

YEAR-END REPORT

1 JANUARY - 31 DECEMBER 2024
FOURTH QUARTER

Strong growth in recurring revenues and excellent cash conversion amid mixed market conditions

- 1% organic revenue growth (using fixed exchange rates and a comparable group structure)
- Net sales increased by 1% to 1,448.0 MEUR (1,435.3)
- Adjusted gross margin of 66.7% (66.5)
- Adjusted operating earnings (EBIT1) increased by 3% to 450.3 MEUR (438.4)
- Adjusted operating margin amounted to 31.1% (30.5)
- Earnings per share, excluding adjustments, amounted to 12.4 Euro cent (11.8)
- Earnings per share, including adjustments, amounted to 10.9 Euro cent (10.3)
- Operating cash flow before non-recurring items increased to 421.5 MEUR (353.1)
- Cash conversion amounted to 116% (103)
- Recurring revenue increased by 7% and amounted to 582.5 MEUR (542.3)
- The Board of Directors proposes a dividend of 0.14 EUR (0.13) per share, an increase of 8%

ADJUSTED KEY FIGURES²⁾

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	1,448.0	1,435.3	1 ¹⁾	5,401.1	5,440.0	0 ¹⁾
Gross earnings	966.3	955.2	1	3,613.8	3,593.4	1
Gross margin, %	66.7	66.5	0.2	66.9	66.1	0.8
Operating earnings (EBITDA)	587.0	583.6	1	2,068.0	2,026.6	2
EBITDA margin, %	40.5	40.7	-0.2	38.3	37.3	1.0
Operating earnings (EBIT1)	450.3	438.4	3	1,602.9	1,596.7	0
Operating margin, %	31.1	30.5	0.6	29.7	29.4	0.3
Earnings before taxes	409.2	389.1	5	1,432.8	1,441.4	-1
Earnings per share, Euro cent	12.4	11.8	5	43.3	43.5	0

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

²⁾ For definition, see page 24. For specification, see page 4

Norbert Hanke, interim President and CEO, Hexagon AB commented

"In the fourth quarter we saw a recovery in organic growth and a continued expansion in recurring revenues, driven by strong performances in Asset Lifecycle Intelligence and Safety, Infrastructure & Geospatial. This was supported by a degree of stabilisation in the Geosystems and Autonomous Solutions divisions, which leveraged new products and diversification to mitigate headwinds in some key end markets. Through our ongoing focus on operational excellence, we achieved an all-time high operating margin of 31.1%, supported by recent currency movements, and an excellent cash conversion rate of 116%.

Despite a difficult market environment in 2024, we delivered a satisfactory full-year performance, delivering modest organic growth, improved profitability and a 91% annual cash conversion rate, slightly above our target range of 80-90%.

Alongside this strong operational performance, the Nomination Committee and the Board made some key leadership announcements, with the nomination of Björn Rosengren as Deputy Chairman and appointment of Anders Svensson as CEO, to capture the exciting opportunities that lie ahead for Hexagon. Björn Rosengren will be proposed for election at the upcoming Annual General Meeting on 5 May 2025, and Anders Svensson will join us no later than 20 July 2025.

We expect the market environment to remain unchanged in the first quarter of 2025. Despite the uncertain backdrop, we will continue to leverage our investments in innovation and market reach to drive growth and make further progress towards our financial targets."

1%

ORGANIC
GROWTH

31%

ADJUSTED OPERATING
MARGIN

116%

CASH
CONVERSION

COMMENTS FROM THE CEO

"In the fourth quarter we recorded a return to positive organic growth, while maintaining EBIT1 margins and generating a very strong cash conversion, despite difficult macroeconomic conditions.

Organic growth grew by 1% overall, reflecting a strong performance in Asset Lifecycle Intelligence (ALI) and Safety, Infrastructure & Geospatial (SIG), and supported by a degree of stabilisation in Autonomous Solutions (AS) and Geosystems, where new product launches and growth initiatives helped to partially offset the wider impact of weakness in key end markets. Recurring revenues increased by 7%, reflecting the growth in ALI and SIG, but also benefitting from strong software sales in Geosystems.

Gross margins increased to 66.7% (66.5), with strong growth across the software portfolio offsetting a weaker product mix in some areas. Operating margins reached 31.1% (30.5), with strong cost controls compensating for ongoing softness in sales of sensors and robotic solutions, and also supported by positive currency movements.

Cash conversion of 116% was very strong in the quarter and contributed to an annualised cash conversion of 91%, above the target range of 80-90%.

Performance in the quarter benefitted from our investments in innovation. The Leica iCON trades solution, launched in the third quarter of 2024, drove double-digit growth in the building solutions segment within Geosystems, helping to counteract general market weakness. Growth in SIG was driven by our next generation OnCall public safety platform, which also noted a strengthening pipeline.

We announced several exciting acquisitions over the past few months, including the Geomagic software suite in MI, Indurad and Septentrio in AS and CAD Service in ALI. These acquisitions strengthen our market leadership and will bring attractive synergies.

Market conditions remained challenging across a number of the Group's key industries, particularly automotive and construction, during the fourth quarter.

MI recorded an organic decline of -2% (7), with continued growth in aerospace and stability in general manufacturing offset by a weak automotive sector. China returned to modest growth in the quarter, and India continued to grow strongly.

ALI grew 10% organically (8), with strong growth in both SaaS revenues, which increased 30% in the quarter, and in perpetual deals.

Geosystems declined organically by -2% (1), with growth in software and new products partly compensating for continued weakness in construction markets.

AS saw an organic decline of -2% (16), with strong comparatives in the prior year period offsetting progress in autonomy & positioning and a positive contribution from the ramp up of the autonomous road train project in Australia.

SIG grew by 11% (-4), with strong growth in public safety partially offset by weakness in federal services activity.

The investigation into the proposed separation of ALI and related businesses, as communicated to the market on 25 October 2024, remains ongoing and the Board intends to provide an update during Q1, noting that if recommended, the final decision would be taken by shareholders at an EGM once all procedures for a spin-off and listing have been complied with.

We expect the market environment to remain unchanged in the first quarter of 2025. Despite the uncertain backdrop, we will continue to leverage our investments in innovation and market reach to drive growth and make further progress towards our financial targets."

– Norbert Hanke, interim President and CEO, Hexagon AB

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CONFERENCE CALL

The Year-End report for 2024 will be presented on 31 January at 10:00 CET at a telephone conference. Please view instructions at Hexagon's website on how to participate.

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

FINANCIAL CALENDAR

Interim Report Q1 2025

Annual General Meeting

Interim Report Q2 2025

30 April 2025

5 May 2025

25 July 2025

GROUP BUSINESS DEVELOPMENT Q4

NET SALES

Operating net sales increased by 1% to 1,448.0 MEUR (1,435.3). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 1%. Structure added 0% to growth, reflecting the net contribution of the acquisitions made in the last 12 months. More details on acquisitions and divestments are given in note 6.

Development by Geography

Regionally, organic growth was -5% in EMEA, 1% in the Americas and 11% in Asia.

In EMEA, Western Europe recorded -7% organic growth, with a decline in Manufacturing Intelligence largely driven by a challenging general manufacturing and automotive market, somewhat offset by strong growth in aerospace. Geosystems continued to be impacted by weak construction end markets. EEMEA recorded -1% organic growth.

In the Americas, North America recorded 0% organic growth, with strong growth in ALI and SIG offset by a weaker environment in manufacturing markets, in particular Automotive, impacting Manufacturing Intelligence and ongoing weakness in construction impacting Geosystems. Autonomous Solutions also declined on the back of tough comparatives from last year as well as a challenging quarter in precision agriculture markets and slower development in mining. South America recorded a robust 10% organic growth, driven by strong performance in mining.

In Asia, China recorded 5% organic growth, with both Manufacturing Intelligence and Geosystems showing positive momentum. ALI experienced strong growth, driven by several significant perpetual software deals secured during the quarter. The rest of Asia recorded an impressive 18% organic growth, bolstered by strong performance in Manufacturing Intelligence in India, progress in the autonomous road train project in Australia, and key public safety wins in Malaysia.

Development by Product Type

Software and services revenue posted a 5% increase (reported), driven by strong growth in ALI and SIG. Overall, recurring revenues maintained their upward trajectory, increasing by 7%, led by faster growth rates from recurring software sales.

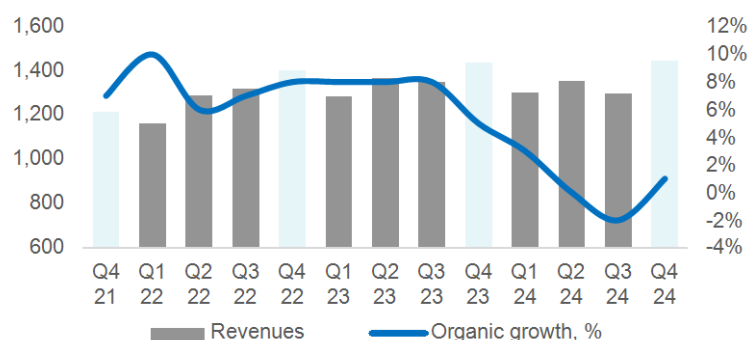
The sensors & robotic solutions portfolio delivered a -6% (reported) decline during the fourth quarter, driven by weak end markets in manufacturing, construction and precision agriculture.

SALES BRIDGE - FOURTH QUARTER

	Operating net sales ¹⁾
2023, MEUR	1,435.3
Structure, %	0
Currency, %	0
Organic growth, %	1
Total, %	1
2024, MEUR	1,448.0

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 - FOURTH QUARTER

MEUR	Q4 2024	% of sales	Q4 2023	% of sales	Reported Δ%
Software & Services	898.7	62.1%	853.8	59.5%	5%
Sensors & Robotic Solutions	549.3	37.9%	581.5	40.5%	-6%
Total	1,448.0		1,435.3		1%
Recurring revenue	582.5	40.2%	542.3	37.8%	7%

SALES BY GEOGRAPHY - FOURTH QUARTER

MEUR	Q4 2024	% of sales	Q4 2023	% of sales	Organic Δ%
North America	492.7	34%	492.1	34%	0%
South America	62.1	4%	61.6	4%	10%
Western Europe	384.0	26%	409.2	29%	-7%
EEMEA	110.8	8%	112.4	8%	-1%
China	184.4	13%	176.3	12%	5%
Asia, excl China	214.0	15%	183.7	13%	18%
Total	1,448.0		1,435.3		1%

EARNINGS Q4

Adjusted operating earnings (EBIT1) increased by 3% to 450.3 MEUR (438.4), which corresponded to an adjusted operating margin of 31.1% (30.5). The adjusted operating margin (EBIT1) was supported by a focus on cost control and favourable currency impacts. The adjusted operating margin including amortisation of surplus values (PPA) of -28.9 MEUR (-29.5) amounted to 29.1% (28.5).

Adjusted operating earnings (EBIT1) were positively impacted by currency transaction effects of 12.0 MEUR (-10.5) and negatively impacted by currency translation effects of -1.5 MEUR. Earnings before taxes, excluding adjustments, amounted to 409.2 MEUR (389.1).

Total R&D spend (including capitalised amounts) was 223.3 MEUR, equivalent to 15% of net sales, whereof 132.5 MEUR was capitalised. Amortisation of previously capitalised R&D amounted to 68.2 MEUR. The adjusted net R&D cost expensed to EBIT in the quarter was 159.0 MEUR.

Hexagon's net capital investments, excluding acquisitions and divestitures, amounted to -168.8 MEUR (-157.2) in the fourth quarter. Depreciation, amortisation and impairment amounted to -165.6 MEUR (-174.7) in the fourth quarter, whereof impairment charges amounted to -19.4 MEUR (-37.2).

The adjustments for the quarter consist of share-based program expenses (LTIP) of -10.6 MEUR (-18.3), amortisation of surplus values (PPA) of -28.9 MEUR (-29.5) and non-recurring items of -9.4 MEUR (0.0) consisting of costs related to the investigation of a potential spin-off of the ALI division and other software assets, as well as severance costs following the departure of the former CEO.

TAX AND FINANCIAL NET EXPENSE

The Group's tax expense for the quarter totalled -64.8 MEUR (-61.4). The reported tax rate was 18.0% (18.0) for the quarter. The tax rate, excluding adjustments, was 18.0% (18.0) for the quarter. The financial net expenses amounted to -41.1 MEUR (-49.3).

SALES AND OPERATING PROFIT BRIDGE

MEUR	Q4 2023	Currency	Structure	Organic	Q4 2024
Operating net sales	1,435.3	1	-3	15	1,448.0
Adjusted operating earnings (EBIT1)	438.4	21	-1	-8	450.3
Adjusted operating margin	30.5%	n.a.	25%	-54%	31.1%
Accretion (dilution) on margin		1.5%	0.0%	-0.9%	

CURRENCY TRANSLATION IMPACT COMPARED TO EUR - FOURTH QUARTER

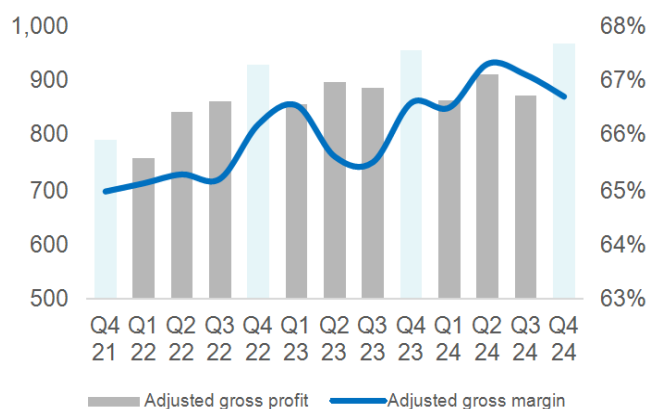
	Movement ¹⁾	Income less cost	Earnings impact
CHF	Strengthened 2%	Negative	Negative
USD	Strengthened 1%	Positive	Positive
CNY	Strengthened 1%	Positive	Positive
EBIT1, MEUR			-1.5

¹⁾Compared to Q4 2023

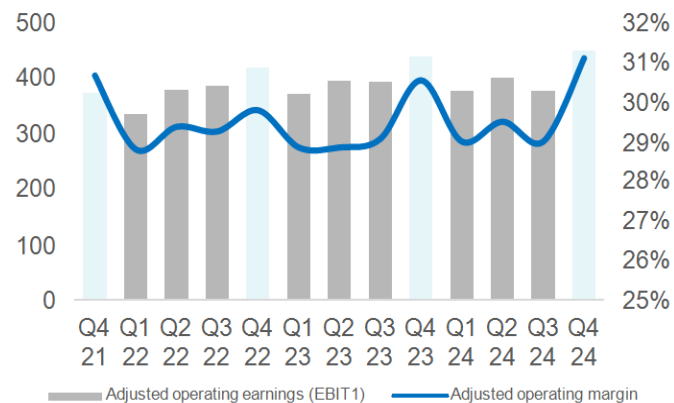
ADJUSTMENTS IN THE QUARTER

MEUR	Q4 2024	Adjustments				Total adjustments	Q4 2024
	Non-IFRS	PPA	LTIP	NRI			IFRS
Operating earnings (EBIT1/EBIT)	450.3	-28.9	-10.6	-9.4		-48.9	401.4
Depreciation, amortisation and impairment	136.7	28.9				28.9	165.6
EBITDA	587.0						567.0
Share program expenses	0		10.0			10.0	10.0
Capital gain/loss and other non-cash items	-37.1		0.6	9.4		10.0	-27.1
Cash flow from operations before change in working capital excluding taxes and interest	549.9						549.9

GROSS PROFIT AND GROSS MARGIN



EBIT1 AND EBIT1 MARGIN



REPORTING SEGMENTS

MEUR	Q4 2024	Q4 2023	Reported Δ%	Organic Δ%	2024	2023	Reported Δ%	Organic Δ%
Operating net sales								
Manufacturing Intelligence	530.0	551.5	-4%	-2%	1,955.7	2,013.0	-3%	0%
Asset Lifecycle Intelligence	228.8	207.6	10%	10%	831.7	782.0	6%	7%
Geosystems	400.1	399.4	0%	-2%	1,555.4	1,603.0	-3%	-4%
Autonomous Solutions	146.5	150.0	-2%	-2%	558.0	571.1	-2%	-2%
Safety, Infrastructure & Geospatial	140.8	126.1	12%	11%	497.1	463.9	7%	6%
Other operations & Group costs	1.8	0.7	157%	n.a.	3.2	7.0	-54%	n.a.
Total operating net sales	1,448.0	1,435.3	1%	1%	5,401.1	5,440.0	-1%	0%
Adjusted operating earnings (EBIT1)								
Manufacturing Intelligence	159.0	158.9	0%		531.2	530.8	0%	
Asset Lifecycle Intelligence	87.4	79.3	10%		296.9	283.2	5%	
Geosystems	124.3	121.1	3%		494.3	510.3	-3%	
Autonomous Solutions	46.0	50.2	-8%		192.0	193.6	-1%	
Safety, Infrastructure & Geospatial	41.9	37.3	12%		114.7	104.0	10%	
Other operations & Group costs	-8.3	-8.4	1%		-26.2	-25.2	-4%	
Total adjusted EBIT	450.3	438.4	3%		1,602.9	1,596.7	0%	
Adjusted operating margin, %								
Manufacturing Intelligence	30.0%	28.8%	1.2%		27.2%	26.4%	0.8%	
Asset Lifecycle Intelligence	38.2%	38.2%	0.0%		35.7%	36.2%	-0.5%	
Geosystems	31.1%	30.3%	0.8%		31.8%	31.8%	0.0%	
Autonomous Solutions	31.4%	33.5%	-2.1%		34.4%	33.9%	0.5%	
Safety, Infrastructure & Geospatial	29.8%	29.6%	0.2%		23.1%	22.4%	0.7%	
Other operations and Group costs	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.	
Total adjusted EBIT margin %	31.1%	30.5%	0.6%		29.7%	29.4%	0.3%	

CASH FLOW AND BALANCE SHEET

Operating cash flow before tax, interest and non-recurring items amounted to 521.7 MEUR (451.1), an increase of 16% compared to the prior year. The cash conversion ratio amounted to 116% (103) during the quarter. Working capital saw an inflow of 140.6 MEUR.

Net interest payments amounted to -35.9MEUR (-46.9) during the quarter. Taxes paid amounted to -64.3 MEUR (-51.1).

Operating cash flow before non-recurring items amounted to 421.5 MEUR (353.1), corresponding to a growth of 19% compared to the prior year.

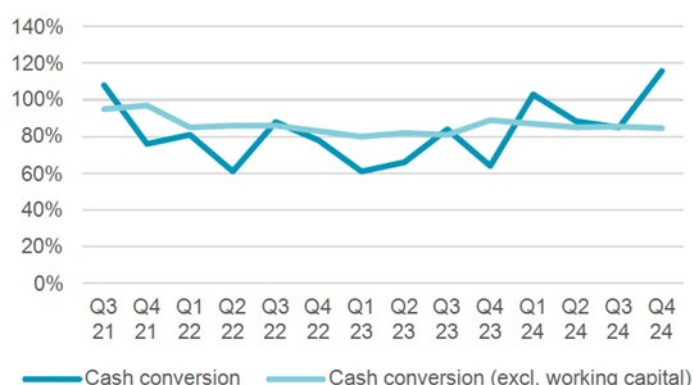
CASH FLOW STATEMENT

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Adjusted operating earnings (EBIT1)	450.3	438.4	3	1,602.9	1,596.7	0
D&A (excl adjustments)	136.7	145.2	-6	465.1	429.9	8
Adjusted EBITDA	587.0	583.6	1	2,068.0	2,026.6	2
Non-cash items	-37.1	-44.3	-16	-82.8	-73.9	12
Capital expenditures	-168.8	-157.2	7	-622.4	-598.3	4
Cash flow post investment	381.1	382.1	0	1,362.8	1,354.5	1
Working capital	140.6	69.0	104	94.0	-78.2	n.a.
Operating cash flow before tax and interest	521.7	451.1	16	1,456.8	1,276.3	14
Cash conversion	116%	103%	13	91%	80%	11
Taxes paid	-64.3	-51.1	26	-243.2	-276.2	-12
Interest received and paid, net	-35.9	-46.9	-23	-158.3	-146.5	8
Operating cash flow before non-recurring items	421.5	353.1	19	1,055.3	853.6	24

NET DEBT BRIDGE

MEUR	Q4 2024
Net debt opening balance	-3,565.4
Operating cash flow	403.0
Investments in subsidiaries	-43.8
Investments/divestments in financial fixed assets	0.6
Change to pension liability	-14.5
Dividend	-0.6
New/changed lease contracts	-17.6
Currency	6.0
Other	1.2
Net debt closing balance	-3,231.1
Net debt to EBITDA	1.5

CASH CONVERSION



CAPITAL EFFICIENCY

Capital employed increased to 15,091.0 MEUR (14,186.4), mainly due to currency movements. Return on average capital employed for the last twelve months was 11.1% (11.4). Return on average shareholders' equity for the last twelve months was 9.8% (8.6). The capital turnover rate was 0.4 times (0.4).

FINANCIAL POSITION

Total shareholders' equity increased to 11,196.1 MEUR (10,046.1). The equity ratio was 62.7% (59.5). Hexagon's total assets increased to 17,850.5 MEUR (16,883.8), primarily driven by currency movements.

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 December 2024, cash and unutilised credit limits totalled 1,835.2 MEUR (1,268.6). Hexagon's net debt was 3,231.1 MEUR (3,593.2). The net indebtedness was 0.26 times (0.33). Interest coverage ratio was 9.1 times (7.4).

MANUFACTURING INTELLIGENCE – Q4 2024

Hexagon's Manufacturing Intelligence division provides customers hardware and software solutions to allow improved design, process, quality and efficiency. Key solution areas include Design and Engineering (conceptual design and detailed engineering tools), Production (CAD & CAM software) and Metrology (stationary & portable metrology, automated inspection), Quality Management Systems (ETQ) and the manufacturing cloud platform (Nexus). By geography Manufacturing Intelligence revenues in 2024 were split 31% Americas, 29% EMEA and 40% APAC.

NET SALES AND EARNINGS

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	530.0	551.5	-2% ¹⁾	1,955.7	2,013.0	0% ¹⁾
Adjusted operating earnings (EBIT1)	159.0	158.9	0%	531.2	530.8	0%
Adjusted operating margin, %	30.0%	28.8%	1.2%	27.2%	26.4%	0.8%

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 530.0 MEUR (551.5). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -2%. The Aerospace business experienced strong growth during the quarter, and there was stable progress in general manufacturing. However, this was offset by challenges in the Automotive sector.

By geography, growth turned negative in the Americas and continued to decline in EMEA. In contrast, Asia recorded single-digit growth, driven by positive momentum in China and strong growth in India.

By solution area, there was robust demand for portable metrology solutions, which mitigated a slower development in stationary product lines. Quality Management Software (ETQ) also performed well during the quarter.

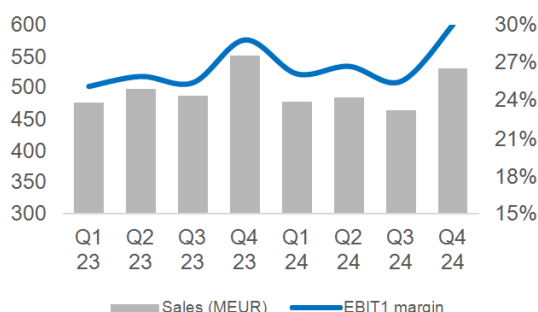
EARNINGS

EBIT1 increased compared to the prior year, with cost discipline and currency tailwinds offsetting the subdued demand environment and a weaker product mix. This generated an all-time high margin of 30.0% (28.8).

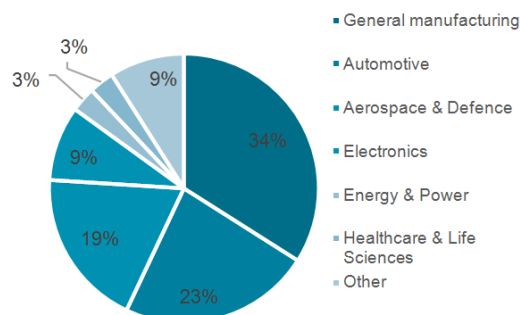
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

On 12 December 2024, Hexagon announced the acquisition of 3D Systems' Geomagic suite of interoperable software packages, which are used to create high quality 3D models from multiple sources, including laser scanning. Completion of the transaction is subject to regulatory approvals and other customary conditions, which are expected to be fully completed by early in the second quarter of 2025.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY2024)



ASSET LIFECYCLE INTELLIGENCE – Q4 2024

Hexagon's Asset Lifecycle Intelligence division is a market leading software provider to Fortune 500 companies that helps clients design, construct, operate, maintain and secure 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 capital-intensive projects, leading to improvements in safety, quality, efficiency, and productivity, which contribute to Economic and Environmental Sustainability. Key solution areas include Design and Engineering (conceptual design and detailed engineering tools), Project Planning & Execution (construction, fabrication and supply chain management) and Operations & Maintenance (enterprise asset management, predictive maintenance and OT cyber security software). By geography Asset Lifecycle Intelligence revenues in 2024 were split 45% Americas, 31% EMEA and 24% APAC.

NET SALES AND EARNINGS

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	228.8	207.6	10% ¹⁾	831.7	782.0	7% ¹⁾
Adjusted operating earnings (EBIT1)	87.4	79.3	10%	296.9	283.2	5%
Adjusted operating margin, %	38.2%	38.2%	0.0%	35.7%	36.2%	-0.5%

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

NET SALES

Asset Lifecycle Intelligence (ALI) operating net sales amounted to 228.8 MEUR (207.6). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 10%. Growth was particularly strong in SaaS product lines, which increased by 30%, as well as in perpetual licences.

By geography, Asia was the standout performer, achieving high double-digit growth, driven in part by some large perpetual wins. The Americas and EMEA also recorded consistently strong growth.

All solution areas grew during the quarter, in particular Design & Engineering software, which increased at double digit rates. Enterprise Asset Management (EAM) also grew at double digit rates and delivered very strong SaaS bookings.

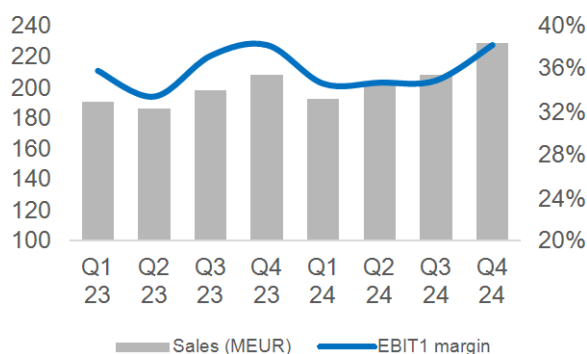
EARNINGS

EBIT1 increased compared to the prior year period, delivering a strong operating margin of 38.2% (38.2), despite somewhat higher investments in product development. Currency was neutral to the margin progression.

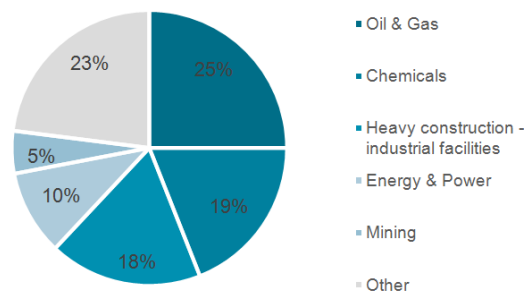
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

On 21 January 2025 Hexagon announced the acquisition of CAD Service, a developer of advanced visualisation tools used to integrate computer-aided design (CAD) drawings, BIM models, and Reality Capture data into HxGN EAM.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY2024)



GEOSYSTEMS – Q4 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 shapes 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 hardware and software and machine control. By geography Geosystems revenues in 2024 were split 33% Americas, 47% EMEA and 20% APAC.

NET SALES AND EARNINGS

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	400.1	399.4	-2% ¹⁾	1,555.4	1,603.0	-4% ¹⁾
Adjusted operating earnings (EBIT1)	124.3	121.1	3%	494.3	510.3	-3%
Adjusted operating margin, %	31.1%	30.3%	0.8%	31.8%	31.8%	0.0%

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

NET SALES

Geosystems operating net sales amounted to 400.1 MEUR (399.4). Using fixed exchange rates and a comparable group structure (organic growth), net sales declined by -2%. Growth in software and services and a strong contribution from new product launches (Leica GS05 and Leica iCON trades) was offset by continued weakness across the majority of construction markets. Recurring revenues recorded another strong quarter, growing at double digit rates.

Geographically, North America was strong in software and services, but this was offset by slower demand for sensors and robotic solutions. South America grew well during the quarter. EMEA remained weak, but the Middle East continued the good growth trends noted in the third quarter and there were signs of progress in the UK. Asia grew, with a return to growth in China and India.

By solution area software and services saw sustained growth. The sensors and robotics solutions portfolio benefitted from new product launches but declined overall due to weakness in surveying, reality capture, and machine control.

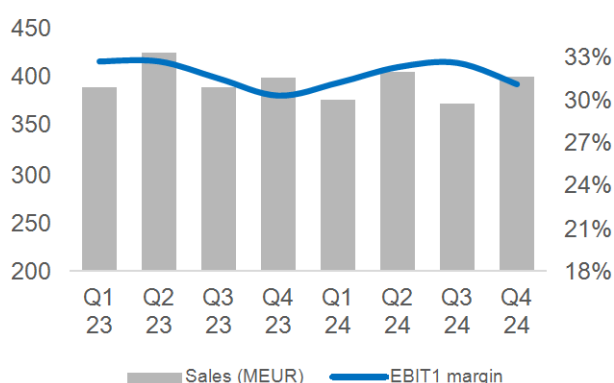
EARNINGS

EBIT1 increased compared to the prior year with cost discipline and currency tailwinds resulting in an increase in operating margins to 31.1% (30.5), despite the decline in growth.

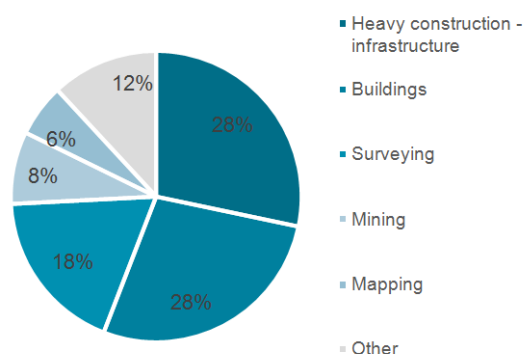
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

There were no acquisitions or notable product launches during the quarter.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY2024)



AUTONOMOUS SOLUTIONS – Q4 2024

Hexagon's Autonomous Solutions brings together our Autonomy & Positioning (A&P) and 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 advance navigation and autonomy systems, delivering safety, security, reliability and availability for applications requiring assured autonomy and positioning. Key A&P solutions include assured positioning, autonomy, navigation and positioning and high performance antenna. Mining empowers mines to connect all parts of their business with technologies that make sense of data in real time, which integrating, automating and optimising critical workflows. Key solution areas include surveying, design, fleet management, production optimisation and collision avoidance in a single life-of-mine solution. By geography Autonomous Solutions revenues in 2024 were split 55% Americas, 26% EMEA and 19% APAC.

NET SALES AND EARNINGS

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	146.5	150.0	-2% ¹⁾	558.0	571.1	-2% ¹⁾
Adjusted operating earnings (EBIT1)	46.0	50.2	-8%	192.0	193.6	-1%
Adjusted operating margin, %	31.4%	33.5%	-2.1%	34.4%	33.9%	0.5%

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

NET SALES

Autonomous Solutions operating net sales amounted to 146.5 MEUR (150.0). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -2%. The Mining business saw growth in critical safety solutions, offset by lower growth in operations. Autonomy and Positioning (A&P) grew overall, with strong growth in marine positioning and a solid performance in aerospace and defence offsetting weakness in agriculture markets. Growth in both A&P and Mining benefitted from the ramp up of the autonomous road train project in Australia.

By geography, revenues in EMEA and the Americas regions declined, primarily due to very strong comparatives in the prior year period and the challenging agriculture sector. In contrast, APAC saw strong growth, largely driven by good progress in the autonomous road train project in Australia.

By solution area there was a high demand for mining safety solutions and correction services within the marine segment.

EARNINGS

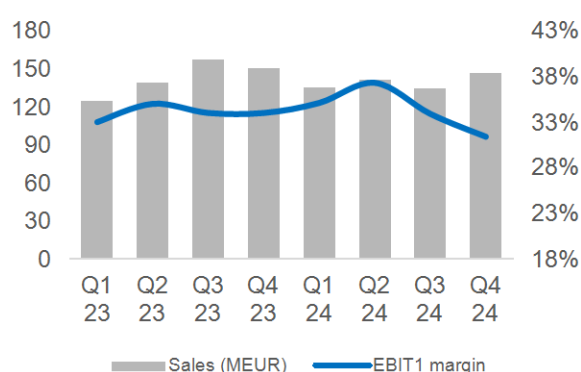
EBIT1 declined compared to prior year, corresponding to an adjusted operating margin of 31.4% (33.5). Margins were negatively impacted by the decline in revenues and a weaker product mix. Currency was neutral to the margin progression.

ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

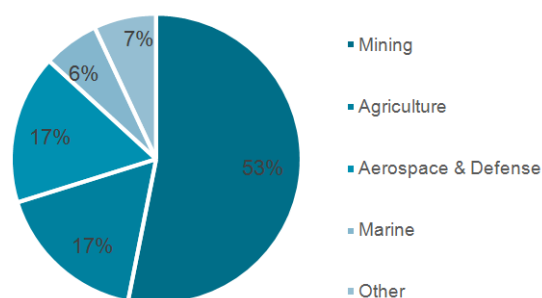
On 21 November 2024 Hexagon announced the acquisition of indurad, a global leader in radar and Real-Time Location Systems (RTLS) technologies, along with its autonomous haulage subsidiary, xtonomy. The transaction closed in November.

On 7 January 2025 Hexagon announced an agreement to acquire Septentrio NV, a leading OEM provider of Global Navigation Satellite System (GNSS) technologies. Completion of the transaction is subject to regulatory approvals and other customary conditions and is expected to be finalised in the first half of 2025.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY2024)



SAFETY, INFRASTRUCTURE & GEOSPATIAL – Q4 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. SIG are the global leader in public safety solutions, protecting over 1 billion people worldwide. They also support government defense agencies with mapping and imagery intelligence, and ensure safe and reliable transportation for travellers worldwide via mapping and monitoring traffic and services. Key solution areas include computer aided dispatch, GPS & positioning technologies and VMS & PSIM. By geography SIG revenues in 2024 were split 58% Americas, 33% EMEA and 9% APAC.

NET SALES AND EARNINGS

MEUR	Q4 2024	Q4 2023	Δ%	2024	2023	Δ%
Operating net sales	140.8	126.1	11% ¹⁾	497.1	463.9	6% ¹⁾
Adjusted operating earnings (EBIT1)	41.9	37.3	12%	114.7	104.0	10%
Adjusted operating margin, %	29.8%	29.6%	0.2%	23.1%	22.4%	0.7%

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 140.8 MEUR (126.1). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 11%. Growth was very strong in Public Safety, and solid across all other categories, with the exception of federal services, which remained weak.

By geography, growth was strongest in Asia, driven by some key wins in Malaysia. The Americas saw high-single digit growth and EMEA also grew well during the quarter.

By solution area Public Safety, which includes the OnCall software suite, posted impressive high double-digit growth. The networks and utilities business also demonstrated strong growth during the quarter.

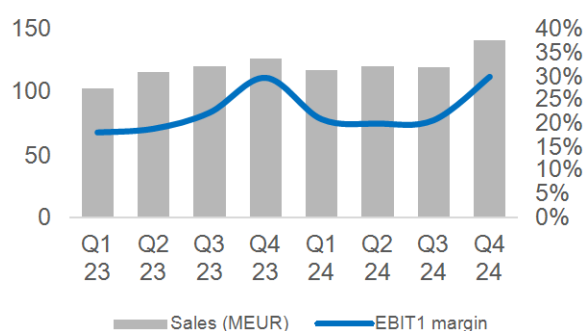
EARNINGS

EBIT1 increased compared to prior year, corresponding to an all-time high adjusted operating margin of 29.8% (29.6). Currency was neutral to the margin progression, which benefitted from strong growth.

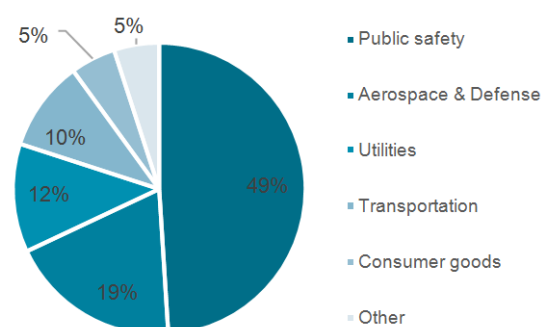
ACQUISITIONS AND NOTABLE PRODUCT LAUNCHES

There were no acquisitions or notable product launches during the quarter.

SALES AND EBIT TREND



NET SALES PER CUSTOMER SEGMENT (FY2024)



FINANCIAL SUMMARY – 2024

NET SALES

Operating net sales amounted to 5,401.1 MEUR (5,440.0) for the full year. Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 0%.

EARNINGS

Adjusted operating earnings (EBIT1) amounted to 1,602.9 MEUR (1,596.7), which corresponds to an adjusted operating margin of 29.7% (29.4). Adjusted operating earnings (EBIT1) were negatively affected by currency translation effects of -23.1 MEUR and positively affected by currency transaction effects of 0.6.

The financial net amounted to -170.1 MEUR (-155.3) for the full year.

Earnings before taxes, excluding adjustments, amounted to 1,432.8 MEUR (1,441.4). Earnings before taxes, including these items, amounted to 1,262.1 MEUR (1,060.7).

Net earnings, excluding adjustments, amounted to 1,175.0 MEUR (1,182.0) or 43.3 Euro cent (43.5) per share. Net earnings, including these items, amounted to 1,035.0 MEUR (871.8) or 38.1 Euro cent (32.0) per share.

CURRENCY TRANSLATION IMPACT COMPARED TO EUR – 2024

	Movement ¹⁾		Income less cost	Earnings impact
CHF	Strengthened	2%	Negative	Negative
USD	Weakened	0%	Positive	Negative
CNY	Weakened	-2%	Positive	Negative
EBIT1, MEUR				-23.1

¹⁾Compared to 2023.

DIVIDEND

The Hexagon Board of Directors proposes a dividend of 0.14 EUR per share (0.13) for the fiscal year 2024, corresponding to 37% of profit after tax. The proposed record date will be 7 May and expected date for settlement is 14 May.

SUBSEQUENT EVENTS

On 7 January 2025, Hexagon announced an agreement to acquire Septentrio NV, a leading OEM provider of Global Navigation Satellite System (GNSS) technologies.

On 20 January 2025, The Hexagon Board of Directors appointed Anders Svensson as new President and CEO of Hexagon. Anders Svensson will take office on 20 July 2025 at the latest, succeeding Norbert Hanke, who will continue as interim President and CEO until then.

On 21 January 2024, Hexagon announced the acquisition of CAD Service, a developer of advanced visualisation tools used to integrate computer-aided design (CAD) drawings, BIM models, and Reality Capture data into HxGN EAM.

ANNUAL GENERAL MEETING AND NOMINATION COMMITTEE

The AGM will be held on 5 May 2025 at 17:00 CET at IVA Konferenscenter, Grev Turegatan 16, Stockholm. The composition of the Hexagon Nomination Committee for the AGM 2025 is: Chairman Mikael Ekdahl (Melker Schörling AB), Jan Dworsky (Swedbank Robur fonder) Brett Watson (Infor) and Daniel Kristiansson (Alecta).

The Board of Directors and the President and CEO declare that this Year-End 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, 31 January 2025
Hexagon AB (publ)

Ola Rollén
Chair of the Board

Norbert Hanke
Interim President and CEO

John Brandon
Board Member

Annika Falkengren
Board Member

Ralph Haupter
Board Member

Erik Huggers
Board Member

Gun Nilsson
Board Member

Märta Schörling Andreen
Board Member

Sofia Schörling Högberg
Board Member

Brett Watson
Board Member

This Year-End Report has not been reviewed by the Company's auditors.

CONDENSED INCOME STATEMENT

MEUR	Q4 2024	Q4 2023	2024	2023
Net sales	1,448.0	1,435.3	5,401.1	5,435.2
Cost of goods sold	-482.7	-481.2	-1,791.4	-1,892.0
Gross earnings	965.3	954.1	3,609.7	3,543.2
Sales expenses	-283.5	-289.6	-1,083.9	-1,159.3
Administration expenses	-114.2	-109.4	-426.7	-481.2
Research and development expenses	-175.8	-163.3	-683.7	-674.5
Other income and expenses, net	9.6	-1.2	16.8	-12.2
Operating earnings ¹⁾	401.4	390.6	1,432.2	1,216.0
Financial income	3.5	3.8	13.5	13.1
Financial expenses	-44.6	-53.1	-183.6	-168.4
Earnings before taxes	360.3	341.3	1,262.1	1,060.7
Taxes	-64.8	-61.4	-227.1	-188.9
Net earnings	295.5	279.9	1,035.0	871.8
Attributable to:				
Parent company shareholders	292.4	277.2	1,023.4	858.9
Non-controlling interest	3.1	2.7	11.6	12.9
¹⁾ of which adjustments	-48.9	-47.8	-170.7	-380.7
Earnings include depreciation, amortisation and impairments of	-165.6	-174.7	-577.5	-563.0
- of which amortisation of surplus values (included in adjustments)	-28.9	-29.5	-112.4	-115.9
Basic earnings per share, Euro cent	10.9	10.3	38.1	32.0
Earnings per share after dilution, Euro cent	10.8	10.2	37.8	31.7
Total shareholder's equity per share, EUR	4.16	3.73	4.16	3.73
Closing number of shares, thousands	2,684,378	2,684,378	2,684,378	2,684,378
Average number of shares, thousands	2,684,378	2,684,378	2,684,378	2,687,690
Average number of shares after dilution, thousands	2,705,478	2,705,478	2,705,478	2,706,141

CONDENSED COMPREHENSIVE INCOME STATEMENT

MEUR	Q4 2024	Q4 2023	2024	2023
Net earnings	295.5	279.9	1,035.0	871.8
Other comprehensive income				
Items that will not be reclassified to income statement				
Remeasurement of pensions	-12.0	-10.2	-11.8	-10.4
Taxes on items that will not be reclassified to income statement	2.0	1.5	2.0	1.5
Total items that will not be reclassified to income statement, net of taxes	-10.0	-8.7	-9.8	-8.9
Items that may be reclassified subsequently to income statement				
Exchange rate differences	683.4	-407.3	542.0	-366.1
Taxes on items that may be reclassified subsequently to income statement	-19.3	18.0	-17.5	11.3
Total items that may be reclassified subsequently to income statement, net of taxes	664.1	-389.3	524.5	-354.8
Other comprehensive income, net of taxes	654.1	-398.0	514.7	-363.7
Total comprehensive income for the period	949.6	-118.1	1,549.7	508.1
Attributable to:				
Parent company shareholders	945.4	-120.4	1,537.0	497.3
Non-controlling interest	4.2	2.3	12.7	10.8

CONDENSED BALANCE SHEET

MEUR	31/12 2024	31/12 2023
Intangible fixed assets	13,767.1	12,993.7
Tangible fixed assets	611.3	600.2
Right-of-use assets	192.4	200.4
Financial fixed assets	167.3	158.1
Deferred tax assets	161.0	179.3
Total fixed assets	14,899.1	14,131.7
Inventories	566.4	584.7
Accounts receivables	1,331.9	1,303.1
Other receivables	194.4	117.2
Prepaid expenses and accrued income	194.9	200.0
Total current receivables	1,721.2	1,620.3
Cash and cash equivalents	663.8	547.1
Total current assets	2,951.4	2,752.1
Total assets	17,850.5	16,883.8
Equity attributable to parent company shareholders	11,160.9	10,013.9
Equity attributable to non-controlling interest	35.2	32.2
Total shareholders' equity	11,196.1	10,046.1
Interest bearing liabilities	2,959.6	2,831.7
Lease liabilities	140.5	152.0
Other liabilities	122.5	124.4
Pension liabilities	63.9	56.9
Deferred tax liabilities	581.6	580.0
Other provisions	6.1	8.1
Total long-term liabilities	3,874.2	3,753.1
Interest bearing liabilities	667.5	1,040.2
Lease liabilities	63.4	59.5
Accounts payable	328.3	288.5
Other liabilities	327.4	280.4
Other provisions	72.9	159.4
Deferred income	883.6	790.4
Accrued expenses	437.1	466.2
Total short-term liabilities	2,780.2	3,084.6
Total equity and liabilities	17,850.5	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	Q4 2024	Q4 2023	2024	2023
Operating earnings	401.4	390.6	1,432.2	1,216.0
Depreciation, amortisation and impairment	165.6	174.7	577.5	563.0
Share program expenses	10.0	16.0	46.9	56.3
Capital gain/loss and other non-cash items	-27.1	-42.0	-71.4	117.5
Taxes paid	-64.3	-51.1	-243.2	-276.2
Interest received and paid, net	-35.9	-46.9	-158.3	-146.5
Cash flow from operations before change in working capital	449.7	441.3	1,583.7	1,530.1
Change in inventories	36.0	18.5	2.7	-23.2
Change in current receivables	-35.2	-33.2	15.7	-57.5
Change in current liabilities	139.8	83.7	75.6	2.5
Cash flow from operations	590.3	510.3	1,677.7	1,451.9
Investments tangible assets, net	-30.2	-27.4	-105.6	-108.3
Investments intangible assets	-138.6	-129.8	-516.8	-490.0
Operating cash flow before non-recurring items	421.5	353.1	1,055.3	853.6
Non-recurring cash flow ¹⁾	-18.5	-32.1	-89.5	-81.5
Operating cash flow	403.0	321.0	965.8	772.1
Cash flow from acquisitions and divestments	-43.8	0.0	-84.6	-375.8
Cash flow from other investing activities	0.6	-3.9	-3.1	-56.4
Cash flow after other investing activities	359.8	317.1	878.1	339.9
Dividends paid	-0.6	-3.0	-357.8	-335.8
Share programme	-	-	-88.8	-47.1
Cash flow from other financing activities	-292.3	-211.1	-317.5	133.6
Cash flow for the period	66.9	103.0	114.0	90.6
Cash and cash equivalents, beginning of period	590.0	463.4	547.1	486.3
Effect of translation differences on cash and cash equivalents	6.9	-19.3	2.7	-29.8
Cash flow for the period	66.9	103.0	114.0	90.6
Cash and cash equivalents, end of period	663.8	547.1	663.8	547.1
¹⁾ Non-recurring cash flow consists of restructuring costs.				
Operating cash flow before interest, tax and non-recurring cash flow	521.7	451.1	1,456.8	1,276.3
Cash conversion	116%	103%	91%	80%
Cash flow from operations per share, Euro cent	22.0	19.0	62.5	54.0
Cash flow per share before change in working capital, Euro cent	16.8	16.4	59.0	56.9

CONDENSED STATEMENT OF CHANGES IN EQUITY

MEUR	2024	2023
Opening shareholders' equity	10,046.1	9,864.6
Total comprehensive income for the period¹⁾	1,549.7	508.1
Share programme	-88.8	-
Repurchase of Treasury shares	-	-47.1
Dividend	-357.8	-335.8
Share based programme (LTIP)	46.9	56.3
Closing shareholders' equity²⁾	11,196.1	10,046.1
1) Of which: Parent company shareholders	1,537.0	497.3
Non-controlling interest	12.7	10.8
2) Of which: Parent company shareholders	11,160.9	10,013.9
Non-controlling interest	35.2	32.2

KEY RATIOS

MEUR	Q4 2024	Q4 2023	2024	2023
Adjusted operating margin, %	31.1	30.5	29.7	29.4
Profit margin before taxes, %	24.9	23.8	23.4	19.5
Return on shareholders' equity, 12-month average, %	9.8	8.6	9.8	8.6
Return on capital employed, 12-month average, %	11.1	11.4	11.1	11.4
Equity ratio, %	62.7	59.5	62.7	59.5
Net indebtedness	0.26	0.33	0.26	0.33
Interest coverage ratio	9.1	7.4	7.9	7.3
Average number of shares, thousands	2,684,378	2,684,378	2,684,378	2,687,690
Basic earnings per share excl. adjustments, Euro cent	12.4	11.8	43.3	43.5
Basic earnings per share, Euro cent	10.9	10.3	38.1	32.0
Cash flow per share, Euro cent	22.0	19.0	62.5	54.0
Cash flow per share before change in working cap, Euro cent	16.8	16.4	59.0	56.9
Share price, SEK	105.60	121.00	105.60	121.00
Share price, translated to EUR	9.22	10.90	9.22	10.90

CONDENSED PARENT COMPANY INCOME STATEMENT

MEUR	Q4 2024	Q4 2023	2024	2023
Net sales	7.6	10.3	30.3	26.3
Administration expenses	-19.2	-12.8	-50.0	-41.4
Operating earnings	-11.6	-2.5	-19.7	-15.1
Earnings from shares in Group companies	4,986.8	6.7	5,199.2	1,807.8
Interest income and expenses, net	45.8	-97.7	-51.3	-156.1
Appropriations	8.5	22.2	8.5	22.2
Earnings before taxes	5,029.5	-71.3	5,136.7	1,658.8
Taxes	-11.3	-11.6	36.9	3.7
Net earnings	5,018.2	-82.9	5,173.6	1,662.5

CONDENSED PARENT COMPANY BALANCE SHEET

MEUR	31/12 2024	31/12 2023
Total fixed assets	18,556.9	14,919.3
Total current receivables	2,694.4	1,533.7
Cash and cash equivalents	123.6	60.2
Total current assets	2,818.0	1,593.9
Total assets	21,374.9	16,513.2
Total shareholders' equity	11,113.4	6,333.3
Untaxed reserves	-	-
Total long-term liabilities	2,965.4	2,835.6
Total short-term liabilities	7,296.1	7,344.3
Total equity and liabilities	21,374.9	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 fourth quarter was 24,692 (24,548). The number of employees at the end of the quarter was 24,802 (24,581).

NOTE 5 SHARE DATA

Earnings per share, including adjustments, for the fourth quarter amounted to 10.9 Euro cent (10.3). Earnings per share, excluding adjustments, for the fourth quarter, amounted to 12.4 Euro cent (11.8).

On 31 December 2024, equity per share was 4.16 EUR (3.73) and the share price was 105.60 SEK (121.00).

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	2024	2023
Fair value of acquired assets and assumed liabilities		
Intangible fixed assets	22.1	127.7
Other fixed assets	4.0	3.4
Total fixed assets	26.1	131.1
Total current assets	25.9	24.0
Total assets	52.0	155.1
Total long-term liabilities	-9.8	-27.0
Total current liabilities	-9.9	-25.3
Total liabilities	-19.7	-52.3
Fair value of acquired assets and assumed liabilities, net	32.3	102.8
Goodwill	102.9	331.2
Total purchase consideration transferred	135.2	434.0
Less cash and cash equivalents in acquired companies	-7.5	-3.5
Adjustment for non-paid consideration and considerations paid for prior years' acquisitions	-15.3	-54.7
Cash flow from acquisition of companies/businesses	112.4	375.8

During the full year 2024, Hexagon acquired the following companies:

- Edge Technology, a reseller of Hexagon Production Software
- X Watch, a provider of machine control hardware and software technologies
- Itus Digital, a provider of asset performance management (APM) software
- Helmee, a provider of metrology inspection solutions
- Voyansi, a provider of BIM (Building Information Modelling) and VDC (Virtual Design and Construction) solutions
- Schleupen, a reseller of Hexagon's geospatial and network asset management software solutions
- Indurad, a provider of Real-Time Location Systems (RTLS) technologies

During the full year 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 133.5 (175.8) as of 31 December, whereof the fair value adjustment in 2024 amounted to 61.4 MEUR (41.6). 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	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
Manufacturing Intelligence	530.0	463.8	483.8	478.1	1,955.7	551.5	487.1	497.6	476.8	2,013.0
Asset Lifecycle Intelligence	228.8	207.6	203.1	192.2	831.7	207.6	197.6	186.2	190.6	782.0
Geosystems	400.1	373.0	405.5	376.8	1,555.4	399.4	389.0	424.8	389.8	1,603.0
Autonomous Solutions	146.5	134.8	141.2	135.5	558.0	150.0	157.1	139.3	124.7	571.1
Safety, Infrastructure & Geospatial	140.8	119.6	119.8	116.9	497.1	126.1	120.0	115.3	102.5	463.9
Other operations	1.8	1.0	0.0	0.4	3.2	0.7	1.3	2.8	2.2	7.0
Group	1,448.0	1,299.8	1,353.4	1,299.9	5,401.1	1,435.3	1,352.1	1,366.0	1,286.6	5,440.0

ADJUSTED OPERATING EARNINGS (EBIT1) PER SEGMENT

MEUR	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
Manufacturing Intelligence	159.0	118.3	129.1	124.8	531.2	158.9	123.5	128.9	119.5	530.8
Asset Lifecycle Intelligence	87.4	72.5	70.5	66.5	296.9	79.3	73.5	62.1	68.3	283.2
Geosystems	124.3	121.5	131.0	117.5	494.3	121.1	122.7	139.0	127.5	510.3
Autonomous Solutions	46.0	45.7	52.6	47.7	192.0	50.2	54.0	48.1	41.3	193.6
Safety, Infrastructure & Geospatial	41.9	24.7	23.8	24.3	114.7	37.3	26.6	21.7	18.4	104.0
Other operations and Group costs	-8.3	-6.1	-7.5	-4.3	-26.2	-8.4	-7.3	-5.7	-3.8	-25.2
Group	450.3	376.6	399.5	376.5	1,602.9	438.4	393.0	394.1	371.2	1,596.7
Adjusted operating margin, %	31.1	29.0	29.5	29.0	29.7	30.5	29.1	28.9	28.9	29.4

NET SALES BY REGION*

MEUR	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
EMEA	494.9	448.3	477.1	449.7	1,870.0	521.7	448.9	459.6	448.2	1,878.4
Americas	554.7	519.1	519.7	498.2	2,091.7	553.6	546.9	520.9	475.8	2,097.2
Asia	398.4	332.4	356.6	352.0	1,439.4	360.0	356.3	385.5	362.6	1,464.4
Group	1,448.0	1,299.8	1,353.4	1,299.9	5,401.1	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	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
SEK/EUR	0.0870	0.0873	0.0870	0.0887	0.0875	0.0872	0.0850	0.0873	0.0893	0.0871
USD/EUR	0.9374	0.9103	0.9288	0.9210	0.9239	0.9299	0.9190	0.9176	0.9313	0.9248
CNY/EUR	0.1303	0.1271	0.1283	0.1281	0.1284	0.1287	0.1268	0.1309	0.1361	0.1306
CHF/EUR	1.0684	1.0513	1.0271	1.0537	1.0497	1.0481	1.0402	1.0219	1.0074	1.0289
Closing	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2023
SEK/EUR	0.0873	0.0885	0.0880	0.0868	0.0873	0.0901	0.0867	0.0847	0.0886	0.0901
USD/EUR	0.9626	0.8932	0.9341	0.9250	0.9626	0.9050	0.9439	0.9203	0.9195	0.9050
CNY/EUR	0.1319	0.1274	0.1286	0.1280	0.1319	0.1274	0.1293	0.1266	0.1338	0.1274
CHF/EUR	1.0625	1.0594	1.0380	1.0240	1.0625	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
2024-12-31 Total outstanding	110,250,000	2,574,127,888	2,684,377,888
Total amount of treasury shares	-	21,100,000	21,100,000
2024-12-31 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, analyze 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 the global leader in precision technologies at any scale. Our digital twins, robotics and AI solutions are transforming the industries that shape our reality.

Hexagon (Nasdaq Stockholm: HEXA B) has approximately 24,800 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 31 January 2025.

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