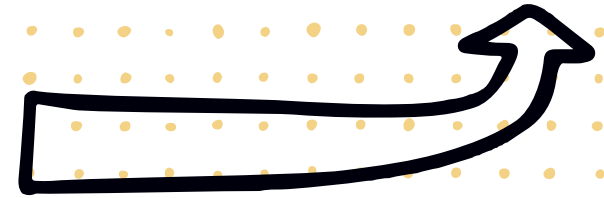
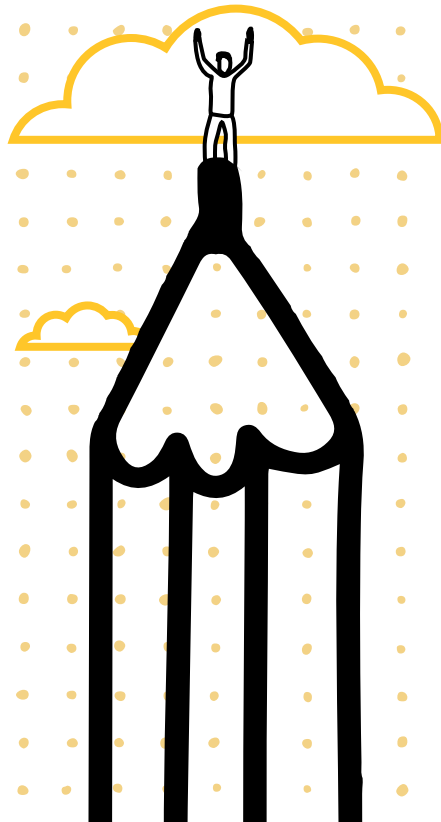


**Adel Kalemcilik  
Investor Presentation  
December 2023**



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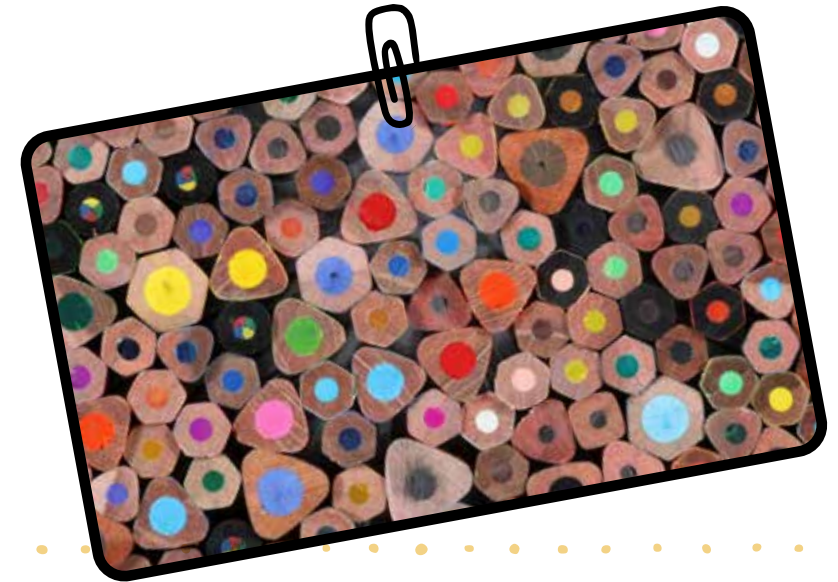
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# Company Overview



## About Adel



- Founded: 1969
- Turkey's biggest and most modern manufacturer of stationary & writing implements
- 1995: Anadolu Group - Faber-Castell joint venture
- 1996: İstanbul stock exchange (BIST) listing
- 2015: manufacturing operations relocated to new plant in Şekerpınar
- 2019: R&D center opened at Şekerpınar facility
- Member of national and international professional & business organizations

EXPORTS TO **+40**  
COUNTRIES

**~3.000**  
SKUs

**6** BRANDS

Adel stands out in its industry with over 50 years of experience and strong capabilities.



**~400**  
EMPLOYEES



# Shareholding Structure



- ✓ Founded in 1950
- ✓ Operations in 7 different business lines
- ✓ Operations in 20 countries
- ✓ 90 production facilities
- ✓ 100,000 employees
- ✓ 6 publicly-traded companies
- ✓ TL 375.6 billion turnover in 2023

Multinational, enterprising corporate group strengthened by partnerships with global brands

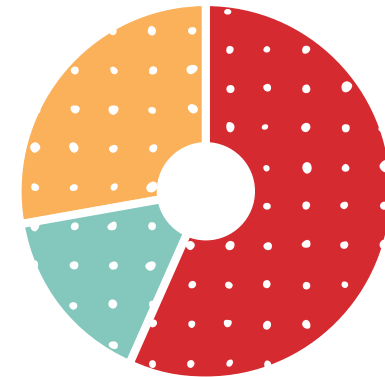


- ✓ Founded in 1761
- ✓ 6,500 employees
- ✓ Production facilities in 10 countries
- ✓ Sales offices in 22 countries
- ✓ Distributors in 120 countries

One of the oldest manufacturing companies in the world today. Credited with giving the pencil its present form.



- ✓ 27.71% of Adel Kalemcilik shares are publicly-traded



- 56.89% Anadolu Group
- 15.40% Faber-Castell
- 27.71% Publicly-traded

## Plant & R&D Center



- ✓ Manufactures a variety of product groups under a single roof
- ✓ Adel Kalemcilik product groups:
  - ⇒ Wood-cased pencils
  - ⇒ Art supplies
  - ⇒ Writing and drawing implements
- ✓ R&D center in operation since 2019
  - ⇒ About 250 new products developed every year
  - ⇒ Product development, cost improvement, localization
  - ⇒ Sustainability approaches

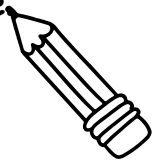


~1,000  
SKUs

36,000 m<sup>2</sup>  
PRODUCTION  
AREA

# Product Safety

We promise never to make or sell anything that we wouldn't let our own kids use.



40,000

PRODUCT SAFETY &  
QUALITY TESTS



## Local and international certifications:

- ⇒ ISO 9001 Quality Management System
- ⇒ ISO 27001 Information Security Management System
- ⇒ ISO 14001 Environmental Management System
- ⇒ ISO 45001 Occupational Health and Safety Management System
- ⇒ ISO 50001 Energy Management System
- ⇒ BSCI Business Social Compliance
- ⇒ Zero Waste
- ⇒ FSC ® Certificate
- ⇒ TSI Conformity Certificate

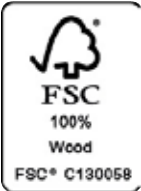


# Sustainability

We were delighted to publish our 2022 Sustainability Report at the beginning of 2024 because it gave us the opportunity to share our environmental, social, governance, and performance results with our stakeholders.



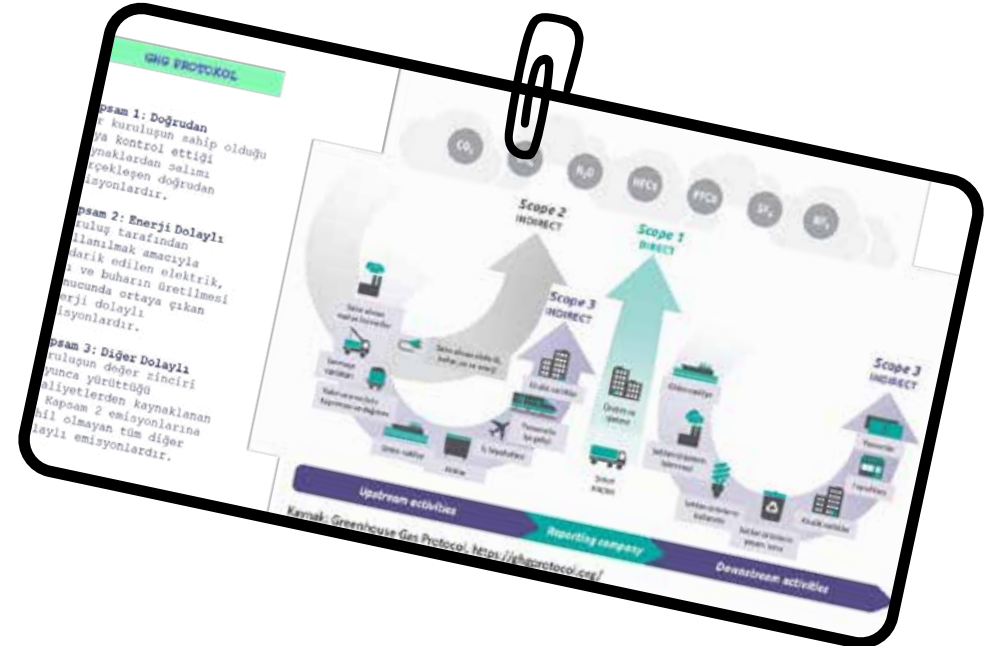
ADEL KALEMCİLİK GOODNESS TREE FOREST



ONLY TREES GROWN FOR INDUSTRIAL USE ARE HARVESTED AND USED IN PRODUCTION.

25%

RENEWABLE ENERGY RESOURCES





# Social Responsibility



- ✔ Contributes to children's intellectual development
- ✔ Helps children in need

- ✔ Adel Kalemcilik Goodness Tree Project: A legacy for future generations



WE CONTINUE  
TO COME TO THE AID OF  
EARTHQUAKE-IMPACTED AREAS

# Turkish Stationery Market & Adel Kalemcilik



# Turkish Stationery Market



## Estimated dimensions:

2022 | 2023  
~ TL 4.4 billion | ~ TL 8.2 billion

## Estimated numerical growth:

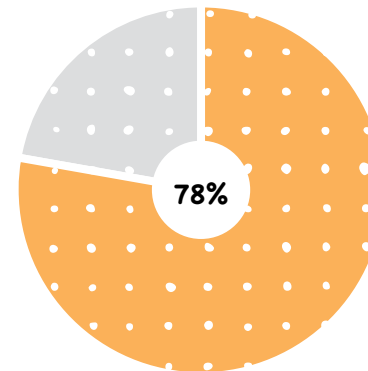
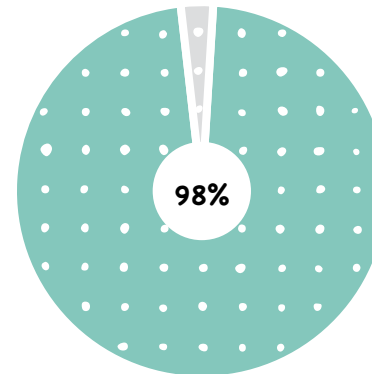
2022 | 2023  
~ 85% | ~ 85-90%

Adel Kalemçilik  
Market share

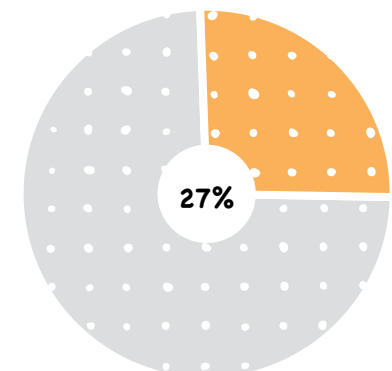
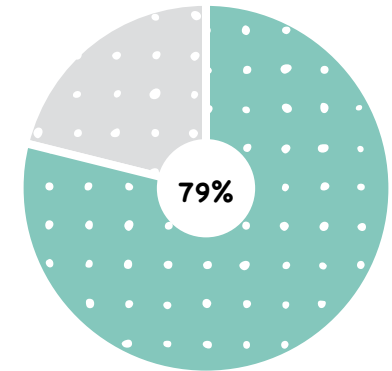
~ 25% - 30%



## BRAND RECOGNITION



## BRAND LOYALTY



Sources: Euromonitor International, Adel Kalemçilik Field Research, IPSOS Brand Health Tracking, November 23, issue=825  
\* Computer Assisted Web Interviewing (CAWI) was used in brand measurement. (In previous periods, Computer Assisted Personal Interviewing (CAPI) was used.)

# Sales Channels



## Traditional

Stationers & other  
retailers

Exclusive dealership  
sales

## Modern

Direct customer  
management & sales

## Exports

40+ countries

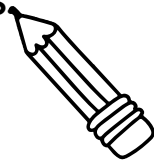
## School & tenders

Direct / indirect  
sales

## Online

Online retail sales

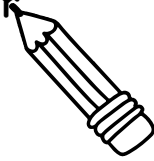
Adel markets and sells nearly 3,000 products made by the world's leading stationery and toy manufacturers, including its own products.



# Marketing & Sales Operations / 2023 Fairs



Adel Kalemcilik suspended all fair events in impacted areas in the immediate aftermath of the earthquake. It resumed them in March and continued to hold them for the rest of the quarter

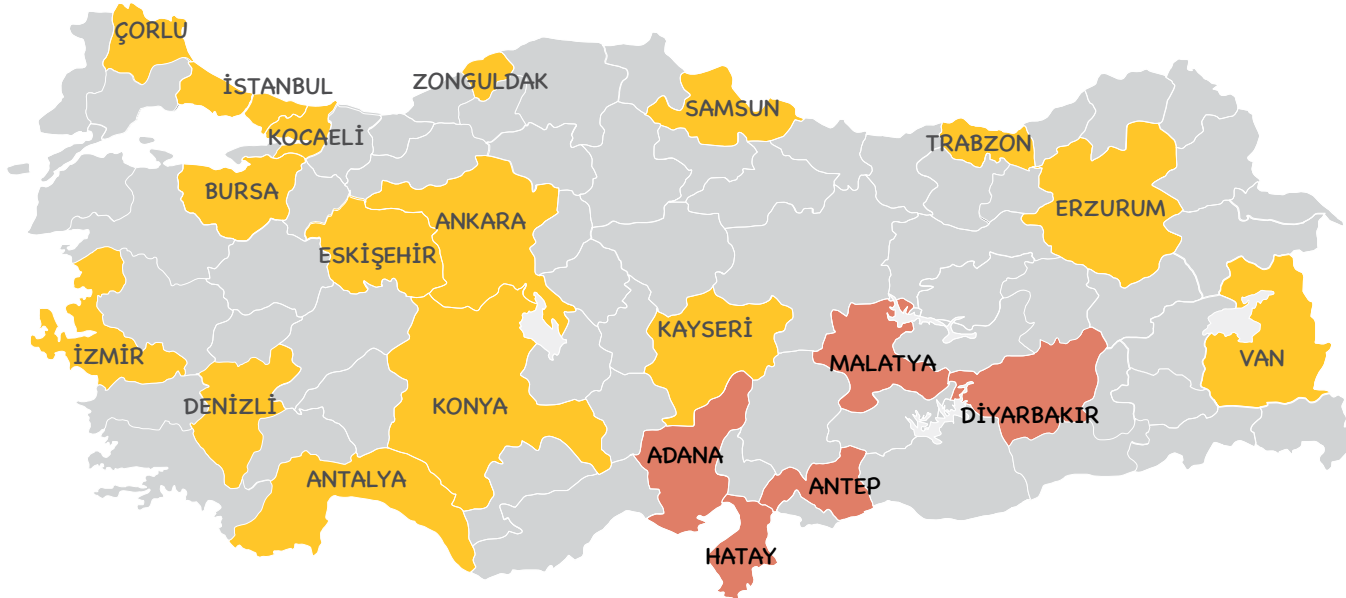


- ✔ Interacted with 6,000 retail outlets (50% penetration)
- ✔ Average order value up by ~115% compared to 2022

~ 12,500  
RETAIL OUTLETS IN  
TURKEY

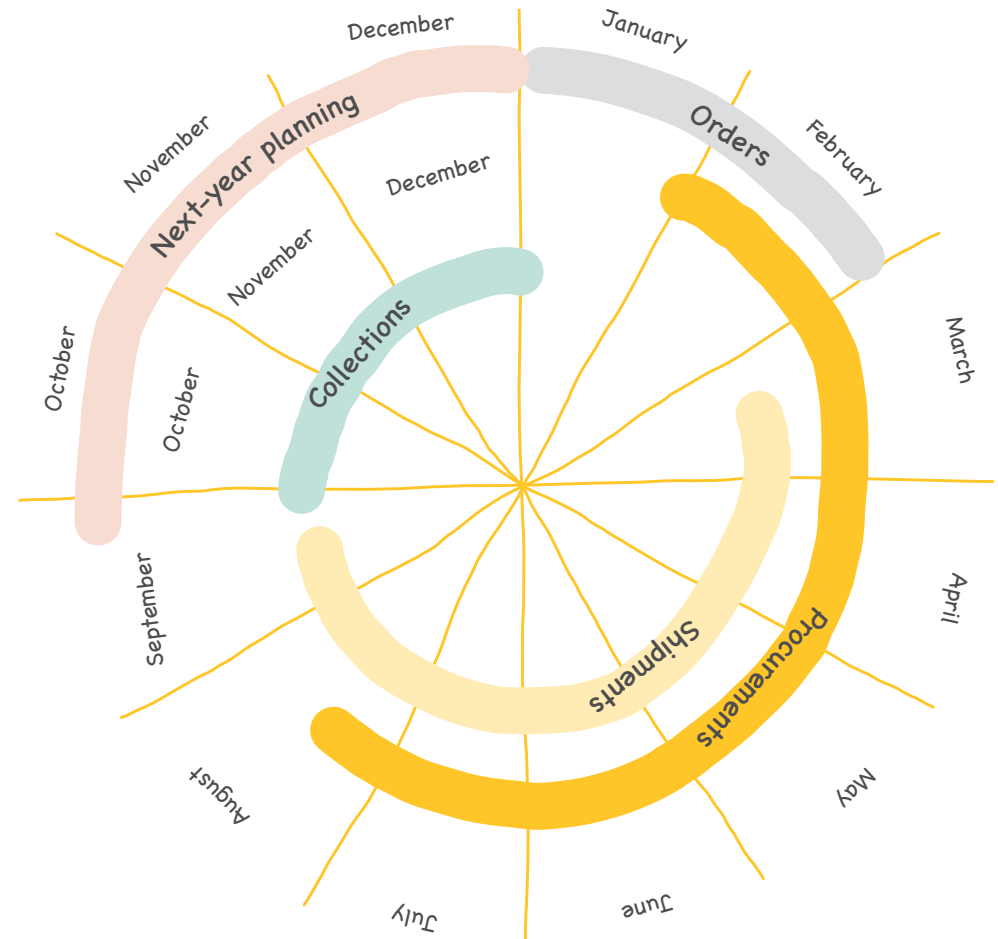
80  
# PROVINCES  
PLACING ORDERS

~ 6,000  
RETAIL OUTLETS



# Business Cycle

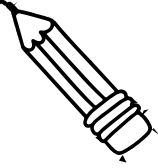
- ✓ Each year's business plans laid out in previous year's 4<sup>th</sup> quarter
- ✓ January-February fairs attended and orders received
- ✓ Fair order procurement, shipping, and collection processes move forward as follows:
- ✓ Main goal: Complete all shipments before schools reopen in the fall
- ✓ Fair order-related collections generally finalized in Q4



## New Business Relationships



Adel now an approved  
UNICEF global supplier



- ✓ In Q2 2023, Adel Kalemcilik was included in UNICEF's approved suppliers list after satisfying all the requirements to be a UNICEF Global Supplier. This inclusion led to the signing of a 24-month contract under which Adel will be producing prepackaged educational kits for sale to UNICEF.

unicef 



# Financial Results

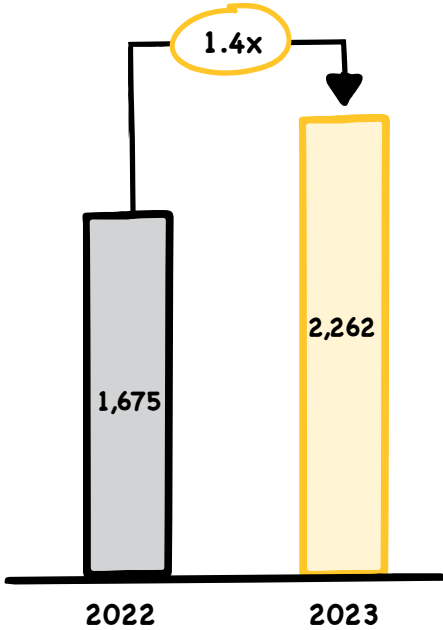




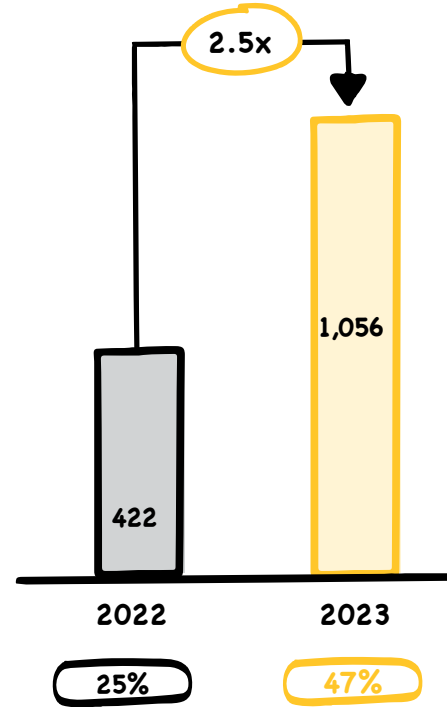
# Key Financial Indicators - December 2023



Net Sales (TL million)

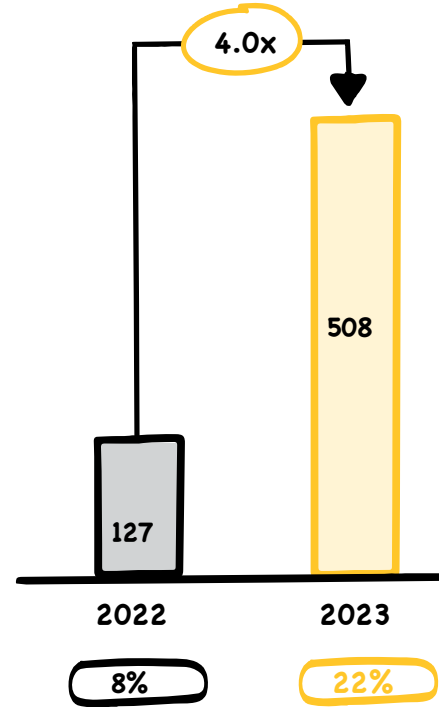


Gross Profit (TL million)



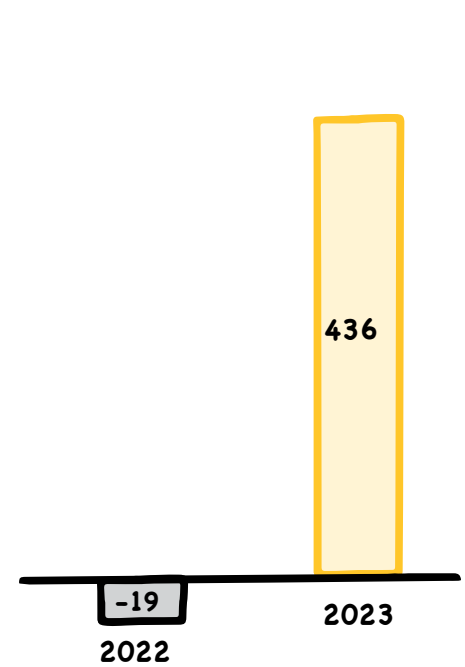
Gross Profit Margin

EBITDA (TL million)



EBITDA Margin

Net Profit (TL million)



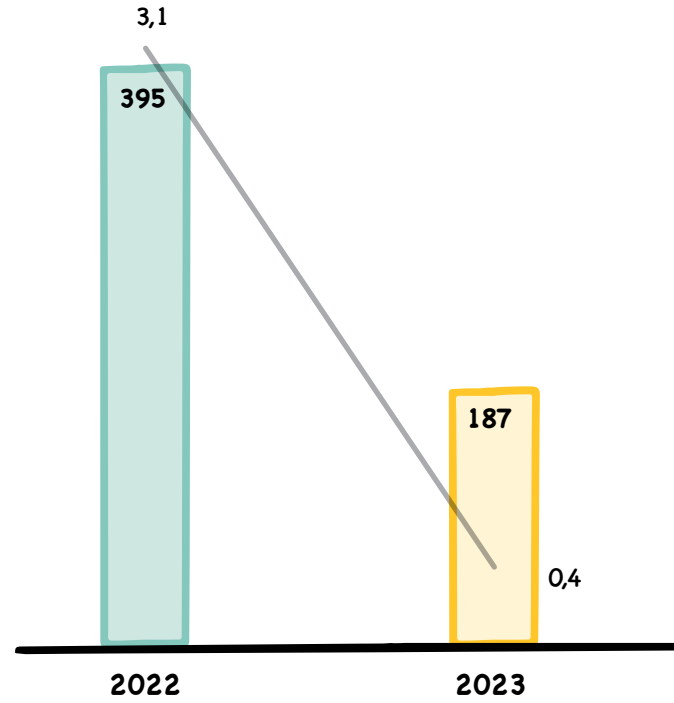
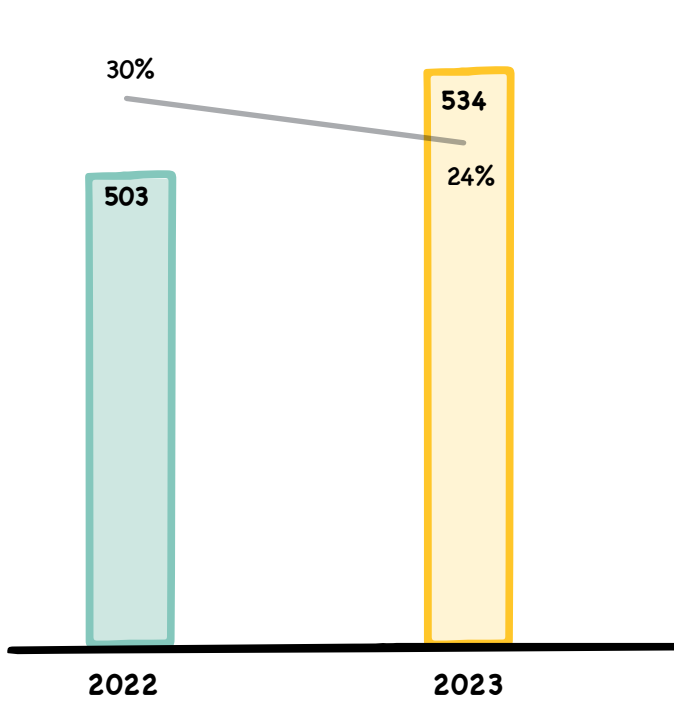
# Key Financial Indicators - December 2023



## Net Working Capital (TL million)

## Net Financial Debt (TL million)

## Free Cash Flow (TL million)



Net Working Capital (TL million)

Net Financial Debt (TL million)

Net Working Capital/Net Sales

Net Financial Debt/EBITDA

TAS29-compliant financial results

Thanks

