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Agenda

• Group highlights
• Group financials & segment overview
• Update on Hydrogen-related investments
• Outlook
• Q & A
Highlights from Q1 2018

• 20% year-over-year growth in group revenues and solid cash generation
  – Best quarterly EBITDA since Q4 2014*

• Strong Mobile Pipelines volumes in the quarter
  – Highest quarterly revenues since Q4 2014

• Strong LPG volumes

• Solid Hydrogen & Light-Duty Vehicles volumes

• Relatively weak quarter for Agility Fuel Solutions
  – Weakness versus Q1 2017 due to Heavy-Duty Truck order patterns
  – Revenues and profitability have picked-up from Q4 2017

• Joined the prestigious Hydrogen Council

• Dividend proposed and subsequently paid of NOK 0.30 per share

* Excluding Extraordinary gain impacting Q4 2016 results
Financial highlights Q1 2018 | Strong Profitability

**Revenues**

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOKm</td>
<td>346</td>
<td>416</td>
</tr>
</tbody>
</table>

+70 (+20%)

**EBITDA**

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOKm</td>
<td>35.1</td>
<td>66.5</td>
</tr>
</tbody>
</table>

+31 (16%)

**Net profit**

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOKm</td>
<td>7</td>
<td>23</td>
</tr>
</tbody>
</table>

+16

- Mobile Pipelines drives growth
- High volumes in Mobile Pipeline and LPG give healthy margin
- Hydrogen dilution 6m negative in quarter
- Currency effects 6m negative year over year
- Tax charges higher by 9m year over year, from higher profit level
### Q1 2018 Group income statement

<table>
<thead>
<tr>
<th>NOK MILLION</th>
<th>QUARTER</th>
<th>FULL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1 2018</td>
<td>Q1 2017</td>
</tr>
<tr>
<td>Operating Income</td>
<td>416.3</td>
<td>346.2</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(349.7)</td>
<td>(311.1)</td>
</tr>
<tr>
<td>Exceptional Gains</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>66.5</td>
<td>35.1</td>
</tr>
<tr>
<td>Depreciation on tangibles</td>
<td>(13.2)</td>
<td>(13.3)</td>
</tr>
<tr>
<td>Amortisation and impairment</td>
<td>(6.0)</td>
<td>(5.1)</td>
</tr>
<tr>
<td>EBIT</td>
<td>47.3</td>
<td>16.6</td>
</tr>
<tr>
<td>Share of profit/(loss) from associates</td>
<td>(0.9)</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Amortisation of associates intangibles</td>
<td>(3.2)</td>
<td>(3.5)</td>
</tr>
<tr>
<td>Other financial items (net)</td>
<td>(11.9)</td>
<td>(5.7)</td>
</tr>
<tr>
<td>Profit/(loss) before tax</td>
<td>31.3</td>
<td>6.3</td>
</tr>
<tr>
<td>Tax expense</td>
<td>(8.2)</td>
<td>1.0</td>
</tr>
<tr>
<td>Profit/(loss) after tax</td>
<td>23.1</td>
<td>7.2</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>16.0 %</td>
<td>10.1 %</td>
</tr>
<tr>
<td>EBIT %</td>
<td>11.4 %</td>
<td>4.8 %</td>
</tr>
<tr>
<td>NET PROFIT / (LOSS)%</td>
<td>5.5 %</td>
<td>2.1 %</td>
</tr>
</tbody>
</table>
Segment shares Q1 2018 | *Before* Group eliminations*

### Operating income Q1’17

<table>
<thead>
<tr>
<th>Segment</th>
<th>NOK</th>
<th>Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexagon Hydrogen &amp; Light-Duty Vehicles</td>
<td>173</td>
<td></td>
</tr>
<tr>
<td>Hexagon Mobile Pipeline® &amp; Other</td>
<td>109</td>
<td></td>
</tr>
<tr>
<td>Hexagon Ragasco LPG</td>
<td>67</td>
<td></td>
</tr>
</tbody>
</table>

*Total: NOK 348* million

### Operating income Q1’18

<table>
<thead>
<tr>
<th>Segment</th>
<th>NOK</th>
<th>Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexagon Hydrogen &amp; Light-Duty Vehicles</td>
<td>185</td>
<td></td>
</tr>
<tr>
<td>Hexagon Mobile Pipeline® &amp; Other</td>
<td>164</td>
<td></td>
</tr>
<tr>
<td>Hexagon Ragasco LPG</td>
<td>84</td>
<td></td>
</tr>
</tbody>
</table>

*Total: NOK 433* million
Segment financial highlights Q1 2018

Hexagon Hydrogen & LDV

- Good growth in CNG powered Light-Duty Vehicles
- Lower Hydrogen product revenues, instead FCEV development revenues based on progress
- Investing in future growth in Hydrogen is dilutive

Hexagon Mobile Pipeline & Other

- 51% year-over-year growth driven by North American Mobile Pipeline® sales
- High volume generates scale efficiencies

Revenue

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexagon Hydrogen &amp; LDV</td>
<td>67</td>
<td>84</td>
</tr>
<tr>
<td>Hexagon Mobile Pipeline &amp; Other</td>
<td>109</td>
<td>164</td>
</tr>
</tbody>
</table>

EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexagon Hydrogen &amp; LDV</td>
<td>-1.5 (-2%)</td>
<td>0.1 (0%)</td>
</tr>
<tr>
<td>Hexagon Mobile Pipeline &amp; Other</td>
<td>0.6 (1%)</td>
<td>20.2 (12%)</td>
</tr>
</tbody>
</table>
Segment financial highlights Q1 2018

**Hexagon Ragasco (LPG)**

- **Revenue**
  - Q1’17: 173 (NOKm)
  - Q1’18: 185 (NOKm)
  - Revenue: +12 (+7%)

- **EBITDA**
  - Q1’17: 40.1 (23%)
  - Q1’18: 45.6 (25%)
  - EBITDA: +5.4 (+13%)

**Hexagon Group total**

- **Revenue**
  - Q1’17: 346 (NOKm)
  - Q2’17: 372 (NOKm)
  - Q3’17: 353 (NOKm)
  - Q4’17: 358 (NOKm)
  - Q1’18: 416 (NOKm)
  - EBITDA: +70 (+20%)

- **EBITDA margin**
  - Q1’17: 35.1 (10%)
  - Q2’17: 47.8 (13%)
  - Q3’17: 51.2 (15%)
  - Q4’17: 39.9 (11%)
  - Q1’18: 66.5 (16%)

**Highlights**

- **Hexagon Ragasco (LPG)**
  - Revenues primarily from core European and Middle East markets
  - Plant efficiencies high due to high volumes

- **Hexagon Group total**
  - Significant Margin up-swing when LPG and Mobile Pipeline volumes are both strong

---

1 After all eliminations
Agility Fuel Solutions: Q1 2018
Business Operating results

- Improved revenues and margin after weak Q4 2017
  - Driven by strong transit bus revenues

- Continued slow Heavy-Duty Truck volumes in quarter
  - Order patterns disrupted by delayed launch of new near-zero 12L engine

- Solid Refuse Truck sales
  - Continued upward trend in 2018 over 2017

- Powertrain Systems (propane) on track to business plan

- Good Liquidity
  - Fully-funded

Revenues and adjusted EBITDA

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenues (USDm)</th>
<th>Adjusted EBITDA (USDm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1’17</td>
<td>40</td>
<td>3.5 (9%)</td>
</tr>
<tr>
<td>Q2’17</td>
<td>44</td>
<td>5.8 (13%)</td>
</tr>
<tr>
<td>Q3’17</td>
<td>41</td>
<td>4.8 (12%)</td>
</tr>
<tr>
<td>Q4’17</td>
<td>32</td>
<td>0.7 (2%)</td>
</tr>
<tr>
<td>Q1’18</td>
<td>36</td>
<td>2.5 (7%)</td>
</tr>
</tbody>
</table>
Agility Fuel Solutions: Q1 2018
Result to Hexagon Group per equity accounting method

Q1 2018 AFS EBITDA to profit before tax

USDm

<table>
<thead>
<tr>
<th>EBITDA</th>
<th>Share based compensation</th>
<th>Transaction &amp; other exp.</th>
<th>EBITDA (reported)</th>
<th>Depr. &amp; amort.</th>
<th>Interest expense</th>
<th>Profit before tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5</td>
<td>-1.2</td>
<td>-0.1</td>
<td>1.2</td>
<td>-2.3</td>
<td>-0.2</td>
<td>-1.4</td>
</tr>
</tbody>
</table>

Agility impact to Group P&L

NOKm

<table>
<thead>
<tr>
<th>IFRS Reported Profit/ (loss) before intangible amort.</th>
<th>Intangible amort. recorded by HEX</th>
<th>Profit/ (loss) from associates &amp; JVs</th>
</tr>
</thead>
<tbody>
<tr>
<td>-0.9</td>
<td>-3.2</td>
<td>-4.1</td>
</tr>
</tbody>
</table>
Balance sheet | Q1 2018 vs Q4 2017
NOK 175m Net Interest Bearing Debt & 60% Equity Ratio

**Assets NOKm**

<table>
<thead>
<tr>
<th>Date</th>
<th>Inventory</th>
<th>Receivables</th>
<th>Fixed assets</th>
<th>Cash</th>
<th>CASH AND CASH EQUIVALENT NOK 204million</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.2017</td>
<td>1,739</td>
<td>1,412</td>
<td>2,242</td>
<td>204</td>
<td></td>
</tr>
<tr>
<td>31.03.2018</td>
<td>1,676</td>
<td>1,403</td>
<td>2,277</td>
<td>204</td>
<td></td>
</tr>
</tbody>
</table>

**Liabilities & Equity NOKm**

<table>
<thead>
<tr>
<th>Date</th>
<th>Other long term liabilities</th>
<th>Other current liabilities</th>
<th>Interest bearing debt</th>
<th>Equity</th>
<th>NET INTEREST BEARING DEBT: NOK 175 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.2017</td>
<td>368</td>
<td>224</td>
<td>387</td>
<td>360</td>
<td></td>
</tr>
<tr>
<td>31.03.2018</td>
<td>379</td>
<td>215</td>
<td>387</td>
<td>379</td>
<td></td>
</tr>
</tbody>
</table>

**Strong Balance sheet**
Strong contribution from underlying operations more than covers capex and development
Update on Hydrogen related investments
Our position on the Hydrogen opportunities

1. The transition to cleaner energy, supported by public and private players, is happening now...

2. …driving game-changing opportunities especially within Hydrogen...

3. …and we are focusing investments in 2018-2020 for attractive future returns
The cleaner energy transition will shape and transform Hexagon Composites’ growth-path

The total pie is expected to grow substantially; Hydrogen and Biogas expected to increase significantly in relative share
Total market potential (NOKbn)

- NOK:USD @ 8.00

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Market Potential (NOKbn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1</td>
</tr>
<tr>
<td>2019</td>
<td>5</td>
</tr>
<tr>
<td>2020</td>
<td>12</td>
</tr>
<tr>
<td>2021</td>
<td>19</td>
</tr>
<tr>
<td>2022</td>
<td>30</td>
</tr>
<tr>
<td>2023</td>
<td>44</td>
</tr>
<tr>
<td>2024</td>
<td>52</td>
</tr>
<tr>
<td>2025</td>
<td>65</td>
</tr>
<tr>
<td>2026</td>
<td>81</td>
</tr>
</tbody>
</table>

Hexagon Hydrogen

- NOK:USD @ 8.00

<table>
<thead>
<tr>
<th>Year</th>
<th>FTEs</th>
<th>EBITDA (NOKm)</th>
<th>Capex (NOKm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>41</td>
<td>-38</td>
<td>64</td>
</tr>
<tr>
<td>2019</td>
<td>90</td>
<td>-39</td>
<td>222</td>
</tr>
<tr>
<td>2020</td>
<td>209</td>
<td>-103</td>
<td>378</td>
</tr>
</tbody>
</table>

2018-2020 is a period of significant investment to pursue the Hydrogen opportunity and maintain market leadership.
Investments in 2018-20 for attractive future returns

Updated view

Total market potential

- NOK billion (NOK:USD @ 8.00)

2018-20 capex tied to ongoing FCEV contract commitments

Post 2020 capex as market develops

Decision gate mid 2019 based on customer volume prognosis

Based on minimum customer commitments

Based on expected additional customer commitments

Total

Potential further market opportunities

Note: NOK million, NOK:USD @ 8.00

Planned Hydrogen capex 2018-2020 is fully funded by expected cashflows from other business areas
Favorable Macro Conditions

• Higher oil prices
• Widening delta between diesel and natural gas
• Rapidly growing momentum for alternative energy
• Natural gas and biogas key to achieve emission goals
Fuel price spread has become significantly more favorable

Price development last 12 months

Diesel vs CNG fuel price spread (retail)

USD per diesel gallon equivalent

Oil price drives fuel price spread in favor of CNG

Sources: EIA, NYMEX, cngprices.com, Agility Fuel Solutions, Hexagon Composites
No solution without increased use of gases

Global shares of primary energy

Renewables & Natural Gas are expected to continue increasing their share of the global energy mix

Natural gas fastest growing fossil fuel

Renewables the fastest growing energy source

\(^1\text{Growth p.a.}\)
The Hydrogen Council’s views

Potential decisive shift in deployment of hydrogen technologies the next 5-10 years*

- Contribute to meeting 18% of the world’s energy demands,
- Avoiding 6 gigatons of CO2 emissions
- Creating a market with revenues of USD 2.5tn annually, and
- Providing 30 million jobs by 2050
- Power about 10-15 million cars and 500,000 trucks by 2030

Hydrogen Council hydrogen vision for 2050

18% of final energy demand
6 Gt annual CO2 avoidance
$2.5 tr annual sales (hydrogen and equipment)
30 m new jobs

“In 2030, 1 in 12 cars sold in California, Germany, Japan, and South Korea could be powered by hydrogen.”


Carbon Capture and Storage (CCS) back on the agenda

Hydrogen production from Norwegian natural gas with CCS in 2050:

- 750 TWh of clean energy annually
- Annual sales of NOK 220bn
- 25,000-35,000 jobs

Source: “Industrielle muligheter og arbeidsplasser ved storskala CO2-håndtering i Norge” by SINTEF and NTNU, for NHO, LO, Felles-forbundet, Norsk Industri, Norsk Olje og gass and Industri Energi

1 Estimates for a full scale project in Norway
International Maritime Organization (IMO) committed to reducing CO2 emissions by 50% by 2050

- Maritime transport emits around 1 billion mt of CO2 annually – about 2.5% of global GHG emissions
- The start of a major shift to alternative fuels
- First Hexagon delivery of CNG Mobile Pipeline® tanks to compress and store boil-off-gas from LNG tanks
Hydrogen & Light-Duty Vehicles
# CNG Mobility from Volkswagen

## VW presenting new natural gas high-tech engine TGI 1.5 Evo

### Three world premieres:
**Volkswagen presents progressive hybrid, natural gas and diesel systems at the Vienna Motor Symposium**

- Hybrid innovation: the next Golf will come onto the market with a new, affordable 48V mild hybrid system
- Natural-gas trend: new 1.5 TGI Evo high-tech engine featuring VTC turbocharger and Miller combustion process
- Diesel hybrid: new 2.0 TDI will be the first Volkswagen diesel engine to launch with a mild hybrid system

*27 April 2018*

## VW's SEAT is pushing CNG technology

### Luca de Meo: “SEAT will develop CNG technology for the Volkswagen Group”

- Inauguration of the 6th GASNAM Congress
- “We must reinforce the infrastructure and assume the challenge among all of us to install 300 gas stations in Spain until 2020”, the President of SEAT emphasised
- When refuelling, Compressed Natural Gas systems are a cost-effective option

*11 April 2018*

## VW and industry partners driving CNG mobility

### The Volkswagen Group and industry partners chart a course for success in the expansion of CNG mobility

In the context of the CNG Mobility Days in Essen, the Volkswagen Group presented the latest models from its brands developed to run on natural gas for the first time in Germany: the new VW T-Roc TGI and the new SEAT Ibiza 1.0 TGI.

*21 February 2018*
CNG Light-Duty Vehicles

• VW experiencing triple digit growth in Germany for its CNG model sales
  – CNG environmental value proposition enhanced by biogas and e-gas*

• Volkswagen launching new CNG engine in 2018

• SEAT, Spain, aiming at 300 gas stations by 2020 and 1 mill LDVs sold by 2030

→ Double digit growth expected for 2018, with further acceleration from 2019 onwards

“The good thing about CNG technology is that it already exists, which means that there is no need for major investments and it can be widely offered to customers. (…) CNG is not just a bridge technology, but a real long-term alternative.”
- SEAT President Luca de Meo, 11 April 2018

* e-gas (renewable CNG) based on methane obtained from wind, solar, hydropower or biomass power generation processes
Hydrogen

- Hydrogen Light-Duty Vehicle programs well under way
  - Engineering intensive
  - Start of serial production in 2\textsuperscript{nd} half of 2018

- Hydrogen distribution segment temporarily soft
  - Expected to pick up strongly towards end of year

\rightarrow \text{Resumed growth expected in second half of 2018 while ramping up for 2020 onwards}

X-STORE\textsuperscript{®} 45ft trailer for hydrogen distribution
Mobile Pipelines
Mobile Pipelines

- First US Mobile Pipeline® delivery to biogas plant
  - Transporting Renewable Natural Gas (RNG) from farm to pipeline

- TITAN® 53 to be launched in Q3
  - Targeting 65-80,000 lbs segment
  - Optimized solution for certain regions with weight restrictions

- Developing “pipeline integrity” segment
  - Backup capacity during pipeline down time

- Mobile Pipelines connecting “stranded communities” and facilities to the gas grid

- North American shale oil & gas segment very active

- Lots of promise but still slow project flow outside North America

→ Strong overall market outlook short and long term

  Fluctuations between quarters still to be expected
LPG
LPG

• Robust recurring European market

• User-friendliness and safety drive demand in the Middle East

• Growing repeat orders from “coastal” customers due to non-corrosive features

• New drive to open the US market
  – Underway in Florida, expanding to California in Q2

→ Positive momentum continues into Q2. Promising prospects for second half of 2018

Propane Ninja in Florida (US) launched the composite LPG bottle in Q1 2018
MNOK 75 expansion program on track

Investing in processes and technologies to further enhance manufacturing efficiency and product differentiation

Building expansion at the facility at Raufoss (Norway) for completion by the start of 2019
Agility Fuel Solutions
Agility Fuel Solutions

• Agility has become a full range supplier of alternative fuel solutions, adding;
  – Hydrogen storage systems for trucks
  – Battery electric
  – CNG and battery electric hybrid

• Continued positive outlook for both refuse and transit bus sales

• Cummins Westport’s near-zero emissions natural gas engine now available and first sales in Q2
  – Heavy-Duty truck sales outlook stronger through to 2019
  – Positive impact from fuel price spread will probably lag

→ Industry sentiment very positive with CNG/RNG/EV hybrid seen as essential within US transport fuel-mix
Agility partner with Romeo Power Technology for modular battery packs

- Agility and Romeo Power Technology partner to provide modular battery packs for commercial vehicles

- Romeo Power Technology – energy storage technology company
  - Founded by engineers and designers from SpaceX, Tesla, Amazon and Samsung

- Custom-designed battery modules
  - Combining battery technology with hydrogen and CNG solutions
Outlook – Summary

• LPG
  – Full capacity utilization 1st half
  – 2nd half focus on matching record year of 2017

• Mobile Pipelines
  – Non-linear but overall strong year-over-year growth expected in 2018

• Hydrogen and Light Duty Vehicles (LDV)
  – Good outlook for LDV
    – Double digit topline growth expected
  – Broad range of Hydrogen opportunities with focus on OEM development contract milestones
    – Diluting EBITDA short term
    – Non-linear revenue recognition

• Agility Fuel Solutions
  – Healthy medium duty truck, refuse truck and transit bus markets
  – Recovery in heavy-duty long haul truck market beginning already in Q2 2018, earlier than previously expected
    – Oil price > USD 70 and launch of near zero emission 12L Cummins Westport Natural Gas engine will give positive momentum

Market development is strong in all segments. Quarterly profits will continue to fluctuate. Dilutive EBITDA effect from Hydrogen
Questions Please

Jon Erik Engeset, CEO
David Bandele, CFO