

2024 Q3 Investor Presentation



Disclaimer

Türk Telekomünikasyon A.Ş. (the “Company”) has published its financial results in accordance with TAS 29 standards.

The information contained herein has been prepared by Türk Telekomünikasyon A.Ş. in connection with the operations of Türk Telekom Group companies. The opinions presented herein are based on general information gathered at the time of writing and are subject to change without notice. This press release or any information contained herein cannot be used without the written consent of the Company.

This presentation is intended to provide information about the Company's operations and financial results and includes certain forward-looking statements, opinions, assumptions and estimated figures. Accordingly, it includes data and estimates for which inflation accounting has not been applied for informational purposes as opposed to data and estimates for which inflation accounting has been applied, and reflects the management's current views and assumptions regarding the Company's future prospects. The information provided by the Company is collected from sources believed to be reliable, but the accuracy and completeness of this information are not guaranteed. Although it is believed that the expectations reflected in these statements are reasonable, realisations may vary depending on the development and realisation of the variables and assumptions that constitute forward-looking expectations and estimated figures.

The Company and its shareholders, board members, directors, employees of Türk Telekomünikasyon A.Ş. or any other person may not be held liable for any damages that may arise from the use of the contents of this presentation.

Note: EBITDA is a non-GAAP financial measure. The EBITDA definition used in this investor presentation includes revenues, cost of sales, marketing, sales and distribution expenses, general administrative expenses, research and development expenses and other operating income/(expense), and income/(expense) from investing activities, but excludes depreciation, amortisation and impairment expenses, financial income/(expenses) presented in other operating income/(expenses) (i.e. FX gain/(loss), interest and rediscount income/(expense) on current accounts excluding bank borrowings)

Financial & Operational Overview

2024 Q3 Highlights



Total Subscribers

53.2 mn

▲ 0.5% YoY



Revenue

TL 40.4 bn

▲ 16% YoY

TL 37.9 bn (Exc. IFRIC 12)

▲ 16% YoY



EBITDA

TL 16.5 bn

▲ 31% YoY



EBITDA Margin

40.8%

▲ 470bps YoY



Net Income

TL 1.1 bn

▼ 62% YoY



Free Cash Flow*

TL 4.8 bn

▲ 68% YoY



CAPEX

TL 9.7 bn

▲ 15% YoY



Net Leverage

0.96x

▼ Q4 '23 1.17x

* Unlevered cash flow is defined as net cash provided by operating and investing activities, from operations.

Net Subscriber Additions

4



Fixed Broadband

59K

1.6% monthly churn rate

Q3 '24

170K

LTM

53.2mn
Subscribers

Net
additions*

568K
in Q3 '24

277K
in LTM



Mobile

651K

2.1% monthly churn rate

Q3 '24

844K

LTM



Fixed Voice

-233K

Q3 '24

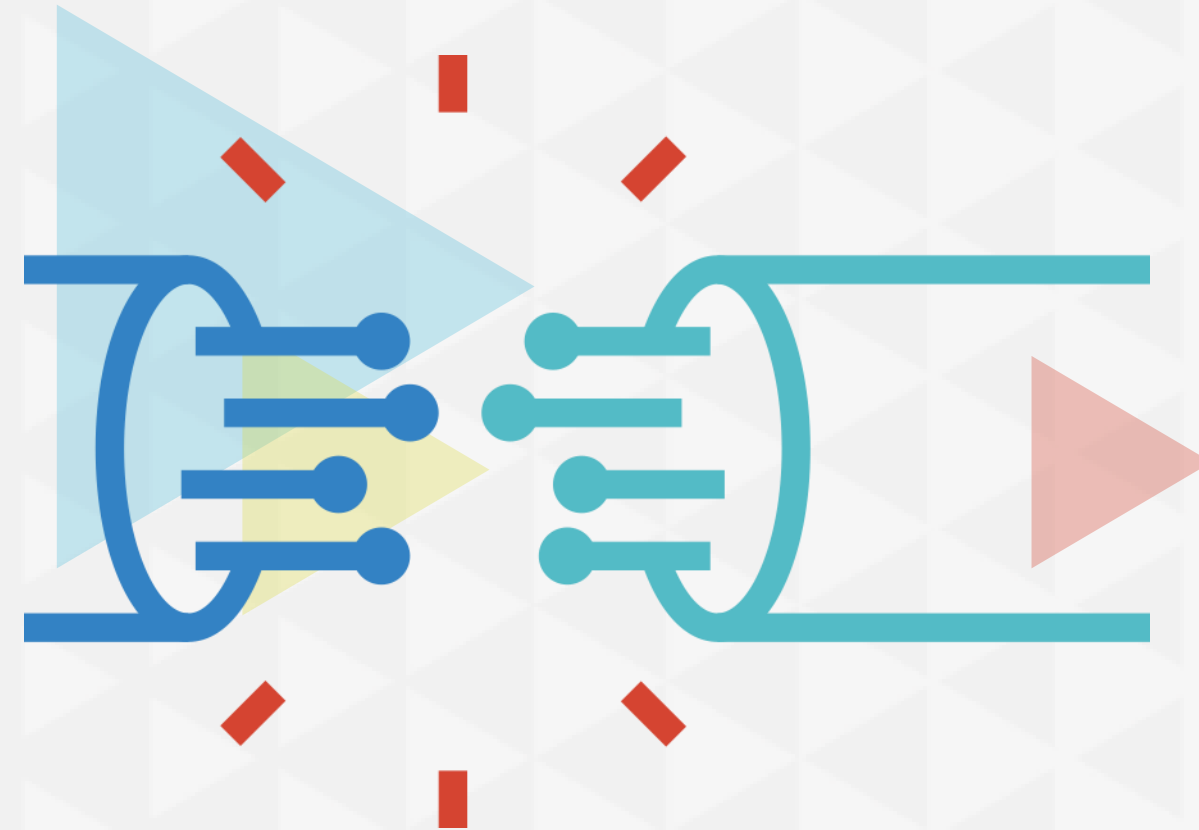
-976K

LTM

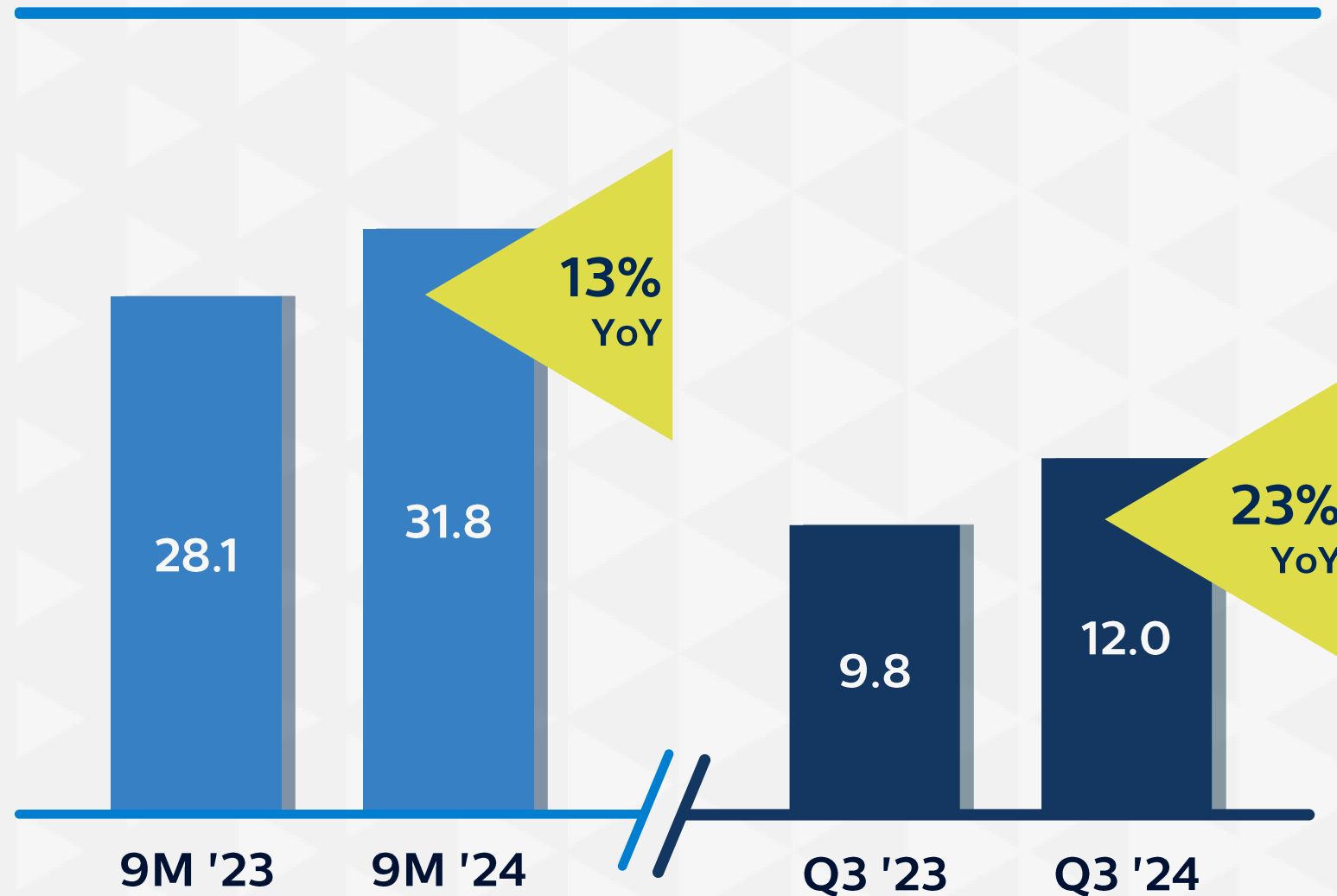


* Includes Tivibu

Fixed Broadband Performance

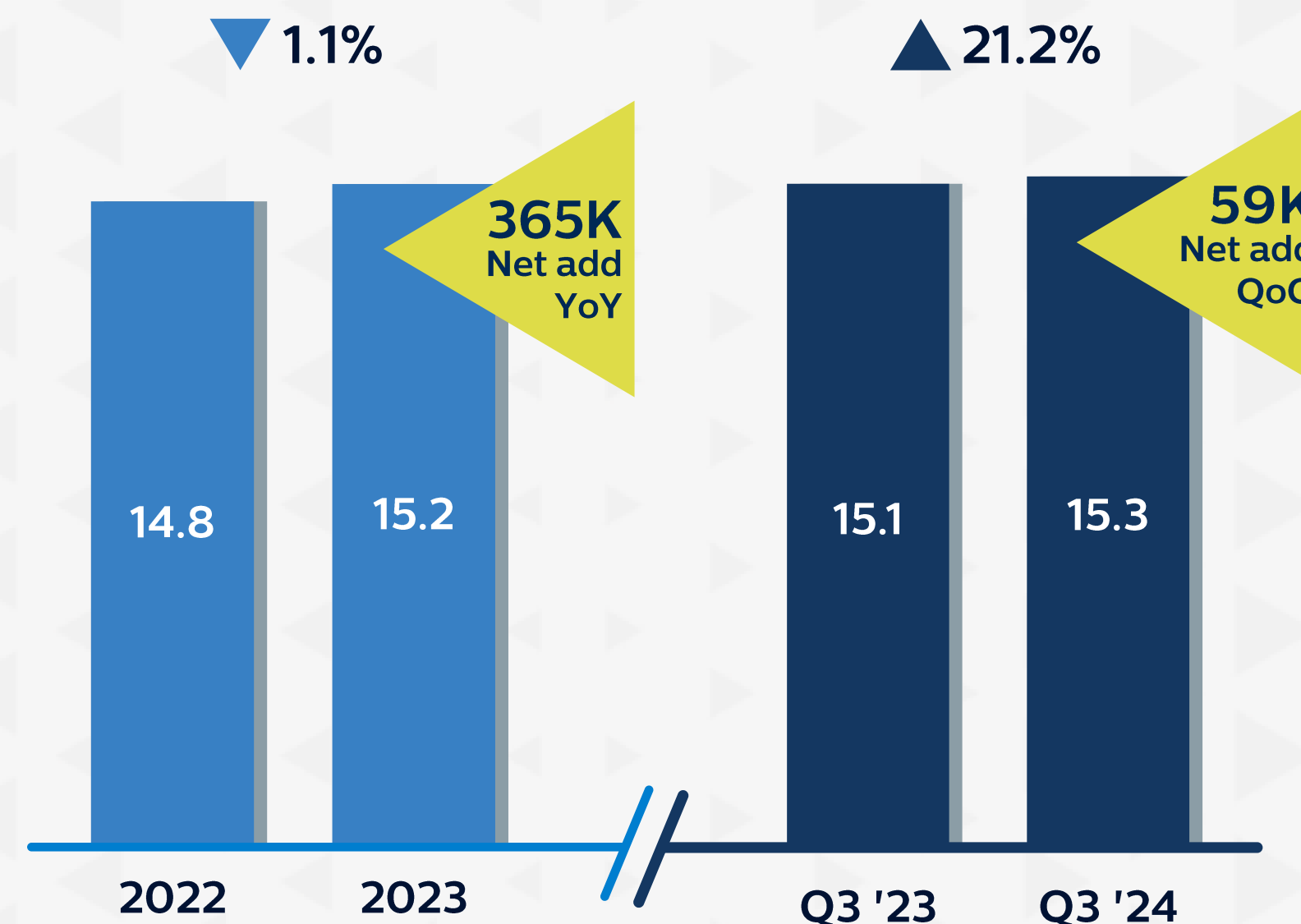


Fixed Broadband Revenue (TL bn)

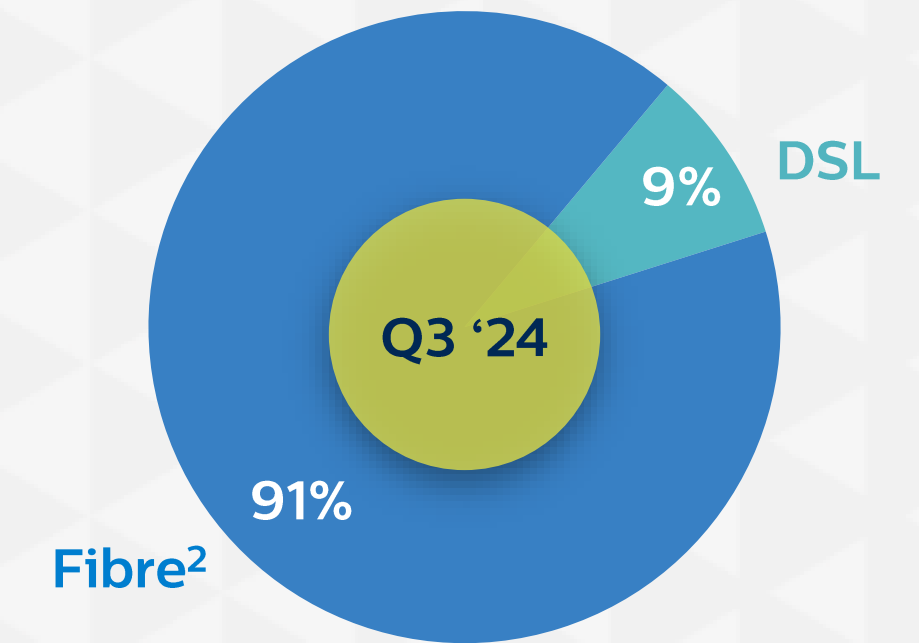


Subscribers & ARPU Growth

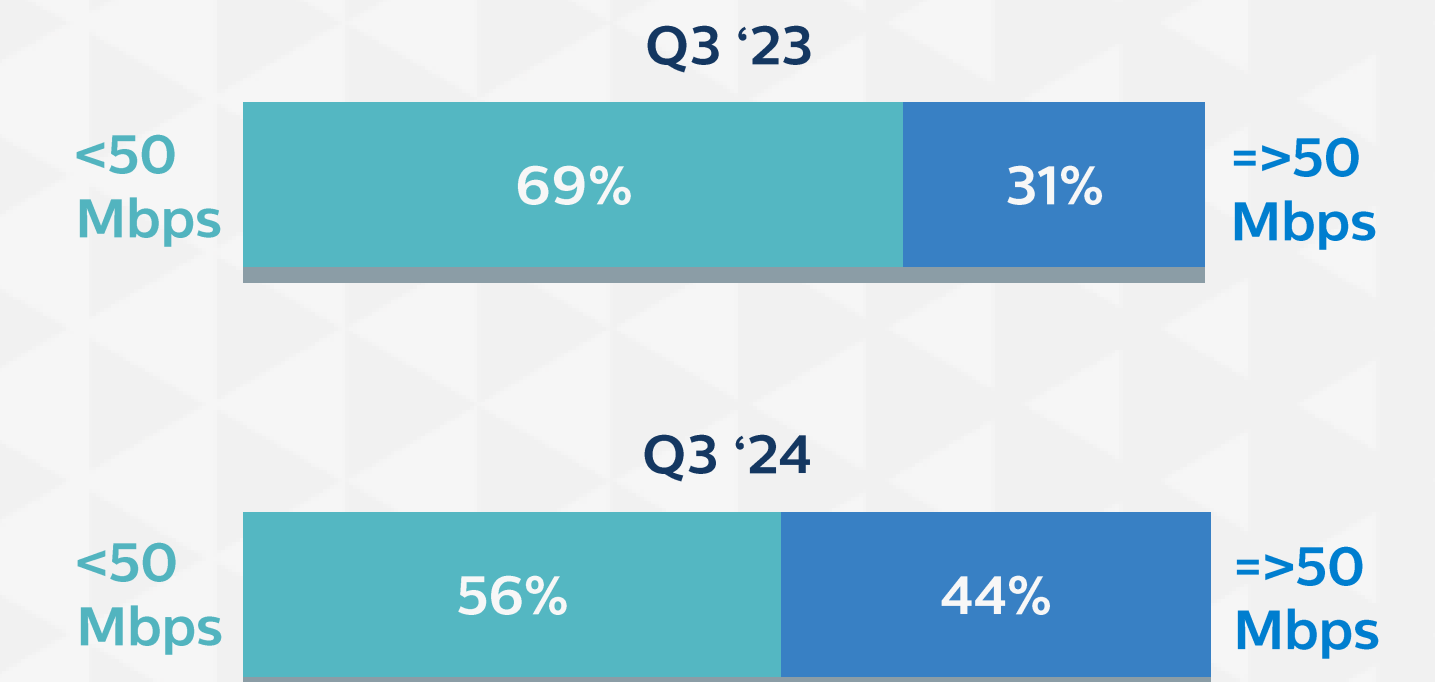
■ FBB Subscribers (mn)
▲ ARPU Growth (%)



Subscriber Breakdown¹ (% of Subscribers)



Subscriber Package Breakdown¹ (% of Subscribers)



(1) Retail only

(2) Fibre subscribers include FTTH/B & FTTC subscribers

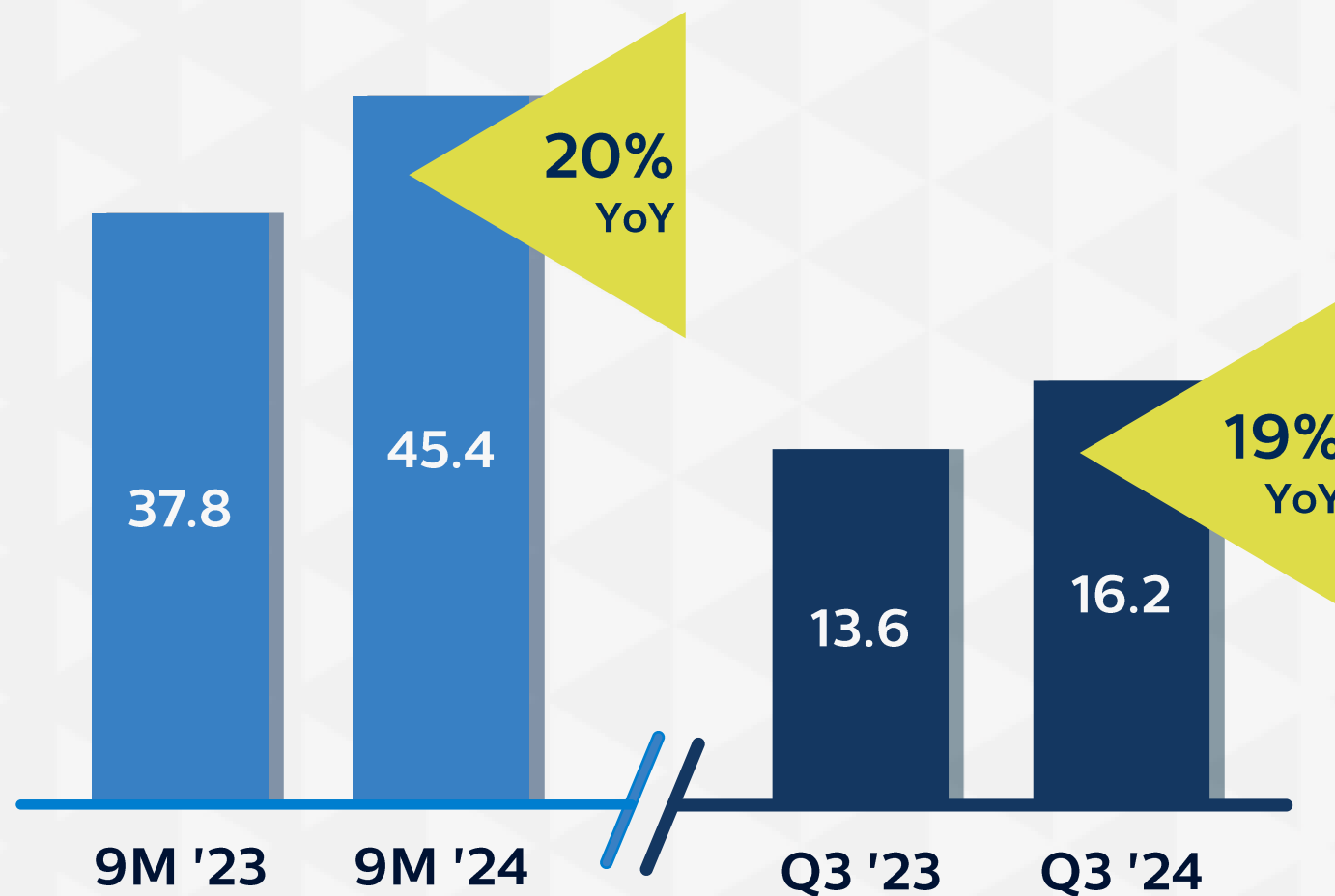
All figures presented at their values as of Q3'24

Mobile Performance



Mobile Revenue

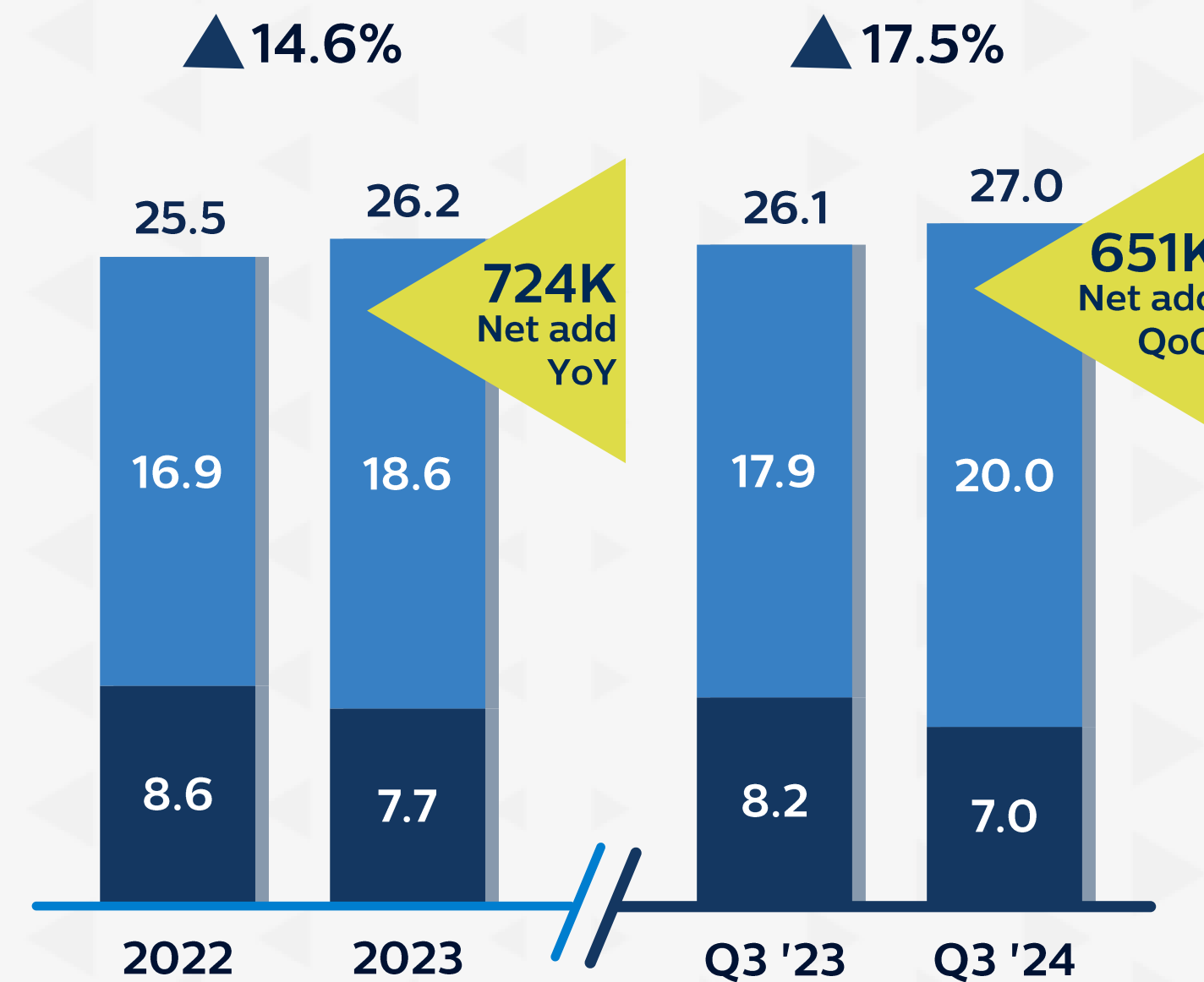
(TL bn)



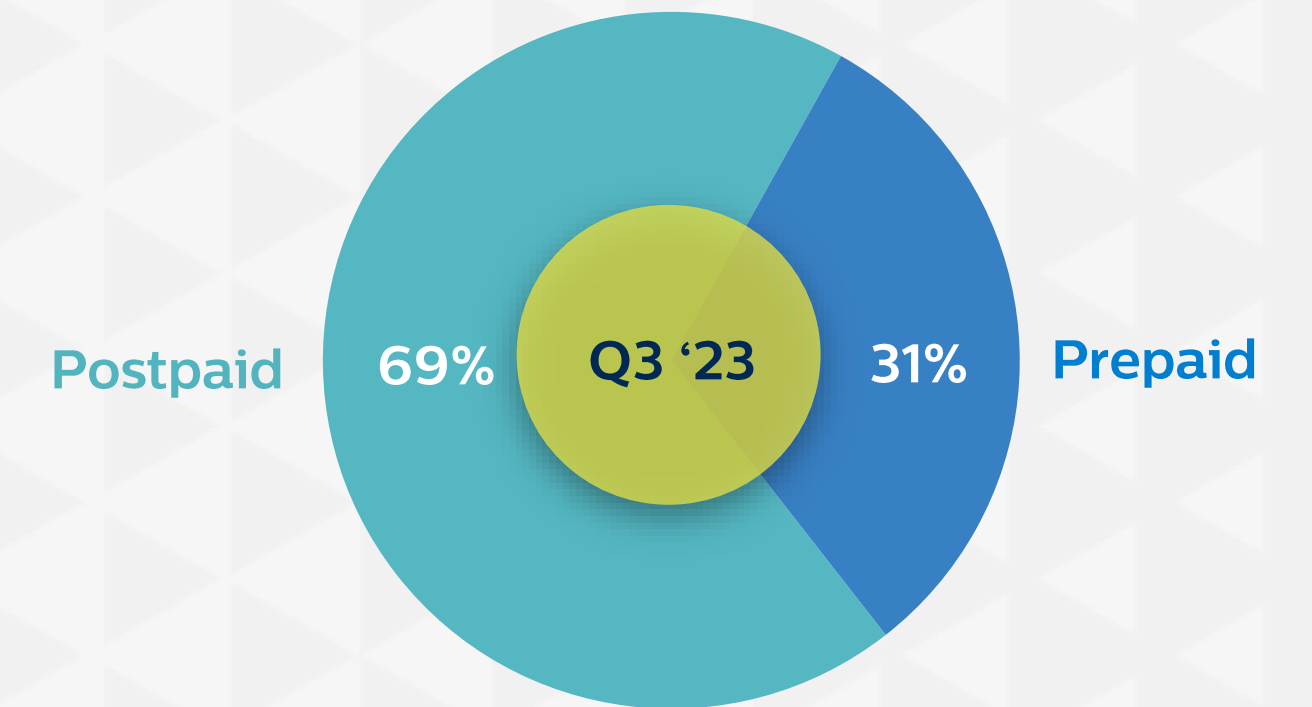
All figures presented at their values as of Q3'24

Subscribers & ARPU Growth

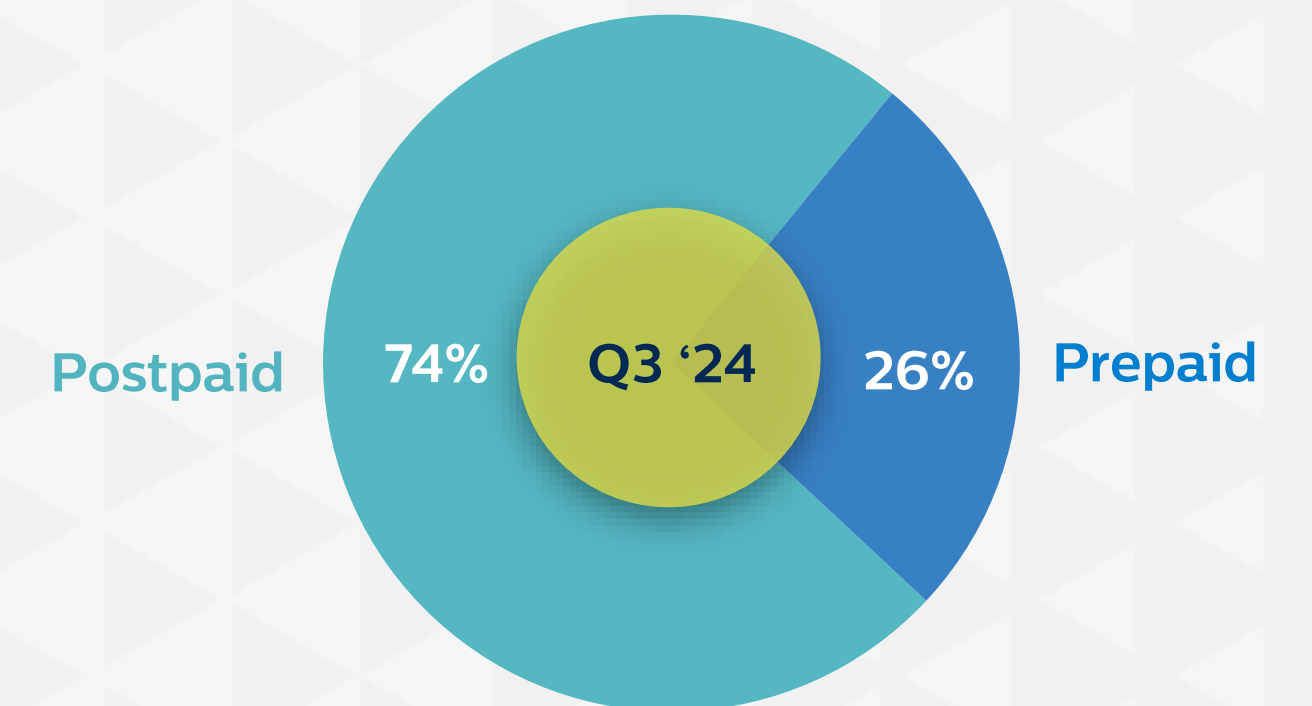
- Postpaid Subscribers (mn)
- Prepaid Subscribers (mn)
- ▲ Blended ARPU Growth (%)



Mobile Subscribers Ratios



2 mn
Historic-high Postpaid
Net Add in LTM



2024 Guidance

	9M 2024 Actuals	2024 Previous Guidance ¹	2024 Revised Guidance ¹
Revenue Growth (exc. IFRIC 12) ²	10.6%	11-13%	11-13%
EBITDA Margin	38.9%	36-38%	38%
Adjusted CAPEX Intensity	20.9%	27-28%	27-28%

We assumed an inflation trajectory leading annual CPI to 42% by the end of 2024.

(1) 2024 guidance expectations represent approximate values.
(2) IFRIC 12 adjustment is a non-operational revenue line booked in conjunction with upgrades to our fixed line infrastructure such as the upgrade from copper to fibre based network.

Our First Integrated Annual Report

8

We issued our first Integrated Annual Report

We present ...

1

Türk Telekom Group's approach to creating value and driving sustainable growth

2

Our Environmental and Social Contribution

► **Focus on our environment**

- Energy and emissions management
- Responsible use and management of natural resources
- Circular economy and waste management
- Our concrete plans for the future

► **Focus on society**

- Leading digitalisation and digital inclusion fuelled by our unabated investments across Türkiye

3

A full carbon inventory, including Scope 1, Scope 2 and Scope 3 (all categories) at TTG level



Financials



Financial Performance

10

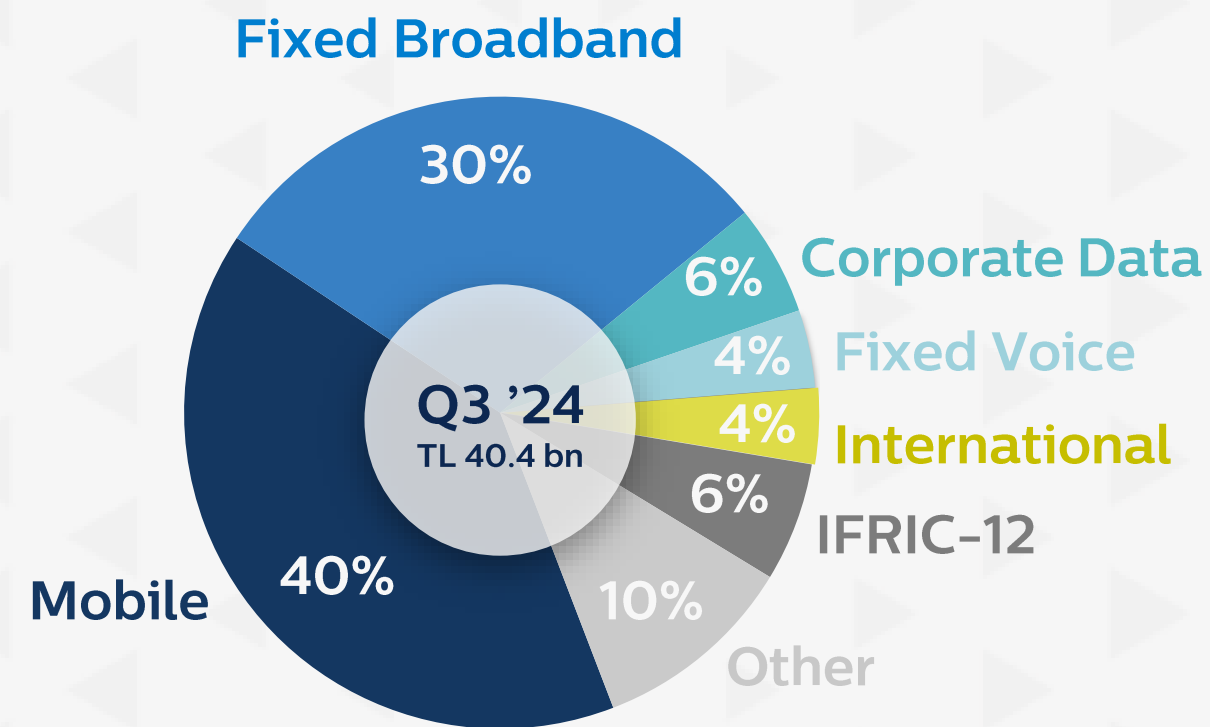
Revenue

(TL bn)



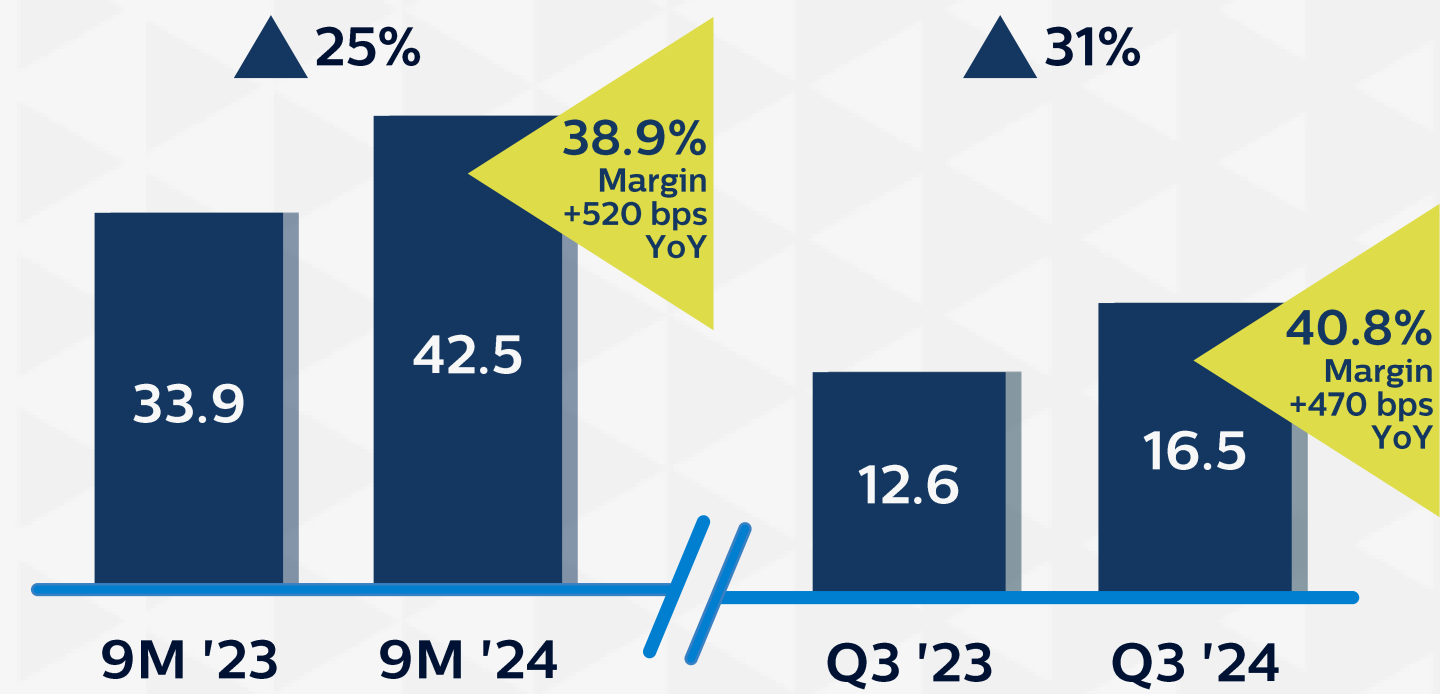
Revenue Breakdown

(%)



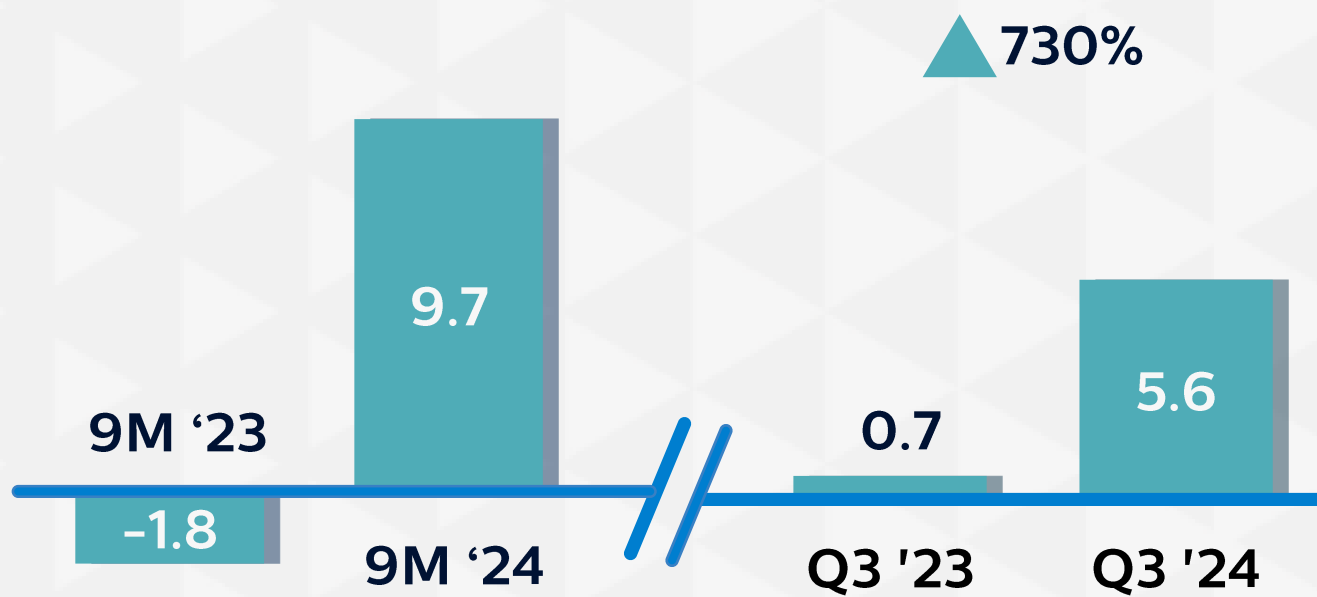
EBITDA

(TL bn)



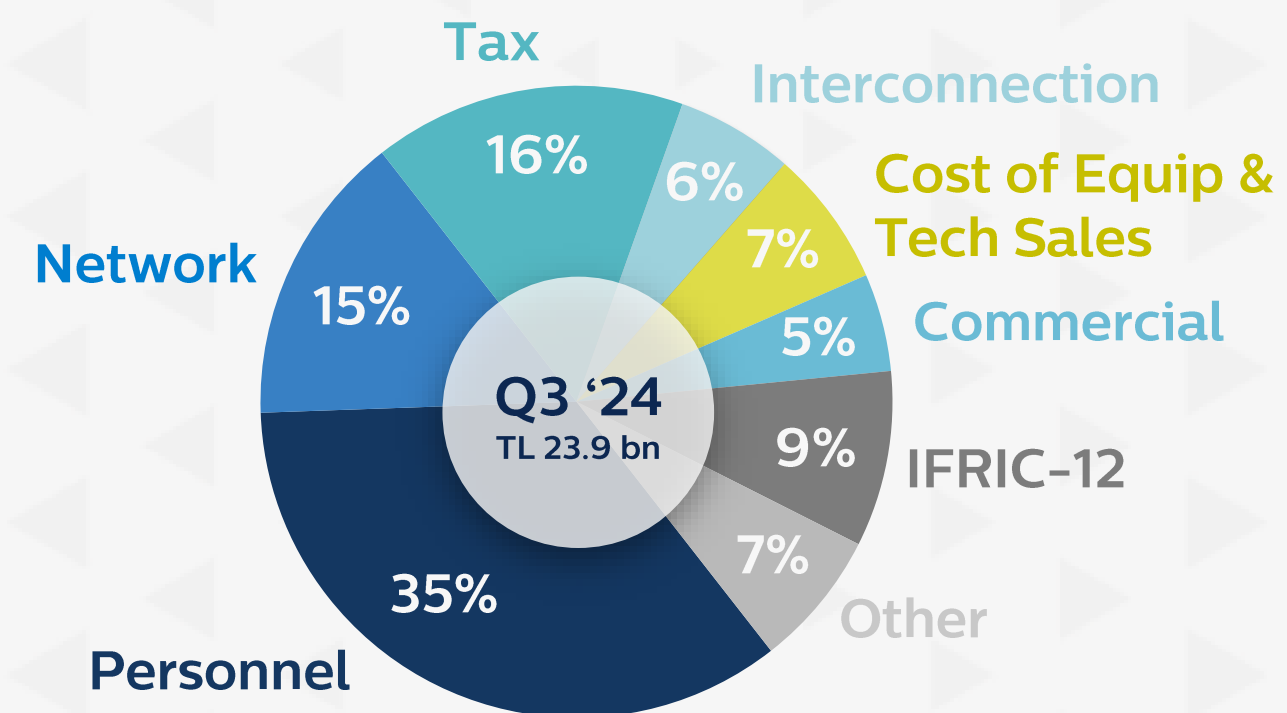
Operating Profit

(TL bn)



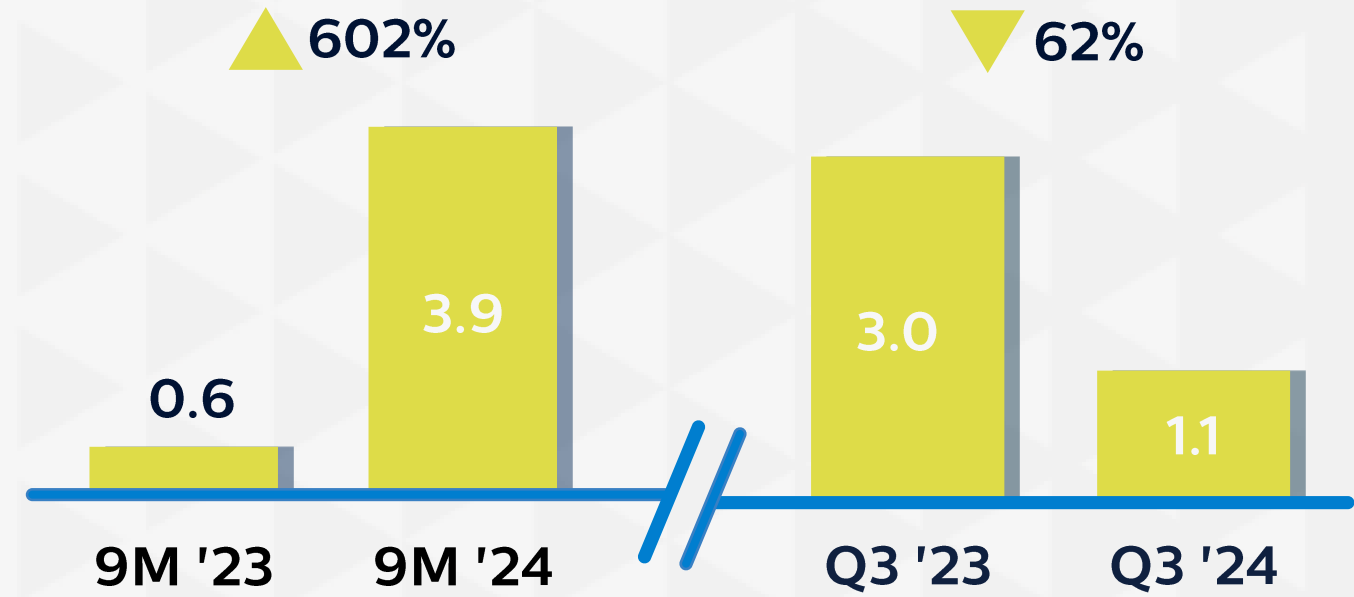
Opex Breakdown

(%)



Net Income

(TL bn)

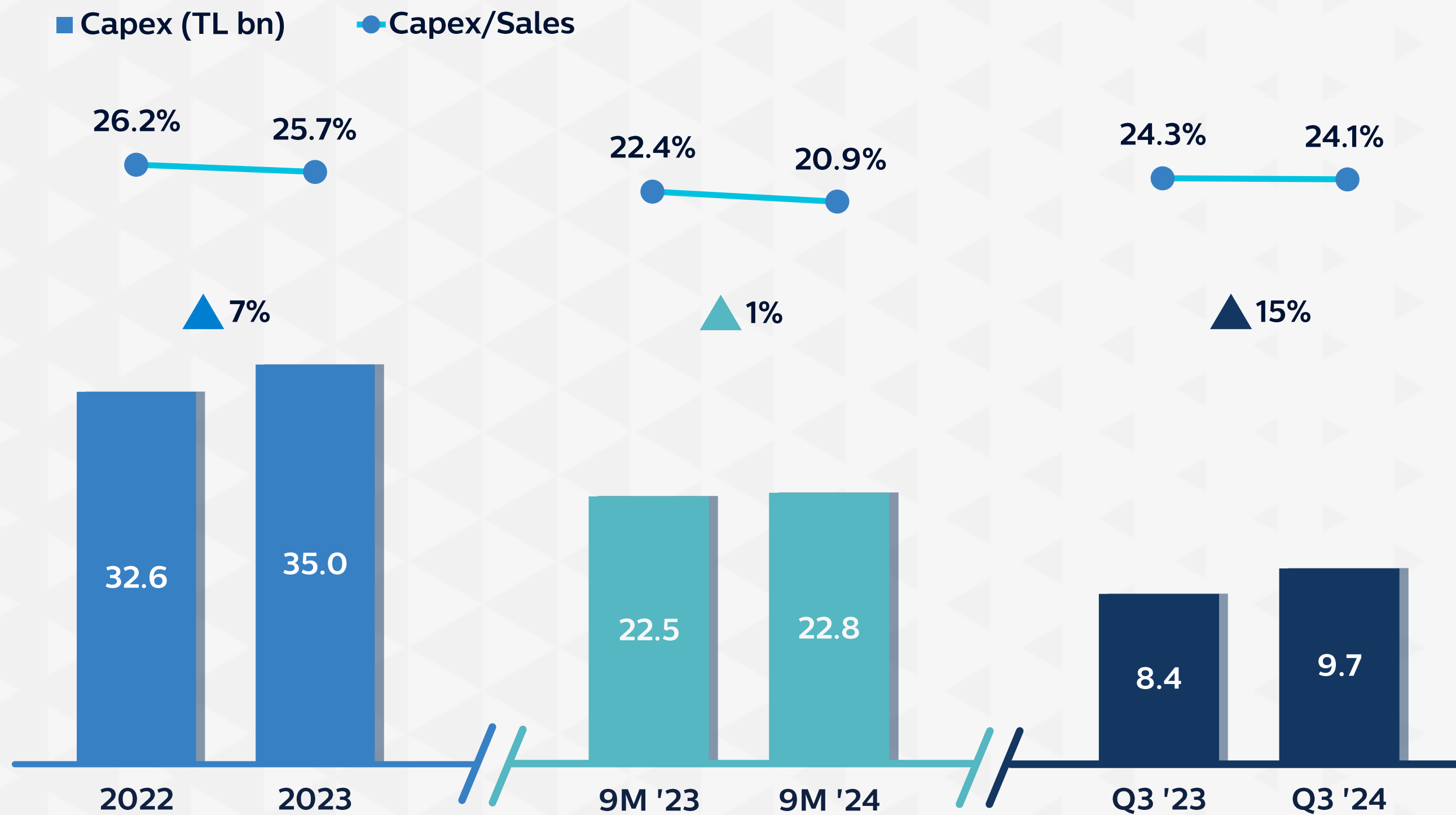


All figures presented at their values as of Q3'24

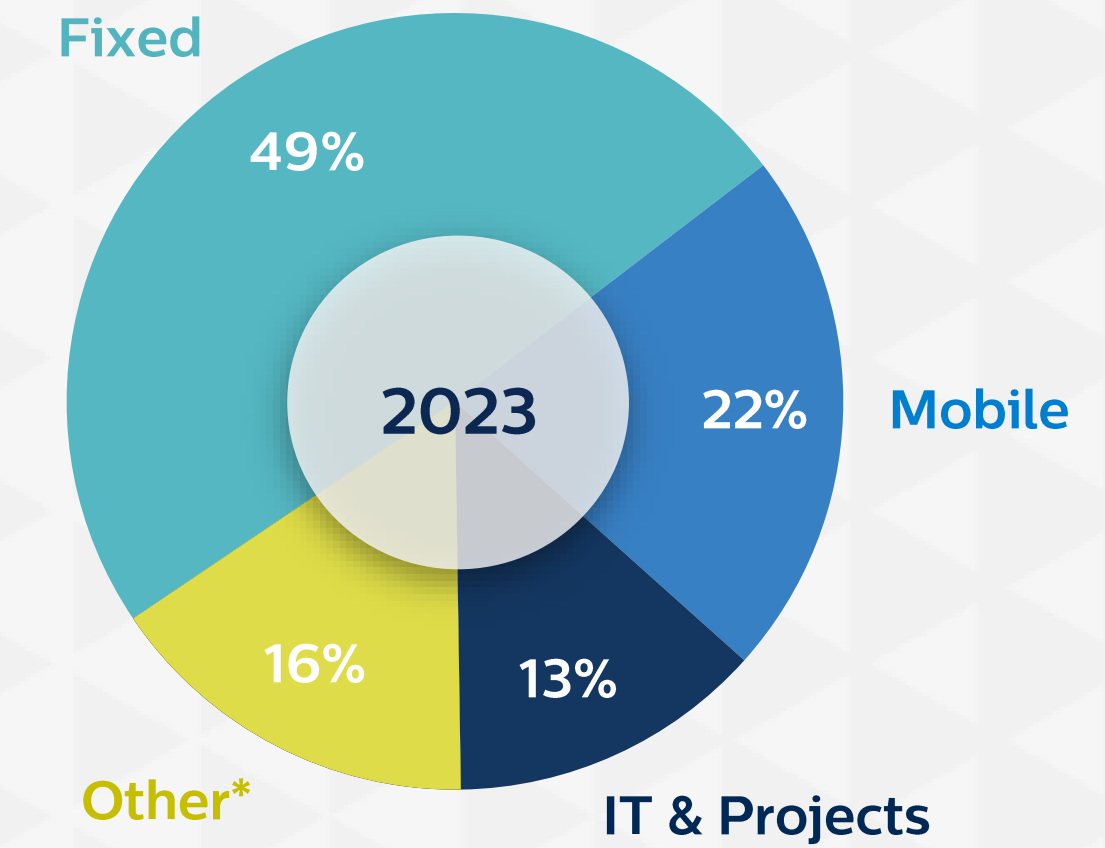
CAPEX

11

Capex & Capex / Sales



Capex Breakdown



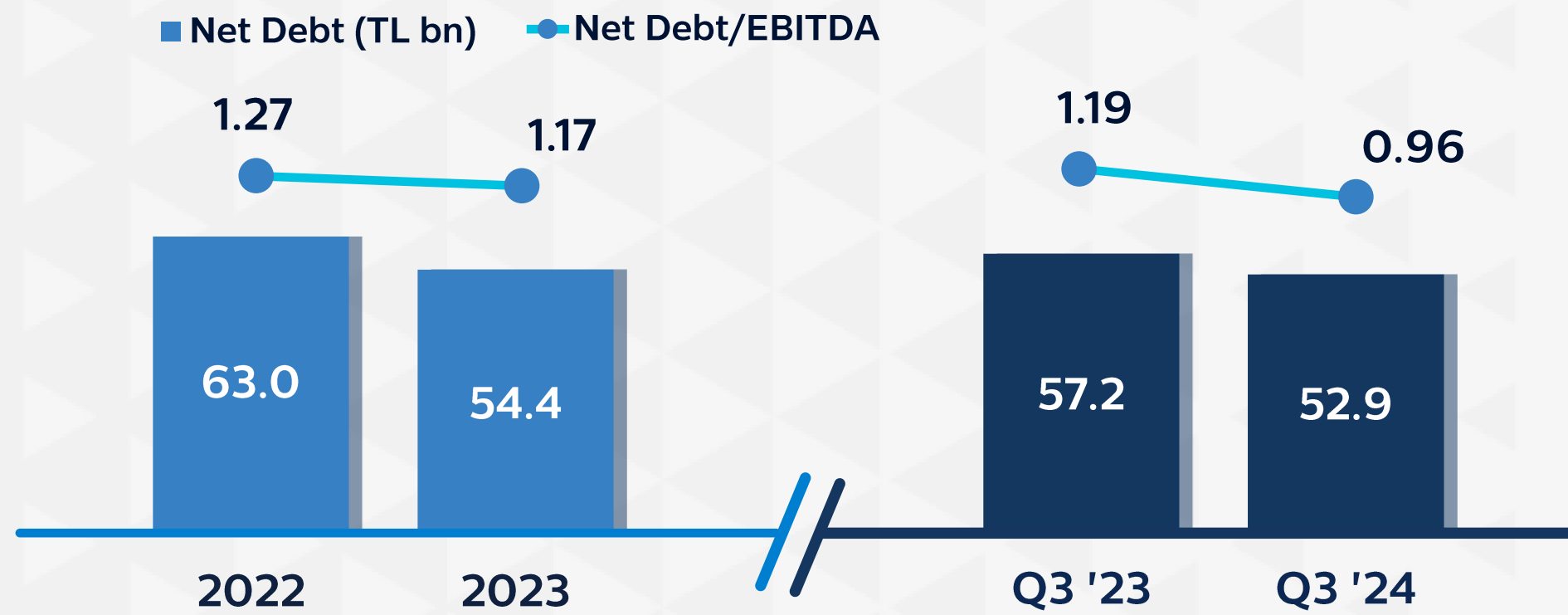
* Other Capex includes capex for subsidiaries (excl TTI), new revenue streams, IFRS 15 capitalisation, etc.

All figures presented at their values as of Q3'24

Debt Profile

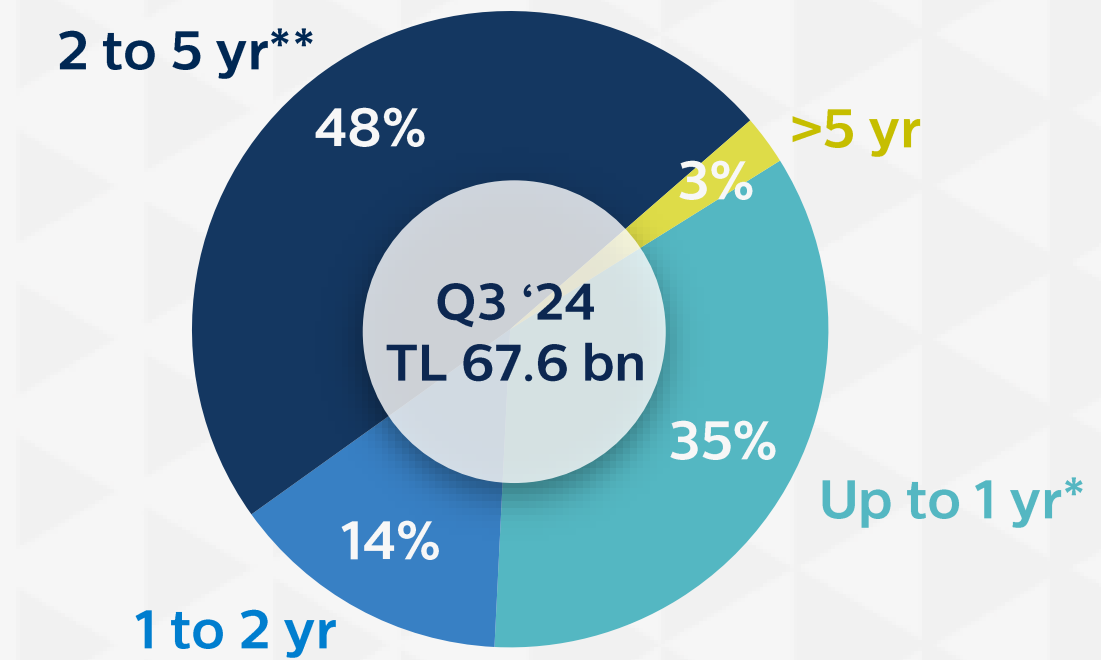
12

Net Debt



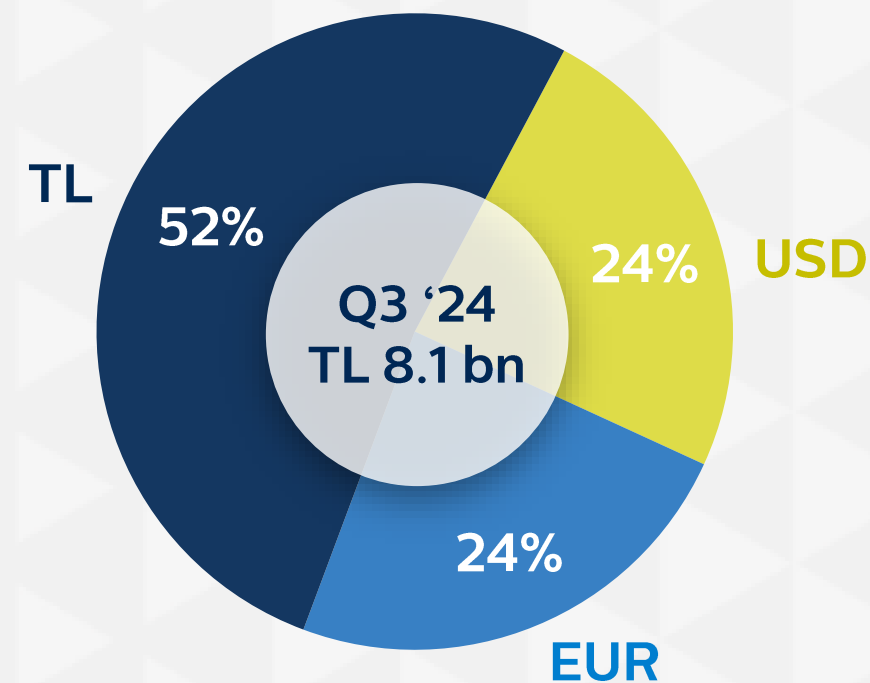
Note: Net Debt calculation includes market valuation (MTM) of Foreign Currency TL money swap transactions. Net Debt/EBITDA calculation does not include extraordinary provisions in EBITDA calculation. Net Debt/EBITDA calculation includes fair value of Currency Protected Time Deposit included in Financial Investments.

Maturity Profile



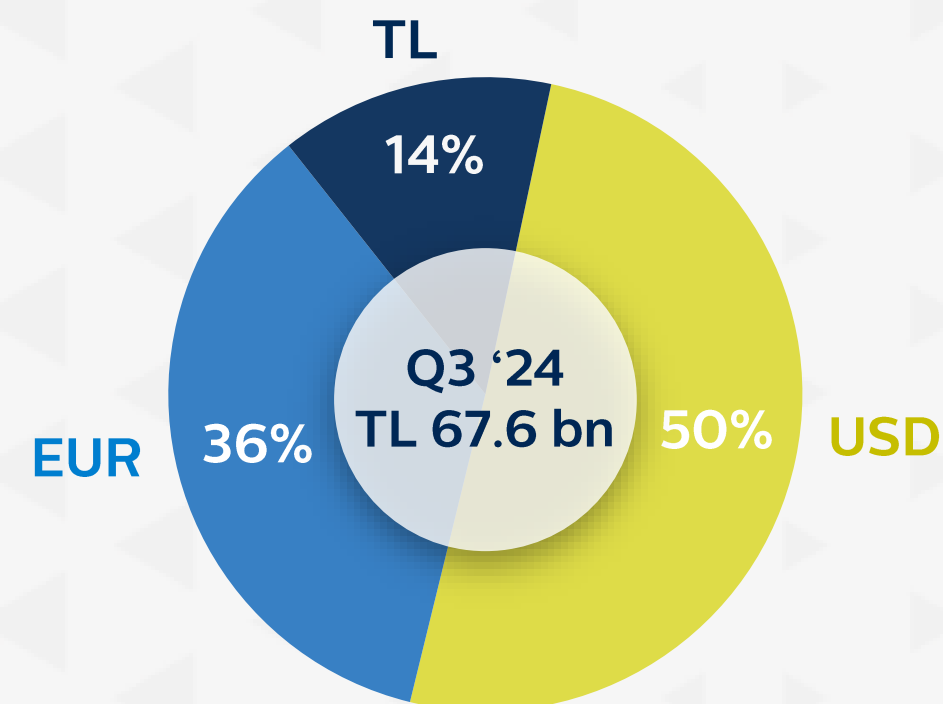
All loans are senior unsecured.
 * including 2025 maturity bond (USD 200 mn)
 ** including 2029 maturity bond (USD 500 mn)

Cash – Currency Breakdown*

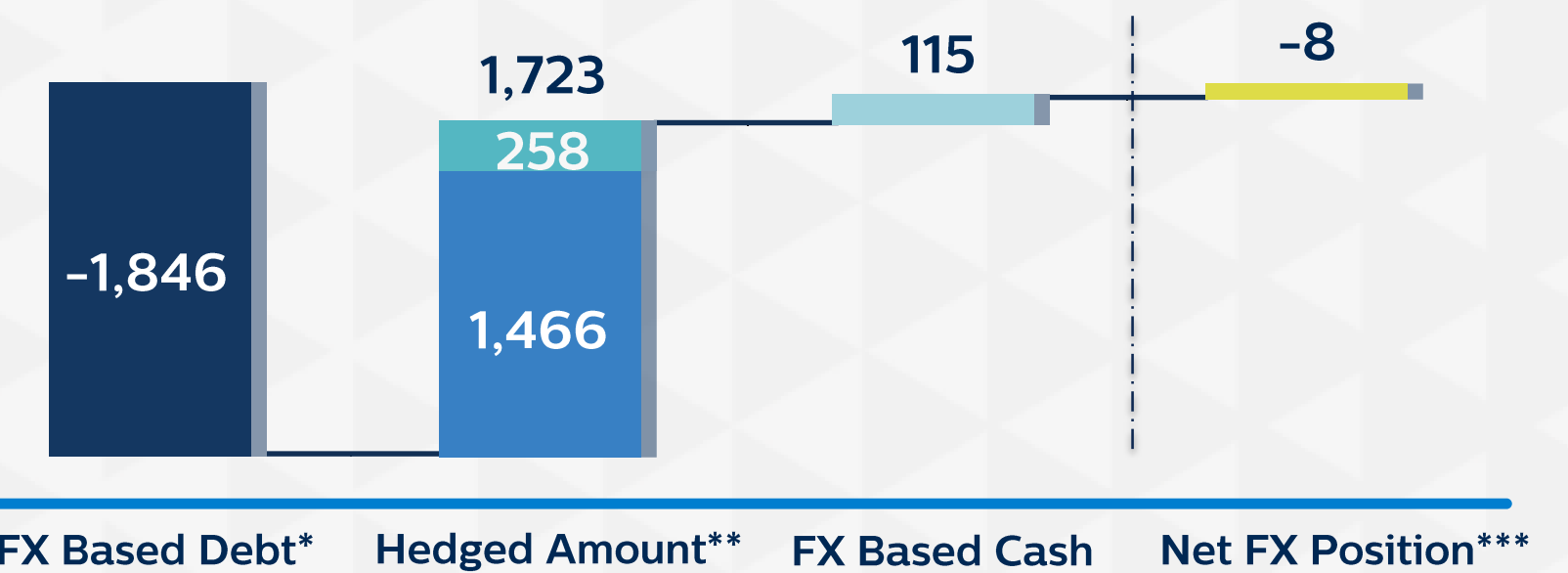


* TL 9.7 bn worth currency protected time deposit is not included in cash.

Gross Debt – Currency Breakdown



Hedge – Composition of FX Position (USD mn)



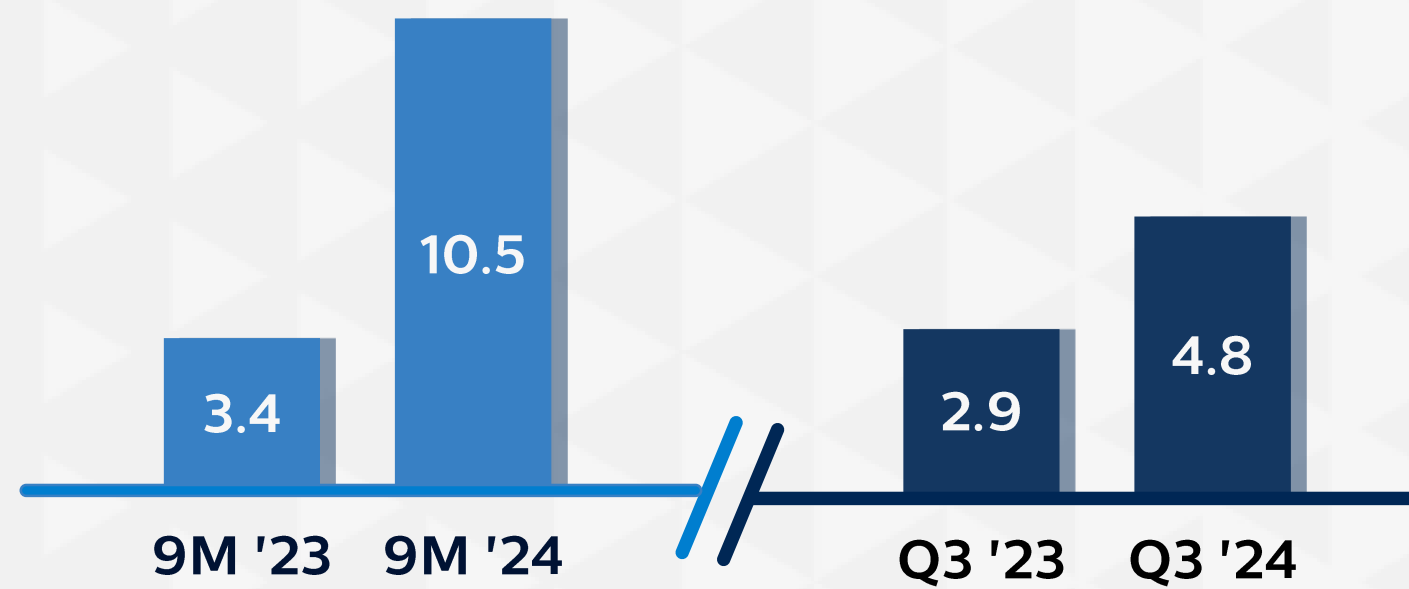
* FX Debt calculation includes FX financial debt (including FX lease obligations) and FX net trade payables. Hedged amount includes hedging of FX financial debt, currency protected time deposit, hedging of FX net trade payables and net investment hedge.
 ** Currency protected time deposit included in hedged amount is worth USD 258 mn.
 *** Excluding the ineffective portion of the hedge portfolio, mainly the existing PCCS contracts, net FX exposure would be USD 191 mn short position.

Prudent Balance Sheet Management

13

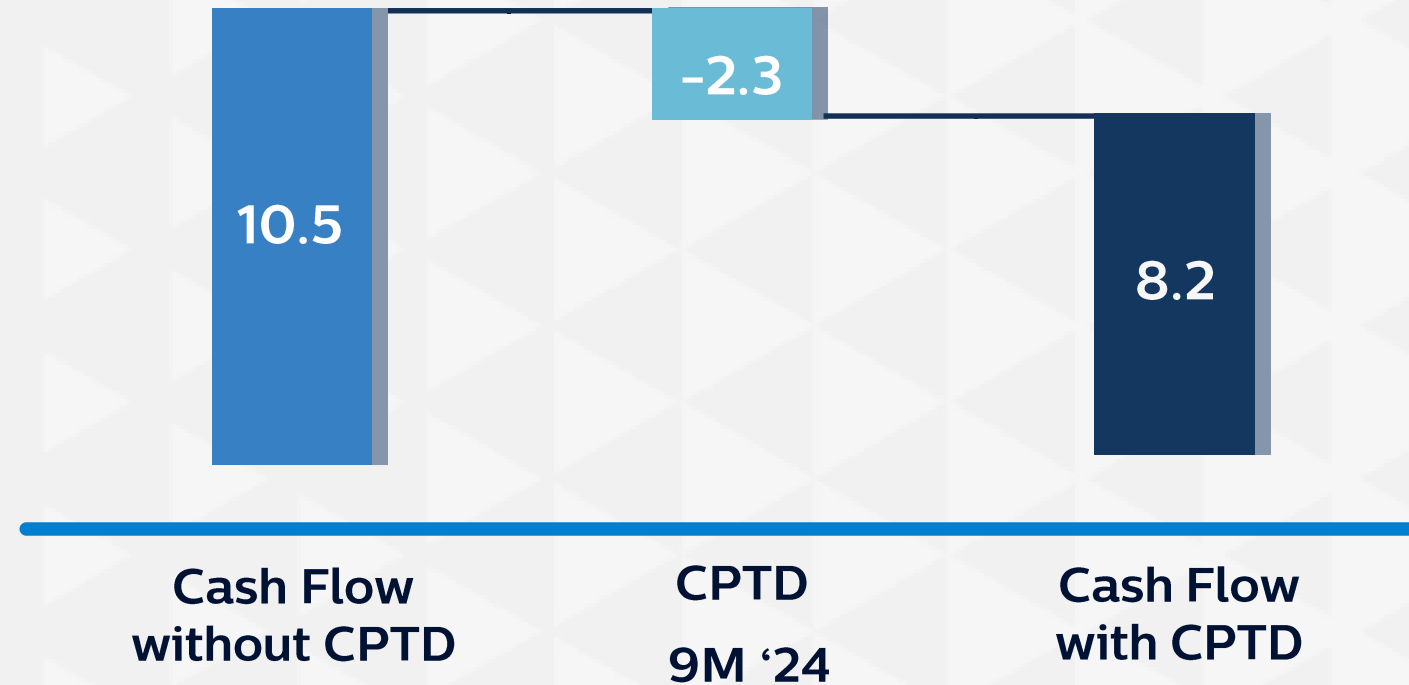
Cash Flow*

(TL bn)



The Effect of CPTD** on Cash Flow

(TL bn)

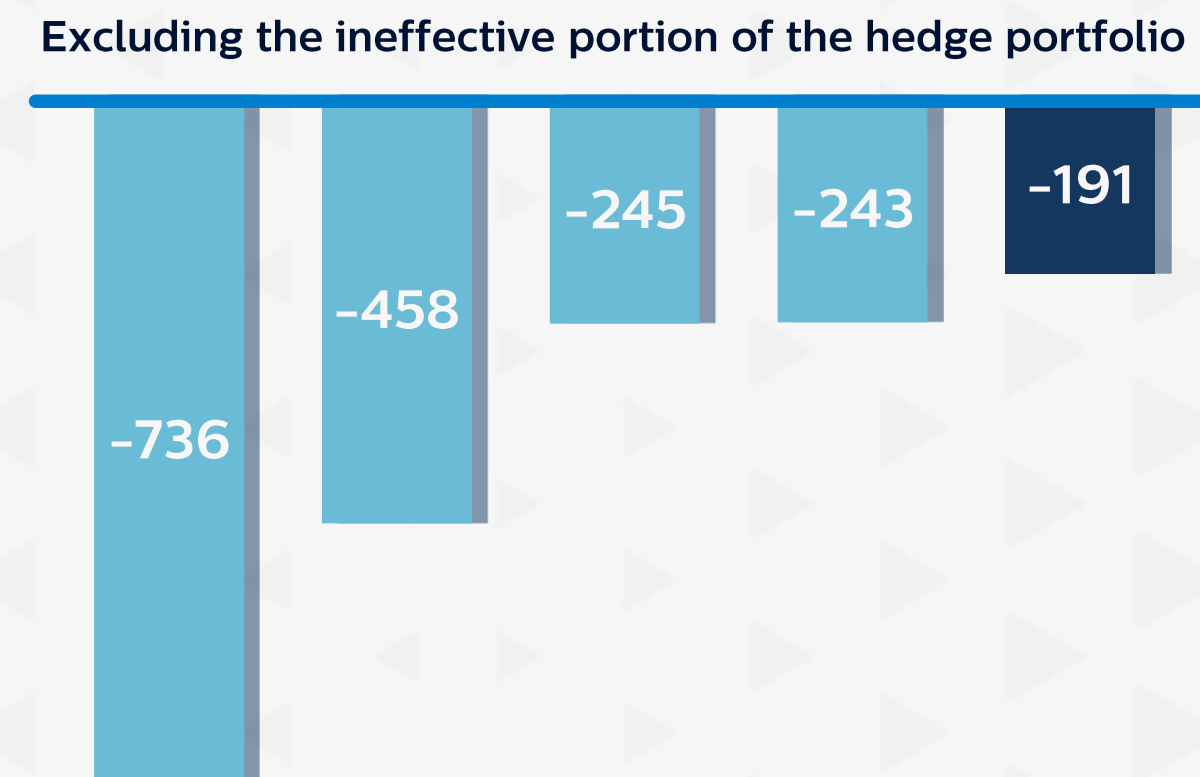
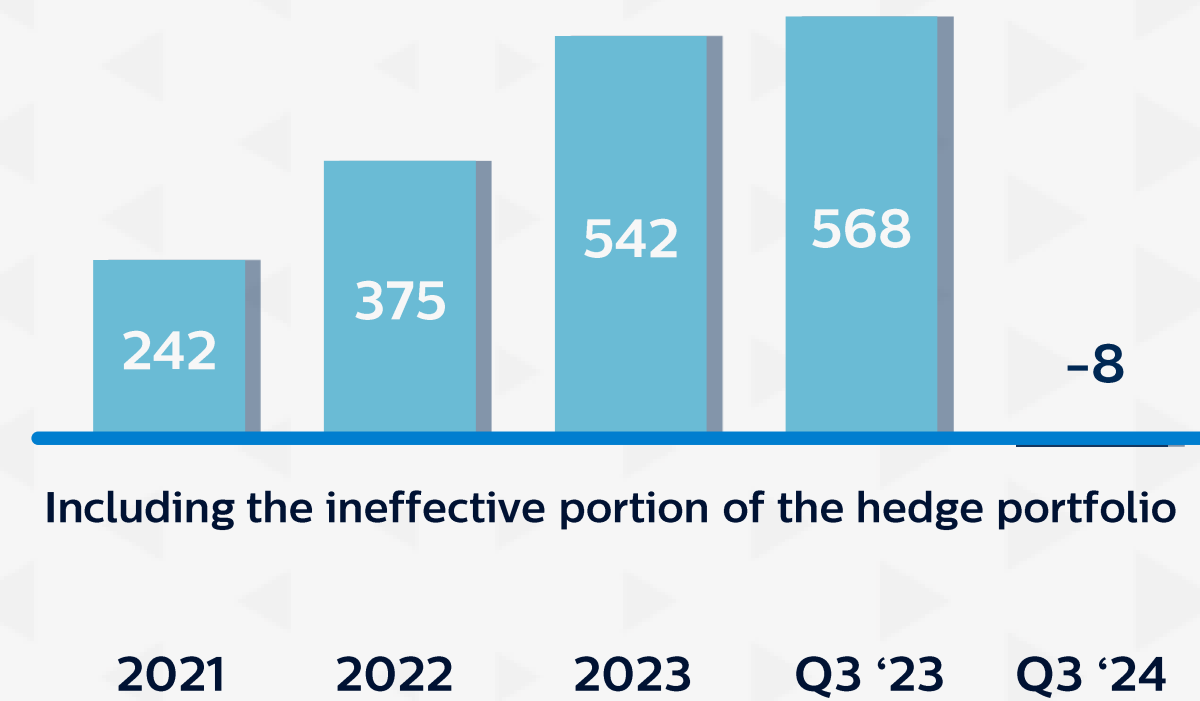


* Unlevered cash flow is defined as net cash provided by operating and investing activities, from operations.

** Currency Protected Time Deposit

Net FX Exposure*

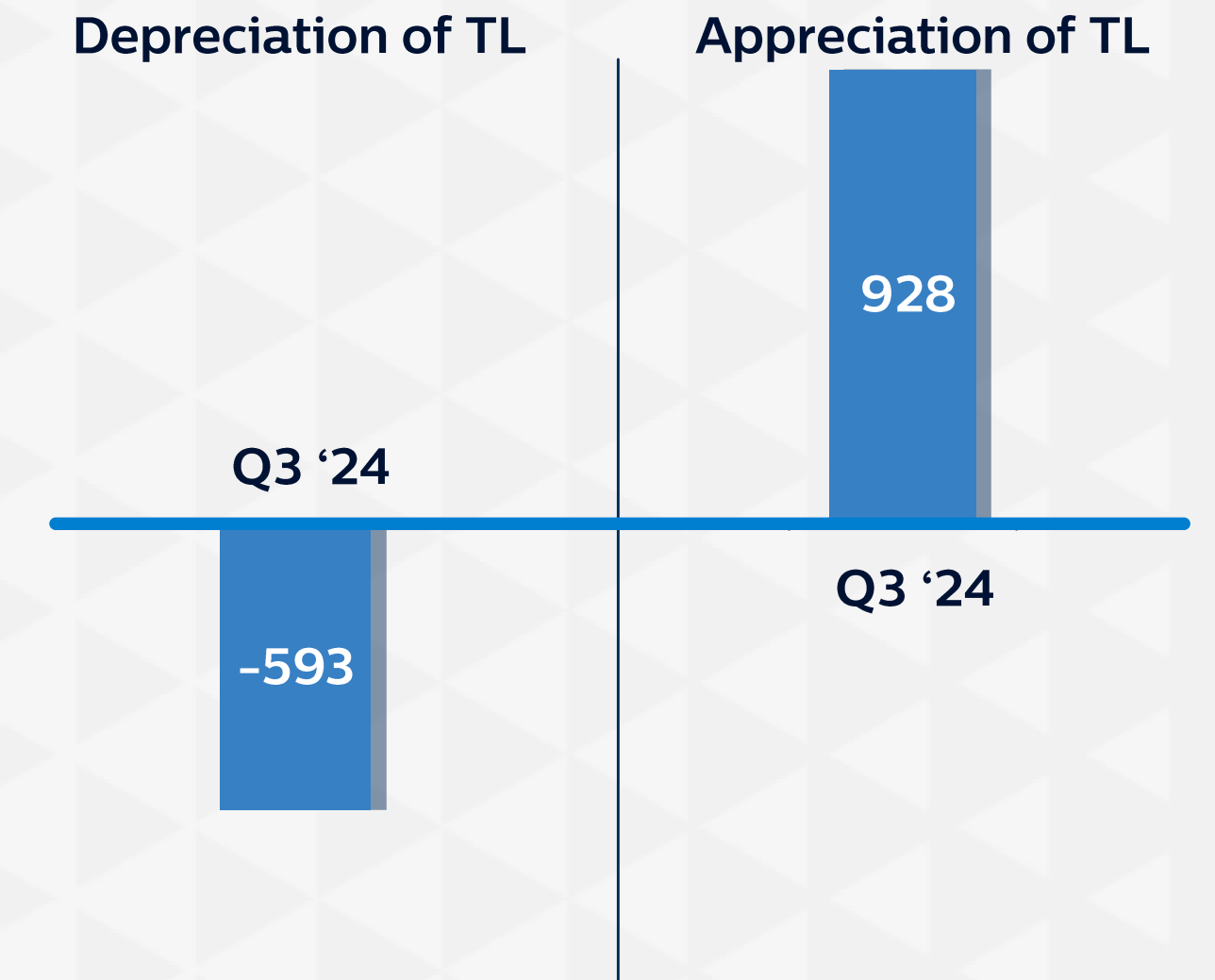
(USD mn equivalent)



* Net FX exposure is calculated as Total FX based Debt, less total Hedged Amount, less Total FX based Cash.

Profit Before Tax Sensitivity

(TL mn, 10% change in FX rates)



Appendix



Financial & Operational Overview

15

2024 9M Highlights



Total Subscribers

53.2 mn

▲0.5% YoY



Revenue

TL 109.2 bn

▲9% YoY

TL 104.2 bn (Exc. IFRIC 12)

▲11% YoY



EBITDA

TL 42.5 bn

▲25% YoY



EBITDA Margin

38.9%

▲520bps YoY



Net Income

TL 3.9 bn

▲602% YoY



Free Cash Flow*

TL 10.5 bn

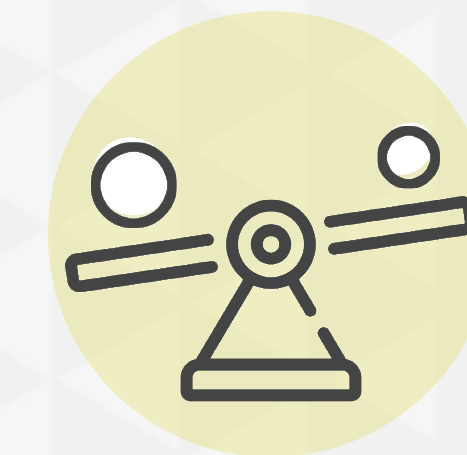
▲211% YoY



CAPEX

TL 22.8 bn

▲1% YoY



Net Leverage

0.96x

▼Q4 '23 1.17x

* Unlevered cash flow is defined as net cash provided by operating and investing activities, from operations.

Income Statement

16

(TL mn)	9M '23	9M '24	YoY Change	Q3 '23	Q3 '24	YoY Change
Revenues	100,446	109,226	8.7%	34,828	40,353	15.9%
EBITDA	33,901	42,510	25.4%	12,592	16,469	30.8%
Margin	33.8%	38.9%		36.2%	40.8%	
Operating Profit	(1,813)	9,748	n.m.	681	5,649	729.7%
Margin	(1.8)%	8.9%		2.0%	14.0%	
Financial Inc. / (Exp.)	(18,243)	(19,468)	6.7%	(4,862)	(6,261)	28.8%
FX & Hedging Gain / (Loss)	(11,981)	(12,244)	2.2%	(2,891)	(3,680)	27.3%
Interest Inc./ (Exp.)	(4,894)	(5,242)	7.1%	(1,230)	(2,058)	67.3%
Other Financial Inc./ (Exp.)	(1,368)	(1,982)	44.9%	(741)	(523)	(29.4)%
Monetary Gain/Loss, net	26,053	18,611	(28.6)%	13,534	3,946	(70.8)%
Tax Inc./ (Exp.)	(5,439)	(4,969)	(8.6)%	(6,311)	(2,189)	(65.3)%
Net Income	559	3,921	602.0%	3,042	1,145	(62.4)%
Margin	0.6%	3.6%		8.7%	2.8%	

Balance Sheet

17

(TL mn)	31.12.2023	30.09.2024
Total Assets	264,548	243,266
Cash and Cash Equivalents	18,465	8,094
Tangible Assets ¹	103,376	105,647
Intangible Assets	75,198	66,087
Right of Use Assets	7,585	8,690
Other Assets ²	59,924	54,748
Total Equities and Liabilities	264,548	243,266
Share Capital	72,334	72,334
Reserves, Retained Earnings and Other Equity Items	61,204	62,730
Interest Bearing Liabilities ³	89,504	71,656
<i>Bank Borrowings and Bonds</i>	<i>86,948</i>	<i>67,560</i>
<i>Lease Liabilities</i>	<i>2,557</i>	<i>4,096</i>
Other Liabilities ⁴	41,507	36,546

(1) Tangible assets include property, building or plant and equipment and investment property

(2) Major items within other assets are trade receivables, due from related parties, inventories, deferred tax asset, tax assets and other current assets.

(3) Includes short-term and long-term borrowings and lease obligations

(4) Major items within other liabilities are deferred tax liability, trade payables, provisions, income tax payable, due to related parties, other current liabilities and provisions for employee termination benefits

Türk Telekom Investor Relations



ttinvestorrelations.com



investorrelations@turktelekom.com.tr



twitter.com/ttkomir



+90 212 309 96 30

Türk Telekom
Değerli Hissettirir

