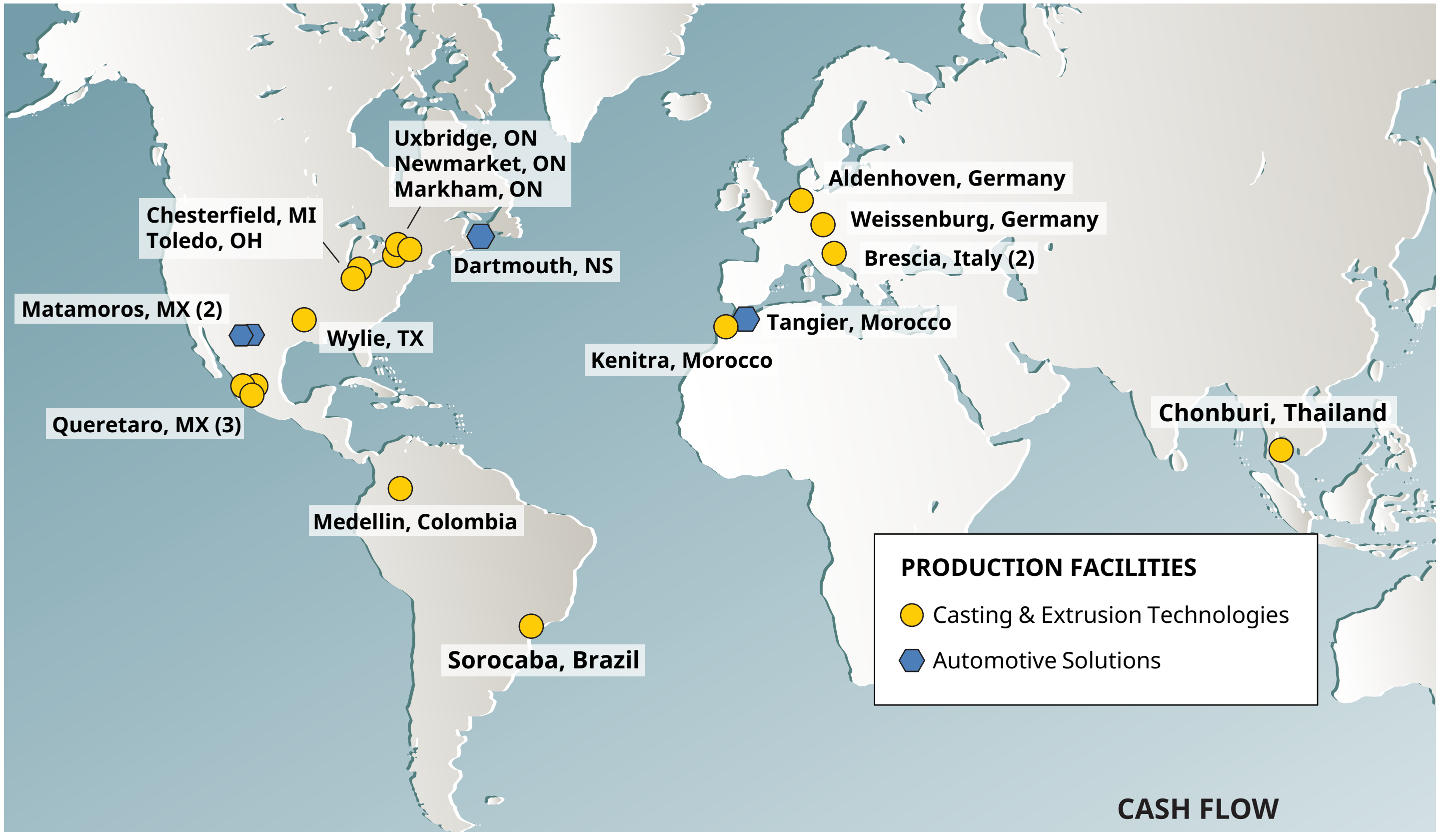
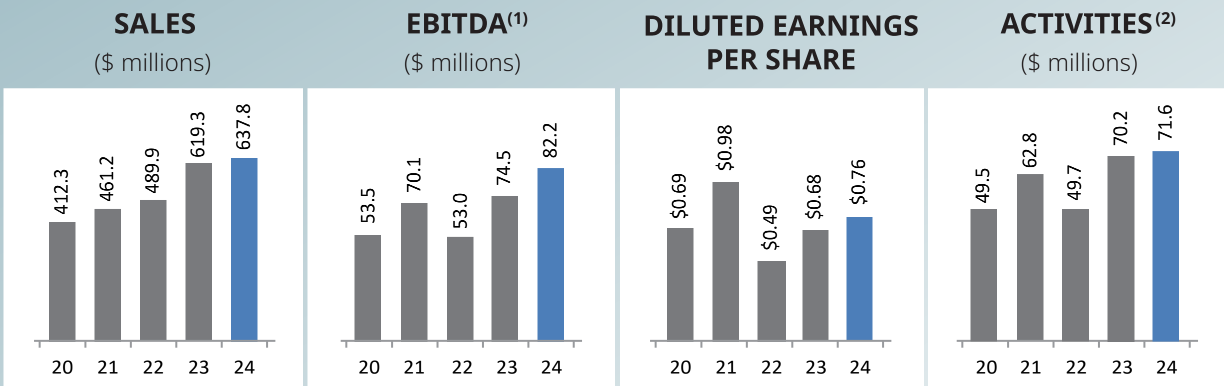
Technologies Limited

2024 Annual Report

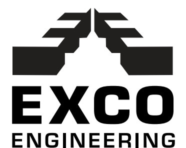
Precision in Motion

Technologies Limited





(1) Earnings before interest, taxes, depreciation and amortization.
(2) Before net change in non-cash working capital.



LETTER TO STAKEHOLDERS F2024

Precision in Motion

Dear Stakeholders,

In F2024, Exco delivered on our growth objectives amid an evolving industry landscape. We achieved record revenue of $638 million, generated EBITDA of $82 million, and produced earnings per share of $0.76. Free Cash Flow also grew substantially to $54 million, which we allocated to drive future growth and strengthen our financial position. We invested $14 million in growth capital expenditures, returned $19 million to shareholders, and reduced our net debt to $73 million.

Our theme, "**Precision in Motion**," has shaped our operational and strategic efforts this past year. By enhancing the precision of our products and processes, we are building a robust foundation to address market challenges and seize opportunities for sustainable growth.

Adapting to Industry Change

The automotive industry, our primary market, is undergoing significant transformation. While recent years have seen strong demand for light vehicles, the near-term outlook reflects softer conditions driven by economic pressures with production adjustments taking effect. At the same time, the pace of electric vehicle (EV) adoption has moderated, the lifespan of internal combustion engines (ICE) is extending, and the use of hybrid powertrains is gaining momentum. However, the longer-term outlook for the automotive industry remains very positive, with easing interest rates expected to improve vehicle affordability and the need to replace an aging fleet driving renewed growth in consumer demand. Additionally, improving safety and technology features are creating new opportunities, as advancements such as advanced driver-assistance systems (ADAS) and enhanced connectivity are increasingly influencing consumer preferences and fostering greater demand.

Exco is uniquely positioned to thrive in this evolving landscape. Our operations are designed to serve all powertrain types—EVs, ICE, and hybrids—without reliance on infrastructure dedicated to any single technology. While EVs remain a critical component of our growth strategy, and we are confident in their long-term potential, our adaptability ensures we can meet the diverse needs of the market, regardless which direction it takes.

Over time, we expect the transition towards EVs will drive the increasing adoption of transformative technologies like giga-presses, which enable the production of entire vehicle subframes in a single aluminum casting. This technology significantly improves OEM manufacturing efficiency, reduces complexity, and enhances sustainability. As giga-press technology gains traction, Exco is well-equipped to deliver the advanced tooling solutions required for their implementation.

Beyond the die-cast market, the extrusion market is also expected to experience long-term growth fueled by global sustainability initiatives. Lightweight, recyclable materials like aluminum are increasingly favored as industries prioritize reducing their environmental footprint. Simultaneously, extruders are focused on improving productivity and workplace safety, and Exco's products are specifically designed to support these goals with innovative features that enhance operational efficiency and safety. As extrusion tooling becomes

larger and more complex, Exco's advanced capabilities and expertise position us as a trusted leader in delivering innovative solutions tailored to these evolving demands.

Casting and Extrusion: Significant Investments Yielding Results

In recent years, Exco has strategically invested in expanding our Casting and Extrusion segment. These investments include geographic expansions through acquisitions and greenfield projects, advanced equipment acquisitions, and technological enhancements, including highly efficient heat treatment furnaces. These initiatives have solidified our leadership in aluminum tooling and enable us to address growing global demand for larger, more sophisticated die-cast and extrusion components.

While the full returns on these investments will take time to materialize, the progress is evident. The segment has demonstrated strong top-line growth complemented by meaningful margin expansion, driven by operational efficiencies and economies of scale from our expanded footprint. Moving forward, we anticipate additional productivity gains and scale benefits from these investments, which will increasingly contribute to Exco's financial objectives.

Interior Trim and OEM Accessories: Growing Content, Value, and Margins

Our Automotive Solutions group remains a cornerstone of Exco's long-term growth strategy, focused in the areas of interior trim products and OEM accessories. By leveraging our low-cost operations and a relentless drive for operational excellence, we continue to meet the evolving demands of OEMs while increasing our content per vehicle.

Among our offerings, accessory products stand out as high-growth and high-margin. These value-added products provide OEMs with opportunities to differentiate their vehicles and enhance profitability, a trend that continues to gain momentum. Exco's innovative design and manufacturing capabilities position us as a clear leader in this space, delivering solutions as a tier I supplier to the OEMs that elevate vehicle appeal while meeting customer needs.

We are also addressing inflationary challenges tied to legacy programs, which have affected margins. As these older programs mature, they are being replaced by newer programs with more favorable economics. This transition is expected to drive margin improvements across the segment, reinforcing its profitability and contribution to Exco's long-term success.

Innovation and Sustainability: Precision in Action

Innovation is at the core of Exco's strategy, driving our ability to deliver precision and sustainability. Our leadership in 3D printing of tool steel allows us to produce highly complex, customized tooling components with unmatched precision. This reduces waste while enhancing the performance and durability of our customers' tooling, which is increasingly critical as the industry transitions to larger, more complex components.

In addition to 3D printing, Exco continues to embrace advanced technologies such as artificial intelligence (AI) and machine learning. These tools optimize production processes, improve decision-making, and enhance

operational responsiveness, ensuring efficiency and precision throughout our facilities.

Our commitment to innovation also extends to materials science. By incorporating sustainable raw materials that enhance performance and minimize environmental impact, we align with industry priorities while strengthening our leadership in eco-friendly manufacturing. Examples of these initiatives are highlighted across our divisions and detailed in our Sustainability Report.

Path Forward and Financial Outlook

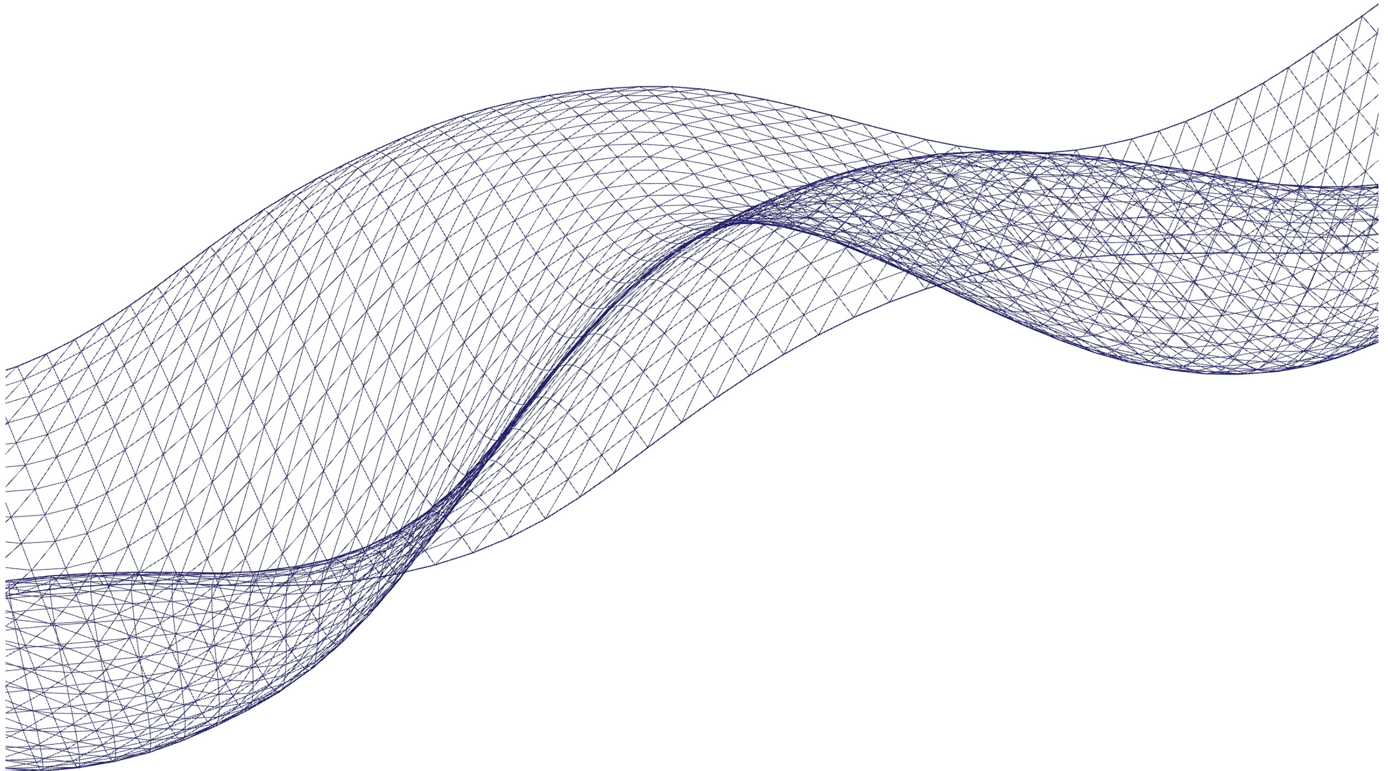
Looking ahead, Exco's strong foundation, innovative spirit, and talented team position us as a leader in the evolving automotive and extrusion industries. We are confident that our strategic investments in people, facilities, and equipment will unlock growth opportunities and enable us to deliver sustained value to our shareholders and customers alike.

With the benefits of recent capital expenditures, Exco is targeting annual revenue of $750 million, EBITDA of $120 million, and EPS of approximately $1.50 by the end of F2026. While challenges remain, we are ready to navigate uncertainties and seize opportunities as we continue moving forward with "**Precision in Motion**."

Sincerely,

Darren M. Kirk, MBA, CFA

President and CEO



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This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the consolidated financial statements and related notes of Exco Technologies Limited ("Exco", or "Company") for the year ended September 30, 2024. This MD&A has been prepared as of November 27, 2024.

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.

In this MD&A, reference may be made to EBITDA, EBITDA Margin, Pretax Profit, Net Debt, 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.* ***Net Debt*** *represents the Company's consolidated net indebtedness position offsetting cash from bank indebtedness, current and long-term debt. It is calculated as Long-term debt plus Current portion of Long-term debt plus Bank indebtedness less Cash and cash equivalents.* ***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.*

CAUTIONARY STATEMENT

Information in this document relating to: projected light vehicle sales and production, original equipment manufacturer's (OEM) capital investment levels, the rate and intensity of OEM development of all-electric or hybrid

powertrain systems, the level of order backlog 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 and operating efficiencies are forward-looking statements. 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 the year ending fiscal 2026.

Readers are cautioned not to place undue reliance on forward-looking statements found mainly in the MD&A section but also elsewhere throughout this document. These forward-looking statements are based on our plans, intentions or expectations which are based on, among other things, the global economic recovery from any future 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 international conflicts on the global financial, energy and automotive markets, including increased supply chain risks, assumptions about the number of automobiles produced in North America and Europe, the potential for overseas automotive OEMs to make inroads in North America and Europe, including the implementation of tariffs that Governments may use to protect domestic OEMs, 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 and elsewhere, our ability to integrate acquisitions, our ability to continue increasing market share, or launch of new programs and the rate at which our current greenfield operations in Mexico and Morocco achieve sustained profitability, recoverability of capital assets, goodwill and intangibles (based on numerous assumptions inherently uncertain), and cyber security and its impact on Exco's operations. 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. For a more extensive discussion of Exco's risks and uncertainties see the 'Risks and Uncertainties' section in this Annual Report and other reports and securities filings made by the Company. This information is available at www.sedarplus.ca.

While Exco believes that the expectations expressed by such forward-looking statements are reasonable, we cannot assure that they will be correct. In evaluating forward-looking information and statements, readers should carefully consider the various factors which could cause actual results or events to differ materially from those indicated in the forward-looking information and statements. Readers are cautioned that the foregoing list of important factors is not exhaustive. Furthermore, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CORE BUSINESSES

Exco is a global designer, developer and manufacturer of dies, moulds, components and assemblies, and consumable equipment for the die-cast, extrusion and automotive industries. The Company reports in two operating segments.

The Casting and Extrusion segment designs, develops and manufactures tooling and consumable parts for both aluminum die-casting and aluminum extrusion machines. Operations are based in North America, South America, Europe, Thailand and Morocco and serve automotive and industrial markets around the world. Exco is a leader in most of its markets which principally consist of North America for die-cast tooling, Europe, North, Central and South America for extrusion tooling and globally for consumable tooling parts and related equipment. Across its markets, Exco is focused on further entrenching itself by reducing lead times and manufacturing costs through design and process enhancements. Major capital projects have been implemented in recent years to increase capacity, reduce lead times, further improve quality and reduce costs while pushing the envelope on innovation. Exco's expansion into 3D printing tooling components in recent years is a good example of this. The Company is now a clear industry leader in the design, engineering and manufacturing of 3D printed tooling components globally. In the machine consumables market, Exco is leveraging its long tradition as a reliable, high-quality supplier of consumable components for the injection system of die-cast machines and aluminum extrusion presses by evaluating, coordinating and ultimately maximizing customers' overall equipment performance and longevity.

The Automotive Solutions segment designs, develops and manufactures automotive interior trim components and assemblies primarily for passenger and light truck vehicles. The Polytech and Polydesign businesses manufacture synthetic net and other cargo restraint products, injection-moulded components, shift/ brake boots, related interior trim components and assemblies. Polydesign is also a manufacturer and/or finisher of injection moulded interior trim and instrument panel components, sun visors, seat covers, head rests and other cut and sew products. Neocon is a supplier of soft plastic trunk trays, rigid plastic trunk organizer systems, floor mats and bumper covers. AFX Industries is a tier 2 supplier of leather and leather-like interior trim components to the North American automotive market. AFX also supplies die cut leather sets for seating and many other interior trim applications as well as injection-molded, hand-sewn, machine-sewn and hand-wrapped interior trim components of all sorts. Automotive Solutions manufacturing facilities are located in Canada, the United States, Mexico, and Morocco supplying the automotive markets in North America, Europe and to a lesser extent, Asia.

VISION AND STRATEGY

The Company's vision is "to be the benchmark for innovation, efficiency and quality in the industries we serve." The Company's mission is to "enhance the look and functionality of passenger vehicles and tool up light metal industries for superior performance." Exco has pursued several key strategies to achieve sustainable revenue and earnings growth. These include: (1) strengthening our leadership and competitive position in our chosen markets through automation and technology, (2) minimizing our cost structure, (3) maintaining the bulk of our productive capacity in lower-cost jurisdictions and/or in close proximity to our customers' operations, (4) diversifying our revenue base with new products and services that leverage our competitive strengths, and (5) capitalizing on organic and inorganic growth opportunities in both our existing and select developing markets – see "Marketplace opportunities and efficiency initiatives", below.

Exco was founded on a commitment to excellence and a culture of entrepreneurship and dedication to ethical business practices. We encourage continuance of these traits by providing incentives for our managers to grow their business and giving our employees the latitude to push the envelope on innovation while adhering to our Code of Conduct.

MARKETPLACE OPPORTUNITIES AND EFFICIENCY INITIATIVES

In the automotive sector, Original Equipment Manufacturers (OEMs) continue to move towards electric or hybrid vehicles and to reduce vehicle weight in all passenger vehicles to improve fuel efficiency. Exco's products form an integral part of this industry transformation.

Lightweight metals such as aluminum are increasingly displacing steel in order to make conventional (internal combustion engine) vehicles more environmentally friendly. As well, electric and hybrid vehicles make extensive use of aluminum components to reduce weight and therefore maximize battery range and performance. Exco's Casting and Extrusion segment, which comprises 48% of total revenues, is especially well positioned to benefit from this ongoing transition.

More recently, die-cast aluminum components and associated tooling have been increasing significantly in both size and complexity. Tesla has pushed the envelope in this regard, using die-casting machines that are much larger than those used previously. This enables Tesla to cast entire subframes of the vehicle rather than assembling numerous stamped metal components in the body shop, creating significant manufacturing efficiency gains. Other traditional OEMs and tier foundries are following Tesla's lead in using these larger die-cast machines (giga presses), and Exco expects there will be significant growth in this part of the market over the next several years. Accordingly, we are making sizeable additional investments in our people, equipment and processes to remain a leading supplier in this market.

Our customers are also increasingly focused on improving their own productivity and our products are actively helping in this regard. For example, we design and incorporate 3D printed components into our moulds which greatly enhances the overall quality and performance of the die-cast process while reducing the use of steel, energy and transportation costs. Similarly, Castool has evolved their products and systems to provide less expensive, longer lasting, more energy efficient and safer products. The group focuses on making components and accessories that will increase the customers' tooling life while ensuring less scrap and energy consumption. In doing so, we promote a higher energy and material efficiency in the value chain of production, while better service is being delivered to the end-consumer.

Our Automotive Solutions group, which manufactures various products for the interior passenger compartments and trunks of vehicles, is also a contributor to vehicle lightweighting trends. Exco's Automotive Solutions segment typically makes products that are lighter in weight than competing products. For example, Neocon offers lightweight material options that are an ideal fit for vehicles regardless of powertrain. By incorporating a foaming additive during the extrusion process and creating air voids in the base layer, Neocon created a thermoplastic rubber (TPR) product that is 45% lighter than a traditional thermoplastic elastomer (TPE) injection molded alternative.

Exco is committed to running its facilities as efficiently as possible, delivering the same innovative, high-quality products to our customers with less energy, fewer materials and lower waste. In this regard, several of our businesses have achieved ISO 14001 certification, the international standard that specifies requirements for an effective environmental management system. More broadly, we remain focused on employing lean manufacturing principles to reduce and eliminate waste while also making substantial investments in new, energy efficient equipment. As well, our multi-plant footprint with standardized manufacturing processes provides superior capacity utilization and gives proximity to market which reduces carbon emissions through reduced transportation requirements. Several other innovative technological advancements and initiatives are being employed throughout the organization to help achieve our goals.

FISCAL 2024 OVERVIEW

Sales, Earnings and Strategic Investments

Fiscal 2024 consolidated sales were up 3% compared to the prior year driven by a 5% increase in the Casting and Extrusion segment and a 1% increase in the Automotive Solutions segment. Casting and Extrusion segment sales increased on higher demand for die-cast moulds (new dies and rebuilds) and relatively stable demand for extrusion dies and related products (in both the Americas and Europe). These factors were partially offset by lower steel prices,

which are a pass-through for certain tooling products. Automotive Solutions segment sales reflect relative stability in North American and European automotive production levels, higher demand for accessory products, and new program launches. These factors were partially offset by the United Autoworkers Union (UAW) strike in the first quarter, softening conditions in Europe due to global unrest, increased competition from China, and manufacturers adjusting production to meet European Corporate Average Fuel Economy (CAFE) standards.

Resilient demand for Exco's products reflect the impact of the Company's various strategic growth initiatives. These initiatives are primarily driven by the increased adoption of electric and hybrid vehicles, the lightweighting of all passenger motor vehicles generally, the broader global environmental sustainability movement and the adoption of advanced die-cast and extrusion tooling to meet these global changes to manufacturing.

Earnings per share were $0.76 in fiscal 2024 compared to $0.68 in fiscal 2023 – a 12% increase. Pre-tax profits were higher in the Casting and Extrusion segment and lower in the Automotive Solutions segment. Higher sales, more predictable volumes, and improved labour and production efficiencies contributed to the profitability improvement in the Casting and Extrusion segment, which more than offset much higher levels of depreciation associated with recent capital spending activity. Pre-tax profits in the Automotive Solutions segment were negatively impacted by the first quarter UAW strike, higher labour costs, adverse currency movements, customer driven launch delays, and employee severance costs associated with efficiency initiatives. Overall pre-tax profits were also impacted by ongoing start-up losses at new operations, disruption to existing operations associated with installing new equipment and upgrading capabilities, and inflationary pressure on wages and materials generally.

During the year, the Company invested $33.9 million in capital assets and focused considerable management time and attention on our newer facilities and acquisitions. Overall capital spending in F2024 was well below expectations at the beginning of the year as management prioritized profitable investment opportunities and experienced a delay in receiving certain equipment. The impact of these investments continues to suppress near-term margins and overall profitability. But Exco expects these investments will provide meaningful profits over a multi-year horizon as the operations season and increased scale is achieved. 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 mature;
- 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 increased 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.

Outlook

By the end of 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 in Fiscal 2021 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 increasing levels of unemployment, relatively high interest rates, persistent inflation, policy shifts which may occur related to the US election, the overall outlook is favorable across Exco's segments into the medium term. Consumer demand for automotive vehicles remains stable in most markets. And while dealer inventory levels have been increasing, average transaction prices for both new and used vehicles remain firm, incentives are increasing 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. While the growth of EV's in North America and Europe has been delayed from prior expectations, contributing to a slower adoption of giga-presses, Exco nonetheless continues to expect these trends will occur and has positioned its operations to capitalize accordingly. 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 Middle East 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/.

RESULTS

Consolidated Results - Sales

Annual sales totalled $637.8 million compared to $619.3 million last year – an increase of $18.5 million or 3%. The Company continued to experience resilient demand within our Casting and Extrusion segment and sales in the Automotive Solutions segment increased slightly as the impact of the UAW strike action and program launch delays partially offset the Company's higher content per vehicle while overall automotive production volumes in North America and Europe were mostly stable. The US dollar strengthened slightly year over year ($1.36 versus $1.35) against the Canadian dollar increasing sales by $3.3 million. The Euro averaged 3% higher ($1.48 versus $1.44) against the Canadian dollar over the year increasing sales by $3.4 million. Excluding the impact of foreign exchange gains, consolidated sales increased $11.8 million or 2%.

Selected Annual Information

The following table sets out selected financial data relating to the Company's years ended September 30, 2024 and 2023. This financial data should be read in conjunction with the Company's audited consolidated financial statements for these years:

(in $ millions except per share amounts)	**2024**	2023
Sales	**$637.8**	$619.3
Net income for the year	**$29.6**	$26.3
Earnings per share from net income		
Basic and diluted	**$0.76**	$0.68
Purchase Capital Assets	**$33.9**	$39.0
Total assets	**$607.0**	$612.1
Cash dividend paid per share	**$0.42**	$0.42
EBITDA [1]	**$82.2**	$74.5

[1] Refer to reconciliation of this non-GAAP measure in the 'Non-IFRS measures' table below.

Segment Sales

- *Automotive Solutions Segment*

Sales in this segment were $330.9 million – an increase of $3.8 million or 1% from the prior year. The net effect of exchange rate changes (Euro, US, and Canadian dollar) increased sales $3.5 million compared to the prior year. The modest sales increase was driven by customer driven delays in certain program launches, unfavorable vehicle mix, the UAW strike in the first quarter, traditional summer shut-downs at OEM production facilities in North America and Europe, and relatively stable vehicle production volumes in North America and Europe compared to the prior year.

Looking forward, industry growth may be tempered near term by relatively elevated interest rates reducing consumer confidence, relatively high vehicle average transaction prices, rising dealer inventory levels, and softening global economic conditions. Notwithstanding these expected impacts, interest rates have started declining, vehicle sales remain encouraging, 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 segment's four businesses continue to focus their efforts on launching new programs, quoting significant new opportunities on all vehicle types (EV, hybrid and ICE) from both tradition OEMs and new market entrants, further broadening customer diversification and targeting higher margin activity. Management sees significant opportunity for future growth supported by strong quoting activity for new programs in both North America and Europe and as always continues to focus on pricing to protect margins.

- *Casting and Extrusion Segment*

Sales in this segment were $306.9 million – an increase of $14.7 million or 5% from the prior year. Excluding the impact of foreign exchange, segment sales increased $11.6 million or 4% compared to fiscal 2023. Demand for our extrusion tooling remains firm in both North America and Europe. Extrusion sales when compared to the prior year were negatively influenced by the elimination of steel surcharges due to lower raw material costs. High interest rates negatively influenced the building, construction and recreational vehicle extrusion end-markets throughout the year, but the construction end-market improved in the latter half of the year 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 relatively strong throughout the year. 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 – our department currently consists of six additive printers. As well, our pace of innovation within this market is clearly gaining momentum, yielding 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.

Cost of Sales

On a consolidated basis, cost of sales totalled $502.7 million – an increase of $14.0 million or 3% from the prior year. Cost of sales as a percentage of sales was 79% was consistent with the prior year. Raw material costs in the Casting and Extrusion segment (primarily tool grade steel) was generally down across all divisions. Lower steel prices resulted

in the reduction of steel surcharges within the extrusion operations which lowered sales, but resulted in higher margins. Raw material costs for the Automotive Solutions segment (primarily petroleum/natural gas-based resins, leather goods, plastic products) varied considerably depending on the product mix and demand – as a result, material costs in this segment were relatively flat. Labour costs across both segments were up which included direct, indirect, supervisory salaries and employee benefit costs. Management worked to improve productivity to offset these higher costs through workforce reductions and other manufacturing efficiencies. The severance costs associated with workforce reductions were expensed within Selling, General and Administrative expenses. Finally, in connection with the ramp up of new plants, product launches, and developing new processes, tool, shop supplies, and associated costs were elevated.

Selling, General and Administrative Expenses

Selling, general and administrative expense in the current year decreased 6% to $52.9 million from $56.3 million last year. As a percentage of sales, selling, general and administrative costs decreased from 9% to 8% year over year. Current year selling, general and administrative expenses decreased due to favorable foreign exchange rate movements, lower incentive compensation and stock-based compensation expense, and the fiscal 2023 cyber incident costs which are not expected to reoccur, these improvements were partially offset by incremental severance costs, as well as higher sales commissions, tradeshows and related travel costs.

Depreciation and Amortization

Consolidated depreciation expense was $30.2 million compared to $27.2 million the prior year. Depreciation expense within the Casting and Extrusion segment totalled $25.8 million in fiscal 2024 versus $23.1 million in fiscal 2023 and depreciation expense within the Automotive Solutions segment totalled $4.3 million versus $4.0 million last year. Amortization expense of $4.1 million in fiscal 2024 decreased from $4.7 million from 2023. The carrying value of total intangible assets amounted to $27.8 million as at September 30, 2024 – down from $30.6 million a year ago. There were essentially no additions to intangible assets in fiscal 2024. The Company expects the annual amortization and depreciation expense will total approximately $4.8 million and $30.7 million respectively in fiscal 2025. Although there remain some key capital asset purchases in fiscal 2025, it is anticipated that depreciation expense has largely plateaued and these costs will decrease in the years beyond fiscal 2025.

Interest

Net interest expense in the current year totalled $8.3 million compared to $8.1 million in fiscal 2023. The increase is due to higher interest rates in the first three quarters of fiscal 2024. Lower interest rates combined with changes to the Company's net debt during the year contributed to lower interest costs in the fourth quarter. With continued lower interest rates expected during fiscal 2025 and a further anticipated reduction to net debt, the Company anticipates lower interest costs in fiscal 2025.

Income Taxes

Exco's effective income tax rate was 25.1% in fiscal 2024 compared to an effective income tax rate of 23.8% in fiscal 2023. The change in income tax rate is due to geographic distribution, foreign tax rate differentials, a shift in the proportion of earnings from jurisdictions with higher tax rates, and losses that cannot be tax affected for accounting purposes.

Net Income

- *Consolidated*

The Company reported consolidated net income of $29.6 million or basic and diluted earnings of $0.76 per share in fiscal 2024, compared to consolidated net income of $26.3 million or basic and diluted earnings of $0.68 per share the prior year.

- *Automotive Solutions Segment - Pretax profit*

The Automotive Solutions segment recorded Pretax profit of $32.5 million for the year compared to $34.9 million last year – a decrease of $2.3 million or 7%. The decrease in pretax profit is attributable to the impact of the UAW strike in the first quarter, higher labour costs, product mix shifts, prolonged OEM production shutdowns during holiday seasons, slower than expected ramp up of certain programs due to customer driven launch delays, and higher severance costs. Industry vehicle production volumes remained relatively flat year-over-year and below pre-pandemic levels. Management is optimistic that its overall cost structure will return to targeted levels in the future as scheduling and predictability improves with strengthening volumes, new product launches continue, and the impact of efficiency efforts take hold. Pricing discipline remains a focus and action is being taken on current programs where possible, though there is typically a lag of a few quarters before the benefit is realized. As well, new program awards are priced to reflect management's expectations for higher future costs.

- *Casting and Extrusion Segment - Pretax profit*

Casting and Extrusion Pretax profit was $22.5 million for the year compared to $15.1 million last year – an increase of $7.4 million or 48%. Pretax profits increased due to higher sales within the extrusion and die-cast market (primarily new moulds, rebuilds, mould inserts and additive printed tooling). Profit margins improved due to lower raw material costs, increased overhead absorption and production efficiencies. These positive contributions were partially offset by slower than expected ramp up of Castool's newer facilities in Morocco and Mexico, a $2.7 million increase in depreciation, and higher labour costs. Management expects to temper many of these costs over the coming quarters through efficiency improvements and pricing action, where possible. Margins will also benefit as newer operations mature and achieve greater scale and as utilization of new equipment that facilitates the manufacturing of large-scale die-cast tooling improves. The higher depreciation relates to the Company's investment in new assets that will improve operations and provide access to new geographies to increase our market share. Castool's new Mexican operation opened in October 2023. This operation experienced typical start up costs and challenges but it is expected to start contributing from increased market share gains in both the die-cast and extrusion tooling markets in Mexico, Latin America and the Southern US. Management remains focused on reducing its overall cost structure and improving manufacturing efficiencies and expects such activities together with its sales efforts to continue improving segment profitability over time.

- *Corporate Segment – Pretax loss*

Corporate expense in the current year amounted to $7.2 million compared to $7.4 million in the prior year. The year over year decrease was primarily driven by favorable foreign exchange rate movements in the current year, $1.0 million cyber incident costs incurred in fiscal 2023, partially offset by higher stock based compensation expenses and increased travel and marketing costs in the current year.

EBITDA

EBITDA in the current year amounted to $82.2 million compared to $74.5 million the prior year – an increase of $7.7 million or 10%. EBITDA margin increased to 12.9% compared to 12.0% from the prior year. EBITDA in the Casting and Extrusion segment was $49.6 million, which was $10.0 million or 25.0% higher than fiscal 2023. Casting and Extrusion segment EBITDA margin increased to 16.2% from 13.5% in the prior year. The Automotive Solution

segment EBITDA was $39.6 million, which was lower by $2.6 million, or 6.2% compared to fiscal 2023. The Automotive Solution segment EBITDA margin decreased from 12.9% to 12.0% in fiscal 2024.

Quarterly Results

The following table sets out financial information for each of the eight fiscal quarters through to the fiscal year ended September 30, 2024:

($ thousands except per share amounts)	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Sales	$155,447	$161,809	$163,825	$156,710
Net income	$7,734	$8,176	$8,066	$5,642
Earnings per share				
Basic	$0.20	$0.21	$0.21	$0.15
Diluted	$0.20	$0.21	$0.21	$0.15

($ thousands except per share amounts)	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Sales	$160,152	$164,551	$155,507	$139,093
Net income	$9,210	$6,263	$6,228	$4,523
Earnings per share				
Basic	$0.24	$0.16	$0.16	$0.12
Diluted	$0.24	$0.16	$0.16	$0.12

Exco typically experiences softer sales and profits in the first fiscal quarter, which coincides with our customers' plant shutdown during the Christmas season. Exco also experiences a slowdown in the fourth fiscal quarter as customers typically schedule summer plant shutdowns and European customers typically curtail releases during the month of August to accommodate vacations. Fiscal 2024 and 2023 reflect the full 12 months of Halex operations in the sales and net income (Halex was purchased in May 2022) and the impact of the Company's new Castool Mexico and Moroccan facilities are expected to impact sales and net income more significantly in future years.

Fourth Quarter

In the fourth quarter, consolidated sales were $155.4 million – a decrease of $4.7 million or 3% from the prior year. Foreign exchange rate movements increased sales by $2.6 million in the quarter.

Fourth quarter sales in the Automotive Solutions segment of $79.2 million were down 10% from the prior year quarter. Excluding the impact of foreign exchange, segment sales decreased $9.8 million, or 11%. The sales decrease was driven by lower automotive production volumes in North America and Europe, customer driven delays in certain program launches, and unfavorable vehicle mix. Looking forward, industry growth may be tempered near term by increasing OEM inventory levels, elevated interest rates, relatively high vehicle average transaction prices, and softening global economic conditions. Countering these headwinds, , central banks are lowering interest rates, vehicle sales have remained resilient, dealer inventory levels remain below pre-COVID-19 levels, vehicle fleets continue to age, and OEM incentives are rising. As well, Exco's sales volumes are expected to benefit from awarded program launches that should 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 recorded sales of $76.3 million in the fourth quarter compared to $72.6 million last year – an increase of $3.7 million or 5%. Excluding the impact of foreign exchange movements, the segment's sales were up 3% for the quarter. Demand for our extrusion tooling remained relatively resilient in both North America and Europe, though activity slowed through the quarter with key end markets such as building and construction as well as automotive showing signs of softer conditions. Other end markets such as sustainable energy however remain firm. 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 continues to develop its Castool Morocco and Mexico locations 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 relatively 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. Our leading market 3D printing group continued strong sales activity supported by six additive printers. 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 Company's fourth quarter consolidated net income decreased to $7.7 million or earnings of $0.20 per share compared to $9.2 million or earnings of $0.24 per share in the same quarter last year. The effective income tax rate was 26% in the current quarter compared 25% in the same quarter last year. The change in income tax rate in the quarter was impacted by geographic distribution, foreign tax rate differentials and losses that cannot be tax affected for accounting purposes.

Fourth quarter pre-tax earnings in the Automotive Solutions segment totalled $7.8 million, a decrease of $2.1 million or 22% over the same quarter last year. Variances in period profitability were due to lower sales, product mix shifts, 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 given the significant rise in wages. Vehicle production volumes and product releases 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 first quarter are expected to follow typical seasonality trends due to OEM December holidays. 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.

Fourth quarter pre-tax earnings in the Casting and Extrusion segment totalled $6.3 million, an increase of $1.0 million or 18% over the same quarter last year. The Pretax Profit improvement is due to higher sales volumes within the die-cast and extrusion end markets, program pricing improvements, favorable product mix, and efficiency initiatives

across the segment (including the ongoing use of lean manufacturing and automation to improve productivity through standardization and waste elimination). In addition, volumes at Castool's heat treatment operation continue to increase providing savings and improved production quality while efficiency initiatives at Halex are progressing. Offsetting these cost improvements were ongoing start-up losses at Castool's greenfield operations and an increase in segment depreciation ($0.5 million for the quarter) 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.

The Corporate segment in the fourth quarter recorded expenses of $2.0 million compared to $0.8 million last year was primarily due mainly to higher foreign exchange gains in fiscal 2023. As a result of the foregoing, consolidated EBITDA in the quarter was $20.6 million (13.3% of sales) compared to $22.9 million (14.3% of sales) last year.

FINANCIAL RESOURCES, LIQUIDITY AND CAPITAL RESOURCES

Cash Flows from Operating Activities

Operating cash flow before net changes in non-cash working capital was $71.6 million in fiscal 2024 compared to $70.2 million in the prior year. The $1.4 million year-over-year increase was driven by higher net income, depreciation and amortization, and interest expense partially offset by a change in deferred income tax in fiscal 2024. Net change in non-cash working capital provided $10.1 million cash in fiscal 2024 compared to $12.1 million cash used last year. Improvements to working capital were driven primarily by lower accounts receivable due management's focus on collections throughout the year, slightly lower fourth quarter sales, and due to customer payment delays in 2023 due to the UAW strike. This improvement was partially offset by lower accounts payable reflecting significant payables in the prior year associated with obligations for our capital asset purchases. After adjusting for non-cash working capital, cash provided by operating activities increased to $81.7 million in fiscal 2024 compared to $58.2 million in the prior year.

Cash Flows from Financing Activities

Cash used in financing activities amounted to $32.2 million compared to cash provided by $21.8 million in fiscal 2023. The Company paid $8.3 million in interest, $16.3 million in dividends, repurchased shares through the normal course issuer bid of $2.7 million and decreased borrowings $5.0 million. The prior year $21.8 million cash provided reflected a net increase in borrowing of $2.6 million and no additional shares purchased through the buyback.

Exco enters into lease arrangements from time to time. Exco owns 20 of its 21 manufacturing facilities and materially all of its production equipment. The Company also leases sales and support centers in Chesterfield, Michigan, a warehouse in Brownsville, Texas, and the operating facility in Weissenburg Germany. The following table summarizes the Company's significant short-term and long-term commitments on an undiscounted basis:

(000's)	Total	< 1 year	1-3 years	Over 3 years
Bank indebtedness	$-	-	-	-
Trade accounts payable	46,803	46,803	-	-
Long-term debt	105,000	-	105,000	-
Lease commitments	9,411	1,007	1,873	6,531
Purchase commitments	39,131	39,131	-	-
Capital expenditures	7,973	7,973	-	-
	$207,998	$94,594	$106,873	$6,531

∗ Exco leases facilities, automotive, material handling vehicles and other miscellaneous office equipment. It is not Exco's policy to purchase these assets at the expiry of their terms but occasionally it may purchase the assets at the end of the lease terms when the purchase options are favorable. Exco does not expect any material liquidity or capital resource impacts from these possible purchases.

Cash Flows from Investing Activities - Capital Expenditures

Cash used in investing activities in the current year totalled $33.7 million compared to $37.8 million last year. The decrease in capital asset purchases reflect management's focus on managing overall capital spending and the timing of cash outflows in addition to the completion of our Castool Mexico facility, the heat treatment facility in Newmarket, and various other capital improvement projects across the Company to support growth initiatives. Many of these initiatives began in fiscal 2022 and continued into fiscal 2023. Maintenance Fixed Asset Additions in the current year were $19.7 million compared to $14.7 million in the prior year.

In fiscal 2025, Exco plans to invest approximately $40.0 million in capital expenditures of which roughly $21.1 million is for growth capital expenditures and $18.9 million is for Maintenance Fixed Asset Additions. Major initiatives in fiscal 2025 include replacing existing heat treatment furnaces with high efficiency vacuum equipment in our Michigan facility, new larger and faster additive machines within our Large Mould business, additional multi-axis milling equipment in several locations and new equipment in our Automotive Solutions segment to support anticipated sales growth.

Financial Position and Cash Balance

The Company's conservative financial policies have served it well throughout the years and have allowed it to take advantage of acquisition opportunities and make strategic organic growth investments proactively to meet market changes.

Exco's net debt was $73.4 million on September 30, 2024 compared to $94.2 million the prior year. In fiscal 2024, the Company generated Free Cash Flow of $53.8 million, paid dividends of $16.3 million and made growth capital expenditures of $14.0 million resulting in a reduction in net debt of $20.8 million.

As at September 30, 2024, Exco retained access to $46.5 million of its $153 million committed banking facility and had cash of $31.6 million. 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 of September 30, 2024.

Non-IFRS Measures

The following tables reconcile EBITDA, EBITDA margin and Free Cash Flow for the periods to the Company's IRFS measures, cash provided by operating activities to free cash flow, and segment EBITDA disclosures:

	Three Months ended September 30		Twelve Months ended September 30	
				(in $ thousands)
	2024	2023	**2024**	2023
Net income	**$7,734**	$9,210	**$29,618**	$26,284
Provision for income tax	**2,686**	3,023	**9,915**	8,221
Income before income taxes	**10,420**	12,233	**39,533**	34,505
Depreciation	**7,848**	7,221	**30,237**	27,231
Amortization	**580**	1,172	**4,113**	4,686
Net interest expense	**1,772**	2,275	**8278**	8,068
EBITDA	**$20,620**	$22,901	**$82,161**	$74,490
Sales	**$155,447**	$160,152	**$637,791**	$619,303
EBITDA margin	**13.3%**	14.3%	**12.9%**	12.0%
Cash provided by operating activities	**$28,937**	$17,575	**$81,744**	$58,169
Interest expense, net	**(1,772)**	(2,275)	**(8,278)**	(8,068)
Maintenance fixed asset additions	**(5,431)**	(3,487)	**(19,673)**	(14,681)
Free Cash Flow	**$21,734**	$11,813	**$53,793**	$35,420

Yearly Segment EBITDA disclosure *(in $ thousands)*	Casting and Extrusion Twelve Months ended September 30		Automotive Solutions Twelve Months ended September 30	
	2024	2023	**2024**	2023
Pretax Profit	**$22,470**	$15,142	**$32,503**	$34,851
Depreciation	**25,809**	23,141	**4,344**	4,006
Amortization	**1,370**	1,305	**2,743**	3,381
EBITDA	**$49,649**	$39,588	**$39,590**	$42,238
Sales	**$306,906**	$292,193	**$330,885**	$327,110
EBITDA Margin	**16.2%**	13.5%	**12.0%**	12.9%

Quarterly Segment EBITDA disclosure *(in $ thousands)*	Casting and Extrusion Three Months ended September 30		Automotive Solutions Three Months ended September 30	
	2024	2023	**2024**	2023
Pretax Profit	**$6,312**	$5,331	**$7,836**	$9,985
Depreciation	**6,645**	6,137	**1,181**	1064
Amortization	**357**	334	**223**	838
EBITDA	**$13,314**	$11,802	**$9,240**	$11,887
Sales	**$76,285**	$72,567	**$79,162**	$87,585
EBITDA Margin	**17.5%**	16.3%	**11.7%**	13.6%

Outstanding Share Capital

As of September 30, 2024, the Company had 38,551,762 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 $9.87 per share.

CRITICAL ACCOUNTING POLICIES

Our significant accounting policies are more fully described in Note 2, "Summary of Significant Accounting Policies", to the consolidated financial statements included in this Report. The preparation of Exco's Consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amount of revenue and expenses during the reporting period.

We evaluate property, plant and equipment and other long-lived assets for impairment whenever indicators of impairment exist. Indicators of impairment include reductions in profitability, budget shortfalls, prolonged operating losses or a decision to dispose of, or otherwise change the use of, an existing fixed or other long-lived asset.

We believe that accounting estimates related to goodwill, property, plant and equipment and other long-lived asset impairment assessments are "critical accounting estimates" because: (i) they are subject to a significant measurement uncertainty and are susceptible to changes as management is required to make forward-looking assumptions regarding the impact of improvement plans on current operations, in-sourcing and other new business opportunities, program price and cost assumptions on current and future business, the timing of new program launches and future forecasted production volumes; and (ii) any resulting impairment loss could have a material impact on our consolidated net income and on the amount of assets reported on our consolidated statements of financial position.

RECENT ACCOUNTING CHANGES AND EFFECTIVE DATES

There were no accounting policy changes during the year ended September 30, 2024 that have a material impact to the Company's reporting.

IFRS 18, Presentation and Disclosure in Financial Statements

The IASB has issued IFRS 18 which is 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; disclosures in the financial statements for 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. 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.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer, together with other members of management, after evaluating the effectiveness of the Company's disclosure controls and procedures, have concluded that the Company's disclosure controls and procedures are adequate and effective as of September 30, 2024 in ensuring that material information relating to the Company and its consolidated subsidiaries would have been known to them.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

During the most recent period, there have been no changes in the Company's existing policies and procedures and other processes that comprise its internal control over financial reporting, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer, together with other members of management, have designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and its compliance with the integrated framework issued by the Committee of Sponsoring Organization of the Treadway Commission. The CEO and the CFO have supervised management in the evaluation of the design and effectiveness of the Company's internal controls over financial reporting as at September 30, 2024 and believe the design and effectiveness of the internal controls to be effective.

RISKS AND UNCERTAINTIES

As automotive production has become more reliant on global suppliers for components, shortages of critical components can disrupt worldwide vehicle production. In recent years the semiconductor chip shortage disrupted every OEM and automotive supplier to various degrees. Although the global semiconductor supply chain has improved since fiscal 2023, the industry remains vulnerable that shortages of other materials or parts can negatively impact global vehicle production. The impact to the industry may include: unplanned shutdowns of production lines and/or plants; reductions in their vehicle production plans; and changes to their product mix. These responses can result in a number of consequences at Exco such as: lower sales; production inefficiencies due to production lines being stopped/restarted unexpectedly based on OEMs' production priorities; premium freight costs to expedite shipments; and/or other unrecoverable costs. Furthermore, Tier 1 and 2 suppliers such as Exco may face price increases from suppliers. It remains unclear what the next critical component may be that will disrupt global vehicle production, and it is difficult to predict the full impact.

Geopolitical risk and international conflict (such as the conflicts between Russia and Ukraine or Israeli and Palestine) have the potential to exacerbate a number of risks described elsewhere in these Risk Factors, including: disruption of vehicle production and supply chains; worsening the availability of current critical supply chain components (like semiconductor chips since Russia and Ukraine are global suppliers of neon gas and palladium used in chip production); exacerbating energy shortages and driving energy prices higher (particularly oil and natural gas); constraining the supply of aluminum, palladium or other commodity metals required in automotive production; and increased cybersecurity threats. In response to these conflicts, a number of countries, including the U.S. and European Union member states, have taken actions such as: imposition of sanctions on regions, their leaders and certain other individuals and entities; restrictions on banking and international trade; and other measures, with further restrictions likely as these conflicts continue. Exco does not have manufacturing operations in these regions. However, Exco's global footprint creates the potential that our operations may be impacted by these sanctions or face other side effects from these conflicts.

There is a greater risk of inflationary price increases as economic activity rebounds in our primary production markets and supply chains. In recent years, we witnessed increasing commodity costs for steel, aluminum and resin. Tight labour markets, low unemployment rates, and increasing collective bargaining pressures may drive wage pressures up which increases the risk for inflationary pressure in certain markets. Inflationary pressure has eased in the last 12 months, but it is difficult to forecast and inflationary pressures could originate from new sources like tariffs or international trade conflicts. In some cases, alternative inputs may not be available in a timely manner. The inability

to offset inflationary price increases through continuous improvement actions, price increases or adjustments on our own products or otherwise, could have an adverse effect on our earnings.

Global pandemics caused by viruses or other diseases (such as COVID-19) create continued risk of further disruptions to the automotive and manufacturing industry, including additional mandatory stay-at-home orders or other restrictions. These orders may: restrict consumers' ability to purchase vehicles; restrict production; cause elevated employee absenteeism; and lead to supply chain disruptions. Over the medium- to long-term, the pandemic may result in societal changes that impact the automotive industry, positively or negatively, including as a result of expanded work-from-home practices that reduce consumers' reliance on vehicles; and/or increased reluctance by people to utilize modes of public transit and/or shared mobility.

Exco's Automotive Solutions segment services automotive component suppliers (and Tier 1 suppliers) around the world. The results of this segment depend on demand for automobiles, the level of automotive production and the type of automobiles produced (ie SUV/ CUV's versus passenger cars, and – to a lessor extent, internal combustion engine vs hybrids vs electric), the rate at which the electric vehicle is more widely adopted and the level of automobile production. These factors can fluctuate significantly with consumer confidence, general economic conditions, the cost and/or availability of consumer credit and gasoline, and the market share of individual OEM customers. Contraction and slowing GDP growth in emerging economies, North America and Europe may also have a dampening effect on consumer demand for automobiles in these regions.

A significant portion of Exco's receivables are from automotive customers. These customers have varying degrees of financial strength which could ultimately impact the collectability of the respective receivable. The majority of these receivables are with U.S. entities that can avail themselves of Chapter 11 protection from creditors in certain circumstances and avoid payment of the Company's receivables that are over 20 days from the date of the Chapter 11 filing. Exco's receivables may also be with highly leveraged customers that may have recently merged or chosen to leverage their balance sheet for tax purposes or otherwise increase their investment yield. Doing business with such customers typically increases the risk of default and filing for bankruptcy protection. The Company uses its best efforts to collect accounts receivable under 60 days but in some cases the terms may be notably longer and often in other currencies thereby requiring Exco to bear exchange rate risk. The Company often has the benefit of statutory or common law liens on its products, however, it is not uncommon for significant receivables to be outstanding for considerable periods, particularly in the large mould business.

In some cases, OEMs can decide to design the Company's products out of the automobile ("de-contented") or reduce the trim level on which the Company's products are installed for either aesthetic, cost or product redesign reasons. While Exco believes its focus on evolving from a component supplier to a designer and integrator of small assemblies and sub-assemblies used in automotive and trunk interiors reduces the risk of de-contenting and trimming down decisions, some of Automotive Solutions products are not critical components and may still be de-contented or see lower levels of penetration.

OEMs or their suppliers may have excess production capacity or collective agreements which preclude efficient capacity reduction during times of declining sales. In these cases, OEMs and/or their suppliers may choose to fill their excess capacity by taking production from their suppliers and manufacturing the parts themselves. This process of 'in-sourcing' may have the impact of reducing the amount of business available to suppliers such as Exco.

Exco has a significant number of employees worldwide and, accordingly, the availability of labour is critical and wages are a major manufacturing input cost. In Mexico particularly, where Exco has approximately 40% its employees at five production facilities, all of which are represented by national labor unions, real wage increases may materially impact the Company's financial performance.

Exco sells to its automotive customers pursuant to purchase orders which typically sets out price per unit but not volumes or fixed terms. These purchase orders may be terminated at any time with limited recourse for compensation or damages and pricing is typically adjusted downward from time to time in the form of 'cost downs'. Termination of purchase orders and 'cost downs' may impact Exco's margin and overall earnings if not contemporaneously offset by new business at better margin or cost reductions. Furthermore, in any given year, any number of programs will be expiring. While Exco is constantly quoting on replacement programs or new programs, there is no assurance that these new programs will be awarded or that if awarded, the pricing and margin will be comparable to those of programs ending.

The Casting and Extrusion segment is a capital goods business. Interest rates, exchange rates, corporate capital spending, the general economic climate, business confidence and the financial strength of our customers affect the demand for Exco's dies, moulds and consumable parts for die-cast and extrusion machines. Abrupt changes in these factors often bring about dramatic changes in demand and pricing. Exco believes that its broad product line, geographic and customer diversification and leadership position in its niche markets mitigate this risk.

Exco is a global manufacturer which has organized its global production and logistics footprint based on, among other things, the extent of duties/levies imposed on the import/export of our products and raw material inputs. In recent years governments have postured with more protectionist tones with respect to international trade thereby restricting access to their markets by increasing or creating new tariffs. New tariffs and importing restrictions may have a negative or positive impact on Exco's operations depending on how these tariffs are implemented, the geographic focus, and which countries add tariffs. If governments continue to pursue protectionist trade practises with respect to automotive components or their raw materials or subassemblies, Exco may be prejudiced.

Exco has made six acquisitions in the last 13 years (Allper AG, Exco Colombia, Extrusion Texas, Automotive Leather Company, AFX Industries and Halex) and may make others in the future. Acquisitions inherently involve risk. While Exco has concluded many acquisitions that have been very successful, there have also been disappointing acquisitions which have adversely impacted earnings. Integration of acquired companies may not be effective or timely especially with respect to operations in countries where Exco has not previously done business.

Exco's Canadian operations negotiate sales contracts with customers in both Canadian and U.S. dollars as well as Euro. We also purchase, where we can, raw material in these currencies. U.S. dollar and Euro purchases provide a natural partial hedge against U.S. dollar and Euro sales of Exco's Canadian operations. As for the remaining foreign exchange exposure in these currencies not naturally hedged, Exco does not typically enter into forward contracts but prefers to incur U.S. dollar or Euro debt, from time to time as appropriate. Despite these measures, Exco is structurally a net seller of U.S. dollars and, to a lesser extent Euro, with increasing adverse financial impact as the U.S. dollar and Euro decline in value against the Canadian dollar. While Exco has made considerable progress in reducing its reliance on U.S. dollar sales, markets which Exco currently services may experience rising competition from imports which have become more competitive as a result of foreign exchange movements.

Exco's U.S. operations earn profits in U.S. dollars while our Canadian operations are exposed to fluctuations in the value of the Canadian dollar relative to the U.S. dollar on U.S. dollar sales less purchases. For fiscal 2025, if the Canadian dollar were to strengthen or weaken by $0.01 in fiscal 2025 from a baseline level of $1.35 USD/CAD, it is estimated that pre-tax profit would change by about $829 thousand or about $647 thousand after tax. These estimates are based on historical norms and may be materially different if customers deviate from their past practices.

Exco's has five manufacturing operations in Mexico and accordingly incurs a portion of its labour and other expenses in Mexican pesos. In turn, these Mexican pesos expenses are incurred to mainly support US dollar denominated sales.

Consequently, any strengthening of the Mexican pesos against the US dollar reduces our profitability, all other things equal. In recognition of this risk, Exco hedges a portion of its Mexican pesos/ US dollar exposure with various foreign exchange contacts and options. For fiscal 2025, if the Mexican pesos were to strengthen or weaken by 1% versus the US dollar from a baseline USD/MEX rate of 16.9:1, and further assuming the Canadian dollar strengthens or weakens against the US dollar also by 1% from a baseline USD/CAD rate of 1.35, we estimate pre-tax profit would change by $572 thousand or about $372 thousand after tax. These estimates are based on historical norms and may be materially different if customers deviate from their past practices.

Exco also has manufacturing facilities in Colombia, Brazil, Thailand, Morocco and Europe and Exco's presence in jurisdictions such as these has generally been increasing in recent years. Some of these operations incur labor costs and often other operating expenses in local currency. In several of these countries, sales contracts and major purchases such as material and equipment are negotiated in U.S. dollars or Euro. In other countries, sales contracts and major purchases are negotiated in local functional currencies as well. Major long-term fluctuations in the value of the local currencies against the U.S. dollar and Euro have the potential to affect Exco's operating results, retained earnings and value of its investment in these countries. Exco may enter into forward contracts or 'collar' contracts from time to time in order to protect itself from currency fluctuations. These contracts are derivative instruments which, depending on their structure, may not qualify for hedge accounting treatment and accordingly may be 'marked to market' each quarter and expensed if necessary. It is difficult to anticipate fluctuations in these local currencies in the event of major economic, fiscal or political instability in these countries.

The cost of manufacturing our products is a critical factor in determining our success over the long term. Manufacturing has generally expanded to developing countries where competing technologies and lower labor-cost structures exist. Exco must compete against companies doing business in these developing countries. Exco has met this challenge by manufacturing some labour-intensive products in Mexico, Thailand and Morocco; however, many of our operations based in Canada, U.S. and Europe must compete with products manufactured in lower-cost environments.

The rapid adoption of Artificial Intelligence "AI" and technological change introduces several operational risks. As Exco and the broader automotive industry increasingly rely on AI-driven systems for manufacturing, supply chain management, and customer engagement, they become more vulnerable to cybersecurity threats, data privacy issues, and operational disruptions from system failures or technological obsolescence. Unanticipated errors in AI algorithms or software bugs could disrupt production or lead to flawed decision-making processes, affecting quality and efficiency. Furthermore, the industry-wide shift toward automation may reduce workforce requirements, potentially impacting employee morale, requiring costly retraining programs for affected workers. Additionally, as AI technology evolves, the need for continual software and hardware updates poses financial and operational challenges. Managing these risks is crucial to ensuring that AI and technology remain assets to operations rather than liabilities

Although we have established and continue to enhance security controls intended to protect our IT systems and infrastructure, there is no guarantee that such security measures will be effective in preventing unauthorized physical access or cyber attacks. A significant breach of our IT systems could: result in theft of funds; cause disruptions in our manufacturing operations; lead to the loss, destruction or inappropriate use of sensitive data; or result in theft of our, our customers' or our suppliers' intellectual property or confidential information. The occurrence of any of the foregoing could adversely affect our operations and/or reputation and could lead to claims against us that could have a material adverse effect on our profitability.

Independent auditor's report

To the Shareholders of
Exco Technologies Limited

Opinion

We have audited the consolidated financial statements of **Exco Technologies Limited** and its subsidiaries [the "Group"], which comprise the consolidated statements of financial position as at September 30, 2024 and 2023, and the consolidated statements of income and comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRS"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment	
As described in note 6 to the consolidated financial statements, the Group has a goodwill balance of $93.9 million as at September 30, 2024, of which $64.6 million was allocated to the group of cash generating units [“CGUs”] comprising the Automotive Solutions operating segment and $29.3 million to the Extrusion group of CGUs. The Group assesses at least annually, or more frequently if an indicator of impairment exists, whether there has been an impairment in the carrying value of goodwill. An impairment is recognized if the recoverable amount is less than the carrying amount of the group of CGUs to which goodwill is allocated. The Group also disclosed in note 6 that no impairment was recorded. For all impairment tests, the Group determines the recoverable amount using a value in use approach. Auditing the Group’s impairment tests was complex, given the degree of subjectivity in evaluating the Group’s estimates and assumptions in determining the various recoverable amounts. Significant assumptions included forecasted revenues and profit margins, terminal growth rate, and the discount rate, all of which are affected by expectations about future market and economic conditions.	To test the estimated recoverable amounts in the impairment tests, we performed the following procedures, among others: • We assessed the reasonableness of forecasted revenues and profit margins by comparing to supporting documentation such as customer contracts where available, approved budgets and historical performance. • We assessed the historical accuracy of estimates of forecasted revenue and profit margins to actual performance. • We evaluated the terminal growth rate by comparing to long term inflation expectations with the assistance of our valuation specialists. • We involved our valuation specialists to assess the appropriateness of the Group’s model and valuation methodology applied. They also assessed the various inputs utilized in determining the discount rate by referencing current industry, economic, and comparable company capital structures, as well as Group and cash-flow specific risk premiums. • We assessed the adequacy of the disclosures included in note 6 of the consolidated financial statements in relation to this matter.

Other information

Management is responsible for the other information. The other information comprises:

- Management’s Discussion and Analysis
- The information, other than the consolidated financial statements and our auditor’s report thereon, in the Annual Report

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis and Annual Report prior to the date of this auditor’s report. If based on the work we have performed, we conclude that there is a misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

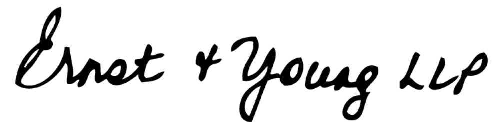
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Vrooman.



Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
November 27, 2024

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

	As at September 30, 2024	As at September 30, 2023
ASSETS		
Current		
Cash and cash equivalents	**$31,637**	$15,796
Accounts receivable (note 8)	**111,428**	128,449
Inventories (note 9)	**110,231**	111,166
Prepaid expenses and deposits	**5,395**	4,660
Derivative instruments (note 8)	**-**	5,401
Income taxes recoverable (note 13)	**-**	711
Total current assets	**258,691**	266,183
Property, plant and equipment, net (note 5)	**225,433**	222,429
Intangible assets, net (note 6)	**27,829**	30,601
Goodwill (note 6)	**93,961**	91,330
Deferred tax assets (note 13)	**1,087**	1,528
Total assets	**$607,001**	$612,071
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness (notes 4 and 8)	**$-**	$4,964
Trade accounts payable (note 8)	**46,483**	54,043
Accrued payroll liabilities (note 8)	**17,684**	17,823
Other accrued liabilities (notes 3 and 8)	**12,587**	18,061
Derivative instruments (note 8)	**858**	-
Provisions (note 7)	**8,633**	7,191
Income taxes payable	**3,716**	-
Customer advance payments (note 8)	**4,752**	5,152
Total current liabilities	**94,713**	107,234
Lease liabilities – long-term portion (note 8)	**7,251**	6,396
Long-term debt (notes 4 and 8)	**105,000**	105,000
Deferred tax liabilities (note 13)	**18,765**	22,421
Total liabilities	**225,729**	241,051
Shareholders' equity		
Share capital (note 3)	**48,315**	48,767
Contributed surplus (note 3)	**6,010**	5,791
Accumulated other comprehensive income (note 3)	**16,248**	16,829
Retained earnings	**310,699**	299,633
Total shareholders' equity	**381,272**	371,020
Total liabilities and shareholders' equity	**$607,001**	$612,071

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

On behalf of the Board:

Darren M. Kirk
President and
Chief Executive Officer

Brian A. Robbins
Director,
Executive Chairman

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

	Years ended September 30	
	2024	2023
Sales (note 11(A))	**$637,791**	$619,303
Cost of sales	**502,679**	488,709
Selling, general and administrative expenses (note 3)	**52,901**	56,271
Depreciation (note 5)	**30,237**	27,231
Amortization (note 6)	**4,113**	4,686
Loss (gain) on disposal of property, plant and equipment	**50**	(167)
Interest expense, net (note 16)	**8,278**	8,068
	598,258	584,798
Income before income taxes	**39,533**	34,505
Provision for (recovery of) income taxes (note 13)		
Current	**11,975**	5,127
Deferred	**(2,060)**	3,094
	9,915	8,221
Net income for the year	**$29,618**	$26,284
Other comprehensive income (loss)		
Items that may be reclassified to net income in subsequent periods:		
Net unrealized gain (loss) on derivatives designated as cash flow hedges (notes 3 and 8)	**(4,612)**	2,458
Unrealized gain on foreign currency translation (note 3)	**4,031**	9,753
	(581)	12,211
Comprehensive income	**$29,037**	$38,495
Income per common share		
Basic	**$0.76**	$0.68
Diluted	**$0.76**	$0.68
Weighted average number of common shares outstanding (note 12)		
Basic	**38,750**	38,912
Diluted	**38,750**	38,912

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

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

				Accumulated other comprehensive income			
	Share capital	**Contributed surplus**	**Retained earnings**	Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain on foreign currency translation	**Total accumulated other comprehensive income**	**Total shareholders' equity**
Balance, September 30, 2022	$48,767	$5,431	$289,693	$1,520	$3,098	$4,618	$348,509
Net income for the year	-	-	26,284	-	-	-	$26,284
Dividends paid (note 3)	-	-	(16,344)	-	-	-	($16,344)
Stock option expense (note 3)	-	360	-	-	-	-	$360
Other comprehensive income (note 3)	-	-	-	2,458	9,753	12,211	$12,211
Balance, September 30, 2023	48,767	5,791	299,633	3,978	12,851	16,829	371,020
Net income for the year	-	-	29,618	-	-	-	29,618
Dividends paid (note 3)	-	-	(16,259)	-	-	-	(16,259)
Stock option expense (note 3)	-	219	-	-	-	-	219
Repurchase of share capital (note 3)	(452)	-	(2,293)	-	-	-	(2,745)
Other comprehensive income loss (note 3)	-	-	-	(4,612)	4,031	(581)	(581)
Balance, September 30, 2024	**$48,315**	**$6,010**	**$310,699**	**($634)**	**$16,882**	**$16,248**	**$381,272**

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

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

	Years ended September 30	
	2024	2023
OPERATING ACTIVITIES:		
Net income for the year	**$29,618**	$26,284
Add (deduct) items not involving a current outlay of cash		
Depreciation (note 5)	**30,237**	27,231
Amortization (note 6)	**4,113**	4,686
Stock-based compensation expense	**902**	684
Deferred income tax expense (recovery) (note 13)	**(1,549)**	3,462
Net interest expense (note 16)	**8,278**	8,068
loss (gain) on disposal of property, plant and equipment	**50**	(167)
	71,649	70,248
Net change in non-cash working capital (note 14)	**10,095**	(12,079)
Cash provided by operating activities	**81,744**	58,169
FINANCING ACTIVITIES:		
Decrease in bank indebtedness	**(4,964)**	(7,399)
Financing from long-term debt (note 4)	**-**	10,000
Interest paid, net	**(8,278)**	(8,068)
Dividends paid (note 3)	**(16,259)**	(16,344)
Repurchase of share capital (note 3)	**(2,745)**	-
Cash used in financing activities	**(32,246)**	(21,811)
INVESTING ACTIVITIES:		
Purchase of property, plant and equipment (note 5)	**(33,047)**	(38,449)
Purchase of intangible assets (note 6)	**(858)**	(534)
Proceeds on disposal of property, plant and equipment	**187**	1,192
Cash used in investing activities	**(33,718)**	(37,791)
Effect of exchange rate changes on cash	**61**	205
Increase (decrease) in cash during the year	**15,841**	(1,228)
Cash and cash equivalents, beginning of year	**15,796**	17,024
Cash and cash equivalents, end of year	**$31,637**	$15,796

The accompanying notes are an integral part of these 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. MATERIAL ACCOUNTING POLICY INFORMATION

The Company's material accounting policies are outlined below:

Statement of compliance
These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements and accompanying notes as at and for the year ended September 30, 2024 were authorized for issue by the Board of Directors on November 27, 2024.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company, its subsidiaries. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has all of the following: power over the investee; exposure or rights to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

Functional and presentation currency
Items included in the financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

Transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange as at the consolidated statements of financial position dates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss in the consolidated statements of income and comprehensive income.

Translation of foreign operations
The results and financial position of group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate as at the dates of the consolidated statements of financial position; and
- Income and expenses for each statement of income and comprehensive income are translated at the exchange rates prevailing at the dates of the transactions.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recorded in other comprehensive income.

When a foreign operation is sold, exchange differences that were recorded in accumulated other comprehensive income are recognized in the consolidated statements of income and comprehensive income as part of the gain or loss on sale.

Segment reporting
Management has determined the operating segments based on the information regularly reviewed for the purposes of decision making, allocating resources and assessing performance by the Company's chief operating decision maker, which is the chief executive officer. Factors used to identify reportable segments include product categories, customers served and geographical region of operations. The chief operating decision maker evaluates the financial performance of its operating segments primarily based on net income before interest, other income (expense) and income tax expense.

Business combinations
Business combinations are accounted for using the acquisition method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets acquired and liabilities incurred or assumed. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3, *Business Combinations,* are recognized at their fair values at the acquisition date. Acquisition costs are expensed as incurred.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Where goodwill has been allocated to a Cash-Generating Unit ("CGU") or group of CGUs and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of under this circumstance is measured based on the relative fair values of the operation disposed of and the portion of the group of CGU retained.

Critical judgments and use of estimates
The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant accounts that require estimates as the basis for determining the stated amounts include accounting for inventories, property, plant and equipment, contingent liabilities, income taxes, fair value of financial instruments, and stock option valuation. Property, plant and equipment and intangible assets (including goodwill) are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and, in the case of goodwill, on an annual basis. The assessment of any impairment of property, plant and equipment and intangible assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

Impairment of non-financial assets exists when the carrying value of an asset, CGU or group of CGUs exceeds its recoverable amount, which is the higher of the fair value less costs of disposal and its value in use. The fair value less costs of disposal is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next three years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU or group of CGUs being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the terminal growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount, including a sensitivity

analysis, are disclosed and further explained in note 6.

Income taxes are determined based on estimates of the Company's current income taxes and estimates of deferred income taxes resulting from temporary differences. Deferred tax assets are assessed to determine the likelihood that they will be realized from future taxable income before they expire.

In a business combination, substantially all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair values. One of the most significant areas of judgement and estimation relates to the determination of the fair value of these assets and liabilities. The estimate of fair value of customer relationships is based on future cash flows derived from expectations of revenue, margins and attrition of acquired customer relationships.

The Company's critical accounting estimates are affected as a result of the various ongoing economic, geopolitical and social impacts, including the global economic recovery from any future outbreak of epidemic, pandemic or contagious diseases that may emerge in the human population, Russian invasion of Ukraine 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 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. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods.

Revenue recognition
The Company recognizes revenue primarily from two categories of goods: production contracts (including finished production parts and assemblies, short-term die cast tooling contracts, extrusion and other tooling) and long-term large die cast mould contracts.

Revenue for production contracts is recognized at the point in time control of the goods is transferred to the customer. Control of finished production parts, assemblies and tooling transfers when the goods are shipped from the Company's manufacturing facilities to the customer.

Revenue for long-term large die cast mould contracts is also recognized at the point in time control of the goods is transferred to the customer. Point-in-time recognition is used since these contracts do not contain an enforceable right to payment that includes a reasonable profit margin.

A receivable is recognized when control of the goods transfer to the customer, as indicated above, and consideration is unconditional. Payment terms are generally based on the customers' payment schedules, which typically range from 30 to 90 days from invoice date.

A customer advance payment is recognized if a payment is received or payment is due (whichever is earlier) from a customer before the Company transfers control of the production parts or large die cast moulds.

Share-based payments
The Company issues stock-based awards to certain employees and directors. The cost of these share-based payments equals the fair value of each tranche of awards at their grant date. The cost of the stock-based settled awards is recognized on a proportionate basis consistent with the vesting features of each tranche of the grant.

Income taxes
Provision for income tax consists of current and deferred income taxes. Provision for income tax expense is recognized in the consolidated statements of income and comprehensive income.

Current income tax expense is the expected income taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to income taxes payable with regards to previous years.

Deferred income taxes are recorded using the liability method. Under the liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible timing differences can be utilized.

Deferred income taxes are charged or credited in the consolidated statements of income and comprehensive income, except when they relate to items credited or charged directly to equity, in which case the deferred income taxes are also recorded in equity.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that all or part of the deferred income tax asset will be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that the benefit will be realized.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with remaining maturities at their acquisition date of three months or less.

Property, plant and equipment
Machinery and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. All direct costs related to the acquisition and installation of machinery and equipment are capitalized until the properties to which they relate are capable of carrying out their intended use. Machinery and equipment are depreciated using the declining balance method based on their estimated useful lives, which range from 4 to 20 years.

Other assets are recorded at cost less accumulated depreciation and accumulated impairment losses and are depreciated using the straight-line method based on estimated useful lives of the assets, which generally range from 3 to 10 years, with the exception of buildings, which have estimated useful lives of 30 years. Land is not depreciated.

Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

The depreciation methods and useful lives are assessed annually or when critical events occur that may affect the useful lives and expected pattern of consumption of economic benefits embodied in the asset.

Subsequent costs
Directly attributable expenses incurred for major capital projects are capitalized and no depreciation is recorded until the asset is brought to a working condition for its intended use. Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized when the cost is incurred and if it is probable that the future economic benefits will flow to the business unit and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized.

The costs of day-to-day servicing are expensed as incurred. These costs are more commonly referred to as "maintenance and repairs".

Intangible assets
An intangible asset is defined as being identifiable, able to bring future economic benefits to the Company and controlled by it. Intangible assets are recorded initially at cost and relate primarily to computer software, production and technology rights, and customer relationships. An intangible asset is recognized when it is probable that the expected future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets with finite lives are amortized over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization is provided based on the following estimated useful lives using the straight-line method:

- Customer relationships: 5 to 15 years
- Computer software and production and technology rights: 2 to 4 years
- Trade names: 7 years

Intangible assets acquired in a business acquisition are primarily customer relationships and are initially recorded at fair value and subsequently at cost less amortization and impairment losses.

Identifiable intangible assets are recognized separately from goodwill.

Impairment of long-lived assets and goodwill
(i) Impairment of long-lived assets
The Company's property, plant and equipment and intangible assets are reviewed for indicators of impairment as at each consolidated statement of financial position date. If indication of impairment exists, the recoverable amount of the asset is calculated in order to determine if an impairment loss is required. If it is not possible to estimate the recoverable amount of the individual asset, assets are grouped at the CGU level for the purpose of assessing the recoverable amount. An impairment loss is recognized for any excess of the carrying amount of the CGU over its recoverable amount. Impairment losses are recorded in the consolidated statements of income and comprehensive income in the period in which they occur. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the CGU on a pro-rata basis.

The recoverable amount is the greater of the asset's or CGU's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

The Company bases its impairment calculation on detailed budgets that are prepared for each of the CGU's. A long-term growth rate is calculated and applied to project future cash flows after the third year.

A previous impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized. The amount of the reversal is limited to the difference between the current carrying amount and the amount which would been the carrying amount had the earlier impairment not been recognized and amortization of that carrying amount had continued. The impairment reversal is allocated on a pro-rata basis to the existing long-lived assets of the CGU based on their carrying amounts. Impairment reversals are recorded in the consolidated statements of income and comprehensive income in the period in which they occur.

(ii) Impairment of goodwill
Goodwill is allocated to a CGU or a group of CGU's for the purpose of impairment testing based on the level at which it is monitored by management. The Company performs a goodwill impairment test annually as at September 30 or more frequently when there is an indicator that the goodwill may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU group to which the goodwill is

allocated. Where the recoverable amount of the CGU group is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Inventories

Inventories, comprising raw materials, work-in-process, finished goods and production supplies, are valued at the lower of cost and net realizable value. Cost is determined substantially on a first-in, first-out basis and an appropriate portion of normal overhead expenditure and labour. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Obsolete, redundant and slow-moving stock is identified and written down. When circumstances that previously caused inventories to be written down below cost no longer exist, the amount of the write-down previously recorded is reversed.

Determination of fair value

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests.

A fair value measurement on a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions are complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the cost of the asset is reduced by the amount of the grant.

Financial instruments

The Company recognizes financial assets and financial liabilities initially at fair value and subsequently measures these at either fair value or amortized cost based on their classification under IFRS 9, *Financial Instruments* ("IFRS 9") as described below:

Amortized cost:

The Company classifies financial assets held to collect contractual cash flows at amortized cost, including trade and other receivables. The Company initially recognizes the carrying amount of such assets on the consolidated statements of financial position at fair value plus directly attributable transaction costs, and subsequently measures these at amortized cost using the effective interest rate method, less any impairment losses.

Fair value through profit or loss ("FVTPL"):

Financial assets and financial liabilities purchased or incurred, respectively, with the intention of generating earnings in the near term, and derivatives other than cash flow hedges, are classified as FVTPL. This category includes cash and cash equivalents, and derivative assets and derivative liabilities that do not qualify for hedge accounting. For items classified as FVTPL, the Company initially recognizes such financial assets and liabilities on the consolidated statements of financial position at fair value and recognizes subsequent changes in the consolidated statements of income and comprehensive income. Transaction costs incurred are expensed in the consolidated statements of income and comprehensive income.

Loans and borrowings:

The Company initially recognizes the carrying amount of such liabilities on the consolidated statements of financial position at fair value net of directly attributable transaction costs. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Impairment of financial assets:
The Company uses an "expected credit loss" ("ECL") model in determining the allowance for doubtful accounts as it relates to trade and other receivables. The Company's ECL model aligns with the simplified approach under IFRS 9, which measures lifetime ECL and forward-looking information. The Company's allowance is determined by historical experiences, and considers factors including, the aging of the balances, the customer's credit worthiness, and updates based on the current economic conditions, expectation of bankruptcies, and the political and economic volatility in the markets/location of customers.

Hedge accounting:
The Company designates the change in fair value of the entire forward contract in the Company's cash flow hedge relationship in other comprehensive income (loss) to the extent the hedge continues to be highly effective. The related other comprehensive income (loss) amounts are allocated to the consolidated statements of income and comprehensive income in the same period in which the hedged item affects earnings.

Provisions
As required under IAS 37, *Provisions, Contingent Liabilities and Contingent Assets ("IAS 37")*, provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the consolidated statements of financial position dates, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Leases
At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract: involves the use of an identified asset; provides the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and provides the right to direct the use of the asset.

A right-of-use asset and lease liability are recorded on the date that the underlying asset is available for use, representing the commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that are tied to an index or rate defined in the contract;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably likely to exercise; and
- lease payments under an optional extension if the Company is reasonably certain to exercise the extension option, and early termination penalties required under a termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value

guarantee, or if the Company changes its assessment of whether or not it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured at cost, consisting of:

- the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or restore the site on which it is located; less
- any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The lease term consists of the non-cancellable period of the lease; periods covered by options to extend the lease, when the Company is reasonably certain to exercise the option to extend; and periods covered by options to terminate the lease, when the Company is reasonably certain not to exercise the option. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability as described above.

Employee future benefits

(i) *Leave pay*
Employee entitlements to annual leave are recognized as they are earned by the employees. A provision, stated at current cost, is made for the estimated liability at each period end.

(ii) *Termination benefits*
The Company is subject to Mexican statutory laws and regulations governing Mexican employee termination benefits. Employee future benefits include statutorily mandated accrued benefits payable to employees in the event of termination in certain circumstances. Termination benefits are recognized as an expense and an associated liability at the discounted value of the expected future payments.

Accounting standards adopted in the current year

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 these amendments to IAS 1 did not have any impact on the disclosures of the Company.

Amendments to IAS 1 and IFRS Practice Statement 2
In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 in which it provided guidance and examples to help entities apply materiality judgements to account policy disclosures. The amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and provided guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments are applicable for annual periods beginning on or after January 1, 2023, with early adoption permitted. Since the amendments to IFRS Practice Statement 2 provide non-mandatory guidance, an effective date for these amendments is not necessary.
The amendments have resulted in the disclosure of only material accounting policy information in the Company's disclosures, but did not impact the measurement, recognition or presentation of any items in the Company's consolidated financial statements.

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 Organisation 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. 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
All pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards, amendments and interpretations to existing standards may have been issued but are not expected to have a material impact to the Company's consolidated financial statements.

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.

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates
In August 2023, the IASB issued amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates. The amendments address the lack of exchangeability of illiquid currencies and specify how an entity determines the exchange rate when a currency is not readily exchangeable at the measurement date as well as additional required disclosures. When a currency is not exchangeable, an entity estimates the spot rate as the rate that would have been applied to an orderly transaction between market participants at the measurement date and that would reflect the prevailing economic conditions. An entity must disclose information that would enable users to evaluate how a currency's lack of exchangeability affects financial performance, financial positions, and cash flows of an entity. The amendments to IAS 21 are effective January 1, 2025, with early adoption permitted. The Company does expect this to have an impact on the consolidated financial statements.

Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures
In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled using an electronic payment system. The amendments also clarify the requirements for assessing whether a financial asset meets the solely payments of principal and interest criterion and adds disclosure requirements for financial instruments with certain contingent features and for equity investments designated at fair value through other comprehensive income. The amendments are effective January 1, 2026, with early adoption permitted. The amendments are required to be adopted retrospectively by adjusting the opening balance of financial assets, financial liabilities and retained earnings at the date of adoption. The Company is assessing the impact of the amendments on the Company's consolidated financial statements.

3. SHAREHOLDERS' EQUITY

Authorized
The Company's authorized share capital consists of an unlimited number of common shares, an unlimited number of non-voting preference shares issuable in one or more series and 275 special shares. None of these shares have par value.

Issued
The Company has not issued any non-voting preference shares or special shares. Changes to the issued common shares are shown in the following table:

	Common Shares	
	Number of Shares	Stated Value
Issued and outstanding as at September 30, 2023	38,912,464	48,767
Purchased and cancelled pursuant to normal course issuer bid	(360,702)	(452)
Issued and outstanding as at September 30, 2024	38,551,762	48,315

Accumulated other comprehensive income
Included in accumulated other comprehensive income in shareholders' equity are gains and losses arising from the translation of the Company's foreign subsidiaries, net gains and losses on derivatives designated as cash flow hedges and reclassification to income of net gains and losses on cash flow hedges as summarized in the following table:

	2024	2023
Opening balance	**$16,829**	$4,618
Net unrealized gain (loss) on derivatives designated as cash flow hedges (1)	**(4,612)**	2,458
Unrealized gain on currency translation adjustments	**4,031**	9,753
Total other comprehensive income (loss) for the year	**(581)**	12,211
Closing balance	**$16,248**	$16,829

(1) Net of deferred taxes of $1,646 (2023 – $877).

Cash dividends
During the year, the Company paid four quarterly cash dividends totaling $16,259 (2023 – $16,344). The dividend rate per quarter was $0.105 per common share.

Stock Option Plan
The Company grants stock options to buy common shares of the Company to officers and employees. The Board of Directors grants such options for periods of up to 10 years, with vesting periods determined at its sole discretion and at prices equal to the average closing market prices for the five days preceding the date on which the options were granted.

The Company follows the fair-value-based method of accounting for stock-based compensation. The fair value of the options is recognized as compensation expense in selling, general and administrative expenses in the consolidated statements of income and comprehensive income over the vesting period with a corresponding increase to contributed surplus. The contributed surplus balance is reduced as the options are exercised, and the amount initially recorded for the options in contributed surplus is credited to share capital, along with the proceeds received on exercise.

The following table shows the changes to the number of stock options outstanding during the year:

	2024		2023	
	Number of Options	**Weighted Average Exercise Price**	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	**1,106,500**	**$8.82**	1,046,500	$9.16
Granted	**-**	**-**	200,000	$7.97
Cancelled/Forfeited	**(5,000)**	**$7.97**	-	-
Expired	**(140,000)**	**$9.87**	(140,000)	$10.15
Balance, end of year	**961,500**	**$8.68**	1,106,500	$8.82

The following table summarizes information about stock options outstanding and exercisable as at September 30, 2024:

	Options Outstanding			**Options Exercisable**	
Range of Exercise Prices	**Number Outstanding**	**Weighted Average Remaining Contractual Life**	**Weighted Average Exercise Price**	**Number Exercisable**	**Weighted Average Exercise Price**
$7.97 - $8.50	450,000	2.52 years	$8.15	182,000	$8.22
$8.51 - $9.00	269,000	0.65 years	$8.56	214,500	$8.56
$9.01 - $9.78	242,500	2.71 years	9.78	97,000	$9.78
$7.97 - $9.78	**961,500**	**2.05 years**	**$8.68**	**493,500**	**$8.67**

The number of common shares available for future issuance of options as at September 30, 2024 is 1,085,338 (2023 – 940,338). The number of options outstanding together with those available for future issuance totals 2,046,838 (2023 – 2,046,838) or 5.3% (2023 – 5.3%) of the issued and outstanding common shares. The options are granted for a term of 5 to 10 years, and the options vest at 20% at each anniversary date from the date of grant.

Stock-based compensation

Stock-based compensation resulting from applying the Black-Scholes option pricing model to the Company's Stock Option Plan was $219 for the year ended September 30, 2024 (2023 – $360). All stock-based compensation has been recorded in selling, general and administrative expenses. The weighted average assumptions used to measure the fair value of stock options and the weighted average fair value of options granted during the years ended September 30, 2024 and 2023 are as follows:

	2024	2023
Risk-free interest rates	-	2.92%
Expected dividend yield	-	5.483%
Expected volatility	-	30.30%
Expected time until exercise	-	5.50 years
Weighted average fair value of the options granted	-	$1.35

DSU plan

The Company has a Deferred Share Unit ("DSU") plan for Independent Directors. Under the DSU plan, a portion of the quarterly remuneration of a director is credited to the director's DSU account in the form of deferred share units on the last business day of the quarter. The number of DSUs credited to the director's account is determined by dividing the portion of a director's quarterly remuneration allocated to DSUs by the weighted average price of the common share value traded in the last five business days of the quarter. DSUs are fully vested upon being credited to a director's DSU account. The DSUs will be redeemed by the Company in cash payable 60 days after the Independent Director departs from the Board of Directors at the fair market value at the payment date. Changes in the fair value of DSUs is recognized as compensation expense in selling, general and administrative expenses in the consolidated statements of income and comprehensive income with the corresponding credit or debit to other accrued liabilities.

During the year ended September 30, 2024, the Company granted 21,895 DSUs (2023 – 29,033 DSUs) and redeemed 29,864 (2023 – 8,563). During the year ended September 30, 2024 the Company recorded stock-based compensation expense of $245 (2023 – $168) related to awards under the DSU plan with a corresponding adjustment to other accrued liabilities. As at September 30, 2024, 129,496 DSUs are outstanding with a carrying value of $1,038 recorded in other accrued liabilities (2023 – 137,465 and $1,013).

RSU plan

The Company has a Restricted Share Unit ("RSU") plan for officers and employees. The Board of Directors grants RSUs with a typical vesting period of 3 years and at prices equal to the weighted average closing market prices for the five days preceding the date on which the units were granted. The RSUs will be redeemed by the Company in cash payable upon vesting or prior to expiry date at the fair market value at the payment date. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. Changes in the fair value of RSUs is recognized as compensation expense in selling, general and administrative expenses in the consolidated statements of income and comprehensive income with the corresponding credit or debit to other accrued liabilities. During the year ended September 30, 2024 the Company recorded stock-based compensation expense of $123 (2023 – $41) related to awards under the RSU plan with a corresponding adjustment to other accrued liabilities.

	2024	2023
	Number of Units	Number of Units
Balance, beginning of year	**18,820**	-
Granted	**30,927**	18,820
Balance, end of year	**49,747**	18,820

PSU plan

The Company has a Performance Share Unit ("PSU") plan for officers and employees. The Board of Directors grants PSUs with a typical vesting period of 3 years and at prices equal to the weighted average closing market prices for the five days preceding the date on which the units were granted. The PSUs will be redeemed by the Company in cash payable upon vesting or prior to expiry date at the fair market value at the payment date provided all vesting conditions are met. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. Changes in the fair value of PSUs is recognized as compensation expense in selling, general and administrative expenses in the consolidated statements of income and comprehensive income with the corresponding credit or debit to other accrued liabilities. During the year ended September 30, 2024, the Company recorded stock-based compensation expense of $316 (2023 – $115) related to awards under the PSU plan with a corresponding adjustment to other accrued liabilities.

	2024	2023
	Number of Units	Number of Units
Balance, beginning of year	**43,914**	-
Granted	**56,509**	43,914
Balance, end of year	**100,423**	43,914

Contributed surplus

Contributed surplus consists of accumulated stock option expense less the carrying amount of the options that have been exercised and reclassified to share capital. The following is a continuity schedule of contributed surplus:

	2024	2023
Balance, beginning of year	**$5,791**	$5,431
Stock option expense	**219**	360
Balance, end of year	**$6,010**	$5,791

Normal course issuer bid

In each of February 2024, 2023 and 2022, 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, 1,785,000 and 1,955,000 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 year, 360,702 common shares were repurchased at a cost of $2,745 under these normal course issuer bids (2023 – nil).

4. BANK INDEBTEDNESS AND LONG-TERM DEBT

The operating lines are available in Canadian dollars and Euros at variable rates ranging from prime minus 0.5% to prime plus 0.75%. The Company's JP Morgan credit facilities are collateralized by a general security agreement over its North American assets.

		Utilizations		
	Facilities	**Current**	**Long-Term**	**Unused and Available**
JP Morgan, credit facility (Canada, U.S.A.)	**$150,000**	$-	$105,000	$45,000
JP Morgan, operating line (Europe)	**1,508**	-	-	$1,508
	$151,508	**$-**	**$105,000**	**$46,508**

	2024	2023
Prime rate in Canada	**6.45%**	7.2%
Prime rate in USA	**8.0%**	8.5%
Prime rate in Eurozone	**3.65%**	4.5%

Effective November 7, 2022, the Company closed an amendment to increase the Committed Revolving Credit Facility ("Credit Facility") with JP Morgan Chase Bank N.A. to $150,000, of which $105,000 has been utilized as at September 30, 2024 (2023 – $109,964). The Credit Facility has a three-year term and there are no specific repayment terms prior to maturity. During FY 2024, the Credit Facility was renewed for an additional 3 years with next renewal date being March 25, 2027. The Credit Facility is collateralized by a general security agreement covering all assets of the Company's Canadian and US subsidiaries 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, CDOR or Euribor base rates plus a relevant margin depending on the level of the Company's net leverage ratio. Pursuant to the terms of the credit agreement, the Company is required to maintain compliance with net worth and net leverage ratio covenants. The Company is in compliance with these covenants as at September 30, 2024.

Additionally, the Company maintains an operating line facility of EUR 1.0 million with JP Morgan Chase Bank N.A. London Branch related to any needs for euro currency. The facility totals $1,508 (EUR 1.0 million) and bears interest based on Euribor. The Company had no utilization as at September 30, 2024 (2023 – nil).

The components of long-term debt are as follows:

	September 30, 2024	September 30, 2023
Bank debt	**$105,000**	$109,964
Less: current portion	**-**	4,964
Long-term debt, long-term portion	**$105,000**	$105,000

5. PROPERTY, PLANT AND EQUIPMENT

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	Total
Cost							
Balance as at September 30, 2022	$260,324	$24,824	$93,195	$14,517	$29,861	$8,551	$431,272
Additions	4,530	1,856	1,879	-	29,453	731	38,449
Reclassification	29,419	536	9,109	-	(39,064)	-	-
Less: disposals	(6,950)	(1,120)	(224)	(77)	-	(958)	(9,329)
Foreign exchange movement	3,734	399	1,696	384	459	389	7,061
Balance as at September 30, 2023	291,057	26,495	105,655	14,824	20,709	8,713	467,453
Additions	5,717	1,544	1,518	-	22,663	1,605	33,047
Reclassification	24,117	1,679	8,655	-	(34,451)	-	-
Less: disposals	(4,736)	(1,970)	(32)	-	-	(208)	(6,946)
Foreign exchange movement	(807)	(139)	234	(6)	(21)	364	(375)
Balance as at September 30, 2024	**$315,348**	**$27,609**	**$116,030**	**$14,818**	**$8,900**	**$10,474**	**$493,179**

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	Total
Accumulated depreciation and impairment losses							
Balance as at September 30, 2022	$158,910	$18,306	$45,660	$-	$ -	$1,293	$224,169
Depreciation for the year	19,926	2,509	4,029	-	-	767	27,231
Less: disposals	(6,691)	(1,088)	(186)	-	-	(340)	(8,305)
Foreign exchange movement	1,242	326	349	-	-	12	1,929
Balance as at September 30, 2023	173,387	20,053	49,852	-	-	1,732	245,024
Depreciation for the year	22,125	2,583	4,648	-	-	881	30,237
Reclassification	7	(7)	-	-	-	-	-
Less: disposals	(4,622)	(1,854)	(31)	-	-	(202)	(6,709)
Foreign exchange movement	(727)	(116)	(3)	-	-	40	(806)
Balance as at September 30, 2024	**$190,170**	**$20,659**	**$54,466**	**$-**	**$-**	**$2,451**	**$267,746**
Carrying amounts							
As at September 30, 2023	$117,670	$6,442	$55,803	$14,824	$20,709	$6,981	$222,429
As at September 30, 2024	**$125,178**	**$6,950**	**$61,564**	**$14,818**	**$8,900**	**$8,023**	**$225,433**

As at September 30, 2024, the Company has deposits for machinery and equipment and building under construction totalling $8,900 (2023 – $20,709). These assets are not being depreciated because they are under construction and not available for use. Right of use assets are primarily comprised of building leases. The current portion of lease liabilities $991 (2023 – $688) is included in Other accrued liabilities in the consolidated statements of financial position.

6. INTANGIBLE ASSETS AND GOODWILL

	Computer Software and Other	Acquisition Intangibles**	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Cost					
Balance as at September 30, 2022	$9,585	$58,163	$24	$67,772	$88,699
Additions	444	-	90	534	-
Less: disposals	(831)	-	-	(831)	-
Reclassifications	33	-	(33)	-	-
Foreign exchange movement	104	(1)	2	105	2,631
Balance as at September 30, 2023	$9,335	$58,162	$83	$67,580	$91,330
Additions	631	-	227	858	-
Less: disposals	(664)	-	-	(664)	-
Reclassification	129	-	(129)	-	-
Foreign exchange movement	(12)	474	1	463	2,631
Balance as at September 30, 2024	**$9,419**	**$58,636**	**$182**	**$68,237**	**$93,961**

	Computer Software and Other	Acquisition Intangibles**	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Accumulated amortization and impairment losses					
Balance as at September 30, 2022	$7,852	$25,474	$-	$33,326	$-
Amortization for the year	751	3,935	-	4,686	-
Less: disposals	(831)	-	-	(831)	-
Foreign exchange movement	1	(203)	-	(202)	-
Balance as at September 30, 2023	7,773	29,206	-	36,979	-
Amortization for the year	729	3,384	-	4,113	-
Less: disposals	(664)	-	-	(664)	-
Foreign exchange movement	(26)	6	-	(20)	-
Balance as at September 30, 2024	**$7,812**	**$32,596**	**$-**	**$40,408**	**$-**

Carrying amounts					
As at September 30, 2023	$1,562	$28,956	$83	$30,601	$91,330
As at September 30, 2024	**$1,607**	**$26,040**	**$182**	**$27,829**	**$93,961**

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

Impairment testing
The total goodwill of $93.9 million as at September 30, 2024 is allocated as $29.3 million to the Extrusion group of CGUs and $64.6 million to the Automotive Solutions operating segment. The Company performed its annual impairment test on September 30 and determined that the recoverable amounts for the Extrusion group of CGUs and the Automotive Solutions operating segment exceed their carrying amounts and, as a result, no impairment was recorded.

Key assumptions to value-in-use calculations
The recoverable amounts have been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management. Cash flow beyond the budget period was extrapolated using a 2% terminal growth rate, which represents the expected growth in the global economy. The discount rate applied to future cash flows was 10.3%.

The calculation of the value-in-use is most sensitive to the following assumptions:

- Discount rates
- Terminal growth rate to extrapolate cash flows beyond the budget period
- Forecasted revenue and profit margins during the budget period

The discount rate used represents the current market assessment of the risks specific to the Automotive Solutions segment, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate is derived from the group of CGU's weighted average cost of capital, taking into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's shareholders. The cost of debt is based on the interest-bearing borrowing the Company is obliged to service. CGU specific risk is incorporated by applying different debt to equity ratios.

Sensitivity to changes in assumptions
Management has performed sensitivities on the assumptions used in the value-in-use calculations, and the recoverable amount still exceeds the carrying values.

7. PROVISIONS

The following table outlines the provisions at the dates of the consolidated statements of financial position and changes to the provisions during the reporting periods.

	2024	2023
Severance	**$8,533**	$7,091
Warranties	**100**	100
	$8,633	$7,191

The carrying values of the above provisions are management's best estimate based on information available. The ultimate amounts of the payments approximate the provision amounts and the timing of payments is expected to be within the next twelve months. There is no reimbursement expected for any of these provisions.

The movement in the provision accounts is as follows:

	Severance	Warranties	Total
Closing balance, as at September 30, 2022	$6,309	$136	$6,445
Additions	1,997	28	2,025
Utilized	(1,261)	-	(1,261)
Reversals	(288)	(64)	(352)
Foreign exchange differences	334	-	334
Closing balance, as at September 30, 2023	**$7,091**	**$100**	**$7,191**
Additions	2,785	-	2,785
Utilized	(1,333)	-	(1,333)
Reversals	(12)	-	(12)
Foreign exchange differences	2	-	2
Closing balance, as at September 30, 2024	**$8,533**	**$100**	**$8,633**

8. FINANCIAL INSTRUMENTS

The Company classifies its financial instruments as follows:

Cash and cash equivalents	Financial assets – held for trading measured at fair value
Accounts receivable	Financial assets – measured at amortized cost
Trade accounts payable	Financial liabilities – measured at amortized cost
Bank indebtedness	Financial liabilities – measured at amortized cost
Customer advance payments	Financial liabilities – measured at amortized cost
Accrued liabilities	Financial liabilities – measured at amortized cost
Derivative instruments	Financial liabilities – measured at fair value
Long-term debt	Financial liabilities – measured at amortized cost

Foreign exchange contracts
The Company entered into a series of collars extending through to September 7, 2027 and designated them as cash flow hedges against Mexican payroll and other local Mexican costs. The total amount of these collars is 648.0 million Mexican pesos (2023 – 408.0 million Mexican pesos). The selling price ranges from 18.75 to 24.15 Mexican pesos to each US dollar.

Management estimates that a cumulative loss of $858 (2023 – cumulative gain $5,401) would be realized if these collars were terminated on September 30, 2024. Net of deferred taxes of $224, the cumulative loss of $634 is recorded in other comprehensive income. During the year, the estimated fair value loss of $4,612, net of deferred taxes of $1,646 (2023 – gain of $2,458, net of deferred taxes of $877) has been included in other comprehensive income, and the cumulative loss of $858 is recorded in the consolidated statements of financial position under the caption derivative instruments.

Risks and uncertainties
The Company, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of the risks and how they are managed:

a) Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party fails to meet its contractual obligations. The Company's primary credit risk is its cash and cash equivalents, trade accounts receivable and foreign exchange forward

contracts with positive fair values. Cash and cash equivalents are only invested in bank term deposits and bank commercial paper with an investment grade credit rating. Credit risk is further reduced by limiting the amount which is invested in certain major financial institutions. The Company is also exposed to credit risk from the potential default by any of its counterparties on its foreign exchange forward contracts. The Company mitigates this credit risk by dealing with counterparties who are major financial institutions that the Company anticipates will satisfy their obligations under the contracts. The carrying amount of its trade accounts receivable represents the Company's estimate of its maximum credit exposure. The Company regularly monitors its credit risk exposure and takes steps such as credit approval procedures, establishing credit limits, utilizing credit assessments and monitoring practices to mitigate the likelihood of these exposures from resulting in an actual loss. The carrying amount of the trade accounts receivable disclosed in the consolidated statements of financial position is net of allowance for doubtful accounts. Allowance for doubtful accounts is estimated using the expected credit loss model. The Company uses historical experience, and considers factors including, the aging of balances, the customer's credit worthiness, updates based on the current economic conditions, expectations of bankruptcies, and the political and economic volatility in the markets/locations of customers to estimate the allowance. Subsequent recoveries of amounts previously written off are credited against operating expenses in the consolidated statements of income and comprehensive income. As at September 30, 2024, the accounts receivable balance (net of allowance for doubtful accounts) is $111,428 (2023 – $128,449) and the Company's five largest trade debtors account for 30.25% of the total accounts receivable balance (2023 – 31.8%).

The following table presents a breakdown of the Company's accounts receivable balances:

	2024	2023
Trade accounts receivable	**$106,147**	$124,919
Employee receivable	**181**	130
Sales tax receivable	**5,912**	2,982
Other	**994**	2,484
Less: allowance for doubtful accounts	**(1,806)**	(2,066)
Total accounts receivable, net	**$111,428**	$128,449

The aging of trade accounts receivable balances is as follows:

	2024	2023
Not past due	**$93,294**	$103,768
Past due 1–30 days	**9,045**	14,712
Past due 31–60 days	**1,428**	2,250
Past due 61–90 days	**632**	1,600
Past due over 90 days	**1,750**	2,589
Less: allowance for doubtful accounts	**(1,806)**	(2,066)
Total trade accounts receivable, net	**$104,343**	$122,853

The movement in the allowance for doubtful accounts is as follows:

	2024	2023
Opening balance	**$2,066**	$2,074
Additions	**560**	280
Utilized	**(508)**	(261)
Reversal	**(321)**	(58)
Exchange differences	**9**	31
Closing balance	**$1,806**	$2,066

b) Liquidity risk
Liquidity risk refers to the possibility that the Company may not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by minimizing its financial leverage and arranging credit facilities in order to ensure sufficient funds are available to meet its financial obligations. This is achieved by continuously monitoring cash flows from its operating, investing and financing activities.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following tables summarize the Company's significant commitments on an undiscounted basis and corresponding maturities:

			2024	
	Total	**< 1 Year**	**1–3 Years**	**Over 3 Years**
Trade accounts payable	**$46,483**	**$46,483**	**$-**	**$-**
Long-term debt	**105,000**	**-**	**105,000**	**-**
Leases	**9,411**	**1,007**	**1,873**	**6,531**
Purchase commitments	**39,131**	**39,131**	**-**	**-**
Capital expenditures	**7,973**	**7,973**	**-**	**-**
	$ 207,998	**$ 94,594**	**$ 106,873**	**$ 6,531**

			2023	
	Total	< 1 Year	1–3 Years	Over 3 Years
Bank indebtedness	$4,964	$4,964	$ -	$-
Trade accounts payable	54,043	54,043	-	-
Long-term debt	105,000	-	105,000	-
Leases	8,217	696	1,201	6,320
Purchase commitments	44,498	44,498	-	-
Capital expenditures	8,743	8,743	-	-
	$225,465	$112,944	$106,201	$6,320

c) Foreign exchange risk
The Company operates in Canada with subsidiaries located in the United States, Mexico, Colombia, Brazil, Thailand, Germany, Italy and Morocco. It is exposed to foreign exchange transaction and translation risk through its operating activities. Unfavourable changes in the exchange rates may affect the operating results and shareholders' equity of the Company. In order to mitigate the foreign currency exposure, the Company reduces part of its foreign exchange risk by sourcing a significant portion of its manufacturing inputs in the currency that its sales are denominated in. In addition to the above natural hedge, the Company also uses collars to hedge cash outflows for the Mexican payroll and other

local Mexican costs. These collars are designated as cash flow hedges. The resulting gain or loss on the valuation of these financial instruments is recognized in other comprehensive income. The Company does not mitigate the translation risk exposure of its foreign operations due to the fact that these investments are considered to be long-term in nature.

With all other variables held constant, the following tables outline the Company's annual foreign exchange exposure at one percent fluctuation between various operating currencies compared with the average annual exchange rate.

	1% Fluctuation USD vs. CAD	1% Fluctuation EUR vs. CAD	1% Fluctuation MXP vs. CAD
Income before income taxes	+/- $1,630	+/- $32	+/- $14
Other comprehensive income	+/- $3,581	+/- $830	+/- $404

	1% Fluctuation COP vs. CAD	1% Fluctuation BRL vs. CAD
Income before income taxes	+/- $2	+/- $5
Other comprehensive income	+/- $76	+/- $49

d) Interest rate risk
The Company's exposure to interest rate risk relates to its net cash position, variable rate credit facilities and variable rate long-term debt. The Company mitigates its interest rate risk exposure by reducing or eliminating its overall debt position. Net income or loss is sensitive to the impact of a change in interest rates on the average balance of interest-bearing financial liabilities during the year.

e) Fair value
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.

Due to their short-term nature, the fair value of cash and cash equivalents, accounts receivable, trade accounts payable and customer advance payments are assumed to approximate their carrying value.
The fair values of derivative instruments that are not traded in an active market, such as over-the-counter foreign exchange options and collars, are determined using quoted forward exchange rates as at the consolidated statements of financial position dates and are Level 2 instruments.

The estimated fair value of long-term debt approximates its carrying value as the instruments' terms and interest rate are market based.

During the year ended September 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:

	2024		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	**$31,637**	**$31,637**	$15,796	$15,796
Accounts receivable	**111,428**	**111,428**	128,449	128,449
Trade accounts payable	**(46,483)**	**(46,483)**	(54,043)	(54,043)
Bank indebtedness	**-**	**-**	(4,964)	(4,964)
Customer advance payments	**(4,752)**	**(4,752)**	(5,152)	(5,152)
Accrued liabilities	**(30,271)**	**(30,271)**	(35,884)	(35,884)
Derivative instruments	**(858)**	**(858)**	5,401	5,401
Long-term debt	**($105,000)**	**($105,000)**	($105,000)	($105,000)

9. INVENTORIES

	2024	2023
Raw materials	**$55,630**	$54,378
Work-in-process	**27,721**	31,619
Finished goods	**20,713**	20,051
Production supplies	**12,609**	10,049
Less: obsolescence provision	**(6,442)**	(4,931)
	$110,231	$111,166

The movement in the obsolescence provision accounts is as follows:

	2024	2023
Opening balance	**$4,931**	$4,870
Additions	**2,183**	1,187
Utilized	**(544)**	(1,035)
Reversals	**(165)**	(153)
Exchange differences	**37**	62
Closing balance	**$6,442**	$4,931

During the year, inventories of $271,035 (2023 – $277,152) were expensed, of which $2,183 was from the write-downs of inventories (2023 – $1,187), with reversal of write-downs of $165 (2023 – $153).

10. CAPITAL MANAGEMENT

The Company defines capital as long-term debt, bank indebtedness, and shareholders equity less cash and cash equivalents. As at September 30, 2024, total managed capital amounts to $454,635 (2023 – $465,188), consisting of net debt of $73,363 (2023 – $94,168) and shareholders' equity of $381,272 (2023 – $371,020).

The Company's objectives when managing capital are to:

- utilize short-term funding sources to manage its working capital requirements and fund capital expenditures required to execute its operating and strategic plans; and
- maintain low overall debt levels relative to shareholders' equity with a strong bias for short-term debt in order to minimize the cost of capital and allow maximum flexibility to respond to current and future industry, market and economic risks and opportunities.

The following ratios are used by the Company to monitor its capital:

	2024	2023
Net debt to equity ratio	**0.19:1**	0.25:1
Net debt to EBITDA ratio	**0.89:1**	1.26:1

The following table details the net debt calculation used in the net debt to equity ratio as at the years ended as indicated:

	2024	2023
Bank indebtedness and long-term debt	**$105,000**	$109,964
Less: cash and cash equivalents	**(31,637)**	(15,796)
Net debt	**$73,363**	$94,168

The net debt to EBITDA ratio is calculated by dividing the net debt by EBITDA, and the Company calculates EBITDA as earnings before other income (expense), interest, taxes, depreciation and amortization.

Based on the current funds available and the expected cash flows from operations, management believes that the Company has sufficient funds to meet its liquidity requirements.

The Company is not subject to any capital requirement imposed by regulators; however, the Company must adhere to a net worth covenant related to the terms of its bank credit facility. As at September 30, 2024, the Company is in compliance with the required financial covenants.

11. OTHER INFORMATION

A. SEGMENTED INFORMATION

Operating segments
The Company has two operating segments: Casting and Extrusion and Automotive Solutions. The accounting policies followed in the operating segments are consistent with those outlined in note 2 to the consolidated financial statements.

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.

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 net income before interest, other income (expense) and income tax expense.

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

				2024
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$332,900**	**$333,511**	**$-**	**$666,411**
Intercompany sales	**(25,994)**	**(2,626)**	**-**	**(28,620)**
Net sales	**306,906**	**330,885**	**-**	**637,791**
Depreciation	**25,809**	**4,344**	**84**	**30,237**
Amortization	**1,370**	**2,743**	**-**	**4,113**
Segment pre-tax income (loss) before interest	**22,470**	**32,503**	**(7,162)**	**47,811**
Net interest expense				**(8,278)**
Income before income taxes				**39,533**
Property, plant and equipment additions	**26,749**	**6,298**	**-**	**33,047**
Property, plant and equipment, net	**186,930**	**37,310**	**1,193**	**225,433**
Intangible asset additions	**774**	**84**	**-**	**858**
Intangible assets, net	**10,375**	**17,454**	**-**	**27,829**
Goodwill	**29,346**	**64,615**	**-**	**93,961**
Total assets	**402,252**	**236,101**	**(31,352)**	**607,001**
Total liabilities	**55,703**	**57,396**	**112,630**	**225,729**

				2023
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	$321,567	$329,767	$-	$651,334
Intercompany sales	(29,374)	(2,657)	-	(32,031)
Net sales	292,193	327,110	-	619,303
Depreciation	23,141	4,006	84	27,231
Amortization	1,305	3,381	-	4,686
Segment pre-tax income (loss) before interest	15,142	34,851	(7,420)	42,573
Net interest expense				(8,068)
Income before income taxes				34,505
Property, plant and equipment additions	31,980	6,455	14	38,449
Property, plant and equipment, net	186,273	34,879	1,277	222,429
Intangible asset additions	444	90	-	534
Intangible assets, net	10,487	20,114	-	30,601
Goodwill	27,844	63,486	-	91,330
Total assets	391,920	235,567	(15,416)	612,071
Total liabilities	66,801	68,074	106,176	241,051

Geographic and customer information

Sales	2024	2023
Canada	**$44,383**	$47,055
United States	**382,995**	365,533
Europe	**136,768**	125,829
Mexico	**42,292**	49,461
South America	**13,853**	14,435
Asia	**10,412**	9,764
Other	**7,088**	7,226
	$637,791	$619,303

In 2024 the total revenue to the Company's largest 2 customers accounted for 5.6% and 5.4% (2023 – 5.8% and 5.4%) of total sales. The accounts receivable pertaining to these customers were $9,003 and $4,663 at year-end (2023 – $6,274 and $7,322). The allocation of sales to the geographic categories is based upon the customer location where the product is shipped. In 2024, the Company's largest 2 customers were from the Automotive Solutions segment and the Casting and Extrusion segment (2023 – the Company's largest 2 customers were from the Automotive Solutions segment and the Casting and Extrusion segment).

Property, plant and equipment, net	2024	2023
Canada	**$88,767**	$89,330
United States	**35,221**	32,249
Mexico	**38,573**	43,395
South America	**5,944**	6,745
Europe	**32,086**	26,796
Thailand	**5,344**	5,559
Morocco	**19,498**	18,355
	$225,433	$222,429

Property, plant and equipment are attributed to the country in which they are located.

Intangible assets, net	2024	2023
Canada	**$1,113**	$1,083
United States	**17,353**	20,096
Mexico	**15**	26
South America	**54**	13
Thailand	**-**	-
Europe	**9,145**	9,230
Morocco	**149**	153
	$27,829	$30,601

Intangible assets are attributed to the country in which they are located.

B. EMPLOYEE FUTURE BENEFITS

The Company accrues employee future benefits for its Mexican, Thailand and Italian employees. In Mexico these benefits consist of a one-time payment equivalent to 12 days of wages for each year of service (at the employee's most recent salary, but not to exceed twice the legal minimum wage), payable to all employees with 15 or more years of service, as well as to certain employees terminated involuntarily prior to vesting of their seniority premium benefit.

Under Mexican labour laws, the Company also provides statutorily mandated severance benefits to its employees terminated under certain circumstances. Such benefits consist of a one-time payment of three months' wages upon involuntary termination without just cause. In Thailand the severance benefit varies from 1 to 10 months dependent on length of service. In Italy the termination benefit is a portion of employee wages that are deferred until termination.

The liability associated with the seniority and termination benefits is calculated as the present value of expected future payments and amounts to $7,946 as at September 30, 2024 (2023 – $6,838), and is recorded under the caption other accrued liabilities on the consolidated statements of financial position. In determining the expected future payments, assumptions regarding employee turnover rates, inflation, minimum wage increases and expected salary levels are required and are subject to review and change.

C. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and other members of key management personnel during the years ended September 30, 2024 and 2023 were as follows:

	2024	2023
Salaries and cash incentives (i)	**$3,868**	**$4,601**
Directors' fees	**190**	**160**
Share-based awards (ii)	**745**	**715**
	$4,803	**$5,476**

i) Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during the years ended September 30, 2024 and 2023.
ii) Share-based payments are DSUs granted to directors and RSUs and PSUs granted to CEO and key management personnel.

12. INCOME PER COMMON SHARE

Income per common share is calculated using net income and the monthly weighted average number of common shares outstanding of 38,749,776 (2023 – 38,912,464). Any potential common shares for which the effect is anti-dilutive have not been reflected in the calculation of diluted income per share. The dilution effect from the outstanding stock options on diluted weighted average number of common shares outstanding for 2024 is nil (2023 – nil).

13. INCOME TAXES

The consolidated effective income tax rate for 2024 was 25.1% (2023 – 23.8%) per the following tables. The change in income tax rate is due to geographic distribution, foreign tax rate differentials and a shift in the proportion of earnings from jurisdictions with higher tax rates or minimum tax requirements.

	2024	
Income before income taxes	**$39,533**	**100.0%**
Income tax expense at Canadian statutory rates	**10,799**	**27.3%**
Manufacturing and processing deduction	**(323)**	**(0.8%)**
Foreign rate differential	**(76)**	**(0.2%)**
Non-taxable income net of non-deductible expenses	**(2,884)**	**(7.3%)**
Prior period taxes in current year	**38**	**0.1%**
Losses not tax effected	**2,149**	**5.5%**
Other	**212**	**0.5%**
Reported income tax expense	**$9,915**	**25.1%**

	2023	
Income before income taxes	$34,505	100.0%
Income tax expense at Canadian statutory rates	9,434	27.3%
Manufacturing and processing deduction	(237)	(0.7%)
Foreign rate differential	(585)	(1.7%)
Non-taxable income net of non-deductible expenses	(2,984)	(8.6%)
Prior period taxes in current year	251	0.7%
Losses not tax effected	964	2.8%
Other	1,378	4.0%
Reported income tax expense	$8,221	23.8%

The major components of income tax expense are as follows:

	2024	2023
Current income tax expense		
Based on taxable income for the year	**$11,975**	$5,127
Deferred income tax expense (recovery)		
Origination, reversal of temporary differences and losses not recognized	**(2,060)**	3,094
Reported income tax expense	**$9,915**	$8,221

Deferred income tax assets and liabilities consist of the following temporary differences:

	2024	2023
Deferred tax assets		
Tax benefit of loss carry forward	**$431**	$613
Items not currently deductible for income tax purposes	**656**	915
	1,087	1,528
Deferred tax liabilities		
Tax depreciation in excess of book depreciation	**(16,816)**	(17,186)
Unrealized revenue and foreign exchange	**42**	51
Investment in subsidiaries	**(1,991)**	(5,286)
	(18,765)	(22,421)
Net deferred income tax liabilities	**($17,678)**	($20,893)

14. CONSOLIDATED STATEMENTS OF CASH FLOWS

Net change in non-cash working capital

The net change in non-cash working capital balances related to operations consists of the following:

	2024	2023
Accounts receivable	**$17,303**	($7,445)
Inventories	**1,184**	(11,745)
Prepaid expenses and deposits	**(721)**	(252)
Trade accounts payable	**(7,680)**	1,640
Accrued payroll liabilities	**(178)**	1,710
Other accrued liabilities	**(5,287)**	(6,921)
Provisions	**1,442**	746
Customer advance payments	**(396)**	1,872
Income taxes recoverable	**4,428**	8,316
	$10,095	($12,079)

15. CONTINGENT LIABILITIES

In the ordinary course of business, the Company may be contingently liable for litigation and claims with customers, suppliers and former employees. On an ongoing basis, the Company assesses the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable costs and losses, and a determination of the provision required, if any, for these contingencies is made after analysis of each individual issue.

During 2018, the Company agreed with a customer (the "Customer") to utilize a government-sponsored third party (the "Third Party") tool financing program (the "Program"). The Program allows the Company to receive payment from the Third Party in advance (the "Advance Payments") of either tool delivery or the Customer's receipt of payment from the Original Equipment Manufacturer (the "OEM"). The Customer is obligated to pay all costs of the Program including principal and interest. The Third Party retains recourse against the Company if the Customer fails to repay the Advance Payments to the Third Party within 24 months of the Advance Payment. As at September 30, 2024 no repayments are

overdue (2023 – nil). The Company has been indemnified by the Customer in this regard and expects recourse against it to be extinguished in the normal course of business upon the Customer's receipt of payment from the OEM. The Advance Payments paid to the Company under this Program for the year ended September 30, 2024 were nil (2023 – nil). Related liabilities and receivables are recorded on the Company's consolidated statements of financial position in accounts receivable and other accrued liabilities. Repayments made in the current year amounted to $2,078 (2023 – $3,102). As at September 30, 2024 the balance outstanding under the Program is nil (2023 – $2,078).

16. INTEREST EXPENSE

The following table outlines the interest expense (income) incurred (earned) during the year:

	2024	2023
Interest expense on bank indebtedness and long-term debt	**$8,298**	$8,112
Interest income on deposits	**(20)**	(44)
Net interest expense	**$8,278**	$8,068

CORPORATE INFORMATION

Board of Directors

Edward H. Kernaghan, MSc
Executive Vice President
Kernaghan & Partners Ltd.

Darren M. Kirk, MBA, CFA
President and CEO of the Company

Robert B. Magee, PEng
Chairman
Woodbridge Group

Colleen M. McMorrow, FCPA, FCA, ICD.D
Corporate Director

Tommy J. Skudutis
Corporate Director

Brian A. Robbins, PEng
Executive Chairman of the Company

Corporate Officers

Brian A. Robbins, PEng
Executive Chairman

Darren M. Kirk, MBA, CFA
President and CEO

Matthew Posno, CPA, CA, MBA
Chief Financial Officer & VP Finance
Secretary

Transfer Agent and Registrar

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Toronto, Ontario M5H 4H1
Phone: 416.361.0930
www.tsxtrust.com

Auditors

Ernst & Young LLP
Chartered Professional Accountants
Licensed Public Accountants

Stock Listings

TSX: XTC

Corporate Office

Exco Technologies Limited
130 Spy Court, 2nd Floor
Markham, Ontario L3R 5H6
Phone: 905.477.3065
www.excocorp.com

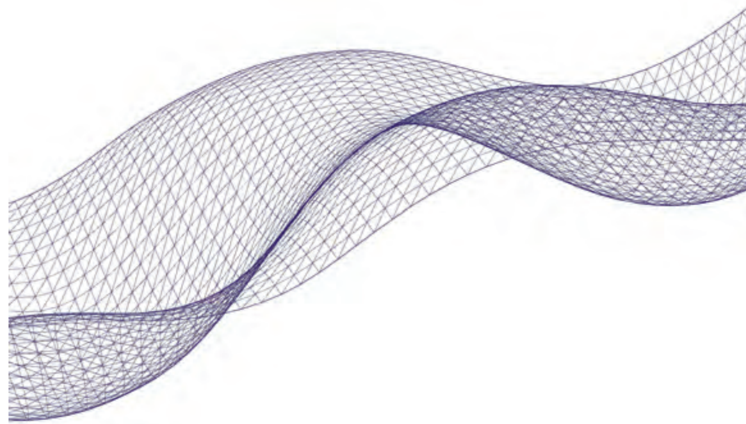
F2024 Annual General Meeting of Shareholders

Wednesday, January 22, 2025
at 4:30 pm. (Toronto Time)

Virtual Meeting: Live Webcast
https://virtual-meetings.tsxtrust.com/1721

Technologies Limited

Precision in Motion



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