



2025

BUSINESS REVIEW
JANUARY-MARCH



A GOOD START TO 2025: ORDER INTAKE, REVENUE AND ADJUSTED OPERATING PROFIT CONTINUED TO IMPROVE

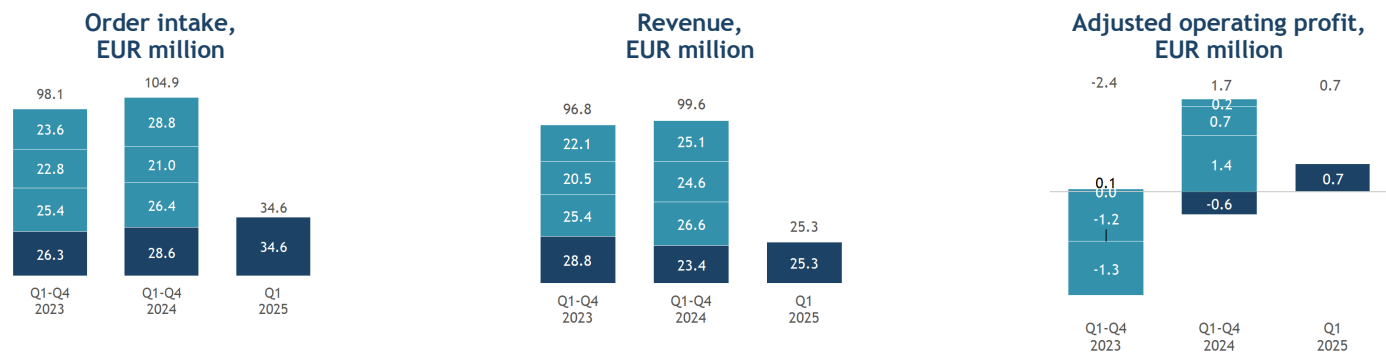
Figures in parentheses refer to the corresponding period in the previous year, unless otherwise specified.

Q1 2025 in brief

- Order intake increased by 20.9% to EUR 34.6 million (28.6)
- Revenue increased by 8.2% to EUR 25.3 million (23.4)
- Operating profit increased to EUR 0.1 million (-0.6) and operating profit margin to 0.4% (-2.4%)
- Adjusted operating profit increased to EUR 0.7 million (-0.6) and adjusted operating profit margin to 2.7% (-2.4%)
- Earnings per share amounted to EUR -0.02 (-0.05)

Guidance for the full year 2025 (unchanged)

Exel Composites expects revenue to increase and adjusted operating profit to increase significantly in 2025 compared to 2024. (Published on 14 February 2025)



Paul Sohlberg, President and CEO:

This year started well for Exel. Our order intake, revenue and adjusted operating profit all continued to improve in line with our guidance. The business climate also improved from the previous quarter. Our activities with customers were successful across many of our customer industries, leading to an order intake growth of 21% year on year and coming in at EUR 34.6 million for the quarter. At the end of March, our order backlog stood at EUR 43.3 million, 24% above the comparison period.

Strategic transformation progressing well

During the quarter, we continued to progress our strategic transformation. An important milestone for the Industrial Solutions Business Unit was securing the approximately EUR 10 million order from a major wind turbine manufacturer in South Asia in February for our new factory in India. We are currently working on ramping up deliveries and expect to progressively increase them in the second and third quarters, continuing into 2026.

Another important milestone took place in the Engineered Solutions Business Unit where the closure of our factory in Oudenaarde, Belgium was completed. Production was concluded at the end of March. In line with the requests from many of our customers, production of their profiles has been transferred to our other factories.

Financial performance improved

In the first quarter, our revenue grew by 8% year on year and amounted to EUR 25.3 million despite the impact of strikes in Finland and some delays in deliveries due to the closure of the factory in Belgium.

Two of our strategic focus areas and customer industries, Transportation, and Buildings and infrastructure, reported revenue growth. We are pleased with the growth of 38% year on year in our Transportation customer industry, where deliveries grew to customers preparing for the

closure of the Belgium factory. It was also encouraging to see the continued positive development in Buildings and infrastructure, where we saw revenue increase by 13% due to acquisition of several new customers and market progressively improving after a multiple-year slowdown.

Going forward, we expect growth in the Energy customer industry to start showing as we begin to recognize revenue from the spar cap deliveries from India. We are also seeing increased activity and customer interest in defense-related applications.

In addition, profitability continued to steadily improve in line with our guidance for the year. Adjusted operating profit grew by EUR 1.3 million year on year, coming in at EUR 0.7 million for the quarter (-0.6), thanks to our actions to optimize capacity, tight cost control and operational measures.

In line with our strategy, we continue to invest in the growth of our business and in the production ramp-up in India, both of which are visible in our cash flow in 2025. In the first quarter, the closure of our Oudenaarde factory in Belgium and the investments in India affected our net cash flow from operating activities, which amounted to EUR -3.4 million.

Financial guidance for 2025 intact

We maintain our guidance and expect our revenue to increase and adjusted operating profit to increase significantly in 2025 compared to 2024.

The recent turmoil in the global trade and financial markets and continued geopolitical tensions have increased uncertainty in the market. While our order intake has grown, the increased uncertainty may delay customers' decision-making and slow down order intake and deliveries in the near term.



Exel has own manufacturing in all main geographical regions, including the US, which means that we are resilient to geopolitical changes. We can ensure deliveries to our customers on all continents with established demand for composites.

At Exel, we continue to feel positive about the year 2025 and will continue to implement our strategy to deliver continued positive growth this year.

I would like to thank our customers and investors for their continued trust in us and the whole personnel of Exel for their hard work and commitment to excellence.

Paul Sohlberg

Consolidated key figures

EUR thousand unless otherwise indicated	Q1 2025	Q1 2024	Change %	Q1-Q4 2024
Revenue	25,278	23,365	8.2	99,614
Operating profit	113	-555	120.5	-2,853
% of revenue	0.4	-2.4		-2.9
Adjusted operating profit 1)	682	-555	223.0	1,704
% of revenue	2.7	-2.4		1.7
EBITDA	1,451	905	60.4	4,246
Adjusted EBITDA 1)	2,020	905	123.2	7,624
Profit before tax	-2,241	-607	-269.0	-3,778
Profit for the period	-2,235	-598	-273.6	-5,027
Profit for the period excluding non-controlling interest	-2,067	-539	-283.5	-4,663
% of revenue	-8.2	-2.3		-4.7
Shareholders' equity	30,666	16,725	83.4	32,337
Interest-bearing liabilities	31,793	46,148	-31.1	30,414
Cash and cash equivalents	7,692	10,207	-24.6	10,904
Net interest-bearing liabilities	24,101	35,941	-32.9	19,509
Net debt to adjusted EBITDA 2)	2.8	11.2	-75.4	2.6
Capital employed	62,459	62,873	-0.7	62,751
Return on equity, %	-28.4	-13.9	-104.1	-20.1
Return on capital employed, %	0.8	-3.4	124.2	-4.3
Equity ratio, %	35.1	19.4	80.8	36.8
Net gearing, %	78.6	214.9	-63.4	60.3
Net cash flow from operating activities	-3,454	-2,611	32.3	581
Net cash flow from investing activities	-1,192	-432	175.9	-2,595
Capital expenditure	1,223	441	177.6	2,658
% of revenue	4.8	1.9		2.7
Research and development costs	950	1,077	-11.7	3,738
% of revenue	3.8	4.6		3.8
Order intake	34,604	28,615	20.9	104,872
Order backlog	43,291	34,893	24.1	34,177
Earnings per share, diluted and undiluted, EUR	-0.02	-0.05	57.1	-0.07
Equity per share, EUR	0.28	1.39	-79.69	0.49
Average share price, EUR	0.35	2.34	-85.0	0.40
Average number of shares, diluted and undiluted, 1,000 shares 3)	106,085	11,854	794.9	63,729
Employees, average	643	623	3.3	632
Employees, end of period	640	626	2.2	637

1) Excluding material items affecting comparability, such as restructuring costs, impairment losses and reversals, and costs related to planned or realized business acquisitions or disposals

2) Last 12 months' adjusted EBITDA

3) Exel's rights issue completed in June 2024 increased the total number of shares from 11,896,843 to 106,728,395. Average number of shares excludes shares held by the company.

Order intake and order backlog

Order intake for the first quarter increased by 20.9% year on year and was EUR 34.6 million (28.6).

Customer engagements during the quarter included an agreement with the French-Canadian airship manufacturer and operator Flying Whales. We also received an order worth approximately EUR 10 million from a major wind turbine manufacturer in South Asia. Manufacturing is expected to start in the second quarter of 2025, and deliveries are expected to extend into 2026.

Order backlog on 31 March 2025 was EUR 43.3 million (34.9).

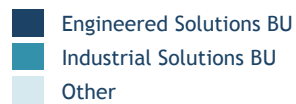
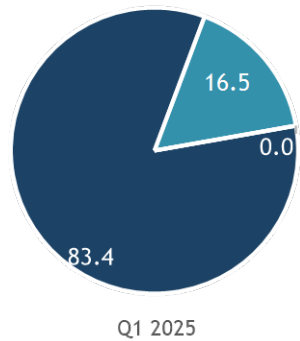
Revenue

In the first quarter, Group revenue increased by 8.2% year on year and amounted to EUR 25.3 million (23.4). Revenue in the Engineered Solutions Business Unit was EUR 21.1 million (19.1) and in the Industrial Solutions Business Unit EUR 4.2 million (4.2). Revenue increased from the comparison period in the Transportation and Buildings and infrastructure customer industries. Revenue In the Industrial customer industry increased by 4.4% year on year. In the Energy and Other customer industries, revenue decreased respectively by 5% and 1.2% year on year.

Revenue by business unit

	Q1 2025	Q1 2024	Change %	Q1-Q4 2024
EUR thousand				
Engineered Solutions BU	21,093	19,119	10.3	82,485
Industrial Solutions BU	4,177	4,246	-1.6	17,109
Other	7	0		19
Total	25,278	23,365	8.2	99,614

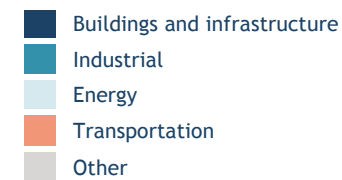
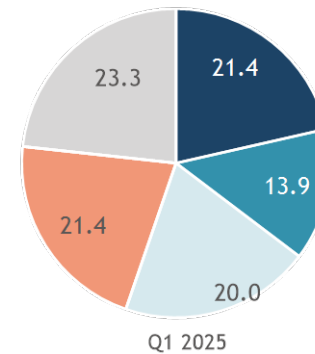
Share of revenue by business unit, %



Revenue by customer industry

	Q1 2025	Q1 2024	Change %	Q1-Q4 2024
EUR thousand				
Buildings and infrastructure	5,421	4,801	12.9	21,502
Industrial	3,505	3,357	4.4	15,588
Energy	5,048	5,315	-5.0	20,923
Transportation	5,420	3,937	37.7	17,391
Other	5,885	5,955	-1.2	24,210
Total	25,278	23,365	8.2	99,614

Share of revenue by customer industry, %



Operating profit

In the first quarter of 2025, the Group's operating profit increased to EUR 0.1 million (-0.6). Operating profit margin was 0.4% (-2.4%). Adjusted operating profit increased to EUR 0.7 million (-0.6) and adjusted operating profit margin to 2.7% (-2.4%), due to actions to optimize capacity, cost control, decrease in fixed costs and operational measures.

Financial position

Net cash flow from operating activities for the first quarter was EUR -3.5 million (-2.6). Net cash flow from investing activities amounted to EUR -1.2 million (-0.4) and net cash flow before financing activities was EUR -4.6 million (-3.0).

On 31 March 2025, net debt to adjusted EBITDA was 2.8x (11.2x).

Business Unit reviews

Engineered Solutions Business Unit

The Engineered Solutions Business Unit (ESBU) concentrates on tailored solutions in multiple customer industries.

In the first quarter, revenue in ESBU was EUR 21.1 (19.1) million, mainly due to higher demand across multiple customer industries and a generally improved business climate. Demand for ESBU's products developed well especially in the Buildings and infrastructure customer industry.

The market for tube-based pultruded profiles also shows signs of improvement. In the first quarter, Exel signed an agreement with the airship manufacturer Flying Whales for pullwound carbon fiber tubes for deliveries expected to start by the third quarter of 2025.

On 31 March 2025, following the strategic factory review in 2024, Exel closed its Oudenaarde factory in Belgium. The closure of the factory was necessary to address loss-making activities.

Industrial Solutions Business Unit

The Industrial Solutions Business Unit (ISBU) concentrates on selected applications with significant growth potential.

In the first quarter, revenue in ISBU was EUR 4.2 million (4.2). ISBU's market developed favorably, especially in the Energy customer industry. However, the recent turmoil in global trade and the implemented tariffs may influence customers' order patterns. Extended high

tariffs may affect ISBU's operations in China with customers moving manufacturing to other regions including India.

Production capacity ramp-up in Exel's new factory in India built by the company's joint venture Kineco Exel Composites India (KECI) and processes to achieve customer approvals continued.

Governance and General Meetings

Exel Composites Plc's Annual General Meeting was held on 26 March 2025 in Helsinki, Finland. The AGM adopted the financial statements and consolidated financial statements, approved the Remuneration Report 2024 and discharged the members of the Board of Directors and the company's President and CEO from liability for the financial year 2024.

The AGM resolved in accordance with the proposal of the Board of Directors that no dividend be paid for the financial year ended 31 December 2024.

The AGM resolved that the Board of Directors consists of five (5) members and re-elected Jouni Heinonen, Helena Nordman-Knutson and Kirsi Sormunen as members of the Board and elected Christian Busdiecker and Elisabeth Larsson as new members of the Board. The AGM elected Jouni Heinonen as Chairman of the Board of Directors.

The AGM confirmed the annual remuneration for the Board members as follows: for the Chairman of the Board of Directors EUR 45,000 and for each other Board member EUR 21,000. Additionally, a remuneration is to be paid for the Chairman of the Board of EUR 1,500 for attendance at each Board and committee meeting and for each similar all-day Board assignment and for each other Board member EUR 1,000 for attendance at each Board and committee meeting and for each similar all-day Board assignment. Additionally, for each committee meeting, the meeting fee for the committee Chairman is EUR 1,500. Travel expenses and other out-of-pocket expenses will be compensated in accordance with the company's established practice and travel rules. Out of the annual remuneration, 60% will be paid in cash and 40% in the company's shares.

Ernst & Young Oy, with Timo Eerola, Authorized Public Accountant (APA) and Authorized Sustainability Auditor having the principal responsibility, was re-elected as auditor and sustainability auditor of the company.

The AGM authorized the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares by using unrestricted equity in accordance with the proposal of the Board of Directors. The total maximum number of shares to be acquired is 5,300,000. The authorization is effective until the end of the next AGM, however, no longer than until 30 June 2026.

The AGM authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares referred to in Chapter 10, Section 1 of the Companies Act. The maximum number of new shares to be issued is 10,650,000, which corresponds to

approximately 10.0 per cent of all shares of the company, and/or a maximum of 5,300,000 company's own shares. The authorization is effective until the end of the next AGM, however no longer than until 30 June 2026.

Changes in Exel Leadership Team

On 24 February 2025, Exel Composites announced having appointed Kari Loukola as Executive Vice President, Industrial Solutions Business Unit and member of the Exel Leadership Team as of 25 February 2025.

On 31 March 2025, the members of the Exel Leadership team were

Paul Sohlberg, President and CEO

Mikko Rummukainen, CFO

Juha Honkanen, Executive Vice President, Engineered Solutions Business Unit

Kari Loukola, Executive Vice President, Industrial Solutions Business Unit

Kim Sjödaahl, Senior Vice President, Technology and Sustainability

Johanna Tuomisto, Senior Vice President, People and Culture

Events during the reporting period

On 14 February 2025, Exel Composites signed an agreement with French-Canadian airship manufacturer and operator Flying Whales for pull-wound carbon tubes for the first full structure of an LCA60T airship manufactured by the company. Deliveries are expected to start by the third quarter of 2025.

On 24 February 2025, Exel Composites' joint venture Kineco Exel Composites India (KECI) received a purchase order of approximately EUR 10 million for pultruded carbon fiber planks for spar caps to a major wind turbine manufacturer in South Asia. The manufacturing of the planks is estimated to start in the second quarter of 2025, and deliveries are expected to extend into 2026.

On 24 February 2025, Exel Composites announced having appointed Kari Loukola as Executive Vice President, Industrial Solutions business unit and member of the Exel Leadership Team as of 25 February 2025.

On 31 March 2025, Exel closed its Oudenaarde factory in Belgium as planned.

Financial reporting in 2025

Exel Composites will publish the following financial reports in 2025:

- Half Year Financial Report Q1-Q2 2025: 14 August 2025 at approximately 9:00 EEST
- Business Review Q1-Q3 2025: 6 November 2025 at approximately 9:00 EET

Vantaa, 8 May 2025

Exel Composites Plc

Board of Directors

CALCULATION OF KEY FIGURES

Adjusted operating profit

operating profit - material items affecting comparability (restructuring costs, impairment losses and reversals, costs related to planned or realized business acquisitions or disposals, etc.)

Adjusted EBITDA

operating profit + depreciations, amortization and impairments - material items affecting comparability (restructuring costs, costs related to planned or realized business acquisitions or disposals, etc.)

Net debt to adjusted EBITDA

total interest-bearing debt - cash and equivalents

adjusted EBITDA

Return on equity, %

net income + provisions x 100

equity + minority interest + voluntary provisions

Return on capital employed, %

profit before provisions and income taxes + interest and other financial expenses x 100

total assets less non-interest-bearing liabilities (average)

Equity ratio, %

equity + minority interest + voluntary provisions x 100

total assets less advances received

Net gearing, %

net interest-bearing liabilities (= interest-bearing liabilities less liquid assets) x 100

equity

Earnings per share (EPS), EUR

profit before provisions and income taxes less income taxes +/- minority interest

average adjusted number of shares in the financial period

Equity per share, EUR

equity + voluntary provisions

adjusted number of shares on closing date

Dividend per share, EUR

dividend for the financial period

adjusted number of shares on closing date

Payout ratio, %

dividend per share x 100

earnings per share (EPS)

Effective yield of shares, %

dividend per share x 100 x 100

adjusted average share price at year end

Price/earnings (P/E), %

adjusted average share price at year end x 100

earnings per share

Price to book ratio, (P/B)

total number of shares on closing date excluding treasury shares x share price at year end

equity without non-controlling interests



Exel Composites is one of the largest manufacturers of composite profiles and tubes made with pultrusion and pullwinding technologies and a pultrusion technology forerunner in the global composite market. 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 in diverse industrial sectors such as wind power, transportation and building and infrastructure.

Our R&D expertise, collaborative approach and global footprint set us apart from our competition. Our composite solutions help customers save resources, reduce products' weight, improve performance and energy efficiency, and decrease total lifetime costs. We want to be the first choice for sustainable composite solutions globally.

Headquartered in Finland, Exel Composites employs over 600 forward-thinking professionals around the world and is listed on Nasdaq Helsinki. To find out more about our offering and company please visit www.exelcomposites.com.