

AKSA

Aksa Akrilik Kimya Sanayii A.Ş.



► CONTENT.

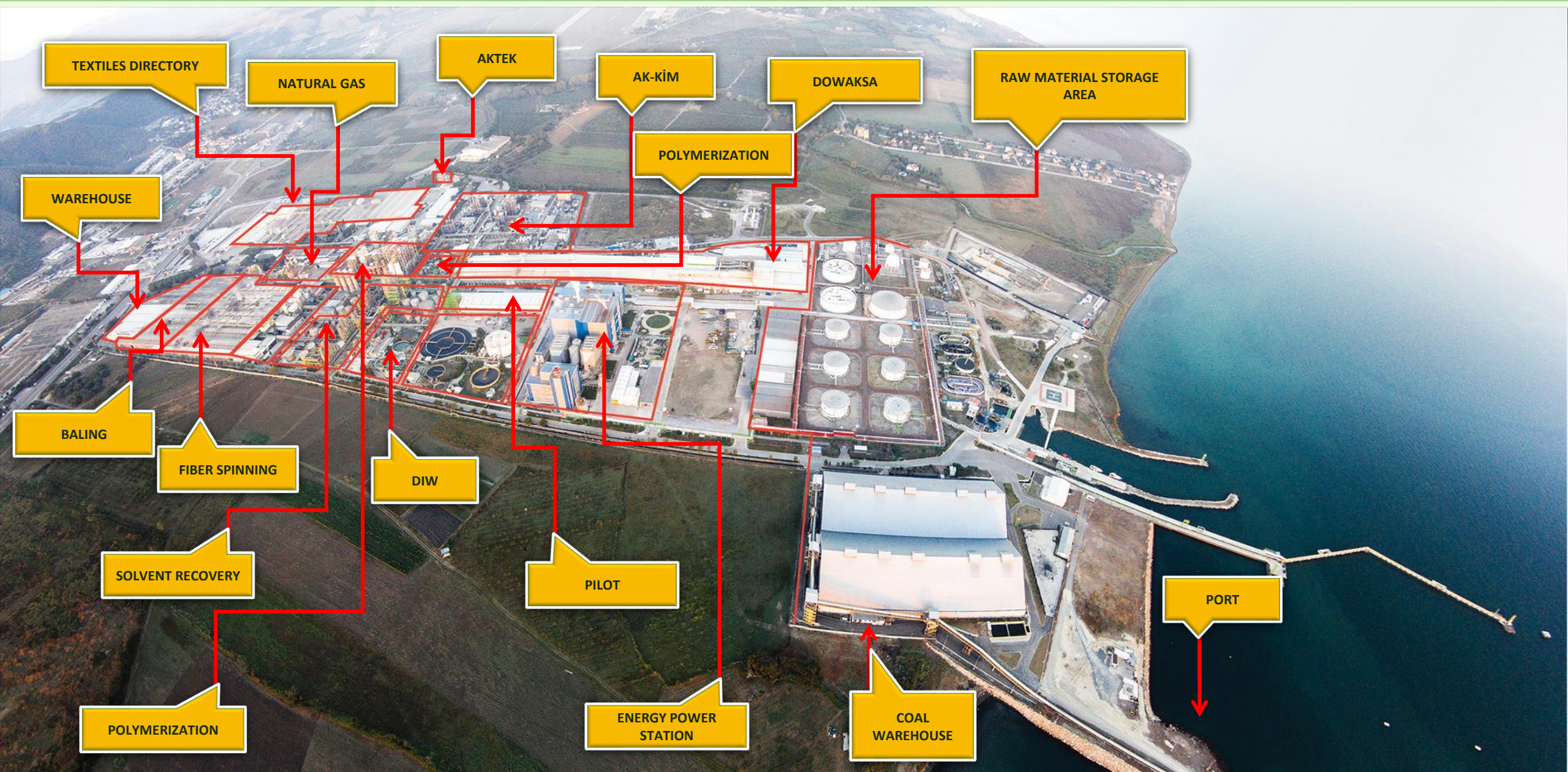
- Aksa in Brief
- Business Information
- Financial Highlights
- Financial Information





AKSA IN BRIEF

► PRODUCTION FACILITY.



► AKSA IN BRIEF

Company Name	Aksa Akrilik Kimya Sanayii A.Ş.
Establishment	1968
Paid Capital	323.750.000 TL
Stock	Borsa İstanbul (BIST) (1986>)
Stock Code	AKSA
Adress	Merkez Mahallesi Yalova-Kocaeli Yolu Caddesi No: 34 Yalova / Türkiye
Web	www.aksa.com
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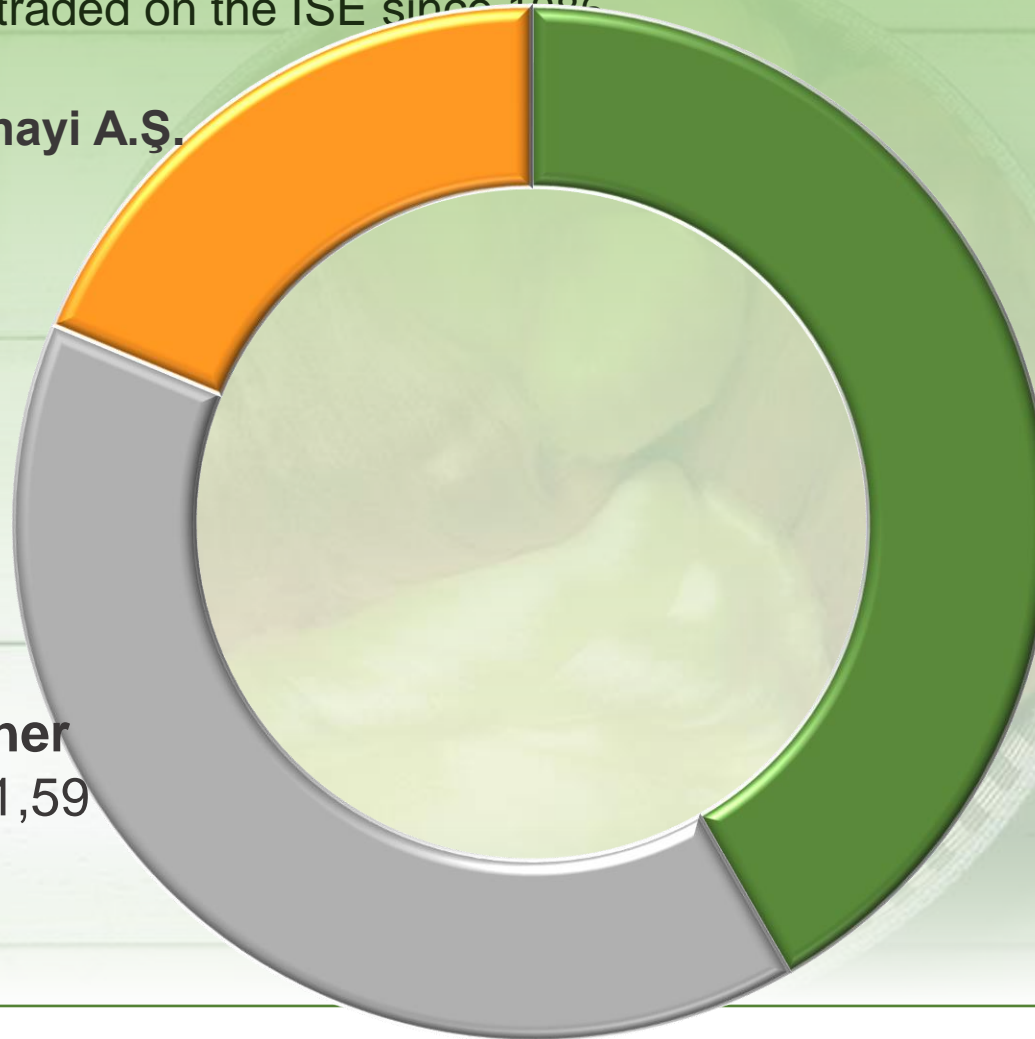
► SHAREHOLDERS

Aksa is a public company traded on the ISE since 1996

Emniyet Ticaret ve Sanayi A.Ş.
%18,82

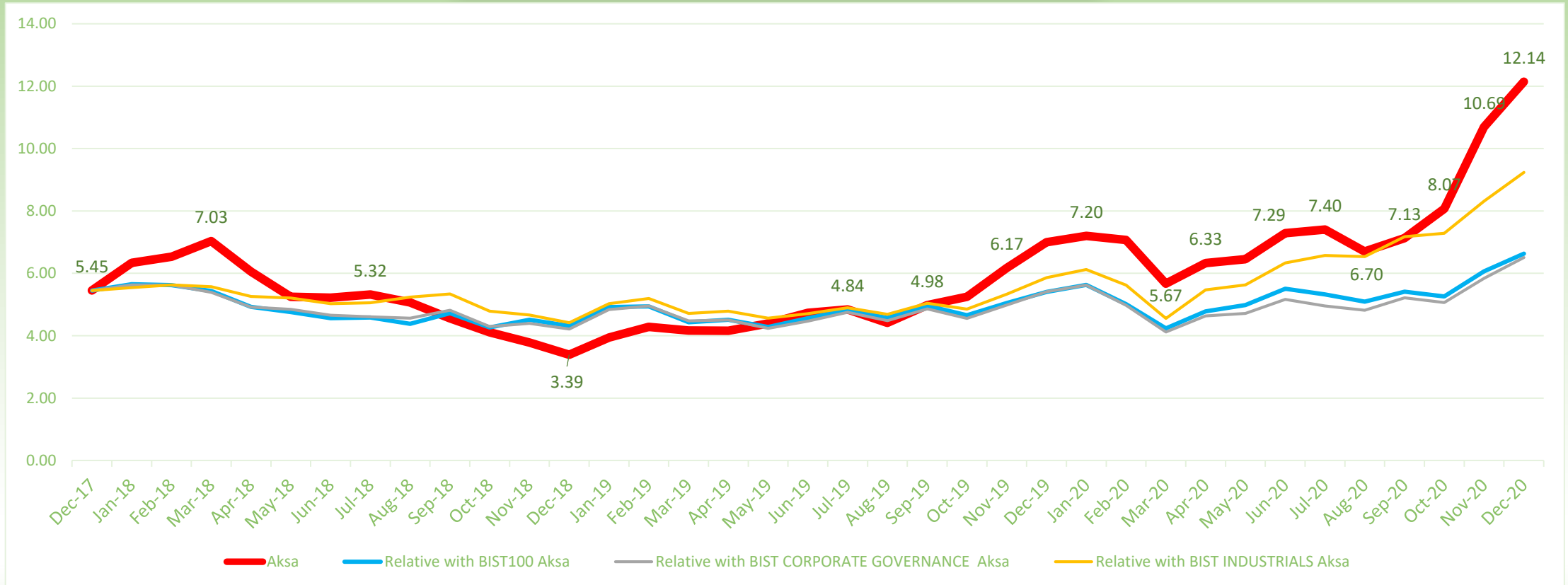
Akkök Holding
%39,59

Other
%41,59



STOCK INFORMATION

Aksa Stock Performance



► AKKÖK HOLDING



Chemicals

- Aksa
- DowAksa
- Ak-Kim
- Gizem Frit



Energy

- Akenerji
- SEDAŞ
- Sepaş



Real Estate

- Akiş
 - Akbatı
 - Akasya
- Akmerkez



Textile

- Aksa Egypt



Services

- Akmerkez Lokantacılık
- Ak-Pa
- Aktek
- Dinkal

► AKKÖK HOLDING

5.000+

Employee

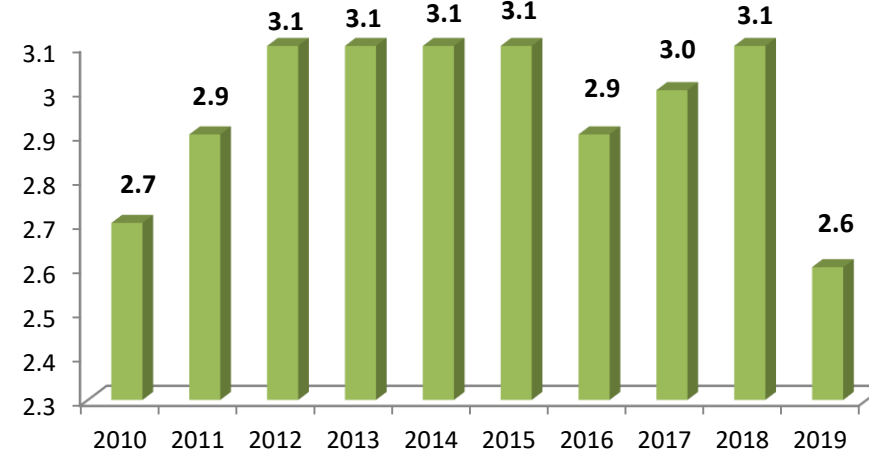
23

Company

4

Listed
Company

Net Sales (Billion USD)



► PARTICIPATIONS – SUBSIDIARIES – JOINT VENTURES.

Joint Ventures

DowAksa Holdings

%50 share

400 mio. USD capital

Carbon Fiber production

Subsidiaries

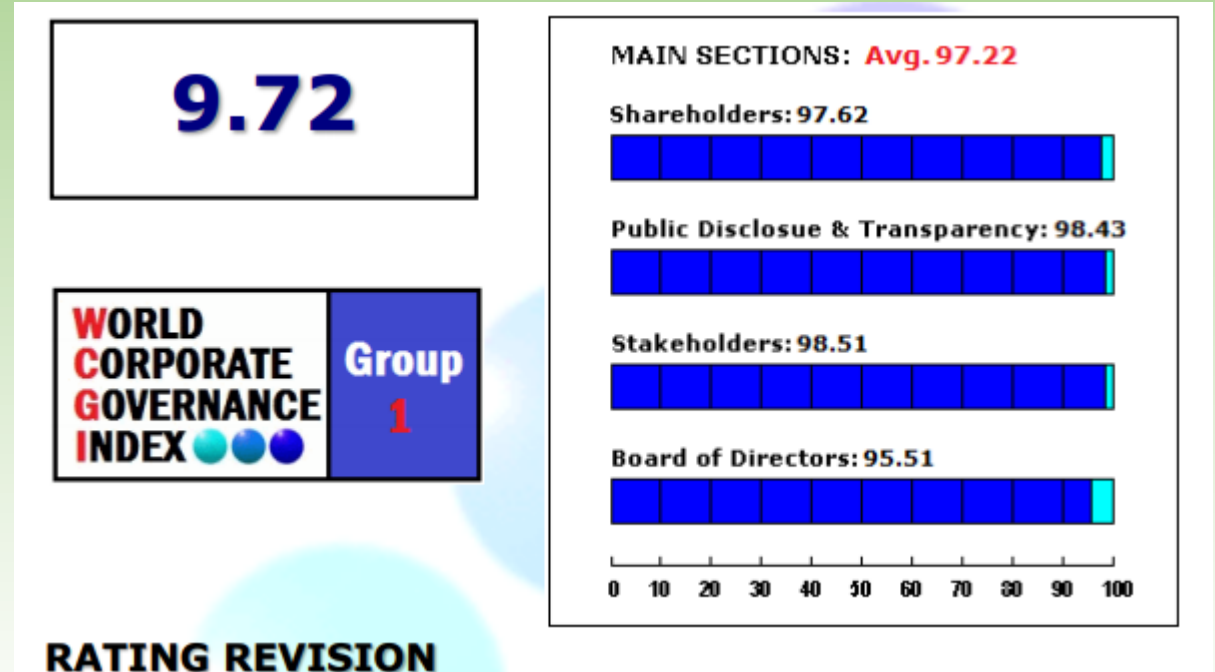
Aksa Egypt

%100 share

Textile

► ACRYLIC FIBER

Aksa is at the
2nd position as
of 2019 BIST
corporate
governance
index
(2018, 2017, 2016 1st)



► ACRYLIC FIBER .

Aksa is one of the
biggest 50
industry
companies from
the beginning of
the index.

(2019: 46 th)



Textile & Textile
Raw Materials
Exporters

**1st
Position**



► MILESTONES



1960
1970s

- Company Foundation
- The plant in Yalova began to operate with a capacity of 5,000 tons /year
- First export
- Increasing the capacity to 35,000 tons/year



1980
1990s

- Distributed Control System (DCS) was established for the first time in Turkey
- Acrylic fiber production capacity reached 116,000 tons/year
- Jel dying tech was developed and dyed tow production initiated
- Realized the first CCE steam generation in Turkey



2000
2010s

- Carbon Fiber production
- Capacity increased to 352.000 tons/year
- Carbon Fiber Company is founded via a partial spin-off
- Included in the Turquality Program, state-sponsored brand development initiative
- Achieved to have the highest note in Corporate Governance Index in 2016,2017,2018
- Obtained the First Credit Rating Note
- Founded the R&D Center



BUSINESS INFORMATION



► STRATEGIC BUSINESS UNITS



Acrylic Fibers

Largest acrylic fiber producer
in the world

●
%19 Global, %70 local
market share

●
Around 700 mio.USD revenue

●
Export over 50 countries



Technical Fibers

High value-added products /
Develop fibers for technical
end-use areas

●
Global market leader



Energy

145 Mw electricity licence

●
Around 40 mio USD
revenue

► WHAT IS ACRYLIC FIBER?



Wool
(Natural Fiber)



Acrylic Fiber
(Synthetic Fiber)

- Wool-like in appearance and touch (natural and warm)
- Washable and keeps its shape
- Resistance to moth, oil and chemicals
- Resistance to sunlight
- Dyeable with bright, resistant colours

► ACRYLIC FIBER APPLICATION AREAS



► MARKET SHARE

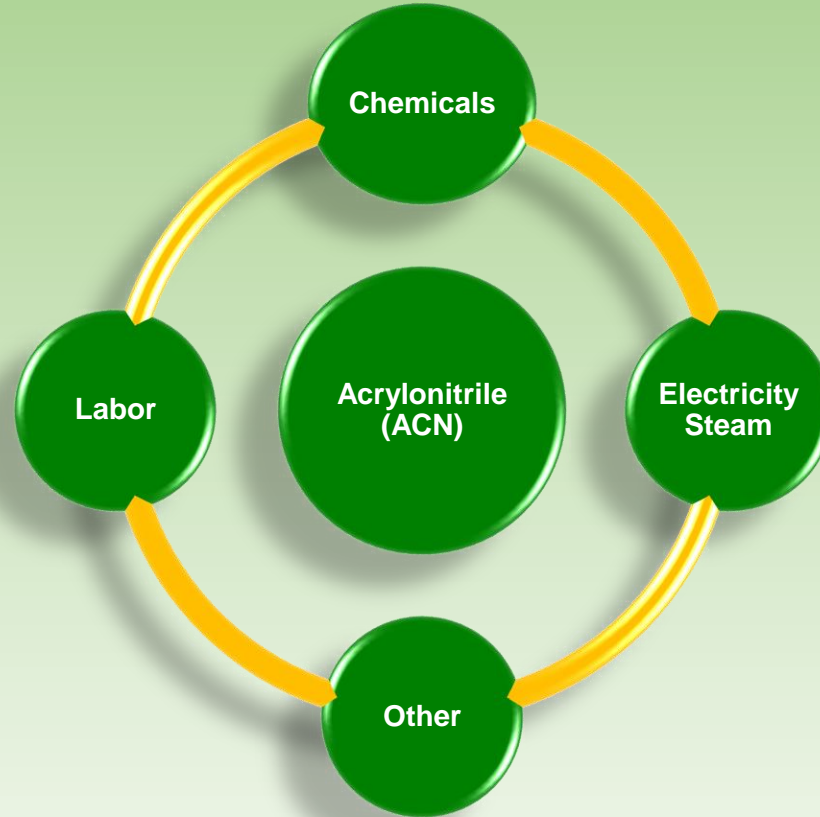
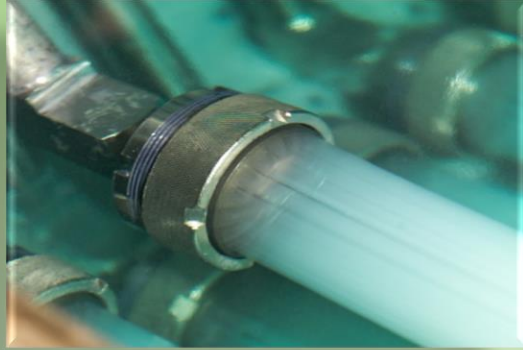
Global Market Share
19%

Technical Fibers
(Outdoor Acrylic Fiber)
Global Market Leader

Market Share in Turkey 70%



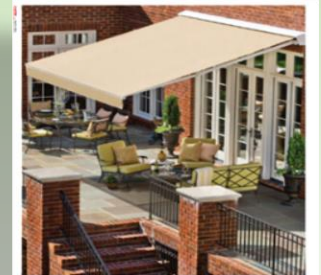
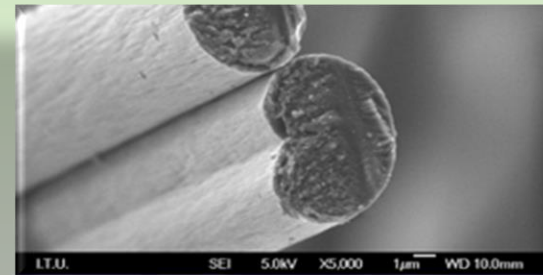
► ACRYLIC FIBER COST COMPONENTS



► WHAT IS TECHNICAL FIBER?



- Industrial and outdoor applications
- High Endurance
- High resistance to rotten and mold



► WHAT IS CARBON FIBER?



a carbon fiber and a human hair



"3k" = 3.000 filaments

- Carbon fibers are extremely fine fibers (typ. 5-7 μ in dia.) consisting mostly of carbon atoms
- Carbon fiber is >95% carbon
- Carbon fibers are produced in tows (yarns) ranging from 1.000 filaments 1k, 3k, 6k, 12k, 24k, 50k, etc.
- Carbon fiber has an indisputable potential for replacing current materials (aluminium, steel, etc.)
- Properties of Carbon Fiber: high stiffness, high tensile strength, low weight, high chemical resistance, high temperature tolerance and low thermal expansion

► CARBON FIBER – APPLICATION AREAS



Wind Turbine Blades



Pressurized Vessels



Civil Infrastructure



Marine



Aerospace



Automotive



Oil and Gas



Power Transmission



Sporting Goods



Defense



2019 & 2020 HIGHLIGHTS

► 2019 HIGHLIGHTS

Dividend Payment

In 2 April dated General Assembly Meeting, dividend amount for shareholders is settled as 204,7 Mio TRY.

Change in Production Capacity

Our fiber production capacity, which is 315,240 tons/year, has been updated to 330,000 tons/year after modernization, efficiency and new product project investments.

Share Buy-Back

As of 26 August 2019, 1.99% of the shares are owned by the Company in the scope of share buy-back program.

► 2020 HIGHLIGHTS

Dividend Payment

In 1 April dated General Assembly Meeting, dividend amount for shareholders is settled as 239.6 Mio TRY.

Free Capital Increase

The capital increase from internal resources application was approved by CMB as 75% and our issued capital increased from 185.000.000 TRY to 323.750.000 TRY

Share Buy-Back

All shares (nominal value of 3.675.059) bought back according to Board of Director's decision dated 09.05.2018, were sold at the price of 13.87 TL with 13 Million TL profit on 23 Jan 2020. Buy-back and disposal transactions were made within the scope of the buyback program after COVID-19 pandemic, and the share ratio of the Company held is 0.33% as of 20 Aug 2020.

► 2020 HIGHLIGHTS

The Capacity Utilization Rate

Our fiber production capacity, which was 352,177 tons / year as of January 9, 2020, was updated to 330,150 tons / year with the decommissioning of some inefficient machine lines as a result of the efforts to create an optimum production park. In the capacity utilization rates to be calculated for 2020, the total capacity will be considered as 330 thousand tons / year.

Reduction of Production Capacity Utilization Rate Due to Covid-19

Considering the decreasing demand outbreak due to Covid-19 , we temporarily reduced our production capacity utilization rate 50% between 3 April and 26 June 2020. From 26 June 2020, our production capacity will be gradually increased up to normal sector averages. Regulation on Short-Work and Short Work-Allowance programme which started in April, has been terminated.

Share Purchase

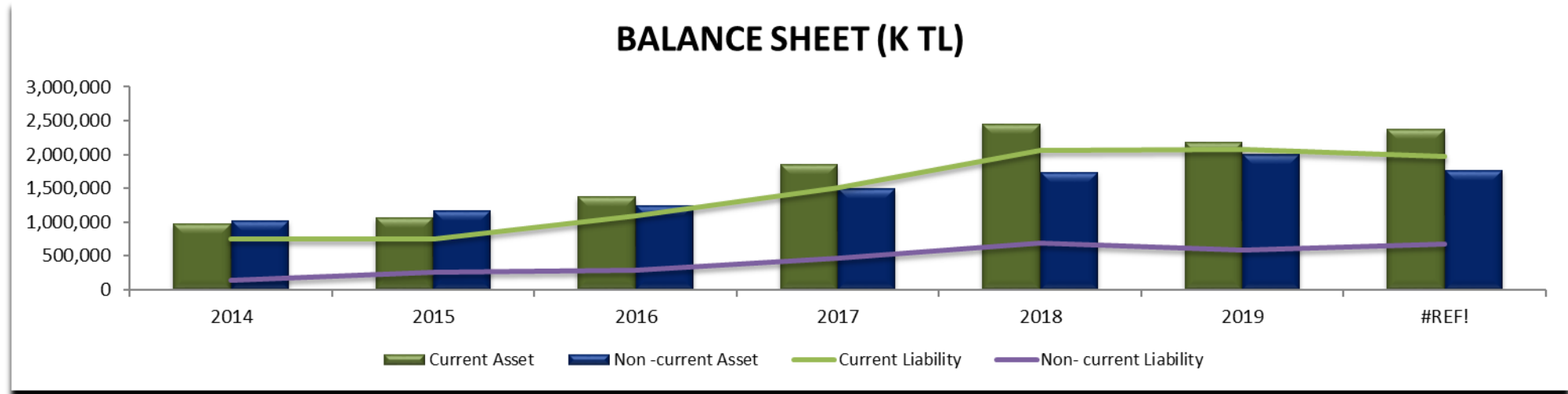
Emniyet Ticaret ve Sanayi A.Ş. which is one of the shareholders of the company, purchased shares with a nominal amount of TL 323.788 and increased their partnership share to 18.82% as of the report date.



FINANCIAL INFORMATION

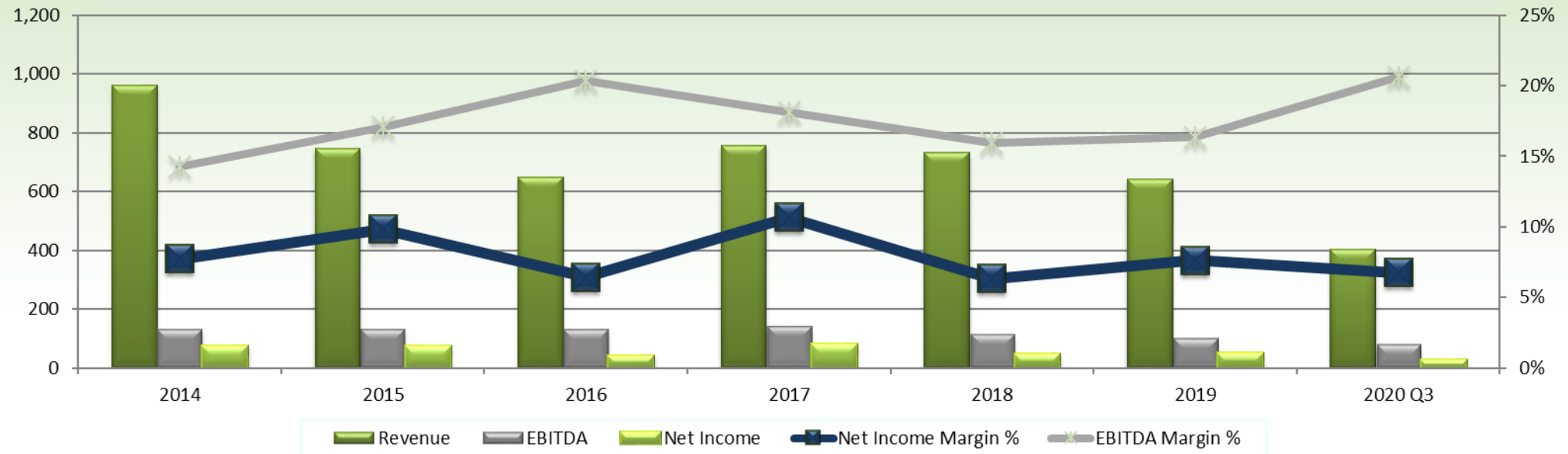
► BALANCE SHEET

BALANCE SHEET (K TL)									
	2014	2015	2016	2Q17	3Q17	2017	2018	2019	2020 Q3
Current Asset	977,000	1,075,543	1,387,576	1,356,358	1,436,912	1,858,921	2,448,122	2,179,759	2,504,147
Non-current Asset	1,021,065	1,178,532	1,245,394	1,410,998	1,439,426	1,495,380	1,740,505	2,008,162	2,340,912
Total	1,998,065	2,254,075	2,632,970	2,767,356	2,876,338	3,354,301	4,188,627	4,187,921	4,845,059
Current Liability	751,751	751,107	1,097,750	1,310,960	1,158,815	1,514,236	2,057,250	2,071,596	1,850,138
Non-current liability	132,951	254,372	285,515	240,943	428,703	463,946	683,895	581,105	1,404,135
Shareholders' Equity	1,113,363	1,248,596	1,249,705	1,215,453	1,288,820	1,376,119	1,447,482	1,535,220	1,590,786
Total	1,998,065	2,254,075	2,632,970	2,767,356	2,876,338	3,354,301	4,188,627	4,187,921	4,845,059

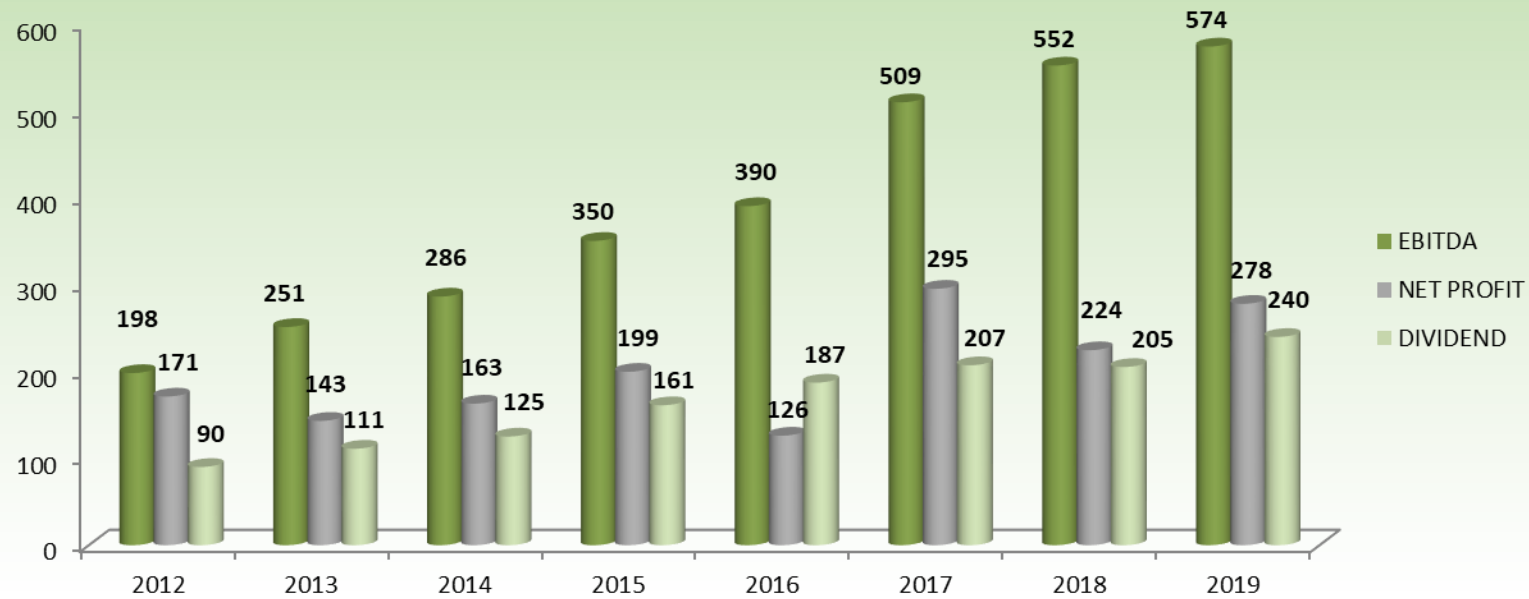


► INCOME STATEMENT

Million TL	2014	2015	2016	2Q17	3Q17	2017	2018	2019	2020 Q3
Revenue	2,105	2,030	1,954	1,295	1,961	2,762	3,538	3,646	2,706
EBITDA	285	350	390	248	369	509	552	574	539
Net Income	163	199	126	154	224	295	224	278	182
EBITDA Margin %	14%	17%	20%	19%	19%	18%	15.6%	15.7%	20%
Net Income Margin %	8%	10%	6%	12%	11%	11%	6%	8%	7%



► INVESTMENT – PROFIT – DIVIDEND (MILLION USD)



► BUDGET FIGURES

MİLYON USD	2020 Forecast	2019 Actual	2018 Actual	2017 Actual
Net Sales	500-550	643	732	759
Capacity Utilization	80-85%	77%	82%	98%
CAPEX	55-65	31	45	99

Attention

These figures reflect current expectations and assumptions. Future expectations are based on the circumstances and assumptions in the related period, may not be realized upon risk and uncertainties.

We are not obliged to update or revise budget figures due to potential incidents, new information or other reasons. Unless it is stated otherwise, financial information is consolidated and operational information is unconsolidated (solo).

► APPENDIX / DISCLAIMER

• Aksa Akrilik Kimya Sanayii A.Ş. ("Aksa") has prepared this book (the "Book") for the sole purpose of providing information relating to Aksa (the "Information"). The contents of this Book is based on public information and on data provided by Aksa management. No reliance may be placed for any purposes whatsoever on the Information contained in this Book or on its completeness, accuracy or fairness. The Information in this Book is subject to verification, completion and change. No rebook or warranty is made by Aksa or the Shareholders or any of their respective advisers or any of their representatives as to the accuracy or completeness of the Information and no liability is accepted by any such person for any such Information or opinion or for any loss howsoever arising from any use of this Book or the Information. This Book and/or the Information is confidential and cannot be copied, disclosed or distributed to any person and is being provided to you solely for your information. This Book and/or the Information cannot be distributed or disseminated into Turkey. This Book and/or the Information do not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Aksa, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any

contract or investment decision. Investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigations and appraisal of the business and financial condition of such company and the nature of the securities. Any decision to purchase securities in the context of a proposed offering of securities, if any, should be made solely on the basis of information contained in an offering circular published in relation to such an offering.

• All statements other than statements of historical facts included in this Book, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are Forward looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Further, certain forward-looking statements are based upon assumptions of future

events which may not prove to be accurate. The forward-looking statements in this Book speak only as at the date of this Book.

• Aksa and its Subsidiaries and Joint Ventures (Aksa) registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the principles and obligations published by the CMB, Turkish Commercial Code, tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign Subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered.

• US Dollar amounts shown in the presentation have been included solely for the convenience of the reader and are translated from TL as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rates