



Business Review Q1-Q3 2020

REVENUE AND OPERATING PROFIT INCREASED

FOR FORWARD THINKERS



Exel Composites in brief

➤ In 2020 we celebrate Exel's 60th anniversary

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



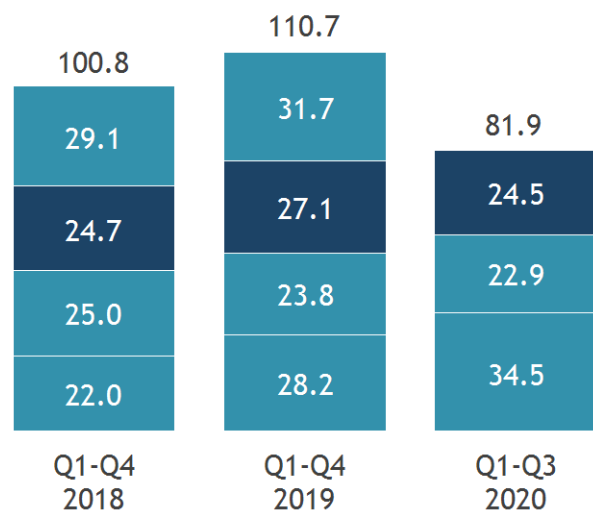
EUR 103.8 million
(96.6)
REVENUE
Full year 2019 (2018)

EUR 7.2 million
(5.0)
ADJUSTED OPERATING PROFIT
Full year 2019 (2018)

648
(675)
EMPLOYEES
End of 2019 (2018)

Manufacturing in 6 countries
Customers in over 50 countries

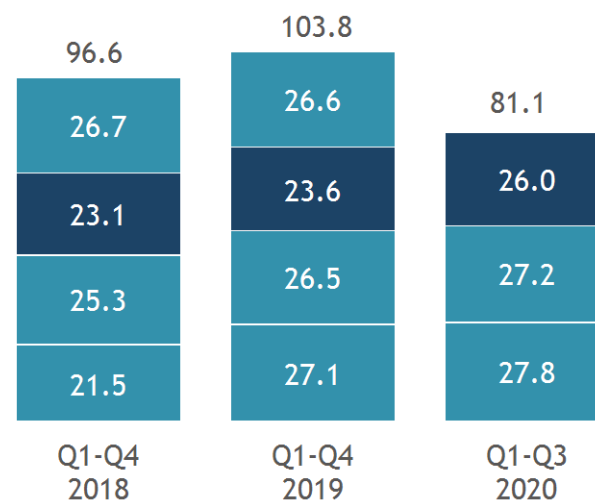
Q3 2020 highlights



Order intake

Underlying demand has slightly improved despite continued Covid-19 related cautiousness.

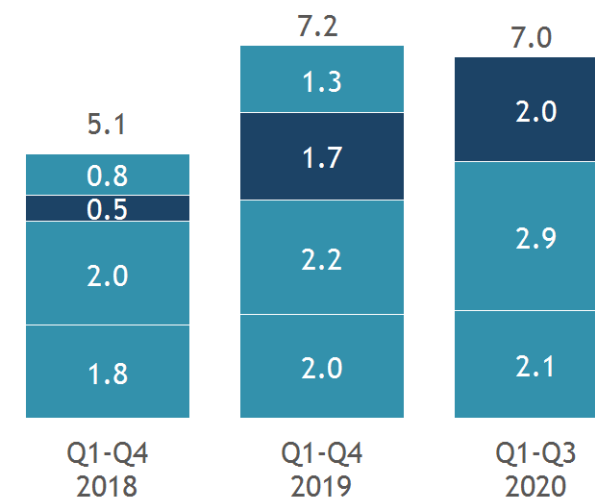
Order intake below last year mainly due to a partial cancellation of a large order in the United States, that was booked in the first quarter of 2020.



Revenue

Increase driven by Wind power and Defense customer industries and Asia-Pacific region.

Buildings and infrastructure as well as the Transportation declined mainly due to Covid-19 related lower demand mostly in Europe.



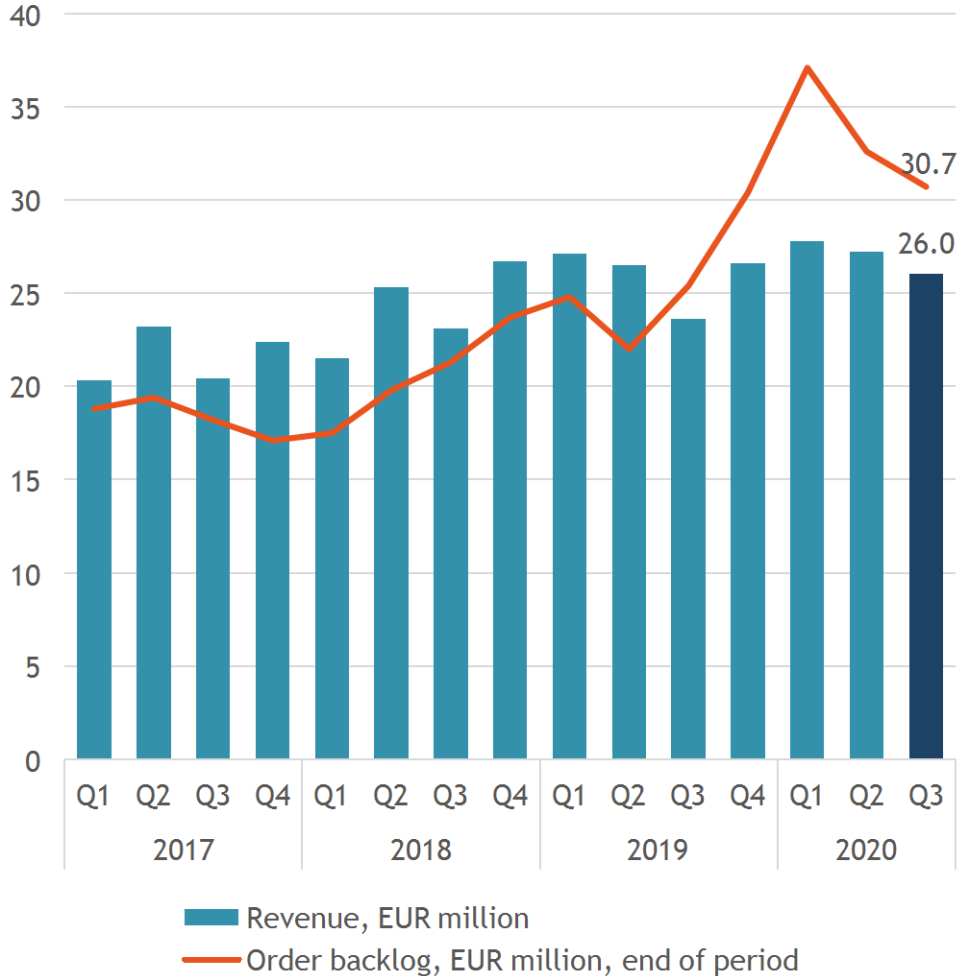
Operating profit

Operating profit increased compared to last year.

Uneven distribution of revenues across business units together with effects of the Covid-19 pandemic impaired production efficiency and profitability, especially in the business unit in the United States.

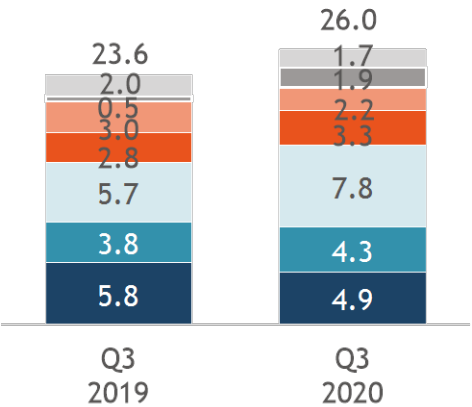
➤ Impact of the Covid-19 pandemic on Exel Composites' operations was limited, all our factories operated close to normal within the limits of the implemented safety measures.

Continued Covid-19 related cautiousness, underlying demand improved slightly

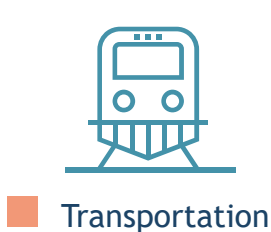
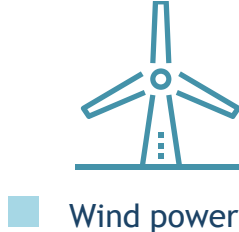
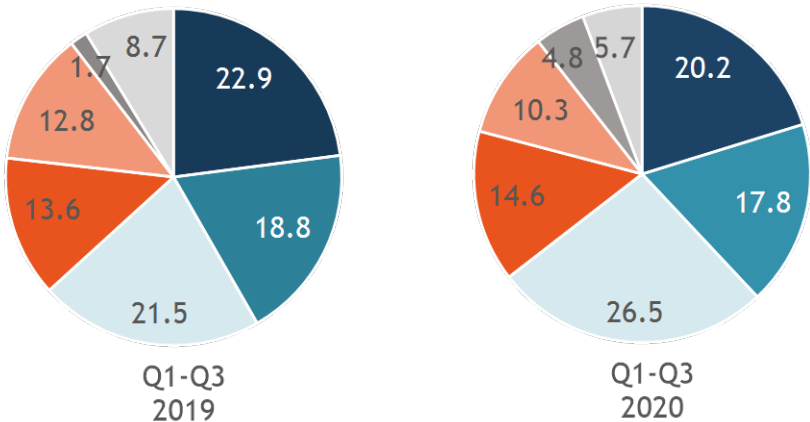


Revenue increased in Q3 2020 driven by Wind power and Defense customer industries

Revenue by customer industry, EUR million

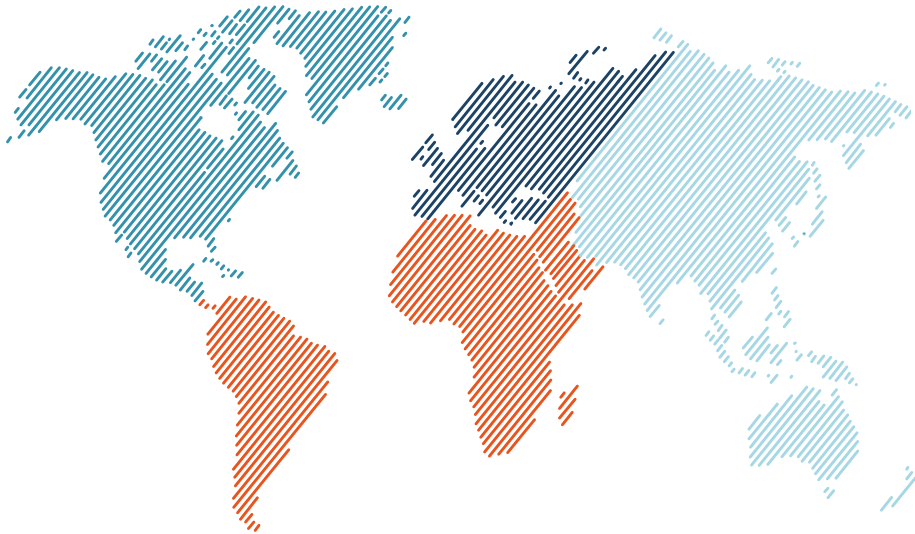
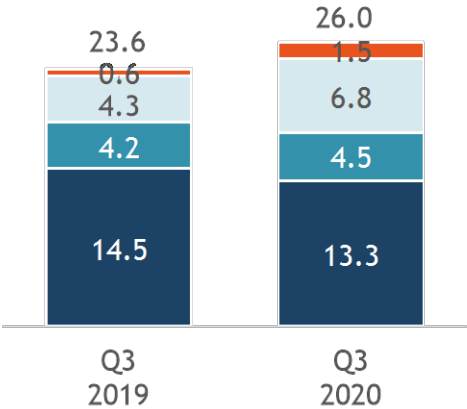


Revenue share by customer industry, %

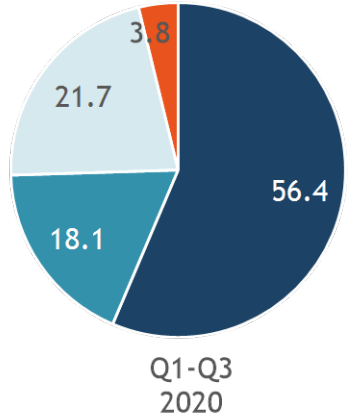


In Q3 2020, revenue grew especially in the Asia-Pacific region

Revenue by region*,
EUR million



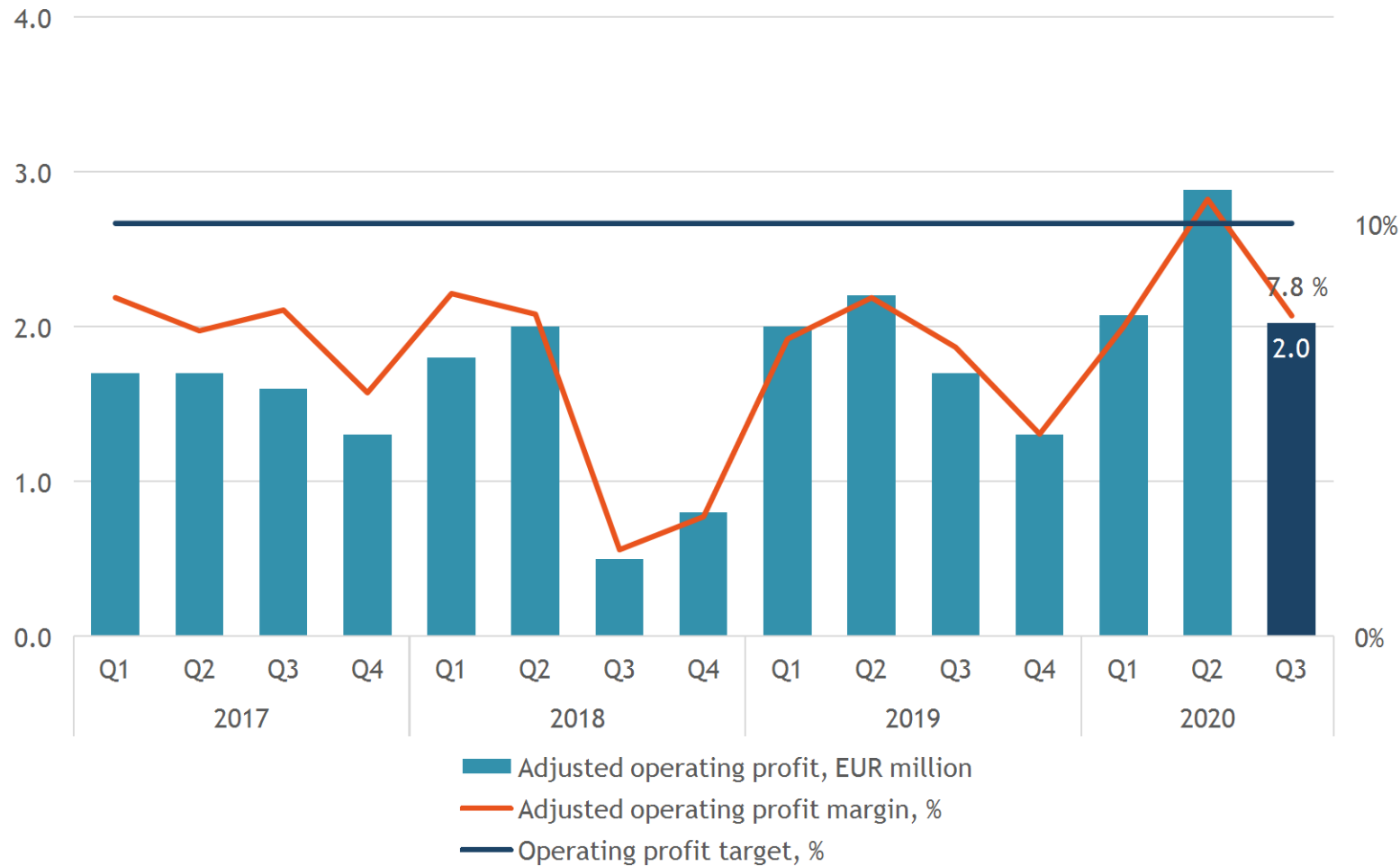
Revenue share by region*,
%



Europe
 North America
 Asia-Pacific
 Rest of the world

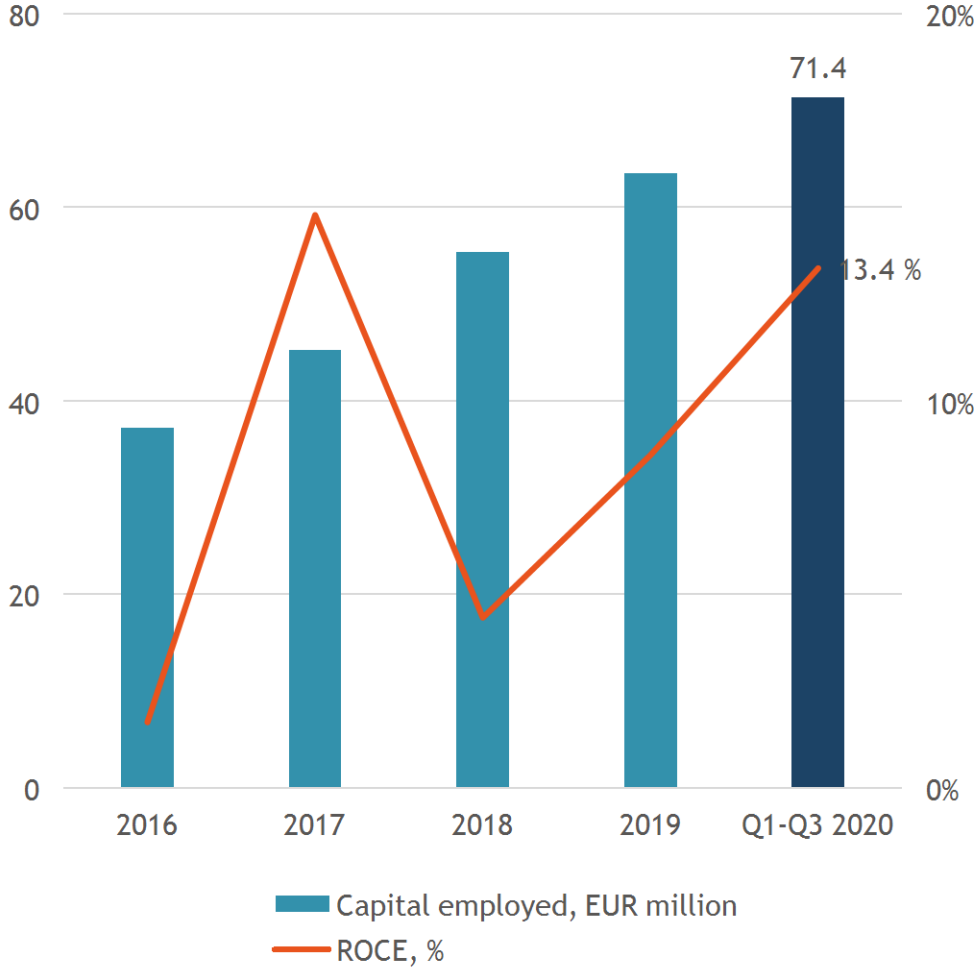
* Revenue by customer location, not by the location of the manufacturing Exel Composites business unit.

Operating profit increased to EUR 2.0 million in Q3 2020 compared to previous year



- Adjusted operating profit was EUR 2.0 million in Q3 2020
- Uneven distribution of revenues across business units together with effects of the Covid-19 pandemic impaired production efficiency, especially in the business unit in the United States.

Return on capital employed at 11.8% in Q3 2020 and at 13.4% in Q1-Q3 2020



Impacts of the Covid-19 pandemic in Q3 2020

In Q3, all our factories operated close to normal within the limits of the implemented safety measures.

Order intake suffered from Covid-19 related uncertainty and cautiousness, but underlying demand has slightly improved.

Liquidity and cash situation is good.

Main risk in impairment testing continues to be related to the expected profitability turnaround of the business unit in the United States.

Close and continuous interaction with customers, suppliers and business partners.

Actions tightened and continued to ensure safety and business continuity.

Continue to monitor the situation very closely.

The construction of a new manufacturing facility in Austria progressed as planned



Company vision and purpose statements updated

Trends driving our future

Rapid urbanization:
smarter cities and infrastructure

Climate change:
sustainability and a circular economy

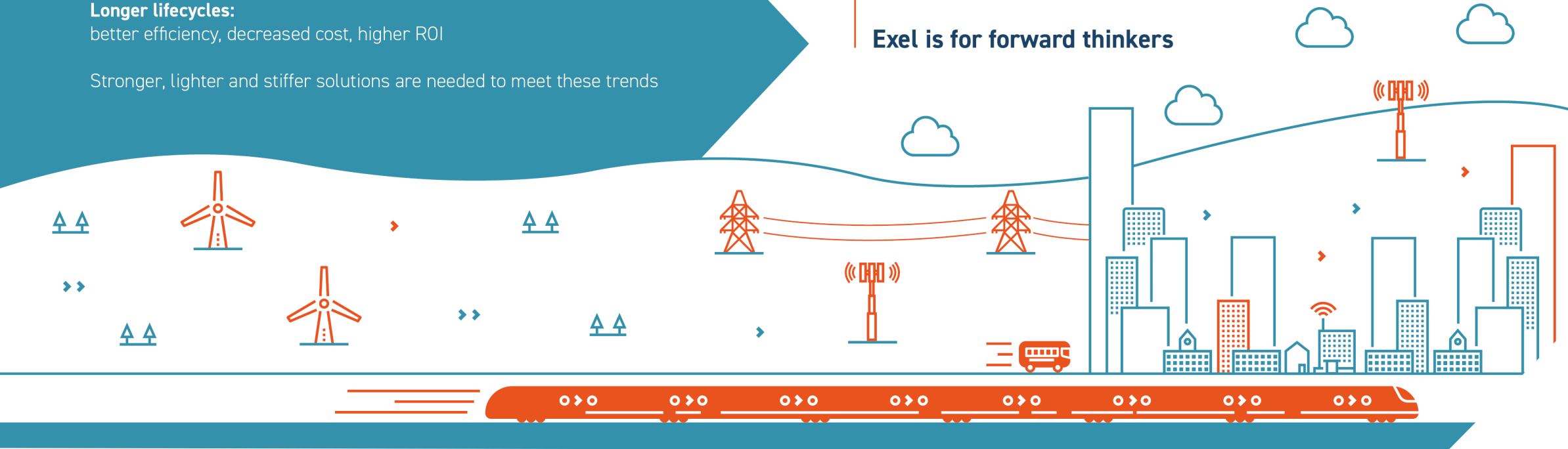
Longer lifecycles:
better efficiency, decreased cost, higher ROI

Stronger, lighter and stiffer solutions are needed to meet these trends

Our purpose is to solve challenges and save resources with composites

Our vision is to be the first choice for sustainable composite solutions globally

Exel is for forward thinkers



Guidance for 2020 (reinstated)

Exel Composites expects revenue in 2020 to increase or to remain at previous year's level, and adjusted operating profit in 2020 to increase compared to 2019.

Exel Composites withdrew its guidance on 6 May 2020 as a consequence of increased uncertainty and poor short-term predictability due to the Covid-19 pandemic. Prior to withdrawing the guidance and according to the guidance published in February 2020, Exel Composites expected revenue and adjusted operating profit to increase in 2020 compared to 2019.

More information at www.exelcomposites.com

Financial calendar 2021

- Financial Statements Release 2020 18 February 2021
- Business Review Q1 2021 30 April 2021
- Half Year Financial Report Q1-Q2 2021 20 July 2021
- Business Review Q1-Q3 2021 4 November 2021

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