

INTERIM REPORT

1 JANUARY - 31 MARCH 2024
FIRST QUARTER

Resilient performance and strong cashflow in mixed market conditions

- 3 per cent organic revenue growth (using fixed exchange rates and a comparable group structure)
- Net sales increased by 1 per cent to 1,299.9 MEUR (1,286.6)
- Net sales including the reduction of acquired deferred revenue amounted to 1,299.9 MEUR (1,285.1)
- Adjusted gross margin of 66.5 per cent (66.5)
- Adjusted operating earnings (EBIT1) increased by 1 per cent to 376.5 MEUR (371.2)
- Adjusted operating margin amounted to 29.0 per cent (28.9)
- Earnings per share, excluding adjustments, amounted to 10.1 Euro cent (10.4)
- Earnings per share, including adjustments, amounted to 8.9 Euro cent (9.1)
- Operating cash flow before non-recurring items increased to 219.4 MEUR (141.5)
- Cash conversion amounted to 88 per cent (66)
- Recurring revenue increased by 6 per cent to 520.3 MEUR (491.5)

ADJUSTED KEY FIGURES²⁾

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	1,299.9	1,286.6	3 ¹⁾
Gross earnings	864.5	856.1	1
Gross margin, %	66.5	66.5	0.0
Operating earnings (EBITDA)	483.6	462.2	5
EBITDA margin, %	37.2	35.9	1.3
Operating earnings (EBIT1)	376.5	371.2	1
Operating margin, %	29.0	28.9	0.1
Earnings before taxes	333.8	344.4	-3
Earnings per share, Euro cent	10.1	10.4	-3

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

²⁾ For definition, see page 23. For specification, see page 4.

Paolo Guglielmini, President and CEO, commented:

“The resilience of Hexagon’s business model has been confirmed during the first quarter of 2024, allowing us to deliver revenue growth, stable margins and strong cash flows despite mixed market conditions, particularly in the construction sector in EMEA and China.

While we are not immune to changes in the macroeconomic environment, this quarter demonstrates that continued investment in innovation and a high percentage of recurring revenues leave Hexagon well positioned for the future.”

3%

ORGANIC
GROWTH

29%

ADJUSTED OPERATING
MARGIN

88%

CASH
CONVERSION

COMMENTS FROM THE CEO

"The first quarter of 2024 demonstrated the strength of Hexagon's business model. We delivered 3 per cent organic growth in revenues, despite a mixed demand backdrop, reflecting weaker demand in the construction sector in both Europe and China and a gradual continuation of the broader economic slowdown seen throughout 2023.

Despite this backdrop we maintained margins, with a higher contribution from software products mitigating weakness in the high-margin Geosystems division. The cash conversion rate of 88 per cent was very strong, particularly given the usual seasonality, with the lower growth environment reducing the working capital pressures seen during higher growth periods in 2023.

The gross margin of 66.5 per cent (66.5) and EBIT1 margin of 29.0 per cent (28.9) were effectively flat compared to prior year. Here, the benefits of our rationalisation programme, which contributed savings of 29 MEUR during the quarter, and the positive effect of the sale of the TESA PMI business, previously announced, offset the negative drag of slower organic growth and currency on profitability.

Cash conversion was strong in the quarter, at 88 per cent (66), with our focus on internal improvements and slower growth in the sensor portfolio both helping the working capital. Historically, Q1 is a seasonally weaker quarter for cash conversion, due to the payment of prior year bonuses and commissions, so our Q1 2024 result represents a very satisfactory performance.

The market demand environment in the first quarter saw an extension of the mixed trends we observed at the close of 2023.

Manufacturing Intelligence recorded solid organic revenue growth of 5 per cent (10), with strong software growth and continued expansion in China offsetting a slowing trend in European markets.

ALI (Asset Lifecycle Intelligence) grew 2 per cent (16), with a decline in perpetual software deals against a strong comparative period offset by strong growth in SaaS revenues during the quarter.

Geosystems faced unfavourable conditions in the construction market, but its strong market position and growth in software solutions and machine control limited its year on year decline to just -2 per cent (7).

Autonomous Solutions grew well at 8 per cent (13) despite a tough comparative period, with very strong growth in A&P (Autonomy & Positioning) offset by a slowdown in mining that was partly driven by timing issues.

Safety, Infrastructure and Geospatial grew 5 per cent (-11), as the drag from the exit of the low margin services contracts in 2023 has now passed and the newly developed SaaS dispatch solutions for Public Safety showed strengthening adoption.

After the quarter end, we announced two smaller acquisitions, Itus Digital in ALI and XWatch in Geosystems. I would like to welcome both companies to Hexagon.

Looking ahead, it is likely that the immediate demand environment will remain mixed. However, I am confident that the strength of Hexagon's underlying business and our continuing focus on secular growth trends like sustainability, the energy transition and the shift to developing economies will allow us to outperform the general market environment.

Our five year mid-term targets factors in an economic slowdown, we therefore remain confident and focused on delivering our 2022 – 2026 financial commitments."

– Paolo Guglielmini, President and CEO, Hexagon AB

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CONFERENCE CALL

The Interim Report for the first quarter 2024 will be presented on 26 April at 10:00 CET in a telephone conference. Please view instructions at Hexagon's website on how to participate.

<https://investors.hexagon.com/en/upcoming-investor-events>

FINANCIAL CALENDAR

Hexagon gives financial information at the following occasions:

Annual General Meeting 2024

Interim Report Q2 2024

Interim Report Q3 2024

29 April 2024

26 July 2024

25 October 2024

GROUP BUSINESS DEVELOPMENT Q1

NET SALES

Operating net sales increased by 1 per cent to 1,299.9 MEUR (1,286.6). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 3 per cent. Structure added 0 per cent to growth, reflecting the net contribution of the acquisitions of Qognify, Cads Additive and Hard-Line and the disposal of Tesa PMI and a small service business within SIG, all previously reported. More details on acquisitions and the contribution to growth from structure is given in note 6.

Development by Geography

Regionally, organic growth was 4 per cent in Asia, 0 per cent in EMEA and 4 per cent in the Americas.

In Asia, China recorded 5 per cent organic growth, driven by continued growth in Manufacturing Intelligence and ALI. Geosystems also grew well, largely benefitting from easier comparatives. The rest of Asia recorded 4 per cent organic growth, driven by strong demand in South-East Asia and Australia & New Zealand.

In EMEA, Western Europe recorded -1 per cent organic growth, with declines in Manufacturing Intelligence and Geosystems partially offset by growth in ALI and Autonomous Solutions. EMEA, excluding Western Europe, recorded flat growth.

In the Americas, North America recorded 5 per cent organic growth, with growth across all divisions. South America recorded 1 per cent growth, with growth in mining and SIG, but largely offset by weaker demand from agriculture markets.

Development by Product Type

The quarter saw -4 per cent reported growth in the sensor & robotic solutions portfolio, partly reflecting the disposal of Tesa PMI and currency headwinds but also slow demand in some construction markets facing Geosystems, with surveying and construction tools showing particular weakness. Within Manufacturing Intelligence, excluding the disposal of Tesa PMI, the sensors and robotics solutions portfolio continued to show growth.

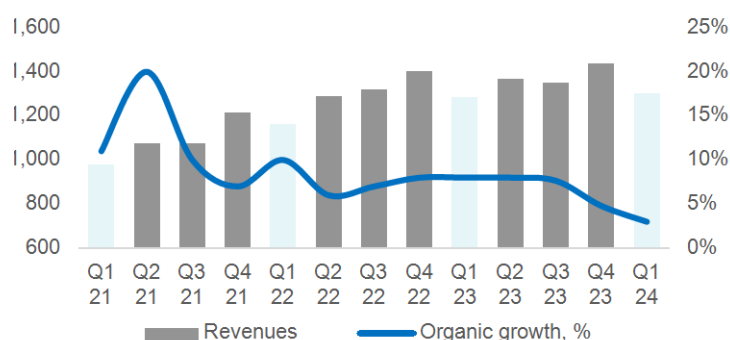
Software and services saw good growth of around 4 per cent (reported), with a return to growth in SIG and continued good momentum across the group offsetting a decline in perpetual license revenues in ALI. Recurring revenue grew by 6 per cent (reported) with good momentum across all product categories.

SALES BRIDGE - FIRST QUARTER

	Operating net sales ¹⁾
2023, MEUR	1,286.6
Structure, %	0
Currency, %	-2
Organic growth, %	3
Total, %	1
2024, MEUR	1,299.9

¹⁾ Net sales from acquisitions and divestments during the last twelve months are reported as "Structure" in the table above. Percentages are rounded to the nearest whole per cent.

GROWTH TREND



SALES BY PRODUCT TYPE - FIRST QUARTER

MEUR	Q1 2024	% of sales	Q1 2023	% of sales	Reported Δ%
Software & Services	791.2	60.9%	759.1	59.0%	4.2%
Sensor & Robotic Solutions	508.7	39.1%	527.5	41.0%	-3.6%
Total	1,299.9		1,286.6		1.0%
Recurring revenue	520.3	40.0%	491.5	38.2%	5.9%

SALES BY GEOGRAPHY - FIRST QUARTER

MEUR	Q1 2024	% of sales	Q1 2023	% of sales	Organic Δ%
North America	443.2	34%	422.3	33%	5%
South America	55.0	4%	53.5	4%	1%
Western Europe	355.0	27%	354.8	27%	-1%
EEMEA	94.7	7%	93.4	7%	1%
China	182.2	14%	187.8	15%	5%
Asia, excl China	169.8	13%	174.7	14%	4%
Total	1,299.9		1,286.6		3%

EARNINGS Q1

Adjusted operating earnings (EBIT1) increased by 1 per cent to 376.5 MEUR (371.2), which corresponded to an adjusted operating margin of 29.0 per cent (28.9). The adjusted operating margin (EBIT1) was supported by growth in the software portfolio and cost saving benefits of 29 MEUR from the rationalisation programme, but negatively impacted by the weaker growth development in the high margin Geosystems division and currency effects. The adjusted operating margin including amortisation of surplus values (PPA) of -27.7 MEUR (-28.0) amounted to 26.8 per cent (26.7).

Adjusted operating earnings (EBIT1) were positively impacted by currency transaction effects of 0.9 MEUR (-4.9) and negatively impacted by currency translation effects of -13.6 MEUR. Earnings before taxes, excluding adjustments, amounted to 333.8 MEUR (344.4).

Total R&D spend (including capitalised amounts) was 211 MEUR, equivalent to 16 per cent of net sales, whereof 118 MEUR was capitalised. Amortisation of previously capitalised R&D amounted to 55 MEUR. The adjusted net R&D cost expensed to EBIT1 in the quarter was 148 MEUR.

Hexagon's net investments, excluding acquisitions and divestitures, amounted to -146.6 MEUR (-148.2) in the first quarter. Depreciation, amortisation and impairment amounted to -134.8 MEUR (-119.0) in the first quarter, whereof impairment charges amounted to -6.6 MEUR (0.0).

The adjustments for the quarter consist of share-based programme expenses (LTIP) of -12.9 MEUR (-13.3), amortisation of surplus values (PPA) of -27.7 MEUR (-28.0) and acquired deferred revenues of 0.0 MEUR (-1.5).

TAX AND FINANCIAL NET EXPENSE

The Group's tax expense for the first quarter totalled -52.8 MEUR (-54.3). The reported tax rate was 18.0 per cent (18.0) for the quarter. The tax rate, excluding adjustments, was 18.0 per cent (18.0) for the quarter.

SALES AND OPERATING PROFIT BRIDGE

MEUR	Q1 2023	Currency	Structure	Organic	Q1 2024
Operating net sales	1,286.6	-23	4	33	1,299.9
Adjusted operating earnings (EBIT1)	371.2	-8	2	11	376.5
Adjusted operating margin	28.9%	34%	63%	33%	29.0%
Accretion (dilution) on margin		-0.1%	0.1%	0.1%	

CURRENCY TRANSLATION IMPACT COMPARED TO EUR - FIRST QUARTER

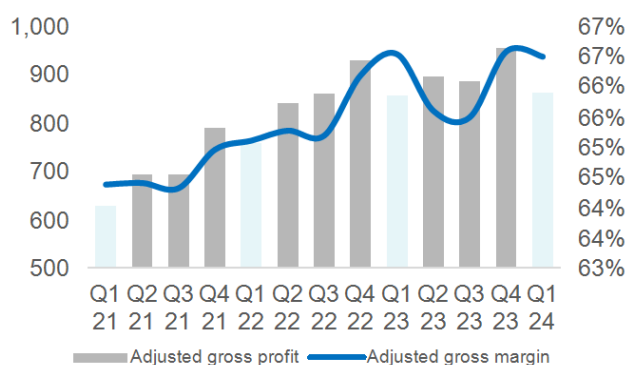
	Movement ¹⁾	Income less cost	Earnings impact
CHF	Strengthened	Negative	Negative
USD	Weakened	Positive	Negative
CNY	Weakened	Positive	Negative
EBIT1, MEUR			-13.6

¹⁾Compared to Q1 2023

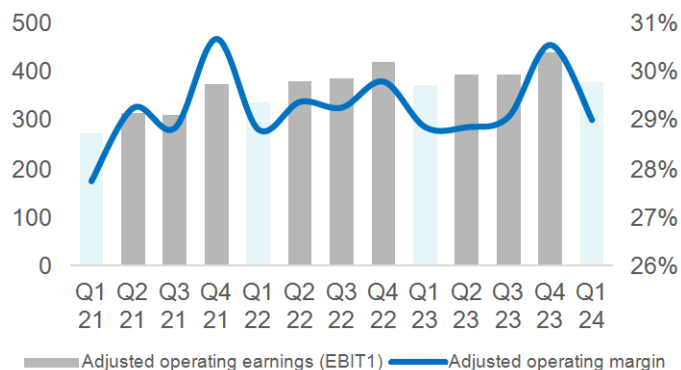
ADJUSTMENTS IN THE QUARTER

MEUR	Q1 2024	Adjustments		Total adjustments	Q1 2024
	Non-IFRS	PPA	LTIP		IFRS
Operating earnings (EBIT1/EBIT)	376.5	-27.7	-12.9	-40.6	335.9
Depreciation, amortisation and impairment	107.1	27.7		27.7	134.8
EBITDA	483.6				470.7
Share programme expenses	0		11.6	11.6	11.6
Capital gain/loss and other non-cash items	-16.8		1.3	1.3	-15.5
Cash flow from operations before change in working capital excluding taxes and interest	466.8				466.8

GROSS PROFIT AND GROSS MARGIN



EBIT1 AND EBIT1 MARGIN



REPORTING SEGMENTS

MEUR	Q1 2024	Q1 2023	Reported Δ%	Organic Δ%
Operating net sales				
Manufacturing Intelligence	478.1	476.8	0%	5%
Asset Lifecycle Intelligence	192.2	190.6	1%	2%
Geosystems	376.8	389.8	-3%	-2%
Autonomous Solutions	135.5	124.7	9%	8%
Safety, Infrastructure & Geospatial	116.9	102.5	14%	5%
Other operations s	0.4	2.2	-82%	n.a.
Total operating net sales	1,299.9	1,286.6	1%	3%
Adjusted operating earnings (EBIT1)				
Manufacturing Intelligence	124.8	119.5	4%	
Asset Lifecycle Intelligence	66.5	68.3	-3%	
Geosystems	117.5	127.5	-8%	
Autonomous Solutions	47.7	41.3	15%	
Safety, Infrastructure & Geospatial	24.3	18.4	32%	
Other operations & Group costs	-4.3	-3.8	13%	
Total adjusted EBIT	376.5	371.2	1%	
Adjusted operating margin, %				
Manufacturing Intelligence	26.1%	25.1%	1.0%	
Asset Lifecycle Intelligence	34.6%	35.8%	-1.2%	
Geosystems	31.2%	32.7%	-1.5%	
Autonomous Solutions	35.2%	33.1%	2.1%	
Safety, Infrastructure & Geospatial	20.8%	18.0%	2.8%	
Other operations & Group costs	n.a.	n.a.	n.a.	
Total adjusted EBIT margin %	29.0%	28.9%	0.1%	

CASH FLOW AND BALANCE SHEET

Operating cash flow before tax, interest and non-recurring items amounted to 332.9 MEUR (244.6), corresponding to a growth of 36 per cent compared to the prior year. The cash conversion ratio amounted to 88 per cent (66) during the quarter. Working capital saw an inflow of 12.7 MEUR, chiefly reflecting an increase in deferred revenue and improvement in collections.

Net interest payments amounted to -42.3 MEUR (-23.8) during the quarter, largely reflecting higher interest rates. Taxes paid amounted to -71.2 MEUR (-79.3).

Operating cash flow before non-recurring items amounted to 219.4 MEUR (141.5), corresponding to a growth of 55 per cent compared to the prior year.

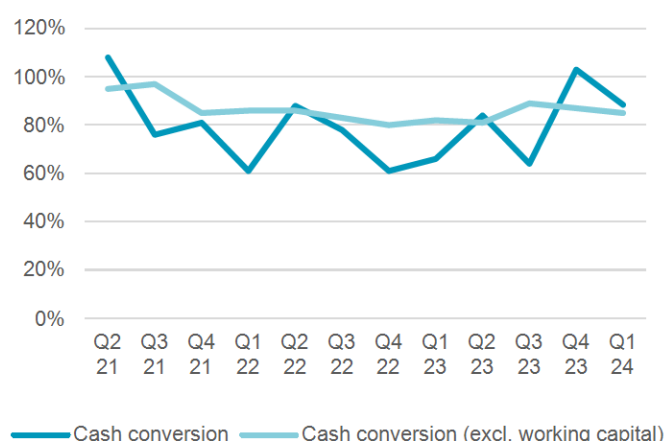
CASH FLOW STATEMENT

MEUR	Q1 2024	Q1 2023	Δ%
Adjusted operating earnings (EBIT1)	376.5	371.2	1
D&A (excl adjustments)	107.1	91.0	18
Adjusted EBITDA	483.6	462.2	5
Non-cash items	-16.8	-9.8	71
Capital expenditures	-146.6	-148.2	-1
Cash flow post investment	320.2	304.2	5
Working capital	12.7	-59.6	n.a.
Operating cash flow before tax and interest	332.9	244.6	36
Cash conversion	88%	66%	22
Taxes paid	-71.2	-79.3	-10
Interest received and paid, net	-42.3	-23.8	78
Operating cash flow before non-recurring items	219.4	141.5	55

NET DEBT BRIDGE

MEUR	Q1 2024
Net debt opening balance	-3,593.2
Operating cash flow	190.6
Net investments in subsidiaries	16.2
Investments/divestments in financial fixed assets	-0.5
Changes to leasing (excl payments)	-18.5
Currency	-2.0
Other	-1.3
Net debt closing balance	-3,408.7
Net debt to EBITDA	1.6

CASH CONVERSION



CAPITAL EFFICIENCY

Capital employed increased to 14,380.1 MEUR (14,016.9), largely. Return on average capital employed for the last twelve months was 11.3 per cent (11.3). Return on average shareholders' equity for the last twelve months was 8.5 per cent (10.9). The capital turnover rate was 0.4 times (0.4).

FINANCIAL POSITION

Total shareholders' equity increased to 10,465.4 MEUR (9,923.0). The equity ratio was 61.4 per cent (59.6). Hexagon's total assets increased to 17,039.0 MEUR (16,650.4), with the increase driven primarily by acquisitions made during the previous year. Hexagon's main sources of financing consist of:

- 1) A multicurrency revolving credit facility (RCF) established in 2021. The RCF amounts to 1,500 MEUR with a tenor of 5+1+1 years.
- 2) A Swedish Medium Term Note Programme (MTN) established during 2014. The MTN programme amounts to 20,000 MSEK with tenor up to 6 years.
- 3) A Swedish Commercial Paper Programme (CP) established during 2012. The CP programme amounts to 15,000 MSEK with tenor up to 12 months.

On 31 March 2024, cash and unutilised credit limits totalled 1,513.2 MEUR (1,541.1). Hexagon's net debt was 3,408.7 MEUR (3,483.2). The net indebtedness was 0.30 times (0.33). Interest coverage ratio was 7.4 times (10.9).

MANUFACTURING INTELLIGENCE – Q1 2024

Hexagon's Manufacturing Intelligence division provide sensor and software solutions to support entire product and production lifecycles, unlocking potential, solving problems before they occur, and providing significant gains. Key solution areas include Design & Engineering Software (conceptual design and detailed engineering tools), Production Software (CAD CAM software), Metrology (stationary & portable metrology, automated inspection), Quality Management Software (ETQ) and Hexagon's manufacturing cloud platform (Nexus).

By geography Manufacturing Intelligence revenues in 2023 were split 30% Americas, 30% EMEA and 40% APAC.

NET SALES AND EARNINGS

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	478.1	476.8	5% ¹⁾
Adjusted operating earnings (EBIT1)	124.8	119.5	4%
Adjusted operating margin, %	26.1%	25.1%	1%

¹⁾Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES

Manufacturing Intelligence (MI) operating net sales amounted to 478.1 MEUR (476.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 5 per cent. The aerospace and medical segments performed well during the quarter and electronics performed steadily. Automotive was slightly weaker, with signs of a slowdown in EV related demand.

By geography, Manufacturing Intelligence saw good momentum in the Americas and Asia and continued growth in China during the quarter. Demand in the EMEA region was slower, trading broadly flat.

By solution area, there was good growth in demand for portable metrology products, Design & Engineering software and Quality Management Software.

EARNINGS

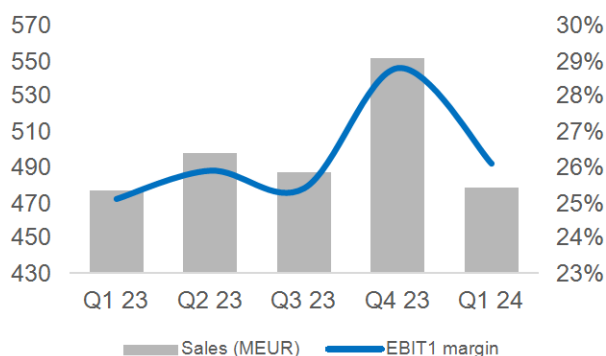
EBIT1 increased by 4 per cent compared to the prior year, corresponding to an adjusted operating margin of 26.1 per cent (25.1). This performance was driven by volume growth, the benefits of cost saving actions taken under the rationalisation programme and the sale of the TESA PMI business. Progress was partially offset by currency movements.

ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

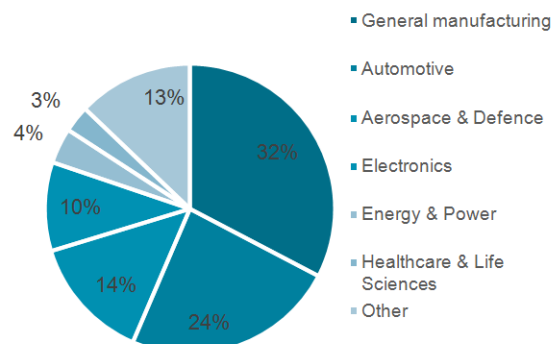
During the quarter the sale of TESA PMI (Precision Measurement Instruments), previously announced, was completed. In 2023 PMI contributed around 47.3 MEUR in revenues, with profitability below average Manufacturing Intelligence divisional levels.

The new portable metrology product SmartScan VR800 was released during Q1. It has a patented dual stereo camera and mechanical optical zoom projection unit setup that give resolution and simplify workflows. The VR800 is also automation ready.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY 2023)



ASSET LIFECYCLE INTELLIGENCE – Q1 2024

Hexagon's Asset Lifecycle Intelligence (ALI) division is a market leading software provider that helps clients design, construct, and operate more profitable, safe, and sustainable industrial facilities around the world. The division's core technologies help produce actionable insights that enable better decision-making and intelligence across the asset lifecycle of industrial projects, leading to improvements in safety, quality, efficiency, and productivity. Key solution areas include Design & Engineering (conceptual design and detailed engineering software tools), Project Planning & Execution (construction, fabrication and supply chain management software) and Operations & Maintenance (enterprise asset management, predictive maintenance and OT cyber security software).

By geography Asset Lifecycle Intelligence revenues in 2023 were split 46% Americas, 30% EMEA and 24% APAC.

NET SALES AND EARNINGS

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	192.2	190.6	2% ¹⁾
Adjusted operating earnings (EBIT1)	66.5	68.3	-3%
Adjusted operating margin, %	34.6%	35.8%	-1.2%

¹⁾Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES

Asset Lifecycle Intelligence operating net sales amounted to 192.2 MEUR (190.6). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 2 per cent. Organic growth was negatively impacted by a decline in perpetual software deals compared to an unusually strong performance in the prior year period, offset by continued expansion in recurring revenues, which grew at double digit rates.

By geography, growth was strongest in EMEA. The Americas and APAC were negatively impacted by the decline in large perpetual deals compared to the prior year, offset with strong, double digit recurring revenue growth.

By solution area, there was good growth across Design & Engineering and Operations & Maintenance, and EAM delivered double digit SaaS revenue growth within the quarter.

EARNINGS

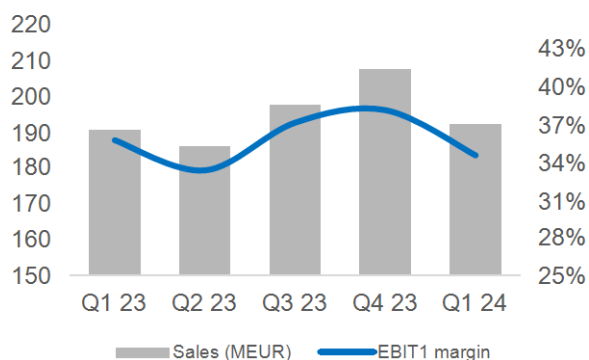
EBIT1 decreased compared to the prior year period, corresponding to an adjusted operating margin of 34.6% (35.8). Margins were negatively impacted by changes in the product mix and unfavourable currency movements.

ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

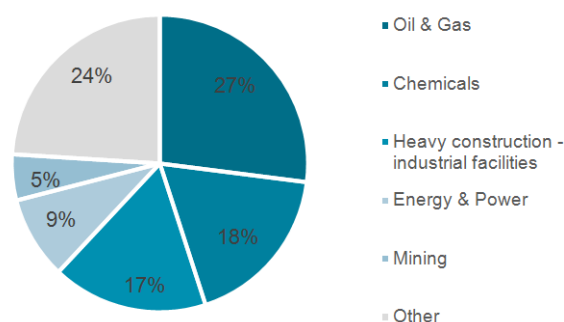
There were no acquisitions during the quarter.

After quarter close on 4 April 2024 ALI acquired Itus Digital, a US based provider of asset performance management (APM) software. Itus is expected to generate revenues of around 1 MEUR in 2024, growing quickly with a profitability level initially below that of Hexagon.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY 2023)



GEOSYSTEMS – Q1 2024

Hexagon's Geosystems division provide a comprehensive portfolio of digital solutions that capture, measure, and visualise the physical world and enable data-driven transformation across industry ecosystems. Their reality-capture technologies create digital worlds from different views, whether a single dimension between two walls in a house, cadastral boundaries of properties or 3D representations of cities, infrastructures, utilities, entire countries or even crime scenes. These digital worlds provide actionable information vital for understanding, planning and execution. Key solution areas include Reality Capture sensors and software, mapping solutions and map data, survey sensors and software and machine control solutions.

By geography Geosystems revenues in 2023 were split 32% Americas, 46% EMEA and 22% APAC.

NET SALES AND EARNINGS

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	376.8	389.8	-2% ¹⁾
Adjusted operating earnings (EBIT1)	117.5	127.5	-8%
Adjusted operating margin, %	31.2%	32.7%	-1.5%

¹⁾Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES

Geosystems operating net sales amounted to 376.8 MEUR (389.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales declined by -2 per cent. Growth was negatively impacted by a continued slow-down in construction markets, in particular within EMEA and China. Weakness centred on residential construction, which was offset to a degree by continued growth in US infrastructure.

By geography, growth was challenging across EMEA. China registered good growth, despite a weak construction market, reflecting favourable comparatives in the prior year period. North America noted modest growth, supported by infrastructure spending.

By solution area, machine control and the construction software portfolio registered good growth, but this was more than offset by weakness in demand for surveying and construction products. Reality capture was stable overall, reflecting strong comparatives in 1Q23, but grew well in new and adjacent industries.

EARNINGS

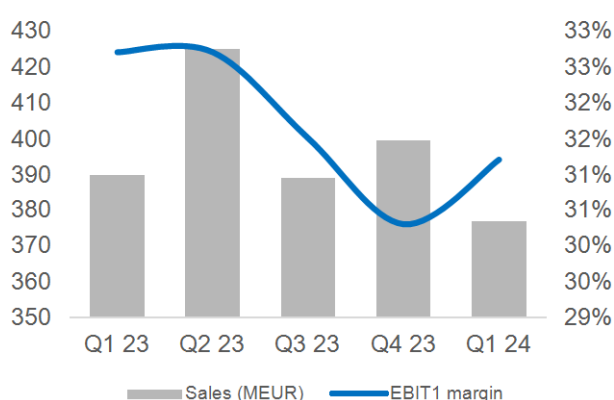
EBIT1 declined compared to the prior year, corresponding to an adjusted operating margin of 31.2% (32.7), which reflected the combination of negative organic growth and currency headwinds, somewhat offset by cost saving initiatives.

ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

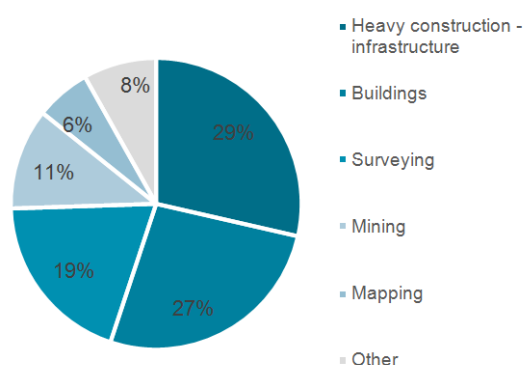
There were no acquisitions during the quarter.

After quarter close, on 23 April 2024 Hexagon Geosystems acquired Xwatch Safety Solutions, a provider of machine control hardware and software technologies designed to enhance safety protocols on construction sites. 2023 revenue amounted to around 4 MEUR.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY 2023)



AUTONOMOUS SOLUTIONS – Q1 2024

Hexagon's Autonomous Solutions division brings together our Autonomy & Positioning (A&P) and Hexagon Mining capabilities. A&P pioneers end-to-end solutions for assured autonomy and positioning on land, sea and air by providing high precision positioning technology and perception technologies to advanced navigation and autonomy systems, delivering safety, security, reliability and availability. Key A&P solutions include assured positioning, autonomy, navigation and positioning and high-performance antenna. Hexagon Mining empowers mines to connect all parts of their business with technologies that make sense of data in real time, which integrate, automate and optimise critical workflows. Key solution areas include surveying, design and planning, fleet management, production optimisation and collision avoidance in a single life-of-mine solution.

By geography Autonomous Solutions revenues in 2023 were split 60% Americas, 24% EMEA and 16% APAC.

NET SALES AND EARNINGS

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	135.5	124.7	8% ¹⁾
Adjusted operating earnings (EBIT1)	47.7	41.3	15%
Adjusted operating margin, %	35.2%	33.1%	2.1%

¹⁾Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES

Autonomous Solutions operating net sales amounted to 135.5 MEUR (124.7). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 8 per cent. Growth was stronger in the A&P business area, which experienced strong growth in the aerospace and defence and marine segments. The precision agriculture segment also grew well despite weakness in South America. Growth in Hexagon Mining was held back by timing issues and macro uncertainty in South America.

By geography growth was strong in EMEA, with high demand for aerospace and defence related solutions. The Americas were mixed, with good growth in North America offsetting more difficult market conditions in South America.

By solution area there was strong demand for positioning solutions and receivers in agriculture markets, anti-jamming solutions in the aerospace and defence segment and correction services in the marine segment.

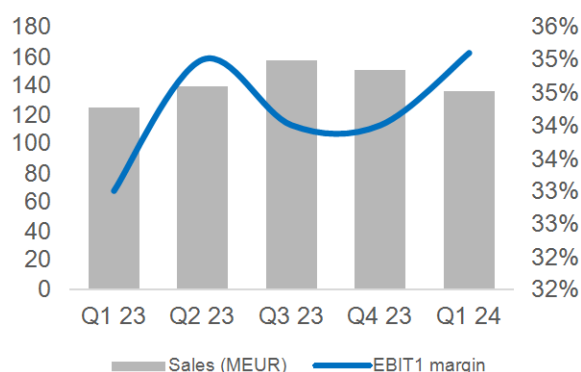
EARNINGS

EBIT1 improved compared to prior year, corresponding to an adjusted operating margin of 35.1% (33.1). Currency impacted margin progression unfavorably in the quarter, but this was compensated for by a favourable product mix.

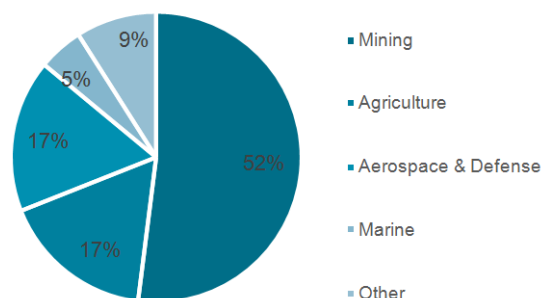
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

There were no acquisitions during the quarter.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY 2023)



SAFETY, INFRASTRUCTURE & GEOSPATIAL – Q1 2024

Hexagon's Safety, Infrastructure and Geospatial (SIG) division makes the world's critical services and infrastructure more resilient and sustainable. Their technologies transform complex data about people, places and assets into meaningful information and capabilities for better, faster decision making in public safety, defense, transportation and government. Overall, SIG are the global leader in public safety solutions, protecting over 1 billion people worldwide. Key solution areas include computer aided dispatch, records management and analytics software, video management software, geospatial enterprise solutions for government, transportation and defense organisations and network asset modeling, lifecycle asset management, and outage management for electric, water, gas and telecommunications networks.

By geography SIG revenues in 2023 were split 59% Americas, 33% EMEA and 8% APAC.

NET SALES AND EARNINGS

MEUR	Q1 2024	Q1 2023	Δ%
Operating net sales	116.9	102.5	5% ¹⁾
Adjusted operating earnings (EBIT1)	24.3	18.4	32%
Adjusted operating margin, %	20.8%	18.0%	2.8%

Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES

Safety, Infrastructure and Geospatial operating net sales amounted to 116.9 MEUR (102.5). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 5 per cent. Growth in the prior year had been negatively impacted by the decision to exit some low margin defence services contracts, the impact of which cycled through by the end of 2023. With this drag removed, the core business saw solid growth in public safety, utilities and geospatial software tools.

By geography, growth was strongest in the Americas, with a positive contribution from Asia too. EMEA grew slightly during the quarter.

By solution area the OnCall dispatch software platform continued to demonstrate good momentum and geospatial software solutions also performed strongly during the quarter. Qognify, the physical safety software platform acquired on 1 April 2023, also grew well during the quarter, contributing to Hexagon's growth from structure.

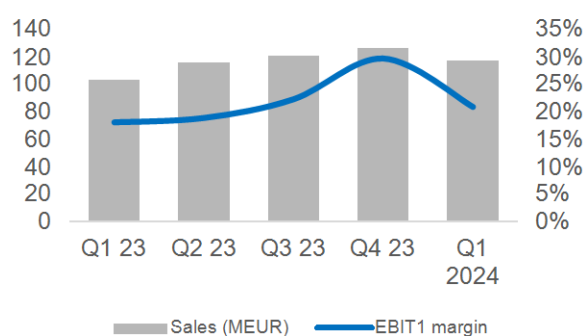
EARNINGS

EBIT1 improved compared to prior year, corresponding to an adjusted operating margin of 20.8% (18.0). This improvement reflected the exit of the low margin defence services contracts and also a return to growth, which offset a drag from currency effects.

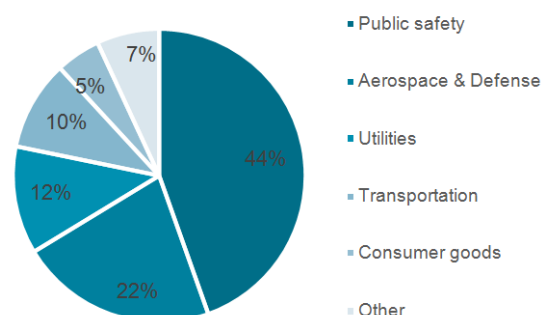
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

There were no acquisitions during the quarter.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY 2023)



ANNUAL GENERAL MEETING AND NOMINATION COMMITTEE

The AGM will be held on 29 April 2024 at 17:00 CET at IVA Konferenscenter, Grev Turegatan 16. The composition of the Hexagon Nomination Committee for the Annual General Meeting 2023 is: Mikael Ekdahl (Chairman), Melker Schörling AB, Jan Dworsky, Swedbank Robur fonder, Brett Watson, Infor, and Daniel Kristiansson, Alecta.

DIVIDEND

The Hexagon Board of Directors proposes a dividend of 0.13 EUR per share (0.12) for the fiscal year 2023, corresponding to 41 per cent of profit after tax. The proposed record date will be 2 May and expected date for settlement is 10 May.

SUBSEQUENT EVENTS

On 4 April 2024 Hexagon acquired Itus Digital, a Roanoke, Virginia-based provider of asset performance management (APM) software. Revenues in 2024 are expected to amount to around 1 MEUR.

On 23 April 2024, Hexagon acquired Xwatch Safety Solutions, a provider of machine control hardware and software technologies designed to enhance safety protocols on construction sites. 2023 revenue amounted to around 4 MEUR.

The Board of Directors and the President and CEO declare that this Interim Report provides a true and fair overview of the Company's and the Group's operations, its financial position and performance, and describes material risks and uncertainties facing the Company and companies within the Group.

Stockholm, Sweden, 26 April 2024
Hexagon AB (publ)

Ola Rollén
Chair of the Board

Paolo Guglielmini
President and CEO

John Brandon
Board Member

Gun Nilsson
Board Member

Erik Huggers
Board Member

Märta Schörling Andreen
Board Member

Sofia Schörling Högberg
Board Member

Brett Watson
Board Member

This Interim Report has not been reviewed by the Company's auditors.

CONDENSED INCOME STATEMENT

MEUR	Q1 2024	Q1 2023	2023
Net sales	1,299.9	1,285.1	5,435.2
Cost of goods sold	-436.4	-431.8	-1,892.0
Gross earnings	863.5	853.3	3,543.2
Sales expenses	-264.6	-259.6	-1,159.3
Administration expenses	-104.3	-108.1	-481.2
Research and development expenses	-165.4	-157.9	-674.5
Other income and expenses, net	6.7	0.7	-12.2
Operating earnings ¹⁾	335.9	328.4	1,216.0
Financial income	2.8	3.6	13.1
Financial expenses	-45.5	-30.4	-168.4
Earnings before taxes	293.2	301.6	1,060.7
Taxes	-52.8	-54.3	-188.9
Net earnings	240.4	247.3	871.8
Attributable to:			
Parent company shareholders	237.8	244.4	858.9
Non-controlling interest	2.6	2.9	12.9
¹⁾ of which adjustments	-40.6	-42.8	-380.7
Earnings include depreciation, amortisation and impairments of	-134.8	-119.0	-563.0
- of which amortisation of surplus values (included in adjustments)	-27.7	-28.0	-115.9
Basic earnings per share, Euro cent	8.9	9.1	32.0
Earnings per share after dilution, Euro cent	8.8	9.0	31.7
Total shareholder's equity per share, EUR	3.89	3.68	3.73
Closing number of shares, thousands	2,684,378	2,689,678	2,684,378
Average number of shares, thousands	2,684,378	2,689,678	2,687,690
Average number of shares after dilution, thousands	2,705,478	2,705,478	2,706,141

CONDENSED COMPREHENSIVE INCOME STATEMENT

MEUR	Q1 2024	Q1 2023	2023
Net earnings	240.4	247.3	871.8
Other comprehensive income			
Items that will not be reclassified to income statement			
Remeasurement of pensions	1.8	0.1	-10.4
Taxes on items that will not be reclassified to income statement	-0.3	0.0	1.5
Total items that will not be reclassified to income statement, net of taxes	1.5	0.1	-8.9
Items that may be reclassified subsequently to income statement			
Exchange rate differences	177.5	-202.8	-366.1
Taxes on items that may be reclassified subsequently to income statement	-11.7	4.1	11.3
Total items that may be reclassified subsequently to income statement, net of taxes	165.8	-198.7	-354.8
Other comprehensive income, net of taxes	167.3	-198.6	-363.7
Total comprehensive income for the period	407.7	48.7	508.1
Attributable to:			
Parent company shareholders	405.0	46.4	497.3
Non-controlling interest	2.7	2.3	10.8

CONDENSED BALANCE SHEET

MEUR	31/3 2024	31/3 2023	31/12 2023
Intangible fixed assets	13,201.0	12,863.7	12,993.7
Tangible fixed assets	596.8	598.1	600.2
Right-of-use assets	204.9	191.2	200.4
Financial fixed assets	161.2	111.8	158.1
Deferred tax assets	155.3	132.2	179.3
Total fixed assets	14,319.2	13,897.0	14,131.7
Inventories	570.3	605.2	584.7
Accounts receivables	1,238.3	1,229.2	1,303.1
Other receivables	198.5	115.2	117.2
Prepaid expenses and accrued income	206.7	193.1	200.0
Total current receivables	1,643.5	1,537.5	1,620.3
Cash and cash equivalents	506.0	610.7	547.1
Total current assets	2,719.8	2,753.4	2,752.1
Total assets	17,039.0	16,650.4	16,883.8
Equity attributable to parent company shareholders	10,431.4	9,886.3	10,013.9
Equity attributable to non-controlling interest	34.0	36.7	32.2
Total shareholders' equity	10,465.4	9,923.0	10,046.1
Interest bearing liabilities	2,885.7	2,821.0	2,831.7
Lease liabilities	154.4	143.1	152.0
Other liabilities	138.7	176.9	124.4
Pension liabilities	54.7	51.1	56.9
Deferred tax liabilities	566.3	580.7	580.0
Other provisions	8.5	7.2	8.1
Total long-term liabilities	3,808.3	3,780.0	3,753.1
Interest bearing liabilities	759.2	1,019.5	1,040.2
Lease liabilities	60.7	59.2	59.5
Accounts payable	268.6	272.6	288.5
Other liabilities	315.6	368.9	280.4
Other provisions	131.5	46.3	159.4
Deferred income	855.7	798.2	790.4
Accrued expenses	374.0	382.7	466.2
Total short-term liabilities	2,765.3	2,947.4	3,084.6
Total equity and liabilities	17,039.0	16,650.4	16,883.8

FINANCIAL INSTRUMENTS

In Hexagon's balance sheet derivatives and other long-term securities holdings are carried at fair value. Derivatives are measured at fair value based on valuation techniques with observable market data as input (level 2 according to definition in IFRS 13). Other long-term securities holdings amount to insignificant numbers. Liabilities for contingent considerations are measured at fair value and based on management's best estimation of the most probable outcome (level 3 according to definition in IFRS 13). Other assets and liabilities are carried at accrued cost.

For financial assets and liabilities that are carried at accrued cost, the fair value is deemed to be coincident with the carrying amount except for long-term liabilities to credit institutions. The difference between the fair value and the carrying amount for these long-term liabilities is deemed to be insignificant relative to the total balance sheet since the interest rate duration is short.

CONDENSED CASH FLOW STATEMENT

MEUR	Q1 2024	Q1 2023	2023
Operating earnings	335.9	328.4	1,216.0
Depreciation, amortisation and impairment	134.8	119.0	563.0
Share program expenses	11.6	9.7	56.3
Capital gain/loss and other non-cash items	-15.5	-4.7	117.5
Taxes paid	-71.2	-79.3	-276.2
Interest received and paid, net	-42.3	-23.8	-146.5
Cash flow from operations before change in working capital	353.3	349.3	1,530.1
Change in inventories	-7.4	-34.1	-23.2
Change in current receivables	45.5	29.0	-57.5
Change in current liabilities	-25.4	-54.5	2.5
Cash flow from operations	366.0	289.7	1,451.9
Investments tangible assets, net	-23.1	-38.9	-108.3
Investments intangible assets	-123.5	-109.3	-490.0
Operating cash flow before non-recurring items	219.4	141.5	853.6
Non-recurring cash flow ¹⁾	-28.8	-24.8	-81.5
Operating cash flow	190.6	116.7	772.1
Cash flow from acquisitions and divestments	16.2	-142.4	-375.8
Cash flow from other investing activities	-0.5	-1.3	-56.4
Cash flow after other investing activities	206.3	-27.0	339.9
Dividends paid	-	-	-335.8
Repurchase of Treasury shares	-	-	-47.1
Cash flow from other financing activities	-246.1	153.8	133.6
Cash flow for the period	-39.8	126.8	90.6
Cash and cash equivalents, beginning of period	547.1	486.3	486.3
Effect of translation differences on cash and cash equivalents	-1.3	-2.4	-29.8
Cash flow for the period	-39.8	126.8	90.6
Cash and cash equivalents, end of period	506.0	610.7	547.1
¹⁾ Non-recurring cash flow consists of restructuring costs.			
Operating cash flow before interest, tax and non-recurring cash flow	332.9	244.6	1,276.3
Cash conversion	88%	66%	80%
Cash flow per share, Euro cent	13.6	10.8	54.0
Cash flow per share before change in working capital, Euro cent	13.2	13.0	56.9

CONDENSED STATEMENT OF CHANGES IN EQUITY

MEUR	Q1 2024	Q1 2023	2023
Opening shareholders' equity	10,046.1	9,864.6	9,864.6
Total comprehensive income for the period¹⁾	407.7	48.7	508.1
Acquisition of treasury shares	-	-	-47.1
Dividend	-	-	-335.8
Share based programme (LTIP)	11.6	9.7	56.3
Closing shareholders' equity²⁾	10,465.4	9,923.0	10,046.1
1) Of which: Parent company shareholders	405.0	46.4	497.3
Non-controlling interest	2.7	2.3	10.8
2) Of which: Parent company shareholders	10,431.4	9,886.3	10,013.9
Non-controlling interest	34.0	36.7	32.2

KEY RATIOS

MEUR	Q1 2024	Q1 2023	2023
Adjusted operating margin, %	29.0	28.9	29.4
Profit margin before taxes, %	22.6	23.5	19.5
Return on shareholders' equity, 12-month average, %	8.5	10.9	8.6
Return on capital employed, 12-month average, %	11.3	11.3	11.4
Equity ratio, %	61.4	59.6	59.5
Net indebtedness	0.30	0.33	0.33
Interest coverage ratio	7.4	10.9	7.3
Average number of shares, thousands	2,684,378	2,689,678	2,687,690
Basic earnings per share excl. adjustments, Euro cent	10.1	10.4	43.5
Basic earnings per share, Euro cent	8.9	9.1	32.0
Cash flow per share, Euro cent	13.6	10.8	54.0
Cash flow per share before change in working cap, Euro cent	13.2	13.0	56.9
Share price, SEK	126.70	118.85	121.00
Share price, translated to EUR	10.99	10.54	10.90

CONDENSED PARENT COMPANY INCOME STATEMENT

MEUR	Q1 2024	Q1 2023	2023
Net sales	7.6	5.3	26.3
Administration expenses	-8.2	-10.0	-41.4
Operating earnings	-0.6	-4.7	-15.1
Earnings from shares in Group companies	2.0	-	1,807.8
Interest income and expenses, net	14.8	-17.8	-156.1
Appropriations	-	-	22.2
Earnings before taxes	16.2	-22.5	1,658.8
Taxes	24.2	0.1	3.7
Net earnings	40.4	-22.4	1,662.5

CONDENSED PARENT COMPANY BALANCE SHEET

MEUR	31/3 2024	31/3 2023	31/12 2023
Total fixed assets	14,798.4	13,859.8	14,919.3
Total current receivables	1,650.9	1,197.5	1,533.7
Cash and cash equivalents	55.6	167.2	60.2
Total current assets	1,706.5	1,364.7	1,593.9
Total assets	16,504.9	15,224.5	16,513.2
Total shareholders' equity	6,373.7	5,018.2	6,333.3
Untaxed reserves	-	14.5	-
Total long-term liabilities	2,887.1	2,822.2	2,835.6
Total short-term liabilities	7,244.1	7,369.6	7,344.3
Total equity and liabilities	16,504.9	15,224.5	16,513.2

NOTE 1 ACCOUNTING PRINCIPLES

Hexagon applies International Financial Reporting Standards (IFRS) as adopted by the European Union. Hexagon's report for the Group is prepared in accordance with IAS 34, Interim Financial Reporting and the Annual Accounts Act. Parent company accounts are prepared in accordance with the Annual Accounts Act. Accounting principles and calculation methods are unchanged from those applied in the Annual Report for 2023, see note 1 for further information.

NOTE 2 RISKS AND UNCERTAINTY FACTORS

As an international group, Hexagon is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity and the ability to raise funds. Risk management in Hexagon aims to identify, control and reduce risks. This work begins with an assessment of the probability of risks occurring and their potential effect on the Group. There has been no change in the risks facing the Group compared to what was reported in the Annual Report 2023.

NOTE 3 RELATED PARTY TRANSACTIONS

No significant related party transactions have been incurred during the quarter.

NOTE 4 EMPLOYEES

The average number of employees during the first quarter was 24,338 (23,878). The number of employees at the end of the quarter was 24,091 (24,195).

NOTE 5 SHARE DATA

Earnings per share, including adjustments, for the first quarter amounted to 8.9 Euro cent (9.1). Earnings per share, excluding adjustments, for the first quarter, amounted to 10.1 Euro cent (10.4).

On 31 March 2024, equity per share was 3.89 EUR (3.68) and the share price was 126.70 SEK (118.85).

Hexagon's share capital amounts to 85,761,451 EUR, represented by 2,684,377,888 outstanding shares, of which 110,250,000 are of series A with ten votes each and 2,574,127,888 are of series B with one vote each. Hexagon holds 21,100,000 treasury shares.

NOTE 6 ACQUISITIONS AND DIVESTMENTS

MEUR	Q1 2024	Q1 2023
Fair value of acquired assets and assumed liabilities		
Intangible fixed assets	0.0	9.6
Other fixed assets	0.0	0.2
Total fixed assets	0.0	9.8
Total current assets	0.0	1.7
Total assets	0.0	11.5
Total long-term liabilities	0.0	-2.9
Total current liabilities	0.0	-5.3
Total liabilities	0.0	-8.2
Fair value of acquired assets and assumed liabilities, net	0.0	3.3
Non-controlling interest in equity	0.0	-0.1
Goodwill	0.0	207.0
Total purchase consideration transferred	0.0	210.2
Less cash and cash equivalents in acquired companies	0.0	-0.5
Adjustment for non-paid consideration and considerations paid for prior years' acquisitions	11.6	-67.3
Cash flow from acquisition of companies/businesses	11.6	142.4

During the first quarter 2024, Hexagon did not acquire any companies. The cash flow from acquisitions related to paid consideration for prior years' acquisitions.

During the first quarter 2024, Hexagon divested the following companies:

- Tesa PMI business, which generated revenues of 47.3 MEUR (50.2) in 2023. The disposal value amounted to 35.1 MEUR and the net book value of intangible assets, tangible asset and net working capital amounted to 33.4 MEUR, of which cash was 7.3 MEUR. The net loss on disposal after deduction of transaction costs is -0.7 MEUR and is reported in other income and expense.

The acquisitions are individually assessed as immaterial from a group perspective which is why only aggregated information is presented. The analysis of the acquired net assets is preliminary and the fair value might be subject to change. Contingent considerations are recognised to fair value (level 3 according to definition in IFRS 13) each reporting period and based on the latest relevant forecast for the acquired company. The valuation method is unchanged compared to the previous period. The estimated liability for contingent considerations amounted to 153.5 MEUR (227.6) as of 31 March, whereof the fair value adjustment in 2024 amounted to 12.5 MEUR (0.2). In connection with the valuation of contingent considerations the assets acquired and liabilities assumed in the purchase price allocation are reviewed. Any indication of impairment due to the revaluation of contingent considerations is considered and adjustments are made to off-set the impact from revaluation.

NOTE 7 SEGMENT BREAKDOWN

NET SALES PER SEGMENT

MEUR	Q1 2024*	Q4 2023*	Q3 2023*	Q2 2023*	Q1 2023*	2023*
Manufacturing Intelligence	478.1	551.5	487.1	497.6	476.8	2,013.0
Asset Lifecycle Intelligence	192.2	207.6	197.6	186.2	190.6	782.0
Geosystems	376.8	399.4	389.0	424.8	389.8	1,603.0
Autonomous Solutions	135.5	150.0	157.1	139.3	124.7	571.1
Safety, Infrastructure & Geospatial	116.9	126.1	120.0	115.3	102.5	463.9
Other operations & Group costs	0.4	0.7	1.3	2.8	2.2	7.0
Group	1,299.9	1,435.3	1,352.1	1,366.0	1,286.6	5,440.0

ADJUSTED OPERATING EARNINGS (EBIT1) PER SEGMENT

MEUR	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
Manufacturing Intelligence	124.8	158.9	123.5	128.9	119.5	530.8
Asset Lifecycle Intelligence	66.5	79.3	73.5	62.1	68.3	283.2
Geosystems	117.5	121.1	122.7	139.0	127.5	510.3
Autonomous Solutions	47.7	50.2	54.0	48.1	41.3	193.6
Safety, Infrastructure & Geospatial	24.3	37.3	26.6	21.7	18.4	104.0
Other operations & Group costs	-4.3	-8.4	-7.3	-5.7	-3.8	-25.2
Group	376.5	438.4	393.0	394.1	371.2	1,596.7
Adjusted operating margin, %	29.0	30.5	29.1	28.9	28.9	29.4

NET SALES BY REGION

MEUR	Q1 2024*	Q4 2023*	Q3 2023*	Q2 2023*	Q1 2023*	2023*
EMEA	449.7	521.7	448.9	459.6	448.2	1,878.4
Americas	498.2	553.6	546.9	520.9	475.8	2,097.2
Asia	352.0	360.0	356.3	385.5	362.6	1,464.4
Group	1,299.9	1,435.3	1,352.1	1,366.0	1,286.6	5,440.0

*Operating net sales, i.e. excluding revenue adjustment (haircut)

NOTE 8 EXCHANGE RATES

Average	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
SEK/EUR	0.0887	0.0872	0.0850	0.0873	0.0893	0.0871
USD/EUR	0.9210	0.9299	0.9190	0.9176	0.9313	0.9248
CNY/EUR	0.1281	0.1287	0.1268	0.1309	0.1361	0.1306
CHF/EUR	1.0537	1.0481	1.0402	1.0219	1.0074	1.0289
Closing	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
SEK/EUR	0.0868	0.0901	0.0867	0.0847	0.0886	0.0901
USD/EUR	0.9250	0.9050	0.9439	0.9203	0.9195	0.9050
CNY/EUR	0.1280	0.1274	0.1293	0.1266	0.1338	0.1274
CHF/EUR	1.0240	1.0799	1.0342	1.0217	1.0032	1.0799

NOTE 9 NUMBER OF SHARES

	series A	series B	Total
2014-12-31 Total issued and outstanding	15,750,000	341,639,213	357,389,213
New issue, warrants exercised	-	2,947,929	2,947,929
2015-12-31 Total issued and outstanding	15,750,000	344,587,142	360,337,142
New issue, warrants exercised	-	106,000	106,000
2016-12-31 Total issued and outstanding	15,750,000	344,693,142	360,443,142
New issue, warrants exercised	-	-	-
2017-12-31 Total issued and outstanding	15,750,000	344,693,142	360,443,142
New issue, warrants exercised	-	2,481,550	2,481,550
2018-12-31 Total issued and outstanding	15,750,000	347,174,692	362,924,692
New issue, warrants exercised	-	4,614,610	4,614,610
2019-12-31 Total issued and outstanding	15,750,000	351,789,302	367,539,302
New issue, warrants exercised	-	11,500	11,500
Repurchase of treasury shares	-	-646,000	-646,000
2020-12-31 Total outstanding	15,750,000	351,154,802	366,904,802
Repurchase of treasury shares	-	-204,000	-204,000
Split 7:1 outstanding shares	94,500,000	2,105,704,812	2,200,204,812
Repurchase of treasury shares	-	-1,400,000	-1,400,000
Issue in kind	-	132,622,274	132,622,274
Repurchase of treasury shares	-	-2,000,000	-2,000,000
2021-12-31 Total outstanding	110,250,000	2,585,877,888	2,696,127,888
Repurchase of treasury shares	-	-850,000	-850,000
2022-03-31 Total outstanding	110,250,000	2,585,027,888	2,695,277,888
Repurchase of treasury shares	-	-2,350,000	-2,350,000
2022-06-30 Total outstanding	110,250,000	2,582,677,888	2,692,927,888
Repurchase of treasury shares	-	-2,000,000	-2,000,000
2022-09-30 Total outstanding	110,250,000	2,580,677,888	2,690,927,888
Repurchase of treasury shares	-	-1,250,000	-1,250,000
2022-12-31 Total outstanding	110,250,000	2,579,427,888	2,689,677,888
Repurchase of treasury shares	-	-5,300,000	-5,300,000
2023-12-31 Total outstanding	110,250,000	2,574,127,888	2,684,377,888
2024-03-31 Total outstanding	110,250,000	2,574,127,888	2,684,377,888
Total amount of treasury shares	-	21,100,000	21,100,000
2024-03-31 Total issued	110,250,000	2,595,227,888	2,705,477,888

Each share of series A carries entitlement to ten votes and each share of series B carries entitlement to one vote.

DEFINITIONS

In addition to the financial measures as required by the financial reporting framework based on IFRS, this report also includes other measures and indicators that are used to follow-up, analyse and manage the business. These measures also provide Hexagon stakeholders with useful financial information on the Group's financial position, performance and development in a consistent way. Below is a list of definitions of measures and indicators used in this report.

FINANCIAL DEFINITIONS

Amortisation of surplus values	When a company is acquired, the purchase consideration is allocated to the identified assets and liabilities of the company. Intangible assets are most often allocated the substantial part of the purchase consideration. The amortisation of surplus values is defined as the difference between the amortisation of such identified intangible assets and what the amortisation would have been in the acquired company had the acquisition not taken place at all
Adjusted gross earnings	Operational net sales less cost of goods sold excluding adjustments related to cost of goods sold
Adjusted gross margin	Adjusted gross earnings divided by operating net sales
Adjusted operating earnings (EBIT1)	Operating earnings excluding capital gains on shares in group companies and adjustments. Adjustments are excluded to facilitate the understanding of the Group's operational development and to give comparable numbers between periods
Adjusted operating earnings (EBITDA)	Adjusted operating earnings (EBIT 1) excluding amortisation, depreciation and impairment of fixed assets. The measure is presented to give depiction of the result generated by the operating activities
Adjusted EBITDA margin	Adjusted operating earnings (EBITDA) as a percentage of operating net sales
Adjusted operating margin	Adjusted operating earnings (EBIT1) as a percentage of operating net sales
Adjustments	Adjustments consists of expenses related to the share programme (LTIP), amortisation of surplus values (PPA) and non-recurring items which refers to income and expenses that are not expected to appear on a regular basis and impact comparability between periods
Capital employed	Total assets less non-interest-bearing liabilities
Capital turnover rate	Net sales divided by average capital employed
Cash conversion	Operating cash flow excluding interest, tax payments and non-recurring items divided by operating earnings (EBIT1)
Cash flow per share	Cash flow from operations, after change in working capital, excluding non-recurring items divided by average number of shares
Earnings per share	Net earnings excluding non-controlling interest divided by average number of shares
Equity ratio	Shareholders' equity including non-controlling interests as a percentage of total assets
Interest coverage ratio	Earnings before taxes plus financial expenses divided by financial expenses
Investments	Purchases less sales of tangible and intangible fixed assets, excluding those included in acquisitions and divestitures of subsidiaries
Net debt	Interest-bearing liabilities including pension liabilities and interest-bearing provisions less cash and cash equivalents
Net indebtedness	Interest-bearing liabilities less interest-bearing current receivables and liquid assets divided by shareholders' equity excluding non-controlling interests
Organic growth	Net sales compared to prior period excluding acquisitions and divestments and adjusted for currency exchange movements
Operating net sales	Net sales adjusted by the difference between fair value and book-value of deferred revenue regarding acquired businesses.
Profit margin before taxes	Earnings before taxes as a percentage of net sales
Recurring revenues	Contractually recurring revenues from software (SaaS, subscription & maintenance), services and hardware subscriptions, plus recurring services and consumables.
Return on capital employed (12-month average)	Twelve months to end of period earnings after financial items, excluding adjustments, plus financial expenses as a percentage of twelve months to end of period average capital employed. The twelve months average capital employed is based on average quarterly capital employed
Return on shareholders' equity (12-month average)	Twelve months to end of period net earnings excluding non-controlling interests as a percentage of twelve months to end of period average shareholders' equity excluding non-controlling interests last twelve months. The twelve months average shareholders' equity is based on quarterly average shareholders' equity.
Shareholders' equity per share	Shareholders' equity excluding non-controlling interests divided by the number of shares at year-end
Share price	Last settled transaction on Nasdaq Stockholm on the last business day for the period.



Hexagon is a global leader in digital reality solutions, combining sensor, software and autonomous technologies. We are putting data to work to boost efficiency, productivity, quality and safety across industrial, manufacturing, infrastructure, public sector, and mobility applications. Our technologies are shaping urban and production ecosystems to become increasingly connected and autonomous – ensuring a scalable, sustainable future. Hexagon (Nasdaq Stockholm: HEXA B) has approximately 24,500 employees in 50 countries and net sales of approximately 5.4bn EUR. Learn more at hexagon.com and follow us [@HexagonAB](https://twitter.com/HexagonAB).

BUSINESS DEFINITIONS

Americas	North, South and Central America
Asia	Asia, Australia and New Zealand
EMEA	Europe, Middle East and Africa

FINANCIAL INFORMATION

Financial information is available in Swedish and English at the Hexagon website and can also be ordered via phone +46 8 601 26 20 or e-mail ir@hexagon.com

This is information that Hexagon AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 26 April 2024.

This communication may contain forward-looking statements. When used in this communication, words such as "anticipate", "believe", "estimate", "expect", "intend", "plan" and "project" are intended to identify forward-looking statements. They may involve risks and uncertainties, including technological advances in the measurement field, product demand and market acceptance, the effect of economic conditions, the impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of Hexagon's management as of the date made with respect to future events and are subject to risks and uncertainties. All of these forward-looking statements are based on estimates and assumptions made by Hexagon's management and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements. Hexagon disclaims any intention or obligation to update these forward-looking statements.

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