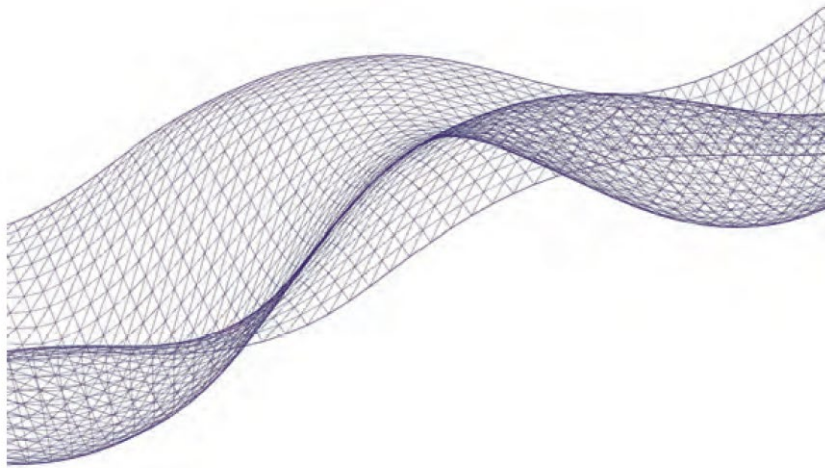




*Technologies Limited*

***Precision in Motion***



# Q1 F2025 Earnings Call

January 30, 2025

# Cautionary Statement

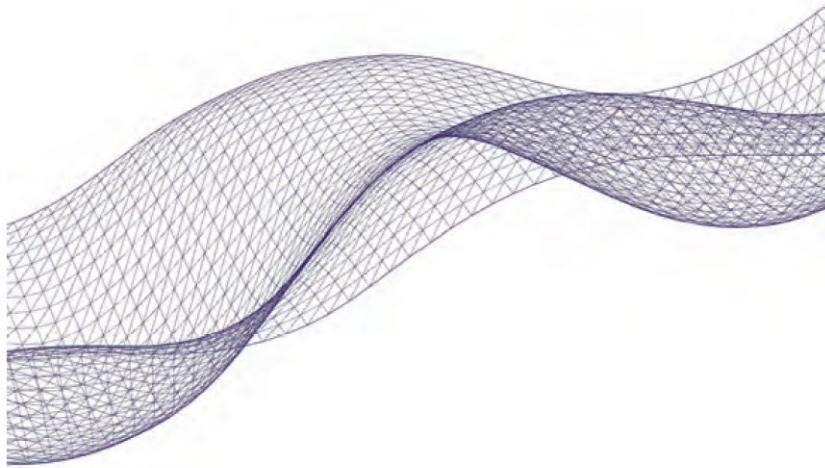


This presentation contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We may use words such as “anticipate”, “may”, “will”, “should”, “expect”, “believe”, “estimate”, “5-year target” and similar expressions to identify forward-looking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



*Technologies Limited*

***Precision in Motion***



**Darren Kirk**  
Chief Executive Officer

Operations Review

# Q1 F2025 Operations Overview



## Key Highlights in the Quarter – Automotive Solutions

- Overall industry vehicle production estimated down 3% in N.A and 10+% in Europe vs prior year quarter
  - Production curtailed in response to rising dealer inventory levels in North America, with one of the D3 estimated to be down ~30% in the quarter
  - Dealer inventory levels improved considerably through the quarter
  - European production volumes declined in response to lower consumer sales as well as to reduce inventory levels ahead of pending environmental mandates (ie clear out vehicles that don't comply with new mandates).
  - Consumer level vehicle sales remain decent in both markets
    - US calendar year 2024 light vehicle sales were up at 15.8M units ahead of 9-month SAAR of 15.6M units and C2023 15.5M units
- S&P Global Mobility expects N.A. and Europe industry vehicle production to decline modestly in C2025
- Segment revenue down \$11M/ 13% year over year
  - Sales decrease was driven by lower automotive production volumes, customer driven program launch delays, unfavourable vehicle mix, extended OEM customer plant shutdowns, and de-stocking of certain accessory products.

# Q1 F2025 Operations Overview



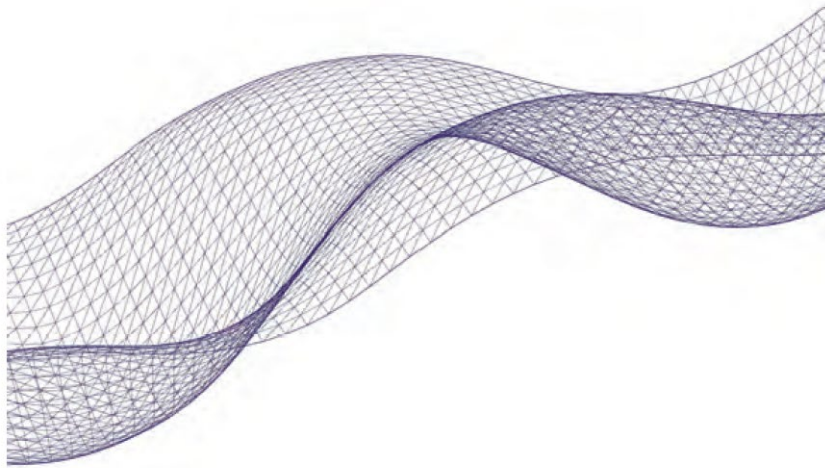
## Key Highlights in the Quarter – Casting and Extrusion

- Extrusion industry conditions in North America remained sluggish through the quarter, with December being the weakest month as extruders consolidated plant shut-downs around vacation schedules.
- Despite difficult market conditions in Europe, Halex's performance improved year over year due to good execution and market share gains.
- Demand for die-cast products was impacted by lower vehicle production volumes and December OEM plant shutdowns. Quoting activity remains encouraging.
- Continue to focus on selling capacity of Castool Morocco facility; Castool Mexico gaining good momentum
- Segment revenue was down \$2.2M/ 3% year over year



*Technologies Limited*

***Precision in Motion***



**Matthew Posno**

Chief Financial Officer

Financial Review

# Q1 F2025 Financial Overview



## Consolidated Results Versus Prior Year Period

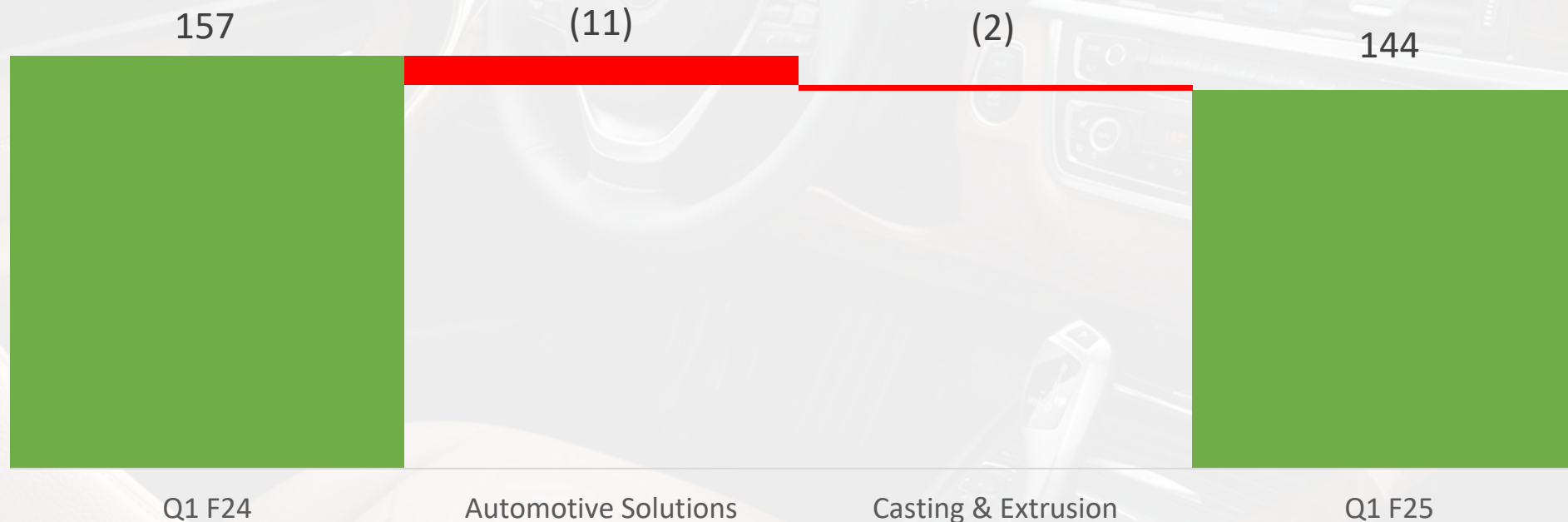
- Revenue of \$143.6M; down 8% compared to \$156.7M last year
  - FX movements increased revenues by \$4.4M
- EBITDA of \$16.7M down 8% from \$18.1M last year
  - Casting and Extrusion EBITDA improved slightly on modestly lower sales
  - Production volume decreases led to lower sales was a key driver of lower Automotive segment EBITDA.
  - Corporate expenses reduced by foreign exchange gains (weak CAD compared to USD).
- EPS of \$0.11 versus \$0.15.
- Free cash flow of \$3.8M (after \$4.0M use of working capital and \$5.2M of maintenance capex) in the quarter compared to \$2.9M in prior year quarter.
- Balance sheet net debt increased slightly to \$76.5M from Q4F24 and net leverage was 0.9x
  - Gross debt was reduced by \$10M during the quarter with surplus cash on hand

# Q1 F2025 Financial Overview



## Consolidated Revenue Reconciliation

C\$ Millions



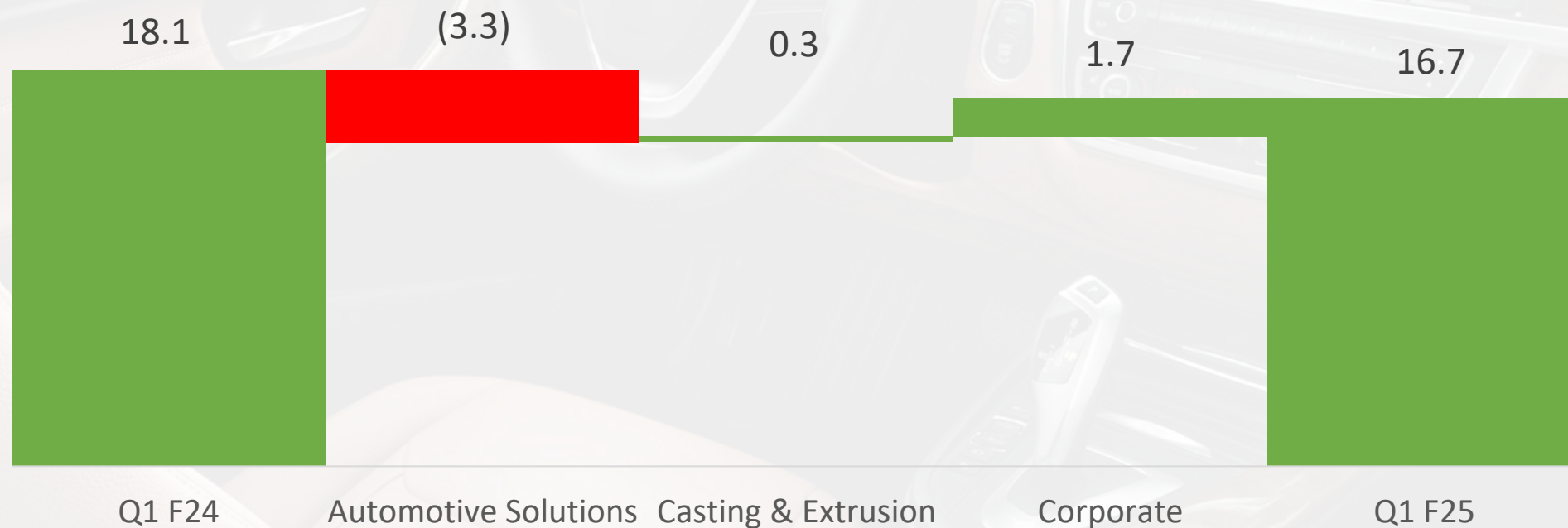


# Q1 F2025 Financial Overview



## Consolidated EBITDA Reconciliation

C\$ Millions

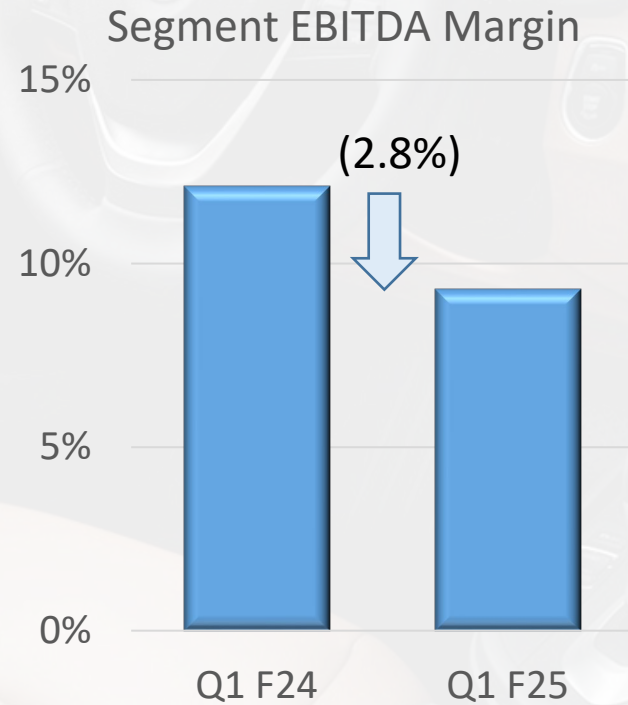
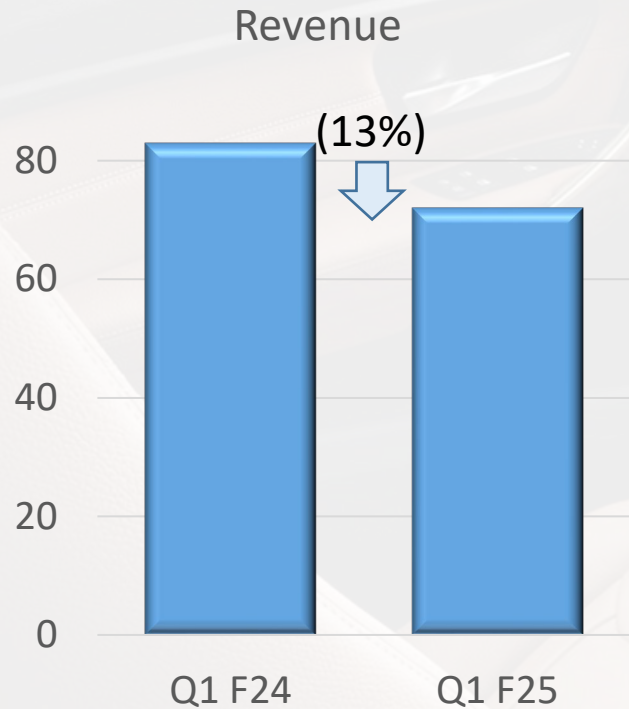


# Automotive Solutions Segment

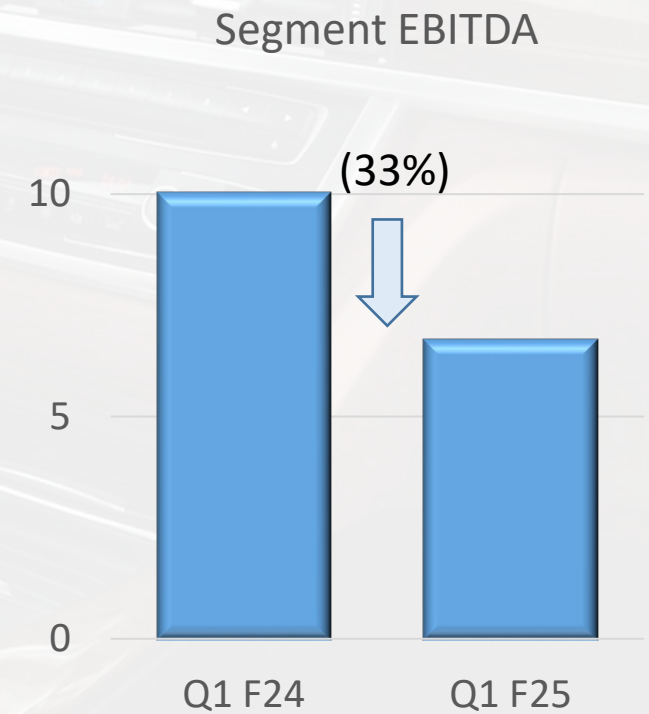


Segment EBITDA decrease due to lower sales, unfavorable product mix, higher labour costs and increased severance expenses

C\$ Millions



C\$ Millions



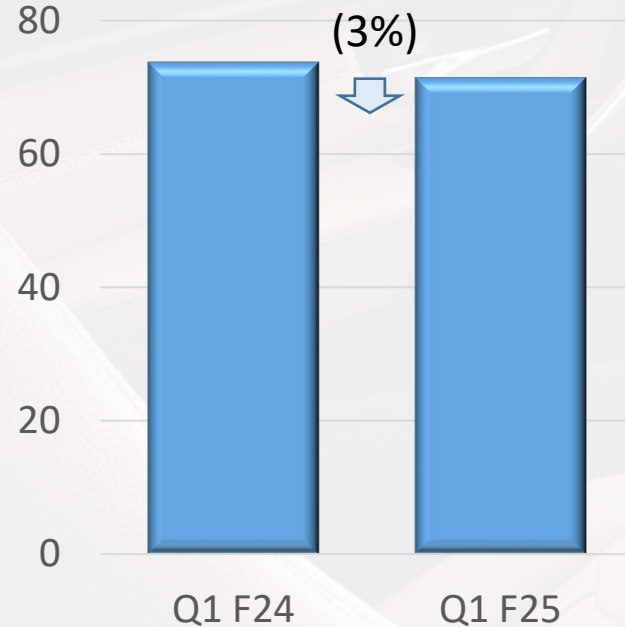
# Casting & Extrusion Segment



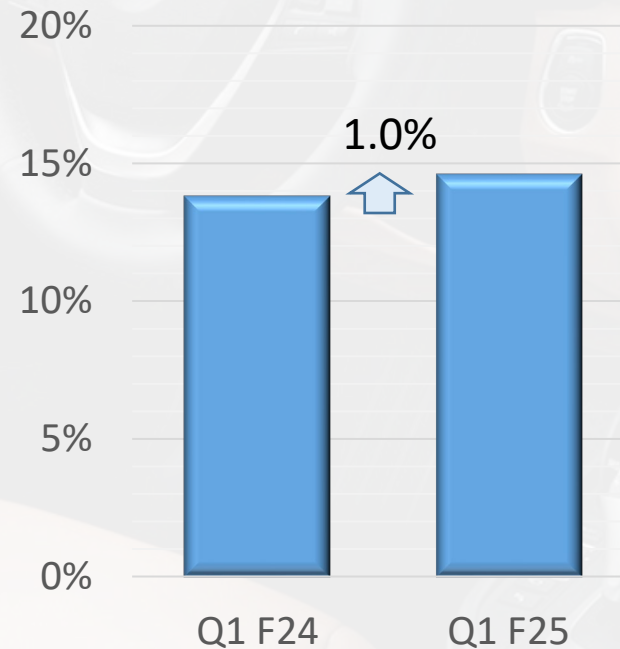
Segment margins increased due to favourable mix shift

C\$ Millions

Revenue

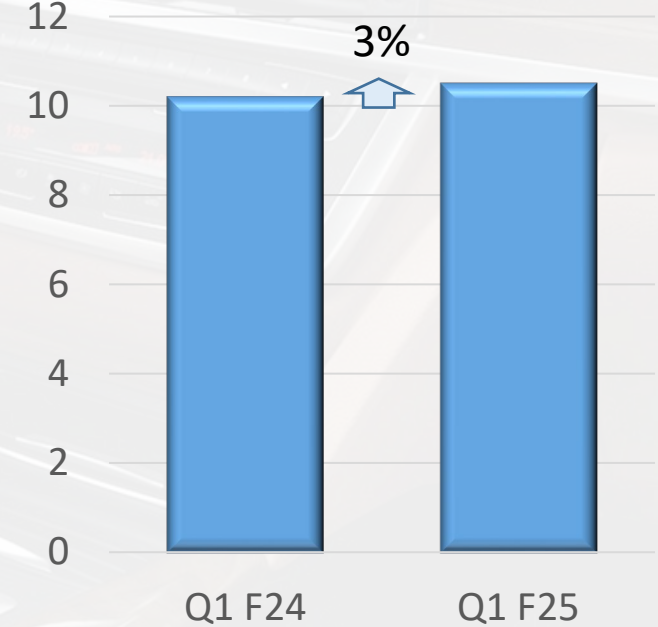


Segment EBITDA Margin



C\$ Millions

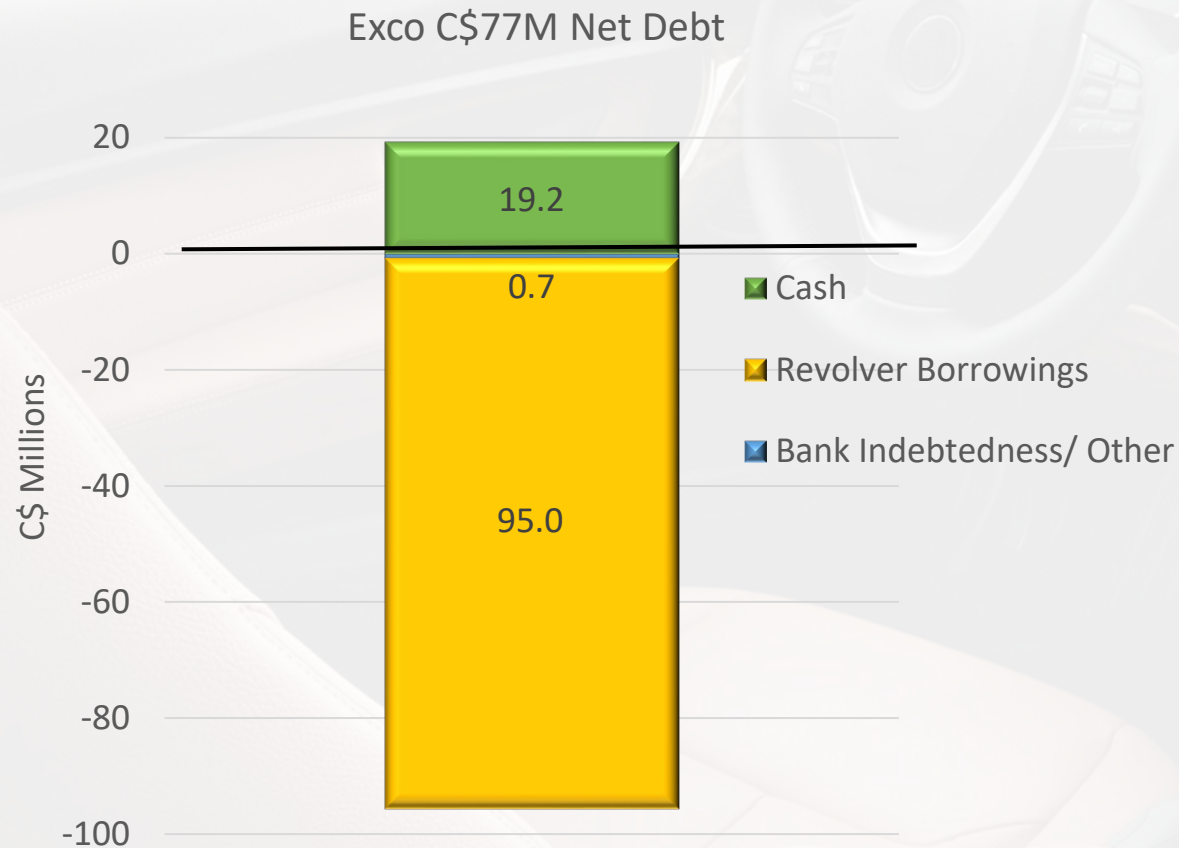
Segment EBITDA



# Financial Leverage & Liquidity



Balance Sheet net leverage of 0.9x as at December 31, 2024



- LTM EBITDA of C\$80.8M
- C\$150M committed revolver matures March 2027
- Balance sheet net debt of \$76.5M
- C\$56M of Liquidity
- Significant cushion to bank facility covenants

# Questions





*Technologies Limited*

***Precision in Motion***

