



Kordsa.com



YE'24 Financial Results

Earnings Release

Mar 3 2025

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AGENDA

01.

YE'24 Highlights

02.

Market Dynamics

03.

Key Financials

04.

What's Next

YE'24 Highlights

TIRE REINFORCEMENT

- * %1 volume growth in line with the market
- * Continued capacity surplus and price pressure from Asia
- * Non-recurring operational impacts from inventory cleanup

REVENUE



929
MUSD
 All Hard-Currency

OPERATING CASH FLOW



56 MUSD

137 M\$ in YE'23

Adjusted EBITDA*



56 MUSD
 6.9% Margin

Adj. EBITDA excl. non-recurring: 70.5 M\$
 (Margin: 7.6%)

COMPOSITE REINFORCEMENT

- * 5% revenue shrinkage compared to 2023 due to product shift to non-aerospace industry and slowdown in EU automotive market
- * Pressures on profitability from late recovery of commercial aerospace

NET DEBT



377
MUSD

337 M\$ in YE'23

NET INVESTMENT



41
MUSD

NET INCOME



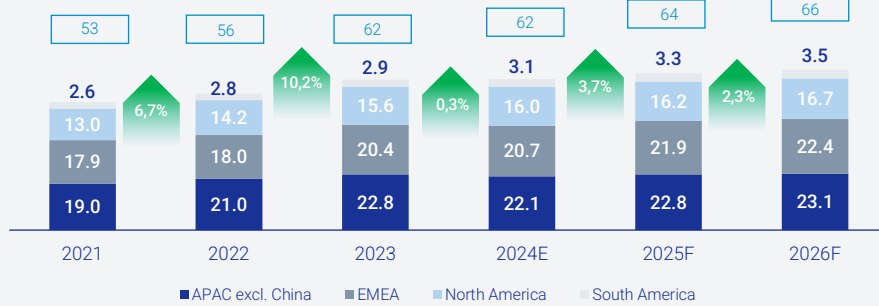
-26
MUSD

Adjusted EBITDA* = Gross Profit – Operating Expenses + Amortization/Depreciation + Other Operating Income/Expense such as Incentive Income

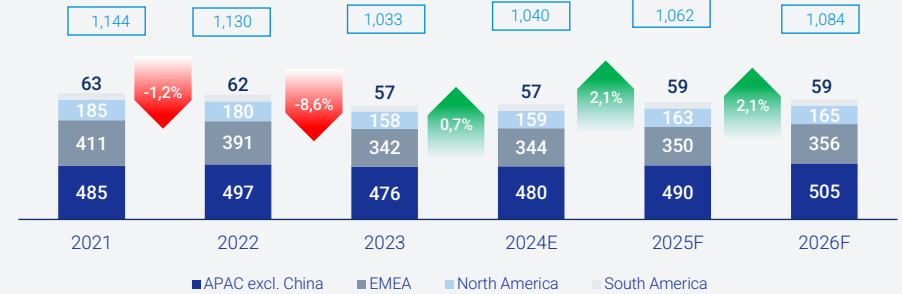
EBITDA** = Gross Profit – Operating Expenses + Amortization/Depreciation

Asian material flow has been increasing throughout all value chain (especially China)

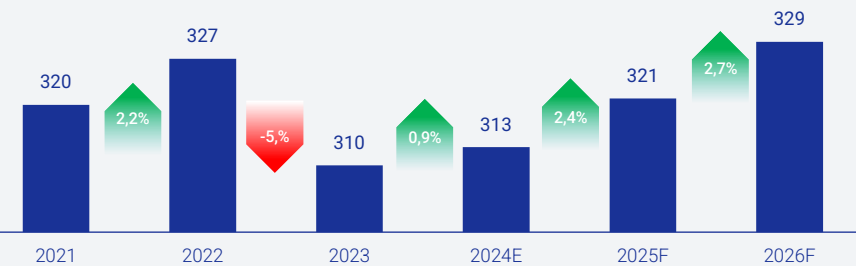
Global Automotive Market excl. China (million units)



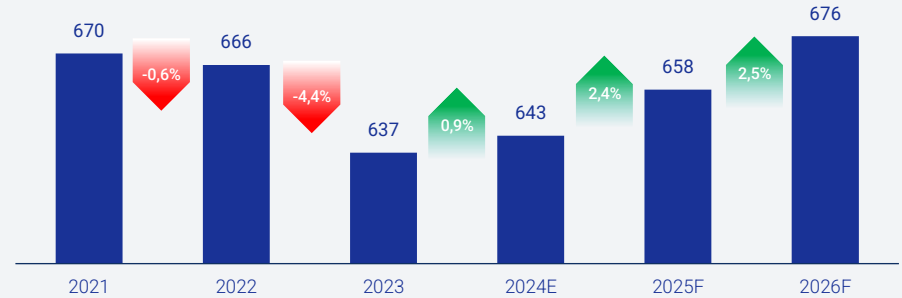
Global Tire Market excl. China (million units)



Tire Reinforcement Market (NY6.6-ktons)

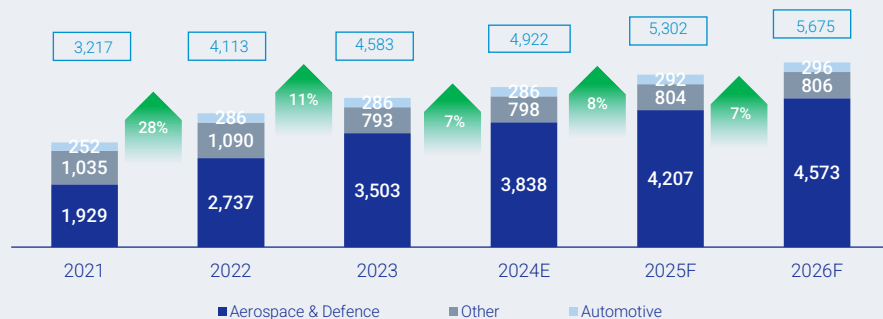


Tire Reinforcement Market (PET HMLS-ktons)

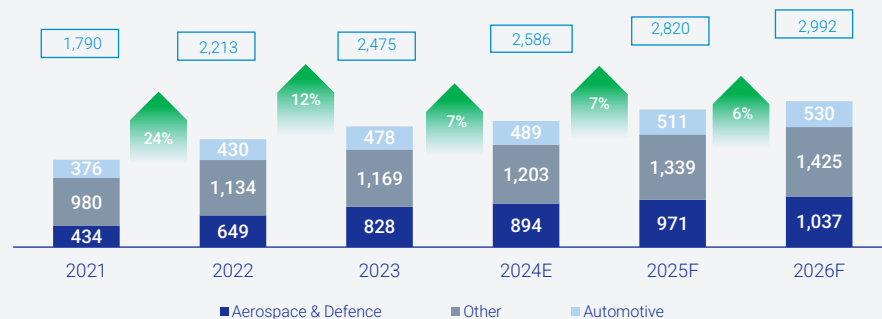


Boeing slow ramp-up, automotive slowing down relatively in 2025

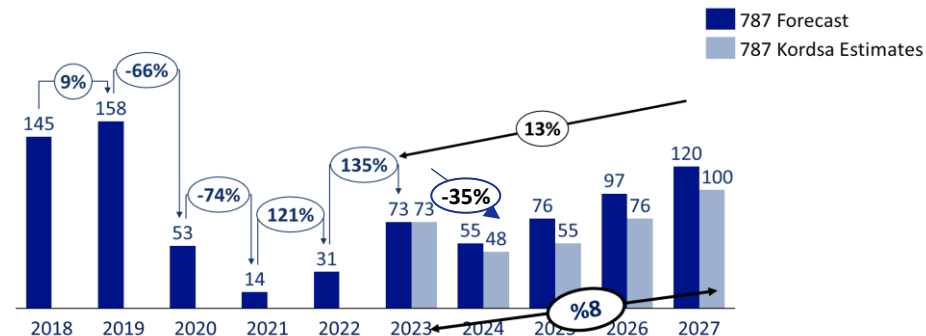
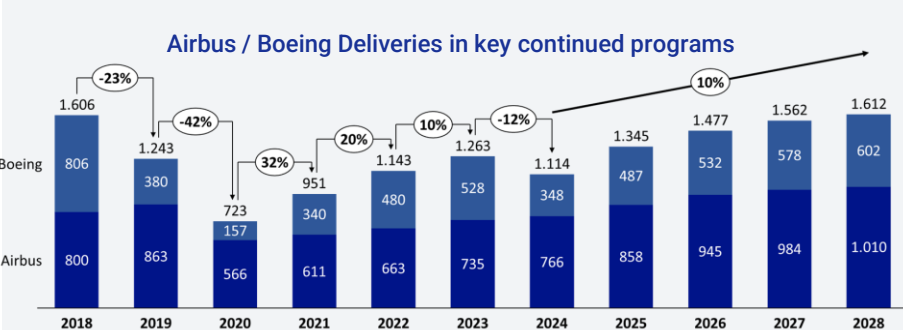
Composite Prepreg Market (M\$)



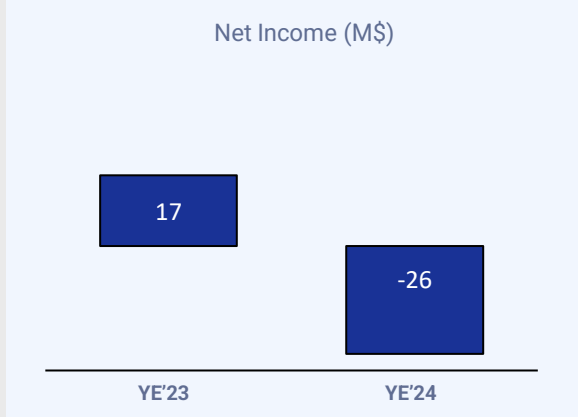
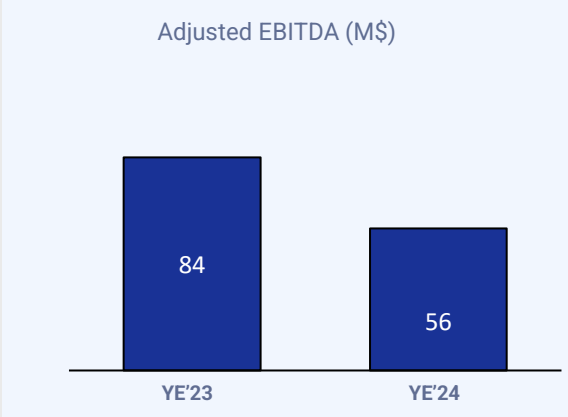
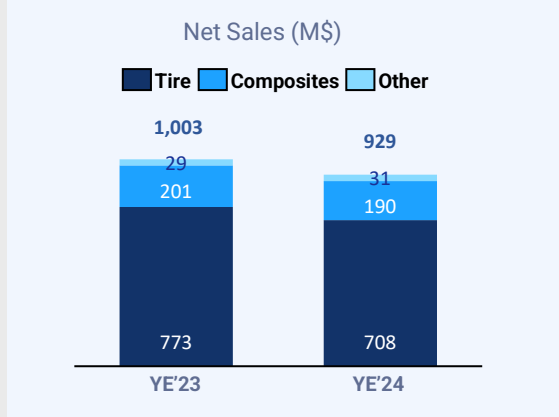
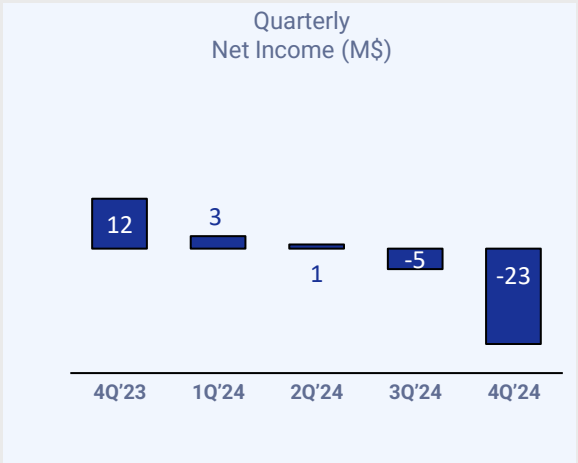
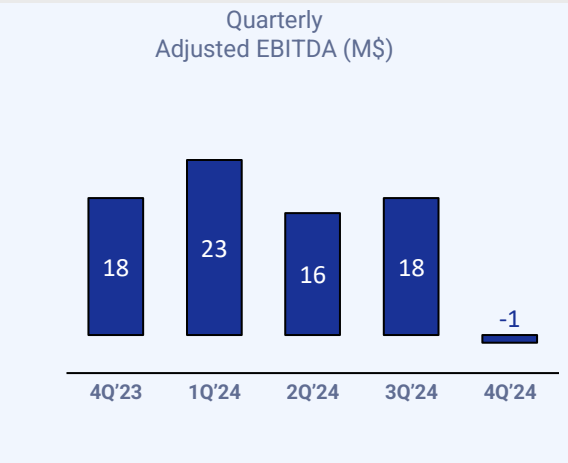
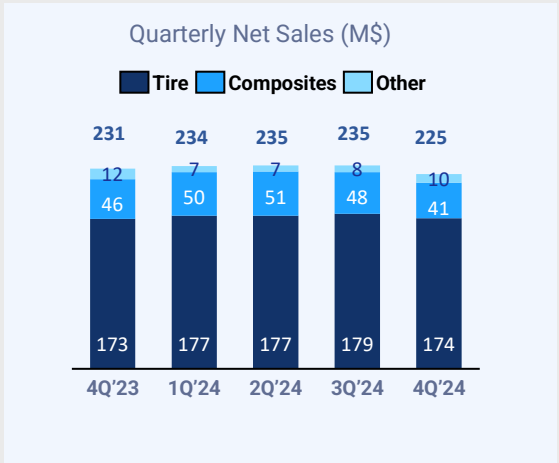
Composite Textile Market (M\$)



Airbus / Boeing Deliveries in key continued programs



Non-recurring inventory write offs due to NRV and slow moving inventory clearance in both tire and composite effected the last quarter operational performance

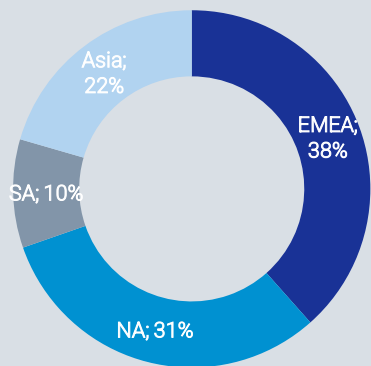


Our aim is to build balanced portfolio between tire and composite reinforcement

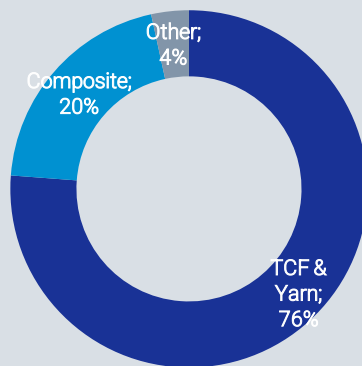
Segment Reporting Results

YE, 24 Revenue Split

By Region

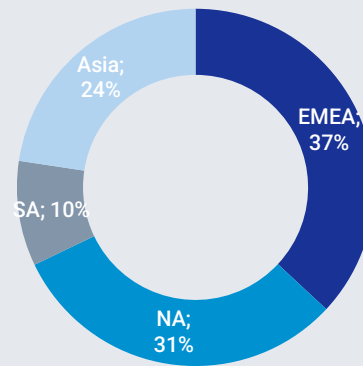


By Product

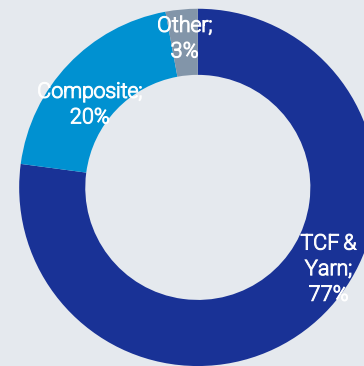


YE, 23 Revenue Split

By Region



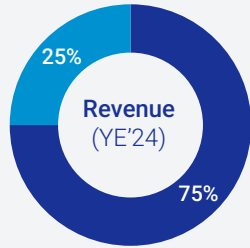
By Product



* Balanced-portfolio based on the regions

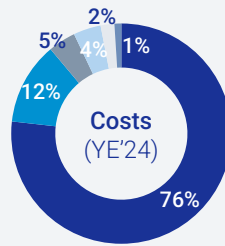
* Price competition especially in EMEA and APAC

Hard Currency Revenue

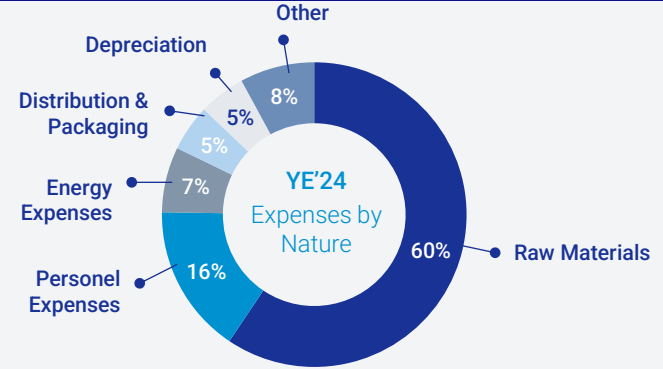


■ US \$ ■ EUR

FX exposure



■ US \$ ■ TL ■ EUR
■ IDR ■ BRL ■ Baht



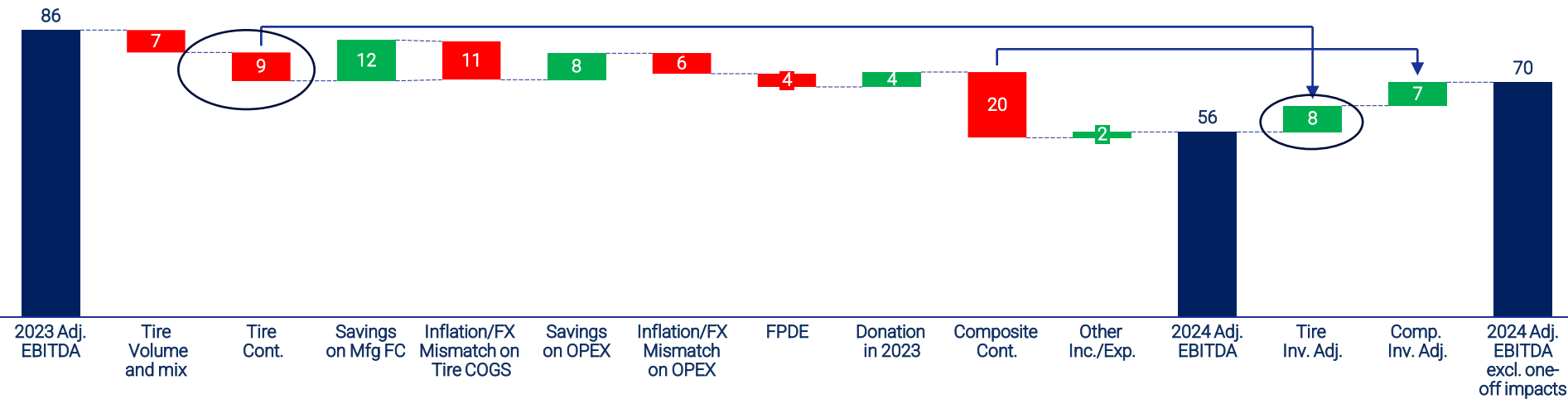
- Hard currency revenues
- Ability to pass through raw material price volatility: (Revenue – raw material costs) tracked as a KPI by sales team
- FX exposure on costs -> EM footprint on local costs + hard currency priced raw materials
- Benefit from US\$ appreciation vs. TL, IDR and BRL
- Appreciation of EUR/USD parity is also positive for Kordsa

Continuing price pressure coming from Far-East competitors

Sales Bridge – MUSD



11 Non-recurring impact of slow moving inventory adjustments due to shelf-life of materials and NRV based on lower market prices
EBITDA Bridge (MUSD)



* Contribution: Sales – Raw Material Cost

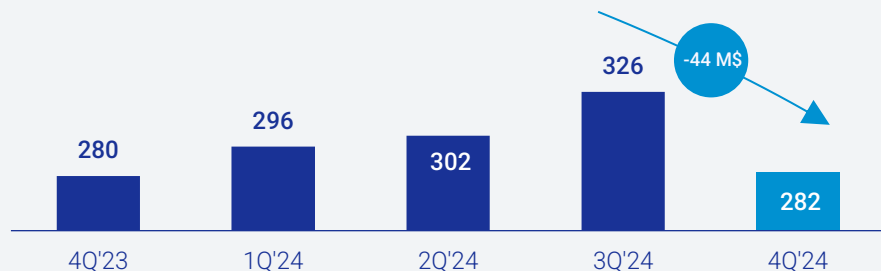
* Tire Contribution including all other businesses except composite

Balance Sheet

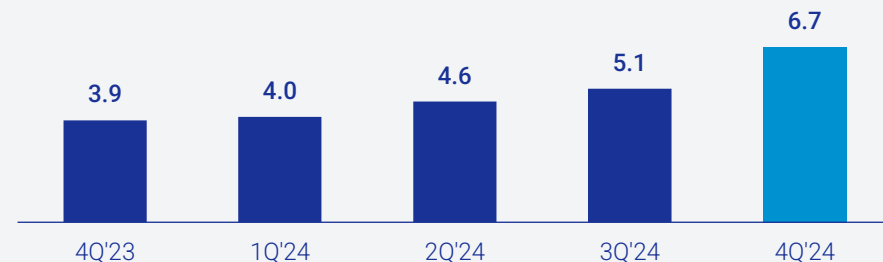
	TL Financials (MTL)			USD Financials (MUSD)		
	YE'23	YE'24	Δ	YE'23	YE'24	Δ
Cash and Cash Equivalents	1,712	4,257	2,545	58	121	63
Account Receivables	4,774	5,690	916	162	161	-1
Inventories	6,840	7,474	634	232	212	-20
Other Current Assets	1,416	1,205	-210	48	34	-14
PPE & Intangibles	13,922	16,741	2,819	473	475	2
Investment Property	697	588	-109	24	17	-7
Goodwill	3,960	5,476	1,517	135	155	21
Other Non-Current Assets	1,656	2,375	720	56	67	11
Account Payables	3,375	3,204	-171	114	91	-24
Total Debt	11,651	17,578	5,926	395	497	102
Short Term Debt	7,382	14,485	7,103	250	410	160
Long Term Debt	4,269	3,093	-1,176	145	88	-57

Focusing on improving working capital and net debt level

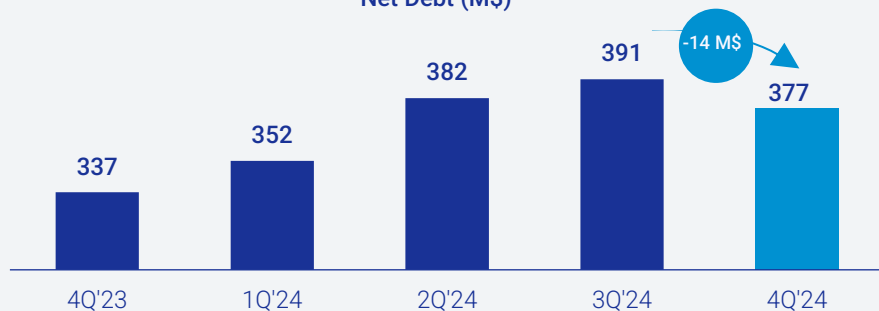
Trade Working Capital (M\$)



Net Debt / Adjusted EBITDA*



Net Debt (M\$)



M\$	Amount		Avg. Int. Rates	
	31.12.2023	31.12.2024	%	%
Net Debt	337	377	YE'23	YE'24
USD-Basis	295	332	8.5%	7.7%
EUR-Basis	39	71	7.3%	5.1%
TRY-Basis	56	89	34.8%	26.9%
Other Currencies	5	5	8.2%	4.3%
Cash & Cash Equi.	-58	-121		

Adjusted EBITDA* = Gross Profit – Operating Expenses + Amortization/Depreciation + Other Operating Income/Expense such as Incentive Income

CASH MANAGEMENT & IMPROVING NET DEBT LEVEL

COST IMPROVEMENT FOCUS

**CONCENTRATE VALUE-ADDED PRODUCTS in COMPOSITE
IMPROVEMENT in OPERATIONAL PROFITABILITY of COMPOSITE BUSINESS**

Thank You



THE REINFORCER

Price competition from Far-East in tire reinforcement and the late recovery of aerospace in the composite affecting our profitability levels

	USD Financials (MUSD)						
	YE'23	YE'24	Δ	1Q'24	2Q'24	3Q'24	4Q'24
Sales	1,003	929	-7.4%	234	235	235	225
Gross Profit	150	120	-19.9%	40	32	33	17
Gross Margin (%)	15.0%	12.9%	-2 pts ¹	17.0%	13.8%	13.8%	7.4%
OPEX (%)	-10.7%	-12.0%	-1 pts ¹	-11.9%	-12.4%	-11.9%	-11.9%
Operating Profit	52	12	-76.6%	12	7	9	-15
Operating Profit Margin (%)	5.2%	1.3%	-4 pts ¹	5.1%	2.8%	3.6%	-6.5%
Adjusted EBITDA*	84	56	-34.2%	23	16	18	-1
Adjusted EBITDA* Margin (%)	8.4%	6.0%	-2 pts ¹	9.9%	6.6%	7.6%	-0.5%
Net Income	17	-26	-254.8%	3	1	-5	-23
Net Income (%)	1.7%	-2.8%	-5 pts ¹	1.4%	0.3%	-2.2%	-10.4%

Adjusted EBITDA* = Gross Profit – Operating Expenses + Amortization/Depreciation + Other Operating Income/Expense excl. fx gains/losses