

Investor Presentation

May'25

Highly successful reinforcer growing into an **advanced materials company**



*We
reinforce
life*

4

CONTINENTS

7

COUNTRIES

13

FACILITIES

4,300+

EMPLOYEES

2

R&D CENTERS

3

TECHNICAL CENTERS

Successfully Building the **Future of Reinforcement**



Close to Customer

Industry Leader

Technology Leader

Why invest in **Kordsa**

Growth in **composite reinforcement market & evolving to advanced materials company**

01

Strong hedge position to country risks
through 100% hard-currency revenue

02

Strong
ESG
position

03

Strong **cash**
generation

04

Protected customer base
through **Global footprint**

05

Tire Reinforcement

Global Leading Position

- #1 TireCord Fabric Producer
- Agile production capabilities / demand fulfillment
- Reputable global Turkish brand

Trusted Partner

- Longstanding Strategic Partner Status with all Global Tire Players
- Strong cooperation with customers through global footprint
- Generating above %70 revenue generation from approved-base customers

Composite Reinforcement

Global Leading Position

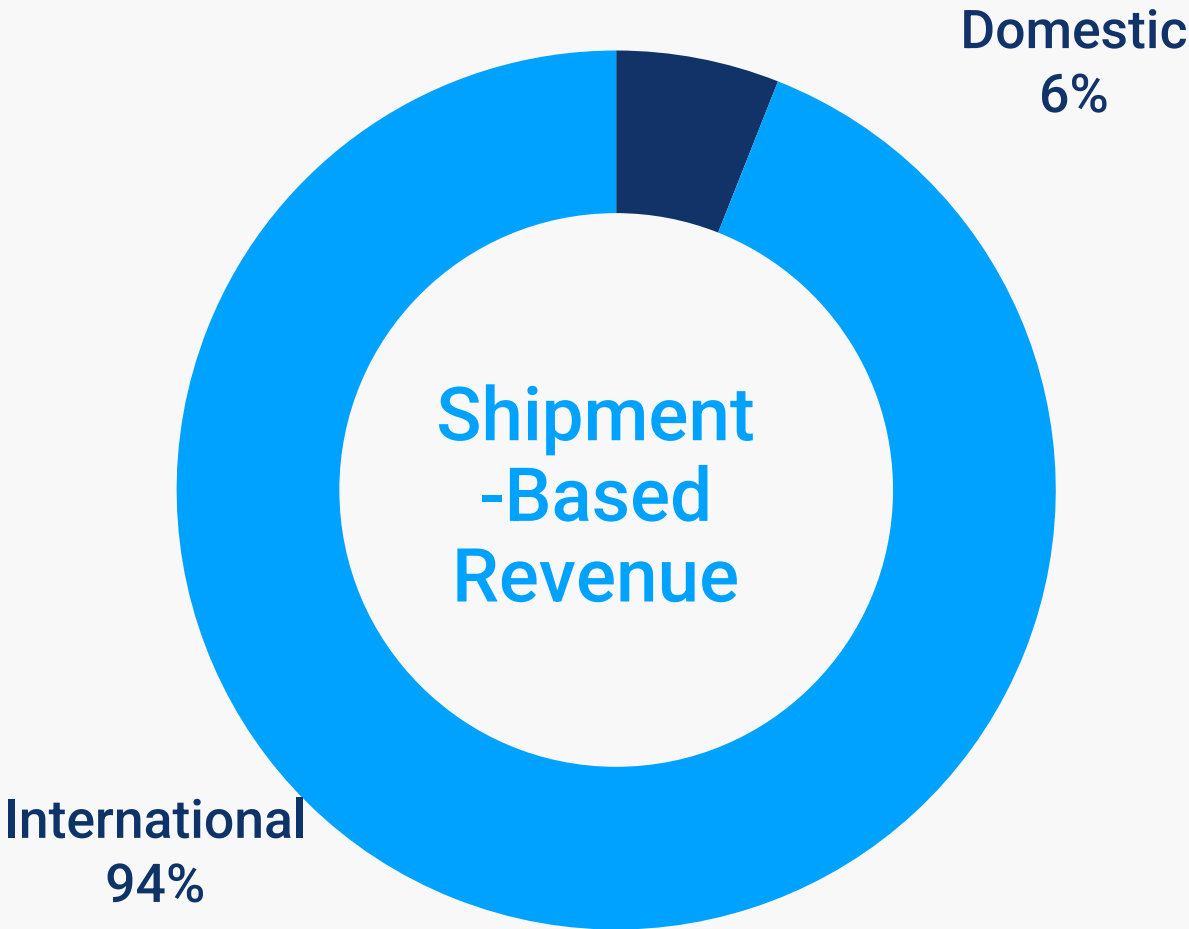
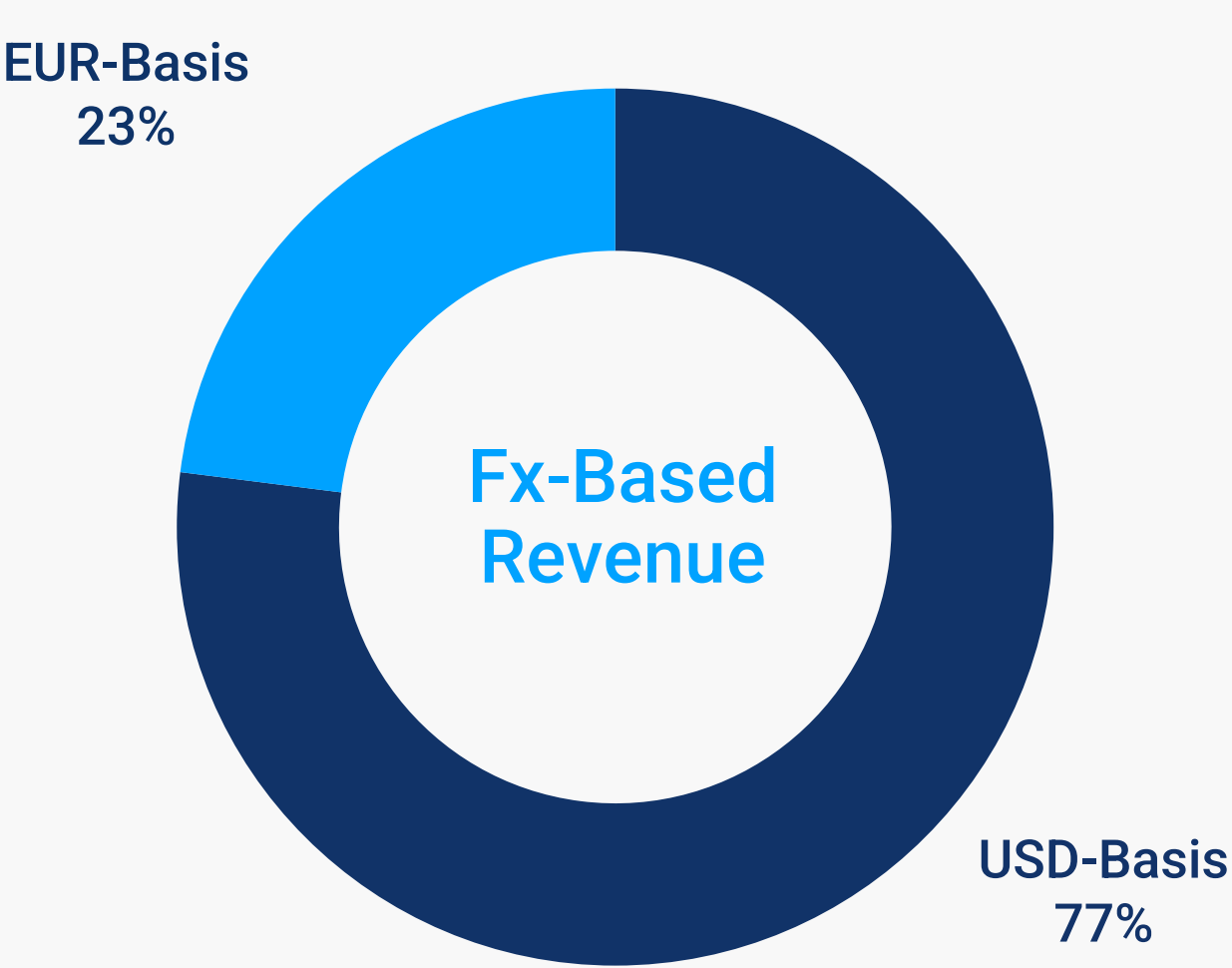
- Leading player in Ox-Ox Ceramic Matrix Composites
- Agile production capabilities / demand fulfillment
- CTCE : Industry & University Partnership

Trusted Partner

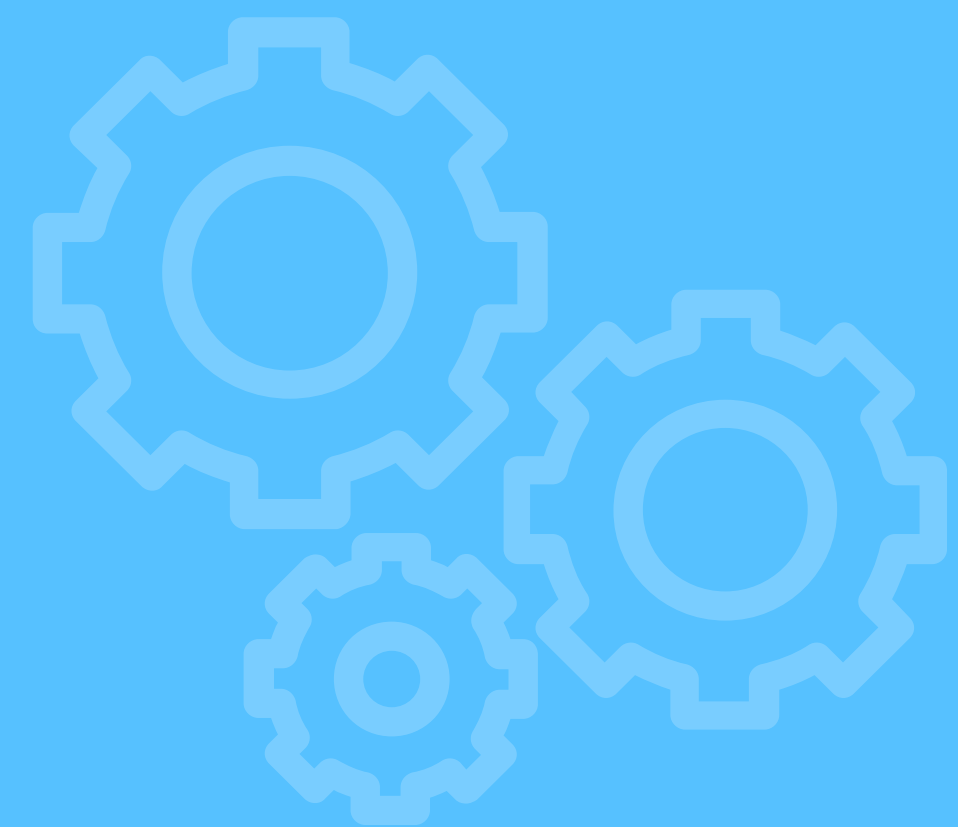
- Sole supplier of B787 Dreamliner in NA
- Partner of Orion Capsule
- Growing global partner in automotive industry

Strong hedge position to country risks through 100% hard-currency revenue

Natural Hedge to
FX/Türkiye Position



OPERATIONS



FINANCIALS



We reinforce mobility through our tire reinforcement products

- 01** A tire is a highly complex composite with approx. 40 components working under dynamic conditions enduring heat and motion
- 02** By weight: 350-450gr per tire
- 03** By value => Approx 7-10% cost of a tire is Tire Cord Fabric



We reinforce safety through our composite technologies

COMPOSITE PARTS

Composites use in aerospace & automotive is increasing, due to improved material properties and weight savings over conventional materials

«Lightweighting» is a major theme, driven by emission regulations as well as fuel-efficiency needs



We reinforce urbanization through our construction solutions

REINFORCED CONCRETE STRUCTURES

MAJOR APPLICATIONS

- ✓ Infrastructure projects (tunnels, runways, dams, bridges, metro tracks, highways)
- ✓ Mines

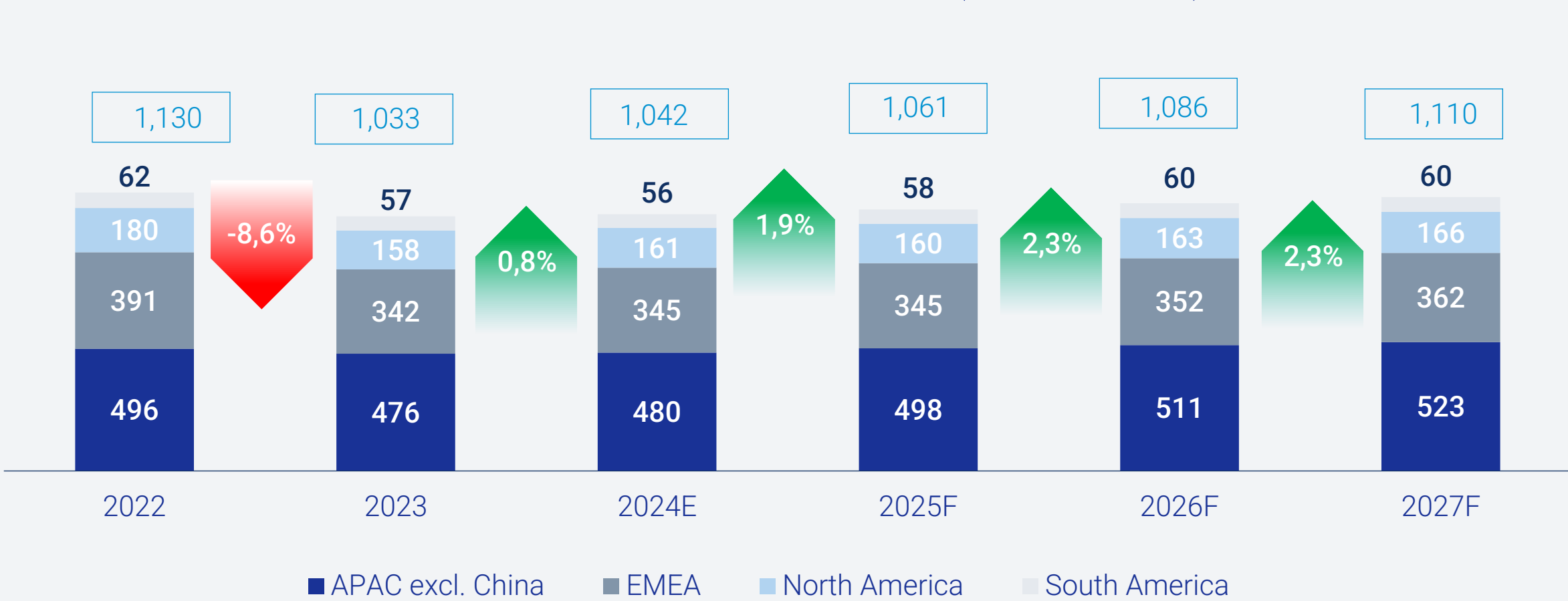


China continues to grow in the value chain and keep mature markets under pressure

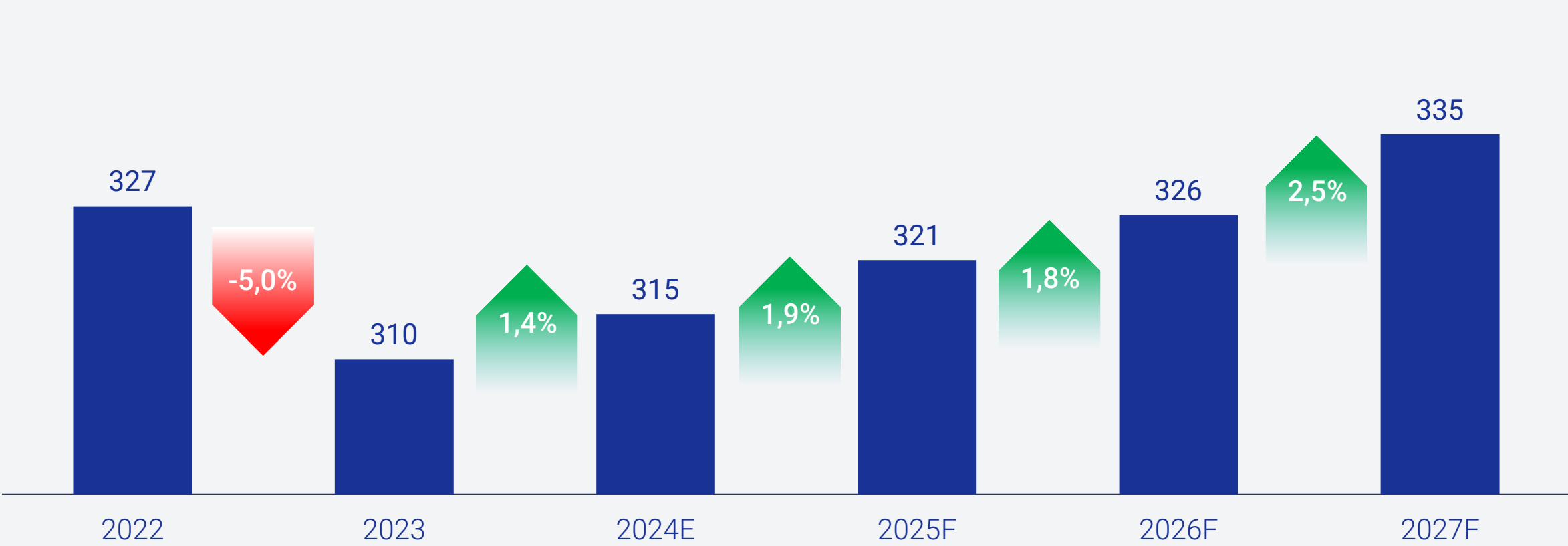
Global Automotive Market excl. China (million units)



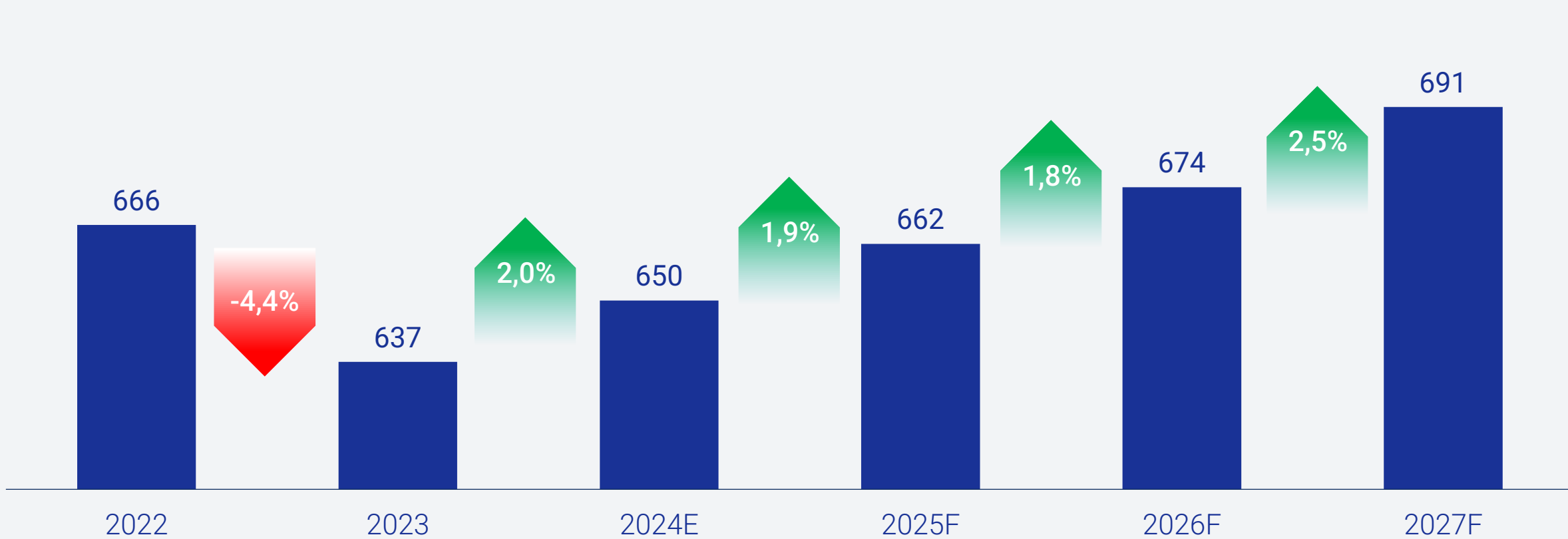
Global Tire Market excl. China (million units)



Tire Reinforcement Market (NY6.6-ktons)

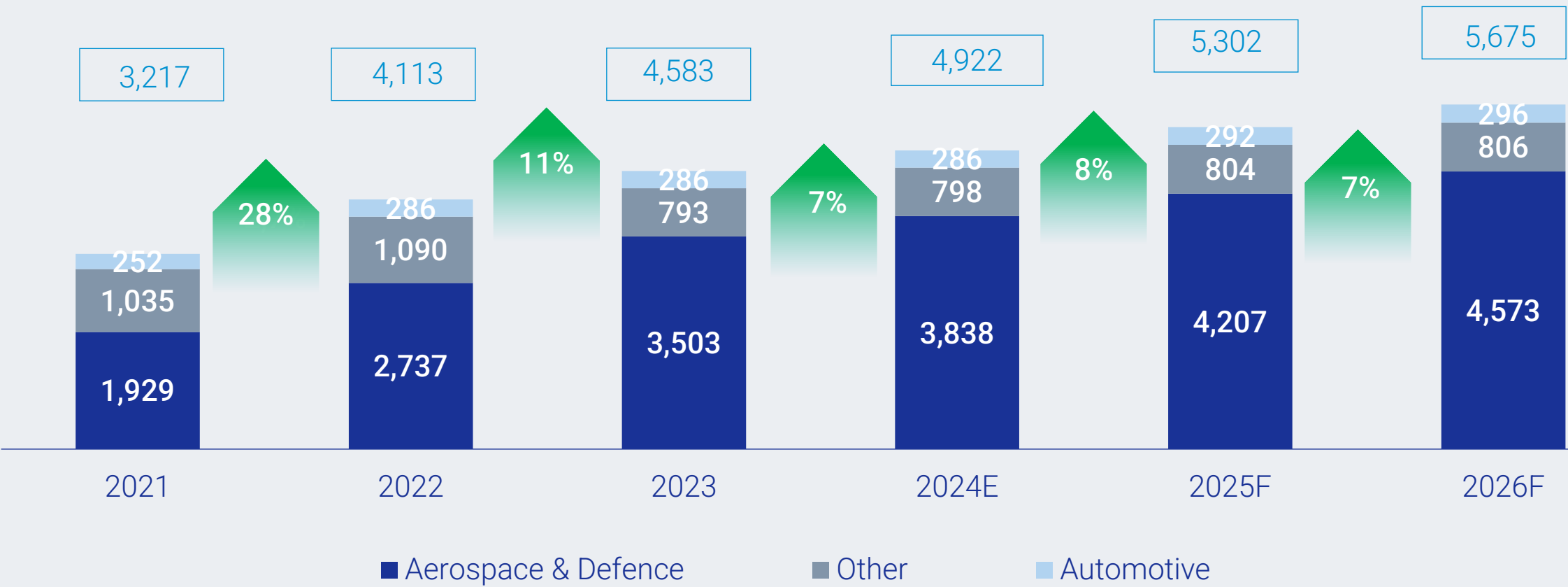


Tire Reinforcement Market (PET HMLS-ktons)

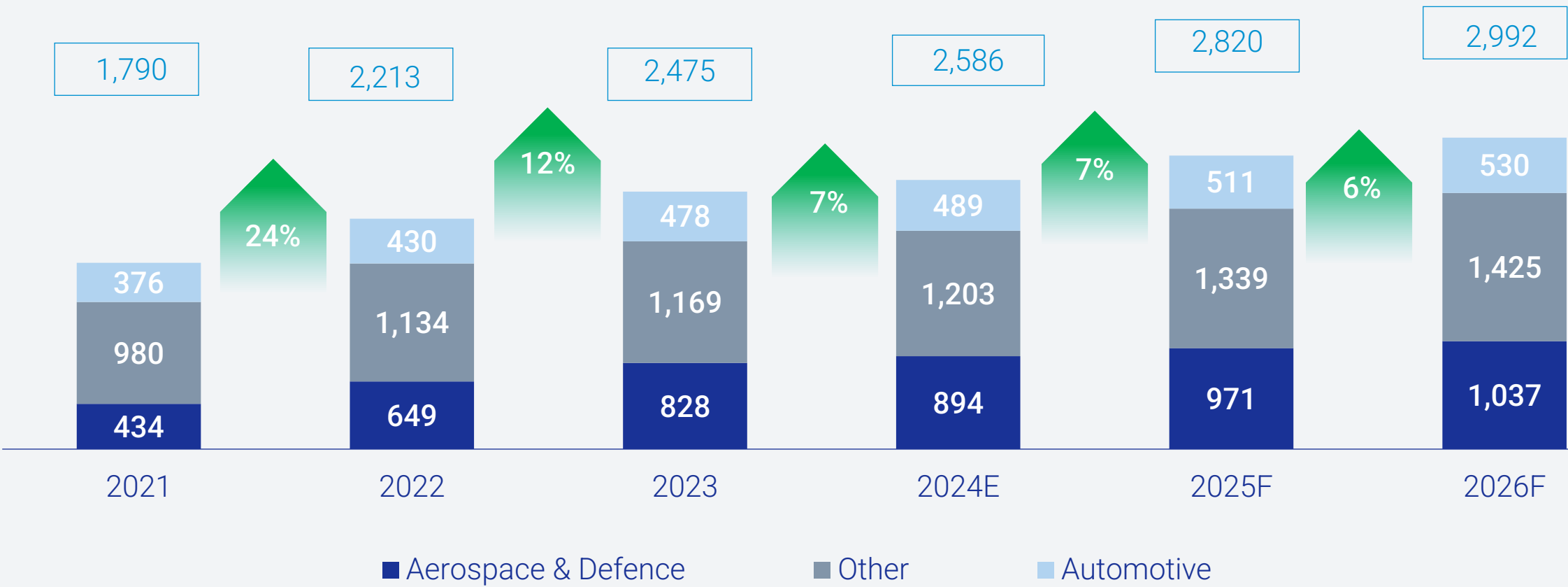


Aerospace recovery continues, but supply chain and strikes weigh on deliveries

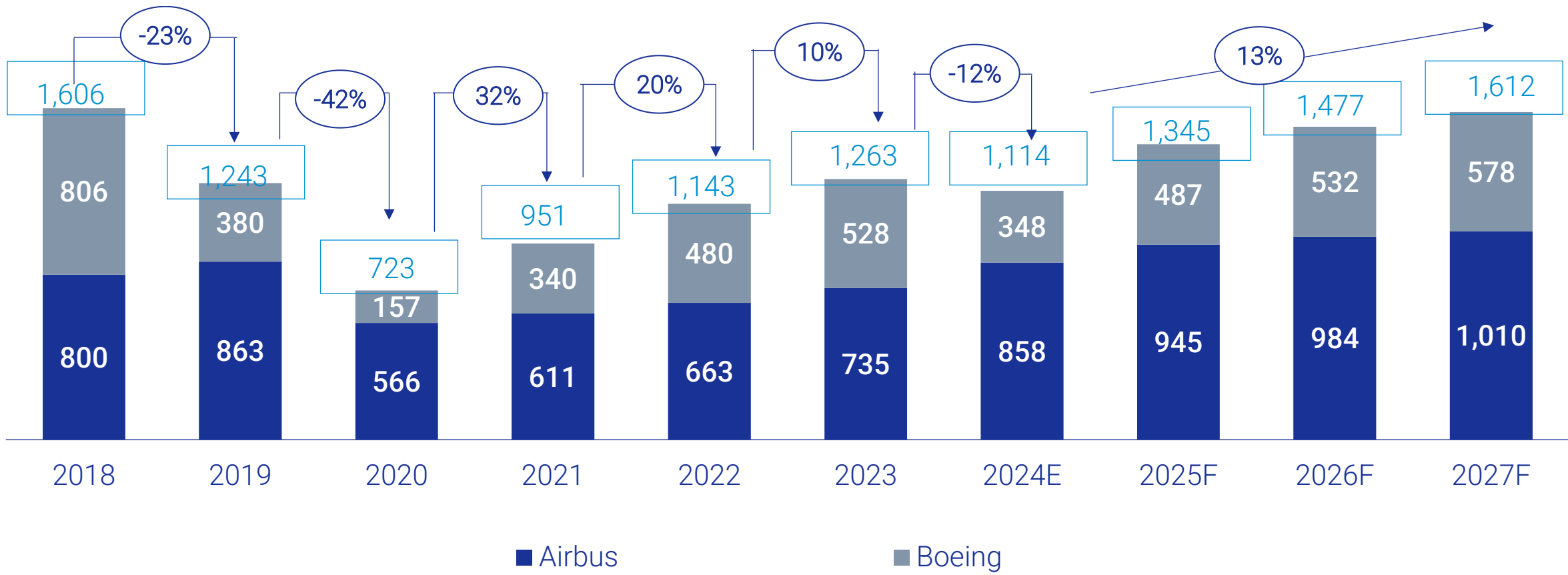
Composite Prepreg Market (M\$)



Composite Textile Market (M\$)

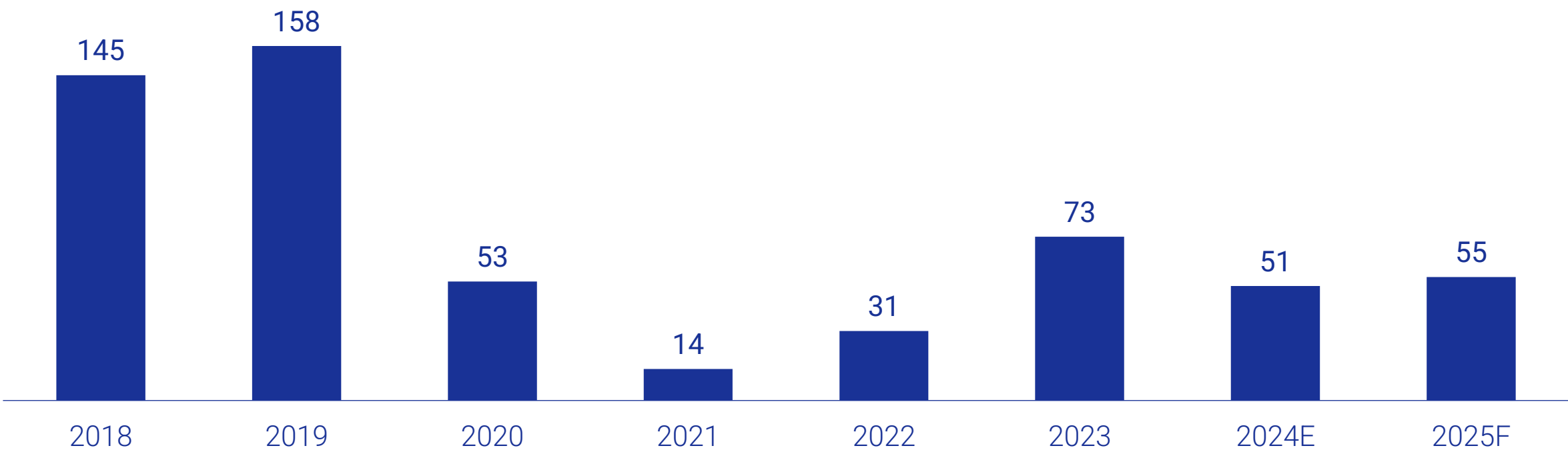


Airbus / Boeing Deliveries in key continued programs



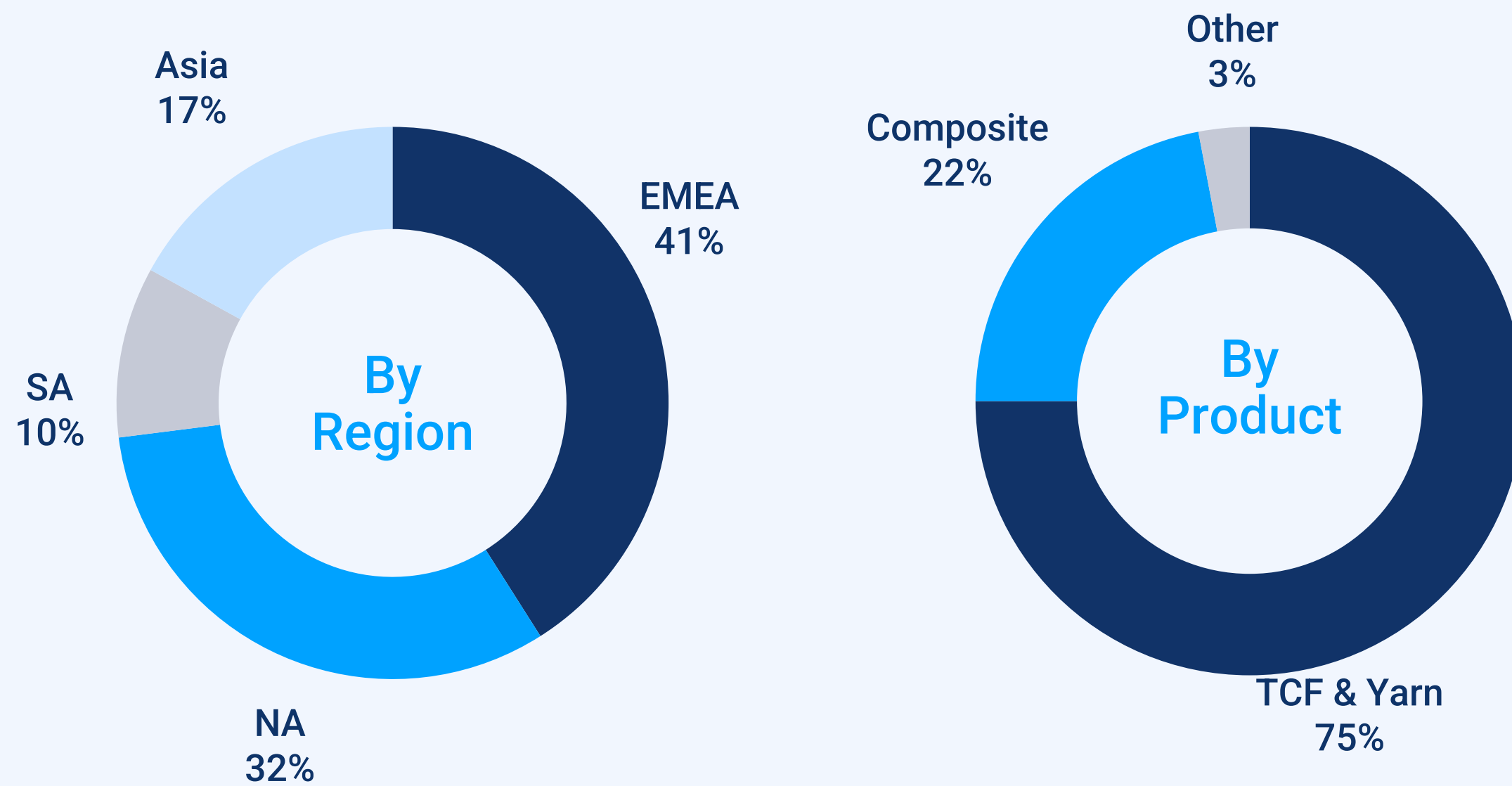
Boeing 787 Dreamliner Deliveries

(# of Aircraft)

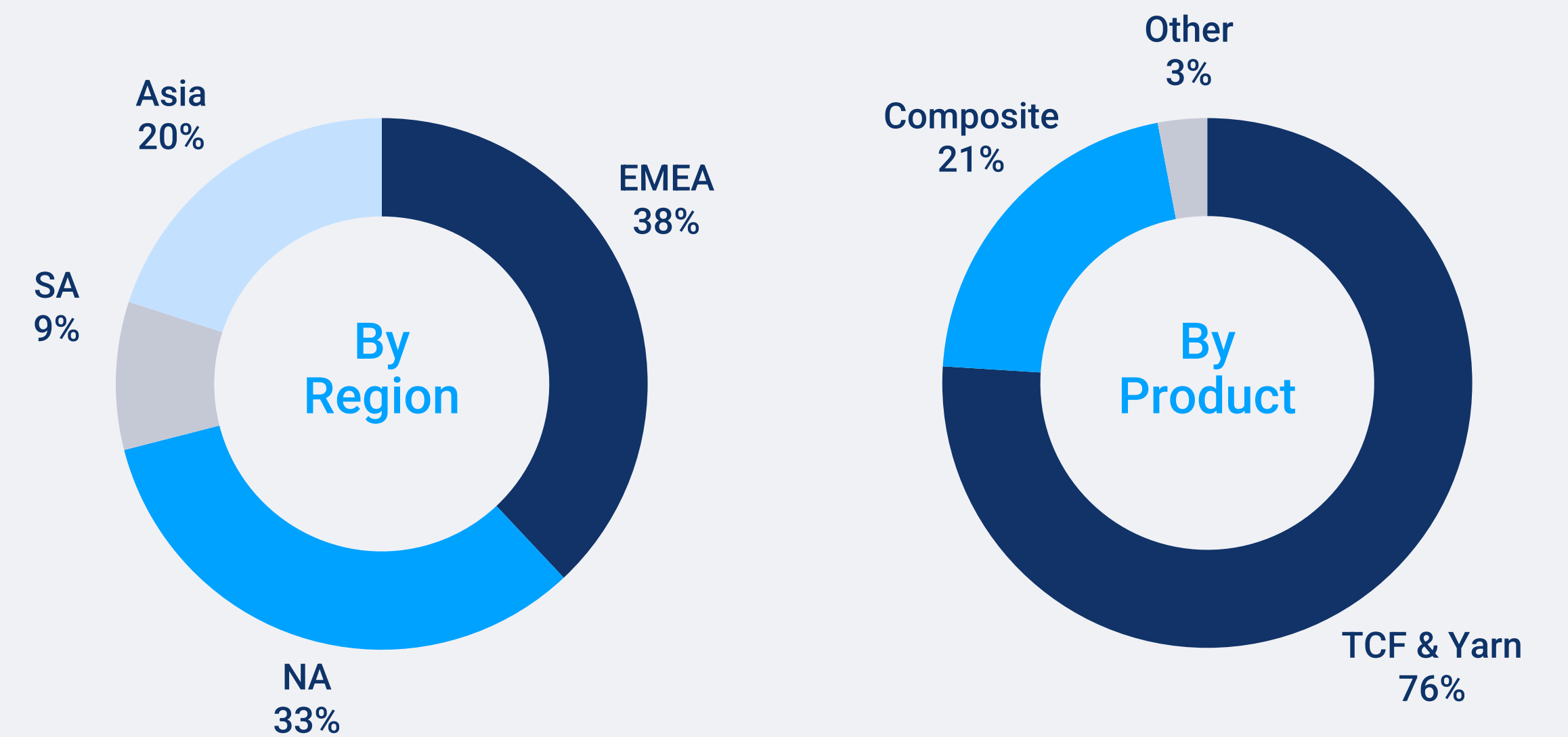


Our aim is to build balanced portfolio between tire and composite reinforcement

Mar, 25 Revenue Split



Mar, 24 Revenue Split



Strong financial performance in evolving advanced materials company

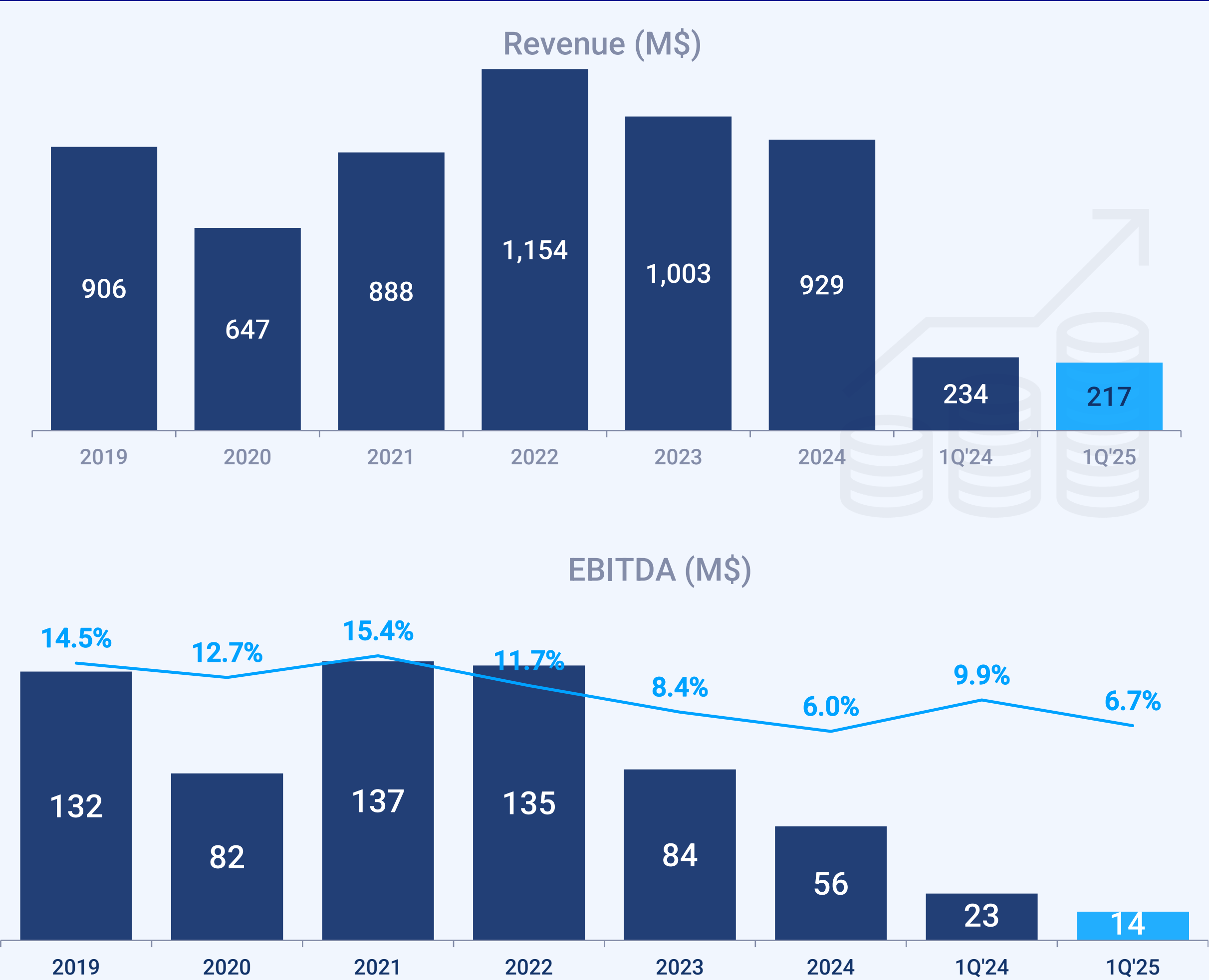
FINANCIALS



OPERATIONS



China continues to grow in the value chain



REVENUES

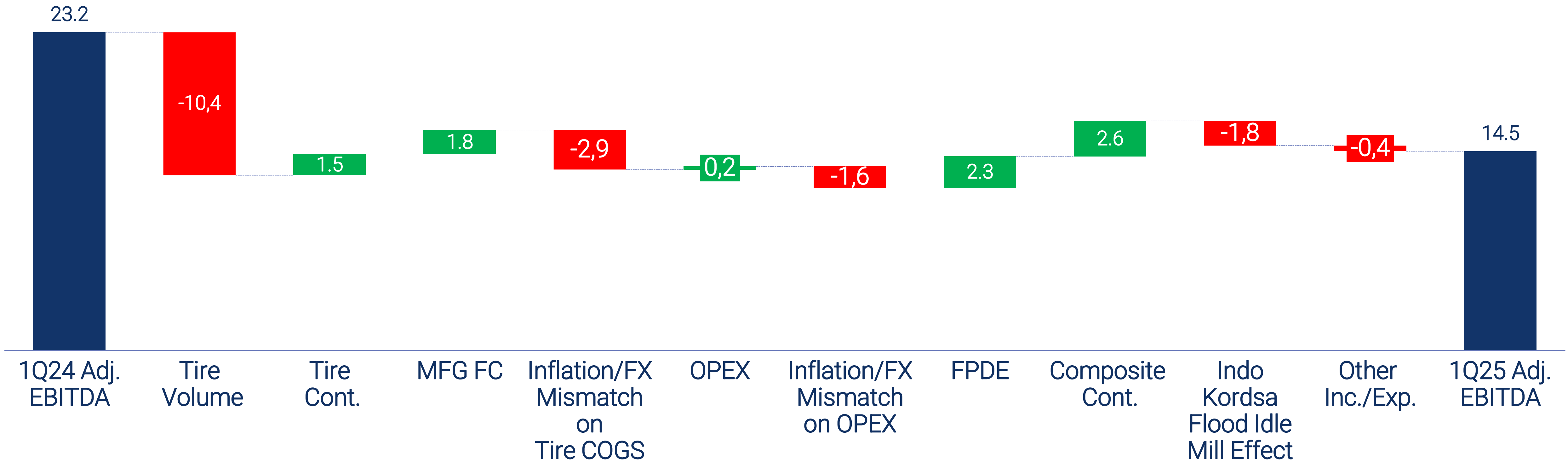
Tire : PT Indo Kordsa Flood Effect
Price pressures from Asian competitors
Composite : Slowdown in European automotive market

EBITDA

Adding to the impacts on revenue, the mismatch between inflation and FX fluctuations
Idle expenses relating to PT Indo Kordsa due to flooding

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

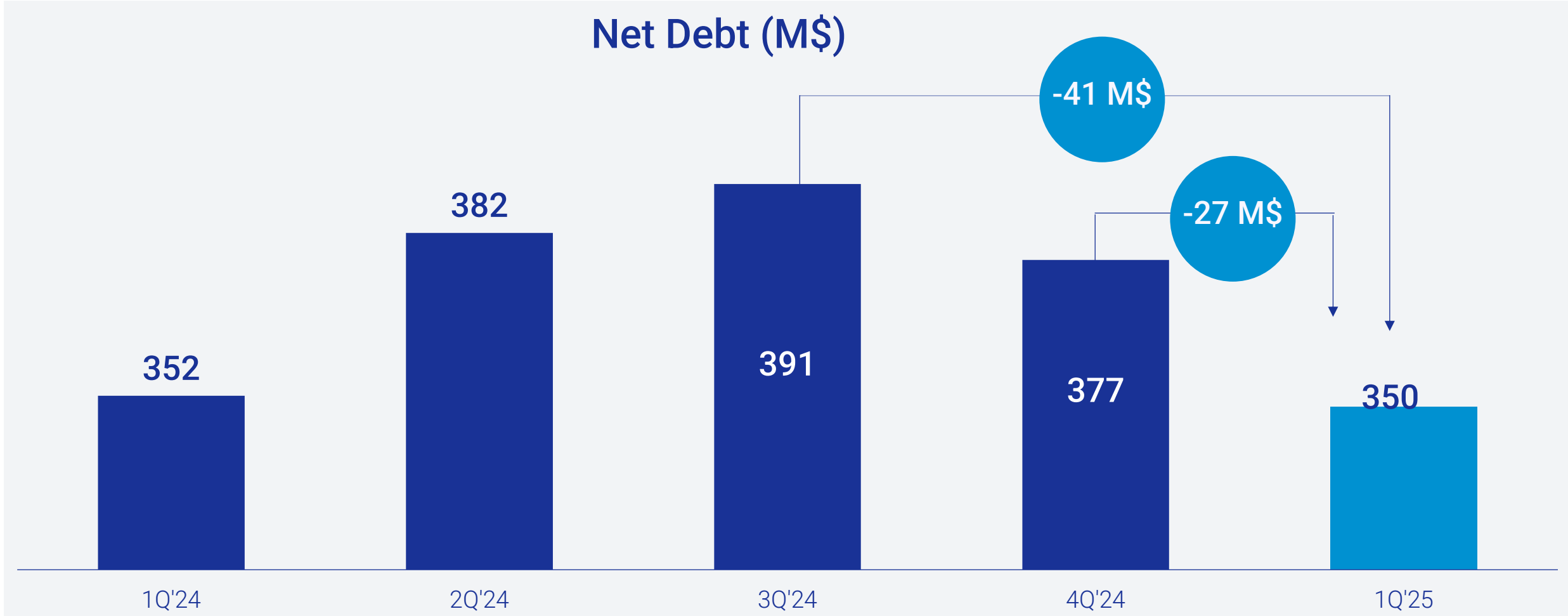
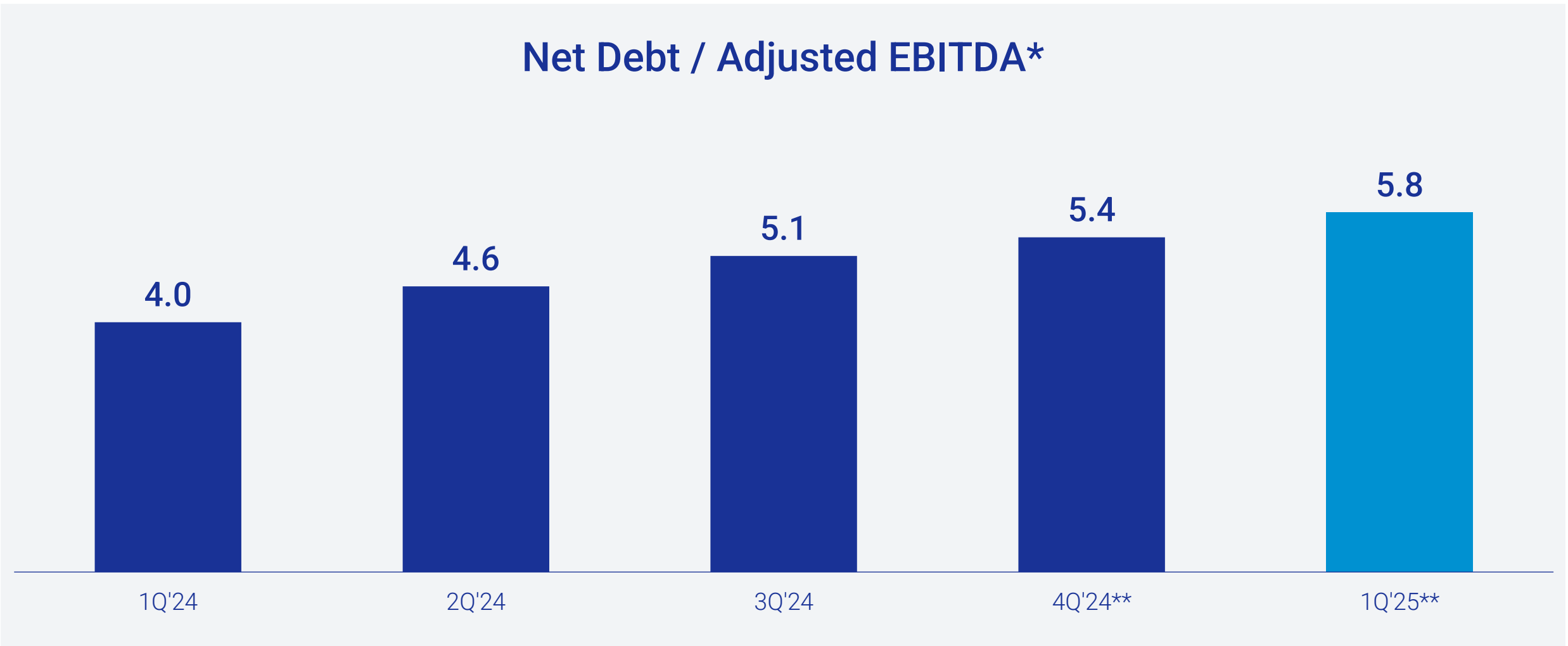
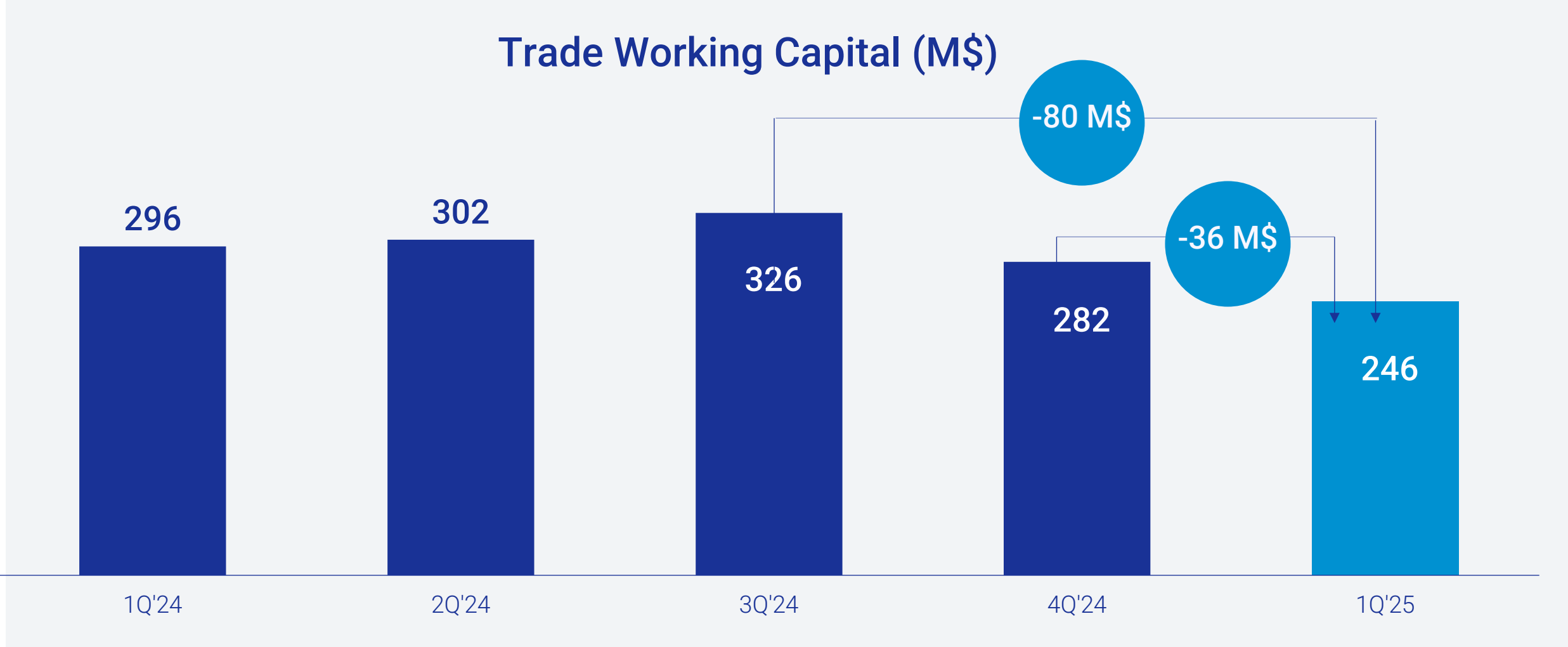
EBITDA Bridge (MUSD)



* Contribution: Sales – Raw Material Cost

* Tire Contribution including all other businesses except composite

Focusing on improving working capital and net debt level



	Amount		Avg. Int. Rates	
M\$	31.12.2024	31.03.2025	%	%
Net Debt	377	350	YE'24	1Q'25
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.

Our sustainability strategy has been created within the framework of our material issues and is in harmony with our business strategy.

Our enablers through our sustainability journey are **Technology and Digitalization**.



Passion for Business Excellence

Efficiency and improvements in Business operations to accelerate the low carbon transition

- Decarbonization Plan
- Waste & Water Reduction Projects



Responsibility for People

Commitment to an inclusive, safe and healthy working environment for all

- Sustainable Employment
- Sustainable Procurement
- Business Ethics
- Social Projects



Innovation for Sustainable Materials

Transition to a low carbon economy with lighter products than alternatives, sustainable product portfolio with high value added

- Sustainable Product
- Sustainable Procurement



CDP Climate Change
2023 A-

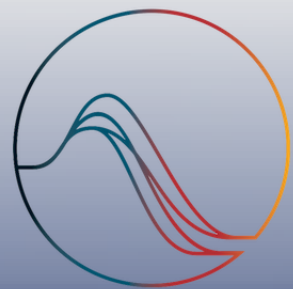
CDP Water Program
2023 A-

CDP Supplier Engagement
2023 A



We participate in the Ecovadis CSR Rating for environmental, social and governance issues.

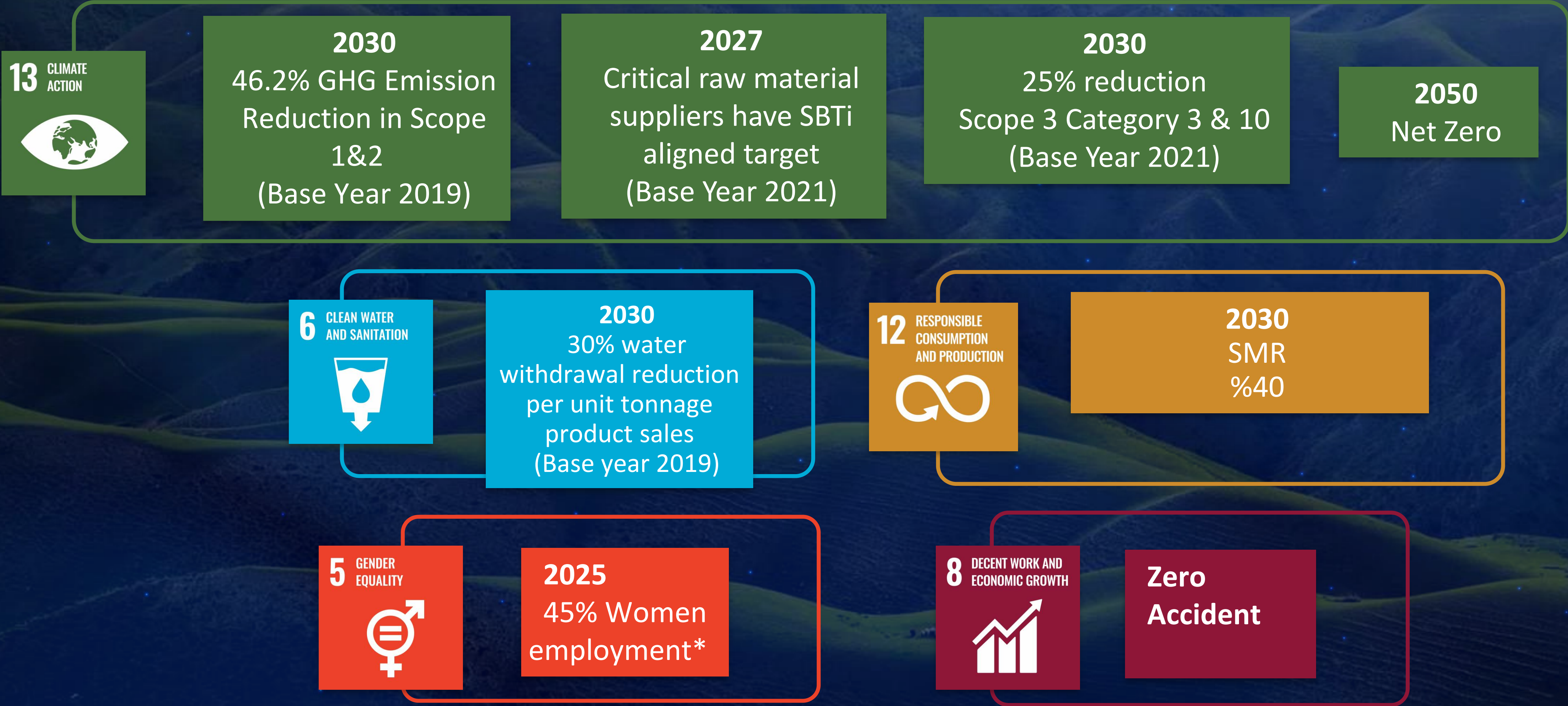
We have been awarded the "Gold Medal" again in the 2023 Ecovadis CSR rating.



SCIENCE
BASED
TARGETS

Our Carbon Emission Reduction Commitments have been approved by the Science Based Targets Initiative.

Mapped Objectives to UN Development Goals



*Office employee

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Thank You



INTERMEDIATES

RAW MATERIALS



Fibers:
Carbon Fiber -
Aramide
Glass Fiber - Ceramic
Fiber - Kevlar

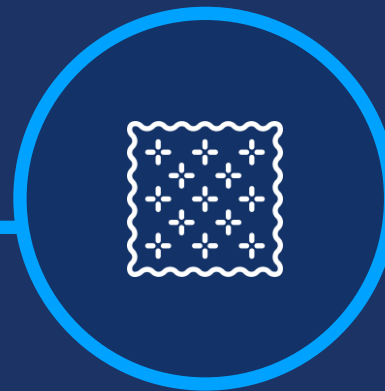
Weaving



The sole supplier of
B787 - Dreamliner



Prepreg



Value added products comprised of
ceramic, carbon, aramid, glass for
various industries such as aerospace,
energy, automotive, sports&leisure

MANUFACTURING PROCESS

RAW
MATERIALS

Polymerisation
and Yarn
Spinning

NY66 and
PET HMLS
Yarns

Twisting
and
Weaving

Greige
Fabric

Chemical
Treatment
(dipping)

Dipped
Fabric



Oil derivative
Chemicals and Polymers

HMD
Adipic Acid
NY66 Polymer
PET Polymer

Integrated production
can create value
compared to other
competitors

Higher value
added from
dipped fabric

MANUFACTURING PROCESS

**RAW
MATERIALS**

NY66 and
PP Fibers

Twisting

Dipping

Pucking

Cutting



Polypropylene
and nylon 66
polymers

Higher value
added from
dipped fabric

Kordsa's Kratos Fiber Reinforcement are applied in **Superstructure & Infrastructure Solutions**

Kordsa's Decarbonisation Strategy is aligned with 1.5°C pathway, and leverages mainly on renewable energy and supplier engagement to reduce GHG emissions across the value chain

“Kordsa to be a leader in sustainability and achieve mid-term and long-term GHG emission reduction targets”

Emission Reduction Targets:
Scope 1 & 2

46.2%

Absolute reduction in scope 1 & 2 GHG emissions by 2030



◦ Baseline year = 2019

Scope 3:

64%

of emissions associated with Purchased Goods & Services to be covered by SBTi targets by 2027

- Baseline year = 2021
- Kordsa commits that suppliers responsible for 64% of its emissions from purchased goods and services will have science-based targets by 2027
- Kordsa also commits to reduce absolute emissions from Cat 3: Fuel and Energy related activities and Cat 10: Processing of Sold Products by 25% by 2030

Reduction Focus Areas:
Scope 1 & 2:



2023 2024 2025 2026 2027 2028 2029 2030



Why is decarbonization important for Kordsa

- Kordsa intrinsically has the motivation, ambition and vision to transform the company into a leader on sustainability
- Local and international regulatory and market developments, reputational considerations, and increasing global awareness of climate change are also drivers for Kordsa to take action and reduce emissions in its manufacturing processes

We Reinforce Life with Sustainability

Tire Reinforcement



- Recycled Nylon
- Recycled PET
- Bio based PA
- Cokoon
- UHT PET
- High Modulus NY
- Paired Cord

Composites



- Water based phenolic honeycomb
- Ceramic Matrix Composites
- Bio based prepreg

Construction Reinforcement



- Kratos Synthetic Fiber Reinforcement
- Kratos Structural Reinforcement

Compounding



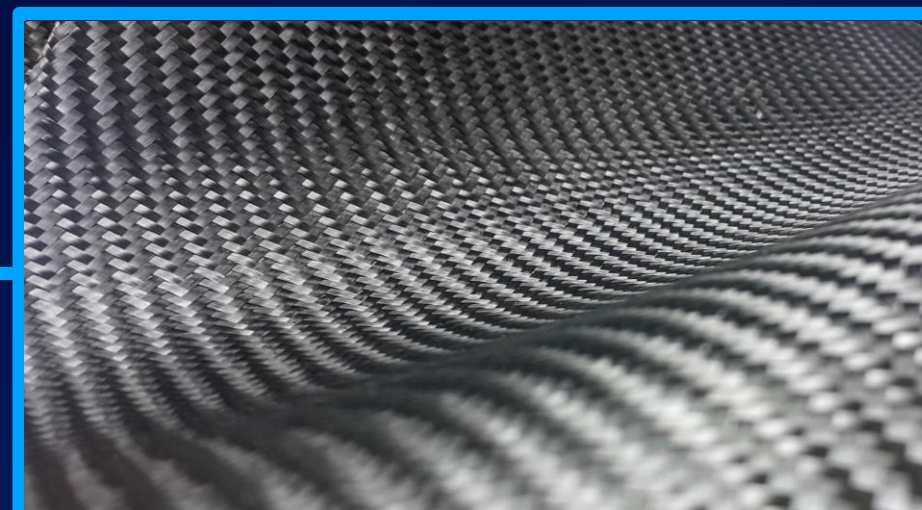
- Sustainable formulations
- Bio based formulations

Sustainable Products 84 sustainable products including;



In tire reinforcement;
Lightweighting, environmentally friendly & fuel-saving technologies

rPET, Paired Cord, UHT Polyester Cord Fabric, High Modulus Nylon and REV Technologies product group specifically for electric vehicle tires



In composites industry;
Products that provide fuel savings & low carbon emissions

- Carbon prepreg composites have up to 10 times higher strength compared to steel.
- When a steel part is replaced with carbon prepreg composite, the part weight is reduced to 1/10 and reduces CO₂ emissions in vehicles.



For the construction industry;
durable, long-lasting and lightweight solutions

- With its low CO₂ footprint, as recorded in the EPD certification, Kratos Synthetic Fiber Reinforcements provide a sustainable solution for construction projects.



For the compounding industry;
innovative, tailor-made compounding solutions

- 20% of vehicle parts use engineering plastics, reducing weight lowers fuel consumption thus lowered carbon emissions
- Glass fiber added formulations are lighter than metal parts with same mechanical properties, thus contribute to a sustainable future..

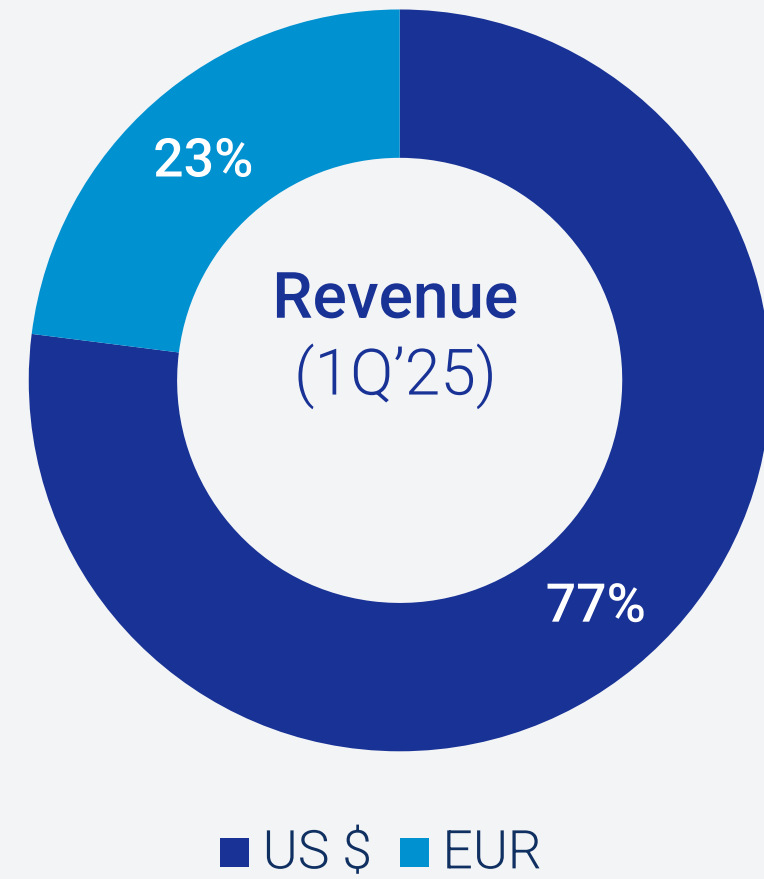
Ongoing challenging externalities impact financial performance

	USD Financials (MUSD)						
	1Q'24	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%

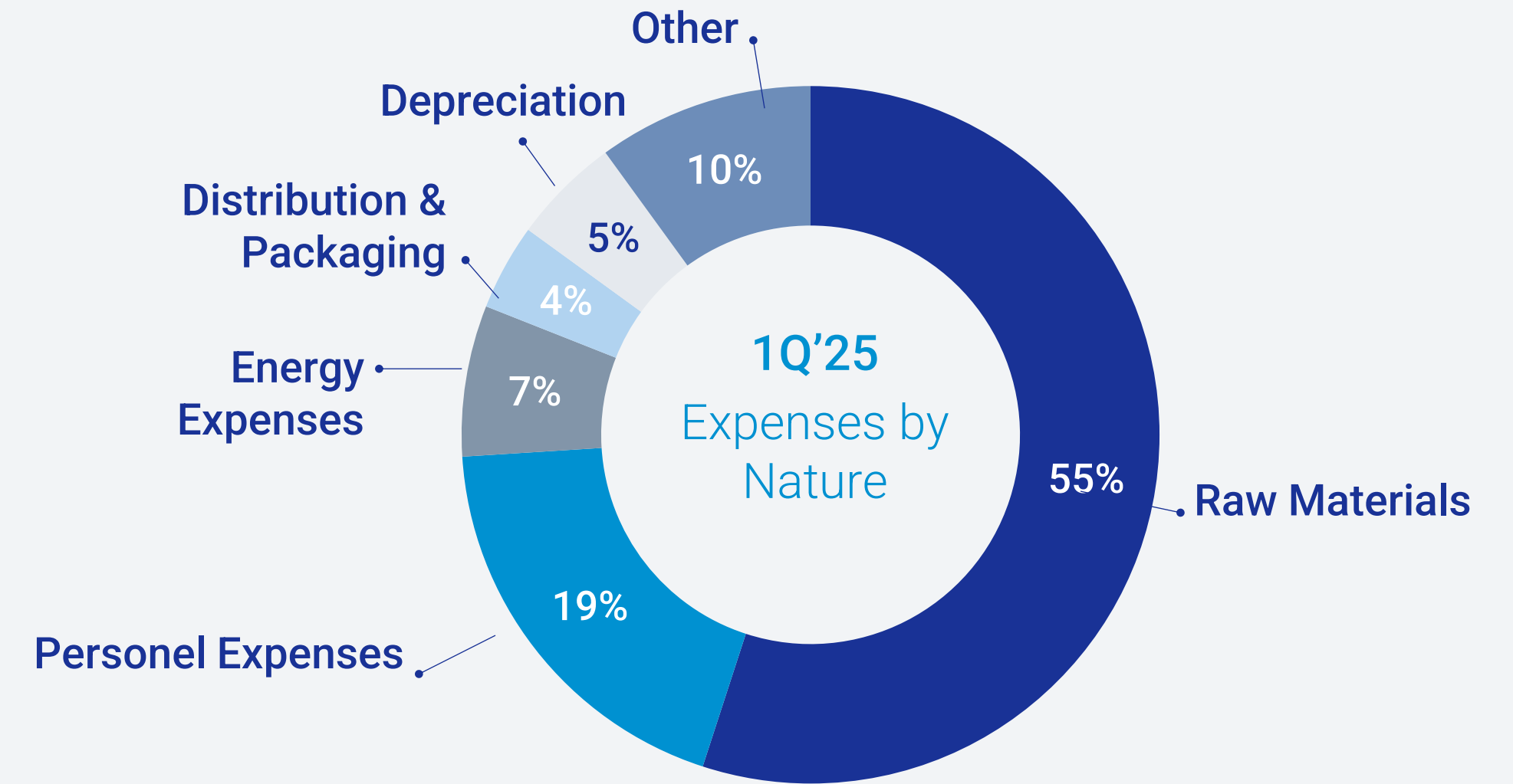
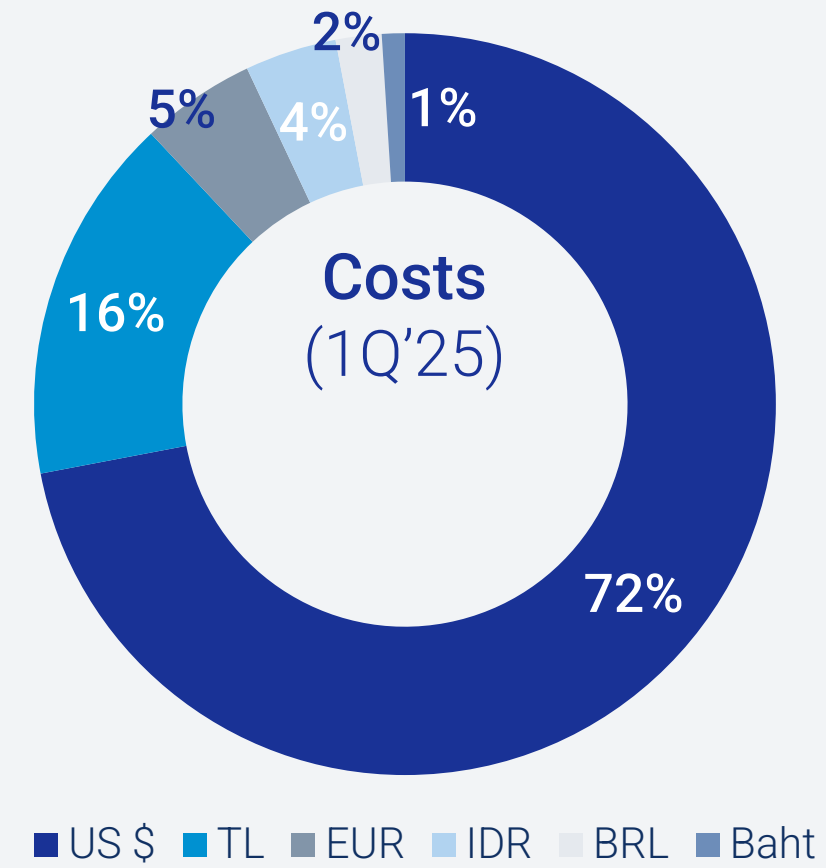
Balance Sheet

	TL Financials (MTL)			USD Financials (MUSD)		
	YE 2024	1Q 2025	Δ	YE 2024	1Q 2025	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

Hard Currency Revenue



FX exposure



- 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