



Source: Exco Technologies Ltd.

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Exco Results for Second Quarter Ended March 31, 2026

- Consolidated Sales of \$157.6 million, down 1% excluding foreign exchange
- Net Income of \$5.8 million and EBITDA of \$18.0 million;
- Earnings per Share of \$0.15, including \$0.06 per share in restructuring charges;
- Free Cash Flow of \$5.9 million compared with \$3.1 million the prior year quarter;
- Automotive Solutions sales increased 5%, excluding foreign exchange supported by new program launches;
- Closure of the Large Mould Mexico facility is expected to support improved profitability in future periods;
- Quarterly dividend of \$0.105 per common share to be paid June 30, 2026.

TORONTO, April 29, 2026 (GLOBE NEWSWIRE) -- **Exco Technologies Limited (TSX-XTC)** today announced results for its second quarter of fiscal 2026 ended March 31, 2026. In addition, Exco announced a quarterly dividend of \$0.105 per common share which will be paid on June 30, 2026 to shareholders of record on June 16, 2026. The dividend is an “eligible dividend” in accordance with the Income Tax Act of Canada.

	Three Months Ended March 31		Six Months Ended March 31	
	2026	2025	2026	2025
<i>(in \$ thousands except per share amounts)</i>				
Sales	\$ 157,559	\$ 166,117	\$ 307,081	\$ 309,685
Net income for the period	\$ 5,789	\$ 6,421	\$ 10,621	\$ 10,666
Earnings per share:				
Basic and Diluted – Reported	\$ 0.15	\$ 0.17	\$ 0.28	\$ 0.28
EBITDA	\$ 17,992	\$ 19,655	\$ 35,342	\$ 36,366

“Although our second quarter results were affected by temporary softness in Large Mould volumes, restructuring actions and foreign exchange headwinds, we are encouraged by the underlying momentum building across the business,” said Darren Kirk, Exco’s President and CEO. “Large Mould order activity and backlog continue to build, and we expect sales and profitability in this business to recover in future quarters as new programs ramp up. At the same time, our Automotive Solutions segment continues to benefit from recent program launches, extrusion tooling demand remains solid, and our recent investments and innovation initiatives are increasingly positioned to contribute to stronger margins and earnings growth in the near term.”

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%. The impact of foreign

exchange rate changes reduced consolidated sales by \$6.9 million in the quarter. Excluding the foreign exchange impact, consolidated sales decreased 1% for the quarter.

The Automotive Solutions segment reported second quarter sales of \$82.4 million, a decrease of \$0.5 million, or 1%, from the prior-year period. Foreign exchange negatively impacted sales by \$4.5 million; excluding this impact, segment sales increased approximately 5%. Results benefited from relatively favourable automotive conditions, particularly in North America, where the U.S. seasonally adjusted annual rate reached 16.3 million units in March. Performance was further supported by stable production volumes in North America and Europe, new program launches, a favourable vehicle mix, and ongoing growth with both existing and new customers.

While industry production levels have remained relatively stable, near-term growth remains uncertain due to global economic conditions, including trade tensions, tariff risks, and geopolitical factors that may impact costs and consumer demand. Interest rates also remain a key consideration. Positively, dealer inventories are below pre-pandemic levels, vehicle fleets continue to age, and OEM incentive activity is increasing.

Exco expects to benefit from recent and upcoming program launches, supporting continued growth in content per vehicle. Quoting activity remains solid, and management sees continued opportunities to advance its long-term growth objectives.

The Casting and Extrusion segment reported second quarter sales of \$75.1 million, a decrease of \$8.1 million, or 10%, from the prior-year period. Foreign exchange reduced sales by \$2.4 million in the quarter. Extrusion tooling sales remained solid, supported by diversified demand across end markets including construction, transportation, renewable energy, electrical applications, and AI-related infrastructure. Exco continues to gain market share in extrusion tooling, supported by its broad capabilities and customer-focused approach, while industry conditions in North America remain generally favourable with ongoing customer investment in additional domestic and nearshore capacity.

Die-cast tooling revenues were lower quarter over quarter, reflecting prior delays in program launches amid softer EV demand, regulatory uncertainty, and tariff considerations. However, order activity has strengthened in recent quarters, and these programs are now ramping up, which is expected to support improved performance in the second half of fiscal 2026. Demand is also expanding beyond passenger vehicles into areas such as energy and industrial applications, while interest in 3D-printed tooling solutions is growing strongly.

Management continues to focus on scaling newer operations in Morocco, Mexico, and Europe, while advancing initiatives to push innovation, enhance manufacturing efficiency, standardize processes, and consolidate support functions. These efforts have improved lead times, product quality, and capacity, positioning Exco for further market share gains. The Company is also leveraging its existing equipment and unique capabilities by pursuing new opportunities, such as precision machining large components for the Canadian nuclear energy market. Effective March 31, 2026, the Company closed its Large Mould facility in Querétaro, Mexico and recorded a \$1.0 million accrual for termination and closure costs. Management does not expect the closure to materially reduce future revenue opportunities and believes it will support a lower cost structure and improved profitability in future periods. Overall, management believes Exco is well positioned to benefit from evolving sourcing trends, particularly as tariff developments support increased domestic and nearshore production.

Consolidated net income for the second quarter was \$5.8 million, or \$0.15 per 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%. 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. 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 second quarter pretax profit of \$7.0 million, a decrease of \$0.9 million from the prior-year period. Profitability was impacted by product mix, higher labour costs, and foreign exchange. The Company continues to focus on lean manufacturing and automation to improve efficiency and support future margin expansion as volumes grow and new

programs ramp up. Pricing discipline remains a priority, particularly on new program awards, to reflect expected cost increases.

The Casting and Extrusion segment reported second quarter pretax profit of \$3.4 million, a decrease of \$1.0 million from the prior-year period. The decline was primarily due to \$0.8 million of incremental restructuring costs in the quarter, including severance and costs related to the closure of the Large Mould Mexico facility. Excluding these items, profitability was consistent with the prior year.

Operationally, lower large die-cast mould volumes, product mix changes, higher labour and overhead costs, and increased depreciation impacted results, partially offset by continued strength in extrusion tooling demand. Management expects die-cast mould volumes to improve in the second half of fiscal 2026 as new programs ramp up. Performance at Castool's greenfield facilities and the German extrusion operations also weighed on results; however, recent actions are showing progress and are expected to support improvement near term. The Company continues to focus on pricing initiatives and operational efficiencies, including lean manufacturing, automation, and process standardization. With improving die-cast demand, solid extrusion activity, and ongoing cost discipline, management expects segment profitability to strengthen 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.

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%. Second quarter results included \$0.6 million 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%).

During the quarter, Exco continued to prioritize improving performance at newer facilities and underperforming operations while moderating capital spending following several years of elevated investment. Management's fiscal 2026 capital spending forecast is \$25.0 million, with spending directed primarily toward maintenance, productivity, and select growth initiatives.

Exco generated cash from operating activities of \$11.1 million and Free Cash Flow of \$5.9 million in the quarter compared to \$8.7 million and \$3.1 million respectively in the prior year quarter. Maintenance Fixed Asset Additions were \$4.1 million and interest was \$1.0 million in the second quarter. During the quarter the Company invested \$1.7 million in growth capital expenditures, \$4.0 million in dividends, and \$2.5 million in share buybacks. Exco ended the quarter with \$22.5 million in cash, \$91.8 million in bank and long-term debt and \$59.8 million available in its credit facility, continuing Exco's practice of maintaining a strong balance sheet and liquidity position.

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.

For further information and prior year comparison please refer to the Company's Second Quarter Condensed Financial Statements in the Investor Relations section posted at www.excocorp.com. Alternatively, please refer to www.sedarplus.ca.

Non-IFRS Measures: In this News Release, 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.

Quarterly Conference Call – April 30, 2026 at 10:00 a.m. (Toronto time):

To access the listen only live audio webcast, please log on to www.excocorp.com, or <https://edge.media-server.com/mmc/p/7xw8y4gn> a few minutes before the event. Those interested in participating in the question-and-answer conference call may register at <https://register-conf.media-server.com/register/B184bf2962f01e44b2bd3d64bfdccb9375> to receive the dial-in numbers and unique PIN to access the call. It is recommended that you join 10 minutes prior to the event start (although you may register and dial in at any time during the call).

For those unable to participate on April 30, 2026, an archived version will be available on the Exco website until May 15, 2026.

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About Exco Technologies Limited:

Exco Technologies Limited is a global supplier of innovative technologies servicing the die-cast, extrusion and automotive industries. Through our 20 strategic locations in 9 countries, we employ approximately 4,400 people and service a diverse and broad customer base.

Notice To Reader: Forward Looking Statements

This press release 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 fiscal 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 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 impact of international conflicts on the global financial, energy and automotive markets, including increased supply chain risks, assumptions about the demand for and number of automobiles produced in North America and Europe, production mix between passenger cars and trucks, the number of extrusion dies required in North America 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, 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 or www.excocorp.com.