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Unaudited Condensed Interim Report  
to the shareholders  
for the three and six months ended  
March 31, 2026

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<i>(in \$ thousands except per share amounts)</i>	Three Months Ended March 31		Six Months Ended March 31	
	2026	2025	2026	2025
Sales	<b>\$157,559</b>	\$166,117	<b>\$307,081</b>	\$309,685
Net income	<b>\$5,789</b>	\$6,421	<b>\$10,621</b>	\$10,666
Basic earnings per share	<b>\$0.15</b>	\$0.17	<b>\$0.28</b>	\$0.28
Weighted avg basic common shares o/s (000's)	<b>37,741</b>	38,448	<b>37,754</b>	38,450

*The following management's interim discussion and analysis of operations and financial position are prepared as at April 29, 2026 and should be read in conjunction with the condensed interim consolidated financial statements as at and for the six months ended March 31, 2026 and 2025 and the consolidated financial statements and Management's Discussion and Analysis ("MD&A") in the Company's 2025 Annual Report.*

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

### ***Use of Non-IFRS Measures***

*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 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 previously modified its calculation of Free Cash Flow to include Maintenance Fixed Asset Additions and not total fixed asset purchases. This change is meant to enable investors to better gauge the amount of generated cash flow that is available for these investments as well as acquisitions and/or returns to shareholders in the form of dividends or share buyback programs. EBITDA, EBITDA Margin, Pretax Profit and Free Cash Flow are used by management, from time to time, to facilitate period-to-period operating comparisons and we believe some investors and analysts use these measures as well when*

*evaluating Exco's financial performance. These measures, as calculated by Exco, do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other issuers.*

## MANAGEMENT DISCUSSION AND ANALYSIS

Consolidated sales for the second quarter ended March 31, 2026 were \$157.6 million, compared to \$166.1 million in the prior-year quarter, a decrease of \$8.5 million, or 5%. Year-to-date sales were \$307.1 million, compared to \$309.7 million in the prior-year period, a decrease of \$2.6 million, or 1%. The impact of foreign exchange rate changes reduced consolidated sales by \$6.9 million in the quarter and \$2.2 million year-to-date. Excluding the foreign exchange impact, consolidated sales decreased 1% for the quarter, while year-to-date sales were flat with the prior year.

During the quarter, management continued to prioritize improving performance at newer facilities and addressing underperformance at certain operations, with the goal of maximizing long-term returns. Capital expenditures moderated from prior elevated levels, reflecting a focus on essential projects following the completion of significant growth investments in prior years. While these initiatives continue to weigh on short-term margins and profitability, Exco expects they will generate meaningful earnings contributions as operations mature and efficiencies are realized. Key projects include:

- **Castool Mexico Greenfield Facility:** Opened in October 2023, this facility expands capacity and improves access to Latin America and U.S. Sun Belt markets. While depreciation and start-up costs elevated expenses in fiscal 2024, performance has continued to improve steadily since that time;
- **Large Mould Group Fixed Asset Additions:** All equipment supporting giga-sized mould production has been installed and is now operational. The Large Mould Group is leveraging the same equipment to support growth through the precision machining of large nuclear components for the energy end market. Continued growth in the Group's leading additive manufacturing (3D printing) operations was supported by the addition of a seventh 3D printer in late fiscal 2025;
- **Halex Operations:** Ongoing equipment installations across multiple locations, together with integration into the broader Extrusion Group, are intended to capture best-practice synergies;
- **Extrusion Group Heat Treatment (Michigan):** Installation of new vacuum equipment was completed at the end of the third quarter of fiscal 2025;
- **Automotive Solutions Group:** Continued deployment of equipment to support program launches and expand production automation;
- **Closure of Large Mould Mexico Facility:** During the second quarter of fiscal 2026, management closed its Large Mould facility in Querétaro, Mexico, effective March 31, 2026. The decision reflected limited growth opportunities in the domestic Mexican market for large die-cast tooling components, related operational and workforce considerations, and management's objective of consolidating production activities across fewer locations. As of March 31, 2026, all employees had been notified, final customer orders had been fulfilled, and the relocation of equipment was underway. The closure is not expected to materially reduce the Company's future revenue opportunities and is expected to support improved profitability in future periods. The Company recorded a \$1.0 million accrual for termination and closure costs during the quarter. Management expects the associated land and building to be sold at a gain in a future period.

The Automotive Solutions segment reported second quarter sales of \$82.4 million, a decrease of \$0.5 million, or 1%, compared to the prior-year period. Year-to-date sales were \$161.8 million, an increase of \$6.7 million, or 4%, from the same period last year. Foreign exchange negatively impacted sales by \$4.5 million in the quarter and \$1.9 million year-to-date. Excluding the effects of foreign exchange, segment sales increased by approximately 5% for the quarter and 6% on a year-to-date basis. Second quarter results benefited from favourable automotive production conditions, particularly in North America, with the U.S. seasonally adjusted annual rate of sales reaching 16.3 million units in March. Segment performance was further supported by relatively stable vehicle production levels in North America and Europe, contributions from new program launches, a favourable vehicle mix, and continued progress in developing new accessory products and expanding business with existing and new customers in North America and Europe. While industry vehicle production has been generally stable, the outlook for near-term growth remains uncertain given broader global economic conditions. Ongoing trade tensions, including tariff-related risks, continue to affect non-U.S.-based OEMs, while geopolitical developments may contribute to cost pressures and broader economic uncertainty that could weigh on consumer vehicle demand. Interest rates also remain an important consideration for the sector, as central banks continue to assess inflation and growth trends in an uncertain environment. Positively, dealer inventory levels remain below pre-pandemic levels, vehicle fleets continue to age, and OEM incentive activity is increasing. Exco expects its sales volumes to benefit from recent and upcoming program launches, supporting continued growth in content per vehicle. Quoting activity remains healthy, and management believes there are meaningful opportunities to advance its long-term growth objectives.

The Casting and Extrusion segment reported sales of \$75.1 million for the second quarter, a decrease of \$8.1 million, or 10%, from the same period last year. Year-to-date, the segment reported sales of \$145.3 million, a decrease of \$9.3 million, or 6%. Foreign exchange rate movements reduced segment sales by \$2.4 million in the quarter and \$0.3 million year-to-date. Extrusion tooling sales remained solid relative to the prior-year quarter, supported by diversified demand across end markets such as building and construction, transportation, renewable energy, electrical applications, and AI infrastructure-related projects. Exco's extrusion market share has continued to increase, reflecting its broad product offering, technical capabilities, customer service focus, and ability to respond to evolving customer requirements. Industry conditions in North America also remain generally favourable, with new extrusion press capacity being added as customers increasingly seek domestic and nearshore supply. Management continues to focus on scaling newer operations in Morocco, Mexico, and Europe, and is confident these operations will see continued growth and operational improvement over time. Die-cast tooling revenues, which are more closely tied to automotive program timing, were lower than the prior-year quarter. This primarily reflects delays in new program launches that occurred last year amid softer electric vehicle demand, evolving regulatory frameworks, and tariff-related uncertainty. As previously disclosed, new order activity began to increase in recent quarters and remains strong. These programs are now ramping up, which management expects will have a positive impact on year-over-year sales performance for die-cast tooling in the second half of fiscal 2026. In addition, die-cast tooling demand is increasing beyond traditional passenger vehicle applications, including energy, large trucks, and other industrial applications, providing additional support for Exco's favourable outlook. Demand for Exco's additive manufacturing and 3D-printed tooling solutions also remains robust, as customers pursue greater manufacturing efficiency and increasingly complex tooling requirements, including applications related to giga-press technologies. Furthermore, Exco's Large Mould Group recently began to leverage its equipment and unique capabilities to pursue growth in the precision machining of nuclear components for the domestic Canadian energy market, providing additional growth and profitability opportunities. More broadly, management remains focused on promoting technological innovation, standardizing manufacturing processes and consolidating key support functions within its various operating groups. These actions have contributed to reduced lead times, improved product quality, expanded product capabilities, and increased production capacity, positioning the Company to pursue additional market share opportunities. Management believes Exco is well positioned to

benefit from potential shifts in sourcing patterns as tariff developments create challenges for non-USMCA-compliant suppliers and may increase opportunities for domestic and nearshore production.

Consolidated net income for the second quarter was \$5.8 million, or \$0.15 per basic and diluted share, compared to \$6.4 million, or \$0.17 per share, in the same quarter last year, a decrease in net income of \$0.6 million, or 9%. Year-to-date, consolidated net income was \$10.6 million, or \$0.28 per basic share, compared to \$10.7 million, or \$0.28 per basic share, last year. Net income in the quarter included \$2.4 million (\$0.06 EPS) of after-tax restructuring charges, compared to \$2.0 million (\$0.05 EPS) in the prior-year quarter. The consolidated effective income tax rate was 26.4% in the current quarter compared to 33.7% in the prior-year quarter. Year-to-date, the consolidated effective income tax rate was 29.0% compared to 34.5% last year. The change in income tax rate in the quarter was impacted by the geographic distribution of earnings, foreign tax rate differentials, and losses that cannot be tax-effected for accounting purposes.

The Automotive Solutions segment reported Pretax Profit of \$7.0 million in the second quarter, a decrease of \$0.9 million from the prior-year quarter. Year-to-date, the segment reported Pretax Profit of \$13.5 million, an increase of \$0.9 million compared to the prior-year period. Profitability during the period was primarily affected by changes in product mix, higher labour costs, and the impact of foreign exchange fluctuations. The Company continues to emphasize lean manufacturing initiatives and increased automation, which remain key to improving efficiency at current production levels while establishing a stronger foundation for future profitability as market conditions improve. Assuming no material deterioration in these factors, management remains cautiously optimistic that the Company's cost structure will support margin expansion as volumes increase and new programs ramp up. Pricing discipline continues to be a priority, with actions taken where feasible, particularly on new program awards, to reflect anticipated increases in future costs. However, inflationary pressures remain a risk, including the potential for higher energy prices arising from geopolitical developments in the Middle East, which could increase input costs, transportation expenses, and broader cost pressures across the supply chain.

The Casting and Extrusion segment reported Pretax Profit of \$3.4 million in the second quarter, a decrease of \$1.0 million from the same quarter last year. Year-to-date, the segment reported Pretax Profit of \$6.9 million, a decrease of \$1.2 million compared to the prior-year period. The reduction in Pretax Profit was primarily due to \$0.8 million of incremental restructuring costs incurred during the second quarter, including severance costs associated with headcount reductions and shutdown costs related to the Large Mould Mexico facility. Excluding these restructuring charges, segment Pretax Profit was consistent with the prior year. Although these costs weighed on current quarter results, the related actions are expected to benefit future periods through a lower cost structure and a more focused production footprint. Operationally, lower large die-cast mould volumes represented the most significant drag on year-over-year performance, along with changes in product mix, higher direct labour and overhead costs, including under-absorption of fixed costs during the period, and increased depreciation. This temporary decline in large die-cast mould demand was meaningfully offset by continued strong demand for extrusion tooling. Management expects large die-cast mould volumes to improve materially in the second half of fiscal 2026 as new program activity ramps up. Performance at Castool's greenfield facilities and Extrusion Germany operations also weighed on segment profitability during the quarter. However, recent management actions are showing signs of progress, and performance is expected to improve in future quarters. Management continues to advance strategic pricing actions and operational efficiency initiatives across the segment, including lean manufacturing practices, expanded automation, process standardization, enhanced engineering capabilities, and the centralization of key support functions within the segment's operating groups. These efforts have contributed to shorter lead times, improved product quality, broader product offerings, and increased capacity. With improving die-cast tooling demand, strong extrusion tooling activity, and continued cost discipline, management expects segment profitability to improve over time.

Corporate segment expenses were \$1.6 million in the second quarter compared to \$1.4 million in the prior-year quarter. The quarterly difference relates to higher stock-based compensation expense, partially offset by foreign exchange gains in the current quarter compared to the prior-year quarter. Year-to-date, corporate expenses of \$3.5 million were up 94% from \$1.8 million in the prior year. The year-to-date increase in corporate expenses was driven by higher stock-based compensation expense and lower foreign exchange gains in the current year compared to the prior year.

Consolidated EBITDA for the second quarter totaled \$18.0 million compared to \$19.7 million in the same quarter last year, a decrease of \$1.7 million, or 9%. Year-to-date, consolidated EBITDA totaled \$35.3 million compared to \$36.4 million last year, a decrease of \$1.1 million, or 3%. Second quarter results included \$0.6 million of higher restructuring costs and a \$0.6 million increase in stock-based compensation expense. For the quarter, EBITDA as a percentage of sales decreased to 11.4% compared to 11.8% in the prior-year quarter, driven by a decrease in the Automotive Solutions segment EBITDA margin (10.9% compared to 11.8%), partially offset by an improvement in the Casting and Extrusion segment EBITDA margin (14.0% compared to 13.5%).

### **Financial Resources, Liquidity and Capital Resources**

Operating cash flow before net change in non-cash working capital totaled \$16.3 million in the second quarter compared to \$16.6 million in the same period last year. Year-to-date, operating cash flow before net change in non-cash working capital totaled \$31.4 million compared to \$31.0 million in the prior-year period. The change in operating cash flow before working capital was primarily driven by lower net income in the current quarter and year-to-date, partially offset by lower interest costs due to reduced interest rates and lower debt, as well as increased depreciation expense reflecting higher capital asset purchases in recent years. Non-cash working capital consumed \$5.3 million of cash in the current quarter compared to \$7.9 million in the prior-year period. Year-to-date, non-cash working capital consumed \$10.2 million of cash compared to \$11.9 million in the prior-year period. The non-cash working capital changes were driven by higher accounts receivable due to a 5% increase in sequential sales and higher inventory, partially offset by increased accounts payable, accruals, and provisions. Consequently, net cash provided by operating activities amounted to \$11.1 million in the current quarter compared to \$8.7 million in the same quarter last year. Year-to-date, net cash provided by operating activities amounted to \$21.2 million compared to \$19.1 million in the prior-year period.

Cash used in financing activities in the current quarter was \$7.5 million compared to \$1.7 million in the prior-year quarter. In the current quarter, dividend payments and interest expense were \$0.4 million lower than in the prior-year quarter, while share repurchases were \$1.6 million higher. The Company's bank indebtedness remained virtually unchanged in the current quarter compared to a \$4.5 million increase in the prior-year quarter. Year-to-date, cash used in financing activities totaled \$11.4 million compared to \$16.7 million in the prior-year period. For the year-to-date period, dividends and interest expense were \$0.9 million lower, share repurchases increased by \$2.2 million, and bank indebtedness and long-term debt increased by \$1.8 million compared to a \$4.9 million reduction in the prior-year period.

Cash used in investing activities in the second quarter totaled \$5.8 million compared to \$8.5 million in the same quarter last year. Year-to-date, cash used in investing activities totaled \$10.3 million compared to \$16.2 million in the prior year. Following several years of significant growth-related capital expenditures, the Company is currently focused on improving the performance of its existing asset base. As a result, management expects near-term capital expenditures to remain restrained and directed primarily toward essential maintenance, productivity improvements, and select growth initiatives. Growth capital expenditures totaled \$1.7 million in the quarter and \$1.8 million year-to-date, while maintenance capital expenditures were

\$4.1 million in the quarter and \$8.4 million year-to-date. Management's capital spending forecast for fiscal 2026 is \$25.0 million, compared to actual capital expenditures of \$36.0 million in fiscal 2025.

The Company's financial position and liquidity remain strong. Exco's net debt position (totaling long-term debt and bank indebtedness net of cash) totaled \$69.3 million as at March 31, 2026, an increase of \$2.2 million from September 30, 2025. The Company generated Free Cash Flow of \$5.9 million in the current quarter compared to \$3.1 million in the prior-year quarter, and \$10.8 million year-to-date compared to \$6.9 million in the prior-year period. Second quarter Free Cash Flow and existing operating lines were used to fund \$1.7 million of growth capital expenditures, dividends of \$4.0 million, and \$2.5 million in share buybacks. Year-to-date Free Cash Flow was used to fund \$1.8 million of growth capital expenditures, \$7.9 million in dividends, and \$3.3 million in share buybacks. Exco's principal sources of liquidity include Free Cash Flow, cash of \$22.5 million, and \$59.8 million of availability under its \$151.5 million committed credit facility, which matures in March 2029. Pursuant to the terms of the credit facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at March 31, 2026.

Exco owns 19 of its 20 manufacturing facilities and essentially all of its production equipment. The Company leases sales and support centers in Chesterfield, Michigan a warehouse in Brownsville, Texas and operating facilities in Weissenberg, Germany and Brescia, Italy. The following table summarizes all short-term and long-term commitments Exco has entered.

	March 31, 2026			
	Total	< 1 year	1-3 years	4-5 years
Bank Indebtedness	\$1,763	\$1,763	\$-	\$ -
Trade accounts payable	50,356	50,356	-	-
Long term debt	90,000	-	90,000	-
Lease commitments	8,956	1,091	1,926	5,939
Purchase commitments	55,968	55,968	-	-
Capital expenditures	4,879	4,879	-	-
	\$211,922	\$114,057	\$91,926	\$5,939

### Quarterly results

The following table sets out financial information for each of the eight quarters through to the second quarter ended March 31, 2026:

	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
<i>(\$ thousands except per share amounts)</i>				
Sales	\$157,559	\$149,522	\$150,696	\$154,882
Net income	\$5,789	\$4,832	\$8,227	\$5,399
Earnings per share				
Basic	\$0.15	\$0.13	\$0.22	\$0.14
Diluted	\$0.15	\$0.13	\$0.22	\$0.14

<i>(\$ thousands except per share amounts)</i>	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Sales	\$166,117	\$143,568	\$155,447	\$161,809
Net income	\$6,421	\$4,245	\$7,734	\$8,176
Earnings per share				
Basic	\$0.17	\$0.11	\$0.20	\$0.21
Diluted	\$0.17	\$0.11	\$0.20	\$0.21

Exco typically experiences softer sales and profits in the first fiscal quarter ending December 31, which coincides with our customers' plant shutdown during the Christmas season. Exco also experiences a slowdown in the fourth fiscal quarter ending September 30, as customers typically schedule summer plant shutdowns and European customers typically curtail releases during the months of July and August to accommodate vacations. The quarters ending June 2025 and September 2025 results were negatively impacted by the effect of US tariffs and weaker demand for die cast products partially offset by a tax credits booked in the latter quarter.

### Non-IFRS Measures

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

	Three Months ended March 31		Six Months ended March 31	
	<i>(in \$ thousands)</i>			
	<b>2026</b>	2025	<b>2026</b>	2025
<b>Net income</b>	<b>\$5,789</b>	\$6,421	<b>\$10,621</b>	\$10,666
Provision for income tax	<b>2,074</b>	3,258	<b>4,332</b>	5,630
<b>Income before income tax</b>	<b>7,863</b>	9,679	<b>14,953</b>	16,296
Depreciation	<b>8,072</b>	7,652	<b>16,225</b>	15,214
Amortization	<b>1,083</b>	1,095	<b>2,176</b>	2,172
Net interest expense	<b>974</b>	1,229	<b>1,988</b>	2,684
<b>EBITDA</b>	<b>17,992</b>	19,655	<b>35,342</b>	36,366
Sales	<b>\$157,559</b>	\$166,117	<b>\$307,081</b>	\$309,685
<b>EBITDA margin</b>	<b>11.4%</b>	11.8%	<b>11.5%</b>	11.7%
Weighted average basic shares outstanding	<b>37,741</b>	38,448	<b>37,754</b>	38,450
<b>EPS</b>	<b>\$0.15</b>	\$0.17	<b>\$0.28</b>	\$0.28
Cash provided by operating activities	<b>\$11,060</b>	\$8,704	<b>\$21,226</b>	\$19,097
Interest	<b>(974)</b>	(1,229)	<b>(1,988)</b>	(2,684)
Maintenance Fixed Asset Additions	<b>(4,139)</b>	(4,398)	<b>(8,447)</b>	(9,559)
<b>Free Cash Flow</b>	<b>\$5,947</b>	\$3,077	<b>\$10,791</b>	\$6,854

<b>Quarterly Segment EBITDA Margin</b>	Casting and Extrusion		Automotive Solutions	
	Three months ended March 31		Three months ended March 31	
	2026	2025	2026	2025
Pretax Profit	<b>3,439</b>	4,458	<b>6,982</b>	7,844
Depreciation	<b>6,730</b>	6,452	<b>1,313</b>	1,176
Amortization	<b>372</b>	357	<b>711</b>	738
<b>EBITDA</b>	<b>10,541</b>	11,267	<b>9,006</b>	9,758
Sales	<b>75,118</b>	83,196	<b>82,441</b>	82,921
<b>EBITDA Margin</b>	<b>14.0%</b>	13.5%	<b>10.9%</b>	11.8%

<b>Yearly Segment EBITDA Margin</b>	Casting and Extrusion		Automotive Solutions	
	Six months ended March 31		Six months ended March 31	
	2026	2025	2026	2025
Pretax Profit	<b>6,945</b>	8,198	<b>13,499</b>	12,606
Depreciation	<b>13,611</b>	12,810	<b>2,561</b>	2,380
Amortization	<b>747</b>	714	<b>1,429</b>	1,458
<b>EBITDA</b>	<b>21,303</b>	21,722	<b>17,489</b>	16,444
Sales	<b>145,308</b>	154,639	<b>161,773</b>	155,046
<b>EBITDA Margin</b>	<b>14.7%</b>	14.0%	<b>10.8%</b>	10.6%

### **Recent Accounting Changes and Effective Dates**

There were no accounting policy changes effective October 1, 2025 that have a material impact to the Company's reporting.

### **Controls and Procedures**

Based on the current Canadian Securities Administrators (the "CSA") rules under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, the Chief Executive Officer and Chief Financial Officer (or individuals performing similar functions as a chief executive officer or chief financial officer) are required to certify as at March 31, 2026 that they are responsible for establishing and maintaining disclosure controls and procedure and internal control over financial reporting.

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

### **Outstanding Share Capital**

As at March 31, 2026 Exco had 37,597,520 common shares issued and outstanding and stock options outstanding to purchase up to 604,500 common shares at exercise prices ranging from \$7.97 to \$9.78.

### **Outlook**

Exco continues to operate in an environment characterized by uncertainty surrounding global trade policy, including tariff implementation and scope, as well as broader geopolitical and macroeconomic conditions. These factors may contribute to volatility in customer demand, input costs, and pricing dynamics, and may

affect visibility into near-term financial performance. Management remains focused on the initiatives supporting Exco's long-term growth and margin expansion, including the maturation of greenfield investments, new program launches, organic market growth, operational efficiency initiatives, and continued market share gains.

Management expects products that comply with the United States-Mexico-Canada Agreement (USMCA) rules of origin to remain favourably positioned under current and evolving trade frameworks. As nearly all of Exco's products sold within North America comply with USMCA requirements, the Company believes it is well positioned to navigate ongoing trade policy developments. Within the Casting and Extrusion segment, Exco maintains a substantial U.S. manufacturing footprint for extrusion dies and large mould products, providing additional flexibility should tariff policies evolve. If elevated tariffs on imports from non-compliant jurisdictions, particularly China, persist, Exco may benefit from improved competitive positioning relative to certain global peers.

Exco is also encouraged by increasing initiatives to reshore industrial manufacturing in North America. These trends are expected to support demand for extrusion and high-pressure die-cast (HPDC) tooling, areas where Exco maintains considerable strength. Together with structural automotive trends, continued program launches, and the Company's product and manufacturing capabilities, these factors support management's confidence in Exco's long-term outlook despite near-term uncertainty.

### **Forward-looking information**

*This Management Discussion and Analysis contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We use words such as "anticipate", "may", "will", "should", "expect", "believe", "estimate", "5-year target" and similar expressions to identify forward-looking information and statements especially with respect to growth, outlook and financial performance of the Company's business units, contribution of our start-up business units, contribution of awarded programs yet to be launched, margin performance, financial performance of acquisitions, liquidity, operating efficiencies, improvements in, expansion of and/or guidance or outlook as to future revenue, sales, production sales, margin, earnings, earnings per share, including the outlook for the year ending fiscal 2026, are forward-looking statements and the impact on Exco's business operations, future plans, activities, objectives, operations, strategy, business outlook and financial performance and condition of the Corporation. These forward-looking statements include known and unknown risks, uncertainties, assumptions and other factors which may cause actual results or achievements to be materially different from those expressed or implied. These forward-looking statements are based on our plans, intentions or expectations which are based on, among other things, the 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 local economic interests, 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. Readers are cautioned not to place undue reliance on forward-looking statements throughout this document and are also cautioned that the foregoing list of important factors is not exhaustive. The Company will update its disclosure upon publication of each fiscal quarter's financial results and otherwise disclaims any obligations to update publicly or otherwise revise any such factors or any of the forward-looking information or statements contained herein to reflect subsequent information, events or developments, changes in risk factors or otherwise. For a more extensive discussion of Exco's risks and uncertainties see the 'Risks and Uncertainties' section in our latest Annual Report, Annual Information Form ("AIF") and other reports and securities filings made by the Company. This information is available at [www.sedarplus.ca](http://www.sedarplus.ca) or [www.excocorp.com](http://www.excocorp.com).*

## **NOTICE TO READER**

*The attached unaudited condensed interim consolidated financial statements have been prepared by management of the Company. The condensed interim consolidated financial statements for the three and six -month periods ended March 31, 2026 and 2025 have not been reviewed by the auditors of the Company.*

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

	As at March 31, 2026	As at September 30, 2025
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$22,484	\$22,871
Accounts receivable	121,253	114,918
Inventories	107,080	103,062
Prepaid expenses and deposits	6,622	5,188
Derivative instruments	1,087	617
Income taxes recoverable	2,299	2,057
<b>Total current assets</b>	<b>260,825</b>	<b>248,713</b>
Property, plant and equipment, net (note 4)	230,940	237,132
Intangible assets, net (note 5)	23,175	25,325
Goodwill (note 5)	98,784	99,626
Deferred tax assets	3,510	3,445
<b>Total assets</b>	<b>\$617,234</b>	<b>\$614,241</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Bank indebtedness	\$1,763	\$-
Trade accounts payable	50,356	46,906
Accrued payroll liabilities	17,034	18,775
Other accrued liabilities	12,666	13,459
Provisions	11,822	10,705
Customer advance payments	2,904	2,314
<b>Total current liabilities</b>	<b>96,545</b>	<b>92,159</b>
Lease liabilities- long-term portion	6,840	7,127
Long-term debt (note 7)	90,000	90,000
Deferred tax liabilities	17,764	17,705
<b>Total liabilities</b>	<b>211,149</b>	<b>206,991</b>
<b>Shareholders' equity</b>		
Share capital (note 8)	47,119	47,664
Contributed surplus	6,129	6,112
Accumulated other comprehensive income	36,805	37,402
Retained earnings	316,032	316,072
<b>Total shareholders' equity</b>	<b>406,085</b>	<b>407,250</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$617,234</b>	<b>\$614,241</b>

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

**EXCO TECHNOLOGIES LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**  
**(Unaudited)**

\$ (000)'s except for income per common share

	Three months ended		Six months ended	
	March 31		March 31	
	2026	2025	2026	2025
<b>Sales</b>	<b>\$157,559</b>	<b>\$166,117</b>	<b>\$307,081</b>	<b>\$309,685</b>
Cost of sales	124,071	130,795	242,317	246,994
Selling, general and administrative expenses	15,547	15,420	29,498	26,108
Depreciation (note 4)	8,072	7,652	16,225	15,214
Amortization (note 5)	1,083	1,095	2,176	2,172
Gain on disposal of property, plant and equipment	(51)	247	(76)	217
Interest expense, net	974	1,229	1,988	2,684
	<b>149,696</b>	<b>156,438</b>	<b>292,128</b>	<b>293,389</b>
Income before income taxes	7,863	9,679	14,953	16,296
Provision for income taxes (note 11)	2,074	3,258	4,332	5,630
<b>Net income for the period</b>	<b>5,789</b>	<b>6,421</b>	<b>10,621</b>	<b>10,666</b>
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Net unrealized gain (loss) on derivatives designated as cash flow hedges (a)	66	859	346	(948)
Unrealized gain (loss) on foreign currency translation	4,104	6,239	(943)	16,535
	<b>4,170</b>	<b>7,098</b>	<b>(597)</b>	<b>15,587</b>
<b>Comprehensive income</b>	<b>\$9,959</b>	<b>\$13,519</b>	<b>\$10,024</b>	<b>\$26,253</b>
<b>Income per common share</b>				
Basic	\$0.15	\$0.17	\$0.28	\$0.28
Diluted	\$0.15	\$0.17	\$0.28	\$0.28
<b>Weighted average number of common shares outstanding (.000)'s</b>				
Basic	37,741	38,448	37,754	38,450
Diluted	37,741	38,448	37,754	38,450

(a) Net of income tax payable of \$24 and \$124 for the three and six- month periods ended March 31, 2026 (2025 - net of income tax payable of \$307 for the three-month period ended March 31, 2025 and net of income tax receivable of \$338 for six- month period ended March 31,2025 )

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

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

	Accumulated other comprehensive income						
	Share capital	Contributed surplus	Retained earnings	Net unrealized gain on derivatives designated as cash flow hedges	Unrealized gain (loss) on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2025	\$47,664	\$6,112	\$316,072	\$453	\$36,949	\$37,402	\$407,250
Net income for the period	-	-	4,832	-	-	-	4,832
Dividend paid (note 3)	-	-	(3,982)	-	-	-	(3,982)
Stock option expense	-	21	-	-	-	-	21
Repurchase of share capital (note 8)	(135)	-	(597)	-	-	-	(732)
Other comprehensive income (loss)	-	-	-	280	(5,047)	(4,767)	(4,767)
<b>Balance, December 31, 2025</b>	<b>\$47,529</b>	<b>\$6,133</b>	<b>\$316,325</b>	<b>\$733</b>	<b>\$31,902</b>	<b>\$32,635</b>	<b>\$402,622</b>
Net income for the period	-	-	5,789	-	-	-	5,789
Dividend paid (note 3)	-	-	(3,960)	-	-	-	(3,960)
Stock option expense	-	(4)	-	-	-	-	(4)
Repurchase of share capital (note 8)	(410)	-	(2,122)	-	-	-	(2,532)
Other comprehensive income	-	-	-	66	4,104	4,170	4,170
<b>Balance, March 31, 2026</b>	<b>\$47,119</b>	<b>\$6,129</b>	<b>\$316,032</b>	<b>\$799</b>	<b>\$36,006</b>	<b>\$36,805</b>	<b>\$406,085</b>

	Accumulated other comprehensive income						
	Share capital	Contributed surplus	Retained earnings	Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain (loss) on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2024	\$48,315	\$6,010	\$310,699	(\$634)	\$16,882	\$16,248	\$381,272
Net income for the period	-	-	4,245	-	-	-	4,245
Dividend paid (note 3)	-	-	(4,046)	-	-	-	(4,046)
Stock option expense	-	43	-	-	-	-	43
Repurchase of share capital (note 8)	(25)	-	(132)	-	-	-	(157)
Other comprehensive (loss)	-	-	-	(1,807)	10,296	8,489	8,489
<b>Balance, December 31, 2024</b>	<b>\$48,290</b>	<b>\$6,053</b>	<b>\$310,766</b>	<b>(\$2,441)</b>	<b>\$27,178</b>	<b>\$24,737</b>	<b>\$389,846</b>
Net income for the period	-	-	6,421	-	-	-	6,421
Dividend paid (note 3)	-	-	(4,031)	-	-	-	(4,031)
Stock option expense	-	24	-	-	-	-	24
Repurchase of share capital (note 8)	(171)	-	(745)	-	-	-	(916)
Other comprehensive (loss)	-	-	-	859	6,239	7,098	7,098
<b>Balance, March 31, 2025</b>	<b>\$48,119</b>	<b>\$6,077</b>	<b>\$312,411</b>	<b>(\$1,582)</b>	<b>\$33,417</b>	<b>\$31,835</b>	<b>\$398,442</b>
Net income for the period	-	-	5,399	-	-	-	5,399
Dividends paid (note 3)	-	-	(4,014)	-	-	-	(4,014)
Stock option expense	-	11	-	-	-	-	11
Repurchase of share capital (note 8)	(208)	-	(861)	-	-	-	(1,069)
Other comprehensive income (loss)	-	-	-	1,884	(4,387)	(2,503)	(2,503)
<b>Balance, June 30, 2025</b>	<b>\$47,911</b>	<b>\$6,088</b>	<b>\$312,935</b>	<b>\$302</b>	<b>\$29,030</b>	<b>\$29,332</b>	<b>\$396,266</b>
Net income for the period	-	-	8,227	-	-	-	8,227
Dividends (note 3)	-	-	(3,998)	-	-	-	(3,998)
Stock option expense	-	24	-	-	-	-	24
Repurchase of share capital (note 8)	(247)	-	(1,092)	-	-	-	(1,339)
Other comprehensive income (loss)	-	-	-	151	7,919	8,070	8,070
<b>Balance, September 30, 2025</b>	<b>\$47,664</b>	<b>\$6,112</b>	<b>\$316,072</b>	<b>\$453</b>	<b>\$36,949</b>	<b>\$37,402</b>	<b>\$407,250</b>

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

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

	Three months ended March 31		Six months ended March 31	
	2026	2025	2026	2025
<b>OPERATING ACTIVITIES:</b>				
Net income for the period	\$5,789	\$6,421	\$10,621	\$10,666
Add non-operating and items not involving a current outlay of cash				
Depreciation	8,072	7,652	16,225	15,214
Amortization	1,083	1,095	2,176	2,172
Stock-based compensation	373	(182)	569	(58)
Deferred income taxes	83	143	(79)	129
Net interest expense	974	1,229	1,988	2,684
Loss (Gain) on disposal of property, plant and equipment	(51)	247	(76)	217
	<b>16,323</b>	<b>16,605</b>	<b>31,424</b>	<b>31,024</b>
Net change in non-cash working capital (note 10)	(5,263)	(7,901)	(10,198)	(11,927)
<b>Cash provided by operating activities</b>	<b>11,060</b>	<b>8,704</b>	<b>21,226</b>	<b>19,097</b>
<b>FINANCING ACTIVITIES:</b>				
Increase in bank indebtedness	(15)	4,470	1,763	5,143
Repayment of long-term debt	-	-	-	(10,000)
Interest paid, net	(974)	(1,229)	(1,988)	(2,684)
Dividends paid	(3,960)	(4,031)	(7,942)	(8,077)
Repurchase of share capital	(2,532)	(916)	(3,264)	(1,073)
<b>Cash used in financing activities</b>	<b>(7,481)</b>	<b>(1,706)</b>	<b>(11,431)</b>	<b>(16,691)</b>
<b>INVESTING ACTIVITIES:</b>				
Purchase of property, plant and equipment	(5,863)	(8,534)	(10,283)	(16,244)
Purchase of intangible assets	(67)	(109)	(156)	(187)
Proceeds from disposal of property, plant and equipment	134	115	174	236
<b>Cash used in investing activities</b>	<b>(5,796)</b>	<b>(8,528)</b>	<b>(10,265)</b>	<b>(16,195)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>72</b>	<b>476</b>	<b>83</b>	<b>294</b>
<b>Net increase (decrease) in cash during the period</b>	<b>(2,145)</b>	<b>(1,054)</b>	<b>(387)</b>	<b>(13,495)</b>
Cash, beginning of period	24,629	19,196	22,871	31,637
<b>Cash, end of period</b>	<b>\$22,484</b>	<b>\$18,142</b>	<b>\$22,484</b>	<b>\$18,142</b>

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

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

**1. CORPORATE INFORMATION**

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

**2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

**Basis of preparation**

These unaudited condensed interim consolidated financial statements present the Company’s financial results of operations and financial position as at and for the three- and six-month periods ended March 31, 2026 and have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”). The accounting policies used in preparing these unaudited condensed interim financial statements are consistent with those used in the preparation of the 2025 audited annual consolidated financial statements.

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

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s 2025 audited annual consolidated financial statements, which are available at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Corporation’s website at [www.excocorp.com](http://www.excocorp.com). The unaudited condensed interim consolidated financial statements and accompanying notes for the three- and six-month periods ended March 31, 2026 were authorized for issue by the Board of Directors on April 29, 2026.

**3. CASH DIVIDEND**

During the three- and six-month periods ended March 31, 2026, the Company paid quarterly cash dividends totaling \$3,960 and \$7,942 (2025 - \$4,031 and \$8,077). The quarterly dividend rate in the second quarter of 2026 was \$0.105 per common share (2025 - \$0.105).

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

**4. PROPERTY, PLANT AND EQUIPMENT**

	<b>Machinery and Equipment</b>	<b>Tools</b>	<b>Buildings</b>	<b>Land</b>	<b>Assets under Construction</b>	<b>Right of Use Assets</b>	<b>TOTAL</b>
<b>Cost</b>							
Balance as at September 30, 2025	\$339,632	\$31,384	\$124,431	\$15,423	\$14,671	\$11,032	\$536,573
Additions	1,253	1,466	899	-	6,300	365	10,283
Less: disposals	(1,618)	(387)	-	-	-	(101)	(2,106)
Reclassification	12,360	883	2,417	-	(15,660)	-	-
Foreign exchange movement	192	53	(42)	2	(69)	(120)	16
<b>Balance as at March 31, 2026</b>	<b>\$351,819</b>	<b>\$33,399</b>	<b>\$127,705</b>	<b>\$15,425</b>	<b>\$5,242</b>	<b>\$11,176</b>	<b>\$544,766</b>

	<b>Machinery and Equipment</b>	<b>Tools</b>	<b>Buildings</b>	<b>Land</b>	<b>Assets under Construction</b>	<b>Right of Use Assets</b>	<b>TOTAL</b>
<b>Accumulated depreciation and impairment losses</b>							
Balance as at September 30, 2025	\$212,457	\$23,235	\$60,548	-	-	\$3,201	\$299,441
Depreciation	11,744	1,482	2,515	-	-	484	16,225
Less: disposals	(1,599)	(317)	-	-	-	(92)	(2,008)
Foreign exchange movement	193	57	(64)	-	-	(18)	168
<b>Balance as at March 31, 2026</b>	<b>\$222,795</b>	<b>\$24,457</b>	<b>\$62,998</b>	<b>-</b>	<b>-</b>	<b>\$3,575</b>	<b>\$313,826</b>

<b>Carrying amounts</b>	<b>Machinery and Equipment</b>	<b>Tools</b>	<b>Buildings</b>	<b>Land</b>	<b>Assets under Construction</b>	<b>Right of Use Assets</b>	<b>TOTAL</b>
As at September 30, 2025	\$127,175	\$8,149	\$63,883	\$15,423	\$14,671	\$7,831	\$237,132
<b>As at March 31, 2026</b>	<b>\$129,024</b>	<b>\$8,942</b>	<b>\$64,706</b>	<b>\$15,425</b>	<b>\$5,242</b>	<b>\$7,601</b>	<b>\$230,940</b>

**5. INTANGIBLE ASSETS AND GOODWILL**

	<b>Computer Software and Other</b>	<b>Acquisition Intangibles*</b>	<b>Assets under Construction (Software)</b>	<b>Total Intangible Assets</b>	<b>Goodwill</b>
<b>Cost</b>					
Balance as at September 30, 2025	\$9,944	\$60,902	\$147	\$70,993	\$99,626
Additions	130	-	26	156	-
Less: disposals	(6)	-	-	(6)	-
Reclassification	111	-	(111)	-	-
Foreign exchange movement	25	(115)	(1)	(91)	(842)
<b>Balance as at March 31, 2026</b>	<b>\$10,204</b>	<b>\$60,787</b>	<b>\$61</b>	<b>\$71,052</b>	<b>\$98,784</b>

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
<b>Accumulated amortization and impairment losses</b>					
Balance as at September 30, 2025	\$8,614	\$37,054	\$-	\$45,668	\$-
Amortization for the period	421	1,755	-	2,176	-
Less: disposals	(6)	-	-	(6)	-
Foreign exchange movement	24	15	-	39	-
<b>Balance as at March 31, 2026</b>	<b>\$9,053</b>	<b>\$38,824</b>	<b>\$-</b>	<b>\$47,877</b>	<b>\$-</b>

**Carrying amounts**

As at September 30, 2025	\$1,330	\$23,848	\$147	\$25,325	\$99,626
<b>As at March 31, 2026</b>	<b>\$1,151</b>	<b>\$21,963</b>	<b>\$61</b>	<b>\$23,175</b>	<b>\$98,784</b>

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

**6. FINANCIAL INSTRUMENTS**

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

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

The fair value of derivative instruments that are not traded in an active market such as over-the-counter foreign exchange options and collars is determined using quoted forward exchange rates at the consolidated statement of financial position dates and are Level 2 instruments.

During the six-month period ended March 31, 2026 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:

	March 31, 2026		September 30, 2025	
	Carrying Amount of Asset (Liability)	Fair Value of Asset (Liability)	Carrying Amount of Asset (Liability)	Fair Value of Asset (Liability)
Cash and cash equivalents	\$22,484	\$22,484	\$22,871	\$22,871
Accounts receivable	121,253	121,253	114,918	114,918
Bank indebtedness	(1,763)	(1,763)	-	-
Trade accounts payable	(50,356)	(50,356)	(46,906)	(46,906)
Customer advance payments	(2,904)	(2,904)	(2,314)	(2,314)
Accrued liabilities	(29,700)	(29,700)	(32,234)	(32,234)
Derivative instruments	1,087	1,087	617	617
Long-term debt	(\$90,000)	(\$90,000)	(\$90,000)	(\$90,000)

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

**7. LONG-TERM DEBT**

On March 20, 2026, the Company renewed the Committed Revolving Credit Facility (“the Credit Facility”) of \$150,000 to extend the maturity date to March 20, 2029. As at March 31, 2026, \$91,763 was utilized (September 30, 2025 - \$90,000). The facility is collateralized by a general security agreement covering all assets of the Company’s subsidiaries located in Canada and the US, with the exception of real property.

The Credit Facility is available to fund working capital, capital expenditures and other general corporate purposes of the Company and its subsidiaries, including acquisitions. Interest rates vary based on prime, bankers’ acceptance or CORRA base rates plus a relevant margin depending on the level of the Company’s net leverage ratio and as at March 31, 2026, the average interest rate was 4.1% (Q2-2025 – 4.6%).

Pursuant to the terms of the Credit Facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at March 31, 2026.

**8. SHARE CAPITAL**

In each of February 2026 and 2025 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 1,706,558 and 1,770,513 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 second quarter and year-to-date 331,412 and 439,292 common shares were repurchased (2025 – 136,360 and 156,210).

As at March 31, 2026 the Company had 37,597,520 common shares issued and outstanding.

**9. SEGMENTED INFORMATION**

**Business segments**

The Company operates in two reportable business segments: Casting and Extrusion Technology (“Casting and Extrusion”) and Automotive Solutions.

The Casting and Extrusion segment is comprised of Extrusion Technologies, Casting Technologies, and Castool (extrusion and casting technology), which serve to design, develop and manufacture tooling and consumable parts for both die-casting and aluminum extrusion machines for industrial applications and serve automotive markets globally. The aggregation of the above operating segments reflects, in the view of management, the similarity in economic characteristics, as well the similar products sold and a comparable class of customers.

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

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

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

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

<b>Three Months Ended March 31, 2026</b>				
	<b>Casting and Extrusion</b>	<b>Automotive Solutions</b>	<b>Corporate</b>	<b>Total</b>
Sales	<b>\$81,599</b>	<b>\$82,708</b>	<b>\$-</b>	<b>\$164,307</b>
Intercompany sales	<b>(6,481)</b>	<b>(267)</b>	<b>-</b>	<b>(6,748)</b>
Net sales	<b>75,118</b>	<b>82,441</b>	<b>-</b>	<b>157,559</b>
Depreciation	<b>6,730</b>	<b>1,313</b>	<b>29</b>	<b>8,072</b>
Amortization	<b>372</b>	<b>711</b>	<b>-</b>	<b>1,083</b>
Segment pre-tax income (loss) before interest	<b>3,439</b>	<b>6,982</b>	<b>(1,584)</b>	<b>8,837</b>
Net interest expense				<b>(974)</b>
Income before income taxes				<b>7,863</b>
Property, plant and equipment additions	<b>4,442</b>	<b>1,252</b>	<b>169</b>	<b>5,863</b>
Property, plant and equipment, net	<b>186,647</b>	<b>42,943</b>	<b>1,350</b>	<b>230,940</b>
Intangible asset additions	<b>27</b>	<b>34</b>	<b>6</b>	<b>67</b>
Intangible assets, net	<b>9,254</b>	<b>13,916</b>	<b>5</b>	<b>23,175</b>
Goodwill	<b>31,285</b>	<b>67,499</b>	<b>-</b>	<b>98,784</b>
Total assets	<b>404,867</b>	<b>247,202</b>	<b>(34,835)</b>	<b>617,234</b>
Total liabilities	<b>56,910</b>	<b>56,300</b>	<b>97,940</b>	<b>211,150</b>

<b>Three Months Ended March 31, 2025</b>				
	<b>Casting and Extrusion</b>	<b>Automotive Solutions</b>	<b>Corporate</b>	<b>Total</b>
Sales	<b>\$89,208</b>	<b>\$83,378</b>	<b>\$-</b>	<b>\$172,586</b>
Intercompany sales	<b>(6,012)</b>	<b>(457)</b>	<b>-</b>	<b>(6,469)</b>
Net sales	<b>83,196</b>	<b>82,921</b>	<b>-</b>	<b>166,117</b>
Depreciation	<b>6,452</b>	<b>1,176</b>	<b>24</b>	<b>7,652</b>
Amortization	<b>357</b>	<b>738</b>	<b>-</b>	<b>1,095</b>
Segment pre-tax income (loss) before interest	<b>4,458</b>	<b>7,844</b>	<b>(1,394)</b>	<b>10,908</b>
Net interest expense				<b>(1,229)</b>
Income before income taxes				<b>9,679</b>
Property, plant and equipment additions	<b>7,154</b>	<b>1,380</b>	<b>-</b>	<b>8,534</b>
Property, plant and equipment, net	<b>192,463</b>	<b>38,589</b>	<b>1,275</b>	<b>232,327</b>
Intangible asset additions	<b>74</b>	<b>35</b>	<b>-</b>	<b>109</b>
Intangible assets, net	<b>10,087</b>	<b>17,129</b>	<b>-</b>	<b>27,216</b>
Goodwill	<b>30,250</b>	<b>68,026</b>	<b>-</b>	<b>98,276</b>
Total assets	<b>410,022</b>	<b>236,461</b>	<b>(32,229)</b>	<b>614,254</b>
Total liabilities	<b>57,161</b>	<b>54,025</b>	<b>104,626</b>	<b>215,812</b>

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

Six Months Ended March 31, 2026				
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	\$157,268	\$162,300	\$-	\$319,568
Intercompany sales	(11,960)	(527)	-	(12,487)
Net sales	145,308	161,773	-	307,081
Depreciation	13,611	2,561	53	16,225
Amortization	747	1,429	-	2,176
Segment pre-tax income (loss) before interest	6,945	13,499	(3,503)	16,941
Net interest expense				(1,988)
Income before income taxes				14,953
Property, plant and equipment additions	7,396	2,702	185	10,283
Property, plant and equipment, net	186,647	42,943	1,350	230,940
Intangible asset additions	77	73	6	156
Intangible assets, net	9,254	13,916	5	23,175
Goodwill	31,285	67,499	-	98,784
Total assets	404,867	247,202	(34,835)	617,234
Total liabilities	56,910	56,300	97,939	211,149

Six Months Ended March 31, 2025				
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	\$166,667	\$156,144	\$-	\$322,811
Intercompany sales	(12,028)	(1,098)	-	(13,126)
Net sales	154,639	155,046	-	309,685
Depreciation	12,810	2,380	24	15,214
Amortization	714	1,458	-	2,172
Segment pre-tax income (loss) before interest	8,198	12,606	(1,824)	18,980
Net interest expense				(2,684)
Income before income taxes				16,296
Property, plant and equipment additions	13,459	2,653	132	16,244
Property, plant and equipment, net	192,463	38,589	1,275	232,327
Intangible asset additions	147	40	-	187
Intangible assets, net	10,087	17,129	-	27,216
Goodwill	30,250	68,026	-	98,276
Total assets	410,022	236,461	(32,229)	614,254
Total liabilities	57,161	54,025	104,626	215,812

**EXCO TECHNOLOGIES LIMITED**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(Unaudited)**

*\$(000)'s except per share amounts*

**10. NET CHANGE IN NON-CASH WORKING CAPITAL**

	<b>Three Months Ended March 31</b>		<b>Six Months Ended March 31</b>	
	<b>2026</b>	<b>2025</b>	<b>2026</b>	<b>2025</b>
Accounts receivable	<b>(\$16,586)</b>	(\$20,530)	<b>(\$6,310)</b>	(\$11,977)
Inventories	<b>(1,175)</b>	7,921	<b>(3,891)</b>	10,468
Prepaid expenses and deposits	<b>(2,366)</b>	(2,066)	<b>(1,427)</b>	(1,391)
Trade accounts payable	<b>10,543</b>	1,800	<b>3,367</b>	(5,855)
Accrued payroll and taxes	<b>3,382</b>	4,133	<b>(1,763)</b>	(1,651)
Other accrued liabilities	<b>(590)</b>	106	<b>(1,617)</b>	(1,604)
Provisions	<b>1,458</b>	1,452	<b>1,117</b>	1,539
Customer advance payments	<b>29</b>	(585)	<b>580</b>	(318)
Income taxes payable	<b>42</b>	(132)	<b>(254)</b>	(1,138)
	<b>(\$5,263)</b>	(\$7,901)	<b>(\$10,198)</b>	(\$11,927)

**11. INCOME TAXES**

The consolidated effective income tax rates for the three- and six-month periods ended March 31, 2026 were 26.4% and 29.0% (three- and six-month periods ended March 31, 2025 – 33.7% and 34.5%). 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.

## **CORPORATE INFORMATION**

Exco Technologies Limited is a global supplier of innovative technologies servicing the die-cast, extrusion and automotive industries. Through our 21 strategic locations in 9 countries, we employ approximately 4,500 people and service a diverse and broad customer base.

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## **TORONTO STOCK EXCHANGE LISTING**

TSX:XTC

## **DIRECTORS**

Edward H. Kernaghan

Darren M. Kirk, President and CEO

Robert B. Magee, Lead Director

Colleen M. McMorrow

Brian A. Robbins, Executive Chairman

Tommy J. Skudutis

## **CORPORATE OFFICERS**

Brian A. Robbins, PEng

Executive Chairman

Darren M. Kirk, CFA, MBA

President and CEO

Matthew Posno, CPA, CA, MBA

Vice President Finance, CFO and Secretary

## **TRANSFER AGENT**

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