exel
COMPOSITES

Half-year report

January–June 2026

FOR FORWARD THINKERS

Growth accelerated in Q2 with revenue up 40% and adjusted operating profit more than doubled

April–June 2026 in brief

- Order intake increased by 21.5% to EUR 34.5 million (Q2 2025: 28.4)
- Revenue increased by 39.7% to EUR 34.6 million (24.8)
- Operating profit was EUR 2.4 million (0.8) and operating profit margin 6.9% (3.1%)
- Adjusted operating profit increased to EUR 2.5 million (1.1) and adjusted operating profit margin was 7.3% (4.5%)
- Earnings per share was EUR 0.21 (-0.03)

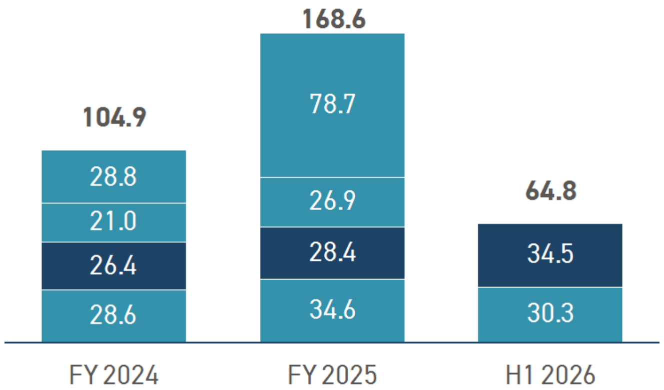
January–June 2026 in brief

- Order intake increased by 2.9% to EUR 64.8 million (Q1–Q2 2025: 63.0)
- Revenue increased by 29.4% to EUR 64.8 million (50.1)
- Operating profit was EUR 3.9 million (0.9) and operating profit margin 6.0% (1.8%)
- Adjusted operating profit increased significantly to EUR 4.0 million (1.8) and adjusted operating profit margin was 6.2% (3.6%)
- Earnings per share was EUR 0.39 (-0.05)

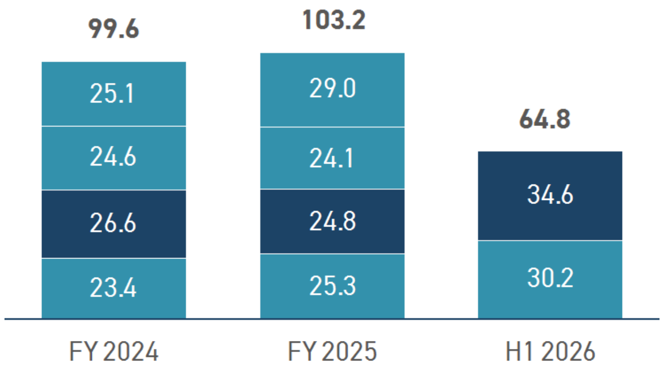
Guidance for the full year 2026 (clarified)

Exel Composites expects revenue and adjusted operating profit to increase significantly in 2026 compared to 2025.

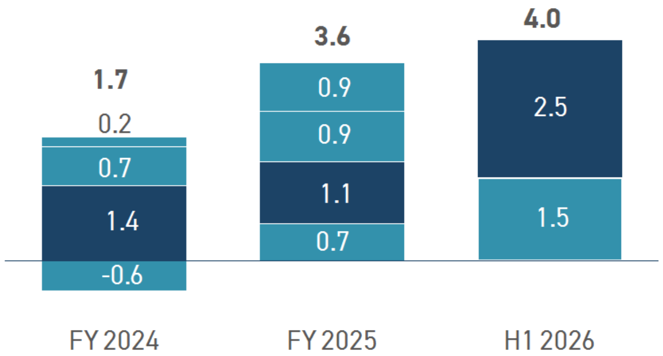
Order intake, million euros



Revenue, million euros



Adjusted operating profit, million euros



President and CEO Paul Sohlberg

Exel delivered a strong first half of 2026, with growth accelerating further in the second quarter. High demand across several of our strategic customer industries, combined with strong execution, supported this favorable development.

Revenue in the second quarter increased by 39.7% year on year to EUR 34.6 million. Growth was driven by higher deliveries in the Energy customer industry, where revenue nearly doubled year on year, and by continued strong demand in defense-related applications. Revenue in Buildings and Infrastructure also developed positively, while demand in other customer industries remained more mixed.

Adjusted operating profit doubled to EUR 2.5 million, and the adjusted operating profit margin improved to 7.3% (4.5%). Larger customer deliveries and improved utilization supported the increase in profitability. We also acted early in response to cost pressures affecting manufacturing industries and worked closely with our customers and suppliers to mitigate the impact of these pressures. Together with continued cost discipline and operational improvements, these measures supported the positive profitability development.

Our commercial position remained strong: order intake grew by 21.5% year on year to EUR 34.5 million, and the order backlog at the end of June was EUR 98.6 million, more than twice the comparison-period level. The backlog remained unchanged from the beginning of the year despite the strong revenue development. We continued to develop existing long-term customer relationships and pursue new ones, as closer cooperation can improve capacity planning, delivery security and operational efficiency for both parties.

Both business units contributed strongly to the favorable development. Engineered Solutions' revenue increased by 30.1% year on year, supported by higher volumes under long-term customer agreements, including the multi-year conductor core agreements. Industrial Solutions' revenue increased by 81.6% year on year, driven by higher deliveries to wind customers, as expanded production capacity supported greater delivery volumes.

The strong profitability development and disciplined working capital management resulted in good cash generation. Net cash flow from operating activities was positive EUR 6.3 million during the first half. This enabled us to continue planned growth investments in certain production capabilities and equipment upgrades, which led to a temporary increase in capital expenditure to EUR 5.1 million in the same period.

We continued to advance the priorities of our strategy by scaling up production in India, improving utilization and refining our production setup to serve customers more efficiently.

Earlier customer call-offs together with strong execution, supported the strong first half performance and accelerated the conversion of our order backlog. We are pleased by this earlier phasing of revenue and adjusted operating profit, while our outlook and full-year expectations remain unchanged.

Accordingly, we reiterate our guidance for 2026: Exel Composites expects revenue and adjusted operating profit to increase significantly compared to 2025.

The first half performance reflects the progress we are making in executing our strategy and demonstrates Exel's improved capabilities. I want to thank the entire Exel team for their commitment, and our customers, partners and shareholders for their continued trust.

Consolidated key figures

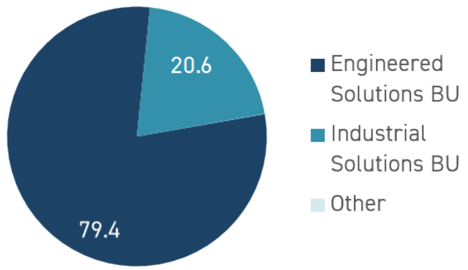
EUR thousand unless otherwise indicated	Q2 2026	Q2 2025	Change %	Q1–Q2 2026	Q1–Q2 2025	Change %	Q1-Q4 2025
Revenue	34,648	24,809	39.7	64,826	50,087	29.4	103,194
Operating profit	2,389	772	209.6	3,905	885	341.2	2,212
% of revenue	6.9	3.1		6.0	1.8		2.1
Adjusted operating profit 1)	2,529	1,129	124.0	4,045	1,811	123.4	3,628
% of revenue	7.3	4.5		6.2	3.6		3.5
EBITDA	3,563	2,013	77.0	6,210	3,464	79.3	7,133
Adjusted EBITDA 1)	3,703	2,370	56.2	6,350	4,390	45	8,548
Profit before tax	2,161	-2,926	173.8	3,933	-5,168	176.1	-5,736
Profit for the period	1,469	-2,898	150.7	2,609	-5,133	150.8	-6,073
Profit for the period excluding non-controlling interest	1,473	-2,724	154.1	2,751	-4,790	157.4	-5,490
% of revenue	4.3	-11.0		4.2	-9.6		-5.3
Shareholders' equity	30,166	28,803	4.7	30,166	28,803	4.7	28,092
Interest-bearing liabilities	34,504	32,945	4.7	34,504	32,945	4.7	34,370
Cash and cash equivalents	12,569	7,305	72.1	12,569	7,305	72.1	11,942
Net interest-bearing liabilities	21,934	25,640	-14.5	21,934	25,640	-14.5	22,428
Net debt to adjusted EBITDA 2)	2.1	3.1	-32.4	2.1	3.1	-32.4	2.6
Capital employed	64,670	61,748	4.7	64,670	61,748	4.7	62,461
Return on equity, %	19.8	-39.0	150.7	17.9	-33.6	153.3	-20.1
Return on capital employed, %	15.2	5.1	198.1	12.4	3.0	317.0	3.6
Equity ratio, %	30.8	32.9	-6.6	30.8	32.9	-6.6	32.2
Net gearing, %	72.7	89.0	-18.3	72.7	89.0	-18.3	79.8
Net cash flow from operating activities	3,594	-376	-1056.5	6,275	-3,830	-263.9	-963
Net cash flow from investing activities	-2,542	-733	246.7	-5,010	-1,925	160.3	-1,045
Capital expenditure	2,582	679	280.2	5,053	1,902	165.6	3,133
% of revenue	7.5	2.7		7.8	3.8		3.0
Research and development costs	1,111	982	13.1	2,113	1,933	9.3	3,792
% of revenue	3.2	4.0		3.3	3.9		3.7
Order intake	34,542	28,427	21.5	64,829	63,031	2.9	168,627
Order backlog	98,589	46,621	111.5	98,589	46,621	111.5	98,719
Earnings per share, diluted and undiluted, EUR	0.21	-0.03	914.9	0.39	-0.05	965.1	-0.05
Equity per share, EUR	4.29	0.27	1,500.11	4.29	0.27	1,500.31	0.26
Average share price, EUR	9.97	0.37	2,616.06	8.95	0.36	2,386.11	0.37
Average number of shares, diluted and undiluted, 1,000 shares 3)	7,033	105,947	-93	7,037	106,016	-93	105,810
Employees, average	730	605	20.6	707	624	13.2	632
Employees, end of period	749	624	20.0	749	624	20.0	667

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 reverse share split executed in March 2026 combined each fifteen shares into one share. Average number of shares excludes treasury shares.

Revenue by business unit

EUR thousand	Q2 2026	Q2 2025	Change %	Q1–Q2 2026	Q1–Q2 2025	Change %	Q1-Q4 2025
Engineered Solutions BU	26,272	20,197	30.1	50,231	41,290	21.7	83,869
Industrial Solutions BU	8,376	4,611	81.6	14,588	8,789	66.0	19,308
Other	0.0	1.0	-100.0	7.8	8.4	-7.1	17.4
Total	**34,648**	**24,809**	**39.7**	**64,826**	**50,087**	**29.4**	**103,194**

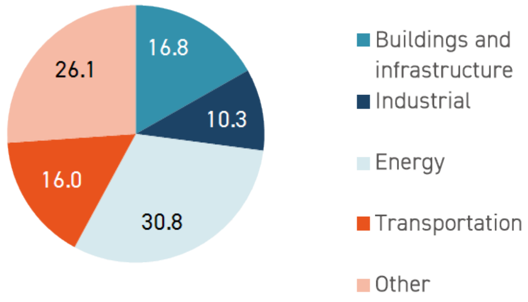
Share of revenue by business unit, % | Q1–Q2/2026



Revenue by customer industry

EUR thousand	Q2 2026	Q2 2025	Change %	Q1–Q2 2026	Q1–Q2 2025	Change %	Q1-Q4 2025
Buildings and infrastructure	5,992	4,531	32.3	10,884	9,952	9.4	21,348
Industrial	3,573	4,255	-16.0	6,671	7,760	-14.0	13,898
Energy	10,633	5,320	99.9	19,977	10,368	92.7	23,128
Transportation	4,674	4,314	8.3	10,375	9,734	6.6	19,585
Other	9,775	6,389	53.0	16,919	12,274	37.8	25,235
Total	**34,648**	**24,809**	**39.7**	**64,826**	**50,087**	**29.4**	**103,194**

Share of revenue by customer industry, % | Q1–Q2/2026



Order intake and order backlog

Order intake for the second quarter increased by 21.5% year on year and was EUR 34.5 million (28.4). Order intake for the first half increased by 2.9% year on year and was EUR 64.8 million (63.0).

Customer engagements during the quarter included new orders in defense-related applications and additional volume orders from existing customers.

Order backlog on 30 June 2026 more than doubled year on year and totaled EUR 98.6 million (46.6).

Revenue

In the second quarter, Group revenue increased by 39.7% year on year and amounted to EUR 34.6 million (24.8). Group revenue for the first half increased by 29.4% year on year and amounted to EUR 64.8 million (50.1).

In the second quarter, revenue in the Engineered Solutions Business Unit increased by 30.1% year on year and amounted to EUR 26.3 million (20.2). In the Industrial Solutions Business Unit revenue increased by 81.6% year on year and amounted to EUR 8.4 million (4.6).

Revenue growth in the second quarter was driven particularly by higher deliveries in the Energy customer industry, where revenue nearly doubled year on year, and by increased defense-related demand. Revenue in Buildings and Infrastructure also developed positively. Transportation customer industry revenue remained broadly stable, while Industrial revenue declined from the comparison period.

Operating profit

In the second quarter of 2026, the Group's operating profit increased to EUR 2.4 million (0.8) and operating profit margin was 6.9% (3.1%). Adjusted operating profit increased to EUR 2.5 million (1.1) and adjusted operating profit margin to 7.3% (4.5%).

During the first half of 2026, operating profit increased significantly to EUR 3.9 million (0.9). Operating profit margin was 6.0% (1.8%). Adjusted operating profit increased to EUR 4.0 million (1.8). Adjusted operating profit margin grew to 6.2% (3.6%).

Profit for the period

Profit before taxes for the first half of 2026 was EUR 3.9 (-5.2) million and profit after taxes EUR 2.6 million (-5.1). Net financial income/expenses were EUR 0.0 million (-6.1).

Adjusted operating profit

EUR thousand	Q2 2026	Q2 2025	Q1–Q2 2026	Q1–Q2 2025	Q1-Q4 2025
Operating profit	**2,389**	**772**	**3,905**	**885**	**2,212**
Restructuring costs	49	357	49	926	1,416
Impairment losses and reversals	0	0	0	0	0
Costs related to planned or realized business acquisition and disposal	0	0	0	0	0
Expenses related to legal proceedings and other claims	90	0	90	0	0
Adjusted operating profit	**2,529**	**1,129**	**4,045**	**1,811**	**3,628**

Financial position

Net cash flow from operating activities for the first half of 2026 was EUR 6.3 million (-3.8). Net cash flow from investing activities amounted to EUR -5.0 million (-1.9) and net cash flow before financing was EUR 1.3 million (-5.8).

At the end of the reporting period, the Group's liquid assets stood at EUR 12.6 million (7.3). Total depreciation, amortization and impairment of non-current assets during the reporting period amounted to EUR 2.3 million (2.6).

On 30 June 2026, the Group's consolidated total assets were EUR 104.1 million (89.5). Interest-bearing liabilities, including lease liabilities, amounted to EUR 34.5 million (32.9). Net interest-bearing liabilities were EUR 21.9 million (25.6). Current interest-bearing liabilities were EUR 26.4 million (29.6) and EUR 10.0 million (12.0) of current interest-bearing liabilities were commercial papers. On 30 June 2026, net debt to adjusted EBITDA was 2.1x (3.1x).

On 30 June 2026, the Group's equity was EUR 30.2 million (28.8) and equity ratio 30.8 (32.9). Fully diluted earnings per share were EUR 0.39 (-0.05). Return on capital employed was 12.4 percent (3.0) and return on equity was 17.9 percent (-33.6).

Business Unit reviews

Engineered Solutions Business Unit

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

ESBU delivered strong growth in the second quarter, with revenue increasing by 30.1% year on year to EUR 26.3 million. The revenue development was supported by growing volumes under long-term customer agreements and strong demand in defense-related applications. Revenue in Buildings and Infrastructure also developed positively, while demand in other customer industries remained more mixed.

Volumes increased under the multi-year conductor core agreements signed at the end of 2025. Discussions also continued on additional volumes and potential longer-term agreements in selected defense-related and other applications. In the Transportation and Buildings and Infrastructure customer industries, product development and qualification work continued on programs that could broaden the business unit's revenue base over time.

Operationally, stable factory performance and improved utilization supported the increase in output. ESBU continued to refine the allocation of production across its manufacturing network to serve customers efficiently and competitively, taking into account customer needs, raw-material availability and costs, logistics, and trade measures such as tariffs.

The combination of higher volumes, improved utilization and an increasingly diverse mix of customer programs gives ESBU a stronger operational starting point for the second half. Multi-year agreements and the progression of newer programs strengthen the business base, while normal variation in customer call-offs and program schedules may affect the timing of revenue realization between individual quarters.

Industrial Solutions Business Unit

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

ISBU's strong growth continued in the second quarter, with revenue increasing by 81.6% year on year to EUR 8.4 million. Growth was driven mainly by higher deliveries to wind customers and increased output from our factory in India, as expanded production capacity supported greater delivery volumes.

Alongside higher volumes in existing wind programs, tendering, qualification and development work progressed for additional customer programs. In Transportation and Buildings and Infrastructure applications, new profile development and the introduction of additional products supported a gradually broadening customer and application portfolio.

ISBU continued to expand its ability to serve higher-volume customer programs in response to growing demand. Additional production capacity was brought into operation, expansion work progressed and regular shipments continued from the newer capacity. Production stability improved during the quarter, while continuous improvement focused on efficiency, material utilization and consistent product quality.

The first half development marked a shift from building capacity toward scaling operations. A larger share of ISBU's expanded capacity is now supporting volume production, established customer programs are generating higher volumes, and the application portfolio is gradually broadening beyond the largest wind programs. Together, these developments provide a stronger platform for reliable higher-volume deliveries and more efficient use of the production network.

Research and development

Research and development costs in Q1–Q2 2026 totaled EUR 2.1 million (1.9), representing 3.3% (3.9%) of revenue.

Strategy

Exel Composites has a transformative strategy for 2024–2028 to capture profitable growth. The company's aim is to become a more integrated designer and manufacturer of composite solutions made with continuous manufacturing technologies for volume and customer-specific applications. The focus of the new strategy is to grow organically in volume and customer-specific applications as well as to improve the company's profitability by increasing efficiency in the company's operations.

Strategic focus areas

- **Organic growth:** Capturing organic profitable growth from large and fast-growing energy transition and decarbonization applications, driven by sustainability. Exel is increasingly focusing on industries with strong growth potential, where product needs are more standardized, and the volumes are higher. Such industries include, for example, wind power, buildings and infrastructure, and transportation.
- **Customer value:** Focusing on increasing value to customers and helping them choose composites for their applications by offering engineering support, productization and post-processing.
- **Profitability:** New operating model with two business units, larger factories with clear roles and efficiency improvements throughout to deliver solid profitability.
- **High ambition:** Focusing on rigorous execution and skills and capabilities enabling Exel to achieve over EUR 200 million annual revenue and double digit adjusted operating profit margin by 2028.

Measures set out in the transformative strategy include a factory network review at three of the company's factories and optimization of the network to better align manufacturing capabilities with market demand and to improve utilization rates, improving efficiency in the company's operations, and developing a more standardized offering of selected applications.

Long-term financial targets

- Annual revenue exceeding EUR 200 million by 2028
- Adjusted operating profit margin >10% by 2028
- Net debt to adjusted EBITDA <3x by 2028

Sustainability and corporate responsibility

Sustainability is an integral part of Exel Composites' business, both in its own operations and through the products and solutions it offers. The company is committed to responsible and sustainable operations, guided by its corporate values and the Code of Conduct. Exel provides sustainable composite solutions that help its customers save resources and mitigate climate change. Composites' properties, such as lightness and durability, enable longer life cycles and improved performance of the end-product, thus lowering the negative impacts on the environment. In addition, the company aims to make a positive impact through social responsibility and to reduce its environmental footprint.

Sustainability focus areas

- **Enabling solutions:** Responsible products and composites at end-of-life
- **Social handprint:** Health and safety, responsible employer, responsible business
- **Environmental footprint:** Energy efficiency and reduced emissions, circular economy and waste management, water consumption, responsible supply chain

More detailed information about Exel's material sustainability topics, targets, policies and actions in 2025 is presented in the company's Sustainability statement 2025, published according to the requirements of the Corporate Sustainability Reporting Directive (CSRD) as part of the Report of Board of Directors in the Annual Report 2025.

Information on sustainability and corporate responsibility is available on the corporate website at https://exelcomposites.com/home/composites-sustainability/

Near-term risks and uncertainties

Exel Composites' most significant near-term business risks are related to the development of general market demand, and preferences and strategies of its largest customers. Uncertainties remain in the global economy. Factors such as the prolonged or intensified unrests or wars and increased geopolitical uncertainty, market environment impacted by inflation, and the consequences to interest rates may affect the demand for Exel Composites' products. There may be volatility in transportation costs and availability of transportation between regions due to geopolitical tensions.

During the first half of 2026, Exel did not identify direct material impacts on its business. The company continues to monitor potential effects on supply chains, transportation, material availability and costs. Exel acted early in response to cost pressures affecting manufacturing industries and worked closely with customers and suppliers to mitigate the impact of these pressures. However, further increases in material, energy or logistics costs, or disruptions to supply chains and transportation, could adversely affect the company's profitability and operations.

The risk management and risks related to the operation of Exel Composites are described in detail in the Corporate Governance Statement 2025 and on the company's website at https://investors.exelcomposites.com/governance/risk-management/

Governance and General Meetings

Exel Composites Plc's Annual General Meeting was held on 26 March 2026 in Helsinki, Finland. The AGM adopted the financial statements and consolidated financial statements, approved the Remuneration Report 2025 and discharged the members of the Board of Directors and the company's President and CEO from liability for the financial year 2025.

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 2025.

The AGM resolved that the Board of Directors consists of five (5) members. Jouni Heinonen, Christian Busdiecker and Elisabeth Larsson were re-elected to the Board, and Erkka Repo and Teija Sarajärvi were elected as new members. 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 47,000 (previous year EUR 45,000) and for each other Board member EUR 23,000 (21,000). Additionally, a remuneration is to be paid for the Chairman of the Board of EUR 1,750 (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 1,250 (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 1,750 (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), as the auditor with principal responsibility, was re-elected as the Company's auditor. In addition, Ernst & Young Oy was conditionally elected as the Company's sustainability reporting assurer for the financial year 2026. The election shall only become effective if the Company is, pursuant to the legislation in force at the end of the financial year 2026, obligated to prepare a sustainability report for the financial year 2026 and to obtain assurance thereof.

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 5,250,000, corresponding to approximately 5.0 per cent of all shares in the Company. Following the reverse share split resolved by the AGM, the maximum number of shares to be acquired shall not exceed 350,000 shares, corresponding to approximately 5.0 per cent of all shares in the Company after the reverse share split. The authorization is effective until the end of the next AGM, however, no longer than until 30 June 2027.

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 amount of shares to be issued on the basis of the authorization is a maximum of 10,500,000 new shares, corresponding to approximately 10.0 per cent of all shares in the Company. Following the reverse share split resolved by the AGM, the amount of shares to be issued on the basis of the authorization shall not exceed 700,000 new shares, corresponding to approximately 10.0 per cent of all shares in the Company after the reverse share split. The authorization is effective until the end of the next AGM, however no longer than until 30 June 2027.

In addition, the AGM resolved on a reverse share split and related redemption of shares, under which each fifteen (15) shares in the Company were merged into one (1) share, and authorized the Board of Directors to decide on a related directed share issue without consideration in order to avoid share fractions.

Organization and personnel

On 30 June 2026, Exel Composites employed 749 (624) people, of whom 334 (268) in Finland and 415 (356) in other countries. Average number of employees during the reporting period was 707 (624).

Incentive programs

Exel Composites' short-term incentive program covers all employees. The President and CEO, the Exel Leadership Team and office employees alike are entitled to a short-term incentive in addition to their fixed salary. The performance measures of the short-term incentive are tied to the achievement of annually established goals emphasizing growth and profitability as well as possible individual targets. Production employees are also eligible for short-term incentive compensation. Their short-term incentives are mainly based on factory profitability and production related performance measures.

The Group has long-term incentive programs for the President and CEO, the Exel Leadership Team and selected key employees of the company. The objective of the programs is to align the interests of the leadership with those of the company's shareholders and, thus, to promote shareholder value creation in the long term, to commit the leadership to achieving the strategic targets of the company and to retain the company's key individuals. The Board of Directors decides on the program and the performance measures annually.

On 13 February 2026, the Board of Directors of Exel Composites Plc decided to launch a new plan commencing in 2026 under the company's share-based long-term incentive program 2025–2027 for the leadership team. The performance targets are total shareholder return (TSR) of Exel Composites' share and progress in reducing greenhouse gas emissions. Potential rewards will be paid annually, subject to achievement of the targets and continued employment, with a lock-in period until spring 2028. Rewards will be paid partly in Exel Composites shares and partly in cash, with the cash portion intended to cover taxes and statutory social security contributions. If the targets are fully achieved, the aggregate value of the 2026 plan is approximately EUR 1.1 million, corresponding to approximately 1,900,000 shares.

Share and shareholders

Exel Composites' share (trading code EXEL) is listed on Nasdaq Helsinki Ltd in the Industrials sector. Exel Composites has only one class of shares, each share entitling one vote.

On 27 March 2026, Exel Composites executed a reverse share split in which each fifteen shares were combined into one share. The comparison period's share prices and trading volumes have been adjusted to reflect the reverse share split. Period-end numbers of shares and treasury shares are presented as actually reported at the respective reporting dates.

On 30 June 2026, Exel Composites' share capital was EUR 2.1 million (2.1), and the number of shares was 7,118,782 (106,728,395).

On 30 June 2026, Exel Composites held a total of 95,743 (942,899) of its own shares which are part of the share-based long-term incentive programs for the top management.

On the last trading day of the reporting period, the company's share price closed at EUR 12.15 (5.40). During the reporting period, average share price was EUR 8.95 (5.40), highest share price EUR 12.45 (6.60) and lowest share price EUR 6.75 (4.35).

In January–June 2026, a total of 1,752,931 (1,185,343) Exel Composites' shares were traded at Nasdaq Helsinki Ltd., which represents 24.9% (16.8) of the average number of shares. On 30 June 2026, Exel Composites' market capitalization was EUR 85.4 million (38.1).

On 30 June 2026, Exel Composites had a total of 9,843 (9,411) shareholders.

During the review period, Exel Composites received one notification of changes in holdings in accordance with the Securities Markets Act. Danske Bank A/S informed Exel Composites Plc on 1 June 2026 that its holding in Exel Composites Plc's shares and voting rights, excluding financial instruments according to SMA 9:6a, crossed below the 5% disclosure limit on 29 May 2026. Following the transaction, Danske Bank A/S's holding in Exel Composites Plc's shares and voting rights was 4.94%, while its total holding in Exel Composites Plc corresponded to 4.94%.

Information on the company's shareholders is available on the company's investor website at https://investors.exelcomposites.com/share-shareholders/

Events during the reporting period

On 26 March 2026, Exel Composites Plc's Annual General Meeting resolved on a reverse share split and related redemption of shares to the effect that each fifteen (15) shares in the company were merged into one (1) share. The purpose of the reverse share split was to facilitate trading in Exel's shares by increasing the value of an individual share and to contribute to efficient price formation.

On 27 March 2026, Exel executed the reverse share split and the related directed share issue, redemption and cancellation of shares. Trading in the merged shares commenced on Nasdaq Helsinki on 30 March 2026 under a new ISIN code FI4000602172, and the company's trading code was changed to EXEL.

Events after the reporting period

No events.

Financial reporting in 2026

Exel's next financial report in 2026 is Business Review Q1-Q3 2026, which will be published on 4 November 2026 at approximately 8:00 EET.

Vantaa, 14 August 2026

Exel Composites Plc
Board of Directors

Notes to the half-year report
1 January – 30 June 2026

Accounting principles

This half-year report has been prepared in accordance with IAS 34, Interim Financial Reporting. The same accounting policies have been applied as in the previous financial statements.

Preparation of financial statements in accordance with the IFRS standards requires Exel Composites' management to make estimates and assumptions that have an effect on the amount of assets and liabilities on the balance sheet at the closing date as well as the amounts of income and expenses for the financial period. In addition, the management must exercise its judgment regarding the application of accounting policies. Since the estimates and assumptions are based on the views at the date of the financial statements, they include risks and uncertainties. The actual results may differ from the estimates and assumptions.

The amounts presented in the income statement and balance sheet are Group figures. The amounts presented in the release are rounded, so the sum of individual figures may differ from the sum reported.

This half-year report is unaudited.

Consolidated comprehensive income statements

EUR thousand	Q2 2026	Q2 2025	Change %	Q1–Q2 2026	Q1–Q2 2025	Change %	Q1-Q4 2025
Revenue	**34,648**	**24,809**	**39.7**	**64,826**	**50,087**	**29.4**	**103,194**
Other operating income	184	75	144.5	334	203	64.9	1,717
Increase (+) / Decrease (-) in inventories of finished goods and work in progress	1,864	473	294.4	3,573	1,568	127.9	-294
Materials and services	-14,458	-9,426	53.4	-27,195	-19,511	39.4	-39,735
Employee benefit expenses	-11,961	-8,927	34.0	-21,911	-18,170	20.6	-35,382
Depreciation	-1,175	-1,242	-5.4	-2,306	-2,579	-10.6	-4,920
Impairment	0	0		0	0		0
Other operating expenses	-6,714	-4,991	34.5	-13,417	-10,712	25.2	-22,367
Operating profit	**2,389**	**772**	**209.6**	**3,905**	**885**	**341.2**	**2,212**
Financial income	468	187	149.6	1,524	331	360.8	462
Financial expenses	-696	-3,885	-82.1	-1,495	-6,383	-76.6	-8,410
Profit before tax	**2,161**	**-2,926**	**-173.8**	**3,933**	**-5,168**	**-176.1**	**-5,736**
Income taxes	-692	28	-2542.7	-1,324	35	-3888.7	-336
Profit/loss for the period	**1,469**	**-2,898**		**2,609**	**-5,133**		**-6,073**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:							
Exchange differences on translating foreign operations	15	1,100	98.6	-136	1,639	108.3	1,821
Items that will not be classified to profit or loss:							
Defined benefit plan actuarial gains(+)/ loss (-), net tax	0	0		0	0		0
Total comprehensive income	**1,484**	**-1,797**	**182.5**	**2,473**	**-3,494**	**-170.8**	**-4,251**

EUR thousand	Q2 2026	Q2 2025	Change %	Q1–Q2 2026	Q1–Q2 2025	Change %	Q1-Q4 2025
Profit/loss attributable to:							
Owners of the parent company	**1,473**	**-2,724**	-154.1	**2,751**	**-4,790**	-157.4	**-5,490**
Non-controlling interests	-5	-174	97.1	-142	-342	58.5	-583
Comprehensive income attributable to:							
Owners of the parent company	**1,491**	**-1,581**	194.3	**2,619**	**-3,081**	-185.0	**-3,580**
Non-controlling interests	-7	-216	96.8	-146	-412	64.6	-672
Earnings per share, diluted and undiluted, EUR	**0.21**	**-0.03**	**914.9**	**0.39**	**-0.05**	**-965.1**	**-0.05**

Consolidated statement of financial position

EUR thousand	30 June 2026	30 June 2025	Change	31 December 2025
ASSETS				
Non-current assets				
Goodwill	12,040	11,455	585	11,564
Other intangible assets	627	965	-338	783
Tangible assets	23,790	21,099	2,691	20,183
Right-of-use assets 1)	3,958	4,374	-415	4,095
Deferred tax assets	384	226	158	231
Other non-current investments	48	48	0	48
Other non-current receivables	0	445	-445	0
Non-current assets total	**40,847**	**38,612**	**2,236**	**36,904**
Current assets				
Held for sale assets	0	555	-555	0
Inventories	25,038	19,355	5,683	17,966
Trade and other receivables	25,623	23,681	1,942	22,417
Cash at bank and in hand	12,569	7,305	5,264	11,942
Total current assets	**63,231**	**50,896**	**12,334**	**52,326**
Total assets	**104,078**	**89,508**	**14,570**	**89,230**

EUR thousand	30 June 2026	30 June 2025	Change	31 December 2025
EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	2,141	2,141	0	2,141
Other restricted equity	1,080	1,080	0	1,080
Invested unrestricted equity fund	22,416	22,416	0	22,416
Translation differences	2,915	2,846	69	3,047
Retained earnings	-1,133	4,709	-5,842	4,755
Profit for the period	2,751	-4,790	7,541	-5,490
Equity attributable to holders of the parent company	**30,170**	**28,402**	**1,768**	**27,950**
Non-controlling interests	**-4**	**401**	**-405**	**142**
Total equity	**30,166**	**28,803**	**1,363**	**28,092**
Non-current liabilities				
Interest-bearing liabilities 2)	5,304	0	5,304	5,259
Non-current lease liabilities	2,842	3,319	-477	2,986
Interest-free liabilities	1,209	1,181	28	1,233
Deferred tax liabilities	167	233	-65	174
Total non-current liabilities	**9,522**	**4,733**	**4,789**	**9,652**
Current liabilities				
Interest-bearing liabilities 2)	25,010	28,206	-3,197	24,795
Current lease liabilities	1,349	1,419	-71	1,331
Trade and other interest-free liabilities	38,032	26,347	11,685	25,361
Total current liabilities	**64,390**	**55,972**	**8,418**	**51,487**
Total equity and liabilities	**104,078**	**89,508**	**14,570**	**89,230**

1) Buildings EUR 3,789 thousand, Machinery and equipment (including vehicles) EUR 169 thousand.
2) One-time arrangement costs of the financing agreement are accrued to long-term loans EUR 54 thousand and short-term loans EUR 108 thousand. Costs are to be amortized over the two-year period of the financing agreement.

Consolidated statement of cash flows

EUR thousand	Q1-Q2 2026	Q1-Q2 2025	Change	Q1-Q4 2025
Cash flow from operating activities				
Profit for the period	2,609	-5,133	7,741	-6,073
Adjustments 1)	3,719	8,664	-4,945	12,508
Change in working capital	1,654	-5,368	7,022	-3,568
Cash flow from operating activities before financial items and taxes	7,982	-1,837	9,818	2,867
Interest paid	-968	-1,027	59	-1,935
Interest received	-19	19	-38	96
Other financial items	-295	-615	320	-1,455
Income taxes paid	-424	-369	-55	-536
Net cash flow from operating activities	**6,275**	**-3,830**	**10,105**	**-963**
Cash flow from investing activities				
Purchases of non-current assets	-5,053	-1,956	-3,097	-3,133
Proceeds from sale of non-current assets	43	31	12	2,088
Net cash flow from investing activities	**-5,010**	**-1,925**	**-3,085**	**-1,045**
Cash flow before financing activities	**1,265**	**-5,755**	**7,020**	**-2,008**

EUR thousand	Q1-Q2 2026	Q1-Q2 2025	Change	Q1-Q4 2025
Cash flow from financing activities				
Capital investment by non-controlling interests	0	0	0	0
Proceeds from long-term borrowings 2)	45	195	-150	84
Change in short-term loans 2)	246	3,222	-2,976	5,265
Instalments of lease liabilities	-674	-726	52	-1,577
Net cash flow from financing activities	**-861**	**2,576**	**-3,437**	**3,539**
Change in liquid funds	**404**	**-3,179**	**3,583**	**1,531**
Liquid funds in the beginning of period	11,942	10,904	1,038	10,904
Exchange rate fluctuations on liquid funds	223	-420	643	-493
Liquid funds at the end of period	12,569	7,305	5,264	11,942

1) Adjustments include depreciations and amortization, profit/loss on sales of tangible and intangible assets, tax on income from operations, other financial income and expenses and other adjustments. In 2026 depreciations and amortization were EUR 2,306 thousand, profit on sales of tangible assets were EUR 37 thousand, tax on income from operations EUR 1,324 thousand, other financial income and expenses EUR -28 thousand and other adjustments EUR 80 thousand.

2) One-time arrangement costs of the financing agreement are accrued to long-term loans EUR 54 thousand and short-term loans EUR 108 thousand. Costs are to be amortized over the two-year period of the financing agreement.

Consolidated statement of changes in shareholders' equity

EUR thousands	Share capital	Other restricted equity	Invested unrestricted equity fund	Translation differences	Retained earnings	Non-controlling interests	Total
2025							
Balance at the beginning of the reporting period	**2,141**	**1,080**	**22,416**	**1,137**	**4,749**	**814**	**32,337**
Comprehensive result				1,709	-4,790	-412	**-3,494**
Acquisition / transfer of Treasury shares 2)					-116		**-116**
Share-based payments reserve					76		**76**
Postings related to previous financial period							**0**
Balance at the end of the reporting period	**2,141**	**1,080**	**22,416**	**2,846**	**-82**	**401**	**28,803**
2026							
Balance at the beginning of the reporting period	**2,141**	**1,080**	**22,416**	**3,047**	**-735**	**142**	**28,092**
Comprehensive result				-132	2,751	-146	**2,473**
Acquisition / transfer of Treasury shares					-302		**-302**
Share-based payments reserve					-93		**-93**
Postings related to previous financial period					-3		**-3**
Balance at the end of the reporting period	**2,141**	**1,080**	**22,416**	**2,915**	**1,617**	**-4**	**30,166**

Quarterly key figures

EUR thousand	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1
Revenue	**34,648**	**30,178**	**29,013**	**24,094**	**24,809**	**25,278**
Materials and services	-12,594	-11,028	-12,357	-9,729	-8,954	-8,989
Employee benefit expenses	-11,961	-9,950	-8,958	-8,253	-8,927	-9,244
Depreciation and impairment	-1,175	-1,131	-1,156	-1,185	-1,242	-1,338
Operating expenses	-6,714	-6,703	-6,897	-4,758	-4,991	-5,721
Other operating income	184	150	1,245	269	75	127
Operating profit	**2,389**	**1,516**	**890**	**438**	**772**	**113**
Net financial items	-228	256	-1,024	-873	-3,698	-2,355
Profit before taxes	**2,161**	**1,772**	**-134**	**-435**	**-2,926**	**-2,241**
Income taxes	-692	-632	-298	-73	28	7
Profit/loss for the period	**1,469**	**1,140**	**-432**	**-508**	**-2,898**	**-2,235**
Earnings per share, diluted and undiluted, EUR	0.21	0.18	0.00	0.00	-0.03	-0.02
Average number of shares, diluted and undiluted 1,000 shares	7,033	7,041	105,559	105,654	105,947	106,085
Average number of personnel	730	683	653	626	605	643

Revenue by customer industry by quarter

EUR thousand	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1
Buildings and infrastructure	5,992	4,892	6,507	4,889	4,531	5,421
Industrial	3,573	3,097	3,081	3,057	4,255	3,505
Energy	10,633	9,344	7,537	5,223	5,320	5,047
Transportation	4,674	5,701	5,287	4,564	4,314	5,420
Other	9,775	7,144	6,601	6,361	6,389	5,885
Total	**34,648**	**30,178**	**29,013**	**24,094**	**24,809**	**25,277**

Revenue by business unit by quarter

EUR thousand	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1
Engineered Solutions BU	26,272	23,959	22,928	19,651	20,197	21,093
Industrial Solutions BU	8,376	6,212	6,080	4,439	4,611	4,177
Other	0	8	5	4	1	7
Total	**34,648**	**30,178**	**29,013**	**24,094**	**24,809**	**25,278**

Commitments and contingencies

EUR thousand	30 June 2026	30 June 2025	31 December 2025
Commitments on own behalf			
Mortgages	177,410	177,410	177,410
Floating charges	57,720	57,720	57,720
Operating leases			
Not later than one year	96	144	112
1 - 5 years	44	98	59
Other liabilities and commitments			
Bank and Corporate guarantees	1,000	1,200	1,000

Legal proceedings

Exel Composites' Belgian subsidiary was the defendant in a dispute, in which legal proceedings in the Dutch court took place during the autumn of 2023. The main point of the dispute was the disagreement between Exel Composites and the customer as to whether the products delivered to the customer have met the agreed criteria. The court dismissed the customer's claims in full, however and the counterparty appealed against the decision and the appeal process in the court started in December 2025.

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

$$\frac{\text{total interest-bearing debt - cash and equivalents}}{\text{adjusted EBITDA}}$$

Return on equity, %

$$\frac{\text{net income + provisions}}{\text{equity + minority interest + voluntary provisions}} \times 100$$

Return on capital employed, %

$$\frac{\text{profit before provisions and income taxes + interest and other financial expenses}}{\text{total assets less non-interest-bearing liabilities (average)}} \times 100$$

Equity ratio, %

$$\frac{\text{equity + minority interest + voluntary provisions}}{\text{total assets less advances received}} \times 100$$

Net gearing, %

$$\frac{\text{net interest-bearing liabilities (= interest-bearing liabilities less liquid assets)}}{\text{equity}} \times 100$$

Earnings per share (EPS), EUR

$$\frac{\text{profit before provisions and income taxes less income taxes +/- minority interest}}{\text{average adjusted number of shares in the financial period}}$$

Equity per share, EUR

$$\frac{\text{equity + voluntary provisions}}{\text{adjusted number of shares on closing date}}$$

Dividend per share, EUR

$$\frac{\text{dividend for the financial period}}{\text{adjusted number of shares on closing date}}$$

Payout ratio, %

$$\frac{\text{dividend per share}}{\text{earnings per share (EPS)}} \times 100$$

Effective yield of shares, %

$$\frac{\text{dividend per share x 100}}{\text{adjusted average share price at year end}} \times 100$$

Price/earnings (P/E), %

$$\frac{\text{adjusted average share price at year end}}{\text{earnings per share}} \times 100$$

Price to book ratio, (P/B)

$$\frac{\text{total number of shares on closing date excluding treasury shares x share price at year end}}{\text{equity without non-controlling interests}}$$

Exel Composites in brief

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.

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