

TEKNOSA

INVESTOR PRESENTATION

NOVEMBER 2023



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OUR BUSINESS MODEL AND STRATEGY

TEKNOSA



Turkey's Most Widespread and Reliable Technology Partner

Comprehensive Omnichannel Structure



Revenue by Sales Channels



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

> 1,200
SKU

Turkey's
virtual network operator

> 400K
subscribers

Royalty program

> 2.6 million
members

TeknoGuarantee and
maintenance-repair
services to
minimize
environmental impact

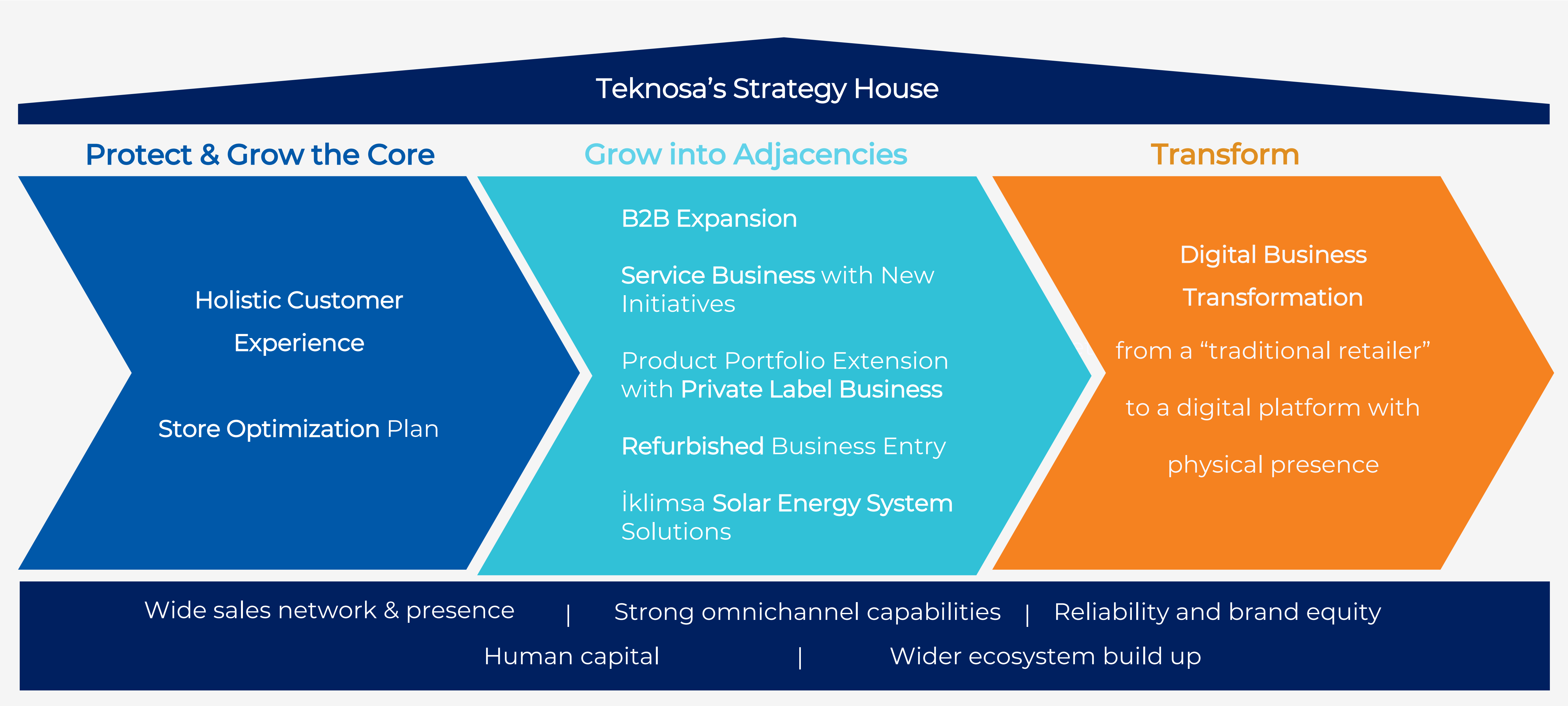
Refurbished phone
sales

Rental services for
~200 products with
rental services

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

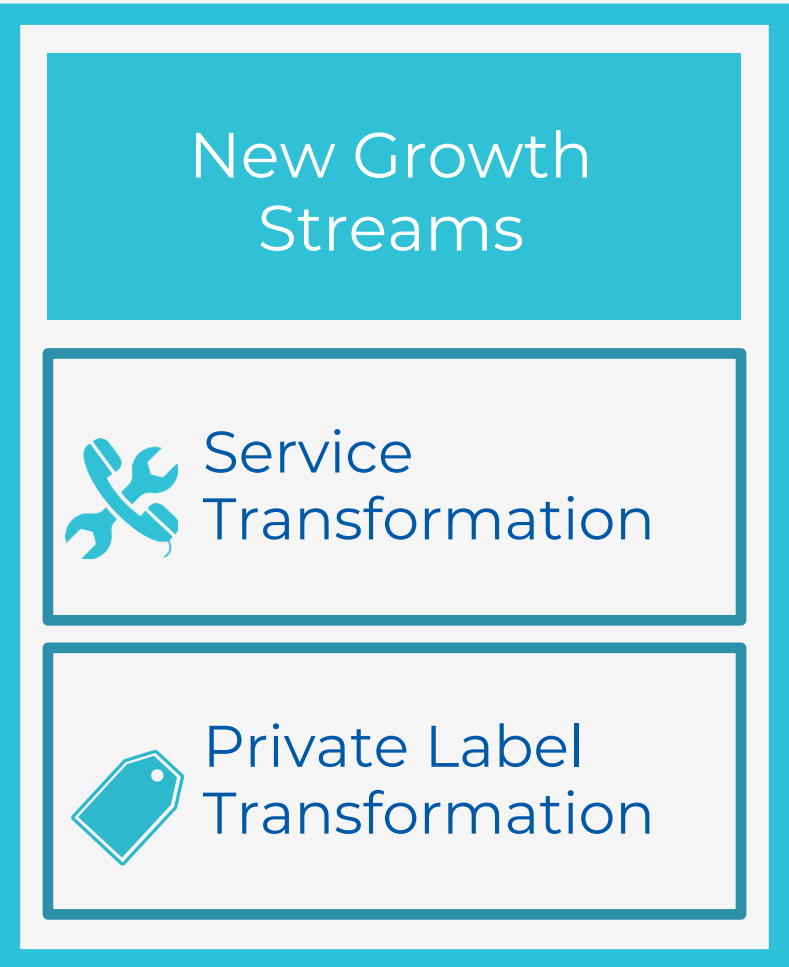
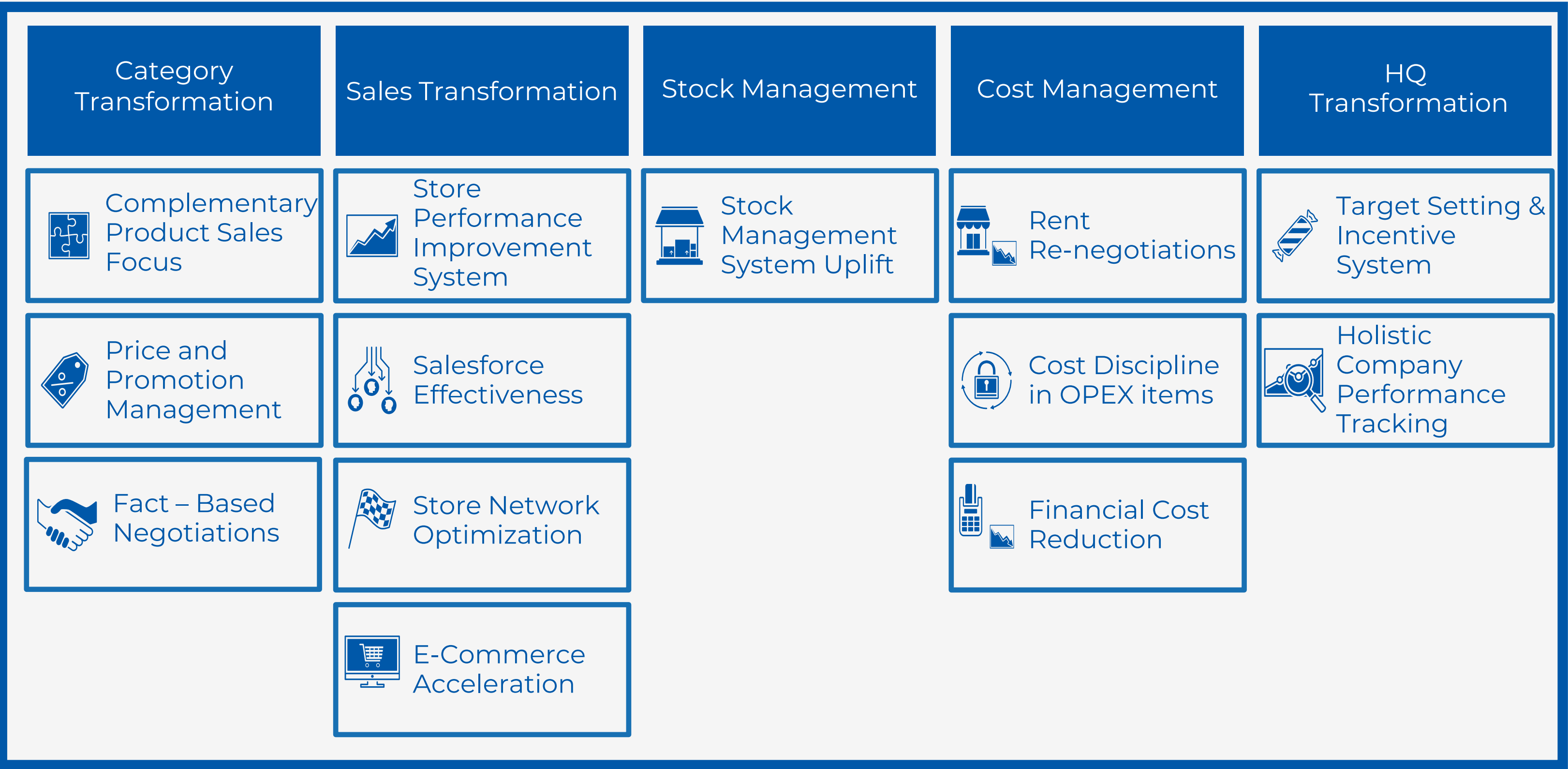
Grow into Adjacencies

Transform

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

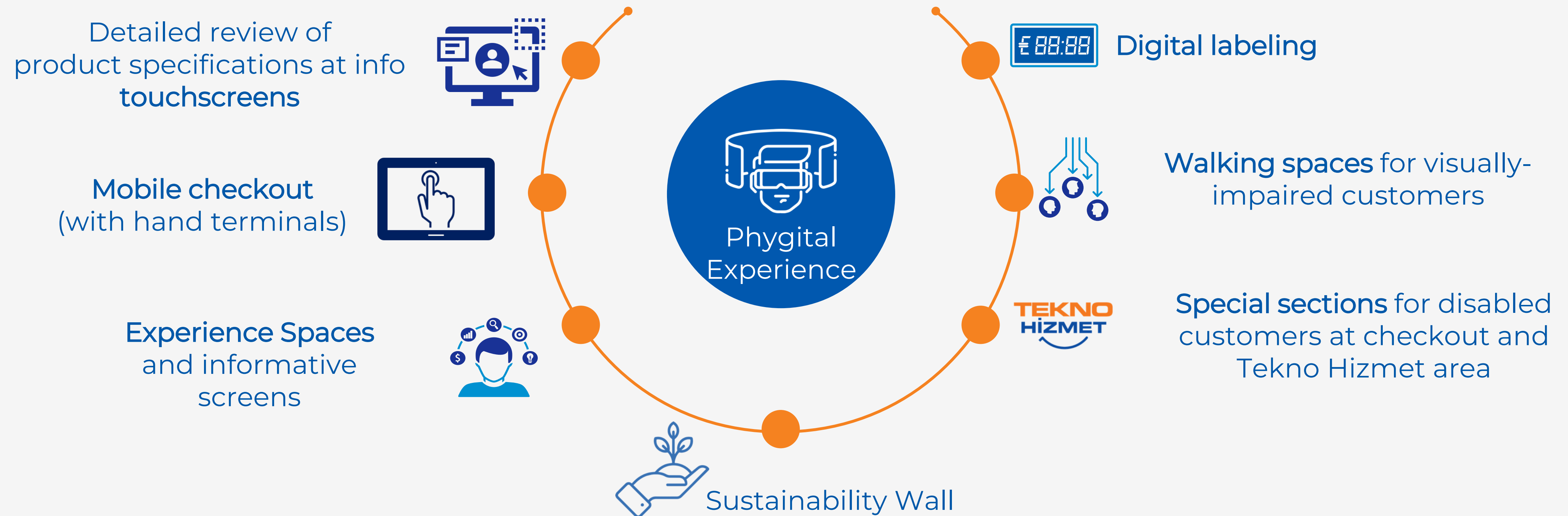
☑ Service & Private Label Transformation ('20-'21)

In Progress



Cultural Change

New Store Concept Offering Digital Experience



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

- ▶ Since the beginning of this year, 8 new stores were opened, and 11 stores were converted to digital concept stores



Experience Spaces



Dedicated sections for disabled customers



Informative screens



Hero Area

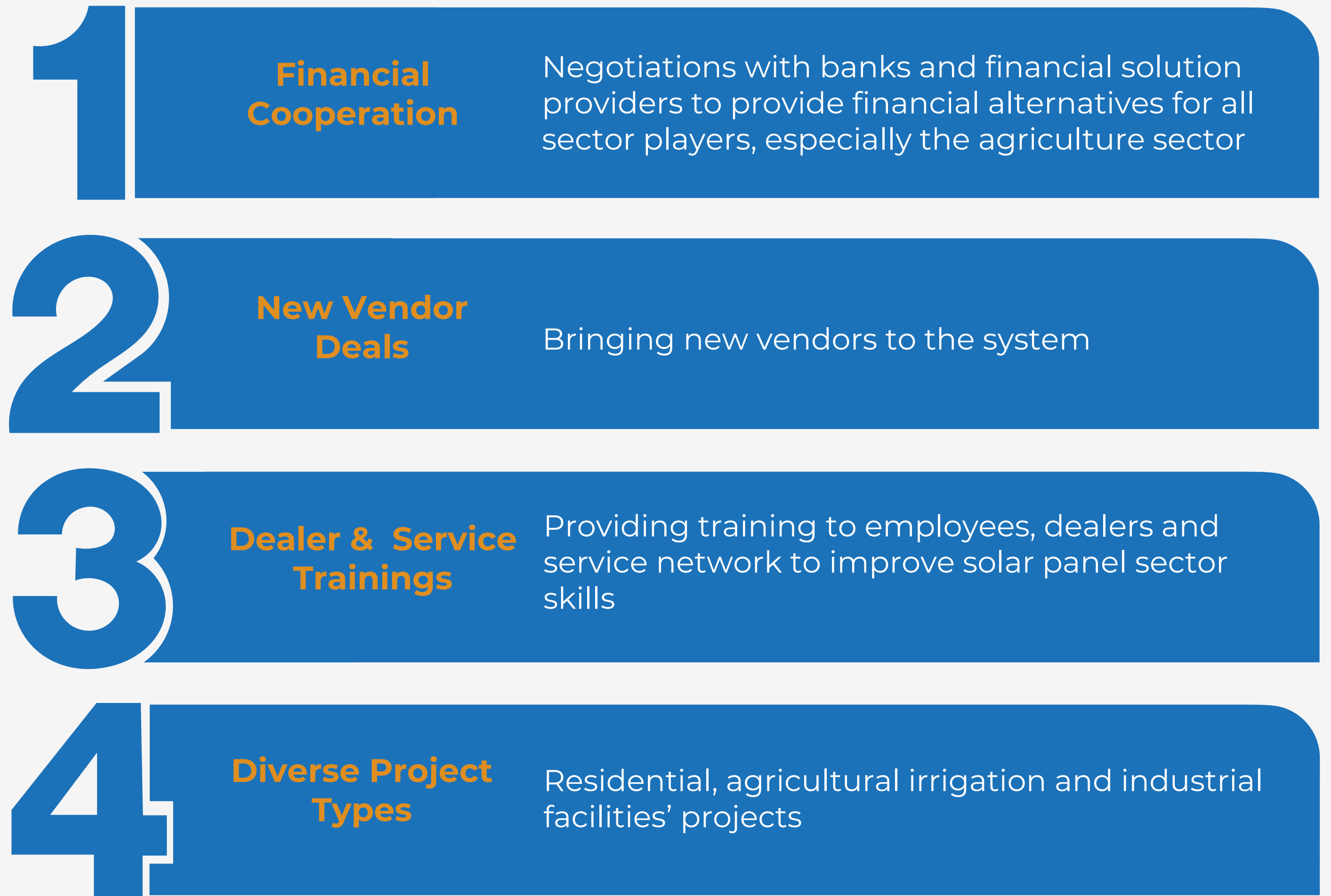


Sustainability Wall



- ▶ 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



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.



25 mn TL

Environmental Investments



3.3 mn TL

Social Investments



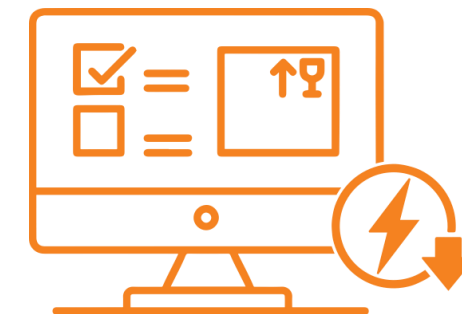
170

Environmentally friendly products and services



630 mn TL

Revenue from environmentally friendly products and services



4.59 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



17%

Women directors on our Board (as of 2023)



33%

Women employees in administrative roles

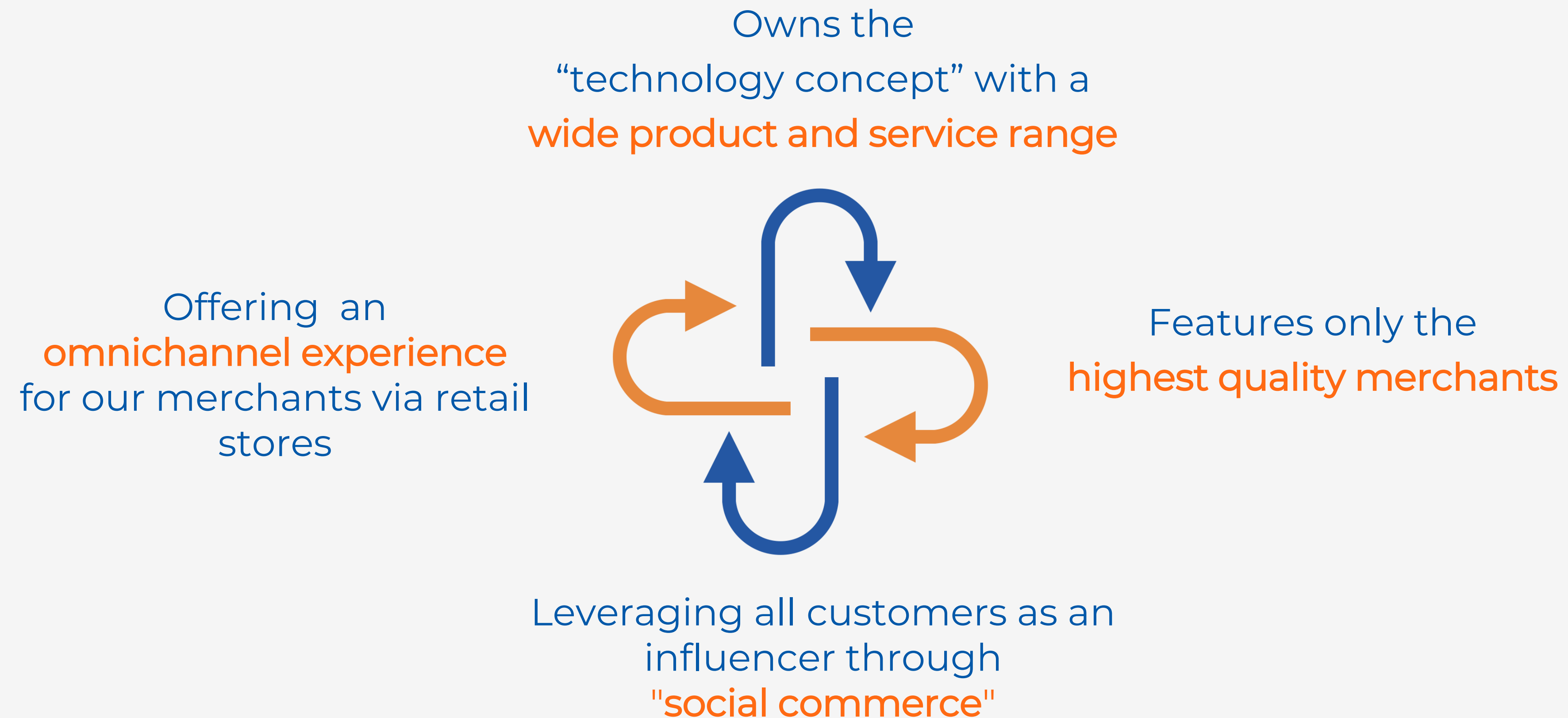


2,217

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

Source: Teknosa Sustainability Report, 2022

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

Merchant &
Product
Portfolio
Growth

Merchant
Satisfaction
Actions

Web & Mobile
Improvements

Teknosa
Social
Commerce

Retail Media
and Logistic
Services

Personalized
and
Value-added
Services

Creating Total Brand Value with Growth Across all Key Indicators

Significant YoY Growth in KPIs (9M23)



26x SKU increase
to **133K**
390 merchants



MP/Teknosa.com GMV
above
global benchmarks¹



GMV up by **211** % to
~**5.0** bn TL



40% YoY
traffic growth

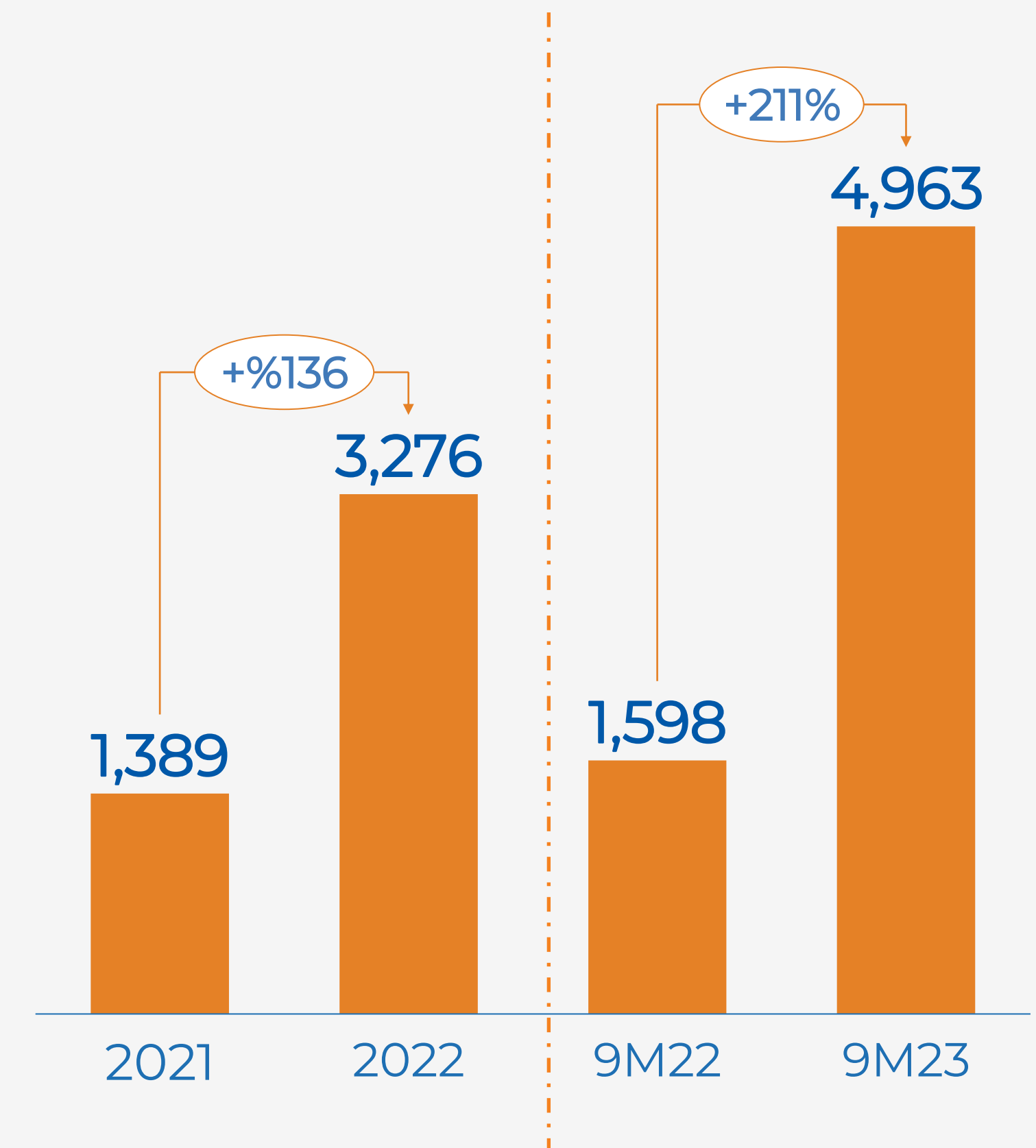


34%
Increase in Store
Visitors



2.2M
New
Customers

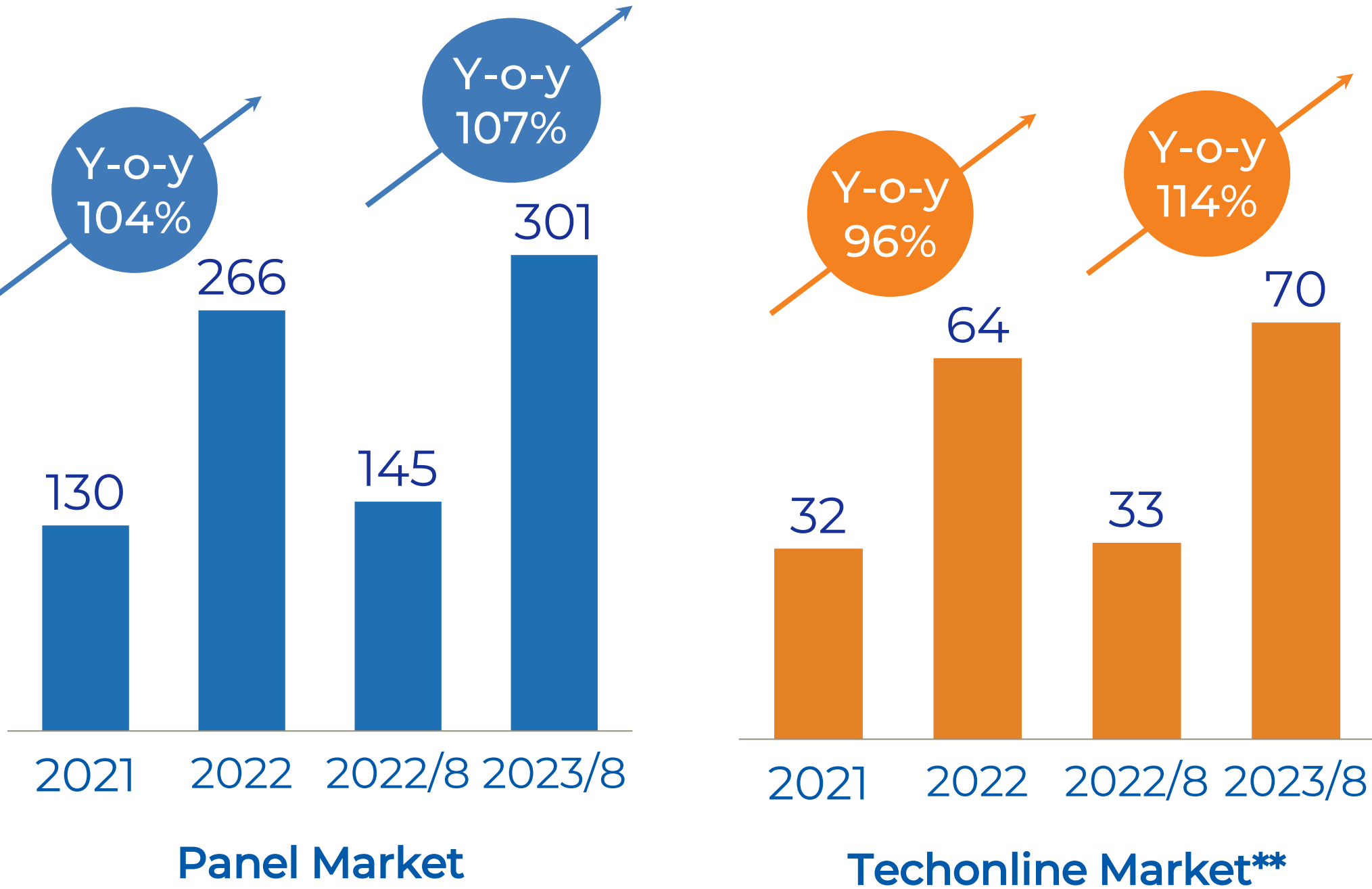
Accelerating Gross Merchandise Value (GMV)



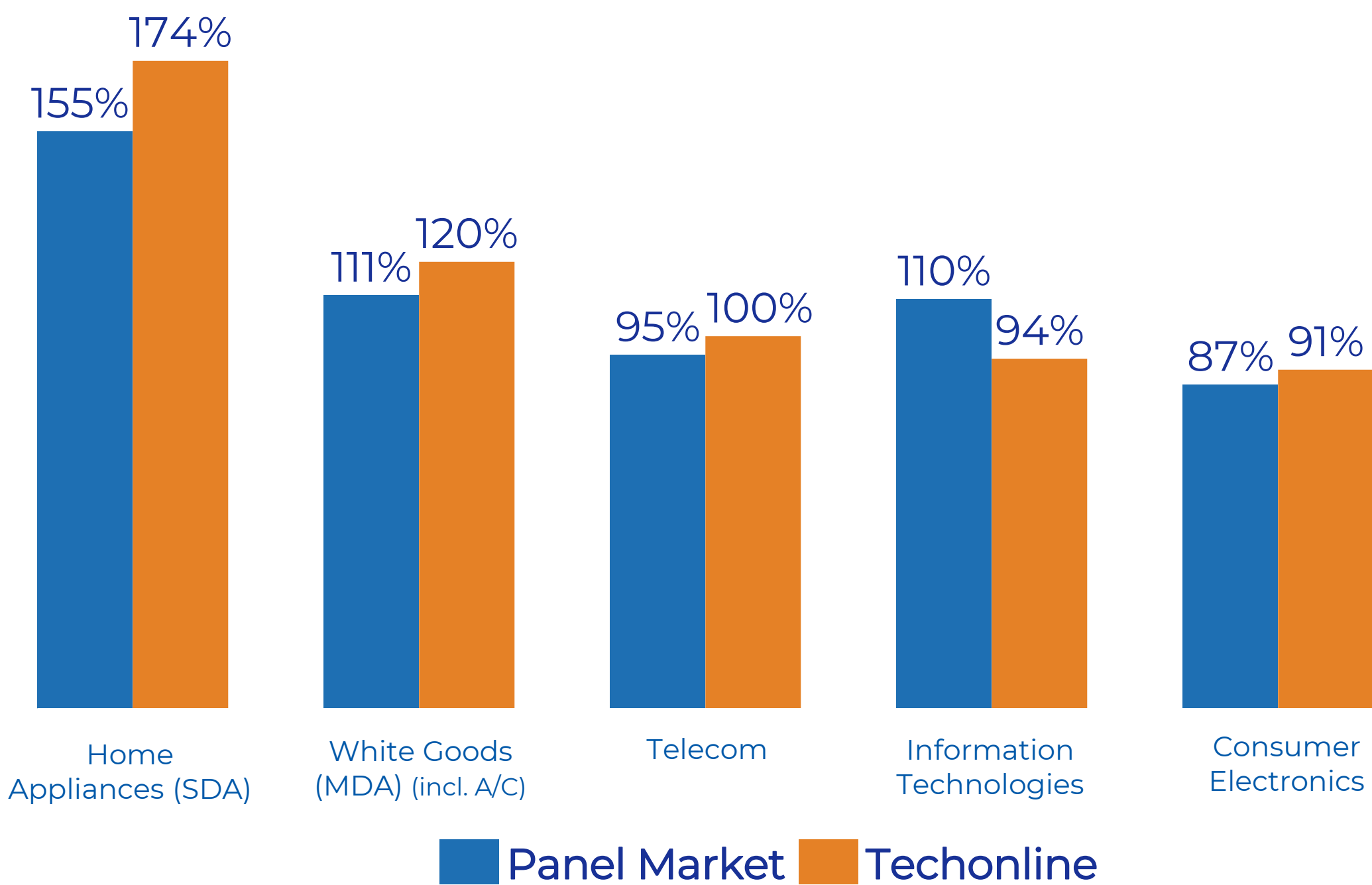
⁽¹⁾ Benchmarks : Magazine Luiza from Brazil, FNAC and Darty from France

Market Demand Remained Strong Despite Macro Headwinds

Market Revenue Growth*
Billion TL

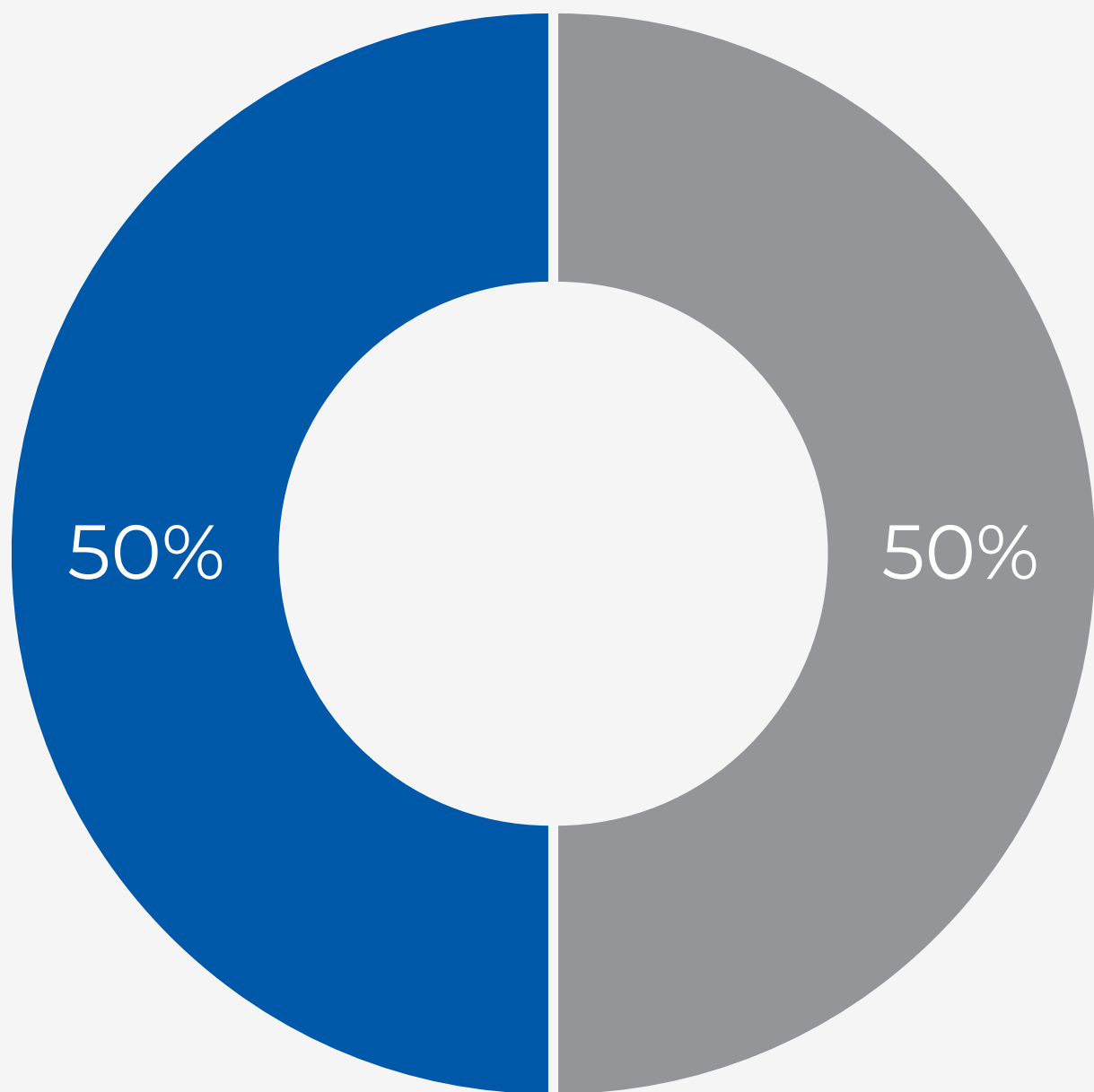


Demand Growth by Categories*
August YTD, Y-o-y%



*Above data is given as of August YTD y-o-y growth (%) as the data is lagging behind

High Free Float Supporting Liquidity



■ Hacı Ömer Sabancı Holding

■ Free Float

Free Float: %49.98

Well-Positioned in Sabancı Holding Portfolio

**Energy &
Utilities**



Industrials

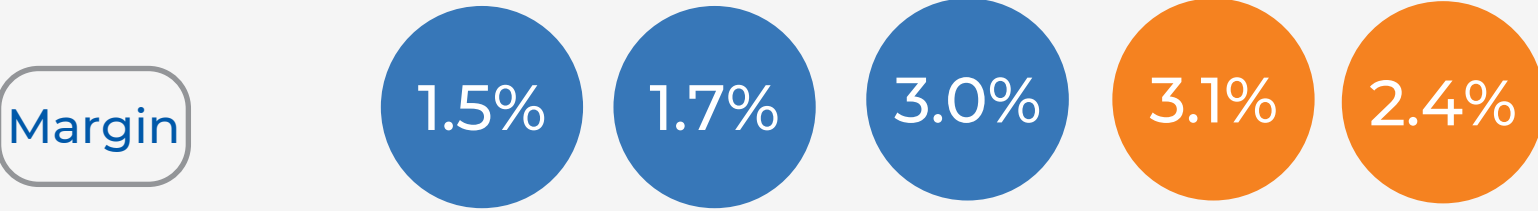
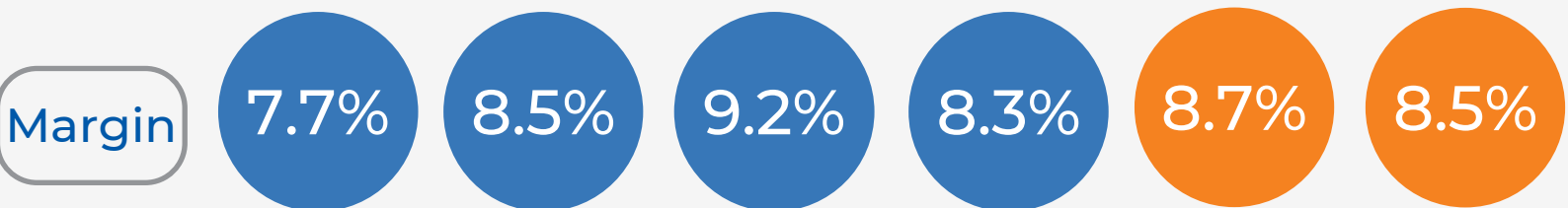
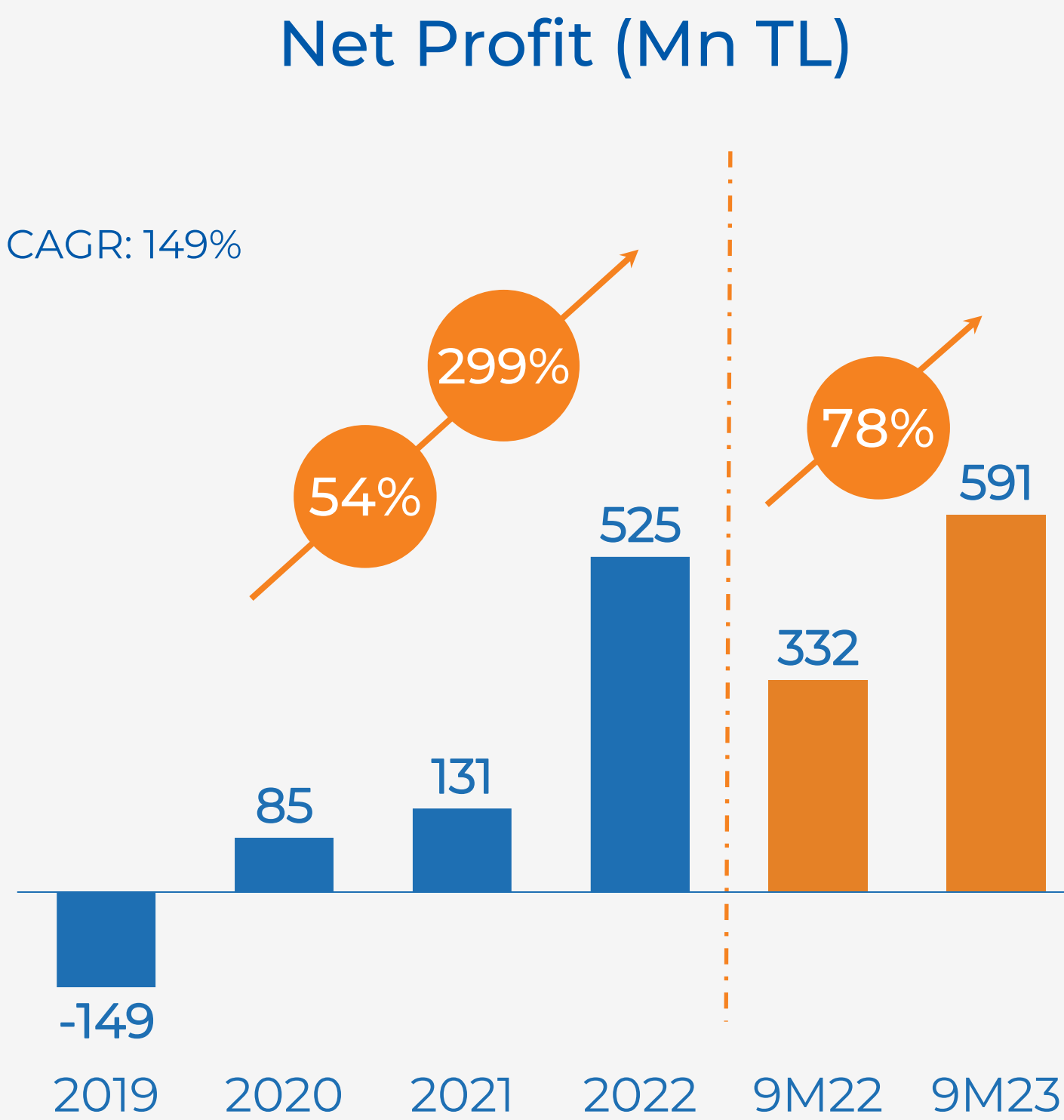
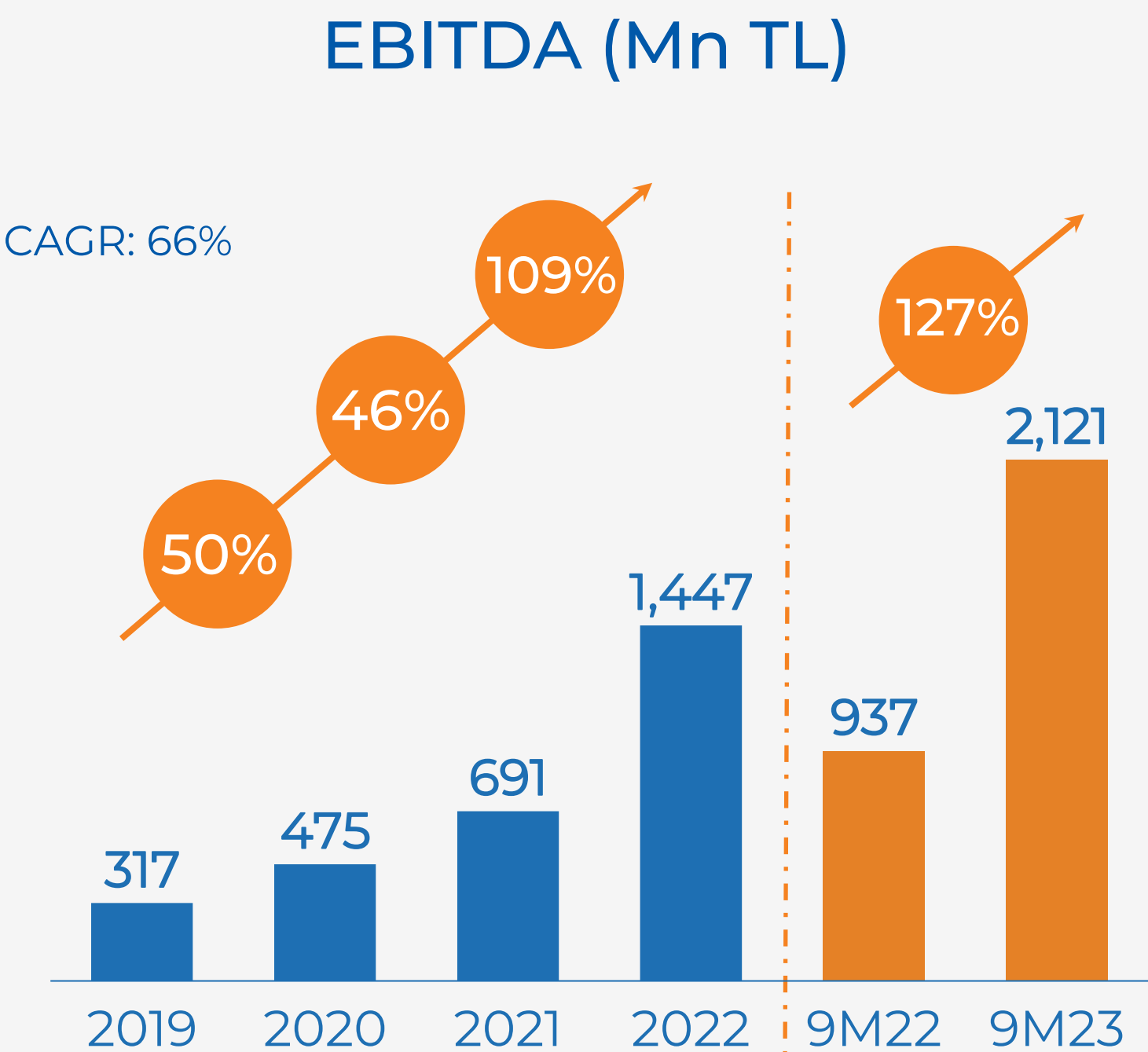
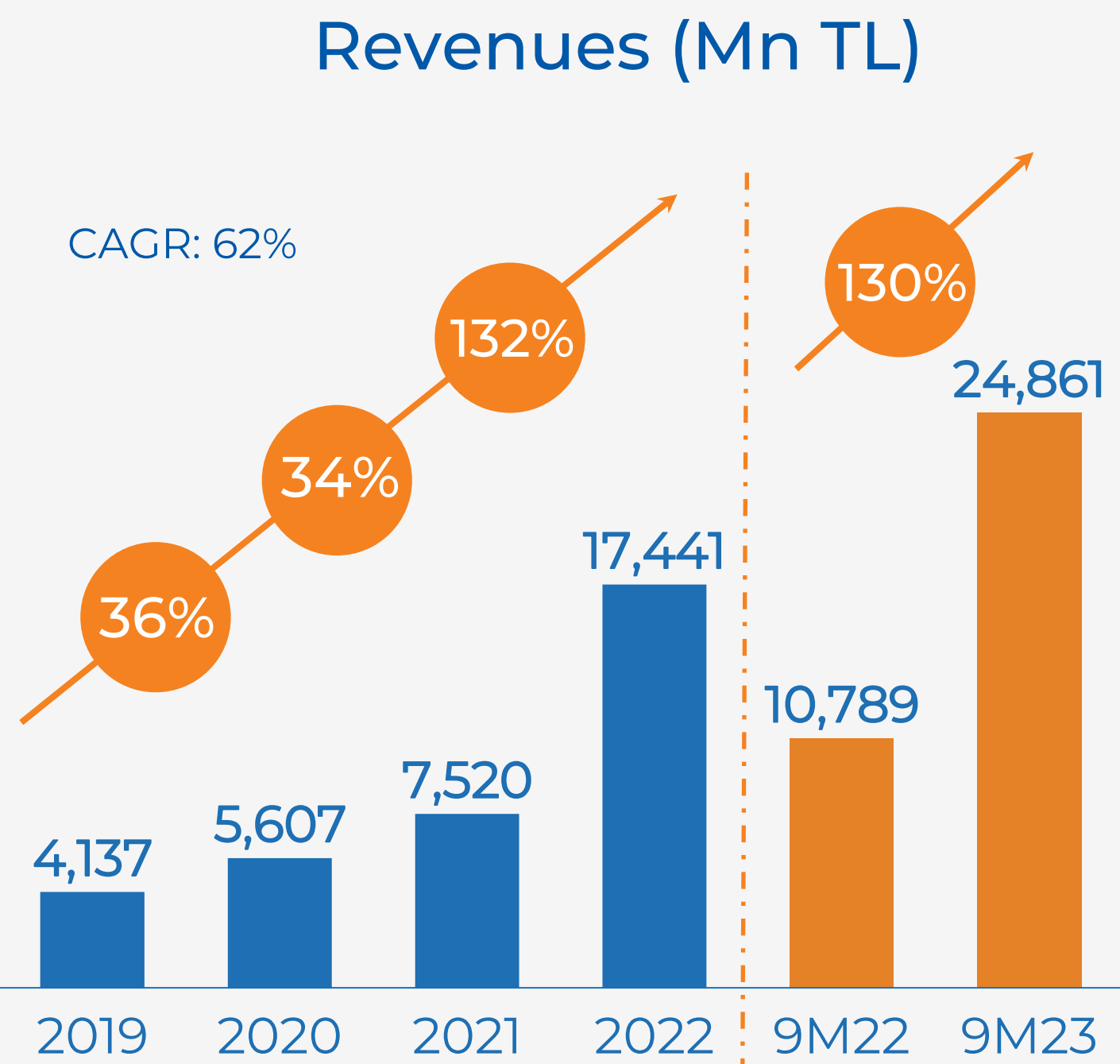
Ticks two
strategic focus
areas

**Financial
Services**

**Digital
Businesses**



Accelerated Results with Excellent Execution of the Transformation Program*



*Transformation Program launched in 2019

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



Distribution Channels in the Turkish Consumer Electronics Sector

Technical Super Stores (TSS)



- ▶ Other TSS Players

MASS

- ▶ Hyper/Super Markets, home improvement stores
- ▶ Cash & Carry
- ▶ DIY
- ▶ Pure Online
- ▶ Department stores
- ▶ Online Marketplaces

Traditional Channel

- ▶ Consumer Electronics
- ▶ White Goods & Small Appliances Dealers
 - ◉ Exclusive
 - ◉ Mixed

Computer Shops (CSS)

- ▶ Mixed Computer Stores

Telecom Dealers (TCR)

- ▶ Mobile Phone Dealers

TEKNOSA MILESTONES

TEKNO**SA**



TABİİ Kİ

MUTLAKA

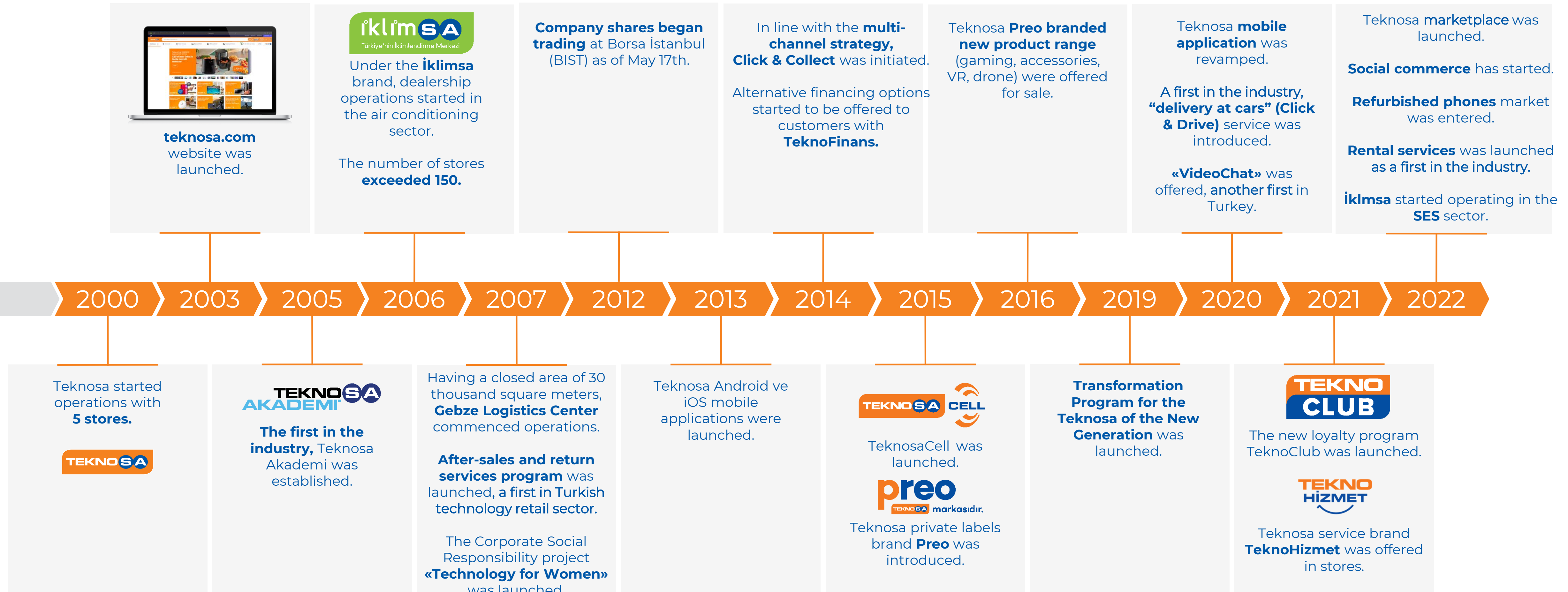
KESİNLİKLE



teknosa.com



Constantly Evolved by Creating its Own Technology Ecosystem




SUMMARY FINANCIALS


TEKNOSA



Income Statement

	2019	2020	2021	2022	2022-2021 Change (%)	9M2022	9M2023	Change (%)
Net Sales (Mn TL)	4,137	5,607	7,520	17,441	132%	10,789	24,861	130%
Gross Profit (Mn TL)	715	931	1,267	2,904	129%	1,883	4,224	124%
Gross Profit Margin (%)	17.3%	16.6%	16.8%	16.7%	-20 bps	17.5%	17.0%	-46 bps
Opex/Sales (%)	13.0%	10.3%	9.7%	9.6%	-9 bps	10.1%	9.6%	-50 bps
EBITDA (Mn TL)	317	475	691	1,447	109%	937	2,121	127%
EBITDA Margin (%)	7.7%	8.5%	9.2%	8.3%	-89 bps	8.7%	8.5%	-15 bps
Other Income (Expense) (Mn TL)	-134	-42	-171	-276	61%	179	506	182%
EBIT (Mn TL)	37	319	387	1,065	175%	644	1,450	125%
EBIT Margin (%)	0.9%	5.7%	5.1%	6.1%	96 bps	6.0%	5.8%	-14 bps
Financing Income (Expense) (Mn TL)	-215	-208	-248	-464	87%	-267	-739	177%
Profit Before Tax (Mn TL)	-178	111	139	601	332%	378	712	88%
Tax (Mn TL)	29	-26	-8	-76	850%	-45	-120	166%
Net Income (Mn TL)	-149	85	131	525	299%	332	591	78%
Net Income Margin (%)	-3.6%	1.5%	1.7%	3.0%	127 bps	3.1%	2.4%	-70 bps

Balance Sheet

	2019	2020	2021	2022	9M2023
Assets (Mn TL)					
Current Assets	994	1,565	2,624	5,439	9,878
Cash and Cash Equivalents	37	392	709	1,604	2,183
Trade Receivables	66	103	156	441	652
Inventories	860	1,057	1,719	3,265	6,685
Derivatives	-	-	1	-	1
Other Current Assets	31	13	38	128	357
Non-current Assets	518	395	378	859	1,312
Property, Plant and Equipment	60	60	84	221	408
Intangible Assets	36	40	50	78	107
Deferred Tax Assets	71	45	37	76	135
Right of Use Assets	322	220	166	374	562
Other Non-current Assets	30	30	39	110	100
Total Assets	1,513	1,961	3,001	6,298	11,191
Liabilities (Mn TL)					
Current Liabilities	1,482	1,944	2,627	5,204	9,396
Short-term Loans and Borrowings	106	370	0	202	304
Short-term Portion of Long-term Finance Lease Liabilities	85	98	96	154	247
Trade Payables	1,233	1,386	2,428	4,561	8,293
Derivative Instruments	-	-	-	3	1
Other Current Liabilities	58	89	103	284	551
Long Term Liabilities	283	182	131	332	453
Long-term Lease Liabilities	273	168	113	264	370
Other Long Term Liabilities	10	14	18	69	83
Equity (Mn TL)	-252	-166	243	761	1,341
Total Liabilities and Equity (Mn TL)	1,513	1,961	3,001	6,298	11,191

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