

Investor  
Presentation

# Teknosa

## *4Q20 Results*

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

**February , 2021**

## Agenda

Main Messages

Financial Overview

## Main Messages

**Sales: Best performance of the past 20 years**

4Q20: +54%, TL 1.932M  
2020 : +36%, TL 5.607M

**Profitability: All-time record of Q4 & Full Year 2020 profit**

4Q20: TL 69,4M  
2020: TL 85,3M

**Online sales: Increasing by 3.6 times in 2020, reaching over TL 1 billion**

4Q20: +208%, TL 306,5M  
2020 : +256%, TL 1.011M  
Online/retail sales 19% in 2020

**The Best Preparation for the Future**

TL 80 M, Record investment plan for 2021

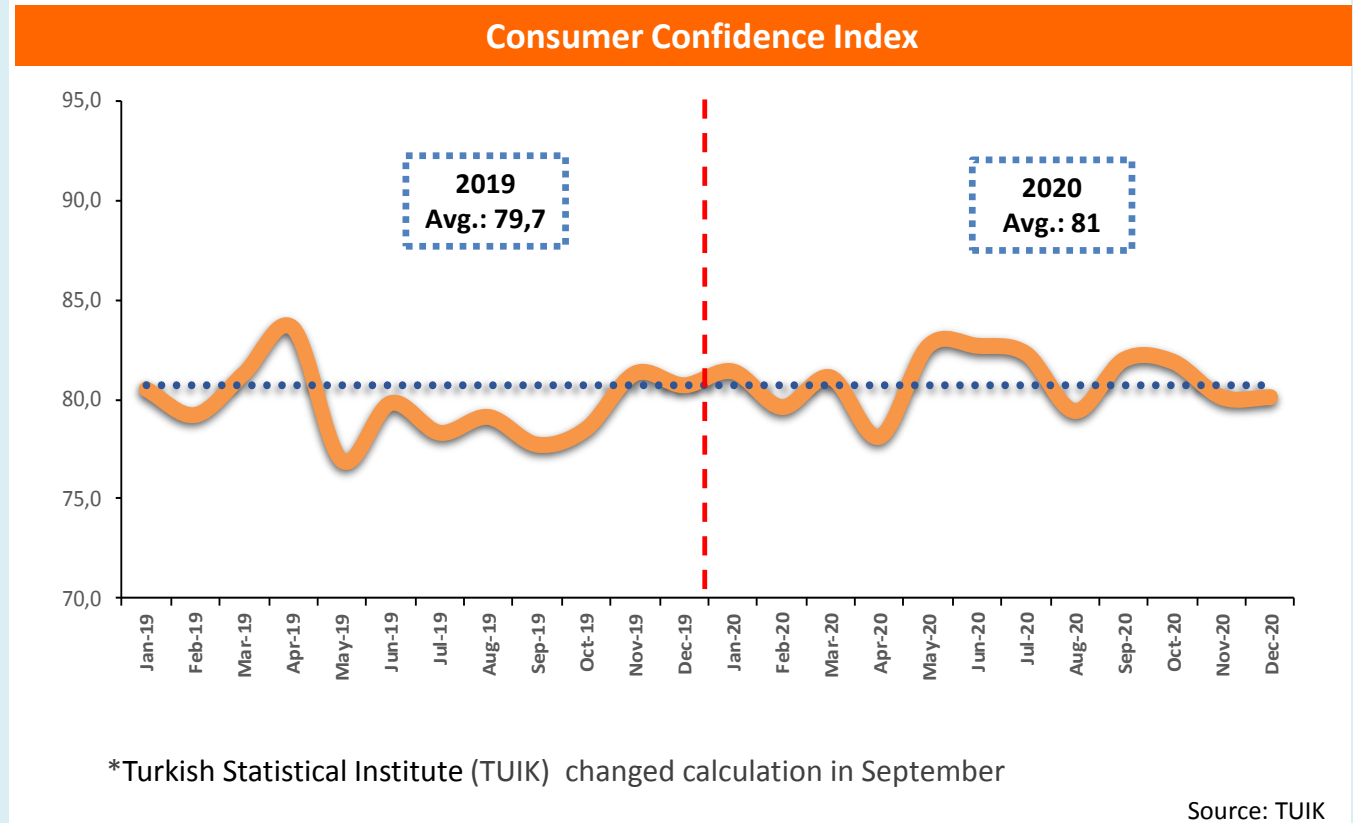
# Main Messages

## Key Drivers for Strong Financial Performance

- The Transformation Program, “Teknosa of the New Generation” continued in 2020 with the focus on data-driven management
- Despite lockdown as of March 22 amid coronavirus pandemic, investments in e-commerce and measures taken by the company contributed to fast adaptation and robust performance
- After reopening all stores by June 1, Teknosa meets changing and increasing demand by successful management of inventories, ensuring product availability and diversity
- Continuous improvement in pricing and promotion management
- For better customer journey in omni-channel, as a first-mover in the sector, new services such as video chat, drive-through click and collect shopping, were launched and web-chat, click&collect services were launched
- Quick adaptation to changing needs with increased complementary product sales in all categories and diversification of accessories bundles

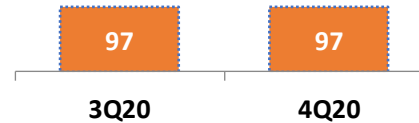
## Consumer Confidence Index

- Consumer Confidence Index was realized as 80.1\* in November and December 2020. Although decreased CCI compared to the previous quarter, it did not have a negative impact on demand side.



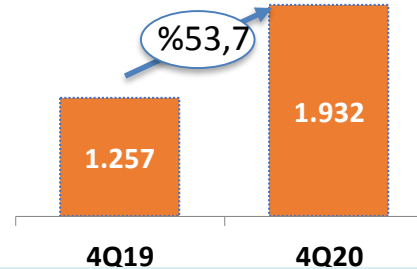
# 4Q20 Results

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



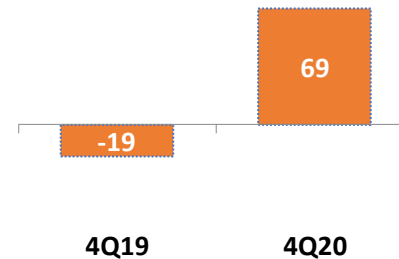
- Store relocations for sales efficiency
- (4Q19 105k sqm)

## Net Sales (TL mn)



- Supply chain efficiency
- Top selling product availability.
- Efficient pricing and promotion management
- Uninterrupted service

## Net Period Profit/Loss (TL mn)

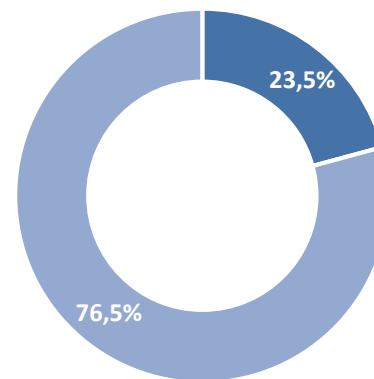


- Operational and cost efficiency
- TL 85.3M net profit for 2020, TL +234M improvement compared to previous year

## Electronics Retail Market and Teknosa

- The electronics retail market(\*) grew by 37,8% LfL reaching TL 89 bn in 2020
  - Growth by segments: IT 129,8%, Telecom 36,9%, MDA 29%, Consumers Electronics 28,9% and SDA 18.4%
  - TSS channel accounts for 23,5% (including MDA) of the total market
- (\*) Including electronic retail chains, telecom dealers, traditional MDA&SDA dealers, and Technical Super Stores

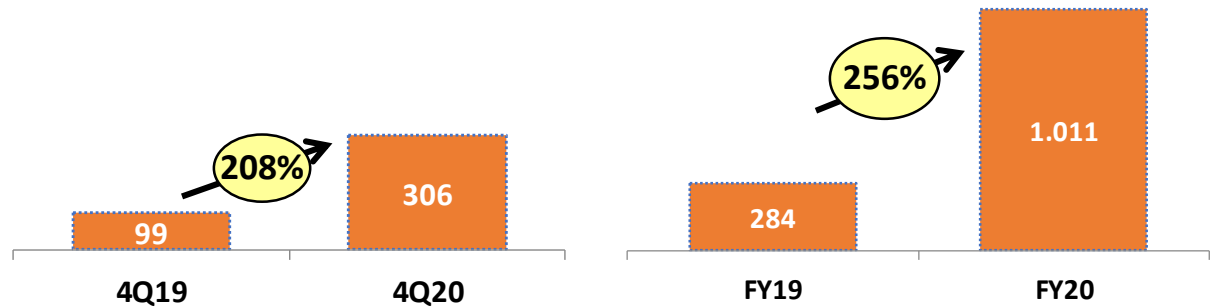
### Electronic Retail Market– 2020



■ TSS ■ Other

Source: GfK

208%  
growth in  
online sales



- Online/retail sales 17% in 4Q20 and 19% in 2020
- 256% increase in online sales compared to 2019 with TL 1.011M in 2020
- New services for customer satisfaction such as web-chat, video chat, click&collect

### COMPARED TO LAST YEAR



Sales  
**3,6 TIMES**  
INCREASED

Number of Visit  
**1,4 TIMES**  
INCREASED



Number of invoice  
**2,5 TIMES**  
INCREASED

Conversion Rate  
**2 TIMES**  
INCREASED



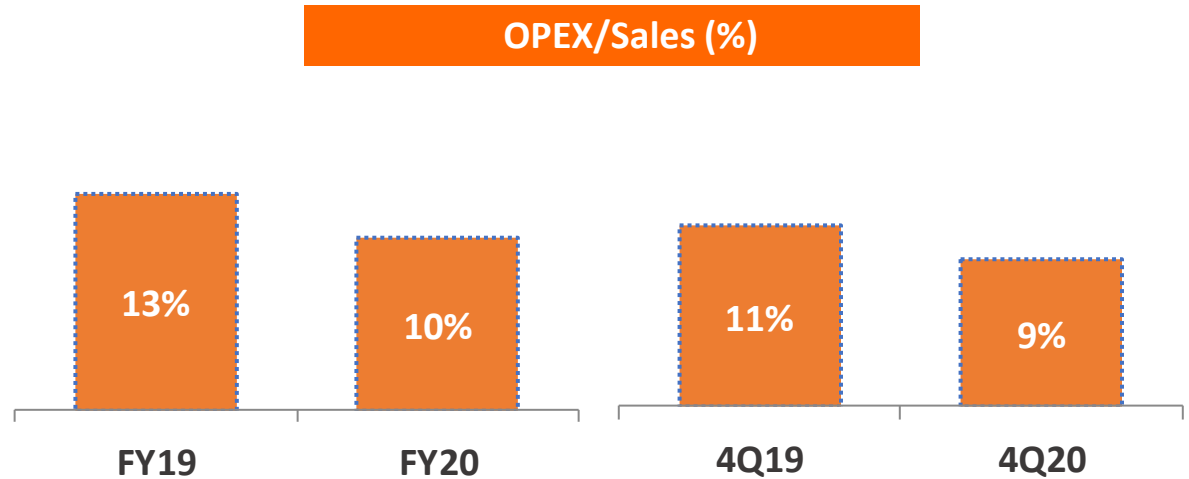


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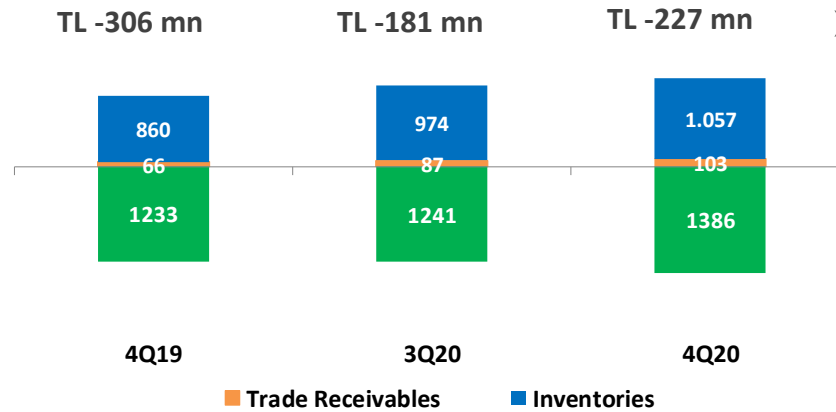
## OPEX/Sales ratio



- Operational expenses/sales decreased from 11 % in 4Q20 to 9% in 4Q19.
- Due to falling visitor numbers during covid pandemic, rental discounts and short-time work allowance in 4Q20 continued.
- Despite the increase in sales, controlling fixed and variable costs efficiently
- As a part of the transformation program, ongoing effective finance management

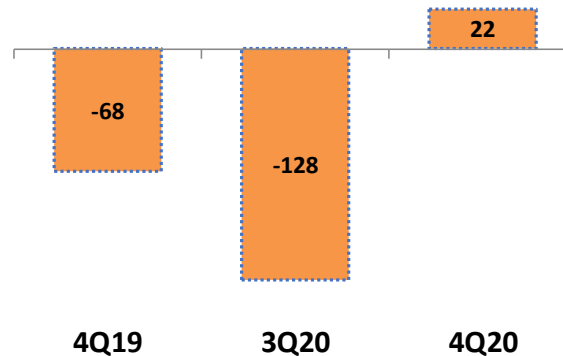
## Working Capital and Cash Position

### Working Capital Requirement (TL mn)



➤ TL 46M change, trade payables level increased in parallel with the increase in inventories. (Based on customer demand)

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



➤ Cash generation with strong sales performance and efficiency efforts in 4Q20

## Income Statement Summary

(TL mn )	4Q19	3Q20	4Q20	YoY (%)	FY19	FY20	YoY (%)
<b>Net Sales</b>	<b>1.257</b>	<b>1.671</b>	<b>1.932</b>	<b>54%</b>	<b>4.137</b>	<b>5.607</b>	<b>36%</b>
<b>Gross Profit</b>	<b>210</b>	<b>295</b>	<b>339</b>	<b>61%</b>	<b>715</b>	<b>931</b>	<b>30%</b>
<b>Gross Profit Margin</b>	<b>16,7%</b>	<b>17,6%</b>	<b>17,5%</b>	<b>0,8pp</b>	<b>17,3%</b>	<b>16,6%</b>	<b>-0,7pp</b>
<b>EBITDAR</b>	<b>129</b>	<b>198</b>	<b>226</b>	<b>76%</b>	<b>380</b>	<b>557</b>	<b>46%</b>
<b>EBITDAR Margin</b>	<b>10,2%</b>	<b>11,9%</b>	<b>11,7%</b>	<b>1,5pp</b>	<b>9,2%</b>	<b>9,9%</b>	<b>0,7pp</b>
<b>EBITDA</b>	<b>110</b>	<b>172</b>	<b>198</b>	<b>80%</b>	<b>317</b>	<b>475</b>	<b>50%</b>
<b>EBITDA Margin</b>	<b>8,8%</b>	<b>10,3%</b>	<b>10,3%</b>	<b>1,5pp</b>	<b>7,7%</b>	<b>8,5%</b>	<b>0,8pp</b>
Other Income/Expenses	-30	-14	-16	47%	-138	-33	76%
Financial Expenses	-60	-50	-62	-3%	-215	-208	3%
<b>Profit Before Tax</b>	<b>-16</b>	<b>78</b>	<b>91</b>	<b>656%</b>	<b>-178</b>	<b>111</b>	<b>163%</b>
Tax	-3	-15	-22	-663%	29	-26	-189%
<b>Net Profit</b>	<b>-19</b>	<b>63</b>	<b>69</b>	<b>461%</b>	<b>-149</b>	<b>85</b>	<b>157%</b>
<b>Net Profit Margin</b>	<b>-1,5%</b>	<b>3,7%</b>	<b>3,6%</b>	<b>5,1pp</b>	<b>-3,6%</b>	<b>1,5%</b>	<b>5,1pp</b>

Source: Independent Auditor's report

## Balance Sheet Summary

Assets (in TL mn)	Dec-19	Sep-20	Dec-20
<b>Current Assets</b>	<b>994</b>	<b>1.373</b>	<b>1.565</b>
Cash and Cash Equivalents	37	264	392
Trade Receivables	66	87	103
Inventories	860	974	1.057
Other Current Assets	31	49	13
<b>Non-current Assets</b>	<b>518</b>	<b>425</b>	<b>395</b>
Investment Property	29	29	30
Property, Plant and Equipment	60	54	60
Intangible Assets	36	38	40
Deferred Income Tax Assets	71	67	45
Right of Use Assets	322	236	220
Other Non-current Assets	1	1	1
<b>Total Assets</b>	<b>1.513</b>	<b>1.798</b>	<b>1.961</b>

Liabilities (in TL mn)	Dec-19	Sep-20	Dec-20
<b>Current Liabilities</b>	<b>1.482</b>	<b>1.832</b>	<b>1.944</b>
Financial Liabilities	106	393	370
Current Portion of Long-Term Lease	85	93	98
Trade Payables	1.233	1.241	1.386
Other Current Liabilities	59	104	89
<b>Non-current Liabilities</b>	<b>283</b>	<b>202</b>	<b>182</b>
<b>Total Equity</b>	<b>-252</b>	<b>-236</b>	<b>-166</b>
<b>Total Liabilities</b>	<b>1.513</b>	<b>1.798</b>	<b>1.961</b>

Source: Independent Auditor's report

Thank You

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