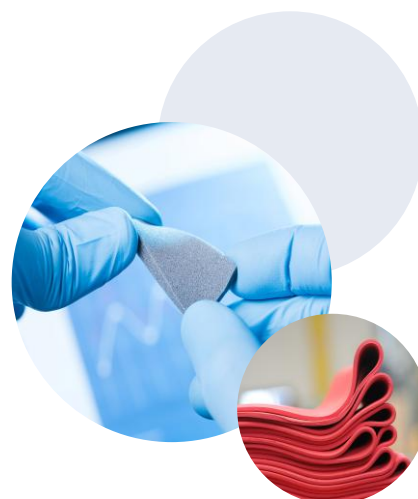


Published on January 29, 2026

Year-end report

January-December 2025



OCTOBER – DECEMBER 2025

- Sales amounted to 4,254 MSEK (4,694).
- Adjusted EBIT amounted to 508 MSEK (631).
- Adjusted EBIT-margin amounted to 12.0 percent (13.4).
- EBIT amounted to 508 MSEK (556).
- EBIT-margin amounted to 12.0 percent (11.8).
- Profit after tax amounted to 339 MSEK (353).
- Earnings per share amounted to 0.98 SEK (1.02).
- Operating cash flow amounted to 1,037 MSEK (1,171).

JANUARY – DECEMBER 2025

- Sales amounted to 19,324 MSEK (20,437).
- Adjusted EBIT amounted to 2,791 MSEK (3,247).
- Adjusted EBIT-margin amounted to 14.4 percent (15.9).
- EBIT amounted to 2,791 MSEK (3,172).
- EBIT-margin amounted to 14.4 percent (15.5).
- Profit after tax amounted to 1,943 MSEK (2,220).
- Earnings per share amounted to 5.64 SEK (6.45).
- Operating cash flow amounted to 2,799 MSEK (3,012).
- Non-recurring items amounted to 0 MSEK (expense of 75) before tax.
- The Board of directors propose an ordinary unchanged dividend for 2025 of 4.20 SEK per share (4.20).

”Increased volumes in a continued tough market”

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 2025 amounted to 19,324 MSEK and the Group has approximately 5,000 employees in fourteen countries.

Increased volumes in a continued tough market

During the quarter the volumes increased in both Europe and North America. We have thus succeeded in defending our strong market position, especially in Rubber Compounding. Overall, volumes increased, especially within customer segment wire and cable, building and construction and medical. Automotive was in line with last year, then as now affected by the closure of our customers' factories in connection with the Christmas holidays. However, sales were negatively affected primarily by currency- and mix effects.

We delivered sales of 4,254 MSEK (4,694), which is 9 percent lower than the corresponding period previous year. The lower sales were mainly affected by negative currency effects of 9 percent. Adjusted for the negative currency effects the sales were in line with previous year. In addition to currency effects, acquisitions contributed positively to sales with 3 percent while organic sales developed negatively with 3 percent. Adjusted EBIT amounted to 508 MSEK (631) in the quarter where the decrease is mainly affected by currency and mix effects. We delivered a strong cash flow of 1,037 MSEK (1,171), positively impacted by successful reduction of our working capital. The Board of directors propose an ordinary unchanged dividend for 2025 of 4.20 SEK per share (4.20).

Despite current market conditions that continue to impact our performance in the short term, we are actively working on our strategic agenda, which is our plan until 2030. To clearly support our growth strategy, we have set new ambitious financial targets for the Group. The strategic initiatives we presented at the beginning of November at our Capital Markets Day are now being implemented in our organization. Fortunately, we are already starting to see some progress in the strategic agenda. For example, our new management in North America has already won assignments in so called captive conversion, where the dialogue of taking over customers internal compounding operations continues in a positive direction. During 2025, many of our potential acquisition targets have prioritized cost savings, divestments of non-core and nonperforming assets over a sale of the companies. We are now starting to see an increase in acquisition activities, albeit from a low level.

We continue to strengthen our balance sheet, which gives us good conditions to execute on our 2030 plan. In addition to continuously optimizing the efficiency of our production, operational excellence also includes the implementation of our initiative to automate production. Mixing 5.0 is an ongoing project where we made further investment decisions during the quarter. The aim is to automate the production of rubber compounds in the first production unit in about a year. It clearly increases efficiency and minimizes the need for manual work.

On a positive note, we achieved our sustainability goal to reduce our CO₂ emissions, where the goal was to achieve a 75 percent reduction. We have achieved 80 percent in 2025 thanks to committed work within the organization. The development of new goals and strategies for sustainability is ongoing and will be completed in the first quarter of this year.

Global uncertainty continues with geopolitical concerns, and we currently see no general market improvement in the near future. However, HEXPOL has a strong market position and a well-proven business model that together with a strong customer focus and geographical closeness to our customers gives us good conditions to deal with global uncertainty. We continue to strengthen the company's position by laying the foundation for taking advantage of the growth opportunities that exist, organically as well as through acquisitions, while we continuously work with efficiency measures.

Sales
4,254 MSEK

EBIT
508 MSEK

Cash flow
1,037 MSEK



Klas Dahlberg
President and CEO

Group Summary

Key figures MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	4 254	4 694	19 324	20 437
EBITA, adjusted	545	667	2 933	3 384
EBITA-margin, adjusted, %	12,8	14,2	15,2	16,6
EBITA	545	592	2 933	3 309
EBITA-margin, %	12,8	12,6	15,2	16,2
EBIT, adjusted	508	631	2 791	3 247
EBIT-margin, adjusted, %	12,0	13,4	14,4	15,9
EBIT	508	556	2 791	3 172
EBIT-margin, %	12,0	11,8	14,4	15,5
Profit before tax	487	514	2 653	3 001
Profit after tax, adjusted	339	441	1 943	2 308
Profit after tax	339	353	1 943	2 220
Earnings per share, adjusted, SEK	0,98	1,28	5,64	6,70
Earnings per share, SEK	0,98	1,02	5,64	6,45
Equity/assets ratio, %			61	64
Return on capital employed, % R12			14,7	16,9
Operating cash flow	1 037	1 171	2 799	3 012



Group development

October – December 2025

Sales

The HEXPOL Group's sales amounted to 4,254 MSEK (4,694) during the fourth quarter of 2025, a decrease of 9 percent compared with the corresponding quarter previous year. The lower sales were mainly driven by currency effects, which negatively affected sales with 9 percent. Adjusted for the negative currency effects, the sales amounted to 4,690 MSEK, in line with the same period previous year. In addition to the negative currency effects, sales were positively affected by acquisitions (Piedmont and Kabkom) with 3 percent, and we saw a negative organic sales development of 3 percent.

From a geographical perspective the group sales in Americas decreased by 16 percent and in Europe by 2 percent, both negatively affected by currency effects. In Asia, the sales were in line with the corresponding quarter previous year.

The HEXPOL Compounding business area's sales amounted to 3,911 MSEK (4,308), which corresponds to a decrease of 9 percent. Exchange rate changes affected the sales negatively, equivalent to 9 percent. Adjusted for currency effects, the sales amounted to 4,318 MSEK, in line with previous year. In addition to the currency effects, the sales were positively affected by acquisitions with 3 percent and negative organic sales development of 3 percent.

Our volumes increased in both Europe and North America during the quarter. This is despite that the North American market showed a generally lower demand still driven by the financial uncertainty, while the European market was more stable. From an end user perspective, the volumes increased mainly within customer segment wire & cable, building and construction and medical. The acquired Kabkom contributed positively to the growth within wire & cable. Automotive was in line with the same period previous year. At the same time the sales were negatively affected by mainly currency and mix effects.

The HEXPOL Engineered Products sales amounted to 343 MSEK (386). Exchange rate changes affected the sales negatively with 8 percent. Adjusted for currency effects, the sales amounted to 372 MSEK in line with the previous year.

Earnings

Adjusted EBITA amounted to 545 MSEK (667), with the corresponding adjusted EBITA margin of 12.8 percent (14.2). EBITA amounted to 545 MSEK (592), which meant a corresponding EBITA -margin of 12.8 percent (12.6).

Adjusted EBIT amounted to 508 MSEK (631) with the corresponding adjusted EBIT-margin of 12.0 percent (13.4). The lower EBIT margin is mainly explained by the sales mix and costs in relation to lower sales. EBIT amounted to 508 MSEK (556) compared to the corresponding quarter of the previous year. Negative currency effects are included with 61 MSEK. The operating margin amounted to 12.0 percent (11.8).

The Group's net financial items amounted to an expense of 21 MSEK (expense 42). Profits before tax amounted to 487 MSEK (514), profit after tax amounted to 339 MSEK (353) and earnings per share 0.98 SEK (1.02).

Sales
4,254 MSEK

EBIT
508 MSEK

EBIT-margin
12.0%

January – December 2025

Sales

The HEXPOL Group's sales amounted to 19,324 MSEK (20,437) during the period, a decrease of 5 percent. The lower sales were mainly driven by currency effects that affected the sales negatively by 5 percent. Adjusted for the negative currency effects the sales amounted to 20,375 MSEK, in line with previous year. In addition to the negative currency effects, sales were positively affected by acquisitions (Piedmont and Kabkom) with 4 percent, and we saw a negative organic sales development of 4 percent.

From a geographical perspective the group sales in Asia increased by 1 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 10 percent.

The HEXPOL Compounding business area's sales amounted to 17,797 MSEK (18,921) and decreased by 6 percent compared to the corresponding period 2024. The sales were negatively affected by currency effects, equivalent to 5 percent. Adjusted for the currency effects, the sales amounted to 18,775 MSEK, in line with previous year. In addition to the negative currency effects, the sales were positively affected by acquisitions with 4 percent, while the organic sales growth was negative by 5 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 & constructions, and the growing segment, wire & cable.

The HEXPOL Engineered Products sales amounted to 1,527 MSEK (1,516) during the period. Currency exchange rate changes affected the sales negatively with 5 percent. Adjusted for these, the sales amounted to 1,600 MSEK, which shows an increase in sales of 6 percent. The operations in Asia and Europe developed positively during the period.

Earnings

Adjusted EBITA amounted to 2,933 MSEK (3,384) during the period, which meant a corresponding adjusted EBITA margin of 15.2 percent (16.6). EBITA amounted to 2,933 MSEK (3,309), which meant a corresponding EBITA-margin of 15.2 percent (16.2).

Adjusted EBIT amounted to 2,791 MSEK (3,247) with corresponding adjusted EBIT margin of 14.4 percent (15.9). EBIT amounted to 2,791 MSEK (3,172), a decrease compared to the corresponding period previous year. Negative currency effects are included by 160 MSEK. Operating margin amounted to 14.4 percent (15.5). 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 138 MSEK (expense 171). Profit before tax amounted to 2,653 MSEK (3,001), profit after tax amounted to 1,943 MSEK (2,220) and earnings per share 5.64 SEK (6.45).

Sales
19,324 MSEK

EBIT
2,791 MSEK

EBIT-margin
14.4%

Financial overview

Equity/assets ratio

The equity/assets ratio remains strong at 61 percent (64). The Group's total assets amounted to 22,961 MSEK (24,884). Net debt amounted to 3,184 MSEK (2,235) whereof 428 MSEK (484) relates to leasing liabilities according to IFRS 16, which gives a net debt/EBITDA of 0.95 (0.59).

The Group had the following major credit agreements with Nordic banks as per December 31:

- A credit agreement with a limit of 1,500 MSEK due in July 2028
- A credit agreement with a limit of 1,100 MSEK due in January 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 December 31 they amounted to 3,906 MSEK (2,989). 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, the financing is mainly of non-current nature.

Cash flow

The operating cash flow for the Group amounted to 1,037 MSEK (1,171) in the quarter and cash flow from operating activities amounted to 931 MSEK (1,150). For the period January-December the operating cash flow amounted to 2,799 MSEK (3,012) while cash flow from operating activities amounted to 2,318 MSEK (2,696) for the same period.

Investments, depreciation and amortisation

The Group's investments amounted to 165 MSEK (183) for the quarter. At the same time, depreciation, amortization and impairment amounted to 146 MSEK (150) whereof 22 MSEK (23) refers to leased assets according to IFRS 16. For the period January-December the investments amounted to 554 MSEK (610). For the same period depreciation, amortization and impairment amounted to 573 MSEK (588) where 86 MSEK (88) refers to leased assets according to IFRS 16.

Tax expenses

The Group's tax expenses amounted to 148 MSEK (161) for the fourth quarter of 2025, which corresponds to a tax rate of 30.4 percent (31.3). For the period January-December the Group's tax expenses amounted to 710 MSEK (781) which corresponds to a tax rate of 26.7 percent (26.0). The increased tax rate for the full year 2025 is driven by a one-off item in the Parent Company, for more information see note 4, costs in relation to acquisitions and increased earnings in countries with higher tax rates.

Net debt/EBITDA
0.95

Operating cash flow
1,037 MSEK

Profitability

The return on average capital employed, R12, amounted to 14.7 percent (16.9).

The return on shareholders' equity, R12, amounted to 13.6 percent (14.5).

Parent Company

The Parent Company's profit after tax for the fourth quarter amounted to 1,589 MSEK (516). Profit after tax for the period January-December amounted to 1,692 MSEK (666). Shareholders' equity amounted to 5,488 MSEK (5,233).

HEXPOL Compounding

October – December 2025

HEXPOL Compounding's sales amounted to 3,911 MSEK (4,308), which corresponds to a decrease of 9 percent. Currency effects negatively affected the sales by the equivalent of 9 percent. Adjusted for currency effects, the sales amounted to 4,318 MSEK, in line with previous year. In addition to currency effects, the sales were positively affected by acquisitions with 3 percent and negative organic sales development of 3 percent.

Our volumes increased in both Europe and North America during the quarter. This is despite that the North American market showed a generally lower demand still driven by the financial uncertainty, while the European market was more stable. From an end user perspective, the volumes increased mainly within customer segment wire & cable, building and construction and medical. The acquired Kabkom contributed positively to the growth within wire & cable. Automotive was in line with the same period previous year. At the same time the sales were negatively affected by mainly currency and mix effects.

Adjusted EBIT decreased during the quarter and amounted to 439 MSEK (566). Negative currency effects are included with 59 MSEK. The adjusted operating margin amounted to 11.2 percent (13.1). The lower EBIT margin is mainly explained by the product mix and costs in relation to lower sales.

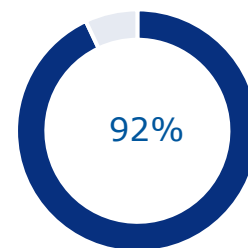
January – December 2025

The sales for the business area HEXPOL Compounding amounted to 17,797 MSEK (18,921) and decreased with 6 percent compared to the corresponding period 2024. Currency effects affected the sales negatively with the equivalent of 5 percent. Adjusted for currency effects, the sales amounted to 18,775 MSEK, in line with previous year. In addition to the negative currency effects, the sales were positively affected by acquisitions with 4 percent while the organic sales development was negative with 5 percent.

Adjusted EBIT also decreased during the period and amounted to 2,505 MSEK (2,982). Negative currency effects are included with 150 MSEK. The adjusted operating margin amounted to 14.1 percent (15.8). The lower EBIT margin is explained by the product mix and costs in relation to lower sales.

Share of the Group's sales

January – December 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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	3 911	4 308	17 797	18 921
EBIT, adjusted	439	566	2 505	2 982
EBIT-margin, adjusted, %	11,2	13,1	14,1	15,8
EBIT	439	491	2 505	2 907
EBIT-margin, %	11,2	11,4	14,1	15,4

HEXPOL Engineered Products

October – December 2025

HEXPOL Engineered Products sales amounted to 343 MSEK (386). Exchange rate changes affected the sales negatively with 8 percent. Adjusted for currency effects, the sales amounted to 372 MSEK, in line with previous year.

EBIT increased compared to previous year and amounted to 69 MSEK (65) which corresponds to an increased EBIT margin of 20.1 percent (16.8). Negative currency effects are included with 2 MSEK.

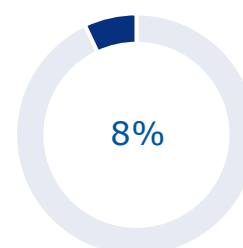
January – December 2025

The sales for HEXPOL Engineered Products increased during the period to 1,527 MSEK (1,516). Exchange rate changes affected the sales negatively by 5 percent. Adjusted for these the sales amounted to 1,600 MSEK, which shows an increase in sales of 6 percent. The operations in Asia and Europe developed positively during the period.

EBIT increased during the corresponding period by 8 percent and amounted to 286 MSEK (265). Negative currency effects are included with 10 MSEK. The operating margin amounted to 18.7 percent (17.5).

Share of the Group's sales

January – December 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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	343	386	1 527	1 516
EBIT	69	65	286	265
EBIT-margin, %	20,1	16,8	18,7	17,5

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 year-end 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 year-end 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.

Personnel

The number of employees at the end of the period was 4,910 (4,961).

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 15,600 shareholders on December 31, 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 74 percent of the capital and 81 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 January 29, 2026, at 02:00 p.m. CET. The presentation, as well as information concerning participation, is available at www.hexpol.com.

Annual General Meeting, May 4 2026

The Annual General Meeting will be held on May 4, 2026 in Malmö, Sweden. The Annual Report for 2025 will be available on HEXPOL's website and at the head office no later than April 13, 2026. Shareholders who wish to participate in the AGM must be registered in the shareholder's register maintained by Euroclear Sweden AB no later than April 23, 2026 and notify their intention to participate alternatively cast their postal vote no later than April 27, 2026. Shareholders whose shares are registered with a trustee must temporarily register the shares in their own name no later than April 23, 2026 to be entitled to participate in the AGM.

Number of
employees
4,910



Financial calendar

HEXPOL AB publish financial information on the following dates:

- | | |
|---|------------------|
| - 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 year-end report January-December 2025 has not been audited by HEXPOL AB's auditors.

Malmö, Sweden January 29, 2026

HEXPOL AB (publ.)

Klas Dahlberg

President and CEO

For more information, please contact:

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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. The information was submitted for publication, through the agency of the contact person set out above, at 01:00 p.m. CET on January 29, 2026. 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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	4 254	4 694	19 324	20 437
Cost of goods sold	-3 421	-3 794	-15 260	-16 063
Gross profit	833	900	4 064	4 374
Selling and administrative cost, etc.	-325	-344	-1 273	-1 202
Operating profit	508	556	2 791	3 172
Financial income and expenses	-21	-42	-138	-171
Profit before tax	487	514	2 653	3 001
Tax	-148	-161	-710	-781
Profit after tax	339	353	1 943	2 220
- of which, attributable to Parent Company shareholders	339	353	1 943	2 220
Earnings per share, SEK	0,98	1,02	5,64	6,45
Shareholders' equity per share, SEK			40,71	46,29
Average number of shares, 000s	344 437	344 437	344 437	344 437
Depreciation, amortisation and impairment	-146	-150	-573	-588

Condensed statement of comprehensive income

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Profit after tax	339	353	1 943	2 220
Items that will not be reclassified to the income statement				
Remeasurements of defined benefit pension plans	1	13	1	13
Items that may be reclassified to the income statement				
Translation differences	-408	1 043	-2 419	1 205
Comprehensive income	-68	1 409	-475	3 438
- of which, attributable to Parent Company's shareholders	-68	1 409	-475	3 438

Condensed consolidated balance sheet

MSEK	Dec 31 2025	Dec 31 2024
Intangible fixed assets	13 038	14 284
Tangible fixed assets	3 630	3 779
Financial fixed assets	5	5
Deferred tax asset	106	99
Total fixed assets	16 779	18 167
Inventories	1 857	2 224
Accounts receivable	2 421	2 674
Other receivables	665	495
Prepaid expenses and accrued income	94	91
Cash and cash equivalents	1 145	1 233
Total current assets	6 182	6 717
Total assets	22 961	24 884
Equity attributable to Parent Company's shareholders	14 021	15 945
Total shareholders' equity	14 021	15 945
Interest-bearing liabilities	338	350
Other liabilities	421	310
Provision for deferred tax	985	966
Provision for pensions	60	62
Total non-current liabilities	1 804	1 688
Interest-bearing liabilities	3 996	3 123
Accounts payable	2 237	2 557
Other liabilities	253	697
Accrued expenses, prepaid income, provisions	650	874
Total current liabilities	7 136	7 251
Total shareholders' equity and liabilities	22 961	24 884

Condensed consolidated changes in shareholders' equity

MSEK	Dec 31, 2025		Dec 31, 2024	
	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity
Opening equity	15 945	15 945	14 577	14 577
Comprehensive income	-475	-475	3 438	3 438
Dividend	-1 449	-1 449	-2 070	-2 070
Closing equity	14 021	14 021	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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Cash flow from operating activities before changes in working capital	383	502	2 339	2 834
Changes in working capital	548	648	-21	-138
Cash flow from operating activities	931	1 150	2 318	2 696
Acquisitions	3	-899	-967	-895
Cash flow from other investing activities	-165	-183	-554	-610
Cash flow from investing activities	-162	-1 082	-1 521	-1 505
Dividend	-	-	-1 449	-2 070
Cash flow from other financing activities	-764	221	861	790
Cash flow from financing activities	-764	221	-588	-1 280
Change in cash and cash equivalents	5	289	209	-89
Cash and cash equivalents at January 1	1 208	790	1 233	1 103
Exchange-rate differences in cash and cash equivalents	-68	154	-297	219
Cash and cash equivalents at the end of the period	1 145	1 233	1 145	1 233

Operating cash flow, Group

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Operating profit	508	556	2 791	3 172
Other non cash adjustment	-	-	10	-
Depreciation/amortisation/impairment	146	150	573	588
Change in working capital	548	648	-21	-138
Sale of fixed assets	0	0	0	0
Investments	-165	-183	-554	-610
Operating Cash flow	1 037	1 171	2 799	3 012

Other key figures, Group

	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Profit margin before tax, %	11,4	11,0	13,7	14,7
Return on shareholders' equity, % R12			13,6	14,5
Interest-coverage ratio, multiple			14	14
Net debt, MSEK			-3 184	-2 235
Sales growth adjusted for currency effects, %	0	-4	0	-7
Sales growth adjusted for currency effects and acquisitions, %	-3	-6	-4	-8
Cash flow per share, SEK	2,70	3,34	6,73	7,83
Cash flow per share before change in working capital, SEK	1,11	1,46	6,79	8,23

Condensed income statement, Parent Company

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	26	14	99	77
Administrative costs, etc.	-9	-21	-147	-89
Operating loss	17	-7	-48	-12
Financial income and expenses*	1 635	578	1 787	718
Profit after financial items	1 652	571	1 739	706
Profit before tax	1 652	571	1 739	706
Tax	-63	-55	-47	-40
Profit after tax	1 589	516	1 692	666

Comprehensive income corresponds to profit after tax

Condensed balance sheet, Parent company

MSEK	Dec 31 2025	Dec 31 2024
Fixed assets	13 613	13 053
Current assets	635	750
Total assets	14 248	13 803
Restricted shareholders' equity		
Share capital	69	69
Total restricted shareholders' equity	69	69
Non-restricted shareholders' equity		
Share premium reserve	619	619
Accumulated earnings	3 108	3 879
Profit after tax Note 4	1 692	666
Total non-restricted shareholders' equity	5 419	5 164
Total shareholders' equity	5 488	5 233
Non-current liabilities	2 587	2 861
Current liabilities	6 173	5 709
Total shareholders' equity and liabilities	14 248	13 803

*Financial income and expenses in the Parent company was affected during 2024 by legal restructuring.
During the third quarter 2025, HEXPOL AB has identified an accounting error, see note 4.

Notes to the financial reports

Note 1 Financial instrument per category and measurement level

Dec 31, 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	2 421	-		2 421
Cash and cash equivalents	1 145	-		1 145
Total	3 571	-		3 571
Liabilities in the balance sheet				
Interest-bearing non-current liabilities	-	-		-
Interest-bearing non-current lease liabilities	338	-		338
Liabilities to minority shareholders*		354	3	354
Interest-bearing current liabilities	3 906	-		3 906
Interest-bearing current lease liabilities	90	-		90
Accounts payable	2 237	-		2 237
Other liabilities	253	-		253
Accrued expenses, prepaid income, provisions	650	-		650
Total	7 474	354		7 828

Dec 31, 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	2 674	-		2 674
Cash and cash equivalents	1 233	-		1 233
Total	3 912	-		3 912
Liabilities in the balance sheet				
Interest-bearing non-current liabilities	0	-		0
Interest-bearing non-current lease liabilities	350	-		350
Liabilities to minority shareholders*		638	3	638
Interest-bearing current liabilities	2 989	-		2 989
Interest-bearing current lease liabilities	134	-		134
Accounts payable	2 557	-		2 557
Other liabilities	697	-		697
Accrued expenses, prepaid income, provisions	874	-		874
Total	7 601	638		8 239

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

Note 2 Non-recurring items in the income statement

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Costs of goods sold	-	-11	-	-11
Administration costs	-	-61	-	-61
Other operating expense	-	-3	-	-3
Profit before tax	-	-75	-	-75
Tax	-	-13	-	-13
Profit after tax	-	-88	-	-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. As of December 31, 2024, the liability was valued at 35 MEUR. 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 (403 MSEK).

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 (from 2028 and thereafter annually during the period March 1-March 31), and the founders have an option to sell their remaining shares to HEXPOL (from 2028 and thereafter annually during the period March 1-March 31). Kabkom has been consolidated from May 1, 2025. The purchase price allocation is preliminary as the valuation of intangible assets is ongoing, and the preliminary acquisition analysis for intangible assets in the form of customer relationships, trademarks, technology and goodwill and liability to minority may change after the valuation of the subsidiary is completed.

The sales amounted to 19.0 MEUR and profit after tax to 1.0 MEUR during the period April to December. For the full year 2025, sales were 30.2 MEUR and profit after tax was 1.7 MEUR.

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

MSEK	
Purchase considerations	754
Fair value of acquired net assets	177
Goodwill	577

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	76	-	76
Tangible assets	123	-	123
Intangible assets	2	-	2
Deferred tax assets	35	-	35
Non-current liabilities	-8	-	-8
Accounts payable	-41	-	-41
Current liabilities	-88	-	-88
Acquired net assets	177	-	177

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 have been reported in the operating profit under administrative expenses.

Acquisition within TP Compounding 2024

HEXPOL acquired 80 percent of the shares in the American TP Compounder Piedmont Resin Supply LLC in October 31, 2024. Piedmont has a turnover of some 60 MUSD and a profitability on a similar level to HEXPOL Group. Piedmont operates a well invested manufacturing facility in Cartersville, Georgia, US with some 60 employees and further capacity to grow. The company is an industry leader in technical nylon compounds on the US market and services a variety of customers within automotive, transportation and the furniture industries. The acquisition price amounts to 86 MUSD on a cash and debtfree basis and is funded by a combination of bank facilities and cash. Pursuant to the agreement, HEXPOL has an option to acquire the remaining shares (from 2028 and thereafter annually during the period January 1 – January 31 or between July 1 – July 31), and the founders have an option to sell the remaining shares to HEXPOL (from 2028 and thereafter annually during the period January 1 – January 31 or between July 1 – July 31). The business has been consolidated from November 1, 2024. Since December 31 2024, valuation of acquired assets at fair value has been performed. The changes that have occurred compared to December 31 2024 amounts to: technology and customer relationships have increased by 273 MSEK, deferred tax have increased by 63 MSEK, liability to minority shareholders have increased by 8 MSEK and goodwill has thus decreased by 202 MSEK.

The sales amounted to 8.6 MUSD and profit after tax to an expense of 0.2 MUSD in the period November to December. For the full year 2024, sales were 59.2 MUSD and profit after tax was 5.2 MUSD.

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

MSEK	
Purchase considerations	1 171
Fair value of acquired net assets	359
Goodwill	812

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. The acquisition is in line with HEXPOL's growth strategy and adds new capabilities, application know how and a new customer base to HEXPOL Thermoplastic Compounding in the US. The fair value of the acquired net assets does not contain any estimated value regarding intangible assets.

The following assets and liabilities were included in the acquisition:

	Balance sheet at the time of acquisition	Adjustment to fair value	Fair value
MSEK			
Cash and cash equivalents	30	-	30
Accounts receivable	79	-	79
Current assets	98	-	98
Tangible assets	24	-	24
Intangible assets	-	273	273
Deferred tax liability	-	-63	-63
Accounts payable	-74	-	-74
Current liabilities	-8	-	-8
Acquired net assets	149	210	359
Purchase considerations			1 171
Liabilities to minority shareholders			-238
Cash and cash equivalents in acquired operations			30
Change in Group's cash and cash equivalents			903

Transaction costs for the above acquisition amounted to 26 MSEK and have been reported in the operating profit under administrative expenses.

Note 4 Correction of error in the Parent Company HEXPOL AB

During the third quarter of 2025, HEXPOL AB identified and corrected an accounting error related to a dividend from the subsidiary Hexpol Finance UK Ltd. The dividend was decided on February 3 2022, through a distribution in connection with liquidation, but was not settled at that time. A liability of USD 65 million was incorrectly retained in the parent company's balance sheet until August 29 2024, when the dividend was recorded upon completion of the liquidation. As a result, exchange rate fluctuations on the liability affected the parent company's earnings for 2022, 2023, and part of 2024. Apart from the tax effect of 10 MSEK, which impacts the Group's earnings for the year, this correction does not affect the Group's income statement or balance sheet.

The correction has the following effect (- decrease in equity + increase in equity):

MSEK	Dec 31 2024	Jan 1 2024
Current liabilities	10	-645
Net impact on equity	-10	645
Financial income and expenses	-654	-
Tax	-1	-
Net impact on profit for the year	-655	-

Note 5 Segment reporting and distribution of revenues

Quarterly data, Group

Sales per business area

MSEK	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
HEXPOL Compounding	4 952	4 595	4 339	3 911	17 797	4 939	5 062	4 612	4 308	18 921
HEXPOL Engineered Products	429	402	353	343	1 527	373	392	365	386	1 516
Group total	5 381	4 997	4 692	4 254	19 324	5 312	5 454	4 977	4 694	20 437

Sales per geographic region

MSEK	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	2 135	2 111	1 921	1 886	8 053	2 133	2 117	1 924	1 925	8 099
Americas	2 905	2 572	2 463	2 070	10 010	2 882	3 009	2 725	2 473	11 089
Asia	341	314	308	298	1 261	297	328	328	296	1 249
Group total	5 381	4 997	4 692	4 254	19 324	5 312	5 454	4 977	4 694	20 437

Sales per geographic region HEXPOL Compounding

MSEK	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	1 950	1 932	1 766	1 726	7 374	1 977	1 951	1 763	1 760	7 451
Americas	2 780	2 464	2 366	1 979	9 589	2 755	2 888	2 614	2 355	10 612
Asia	222	199	207	206	834	207	223	235	193	858
Group total	4 952	4 595	4 339	3 911	17 797	4 939	5 062	4 612	4 308	18 921

Sales per geographic region HEXPOL Engineered Products

MSEK	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	185	179	155	160	679	156	166	161	165	648
Americas	125	108	97	91	421	127	121	111	118	477
Asia	119	115	101	92	427	90	105	93	103	391
Group total	429	402	353	343	1 527	373	392	365	386	1 516

EBIT per business area

MSEK	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4*	Full Year*
HEXPOL Compounding	761	681	624	439	2 505	837	844	735	566	2 982
HEXPOL Engineered Products	78	75	64	69	286	68	67	65	65	265
Group total	839	756	688	508	2 791	905	911	800	631	3 247

EBIT-margin per business area

%	2025					2024				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4*	Full Year*
HEXPOL Compounding	15,4	14,8	14,4	11,2	14,1	16,9	16,7	15,9	13,1	15,8
HEXPOL Engineered Products	18,2	18,7	18,1	20,1	18,7	18,2	17,1	17,8	16,8	17,5
Group total	15,6	15,1	14,7	12,0	14,4	17,0	16,7	16,1	13,4	15,9

*Adjusted EBIT for HEXPOL Compounding

Reconciliation alternative performance measures

Sales

MSEK	Q1	2025 Q2	Q3	Q4	Full Year	Q1	2024 Q2	Q3	Q4	Full Year	Q1	2023 Q2	Q3	Q4	Full Year
Sales	5 381	4 997	4 692	4 254	19 324	5 312	5 454	4 977	4 694	20 437	5 990	5 727	5 461	4 868	22 046
Currency effects	64	-367	-312	-436	-1 051	-5	53	-172	29	-95	463	383	247	31	1 124
Sales excluding currency effects	5 317	5 364	5 004	4 690	20 375	5 317	5 401	5 149	4 665	20 532	5 527	5 344	5 214	4 837	20 922
Acquisitions	170	212	231	126	739	36	39	31	102	208	338	128	124	100	690
Sales excluding currency effects and acquisitions	5 147	5 152	4 773	4 564	19 636	5 281	5 362	5 118	4 563	20 324	5 189	5 216	5 090	4 737	20 232

Sales growth

%	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales growth excluding currency effects	0	-4	0	-7
Sales growth excluding currency effects and acquisitions	-3	-6	-4	-8

EBITA, adjusted, %

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	4 254	4 694	19 324	20 437
Operating profit	508	556	2 791	3 172
Non-recurring items	-	75	-	75
Amortisation and impairment of intangible assets	37	36	142	137
Total EBITA, adjusted	545	667	2 933	3 384
EBITA, adjusted, %	12,8	14,2	15,2	16,6

EBITA, %

MSEK	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sales	4 254	4 694	19 324	20 437
Operating profit	508	556	2 791	3 172
Amortisation and impairment of intangible assets	37	36	142	137
Total EBITA	545	592	2 933	3 309
EBITA%	12,8	12,6	15,2	16,2

Capital employed

MSEK	2025				2024			
	Mar 31	Jun 30	30 sep	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
Total assets	24 120	24 342	23 921	22 961	24 340	23 789	22 664	24 884
Provision for deferred tax	-898	-919	-903	-985	-878	-855	-829	-966
Accounts payable	-2 640	-2 456	-2 259	-2 237	-2 967	-2 936	-2 433	-2 557
Other liabilities	-655	-293	-327	-253	-309	-300	-291	-697
Accrued expenses, prepaid income, provisions	-791	-810	-784	-650	-604	-714	-799	-874
Total Group	19 136	19 864	19 648	18 836	19 582	18 984	18 312	19 790

Return on capital employed, R12

MSEK	Dec 31 2025	Dec 31 2024
Average capital employed	19 371	19 167
Profit before tax	2 653	3 001
Interest expense	200	231
Total	2 853	3 232
Return on capital employed, %	14,7	16,9

Interest-coverage ratio, multiple

MSEK	Jan-Dec 2025	Jan-Dec 2024
Profit before tax	2 653	3 001
Interest expense	200	231
Total	2 853	3 232
Interest-coverage ratio, multiple	14	14

Shareholders' equity

MSEK	2025				2024			
	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
Shareholders' equity	15 057	13 801	14 089	14 021	16 142	14 558	14 536	15 945

Return on equity, R12

MSEK	Dec 31 2025	Dec 31 2024
Average shareholders' equity	14 242	15 295
Profit after tax	1 943	2 220
Return on equity, %	13,6	14,5

Net debt

MSEK	Dec 31 2025	Dec 31 2024
Financial assets	5	5
Cash and cash equivalents	1 145	1 233
Non-current interest-bearing liabilities	-338	-350
Current interest-bearing liabilities	-3 996	-3 123
Net debt	-3 184	-2 235

Net debt/EBITDA

MSEK	Dec 31 2025	Dec 31 2024
Net debt	-3 184	-2 235
EBITDA, R12	3 364	3 760
Net debt/EBITDA, multiple	-0,95	-0,59

Equity/assets ratio

MSEK	Dec 31 2025	Dec 31 2024
Shareholders' equity	14 021	15 945
Total assets	22 961	24 884
Equity/assets ratio, %	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.