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Unaudited Condensed Interim Report
to the shareholders
for the three and nine months ended
June 30, 2024

CONTENTS

	Three Months Ended June 30		Nine Months Ended June 30	
(in $ thousands except per share amounts)				
	2024	2023	**2024**	2023
Sales	**$161,809**	$164,551	**$482,344**	$459,151
Net income	**$8,176**	$6,263	**$21,884**	$17,074
Basic earnings per share	**$0.21**	$0.16	**$0.56**	$0.44
Diluted earnings per share	**$0.21**	$0.16	**$0.56**	$0.44
Weighted avg basic common shares o/s (000's)	**38,711**	38,912	**38,760**	38,912

The following management's interim discussion and analysis of operations and financial position are prepared as at July 31, 2024 and should be read in conjunction with the unaudited condensed interim consolidated financial statements as at and for the nine and three months ended June 30, 2024 and 2023 and the consolidated financial statements as at and for the year ended September 30, 2023 and accompanying Management's Discussion and Analysis ("MD&A") in the Company's 2023 Annual Report.

This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 "Continuous Disclosure Obligations" ("NI 51-102") of the Canadian Securities Administrators. Additional information regarding Exco, including copies of its continuous disclosure materials such as its annual information form, is available on its website at www.excocorp.com or through the SEDAR website at www.sedarplus.ca.

Use of Non-IFRS Measures

In this MD&A, reference may be made to EBITDA, EBITDA Margin, Pretax Profit, Free Cash Flow and Maintenance Fixed Asset Additions which are not defined measures of financial performance under International Financial Reporting Standards ("IFRS"). A reconciliation to these non-GAAP measures is provided within this MD&A. Exco calculates EBITDA as earnings before interest, taxes, depreciation and amortization and EBITDA Margin as EBITDA divided by sales. Exco calculates Pretax Profit as segmented earnings before other income/expense, interest and taxes. Free Cash Flow is calculated as cash provided by operating activities less interest paid and Maintenance Fixed Asset Additions. Maintenance Fixed Asset Additions represent management's estimate of the investment in fixed assets that is required for the Company to continue operating at current capacity levels. Given the Company's elevated planned capital spending on fixed assets for growth initiatives (including additional Greenfield locations, energy efficient heat treatment equipment and increased capacity) in recent years, the Company has modified its calculation of Free Cash Flow to include Maintenance Fixed Asset Additions and not total fixed asset purchases. This change is meant to enable investors to better gauge the amount of generated cash flow that is available for these investments as well as acquisitions and/or returns to shareholders in the form of dividends or share buyback programs. EBITDA, EBITDA Margin, Pretax Profit and Free Cash Flow are used by management, from time to time, to facilitate period-to-period operating comparisons and we believe some investors and analysts use these measures as well when evaluating Exco's financial performance. These measures, as calculated by Exco, do *not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other issuers.*

MANAGEMENT DISCUSSION AND ANALYSIS

Consolidated sales for the third quarter ended June 30, 2024 were $161.8 million compared to $164.6 million in the same quarter last year – a decrease of $2.8 million, or 2%. Year-to-date sales were $482.3 million compared to $459.2 million the prior year – an increase of $23.1 million or 5%. The impact of foreign exchange rate changes increased sales $1.9 million in the quarter and $4.0 million year-to-date.

Consolidated net income for the third quarter was $8.2 million or basic and diluted earnings of $0.21 per share compared to $6.3 million or $0.16 per share in the same quarter last year – an increase of net income of $1.9 million or 30%. Year-to-date, consolidated net income was $21.9 million or $0.56 per basic share compared to $17.1 million or $0.44 per basic share last year – an increase in net income of $4.8 million or 28%. The consolidated effective income tax rate was 27% in the current quarter compared to 26% in the prior year quarter. Year-to-date, the consolidated effective income tax rate was 25% compared to 23% last year. The income tax rate in the quarter and year-to-date was impacted by non-deductible losses, geographic distribution, and foreign rate differentials.

Improving operating results continue to be supported by the Company's various strategic initiatives. These initiatives have required significant investment in both capital assets and operating costs over the last few years. We anticipate the bulk of the spending for these initiatives will be complete with our fiscal 2024 capital budget and that our capital spending will decrease thereafter. Our recent and current key projects are summarized as follows:

- Castool Morocco Greenfield Facility – Opened in November 2021 and positions Castool to better penetrate the European die cast and extrusion tooling markets for consumable and capital items. The plant is anticipated to demonstrate steady growth in both top and bottom-line performance as operations season;
- Castool Mexico Greenfield Facility – Opening ceremonies for this facility occurred in October 2023 and operations commenced concurrently. This facility has increased manufacturing capacity and positions Castool to better penetrate markets in Latin America and the Southern United States. Depreciation expenses and start-up cash costs will increase in F2024, but financial results are expected to quickly improve in F2025 and beyond;
- Castool Heat Treatment Operations – Fully operational and handling all of Castool Uxbridge and Large Mould Newmarket heat treatment requirements.
- Large Mould Group Capital Additions – All equipment to support Giga-sized moulds installed and operational. Additional investments to support continued growth in our leading additive manufacturing (3D printing) are being pursued;
- Halex operations – New equipment continues to be installed at the various locations while work continues to further integrate Halex into the broader Extrusion Group and realize synergies from the sharing of best practices;
- Extrusion Group Heat Treatment – Installation of new vacuum heat treatment equipment in Mexico, Texas and Markham are all fully operational. New, similar equipment has been ordered for our Michigan location for installation in early F2025;
- Automotive Solutions Group – New equipment continues to be installed within the previously expanded footprint to support a growing book of business.

The Automotive Solutions segment reported sales of $82.9 million in the third quarter – a decrease of $3.3 million from the prior year quarter. Year-to-date segment sales totaled $251.7 million – an increase of $12.2 million, or 5% compared to last year. Foreign exchange rate changes increased segment sales in the quarter and year-to-date by $1.1 million and $2.0 million respectfully. The modest sales decrease was driven by customer driven delays in certain program launches, unfavorable vehicle mix and slightly lower blended vehicle production volumes in North America and Europe compared to the prior year quarter. Looking forward, industry growth may be tempered near term by traditional summer shut-downs at OEM production facilities, elevated interest rates tempering vehicle sales, relatively high vehicle average transaction prices, rising dealer inventory levels, and softening global economic conditions. Notwithstanding these expected impacts, vehicle sales remain encouraging, dealer inventory levels remain below pre-COVID-19 levels, the vehicle fleet continues to age, and OEM incentives are rising. Exco's sales volumes will nonetheless benefit from awarded program launches that are expected to provide ongoing growth in our content per vehicle. Quoting activity also remains encouraging and we believe there is ample opportunity to achieve our targeted growth objectives.

The Casting and Extrusion segment reported sales of $78.9 million for the third quarter – an increase of $0.5 million from the same period last year. Year-to-date, the segment reported sales of $230.6 million – an increase of $11.0 million or 5%. Foreign exchange rate movements increased segment sales by $0.8 million in the quarter and $2.0 million year-to-date. Demand for our extrusion tooling remains strong in both North America and Europe. High interest rates negatively influenced the building, construction and recreational vehicle extrusion end-markets in prior quarters, but the construction end-market has improved more recently while demand within the automotive market has continued to gain momentum and sustainable energy end markets remain strong. We remain focused on standardizing manufacturing processes, enhancing engineering depth and centralizing critical support functions across our various plants. These initiatives have reduced lead times, enhanced product quality, expanded product breadth and increased capacity, contributing to share gains in our core markets. Management is also developing its Castool greenfield locations in Morocco and Mexico which provide the opportunity to gain market share in Europe and Latin America through better proximity to local customers. In the die-cast tooling market, which primarily serves the automotive industry, demand and order flow for new moulds, associated consumable tooling and rebuild work remained firm during the quarter, though slowed slightly from recent activity. Industry vehicle production volumes remain healthy and new, more efficient internal combustion engine/transmission platforms are being launched, including an increase in hybrid powertrain platforms. Battery electric platforms continue to be developed, albeit at a slower pace compared to prior expectations. Demand for associated giga-sized tooling has similarly pulled back, although management continues to expect this market segment will see significant growth in the coming years. We have reworked our plants and equipment to accommodate this larger tooling and believe we have the most advanced capabilities among our competitors globally. We also continue to invest heavily to bolster our leading market position in 3D printing, recently acquiring our sixth additive printer. As well, our pace of innovation within this market is clearly gaining momentum, yielding more and more applications for our additively printed tooling components. Consequently, demand for Exco's 3D printed tooling continues to grow strongly as customers focus on greater efficiency in all large mould size segments – ie for both giga and non-giga sized die-cast machines. Sales in the quarter were also aided by price increases, which were implemented to protect margins from higher input costs. Quoting remains very active and our backlog for die-cast moulds remains elevated relative to historical norms.

The Automotive Solutions segment reported Pretax Profit of $8.1 million in the third quarter, a decrease of $0.8 million from the prior year quarter. Year-to-date, the segment reported Pretax Profit of $24.7 million – a decrease of $0.2 million compared to the prior year period. Variances in period profitability were due to slightly lower sales, product mix shifts, higher raw material pricing, rising labour costs in all jurisdictions and foreign exchange movements. Labour costs in Mexico have been particularly challenging in recent years and are seeing added pressure in fiscal 2024 given the significant rise in wages. Vehicle production volumes however remain relatively stable, which has led to improvements in labour scheduling and reduced expedited shipping costs. As well, pricing action and efficiency initiatives continued to temper inflationary pressures. Although production volumes have largely stabilized from a macroeconomic and global perspective from recent years, volumes in the segment's fourth quarter are expected to follow typical seasonality trends due to OEM summer shutdowns. Apart from these specific impacts, management is cautiously optimistic that its overall cost structure should improve margins in coming quarters. Pricing discipline remains a focus and actions are being taken on current programs where possible, though there is typically a lag of a few quarters before the impact is realized. As well, new program awards are priced to reflect management's expectations for higher future costs.

The Casting and Extrusion segment reported $7.1 million of Pretax Profit in the third quarter – an increase of $3.1 million or 77% from the same quarter last year and $1.6 million from the second quarter fiscal 2024. Year-to-date, the segment reported Pretax Profit of $16.2 million – an increase of $6.3 million or 65% compared to the prior year period. The Pretax Profit improvement is due to higher sales volumes within the extrusion end markets, program pricing improvements, favorable product mix, efficiency initiatives across the segment (including the ongoing use of lean manufacturing and automation to improve productivity through standardization and waste elimination), as well as the prior year one-time January 2023 cyber incident costs of $0.6 million in the second quarter of fiscal 2023 (impacting year-to-date profit). In addition, volumes at Castool's heat treatment operation continue to increase providing savings and improved production quality while efficiency initiatives at Halex are being realized. Offsetting these cost improvements were ongoing start-up losses at Castool's greenfield operations and an increase in segment depreciation ($0.7 million for the quarter and $2.2 million year-to-date) associated with recent capital expenditures. Management remains focused on reducing its overall cost structure and improving manufacturing efficiencies and expects such activities together with its sales efforts should lead to improved segment profitability over time.

Corporate segment expenses were $1.9 million in the third quarter compared to $2.6 million in the prior year quarter. The improvement relates to current quarter foreign exchange gains partially offset by higher selling and travel costs. Year-to-date, Corporate expenses of $5.2 million were down 21% from the prior year at $6.6 million primarily due to $1 million 2023 second quarter cyber remediation costs and fiscal 2024 foreign exchange gains.

Consolidated EBITDA for the third quarter totaled $22.3 million compared to $18.6 million in the same quarter last year – an increase of $3.7 million or 20%. Year-to-date, consolidated EBITDA totaled $61.5 million compared to $51.6 million last year – an increase of $9.9 million or 19%. For the quarter, EBITDA as a percentage of sales increased to 13.8% in the current period compared to 11.3% the prior year driven by an improvement in Casting & Extrusion segment margins (17.8% compared to 13.1%) and the Automotive Solutions segment decreased slightly (12.1% compared to 12.6%).

Financial Resources, Liquidity and Capital Resources

Operating cash flow before net change in non-cash working capital totaled $19.6 million in the third quarter compared to $16.5 million in the same period last year. Year-to-date, operating cash flow before net change in non-cash working capital totaled $54.9 million compared to $46.8 million the prior year period. The improved cash from operations in the respective periods is primarily driven by increases in Net Income, which was higher in the current quarter and year-to-date and increased depreciation and amortization reflecting the increased capital asset purchases in recent years. Non-cash working capital provided $3.1 million of cash in the current quarter compared to $7.3 million in the prior year period. Year-to-date, non-cash working capital consumed $2.1 million of cash compared to $6.2 million in the prior year period. The cash provided by non-cash working capital in the current quarter reflects management's focus on reducing current assets partially offset by lower accounts payable and accruals which were higher due to capital asset investments and ramping up greenfield locations. Consequently, net cash provided by operating activities amounted to $22.7 million in the current quarter compared to $23.7 million in the same quarter last year. Year-to-date, net cash provided by operating activities amounted to $52.8 million compared to $40.6 million in the prior year period.

Cash used in financing activities in the current quarter was $11.0 million compared to cash used in financing of $4.7 million in the prior year quarter. In the current quarter the Company's interest and dividend payments were comparable to the prior year period, however, the Company reduced bank indebtedness $3.8 million in the current quarter whereby in the prior year period bank indebtedness increased $1.3 million. Year-to-date, cash used in financing activities totaled $23.4 million compared to cash used in financing of $7.8 million in the prior year period. In the current year, interest costs increased $0.7 million, dividends were comparable, but bank indebtedness and long-term debt decreased $2.5 million in the current year compared to an increase of $10.0 million in the prior year period. The Company continued to purchase share capital under its Normal Course Issuer Bid in the quarter and year-to-date ($1.0 million and $2.2 million respectively) compared to no activity in the prior year periods.

Cash used in investing activities in the third quarter totaled $8.0 million compared to $11.1 million in the same quarter last year. Year-to-date, cash used in investing activities totaled $25.1 million compared to $29.1 million the prior year. The decrease in capital expenditures reflects the completion of many major capital initiative projects and the timing of capital deliveries impacted by long lead times. Growth capital expenditures for the quarter were $3.2 million and Maintenance Fixed Asset Additions were $4.8 million and for the year growth capital expenditures were $10.8 million and Maintenance Fixed Asset Additions were $14.4 million. Management's capital budget for fiscal 2024 was $48.5 million however actual capital expenditure spending will be approximately $36 million for the year due to the completion of key strategic projects, the deferral of certain investments into next year and management's focus on controlling expenditures to improve its return on assets.

The Company's financial position and liquidity remains strong. Exco's net debt position totaled $87.2 million as at June 30, 2024 compared to $94.2 million at September 30, 2023. The Company generated Free Cash Flow of $15.9 million in the current quarter compared to $16.9 million in the prior year quarter and $32.1 million compared to $23.6 million year-to-date. Third quarter Free Cash Flow was used to fund $3.2 million of growth capital expenditures, dividends of $4.1 million and $1.1 million in share buybacks with the remainder decreasing net debt. Year-to-date Free Cash Flow was used to purchase $10.8 million in growth capital expenditures, $12.2 million in dividends, and $2.2 million in share buybacks. Exco's principal sources of liquidity include Free Cash Flow, cash of $20.3 million and $44.0 million of availability under its $151 million committed credit facility. In March 2024, the Company renewed its credit facility, which now expires in March 2027 from February 2025 previously. Pursuant to the terms of the credit facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at June 30, 2024.

Exco owns 20 of its 21 manufacturing facilities and essentially all of its production equipment. The Company leases sales and support centers in Troy, Michigan, Port Huron, Michigan a warehouse in Brownsville, Texas and operating facilities in Weissenberg Germany and Brescia Italy. The following table summarizes all short-term and long-term commitments Exco has entered.

	June 30, 2024			
	Total	< 1 year	1-3 years	4-5 years
Bank Indebtedness	$2,492	$2,492	$-	$ -
Trade accounts payable	43,946	43,946	-	-
Long term debt	105,000	-	105,000	-
Lease commitments	8,982	931	1,692	6,359
Purchase commitments	39,817	39,817	-	-
Capital expenditures	10,724	10,724	-	-
	$210,961	$97,910	$106,692	$6,359

Quarterly results

The following table sets out financial information for each of the eight quarters through to the third quarter ended June 30, 2024:

($ thousands except per share amounts)	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Sales	$161,809	$163,825	$156,710	$160,152
Net income	$8,176	$8,066	$5,642	$9,210
Earnings per share				
Basic	$0.21	$0.21	$0.15	$0.24
Diluted	$0.21	$0.21	$0.15	$0.24

($ thousands except per share amounts)	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Sales	$164,551	$155,507	$139,093	$140,411
Net income	$6,263	$6,228	$4,523	$5,569
Earnings per share				
Basic	$0.16	$0.16	$0.12	$0.14
Diluted	$0.16	$0.16	$0.12	$0.14

Exco typically experiences softer sales and profits in the first fiscal quarter which coincides with our customers' plant shutdown in North America and during the Christmas season. Exco also experiences a slowdown in the fourth fiscal quarter as North American customers typically schedule summer plant shutdowns and Exco's European customers typically curtail releases during the month of August to accommodate vacations.

Non-IFRS Measures

The following table provides a reconciliation for the periods from net income to EBITDA, EBITDA margin, and a reconciliation of cash provided by operating activities to Free Cash Flow.

	Three Months ended June 30		Nine Months ended June 30	
	(in $ thousands)			
	2024	2023	**2024**	2023
Net income	**$8,176**	$6,263	**21,884**	17,074
Provision for income tax	**3,102**	2,165	**7,229**	5,198
Income before income tax	**11,278**	8,428	**22,272**	22,272
Depreciation	**7,705**	7,016	**22,389**	20,010
Amortization	**1,186**	1,176	**3,553**	3,514
Net interest expense	**2,088**	1,947	**6,506**	5,793
EBITDA	**22,257**	18,567	**61,541**	51,589
Sales	**$161,809**	$164,551	**$482,344**	$459,151
EBITDA margin	**13.8%**	11.3%	**12.8%**	11.2%
Weighted average basic shares outstanding	**38,711**	38,912	**38,760**	38,912
EPS	**$0.21**	$0.16	**$0.56**	$0.44
Cash provided by operating activities	**$22,683**	$23,737	**$52,807**	$40,594
Interest	**(2,088)**	(1,947)	**(6,506)**	(5,793)
Maintenance fixed asset additions	**(4,727)**	(4,861)	**(14,242)**	(11,194)
Free Cash Flow	**$15,868**	$16,929	**$32,059**	$23,607

Quarterly Segment EBITDA Margin *(in $ thousands)*	Casting and Extrusion Three months ended June 30		Automotive Solutions Three months ended June 30	
	2024	2023	**2024**	2023
Pretax profit	**7,093**	3,998	**8,145**	8,951
Depreciation	**6,618**	5,970	**1,066**	1,024
Amortization	**341**	330	**845**	846
EBITDA	**14,052**	10,298	**10,056**	10,821
Sales	**78,912**	78,377	**82,897**	86,174
EBITDA Margin	**17.8%**	13.1%	**12.1%**	12.6%

Yearly Segment EBITDA Margin *(in $ thousands)*	Casting and Extrusion Nine months ended June 30		Automotive Solutions Nine months ended June 30	
	2024	2023	**2024**	2023
Pretax profit	**16,158**	9,811	**24,667**	24,866
Depreciation	**19,164**	17,004	**3,163**	2,942
Amortization	**1,013**	971	**2,520**	2,543
EBITDA	**36,335**	27,786	**30,350**	30,351
Sales	**230,621**	219,626	**251,723**	86,174
EBITDA Margin	**15.8%**	12.7%	**12.1%**	12.7%

Recent Accounting Changes and Effective Dates

There were no accounting policy changes effective October 1, 2023 that have a material impact to the Company's reporting.

Controls and Procedures

Based on the current Canadian Securities Administrators (the "CSA") rules under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, the Chief Executive Officer and Chief Financial Officer (or individuals performing similar functions as a chief executive officer or chief financial officer) are required to certify as at June 30, 2024 that they are responsible for establishing and maintaining disclosure controls and procedure and internal control over financial reporting.

No changes were made in the Corporation's internal control over financial reporting during the Corporation's most recent interim period, that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Outstanding Share Capital

As at June 30, 2024 Exco had 38,626,162 common shares issued and outstanding and stock options outstanding to purchase up to 961,500 common shares at exercise prices ranging from $7.97 to $9.78.

Outlook

By fiscal 2026, Exco is targeting to produce approximately $750 million annual revenue, $120 million annual EBITDA and annual EPS of roughly $1.50. Exco has made significant progress towards achieving these targets since they were announced and continues to believe its targets remain obtainable. These targets are expected to be achieved through returns on greenfield and strategic initiatives, the launch of new programs, general market growth, and also market share gains consistent with the Company's operating history.

Despite current macro-economic challenges, including slightly elevated unemployment, high interest rates, and the potential for a recession , the overall outlook is favorable across Exco's segments into the medium term. Consumer demand for automotive vehicles remains stable in most markets. Dealer inventory levels have been increasing, while average transaction prices for both new and used vehicles are near record highs and the average age of the broader fleet has continued to increase. This bodes well for strong levels of future vehicle production and the sales opportunity of Exco's various automotive components and accessories. In addition, OEM's are increasingly looking to the sale of higher margin accessory products as a means to enhance their own levels of profitability. Exco's Automotive Solutions segment derives a significant amount of activity from such products and is a leader in the prototyping, development and marketing of the same. Moreover, the movement towards an electrified and hybrid fleet for both passenger and commercial vehicles is enticing new market entrants into the automotive market while causing traditional OEM incumbents to further differentiate their product offerings, all of which is driving above average opportunities for Exco.

With respect to Exco's Casting and Extrusion segment, the intensifying global focus on environmental sustainability has created significant growth drivers that are expected to persist through at least the next decade. Automotive OEMs are utilizing light-weight metals such as aluminum to reduce vehicle weight and reduce carbon dioxide emissions. This trend is evident regardless of powertrain design - whether internal combustion engines, electric vehicles or hybrids. As well, a renewed focus on the efficiency of OEMs in their own manufacturing process is creating higher demand for advanced tooling that can enhance their profitability and sustainability goals. Certain OEM manufacturers have begun utilizing much larger die cast machines ("giga-presses") to cast entire vehicle sub-frames using aluminum-based alloy rather than stamping, welding, and assembling separate pieces of ferrous metal. Exco is in discussions with several traditional OEMs and their tier providers who appear likely to follow this trend. Accordingly, Exco has positionedits operations to capitalize on these changes. Beyond the automotive industry, Exco's extrusion tooling supports diverse industrial end markets which are also seeing increased demand for aluminum driven by environmental trends, including energy efficient buildings, solar panels, etc.

On the cost side, inflationary pressures have intensified post COVID while prompt availability of various input materials, components and labour has become more challenging. The intensity of these dynamics have generally moderated in recent quarters with the exception of labour costs in Mexico, which continue to see significant increases. We are offsetting these dynamics through various efficiency initiatives and taking pricing action where possible although there is typically several quarters of lag before the counter measures yield results.

The Russian invasion of Ukraine and the Israeli/Palestine conflict have added additional uncertainty to the global economy. And while Exco has essentially no direct exposure to these countries, Ukraine does feed into the European automotive market and Europe has traditionally depended on Russia for its energy needs. Similarly, the conflict in the Middle East creates the potential for a renewed rise in the price of oil and other commodities as well as logistics costs and could weigh on consumer sentiment.

Exco itself is also looking inwards with respect to sustainability trends to ensure its operations meet expectations. We are investing significant capital to improve the efficiency and capacity of our operations while lowering our carbon footprint. Our Sustainability Report is available on our corporate website at: www.excocorp.com/leadership/sustainability/.

Forward-looking information

This Management Discussion and Analysis contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We use words such as "anticipate", "may", "will", "should", "expect", "believe", "estimate", "5-year target" and similar expressions to identify forward-looking information and statements especially with respect to growth, outlook and financial performance of the Company's business units, contribution of our start-up business units, contribution of awarded programs yet to be launched, margin performance, financial performance of acquisitions, liquidity, operating efficiencies, improvements in, expansion of and/or guidance or outlook as to future revenue, sales, production sales, margin, earnings, earnings per share, including the outlook for 2026, are forward-looking statements and the impact on Exco's business operations, future plans, activities, objectives, operations, strategy, business outlook and financial performance and condition of the Corporation. These forward-looking statements include known and unknown risks, uncertainties, assumptions and other factors which may cause actual results or achievements to be materially different from those expressed or implied. These forward-looking statements are based on our plans, intentions or expectations which are based on, among other things, the current improving global economic recovery from the COVID-19 pandemic and containment of any future or similar outbreak of epidemic, pandemic, or contagious diseases that may emerge in the human population, which may have a material effect on how we and our customers operate our businesses and the duration and extent to which this will impact our future operating results, the impacts of the Russian invasion of Ukraine and, or the Israeli/Palestine conflicts on the global financial, energy and automotive markets, including increased supply chain risks, assumptions about the demand for and number of automobiles produced in North America and Europe, production mix between passenger cars and trucks, the number of extrusion dies required in North America, South America and Europe, the rate of economic growth in North America, Europe and emerging market countries, investment by OEMs in drivetrain architecture and other initiatives intended to reduce fuel consumption and/or the weight of automobiles in response to rising climate risks, raw material prices, supply disruptions, economic conditions, inflation, currency fluctuations, trade restrictions, energy rationing in Europe, our ability to integrate acquisitions, *our ability to continue increasing market share, or launch of new programs and the rate at which our current and future greenfield operations in Mexico and Morocco achieve sustained profitability, plans to address cyber and data security and its expected impact on Exco's operations, management's current expectations and to get a better understanding of the Company's operating environment. Readers are cautioned not to place undue reliance on forward-looking statements throughout this document and are also cautioned that the foregoing list of important factors is not exhaustive. The Company will update its disclosure upon publication of each fiscal quarter's financial results and otherwise disclaims any obligations to update publicly or otherwise revise any such factors or any of the forward-looking information or statements contained herein to reflect subsequent information, events or developments, changes in risk factors or otherwise. For a more extensive discussion of Exco's risks and uncertainties see the 'Risks and Uncertainties' section in our latest Annual Report, Annual Information Form ("AIF") and other reports and securities filings made by the Company. This information is available at* www.sedarplus.ca *or* www.excocorp.com.

NOTICE TO READER

The attached unaudited condensed interim consolidated financial statements have been prepared by management of the Company. The condensed interim consolidated financial statements for the three - and nine - month periods ended June 30, 2024 and 2023 have not been reviewed by the auditors of the Company.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)
$ (000)'s

	As at June 30, 2024	As at September 30, 2023
ASSETS		
Current		
Cash and cash equivalents	**20,263**	$15,796
Accounts receivable	**122,078**	128,449
Inventories	**107,065**	111,166
Prepaid expenses and deposits	**6,412**	4,660
Derivative instruments	**1,731**	5,401
Income taxes recoverable	**-**	711
Total current assets	**257,549**	266,183
Property, plant and equipment, net (note 4)	**225,801**	222,429
Intangible assets, net (note 5)	**28,173**	30,601
Goodwill (note 5)	**93,089**	91,330
Deferred tax assets	**1,403**	1,528
Total assets	**$606,015**	$612,071
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	**2,492**	$4,964
Trade accounts payable	**43,946**	54,043
Accrued payroll liabilities	**17,489**	17,823
Other accrued liabilities	**12,799**	18,061
Provisions	**7,736**	7,191
Income taxes payable	**1,511**	-
Customer advance payments	**6,169**	5,152
Total current liabilities	**92,142**	107,234
Lease liabilities- long-term portion	**6,937**	6,396
Long-term debt (note 7)	**105,000**	105,000
Deferred tax liabilities	**21,436**	22,421
Total liabilities	**225,515**	241,051
Shareholders' equity		
Share capital (note 8)	**48,408**	48,767
Contributed surplus	**5,961**	5,791
Accumulated other comprehensive income	**18,635**	16,829
Retained earnings	**307,496**	299,633
Total shareholders' equity	**380,500**	371,020
Total liabilities and shareholders' equity	**$606,015**	$612,071

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)
$ (000)'s except for income per common share

	Three months ended June 30		Nine months ended June 30	
	2024	2023	**2024**	2023
Sales	**161,809**	$164,551	**$482,344**	$459,151
Cost of sales	**127,051**	131,192	**381,791**	364,288
Selling, general and administrative expenses	**12,523**	14,874	**39,119**	43,444
Depreciation (note 4)	**7,705**	7,016	**22,389**	20,010
Amortization (note 5)	**1,186**	1,176	**3,533**	3,514
Gain on disposal of property, plant and equipment	**(22)**	(82)	**(107)**	(170)
Interest expense, net	**2,088**	1,947	**6,506**	5,793
	150,531	156,123	**453,231**	436,879
Income before income taxes	**11,278**	8,428	**29,113**	22,272
Provision for income taxes (note 11)	**3,102**	2,165	**7,229**	5,198
Net income for the period	**8,176**	6,263	**21,884**	17,074
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Net unrealized gain (loss) on derivatives designated as cash flow hedges (a)	**(2,777)**	941	**(2,705)**	3,132
Unrealized gain (loss) on foreign currency translation	**(713)**	(4,436)	**4,511**	7,359
	(3,490)	(3,495)	**1,806**	10,491
Comprehensive income	**$4,686**	$2,768	**$23,690**	$27,565
Income per common share				
Basic	**$0.21**	$0.16	**$0.56**	$0.44
Diluted	**$0.21**	$0.16	**$0.56**	$0.44
Weighted average number of common shares outstanding (,000)'s				
Basic	**38,711**	38,912	**38,760**	38,912
Diluted	**38,711**	38,912	**38,760**	38,912

(a) Net of income tax receivable of $991 and $965 for the three- and nine- month periods ended June 30, 2024 (2023 - net of income tax payable of $336 and $1,117 for the three- and nine - month periods ended June 30, 2023)

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
$ (000)'s

	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income: Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain (loss) on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2023	$48,767	$5,791	$299,633	$3,978	$12,851	$16,829	$371,020
Net income for the period	-	-	5,642	-	-	-	5,642
Dividend paid (note 3)	-	-	(4,082)	-	-	-	(4,082)
Stock option expense	-	75	-	-	-	-	75
Repurchase of share capital (note 8)	(64)	-	(320)	-	-	-	(384)
Other comprehensive income	-	-	-	82	177	259	259
Balance, December 31, 2023	$48,703	$5,866	$300,873	$4,060	$13,028	$17,088	$372,530
Net income for the period	-	-	8,066	-	-	-	8,066
Dividend paid (note 3)			(4,073)			-	(4,073)
Stock option expense		48				-	48
Repurchase of share capital (note 8)	(123)		(607)				(730)
Other comprehensive income				(10)	5,047	5,037	5,037
Balance, March 31, 2024	$48,580	$5,914	$304,259	$4,050	$18,075	$22,125	$380,878
Net income for the period	-	-	8,176	-	-	-	8,176
Dividends paid (note 3)			(4,056)			-	(4,056)
Stock option expense		47				-	47
Repurchase of share capital (note 8)	(172)		(883)			-	(1,055)
Other comprehensive (loss)				(2,777)	(713)	(3,490)	(3,490)
Balance, June 30, 2024	$48,408	$5,961	$307,496	$1,273	$17,362	$18,635	$380,500

	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income: Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain (loss) on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2022	$48,767	$5,431	$289,693	$1,520	$3,098	$4,618	$348,509
Net income for the period	-	-	4,523	-	-	-	4,523
Dividend paid (note 3)	-	-	(4,086)	-	-	-	(4,086)
Stock option expense	-	101	-	-	-	-	101
Other comprehensive (loss)	-	-	-	652	7,679	8,331	8,331
Balance, December 31, 2022	$48,767	$5,532	$290,130	$2,172	$10,777	$12,949	$357,378
Net income for the period	-	-	6,288	-	-	-	6,288
Dividend paid (note 3)	-	-	(4,086)	-	-	-	(4,086)
Stock option expense	-	85	-	-	-	-	85
Other comprehensive (loss)		-	-	1,539	4,116	5,655	5,655
Balance, March 31, 2023	$48,767	$5,617	$292,332	$3,711	$14,893	$18,604	$365,320
Net income for the period	-	-	6,263	-	-	-	6,263
Dividends paid (note 3)	-	-	(4,086)	-	-	-	(4,086)
Stock option expense	-	86	-	-	-	-	86
Repurchase of share capital (note 8)	-		-	-	-	-	0
Other comprehensive income (loss)	-	-	-	941	(4,436)	(3,495)	(3,495)
Balance, June 30, 2023	$48,767	$5,703	$294,509	$4,652	$10,457	$15,109	$364,088
Net income for the period			9,210	-	-	-	9,210
Dividends (note 3)			(4,086)	-	-	-	(4,086)
Stock option expense		88	-	-	-	-	88
Other comprehensive income	-	-	-	(674)	2,394	1,720	1,720
Balance, September 30, 2023	$48,767	$5,791	$299,633	$3,978	$12,851	$16,829	$371,020

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
$ (000)'s

	Three months ended June 30		Nine months ended June 30	
	2024	2023	**2024**	2023
OPERATING ACTIVITIES:				
Net income for the period	**$8,176**	$6,263	**$21,884**	$17,074
Add non-operating and items not involving a current outlay of cash				
Depreciation (note 4)	**7,705**	7,016	**22,389**	20,010
Amortization (note 5)	**1,186**	1,176	**3,533**	3,514
Stock-based compensation expense	**238**	200	**639**	434
Deferred income taxes	**201**	(52)	**79**	125
Net interest expense	**2,088**	1,947	**6,506**	5,793
Gain on disposal of property, plant and equipment	**(22)**	(82)	**(107)**	(170)
	19,572	16,468	**54,923**	46,780
Net change in non-cash working capital (note 10)	**3,111**	7,269	**(2,116)**	(6,186)
Cash provided by operating activities	**22,683**	23,737	**52,807**	40,594
FINANCING ACTIVITIES:				
Increase (decrease) in bank indebtedness	**(3,819)**	1,287	**(2,472)**	242
Financing from long-term debt	**-**	-	**-**	10,000
Interest paid, net	**(2,088)**	(1,947)	**(6,506)**	(5,793)
Dividends paid (note 3)	**(4,056)**	(4,086)	**(12,211)**	(12,258)
Repurchase of share capital	**(1,055)**	-	**(2,169)**	-
Cash provided by (used in) financing activities	**(11,018)**	(4,746)	**(23,358)**	(7,809)
INVESTING ACTIVITIES:				
Purchase of property, plant and equipment (note 4)	**(7,665)**	(11,060)	**(24,579)**	(29,110)
Purchase of intangible assets (note 5)	**(350)**	(121)	**(635)**	(304)
Proceeds from disposal of property, plant and equipment	**41**	101	**147**	353
Cash used in investing activities	**(7,974)**	(11,080)	**(25,067)**	(29,061)
Effect of exchange rate changes on cash and cash equivalents	**(153)**	(100)	**85**	181
Net increase in cash during the period	**3,538**	7,811	**4,467**	3,905
Cash, beginning of period	**16,725**	13,118	**15,796**	17,024
Cash, end of period	**$20,263**	$20,929	**$20,263**	$20,929

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

1. CORPORATE INFORMATION

Exco Technologies Limited (the "Company") is a global designer, developer and manufacturer of dies, moulds, components and assemblies, and consumable equipment for the die-cast, extrusion and automotive industries. Through 21 strategic locations in 9 countries, the Company services a diverse and broad customer base. The Company is incorporated and domiciled in Canada. The registered office is located at 130 Spy Court, Markham, Ontario, Canada.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation
These unaudited condensed interim consolidated financial statements present the Company's financial results of operations and financial position as at and for the three- and nine- month periods ended June 30, 2024 and have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). The accounting policies used in preparing these unaudited condensed interim financial statements are consistent with those used in the preparation of the 2023 audited annual consolidated financial statements.

The Company's preparation of unaudited condensed interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the application of the Company's accounting policies. The Company's critical accounting estimates are affected as a result of the various ongoing economic, geopolitical and social impacts, including the global pandemic, Russian invasion of Ukraine, Israeli/Palestine conflict and recessionary conditions. There continues to be significant uncertainty as to the likely effects these items which may, among other things, impact our employees, suppliers, and customers. It is not possible to predict the impact these items will have on the Company, its financial position and the results of operations in the future. The Company is monitoring the future impact of all these items on all aspects of its business. Each reporting period, management carries out this assessment for indications that goodwill and other long-lived assets may be impaired. As required, management will continue to assess these assumptions as the situation changes.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2023 audited annual consolidated financial statements, which are available at www.sedarplus.ca and on the Corporation's website at www.excocorp.com. The unaudited condensed interim consolidated financial statements and accompanying notes for the three- and nine- month periods ended June 30, 2024 were authorized for issue by the Board of Directors on July 31, 2024.

Accounting standards adopted in fiscal year 2024
IFRS 1, Presentation of Financial Statements ("IFRS 1"), IFRS 8 *Definition of Accounting Estimates ("IFRS 8")*
Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2023 the IASB issued amendments to IFRS 1 to allow a more general approach in classification of liabilities as current and non- current and IFRS 8 to distinguish between accounting policies and accounting estimates. The adoption of these amendments to IFRS 1 and IFRS 8 did not have any impact on the disclosures of the Company.

Amendments to IAS 1, Classification of Liabilities as Current or Non-current ("IAS 1")
The amendments to paragraphs 69 to 76 of IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The adoption of this amendments to IAS 1 did not have any impact on the disclosures of the Company.

Amendments to IAS 12, Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction ("IAS 12")
The amendment narrowed the scope of certain recognition exemptions so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. The amendment is

effective for annual periods beginning on or after January 1, 2023 with early application permitted. The adoption of this amendment to IAS 12 did not have any impact on the disclosures of the Company.

Amendments to IAS 12, International Tax Reform-Pillar Two Model Rules ("IAS 12")
In May 2023, the IASB issued narrow-scope amendments to IAS 12 that aim to provide temporary relief from the requirement to recognize and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules published by the Organization for Economic Co-operation and Development ("OECD"), including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also introduce targeted disclosure requirements for affected companies, and they require entities to disclose:

- The fact that they have applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes;
- Their current tax expense (if any) related to the Pillar Two income taxes; and
- During the period between the legislation being enacted or substantially enacted and the legislation becoming effective, entities will be required to disclose known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

The amendments to IAS 12 are required to be applied immediately (subject to any local endorsement processes) and retrospectively in accordance with IAS 8, including the requirement to disclose the fact that the exception has been applied if the entity's income taxes will be affected by enacted or substantively enacted tax law that implements the OECD's Pillar Two model rules. The disclosures relating to the known or reasonably estimable exposure to Pillar Two income taxes are required for annual reporting periods beginning on or after January 1, 2023, but they are not required to be disclosed in interim financial reports for any interim period ending on or before December 31, 2023. The adoption of this amendment to IAS 12 did not have any impact on the disclosures of the Company.

Accounting standards issued but not yet adopted
IFRS 18, Presentation and Disclosure in Financial Statements
The IASB has issued IFRS 18, The new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its "operating profit or loss". IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. Management is currently assessing the impact of this standard.

3. CASH DIVIDEND

During the three- and nine- month periods ended June 30, 2024, the Company paid quarterly cash dividends totaling $4,056 and $12,211 (2023 - $4,086 and $12,258). The quarterly dividend rate in the third quarter of 2024 was $0.105 per common share (2023 - $0.105).

$(000)'s except per share amounts

4. PROPERTY, PLANT AND EQUIPMENT

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	TOTAL
Cost							
Balance as at September 30, 2023	$291,057	$26,495	$105,655	$14,824	$20,709	$8,713	$467,453
Additions	4,382	1,127	1,220	-	16,643	1,207	24,579
Less: disposals	(1,320)	(664)	-	-	-	(99)	(2,083)
Reclassification	19,750	1,390	7,515	-	(28,655)	-	-
Foreign exchange movement	909	80	499	62	214	184	1,948
Balance as at June 30, 2024	**$314,778**	**$28,428**	**$114,889**	**$14,886**	**$8,911**	**$10,005**	**$491,897**

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	TOTAL
Accumulated depreciation and impairment losses							
Balance as at September 30, 2023	$173,387	$20,053	$49,852	$0	$0	$1,732	$245,024
Depreciation	16,317	1,946	3,471	-	-	655	22,389
Less: disposals	(1,308)	(641)	-	-	-	(94)	(2,043)
Foreign exchange movement	402	83	207	-	-	34	726
Balance as at June 30, 2024	**$188,798**	**$21,441**	**$53,530**	**$-**	**$-**	**$2,327**	**$266,096**

Carrying amounts	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	TOTAL
As at September 30, 2023	$117,670	$6,442	$55,803	$14,824	$20,709	$6,981	$222,429
As at June 30, 2024	**$125,980**	**$6,987**	**$61,359**	**$14,886**	**$8,911**	**$7,678**	**$225,801**

5. INTANGIBLE ASSETS AND GOODWILL

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Cost					
Balance as at September 30, 2023	$9,335	$58,162	$83	$67,580	$91,330
Additions	504	-	131	635	-
Less: disposals	(313)	-	-	(313)	-
Reclassification	74	-	(74)	-	-
Foreign exchange movement	33	810	1	844	1,759
Balance as at June 30, 2024	**$9,633**	**$58,972**	**$141**	**$68,746**	**$93,089**

$(000)'s except per share amounts

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Accumulated amortization and impairment losses					
Balance as at September 30, 2023	$7,773	$29,206	$-	$36,979	$-
Amortization for the period	535	2,998	-	3,533	-
Less: disposals	(313)	-	-	(313)	-
Foreign exchange movement	26	348	-	374	-
Balance as at June 30, 2024	**$8,021**	**$32,552**	**$-**	**$40,573**	**$-**
Carrying amounts					
As at September 30, 2023	$1,562	$28,956	$83	$30,601	$91,330
As at June 30, 2024	**$1,612**	**$26,420**	**$141**	**$28,173**	**$93,089**

*Acquisition intangibles are composed of customer relationships and trade names resulting from business acquisitions and the purchase price allocation thereof.

6. FINANCIAL INSTRUMENTS

Fair value represents point-in-time estimates that may change in subsequent reporting periods due to market conditions or other factors. Presented below is a comparison of the fair value of each financial instrument to its carrying value.

The fair value of cash and cash equivalents, bank indebtedness, trade and other receivables and trade and other payables approximates their carrying amounts due to the short-term maturities of these instruments. The estimated fair value of long-term debt approximates its carrying value since debt is subject to terms and conditions similar to those available to the Company for instruments with comparable terms, and the interest rates are variable and a reflection of market-based rates.

The fair value of derivative instruments that are not traded in an active market such as over-the-counter foreign exchange options and collars is determined using quoted forward exchange rates at the consolidated statement of financial position dates and are Level 2 instruments.
During the three- and nine- month periods ended June 30, 2024 there were no transfers between Level 1 and Level 2 fair value measurements.

The carrying value and fair value of all financial instruments are as follows:

	June 30, 2024		September 30, 2023	
	Carrying Amount of Asset (Liability)	**Fair Value of Asset (Liability)**	Carrying Amount of Asset (Liability)	Fair Value of Asset (Liability)
Cash and cash equivalents	**$20,263**	**$20,263**	$15,796	$15,796
Accounts receivable	**122,078**	**122,078**	128,449	128,449
Trade accounts payable	**(43,946)**	**(43,946)**	(54,043)	(54,043)
Bank indebtedness	**(2,492)**	**(2,492)**	(4,964)	(4,964)
Customer advance payments	**(6,169)**	**(6,169)**	(5,152)	(5,152)
Accrued liabilities	**(30,288)**	**(30,288)**	(35,884)	(35,884)
Derivative instruments	**1,731**	**1,731**	5,401	5,401
Long-term debt	**($105,000)**	**($105,000)**	($105,000)	($105,000)

7. LONG-TERM DEBT

On March 25, 2024, the Company renewed the Committed Revolving Credit Facility (" the Credit Facility") of $150,000 to extend the maturity date to March 25, 2027. As at June 30, 2024, $107,492 was utilized (September 30, 2023 - $109,964). The facility is collateralized by a general security agreement covering all assets of the Company's subsidiaries located in Canada and the US, with the exception of real property.

The Credit Facility is available to fund working capital, capital expenditures and other general corporate purposes of the Company and its subsidiaries, including acquisitions. Interest rates vary based on prime, bankers' acceptance or CDOR base rates plus a relevant margin depending on the level of the Company's net leverage ratio and as at June 30, 2024 average interest rate was 6.6%.

Pursuant to the terms of the Credit Facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at June 30, 2024.

8. SHARE CAPITAL

In each of February 2024 and 2023 the Company received approval from the Toronto Stock Exchange for a normal course issuer bid for the following 12-month period. The Company's Board of Directors authorized the purchase of up to 1,780,000 and 1,785,000 common shares under each of these normal course issuer bids, respectively, which represented approximately 5% of the Company's outstanding common shares at each approval date. During the third quarter and year-to-date 133,325 and 311,377 common shares were repurchased (2023- nil, nil).

As at June 30, 2024 the Company had 38,626,162 common shares issued and outstanding.

9. SEGMENTED INFORMATION

Business segments
The Company operates in two business segments: Casting and Extrusion Technology ("Casting and Extrusion") and Automotive Solutions.

The Casting and Extrusion segment designs and engineers tooling and other manufacturing equipment. Its operations are substantially for automotive and other industrial markets in North America and Europe.

The Automotive Solutions segment produces automotive interior components and assemblies primarily for seating, cargo storage and restraint for sale to automotive manufacturers and Tier 1 suppliers (suppliers to automakers).

The Company evaluates the performance of its operating segments primarily based on pre-tax income before interest.

The Corporate segment involves administrative expenses that are not directly related to the business activities of the above two operating segments.

$(000)'s except per share amounts

	Three Months Ended June 30, 2024			
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$85,101**	**$83,469**	**$-**	**$168,570**
Intercompany sales	**(6,189)**	**(572)**	**-**	**(6,761)**
Net sales	**78,912**	**82,897**	**-**	**161,809**
Depreciation	**6,618**	**1,066**	**21**	**7,705**
Amortization	**341**	**845**	**-**	**1,186**
Segment pre-tax income (loss) before interest	**7,093**	**8,145**	**(1,872)**	**13,366**
Net interest expense				**(2,088)**
Income before income taxes				**11,278**
Property, plant and equipment additions	**5,716**	**1,949**	**-**	**7,665**
Property, plant and equipment, net	**188,520**	**36,065**	**1,216**	**225,801**
Intangible asset additions	**315**	**35**	**-**	**350**
Intangible assets, net	**10,289**	**17,884**	**-**	**28,173**
Goodwill	**28,535**	**64,554**	**-**	**93,089**
Total assets	**395,287**	**226,117**	**(15,389)**	**606,015**
Total liabilities	**59,260**	**54,066**	**112,189**	**225,515**

	Three Months Ended June 30, 2023			
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	$85,008	$86,796	$-	$171,804
Intercompany sales	(6,631)	(622)	-	(7,253)
Net sales	78,377	86,174	-	164,551
Depreciation	5,970	1,024	22	7,016
Amortization	330	846	-	1,176
Segment pre-tax income (loss) before interest	3,998	8,951	(2,574)	10,375
Net interest expense				(1,947)
Income before income taxes				8,428
Property, plant and equipment additions	9,519	1,541	-	11,060
Property, plant and equipment, net	186,427	33,111	1,298	220,836
Intangible asset additions	71	50	-	121
Intangible assets, net	10,714	20,490	-	31,204
Goodwill	28,118	62,846	-	90,964
Total assets	389,772	234,470	(15,901)	608,341
Total liabilities	65,444	68,272	110,539	244,255

$(000)'s except per share amounts

	Nine Months Ended June 30, 2024			
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$250,875**	**$253,790**	**$-**	**$504,665**
Intercompany sales	**(20,254)**	**(2,067)**	**-**	**(22,321)**
Net sales	**230,621**	**251,723**	**-**	**482,344**
Depreciation	**19,164**	**3,163**	**62**	**22,389**
Amortization	**1,013**	**2,520**	**-**	**3,533**
Segment pre-tax income (loss) before interest	**16,158**	**24,667**	**(5,206)**	**35,619**
Net interest expense				**(6,506)**
Income before income taxes				**29,113**
Property, plant and equipment additions	**20,616**	**3,963**	**-**	**24,579**
Property, plant and equipment, net	**188,520**	**36,065**	**1,216**	**225,801**
Intangible asset additions	**579**	**56**	**-**	**635**
Intangible assets, net	**10,289**	**17,884**	**-**	**28,173**
Goodwill	**28,535**	**64,554**	**-**	**93,089**
Total assets	**395,287**	**226,117**	**(15,389)**	**606,015**
Total liabilities	**59,260**	**54,066**	**112,189**	**225,515**

	Nine Months Ended June 30, 2023			
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	$242,203	$241,587	$-	$483,790
Intercompany sales	(22,577)	(2,062)	-	(24,639)
Net sales	219,626	239,525	-	459,151
Depreciation	17,004	2,942	64	20,010
Amortization	971	2,543	-	3,514
Pre-tax income (loss) before interest	9,811	24,866	(6,612)	28,065
Net interest expense				(5,793)
Income before income taxes				22,272
Property, plant and equipment additions	25,348	3,748	14	29,110
Property, plant and equipment, net	186,427	33,111	1,298	220,836
Intangible asset additions	250	54	-	304
Intangible assets, net	10,714	20,490	-	31,204
Goodwill	28,118	62,846	-	90,964
Total assets	389,772	234,470	(15,901)	608,341
Total liabilities	65,444	68,272	110,539	244,255

$(000)'s except per share amounts

10. NET CHANGE IN NON-CASH WORKING CAPITAL

	Nine months ended June 30	
	2024	2023
Accounts receivable	**$7,230**	($5,612)
Inventories	**4,837**	(6,134)
Prepaid expenses and deposits	**(1,722)**	(1,346)
Trade accounts payable	**(10,505)**	166
Accrued payroll liabilities	**(460)**	995
Other accrued liabilities	**(5,286)**	(3,683)
Provisions	**545**	211
Customer advance payments	**1,008**	1,674
Income taxes recoverable	**2,237**	7,543
	($2,116)	($6,186)

11. INCOME TAXES

The consolidated effective income tax rates for the three- and nine- month periods ended June 30, 2024 was 27.5% and 24.8% (three- and nine month periods ended June 30, 2023 – 25.7% and 23.3%). The income tax rate in the current quarter and year to date were impacted by geographic distribution and foreign rate differentials.

CORPORATE INFORMATION

Exco Technologies Limited is a global supplier of innovative technologies servicing the die-cast, extrusion and automotive industries. Through our 21 strategic locations in 9 countries, we employ approximately 5,000 people and service a diverse and broad customer base.

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TORONTO STOCK EXCHANGE LISTING

TSX:XTC

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Robert B. Magee, Lead Director
Colleen M. McMorrow
Brian A. Robbins, Executive Chairman
Tommy J. Skudutis

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Executive Chairman

Darren M. Kirk, CFA, MBA
President and CEO

Matthew Posno, CPA, CA, MBA
Vice President Finance, CFO and Secretary

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