

2024 Q1 Investor Presentation



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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

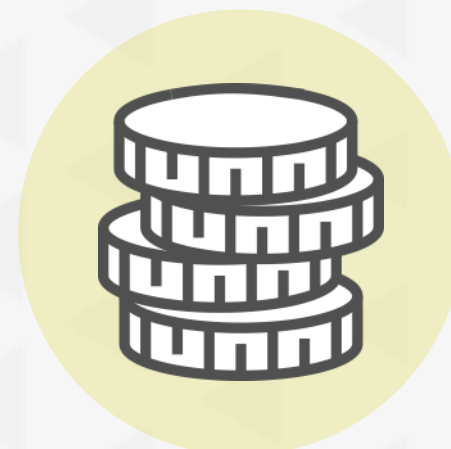
2024 Q1 Highlights



Total Subscribers

52.8 mn

▲ 0.4% YoY



Revenue

TL 28.0 bn

▲ 6% YoY



EBITDA

TL 10.3 bn

▲ 23% YoY



EBITDA Margin

36.6%

▲ 510bps YoY



Net Income

TL 1.0 bn

▼ 16% YoY



Free Cash Flow*

TL 1.9 bn

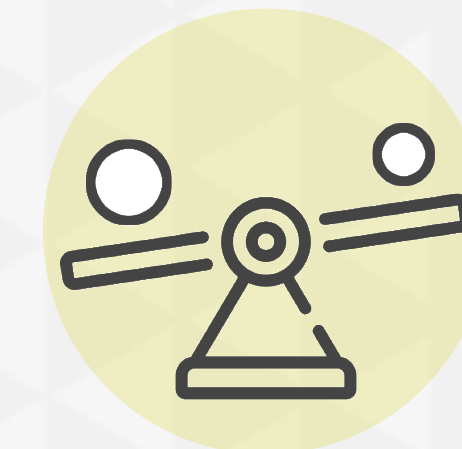
▲ Q1 '23 -TL 3.6 bn



CAPEX

TL 4.6 bn

▼ 22% YoY



Net Leverage

1.13x

▼ Q4 '23 1.17x

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

Net Subscriber Additions

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Fixed Broadband

9K

1.6% monthly churn rate

Q1 '24

400K

LTM

52.8mn
Subscribers

Net
additions*

-188K
in Q1 '24

212K
in LTM



Mobile

-16K

1.8% monthly churn rate

Q1 '24

596K

LTM



Fixed Voice

-266K

Q1 '24

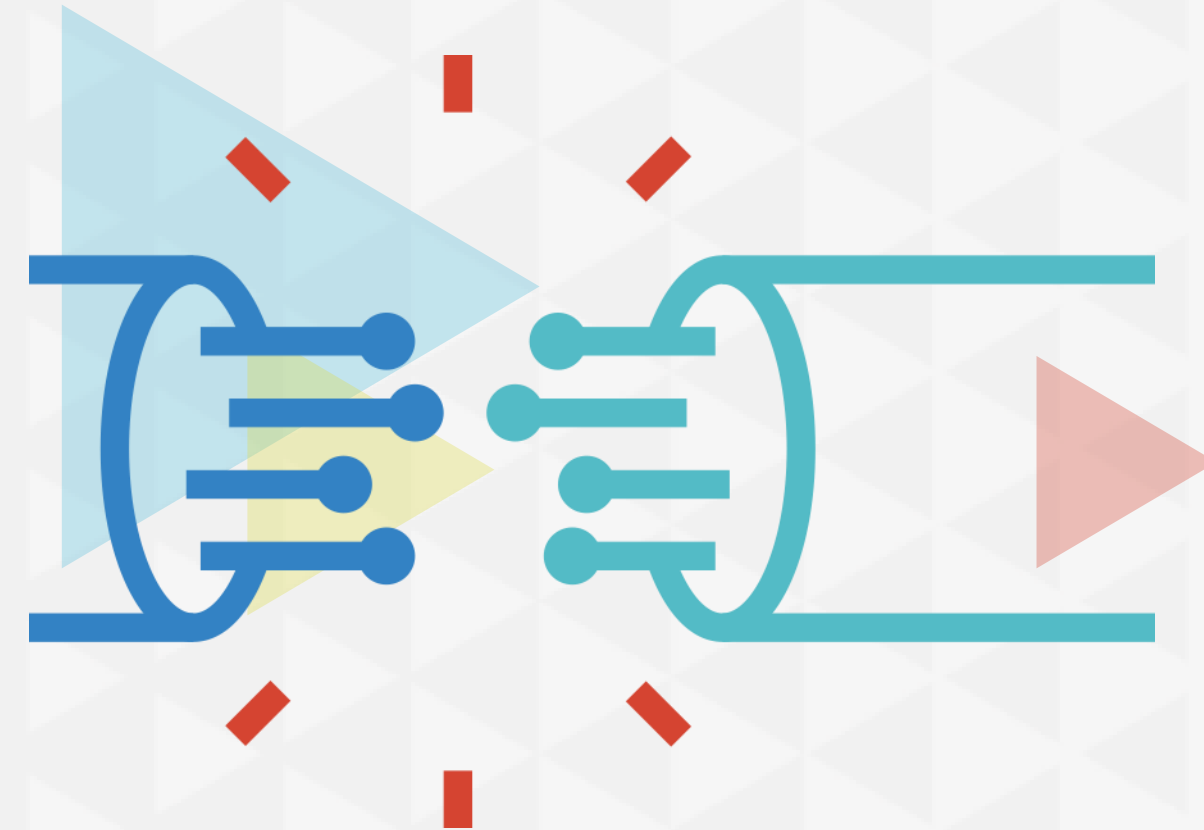
-1.0mn

LTM

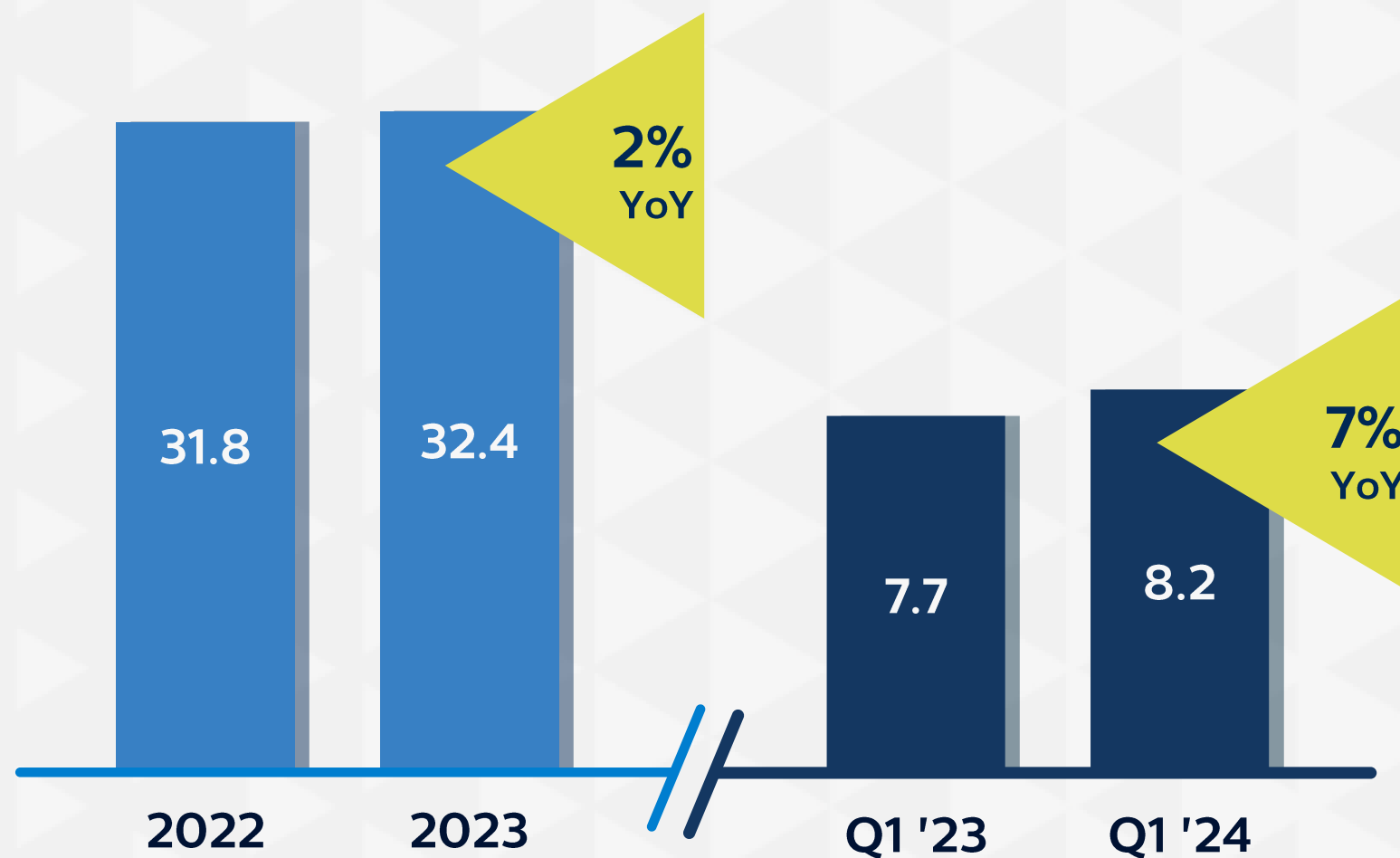


* Includes Tivibu

Fixed Broadband Performance

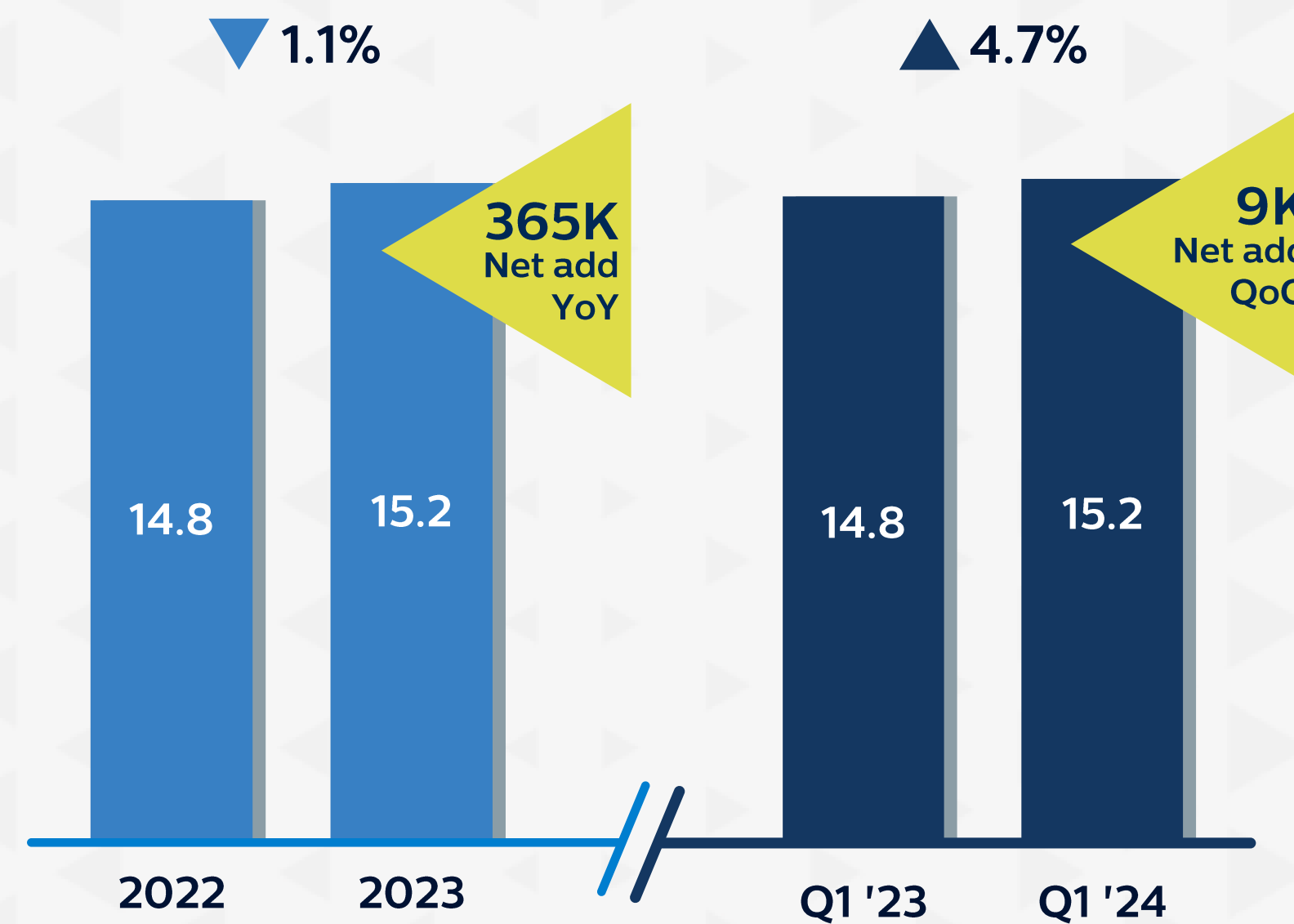


Fixed Broadband Revenue (TL bn)

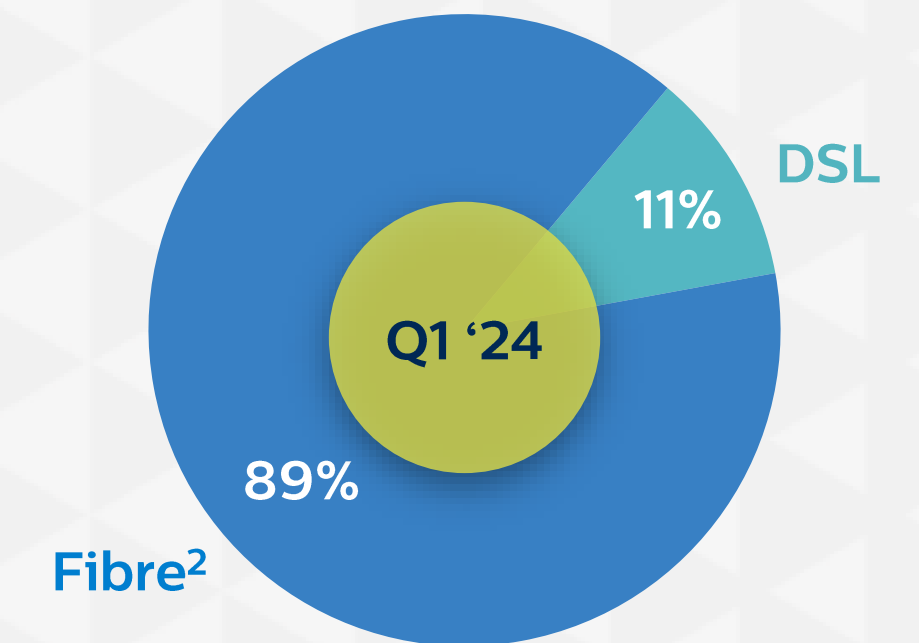


Subscribers & ARPU Growth

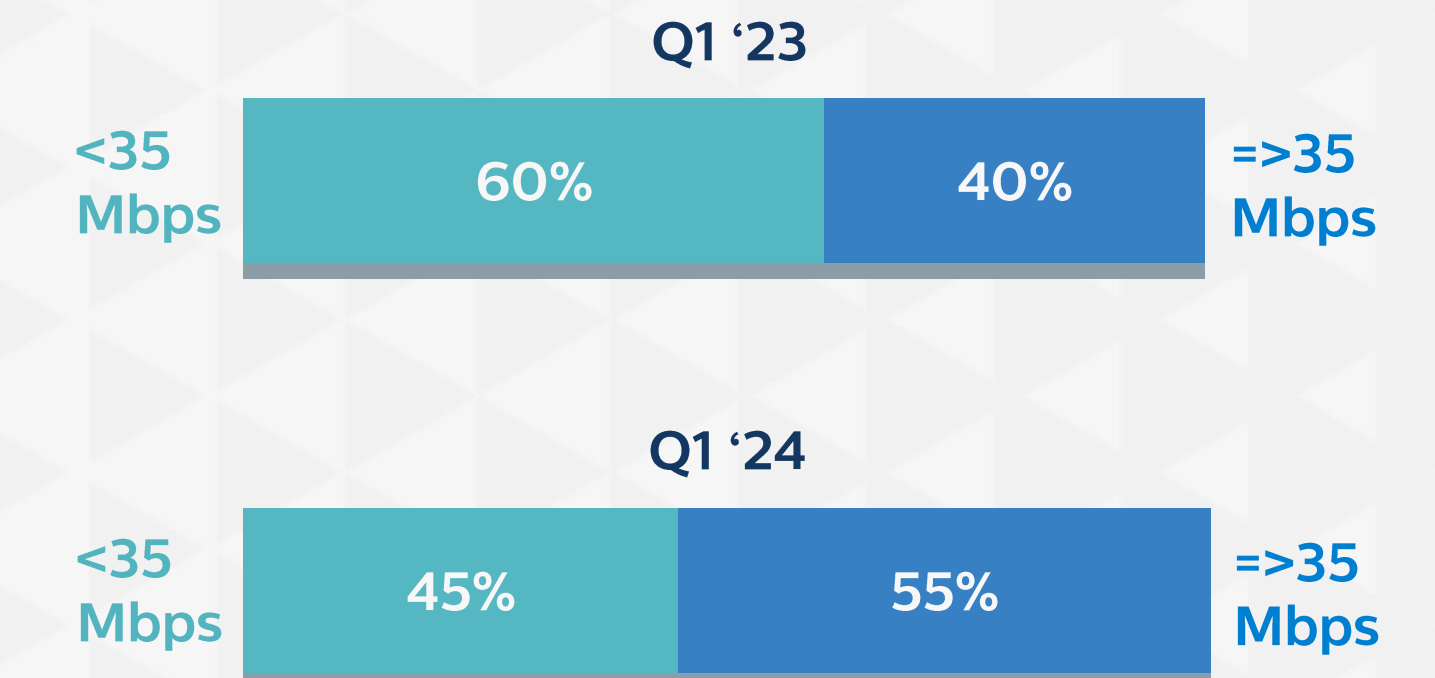
■ FBB Subscribers (mn)
▲ ARPU Growth (%)



Subscriber Breakdown¹ (% of Subscribers)



Subscriber Package Breakdown¹ (% of Subscribers)



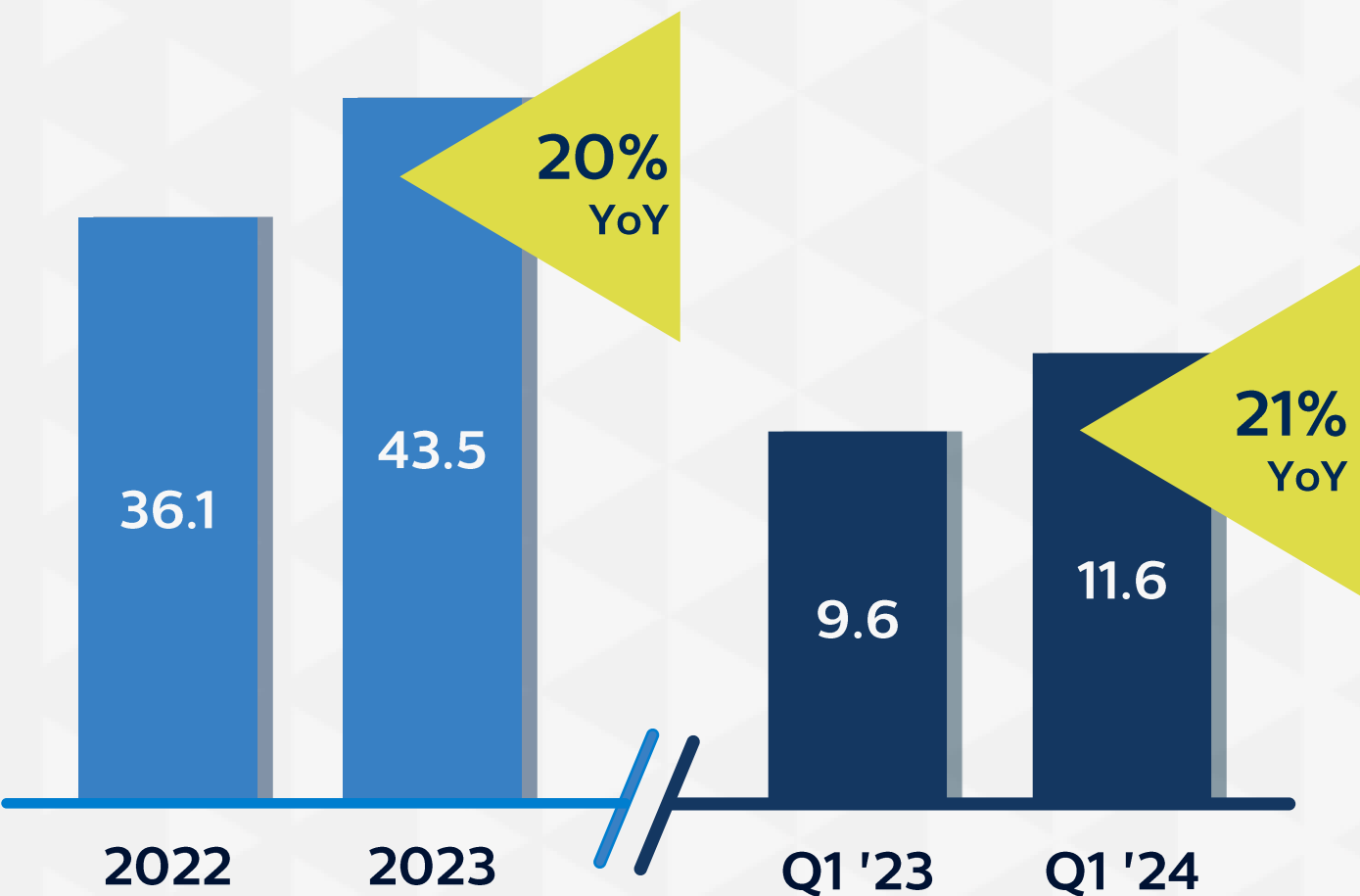
All figures presented at their values as of Q1'24

(1) Retail only
(2) Fibre subscribers include FTTH/B & FTTC subscribers

Mobile Performance



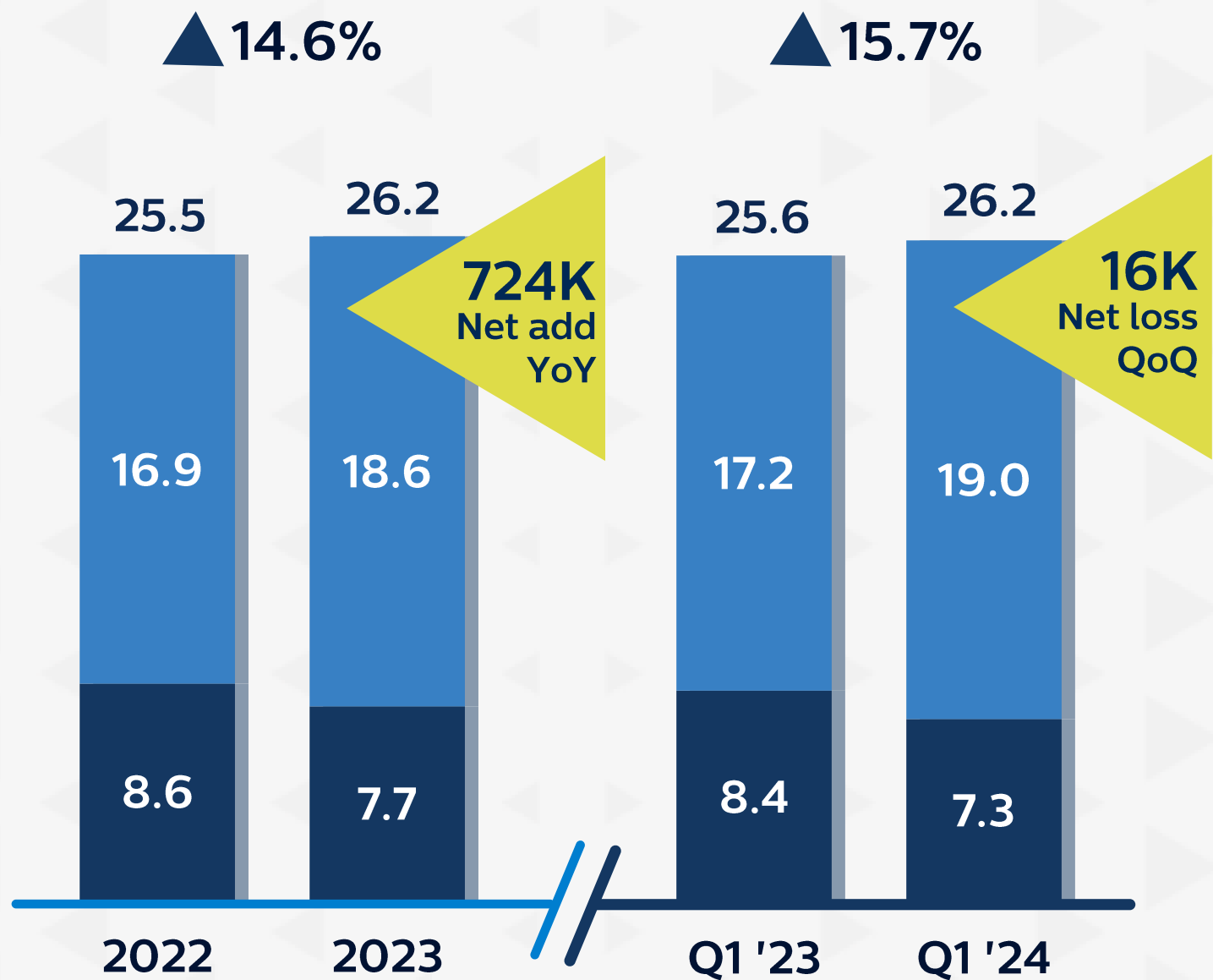
Mobile Revenue (TL bn)



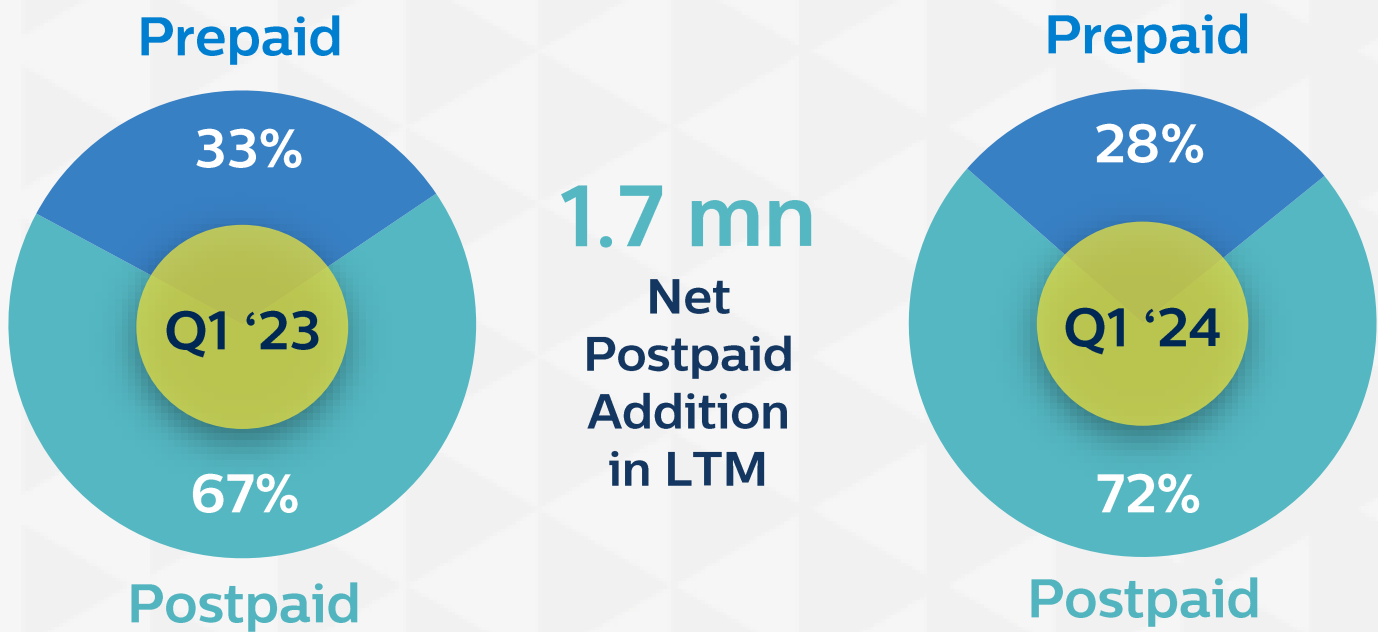
All figures presented at their values as of Q1'24

Subscribers & ARPU Growth

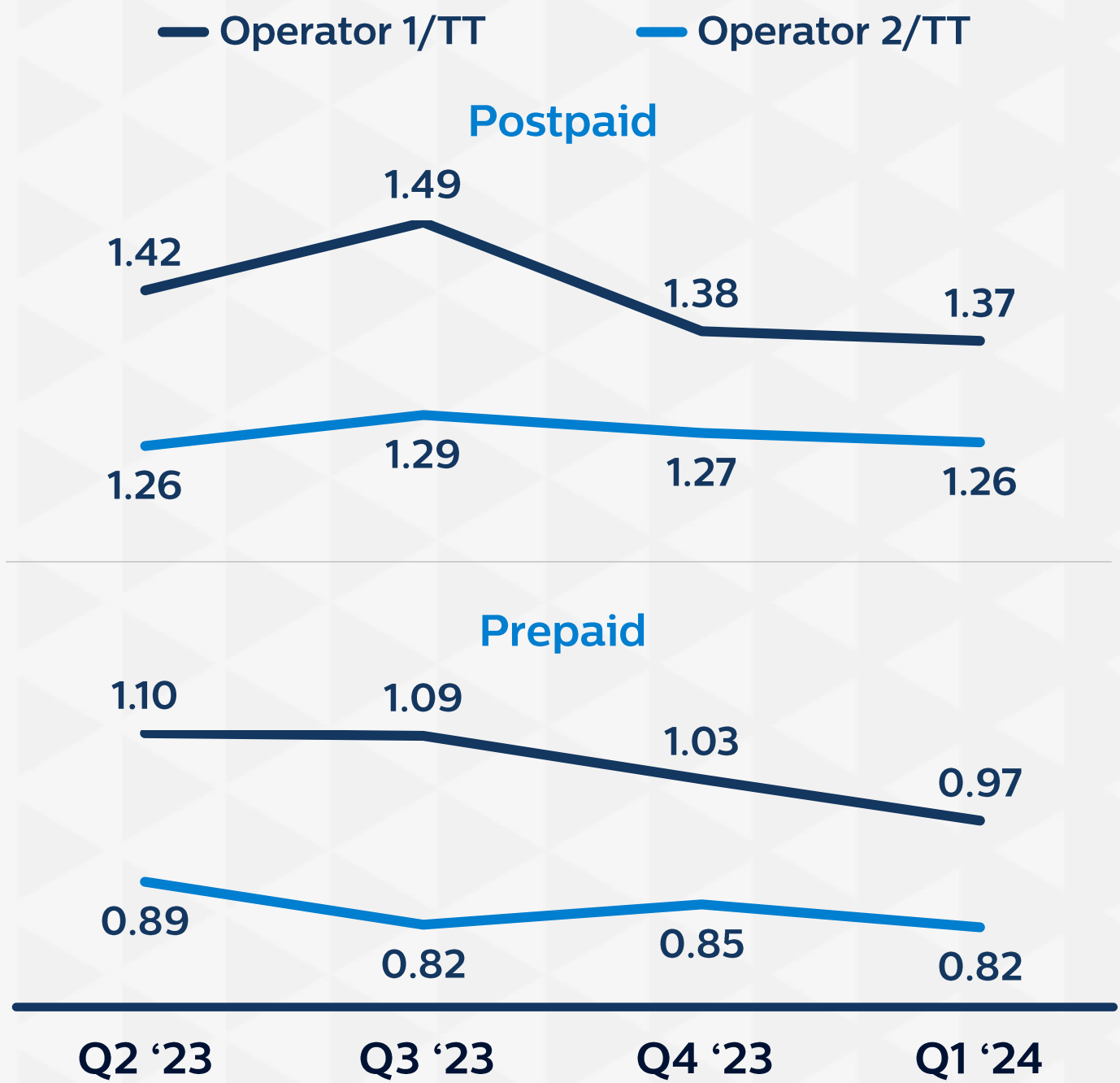
- Postpaid Subscribers (mn)
- Prepaid Subscribers (mn)
- ▲ Blended ARPU Growth (%)



Mobile Subscribers Ratios



Mobile ARPU Multiples*



* Based on unadjusted historic ARPU values from quarterly company disclosures.

Sustainable Finance Framework

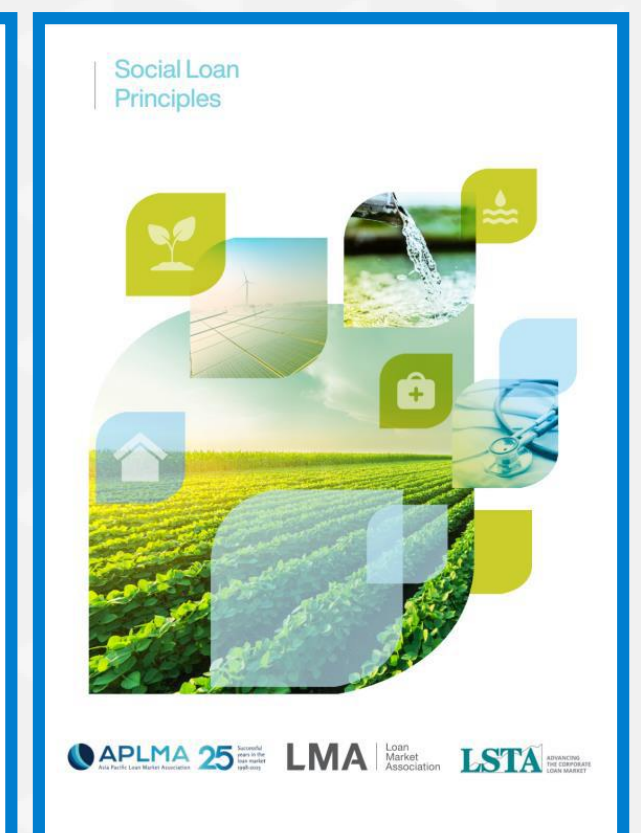
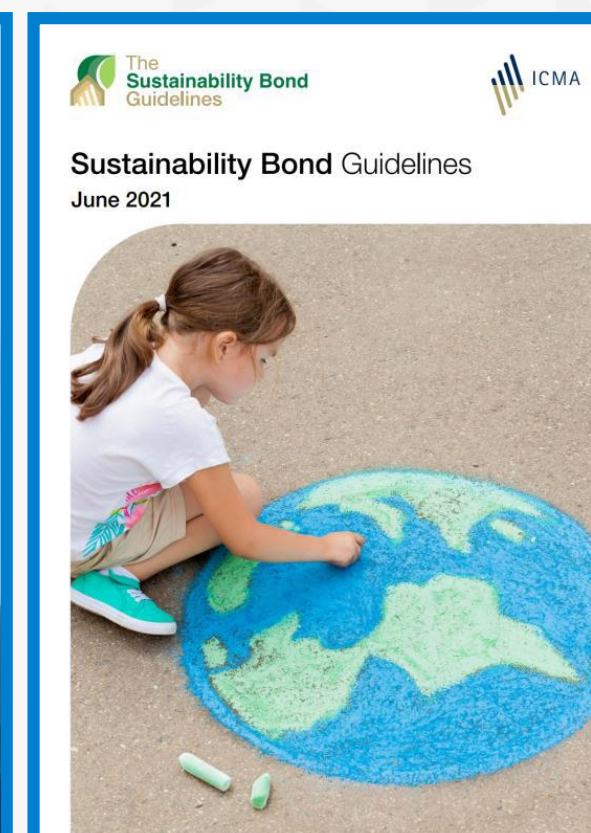
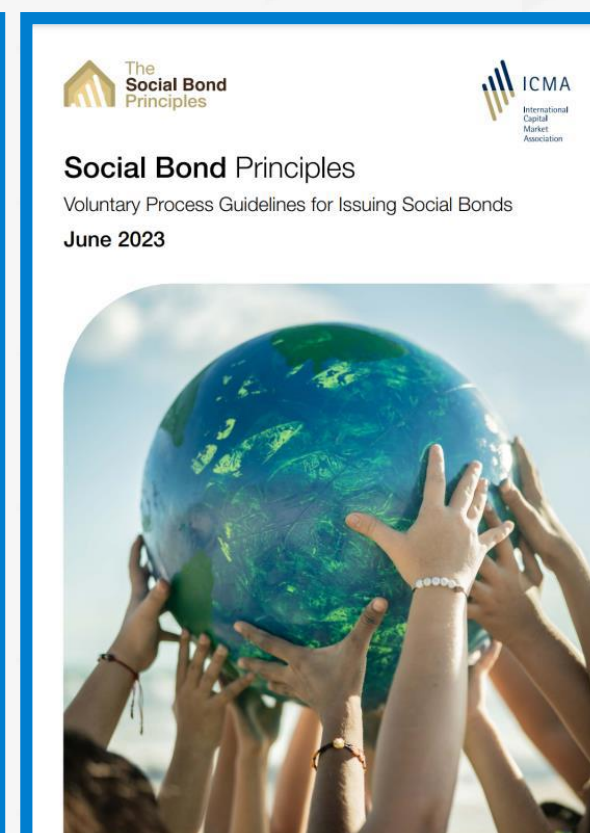
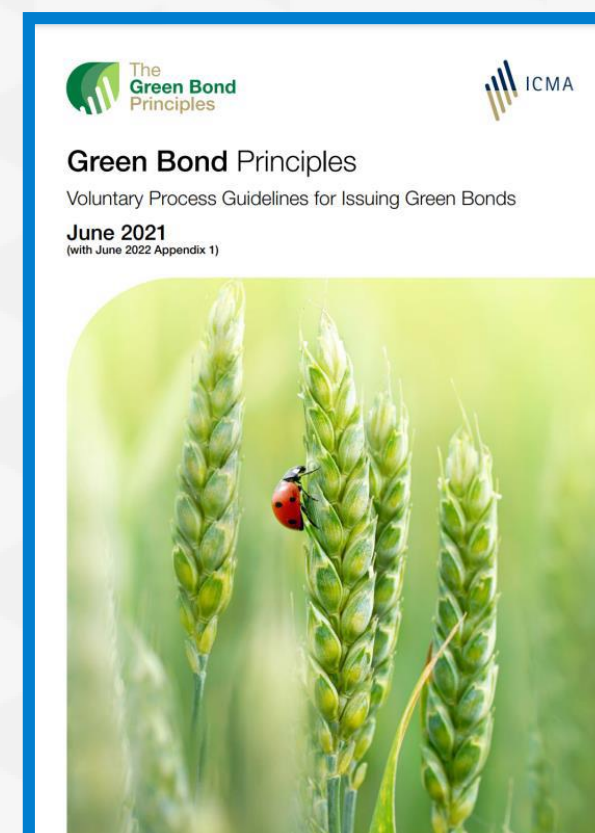
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Türk Telekom Sustainable Finance Framework



The Türk Telekom Sustainable Finance Framework is aligned with the latest sustainable finance market principles as published by:

- ▶ The International Capital Markets Association
- ▶ The Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications and Trading Association



The Türk Telekom Sustainable Finance Framework is aligned with the aforementioned principles and the following 5 pillars:

- 1 Use of Proceeds
- 2 Project Selection and Evaluation
- 3 Management of Proceeds
- 4 Reporting
- 5 External Review

Pillar 5: External Review S&P SPO

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S&P view the Türk Telekom's Sustainable Finance Framework as aligned with the ICMA, LMA, LSTA and APLMA Principles and Guidelines

S&P's Commentary on Türk Telekom's Sustainable Finance Framework

Strengths



The framework's inclusion of green projects underpins the shift toward a low carbon society. We view Türk Telekom's commitment to funding projects that progress towards a Low Carbon Climate Resilient Future (LCCRF) as positive.

Weaknesses



No Weaknesses to Report.

1 Use of Proceeds

Türk Telekom commits to disclosing the proportion of funds used for financing versus refinancing in its allocation reporting, which we view as a stronger practice.

2 Process for Project Evaluation & Selection

Türk Telekom has outlined an exclusion list within the framework, ensuring that proceeds will not be used to finance activities related to fossil fuel extraction and power generation, alcohol, and gambling, among others. We view this practice positively.

3 Management of Proceeds

It will hold the unallocated proceeds funds in cash and cash equivalents and will manage them per the company's general cash management policies and will not allocate them to greenhouse gas intensive or controversial activities as per the exclusion criteria laid out in the framework.

4 Reporting

We view positively that Türk Telekom will receive an independent assessment and verification of the tracking and allocation of funds in connection with the issuance of proceeds.

S&P Assessed the Eligible Green Project Categories Using CICERO's Shades of Green Methodology

Renewable Energy

Dark Green

- ▶ Investments or expenditures related to the construction, development, installation or procurement of renewable energy

Energy Efficiency

Light Green

- ▶ Investments or expenditures related to new or existing network infrastructure and buildings to improve cumulative energy efficiency by at least 30%
- ▶ Investments or expenditures related to new or existing data centres to improve power usage effectiveness (PUE)
- ▶ Investments or expenditures related to fixed-line and mobile network projects to reduce energy consumption
- ▶ Investments or expenditures related to digital products and services to enable customers to reduce their energy consumption

Clean Transportation

Dark Green

- ▶ Investments or expenditures related to low-carbon passenger transportation and related infrastructure

Pollution Prevention and Control

Medium to Light Green

- ▶ Investments or expenditures to promote waste prevention, reduction, reuse or recycling and reduce emissions from refrigerant gases

Financials

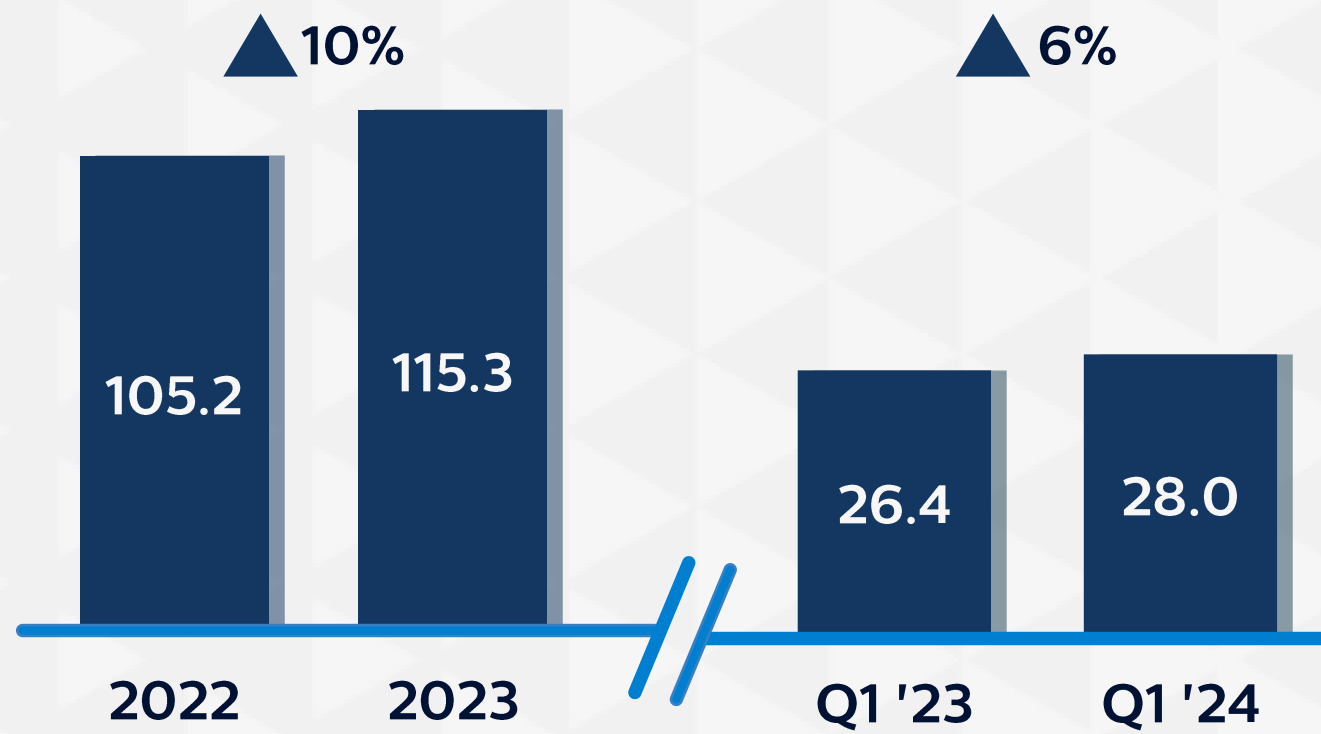


Financial Performance

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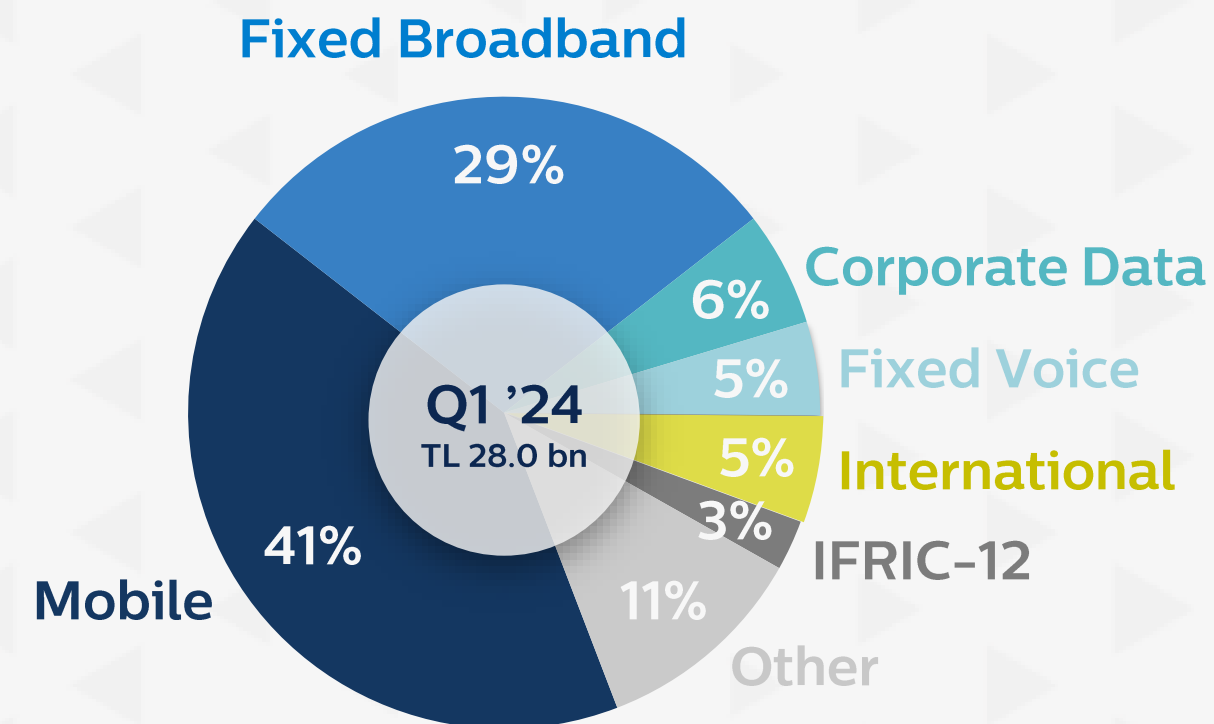
Revenue

(TL bn)



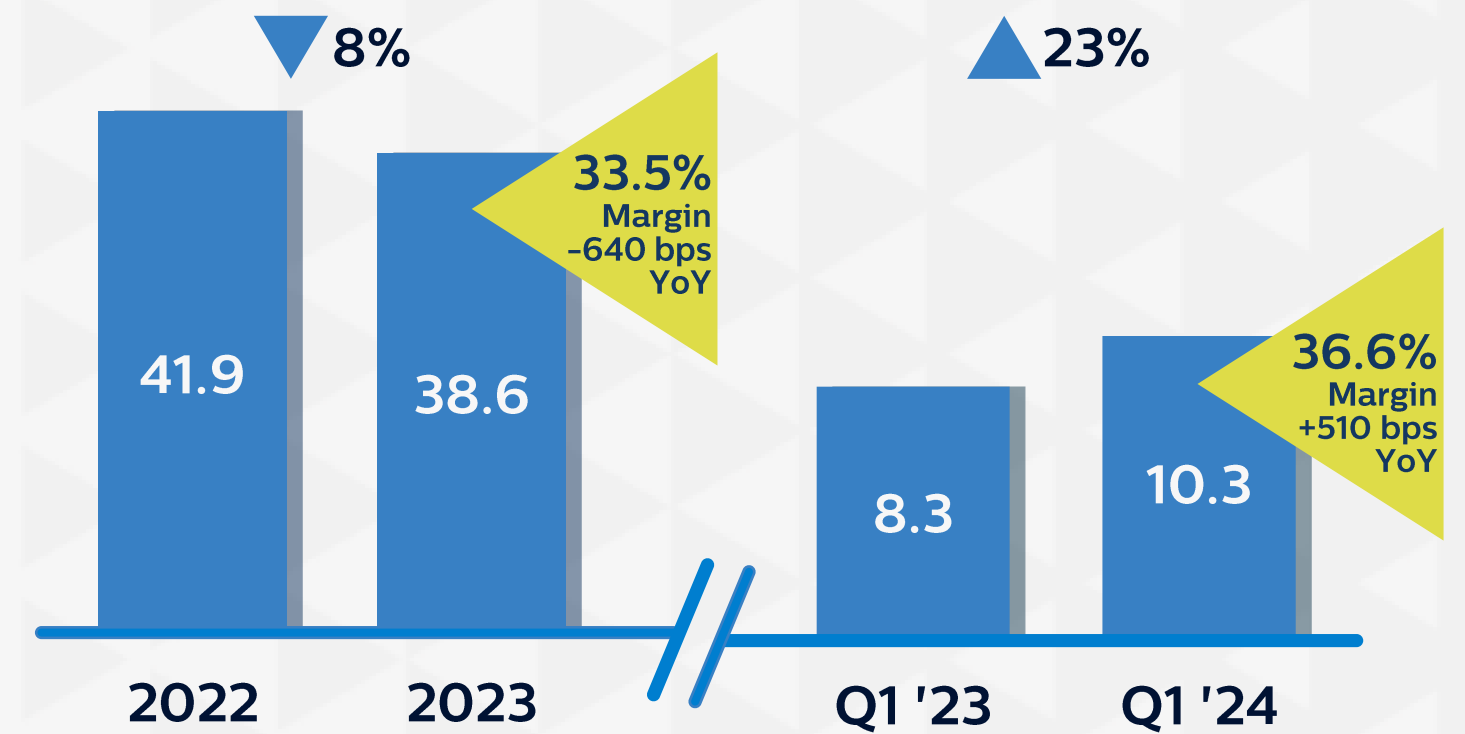
Revenue Breakdown

(%)



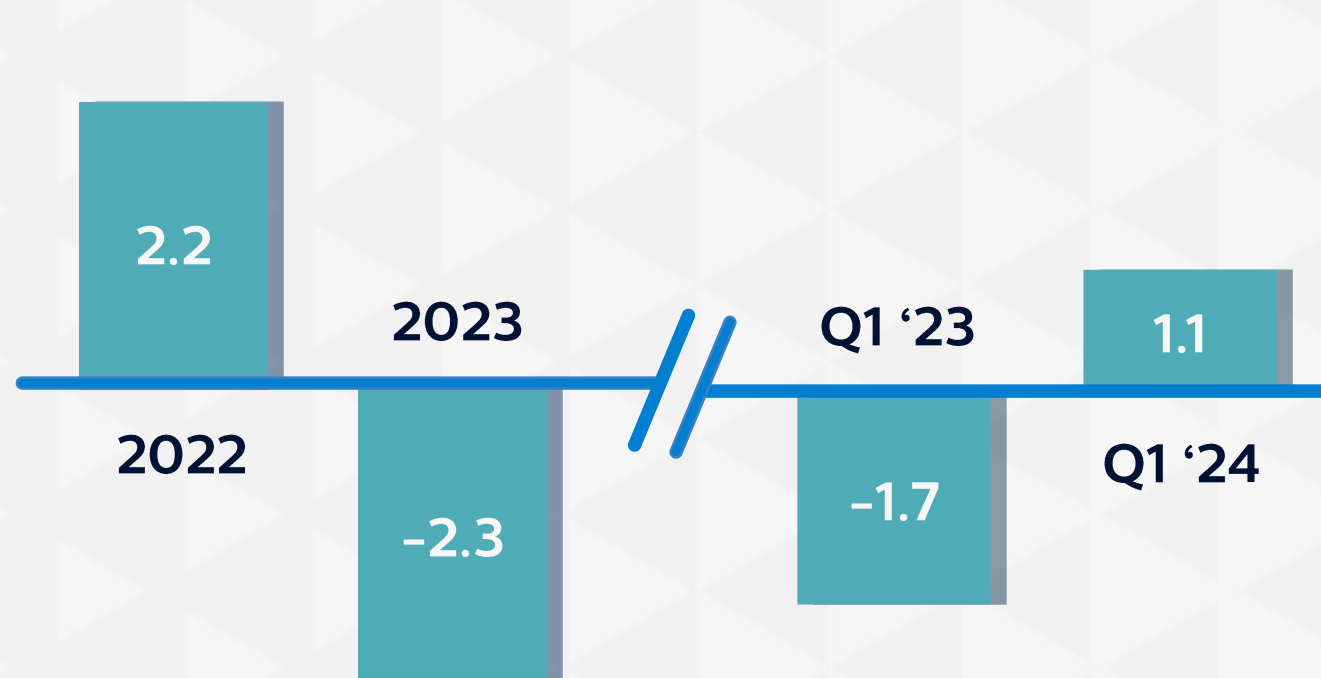
EBITDA

(TL bn)



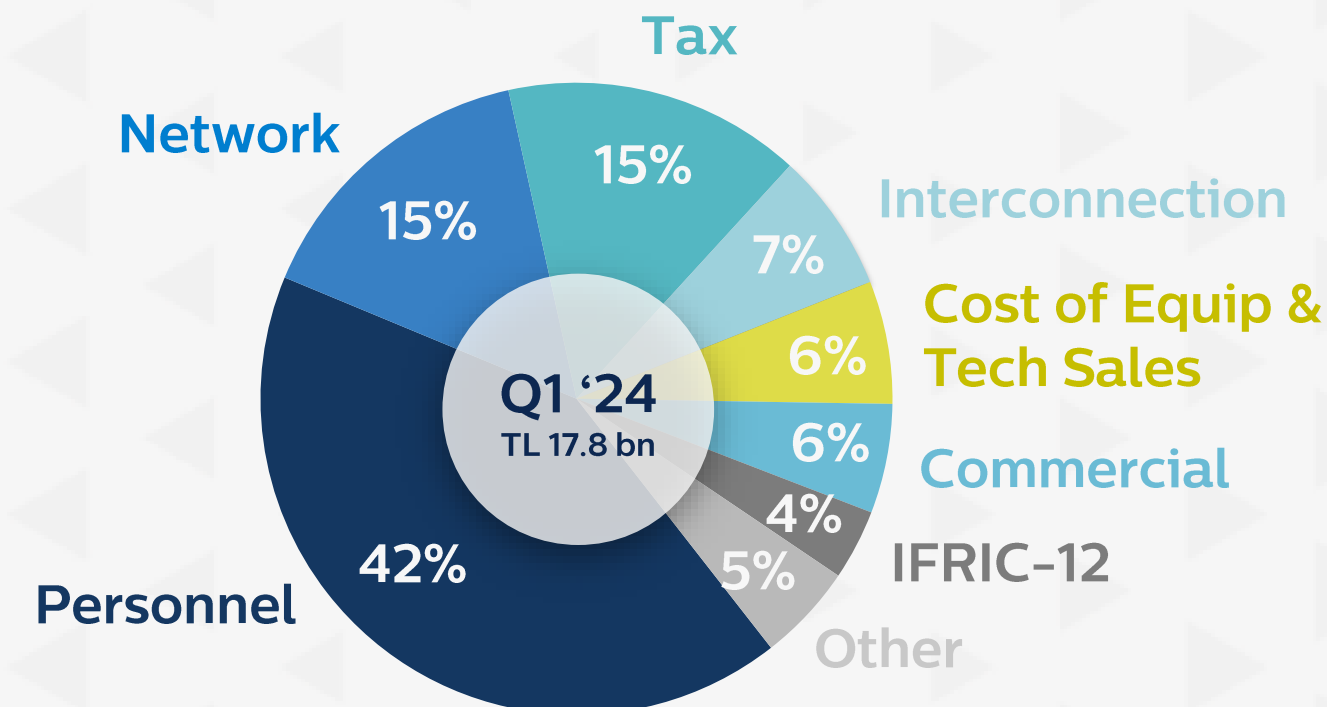
Operating Profit

(TL bn)



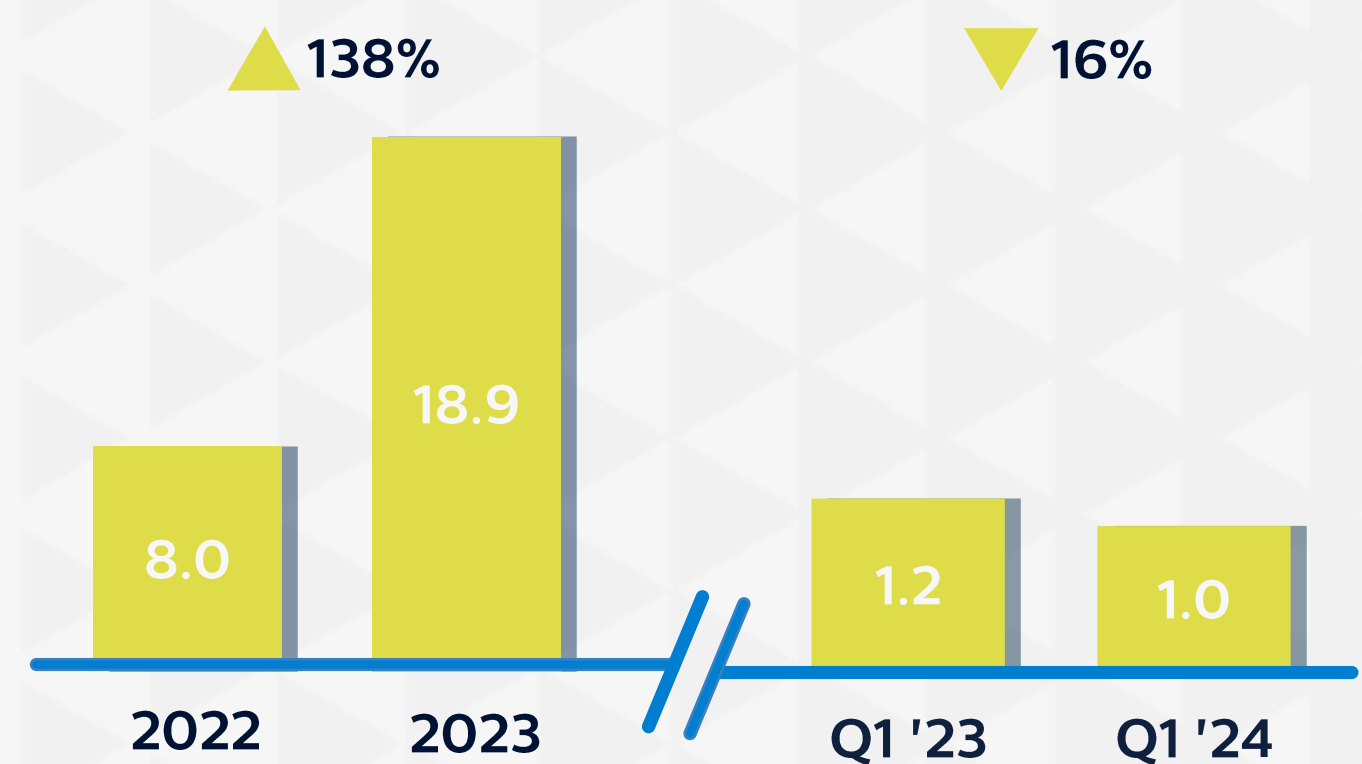
Opex Breakdown

(%)



Net Income

(TL bn)

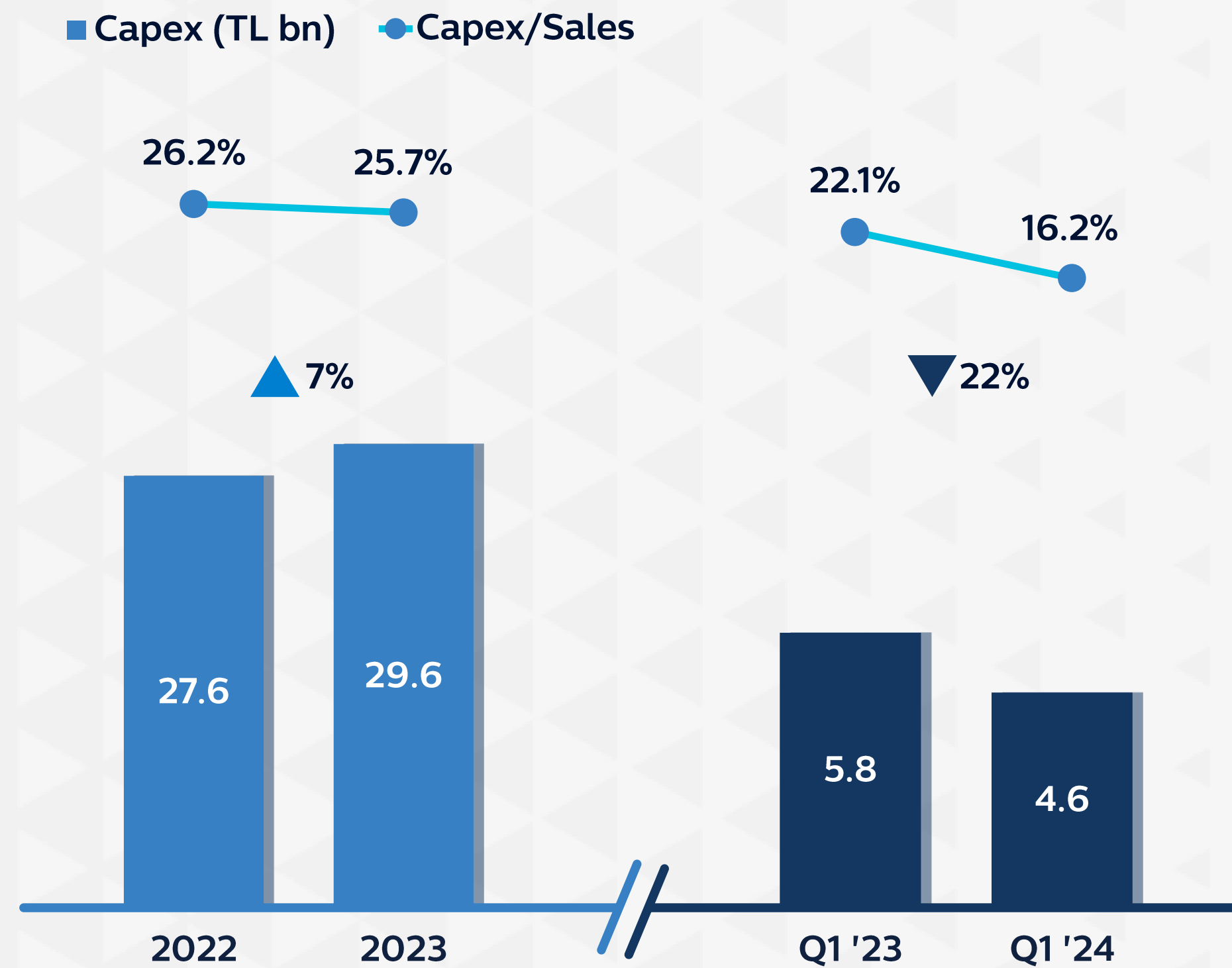


All figures presented at their values as of Q1'24

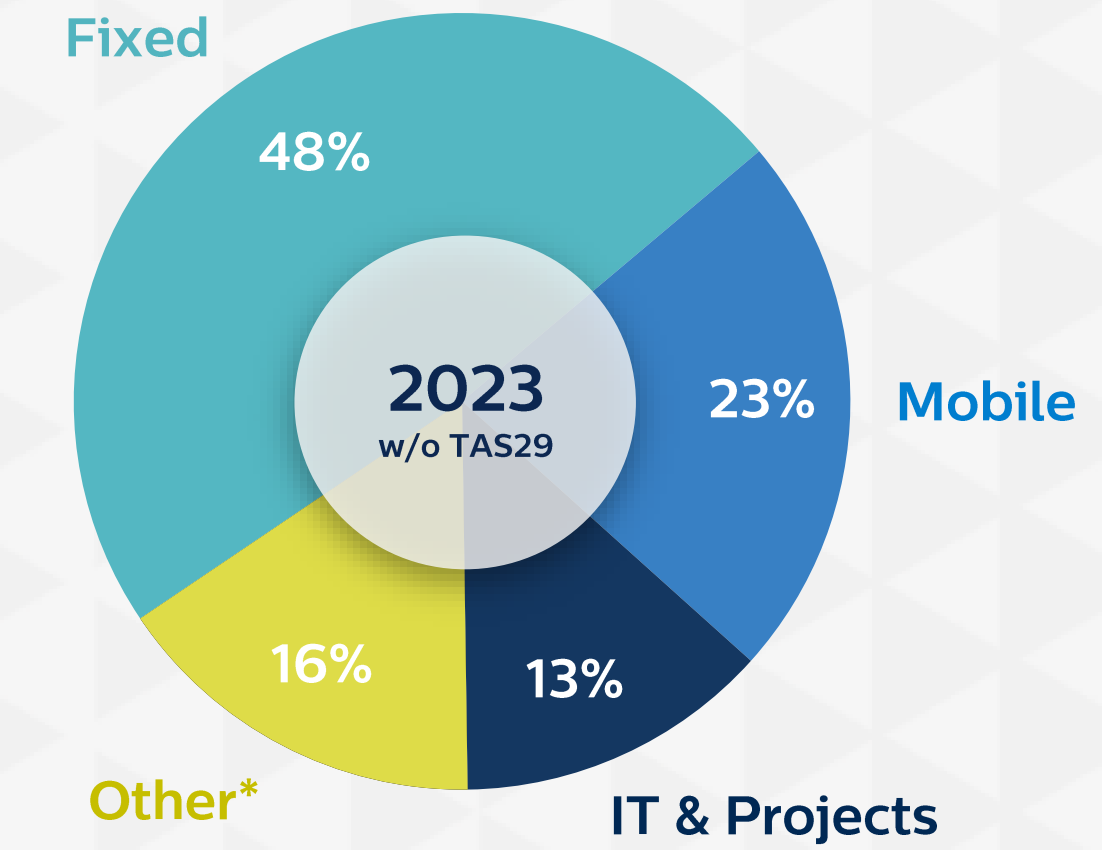
CAPEX

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Capex & Capex / Sales



Capex Breakdown

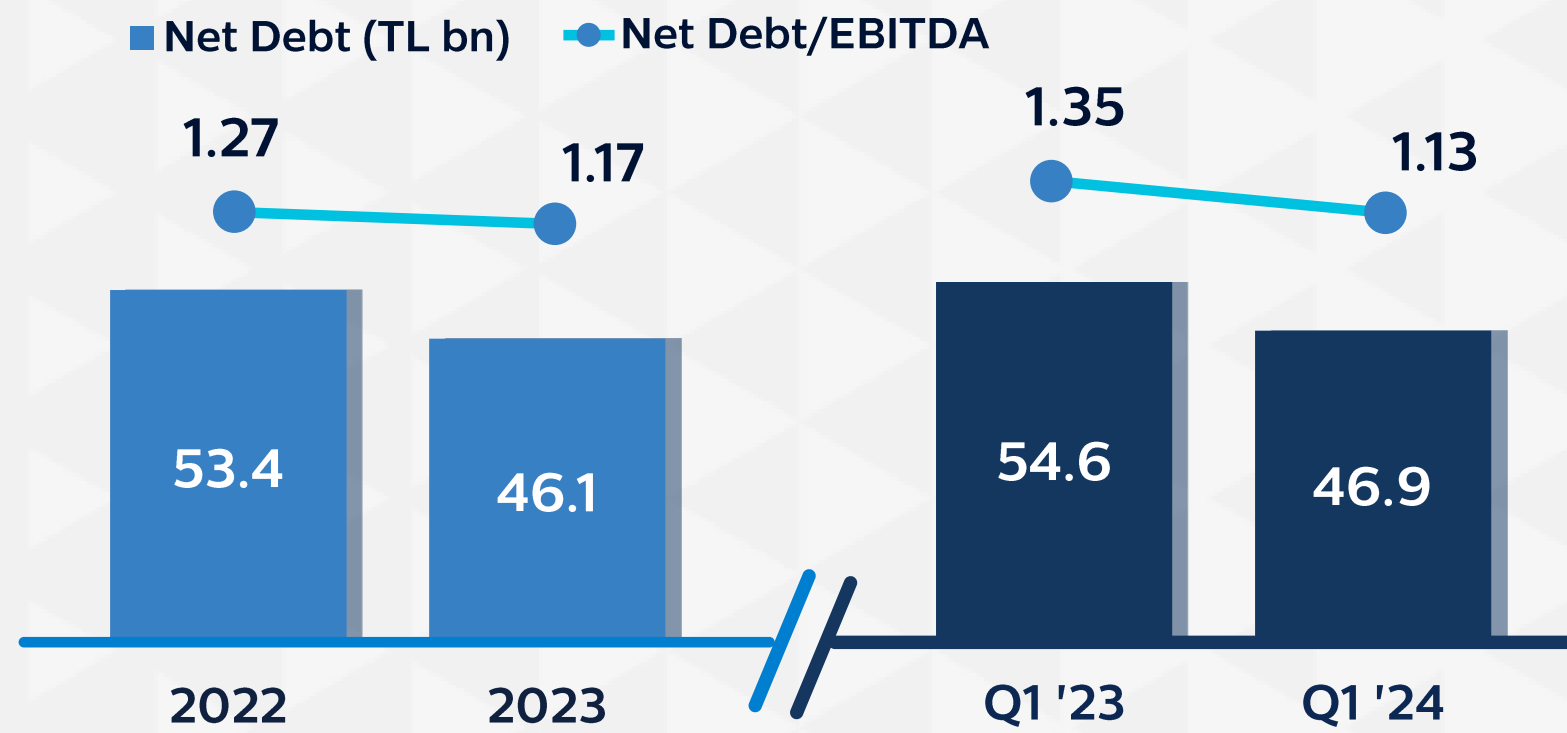


* Other Capex includes capex for subsidiaries (excl TTI), new revenue streams, IFRS 15 capitalisation, etc.

Debt Profile

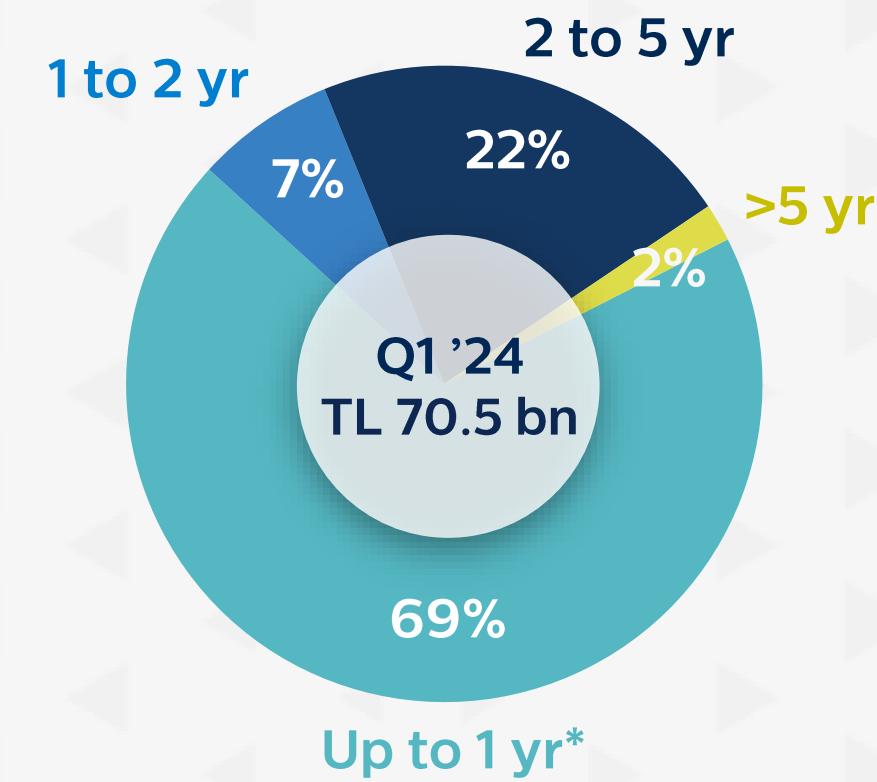
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Net Debt



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.

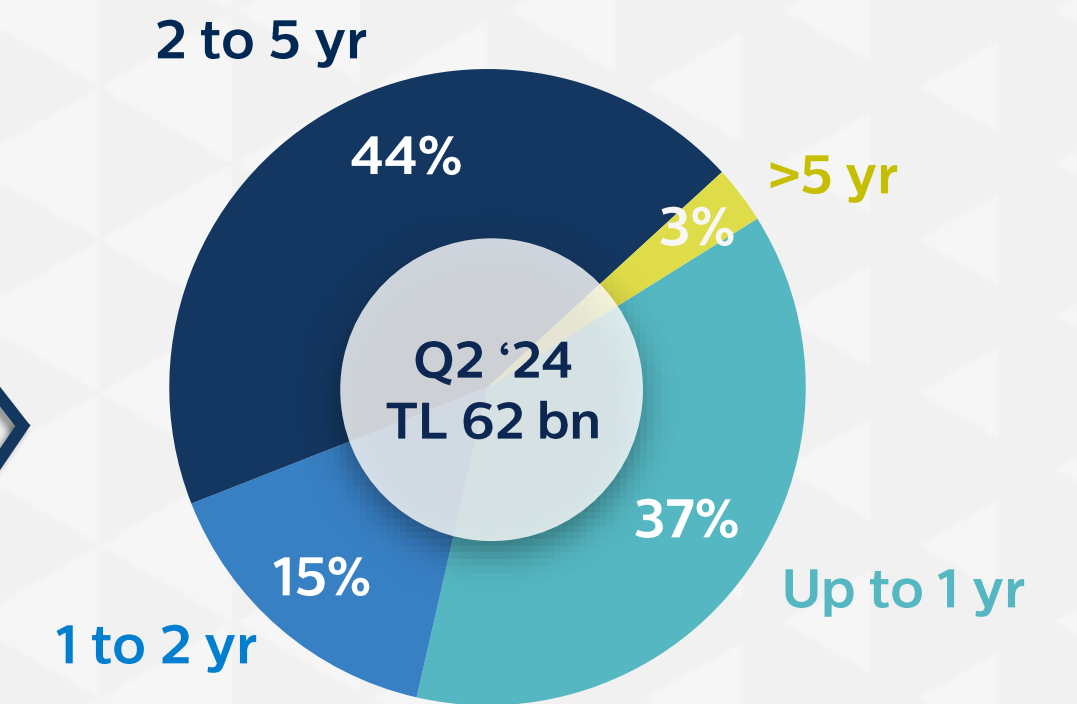
Maturity Profile



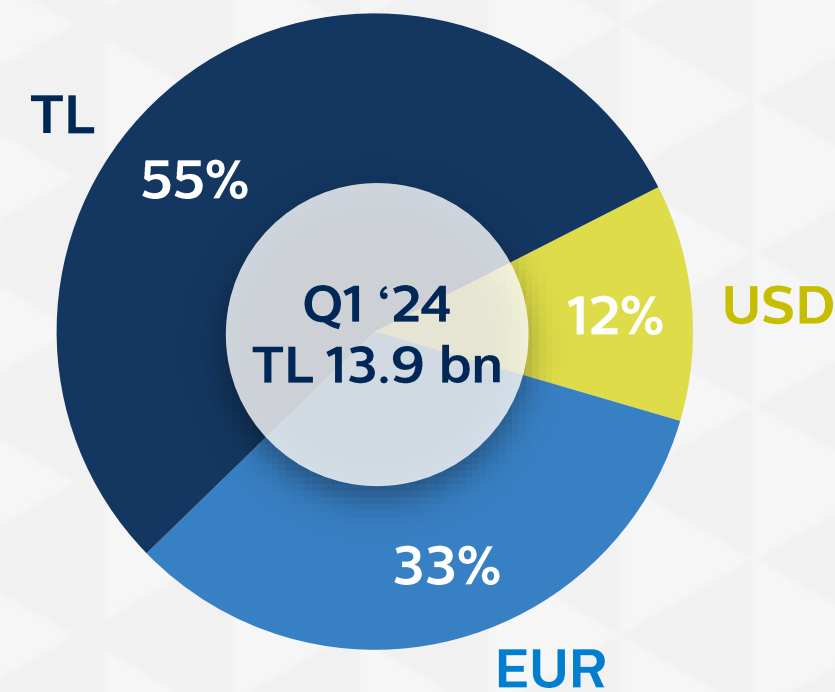
All loans are senior unsecured.

* including 2024 & 2025 maturity bonds (USD 500 mn each)

Including the issuance of USD 500 mn 2029 Sustainable Bond, payback of 2024 notes, USD 300 mn tender of 2025 notes and the recently secured ECA facilities, the maturity profile looks as follows

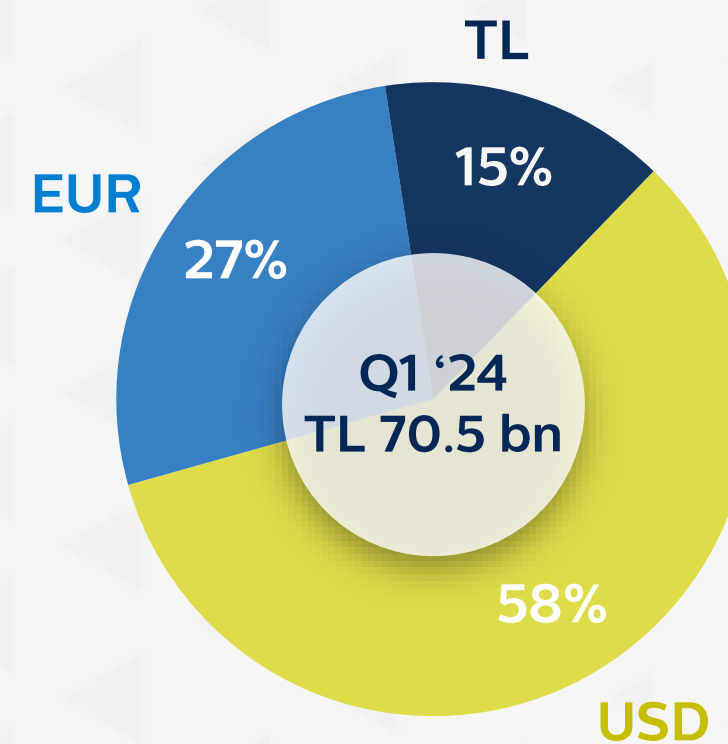


Cash – Currency Breakdown*

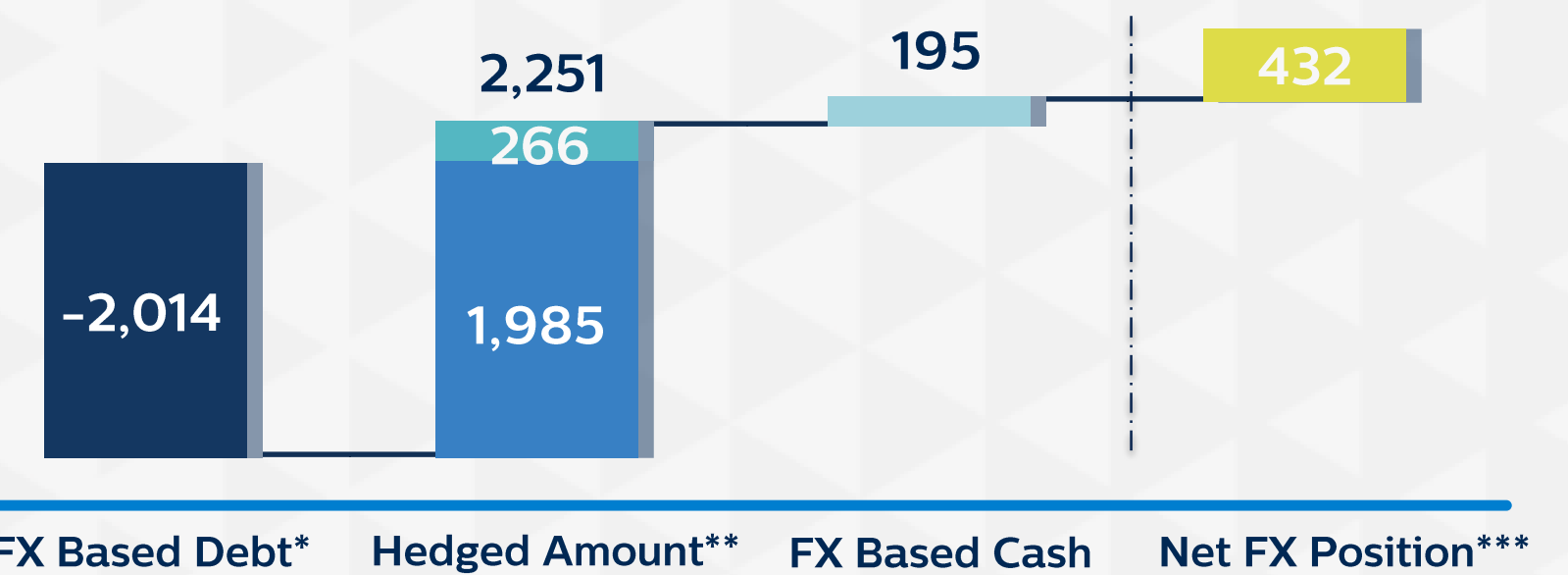


* TL 8.7 bn worth currency protected time deposit is not included in cash.

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.

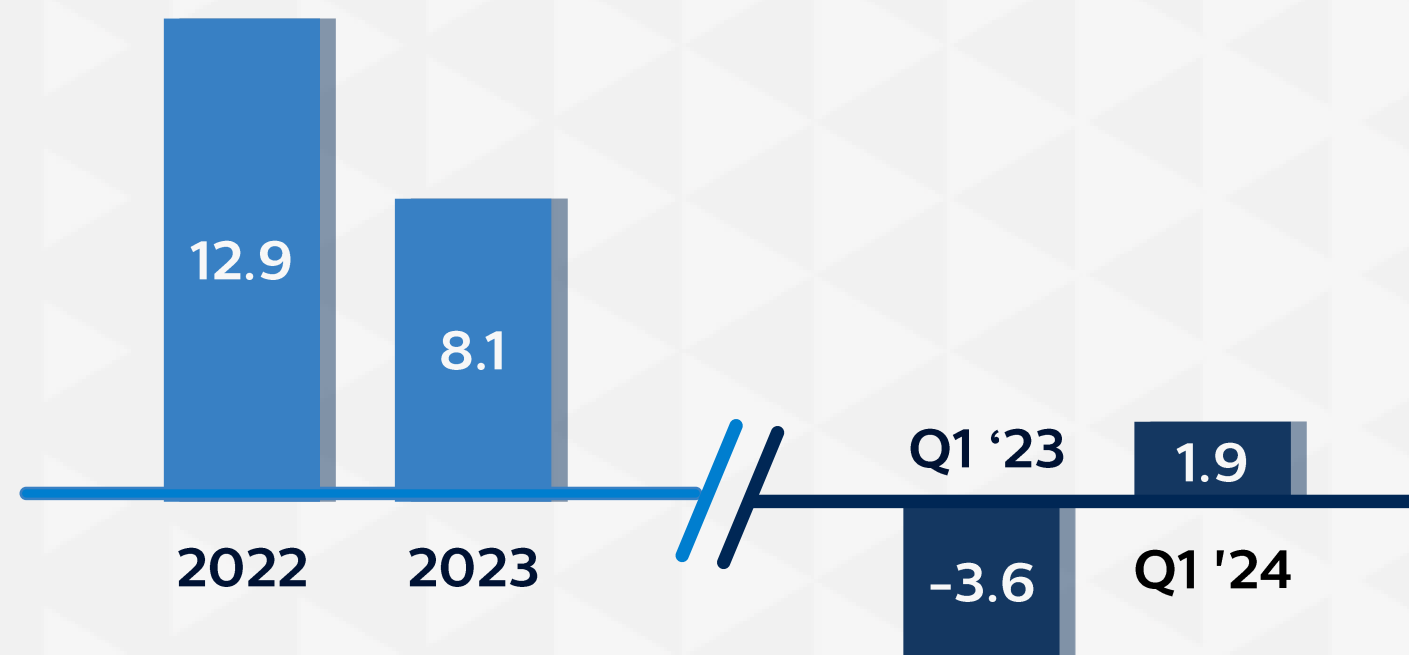
** Currency protected time deposit included in hedged amount is worth USD 266 mn.

*** Excluding the ineffective portion of the hedge portfolio, mainly the existing PCCS contracts, net FX exposure would be USD 338 mn short position.

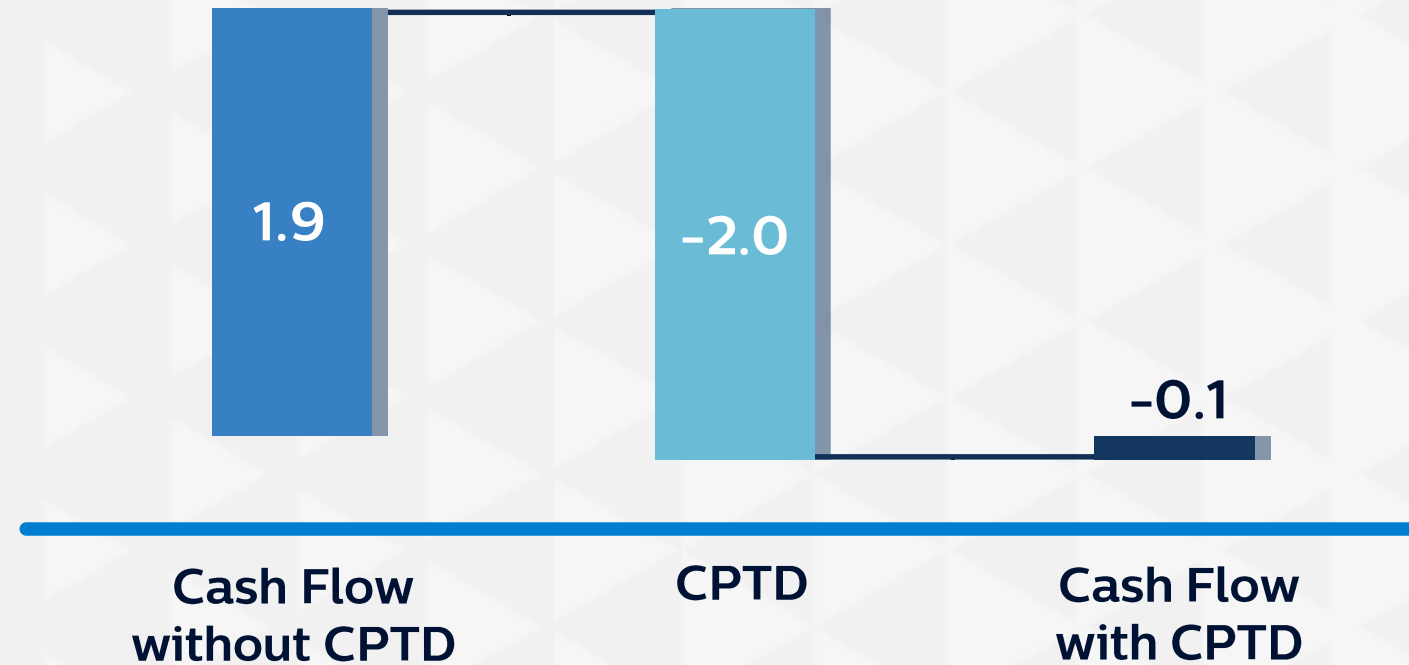
Prudent Balance Sheet Management

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Cash Flow* (TL bn)



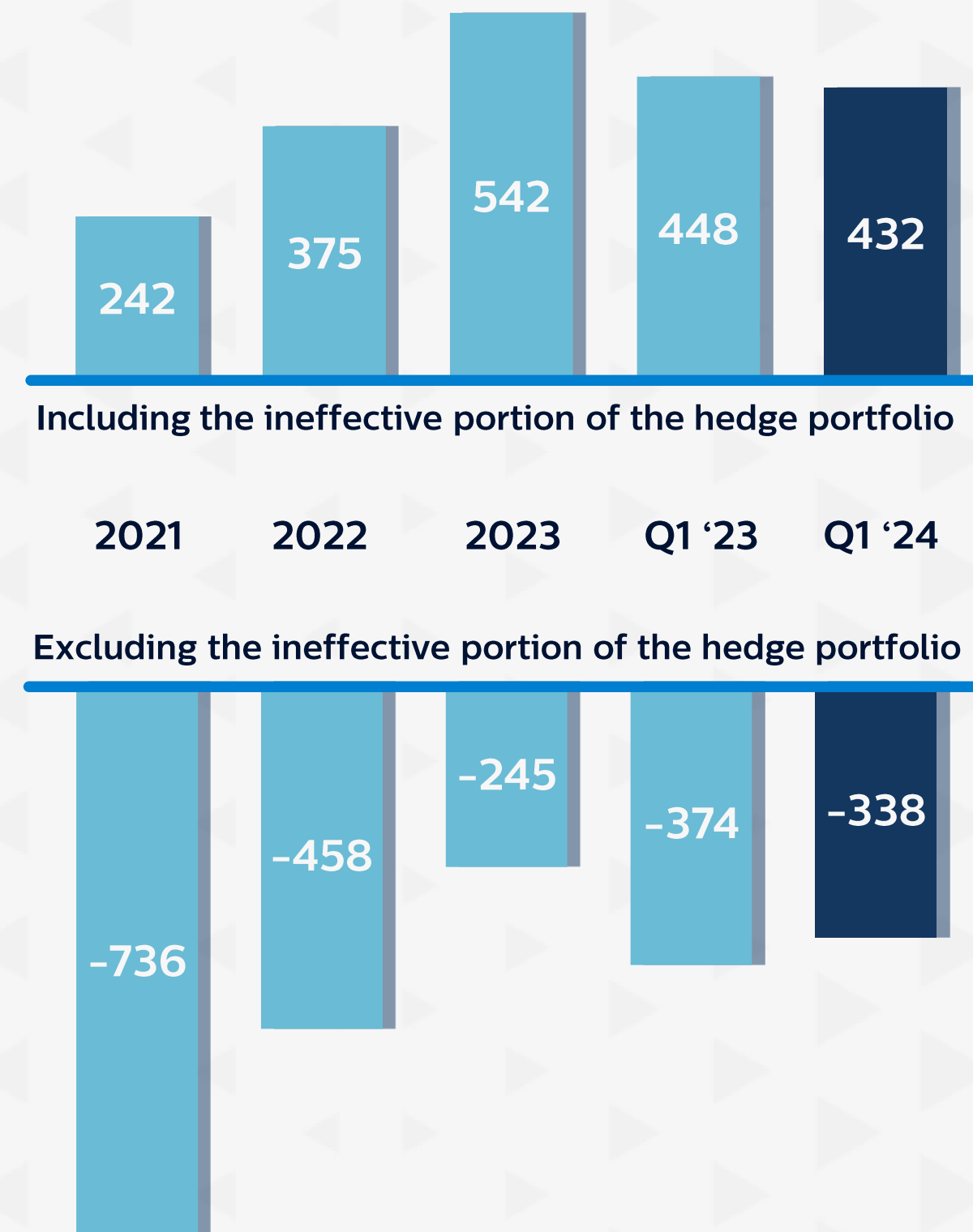
The Effect of CPTD** on Cash Flow (TL bn)



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

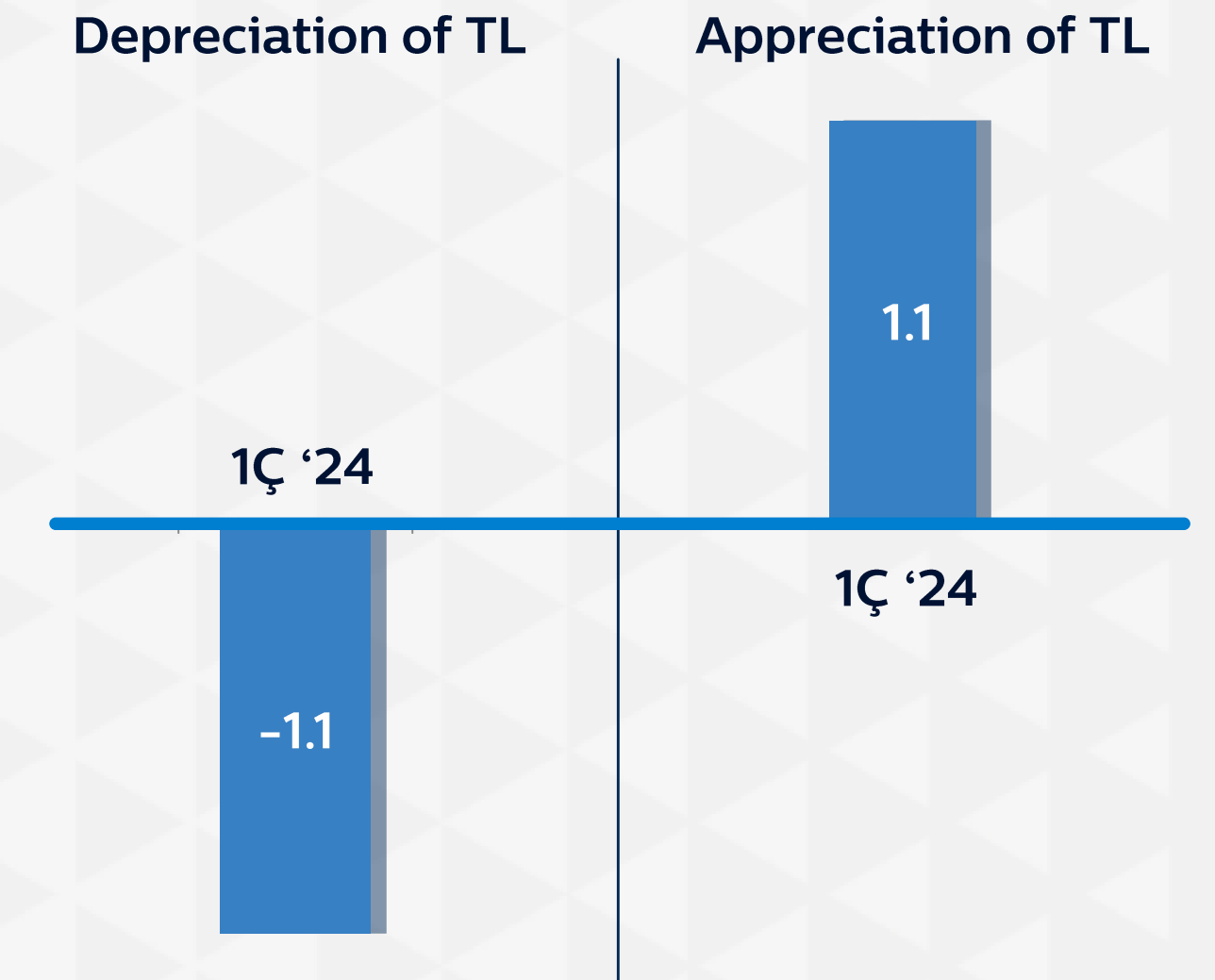
** Currency Protected Time Deposit

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 bn, 10% change in FX rates)



Appendix



Income Statement

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(TL mn)	Q1 '23	Q1 '24	YoY Change
Revenues	26,448	28,024	6.0%
EBITDA	8,345	10,265	23.0%
Margin	31.6%	36.6%	
Operating Profit	(1,742)	1,068	n.m.
Margin	(6.6)%	3.8%	
Financial Inc. / (Exp.)	(3,017)	(5,649)	87.3%
FX & Hedging Gain / (Loss)	(1,026)	(3,949)	284.8%
Interest Inc./ (Exp.)	(1,536)	(1,143)	(25.5)%
Other Financial Inc./ (Exp.)	(455)	(557)	22.4%
Monetary Gain/Loss, net	6,998	7,679	9.7%
Tax Inc./ (Exp.)	(1,000)	(2,055)	105.5%
Net Income	1,239	1,043	(15.8)%
Margin	4.7%	3.7%	

Balance Sheet

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(TL mn)	31.12.2023	31.03.2024
Total Assets	224,053	218,187
Cash and Cash Equivalents	15,638	13,866
Tangible Assets ¹	87,552	86,698
Intangible Assets	63,688	60,570
Right of Use Assets	6,424	7,560
Other Assets ²	50,751	49,493
Total Equities and Liabilities	224,053	218,187
Share Capital	61,261	61,261
Reserves, Retained Earnings and Other Equity Items	51,835	52,281
Interest Bearing Liabilities ³	75,803	73,780
<i>Bank Borrowings and Bonds</i>	73,638	70,457
<i>Lease Liabilities</i>	2,165	3,323
Other Liabilities ⁴	35,153	30,865

(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

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Değerli Hissettirir

