

HEXAGON PURUS Q2 2021 PRESENTATION

10 AUGUST 2021

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Agenda

1

**HIGHLIGHTS FROM
Q2 2021**

2

FINANCIALS

3

OUTLOOK AND Q&A



HIGHLIGHTS FROM Q2 2021

Hexagon Purus

Key highlights from Q2 2021

Q2'21 REVENUES¹
94M Δ **+104%**
YoY

YTD'21 REVENUES¹
146M Δ **+54%**
YoY

**STRONG
YEAR-OVER-YEAR
REVENUE GROWTH**



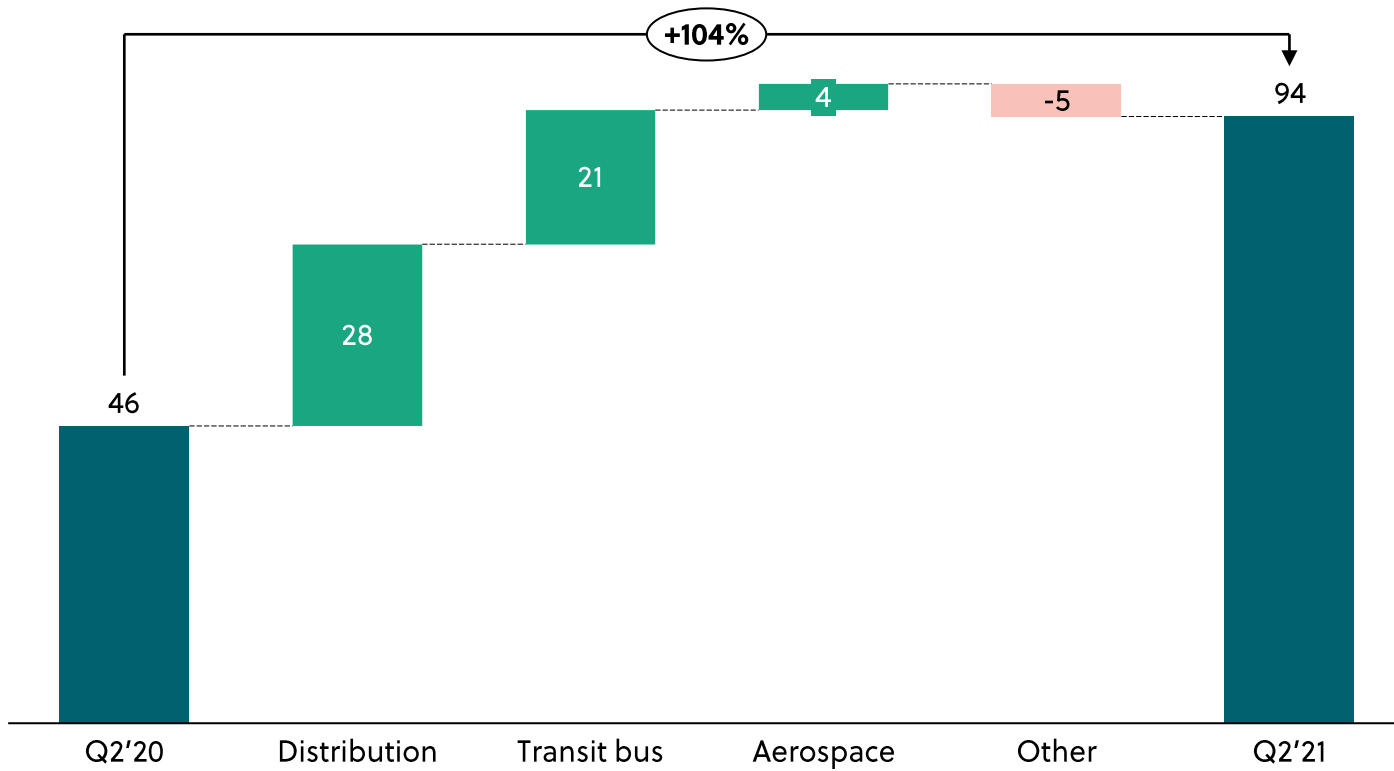
**IMPORTANT
CONTRACT WINS
AND ROBUST
COMMERCIAL
ACTIVITY**



**ACCELERATING
EFFORTS WITHIN
THE ZERO EMISSION
MARITIME SEGMENT**

Broad-based revenue growth in Q2'21

HEXAGON PURUS, GROUP REVENUES | NOKM



Solid revenue uptick year-over-year:

- Increase in deliveries of **hydrogen distribution** cylinders and modules to **Everfuel** and large industrial gas companies
- **Solaris, Caetano and New Flyer** drive increased activity in transit bus segment
- Modest growth in niche, **high-margin aerospace business**

Multi-year global supply agreement with Air Liquide, in addition to national agreement in a key hydrogen region



1

GLOBAL SUPPLY AGREEMENT

Preferred supplier of type 4 hydrogen cylinders

Cylinders to be used for **transport of hydrogen for industry and mobility**

2

NATIONAL EXCLUSIVITY AGREEMENT

5-year exclusivity agreement (as part of global agreement) for **hydrogen distribution applications** in a key region that is adopting hydrogen as a major part of its energy transition

Entered partnership with Velocity Vehicle Group for supply of zero emission medium duty commercial vehicles in California

All commercial trucks and vans sold in California are to be **zero emission by 2045**

HPUR to deliver turn-key integrated battery packs and electric drivetrains for up to **100 zero emission electric medium-duty trucks**

First deliveries expected to take place in **2022**

Strong strategic rationale for hydrogen in maritime applications



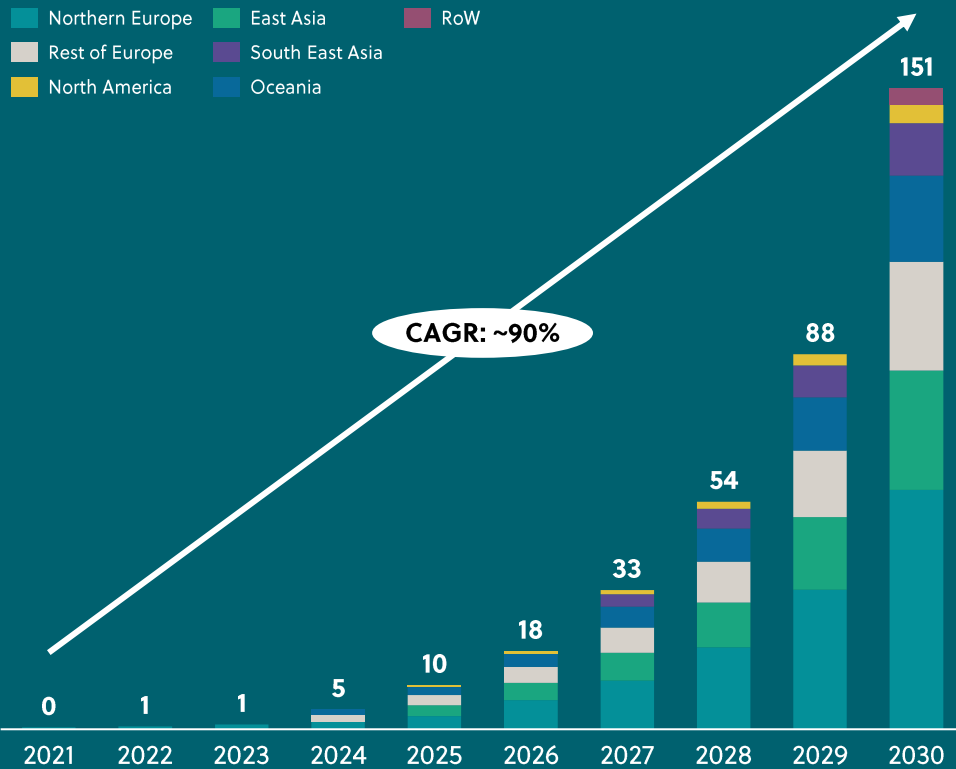
Hydrogen can **revolutionize the decarbonization efforts for maritime transportation** – IMO targets reduction in greenhouse gas emissions by 40% in 2030 and 50% by 2050¹

The establishment of **Hexagon Purus Maritime** marks the acceleration of HPUR's commercial efforts in this segment. Industry-leading fuel systems integration knowledge will be applied to **deliver innovative and safe hydrogen solutions for the maritime industry** – first mainly in Norway, then globally

HPUR's ownership in Hyon has been sold to Saga Pure. **Exposure to the consortium remains** intact however through HPUR's ownership in Norwegian Hydrogen AS

Zero emission maritime solutions represent a large opportunity for Hexagon Purus – involved in several projects already

ESTIMATED NUMBER OF NEW COMPRESSED HYDROGEN VESSELS GLOBALLY...



...TRANSLATING INTO A LARGE MARKET OPPORTUNITY FOR HPUR

NOK
c. 6BN...

...in addressable market for Hexagon Purus for on-board compressed hydrogen storage systems cumulatively through 2030



Hexagon Purus is providing **design and engineering services** as well as **hydrogen cylinders and storage systems** for both **on-board** and **distribution** applications:

SWITCH MARITIME



HELLESYLT HYDROGEN HUB



HIGH-SPEED CATAMARAN



Joint venture preparations with CIMC Enric are progressing well

China aims to be **net zero by 2060**¹; national policies aim at fast roll-out of hydrogen vehicles and infrastructure

~50 **large hydrogen projects** announced in China; more than **half of these** are related to the **transportation** sector

Preparation for establishment of **production footprint** is well underway

Key **organizational appointments** have been made

Ground-breaking of new manufacturing facility in Kelowna, Canada



Ground-breaking in July of new ~60,000 square foot highly **automated manufacturing facility** and **technical center of excellence** in Kelowna, Canada for production of battery packs and hydrogen storage systems

Important step to **support and increase Hexagon Purus' production capacity**

Expected **completion** in the summer of **2022**



COVID-19 update



Nine confirmed cases reported in 2021 YTD

All production facilities have remained open during the quarter

Remaining vigilant and ready to deploy additional counter measures if required

Long lead times on certain key cylinder and electric components, lithium-ion battery cells and production equipment

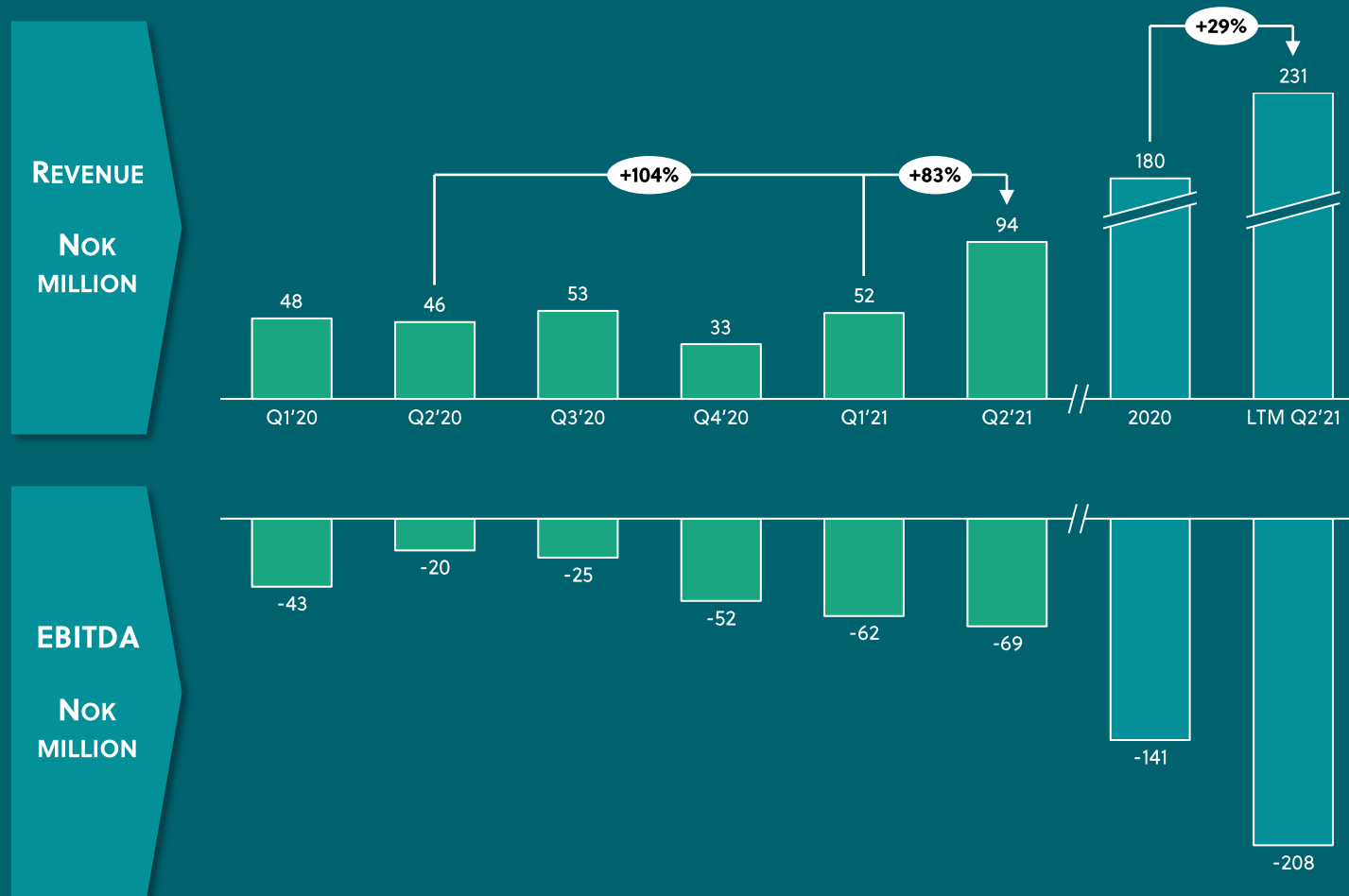
Working actively to mitigate supply chain disturbances

A large, cylindrical roll of black, fibrous material, likely carbon fiber, is shown in a factory setting. The material has a complex, woven texture and is supported by a metal frame. A yellow and silver fitting is visible on the left side of the roll.

FINANCIALS

Financial highlights | Q2 2021 and LTM

Hexagon Purus e-mobility (excl. CNG LDV)

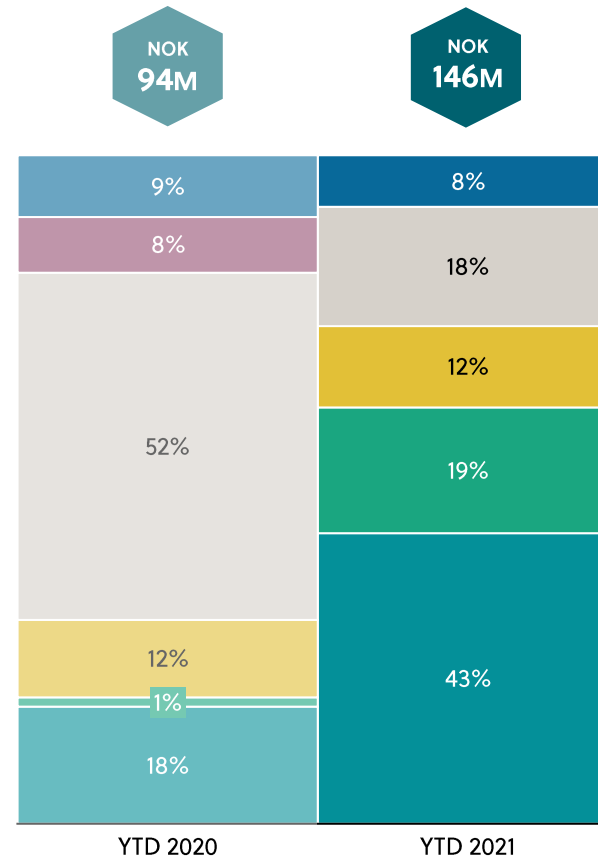
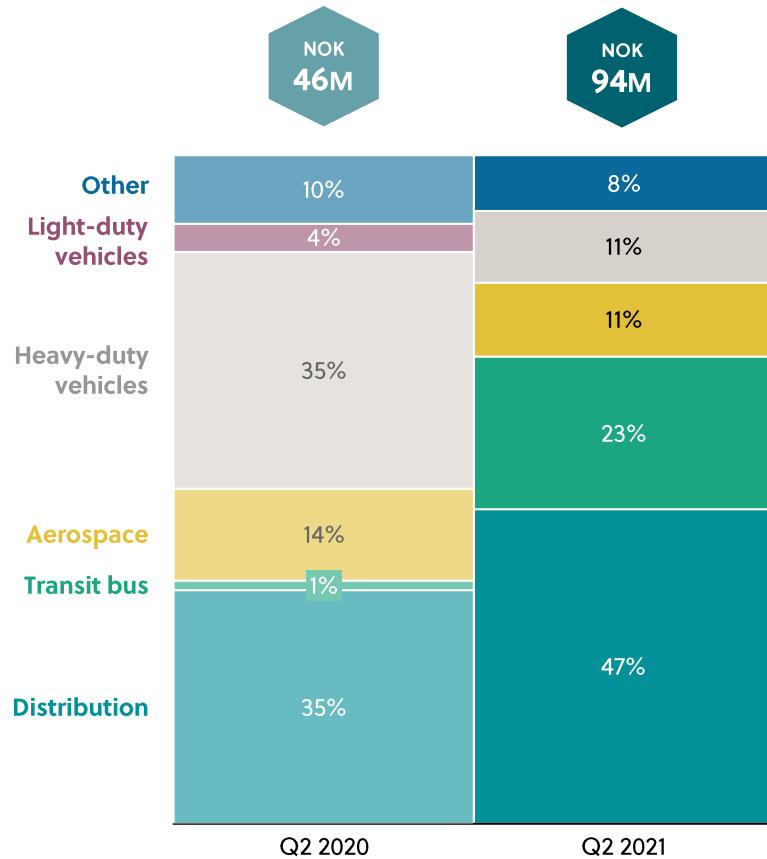


- Solid year-over-year and sequential revenue growth in Q2'21 driven by increased activity in hydrogen distribution and transit bus applications
- Continued investments in personnel and infrastructure drive negative EBITDA
- Increased corporate and strategic costs following spin off; NOK 34m impact YoY in Q2

Revenue split by application Hexagon Purus e-mobility (excl. CNG LDV)

Q2 2021 vs. Q2 2020

YTD 2021 vs. YTD 2020

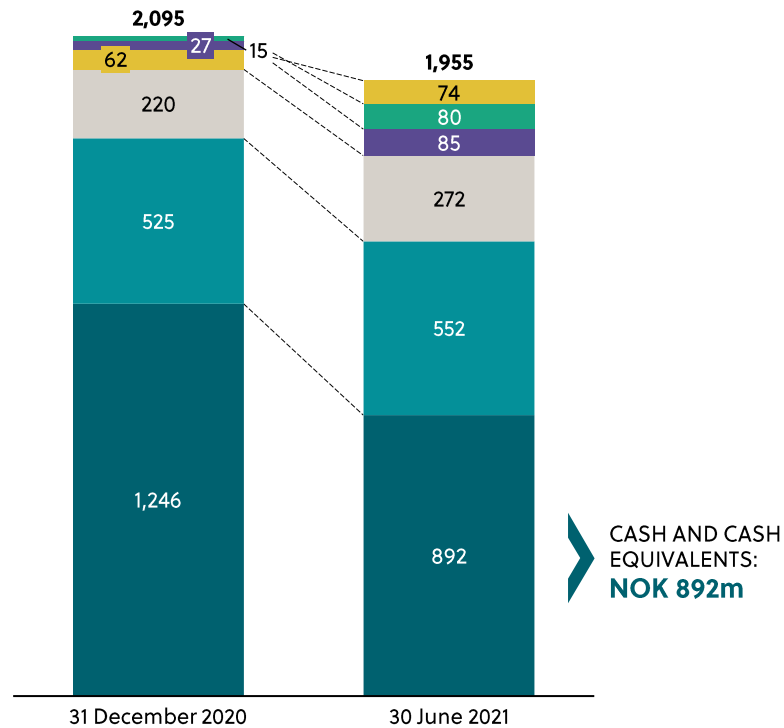


-  Hydrogen storage systems, battery packs and EV drivetrain integration
-  Hydrogen distribution modules
-  Hydrogen cylinders and storage systems
-  Pressure and fuel tanks, development projects
-  Hydrogen cylinders and storage development projects
-  Ground storage, rail and marine development projects

Balance sheet | Q2 2021

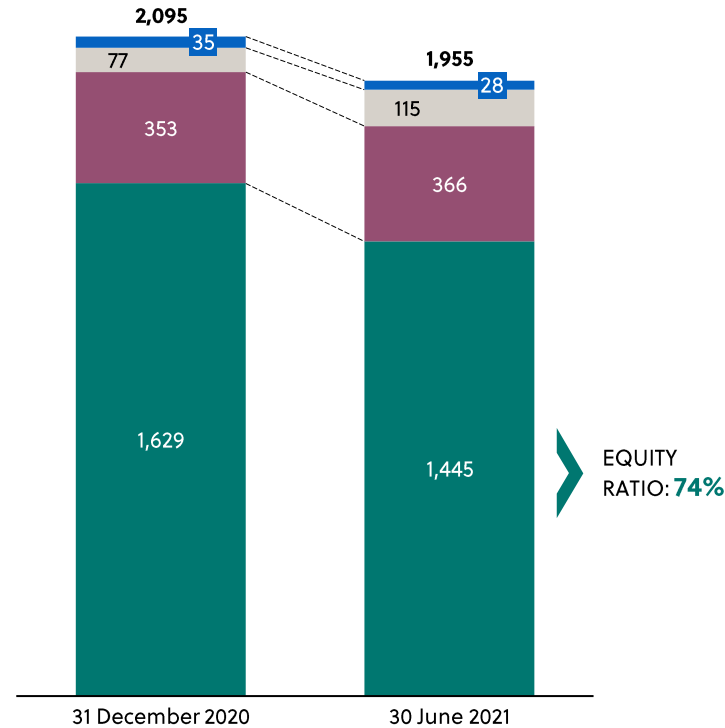
Hexagon Purus e-mobility

Assets | NOKm



■ Fixed assets ■ Receivables ■ Other current assets
■ Cash ■ Inventory ■ Assets held for sale

Equity & Liabilities | NOKm



■ Equity ■ Current liabilities
■ Non-current liabilities ■ Liabilities related to assets held for sale

Balance sheet remains strong

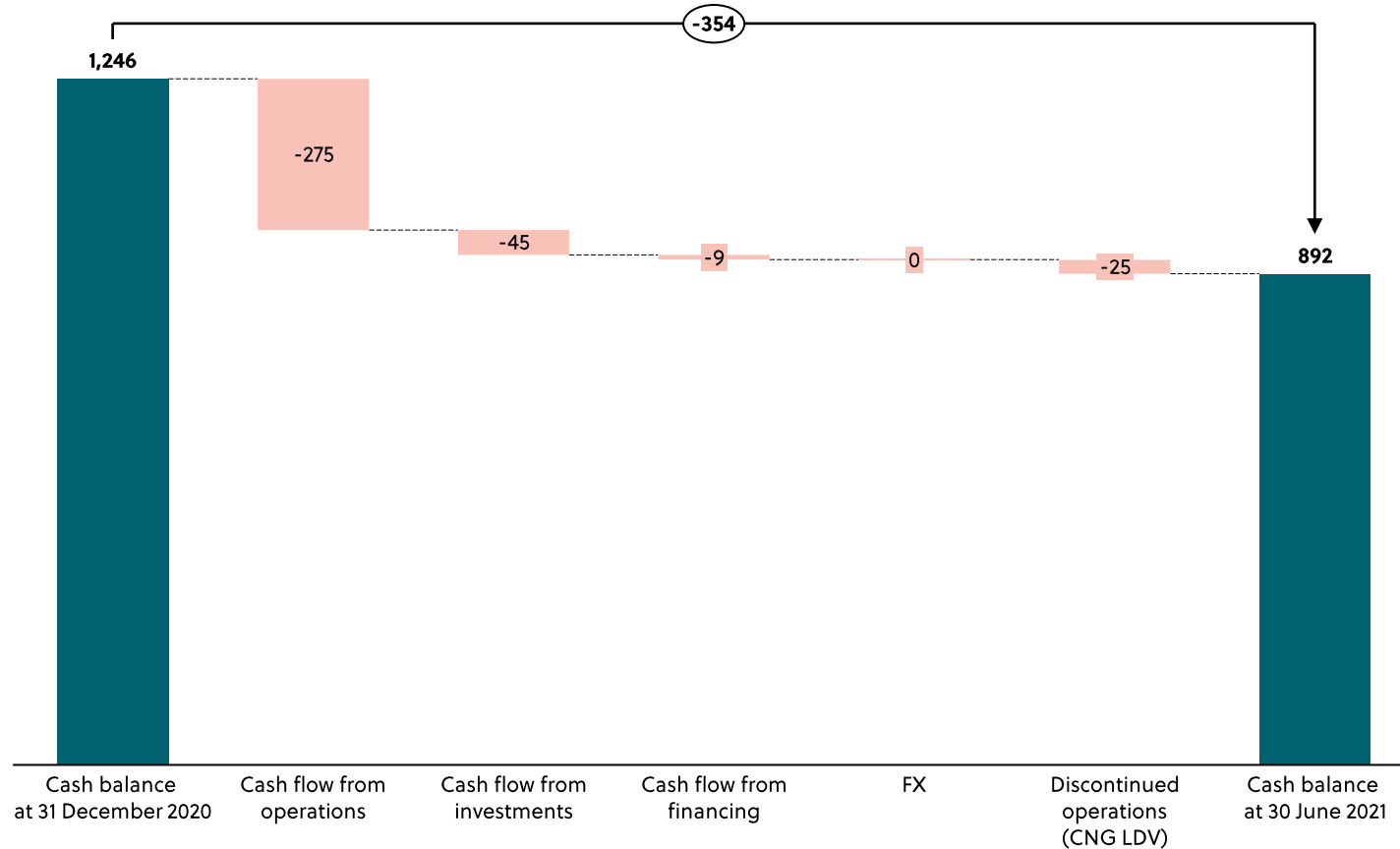
Cash balance of NOK 892m and equity ratio of 74%

Intercompany debt will be extinguished once the transfer of the discontinued CNG LDV business to Hexagon Composites is completed by year-end 2021

Cash flow | YTD 2021

Hexagon Purus e-mobility

NOKm



Cash outflow from operations include c. NOK 126m in increase in working capital

CNG LDV (discontinued operations) drove NOK 25m of cash outflow

OUTLOOK AND Q&A

Several ambitious emission targets have been launched so far in 2021 – transportation sector is in focus

NET ZERO COMMITMENT

2030 TARGETS



2050

50-52% TARGET

New target aims at 50-52% reduction in US greenhouse gas pollution vs. 2005



2050

«FIT FOR 55»

55% reduction in CO₂ emissions for new passenger vehicles by 2030 vs. 2021

All new passenger vehicles to be registered as of 2035 will be zero-emission

ALONGSIDE BEVs, FCEVs WILL PLAY A KEY ROLE IN DECARBONIZING THE GLOBAL TRANSPORTATION SECTOR



~10 OEMs planning to launch first commercial FCEV models until 2025



>35 FCEV models announced to be launched until 2030



New tests & serial production announcements for FCEVs in niche applications

>>

Outlook remains strong for rest of 2021 and beyond



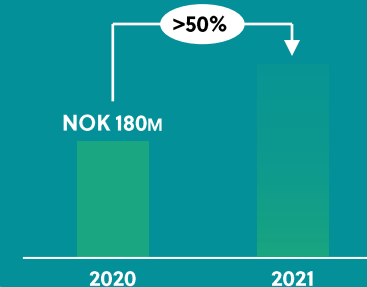
**DEMAND FOR
HEXAGON PURUS'
ZERO EMISSION
MOBILITY SOLUTIONS
CONTINUES TO BE
ROBUST**



**PREPARATIONS FOR
HIGH-VOLUME
PRODUCTION CONTINUES;
INVESTMENTS WILL
CONTINUE TO IMPACT
PROFITABILITY GOING
FORWARD**



**WELL ON TRACK TO
DELIVER >50% REVENUE
GROWTH IN 2021**



Q&A

APPENDIX



Financial statements | P&L

Hexagon Purus e-mobility (excl. CNG LDV)

INCOME STATEMENT (NOK 1 000)	Q2 2021	Q2 2020	First-half 2021	First-half 2020	FY 2020
Revenue from contracts with customers	93 921	45 101	145 339	93 220	178 121
Other operating income	156	992	270	1 141	1 693
Total revenue	94 077	46 093	145 609	94 362	179 814
Cost of materials	55 223	22 233	84 162	49 016	86 717
Payroll and social security expenses	41 838	27 318	86 410	54 639	123 497
Other operating expenses	65 556	16 822	105 564	54 259	110 322
Total operating expenses before depreciation	162 617	66 373	276 136	157 914	320 536
Operating profit before depreciation (EBITDA)	-68 540	-20 280	-130 527	-63 552	-140 722
Depreciation and impairment	9 713	7 144	18 138	13 097	26 906
Operating profit (EBIT)	-78 254	-27 425	-148 665	-76 649	-167 628
Profit/loss from investments in associates and joint ventures	575	-134	-127	-571	-1 885
Net finance income/(costs)	12 956	-10 425	-20 261	-27 089	-103 860
Profit/loss before tax	-64 723	-37 984	-169 053	-104 309	-273 373
Tax	-765	21 903	-570	15 750	34 654
Profit/loss after tax before discontinued operations	-63 957	-59 888	-168 483	-120 059	-308 026
Profit/loss after tax for the period from discontinued operations	-18 945	-18 762	-18 427	-27 698	-34 602
Profit/loss after tax	-82 902	-78 649	-186 910	-147 757	-342 628

Financial statements | Balance sheet & cash flow

Hexagon Purus e-mobility (excl. CNG LDV)

BALANCE SHEET (NOK 1 000)	30.06.2021	30.06.2020*	31.12.2020
ASSETS			
Property, plant and equipment	95 530	105 831	76 634
Right-of-use assets	42 600	77 870	30 457
Intangible assets	410 974	513 994	415 097
Investment in associates and joint ventures	1 974	80	2 066
Non-current financial assets	1 339	149	751
Deferred tax assets	-	20 520	-
Total non-current assets	552 416	718 444	525 005
Inventories	73 882	109 283	61 586
Trade receivables	84 687	88 612	26 657
Contract assets (incl. prepayments)	1 016	7 056	814
Other current financial assets	78 835	21 931	14 440
Cash and short-term deposits	892 186	53 591	1 246 351
Total current assets continuing operation	1 130 606	280 473	1 349 849
Assets held for sale	271 582	-	219 771
Total assets	1 954 604	998 917	2 094 625
EQUITY AND LIABILITIES			
Issued capital	22 909	330	22 909
Other paid-in capital	49 119	230 890	372
Share premium	1 605 802	14 443	1 605 739
Other equity	-233 242	-510 960	-
Total equity	1 444 588	-265 297	1 629 021
Interest-bearing loans and borrowings (related party)	-	842 891	-
Lease liabilities	18 678	77 943	21 795
Provisions	3	2 254	3
Net employee defined benefit liabilities	83	2 260	2 635
Deferred tax liabilities	9 678	24 487	11 024
Total non-current liabilities	28 442	949 835	35 457
Trade and other payables	87 533	169 869	83 988
Contract liabilities	32 195	35 220	32 068
Interest-bearing loans and borrowings (related party)	166 973	-	161 016
Lease liabilities, short term	23 269	12 107	9 244
Income tax payable	16	19	-
Other current liabilities	32 596	97 164	49 512
Provisions	23 641	-	17 162
Total current liabilities continuing operation	366 221	314 378	352 990
Liabilities associated with assets held for sale	115 353	-	77 158
Total liabilities	510 016	1 264 214	465 604
Total equity and liabilities	1 954 604	998 917	2 094 625

CONDENSED CASH FLOW (NOK 1 000)	First-half 2021
Profit before tax from continuing operations	-169 053
Depreciation and write-downs	20 586
Change in net working capital and other	-126 195
Net cash flow from operations	-274 661
Net cash flow from investment activities	-44 924
Net cash flow from financing activities	-8 896
Net change in cash and cash equivalents	-328 481
Net currency exchange differences	-439
Discontinued operations	-25 245
Cash and cash equivalents at start of period	1 246 351
Cash and cash equivalents at end of period	892 186

*Note: Balance sheet as of 31 December 2020 and 30 June 2021 is that of Purus' e-mobility business with the CNG LDV business treated as a discontinued operation. Balance sheet as of 30 June 2020 includes the CNG LDV business.



Investor relations information



EXCHANGE INFORMATION

- TICKER SYMBOL: HPUR
- ISIN: NO0010904923
- EXCHANGE: Euronext Growth Oslo



SHARE TRADING STATISTICS

NOK ~6bn
MARKET CAPITALIZATION¹

NOK ~14m
DAILY TURNOVER²



INVESTOR BASE¹

~4,900
SHAREHOLDERS

74.7%
OWNED BY HEXAGON COMPOSITES ASA



2021 FINANCIAL CALENDAR

	2021					2022	
Q3 2021				02-nov.			
Q4 2021						15-feb.	



EQUITY ANALYST COVERAGE

SEB

- ANDERS ROSENLUND
- HERMAN LIA

SPAREBANK 1 MARKETS

- THOMAS DOWLING NÆSS
- VETLE WILHELMSEN



INVESTOR RELATIONS CONTACTS

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