



exel
COMPOSITES

Half Year Financial Report
January - June
2021

FOR FORWARD THINKERS

CONTINUED STRONG ORDER INTAKE AND REVENUE

Q2 2021 in brief

- Order intake increased by 89.8% to EUR 43.5 million (Q2 2020: 22.9).
- Revenue increased by 23.1% to EUR 33.5 million (27.2).
- Operating profit decreased to EUR 2.4 million (2.8), which is 7.0% of revenue (10.3).
- Adjusted operating profit decreased to EUR 2.5 million (2.9), which is 7.3% of revenue (10.6).
- Earnings per share amounted to EUR 0.13 (0.21).

Q1-Q2 2021 in brief

- Order intake increased by 48.9% to EUR 85.5 million (Q1-Q2 2020: 57.4).
- Revenue increased by 17.1% to EUR 64.5 million (55.0).
- Operating profit increased to EUR 4.8 million (4.7), which is 7.4% of revenue (8.5).
- Adjusted operating profit decreased to EUR 4.9 million (5.0), which is 7.6% of revenue (9.0).
- Earnings per share amounted to 0.29 (0.27).

Guidance for the full year 2021

Exel Composites expects revenue and adjusted operating profit in 2021 to increase compared to 2020.

President and CEO, Riku Kytömäki

In the second quarter of 2021, order intake continued strong as market demand in various customer industries increased. Along with another strong quarterly order intake, revenue increased compared to the previous year. Adjusted operating profit was, however, behind last year.

Revenue increased during the second quarter in almost all customer industries. The conductor core application was driving the growth in Buildings and Infrastructure. The key source of growth in Defense customer industry was the camouflage net support pole application. In Equipment and other industries, we saw a Covid-19 related rebound in the business volumes of a large number of customers. In Wind power, the revenue in the second quarter was slightly lower than last year. Our order backlog, however, indicates that the growth of Wind Power will continue during the second half of the year.

From a geographical perspective, the revenue increase in North America and Europe reflects the shipping locations of the above-mentioned growing applications rather than the development of demand in the individual geographical markets.

Despite the revenue increase, adjusted operating profit declined in the second quarter compared to the previous year. The operating profit was negatively impacted by low profit margins during the ramp-up of certain high-volume products and increased raw material costs. We expect the profitability to improve in the second half of the year both in terms of pricing as well as production efficiency once the production is fully ramped up. Last year, the second quarter was impacted by approximately EUR 0.3 million of Covid-19 pandemic related grants, which did not repeat this year.

In June 2021, the Board of Directors reconfirmed Exel's strategy in its annual strategy review. The main strategic focus areas as well as the company's long-term financial targets and dividend policy remained unchanged. We have continued to make good progress in all focus areas with focus on strategic growth initiatives and operational efficiency improvements particularly in selected manufacturing units in the Group.

89.8%

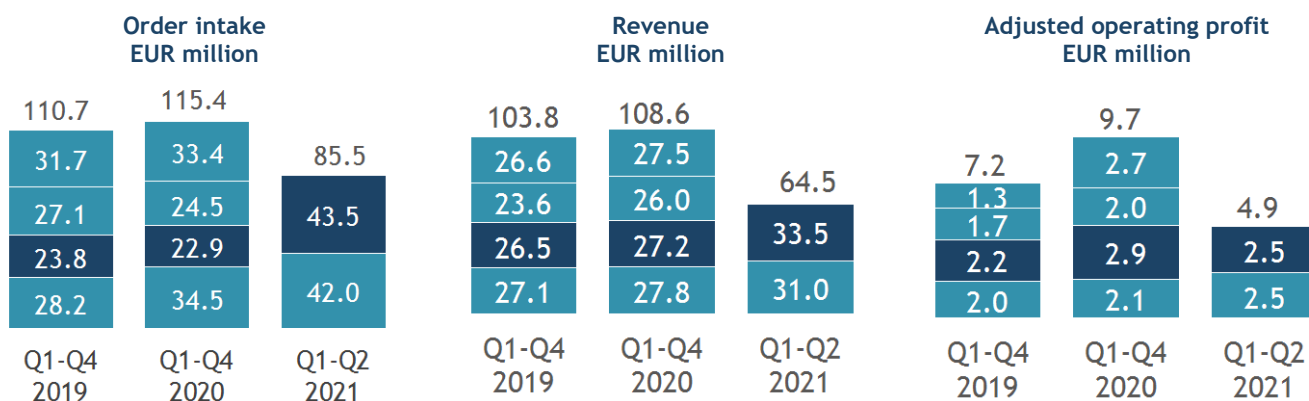
Order intake increased in Q2 2021 to EUR 43.5 million



One of the main targets in the strategy work has been to further integrate sustainability in all Exel's operations and business. Sustainability is a key element in our vision and purpose, which were updated at the end of last year. Our purpose is to solve challenges and help customers save resources with composites, and our vision is to be the first choice for sustainable composite solutions globally.

Customer activity and demand in the composites market has clearly increased. Our performance in the first half of 2021 and the record-high order backlog provides a good foundation for increasing revenue and improving profits during the rest of the year.

We expect the profitability to improve in the second half of the year.



Consolidated key figures

EUR thousand	Q2 2021	Q2 2020	Change %	Q1-Q2 2021	Q1-Q2 2020	Change %	Q1-Q4 2020
Revenue	33,524	27,239	23.1	64,478	55,044	17.1	108,595
Operating profit	2,363	2,792	-15.4	4,786	4,662	2.7	9,417
% of revenue	7.0	10.3		7.4	8.5		8.7
Adjusted operating profit 1)	2,457	2,882	-14.8	4,917	4,955	-0.8	9,708
% of revenue	7.3	10.6		7.6	9.0		8.9
Profit before tax 2)	1,897	2,953	-35.7	4,830	4,268	13.2	7,124
% of revenue	5.7	10.8		7.5	7.8		6.6
Profit for the period	1,485	2,529	-41.3	3,447	3,198	7.8	5,368
% of revenue	4.4	9.3		5.3	5.8		4.9
Shareholders' equity	31,266	26,770	16.8	31,266	26,770	16.8	28,880
Interest-bearing liabilities	47,483	42,196	12.5	47,483	42,196	12.5	43,140
Cash and cash equivalents	7,591	12,758	-40.5	7,591	12,758	-40.5	11,974
Net interest-bearing liabilities	39,892	29,438	35.5	39,892	29,438	35.5	31,167
Capital employed	78,749	68,966	14.2	78,749	68,966	14.2	72,021
Return on equity, %	19.5	39.5	-50.6	22.9	24.1	-4.9	19.5
Return on capital employed, %	12.5	17.1	-26.7	12.7	14.2	-10.6	14.1
Equity ratio, %	29.9	28.3	5.7	29.9	28.3	5.7	30.2
Net gearing, %	127.6	110.0	16.0	127.6	110.0	16.0	107.9
Net cash flow from operating activities	-784	5,227	-115.0	627	8,188	-92.3	14,006
Net cash flow from investing activities	-5,063	-3,251	55.7	-7,271	-4,827	50.6	-12,849
Capital expenditure	2,577	3,346	-23.0	4,792	4,922	-2.6	13,220
% of revenue	7.7	12.3		7.4	8.9		12.2
Research and development costs	847	698	21.3	1,777	1,448	22.7	2,884
% of revenue	2.5	2.6		2.8	2.6		2.7
Order intake	43,487	22,908	89.8	85,514	57,428	48.9	115,373
Order backlog	56,859	32,595	74.4	56,859	32,595	74.4	36,544
Earnings per share, diluted and undiluted, EUR	0.13	0.21	-41.3	0.29	0.27	7.7	0.45
Equity per share, EUR	2.64	2.26	16.78	2.64	2.26	16.74	2.44
Average share price, EUR	9.11	5.17	76.2	9.11	5.17	76.2	5.55
Average number of shares, diluted and undiluted, 1,000 shares	11,834	11,830	0.0	11,832	11,826	0.1	11,828
Employees, average	700	662	5.7	695	662	5.0	665
Employees, end of period	722	661	9.2	722	661	9.2	674

1) Excluding material items affecting comparability, such as restructuring costs, impairment losses and reversals, and costs related to planned or realized business acquisitions or disposals.

2) A significant part of the difference to previous year relates to unrealized foreign exchange gains and losses, largely driven by intra-Group borrowings.

Order intake and order backlog

Order intake for the second quarter of 2021 amounted to EUR 43.5 million (22.9) and increased by 89.8% in comparison to the previous year.

Order intake for the first half of 2021 was EUR 85.5 million (57.4), which is an increase of 48.9% compared to the previous year. The Group's order backlog on 30 June 2021 increased to EUR 56.9 million (32.6).

Revenue

Group revenue in the second quarter of 2021 amounted to EUR 33.5 million (27.2), which is an increase of 23.1% in comparison to the previous year.

Group revenue for the first half of 2021 amounted to EUR 64.5 million (55.0) and increased by 17.1% compared to the previous year. Revenue was impacted by effects of delivery volumes by 5.0%, sales mix by 14.9% and exchange rates by -2.8%.

The conductor core application was driving the growth in Buildings and Infrastructure. The key source of growth in Defense customer industry was the camouflage net support pole application. In Equipment and other industries, we saw a Covid-19 related rebound in the business volumes of a large number of customers. In Wind power, the revenue in the second quarter was slightly lower than last year. Our order backlog, however, indicates that the growth of Wind Power will continue during the second half of the year.

Revenue by customer industry

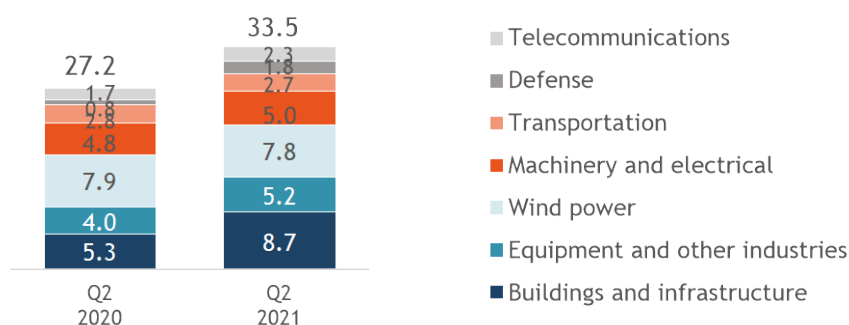
	Q2	Q2	Change	Q1-Q2	Q1-Q2	Change	Q1-Q4
EUR thousand	2021	2020	%	2021	2020	%	2020
Buildings and infrastructure	8,684	5,282	64.4	15,678	11,497	36.4	23,451
Equipment and other industries	5,212	4,031	29.3	10,858	10,142	7.1	19,493
Wind power	7,785	7,867	-1.0	15,165	13,693	10.8	28,079
Machinery and electrical	5,050	4,790	5.4	8,720	8,569	1.8	15,522
Transportation	2,728	2,796	-2.4	5,209	6,172	-15.6	10,226
Defense	1,785	768	132.6	4,029	2,019	99.6	5,338
Telecommunications	2,280	1,706	33.6	4,818	2,951	63.3	6,485
Total	33,524	27,239	23.1	64,478	55,044	17.1	108,595

Revenue by region¹⁾

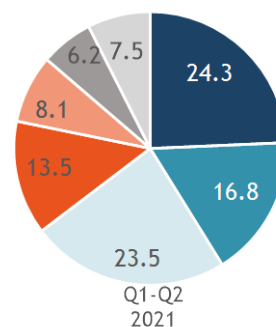
	Q2	Q2	Change	Q1-Q2	Q1-Q2	Change	Q1-Q4
EUR thousand	2021	2020	%	2021	2020	%	2020
Europe	19,574	15,534	26.0	37,018	32,404	14.2	62,757
North America	7,234	4,391	64.8	12,845	10,210	25.8	18,022
Asia-Pacific	6,401	6,636	-3.5	13,054	10,818	20.7	24,022
Rest of the world	316	678	-53.5	1,561	1,612	-3.1	3,795
Total	33,524	27,239	23.1	64,478	55,044	17.1	108,595

¹⁾ Revenue by customer location, not by the location of the manufacturing Exel Composites business unit.

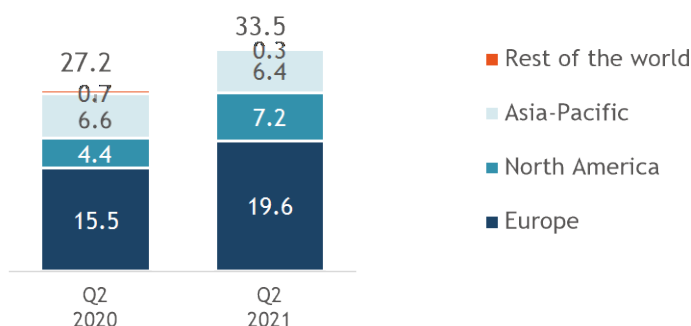
Revenue by customer industry
EUR million



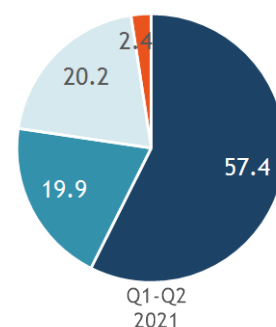
Share of revenue by customer industry
%



Revenue by region¹⁾
EUR million



Share of revenue by region¹⁾
%



Operating profit

The Group's operating profit amounted to EUR 2.4 million (2.8) in the second quarter of 2021 and was 7.0% (10.3) of revenue. Adjusted operating profit²⁾ was EUR 2.5 million (2.9) and 7.3% (10.6) of revenue.

Operating profit in the first half of 2021 increased to EUR 4.8 million (4.7), 7.4% (8.5) of revenue. Adjusted operating profit²⁾ was EUR 4.9 million (5.0), 7.6% (9.0) of revenue. The operating profit was negatively impacted by low profit margins during the ramp-up of certain high-volume products and increased raw material costs.

Adjusted operating profit²⁾

	Q2 2021	Q2 2020	Q1-Q2 2021	Q1-Q2 2020	Q1-Q4 2020
EUR thousand					
Operating profit	2,363	2,792	4,786	4,662	9,417
Restructuring costs					
Impairment losses and reversals					
Costs related to planned or realized business acquisition and disposal	94	90	131	293	291
Sale of intangible and tangible assets					
Expenses related to changes in legislation or legal proceedings					
Adjusted operating profit	2,457	2,882	4,917	4,955	9,708

²⁾ Excluding material items affecting comparability, such as restructuring costs, impairment losses and reversals, and costs related to planned or realized business acquisitions or disposals.

Items affecting comparability amounted to a total of EUR 0.1 (0.3) million. Last year, the second quarter was also impacted by approximately EUR 0.3 million of Covid-19 pandemic related grants, which did not repeat this year.

The Group's net financial expenses in the first half of 2021 were EUR 0.0 million (-0.4). Profit before taxes was EUR 4.8 million (4.3) and profit after taxes EUR 3.4 million (3.2).

Financial position

Net cash flow from operating activities for the first half of 2021 was EUR 0.6 million (8.2). The capital expenditure on fixed assets amounted to EUR 4.8 million (4.9). Net cash flow from investing activities amounted to EUR -7.3 million (-4.8) and net cash flow before financing activities amounted to EUR -6.6 million (3.4). At the end of the reporting period, the Group's liquid assets stood at EUR 7.6 million (12.8). Total depreciation, amortization and impairment of non-current assets during the first half of the year amounted to EUR 3.2 million (3.0).

On 30 June 2021, the Group's consolidated total assets were EUR 106.0 million (95.6). Interest-bearing liabilities, including lease liabilities, amounted to EUR 47.5 million (42.2). Net interest-bearing liabilities were EUR 39.9 million (29.4). Current interest-bearing liabilities totaled EUR 31.4 million. EUR 29.5 million of current interest-bearing liabilities were commercial papers. To secure the payment of commercial papers, on 30 June 2021 the company had unused, non-current (over 12 months) revolving credit facilities for EUR 39.9 million.

On 30 June 2021, equity was EUR 31.3 million (26.8) and equity ratio 29.9% (28.3). Net gearing ratio was 127.6% (110.0). Fully diluted total earnings per share were EUR 0.29 (0.27). Return on capital employed was 12.7% (14.2). Return on equity was 22.9% (24.1).

On 1 April 2021, Exel Composites paid the final payment related to the acquisition of Nanjing Jianhui Composite Materials in 2017, totaling EUR 3.8 million. The total acquisition price of the company thus amounted to EUR 8.8 million. The aforementioned acquisition price paid matched rather accurately the original estimate published in October 2016, even though the variable component of the total acquisition price was reagreed with the seller in 2018 to be higher. The increase was of the same magnitude as the reduction of the purchase price due to a decline in working capital between the October 2016 estimate and the April 2017 actual at closing of the transaction.

The dividend for the financial year 2020, totaling EUR 2.4 (2.1) million, calculated for the outstanding number of shares, was paid to the shareholders on 1 April 2021. In line with normal procedures, the dividend payment to the account operators was done on the previous banking day. The dividend payment was therefore included already in the cash flow of the first quarter of 2021. Dividend per share for the financial year 2020 was EUR 0.20 (0.18).

Research and development

Research and development costs for the first half of 2021 totaled EUR 1.8 million (1.4), representing 2.8% (2.6) of revenue.

Business development and strategy implementation

In June 2021, the Board of Directors conducted its annual strategy review and reconfirmed Exel's strategy. The

main strategic focus areas as well as the company's long-term financial targets and dividend policy remained unchanged.

Exel Composites' strategy is based on scalable applications and chosen growth initiatives particularly in the wind power, buildings and infrastructure and transportation industries, expanding our global footprint and technology offering, and on improving operational efficiency.

Production in the new manufacturing facility in Austria started in the beginning of 2021 as planned. The new facility will secure new production capacity, which in line with our growth strategy will respond in the long-term to increasing demand in Central Europe and strengthens Exel's position in this market area. It also enables leveraging the Austrian unit's strong R&D capabilities and university cooperation.

One of the main targets in the strategy work has been to further integrate sustainability in all Exel's operations and business. Sustainability is a key element in our vision and purpose, which were updated at the end of last year. Our purpose is to solve challenges and help customers save resources with composites, and our vision is to be the first choice for sustainable composite solutions globally. In the remaining of the year, our focus will be on further developing the Group sustainability program and the related reporting.

Impacts of the Covid-19 pandemic

Operations

In the second quarter of 2021, all our factories operated close to normal and following the safety measures to prevent the spread of the Covid-19 pandemic.

Raw material supply and logistics operated almost normally despite challenges with global logistics and availability in some raw material categories.

Financial standing

Uncertainty and negative impact of the Covid-19-pandemic on some of our clients and customer industries continued in the second quarter of 2021. Regardless, order intake increased in the quarter.

The Group's liquidity and cash situation are good, and the Covid-19 pandemic has had limited impact on Group liquidity.

During the second quarter of 2021, Exel Composites received no Covid-19 related financial assistance under any local governmental schemes, whereas in the same period last year approximately EUR 0.3 million were received.

Our response in relation to the Covid-19 pandemic

The health and safety of our employees, customers and business partners is a priority for Exel Composites. All units have continued with tightened Group and business unit level safety and hygiene instructions in accordance with the instructions of local health authorities. Travelling is limited and remote work as well as online meetings continue to be preferred when possible. Outsider visits to sites are reduced to minimum. Internal communication at Group level as well as locally on Covid-19 related concerns has continued in various channels.

Close and continuous interaction is maintained with customers, suppliers and business partners in order to ensure timely reaction to new developments. Given the continued uncertainty related to the Covid-19 pandemic close monitoring of the situation is a priority for us.

Major near-term risks and uncertainties

Exel Composites' most significant near-term business risk is related to customer concentration, where a notable portion of revenue comes from certain key customers. Specifically, the revenue generated from sales to the Group's largest client, operating in the wind power industry, has increased rapidly. This has significantly increased the dependency on this business and the related downside risk. Furthermore, the recent rapid increase in the cost of raw materials may extend and impair our competitiveness and profitability.

In the short-term, the Covid-19 pandemic has caused uncertainty in the global business environment and cautiousness among customers. Although underlying demand in many customer industries has improved from 2020, some customer industries continue to suffer from the negative impacts of the Covid-19-pandemic.

The company has made significant investments in the recent years, the latest one being the acquisition Diversified Structural Composites, DSC in the USA. The future estimates made at the time of these investments and acquisitions may not materialize as planned, which may trigger a need to adjust the values of the purchased assets in the company's balance sheet.

The risk management and risks related to the operation of Exel Composites are described in detail in the Corporate Governance Statement for 2020 and at the company's website www.exelcomposites.com.

Sustainability and corporate responsibility

Exel is committed to responsible and sustainable operations through its corporate values: customer focused, integrity, One Exel, caring and innovative. Sustainability is an important part of Exel Composites' business, products and solutions.

Exel Composites' material sustainability topics are the following:

- **Environmental responsibility:** Responsible products, responsible operations
- **Social responsibility:** Responsible employer, health and safety, diversity and nondiscrimination, human rights in own operations and supply chain
- **Corporate Governance:** Corporate responsibility governance and compliance, anti-corruption and bribery

In the first half of 2021, Exel Composites continued its sustainability work. A new, dedicated sustainability team representing different areas of the organization was established with the purpose of further developing the Group sustainability program and the related reporting. The Covid-19 pandemic continued to impact the activities and operations especially in the health and safety area.

Information on sustainability and corporate responsibility is available on the corporate website at www.exelcomposites.com.

Organization and personnel

On 30 June 2021, Exel Composites employed 722 (661) people, of whom 265 (225) in Finland and 457 (436) in other countries. The average number of employees during the financial year was 695 (662).

Incentive programs

Exel Composites' short-term incentive program covers all employees. Office employees receive a monthly salary and an annual bonus tied to the achievement of annually established goals emphasizing growth and profitability. Production employees are also eligible for incentive compensation. Their annual bonus is mainly based on factory profitability and production related performance indicators.

The Group has long-term incentive programs for the President and CEO and the Group Management Team and selected key employees of the company. The aim of the programs is to combine the objectives of the shareholders and the executives in order to increase the value of the company, to commit the executives to the company and to offer the executives a competitive reward program. The Board of Directors makes the decision on the program annually.

In February 2021, Exel Composites announced the continuation of a share-based long-term incentive program for the top management of the company. The 2021 performance-based plan is part of the share-based long-term incentive program published on 4 May 2017. Similarly to the previous programs within this plan, the performance targets applied to the plan that commenced at the beginning of 2021 are adjusted operating profit (EBIT) and the total shareholder return of the company's share (TSR).

More information on remuneration and Exel Composites' Remuneration Policy is available at www.exelcomposites.com.

Share and shareholders

Exel Composites' share is listed on Nasdaq Helsinki Ltd in the Industrials sector.

On 30 June 2021, Exel Composites' share capital was EUR 2.1 million and the number of shares was 11,896,843. There were no changes in the share capital during the review period.

During the review period, Exel Composites held a total of 63,337 of its own shares which are part of the share-based long-term incentive program for the top management.

On 30 June 2021, the share price closed at EUR 10.00. During the review period, the average share price was EUR 9.11, the highest share price EUR 11.60 and the lowest share price EUR 7.28.

A total of 1,408,994 shares were traded at Nasdaq Helsinki Ltd., which represents 11.9% of the average number of shares. On 30 June 2021, Exel Composites' market capitalization was EUR 118.3 million (56.4).

Exel Composites had a total of 6,692 (5,951) shareholders on 30 June 2021.

During the reporting period Exel Composites received no flagging notifications in accordance with the Finnish Securities Market Act regarding changes in shareholdings.

Information on the company's shareholders is available on the corporate website at www.exelcomposites.com.

Other events during the reporting period

Decisions of the AGM 2021

The Annual General Meeting, AGM, of Exel Composites Plc was held on 23 March 2021 in Vantaa, Finland. The resolutions of the AGM were published as a stock exchange release on 23 March 2021 and are available on the corporate website at www.exelcomposites.com.

Financial results briefing

Exel Composites will hold a financial results briefing regarding the Q1-Q2 2021 Half Year Financial Report on 20 July 2021 at 12:30 EET. Participation requires registration in advance.

Vantaa, 20 July 2021

Exel Composites Plc
Board of Directors

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NOTES TO THE HALF YEAR FINANCIAL REPORT

1 January - 30 June 2021

Accounting principles

This Half Year Financial Report has been prepared in accordance with IAS 34, Interim Financial Reporting. The same accounting policies have been applied as in the previous financial statements.

Preparation of financial statements in accordance with the IFRS standards requires Exel Composites' management to make estimates and assumptions that have an effect on the amount of assets and liabilities on the balance sheet at the closing date as well as the amounts of income and expenses for the financial period. In addition, the management must exercise its judgment regarding the application of accounting policies. Since the estimates and assumptions are based on the views at the date of the financial statements, they include risks and uncertainties. The actual results may differ from the estimates and assumptions.

The amounts presented in the income statement and balance sheet are Group figures. The amounts presented in the release are rounded, so the sum of individual figures may differ from the sum reported.

This Half Year Financial Report is unaudited.

CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS

EUR thousand	Q2 2021	Q2 2020	Change %	Q1-Q2 2021	Q1-Q2 2020	Change %	Q1-Q4 2020
Revenue	33,524	27,239	23.1	64,478	55,044	17.1	108,595
Materials and services	-14,664	-10,890	34.7	-27,645	-21,825	26.7	-42,775
Employee benefit expenses	-9,459	-7,590	24.6	-18,176	-15,692	15.8	-30,807
Depreciation and impairment	-1,297	-1,133	14.5	-2,600	-2,268	14.6	-4,503
Depreciation of right-of-use assets	-278	-379	-26.7	-555	-739	-25.0	-1,352
Other operating expenses	-5,808	-4,805	20.9	-11,368	-10,595	7.3	-21,429
Adjustment to lease expenses on capitalized contracts	296	355	-16.6	591	710	-16.8	1,367
Other operating income	49	-5	-1180.6	61	27	129.0	320
Operating profit	2,363	2,792	-15.4	4,786	4,662	2.7	9,417
Net financial items	-449	185	-342.4	78	-343	-122.8	-2,201
Financial expenses on capitalized lease contracts	-16	-25	-33.9	-34	-51	-32.4	-92
Profit before tax	1,897	2,953	-35.7	4,830	4,268	13.2	7,124
Income taxes	-412	-424	-2.8	-1,383	-1,070	29.3	-1,755
Profit/loss for the period	1,485	2,529	-41.3	3,447	3,198	7.8	5,368
Other comprehensive income to be reclassified to profit or loss in subsequent periods:							
Exchange differences on translating foreign operations	-125	-190	34.0	959	-627	253.1	-665
Income tax relating to components of other comprehensive income							
Items that will not be classified to profit or loss:							
Defined benefit plan actuarial gains(+)/ loss (-), net tax	0	0	0	0	0	0	-34
Other comprehensive income, net of tax	-125	-190	34.0	959	-627	253.1	-699
Total comprehensive income	1,360	2,339	-41.9	4,406	2,572	71.3	4,669
Profit/loss attributable to:							
Equity holders of the parent company	1,485	2,529	-41.3	3,447	3,198	7.8	5,368
Comprehensive income attributable to:							
Equity holders of the parent company	1,360	2,339	-41.9	4,406	2,572	71.3	4,669
Earnings per share, diluted and undiluted, EUR	0.13	0.21	-41.3	0.29	0.27	7.7	0.45

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30 June 2021	30 June 2020	Change	31 December 2020
ASSETS				
Non-current assets				
Goodwill	12,763	12,863	-101	12,597
Other intangible assets	3,698	3,903	-205	3,948
Tangible assets	28,954	20,964	7,991	26,193
Right-of-use assets 1)	2,747	4,225	-1,478	3,234
Deferred tax assets	1,894	1,311	583	1,737
Other non-current assets	48	48	0	48
Non-current assets total	50,105	43,315	6,790	47,758
Current assets				
Inventories	21,104	17,202	3,902	16,182
Trade and other receivables	27,200	22,372	4,829	20,887
Cash at bank and in hand	7,591	12,758	-5,167	11,974
Total current assets	55,896	52,332	3,564	49,043
Total assets	106,000	95,646	10,354	96,800
EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	2,141	2,141	0	2,141
Other reserves	129	129	0	129
Invested unrestricted equity fund	2,539	2,539	0	2,539
Translation differences	2,810	1,889	921	1,851
Retained earnings	20,199	16,872	3,327	16,851
Profit for the period	3,447	3,198	248	5,368
Equity attributable to holders of the parent company	31,266	26,770	4,497	28,880
Total equity	31,266	26,770	4,497	28,880
Non-current liabilities				
Interest-bearing liabilities	14,214	4,205	10,009	10,551
Non-current lease liabilities	1,834	3,102	-1,268	2,332
Interest-free liabilities	592	550	42	573
Deferred tax liabilities	388	325	63	361
Total non-current liabilities	17,027	8,182	8,846	13,817
Current liabilities				
Interest-bearing liabilities	30,332	33,571	-3,239	29,169
Current lease liabilities	1,104	1,318	-215	1,089
Trade and other non-current liabilities	26,271	25,806	465	23,846
Total current liabilities	57,707	60,695	-2,988	54,104
Total equity and liabilities	106,000	95,646	10,354	96,800

1) Buildings EUR 2,644 thousand, Machinery and equipment (incl.vehicles) EUR 103 thousand.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Q1-Q2 2021	Q1-Q2 2020	Change	Q1-Q4 2020
Cash flow from operating activities				
Profit for the period	3,447	3,198	248	5,368
Adjustments 1)	4,897	4,527	370	10,131
Change in working capital 2)	-5,738	1,279	-7,017	1,659
Cash flow generated by operations	2,606	9,005	-6,398	17,158
Interest paid	-231	-339	108	-625
Interest received	19	37	-18	108
Other financial items	-273	-30	-243	-1,368
Income taxes paid	-1,493	-484	-1,009	-1,266
Net cash flow from operating activities	627	8,188	-7,561	14,006
Cash flow from investing activities				
Acquisition of subsidiaries 2)	-2,534	0	-2,534	0
Purchases of non-current assets	-4,792	-4,922	130	-13,081
Proceeds from sale of non-current assets	55	95	-40	232
Net cash flow from investing activities	-7,271	-4,827	-2,444	-12,849
Cash flow before financing activities	-6,643	3,361	-10,005	1,157
Cash flow from financing activities				
Share issue	0	0	0	0
Proceeds from long-term borrowings	4,000	0	4,000	7,000
Instalments of long-term borrowings	0	0	0	0
Change in short-term loans	812	5,389	-4,576	706
Instalments of lease liabilities	-557	-660	103	-1,275
Treasury shares	0	0	0	0
Dividends paid	-2,367	-2,129	-237	-2,129
Net cash flow from financing activities	1,889	2,600	-711	4,302
Change in liquid funds	-4,755	5,961	-10,716	5,459
Liquid funds in the beginning of period	11,974	6,930	5,044	6,930
Exchange rate fluctuations on liquid funds	372	-132	505	-415
Liquid funds through business acquisitions	0	0	0	0
Liquid funds at the end of period	7,591	12,758	-5,167	11,974

1) Depreciations and amortization EUR 3,160 thousand, tax on income from operations EUR 1,383 thousand, other financial income and expenses EUR -44 thousand, other adjustments EUR 398 thousand.

2) EUR 1,267 thousand of the final payment related to the acquisition of Nanjing Jianhui Composite Materials was accrued as cost and its effect on cash flow is therefore reported in Net cash flow from operating activities. EUR 2,534 thousand, which was posted as acquisition of shares, is reported in the Net cash flow from investing activities.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR thousands	Share capital	Invested unrestricted equity fund	Translation differences	Retained earnings	Total
2020					
Balance at the beginning of the reporting period	2,141	2,668	2,516	18,977	26,302
Comprehensive result			-627	3,198	2,572
Defined benefit plan actuarial gains (+) / loss (-), net of tax				0	0
Other items				-12	-12
Dividend				-2,129	-2,129
Treasury shares				67	67
Share-based payments reserve				-31	-31
Balance at the end of the reporting period	2,141	2,668	1,889	20,071	26,770
2021					
Balance at the beginning of the reporting period	2,141	2,668	1,851	22,219	28,880
Comprehensive result			959	3,447	4,406
Defined benefit plan actuarial gains (+) / loss (-), net of tax				0	0
Other items				-45	-45
Dividend				-2,360	-2,360
Treasury shares				26	26
Share-based payments reserve				359	359
Balance at the end of the reporting period	2,141	2,668	2,810	23,646	31,266

QUARTERLY KEY FIGURES

EUR thousand	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1
Revenue	33,524	30,954	27,508	26,043	27,239	27,805
Materials and services	-14,664	-12,981	-10,251	-10,699	-10,890	-10,934
Employee benefit expenses	-9,459	-8,717	-8,395	-6,720	-7,590	-8,103
Depreciation and impairment	-1,575	-1,579	-1,395	-1,452	-1,512	-1,495
Operating expenses	-5,513	-5,264	-4,834	-5,343	-4,451	-5,434
Other operating income	49	12	99	194	-5	31
Operating profit	2,363	2,423	2,732	2,023	2,792	1,870
Net financial items	-465	509	-1,225	-675	160	-554
Profit before taxes	1,897	2,933	1,507	1,348	2,953	1,316
Income taxes	-412	-971	-409	-277	-424	-646
Profit/loss for the period	1,485	1,961	1,098	1,072	2,529	670
Earnings per share, diluted and undiluted, EUR	0.13	0.17	0.09	0.09	0.21	0.06
Average number of shares, diluted and undiluted 1,000 shares	11,834	11,830	11,828	11,827	11,826	11,821
Average number of personnel	700	691	674	662	662	662

Revenue by customer industry by quarter

EUR thousand	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1
Buildings and infrastructure	8,684	6,995	7,047	4,907	5,282	6,216
Equipment and other industries	5,212	5,646	5,079	4,272	4,031	6,111
Wind power	7,785	7,380	6,582	7,804	7,867	5,826
Machinery and electrical	5,050	3,671	3,700	3,252	4,790	3,780
Transportation	2,728	2,483	1,859	2,195	2,796	3,376
Defense	1,785	2,244	1,406	1,914	768	1,251
Telecommunications	2,280	2,536	1,834	1,700	1,706	1,245
Total	33,524	30,954	27,508	26,043	27,239	27,805

Revenue by region by quarter

EUR thousand	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1
Europe	19,574	17,444	17,031	13,322	15,534	16,870
North America	7,234	5,611	3,328	4,483	4,391	5,820
Asia-Pacific	6,401	6,654	6,438	6,766	6,636	4,182
Rest of the world	316	1,245	711	1,472	678	933
Total	33,524	30,954	27,508	26,043	27,239	27,805

COMMITMENTS AND CONTINGENCIES

EUR thousand	30 June 2021	30 June 2020	31 December 2020
Commitments on own behalf			
Mortgages	0	0	0
Floating charges	0	0	0
Operating leases			
Not later than one year	19	5	22
1 - 5 years	0	0	0
Other liabilities	3	253	253

DERIVATIVE FINANCIAL INSTRUMENTS NOMINAL VALUE

EUR thousands	30 June 2021	30 June 2020	31 December 2020
Interest rate swaps	0	6,251	2,852



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