



## Financial Statements Review Q1-Q4 2020

STRONG ORDER INTAKE IN Q4 2020, 2021 STARTS WITH HIGH ORDER BACKLOG

FOR FORWARD THINKERS



# Exel Composites in brief

➤ In 2020, we celebrated Exel's 60<sup>th</sup> 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



Customer focused



Integrity



One Exel



Caring



Innovation



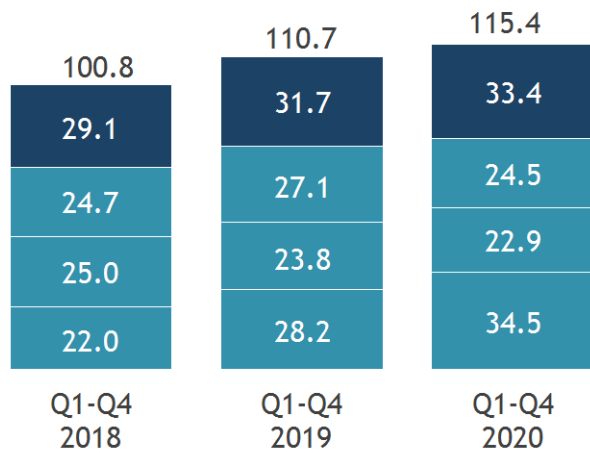
**EUR 108.6 million**  
**(103.8)**  
REVENUE  
Full year 2020 (2019)

**EUR 9.7 million**  
**(7.2)**  
ADJUSTED OPERATING PROFIT  
Full year 2020 (2019)

**665**  
**(660)**  
EMPLOYEES  
Average 2020 (2019)

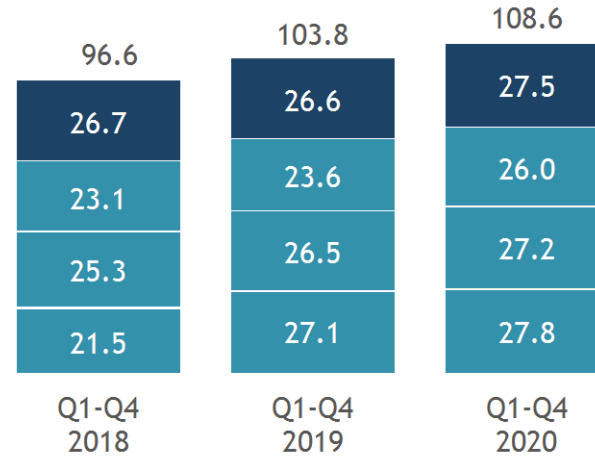
Manufacturing in 6 countries  
Customers in over 50 countries

# 2020 highlights



## Order intake

Order intake improved as underlying demand improved towards the end of the year.

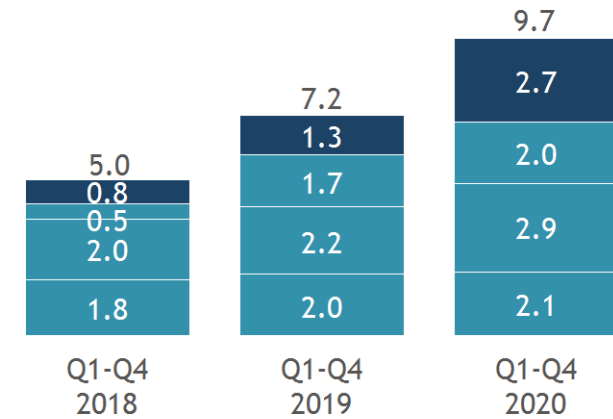


## Revenue

Revenue increased driven by Wind Power and Defense customer industries, and regions Asia-Pacific and Europe.

Several years of extensive R&D yielded results.

The Covid-19 pandemic impacted revenue in Transportation and the region North America.



## Adjusted operating profit

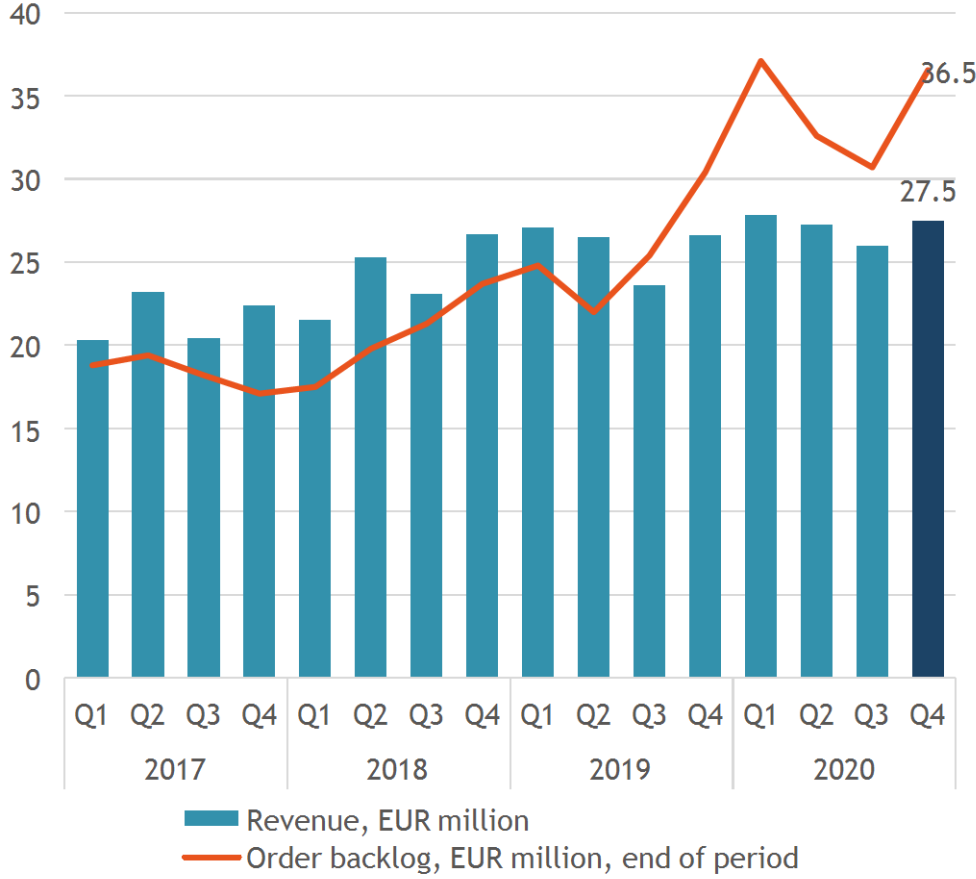
Adjusted operating profit increased by almost 40% compared to the previous year.

Main factors:

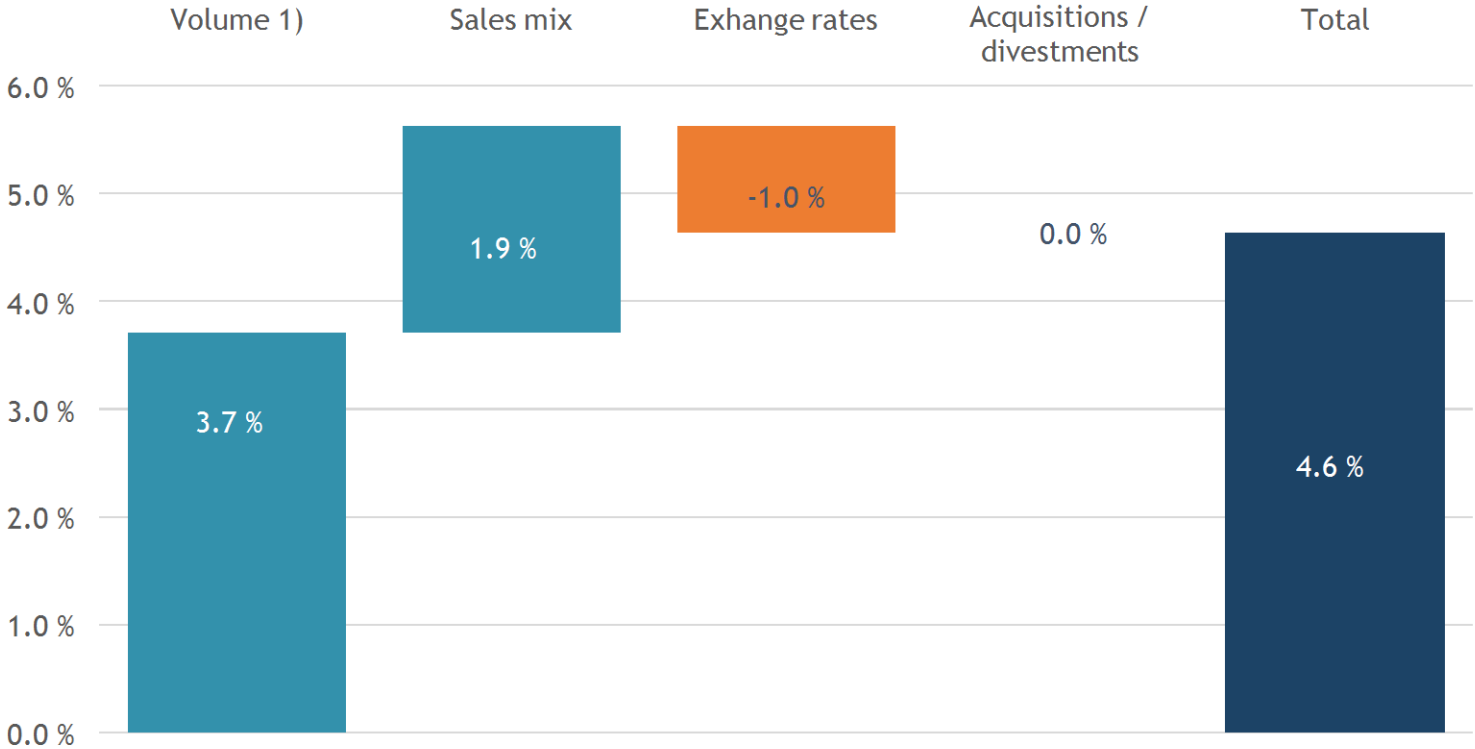
- Profit impact of the 2019 cost savings program
- Overall favorable sales mix
- Operational efficiency improvements across the Group.

➤ Overall, Exel has mitigated the impacts of the pandemic well, supported by a strategy based on diversified customer industries and regions.

# Order backlog increased to EUR 36.5 million at the end of 2020



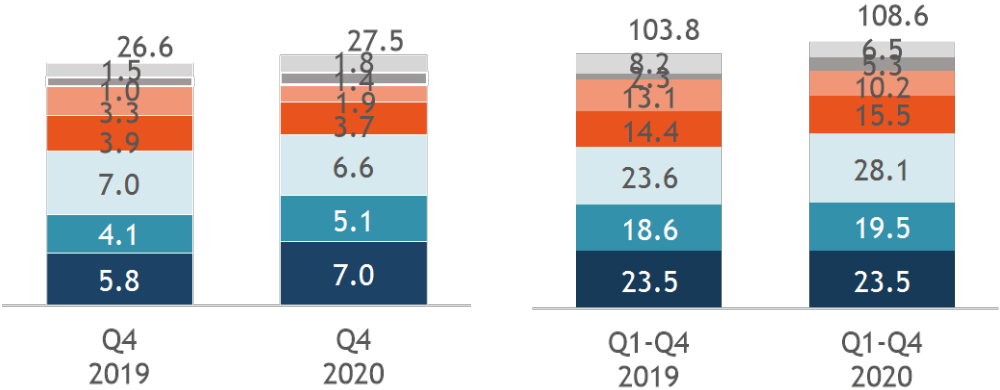
# Revenue growth in 2020 driven mainly by volume increase



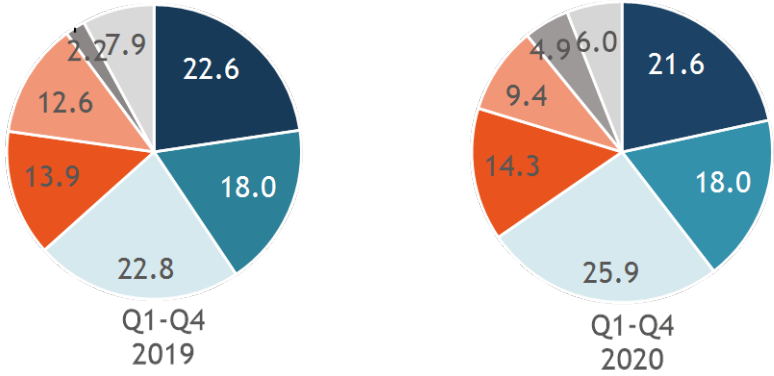
1) Volume impact calculated as difference in kilograms of delivered products times prior year average sales price/kg.

# In 2020, revenue increased driven by Defense and Wind Power customer industries

Revenue by customer industry, EUR million



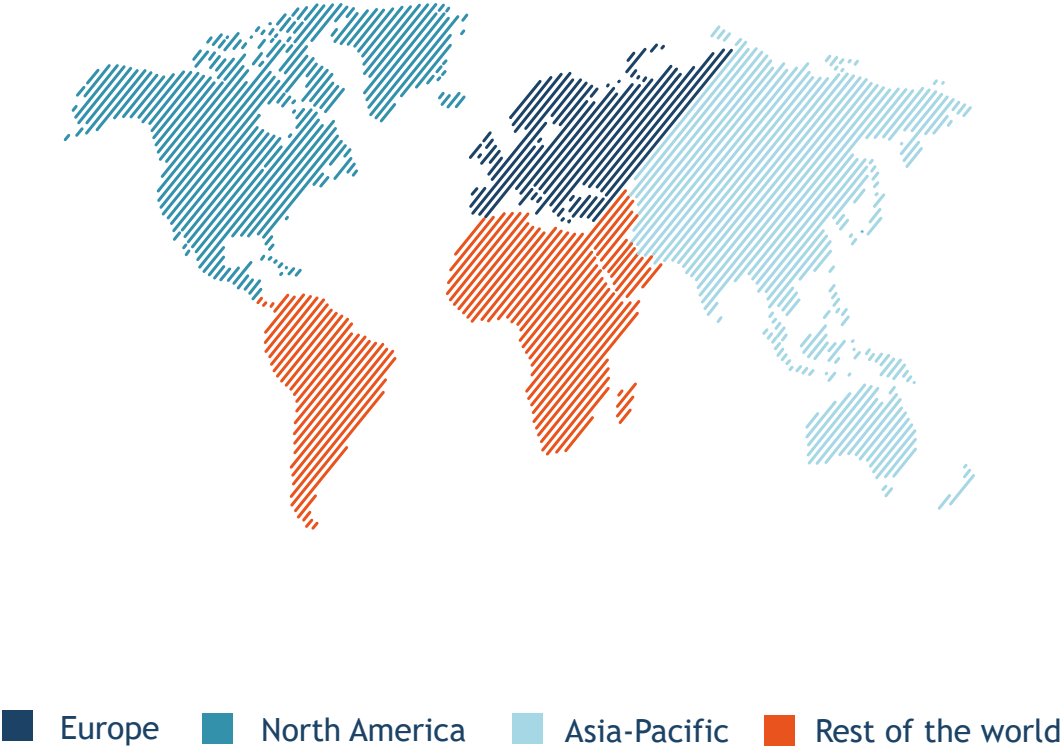
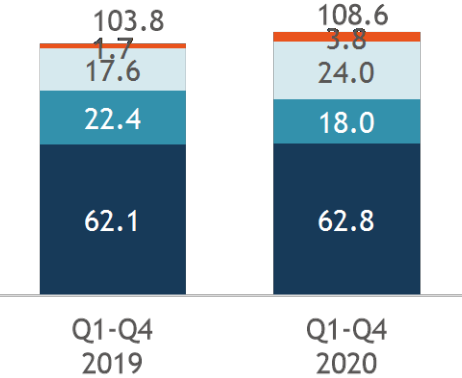
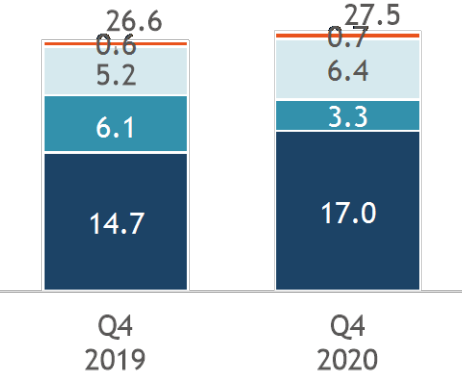
Revenue share by customer industry, %



-   
 Buildings and infrastructure
-   
 Equipment and other industries
-   
 Wind power
-   
 Machinery and electrical
-   
 Transportation
-   
 Defense
-   
 Telecommunications

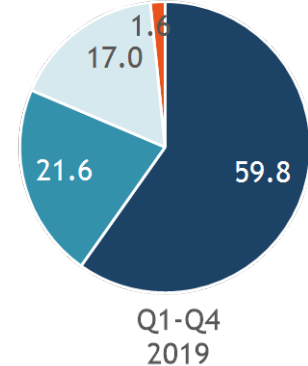
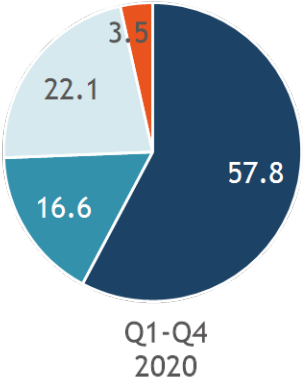
# Region Asia-Pacific showed strong growth in 2020

Revenue by region\*, EUR million

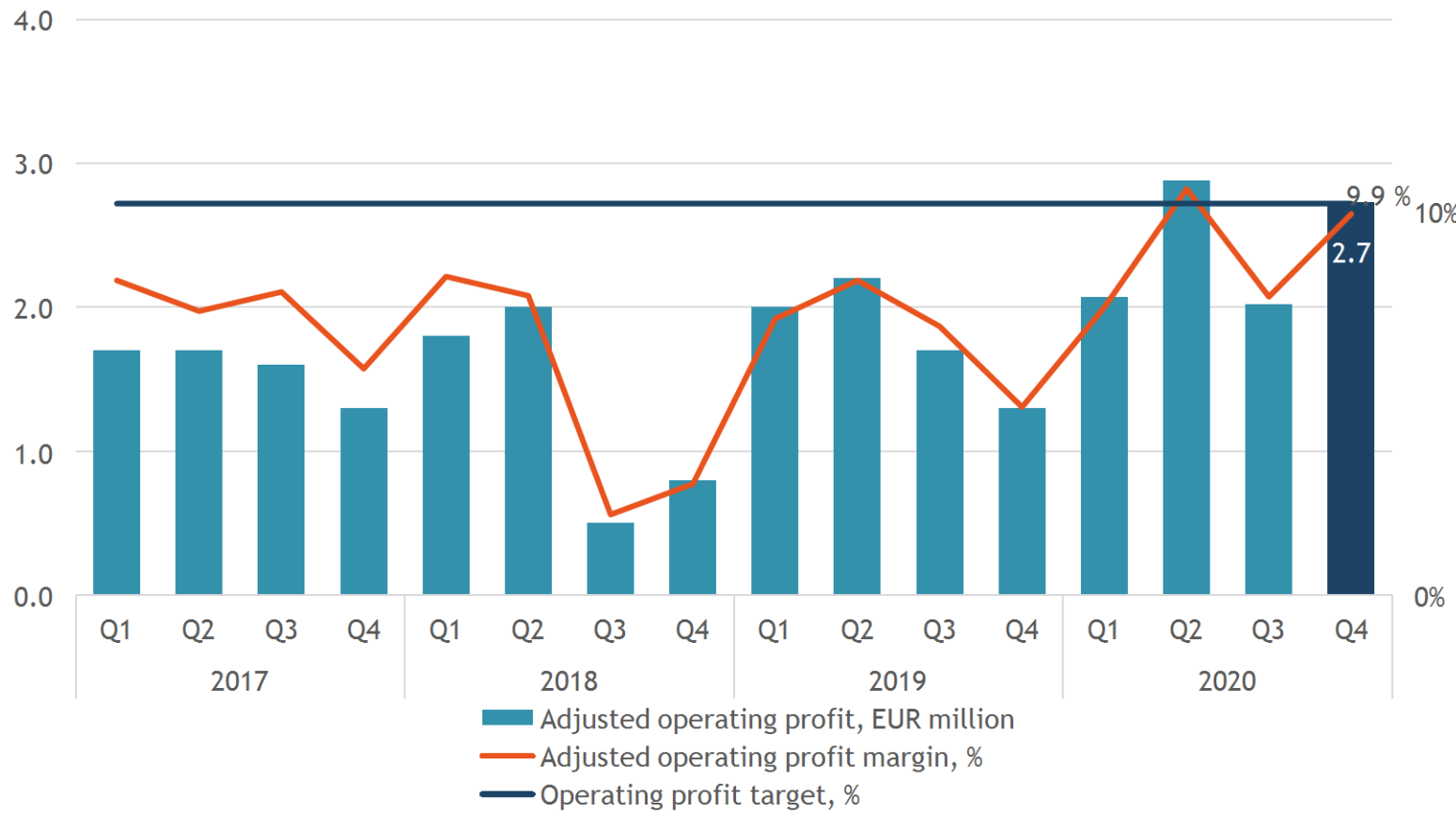


\* Revenue by customer location, not by the location of the manufacturing Exel Composites business unit.

Revenue share by region\*, %



# Adjusted operating profit increased by 36% in 2020 and was EUR 9.7 million



➤ The profit impact of the cost savings program completed in 2019, an overall favorable sales mix and operational efficiency improvements across the Group were main factors behind the improvement.



## Impacts of the Covid-19 pandemic in 2020



For the most part, our factories operated close to normal within the limits of the implemented safety measures.

Focus on ensuring the safety of our employees and keeping operations running (reduced external visits, keeping safety distances, use of facial masks, emphasized cleaning, re-organization of shifts, etc.)

Due to preventive and mitigating actions, no significant shortfalls in staffing or materials due to the pandemic.

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

Liquidity and cash situation is good.

Impairment testing, conducted in Q4 2020, did not result in change of valuation in goodwill and intangible assets.

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

Continue to monitor the situation very closely.

# Strategy implementation in 2020

## CREATE TRUE GLOBAL FOOTPRINT

- New manufacturing facility completed in Austria
- Stabilizing profitability of the business unit in the United States
- Technological and know-how transfer between manufacturing units
- Global M&A screening

## PENETRATE GROWING / NEW APPLICATIONS

- Wind power growing as largest customer industry
- Conductor core applications for improved power transmission

## PROTECT AND GROW STRONGHOLDS

- Multiplying and cross-selling of successful applications globally, e.g. camouflage net support poles

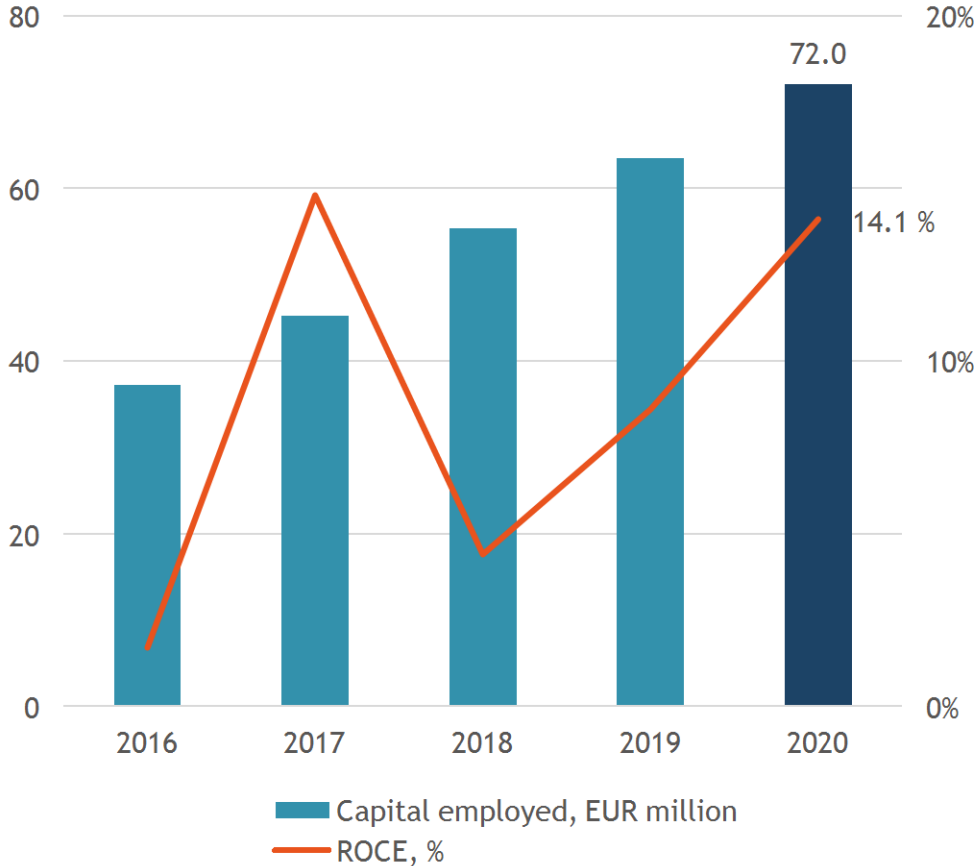
## BUILD LEADERSHIP IN CHINA

- Consolidation of organization in China
- Improvements in manufacturing capacity, efficiency and quality

## GROWTH IN NEW TECHNOLOGIES

- Expansion of vertical processing capabilities
- Continued initiatives to extend capabilities in product design and composite production, e.g. the conductor core application
- Evaluation of synergistic new technologies

# Return on capital employed at 14.1% in 2020

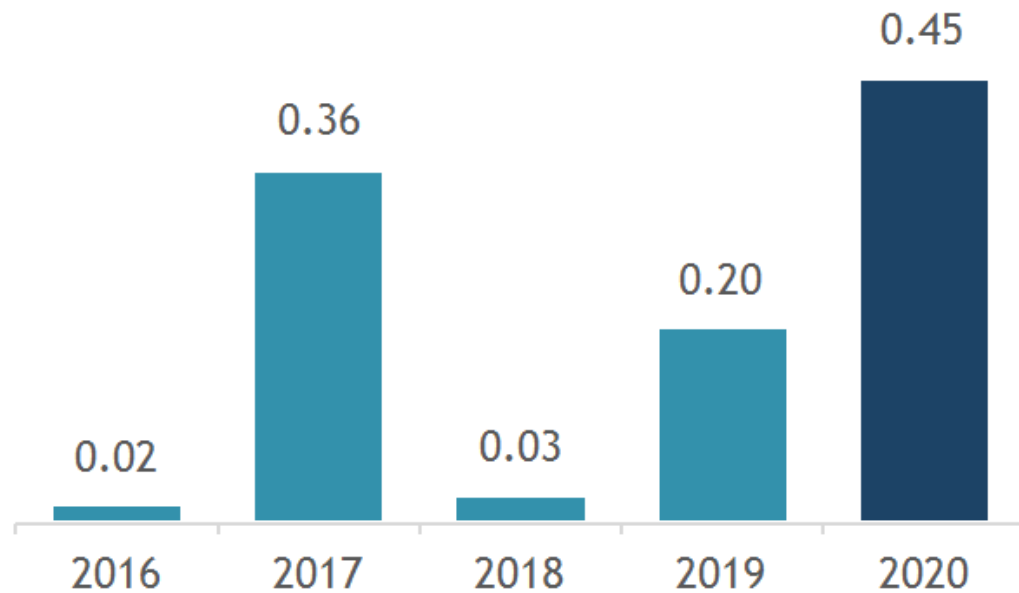


**19.5**  
Return on equity, %

**14.1**  
Return on investment, %



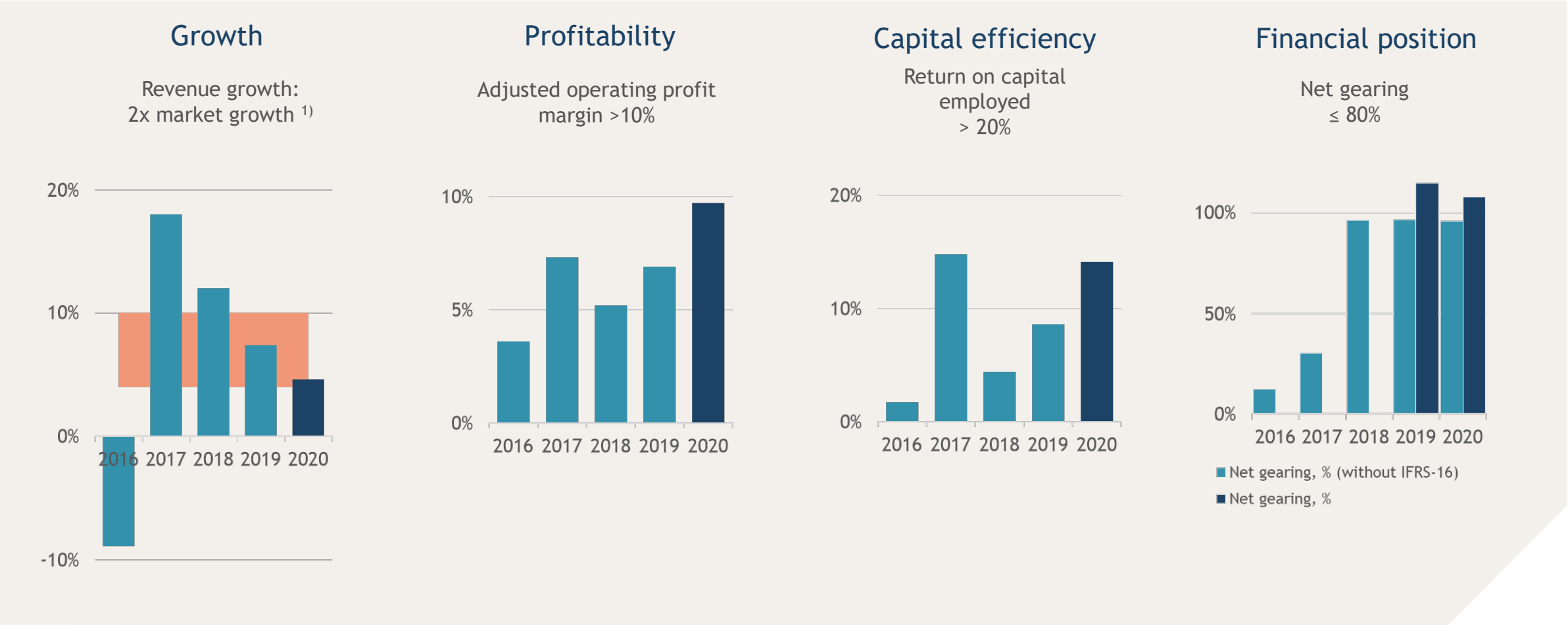
## Earnings per share more than doubled to 0.45 in 2020



- The Board of Directors proposes that a dividend of EUR 0.20 (0.18) per share be paid for the financial year 2020



# Exel's long-term financial targets



<sup>1)</sup> The average annual growth rate estimated for the global composites market is, according to customer industry, region and source, between 2%-5% in volume in the coming years.

## Guidance for 2021

Exel Composites expects revenue and adjusted operating profit in 2021 to increase compared to 2020.

More information at [www.exelcomposites.com](http://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
  
- ◆ **Annual General Meeting 23 March 2021**

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