

# TEKNOSA

## INVESTOR PRESENTATION

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1Q23 FINANCIAL RESULTS





# OUR BUSINESS MODEL AND STRATEGY

**TEKNO**SA





# Turkey's Most Widespread and Reliable Technology Partner

## Comprehensive Omnichannel Structure



## Revenue by Sales Channels, 2022



## A Digital CE Retail Platform with Physical Presence & Unique Customer Experience

Transforming from a “traditional retailer” to “**Phygital**”

**Broad tech offering** and **unique customer experience** both online and in-store

Evolving from a “product driven customer relation” to a “**holistic customer experience owner for tech**”

# Reaching Millions of Customers with Value Oriented Businesses



Turkey's most comprehensive technology private label brand

> 1,000  
SKU

Turkey's virtual network operator

> 400K  
subscribers

Royalty program

> 1.4 million  
members

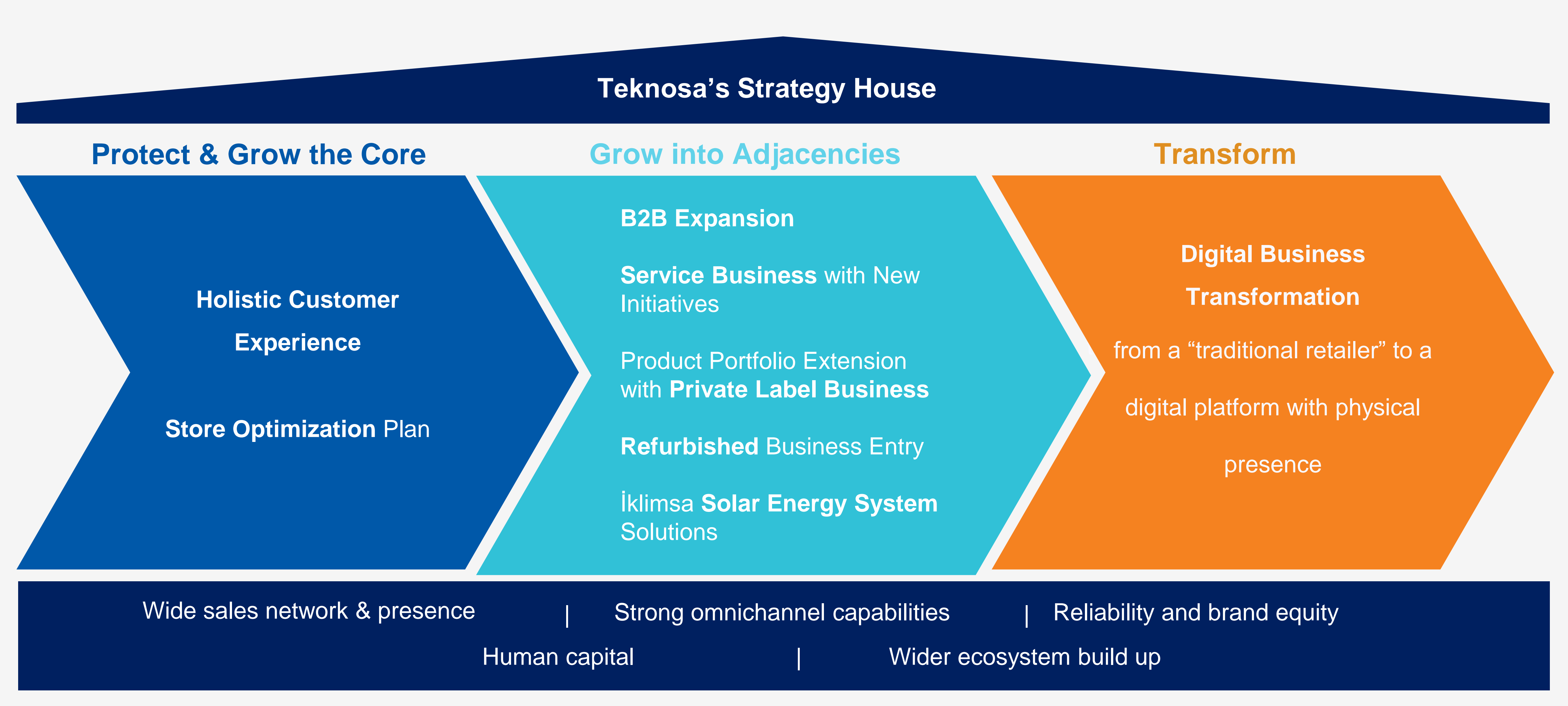
TeknoGuarantee and maintenance-repair services to minimize environmental impact

Refurbished phone sales  
Rental services for ~200 products with [kiralabunu.com](http://kiralabunu.com)

Heating-Cooling Systems  
Solar Energy  
B2B Sales for Electronic Products

5 BRANDS  
> 200 MODELS

# We Exist to Bring Happy Moments by Providing the World's Technology to Everyone



# Transformation Programs for Our Vision “Teknosa of New Generation”

Protect & Grow the Core














Grow into Adjacencies



Transform

☑ Financial & Operational Transformation (Aug-Dec '19)

☑ Service & Private Label Transformation ('20-'21)

In Progress

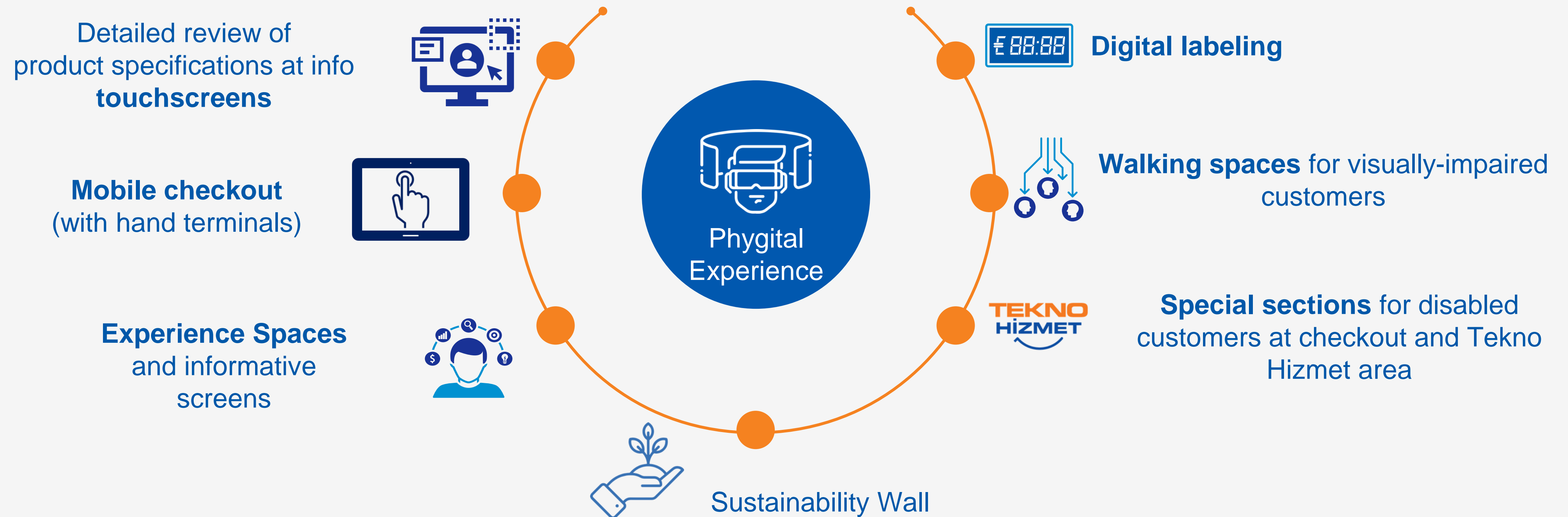
| Category Transformation  | Sales Transformation   | Stock Management   | Cost Management   | HQ Transformation   |
|--|--|--|---|---|
|  Complementary Product Sales Focus |  Store Performance Improvement System |  Stock Management System Uplift |  Rent Re-negotiations            |  Target Setting & Incentive System       |
|  Price and Promotion Management  |  Salesforce Effectiveness           |  |  Cost Discipline in OPEX items |  Holistic Company Performance Tracking |
|  Fact – Based Negotiations       |  Store Network Optimization         |  |  Financial Cost Reduction      |   |
|  |  E-Commerce Acceleration            |  |   |   |

| New Growth Streams   |
|--|
|  Service Transformation         |
|  Private Label Transformation |

| Marketplace Transformation   |
|--|
|  Initial Offering                       |
|  Ramp-Up: Differentiating Capabilities |
|  Full-Fledge Offering                 |

Cultural Change

## Omnichannel: Re-Inventing the In-Store Customer Experience



Combining our store and digital platform capabilities to maximize in-store engagement and deliver a unique customer experience



- ▶ İstanbul City's Kozyatağı
- ▶ Ankara Nata Vega
- ▶ İstanbul İstinye Park
- ▶ İzmir Agora
- ▶ Trabzon Forum



Informative screens



MP Sales Area



Sustainability Wall



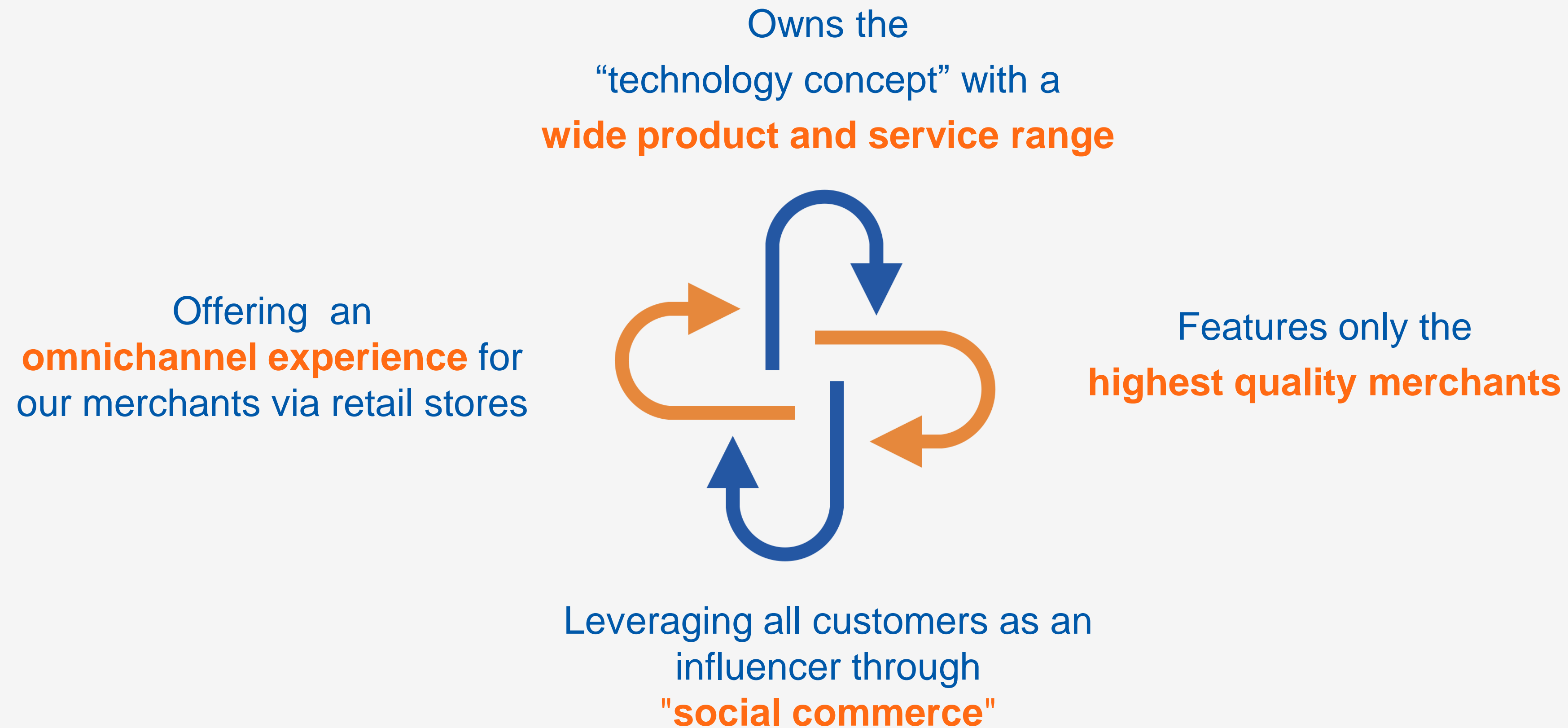


- ▶ Launched Solar Energy Systems operations in 2022 in line with our **focus on sustainability**.
- ▶ **Synergies** with wide dealer and service network, expertise and client pool in the A/C sector.
- ▶ **End-to end SES services** to individual and corporate clients including:
  - Project solutions and designs
  - On-site implementation
  - After sales services

### Main stages of SES projects



## Digital Transformation Milestone: Teknosa's Unique Marketplace



Using AI algorithms and data analytics to excel customer experience and enhance operational efficiency



## Solid Results Achieved with Turkey's First Tech-Focused Marketplace

### Marketplace Targets



5x increase in 3 years in GMV, minimum 300K SKU

### Main Operating Pillars of Marketplace

☑ Initial Offering

☑ Ramp-Up: Differentiating Capabilities

Full-Fledge  
Offering

Merchant &  
Product Portfolio  
Growth

Merchant  
Satisfaction  
Actions

Web & Mobile  
Improvements

Teknosa  
Social Commerce

Store Sales of MP  
Products

Teknosa Partner  
Solutions

## Creating Total Brand Value with Growth Across all Key Indicators

## Significant YoY Growth in KPIs (2022)



**22x**  
SKU increase  
~250 merchants



MP/Teknosa.com GMV **above**  
**global benchmarks** <sup>1</sup>



GMV up by **136 %** to **3.3**  
bn TL



**38% YoY**  
traffic growth

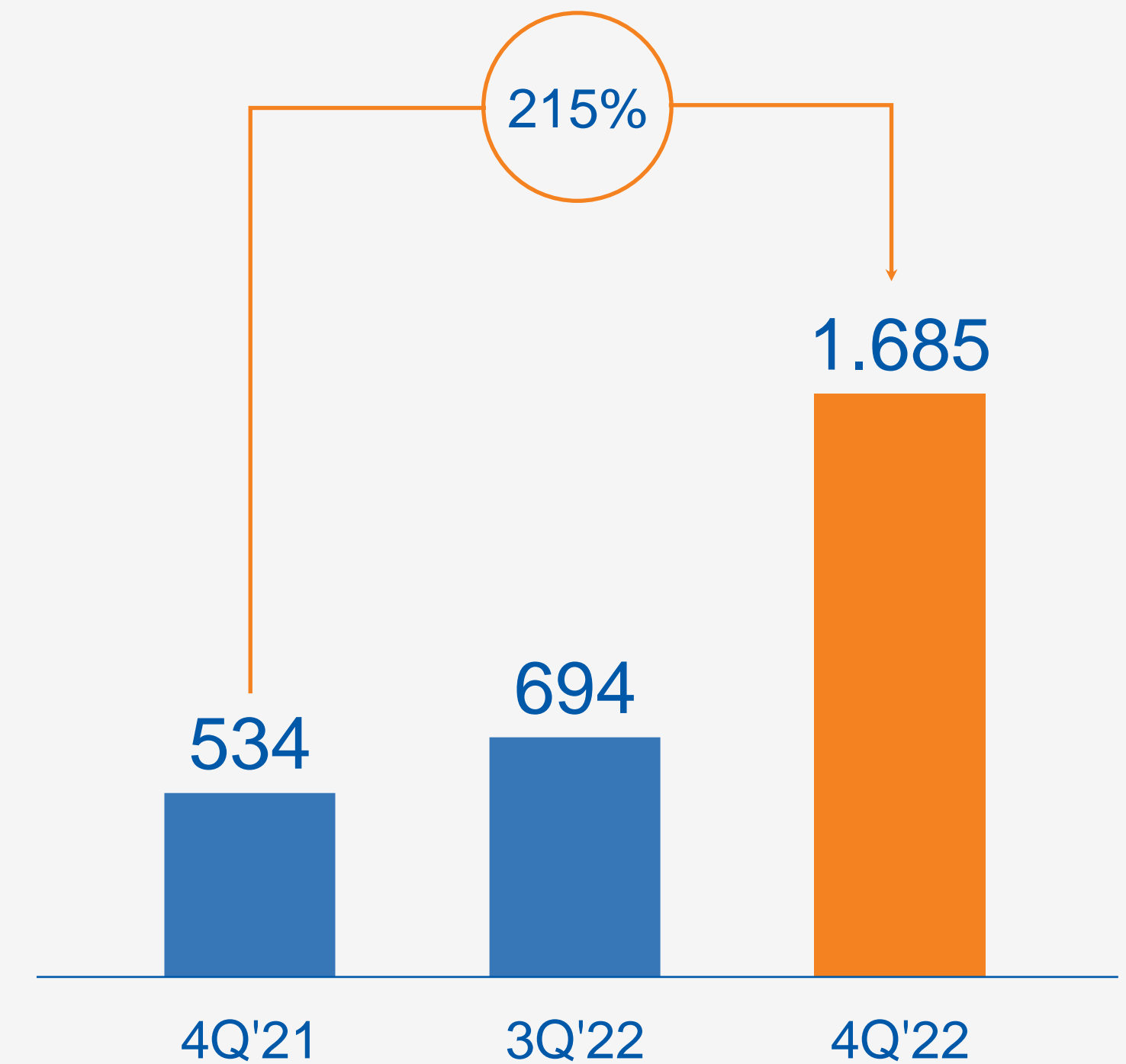


**17%**  
Increase in Store Visitors



**2M**  
New Customers

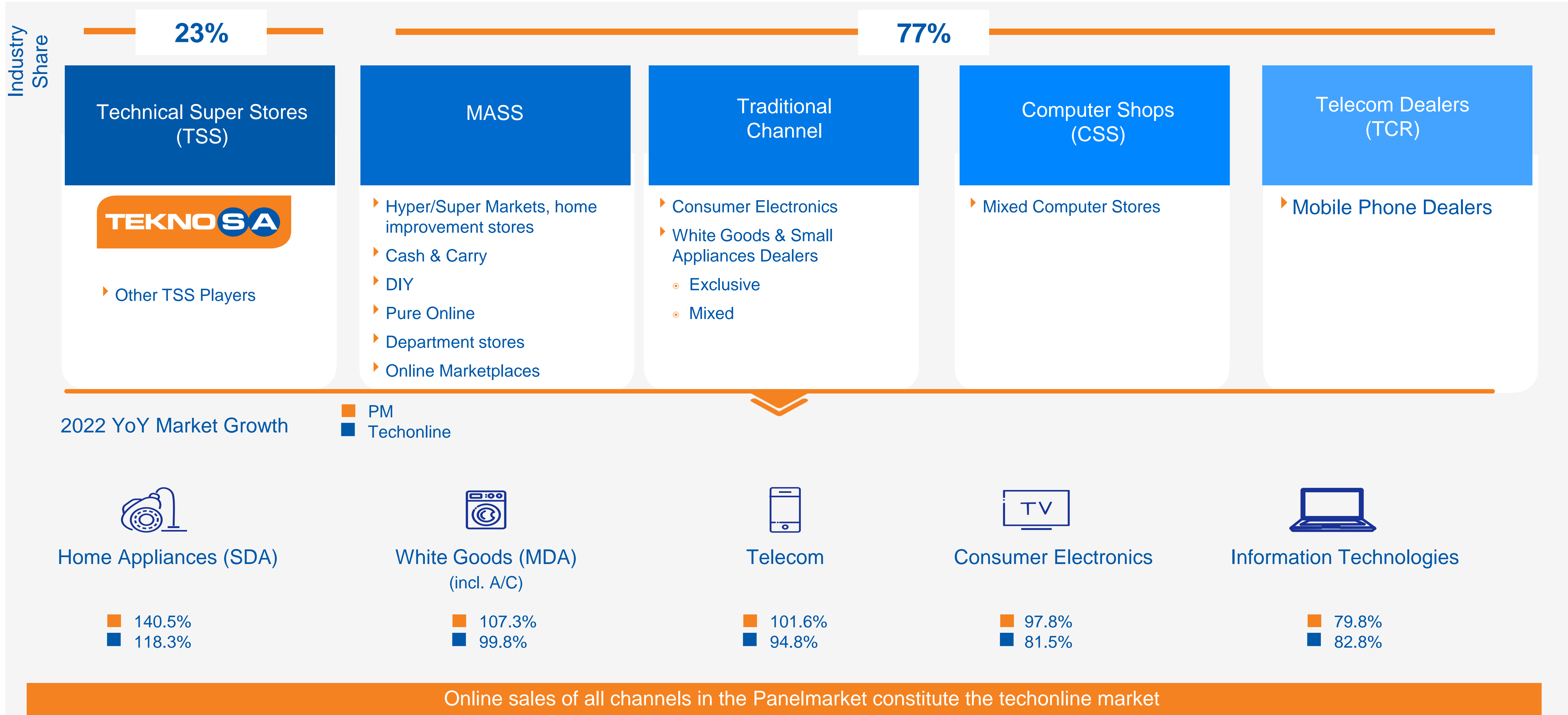
## Accelerating Gross Merchandise Value (GMV)



<sup>(1)</sup> Benchmarks : Magazine Luiza from Brazil, FNAC and Darty from France



# Panel and Techonline Markets Almost Doubled YoY in 2022



Source: GFK



# Teknosa Outperformed Both Panel and Techonline Markets

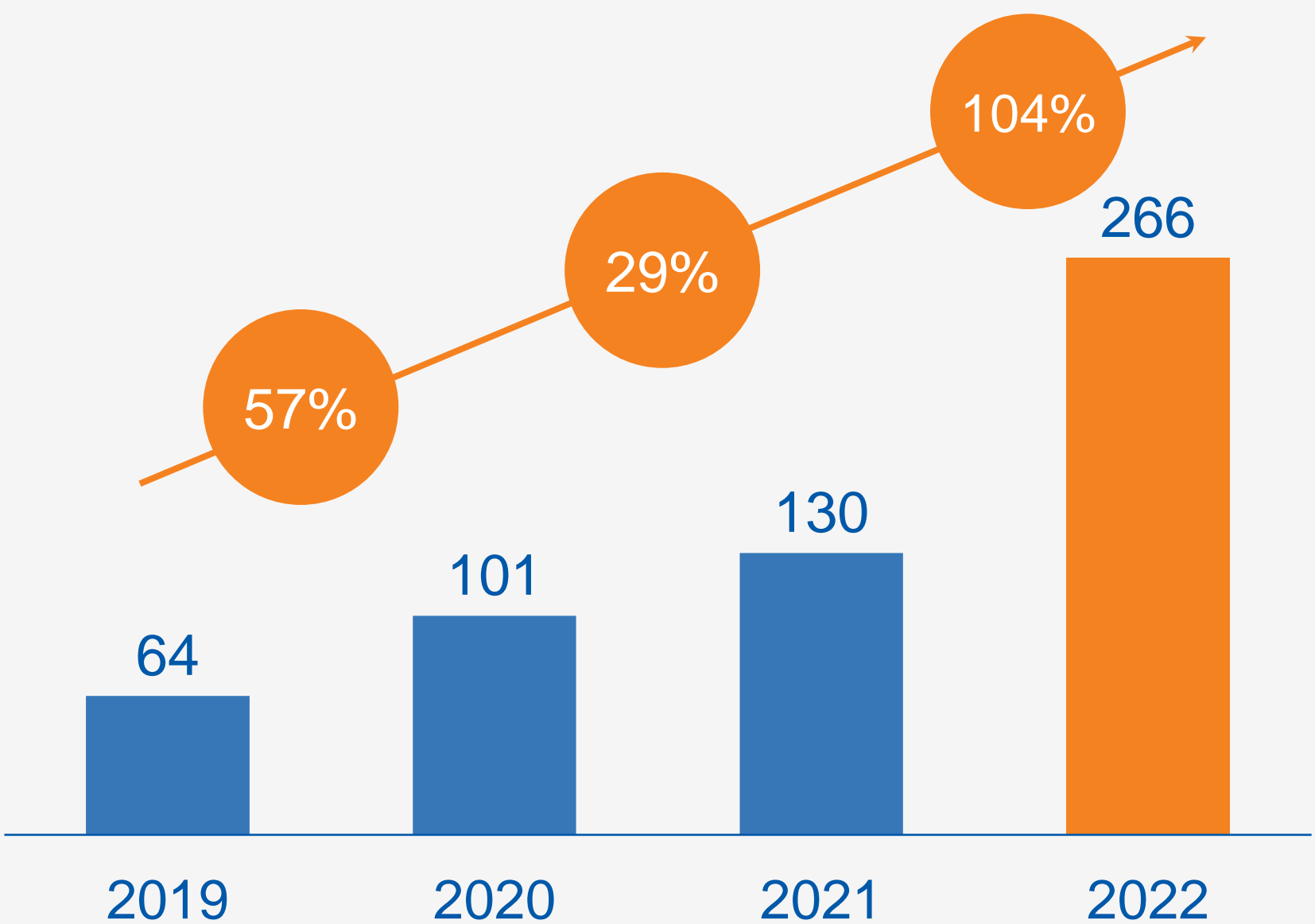
## Levers of growth

- Omnichannel strategy
- Customer satisfaction
- Hit list SKU focus
- Marketplace launch
- SKU growth
- Pricing strategy

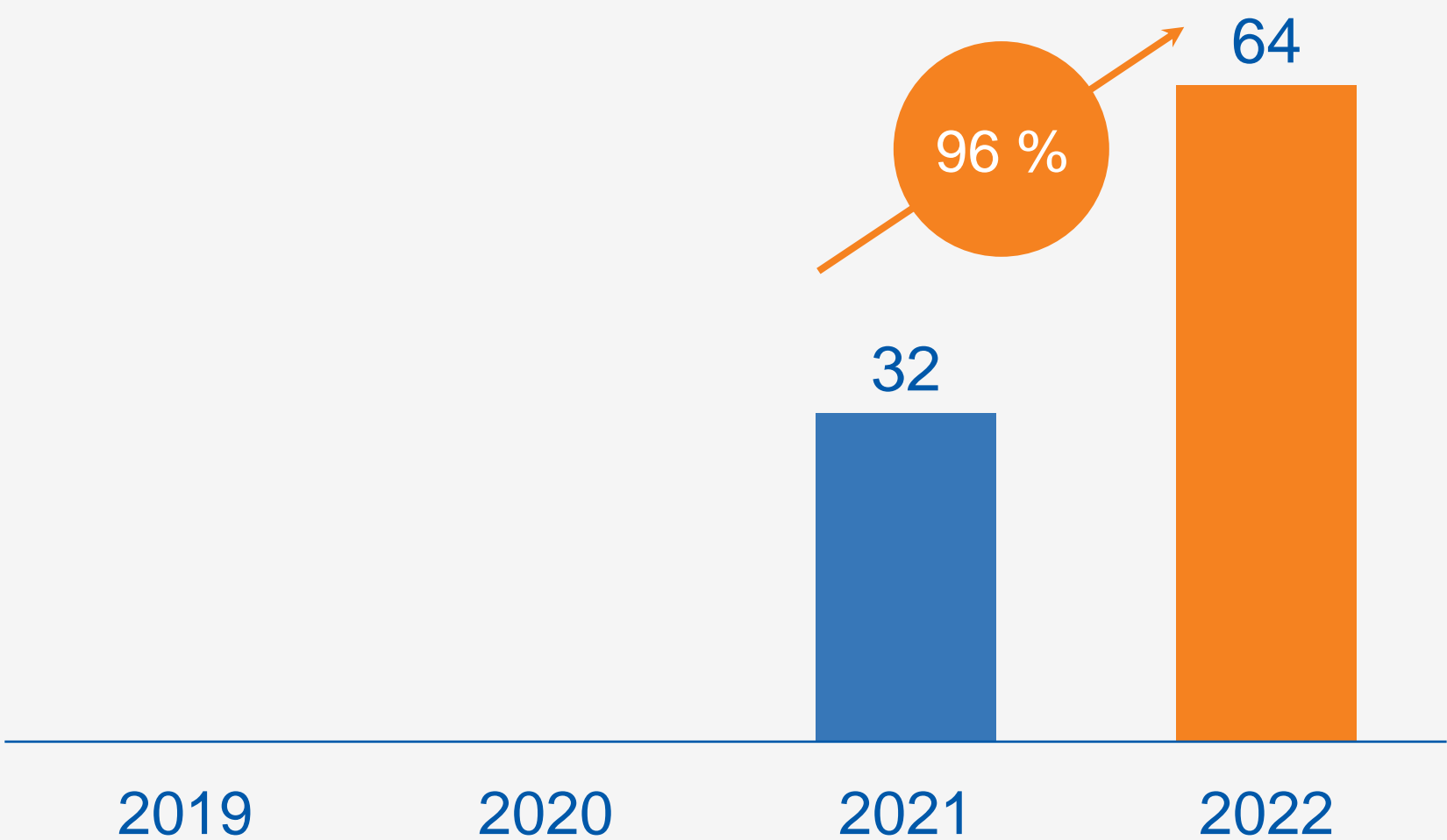
**132% YoY**  
Teknosa revenue  
Increase  
in '22

## Market Revenue Growth, Billion TL

### Panel Market



### Techonline Market \*

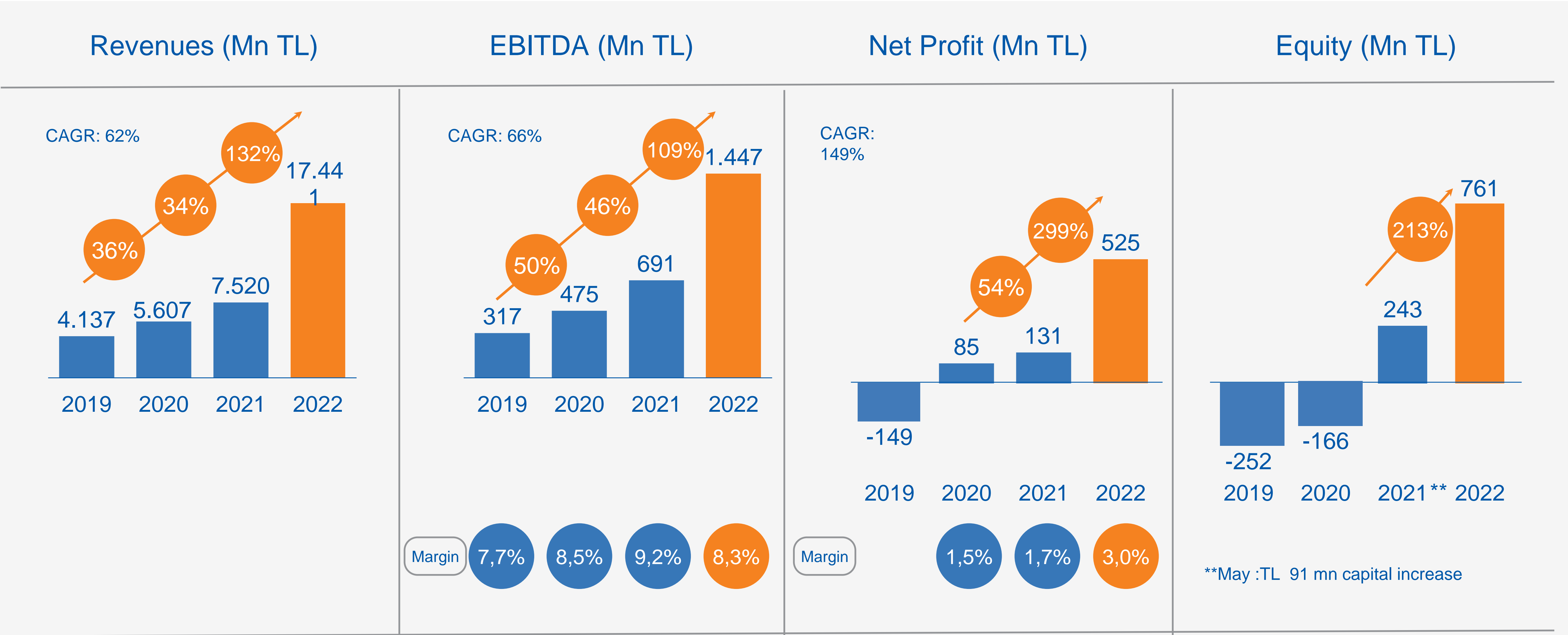


Source: GFK

\*Techonline data available since 2021



# Accelerated Results with Excellent Execution of the Transformation Program\*



\*Transformation Program launched in 2019

# We Add Value to Our World, Society and Employees Through Our Business

We are committed to achieving Net Zero by 2050 in all our operations.



12 mn TL

Environmental Investments



1 mn TL

Social Investments



118

Environmentally friendly products and services



214 mn TL

Revenue from environmentally friendly products and services



3.65 mn kWh

Energy saving with store automation system

In support of

## WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



33%

Women directors on our Board (as of 2023)



39%

Women employees in STEM roles



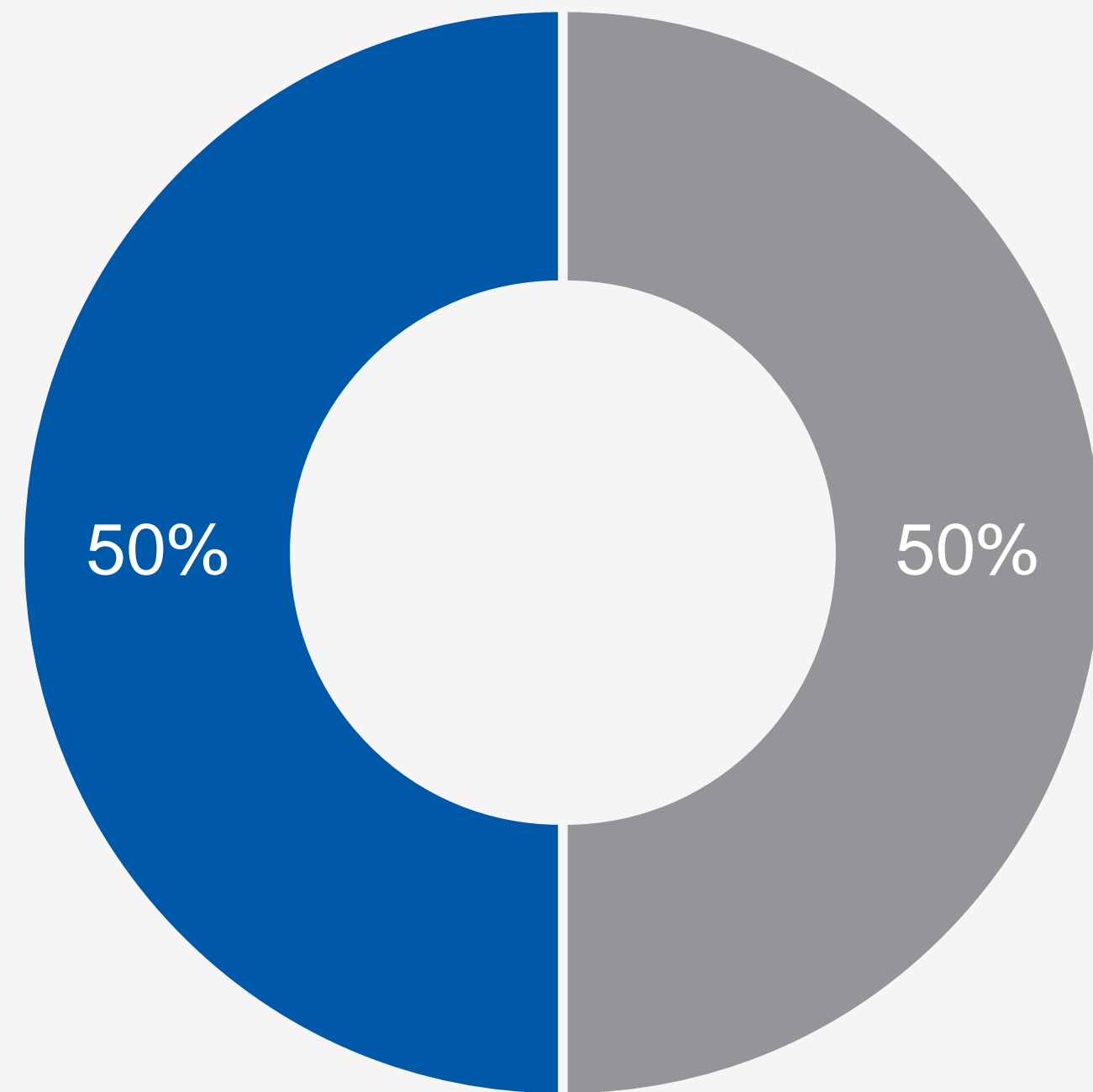
2,651

Women benefiting from our Technology for Women, Solidarity for All program

Source: Teknosa Sustainability Report, 2022



## High Free Float Supporting Liquidity



■ Hacı Ömer Sabancı Holding

■ Free Float

## Well-Positioned in Sabancı Holding Portfolio



## Excellent Proxy to Turkey's Dynamic CE Market With Its Unique Business Model

### Highly competent management with execution power

- Excellent track record in executing transformation strategy
- Truly global approach with international C-level expertise

### Driving value through digitalization

- Launch of Turkey's first technology specialist marketplace to further grow omnichannel capabilities
- In-store digital experience to maximize customer engagement
- Continuous investment in IT infrastructure and systems

### Delivering Unique Customer Experience

- Phygital transformation for impactful and unique customer experience
- Better usage of retail data to enhance customer satisfaction and loyalty
- Holistic end-to-end service capability

### Transformation Accelerating Financial Returns

- Above-market volume and revenue growth with cost efficient expansion
- Strong liquidity with NWC optimization
- Measures to balance inflationary pressures



# APPENDIX

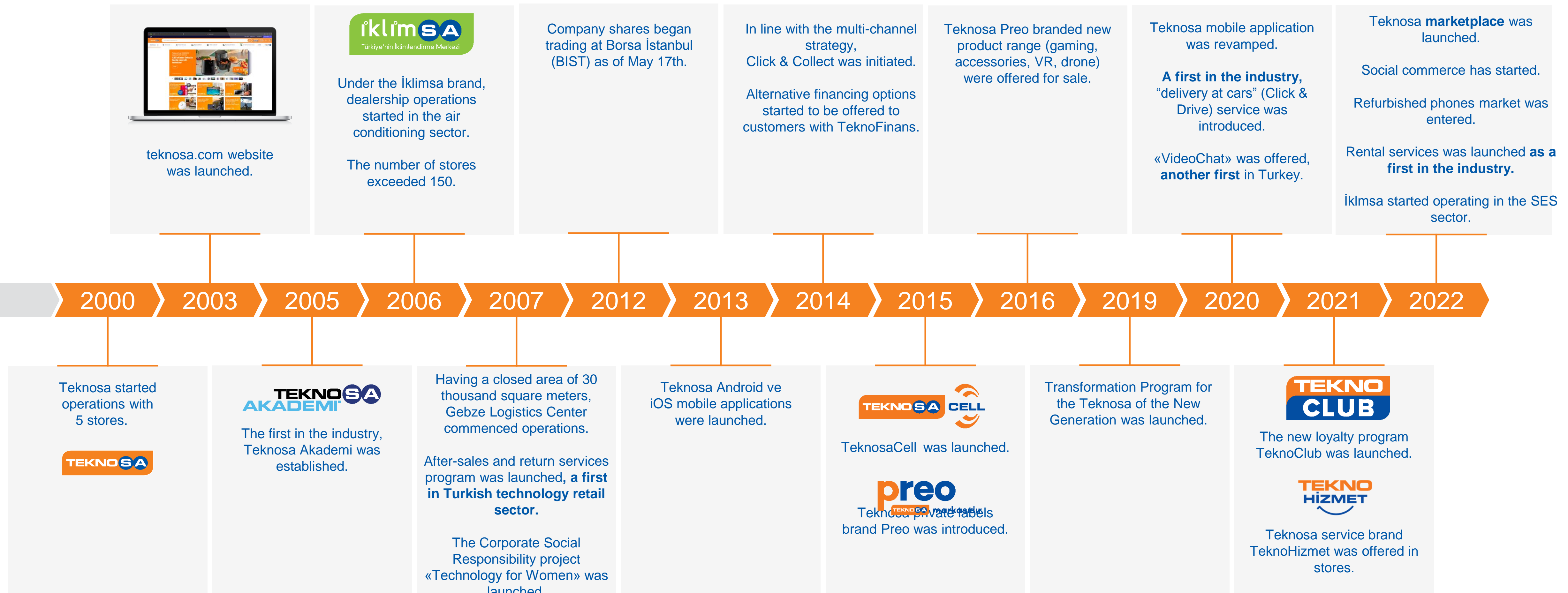
# TEKNOSA MILESTONES

**TEKNO**SA





# Constantly Evolved by Creating its Own Technology Ecosystem





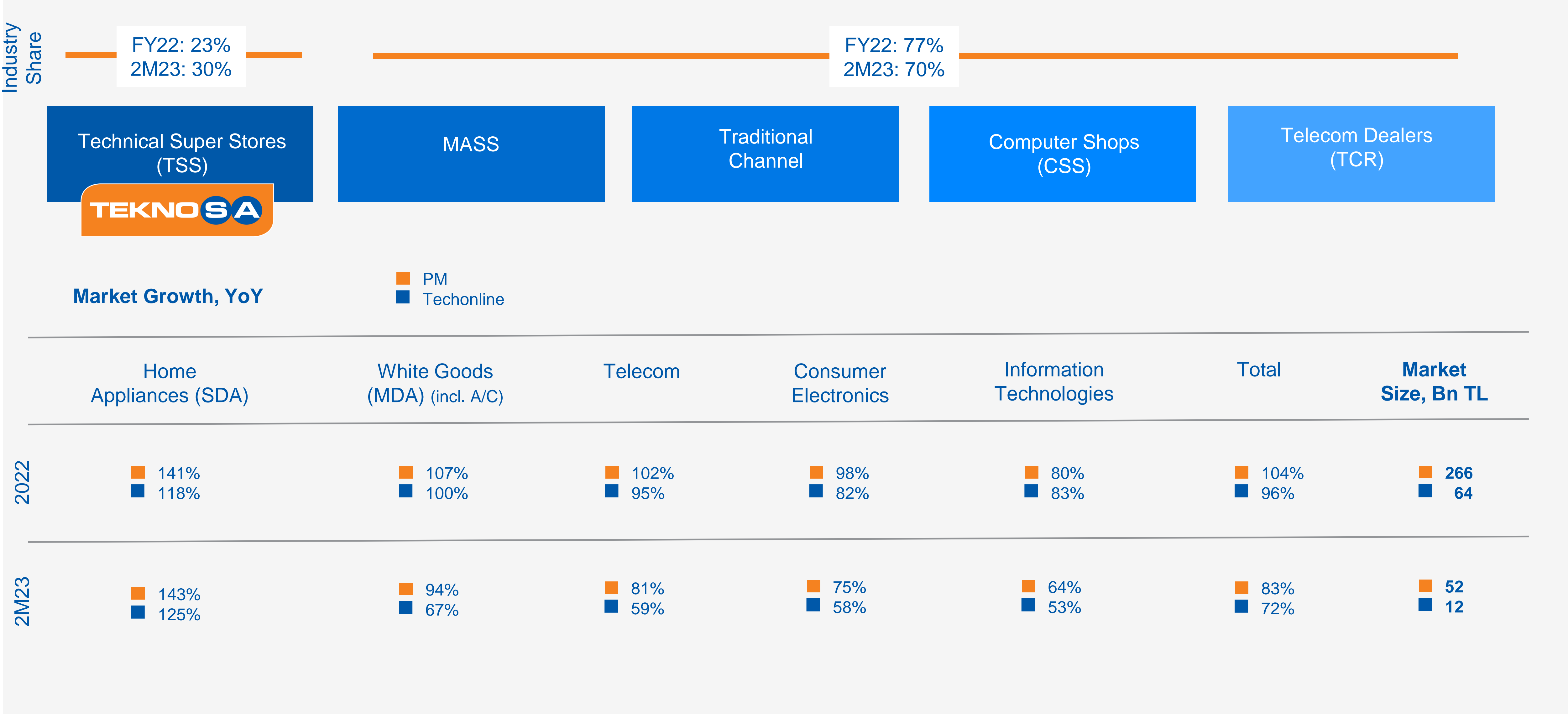
# Q1 RESULTS

**TEKNO**SA





# TSS Share in the Industry Reached 30% in 2M23

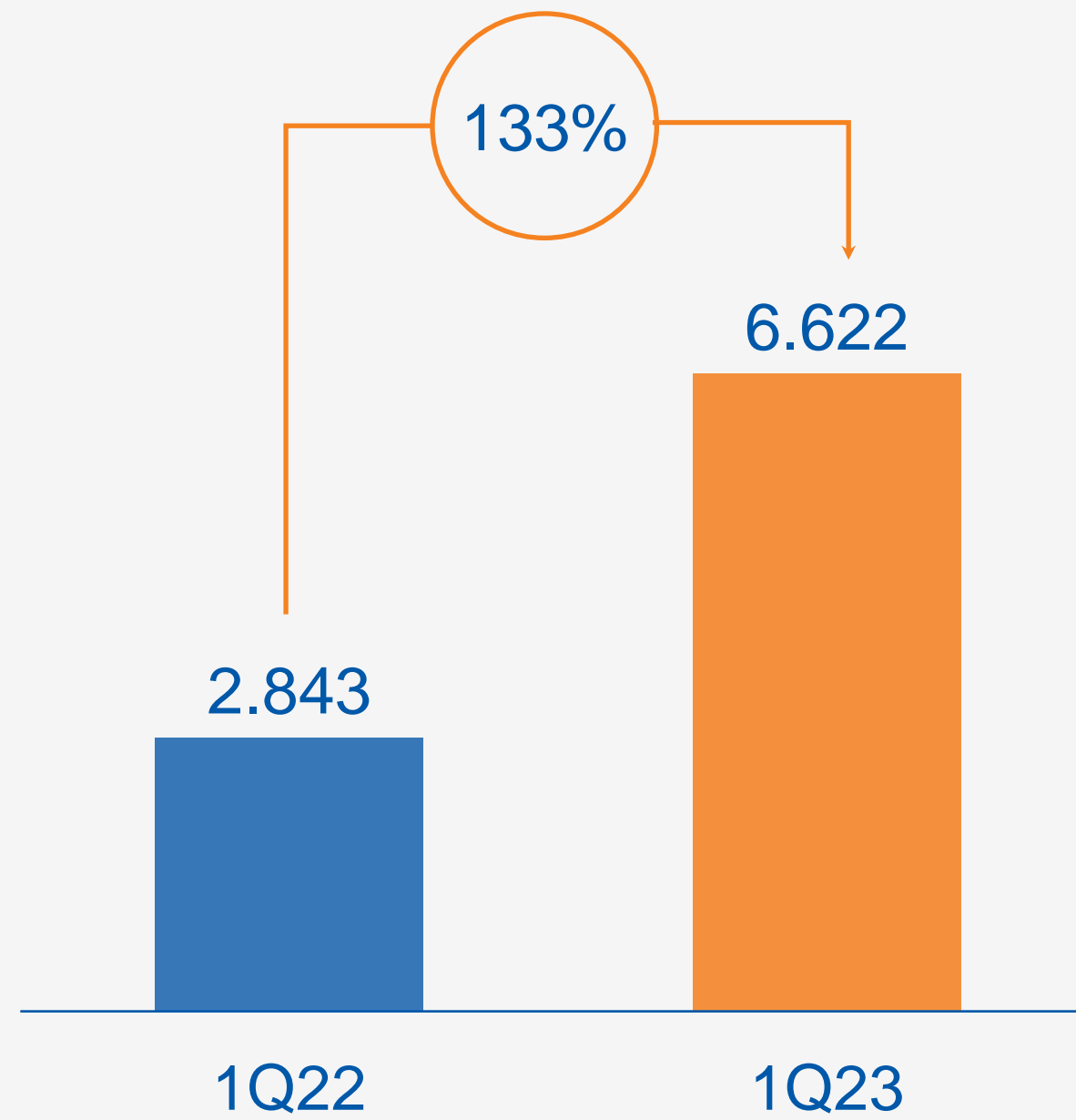


Source: GFK

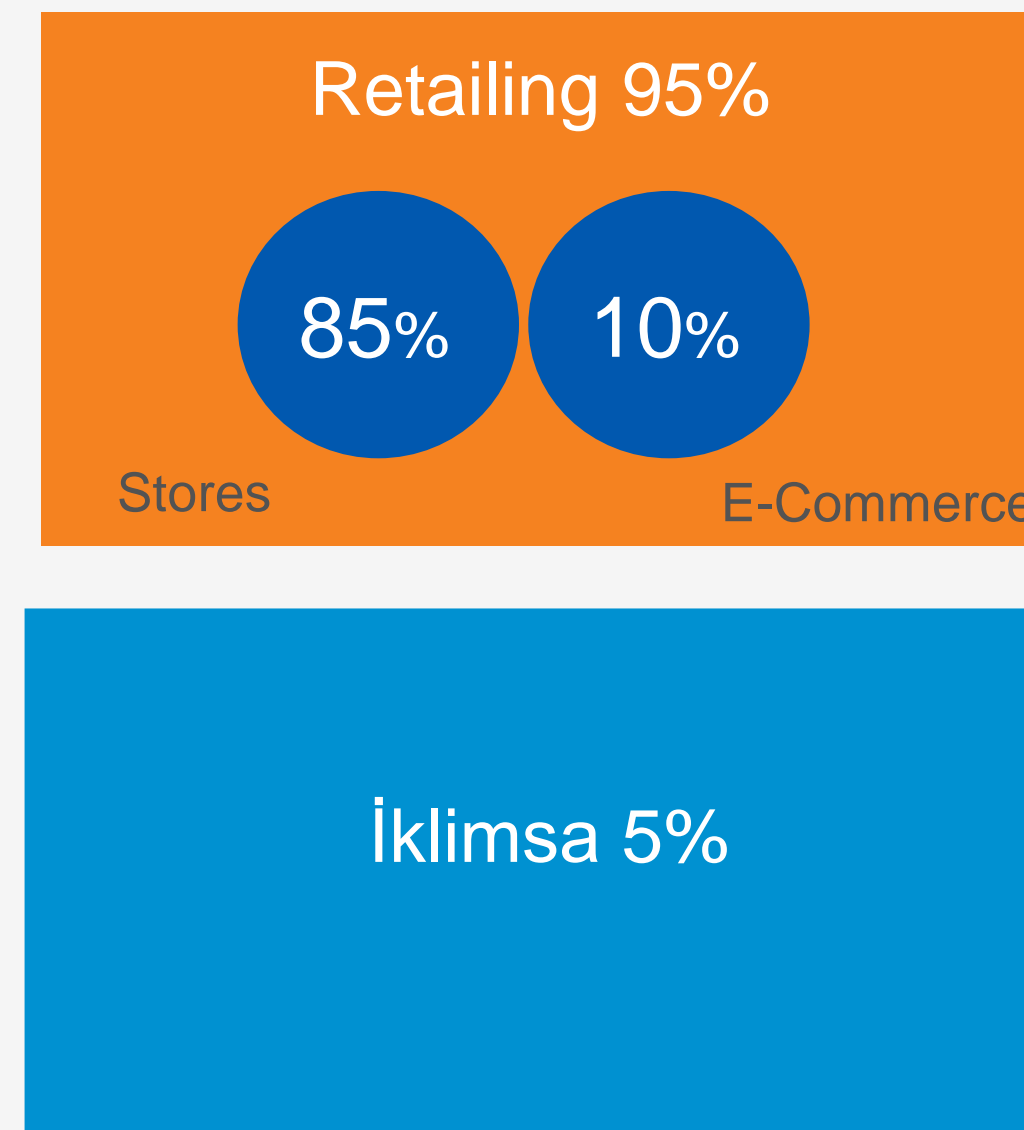
# Ongoing Growth in Teknosa Revenues and GMV in 1Q23

(Million TL)

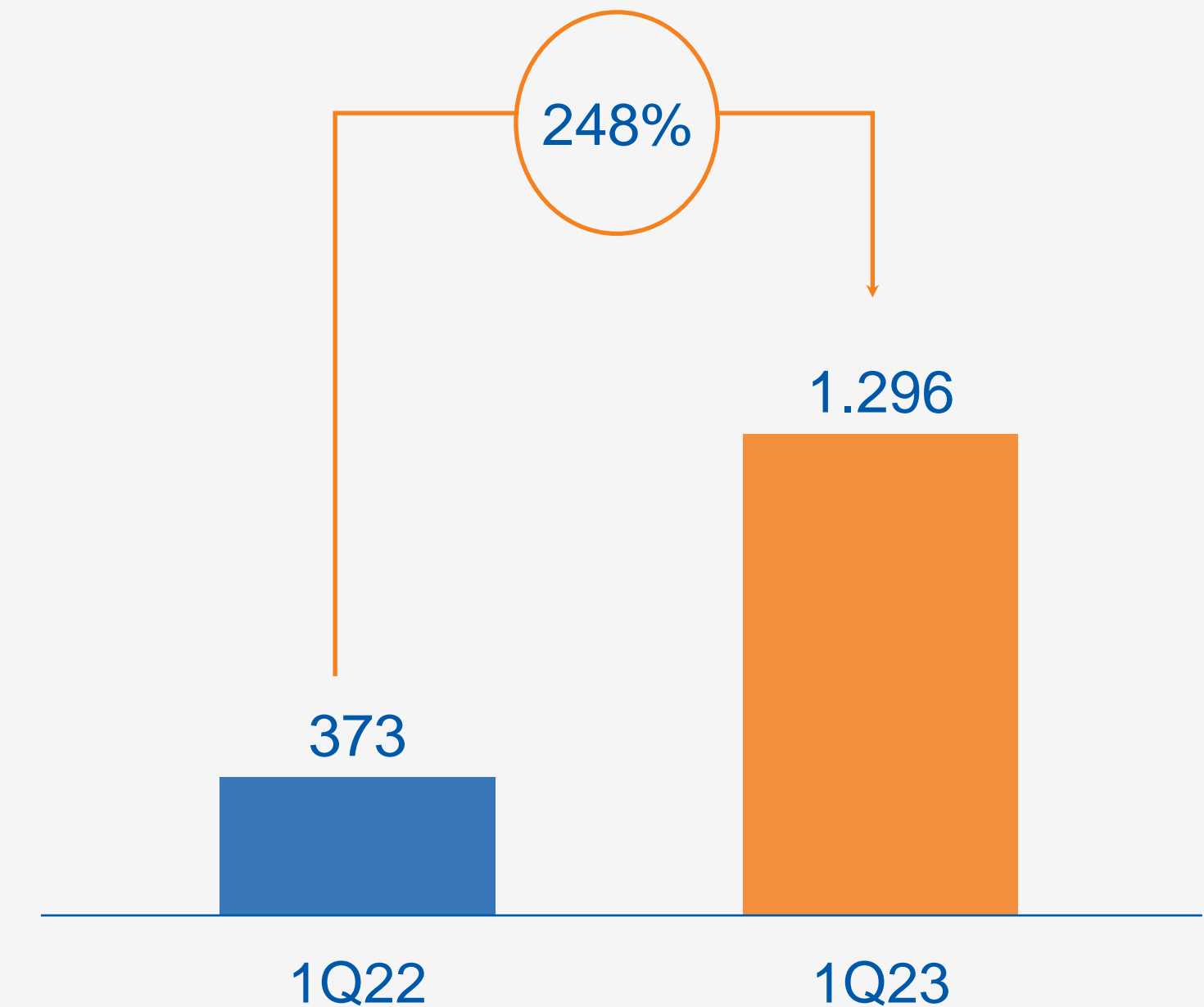
## Revenues



## Revenue by Sales Channels



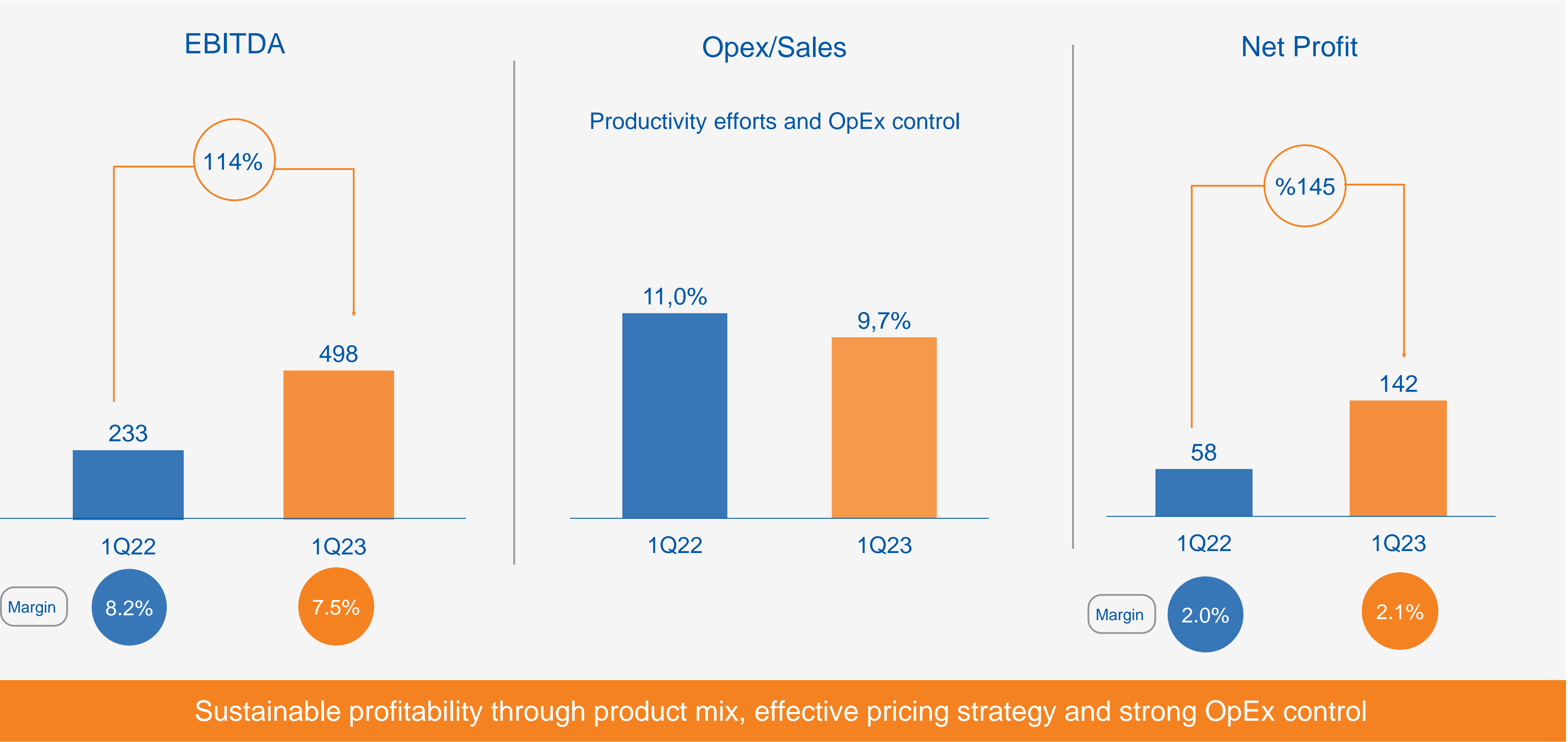
## E-Commerce Gross Merchandise Value (GMV)



Wide product range, new customers and effective pricing strategy

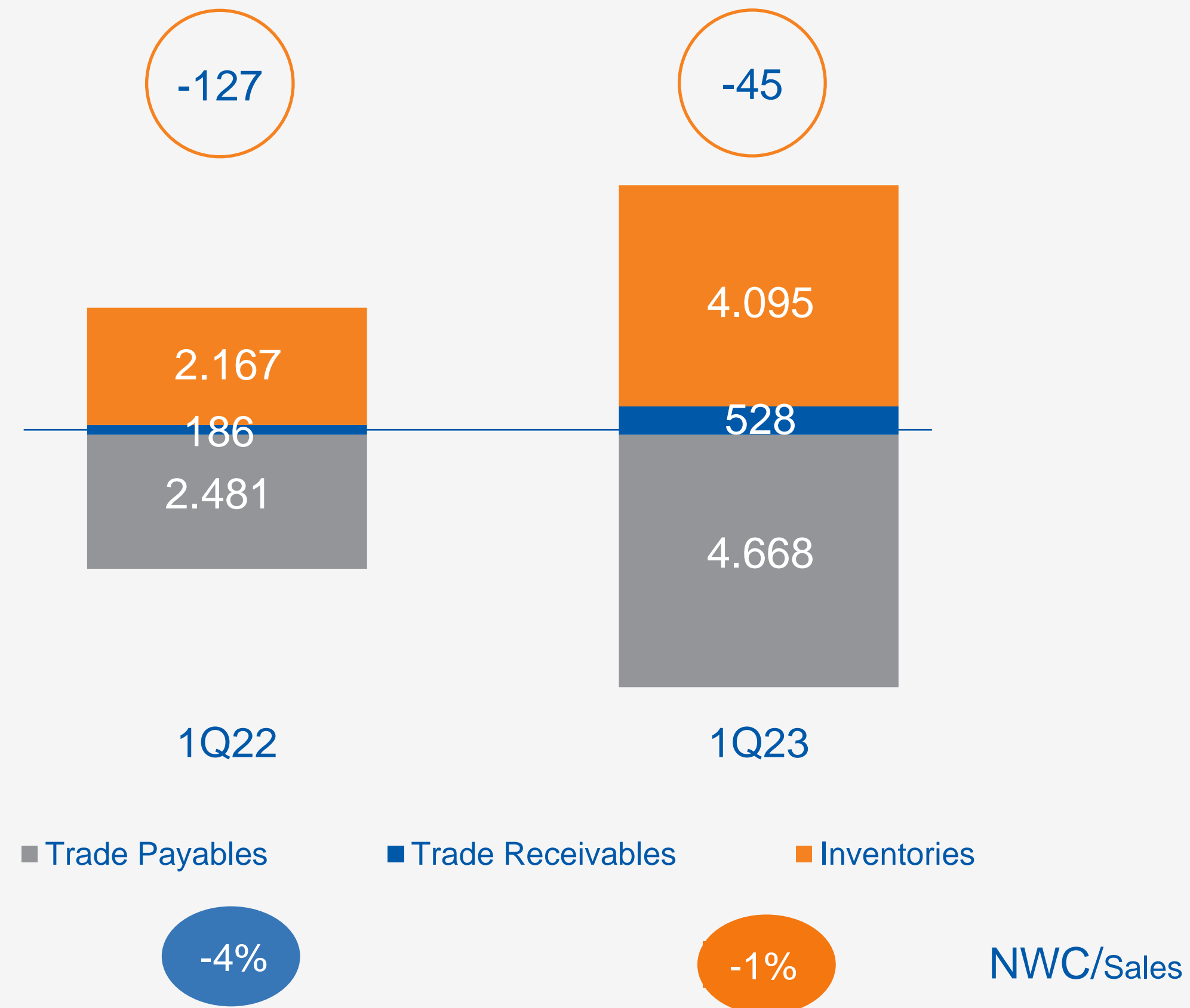


# Solid Operational Performance Despite Cost Pressures

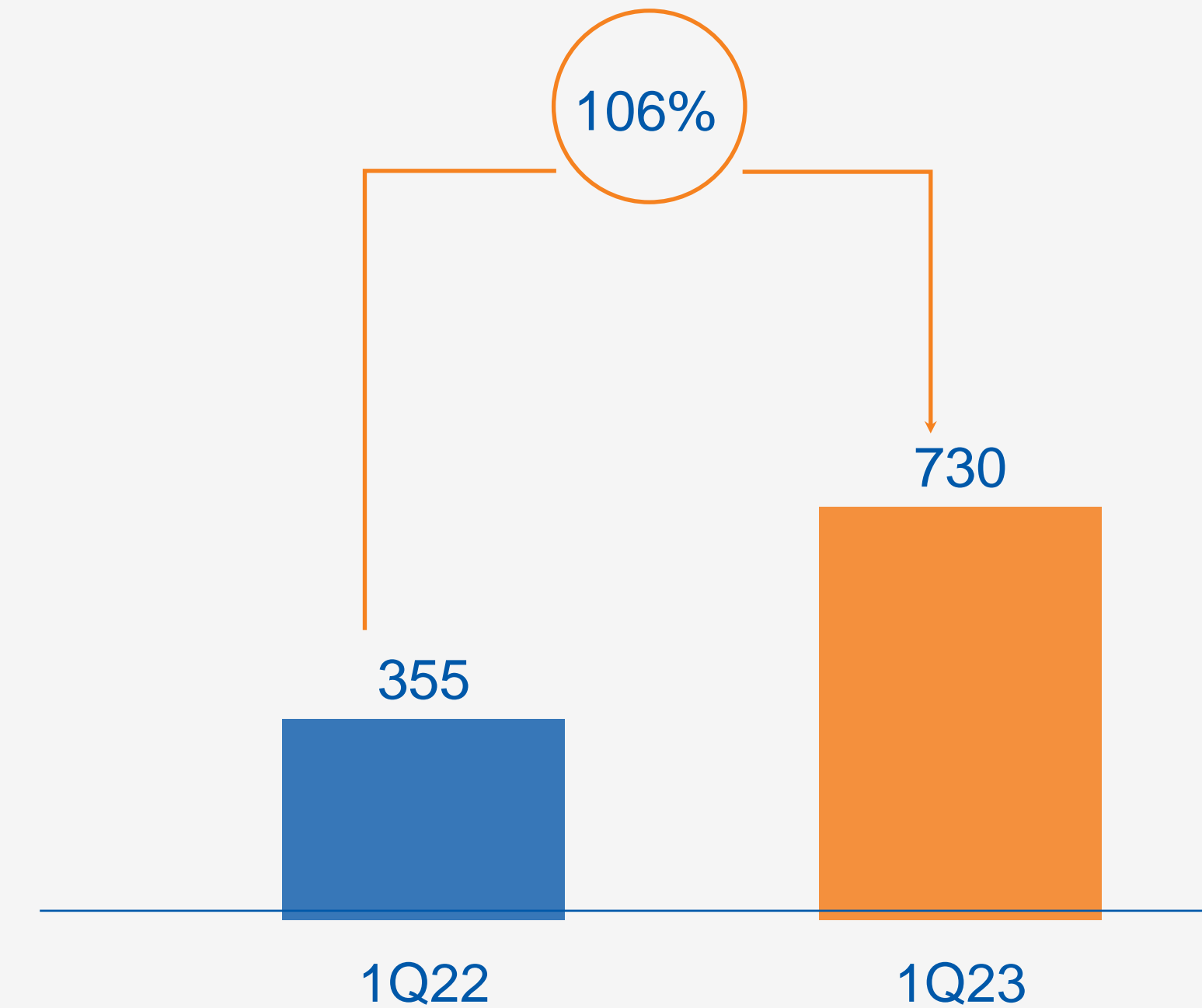


# Net Cash More Than Doubled

Net Working Capital (TL Mn)



Net Cash (TL Mn),  
excl. IFRS 16



## Contact

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