



Interim Report

1 January - 30 June 2025 | Second quarter



Second quarter

Return to organic growth and an excellent cash conversion

- 3% organic revenue growth (using fixed exchange rates and a comparable group structure)
- Net sales increased by 1% to 1,370.7 MEUR (1,353.4)
- Net sales including the reduction of acquired deferred revenue amounted to 1,369.9 MEUR (1,353.4)
- Adjusted gross margin of 67.0% (67.3)
- Adjusted operating earnings (EBIT1) decreased by -10% to 360.6 MEUR (399.5)
- Adjusted operating margin amounted to 26.3% (29.5)
- Earnings per share, excluding adjustments, amounted to 9.8 Euro cent (10.8)
- Earnings per share, including adjustments, amounted to 8.4 Euro cent (9.6)
- Operating cash flow before non-recurring items increased to 270.8 MEUR (248.5)
- Cash conversion amounted to 104% (85)
- Recurring revenue grew 4% organically and amounted to 571.0 MEUR (560.7)



3% Organic growth

26% Adjusted operating margin

104% Cash conversion

Adjusted key figures²⁾

MEUR	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	1,370.7	1,353.4	3 ¹⁾	2,693.5	2,653.3	1 ¹⁾
Gross earnings	918.6	911.0	1	1,808.1	1,775.5	2
Gross margin, %	67.0	67.3	-0.3	67.1	66.9	0.2
Operating earnings (EBITDA)	478.3	507.9	-6	942.1	991.5	-5
EBITDA margin, %	34.9	37.5	-2.6	35.0	37.4	-2.4
Operating earnings (EBIT1)	360.6	399.5	-10	705.3	776.0	-9
Operating margin, %	26.3	29.5	-3.2	26.2	29.2	-3.0
Earnings before taxes	325.2	357.4	-9	636.6	691.2	-8
Earnings per share, Euro cent	9.8	10.8	-9	19.3	20.9	-8

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

²⁾For definition, see page 27. For specification, see page 4

Anders Svensson, President and CEO, Hexagon AB commented

"Hexagon has built an excellent reputation for innovation and is viewed as a scaled disruptor in the markets it operates in and has leveraged this to build leadership positions in several structurally attractive markets with positive long-term growth dynamics. The ingredients are there for at least another 25 years of continued success."

The potential separation of Octave is a catalyst for both businesses to re-focus on the core value that they provide, doubling down on their strengths – Hexagon in precision measurement technologies, and Octave in data-driven insights to power more effective responses. Joining Hexagon as President and CEO, at this junction in its history, is a great honour and I am excited for what the team and I can deliver."

In the second quarter of 2025 the divisions mitigated the continued impact of geopolitical uncertainty on sales cycles to drive a return to organic growth, while delivering an excellent cash conversion of 104% and maintaining gross margins. A significant negative currency effect, including both transaction and translation impacts, diluted the EBIT1 margin by 130 basis points."

These results are encouraging, however continued market uncertainty makes it difficult to forecast the second half of the year. It is clear to me, however, that we need to accelerate organic growth further and that the existing cost base needs to be adjusted."

I have therefore started working with my leadership team on a cost improvement programme, to be implemented as soon as possible. We will update the market on the status of this initiative no later than at our third quarter results on 24 October 2025."

I look forward to meeting many of you in the coming weeks and months as we drive Hexagon to its next phase of delivery."

Comments from the CEO

Organic growth in the second quarter was 3%, as the divisions mitigated delays in customer decision making due to ongoing geopolitical uncertainty. There was improvement in demand in our Autonomous Solutions (AS) and Manufacturing Intelligence (MI) divisions and a stable development in Asset Lifecycle Intelligence (ALI) and Safety, Infrastructure & Geospatial (SIG). The market environment remains most challenging in Geosystems, but we continued to see some of this weakness offset by a good contribution from the new products released in 2024.

Gross margins were stable at 67.0% (67.3), with the benefit of previous innovation spend offsetting negative currency effects. There were several important product announcements during the quarter, including AEON, a humanoid robot focused on mitigating labour shortages in industrial applications, and MAESTRO, the launch of our next-generation coordinate measurement machine (CMM) suite.

Operating margins were 26.3% (29.5), in part reflecting significant currency headwinds which had a negative impact of 130 basis points during the quarter. Cash conversion was excellent at 104%, reflecting ongoing operational discipline.

We continue to strategically manage our portfolio of businesses and make synergistic acquisitions. In Geosystems we acquired Aero Photo Europe Investigation (APEI), which supports the growing demand for high-accuracy geospatial content in Europe. We also announced the divestment of a number of non-core assets in the SIG division, with combined revenues of around 90MUSD, which within Octave will increase their focus on the high-growth public safety software portfolio.

During the quarter, MI recorded organic growth of 3% (0), with a strong performance in China, which grew 10%, partially offset by EMEA where the automotive sector remains challenging.

ALI grew 6% (9) organically, with strong growth in SaaS partially offset by a reduction in non-recurring services driven by the shift to simplified deployments in the cloud.

Geosystems declined organically by -1% (-5), with growth in new products, software and services offset by continued weakness in surveying and in particular a negative market backdrop in China.

AS saw organic growth of 11% (-2), with customer delays in mining offset by demand for mine operations and planning software, strong growth in aerospace and defence and continued progress in the autonomous road train project in Australia.

SIG grew by 2% (6), with strong growth in public safety partially offset by weakness in Federal services activity.

Preparations for the potential separation of ALI, SIG and related businesses ("Octave") continue and remain on track for completion in the first half of 2026.

The quarter's results are encouraging, however continued market uncertainty makes it difficult to forecast the second half of the year. It is clear to me, however, that we need to accelerate organic growth further and that the existing cost base needs to be adjusted.

I have therefore started working with my leadership team on a cost improvement programme, to be implemented as soon as possible. We will update the market on the status of this initiative no later than at our third quarter results on 24 October 2025.

While there are some challenges in the immediate term, we have a strong pipeline of innovation, market leading positions in some very attractive structural growth markets, and an entrepreneurial culture. Our focus now is to build on these elements to improve performance.

Contacts

Investor Relations

Tom Hull
Anton Heikenström

ir@hexagon.com
ir@hexagon.com

CONFERENCE CALL

The Interim report for the second quarter 2025 will be presented on 25 July at 10:00 CET at a webcast and telephone conference call. Please view instructions at Hexagon's [website](#) on how to participate.

FINANCIAL CALENDAR

Hexagon gives financial information at the following occasions:

Interim Report Q3 2025
Year-End Report 2025

24 October 2025
30 January 2026

Net sales

Operating net sales increased by 1% to 1,370.7 MEUR (1,353.4). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 3%. Structure added 2% to growth, reflecting the net contribution of the acquisitions and divestments made in the last 12 months. More details on acquisitions and divestments are given in note 6.

Development by Geography

Regionally, organic growth was -2% in EMEA, 6% in the Americas and 5% in Asia.

In EMEA, Western Europe recorded -4% organic growth, primarily due to continued weakness in construction and automotive markets in Geosystems and Manufacturing Intelligence. EEMEA recorded 3% organic growth with strong growth from defence in Autonomous Solutions, as well as solid growth in Asset Lifecycle Intelligence and Manufacturing Intelligence.

In the Americas, North America recorded 5% organic growth, with solid growth coming from Geosystems and Autonomous Solutions. South America recorded 12% organic growth, driven by strong performance in Manufacturing Intelligence and Safety, Infrastructure & Geospatial.

In Asia, China recorded 5% organic growth, with strong growth in Manufacturing Intelligence, offset by continued weakness in Geosystems. The rest of Asia recorded 5% organic growth, fueled by solid progress in the autonomous road train project in Australia within Autonomous Solutions, partially offset by tariff-related uncertainty causing some delays in mining investments in the region.

Development by Product Type

Software and services recorded 5% organic growth, with continued strong growth in SaaS and subscription software revenues. Recurring revenues maintained their upward trajectory, recording 4% organic growth, with growth across all divisions.

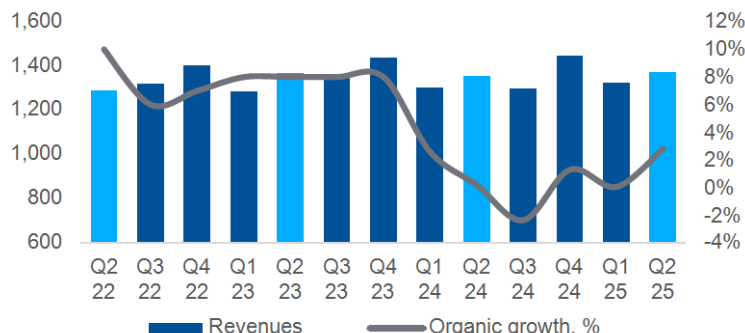
The sensors & robotic solutions portfolio recorded -1% organic growth.

Sales bridge - Second quarter

	Operating net sales ¹⁾
2024, MEUR	1,353.4
Structure, %	2
Currency, %	-4
Organic growth, %	3
Total, %	1
2025, MEUR	1,370.7

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 product type - second quarter

MEUR	Q2 2025	% of sales	Q2 2024	% of sales	Organic Δ%
Software & Services	842.5	61.5%	819.5	60.6%	5%
Sensors & Robotics Solutions	528.2	38.5%	533.9	39.4%	-1%
Total	1,370.7		1,353.4		3%
Recurring revenue	571.0	41.7%	560.7	41.4%	4%

Sales by geography - second quarter

MEUR	Q2 2025	% of sales	Q2 2024	% of sales	Organic Δ%
North America	466.3	34%	460.6	34%	5%
South America	61.6	5%	59.2	4%	12%
Western Europe	367.2	26%	372.5	28%	-4%
Eastern Europe, Middle East, Africa	110.7	8%	104.5	8%	3%
China	186.2	14%	184.6	14%	5%
Asia, excl China	178.7	13%	172.0	13%	5%
Total	1,370.7		1,353.4		3%

Earnings Q2

Adjusted operating earnings (EBIT1) decreased by -10% to 360.6 MEUR (399.5), which corresponded to an adjusted operating margin of 26.3% (29.5). The adjusted operating margin (EBIT1) was impacted by negative currency impacts. The adjusted operating margin including amortisation of surplus values (PPA) of -28.0 MEUR (-28.2) amounted to 24.3% (27.4).

Adjusted operating earnings (EBIT1) were negatively impacted by currency transaction effects of -10.7 MEUR (-4.5) and negatively impacted by currency translation effects of -26.1 MEUR. Earnings before taxes, excluding adjustments, amounted to 325.2 MEUR (357.4).

Total R&D spend (including capitalised amounts) was 225.4 MEUR (214.6), equivalent to 16% (16) of net sales, whereof 124.9 MEUR (121.0) was capitalised. Amortisation of previously capitalised R&D amounted to 71.5 MEUR (58.4). The adjusted net R&D cost expensed to EBIT in the quarter was 172.0 MEUR (152.0).

Hexagon's net capital investments, excluding acquisitions and divestitures, amounted to -149.6 MEUR (-155.5) in the second quarter. Depreciation, amortisation and impairment amounted to -145.7 MEUR (-136.6) in the second quarter, whereof impairment charges amounted to -4.0 MEUR (-4.5).

The adjustments for the quarter consist of share-based program expenses (LTIP) of -5.0 MEUR (-10.8), amortisation of surplus values (PPA) of -28.0 MEUR (-28.2), acquired deferred revenue of -0.8 and items affecting comparability consisting of -13.6 MEUR (0.0), reflecting costs related to the potential spin-off of Octave.

Tax and financial net expense

The Group's tax expense for the quarter totalled -50.0 MEUR (-57.3). 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 -35.4 MEUR (-42.1).

Sales and operating profit bridge

MEUR	Q2 2024	Currency	Structure	Organic	Q2 2025
Operating net sales	1,353.4	-50	27	40	1,370.7
Adjusted operating earnings (EBIT1)	399.5	-32	11	-17	360.6
Adjusted operating margin	29.5%	65%	39%	-43%	26.3%
Accretion (dilution) on margin		-1.3%	0.2%	-2.1%	

Currency translation impact compared to EUR - second quarter

	Movement ¹⁾		Income less cost	Earnings impact
CHF	Strengthened	4%	Negative	Negative
USD	Weakened	-5%	Positive	Negative
CNY	Weakened	-5%	Positive	Negative
EBIT1, MEUR				-26.1

¹⁾ Compared to Q2 2024

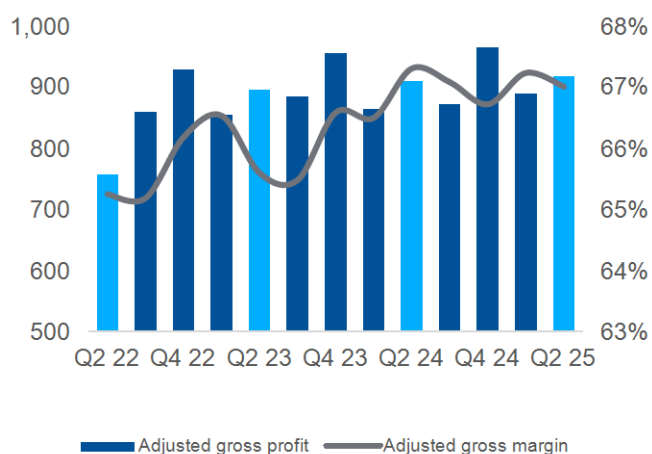
Adjustments in the quarter

MEUR	Q2 2025	Adjustments					Total adjustments	Q2 2025
	Non-IFRS	PPA	LTIP	Def rev 2)	IAC 1)			IFRS
Operating earnings (EBIT1/EBIT)	360.6	-28.0	-5.0	-0.8	-13.6		-47.4	313.2
Depreciation, amortisation and impairment	117.7	28.0			0.0		28.0	145.7
EBITDA	478.3							458.9
Share program expenses	0		4.4				4.4	4.4
Capital gain/loss and other non-cash items	-9.2		0.6	0.8	13.6		15.0	5.8
Cash flow from operations before change in working capital excluding taxes and interest	469.1							469.1

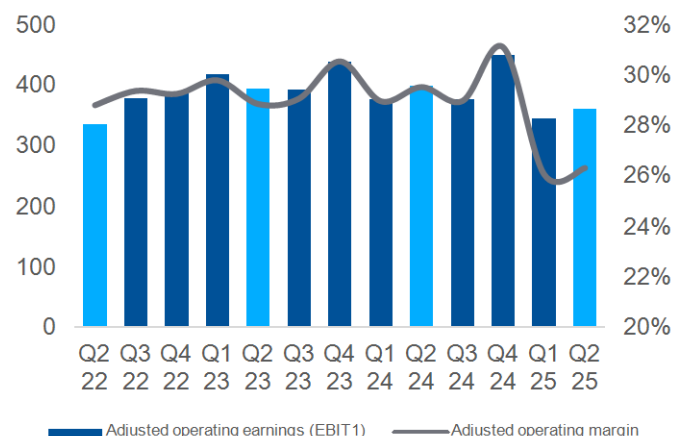
1) Items affecting comparability

2) Acquired deferred revenue

Gross profit and gross margin



EBIT1 and EBIT1 margin



Reporting segments

MEUR	Q2 2025	Q2 2024	Reported Δ%	Organic Δ%	6M 2025	6M 2024	Reported Δ%	Organic Δ%
Operating net sales								
Manufacturing Intelligence	487.5	483.8	1%	3%	957.4	961.9	0%	1%
Asset Lifecycle Intelligence	206.3	203.1	2%	6%	410.7	395.3	4%	5%
Geosystems	389.6	405.5	-4%	-1%	765.3	782.3	-2%	-2%
Autonomous Solutions	167.2	141.2	18%	11%	318.3	276.7	15%	7%
Safety, Infrastructure & Geospatial	118.3	119.8	-1%	2%	238.8	236.7	1%	2%
Other operations & Group costs	1.8	0.0	n.a.	n.a.	3.0	0.4	650%	n.a.
Total operating net sales	1,370.7	1,353.4	1%	3%	2,693.5	2,653.3	2%	1%
Adjusted operating earnings (EBIT1)								
Manufacturing Intelligence	120.7	129.1	-7%		237.8	253.9	-6%	
Asset Lifecycle Intelligence	62.5	70.5	-11%		125.4	137.0	-8%	
Geosystems	103.7	131.0	-21%		206.5	248.5	-17%	
Autonomous Solutions	54.5	52.6	4%		102.2	100.3	2%	
Safety, Infrastructure & Geospatial	27.6	23.8	16%		49.9	48.1	4%	
Other operations & Group costs	-8.4	-7.5	-12%		-16.5	-11.8	-40%	
Total adjusted EBIT	360.6	399.5	-10%		705.3	776.0	-9%	
Adjusted operating margin, %								
Manufacturing Intelligence	24.8%	26.7%	-1.9%		24.8%	26.4%	-1.6%	
Asset Lifecycle Intelligence	30.3%	34.7%	-4.4%		30.5%	34.7%	-4.2%	
Geosystems	26.6%	32.3%	-5.7%		27.0%	31.8%	-4.8%	
Autonomous Solutions	32.6%	37.3%	-4.7%		32.1%	36.2%	-4.1%	
Safety, Infrastructure & Geospatial	23.3%	19.9%	3.4%		20.9%	20.3%	0.6%	
Other operations and Group costs	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.	
Total adjusted EBIT margin %	26.3%	29.5%	-3.2%		26.2%	29.2%	-3.0%	

Cash flow and balance sheet

Operating cash flow before tax, interest and non-recurring items amounted to 375.1 MEUR (338.5), an increase of 11% compared to the prior year. The cash conversion ratio amounted to 104% (85) during the quarter. Working capital saw an inflow of 55.6 MEUR.

Net interest payments amounted to -38.2 MEUR (-39.3) during the quarter. Taxes paid amounted to -66.1 MEUR (-50.7).

Operating cash flow before non-recurring items amounted to 270.8 MEUR (248.5), corresponding to an increase of 9% compared to the prior year.

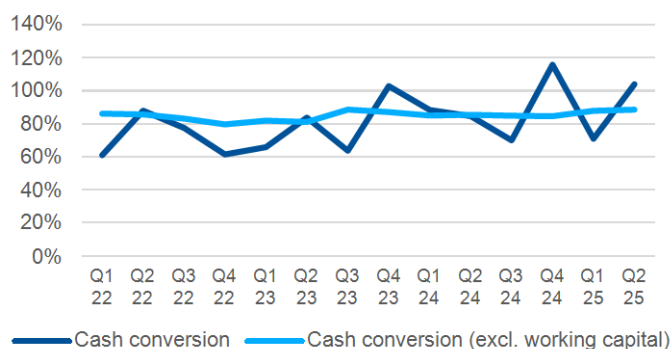
Cash flow statement

MEUR	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Adjusted operating earnings (EBIT1)	360.6	399.5	-10	705.3	776.0	-9
D&A (excl adjustments)	117.7	108.4	9	236.1	215.5	10
Adjusted EBITDA	478.3	507.9	-6	942.1	991.5	-5
Non-cash items	-9.2	-10.8	-15	-15.7	-27.6	-43
Capital expenditures	-149.6	-155.5	-4	-303.9	-302.1	1
Cash flow post investment	319.5	341.6	-6	622.5	661.8	-6
Working capital	55.6	-3.1	-1,894	-2.8	9.6	n.a.
Operating cash flow before tax and interest	375.1	338.5	11	619.7	671.4	-8
Cash conversion	104%	85%	19	88%	87%	1
Taxes paid	-66.1	-50.7	30	-128.7	-121.9	6
Interest received and paid, net	-38.2	-39.3	-3	-66.2	-81.6	-19
Operating cash flow before non-recurring items	270.8	248.5	9	424.8	467.9	-9

Net debt bridge

MEUR	Q2 2025
Net debt opening balance	-3,550.6
Operating cash flow	238.9
Investments in subsidiaries	-120.0
Investments/divestments in financial fixed assets	-1.5
Changes to pension liability	-0.7
Share program	-28.6
Dividend	-381.8
New/changed lease contracts	-14.1
Currency	-30.4
Other	1.0
Net debt closing balance	-3,887.9
Net debt to EBITDA	1.9

Cash conversion



Capital efficiency

Capital employed decreased to 14,507.2 MEUR (14,598.5), mainly due to currency movements, but off-set by acquisitions. Return on average capital employed for the last twelve months was 10.5% (11.3). Return on average shareholders' equity for the last twelve months was 8.9% (8.4). The capital turnover rate was 0.4 times (0.4).

Financial position

Total shareholders' equity decreased to 10,043.8 MEUR (10,395.8). The equity ratio was 58.8% (60.2). Hexagon's total assets decreased to 17,072.6 MEUR (17,279.8), 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 30 June 2025, cash and unutilised credit limits totalled 1,436.8 MEUR (1,345.5). Hexagon's net debt was 3,887.9 MEUR (3,691.3). The net indebtedness was 0.36 times (0.33). Interest coverage ratio was 8.1 times (7.8).

Manufacturing Intelligence – Q2 2025

Hexagon's Manufacturing Intelligence division provides customers with hardware and software solutions to allow for improved design, process, quality and efficiency. Key solution areas include design and engineering Software (conceptual design and detailed engineering tools), production software (CAD & CAM software) and metrology (stationary & portable metrology, automated inspection), quality management software (ETQ) and Hexagon's 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	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	487.5	483.8	3% ¹⁾	957.4	961.9	1% ¹⁾
Adjusted operating earnings (EBIT1)	120.7	129.1	-7%	237.8	253.9	-6%
Adjusted operating margin, %	24.8%	26.7%	-1.9%	24.8%	26.4%	-1.6%

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 487.5 MEUR (483.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 3%. In the second quarter geopolitical uncertainty continued to impact the overall demand environment, reflected in extended customer decision-making, however, there was still solid activity in general manufacturing, aerospace and electronics. Automotive was stable overall due to strong wins in China, which compensated for continued weakness in Europe.

By geography, the Americas saw modest growth, supported by double-digit growth in South America. EMEA continued to decline, although the aerospace and defence markets continue to show positive momentum. Asia grew at a high-single-digit rate, driven by broad-based strength in China (10%), slightly offset by tariff related uncertainty in Japan.

By product type the performance in the metrology and sensor portfolio was mixed, with growth in the stationary metrology and portable measurement arms businesses offset by tough comparatives in the tracker business. Recurring revenues increased during the quarter, reflecting continued growth in software and services.

Earnings

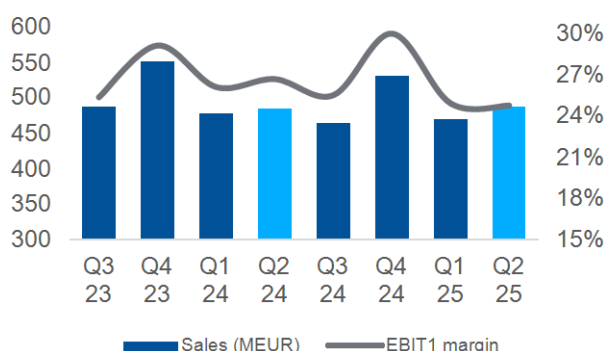
EBIT1 decreased compared to the prior year, resulting in an adjusted operating margin of 24.8% (26.7) largely reflecting negative currency translation and transaction effects, as well as a temporary gap between tariff impacts and price increases as a result of shipping from backlog.

Acquisitions and notable product launches

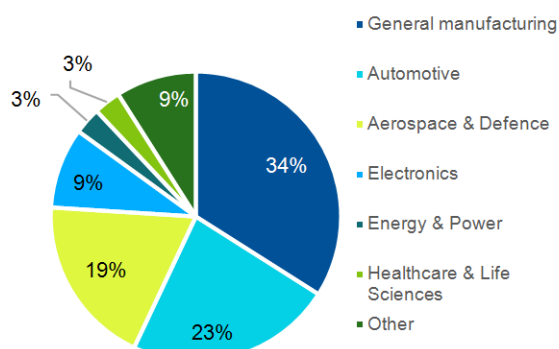
In May 2025, Hexagon launched MAESTRO, a next-generation coordinate measuring machine (CMM) designed to meet rising productivity and quality demands in manufacturing. With a digital-first architecture, MAESTRO combines speed, ease of use, and seamless integration, making it ideal for high-precision industries such as aerospace and automotive. Its scalable, modular design ensures future-ready performance and connectivity.

In April 2025, Hexagon completed 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.

Sales and EBIT1 trend



Net sales per customer segment (FY2024)



Asset Lifecycle Intelligence – Q2 2025

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	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	206.3	203.1	6% ¹⁾	410.7	395.3	5% ¹⁾
Adjusted operating earnings (EBIT1)	62.5	70.5	-11%	125.4	137.0	-8%
Adjusted operating margin, %	30.3%	34.7%	-4.4%	30.5%	34.7%	-4.2%

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 206.3 MEUR (203.1). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 6%. Growth was particularly strong in the SaaS product suites, which recorded a double-digit increase during the quarter, but weaker in non-recurring services reflecting the shift to simplified deployments in the cloud. There were signs that customer behaviour was beginning to be impacted by geopolitical uncertainty, reflected in delayed decision making in some markets.

All geographies contributed to growth, although demand in North America was more subdued compared to other regions. EMEA and Asia both recorded solid growth.

Growth was broad-based across solutions, with an especially strong performance in project planning & execution and operations & maintenance.

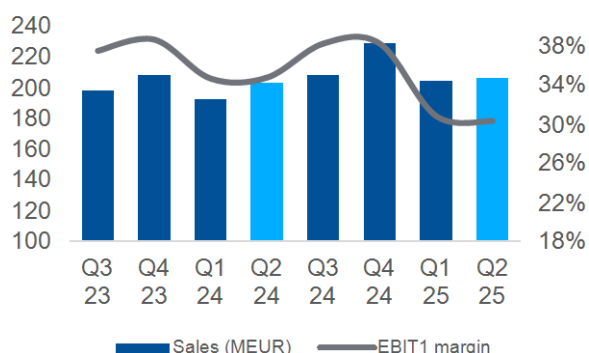
Earnings

EBIT1 decreased compared to the prior year period, resulting in an adjusted operating margin of 30.3% (34.7). As during the first quarter, the decrease reflects the slower development in North America and increased investments in new product development and sales and marketing ahead of the potential Octave separation.

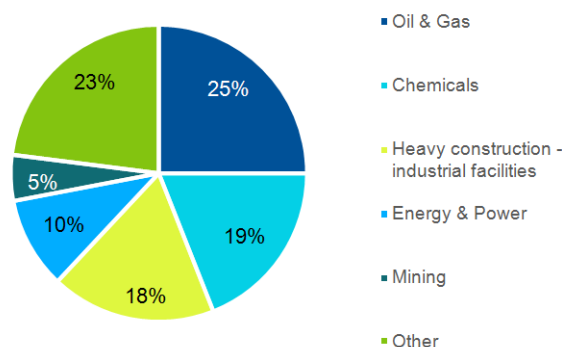
Acquisitions and notable product launches

There were no acquisitions during the quarter.

Sales and EBIT1 trend



Net sales per customer segment (FY2024)



Geosystems – Q2 2025

Hexagon's Geosystems division provides 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 hardware and software and machine control solutions. By geography Geosystems revenues in 2024 were split 33% Americas, 47% EMEA and 20% APAC.

Net sales and earnings

MEUR	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	389.6	405.5	-1% ¹⁾	765.3	782.3	-2% ¹⁾
Adjusted operating earnings (EBIT1)	103.7	131.0	-21%	206.5	248.5	-17%
Adjusted operating margin, %	26.6%	32.3%	-5.7%	27.0%	31.8%	-4.8%

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

Net sales

Geosystems operating net sales amounted to 389.6 MEUR (405.5). Using fixed exchange rates and a comparable group structure (organic growth), net sales declined by -1%. Software and recurring revenues grew at a mid-single-digit rate, but this was offset by weakness in the sensor and robotic solutions portfolio.

Geographically, the Americas grew at a high single digit rate, with solid growth in both the US and South America. EMEA remained weak and declined in the quarter. Demand in Asia declined at double digit rates, with good growth in India more than offset by weak construction markets in China.

By solution area, software and services saw solid growth. The sensors and robotics solutions portfolio continued to benefit from the product launches in late 2024, including the Leica GS05 smart antenna and the Leica iCON trades platform, but this was offset by weakness elsewhere, particularly in surveying in China and Europe.

Earnings

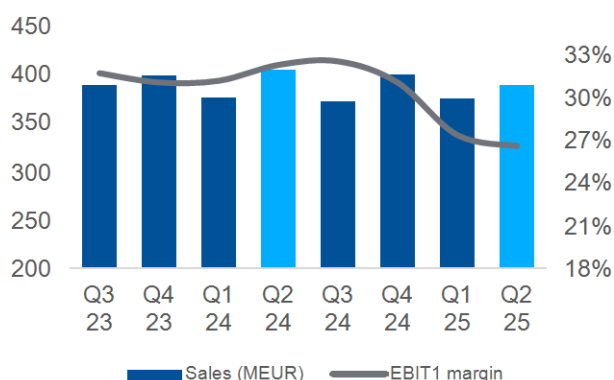
EBIT1 decreased compared to the prior year, resulting in an adjusted operating margin of 26.6% (32.3), reflecting the combined effects of low volumes, a weaker product mix and negative currency impacts.

Acquisitions and notable product launches

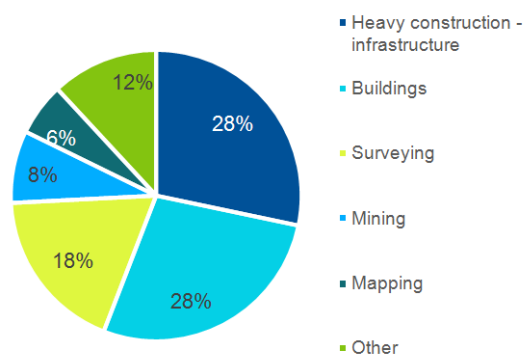
On 2 June 2025 Hexagon acquired APEI, a French aerial mapping company, to strengthen Hexagon's geospatial data platforms in Europe.

On 20 May 2025 Hexagon launched the Leica Pegasus TRK300, a versatile and lightweight mobile mapping system designed for fast, high-resolution geospatial data capture.

Sales and EBIT1 trend



Net sales per customer segment (FY2024)



Autonomous Solutions – Q2 2025

Hexagon's Autonomous Solutions division brings together our mining, positioning and autonomy capabilities. Our Mining product portfolio empowers mines to connect all parts of their business with technologies that make sense of data in real time, while integrating, automating and optimising critical workflows, resulting in improved productivity, reduced cost and enhanced safety. Key solution areas include surveying, design, fleet management, production optimisation and collision avoidance in a single life-of-mine solution. Positioning provides high-precision GNSS, sensor fusion, antenna, and perception technologies to advanced navigation systems, delivering safety, security, reliability, and availability for applications requiring assured positioning. Key solution areas include agriculture, defense, marine, automotive, and other mission-critical applications. Autonomous Solutions pioneers end-to-end solutions for assured autonomy in mobile industrial applications such as autonomous haulage. By geography Autonomous Solutions revenues in 2024 were split 55% Americas, 26% EMEA and 19% APAC.

Net sales and earnings

MEUR	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	167.2	141.2	11% ¹⁾	318.3	276.7	7% ¹⁾
Adjusted operating earnings (EBIT1)	54.5	52.6	4%	102.2	100.3	2%
Adjusted operating margin, %	32.6%	37.3%	-4.7%	32.1%	36.2%	-4.1%

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

Net sales

Autonomous Solutions operating net sales amounted to 167.2 MEUR (141.2). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 11%. Tariff related delays in decision-making in mining continued to cause headwinds in some markets, but these were more than offset by strong demand for planning and operations software. The aerospace & defence segment continued to grow strongly but agriculture remained weak, particularly in North America. Overall growth for the division continued to benefit from progress in the autonomous road train project in Australia.

By geography, North America delivered double-digit growth, primarily driven by a strong performance in aerospace & defence. EMEA declined, reflecting tough comparisons in mining markets. APAC also declined, although this was partly offset by solid progress in the autonomous road train project in Australia.

By solution area, there was strong growth in mining operations solutions, anti-jamming solutions in aerospace & defence, and the autonomous road train project.

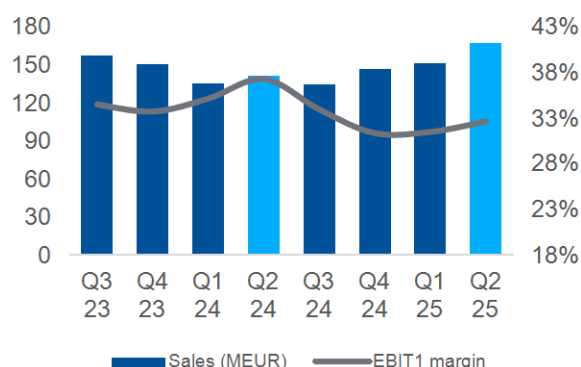
Earnings

EBIT1 increased compared to the prior year, resulting in an adjusted operating margin of 32.6% (37.3). Margins were negatively impacted by weaker product mix, currency headwinds and tough comparatives.

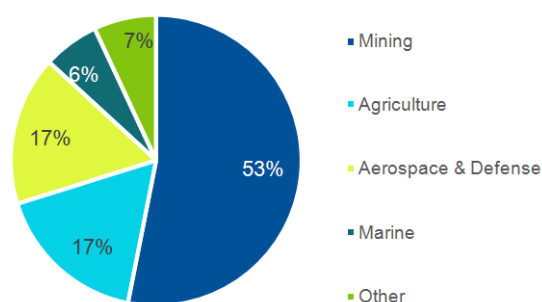
Acquisitions and notable product launches

On 3 June Hexagon announced the purchase of the Drill Assist technology from Arizona-based Phoenix Drill Control, LLC, which uses artificial intelligence to continually optimise the drilling process, resulting in improved penetration rates, greater machine availability, and reliable downhole data.

Sales and EBIT1 trend



Net sales per customer segment (FY2024)



Safety, Infrastructure & Geospatial – Q2 2025

Hexagon's Safety, Infrastructure & 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 markets. 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, as well as geospatial and network management software. Key solution areas include computer aided dispatch software, geospatial technologies and VMS & PSIM software. By geography SIG revenues in 2024 were split 58% Americas, 33% EMEA and 9% APAC.

Net sales and earnings

MEUR	Q2 2025	Q2 2024	Δ%	6M 2025	6M 2024	Δ%
Operating net sales	118.3	119.8	2% ¹⁾	238.8	236.7	2% ¹⁾
Adjusted operating earnings (EBIT1)	27.6	23.8	16%	49.9	48.1	4%
Adjusted operating margin, %	23.3%	19.9%	3.4%	20.9%	20.3%	0.6%

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 118.3 MEUR (119.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 2%. Demand remained very strong in public safety, which delivered double-digit growth during the quarter. This was offset by continued weakness in the US Federal business.

By geography, growth was slightly negative in the Americas, reflecting the decline in the US Federal business. EMEA also declined on tougher comparatives but there was continued growth in Asia.

By solution area, Public Safety, which includes the SaaS-ready OnCall dispatch software suite, posted impressive double-digit growth.

Earnings

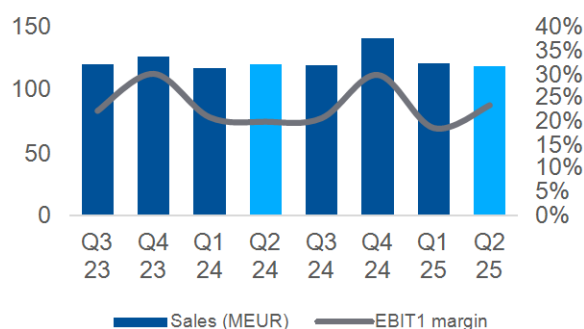
EBIT1 increased compared to prior year, corresponding to an adjusted operating margin of 23.3% (19.9). The increase reflects the increased contribution of the core public safety portfolio.

Acquisitions and notable product launches

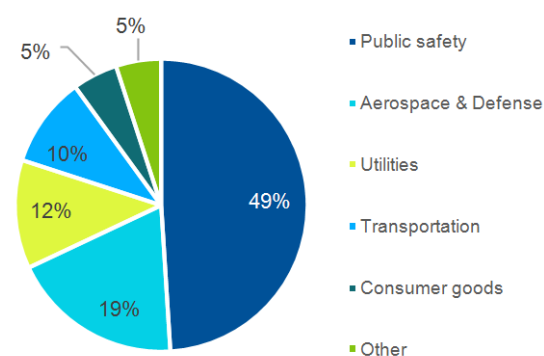
On 2 July 2025 Hexagon announced the divestment of certain non-core assets within its Safety, Infrastructure & Geospatial division to sharpen its focus on core software, particularly its growing public safety business, ahead of the potential separation of Octave. The businesses will be carved out and deconsolidated during July 2025.

On 17 April 2025 Hexagon announced an agreement to acquire the Unified Communications Radio Suite (UCRS) software assets of CONET Communications GmbH (CCOM), part of CONET Group, to complement its public safety platform. The acquisition closed during the quarter.

Sales and EBIT1 trend



Net sales per customer segment (FY2024)



Financial summary – 6M 2025

Net sales

Operating net sales amounted to 2,693.5 MEUR (2,653.3) for the first six months of the year. Using fixed exchange rates and a comparable group structure (organic growth), net sales increased by 1%.

Earnings

Adjusted operating earnings (EBIT1) amounted to 705.3 MEUR (776.0), which corresponds to an adjusted operating margin of 26.2% (29.2). Adjusted operating earnings (EBIT1) were negatively affected by currency translation effects of -19.1 MEUR and negatively affected by currency transaction effects of -16.5.

The financial net amounted to -68.7 MEUR (-84.8) for the first six months of the year.

Earnings before taxes, excluding adjustments, amounted to 636.6 MEUR (691.2). Earnings before taxes, including these items, amounted to 511.7 MEUR (611.6).

Net earnings, excluding adjustments, amounted to 522.0 MEUR (566.8) or 19.2 Euro cent (20.9) per share. Net earnings, including these items, amounted to 419.6 MEUR (501.5) or 15.4 Euro cent (18.5) per share.

Currency translation impact compared to EUR - 6M 2025

	Movement ¹⁾		Income less cost	Earnings impact
CHF	Strengthened	2%	Negative	Negative
USD	Weakened	-1%	Positive	Negative
CNY	Weakened	-2%	Positive	Negative
EBIT1, MEUR				-19.1

¹⁾Compared to 6M 2024.

Subsequent events

On 2 July 2025 Hexagon announced the divestment of certain non-core assets within its Safety, Infrastructure & Geospatial division to sharpen its focus on core software, particularly its growing public safety business, ahead of the potential separation of Octave. The businesses will be carved out and deconsolidated during July 2025.

On 21 July 2025 Hexagon announced that Anders Svensson has officially assumed the role of President and CEO as of 20 July 2025.

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, 25 July 2025
Hexagon AB (publ)

Ola Rollén
Chair of the Board

Björn Rosengren
Vice Chairman of the Board

Anders Svensson
President and CEO

Norbert Hanke
Interim President and CEO

Tomas Eliasson
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

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

Condensed income statement

MEUR	Q2 2025	Q2 2024	6M 2025	6M 2024	2024
Net sales	1,369.9	1,353.4	2,692.7	2,653.3	5,401.1
Cost of goods sold	-452.6	-443.4	-886.5	-879.8	-1,791.4
Gross earnings	917.3	910.0	1,806.2	1,773.5	3,609.7
Sales expenses	-285.1	-273.4	-563.6	-538.0	-1,083.9
Administration expenses	-119.8	-104.8	-228.7	-209.2	-426.7
Research and development expenses	-186.9	-171.5	-378.5	-336.9	-683.7
Other income and expenses, net	-12.3	0.2	-55.0	7.0	16.8
Operating earnings ¹⁾	313.2	360.5	580.4	696.4	1,432.2
Financial income	3.7	4.5	6.8	7.3	13.5
Financial expenses	-39.1	-46.6	-75.5	-92.1	-183.6
Earnings before taxes	277.8	318.4	511.7	611.6	1,262.1
Taxes	-50.0	-57.3	-92.1	-110.1	-227.1
Net earnings	227.8	261.1	419.6	501.5	1,035.0
Attributable to:					
Parent company shareholders	225.2	258.0	414.3	495.8	1,023.4
Non-controlling interest	2.6	3.1	5.3	5.7	11.6
¹⁾ of which adjustments	-47.4	-39.0	-124.9	-79.6	-170.7
Earnings include depreciation, amortisation and impairments of	-145.7	-136.6	-313.5	-271.4	-577.5
- of which amortisation of surplus values (included in adjustments)	-28.0	-28.2	-56.4	-55.9	-112.4
Basic earnings per share, Euro cent	8.4	9.6	15.4	18.5	38.1
Earnings per share after dilution, Euro cent	8.3	9.5	15.3	18.3	37.8
Total shareholder's equity per share, EUR	3.73	3.86	3.73	3.86	4.16
Closing number of shares, thousands	2,684,378	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	2,684,378	2,684,378
Average number of shares after dilution, thousands	2,705,478	2,705,478	2,705,478	2,705,478	2,705,478

Condensed comprehensive income statement

MEUR	Q2 2025	Q2 2024	6M 2025	6M 2024	2024
Net earnings	227.8	261.1	419.6	501.5	1,035.0
Other comprehensive income					
Items that will not be reclassified to income statement					
Remeasurement of pensions	-0.1	0.0	-0.1	1.8	-11.8
Taxes on items that will not be reclassified to income statement	0.0	0.0	0.0	-0.3	2.0
Total items that will not be reclassified to income statement, net of taxes	-0.1	0.0	-0.1	1.5	-9.8
Items that may be reclassified subsequently to income statement					
Exchange rate differences	-788.1	102.5	-1,208.5	280.0	542.0
Taxes on items that may be reclassified subsequently to income statement	19.4	-0.5	36.5	-12.2	-17.5
Total items that may be reclassified subsequently to income statement, net of taxes	-768.7	102.0	-1,172.0	267.8	524.5
Other comprehensive income, net of taxes	-768.8	102.0	-1,172.1	269.3	514.7
Total comprehensive income for the period	-541.0	363.1	-752.5	770.8	1,549.7
Attributable to:					
Parent company shareholders	-541.6	359.8	-754.6	764.8	1,537.0
Non-controlling interest	0.6	3.3	2.1	6.0	12.7

Condensed balance sheet

MEUR	30/6 2025	30/6 2024	31/12 2024
Intangible fixed assets	13,237.6	13,422.2	13,767.1
Tangible fixed assets	583.7	605.9	611.3
Right-of-use assets	184.0	198.5	192.4
Financial fixed assets	152.5	163.5	167.3
Deferred tax assets	192.6	159.5	161.0
Total fixed assets	14,350.4	14,549.6	14,899.1
Inventories	561.9	581.0	566.4
Accounts receivables	1,182.2	1,207.4	1,331.9
Other receivables	202.5	207.0	194.4
Prepaid expenses and accrued income	200.1	223.4	194.9
Total current receivables	1,584.8	1,637.8	1,721.2
Cash and cash equivalents	575.5	511.4	663.8
Total current assets	2,722.2	2,730.2	2,951.4
Total assets	17,072.6	17,279.8	17,850.5
Equity attributable to parent company shareholders	10,012.5	10,365.1	11,160.9
Equity attributable to non-controlling interest	31.3	30.7	35.2
Total shareholders' equity	10,043.8	10,395.8	11,196.1
Interest bearing liabilities	2,734.0	2,929.3	2,959.6
Lease liabilities	135.9	147.1	140.5
Other liabilities	69.5	148.7	122.5
Pension liabilities	64.0	53.8	63.9
Deferred tax liabilities	559.0	582.5	581.6
Other provisions	6.1	7.1	6.1
Total long-term liabilities	3,568.5	3,868.5	3,874.2
Interest bearing liabilities	1,469.0	1,010.8	667.5
Lease liabilities	60.5	61.7	63.4
Accounts payable	287.9	283.9	328.3
Other liabilities	321.3	305.2	327.4
Other provisions	62.0	115.5	72.9
Deferred income	870.2	832.3	883.6
Accrued expenses	389.4	406.1	437.1
Total short-term liabilities	3,460.3	3,015.5	2,780.2
Total equity and liabilities	17,072.6	17,279.8	17,850.5

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	Q2 2025	Q2 2024	6M 2025	6M 2024	2024
Operating earnings	313.2	360.5	580.4	696.4	1,432.2
Depreciation, amortisation and impairment	145.7	136.6	313.5	271.4	577.5
Share program expenses	4.4	11.7	10.6	23.3	46.9
Capital gain/loss and other non-cash items	5.8	-11.7	21.9	-27.2	-71.4
Taxes paid	-66.1	-50.7	-128.7	-121.9	-243.2
Interest received and paid, net	-38.2	-39.3	-66.2	-81.6	-158.3
Cash flow from operations before change in working capital	364.8	407.1	731.5	760.4	1,583.7
Change in inventories	-1.8	-13.1	-24.5	-20.5	2.7
Change in current receivables	30.1	14.0	39.4	59.5	15.7
Change in current liabilities	27.3	-4.0	-17.7	-29.4	75.6
Cash flow from operations	420.4	404.0	728.7	770.0	1,677.7
Investments tangible assets, net	-17.9	-28.1	-40.4	-51.2	-105.6
Investments intangible assets	-131.7	-127.4	-263.5	-250.9	-516.8
Operating cash flow before non-recurring items	270.8	248.5	424.8	467.9	1,055.3
Non-recurring cash flow ¹⁾	-31.9	-19.5	-47.4	-48.3	-89.5
Operating cash flow	238.9	229.0	377.4	419.6	965.8
Cash flow from acquisitions and divestments	-120.0	-55.4	-538.3	-39.2	-84.6
Cash flow from other investing activities	-1.5	-1.4	-2.0	-1.9	-3.1
Cash flow after other investing activities	117.4	172.2	-162.9	378.5	878.1
Dividends paid	-381.8	-355.6	-381.8	-355.6	-357.8
Share programme	-28.6	-88.8	-28.6	-88.8	-88.8
Cash flow from other financing activities	360.9	276.0	537.7	29.9	-317.5
Cash flow for the period	67.9	3.8	-35.6	-36.0	114.0
Cash and cash equivalents, beginning of period	549.0	506.0	663.8	547.1	547.1
Effect of translation differences on cash and cash equivalents	-41.4	1.6	-52.7	0.3	2.7
Cash flow for the period	67.9	3.8	-35.6	-36.0	114.0
Cash and cash equivalents, end of period	575.5	511.4	575.5	511.4	663.8
¹⁾ Non-recurring cash flow consists of restructuring costs.					
Operating cash flow before interest, tax and non-recurring cash flow	375.1	338.5	619.7	671.4	1,456.8
Cash conversion	104%	85%	88%	87%	91%
Cash flow from operations per share, Euro cent	15.7	15.1	27.1	28.7	62.5
Cash flow per share before change in working capital, Euro cent	13.6	15.2	27.3	28.3	59.0

Condensed statement of changes in equity

MEUR	Q2 2025	Q2 2024	2024
Opening shareholders' equity	11,196.1	10,046.1	10,046.1
Total comprehensive income for the period¹⁾	-752.5	770.8	1,549.7
Share programme	-28.6	-	-
Repurchase of Treasury shares	-	-88.8	-88.8
Dividend	-381.8	-355.6	-357.8
Share based programme (LTIP)	10.6	23.3	46.9
Closing shareholders' equity²⁾	10,043.8	10,395.8	11,196.1
1) Of which: Parent company shareholders	-754.6	764.8	1,537.0
Non-controlling interest	2.1	6.0	12.7
2) Of which: Parent company shareholders	10,012.5	10,365.1	11,160.9
Non-controlling interest	31.3	30.7	35.2

Key ratios

MEUR	Q2 2025	Q2 2024	6M 2025	6M 2024	2024
Adjusted operating margin, %	26.3	29.5	26.2	29.2	29.7
Profit margin before taxes, %	20.3	23.5	19.0	23.1	23.4
Return on shareholders' equity, 12-month average, %	8.9	8.4	8.9	8.4	9.8
Return on capital employed, 12-month average, %	10.5	11.3	10.5	11.3	11.1
Equity ratio, %	58.8	60.2	58.8	60.2	62.7
Net indebtedness	0.36	0.33	0.36	0.33	0.26
Interest coverage ratio	8.1	7.8	7.8	7.6	7.9
Average number of shares, thousands	2,684,378	2,684,378	2,684,378	2,684,378	2,684,378
Basic earnings per share excl. adjustments, Euro cent	9.8	10.8	19.2	20.9	43.3
Basic earnings per share, Euro cent	8.4	9.6	15.4	18.5	38.1
Cash flow per share, Euro cent	15.7	15.1	27.1	28.7	62.5
Cash flow per share before change in working cap, Euro cent	13.6	15.2	27.3	28.3	59.0
Share price, SEK	95.16	119.65	95.16	119.65	105.60
Share price, translated to EUR	8.54	10.53	8.54	10.53	9.22

Condensed Parent company income statement

MEUR	Q2 2025	Q2 2024	6M 2025	6M 2024	2024
Net sales	9.0	7.5	18.0	15.1	30.3
Administration expenses	-16.2	-11.9	-22.6	-20.1	-50.0
Operating earnings	-7.2	-4.4	-4.6	-5.0	-19.7
Earnings from shares in Group companies	2,668.2	210.4	2,668.2	212.4	5,199.2
Interest income and expenses, net	-76.9	-33.3	-159.9	-18.5	-51.3
Appropriations	-	-	-	-	8.5
Earnings before taxes	2,584.1	172.7	2,503.7	188.9	5,136.7
Taxes	14.9	8.0	33.6	32.2	36.9
Net earnings	2,599.0	180.7	2,537.3	221.1	5,173.6

Condensed Parent company balance sheet

MEUR	30/6 2025	30/6 2024	31/12 2024
Total fixed assets	18,587.5	14,518.1	18,556.9
Total current receivables	2,875.7	2,096.1	2,694.4
Cash and cash equivalents	57.3	28.1	123.6
Total current assets	2,933.0	2,124.2	2,818.0
Total assets	21,520.5	16,642.3	21,374.9
Total shareholders' equity	13,289.4	6,153.6	11,113.4
Total long-term liabilities	2,739.5	2,927.8	2,965.4
Total short-term liabilities	5,491.6	7,560.9	7,296.1
Total equity and liabilities	21,520.5	16,642.3	21,374.9

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 2024, 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 2024.

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 second quarter was 24,963 (24,615). The number of employees at the end of the quarter was 25,123 (24,647).

Note 5 Share data

Earnings per share, including adjustments, for the second quarter amounted to 8.4 Euro cent (9.6). Earnings per share, excluding adjustments, for the second quarter, amounted to 9.8 Euro cent (10.8).

On 30 June 2025, equity per share was 3.73 EUR (3.86) and the share price was 95.16 SEK (119.65).

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	6M 2025	6M 2024
Fair value of acquired assets and assumed liabilities		
Intangible fixed assets	84.0	15.6
Other fixed assets	6.2	0.4
Total fixed assets	90.2	16.0
Total current assets	59.4	10.1
Total assets	149.6	26.1
Total long-term liabilities	-41.8	-4.4
Total current liabilities	-16.4	-5.9
Total liabilities	-58.2	-10.3
Fair value of acquired assets and assumed liabilities, net	91.4	15.8
Goodwill	477.1	72.6
Total purchase consideration transferred	568.5	88.4
Less cash and cash equivalents in acquired companies	-41	-4.7
Adjustment for non-paid consideration and considerations paid for prior years' acquisitions	10.5	-16.7
Cash flow from acquisition of companies/businesses	538.3	67.0

During the first six months of the year 2025, Hexagon acquired the following companies:

- CAD Service, a developer of advanced visualisation tools
- Scasa, a provider of 3D point cloud data processing software
- Septentrio, a leading OEM provider of Global Navigation Satellite System (GNSS) technologies
- 3D Systems' Geomagic software, a suite of interoperable software packages, used to create high quality 3D models
- Unified Communications Radio Suite (UCRS) software assets from CONET Communications GmbH (CCOM), part of CONET Group
- Drill assist technology from Arizona-based Phoenix Drill Control, LLC
- APEI, a French company specialising in aerial mapping

Acquisition of Septentrio

In March 2025, Hexagon acquired Septentrio, a leading OEM provider of Global Navigation Satellite System (GNSS) technologies. Septentrio, headquartered in Leuven, Belgium, has around 150 employees, and generated revenues of over 50 MEUR in 2024, with strong growth rates and margins in line with the Hexagon Group. From the date of acquisition, Septentrio has contributed 21.0 MEUR of net sales in 2025. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 30.5 MEUR. The contribution to the group operating margin has been accretive.

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 120.2 (168.8) as of 30 June, whereof the fair value adjustment in 2025 amounted to 16.6 MEUR (24.0). 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 offset the impact from revaluation.

Note 7 Segment breakdown

Net sales per segment*

MEUR	Q2 2025	Q1 2025	2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024
Manufacturing Intelligence	487.5	469.9	957.4	530.0	463.8	483.8	478.1	1,955.7
Asset Lifecycle Intelligence	206.3	204.4	410.7	228.8	207.6	203.1	192.2	831.7
Geosystems	389.6	375.7	765.3	400.1	373.0	405.5	376.8	1,555.4
Autonomous Solutions	167.2	151.1	318.3	146.5	134.8	141.2	135.5	558.0
Safety, Infrastructure & Geospatial	118.3	120.5	238.8	140.8	119.6	119.8	116.9	497.1
Other operations	1.8	1.2	3.0	1.8	1.0	0.0	0.4	3.2
Group	1,370.7	1,322.8	2,693.5	1,448.0	1,299.8	1,353.4	1,299.9	5,401.1

Adjusted operating earnings (EBIT1) per segment

MEUR	Q2 2025	Q1 2025	2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024
Manufacturing Intelligence	120.7	117.1	237.8	159.0	118.3	129.1	124.8	531.2
Asset Lifecycle Intelligence	62.5	62.9	125.4	87.4	72.5	70.5	66.5	296.9
Geosystems	103.7	102.8	206.5	124.3	121.5	131.0	117.5	494.3
Autonomous Solutions	54.5	47.7	102.2	46.0	45.7	52.6	47.7	192.0
Safety, Infrastructure & Geospatial	27.6	22.3	49.9	41.9	24.7	23.8	24.3	114.7
Other operations and Group costs	-8.4	-8.1	-16.5	-8.3	-6.1	-7.5	-4.3	-26.2
Group	360.6	344.7	705.3	450.3	376.6	399.5	376.5	1,602.9
Adjusted operating margin, %	26.3	26.1	26.2	31.1	29.0	29.5	29.0	29.7

Net sales by region*

MEUR	Q2 2025	Q1 2025	2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024
EMEA	477.9	458.3	936.2	494.9	448.3	477.1	449.7	1,870.0
Americas	527.9	500.3	1,028.2	554.7	519.1	519.7	498.2	2,091.7
Asia	364.9	364.2	729.1	398.4	332.4	356.6	352.0	1,439.4
Group	1,370.7	1,322.8	2,693.5	1,448.0	1,299.8	1,353.4	1,299.9	5,401.1

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

Note 8 Exchange rates

Average	Q2 2025	Q1 2025	2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024
SEK/EUR	0.0913	0.0891	0.0901	0.0870	0.0873	0.0870	0.0887	0.0875
USD/EUR	0.8823	0.9505	0.9151	0.9374	0.9103	0.9288	0.9210	0.9239
CNY/EUR	0.1220	0.1307	0.1262	0.1303	0.1271	0.1283	0.1281	0.1284
CHF/EUR	1.0674	1.0573	1.0623	1.0684	1.0513	1.0271	1.0537	1.0497
Closing	Q2 2025	Q1 2025	2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2024
SEK/EUR	0.0897	0.0922	0.0897	0.0873	0.0885	0.0880	0.0868	0.0873
USD/EUR	0.8532	0.9246	0.8532	0.9626	0.8932	0.9341	0.9250	0.9626
CNY/EUR	0.1191	0.1275	0.1191	0.1319	0.1274	0.1286	0.1280	0.1319
CHF/EUR	1.0699	1.0492	1.0699	1.0625	1.0594	1.0380	1.0240	1.0625

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
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
Repurchase of treasury shares	-	-2,350,000	-2,350,000
Repurchase of treasury shares	-	-2,000,000	-2,000,000
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
2025-06-30 Total outstanding	110,250,000	2,574,127,888	2,684,377,888
Total amount of treasury shares	-	21,100,000	21,100,000
2025-06-30 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.

Financial 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.

Amortisation of surplus values	When a company is acquired, the purchase consideration is allocated to the identified assets and liabilities of the company. 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 items affecting comparability which refer 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
Net indebtedness	Interest-bearing liabilities less interest-bearing current receivables and liquid assets divided by shareholders' equity including 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 measurement technologies. We provide the confidence that vital industries rely on to build, navigate, and innovate. From microns to Mars, our solutions ensure productivity, quality, safety, and sustainability in everything from manufacturing and construction to mining and autonomous systems.

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 and the Securities Markets Act . The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 25 July 2025.

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.

Hexagon AB [publ] P.O. Box 3692 SE- 103 59 Stockholm
Fax: +46 8 601 26 21 Phone: +46 8 601 26 20
Registration number: 556190-4771
Registered Office: Stockholm Sweden
hexagon.com