



Investor Presentation

31 March 2024

DOĞTAŞ

 **Kelebek**

 **Kelebek**
MUTFAK - BANYO




lova
yatak

ruumstore

BiGA
HOME

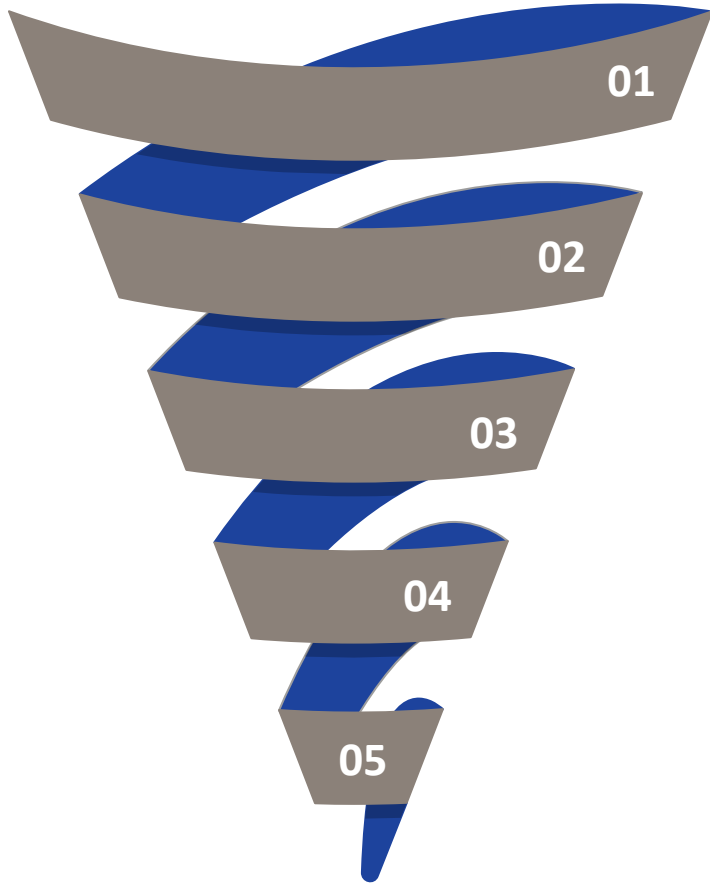


Agenda

-  **01** Company Overview and Furniture Sector
-  **02** Financial Results
-  **03** Annex



Developments in 2024



01

We have decided to invest in the establishment of a Solar Power Plant (SPP) at our production facilities in Biga and Düzce! With the SPP investment, we aim to reach a total power of 9,542 kWp, including 5,000 kWp at the Düzce facility and 4,542 kWp at Biga.

02

We increased the number of points of sale to 753!*

03

In 2024, we will distribute 100 Million TL dividend!

04

In the list of Turkey's 500 Largest Industrial Enterprises, we continue our ascent by climbing 58 places compared to last year. In Turkey, we rank 250th in net sales and 81st in employment.

05

We have implemented a significant part of our digital transformation projects and we continue our work at full capacity.




DOĞANLAR
MOBİLYA GRUBU



Overview of Company Activities and Furniture Sector



Overview of Doganlar Mobilya Group

Overview

- Furniture company in the top 3* producing and selling modern designed furniture at affordable prices
- Turkey's most established furniture company with **6 brands** (Doğtaş, Kelebek, Kelebek Kitchen-Bathroom, Lova Sleep, Ruum Store and Biga Home)
- The shareholding structure consists of **49,88% Doğanlar Yatırım Holding** and ***50,12% publicly traded shares**.
- 2.738 employee**
- Supply Chain;**
 - ✓ **5 different production units in 3 different locations (Düzce, Biga and Senegal)** on a total of **446 thousand m2** open area and **156 thousand m2** closed area, **2 design centres**,
 - ✓ **122 thousand m2 of warehouse space** in 6 different locations in **Turkey**
 - ✓ **6 thousand m2 warehouse space** in 4 different locations in **abroad**

2024/Q1 Key Financial and Operational Indicators (Including the effect of TAS 29 Inflation Accounting)

2.1 billion TL Revenue	12% Net Sales Growth (2023/Q1-2024/Q1)	735** Total Domestic and International Sales Points	730 thousand m² Store Area
33% Gross Profit Margin (2023/Q1 %34)	62 million TL EBITDA	3% EBITDA Margin (2023/Q1 %10)	+33 Net Store Opening⁽¹⁾

(1) 1.1.2024 -31.03.2024

*According to the number of stores

** As of 30.05.2024, the number of stores reached 753.



Production Facilities

Biga Factory

○ Flexibility between internal production and external supply

Facilities close to Turkey's main furniture production centres and high demand regions



Total Area	233.000 m ²
Closed Area	84.000 m ²
R&D Area	1.175 m ²
Warehouse Area	20.000 m ²

Production Capacity

Panel	2.400.000 m ² /year
Upholstery	96.000 pieces/year
Bedding	75.600 pieces /year



4,542 kWp Solar Energy Investment



Production Facilities

Düzce Factory

Flexibility between internal production and external supply

Facilities close to Turkey's main furniture production centres and high demand regions



Total Area	159.500 m ²
Closed Area	62.000 m ²
R&D Area	1.325 m ²
Warehouse Area	25.000 m ²

Production Capacity

Panel	1.900.200 m ² /year
Upholstery	53.500 pieces/year





Production Facilities

Senegal Factory

○ Flexibility between internal production and external supply

Production facility in Dakar, the capital of Senegal, with an advantageous export position to 15 Ecowas* countries (Benin, Burkina Faso, Cabo Verde, Ivory Coast, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Sierra Leone and Togo) with a total population of 350 million.



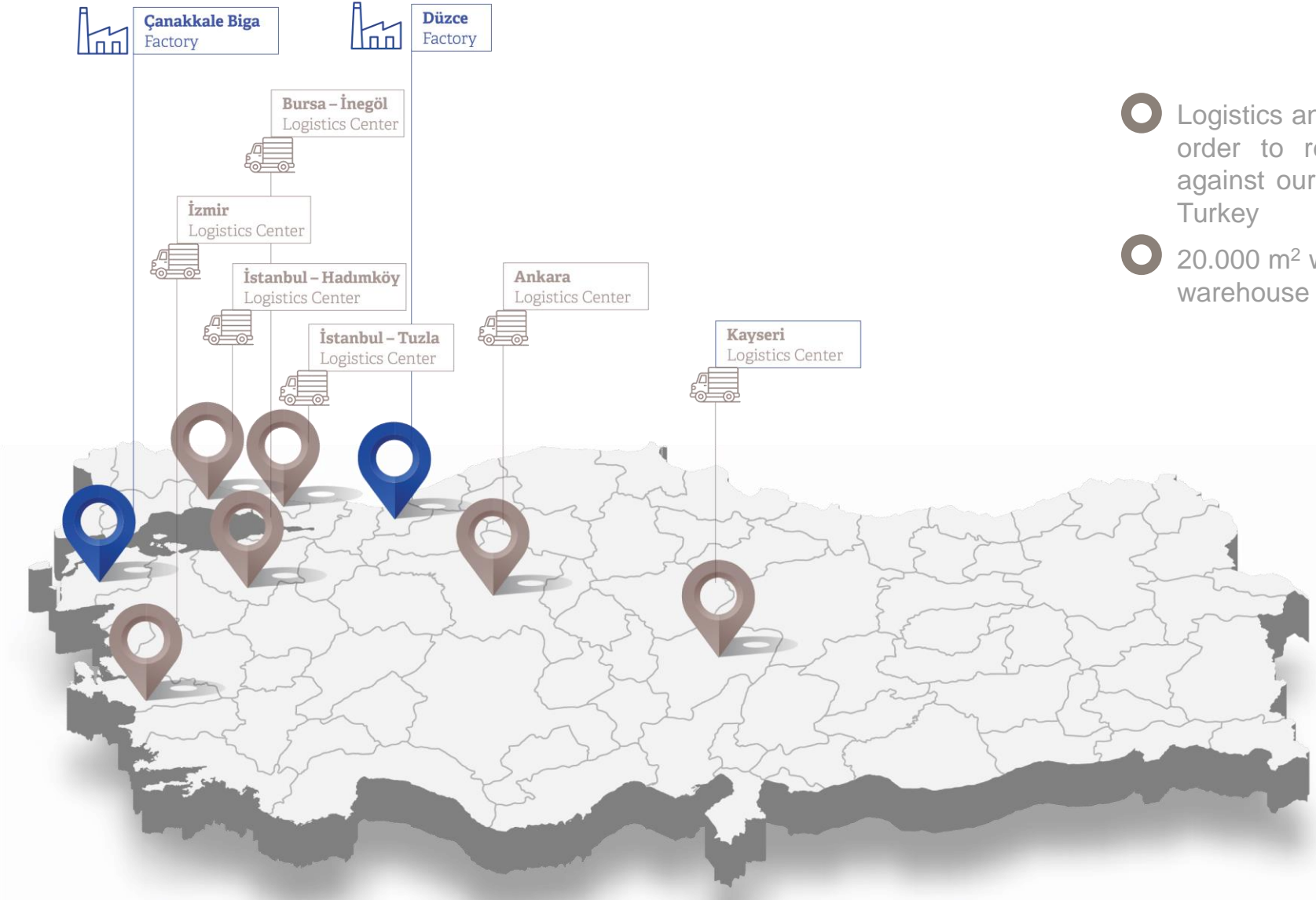
Total Area	52.800 m ²
Closed Area	10.000 m ²
Warehouse Area	25.000 m ²

Production Capacity

Panel	220.000 m ² /year
Upholstery	15.000 pieces /year
Bedding	25.000 pieces /year

Ecowas: Economic Community of West African States

Flexible Production Model



- Logistics and operation centers in 6 center in Turkey in order to reduce our logistics and operation costs against our widespread seller and supplier network in Turkey
- 20.000 m² warehouse area in Biga and 25.000 m² warehouse area in Düzce



Investment Highlights



Growing furniture market and changing market dynamics



Wide product segment / brand portfolio and growing sales network



Solid infrastructure that will ensure sustainable growth



Profitability focused growth strategy



Strong financial structure



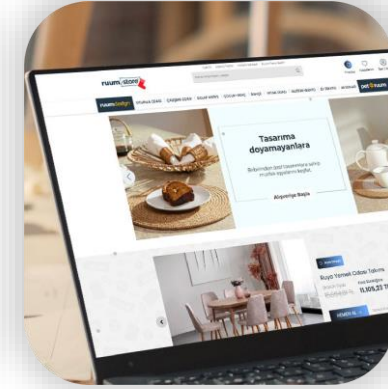
51 years brand



88 years brand



7 years brand



5 years brand



1 years brand

DOĞTAŞ

 **Kelebek**

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MUTFAK - BANYO

lova
yatak

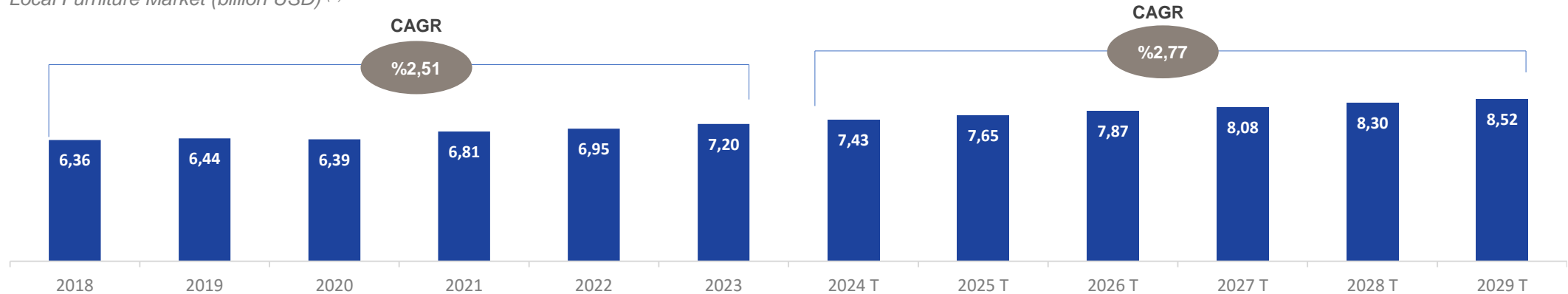
ruumstore

BİGA
HOME

Growing Furniture Market and Changing Market Dynamics-Türkiye

Local furniture demand with a CAGR of 2.77% between 2024E-2029E

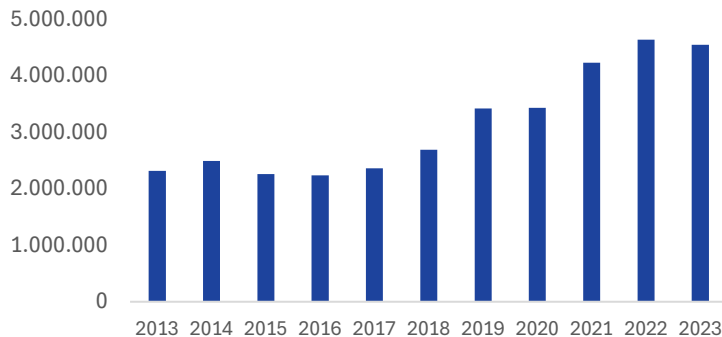
Local Furniture Market (billion USD) ⁽¹⁾



- Between 2024 - 2029, the Turkish furniture market is expected to grow more than the previous period and reach 8.52 billion USD in 2029. The main growth factors are; * Post-earthquake construction throughout Turkey and the acceleration of construction with Urban Transformation projects, * Transition from inorganized, local and small enterprises to branded large enterprises, * Access to raw material resources and financing, * Price advantage with industrial production and efficiency studies

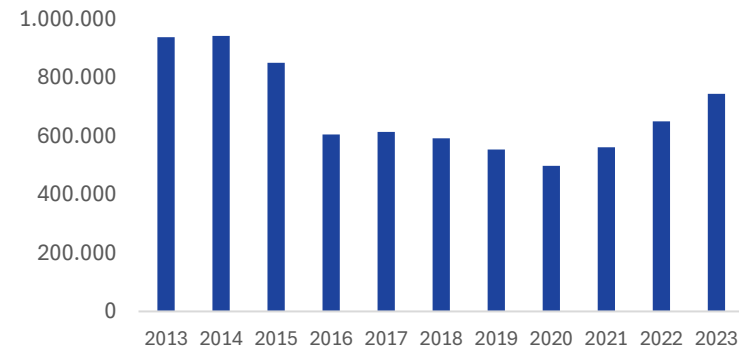
Türkiye furniture exports with 7.38% CAGR between 2019-2023

Furniture Export (thousand USD) ⁽²⁾



Furniture imports by years

Furniture Import (thousand USD) ⁽²⁾

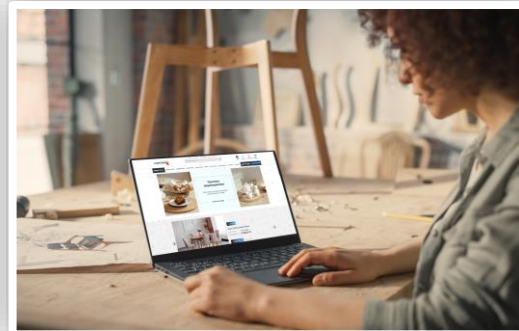


(1) Statista (2) Trademap

Wide Product Segment / Brand Portfolio and Growing Sales Network

○ The Only Address for Home Furniture

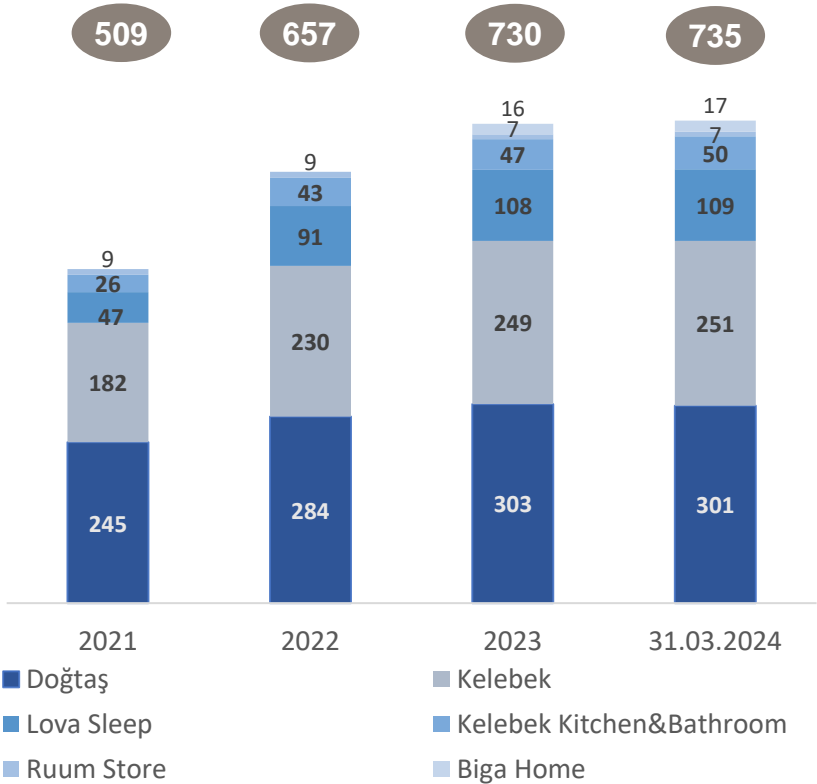
- A wide range of products at **affordable prices** with best-in-class designs
- Potential to penetrate the market more and faster with a **multi-brand strategy**
- The collection is constantly renewed in line with customer opinions received from **753 sales points**
- **Fully comprehensive product portfolio:** Living room, dining room, bedroom, kitchen, bed, bed base. Accessories, lighting, decorative products in the Home category, garden furniture in the Garden category, home textiles in the sleep category.



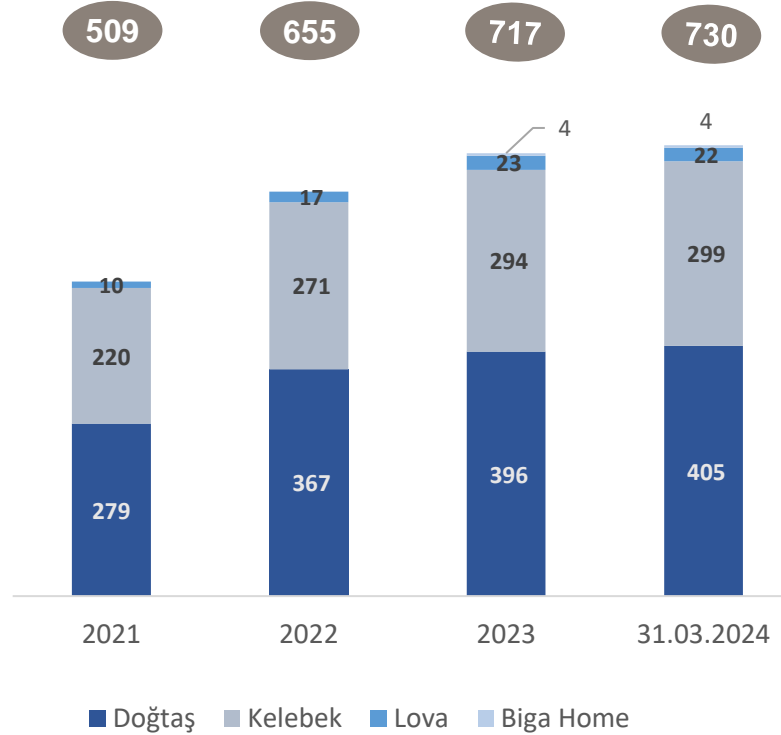


Wide Product Segment / Brand Portfolio and Growing Sales Network

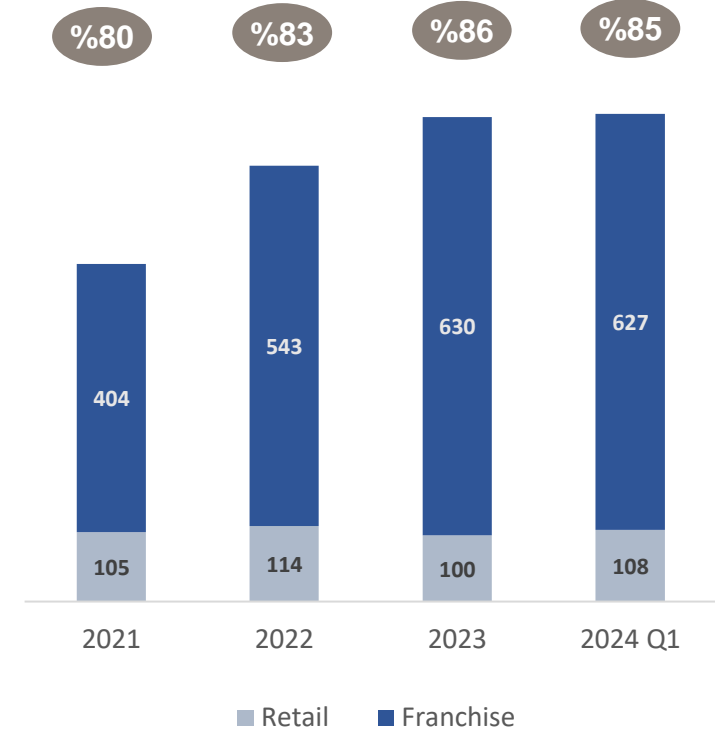
31.03.2024 Total Number of Stores*



31.03.2024 Sales Area (thousand m2)



2024/Q1 Share of Franchise in Sales Points (%)

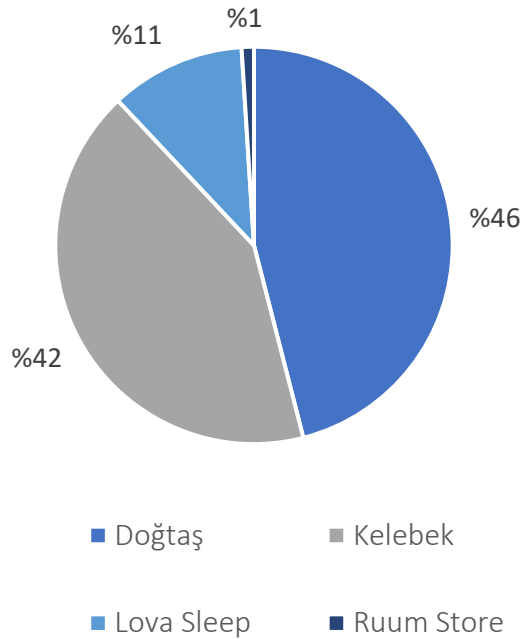


* As of 30.05.2024, the number of stores reached 753.

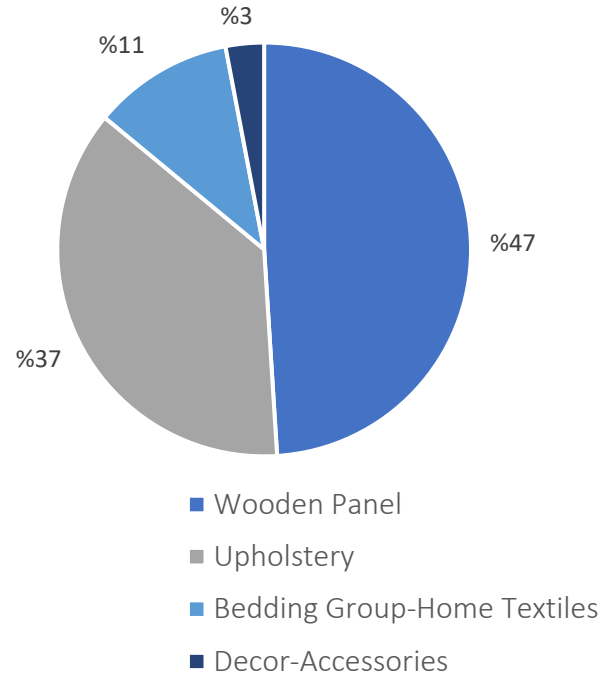


Wide product segment / brand portfolio and growing sales network

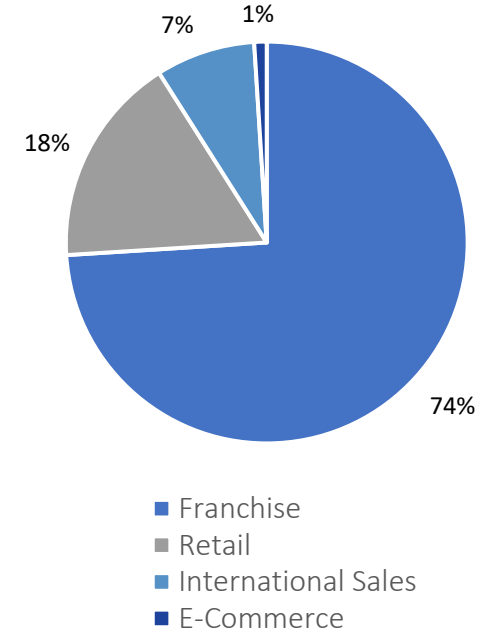
Sales by Brand (2024/Q1)



Sales by Product Group (2024/Q1)



Sales by Channel (2024/Q1)

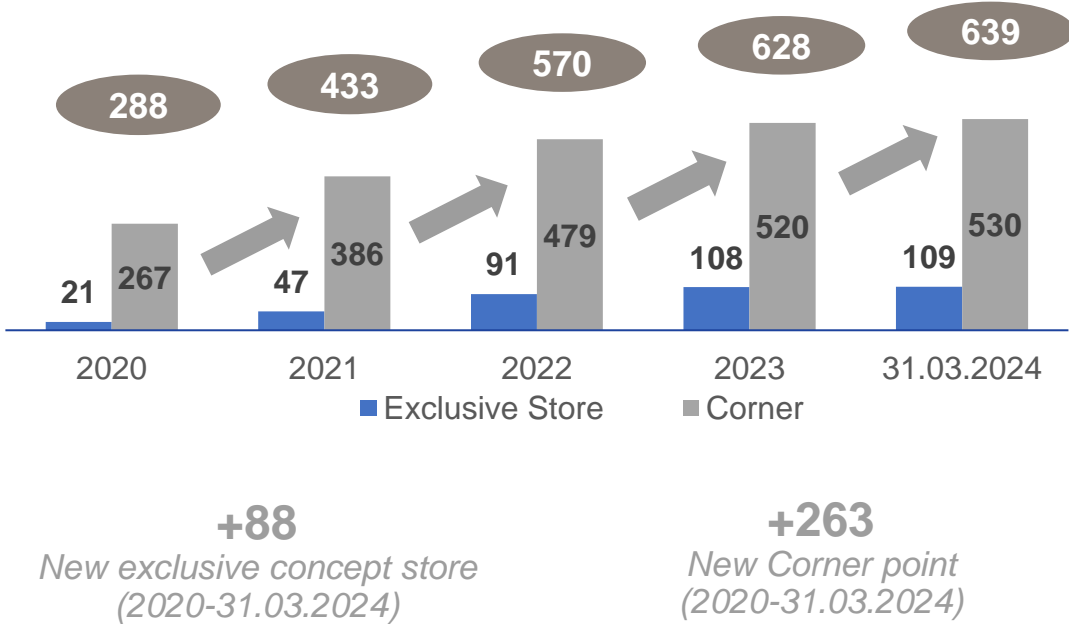




A Strong Brand and Expanding Product Range: Lova Sleep

Developed with a focus on sleep comfort and quality, Lova Bedding introduced dynamic sleep features to its users in 2017. With Lova Mattress, we aim to steadily increase our share in the market and total sales.

Lova Sales Points Development





Growing Sales Opportunities

Sales Channels



- ✓ E-commerce transaction volume corresponds to ~5% of our sales (including dealer deliveries).
- ✓ We carry out online sales on **Amazon, Wayfair and Etsy** sites in countries such as **America, Cyprus and England** where we have offices abroad..
- ✓ As **Ruumstore**, we aim to reach all living spaces related to home by making active sales in all channels. We take place in **Koçtaş, Bim, A101, Migros and Şok** stores with our **Ruumstore** branded sales.
- ✓ **Corporate Tender Projects:** Agreement with one of the Public Institutions and Organisations affiliated to the Republic of Turkey on the production of Furniture Group, Bedding and Textile product groups; Residential and commercial projects at home and projects we have signed and produced abroad in the Middle East and Turkic Republics



International Markets

Significant growth target in international markets!

Subsidiaries Established Abroad Since 2021

- TRNC(Doğtaş)
- Senegal (Biga Home and Doğtaş)
- USA (Doğtaş)
- United Kingdom (Kelebek)

Online Portals other than Retail Sales Channel & Projected Works & Sales to Chain Stores

+38
New Sales Point
(2021-31.03.2024)

+~25
New Sales Point Target
(2024)



31.03.2024 Sales Points

DOĞTAŞ®

55

Kelebek

22

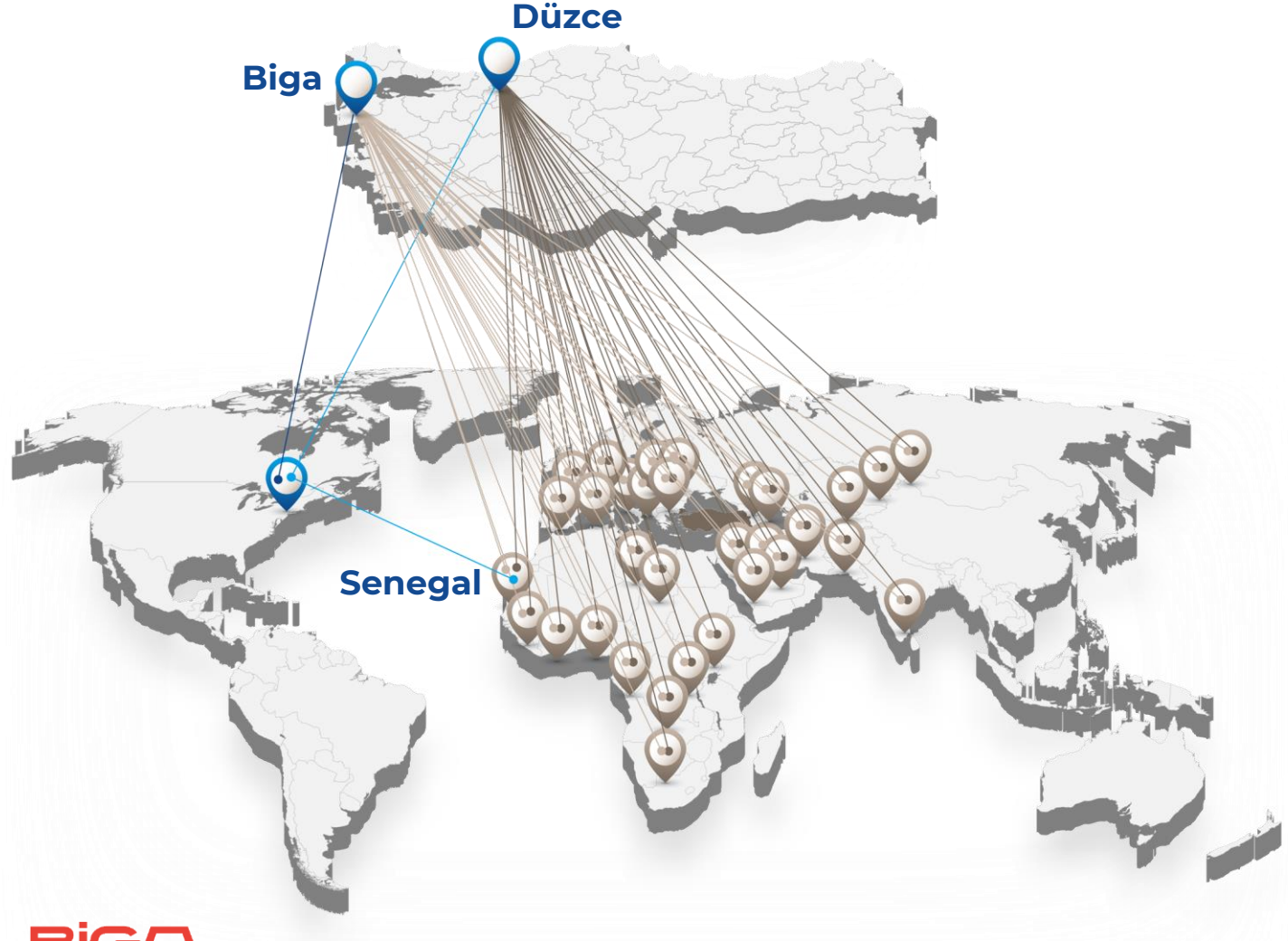
77
Corner*

room/store

7

BiGA
HOME

17

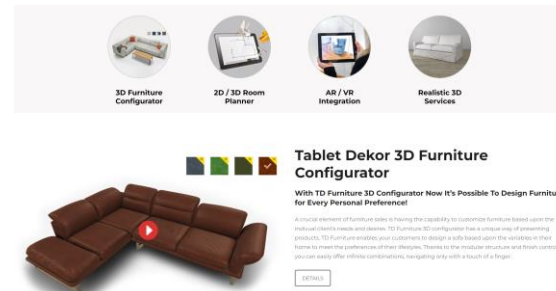
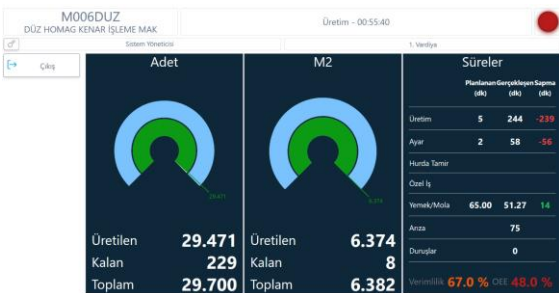


* The number of Lova Yatak corners in Doğtaş and Kelebek sales points.

Solid Infrastructure That Will Ensure Sustainable Growth-Digital Transformation

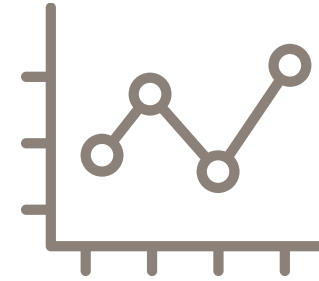
Our ongoing projects within the scope of our Digital Transformation strategy;

- The transformation project of SAP ERP and CRM systems to SAP RISE Cloud system continues.
- With our Full Time Delivery Project, we are improving our customers' orders and stock planning processes.
- With our Robotic Process Automation (RPA) Projects, our processes are carried out automatically in digital environment.
- Retail Store and Dealer quick sales tablet / mobile application project.
- With the Customer Lifecycle and Multi-channel integration project, we determine customer needs supported by artificial intelligence.
- MES Production data collection and IOT / SCADA Projects are ongoing.
- We digitalise our Production and Logistics processes with RFID Smart Barcode Technologies.
- We improve our delivery processes by moving Kelebek Kitchen customer orders to end-to-end digital platforms.






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MOBİLYA GRUBU

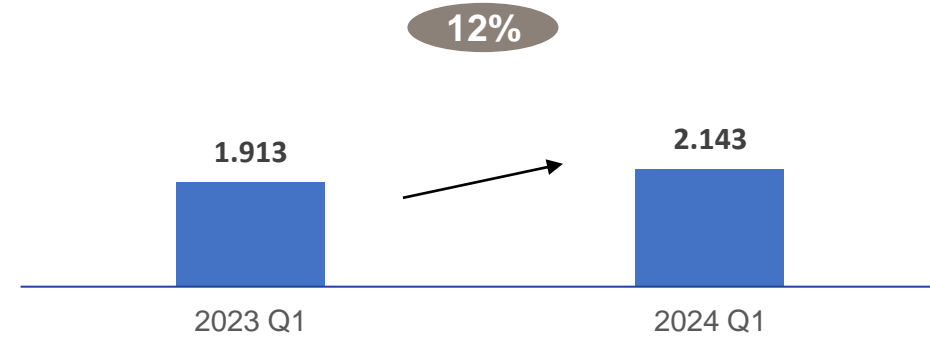
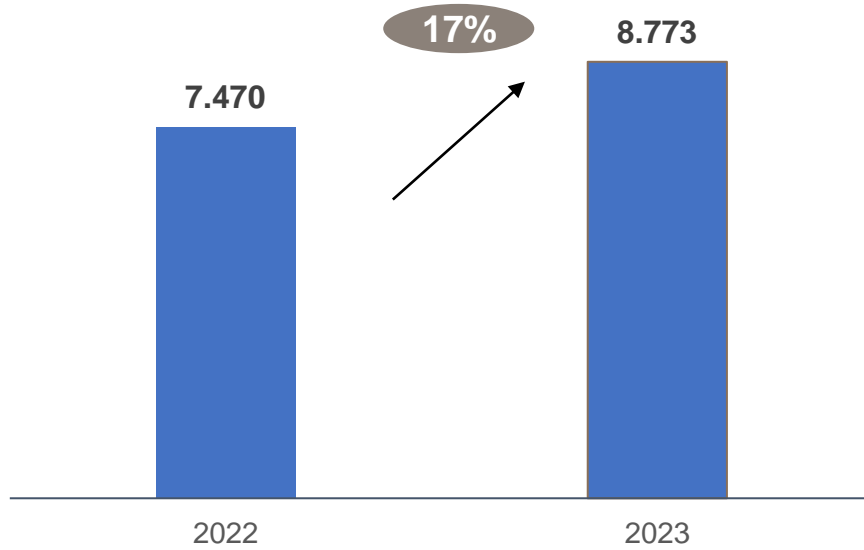


Financial Results



Net Sales

- Net Sales (million TL) & Net Sales Growth (%)
Including TAS-29 Inflation Adjustments

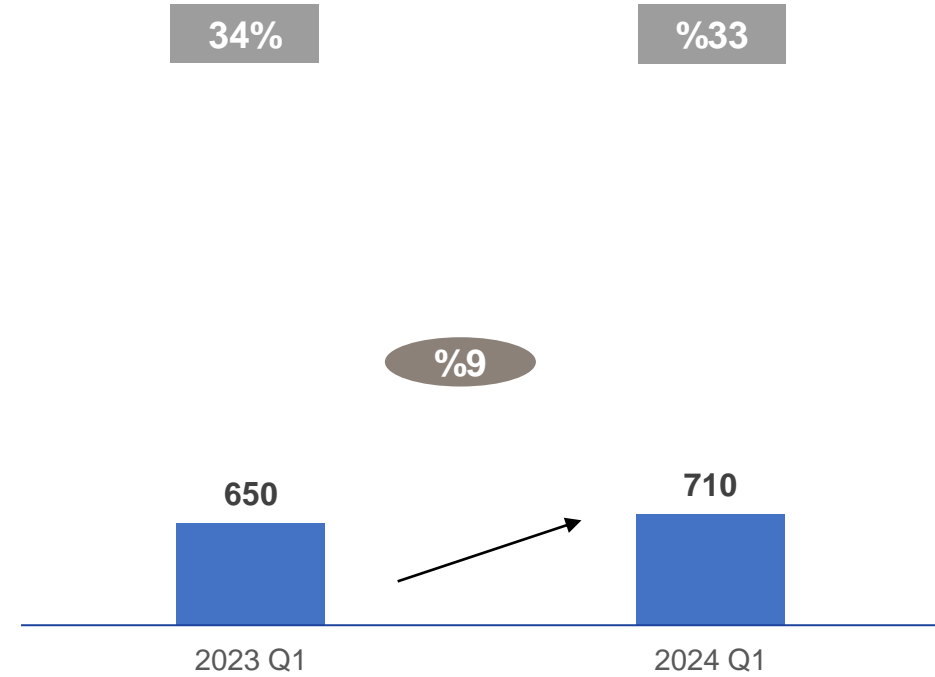
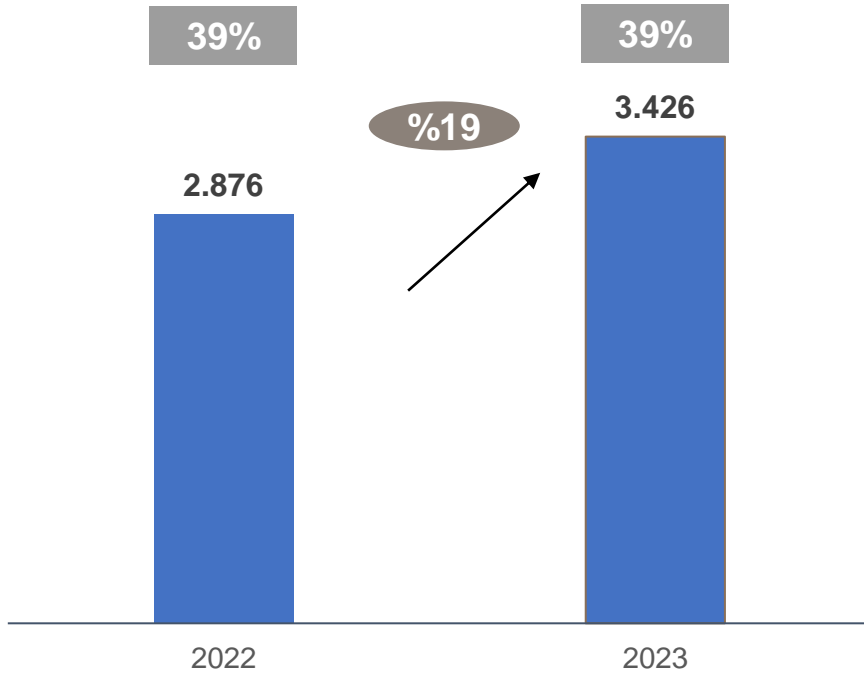


- 2024/Q1 Share of International Sales: 7%



Gross Profit

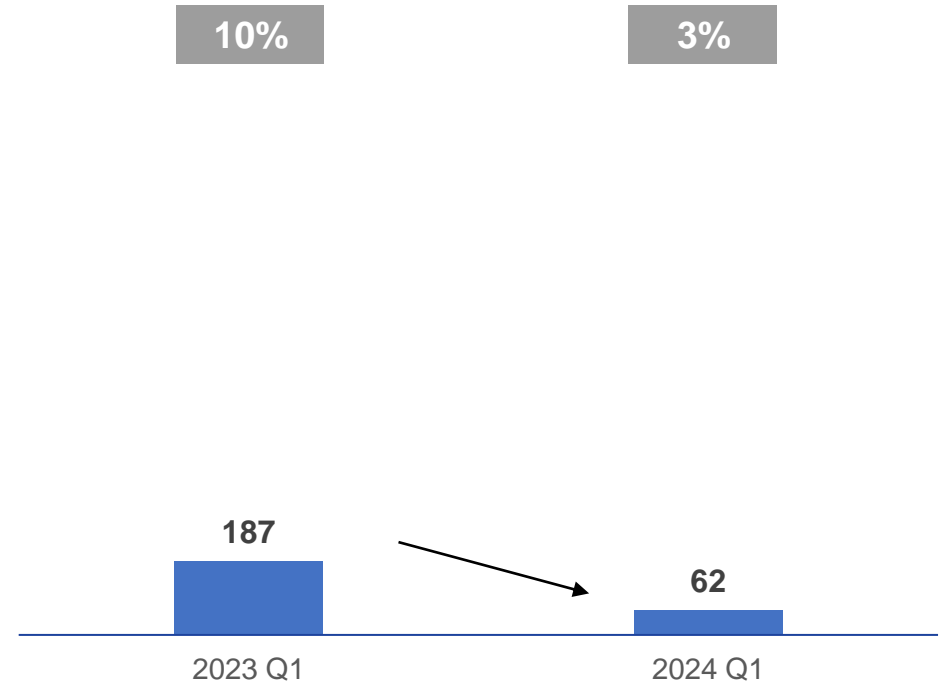
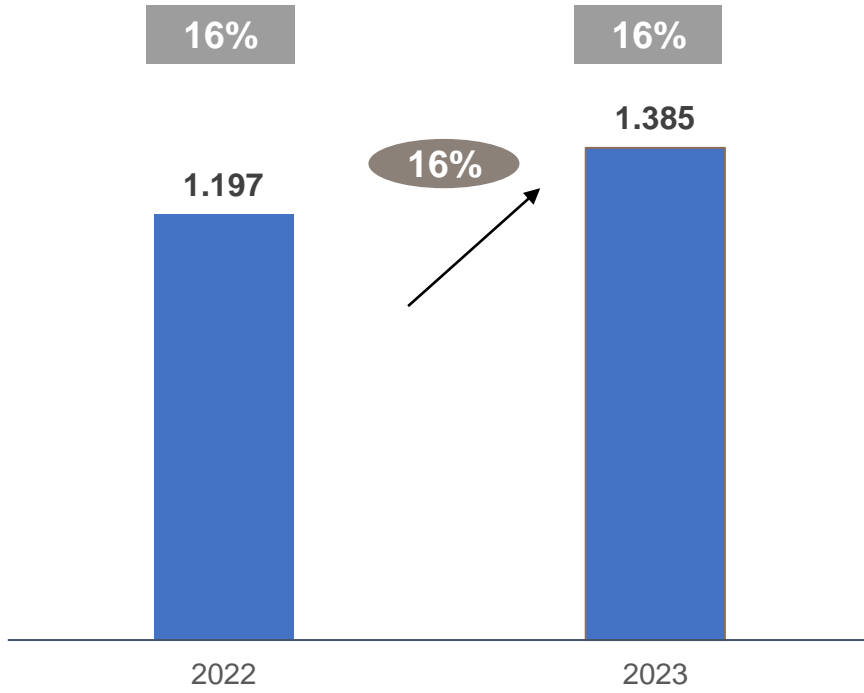
○ Gross Profit (million TL) & Gross Profit Growth (%)
Including TAS-29 Inflation Adjustments





EBITDA

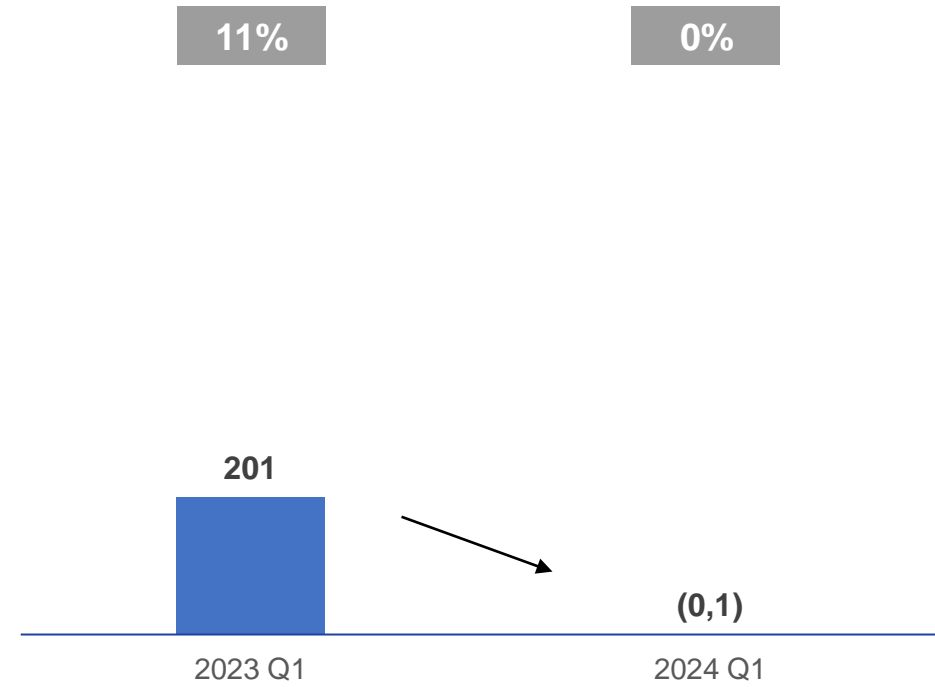
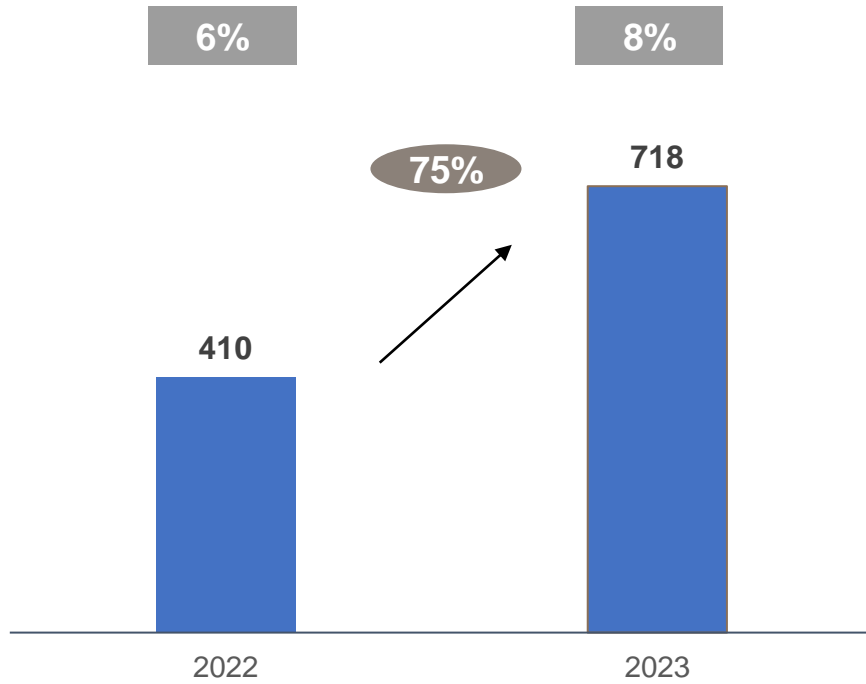
○ EBITDA(million TL) & EBITDA Growth (%)
Including TAS-29 Inflation Adjustments





Net Profit

○ Net Profit - Attributable to Parent Company (TL million) & Net Profit Growth (%)
Including TAS-29 Inflation Adjustments





Financial Debt

Net Financial Debt (thousand TRY) – (Including TAS-29 Inflation Adjustments)

Thousand TRY	31.03.2023	31.03.2024
Short-Term Indebtedness	1.717.713	1.756.853
Bank Loans	184.322	603.234
Financial Leasing Debts	52.280	40.329
Leasing Debts	125.722	133.631
Short-term Portion of Long Term Bank Loans	1.355.388	979.748
Long-Term Indebtedness	821.490	631.932
Bank Loans	490.891	292.619
Financial Leasing Debts	7.994	1.990
Leasing Debts	403.605	337.323
Total Finansal Indebtedness (Including IFRS-16 Financial Debts)	2.539.203	2.388.875
Cash and Cash Equivalents	366.366	240.374
Net Financial Debt (Including IFRS-16 Financial Debts)	2.172.837	2.148.411



Summary Financials - Balance Sheet

Including TAS-29 Inflation Adjustments

TRY	31.12.2023	31.03.2024
Assets	8.474.264.564	8.308.396.044
Cash and Cash Equivalents	366.365.583	240.373.617
Financial Investments	290.995.159	499.355
Trade Receivables	1.133.633.863	1.073.083.155
Stocks	1.789.032.301	1.981.166.307
Prepaid expenses	440.834.473	594.257.378
Others	33.586.399	37.426.921
Current Assets	4.054.447.778	3.926.806.733
Prepaid expenses	3.117.026.579	3.106.256.744
Intangible Assets	265.329.002	262.700.387
Right-of-Use Assets	867.650.693	820.577.950
Others	169.810.512	192.054.230
Fixed Assets	4.419.816.786	4.381.589.311
Total Assets & Equity	8.474.264.564	8.290.396.044
Short -Term Borrowings	362.324.870	777.194.893
Trade Payables	1.962.059.200	1.726.888.035
Deffered Income	848.711.082	1.064.107.211
Provisions & Other Current Liabilities	76.907.367	75.033.463
Current Income Tax Liability	52.821.212	-
Short Term Liabilities	4.878.234.772	4.848.594.214
Long Term Liabilities	821.490.145	631.931.634
Provisions & Other Long Term Liabilities	67.931.544	90.800.378
Deferred Tax Liability	179.996.358	207.495.562
Long Term Liabilities	1.069.418.047	930.227.574
Equity	2.526.611.745	2.511.574.256

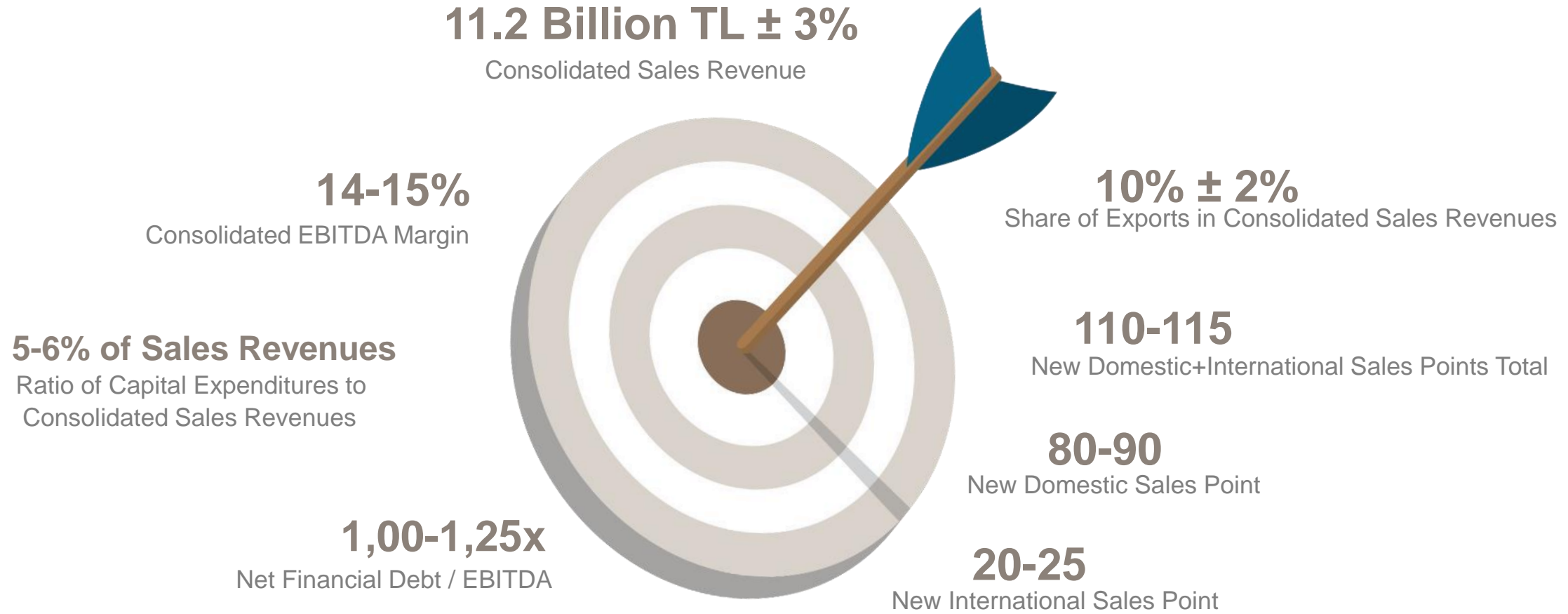
Summary Financials - Income Statement

Including TAS-29 Inflation Adjustments

TRY	31.03.23	31.03.24
Revenue	1.912.880.598	2.142.677.072
Cost of Sales	(1.263.147.820)	(1.432.639.031)
Gross Profit	649.732.778	710.038.041
Operational Expenses	(581.290.433)	(865.906.320)
Other Net Operating Income	24.612.618	219.950.278
Operating Profit / (Loss)	93.054.963	64.081.999
Income from Investment Activities	4.931.629	17.602.790
Operating Profit Before Financing	97.986.592	81.684.789
Financing Income/Expense (Net)	(94.823.902)	(314.744.806)
Net monetary position gains (losses)	309.301.795	290.904.438
EBIT	312.464.485	57.844.421
Tax Income / (Expense)	(112.573.472)	(58.030.522)
Net Profit / (Loss) for the Period	199.891.013	(186.101)
Net Profit/(Loss) of the Parent Shares for the Period	201.100.193	(179.474)
EBITDA	187.057.232	61.528.474
<i>Gross Profit Margin</i>	34%	33%
<i>EBITDA Margin</i>	10%	3%
<i>Net Profit Margin</i>	11%	0%



2024 - Guidance*



* These are the Guidance for 2024 announced on Public Disclosure Platform on January 22, 2024.

* Guidance for 2024 are given without taking into account the potential impacts that may arise from the implementation of TAS 29 (Financial Reporting in High-Inflation Economies).



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