

Q1 2023



A word from the CEO

Dear Shareholders,

Resolving the energy *trilemma* - delivering secure, clean, and affordable energy - remains high on the global agenda. According to DNV, the clean energy transition is the greatest driver of increased investment in renewables, with strong regulatory support on both sides of the Atlantic.

And while the path to carbon-neutrality is developing, the efforts to accelerate sustainable transportation are significant. Renewable natural gas (RNG), hydrogen, and battery electric technologies are enabling the switch, and Hexagon is a leading player.

Topline growth year over year

The Hexagon Group generated revenues of NOK 1 261 (1 016) million representing growth of 24%, driven by higher volumes, improved pricing as well as favorable FX translation effects. EBITDA amounted to NOK -29 (-9) million driven by the ramp-up costs in Hexagon Purus.

Hexagon Agility's margins have not yet been restored to a satisfactory level. Supply bottlenecks have eased, however, some procurement categories remain challenging. Several initiatives are being undertaken, and we expect to see improvements throughout 2023. A new leadership structure has been implemented in Hexagon Agility, with Hans Peter Havdal as CEO and Andrew Griffiths and Eric Bippus as executive vice presidents.

Major milestones reached by Hexagon Purus

Hexagon Purus reached major milestones in the quarter including a major distribution agreement with Hino Motors Sales U.S.A., Inc. to assemble battery electric heavy-duty trucks for the U.S. market at a value of up to USD 2 billion. In addition, Hexagon Purus secured financing of NOK 1.3 billion with Mitsui & Co. as anchor investor and strategic partner and transferred to the main market of Oslo Stock Exchange.

In January, Hexagon Purus opened its new cylinder production site in Westminster, Maryland, and in April it opened its new engineering and manufacturing facility for battery and hydrogen storage systems in Kelowna, British Columbia.



Looking ahead

The fundamental market drivers are strong for all Hexagon's business segments. The launch of Cummins' 15-liter natural gas engine in 2024 will increase the addressable heavy duty truck market for CNG systems by a factor of three, but short term we experience a somewhat softer demand in this segment. The outlook for Mobile Pipeline systems remains very strong, albeit also with temporary supply chain challenges, and Hexagon Digital Wave sees continued strong growth, partly driven by requalification of older Mobile Pipeline units. Hexagon Ragasco enjoys robust demand in its home markets and has a promising pipeline of opportunities across markets and segments. Hexagon Purus is faced with a booming market in all its segments and is on track to deliver on its highly ambitious plans.

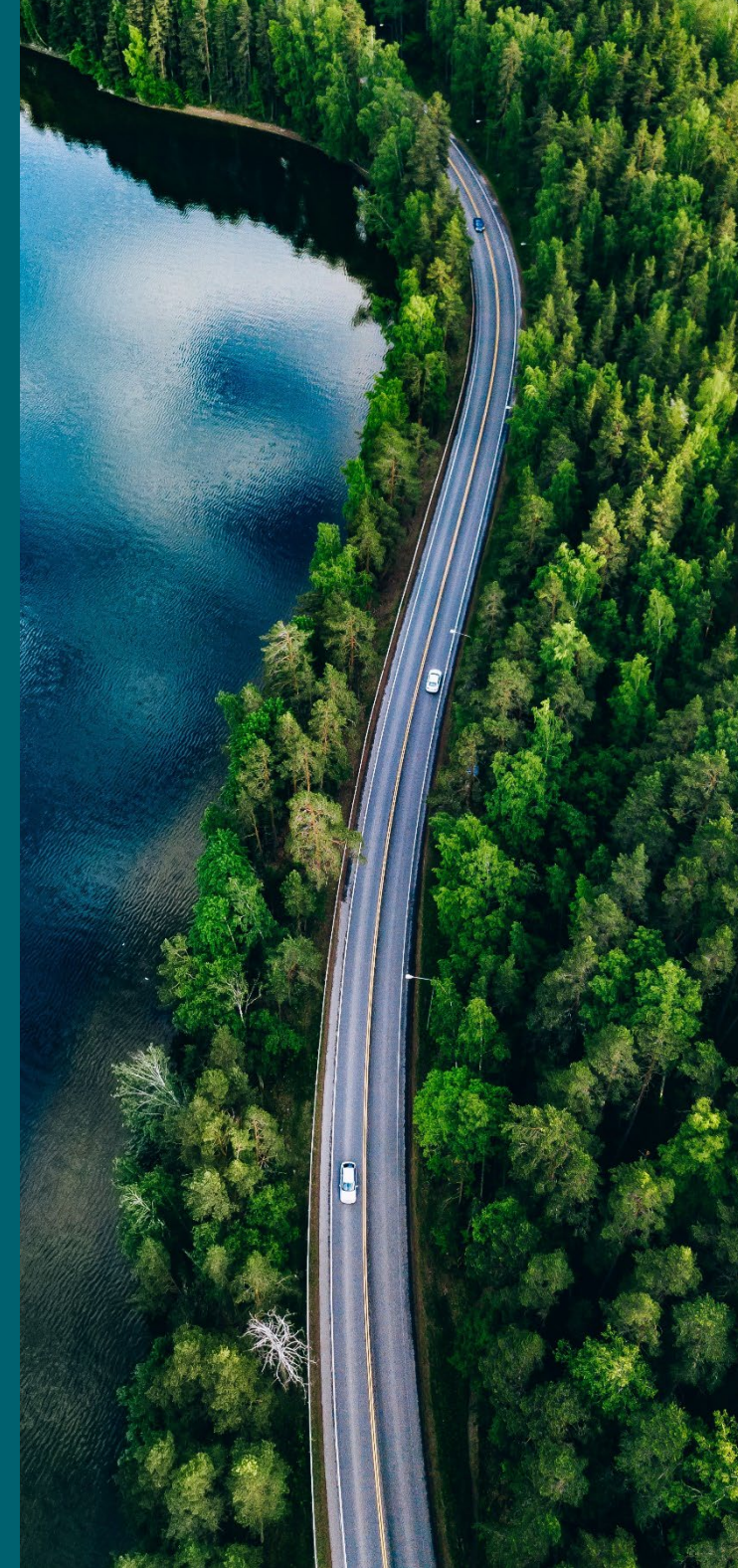
Best regards,

Jon Erik Engeset

President & CEO, Hexagon Group

Highlights Q1 2023 and after balance sheet date

- **Hexagon Purus** secured financing of NOK 1 300 million and transferred to the Oslo Stock Exchange's main list
- **Hexagon Purus** signed an agreement with Hino Motors for productions of battery-electric heavy-trucks worth up to USD 2 billion, and a landmark multi-year agreement with Panasonic for the supply of battery cells.
- **Hexagon Digital Wave** continued its growth path and delivered 3x revenue growth
- **Hexagon Ragasco** received introductory orders from three new customers and further increased its global presence
- **Hexagon Agility's Mobile Pipeline** business received a USD 25.6 million contract for its newly launched 450 TITAN module
- **Hexagon Agility's automotive business** still challenged by margin compression due to cost inflation and supply chain disruptions



Key figures

(NOK millions)	Q1 2023	Q1 2022	YTD 2023	YTD 2022
Hexagon Agility				
Revenue	898	731	898	731
EBITDA	34	52	34	52
EBIT	-13	12	-13	12
Hexagon Ragasco				
Revenue	188	162	188	162
EBITDA	47	33	47	33
EBIT	38	24	38	24
Hexagon Digital Wave				
Revenue	45	15	45	15
EBITDA	2	-4	2	-4
EBIT	0	-5	0	-5
Corporate/eliminations¹⁾				
Revenue	-2	5	-2	5
EBITDA	0	3	0	3
EBIT	-4	-2	-4	-2
Hexagon excl. Hexagon Purus				
Revenue	1 130	913	1 130	913
EBITDA	83	84	83	84
EBIT	21	29	21	29
Hexagon Purus²⁾				
Revenue	244	159	244	159
EBITDA	-112	-93	-112	-93
EBIT	-140	-115	-140	-115
Eliminations³⁾				
Revenue	-113	-56	-113	-56
EBITDA	0	0	0	0
EBIT	0	0	0	0
Hexagon Group				
Revenue	1 261	1 016	1 261	1 016
EBITDA	-29	-9	-29	-9
EBIT	-119	-85	-119	-85

1) Corporate/eliminations refers to holding- and non-operating entities within the Hexagon excl. Hexagon Purus and eliminations within the Hexagon excl. Hexagon Purus

2) Hexagon Purus is a separate segment within the Hexagon Group

3) Eliminations refers to eliminations between entities within Hexagon excl. Hexagon Purus and entities within Hexagon Purus

Financial summary

Hexagon excluding Hexagon Purus

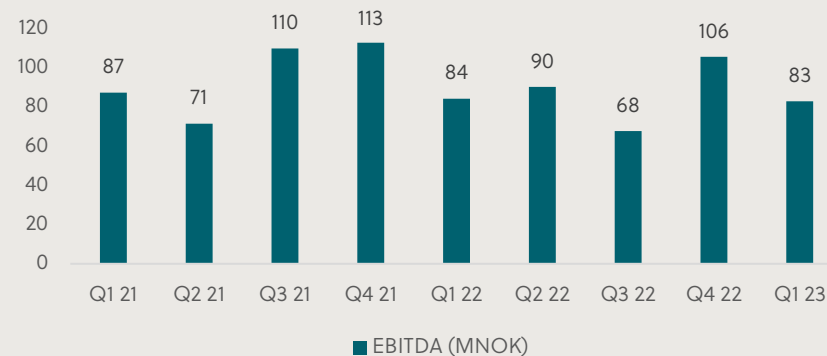
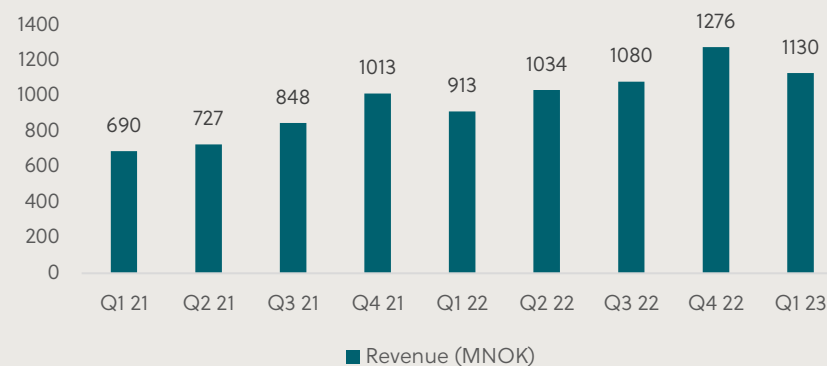
In the first quarter of 2023, Hexagon excluding Hexagon Purus reported revenues of NOK 1 130 (913) million, representing 24% growth compared to the same quarter last year driven by higher volumes, improved pricing as well as favorable FX translation effects. Excluding FX translation effects of NOK 112 million, underlying revenue growth was 12% compared to Q1 2022.

Hexagon excluding Hexagon Purus recorded EBITDA of NOK 83 (84) million for the quarter, generating an EBITDA margin of 7 % (9 %). Lower profitability in Hexagon Agility was offset by improved profitability in Hexagon Ragasco.

Hexagon Agility's margins remained compressed in the quarter due to high input costs and supply chain disruptions in the automotive medium and heavy-duty business. There are, however, signs of improvement, especially in the Mobile Pipeline business, with distinctly improved margins quarter over quarter.

Hexagon Ragasco delivered recurring stable and high volumes during the first quarter and benefitted from favorable currency effects.

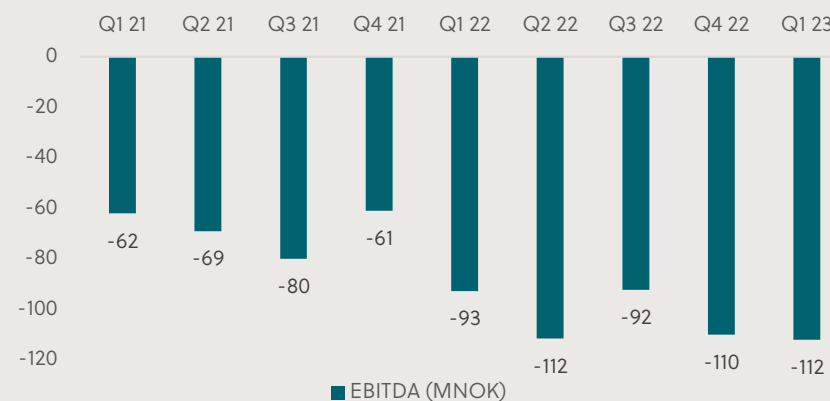
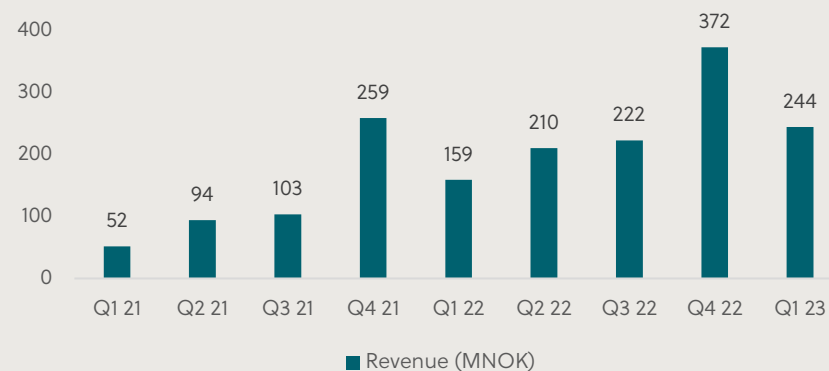
Hexagon Digital Wave tripled its revenues in the first quarter of 2023 compared to the same quarter last year, generating positive EBITDA.



Hexagon Purus

In the first quarter of 2023, Hexagon Purus revenues grew 53% year-over-year to NOK 244 (159) million. Hydrogen distribution systems accounts for the majority of revenues, while the hydrogen fuel systems business, the battery-electric systems business and the vehicle integration business are expected to pick up in later quarters and beyond, supported by recent major contract wins. EBITDA for the Hexagon Purus came in negative as expected, at NOK -112 (-93) million.

Hexagon Purus ASA raised gross NOK 1 300 million in capital in March 2023, including NOK 500 million in equity and NOK 800 million in a convertible bond issue. Hexagon Composites ASA did not participate in the equity private placement and effectively reduced its shareholding from 73.3% to 68.4% following the capital raise. As such Hexagon Purus remains fully consolidated in the Hexagon Group accounts.



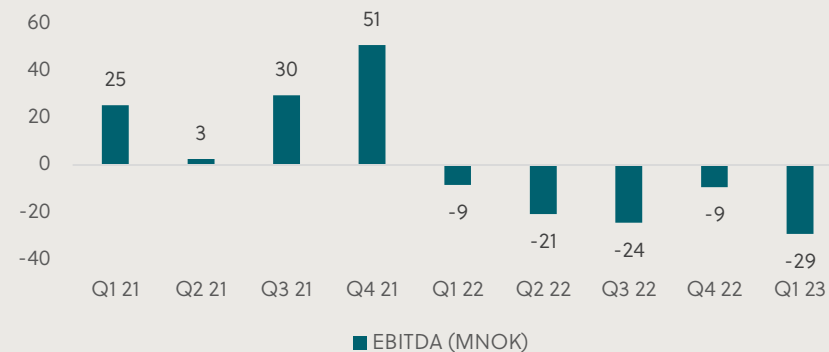
Hexagon Group

Hexagon Group (including Hexagon Purus) generated NOK 1 261 (1 016) million in revenues in the first quarter of 2023, representing growth of 24%, or 12% after excluding positive FX translation effects.

EBITDA for the Group was NOK -29 (-9) million for the quarter due to the negative profit in Hexagon Purus. Profit after tax was NOK -171 (-113) million. Profit/loss from associated companies amounted to NOK -5 (-1) million while other financial items were NOK -53 (-14) million. Other financial items consist of net interest expenses of NOK -51 (-13) million, foreign exchange fluctuation effects of NOK 9 (-6) million, unrealized gain/loss on derivatives of NOK -9 (5) million and other items of NOK -1 (0) million.

Tax charges were NOK -5 (11) million. The tax charges do not include any credits for carried-forward tax losses within Hexagon Purus as conditions for deferred tax asset recognition are, prudently, not yet deemed to be met.

At quarter end, the Group balance sheet amounted to NOK 9 445 compared to NOK 7 903 million as of year-end 2022. The increase in total assets during the quarter is mostly explained by the NOK 1 300 million capital raise in Hexagon Purus in March 2023. The Group's equity increased by NOK 746 million mostly a result of the NOK 500 million of equity private placement in Hexagon Purus as well as the equity component of the NOK 800 million convertible bond issuance of NOK 278 million. The Group's equity ratio increased from 44% to 45% during the quarter.



Key developments during the quarter

- Hexagon Purus raised NOK 1 300 million in gross proceeds through a combined capital raise of NOK 500 million in equity private placement and NOK 800 in a convertible bond issuance, securing the necessary funds to execute on the strategy as well as transferring from Euronext Growth to the Oslo Stock Exchange's main market. Mitsui contributed capital of NOK 500 million alone and signed a Memorandum of Understanding for additional investments of up to NOK 1,500 million in the coming years.
- Hexagon Digital Wave's Ultrasonic Examination (UE) Machines selected to verify Type 1 cylinder production at CP Industries, representing a new application of UE technology.
- Hexagon Agility received new orders from CORE Automated Fueling Solutions and RenewGas Transportation for Mobile Pipeline® TITAN modules totaling USD 9.2 million
- Hexagon Agility launched the next generation Mobile Pipeline® TITAN 450 modules and received an inaugural order from Certarus of USD 25.6 million
- Hexagon Agility received fuel system orders for UPS heavy-duty renewable natural gas trucks totaling USD 19 million under the current master services agreement
- Hexagon Purus selected by Deutsche Bahn to deliver mobile hydrogen refueling stations and stationery storage and selected as supplier of hydrogen cylinders for the third year in a row by New Flyer, North America's largest mass mobility solutions provider.
- Hexagon Purus signed an agreement with Hino Motors Sales U.S.A., Inc. where Hexagon Purus will produce complete battery electric heavy-duty trucks for the U.S. market, distributed exclusively through select qualifying dealers in Hino's network. The potential total value over the course of this agreement could reach approximately USD 2.0 billion. This coincides with Hexagon Purus' newly opened engineering and manufacturing facility for battery and hydrogen storage systems in Kelowna, Canada.

Key developments after the quarter

- In April, Hexagon Agility signed a multi-year agreement worth approximately EUR 10 million with Manaseer Group in Jordan for delivery of Mobile Pipeline X-STORE modules for CNG transport.
- In April, Hexagon Purus signed a multi-year agreement with Panasonic for supply of battery cells to Hexagon Purus' proprietary battery systems, and thereby securing the battery supply chain to support the delivery of the recent contract agreement with Hino, as well as others. As a part of the supply agreement, Hexagon Purus will prepay approximately USD 43 million to Panasonic through 2025, subject to achievement of certain milestones.

Effects of the war in Ukraine

Hexagon does not have operations or employees in Ukraine, but it does have a sales and distribution subsidiary for its LPG products in Russia. Hexagon stopped all product shipments to Russia in March 2022 to ensure compliance with international sanctions. The Russian sales entity represented 0.3% of the Group's revenues in 2022 and 0.0% of Group revenues in the first quarter of 2023, while net assets in Russia represent an immaterial proportion of the Group's balance sheet.

Segment results

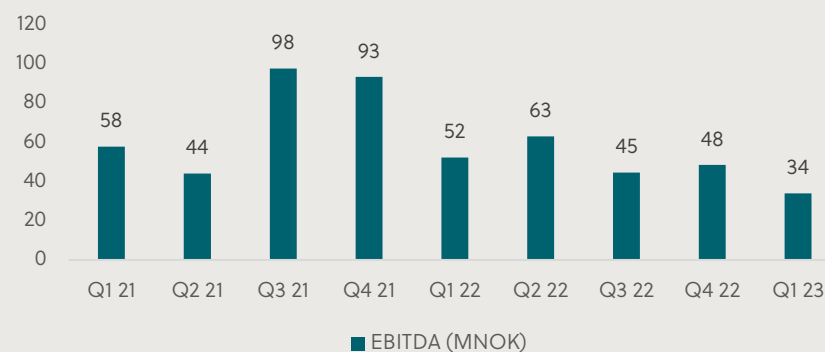
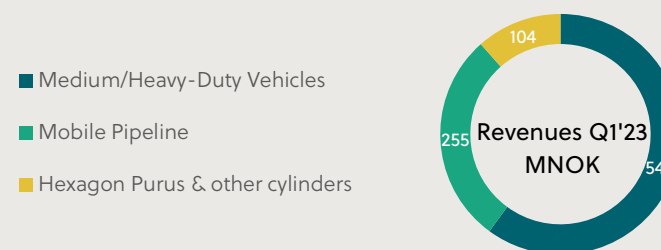
Hexagon Agility

Hexagon Agility is a global provider of clean fuel solutions for commercial and passenger vehicles and gas transportation solutions.

Hexagon Agility recorded combined revenues for the first quarter of NOK 898 (731) million, representing a 23 % growth year-over-year inclusive of favorable currency effects of approximately NOK 106 million. Adjusted for FX, the underlying growth was 8%. Growth was largely driven by continued strong momentum in the Mobile Pipeline distribution business, partly offset by lower overall volumes in the automotive business. Within the automotive business, heavy duty truck volumes were lower in Q1 2023 compared to 2022, while medium duty volumes were higher.

EBITDA for the first quarter came in at NOK 34 (52) million, representing an EBITDA margin of 4% compared to 5% in the same period last year. The Mobile Pipeline business generated a solid operating profit due to improved pricing and higher volumes, while lower volumes, unfavorable mix (heavy duty vs. medium duty), higher carbon fiber prices as well as lagging sales prices in the automotive business, weighed down overall operating profit for the business.

A number of initiatives are currently being implemented to improve and restore margins in the automotive business, and the Company expects to see gradual improvements in margins throughout 2023.



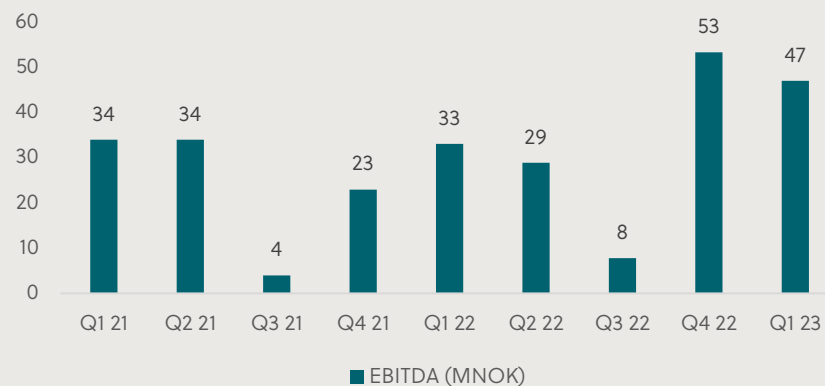
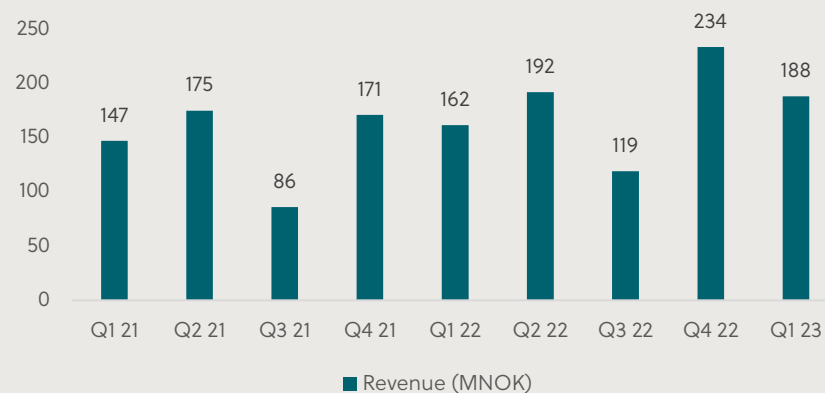
Hexagon Ragasco

Hexagon Ragasco is the world's leading manufacturer of composite liquified petroleum gas (LPG) cylinders for leisure, household, and industrial applications.

Hexagon Ragasco delivered another solid quarter with revenues ending at NOK 188 (162) million in the first quarter. Somewhat higher volumes, improved pricing to recover input inflation and favorable currency impacts drove the revenue growth compared to last year. Volumes in the first quarter were especially strong in Europe.

EBITDA for the first quarter came in at NOK 47 (33) million, representing an EBITDA margin of 25%, compared to 20% in the same period last year. Profit improvement is largely explained by production efficiency, scale effects and positive FX effects from a weakened NOK. Inflation on cost prices has now been fully passed through to higher pricing.

During the quarter, Hexagon Ragasco also added an additional three introductory orders from new customers, including a significant order from an Oceania-based customer.

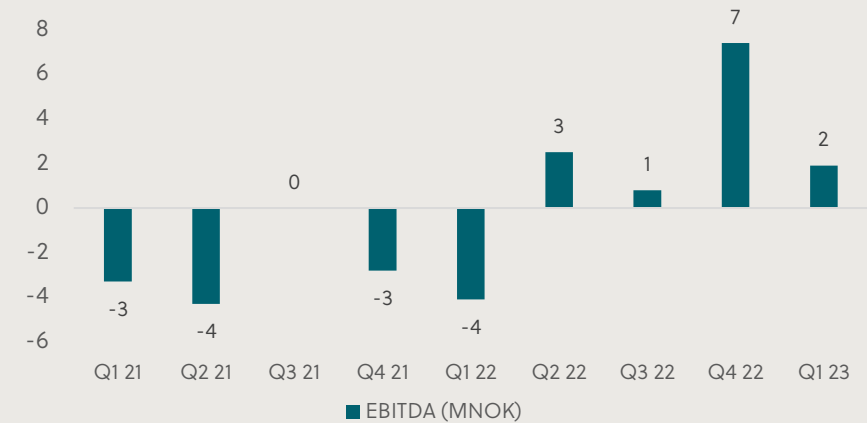
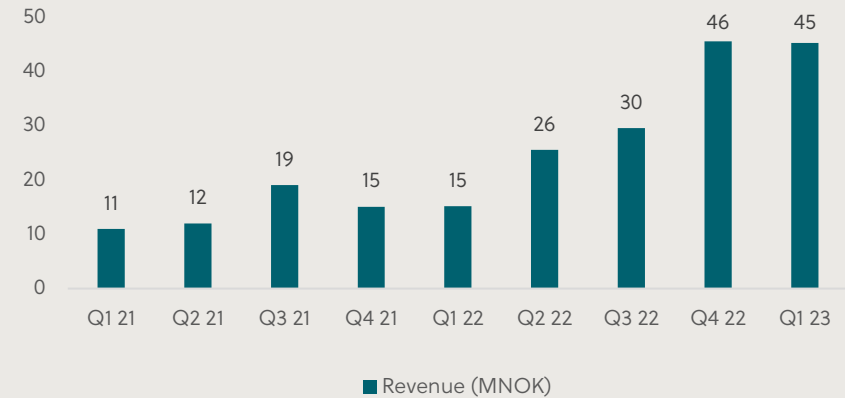


Hexagon Digital Wave

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

Hexagon Digital Wave continued its growth path in the first quarter with recorded revenues of NOK 45 (15) million, representing 3x growth compared to the same quarter last year. The growth was generated by strong underlying demand for both Ultrasonic Emission (UE) machines as well as Modal Acoustic Emission (MAE) requalification services. As the UE-business has grown over the last couple of years, the Company also benefits from higher UE license fees in line with the growing installed base of UE machines.

EBITDA for the first quarter came in at NOK 2 (-4) million. The Company is still in a ramp-up phase with considerable operational growth investments undertaken, which causes EBITDA and EBITDA margin to fluctuate somewhat each quarter.



Hexagon Purus

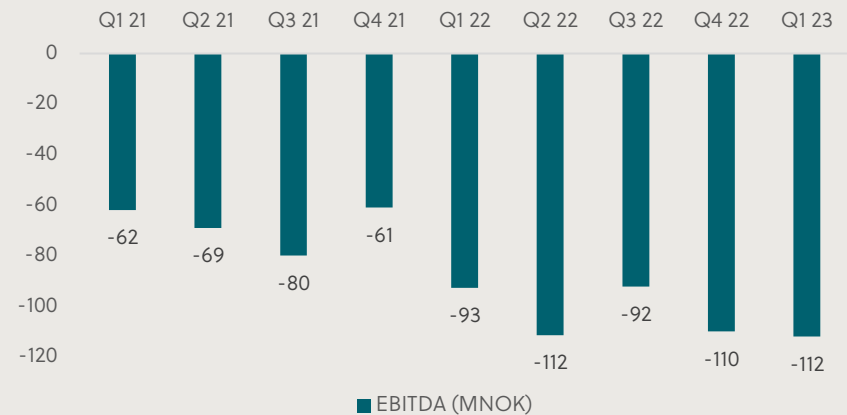
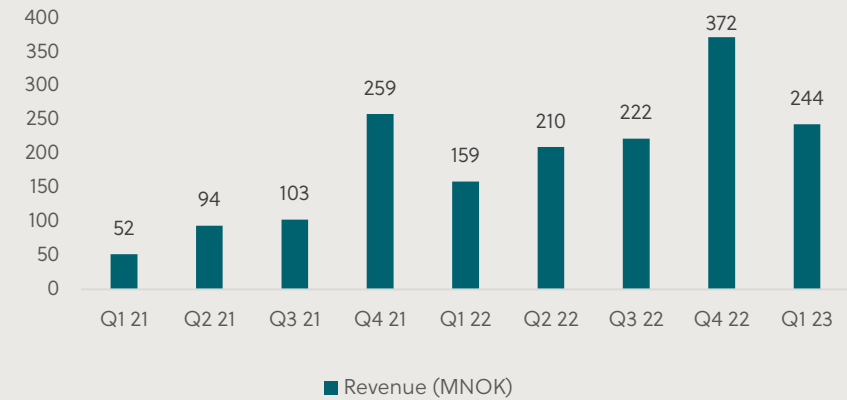
Hexagon Purus is a global leader in key technologies needed for zero emission mobility. The company is listed on the Oslo Stock Exchange (ticker: HPUR), with Hexagon retaining a 68.4 per cent ownership share.

In the first quarter of 2023, Hexagon Purus reported revenues of NOK 244 million, compared to NOK 159 million in the same quarter last year driven by its hydrogen distribution business. The hydrogen mobility business in the EU and North America, as well as the battery electric business remained somewhat stable compared to last year, mostly due to some operational delays which is expected to be picked up throughout the remainder of 2023.

EBITDA for the first quarter was negative by -112 (-93) million, due to the continued ramp-up of the business.

In March, Hexagon Purus successfully raised NOK 1 300 million in gross proceeds through a combination of a NOK 800 million convertible bond and NOK 500 million equity private placement, providing sound support for the business' strategy execution. Mitsui contributed capital of NOK 500 million alone and signed a Memorandum of Understanding for additional investments of up to NOK 1,500 million in the coming years.

Please also refer to the separate first quarter 2023 report for Hexagon Purus published 9 May 2023 for further information.



Outlook

Hexagon is focused on delivering near-zero- and zero emission energy solutions, supported by world-class manufacturing and digitalization, to enable 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.

Supply chain disruptions and cost inflation within the automotive business continues to cause challenging operating conditions. Supply bottlenecks have eased somewhat, however some procurement categories continue to remain challenging. Overall, input prices are expected to stabilize in 2023. The company continues to closely monitor and manage the supply chain. A number of initiatives are being implemented to improve and restore margins in the automotive business, and the Company expects to see gradual improvements of margins throughout 2023.

Comprehensive quantification of CO2 emissions in the transport sector can only be assessed using Life Cycle Assessment (well-to-wheel approach). Currently regulators in both the US and Europe measure transport CO2 emission from the tailpipe. In March, a significant step was taken toward adoption of a well-to-wheel approach in European Union (EU). Updated regulation on CO2 emissions for new passenger cars and vans, now requires establishment of a common EU methodology to be developed by the Commission by 2025, for assessing the full life cycle of CO2 emissions of cars and vans placed on the EU market, as well as for the fuels and energy consumed by these vehicles. Such changes in the regulations should have a substantial positive impact on the demand for Hexagon products.

The demand across most segments continues to be healthy. Ongoing developments in regulations and changes in industry dynamics are expected to support significant long-term clean energy technology opportunities.

Segments

For Hexagon Agility, demand for long-haul heavy-duty vehicles is expected to be somewhat lower year-over-year in 2023. Hexagon's addressable market however will increase threefold for US Natural Gas driven long-haul trucks when Cummins' launches its new 15-liter natural gas engine in 2024. The ongoing manufacturing expansion program in the US is targeted towards substantially increasing cylinder capacity towards heavy-duty truck applications. The high demand for the Mobile Pipeline CNG/RNG business is expected to continue, driven by decarbonization targets and lack of pipeline infrastructure. Production capacity for 2023 is already fully booked. The Americas Transit bus segment is expected to remain stable whilst the European bus and light duty vehicle segments are expected to be on the softer side. Sales of hydrogen cylinders to Hexagon Purus in Europe are expected to be strong in 2023, compensating for this softness. The Refuse truck business mainly out of the US is seeing continued strong demand. Overall, gradual margin improvements are expected in 2023.

Hexagon Ragasco continues to see healthy demand. Sales price increases are now fully offsetting the impacts of higher material and energy costs. The demand for LPG products is increasing with introductory orders from new customers in new markets.

In April, Hexagon Ragasco's smart composite cylinder technology called Linktra® was launched in Norway together with Linde, the industrial gas major as part of the AGA® smart cylinders pilot program. Linde has pioneered the distribution of composite cylinders for LPG in several Nordic countries.

For Hexagon Digital Wave demand for both Modal Acoustic Emission (MAE) requalification services and Ultrasonic Examination (UE) equipment continues to be strong. In third quarter 2023, the first pilot programs will be introduced utilizing MAE as a technological foundation for advanced smart cylinder monitoring solutions. Hexagon Digital Wave is in a profitable growth and investment phase and expects 2023 and onwards to be strong.

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 2022. 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' 2022 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, 10 May 2023

The board of directors of Hexagon Composites ASA

Condensed Interim Financial Statements Group

Income statement

(NOK 1000)	Note	Q1 2023	Q1 2022	31.12.2022
		Unaudited	Unaudited	Audited
Revenue from contracts with customers	3	1 258 330	1 013 505	4 913 016
Other operating income	3	1 184	506	14 361
Rental income	3	1 287	1 893	4 929
Total revenue		1 260 801	1 015 904	4 932 306
Cost of materials		640 918	476 108	2 656 515
Payroll and social security expenses	10	445 998	349 125	1 495 259
Other operating expenses		203 134	199 183	843 722
Total operating expenses		1 290 050	1 024 416	4 995 496
Operating profit before depreciation and amortization (EBITDA)		-29 249	-8 512	-63 190
Depreciation, amortization, and impairment	4,5	89 275	76 941	332 162
Operating profit (EBIT)		-118 524	-85 453	-395 352
Profit/loss from investments in associated companies	11	-5 396	-1 349	48 317
Other financial items (net)		-52 786	-14 471	-70 082
Profit/loss before tax		-176 706	-101 273	-417 118
Tax expense		-5 240	11 376	8 859
Profit/loss after tax		-171 466	-112 649	-425 977
Attributable to:				
Equity holders of the parent		-122 962	-81 017	-311 326
Non-Controlling interests		-48 504	-31 632	-114 652
Profit/loss after tax		-171 466	-112 649	-425 977
Earnings per share (NOK)		-0,85	-0,56	-2,12
Diluted earnings per share (NOK)		-0,85	-0,56	-2,12

Comprehensive income statement

(NOK 1000)

	Note	Q1 2023	Q1 2022	31.12.2022
		Unaudited	Unaudited	Audited
Profit/loss after tax		-171 466	-112 649	-425 977
OTHER COMPREHENSIVE INCOME				
Items that will be reclassified through profit or loss in subsequent periods				
Translation differences when translating foreign activities		163 598	-39 877	202 529
Net total of items that will be reclassified through profit or loss in subsequent periods		163 598	-39 877	202 529
Items that will not be reclassified through profit or loss in subsequent periods				
Actuarial gains/losses for the period (net after tax)		0	0	-491
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		0	0	-491
Total comprehensive income for the period		-7 868	-152 526	-223 939
Attributable to:				
Equity holders of the parent		15 244	-115 046	-125 078
Non-Controlling interest		-23 113	-37 480	-98 861

Statement of financial position

(NOK 1000)

	Note	31.03.2023	31.03.2022	31.12.2022
		Unaudited	Unaudited	Audited
ASSETS				
Property, plant, and equipment	4	1 528 415	1 091 946	1 336 307
Right-of-use assets	4	515 031	262 734	473 233
Intangible assets	5	2 725 488	2 344 870	2 570 853
Investment in associated companies	11	47 611	5 675	53 272
Other non-current financial assets	9	151 279	406	141 429
Other non-current assets		5 342	2 489	4 942
Deferred tax assets		0	13 678	0
Total non-current assets		4 973 167	3 721 798	4 580 035
Inventories		1 641 520	1 263 047	1 546 497
Trade receivables		920 615	779 248	865 403
Contract assets		10 622	5 163	9 488
Other current financial assets		0	1 166	0
Other current assets		248 758	174 614	188 772
Bank deposits, cash and similar		1 649 991	1 029 135	713 547
Total current assets		4 471 505	3 252 373	3 323 707
Total assets		9 444 672	6 974 171	7 903 742

(NOK 1000)

	Note	31.03.2023	31.03.2022	31.12.2022
		Unaudited	Unaudited	Audited
EQUITY AND LIABILITIES				
Paid-in capital		2 238 364	2 201 723	2 228 442
Other equity		1 194 723	763 452	763 464
Equity attributable to equity holders of the parent		3 433 087	2 965 175	2 991 905
Non-controlling interests		781 234	499 685	476 901
Total equity		4 214 321	3 464 860	3 468 806
Interest-bearing liabilities (non-current)	8	1 994 692	1 606 485	1 482 140
Lease liabilities (non-current)	6	509 764	215 830	481 018
Other financial liabilities (non-current)	7	301 765	103 446	256 675
Pension liabilities		2 180	4 496	2 321
Deferred tax liabilities		180 617	239 057	206 370
Provisions (non-current)		7 662	4 767	6 133
Total non-current liabilities		2 996 679	2 174 081	2 434 656
Interest-bearing liabilities (current)	8	159 738	3 553	234 674
Lease liabilities (current)	6	91 274	58 473	70 574
Trade payables		506 577	489 725	572 569
Contract liabilities		824 112	371 867	548 643
Other financial liabilities (current)	7	124 455	69 321	75 051
Income tax payable		79 095	20 694	53 057
Other current liabilities		334 622	252 084	343 154
Provisions (current)		113 799	69 515	102 557
Total current liabilities		2 233 672	1 335 230	2 000 280
Total liabilities		5 230 351	3 509 311	4 434 935
Total equity and liabilities		9 444 672	6 974 171	7 903 742

Cash flow statement

(NOK 1000)

	Note	31.03.2023	31.03.2022	31.12.2022
Cash flow from operating activities				
Profit before tax		-176 706	-101 273	-417 118
Depreciation, amortization and impairment	4,5	89 275	76 941	332 162
Net interest expense		49 332	11 097	91 117
Changes in net operating working capital ⁽¹⁾		58 110	175 294	60 984
Other adjustments to operating cash flow		12 735	-113 106	31 443
Net cash flow from operating activities		32 747	48 953	98 588
Net cash flow from investing activities				
Purchase of property, plant & equipment, net of proceeds from sale	4	-147 386	-127 712	-346 207
Purchase of intangible assets	5	-17 699	-16 051	-75 729
Interest received		9 012	1 376	15 207
Investment in associated companies	11	0	0	-65 379
Other investments		-11 686	-27	-45 319
Net cash flow from investing activities		-167 759	-142 413	-517 428
Net cash flow from financing activities				
Net repayment (-) / proceeds (+) from interest bearing loans	8	701 972	430 615	534 747
Interest payments on interest-bearing liabilities		-51 911	-9 179	-89 502
Repayment of lease liabilities (incl. Interests)	6	-28 590	-21 850	-83 485
Net proceeds from share capital increase (subsidiary)		484 519	154 108	189 043
Net proceeds from purchase (-) and sale (+) of own shares		-13 671	-30 495	-30 495
Net cash flow from financing activities		1 092 319	523 199	520 309
Net change in cash and cash equivalents		957 307	429 739	101 469
Net currency exchange differences		-20 862	-813	11 869
Cash and cash equivalents at start of period		713 547	600 209	600 209
Cash and cash equivalents at end of period		1 649 991	1 029 135	713 547
Available unused credit facility		327 960	146 352	360 769

1) Net operating working capital consists of changes in inventories, trade receivables, contract assets, trade payables and contract liabilities.

Statement of changes in equity

(NOK 1 000)	Share capital	Own shares	Share premium	Other paid-in capital	Translation differences	Other equity	Equity - holders of parent	Non-controlling interests	Total equity
As of 1 January 2022	20 162	-85	2 075 999	98 226	94 398	817 591	3 106 291	378 010	3 484 301
Profit for the period						-81 017	-81 017	-31 632	-112 649
Other income and expenses					-34 028		-34 028	-5 848	-39 877
Share-based payment				7 405		1 515	8 920	552	9 472
Movement in own shares etc.		15				-30 510	-30 495		-30 495
Share capital increase capital in subsidiary ¹⁾							0	160 242	160 242
Transaction cost related to capital increase in subsidiary						-4 496	-4 496	-1 638	-6 134
As of 31 March 2022	20 162	-69	2 075 999	105 632	60 370	703 082	2 965 175	499 685	3 464 860

1) On 22 February 2022 Hexagon Purus ASA issued 24 742 268 new shares in a private placement at the price of NOK 24.25 per share. Hexagon Composites ASA subscribed for 18 134 361 (73.3%) shares.

As of 1 January 2022	20 162	-85	2 075 999	98 226	94 398	817 591	3 106 291	378 010	3 484 301
Profit for the period						-311 326	-311 326	-114 652	-425 977
Other income and expenses					186 738	-491	186 248	15 791	202 038
Share-based payment				34 120		11 563	45 682	4 213	49 895
Movement in own shares etc.		20				-30 514	-30 495		-30 495
Share capital increase capital in subsidiary ¹⁾							0	160 242	160 242
Transaction cost related to capital increase in subsidiary						-4 496	-4 496	-1 638	-6 134
Share capital increase in other subsidiaries							0	34 935	34 935
As of 31 December 2022	20 162	-65	2 075 999	132 346	281 136	482 327	2 991 905	476 901	3 468 806

As of 1 January 2023	20 162	-65	2 075 999	132 346	281 136	482 327	2 991 905	476 901	3 468 806
Profit for the period						-122 962	-122 962	-48 504	-171 466
Other income and expenses					138 207		138 207	25 391	163 598
Share-based payment				9 867		1 608	11 475	743	12 218
Movement in own shares etc.		56				-13 727	-13 671		-13 671
Share capital increase capital in subsidiary ²⁾						260 942	260 942	239 058	500 000
Transaction cost related to capital increase in subsidiary						-17 676	-17 676	-8 170	-25 846
Convertible bonds – equity component ³⁾						190 363	190 363	87 989	278 352
Convertible bonds - transaction cost equity component						-5 495	-5 495	-2 540	-8 034
Share capital increase in other subsidiaries							0	10 365	10 365
As of 31 March 2023	20 162	-9	2 075 999	142 213	419 343	775 380	3 433 087	781 234	4 214 321

2) On 1 March 2023 the Hexagon Purus Group issued 18 518 519 new shares in a private placement at the price of NOK 27.00 per share. Hexagon Composites ASA did not participate in the private placement.

3) On 1 March 2023 the Hexagon Purus Group issued a convertible bond of NOK 800 million. The equity component of NOK 278.4 million equals the residual difference between the fair value of the convertible bond at issuance of NOK 800 million and the fair value of the debt component of NOK 521.6 million.

Note 1: General information and basis for preparation

The condensed consolidated interim financial statements for the first quarter 2023, which ended 31 March 2023, 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 2022.

For a more detailed description of accounting principles see the consolidated financial statements for 2022, available on the Company's website 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 2022. 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 10 May 2023.

Note 2: Estimates

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 2022.

Note 3: Business segment data

(NOK 1000)

	31.03.2023 Unaudited	31.03.2022 Unaudited	31.12.2022 Audited
Hexagon Agility			
Sale of cylinders, systems, and equipment (at point in time)	792 846	688 415	3 204 885
Sale of systems, services, and funded development (transferred over time)	0	0	0
Internal transactions	104 275	40 695	260 981
Other operating income	130	0	8 093
Total revenue from contract with customers	897 251	729 109	3 473 959
Rental income	1 040	1 698	3 919
Total revenue	898 291	730 807	3 477 878
Segment operating profit before depreciation (EBITDA)	33 909	52 247	208 988
Segment operating profit (EBIT)	-13 106	12 321	28 186
Segment assets	4 678 893	3 846 471	4 550 321
Segment liabilities	2 113 425	1 690 189	2 104 101
Hexagon Ragasco			
Sale of cylinders, systems, and equipment (at point in time)	187 605	160 220	701 029
Sale of systems, services, and funded development (transferred over time)	0	0	0
Internal transactions	667	1 339	4 977
Other operating income	26	41	210
Total revenue from contract with customers	188 298	161 600	706 216
Rental income	0	0	0
Total revenue	188 298	161 600	706 216
Segment operating profit before depreciation (EBITDA)	47 080	33 091	123 256
Segment operating profit (EBIT)	37 931	23 943	86 362
Segment assets	640 034	540 913	581 399
Segment liabilities	409 461	408 969	391 626

(NOK 1000)

	31.03.2023	31.03.2022	31.12.2022
	Unaudited	Unaudited	Audited
Hexagon Digital Wave			
Sale of cylinders, systems, and equipment (at point in time)	36 160	11 004	89 297
Sale of systems, services, and funded development (transferred over time)	0	0	0
Internal transactions	8 473	3 939	24 679
Other operating income	707	293	2 025
Total revenue from contract with customers	45 340	15 236	116 001
Rental income	0	0	0
Total revenue	45 340	15 236	116 001
Segment operating profit before depreciation (EBITDA)	1 900	-4 104	6 715
Segment operating profit (EBIT)	301	-5 352	1 193
Segment assets	115 233	86 018	109 677
Segment liabilities	47 789	120 062	46 015
Hexagon Purus			
Sale of cylinders, systems, and equipment (at point in time)	241 390	156 329	909 715
Sale of systems, services, and funded development (transferred over time)	329	1 362	4 882
Internal transactions	1 656	869	44 040
Other operating income	295	172	4 034
Total revenue from contract with customers	243 670	158 731	962 670
Rental income	307	316	1 255
Total revenue	243 977	159 047	963 925
Segment operating profit before depreciation (EBITDA)	-112 012	-92 811	-405 505
Segment operating profit (EBIT)	-139 813	-114 875	-500 594
Segment assets	3 934 961	2 525 963	2 654 903
Segment liabilities	1 568 061	654 972	967 282

Note 4: Tangible assets

(NOK 1000)	2023			2022		
	Property, plant, and equipment	Right of use assets	Total 2023	Property, plant, and equipment	Right of use assets	Total 2022
Carrying value as of 1 January	1 336 307	473 233	1 809 539	1 010 625	282 309	1 292 934
Additions	147 386	38 436	185 822	127 712	1 912	129 624
Disposals	0	0	0	0	0	0
Depreciations	-39 416	-22 947	-62 363	-34 761	-18 947	-53 708
Currency translation differences	84 138	26 309	110 447	-11 629	-2 541	-14 170
Carrying value as of 31 March	1 528 415	515 031	2 043 446	1 091 946	262 734	1 354 680

Note 5: Intangible assets

(NOK 1000)	2023				2022			
	Goodwill	Customer relationships	Other intangible assets ¹⁾	Total 2023	Goodwill	Customer relationships	Other intangible assets ¹⁾	Total 2022
Carrying value as of 1 January	1 717 097	363 924	489 833	2 570 853	1 572 788	387 773	423 963	2 384 524
Additions	0	0	17 699	17 699	0	0	16 051	16 051
Amortisations	0	-12 818	-14 095	-26 913	0	-11 352	-11 882	-23 233
Currency translation differences	117 986	24 552	21 312	163 849	-23 277	-16 413	7 219	-32 472
Carrying value as of 31 March	1 835 083	375 658	514 748	2 725 488	1 549 511	360 008	435 351	2 344 870

1) Other intangible assets consist of technology and development, patents and licenses and other rights

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. There are four CGUs in the Hexagon Group; 1) Hexagon Agility, 2) Hexagon Digital Wave, 3) Hexagon Purus, and 4) Hexagon Ragasco. During the quarter there were no indicators of impairment of intangible assets.

Note 6: Lease liabilities

(NOK 1000)	2023	2022
Carrying value as of 1 January	551 592	292 731
New lease liabilities recognized in the period	38 436	1 912
Cash payments for the principal portion of the lease liability	-19 656	-19 824
Cash payments for the interest portion of the lease liability	-8 934	-2 026
Interest on lease liabilities	8 934	2 026
Currency translation differences	30 666	-515
Carrying value as of 31 March	601 037	274 303

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

Note 7: Other financial liabilities

(NOK 1000)	Carrying value 01.01.2023	Fair value adjustment	Additions in the period	Settlements in the period	Reclass.	Currency translation	Carrying value 31.03.2023
Cross currency swap (fair value)	216 885	84 879	0	0	0	0	301 765
Deferred payment from business combination (amortized cost)	0	0	0	0	0	0	0
Contingent liabilities from business combinations (fair value)	39 789	0	0	0	-39 789	0	0
Total non-current other financial liabilities	256 675	84 879	0	0	-39 789	0	301 765
Cross currency swap (fair value)	0	0	0	0	0	0	0
Deferred payment from business combination (amortized cost)	45 776	0	0	0	0	3 832	49 608
Contingent liabilities from business combinations (fair value)	29 275	0	0	0	39 789	5 782	74 847
Total current other financial liabilities	75 051	0	0	0	39 789	9 614	124 455

The table above and below 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 in 2021. 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.

(NOK 1000)	Carrying value 01.01.2022	Fair value adjustment	Additions in the period	Settlements in the period	Reclass.	Currency translation	Carrying value 31.03.2022
Cross currency swap (fair value) ¹⁾	81 423	-14 728	0	0	0	0	66 695
Deferred payment from business combination (amortized cost)	43 490	0	0	0	-42 280	-1 209	0
Contingent liabilities from business combinations (fair value)	65 616	0	0	0	-27 040	-1 825	36 751
Total non-current other financial liabilities	190 529	-14 728	0	0	-69 321	-3 034	103 446
Cross currency swap (fair value)	0	0	0	0	0	0	0
Deferred payment from business combination (amortized cost)	0	0	0	0	42 280	0	42 280
Contingent liabilities from business combinations (fair value)	0	0	0	0	27 040	0	27 040
Total current other financial liabilities	0	0	0	0	69 321	0	69 321

Note 8: Interest-bearing liabilities

(NOK 1000)	2023				2022		
	Non-current Bond loan	Non-current Bank loans	Current Bank loans	Total 2023	Non-current Bank loans	Current Bank loans	Total 2022
Liabilities 1 January	0	1 482 140	234 674	1 716 814	1 166 057	13 635	1 179 692
<i>Financing activities with cash settlement:</i>							
- New liabilities	800 000		25 063	825 063	440 698		440 698
- Transaction costs	-23 091			-23 091			0
- Repayment of liabilities			-100 000	-100 000		-10 082	-10 082
<i>Financing activities without cash settlement:</i>							
- Equity component of convertible bond (less transaction costs)	- 270 318			- 270 318			0
- Exchange differences		3 811		3 811	-897	0	-897
- Other transactions without cash settlement	857	1 292		2 149	627	1	627
Liabilities 31 March	507 448	1 487 243	159 737	2 154 429	1 606 484	3 553	1 610 038

Interest-bearing debt in Hexagon Composites ASA (Hexagon excl. Hexagon Purus)

The principal loan financing facility in Hexagon Composites ASA is a Senior Secured bilateral facility with DNB Bank and Danske Bank. The overall size of the committed facility is NOK 1 917 million, comprising a term loan of NOK 1 100 million, an overdraft facility of NOK 250 million, a multi-currency revolving credit facility (RCF) of NOK 350 million, and an accordion facility of NOK 217 million. As of quarter-end, total drawings amounted to NOK 1 606 million. All financial covenants related to the financing facility agreement were compliant per quarter-end.

Interest-bearing debt in Hexagon Purus

In March 2023, Hexagon Purus ASA issued a 5-year unsecured convertible bond of NOK 800 million with 6% fixed interest rate paid semi-annually in kind, through issuance of additional bonds. The conversion price of the bond is set at NOK 33.75 and the conversion right can be exercised at any time between the loan issue and the last conversion date, which is set to 16 March 2028, being the date, which is 5 years after the Shareholder's Meeting that resolved the convertible bond. The convertible bond is a compound financial instrument which contains an equity component and a debt component. Upon initial recognition, the debt component is calculated as the discounted value of the bond assuming no conversion with an approximate market interest rate for similar loans without the conversion feature as the discount rate. For calculation purposes, a 15% discount rate has been applied, yielding a fair value of the debt component of NOK 521.6 million. The equity component equals the residual difference between the fair value of the convertible bond at issuance of NOK 800 million and the fair value of the debt component and amounts thus to NOK 278.4 million. Transaction costs related to the bond issue amounted to NOK 23.1 million and have been capitalized pro rata between the debt and equity component. See also summarized table related to the convertible bond below. In addition to the convertible bond financing, Hexagon Purus through its wholly owned subsidiary Wystrach has NOK 46 million in bank loans in Volkesbank and Deutsche Bank.

(NOK 1000)	Convertible bond - principal amount	Transaction costs capitalized	Amount at initial recognition	Additional bonds issued as interests in kind	Interests accrued	Carrying amount 31.03.2023
Liability component	521 648	- 15 057	506 591	0	857	507 448
Equity component	278 352	- 8 034	270 318			270 318
Total	800 000	- 23 091	776 909	0	857	777 767

Note 9: 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 re-assessing 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 2022 to the 1st quarter of 2023. 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 31 March 2022.

(NOK 1000)	31.03.2023			31.12.2022	
	Level	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Other non-current financial assets ¹⁾	2	151 279	151 279	141 429	141 429
Total financial assets		151 279	151 279	141 429	141 429
Financial liabilities:					
Bank loans (incl. amortized transaction costs)	2	1 487 243	1 493 485	1 482 140	1 489 674
Bond loans (incl. amortized transaction costs)	2	507 448	522 505	0	0
Lease liabilities	2	601 037	601 037	551 592	551 592
Non-current contingent liabilities	3	0	0	39 789	39 789
Other non-current financial liabilities	3	301 765	301 765	216 885	216 885
Current interest-bearing liabilities	2	159 738	159 738	234 674	234 674
Current contingent and financial liabilities	3	124 455	124 455	75 051	75 051
Total financial liabilities		3 181 686	3 202 985	2 600 132	2 607 666

1) Other non-current financial assets include an equity investment in Norwegian Hydrogen AS, following the loss of significant influence and derecognition of the investment as an associated company in Q3 2022. Hexagon Purus ASA currently holds a 14% shareholding in the Company and the investment is recognized at fair value of NOK 67,3 million following the valuation from the latest capital raise in the Company.

Note 10: 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 units 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.

Performance share units programs (PSUs)	Issued 2020	Issued 2021	Issued 2022	Issued 2023
Maximum number	3 711 634	1 734 990	2 660 082	3 085 146
Exercise price (NOK) (in the case of new shares issued)	0,10	0,10	0,10	0,10
Vesting period	3 years	3 years	3 years	3 years
Expiry	Exercised Q1 2023 ¹⁾	Q1 2024	Q1 2025	Q1 2026

1) During the 1st quarter of 2023 905,887 PSUs have been exercised at the weighted average share price of NOK 33.30.

Restricted share units 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.

Restricted share units programs (RSUs)	Issued 2020	Issued 2021	Issued 2022
Number of RSUs	70 000	100 000	200 000
Exercise price (NOK) (in the case of new shares issued)	0,10	0,10	0,10
Vesting period	3 years	3 years	3 years
Expiry	Q3 2023	Q3 2024	Q3 2025

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 programs were NOK 10.4 million YTD 31.03.2023. The fair value of all outstanding PSUs (maximum 6,456,549) and RSUs (334,500) is estimated to NOK 104.0 million per 31 March 2023. 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 6.1 million YTD 31.03.2023. Remaining unamortized accrual is estimated to MNOK 9.4 as of 31 March 2023. For share-based payment in Hexagon Purus ASA, see quarterly financials at [hexagonpurus.com](https://www.hexagonpurus.com).

Note 11: Investments in associates

Company	Country	Business segment	Ownership share 31.12.2021	Ownership share 31.12.2022	Ownership share 31.03.2023	Accounting method
Norwegian Hydrogen AS ¹⁾	Norway	Purus	18%	14%	14%	Equity method / Fair value ¹⁾
Cryoshelter LH2 GmbH ²⁾	Austria	Purus	0%	40%	40%	Equity method
Cryoshelter BioLNG GmbH ²⁾	Austria	Agility	0%	40%	40%	Equity method
CIMC Hexagon Hydrogen Energy Systems Ltd. ³⁾	Hong Kong	Purus	0%	49%	49%	Equity method

1) Classified as an associated company and accounted for using the equity method in the period 01.01 - 31.08.22. As of 01.09, the investment is classified as an equity instrument at fair value

2) Acquired on 01.08.2022 and classified as associated companies effective from the same date

3) Entity legally established in July 2022 and classified as an associated company effective from the same date

Income statement reconciliation

	Norwegian Hydrogen AS		Cryoshelter LH2 GmbH		Cryoshelter BioLNG GmbH		CIMC Hexagon Hydrogen Energy Systems Ltd.		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Share of profit after tax	0	- 1 349	- 1 858	0	- 2 810	0	- 89	0	- 4 757	- 1 349
PPA amortizations associated companies ¹⁾	0	0	0	0	- 639	0	0	0	- 639	0
Gain on loss of significant influence	0	0	0	0	0	0	0	0	0	0
Total profit/loss from investments in associates per 31.03	0	- 1 349	- 1 858	0	- 3 449	0	- 89	0	- 5 396	- 1 349

1) PPA amortizations for Cryoshelter LH2 will first start in 2025 concurrent with the timeline when the technology is estimated to start generating revenues

Balance sheet reconciliation

	Norwegian Hydrogen AS		Cryoshelter LH2 GmbH		Cryoshelter BioLNG GmbH		CIMC Hexagon Hydrogen Energy Systems Ltd.		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Carrying value per 01.01	0	7 024	31 258	0	20 243	0	1 771	0	53 272	7 024
Share of profit after tax incl. PPA amortizations	0	- 1 349	- 1 858	0	- 3 449	0	- 89	0	- 5 396	- 1 349
Currency translation effects	0	0	- 60	0	- 206	0	1	0	- 265	0
Carrying value per 31.03	0	5 675	29 341	0	16 588	0	1 682	0	47 611	5 675

Norwegian Hydrogen

During the second half of 2022, Norwegian Hydrogen raised approximately NOK 93 million in equity, whereby Mitsui & Co Ltd. participated with NOK 70 million. These private placements reduced Hexagon Purus' ownership from 17.7% to 14.2% and the Company assessed that significant influence in the investee was no longer present. Hexagon derecognized Norwegian Hydrogen as an associated company in August 2022, and the investment has since then been classified as an equity investment at fair value and is thus not included in the overview and tables above for 2023.

Cryoshelter LH2 GmbH and Cryoshelter BioLNG GmbH

On 01.08.2022, Hexagon Composites made a EUR 2,4 (NOK 24) million investment and acquired 40% of the shares in Cryoshelter BioLNG GmbH, with options to acquire the remaining shares of the next 3-10 years. Hexagon Purus made a EUR 3,4 (NOK 34) million investment and acquired 40% of the shares in Cryoshelter LH2 GmbH, with options to acquire the remaining shares over the next 5-10 years. As the transaction took place in August 2022, there are thus no comparable figures for the Cryoshelter investments per Q1 last year.

The table below shows the purchase price allocation of the two entities per 01.08.2022.

Purchase price allocation Cryoshelter*	Cryoshelter BioLNG GmbH	Cryoshelter LH2 GmbH	Total Cryoshelter
Non-current assets	2 715	203	2 919
Current assets	2 351	5 150	7 502
Non-current liabilities	3 946	3 946	7 891
Current liabilities	21 603	2 951	24 554
Equity as per 01.08.2022	- 20 482	- 1 543	- 22 025
Hexagon's share of equity (40%)	- 8 193	- 617	- 8 810
Intangible assets (technology) ¹⁾ (40% share)	22 942	19 702	42 644
Goodwill (40 % share)	9 148	14 654	23 802
Hexagon's purchase price	23 898	33 738	57 636

1) Lifetime of technology assets set to 10 years for the LNG technology and 15 years for the LH2 technology

CIMC Hexagon Hydrogen Energy Systems Ltd.

In 2021, Hexagon Purus entered into an agreement with CIMC Enric, encompassing cylinder and systems production for Fuel Cell Electric Vehicles (FCEVs) and hydrogen distribution in China and Southeast Asia.

In July 2022, CIMC Hexagon Energy Systems Ltd. was legally established and registered in Hong Kong, where Hexagon Purus HK Holding AS, a wholly owned subsidiary of Hexagon Purus ASA, subscribed for 49% of the shares and hold an equal amount of voting rights. CIMC Enric holds the remaining 51% of the shares. The entity is classified as an associate company and accounted for via the equity method as of 01.07.2022. The tables above include therefore no figures for this entity as per Q1 last year.

Note 12: Events after the balance sheet date

- In April, Hexagon Agility signed a multi-year agreement worth approximately EUR 10 million with Manaseer Group in Jordan for delivery of Mobile Pipeline X-STORE modules for CNG transport.
- In April, Hexagon Purus signed a multi-year agreement with Panasonic for supply of battery cells to Hexagon Purus' proprietary battery systems, and thereby securing the battery supply chain to support the delivery of the recent contract agreement with Hino, as well as others. As a part of the supply agreement, Hexagon Purus will prepay approximately USD 43 million to Panasonic through 2025, subject to achievement of certain milestones.

There have not been any other significant events after the balance sheet date that have not already been disclosed in this report.

Key figures and ratios

	31.03.2023	31.03.2022	31.12.2022
Hexagon Group			
EBITDA in % of total revenue	-2,3 %	-0,8 %	-1,3 %
EBIT in % of total revenue	-9,4 %	-8,4 %	-8,0 %
Equity ratio	55,4 %	49,7 %	43,9 %
Liquidity reserve *) (NOK 1 000)	1 977 951	1 175 487	1 074 316
Diluted earnings per share (NOK)	-0,85	-0,56	-2,12
Cash flow from operations per share (NOK)	0,16	0,24	0,49
Equity per share (NOK)	25,94	17,19	17,20
Hexagon Agility			
EBITDA in % of total revenue	3,8 %	7,1 %	6,0 %
EBIT in % of total revenue	-1,5 %	1,7 %	0,8 %
Hexagon Ragasco			
EBITDA in % of total revenue	25,0 %	20,5 %	17,5 %
EBIT in % of total revenue	20,1 %	14,8 %	12,2 %
Hexagon Digital Wave			
EBITDA in % of total revenue	4,2 %	-26,9 %	5,8 %
EBIT in % of total revenue	0,7 %	-35,1 %	1,0 %
Hexagon Purus			
EBITDA in % of total revenue	-45,9 %	-58,4 %	-42,1 %
EBIT in % of total revenue	-57,3 %	-72,2 %	-51,9 %

*) Undrawn credit facility + bank deposits and cash. Use of undrawn credit facility can be limited by financial covenants

Share information

A total of 11,78,349 shares (Q4: 12,801,670 shares) in Hexagon Composites ASA were traded on the Oslo Stock exchange during the first quarter of 2023. In the quarter, the share price moved between NOK 27.30 (NOK 21.60) and NOK 40.66 (NOK 32.66), ending the quarter at NOK 33.30, giving a market capitalization of NOK 6.7 billion (NOK billion) for the Company. For further investor information, refer to the investor section on www.hexagongroup.com.

Terminology

BAR

Unit of pressure. 1 millibar = 100 N/m²

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

CO₂

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

H₂

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 (CO₂- 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

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Forward looking statements

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