

January 1 - June 30, 2021

Interim report

Highlights second quarter

- Hexicon's Korean J/V has entered a shareholder's agreement with Shell for the continued development of the Munmu Baram project

- Hexicon and Aker Offshore Wind have jointly initiated public consultations for three offshore sites in Sweden and planning is underway to establish a long-term 50-50 development structure

- To serve the design of the TwinWay demonstrator project in Norway, an exhaustive model test campaign was successfully conducted of the TwinWind foundation at MARIN test centre in the Netherlands

- Hexicon has acquired WaveHub, an offshore site in Cornwall, England, to develop the site for up to 40 megawatts (MW) in partnership with Bechtel

- Hexicon successfully listed its shares on NASDAQ First North Premier Growth Market

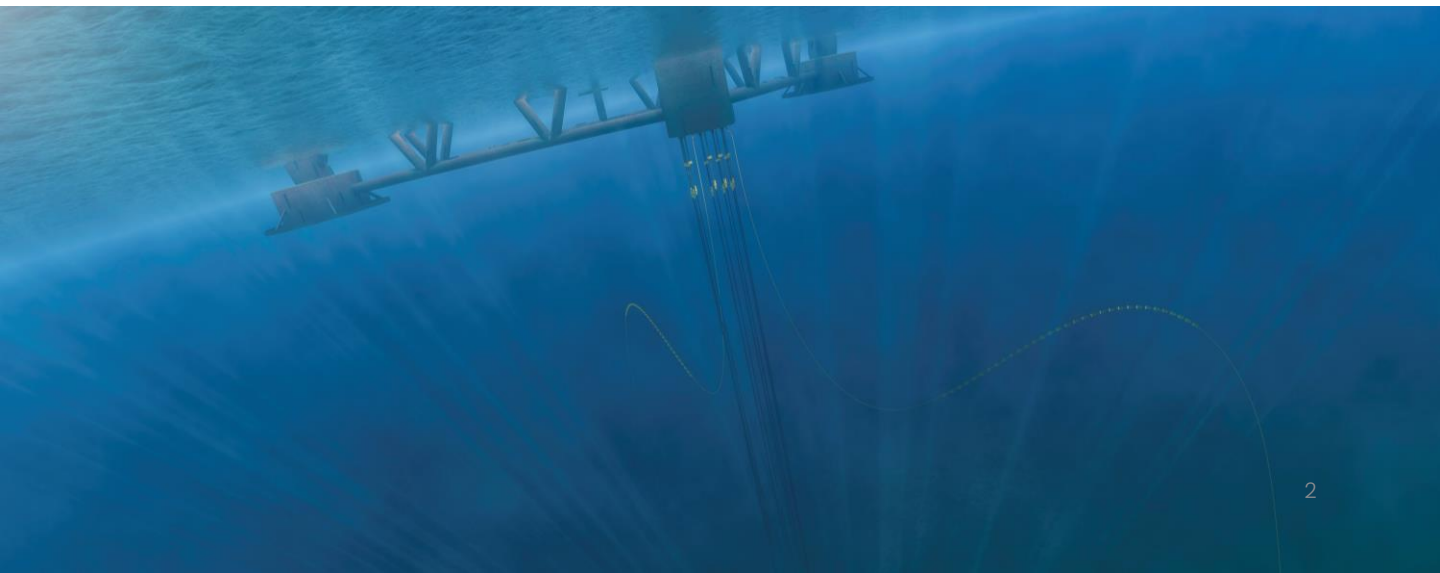


Hexicon is a developer of floating wind farms and owns a patented technology for floating platforms with two turbines. Hexicon’s solution and design increase the power capacity for a given water area and at the same time reduce the number of structures and cable. Hexicon currently runs four projects; in England, Norway, South Korea, and Sweden and in addition pursue opportunities at an earlier stage of development in other countries.

Group financial information summary

MSEK	2021	2020	2021	2020	2020
	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Jan–Dec
Net revenue	1.0	2.1	12.6	3.1	4.4
Operating profit/(loss)	-22.1	-3.2	-23.5	-7.4	-35.9
Profit/(loss) before tax for the period	-22.2	-3.4	-22.3	-7.8	-36.9
Earnings per share basic and diluted (SEK)	-0.08	-0.02	-0.08	-0.04	-0.19
Cash flow used in operating activities	15.5	-1.7	0.9	-3.0	-3.4
			2021-06-30	2020-06-30	2020-12-31
Equity at the end of the period			347.5	9.2	91.9
Equity/asset ratio at the end of the period (%) ¹⁾			86 %	38 %	78 %
Cash at the end of the period			374.2	0.2	106.6

¹⁾ Equity/total assets at the end of the period



Message from the CEO

I can summarise an eventful quarter for Hexicon where we have taken important steps in regards of both project and technology development, while also having the pleasure to welcome thousands of new shareholders in connection with our listing on Nasdaq First North Premier Growth Market.



Focus on project development

We continuously work to develop our project portfolio, and over the past months we have been able to move forward on several locations. In South Korea, our joint venture and Shell have entered into a shareholders' agreement to regulate both parties' long-term interests in the Korean project company. The agreement is another exciting step which will take us closer to realising the project's target of creating the world's largest floating offshore wind farm. The project is targeting a total installed capacity of 1,400 MW over multiple phases. The final investment decision for the first phase is planned for in 2024 and start of operations in 2026. We are grateful for the cooperation with Shell who has provided both capital and brought its strong skillset in the energy field to the project.

Furthermore, towards the end of the first quarter, we entered into a joint development agreement with Aker Offshore Wind to explore opportunities to realise floating wind projects offshore Sweden that could generate several gigawatts of renewable power and support Sweden's goal of reaching net zero emissions. During the second quarter, public consultations were initiated, and seabed survey permits submitted, for three sites. The work is ongoing to form a 50-50 joint venture with Aker Offshore Wind.

Additional early-stage developments are ongoing with local partners and expertise in selected markets such as Ireland, South Africa and Spain. Hexicon's future work will be very focused on enhancing the value of our project portfolio, which in addition to the above includes opening up a few selected new markets. Further facts of Hexicon's projects can be found at the end of this report.



Demonstrator projects to confirm the benefits of our technology

It takes both extensive testing and full-scale verification to move closer to commercialisation of our floating foundation TwinWind. In the quarter, we have continued the development of our demonstration project Twinway with planned installation at Metcentre's deep water area in Norway by 2023.

We are currently well into the design work and have among other activities successfully completed an extensive model test campaign at MARIN test centre in the Netherlands.

In the quarter we have also acquired Wave Hub, an offshore renewable energy test site off Cornwall, South West England. Our intention is to develop the site for a 30-40MW floating offshore wind project with two TwinWind foundations with the aim to deliver power by 2025. In this project, we have partnered with Bechtel, a global leader in engineering, construction, and project management.



Sustainability program aligned with the global targets

In addition to the continued development of our projects and technology, we are also continuously working to

professionalise our company and ensure that we are at the forefront of our industry in all aspects. A key issue is how we take responsibility for our global footprint and based on this we have during the quarter launched a sustainability program with a clear foothold in the UN Sustainable Development Goals.

In short, it means that we are building capacity for clean electricity to more than 1.5 million households before 2030, with minimal environmental impact, socially responsible production and robust governance. Within the framework of the program, we shall minimise the impact on biodiversity and marine life, be a responsible employer, and ensure a responsible value chain. A full description of the sustainability program can be found on our website.



The road ahead

For anyone out there still questioning that human influence has warmed the globe, last week's assessment report from the United Nations Intergovernmental Panel on Climate Change should turn you around. Climate change is no longer a future threat, it is here and now. With current policies we are on track towards a significantly warmer planet than per the Paris Agreement.

With the evidence presented in the report and the upcoming COP26 climate conference in Glasgow later this year, I am however optimistic that we will see improved government policies that more closely align with the Paris Agreement, which will further benefit the offshore wind markets where Hexicon is active.

Global CO₂ emissions need to be halved by 2030 and such emissions are predominantly caused by the production and consumption of energy. Floating wind power is a renewable energy source that can be deployed at the scale that is needed and within a reasonable timeframe. To be able to contribute to this unprecedented energy transition was one of the main reasons for listing Hexicon. Through the listing and associated capital raise, we are able to further develop our project portfolio and technology, and to strengthen our vast project know-how. This is the decade when floating wind will become commercialised and we are on track to execute an ambitious business plan that entails grasping a significant market share through projects across multiple continents.

The next six months will be focused on maturing our projects even further which includes; bidding in to the Contract for Difference (CfD) auction in the UK for the TwinHub Project, setting up a 50-50 J/V with Aker Offshore Wind in Sweden and therethrough commencing environmental impact assessments and grid applications for the NordanVind Project as well as preparing the construction start of the TwinWay demonstrator in Norway. Additionally, our early-stage developments in markets such as Ireland, Spain and South Africa will be further defined in anticipation of upcoming legislation. Lastly, Hexicon will establish operations in new significant markets, US being a key one.

So, it is with confidence I look on our continued journey towards commercialisation and our clear contribution to global climate neutrality.

Marcus Thor

CEO



Financial information

Second quarter (April 1 – June 30)



GROUP RESULT AND FINANCIAL POSITION

Net revenue and result

Net revenue for the quarter amounted to 1.0 (2.1) MSEK, a decrease of 52 % in comparison with the corresponding period last year. The decrease in revenue is related to invoiced consulting revenue, which fluctuates depending on the different projects and their phases. Consulting revenue is one of three main revenue streams, together with license revenue and project divestments, where the two latter will increase in importance the coming years.

The total result for the quarter was -22.2 (-3.3) MSEK. The negative result is due to increased development activity in the projects Nordanvind (Sweden), TwinWay (Norway) and Munmu Baram (South Korea). In addition, costs related to the IPO totalled 2.0 MSEK.



CASH FLOW, FINANCING AND INVESTMENTS

The group's cash flow from operating activities before changes in working capital amounted to -17.6 (-3.3) MSEK. Changes in working capital had an effect on the cash flow of 33.1 (1.6) MSEK in the quarter. Cash flow from financing activities amounted to 267.5 (0.6) MSEK, of which 0.2 MSEK were warrant premiums. The investments totalled 8.4 (0.3) MSEK and was mainly activated development expenses.

First half-year (January 1 – June 30)



GROUP RESULT AND FINANCIAL POSITION

Net revenue and result

Net revenue for the reporting period amounted to 12.6 (3.1) MSEK, an increase of 306 % in comparison

with the corresponding period last year. The increase is attributable to a project divestment in Scotland of 11.4 MSEK during the first quarter, see note 3. Result for the reporting period amounted to -22.3 (-7.8) MSEK.

The cost increase follows the set-out plan and is mainly related to activities in the four active projects as well as IPO related costs, see second quarter above. In addition, the group's increased recruitment and payroll led to increased personnel costs.

Balance sheet

The group's total assets at the end of the reporting period amounted to 402.4 (24.0) MSEK. Equity totalled 347.5 (9.2) MSEK. Equity/asset ratio amounted to 86 (38) %.



CASH FLOW, FINANCING AND INVESTMENTS

The group's cash flow from operating activities before changes in working capital amounted to -18.3 (-7.3) MSEK. Changes in working capital affected the cash flow with 19.2 (4.3) MSEK in the period. Cash flow from financing activities amounted to 277.5 (3.2) MSEK, of which 10.5 were warrant premiums and exercised warrants. The investments amounted to 11.3 (0.6) MSEK and was mainly activated development expenses.



PERSONNEL

The group had 26 (11) employees at the end of the reporting period.



SIGNIFICANT EVENTS IN REPORTING PERIOD

In March, Hexicon established a 100 % owned UK entity, TwinHub Ltd. The company entered a Share Purchase Agreement on April 13 with Cornwall Council acquiring the company Wave Hub Ltd, comprising a water area, and installed

infrastructure in South England. This is considered an attractive opportunity for the company to participate in a subsidy scheme, so-called CfD auction program.

On March 28, Hexicon entered a Joint Development Agreement with Aker Offshore Wind AS with the purpose to develop floating wind farms in Sweden.

In June, CoensHexicon, (49 % owned by Hexicon), Shell and Munmu Baram, formerly known as TwinWind Development, signed a Shareholder's Agreement stipulating CoensHexicon and Shell's ownership in Munmu Baram (The Korean Project Company), which is now 20 % owned by CoensHexicon. The purpose of the Korean Project Company is to develop, manufacture, finance, build and operate floating wind farms outside Ulsan in South Korea.

In May, Hexicon acquired additional shares in WunderHexicon. With this acquisition Hexicon increased its shareholding in WunderHexicon from 50 % to 75 % and thus consolidated numbers is included from June 2021, see note 6.

The annual general meeting was held on May 3 where it was resolved to authorize the board of directors to issue new shares.

At a board meeting on June 2, it was resolved to apply for a listing and subsequently list the company's shares on the Nasdaq First North Premier Growth Market. The first day of trading for shares in Hexicon (HEXI) was June 18. In connection with the listing, there was a new share issue of 345.0 MSEK, 45.0 MSEK of the 345.0 MSEK was over-allotment, the so called Greenshoe Option and settled after June 30. Expenses directly related to the IPO were 32.7 MSEK booked against equity and indirect IPO related costs were 1.0 MSEK in Q1 and 2.0 MSEK in Q2.

The dormant subsidiary Hexicon Malta Ltd was liquidated on June 23.

The company's business has not been considerably affected by Covid-19 during the reporting period.



RISKS AND UNCERTAINTY FACTORS

Development of offshore wind power continues in Europe, USA and Asia and is presumed to become a key energy source. The offshore wind power industry is increasing rapidly with new initiatives and auctioning of water areas. Windfarms are being built in for instance the US, Scotland, France, and Norway.

Deep water placement is not yet used on a large scale and several technical challenges are yet to be commercially tested.



RELATED PARTY TRANSACTION

A member of the management team has been paid remuneration of 2.0 (0.3) MSEK during the period January–June, including expenses of 0.2 (0.0) MSEK. Personnel, management, and board members subscribed for 11 800 000 warrants at a premium of 0.20 SEK each, maturing in 3 years and with an exercise price of 2.80 SEK. 8 100 000 warrants from an earlier employee share-option plan were exercised and converted into the same number of shares for an exercise price of 1.0 SEK. Both employee share-option plans are described in the annual report 2020, note 6.



SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On July 30, TwinHub Ltd (100 % owned by Hexicon) completed the acquisition of Wave Hub Ltd according to the Share Purchase Agreement signed on April 13.

In July, Pareto Securities, in its capacity as stabilization manager for the listing, notified Hexicon that the Over-Allotment Option (Greenshoe Option) has been exercised in respect of 1,269,207 shares. Hexicon received 3.8 MSEK for the share issue.

Second quarter (April 1 – June 30)



PARENT COMPANY RESULT AND FINANCIAL POSITION

Net revenue and result

Net revenue in the parent company amounted to 1.0 (2.1) MSEK. The reason behind the decrease is related to fluctuating consulting revenue, as for the group. The result for the period amounted to -17.2 (-3.4) MSEK. The reasons for the increased losses are the same as informed for the group result, besides the Munmu Baram project, which is not booked in the parent company.

First half-year (January 1 – June 30)



PARENT COMPANY RESULT AND FINANCIAL POSITION

Net revenue and result

Net revenue in the parent company amounted to 12.6 (3.1) MSEK. The increase is attributable to the earlier mentioned project divestment in Scotland. Result for the reporting period amounted to -16.6 (-7.6) MSEK. The reasons for the increased losses are the same as mentioned for the group result, besides the Munmu Baram project, which is not booked in the parent company.

Liquidity and financial position

The cash balance per June 30 amounted to 374.2 (0.0) MSEK. Total assets at the same date amounted to 399.5 (24.7) MSEK.



PARENT COMPANY RISKS AND UNCERTAINTY FACTORS

The risks and uncertainty factors in the parent company are the same as described above for the group.



PARENT COMPANY RELATED PARTY TRANSACTIONS

The related party transactions are the same as described above for the group.



Group income statement in summary

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net revenue	1.0	2.1	12.6	3.1	4.4
Other operating income	6.3	0.4	6.5	0.7	2.0
Raw materials and consumables	0.0	-	-0.1	-	-0.2
Other external expenses	-18.0	-2.1	-25.4	-4.1	-8.5
Personnel costs	-6.7	-3.6	-11.8	-6.8	-15.1
Depreciation/amortisation and impairments	-0.1	-	-0.3	-	-18.1
Other operating expenses	-0.2	-0.1	-0.3	-0.2	-0.2
Result from share in associated companies	-4.4	0.1	-4.7	-0.1	-0.2
Operating profit/(loss)	-22.1	-3.2	-23.5	-7.4	-35.9
Net financial income/(expenses)	-0.1	-0.2	1.2	-0.4	-1.0
Profit/(loss) before tax	-22.2	-3.4	-22.3	-7.8	-36.9
Tax	-	-	-	-	-
Profit/(loss) for the period	-22.2	-3.4	-22.3	-7.8	-36.9
Attributable to:					
Equity holder of the parent company	-22.2	-3.4	-22.3	-7.8	-36.9
Non-controlling interests	-	-	-	-	-
	-22.2	-3.4	-22.3	-7.8	-36.9

Group statement of comprehensive income

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Profit/(loss) for the period	-22.2	-3.4	-22.3	-7.8	-36.9
OTHER COMPREHENSIVE INCOME					
<i>Items that are or may be reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations	0.0	0.1	0.0	0.0	0.1
Other comprehensive income for the period	0.0	0.1	0.0	0.0	0.1
Total comprehensive income for the period	-22.2	-3.3	-22.3	-7.8	-36.8
Attributable to:					
Equity holder of the parent company	-22.2	-3.3	-22.3	-7.8	-36.8
Non-controlling interests	-	-	-	-	-
	-22.2	-3.3	-22.3	-7.8	-36.8
Earnings per share basic and diluted (SEK)	-0.08	-0.02	-0.08	-0.04	-0.19

Group balance sheet in summary

MSEK	2021-06-30	2020-06-30	2020-12-31
ASSETS			
<i>Non-current assets</i>			
Intangible assets	20.8	21.8	7.3
Right of use assets	-	-	0.8
Participations in associated companies	-	0.3	1.4
Non-current financial assets	0.1	0.3	0.1
Total non-current assets	20.9	22.4	9.6
<i>Current assets</i>			
Accounts receivables	1.0	0.6	0.5
Other current assets	6.3	0.8	1.2
Cash & cash equivalent	374.2	0.2	106.6
Total current assets	381.5	1.6	108.3
	402.4	24.0	117.9
EQUITY AND LIABILITIES			
Share capital	3.6	1.8	2.5
Additional paid-in capital	536.4	148.7	259.8
Reserves	0.1	0.1	0.1
Retained earnings including profit/(loss) for the period	-192.8	-141.4	-170.5
Equity attributable to equity holders of the Parent Company	347.3	9.2	91.9
Non-controlling interest	0.2	-	-
Total equity	347.5	9.2	91.9
NON-CURRENT LIABILITIES			
Provisions	5.1	-	-
Liabilities to credit institutions	0.4	-	-
	5.5	-	-
CURRENT LIABILITIES			
Convertible loan	-	0.1	-
Accounts payable	7.2	1.3	12.9
Other current liabilities	4.2	9.8	8.0
Accrued expenses and deferred income	38.0	3.6	5.1
Total current liabilities	49.4	14.8	26.0
Total equity and liabilities	402.4	24.0	117.9

Group report on changes in equity in summary

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Opening balance equity attributable to equity holders of the parent company	102.0	0.3	91.9	4.8	4.8
<i>Total result for the period</i>					
Income/(loss) for the period	-22.2	-3.4	-22.3	-7.8	-36.9
Other comprehensive income/(loss)	0.0	0.1	0.0	0.0	0.1
Total comprehensive income/(loss) for the period	-22.2	-3.3	-22.3	-7.8	-36.8
TRANSACTIONS WITH OWNERS					
New share issue	300.0	12.2	300.0	12.2	134.5
Cost attributable to new share issue	-32.7	-	-32.7	-	-10.7
Exercise of warrants	-	-	8.1	-	-
Issue of subscription warrants	0.2	-	2.3	-	0.1
Total transactions with owners	267.5	12.2	277.7	12.2	123.9
Closing balance equity attributable to equity holders of the parent company	347.3	9.2	347.3	9.2	91.9
Opening balance equity attributable to non-controlling interests					
Total comprehensive income (loss) for the period	0.0	-	0.0	-	-
Non-controlling interest from business combinations	0.2	-	0.2	-	-
Closing balance equity attributable to non-controlling interests	0.2	-	0.2	-	-

Group cash flow statement in summary

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
OPERATING ACTIVITIES					
Operating profit/(loss)	-22.1	-3.2	-23.5	-7.4	-35.9
Adjustment for non-cash-items	4.5	-0.1	5.2	0.10	18.2
Interest received	0.0	0.0	0.0	0.0	0.0
Interest paid	0.0	0.0	0.0	0.0	-0.1
Cash flow from operating activities before changes in working capital	-17.6	-3.3	-18.3	-7.3	-17.8
Increase (-)/Decrease (+) of operating receivables	-2.3	-0.9	-3.1	4.5	4.3
Increase (+)/Decrease (-) of operating payables	35.4	2.5	22.3	-0.2	10.1
Cash flow from operating activities	15.5	-1.7	0.9	-3.0	-3.4
INVESTMENT ACTIVITIES					
Acquisition of intangible assets	-8.5	-0.3	-11.4	-0.6	-4.1
Other investments	0.1	0.0	0.1	0.0	-1.0
Cash flow from investment activities	-8.4	-0.3	-11.3	-0.6	-5.1
FINANCING ACTIVITIES					
New share issue	300.0	-	300.0	-	116.4
Cost attributable to new share issue	-32.7	-	-32.7	-	-10.7
Received premiums and exercised warrants	0.2	-	10.5	-	0.1
Borrowings	-	0.6	-	3.2	9.1
Other financing items	0.0	-	-0.3	-	-0.4
Cash flow from financing activities	267.5	0.6	277.5	3.2	114.5
Cash flow for the period	274.6	-1.4	267.1	-0.4	106.0
Cash at the beginning of the period	99.7	1.6	106.6	0.5	0.5
Exchange-rate difference in cash	-0.1	0.0	0.5	0.1	0.1
Cash at the end of the period	374.2	0.2	374.2	0.2	106.6

Parent company income statement in summary

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net revenue	1.0	2.1	12.6	3.1	4.4
Capitalised development	6.3	0.3	6.5	0.6	1.8
Other operating income	0.0	0.1	0.0	0.1	0.2
Raw materials and necessities	0.0	-	-0.1	-	-0.2
Other external expenses	-17.5	-2.1	-25.0	-4.2	-8.6
Personnel costs	-6.7	-3.6	-11.8	-6.8	-15.1
Depreciation/amortisation and impairments	-	-	-	-	-17.9
Other operating expenses	-0.2	-0.1	-0.3	-0.2	-0.2
Operating profit/(loss)	-17.1	-3.3	-18.1	-7.4	-35.6
<i>Result from financial items:</i>					
Net financial income/(expenses)	-0.1	-0.1	1.5	-0.2	-6.5
Profit/(loss) after financial items	-17.2	-3.4	-16.6	-7.6	-42.1
Profit/(loss) before tax	-17.2	-3.4	-16.6	-7.6	-42.1
Tax					
Profit/(loss) for the period	-17.2	-3.4	-16.6	-7.6	-42.1

Parent company statement of comprehensive income

	2021	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Profit/(loss) for the period	-17.2	-3.4	-16.6	-7.6	-42.1
OTHER COMPREHENSIVE INCOME					
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-17.2	-3.4	-16.6	-7.6	-42.1

Parent company balance sheet in summary

MSEK	2021-06-30	2020-06-30	2020-12-31
ASSETS			
<i>Non-current assets</i>			
Intangible assets	12.4	21.8	6.7
Non-current financial assets	3.8	1.4	2.5
Total non-current assets	16.2	23.2	9.2
<i>Current assets</i>			
<i>Current receivables</i>			
Accounts receivables	1.0	0.6	0.4
Other current receivables	8.1	0.9	1.9
<i>Total current receivables</i>	9.1	1.5	2.3
Cash and cash equivalents	374.2	0.0	106.6
Total current assets	383.3	1.5	108.9
Total assets	399.5	24.7	118.1
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	3.6	1.8	2.5
Restricted equity for development expenses	5.3	4.6	5.2
<i>Non-restricted equity</i>			
Share premium reserve	534.0	148.2	259.2
Retained earnings	-172.7	-131.9	-132.4
Profit/(loss) for the period	-16.6	-7.6	-42.1
Total equity	353.6	15.1	92.4
CURRENT LIABILITIES			
Convertible loan	-	0.1	-
Accounts payable	3.7	1.4	12.9
Other current liabilities	4.7	4.9	8.2
Accrued expenses and deferred income	37.5	3.2	4.6
Total current liabilities	45.9	9.6	25.7
Total equity and liabilities	399.5	24.7	118.1

NOTE 1: ACCOUNTING PRINCIPLES

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and in applicable parts in accordance with Swedish Annual Accounts Act (ÅRL). The interim financial statement for the parent company has been prepared in accordance with Swedish Annual Accounts Act (ÅRL), chapter 9, Interim Financial Reporting. The group's and the parent company's accounting principles and basis of computations are unchanged compared to the latest annual report.

Information applicable to IAS 34.16A§ is disclosed in all parts of the report, in addition to the financial reports and the supporting notes.

NOTE 2: ESTIMATES AND ASSUMPTIONS

The preparation of the financial reports in accordance with IFRS requires estimates and assumptions from the management that effect the accounting principles and the recorded amount of assets, liabilities, revenue, and expenses. The actual value can differ from these estimates and assumptions. The critical assessments and the cause of uncertainty in the estimates are the same as in the latest annual report.

NOTE 3: DISTRIBUTION OF REVENUE

Revenue streams

The Group generates revenue primarily through project divestments and consulting services.

Group	2021	2020	2021	2020	2020
MSEK	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Jan–Dec
REVENUE FROM CUSTOMER AGREEMENTS					
Goods	–	0.0	–	0.1	0.2
Services	1.0	2.1	1.2	3.0	4.2
Project rights	–	–	11.4	–	–
Total net revenue	1.0	2.1	12.6	3.1	4.4

Distribution of revenue from agreements with customer

Distribution of net sales on geographical markets, type of revenue and time of recognition.

	Revenue from external customers					Fixed assets		
	2021	2020	2021	2020	2020	2021	2020	2020
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec	June	June	Dec
GEOGRAPHICAL MARKET								
Sweden	-	-	-	-	0.0	20.8	21.8	7.3
Denmark	-	-	11.4	-	-	-	-	-
South Korea	0.1	2.1	0.2	3.1	4.4	-	-	-
Norway	0.9	-	1.0	-	-	-	-	-
ALLOCATION PER TYPE OF REVENUE								
Goods	-	0.0	-	0.1	0.2	-	-	-
Services	1.0	2.1	1.2	3.0	4.2	-	-	-
Project rights	-	-	11.4	-	-	-	-	-
ALLOCATION PER POINT IN TIME								
Goods, services and project rights at one point in time	-	-	11.4	-	-	-	-	-
Goods, services and project rights over time	1.0	2.1	1.2	3.1	4.4	-	-	-
Total revenue from customer agreement	1.0	2.1	12.6	3.1	4.4	-	-	-
Other revenue								
Total external revenue	1.0	2.1	12.6	3.1	4.4	-	-	-
Revenue 3 largest customers								
Customer A	90 %	100 %	8 %					
Customer B	-	-	90 %					
Customer C	10 %	-	2 %					

NOTE 4: OPERATING SEGMENT

Operating segment is reported in a corresponding method as in the internal reporting to the chief operating decision-maker (CODM). Hexicon's CEO is the CODM for the group. The company has identified an operating segment that constitutes the business. The assessment is based on the basis that the business is regularly reviewed by the management to support decisions on allocation of resources and evaluation of its result. The CODM is the function responsible for allocation of resources and evaluation of the operating segment's result.

NOTE 5: Other operating income and other external expenses

The group's other operating income was 6.3 (0.4) MSEK for the second quarter and contains capitalised development expenses. The increase is mainly due to progress in the Norwegian TwinWay project.

External capitalised expenses are explaining 6.1 MSEK out of the group's total other external expenses, which amounted to 18.0 (2.0) MSEK during the second quarter. In addition to that, 6.7 MSEK were costs that were not capitalised related to the different projects and 2.0 MSEK were costs indirectly related to the IPO.

NOTE 6: ADDITIONAL ACQUISITIONS

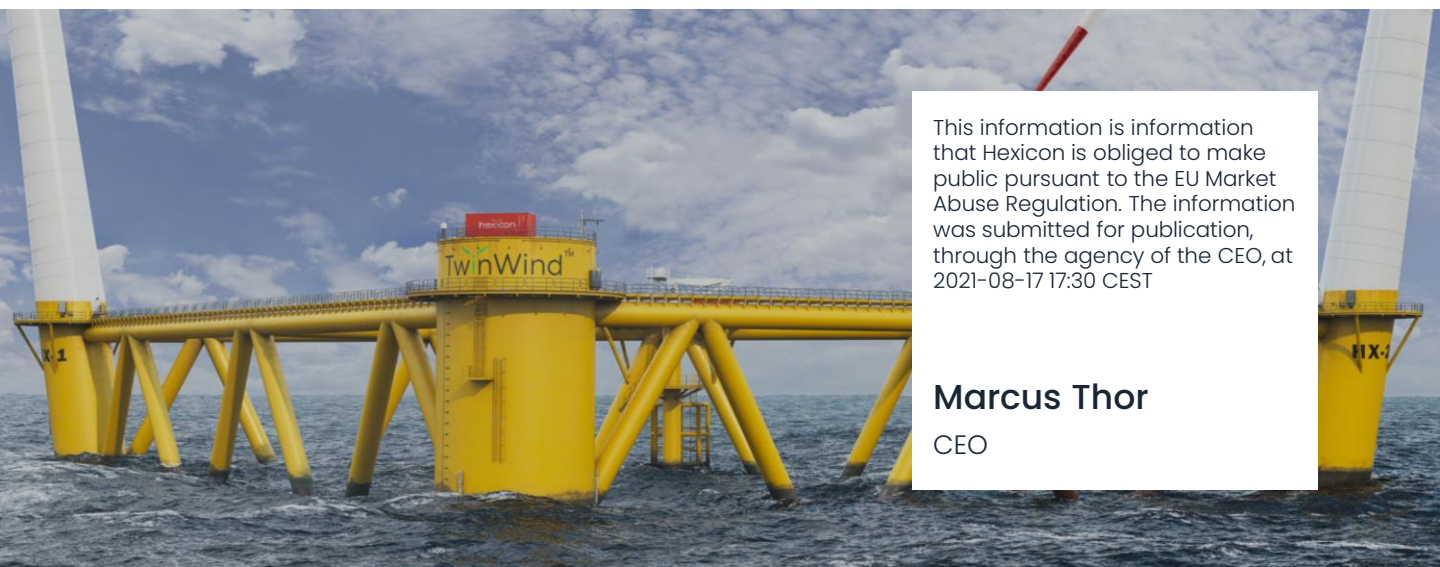
In May, Hexicon increased its stake in WunderHexicon by 25 % to a participating interest of 75 %. Total purchase price for 75 % amounted to 0.7 MSEK, which was settled with a conversion of existing loans to equity. There were no transaction costs related to the purchase. The remeasurement to fair value at the date of the acquisition has not resulted in any gain or loss recognised in the income statement and no surplus value or goodwill were identified. The balance sheet of the acquisition may be revised in the coming quarters even if the purchase price is considered as not significant.

Financial Calendar

Interim report January – September 2021

November 16, 2021

This report has not been audited.



This information is information that Hexicon is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the CEO, at 2021-08-17 17:30 CEST

Marcus Thor

CEO

This is Hexicon



Hexicon with headquarter in Stockholm and 26 employees, is a technology and project developer of floating offshore wind. The patented TwinWind technology allows two turbines per platform, which increases the power capacity per water area, while simultaneously reducing structures and cables needed. Hexicon's projects span the globe.

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- **TwinWay – Norway** Hexicon's first full-scale platform will feature two large multi-megawatt turbines and be deployed in 2023 at Metcentre's demonstration site in waters that are 200 m deep.

 - **TwinHub – England** This is a pre-commercial array using Hexicon's in-house TwinWind technology. By leveraging the world's only floating offshore wind policy framework and decades of offshore experience with our partner Bechtel, this project will deploy multiple floating platforms off the windy coast of Cornwall in the Celtic Sea.

 - **Iberian Peninsula** WunderHexicon is Hexicon's subsidiary in Spain, with the aim of developing floating wind projects in Spain and Portugal. WunderHexicon is also part of a joint industry project, Ocean H2, together with Acciona and four other partners. This project develops a green hydrogen plant powered by Hexicon's floating wind technology and floating solar power.

 - **Nordanvind – Sweden** Together with Aker Offshore Wind (AOW), Hexicon is developing three sites off the coast of Sweden, totaling several gigawatts. With government plans for expanding the electricity grid far offshore and ambitious net zero commitments, AOW and Hexicon are well positioned to leverage floating offshore wind opportunities in our home market.

 - **Munmu Baram – South Korea** Hexicon's joint venture CoensHexicon is together with Shell developing a floating wind farm with the ambition to make it the world's first large scale floating wind farm. The wind farm will be located 70 km off the coast of Ulsan, South Korea's hub for maritime construction, in approximately 150 m water depth.

 - **Pentland floating wind farm – Scotland** Hexicon has entered into an agreement with Copenhagen Infrastructure Partners (CIP) to sell a majority interest in the Dounreay Trī project. The project is located 9 km from shore in Dounreay, Scotland in 90-100 m water depth. Renamed Pentland Floating Wind Farm, the site will be re-permitted for 100 MW and ready for the IPCC Fifth Assessment Report regulated CfD regime.