

## DESA Announces 405% Net Profit Surge in Q1 2025, Demonstrating Strong Financial Performance

**DESA, one of Turkey's leading leather brands with over half a century of experience in production, export, and retail, has announced its financial results for the first quarter of 2025. The company achieved an impressive 405% increase in its net profit during the first three months of the year compared to the same period last year. This strong financial performance is regarded as a tangible indicator of its strategic investments and operational efficiency.**

As Turkey's leading leather and leather goods retailer, DESA maintained its profitability and delivered a successful performance in the first quarter of 2025, supported by its robust financial structure. DESA increased its net profit margin compared to the same period of the previous year, recorded a stable performance in its EBITDA margin, and continued to create value for its investors.

DESA, Turkey's leading retailer of leather and leather goods, shared its first-quarter financial results for 2025 with the public, highlighting the remarkable growth achieved by increasing its net profit by 405% in the first three months of the year compared to the corresponding period of the previous year.

### **Strong Growth in Financial Soundness and Profitability**

In the first quarter of 2025, DESA's total revenue reached TRY 758.5 million, representing a 1.6% increase compared to the same period last year. Net profit surged by 405% to TRY 121.9 million, a significant rise from TRY 24.1 million in the first quarter of 2024.

DESA's EBITDA margin for Q1 2025 stood at 31.2%. While this reflects a limited decrease from the 32.7% margin in Q1 2024, attributed to variations in sales segments, it nonetheless highlights the company's sustained strong operational efficiency.

In addition to the robust performance at the operational level, contributions from income from investment activities and deferred tax income led to a 12.8 basis point increase in the net profit margin, which reached 16.1% in the first quarter of 2025.

The company's net cash position also maintained its strong trajectory, reaching TRY 1,578 million. These results underscore DESA's sustainable financial structure, offering continued confidence to investors.

### **Developments in Capital Structure**

DESA implemented significant changes to its capital structure in the first quarter of 2025. The company's registered capital ceiling was increased from TRY 245,000,000 to TRY 750,000,000, with this change being registered on May 13, 2024. Furthermore, the company's issued capital was increased from TRY 245,000,000 to TRY 490,000,000, entirely financed from internal resources. This capital increase was registered on January 22, 2025.

# DESA

## **New Board of Directors Elected**

At the Ordinary General Assembly meeting for the year 2024, held on April 4, 2025, new members of the Board of Directors were elected. Melih Çelet (Chairman of the Board), Burak Çelet (Board Member and CEO), Burçak Çelet (Board Member), Bahar Deniz Egemen (Independent Board Member), and Mehmet Kaan Koz (Independent Board Member) were elected to serve for a two-year term.

## **A total of TRY 100 million in dividends from the 2024 net profit will be distributed during 2025.**

A dividend of TRY 100 million from the net profit of 2024 will be distributed during 2025. At the 2024 Ordinary General Assembly, shareholders approved the distribution of a total net dividend of TRY 100 million from the net distributable profit of TRY 327,726,027 for the period. This will be paid in three installments: TRY 30 million net on September 25, 2025, TRY 35 million net on October 30, 2025, and TRY 35 million net on November 27, 2025.

## **Export and Global Growth Strategy**

Commenting on the financial results, DESA CEO Burak Çelet stated, "The strong financial performance we demonstrated in the first quarter of 2025 is a concrete indicator of our strategic investments and operational efficiency. We succeeded in increasing our net profit by 405% compared to the same period last year, and this success is the result of the effective strategies we implemented in both domestic and international markets."

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

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

## **About Desa**

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.

# DESA

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