

TURKCELL - BUY

TCELL



TELECOM FLAGMAN BEATS INFLATION

Strong topline growth and dynamic pricing

Revenue fell 4% below the consensus estimate, however, it still outpaced inflation for the third quarter in a row. Net Sales totaled TRY25.06bn, demonstrating a 76.5% y/y growth.

TCELL benefits from its leading position in the telecommunications market, which empowers its price setting flexibility. Dynamic pricing policy allows company's management to react timely to the changing macroeconomic conditions and rivals' actions.

Strong EBITDA might improve even more

EBITDA reached TRY11.46bn (+87.7% y/y), 1.8% above consensus. The EBITDA margin at 45.7%.

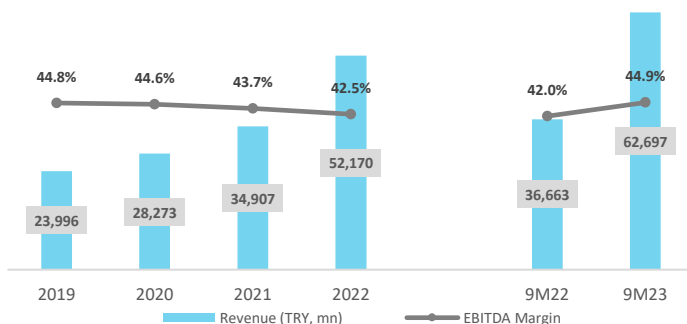
Despite a solid result on EBITDA level, we see a potential of further improvement in this operating metric. A further growth could be backed by two main drivers: continuation of mobile subscribers shifting to postpaid contracts (higher ARPU); and growth in a high marginal Techfin business segment (Paycell and Financell).

Efficient management

TCELL demonstrates outstanding Returns on Assets and Equity. The 12-trailing month returns are 14.9% and 51.7%, significantly above the peers group medians of 5.7% and 18.0%.

Discounted multiples and fundamental upside potential

Relative valuation, based on a mix of multiples and a sample of 13 comparable firms, indicates a 69% upside potential for TCELL's stock. The Discounted Free Cash Flow model estimates a +96% upside potential. Overall, we set our target price at TRY108.33 per share, +88% upside on a 12-month horizon.



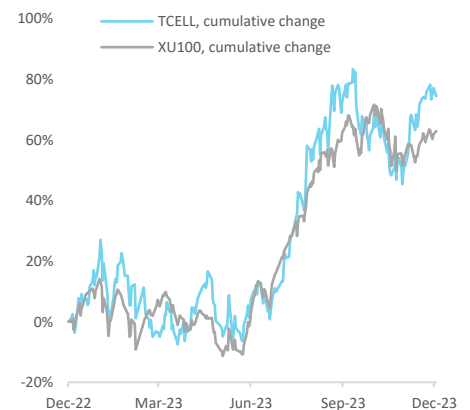
Source: Company information

| TCELL | 04/12/2023 |
|-----------------------|------------|
| Turkcell | |
| Rating | BUY |
| Free float | 54% |
| Mcap (USD mn) | 4,392 |
| Mcap (TRY mn) | 126,720 |
| Target Mcap (TRYmn) | 248,486 |
| Share Price (TRY) | 57.60 |
| Target Price (TRY mn) | 108.33 |
| Potential (%) | 88% |
| Avg. DT Vol. (TRY mn) | 984 |
| EV (TRY mn) | 157,717 |
| Latest Financials | 2023/09 |
| Weekly Return | -0.77 |
| Monthly Return | 16.45 |
| YY Return | 73.94 |

| Ratios | 2022 | 2023/09 |
|------------------------|--------|---------|
| EV/Sales | 2.04 | 2.03 |
| EV/EBITDA | 4.80 | 4.56 |
| P/E | 7.54 | 7.34 |
| P/B | 2.70 | 3.12 |
| ROA | 13.1% | 14.9% |
| ROE | 43.8% | 51.7% |
| EBITDA Margin, TTM | 42.5% | 44.6% |
| Net Profit Margin, TTM | 21.2% | 22.3% |
| Net Debt | 23,110 | 30,997 |
| Net Debt/EBITDA | 1.04 | 0.89 |

| Growth YY | 2022 | 2023/09 |
|-----------------|--------|---------|
| Sales, TTM | 49.5% | 68.0% |
| EBITDA, TTM | 45.4% | 77.2% |
| Net Profit, TTM | 119.7% | 170.9% |

| Working Capital | 2022 | 2023/09 |
|---------------------|--------|---------|
| Sales outst. (days) | 39.68 | 39.88 |
| Inv. on hand (days) | 3.46 | 3.11 |
| Payb. outst. (days) | 77.61 | 85.00 |
| Cash Cycle | -34.47 | -42.01 |



Source: Trive Analysis

Investment Thesis

Turkcell is one of the main pillars of Turkish telecommunications industry. The company offers a variety of products and services, such as mobile postpaid and prepaid contracts, fiber, ADSL, etc. Turkcell leads the mobile services market with a subscriber base of 37.66 million subscribers and 41.2% market share.

Recently, TCELL demonstrated an impressive top line performance, the revenue growth outpaced inflations three quarters in a row. The result has been achieved due to TCELL's market position and its price-setting advantage. On top of that, TCELL utilizes a dynamic pricing strategy intended to mitigate inflationary risks and secure real growth of the key business metrics.

Speaking about KPI's, TCELL's mobile segment metrics have achieved a higher result compared to industry average: the y/y growth of blended ARPU (Average Revenue Per User) in the third quarter equaled +87%; net adds in highly valuable postpaid mobile segment totaled +1.7 million subscribers (Vodafone: +1.50mn, Turk Telecom: +1.4mn).

In addition to the strong performance of the Mobile segment, Turkcell has a significant growth potential in Fiber segment due to a low penetration of this technology in Turkey. On top of that, Turkcell is nurturing a financial services business that serves clients with a variety of banking services and products. It is represented by Paycell and Financell and it is valuable due to high operational efficiency and margins. In the recent report, Paycell and Financell have demonstrated a promising y/y growth of 112.3% and 103.7% respectively.

Despite strong dynamics and solid margins, it seems that Turkcell's stock is currently undervalued by the market with its price of TRY 57.60 per share. Our analysis, based on a combination of Relative Valuation and DCF model, indicates a significant upside potential in this blue chip. We set a 12-month target price to TRY 108.33 per share (+88%).

Catalysts

- 1) Dynamic pricing in core service segments (Mobile and Fixed Broadband), shortened duration of Fixed Broadband contracts.
- 2) Improvements in key business metrics: stable growth in the mobile postpaid segment, prepaid ARPU growing above inflation (CPI).
- 3) Solid EBITDA margin. Favorable advances in the high margin business segments of Paycell and Financell might boost margins even higher.
- 4) Fundamental undervaluation according to the DCF and Relative Valuation.

Risks

- Continuing inflation and the devaluation of the Turkish Lira, combined with an increase in consumer price sensitivity, may prevent the company from implementing a policy of sequential price adjustments.
- Worsening economic conditions could abnormally increase capital expenditures (CAPEX) that are sensitive to the foreign exchange rates.
- Starlink's application to the BTK could bring additional competition to the market, however, it is not expected to happen in the closest future. On top of that, Starlink has a different pricing policy and a costly entry barrier for potential users.

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A. Business Description

Company Background

Turkcell Iletisim Hizmetleri AS is a prominent telecommunications company based in Turkey, and famous for its pioneering role in shaping the nation's telecommunications landscape. Turkcell was established in 1993 and commenced its operations in 1994. The HQ is located in Istanbul. The main areas of business activity include GSM (mobile services), fixed broadband (internet connectivity), and other digital solutions. Turkcell fully controls international subsidiaries that operate in TRNC (Kuzey Kibris Turkcell, since 1999), Ukraine (lifecell, since 2005), and Belarus (BeST, since 2008). Turkcell's shares are listed on the Borsa Istanbul (BIST) and the New York Stock Exchange (NYSE).

Shareholders

Turkcell has 54% of its shares traded publicly, including ADSs that are traded on the NYSE. The rest of the equity is controlled by two entities: TVF Bilgi Teknolojileri Iletisim Hizmetleri Yat. San. ve Tic. A.S. (share of 26.2%) and IMTIS Holdings S.A.R.L. (share of 19.8%). Turkey Wealth Fund (TWF) stays behind the former. The latter belongs to the LetterOne Group (L1), an international investment business based in Luxembourg, founded by Mikhail Fridman, a famous Russian businessman, and his partners.

In early 2022, due to the war between Ukraine and Russia, the EU, US, UK, and several other countries have imposed sanctions that have targeted individuals and entities. Mikhail Fridman and his business partner Petr Aven were sanctioned as well. In response to that, L1 has implemented several steps to create independence from the sanctioned individuals. Mr Fridman, Mr Aven, and the remaining Russian shareholders, resigned from the L1 board. The sanctioned individuals cannot receive any financial benefits (including dividends) from L1, their voting rights are fully frozen.

Geography

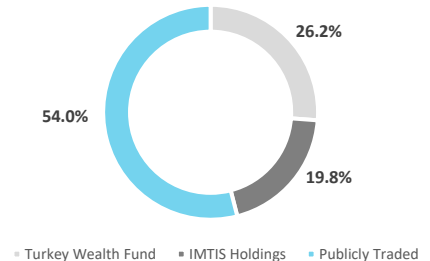
According to the latest quarter result, Turkcell Group serves 56.2 million of subscribers in total, 42.7 million of which are served by Turkcell Turkey, and 11.4 million by lifecell (Ukraine), the rest subscriber base belongs to the markets of TRNC and Belarus. For the first 9 months of the current year, the total number of subscribers has increased by 2.2 million, representing a growth rate of +4.1%.

Segmentation

Turkcell's revenue is divided into 4 streams: Turkcell Turkey (78.9%), Turkcell International (11.0%), Techfin Business (4.0%), and Other Segment (6.4%). Turkcell Turkey consists of Consumer, Corporate, and Wholesale subsegments, while Turkcell international includes subsidiaries mentioned in the previous section. Techfin Business's contribution to the group's operations is currently insignificant; however, its true value may become more apparent in the future.

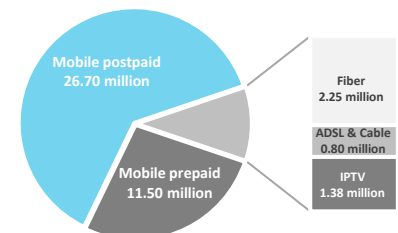
Financell and Paycell are the pillars of the Techfin segment that granted Turkcell an access to the financial services market and diversified group's operations. Turkcell already provides a wide range of banking services, including payment transactions, money transfers, and installment plans.

Shareholder Structure - 3Q23



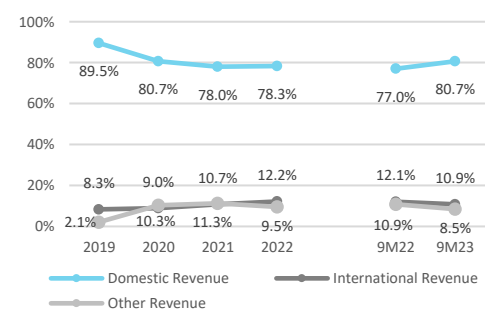
Source: Trive Analysis

Turkcell Turkey Subscribers - 3Q23



Source: Company information

Revenue Breakdown



Source: Company information

B. Industry Overview

Mobile Market

According to the Information and Communication Technologies Authority (ICTA or BTK), Turkish Telecommunications Market is divided into 4 categories: Fixed Voice, Broadband, Mobile, TV. The total industry Net Sales in Q2 amounted to TRY50.22bn, while CAPEX reached TRY11.45bn. The telecommunications arena is represented by 3 main players: Turkcell, Turk Telecom, and Vodafone Turkey, where Turkcell leads the market with 41.2% subscriber market share.

Recent BTK's report (2Q23) states that there are 91.4 million subscribers on the mobile market of Turkey, including LTE, 3G, and 2G standards. 28.2% of them are prepaid and 71.8% are postpaid. The average revenue per user (ARPU) is 4.3 EUR per month, which is equivalent to ~99.89 TRY (Q2 average EUR/TRY = 23.23). The current EUR price is still below the pre-COVID level of ~5.5 EUR. The Western Europe's Q2 Average, for comparison, is 17.11 EUR.

Mobile Subscribers Population Dynamics

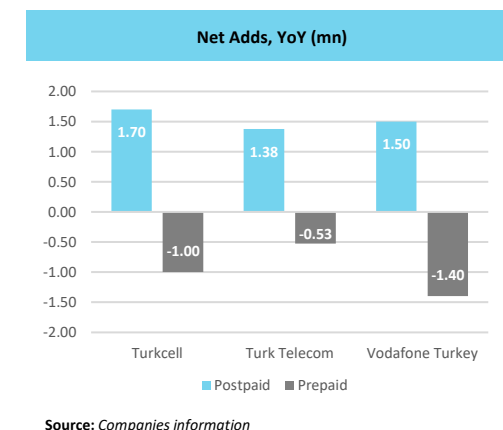
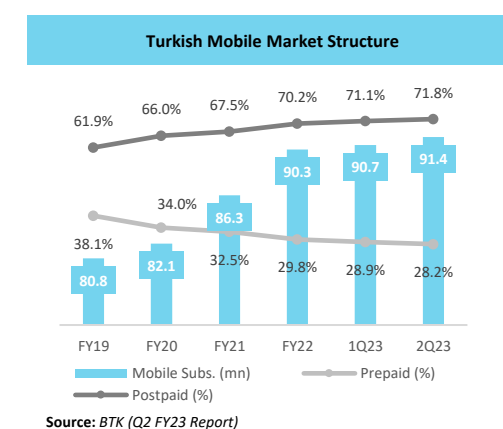
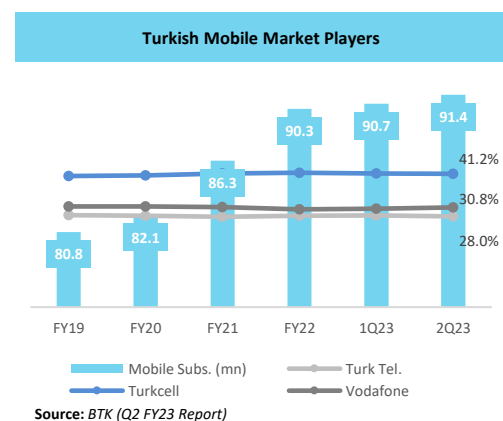
The net increase in Turkcell's mobile subscribers' population, on a y/y basis, totaled +0.7mn (+1.7mn postpaid; -1.0mn prepaid). Vodafone Turkey generated +0.1mn net adds (+1.50mn postpaid; -1.40mn prepaid). Turk Telecom declared that the number of mobile subscribers decreased by +0.85mn users (+1.38mn postpaid; -0.53mn prepaid).

Turk Telecom demonstrated the best performance in total net adds over a year period, however, Turkcell outperformed both rivals in a more marginal postpaid segment: ~2x higher than in prepaid. For instance, Turkcell's ARPU for postpaid contracts, in the past quarter, totaled TRY165.7 against TRY90.5 in prepaid contracts, blended ARPU is equal TRY142.9. Overall, the market structure didn't change fundamentally, and all market shares remained flat.

Broadband Market

The broadband market (both fixed and mobile broadband), according to BTK's report, has a total of 93.1mn internet subscribers. The total number of fixed broadband subscribers (XDSL, fiber, cable) equals 19.2mn. The market leader in fixed broadband is Turk Telekom, it has ~15.1mn subscribers. Vodafone serves ~1.39mn subscribers. As for Turkcell, only ~3.05 mn subscribers come from the fixed broadband segment which is equivalent to 7.1% of total subscribers at the Turk Telecom has the price setting advantage in this segment, while Turkcell adjusts pricing policies according to its main rival.

In order to optimise price-setting efficiency and mitigate the risks caused by inflation, TCELL started to provide a shorter term service contracts of 1 year. We believe that this action improves business's flexibility and contributes to its stability under turmoil economic conditions. However, this strategy may result in lower attractiveness to customers who prefer longer-term contracts as a means of protection against inflation.



| Mobile ARPU | Turkcell | Turk Tel. | Vod. Turkey |
|---------------|----------|-----------|-------------|
| Blended, TRY | 142.9 | 105.2 | 124.4 |
| Postpaid, TRY | 165.7 | 111.3 | 143.6 |
| Prepaid, TRY | 90.5 | 82.7 | 68.1 |

Source: Companies information

C. Growth Potential

Inflation and Pricing

Over the past few years, the Turkish economy experienced significant difficulties due to high inflation. The inflation rate in 2022 reached 64.27%, and the market had to adapt to the new circumstances. As for now, the Central Bank of Turkey expects inflation to reach 65.0% by the end of the year 2023.

We believe that Turkcell, a leader of Turkish mobile services market, will utilize its price setting advantage staying with its policy of sequential price adjustments. For instance, TCELL raised prices 4 times (+130%) in 2022. The exception was the first quarter of 2023, when the disastrous earthquake stroke Turkey. It is expected that such a policy will continue to take place, allowing the group to adapt to new circumstances and to demonstrate real growth at the top line.

Mobile and Fiber ARPUs

The increasing popularity of postpaid mobile contracts is another growth driver. The subscribers base, for example, increased by 6.3 million (+30.9%) from 2019 to the present time. As it was mentioned in the previous block, postpaid contracts are ~2 times more valuable to the service provider than prepaid.

Mobile ARPU is growing above inflation: blended ARPU in 3Q23 grew 84.4% y/y vs 61.5% of growth in CPI. To compare, Turk Telekom's blended ARPU increased by 78.0% y/y in the latest quarter, while Vodafone's ARPU increased by 85.8%. Thus, TCELL outruns rivals in terms of user count and absolute ARPU, demonstrating higher efficiency.

Fiber is another potential area for sustainable growth. Turkey's fiber infrastructure is significantly inferior to OECD countries, with fiber penetration of only 20%. Turkcell, as for now, has already made most of the investments into fiber optic infrastructure, thus, it is reasonable to expect a decrease in investments in fiber infrastructure soon. Turkcell has a conversion rate of fiber optic infrastructure into sales of about 40%, compared to 25-30% of its competitors.

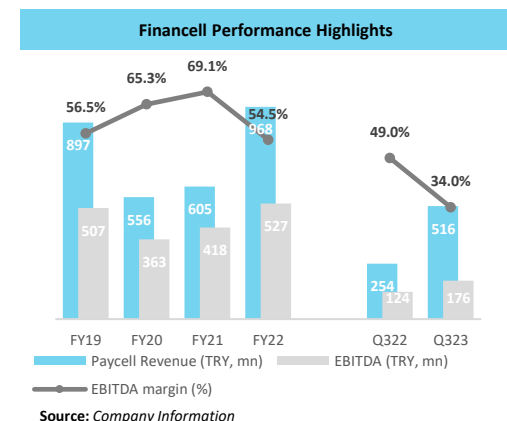
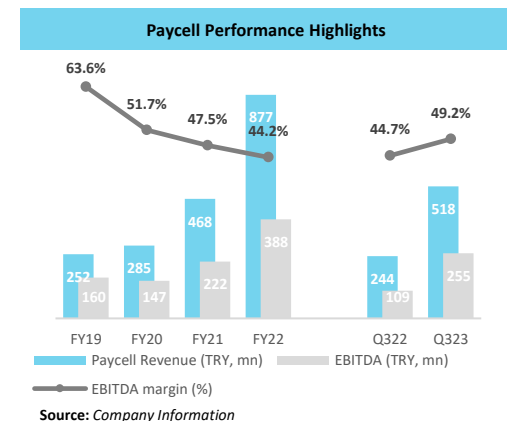
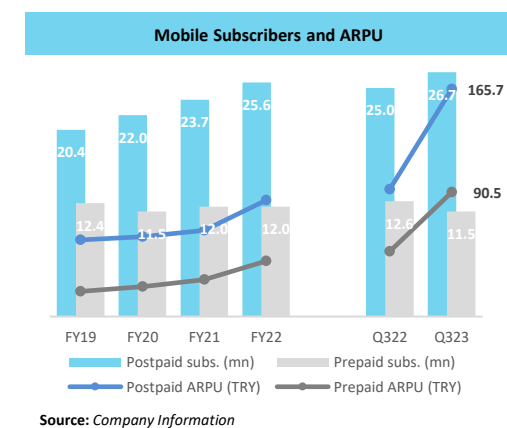
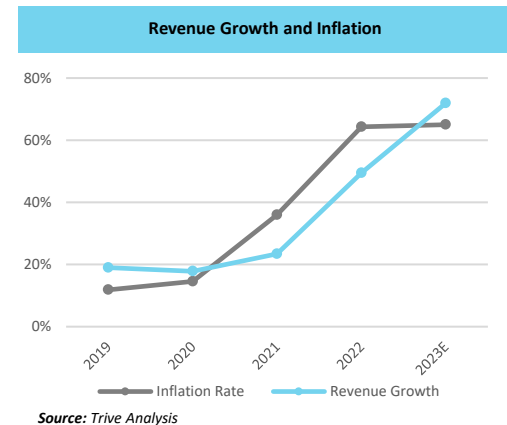
Hidden Value Drivers

Techfin business of Turkcell, represented by Paycell and Financell subsidiaries, could be a strong value driver. Both businesses demonstrate an impressive y/y revenue growth of 112.3% and 103.7% respectively, with EBITDA margins of 49.2% and 34%. The EBITDA margin for Financell dropped recently, we believe this is a temporary matter. Overall, Fintech business segment delivers higher margins than whole group (TCELL's TTM EBITDA margin is 44.6%), which in longer term should favourably affect group's operating efficiency.

However, it is quite problematic to assess the potential effect of these businesses on the group. Currently, the total revenue generated by both segments equals TRY1.03bn, which constitutes about 4.0% of total reported revenue. It is crucial to monitor the performance of this segment and assess its potential accurately.

Outer Threats

Lastly, in September it became known about an official application of Starlink to the Information Technologies and Communications Authority of Turkey. Starlink is a service that provides high-speed internet access via satellites. It is a product of SpaceX, founded by Elon Musk. The potential arrival of Starlink to the Turkish market might intensify competition within telecom industry. However, Starlink's services prices are well above the market average, and it is unlikely that Starlink poses a significant threat to the current market leaders in the foreseeable future.



D. Valuation

We initiate our Turkcell coverage with a **BUY** rating and a target price of TRY 108.33 per share, representing an 88% upside potential.

A combination of the Discounted Free Cash Flow model (DCF) and Relative Valuation was used to estimate Turkcell's fair value of TRY238.33bn. The weights of each method in the final estimated value are 70% and 30% correspondingly.

Relative Valuation

Our relative valuation estimate is based on a mix of various forward (24E) valuation multiples: EV/Sales, EV/EBITDA, P/E, and P/B. The sample consists of 13 comparable companies from both developing and developed countries. Our blended estimate indicates a 69% upside potential for Turkcell stock with an implied fair value of TRY214.65bn.

DCF Model

The DCF approach indicates a potential upside of +96%. The main parameters of the DCF model are Revenue Growth, EBITDA Margin, Effective Tax Rate, Depreciation-to-Revenue Ratio, Change in Net Working Capital (NWC)-to-Revenue ratio, and Capital Expenditures (CAPEX) to Revenue ratio.

Revenue: Turkcell is already a well-established business, and it is reasonable to assume no abnormal revenue growth hikes, especially in the main Mobile services business segment. It is also a usual practice for Turkcell to adjust prices for its services frequently, according to inflation, that is why our Revenue forecast is associated with the inflation and the GDP growth expectations, published by the Central Bank of Turkey. Overall, we project that revenues will grow at a compound annual growth rate (CAGR) of 14.9% from 2023 to 2030.

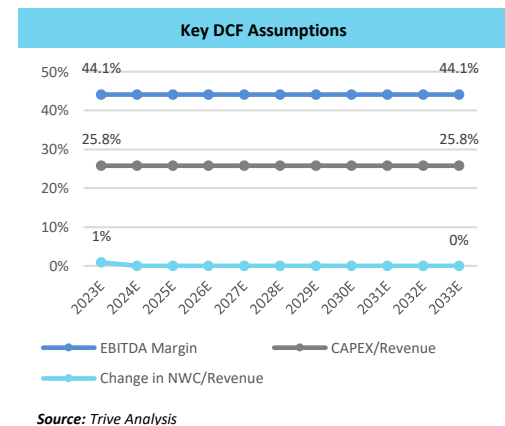
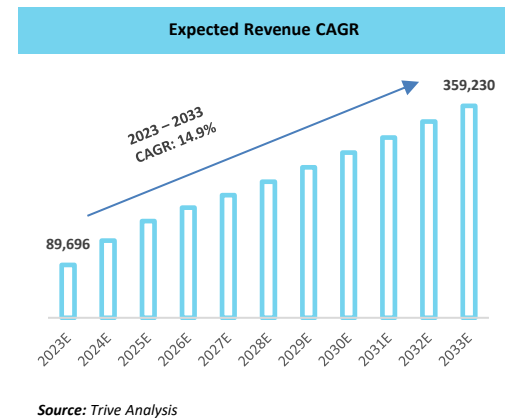
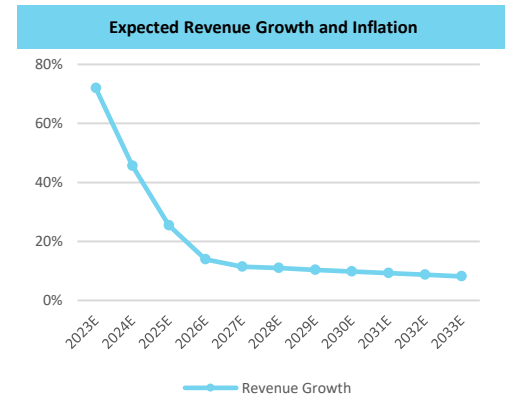
EBITDA Margin: our model assumes a margin of 44.1%, a 5-year average. Nonetheless, the parameter might increase in future due to positive developments in the main business activities, such as further transition of mobile subscribers from prepaid to postpaid contracts. Additionally, increases of market share and continuing revenue growth of profitable business segments such as Paycell and Financell. would also improve margins and, hence, positively affect the target price estimate.

CAPEX-to-Revenue: The CAPEX to Revenue ratio is another important parameter in our model. The telecommunications industry is an extremely capital-intensive business that demands significant capital expenditures for infrastructure development and maintenance. We utilize a 5-year average CAPEX/Sales of 25.8%, which is significantly above the comparable sample median of 17.3% (TTM).

Net Working Capital change: historically, the change in NWC-to-Revenue parameter fluctuated in a range from -1% to 0%. We decided to set it at a conservative 0% level.

| Valuation Method | Weight | Fair Value | Target Price |
|------------------------------|--------|----------------|---------------|
| DCF | 70% | 248,486 | 112.95 |
| Relative Valuation (blended) | 30% | 214,645 | 97.57 |
| Target Price | | 238,334 | 108.33 |
| Current Price (TRY) | | | 57.60 |
| Potential (%) | | | 88% |
| Shares Outstanding (mn) | | | 2,200 |
| Implied Fair Value (TRY mn) | | | 238,334 |
| Market Cap. (TRY mn) | | | 126,720 |

Source: Trive Analysis



E. DCF Summary

All values in million Turkish Lira unless stated otherwise

| TRY mn | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E |
|-------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Revenue | 89,696 | 130,597 | 163,769 | 186,574 | 207,948 | 230,697 | 254,644 | 279,652 | 305,557 | 332,159 | 359,230 |
| Revenue Growth | 71.9% | 45.6% | 25.4% | 13.9% | 11.5% | 10.9% | 10.4% | 9.8% | 9.3% | 8.7% | 8.2% |
| Real Revenue Growth | 4.2% | 4.0% | 4.5% | 5.0% | 3.2% | 3.2% | 3.2% | 3.1% | 3.1% | 3.0% | 3.0% |
| EBITDA | 39,570 | 57,613 | 72,247 | 82,308 | 91,737 | 101,773 | 112,337 | 123,370 | 134,797 | 146,533 | 158,476 |
| EBITDA Growth | 79% | 46% | 25% | 14% | 11% | 11% | 10% | 10% | 9% | 9% | 8% |
| EBITDA Margin | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% | 44.1% |
| EBIT | 23,598 | 31,063 | 38,953 | 44,378 | 49,462 | 54,873 | 60,569 | 66,517 | 72,679 | 79,006 | 85,445 |
| EBIT Growth | 83% | 32% | 25% | 14% | 11% | 11% | 10% | 10% | 9% | 9% | 8% |
| EBIT Margin | 26% | 24% | 24% | 24% | 24% | 24% | 24% | 24% | 24% | 24% | 24% |
| Tax (-) | 2,920 | 4,322 | 6,093 | 7,805 | 9,781 | 12,201 | 15,142 | 16,629 | 18,170 | 19,752 | 21,361 |
| Effective Tax Rate | 12% | 14% | 16% | 18% | 20% | 22% | 25% | 25% | 25% | 25% | 25% |
| NOPAT | 20,678 | 26,742 | 32,860 | 36,572 | 39,680 | 42,672 | 45,426 | 49,888 | 54,509 | 59,255 | 64,084 |
| NOPAT Growth | 26% | 29% | 23% | 11% | 8% | 8% | 6% | 10% | 9% | 9% | 8% |
| NOPAT Margin | 23.1% | 20.5% | 20.1% | 19.6% | 19.1% | 18.5% | 17.8% | 17.8% | 17.8% | 17.8% | 17.8% |
| Depr. & Amort. (+) | 15,971 | 26,550 | 33,294 | 37,930 | 42,275 | 46,900 | 51,768 | 56,852 | 62,119 | 67,527 | 73,030 |
| Depreciation/Capex | 69% | 79% | 79% | 79% | 79% | 79% | 79% | 79% | 79% | 79% | 79% |
| Depreciation/Revenue | 17.8% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% | 20.3% |
| Change in NWC (-) | 802 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in NWC/Revenue | 1% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Net Working Capital (NWC) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NWC/Revenue | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| CAPEX (-) | 23,134 | 33,683 | 42,238 | 48,120 | 53,632 | 59,500 | 65,676 | 72,126 | 78,807 | 85,668 | 92,650 |
| CAPEX/Revenue | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% | 25.8% |
| CAPEX/EBITDA | 58% | 58% | 58% | 58% | 58% | 58% | 58% | 58% | 58% | 58% | 58% |
| Net Income | 15,125 | 22,838 | 30,317 | 32,875 | 37,167 | 41,530 | 45,408 | 50,065 | 54,732 | 59,397 | 64,298 |
| Net Income / EBITDA | 38% | 40% | 42% | 40% | 41% | 41% | 40% | 41% | 41% | 41% | 41% |
| Net Income Margin | 17% | 17% | 19% | 18% | 18% | 18% | 18% | 18% | 18% | 18% | 18% |
| Free Cash Flows | 12,713 | 19,609 | 23,916 | 26,382 | 28,323 | 30,072 | 31,519 | 34,614 | 37,821 | 41,113 | 44,464 |
| FCF/Revenue | 14% | 15% | 15% | 14% | 14% | 13% | 12% | 12% | 12% | 12% | 12% |
| FCF/EBITDA | 32% | 34% | 33% | 32% | 31% | 30% | 28% | 28% | 28% | 28% | 28% |

| | | | | | | | | | | | |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Risk Free Rate | 38.6% | 33.4% | 28.8% | 24.9% | 21.6% | 18.6% | 16.1% | 13.9% | 12.0% | 10.4% | 9.0% |
| Beta | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Risk Premium | 19% | 17% | 14% | 12% | 11% | 9% | 8% | 7% | 6% | 5% | 5% |
| Cost of Equity | 58% | 50% | 43% | 37% | 32% | 28% | 24% | 21% | 18% | 16% | 14% |
| Cost of Debt After Tax | 51% | 43% | 36% | 31% | 26% | 22% | 18% | 16% | 14% | 12% | 10% |
| Equity Percentage | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 60% |
| Debt Percentage | 40% | 40% | 40% | 40% | 40% | 40% | 40% | 40% | 40% | 40% | 40% |
| WACC | 55.0% | 47.3% | 40.6% | 34.8% | 29.8% | 25.5% | 21.8% | 18.8% | 16.3% | 14.1% | 12.2% |

Present Value Calculation

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|
| Discount Factor | 1.18 | 0.84 | 0.62 | 0.48 | 0.38 | 0.31 | 0.26 | 0.23 | 0.20 | 0.18 |
| Discounted Cash Flows (1 year forward) | 23,162 | 20,095 | 16,446 | 13,603 | 11,510 | 9,907 | 9,156 | 8,605 | 8,200 | 7,907 |

| | |
|---|----------------|
| PV of Free Cash Flows (1 year forward) | 128,591 |
| Terminal Growth Rate | 6.6% |
| Terminal Value | 848,492 |
| Exit Multiple: Terminal Value to FCF | 19.1 |
| PV of Terminal Value (1 year forward) | 150,892 |
| Net Debt | 30,997 |
| Fair Value | 248,486 |
| Number of shares outstanding | 2,200 |
| Estimated 12M Price target (TRY) | 112.95 |
| Current Stock Price (TRY) | 57.60 |
| Potential (%) | 96% |

| Implied Multiples | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| EV/Sales | 1.76 | 1.21 | 0.96 | 0.85 | 0.76 | 0.68 | 0.62 | 0.56 | 0.52 | 0.47 | 0.44 |
| EV/EBITDA | 3.99 | 2.74 | 2.18 | 1.92 | 1.72 | 1.55 | 1.40 | 1.28 | 1.17 | 1.08 | 1.00 |
| P/E | 8.38 | 5.55 | 4.18 | 3.85 | 3.41 | 3.05 | 2.79 | 2.53 | 2.32 | 2.13 | 1.97 |

Source: Trive Analysis

F. Relative Valuation

| Company | Stock | Country | Market Cap. (USD mn) | EV/Sales | | | EV/EBITDA | | | P/E | | | P/B | EBITDA Margin (%) | | | ROA (%) | ROE (%) | | | | |
|--|---------|---------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|-------------------------|------------------------|----------------------|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------|-------------------------|
| | | | | TTM | 2023E | 2024E | 2025E | TTM | 2023E | 2024E | 2025E | TTM | | 2023E | 2024E | 2025E | | | | | | |
| Turkcell Premium (+)/Discount (-) | TCELL | | 4,392 | 2.02 3% | 1.76 -10% | 1.21 -36% | 0.96 -48% | 4.52 -13% | 3.99 -39% | 2.74 -57% | 2.18 -64% | 7.26 -37% | 8.38 -26% | 5.55 -47% | 4.18 -56% | 3.09 86% | 44.62 11% | 44.12 27% | 44.12 26% | 14.86 162% | 51.70 188% | |
| Domestic Median Foreign Median Global Median | | | | 1.78 2.10 1.96 | 1.56 2.10 1.96 | 1.03 2.04 1.90 | 0.88 2.03 1.86 | 5.45 4.65 5.19 | 4.79 6.70 6.53 | 2.92 6.41 6.36 | 2.51 6.21 6.14 | 15.05 10.10 11.44 | 20.68 11.16 11.29 | 8.83 10.69 10.41 | 5.76 9.62 9.41 | 2.58 1.65 1.67 | 32.66 40.37 40.14 | 32.49 35.10 34.62 | 35.14 34.92 35.14 | 34.90 34.66 34.90 | 5.92 5.51 5.68 | 24.83 17.47 17.96 |
| Domestic Türk Telekom | TTKOM | Turkey | 2,899 | 1.78 | 1.56 | 1.03 | 0.88 | 5.45 | 4.79 | 2.92 | 2.51 | 15.05 | 20.68 | 8.83 | 5.76 | 2.58 | 32.66 | 32.49 | 35.14 | 34.90 | 5.92 | 24.83 |
| International | | | | | | | | | | | | | | | | | | | | | | |
| Verizon Communicatic AT&T | VZ.USY | USA | 159,924 | 2.45 | 2.47 | 2.43 | 2.40 | 7.03 | 6.88 | 6.75 | 6.64 | 7.65 | 8.07 | 8.21 | 8.02 | 1.64 | 34.92 | 35.87 | 35.99 | 36.22 | 5.51 | 22.50 |
| Deutsche Telecom AG | TUSY | USA | 119,119 | 2.33 | 2.33 | 2.30 | 2.28 | 6.58 | 6.53 | 6.36 | 6.27 | 0.00 | 6.86 | 6.72 | 6.53 | 1.15 | 35.37 | 35.59 | 36.14 | 36.38 | - | - |
| China Mobile | DTEDEX | Germany | 120,692 | 2.51 | 2.52 | 2.46 | 2.39 | 5.91 | 6.87 | 6.46 | 6.14 | 5.62 | 13.46 | 11.95 | 10.79 | 1.80 | 42.44 | 36.71 | 38.10 | 38.96 | 6.49 | 35.79 |
| Vodafone Group | 941HK | China | 164,696 | 0.92 | 0.90 | 0.85 | 0.80 | 2.28 | 2.61 | 2.50 | 2.41 | 8.75 | 8.89 | 8.25 | 7.71 | 0.92 | 40.60 | 34.62 | 33.84 | 33.10 | 6.85 | 10.31 |
| Telefonica SA | VODGB | UK | 24,393 | 1.68 | 1.72 | 1.74 | 1.72 | 4.11 | 5.76 | 5.75 | 5.50 | 2.11 | 11.03 | 10.41 | 8.22 | 0.37 | 40.88 | 29.92 | 30.25 | 31.26 | 6.79 | 17.47 |
| Nippon Telegraph & Tr Concast | TEFES | Spain | 25,010 | 0.70 | 0.70 | 0.69 | 0.68 | 0.93 | 2.20 | 2.16 | 2.15 | 14.63 | 12.60 | 11.73 | 11.82 | 0.90 | 75.77 | 31.76 | 31.97 | 31.81 | 1.43 | 6.29 |
| CNCSAUN | 9432JPT | Japan | 105,728 | 1.96 | 1.96 | 1.90 | 1.86 | 2.49 | 7.41 | 7.17 | 6.86 | 13.08 | 11.29 | 10.98 | 10.52 | 1.67 | 78.49 | 26.40 | 26.51 | 27.07 | 4.63 | 13.58 |
| Orange | ORAFR | France | 172,994 | 2.24 | 2.24 | 2.19 | 2.20 | 7.18 | 7.12 | 6.85 | 6.72 | 11.44 | 11.00 | 10.00 | 9.41 | 2.10 | 31.14 | 31.43 | 31.93 | 32.72 | 5.85 | 18.46 |
| America Movil | MEXB3 | Mexico | 32,039 | 0.65 | 0.65 | 0.64 | 0.63 | 2.09 | 2.20 | 2.16 | 2.12 | 18.43 | 10.10 | 9.55 | 8.93 | 0.94 | 31.23 | 29.43 | 29.61 | 29.97 | 1.46 | 5.02 |
| T-Mobile US | AMLMX | Mexico | 39,712 | 1.35 | 1.36 | 1.32 | 1.28 | 3.36 | 3.46 | 3.36 | 3.28 | 14.45 | 12.71 | 11.82 | 9.82 | 2.82 | 40.14 | 39.18 | 39.24 | 39.05 | 4.48 | 19.83 |
| Telenor | TMUSUN | Norway | 176,709 | 3.59 | 3.62 | 3.50 | 3.38 | 10.72 | 9.64 | 8.88 | 8.35 | 22.71 | 21.19 | 15.02 | 12.65 | 2.73 | 33.55 | 37.57 | 39.42 | 40.72 | 3.69 | 11.54 |
| | TELNO | Norway | 175,410 | 2.56 | 3.22 | 3.15 | 3.08 | 5.19 | 7.53 | 7.19 | 7.04 | 2.83 | 27.29 | 15.97 | 14.77 | 2.26 | 49.35 | 42.83 | 43.84 | 43.72 | 25.49 | 93.21 |

Source: *Equity RT and Trive Analysis*

| EV/Sales based Fair Value | | EV/EBITDA based Fair Value | |
|-----------------------------|---------|-----------------------------|---------|
| Sales, 24E (TRY mn) | 130,597 | EBITDA, 24E (TRY mn) | 57,613 |
| Median EV/Sales, 24E | 1.90 | Median EV/EBITDA, 24E | 6.36 |
| Net Debt, 9M23 | 30,997 | Net Debt, 9M23 | 30,997 |
| Implied Fair Value (TRY mn) | 217,169 | Implied Fair Value (TRY mn) | 335,430 |
| Shares Outstanding (mn) | 2,200 | Shares Outstanding (mn) | 2,200 |
| Implied Share Price (TRY) | 98.71 | Implied Share Price (TRY) | 152.47 |
| Current Price (TRY) | 57.6 | Current Price (TRY) | 57.6 |
| Potential (%) | 71% | Potential (%) | 165% |

Source: Trive Analysis

| EV/Sales based Fair Value | | EV/EBITDA based Fair Value | |
|-----------------------------|---------|-----------------------------|---------|
| Sales, 24E (TRY mn) | 130,597 | EBITDA, 24E (TRY mn) | 57,613 |
| Median EV/Sales, 24E | 1.90 | Median EV/EBITDA, 24E | 6.36 |
| Net Debt, 9M23 | 30,997 | Net Debt, 9M23 | 30,997 |
| Implied Fair Value (TRY mn) | 217,169 | Implied Fair Value (TRY mn) | 335,430 |
| Shares Outstanding (mn) | 2,200 | Shares Outstanding (mn) | 2,200 |
| Implied Share Price (TRY) | 98.71 | Implied Share Price (TRY) | 152.47 |
| Current Price (TRY) | 57.6 | Current Price (TRY) | 57.6 |
| Potential (%) | 71% | Potential (%) | 165% |

Source: Trive Analysis

Source: *Trive Analysis*

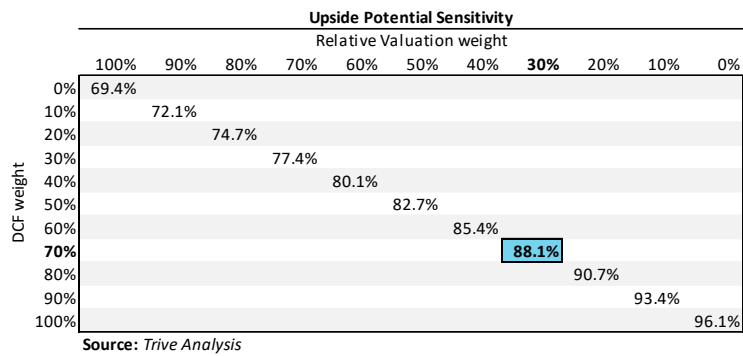
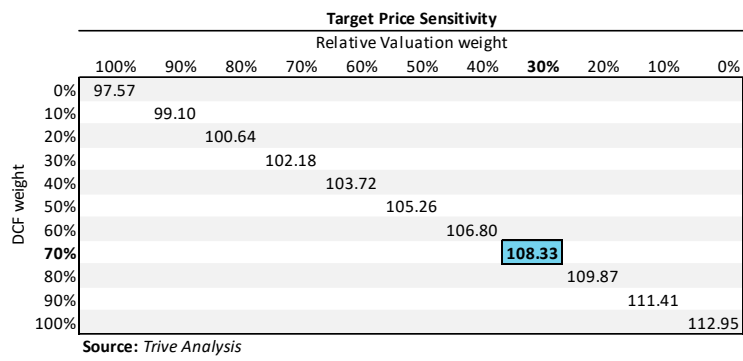
| | P/E based Fair Value | P/B based Fair Value | |
|-----------------------------|----------------------|-----------------------------|--------|
| Net Income, 24E (TRY mn) | 22,838 | Book Value (TRY mn) | 40,979 |
| Median P/E, 24E | 10.41 | Median P/B | 1.67 |
| Implied Fair Value (TRY mn) | 237,678 | Implied Fair Value (TRY mn) | 68,304 |
| Shares Outstanding (mn) | 2,200 | Shares Outstanding (mn) | 2,200 |
| Implied Share Price (TRY) | 108.04 | Implied Share Price (TRY) | 31.05 |
| Current Price (TRY) | 57.6 | Current Price (TRY) | 57.6 |
| Potential (%) | 88% | Potential (%) | -46% |

Source: Trive Analysis

| Relative Valuation (blended) |
|------------------------------|
| Implied Fair Value (TRY mn) |
| Implied Share Price (TRY) |
| Potential (%) |

Source: *Trive Analysis*

G. Valuation Sensitivity Analysis



H. Financial Statements

| Balance Sheet (TRY mn) | 2019 | 2020 | 2021 | 2022 | 9M22 | 9M23 |
|--|---------------|---------------|---------------|----------------|---------------|----------------|
| Current Assets | 19,332 | 20,583 | 29,512 | 46,807 | 43,829 | 79,212 |
| Cash and cash equivalents | 10,239 | 11,861 | 18,629 | 25,961 | 24,344 | 39,053 |
| Derivative instruments | 846 | 917 | 2,131 | 2,032 | 2,487 | 4,155 |
| Financial investments | 351 | 702 | 55 | 4,784 | 4,834 | 13,402 |
| Trade Receivables | 3,138 | 3,482 | 4,332 | 6,742 | 5,999 | 10,827 |
| Finance Sector Receivables | 2,319 | 1,886 | 2,015 | 3,277 | 2,779 | 5,232 |
| Balances with the Central Bank of Turkey | - | - | - | 163 | - | 618 |
| Other Receivables | 812 | 254 | 331 | 146 | 538 | 109 |
| Receivables Due to Ongoing Construction O | 934 | 972 | 1,180 | 1,889 | 1,681 | 2,735 |
| Current Financial Assets Regarding Service | - | - | - | - | - | - |
| Inventories | 178 | 204 | 261 | 278 | 329 | 595 |
| Prepayments | 292 | 212 | 272 | 479 | 449 | 1,127 |
| Assets related to current tax | 87 | 7 | 196 | 447 | 45 | 384 |
| Other Current Assets | 136 | 86 | 110 | 611 | 342 | 976 |
| Noncurrent Assets Or Disposal Groups Clas | - | - | - | - | - | - |
| Non-Current Assets | 26,383 | 30,915 | 41,171 | 54,458 | 46,827 | 69,958 |
| Trade Receivables | 148 | 222 | 256 | 299 | 315 | 322 |
| Other Receivables | 107 | 151 | 163 | 376 | 293 | 849 |
| Finance Sector Receivables | 123 | 76 | 138 | 285 | 235 | 598 |
| Financial Investments | - | - | 1,377 | 2,109 | 2,461 | 2,244 |
| Receivables From Ongoing Construction Or | 10 | 128 | 68 | 67 | 48 | 91 |
| Investments valued by equity method | 42 | 104 | 679 | 1,123 | 1,006 | 1,185 |
| Investment property | 16 | 14 | 17 | 12 | 21 | 14 |
| Propert, plant and equipment | 12,458 | 13,903 | 18,003 | 21,904 | 19,593 | 28,013 |
| Right-of-Use Assets | 1,783 | 2,380 | 2,984 | 3,062 | 3,104 | 3,993 |
| Intangible Assets and Goodwill | 11,308 | 12,368 | 14,662 | 17,742 | 16,194 | 24,439 |
| Prepaid expences | 194 | 702 | 1,010 | 2,424 | 1,717 | 3,540 |
| Deferred tax assets | 189 | 837 | 1,800 | 4,991 | 1,811 | 4,602 |
| Other non-current assets | 3 | 30 | 17 | 64 | 28 | 69 |
| Total Assets | 45,715 | 51,498 | 70,683 | 101,265 | 90,655 | 149,170 |
| Short-Term Liabilities | 12,656 | 11,565 | 17,091 | 29,259 | 23,447 | 47,442 |
| Short-term borrowings | 3,073 | 3,130 | 4,763 | 10,759 | 9,487 | 18,325 |
| Short-term portion of long-term borrowings | 4,555 | 2,103 | 4,086 | 5,962 | 4,735 | 9,853 |
| Trade payables | 2,953 | 3,706 | 5,038 | 7,822 | 5,360 | 9,808 |
| Payables related to employee benefits | 94 | 114 | 141 | 354 | 237 | 745 |
| Other payables | 1,069 | 1,193 | 1,607 | 2,392 | 1,938 | 6,296 |
| Payables Due To Ongoing Construction Or | 290 | 315 | 459 | 706 | 619 | 1,205 |
| Derivative instruments | 87 | 119 | 71 | 151 | 31 | 67 |
| Deferred revenue | 57 | 117 | 111 | 113 | 128 | 141 |
| Current tax liabilities | 121 | 134 | 242 | 243 | 464 | 114 |
| Short-term provisions | 343 | 630 | 574 | 754 | 436 | 885 |
| Other short-term liabilities | 13 | 5 | 1 | 1 | 13 | 3 |
| Long-Term Liabilities | 14,977 | 19,148 | 31,029 | 41,111 | 41,677 | 60,749 |
| Long Term Debt | 12,677 | 16,354 | 27,930 | 37,133 | 37,700 | 55,274 |
| Trade Payables | - | - | - | 35 | 0 | 943 |
| Noncurrent Payables Due To Ongoing Const | 142 | 165 | 170 | 261 | 212 | 334 |
| Deferred Income Other Than Contract Liabil | 0 | 22 | 6 | 6 | 5 | 41 |
| Long Term Provisions | 632 | 794 | 1,230 | 2,759 | 1,531 | 3,041 |
| Deferred Tax Liabilities | 1,166 | 1,338 | 929 | 250 | 1,370 | 35 |
| Other Noncurrent Nonfinancial Liabilities | 360 | 476 | 764 | 667 | 859 | 1,082 |
| Total Liabilities | 27,632 | 30,713 | 48,120 | 70,370 | 65,124 | 108,191 |
| Equity attributable to owners of the parent | 18,046 | 20,785 | 22,562 | 30,891 | 25,532 | 40,973 |
| Paid in Capital | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| Treasury Shares (-) | 144 | 148 | 128 | 118 | 118 | 134 |
| Share Premium | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Accumulated Comprehensive Income | (64) | (95) | (226) | (986) | (226) | (833) |
| Other Accumulated Comprehensive Income | 43 | (609) | (1,166) | (1,882) | (2,005) | (1,133) |
| Restricted Reserves Appropriated From Pro | 2,773 | 3,009 | 3,612 | 3,949 | 3,890 | 4,236 |
| Retained Earnings | 9,956 | 12,155 | 13,203 | 16,675 | 16,698 | 25,180 |
| Net Income/Loss for the Period | 3,246 | 4,237 | 5,031 | 11,053 | 5,057 | 11,456 |
| Additional Capital Contribution Of Shareho | 35 | 35 | 35 | - | 35 | - |
| Non-controlling interests | 36 | 0 | 0 | 4 | (0) | 6 |
| Total Equity | 18,083 | 20,785 | 22,562 | 30,895 | 25,532 | 40,979 |
| Total Equity and Liabilities | 45,715 | 51,498 | 70,683 | 101,265 | 90,655 | 149,170 |

Source: Company Information

| Income Statement (TRY mn) | 2019 | 2020 | 2021 | 2022 | 9M22 | 9M23 | TTM 1Y ago | TTM |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Revenue | 25,137 | 29,104 | 35,921 | 53,878 | 37,835 | 64,920 | 48,026 | 80,964 |
| Revenue | 23,996 | 28,273 | 34,907 | 52,170 | 36,663 | 62,697 | 46,544 | 78,205 |
| Revenue from FSO | 1,141 | 831 | 1,014 | 1,709 | 1,172 | 2,223 | 1,482 | 2,759 |
| Total Cost of Revenue | 17,083 | 20,336 | 25,230 | 36,789 | 26,338 | 40,433 | 33,433 | 50,884 |
| Cost of Revenue | 16,817 | 20,161 | 24,940 | 36,149 | 25,912 | 39,477 | 32,914 | 49,714 |
| Cost of Revenue from FSO | 267 | 175 | 290 | 640 | 426 | 956 | | |
| Total Gross Profit | 8,054 | 8,768 | 10,691 | 17,090 | 11,497 | 24,487 | 14,593 | 30,080 |
| Gross Profit | 7,180 | 8,112 | 9,967 | 16,021 | 10,751 | 23,220 | 13,630 | 28,491 |
| Gross Profit from FSO | 874 | 656 | 724 | 1,069 | 746 | 1,267 | | |
| Operating Expenses | 2,335 | 2,123 | 2,698 | 4,219 | 2,846 | 5,396 | 3,699 | 6,769 |
| Core Operating Profit | 5,719 | 6,645 | 7,993 | 12,871 | 8,651 | 19,091 | 10,894 | 23,310 |
| Other Operating Income | 1,457 | 2,181 | 7,078 | 7,562 | 6,071 | 8,945 | 10,610 | 10,436 |
| Other Operating Expense | 579 | 637 | 668 | 761 | 299 | 2,413 | 482 | 2,875 |
| Other Operating Gains/(Losses) | - | - | - | - | - | - | - | - |
| Operating Profit | 6,596 | 8,188 | 14,403 | 19,672 | 14,423 | 25,623 | 21,022 | 30,871 |
| Investment Profit/(Loss) | (296) | (227) | 283 | 1,354 | 1,270 | 3,843 | 1,702 | 3,927 |
| Finance Profit/(Loss) | -3,011 | -3,335 | -10,145 | -13,489 | -10,065 | -16,622 | -16,710 | -20,046 |
| Profit Before Tax | 3,290 | 4,627 | 4,541 | 7,536 | 5,628 | 12,844 | 6,013 | 14,752 |
| Tax Expense | 786 | 387 | -490 | -3,516 | 571 | 1,391 | -428 | -2,696 |
| Effective Tax Rate | 23.9% | 8.4% | -10.8% | -46.7% | 10.1% | 10.8% | -7.1% | -18.3% |
| Total Profit/(Loss) | 3,277 | 4,240 | 5,031 | 11,052 | 5,057 | 11,453 | 6,442 | 17,449 |
| Profit/(Loss) To Noncontr. Interests | 30 | 3 | 0 | (1) | (0) | (3) | 0 | (4) |
| Profit/(Loss) To Owners Of Parent | 3,246 | 4,237 | 5,031 | 11,053 | 5,057 | 11,456 | 6,442 | 17,452 |

Source: Company Information

I. Ratios

| Cumulative | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
|----------------------------------|---------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Gross Margin | 33.6% | 31.0% | 30.6% | 32.8% | 34.4% | 37.5% | 39.1% |
| Core Operating Profit Margin | 23.8% | 23.5% | 22.9% | 24.7% | 25.6% | 29.3% | 30.4% |
| EBITDA Margin | 44.8% | 44.6% | 43.7% | 42.5% | 41.6% | 44.4% | 44.9% |
| Net Profit Margin | 13.5% | 15.0% | 14.4% | 21.2% | 16.8% | 15.9% | 18.3% |
| ROE | 19.1% | 21.8% | 23.2% | 41.4% | 45.7% | 46.8% | 52.5% |
| Net Debt (TRY mn) | 9,716 | 9,024 | 18,094 | 23,110 | 26,068 | 31,724 | 30,997 |
| TTM (TRY mn) | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Revenue | 23,996.3 | 28,272.8 | 34,906.6 | 52,170.0 | 58,523.1 | 67,344.6 | 78,204.5 |
| EBITDA | 10,744.7 | 12,597.2 | 15,245.1 | 22,160.1 | 24,744.9 | 29,541.0 | 34,897.6 |
| Net profit | 3,246.5 | 4,237.1 | 5,031.1 | 11,053.2 | 13,066.9 | 14,369.9 | 17,452.5 |
| Shareholder's Equity | 18,046.5 | 20,784.8 | 22,562.0 | 30,891.1 | 33,848.7 | 37,532.0 | 40,973.4 |
| Cumulative (TRY mn) | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Revenue | 23,996.3 | 28,272.8 | 34,906.6 | 52,170.0 | 16,718.5 | 37,633.8 | 62,697.1 |
| EBITDA | 10,744.7 | 12,597.2 | 15,245.1 | 22,160.1 | 6,960.1 | 16,692.1 | 28,153.9 |
| Net profit | 3,246.5 | 4,237.1 | 5,031.1 | 11,053.2 | 2,816.6 | 5,977.9 | 11,456.2 |
| Shareholder's Equity | 18,046.5 | 20,784.8 | 22,562.0 | 30,891.1 | 33,848.7 | 37,532.0 | 40,973.4 |
| Quarterly Profitability (TRY mn) | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Revenue | 6,405.7 | 7,654.5 | 9,881.3 | 15,507.5 | 16,718.5 | 20,915.3 | 25,063.2 |
| COGS | 4,555.1 | 5,516.2 | 7,001.8 | 10,236.9 | 11,298.7 | 12,997.5 | 15,180.4 |
| Gross Profit | 1,850.6 | 2,138.3 | 2,879.6 | 5,270.6 | 5,419.8 | 7,917.8 | 9,882.8 |
| Operating Expenses | 602.3 | 611.5 | 853.4 | 1,373.2 | 1,472.3 | 1,629.6 | 2,294.2 |
| Core Operating Profit | 1,470.3 | 1,687.9 | 2,242.8 | 4,219.7 | 4,277.2 | 6,747.6 | 8,066.1 |
| EBITDA | 2,868.6 | 3,302.8 | 4,282.7 | 6,743.7 | 6,960.1 | 9,732.1 | 11,461.8 |
| Profit Before Tax | 987.3 | 854.5 | 385.0 | 1,908.0 | 3,556.2 | 3,656.3 | 5,631.7 |
| Net Profit | 755.6 | 1,302.0 | 1,384.6 | 5,996.3 | 2,816.6 | 3,161.3 | 5,478.4 |
| COGS/Revenue | 71.1% | 72.1% | 70.9% | 66.0% | 67.6% | 62.1% | 60.6% |
| Gross Margin | 28.9% | 27.9% | 29.1% | 34.0% | 32.4% | 37.9% | 39.4% |
| OPEX/Revenue | 9.4% | 8.0% | 8.6% | 8.9% | 8.8% | 7.8% | 9.2% |
| Core Operating Profit Margin | 23.0% | 22.1% | 22.7% | 27.2% | 25.6% | 32.3% | 32.2% |
| EBITDA Margin | 44.8% | 43.1% | 43.3% | 43.5% | 41.6% | 46.5% | 45.7% |
| Net Profit Margin | 11.8% | 17.0% | 14.0% | 38.7% | 16.8% | 15.1% | 21.9% |
| Growth Quarterly, Q/Q | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Sales | 1.5% | 2.7% | 8.7% | 9.2% | 7.8% | 25.1% | 19.8% |
| COGS | 7.7% | 5.9% | 10.1% | 5.9% | 10.4% | 15.0% | 16.8% |
| Gross profit | -11.0% | -4.7% | 5.4% | 16.2% | 2.8% | 46.1% | 24.8% |
| Operating Expenses | 11.4% | 27.4% | 31.4% | 27.5% | 7.2% | 10.7% | 40.8% |
| Core Operating Profit | -16.8% | -12.4% | -1.5% | 13.0% | 1.4% | 57.8% | 19.5% |
| EBITDA | -3.1% | -4.0% | 4.6% | 10.5% | 3.2% | 39.8% | 17.8% |
| Profit Before Tax | -4.0% | -45.4% | -79.0% | -34.1% | 86.4% | 2.8% | 54.0% |
| Net Profit | -5.7% | 7.5% | -3.1% | 150.3% | -53.0% | 12.2% | 73.3% |
| Growth Quarterly, Y/Y | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Sales | 20.0% | 19.5% | 29.1% | 56.9% | 61.3% | 72.9% | 76.5% |
| COGS | 20.0% | 21.1% | 26.9% | 46.2% | 51.2% | 48.2% | 57.1% |
| Gross profit | 20.1% | 15.5% | 34.7% | 83.0% | 87.4% | 138.4% | 117.8% |
| Operating Expenses | -13.8% | 1.5% | 39.6% | 60.9% | 74.4% | 76.4% | 112.9% |
| Operating Profit | 42.3% | 14.8% | 32.9% | 88.1% | 88.2% | 155.1% | 116.1% |
| EBITDA | 24.5% | 15.1% | 29.7% | 57.5% | 59.1% | 97.2% | 87.7% |
| Profit Before Tax | 0.7% | -13.5% | -54.9% | 395.6% | 274.8% | 105.1% | 94.4% |
| Net Profit | -12.5% | 72.3% | 6.3% | 333.1% | 250.8% | 70.1% | 128.7% |
| Growth Cumulative YY | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Sales | 19.0% | 17.8% | 23.5% | 49.5% | 61.3% | 67.6% | 71.0% |
| EBITDA | 18.1% | 17.2% | 21.0% | 45.4% | 59.1% | 79.3% | 82.6% |
| Net Profit | 60.6% | 30.5% | 18.7% | 119.7% | 250.8% | 124.6% | 126.5% |
| Shareholder's Equity | 13.3% | 15.2% | 8.6% | 36.9% | 44.8% | 57.5% | 60.5% |
| Indebtedness (Cumulative) | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Short Term Debt | 7,628 | 5,233 | 8,848 | 16,721 | 19,437 | 25,268 | 28,178 |
| Long Term Debt | 12,677 | 16,354 | 27,930 | 37,133 | 39,049 | 51,930 | 55,274 |
| Total Debt | 20,306 | 21,586 | 36,778 | 53,854 | 58,486 | 77,198 | 83,452 |
| Cash and cash equivalents | 10,590 | 12,563 | 18,684 | 30,744 | 32,419 | 45,474 | 52,455 |
| Net Debt | 9,716 | 9,024 | 18,094 | 23,110 | 26,068 | 31,724 | 30,997 |
| Short Term Debt / Total Debt | 38% | 24% | 24% | 31% | 33% | 33% | 34% |
| Long Term Debt / Total Debt | 62% | 76% | 76% | 69% | 67% | 67% | 66% |
| Net Debt/EBITDA | 0.90 | 0.72 | 1.19 | 1.04 | 1.05 | 1.07 | 0.89 |
| Working Capital | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/03 | 2023/06 | 2023/09 |
| Receivables Days | 42.86 | 45.44 | 42.29 | 39.68 | 41.61 | 41.23 | 39.88 |
| Inventory Days | 4.08 | 4.32 | 4.49 | 3.46 | 3.41 | 3.14 | 3.11 |
| Payables Days | 80.20 | 79.83 | 86.35 | 77.61 | 78.04 | 81.33 | 85.00 |
| Cash Cycle | -33.26 | -30.08 | -39.56 | -34.47 | -33.02 | -36.96 | -42.01 |
| Net Working Capital | 364 | -20 | -445 | -802 | 1,486 | 849 | 1,614 |
| NWC/Revenue | 2.4% | 1.8% | 1.1% | 0.8% | 1.4% | 1.3% | 1.1% |

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