

# Q4 2024

Philipp Schramm, CEO  
David Bandele, CFO

13 February 2025

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# Key highlights 2024

# Driving the energy transition

The solutions we supplied in 2024 enabled the avoidance of

**1.8 million**  
metric tons of CO<sub>2</sub> equivalents

*Equal to removing ~430,000 petroleum cars  
off the road for one year*



Q4 2024

# All-time high revenue and EBITDA driven by robust volumes



Revenue

NOK **1.5** billion



EBITDA

NOK **257** million



EBITDA margin

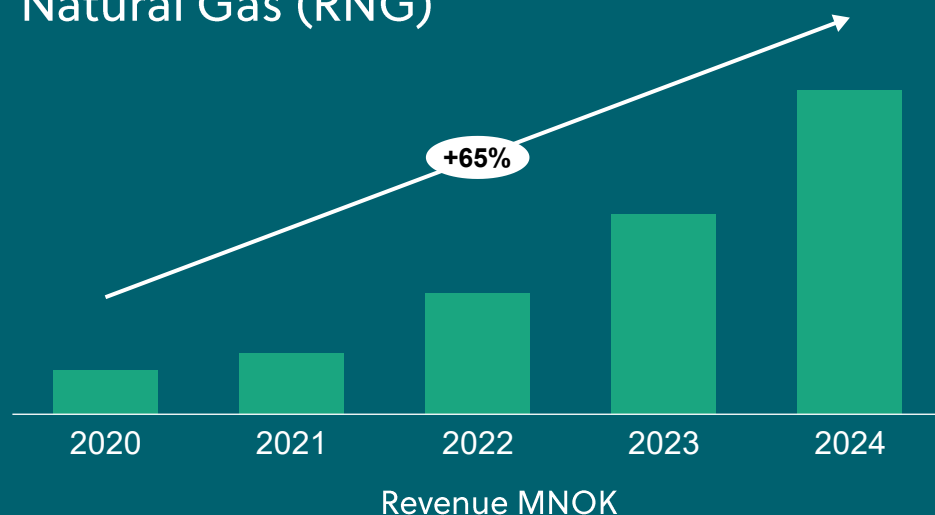
**17%**



## Key highlights 2024

# A milestone year for Mobile Pipeline

- **Record high** volumes resulted in all-time high revenue, EBITDA and modules produced
- **Strong demand** in all key segments; Oil & Gas, Helium and Renewable Natural Gas (RNG)



## Key highlights 2024

# Leveraged our market leading position in North America

- Supplied the most fuel systems to the X15N engine
- Strong demand in refuse and heavy-duty trucks
- Partnerships with UPS & WM continues to shape the future of heavy-duty trucking





## Key highlights 2024

# Strong operational performance and doubling of capacity

- ✓ **New production line for Mobile Pipeline**  
50% capacity increase
- ✓ **New assembly facility in Rialto, CA**  
Doubling the capacity to install  
RNG/CNG fuel systems in the region
- ✓ **Established new cylinder**  
production facility in Salisbury, NC





# Financials | Q4 2024

- Record high revenues and EBITDA
- 17% EBITDA margin
- Strong balance sheet and liquidity

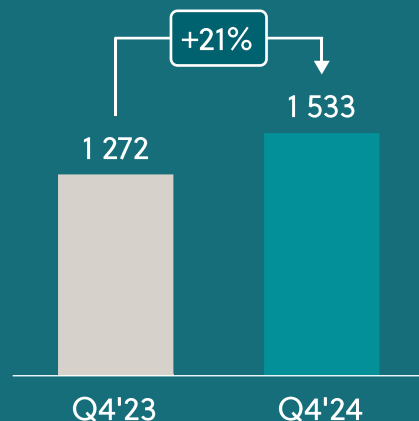


# Q4 2024 and full-year 2024\* financial highlights

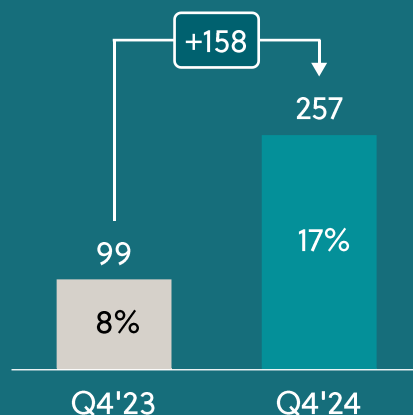
## Record-high results on the back of strong volume

Revenue NOKm

Q4  
2024

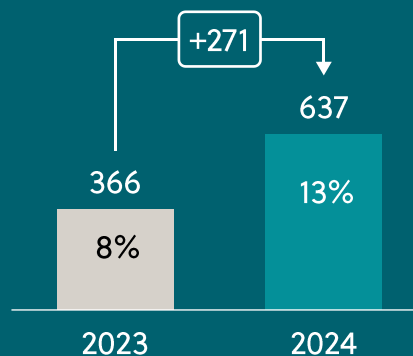
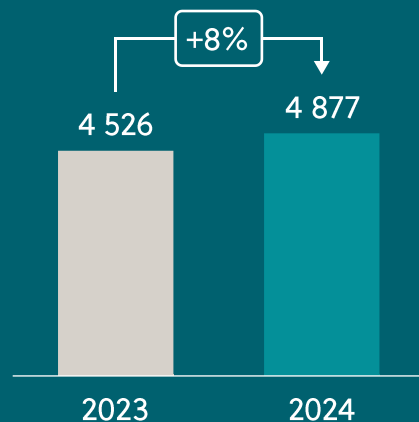


EBITDA NOKm



- EBITDA of NOK 257 million, **more than doubling last year**
- Continued focus on **operating margins** yielding results
- **Substantial margin increase** to 17%
- **Leverage** at a comfortable **1.5x**
- Available liquidity **NOK 1.2 billion**

Full year  
2024





## Other highlights

# Positive earn-out effect from Hexagon Ragasco sale

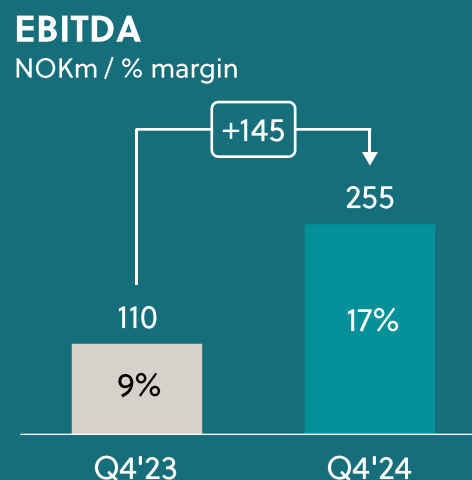
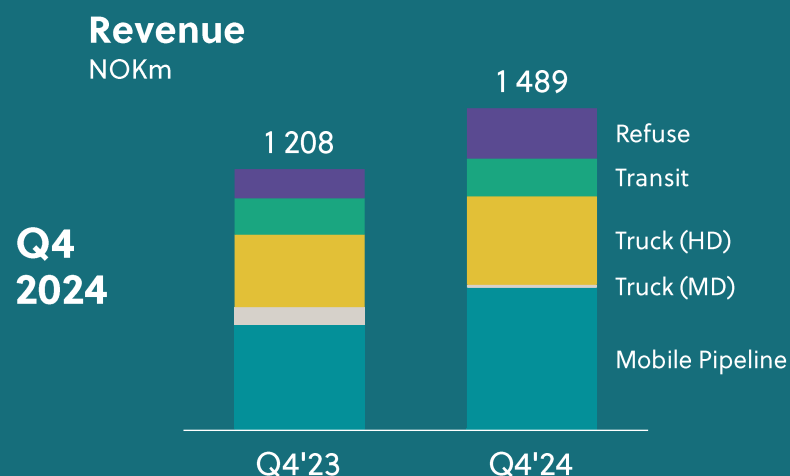
- Hexagon Ragasco was sold to Worthington on 3 June 2024 for an EV of NOK 1,050m with an earn-out component of -50m to +100m
- Earn-out component dependent upon Hexagon Ragasco's EBITDA performance for fiscal year 2024
- Preliminary 2024 results implies a minimum of NOK 75m\* in earn-out consideration, implying an obtained EV of NOK 1,125m





# Hexagon Agility Q4 2024 and full-year 2024\*

## Strong revenues across the board

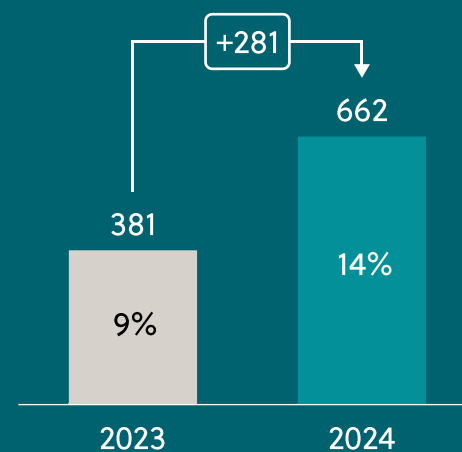
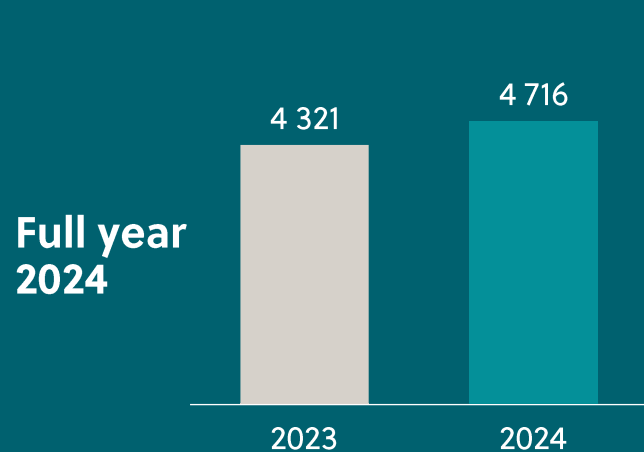


- Major revenue drivers**

- Refuse up **72%**
- Mobile Pipeline up **32%**
- Heavy-duty truck up **19%**

- Significant EBITDA expansion**

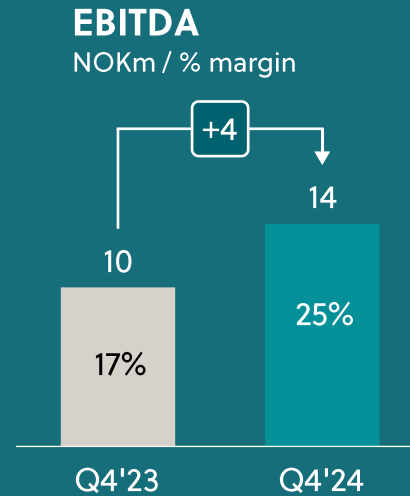
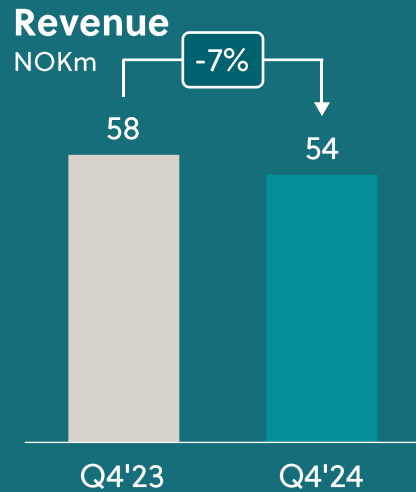
- Higher utilization from higher throughput



# Hexagon Digital Wave Q4 2024 and full-year 2024

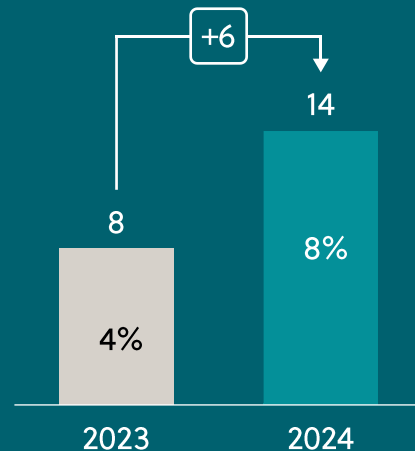
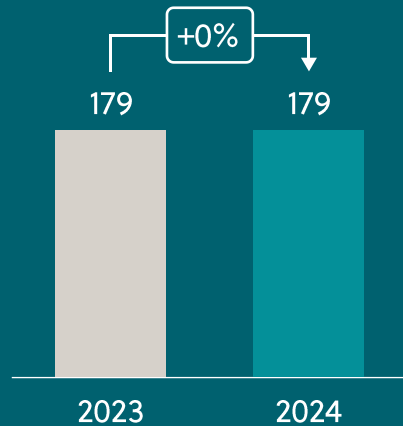
## Continued high activity in MAE Mobile Pipeline trailer testing

Q4  
2024



- Significant core MAE and UE activity
- Additional high margin specialist applications

Full year  
2024



# 2024 Financial & sustainability scorecard

## Strong across all parameters, driven by our 1,000 employees



**NOK 4.9 bn revenue**



**NOK 637 million  
EBITDA (13%)**



**Leverage  
1.5x<sup>2</sup>**



**Available liquidity  
NOK 1.2 billion**



**Equity ratio**



**Avoided 1.8 million<sup>2</sup>  
metric tons of CO<sub>2</sub> equivalents**

All datapoints and ratios above exclude Hexagon Ragasco which was sold in Q2 2024.

1) Compounded annual growth rate (CAGR) from 2020 to 2024.

2) Reported net interest-bearing debt / LTM EBITDA.

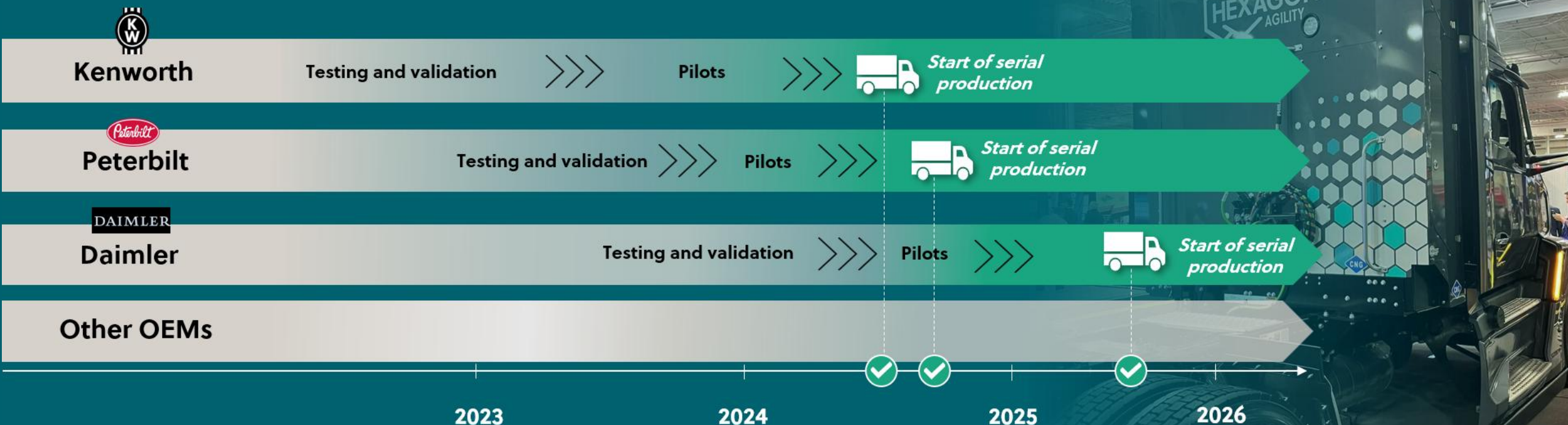


# Guiding 2025



# Hexagon Agility

## Largest OEM starting production in Q3 2025



## Hexagon Agility

# New adopters naturally have a longer timeline for scale-up

### Experienced RNG/CNG fleets

- ✓ ROI
- ✓ Fueling strategy
- ✓ Performance
- ✓ Driver acceptance
- ✓ Maintenance

*Orders*



### New adopters

- ✓ ROI
- ? Fueling strategy
- ? Performance
- ? Driver acceptance
- ? Maintenance

*Pilots*



- ✓ ROI
- ✓ Fueling strategy
- ✓ Performance
- ✓ Driver acceptance
- ✓ Maintenance

*Orders*





## Guidance 2025

# Business model proven, back-ended demand

### Robust volumes drives profitability

- Our business model delivers even with only ~1% natural gas truck adoption
- Q3 & Q4 EBITDA margins of 15% & 17% respectively

### Not "if", but "when"

- Cummins preparing for at least 8% natural gas adoption
- New adopters will buy in increasing order sizes

### 2025 - a transition year

- Steady pace of natural gas adoption
- Historically low freight market with recovery expected in second half 2025
- Additional truck platform availability for X15N from second half 2025

# Hexagon Group 2025 Financial outlook

## Looking forward to speedier natural gas adoption in 2H 2025

### Revenue

Soft first half 2025 with volumes increasing significantly in second half 2025 for both Mobile Pipeline and Truck

2025  
NOK  
**4.9 - 5.3 bn<sup>1</sup>**  
(2024:NOK 4.9bn<sup>2</sup>)

### EBITDA

EBITDA level will match top line development

2025  
NOK  
**640 – 740 m<sup>1</sup>**  
(2024:NOK 637m<sup>2</sup>)



### Mobile Pipeline

Oil & gas market should heat-up by H2 2025, while new markets such as back up power are opening up

### Transit & Refuse truck

Maintain strong Refuse truck demand; EU & US transit expected to remain steady

### Truck

US Freight market, truck platform availability and order sizes for the X15N engine-powered trucks all improve in H2 2025 versus a soft H1 2025

### Cylinder testing and inspection technologies

Lower revenue than 2024 from lower MAE activity - tied to historical 5-year Mobile Pipeline sales-cycles – not offset by expected increase in UE sales



An aerial photograph of a multi-lane highway bridge crossing a wide river. The river is filled with lily pads and is flanked by dense, lush green forests. A single blue car is visible on the bridge. The word "Outlook" is overlaid in white text on the left side of the bridge.

# Outlook



# Natural gas is a key part of the energy mix for transportation in the US



Changes to **zero emission** regulations are not expected to affect natural gas



**RNG/CNG** are abundant resources in the US that can be produced at scale



**RNG/CNG** continue to represent an economic alternative to diesel

# Significant growth expected in US heavy-duty natural gas trucks by 2030



## Strong market drivers

- ✓ Fleets committed to decarbonize
- ✓ Strong growth in RNG/CNG availability in the US
- ✓ Favorable total cost of ownership



## Ready at scale

- ✓ X15N matches diesel on power and range
- ✓ Proven technology
- ✓ Well established infrastructure



## Accelerated growth by 2030

# 10x



Source: ACEA, ACT, Hexagon Agility.



# Hexagon in pole position to capture profitable growth in the energy transition

**Undisputed market leader with the broadest offering**

**Proven technology and unmatched capacity**

**RNG/CNG will continue to solve global challenges**



# Q&A



# Appendix

# Investor relations information



## Exchange

Ticker symbol: HEX

ISIN: NO0003067902

Exchange: Oslo Børs



## Market cap

**NOK ~7.5 bn<sup>1</sup>**

Market capitalization



## Investor base

Shareholders

~ 60%  
International  
ownership



## Financial calendar 2025

Q4 2024	13 February
Q1 2025	15 May
Q2 2025	14 August
Q3 2025	6 November



## Equity analyst coverage

ABG	Nordea
Carnegie	Pareto
Danske Bank	SEB
DNB	Sparebank 1

For details, please visit our [website](#)

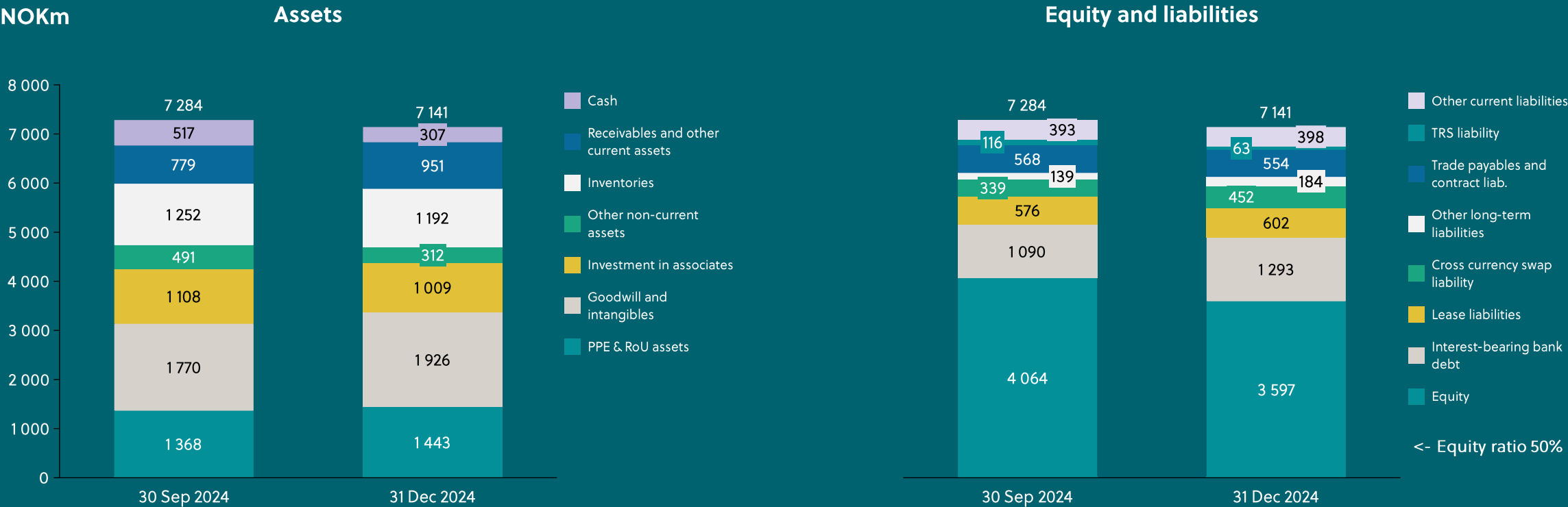


## Investor relations contact

David Bandele  
Chief Financial Officer  
Email:  
[david.bandele@hexagongroup.com](mailto:david.bandele@hexagongroup.com)  
Phone: +47 920 91 483

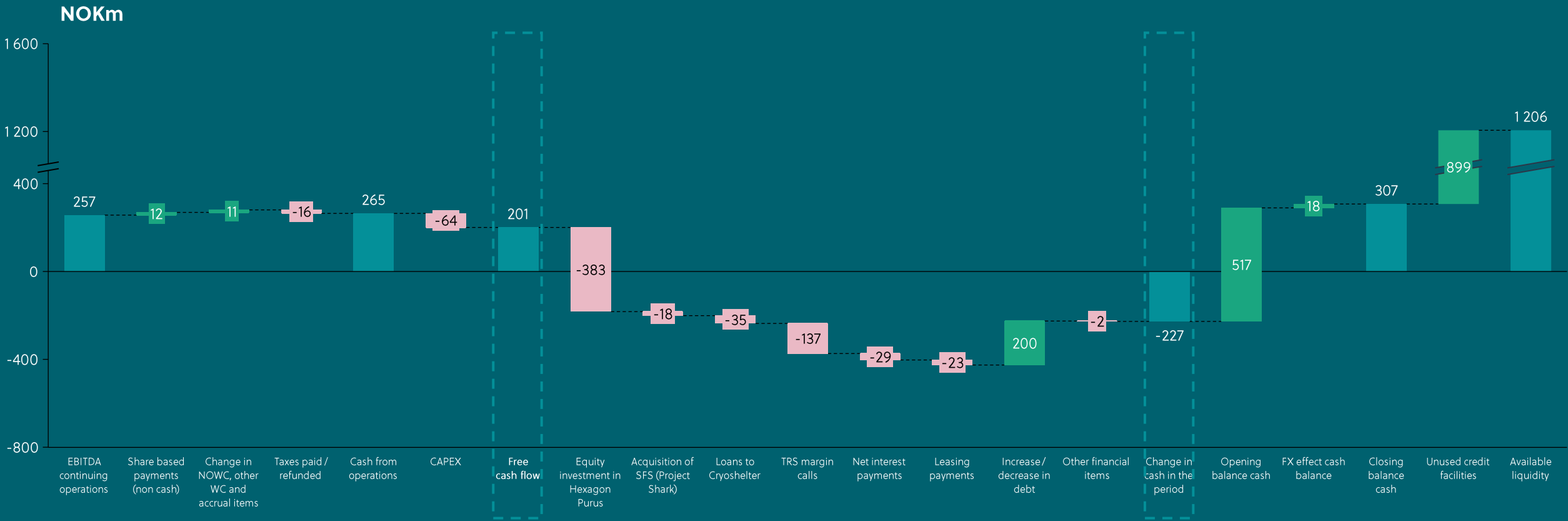


# Hexagon Group | Balance sheet



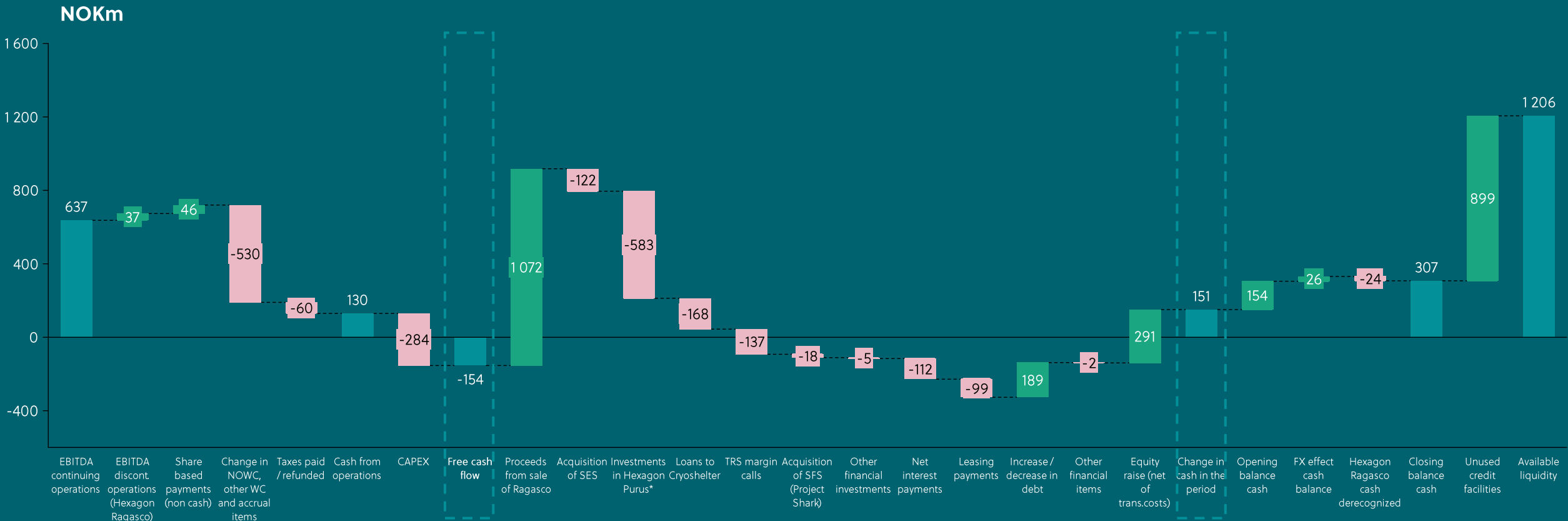
Balance sheet impacted by non-cash IFRS-driven impairments on associates, offset by a strengthening of the USD, resulting in higher balance sheet values when presented in NOK. Equity ratio still at a solid 50%.

# Hexagon Group | Cash flow Q4



Solid underlying operating profitability (EBITDA) coupled with improved working capital levels (despite strong sales in Q4), generated a strong free cash flow for the quarter. Several financial investments made in Q4 (including Purus cap raise) as well as margin call payments on Purus TRS.

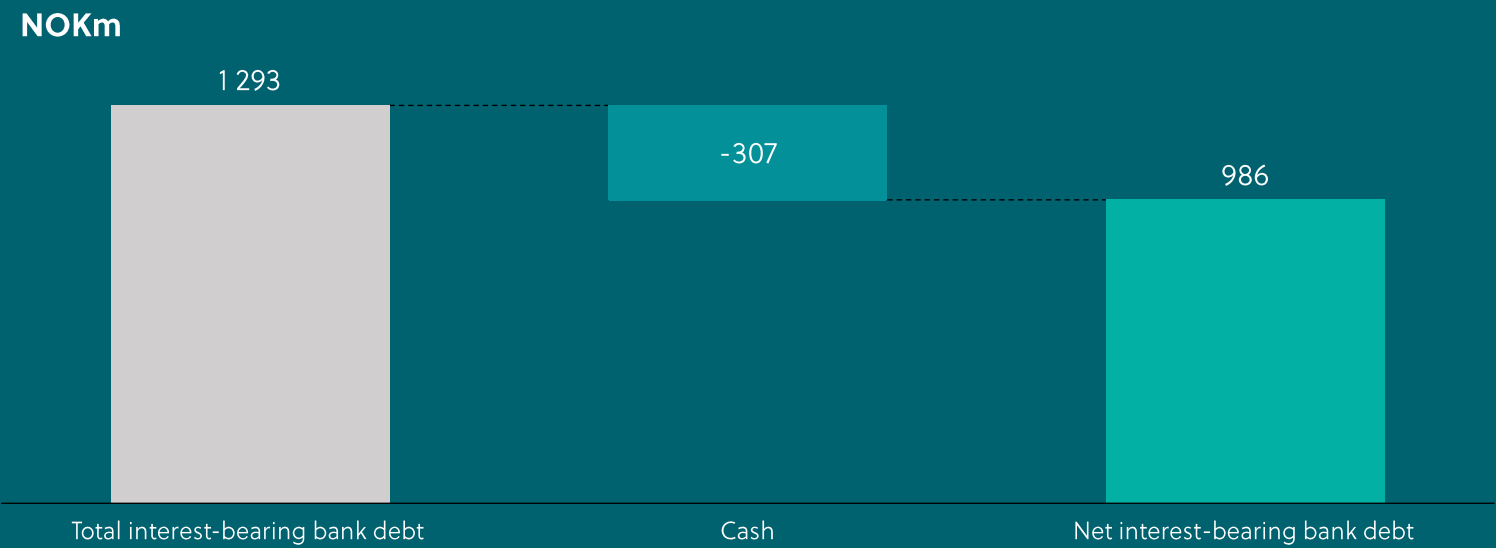
# Hexagon Group | Cash flow YTD per December



Healthy operating profitability, but significantly increased working capital levels in Hexagon Agility drove negative free cash flow for the year. Proceeds from sale of Hexagon Ragasco amounted to NOK 1 072m and equity raise, funding other financial investments (e.g. Purus cap raise and Cryoshelter loans), and TRS margin payments of NOK 137.



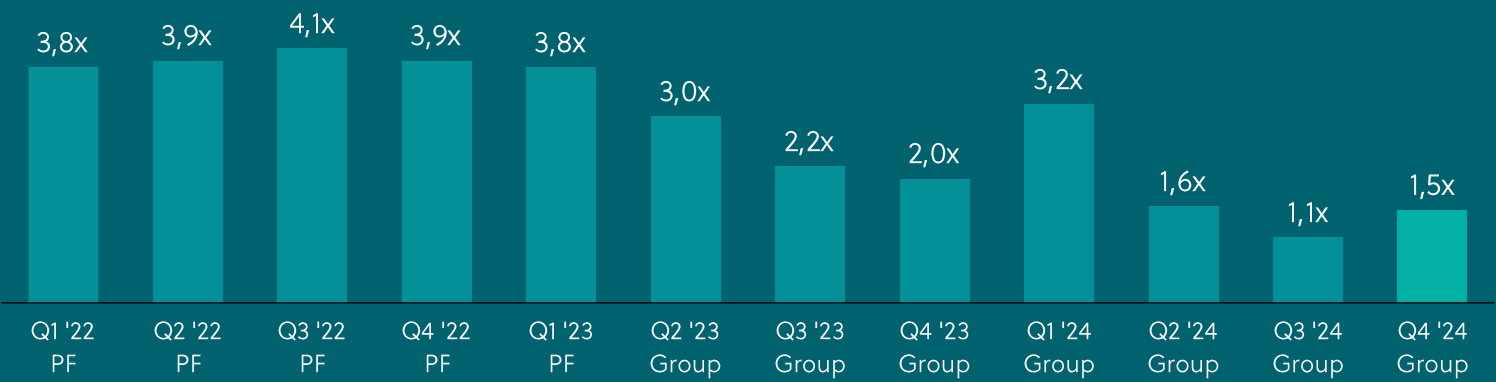
# Hexagon Group leverage



## Comments

- Following the NOK 383m participation in the Hexagon Purus capital raise in November, Leverage has increased slightly to 1.5x
- Available liquidity of NOK 1.2 billion as at end of quarter.

## NIBD / EBITDA LTM



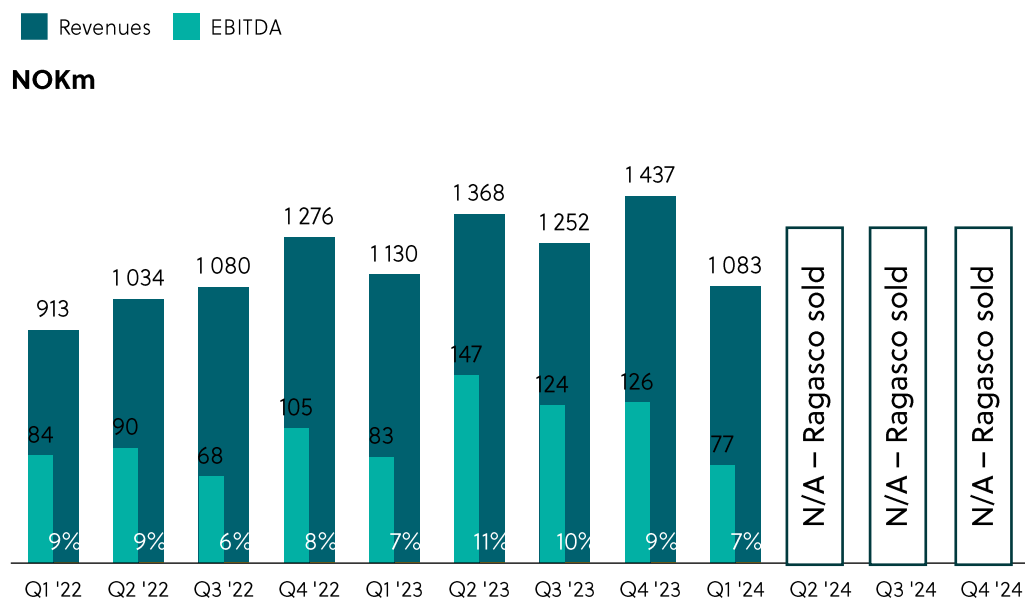
## Extraordinary below the line items for full year 2024

Hexagon Ragasco gain from sale	+ 675m (cash event)
Hexagon Ragasco gain on earn-outs from sale	<u>+ 75m (cash event)</u>
Total <b>cash</b> impact of extraordinary events	+ 750m
Hexagon Purus IFRS-related write-down	- 312m (non-cash)
Cryoshelter investment IFRS-related write-down	<u>- 244m (non-cash)</u>
Total <b>non-cash</b> impact of extraordinary events	- 556m

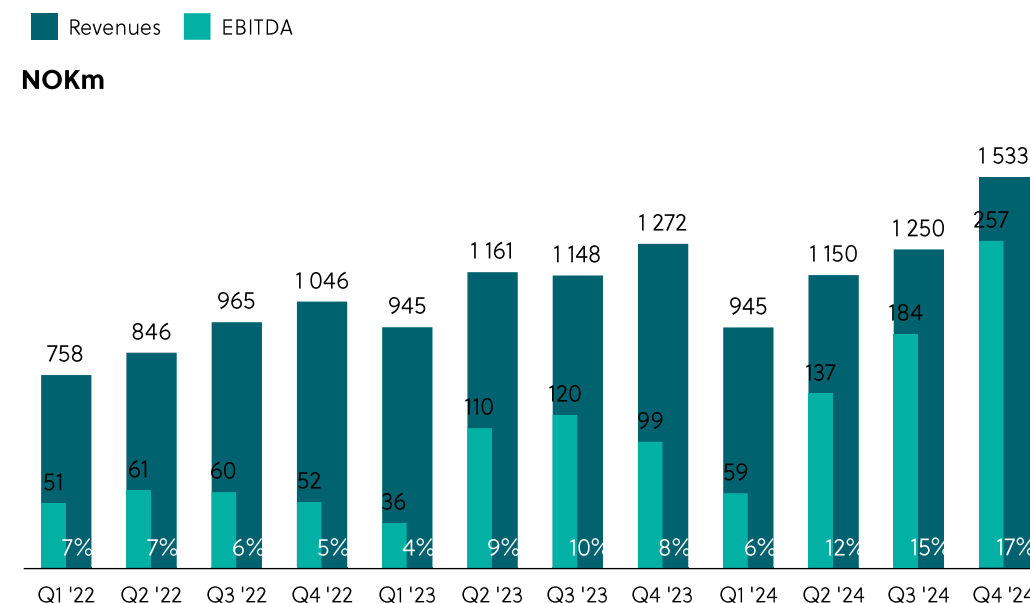


# Hexagon proforma financial highlights (1/4)

## Hexagon Group as reported (incl. Ragasco)



## Hexagon Group continuing operations (excl. Ragasco)<sup>1</sup>

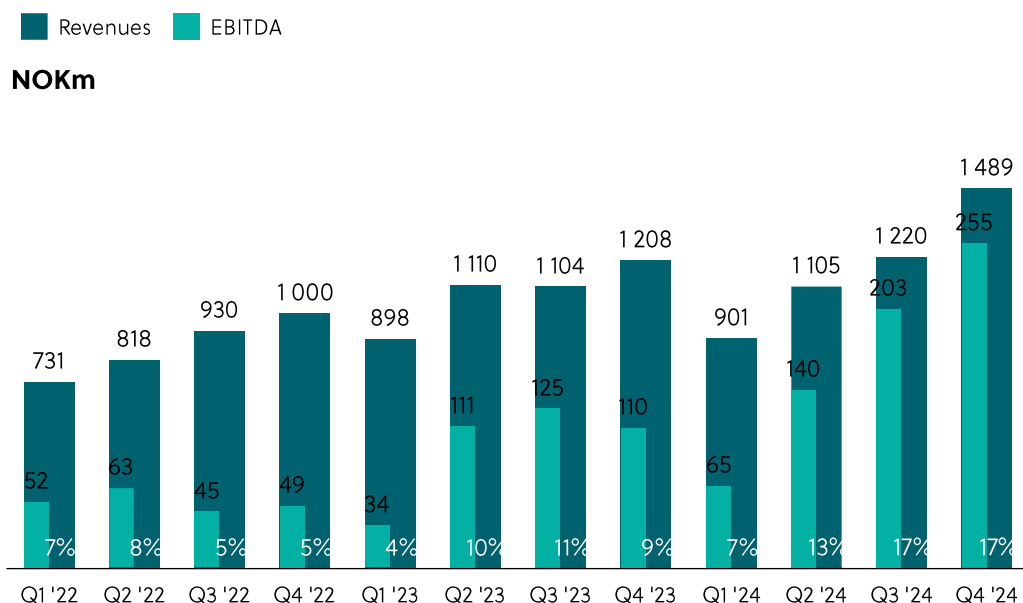


- **Hexagon Group (continuing operations) provides clean solutions with strong ESG benefits**
  - Hexagon Agility: (renewable) natural gas fuel systems for commercial vehicles and gas distribution solutions
  - Digital Wave: smart technology for monitoring and testing of cylinder systems and creating circular economy by extending life expectancy

<sup>1</sup>) Hexagon Ragasco was sold to Worthington Enterprises on 3 June 2024 and has for accounting and comparability purposes been presented as discontinued operations. Historical financials for the Group have been re-presented to show continuing operations only. Continuing operations refer to the operating segments Hexagon Agility and Hexagon Digital Wave in addition to Corporate overhead functions.

# Hexagon proforma financial highlights (2/4)

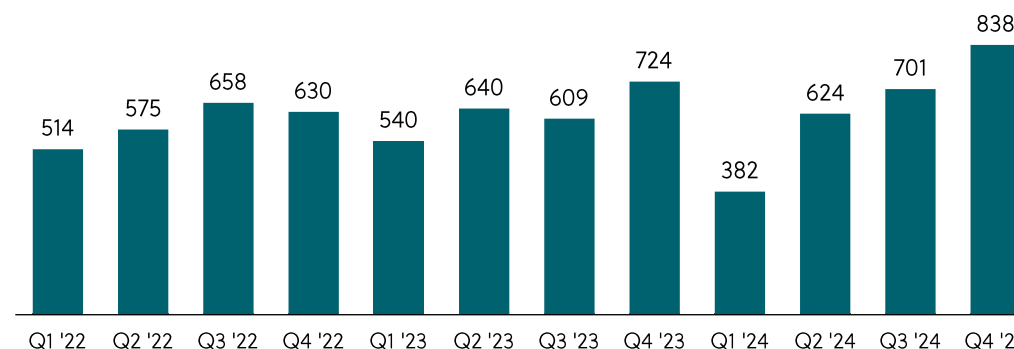
## Hexagon Agility



## Hexagon revenue split (after eliminations)

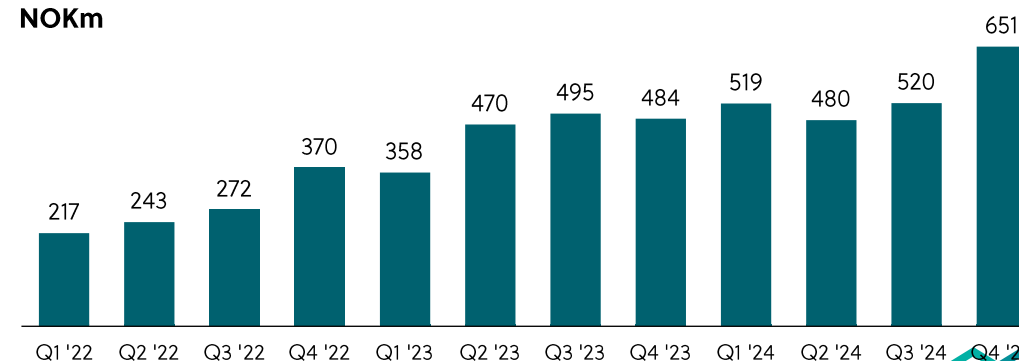
### Fuel systems commercial vehicles (medium and heavy-duty vehicles)

NOKm



### Mobile Pipeline<sup>1)</sup>

NOKm

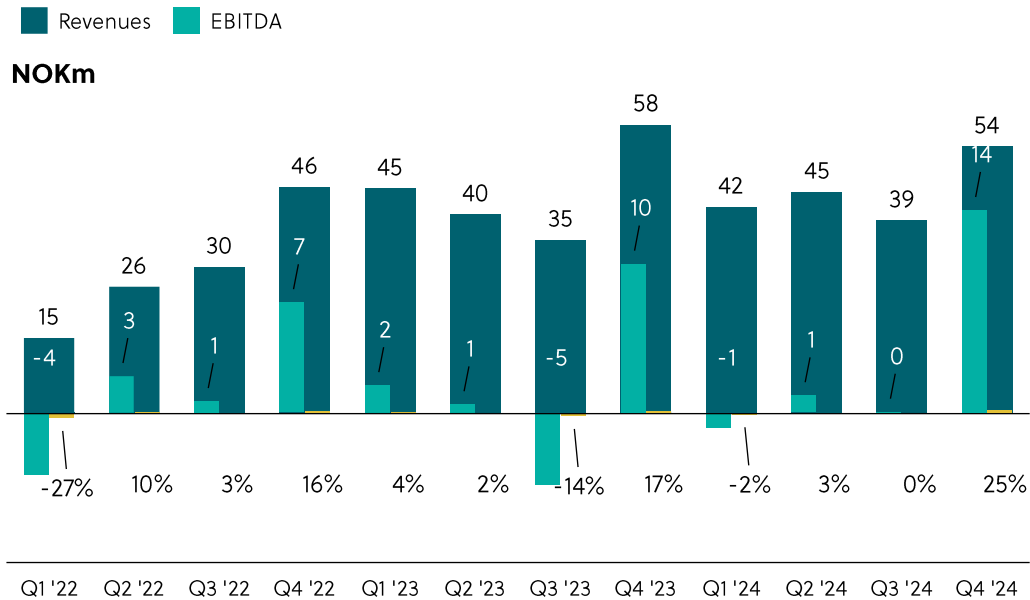


- **Hexagon Agility** provides (renewable) natural gas clean mobility solutions for Heavy and Medium Duty Vehicles, Mobile Pipeline, and Light-Duty Vehicles
- Global leading provider within markets including Heavy-Duty/ Medium-Duty Trucks, Refuse Truck, Transit Bus, Gas Transportation, Mobile Refueling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

<sup>1)</sup> Including revenues previously referred to as Cylinders/Other. Historical figures re-presented for comparability purposes.

# Hexagon proforma financial highlights (3/4)

## Hexagon Digital Wave



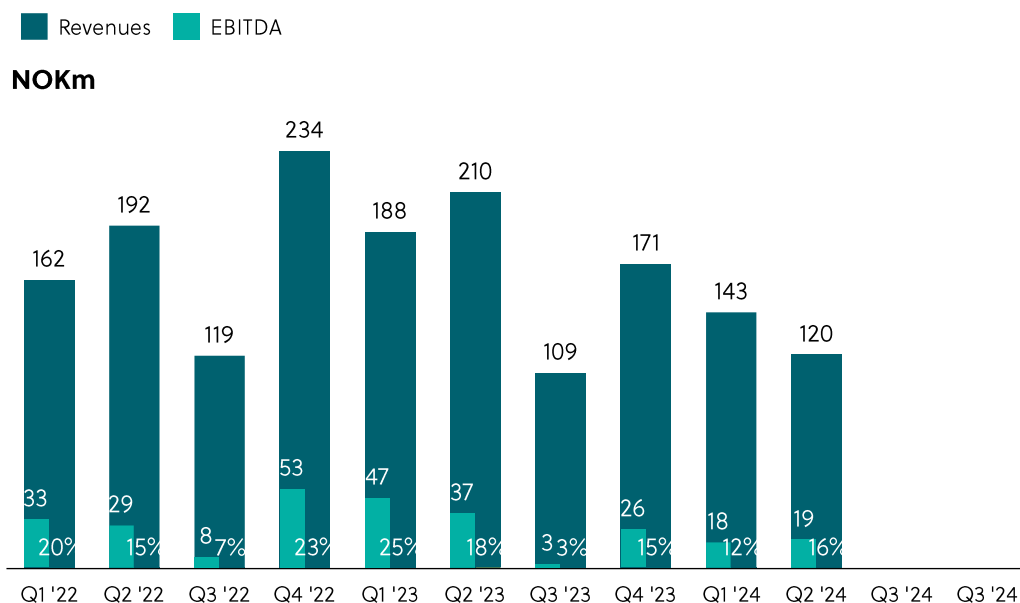
- Proprietary safety technology – Modal Acoustic Emission (MAE) technology for testing and certifying cylinders
- Strategic agenda include cylinder digitalization with real-time monitoring, testing and certification, creating a circular economy through enabling life extension



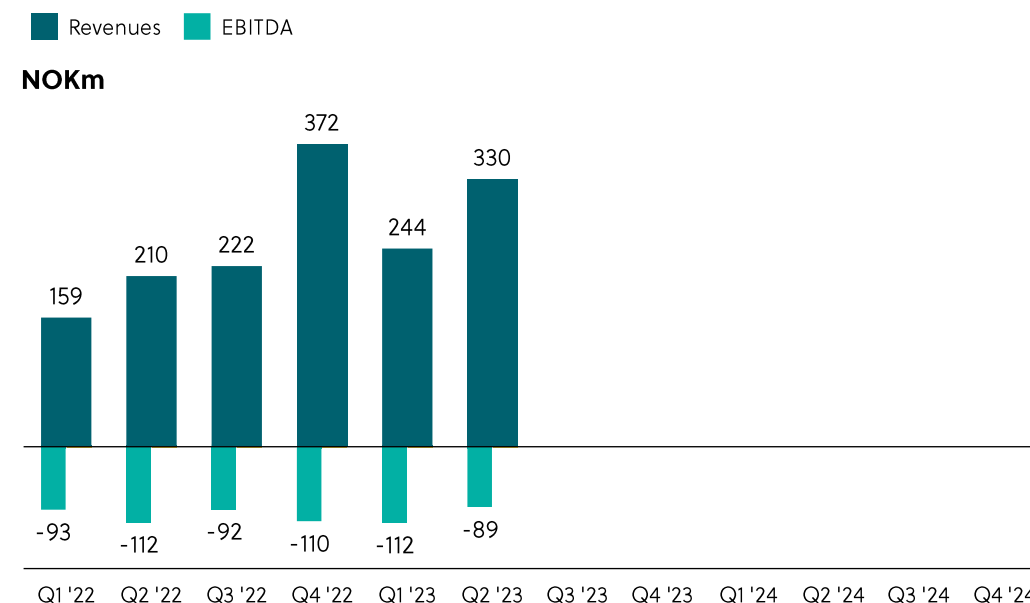


# Hexagon proforma financial highlights (4/4)

## Hexagon Ragasco (discontinued since 3 June 2024)<sup>1</sup>



## Hexagon Purus (discontinued since 29 June 2023)<sup>2</sup>



- 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
- Sold to Worthington Enterprises on 3 June 2024 and presented as discontinued operations since.



A woman with a ponytail, seen from behind, is walking on a city street. The background is blurred, showing buildings and other pedestrians. A semi-transparent hexagonal pattern is overlaid on the entire image. The text "Clean air everywhere" is centered in white.

Clean air everywhere