



Exel Composites and Kineco Group announce a joint venture in India

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Exel Composites has signed an agreement to establish a joint venture to develop the Indian pultrusion market together with Kineco Group, India's leading player in the advanced composites market. Established in 1995 and headquartered in Goa-India, Kineco Group offers a range of products and integrated systems for diverse markets such as mass transit, aerospace, defense, infrastructure and other industries.

In the transaction, Kineco Group will sell the assets of its pultrusion business into a new company, Kineco Exel Composites India, in which Exel Composites will subscribe to a 55% ownership in a directed share issue. Kineco Group will remain a shareholder with a 45% shareholding through its main entity Kineco Limited.

The new joint venture Kineco Exel Composites India targets growing the pultrusion business in India. The joint venture seeks significant business growth especially in the large and growing industries such as wind power, transportation and telecommunications. The joint venture will continue to operate from the existing manufacturing facility located in Goa.

"This strategic investment provides Exel with direct presence in the fast-growing Indian composites market. Kineco Group's long and established position in the Indian composites industry allows us to expand into India with a 'flying start'. The investment fits Exel's strategy and growth initiatives well, and clearly strengthens our competitive position towards current and new customers. We are looking forward to joining forces with the committed local team and boosting our future presence in India", says **Riku Kytömäki**, President and CEO of Exel Composites.

"Kineco is happy to be the partner of choice for a leading global company such as Exel, who has decided to invest in India. Exel's technological expertise and composites know-how, particularly in pultrusion, will enable bringing our own, more recent pultrusion business to the next level. Our previous strategic long-term partnerships with international partners have been extremely successful and we look forward to extending this success story to Exel JV. We welcome Exel to India and look forward to growing our pultrusion business together while at the same time, creating long term value for the shareholders of both the Companies", says **Shekhar Sardesai**, Founder and Managing Director of Kineco Group and Managing

Director of Kineco Exel Composites India.

The parties have agreed that the size of the investment will not be disclosed. The transaction is expected to be completed in the fourth quarter of 2021.

Vantaa, 14 October 2021

**Exel Composites Plc
Pvt. Ltd.**
Riku Kytömäki, President and CEO
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Exel Composites in brief

At Exel Composites, we use over 60 years' experience to solve challenges and help customers save resources. Our forward-thinking composite solutions made with continuous manufacturing technologies serve customers in a wide range of industries around the world. You can find our products used in applications from wind power and transportation to building and infrastructure.

Our collaborative approach and global footprint set us apart from our competition. We use our expertise to help customers reduce weight, improve performance and energy efficiency and decrease total lifetime costs. We want to be the first choice for sustainable composite solutions globally.

Headquartered in Finland, Exel Composites employs approximately 650 forward-thinking professionals around the world and is listed on Nasdaq Helsinki. To find out more about our offering and company please visit www.exelcomposites.com.

About Kineco Group

Kineco, a first-generation enterprise founded by Shekhar Sardesai in 1995, is one of India's leading composites manufacturing companies with a strong focus on the mass transit, aerospace and defense sector. Kineco has a strong legacy of innovation, development and commercialization of several composite products catering to a wide range of industries such as mass transit (railways), industrial, defense, automotive & marine. The group employees over 750 people across three manufacturing locations in Goa India, including the Kineco Kaman JV. Helios Strategic Systems (I) Limited (A wholly owned subsidiary of Indo National Limited, a publicly listed company) headquartered in Chennai, is a majority shareholder in Kineco Limited. More information is available at www.kinecogroup.com.