

TEKNOSA

INVESTOR PRESENTATION

MAY 2025



Disclaimer

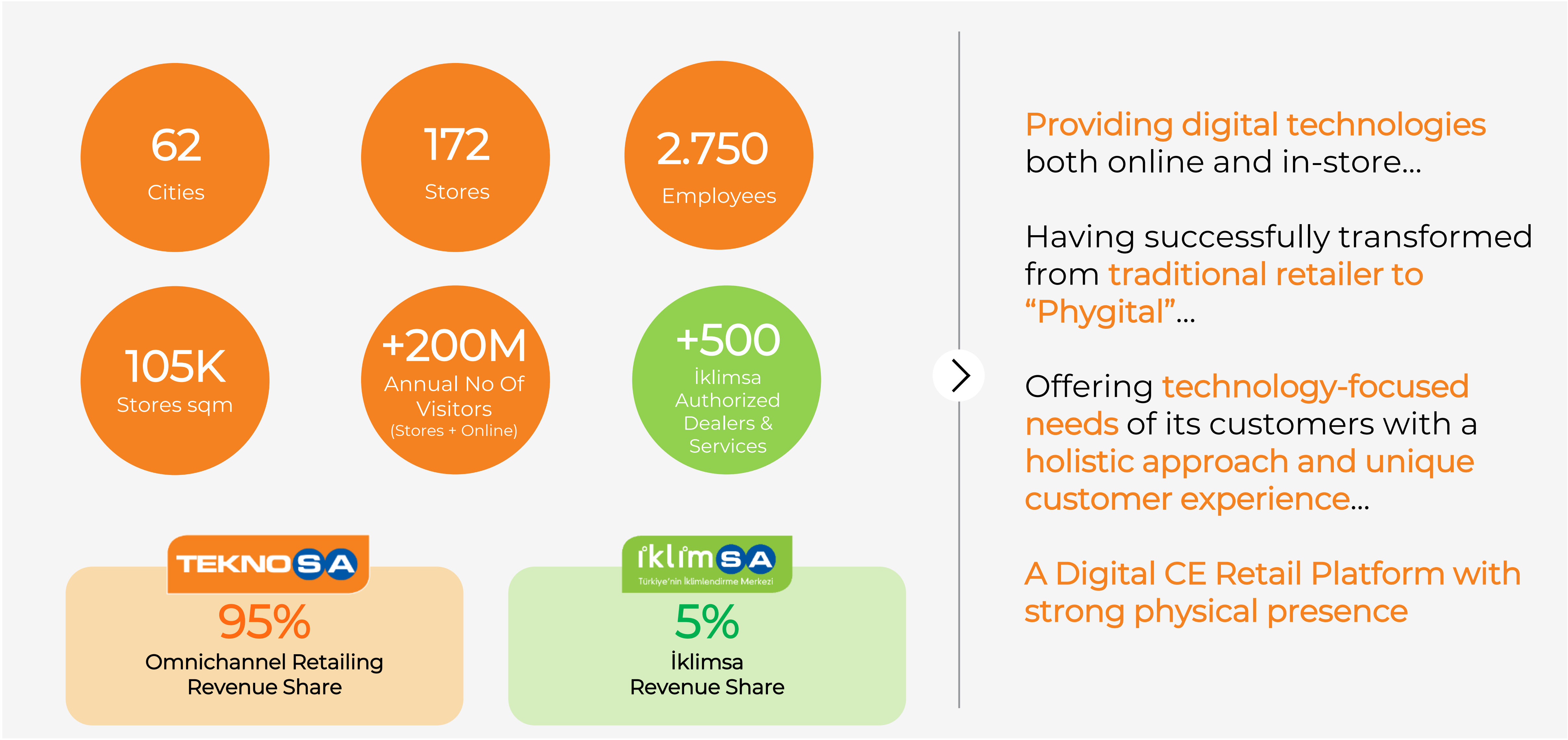
With the Capital Markets Board of Turkey's Bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or later, in accordance with IAS 29 inflationary accounting provisions. Accordingly, this presentation 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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Why Invest In Teknosa?

- 1 Unique & Solid Investment Proxy for Türkiye's Tech Retail Sector
- 2 Transforming from a Traditional Retailer into a Digital-First Company
- 3 Investing in AI & Technology to Enhance Operational Efficiency
- 4 Ranked among Top Specialty Retailers with a Dedicated Focus on ESG
- 5 Strong Financial Discipline while Navigating a Challenging Environment

Türkiye's Most Widespread and Reliable Technology Partner



4 The above data (excl. revenue shares) has been provided as of March 31, 2025.

Reaching Millions of Customers with Value Oriented Businesses

4 major brands reaching our customers



Türkiye's Most Comprehensive Technology Private Label Brand

With +1000 SKUs, product sales exceeding **2 million** units in 2024



End-to-end Services

With a comprehensive service portfolio, service sales exceeding **3 million** units in 2024



Rapidly growing Loyalty Program

TeknoClub membership reaching **~4.8 million** as of Mar'25
(~6 million active customers¹)



Heating-Cooling & Solar Energy Systems

5 Brands
+200 Models
Heating-cooling and solar energy systems portfolio

Transforming the Company into a Digital-First, Omnichannel Retailer

Started in
late 2019



A traditional retailer with
average operational
performance



Store-focused retailing



Mainly focused on selling primary
products



Weaknesses in operational
performance



An infrastructure lacking in terms
of technology and data



Customer experience with multiple
improvement opportunities



An omnichannel retailer
with healthy operational
performance



Omnichannel retailing



A robust retail muscle that can sell
products and services together



Strong and sustainable
operational performance



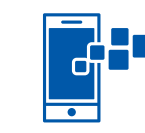
Technology and data infrastructure
capable of implementing essential
functions



Improved omnichannel customer
experience



A digital-first, omnichannel
retailer with a strong
operational capabilities



Omnichannel retailing and supporting
tech-focused marketplace



Retail muscles at the level of global
best practices



Even stronger and sustainable
operational performance



Digital technology, data infrastructure,
and solutions at a level that will create a
competitive advantage



Seamless data-driven omnichannel
customer experience

Ongoing

Phase I of the transformation has completed, while Phase II is ongoing strongly

Phase I

Becoming an omnichannel retailer with healthy operational performance



Financial & Operational Transformation

Through end-to-end transformation in five main pillars, Teknosa has been brought back to a profitable and operationally robust level



Completed in 2020



Service & Private Label Transformation

By transforming the service and private brand, two significant sources of sustainable and profitable customer satisfaction were created for Teknosa



Completed in 2021



Marketplace Transformation

By adding marketplace capabilities to Teknosa's online channels, a much broader range of products is now offered to customers under the assurance of Teknosa



Completed in 2023

Phase II

Becoming digital-first company with strong operational capabilities



Digital-First Company

Further strengthening Teknosa's competitive edge, the new phase of transformation for best customer experience and digital & operational excellence



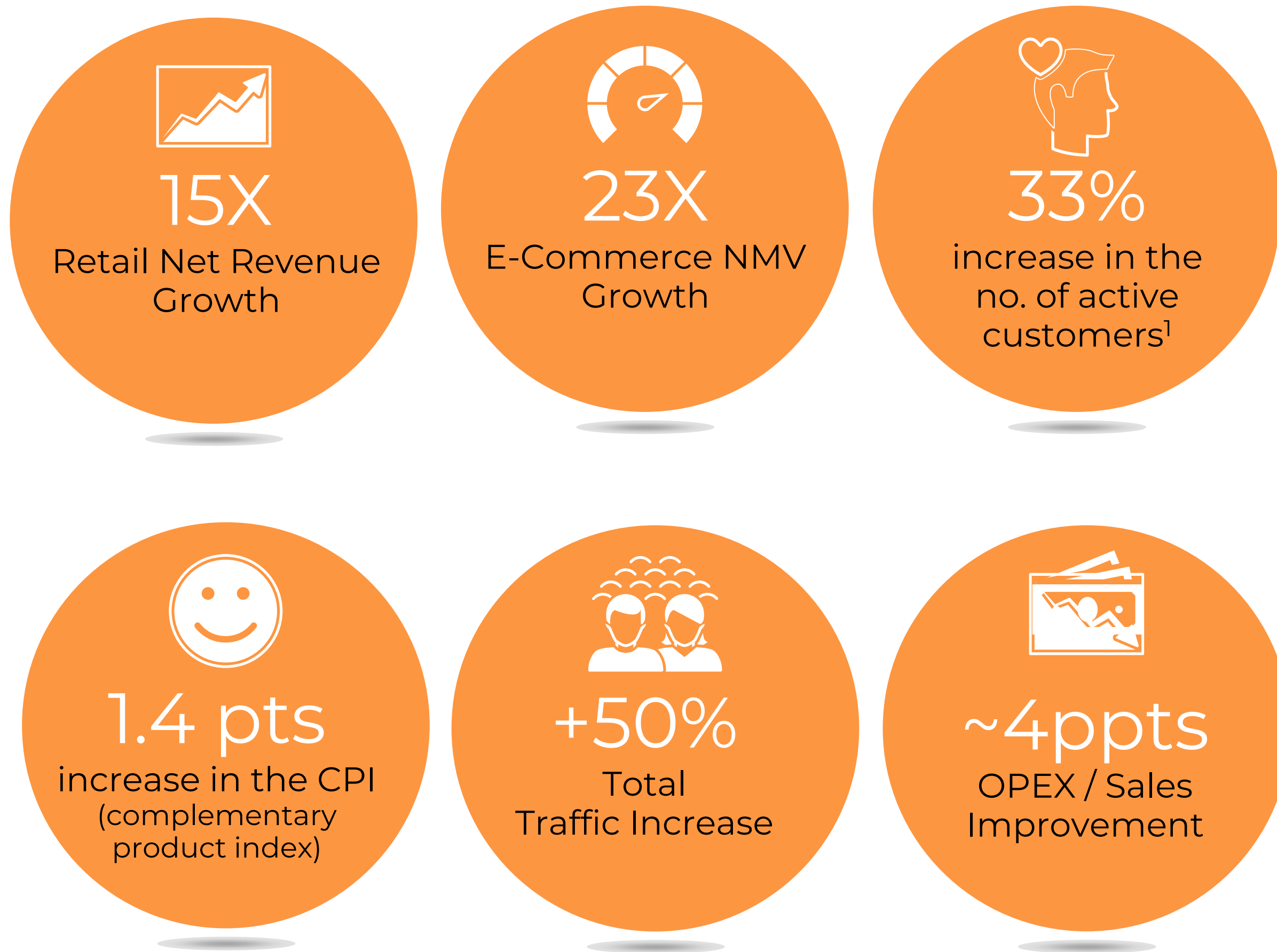
First Phase Completed - Ongoing

Teknosa Purpose

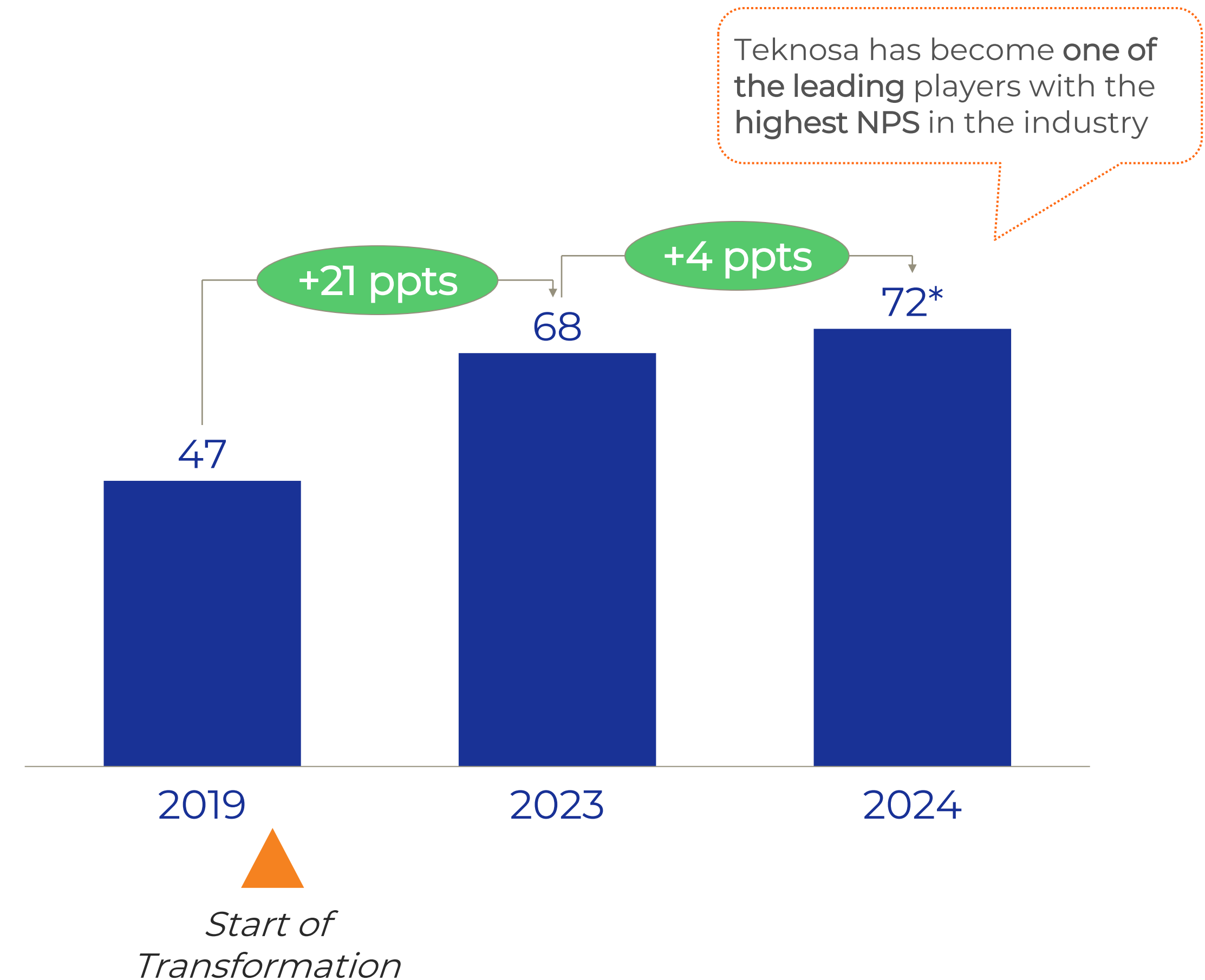
We Exist to Bring Happy Moments by Providing the World's Technology to Everyone

As a Result, We Have Achieved Significant and Robust Improvements in Our Retail Operational Performance

From 2019 to 2024...



Teknosa Total NPS



NPS: Net Promoter Score

Digital-First Transformation is Structured across Six Core Transformation Pillars

Elevate our
customer
service to
superstar status



Transformation
of the Store
Network



E-Commerce
Development &
Marketplace
Expansion



Omnichannel
Excellence



Supply
Chain
Transformation



Next Generation
Digital
Applications



Information
Technology & Data
Transformation

Increase
company
performance by
making our
operations more
efficient

Continuous Transformation of Our Store Network into an Experience-Driven One as Part of the Transformation Program

Investing in the Future of Retail with New Concept Stores

We embrace the globally rising trend of 'Experience-focused retail' with our new digital store concept

Stores with Increasing Shared Spaces

We are expanding shared spaces in our stores, maximizing brand exposure and value for Teknosa and our suppliers

Continuing to Optimize Our Network

Parallel to our strategy, we are opening new high sqm digital stores and relocating or closing stores with lower potential, aligned with our strategy on elevated experience, product variety and improved store performance

So far 71 stores have been transformed into new digital concept



Experience Areas



Enlarged Display Areas



Dedicated Sections for Disabled Customers



Self-Service Kiosk



Hero Area



Sustainability Wall

We Developed Türkiye's First and Most comprehensive AI-based Sales Field Management Tool- 'Bilge' with ~40 Features

Before the sales

During the sales



Bilge

Our new AI-supported sales assistant "Bilge" mobilizes our wide salesforce dynamically based on company strategy

Key features

An AI-powered tool for Teknosa, accessible via salesforce handheld terminals

Provides 30+ personalized nudges that inform with sales insights, motivate by celebrating performance, and guide with actionable recommendations



Higher Conversion Rates

Larger Basket Size

Increased Revenues

More Profitable Retail Mix

Launched on Agu'24



Sales Wizard

Our new tool empowering our salesforce team with instant access to all info they would need in the moment of sale, ensuring informed and effective customer interaction

Key features

Sales Wizard supports sales advisors in 4 key areas:

- **Product Details:** Provides prices and technical specs through barcode scans or advanced search
- **Compelling Info:** Shares related promotions, payment options, and substitute products
- **Cross-Selling:** Recommends complementary and cross-sell products
- **Employee Benefits:** Highlights benefits to sales advisor



Launched on Oct'24, improvements are ongoing

We Are Elevating Our Information Technology and Data Competencies to Build a Stronger Infrastructure for Transformation

SAP S4 HANA ERP

- Comprehensive overhaul of the technical infrastructure, marking a pioneering move in Türkiye's e-commerce sector
- Setting the stage for future digital transformation resulting in improved efficiency, capabilities and customer satisfaction

Go- live on April 1st

Digital Data Platform

- Focusing on improving data quality, usability, and revenue generation through better governance and consolidation of data platforms
- Accelerating our decision-making processes and operational efficiency

Go- live on April 1st

Business Architectural Transformation

- Roadmap 2025 Business Architecture transformation created providing a clear direction for strategic goals
- Aiming to streamline and align the organization and enhanced efficiency, and agility and sustained growth

Strong synergy across streams enhancing standardization, integration and optimization of the IT ecosystem and business processes

Enhancing Sustainability & B2B Business through the Synergy between İklimsa & Teknosa



Operating under the umbrella of Teknosa, İklimSA, the leading brand in the HVAC sector, provides services with the assurance of Sabancı across Türkiye

72
Cities

+500
Sales &
Service
Points

+40
Years
Expertise

We have been in operation since 2022

While enhancing our existing strengths, we are also expanding our offerings at İklimsa



1

Air Conditioning

- Providing end-to-end climate solutions for both residential & commercial customers
- A wide product range, A+++ energy efficiency, inverter technology, and advanced equipment under global and own Sigma brands



2

Solar Energy Systems Solutions

- A solid business plan focused on centralizing the regional network of ~106 dealers in Solar Energy Systems (SES)
- Continuing investments in a sustainable future, reaching 78 SES projects with 28 MW¹ in less than 2 years (+159% y-o-y)



3

B2B Sales

Providing corporates with a wide range of electronic products of Teknosa, including

- Electronic product supply
- After-sales services
- Gift cards
- Product rental services



We Add Value to Our World, Society and Employees through Our Business

Sustainability Focus

Reporting

- First Sustainability Report as of 2021
- First Integrated Report as of 2023
- "Leadership" score in CDP Climate Change Program with "A" ranking
- GHG Emmissions Report
- TCFD² Reporting
- SBTi³ Commitment
- LSEG ESG Rating – BIST Sustainability Index

Gender Equality

- Increasing the ratio of female employees throughout our organization
- Digital literacy training to +30K women since 2007
- First Turkish tech retail company to sign the WEPs

Product & Services

- Zero Waste system in all our stores
- Buyback, refurbished phones, rental, guarantee and repair services
- Enhancing sustainable services and optimizing the product portfolio

Efficiency

- LED conversion in stores, Logistics Center energy audit, renewable energy use in 62 stores
- WWF Green Office Program

Carbon Emissions Reduction

- Through SES projects aimed at combatting climate change
- 80% Renewable Electricity Use as of 2025
- 42% reduction on Scope 1 & 2 GHG emissions as of 2030
- Net Zero Emission and Waste as of 2050



AVOIDED CO₂ EMISSIONS
THROUGH SES PROJECTS



11,252 tons/year

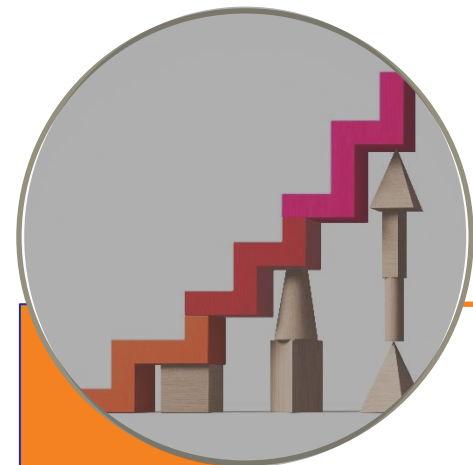
NO. OF TREES EQUIV.
TO CO₂ EMISSIONS



≈ 288,530 Units

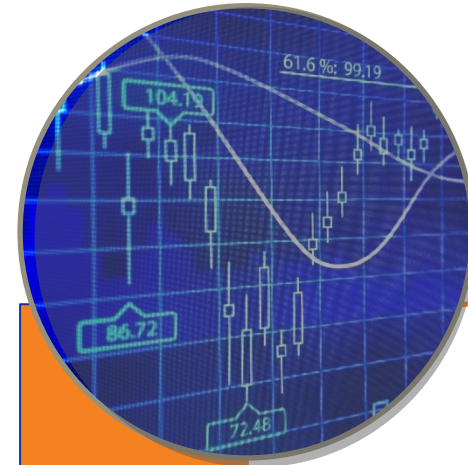


Our Measures are Proving Effective: Solid Financial Discipline While Navigating a Challenging Environment



REVENUE GROWTH INITIATIVES

- **Actions supporting revenue growth** such as **enhancing sustainable payment options**



MARGIN & COST OPTIMIZATIONS

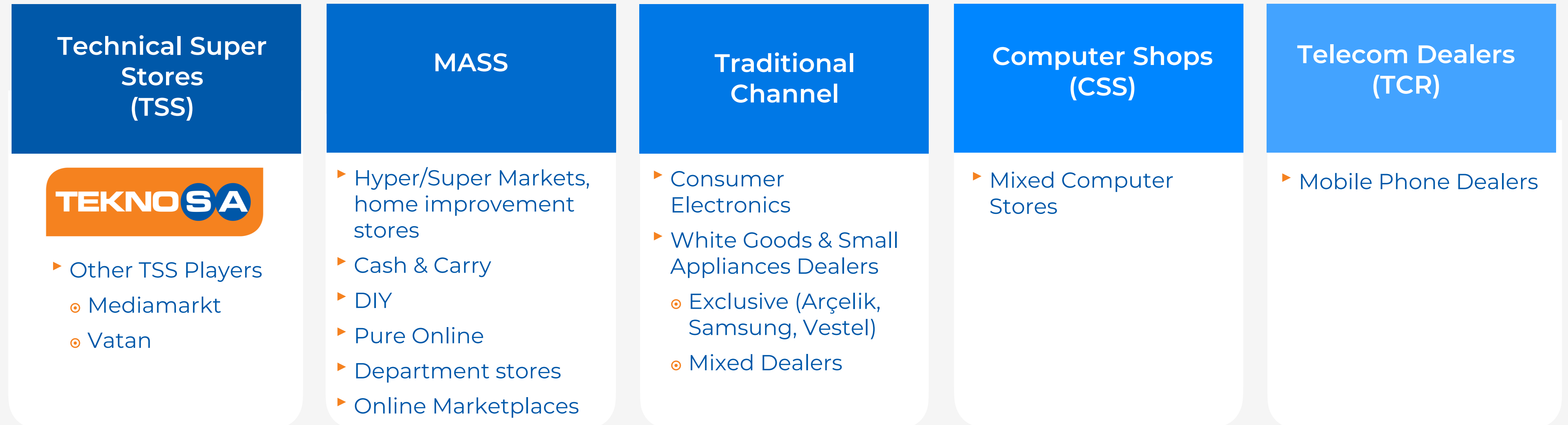
- **Proactive margin management** to increase profitability & **controlled OPEX management**
- **Mitigating financing costs** while **offering attractive non-credit card payment options** for consumer financing



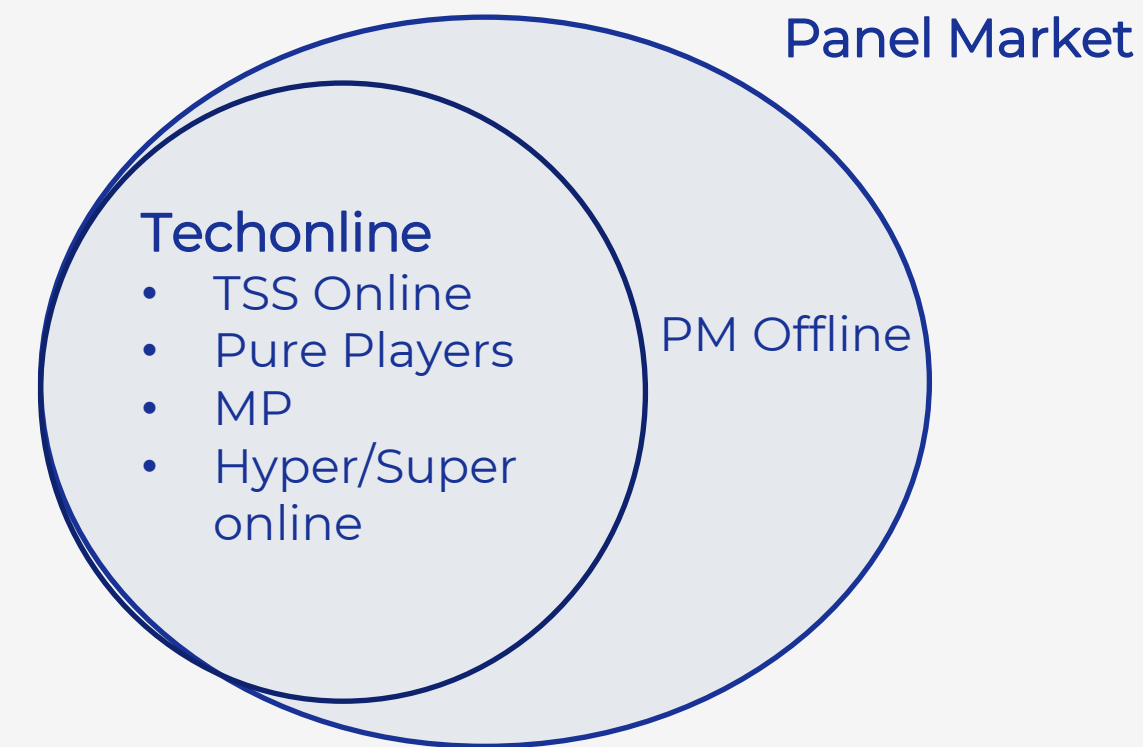
FINANCIAL DISCIPLINE

- **Effective inventory management** and **disciplined cash flow management**

Distribution Channel Structure in the Market

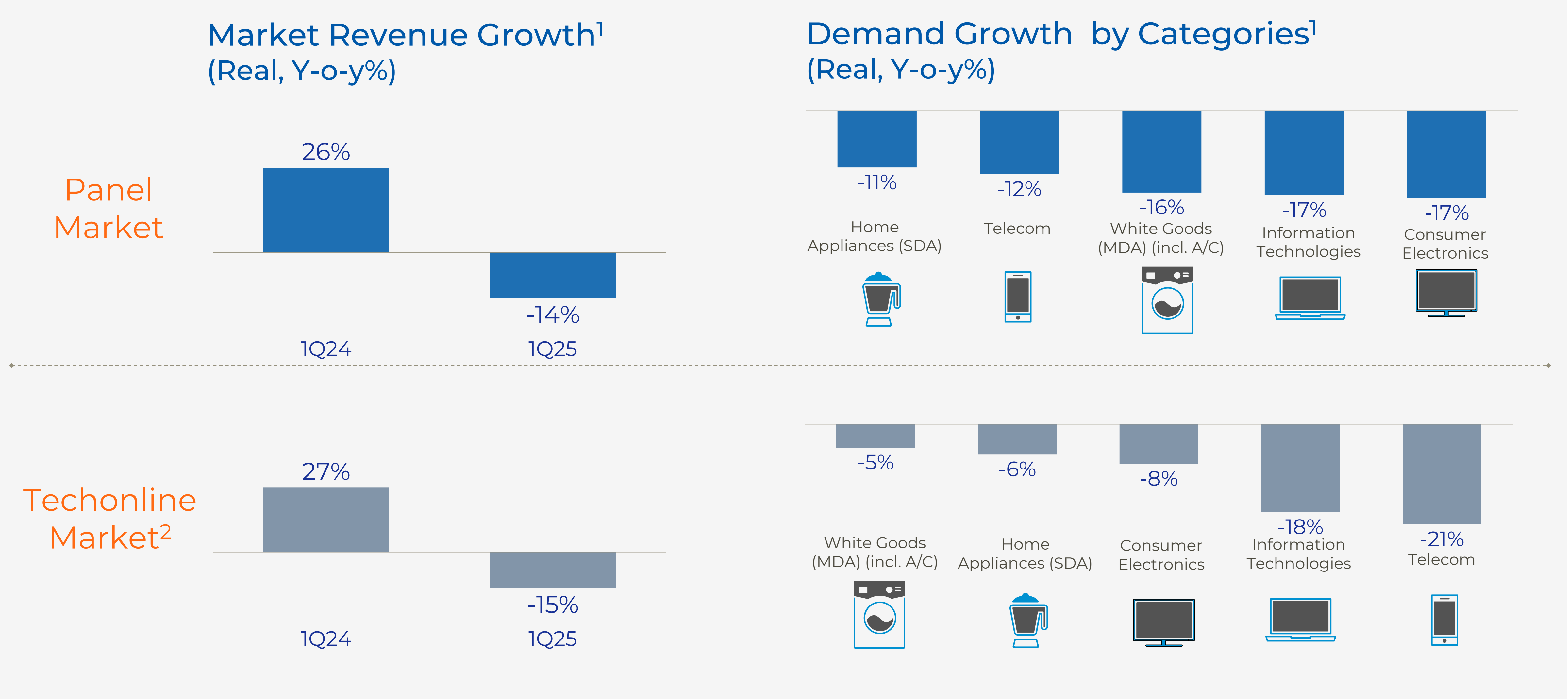


Online sales of all channels in the Panel Market constitute the Techonline market



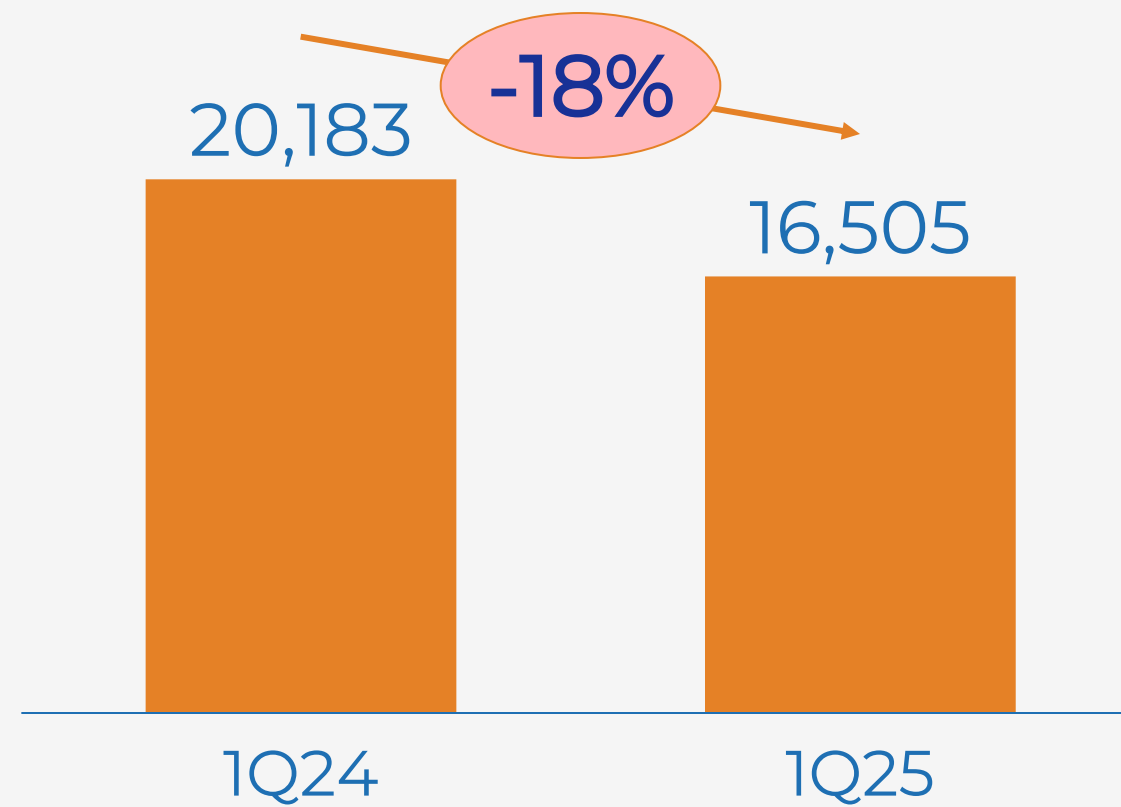
Source: GFK

With the Slowdown in Overall Market Growth and a High Base Effect from the Previous year, the Panel Market Recorded a Mid-double digit y-o-y Decline



Along with Pressured Revenues due to Weakening Demand, We Remain Committed to Optimizing Our Core Omnichannel Strategy

Revenues (Mn TL)



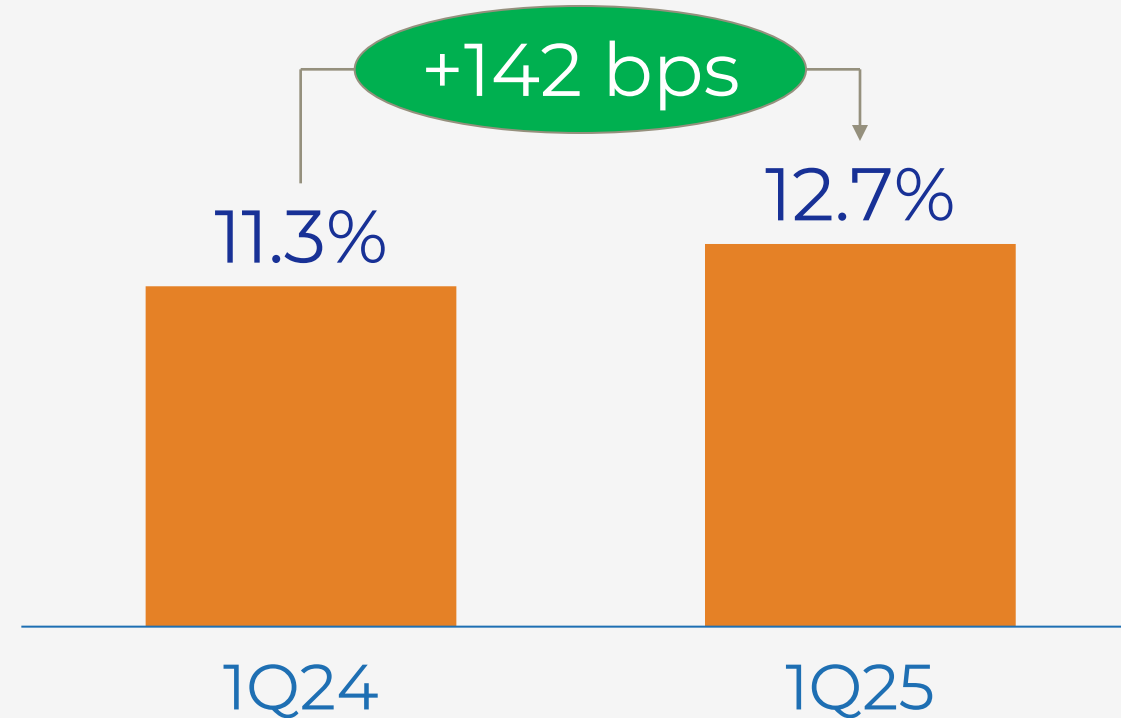
1Q Overview

- Revenues were affected by the Ramadan period and weakening consumer demand
- Week demand intensified pricing competition, we strategically shifted our focus to profitability-driven growth in selected categories.
- Additionally, last year's strong base was elevated by pull-forward demand that was seen in 1Q24

Revenue Growth Initiatives

- Improved salesforce effectiveness through coaching and performance targeting with our AI powered tool 'Bilge'
- Enhancing alternative payment options
- Targeted actions to strengthen our omnichannel strategy; including store-specific performance improvements and optimized marketplace commission structures

Gross Profit margin



1Q Overview

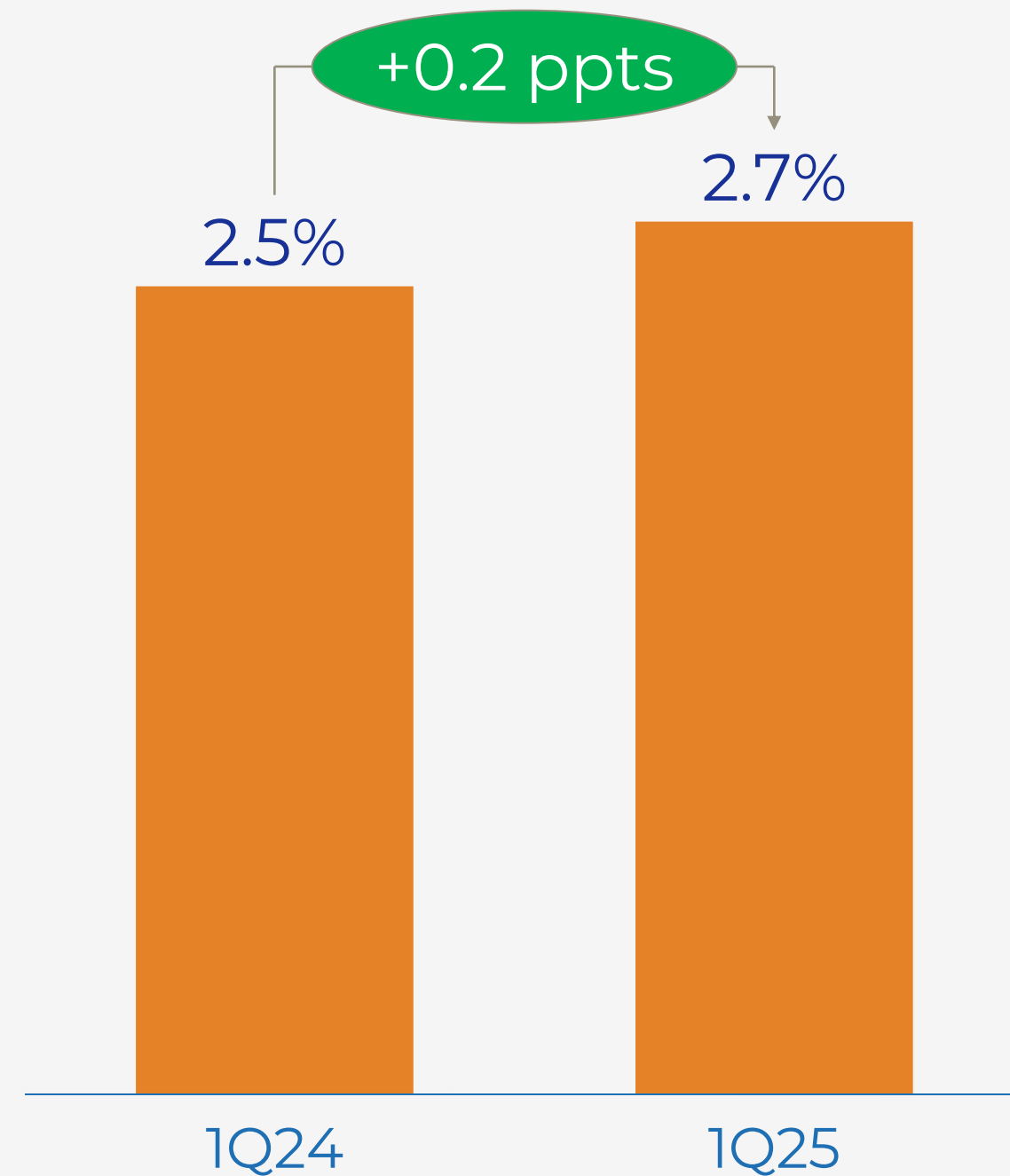
- Gross profit margin was improved, driven by a favorable product mix, disciplined promotional activities, and effective inventory management.

Optimizing Margin Initiatives

- Increased share of more profitable categories in the product mix
- Assortment optimization across all categories
- Ongoing stock optimizations to further accelerate inventory turnover

Despite a Challenging Cost Environment, We Continue to Enhance Our EBITDA, Supported by Increasing Margins, a Strong Focus on Cost Control & Efficiency Gains

EBITDA margin



1Q Overview

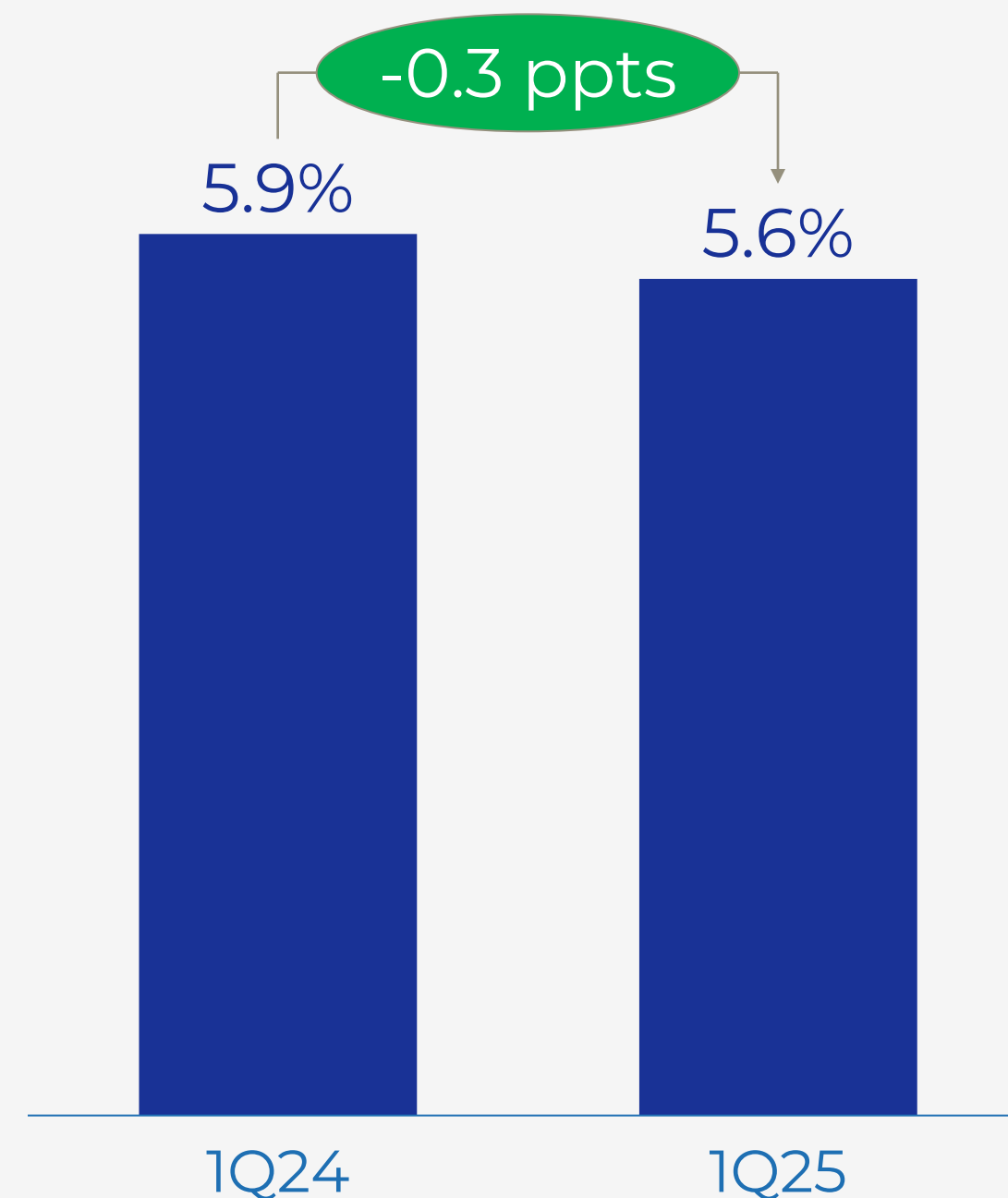
- Supported by the year-over-year improvement in gross margin
- Despite decreasing OPEX cost, OPEX-to-revenue ratio has increased, mainly driven by the decline in revenues

Cost Control Optimizations

- Optimizing our store network to eliminate operational inefficiencies
- Optimizing all costs including rent, marketing, logistics, personnel and exercising savings opportunities
- Completed transition to a new ERP system enhancing operational efficiency
- Expanding our retail media revenues, directly contributing to our profitability

High Interest Rates and Ongoing Macroeconomic Pressures still Impact the Bottom Line; However, Our Mitigation Measures are Proving Effective

Total Net Financial Expenses* / Revenues



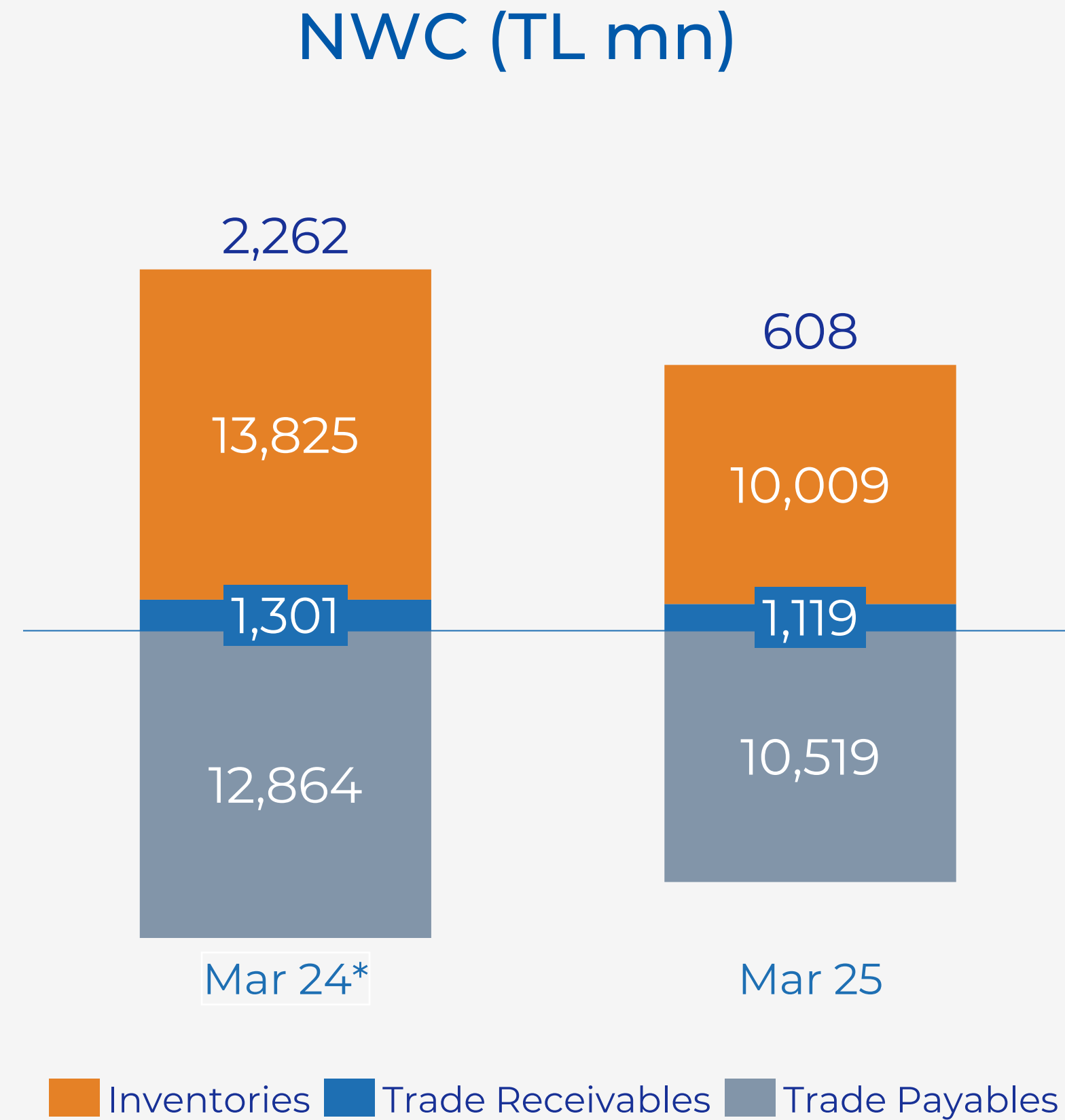
1Q Overview

- Our credit card commissions-to-revenue ratio decreased from 4.6% to 4.3% vs. last year, primarily driven by a more than 2x increase in consumer loans.
- As a result of financing optimization initiatives, the net financial expenses-to-revenue ratio improved y-o-y, decreasing from 5.9% to 5.6%.

Strict Initiatives Taken To Reduce Financing Costs

- Continued efforts in stock optimizations & effective inventory management
- Ensuring additional payment terms according to stock turnover ratios
- Significantly increasing the share of non-credit card payments, with optimizing costs by further pushing consumer loans
- Reducing financing costs of free installments by subsidizing interest costs to suppliers

We are Placing Heavy Emphasis on Strengthening Financial Discipline and Managing Liquidity

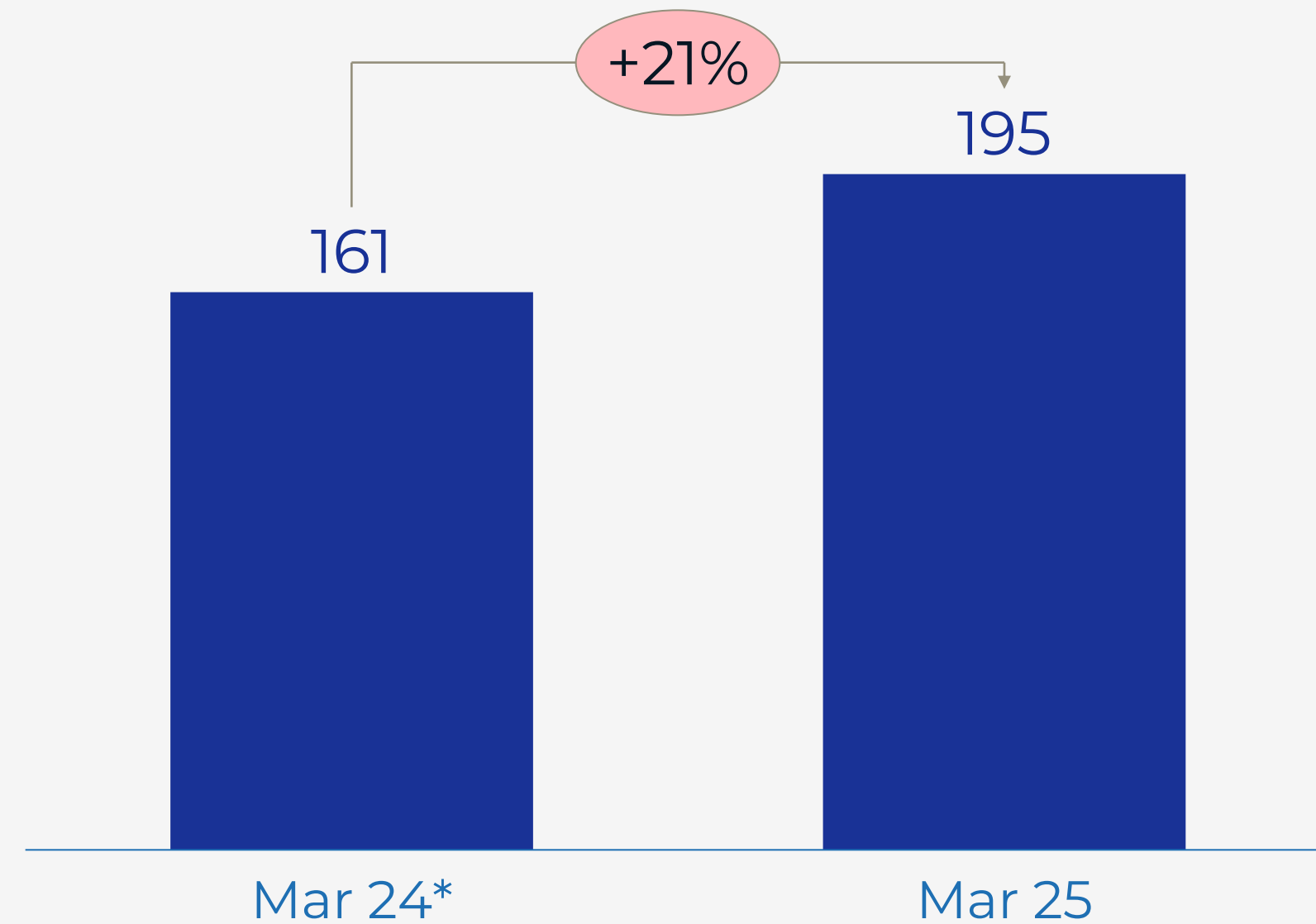


Strengthening Financial Discipline & Liquidity Management

- Strict cash management and continued focus on disciplined procurement optimization
- Introducing AI-based tools for smarter assortment planning, demand forecasting and accelerated stock movement
- Assortment & inventory optimization

Our CAPEX Program is Progressing as Part of Our Journey to Become a Digital-First Company, with Ongoing Investments in Digital and AI Transformation

CAPEX (TL mn)



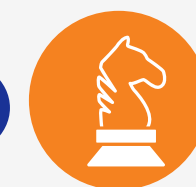
Transformation program is on track to become a "Digital-First" Company



Transforming our store network into an experience-driven as part of our Digital-First Company objective (#71 stores have been transformed to the new digital concept)



Two Important digital streams went live on April 1st (Switching SAP for ERP processes & implementing a Digital Data Platform)



AI-Based Localized Assortment Management Project (Started in 4Q24)



Stock Optimization: AI-Based Demand Forecasting & Procurement Decision Optimization Project (Started in 1Q25)



Stock Turnover Management: AI-Powered Stock Speed Accelerator Project (Started in 1Q25)

All these projects have been prioritized to provide Teknosa a competitive edge, driving both sales growth and efficiency.

Summary Income Statement

TEKNO SA	1Q25	1Q24	Change (%)
Net Sales (Mn TL)	16,505	20,183	-18%
Gross Profit (Mn TL)	2,093	2,272	-8%
Gross Profit Margin (%)	12.7%	11.3%	1.4%
Opex/Sales (%)	12.8%	10.6%	2.2%
EBITDA (Mn TL)	441	514	-14%
EBITDA Margin (%)	2.7%	2.5%	0.2%
Other Income (Expense) (Mn TL)	-787	-977	-19%
Financing Income (Expense) (Mn TL)	-922	-1,201	-23%
Net Monetary Gain (Loss) (Mn TL)	1,188	1,864	-36%
Profit Before Tax (Mn TL)	-538	-182	-196%
Tax (Mn TL)	124	51	142%
Net Profit (Mn TL)	-414	-131	-217%
Net Profit Margin (%)	-2.5%	-0.6%	-1.9%

Summary Balance Sheet



	Mar 25	Dec 24
Assets (Mn TL)		
Current Assets	12,956	16,073
Cash and Cash Equivalents	1,567	2,814
Trade Receivables	1,119	1,330
Inventories	10,009	11,760
Other Current Assets	262	169
Non-current Assets	4,118	3,932
Property, Plant and Equipment	1,048	1,445
Intangible Assets	1,000	581
Investment Property	296	296
Right of Use Assets	1,396	1,327
Other Non-current Assets	378	283
Total Assets	17,074	20,005
Liabilities (Mn TL)		
Current Liabilities	14,339	16,888
Short-term Loans and Borrowings	2,435	430
Short-term Portion of Long-term Finance Lease Liabilities	479	418
Trade Payables	10,519	15,060
Deferred Income	300	411
Other Current Liabilities	606	569
Long Term Liabilities	646	614
Long-term Lease Liabilities	526	496
Other Long Term Liabilities	120	118
Equity (Mn TL)	2,089	2,503
Total Liabilities and Equity (Mn TL)	17,074	20,005

THANK YOU!



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