

1Q2025

DESA

Investor Presentation



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

INTRODUCTION

DESA at a Glance

Shareholding Structure

Financial Highlights 1Q 2025

Investment Summary

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



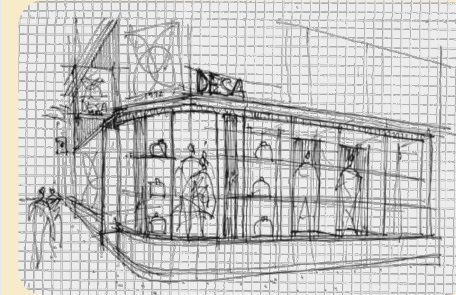
(*) Source: Leather and leather products exporters association data, 2022

Established in
1972

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

1.516 Employees

Stores



Total Area
14.774 m²

**Total Number
of Stores**
110

2 | **93** | **17**
Online | DESA | JV

International Design Team

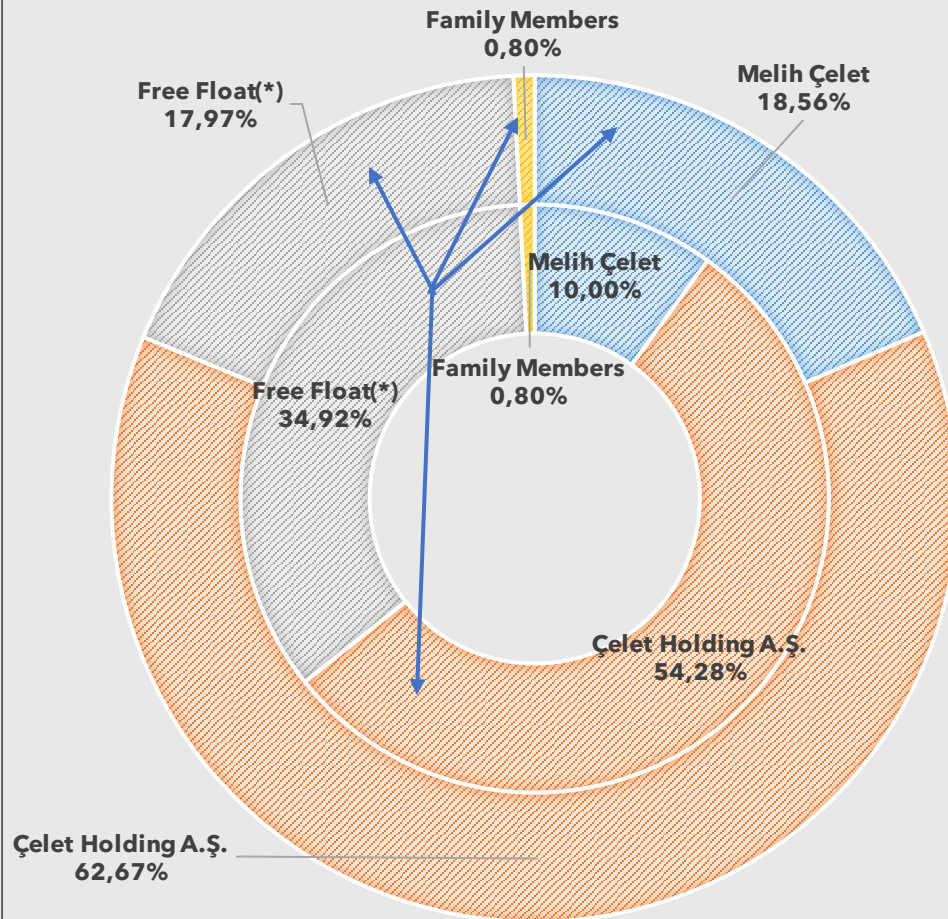
Samsonite Partnership

18th year of JV (since 2007)
40% Desa - 60% Samsonite

Leading Exporter

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

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

- On January 22, 2025, **DESA completed the non-cash capital increase of its paid-in capital from TRY 245 million TRY 490 million**, funded through internal resources under the Equity account item "Capital Adjustment Positive Differences".
- On April 4, 2025, **the shareholders at the Ordinary General Assembly approved that a total net dividend of TRY 100 million** will be distributed to shareholders in three installments from the net distributable profit of TRY 328 million in the 2024 TFRS-compliant financial statements.
 - ✓ 30 million TL net on September 25, 2025,
 - ✓ 35 million TL net on October 30, 2025, and
 - ✓ 35 million TL net on November 27, 2025.

(*) As of 31.03.2025 among the free floating shares, 6.286.946 shares (1,28%) 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.

Financial Highlights 1Q 2025 (TAS 29)

Revenues	TRY759mn
EBITDA	TRY237mn
EBITDA Margin	31.2%
Net Income	TRY122mn
Total Assets	TRY4.23bn
Net Cash	TRY1.58bn

Key Operational Highlights

- ✓ *Turkey marketing campaign delivering strong results.*
- ✓ *Italy investment showing early returns with new luxury orders.*
- ✓ *High domestic interest rates continue to exert pressure, yet positive momentum expected from upcoming tourism season.*

- Revenues rose 2% YoY to TRY759mn in 1Q25, with a robust gross margin of 53.5%.
- EBITDA in 1Q25 is TRY237mn, indicating a solid 31.2% margin.
- Net income totaled TRY122mn in 1Q25 vs. TRY24mn in 1Q24, supported by TRY20mn of net financial income and TRY40mn deferred tax income.
- Net cash position improved to USD41.6mn as of end-1Q25 vs. USD39.5mn at the end of FY24.

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 1Q2025:
Net cash position of TRY **1.578** million,
*USD equivalent of **41.6** million*





Vertically Integrated Business Model

Production Facilities: Turkey & Italy

Sales Channels:

Domestic

Turkey Retail Operations

Samsonite JV

B2B

Online

Exports

Manufacturing Partner of Luxury Brands

1972DESA

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



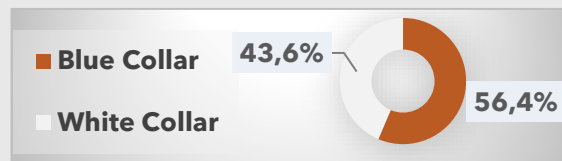
Final Product Manufacturing

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



Retail Sales

110 stores with
14.774 m² of space



Total of 1.516 Employees 49,9% Female-50,1% Male

Production Facilities

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

**471 Employees &
508 Store Employees**

Düzce Factory **10.000 m²**



Production of clothing and accessories from processed leather

Weekly Capacity of 15.000 Bags

387 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

76 Employees

Tuscany Factory **2.000 m²**



Production of clothing and accessories from processed leather

Monthly Capacity of 5.000 Bags

74 Employees

Investment in Italy

○ 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

○ March 2025

The number of employees has become 74



Italy Production Facility and R&D Center



Sales Channels

Domestic

Turkey Retail Operations

Samsonite JV (recorded by equity pick-up method)

B2B

Online

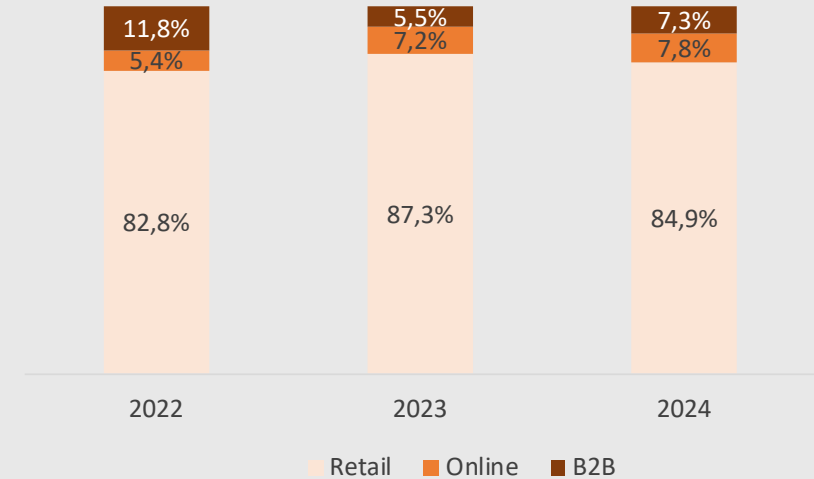
Exports

Manufacturing Partner of Luxury Brands

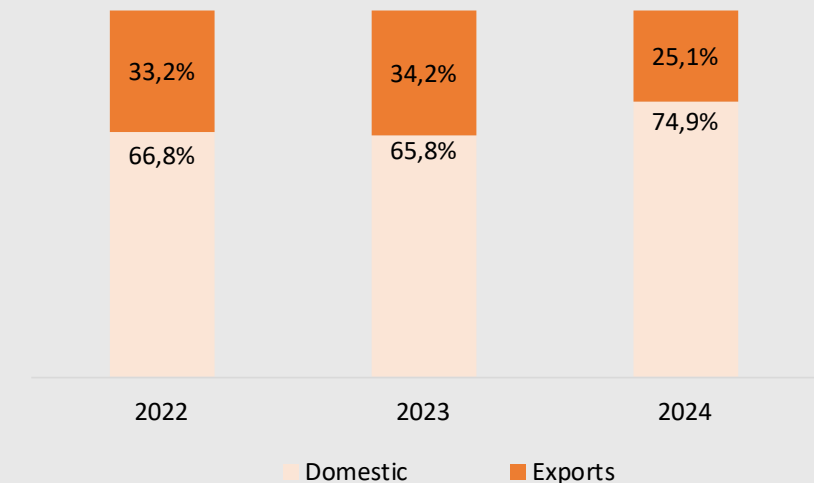
1972DESA

Cross-border E-commerce

Distribution of Domestic Revenue



Distribution of Total Revenue



Turkey Retail Operations



110
Total number
of stores

54
DESA mono
brand stores

2
DESA
Franchise

4
Online

14.774m²
Store area

37
DESA
Samsonite

14
Samsonite JV

3
Tumi



Turkey – Marketing Efforts

DESA continues to invest in its brand equity:

DESA x Hafsanur Sancaktutan Live Yourself!

- Actress Hafsanur Sancaktutan is the new face of DESA's Fall-Winter & Spring-Summer 2025 campaigns.
- The collaboration blends her bold energy with DESA's timeless leather craftsmanship.
- The message: Fashion is more than style—it's personal expression.
- The campaign invites everyone to Live Yourself through pieces that combine comfort, confidence, and elegance.

Live Yourself with DESA!



Samsonite Partnership

- 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 Samsonite
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
distributorship
(1983-2007)

Online
samsonite.com.tr
tumi.com.tr

Samsonite®

TUMI

Lipault
PARIS

**AMERICAN
TOURISTER**
SINCE 1933

Samsonite®

*The First Luggage Brand
Imported to Turkey*



Exports – Manufacturing Partner of Luxury Brands

Made in Italy - Sky is the Limit



Chloé



BVLGARI



ANINE BING



NINETEENSEVENTYTWO COLLECTION



1972

NINETEENSEVENTYTWO
DESA

DESA1972, 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.

International Design Team – DESA1972



IVANA OMAŽIĆ

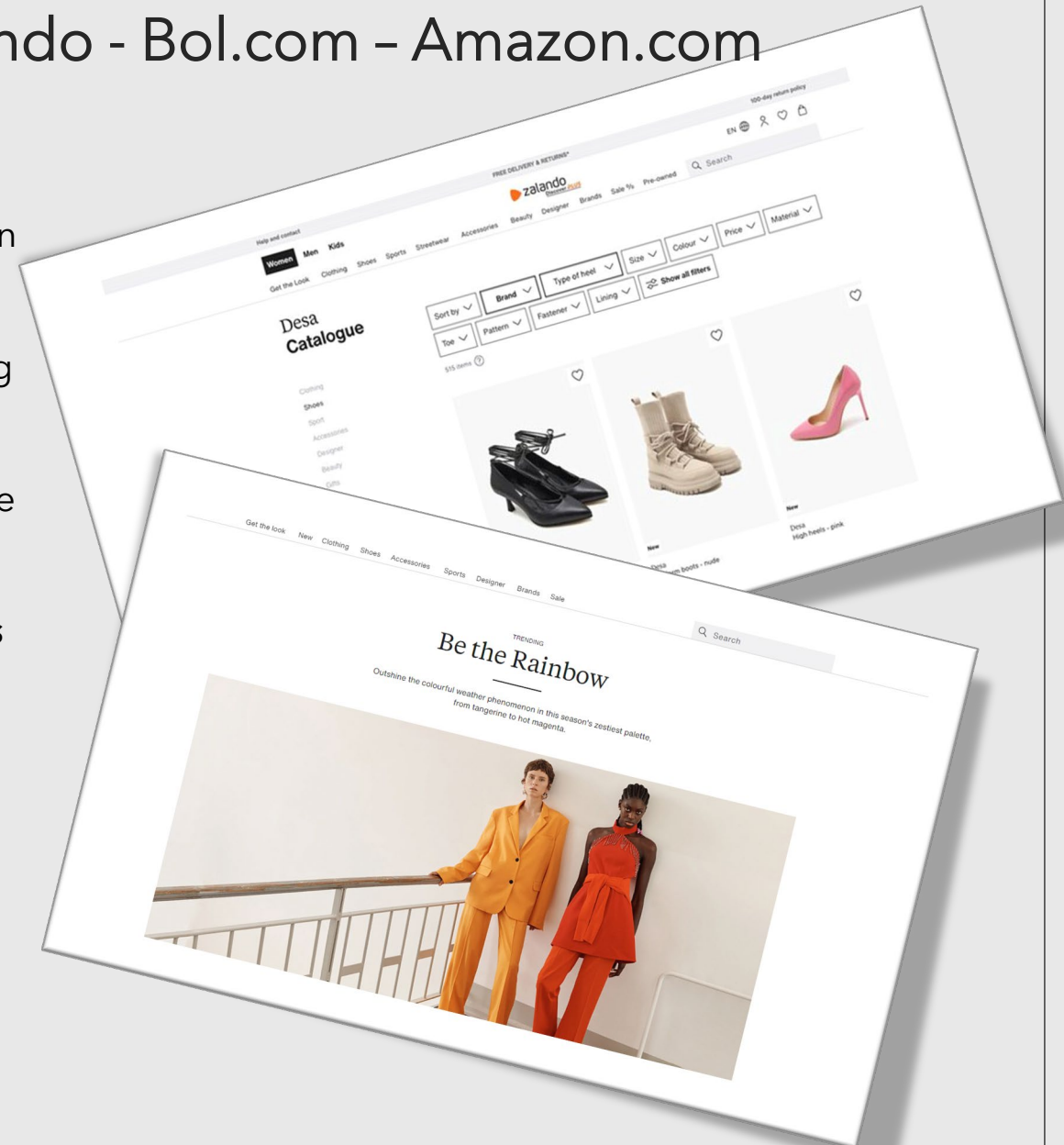
(2024)

Respected and highly experienced
Designer and Creative Director from
well known luxury brands such as:

Prada - Miu Miu - Maison Martin
Margiela - Celine - Jil Sander - MCM

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.



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



Düzce SPP*

Çorlu SPP

Certifications

Other Initiatives

(*) Solar Power Plant

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%

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

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**



Memorial Forest

DESA

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.



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 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

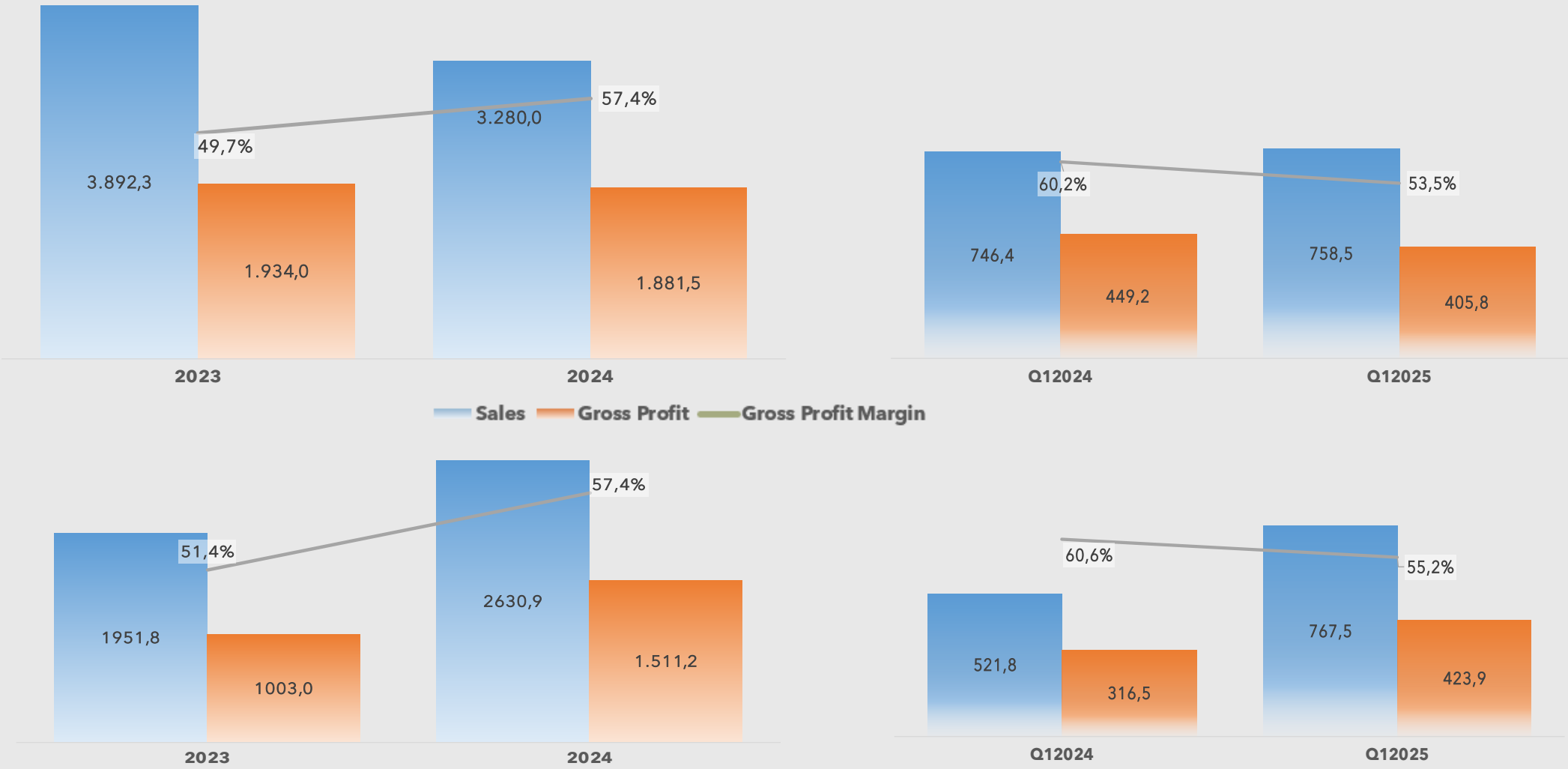
B/S - Net Cash - Ratios

FX Position

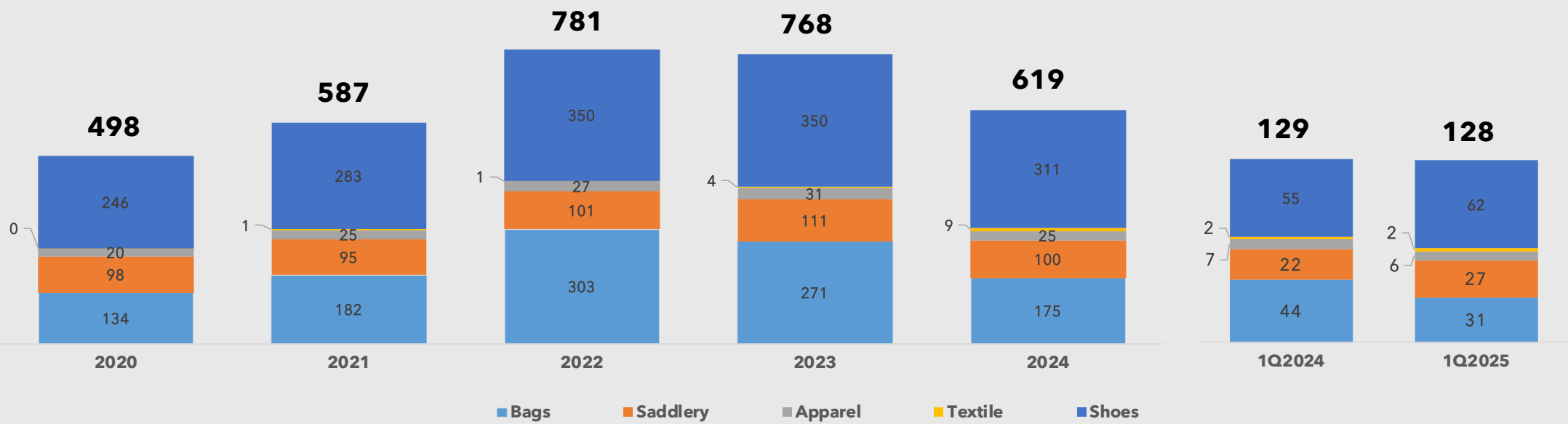
Sales, Gross Profit & Margin (TRYmillion)

With TAS29

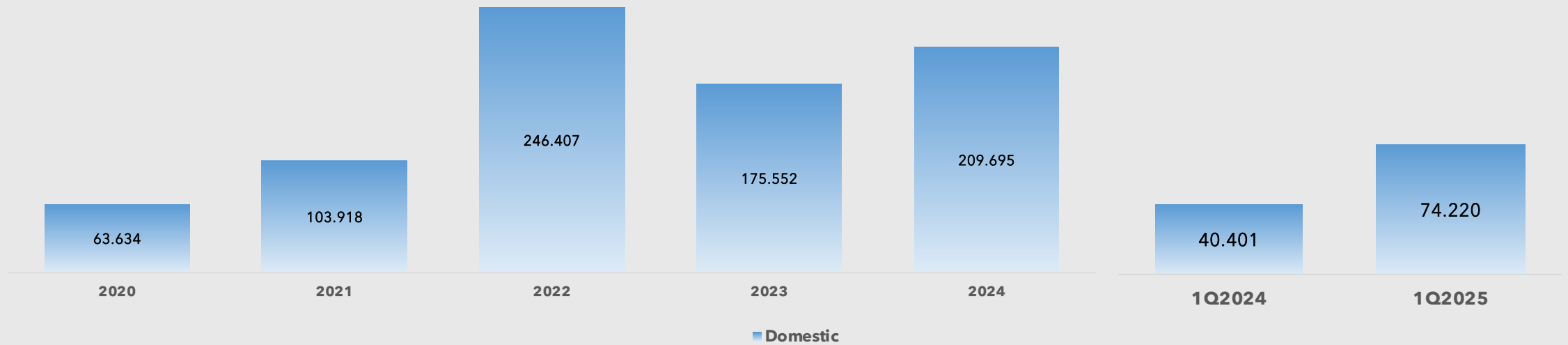
Without TAS29



Domestic + Exports Sales Volume *('000 Total Pieces)*



Samsonite Sales Volume*



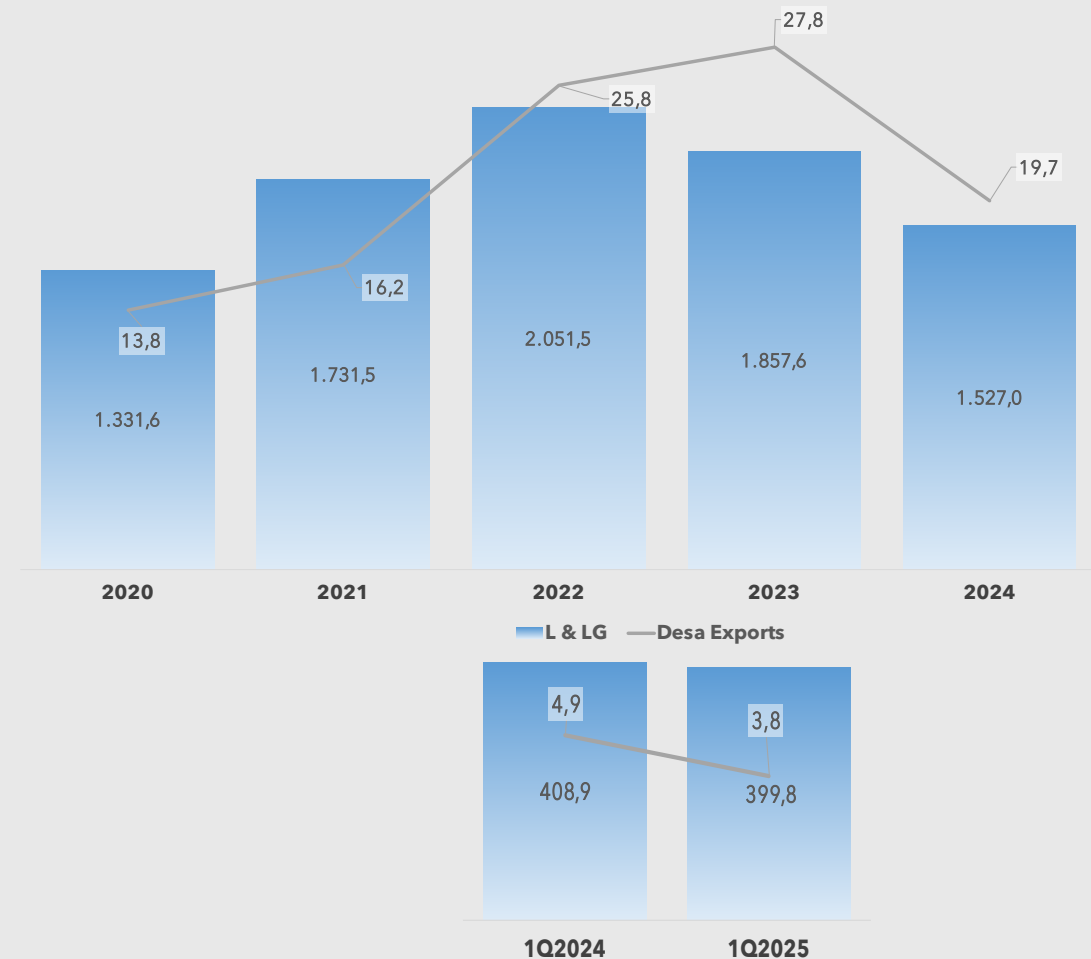
(*) Excluding DESA-Samsonite JV, the figures are solely from DESA owned stores

Leather and Leather Goods Exports – Turkey* & DESA (USD million)

- 2024 was a challenging year for luxury goods sector. Gucci, which accounts for 45% of Kering Group's sales, suffered a dramatic decline of over 20% YoY in 2024, at 7,65 billion Euros worth of annual revenues. Meanwhile, growth of LVMH's Fashion & Leather Goods division, which accounts for half of the group's revenue, declined 3% YoY to 41,06 billion Euros in 2024.
- In this challenging environment, Turkey's Leather Goods Exports declined 17.9% to USD1,53bn in 2024 while total exports were recorded at USD226bn, up 2,1% YoY. DESA opted to focus on its domestic retail operations in 2024 and share of exports in total revenues decreased from 34% in 2023 to 25% in 2024.
- In the first quarter of 2025, Turkey's total exports reached USD 56,6 billion, up 2,2% YoY while Leather Goods Exports decreased by 2,1%, falling to USD400mn. DESA continued to serve its luxury clients in 1Q25 while new orders from our existing and new luxury clients are encouraging.

+ Value Adding Difference

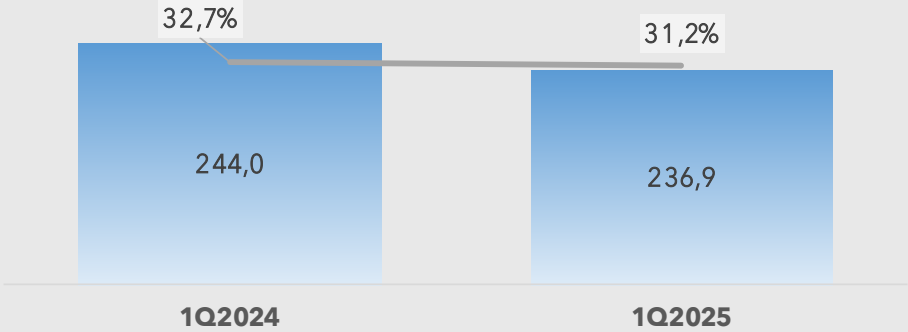
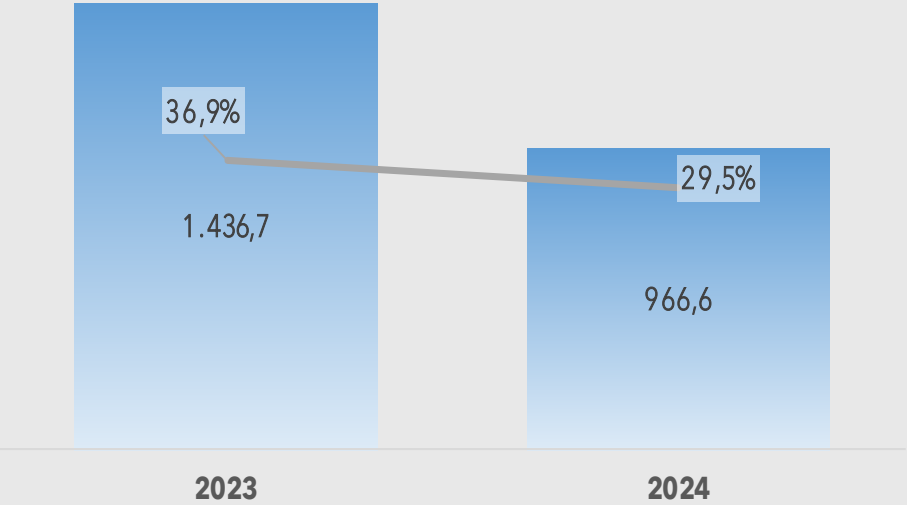
Industry \cong **USD 12 / kg** \longleftrightarrow DESA \cong **USD 116 / kg**



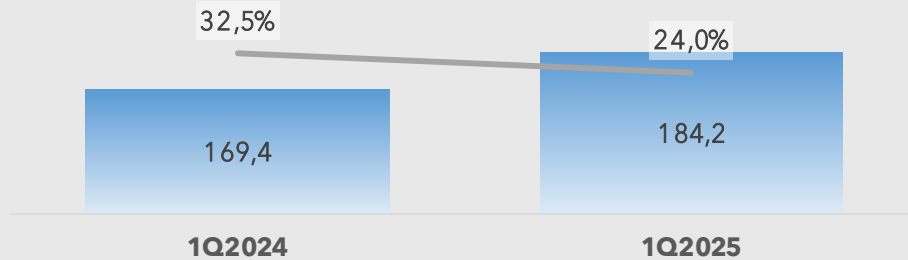
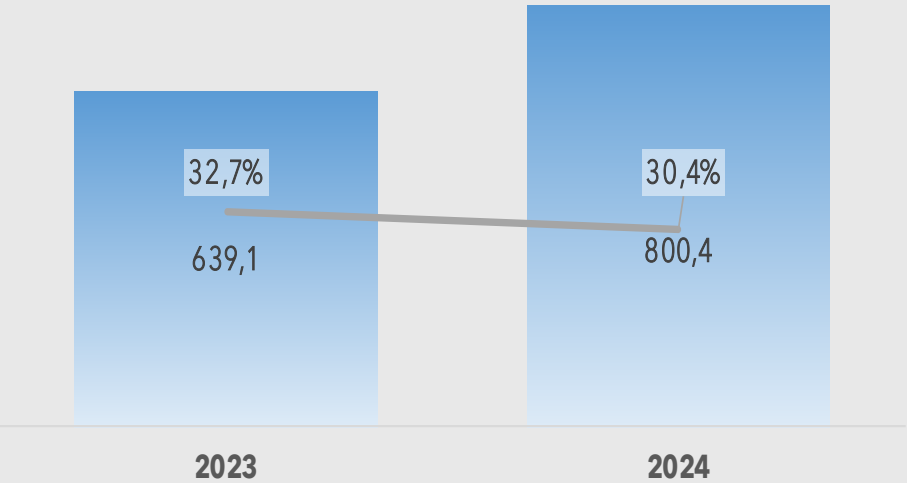
(*) Source: www.idmib.org.tr

EBITDA & Margin *(TRYmillion)*

With TAS29



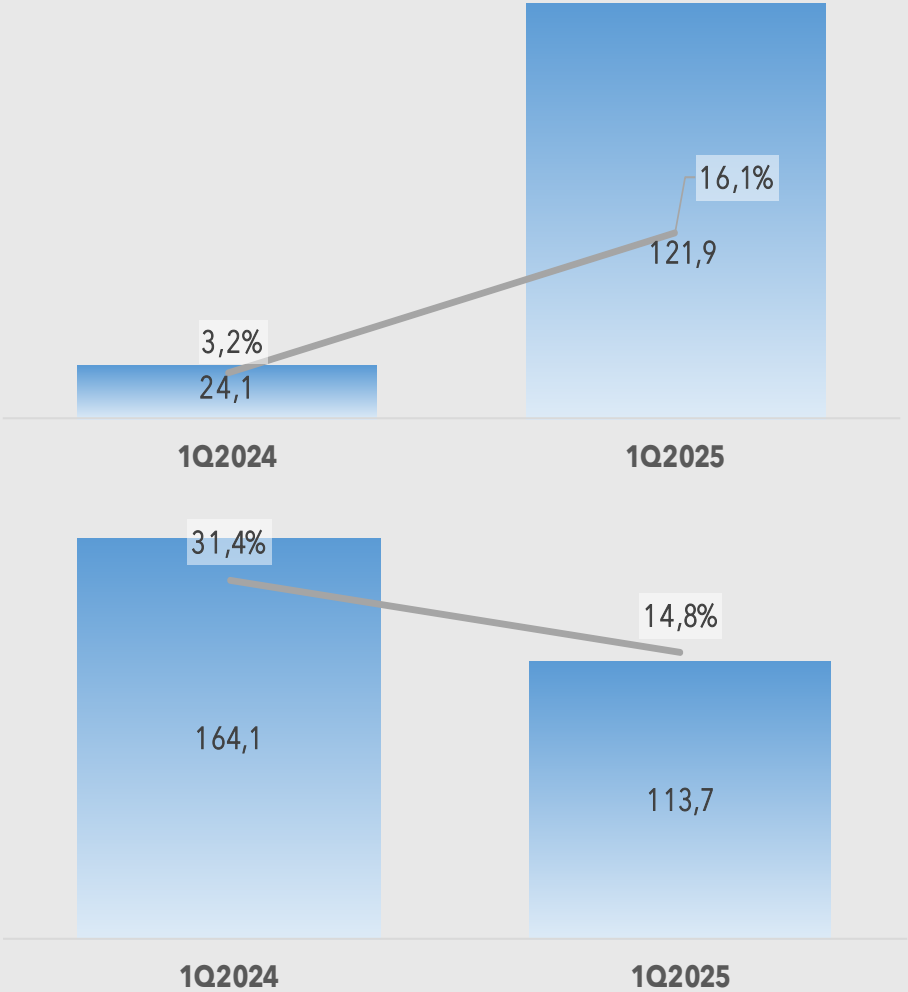
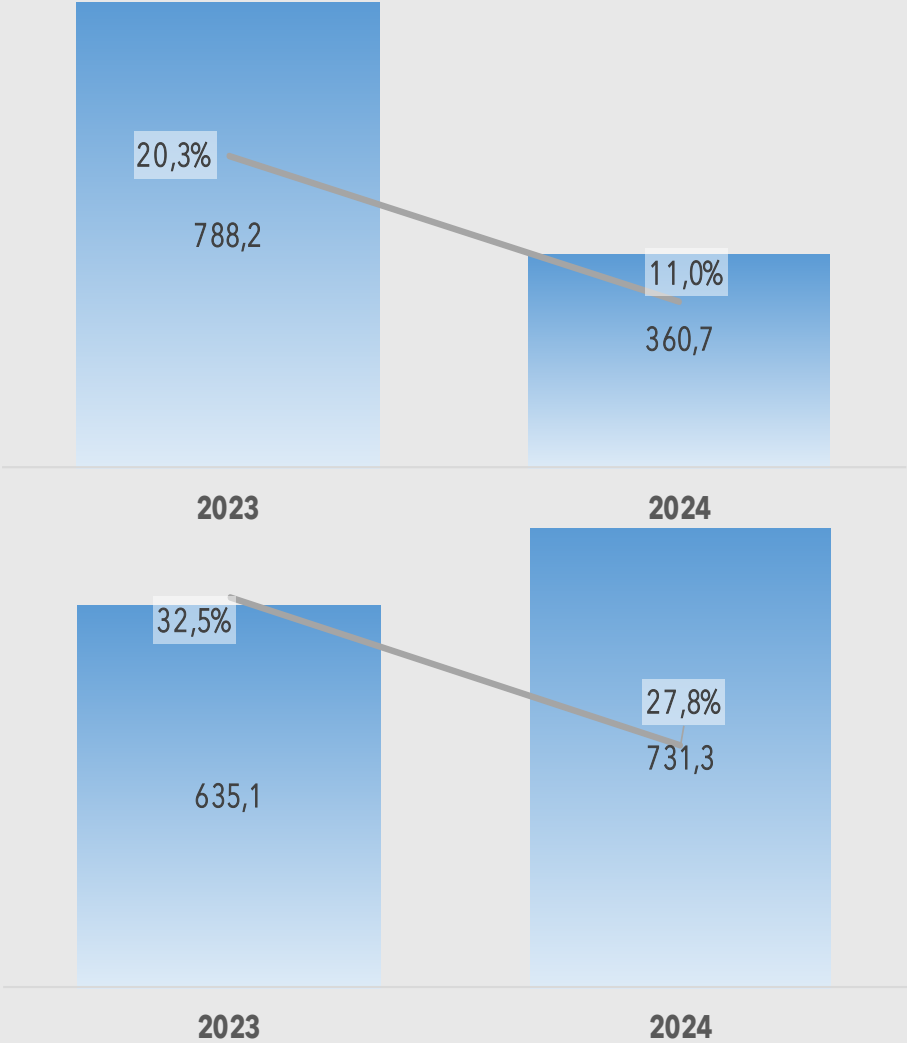
Without TAS29



Net Profit & Margin (TRYmillion)

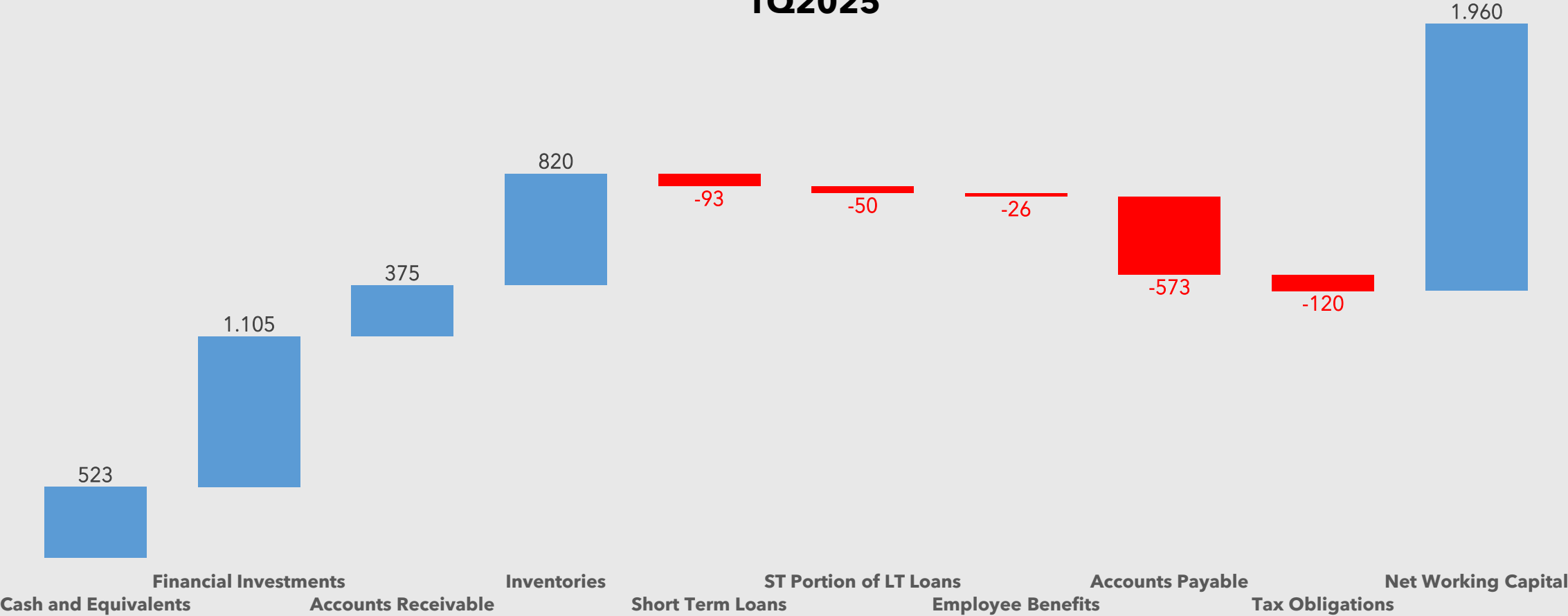
With TAS29

Without TAS29



Net Working Capital with TAS29 *(TRYmillion)*

1Q2025



IFRS Income Statement with TAS29

TRY (million)	2023/12	2024/12	2024/2023	2024/3	2025/3	1Q25/1Q24
REVENUES	3.892,3	3.280,0	-16%	746,4	758,5	2%
COGS	-1.958,3	-1.398,4	-29%	-297,2	-352,6	19%
GROSS PROFIT	1.934,0	1.881,5	-3%	449,2	405,8	-10%
General & Administrative Expenses	-156,7	-157,4	0%	-41,2	-46,5	13%
Marketing, Sales and Distribution Costs	-938,6	-1.112,2	19%	-321,7	-275,7	-14%
R&D costs	-14,4	-16,3	13%	-5,8	-5,4	-7%
Other Income from Operations	420,8	345,5	-18%	117,6	87,4	-26%
Other Expenses from Operations	-262,7	-336,4	28%	-119,8	-43,2	-64%
OPERATING PROFIT / LOSS	982,5	604,7	-38%	78,2	122,5	57%
Revenues from Investments	95,6	230,5	141%	3,9	89,1	2175%
Investment Expenses	-2,6	-34,5	1204%	-11,5	0,0	n.m.
Profit/Loss from Investments Valued by the Equity Method (Samsonite JV)	88,1	68,5	-22%	0,0	-7,0	n.m.
Inflationary Adjustment	-562,4	-433,3	-23%	-77,0	-76,7	0%
OPERATING PROFIT / LOSS BEFORE FINANCING INCOME/(EXPENSES)	601,2	435,8	-28%	-6,4	128,0	n.m.
Financial Income	696,6	342,4	-51%	154,1	94,3	-39%
Financial Expenses	-293,0	-218,2	-26%	-49,8	-74,8	50%
PROFIT / LOSS BEFORE TAX FROM CONTINUING OPERATIONS	1.004,8	560,0	-44%	97,9	147,5	51%
Tax Income / Expenditure from Operations	-216,5	-199,3	-8%	-73,7	-25,7	-65%
Tax Income / Expenditure for the Period	-367,7	-174,6	-53%	-72,5	-65,7	-9%
Deferred Tax Income	151,2	-24,8	n.m.	-1,2	40,0	n.m.
NET PROFIT / LOSS FOR THE PERIOD	788,2	360,7	-54%	24,1	121,9	405%
<i>Gross Profit Margin</i>	50%	57%	7,7 pp	60%	54%	-6,7 pp
<i>Net Income Margin</i>	20%	11%	-9,3 pp	3%	16%	12,8 pp
EBITDA	1.436,7	966,6	-33%	244,0	236,9	-3%
<i>EBITDA Margin</i>	37%	29%	-7,4 pp	33%	31%	-1,5 pp

Balance Sheet and Summary Ratios with TAS29

	TRY (million)		USD (million)	
	31.12.2024	31.03.2025	31.12.2024	31.03.2025
Current Assets	2.873	2.866		76
Fixed Assets	1.554	1.366		36
Total Assets	4.427	4.232		112
Short Term Liabilities	1.240	998		26
Long Term Liabilities	239	186		5
Equity	2.948	3.049		80
Total Liabilities and Equity	4.427	4.232		112
Net Cash Position	1.531,0	1.577,6	39,5	41,6
USD/TRY end of year		37,94		
Ratios	31.12.2024	31.03.2025		
Current Ratio	2,3	2,9		
Quick Ratio	1,7	2,1		
Leverage	33,4%	28,0%		
Equity Ratio	2,0	2,6		
Cash Ratio	1,3	1,6		

Foreign Currency Position & Loans – 31.03.2025

Deposits & Financial Investments

USD Denominated Mutual Funds
Equivalent to USD 2,66 million



USD Denominated
Eurobonds 28,46 million

Bank Loans

USD 1,32 million Long Term
Financial Liabilities

TRY 1.578 million

USD 41,6 million

Net Cash

Dividends

According to the 2024 profit distribution table prepared in compliance with the Capital Markets Board's (II-19.1) communiqué, it was approved by the shareholders at the Ordinary General Assembly that **a total net dividend of 100 million TL** will be distributed to shareholders in three installments from the net distributable profit of 327,726,027 TL in the 2024 TFRS-compliant financial statements:

- 30 million TL net on September 25, 2025,
- 35 million TL net on October 30, 2025, and
- 35 million TL net on November 27, 2025.



Inflation Accounting

05

APPENDIX

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	Indice	Correction Coeff.	Compounded Inflation for Past 3 Years
31 March 2025	2.954,69	1,00000	%250
31 December 2024	2.684,55	1,10063	%291
31 March 2024	2.139,47	1,38104	%309

Summary IS with TAS29 (TRYmn)	2022/12	2023/12	2024/12	2024/2023	2024/3	2025/3	1Q25/1Q24
Sales	4.044,4	3.892,3	3.280,0	-16%	746,4	758,5	2%
Gross Profit	1.669,1	1.934,0	1.881,5	-3%	449,2	405,8	-10%
EBITDA	1.338,4	1.436,7	966,6	-33%	244,0	236,9	-3%
Net Income	312,3	788,2	360,7	-54%	24,1	121,9	405%
Gross Profit Margin	41,3%	49,7%	57,4%	7,7 pp	60,2%	53,5%	-6,7 pp
EBITDA Margin	33,1%	36,9%	29,5%	-7,4 pp	32,7%	31,2%	-1,5 pp
Net Income Margin	7,7%	20,3%	11,0%	-9,3 pp	3,2%	16,1%	12,8 pp

Summary IS without TAS29 (TRYmn)	2021/12	2022/12	2023/12	2024/12	2024/2023	2024/3	2025/3	1Q25/1Q24
Sales	432,4	1359,0	1951,8	2630,9	35%	521,8	767,5	47%
Gross Profit	191,7	565,2	1003,0	1511,2	51%	316,5	423,9	34%
EBITDA	100,2	390,1	639,1	800,4	25%	169,4	184,2	9%
Net Income	46,4	287,4	635,1	731,3	15%	164,1	113,7	-31%
Gross Profit Margin	44,3%	41,6%	51,4%	57,4%	6,1 pp	60,6%	55,2%	-5,4 pp
EBITDA Margin	23,2%	28,7%	32,7%	30,4%	-2,3 pp	32,5%	24,0%	-8,5 pp
Net Profit Margin	10,7%	21,1%	32,5%	27,8%	-4,7 pp	31,4%	14,8%	-16,6 pp
Average USD/TRY	8,85	16,55	23,78	32,47		30,90	36,22	

Summary IS without TAS29 (USDmn)	2021	2022	2023	2024	2024/2023	2024/3	2025/3	1Q25/1Q24
Sales	48,9	82,1	82,1	81,0	-1%	16,9	21,2	25%
Gross Profit	21,7	34,1	42,2	46,5	10%	10,2	11,7	14%
EBITDA	11,3	23,6	26,9	24,7	-8%	5,5	5,1	-7%
Net Income	5,2	17,4	26,7	22,5	-16%	5,3	3,1	-41%
EBITDA Margin	23,2%	28,7%	32,7%	30,4%	-2,3 pp	32,5%	24,0%	-8,5 pp
Net Profit Margin	10,7%	21,1%	32,5%	27,8%	-4,7 pp	31,4%	14,8%	-16,6 pp

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