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THE REINFORCER

# 3Q'25 Financial Results
## Earnings Release

Oct 30 2025

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# 3Q'25 Highlights

## GENERAL HIGHLIGHTS
* ~ 70 MUSD Capital Increase
* 10 MUSD inflow from Construction Business Sale

## TIRE REINFORCEMENT
* Remarkable working capital and cash flow management
* Adverse impacts of slow demand, Asian competition and Flood still persist
* Tariffs and trade wars remain as key uncertainties for the industry
* 26.1 M$ Inventory/Asset impairment relating to the flood vs 21 M$ insurance gain

## COMPOSITE REINFORCEMENT
* A notable increase in profitability through efficient product and portfolio management
* Slight improvement in revenue performance despite the slowdown in the European automotive market and thanks to improved CMC sales

**REVENUE**
198 MUSD
All Hard-Currency
612 M$ in YTD Sep'25

**OPERATING CASH FLOW**
46 MUSD
109 M$ in Sep'25

**Adjusted EBITDA***
11.6 MUSD
5.9% Margin
41.0 M$ in Sep'25

**NET DEBT****
376 MUSD
377 M$ in YE'24

**CAPEX**
8.3 MUSD
28.5 M$ in Sep'25

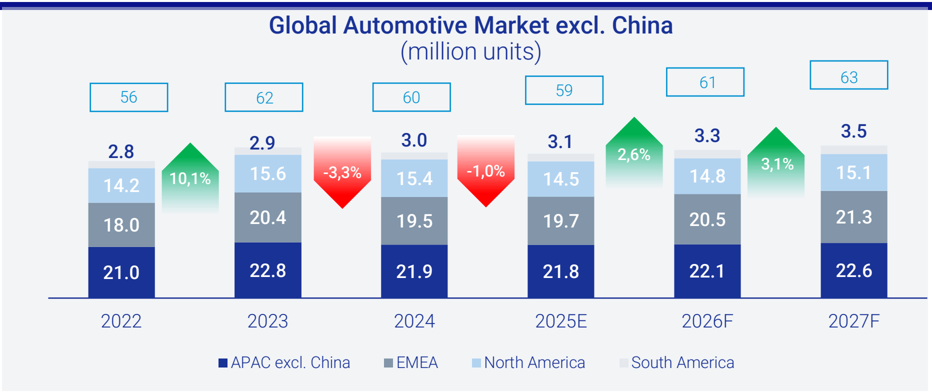
**NET INCOME**
-10.4 MUSD
-22.4 M$ in Sep'25

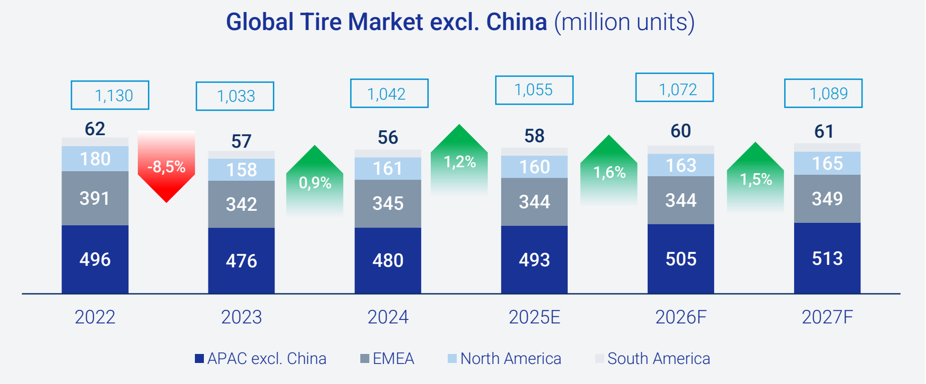
Adjusted EBITDA* = Gross Profit – Operating Expenses + Amortization/Depreciation + Other Operating Income/Expense such as Incentive Income
** 39 M$ additional debt is coming from the purchase of remaining 39% of Microtex Composites S.r.l.

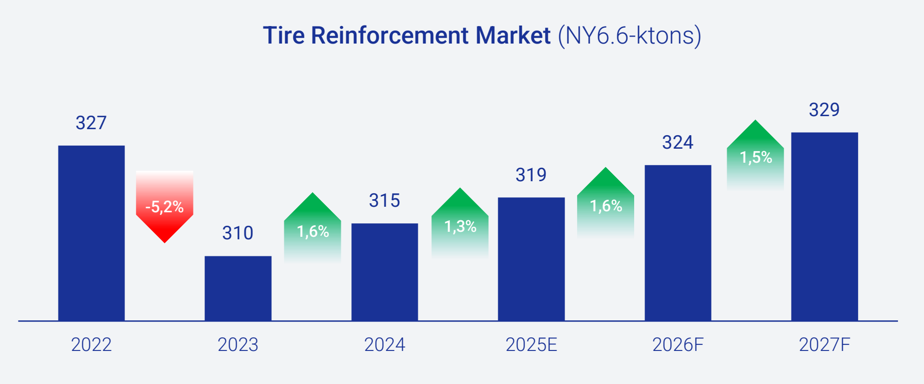
# Indo Kordsa Flood Update

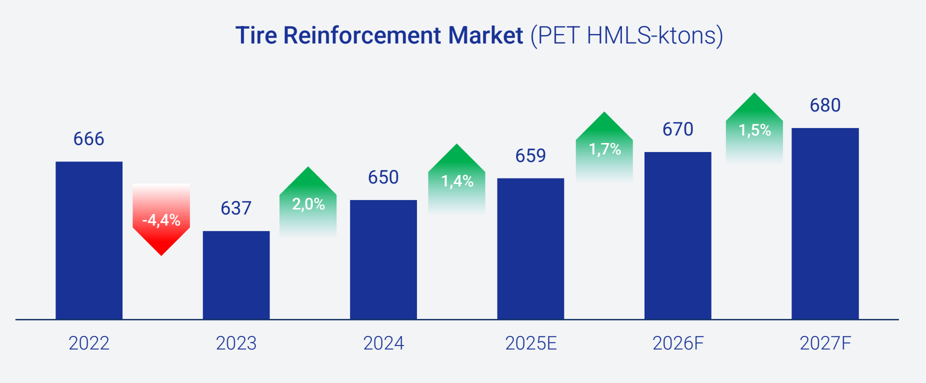
| Property Damage and Insurance Related Financial Impacts | Value (M$) |
| --- | --- |
| Damaged Inventory | -5.5 |
| Flood Impacted Asset Impairment | -20.6 |
| Damaged Inventory Tender Sales Gain | 1.0 |
| Insurance Advance Payment Income Accrual | 20.0 |
| **Net Impact** | **-5.1** |

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




Source: IHS & Kordsa Market Intelligence Forecast

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

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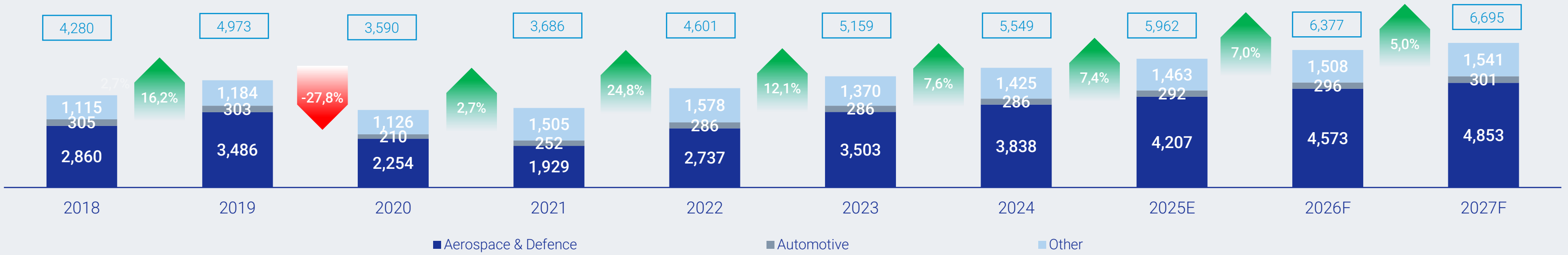
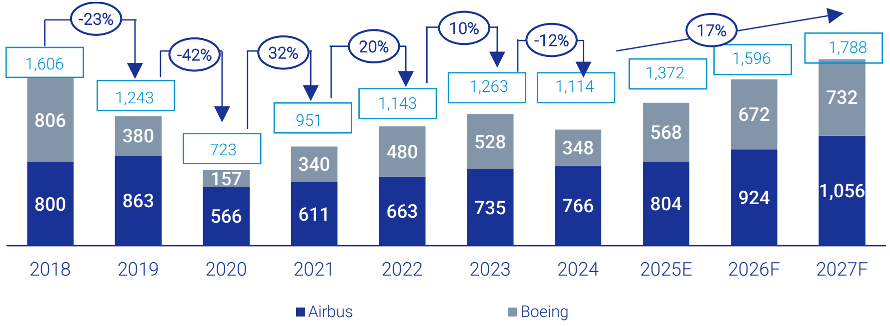
## Composite Prepreg Market (M$)

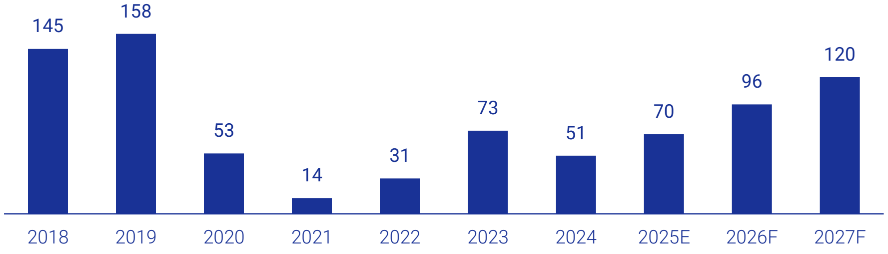



## Airbus / Boeing Deliveries in key continued programs




## Boeing 787 Dreamliner Deliveries

(# of Aircraft)




Source: Lucintel & Kordsa Market Intelligence Forecast & Boeing Estimates

# Excluding flood impacts, outstanding financial performance of Composites and Efficient Portfolio and Cost Management in Tire Segment enable better performance than the last year



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| | USD Financials (MUSD) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 3Q'24 | 3Q'25*** | Δ | 4Q'24** | 1Q'25 | 2Q'25 | 3Q'25*** |
| Sales | 235 | 198 | -15.9% | 225 | 217 | 197 | 198 |
| Gross Profit | 33 | 29 | -12.2% | 16 | 30 | 27 | 29 |
| Gross Margin (%) | 13.8% | 14.4% | 0 pts' | 7.4% | 13.9% | 13.9% | 14.4% |
| OPEX (%) | 11.9% | 12.9% | 1 pts' | 11.9% | 12.5% | 12.9% | 12.9% |
| Operating Profit | 9 | 1 | -86.8% | -15 | 5 | 7 | 1 |
| Operating Profit Margin (%) | 3.6% | 0.6% | -3 pts' | -6.0% | 2.1% | 3.3% | 0.6% |
| Adjusted EBITDA* | 18 | 12 | -35.2% | -1 | 14 | 15 | 12 |
| Adjusted EBITDA* Margin (%) | 7.6% | 5.9% | -2 pts' | -0.5% | 6.7% | 7.5% | 5.9% |
| Net Income | -5 | -10 | 101.3% | -24 | -8 | -4 | -10 |
| Net Income (%) | -2.2% | -5.3% | -3 pts' | -10.4% | -3.5% | -2.1% | -5.3% |

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.*

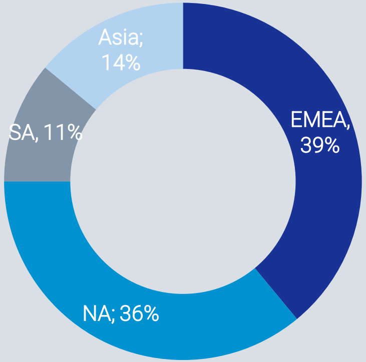
**** Indo Kordsa Flood Effect : 26.1 M$ Asset Impairment vs 20.0 M$ Insurance Gain + 1.0 M$ Salvage Value of Damaged Inventories = Net Effect 5.1 M$ negative on EBITDA and Net Income excluding Business Interruption Losses.*

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

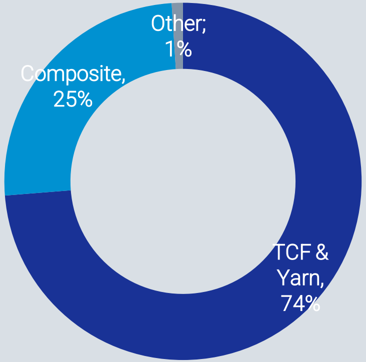
## Segment Reporting Results

### 3Q, 25 Revenue Split

#### By Region*



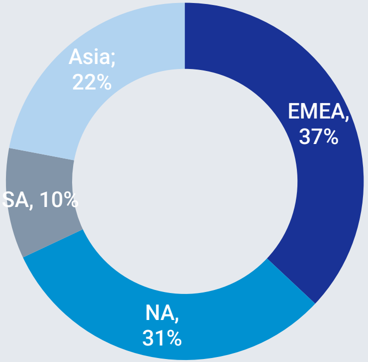

#### By Product*



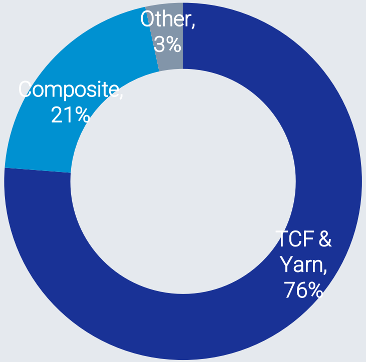

* Flooding impact in APAC to region/product split

### 3Q, 24 Revenue Split

#### By Region

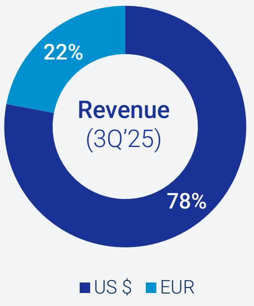


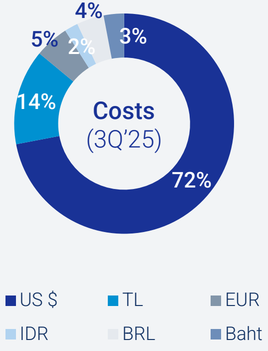

#### By Product

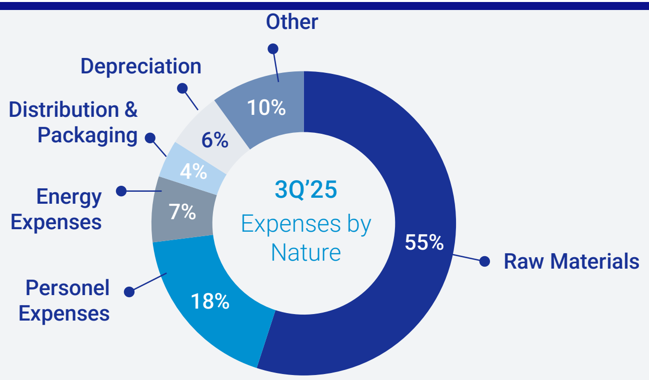


# Hard Currency Revenue

FX exposure



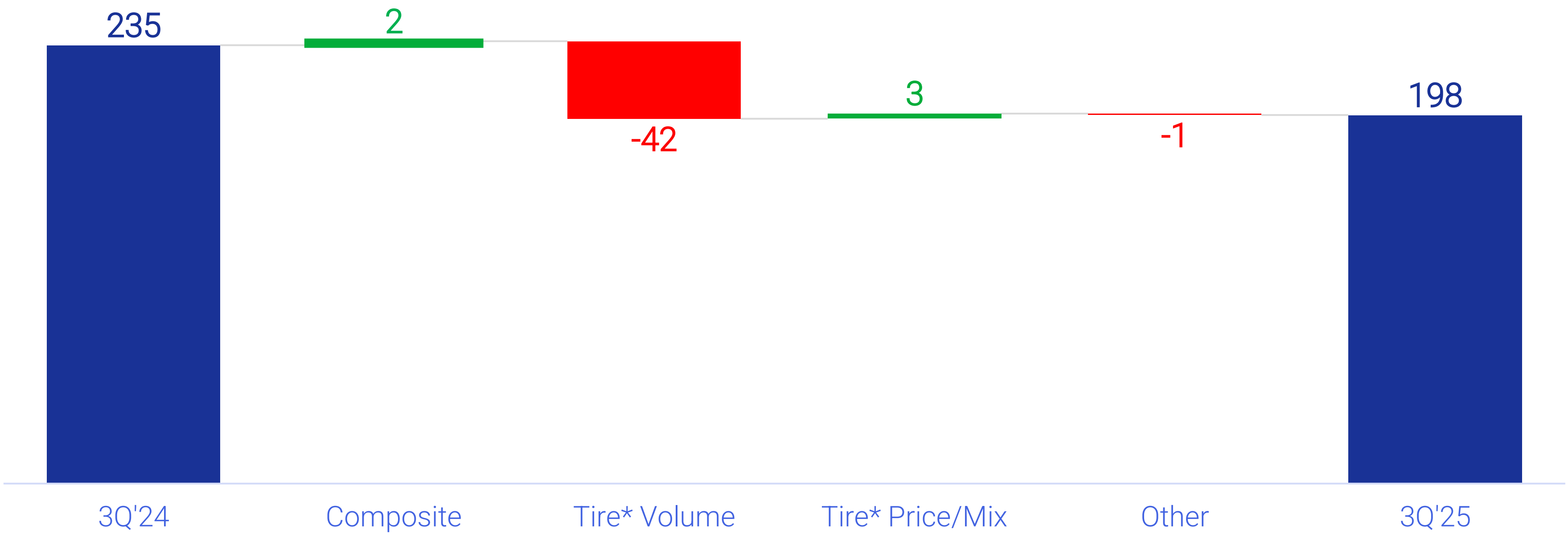




- Hard currency revenues
- Ability to pass through raw material price volatility:
  (Revenue – raw material costs) tracked as a KPI by sales team
- FX exposure on costs -> EM footprint on local costs + hard currency priced raw materials
- Benefit from US$ appreciation vs. TL, IDR and BRL
- Appreciation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

# Continuing Asian Competition in Tire Segment coupled with Flood adversely affected the topline

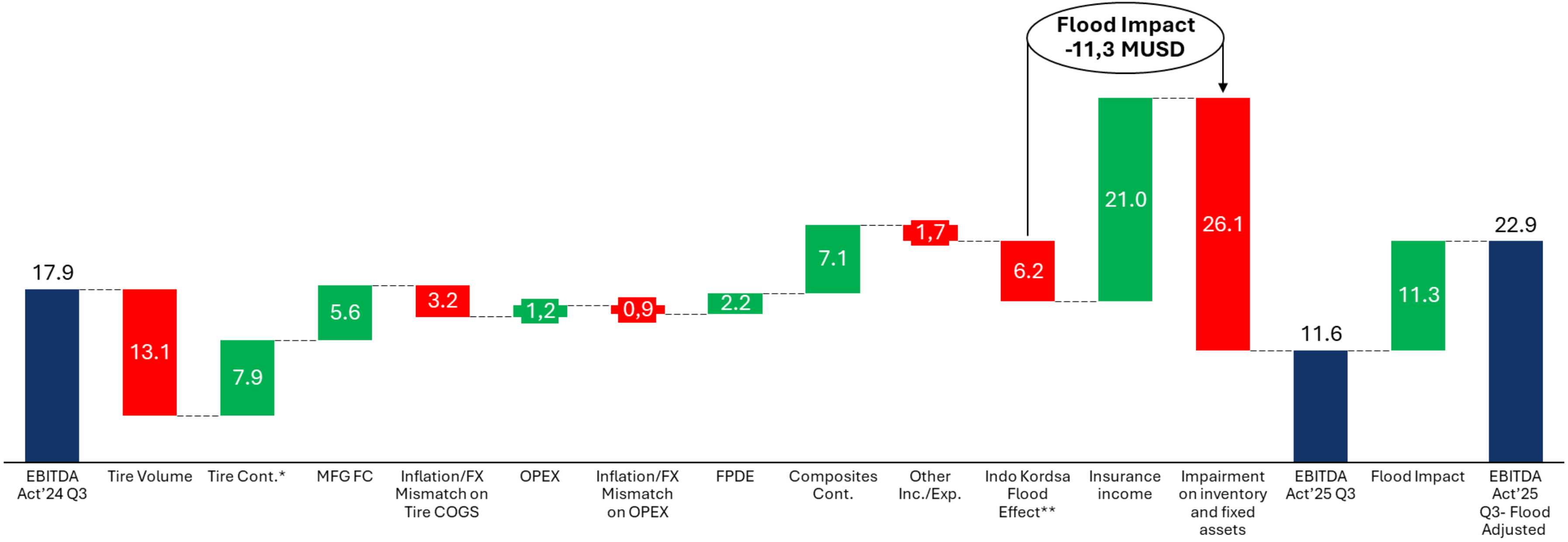
## Sales Bridge – MUSD




* Tire Reinforcement Segment

# Remarkable contribution from Composite segment and cost optimization projects offsets adverse impact of Indonesia Flood Effects

## EBITDA Bridge (MUSD)




Contribution: Sales – Variable Costs

* Tire Contribution including all other businesses except composite

** YTD Effect : 18.6 M$

# Balance Sheet

| | TL Financials (MTL) | | | USD Financials (MUSD) | | |
|---|---|---|---|---|---|---|
| | YE'24 | 3Q'25 | Δ | YE'24 | 3Q'25 | Δ |
| Cash and Cash Equivalents | 4,257 | 4,765 | 507 | 121 | 115 | -6 |
| Account Receivables | 5,690 | 5,631 | -59 | 161 | 136 | -26 |
| Inventories | 7,474 | 7,772 | 298 | 212 | 187 | -25 |
| Other Current Assets | 1,205 | 2,380 | 1,133 | 34 | 56 | 22 |
| PPE & Intangibles | 16,741 | 18,805 | 2,064 | 475 | 453 | -21 |
| Investment Property | 588 | 692 | 104 | 17 | 17 | 0 |
| Goodwill | 5,476 | 6,443 | 966 | 155 | 155 | 0 |
| Other Non-Current Assets | 2,375 | 2,869 | 535 | 67 | 70 | 3 |
| Account Payables | 3,204 | 4,006 | 802 | 91 | 96 | 6 |
| Total Debt | 17,578 | 20,416 | 2,838 | 497 | 491 | -6 |
| Short Term Debt | 14,485 | 19,104 | 4,619 | 410 | 459 | 50 |
| Long Term Debt | 3,093 | 1,312 | -1,781 | 88 | 32 | -56 |

# Focus on improved working capital and net debt level

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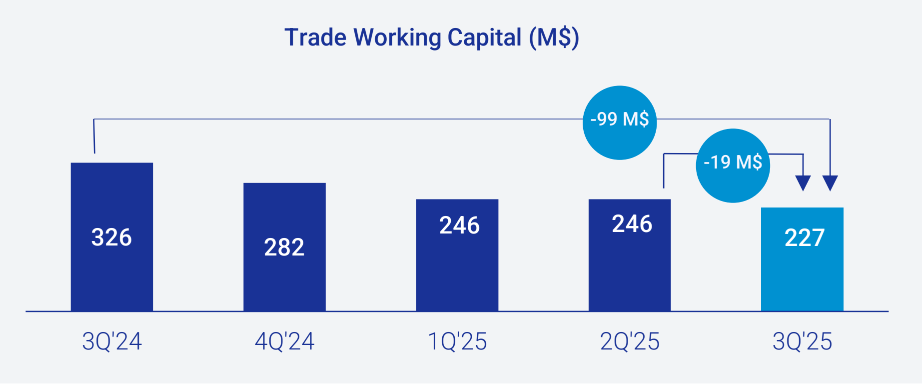


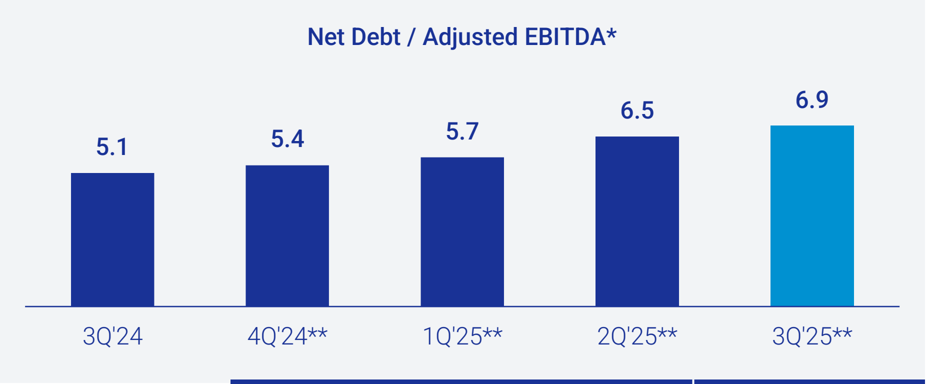


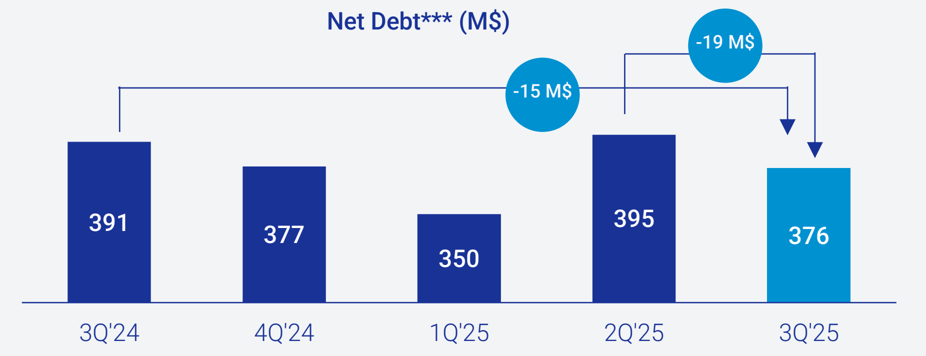


| | Amount | | Avg. Int. Rates | |
|---|---|---|---|---|
| M$ | 31.12.2024 | 30.09.2025 | % | % |
| **Net Debt** | 377 | 376 | YE'24 | Sep'25 |
| USD-Basis | 332 | 300 | 7.7% | 7.6% |
| EUR-Basis | 71 | 68 | 6.0% | 5.5% |
| TRY-Basis | 89 | 123 | 26.9% | 23.7% |
| Other Currencies | 5 | - | 4.3% | - |
| Cash & Cash Equi. | -121 | -115 | | |

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.*

**** Included the acquisition of remaining 39% shares of Microtex amounting to 39 M$*

# What's Next

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

IMPROVING NET DEBT LEVEL – CAPITAL INCREASE
Cash & Working Capital Management

EFFICIENCY and COST MANAGEMENT

# Thank You

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