



**Y** YÜNSA  
CREATION OF FABRICS  
— 50 *Years* —

**INVESTOR PRESENTATION**  
**August 2023**

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01

SNAPSHOT OF  
WORSTED  
WOOL FABRIC

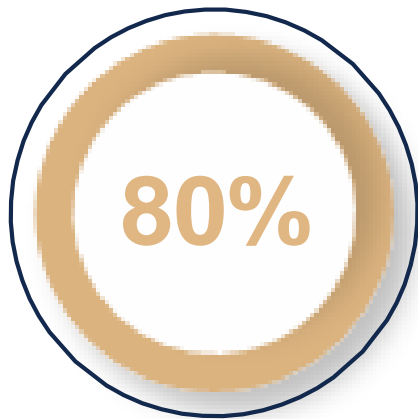
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# ORIGINS OF RAW MATERIAL

## AUSTRALIA'S SHARE IN GLOBAL WOOL SUPPLY



Australian merino wool is natural and renewable – one of the finest and softest fibers in the world!



# PRODUCTION OF WOOL FABRIC

1

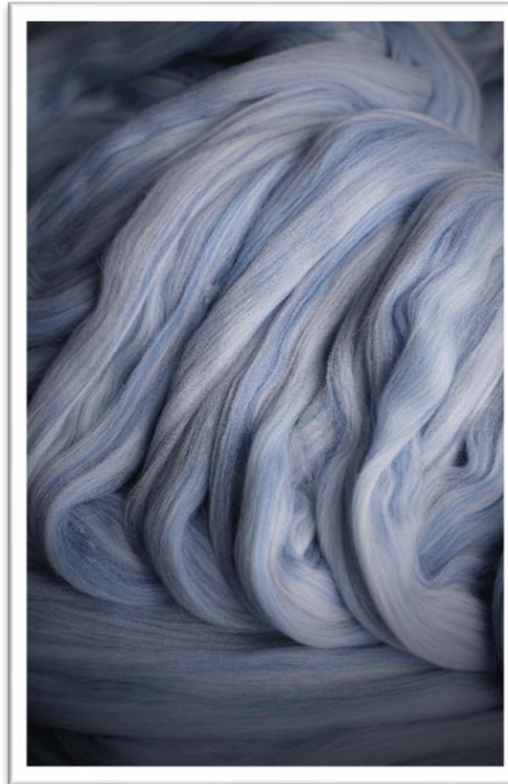
Australian wool is transported to China, where it is processed to become the raw material for the filaments used in fabric production

2

Greasy raw wool is transformed into a continuous grouping of twistless fiber called 'top'

3

Wool tops are delivered to the whole world from China



4

The wool fiber is drawn out and twisted together to create yarn (spinning)

5

Yarn is converted into fabric by weaving

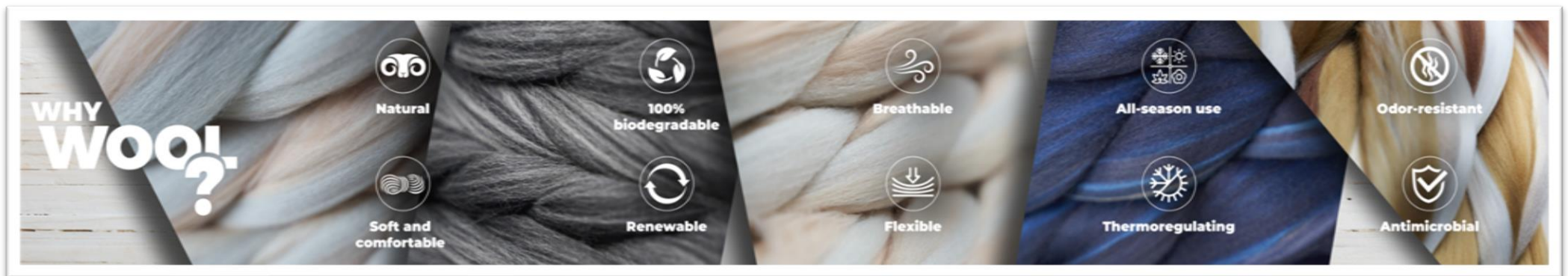
6

Fabric finishing reduces or eliminates shrinkage, improves the appearance and feel of the fabric



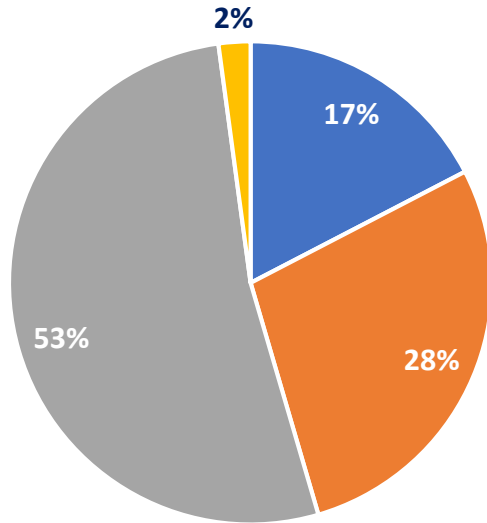
# BENEFITS OF WOOL FABRIC

- Most absorbent fibers of all – suitable for all seasons
- «Breathes» by wicking away moisture from the body
- Cleans easily because dirt sits on the surface of the fiber
- Durable. Properly cared for, it lasts a very long time, making wool fabrics a good investment
- Resists wrinkles. Wool has a natural crimp making it the most resilient fiber
- Naturally flame retardant
- Resists tearing and can bend back on itself 20,000 times without breaking. Cotton breaks after 3,200 bends, silk after 1,800 bends and rayon after 75



# WOOLEN FABRIC MARKET

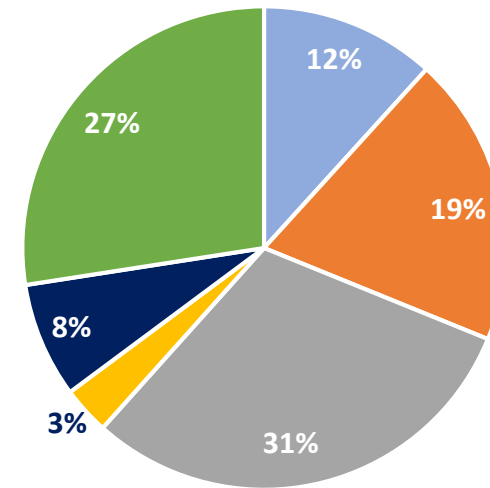
## GLOBAL WORSTED FABRIC CONSUMPTION (USD 3.5 Billion)



■ North America ■ Europe ■ Asia Pacific ■ MEA

China and India remains the top woolen fabric producers despite a gradual decrease in its share in recent years.

## EUROPEAN WORSTED FABRIC CONSUMPTION (USD 1.0 Billion)



■ Germany ■ UK ■ Italy ■ Spain ■ Türkiye ■ RoE

In Europe, Italy has the largest share. European market is mainly focused on high-segment wool fabrics. Türkiye supplies 8% of the European market. (Yünsa share ~ 6%)

\*Global Worsted Fabric Professional Survey Report 2022, Forecast to 2027 by WKI Market Research Center



02

YÜNSA  
AT A GLANCE

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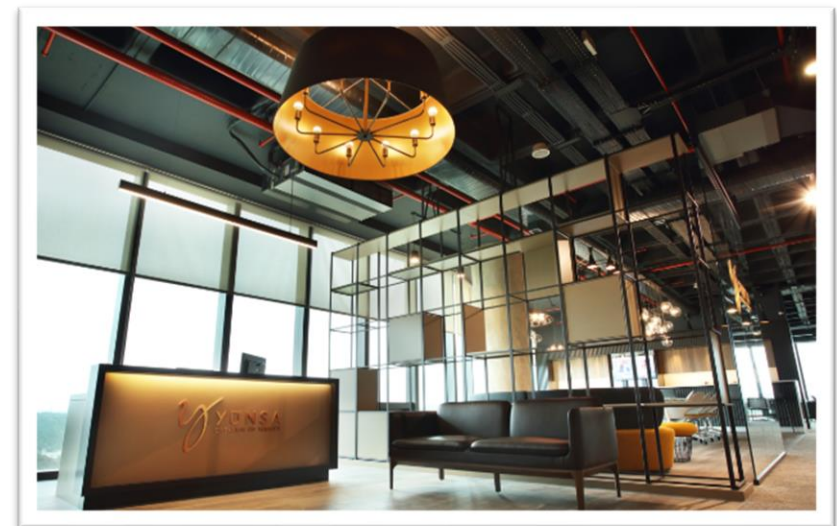


# ABOUT YÜNSA



- A large proportion of woven fabric composed of 100% wool fabric, as well as wool cashmere, cashmere-silk, lycra, cotton and linen blend fabrics are manufactured.
- Yünsa recorded TRY 1,280 million of net sales in 2022.
- The Company exports nearly two-thirds of its production to more than 50+ countries around the World.

- Established in 1973, Yünsa ranks among the world's top five producers of worsted fabric, with its sales and operational excellence, flexibility and innovation in production, cost reduction oriented approach, vision and its experience in industry.
- Yünsa is Türkiye's and Europe's largest integrated worsted wool fabric producer.



# GLOBAL PRESENCE

1047

EMPLOYEES

50+

EXPORT MARKETS



**SALES OFFICES**

USA, Germany, UK



**AGENCIES**

USA, France, Italy, Japan,  
South Korea, China



**HEAD OFFICE**

Istanbul - Türkiye



**MILL**

Çerkezköy - Türkiye



**DESIGN OFFICES**

Italy and  
Çerkezköy - Türkiye



# YÜNSA CUSTOMERS - GLOBAL BRANDS

**400+**  
CUSTOMERS

RALPH LAUREN BOSS HUGO BOSS **maje** ZARA MANGO COS  
PARIS

MaxMara DIGEL Theory Calvin Klein BESTSELLER\* ASOS discover fashion online  
EXPRESS pierre cardin Massimo Dutti s.Oliver  
SANDRO Paul Smith windsor. next  
HACKETT LONDON Cacharel D'S damat DIESEL H&M JOOP!  
OSCAR JACOBSON  
Filippa K **strellson** The Kooples VAKKO Kiğili 1938 MARKS & SPENCER

# MILESTONES

**1973**

**Yünsa was established**

**1976**

Production commenced

**1989**

Çerkezköy Design Office opened

**1990**

**Yünsa's first IPO**

**1998**

Womenswear fabric production commenced

**2002**

Italy Design Office opened

**2003**

Upholstery fabric production commenced

**2005**

Corporatewear fabric production commenced

**2007**

Yünsa UK Office opened

**2008**

Yünsa USA Office opened

**2009**

Yünsa Germany Office opened

**2010**

Yünsa R&D Center opened

**2019**

**Yünsa was acquired by Sürmegöz Tekstil**

**2020**

Yünsa won KalDer 'Kaizen of the year' award

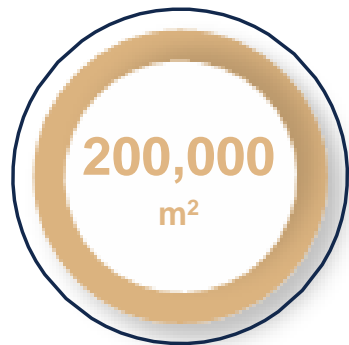
**2021**

First textile company to receive TPM Excellence Award in Türkiye



# PRODUCTION CAPACITY

## PRODUCTION FACILITY



## FABRIC PRODUCTION



## WORSTED YARN PRODUCTION



## SPINNING



## WEAVING



## DYEING & FINISHING



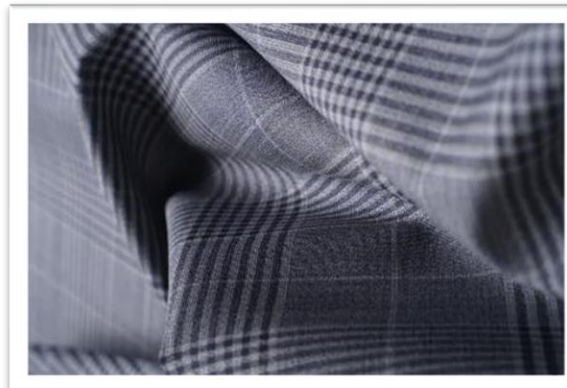
Yünsa is Europe's **biggest** integrated worsted wool fabric producer and ranks among the **world's top five** producers of worsted fabric

# PRODUCT LINE

## PREMIUM FABRICS



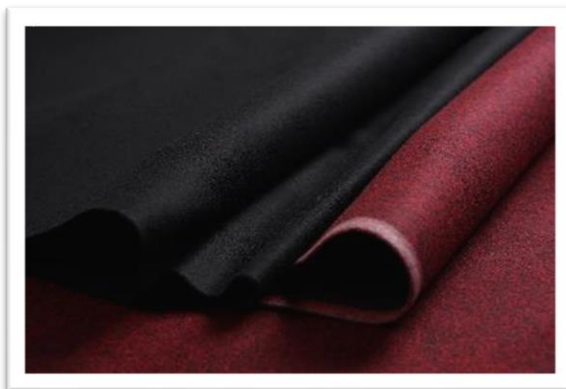
## MENSWEAR FABRIC



## LADIESWEAR FABRIC



## UPHOLSTERY FABRICS



## Diverse Product Range Trend-Setting Designs

Yünsa produces high-end wool and wool-blend fabrics for suits, jackets, uniforms and tailoring.

## CORPORATE FABRICS





# COMPETITIVE ADVANTAGES







03

STRATEGIC  
INITIATIVES

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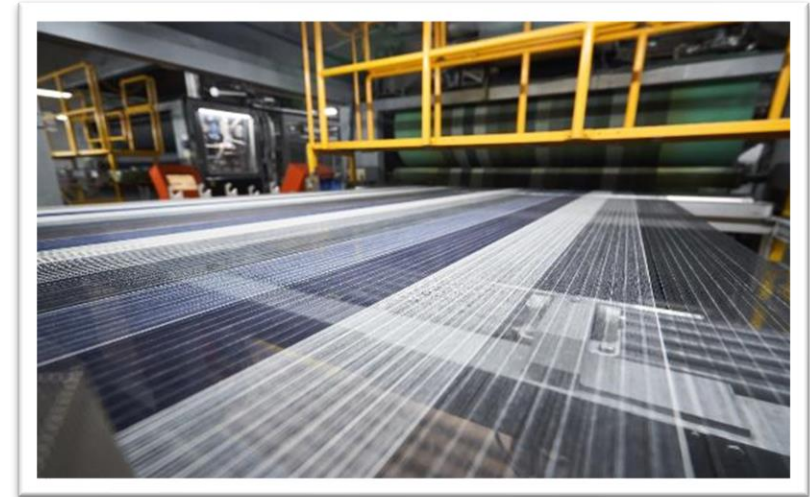
# STRATEGIC PILLARS



Our strategy is based on a business model capitalizing on Yünsa's existing strengths and capabilities as well as adapting ourselves to the changes in demand, industry & environment

# REINFORCEMENT OF CORE BUSINESS

- Investment on new technologies and equipment
- Product Rationalizing: Concentrated product range
- Development of trend-setting collections responding consumer needs and expectations



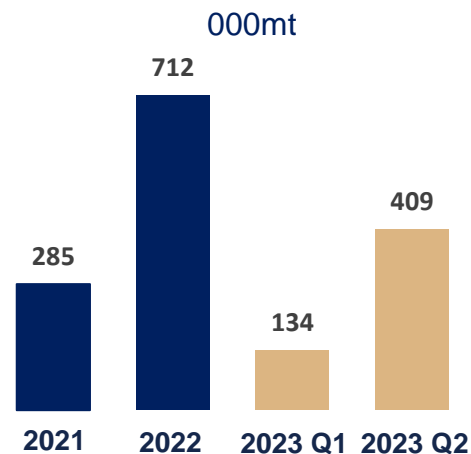
- Pricing Strategy: Offering the right product at the right price, to the right customer
- Premium Collection: Reaching to customers from higher segments, opening new horizons
- CRM Project: Outlining customer satisfaction by increasing the Voice of Customer



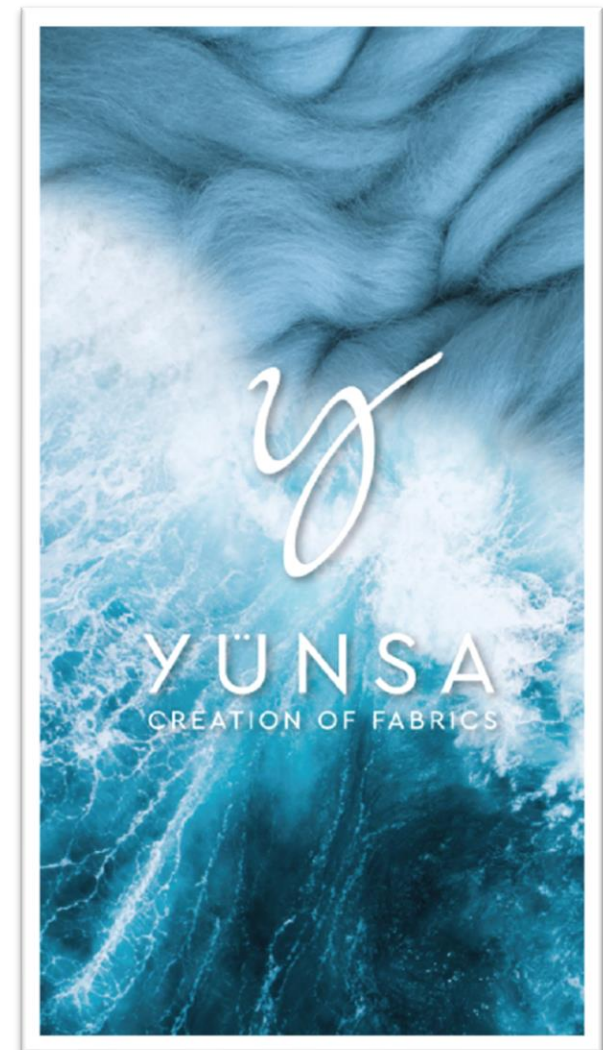
# COMMITMENT TO SUSTAINABILITY

- Sustainable fashion is one of the main trends in almost every market – except Far East.
  - Global brands like H&M, Hugo Boss, Holly Fashion Group (Strellson, Joop, Windsor) have disclosed 2 to 5-year plans and commitments
- Eco-friendly and responsible production processes
- Traceability of raw-material and supply-chain through certifications
- Development of sustainable product collections
  - In 2023 Q2, 18% of Yünsa's sales were in the scope of sustainability.

**Sustainable Product Sales**

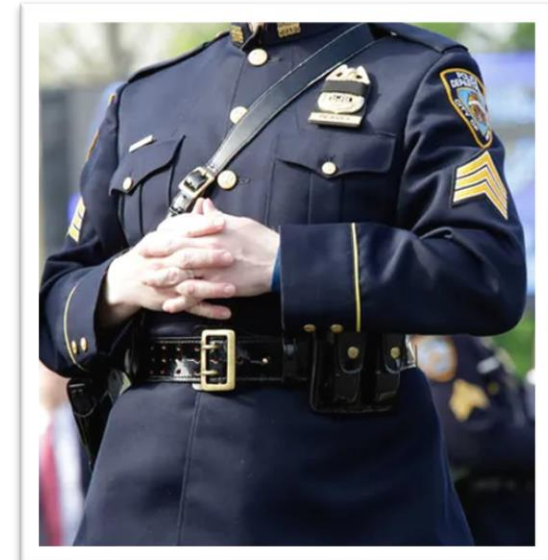


Higher sales price, higher profitability



# ALTERNATIVE BUSINESS OPPORTUNITIES

- Besides fabric production, Yünsa has further growth potential in wool worsted yarn markets thanks to its integrated production capability
- Due to global supply chain crisis and disruption of supply from Far East , Turkey gained importance as a fabric supplier
- Areas of expertise are home textiles, office furniture, special projects like hospitals, movie theaters, airlines and transporters (upholstery fabrics)
- Presence in domestic and international tenders for defense industry (military & police uniforms)







04

KEY FIGURES &  
FINANCIALS

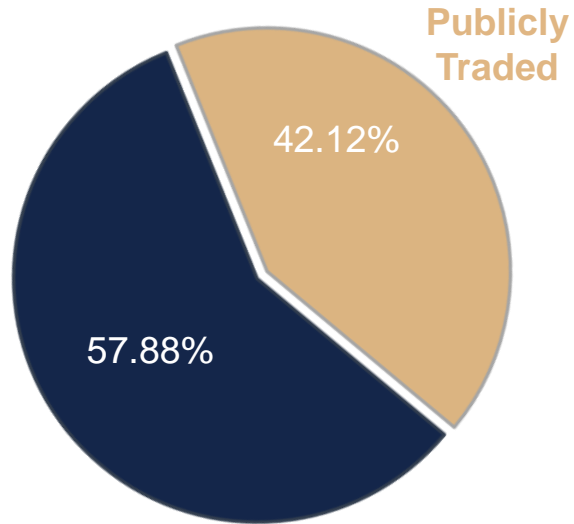
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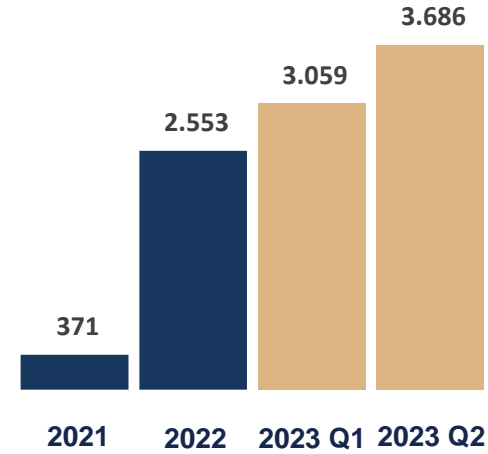
# SHAREHOLDING STRUCTURE

## SHAREHOLDER STRUCTURE



**Sürmegöz Tekstil Yatırım A.Ş.**

## MCAP (TRY million)

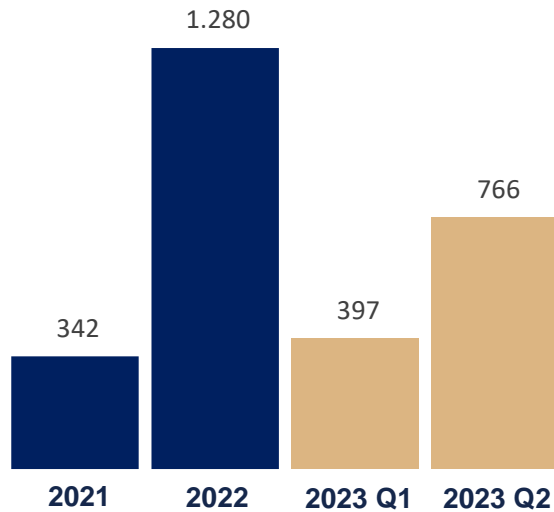


42,12% of Yünsa shares have been publicly traded on Istanbul Stock Exchange since 1990. The remaining shares were acquired from Sabancı Holding by Sürmegöz Tekstil Yatırım A.Ş. in November 2019.

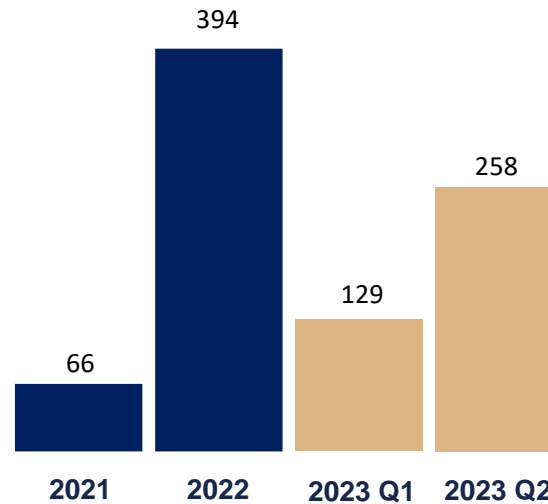


# KEY FIGURES & HIGHLIGHTS – 2023H1

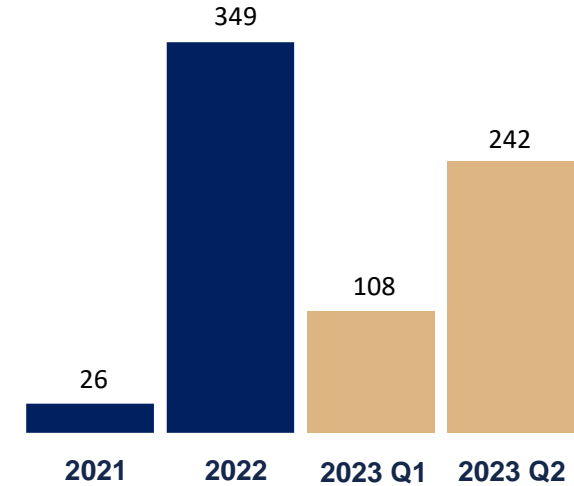
## NET SALES (TRY Million)



## EBITDA (TRY Million)



## NET PROFITS (TRY Million)



Yünsa continued to contribute significantly to the economic growth and industrial accumulation of our country this year as well.

Export income in 2022 was USD 38 million, in 2023 H1 export income has reached USD 22 Million.

Yünsa whose turnover was positively affected by both the collection it offers and the service & product quality provided to the customers, managed to increase its net profit by 108% in 2023 H1 compared to the previous year's same period and continued to add value to its stakeholders.

# BALANCE SHEET

TRY Million	31.12.21	31.12.22	Δ%	30.06.22	30.06.23	Δ%
<b>ASSETS</b>						
Current Assets	292,0	716,3	145%	622,8	971,6	56%
Cash and Cash Equivalents	21,8	164,9	656%	159,0	158,3	0%
Trade Receivables	100,9	257,2	155%	165,1	338,6	105%
Inventory	150,8	270,7	79%	276,5	431,5	56%
Other Current Assets	18,5	23,5	27%	22,1	43,2	95%
Non-Current Assets	99,9	219,1	119%	100,4	1.188,5	1083%
Tangible and Intangible Assets	71,2	130,9	84%	73,5	1.183,8	1512%
Other Assets	28,7	88,2	207%	27,0	4,7	(83%)
<b>Total Assets</b>	<b>391,9</b>	<b>935,4</b>	<b>139%</b>	<b>723,3</b>	<b>2.160,0</b>	<b>199%</b>
<b>LIABILITIES</b>						
Short-Term Liabilities	228,9	391,3	71%	427,4	609,7	43%
Financial Liabilities	115,9	56,5	(51%)	130,1	192,5	48%
Trade Payables	83,6	225,3	169%	216,6	292,5	35%
Other Short-Term Liabilities	29,3	109,5	273%	80,7	124,7	55%
Long-Term Liabilities	62,6	178,4	185%	117,5	224,3	91%
Shareholders' Equity	100,4	365,6	264%	178,4	1.326,1	643%
<b>Total Liabilities and Equity</b>	<b>391,9</b>	<b>935,4</b>	<b>139%</b>	<b>723,3</b>	<b>2.160,0</b>	<b>199%</b>



# INCOME STATEMENT

TRY Million	31.12.21	31.12.22	Δ%	30.06.22	30.06.23	Δ%
Sales Revenues (net)	341,5	1.280,0	275%	478,2	765,6	76%
Cost of Sales (-)	(240,1)	(791,5)	230%	(278,6)	(452,2)	90%
Gross Profit	101,5	488,4	381%	199,6	313,4	57%
General Administration expenses	(13,1)	(35,2)	169%	(17,0)	(19,1)	39%
Marketing, Sales and expenses	(25,1)	(78,9)	214%	(34,0)	(51,8)	87%
Research and Development Expenses	(2,8)	(3,5)	23%	(2,0)	(3,7)	101%
Impairment Loss on Trade Receivables	1,8	(0,3)	(117%)	(0,4)	0,1	(131%)
Other Operating Income	40,5	73,1	81%	38,9	106,0	160%
Other Operating Expenses (-)	(52,5)	(65,4)	25%	(29,4)	(98,9)	85%
Operating Profit	50,3	378,3	653%	155,7	246,0	62%
Income from Investment Activities	1,3	2,5		0,6	15,3	
EBITDA	65,6	393,7	500%	163,2	258,5	60%
EBITDA %	19,2%	30,8%		34,1%	33,8%	
Op. Profit Before Financial Expenses	51,6	380,8		156,3	261,2	
Financial Expenses (-)	(32,2)	(5,7)		(7,0)	24,0	
Profit Before Tax	19,3	375,1	1841%	149,3	285,2	80%
Operating Tax Income/(Expense)	7,1	(26,0)		(32,6)	(43,0)	
Net Profit	26,4	349,0	1222%	116,6	242,3	98%
Earnings Per Share	0,0091	0,1197		0,0400	0,0831	

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CONTACT  
INFORMATION

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# COMPANY ADDRESS AND CONTACTS

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## Semih Utku

Chief Financial Officer

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