

# 2Q 2025 EARNINGS PRESENTATION

7 AUGUST 2025

**TEKNO**SA



# Disclaimer

With the Capital Markets Board of Turkey's Bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or later, in accordance with IAS 29 inflationary accounting provisions. Accordingly, this presentation on the Second Quarter 2025 Financial Results contain the Company's financial information prepared according to Turkish Accounting / Financial Reporting Standards by application of IAS 29 inflation accounting provisions, in accordance with CMB's decision dated 28.12.2023.

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## 2Q Overview

- We continue to navigate **two key macroeconomic challenges; elevated interest rates**, and a **slowdown in demand**, both of which are pressuring spending behavior and increasing financial and operational costs.
- Despite high inflation and a market slowdown, our **revenues remained broadly flat year-over-year vs inflation**
- **In response**, we have **intensified operational efficiency efforts** across all cost items to mitigate these macroeconomic headwinds, including;
  - i) Network & workforce optimization**, and,
  - ii) Other OPEX optimizations** (*with further details to be shared later*).
- As a result, **EBITDA margin improved**, supported by an **expanded gross margin** and **disciplined OPEX control**.
- Although financial expenses continue to weigh on the bottom line, **our key financial ratios have improved**, driven by prudent execution.
- **NWC enhanced year-over-year and even turned negative**, demonstrating strong inventory and cash flow management.
- We expect the **full benefits of our strategic actions to materialize in the second half of 2025 and onwards**.

**153**

Stores

**633 m<sup>2</sup>**

Average Net  
Sales Area

**215K**

SKU

**~1300**

Merchants

**~11%**

E-Commerce  
Revenue Share

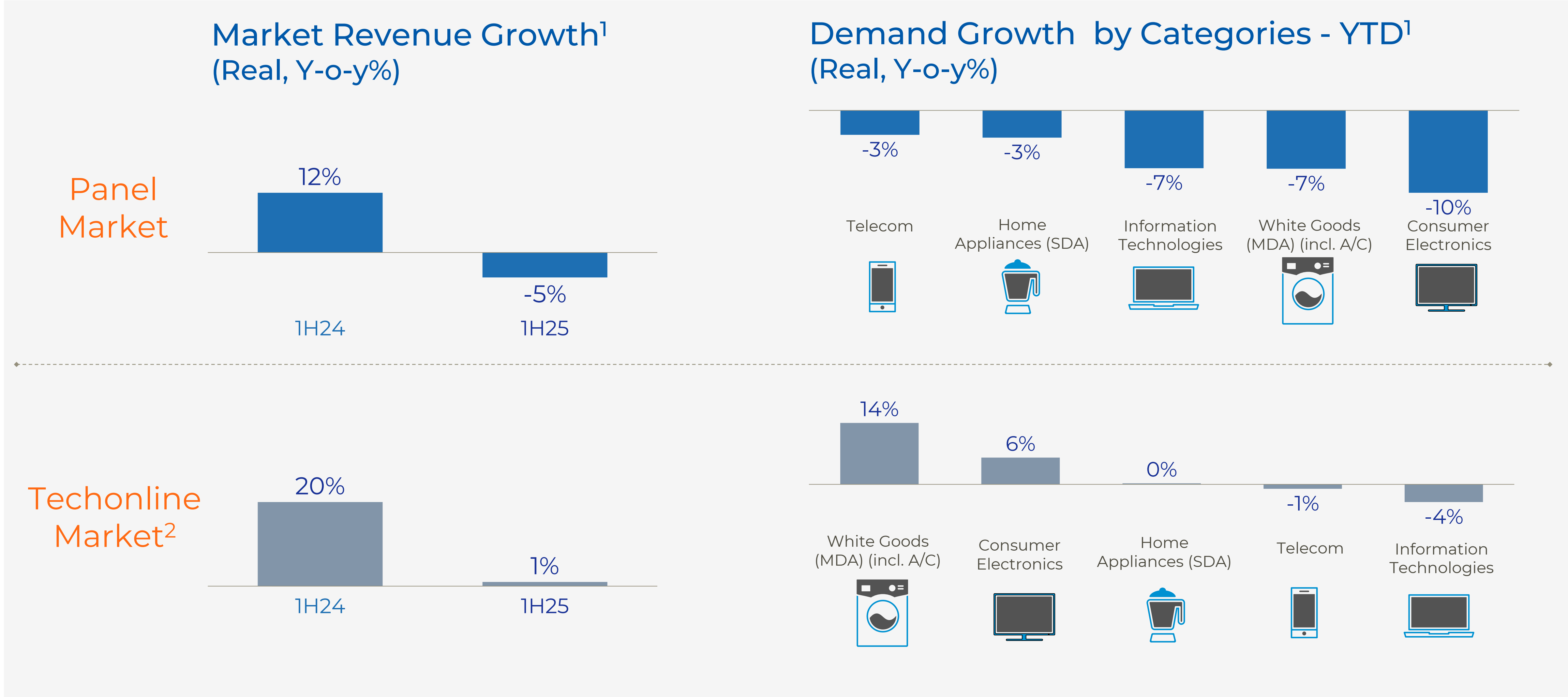
**+70**

NPS score

**4.9M**

TeknoClub  
members

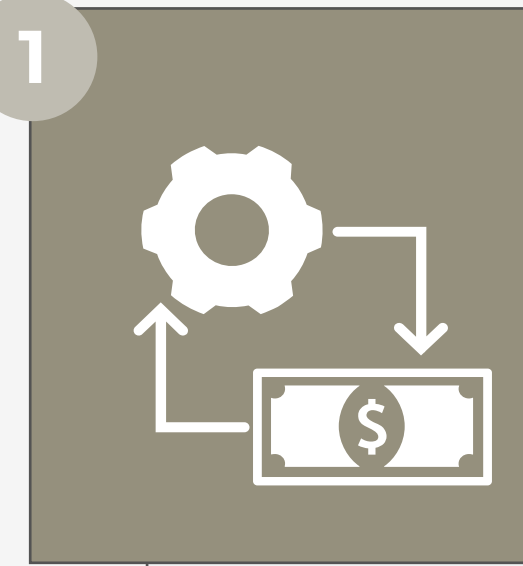
# Better market performance in the second quarter has contributed to an improved overall outlook for the first half



1. Source: GFK, YoY%, adjusted for inflation indexation.

4 2. Online sales of all channels in the Panel market constitute the Techonline market.

Headwind mitigation actions have been in place since early 2025, and in the second quarter, we intensified our efforts with higher-impact measures



### **Capturing Revenue & Margin Upside Opportunities in a Tightened Market**

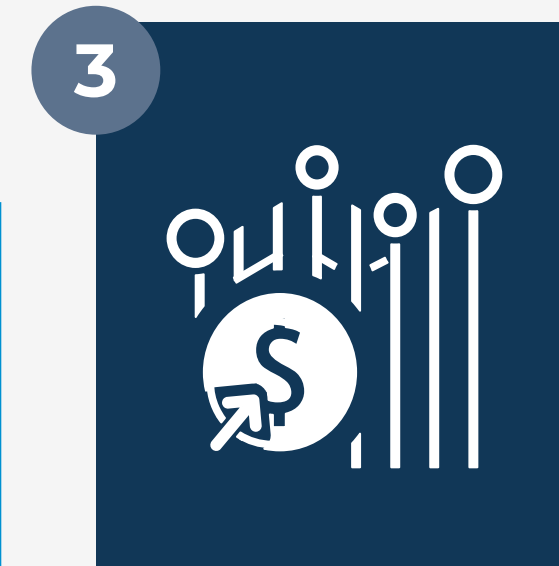
To counteract the headwinds in market demand, we have been implementing numerous actions to strengthen our revenue streams & optimize our margins



### **Rationalizing our Cost Base to Fit into 2025 Realities**

We are optimizing our store network by strategically expanding with larger-format stores in the key locations to maximize efficiency and customer reach

We are continuously optimizing our operational costs along all items to adapt into 2025 market conditions



### **Optimizing our Stock Levels While Strengthening Financial Discipline & Liquidity Management**

We are enhancing inventory management by maintaining lower stock levels and faster turnover days

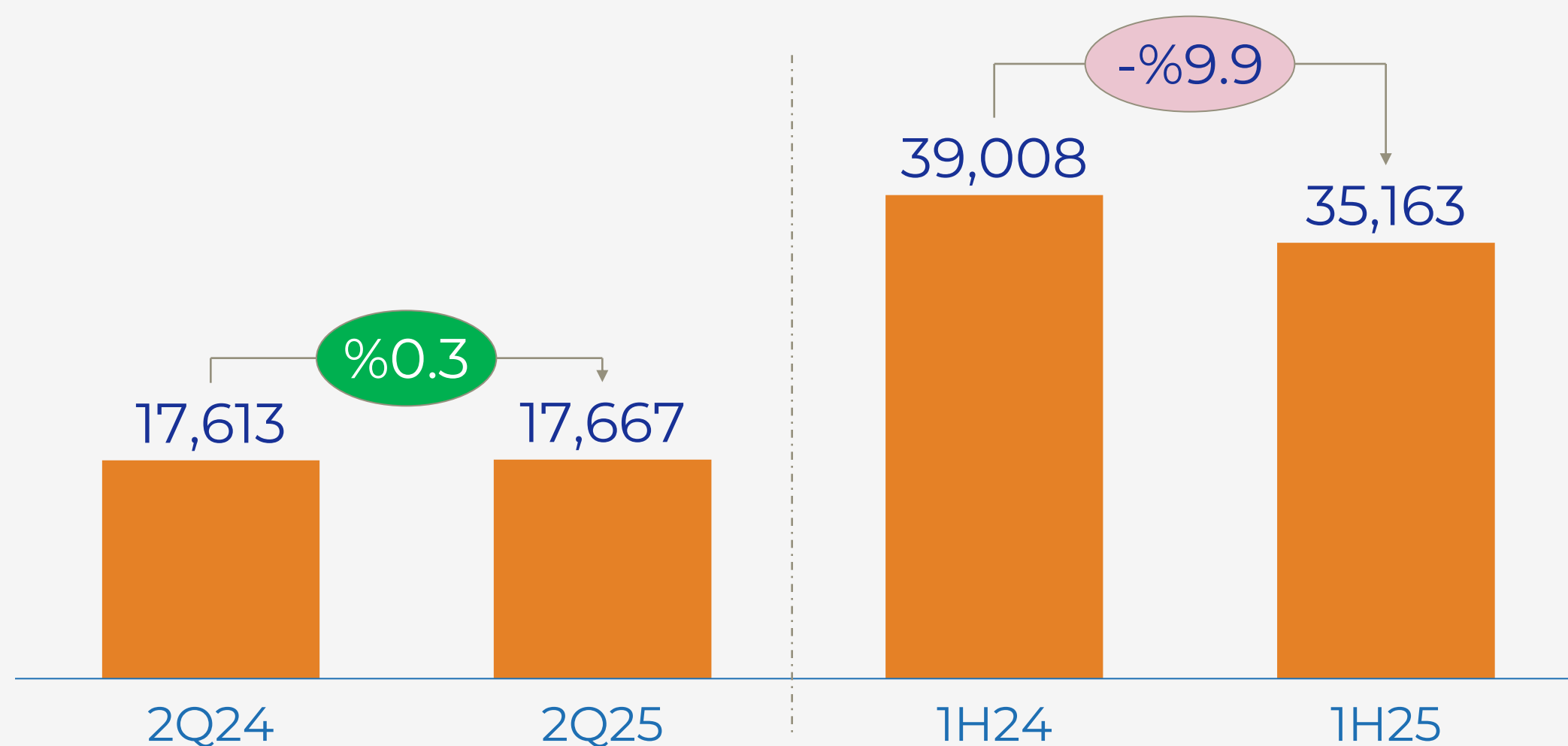
We are improving financial costs and liquidity through stricter cash management and optimized purchasing

***We accelerated with more radical, impact-driven actions in the second quarter,  
in response to declining demand and a high-cost financing environment***

# Capturing Revenue & Margin Upside Opportunities in a Tightened Market

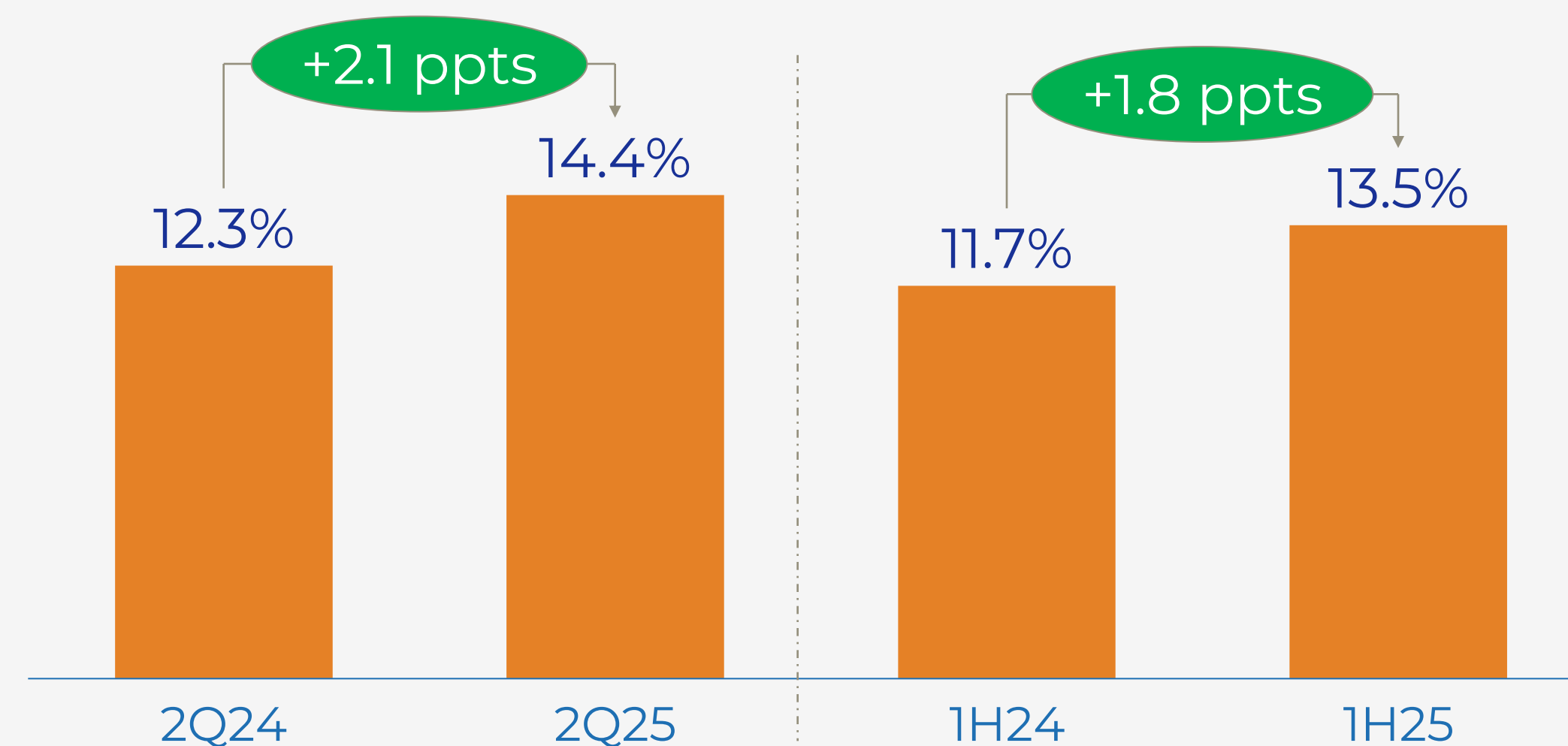
## Revenues (Mn TL)

- Despite ongoing market contraction, demand normalized in May, supported by Mother's Day.
- Revenue momentum continued in June, even with the extended holiday period.
- 2Q revenues grew steadily vs. inflation, recording a y-o-y increase of 0.3%, and a q-o-q increase of 1.0%.
- Growth was achieved in categories where we prioritized profitability and expansion.
- We are implementing strategic actions to enhance our retail mix and drive growth in complementary product and services.

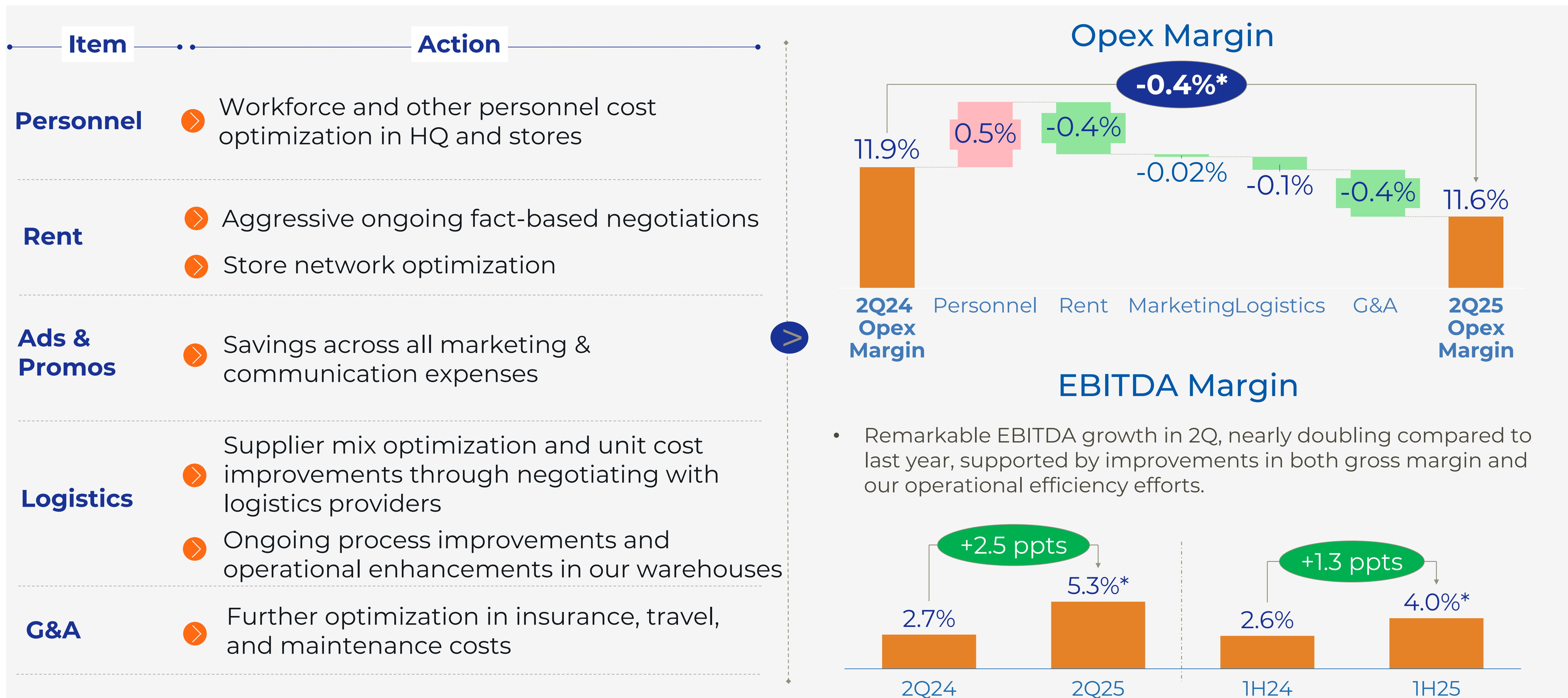


## Gross Profit Margin

- Although the market remained intensely competitive, our gross profit margin improved further, driven by:
  - ✓ a favorable product mix,
  - ✓ stronger focus on high margin categories,
  - ✓ disciplined promotional strategies, and
  - ✓ effective inventory management.

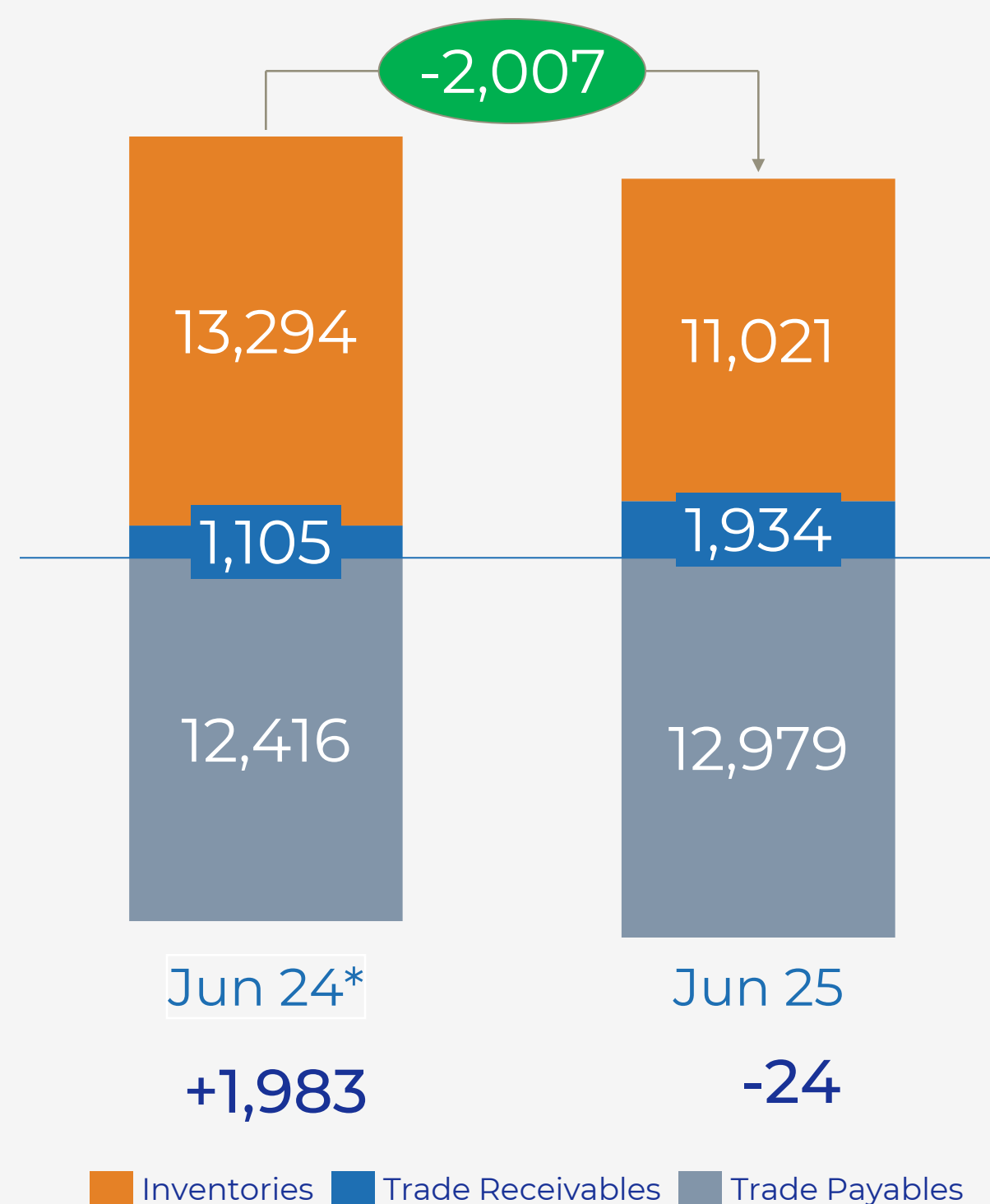


## Rationalizing our Cost Base to Fit into 2025 Realities



# Optimizing our Stock Levels While Strengthening Financial Discipline & Liquidity Management

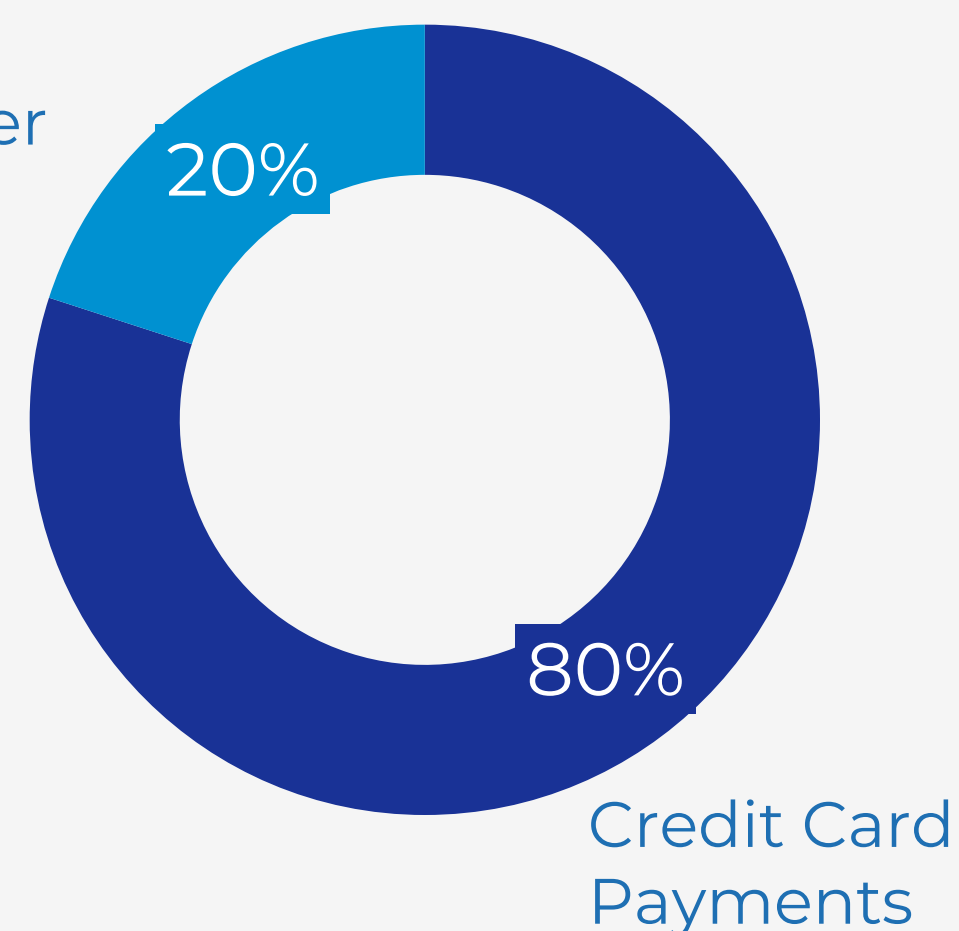
## Improved Net Working Capital (Mn TL)



## Initiatives to Increase Non-Credit Card Payment Share

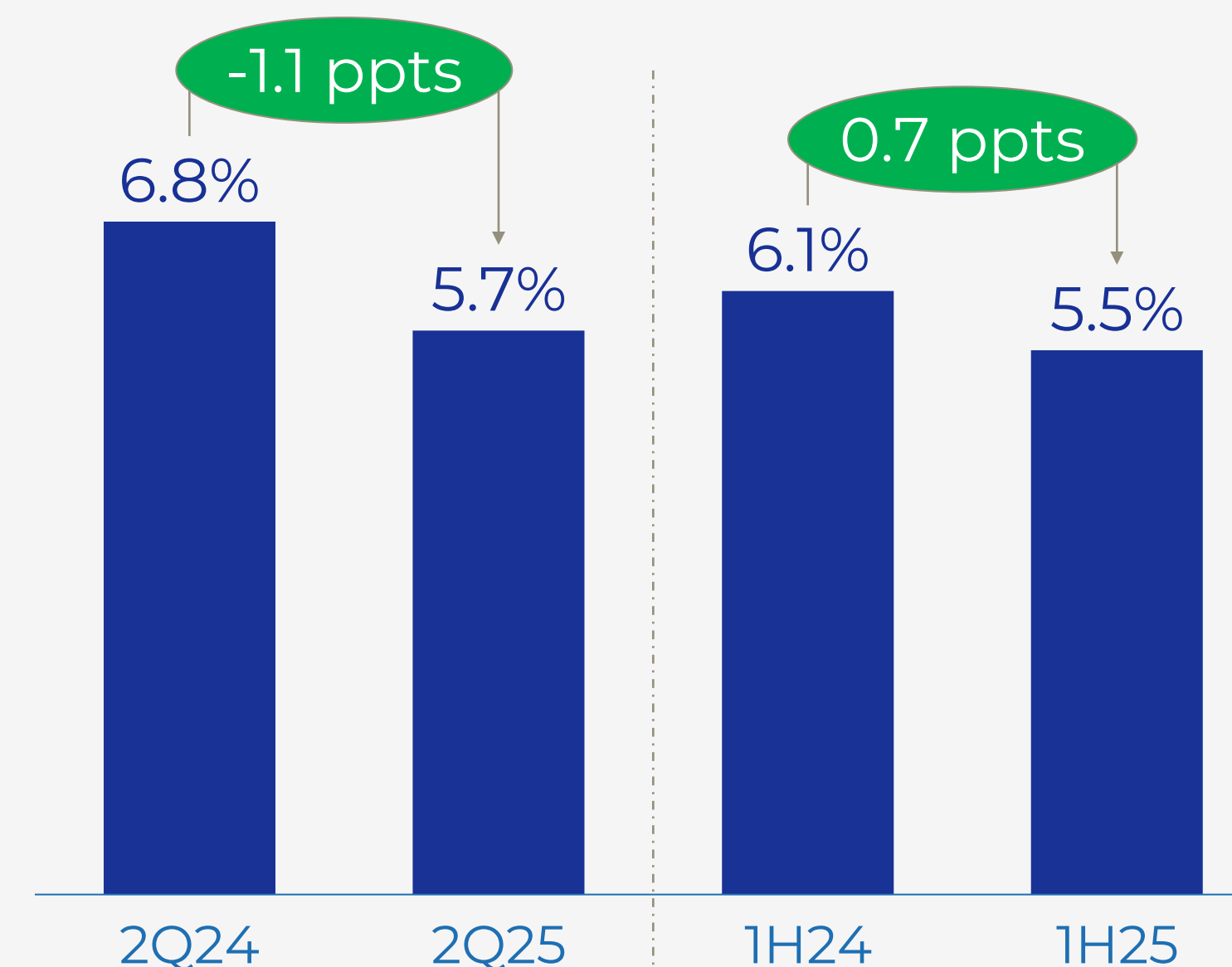
- Thanks to financing optimization initiatives such as continuous negotiations with banks and support from suppliers, attractive consumer loans, the share of non-credit card payments significantly increased to 20%.

Cash +  
Consumer  
Loans



## Total Net Financial Expenses\*\* - to-Revenues Ratio

- As a result of these efforts, our net financial expenses-to-revenue ratio improved notably y-o-y, declining from 6.8% to 5.7% as of 2Q, despite higher borrowing costs than in 1Q.\*\*



The above figures are indexed to June 2025, according to purchasing power parity.

\*\* Excluding IFRS 16 adjustment

8 \*\*\* Due to CBRT's rate increase in triggered by political instability.

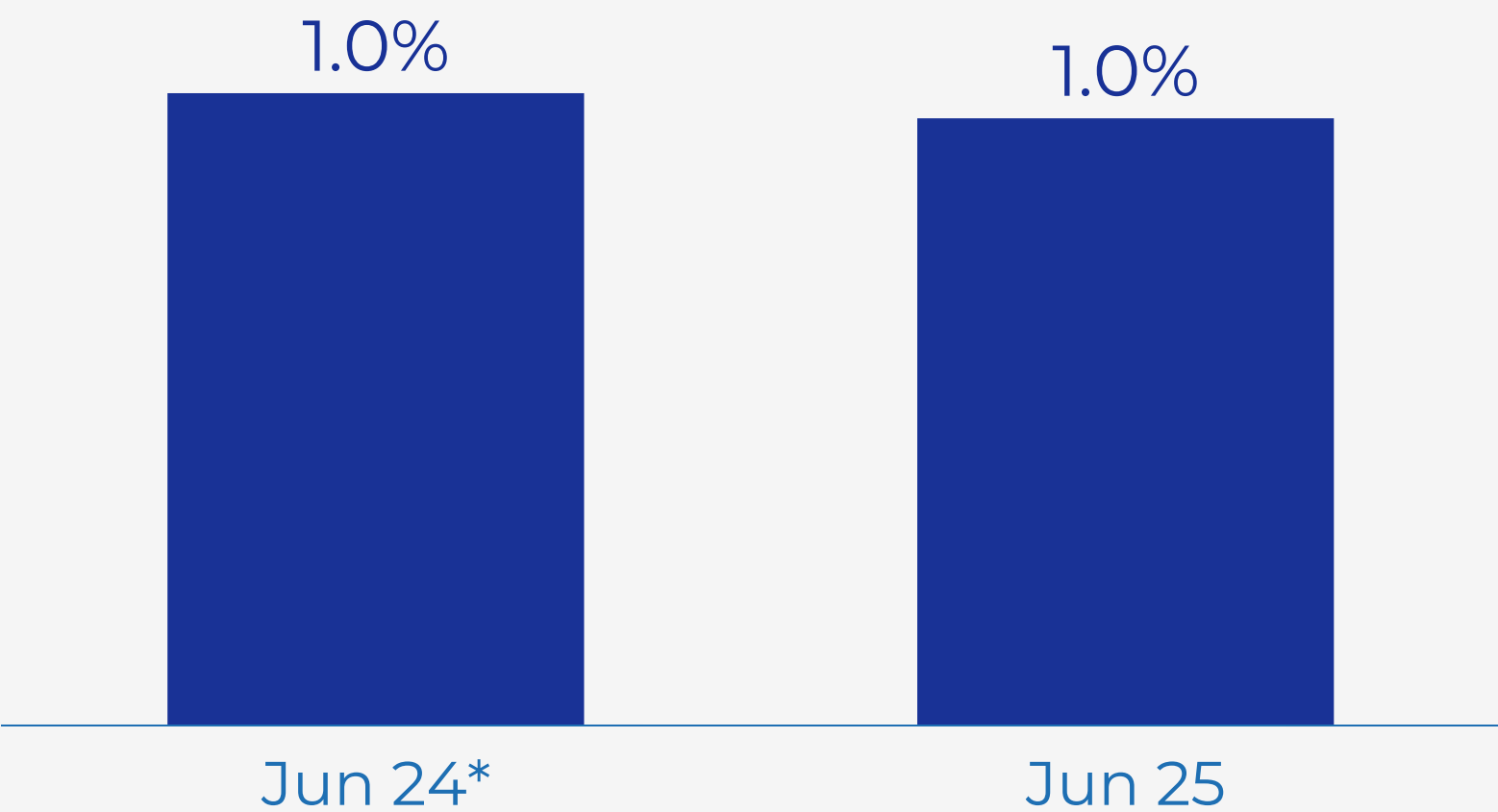
The net loss in 2Q was due to decline in monetary gains and a reduction in deferred tax income year-over-year, as well as the impact of one-off operating expense items



# We are continuing our AI-use case implementations focusing on immediate value creation and supporting our "Digital First Company" vision

## CAPEX/6M Sales Ratio

- While CAPEX for 1H25 amounted to 342 Mn TL, our focus on strategic, high-impact investments remains unchanged, with the ongoing big-format store openings continuing as planned.



Transformation program is on track to become a "Digital-First" Company

## Ongoing Digitalization Transformation Projects

- We have successfully implemented the ERP system, with a smooth transition underway, and our digitalization efforts continue to progress.



**Store  
Digitalization**



**Bilge  
(New Features)**



**AI-Powered  
Localized  
Assortment  
Management**

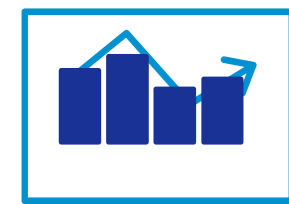


**AI-Powered  
Stock  
Accelerator**



AI Implementation will enable Teknosa to become more efficient & effective in its operations, and drive sales, profitability, and NWC improvements

# In Summary



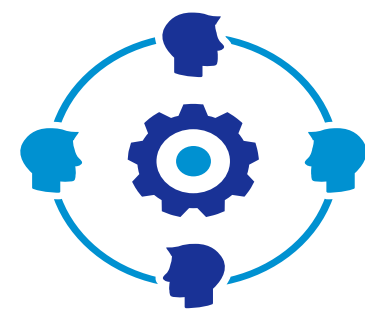
Taking proactive steps to capture **revenue and margin opportunities** by increasing sales of **complementary product, services and high margin categories**, continuing to **drive growth in the online channel** and optimizing the **retail mix**



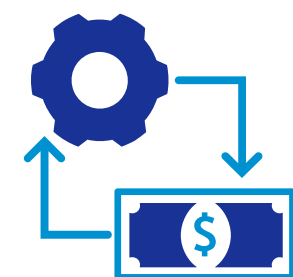
Rationalizing our cost base to align with the 2025 realities, through **implementing savings across all cost items**



Taking actions to improve **stock turnover ratios**, maintaining lower inventory levels, and **strengthening financial discipline** and **focusing on alternative payments**



Continuing our **AI-driven digital transformation investments** to boost **operational efficiency and effectiveness**, alongside **the ongoing big-format store openings**



Remaining committed to profitable, **long-term growth** and **strategic investments** to **become a Digital-First Company**, while advancing **sustainability** to **create lasting value for our shareholders**

# Q&A

TEKNOSA  
INVESTOR RELATIONS

Ümit Kocagil  
CFO

Dilek Aktaş  
Head of Finance & IR

Sibel Turhan  
IR Manager

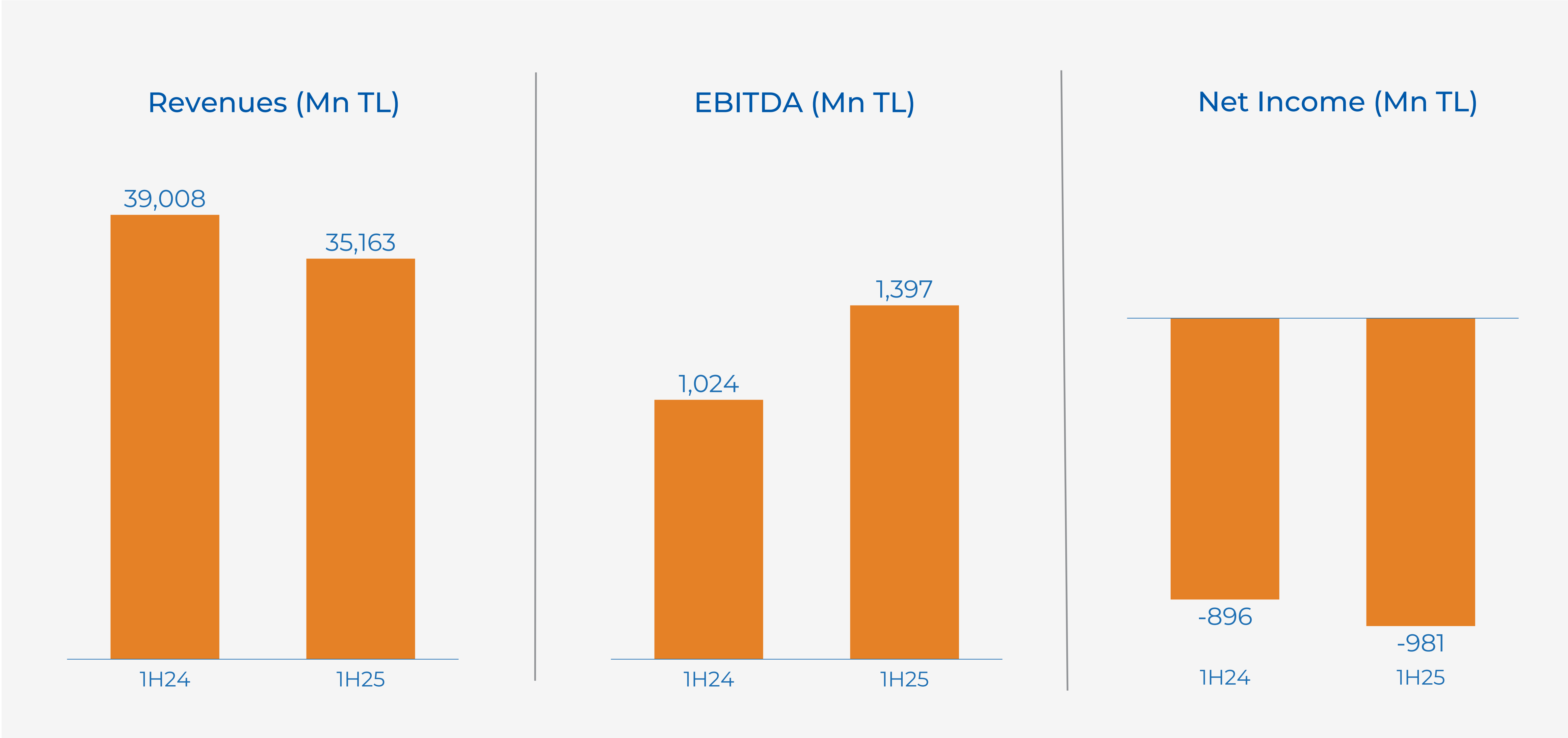
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[yatirimciiliskileri@teknosa.com](mailto:yatirimciiliskileri@teknosa.com)




# APPENDIX




# Key Financials



# Summary Income Statement

	2Q25	2Q24	Change (%)	1H25	1H24	Change (%)
<b>Net Sales (Mn TL)</b>	17,667	17,613	0.3%	35,163	39,008	-9.9%
Gross Profit (Mn TL)	2,545	2,172	17%	4,764	4,580	4%
Gross Profit Margin (%)	14.4%	12.3%	2.1%	13.5%	11.7%	1.8%
<b>Opex/Sales (%)</b>	11.6%	11.9%	-0.4%	12.2%	11.2%	1.0%
<b>EBITDA (Mn TL)</b>	929	479	94%	1,397	1,024	36%
EBITDA Margin (%)	5.3%	2.7%	2.5%	4.0%	2.6%	1.3%
Other Income (Expense) (Mn TL)	-879	-961	-8%	-1,714	-1,997	-14%
Financing Income (Expense) (Mn TL)	-1,085	-1,267	-14%	-2,062	-2,540	-19%
Net Monetary Gain (Loss) (Mn TL)	807	1,100	-27%	2,067	3,076	-33%
<b>Profit Before Tax (Mn TL)</b>	-663	-1,057	-37%	-1,233	-1,250	-1%
Tax (Mn TL)	121	300	-60%	253	355	-29%
<b>Net Profit (Loss) (Mn TL)</b>	-542	-757	28%	-981	-896	-9%
Net Profit (Loss) Margin (%)	-3.1%	-4.3%	1.2%	-2.8%	-2.3%	-0.5%

# Summary Balance Sheet

	Jun 25	Dec 24
<b>Assets (Mn TL)</b>		
<b>Current Assets</b>	14,596	17,039
Cash and Cash Equivalents	1,326	2,983
Trade Receivables	1,934	1,410
Inventories	11,021	12,467
Other Current Assets	314	180
<b>Non-current Assets</b>	4,713	4,168
Property, Plant and Equipment	1,091	1,532
Intangible Assets	1,039	615
Investment Property	313	313
Right of Use Assets	1,770	1,406
Other Non-current Assets	500	301
<b>Total Assets</b>	19,309	21,207
<b>Liabilities (Mn TL)</b>		
<b>Current Liabilities</b>	16,651	17,902
Short-term Loans and Borrowings	1,949	456
Short-term Portion of Long-term Finance Lease Liabilities	541	443
Trade Payables	12,979	15,965
Derivatives	5	0
Deferred Income	397	435
Other Current Liabilities	780	603
<b>Long Term Liabilities</b>	998	651
Long-term Lease Liabilities	797	525
Other Long Term Liabilities	201	125
<b>Equity (Mn TL)</b>	1,660	2,654
<b>Total Liabilities and Equity (Mn TL)</b>	19,309	21,207