

# Q2 2022

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## Key figures

(NOK million)

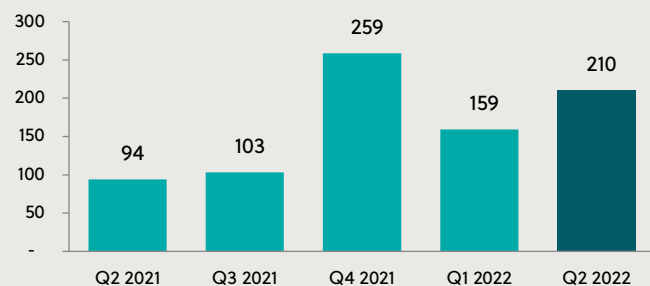
	Q2 2022	Q2 2021	Percent change	First half-year 2022	First half-year 2021	Percent change	FY 2021
Revenue	210	94	123 %	369	146	154 %	508
Operating profit before depreciation (EBITDA)	-112	-69	n/a	-204	-131	n/a	-272
Operating profit (EBIT)	-135	-78	n/a	-250	-149	n/a	-325
Profit before tax	-123	-65	n/a	-243	-169	n/a	-347
Profit after tax (before discontinued operations)	-124	-64	n/a	-243	-168	n/a	-345
Profit from discontinued operations, after tax	0	-19	n/a	0	-18	n/a	-9
Profit for the period	-124	-83	n/a	-243	-187	n/a	-354

## Highlights of Q2 2022

- Revenue grew 123 % year over year to NOK 210 million, including NOK 142 million contribution from Wystrach driven by strong demand in distribution and rail applications. EBITDA contribution from Wystrach in the quarter was NOK 14m (10% margin)
- Entered into an agreement to acquire 40% of Cryoshelther's liquid hydrogen business bringing early-stage expertise in liquid hydrogen tank technology for zero emission mobility applications and which could potentially result in a future complementary offering to Hexagon Purus's market leading compressed hydrogen cylinder technology
- Hexagon Purus Maritime received its inaugural order for hydrogen cylinders to be used in onboard swappable storage containers for maritime vessels operating in inland waterways in Europe
- Signed a 15-year lease for a new hydrogen cylinder production and office facility in Kassel, Germany, expected to be ready for move in during the second half of 2023

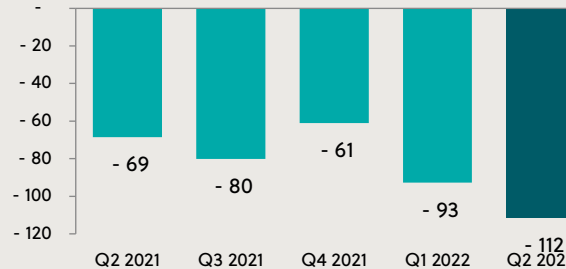
### Revenue

NOK million



### EBITDA

NOK million



# The Hexagon Purus Group

Unless otherwise stated, the income statements for the periods in 2021 and the balance sheet as of 31 of December 2021 presented in this document relate to Hexagon Purus' e-mobility business. The results of Hexagon Purus' Compressed Natural Gas Light Duty Vehicle (CNG LDV) business in 2021 are reported as discontinued operations following the successful spin-off of Hexagon Purus from the Hexagon Composites ASA group and the transfer of Hexagon Purus' CNG LDV business to new entities under the ownership of Hexagon Composites ASA which was completed on 1 of October 2021.

In the second quarter of 2022, Hexagon Purus Group ("the Company") generated NOK 210 (94) million in revenue and recorded operating profit before depreciation (EBITDA) of NOK -112 (-69) million. Revenue growth of 123 % was driven by the acquisition of Wystrach which contributed NOK 142 million in sales and NOK 14 million in EBITDA.

Reported revenue for the first half of 2022 grew 154% to NOK 369 (146) million also driven by Wystrach contribution which benefited from increased sales in Distribution and Rail applications.

Continued investments in personnel and infrastructure to support and accelerate Hexagon Purus' future growth drive negative profitability. Additionally, the Group has been subject to inflationary pressure in the cost of its key inputs which is being addressed through offsetting pricing actions as well as cost reduction efforts.

Hexagon Purus recorded a loss after tax (before profit from discontinued operations) of NOK -124 (-64) million in the second quarter of 2022. Net financial items were NOK 12 (14) million driven primarily by foreign exchange fluctuations. Tax items were NOK 0,8 (-0,8) million.

Net loss after tax (before profit from discontinued operations) in the first half of 2022 was NOK -243 (-168) million. Net financial items were NOK 7 (-20) million driven primarily by foreign exchange fluctuation and a reduction in intercompany debt positions. Tax items were NOK -0.2 (-0.6) million.

At quarter-end, the balance sheet amounted to NOK 2 526 (1 955) million and the Group's equity ratio was 71,8 % (73,9 %). The absolute increase in equity was driven by a NOK 600 million (gross) private placement completed in Q1 2022.

## Key developments in first half of 2022

- Signed a long-term binding letter of intent (BLOI) with Hino Motors Manufacturing U.S. to provide battery packs for multiple Hino truck platforms with serial production planned from 2024. The potential total sales value over the life of the BLOI is estimated at USD 1 billion
- Signed investment agreements together with CIMC Enric to establish a joint production facility in Shijiazhuang, Hebei and the CIMC-Hexagon New Energy Technologies management office and engineering hub in Beijing Daxing District International Hydrogen Development Zone. In addition, the Shijiazhuang and Beijing Daxing governments have made a strong commitment to support the development of the CIMC-HEXAGON business in their regions through 2030.
- Successfully completed a private placement resulting in NOK 600 million of gross proceeds
- Entered into an agreement to acquire 40% of Cryoshelter's liquid hydrogen storage business. The transaction is in conjunction with Hexagon Composites' acquisition of a 40% stake in Cryoshelter's liquid natural gas (LNG) storage business. Cryoshelter's liquid hydrogen tank technology is in the early stage of development and builds on superior and differentiated LNG technology that provides more fuel capacity and longer hold times (a critical requirement for cryogenic storage) than competing offerings. The transaction brings early-stage expertise in liquid hydrogen tank technology for zero emission mobility applications and could potentially result in a future complementary offering to Hexagon Purus's market leading compressed hydrogen cylinder technology

- Nominated by a leading and long-standing commercial truck OEM to provide battery packs for serial production of battery electric heavy-duty vehicles between 2024 and 2027, with an option to extend until 2029. The non-binding nomination was subsequently withdrawn by the OEM for reasons unrelated to Hexagon Purus product performance and technological capabilities. Although the withdrawal was unfortunate, the customer pipeline remains robust and it unlocks capacity to serve other potential contracts
- Received orders worth approximately EUR 23 million for hydrogen distribution systems from various customers
- Selected to work together with BMW, Robert Bosch and TesTneT Engineering to develop an innovative hydrogen storage system solution for future fuel cell passenger cars
- Hexagon Purus Maritime, a wholly owned subsidiary of Hexagon Purus, received its inaugural order for cylinders to be used in onboard storage of hydrogen in maritime vessels with scheduled delivery in Q4 2022
- Selected as partner for the second year in a row by New Flyer, North America's largest mass mobility solutions provider. Hexagon Purus will supply high-pressure hydrogen storage cylinders for New Flyer's zero emission Xcelsior CHARGE H2 (TM) hydrogen fuel cell electric transit buses in 2022. Total contract value is approximately USD 2 million.
- Received inaugural order for high-pressure hydrogen fuel systems from a Polish bus OEM for serial production of fuel cell transit buses
- CIMC-HEXAGON signed a Memorandum of Understanding with Bravo Transport Services to develop hydrogen storage cylinder systems for hydrogen fuel-cell double decker buses in Hong Kong. The initial scope of the MoU is for CIMC-HEXAGON to provide a Type 4 hydrogen storage cylinder system for the first fuel-cell double decker bus in Hong Kong with scheduled delivery in July 2022
- Signed a 15-year lease for a new hydrogen cylinder production and office facility in Kassel, Germany, expected to be ready for move in the second half of 2023
- Signed a 10-year lease for a 60,000 square foot facility in Westminster, USA for cylinder manufacturing and engineering, expected to be ready for move in the second half of 2022

## Regarding the situation in Ukraine and Russia

The Russian invasion of Ukraine and its outfall and consequences are at the time of preparing the financial statement difficult to accurately assess and predict. However, given the Group's relatively limited investments and market activities in Russia and Ukraine and their surrounding areas, management does not assess this event to have a significant effect on the reported figures as 30 June 2022.

## Key developments after balance sheet date

- Received orders worth approximately EUR 14 million for hydrogen distribution systems from industrial gas customers. These systems with Hexagon Purus' type 4 cylinders will be used to deliver hydrogen for industrial and mobility applications in Germany and the Netherlands
- Successfully closed the acquisition of a 40% interest in Cryoshelter's liquid hydrogen storage business
- Jannicke Hilland stepped down as a member of the Company's Board of Directors. Ms. Hilland has seen a need to limit her number of board memberships due to overall workload
- There have been no other significant events after the balance sheet date that have not already been disclosed in this report

## Outlook

Hexagon Purus' revenue growth in the near-term continues to be driven by early adopter applications of hydrogen, primarily hydrogen distribution and fuel cell transit bus.

The acquisition of Wystrach has brought many benefits to Hexagon Purus including additional capacity to serve the rapidly growing market for distribution systems, exposure to early rail adopters, an expanded product portfolio, a recurring base business, vertical integration into systems design and manufacturing, and increased exposure to new hydrogen infrastructure applications including mobile refueling and stationary storage solutions.

Sales cycles in the automotive space can be long and highly engineering intensive. Hexagon Purus continues to execute on the scale up required to support heavy-duty truck customers such as Hino and Nikola while pursuing other opportunities in this space. As such, while revenue contribution from heavy-duty vehicle applications has been relatively low in recent quarters, development work and project activity in this key application remain high. It is expected that revenue contribution from this application will grow in the coming years as battery and fuel cell electric vehicle platforms transition to commercial start of production.

Global supply chains remain constrained and lead times for certain components such as high-pressure flow components, wire harness assemblies and battery cells remain extended while material costs have increased. It is not possible to predict when supply chains will normalize, but the Company continues to employ counter measures to mitigate such effects through proactive supplier management, pre-purchasing of inventory and price increases.

On the regulatory side, The REPowerEU Plan presented by the European Commission in March, aims to end Europe's dependence on Russian fossil fuels before 2030. The Plan will rapidly reduce dependence on Russian fossil fuels by fast-forwarding the clean energy transition and adapting industry and infrastructure to different energy sources and suppliers. According to the European Commission, additional investments of EUR 210 billion are needed between now and 2027, including EUR 27 billion for hydrogen infrastructure. To meet the ambition of REPower EU, Hexagon Purus expects that there will be a significant need for investments into hydrogen gas storage and transportation infrastructure with several opportunities for Hexagon Purus' leading hydrogen storage solutions portfolio..

In the U.S., the Inflation Reduction Act introduced in July, aims to bring down costs and boosts energy supply, cutting inflation and substantially reducing greenhouse gas emissions. Of the total USD 739 billion package, USD 369 billion is earmarked for "Energy Security and Climate Change" which would put the U.S. on a path to roughly 40% emissions reduction by 2030. Tens of billions of dollars will go toward supporting renewable energy development, such as tax credits and grants for clean fuels, including hydrogen, and clean commercial vehicles to reduce emissions from all parts of the transportation sector.

With several growth initiatives underway, including building organizational capabilities and production capacity to support customer launch activity as well as expected market demand in the coming years in North America, Europe and Asia, Hexagon Purus is in the investment phase of its development. Such investments are expected to impact profitability over the near-to-medium term.

2022 revenue is expected to grow approximately 75% year-over-year based on strong backlog and order trends; EBITDA losses are expected to widen by 50% year-over-year.

Hexagon Purus is in the early growth phase of its development with substantial capital needs over the foreseeable future. The Board of Directors and management are closely involved in ensuring that the Group has access to the required amount of capital it needs to fund this high-growth phase.

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

Hexagon Purus Group operates in markets with strict standards for quality and delivery, deviations from which could result in significant additional costs, lost sales and damage to the Group's reputation. The Group is exposed to production related risks such as production errors or shutdowns of its facilities which could have a material adverse effect on the Group's results of operations, cash flow and financial condition.

The Group is exposed to competing technologies and processes that could have a negative effect on the Group's competitive positioning, and in turn profitability and financial position.

The Group is exposed to developments in the prices of its raw materials and in particular the cost of carbon fiber and lithium-ion batteries. The prices of these raw materials are linked to various factors including developments in the price of oil, precursor commodities and energy and the prevailing market balance where supply is dependent on a limited number of suppliers.

The Group's products are subject to governmental laws and regulations, including regulations relating to quality, health and safety. The Group manufactures its products in accordance with, and its products are subject to inspection standards pursuant to, applicable regulation and requisite approvals. However, the Group cannot predict the future costs of complying with applicable regulations, standards and permits as these develop. Adoption of new laws, regulations or public requirements that impose more stringent requirements concerning the safety aspects of Hexagon Purus' products could result in increase of compliance expenditure, suspension of production, product recalls or claims from third parties, which in each case could have a material adverse effect on the Group's business, financial position, results of operations and cash flow.

To the extent the Group does not generate sufficient cash from operations to fund its existing and future business plans, the Group may need to raise additional funds through public or private debt or equity financing to execute its growth strategy and to fund capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavourable terms. If funding is insufficient at any time in the future, the Group may be unable to, inter alia, fund acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the Group's financial condition and results of operations.

In the Board's view there are no major changes to the risk composition for the Group compared with 2021, including those specifically concerning the COVID-19 pandemic. It is not possible to know the precise impacts to the global macro economy of the pandemic and to which extent these may or may not persist. For additional information about risks and uncertainties we refer to Hexagon Purus' 2021 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.

## Statement from the Board and CEO

To the best of our knowledge we confirm that:

- the consolidated financial statements for the period 1 January to 30 June 2022 have been prepared in accordance with "IAS 34 Interim Financial Reporting",

- the information provided in the financial statements gives a true and fair view of the Company's and Group's assets, liabilities, financial position and results for the period viewed in their entirety, and that;
- the information presented in the financial statements gives a true and fair view of important events of the period, financial position, material related party transactions and principal risks and uncertainties of the Group for the next quarter

Oslo, August 8, 2022

The Board of Directors of Hexagon Purus ASA

 Jon Erik Engeset Chair	 Espen Gundersen Board member	 Martha Kold Bakkevig Board member	 Knut Flakk Board member
 Rick Rashilla Board member	 Karen Romer Board member	 Morten Holum Group president & CEO	

# Condensed Financial Statements Group

## Income statement

(NOK 1000)	Note	Q2 2022	Q2 2021	First half-year 2022	First half-year 2021	FY 2021
		Unaudited	Unaudited	Unaudited	Unaudited	
Continuing operations (Purus e-mobility)						
Revenue from contracts with customers	3,4	210 073	93 921	368 949	145 339	506 039
Other operating revenue	3,4	36	156	207	270	1 679
<b>Total revenue</b>		<b>210 109</b>	<b>94 077</b>	<b>369 156</b>	<b>145 609</b>	<b>507 718</b>
Cost of materials		137 716	55 223	202 874	84 162	324 566
Payroll and social security expenses	10	100 414	41 838	195 044	86 410	209 602
Other operating expenses		83 515	65 556	175 586	105 564	245 327
<b>Total operating expenses before depreciation</b>		<b>321 646</b>	<b>162 617</b>	<b>573 504</b>	<b>276 136</b>	<b>779 495</b>
<b>Operating profit before depreciation (EBITDA)</b>	4	<b>-111 537</b>	<b>-68 540</b>	<b>-204 348</b>	<b>-130 527</b>	<b>-271 777</b>
Depreciation and impairment	5,6	23 732	9 713	45 796	18 138	53 098
<b>Operating profit (EBIT)</b>	4	<b>-135 270</b>	<b>-78 254</b>	<b>-250 144</b>	<b>-148 665</b>	<b>-324 874</b>
Share of profit/loss from investments in associates and joint ventures		-1 389	575	-2 738	-127	-2 957
Finance income		21 099	2 956	23 603	5 376	14 250
Finance expense	7	7 877	-10 000	13 620	25 637	-33 691
<b>Profit/loss before tax from continuing operations</b>		<b>-123 436</b>	<b>-64 723</b>	<b>-242 899</b>	<b>-169 053</b>	<b>-347 273</b>
Tax expense		838	-765	-185	-570	-2 120
<b>Profit/loss after tax from continuing operations</b>		<b>-124 274</b>	<b>-63 957</b>	<b>-242 714</b>	<b>-168 483</b>	<b>-345 152</b>
Discontinued operations (CNG LDV)						
Profit/loss after tax for the period from discontinued operations	4	-	-18 945	-	-18 427	-8 552
<b>Profit/loss after tax</b>		<b>-124 274</b>	<b>-82 901</b>	<b>-242 714</b>	<b>-186 910</b>	<b>-353 704</b>
<b>Earnings per share</b>						
Ordinary (NOK)		-0,48	-0,45	-0,94	-0,82	-1,48
Diluted (NOK)		-0,48	-0,45	-0,94	-0,82	-1,48
<b>Earnings per share from continuing operations</b>						
Ordinary (NOK)		-0,48	-0,46	-0,94	-0,74	-1,49
Diluted (NOK)		-0,48	-0,46	-0,94	-0,74	-1,49



## Comprehensive income statement

(NOK 1000)	Q2 2022	Q2 2021	First half- year 2022	First half- year 2021	FY 2021
	Unaudited	Unaudited	Unaudited	Unaudited	
Profit/loss after tax	<b>-124 274</b>	<b>-82 901</b>	<b>-242 714</b>	<b>-186 910</b>	<b>-353 704</b>
<b>OTHER COMPREHENSIVE INCOME:</b>					
Items that will be reclassified through profit or loss in subsequent periods					
Exchange differences on translation of foreign operations	64 147	-5 970	42 249	-1 332	-11 553
<b>Net of total items that will be reclassified through profit and loss in subsequent periods</b>	<b>-64 147</b>	<b>-5 970</b>	<b>42 249</b>	<b>-1 332</b>	<b>-11 553</b>
Total comprehensive income, net of tax	-60 127	-88 871	-200 465	-188 242	-365 257
<b>Attributable to:</b>					
Share premium	-60 127	-88 871	-200 465	-188 242	-365 257

## Statement of financial position

(NOK 1000)	Note	Q2 2022	Q2 2021	FY 2021	(NOK 1000)	Note	Q2 2022	Q2 2021	FY 2021
		Unaudited	Unaudited				Unaudited	Unaudited	
<b>ASSETS</b>					<b>EQUITY AND LIABILITIES</b>				
Property, plant, and equipment	6	362 151	95 530	267 705	Issued capital and share premium		1 758 322	1 430 084	1 407 170
Right-of-use assets	6	48 356	42 600	52 219	Other equity	10	55 702	14 505	8 228
Intangible assets	5	783 845	410 974	752 294	<b>Total equity</b>		<b>1 814 024</b>	<b>1 444 588</b>	<b>1 415 398</b>
Investment in associates and joint ventures		4 286	1 974	7 024	Interest-bearing loans and borrowings	9	43 906	-	42 126
Non-current financial assets	9	10 011	1 339	2 476	Lease liabilities	7	29 500	18 678	31 794
<b>Total non-current assets continuing operations</b>		<b>1 208 649</b>	<b>552 416</b>	<b>1 081 718</b>	Non-current provisions		4	3	7 235
Inventories		391 515	73 882	261 235	Other non-current financial liabilities	8,9	39 164	-	109 106
Trade receivables	9	159 717	84 687	220 286	Net employee defined benefit liabilities		2 228	83	1 892
Contracts assets (accrued revenue)		5 059	1 016	4 165	Deferred tax liabilities		49 351	9 678	52 231
Other current assets	9	60 084	78 835	80 943	<b>Total non-current liabilities from continuing operations</b>		<b>164 152</b>	<b>28 442</b>	<b>244 384</b>
Cash and short-term deposits	9	702 024	892 186	453 398	Trade and other payables	9	205 988	87 533	191 409
<b>Total current assets continuing operation</b>		<b>1 318 400</b>	<b>1 130 606</b>	<b>1 020 027</b>	Contract liabilities		164 362	32 195	121 827
Assets held for sale		0	271 582	0	Interest-bearing loans and borrowings	9	2 315	166 973	13 635
<b>Total assets</b>	4	<b>2 527 048</b>	<b>1 954 605</b>	<b>2 101 745</b>	Lease liabilities, short term	7	20 778	23 269	21 285
					Income tax payable		6 889	16	8 178
					Other current financial liabilities	8,9	73 871	-	-
					Other current liabilities		54 955	32 596	72 747
					Provisions		19 714	23 641	12 882
					<b>Total current liabilities from continuing operations</b>		<b>548 871</b>	<b>366 221</b>	<b>441 963</b>
					Liabilities directly associated with the assets held for sale		-	115 353	-
					<b>Total liabilities</b>	4	<b>713 024</b>	<b>510 018</b>	<b>686 347</b>
					<b>Total equity and liabilities</b>		<b>2 527 048</b>	<b>1 954 605</b>	<b>2 101 745</b>

# Cash flow statement

(NOK 1000)

	First half- year 2022	First half- year 2021	FY 2021
	Unaudited	Unaudited	
<b>Profit before tax (incl. discontinued operations)</b>	<b>-242 899</b>	<b>-187 390</b>	<b>-355 687</b>
Depreciation, amortization, and impairment	45 796	35 687	53 098
Net interest expense	162	4 861	6 968
Changes in net working capital <sup>1)</sup>	-13 492	-103 650	-169 640
Other adjustments to operating cash flows	1 958	-38 406	8 937
<b>Net cash flow from operating activities</b>	<b>-208 475</b>	<b>-288 898</b>	<b>-456 324</b>
Purchase of property, plant, and equipment, net of proceeds from sale	-97 278	-36 042	-107 711
Purchase and development of intangible assets	-26 148	-15 039	-37 735
Cash paid related to acquisition of subsidiary; net of cash acquired	-	-	-146 189
Investments in associated companies	-	-	-8 580
Loans to associated companies	-3 918	-	-
Proceeds from sale of shares in associated companies	-	-	665
Interest received	1 087	-	1 625
<b>Net cash flow from investing activities</b>	<b>-126 257</b>	<b>-51 081</b>	<b>-297 924</b>
Net repayment (-) / proceeds (+) from interest bearing loans	-9 540	86	-11 098
Interest payments	-1 249	-4 861	-8 593
Repayment of lease liabilities (incl. interests)	-10 485	-8 972	-19 498
Net proceeds from share capital increase	593 866	-	-
<b>Net cash flow from financing activities</b>	<b>572 592</b>	<b>-13 748</b>	<b>-39 189</b>
<b>Net change in cash and cash equivalents</b>	<b>237 859</b>	<b>-353 726</b>	<b>-793 437</b>
Net currency exchange differences on cash	10 767	-439	483
Cash and cash equivalents beginning of period	453 398	1 246 351	1 246 351
<b>Cash and cash equivalents end of period</b>	<b>702 024</b>	<b>892 186</b>	<b>453 398</b>

1) Net working capital refers to inventories, trade receivables, contract assets, trade payables and contract liabilities

## Statement of changes in equity

(NOK 1000)	Issued capital	Share premium	Other paid-in capital	Other equity and retained earnings	Foreign currency translation reserve	Total equity
<b>As of 1 January 2021</b>	<b>22 909</b>	<b>1 594 022</b>	<b>372</b>	<b>-</b>	<b>11 717</b>	<b>1 629 020</b>
Profit for the period		-186 910				-186 910
Other comprehensive income					-1 332	-1 332
<b>Total comprehensive income</b>	<b>-</b>	<b>-186 910</b>	<b>-</b>	<b>-</b>	<b>-1 332</b>	<b>-188 242</b>
Share-based payments			3 747			3 747
Changes in paid-in capital		63				63
<b>As of 30 June 2021</b>	<b>22 909</b>	<b>1 407 175</b>	<b>4 119</b>	<b>-</b>	<b>10 385</b>	<b>1 444 588</b>
	<b>Issued capital</b>	<b>Share premium</b>	<b>Other paid-in capital</b>	<b>Other equity and retained earnings</b>	<b>Foreign currency translation reserve</b>	<b>Total equity</b>
<b>As of 1 January 2021</b>	<b>22 909</b>	<b>1 594 022</b>	<b>372</b>	<b>-</b>	<b>11 717</b>	<b>1 629 021</b>
Profit for the period		-353 704				-353 704
Other comprehensive income					-11 553	-11 553
<b>Total comprehensive income</b>	<b>-</b>	<b>-353 704</b>	<b>0</b>	<b>-</b>	<b>11 553</b>	<b>-365 257</b>
Share-based payments			7 691			7 691
Changes in paid-in capital	444	143 628				144 072
Transaction costs		-129		-		-129
<b>As of 31 December 2021</b>	<b>23 354</b>	<b>1 383 817</b>	<b>8 063</b>	<b>-</b>	<b>165</b>	<b>1 415 398</b>
	<b>Issued capital</b>	<b>Share premium</b>	<b>Other paid-in capital</b>	<b>Other equity and retained earnings</b>	<b>Foreign currency translation reserve</b>	<b>Total equity</b>
<b>As of 1 January 2022</b>	<b>23 354</b>	<b>1 383 817</b>	<b>8 063</b>	<b>-</b>	<b>165</b>	<b>1 415 398</b>
Profit for the period		-242 714				-242 714
Other comprehensive income					42 249	42 249
<b>Total comprehensive income</b>	<b>-</b>	<b>-242 714</b>	<b>-</b>	<b>-</b>	<b>42 249</b>	<b>-200 465</b>
Share-based payments			5 226			5 226
Share capital increase	2 474	597 526				600 000
Transaction cost		-6 134		-		-6 134
<b>As of 30 June 2022</b>	<b>25 828</b>	<b>1 732 494</b>	<b>13 289</b>	<b>-</b>	<b>42 414</b>	<b>1 814 024</b>

On 23 November 2021 related to the closing of the Wystrach acquisition, the company issued 4 444 430 consideration shares to the previous shareholders of Wystrach GmbH.

On 15 February 2022 related to a private placement the company issued 24 742 268 new shares at a price per share of NOK 24.25. The Company raised approximately NOK 600 million in gross proceeds.

## Note 1: General information and basis for preparation

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The condensed consolidated interim financial statements for the second quarter 2022, which ended 30 June, comprise Hexagon Purus ASA and its subsidiaries (together referred to as "the Group"). Hexagon Purus ASA, the parent of Hexagon Purus Group, is a public limited liability company with its registered office in Norway. The company's headquarters are at Korsegata 4B, 6002 Aalesund, Norway. Hexagon Purus ASA is listed on Euronext Growth, Oslo, under the ticker HPUR.

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. For a more detailed description of accounting principles, reference is made to the consolidated financial statements for the year ended 31 December 2021, available on the Company's website [www.hexagonpurus.com/investors](http://www.hexagonpurus.com/investors)

The accounting principles used in the preparation of these interim accounts are the same as those applied to the annual consolidated financial statements referred to above. 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 8 August 2022.

## 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 2021.

## Note 3: Revenue from contracts with customers

(NOK 1000)	Q2 2022	Q2 2021	First half-year 2022	First half-year 2021	FY 2021
<b>EXTERNAL AND INTERNAL CUSTOMERS</b>					
Sale of cylinders and systems	177 433	86 905	318 838	132 673	440 431
Sale of services and funded development	32 404	5 909	47 223	8 736	54 498
Other revenues	36	309	314	489	1 054
<b>Contracts with customers at a point in time</b>	<b>209 874</b>	<b>93 124</b>	<b>366 374</b>	<b>141 898</b>	<b>495 983</b>
Sale of cylinders and systems	-728	635	634	1 015	3 441
Sale of services and funded development	-	-	-	-	-
Other revenues	-	-	-	-	-
<b>Contracts with customers over time</b>	<b>-728</b>	<b>635</b>	<b>634</b>	<b>1 015</b>	<b>3 441</b>
<b>Revenue from contracts with external customers</b>	<b>209 146</b>	<b>93 759</b>	<b>367 008</b>	<b>142 913</b>	<b>499 424</b>
Sale of cylinders and systems	710	312	1 386	1 089	2 736
Sale of services and funded development	-	-1	192	-1	4 691
Other revenues	-	6	-	1609	68
Rental income	253	-	569	-	799
<b>Contracts with related parties</b>	<b>963</b>	<b>317</b>	<b>2 148</b>	<b>2 696</b>	<b>8 294</b>
<b>Total revenue</b>	<b>210 109</b>	<b>94 077</b>	<b>369 156</b>	<b>145 609</b>	<b>507 718</b>
<b>TYPE OF GOODS OR SERVICE</b>					
Sale of cylinders and systems	177 415	87 852	320 857	134 776	446 608
Sale of services and funded development	32 404	5 908	47 415	8 735	59 189
Other revenues	36	316	314	2 098	1 122
Rental income	253	-	569	-	799
<b>Total revenue from contracts with customers</b>	<b>210 109</b>	<b>94 077</b>	<b>369 156</b>	<b>145 609</b>	<b>507 718</b>
<b>TIMING OF REVENUE RECOGNITION</b>					
Goods transferred at a point in time	209 874	93 124	366 374	141 898	495 983
Services transferred over time	-728	635	634	1 015	3 441
Transactions with related parties	710	317	1 579	2 696	7 495
Rental income	253	-	569	-	799
<b>Total revenue from contracts with customers</b>	<b>210 109</b>	<b>94 077</b>	<b>369 156</b>	<b>145 609</b>	<b>507 718</b>

## Note 4: Operating segments

(NOK 1000)	Q2 2022	Q2 2021	First half- year 2022	First half- year 2021	FY 2021
<b>PURUS</b>					
Revenues from contracts with customers	210 073	93 760	368 948	142 913	506 039
Other operating revenue	36	317	207	2 696	1 679
<b>Total revenue</b>	<b>210 109</b>	<b>94 077</b>	<b>369 156</b>	<b>145 609</b>	<b>507 718</b>
Segment operating profit before depreciation (EBITDA)	-111 537	-68 540	-204 348	-130 527	-271 777
Segment operating profit (EBIT)	-135 270	-78 253	-250 144	-148 665	-324 875
Segment assets	2 527 048	1 683 022	2 527 048	1 683 022	2 101 745
Segment liabilities	713 024	394 663	713 024	394 663	686 347
<b>CNG LDV (presented as discontinued from 01.01.2021)</b>					
Revenues from contracts with customers	-	28 084	-	61 058	196 850
Other operating revenue	-	31 975	-	61 050	2 801
<b>Total revenue</b>	<b>-</b>	<b>60 059</b>	<b>-</b>	<b>122 108</b>	<b>199 651</b>
Segment operating profit before depreciation (EBITDA)	-	-12 347	-	-1 707	-12 672
Segment operating profit (EBIT)	-	-18 704	-	-17 116	-30 196
Segment assets	-	271 582	-	271 582	-
Segment liabilities	-	115 353	-	115 353	-

For management purposes, the assessment is that the Purus Group has historically had two operating segments: Purus and CNG LDV. However, the CNG LDV division was classified as discontinued operations in 2021 and is shown as a part of operating segment only for comparability. As of 1 October 2021 the CNG LDV division was sold and Purus does not have defined segments for 2022.

## Note 5: Intangible assets

(NOK 1000)	2022				2021			
	Goodwill	Customer relationships	Other intangible assets <sup>1)</sup>	Total 2022	Goodwill	Customer relationships	Other intangible assets <sup>1)</sup>	Total 2021
Carrying value as of 01.01	497 587	105 707	149 000	752 294	323 107	37 427	54 562	415 097
Additions	-	-	26 148	26 148	-	-	15 039	15 039
Amortizations	-	-9 464	-9 224	-18 687	-	-3 867	-5 569	-9 436
Currency translation differences	17 920	3 453	2 718	24 090	-9 341	-1 065	680	-9 726
<b>Carrying value as of 30.06</b>	<b>515 507</b>	<b>99 696</b>	<b>168 642</b>	<b>783 845</b>	<b>313 766</b>	<b>32 495</b>	<b>64 712</b>	<b>410 974</b>

1) Other intangible assets consist of technology and development in addition to patents and licenses

Intangible assets are reviewed each quarter for impairment indicators, including market changes, technological development, order backlog and other changes that might potentially reduce the value of the assets. For goodwill, impairment tests are performed annually in the fourth quarter, or immediately in the case of an impairment indicator.

Goodwill is tested using the value in use approach determined by discounting expected future cash flows. If the impairment test reveals that an asset's carrying amount is higher than its value in use, an impairment loss will be recognized.

During the quarter there were no indicators of impairment of intangible assets.

## Note 6: Tangible assets

(NOK 1000)	2022			2021		
	Property, plant, and equipment	Right of use assets	Total 2022	Property, plant, and equipment	Right of use assets	Total 2021
Carrying value as of 01.01	267 705	52 219	319 924	76 634	30 457	107 091
Additions	97 278	4 779	102 057	16 316	6 549	42 591
Depreciations	-16 078	-11 031	-27 109	-4 937	-3 766	-8 702
Currency translation differences	13 246	2 389	15 635	7 517	9 360	-2 850
<b>Carrying value as of 30.06</b>	<b>362 151</b>	<b>48 356</b>	<b>410 507</b>	<b>95 530</b>	<b>42 600</b>	<b>138 130</b>



## Note 7: Lease liabilities

(NOK 1000)	2022	2021
Carrying value as of 01.01	53 079	31 039
New lease liabilities recognized in the period	4 779	6 549
Cash payments for the principal portion of the lease liability	-9 969	-8 554
Cash payments for the interest portion of the lease liability	-516	-418
Interest on lease liabilities	516	418
Currency translation differences	2 389	12 913
<b>Carrying value as of 30.06</b>	<b>50 278</b>	<b>41 947</b>

Lease liabilities are to a large extent related to lease agreements of office- and production premises, in addition to some vehicles, machinery, and equipment.

## Note 8: Other financial liabilities<sup>1)</sup>

(NOK 1000)	Carrying value 01.01.2022	Fair value adjustment	Additions in the period	Settlements in the period	Reclassifications non-current to current	Currency translation differences	Carrying value 30.06.2022
Deferred payment from business combination (amortized cost)	43 490	-	-	-	-42 280	-1 209	-
Contingent liabilities from business combinations (fair value)	65 616	-	-	-	-27 040	588	39 163
<b>Total other non-current financial liabilities</b>	<b>109 106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-69 321</b>	<b>-621</b>	<b>39 164</b>
Deferred payment from business combination (amortized cost)	-	-	-	-	42 280	2 188	44 468
Contingent liabilities from business combinations (fair value)	-	-	-	-	27 040	2 363	29 403
<b>Total other current financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69 321</b>	<b>4 551</b>	<b>73 871</b>

1) Purus Group did not have any items classified as other financial liabilities as per 30.06.2021. Comparable figures are therefore not presented.

The table above shows the movements of current and non-current other financial liabilities in the period. Deferred payments and contingent liabilities are related to the acquisition of Wystrach and Wyrent as of November 11th, 2021.

The fair value of Wystrach at the time of acquisition was NOK 399.9 million and the acquisition was settled with NOK 147.5 million in cash, NOK 144.5 million in consideration shares in Hexagon Purus ASA, NOK 43.0 million in deferred payment (seller's credit with 5% p.a. interest) and contingent liabilities of NOK 64.9 million expected to be settled in cash in 2023 and 2024 based on 2021, 2022 and 2023 Wystrach revenue and EBITDA targets. The deferred payment (seller's credit) of NOK 43.0 million, with a closing balance of NOK 43.5 million is payable by March 31, 2023 and is presented as "Other current financial liabilities". A portion of the contingent liability of NOK 64.9 million with a closing balance of NOK 65.6 million is payable once financial statements for 2022 are adopted and is included in "Other current financial liabilities"; the remainder is payable once the 2023 financial statements are adopted and is included in "Other non-current financial liabilities".

The fair value of the contingent liabilities is assessed each quarter. At the end of the reporting period, there have been no changes to the fair value assessment.

## Note 9: Financial assets and financial liabilities

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

The Group recognizes other non-current financial liabilities and current financial liabilities at fair value. All other financial asset and liabilities are recognized at amortized cost.

### CARRYING AMOUNT AND FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(NOK 1000)	Level	2022		2021			
		Q2 2022 Carrying value	Q2 2022 Fair value	Q2 2021 Carrying value	Q2 2021 Fair value	FY 2021 Carrying value	FY 2021 Fair value
<b>FINANCIAL ASSETS</b>							
Other non-current assets	2	10 011	10 011	1 339	1 339	2 476	2 476
Trade receivables	2	159 717	159 717	84 687	84 687	220 286	220 286
Other current financial assets	2	4 340	4 340	49 225	49 255	36 712	36 712
Bank deposits, cash, and cash equivalents	2	702 024	702 024	892 186	892 186	453 398	453 398
<b>Total financial assets</b>		<b>876 092</b>	<b>876 092</b>	<b>1 027 437</b>	<b>1 027 437</b>	<b>712 872</b>	<b>712 872</b>
Total current		866 081	866 081	1 026 098	1 026 098	710 396	710 396
Total non-current		10 011	10 011	1 339	1 339	2 476	2 476
<b>FINANCIAL LIABILITIES</b>							
Loan from financial institutions	2	46 221	46 221	166 973	166 973	55 761	55 761
Other non-current financial liabilities	3	39 164	39 164	-	-	109 106	109 106
Trade and other payables	2	205 988	205 988	87 533	87 533	191 409	191 409
Other current financial liabilities	3	73 871	73 871	-	-	-	-
<b>Total financial liabilities</b>		<b>365 243</b>	<b>365 243</b>	<b>254 506</b>	<b>254 506</b>	<b>356 276</b>	<b>356 276</b>
Total current		282 174	282 174	254 506	254 506	205 044	205 044
Total non-current		83 069	83 069	-	-	151 232	151 232

The management assessed that the fair values of bank deposits, cash and cash equivalents, trade receivables, other non-current assets, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

## Note 10 : Share-based payments

	RSU key personnel	PSU executive management	RSU executive management	PSU management	RSU key personnel
Program issued	14.12.2020	14.12.2020	14.12.2020	18.05.2022	15.06.2022
Program expire	30.03.2024	30.03.2024	30.03.2024	03.03.2025	03.03.2025
Strike price	0	0	0	0	0
Fair value (at grant date)	27,30	20,83	27,30	33,99	27,76

### Instruments 2021

Opening balance, number of instruments	485 000	421 242	210 621	-	-
Grants	91 000	-	-	-	-
Lapsed/cancelled	-15 000	-	-	-	-
<b>Closing balance</b>	<b>561 000</b>	<b>421 242</b>	<b>210 621</b>	<b>-</b>	<b>-</b>

### Instruments 2022

Opening balance, number of instruments	561 000	421 242	210 621	-	-
Grants	5 000	-	-	958 686	91 350
Lapsed/cancelled	-30 000	-	-	-	-
<b>Closing balance</b>	<b>536 000</b>	<b>421 242</b>	<b>210 621</b>	<b>958 686</b>	<b>91 350</b>

The Company has three share-based long-term incentive plans. The first plan is a management investment program with Performance Share Units ("PSUs") matching. This plan is limited to four members of the executive management team. Each eligible employee will in 2024 be entitled to up to three new shares in the Company per share invested, at no consideration, provided he or she is still employed in the Company at such date. The entitlement depends on fulfilment of three criteria, one per matching share. One criterion is tied to increase in share price, one is tied to Company performance criteria, and one is tied to continued employment. On 14 December 2020, the Company announced that key members of Hexagon Purus' executive management team exercised their right to purchase the maximum number of shares allowable in the management investment program, equal to a total number of 210 621 shares. As part of this management investment program, the Company awarded up to 421 242 related PSUs and 210 621 Restricted Stock Units ("RSUs") to the executives. The instruments are non-transferable and will vest in 2024 when the Board of Directors approve the annual accounts for 2023, subject to satisfaction of the applicable vesting conditions. Each vested instrument will give the holder the right to receive one share in the Company.

The second share-based long term incentive plan is an employee RSU program, where 566 000 RSUs are currently issued to key personnel and management employees of the Group. Subject to satisfaction of the applicable vesting conditions, each RSU entitles eligible employees to receive such number of Hexagon Purus shares as corresponds to the number of RSUs vested at the date on which the Company's Board of Directors approves the Company's annual accounts for the financial year of 2023.

The third share-based long term incentive plan is an employee PSU program, where 958 686 PSUs are currently issued to key personnel and management employees of the Group. Subject to satisfaction of the applicable vesting conditions and share price development, each PSU entitles eligible employees to receive up to twice the number of Hexagon Purus shares as corresponds to the number of PSUs vested on March 3, 2025.

The fourth share-based long term incentive plan is an employee RSU program, where 91 350 RSUs are currently issued to key personnel of the Group. Subject to satisfaction of the applicable vesting conditions, each RSU entitles eligible employees to receive such number of Hexagon Purus shares as corresponds to the number of RSUs on March 3, 2025.

The fair value of the RSUs and PSUs are calculated on the grant date, using the Black-Scholes

model and Monte Carlo simulation, and the cost is recognized over the service period. Cost of the RSU and PSU schemes, including social security, was NOK 5,8 million year-to-date 2022 (NOK 3,7 million). The unamortized fair value of all outstanding RSUs and PSUs as of 30 June

2022 is estimated to be NOK 48 million (NOK 20.9 million).

There are no cash settlement obligations. As these programs do not have a precedent in the Group, the Group does not have a past practice of cash settlement for outstanding instruments.

## Note 11: Events after the balance sheet date

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- Received orders worth approximately EUR 14 million for hydrogen distribution systems from industrial gas customers. These systems with Hexagon Purus' type 4 cylinders will be used to deliver hydrogen for industrial and mobility applications in Germany and the Netherlands
- Successfully closed the acquisition of a 40% interest in Cryoshelter's liquid hydrogen storage business
- Jannicke Hilland stepped down as a member of the Company's Board of Directors. Ms. Hilland has seen a need to limit her number of board memberships due to overall workload

There have been no other significant events after the balance sheet date that have not already been disclosed in this report

## Shareholder information

A total of 16 678 402 (n.a.) shares in Hexagon Purus ASA (HPUR) were traded on Euronext Growth Oslo during the second quarter of 2022. The total number of shares in Hexagon Purus ASA as of 30 June 2022 was 258 278 936 (par value NOK 0.10). In the quarter, the share price moved between NOK 25.52 and NOK 41.50, ending the quarter at NOK 25.52. The price as of 30 June 2022 implies a market capitalization of NOK 6,6 billion for the Company.

20 largest shareholders as per 30 June 2022	Number of shares	Share of 20 largest	Share of total	Type	Citizenship
HEXAGON COMPOSITES ASA	189 300 496	79,1 %	73,3 %	Norway	Ordinary
CLEARSTREAM BANKING S.A.	17 604 302	7,4 %	6,8 %	Luxembourg	Nominee
MITSUI & CO LTD	5 204 029	2,2 %	2,0 %	Japan	Ordinary
Deutsche Bank Aktiengesellschaft	4 530 150	1,9 %	1,7 %	Germany	Nominee
FLAKK COMPOSITES AS	3 027 799	1,3 %	1,2 %	Norway	Ordinary
J.P. Morgan SE	2 676 562	1,1 %	1,0 %	Luxembourg	Nominee
Citibank Europe plc	2 508 592	1,0 %	1,0 %	Ireland	Nominee
MP PENSJON PK	2 395 987	1,0 %	0,9 %	Norway	Ordinary
Nordnet Bank AB	1 670 046	0,7 %	0,7 %	Sweden	Nominee
The Bank of New York Mellon SA/NV	1 400 462	0,6 %	0,6 %	Belgium	Nominee
UBS Switzerland AG	1 386 045	0,6 %	0,5 %	Switzerland	Nominee
Skandinaviska Enskilda Banken AB	1 376 747	0,6 %	0,5 %	Sweden	Ordinary
BRØDR. BØCKMANN AS	1 363 120	0,6 %	0,5 %	Norway	Ordinary
NØDINGEN AS	787 228	0,3 %	0,3 %	Norway	Ordinary
State Street Bank and Trust Comp	780 527	0,3 %	0,3 %	United States	Nominee
The Bank of New York Mellon SA/NV	772 180	0,3 %	0,3 %	Belgium	Nominee
KTF FINANS AS	756 950	0,3 %	0,3 %	Norway	Ordinary
VERDIPAPIRFONDET STOREBRAND NORGE	653 074	0,3 %	0,3 %	Norway	Ordinary
SIX SIS AG	608 159	0,3 %	0,2 %	Switzerland	Nominee
Saxo Bank A/S	533 251	0,2 %	0,2 %	Denmark	Nominee
<b>Total of 20 largest shareholders</b>	<b>239 335 706</b>	<b>100,0 %</b>	<b>92,5 %</b>		
Remainder	18 943 230		7,5 %		
<b>Total</b>	<b>258 278 937</b>		<b>100,0 %</b>		

## Forward looking statements

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