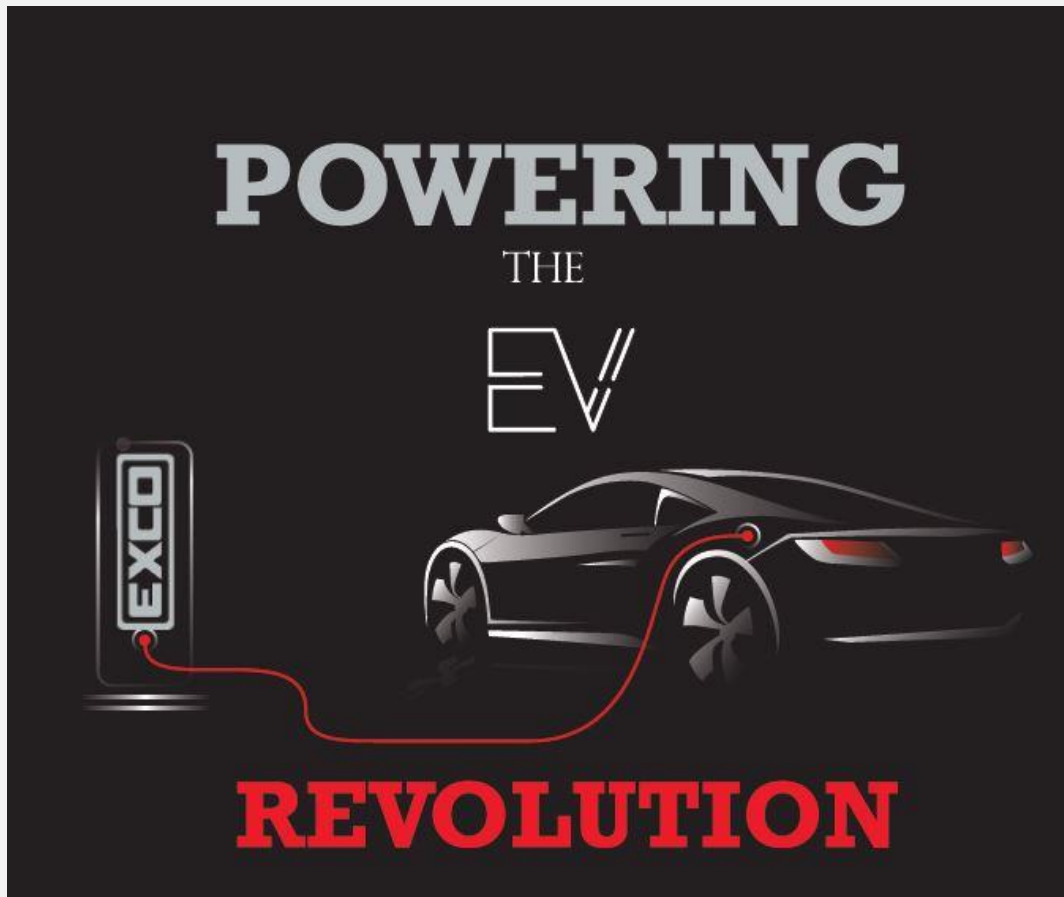




Technologies Limited



Q2 F2022 Earnings Call

April 28, 2022

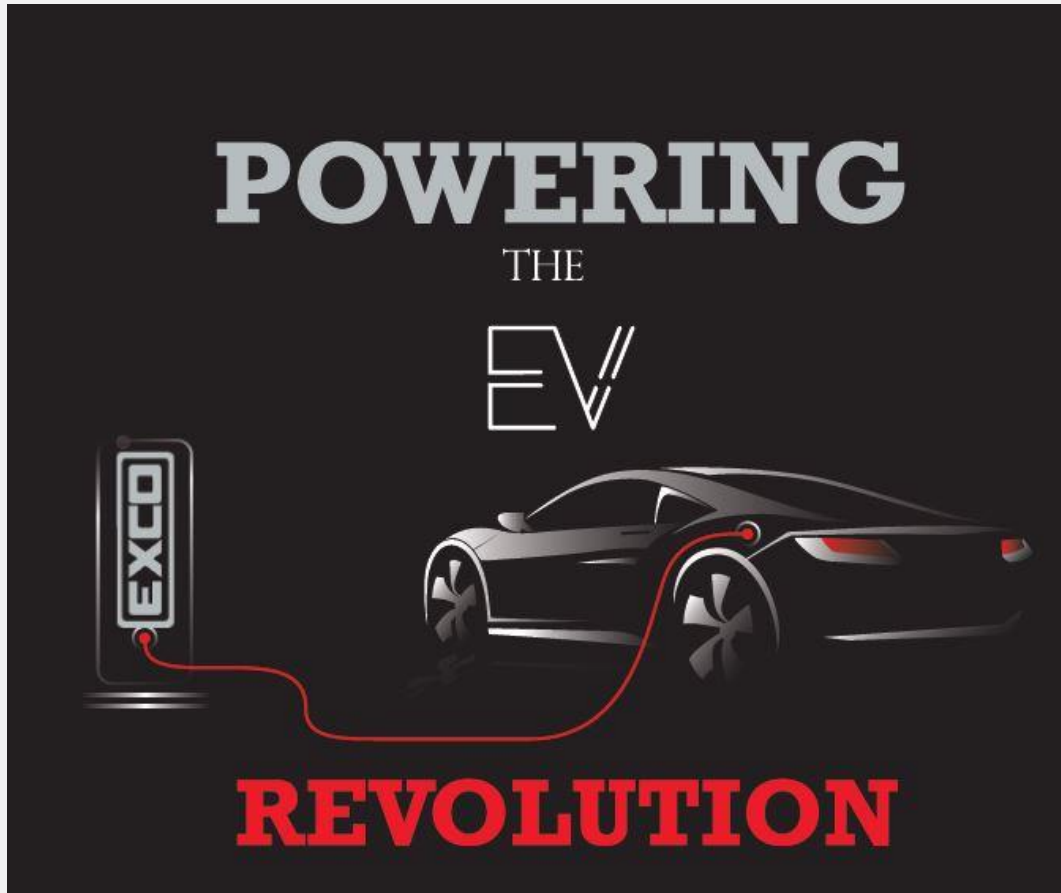
Cautionary Statement



This presentation contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We use words such as "anticipate", "may", "will", "should", "expect", "believe", "estimate", "5-year target" and similar expressions to identify forward-looking information and statements especially with respect to growth, outlook and financial performance of the Company's business units, contribution of our start-up business units, contribution of awarded programs yet to be launched, margin performance, financial performance of acquisitions, liquidity, operating efficiencies, improvements in, expansion of and/or guidance or outlook as to future revenue, sales, production sales, margin, earnings, earnings per share, including the outlook for 2026, are forward-looking statements. 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, assumptions about the 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, 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 or www.excocorp.com



Technologies Limited



Darren Kirk
Chief Executive Officer

Operations Review

Q2 F2022 Operations Overview



Key Highlights in the Quarter – Market Conditions/ Overview

- Overall industry vehicle production down 3% in N.A and 18% in Europe vs prior year quarter
 - Production constrained by chip shortage and general supply chain issues
 - Shortage has been easing and is expected to steadily improve through Calendar 2022, particularly in N.A.
 - Europe will lag due to supply chain challenges associated with Russia invasion of Ukraine
 - Consumer vehicle sales negatively impacted by low dealer inventory levels, rising prices and difficult comps
- Accelerating adoption of electric vehicles a key area of focus for Exco
 - Our products contribute to global sustainability goals
 - Increasing size and complexity of tooling favorable to Exco
 - Number of new awards and program launches on electric vehicles in both segments
- Aggressive capital agenda to capitalize on significant growth opportunities
 - Record capital budget of \$55M in Fiscal 2022
- Halex acquisition remains on track to close in Q3F22

Q2 F2022 Operations Overview



Key Highlights in the Quarter – Automotive Solutions

- Segment revenue flat year over year (FX adjusted)
 - Outperformed markets in both North America and Europe
 - Production volumes fell but our revenues were unchanged
 - New program launches partially offset by certain accessory products negatively impacted by lower US SAAR, operational and logistical constraints
- EBITDA down 30% year over year impacted by:
 - Unfavorable product mix shifts
 - Reduced overhead absorption, rising input & higher freight costs
 - Erratic order flow contributing to operating inefficiencies
 - Retaining slack labour in anticipation of higher demand in future quarters
- Key new product launches will increasingly contribute to results through Fiscal 2022

Q2 F2022 Operations Overview

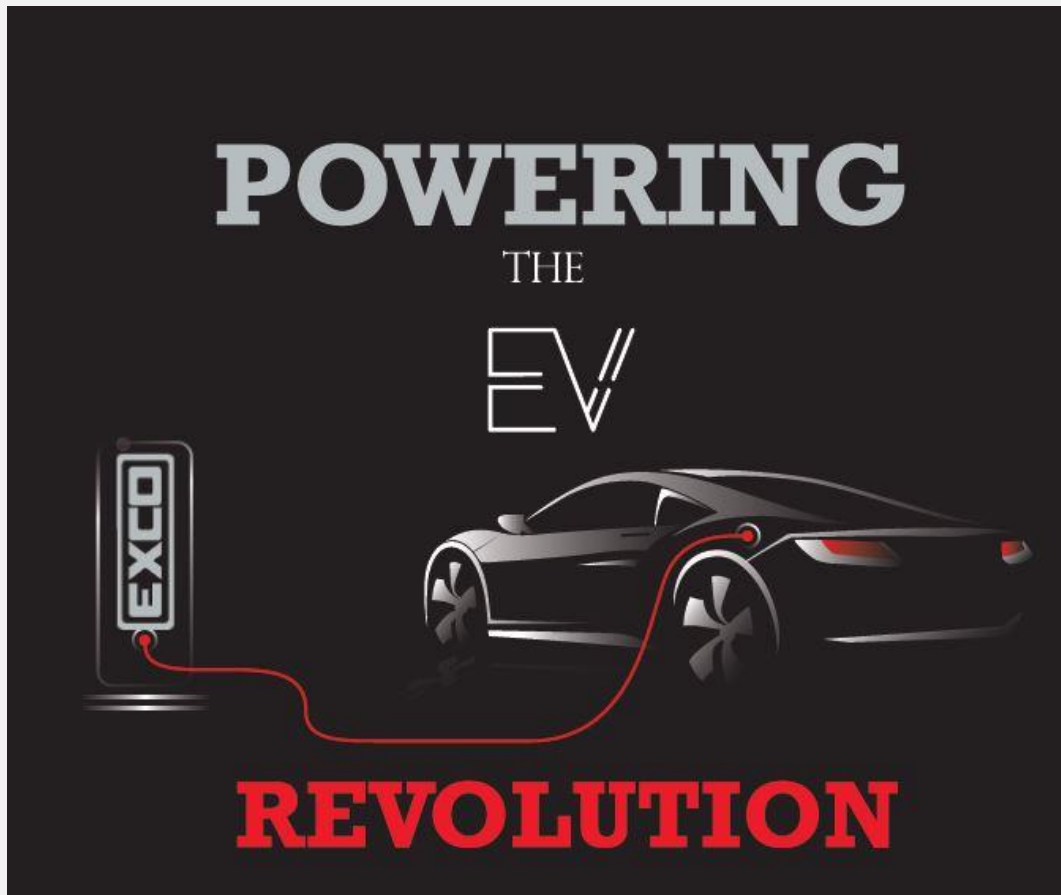


Key Highlights in the Quarter – Casting and Extrusion

- Segment revenue up 4% year over year (FX adjusted)
 - Continuing strong demand for extrusion dies, associated tooling and capital equipment globally
 - Results bolstered by ongoing market share gains
 - High pressure die cast market weakened due to lower vehicle production
 - Reduced demand for large mould rebuild work and Castool consumable die-cast tooling
 - Exacerbated by inventory destocking
- Segment EBITDA down 38% with below normal margins
 - Negative product mix, rising input costs, higher freight charges, labour disruptions due to COVID
 - Start-up losses at Castool 90 in Morocco (officially opened in November 2021)
- Backlogs and bidding activity very strong
 - Large Mould group had a record quarter for orders; backlog near record levels
- Taking pricing action where possible to protect margins



Technologies Limited



Matthew Posno

Chief Financial Officer

Financial Review

Q2 F2022 Financial Overview



Consolidated Results Versus Prior Year Period

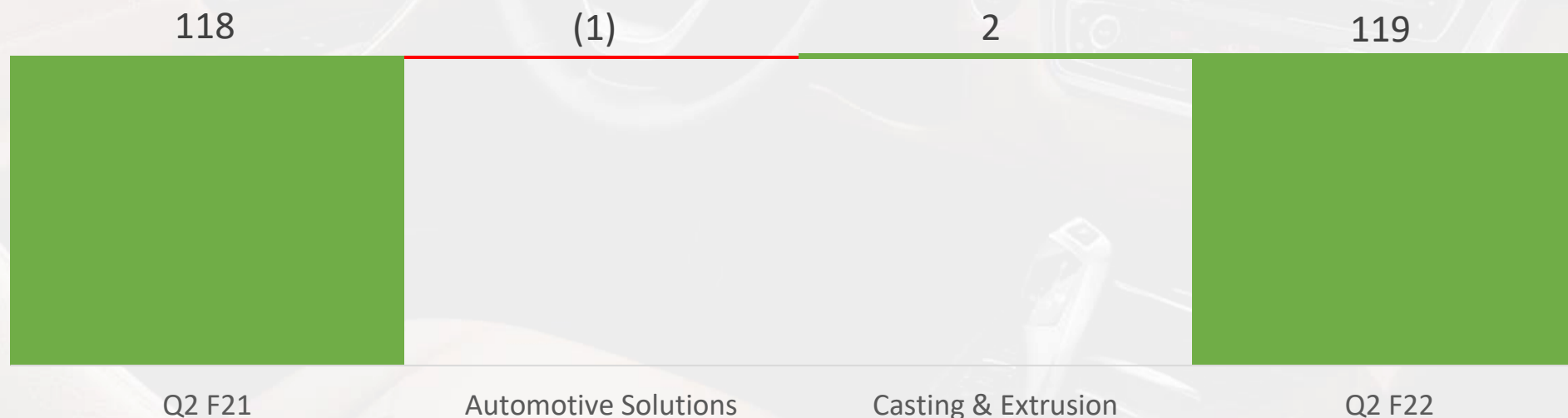
- Revenue of \$119.3M; up \$0.9M or 1% compared to \$118.4M last year
 - FX movements reduced revenue by \$1.6M, therefore FX adjusted revenue was up by 2% year over year
- EBITDA of \$12.5M; down 38% from \$20.3M last year
 - Reduced mould rebuild work in Large Mould and slowdown in die cast consumables in Castool
 - Lower sales in Automotive Solutions due to chip shortage contributing to significant reduction in overhead absorption
 - Operational and logistics challenges due to Omicron; inflationary pressures
- Casting and Extrusion segment revenues up 4% and EBITDA down 38%
- Automotive Solutions segment revenues down 2% and EBITDA down 30%
- EPS of \$0.13 versus \$0.30
- Free cash flow of \$3.0M in the quarter (after \$5.7M of working capital investment and \$1.6M of maintenance capex)
 - Used to fund dividend (\$4.1M) and growth capex (\$9.1M)
- Balance sheet in a neutral net cash position as at March 31, 2022

Q2 F2022 Financial Overview



Consolidated Revenue Reconciliation

C\$ Millions

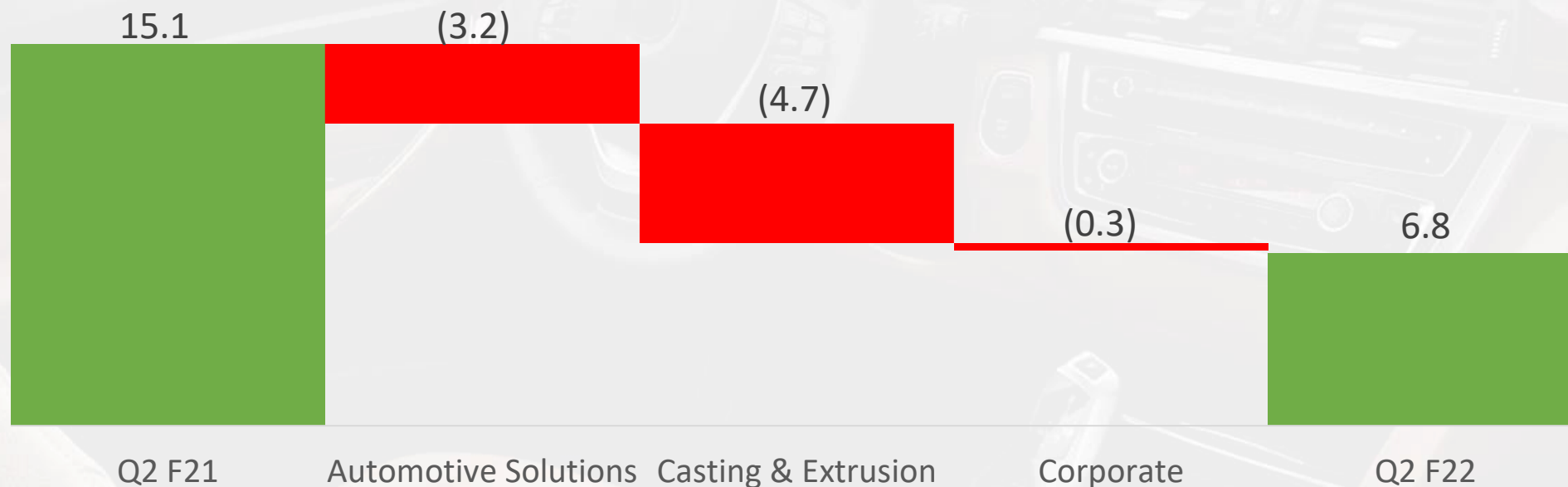


Q2 F2022 Financial Overview



Consolidated PTP Reconciliation (Before Interest and Other Expense)

C\$ Millions



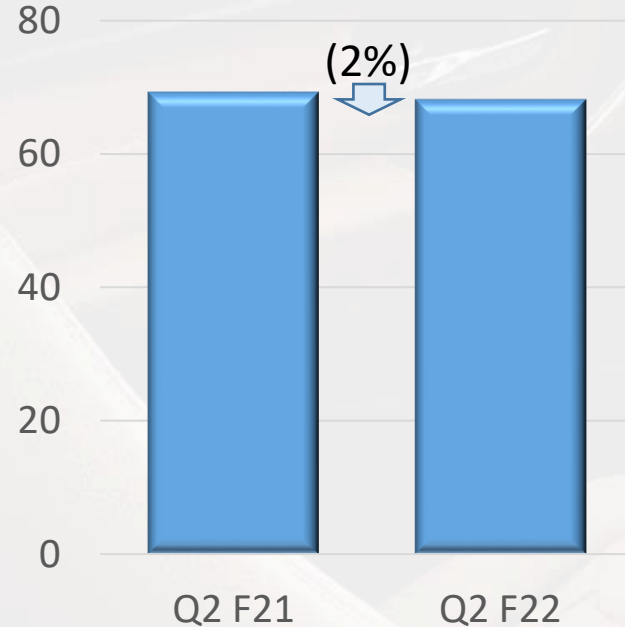
Automotive Solutions Segment



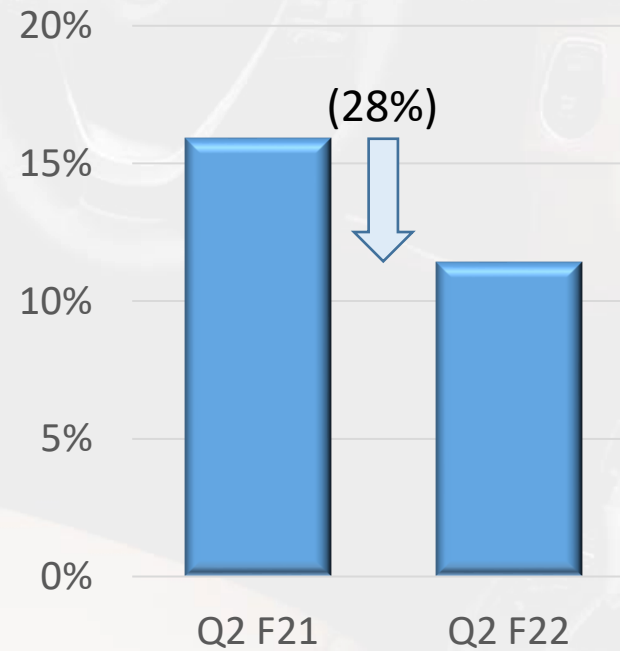
Segment profitability down on margin decline

C\$ Millions

Revenue

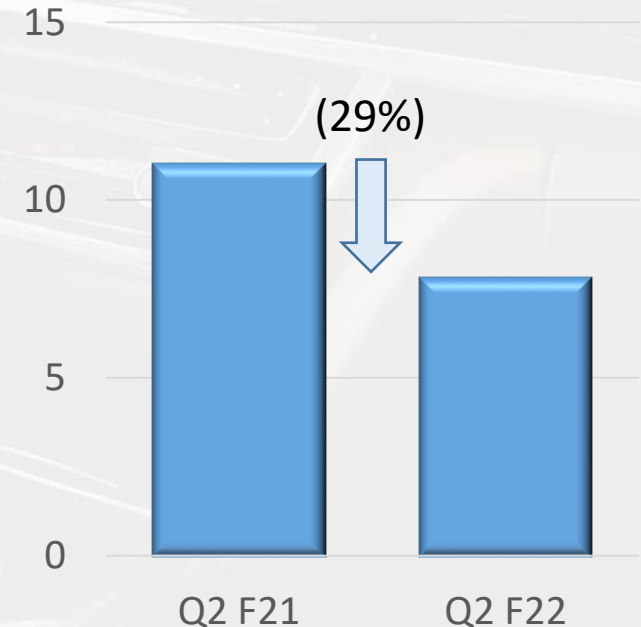


Segment EBITDA Margin



C\$ Millions

Segment EBITDA



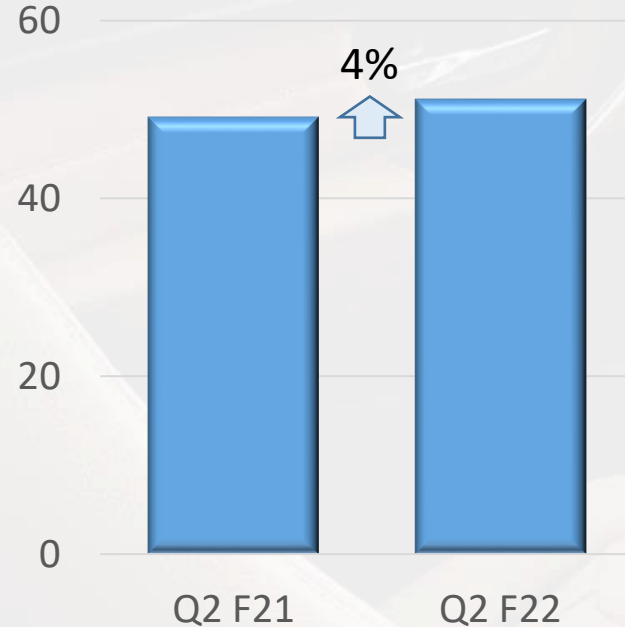
Casting & Extrusion Segment



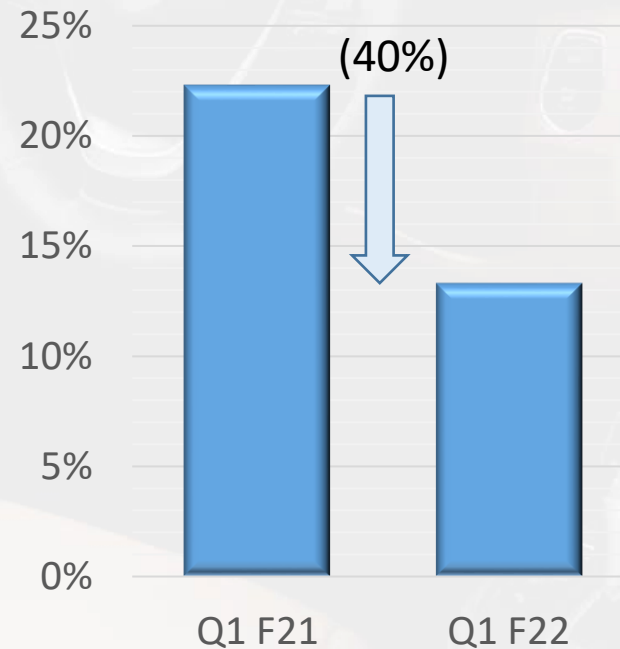
Segment EBITDA declined due to mix and production volumes.

C\$ Millions

Revenue

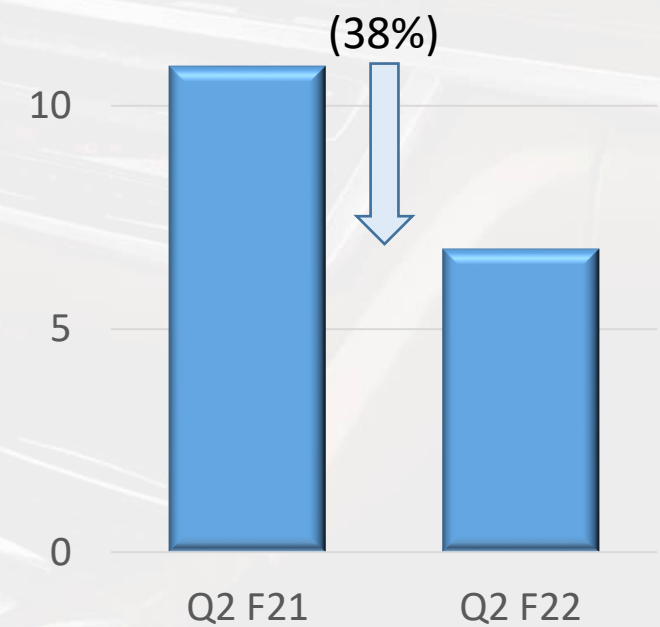


Segment EBITDA Margin



C\$ Millions

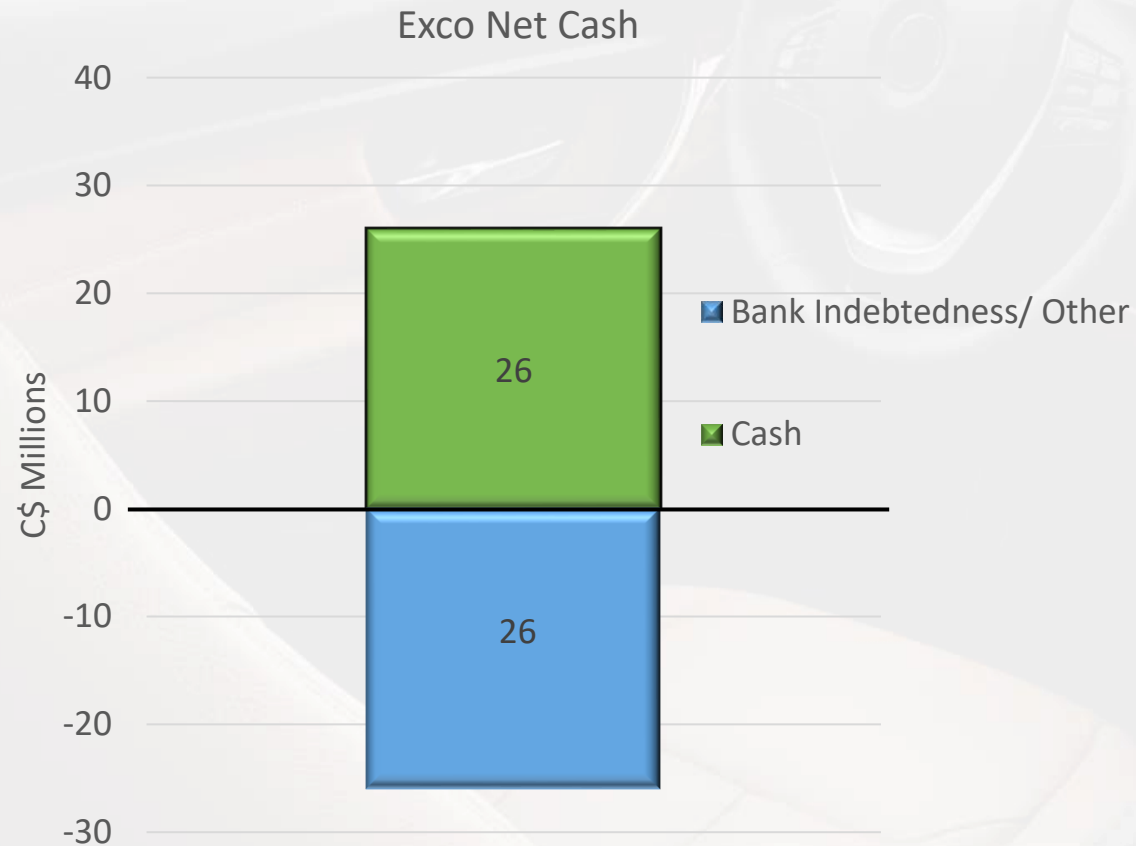
Segment EBITDA



Financial Leverage & Liquidity



Balance Sheet in a neutral Net Cash Position as at March 31, 2022



- LTM Q2 F22 EBITDA of C\$52M
- C\$125M committed revolver matures February 2025
 - Facility upsized and renewed during qtr
- Balance sheet cash of \$26M
- Liquidity of C\$75M Pro-Forma close of Halex Acquisition
- Significant cushion to bank facility covenants

Questions





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