



9M 2024 EARNINGS RESULTS PRESENTATION

Disclaimer Regarding IAS 29

The Company's financial statements dated 30.09.2024, which were disclosed to public on 30.10.2024, have been subject to inflation accounting within the framework of the "Financial Reporting in Hyperinflationary Economies Standard" (IAS 29). Financial figures given in this financial report is not comparable with the financial figures that were not subject to inflation adjustment which were disclosed to public by the Company in its financial statements and various investor information materials prepared for the same period in the previous year.

For this reason, selected financial figures are also presented without adjusting for inflation accounting and disclosed through investor presentations on the Company's corporate website, in order for investors and analysts to conduct a full-fledged analysis for the Company's financial performance.

The financial figures that are not subject to inflation adjustment have not been independently audited/reviewed and are not included in the Company's audited/reviewed financial reports dated 30.09.2024. Such financial figures have been prepared and disclosed to public for providing the investors and market participants consistent and comparable assessment of our financial performance, under the responsibility of the Company's Board of Directors and executives who are responsible for financial reporting.

Remarkable operational performance in Q3, driven by ongoing cost optimization efforts, strict inventory management & measures in cash management

Growth Across all Key Indicators



39x SKU
Increased to **193K**
w/ **901** merchants¹



MP/Online GMV
reached **34%**²



Inflation-indexed
GMV of
8.7 bn TL



6% YoY
increase
in store visitors



106K m2
Net Sales Area
w/ **176** stores



72 NPS score
for Teknosa
overall



~6M
Active
Customers



4.2M
TeknoClub
members

9M'24 Key Highlights

- Revenues surpassed both the market and inflation
- **Increased Gross Margin**, coupled with reduced **OPEX** compared to Q2, led to a **better EBITDA margin**
- **Achieved one of the highest EBITDA level**, reaching almost twice of the previous year
- **Financial mitigation actions are effective**, yet financial expenses continue to weigh on the bottomline
- **NWC realized in negative territory**, contributing to **strong cash generation**
- The **FY 2024 Guidance** remains unchanged

(1) Since the launch of marketplace

(2) Above Global Benchmarks : Magazine Luiza from Brazil, FNAC and Darty from France

9M 2024 RESULTS

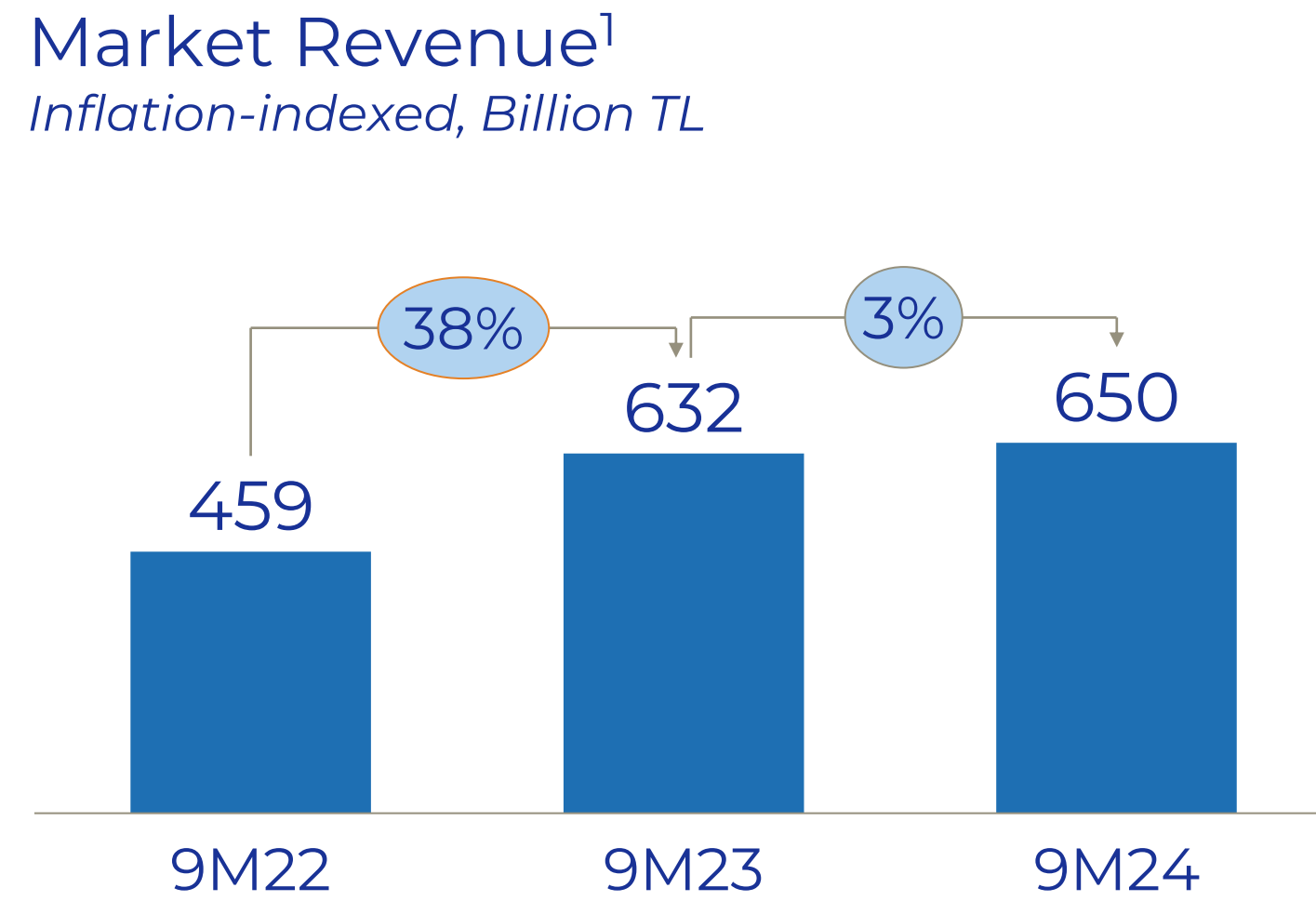


TEKNO SA

Despite a slowdown in fast-paced market growth, the panel market reached 3% real growth in the first nine months of 2024...

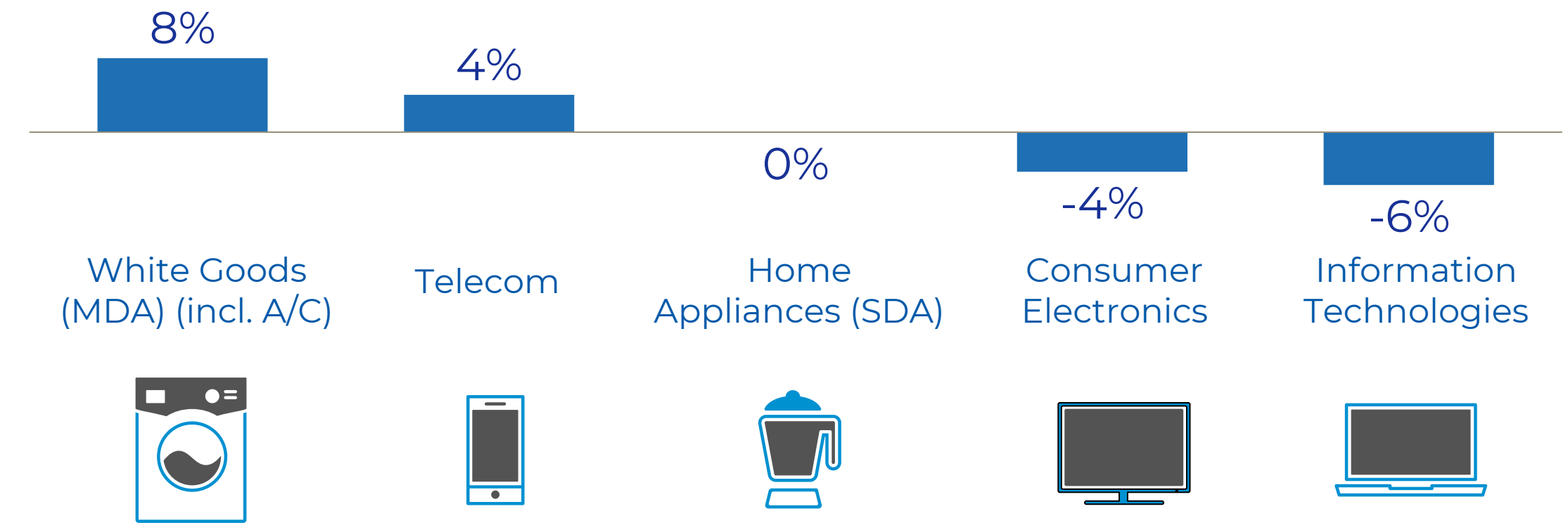
Figures are shown w/ IAS 29

Panel Market

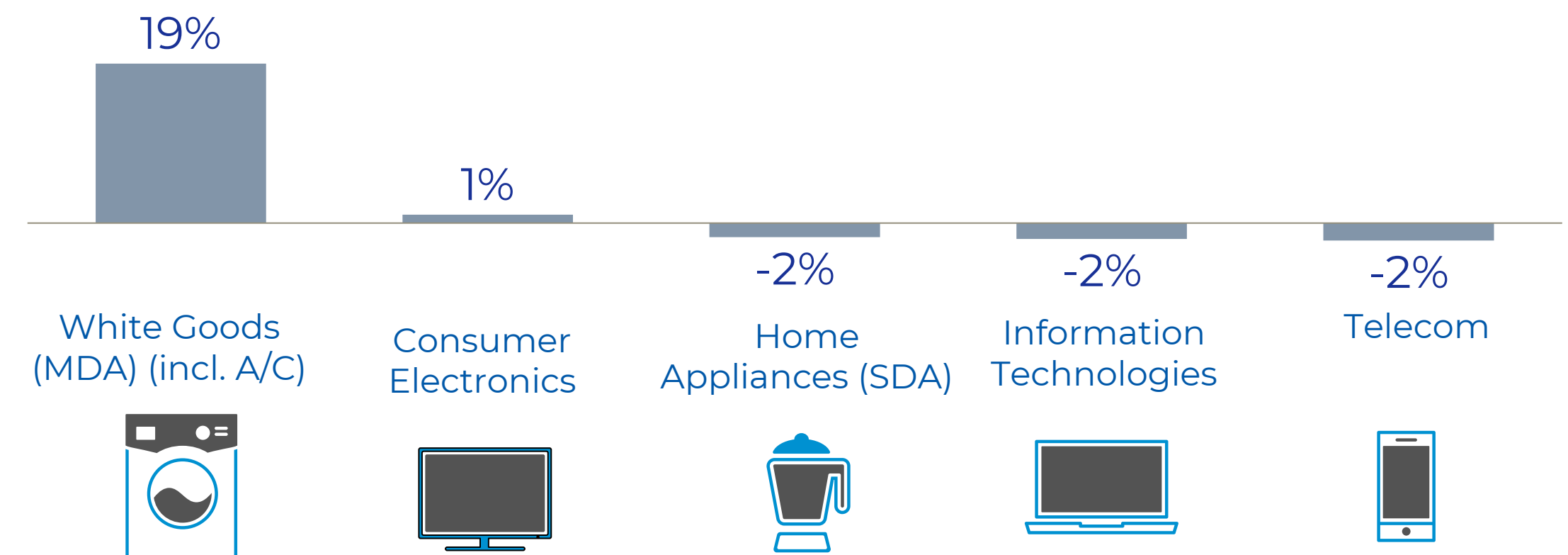
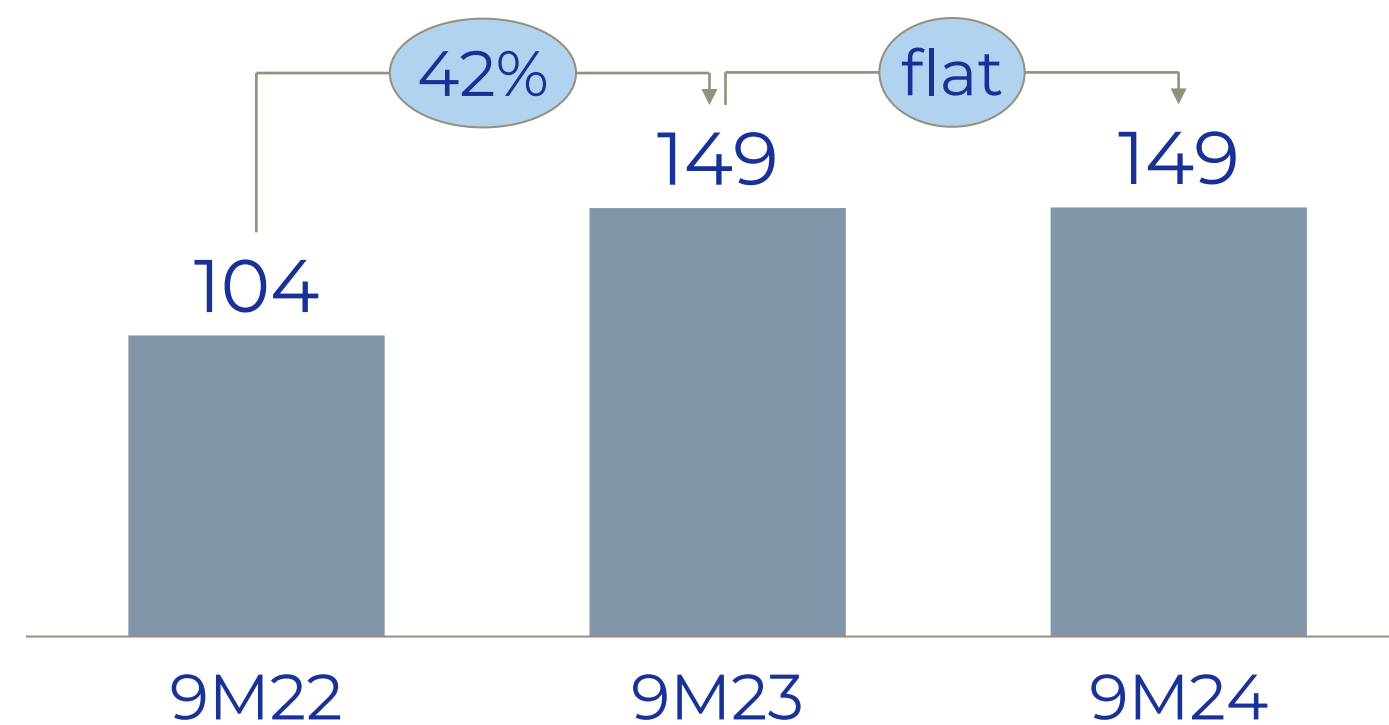


Demand Growth by Categories¹

Real, Y-o-y%



Techonline Market²



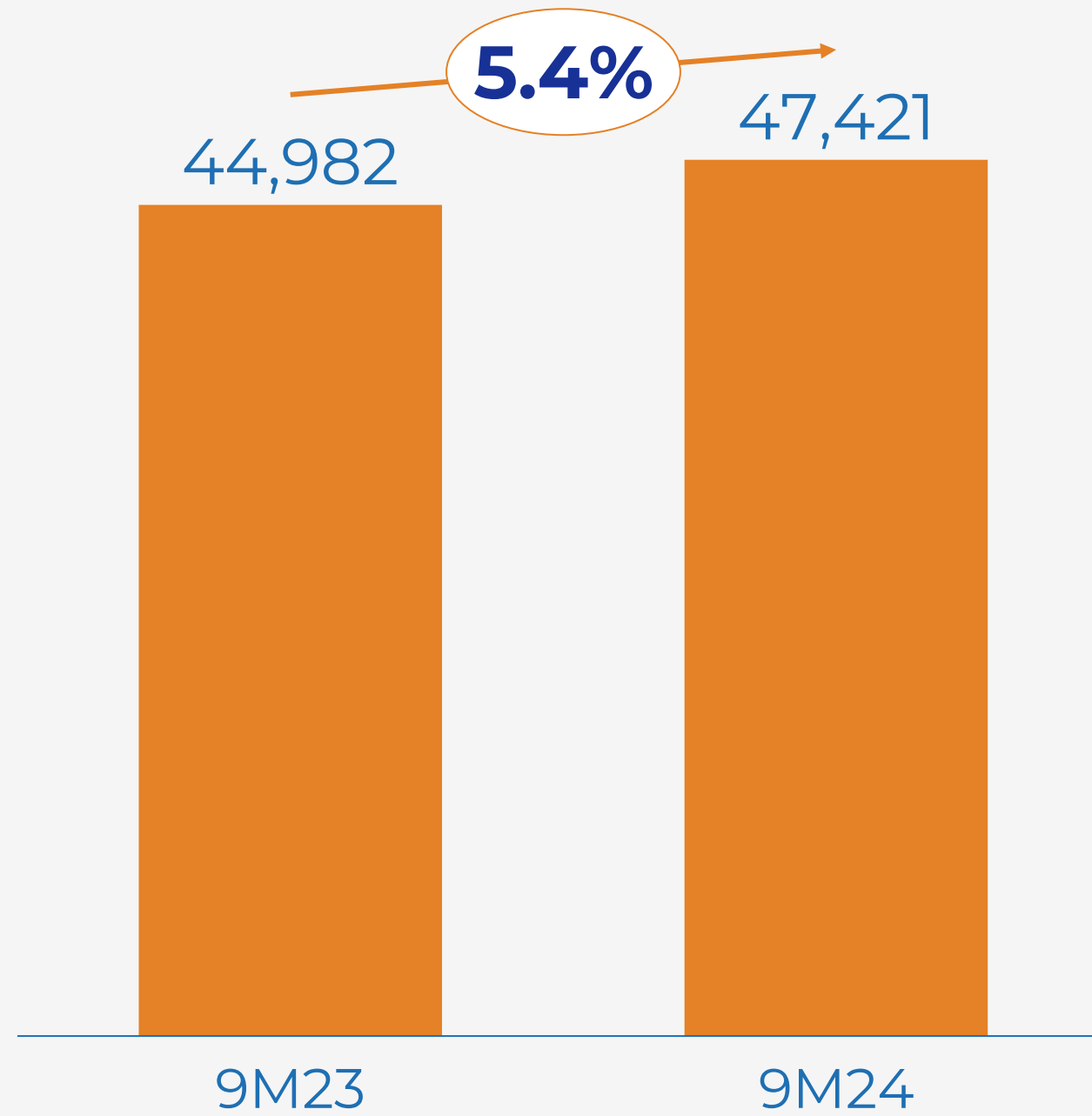
5 1. Source: GFK, YoY%
2. Online sales of all channels in the Panelmarket constitute the Techonline market

...while we achieved growth above the panel market with a continued controlled approach for e-commerce expansion

Figures are shown w/ IAS 29

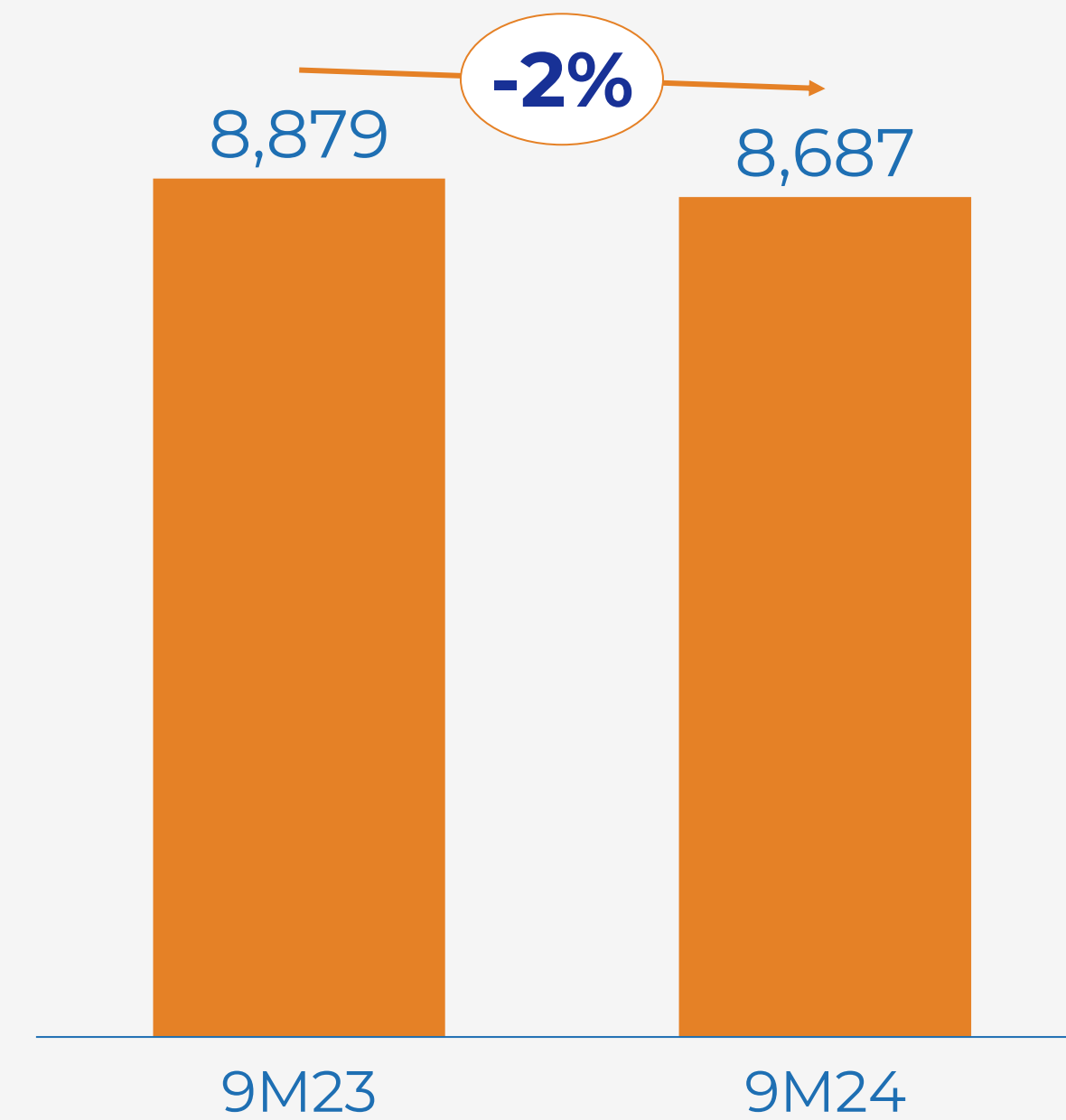
Teknosa Total Revenues* (Mn TL)

Teknosa has shown a higher growth than panel market (2.9%)



E-Commerce GMV (Mn TL)

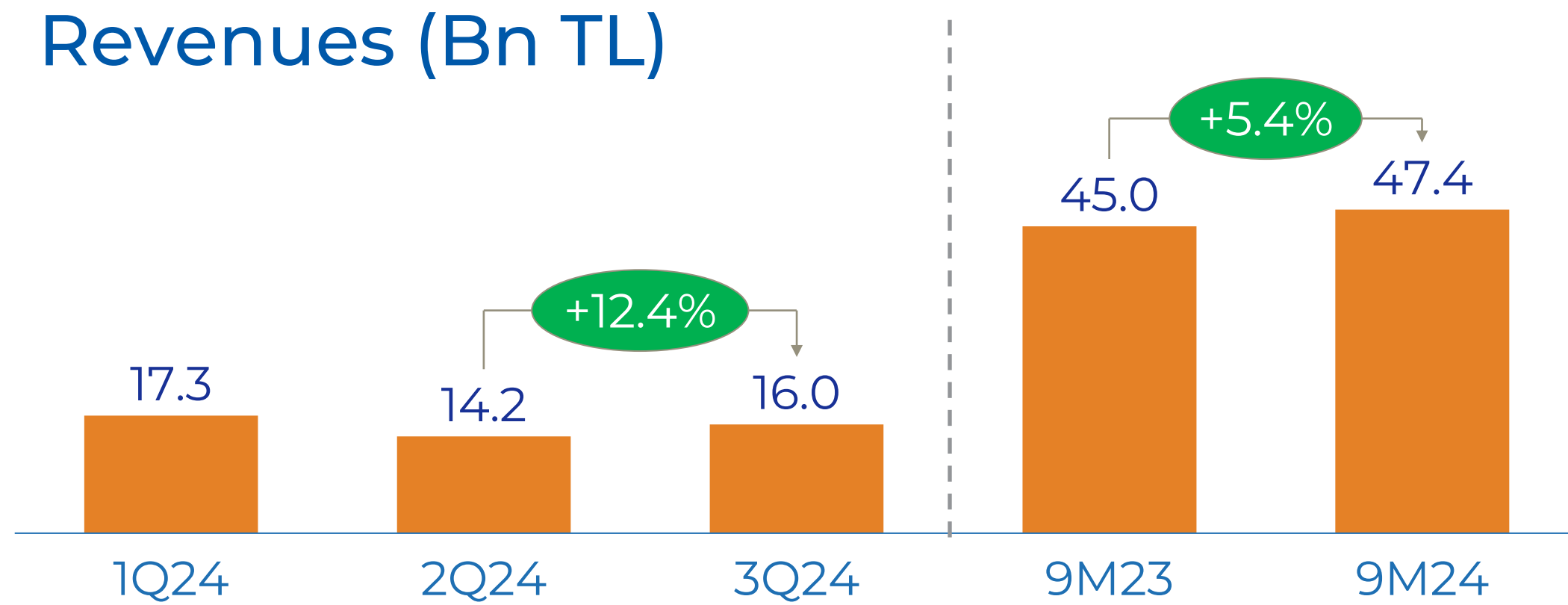
Due to controlled growth strategy, e-commerce growth is below the flat realized market



Significant improvement in Gross Profit in Q3 attributable to better stock turnover ratio and FBN; also, OPEX realized better compared to Q2

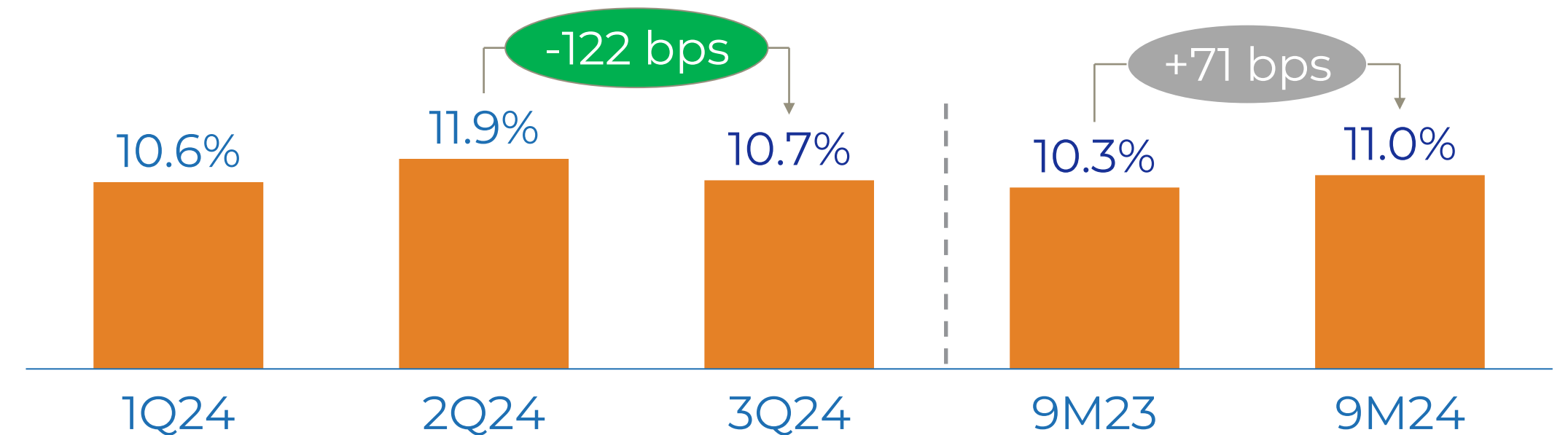
Figures are shown w/ IAS 29

Revenues (Bn TL)



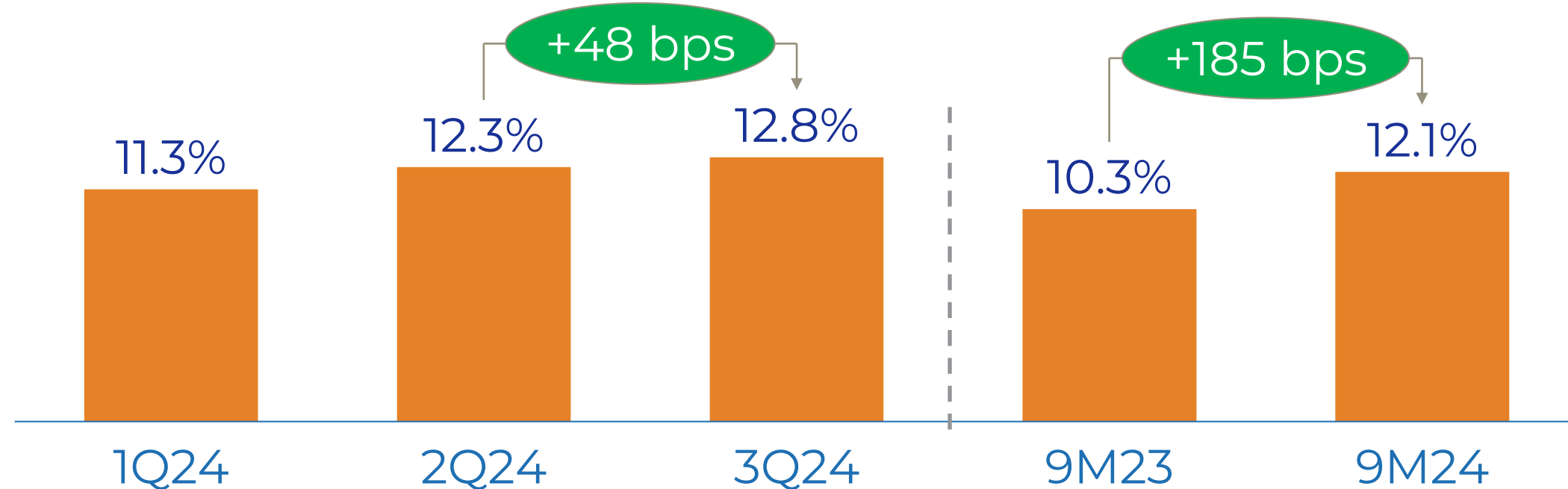
+ Revenues grew compared to the previous quarter, with revenue growth actions and normalized demand

OPEX margin



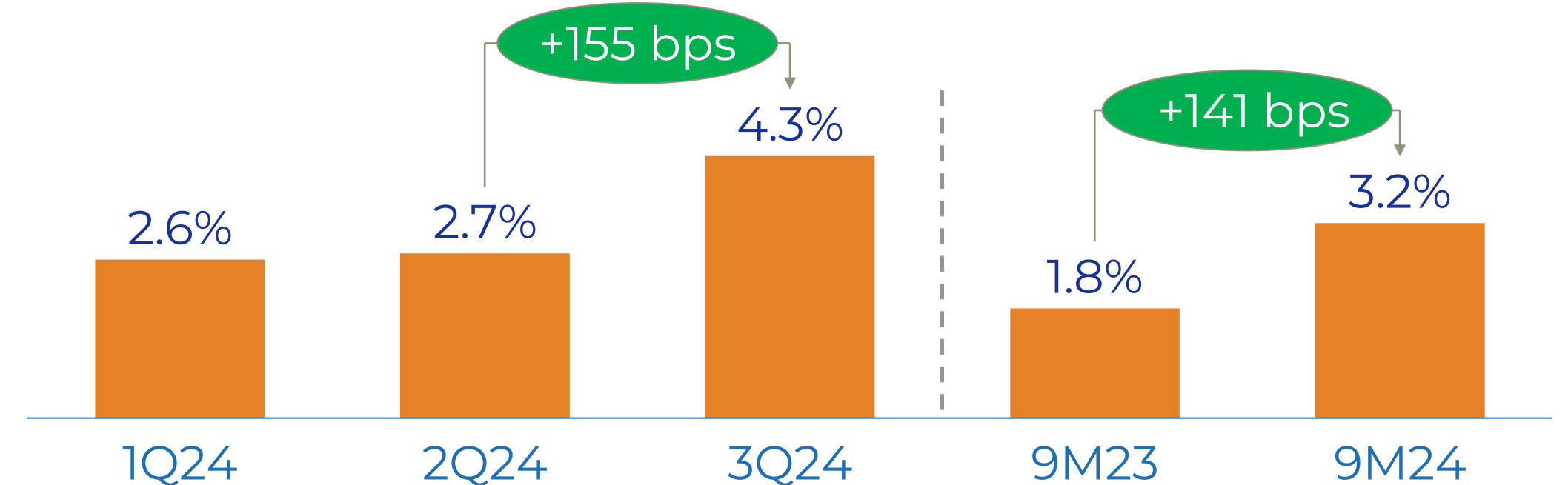
+ Returned to its normal levels thanks to strict measures to reduce OPEX such as renegotiations in lease & logistics agreements and growing retail media income

Gross Profit margin



+ GPM improvement with stock turnover ratio reaching best historic levels as well as well as impact of fact-based negotiations

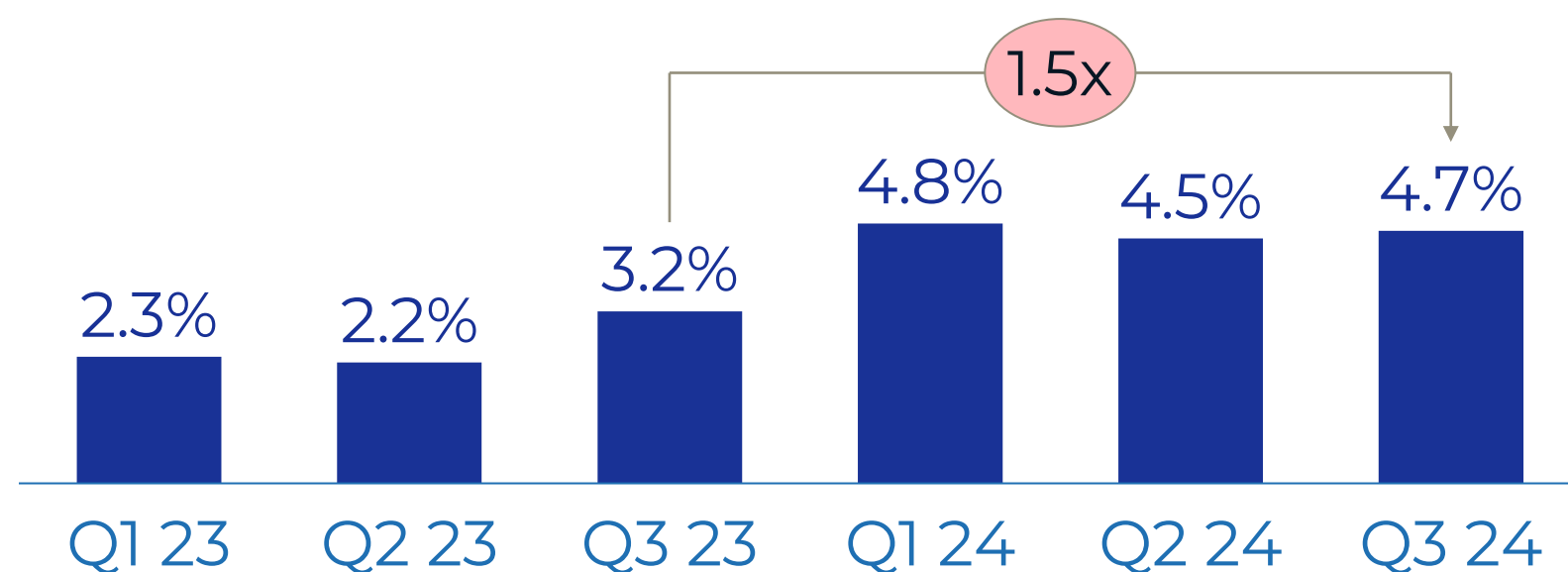
EBITDA margin



Credit card costs due to high interest rates continue to be the primary driver of increased financial expenses, yet mitigating measures are impactful

Increasing interest rates & credit commission rates have increased the financial pressure on profitability

CC Commissions to Revenue Ratio



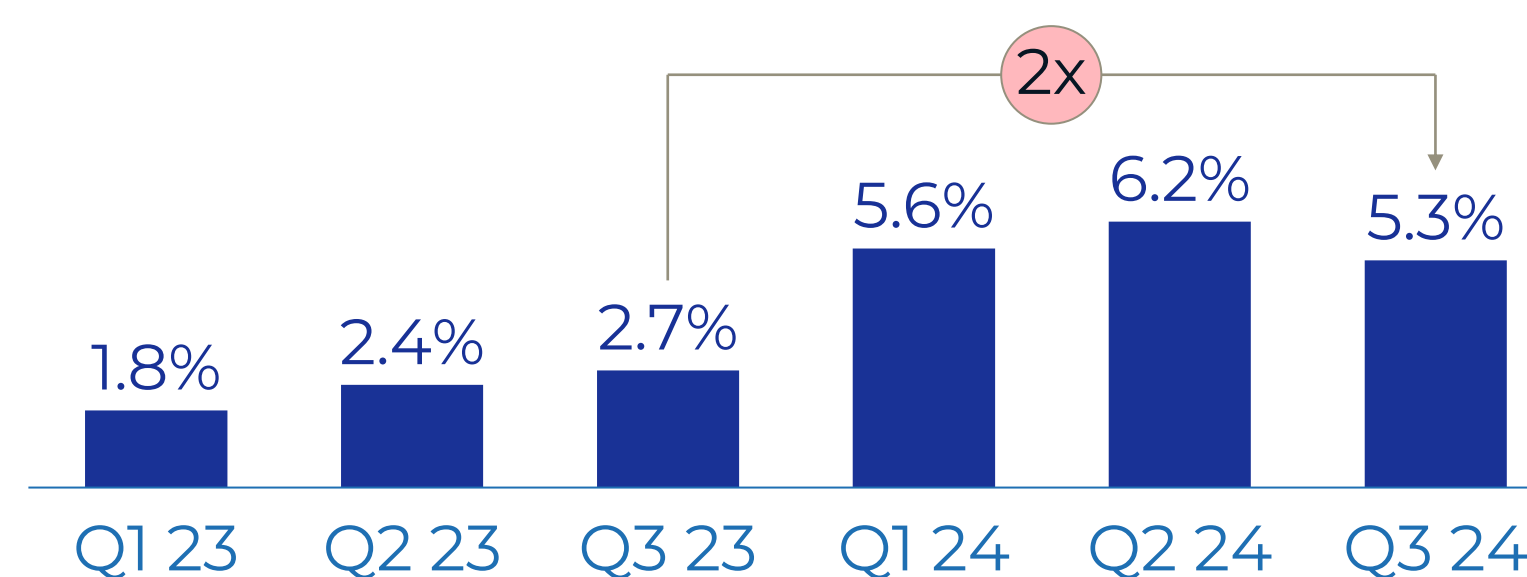
Max. # installments: 12, 9, 6

- Increase in the cost of even single installment from 1.2% to 3% resulted in a higher commission-to-revenue ratio

..... impacting net profit...

Total Net Financial Expenses*

*Excluding IFRS 16 adjustment



- Interest expenses / revenues ratio increased due to an increase in credit card expenses and a temporary shift in cash position due to WC need

... yet measures are being taken



Measures to Limit Credit Card Costs

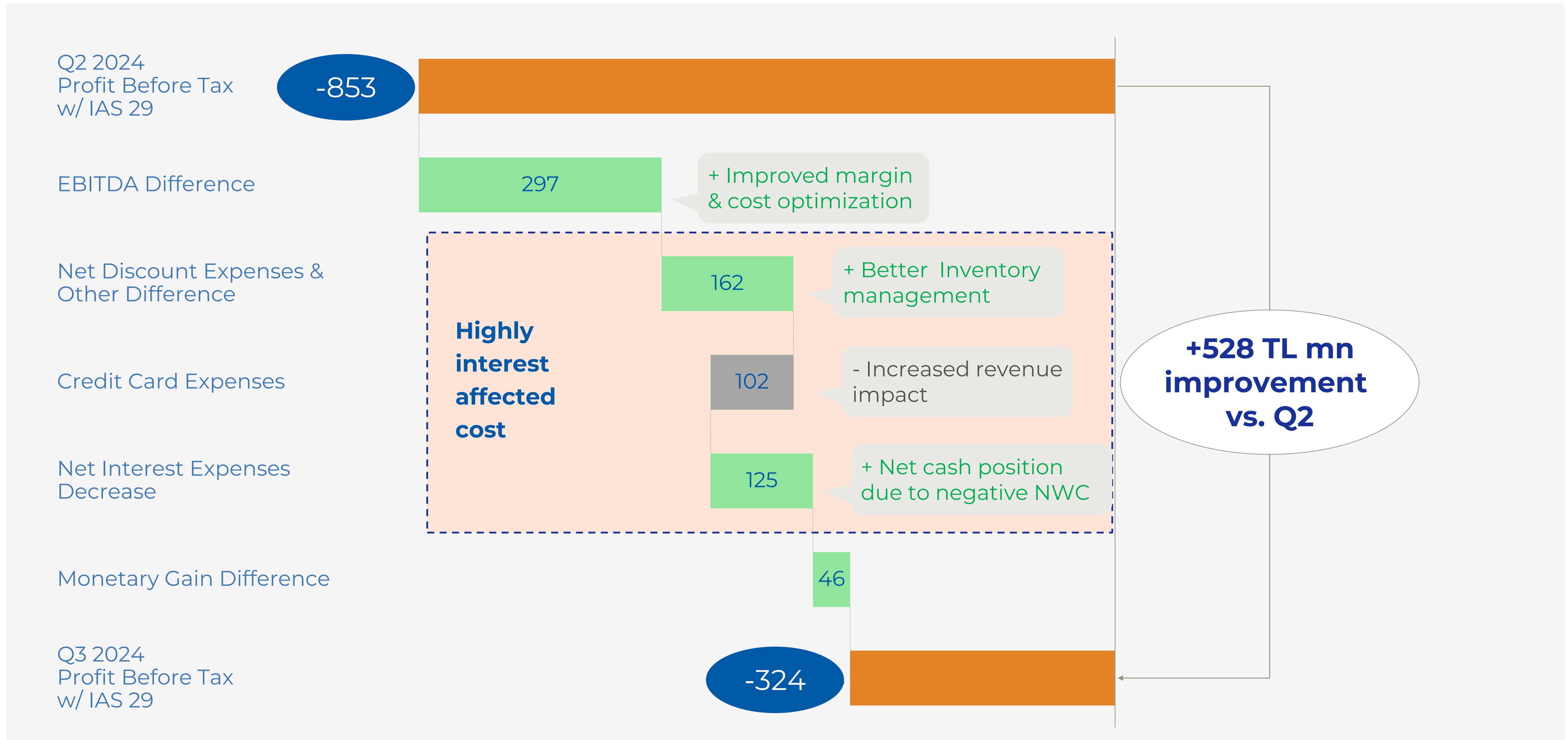
- Increasing consumer loans usage by 1.5x yoy
- Reflecting interest costs on customers, mostly subsidizing them through suppliers (implemented strategy in mid-July, specifically in the leading Telecom category)



Measures to Navigate Interest Expenses

- Executing stock and purchase optimization to balance cash position

Profit Before Tax increased by more than 60% q-o-q

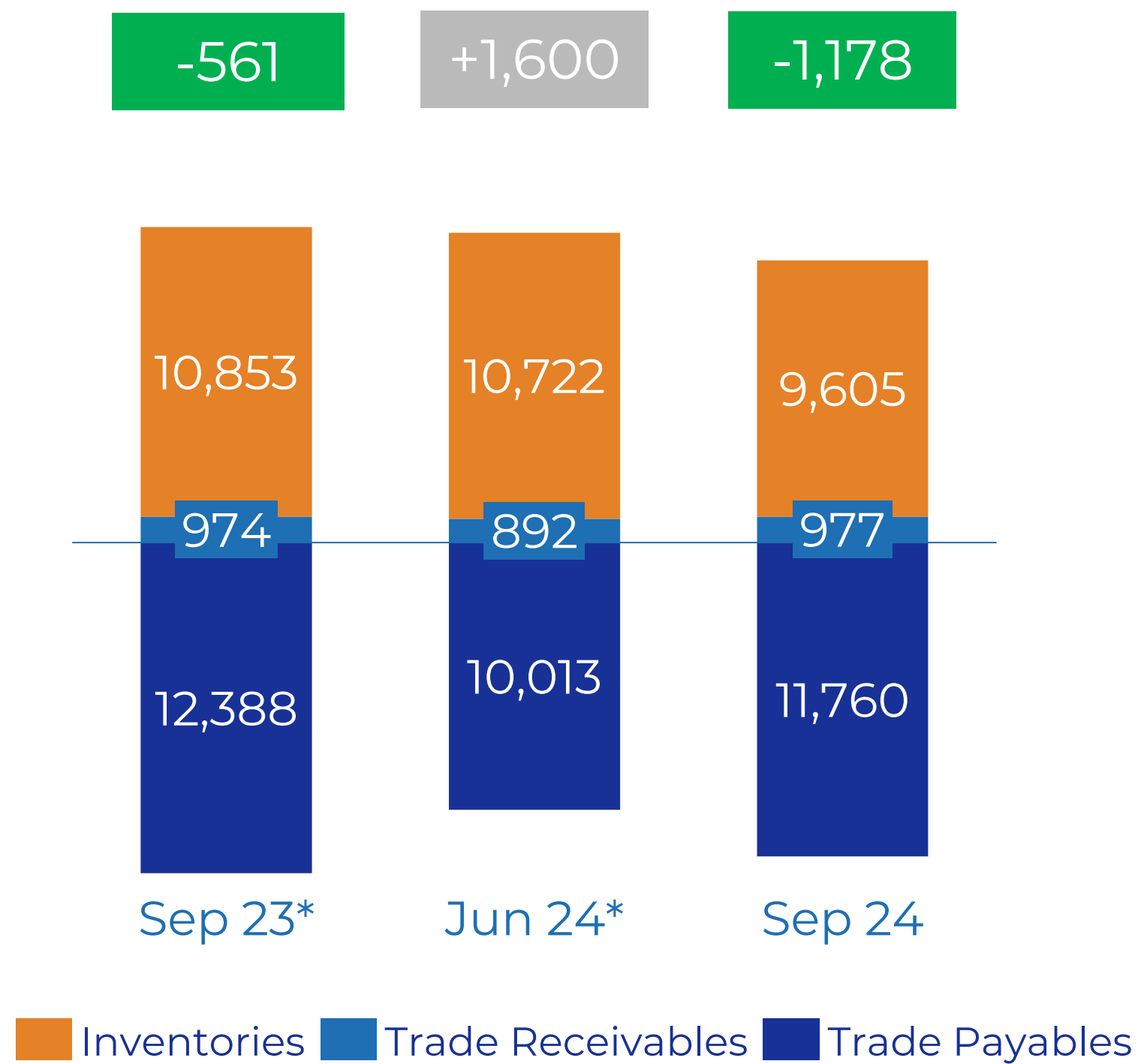


NWC returned to negative territory and improved y-o-y thanks to immediate actions

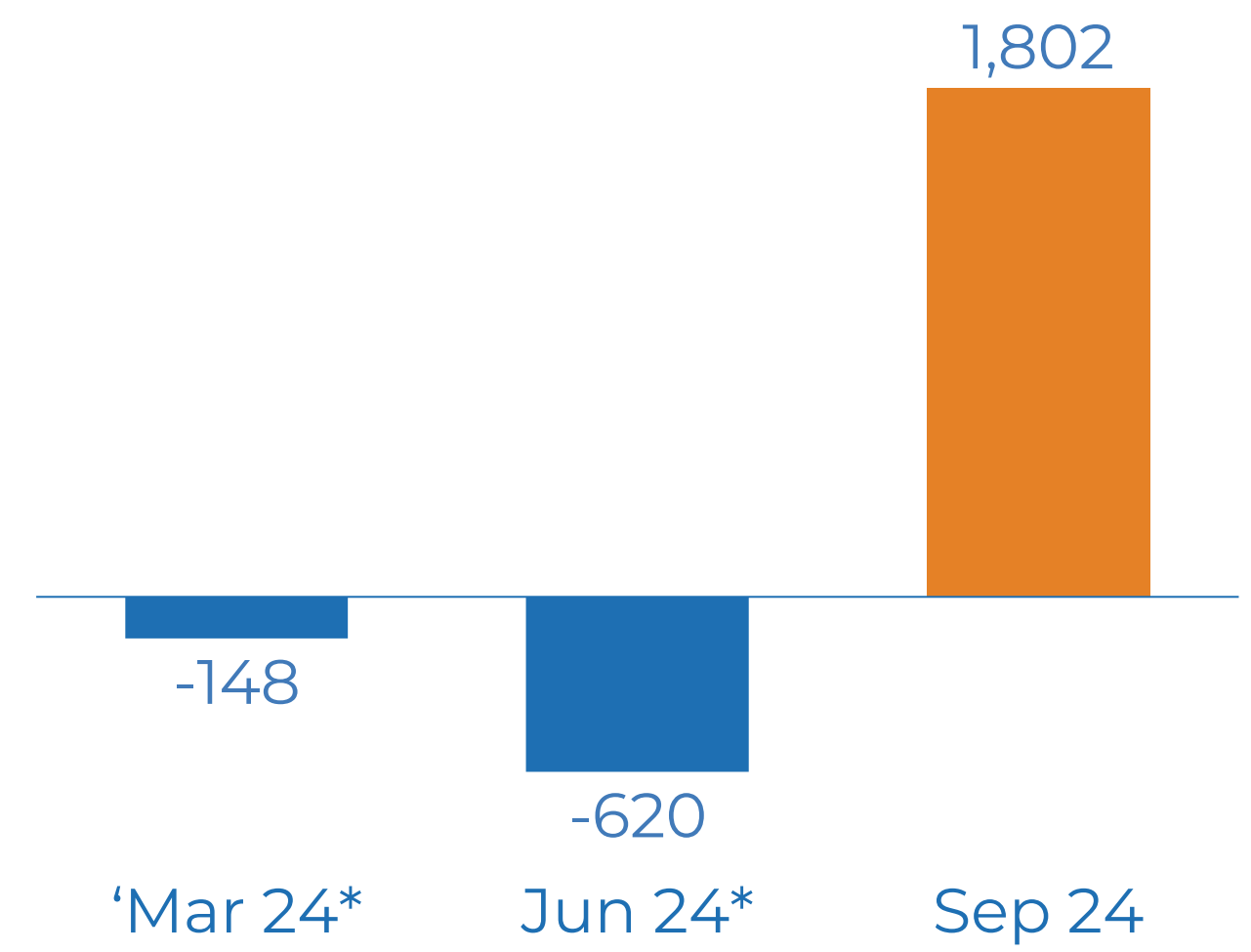
ACTIONS TAKEN 

-  **Efficient inventory management**
-  **Negotiated better payment terms**
-  **Focus on cash management**

Net Working Capital (TL Mn)



Net Cash (TL Mn)**, excl. IFRS 16



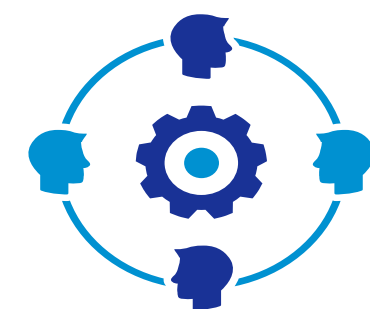
****Including Bond issuance amounted to 340 TL Mn**

Teknosa continues its strategic CAPEX investments.

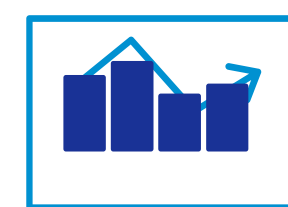
- 73% of total CAPEX of 596 TL Mn in the first nine months of 2024 were related to IT & efficiency projects.



Focus Areas in Q4



Sustaining growth and improve operational performance KPIs through comprehensive transformation initiatives



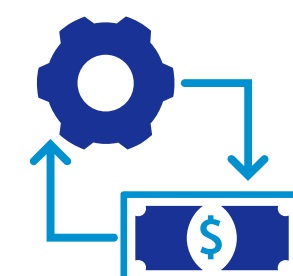
Increasing revenues with complementary products and services with profitable retail mix while **optimizing COGS**



Continuing strict working capital management to recover even stronger from these temporary headwinds



Mitigating financing costs, while also **enhancing payment & consumer loan options** to support demand



Committed to **long-term growth** and **strategic CAPEX** investments to **become a digital-first company** despite current conditions

Q&A

TEKNOSA
INVESTOR RELATIONS

Ümit Kocagil
CFO

Dilek Aktaş
Head of Finance & IR

Sibel Turhan
IR Manager

TEKNOSA

Investor Relations e-mail:
yatirimciiliskileri@teknosa.com

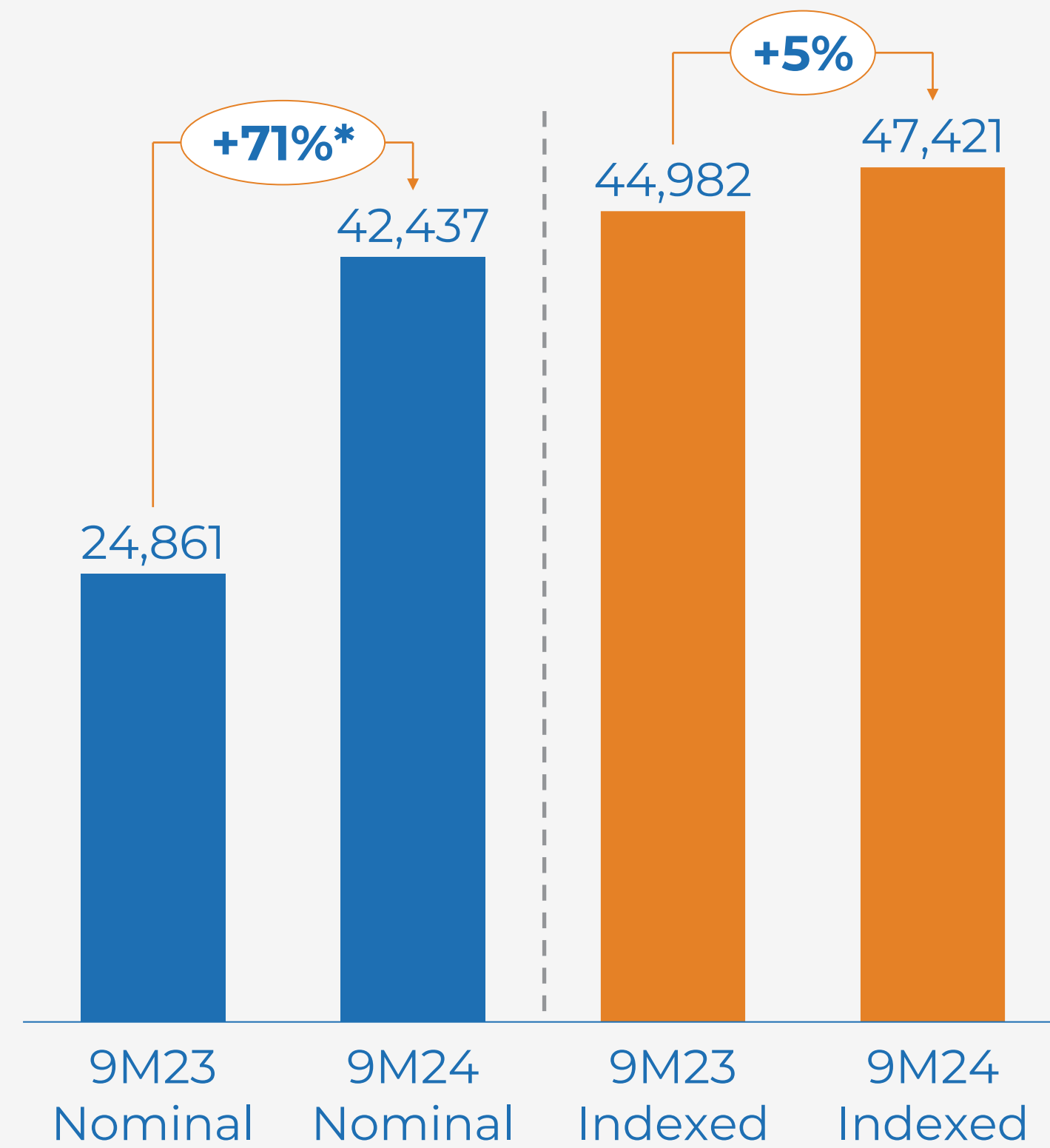
APPENDIX

TEKNOSA

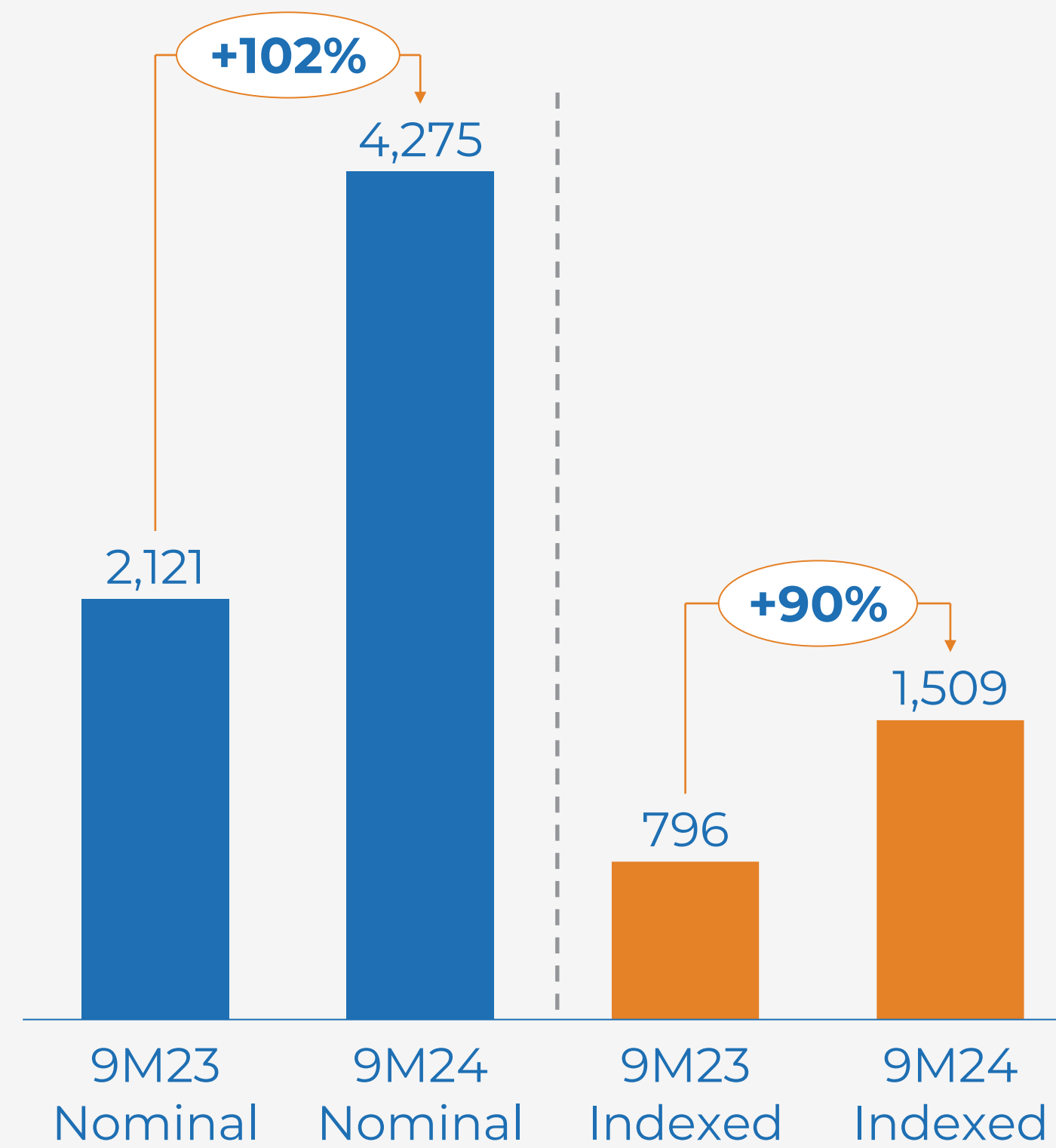
Key Financials w/o IAS 29

Revenues (Mn TL)

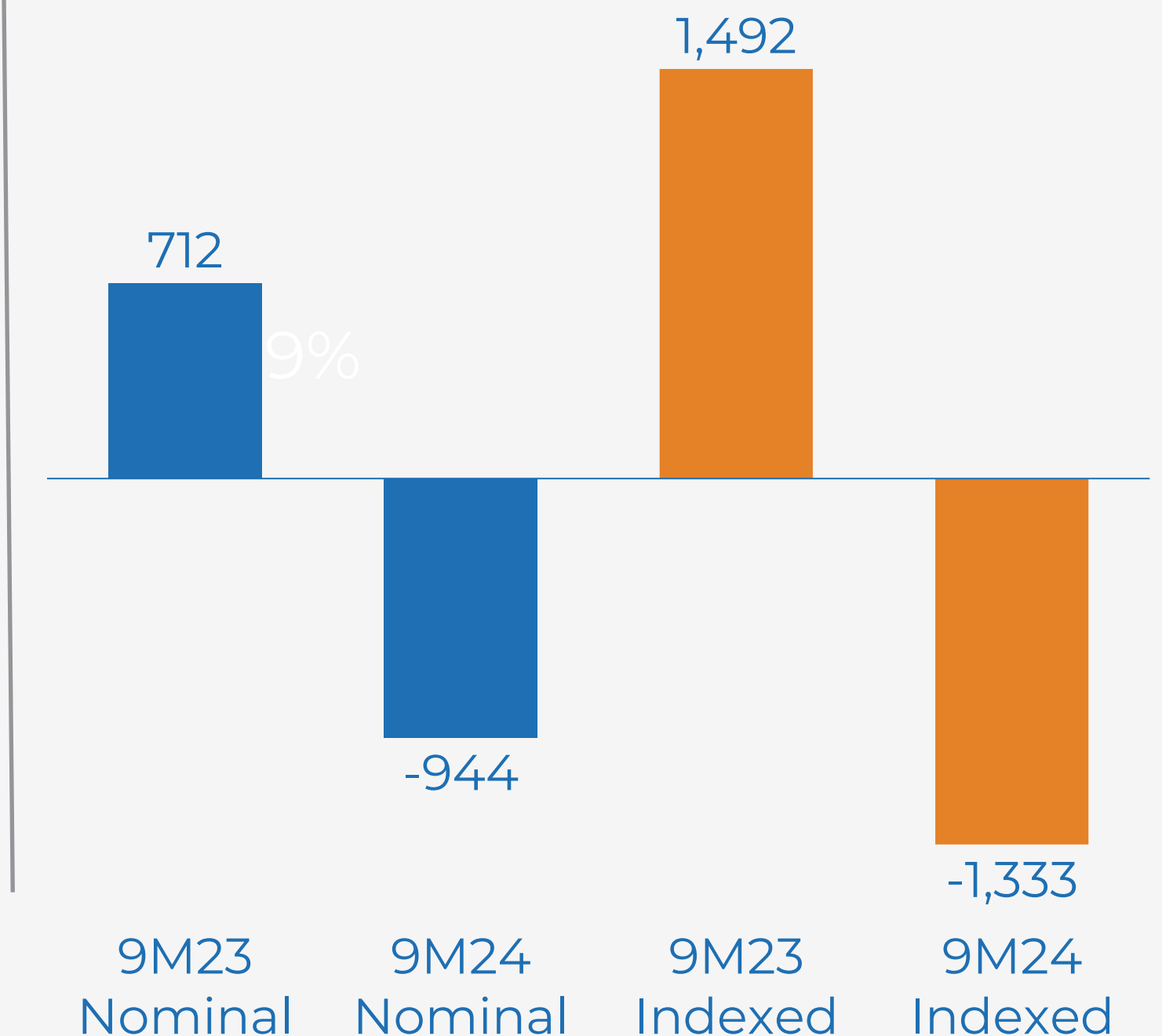
Teknosa has shown a higher nominal growth than panel market (67%*)



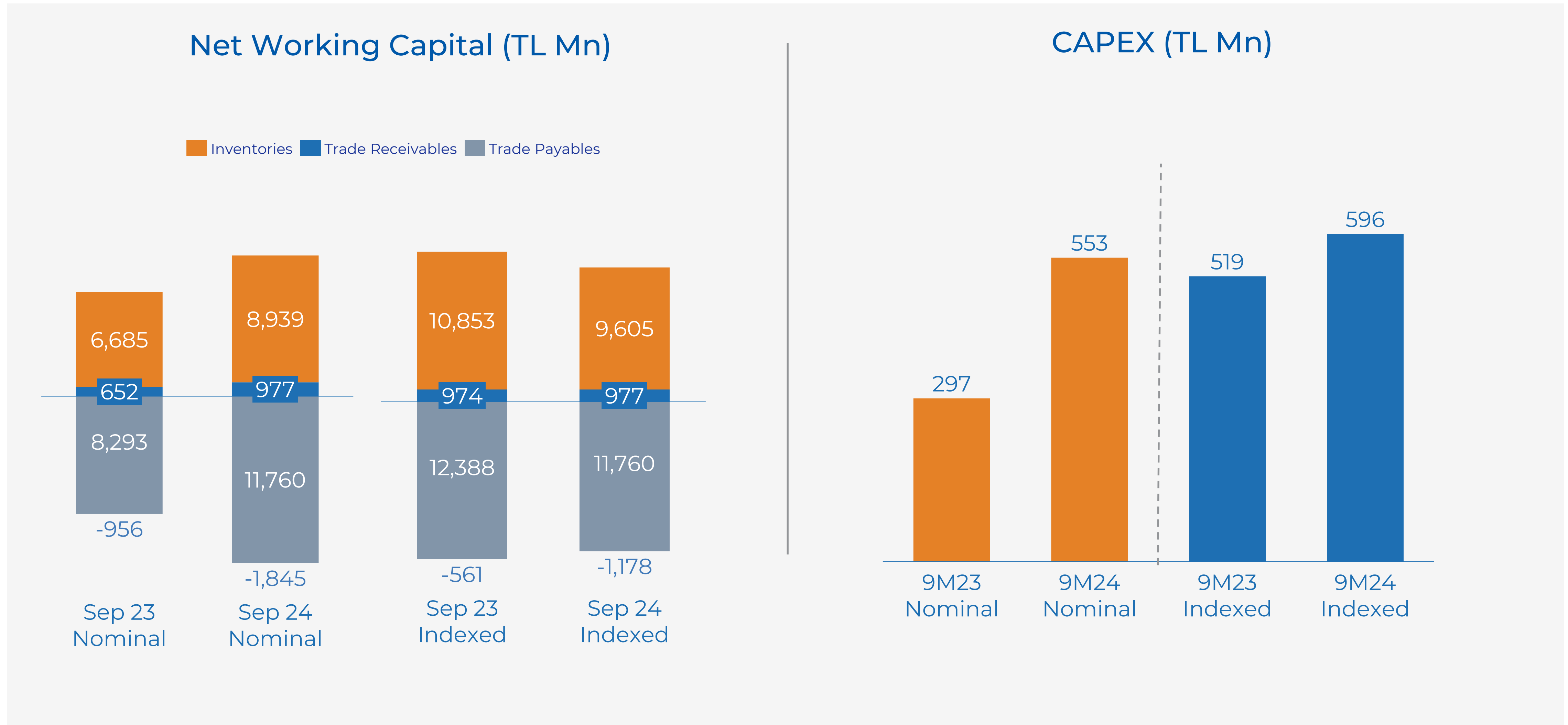
EBITDA (Mn TL)



Profit Before Tax (Mn TL)



NWC & CAPEX w/o IAS 29




Full-Year 2024 Guidance (w/o IAS 29)

Our Guidance	2023F w/o IAS 29	2023A w/o IAS 29	2024F w/o IAS 29
E-Commerce GMV*	7.5 bln TL	8.3 bln TL	<u>15 bln TL</u>
CAPEX	500 mln TL	487 mln TL	<u>1 bln TL</u>
EBITDA Margin (%)	High single digit	8.9%	<u>Target to maintain at high single digit</u>
E-Commerce NMV / Retail Total Merchandise Value (%)*		16.4%	<u>Expected to reach around 20% levels in the mid-term</u>

*While E-Commerce Gross Merchandise Volume (GMV)" includes VAT (Value Added Tax), cancellations, and returns, "Net Merchandise Volume (NMV)" refers to the e-commerce transaction volume excluding these amounts.

*The above expectations were given as of December 1st, 2023 and excluding the effect of IAS 29.

Income Statement w/ IAS 29

	3Q24	3Q23	Change (%)	9M24	9M23	Change (%)
Net Sales (Mn TL)	15,961	16,477	-3%	47,421	44,982	5%
Gross Profit (Mn TL)	2,045	1,149	78%	5,739	4,612	24%
Gross Profit Margin (%)	12.8%	7.0%	5.8%	12.1%	10.3%	1.8%
Opex/Sales (%)	10.7%	10.2%	0.5%	11.0%	10.3%	0.7%
EBITDA (Mn TL)	684	-249	n.m.	1,509	796	90%
EBITDA Margin (%)	4.3%	-1.5%	5.8%	3.2%	1.8%	1.4%
Other Income (Expense) (Mn TL)	-612	-168	-265%	-2,223	-711	-213%
Financing Income (Expense) (Mn TL)	-982	-592	66%	-3,030	-1,312	131%
Net Monetary Gain (Loss) (Mn TL)	933	2,075	-55%	3,413	3,548	-4%
Profit Before Tax (Mn TL)	-324	785	n.m.	-1,333	1,492	n.m.
Tax (Mn TL)	-45	-367	-88%	241	-561	n.m.
Net Profit (Mn TL)	-369	418	n.m.	-1,092	931	n.m.
Net Profit Margin (%)	-2.3%	2.5%	-4.9%	-2.3%	2.1%	-4.4%

Balance Sheet w/ IAS 29



	Sep 24	Dec 23
Assets (Mn TL)		
Current Assets	12,972	16,883
Cash and Cash Equivalents	2,148	3,721
Trade Receivables	977	1,266
Inventories	9,605	11,362
Other Current Assets	242	535
Non-current Assets	3,342	3,075
Property, Plant and Equipment	1,291	1,022
Intangible Assets	351	334
Investment Property	250	250
Right of Use Assets	1,256	1,422
Other Non-current Assets	194	47
Total Assets	16,314	19,958
Liabilities (Mn TL)		
Current Liabilities	13,365	15,684
Short-term Loans and Borrowings	346	737
Short-term Portion of Long-term Finance Lease Liabilities	372	397
Trade Payables	11,760	13,469
Deferred Income	426	461
Other Current Liabilities	461	620
Long Term Liabilities	557	786
Long-term Lease Liabilities	458	592
Other Long Term Liabilities	99	194
Equity (Mn TL)	2,392	3,488
Total Liabilities and Equity (Mn TL)	16,314	19,958

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