of the value of the Company, including prudent risk adjustments.

## Note 13: Changes to the Group structure

### Sale and deconsolidation of Hexagon Ragasco on 3 June 2024

On 29 May 2024, Hexagon announced an agreement with Worthington Enterprises for the sale of 100% of the shares in Hexagon Ragasco - the Group's LPG composite cylinder business. The sale transaction closed on 3 June 2024, representing the date when control was lost. The transaction was settled based on an enterprise value of NOK 1 050 million and depending on the full year 2024 EBITDA performance of Hexagon Ragasco, the enterprise value may be adjusted between minus NOK 50 million to plus NOK 100 million. These potential adjustments represent contingent considerations which have been assessed and accounted for by using management's best estimates. Based on the EBITDA criteria for the contingent considerations, Hexagon management concluded to base the consideration at closing of NOK 1 050 in enterprise value, equating to an estimated purchase price for the shares, after adjusting for net debt and net working capital, of NOK 988 million.

The sale transaction yielded a net accounting gain of NOK 677 million, which is further depicted below.

#### Gain from sale of Hexagon Ragasco as of 3 June 2024

(NOK 1000)

	Fair value of consideration paid in cash at closing	944 200
	Fair value of subsequent consideration post-closing	- 6 500
	Fair value of contingent consideration <sup>1)</sup>	50 000
<b>a)</b>	<b>Total consideration for the shares in Hexagon Ragasco</b>	<b>987 700</b>
<b>b)</b>	<b>Derecognition book value of net assets (equity) in Hexagon Ragasco</b>	<b>260 475</b>
<b>c)</b>	<b>Reclassification of negative FX translation differences from OCI to profit/loss related to Hexagon Ragasco</b>	<b>- 10 693</b>
<b>a-b+c)</b>	<b>Gross gain from sale of Hexagon Ragasco</b>	<b>716 532</b>
	Income tax from sale of Hexagon Ragasco	0
	Transaction costs <sup>2)</sup>	- 39 796
	<b>Net gain from deconsolidation of Hexagon Ragasco (as reported)</b>	<b>676 736</b>

<sup>1)</sup> The contingent consideration is payable in March 2025 subject to Hexagon Ragasco meeting the associated EBITDA target for 2024.

<sup>2)</sup> Transaction costs include fees to financial and legal advisors of NOK 24.1 million as well as cash settlements of share-based payment instruments and bonuses to management and employees of Hexagon Ragasco of NOK 15.7 million.

### Deconsolidation of Hexagon Purus on 29 June 2023

On 29 June 2023, the Board of Hexagon Composites decided to use its mandate from the extraordinary general meeting on 28 June 2023, to distribute 69,2 million shares in Hexagon Purus ASA ("Hexagon Purus") as dividend in kind to its shareholders. The distribution represented 25% of the total outstanding shares in Hexagon Purus and effectively reduced Hexagon's ownership in Hexagon Purus from 68,4% to 43,4%. On the same day and subsequent of the Board meeting, Hexagon sold and entered into total return swap (TRS) agreements with its Nordic Banking Partners, representing 5% of the total outstanding shares in Hexagon Purus, or 13,8 million shares. Since 29 June 2023, Hexagon has held 38,4% of the voting rights (106,3 million shares) in Hexagon Purus and a total return swap of 5% (13.8 million shares).

Following the above-mentioned events, Hexagon management made a reassessment of its control consideration in Hexagon Purus, and after considering all relevant facts and circumstances, management concluded that control was lost as of 29 June 2023. Key factors pertaining to this conclusion were the reduced voting right in itself coupled with an irrevocable public statement from the Board of Hexagon Composites which effectively limits Hexagon's Board influence and power in the Board of Purus to a non-controlling party for the foreseeable future. See the full statement from the Board of Hexagon Composites in the stock exchange announcement from 29 June, <https://newsweb.oslobors.no/message/594467>

As a result of the loss of control in Hexagon Purus on 29 June 2023, Hexagon derecognized all assets and liabilities, including non-controlling interests, associated with Hexagon Purus as of 29 June 2023. The table below shows the one-off accounting gain resulting from the deconsolidation.

<b>Gain from deconsolidation of Hexagon Purus as of 29 June 2023</b> (NOK 1000)	
Fair value of Hexagon Purus shares distributed as dividend in kind (69 164 402 shares x NOK 19.80 per share)	1 369 455
Fair value recognition of retained Hexagon Purus shares as associated company (120 136 095 shares x NOK 19.80 per share)	2 378 695
<b>a) Total consideration of Hexagon Composites' share in Hexagon Purus</b>	<b>3 748 150</b>
Derecognition book value of net assets equity) in Hexagon Purus	2 348 204
Derecognition book value of non-controlling interests related to Hexagon Purus	- 834 841
<b>b) Total book values related to Hexagon Purus derecognized</b>	<b>1 513 363</b>
<b>c) Reclassification of positive FX translation differences from OCI to profit/loss related to Hexagon Purus</b>	<b>118 307</b>
<b>a-b+c) Gross gain from deconsolidation of Hexagon Purus</b>	<b>2 353 094</b>
Income tax from deconsolidation of Hexagon Purus	0
Transaction costs	1 792
<b>Net gain from deconsolidation of Hexagon Purus (as reported)</b>	<b>2 351 302</b>

Since 29 June 2023, Hexagon Purus has been classified as an associated company and accounted for by use of the equity method. See note 12 for further details on the equity method accounting of Hexagon Purus.



## Note 14: Discontinued operations

The after-tax profit or loss from discontinued operations relate to Hexagon Ragasco which was sold to Worthington Enterprises on 3 June 2024 and Hexagon Purus which was deconsolidated as a subsidiary and operating entity on 29 June 2023. See also note 13 for further information. As both Hexagon Ragasco and Hexagon Purus represented separate major lines of business and separate segments within the Hexagon Group prior to the divestments, both components represent discontinued operations and have thus been presented as such.

The profit or loss from discontinued operations as presented in the statement of income are shown in the tables below. As Hexagon Ragasco was sold on 3 June 2024, the financials for 2024 in the tables below show only Hexagon Ragasco's financials up to 3 June 2024. Hence, the year-to-date figures for 2024 are not comparable with the same periods in 2023 and there are thus no quarterly figures for Hexagon Ragasco in Q3 2024. Similarly, as Hexagon Purus was deconsolidated as a subsidiary on 29 June 2023, there are no quarterly or year-to-date financials for Hexagon Purus in 2024. The financials for Hexagon Purus in the tables below show Hexagon Purus' figures up to 29 June 2023 only. Reference is made Hexagon Purus' quarterly financial reports for further information.

(NOK 1000)	Q3 2024 (n/a)			Q3 2023		
	Hexagon Ragasco	Hexagon Purus	Total disc. operations	Hexagon Ragasco	Hexagon Purus	Total disc. operations
<b>Total revenue and other operating income</b>				<b>109 497</b>		<b>109 497</b>
Cost of materials				39 964		39 964
Payroll and social security expenses				32 055		32 055
Other operating expenses				34 230		34 230
<b>Total operating expenses before depreciation</b>				<b>106 249</b>		<b>106 249</b>
<b>Operating profit before depr. and amort. (EBITDA)</b>				<b>3 248</b>		<b>3 248</b>
Depreciation, amortization, and impairment				9 432		9 432
<b>Operating profit (EBIT)</b>				<b>- 6 184</b>		<b>- 6 184</b>
Profit/loss from investments in associated companies				0		0
Other financial items (net)				- 4 672		- 4 672
<b>Profit/loss before taxes from discontinued operations</b>				<b>- 10 856</b>		<b>- 10 856</b>
Income tax expenses				- 1 457		- 1 457
<b>Profit/loss after taxes from discontinued operations</b>				<b>- 9 399</b>		<b>- 9 399</b>
Gain from sale/deconsolidation before taxes (note 13)				0		0
Income tax on gain from sale/deconsolidation				0		0
<b>Gain from sale/deconsolidation after taxes</b>				<b>0</b>		<b>0</b>
<b>Profit/loss after taxes from disc. operations reconciled to the income statement</b>				<b>- 9 399</b>		<b>- 9 399</b>

(NOK 1000)	YTD 2024			YTD 2023			Full year 2023		
	Hexagon Ragasco	Hexagon Purus	Total disc. operations	Hexagon Ragasco	Hexagon Purus	Total disc. operations	Hexagon Ragasco	Hexagon Purus	Total disc. operations
Total revenue and other operating income	263 111		263 111	508 194	573 544	1 081 738	678 703	573 544	1 252 246
Cost of materials	98 433		98 433	198 279	334 830	533 109	268 229	334 830	603 059
Payroll and social security expenses	72 007		72 007	117 807	295 899	413 705	158 513	295 899	454 411
Other operating expenses	55 672		55 672	104 291	143 846	248 137	137 752	143 846	281 599
Total operating expenses before depreciation	226 112		226 112	420 376	774 575	1 194 951	564 494	774 575	1 339 069
Operating profit before depr. and amort. (EBITDA)	37 000		37 000	87 818	- 201 031	- 113 214	114 209	- 201 031	- 86 823
Depreciation, amortization, and impairment	17 690		17 690	28 702	58 756	87 458	38 632	58 756	97 388
Operating profit (EBIT)	19 310		19 310	59 116	- 259 787	- 200 672	75 576	- 259 787	- 184 211
Profit/loss from investments in associated companies	0		0	0	- 4 402	- 4 402	0	- 4 402	- 4 402
Other financial items (net)	- 1 096		- 1 096	16 044	- 40 395	- 24 351	7 206	- 40 395	- 33 189
Profit/loss before taxes from discontinued operations	18 214		18 214	75 159	- 304 584	- 229 425	82 782	- 304 584	- 221 802
Income tax expenses	3 927		3 927	16 906	- 2 984	13 921	9 697	- 2 984	6 712
Profit/loss after taxes from discontinued operations	14 286		14 286	58 253	- 301 600	- 243 346	73 085	- 301 600	- 228 514
Gain from sale/deconsolidation before taxes (note 13)	676 736		676 736	0	2 351 302	2 351 302	0	2 351 302	2 351 302
Income tax on gain from sale/deconsolidation	0		0	0	0	0	0	0	0
Gain from sale/deconsolidation after taxes	676 736		676 736	0	2 351 302	2 351 302	0	2 351 302	2 351 302
Profit/loss after taxes from disc. operations reconciled to the income statement	691 023		691 023	58 253	2 049 703	2 107 956	73 085	2 049 703	2 122 788

## Note 15: Events after the balance sheet date

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- X15N initial orders from over 30 fleets
- Participation of NOK ~380 million in Hexagon Purus' successful capital raise of NOK ~1 000 million

## Share information

A total of 47,101,838 shares (Q2'24: 44,514,462 shares) in Hexagon Composites ASA were traded on the Oslo Stock exchange during the third quarter of 2024. In the quarter, the share price moved between NOK 27.25 (NOK 16.30) and NOK 44.90 (NOK 34.40), ending the quarter at NOK 44.90, giving a market capitalization of NOK 9.3 billion (NOK 6.0 billion) for the Company. For further investor information, refer to the investor section on [www.hexagongroup.com](http://www.hexagongroup.com).

# Terminology

## BAR

Unit of pressure. 1 millibar = 100 N/m<sup>2</sup>

## BIOGAS

Produced from raw materials such as agricultural waste, manure, municipal waste, plant material, sewage, green waste, or food waste

## BIO-LPG

Propane produced from renewable feedstocks such as plant and vegetable waste material

## BEV

Battery Electric Vehicle

## CHASSIS

The base frame of a car, carriage, or other wheeled vehicle

## CHG

Compressed Hydrogen Gas

## CNG

Compressed Natural Gas

## CO<sub>2</sub>

Carbon Dioxide

## COMPOSITE

Combination of glass/carbon fiber and thermosetting plastic, exploiting the malleability of the plastic and the stiffness and strength of the glass/ carbon fiber

## EBIT

Earnings before interests and taxes

## EBITDA

Earnings before interest, taxes, depreciation, and amortization

## EV

Electric Vehicle

## FCEV

Fuel Cell Electric Vehicle

## GHG

Greenhouse Gas

## GVW

Gross Vehicle Weight

## HDV

Heavy-Duty Vehicle

## H<sub>2</sub>

Hydrogen, light, colorless gas (Symbol H), produced on an industrial scale

## JOINT VENTURE

Legally signed contractual agreement whereby two or more parties undertake an economic activity

## LDV

Light-Duty Vehicle

## LNG

Liquefied Natural Gas

## LPG

Liquefied Petroleum Gas (propane gas)

## MOBILE PIPELINE®

Gas distribution products

## NGV

Natural Gas Vehicle

## OEM

Original Equipment Manufacturer

## X-STORE®

High-pressure composite cylinder for bulk transportation and storage of CNG



#### RNG

Renewable Natural Gas Pipeline compatible gaseous fuel derived from biogenic or other renewable sources that has lower lifecycle carbon dioxide equivalent (CO<sub>2</sub>- eq) emissions than geological natural gas

#### SCBA CYLINDER

Self-contained breathing apparatus

#### SCM3

Standard cubic meters. Unit for volumetric measurement of oil, natural gas and natural gas condensate at standard conditions defined in the ISO standard ISO 13443

#### TITAN®

High-pressure composite cylinder for bulk transportation and storage of CNG

#### TUFFSHELL®

High-pressure CNG cylinder for heavy duty vehicles

#### TYPE 1

Steel cylinder

#### TYPE 2

Steel cylinder, composite-reinforced

#### TYPE 3

Composite cylinder with metal liner

#### TYPE 4

Composite cylinder with polymer liner

#### U.S. DOT

U.S. Department of Transportation

## Forward looking statements

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