



Business Review Q1 2022

GROUP REVENUE INCREASED AND PROFIT TURNAROUND IN THE USA
PROGRESSED WELL

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)

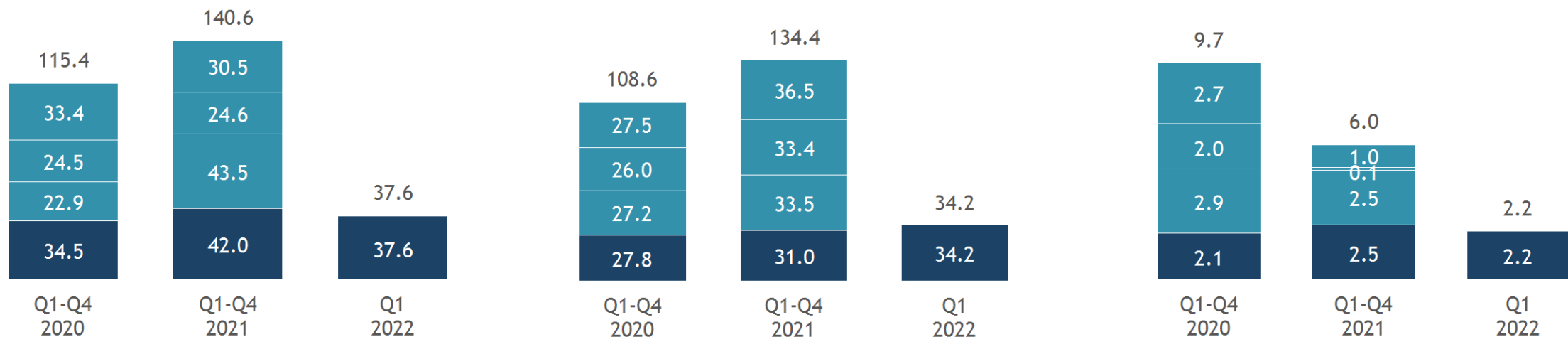
**EUR 6.0 million
(9.7)**
ADJUSTED OPERATING PROFIT
Full year 2021 (2020)

**715
(665)**
EMPLOYEES
Average 2021 (2020)

Manufacturing in 7 countries
Customers in over 50 countries



Q1 2022 highlights



Order intake

Order intake continued strong in the first quarter.

Overall demand for our solutions recovered across our customer industries despite continued uncertainty due to the Covid-19.

Revenue

Revenue increased compared to the previous year, driven particularly by applications in Equipment and Other Industries.

Geographically, revenue increased in Europe and in North America, whereas in the region Asia-Pacific revenue declined mainly due to the worsened Covid-19 situation in China.

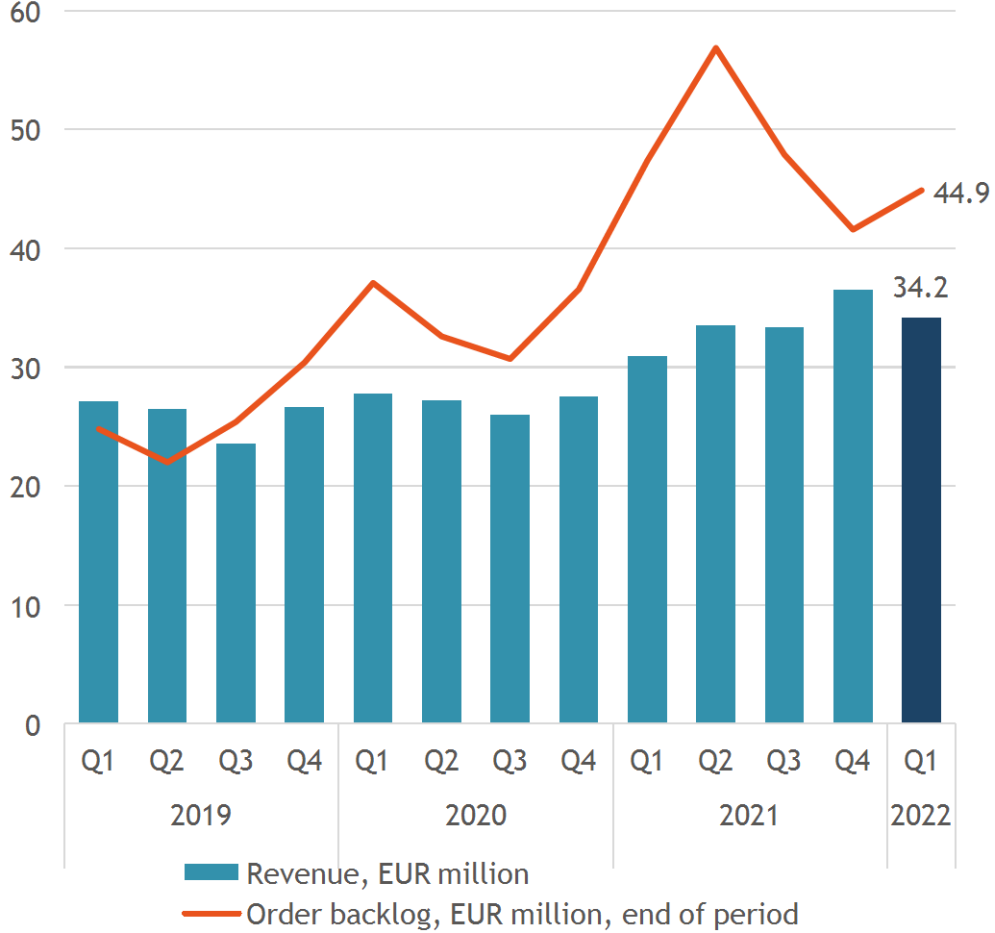
Adjusted operating profit

Adjusted operating profit was considerably better than in the whole second half of last year, albeit slightly behind a strong first quarter of 2021.

The profitability of the business unit in the USA no longer negatively impacted Group operating profit.

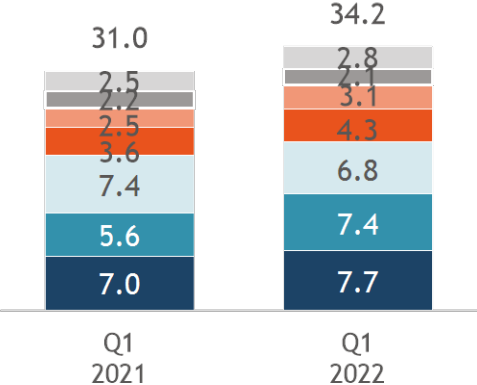
Product mix, increasing raw material, energy, and logistics costs had a negative impact on Group profitability.

Order backlog at EUR 44.9 million at the end Q1 2022

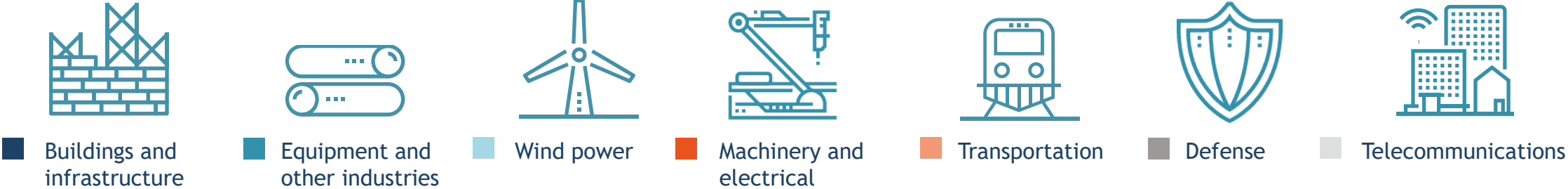
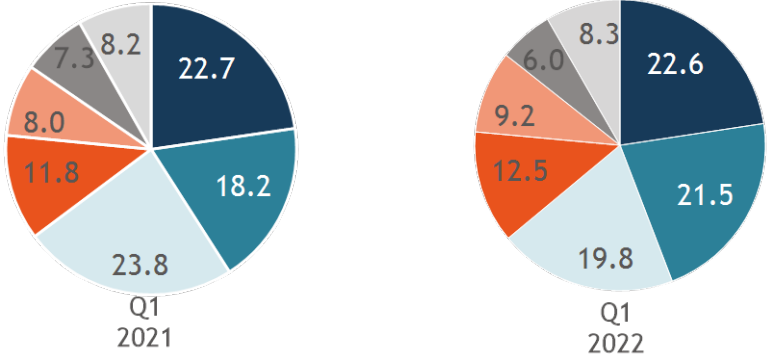


Revenue growth driven particularly by applications in Equipment and Other Industries

Revenue by customer industry, EUR million

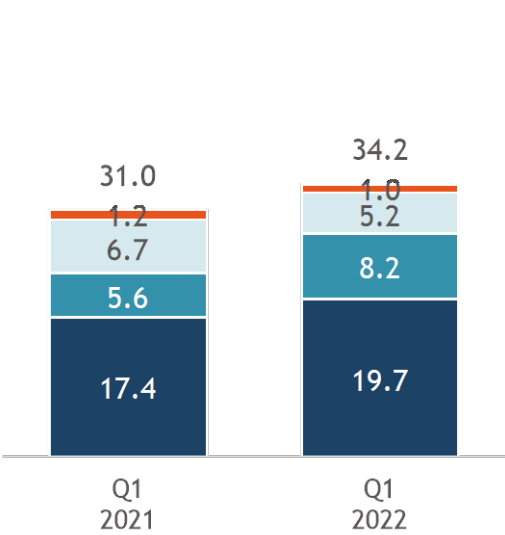


Revenue share by customer industry, %



Revenue growth driven by regions Europe and North America

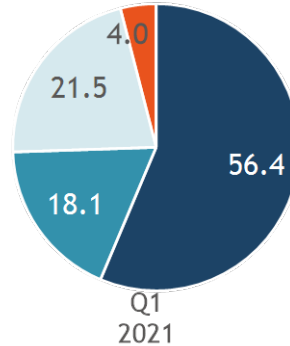
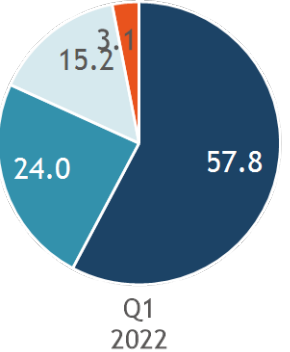
Revenue by region¹⁾,
EUR million



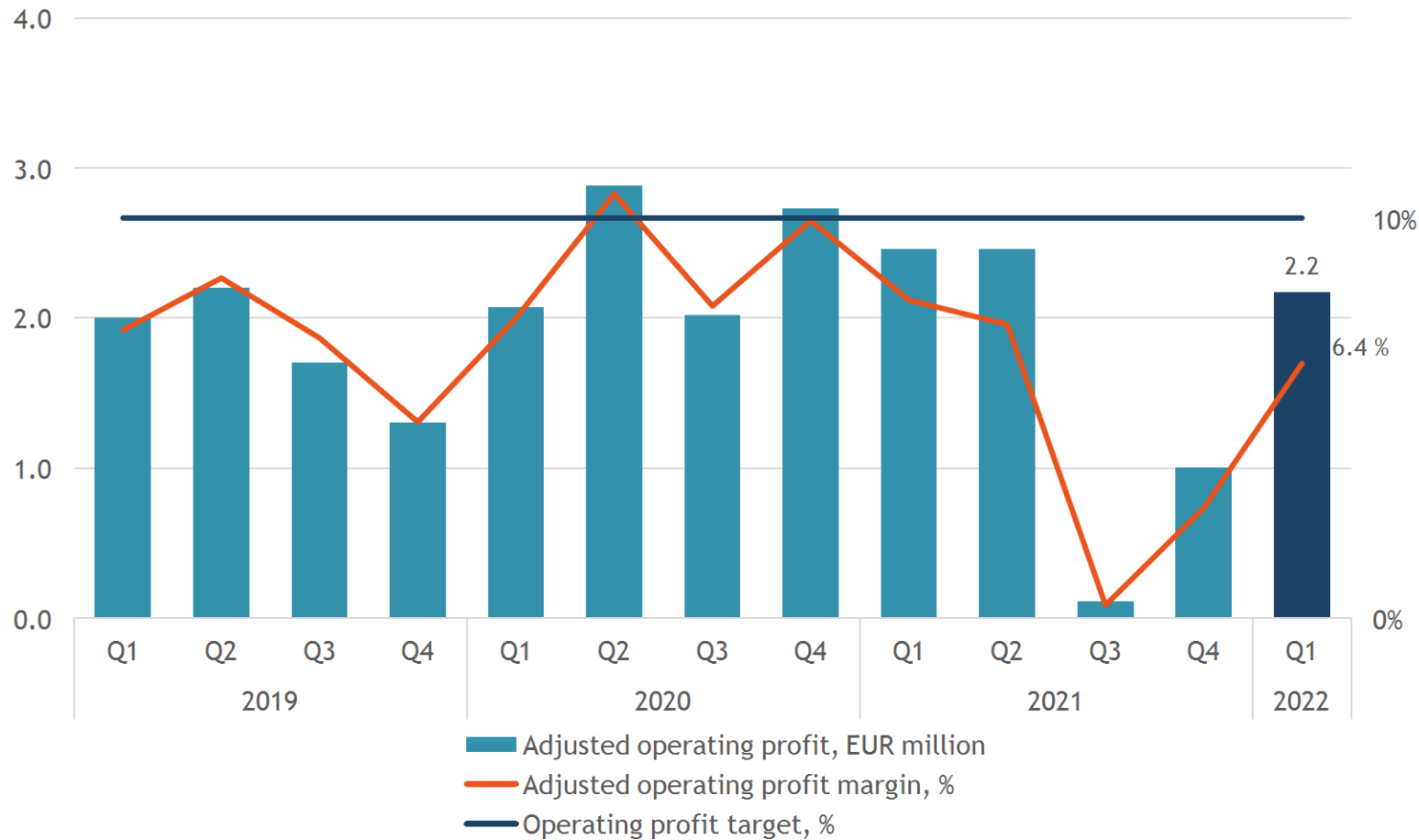
■ Europe ■ North America ■ Asia-Pacific ■ Rest of the world

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

Revenue share by region¹⁾,
%



Adjusted operating profit in Q1 2022 considerably better than in the whole second half of last year



- ▶ The profitability of the business unit in the United States no longer negatively impacted Group operating profit.
- ▶ Product mix, increasing raw material, energy, and logistics costs had a negative impact on profitability.
- ▶ A one-time cost of EUR 2.1 million related to the factory closing in China was recorded during the quarter.

Impacts of the Covid-19 pandemic

All our factories operated almost normally, following safety measures, despite the continued challenges with global logistics and availability in many raw material categories.

Some new restrictions came into force in China towards the end of the first quarter of 2022. We expect that sudden and unpredictable changes in the restrictions may continue.

Order intake however continued at a good level in the quarter.

The Group's liquidity and cash situation during the year was 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

The direct impact of the Russian attack on Ukraine is currently limited.

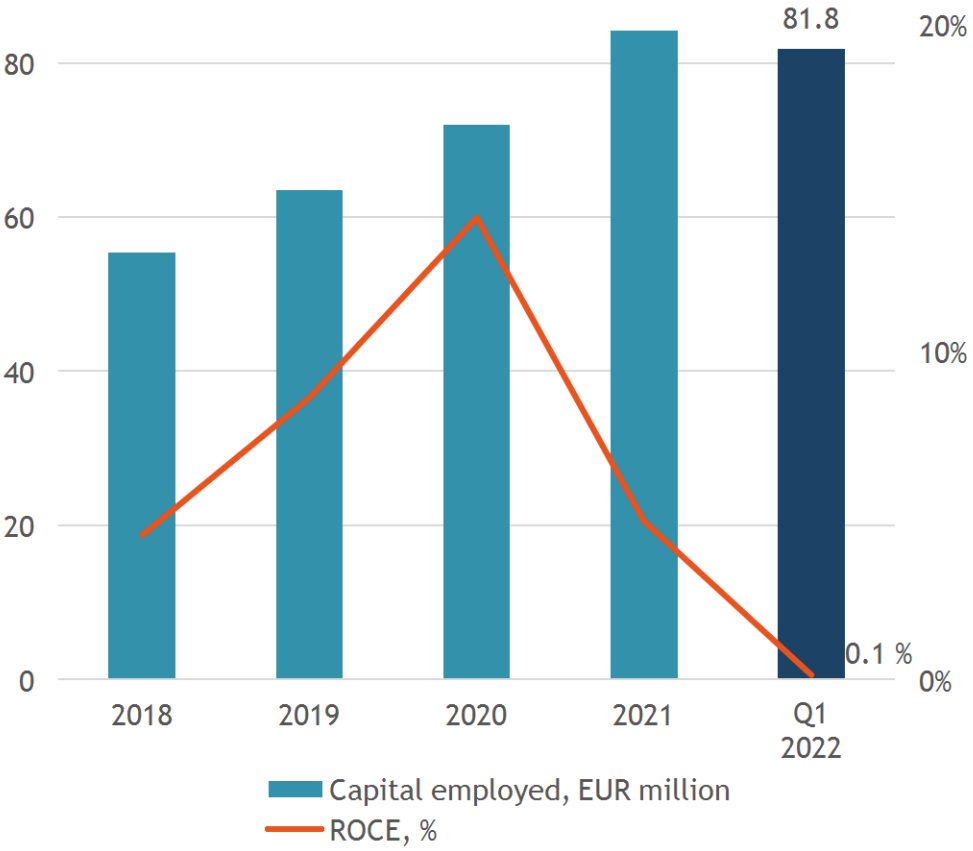
Exel has no business operations in the affected areas and no customers in Russia, Belarus, or Ukraine.

The Russian attack on Ukraine and the resulting sanctions is expected to affect global supply chains.

Exel has only one supplier with a factory in the affected areas (Russia). These purchases have been directed to the suppliers' other factories elsewhere.

So far, the Russian attack has not impacted raw material availability, but possible raw material and energy price increases naturally also impact Exel.

Return on capital employed at 0.1% in Q1 2022



A one-time cost of EUR 2.1 million related to the factory closing in China was recorded during the quarter.



Guidance for 2022

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



Thank you! Kiitos!

Questions? Kysymyksiä?

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More information at www.exelcomposites.com

Financial calendar 2022

- Financial Statements Release 2021 15 February 2022
- Business Review Q1 2022 29 April 2022
- Half Year Financial Report Q1-Q2 2022 20 July 2022
- Business Review Q1-Q3 2022 3 November 2022
- Annual General Meeting 2022 25 March 2022

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