

Business Review Q1-Q3 2022

Financial briefing, 3 November 2022



Jouni Heinonen

President and CEO

+358 50 307 7185

jouni.heinonen@exelcomposites.com



Mikko Rummukainen

CFO

+358 40 566 2623

mikko.rummukainen@exelcomposites.com



Business Review Q1-Q3 2022

GOOD REVENUE AND EBIT IMPROVEMENT IN Q3 2022

FOR FORWARD THINKERS



Exel Composites in brief

At Exel Composites, we use over 60 years' experience to solve challenges and help customers save resources.

Our forward-thinking composite solutions made with continuous manufacturing technologies serve customers in a wide range of industries around the world.

You can find our products used in applications from wind power and transportation to building and infrastructure.

Our collaborative approach and global footprint set us apart from our competition.

We use our expertise to help customers reduce weight, improve performance and energy efficiency and decrease total lifetime costs.

We want to be the first choice for sustainable composite solutions globally.

Company values

-  Customer focused
-  Integrity
-  One Exel
-  Caring
-  Innovation



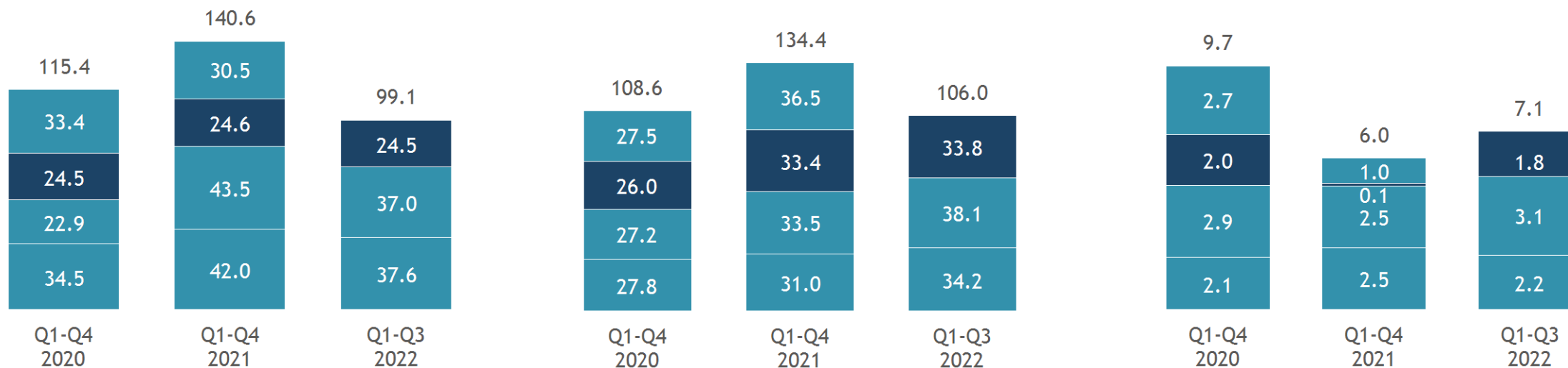
EUR 134.4 million
(108.6)
REVENUE
Full year 2021 (2020)

EUR 6.0 million
(9.7)
ADJUSTED OPERATING PROFIT
Full year 2021 (2020)

715
(665)
EMPLOYEES
Average 2021 (2020)

Manufacturing in 7 countries
Customers in over 50 countries

Q1-Q3 2022 highlights



Order intake

Exel's order backlog has remained at a reasonable level in absolute terms, despite the unstable macroeconomic environment.

Revenue

In the third quarter of 2022, Exel's revenue increased slightly from the comparison period.

The growth was particularly driven by the Transportation customer industry, where sales in the North American region remained at a high level and sales also increased in Europe.

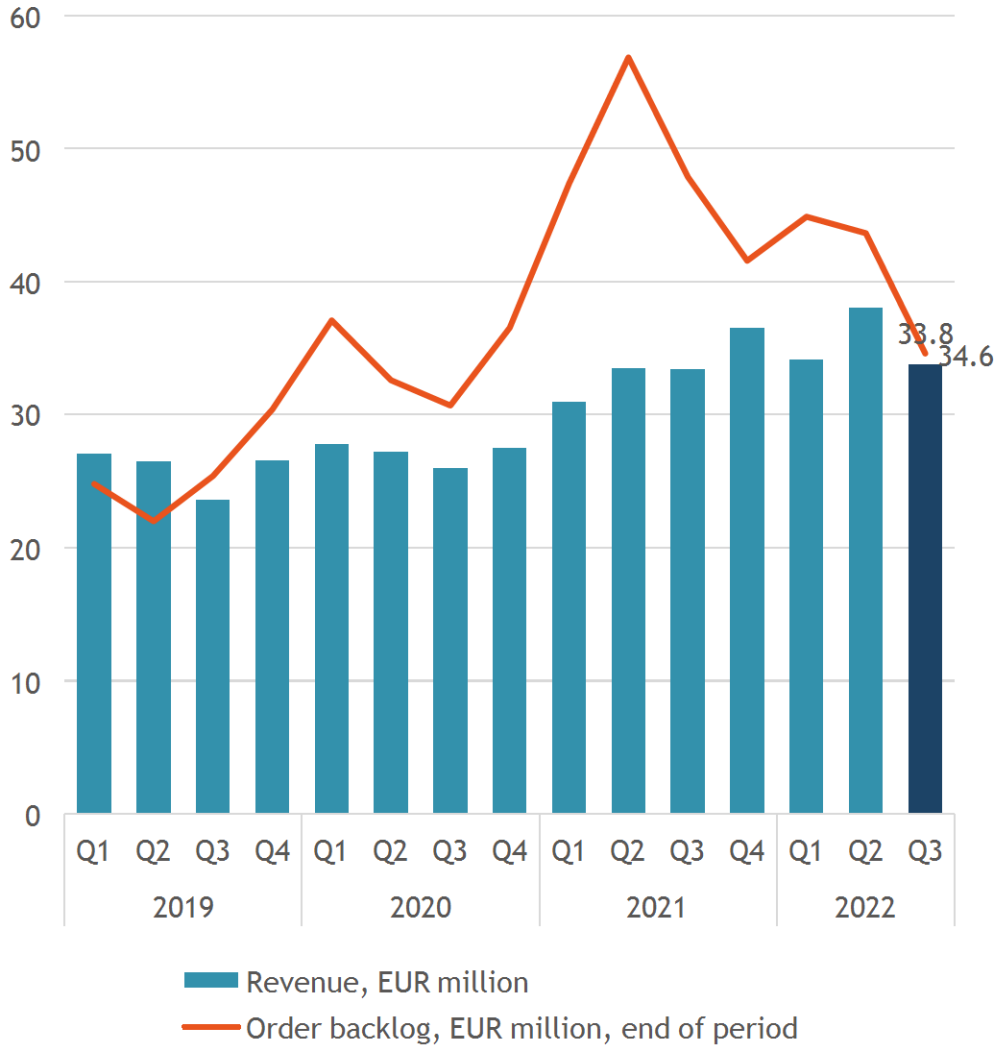
The revenue also increased in the Machinery & Electrical and Equipment & Other Industries customer industries, although the growth slowed down from the previous quarter.

Adjusted operating profit

Group's operating profit clearly increased from the previous year, and our operating profit has already surpassed last year's total.

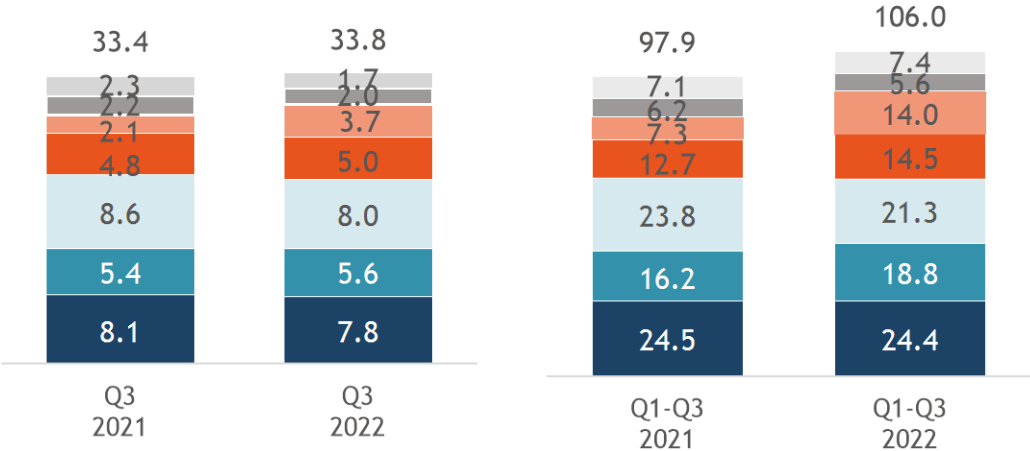
During the year, we succeeded quite well in transferring the exceptionally increased material costs to our prices, and at this stage it seems that for this year the most significant increase in material costs is now behind us. However, visibility into next year's energy and material cost development is still limited.

Order backlog at EUR 34.6 million at the end Q1-Q3 2022

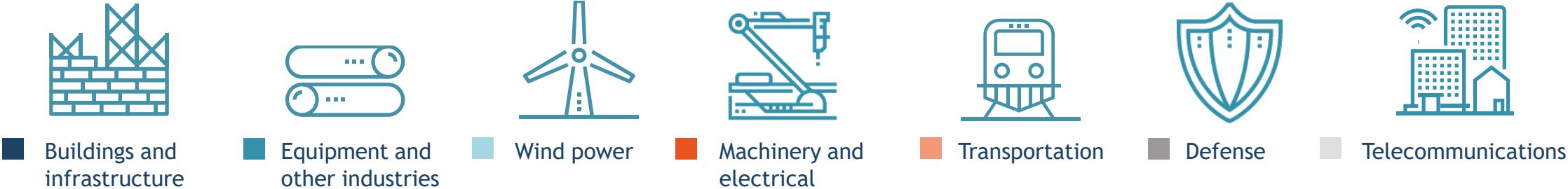
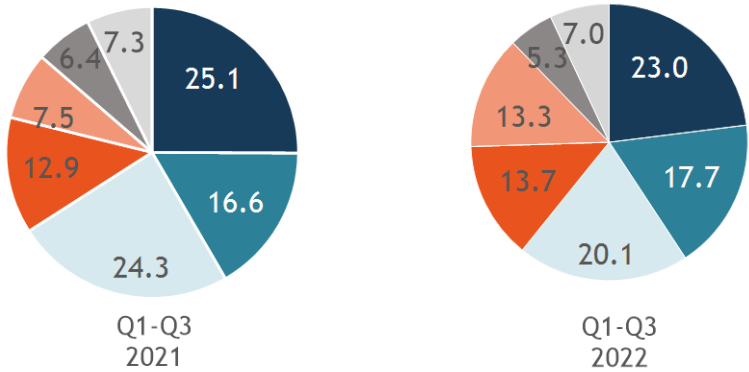


Growth was particularly driven by the Transportation customer industry

Revenue by customer industry, EUR million

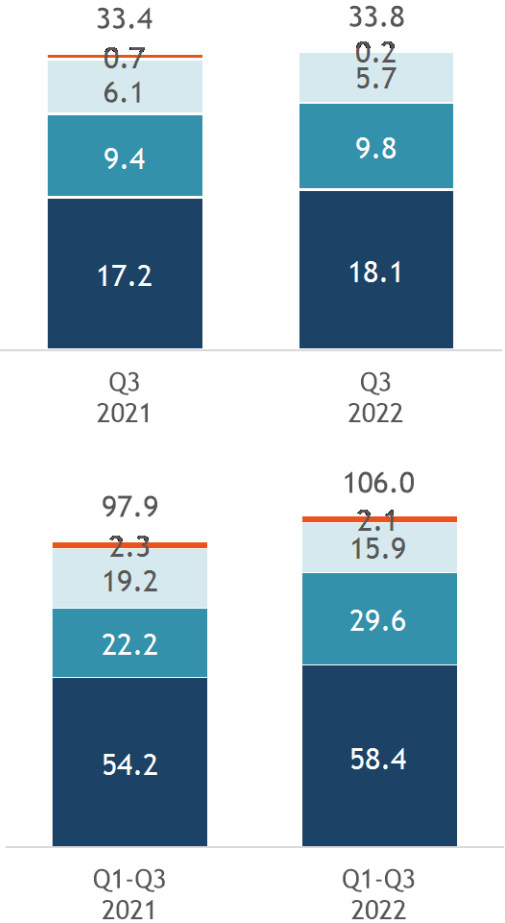


Revenue share by customer industry, %



Revenue growth driven by the North America region and the sales also increased in Europe

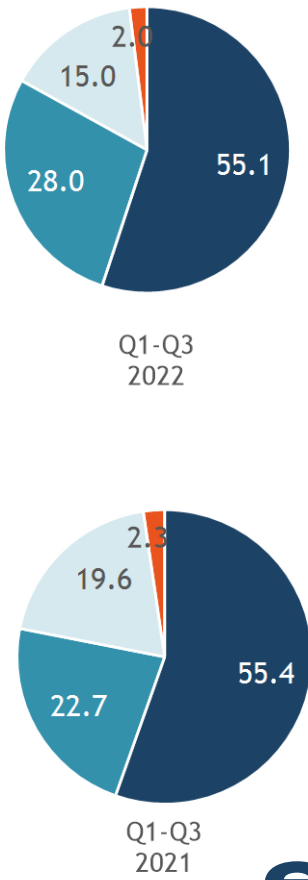
Revenue by region¹⁾,
EUR million



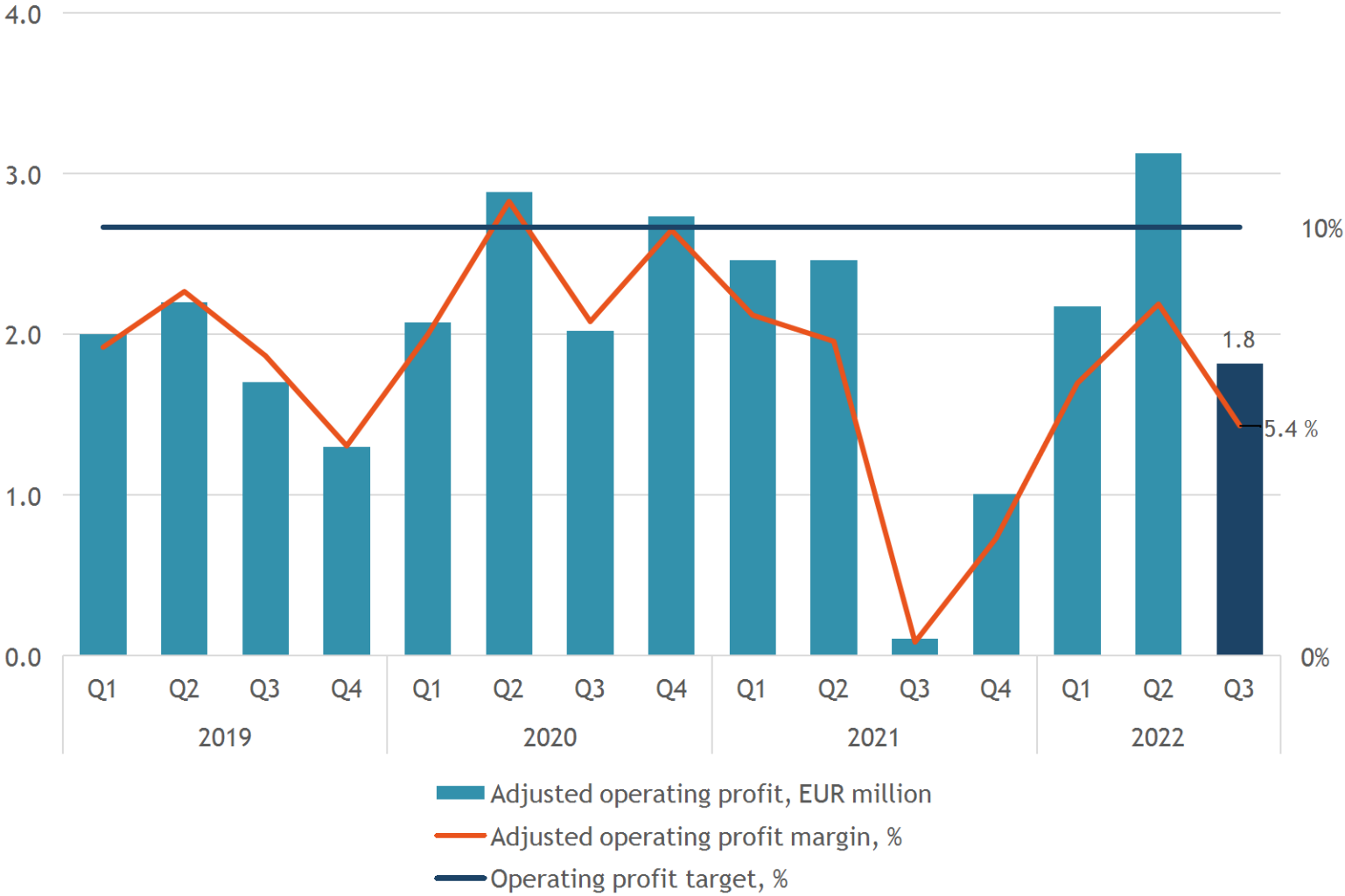
■ Europe
 ■ North America
 ■ Asia-Pacific
 ■ Rest of the world

¹⁾ Revenue by customer location, not by the location of the manufacturing Exel Composites business unit.

Revenue share by region¹⁾,
%



Group's operating profit clearly increased from the previous year



- › In terms of profitability, the profit-making ability of the business unit in the United States, which burdened the comparison period, has now reached a new, better level.
- › During the year, we have succeeded quite well in transferring the exceptionally increased material costs to our prices, and at this stage it seems that the most significant increase in material costs is now behind us.
- › However, visibility into next year's energy and material cost development is still limited.

Impacts of the Covid-19 pandemic

All our factories operated normally and following most of the previous safety measures implemented to prevent the spread of the Covid-19 pandemic.

In China, repeated restrictions continued to create challenges on logistics and commuting.

Exel's order backlog remained at a reasonable level in the third quarter of 2022, despite the unstable macroeconomic environment.

The Group's liquidity and cash situation are good, and the Covid-19 pandemic has had limited impact on Group liquidity.

We continue to monitor the situation closely.

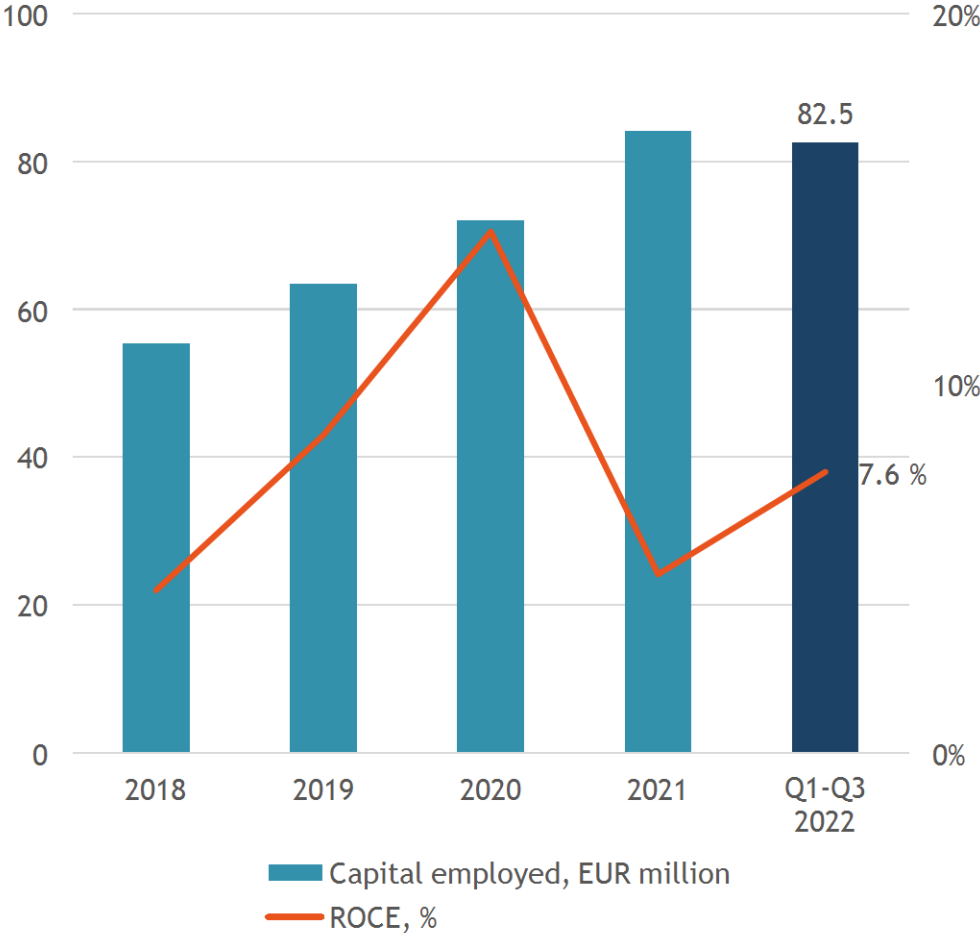


Impacts of the war in Ukraine

For Exel Composites, the direct impact of the Russian attack on Ukraine is currently limited. Exel has no business operations in the affected areas and no customers in Russia, Belarus, or Ukraine. Some of our customers outside the affected areas in turn have customers in areas affected by the war, which consequently may have an indirect impact also on the demand for our products.

The Russian attack on Ukraine and the resulting sanctions are expected to affect global supply chains. We currently have no purchases from the affected areas. So far, the Russian attack on Ukraine has not impacted raw material availability but continued raw material and energy price increases naturally also impact Exel.

Return on capital employed at 8.1% in Q3 2022 and at 7.6% in Q1-Q3 2022



Guidance for 2022 (unchanged)

Exel Composites expects that revenue in 2022 will be at last year's level and adjusted operating profit will increase compared to 2021.

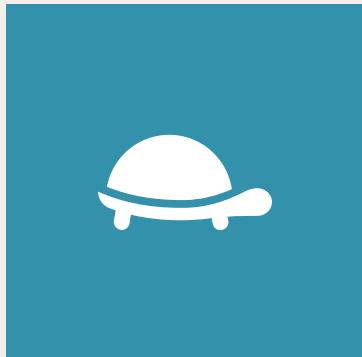
The green transition is a significant opportunity for us



Lightness



Durability



Longer life cycles



Improved performance

- The world needs more renewable energy, more energy-efficient buildings, and lighter vehicles
- Sustainable composite solutions help our customers save resources and mitigate climate change.
- Result: Lowered negative impacts of the end-product on the environment



Thank you! Kiitos!

Questions? Kysymyksiä?

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More information at www.exelcomposites.com

Financial calendar 2023

- Financial Statements Release 2022 17 February 2023
 - Business Review Q1 2023 2 May 2023
 - Half Year Financial Report Q1-Q2 2023 18 August 2023
 - Business Review Q1-Q3 2023 3 November 2023
- Annual General Meeting 2023 10 May 2023

Your IR contacts

Jouni Heinonen

President and CEO

+358 50 307 7185

jouni.heinonen@exelcomposites.com

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CFO

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