

Published on July 18, 2025

Half-year report January-June 2025



APRIL – JUNE 2025

- Sales amounted to 4,997 MSEK (5,454).
- EBIT amounted to 756 MSEK (911).
- EBIT-margin amounted to 15.1 percent (16.7).
- Profit after tax amounted to 537 MSEK (654).
- Earnings per share amounted to 1.56 SEK (1.90).
- Operating cash flow amounted to 834 MSEK (926).

JANUARY – JUNE 2025

- Sales amounted to 10,378 MSEK (10,766).
- EBIT amounted to 1,595 MSEK (1,816).
- EBIT-margin amounted to 15.4 percent (16.9).
- Profit after tax amounted to 1,139 MSEK (1,308).
- Earnings per share amounted to 3.31 SEK (3.80).
- Operating cash flow amounted to 1,022 MSEK (1,038).

”We show resilience in an uncertain world”

Klas Dahlberg, President and CEO

ABOUT HEXPOL

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gaskets and Seals), and wheels made of polymer materials for truck and castor wheel applications (Wheels). Customers are primarily system suppliers to the global automotive and engineering industry, building and construction industry and within sectors as transportation, energy, consumer and cable industry and manufacturers of medical equipment, plate heat exchangers and forklifts. The Group is organized in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2024 amounted to 20,437 MSEK and the Group has approximately 5,000 employees in fourteen countries.

We show resilience in an uncertain world

In a still uncertain world, it is positive to see that our operations in Europe show resilience, that the business area Engineered Products is growing and that the cash flow is solid. The challenge in demand is mainly visible in North America, which is affected negatively by the uncertainty linked to the threat of trade barriers in the form of tariffs.

During the quarter we saw a further strengthening of the Swedish krona which has a negative impact for HEXPOL. In total the second quarter 2025 showed sales of 4,997 MSEK (5,454), including a negative currency effect of 367 MSEK and an EBIT of 756 MSEK (911), including a negative currency effect of 52 MSEK. The EBIT margin amounted to 15.1 percent (16.7). We delivered a solid cash flow of 834 MSEK (926).

Vehicle production has remained weak, especially in North America, which affects us indirectly with lower demand. This is partly offset by increased demand from customers within building and construction and the growing segment, cable compounds. The acquisition of Kabkom in Turkey contributes positively. Raw material prices as well as sales prices were sequentially stable. The unrest in the Middle East has currently no direct impact on our raw material prices.

We work focused on the acquisition strategy and look positively at the environment for acquisitions. However, in the short term we see a wait-and-see attitude among certain companies, especially in Europe and North America, driven by the high economic uncertainty. We continue to evaluate attractive opportunities in segments and geographies.

Work on our updated strategy continues, where we, among other topics, review the opportunities for organic growth in our various markets. More details about our plans and goals will be presented at our scheduled capital markets day in Stockholm at the beginning of November.

The group's work with sustainability continues according to plan. We are well on our way to achieving the Group's goal of reducing carbon dioxide emissions by 75 percent by the end of this year. The work on the dual materiality analysis according to the CSRD directive has been completed and forms the basis for our new objectives within sustainability. The sustainability strategy includes also a significant shift towards an increased share of recycled materials.

The geopolitical unrest in the world continues. We have a strong local presence in both North America and Europe with 53 sites close to our customers with very limited exports between the regions. HEXPOL has a well-proven business model, a strong market position and shows good resilience in a challenging external situation.

Sales
4,997 MSEK

EBIT
756 MSEK

EBIT-margin
15.1%

Cash flow
834 MSEK



Klas Dahlberg
President and CEO

Group Summary

Key figures MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Sales	4 997	5 454	10 378	10 766	20 437	20 049
EBITA, adjusted	788	944	1 661	1 883	3 384	3 162
EBITA-margin, adjusted, %	15,8	17,3	16,0	17,5	16,6	15,8
EBITA	788	944	1 661	1 883	3 309	3 087
EBITA-margin, %	15,8	17,3	16,0	17,5	16,2	15,4
EBIT, adjusted	756	911	1 595	1 816	3 247	3 026
EBIT-margin, adjusted, %	15,1	16,7	15,4	16,9	15,9	15,1
EBIT	756	911	1 595	1 816	3 172	2 951
EBIT-margin, %	15,1	16,7	15,4	16,9	15,5	14,7
Profit before tax	716	871	1 519	1 738	3 001	2 782
Profit after tax, adjusted	537	654	1 139	1 308	2 308	2 139
Profit after tax	537	654	1 139	1 308	2 220	2 051
Earnings per share, adjusted, SEK	1,56	1,90	3,31	3,80	6,70	6,21
Earnings per share, SEK	1,56	1,90	3,31	3,80	6,45	5,96
Equity/assets ratio, %			57	61	64	
Return on capital employed, % R12			15,6	18,9	16,9	
Operating cash flow	834	926	1 022	1 038	3 012	2 996



Group development

April – June 2025

Sales

The HEXPOL Group's sales amounted to 4,997 MSEK (5,454) during the second quarter of 2025, a decrease of 8 percent compared with the corresponding quarter previous year. The sales were negatively affected by currency effects of 367 MSEK. In addition to the negative currency effects, sales were positively affected by acquisitions (Piedmont and Kabkom) with 4 percent while we saw negative organic sales development of 6 percent.

The HEXPOL Compounding business area's sales amounted to 4,595 MSEK (5,062) which corresponds to a decrease of 9 percent. Exchange rate changes affected the sales negatively by 340 MSEK. Adjusted for currency effects, the sales amounted to 4,935 MSEK. In addition to the currency effects, the sales were positively affected by acquisitions with 4 percent.

During the second quarter we saw a continued weak demand from automotive-related customers compared to the corresponding quarter of 2024. This decline is partly offset by increased demand from customers within building and constructions, and the growing segment, cable compound.

Sales- and raw material prices are essentially stable, both in relation to the corresponding quarter of the previous year and sequentially.

The HEXPOL Engineered Products sales increased during the quarter and amounted to 402 MSEK (392), corresponding to an increase of 3 percent. Exchange rate changes affected the sales negatively by 27 MSEK. Adjusted for currency effects, the sales amounted to 429 MSEK. The operations in Europe and Asia developed positively during the quarter.

From a geographical perspective the group sales in Americas decreased by 15 percent and in Asia by 4 percent, both compared to the corresponding quarter of the previous year. In Europe, the sales were in line with the corresponding quarter previous year.

Earnings

EBITA amounted to 788 MSEK (944), which meant a corresponding EBITA margin of 15.8 percent (17.3).

EBIT decreased by 17 percent to 756 MSEK (911) compared to the corresponding quarter previous year. Negative currency effects are included with 52 MSEK. The corresponding operating margin amounted to 15.1 percent (16.7). The lower EBIT margin is mainly explained by the product mix and costs in relation to lower sales.

The Group's net financial items amounted to an expense of 40 MSEK (expense 40). Profit before tax amounted to 716 MSEK (871), profit after tax amounted to 537 MSEK (654) and earnings per share 1.56 SEK (1.90).

Sales
4,997 MSEK

EBIT
756 MSEK

EBIT-margin
15.1%

Group development

January – June 2025

Sales

The HEXPOL Group's sales amounted to 10,378 MSEK (10,766) during the first half-year of 2025, including negative currency effects of 303 MSEK. In addition to the negative currency effects, sales were positively affected by acquisitions (Piedmont and Kabkom) with 4 percent while we saw negative organic sales development of 4 percent.

The HEXPOL Compounding business area's sales amounted to 9,547 MSEK (10,001) and decreased by 5 percent compared to the corresponding period 2024. Exchange rate changes affected the sales negatively by 280 MSEK. Adjusted for currency effects, the sales amounted to 9,827 MSEK. In addition to the negative currency effects, the sales were positively affected by acquisitions with 4 percent.

Sales to automotive-related customers decreased compared to the corresponding period of 2024 affected by lower production rate within the automotive industry in the markets where we are active. At the same time, we saw increased sales to other customer segments such as building and constructions, and the growing segment, cable compound.

Sales- and raw material prices are essentially stable in relation to the corresponding period of the previous year.

The HEXPOL Engineered Products sales increased during the first half-year and amounted to 831 MSEK (765). The sales were negatively affected by currency effects of 23 MSEK. Adjusted for currency effects, the sales amounted to 854 MSEK. The operations in Europe and Asia developed positively during the period.

From a geographical perspective the group sales in Asia increased by 5 percent compared to the corresponding period of the previous year. In Europe, the sales were in line with the corresponding period previous year, while sales in Americas decreased by 7 percent.

Earnings

EBITA amounted to 1,661 MSEK (1,883) during the first half-year, which meant a corresponding EBITA margin of 16.0 percent (17.5).

EBIT decreased by 12 percent to 1,595 MSEK (1,816) compared to the corresponding period previous year. Negative currency effects are included with 46 MSEK. The corresponding operating margin amounted to 15.4 percent (16.9). The lower EBIT margin is explained by the product mix and costs in relation to lower sales.

The Group's net financial items amounted to an expense of 76 MSEK (expense 78). Profit before tax amounted to 1,519 MSEK (1,738), profit after tax amounted to 1,139 MSEK (1,308) and earnings per share 3.31 SEK (3.80).

Sales
10,378 MSEK

EBIT
1,595 MSEK

EBIT-margin
15.4%

Financial overview

Equity/assets ratio

The equity/assets ratio remains strong at 57 percent (61). The Group's total assets amounted to 24,342 MSEK (23,789). Net debt amounted to 4,473 MSEK (2,918) whereof 439 MSEK (490) relates to leasing liabilities according to IFRS 16, which gives a net debt/EBITDA of 1.27 (0.72).

The Group had the following major credit agreements with Nordic banks as per June 30:

- A credit agreement with a limit of 1,500 MSEK due in June 2026
- A credit agreement with a limit of 1,100 MSEK due in February 2027
- A credit agreement with a limit of 1,000 MSEK due in May 2028
- A credit agreement with a limit of 150 MEUR due in May 2028

The Group use commercial papers as part of the company's financing and as of June 30 they amounted to 3,709 MSEK (2,630). In accordance with IAS1, outstanding volumes are reported in the balance sheet as current liabilities, but since HEXPOL's bilateral credit agreements also function as back-up facilities for outstanding commercial papers, they are of a non-current nature.

Cash flow

The operating cash flow for the Group amounted to 834 MSEK (926) in the quarter and cash flow from operating activities amounted to 493 MSEK (745). For the first half-year the operating cash flow amounted to 1,022 MSEK (1,038) while cash flow from operating activities amounted to 655 MSEK (912) for the same period.

Investments, depreciation and amortisation

The Group's investments amounted to 96 MSEK (139) for the quarter. At the same time, depreciation, amortization and impairment amounted to 139 MSEK (148) whereof 20 MSEK (22) refers to leased assets according to IFRS 16. For the first half-year the investments amounted to 283 MSEK (294). For the same period depreciation, amortization and impairment amounted to 283 MSEK (291) whereof 44 MSEK (43) refers to leased assets according to IFRS 16.

Tax expenses

The Group's tax expenses amounted to 179 MSEK (217) for the second quarter of 2025, which corresponds to a tax rate of 25.0 percent (24.9). For the first half-year the Group's tax expenses amounted to 380 MSEK (430) which corresponds to a tax rate of 25.0 percent (24.7).

Net debt/EBITDA
1.27

Operating cash flow
834 MSEK

Profitability

The return on average capital employed, R12, amounted to 15.6 percent (18.9).

The return on shareholders' equity, R12, amounted to 13.8 percent (16.4).

Parent Company

The Parent Company's profit after tax for the second quarter amounted to 112 MSEK (402). Profit after tax for the first half-year amounted to 55 MSEK (377). Shareholders' equity amounted to 3,851 MSEK (4,299).

HEXPOL Compounding

April – June 2025

During the second quarter of 2025, the sales decreased by 9 percent compared to the corresponding quarter previous year. The sales amounted to 4,595 MSEK (5,062), including negative currency effects of 340 MSEK. Adjusted for currency effects, the sales amounted to 4,935 MSEK. In addition to currency effects, the sales were positively affected by acquisitions (Piedmont and Kabkom) with 4 percent.

During the second quarter we saw a continued weak demand from automotive-related customers compared to the corresponding quarter of 2024. This decline is partly offset by increased demand from customers within building and constructions, and the growing segment, cable compound.

Sales- and raw material prices are essentially stable, both in relation to the corresponding quarter of the previous year and sequentially.

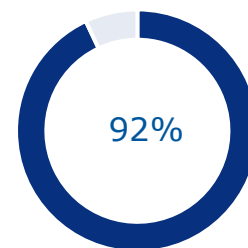
EBIT decreased during the quarter and amounted to 681 MSEK (844). Negative currency effects are included by 47 MSEK. The corresponding operating margin amounted to 14.8 percent (16.7). The lower EBIT margin is mainly explained by the product mix and costs in relation to lower sales.

January – June 2025

The sales for HEXPOL Compounding decreased during the period by 5 percent and amounted to 9,547 MSEK (10,001). Also, EBIT decreased during the period and amounted to 1,442 MSEK (1,681) at the same time as the corresponding operating margin amounted to 15.1 percent (16.8). The lower EBIT margin is mainly explained by the product mix and costs in relation to lower sales.

Share of the Group's sales

January – June 2025



About HEXPOL Compounding

The business area is one of the world's leading suppliers in development and manufacturing of advanced, high-quality polymer compounds for demanding applications and demanding end users. Customers are manufacturers of polymer products and components who impose rigorous demands on performance and global delivery capacity. The market is global, and the largest end-customer segments are the automotive and engineering industries, followed by the building and construction sector. Other key segments are transportation sector, energy sector, consumer sector, cable industries and manufacturers of medical equipment.

HEXPOL Compounding

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Sales	4 595	5 062	9 547	10 001	18 921	18 467
EBIT, adjusted	681	844	1 442	1 681	2 982	2 743
EBIT-margin, adjusted, %	14,8	16,7	15,1	16,8	15,8	14,9
EBIT	681	844	1 442	1 681	2 907	2 668
EBIT-margin, %	14,8	16,7	15,1	16,8	15,4	14,4

HEXPOL Engineered Products

April – June 2025

The business area's sales increased by 3 percent compared to the same quarter previous year and amounted to 402 MSEK (392). The increase includes negative currency effects of 27 MSEK. Adjusted for this, the sales amounted to 429 MSEK.

EBIT increased to 75 MSEK (67) which corresponds to an EBIT margin of 18.7 percent (17.1). Negative currency effects are included by 5 MSEK.

Gaskets increased the sales compared to the previous year. The remaining product areas showed slightly lower sales for the same period. The operations in Europe and Asia developed positively during the quarter.

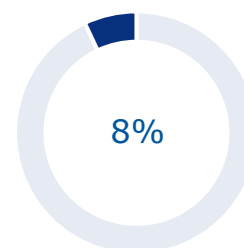
January – June 2025

The sales for HEXPOL Engineered Products increased during the first half-year by 9 percent to 831 MSEK (765).

EBIT increased during the corresponding period by 13 percent and amounted to 153 MSEK (135) and the corresponding operating margin amounted to 18.4 percent (17.6).

Share of the Group's sales

January – June 2025



About HEXPOL Engineered Products

The business area has operations in a number of niche areas with strong global positions in gaskets for plate heat exchangers (Gaskets and Seals) and wheels of polymer materials for forklifts and material handling (Wheels). The market for gaskets and wheels is global. Gaskets customers include manufacturers of plate heat exchangers and wheel customers are manufacturers of forklifts and castor wheels.

HEXPOL Engineered Products

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Sales	402	392	831	765	1 516	1 582
EBIT	75	67	153	135	265	283
EBIT-margin, %	18,7	17,1	18,4	17,6	17,5	17,9

After the end of the period

Significant events

No significant events after the end of the period have been reported.

Other information

Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2024 Annual Report. HEXPOL's global operation entails a risk that the company is affected by events in the global environment, beyond the company's direct control. Examples of this could be changed geopolitical situations or changes in the supply chain. HEXPOL monitors events in the global environment in order to be able to act quickly in situations that can have a significant impact on HEXPOL.

Accounting policies

This half-year report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company's financial statements have been prepared in compliance with the Annual Accounts Act and the Swedish Council for Sustainability and the Financial Reporting Board's recommendation RFR 2, Reporting for Legal Entities. The accounting and measurement policies as well as the assessment bases applied in the 2024 Annual Report have also been applied in this half-year report. No new or revised IFRS that came into force in 2025 have had any significant impact on the Group's financial reports.

Alternative Performance Measures (APMs)

ESMA (European Securities and Markets Authority) guidelines on alternative performance measures are effective from 2016. HEXPOL presents financial definitions and reconciliations of alternative performance measures in this report. HEXPOL presents alternative performance measures as these provide valuable additional information to investors and the company's management as they allow evaluation of the company's performance.

Capital market day

HEXPOL will hold a capital markets day in Stockholm on November 4, more details to come.

Personnel

The number of employees at the end of the period was 5,043 (5,039).

Ownership structure

HEXPOL AB (publ.) with Corporate Registration Number 556108-9631 is the Parent Company of the HEXPOL Group. HEXPOL's Class B shares are listed on Nasdaq Stockholm, Large Cap. HEXPOL AB had approximately 13,400 shareholders on June 30, 2025. The largest shareholder is Melker Schörling AB with 25 percent of the capital and 46 percent of the voting rights. The twenty largest shareholders own 77 percent of the capital and 83 percent of the voting rights.

Invitation to presentation of the report

A presentation of this report will be held through a webcasted conference call on July 18, 2025, at 11:00 a.m. CET. The presentation, as well as information concerning participation, is available at www.hexpol.com.

Number of
employees
5,043



Financial calendar

HEXPOL AB publish financial information on the following dates:

- | | |
|---|------------------|
| - Interim report January-September 2025 | October 24, 2025 |
| - Year-end report 2025 | January 29, 2026 |
| - Interim report January-March 2026 | May 4, 2026 |
| - Annual General Meeting 2026 | May 4, 2026 |
| - Half-year report 2026 | July 20, 2026 |
| - Interim report January-September 2026 | October 23, 2026 |

Financial information is also available in Swedish and English on HEXPOL AB's website – www.hexpol.com.

This half-year report January-June 2025 has not been audited by HEXPOL AB's auditors.

Board Assurance

The half-year report provides a fair view of the Parent Company's and the Group's operations, financial position and results. It also describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Malmö, Sweden July 18, 2025

HEXPOL AB (publ.)

Klas Dahlberg
President and CEO

Alf Göransson
Chairman of the Board

Malin Persson

Jan-Anders E. Månson

Kerstin Lindell

Nils-Johan Andersson

Märta Schörling Andreen

Henrik Elmin

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This report may contain forward-looking statements. When used in this report, words such as "anticipate", "believe", "estimate", "expect", "plan" and "project" are intended to identify forward-looking statements. Such statements could encompass risks and uncertainties pertaining to product demand, market acceptance, effects of economic conditions, impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of HEXPOL's management as of the date made with respect to future events but are subject to risks and uncertainties. While all of these forward-looking statements are based on estimates and assumptions made by HEXPOL's management and are believed to be reasonable, they are inherently uncertain and difficult to predict. Actual results and experience could differ materially from the forward-looking statements. HEXPOL disclaims any intention or obligation to update these forward-looking statements.

This information is information that HEXPOL AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 10:00 a.m. CET on July 18, 2025. This report has been prepared both in Swedish and English. In case of any divergence in the content of the two versions, the Swedish version shall have precedence.

Summary financial information

Condensed consolidated income statement

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Sales	4 997	5 454	10 378	10 766	20 437	20 049
Cost of goods sold	-3 910	-4 241	-8 134	-8 372	-16 063	-15 825
Gross profit	1 087	1 213	2 244	2 394	4 374	4 224
Selling and administrative cost, etc.	-331	-302	-649	-578	-1 202	-1 273
Operating profit	756	911	1 595	1 816	3 172	2 951
Financial income and expenses	-40	-40	-76	-78	-171	-169
Profit before tax	716	871	1 519	1 738	3 001	2 782
Tax	-179	-217	-380	-430	-781	-731
Profit after tax	537	654	1 139	1 308	2 220	2 051
- of which, attributable to Parent Company shareholders	537	654	1 139	1 308	2 220	2 051
Earnings per share, SEK	1,56	1,90	3,31	3,80	6,45	5,96
Shareholders' equity per share, SEK			40,07	42,27	46,29	
Average number of shares, 000s	344 437	344 437	344 437	344 437	344 437	344 437
Depreciation, amortisation and impairment	-139	-148	-283	-291	-588	-580

Condensed statement of comprehensive income

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Profit after tax	537	654	1 139	1 308	2 220	2 051
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	-	-	-	-	13	13
Items that may be reclassified to the income statement						
Translation differences	-346	-171	-1 836	740	1 205	-1 371
Comprehensive income	191	483	-697	2 048	3 438	693
- of which, attributable to Parent Company's shareholders	191	483	-697	2 048	3 438	693

Condensed consolidated balance sheet

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Intangible fixed assets	13 515	12 959	14 284
Tangible fixed assets	3 651	3 683	3 779
Financial fixed assets	5	5	5
Deferred tax asset	153	95	99
Total fixed assets	17 324	16 742	18 167
Inventories	2 206	2 218	2 224
Accounts receivable	3 027	3 415	2 674
Other receivables	545	301	495
Prepaid expenses and accrued income	121	116	91
Cash and cash equivalents	1 119	997	1 233
Total current assets	7 018	7 047	6 717
Total assets	24 342	23 789	24 884
Equity attributable to Parent Company's shareholders	13 801	14 558	15 945
Total shareholders' equity	13 801	14 558	15 945
Interest-bearing liabilities	1 053	1 155	350
Other liabilities	405	433	310
Provision for deferred tax	919	855	966
Provision for pensions	61	73	62
Total non-current liabilities	2 438	2 516	1 688
Interest-bearing liabilities	4 544	2 765	3 123
Accounts payable	2 456	2 936	2 557
Other liabilities	293	300	697
Accrued expenses, prepaid income, provisions	810	714	874
Total current liabilities	8 103	6 715	7 251
Total shareholders' equity and liabilities	24 342	23 789	24 884

Condensed consolidated changes in shareholders' equity

MSEK	Jun 30, 2025		Jun 30, 2024		Dec 31, 2024	
	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity
Opening equity	15 945	15 945	14 577	14 577	14 577	14 577
Comprehensive income	-697	-697	2 048	2 048	3 438	3 438
Dividend	-1 447	-1 447	-2 067	-2 067	-2 070	-2 070
Closing equity	13 801	13 801	14 558	14 558	15 945	15 945

Changes in number of shares

	Total number of Class A shares	Total number of Class B shares	Total number of shares
Number of shares at January 1	14 765 620	329 671 226	344 436 846
Number of shares at the end of the period	14 765 620	329 671 226	344 436 846

Condensed consolidated cash-flow statement

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Cash flow from operating activities before changes in working capital	468	739	1 238	1 687	2 834	2 385
Changes in working capital	25	6	-583	-775	-138	54
Cash flow from operating activities	493	745	655	912	2 696	2 439
Acquisitions	-970	-	-970	4	-895	-1 869
Cash flow from other investing activities	-96	-139	-283	-294	-610	-599
Cash flow from investing activities	-1 066	-139	-1 253	-290	-1 505	-2 468
Dividend	-1 449	-2 070	-1 449	-2 070	-2 070	-1 449
Cash flow from other financing activities	1 836	992	2 124	1 237	790	1 677
Cash flow from financing activities	387	-1 078	675	-833	-1 280	228
Change in cash and cash equivalents	-186	-472	77	-211	-89	199
Cash and cash equivalents at January 1	1 410	1 462	1 233	1 103	1 103	997
Exchange-rate differences in cash and cash equivalents	-105	7	-191	105	219	-77
Cash and cash equivalents at the end of the period	1 119	997	1 119	997	1 233	1 119

Operating cash flow, Group

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Operating profit	756	911	1 595	1 816	3 172	2 951
Other non cash adjustment	10	-	10	-	-	10
Depreciation/amortisation/impairment	139	148	283	291	588	580
Change in working capital	25	6	-583	-775	-138	54
Sale of fixed assets	0	0	0	0	0	0
Investments	-96	-139	-283	-294	-610	-599
Operating Cash flow	834	926	1 022	1 038	3 012	2 996

Other key figures, Group

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Profit margin before tax, %	14,3	16,0	14,6	16,1	14,7	13,9
Return on shareholders' equity, % R12			13,8	16,4	14,5	
Interest-coverage ratio, multiple			17	16	14	14
Net debt, MSEK			-4 473	-2 918	-2 235	
Sales growth adjusted for currency effects, %	-2	-6	-1	-9	-7	
Sales growth adjusted for currency effects and acquisitions, %	-6	-6	-4	-9	-8	
Cash flow per share, SEK	1,43	2,16	1,90	2,65	7,83	7,08
Cash flow per share before change in working capital, SEK	1,36	2,15	3,59	4,90	8,23	6,92

Condensed income statement, Parent Company

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Sales	22	20	44	41	77	80
Administrative costs, etc.	-33	-16	-87	-37	-89	-139
Operating loss	-11	4	-43	4	-12	-59
Financial income and expenses*	115	394	81	366	1 372	1 087
Profit after financial items	104	398	38	370	1 360	1 028
Profit before tax	104	398	38	370	1 360	1 028
Tax	8	4	17	7	-39	-29
Profit after tax	112	402	55	377	1 321	999

Condensed balance sheet, Parent company

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Fixed assets	13 718	13 579	13 053
Current assets	438	319	750
Total assets	14 156	13 898	13 803
Restricted shareholders' equity			
Share capital	69	69	69
Total restricted shareholders' equity	69	69	69
Non-restricted shareholders' equity			
Share premium reserve	619	619	619
Accumulated earnings	3 108	3 234	3 234
Profit after tax	55	377	1 321
Total non-restricted shareholders' equity	3 782	4 230	5 174
Total shareholders' equity	3 851	4 299	5 243
Non-current liabilities	3 352	3 542	2 861
Current liabilities	6 953	6 057	5 699
Total shareholders' equity and liabilities	14 156	13 898	13 803

*Financial income and expenses in the Parent company was affected during 2024 by legal restructuring.

Notes to the financial reports

Note 1 Financial instrument per category and measurement level

Jun 30, 2025		Financial assets/liabilities measured at:		
MSEK	Amortized costs	Fair value through profit or loss	Measurem. level	Total
Assets in the balance sheet				
Non-current financial assets	5	-		5
Accounts receivable	3 027	-		3 027
Cash and cash equivalents	1 119	-		1 119
Total	4 151	-		4 151
Liabilities in the balance sheet				
Interest-bearing non-current liabilities	700	-		700
Interest-bearing non-current lease liabilities	353	-		353
Liabilities to minority shareholders*		365	3	365
Interest-bearing current liabilities	4 458	-		4 458
Interest-bearing current lease liabilities	86	-		86
Accounts payable	2 456	-		2 456
Other liabilities	293	-		293
Accrued expenses, prepaid income, provisions	810	-		810
Total	9 156	365		9 521

Jun 30, 2024		Financial assets/liabilities measured at:		
MSEK	Amortized costs	Fair value through profit or loss	Measurem. level	Total
Assets in the balance sheet				
Non-current financial assets	5	-		5
Accounts receivable	3 415	-		3 415
Cash and cash equivalents	997	-		997
Total	4 417	-		4 417
Liabilities in the balance sheet				
Interest-bearing non-current liabilities	800	-		800
Interest-bearing non-current lease liabilities	355	-		355
Liabilities to minority shareholders*		398	3	398
Interest-bearing current liabilities	2 630	-		2 630
Interest-bearing current lease liabilities	135	-		135
Accounts payable	2 936	-		2 936
Other liabilities	300	-		300
Accrued expenses, prepaid income, provisions	714	-		714
Total	7 870	398		8 268

*Liabilities to minority shareholders are recognized as other non-current liabilities.

Note 2 Non-recurring items in the income statement

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024
Costs of goods sold	-	-	-	-	-11
Administration costs	-	-	-	-	-61
Other operating expense	-	-	-	-	-3
Profit before tax	-	-	-	-	-75
Tax	-	-	-	-	-13
Profit after tax	-	-	-	-	-88

The costs for 2024 are mainly related to the restructuring carried out in the US.

Note 3 Acquisition

Acquisition within TP Compounding

In early April 2022 the HEXPOL Group acquired 70 percent of the shares in almaak international GmbH. According to the agreement HEXPOL had an option to acquire the remaining shares (from 2025 and annually thereafter during the period January 1 to March 31), and the sellers had an option to sell their remaining shares to HEXPOL (from 2025 and annually thereafter during the period January 1 to March 31), the commitment was reported as a liability to minority shareholders. The option has now been utilized by the minority owner and HEXPOL has acquired the remaining 30 percent of almaak international GmbH. Related to this, operating profit has been affected negatively by 10 MSEK and the financial net by 8 MSEK in revaluation effect. The transaction took place on April 9, 2025, and the purchase price amounted to 36,7 MEUR.

Acquisition within Compounding

HEXPOL signed an agreement on 18 February 2025 to acquire 80 percent of the shares in Kabkom Kimya Sanayi vs Ticaret Anonim Sirketi (Kabkom). Kabkom was founded in 2011 and has grown to become the largest independent cable compounder in Turkey. The company specializes in high-performance thermoplastic and thermoset cable compounds for the fast growing cable market. Kabkom operates a brand new state of the art manufacturing facility outside Izmir, Turkey with approximately 70 employees and plenty of open capacity. The company has a turnover of some 30 MEUR and a profitability above the HEXPOL Group. The acquisition price amounts to 54 MEUR on a cash and debt free basis and is funded by a combination of bank facilities and cash. The closing has now taken place after regulatory approvals. According to the agreement HEXPOL has an option to acquire the remaining shares, and the founders have an option to sell their remaining shares to HEXPOL. Kabkom has been consolidated from May 1, 2025. The purchase price allocation is preliminary since some information is outstanding.

Below are details of net assets acquired and goodwill for the above acquisition:

MSEK	
Purchase considerations	754
Fair value of acquired net assets	193
Goodwill	561

Goodwill is attributable to the strategic importance of the acquisition in terms of the increased breadth it adds to the HEXPOL Group's existing product offering. With this acquisition we broaden the capabilities of the HEXPOL Group in the fast growing wire and cable market and underscores our dedication to expanding our footprint in key global markets and leveraging synergies to drive innovation and growth.

The following assets and liabilities were included in the acquisition:

MSEK	Balance sheet at the time of acquisition	Adjustment to fair value	Fair value
Cash and cash equivalents	36	-	36
Accounts receivable	42	-	42
Current assets	78	-	78
Tangible assets	137	-	137
Intangible assets	2	-	2
Deferred tax assets	35	-	35
Non-current liabilities	-7	-	-7
Accounts payable	-41	-	-41
Current liabilities	-89	-	-89
Acquired net assets	193	-	193

Purchase considerations	754
Liabilities to minority shareholders	-151
Cash and cash equivalents in acquired operations	36
Change in Group's cash and cash equivalents	567

Transaction costs for the above acquisition amounted to 4 MSEK and has been reported in the operating profit under administrative expenses.

Note 4 Segment reporting and distribution of revenues

Quarterly data, Group

Sales per business area

MSEK	2025		2024				Full Year	Jul 24-Jun 25	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
HEXPOL Compounding	4 952	4 595	4 939	5 062	4 612	4 308	18 921	18 467	5 617	5 354	5 099	4 511	20 581
HEXPOL Engineered Products	429	402	373	392	365	386	1 516	1 582	373	373	362	357	1 465
Group total	5 381	4 997	5 312	5 454	4 977	4 694	20 437	20 049	5 990	5 727	5 461	4 868	22 046

Sales per geographic region

MSEK	2025		2024				Full Year	Jul 24-Jun 25	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
Europe	2 135	2 111	2 133	2 117	1 924	1 925	8 099	8 095	2 407	2 208	1 972	1 903	8 490
Americas	2 905	2 572	2 882	3 009	2 725	2 473	11 089	10 675	3 300	3 221	3 186	2 663	12 370
Asia	341	314	297	328	328	296	1 249	1 279	283	298	303	302	1 186
Group total	5 381	4 997	5 312	5 454	4 977	4 694	20 437	20 049	5 990	5 727	5 461	4 868	22 046

Sales per geographic region HEXPOL Compounding

MSEK	2025		2024				Full Year	Jul 24-Jun 25	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
Europe	1 950	1 932	1 977	1 951	1 763	1 760	7 451	7 405	2 231	2 050	1 837	1 756	7 874
Americas	2 780	2 464	2 755	2 888	2 614	2 355	10 612	10 213	3 189	3 104	3 058	2 533	11 884
Asia	222	199	207	223	235	193	858	849	197	200	204	222	823
Group total	4 952	4 595	4 939	5 062	4 612	4 308	18 921	18 467	5 617	5 354	5 099	4 511	20 581

Sales per geographic region HEXPOL Engineered Products

MSEK	2025		2024				Full Year	Jul 24-Jun 25	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
Europe	185	179	156	166	161	165	648	690	176	158	135	147	616
Americas	125	108	127	121	111	118	477	462	111	117	128	130	486
Asia	119	115	90	105	93	103	391	430	86	98	99	80	363
Group total	429	402	373	392	365	386	1 516	1 582	373	373	362	357	1 465

EBIT per business area

MSEK	2025		2024				Full Year	Jul 24-Jun 25*	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4*			Q1	Q2	Q3	Q4*	
HEXPOL Compounding	761	681	837	844	735	566	2 982	2 743	873	883	862	783	3 401
HEXPOL Engineered Products	78	75	68	67	65	65	265	283	73	62	68	55	258
Group total	839	756	905	911	800	631	3 247	3 026	946	945	930	838	3 659

EBIT-margin per business area

%	2025		2024				Full Year	Jul 24-Jun 25*	2023				Full Year
	Q1	Q2	Q1	Q2	Q3	Q4*			Q1	Q2	Q3	Q4*	
HEXPOL Compounding	15,4	14,8	16,9	16,7	15,9	13,1	15,8	14,9	15,5	16,5	16,9	17,4	16,5
HEXPOL Engineered Products	18,2	18,7	18,2	17,1	17,8	16,8	17,5	17,9	19,6	16,6	18,8	15,4	17,6
Group total	15,6	15,1	17,0	16,7	16,1	13,4	15,9	15,1	15,8	16,5	17,0	17,2	16,6

*Adjusted EBIT for HEXPOL Compounding

Reconciliation alternative performance measures

Sales

MSEK	2025		2024		2023		Full Year	2022		2021		Full Year
	Q1	Q2	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
Sales	5 381	4 997	5 312	5 454	4 977	4 694	20 437	5 990	5 727	5 461	4 868	22 046
Currency effects	64	-367	-5	53	-172	29	-95	463	383	247	31	1 124
Sales excluding currency effects	5 317	5 364	5 317	5 401	5 149	4 665	20 532	5 527	5 344	5 214	4 837	20 922
Acquisitions	170	212	36	39	31	102	208	338	128	124	100	690
Sales excluding currency effects and acquisitions	5 147	5 152	5 281	5 362	5 118	4 563	20 324	5 189	5 216	5 090	4 737	20 232

Sales growth

%	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024
Sales growth excluding currency effects	-2	-6	-1	-9	-7
Sales growth excluding currency effects and acquisitions	-6	-6	-4	-9	-8

EBITA, adjusted, %

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24-Jun 25
Sales	4 997	5 454	10 378	10 766	20 437	20 049
Operating profit	756	911	1 595	1 816	3 172	2 951
Non-recurring items	-	-	-	-	75	75
Amortisation and impairment of intangible assets	32	33	66	67	137	136
Total EBITA, adjusted	788	944	1 661	1 883	3 384	3 162
EBITA, adjusted, %	15,8	17,3	16,0	17,5	16,6	15,8

EBITA, %

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24-Jun 25
Sales	4 997	5 454	10 378	10 766	20 437	20 049
Operating profit	756	911	1 595	1 816	3 172	2 951
Amortisation and impairment of intangible assets	32	33	66	67	137	136
Total EBITA	788	944	1 661	1 883	3 309	3 087
EBITA%	15,8	17,3	16,0	17,5	16,2	15,4

Capital employed

MSEK	2025		2024				2023			
	Mar 31	Jun 30	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
Total assets	24 120	24 342	24 340	23 789	22 664	24 884	24 075	24 806	24 225	22 507
Provision for deferred tax	-898	-919	-878	-855	-829	-966	-795	-866	-853	-832
Accounts payable	-2 640	-2 456	-2 967	-2 936	-2 433	-2 557	-3 316	-3 247	-2 925	-2 737
Other liabilities	-655	-293	-309	-300	-291	-697	-375	-449	-405	-438
Accrued expenses, prepaid income, provisions	-791	-810	-604	-714	-799	-874	-598	-718	-776	-749
Total Group	19 136	19 864	19 582	18 984	18 312	19 790	18 991	19 526	19 266	17 751

Return on capital employed, R12

MSEK	Jun 30 2025	Jun 30 2024	Full Year 2024
Average capital employed	19 276	18 896	19 167
Profit before tax	2 782	3 326	3 001
Interest expense	216	242	231
Total	2 998	3 568	3 232
Return on capital employed, %	15,6	18,9	16,9

Interest-coverage ratio, multiple

MSEK	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024	Jul 24- Jun 25
Profit before tax	1 519	1 738	3 001	2 782
Interest expense	98	113	231	216
Total	1 617	1 851	3 232	2 998
Interest-coverage ratio, multiple	17	16	14	14

Shareholders' equity

MSEK	2025		2024				2023			
	Mar 31	Jun 30	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
Shareholders' equity	15 057	13 801	16 142	14 558	14 536	15 945	14 547	14 848	15 217	14 577

Return on equity, R12

MSEK	Jun 30 2025	Jun 30 2024	Full Year 2024
Average shareholders' equity	14 835	15 124	15 295
Profit after tax	2 051	2 485	2 220
Return on equity, %	13,8	16,4	14,5

Net debt

MSEK	Jun 30 2025	Jun 30 2024	Full Year 2024
Financial assets	5	5	5
Cash and cash equivalents	1 119	997	1 233
Non-current interest-bearing liabilities	-1 053	-1 155	-350
Current interest-bearing liabilities	-4 544	-2 765	-3 123
Net debt	-4 473	-2 918	-2 235

Net debt/EBITDA

MSEK	Jun 30 2025	Jun 30 2024	Full Year 2024
Net debt	-4 473	-2 918	-2 235
EBITDA, R12	3 531	4 076	3 760
Net debt/EBITDA, multiple	-1,27	-0,72	-0,59

Equity/assets ratio

MSEK	Jun 30 2025	Jun 30 2024	Full Year 2024
Shareholders' equity	13 801	14 558	15 945
Total assets	24 342	23 789	24 884
Equity/assets ratio, %	57	61	64

Financial definitions

Average capital employed	Average of the last four quarters capital employed.
Average shareholders' equity	Average of the last four quarters shareholders' equity.
Capital employed	Total assets less deferred tax liabilities, accounts payable, other liabilities and accrued expenses, prepaid income and provisions.
Cash flow	Cash flow from operating activities.
Cash flow per share	Cash flow from operating activities in relation to the average number of shares outstanding.
Cash flow per share before changes in working capital	Cash flow from operating activities before changes in working capital in relation to the average number of shares outstanding.
Earnings per share	Profit after tax, in relation to the average number of shares outstanding.
Earnings per share excl. adjusted	Profit after tax excluding non-recurring items, in relation to the average number of shares outstanding.
EBIT	Operating profit.
EBITA	Operating profit, excluding amortisation and impairment of intangible assets.
EBITA margin, %	Operating profit, excluding amortisation and impairment of intangible assets in relation to sales.
EBITA, adjusted	Operating profit excluding non-recurring items and amortisation and impairment of intangible assets.
EBITA margin, adjusted, %	Operating profit excluding non-recurring items and amortisation and impairment of intangible assets in relation to sales.
EBITDA	Operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets.
Equity/assets ratio	Shareholders' equity in relation to total assets.
Interest-coverage ratio	Profit before tax plus interest expenses in relation to interest expenses.
Net debt/EBITDA	Non-current and current interest-bearing liabilities less cash and cash equivalents in relation to operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets.
Net debt, net cash	Non-current and current interest-bearing liabilities less cash and cash equivalents.
Non-recurring items	Refers to integration- and restructuring costs and other material non-recurring items.
Operating cash flow	Operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets, less investments incl. new leasing agreements and plus sales of tangible and intangible assets, and after changes in working capital.
Operating margin, %	Operating profit in relation to the sales.
Operating margin, adjusted, %	Operating profit excluding non-recurring items, in relation to the sales.
Other investing activities	Investments and sales of intangible and tangible assets.
Operating profit, adjusted	Operating profit excluding non-recurring items.
Profit margin before tax	Profit before tax in relation to the sales.
Return on capital employed, R12	Twelve months profit before tax plus twelve months interest expenses in relation to average capital employed.
Return on equity, R12	Twelve months profit after tax in relation to average shareholders' equity.
R12	Rolling twelve months average.
Sales growth excluding currency effects	Sales excluding currency effects compared to the sales for the corresponding year-earlier period.
Sales growth excluding currency effects and acquisitions	Sales excluding currency effects and acquisitions compared to the sales for the corresponding year-earlier period.
Shareholders' equity per share	Shareholders' equity in relation to the number of shares outstanding at the end of the period.