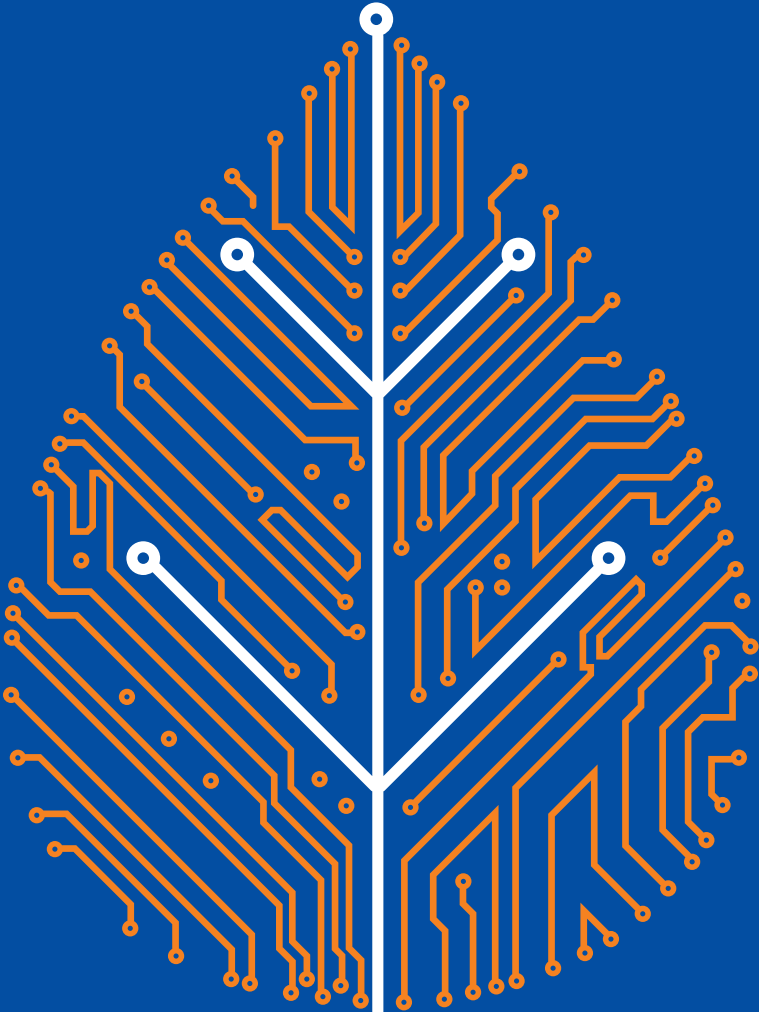


Being the technology company of today and the future

Annual Report 2024



Contents

- 10 Teknosa at a Glance
- 12 Message from the Chair of the Board of Directors
- 16 Message from the CEO

Teknosa Overview

- 22 Teknosa in Brief
- 24 Vision, Mission, Culture and Values, Quality and Complaint Management Policies
- 26 Capital and Shareholder Structure
- 28 Milestones

2024 Highlights

- 30 Developments in the Industry
- 32 Retailing
 - 33 Physical Stores
 - 39 Online Channels
 - 47 Technological Transformation and Artificial Intelligence
- 52 Iklimsa

Our Sustainability Approach

- 56 Sustainability
- 66 Human Resources
- 74 Corporate Social Responsibility

Corporate Governance

- 82 Corporate Information
- 83 Corporate Governance and Sustainability Principles Compliance Report
- 96 Board of Directors' Discussion and Analysis
- 98 Board of Directors' Resumes
- 102 Executive Team's Resumes
- 107 Organization Structure

General Assembly

- 108 Agenda of the Ordinary General Assembly Meeting
- 109 Dividend Policy
- 110 Profit Distribution Table

Financial Information

- 112 Key Financial and Operational Indicators
- 114 Rating and Debt Instrument Issuance
- 115 Audit Report on the Early Risk Detection System and Committee
- 116 Independent Auditor's Report on the Annual Report
- 119 Financial Statements and Independent Auditor's Report for the Fiscal Year Ended 31 December 2024

Contact

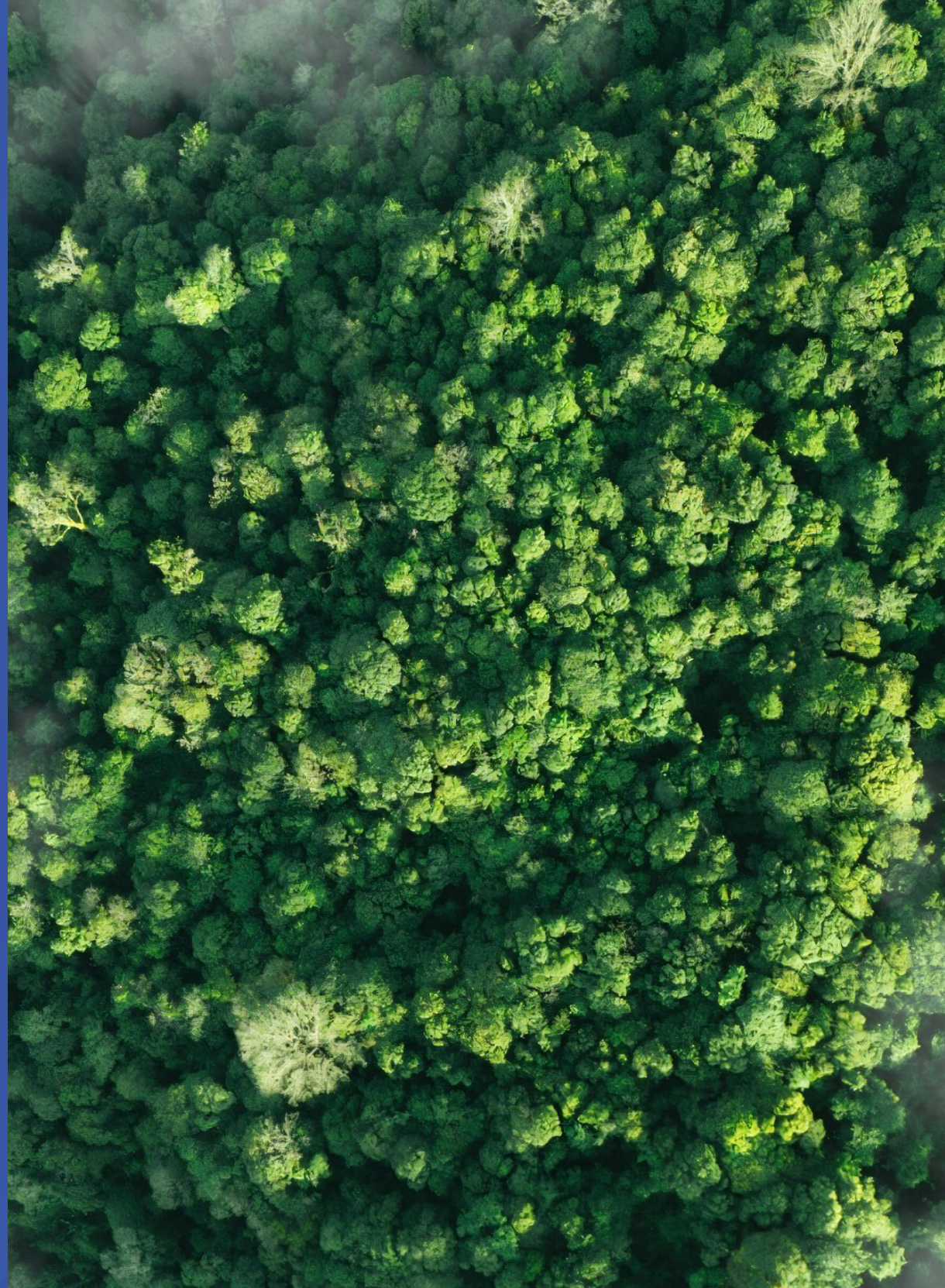
Being a technology company, we prioritize digitalization and sustainability throughout all our operational processes. We continue to invest in renewable energy to achieve our 2050 net-zero emission goal. We remain a pioneer in our sector by using innovative technologies such as digital transformation and artificial intelligence. We maximize satisfaction with our products and projects provide our customers with the best possible experience, and we aspire to become the leading technology company of the future.

We continue to maintain our strong operational performance thanks to our committed efforts. We will keep adding value for our customers, investors, and our country as we move forward with the same commitment and dedication.



Winning the future today

We are combatting climate change to ensure a sustainable future. We carry out energy efficiency studies to our carbon footprint, invest in renewable energy and develop business models based on the principles of circular economy. Our leading position in the CDP Climate Change Program is proof of our commitment in this area.



Producing the technology of the future

We are the pioneers of digitalization in our industry and invest in artificial intelligence. As part of these efforts, we developed Bilge, an AI-powered digital sales assistant, achieving a first in this field. We use Bilge to help our employees, and our Company enhance their operational performance. We aim to maximize customer satisfaction thanks to Bilge's insights and guidance.



Providing opportunities that will benefit

We work hard to make our customers happy and provide them with new opportunities. In this regard, our customers earn cash by sharing their favorite products in their accounts and providing profitable buying opportunities to their loved ones through our "Share and Earn with Bi'link" project. We will keep improving customer satisfaction through our new social commerce initiatives.



Investing in the future

We engage in a valuable collaboration with İklimsa to ensure a sustainable future. We produce and offer the best Solar Energy Systems (SES) solutions for our customers to meet their electricity requirements through solar energy. For example, we are installing SES on the roof of the CarrefourSA store. With our renewable energy solutions, we help businesses reduce their energy costs while increasing their competitiveness.



Teknosa at a Glance

Türkiye's Most Widespread and Reliable Technology Partner

62
Cities

175
Stores

~3.000
Employees

106K
Net Sales Area (m²)

+230 Million
Annual No. of Visitors
(Stores + Online)

+500
İklimsa Authorized
Dealers & Services

TEKNO SA

94%
Omnichannel
Retailing Revenue
Share

İKLİMSA
Türkiye'nin İklimlendirme Merkezi

6%
İklimsa
Revenue
Share

Providing broad technology both online and in-store...

Having successfully transformed from a traditional retailer to "Phygital"...

Offering technology-focused needs of its customers with a holistic approach and creating a unique customer experience...

A Digital Consumer Electronic Retail Platform with a strong physical presence

Reaching Millions of Customers with Value Oriented Businesses

preo

Türkiye's most
comprehensive technology
private label brand

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

**TEKNO
HİZMET**

Türkiye's most
comprehensive technology
private label brand

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

**TEKNO
CLUB**

Rapidly growing Loyalty
Program

TeknoClub membership
reaching 4.5 million

~6 million active customers*

**Number of active customers in the
CRM system who purchased at least
one item in the last 24 months*

TEKNO SA CELL

TEKNO SA net

Teknosa's mobile network
operator and home internet
service

450K TeknosaCell
subscribers in 2024

Launch of Teknosa.net on
September 24

İKLİMSA
Türkiye'nin İklimlendirme Merkezi

Heating-Cooling and Solar
Energy Systems

5 Brands and +200 models

Heating-cooling and solar
energy systems portfolio

Message from
the Chair of
the Board of
Directors

69

Billion TL
Revenues

We are moving forward at full speed with our “**Digital-First Transformation**” journey.

Dear Investors, Business
Partners, and Esteemed
Employees,

We’ve just closed the chapter
on a challenging year. The
events of 2024—marked by
wars and elections around
the globe—unfolded against
a backdrop of economic
turbulence and geopolitical
uncertainty. During this period,
as global dynamics shifted,
countries focused on their
internal dynamics, striving to
adapt to difficult conditions.

Türkiye faced its share of
macroeconomic challenges yet
pushed forward with strategic
steps to maintain progress.
Teknosa, we stayed true to our
commitment to sustainable
growth and continued to create
meaningful value for the society
we proudly serve.

Globally, the retail sector, which
gained strong momentum
during the pandemic,
continued to thrive in 2024 by
adopting “phygital” strategies
that prioritize digitalization,
e-commerce, and sustainability.
As consumer expectations
evolved, retailers embraced
innovative AI-driven solutions,
making significant progress in
delivering more personalized
and seamless customer journey
experiences.

Since 2019, under our vision
of being the “Teknosa of the
New Generation,” we have
embarked on a comprehensive
transformation journey,
achieving many firsts along
the way. To evolve into a digital
consumer electronics retail
platform with a strong physical
presence, we have completed
transformations across the
“Financial and Operational,”
“Service and Private Label,”
and “Marketplace” areas. We’ve
made significant strides in our
“Digital-First Transformation”
project, further strengthening
our company’s competitive
edge.

MAX ROGER SPEUR
Chair of the Board of Directors
of Teknosa



Message from the Chair of the Board of Directors

We are committed to providing an exceptional customer experience that aligns with our robust omnichannel approach.

We proudly published our first integrated report in 2024, which marked an important milestone.

Thanks to our efforts that solidified our leading position in the industry, we successfully outpaced market growth in 2024. Teknosa achieved a revenue exceeding 69 billion TL, representing a year-over-year real growth of 1.6%. Despite the challenges during the year, I congratulate the Teknosa teams who worked tirelessly to achieve this success.

We are moving forward at full speed with our "Digital-First Transformation" journey, having already completed its first phase. Through this program, designed with a focus on digital infrastructure and solutions, we continue to transform our store network into an experience-driven one in line with emerging trends.

We are enhancing the service levels we offer to sellers on our marketplace, expanding both the variety of sellers and products. We are working to unify the customer experience across all channels and make cross-channel transitions more seamless. To better meet customer expectations and adapt to evolving market dynamics, we are transforming our supply chain while leveraging AI-powered tools to enhance the effectiveness of our salesforce. Additionally, we are integrating numerous digital solutions into the core of our operations, leveraging digital tools and artificial intelligence technologies.

To implement these solutions, we are undergoing a comprehensive technology transformation under three main pillars: ERP transformation, enterprise architecture transformation, and data transformation. As part of the ERP transformation, we made a pioneering move in the e-commerce sector by thoroughly overhauling our technical infrastructure. This initiative aims to enhance end-to-end efficiency, improve the performance and quality of our processes, and elevate our operational capabilities. We are also preparing our business architecture and data-driven digital solutions for the future. By investing in digital transformation and artificial intelligence, we continue to advance on our journey to becoming a digitally focused omnichannel retailer.

Adding value to our business, our planet, our society, and our people is at the heart of everything we do. In 2024, we proudly published our first integrated report—a significant milestone for all of us. This report highlights the strides we've made in sustainability and reinforces our commitment to achieving our "2050 Net Zero Emissions and Zero Waste" goals.

This year, we will continue to accelerate our digitalization and technology-driven strategic investments as part of our commitment to sustainable growth. Through our comprehensive transformation program, we aim to sustain our growth and further enhance our operational performance metrics. Driven by a robust omnichannel strategy, we are dedicated to perfecting a truly exceptional customer experience. By transforming into a truly "Digital-First" company, we are focused on creating even greater value.

The year 2025 marks Teknosa's 25th anniversary. Over this quarter-century, we have pioneered numerous milestones in technology retail, leading the industry's growth and transformation. With our customer-centric approach, innovative solutions, and investments in digitalization, we've become one of Türkiye's most trusted brands. This year, we are more determined than ever to strengthen our leadership position in the

sector, achieve new successes, and continue delivering the best service to our customers, guided by our forward-looking investments and sustainability vision.

A heartfelt thank you to all our employees, customers, business partners, investors, and stakeholders who have supported us throughout this journey. Wishing a prosperous and successful 2025 for Türkiye and our company.

Yours sincerely,

MAX ROGER SPEUR
Chair of the Board of Directors
of Teknosa

Message from the CEO

13.3

Billion TL

Gross Merchandise
Volume (GMV)

863

Million TL

CAPEX

We strengthened our infrastructure, increased our product diversity and **implemented innovative practices.**

Dear Investors, Distinguished
Business Partners, and
Esteemed Employees,

Having faced significant challenges in 2024 due to high inflation and interest rates, the Turkish economy has become financially vulnerable. The retail sector was negatively affected, as were other sectors, by current economic conditions. High inflation reduced the purchasing power of consumers, leading to lower consumer spending and increased competition in the market. Although macroeconomic policies implemented to address growing inflation have started the disinflation process, we continue to witness a period of significant challenges in terms of economic growth and financing costs.

We are happy to have completed 2024 with strong operational success thanks to the dynamic and proactive actions we have taken despite all these challenging circumstances. In 2024, we significantly increased operational efficiency, enhanced customer experience and supply chain, prioritized cost optimization and healthy working capital management, and continued to invest in sustainability while progressing towards a digital-first strategy in accordance with our digital transformation roadmap.

We are thrilled to see the outstanding results of our transformation program, which has achieved great operational performance as a result of the strategic initiatives we implemented incrementally since 2019. I would like to extend my warmest congratulations to all of my teammates who helped make this a success.

SİTARE SEZGİN
CEO of Teknosa

Message from the CEO

We were the first company in Türkiye to create a wellbeing category within our sector.

Implementing artificial intelligence solutions and transforming our information technology are top priorities as we aim to evolve our company into a digital platform supported by a robust physical presence.

In 2024, the total consumer electronics market experienced a real growth rate of 0.6% year-on-year, marking a slowdown following the rapid increase in the previous year. As Teknosa, we continued to grow above inflation thanks to our omnichannel approach, increasing our revenue by 1.6% in real terms to TL 69.4 billion. With a view to providing the best service to meet customer needs in every channel, we strengthened our infrastructure, increased our product diversity and implemented innovative practices. In keeping with our controlled growth strategy by maintaining financial stability, we achieved a total Gross Merchandise Volume (GMV) of TL 13.3 billion in e-commerce.

In 2024, we invested TL 863 million, including store openings and renovations, primarily in digitalization, omnichannel customer experience, technological infrastructure, and next-generation artificial intelligence solutions to meet the technology needs of our customers with a holistic experience. Despite the ongoing challenges, we remain committed to generating long-term value for our firm and stakeholders through our long-term growth strategy and dedication to become a digital-first omni retailer.

We remain at the service of our customers with over 200 thousand SKUs and over a thousand sellers, consistently enhancing our product diversity in the first technology-oriented marketplace in our industry. We aim to expand our marketplace with new categories in the long run. In pursuit of this objective, we were the first company in Türkiye to create a wellbeing category within our sector. We intend to keep moving forward this year by adding new categories. In addition, as a new business segment, we launched our 'Retail Media' application, which is rapidly developing around the world. Brands can present their products to the right target audience in various communication areas on teknosa.com, which attracts over 180 million visitors each year. The advertisements in these areas can be considered to have a threefold higher conversion rate.

In addition to our digital platforms, we are enhancing our retail network with an experience-oriented approach. In 2024, we transformed 23 of our stores into our digital concept, marking a first in the industry, and we now have 68 locations serving our consumers with this innovative concept. We incorporated Cevahir Teknosa, our largest store that attracts millions of visitors each year, along with our Exxtra store located in Optimum Outlet Shopping Centre, our biggest meeting point in Ankara, into this transformation initiative. Our digital store concept is a first in the industry, with a lot more convenient, digital, accessible, and sustainable structure.

Implementing artificial intelligence solutions and transforming our information technology are top priorities as we aim to evolve our firm into a digital platform supported by a robust physical presence. In order to keep up with changing customer expectations, we make IT investments that support our business processes with more agile, flexible, and cutting-edge solutions.

We implement technological solutions like data analytics, strategic planning, AI-driven chatbots, and live support systems in the most effective manner to guarantee a seamless customer experience. As we integrated advanced AI-driven digital technologies into our supplier negotiation processes, we also began developing new generation digital solutions to support our sales team. To this end, we welcomed Bilge, our country's first AI-powered digital sales assistant, to our team in August 2024. Having started collaborating with the teams in all our stores, Bilge analyzes both personal and store performance of the sales teams, informs the entire sales organization, guides the sales team with month-end forecasts and advises on areas of improvement. We have recently released the Bilge 2.0 'Sales Wizard' tool for use by our teams. Using Bilge to equip our team prior to sales,

we boost conversion rates by giving them access to crucial information including product technical specs, campaigns, payment options and product information in real time at the point of sale through the AI-powered Sales Wizard.

We continued our comprehensive technology transformation under three main headings: "ERP Transformation," "Business Architecture Transformation," and "Data Transformation." In 2024, we made IT investments that support our business processes with more agile, flexible and cutting-edge technologies in order to keep us with changing customer expectations. We aim to enhance our company's performance and operations by leveraging digital technology, data infrastructure, and solutions that will provide us with a competitive edge.

We made significant optimizations in our logistics processes to enhance customer satisfaction and boost operational efficiency. We kept transforming our supply chain end-to-end as part of our digitization plan, which made our operations faster and more flexible.

Message from the CEO

We introduced Teknosacell, our mobile communication service which now has reached 450 thousand subscribers, along with Teknosanet, our fresh home internet brand, available through our online platforms.

Alongside the credit card sales available both in our stores and through online platforms, **we have expanded favorable consumer loan offerings.**

We not only delivered top-notch service to our customers, but also supported them with diverse campaigns and creative financing solutions. Alongside the credit card sales available both in our stores and through online platforms, we have introduced alternative payment options for our customers in partnership with New Generation Payment Systems, and we have expanded favorable consumer loan offerings. As a new practice, we began offering interest-based sales to our customers, and we worked on a variety of projects, including a digital wallet application and collaboration with telecom providers for sales on assignment. At the same time, we introduced Teknosacell, our mobile communication service which now has reached 450

thousand subscribers, along with Teknosanet, our fresh home internet brand, available through our online platforms. This has allowed us to offer a reliable choice for individual subscribers looking to renew their home internet service or purchase new home internet.

In today's world, it appears that a business cannot ensure its future survival without creating environmental and social value. Given the global megatrends, it is evident that issues like reducing inequalities, transitioning to a low-carbon economy, and the urgency of addressing climate change are all interconnected with sustainability. This is why I believe that sustainability should be an inseparable

part of business strategies. At Teknosa, our entire business operations are based on sustainability. In line with the objectives established by Sabancı Group, our target is to achieve "Net Zero Emission" by 2050. To this end, we focus on renewable energy, energy saving, waste management and practices that contribute to the circular economy.

We are persistently establishing strong collaborations through İklimsa, our leading brand in the air conditioning sector, by reaching Solar Energy Systems (SES) projects with a total capacity of 28 MW. We proudly released our first integrated report in 2024 under the theme "Future is great at Teknosa," and achieved a spot on the A List in the CDP (Carbon Disclosure Project) Climate Change category by earning the top A (leadership) score, placing us among the world's leaders. To support our objective of lowering scope 1 and 2 emissions by 42% by 2030, in accordance with the Science Based Targets initiative (SBTi), we are engaging in research on various subjects, including the decarbonization roadmap, circular economy, climate risks and opportunities, and double materiality.

As a leading company in promoting gender equality, we are consistently raising the percentage of our female employees. 52% of our managers at the Headquarters and 41% of our mid-level managers are women. We are executing various initiatives to achieve these targets in the field. In this regard, we organized the TeknoSAHA Young Women Program in cooperation with the Sabancı Foundation's Young Women Build Their Future project. As part of the project, our 20 female staff members have begun working in our stores situated in Istanbul, Ankara, and Izmir, which we have designated as pilot regions.

In our Technology for Women project, which we have been implementing for 18 years in partnership with the Habitat Association to enhance the digital literacy of women throughout Türkiye and encourage their engagement with technology, we have touched the lives of 35,000 women to date and assessed the social impact generated by the diverse training programs we have offered. An analysis conducted using the Social Return on Investment (SROI) method indicates that for every 1 TL invested in the project over the past three years, a social

benefit of TL 4.16 has been generated. We also introduced the 'Inspiring Meetings' event, which brought together, for the first time, women involved in the project and women who made a difference in business life. We plan to hold our event, which attracted many participants and was held at the Facebook Station Habitat Hub in Istanbul, in various cities every four months throughout this year.

At Teknosa, we announce our mission as "Bringing Happy Moments by Providing the World's Technology to Everyone." In 2024, our efforts towards this goal earned us close to 100 awards on both national and international levels.

As we celebrate our 25th anniversary in 2025, we are committed to generating greater value in the field of technology together with our customers, business partners, and the entire ecosystem. I want to express my heartfelt gratitude to the Teknosa Family, our investors, business partners, and esteemed stakeholders who have supported us throughout this journey guided by our motto 'Technology for Everyone'.

Yours sincerely,

SİTARE SEZGİN
CEO of Teknosa

Teknosa in Brief

With over 24 years of expertise, Teknosa stands out as a leader in retail and e-commerce while also being a significant player in the air conditioning industry through its İklimsa brand.

Teknosa remains a pioneer in implementing the omnichannel model within the industry.

Teknosa İç ve Dış Ticaret A.Ş. ('Teknosa'), which pioneered the technology market concept in Türkiye, has become the most accessible and reliable technology retail chain, boasting an extensive network of stores, an e-commerce website, and mobile platforms.

Having been established in 2000 as part of Sabancı Holding, Teknosa has been publicly traded on Borsa İstanbul since 2012. Acting with the vision of "Technology for Everyone," the Company seeks to provide its customers with a delightful shopping experience by ensuring easy access at any time and everywhere.

Blending digital and physical channels to meet customer expectations, Teknosa remains a pioneer in implementing the omnichannel model within the industry.

Teknosa makes a difference in the industry through its robust infrastructure, characterized by extensive reach, service quality, dependability, and a wide range of products. The Company's dynamic, innovative, and entrepreneurial structure allows it to shape the future together with its stakeholders.

Dedicated to carrying out its sustainability-oriented activities, Teknosa aims to offer greater value to the society and all its stakeholders. With over 24 years of expertise, Teknosa stands out as a leader in retail and e-commerce while also being a significant player in the air conditioning industry through its İklimsa brand.

Teknosa maintains its leading position in the sector by constantly investing in its brand and employees, developing its expert human resources, pioneering innovative services for customer satisfaction, and making bold moves by establishing channel structures that address consumer requirements.



As the founder of the first technology-oriented marketplace of the sector, Teknosa offers all products and services in its technology ecosystem to its customers with a holistic experience and under the assurance of Teknosa. Teknosa also provides its customers with a more comfortable, digital, accessible, and sustainable shopping experience with its new customer-oriented concept stores.

Aiming to create the largest service ecosystem for electronic products in Türkiye, Teknosa has successfully achieved its digital transformation across the entire process, from supply chain to after-sales services. Adopting a data-driven management culture, the Company increases its Customer Relationship Management (CRM) investments, employs artificial intelligence algorithms to analyze data, and continuously improves customer experience.

Continuing its efforts for the 'Teknosa of the future,' the Company is dedicated to becoming the pioneer of holistic experience in retail with investments in stores, teknosa.com, marketplace, customer experience, business continuity, operational excellence and human resources, aiming to translate its achievements into greater benefits for both its stakeholders and the national economy.

Vision, Mission, Culture and Values, Quality and Complaint Management Policies



Vision

To act as the leading electronics retailer in the region through “innovative” and “distinctive” products and services.



Mission

To bring happy moments by providing the world's technology to everyone.



Culture and Values

Teknosa is a young company and the pioneer of innovation that prioritizes the needs and expectations of its customers and all its stakeholders, values different opinions, promotes wide participation in decisions, is not afraid of making mistakes, turns mistakes into development opportunities, and focuses on creating sustainable value. Its values are cooperation, trust, sincerity, happiness, understanding, and proactivity.

Quality Policy

Offering tech products and services, Teknosa is a company that prioritizes customer satisfaction, continuously improves its relationships with suppliers, places importance on the development of its employees, ensures the sustainability and efficiency of its lean and fast-moving organization by practicing modern management techniques, and always conducts assessments for further improvement with an innovative approach.

Compliant Management Policy

Teknosa handles all complaints and requests received through customer interaction channels in accordance with laws and Company policies, and in a confidential, fair, and objective manner, thus continuously improving its complaint management system and increasing customer satisfaction.

Information Security Policy

Considering corporate information as an extremely valuable asset, Teknosa recognizes that information and the support business systems for storing information are critical to business processes identified within the organization and should be appropriately protected.



Capital and Shareholder Structure

Teknosa is committed to creating value for its shareholders by continuously enhancing operational performance, in line with its capital structure and long-term growth objectives.

Teknosa's approved and issued share capital consists of 20,100,000,000 shares with a nominal value of 1 Kr each (December 31, 2023: 20,100,000,000).

Breakdown of Shareholders Holding More Than 5% of the Capital and Voting Rights:

Shareholder	Share in Capital (TL)	Ratio in Capital (%)	Voting Right Ratio (%)
Hacı Ömer Sabancı Holding A.Ş.	100,500,001.44	50.00	50.00
Ferhat Chassemi*	26,087,707.00	12.98	12.98
Free Float and Other	74,412,291.56	37.02	37.02
Total	201,000,000.00	100.00	100.00

The data shown above is from the Company's Public Disclosure Platform (KAP) page as of 31.12.2024.

* As of the report date (21.02.2025), the shareholder's stake has decreased to 7.98%.

Teknosa, publicly traded on Borsa Istanbul since 2012, has attracted great interest from domestic and foreign institutional investors. By the end of 2024, the company's market valuation reached 8.0 billion TL, making it one of the top-performing retail sector stocks, delivering returns that outpaced the BIST 100 Index.

1 January–31 December 2024	31.12.2023	31.12.2024	Change
Share Closing Price (TL)	29.70	40.00	35%
BIST 100	7,470	9,831	32%



Milestones

In 2024, Bilge, the first AI-powered smart sales assistant of Türkiye, joined the sales team.

In 2024, TeknoClub reached 4.5 million members.

2019

- The Transformation Program for the Teknosa of the New Generation was launched.
- Small home appliances and new accessories were included in the Preo product family.

2020

- Teknosa mobile apps were revamped.
- "Click & Drive" service was launched as a first in the industry.
- "Video-Chat" practices were also launched, yet another first in Türkiye.

2021

- Marketplace investment decision was taken.
- In-store digitalization projects (TeknoTAG, TeknoGO) were realized.
- The new loyalty program TeknoClub was launched.
- The "Technology for Women, Solidarity for All" project was initiated with the cooperation of the Sabancı Foundation and TKDF (Federation Women's Associations of Türkiye).

2022

- Digital channels were refreshed end-to-end.
- The first technology-focused marketplace was introduced to consumers.
- İklimsa began activities in Solar Energy Systems (SES).
- Customer-oriented new concept digital stores were opened.
- Sales service in the refurbished phone market was initiated.
- Rental services were initiated as a first in the industry.
- Sales were started to be made through live broadcasts.
- Teknosa Memorial Forest was created.
- The number of subscribers exceeded 1 million in the loyalty program of TeknoClub.
- Technological Hands (Teknolojik Eller) support line and Blindlook collaboration was made.
- Aware of the Tomorrow (Yarının Farkında) circular economy and e-waste education project was initiated.
- 400,000 subscribers were reached in Teknosacell.

2023

- Customer-focused new concept digital stores became widespread.
- The loyalty program TeknoClub surpassed 3 million members.
- The number of subscribers in Teknosacell approached 500,000.
- The product variety in Preo reached approximately 1,500.
- 'The greatest gift in the second century: The Republic of Türkiye' project was launched.
- As part of the Sabancı Republic Mobilization, the Hatay Incubation Center was inaugurated.

2024

- Smart Home sections, where consumers can interact with smart home devices, have been introduced in stores.
- The Greatest Gift: The Republic of Türkiye Project has been enhanced with virtual reality technology.
- WhatsApp channel has been launched.
- Bilge, the first AI-powered smart sales assistant of Türkiye, joined the sales team.
- 'Leadership (A score)' score was achieved within the scope of the Climate Change Program (CDP).
- The First Integrated Report was released.
- The home internet brand Teknosanet has been introduced to consumers.
- In 2024, the Loyalty program TeknoClub reached 4.5 million members.
- Preo sold more than 14 million products.
- Inspiring Meetings events were initiated within the scope of the Technology for Women Project.
- The social impact of Technology for Women trainings in the last three years was announced.



Developments in the Industry

According to the Technology Retail Panel Survey, the consumer electronics market, including White Goods and Small Domestic Appliances (SDA), reached 950 billion TL by the end of 2024.

In 2024, the market share of technology markets, including Teknosa, increased to 27%.

Having maintained its pioneering position in the sector since its establishment, Teknosa continued to lead the sector with its investments in sustainability, digital transformation and customer-oriented innovation throughout 2024.

Teknosa is redefining the future of retail in Türkiye through investments in diverse areas, including smart store initiatives, e-commerce solutions, digital shopping experiences, and sustainability projects.

Consumer Technology Products Market Outlook

The Consumer electronics market comprises five sales channels: chain stores, traditional channel, computer shops, telecom dealers and technology superstores (TSS). In 2024, the market share of the technology superstores (TSS) – the channel in which Teknosa also operates – increased to 27%.

According to the Technology Retail Panel Survey conducted by the independent research company Growth from Knowledge (GfK), the consumer electronics market, including White Goods and Small Domestic Appliances (SDA), reached 950 billion TL by the end of 2024. The market grew by 0.6% in real terms compared to the previous year.



A closer look based on the product categories in the consumer electronics market reveals that the major white goods (including air conditioners) category was the fastest growing with a growth of 5%. This category was followed by small domestic appliances (SDA) with a growth of 1%, telecom, which was almost at the same level as last year, consumer electronics with a decrease of 3%, and information technologies with a decrease of 8%. Some of the products that have achieved high growth in the market are shavers, consoles, hair stylers, electric fans, and tablets.

Techonline market information, which is composed of the sum of online sales by players in the consumer electronics market and sales by marketplace merchandisers, is also tracked by GfK. In 2024, the techonline market size decreased by 1.6% in real terms compared to the previous year, reaching 228 billion TL.

We see that the highest rate of growth is in the category of major white goods (including air conditioners) with a growth of 16% when we examine by category. This category is followed by consumer electronics with a growth rate of 7%, small home appliances with a growth rate of 1%, and telecom and information technologies with a decrease of 6%.

Retailing

By prioritizing digitalization and sustainability in its business strategy, Teknosa responds to the evolving demands of its customers and adopts exemplary practices within the industry.

Teknosa continued its new **digital concept store openings and renovations** at full speed in 2024.

Teknosa: Pioneer of Transformation in the Turkish Retail Sector

Turkish retail sector is undergoing a major transformation with rapidly developing technology and evolving consumer habits. The rapid growth of e-commerce and the adoption of omnichannel strategies are transforming the industry, while brick-and-mortar stores are increasingly adopting experience-oriented concepts. Smart store technologies, sustainable solutions and personalized services have become the key differentiators in the industry.

Teknosa maintained its leadership in the transformation of the retail sector in 2024. The Company reinforced its strong position in the sector through investments in retail, online platforms, and digital innovation. Addressing the technology-driven requirements of its

customers with a holistic approach, Teknosa successfully integrates a diverse ecosystem that includes physical stores, online platforms, servicing solutions, and AI-driven applications.

By prioritizing digitalization and sustainability in its business strategy, Teknosa responds to the evolving demands of its customers and adopts exemplary practices within the industry. It plays a pioneering role in numerous fields, including smart store concepts and innovative e-commerce solutions, as well as data analytics-driven customer management and a diverse portfolio of products. Throughout this transformation journey, Teknosa remains a brand that shapes the future of the retail industry in Türkiye by focusing on investments in both technology and people-oriented strategies.

PHYSICAL STORES

Experience-oriented Digital Concept Stores

Teknosa continued to expand its sustainable, accessible, and experience-oriented store concept, which debuted in 2022, through new store openings and renovations in 2024. The new concept focuses on people and makes use of smart, creative, and inspiring approach while providing guests with a shopping experience from the comfort of their homes.

In Teknosa's innovative stores, digital kiosks were launched for customers seeking self-service options. These kiosks offer customers a variety of new features, including member login and new member sign-up options, as well as the ability to create a basket and send it to the checkout. Customers were offered access to various services at the stores, including product location via barcode, detailed product information, product comparison and campaign information. Besides, sales representatives can process contactless payments via handheld terminals, allowing customers to complete their shopping without waiting in a queue.

Incorporated into the digital store concept, Smart Home areas provide customers with the chance to explore products designed with cutting-edge technologies in a home-like setting.



These areas showcase various smart home technologies, including lighting, air conditioning, white goods, small domestic appliances, robotic vacuum cleaners, and entertainment systems, all in an integrated manner. This project aims to pioneer the sector with its experience store concept in the growing Smart Home product market.

Launched in 2024, Teknosa Virtual Universe Project offers customers an interactive and entertaining shopping experience. This platform, accessible through the sanalevren.teknosa.com site on PCs, mobile devices, and VR glasses, allows users to explore Teknosa products and interact with them in a virtual setting. Furthermore, customers were introduced to this innovative world via unique Virtual Universe experience zones established in two retail

stores and at several events. This platform allows customers to discover and interact with Teknosa products within a virtual setting and purchase their preferred items via the store or online channels for a seamless omnichannel shopping experience.

Walking areas for visually impaired customers, and areas exclusive to physically impaired customers at the check-outs and Tekno Hizmet area have been added to numerous stores. Customers can also leave their electronic wastes in recycling boxes at these stores. The 'Sustainability Interaction Area' installed in the stores provides customers with informative content on topics such as energy saving and carbon footprint, thus making a call for action to ensure a sustainable world.

Retailing

As of 2024, the electronic labelling system was commissioned in 44 more stores and the conversion was completed in 105 stores in total.

Teknosa broke new ground in the Turkish retail sector and launched Bilge, an AI-powered digital sales assistant.

AI-Powered Digital Sales Assistant Bilge

In 2024, Teknosa broke new ground in the Turkish retail sector and launched Bilge, an AI-powered digital sales assistant. Bilge monitors the field sales team's operational performance, allowing them to focus more on hot sales. This innovative practice takes Teknosa's customer experience to the next level, strengthening its competitive edge in the industry.

Bilge regularly sends updates to the field sales team and can be easily monitored through the OneStore application.

Bilge supports Teknosa Field Sales Team in three main areas:

Information: It calculates estimated month-end performance and bonus realizations, alerts managers for underperforming team members, and provides coaching by analyzing areas of improvement in detail.

Motivation: Competitions are held to promote competitive spirit and improve performance. Achievements are acknowledged through the implementation of practical strategies aimed at enhancing performance.

Guidance: It offers performance improvement suggestions to achieve KPI goals and supports the sales team's skills with suggestions for campaigns, cross-selling, and complementary products.

It aims to generalize the implementation of successful practices across Teknosa through reference employees.

Sales Wizard

Designed by Teknosa, Teknosa's AI-driven digital sales assistant provides real-time support to the Teknosa Field Sales Team during the sales transactions, helping them achieve the most effective sales experience.

This groundbreaking tool seeks to enhance the productivity of the field team, while providing customers with rapid, customized, and solution-oriented service.

- The advanced product search engine allows customers to find products that meet their needs within seconds.
- The technical specifications for the chosen products, campaign details, payment options for the products, and other necessary details can be readily accessed.
- Complementary product categories enhance total purchase value by providing product recommendations and cross-selling suggestions that address customer needs.

In-store Digitalization

With a view to optimizing the employee experience at stores, a thorough evaluation of all sales equipment was conducted to identify devices that had a limited lifespan and performance issues, which were then substituted with state-of-the-art hardware, and the most recent operating system was installed.

The redundancy of data lines in the stores, both terrestrial and mobile, was ensured, and the yearly connectivity rate was maintained at over 99.50%.

The investments in electronic labels continued at full speed, with an additional 44 stores adopting the electronic label system in 2024, bringing the total number of transformed stores to 105. Thus, the sales representatives had the chance to use the valuable time they spend for label changes to better serve the needs of their customers. Furthermore, Teknosa made a significant contribution to sustainability by reducing the number of paper sheets used.

In new flagship stores, new technologies such as LED screens, Queuematics, Info Screens, Mobile Kiosk, Pick & Watch and Temperature Maps are positioned to align with the store concept and enhance customer experience.

OneStore Application

The OneStore app used in the stores has converted the forms used for inspections and visits conducted by field teams into a digital format. In addition, visual tasks and stores have developed a mutual and confirmed communication. The Campaign tab increased the awareness of the promotions by the field teams. The general announcement area provided mobile access to announcements for field teams.

Alternative Payment Options for Customers

Teknosa offers ING Teknokredi, Akbank AKON and Fiba Taksitlio as consumer financing alternatives to facilitate product purchases. Over 1.6 million customers benefited from loans from the day shopping loans were introduced to the end of 2024. Consumers can utilize cost-free loans, either at the stores or online, quickly, easily and with compelling interest rates, enjoying up to 36 months of installment. In certain campaign periods, customers are offered same as cash installment campaigns in different installments and categories.

Strong Logistics Infrastructure

Teknosa continues to reinforce its leading position in the industry through its robust logistics infrastructure and investments in efficient use of technology. As of the end of 2024, the Company has a sales area of 108,000 square meters, and a total warehouse area of 60,000 square meters including an indoor space of 30,000 square meters and an of outdoor space of 30,000 square meters. Proud to have the largest logistics center in its sector, Teknosa handles all logistics operations from its logistics center at Gebze. Teknosa manages its warehousing operations using its own resources and receives services from leading service providers in Türkiye for its distribution activities.

Teknosa is dedicated to assisting its customers not just during the purchasing phase but also with all their after-sales requirements, backed by the most robust service ecosystem of Türkiye.

Teknosa prioritizes providing customers with a “holistic customer experience for technology.”

Focusing on customer satisfaction in both retail distribution and product delivery to end consumers, Teknosa conducts its distribution operations with quality and speed in accordance with global standards.

Value-Added Services

Teknosa launched Tekno Hizmet which covers a wide range of technology-related services such as remote technology support, installation, repair/maintenance, service subscription packages, etc. which can be used by consumers at the stores, at home, at the office or via phone.

Teknosa is dedicated to assisting its customers not just during the purchasing phase but also with all their after-sales requirements, backed by the most robust service ecosystem of Türkiye. To this end, a range of services is provided,

including 'TeknoGuarantee', 'TeknoSecurity', 'Maintenance/Repair Service', 'In-Store Service', 'On-Site Installation', 'Remote Technology Support Service', and 'Antivirus Packages'. Additionally, the Company also offers 'Full Support Service Packages' that bundle these services together, along with enhanced service options in various categories, such as customized products and Microsoft Office Packages.

TeknoGuarantee extends the warranty on consumers' devices, offers protection against a range of external factors, and ensures coverage for incidents like power spikes, breakage, liquid exposure, and theft.

The 'Premium Service Package', which is one of the exclusive services, provides consumers with on-site installation, repair assistance, on-site servicing option, and mobile device repairs in a single package.



In addition, substitute devices are offered to guarantee that users can continue to communicate without disruption while their phones and tablets are being repaired.

- Offering life-changing technological solutions, Teknosa guides customers before, during and after sales, and develops new value-added services.
- Prioritizing providing customers with a “holistic customer experience for technology,” the Company continues to work with its business partners to create an ecosystem that offers end-to-end after-sales services.

Repair Service

Teknosa enjoys strong growth with customer-oriented digital transformation moves and diversifies its innovative services. Within this scope, Teknosa stores offer repair services for all mobile devices such as phones, tablets, notebooks and portable electronic devices such as small home appliances, whether or not purchased from Teknosa. For non-portable products

such as TVs and white goods, door-to-door maintenance and repair service is provided. This new service allows consumers to create a repair request via teknosa.com and follow the repair process online. With this service, Teknosa contributes to the circular economy by extending the life cycle of products.

The Sector's Most Comprehensive Private Label: Teknosa Preo

As of 2024, Teknosa's private label brand Preo remains the most comprehensive 'private label' in the sector, with almost 1,500 products in 85 product groups across five categories.

Since the launch of Preo in 2015, the Company has sold 14.3 million units. Teknosa brings the latest technology to its consumers with Preo-branded small home appliances, personal care products, gaming accessories, notebooks and smartphone accessories, and continues to diversify Preo products taking into account customer demands. To this end, Preo's product range was expanded with products such as

smartwatches, portable music systems, TVs, Turkish coffee machines, fans, air coolers, and heaters etc.

Aiming to make the lives of its customers easier by providing innovative, reliable, high quality and cutting-edge technology products at advantageous prices, Preo draws its strength from the vision of becoming a favorite brand at homes in Türkiye and around the world.

Gaming Parkour: Competition and Entertainment All in One!

The Gaming Parkour Project was implemented to reach the gamer audience by translating the gaming experience into real life and allowing customers to interact with gaming products in Teknosa stores. Held in shopping centers and festivals across various cities, this tournament sought to unite gamers from all age groups and provide engaging activities that cater to the preferences and interests of the intended audience.

Retailing

Gaming Parkour, held in cooperation with Teknosa, Intel and Lenovo, was planned as an innovative gaming tournament based on performance and speed, introducing a new dynamic to the industry.

Teknosa continued to improve **its after-sales service packages.**



Participants had the chance to socialize, compete and have fun at the same time. Gaming Parkour, held in cooperation with Teknosa, Intel and Lenovo, was planned as an innovative gaming tournament based on performance and speed, introducing a new dynamic to the industry.

Following the tremendous success of the 2023 season, Gaming Parkour continued to grow further in 2024, providing an unforgettable experience to more than 13 thousand participants and over 2 thousand competitors across a total of 15 events. Influencer cosplayers added color to the events by dressing up as game characters, while the digital sphere of influence was continuously expanded through influencers. The events that involved Pqueen, a major influencer in the gaming community, attracted huge interest. Gaming Parkour has received widespread attention, reaching more than 53 million views.

Being a turning point in the sector that bridges the energy of gaming with the real world, Gaming Parkour concluded with an exciting event. In addition to the final competitions where the winner of TL 300.000 Teknosa gift voucher was determined, a variety of events took place for the participants, including a cosplay contest, dance performances, a pizza party, a DJ show, a fan meet-up with Pqueen, prize competitions, a Just Dance event, and many other events featuring surprise gifts.

ONLINE CHANNELS

Customer Experience-Oriented Online Channel

In 2024, the company continued its development efforts for online channels to further enhance the consumer experience. The Company updated its mobile application home page to emphasize the marketplace and thus prioritized providing a seamless experience that focuses on customer expectations and needs offering a wider product range.

By enhancing the customer experience at online channels, the Company allows customers to easily access the right product, quickly compare alternatives and find complementary products. Moreover, customers are now allowed to receive notifications on price and inventory changes and can personalize their shopping experience by means of special lists. The processes for new and existing memberships have been renewed with a user-friendly approach. To help users gain a clearer understanding of TeknoClub and smoothly navigate the membership process, both the user login flow designs and the TeknoClub campaign page designs have been updated.

The presentation of after-sales service packages on the product detail pages has been enhanced, allowing users to better comprehend and compare these services.

Thanks to fast purchasing option, website and mobile application search functions and the smart product selection robot, Teknosa provides customers with suggestions based on their needs and ensures an easier product selection. In addition, visually impaired individuals can freely and independently use the website thanks to the audio mapping feature introduced to make the website more accessible.

Customers can submit their requests during order cancellation and return processes through the website and return their products at their doorstep without the need to go to the store or a shipping company branch.

The outlet product listing and product detail pages were revamped to more effectively communicate the outlet's purpose, with the goal of enhancing users' perceptions of the outlet and the showcased products. In addition, in 2023, Teknosa allowed customers to create service requests and follow the service process via online channels, and many customers were served through the online channel in 2024.

Customer and market research activities have continued at full speed, with user tests, focus groups, qualitative-quantitative research, and surveys, to better understand customers and better serve them.

Retailing

Thanks to the Mirakl marketplace infrastructure, Teknosa now serves its customers in 14 different main categories with 13 integrator companies.

Teknosa maintained its momentum in development actions in online channels by making strategic improvements.

Teknosa aims to enhance customer experience and operational efficiency in 2025 as part of its Transformation Program.

Teknosa.com

Teknosa has maintained its notable presence in the online marketplace through digital transformation in 2024, implementing measures to enhance customer satisfaction in accordance with its omnichannel strategy. With its robust infrastructure, extensive product range and enhanced applications, the Company achieved a Gross Merchandise Volume (GMV) of TL 13.3 billion in the e-commerce sector.

Some of the important developments and strategic improvements implemented during this period in order to take the experience on the website to a higher level are as follows:

Wellbeing

Teknosa aims to improve the quality of life of consumers by offering the most innovative and effective wellbeing technologies in the sector. A new Wellbeing tab was launched on Teknosa.com with the themes of 'mental health', 'physical fitness' and 'balance in business life', raising customer awareness and bringing them together with the right products.

Cbot Integration

In order to enhance customer service, live chat and chatbot features developed in partnership with Cbot have been introduced on both the website and mobile applications. These functionalities are designed to enhance the user experience by promptly addressing customer requests.

Email Verification

Teknosa has enhanced security by implementing an email verification system during the user registration process, ensuring a better experience for users.

Strikethrough Price Project

The site maintains a record of product prices for the last 30 days to ensure compliance with legal requirements. This allows customers to view historical prices of products and assess price fluctuations with greater insight.

Marketplace

Thanks to the Mirakl marketplace infrastructure, Teknosa now serves its customers in 14 different main categories with 13 integrator companies. As a result of these developments, marketplace operations have shown significant growth:

- The number of sellers doubled compared to the previous year, reaching 1,065 sellers.
- The number of active SKUs increased significantly, exceeding 200,000. 14 main categories and 949 sub-categories have been reached and the extension categories have continued to expand.

In 2024, in addition to electronic items, a wide range of products was made available in categories such as Home and Life Products, Garden Supplies,



Decoration and Furniture that customers may require. Substantial growth was particularly achieved in the areas of Cameras, Drones, Steam Cleaners, Refurbished Products, and Gaming Notebooks compared to the previous year, thanks to the range of products offered.

Partner.teknosa.com, which was developed in addition to the marketplace infrastructure, allows sellers to file their applications easily. Chatbot & Livechat was developed to guarantee that customers obtain quick support for their inquiries and feedback. They have the option to connect with representatives online and receive responses to their questions; they can find answers through the chatbot or seek help from an operator by submitting a ticket.

Data Management Platform (DMP)

Other tools such as ad exchanges, Demand Side Platforms (DSPs) and Supply Side Platforms (SSPs) were given access to these anonymous customer profiles to improve targeting, customization and content customization.

Closer to Technology: Teknosa WhatsApp Channel

Teknosa introduced a WhatsApp channel in 2024 in order to communicate more effectively and quickly with its customers. Teknosa, the leading brand of technology retailing and e-commerce in Türkiye, continues to provide services through 21 different channels, including its brick-and-mortar stores, call center, online platforms, and social media. In line with its goal of diversifying customer access, the company has now included WhatsApp among these channels.

Prioritizing customer experience, Teknosa reached 4.5 million members under the TeknoClub Loyalty Program in 2024.

Teknosa introduced a WhatsApp channel in 2024 in order to communicate more effectively and quickly with its customers.

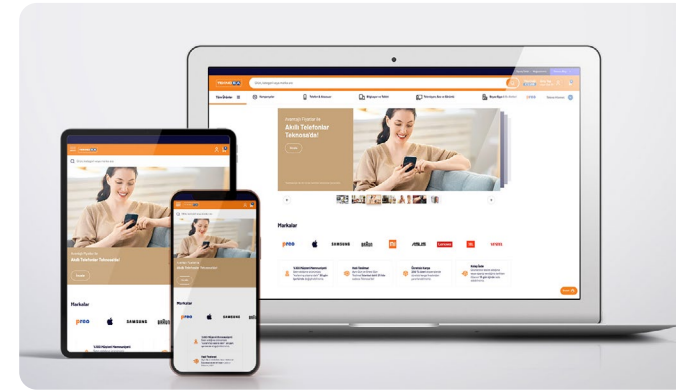
Offering order creation and payment collection services via WhatsApp, Teknosa instantly informs its customers about the latest campaigns, new products and the latest technological developments through the newly opened WhatsApp channel.

This channel helps Teknosa enhance its digital engagement levels and reinforce customer loyalty, while delivering up-to-date information to technology enthusiasts in a warm and entertaining tone. Teknosa once again proves its technological passion by offering its users a fast, easy and accessible digital experience.

TeknoClub

Prioritizing customer experience, Teknosa reached 4.5 million members under the TeknoClub Loyalty Program in 2024. Customers who sign up to TeknoClub receive welcome advantages, surprise gifts and special privileges, as well as more discounts as they spend.

Customers of TeknoClub can enroll in membership tiers including TeknoPlus, TeknoPro, and TeknoElit based on their shopping frequency, allowing them to benefit from special promotions, birthday discounts, and various advantages from third-party brands. They also enjoy premium services such as free shipping, prioritized assistance from the call center and service teams, as well as a prolonged return policy. Moreover, the Company offers return, replacement and technical services for TeknoClub members without the need to present an invoice.



Placing sustainability at the core of its operations, Teknosa recently planted 1,000 saplings on behalf of TeknoClub members at the afforestation site in Istanbul-Gebze on June 5, World Environment Day. In order to promote an eco-friendlier planet, Teknosa donates a sapling to the memorial forest for every customer who returns electronic waste to their stores, following the motto 'Let's make the world green together.' Alongside the memorial forest initiative, Teknosa also continues to provide advantageous campaign opportunities for TeknoClub members related to products and services that support long-term sustainability.

Organizing raffles, surveys and prize competitions to improve data quality, Teknosa also employs gamification and offers prizes to its customers via the wireless internet network available in its stores in order to improve the quality of digital customer data, better

understand the profiles of customers visiting its stores, and offer superior service.

Teknosa uses measurement methodologies such as NPS, CSAT and CES at all contact points to gain deeper insights into its customers and hear their voices, and aims to increase customer satisfaction through prompt actions in response to the assessments. The Company increased its NPS, CES and SCAT scores in all channels.

The Company continues to work on redesigning and ensuring the continuity of systemic processes in a lean, customer-focused manner while providing the best experience at all points of contact with customers.

A Robust Structure for Consumer Finance

Teknosa offers ING Shopper, Akbank Direkt and Yapı Kredi's Shopping Loans to its customers in the online channel. The Company

consistently assesses consumer financing options and launches new payment solutions to offer different and attractive financing facilities to its customers.

Aköde Integration

The integration process with Aköde, which collaborates with various banks and payment institutions, was completed in order to offer consumers flexibility in payment options.

Payment Structure with Garanti Bank Link

The payment link system, a key component of the Garanti Bank Switch modification, has been transferred from lyzico to Garanti Bank. Unlike lyzico, marketplace products can now also be purchased with this switch.

Late Payment Interest Project

The Late Payment Interest Project was launched for both Teknosa and marketplace products to offer consumers more installment advantages.

Share and Earn with Bi'link: Social Commerce Experience from Teknosa

In September 2022, Teknosa launched the 'Share and Earn with Bi'link' project to be a pioneer in social commerce, as a new phase of the marketplace business model, thus offering a new income area and shopping experience for users, including people without social media accounts.

Retailing

In 2024, Teknosa ADS revenues continued its strong growth performance and reached an advertising revenue of TL 46 million.

Teknosa expanded its retail media portfolio and **began providing additional alternatives aligned with advertisers' strategies.**

This innovative practice was developed to improve customer experience and increase traffic on digital platforms. Users can earn cash by sharing product-related posts, and upon sharing products on the website and mobile applications with their friends, can earn a commission if a sale occurs via the shared link.

The "Share and Earn with Bi'link" project is a pioneering step in the sector, which reflects the Company's efforts to strengthen its presence in the digital market and offer its customers an innovative shopping experience, while allowing users to earn additional income by interacting with their social circles.

Product Promotions and Special Offers on Live Broadcast Tekno Live

Teknosa started product promotions and sales through live broadcasts, an increasingly popular global trend. Since July 2022, monthly live broadcasts have showcased all technology product categories available on teknosa.com, offering exclusive prices to the audience.

With live broadcasts, Teknosa aims to boost brand recognition and contributing to social media engagement while ensuring that teknosa.com customers get familiar with the products. This process aims to engage a broader audience through influencer support and to encourage viewers to become more involved in live broadcasts.

In addition, special "Techno Live Nights" are organized under special agreements signed with brands, focusing on different product groups.

Thanks to live broadcasts, customers can take a closer look at the products and explore them in real time, all while enjoying an interactive shopping experience.

Retail Media: Teknosa ADS 2024 Performance

In 2024, Teknosa ADS revenues continued its strong growth performance and reached TL 46 million.

Teknosa ADS stood out not only with its revenue growth but also with its advertising investment performance. In 2024, the platform reached an impressive conversion rate, allowing advertisers

to successfully convert their investments into sales. Furthermore, with an average ROAS (Return on Advertising Spend) of 75, it provided advertisers the chance to generate 75 times the revenue compared to their expenditures.

Diversification with New Ad Formats

In 2024, Teknosa expanded its ADS portfolio and began providing additional alternatives aligned with advertisers' strategies. In addition to the sponsored product and sponsored banner ad formats, a sponsored video format has also been launched. This new format has allowed advertisers to connect more efficiently with their intended audiences by offering a tool that possesses both visual and storytelling capabilities.

Expanding Advertiser Portfolio

In 2024, Teknosa ADS broadened its advertiser portfolio and offered services to over 100 advertisers in total. The growth in the diversity and quantity of advertisers strengthened Teknosa ADS's position in the Turkish market and allowed it to connect with brands from various sectors.

Teknosacell: The New Star of Mobile Communications

Teknosa continues to stand out with its mobile communication service brand, Teknosacell, the first and only brand in the technology retail sector.

The Company meets customer needs in communication and technology at a single point and with a single invoice through Teknosacell, offering packages with generous amounts of data and exclusive benefits at Teknosa stores. In 2024, Teknosacell expanded its subscriber base, reaching 450 thousand subscribers. Keeping up with the market and customer requirements and enriching its portfolio with new content, the brand continues its efforts to offer the best customer experience.

In addition to its mobile communication services, Teknosacell is also running a 'Bring the Old, Take the New' campaign, allowing thousands of customers to exchange their old devices for new ones at reduced prices.



Retailing

In 2024, Teknosacell expanded its subscriber base, reaching 450 thousand subscribers.

Teknosa started to offer its new home internet brand **Teknosanet** to consumers through its online channels.

Teknosanet: Internet for Everyone

Teknosa, the leading brand of technology retailing and e-commerce in Türkiye, started offering its new home internet brand Teknosanet to consumers through its online channels. Founded with the motto "Internet for everyone," Teknosanet offers a dependable choice for individual subscribers looking to renew their home internet service or purchase new home internet. Teknosanet aims to deliver high-speed internet to its customers by differentiating itself through rapid subscription, quick installation, and swift access. The company offers a convenient subscription process featuring speeds of up to 1,000 Mbps and a government-approved e-system, while providing internet packages both with and without commitments at advantageous prices.

Refurbished Mobile Sales

Teknosa continues to offer refurbished mobiles on teknosa.com, now transformed into a technology-focused marketplace. Cooperating with Refurbishment Centers approved by the Ministry of Commerce, the Company implements a 12-month guarantee and a 14-day return policy on almost-new mobiles, which are 100% operational or nearly new after required maintenance, repairs, and testing.

As consumers' awareness on the environmental impact of electronic waste increases, refurbished mobiles present a solution for consumers seeking sustainable alternatives.

Teknosa supports sustainability and contributes to the reduction of electronic waste by offering various advantages for refurbished mobile phones.



TECHNOLOGICAL TRANSFORMATION AND ARTIFICIAL INTELLIGENCE

Next Generation Digital Artificial Intelligence Applications: Bilge and Sales Wizard

In 2024, Bilge, the first AI-powered digital sales assistant of Türkiye, was launched, an important digital innovation for Teknosa. Bilge allows field teams to receive instant information about their personal and store performance, motivates employees with rewards, and offers advice on areas of development. This digital assistant aims to take Teknosa's sales force to the next level and increase employee and customer satisfaction.

In the third quarter of 2024, the Sales Wizard, an AI-powered digital tool that provides real-time information at the time of sale, was launched.

While Bilge supports the staff before sales, the Sales Wizard aims to increase conversion rates by providing important information such as product information, payment options, technical information and campaigns.

In the future, Teknosa aims to improve efficiency and boost customer satisfaction by incorporating artificial intelligence solutions into its customer service and supply chain operations.

Customer Experience, CRM and Data Analytics

In 2024, Teknosa continued to strengthen its omnichannel infrastructure and services and to invest in CRM and data analytics to guarantee a better shopping experience for consumers. Effectively managing targeted, location-based and customized campaigns by effectively using and enriching customer data and employing data analytics

models in all processes within the scope of its omnichannel strategy, the Company has improved the efficiency of its processes through supplier collaborations.

Aiming to reach its customers with the best offer, Teknosa accelerated its efforts within the scope of AI-based customization projects. Focusing on enhancing customer experience, the Company intends to boost customer satisfaction and reinforce loyalty by utilizing AI-driven real-time offers and content generated from both online and offline behaviors. This strategy aims to make shopping experiences more efficient and pleasant by offering tailored benefits and opportunities to each customer.

Extensive Customer Services

As the pioneer of after-sales services in the sector, Teknosa meets all the demands and needs of its customers by providing seamless service through all channels such as call center, customer service corners in stores, social media accounts, digital communication channels and online store teknosa.com. Thanks to the system built into the CRM framework, the Company provides customized and expedited services based on customers' shopping experiences and preferences, while also tracking all maintenance and repair requirements for products through various channels.

Retailing

Teknosa launched the video call center service 'Technological Hands (Teknolojik Eller)' to offer services in sign language for hearing-impaired customers to remove the barriers to communication and access to technology.

Teknosa accelerated its efforts within the scope of **AI-based Personalization projects.**

The Teknosa Call Center aims to improve customer satisfaction by meticulously analyzing the entire process in order to meet all kinds of information needs of customers. To this end, Teknosa diversifies its communication channels for a better customer experience and addresses customer needs via digital channels, including webchat/ live support and WhatsApp support services.

Teknosa is dedicated to delivering the highest quality communication experience for customers through cutting-edge technologies and infrastructure systems in call center operations. The Company evaluates all customer requests received through all channels with the artificial intelligence system, improving the communication and solution experience of its customers. Teknosa also increased its service quality by evaluating the customer experience following a

purchase through after-sales satisfaction survey calls conducted by the virtual assistant. In addition, it offers round 24/7 uninterrupted support service to its customers through its website, mobile app, and WhatsApp channels, featuring a chatbot service powered by artificial intelligence.

Moreover, the Company launched the video call center service 'Technological Hands (Teknolojik Eller)' to offer services in sign language for hearing-impaired customers to remove the barriers to communication and access to technology. A first in its sector, Teknosa's new application has become a center providing solutions to hearing-impaired customers regarding all kinds of requests and inquiries, as well as any issues they experience, from return and replacement processes to repair/maintenance, from inventory information to campaigns. Hearing-impaired

customers can also easily and safely complete their orders using the secure link payment option available through Webchat and WhatsApp, which is the first and only method of its kind in the industry.

Teknosa customers can contact the Company and get information via 21 channels such as phone, webchat, WhatsApp, e-mail, mobile application, web communication form, digital platforms, and social media.

To provide its customers with a better purchasing experience, Teknosa provides services that include phone ordering through the call center, as well as the ability to place orders and make payments using mobile applications, Webchat, and WhatsApp channels. To maximize customer satisfaction, NPS surveys are carried out following calls to improve the quality of service and communication. Teknosa Customer Services continuously and closely monitors technological developments with a view to improving customer experience and satisfaction.

Supply Chain Optimization

Teknosa has introduced a complete supply chain transformation initiative to enhance its competitive strength. In this program, AI-powered digital tools to support the supply chain are placed at the core of business processes. Significant steps were taken to improve inventory optimization and inventory turnover rate through structural improvements

in warehouse and logistics operations. In the near future, new projects such as supply chain cost optimization, AI-powered demand forecasting and local assortment management are planned to be commissioned.

Unlimited Customer Satisfaction

Teknosa aims to meet all the needs of its customers with a unique customer experience and digitalization in its strategic roadmap. The Company boosts customer satisfaction thanks to uninterrupted experience across all channels, fast and high-quality service, customer relations program and service-oriented education programs offered to employees.

By the end of 2024, Teknosa stands out as one of the leading competitors in the industry, boasting an impressive NPS score of 72 and aiming to build on this achievement.

Data-Driven Management Approach

Parallel to the 'Sabancı of the New Generation' vision, Teknosa puts advanced data analytics at the core of its business. To ensure that its customers have access to the right product at the right time, at the right place, and an affordable price, Teknosa manages its activities using a data-driven smart system that anticipates future trends through artificial intelligence algorithms and consistently refines the models by assessing the outcomes. By integrating long-term demand forecasting

models into supply and inventory management, the Company optimizes its budget planning procedures.

In 2024, Teknosa enhanced its product master data and descriptions by incorporating AI-powered models, prioritizing data quality in its Data Management Roadmap. The Company has also transformed inventory management and customer product suggestions by utilizing substitute product algorithms and applied these results across both digital and physical stores.

As part of customization efforts, recommendations for campaigns and products are generated based on models built around customers' behavior across multiple channels, enabling more focused communication initiatives for those customers. The company has begun enhancing its product recommendation and chatbot systems to help customers more effectively locate the products they are looking for using productive AI-driven models. Teknosa aims to continue and expand these efforts in 2025.

ERP Transformation

Teknosa intends to enhance its current ERP framework through a comprehensive program that will boost end-to-end efficiency and enhance the performance and quality of processes. In this regard, the ERP infrastructure, which supports the core business operations across all departments, is being upgraded.

Retailing

The duration of the daily backup operation was reduced by 400% through the replacement of the disk units used in the backup system.

Teknosa transforms its current ERP system in a manner to boost end-to-end efficiency and enhance the performance and quality of processes.

The ERP application's server infrastructure has been renewed with new-generation devices with powerful processors and technology. This change has made all business processes and corporate applications more quickly accessible.

Backup-Restore Infrastructure

The duration of the daily backup operation was reduced by 400% through the replacement of the disk units used in the backup system. Moreover, the backup technology has been updated, and the Air Gap (isolated) feature has been activated. This technology has reduced backup restoration times significantly while also ensuring data safety and the continuity of business operations.

Help Desk Support Operations

Since SLA follow-up was not possible with the existing help desk application, a transition was made to the new-generation ITSM (Information Technologies Service Management) application, that offers services meeting global standards. This change reduced the resolution time of problems and demands received from internal users by 30%, and the IT Call Centre opened in Samsun started to respond to support requests in under 20 seconds.



İklimsa achieved a 70% growth in terms of units in wall-mounted air conditioners and a 11% growth in the multi-product group in terms of units within the last two years.

iklimsa serves 80% of the air conditioning market.

Operating under the umbrella of the technology retail chain Teknosa for 39 years, İklimsa is a pioneer in its sector with its innovative practices that add value to the lives of consumers and the world. İklimsa has steadily grown and expanded by prioritizing digital transformation, unique customer service and sustainability, supported by Sabancı Holding, offering services through over 500 sales and service points and 5 regional directorates across Türkiye.

İklimsa has launched a range of pioneering applications for consumers in the air conditioning industry, spanning from retail to corporate projects, making significant advancements in the sector. It provides eco-friendly, cost-effective and sustainable end-to-end solutions for retail and corporate projects in the field of Solar Energy Systems (SES) as its secondary business model, maintaining the same high standards of product and service quality throughout Türkiye. Through its third business model, Corporate Electronic Sales,

İklimsa addresses the electronic requirements of companies by offering a one-stop sales solution, leveraging Teknosa's extensive network of brands and diverse product range. In addition, it offers extra income chances for SMEs by selling electronic goods through its authorized sellers and service providers.

Air Conditioning

İklimsa offers a variety of services across the air conditioning industry, catering to retail customers, corporate customers, and public institutions. İklimsa offers a diverse brand and product portfolio that attracts 80% of the air conditioning sector, featuring wall-mounted air conditioners as well as central air conditioning systems for various public and corporate projects, including offices, business centers, hotels, and hospitals.

In the wall-mounted air conditioner segment suitable for use by retail customers, İklimsa offers a rich product range and service options, A+++ energy efficiency, inverter technology, technological



equipment and affordable payment terms under its own brand Sigma and world-renowned brands Mitsubishi Heavy Industries and Fujitsu. Moreover, İklimsa offers air conditioning solutions with living room, cassette, ducted ceiling and floor-ceiling type air conditioners in the professional series, and with wall, cassette, one-way cassette, and duct type air conditioners in multi series. İklimsa achieved a 70% growth in terms of units in wall-mounted air conditioners and a 11% growth in the multi-product group in terms of units within the last two years.

In heat pumps, İklimsa's own brand Sigma provides a great advantage with systems that can provide both heating and cooling in case electric or fossil fuel-based heating systems are not available, or installation costs are high. With the inclusion of monoblock heat pumps in the existing heat pump product range, a 200% growth was achieved on unit basis in the last two years. In VRF (variable flow) air

conditioning systems, İklimsa stands out with Samsung and its own brands Sigma, featuring superior technology and offering professional air conditioning solutions for places that require project management such as banks, hospitals, business centers and schools. İklimsa achieved a 68% growth on external unit basis within the last two years.

In ventilation systems, air handling units and heat recovery devices by İklimsa's own brand Sigma Flex provide high energy savings, as well as comfort by optimizing the indoor air quality. İklimsa continues to take firm steps into the future thanks to strong collaborations in the air conditioning business line and new brands and product groups added to its product range.

İklimsa serves as a role model in the industry for after-sales support, utilizing its skilled and professional team along with a specialized service network to address the requirements

of its clientele. Accordingly, İklimsa provides quality assembly materials and offers standard assembly services to each customer with its assembly set practice, while eliminating long-term risks with its additional warranty service extending up to six years.

In order to ensure smooth project delivery in VRF systems, İklimsa conducts meticulous and standardized checks using endoscopic camera control systems during site inspections, effectively leveraging cutting-edge technology to eliminate potential risks.

By offering regular training sessions, İklimsa keeps its authorized services informed about the latest updates and prepares them for innovations. The company raises awareness on sustainable environmental practices by organizing events for its authorized service providers, helping them acquire the FGAS professional competence certificate and guiding them to comply with the applicable legislation.

Teknosa provides companies with the best solutions for the products and services they need with its corporate sales service under the İklimsa brand.

İklimsa has sold SES projects of various sizes with a total capacity of 28.2 MW.



Solar Energy Systems (SES) Solutions

In addition to carrying out industrial-scale Roof and Land Solar Energy Systems (SES) projects on an end-to-end turnkey basis, İklimsa conducts residential battery/battery-free SES projects with the same high product and service quality throughout Türkiye.

İklimsa operates in 5 regional directorates in Türkiye with its expert SES design engineers, sales managers, and project managers.

With its widespread sales and service network throughout Türkiye, İklimsa provides high-standard corporate services in many areas from power plant design, sales, installation and acceptance processes to maintenance and repair processes.

In 2024, 100 companies across Türkiye signed an authorized dealership contract and joined the business segment. Out of the 49 İklimsa authorized service providers that previously received UGETAM occupational qualification certificate for SES installation, 34 projects were installed by 11 service providers.

İklimsa completed the sale of SES projects of different sizes with a total capacity of 28.2 MW and is now closely following a total of 436 projects with a total capacity of 450 MW, for which it provided an offer. It also provides financial solution support to its customers through agreements with Akbank, Garanti Bank, Türkiye Vakıf Katılım Bankası and Şekerbank.

İklimsa also sells and installs mobile AC vehicle charging stations that can be used in a plug- and-play manner at homes and workplaces.

Electronics Product Sales to Companies (B2B)

İklimsa Corporate Electronics Sales Department meets all the electronic needs of corporate companies from a single sales point with a wide range of brands and products, and provides customized

solutions tailored to the specific needs of businesses. İklimsa facilitates the buying process for businesses by creating customized product offerings and pricing proposals, while also offering guidance in choosing the right products.

While increasing customer portfolio and sales volume thanks to field visits to companies, online meetings, and participation in tender portals, İklimsa contributes to the increase in revenues by introducing employees and dealers of companies to thousands of products in its wide product range with corporate gift cards valid at Teknosa stores.

Moreover, İklimsa provides solutions for SMEs by addressing all their electronic requirements within the Teknosa product range, which features a diverse selection of brands and

models, accessible through a single sales point via its network of authorized dealers and service providers.

With its extensive sales network, İklimsa facilitates the product procurement process for businesses by locating products that meet their specific needs, ensuring quick delivery, and offering assistance throughout the entire purchasing process, along with after-sales support. In addition, İklimsa also offers advantageous offers by running sector-specific campaigns.

Corporate Sales

Teknosa provides companies with the best solutions for the products and services they need with its corporate sales service under the İklimsa brand. Teknosa aims to ensure the highest customer satisfaction with its corporate product range, and its approach to safety, quality, and support. The service makes corporate shopping a pleasant experience by preparing products and price offers according to demand, offering advice in product selection, providing guidance service, and offering fast delivery.

In this context, all businesses are allowed to meet their technological product needs through Teknosa while benefiting from corporate price advantages and product rental services. In addition, corporate gift cards valid in all Teknosa stores offer companies the opportunity to introduce their employees, customers, dealers, agencies or business partners to hundreds of technology products.



Sustainability

Teknosa maintains its pioneering role in sustainability and continues to raise awareness in important areas such as transparency, gender equality, circular economy, responsible use of resources and waste management.

Scope 1 and 2 emissions are aimed to be reduced by 42% by 2030.

Teknosa continues to take pioneering and significant steps in its sector in line with the Sabancı Group's mission of 'leading by example' in sustainability. Teknosa positions sustainability as one of the fundamental pillars of its business and aims to fulfill the requirements of international standards in the environmental, social and governance areas. Considering global challenges like the climate crisis as part of its sustainability goals, the Company operates with the understanding of "Protecting the Future is Great at Teknosa" and is taking significant actions to contribute to the solution.

Teknosa evaluates the negative impacts that climate change may have on our activities and identifies the necessary strategies by assessing risks and opportunities regarding the climate crisis and determines the steps to be taken to this end. The Company follows global, environmental and social trends, aligns these

developments with its business strategies and demonstrates strong leadership in its sustainability journey.

Teknosa maintains its pioneering role in sustainability and continues to raise awareness in important areas such as transparency, gender equality, circular economy, responsible use of resources and waste management. Teknosa is determined to set an example for its sector by focusing on today's and tomorrow's value creation.

Detailed information about the environmental policy can be found at [Teknosa Integrated Management Systems Policy](#)



Established in 2023 to develop the sustainability strategy in environmental, social and governance (ESG) areas, to define relevant policies, targets and implementation plans, and to ensure the execution, monitoring, auditing, review and improvement of these processes, the Sustainability Committee continues its activities effectively. The Committee supports the Board of Directors and other senior management bodies with its work when necessary.

The Sustainability Working Groups design the programs and projects for the implementation of the Company's initiatives in the ESG areas and carry out activities in an agile manner. Operating in three main areas of 'combating the climate crisis', 'sustainable strategic business models' and 'creating social value', these groups aim to increase their impact with new collaborations and projects in 2024.

At Teknosa, sustainability issues are managed by the "Sustainability and Occupational Safety Department", which directly reports to the Assistant General Manager, Human Resources and Sustainability and reports necessary situations to the CEO, Executive Board or Sustainability Committee. In 2024, the relevant Department developed new approaches and projects to improve sustainability performance both in internal operations and throughout the supply chain.

Detailed information can be found in the [Sustainability Procedure](#) and [Sustainability Committee Procedure](#).

Some of the activities carried out by Teknosa within the scope of sustainability in 2024 are as follows:

Reporting, Strategy and Awareness Raising

Teknosa published its **first Integrated Report** in 2024, in which it shared its sustainability performance, strategy, impacts arising from its operations and the value it creates. This report sets out in detail the Company's material issues for 2023, how it manages these issues and the value it creates for its stakeholders.

The report also covers Teknosa's sustainability efforts in line with its **'2050 Net Zero Emission and Zero Waste'** target and the value created by its performance. In addition, the Company published and presented to its stakeholders the [Climate Transition Report](#), which includes the greenhouse gas inventory (Scope 1, 2 and 3), Science Based Targets Initiative (SBTi) emission reduction targets and zero emission roadmap. These reports prove Teknosa's commitment and transparency in reducing its carbon footprint.

Teknosa Sustainability Reports and Climate Transition Report are available at <https://yatirimci.teknosa.com/sustainability-reports>

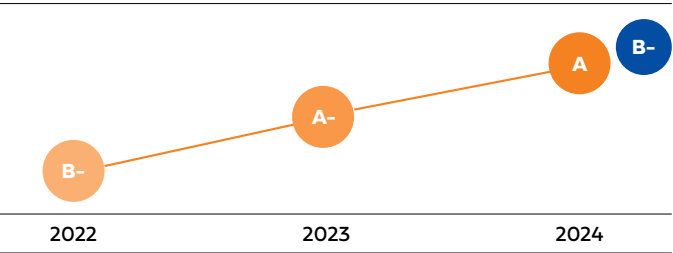
Sustainability

Teknosa, in line with the community's "Net Zero Emissions" goal, is committed to achieving net zero across all its operations by 2050.

In 2024, an A score was achieved in the CDP Climate Change Program, earning a place on the A List.

In 2022, Teknosa reported for the first time to the Carbon Disclosure Project (CDP) Climate Change program. Thanks to the improvement studies and practices in 2023, Teknosa received a 'Leadership (A-score)' score. In 2024, an A score was achieved in climate change reporting and the Company succeeded in being included in the A list. In addition, a B- score was obtained in the water safety reporting, which was carried out for the first time.

CDP Scores

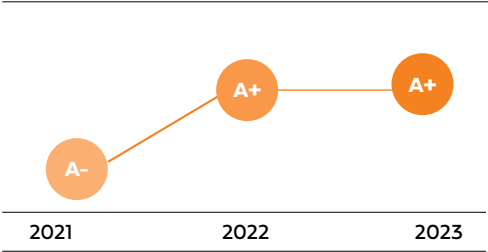


● Water Safety Score

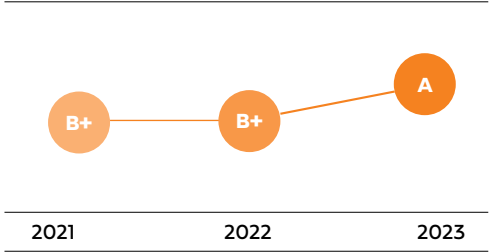


CDP Climate Change Program report is available at <https://yatirimci.teknosa.com/Content/files/TEKNOSA%20CDP.pdf>

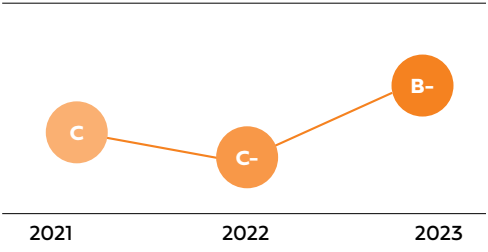
Teknosa Sustainability Performance - Environment



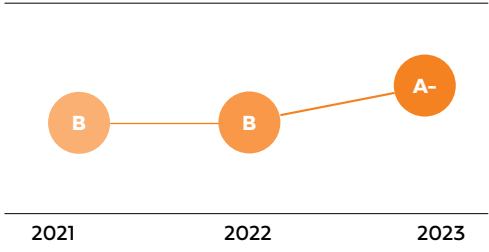
Teknosa Sustainability Performance - Social



Teknosa Sustainability Performance - Governance



Teknosa Sustainability Performance - Overall Score



In line with its goal of assessing its sustainability performance at international standards, Teknosa was subjected to scoring for the first time on the LSEG (London Stock Exchange Group) ESG index platform, which was preferred for the Borsa Istanbul Sustainability Index in 2022. The Company transparently shared its progress in the field of sustainability by entering the data for 2023 on the platform. An analysis of the ESG index scores from 2021 to 2023 indicates that in the environmental category, the company achieved a rating of A- in 2021, followed by A+ in both 2022 and 2023. In the social category, the company scored B+ in both 2021 and 2022, while reaching an A in 2023. In the governance category, the Company received a C rating in 2021, followed by a C- in 2022,

and a B- in 2023. Based on these categories, the overall scores remained at level B in 2021 and 2022, and the score increased to A- level in 2023. Teknosa continues to focus on development opportunities while maintaining its strengths in sustainability.

In order to evaluate its sustainability performance more comprehensively, the Company also participated in the scoring on the EcoVadis platform for the first time in 2022 and received 48 points and was awarded the 'Committed' medal. This score reveals that the Company's performance is 7 points above the sector average.

While the 2023 EcoVadis score has not been revealed yet, Teknosa plans to enhance its initiatives in this field even more.



In parallel with the Group's 'Net-Zero Emission' target, the Company undertakes to be 'net zero' by 2050. The strategy development work initiated in 2022 for this goal was finalized in 2023, and the process of creating a road map was completed. In addition, an important step was taken in the Company's sustainability strategy by [committing to the Science Based Targets initiative \(SBTi\) for Scope 1, 2 and 3 emissions in October 2024.](#)

Sustainability

Thanks to the solutions implemented in 73 stores where automatic sensors are used in air conditioning and lighting systems, Teknosa saved 2.5 million kWh of energy in 2024.

Teknosa became a member of the **United Nations Global Compact (UN Global Compact)** in 2024.

The targets set by Teknosa are as follows:

- 42% reduction in Scope 1 and 2 emissions through energy efficiency projects by 2030;
- Increasing the rate of renewable energy utilization to 80% by 2025;
- Increasing the rate of renewable energy utilization to 100% by 2030;
- Supplier agreement and economic intensity target to cover 67% of Scope 3 emissions by 2030.



As a result of the efforts carried out in cooperation with WWF-Türkiye (World Wildlife Fund), the Head Office was awarded the WWF-Türkiye Green Office-Green Transformation Diploma. The Company continues to contribute to sustainable development as a member of BCSD Türkiye (Business Council

for Sustainable Development) and actively participates in the TÜSİAD (Turkish Industry and Business Association) Environment and Climate Change Working Group. In addition, the Company became a member of the Integrated Reporting Network Türkiye (ERTA) and the United Nations Global Compact (UN Global Compact) in 2024. These memberships demonstrate Teknosa's commitment to adopting global standards in sustainability.

The Company **continued to regularly publish Sustainability Bulletins throughout 2024** in line with its aim of integrating sustainability into corporate culture and raising stakeholder awareness on this issue. **These bulletins support transparent communication with stakeholders about the sustainability approach, targets and activities.**

Sustainability Bulletins are available at <https://yatirimci.teknosa.com/sustainability-bulletins>

In order to raise employee awareness on sustainability, sustainability trainings were scheduled and online trainings were organized through Teknosa Academy. In addition, sustainability surveys and webinars were also held for employees. The sustainability awareness of employees continues to be raised through these activities.

The 'Sustainability Interaction Area' installed in the new concept stores provides customers with informative content on topics such as energy saving, carbon footprint, and plastic pollution. Information is also provided on Teknosa's current sustainability efforts in these areas. Furthermore, waste recycling bins are available in these locations, offering the necessary infrastructure to encourage customers' eco-friendly actions.

In 2024, these areas were expanded to 30 stores to enhance the customer experience and raise awareness on sustainability.

In 2024, the Company achieved significant certifications that acknowledged its compliance with international standards concerning quality, environment, occupational health and safety, and customer satisfaction. **The ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health and Safety Management System), and ISO 10002 (Customer Satisfaction Management System) certifications** once again

validate Teknosa's commitment to sustainable management practices.

These documents reinforce Teknosa's commitment to provide better service to its customers, create a safe working environment for its employees and minimize its environmental impact. The new certificates reinforce the Company's commitment to achieving its sustainability goals.

Renewable Energy and Energy Saving

Teknosa continued its efforts aimed at improving energy efficiency and promoting the use of renewable energy also in 2024. Thanks to the solutions implemented in 73 stores where automatic sensors are used in air conditioning and lighting systems, Teknosa saved 2.5 million kWh of energy in 2024.

By prioritizing high efficiency in lighting solutions, Teknosa has successfully transitioned to LED technology in all its stores. The logistics center and 70 stores receive their power from renewable energy sources, with a total of 7,135,000 kWh of renewable energy consumed in these regions. The Company continues its efforts to increase its renewable electricity consumption rate to 80% by 2025.

On the other hand, the SES located in Adana Sabancı Business Center has helped Teknosa increase the share of renewable resources in its energy consumption, contributing to the achievement of its environmental sustainability goals.

These investments reinforce Teknosa's commitment to environmentally friendly energy solutions and demonstrate the Company's concrete steps towards reducing its carbon footprint. Teknosa's investments in this area increase cost efficiency as well as contributing to the achievement of its environmental sustainability goals.

Sustainability

Thanks to the electronic label technology used in 105 stores, Teknosa saved 9,943,000 pieces of paper label as well as 1,966 toner cartridges in 2024.

The SES located in Adana Sabancı Business Center has helped Teknosa **increase the share of renewable resources in its energy consumption**, contributing to the achievement of its environmental sustainability goals.

Waste Management and Circular Economy

Teknosa respects natural resources in the ecosystem. Accordingly, and in line with the 2050 Net Zero Waste Target, the Company identified improvement areas and took actions to reduce water consumption and plastic use.

To this end, Teknosa terminated the use of plastic/glass bottles and single-use products causing environmental pollution at the Head Office, and started more eco-friendly water use, provided the employees with thermos bottles and cups from recycled materials. Thanks to these practices, single-use plastics have been eliminated at the Head Office.

In order to leave natural resources to the next generations and ensure conscious consumption of resources, Teknosa prefers recycled and eco-friendly materials in the uniforms of store staff.

The Company also updated welcome kits distributed to newly hired staff in line with the Company's sustainability vision. The products in these kits are now manufactured from recyclable, sustainable and eco-friendly materials.

Moreover, Teknosa ensured that promotional products such as notebooks, calendars etc. distributed to iklimsa authorized dealers and service shops every year are manufactured from eco-friendly and recyclable materials.

All packaging products used in e-commerce operations (except duct tapes) are also produced from recycled materials.

Efforts were continued to implement the zero-waste system implemented at the head office and logistics center also in stores.

Thanks to the electronic label technology used in 105 stores, Teknosa saved 9,943,000 pieces of paper label as well as 1,966 toner cartridges in 2024.

The Company improved the performance of 41,749 products with maintenance and repair services to ensure these items remain in use.

In December 2024, "Sustainability and E-Waste Training" and "E-Waste Upcycling Workshop" events were organized at the logistics center in cooperation with Exitcom to explain how electronic waste can be brought back to life. These events provided participants

with information on upcycling processes to reduce the negative impact of e-waste on the environment and use resources efficiently. This marks an important step in raising awareness on the proper processing and recycling of electronic waste.

In order to raise awareness of consumers and prevent waste pollution, Teknosa cooperates with VARTA on the project titled 'Turn waste batteries into saplings with VARTA & TEMA Foundation'.

Labor Relations Management and Regulatory Compliance

Teknosa manages labor relations in full compliance with the applicable legislation, regularly follows up the relevant regulations, and makes effective use of all opportunities

and incentives. To establish a fair and inclusive working environment, Teknosa adopts a non-discrimination policy and avoids discrimination against employees based on language, race, color, gender, political opinion, belief, religion, sect, age, physical disability, etc. The Company also provides a working environment which guarantees the work-private life balance. Teknosa also provides equal opportunities by implementing incentive practices to ensure the active participation of women, young people and persons with disabilities in business life.

This approach serves as a foundation that strengthens Teknosa's commitment to increasing social benefit and creating a sustainable business environment.



Sustainability

Teknosa monitors near-miss incidents and hazard identification situations within the scope of its OHS culture and carries out continuous improvement activities by taking into account the feedback of employees.

Teknosa pays utmost attention to **Occupational Health and Safety (OHS) practices.**

Occupational Health and Safety

Considering the assurance of health and safety in the working environment as one of its highest priorities, Teknosa pays utmost attention to Occupational Health and Safety (OHS) practices. Teknosa is committed to minimizing all risks that may endanger the health and safety of all its employees, subcontractors, visitors, and relevant stakeholders, and creating suitable working conditions.

The Company carries out all processes in accordance with applicable legislation, and in line with all OHS practices and principles. In order to provide a safe and healthy working environment for employees, the Company's occupational safety specialists and the OHS professionals of the company's

external service provider carry out risk assessment studies and field controls, provide necessary trainings and conduct awareness-raising activities.

With a view to achieving the goal of 'loss-free and accident-free' operations, the Company monitors near-miss incidents and hazard identification situations within the scope of its OHS culture, and carries out continuous improvement activities by taking into account the feedback of employees.

Teknosa and its employees will continue to act by fully adopting the principles of health and safety in all regions where the Company operates in line with the Teknosa Integrated Management Systems Policy, just as they have in the past.



Human Resources

The Human Resources management and practices aim to provide the employees with a work experience that fosters purpose and self-realization, fairness, continuous development, participation, high performance, and diversity.

Teknosa's Human Resources Policy is designed in line with the Company's vision of 'Sabancı of New Generation'.

Teknosa's Human Resources Policy is designed in line with the Company's goals and strategies, as well as the vision of Sabancı Group Human Resources and 'Sabancı of New Generation'. The Human Resources management and practices aim to provide the employees with a work experience that fosters purpose and self-realization, fairness, continuous development, participation, high performance, and diversity.

"Sabancı of New Generation" Culture

Teknosa's "Sabancı of New Generation" vision represents a culture that prioritizes the needs and expectations of customers and all stakeholders, values diverse perspectives, promotes wide participation in decision-making processes, leads in innovation, embraces making mistakes without fear and learns from and turns mistakes into development opportunities, and focuses on creating long-term and sustainable value.

The values of the 'Sabancı of New Generation' culture are sincerity, continuous development, participation, courage, and passion.

Sabancı Competency Model

Grow/Ensure Growth

Sabancı Leader Ready for the Future grows/ensures growth with a strong, balanced sense of self and responsibility by means of:

- consistently driving results, challenging self and others, moving quickly to achieve goals and overcome obstacles;
- taking responsibility for what needs to be achieved with a sense of urgency, ensuring accountability in the fulfilment of commitments;
- maintaining resilience and overcoming difficulties in a positive and confident manner, even when faced with challenging situations;
- striking a balance between using data and common sense to make the right decisions at the right time and move forward;
- demonstrating the need for success and delivering results that go beyond goals; and
- believing that he/she will fulfil his/her commitments with a strong sense of reliability.

Transform/Ensure Transformation

Sabancı Leader Ready for the Future transforms/ensures transformation by creating the "novel and the better" in an agile manner by means of:

- focusing on the big picture and designing credible future scenarios that deliver sustainable value and competitive advantage;
- reading trends with a global perspective and systematically following the new approaches to transform them into breakthrough strategies;
- knowing how to create value for others, guiding the Community Promise and inspiring others in doing so;
- acting courageously in addressing difficult issues and sharing sensitive messages, advocating new ideas or approaches despite possible resistance from others;
- tolerating uncertainty and feeling comfortable taking calculated risks, maintaining momentum even when the future is uncertain; and
- being open-minded and inquisitive in evaluating new approaches, adapting his/her own way of thinking and behavior to address and manage evolving situations.

Build Connections

Sabancı Leader Ready for the Future builds respectful connections with others by means of:

- establishing connections inside and outside the company, successfully leveraging their relationships, and balancing stakeholders' perspectives to shape and influence expectations and ensure alignment;
- remaining open to trying and learning new approaches as an agile person, applying what they have learnt in new and different environments patiently, persistently and with a positive attitude;
- building effective teams by leveraging the unique skills and strengths of each team member to achieve common goals, ensuring that "the whole is greater than the sum of its parts," developing team members and creating a "one team" mentality;
- demonstrating the ability to persuade others with a confident attitude and to express his/her opinion and position with ease;
- adopting an inquisitive mindset and an investigative approach, using new ideas, information to enrich their existing knowledge, and being willing to discover and understand new people; and
- being open to different perspectives, ways of doing business and cultures, proactively seeking information from multiple sources, and looking for ways to leverage diversity of thought and create additional value.

Human Resources

Teknosa carries out the recruitment process through competency-based interviews, personality inventories, general aptitude tests, foreign language assessments, and technical tests tailored to the requirements of the position, and assessment center applications.

Teknosa applies a career management process, which is structured **with specific criteria** to encompass all employees.

Recruitment and Career Management

Teknosa's recruitment process aims to assess candidates' compatibility with Sabancı values and the Company's culture and to measure their potential and competencies.

To this end, the Company carries out the recruitment process through competency-based interviews, personality inventories, general aptitude tests, foreign language assessments, and technical tests tailored to the requirements of the position, and assessment center applications.

In order to attract talents, the Company adopts a proactive approach and continuously monitors talents outside the Company while evaluating external talents for critical positions in addition to internal candidates. Various programs are carried out to attract young talents to the Company. The programs that are actively maintained include "HTTP: High-Tech Team Power" for technology teams, "What'SUP: Women're Here at Talents in Supply" for Supply Chain and

Category Management teams, "TeknoSaha Young Women Program" for retail store teams, and "Teknosa Step" for university interns.

Teknosa applies a career management process, which is structured with specific criteria to encompass all employees. The process is managed under four main categories: "Promotion," "Horizontal Career Management," "Transition from Stores to Head Office," and "Transition from Head Office to Stores."

Organizational Climate and Employee Engagement Management

Teknosa aims to prioritize the input and expectations of employees, consistently improve approaches that boost employee engagement, foster a workplace characterized by safety, health, and ethical values, take into consideration the balance between work and personal life and achieve sustainable employee engagement by implementing appropriate leadership styles and cultivating a positive organizational climate. To this end, the Company regularly

conducts employee engagement and satisfaction surveys in collaboration with independent firms and gathers employee suggestions and expectations during this process.

In addition to these surveys, independent organizations also regularly measure perceptions of employees regarding the organizational climate, directly related to engagement, and the leadership styles of the management team, which have the most significant impact on this climate.

The HR and management teams examines the opportunities and development areas identified as a result of these assessments, and develops, implements and monitors necessary action plans and objectives.

Performance Management

The Performance Management process aims to highlight employees' successful business outcomes, behaviors aligned with the organizational culture and values, and high-performance levels. In line with this approach, the employees continuously track their individual goals in relation to the Company objectives and the competency development targets they wish to focus on throughout the year using the readily accessible performance system, evaluating their performance through mutual feedbacks with their managers at the end of each year.

Recognition, Acknowledgement and Total Reward Management

"The Recognition, Acknowledgement, and Total Reward Management" process comprises fair, objective,



performance-enhancing practices that center around employees' contributions to business objectives and their competencies, as well as rewarding, motivating, and competitive compensation, benefits, and recognition and acknowledgement initiatives.

All practices included within the scope of 'Recognition, Acknowledgement and Total Reward Management' are regularly reviewed and updated in line with market analyses and benchmarking studies. All roles within the Group are evaluated by considering factors such as the role's level of responsibility, its relative contribution to the organization, the knowledge, skills, experience and competencies required for the role. Based on this evaluation, the job grading structure is established, forming the basis for compensation and benefits management.

The 'Award System for Those Who Keep Teknosa Values Alive' aims to ensure the adoption of Teknosa values, create synergy and increase communication

among employees, motivate employees by means of the awards to be won, and increase internal and external customer satisfaction by offering friendly service via satisfied employees.

"TeknoThink" aims to take ideas that will contribute positively to Teknosa's development in the light of its annual strategic goals, based on the knowledge and experience of employees, and to implement the suggestions that are decided to be executed. This aims to involve employees in the decisions to be taken by the management, to reinforce the sense of corporate belonging, and to add value and dynamism to the corporate operations.

The Company carries out remuneration management by using remuneration policies developed by taking into account macroeconomic data, applicable remuneration policies in the market and the Company's long-term targets, in accordance with the individuals' level of responsibility, performance, internal and external pay equity and legal obligations.

Human Resources

Teknosa Academy, the first academy of technology retail in Türkiye, offers training and development opportunities to employees through various programs, guiding them on their career journeys.

Teknosa continues its 'Human Resource Analytics' projects using data modelling methodology.

With a view to supporting remuneration management with additional benefits, "fringe benefits" are considered as an important part of total reward management. Teknosa implements "Fringe Benefits" practices tailored according to the expectations and needs of employees, with variations based on factors such as role's level of responsibility, position, and company-specific considerations.

HR Data Analytics and Digitalization

To cultivate a culture of data-driven decision-making across all Human Resources functions, Teknosa regularly evaluates all systems and procedures, improves the capabilities of all Human Resources teams accordingly, and contributes to the efforts aiming to establish this culture within the Group.

Teknosa implements the "İkolyat Database and Analytics System" to refine and enrich HR data for all employees within the Group companies, to transfer these data to a unified database, and to create value by using these data via HR analytics applications.

Based on the data and statistics of employees who join and leave the Company, Teknosa continues to design "Human Resources Analytics" projects by employing a data modeling methodology.

Employer Brand

Teknosa Human Resources Department actively manages Teknosa Career pages on LinkedIn, Facebook and Instagram to attract talents to the Company. Best practices, tips by employees regarding

their jobs, announcements, vacant positions, and Company news are posted on Career Pages.

Wellbeing Practices

- Hybrid working system (in roles suitable for hybrid working)
- Bonus system (varies depending on the position)
- Private Health Insurance, Employer Contributed Private Pension System and Life Insurance
- Remote work for one month
- Ergonomics support
- Internet & electricity support
- Master's degree support
- Education support & scholarships for the children of employees
- Meeting-free hours
- Birthday leave
- Social life supports (MultiSport, StudioCanlı, Uppy, TeknoYaşam, Teknosa Volunteers)

TeknoYaşam (TeknoLife)

TeknoLife Group, an in-house initiative, contains clubs that organize activities in sports, culture, and the arts to promote synergy among Teknosa employees and facilitate team bonding through various events. (Teknosa Theater Club, Teknosa Book Club, Teknosa E-Sports Club, Teknosa Movie Club, Teknosa Dance Club, Teknosa Volleyball Club, Teknosa Basketball Club, and Teknosa Football Club). In addition to supporting the development of employees in various areas of interest, TeknoLife also strengthens

internal communication within the organization. To date, the TeknoLife Group has organized numerous tournaments, concerts, theater productions, and performances. The TeknoLife Group leverages the extensive network of the Teknosa family to engage in social responsibility initiatives and offer support to institutions, organizations, and individuals in need.

Home of Innovative Learning: Teknosa Academy

Teknosa gives priority to train highly qualified, expert employees to maximize customer and employee satisfaction. Founded for this purpose in 2005 as the first academy in technology retailing in Türkiye, Teknosa Academy provides employees with education and

development opportunities through various programs and guides them on their career paths. In 18 years, Teknosa Academy has offered 1,867,000 hours of training to more than 22,350 graduates. Teknosa Academy carries out programs to provide all employees with equal education opportunities and to ensure continuous education in line with rapid technological advancements.

Today, Teknosa Academy enables employees to communicate with customers in a more conscious and accurate manner, and offers educational and development tools, focusing on 'unique customer experience', in order to align the perception of service and customer satisfaction with new trends.



Human Resources

+22,350

Number of People
Graduated from Teknosa
Academy in Eighteen Years

In addition to the in-class courses of Teknosa Academy, employees benefit from learning and development opportunities at eight main digital channels.

Teknosa Academy offers e-trainings, e-exams and surveys.

Adopting the "blended learning" model, Teknosa Academy takes into account changing user habits and means of access to information. To this end, Teknosa Academy offers employees various learning and development opportunities through teknosaakademi.com, which is regularly enhanced in terms of its technological infrastructure and user experience.

In addition to the in-class courses of Teknosa Academy, employees benefit from learning and development opportunities at eight main digital channels. Accordingly, teknosaakademi.com is designated as the main medium for all these channels. There are various channels offering e-training, e-exams and surveys such as:

- Teknosa Education Platform **LMS**;
- **TeknoTube**, the video-based learning platform;
- **Digital Library** enabling employees to find the summaries of books which will contribute to their professional and personal development, and to advance their digital learning experience;

- **TeknoBlog** for interactive communication with the employees;
- **TeknoEkşi** where employees share their work experiences to contribute to the development journey of their colleagues;
- **E-Orientation**, a source of reference for employees from the first day of work;
- **TeknoRehber** (TeknoGuide) to follow the on-the-job education, coaching and mentoring meetings of the employees; and
- **TeknoSözlük** (TeknoDictionary) to find the meanings of words and abbreviations specific to retail and Teknosa.

In order to manage and develop talent, Teknosa also offers various programs such as Mentee - Mentoring Program, Manager Development Programs (All-Star Manager, Performing Art of Manager, Store Manager Education Program, Store Development Program, etc.), Young Talent Development Program and Corporate Coaching Program.



Corporate Social Responsibility

**+3
Thousand**

Number of Women Participating in Workshops under the Technology for Women Project in 2024

Teknosa continues to increase women's digital literacy through the **Technology for Women Project**, which it has been running for 18 years.

Teknosa aims to add value to the society and individuals, and to support Türkiye's development through social responsibility projects and voluntary works.

Technology for Women

Teknosa aims to increase the digital literacy of women around Türkiye through the Technology for Women Project, which it has been running for 17 years in collaboration with Habitat Association, and aims to ensure their increased involvement in the use of technology. The free trainings offered under the project have improved the digital skills of 35 thousand women across Türkiye, enabled them to implement their technology-driven business ideas and increased their involvement in social life.

As of 2024, more than 3,000 women participated in online and one-to-one workshops held within the scope of the project. In addition, 29 online

trainings and 22 one-to-one workshops were held. The Technology for Women Project is diversified by updating the training content every year according to the needs and expectations of the participants. The program also includes the use of social media, e-services, secure internet, career planning, mobile photography and visual design applications such as Canva.

To advance the project, Teknosa launched 'Inspiring Meetings' events that connect project participants with women who make a significant impact in the business world. The first event was held at the Facebook Station Habitat Hub in Istanbul, featuring strong attendance, where women entrepreneurs shared their success stories with the participants. Teknosa plans to organize these events within the framework of the Technology for Women Project in various cities across Türkiye in the near future.



Within the scope of the Technology for Women Project, Teknosa continues the "Technology for Women, Solidarity for All" Project initiated in cooperation with the Sabancı Foundation and the Federation of Women's Associations of Türkiye (TKDF). Within the scope of this project, anyone can donate their unused smartphones and support women who are victims of violence and have limited access to technology to make their voices heard.

If the donated smartphones are brought to Teknosa stores or collected from homes, they are sent to TKDF to be delivered to women in need after they are maintained and repaired.

As a signatory of the Women's Empowerment Principles (WEPs), a joint initiative of UN Global Compact and UN Women, Teknosa is committed to seven principles for

establishing corporate policies to promote gender equality, as the first technology retailer from Türkiye in this platform.

The Company is also one of the corporate members of the Yanındayız Association, which aims to enable men to take an active role to ensure equality for women, and Women Friendly Brands Platform, which supports the strengthening of women's role in education and social life, as well as the Lead Network, which supports female leaders working in the retail and consumer products sector and aims to increase the number of female senior managers and contribute to their development.

Teknosa is also proud to be one of the participants of the 'Business World against Domestic Violence' project designed by the Sabancı University Corporate Governance Forum.

Teknosa makes tablet and computer donations in line with the requests by schools and civil networks, especially for online education.

Teknosa conducts voluntary studies in collaboration with NGOs under the leadership of the Teknosa Volunteers Club to raise awareness of employees about social responsibility, and also contributes to the projects implemented by Sabancı Volunteers.

Social Benefit Impact in Teknosa's 'Technology for Women' Project

Teknosa announced the social impact created by the 'Technology for Women' trainings, which have reached approximately 35 thousand women in 18 years in cooperation with Habitat Association, in the last 3 years.

Corporate Social Responsibility

In celebration of the 100th anniversary of the Republic, Teknosa utilized artificial intelligence to recreate the most lifelike voice of Atatürk ever recorded, presenting his words to the Turkish nation in a manner never before heard in his own voice.

Teknosa continued to be an accessible brand for everyone.

According to the analysis conducted by an independent company using the Social Return on Investment (SROI) method, every TL 1 invested in the project for the last 3 years has provided a social benefit of TL 4.16.

The results of the survey conducted with 1,000 women who participated in the trainings also revealed the benefits of the project in figures. Accordingly, 95% of the participants improved their internet and social media skills, while 90% of them started to adapt what they learnt in the training to their daily lives. While 92% of women felt competent in using Canva in business projects, 95.8% stated that they took more creative photos. 95.6% of women, who also made significant gains in digital literacy, learnt to verify the information they accessed in digital media using reliable sources.

In addition, 93% of the participants stated that they benefited from these trainings while creating their career

plans. According to the study, women have learnt to act more consciously and safely in the digital world and have started to produce more creative and professional projects making use of their skills in social media content production, photography and graphic design. As a result, the women who took part in the training programs strengthened their presence in the digital world, made stronger contributions to their professional lives, acquired the digital competencies required for innovative projects and business initiatives, and made a crucial advancement towards achieving their economic independence.

The greatest gift also on the 101st Anniversary: The Republic of Türkiye

In celebration of the 100th anniversary of the Republic, Teknosa utilized artificial intelligence to recreate the most lifelike voice of Atatürk ever recorded, presenting his words to the Turkish nation in a manner never before heard in his own voice.



In the 101st anniversary of the Republic, this meaningful project was taken one step further and enriched with virtual reality technology. Through the Teknosa Mobile Application, users had the opportunity to take a comprehensive tour of Anıtkabir, either physically inside Anıtkabir in Ankara or virtually from anywhere in the world. During this special experience, Atatürk's inspiring words in his most authentic voice accompanied the visitors on their journey.

Teknosa Mobile Application users were sent special notifications and SMS messages via GPS technology when they were near Anıtkabir and were invited to this unique experience. For each point of Anıtkabir, a carefully selected content from Atatürk's historical quotes has been prepared to make the tour experience more meaningful and unforgettable.

Through the unique visual environment established for the project, the principles that Atatürk bequeathed to the people were brought together in social media materials. The phrases spoken by Atatürk, which have been etched in our collective memory through time, have been brought back to life once more, this time in his most realistic voice.

The content has been made accessible to everyone in cooperation with BlindLook. All videos are subtitled and visually and hearing impaired users have also been incorporated into the project.

Technology for Youth

Focusing on project collaborations for youth, Teknosa, since 2018, has been among the supporters of Askıda Ne Var (What's on the Hanger) and Kampüste Ne Var

(What's at the Campus), social initiatives aiming to support youth in Türkiye.

Via the platform, the Company provides university students with the technology products that they need.

Additionally, Teknosa offers technology support to events held by universities, thus contributing to the active continuation of such useful social organizations.

Awards and Achievements

- "Big Thinking" Award and "Use of Technology" Award in the "Digital Customer Experience" category at the CX Awards
- "Türkiye's Most Reputable Brand" Award in the "Electronic Retail" category according to the Türkiye Reputation Index Survey
- Gold Award in the "Best Innovation in Customer Experience" category, Silver Award in the "Best Digital Transformation" and "Best Business Change and Transformation" categories at the International Business Excellence Awards



Corporate Social Responsibility

Teknosa received Gold Award in the categories of "CX Team of the Year," "Best Communication/ Call Centre," "Best Innovation in CX," "Best Use of Technology in Companies with More than 5000 Employees" at CX Awards

Teknosa has received numerous awards for its various innovations in the industry.



- Diamond Award in the "Technology Market Chain" category as part of the Şikayetvar A.C.E Awards (Achievement in Customer Excellence)
- "Best Content Technology," "Best Artificial Intelligence Technology," "Best Productive Use of Artificial Intelligence" and "Best Use of Technology in Special Day Communication" Awards at the MarTech Awards with the project "The Greatest Gift: Republic of Türkiye"
- "Türkiye's Most Technological Brand" Award in the "Technology Market" category at Tech Brands Türkiye
- Sitare Sezgin, Teknosa CEO, ranked 6th in the 50 Most Powerful Women CEOs list by Ekonomist Magazine
- "Women's Employment and Equal Opportunity at Work" Award for the "Mother Mentors" Project at the Women-Friendly Brands Awareness Awards
- Ranked among the "Recommendation Champions" in the "Technology Retailer" category in the Marketing Türkiye NPS Survey
- Gold MIXX Award in the categories of "100th Year of the Republic," "Experimental and Innovative," Bronze MIXX Award



- in the category of 'Digital Audio Advertising' and 'Best of the Year' Award at MIXX Awards Türkiye
- "EyeBrand" Award in cooperation with Blindlook at EyeBrand Ceremony
- "2023 Special Award" at the MediaCat CM. Awards for "The Greatest Gift: Republic of Türkiye" Project
- "Most Reputable Business Partners" Award at B2B Excellence Awards
- "Leading Company in Technology Retail Sector" Award in Capital 500 Survey
- First Prize in the "Technology Retailer" category at ECHO Awards
- "Golden Effie" Award in the "Electronic Products" category at the Effie Awards for the "Ice Age in Gaming Campaign"
- "The Most Reputable Brand in the Electronics Retail Sector" Award according to the results of the Türkiye Reputation Index survey and ranked among the most respected and trusted brands by young people in the G-250 Index
- "Retail Innovation Group, Retailer of the Year" and "Non-European Member Sustainability" Award at the Supplier of the Year Awards organized by Euronics International
- Gold Award in the categories of "CX Team of the Year," "Best Communication/Call Centre," "Best Innovation in CX," "Best Use of Technology in Companies with More than 5000 Employees" and Silver Award in the category of "Business Change and Transformation in Companies with More than 1000 Employees" at CX Awards
- Gold Award in the categories of "Innovative Use of Technology in Social Media," "Communication Activities for the 100th
- Anniversary of the Republic," "Special Day Campaign" and "Artificial Intelligence Activities," Silver Award in the categories of "Communication Activities for the 100th Anniversary of the Republic," "Artificial Intelligence Activities" and "Technology Producers" at Brandverse Awards
- Ranked 48th in the "Türkiye's Largest Companies" research conducted by Fortune Türkiye
- Cenk Yenginer, Teknosa Chief Category Management and Supply Chain Officer, was included in the "Türkiye's 50 Most Powerful Purchasing Managers List" prepared by Ekonomist Magazine

- Ranked 61st in the "List of the 500 Largest Private Companies" organized by Capital Türkiye
- Platinum Award in the "Digital Marketing" and "Social Media Campaigns" categories with the "Teknosa Mother Intelligence" Project at the International DotCOMM Awards
- Ranked among the "Top 100 Companies with the Strongest Corporate Culture" in Fast Company's "Corporate Culture 100 Survey"
- First Prize in the "Distribution Hardware" category at the IT 500 Awards
- Silver Award in the category of "Best Youth Employment Strategy" and Bronze Award in the category of "Best Talent Acquisition Process" with "HTTP, What'SUP, TeknoSAHA" programs at Stevie Awards
- Gold Award in the "Best Use of Technology" and "Best Call Centre" categories and Silver Award in the "Best Customer Service" category at the ECXA European Customers Experience Awards 2024
- Emre Kurtoğlu, Chief Digital Trade and Marketing Officer at Teknosa, was included in the "The 50 Most Effective CMO Survey" organized in collaboration with Data Expert and BMI Business School
- Crystal Award in the "UI&UX Design" sub-category and Silver Award in the "Data Visualization" sub-category for the "The Greatest Gift: Türkiye Project," Crystal Award in the "Retail, E-Commerce, Fashion and Accessories" sub-category for the "Airfryer Acıbadem Cookie" campaign, and Silver Award in the "Radio

Corporate Social Responsibility

Teknosa won First Prize in the "Technology Retailer" category at AYD Number 1 Brands Awards

Teknosa received 5 awards at ICXA Awards.



and Audio" main category for the "Airfryer Remote Cooking" campaign at Crystal Apple Awards

- Gold Award in the "Best Digital Marketing Team," "Best Productive Use of Artificial Intelligence," "Most Courageous Brand Team" and "Best Special Day Communication Marketing Team" categories with the "The Greatest Gift: Republic of Türkiye" Project, Silver Award in the category of "Team with the Best Use of Integrated Media" and Silver

Award in the category of "Best Store Experience Team" with the "Customer-Focused Digital Store Concept" Project at The Hammers Awards

- Awards at the New Gen Awards in the "Productive Use of Artificial Intelligence" category with the "The Greatest Gift: Türkiye" Project and in the "Virtual Assistant" and "Influencer" categories with "Digital Ambassadors: Selin and Burak" Project
- "Digital Transformation Ambassador" Award at SAP Executive Summit

- Award in the categories of "Data Storytelling" and "Artificial Intelligence Supported Creative Content" with the "The Greatest Gift: Republic of Türkiye" Project, "Brand Experience Felis" in the "Innovative Use of Technology" and "Integrated Felis" Award in the 'Special Days' category, "AI & Data Felis" Award in the "Data Storytelling" category for the "Digital Ambassadors Selin and Burak" Project, and "Radio & Audio Felis" Award in the "Retail" category for "Airfryer Remote Cooking Campaign" at Felis Awards
- The brand that delivered the "Best Customer Experience" in the 'Electronic Market' category for the sixth time and in the "Virtual Assistant & Chatbot Experience" category for the first time at the ALFA Awards
- "Social Media Marketing Campaign" Award with the "The Greatest Gift: Republic of Türkiye" Project, "Social Media Marketing Campaign," "Digital Marketing" and "Social Advertising Campaign" Awards for "Social Campaign," "Teknosa Mother Intelligence" Project and "Instagram Interaction" and "Social Interaction" Awards for "Digital Ambassadors Selin and Burak" Project at MarCom Awards
- Gold Award in the categories of "Best Digital Transformation," "Best Use of Artificial Intelligence" and "Best Use of Technology," Silver Award in the category of "Best Innovation in Customer Experience" and Bronze Award in the category of "Best Call Centre" at ICXA Awards



- First Prize in the "Technology Retailer" category at AYD Number 1 Brands Awards
- Cenk Yenginer, Chief Supply Chain and Marketing Officer at Teknosa, was included in the "Türkiye's Most Influential Supply Chain Professionals List" prepared in collaboration with SCP Club, Logistics Association (LODER) and Slimstock
- "Brand of the Year" Award in the "Industry" category at the MMA Smarties Awards. Silver Award in the category of "Artificial Intelligence Supported Creative Excellence" for the "The Greatest Gift: Republic of Türkiye" Project in the "Artificial Intelligence Supported Creative Excellence" category, Silver Award in the category of "Innovative Use of Artificial Intelligence in Advertising" for the 'Digital Ambassadors: Selin and Burak' Project, and Silver Award in the 'Gaming, Gamification and E-Sports' category for the "Gaming Parkour" Project and Silver Award in the "Customer/ User Experience and Design" category for the "Virtual Store" Project
- "Retail Partner with the Highest Growth" Award at the award ceremony held jointly by HP and Intel
- Golden Award in the "Digital Marketing Integrated Campaign," "Digital Marketing Online Advertising Campaign" and "Digital Marketing Social Media" categories with the "The Greatest Gift: Republic of Türkiye" Project and Bronze Award in the "Digital Marketing Social Media" category with the "Teknosa Mother Intelligence" Project at Golden Spider Awards
- "Use of Artificial Intelligence" Award in the "Digital and Technology" main category with the "The Greatest Gift: Republic of Türkiye" Project and "Growth Through Partnership" Award in the "Product & Experience & Sales" main category for the "Ice Age in Gaming" Project at Istanbul Marketing Awards
- Ümit Kocagil, CFO of Teknosa, received the 'Türkiye's Most Admired CFO' Award at the Golden Leader Awards

Corporate Information

PRIVILEGED SHARES, VOTING RIGHTS

According to the Company's Articles of Association, each share is entitled to one vote at the General Assembly and there are no voting privileges. There are no companies with which the Company has mutual shareholding interests. The Articles of Association does not contain any provision that restricts the transfer of shares.

Share transfers between the shareholders are performed as per the provisions of the Turkish Commercial Code and Capital Markets Law.

INFORMATION ON COMPANY SHARES REDEEMED BY THE COMPANY

There are no redeemed shares of Teknosa.

CAPITAL EXPENDITURES

The Company has made capital expenditures of TL 863 million in its infrastructure and customer outreach channels, including online channels.

DONATIONS AND CHARITABLE CONTRIBUTIONS MADE BY THE COMPANY DURING THE YEAR

In 2024, Teknosa donated TL 1.2 million in total to charitable organizations.

INFORMATION ON THE REPORT EXPLAINING RELATIONS WITH CONTROLLING SHAREHOLDERS AND SUBSIDIARIES WITHIN THE SCOPE OF ARTICLE 199 OF THE TURKISH COMMERCIAL CODE

In the report, our Company evaluated the following transactions conducted with the controlling company and its subsidiaries during the 1 January 2024-31 December 2024 operating year in accordance with honest and fair accounting principles under the circumstances and conditions known to us, all legal transactions carried out for the benefit of the controlling company or a subsidiary of the controlling company under the direction of the controlling company, as well as all measures taken or refrained from being taken in favor of the controlling company or one of its subsidiaries in the 2024 operating year.

The report issued by the Board of Directors of Teknosa on 21 February 2025 has revealed that in all transactions performed by Teknosa with the controlling company and its subsidiaries in 2024, all necessary legal transactions were performed, and all measures were taken as set forth in Article 199 of the Turkish Commercial Code No. 6102 and as required by the responsibilities assigned to the Board.

The transactions carried out are at arm's length as stipulated in the related articles of the TCC No. 6102 governing the disclosures of controlling companies, and there is no loss incurred as a result of the participation by Teknosa in a group of companies.

Corporate Governance and Sustainability Principles Compliance Report

CORPORATE GOVERNANCE AND SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

SECTION I - CORPORATE GOVERNANCE

1. Corporate Governance Approach

Teknosa commits to comply with the four key principles of Transparency, Fairness, Responsibility and Accountability of Corporate Governance, and recognizes that good corporate governance practices are essential for sustainable growth in today's economies.

Traded on BIST Stars, Teknosa shapes its management approach based on these principles and takes best practices in the world as a reference while developing its corporate governance practices every year.

2. Corporate Governance Principles Compliance Status

Teknosa is in full compliance with all of the 24 mandatory principles for publicly traded companies as set out in the Corporate Governance Communiqué No. II.171 ("Communiqué") of the Capital Markets Board, which is responsible for regulating and supervising the corporate governance practices in Türkiye. Teknosa has observed the interests of all the stakeholders, shareholders in particular, and continued its efforts to further its compliance with such mandatory principles in 2024.

Meanwhile, Teknosa has reached full compliance with 62 of 73 non-mandatory principles of the Communiqué, while it achieved partial compliance with 4 non-mandatory principles and no compliance with 2 non-mandatory principles this year. Transactions falling under the remaining 5 principles have not been performed in 2024, and therefore compliance has not been evaluated for these principles that have been determined to be nonapplicable.

2.1. Principles with which the Company has reached partial compliance are summarized below together with the reasons behind the lack of full compliance:

3.1.2. *An effective and prompt compensation policy is in place in cases where stakeholders' rights protected by laws and contracts are violated. The Company provides guidance and convenience to stakeholders on the applicable laws and mechanisms available to them such as compensation. In addition, it establishes a compensation policy for employees and discloses the policy via the corporate website.*

It is a priority for Teknosa to protect all stakeholders' rights at all times and embrace a business model based on creating value together. Currently, no written compensation policy is in place for employees; however, the Company has faced no legal proceedings in relation to this matter up to date.

Corporate Governance and Sustainability Principles Compliance Report

4.4.7. *Members of the Board of Directors shall allocate sufficient time for the business affairs of the Company. If the member becomes a manager or a member of the board of directors of another corporation or provides consulting services to another corporation, said service should not cause conflict of interest nor prevent fulfillment of the member's duty. Within this scope, certain rules apply to or restrict the board member's assumption of roles and duties outside the company. Roles a board member assumes outside the company, the grounds for such role, and whether such role is assumed within or outside the group are presented to the information of the shareholders under the agenda item for elections during the general assembly meeting.*

Utmost attention is paid to ensure that board members dedicate sufficient time for the Company's affairs and avoid any transaction that may lead to a conflict of interest in their activities outside the Company. However, board members' roles outside Teknosa are not governed or restricted by a written instrument. Accordingly, resumes of board members are provided to shareholders in annual reports.

4.5.5. *It is important for a board member not to take part in more than one committee.*

Utmost attention is paid to the experience and expertise of independent members in the composition of committees. Due to the limited number of independent board members and obligations stipulated in the capital market regulations, however, members may be assigned to more than one committee.

4.6.5. *Wages and other benefits granted to board members and executives with administrative responsibilities are disclosed to the public in the annual report. Disclosures should be made on an individual basis.*

Wages for the board members are determined by the General Assembly and therefore disclosed on the basis of each board member. Wages paid to senior executives are disclosed collectively in the footnotes of our financial statements. Payments to executives were made in accordance with the remuneration policies on the basis of performance criteria. Such information is not disclosed on an individual basis as it constitutes confidential information.

2.2. Principles which the Company has not complied with are summarized below together with the grounds for such non-compliance.

1.3.11. *General Assembly meetings may be held publicly, including stakeholders and the press with no right to ask for the floor, and a provision may be added to the Articles of Association on this matter.*

As specified in the Articles of Association, General Assembly meetings were held openly to the stakeholders but in a manner to be closed to the public including the press. Minutes of the Annual General Assembly Meetings are provided for the information of all stakeholders on the Public Disclosure Platform (PDP) and the Company's corporate website.

1.5.2. *Minority rights may be granted to those who hold less than one-twentieth of the capital pursuant to the Articles of Association. The scope of minority rights may be expanded subject to the Articles of Association.*

Minority rights are determined as per the provisions of the applicable legislation, and there is no specific provision on the expansion of minority rights in the Articles of Association.

2.3. The following principles are determined to be non-applicable as no transaction falling under such scope was performed in 2024:

1.3.7. *Individuals who have privileged access to company information shall inform the board of directors about the actions they performed on their own behalf within the scope of the field of activity of the company in order to ensure provision of information during the General Assembly Meeting.*

1.4.3. *The Company has not exercised the voting rights at the General Assembly of a corporation with which it has an affiliate relationship that involves controlling rights.*

4.4.3. *The opinion of the members who failed to attend the meeting but served their opinion in writing to the Board of Director shall be submitted for the information of the other members.*

4.5.7. *The Committees may benefit from independent expert opinion on the issues it deems necessary in relation to their activities. The cost of the consultancy services required by the committees shall be covered by the company. However, information on the persons/entities providing such services and whether such persons/entities have a relation with the company is explained in the annual report.*

4.6.4. *The company is not entitled in any way to lend money, to extend any credits, to prolong the terms of existing loans and credits, to improve the conditions thereof, and to extend credit under the name of any personal credit means through a third person or to provide warranties to a member of the board or the executives with administrative responsibility. Only those institutions which offer personal credits to individuals may be entitled to offer loans or other services under the terms applied to every individual beneficiary.*

Teknosa's compliance status with the Corporate Governance Principles in 2024 is summarized in the table below.

Status	Full Compliance	Partial Compliance	Non-compliant	Non-applicable
Mandatory	24	-	-	-
Voluntary	62	4	2	5
Total	86	4	2	5

Corporate Governance and Sustainability Principles Compliance Report

In 2024, full compliance has not been reached with the relevant voluntary principles due to the difficulties in their implementation, ongoing discussions in Türkiye and on international platforms regarding their implementation, the contradiction between the Company's interests and the implementation of such principles as per the practices of the Company and the market. Thanks to the value and importance Teknosa attributes to corporate governance, developments on this matter are monitored closely, and efforts towards full compliance with these principles are ongoing at full speed.

The 2024 Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF), prepared pursuant to the Capital Markets Board's Decision No. 2/49 and dated 10 January 2019 and approved by our Company's Board of Directors are publicly accessible at <https://www.kap.org.tr/en/Bildirim/1394960> and <https://www.kap.org.tr/en/Bildirim/1394961>.

3. Investor Relations Activities

In an attempt to assist investors and analysts in their decision-making processes as per applicable laws, Teknosa paid ultimate attention in 2024 to inform them as necessary, transparently, timely, accurately, thoroughly, legibly, directly, sufficiently, regularly and concurrently with all market participants, on the developments that might affect their investment decisions.

For this purpose, both the Public Disclosure Platform (KAP) and the Investor Relations page on the official website www.teknosa.com have been regularly updated, providing continuous and ideal communication with investors and analysts. The Investor Relations page is prepared in both Turkish and English, and quarterly financial results are available on the website in both English and Turkish. The company presentations used in domestic and international informative meetings are also available on the website.

In 2024, the Company held negotiations with domestic and foreign existing/ potential institutional investors and analysts regarding the company's operational results, performance, and other developments during the period. In addition, queries from individual and institutional investors are responded via e-mail or phone.

The Company also organizes investor teleconferences every financial quarter following the announcement of its financial results. In 2024, the Company held 4 teleconferences with institutional investors and analysts and shared the meeting recordings on its website. During 2024, the Company participated in 9 roadshows, conferences, and site visits and held one-on-one or group meetings with a total of 170 institutional investors and analysts from Türkiye and abroad.

4. Monitoring the Changes in Legislation and Legal Procedures

No amendment that could impact Teknosa's operations substantially was introduced to

applicable laws in 2024. However, the potential effects of the 2024 amendments to the Capital Markets Law, Turkish Commercial Code and tax regulations on Teknosa as a whole were analyzed in detail.

Teknosa closely monitored the legislative developments concerning the company in 2024, as in every year, and the necessary actions were taken in a timely manner.

Finally, no lawsuit was filed against the Company that may impact the financial position or operations of Teknosa in 2024. In addition, no administrative or judicial sanctions were imposed on Teknosa legal entity, members of its Board of Directors and Company Management due to practices in violation of the provisions of the legislation.

SECTION II – BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

The procedures and principles concerning the company's Board of Directors' structure, duties, management rights and representation authorities, etc. are decided upon in accordance with the provisions stipulated in the company's Articles of Association.

Teknosa is governed and represented by a Board of Directors that consists of at least six members elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code and the Capital Markets Legislation.

Teknosa's Board of Directors shall have six members in accordance with Article 4.3.1 of the Communiqué and two independent members in

accordance with the exception set forth in the first paragraph of Article 6 of the Communiqué.

The nomination process for the Board of Directors is carried out in accordance with the Turkish Commercial Code, Capital Markets Law, Corporate Governance Principles and other applicable regulations, and in particular the provisions of the Company's Articles of Association. When nominating candidates for the Board of Directors, the Company's culture, areas of investment and operation, financial size, and strategic goals are considered, and candidates are chosen based on their knowledge, experience, and competence, as well as their qualifications to protect the interests of all stakeholders. These candidates are selected from among those who have gained professional experience at national and/or international level in the sector in which Teknosa operates. The candidate pool is designed in a manner to incorporate both technical and strategic experience, such as auditing, risk management, and digital technologies, as well as industry knowledge.

Diversity and inclusion are also prioritized during the process of nominating Board member candidates in accordance with the Company's [Equality, Diversity and Inclusion Policy](#). The Board of Directors aims to ensure diversity in terms of age, race, nationality, ethnic origin, language, disability, political and religious beliefs, sect, gender and sex, cultural background and professional experience.

Inclusion is promoted in the composition of the Board of Directors, taking into account the foregoing factors. Within this

framework, the Company always aims to maintain at least 30% female representation on the Board of Directors.

Currently, there are two female members on the Board of Directors and the ratio of female members is 33%.

There is no Executive Board Member in the Company's Board of Directors.

The Members of the Board of Directors may be elected for a maximum term of office of three years members whose term of office has expired may be reelected. In the event there is a vacancy in the Board of Directors due to any reason whatsoever, the remaining members of the Board of Directors shall appoint new members and submit such members for the approval of the General Assembly at the first General Assembly meeting. Such newly elected member shall complete the term of office of his/ her predecessor.

The Company is insured against any damages that Members of the Board of Directors may cause to the Company due to their faults during the execution of their duties. The total annual liability limit of the aforementioned insurance covers the amount specified in the Corporate Governance Principles.

Each of the Independent Members of the Board of Directors is paid a monthly gross salary of TL 90,000 (Ninety thousand Turkish liras) until the end of their term of office. No remuneration is paid to other members of the Board of Directors.

Members of the Board of Directors have been granted the right to carry out transactions in accordance with Articles 395 and 396 of the Turkish Commercial Code by a resolution of the General Assembly.

Corporate Governance and Sustainability Principles Compliance Report

2. Operating Principles of the Board of Directors

The Board of Directors convenes as often as it can effectively fulfill its duties and conducts its activities in a transparent, accountable, fair and responsible manner, while taking into account the long-term interests of the Company.

Members of the Board of Directors shall elect a chair and a deputy chair to act as the chair in his/her absence from among themselves. The Chair shall determine the agenda of the Board Meetings upon consulting the other Members of the Board of Directors and the CEO.

The items on the agenda of the meetings of the board of directors shall be clearly discussed in every aspect. The Chair of the Board of Directors shall use his/her best efforts to ensure effective attendance of non-executive members to the meetings of the board of directors.

The meeting dates and the agenda shall be arranged by the Chair or Deputy Chair.

The Board of Directors is required to meet at least four (4) times a year.

The resolutions of the Board of Directors may be issued upon receipt of written approval of the other members of the board of directors regarding any proposal made by one of the members, provided that no member has called for an in-person meeting for such proposal.

The Board of Directors of the Company held four physical meetings between 1 January 2024 and 31 December 2024.

At the Board meetings, each member had one vote, and unanimous consent was sought while resolving matters, and the Board always complied with Corporate Governance Principles. The actual attendance of the members was ensured at the meetings of the Board of Directors unless they had an excuse. No dissenting opinion was expressed against the decisions made by the Members of the Board of Directors at the meetings held in 2024, and no dissenting opinion annotations were attached to the meeting minutes. Since Board Members did not have any questions and requested no additional information, no such requests or questions were not entered into the minutes of the meeting.

Members of the Company's Board of Directors did not enter into any transactions with the Company in 2024 and did not participate in any ventures that would compete with the Company in the same fields of activity.

3. Number, Structure and Independence of the Committees Established in the Board of Directors

According to the Company's Articles of Association, the Board of Directors establishes a sufficient number of Committees ("Committee") to fulfill the required tasks and responsibilities properly.

The duties of the "Nomination Committee" and the "Remuneration Committee" set forth in Article 4.5.1 of the Communiqué have also been assumed by the "Corporate Governance Committee." Although attention was paid to the recommendation on "not taking part in more than

one committee for a board member" under Article 4.5.5 of the Communiqué, a Board Member may serve multiple committees as a member due to the expertise required for such committees.

Corporate Governance Committee

The Corporate Governance Committee aims to ensure the continuity of the management process which is based on the Company's ethical values, which observes the interests of its stakeholders, who are internally and externally responsible, risk-conscious, transparent and accountable in their decisions, and which aims to ensure sustainable success.

The Committee makes proposals and recommendations to the Board of Directors in line with the CMB's Corporate Governance Principles and other internationally recognized corporate governance principles.

The Corporate Governance Committee consists of a maximum of three members, including the chair and two rapporteurs appointed by the Company Board of Directors in line with the Corporate Governance Principles. The Chair of the Corporate Governance Committee is appointed by the Company Board of Directors from among the independent members.

Should the position of Chair of the Committee become vacant for any reason, the Chair of the Board assigns one of the Committee Members as a temporary Chair until the new Chair is appointed at the next Board meeting.

The Corporate Governance Committee ensures the implementation of the Corporate Governance Principles in the

Company, and in the case of failure to implement such principles, it makes remedial suggestions to the Board of Directors in this regard. The Committee also oversees the activities of the Investor Relations Department. It evaluates the performance and principles of remuneration for Board Members and Senior Executives and examines and presents to the Board the nominations of independent members, including the nominees proposed by the management and shareholders, and their qualifications for independence. The Independent Board Member Candidate submits

a written declaration to the Corporate Governance Committee at the time of nomination.

The Committee, which shall convene at least four times a year pursuant to the bylaws, convened 4 times in total in 2024.

The members of the Corporate Governance Committee determined in accordance with the decision of the Board of Directors of the company are as follows:

Name and Last Name	Position	Nature of Board Membership/ Position
Kamuran Uçar	Committee Chair	Independent Member of the Board of Directors
Nevgül Bilsel Safkan	Committee Member	Independent Member of the Board of Directors
Sibel Turhan	Committee Member	Teknosa Investor Relations Manager

Early Risk Detection Committee

Early Detection of Risk Committee was established in a manner to be in charge and authorized in accordance with Article 378 of the Turkish Commercial Code No. 6102 and the provisions of the Capital Markets Board's Communiqué on the Corporate Governance Principles.

The Committee operates for the purpose of early detection of strategic, operational, financial, compliance and any other risks that may jeopardize the existence, development and continuity of the Company, implementing the necessary measures and remedies in this regard and managing the risks. Decisions taken by the Committee are reported to the Board of Directors as recommendations.

Corporate Governance and Sustainability Principles Compliance Report

The Committee members are elected by the Company's Board of Directors and are disclosed to the public. The Chair of the Committee is appointed from among the independent members by the Board of Directors. In addition to the Chair, there is a maximum one Member elected by the Board in the Committee. The members of the Committee are preferably elected from among the non-executive Board Members.

Meetings shall be held at least six times a year at a location to be deemed appropriate by the Chair. At the beginning of each year, the annual meeting schedule of the Committee is determined by the Committee Chair and be announced to all members.

The term of office for Committee Members is the same as the term of the Members of the Company's Board of Directors. The Committee is re-established upon the election of the Members of the Board of Directors.

The Early Detection of Risk Committee convened 6 times in 2024. During these meetings, topics such as identifying risks that could threaten the continuity of our company, developing detection and prevention models and management systems for these risks have been discussed.

In this context, the Early Detection of Risk Committee strengthens our company's risk management strategy and systems, enabling proactive measures against potential risks, thereby contributing to our company's sustainable growth.

Name and Last Name	Position	Nature of Board Membership / Position
Kamuran Uçar	Committee Chair	Independent Member of the Board of Directors
Nevgül Bilsel Safkan	Committee Member	Independent Member of the Board of Directors

Audit Committee

The duty of the Audit Committee is to oversee the Company's accounting system, financial reporting, disclosure of financial statements, and the functioning and effectiveness of the independent auditing and internal control system on behalf of the Company's Board of Directors. The Audit Committee submits to the Company Board of Directors, in writing, its activities and the findings and recommendations it has reached in relation to its duties and responsibilities.

The Chair and the Members of the Audit Committee are appointed by the Board of Directors from among the Independent Members.

The Audit Committee held 4 meetings in 2024 and the main agenda items were the review of the independent audit report and examination of the presentations of the Internal Audit Department.

The members of the Audit Committee determined in accordance with the decision of the Board of Directors of the company are as follows:

Name and Last Name	Position	Nature of Board Membership / Position
Nevgül Bilsel Safkan	Committee Chair	Independent Member of the Board of Directors
Kamuran Uçar	Committee Member	Independent Member of the Board of Directors

4. Risk Management and Internal Control Mechanism

Teknosa embraces the notion that each risk brings along an opportunity and recognizes that "sustainable growth" can be achieved by effectively identifying, measuring, and managing risks. The Company places great importance on risk management to "create value for its stakeholders," which is a crucial part of its mission.

At Teknosa, the risk is seen as a concept that incorporates opportunities as well as threats, and corporate risk management is handled as a continuous and systematic process to manage these risks in the most effective manner. Efforts are made to expand the risk culture throughout the Teknosa, and assurance is provided to ensure that the right work is carried out by taking the right amount of risk.

Teknosa's **Risk Management Policy** establishes the principles guiding risk management processes and approaches, expressing the company's commitment to effectively managing risks. The policy is fully supported by senior management and is shaped around six core principles: proactive approach, holistic management, value creation, continuous improvement, culture and awareness, and effective measurement and evaluation. Teknosa aims to address risks not only reactively but also proactively, by detecting potential threats in the early stages and responding to opportunities in a timely manner. Risk management is considered an integral part of the organization's overall strategy and business processes. Additionally, Teknosa adopts a dynamic and evolving structure in its risk management processes and policies, making continuous improvements based on measurement and evaluation results. Creating a corporate culture that promotes risk management awareness and positive behaviors is supported through open communication channels

and training programs. These principles allow Teknosa to sustainably grow, innovate, and maintain strong relationships with stakeholders.

Teknosa's **Risk Management Procedure**, on the other hand, regulates the principles and procedures to be followed in the process of identifying, evaluating, prioritizing, monitoring and reporting risks and determining and implementing measures and strategies for such risks encountered in the company's operations.

In 2024, Teknosa continued to create value for shareholders and delivered a sustainable growth performance thanks to the importance it attributes to risk management.

Risk management is carried out by the Risk, Compliance, and Business Continuity under the supervision of the Early Detection of Risk Committee on behalf of the Board of Directors. Given the significant emphasis placed on risk management, the Risk, Compliance, and Business Continuity Department directly reports to the CEO.

The risk exposure of Teknosa is tracked through the Key Risk Indicators (KRI) determined. These indicators are used to detect early signals of risks and are regularly evaluated to ensure that the company remains within tolerance limits. Risk indicators are designed in accordance with sectoral and economic dynamics and their effectiveness is regularly assessed. Risk assessment is

Corporate Governance and Sustainability Principles Compliance Report

conducted through probability and impact analysis to determine the potential effects of risks on the company. This process is completed with the identification and implementation of risk mitigation strategies. Thus, various strategies such as elimination, reduction, or transfer of risks are employed to manage them effectively. Effective risk monitoring and reporting activities ensure that risks and measures are continuously reviewed. These dynamic processes allow Teknosa to continuously improve its risk management practices, identify areas for development, and quickly adapt to the dynamic business environment.

Risk Categories

Financial Risk: Teknosa comprehensively addresses currency, investment portfolio, credit, interest rate, liquidity, and insurance risks, and carefully monitors the impact of these risks on its financials.

The company develops proactive solutions against potential risks resulting from macroeconomic variables, making use of profitability analyses, continuous monitoring of cash flow, and managing expenses with a focus on efficiency. Implementing balanced financing strategies plays a significant role in maintaining Teknosa's sound financial structure and minimizing the adverse consequences of these risks for Teknosa. In addition, the use of hedge instruments against fluctuations in exchange rates and interest

rates strengthens the company's financial resilience and provides protection against volatile market conditions.

This comprehensive approach allows Teknosa to maintain its financial stability and progress in line with its growth targets.

Operational Risk: Teknosa comprehensively addresses various risks that may affect its operational processes, such as supply chain management, productivity, capacity utilization, pricing, sales, customer satisfaction, product and service development, information security, employee engagement and business continuity. Performance management, information security measures and occupational health and environmental safety policies constitute the basic elements of operational risk management.

To minimize these risks, Teknosa strengthens information exchange between departments, regularly monitors business processes and invests in employee training. Teknosa Academy aims to ensure operational continuity in critical roles through digitalization-focused trainings, leadership programs and succession plans. In addition, strong data protection practices and information security management systems that meet ISO standards ensure uninterrupted operational processes and customer confidence. Teknosa's awareness-raising practices and proactive approaches allow for effective management of operational risks.

Strategic Risk: Teknosa's strategic risk management comprehensively addresses the potential negative impacts of internal and external risks such as corporate and sectoral risks, economic fluctuations, regulatory amendments, reputation and sustainability risks on our strategic goals. The Company constantly monitors economic and sectoral developments and develops proactive and flexible strategies in order to maintain its strategic priorities and maintain its competitive edge.

The 3 and 5-year strategic plans, which are prepared regularly every year, aim to adapt to changing market conditions and to consider sustainability as a fundamental priority. Teknosa positions digitalization, omnichannel integration and customer-focused solutions as key elements of strategic growth. Furthermore, thanks to the use of strong data analytics and approaches based on operational efficiency, the Company rapidly adapts to market conditions and creates both financial performance and social value through environmentally friendly energy solutions and innovative products and services. This comprehensive and forward-looking approach supports Teknosa in achieving its strategic goals and ensuring sustainable growth.

Compliance Risk: Teknosa considers strict compliance with national and international legislation, sectoral standards and company

policies as a critical priority for the sustainability of its operations and the protection of its reputation. Effective compliance management is a key factor that supports not only compliance with legal requirements, but also the adoption of the company's ethical values and the creation of a sustainable business model.

Teknosa continuously monitors compliance processes together with Legal and Compliance teams and analyzes compliance risks. Regular trainings are provided to raise employees' awareness of ethical principles and legal requirements. Besides, reliable communication channels for reporting ethical violations contribute to strengthening the culture of transparency and accountability. This holistic approach strengthens Teknosa's reputation in the sector and ensures that the culture of compliance is spread throughout the organization.

Internal Control Mechanism is also in place. Upon the formation of the Audit Committee, this mechanism effectively carries out the duties assigned by the Board of Directors in compliance with the existing Bylaws of the Audit Committee.

5. Strategic Objectives of the Company

Having determined the vision and the mission of the Company, the Board of Directors has incorporated them in writing in the Annual Report and announced to the public

on the company's website, www.teknosa.com, and the Company's long-term strategies are built on these principles.

The Board of Directors, together with the CEO and Assistant General Managers, sets three-year strategic goals which are updated each year. Whether the targets are achieved or not are monitored by executive reports prepared at the end of each month. Whether the Company achieved its targets or not constitutes the basis for performance evaluation at the end of the year.

6. Financial Rights

The terms and conditions of any right, fee and benefit granted to the company's Board Members are laid down in detail in the Articles of Association. The General Assembly determines the payments to be made to the Chair and Members of the Board of Directors as well as the attendance fee. The payments made to the senior executives are disclosed to the public in the footnotes of our financial statements.

In 2024, the Company did not lend any funds or extend any loans or credits to any member of the Board of Directors, extend the terms of any loans or credits already granted, improve the conditions of such loans or credits, extend any credit under the name of personal loan through a third party, or provide any guarantees such as sureties in their favor.

Corporate Governance and Sustainability Principles Compliance Report

SECTION III-SUSTAINABILITY

1. Sustainability Approach

Teknosa places the utmost importance on sustainability and assesses the potential impact of its operations on sustainability. It carries out several activities such as combating the climate crisis, enhancing employee development and performance, ensuring equality and diversity, increasing digitalization applications, and establishing powerful communication with stakeholders by focusing on sustainability at the core of its operations, and endeavors to create a positive impact for all stakeholders.

In 2024, Teknosa shared the survey of prioritized topics including environmental, social, governance and economic topics, and ensured the inclusion of key stakeholders in the process. It determined the priorities of topics in accordance with its stakeholders' opinions and created a prioritization matrix.

It prepared its sustainability strategy in parallel to these prioritized topics and with the participation of relevant departments, identified the contributions to Sustainable Development Goals and the value created as a result of activities, and built the Teknosa Value Creation Model.

Additionally, recognizing the significance of effectively managing risks and opportunities, Teknosa has also identified the risks and opportunities it faces across key areas: environmental, social, economic, policy and legal, technological, and operational risks. This identification process involved conducting workshops with active participation from the relevant departments. It also explained its industry position, trends and future prospects, revealing its responses to megatrends in relation to society, the world, employees and the future.

2. Sustainability Principles Compliance Status

Teknosa aims at 100% compliance with the Sustainability Principles Compliance Framework. In parallel with this aim and protecting the benefit of all stakeholders -especially shareholders- it continued works to improve its compliance status with these mandatory principles in 2024 and increased the number of fully compliant articles. It will continue improvement works also in 2025.

A world-class sustainability compliance standard has been adopted in Türkiye thanks to the Sustainability Principles Compliance Framework established by the Capital Markets Board.

The compliance status of Teknosa compliance standard in 2024 is summarized in the table below:

Type	Full Compliance	Partial Compliance	Non-compliant	Non-applicable
General	12	-	-	-
Environment	20	1	-	3
Social	17	1	-	-
Governance	2	-	-	-
Total	51	2	-	3

The Sustainability Principles Compliance Report, which demonstrates the Company's compliance with the CMB's Sustainability Principles Compliance Framework, is available at: <https://yatirimci.teknosa.com/sustainability-compliance-reports>.



Board of Directors' Discussion and Analysis

Management's Discussion and Analysis on Financial Results

Teknosa has made remarkable improvements in operational efficiency through the implementation of AI-supported solutions, along with digitalization and optimization projects designed for transformation into a Digital-First organization. As a result, the company has reached a revenue of TL 69 billion, with a growth rate that exceeds inflation.

As a result of strategic measures implemented during a period of high inflation and elevated interest rates, Teknosa increased its gross profit margin mainly through efficient inventory management and disciplined control of operational expenses, achieving EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of TL 2.9 billion, with an 87% year-on-year increase.

Maintaining its robust balance sheet structure, Teknosa completed 2024 with a net cash position of TL 2.2 billion as a result of effective net working capital management.

Teknosa continues its comprehensive transformation initiatives to sustain its growth and improve its operational indicators. Despite the current macroeconomic conditions, the Company remains committed to its long-term growth target and continues its technology-focused strategic investments with determination.

Management's Discussion and Analysis on Sustainability Performance

Teknosa has placed its sustainability vision at the core of its business strategy, closely aligning it with Sabancı Group's mission to lead by example. Teknosa extends its sustainability strategies beyond just environmental and social responsibility, embracing a holistic approach that includes financial sustainability as well.

Teknosa improved its rating from B- to A in the CDP (Carbon Disclosure Project) Climate Change Program between 2022 and 2024 and was listed in the "Leadership" category. Teknosa, dedicated to advancing its sustainability initiatives with an emphasis on continuous improvement, has secured a position among global leaders by achieving A list status in the CDP for 2024. This accomplishment significantly illustrates the company's efforts aiming to achieve its objectives to reduce its ecological footprint and attain sustainable development. In addition, the Company ranked the 19th among 306 companies in its sector in the LSEG (London Stock Exchange Group) Corporate Sustainability Rating, achieving a score of B+, proving that it has integrated environmental and social responsibilities into its business strategy. Teknosa also focused on enhancing its governance practices and earned the 'Committed' medal with a score of 48 from EcoVadis in 2022.

As of 2024, Teknosa continues to contribute to customer satisfaction through operational efficiency by taking important steps in environmental sustainability. Refurbished handset sales contributed to the circular economy, generating more than TL 512 million.

Considering the increasing demand for eco-friendly products, Teknosa consistently improves its portfolio with low-emission and environment-friendly products, while promoting sustainable consumption by providing extra discounts on A+++ energy class products.

Teknosa also aims to reduce electronic waste by extending the lifespan of products and reducing resource consumption through TeknoGaranti. It ensures the efficient use of products with Full Support Packages and encourages the reuse of products with rental services. These practices lead to concrete steps to reduce environmental impacts.

Teknosa also makes a difference in its sustainability journey with its progress in energy saving and renewable energy use. Projects such as the LED conversion completed in all stores and the Adana Solar Energy System (SES) allow the Company to make tangible progress towards its objective of minimizing its carbon footprint. Furthermore, implementing a zero-waste strategy in waste management led to the discontinuation of plastic and single-use products at both the logistics center and headquarters, while the usage of recyclable materials became widespread.

Future Outlook

Looking ahead to 2025 and beyond, Teknosa is expected to maintain its dedication to fostering sustainable development and providing innovative services. To this end, the Company will continue to work in line with the targets set out below in the near future:

2050 Net Zero Emissions and Waste Target:

- Commitment to achieve net zero emissions by 2050 by reducing carbon emissions.
- Reaching zero waste by 2050.

2030 Carbon Reduction Targets:

- Reducing Scope 1 and 2 emissions by 42% in line with SBTi (Science-Based Targets initiative).
- Improving supply chain processes to reduce Scope 3 emissions.

Renewable Energy and Circular Economy

- Increasing the use of renewable energy sources and developing strategies in line with circular economy principles.
- Increasing renewable energy supply to 80% by 2025 and 100% by 2030.

Maximizing the Number of Sustainable Products:

- Expanding sustainable product options with low environmental impact and providing incentives.

Supplier Training:

- Improving the environmental and social impact of the ecosystem by providing trainings to suppliers on sustainability issues.

Digitalization Investments:

- Increasing customer satisfaction through digital investments and achieving carbon neutral operations while fulfilling environmental and social responsibilities.

Transparent Reporting

Within the scope of Turkish Sustainability Reporting Standards (TSRS), reporting:

- financial impacts of significant sustainability-related risks and opportunities in line with TSRS 1 General Provisions on Disclosure of Sustainability-Related Financial Information; and
- the financial impact of significant climate-related risks and opportunities in line with TSRS 2 Climate-related Disclosure standards.

Board of Directors' Resumes



MAX ROGER SPEUR
Chair of the Board of Directors

Mr. Speur has 30 years of global experience in Technology and IT Services Industry. Mr. Speur received his Mechanical Engineering & Business Administration degree from Technische Hogeschool Rijswijk, MBA Technology Science and Management from University of Twente and MBA Leadership Program Mergers & Acquisition from Henley Business School.

He started his career in 1992 at Royal Dutch Shell as Finance & Marketing Analyst and worked at Logica between 1993-2001 at various management positions. Mr. Speur then pursued his career at IBM. He worked at IBM Business Consulting Services as Partner-Managing Principal in Amsterdam between 2001-2003 and IBM Global Services, as Communication Sector Leader in Asia Pacific, Shanghai region between 2003-2005.

Mr. Speur was appointed as Hewlett Packard Enterprise Services Vice President and Sales & Industry Leader in Singapore and Melbourne in 2005 and continued this role until 2011. In 2011, he founded AT10TION Group. He joined SunTec Business Solutions in 2012 as CCO & COO. In 2017, he was appointed as CEO of CCS Connects and pursued his role until 2021. Prior to joining our Group, Mr. Speur has been working as the founder and the CEO of AT10TION Group, which he has established in 2011.



BURAK TURGUT ORHUN
Vice Chair of the Board of Directors

Burak Turgut Orhun embarked on his professional journey as a Financial Analyst at Mercedes Benz Türk. His career then took him to the United States, where he held various management roles, such as Finance Manager at Thomson Corporation/Reuters, Director of Portfolio Management and Director of Corporate Development at CapitalOne Financial, and CFO at CadenceQuest, Inc.

In 2009, Mr. Orhun joined Oyak Group in Türkiye. As General Manager of OYAK Girişim Danışmanlığı AŞ, he led all M&A and new investment initiatives until 2018. During this period, Mr. Orhun also held executive board member, and chair positions at group's chemical and energy companies in Türkiye and abroad.

In 2018, Mr. Orhun joined Sabancı Group as the Head of Strategy and Business Development. Currently, he serves as Materials Technologies Group President of Sabancı Holding. He is the Chair of Afyon Çimento, Akçansa, Çimsa, and Sabancı Building Solutions BV, and is also a board member at Teknosa. His career reflects a blend of management, financial expertise and strategic leadership across diverse industries and geographies.

Burak Orhun holds a bachelor's degree in Economics from Boğaziçi University. He has a master's degree in Finance from George Washington University and an MBA from the University of Pennsylvania – Wharton School of Business.



MEHMET FIRAT
Board Member

Mehmet Firat, who graduated from METU- Mathematics department in 2001, completed the postgraduate program in Information Systems Management in the UK in 2002. In 2019, he completed the Artificial Intelligence Program at Oxford University, and in 2023, he completed the Chief Digital Officer Program at Northwestern University.

Starting his career at Havelsan, Firat worked as a consultant, project manager, and program manager in SAP projects. In 2009, he started working as a Project Manager at Başkent Electricity Distribution Company. After working as the Group Manager of the Project Management Office and the Director of Information Technologies at Enerjisa, he has been serving as the Head of Information Technologies and Digital Business Management for the past 5 years.

In addition to his current executive roles, he is also active in management boards. He serves as the Vice Chair of the Board of Directors of Zack AI, a Sabancı subsidiary working on artificial intelligence, and he is a board member of Eşarj, a leading company in electric vehicle charging stations.

In addition, he has active roles in associations in technology and energy areas. He is the Founding Member and Energy Work Group Chair at the Artificial Intelligence and Technology Association (YZTD), works as board member in Energy Digitalization Association (EDIDER) and he is a member of Blockchain Türkiye.

Board of Directors' Resumes



AHMED CEVDET ALEMDAR
Board Member

Cevdet Alemdar joined Sabancı Group in 1993 and took various leadership positions, respectively in Beksa, Sakosa, Kordsa, Temsa İş Makinaları and Brisa.

During first half of his career, he has lead manufacturing investments in Türkiye and managed factories serving to tire industries in Brazil, Thailand and China. Returning to Türkiye, he has steered Kordsa's R&D and innovation processes as VP of Technology and Market Development.

From 2013 onwards, as CEO, he steered Temsa İş Makinaları to transform from a construction equipment company to a Komatsu heavy machine and Volvo truck provider in Türkiye. Next, from 2017 onwards, he led Brisa, a joint venture of Bridgestone ve Sabancı Holding, a prominent tire manufacturing venture in the world and leader of Türkiye's tire and mobility solutions. From April 2020 onwards, he worked as Sabancı Holding's Industrials SBU President. Since April 2024, he is leading Sabancı Holding's Mobility Solutions SBU as President. He is also the Chairperson of the Board of Brisa, Temsa Skoda Transportation and Temsa Motorlu Araclar, member of the board of Teknosa.

He is SUNUM's (Sabancı University Nanotechnology Research and Application Center) Chairperson of the Board, TÜSİAD's board member, Chapter Zero Steering Committee Chairperson and Boğaziçi University alumni. Mr. Alemdar's career reflects a breadth of experience in industrial engineering and business management across different regions and sectors.

Cevdet Alemdar holds a Bachelor of Science in Industrial Engineering from Boğaziçi University, obtained in 1992, and an MBA from Sabancı University, completed in 2000.



NEVGÜL BİSEL SAFKAN
Independent Board Member

After graduating from Austrian High School in Istanbul in 1989, Nevgül Bilsel Safkan went on to study Business Administration at Istanbul University. She later graduated from the Executive MBA program at Bosphorus University in 2003.

In 1993, she began her professional career as an auditor for Arthur Andersen and later held many different positions in financial management of leading firms in their rapid growth process. Nevgül Bilsel Safkan, who served as the CFO of Superonline from 1999 to 2004, joined the Sabancı Group in 2005. In 11 years with the Sabancı Group, she first worked as the CFO of Marsa and from 2006 to 2013, she served as the CFO for Teknosa where she managed investor relations and public offerings. In 2013, she was promoted to the position of General Manager of Kliksa.com, the e-commerce company within the Teknosa Group and held the position until 2016. In the following years (2016-2018), she served as General Manager for Hotelspro and Dyson/Hakman.

Nevgül Bilsel Safkan, who returned to Sabancı Group as the General Manager of Sabancı Foundation in September 2018, has also been serving as the Deputy Chairperson of Third Sector Foundation of Türkiye (TÜSEV) since 2019 and as a member of the Board of Education Reform Initiative (ERG) since 2020. Since 2020, Nevgül Bilsel Safkan has been a member of the Advisory Board of Sabancı University Gender and Women's Studies Excellence Center (SUGENDER).

In 2021, she was awarded the title of Zero Project Ambassador by Essl Foundation, an Austria-based organization working in the field of disability rights, for four years. In 2023, she has been selected as a member of the Advisory Board of the European Philanthropy Association (Philea) for three years.

Nevgül Bilsel Safkan is married with one child.



KAMURAN UÇAR
Independent Board Member

Kamuran Uçar started her career in TÜBİTAK Defense Industry Research and Development after having graduated from Middle East Technical University with a master's degree in Chemical Engineering in 1996.

Then starting her career at Unilever in 1999, Kamuran Uçar was appointed in chronological as the Brand Product Manager of Omo, the Category Vice President in the Home Cleaning and Laundry Categories responsible for the regions of Africa, Middle East and Türkiye and she led the category teams in South Africa, Türkiye and Dubai. During this period, she took part in the Unilever Global Home Care Category Board team at the same time. Uçar continued her duty as Unilever Türkiye, Russia, Middle East, North Africa, Central Asia and Caucasus Assistant and Unilever Türkiye Board Member in the Home and Personal Care Category between 2016 and 2018. During this period, she took part in Global Executive Projects in the Sustainability and Diversity Development group of the company. In 2019, she was appointed as the General Manager of Unilever Iran, Caucasus and Central Asia Region, and continued her duty as a Board Member of Unilever Türkiye, Iran, Caucasus, Central Asia.

As of January 2022, Kamuran Uçar left her position at Unilever to start her own business in the field of technology and currently, she is taking role as the Founder & CEO of her own company.

As of April 2022, Kamuran Uçar serves as an Independent Board Member of Enerjisa Enerji A.Ş., at the same time she is a Member of the Advisory Board of the Advertisers Association, a member of the Arya Women Investor Group, a Dream Partner of Young Guru Academy, which is a non-governmental organization, and works as an Investor-Mentor in various start-ups.

Kamuran Uçar is married and has 2 children.

Executive Team's Resumes



SİTARE SEZGİN
CEO

After graduating from Izmir American College, Sitare Sezgin completed her undergraduate education at Bilkent University Department of Business Administration in 1997 and finance-focused Master of Business Administration program at UMIST/ Manchester Business School.

Sitare Sezgin is a highly accomplished professional with extensive experience in management consulting, strategic leadership, and corporate governance. She started her career at prestigious management consultancy companies, Bain & Company, and Boston Consulting Group.

In 2004, Sezgin joined Sabancı Group as the Strategy and Business Development Manager for the Retail Group after 6 years of consultancy experience. In 2009, she became the Senior VP of New Product and Channel Development at Akbank, a leading private bank within the Sabancı Group.

From 2011 to 2018, she successfully led Boyner Group's Back Up and Bofis Turizm. In 2018, she returned to Sabancı Group as the founding CEO and Board Member of AkÖde, a subsidiary of Akbank.

Sezgin's dedication to corporate governance is evident through her roles as an independent Board Member in organizations such as CarrefourSA, AvivaSA (currently AgeSA), and Doğtaş Mobilya.

Since September 2021, she has been the CEO of Teknosa, a leading Consumer Electronics retailer in Türkiye. Sezgin is an active member of the Board of Directors of Agesa Life and Pension Inc., Aksigorta Inc., and Medisa Insurance Inc. She also serves as a Board Member for the Health and Education Foundation, the Chain Stores Association, and Euronic, Europe's largest electronics purchasing group.

In addition to her professional achievements, Sezgin is a passionate advocate for gender equality, actively participating in various associations, like Women on Board Türkiye Association, W-Tech, Yanındayız and YenidenBiz.



ÜMIT KOCAGİL
CFO

Ümit Kocagil graduated from Marmara University, Department of Economics (English).

Mr. Kocagil began his professional career at the Tax Department of Ernest & Young (Arthur Andersen) in 1995. From 1999 to 2007, he worked at Danone Tikveşli as Budget Planning & Control Specialist, Budget Planning & Control Manager, and Reporting & Accounting Manager, respectively. He served as Accounting, Reporting and Tax Group Manager at Carrefoursa between 2007 and 2014, and continued working in Carrefoursa as Accounting, Closing and Tax Group Manager after 2014.

Mr. Kocagil has been serving as the CFO of Teknosa since October 25, 2016.



NAIL ENVER YELKENCİ
Assistant General Manager, Retail Sales

Nail Enver Yelkenci graduated from Istanbul University, Department of Economics (English) in 1995.

He started his career as Sales Executive at Öztekin International Forwarding Company in 1996, followed by his roles, he worked as International Sales Executive at Şişecam between 1997 - 2003. He joined Yıldız Holding/ Pladis in 2003 where he started to work as Key Account Specialist, Key Account Manager, and Organized Trade Manager for 6 years in different roles. In the years between 2009-2017 he worked as Group Sales Manager, Sales Director and last 3 years as General Manager at Yıldız Holding/Pasifik A.Ş. Sales and Distribution Company. 2018-2021 he served as the General Manager of Saray Bisküvi at Saray Holding A.Ş.

Nail Enver Yelkenci has been working as Assistant General Manager for Retail Sales at Teknosa since February 1, 2021.



CENK YENGİNER
Assistant General Manager, Category Management and Supply Chain

Cenk Yenginer graduated from Uludağ University Department of Economics in 1997.

He started his career as Category Manager at Özdilek Holding in 1997 and worked as Category Group Manager between 2003 and 2009. Cenk Yenginer worked as Category Manager at Darty between 2009 and 2013.

He started working as Category Manager at Teknosa in 2014 and has been carrying out his duty as Assistant General Manager for Category Management and Supply Chain as of August 6, 2021.

Executive Team's Resumes



EMRE KURTOĞLU

Assistant General Manager, Digital Sales and Marketing

Emre Kurtoğlu completed his education at Galatasaray High School and graduated from Galatasaray University Department of Business Administration with a high degree in 1998. In 2000, he was selected for Sabancı Holding's Talent Pool Program for young managers. In 2013, he studied Market Driving Strategies at London Business School.

He started his career at DanoneSA and worked as DanoneSA Beverages Group Modern Channel and Commercial Marketing Group Manager and Export Group Manager respectively until 2004. Between April 2004 and September 2005, he took office as Domestic Customers Sales Group Manager at GıdaSA, established by Sabancı Group. He worked as Commercial Marketing and Export Group Manager of Danone Beverages Group and Business Development Group Manager of Dairy Products Group from 2005 to 2009. He worked at Kimberly Clark Türkiye Kağıt Ürünleri between 2009 and 2015, first as Commercial Marketing Group Manager and then as Commercial Marketing and Distributorship Channel Group Manager, Adult Products Business Unit Marketing Director, and Baby and Children Products Marketing Director.

Kurtoğlu worked as Assistant General Manager in Charge of Commerce in 2015 and continued to work as Assistant General Manager in Charge of Category Management. Kurtoğlu has been working as the CEO of Terra Pizza since October 2018, and as Assistant General Manager for Digital Sales and Marketing at Teknosa since July 5, 2021. He was appointed to Sabancı Dijital Teknoloji Hizmetleri A.Ş. as of October 2024. He is an active board member of the company.



ERSEN GELÇİN

Assistant General Manager, Technology

Ersen Gelçin graduated from Istanbul University Computer Engineering Department in 2000 and completed his Information Systems Management master's degree at Beykent University in 2005.

He started his career as Information Technologies Officer at Giysa in 2000. He took office as Information Technologies Supervisor at Shaya in 2002-2008, Information Systems and Technologies Manager at Caffè Nero in 2008-2015, Information Technologies Director at Infinity Invest Holding in 2015-2018, Information Technologies Director and Executive Board Member at Apaz Holding between February 2019 and July 2019, Information Technologies Director at Evidia between August 2019 and October 2020, and lastly Information Technologies Director at ebebek in October 2020.

Ersen Gelçin has been acting as the Assistant General Manager for Technology at Teknosa since March 28, 2022.



ERSİN AYDIN*

Assistant General Manager, Human Resources and Sustainability

Ersin Aydın has graduated from Hacettepe University, Guidance and Psychological Counseling Department in 1995.

He started his career as a Human Resources Assistant Specialist at Migros in 1998 and took on specialist position at Superonline in 1999. He worked as a Consultant at Profil International between 2000-2002 and as a Human Resources & Systems Manager at Odeon Cineplex between 2002-2003. He served as the Employee Relations Unit Manager at Turkcell between 2003-2006, the Business Support Department Head responsible for Subsidiaries between 2006-2007, and as the Human Resources, Administrative Affairs and Information Technologies Assistant General Manager at KKTCELL between 2007-2008. Later, he worked as a Consultant at CJSC Belarussian Telecommunication Network in Belarus between 2008-2009 and as Assistant General Manager between 2010-2011. He then returned to Türkiye and served as Human Resources Assistant General Manager at Turkcell Global Bilgi between 2011-2014, as Human Resources Director at LC Waikiki between 2014-2015, at Alliance Healthcare between 2015-2016 and at FLO Mağazacılık between 2016-2020.

Ersin Aydın holds a CTI Professional Coactive Coaching Certificate, which he received in 2013.

Ersin Aydın has been serving as Assistant General Manager of Human Resources and Sustainability at Teknosa since May 4, 2020.

*Mr. Ersin Aydın resigned from her position as of December 31, 2024.

Executive Team's Resumes



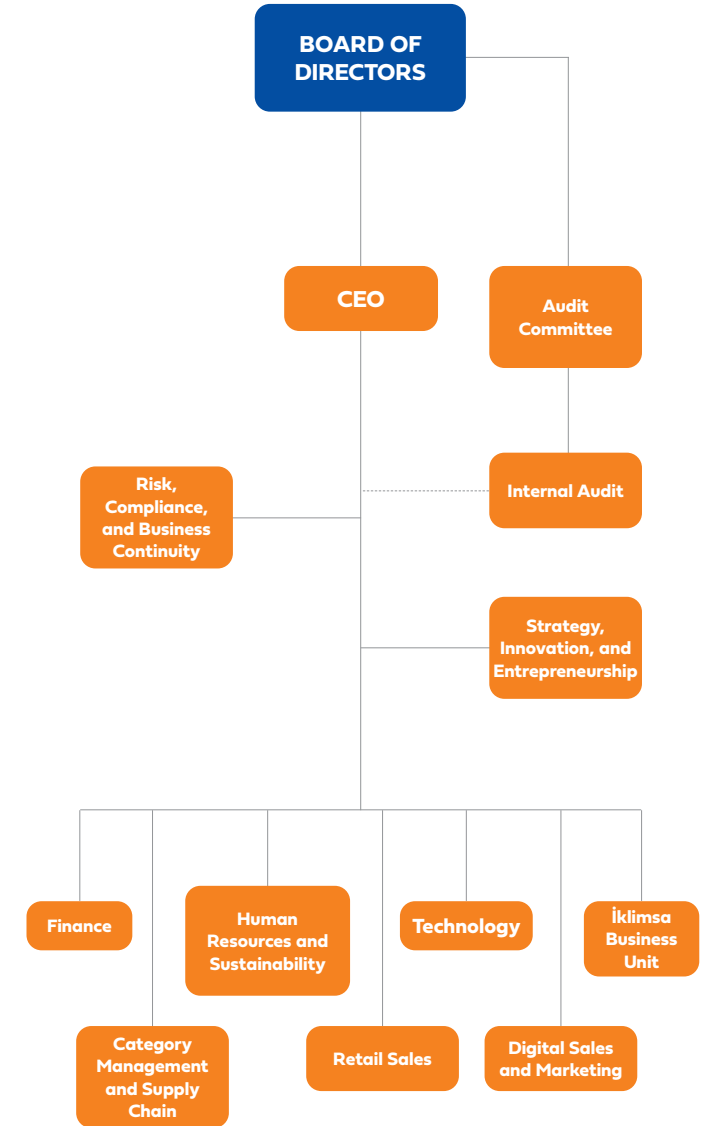
TANSU ÖZTORUN
Assistant General Manager, İklimsa Business Unit

Tansu Öztörün graduated from Istanbul Technical University, Department of Mechanical Engineering, and received his master's degree from the Department of Mechanical Engineering at Istanbul University. Also, he completed the International Business program at Istanbul University.

Öztörün began his professional career as a Product Engineer at Motosan in 1990. He later worked as a Post Sales Engineer at Kurteks A.Ş. and as Trade Specialist at Otokar. At Toyota, where he spent 11 years, he worked as Marketing and Sales Training Specialist, Sales Training Chief, Direct Sales Chief, Fleet Sales Chief, Corporate and Special Sales Manager and TRS (Toyota Retail System) Manager respectively. He worked as Sales and Marketing Director at Hedef Filo Servis A.Ş. between 2008-2011, as a consultant at Bir Psikodrama Eğitim ve Danışmanlık between 2012-2014, and later as General Manager at a Renault Authorized Dealer.

Öztörün, who began working for Teknosa as the İklimsa Director of Sales in 2014, continues to work as Assistant General Manager for İklimsa Business Unit.

Organization Structure



Agenda of the Ordinary General Assembly Meeting

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ AGENDA FOR THE 2024 ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON 20 MARCH 2025

1. Opening and formation of the Meeting Council.
2. Reading and discussing the 2024 Annual Report of the Board of Directors.
3. Reading the 2024 Auditor's Reports.
4. Reading, discussion, and approval of the 2024 Financial Statements.
5. Releasing the members of the Board of Directors with regard to the activities in 2024.
6. Determining how the 2024 Profit/Loss will be used.
7. Deciding on the remuneration of the members of the Board of Directors.
8. Election of the Auditor.
9. Discussing and approving the authorization of the Board of Directors to distribute advance dividends for the fiscal year 2025.
10. Informing the General Assembly regarding the donations and grants made by the Company in 2024.
11. Determination of the upper limit for donations to be made by the Company in 2025.
12. Granting permission to the Chair and the Members of the Board of Directors to perform the transactions under the Articles 395 and 396 of the Turkish Commercial Code.
13. Petitions and Requests.

Dividend Policy

TEKNOSA İÇ VE DIŞ TİCARET A.Ş. DIVIDEND POLICY

The dividend policy of Teknosa İç ve Dış Ticaret A.Ş. ("TEKNOSA") is determined according to the Turkish Commercial Code, the regulations of the Capital Markets Law regarding the dividend distribution and other related regulations and the Articles of Association of TEKNOSA. While determining the dividend policy, TEKNOSA also takes into account its medium and long-term strategies, investment and financial plans and strives to reach a balance between TEKNOSA's needs and the expectations of the shareholders, while also taking into consideration the current states of the Turkish Economy and the sector.

As a principle, TEKNOSA aims to distribute 100% of its distributable profits to its shareholders, while the final decision is taken during the General Assembly taking into consideration the aforementioned factors. Provided that it is authorized by the General Assembly, the Board of Directors may distribute cash dividend advances to shareholders within the framework of capital markets legislation and relevant regulations, pursuant to Article 33 of the Articles of Association.

Dividends shall be distributed equally to all of the current shares regardless of their dates of issue and/or acquisition at the shortest time, after being approved by the General Assembly, and at the date determined by the General Assembly.

The General Assembly may decide to transfer a portion or the whole amount of the net profits to excess reserves. If the Board of Directors advice the General Assembly not to distribute the profit, the reasoning behind this situation and the planned use of the undistributed profits is explained to the shareholders during the General Assembly. Likewise, the same information is also shared with the public in the Annual Report and at TEKNOSA's website.

The Dividend Distribution Policy is submitted to the approval of the shareholders during the General Assembly. The Dividend Policy is reviewed by the Board of Directors each year, taking into consideration if there are negative factors in the local and global state of the economy, the projects undertaken by TEKNOSA and the current state of the funds.

Any changes made in this policy is submitted to the approval of the shareholders at the first General Assembly to be held following the decisions are made and shared with the public at the Company's website.

Profit Distribution Table

TEKNOSA İÇ VE DIŞ TİCARET A.Ş. PROFIT DISTRIBUTION TABLE FOR 2024 (TL)

PAID-IN/ISSUED CAPITAL		201,000,000.00
2. General Legal Reserves (As per Legal Records)		40,200,000.00
If there is any privilege in dividend distribution under the articles of association, information on such privilege		None
	According to CMB	According to Legal Records
3. Profit for the Period	-1,684,894,000.00	-1,477,234,468.98
4. Taxes (-)	265,023,000.00	0.00
5. Net Profit For the Period (=)	-1,419,871,000.00	-1,477,234,468.98
6. Previous Year Losses (-)	0.00	-5,368,345,990.75
7. General Legal Reserve Fund (-)	0.00	0.00
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	-1,419,871,000.00	-6,845,580,459.73
9. Donations Granted During The Year (+)	1,220,440.01	-
10. Net Distributable Profit for the Period Including Donations	-1,418,650,559.99	-
First Category Dividends For Shareholders	-	-
11. - Cash	-	-
- Bonus Shares	-	-
- Total	-	-
12. Dividends Distributed to the Privileged Shareholders	-	-
13. Other Dividends Distributed	-	-
- Members of the Board of Directors	-	-
- Employees	-	-
- Non-Shareholders	-	-
Dividends Distributed to the		
14. Holders of Usufruct Right Certificates	-	-
15. Second Category Dividends For Shareholders	-	-
16. General Legal Reserve	-	-
17. Statutory Reserves	-	-
18. Special Reserves	-	-
19. EXTRAORDINARY RESERVES	-	-
Other Resources Planned to be Distributed	-	-
- Retained Earnings	-	-
20. - Extraordinary Reserves	-	-
- Other Distributable Reserves As Per The Legislation and the Articles Of Association	-	-

TEKNOSA İÇ VE DIŞ TİCARET A.Ş. PROFIT DISTRIBUTION RATIOS TABLE FOR THE YEAR 2024

TOTAL DISTRIBUTED DIVIDENDS		TOTAL DISTRIBUTED DIVIDENDS/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND CORRESPONDING TO A SHARE WITH A NOMINAL VALUE OF TL 1		
CASH (TL)	BONUS SHARES (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)	
GROSS	-	-	-	-	-
NET	-	-	-	-	-

Key Financial and Operational Indicators

106K m²
Sales Area

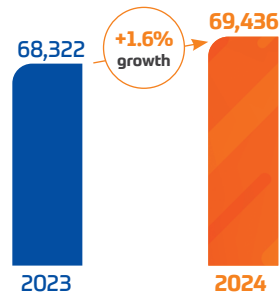
1.7 Million
New Customer Acquisition

175 Stores

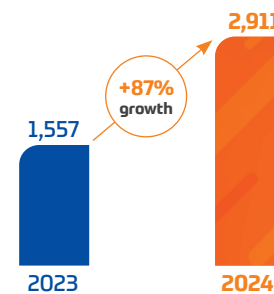
200K
Online SKUs

Teknosa **continued its strong operational performance in 2024** by maintaining its focus on healthy balance sheet management.

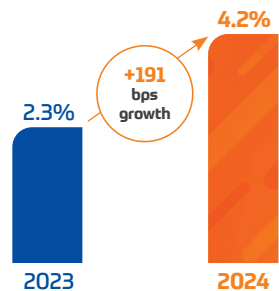
Net Sales (Million TL)



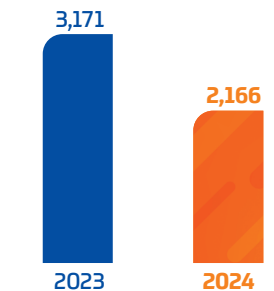
EBITDA* (Million TL)



EBITDA* Margin (%)



Net Cash (Million TL)



* EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

Financial Indicators (Million TL)	2023	2024
Net Sales	68,322	69,436
Total Assets	21,210	18,176
Total Equity	3,707	2,275
EBITDA	1,557	2,911
Net Profit (Loss)	1,079	(1,420)

Financial Ratios	2023	2024
Current Ratio (Current Assets/Short Term Liabilities)	1.08	0.95
Liquidity Ratio (Current Assets – Inventories/Short Term Liabilities)	0.35	0.26
Total Liabilities/ Total Equity	4.72	6.99
Total Liabilities/Total Assets	0.83	0.87

Rating and Debt Instrument Issuance

Credit Rating Score

In 2024, the credit rating agency JCR Eurasia Rating ("JCR Eurasia") affirmed Teknosa's Long Term National Corporate Credit Rating as "AAA (tr)," the highest rating level on the rating scale, and maintained the rating outlook as "stable." This accomplishment highlights Teknosa's strengths, including consistent revenue generation, robust cash flow, a diversified product range, and an omnichannel sales approach. The report also emphasizes the flexibility that the marketplace segment provides to the Company.

In addition, JCR Eurasia emphasized Teknosa's brand recognition and strong track record in the sector and noted its high level of compliance with corporate governance practices as a publicly traded company.

Issuance of Financing Bonds*

On 18 September 2024, Teknosa successfully issued, through Ak Yatırım Menkul Değerler A.Ş., its first Turkish lira denominated financing bill amounting to TL 340 million with a maturity of 174 days and a fixed interest rate of 52.00%. There was strong demand for the issuance in the domestic market despite the challenging market conditions.

* Teknosa issued a new Turkish Lira denominated financing bill amounting to TL 500 million with a maturity of 95 days and a fixed interest rate of 42.90% on 17 February 2025.

Audit Report on the Early Risk Detection System and Committee

AUDITOR'S REPORT ON EARLY RISK ASSESSMENT SYSTEM AND COMMITTEE

To the Board of Directors of Teknosa İç ve Dış Ticaret A.Ş.

We have audited the 2024 activities of the early risk assessment system and committee established by Teknosa İç ve Dış Ticaret A.Ş. ("the Company").

Responsibility of the Board of Directors

Pursuant to the first paragraph of Article 378 of the Turkish Commercial Code No. 6102 ("TCC"), the Board of Directors is responsible for establishing an expert committee, operating and developing the system in order to early assess the causes that endanger the existence, development and continuation of the Company, to implement the necessary measures and remedies, and to manage the risk.

Responsibility of the Auditor

Our responsibility is to reach a conclusion regarding the early risk assessment system and committee based on our audit. Our audit was conducted in accordance with the "Principles Regarding the Auditor's Report on the Early Risk Assessment System and Committee" published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") and code of ethics to the Turkish Commercial Code. These principles require us to determine whether the Company has established an early risk assessment system and committee and, if established, to evaluate whether the system and committee operate within the framework of Article 378 of the TCC. The appropriateness of the remedies provided by the early risk assessment committee against the risks and the practices made by the management against the risks are not within the scope of our audit.

Information on Early Risk Assessment System and Committee

It has been observed that the Chairman of the Company's "Early Risk Assessment Committee" is carried out by Independent Board Member Kamuran Uçar, and Board Member Nevgül Bilsel Safkan is a member of the committee.

The Committee convened 6 times in 2024, on 16 January 2024, 18 March 2024, 23 May 2024, 20 August 2024, 25 October 2024 and 3 December 2024.

Conclusion

As a result of our audit, it has been concluded that Teknosa İç ve Dış Ticaret A.Ş.'s early risk assessment system and activities of the committee for the year 2024 are sufficient, in all important respects, within the framework of Article 378 of the TCC.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Koray Öztürk, SMMM
Partner

İstanbul, 21 February 2025

Independent Auditor's Report on the Annual Report

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of Teknosa İç ve Dış Ticaret A.Ş.

1) Opinion

As we have audited the full set financial statements of Teknosa İç ve Dış Ticaret A.Ş. ("the Company") for the accounting period 01/01/2024–31/12/2024, we have also audited the annual report for this accounting period.

In our opinion, the financial information provided in the Management's annual report and the Management's discussions on the Company's financial performance, are fairly presented in all material respects, and are consistent with the full set audited financial statements and the information obtained from our audit.

2) Basis of Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Financial Statements

We have presented unqualified opinion for the Company's financial statements for the period between 01/01/2024–31/12/2024 in our Auditor's Report dated 21 February 2025.

4) Other Matter

The independent audit of the activity report of the Company for the accounting period ended on 31 December 2023 has been performed by another independent auditor who expressed an unqualified opinion in the independent auditor's report dated 20 March 2024.

5) Management's Responsibility for the Annual Report

The Company Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 ("TCC") and the Capital Markets Board's ("CMB") Communiqué No. II-14.1 'Communiqué on the Principles of Financial Reporting in Capital Markets' ('Communiqué'):

- Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly.
- Preparing the annual report with the all respects of the Company's flow of operations for that year and the Company's financial performance accurately, completely, directly and fairly. In this report, the financial position is assessed in accordance with the financial statements. The Company's development and risks that the Company may probably face are also pointed out in this report. The Board of Director's evaluation on those matters are also stated in this report.
- The annual report also includes the matters stated below:
 - The significant events occurred in the Company's activities subsequent to the financial year ends,
 - The Company's research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

6) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

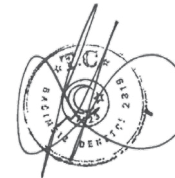
Our aim is to express an opinion and prepare a report about whether the Management's discussions and financial information in the annual report within the scope of the provisions of the TCC are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management's discussions on the Company's financial performance, are fairly presented in all material respects, and are consistent with the full set audited financial statements and the information obtained from our audit

The engagement partner on the audit resulting in this independent auditor's report is Koray Öztürk.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Koray Öztürk, SMMM
Partner

İstanbul, 21 February 2025

TEKNOSA İÇ VE DİŐ TİCARET ANONİM ŐİRKETİ

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024 AND INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF
THE INDEPENDENT AUDITOR'S REPORT
AND THE FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)



(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Teknosa İç ve Dış Ticaret A.Ş.

A) Report on the Audit of the Financial Statements

1) Opinion

We have audited the financial statements of Teknosa İç ve Dış Ticaret A.Ş. ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS"s).

2) Basis for Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by the POA, together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2025. For more information, please contact Deloitte Turkey (Deloitte Touche Tohmatsu Limited member company).

DRT Bağımsız Denetim
ve Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak no1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel : +90 (212) 366 6000
Fax : +90 (212) 366 6010
www.deloitte.com.tr

Mersis No: 0291001097600016
Ticari Sicil No : 304099



3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Revenue recognition	We have performed the following audit procedures to be responsive to retail sales (store and e-commerce) revenue:
The Company's main revenue items include sales of technology products through stores and its website, sales of air conditioners and refrigerators through its dealer network, and turnover premiums and similar revenues from its suppliers.	<ul style="list-style-type: none">Assessing the compliance of the Company's accounting policy with respect to accounting for revenue in accordance with TFRS 15 and the adequacy of disclosures related to the Company's revenue;Assessing, with the assistance of our internal IT specialists, the design, implementation and operating effectiveness of the below controls;Key internal controls related to the IT general environment, such as programme access controls, programme change controls, programme development controls and computer operation controls;Reconciliation of retail sales revenues recognized throughout the year with cash and credit card collections verified from relevant bank documents;Evaluation of the journal entries that the Company has recognised during the year that involve a risk of material misstatement.
Accurate revenue recognition is an important matter for our audit work and has been identified as a key audit matter in our judgement due to the possibility of errors in the recording of sales.	We have performed the following audit procedures to be responsive to dealer sales:
The Company's income generated from its suppliers are based on the trade agreements with suppliers and the conditions of these agreements consist of commitments to purchase amounts, promotions and marketing activities, and various types of discounts. These commitments can vary depending on the turnover and for the sum of purchases made during that period or for certain products within those purchases as of periods. Turnover premiums are recognized in proportion to the realization of the transactions agreed with the Company's suppliers.	<ul style="list-style-type: none">Testing the sales transactions selected by sampling method against the relevant order form, invoice and delivery note documents in order to test the sales revenues of the dealer group recorded in the financial statements during the reporting period;Testing, on a sample basis, sales returns accepted through to the 2024 year end in order to assess whether the sales returns are properly accounted in the correct financial period;
Therefore, the Company's retail sales revenues and revenues from its suppliers has been one of the focus areas in our audit.	
The accounting policies and significant accounting estimates and assumptions used in revenue recognition are disclosed in Note 2 and Note 20.	



3) Key Audit Matters (cont'd)

How the matter was addressed in the audit
<ul style="list-style-type: none">• Testing, on a sample basis, sales returns accepted subsequent to the year end in order to assess whether the sales returns are properly accounted in the correct financial period. <p>We have performed the following audit procedures to be responsive to revenue from suppliers:</p> <ul style="list-style-type: none">• Reviewing correspondence with suppliers, including significant amounts of turnover premium income, to ensure that turnover premium income received from suppliers is recognised in the correct period and in the correct amount, and performing Information Systems internal controls on the completeness and accuracy of pricing and invoicing for purchases;• Controlling the subsequent period realizations (invoices) of turnover premiums income recognized as accruals;• Testing the current account reconciliations with the suppliers from which a significant portion of the turnover premium income is obtained by external confirmation method

4) Other Matters

The financial statements of the Company for the year ended 31 December 2023 were audited by another independent audit firm. The previous auditor expressed an unqualified opinion on the financial statements as at 31 December 2023 in its audit report dated 20 March 2024.

5) Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



6) Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



6) Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

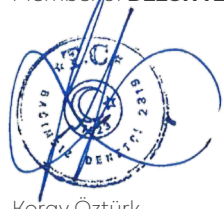
In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 21 February 2025.

In accordance with paragraph four of the Article 402 of the Turkish Commercial Code No. 6102 ("TCC"), nothing has come to our attention that may cause us to believe that the Company's set of accounts and financial statements prepared for the period 1 January - 31 December 2024 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report Koray Öztürk.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Koray Öztürk
Partner
İstanbul, 21 February 2025

CONTENTS

	PAGE
CONDENSED STATEMENT OF FINANCIAL POSITION	126-127
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	128
CONDENSED STATEMENT OF CHANGES IN EQUITY	129
CONDENSED STATEMENT OF CASH FLOWS	130
NOTES TO THE CONDENSED FINANCIAL STATEMENTS	131-204
NOTE 1 ORGANISATION AND OPERATIONS OF THE COMPANY	131
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	131-163
NOTE 3 SEGMENT REPORTING	164
NOTE 4 RELATED PARTY DISCLOSURES	165-168
NOTE 5 CASH AND CASH EQUIVALENTS	168-169
NOTE 6 BORROWINGS	169-170
NOTE 7 TRADE RECEIVABLES AND PAYABLES	171-172
NOTE 8 OTHER RECEIVABLES AND PAYABLES	172
NOTE 9 INVENTORIES	173
NOTE 10 PREPAID EXPENSES AND DEFERRED INCOME	174
NOTE 11 RIGHT-OF-USE ASSETS	175
NOTE 12 INVESTMENT PROPERTY	176
NOTE 13 PROPERTY, PLANT AND EQUIPMENT	177-178
NOTE 14 INTANGIBLE ASSETS	179
NOTE 15 PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS	180-181
NOTE 16 PROVISIONS	181-182
NOTE 17 COMMITMENTS	183
NOTE 18 OTHER ASSETS AND LIABILITIES	184
NOTE 19 EQUITY	184-186
NOTE 20 REVENUE AND COST OF SALES	186
NOTE 21 GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES	187
NOTE 22 OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES	188
NOTE 23 INCOME AND EXPENSES FROM INVESTING ACTIVITIES	188
NOTE 24 FINANCE INCOME AND EXPENSES	189
NOTE 25 NET MONETARY POSITION GAINS/(LOSSES)	190
NOTE 26 INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)	191-193
NOTE 27 EARNINGS PER SHARE	194
NOTE 28 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	195-202
NOTE 29 FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)	203
NOTE 30 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRM	204
NOTE 31 EVENTS AFTER THE REPORTING PERIOD	204

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Statement of Financial Position as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

		Current Period	Prior Period
		Audited	Audited
	Notes	31 December 2024	31 December 2023
ASSETS			
Current Assets		14,603,831	17,941,677
Cash and Cash Equivalents	5	2,556,599	3,954,316
Trade Receivables	7	1,208,155	1,344,853
Trade Receivables from Related Parties	4,7	14,384	22,987
Trade Receivables from Third Parties	7	1,193,771	1,321,866
Inventories	9	10,685,051	12,073,986
Prepaid Expenses	10	55,202	68,238
Other Current Assets	18	98,824	500,284
Non-Current Assets		3,572,204	3,267,930
Other Receivables	8	1,435	1,759
Property, Plant and Equipment	13	1,313,107	1,085,947
Intangible Assets	14	527,481	355,178
Investment Properties	12	268,610	265,434
Right-of-Use Assets	11	1,205,253	1,511,072
Prepaid Expenses	10	56,921	48,540
Deferred Tax Asset	26	199,397	-
TOTAL ASSETS		18,176,035	21,209,607

The accompanying notes from an integral part of these financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Statement of Financial Position as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

		Current Period	Prior Period
		Audited	Audited
	Notes	31 December 2024	31 December 2023
LIABILITIES AND EQUITY			
Current Liabilities			
Short-term borrowings	6	390,860	783,067
-Short-term bank borrowings from related parties	4	-	74,907
-Short-term bank borrowings from third parties		-	708,160
-Debt instruments issued	6	390,860	-
Short-term portion of long-term lease liabilities	6	379,805	421,606
-Short-term portion of long-term lease liabilities to related parties	4	2,897	3,246
-Short-term portion of long-term lease liabilities to third parties		376,908	418,360
Trade Payables	7	13,683,095	14,313,220
- Trade Payables to Related Parties	4	50,187	81,929
- Trade Payables to Third Parties	7	13,632,908	14,231,291
Payables Related to Employee Benefits	15	190,925	226,724
Other Liabilities		15,374	17,961
- Other Payables to Third Parties	8	15,374	17,961
Derivative Instruments		-	641
Deferred Income (Exclusions from Customer Contractual Obligations)	10	373,138	489,986
Current Tax Liability	26	-	44,869
Short-Term Provisions		210,187	341,085
- Short-Term Provisions for Employee Benefits	15	105,773	194,002
- Other Short-Term Provisions	16	104,414	147,083
Other Current Liabilities	18	100,542	28,691
Total current liabilities		15,343,926	16,667,850
Non-Current Liabilities			
Long-term borrowings	6	450,226	629,123
-Long-term lease liabilities to related parties	4	1,110	5,559
-Long-term lease liabilities to third parties		449,116	623,564
Long-Term Provisions		107,353	134,960
Long-Term Provisions for Employee Benefits	15	107,353	134,960
Deferred Tax Liability	26	-	71,068
Total non-current liabilities		557,579	835,151
Total liabilities		15,901,505	17,503,001
EQUITY	19	2,274,530	3,706,606
Paid-in capital		201,000	201,000
Capital adjustment differences		2,751,124	2,751,124
Restricted reserves appropriated from profit		80,877	56,822
Other reserves		14	14
Accumulated other comprehensive income or expenses not to be reclassified to profit or loss		(100,147)	(87,573)
-Loss on remeasurement of defined benefit plans		(133,763)	(126,549)
-Increase in revaluation of property, plant and equipment		33,616	38,976
Accumulated other comprehensive income or expenses to be reclassified to profit or loss		(387)	(756)
-Gains/(losses) on hedging		(387)	(756)
Share premiums		923,600	923,600
Prior Years' Profit or Losses		(161,680)	(1,216,861)
Net (Loss) or Profit for the Period		(1,419,871)	1,079,236
TOTAL LIABILITIES AND EQUITY		18,176,035	21,209,607

The accompanying notes from an integral part of these financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Statement of Profit or Loss and Other Comprehensive Income
as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

		Current Period	Prior Period
		Audited	Audited
		1 January-31 December 2024	1 January-31 December 2023
	Notes		
Revenue	20	69,435,947	68,322,440
Cost of Sales (-)	20	(60,522,872)	(61,039,215)
GROSS PROFIT		8,913,075	7,283,222
General Administrative Expenses (-)	21	(885,807)	(789,726)
Marketing Expenses (-)	21	(6,563,516)	(6,147,123)
Other Income from Operating Activities	22	1,184,312	1,698,179
Other Expenses from Operating Activities (-)	22	(4,451,863)	(3,101,967)
OPERATING LOSS		(1,803,799)	(1,057,412)
Income from Investing Activities	23	4,190	47,738
OPERATING LOSS BEFORE FINANCE EXPENSE		(1,799,609)	(1,009,674)
Financing Income (+)	24	242,504	266,316
Finance Expenses (-)	24	(4,447,476)	(2,627,688)
Gains/(Losses) on Net Monetary Position	25	4,319,687	4,891,320
(LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		(1,684,894)	1,520,274
Tax (Expense)/Income from Continuing Operations		265,023	(441,038)
Current Period Tax (Expense) / Income		1,715	(380,429)
Deferred Tax Income / (Expense)		263,308	(60,609)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		(1,419,871)	1,079,236
PROFIT/(LOSS) FOR THE PERIOD		(1,419,871)	1,079,236
Distribution of Profit/Loss for the Period			
Main Shareholder Shares		(1,419,871)	1,079,236
Non-controlling interests		-	-
OTHER COMPREHENSIVE (EXPENSE) / INCOME			
Items not to be reclassified to profit or loss		(12,574)	(35,018)
Loss on remeasurement of defined benefit plans		(9,619)	(43,509)
Gains on revaluation and measurement		(10,234)	(6,165)
Taxes related to other comprehensive expenses not to be reclassified to profit or loss		7,279	14,656
Items to be reclassified to profit or loss		369	3,169
Gains/(losses) on cash flow hedges		492	4,226
Taxes on other comprehensive income to be reclassified to profit or loss		(123)	(1,057)
TOTAL OTHER COMPREHENSIVE (EXPENSE)/INCOME		(12,205)	(31,849)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME		(1,432,076)	1,047,387
Loss/(earnings) per share (for 1 lot of shares)		(0.0706)	0.0537
Diluted loss/(earnings) per share [(for 1 lot of shares)]		(0.0706)	0.0537

The accompanying notes from an integral part of these financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Statement of Changes in Equity for the
Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

	Accumulated Other Comprehensive Income and Expenses that will be Reclassified to Profit or Loss										Retained Earnings		Equity
	Accumulated Other Comprehensive Income and Expenses that will be Reclassified to Profit or Loss				Accumulated Remeasurement Losses of Defined Benefit Plans		Increase in Revaluation of Property, Plant and Equipment		Hedging Gain/Loss		Prior Years' / (Loss) for the Period	Net Profit	
(Note 19)	Paid-in Capital	Adjustment Differences	Capitalized Reserves	Other Reserves	Share Premiums								
Balances as of 1 January 2023 (Beginning of the Period)	201,000	2,751,124	34,015	14	923,600	(93,917)	41,362		(3,925)		754,907	2,659,219	
Transfers	-	-	22,807	-	-	-	-	-	-	-	732,100	(754,907)	-
Total Comprehensive Income / (Expense)	-	-	-	-	-	(32,632)	(2,386)		3,169		-	1,079,236	1,047,387
Balances as of 31 December 2023 (End of the Period)	201,000	2,751,124	56,822	14	923,600	(126,549)	38,976		(756)		1,079,236	3,706,606	
Balances as of 1 January 2024 (Beginning of the Period)	201,000	2,751,124	56,822	14	923,600	(126,549)	38,976		(756)		1,079,236	3,706,606	
Transfers	-	-	24,055	-	-	-	-	-	-	-	1,055,181	(1,079,236)	-
Total Comprehensive Income / (Expense)	-	-	-	-	-	(7214)	(5,360)		369		-	(1,419,871)	(1,432,076)
Balances as of 31 December 2024 (End of the Period)	201,000	2,751,124	80,877	14	923,600	(133,763)	33,616		(387)		1,61,680	2,274,530	

The accompanying notes form an integral part of these financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Statement of Cash Flows for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

		Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
	Notes		
A, CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)/profit for the period		(1,419,871)	1,079,236
Adjustments Related to Reconciliation of Net Loss of the Period:			
Adjustments Related to Financial (Income) Expenses	24	4,204,972	2,361,372
Adjustments Related to Depreciation and Amortisation Expenses	21	1,387,277	1,149,989
Adjustments Related to Provision (Reversal) for Employee Benefits		30,515	5,846
Adjustments Related to Impairment (Reversal) of Receivables	7	1,114	312
Adjustments Related to Other Provisions (Reversals)		2,564	113,036
Adjustments Related to Losses (Gains) on Disposal of Non-Current Assets	23	1,014	(4)
Impairment / (Reversal) of Property, Plant and Equipment and Intangible Assets	13	2,264	222
Adjustments for Impairment (Reversal) of Inventories	9	10,966	37,605
Adjustments Related to Interest Income	22	(422,758)	(424,717)
Adjustments Related to Tax (Income) Expense		(265,023)	441,038
Adjustments Related to Monetary (Gain)/Loss		(4,466,110)	(3,307,796)
		(933,076)	1,456,139
Changes in working capital:			
Decrease in Trade Receivables from Third Parties		(277,104)	(723,707)
Decrease in Trade Receivables from Related Parties		1,537	15,314
Adjustments Related to Decrease in Inventories	9	1,377,969	(3,940,979)
Adjustments Related to Decrease / (Increase) in Other Assets Related with Operations		365,535	(203,142)
(Decrease) / Increase in Trade Payables to Third Parties		3,775,808	7,676,681
(Decrease) / Increase in Trade Payables to Related Parties		(6,357)	51,795
Increase / (Decrease) in Other Liabilities Related to Operations		646	470,496
Adjustments Related to Decreases (Increases) in Derivative Instruments		(641)	-
Payments Made within the Scope of Provisions for Employee Benefits	15	(54,855)	(63,303)
Tax paid		(31,077)	(335,560)
Payments for Other Provisions	16	(23)	(157)
		4,218,362	4,403,577
B, CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Outflows from Purchase of Property, Plant and Equipment	13	(515,785)	(670,249)
Cash Outflows from Purchase of Intangible Assets	14	(346,721)	(169,754)
Cash Inflows from Sale of Property, Plant and Equipment and Intangible Assets		6,780	5,380
Interest received	22	422,758	424,717
		(432,968)	(409,906)
C, CASH FLOWS FROM FINANCING ACTIVITIES			
Other finance costs paid		(3,528,050)	(2,351,208)
Operating lease repayments	6	(732,731)	(657,894)
Cash inflows from borrowings	6	14,174,765	906,781
Loan repayments	6	(14,025,069)	(507,343)
		(4,111,085)	(2,609,664)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)			
		(325,691)	1,384,007
Inflation effect on cash and cash equivalents			
Effect of changes in foreign exchange rates on cash and cash equivalents denominated in foreign currencies	24	143,446	254,211
		143,446	254,211
D, CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
	5	3,954,316	3,816,302
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D)			
	5	2,556,599	3,954,316

The accompanying notes from an integral part of these financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 1 – ORGANISATION AND NATURE OF OPERATIONS

Teknosa İç ve Dış Ticaret Anonim Şirketi, ("Teknosa" or "the Company") was established on 3 March 2000 and is engaged in retail sales of consumer electronics through its stores and website www.teknosa.com and air conditioners and home appliances through its dealers. In addition, the website www.teknosa.com became "Marketplace" as of 4 February 2022 and started selling its own products to its customers as well as the products of its authorized dealers on its website.

The Company's main shareholder is Hacı Ömer Sabancı Holding A.Ş. As at 31 December 2024, number of personnel of the Company is 2,989 (31 December 2023: 2,868). The Company is registered in Türkiye and operates under the laws and regulations of Turkish Commercial Code.

The Company operates in Türkiye in 106,052 square meters with 175 stores retail space as of 31 December 2024 (31 December 2023: 105,125 square meters with 181 stores). The registered office address of the Company is as follows:

Carrefoursa Plaza Cevizli Mahallesi. Tugay Yolu Caddesi No:67 Blok: B Maltepe-İstanbul.

The Company's shares have been traded on Borsa İstanbul since 2012.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

(i) Statement of compliance with Turkish Financial Reporting Standards ("TFRS")

The accompanying interim condensed financial statements have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS"), which was put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA"), in compliance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" (the Communiqué) announced by the Capital Market Boards ("CMB") on 13 June 2013 which is published on Official Gazette numbered 28676. TFRS includes standards and interpretations published by POA under the names of Turkish Accounting Standards ("TMS"), Turkish Financial Reporting Standards, TMS Interpretations and TFRS Interpretations.

The condensed interim financial statements are presented in accordance with the formats specified in the "Announcement on TRFS Taxonomy" published by POA on 3 July 2024 and the Financial Statement Examples and User Guide published by CMB. In addition, the financial statements are presented in accordance with the "TFRS Taxonomy" published by POA on 4 October 2022 and the formats specified in the Financial Statement Examples and User Guide published by CMB, based on the CMB's financial statement and footnote formats. The financial statements are prepared on the historical cost basis except for the revaluation of buildings. The determination of historical cost is generally based on the fair value of the consideration paid for the assets.

Approval of interim condensed financial statements:

The interim financial statements are approved by the Company's Board of Directors on 21 February 2025. The General Assembly of the Company has the right to amend, and relevant regulatory bodies have the right to request the amendment of these interim financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.1 Basis of presentation (cont'd)

(ii) Basis of measurement

The financial statements have been prepared on historical cost basis except for revaluation of land, building, investment properties measured at fair value and derivatives. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements are prepared by reflecting the necessary corrections and classifications to the legal records prepared on the basis of historical cost, in order to make the right presentation in accordance with TFRS.

(iii) Functional currency and reporting currency

These financial statements are presented in Turkish Lira (‘TL’), which is the valid currency of the Company. Unless otherwise stated, all financial information presented in TL has been rounded to the nearest thousand TL.

(iv) Preparation of financial statements in hyperinflationary period

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the consolidated financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 ‘Financial Reporting in Hyperinflationary Economies’ for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index (‘CPI’) is more than 100%.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In accordance with the CMB’s decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/ Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

In this framework, while preparing the consolidated financial statements dated 31 December 2024, inflation adjustment has been made in accordance with TAS 29.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (‘TURKSTAT’):

Date	Index	Adjustment coefficient
31 December 2024	2,684.55	1.00000
31 December 2023	1,859.38	1.44379
31 December 2022	1,128.45	2.37897

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.1 Basis of presentation (cont'd)

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the consolidated balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders’ equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the consolidated income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized in the financial statements.
- Net gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit. (Note -25)

The impact of the application of TAS 29 ‘Inflation Accounting’ is summarized below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, and right-of-use assets.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.1 Basis of presentation (cont'd)

(v) Preparation of financial statements in hyperinflationary periods (cont'd)

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

(vi) Comparative information and reclassifications of the prior periods' financial statements

The financial statements of the Company have been prepared comparatively with the prior period in order to evaluate financial position and performance trends. Comparative information is reclassified, where necessary, to conform to the changes in the presentation of the current period financial statements.

The Company has not made reclassifications on prior period financial statements.

2.2 Changes in Significant Accounting Policies

The accounting policies applied in these interim condensed financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2024.

2.3 Changes in accounting estimates and errors

If changes in accounting estimates are related to only one period, they are applied in the current period in which the change is made, and if they are related to future periods, they are applied both prospectively and in the future periods. Significant accounting errors are applied retrospectively, and prior period financial statements are restated.

The assumptions and significant accounting estimates used in the preparation of the interim condensed financial statements as of 31 December 2024 have not changed compared to those used in the preparation of the financial statements as of the year ended 31 December 2023.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies

Accounting policies have been consistently applied by the Company in all periods presented in the financial statements.

Inventories and cost of goods sold

Inventories are valued at the lower of cost and net realizable value. Cost of inventories includes all costs of purchase and other costs incurred in bringing inventories to the Company's main warehouses and regional warehouses. Inventories are valued using the weighted average cost method. Costs incurred in bringing inventories from the main warehouses and regional warehouses to the stores are recognized as an expense when incurred. Net realizable value is the estimated selling price less estimated costs necessary to make the inventories ready for sale (Note 9).

The turnover premium, stock protection and similar benefits received from the sellers within the scope of their main activities are deducted from the costs of the said inventories and associated with the cost of goods sold.

Turnover Premium: It is the premium received by the Company by issuing an invoice to the supplier, based on the purchase amounts made from the suppliers.

Stock Protection: Stock protection is charged to suppliers in order to increase the sales performance of the older versions of certain products when newer versions are introduced.

Sales Support Premium: It is the support premium received by the Group from suppliers for related sales, limited to certain days and products, based on sales performance.

Investment properties

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings. (Note 12)

Rental income from investment property is recognised as other income from operating activities on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Property, plant and equipment and depreciation

Recognition and measurement

Property, plant and equipment except for lands and building are measured at cost less accumulated depreciation and impairment losses.

The Company has opted for the option of measuring the land and buildings in the tangible fixed assets by revaluation method. The Company has recognized the increase in the book value of the plants and buildings, which it chose to measure with the revaluation model, as a result of the revaluation in the other comprehensive income in the "Fixed Asset Revaluation Increases" account group. The revalued amount is the fair value at the revaluation date, less accumulated depreciation and subsequent accumulated impairment losses.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in net income / loss and defined as the difference between the sales price and the carrying amount. If the recognized value of an asset is more than its estimated recoverable value, the recognized value of the asset is reduced to its recoverable value.

Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Property, plant and equipment measured by revaluation model are depreciated as of the day they are currently available. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Property, plant and equipment except for land are depreciated on a straight-line basis.

The useful lives for property, plant and equipment are as follows:

- Buildings 50 years
- Vehicles 5 years
- Machinery and equipments 4-15 years
- Furniture and fixtures 5-10 years
- Leasehold improvements 5-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Intangible assets

Recognition and measurement

Intangible assets acquired by the company that have a certain useful life include licenses and rights and computer software. Intangible assets are measured by deducting accumulated amortization and accumulated impairment losses, if any.

Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives are as follows:

- Licences, rights and computer software 3-15 years Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments

i) Recognition and initial measurement

The Company records its trade receivables and borrowing instruments on the date when they arise. The Company recognizes all other financial assets and liabilities only on the date of the transaction where the relevant financial instrument has become a party to the contract terms.

On the first measurement of the financial assets (other than the trade receivables having no significant financing component) and financial liabilities other than those, changes in fair value of which are reflected upon profit or loss, costs of the transactions that can be directly associated with the acquisition or issuance thereof are also measured by being included in the fair value. Trade receivables having no significant financing component are measured at the transaction cost on the initial recognition.

ii) Classification and subsequent measurement

A financial instrument is classified as specified below while being taken into financial statements for the first time; those which are measured at their amortized cost; those which are measured by reflecting their fair value difference into other comprehensive income (investments made in borrowing instruments); those which are measured by reflecting their fair value difference into other comprehensive income (investments made in shareholder's equity instruments); or those which are measured by reflecting their fair value difference into profit or loss.

Financial instruments are not reclassified after their initial recognition unless the Company changes the business model for managing financial assets. In this case, all the affected financial instruments are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured on its amortized cost, in case both of the following conditions are satisfied and it is not classified as a financial asset which is measured by reflecting its fair value difference into profit or loss:

- Where the financial asset is retained within the scope of a business model aimed at collection of contractual cash flows and sales of financial instruments, and
- Where the contract terms in relation to the financial instrument causes such cash flows which include interest payments on certain dates arising only from principal and balance of principal.

All the other financial assets which are not measured as specified above at their amortized cost or by reflecting their fair value difference into other comprehensive income are measured by reflecting their fair value difference into profit or loss. These assets also include all the derivative financial assets. While taking the financial assets into financial statements for the first time, a financial asset can be described as a financial asset which is measured by irrevocably reflecting its fair value difference into profit or loss, provided that it will remove or substantially reduce any accounting inconsistency to arise from measuring financial assets differently and taking the earnings and losses in relation thereto into the financial statements differently.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

ii) Classification and subsequent measurement (con'd)

Financial assets- Consideration of business model

In order to ensure that the business model will best reflect the method of management of assets and the information provided to the management, the Company considers the purpose of retaining a financial asset at the portfolio level. The information reviewed includes the following:

- Policies and goals determined for the portfolio, and the use in practice of these policies. These include whether the management's strategy focuses on obtaining interest income arising from contract, containing the benefit from a certain interest rate, harmonizing the maturity of financial assets with the maturity of the debts funding these assets or achieving cash flows by sales of assets;
- The purpose of the business model; it can be to manage the daily liquidity needs, to continue a certain interest yield or to harmonize the maturity of financial assets with the maturity of the debts funding these assets;
- How the business model and the performance of the financial assets retained within the scope of the business model is reported to the Company's management;
- Risks affecting the performance of the business model (of the financial assets retained within the scope of the business model), and especially the manner of management of these risks.
- How the additional payments made to the managers of the business are determined (for example, whether the additional payments are determined according to the fair value of the assets managed or according to the contractual cash flows collected), and
- The frequency, value, timing and reason of the sales made in the previous period and the sales expectations in the future.

Transfer of financial assets to third parties in those transactions where it is not appropriate to remove them from the statement of financial position is not deemed consistent with the fact that the Company continuously recognizes its assets in its financial statements, as a sales for this purpose.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

ii) Classification and subsequent measurement (con'd)

Financial assets – Consideration of whether there are any contractual cash flows which include only the payments of principal and interest on balance of principal

For the purpose of this consideration, the principal is the fair value at the time when the financial asset is taken into financial statements for the first time. The interest consists of the time value of money, the credit risk for the balance of principal in relation to a certain period of time, other basic lending risks and costs (for example, liquidity risk and management costs) and profit margin. In consideration of whether there are any contractual cash flows which include only the payments of principal and interest on balance of principal, the Company grounds upon the properties of contractual cash flows. This consideration requires the consideration of whether the financial asset includes any contract terms changing the timing or amount of cash flows in a way that this condition will not be satisfied. While making this consideration, the Company takes into consideration the following:

- any conditional event which may change the timing or amount of contractual cash flows (in other words, a triggering event);
- conditions adjusting the contractual stated interest rate, including the variable rate properties,
- properties enabling early payment and extension of time; and
- conditions restricting the Company's contractual rights enabling the earning of cash flows arising from certain assets (for example, non-recourse).

If, in cases where the contract is terminated before its expiry, the prepaid amounts involving a reasonable value reflect to a large extent the unpaid amount of principal and interests on balance of principal, early payment is consistent only with the criterion of payments of principal and interest on balance of principal.

In addition, (i) if the financial asset was purchased at its contractual nominal value with premium or at a discount, (ii) if, in cases where the contract is terminated before its expiry, the prepaid amounts involving the payment of a reasonable additional value reflect to a large extent the contractual nominal value and the accrued (but unpaid) interest, and (iii) the fair value of early payment is insignificant in the first recognition, it is deemed to be in compliance with this criterion.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

ii) Classification and subsequent measurement (cont'd)

Financial assets – Earnings or losses arising from subsequent measurement

Financial assets at fair value through profit or loss	These assets are measured at their fair value in the subsequent measurements. Net earnings and losses in relation thereto, including any interest or dividend income, are recognized in profit or loss. For the derivatives described as hedging instruments, see the below section.
Financial assets at amortized cost	These assets are measured in their subsequent measurements at their amortized cost by using the effective interest method. Their amortized cost is reduced at the amount of their impairment losses, if any. Interest incomes, foreign currency earnings and losses and losses in value are recognized in profit or loss. Earnings or losses arising from removing them from the statement of financial position are recognized in profit or loss.

Financial liabilities – Classification, subsequent measurement and earnings and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

When the contractual rights in respect of the cash flows in relation to financial assets expire, or when the Company has substantially transferred the property of all the risks and proceeds arising from the property of this financial asset, or in case it neither has substantially transferred nor substantially retains all the risks and benefits arising from the property of this financial asset, the Company derecognizes the financial asset if it is not continuing to have control over the relevant financial asset.

In case the Company continues to substantially retain all the risks and benefits arising from the property of this financial asset, it continues to recognize the relevant financial asset in its statement of financial position.

Financial liabilities

The Company derecognizes a financial liability only when the debt in relation to the relevant liability disappears or is cancelled. In addition, in case a significant change is made in the conditions or cash flows of an existing financial liability, the Company also derecognizes a financial liability. Instead, recognizes a new financial liability at its fair value, based upon the changed conditions.

In derecognizing the financial liability, the difference between the book value and the amount paid for this liability (including any transferred non-cash asset or any liability undertaken) is taken into the financial statements as profit or loss.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

ii) Classification and subsequent measurement (cont'd)

Offsetting the financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency risk. Derivatives are initially measured at fair value. The Company defines derivative instruments as hedging instruments to protect the variability in cash flows related to highly probable forecast transactions arising from changes in exchange rates.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised directly in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

Impairment of assets

Non-derivative financial assets

Financial instruments and contract assets

The Company recognises loss allowances for expected credit losses (ECL) on:

- Financial assets measured at amortized cost;
- Debt investments at FVOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which risk (i.e. the risk of default occurring over the expected life of the financial instruments) has not increased significantly since initial recognition.

The Company has chosen lifetime ECL's to measure the impairment of trade receivables and contract assets.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when.

- The debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to action such as realising security (if any); or

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Financial instruments (cont'd)

Non-derivative financial assets (cont'd)

Financial instruments and contract assets (cont'd)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive)

Cash deficit is the difference between the cash flows that must be made to the business according to the contract and the cash flows that the business expects to receive. Since the amount and timing of the payments are taken into consideration in the expected credit losses, a credit loss occurs even if the company expects to receive the entire payment late than the term specified in the contract.

ECL's are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security due to financial difficulties.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Impairment losses for trade and other receivables are shown as a separate item in the statement of profit or loss.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Impairment of assets (cont'd)

Non-derivative financial assets (cont'd)

Financial instruments and contract assets (cont'd)

Write-off

In the absence of reasonable expectations regarding the partial or complete recovery of the value of a financial asset, the entity directly deducting the gross book value of the financial asset. Write-off is a reason for derecognition.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

The Company reviews the book value of its tangible and intangible assets to determine whether there are impairments in each reporting period and subordinates its stores to impairment tests for certain periods during the year and records the portion of cash generating unit exceeding the recoverable value of the recognised value as impairment loss.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

On the other hand, the Company management recognises impairment provisions for the tangible assets of the stores that are expected to be closed as of the end of the reporting period.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Leases

The Company considers at the beginning of the contract whether the contract is a leasing contract or contains a leasing transaction. In case the right to control the use of the asset described is transferred for a certain period in the contract in return for a price, this is a leasing contractor contains a leasing transaction. To consider whether a contract provides the right to control the use of a described asset, the Company uses the description of leasing in TFRS 16.

This policy applies to contracts made on or after 1 January 2019.

As a lessee

On the date when the leasing has actually started or on the date when an amendment was made to the contract containing a leasing component, the Company distributes into each leasing component the relative single price of the leasing price and total single price of non-leasing components.

The Company has preferred not to discriminate between non-leasing components and leasing components, but instead of this, to recognize each leasing component and the non-leasing components in relation to it as a single leasing component.

On the date when the leasing was actually started, the Company reflected a right of use asset and lease liability into its financial statements. The amount of first measurement of the liability of cost of the right of use asset consists of the amount obtained by deduction of all the leasing incentives received from all the lease payments made on or before the date when the leasing has actually started, and all the direct costs at the beginning and the estimated costs anticipated to be incurred in the future in relation to disassembling or carrying the asset, restoring its area or restoring the foundation asset to bring it in a condition as required by the terms and conditions of leasing.

In case the leasing transaction transfers the property of the foundation asset to the lessee at the end of the lease period or the cost of the right of use asset indicates that the lessee will use the option to purchase, the right of use asset is subjected to depreciation from the date when the leasing has actually started to the end of the useful life of the foundation asset. In other circumstances, the right of use asset is subjected to depreciation according to the shorter of the useful life of the aforementioned asset or the leasing period, starting from the date when the leasing has actually started. In addition, the value of the right of use asset is periodically reduced by also deducting the impairment losses if any and adjusted in accordance with the re-measurement of the leasing liability.

On the date when the leasing has actually started, the leasing liability is measured at the present value of the lease payments not paid on that date. In case the implicit interest rate in the leasing can easily be determined, lease payments are discounted by using this rate. In case this rate cannot be easily determined, the Company's alternative borrowing interest rate is used.

The Company determines its alternative interest rate, taking into consideration the interest rates that it will pay for the debts that it will use from various financing resources, and makes certain adjustments in a way to reflect the leasing conditions and the type of the leased asset.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Leases (cont'd)

As a lessee (cont'd)

The lease payments which are included in the measurement of the leasing liability, consist of the following:

- Fixed payments (including the fixed payments by their essence);
- Variable lease payments depending upon an index or rate, the first measurement of which is made on the date when the leasing has actually started, by using an index or rate;
- Amounts expected to be paid by the lessee within the scope of residual value undertakings;
- In case it is reasonably made sure that the option to use will be used, the price of use of this option, and in case the leasing period indicates that the Company will use an option to terminate the leasing, penalty payments in relation to termination of the leasing

Leasing liability is measured by reducing the lease payments with a discount rate. In case, as a result of a change in an index or rate used in determination of the lease payments in the future, a change occurs in these payments and in the amounts expected to be paid within the scope of residual value undertaking, the Company considers the options of renewal, termination and purchasing.

In case the leasing liability is remeasured, it is reflected into the financial statements as an adjustment in the right of use asset in accordance with the newly determined debt. However, in case the book value of the right of use asset is reduced down to zero and the measurement of the leasing liability involves more reduction, the remaining re-measurement amount is reflected into profit or loss.

Short-term and low-value leases

The Company preferred not to reflect into its financial statements the right of use assets and leasing debts for the leasing of low-value assets, including the short-term machinery and IT equipment leases with a leasing period of 12 months or shorter. The Company reflected into the financial statements the lease payments in relation to these leases, as a direct expense during the lease period.

As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Leases (cont'd)

As a lessor (cont'd)

If an arrangement contains lease and non-lease components, then the Company applies TFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Income taxes

Income tax comprises current and deferred tax.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Income taxes (cont'd)

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

Taxes are calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax liability also includes tax liabilities arising from dividend distribution declarations.

Current tax assets and liabilities are offset only if certain criteria are met.

Income tax expense is the sum of current tax and deferred tax expense.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Income taxes (cont'd)

Deferred tax (cont'd)

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset in the event that there is a law about offsetting current tax and current tax liabilities or aforementioned assets and liabilities is related with income tax collected by the same tax authority or the Company is intended to pay to offset current tax and current tax liabilities.

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized directly in equity, in which case, the current and deferred tax are also recognized directly in equity.

Employee Benefits

Termination and retirement benefits

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Entity. Such payments are considered as being part of defined retirement benefit plan as per TAS 19 Employee Benefits ("TAS 19").

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income (Note 15).

Earnings / (loss) per share

Earnings per share disclosed in the statement of comprehensive income are determined by dividing net income by the weighted average number of shares that have been outstanding during the related period concerned (Note 27). In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Foreign currency transactions

Foreign currency transactions during the period have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into Turkish Lira at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from the settlement and translation of foreign currency items have been included in the statement of profit or loss.

Finance income and finance expenses

Finance income consists of exchange rate gains from foreign currency deposits, which is part of the cycle used for financing purposes.

Finance costs include interest expenses on bank loans, credit cards and guarantee letter commission fees, exchange rate loss on financial assets and liabilities (except trade receivables and payables). Borrowing costs that cannot be directly associated with the acquisition, construction or production of an asset are recognized for in profit or loss using the effective interest rate.

Interest income is recognised for using the effective interest method. Interest income is calculated using the effective interest method. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except below:

Foreign exchange income and expenses on financial assets and liabilities (other than trade receivables and payables) are reported net in finance income or finance expenses according to the net position of the foreign exchange movements.

Other income and expenses from operating activities

Other operating income consists of interest income, concessions on lease payments, income from personnel, reversal of provisions for cancellation of rent agreements and foreign exchange income from monetary financial assets and liabilities other than debt instruments, and income from other activities.

Other operating expenses consist of maturity difference expenses, litigation expenses, foreign exchange expenses arising from monetary financial assets and liabilities other than debt instruments, and expenses related to other activities.

Income and expenses from investment activities

Income from investment activities consists of interest income from deposits, profit from sales of fixed assets and fair value increase of investment properties.

Expenses from investment activities consist of losses from sales of fixed assets.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Revenue

General model for accounting of revenue

In accordance with TFRS 15, a five-stage approach is followed in recognizing revenue for all contracts with customers.

Step 1: Identify the contract with a customer

A contract with a customer is in the scope of the new standard when the contract is legally enforceable and certain criteria are met. If the criteria are not met, then the contract does not exist for purposes of applying the general model of the new standard, and any consideration received from the customer is generally recognized as a deposit (liability).

Contracts entered into at or near the same time with the same customer (or a related party of the customer) are combined and treated as a single contract when certain criteria are met.

Step 2: Identify the performance obligations in the contract

The Company defines 'performance obligation' as a unit of account for revenue recognition. The Company assesses the goods or services promised in a contract with a customer and identifies as a performance obligation either a:

- (a) good or service (or a bundle of goods or services) that is distinct; or
- (b) series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

An entity may define a contract or a service separately from other contractual obligations and define it as a different commodity or service if the customer makes use of such goods or services alone or in combination with other resources available for use. A single contract may contain promises to deliver to the customer more than one good or service. At contract inception, an entity evaluates the promised goods or services to determine which goods or services (or bundle of goods or services) are distinct and therefore constitute performance obligations.

Step 3: Determine the transaction price

When determining the transaction price, an entity assumes that the goods or services will be transferred to the customer based on the terms of the existing contract. In determining the transaction price, an entity considers variables considerations and significant financing components.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

General model for accounting of revenue (cont'd)

Significant financing component

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration to reflect the time value of money if the contract contains a significant financing component. Significant financing component exists if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Company with a significant benefit of financing the transfer of goods or services to the customer. The Company does not have sales transactions which includes significant financing component. The Company considers that the period between the fulfilment of the obligation and the payment never exceed 12 months, in cases where the obligations fulfilled during the period and the advances received and the payment schedule are broadly compatible.

Variable consideration

An entity assesses whether discounts, rebates, refunds, rights of return, credits, price concessions, incentives, performance bonuses, penalties, or similar items may result in variable consideration.

Step 4: Allocate the transaction price to the performance obligations in the contract

If distinct goods or services are delivered under a single arrangement, then the consideration is allocated based on relative stand-alone selling prices of the distinct goods or services (performance obligations). If directly observable stand-alone selling prices are not available, the total consideration in the service contracts is allocated based on their expected cost plus a margin.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

General model for accounting of revenue (cont'd)

Step 5: Revenue recognition

An entity recognizes revenue over time when one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date for each performance obligation that is satisfied over time, an entity applies a single method of measuring progress toward complete satisfaction of the obligation. The objective is to depict the transfer of control of the goods or services to the customer. To do this, an entity selects an appropriate output or input method. It then applies that method consistently to similar performance obligations and in similar circumstances.

If a performance obligation is not fulfilled in time, then the Company recognizes revenue when the control of goods or services is transferred to the customer.

In cases where the cost to be incurred by the Company exceeding the expected economic benefits to be incurred to fulfil the contractual obligations exceeds the expected economic benefit, the Company provides a provision in accordance with TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Contract modifications

The Company recognizes a contract modification as a separate contract if the modification results in a promise to deliver additional goods or services. If the goods or services are distinct, then the entity accounts for the modification as if it were a termination of the existing contract and the creation of a new contract. If the modification to the contract does not add distinct goods or services, then the entity accounts for it on a combined basis with the original contract, as if the additional goods or services were part of the initial contract.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

General model for accounting of revenue (cont'd)

i) Retail sales revenues

The Company's retail sales revenue is recognized when a customer obtains control of the goods. Determining the timing of the transfer of control – at a point in time or over time – requires judgment. Since the Company generally carries out retail sales with cash or credit cards and customers obtain control of the goods as sales are realized, revenue is recognized at the time of sale. The company accounts for commission income arising from sales made by third parties through its marketplace as revenue in the corresponding period in which they are earned.

The revenues generated by the Company through the dealer network (iklimsa) are recognized as revenue when the dealers gain control of the related good. In cases where the control transfer does not occur at the same time, income is recognized as revenue in the following period. The company performs dealer sales generally in exchange for cash, credit sales, secured check, and transfer of control transfer to the dealers.

ii) Turnover premiums and supplier discounts

The Company turnover premiums income from supplier contracts and supplier discounts are accounted for an accrual basis in the period of the Company benefits from premiums and deductions with the cost of goods sold.

iii) Customer gift checks

Gift vouchers sold by the Company to its customers are classified under other current liabilities section as deferred revenue. Moreover, gift vouchers are recorded as income as they are used by the customers.

Related gift vouchers are used by the customer, related amount which is classified as deferred income, is recorded as sales revenue. The Company recognizes income from the gift checks by estimating the portion which will not be used by the customers based on the historic data. Gift vouchers that are not expected to be used by the customers are classified under deferred revenue in the financial statements.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

General model for accounting of revenue (cont'd)

Warranty expenses and provisions

Provision for warranty expenses for the air-conditioners for which the warranty liability belongs to the Company is calculated based on statistical information for possible future warranty services. The warranty liability for the consumer electronics retail sales of the Company belongs to the manufacturer or to the importer companies. On the other hand, there is no significant liability of the Company for the extended warranty period.

Segment reporting

The management has determined the operating segments based on the reports used in taking strategic decisions by the Board of Directors and the executive committee (includes general manager and the assistant general managers).The executive committee evaluates the business in terms of business unit on the basis of retail and dealer (iklimsa) group.

The Board of Directors and the executive committee monitor the performance of the operating segments based on a measure of adjusted Earnings Before Interest, Tax, Employment Termination Benefits, Impairment profit / (loss) and Reversals of Impairment Losses in Accordance with TFRS 9, Other Expenses From Operating Activities, Depreciation and Amortization ("Adjusted EBITDA").

This measurement of the operating segments does not consider the effects of nonrecurring income and expenses. Interest income and expenses are not allocated to operating segments since they are monitored by the central treasury department of the Company. Adjusted EBITDA is not a measure of operating income, operating performance or liquidity under CMB Financial Reporting Standards. The Company presented Adjusted EBITDA in the notes to the financial statements besides the requirements of segment reporting since it is used by certain readers in their analyses (Note 3).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Summary of Significant Accounting Policies (cont'd)

Segment reporting (cont'd)

Share capital

Ordinary Shares

Transaction costs arising from equity transactions are deducted from the relevant equity item. Income taxes on distributions to owners of equity instruments and transaction costs from equity transactions are accounted for in accordance with TAS 12.

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements:

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) controls, is controlled by, or is under common control with the Company (this includes parent, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the Company that gives it significant influence over the Company; or
 - (iii) has joint control over the Company;
- (b) the party is an associate of the Company;
- (c) the party is a joint venture in which the Company is a venturer;
- (d) the party is member of the key management personnel of the Company and its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or (e);
- (g) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

Events after the reporting period

It refers to the events occurring in favor of or against the Company between the reporting date and the date of authorization for the publication of the financial statements:

- There is new evidence that events exist at the reporting date; and
- There is evidence to Show that the relevant events occurred after the reporting date (events after the reporting period which is not require to adjust).

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information. The Company adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.5 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2024

Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to TAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to TAS 7 and TFRS 7	<i>Supplier Finance Arrangements</i>
TSRS 1	<i>General Requirements for Disclosure of Sustainability-related Financial Information</i>
TSRS 2	<i>Climate-related Disclosures</i>

Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TFRS 16 Lease Liability in a Sale and Leaseback

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments to TAS 1 Non-current Liabilities with Covenants

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments to TAS 7 and TFRS 7 Supplier Finance Arrangements

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.5 New and Amended Turkish Financial Reporting Standards (cont'd)

a) Amendments that are mandatorily effective from 2024 (con'd)

TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.5 New and Amended Turkish Financial Reporting Standards (cont'd)

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>
Amendments to TAS 21	<i>Lack of Exchangeability</i>

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2025.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Company evaluates the effects of these standards, amendments and improvements on the financial statements.

2.6 Use of accounting estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to estimates are accounted for prospectively.

Information on estimates and assumptions that have a significant effect on the amounts recognized in the condensed interim financial statements is disclosed below:

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.6 Use of accounting estimates and assumptions (cont'd)

Useful lives of property, plant and equipment and intangible assets

In accordance with the accounting policies, property, plant and equipment and intangible assets other than land and buildings are shown at their net value after deducting accumulated depreciation and impairment, if any, from their acquisition cost. Depreciation is allocated using the straight-line method based on the useful lives of tangible assets. Useful lives are based on management's best estimates and are reviewed at each balance sheet date and adjusted if necessary.

Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date to determine whether there is any indication of impairment. If the stores which are operating more than 1 year generates operating profit/ (loss) before income tax lower than the planned performance result, this situation is assessed as objective evidence for impairment, except for outlet stores. If any such indication exists, then the asset's recoverable amount is compared with the carrying amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. If the carrying amount of an asset or any cash generating unit that the asset belongs to is higher than its net realizable value, the value of the asset has impaired. Additionally, the Company recognizes allowance for impairment for the property, plant and equipment and right-of-use assets of the stores for which the Company management has expected to close down. The mentioned provision amount is applied at the rate of 100% over the net book value of right-of-use assets, 100% for leasehold improvements and 50% over the net book value of tangible fixed assets. As of 31 December 2024, the Company has recorded a net impairment of TL 2,264 for property, plant and equipment and no impairment for intangible assets (31 December 2023: TL 222 for property, plant and equipment) (Note 13).

Inventory impairment

In accordance with the accounting policy, inventories are stated at the net realizable value ("NRV"). The Company measures the products with selling prices lower than its cost at lower of cost or NRV. NRV, is the value after deducting the estimated expenditures to be made to bring the stocks at sale at the estimated selling price.

The Company makes aging analysis for its inventories based on certain date ranges from the acquisition date. Impairment is calculated for the old stock over 180 days with different rates applied for each date range based on the aging analysis as at reporting date. In this context, the Company has recognized net impairment provision amounting to TL 103,438 as of 31 December 2024 (31 December 2023: TL 92,472) (Note 9).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.6 Use of accounting estimates and assumptions (cont'd)

Deferred tax assets

The Company recognizes deferred tax assets and liabilities based upon the temporary differences between financial statements as reported in accordance with TFRS and its tax base of statutory financial statements. The Company has deferred tax assets arising from deductible temporary differences. The partially or fully recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit projections, losses incurred in current periods, expiration dates of unused losses and other tax assets, and tax planning strategies that can be used when necessary, were taken into consideration.

Accounting of gift checks

The Company recognizes income from the gift checks by estimating the portion which will not be used by the customers based on the historic data. As at 31 December 2024, the amount offset from the deferred revenue from the gift checks recognized in the financial statement is amounting to TL 101,646 (31 December 2023: TL 106,931) (Note 10).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (‘TL’) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONT'D)

2.6 Use of accounting estimates and assumptions (cont'd)

Provision for employment termination benefit

Under Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 Employee Benefits stipulates the development of the Company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying special purpose financial statements as of 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated with the assumption of 3% real discount rate calculated by using 23.40% annual inflation rate and 27.10% interest rate (31 December 2023: 1.73%) Voluntary turnover rates for sales and administrative personnel are considered as 34.9% and 8.41% for employees with 0-15 years of service (31 December 2023: 28.36% and 8.67% respectively) and 0% for employees with 16 or more years of service.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 3 – SEGMENT REPORTING

The Company applies TFRS 8 starting from 1 January 2009 and determined the reportable segments based on the internal management reports which are regularly reviewed by the decision maker.

In order to take the decisions about the allocation of resources to the operating segments and evaluate the performance of these segments, the decision maker reviews the results and the operations by sales channel. The Company's sales channel are as follows: Electronics retail sales, and sales of air conditions and white goods through dealers. These sales are also reviewed as stores and e-commerce (including Marketplace sales) and dealers (iklimsa). In addition, assets and liabilities are not included in the segment reporting since they are not regularly presented to the decision maker and are not reviewed in as a part of segment reporting.

Details of the segment reporting according to the internal management reports are as follows:

1 January - 31 December 2024			
	Retailing and E-commerce	Dealer Group	Total
Total segment income	65,613,287	3,822,660	69,435,947
Adjusted EBITDA	2,727,778	183,583	2,911,361
1 January - 31 December 2023			
	Retailing and E-commerce	Dealer Group	Total
Total segment income	64,876,200	3,446,240	68,322,440
Adjusted EBITDA	1,463,162	94,310	1,557,472
	1 January- 31 December 2024	1 January- 31 December 2023	
EBITDA attributable to reportable segments	2,911,361	1,557,472	
Depreciation and amortization	(1,387,277)	(1,149,989)	
Finance income/(expense), net	(4,204,972)	(2,361,372)	
Income/(expenses) from investing activities, net	4,190	47,738	
Other operating income/(expense), net	(3,267,551)	(1,403,788)	
Provision for employment termination benefits	(60,332)	(61,107)	
Monetary Gain/Loss	4,319,687	4,891,320	
Profit before tax	(1,684,894)	1,520,274	

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 4 – RELATED PARTY DISCLOSURES

The related parties listed below are the companies directly or indirectly controlled by Hacı Ömer Sabancı Holding A.Ş., the parent company of Teknosa or the companies over which Hacı Ömer Sabancı Holding A.Ş. has significant influence.

31 December 2024		
	Receivables Short-term	Payables Short-term
Balances with related parties	Trade	Trade
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	6,547	-
Agesa Hayat ve Emeklilik A.Ş. ve Bağlı Ortaklıkları	3,969	2,539
Çimsa Çimento San. ve Tic. A.Ş.	1,570	-
Akçansa Çimento San. ve Tic. A.Ş.	966	-
Akbank T.A.Ş.	711	-
Sabancı DX A.Ş.	438	42,612
Brisa Bridgestone Sabancı Lastik San. ve Tic. A.Ş.	89	-
Kordsa Teknik Tekstil A.Ş.	56	-
Hacı Ömer Sabancı Holding A.Ş.	38	765
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	-	150
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	-	2
Aksigorta A.Ş.	-	4,119
	14,384	50,187
31 December 2023		
	Receivables Short-term	Payables Short-term
Balances with related parties	Trade	Trade
Çimsa Çimento San. ve Tic. A.Ş.	6,706	-
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	5,319	-
Akbank T.A.Ş.	4,180	-
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	3,737	3,799
Aksigorta A.Ş.	1,770	7,698
Brisa Bridgestone Sabancı Lastik San. ve Tic. A.Ş.	446	-
Agesa Hayat ve Emeklilik A.Ş. ve Bağlı Ortaklıkları	315	-
Akçansa Çimento San. ve Tic. A.Ş.	277	-
Sabancı DX A.Ş.	232	65,860
Kordsa Teknik Tekstil Anonim Şirketi	5	-
Hacı Ömer Sabancı Holding A.Ş.	-	4,565
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	-	7
	22,987	81,929

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 4 – RELATED PARTY DISCLOSURES (CONT'D)

	31 December 2024	31 December 2023
Deposits at Akbank T.A.Ş.		
Time Deposit	617,859	-
Demand deposits	79,494	406,470
	697,353	406,470
Other cash and cash equivalents at Akbank T.A.Ş.		
Other cash and cash equivalents	1,523,975	1,103,923
	1,523,975	1,103,923
Credit card slip receivables at Akbank T.A.Ş.		
Credit card slip receivables	51,324	78,935
	51,324	78,935
Short-term bank borrowings at Akbank T.A.Ş.		
Short-term bank borrowings	-	74,907
	-	74,907

As of 31 December 2024 and 31 December 2023, the details of the short-term portion of long-term lease obligations with related parties are as follows.

	31 December 2024	31 December 2023
Short and long-term lease liabilities		
Short-term portion of long-term lease liabilities to related parties		
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	2,897	3,246
Long-term lease obligations to related parties		
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	1,110	5,559
	4,007	8,805

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 4 – RELATED PARTY DISCLOSURES (CONT'D)

	1 January - 31 December 2024		
Transactions with related parties	Goods Sales	Rent Expenses	Other Expenses
Akbank T.A.Ş.	110,094	-	-
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	44,638	(21,882)	(2,696)
Aksigorta A.Ş.	12,120	-	(89,812)
Agesa Hayat ve Emeklilik A.Ş. ve Bağlı Ortaklıkları	8,314	-	(36,884)
Çimsa Çimento San. ve Tic.A.Ş.	9,351	-	-
Akçansa Çimento San. ve Tic. A.Ş.	3,081	-	-
Kordsa Teknik Tekstil A.Ş.	2,531	-	-
Brisa Bridgestone Sabancı Las. San. ve Tic. A.Ş.	933	-	-
Hacı Ömer Sabancı Holding A.Ş.	1,452	-	(4,652)
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	626	-	(34,498)
Sabancı Dijital Teknoloji Hizmetleri A.Ş. ⁽¹⁾	714	-	(149,184)
Ak Finansal Kiralama A.Ş.	46	-	-
Enerjisa Enerji Üretim A.Ş.	947	-	-
Temsa Global San. Tic. A.Ş.	1	-	-
	194,848	(21,882)	(317,726)

⁽¹⁾ Our Company receives internet security service, data security application, maintenance and repair service, server purchase, software development, hardware and license renewal, project and consultancy services from SabancıDX A.Ş.

	1 January - 31 December 2023		
Transactions with related parties	Goods Sales	Rent Expenses	Other Expenses
Akbank T.A.Ş.	189,969	-	-
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	107,064	(17,663)	(10,337)
Çimsa Çimento San. ve Tic. A.Ş.	11,164	-	-
Kordsa Teknik Tekstil A.Ş.	3,463	-	-
Akçansa Çimento San. ve Tic. A.Ş.	2,599	-	-
Agesa Hayat ve Emeklilik A.Ş. ve Bağlı Ortaklıkları	2,045	-	-
Aksigorta A.Ş.	19,046	-	(86,350)
Sabancı DX A.Ş.	1,260	-	(224,965)
Brisa Bridgestone Sabancı Las. San. ve Tic. A.Ş.	1,510	-	-
Enerjisa Enerji Üretim A.Ş.	1,041	-	-
Hacı Ömer Sabancı Holding A.Ş.	3,719	-	(10,726)
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	3,114	-	(44,037)
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	-	-	(96)
	345,994	(17,663)	(376,511)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 4 – RELATED PARTY DISCLOSURES (CONT'D)

Benefits for the key management personnel

The Company's key management has been identified as the general managers and assistant general managers. Remuneration to key management personnel consists of wages, premiums, pensions, health insurance and life insurance payments. Remunerations of key management personnel for the periods ended 31 December 2024 and 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Salaries and other short-term benefits	66,650	58,310
	66,650	58,310

NOTE 5 – CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 31 December 2023, the details of cash and cash equivalents are as follows:

	31 December 2024	31 December 2023
Cash	8,177	18,765
Cash at banks	740,771	2,337,869
<i>Demand deposits</i>	122,912	1,664,911
<i>Time deposits</i>	617,859	672,958
Credit card slip receivables	283,676	493,759
Other cash and cash equivalents ⁽¹⁾	1,523,975	1,103,923
	2,556,599	3,954,316

⁽¹⁾ Other cash and cash equivalents consist of short-term free liquid fund used by the Company from Akbank T.A.Ş., which is exempt from corporate tax. As at 31 December 2024, there is liquid fund amounting to TL 1,523,975 (31 December 2023 1,103,923 TL).

The Company does not have any restricted deposits as at 31 December 2024 and 31 December 2023.

As at 31 December 2024, the details of time deposits, maturity dates and interest rates of the Company are as follows:

Currency	Maturity	Interest rate	TL Deposit Provision
USD	31 January 2025	2.63%	617,693
		Interest accrual	166
			617,859

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 5 – CASH AND CASH EQUIVALENTS (CONT'D)

As of 31 December 2023, the details of the Company's time deposits, maturity dates and interest rates are as follows:

Currency	Maturity	Interest rate	TL Deposit Provision
TL	1 January 2024	26.00%	11,622
USD	2 January 2024	6.00%	212,513
USD	2 January 2024	3.75%	21,251
USD	5 January 2024	5.00%	212,513
USD	12 January 2024	4.50%	212,513
		Interest accrual	2,546
			672,958

The details of credit risk, foreign currency risk and impairment of the Company's cash and cash equivalents are disclosed in Note 28.

NOTE 6 – BORROWINGS

As of 31 December 2024 and 31 December 2023, the details of the Company's short-term bank loans are as follows:

	31 December 2024	31 December 2023
Bond issuance from third parties	390,860	-
Short-term bank borrowings from related parties	-	74,907
Short-term bank borrowings from third parties	-	708,160
	390,860	783,067

The Company has no short-term bank loans as of 31 December 2024.

On 18 September 2024, the company issued a financing bond with the amount of TL 340,000, 174-day maturity, 52.00% fixed interest, redemption date of 11 March 2025 and ISIN code TRFTKNO32515. As of 31 December 2024, TL 50,860 interest has accrued.

As of 31 December 2023 the maturities and terms of outstanding borrowings are as follows:

	31 December 2023		
Currency	Weighted average effective interest rate	Maturity Date	Short-term
TL	45.32%	12 January 2024	74,549
TL	34.74%	23 February 2024	74,907
TL	26.89%	5 March 2024	118,485
TL	49.88%	20 June 2024	515,126
Short-Term Borrowings			783,067

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 6 – BORROWINGS (CONT'D)

The reconciliation of the Company's liabilities arising from bank borrowings for the periods ended 31 December 2024 and 2023 is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Movement of net financial debt		
Net financial debt as of 1 January	783,067	481,169
Cash inflows from loans and bonds issued	14,174,765	906,781
Cash outflows related to loan and bond repayments	(14,025,069)	(507,343)
Interest expense for the period (including accruals) (Note 24)	827,583	165,086
Inflation Effect	(1,369,486)	(262,626)
Net financial debt as of 31 December	390,860	783,067

As of 31 December 2024 and 31 December 2023, the details of payables from lease transactions are as follows:

	Current value of minimum lease payments	
	31 December 2024	31 December 2023
Payables from lease transactions		
Within one year	486,642	495,722
Less: deferred financial expenses	(106,837)	(74,116)
Current value of the lease liability	379,805	421,606
Two years and over	576,872	739,720
Less: deferred financial expenses	(126,646)	(110,597)
Current value of the lease liability	450,226	629,123

The Company's lease liabilities represent the present value of the future payables of the buildings and machinery and equipment that are rented by the third parties through their useful lives.

The reconciliation of the Company's liabilities arising from leasing activities is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Movement of lease liabilities		
Lease liabilities as of 1 January	1,050,729	993,706
Increase in lease liability during the period	658,554	1,029,998
Interest and principal payments during the period	(732,731)	(657,894)
Interest expense for the period (including accruals) (Note 24)	233,482	230,298
Inflation Effect	(380,003)	(545,379)
Lease liabilities as of 31 December	830,031	1,050,729

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 7 - TRADE RECEIVABLES AND PAYABLES

As of 31 December 2024 and 31 December 2023, details of trade receivables and payables are as follows.

	31 December 2024	31 December 2023
Short-term trade receivables		
Trade receivables	921,738	1,019,481
Notes receivable	280,526	313,198
Trade receivables from related parties (Note 4)	14,384	22,987
Provision for doubtful trade receivables (-)	(8,493)	(10,813)
	1,208,155	1,344,853

The average maturity of the Company's trade receivables is 1-7 days for retail receivables and 54 days for dealer groups. (31 December 2023: For retail: 1-7 days, 55 days for dealer receivables). As of 31 December 2024, the Company does not apply overdue interest on trade receivables. (31 December 2023: None).

The movement table of the Company's provision for doubtful receivables is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Movement of expected loss provision		
Opening balance	10,813	17,451
Charge for the period	1,732	664
Provision released	(618)	(352)
Inflation effect	(3,434)	(6,950)
Closing balance	8,493	10,813

As of 31 December 2024 and 31 December 2023, the Company obtained the collaterals listed below for the checks, notes and trade receivables:

	31 December 2024	31 December 2023
Collaterals received for trade receivables that are not due:		
Collaterals received	809,685	655,620
Mortgages	3,772	8,579
	813,457	664,199

The fair value of collateral and mortgages that the Company has the right to sell or re-guarantee or pledge before the collateral owner defaults is TL 813,457 (31 December 2023: TL 664,199).

As of the reporting date, the Company does not have any collaterals or mortgages sold or pledged.

The details of credit risk, foreign currency risk and impairment of the Company's short-term trade receivables are disclosed in Note 28.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 7 TRADE RECEIVABLES AND PAYABLES (CONT'D)

Short-term trade payables:

	31 December 2024	31 December 2023
Trade payables	13,547,592	14,185,761
Trade payables to related parties (Note 4)	50,187	81,929
Expense accruals	85,316	45,530
	13,683,095	14,313,220

As of 31 December 2024, the Company offset income accruals from its suppliers amounting to TL 1,114,444 with trade payables (31 December 2023: TL 705,576). Average payment term of trade payables is 79 days (31 December 2023: 78 days).

As of 31 December 2024, the amount of letters of guarantee received from banks and given to suppliers is TL 5,498,201 (31 December 2023: TL 6,064,350).

The foreign exchange rate risk and liquidity risk for the Company's trade payables are disclosed in Note 28.

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

The details of other receivables and other payables as of 31 December 2024 and 31 December 2023 are as follows:

Other Receivables	31 December 2024	31 December 2023
Deposits and guarantees given	1,435	1,759
	1,435	1,759

Other Payables	31 December 2024	31 December 2023
Deposits and guarantees received	15,374	17,961
	15,374	17,961

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 9 - INVENTORIES

The details of the inventories as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Trade goods	9,924,460	11,285,198
Goods in transit	864,029	881,260
Provision for impairment on inventories (-)	(103,438)	(92,472)
	10,685,051	12,073,986

As of 31 December 2024, total cost of trade goods recognized in the statement of profit or loss is TL 60,198,072 (31 December 2023: TL 60,826,731) (Note 20). As of 31 December 2024 and 2023, provision for impairment on inventories has been recognized in cost of goods sold (Note 20).

The movements of allowance for inventories for the periods ended at 31 December 2024 and 2023 are as below:

	1 January- 31 December 2024	1 January- 31 December 2023
Movement of provision for impairment on inventories		
Opening balance	(92,472)	(54,867)
Charge for the period	(10,966)	(37,605)
Closing balance	(103,438)	(92,472)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

The details of prepaid expenses as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Short-Term Prepaid Expenses		
Prepaid expenses	30,156	41,570
Advances given for inventory purchases	25,046	26,668
	55,202	68,238
Long-Term Prepaid Expenses		
Prepaid expenses	56,921	48,540
	56,921	48,540

The details of the deferred income as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Short-Term Deferred Income		
Order advances received	266,773	380,702
Income from gift card sales	101,646	106,931
Other	4,719	2,353
	373,138	489,986

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 11 – RIGHT-OF-USE ASSETS

The Company, as a lessee, has acquired the lease rights representing the lease rights representing the right to use the underlying asset and the lease payments to the financial statements.

As of 31 December 2024 and 2023, the movement table of right-of-use assets is as follows:

Right-of-use assets	Buildings	Vehicles	Total
Cost			
1 January 2024	4,643,342	218,321	4,861,663
Additions	653,633	4,921	658,554
Disposals	(96,410)	(510)	(96,920)
31 December 2024	5,200,565	222,732	5,423,297
Accumulated Depreciation			
1 January 2024	(3,274,681)	(75,910)	(3,350,591)
Charge for the period	(885,824)	(58,703)	(944,527)
Disposals	76,564	510	77,074
31 December 2024	(4,083,941)	(134,103)	(4,218,044)
Net Book Value	1,116,624	88,629	1,205,253

Right-of-use assets	Buildings	Vehicles	Total
Cost			
1 January 2023	3,818,115	69,203	3,887,318
Additions	874,416	155,582	1,029,998
Disposals	(49,189)	(6,464)	(55,653)
31 December 2023	4,643,342	218,321	4,861,663
Accumulated Depreciation			
1 January 2023	(2,537,843)	(50,916)	(2,588,759)
Charge for the period	(777,297)	(31,484)	(808,781)
Disposals	40,459	6,490	46,949
31 December 2023	(3,274,681)	(75,910)	(3,350,591)
Net Book Value	1,368,661	142,411	1,511,072

The depreciation expense for the three-month interim accounting period ending on 31 December 2024 is TL 944,527 (31 December 2023: TL 808,781). TL 939,467 (31 December 2023: TL 800,673) of the depreciation expense is included in marketing expenses and TL 5,060 (31 December 2023: TL 8,108) is included in general administrative expenses.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 12 – INVESTMENT PROPERTIES

For the accounting periods ended 31 December 2024 and 2023, movements in investment properties and accumulated depreciation are as follows:

Cost Value	Buildings	Total
Opening balance as of 1 January 2024	265,434	265,434
Fair value increase/(decrease) ^(*)	3,176	3,176
Closing balance as of 31 December 2024	268,610	268,610

Cost Value	Buildings	Total
Opening balance as of 1 January 2023	217,700	217,700
Fair value increase/(decrease) ^(*)	47,734	47,734
Closing balance as of 31 December 2023	265,434	265,434

The Company generates rental income by TL 10,857 (2023: TL 9,391) from its investment property, which is leased by an operating lease agreement. Direct operating costs arising from the investment property is amounting to TL 3,102 (2023: TL 2,925). Operating expenses which are not related to the Teknosa store are distributed to lessees.

As of 31 December 2024, the fair value of the Company's investment properties and the building included in property, plant and equipment has been determined by Harmoni Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent valuation company, in its valuation report dated 19 February 2025.

The aforementioned firm is authorized by the CMB and provides real estate valuation services in accordance with the capital markets legislation and has sufficient experience and qualifications in the fair value measurement of the properties in the relevant regions. The fair value of the owned building was calculated using the "Income Approach" and "Direct Capitalization Method" and the final value was reached by harmonizing the results obtained.

^(*) As of 31 December 2024, a fair value increase of TL 3,176 was recognized under income from investment activities for the part of the building held for investment purposes. (31 December 2023: TL 47,734) Fair value of the related building is level 2. As of 31 December 2024 and 31 December 2023, there is no mortgage on investment properties.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 13 – PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment and related accumulated depreciation for the period ended 31 December 2024 are as follows:

Cost Value	Plant, machinery and equipment					Furniture and fixtures	Leasehold improvements	Construction in progress	Total
	Buildings	Vehicles	Plant, machinery and equipment						
Opening balance as of 1 January 2024	138,891	1,642	1,392	6	-	1,442,552	1,369,845	167,867	3,122,189
Additions	-	-	-	-	-	168,933	66,988	279,858	515,785
Revaluation increase/(decrease) ^(*)	(10,234)	-	-	-	-	(141,302)	(72,966)	-	(10,234)
Disposals	-	-	-	-	-	34,531	71,836	(106,367)	(214,268)
Transfers	-	-	-	-	-	-	-	-	-
Closing balance as of 31 December 2024	128,657	1,642	1,398	-	-	1,504,714	1,435,703	341,358	3,413,472
Accumulated Depreciation									
Opening balance as of 1 January 2024	(29,290)	(1,221)	(1,392)	(1)	(1,221)	(931,241)	(1,073,098)	-	(2,036,242)
Charge for the period	(3,037)	(144)	(1)	-	(144)	(165,245)	(99,936)	-	(268,363)
Disposals	-	-	-	-	-	136,529	69,975	-	206,504
Net impairment / reversal ^(*)	-	-	-	-	-	(646)	(1,618)	-	(2,264)
Closing balance as of 31 December 2024	(32,327)	(1,365)	(1,393)	-	(1,365)	(960,603)	(1,104,677)	-	(2,100,365)
Closing balance as of 31 December 2023	109,601	421	-	-	421	511,311	296,747	167,867	1,085,947
Net book value as of 31 December 2024	96,330	277	5	-	277	544,111	331,026	341,358	1,313,107

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power at 31 December 2024, unless otherwise stated.)

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The movement of property, plant and equipment and related accumulated depreciation for the period ended 31 December 2023 are as follows:

	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Cost Value							
Opening balance as of 1 January 2023	145,056	1,449	1,642	1,170,131	1,223,424	70,695	2,612,397
Additions	-	-	-	291,643	104,126	274,480	670,249
Revaluation increase/(decrease) ^(*)	(6,165)	-	-	-	-	-	(6,165)
Disposals	-	(57)	-	(99,646)	(37,626)	-	(137,329)
Transfers ^(†)	-	-	-	80,424	79,921	(177,308)	(16,963)
Closing balance as of 31 December 2023	138,891	1,392	1,642	1,442,552	1,369,845	167,867	3,122,189
Accumulated Depreciation							
Opening balance as of 1 January 2023	(25,860)	(1,449)	(1,076)	(905,227)	(1,033,011)	-	(1,966,623)
Charge for the period	(3,430)	-	(145)	(120,509)	(77,267)	-	(201,351)
Disposals	-	57	-	94,624	37,273	-	131,954
Impairment / reversal net	-	-	-	(129)	(93)	-	(222)
Closing balance as of 31 December 2023	(29,290)	(1,392)	(1,221)	(931,241)	(1,073,098)	-	(2,036,242)
Closing balance as of 31 December 2022	119,196	-	566	264,904	190,413	70,695	645,774
Net book value as of 31 December 2023	109,601	-	421	511,311	296,747	167,867	1,085,947

^(*) As of 31 December 2024, net impairment loss for property, plant and equipment is TL 2,264 (31 December 2023: TL 222). TL 182,556 (31 December 2023: TL 143,214) of depreciation expense is included in marketing expenses and TL 85,807 (31 December 2023: TL 58,137) is included in general administrative expenses.

^(†) The fair value of the building owned by the Company as of 19 February 2025 was determined by TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent valuation company from the Company. The relevant company is authorized by the CMB and provides real estate valuation services in accordance with the capital market legislation and has sufficient experience and qualifications in the fair value measurement of real estate in the relevant region. The fair value of the building owned was calculated using the "Income Approach" and the "Direct Capitalization Method" and the final value was reached by harmonizing the results obtained. A decrease in value of TL 10,234 for the part of the relevant real estate used by the Company was recorded in the revaluation and measurement gains account under equity. (31 December 2023: TL 6,165) For the part of the building held for investment purposes, a capital gain of 3,176 (31 December 2023 TL 47,734) was recorded under the profit or loss statement (Note 12 and 24). The fair value of the building in question is level 2.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 14 - INTANGIBLE ASSETS

The movement of intangible assets and related accumulated depreciation for the period ended 31 December 2024 and 2023 are as follows:

Cost Value	Licences - Rights and Computer Software
Opening balance as of 1 January 2024	1,914,967
Additions	346,721
Disposals	(3,886)
Closing balance as of 31 December 2024	2,257,802
Accumulated Amortization	
Opening balance as of 1 January 2024	(1,559,789)
Charge for the period	(174,387)
Disposals	3,855
Closing balance as of 31 December 2024	(1,730,321)
Closing balance as of 31 December 2023	355,178
Net book value as of 31 December 2024	527,481

Cost Value	Licences - Rights and Computer Software
Opening balance as of 1 January 2023	1,729,397
Additions	169,754
Transfers	16,963
Disposals	(1,147)
Closing balance as of 31 December 2023	1,914,967
Accumulated Amortization	
Opening balance as of 1 January 2023	(1,421,076)
Charge for the period	(139,857)
Transfers	1,144
Closing balance as of 31 December 2023	(1,559,789)
Closing balance as of 31 December 2022	308,321
Net book value as of 31 December 2023	355,178

TL 108,786 (2023: TL 87,245) of amortization expense is included in marketing expenses and TL 65,601 (2023: TL 52,612) is included in general administrative expenses.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 15 – PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS

Details of payables related to employee benefits as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Payables related to employee benefits		
Salaries payable to personnel	103,375	93,640
Social security premiums payable	55,503	107,307
Income tax payable	32,047	25,777
	190,925	226,724

The details of the provisions for employee benefits as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Short-term provisions		
Sales personnel premium provision	44,712	70,432
Provision for unused leave	37,313	33,245
General management premium provision	18,698	76,688
Key management bonus provision	5,050	13,637
	105,773	194,002

	31 December 2024	31 December 2023
Long-term provisions		
Provision for employment termination benefits	101,843	127,006
General management premium provision	5,510	7,954
	107,353	134,960

The movement of employment termination benefit provision for the year ended 31 December 2024 and 2023 are as follows:

	2024	2023
Movement of provision for employment termination benefits:		
Provision balance as of 1 January	127,006	155,483
Service cost	35,303	42,944
Interest cost	25,029	18,163
Payments during the period	(54,855)	(63,303)
Actuarial loss/(gain)	9,619	43,509
Inflation Adjustment	(40,259)	(69,790)
Provision balance as of 31 December	101,843	127,006

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 15 – PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS (CONT'D)

The details of the other short-term provisions as of 31 December 2024 and 31 December 2023 are as follow.

	31 December 2024	31 December 2023
Opening Balance	194,002	179,469
Charge for the Period	(28,597)	69,698
Inflation Effect	(59,632)	(55,165)
Closing Balance	105,773	194,002

NOTE 16 – PROVISIONS

The details of the other short-term provisions as of 31 December 2024 and 31 December 2023 are as follow.

	31 December 2024	31 December 2023
Short-term provisions		
Ministry of Commerce Penalty Provision ^(*)	20,988	-
Provision for litigations ^(**)	46,751	36,529
Provision for consultancy and centre expenses ^(***)	10,028	34,166
Store provisions	4,179	18,791
İklimsa warranty provision	3,519	6,506
Provision for Competition Board penalty	-	41,371
Other	18,949	9,720
	104,414	147,083

^(*)As a result of the audit conducted within the framework of the provisions of the Law No. 6502 on the Protection of Consumers, the Turkish Ministry of Commerce, Istanbul Provincial Directorate of Commerce decided to impose a fine of TL 83,893 in accordance with Articles 77 and 78 of the same Law for not including the delivery time in the preliminary information form. On 27 May 2024, the penalty notice was notified to the Company. Following the notification, the Company management is considering using all legal rights, including reconciliation, in relation to the penalty notice. As a result of the Company's reconciliation application, the administrative fine was reduced to TL 41,946 by the Reconciliation Commission. The first installment of the Company's administrative fine of TL 41,946 was paid within the legal payment period. The first installment payment was made on 10 July 2024 in the amount of TL 10,479, and the second installment payment was made on 4 November 2024 in the amount of TL 10,479. It has been decided to pay 2 instalments for the remaining TL 20,988 within one year, and if the instalments are not paid on time and in full, the remaining part of the administrative fine will be collected in full.

^(**)Provision for ongoing litigation is comprised of lawsuits filed by consumers and former employees against the Company.

^(***)It consists of the provisions for the services and consultancy received by the Company during the fiscal year.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 16 – PROVISIONS (CONT'D)

The movement of provisions for ongoing litigation and cancellation of rent agreements for the year ended 31 December 2024 and 31 December 2023 are as follows:

	1 January 2024	Charge for the Period	Inflation Effect	31 December 2024
Litigation provisions	36,529	21,473	(11,251)	46,751
Claim for damages	1,404	-	(455)	949
Reemployment lawsuit	29,050	15,458	(8,929)	35,579
Consumer lawsuits	3,791	703	(1,165)	3,329
Rental litigation provisions	2,284	5,312	(702)	6,894
	36,529	21,473	(11,251)	46,751
	1 January 2023	Charge for the Period	Inflation Effect	31 December 2023
Litigation provisions	29,540	18,602	(11,613)	36,529
Claim for damages	2,524	(128)	(992)	1,404
Reemployment lawsuit	23,652	14,696	(9,298)	29,050
Consumer lawsuits	3,163	1,871	(1,243)	3,791
Rental litigation provisions	201	2,163	(80)	2,284
	29,540	18,602	(11,613)	36,529

As of 31 December 2024, the amount of letters of guarantee given from banks to the related court administrations is TL 15,643. (31 December 2023: TL 15,577)

The movement of other provisions as of 31 December 2024 and 31 December 2023 are as follows:

	1 January 2024	Charge for the Period	Inflation effect	31 December 2024
Ministry of Commerce Penalty Provision	-	20,988	-	20,988
Provision for consultancy and centre expenses	34,166	(13,871)	(10,267)	10,028
Store provisions	18,791	(8,622)	(5,990)	4,179
İklimsa warranty provision	6,506	(987)	(2,000)	3,519
Provision for Competition Board penalty	41,371	(28,654)	(12,717)	-
Other	9,720	12,190	(2,961)	18,949
	110,554	(18,956)	(33,935)	57,663
	1 January 2023	Charge for the Period	Inflation effect	31 December 2023
Provision for consultancy and centre expenses	4,334	31,535	(1,703)	34,166
Store provisions	4,419	16,108	(1,736)	18,791
İklimsa warranty provision	4,759	3,618	(1,871)	6,506
Provision for Competition Board penalty	-	41,371	-	41,371
Other	13,309	1,644	(5,233)	9,720
	26,821	94,276	(10,543)	110,554

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 17 – COMMITMENTS

Collateral, pledge, mortgage, warrant position

Collaterals, pledges, mortgages and warrant ("CPMW") given by the Company as of 31 December 2024 and 31 December 2023 are as follows:

CPMW's Given by the Company	TL equivalent	US Dollar	Euro	Other
31 December 2024				
A, Total Amount of CPMW Given on Behalf of the Legal Entity	6,073,297	14,735	2,468	5,463,552
-Guarantees	5,513,844	543	950	5,459,780
-Pledge	-	-	-	-
-Mortgage	3,772	-	-	3,772
-Letter of Credit	555,681	14,192	1,518	-
B, Total Amount of CPMW Given Against the Subsidiaries Included in Full Consolidation	-	-	-	-
C, Total Amount of CPMW Given to Maintain Operations and Collect Payables from Third Parties	-	-	-	-
D, Total amount of other CPMW's given	-	-	-	-
Total	6,073,297	14,735	2,468	5,463,552

CPMW's Given by the Company

	TL equivalent	US Dollar	Euro	Other
31 December 2023				
A, Total Amount of CPMW Given on Behalf of the Legal Entity	6,495,447	11,578	2,334	4,126,021
-Guarantees	6,079,927	2,004	2,334	4,117,442
-Pledge	-	-	-	-
-Mortgage	8,579	-	-	8,579
-Letter of Credit	406,941	9,574	-	-
B, Total Amount of CPMW Given Against the Subsidiaries Included in Full Consolidation	-	-	-	-
C, Total Amount of CPMW Given to Maintain Operations and Collect Payables from Third Parties	-	-	-	-
D, Total amount of other CPMW's given	-	-	-	-
Total	6,495,447	11,578	2,334	4,126,021

The ratio of other CPMW given on behalf of third parties except for the CPMW given on behalf of the Company's own legal personality to total equity is 0% as at 31 December 2024 (31 December 2023: 0%).

As of 31 December 2024 and 31 December 2023, the Company is contingently liable in respect of bank letter of guarantees obtained from banks mainly given to lessors in accordance with the lease agreements, enforcement office related to ongoing lawsuits and custom related to import transactions.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 18 – OTHER ASSETS AND LIABILITIES

The details of other assets and liabilities as of 31 December 2024 and 31 December 2023 are as follows.

	31 December 2024	31 December 2023
Other Current Assets		
Deferred VAT	-	445,548
Business advances	21,673	7,184
Personnel advances	543	455
Other miscellaneous current assets	76,608	47,097
	98,824	500,284
Other Current Liabilities		
Calculated / Payable VAT	63,059	-
Other expense accruals	30,226	23,537
Other miscellaneous payables and liabilities	7,257	5,154
	100,542	28,691

NOTE 19 – SHAREHOLDERS' EQUITY

The registered capital ceiling of the Company is 300,000,000 full TL and it consists of 30,000,000,000 shares with a nominal value of 1 Kr each.

The Company's approved and the issued share capital consists of 20,100,000,000 shares of 1 Kr nominal value (31 December 2023: approved and the issued 20,100,000,000 shares of 1 Kr nominal value).

The details of the shareholders' equity structure as at 31 December 2024 and 2023 are as follows.

	31 December 2024		31 December 2023	
	Share		Share	
Hacı Ömer Sabancı Holding A.Ş.	100,500	50%	100,500	
Other	100,500	50%	100,500	
Nominal Capital	201,000	100%	201,000	
Capital adjustment	2,751,124		2,751,124	
Adjusted capital	2,952,124		2,952,124	

Share premiums

It is the item where the amounts that arise due to capital movements such as share issue premiums, canceled partnership shares, share sales profits of companies whose controlling power continues and which are considered a part of the capital are followed. As of 31 December 2024, share premiums in the financial statements of the Company are TL 923,600 (31 December 2023: TL 923,600).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 19 – SHAREHOLDERS' EQUITY (CONT'D)

Restricted Reserves Appropriated from Profit

Under the Turkish Commercial Code, the legal reserve is set aside at 5% of the annual profits until it reaches 20% of the Company's paid-in capital. Other legal reserves are allocated at a rate of 10% of the total amount to be distributed to those entitled to a share of the profits, after a dividend of 5% is paid to shareholders. According to the Turkish Commercial Code, as long as the general legal reserve does not exceed half of the capital or issued capital, it can only be used to cover losses, sustain the business during tough times, or take appropriate measures to prevent unemployment and mitigate its consequences.

	31 December 2024	31 December 2023
Legal reserves	80,877	56,822
	80,877	56,822

Other comprehensive income or expenses not to be reclassified to profit or loss

Gains/(loss) on revaluation of property, plant and equipment

It consists of other comprehensive income of gains on revaluation of property, plant and equipment reserves that is not associated with profit and loss.

The movements of revaluation of property, plant and equipment for the year ended 31 December 2024 and 2023 are as follows:

	2024	2023
Balance at the beginning of the period	38,976	41,362
Fair value increase/(decrease)	(5,360)	(2,386)
Balance at the end of the period	33,616	38,976

Gain / (losses) on remeasurement of defined benefit plans

As of 31 December 2024, actuarial loss amounting to TL 133,763 (31 December 2023: TL 126,549) is recognized as other comprehensive expense.

Other comprehensive income or expenses to be reclassified to profit or loss

Gains/losses on hedging

Hedging reserves consist of the effective portion of the accumulated net change in the fair value of the cash flow hedging instrument related to the hedged transaction that unrealized. As of 31 December 2024, the Company's hedging losses are TL 387 (31 December 2023: TL 756).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 19 – SHAREHOLDERS' EQUITY (CONT'D)

Additional Information Capital , Legal Reserves and Other Equity Items

A comparison of the Company's equity items restated for inflation in the financial statements as of 31 December 2024 and the restated amounts in the financial statements prepared in accordance with Law No. 6762 and other legislation are as follows:

	Amounts restated for the effects of inflation in the financial statements prepared in accordance with the Law No. 6762 and other legislation	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/ TFRS	Difference recognised in retained earnings
31 December 2024			
Capital Adjustment Differences	3,789,236	2,751,124	1,038,112
Share Premiums	1,037,526	923,600	113,926
Restricted Reserves Appropriated from Profit	192,771	80,877	111,894
	5,019,533	3,755,601	1,263,932

NOTE 20 – REVENUE AND COST OF REVENUE

As of 31 December 2024 and 2023, the details of revenue and cost of sales are as follows.

	1 January-31 December 2024	1 January-31 December 2023
a) Sales income (net)		
Retail sales	59,214,312	57,643,391
E-commerce sales	6,398,975	7,232,809
Dealer group sales	3,822,660	3,446,240
	69,435,947	68,322,440
b) Cost of sales		
Cost of trade goods sold	(60,198,072)	(60,826,731)
Installation and warranty expenses	(324,800)	(212,484)
	(60,522,872)	(61,039,215)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 21 – GENERAL ADMINISTRATIVE AND MARKETING EXPENSES

	1 January-31 December 2024	1 January-31 December 2023
General administrative expenses (-)	(885,807)	(789,726)
Marketing expenses (-)	(6,563,516)	(6,147,123)
	(7,449,323)	(6,936,849)

As of 31 December 2024 and 2023, the details of general administrative expenses are as follows:

	1 January-31 December 2024	1 January-31 December 2023
a) General Administrative Expenses		
Personnel expenses	(379,684)	(393,060)
IT expenses	(167,956)	(138,903)
Consultancy service expenses	(130,190)	(90,129)
Depreciation and amortization expenses	(156,468)	(118,857)
Lease expenses	(15,339)	(9,827)
Travel expenses	(6,353)	(6,307)
Maintenance, repair and cleaning expenses	(4,628)	(5,626)
Independent audit expenses (Note 30)	(2,862)	(2,238)
Energy, fuel and water expenses	(450)	(478)
Other expenses	(21,877)	(24,301)
	(885,807)	(789,726)

As of 31 December 2024 and 2023, the details of marketing, selling and distribution expenses are as follows:

	1 January-31 December 2024	1 January-31 December 2023
b) Marketing Expenses		
Personnel expenses	(2,241,030)	(2,033,249)
Depreciation and amortization expenses	(1,230,809)	(1,031,132)
Rent expense	(1,245,250)	(1,201,880)
Advertising and promotion expenses	(633,019)	(758,760)
Freight and logistics expenses	(633,443)	(494,057)
Energy, fuel and water expenses	(126,796)	(183,568)
Maintenance, repair and cleaning expenses	(76,796)	(78,994)
Consultancy service expenses	(69,389)	(65,247)
Travel, transport and accommodation expenses	(20,422)	(17,809)
Communication expenses	(6,262)	(4,479)
Other expenses	(280,300)	(277,948)
	(6,563,516)	(6,147,123)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 22 - OTHER OPERATING INCOME AND EXPENSES

As of 31 December 2024 and 2023, details of other operating income are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Other Income from Operating Activities		
Foreign exchange income	529,197	1,008,494
Bank interest income	422,758	424,717
Maturity difference income	173,184	224,571
Deductions from personnel	8,798	6,357
Lease termination income	4,160	1,098
Other income	46,215	32,942
	1,184,312	1,698,179

As of 31 December 2024 and 2023, details of other operating expenses are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Other Expenses from Operating Activities		
Maturity difference expenses	(3,611,334)	(1,626,274)
Foreign exchange expenses	(676,882)	(1,313,443)
Court and execution expenses	(50,304)	(33,831)
Other expenses	(113,343)	(128,419)
	(4,451,863)	(3,101,967)

NOTE 23 - INCOME FROM INVESTING ACTIVITIES

As of 31 December 2024 and 2023, the details of income from investing activities are as follows.

	1 January- 31 December 2024	1 January- 31 December 2023
Income from investing activities		
Gain on fair value increase of investment property	3,176	47,734
Property, plant and equipment sales income	1,014	4
	4,190	47,738

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 24 - FINANCIAL EXPENSES AND INCOME

As of 31 December 2024 and 2023, the details of financial expenses are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Finance Expenses		
Credit card commission and discount expenses	(3,245,017)	(2,184,097)
Interest and commission expenses	(827,583)	(165,086)
Interest expense on lease liabilities (Note 6)	(233,482)	(230,298)
Foreign exchange expense	(99,058)	(12,105)
Letter of guarantee commissions	(38,146)	(33,613)
Other financial expenses	(4,190)	(2,489)
	(4,447,476)	(2,627,688)

As of 31 December 2024 and 2023, the details of financial income are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Finance Income		
Foreign exchange income	242,504	266,316
	242,504	266,316

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 25 - DISCLOSURES ON NET MONETARY POSITION GAINS/(LOSSES)

The details of the Company's net monetary position gains/(losses) in accordance with TAS 29 as at 31 December 2024 and 31 December 2023 are as follows:

	1 January - 31 December 2024
Non-Monetary Items	
Statement of financial position items	(770,909)
Inventories	3,187
Property, Plant and Equipment	195,894
Other Intangible Assets	66,921
Right-of-Use Assets	90,833
Deferred Tax Assets	(21,845)
Deferred Tax Liability	4,131
Paid-in Capital	(907,126)
Share Premiums	(283,894)
Gain/(Loss) on Remeasurement of Defined Benefit Plans	50,048
Hedging Gains/Losses	187
Value Increase Funds	5,921
Restricted Reserves Appropriated from Profit	(21,087)
Prior Years' Profit/Losses	45,921
Statement of profit or loss	5,090,596
Revenue	(8,199,564)
Cost of Sales	10,860,264
General Administrative Expenses	165,225
Marketing Expenses	1,267,169
Other Operating Income/Expenses	77,469
Income/Expenses from Investing Activities	404,310
Finance Income/Expenses	516,825
Current Period Tax Expense	(1,102)
Net monetary position gains / (losses)	4,319,687

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 26 - INCOME TAXES (INCLUDING DEFERRED ASSETS AND LIABILITIES)

Corporate tax

The Company is subject to tax legislation and practices effective in Türkiye. Corporate tax is declared by the evening of the last day of the fourth month following the end of the relevant accounting period and is paid in a single installment until the end of the relevant month. Entities are required to calculate temporary tax at the current rate based on their quarterly profits, declare it by the 17th day of the second month following the period, and pay it by the evening of the 17th day. Temporary taxes paid during the year are offset against the corporate tax calculated on the annual corporate tax return of that year. If temporary tax amount remains despite the offset, this amount can be refunded in cash or offset against other financial debts owed to the State.

In Türkiye, corporate tax rate is 25% as of 31 December 2024 (31 December 2023: 25%).

Transfer pricing regulations

In Türkiye, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Disguised profit distribution through transfer pricing". The communiqué dated 18 November 2007 on disguised profit distribution via transfer pricing regulates the details of the implementation.

If the taxpayer buys or sells goods or services with related parties at the price or price they have determined in violation of the arm's length principle, the profit is deemed to have been distributed implicitly through transfer pricing in whole or in part. Disguised profit distribution through such transfer pricing is considered as an expense that is not legally accepted for corporate tax.

Deferred tax is calculated on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax base, excluding goodwill not deductible for tax purposes and differences relating to assets and liabilities that are not recognized for accounting and tax purposes on initial recognition.

Tax income/(expense) realised in profit/loss accounts for the years ended 31 December 2024 and 2023 are as follows:

Tax provision	31 December 2024	31 December 2023
Current corporate tax expense	1,715	(380,429)
Deferred tax income	263,308	(60,609)
	265,023	(441,038)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 26 - INCOME TAXES (INCLUDING DEFERRED ASSETS AND LIABILITIES) (CONT'D)

Deferred tax assets and liabilities

Deferred tax is recognised on temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, except for goodwill not subject to tax deductibility and differences between initial recognition of assets and liabilities for accounting and taxation purposes.

As of 31 December 2024 and 2023, the breakdown of deferred tax assets and liabilities using enacted tax rates is as follows.

Deferred tax assets / (liabilities)	31 December 2024	31 December 2023
Financial Loss to be Deducted	312,725	-
Other Current Assets	80,905	80,748
Inventories	73,681	29,082
Employment Termination Benefit	25,750	31,752
Valuation and Amortisation Differences of Property, Plant and Equipment and Intangible Assets	(125,129)	(24,231)
Right-of-Use Assets	(93,114)	(113,886)
Other Current Liabilities	(70,683)	(68,174)
Other	(4,738)	(6,359)
	199,397	(71,068)

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 26 - INCOME TAXES (INCLUDING DEFERRED ASSETS AND LIABILITIES) (CONT'D)

As of 31 December 2024 and 31 December 2023, the movement of deferred tax assets is as follows:

	31 December 2024	31 December 2023
1 January opening balance	(71,068)	(24,058)
Current tax income / (expense)	263,308	(60,609)
Recognised under equity	7,157	13,599
	199,397	(71,068)

The reconciliation of the tax expense for the period with the loss for the period is as follows:

	31 December 2024	31 December 2023
Profit before tax from operating activities	(1,684,894)	1,520,274
Valid tax rate	25%	25%
Tax calculated	421,224	(380,070)
Reconciliation of tax provision		
-Revaluation effect of depreciable economic assets	25,322	43,174
-Discounts and exemptions	-	35,133
-Expenses not recognised by law	(56,584)	(37,609)
-Deferred tax effect of temporary differences arising from inflation accounting in accordance with TPL	17,508	192,847
-Effect of change in tax rate	-	-
-Inflation and other effects	(142,447)	(294,513)
Tax expense in the income statement	265,023	(441,038)

As of 31 December 2024 and 2023, the details of period income tax liabilities are as follows:

	31 December 2024	31 December 2023
Current corporate tax provision	1,715	380,429
Less: Prepaid taxes and funds	(1,715)	(335,560)
Period profit tax liability:	-	44,869

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 27 – EARNINGS PER SHARE

Earnings per share stated in the statement of comprehensive income is determined by dividing the net profit for the period by the weighted average number of shares issued during the relevant period.

	1 January - 31 December 2024	1 January - 31 December 2023
Average number of shares outstanding during the period (full value)	20,100,000,000	20,100,000,000
Net (loss)/profit for the period attributable to equity holders of the parent company	(1,419,871)	1,079,236
(Loss)/earnings per share from continuing operations -thousand shares (thousand TL)	(0.0706)	0.0537
Diluted loss per share from continuing operations -thousand shares (thousand TL)	(0.0706)	0.0537

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. In line with other companies in the sector, the Company monitors capital using the debt to equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated by deducting cash and cash equivalents from financial liabilities. Total capital is calculated as the sum of shareholders' equity and net debt as shown in the balance sheet.

	31 December 2024	31 December 2023
Total financial debt	1,220,891	1,833,796
Less: Cash and cash equivalents and banks	(2,556,599)	(3,954,316)
Net financial debt	(1,335,708)	(2,120,520)
Total shareholders' equity	2,274,530	3,706,606
Net financial debt / equity ratio	-59%	-57%

b) Financial Risk Factors

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. Significant part of trade receivables comprise credit card receivables and the Company is not exposed to credit risk concerning credit card receivables. The Company collects the instalments of its credit card sales according to the mutually agreed discount rates with the banks and financial institutions on the next day when the sale made within the scope of the credit card sales contracts made under the various banks and financial institutions. Other trade receivables, cheques and notes are due from dealer sales of air-conditioning, cash register and white goods. The Company has set up an effective control system on the dealers that are followed by credit risk management and each debtors have their own credit limit. The Company consider the past experience and collateral from dealers (Note 7).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management

As of 31 December 2024, the table below shows the Company's exposure to credit risks by types of financial instruments:

Details of credit risk by type of financial instruments	Receivables			Deposits at banks and credit card receivables
	Related Party	Trade receivables	Other receivables	
31 December 2024	Other	Other		
Maximum credit risk exposure as of reporting date ^(*)	14,384	1,193,771	1,435	2,548,422
- The portion at the maximum risk secured with guarantees etc, ^(**)	-	813,457	-	-
A, Net book value of financial assets that are neither past due nor impaired	12,809	1,015,462	1,435	2,548,422
B, Net book value of financial assets that are past due but not impaired	1,575	178,309	-	-
C, Net book value of impaired assets	-	-	-	-
-Past due (gross carrying amount)	-	8,493	-	-
-Impairment (-)	-	(8,493)	-	-
- The portion at the maximum risk secured with guarantees etc,	-	-	-	-
-Past due (gross carrying amount)	-	-	-	-
-Impairment (-)	-	-	-	-
- The portion at the maximum risk secured with guarantees etc,	-	-	-	-
D,Off-balance sheet items that include credit risk	-	-	-	-

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

As of 31 December 2023, the table below shows the Company's exposure to credit risks in terms of types of financial instruments:

Details of credit risk by type of financial instruments	Receivables			Deposits at banks and credit card receivables
	Related Party	Trade receivables	Other receivables	
31 December 2023	Other	Other		
Maximum credit risk exposure as of reporting date ^(*)	22,987	1,321,866	1,759	3,935,551
- The portion at the maximum risk secured with guarantees etc, ^(**)	-	664,199	-	-
A, Net book value of financial assets that are				
neither past due nor impaired	22,987	1,321,866	1,759	3,935,551
B, Net book value of financial assets that are				
past due but not impaired	3,306	97,804	-	-
C, Net book value of impaired assets	-	-	-	-
-Past due (gross carrying amount)	-	10,813	-	-
-Impairment (-)	-	(10,813)	-	-
- The portion at the maximum risk secured with guarantees etc,	-	-	-	-
-Past due (gross carrying amount)	-	-	-	-
-Impairment (-)	-	-	-	-
- The portion at the maximum risk secured with guarantees etc,	-	-	-	-
D,Off-balance sheet items that include credit risk	-	-	-	-

^(*) Guarantees received and other factors increasing loan reliability are not considered in determining this amount.

^(**) Guarantees consist of letters of guarantee, notes receivable and cheques obtained from customers.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

Explanations on the credit quality of financial assets

As of 31 December 2024 and 2023, banks which contain cash and cash equivalents that are included in the neither overdue nor impaired financial assets have mostly high credit ratings, whereas the counterparties included in trade receivables in the same category are customers / related parties with whom the Company has been in relation for a long time and did not have any significant collection problems.

Aging of receivables that are past due but not impaired are as follows:

	31 December 2024	31 December 2023
1-30 days past due	91,404	72,188
1-3 months past due	75,125	22,553
3-12 months past due	13,354	6,369
Total overdue receivables	179,883	101,110
Portion secured with collateral	69,482	23,401

b.2) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business the Company aims at maintaining flexibility in funding by keeping committed credit lines available. The Company management monitors the Company's liquidity reserve movements according to their projected cash flows.

The Company management holds adequate cash, credit commitment and credit card receivables that will meet the need for cash for recent future in order to manage its liquidity risk.

In this context, the Company has credit commitment agreements (monetary and non-monetary) from banks amounting to TL 16,956,000 that the Company can utilize whenever needed as of 31 December 2024 (31 December 2023: TL 9,799,300).

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

b.2) Liquidity risk (cont'd)

The table below shows the liquidity risk arising from the Company's financial liabilities:

31 December 2024	Book value	Total contractual cash outflows (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Trade payables	13,683,095	13,683,095	13,683,095	-	-	-
<i>Related party</i>	50,187	50,187	50,187	-	-	-
<i>Other</i>	13,632,908	13,632,908	13,632,908	-	-	-
Bank loans	340,000	390,860	390,860	-	-	-
Lease liabilities	830,031	791,102	126,317	253,488	411,297	38,929
Payables for employee benefits	190,925	190,925	190,925	-	-	-
Other payables	15,374	15,374	15,374	-	-	-
Total liabilities	15,059,425	15,071,356	14,406,571	253,488	411,297	38,929

31 December 2023	Book value	Total contractual cash outflows (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Trade payables	14,313,220	14,313,220	14,313,220	-	-	-
<i>Related party</i>	81,929	81,929	81,929	-	-	-
<i>Other</i>	14,231,291	14,231,291	14,231,291	-	-	-
Bank loans	734,617	783,067	267,939	515,128	-	-
Lease liabilities	1,050,729	1,050,729	106,544	315,062	629,123	-
Payables for employee benefits	226,724	226,724	226,724	-	-	-
Other payables	17,961	17,961	17,961	-	-	-
Total liabilities	16,343,251	16,391,701	14,932,388	830,190	629,123	-

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

Foreign currency risk

As the Company primarily purchases from domestic vendors in TL, the Company is exposed to limited foreign exchange risk.

The risk is monitored by the Board of Directors in regular meetings. The idle cash is invested in foreign currency in order to minimise the foreign exchange risk resulted from balance sheet items. The Company also manages the foreign currency risk by limited use of forward contracts, which is one of derivative instruments, if necessary.

	31 December 2024			
	TL Equivalent	USD	EUR	Other
1, Trade Receivables	100,501	2,847	6	-
2a, Monetary Financial Assets	694,827	17,977	1,677	-
2b, Non-Monetary Financial Assets	-	-	-	-
3, Other	16,359	464	-	-
4, Current assets (1+2+3)	811,687	21,288	1,683	-
5, Trade Receivables	-	-	-	-
6a, Monetary Financial Assets	-	-	-	-
6b, Non-Monetary Financial Assets	-	-	-	-
7, Other	1,303	37	-	-
8, Non-current assets (5+6+7)	1,303	37	-	-
9, Total assets (4+8)	812,990	21,325	1,683	-
10, Trade Payables	(1,544,032)	(42,227)	(1,542)	-
11, Financial Liabilities	-	-	-	-
12a, Monetary Other Liabilities	-	-	-	-
12b, Non-Monetary Other Liabilities	(14,997)	(431)	5	-
13, Current liabilities (10+11+12)	(1,559,029)	(42,658)	(1,537)	-
14, Trade Payables	-	-	-	-
15, Financial Liabilities	-	-	-	-
16a, Monetary Other Liabilities	-	-	-	-
16b, Non-Monetary Other Liabilities	-	-	-	-
17, Long-term liabilities (14+15+16)	-	-	-	-
18, Total liabilities (13+17)	(1,559,029)	(42,658)	(1,537)	-
19, Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-
19a, Total amount of hedged assets	-	-	-	-
19b, Total amount of hedged liabilities	-	-	-	-
20, Net foreign currency asset/(liability) position (9+18+19)	(746,039)	(21,333)	146	-
21, Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(748,704)	(21,403)	141	-
22, Total fair value of financial instruments used for foreign currency hedging	-	-	-	-

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

Foreign currency risk (cont'd)

	31 December 2023			
	TL Equivalent	USD	EUR	Other
1, Trade Receivables	14,606	487	9	-
2a, Monetary Financial Assets	1,396,834	43,285	3,764	-
2b, Non-Monetary Financial Assets	-	-	-	-
3, Other	1,791	41	18	-
4, Current assets (1+2+3)	1,413,231	43,813	3,791	-
5, Trade Receivables	-	-	-	-
6a, Monetary Financial Assets	-	-	-	-
6b, Non-Monetary Financial Assets	-	-	-	-
7, Other	1,573	53	-	-
8, Non-current assets (5+6+7)	1,573	53	-	-
9, Total assets (4+8)	1,414,804	43,866	3,791	-
10, Trade Payables	(2,084,766)	(70,393)	(384)	-
11, Financial Liabilities	-	-	-	-
12a, Monetary Other Liabilities	-	-	-	-
12b, Non-Monetary Other Liabilities	(17,775)	(601)	(3)	-
13, Current liabilities (10+11+12)	(2,102,541)	(70,994)	(387)	-
14, Trade Payables	-	-	-	-
15, Financial Liabilities	-	-	-	-
16a, Monetary Other Liabilities	-	-	-	-
16b, Non-Monetary Other Liabilities	-	-	-	-
17, Long-term liabilities (14+15+16)	-	-	-	-
18, Total liabilities (13+17)	(2,102,541)	(70,994)	(387)	-
19, Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	(170,010)	(5,775)	-	-
19a, Total amount of hedged assets	-	-	-	-
19b, Total amount of hedged liabilities	170,010	5,775	-	-
20, Net foreign currency asset/(liability) position (9+18+19)	(857,747)	(32,903)	3,404	-
21, Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(673,326)	(26,621)	3,389	-
22, Total fair value of financial instruments used for foreign currency hedging	(641)	(22)	-	-

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

Foreign currency risk (cont'd)

The following table details the Company's sensitivity to a 10% change in US Dollars, Euro and other foreign currencies. These amounts represent the effect of a 10% increase/decrease in the value of USD, EUR and other foreign currencies against TL on the statement of profit or loss. This analysis assumes that all variables, in particular interest rates, remain constant.

Foreign Currency Sensitivity Analysis Table					31 December 2024			
	Profit / Loss		Equity		Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency				
In case USD appreciates 10% against TL								
1 - Net asset/liability of USD	(75,142)	75,142	(75,142)	75,142				
2- Portion hedged from USD risk (-)								
3- USD net effect (1 +2)	(75,142)	75,142	(75,142)	75,142				
In case EUR appreciates 10% against TL								
4 - Net asset/liability of EUR	536	(536)	536	(536)				
5 - Portion hedged from EUR risk (-)			-					
6- EUR net effect (4+5)	536	(536)	536	(536)				
In case of other foreign currency appreciates 10% against TL								
7- Other foreign currency net assets / liabilities	-	-	-	-				
8- Portion hedged from other foreign currency risk (-)	-	-	-	-				
9- Other Foreign Currency Assets net effect (7+8)	-							
TOTAL (3 + 6 +9)	(74,606)	74,606	(74,606)	74,606				

Foreign Currency Sensitivity Analysis Table					31 December 2023			
	Profit / Loss		Equity		Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency				
In case USD appreciates 10% against TL								
1 - Net asset/liability of USD	(79,863)	79,863	(79,863)	79,863				
2- Portion hedged from USD risk (-)			(17,001)	17,001				
3- USD net effect (1 +2)	(79,863)	79,863	(96,864)	96,864				
In case EUR appreciates 10% against TL								
4 - Net asset/liability of EUR	11,088	(11,088)	11,088	(11,088)				
5 - Portion hedged from EUR risk (-)			-					
6- EUR net effect (4+5)	11,088	(11,088)	11,088	(11,088)				
In case of other foreign currency appreciates 10% against TL								
7- Other foreign currency net assets / liabilities	-	-	-	-				
8- Portion hedged from other foreign currency risk (-)	-	-	-	-				
9- Other Foreign Currency Assets net effect (7+8)	-	-	-	-				
TOTAL (3 + 6 +9)	(68,775)	68,775	(85,776)	85,776				

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 29 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)

As of 31 December 2024 and 31 December 2023, the carrying amounts and fair values of financial assets and liabilities are shown in the table below:

	31 December 2024		31 December 2023							
	Financial Assets measured at amortised cost	Financial liabilities measured at amortised cost	Financial Assets measured at amortised cost	Financial liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Book value	Note
Cash and cash equivalents	2,556,599	-	2,556,599	-	-	-	-	-	2,556,599	5
Trade receivables (including related party balances)	1,208,155	-	1,208,155	-	-	-	-	-	1,208,155	7
Other receivables (including related party balances)	1,435	-	1,435	-	-	-	-	-	1,435	8
Derivative Instruments	-	-	-	-	-	-	-	-	-	
Financial Liabilities										
Financial payables	-	390,860	-	390,860	-	-	-	-	390,860	6
Lease liabilities	-	830,031	-	830,031	-	-	-	-	830,031	6
Trade payables (including related party balances)	-	13,683,095	-	13,683,095	-	-	-	-	13,683,095	7
Other payables	-	15,374	-	15,374	-	-	-	-	15,374	8
Derivative instruments	-	-	-	-	-	-	-	-	-	

	31 December 2023		31 December 2023							
	Financial Assets measured at amortised cost	Financial liabilities measured at amortised cost	Financial Assets measured at amortised cost	Financial liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities measured at fair value through other comprehensive income	Book value	Note
Cash and cash equivalents	3,954,316	-	3,954,316	-	-	-	-	-	3,954,316	5
Trade receivables (including related party balances)	1,344,853	-	1,344,853	-	-	-	-	-	1,344,853	7
Other receivables (including related party balances)	1,759	-	1,759	-	-	-	-	-	1,759	8
Derivative Instruments	-	-	-	-	-	-	-	-	-	
Financial Liabilities										
Financial payables	-	783,067	-	783,067	-	-	-	-	783,067	6
Lease liabilities	-	1,050,729	-	1,050,729	-	-	-	-	1,050,729	6
Trade payables (including related party balances)	-	14,313,220	-	14,313,220	-	-	-	-	14,313,220	7
Other payables	-	17,961	-	17,961	-	-	-	-	17,961	8
Derivative instruments	-	-	-	-	641	-	-	-	641	

The Company management believes that the carrying values of financial instruments reflect their fair values due to the short-term nature of financial assets and liabilities.

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period Ended 31 December 2024

(Amounts expressed in thousands of Turkish Lira (TL) in terms of the purchasing power at 31 December 2024 unless otherwise stated.)

NOTE 30- FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR / INDEPENDENT AUDIT

The Company's explanation regarding the fees for the services rendered by the independent audit firm, which is prepared based on the POA's Board Decision published in the Official Gazette on 30 March 2021, and the preparation principles of which are based on the letter of POA dated 19 August 2021 are as follows:

	2024	2023
Independent audit services	2,862	2,238
Other assurance services	-	52
	2,862	2,290

NOTE 31 – EVENTS AFTER THE REPORTING PERIOD

On 17 February 2025, the Company issued a financing bond amounting to TL 500,000,000 with a maturity of 95 days, fixed interest rate of 42.90%, redemption date of 23 May 2025 and ISIN code TRFTKNO52513.

CONTACT

Teknosa İç ve Dış Tic. A.Ş.

ADDRESS

Carrefoursa Plaza Cevizli Mah. Tugay Yolu Cad. No: 67
Blok B 34846 Maltepe/İstanbul/Türkiye
Phone: +90 216 468 36 36

CUSTOMER SERVICES

Phone: 0850 222 55 99
e-mail: bilgilendirme@teknosa.com

INVESTOR RELATIONS

Dilek Aktaş - Finance, Investor Relations and Financial Planning Group Manager
Sibel Turhan - Investor Relations Manager
e-mail: yatirimciiliskileri@teknosa.com

WEBSITE: www.teknosa.com
REPORTING PERIOD: 01 December - 31 December 2024
TRADE REGISTRY NUMBER: 434426
MERSIS NO: 8632365474227896

The logo for TEKNO SA is centered on the page. It features the word "TEKNO" in a white, bold, sans-serif font. To its right is a blue circle containing the white letters "SA" in a bold, sans-serif font. The background is a vibrant orange with a pattern of small, lighter orange dots. Two white diagonal lines cross the upper portion of the image, and several larger, semi-transparent orange shapes are scattered across the lower half.

TEKNO SA