



**HEXAGON**

## **CEO Appointment**

11 November 2024

# What was announced today?

- Hexagon announced the appointment of Norbert Hanke as interim President and CEO of Hexagon AB. He assumes this position with immediate effect.
- At the same time, we announced that Paolo Guglielmini is stepping down as CEO.
- The Board has started the process of recruiting a new CEO for Hexagon AB.
- **What's next?**

# Hexagon evaluating potential separation of NewCo

- The Board of Directors has decided to evaluate a potential separation of its Asset Lifecycle Intelligence division (NewCo)
- The ambition is to create two scaled public companies with distinctive strategies and financial profiles, and create additional value for all stakeholders

	Hexagon AB	NewCo
Customer Base	Makers of Physical Objects	Capital Intensive Process industries and Asset-Centric Businesses
Client Firmographics	Small to Large Enterprise	Almost Exclusively Large Enterprise
Industries	Manufacturing, Automotive & Aerospace, Construction, Mining, Agriculture, Public Safety	Oil & Gas, Chemicals, Power & Utilities, Transportation, Food & Bev., Pharma & Bio
Products	Systems Approach	Enterprise Software

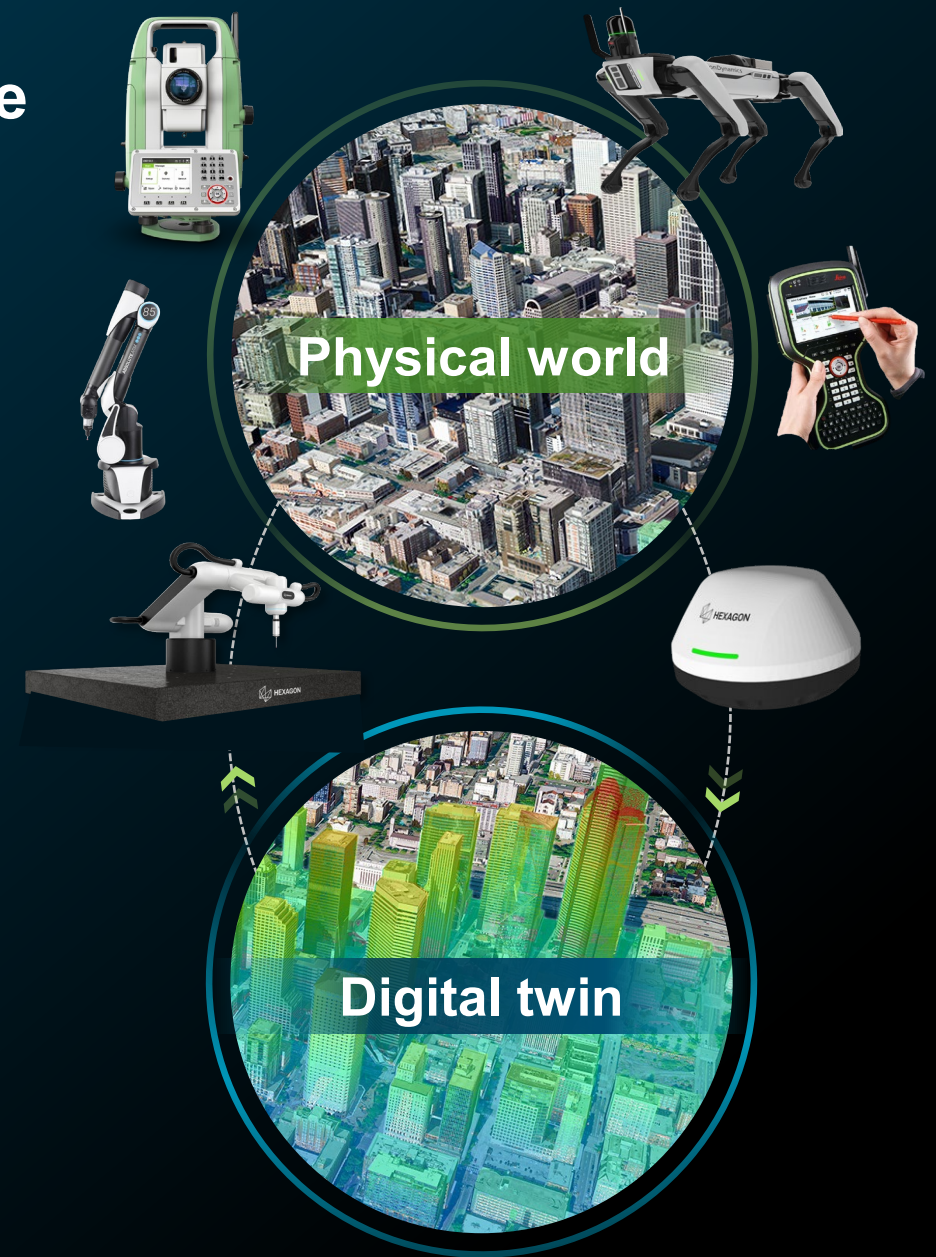
# Hexagon AB – Measurement & Reality Capture

## Company profile

- Leadership in transforming real-world data into digital assets
- Best-in-class digital twins with software, sensors & robotics

## The Growth Opportunity

- **Skilled labour shortages**
- **Sustainability goals** and
- Need to improve **Quality** and **Safety**
- Increased use of **digital twins** across all industries
- Support customers on their journey towards **full autonomy**
- Growing installed base drives **recurring revenue**



Revenue\*: 4.4bnEUR

Gross margin: ~64%

EBIT1 margin: ~28%

Employees: ~19.6k

Recurring Rev: ~35%



# NewCo – Enterprise Industrial Software

## Company profile

- Core expertise in the design phase with a data-centric approach
- Leading portfolio of solutions to manage digital projects and assets

## The Growth Opportunity

- World-class **Asset management and asset performance** driving productivity and sustainability
- Capturing the knowledge of an **aging workforce** within asset information management systems
- Generative AI driving **data center demand**, creating new opportunities in asset management and performance
- Safeguarding against **current and future OT cyber threats**

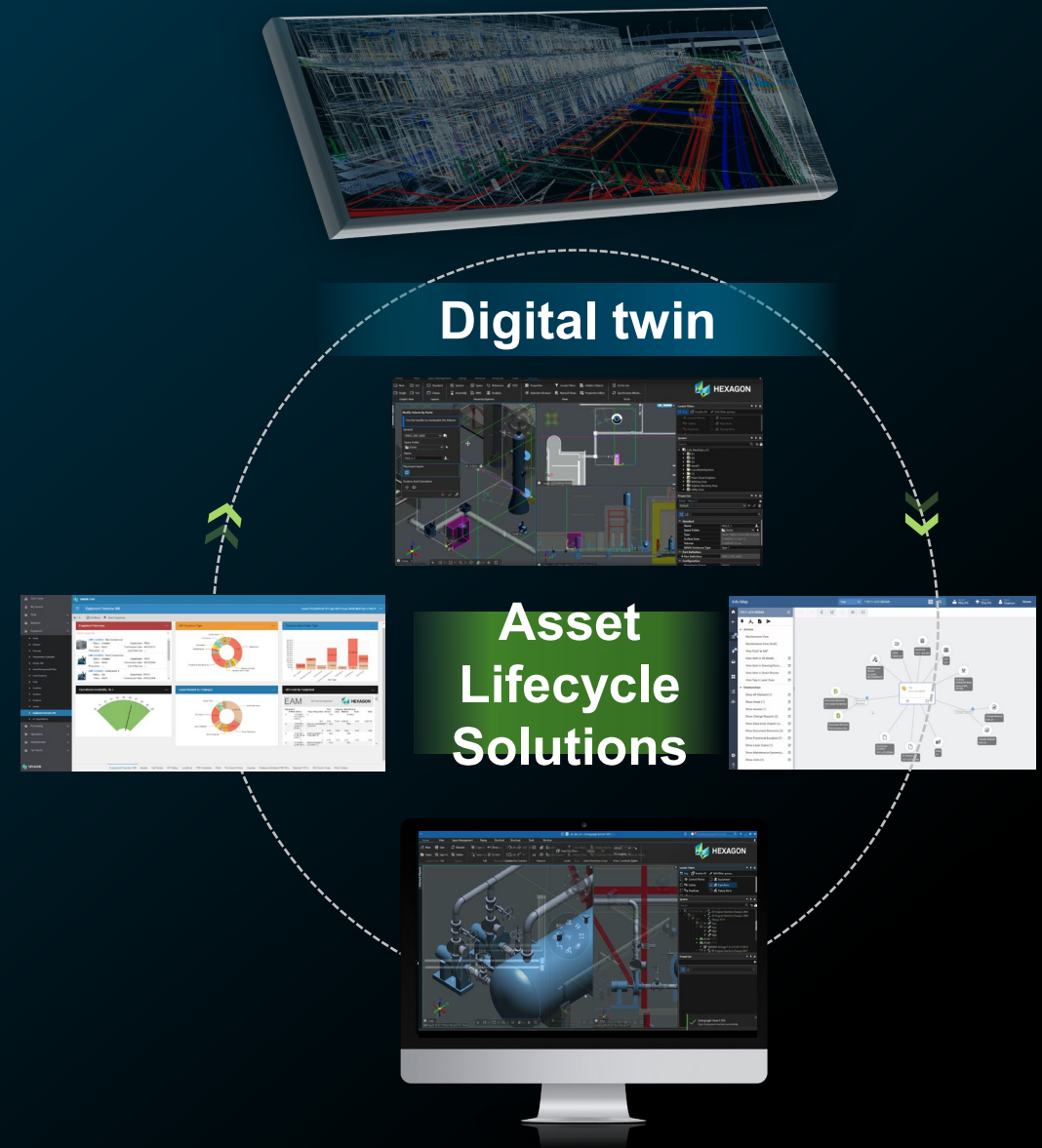
Revenue\*: 980MEUR

Gross margin: ~80%

EBIT1 margin: ~35%

Employees: ~5,000

Recurring Rev: ~75-80%



# FAQ's

## 1. What is the reason for the change?

The Board of Directors believe that a change in leadership is the best course of action for the future direction of the company. Entering the next phase in the company's development, we feel the timing is right.

## 2. Is Hexagon's strategy changing?

To some degree, yes. The execution of the strategy is entering a new phase, and we are planning to structure two new entities with a laser focus to invest, grow and innovate in their individual spaces.

## 3. Is the change based on company performance?

It is not based on anything that the market is not aware of, all guidance and reporting is current and accurate. The future of Hexagon is very bright.

## 4. Does the company stand by the long-term targets set for 2026?

Yes. We have conviction around the existing targets set for 2026.

## 5. When will you announce a new CEO?

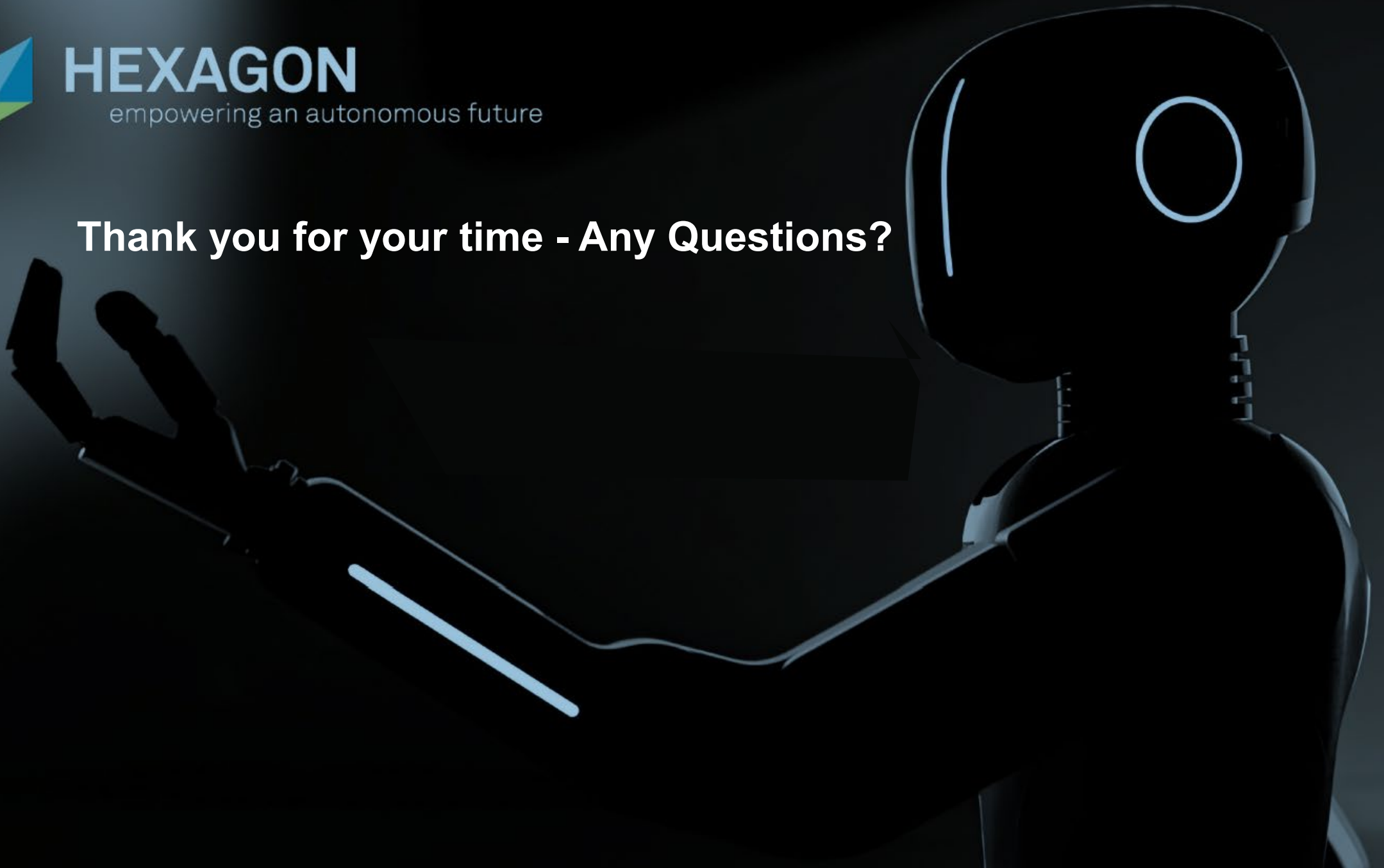
The Board has started a process to recruit and will communicate as appropriate.



# HEXAGON

empowering an autonomous future

**Thank you for your time - Any Questions?**



## Cautionary statement

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.

*\*12 months ended September 30, 2024*

*The exact scope of NewCo has not yet been finally determined, the actual results of NewCo, and Hexagon excluding NewCo, may vary from the preliminary unaudited figures reflected in this document*