

Investor  
Presentation

# Teknosa

## *3Q21 Results*

**«Turkey's Leading Electronics Retailer»**

**November, 2021**

## Agenda

### Main Messages

### Financial Overview

## Main Messages

### Strong growth in sales

- 17,8 % increase in sales compared to 3Q20.
- Positive impact of digitalization and excellent customer experience across all channels on sales

### Profitability

- 5,4% LfL increase in EBITDA ( 3Q21: TL 181 M )
- TL 29,4 M net profit
- Highest 9-months profitability level for the last 8 years ( 9M21 : TL 26M)

### Online sales

- Net sales increased by 14 % YoY in 3Q21, reached TL 167 M.
- Online/retail sales is 9% in 3Q21( %15 in 3Q2Q)

### Marketplace Project

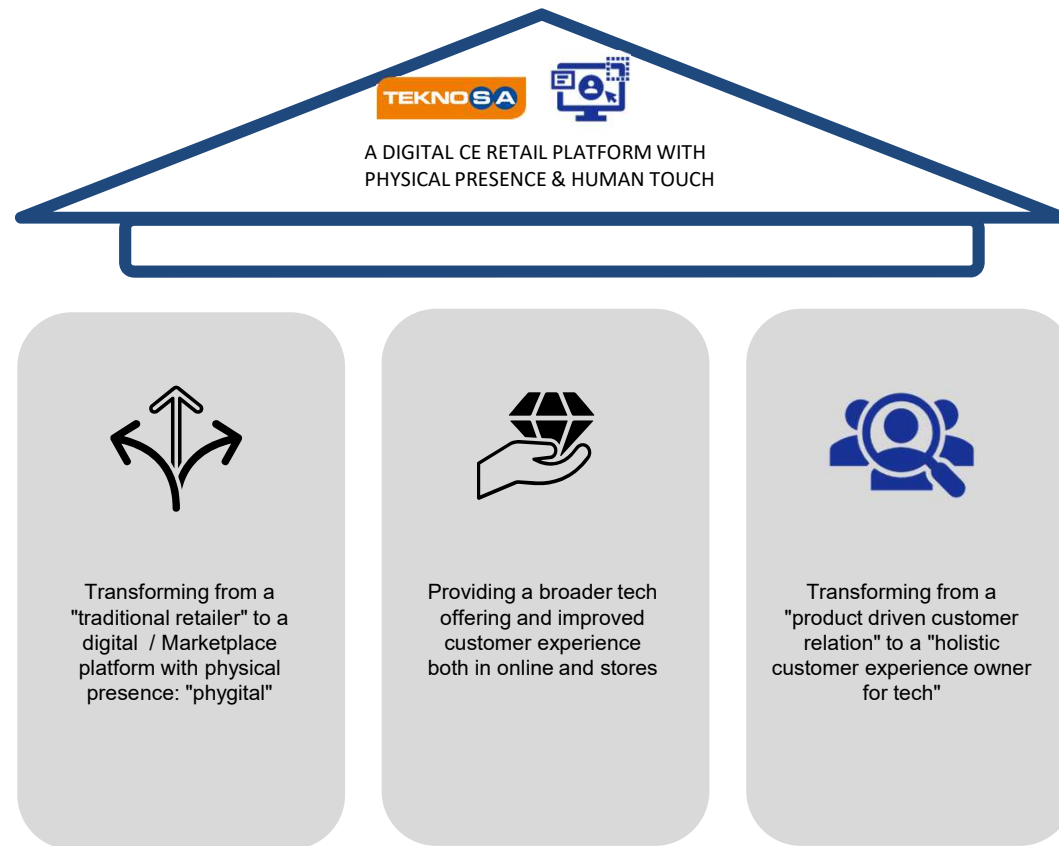
- Development of a best-practice marketplace model in Turkey

## Main Messages

### Key Drivers for Strong Financial Performance

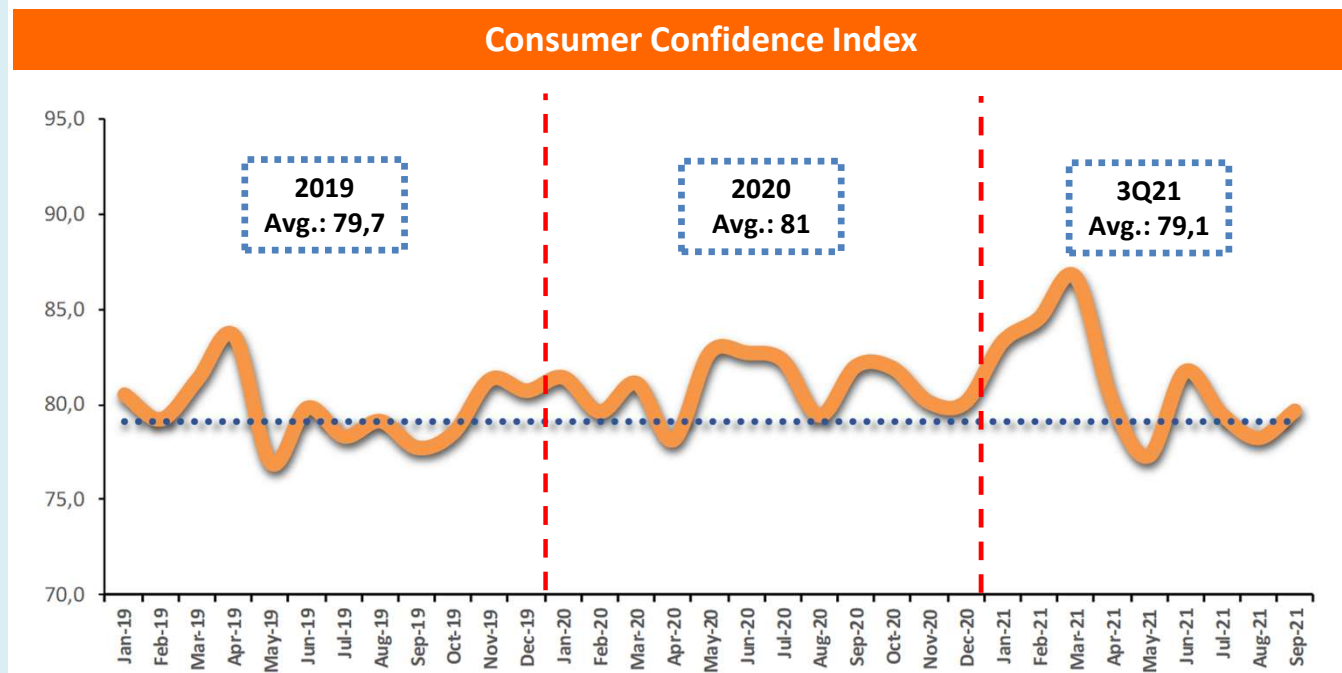
- Competencies in digitalization, customer-oriented transformation and omnichannel customer experience
- Increased performance of complementary product sales
- Effective management of product variety and availability in all channel
- Improvement in cash flow with effective working capital management
- Increase in customer satisfaction and NPS-net referral scores
- Variety in delivery and payment options in digital channel
- The first company in its sector offering a secure and easy payment option through webchat and whatsapp channels

## Marketplace Transformation Scheme



## Consumer Confidence Index

- CCI in 3Q21 was 79,1, lower than the same period of the previous year.
- New variants in Covid epidemic continue to have a negative impact on economic activities despite the increase in vaccination rates, this drags down consumer confidence

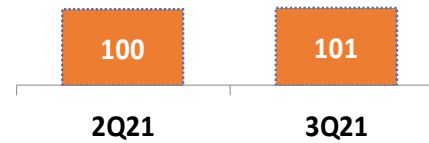


\*Turkish Statistical Institute (TUIK) changed calculation in September 2020

Source: TUIK

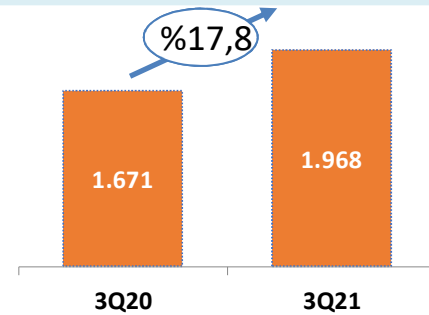
## 3Q21 Results

### Net Sales Area (‘000 m<sup>2</sup>)



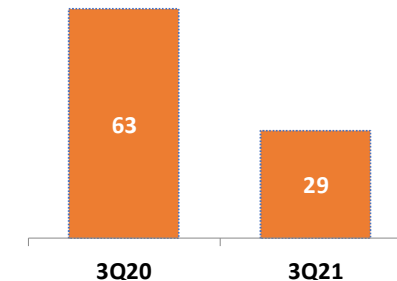
- Store relocations for efficiency management
- 3Q20 97 sqm

### Net Sales (TL mn)



- 17,8% increase in 3Q21 compared to same period of last year.

### Net Period Profit/Loss (TL mn)



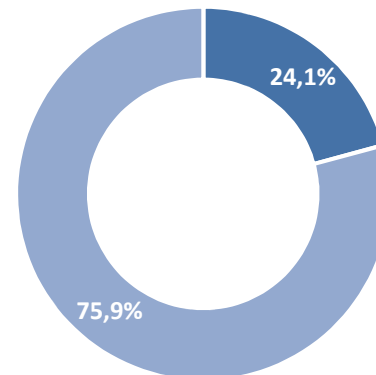
- TL 29M net profit in 3Q21
- Positive affect of product mix change on profit margin

## Electronics Retail Market and Teknosa

- The electronics retail market(\*) grew by 30,3% LfL reaching TL 68 bn in 8M21
- Growth by segments: IT 45%, SDA 38,4%, MDA 29,6%, Telecom 28,1% and Consumers Electronics 23%
- TSS channel accounts for 24,1% (including MDA) of the total market ( the first 8 months)

(\*) Including electronic retail chains, telecom dealers, traditional MDA&SDA dealers, and Technical Super Stores

### Electronic Retail Market– 8M21

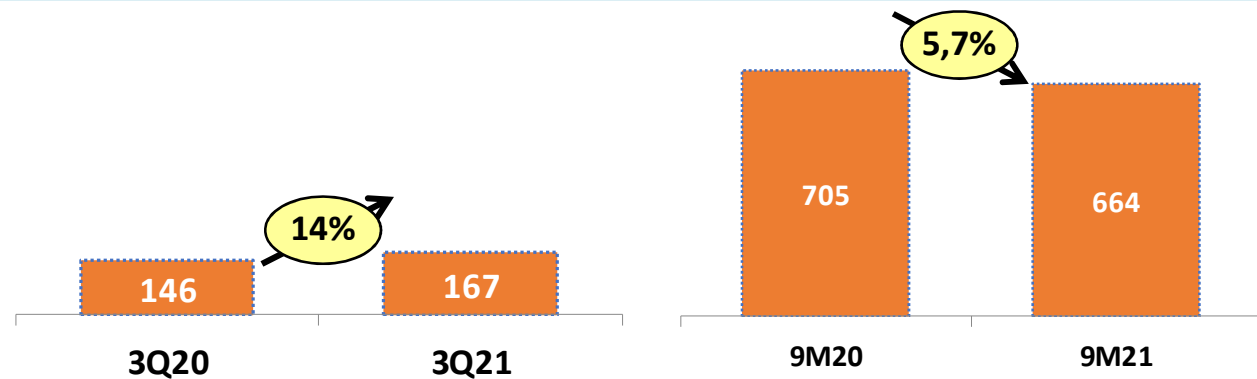


■ TSS ■ Other

Source: GfK



## Online sales



- Online/retail sales 9% in 3Q21 (15% in 3Q20)
- 14% increase in online sales compared to 3Q20 with TL 167M in 3Q21

### COMPARED TO Q3 LAST YEAR



Sales  
**1,1 TIMES**  
INCREASED

Number of Visit  
**0,8 TIMES**  
DECREASED



Number of invoice  
**0,7 TIMES**  
DECREASED

Conversion Rate  
STATED THE SAME

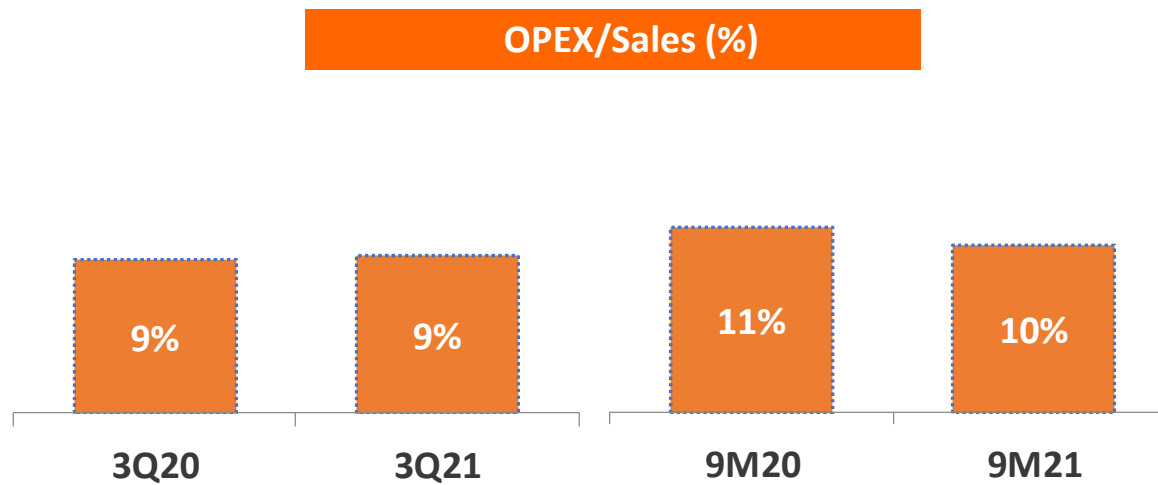


## Agenda

Main Messages

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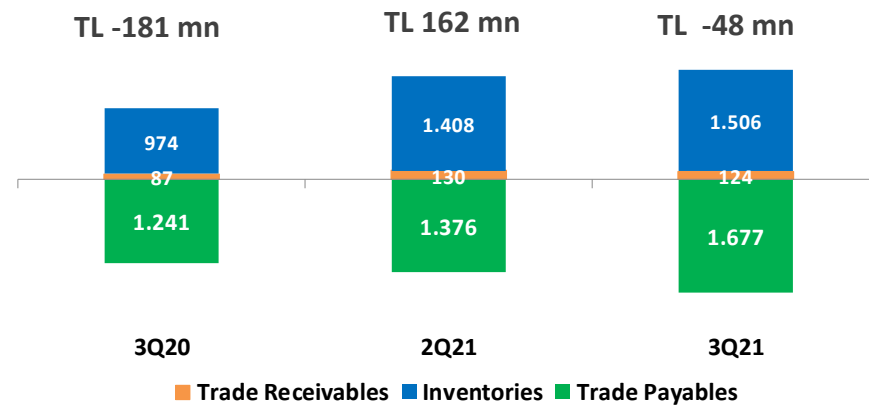
## OPEX/Sales ratio



- Operational expenses/sales is 9 % in 3Q21, the same as the previous year's ratio
- Operational expense control despite increased sales in 3Q21

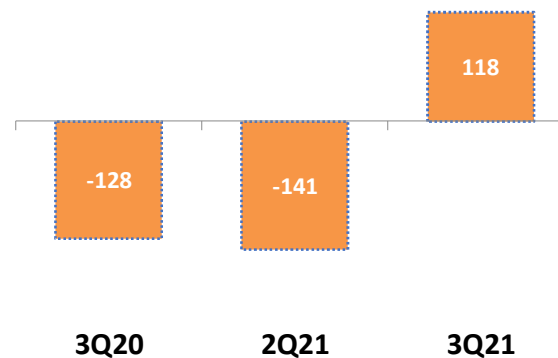
## Working Capital and Cash Position

### Working Capital Requirement (TL mn)



➤ Increase in inventory purchases and trade payables in parallel with increasing sales in peak season

### Net Cash / (Debt) (TL mn)



➤ TL 118 M net cash, as a result of effective working capital management

## Income Statement Summary

(TL mn )	3Q20	2Q21	3Q21	YoY (%)	9M20	9M21	YoY (%)
<b>Net Sales</b>	<b>1.671</b>	<b>1.522</b>	<b>1.968</b>	<b>18%</b>	<b>3.674</b>	<b>4.951</b>	<b>35%</b>
<b>Gross Profit</b>	<b>295</b>	<b>233</b>	<b>330</b>	<b>12%</b>	<b>592</b>	<b>814</b>	<b>38%</b>
<b>Gross Profit Margin</b>	<b>17,6%</b>	<b>15,3%</b>	<b>16,8%</b>	<b>-0,9pp</b>	<b>16,1%</b>	<b>16,4%</b>	<b>0,3pp</b>
<b>EBITDA</b>	<b>172</b>	<b>113</b>	<b>181</b>	<b>5%</b>	<b>276</b>	<b>425</b>	<b>54%</b>
<b>EBITDA Margin</b>	<b>10,3%</b>	<b>7,4%</b>	<b>9,2%</b>	<b>-1,1pp</b>	<b>7,5%</b>	<b>8,6%</b>	<b>1,1pp</b>
Other Income/Expenses	-14	-24	-36	-169%	-16	-95	-482%
Financial Expenses	-50	-64	-67	-35%	-146	-191	-30%
<b>Profit Before Tax</b>	<b>78</b>	<b>-11</b>	<b>39</b>	<b>-49%</b>	<b>20</b>	<b>32</b>	<b>60%</b>
Tax	-15	5	-10	36%	-4	-6	-32%
<b>Net Profit</b>	<b>63</b>	<b>-5</b>	<b>29</b>	<b>-53%</b>	<b>16</b>	<b>27</b>	<b>68%</b>
<b>Net Profit Margin</b>	<b>3,7%</b>	<b>-0,3%</b>	<b>1,5%</b>	<b>-2,2pp</b>	<b>0,4%</b>	<b>0,5%</b>	<b>0,1pp</b>

Source: Independent Auditor's report

## Balance Sheet Summary

Assets (in TL mn)	Sep-20	Jun-21	Sep-21
<b>Current Assets</b>	<b>1.373</b>	<b>1.636</b>	<b>1.781</b>
Cash and Cash Equivalents	264	65	118
Trade Receivables	87	130	124
Inventories	974	1.408	1.506
Other Current Assets	49	33	34
<b>Non-current Assets</b>	<b>425</b>	<b>384</b>	<b>362</b>
Investment Property	29	30	30
Property, Plant and Equipment	54	65	67
Intangible Assets	38	37	39
Deferred Income Tax Assets	67	49	40
Right of Use Assets	236	202	185
Other Non-current Assets	1	1	2
<b>Total Assets</b>	<b>1.798</b>	<b>2.020</b>	<b>2.144</b>

Liabilities (in TL mn)	Sep-20	Jun-21	Sep-21
<b>Current Liabilities</b>	<b>1.832</b>	<b>1.759</b>	<b>1.865</b>
Financial Liabilities	393	206	0
Current Portion of Long-Term Lease	93	111	104
Trade Payables	1.241	1.376	1.677
Other Current Liabilities	104	67	84
<b>Non-current Liabilities</b>	<b>202</b>	<b>154</b>	<b>143</b>
<b>Total Equity</b>	<b>-236</b>	<b>107</b>	<b>136</b>
<b>Total Liabilities</b>	<b>1.798</b>	<b>2.020</b>	<b>2.144</b>

Source: Independent Auditor's report

Thank You

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