

## DESA, Achieves 374 Million TL Net Profit in the First 9 Months of 2025

**DESA, Turkey's leading leather brand with over half a century of experience in production, retail, and exports, has announced its financial results for the nine months of 2025. Continuing its strong financial performance in the first nine months of the year, DESA reached 2.8 billion TL in revenue and achieved a net profit margin of 13.4%, demonstrating a successful performance despite challenging market conditions.**

### **Strong Profitability and Solid Balance Sheet**

DESA, Turkey's leading leather and leather goods retailer, continued to create value for its investors by maintaining its profitability in the 3rd quarter of 2025, supported by its strong financial structure.

While DESA's revenue reached 2.8 billion TL in the first nine months of the year, maintaining its strong financial performance, the gross profit margin was realized at 56.3%. Continuing its stable growth in sales volume, DESA grew by 13.5% in the retail channel compared to the same period last year, increasing its market share contrary to the contracting market. With communication and advertising expenditures made in the first nine months of 2025, DESA's store traffic increased by 12.3% compared to the same period last year, and it successfully increased its sales performance in digital channels during this period thanks to its renewed e-commerce infrastructure. Although growth in foreign demand and exports was suppressed due to the contraction in sales of the world's most important luxury brands in the first 9 months of the year, the number of employees in DESA's production facilities started to increase this period compared to the previous quarter, owing to positive signals from the market for the last quarter of the year.

Focusing on efficiency in this quarter as well, DESA exhibited a performance parallel to the first half of the year and generated 885 million TL in EBITDA in the first 9 months of 2025. Despite worsening market conditions and cost-side pressures, DESA continued to differentiate itself from its competitors with its multi-market, multi-channel, broad product portfolio, and vertically integrated business model. The EBITDA margin was realized at 31.7%, an increase of 0.8 percentage points (80 basis points) compared to the same period last year.

DESA's solid balance sheet continued to strengthen in this period as well. The Net Cash Position, which was 39.5 million USD as of the end of 2024, rose to 42.2 million USD (1,751 million TL) at the end of the third quarter, driven by a strong income statement and effective cash management.

### **DESA is Evaluating Alternative Technologies That Could Impact the Leather Sector as Part of Its Sustainability Vision**

To reinforce DESA's sustainability vision and its pioneering position in the sector in both fashion and technology, negotiations have begun to sign a letter of intent with Gozen, a pioneer in the field of bio-technology. The aim is to establish a joint venture for the development, production, and transformation into final products of next-generation materials, and their commercialization in domestic and international markets.

# DESA

By the Board of Directors' decision dated October 21, 2025, it was unanimously decided to grant DESA CEO Burak Çelet the duty and authority to manage the upcoming work and conduct these negotiations.

## **DESA Continues Its International Market Expansion**

Representing DESA's global vision, 1972 DESA once again showcased its collection with a fashion show in September as part of Milan Fashion Week. The "Tulips of Hope" Spring/Summer 26-27 collection, crafted by DESA's international creative team, translated the inspiration drawn from Istanbul's multi-layered cultural heritage into timeless, modern, and sustainable designs, presenting them to the global fashion world.

DESA CEO Burak Çelet emphasized that being the only Turkish brand to hold a fashion show at Milan Fashion Week is a source of pride for both the brand and Turkey, stating, "As DESA, we are delighted to bring the quality of Turkish leather and our design strength to the world stage. The invitation of our 1972 DESA brand to Milan Fashion Week is a significant achievement for our country and our sector."

## **First 2 Installments of 100 Million TL Dividend from 2024 Net Profit Distributed**

At the 2024 Ordinary General Assembly Meeting, shareholders approved the distribution of a total of 100 million TL in net dividends from the company's 2024 net distributable profit of 327,726,027 TL. The dividend is to be paid in three installments: 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. The dividend payments for September and October have been distributed to investors.

## **Export and Global Growth Strategy**

In his assessment of the financial results, DESA CEO Burak Çelet stated, "Our consistent, strong financial performance in the third quarter of 2025 is a significant outcome that proves the continuity of our strategic investments and operational efficiency. Maintaining our net profit margin compared to the same period last year, despite contracting market conditions, is a result of the effective strategies we have implemented in both domestic and international markets."

Çelet noted that the production facility in Italy contributes significantly to deepening collaborations with global luxury brands and increasing DESA's value-added exports. He reiterated their pride that DESA single-handedly accounts for more than half of Turkey's total leather goods exports to Italy.

Çelet stated that the steps taken to strengthen DESA's capital structure and its sustainability-focused investments play a critical role in achieving DESA's long-term growth targets. He concluded, "In the remainder of 2025, we will continue to solidify our leading position in the sector with our high-quality products, innovative designs, and customer-centric approach."

# DESA

## DESA Hakkında

Established in 1972, DESA has achieved tremendous success as the leading producer of leather and leather products in Turkey. With its unique business model which is entirely vertically integrated, DESA is the leading exporter of leather products to Italy, accounting for 70% of Turkey's leather product exports to the country. Managing retail operations with 115 stores nationwide, DESA produces and sells both wholesale and retail leather clothing for both men and women, leather bags and leather accessories. The brand also operates e-commerce through [desa.com.tr](http://desa.com.tr) and [1972desa.com](http://1972desa.com) and delivers DESA-branded products to European consumers in 5 countries through the Zalando platform. Serving international customers with its refined elegance under the brand 1972 DESA, the brand brings its leather clothing products to customers in more than 100 international sales points. As a publicly traded company listed on the Borsa İstanbul since May 2004, DESA operates with a leather production facility in Çorlu, Tekirdağ and two factories in Düzce and Sefaköy, İstanbul. The R&D and production facility in Italy which DESA started investing in 2022, recently entered operation.

## **For Further Information:**

### **Investor Relations**

**E-mail:** [investor.relations@desa.com.tr](mailto:investor.relations@desa.com.tr)

**yatirimci.iliskileri@desa.com.tr**

**Web Site:** [www.desa.com.tr](http://www.desa.com.tr)

[www.1972desa.com](http://www.1972desa.com)

[www.desainternazionale.it](http://www.desainternazionale.it)