

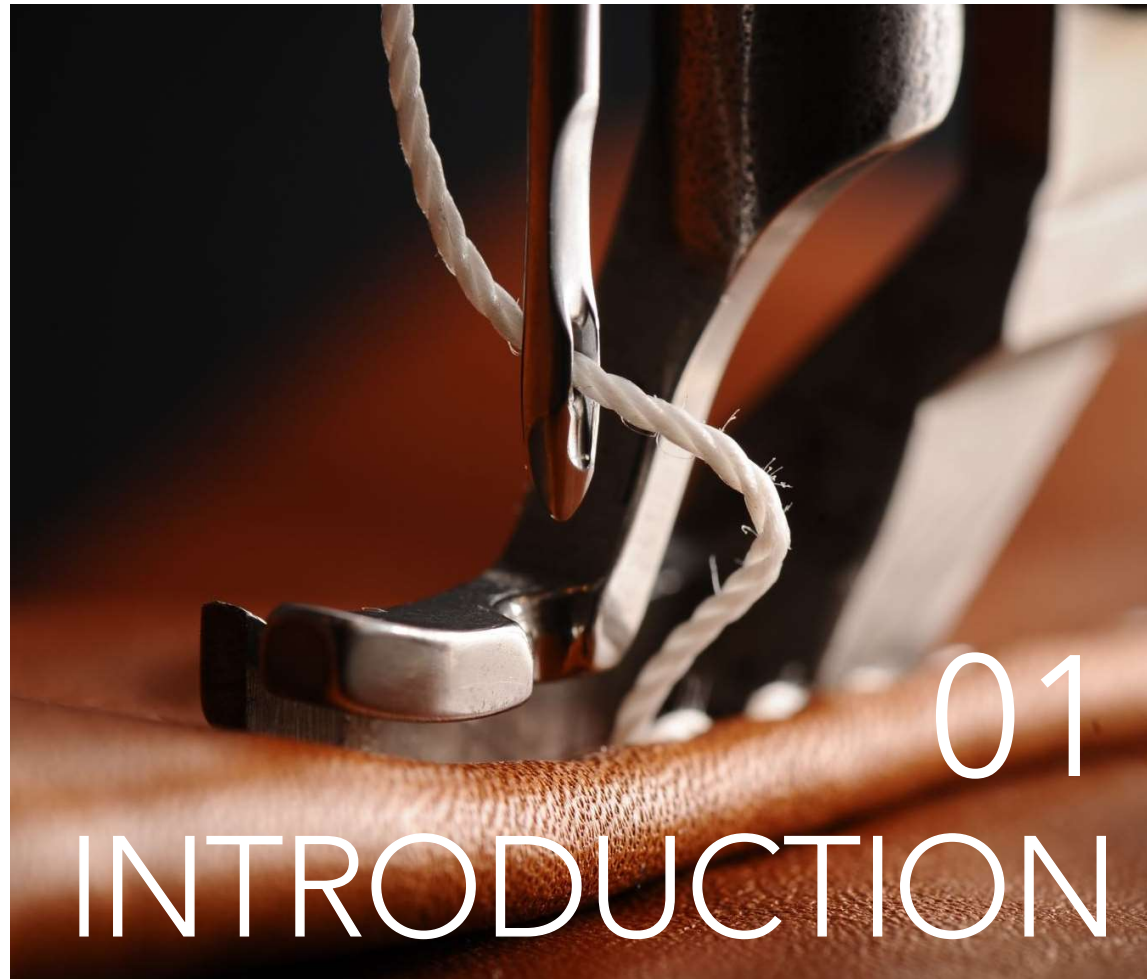
2024

DESA

Investor Presentation



- 01 Introduction
- 02 Business Overview
- 03 Sustainability
- 04 Financials



DESA at a Glance

Investment Summary

Shareholding Structure

DESA at a Glance

production facility of **15.500 m²**
Sefaköy Factory & Head Office

production facility of **20.000 m²**
Çorlu Tannery Facility

production facility of **10.000 m²**
Düzce Factory

production facility of **2.000 m²**
Tuscany Factory



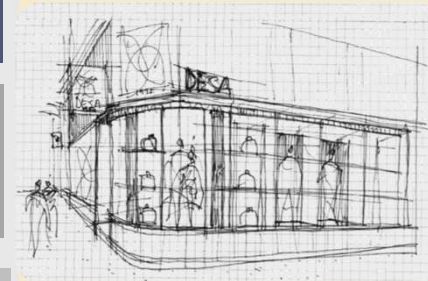
(*) Source: Leather and leather products exporters association data, 2022

Established in
1972

IPO **Free Float**
2004 **35%**

1.467 Employees

Stores



Total Area
14.774 m²

**Total Number
of Stores**
110

1	93	17
Online	DESA	JV

International Design Team

Samsonite Partnership

17th year of JV
40% Desa - 60% Samsonite

Leading Exporter

*in leather and leather goods**
4 years in a row (2018-2022)

Investment Summary



Considerable amount of FX based revenues with diversified business structure



New opportunities for luxury goods' export with the newly established Italian factory



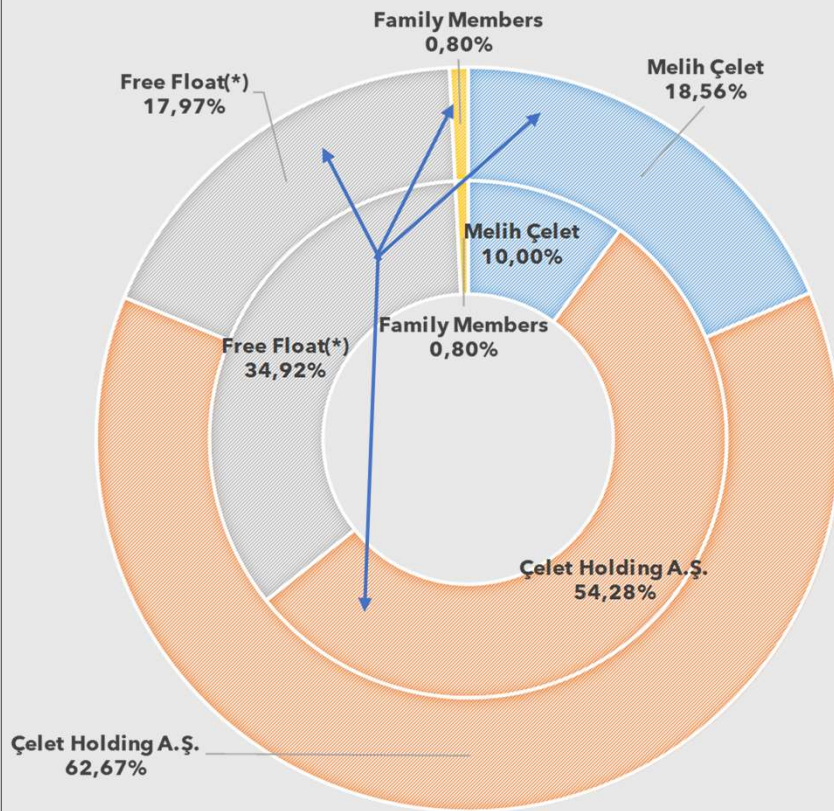
2nd Generation in Management:
Family members managing in harmony



Solid cash position at the end of 2024:
Net cash position of TRY 1.390 million,
USD equivalent of 39,5 million



Shareholding Structure & Board of Directors



Board of Directors	Position
Melih Çelet	Chairman
Burak Çelet	Vice Chairman and Board Member
Burçak Çelet	Board Member
Bahar Deniz Egemen	Independent Board Member
Mehmet Kaan Koz	Independent Board Member

It has been announced that the Company's application to the Capital Markets Board (CMB) for a 100% non-cash capital increase of its paid-in capital from TRY 245,000,000 (as of August 2, 2024) to TRY 490,000,000, to be funded through internal resources under the Equity account item "Capital Adjustment Positive Differences", was approved by the CMB via its official letter dated January 13, 2025 (Reference No: E-29833736-105.01.01.01-66029). Subsequently, the non-cash capital increase was registered by the Istanbul Trade Registry Directorate on January 22, 2025, and officially published in the Turkey Trade Registry Gazette on the same date (Issue No: 11255).

(*) As of 31.12.2024 among the free floating shares, 6.116.946 shares (1,25%) are owned by Adesa Mağazacılık Tekstil ve Deri Sanayi Ticaret A.Ş.. Meanwhile, 41.945.674 shares (8,56%) owned by Mr. Melih Çelet are publicly traded shares and 41.109.434 shares (8,39%) owned by Çelet Holding A.Ş. are also publicly traded shares.



Vertically Integrated Business Model

Production Facilities

Investment in Italy

Turququality Program

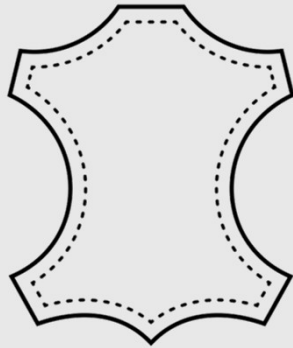
1972DESA

Samsonite

Cross-border E-commerce

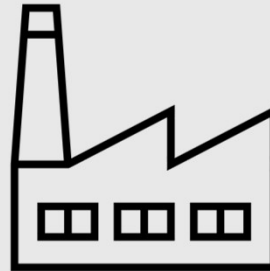
Vertically Integrated Business Model

The sole Turkish company in leather industry with a production facility located in Italy



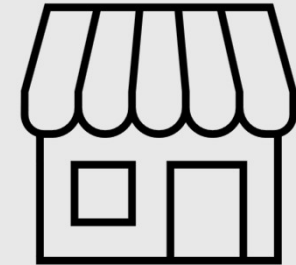
Raw Material Production

Çorlu Tannery Facility
to process imported
leather



Final Product Manufacturing

Leather bag and apparel
production in Istanbul,
Düzce and Italian factories



Retail Sales

110 stores with
14.774 m² of space

Partner of Luxury Brands

Contributing to more than
65% of all leather goods
exported from Turkey to Italy



Chloé



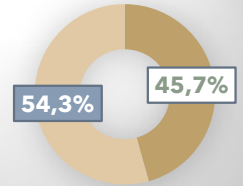
BVLGARI



ANINE BING



Production Facilities & Employees



Sefaköy Factory & HQ **15.500 m²**



Production of leather goods and apparel, Showrooms, Design Studio and Demo Stores

Weekly capacity of 1.786 leather apparel, 819 textile and 7.355 leather bags and accessories

**451 Employees &
473 Store Employees**

Düzce Factory **10.000 m²**



Production of clothing and accessories from processed leather

Weekly Capacity of 15.000 Bags

395 Employees

Tuscany Factory **2.000 m²**



Production of clothing and accessories from processed leather

Monthly Capacity of 5.000 Bags

69 Employees

Çorlu Tannery **20.000 m²**



Napa sheepskin, double-face and suede processing

Weekly processing capacity of 28.850 kg of cattle hides and 170.200 kg of sheep and goat hides.

Production for DESA and for exports

79 Employees

Total of 1.467 Employees 49,8% Female, 50,2% Male

Investment in Italy - Production Facility and R&D Center

July 2022

Investment decision

August 2022

Desa Internazionale SRL established, and Mr.Simone Norcini joined DESA Family as Factory Manager

September 2022

The entire Tuscany region is scanned from Prato to Arezzo, and it resulted in the lease of the facility in Poppi

October 2022

Construction projects, facility layouts, capacity projections following selections of architects, engineers and contractors are finalized, and the construction permits obtained

November 2022

Construction started

December 2022

It is decided to acquire the premises, and the acquisition is settled in February 2023

January 2023

Acceptance and installation of the machinery

March 2023

Kick-off of the recruitments

April 2023

The first group of employees completed their orientation and training

May 2023

First production

May 2024

Customs' approval for «Made in Italy» merchandise mark

December 2024

The number of employees has become 69



Italy Production Facility and R&D Center



Turququality Program



DESA is a
Member since
2006

Government
support for 50% of
expenses made
abroad under the
Turkish Brand



DESA

1972

NINETEENSEVENTYTWO
DESA

To Create a
Brand

Rather than acquiring one

International Design Team



IVANA OMAŽIĆ

(2024)

Respected and highly experienced Designer and Creative Director from well known luxury brands like Prada - Miu Miu - Maison Martin Margiela - Celine - Jil Sander - MCM

NINETEENSEVENTYTWO COLLECTION



1972
NINETEENSEVENTYTWO
DESA

DESA, the first Turkish brand featured on the official calendar of Milan Fashion Week, presents its women's and men's collections, inspired by the year 1972, when it launched its first handbag collection, to fashion enthusiasts.



NINETEENSEVENTYTWO GLOBAL FOOTSTEPS

It is offered worldwide at 97 select points, with prices ranging from 900 to 3.000 EUR, featuring high-quality craftsmanship and minimalistic designs.



The First Luggage Brand
Imported to Turkey

In 1983, DESA became the distributor of Samsonite, the world's largest travel products brand, in Turkey.

In 2007, a joint venture was established, with DESA holding 40% ownership and Samsonite holding a 60% stake.





In addition to Turkey, the Joint Venture's regional scope includes Azerbaijan, Georgia, Armenia, Syria, and Northern Cyprus.

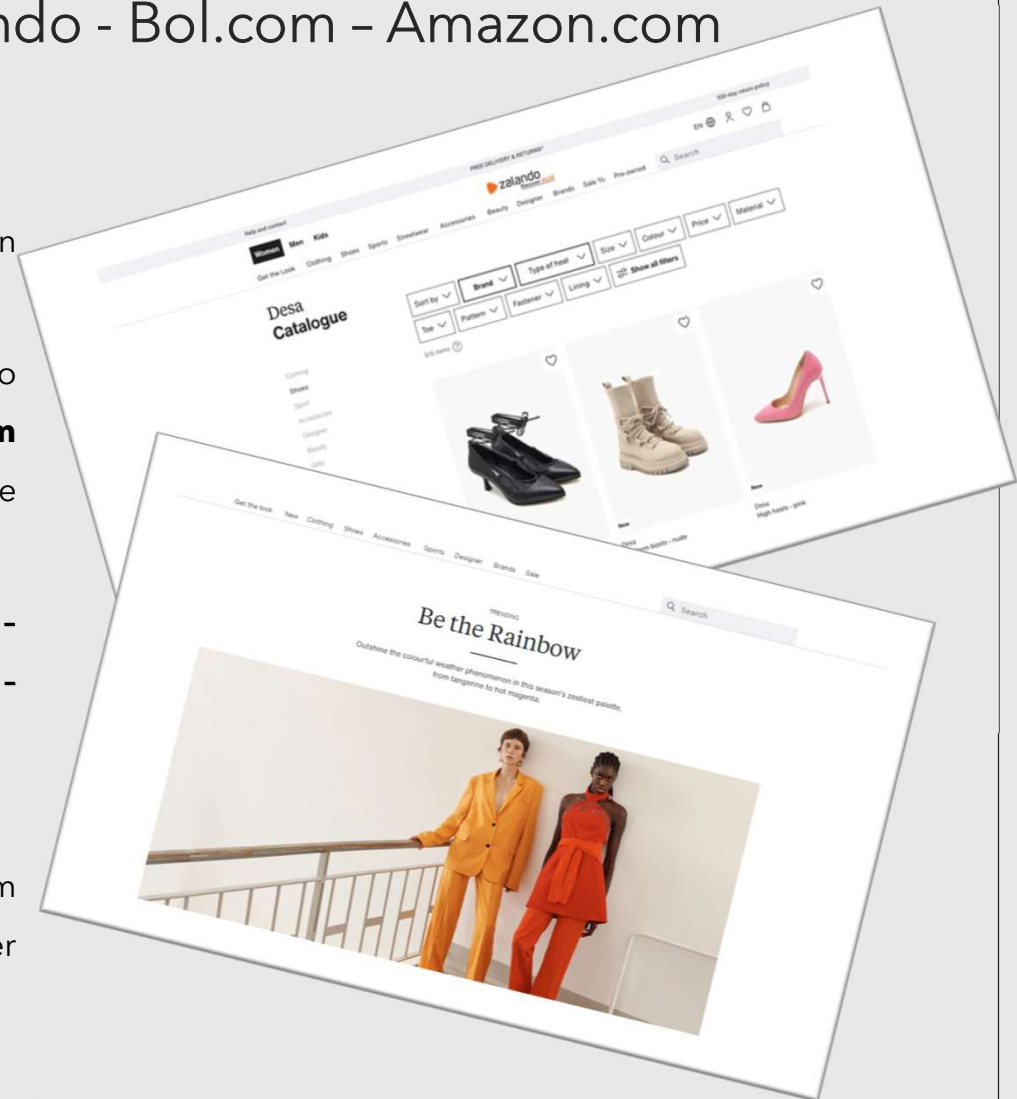
DESA holds exclusive sales authority for corporate clients, such as airlines and banks.

54 Total number of stores	37 DESA Samsonite stores	14 Joint Venture owned Samsonite stores	3 Joint Venture owned Tumi stores
3.755m² DESA Samsonite Store Area	18 years of partnership (since 2007)	24 years of distributorsh ip (1983- 2007)	Online samsonite.com.tr tumi.com.tr



Cross-border E-commerce Channels: Zalando - Bol.com - Amazon.com

- Zalando is Europe's key fashion e-commerce site.
- Zalando agreement was signed on Aug'22 and Sales kicked-off in Jan'23.
- In 2025, we expanded our international sales channels by adding two major platforms and launched sales in four new countries. **Bol.com** was introduced in **the Netherlands and Belgium**, while **Amazon.com** will begin operations in **Germany and France**.
- Covering total **13** countries: **Germany - Belgium - Netherlands - Austria - France - Romania - Bahrain - UAE - Saudi Arabia - Qatar - Kuwait - Oman - Azerbaijan**
- Cost effective with e-commerce support from Turkish Government
- The goal is to offer a wide range of DESA branded products, from shoes to ready-to-wear clothing, and from bags to small leather goods, for a broad consumer range in Europe.





(*)Solar Power Plant

Düzce SPP*

Çorlu SPP

Certifications

Other Initiatives

Düzce SPP



- It was built on a 7500 m² area on the Düzce Factory roof.
- 1 mW Panel Capacity/ 0,8mW Installed Capacity
- Started operating on August 2022
- Investment Cost of TRY 13,4 million
- SPP covering 150% of factory's consumption*
- The goal is to use accessible and clean energy
- Expected to reach the break-even within 4-5 year range considering the current energy costs

(*) Excess production to be netted-off with Çorlu and Sefaköy Factories

Çorlu SPP



- On 9th of November 2022, the Board of Directors ratified establishment of an SPP in Çorlu Factory
- Built on the roof of the factory covering 3.300 m²
- The output is measured as 641,55 kW on February 2024 and its license is granted in April 2024 by TREDAS, the local distribution company
- Total investment cost is TRY 21,3 million
- Electricity production can meet over 80% of the consumption

Certifications

"Gold Rated" Leather Working Group

- Accreditation: 2021
- Achieved the "Gold" level, a distinction attained by very few companies worldwide
- Obtained through evaluations in 17 categories: Water and Energy Usage, Waste Management, Chemicals Used, etc.
- Leather Working Group:
 - Responsible for one of the world's leading environmental certifications for the leather manufacturing industry
 - Operates in 60+ countries with 2,000+ members
 - A non-profit organization



Desa Deri San. Ve Tic. A.Ş

Corlu Deri İhtisas ve Karma Organize Sanayi Bölgesi
Marmaracık OSB Mah. Kuzey 2. Sok. No:5/1
Ergene, Tekirdağ
TURKEY

Unique Reference Number: DES102

This tannery, which is classified as Category C - Raw Hide/Skin to Finished Leather, has been audited against the Leather Working Group Environmental Auditing Protocol Issue 6.7.0

Traceability Rating

Physically marked and traceable: 0%
Traceable only through documentation: 97.07%

A handwritten signature in blue ink.

Audited by: Viswanathan Munusamy

Date of audit: 30 - 31 July 2021

Expiry Date: 30 July 2023

Initial Audit: 30 - 31 July 2021



Nati Consulting Services
14/3, 'Sri Ramajayam', I Street, Nehru Nagar, Adyar, Chennai - 600 020, India
Tel: +91-94444 70023, Email: mviswanathan@outlook.com

DESA

Memorial Forest

A total of 50,000 saplings in Gaziantep and İzmir.

Support for carbon neutral initiatives and efforts to help regenerate forests damaged by fires in İzmir.



Certifications

SEDEX



Established in 2004



85.000 members in 180 countries



DESA is a member since 2005



All DESA facilities are audited by 3rd parties

DESA

All Facilities are
Ratified for **Sedex**



Other Sustainability Initiatives in DESA

- We replaced the motors of our sewing machines with next-generation motors to prevent unnecessary energy consumption.
- We prioritize prevention, reduction, reuse, and recycling steps in waste management hierarchy.
- To reduce natural resource usage and extend the lifespan of our products, we provide specific usage instructions for all our products.
- With the awareness that our waste can serve as raw materials for another producer, we send our waste to relevant facilities for recycling.
- We adhere to international standards in waste management and conduct periodic environmental education sessions with the participation of all employees to remain at the forefront as a company in this regard.

Our upgrades to LED technology in the stores and facilities, resulted in 40% saving of energy.

We are progressing towards our zero waste vision in all factories with waste bins.



Examples of Our Corporate Social Responsibility Initiatives

One Hope One Life Project
(Bir Umut Bir Yaşam Projesi)



Every Knot is a Support for a Woman
(KEDV "Her İlmek Bir Kadına Destek")

Continuous support to
women employment with
«Celentano Artisans»





Sales

Exports

EBITDA

Net Profit

Net Working Capital

Income Statement

B/S - Net Cash - Ratios

FX Position

What is TAS29?

TAS29 (TAS, Turkish Accounting Standards) is an accounting standard that regulates financial reporting in high-inflation economies.

The Purpose is to present the financial statements of businesses more accurately by removing the effects of inflation.

Indicators of High Inflation

- The cumulative inflation rate reaching or exceeding 100% over three years,
- The public turning to non-monetary assets or more stable foreign currencies,
- The pricing of loans, interest rates, wages, and market prices being tied to inflation indices.

Financial Statements

- All non-monetary assets and liabilities are updated according to inflation,
- Monetary items such as cash or financial assets are not subject to indexing,
- Income and expenses are adjusted with consumer price indices.

Date	Index	Correction Coeff.	Compounded Inflation for Past 3 Years
31 December 2024	2.684,55	1,00000	291%
31 December 2023	1.859,38	1,44379	268 %
31 December 2022	1.128,45	2,37897	156 %

Summary IFRS Income Statement

IFRS without TAS29	TRY (million)				2024/2023 Change	USD (million)				2024/2023 Change
	2021	2022	2023	2024		2021	2022	2023	2024	
Sales	432,4	1359,0	1951,8	2630,9	35%	48,9	82,1	82,1	81,0	-1%
EBITDA	100,2	390,1	639,1	800,4	25%	11,3	23,6	26,9	24,7	-8%
Net Income	46,4	287,4	635,1	731,3	15%	5,2	17,4	26,7	22,5	-16%
EBITDA Margin	23,2%	28,7%	32,7%	30,4%	-2,3 pp	23,2%	28,7%	32,7%	30,4%	-2,3 pp
Net Income Margin	10,7%	21,1%	32,5%	27,8%	-4,7 pp	10,7%	21,1%	32,5%	27,8%	-4,7 pp

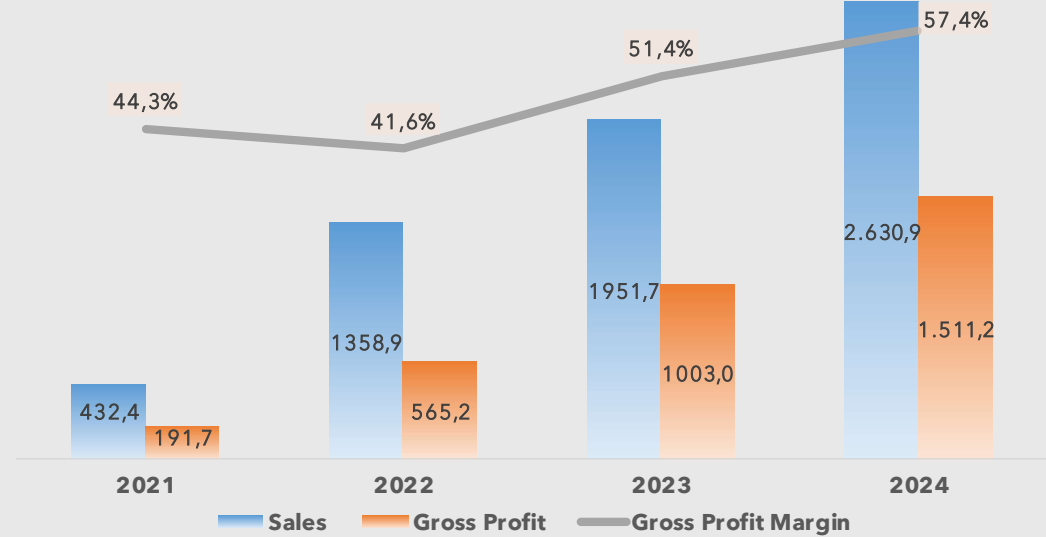
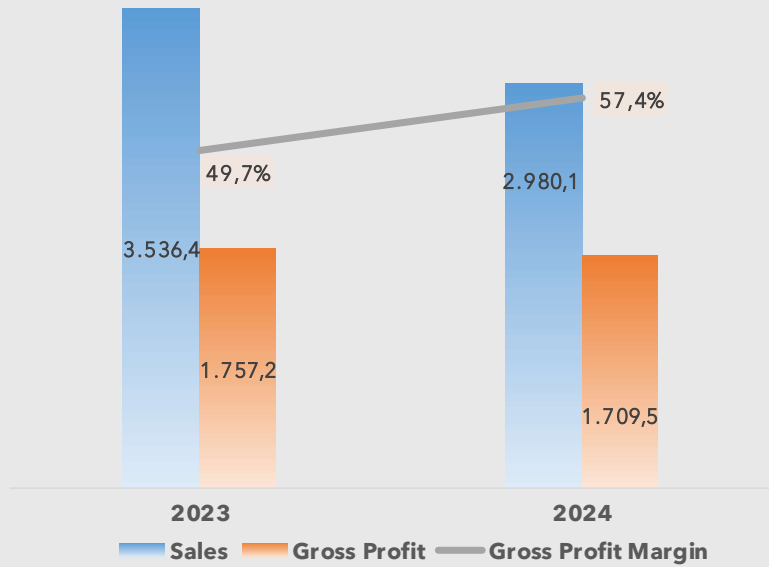
USD/TRY Average 8,85 16,55 23,78 32,47

IFRS with TAS29	TRY (million)			2024/2023 Change
	2022	2023	2024	
Sales	3674,1	3536,0	2980,1	-16%
EBITDA	1215,5	1305,0	878,0	-33%
Net Income	283,6	716,0	328,0	-54%
EBITDA Margin	33,1%	36,9%	29,5%	-7,4 pp
Net Income Margin	7,7%	20,2%	11,0%	-9,2 pp

Sales, Gross Profit & Margin (TRY million)

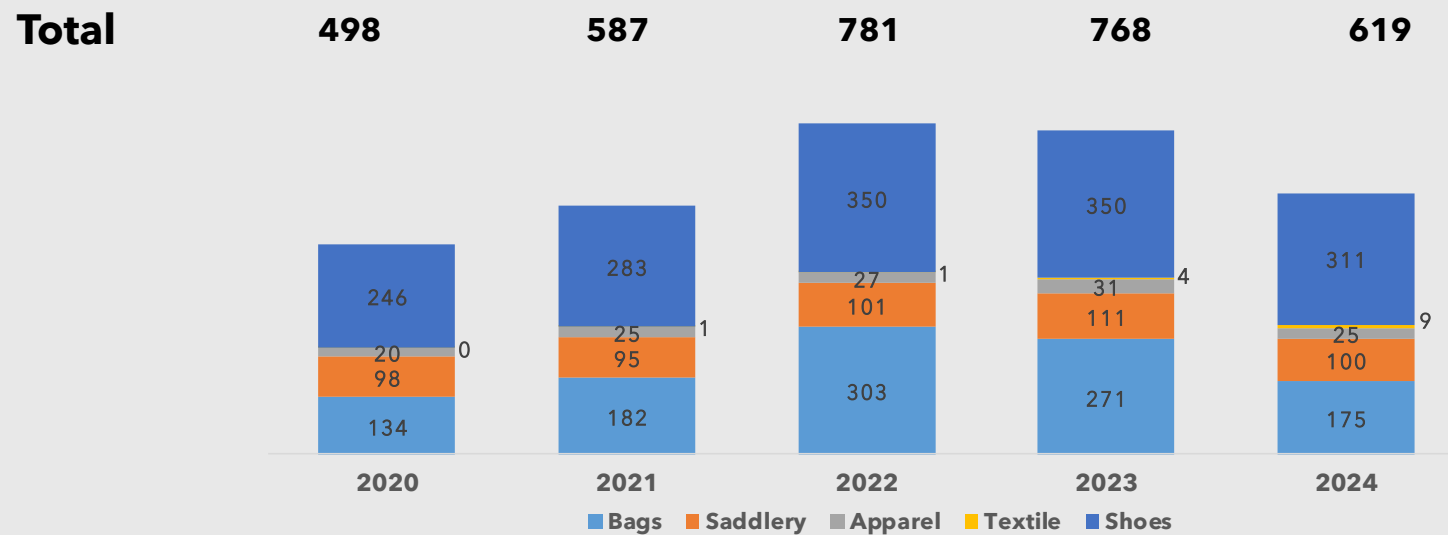
With TAS29

Without TAS29

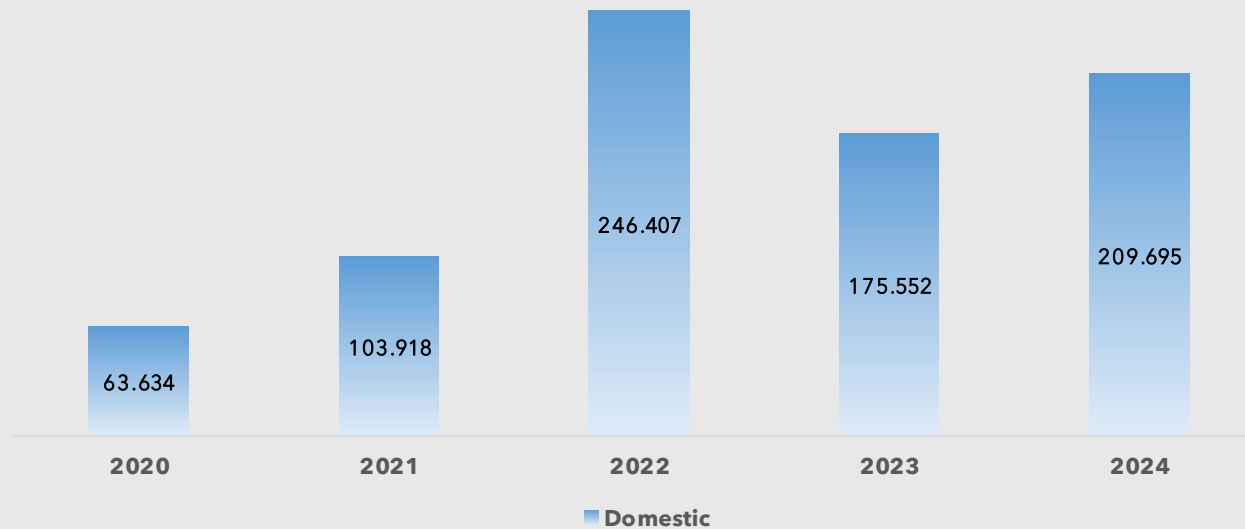


Domestic and Export Sales Volume

Yearly Domestic Retail & B2B & Exports Total ('000 Pieces)



Samsonite Sales Volumes*



(*) Excluding DESA-Samsonite JV, the figures are solely from DESA owned stores

2024 Leather and Leather Goods Exports*

- Turkey's total exports reached USD 226,06 billion in 2024, showing a 2,1% increase compared to the same period of the previous year.
- In the same period, Leather and Leather Products' Exports decreased by 17,8%, falling to USD 1,53 billion.
- The share of the Leather and Leather Products Sector in total exports is 0,68%.
- After the pandemic, as seen in both Turkey's and Desa's data on leather and leather products exports, there was a significant increase from 2021 to 2022, and this upward trend continued through both 2023 and 2024.
- In the first quarter of 2024, demand in the luxury segment abroad remained weak, while in the second quarter, globally renowned brands producing in the luxury segment in Italy had trustees appointed to their facilities due to poor working conditions. Towards the end of 2024, a recovery in demand was observed.

(*) Source: www.idmib.org.tr

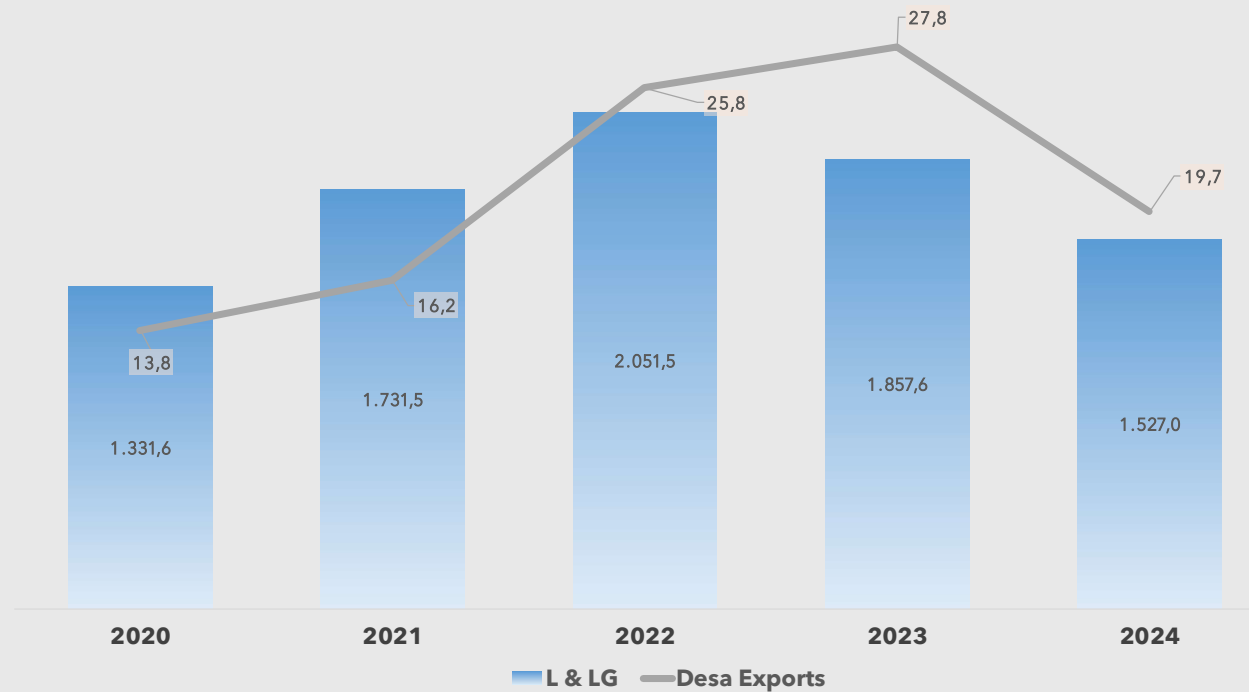
Turkey's Leather and Leather Goods Exports & DESA (USD million)

+ Value Adding Difference

Industry \cong **USD 12 / kg**

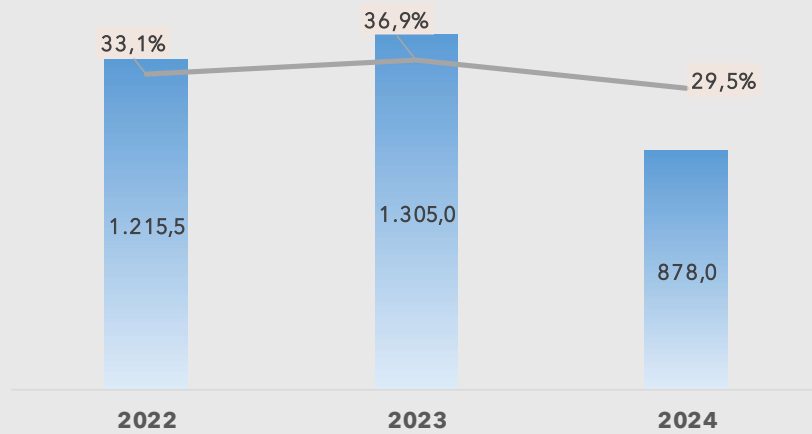


DESA \cong **USD 116 / kg**

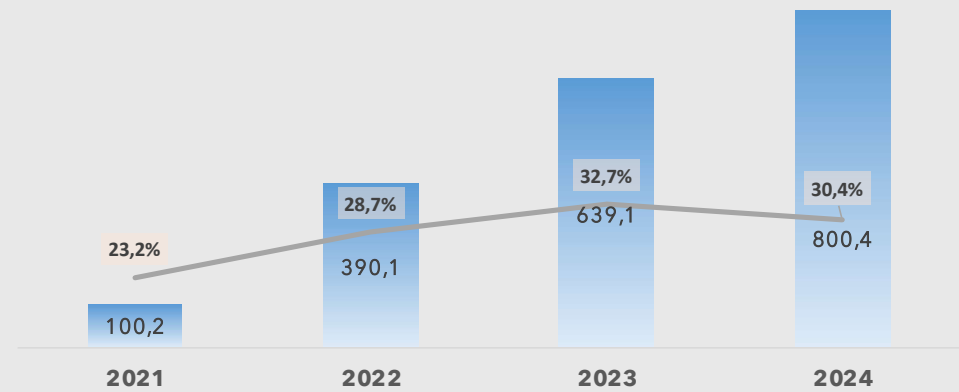


EBITDA & Margin: 2021-2024 *(TRY million)*

With TAS29

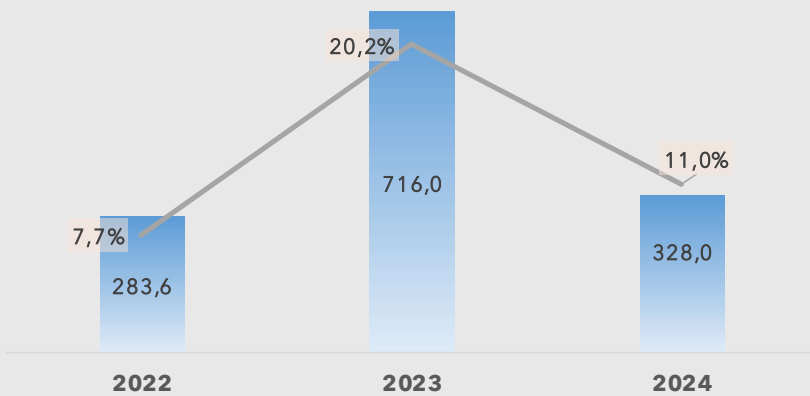


Without TAS 29

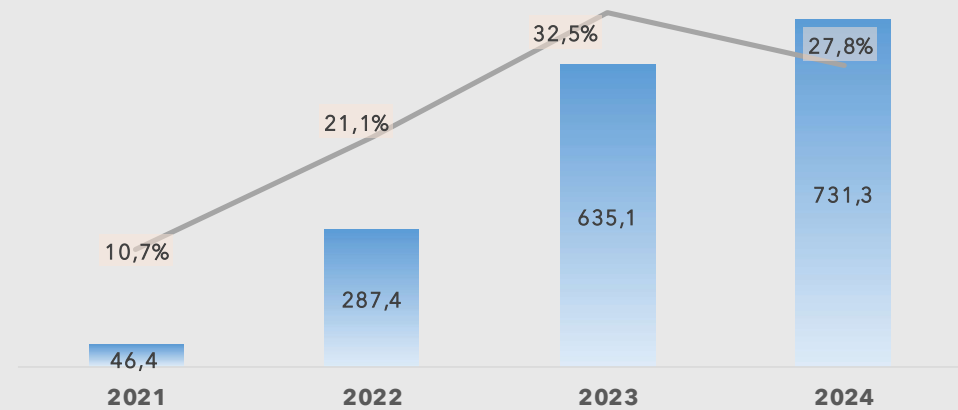


Net Profit & Margin: 2021-2024 *(TRY million)*

With TAS29

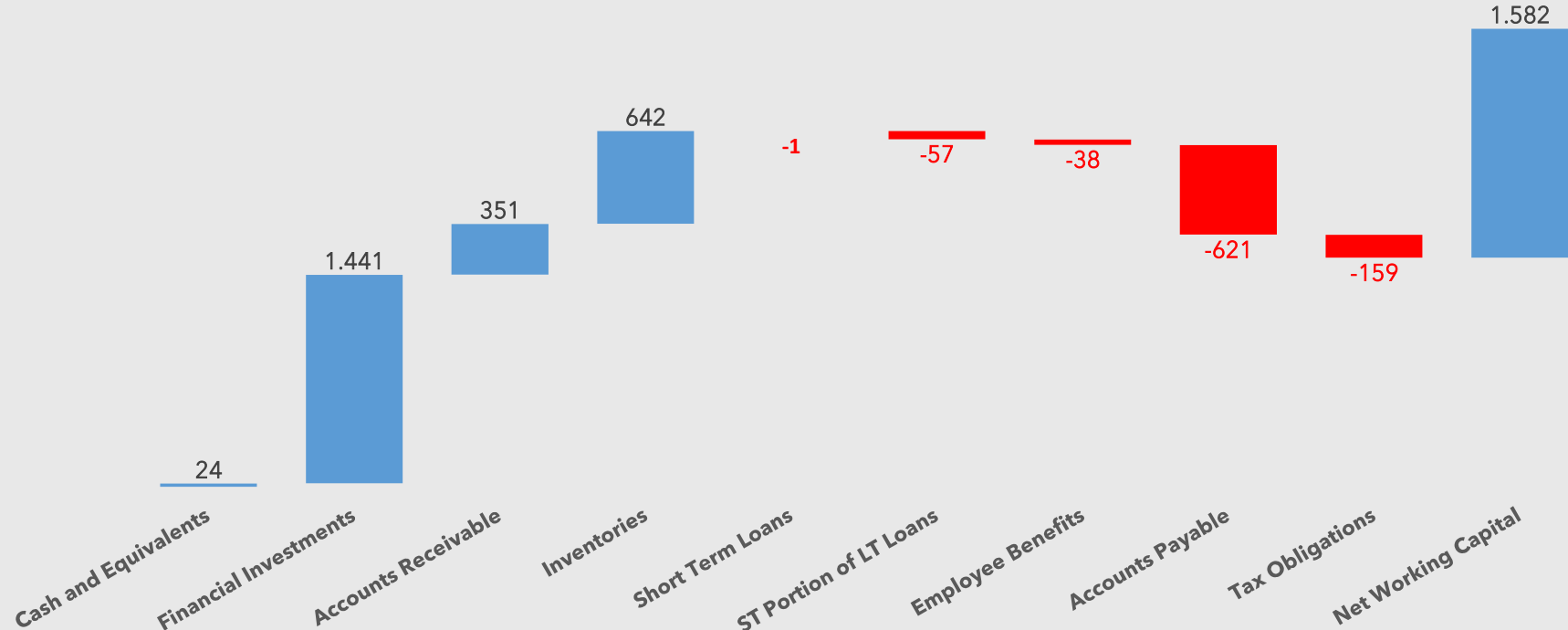


Without TAS29



Net Working Capital with TAS29 *(TRY million)*

2024



IFRS Income Statement with TAS29

	TRY (million)			USD (million)
	31.12.2023	31.12.2024	24 vs. 23 Change %	31.12.2024
Revenues	3.536,4	2.980,1	-15,7%	91,7
COGS	-1.779,3	-1.270,6	-28,6%	-39,1
GROSS PROFIT / LOSS	1.757,2	1.709,5	-2,7%	52,6
General & Administrative Expenses	-142,4	-143	0,4%	-4,4
Marketing, Sales and Distribution Costs	-852,8	-1.010,5	18,5%	-31,1
R&D costs	-13,1	-14,8	13,0%	-0,5
Other Income from Operations	382,3	313,9	-17,9%	9,7
Other Expenses from Operations	-238,7	-305,7	28,1%	-9,4
OPERATING PROFIT / LOSS	892,6	549,4	-38,4%	16,9
Revenues from Investments	86,9	209,4	141,0%	6,4
Investment Expenses	-2,4	-31,3	1204,2%	-1,0
Profit/Loss from Investments Valued by the Equity Method (Samsonite JV)	80,1	62,2	-22,3%	1,9
OPERATING PROFIT / LOSS BEFORE FINANCING INCOME/(EXPENSES)	1.057,20	789,7	-25,3%	24,3
Financial Income	632,9	311,1	-50,8%	9,6
Financial Expenses	-266,2	-198,3	-25,5%	-6,1
Inflationary Adjustment	-511	-393,7	-23,0%	-12,1
PROFIT / LOSS BEFORE TAX FROM CONTINUING OPERATIONS	912,9	508,8	-44,3%	15,7
Tax Income / Expenditure from Operations	-196,7	-181,1	-7,9%	-5,6
Tax Income / Expenditure for the Period	-334,1	-158,6	-52,5%	-4,9
Deferred Tax Income	137,4	-22,5	n.m.	-0,7
PROFIT/LOSS of the PERIOD FROM ONGOING OPERATIONS	716,2	327,7	-54,2%	10,1
NET PROFIT / LOSS FOR THE PERIOD	716,2	327,7	-54,2%	10,1
<i>Gross Profit Margin</i>	49,7%	57,4%	7,7 pp	57,4%
<i>Net Income Margin</i>	20,3%	11,0%	-9,3 pp	11,0%
EBITDA	1.305	878	-32,7%	27
<i>EBITDA Margin</i>	36,9%	29,5%	-7,4 pp	29,5%

Balance Sheet and Summary Ratios with TAS29

	TRY (million)		USD (million)	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Current Assets	2.432	2.610	69	74
Fixed Assets	1.308	1.412	37	40
Total Assets	3.739	4.022	106	114
Short Term Liabilities	1.191	1.126	34	32
Long Term Liabilities	203	217	6	6
Equity	2.345	2.679	66	76
Total Liabilities and Equity	3.739	4.022	106	114
Net Cash Position	1.242,2	1.390,2	29,2	39,5
USD/TRY end of year		35,2		
Ratios	31.12.2023	31.12.2024		
Current Ratio	2,0	2,3		
Quick Ratio	1,7	1,7		
Leverage	37,3%	33,4%		
Equity Ratio	1,7	2,0		
Cash Ratio	1,2	1,3		

Foreign Currency Position & Loans As of 31.12.2024

Deposits & Financial Investments

USD & TRY Denominated
Deposits and Mutual Funds
Equivalent to USD 11,34 million



USD Denominated
Eurobonds 28,16 million

**TRY 1.390
million**

Net Cash

Bank Loans

USD 0,5 million
Long Term Financial Liabilities

USD 1,6 million
Short Term Financial Liabilities

Thank you

www.desa.com.tr

<https://www.desa.com.tr/investors>

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