

Key Highlights:

- **Net Sales** up 5% y-o-y to TL 47,421 million
- **Gross Merchandise Value (GMV)** decreased by 2% y-o-y to TL 8,697 million
- **Marketplace** reached 901 **merchants** and 193K **SKUs** (39x)
- **Store visitors** rose by 6% y-o-y
- **Number of stores** was 176, **retail sales area** was 106K square meters
- **EBITDA** recorded at a record level of TL 1,509 million

Summary Financials

	3Q 2024	3Q 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
Net Sales (Mn TL)	15,961	16,477	-3%	47,421	44,982	5%
Gross Profit (Mn TL)	2,045	1,149	78%	5,739	4,612	24%
Gross Profit Margin (%)	12.8%	7.0%	5.8%	12.1%	10.3%	18%
Opex/Sales (%)	10.7%	10.2%	0.5%	11.0%	10.3%	0.7%
EBITDA (Mn TL)	684	-249	n.m.	1509	796	90%
EBITDA Margin (%)	4.3%	-15%	5.8%	3.2%	18%	14%
Net Profit (Mn TL)	-369	418	n.m.	-1092	931	n.m.
Net Profit Margin (%)	-2.3%	2.5%	-4.9%	-2.3%	2.1%	-4.4%

By focusing on digitalization and constantly improving customer experience, Teknosa continued to grow above market in real terms in the first nine months, despite the slowdown in market in 2024. With revenue growth initiatives and improved demand seen in the third quarter, Teknosa generated **Net Sales** of TL 16.0 billion and recorded a real growth of 12% compared to the previous quarter. The company reached Net Sales of TL 47.4 billion in the nine months of the year, representing a real year-on-year growth of 5%. This topline performance was driven by the omnichannel strategy, key categories, and air-conditioning sales. In the same period, Teknosa's e-commerce gross merchandise value (GMV) decreased by 2% year-over-year in real terms, reaching 8 billion 687 million TL, in line with its ongoing controlled growth strategy.

Thanks to continued cost optimization, effective inventory management, and cash management actions, Teknosa recorded an improvement in the third quarter and demonstrated a remarkable operational performance in this period.

Teknosa's **gross profit margin** increased by 1.85 points compared to the previous year, reaching 12.1% in the first nine months (3Q2024: 12.8%), owing to a significant improvement in stock turnover ratio and fact-based negotiations. The **OPEX/Sales ratio** improved dramatically in the third quarter compared to the second quarter and returned to a normalized level (3Q2024: 10.7%), with strict measures to reduce operational expenses such as renegotiated conditions in lease and logistics agreements and higher retail media income. On the other hand, the OPEX/Sales ratio was realized at 11.0% in the first nine months of the year, reflecting an increase driven by the second quarter of 2024 (2Q2024: 11.9%).

As a result, **EBITDA**, according to inflation-adjusted results, almost doubled last year and reached 1 billion 509 million TL in the first nine months of 2024. (9M23: 796 million TL). While an **EBITDA margin** of 4.3% was achieved in the third quarter, it was 3.2% in the first nine months. (9M23: 1.8%).

Consequently, despite the significant improvement in margins and mitigating actions in operational expenses, a net loss of 1 billion 92 million TL was recorded in the first nine months, due to the increases in financing and credit card expenses caused by high interest rates, as well as the effect of inflation accounting. (3Q2024: 369 million TL).

Teknosa achieved a **net cash** level of 1.8 billion TL in the third quarter of 2024 by maintaining a healthy balance sheet structure and restoring net working capital position to negative territory as a result of implementing stringent working capital management.

Teknosa continues its comprehensive transformation initiatives to sustain its growth and improve its operational performance KPIs. It also introduces new measures to improve cash management along with cost control. Despite the current macroeconomic conditions, Teknosa is committed to its long-term growth target and strategic investments.

Teknosa will continue to add value to its society and stakeholders through its operations and business units. Teknosa consistently pursues studies related to the environment, energy saving, carbon footprint, social responsibility, diversity, and equality for the future. Moreover, Teknosa is committed to achieving **Net Zero by 2050** in all its operations. More detailed information can be found in Teknosa's Sustainability Report.

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About Teknosa:

Established under the umbrella of Sabancı Holding in 2000, Teknosa İç ve Dış Ticaret A.Ş. has been traded on BIST since 2012. Driven by the philosophy of "Bring Happy Moments by Providing the World's Technology to Everyone", the Company stands by its customers anytime and anywhere, makes their access to technology easier and offers a pleasant shopping experience. Teknosa is a digital consumer electronics retail platform with physical presence that offers consumers the most suitable product in the field of technology with the most affordable price and unique customer experience with its expert employees. Today, Teknosa provides uninterrupted service in multi channels with its wide store network, teknosa.com and mobile platforms. In 2022, the Company launched the first technology-focused marketplace of the sector, and it offers all the products and services in its technology ecosystem within a holistic experience and the assurance of Teknosa. Teknosa will continue to be the pioneer of holistic experience in the retail and create value for its stakeholders and Türkiye with its investments in stores, teknosa.com, marketplace, customer experience, business continuity, operational excellence, and human resources in the next period. More detailed information can be found at <https://yatirimci.teknosa.com/homepage>.

Disclaimer:

With the Capital Markets Board of Turkey's Bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or after, in accordance with IAS 29 inflationary accounting provisions. Accordingly, this earnings release note on H1 2024 financial results contain the Company's financial information prepared according to Turkish Accounting / Financial Reporting Standards by application of IAS 29 inflation accounting provisions, in accordance with CMB's decision dated 28.12.2023.