



Kordsa.com



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# 1Q'25 Financial Results

## Earnings Release

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May 6 2025

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## AGENDA

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1Q'25 Highlights

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Indonesia Update

**03.**

Market Dynamics

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Key Financials

**04.**

What's Next

# 1Q'25 Highlights

## TIRE REINFORCEMENT

- \* Remarkable working capital and cash flow management
- \* Declining net debt level
- \* Continued capacity surplus and price pressure from Asia
- \* Tariffs and trade wars remain as key uncertainties for the industry
- \* Indonesia Flood Effect

### REVENUE



**217  
MUSD**  
All Hard-Currency

### OPERATING CASH FLOW



**42 MUSD**

2 M\$ in 1Q'24

### Adjusted EBITDA\*



**14.5 MUSD**  
6.5% Margin

## COMPOSITE REINFORCEMENT

- \* 4% revenue shrinkage compared to 2024 due to slowdown in EU automotive market
- \* Improved profitability thanks to increased sales of Ceramic Matrix Composites

### NET DEBT



**350  
MUSD**

377 M\$ in YE'24

### NET INVESTMENT



**6  
MUSD**

### NET INCOME

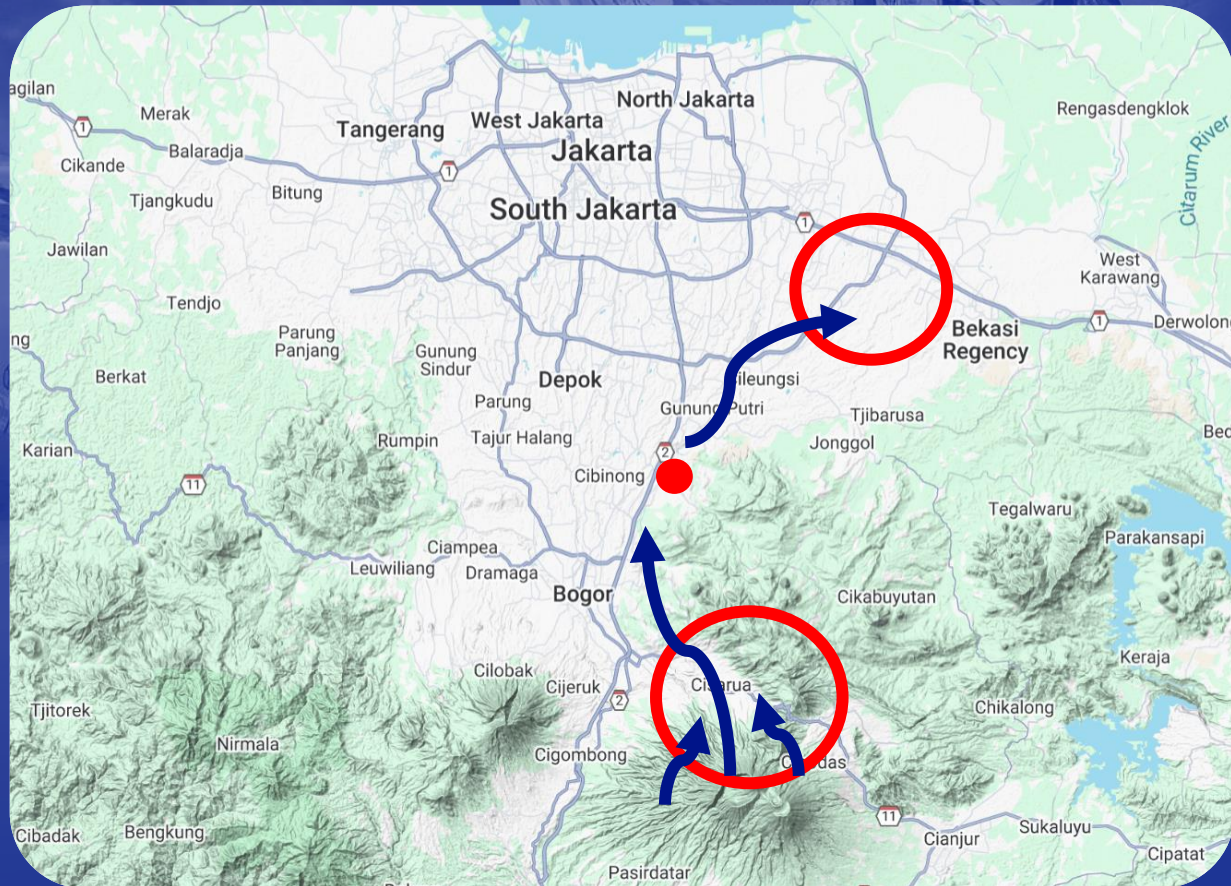


**-7.6  
MUSD**

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



## Flood in West Java



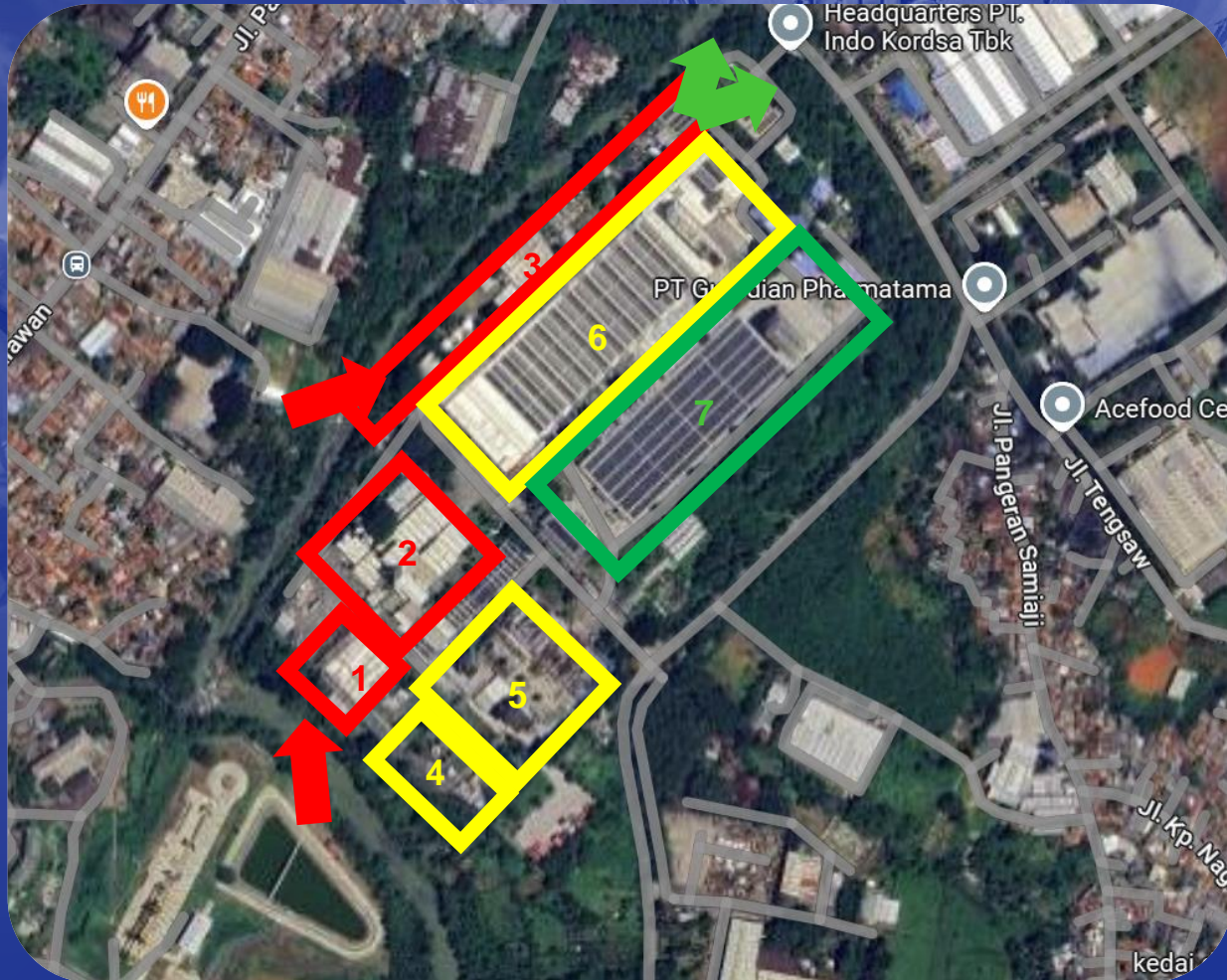
Banjir - Bekasi



Puncak - Bogor



## Plant Layout and Flood Impact Levels



1- Yarn Utility

2- NY Yarn

3- TCF Utility

4- Water Treatment

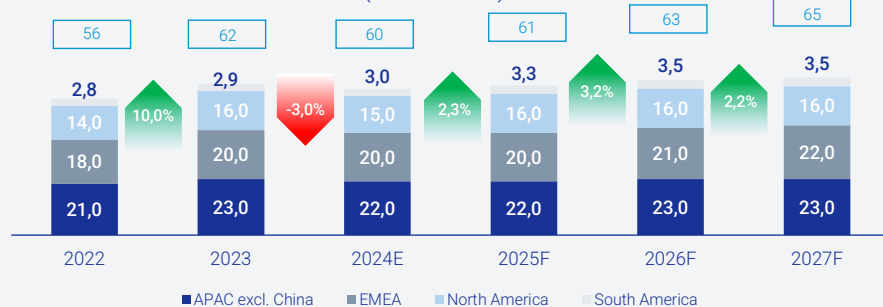
5- PET Yarn

6- TCF1

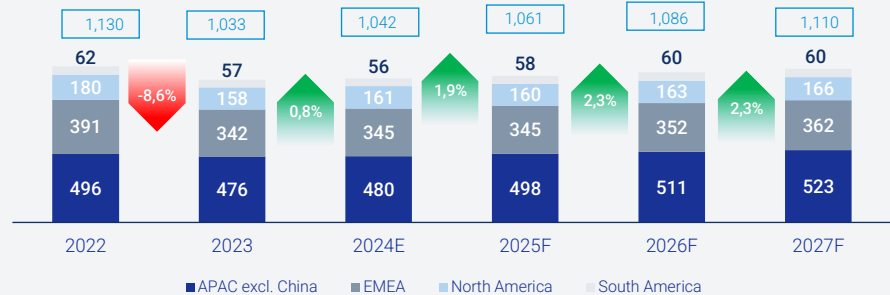
7- TCF2

# China continues to grow in the value chain and keep mature markets under pressure

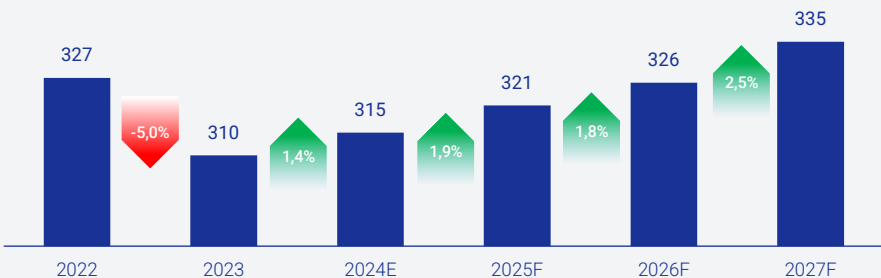
Global Automotive Market excl. China  
(million units)



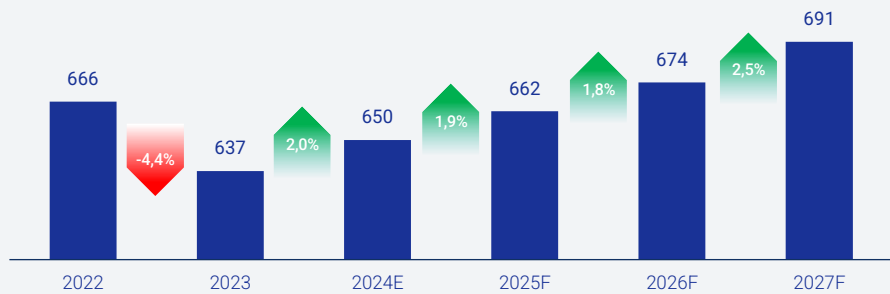
Global Tire Market excl. China (million units)



Tire Reinforcement Market (NY6.6-ktons)

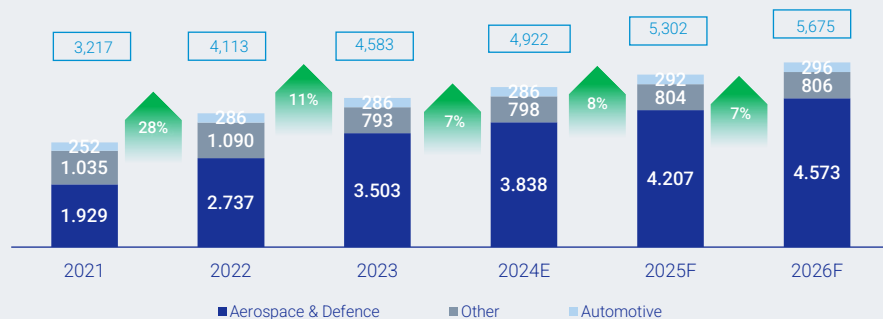


Tire Reinforcement Market (PET HMLS-ktons)

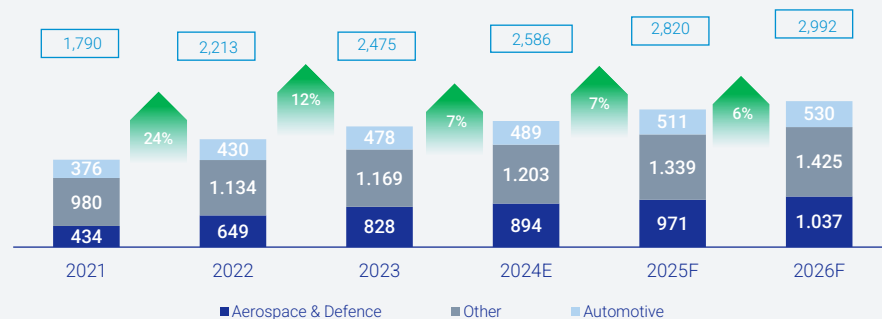


# Aerospace recovery continues, but supply chain and strikes weigh on deliveries

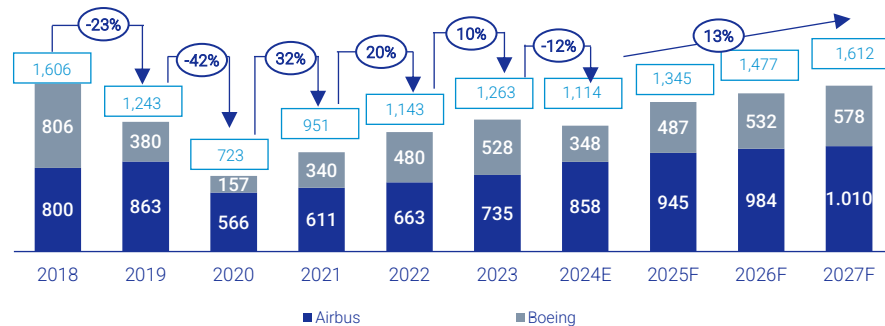
## Composite Prepreg Market (M\$)



## Composite Textile Market (M\$)

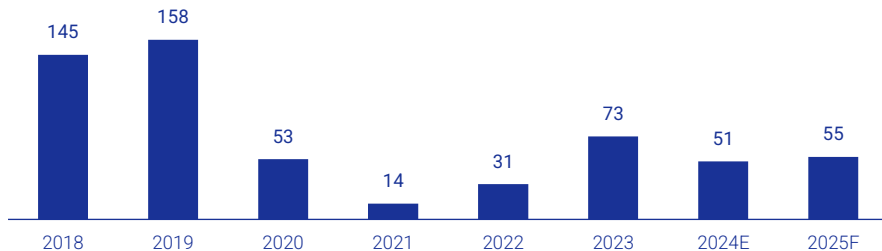


## Airbus / Boeing Deliveries in key continued programs



## Boeing 787 Dreamliner Deliveries

(# of Aircraft)





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

	USD Financials (MUSD)						
	1Q24	1Q'25	Δ	2Q'24	3Q'24	4Q'24**	1Q'25
Sales	234	217	-7.2%	235	235	225	217
Gross Profit	40	30	-23.9%	32	32	16	30
Gross Margin (%)	17.0%	13.9%	-3 pts'	13.8%	13.8%	7.4%	13.9%
OPEX (%)	11.9%	12.5%	1 pts'	12.4%	11.9%	11.9%	12.5%
Operating Profit	12	5	-60.7%	7	9	-15	5
Operating Profit Margin (%)	5.1%	2.1%	-3 pts'	2.8%	3.6%	-6.0%	2.1%
Adjusted EBITDA*	23	14	-37.5%	16	18	-1	14
Adjusted EBITDA* Margin (%)	9.9%	6.7%	-3 pts'	6.6%	7.6%	-0.5%	6.7%
Net Income	3	-8	-339.6%	1	-5	-24	-8
Net Income (%)	1.4%	-3.5%	-5 pts'	0.3%	-2.2%	-10.4%	-3.5%

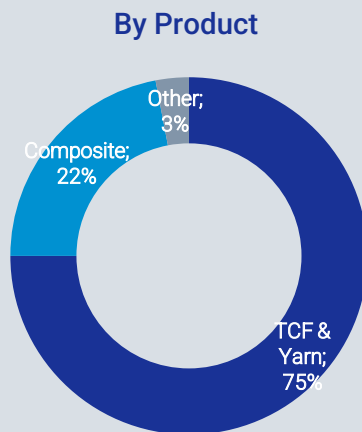
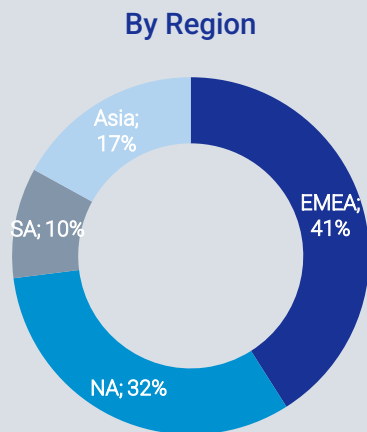
Adjusted EBITDA\* = Gross Profit – Operating Expenses + Amortization/Depreciation + Other Operating Income/Expense excl. fx gains/losses

\*\* In the last quarter of 2024, as a result of the reassessment of high raw material inventories, mostly from the Covid-19 period, there is an inventory impairment of USD 7.8 million in the tire reinforcement segment and USD 7 million in the composites segment, totaling USD 14.8 million.

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

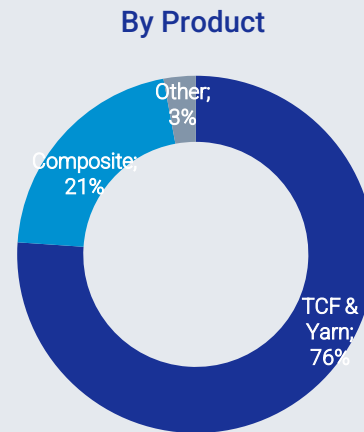
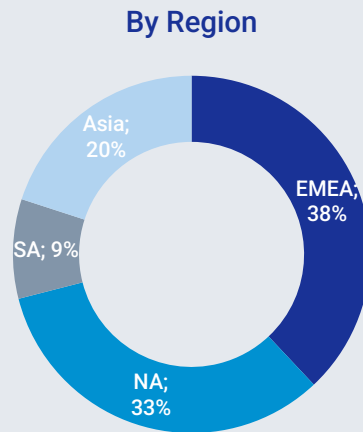
## Segment Reporting Results

### 1Q, 25 Revenue Split

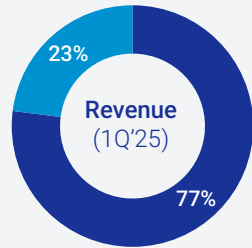


- \* Balanced-portfolio based on the regions
- \* Price competition especially in EMEA and APAC

### 1Q, 24 Revenue Split



# Hard Currency Revenue

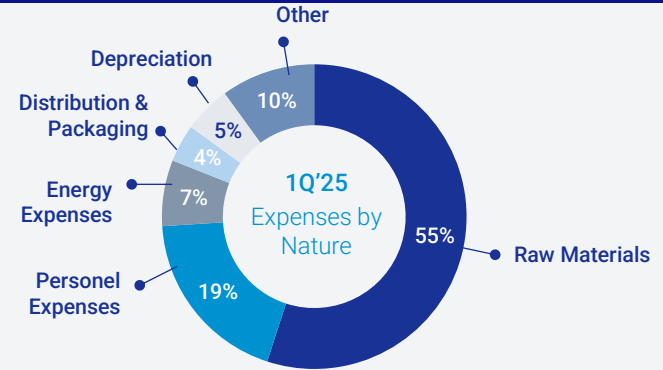


■ US \$ ■ EUR

FX exposure



■ US \$ ■ TL ■ EUR  
 ■ IDR ■ BRL ■ Baht

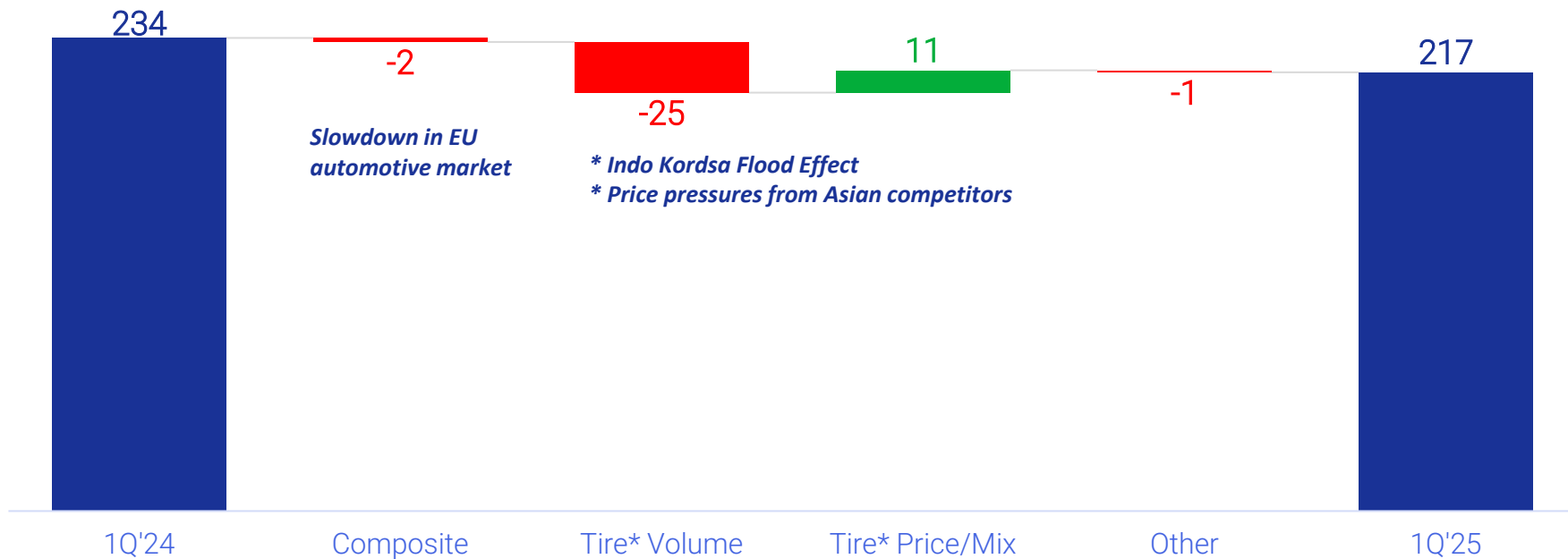


- Hard currency revenues
- Ability to pass through raw material price volatility: (Revenue – raw material costs) tracked as a KPI by sales team
- FX exposure on costs -> EM footprint on local costs + hard currency priced raw materials
- Benefit from US\$ appreciation vs. TL, IDR and BRL
- Appreciation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



# China continues to grow in the value chain

## Sales Bridge – MUSD



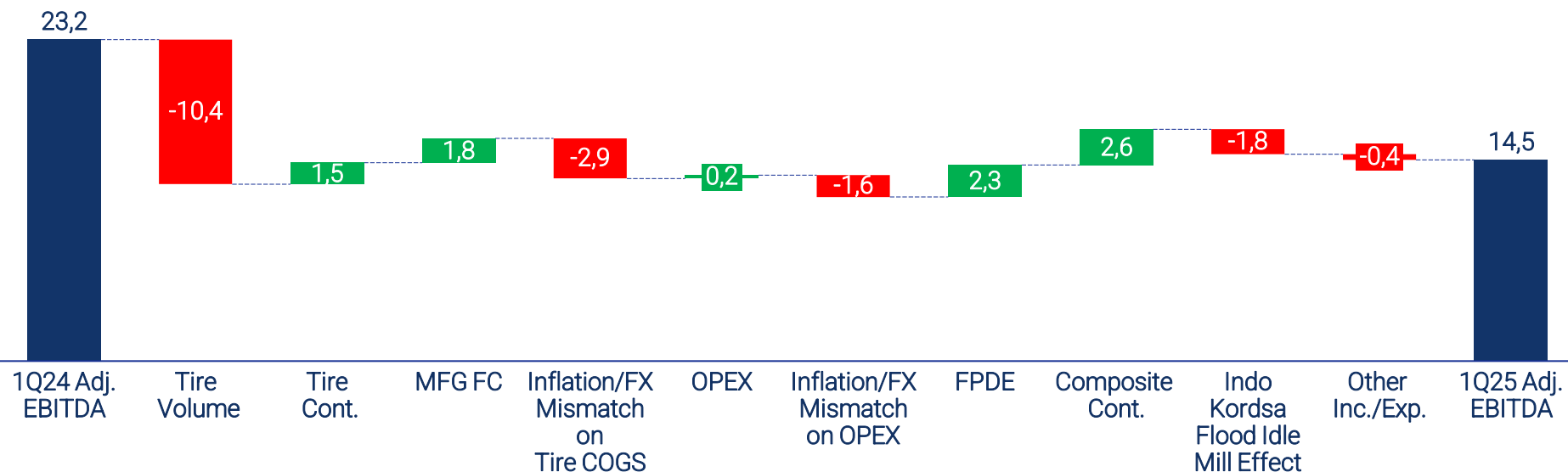
*Slowdown in EU  
automotive market*

*\* Indo Kordsa Flood Effect*

*\* Price pressures from Asian competitors*

# Cost improvement projects helping to keep profitability level despite inflation-fx mismatch effects

EBITDA Bridge (MUSD)



\* Contribution: Sales – Raw Material Cost

\* Tire Contribution including all other businesses except composite

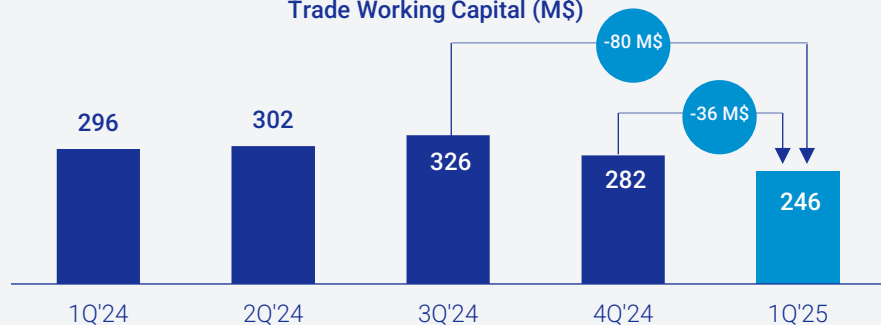
# Balance Sheet

	TL Financials (MTL)			USD Financials (MUSD)		
	YE'24	1Q'25	Δ	YE'24	1Q'25	Δ
Cash and Cash Equivalents	4,257	4,777	520	121	126	6
Account Receivables	5,690	5,874	184	161	156	-6
Inventories	7,474	7,376	-98	212	195	-17
Other Current Assets	1,205	1,737	532	34	46	12
PPE & Intangibles	16,741	17,797	1,056	475	471	-3
Investment Property	588	629	41	17	17	0
Goodwill	5,476	5,862	386	155	155	0
Other Non-Current Assets	2,375	2,557	181	67	68	0
Account Payables	3,204	3,953	748	91	104	14
Total Debt	17,578	18,034	456	497	477	-21
Short Term Debt	14,485	15,199	714	410	402	-8
Long Term Debt	3,093	2,835	-258	88	75	-13

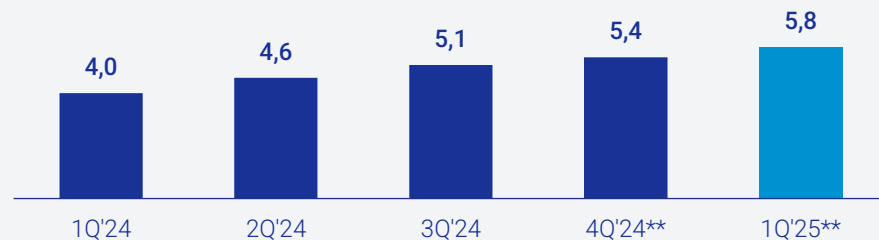


# Focusing on improving working capital and net debt level

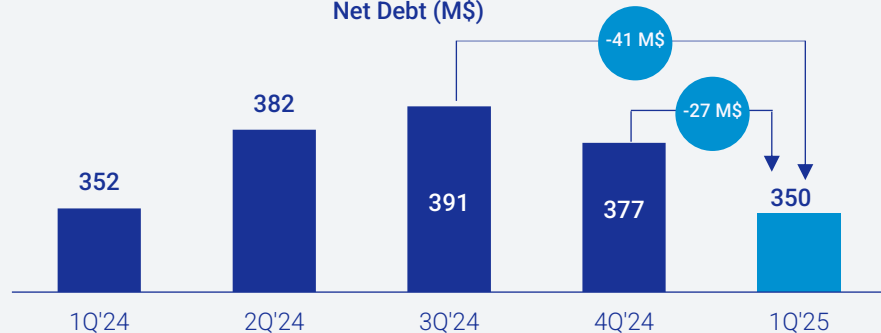
Trade Working Capital (M\$)



Net Debt / Adjusted EBITDA\*



Net Debt (M\$)



M\$	Amount		Avg. Int. Rates	
	31.12.2024	31.03.2025	%	%
<b>Net Debt</b>	<b>377</b>	<b>350</b>	<b>YE'24</b>	<b>1Q'25</b>
USD-Basis	332	309	7.7%	7.3%
EUR-Basis	71	78	6.0%	5.0%
TRY-Basis	89	89	26.9%	25.7%
Other Currencies	5	1	4.3%	3.0%
Cash & Cash Equi.	-121	-126		

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

\*\* In the last quarter of 2024, as a result of the reassessment of high raw material inventories, mostly from the Covid-19 period, there is an inventory impairment of USD 7.8 million in the tire reinforcement segment and USD 7 million in the composites segment, totaling USD 14.8 million.

**FAST RECOVERY AFTER FLOOD in INDONESIA**

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**CASH MANAGEMENT & IMPROVING NET DEBT LEVEL**

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**COST IMPROVEMENT FOCUS**

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**CONCENTRATE VALUE-ADDED PRODUCTS in ALL SEGMENTS**  
**IMPROVEMENT in OPERATIONAL PROFITABILITY**

Thank You

