

TURKCELL GROUP

Q1 2023 | May 9, 2023





Murat Erkan **Turkcell CEO**

BUSINESS OVERVIEW



REVENUE

↑ **61.5% YoY**
17.3 Bn TL



TOTAL NET ADD



EBITDA

↑ **57.1% YoY**
6.8 Bn TL



MOBILE ARPU
GROWTH*



NET INCOME

2.8 Bn TL
250.8% YoY



NEW HOMEPASS



Continued mobile postpaid net add & mobile ARPU growth



Accelerating topline growth despite earthquake effect



Increasing contribution from digital services & techfin

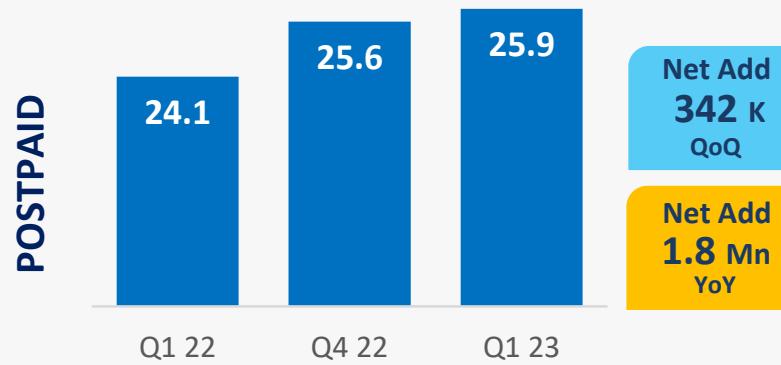
Operational Highlights

Mobile



SUBSCRIBER TREND

MILLION



MOBILE ARPU (excl. M2M)

BLENDED, TL



MOBILE ARPU vs CPI

YEARLY CHANGE IN %

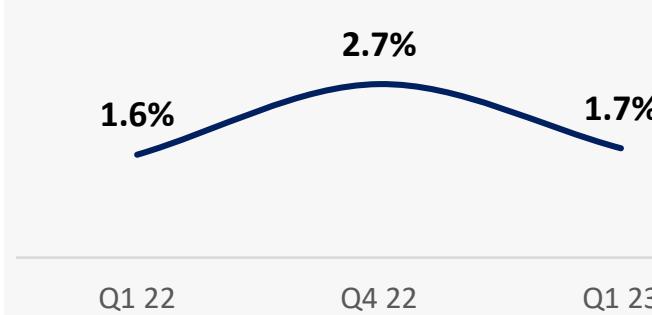


PREPAID



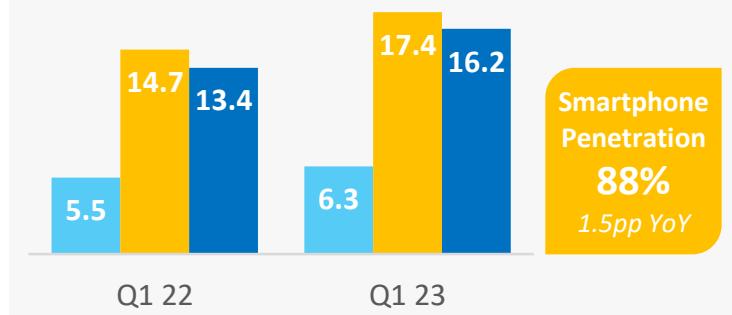
MOBILE CHURN

MONTHLY AVG.



MOBILE DATA KPIs

AVG. GB/USER



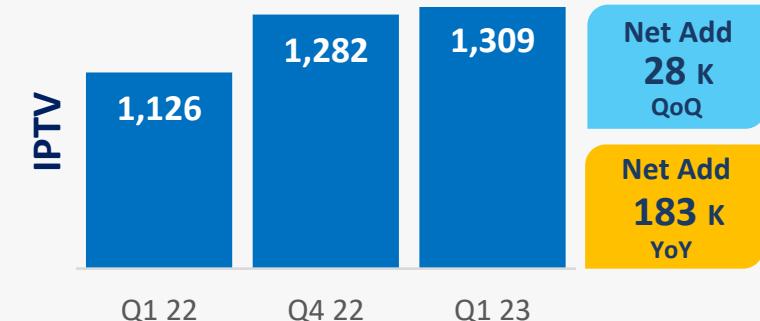
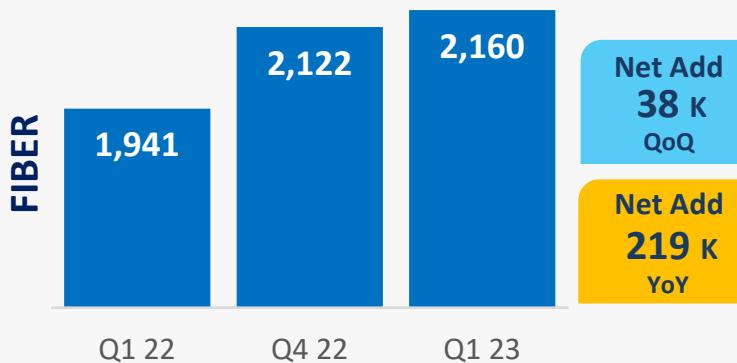
Operational Highlights

Fixed Broadband



SUBSCRIBER TREND

THOUSAND



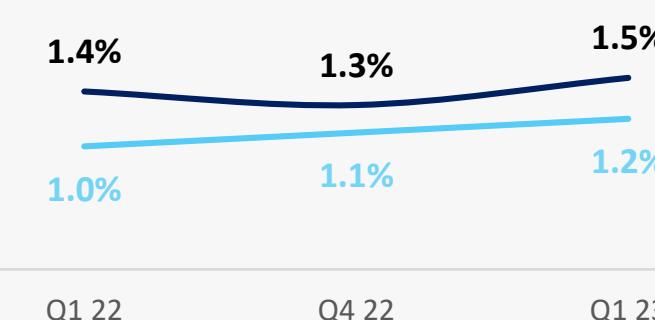
RESIDENTIAL FIBER ARPU

TL



CHURN

MONTHLY AVG.



FIBER PENETRATION KPIs (Q1 23)

New homepass	+160 K
Take-up rate*	40.4%
IPTV penetration (in residential fiber)	66.8%

*Excluding corporate

Note: Cable subscribers of 42 K at the end of Q1 2023 are included in 801 K.

Strategic Focus Areas

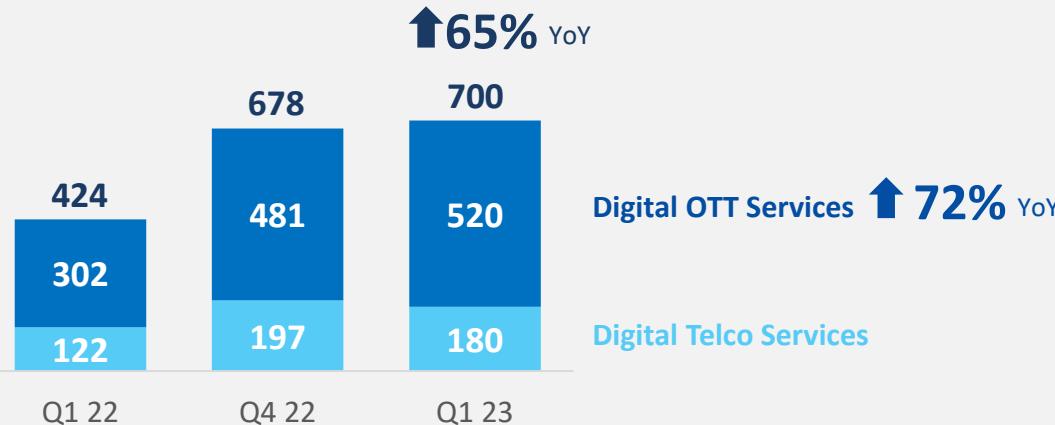
Leveraging Digitalization for Growth



Digital Services & Solutions

STAND-ALONE REVENUE

MILLION TL



424
302
122

678
481
197

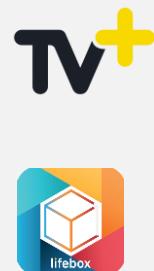
700
520
180

Digital OTT Services
Digital Telco Services

Q1 22

Q4 22

Q1 23



Stand-alone
Paid User¹
5.2 Mn
↑24% YoY

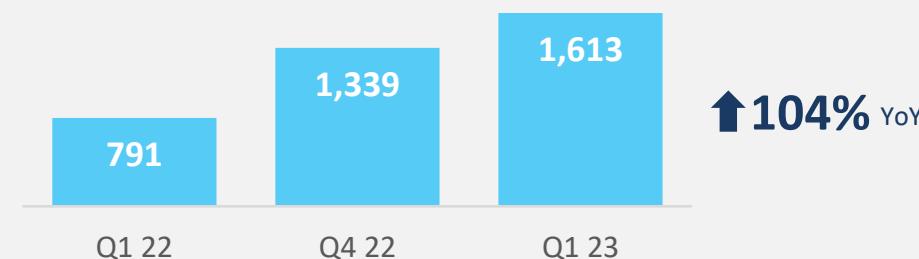
- Paid user
- IPTV: 1.3 Mn, ↑16% YoY
 - OTT TV: 1.0 Mn, ↑16% YoY

- Paid user
- 1.9 Mn, ↑35% YoY

Digital Business Services

REVENUE

MILLION TL



791

1,339

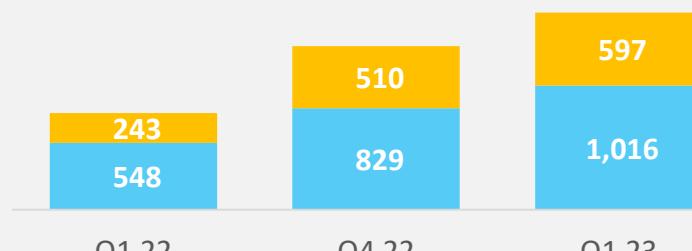
1,613

Q1 22

Q4 22

Q1 23

- 1,160+ new contracts as of Q1 23
- 2.5 Bn TL backlog² from system integration projects
- DC revenues: ↑162% YoY
- Cloud services revenues: ↑111% YoY



243

510

597

548

829

1,016

Q1 22

Q4 22

Q1 23

■ Hardware revenues

■ Service revenues

(1) including IPTV, OTT TV, fizy, lifebox, Game+ (2) Backlog refers to the value of contracted revenue from system integration projects that is yet to be recognized until the end of the contract term.

Strategic Focus Areas: Techfin Business

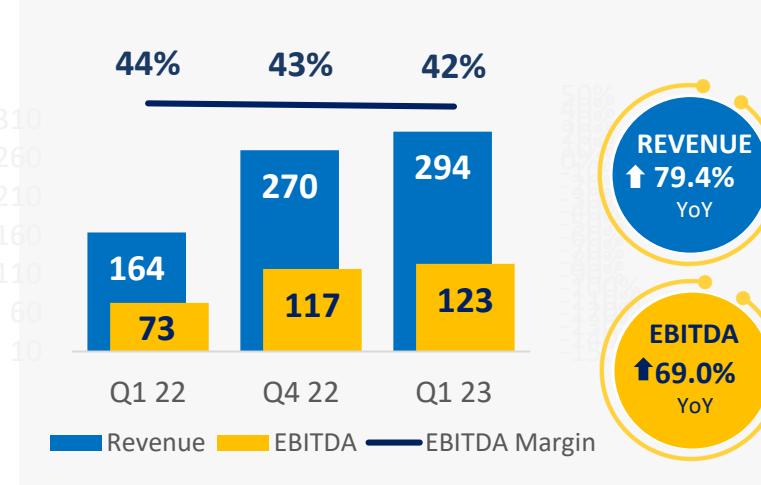
Strong Momentum Continues



FINANCIAL HIGHLIGHTS

MILLION TL

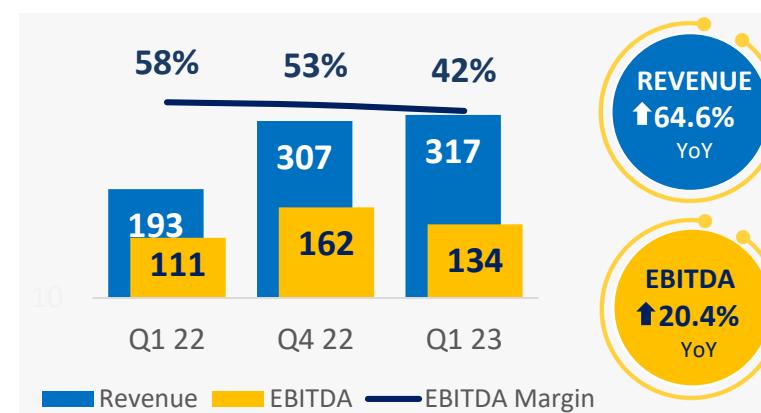
paycell



- Transaction volume¹: **18.2 Bn TL**, **2.7x YoY**
- 3-month active users: **7.7 Mn**, **↑12% YoY**
- Merchants²: **51 K**, **↑18% YoY**

Transaction	YoY
PAY LATER 1.4 Bn TL (non-group)	2.0x
PAYCELL CARD 2.8 Bn TL	1.8x
POS SOLUTIONS 10.1 Bn TL	4.8x

financell⁴



- Market share³: **13%** below 10 K TL loans
- Cost of Risk: **2.7%**
- Customers with Ready Credit Limit: **13 Mn**

LOAN PORTFOLIO	3.9 Bn TL
	↑70% YoY
ACTIVE CUSTOMERS	1.3 Mn

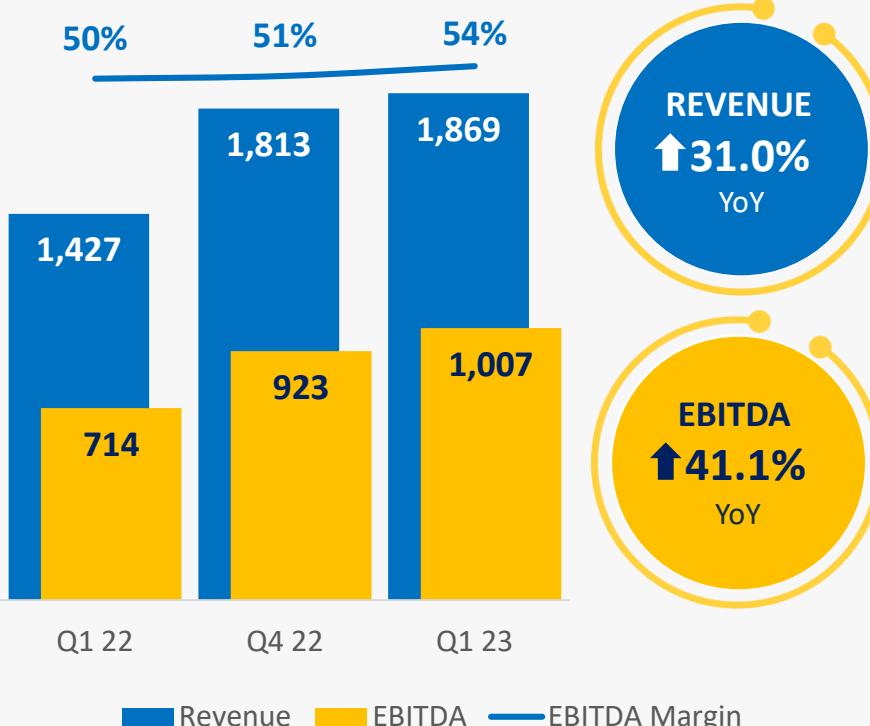
(1) Includes transaction volumes over Pay Later, Paycell Card, bill payments, POS solutions and money transfers through IBAN, both group and non-group for Q1 23. (2) Points where all Paycell services accepted. (3) As of February 2023 (4) Following the change in the organizational structure, the revenues of Turkcell Sigorta Aracılık Hizmetleri A.Ş. (Insurance Agency), which was previously managed under the Financell, has been classified from Financell to "Other" in the Techfin segment as of the first quarter of 2023. Within this scope, all past data have been revised for comparability purposes.

Turkcell International Subsidiaries at a Glance



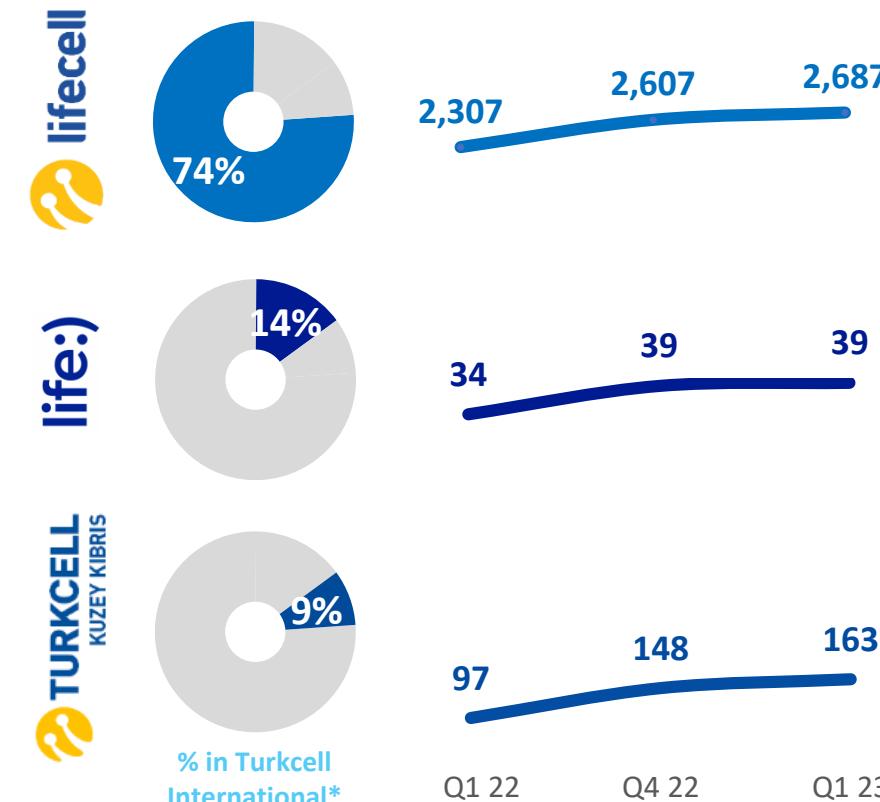
FINANCIAL HIGHLIGHTS

MILLION TL



STAND-ALONE REVENUES

MILLION (in their own currency)





Togg: Update E-mobility Ecosystem Around the Electric Vehicle



December 2019:

Preview cars unveiled

July 2020:

Production facility groundbreaking

October 2022:

Gemlik Technology Campus opened
& became ready for mass production

March 2023:

The pre-sale for T10X began
Payments collected through **PAYCELL**

April 2023:

Deliveries of T10X began
Siro Battery Campus construction began

By 2030:

Total vehicle production of 1 million units from
5 different models



Kamil Kalyon **Turkcell CFO (Acting)**

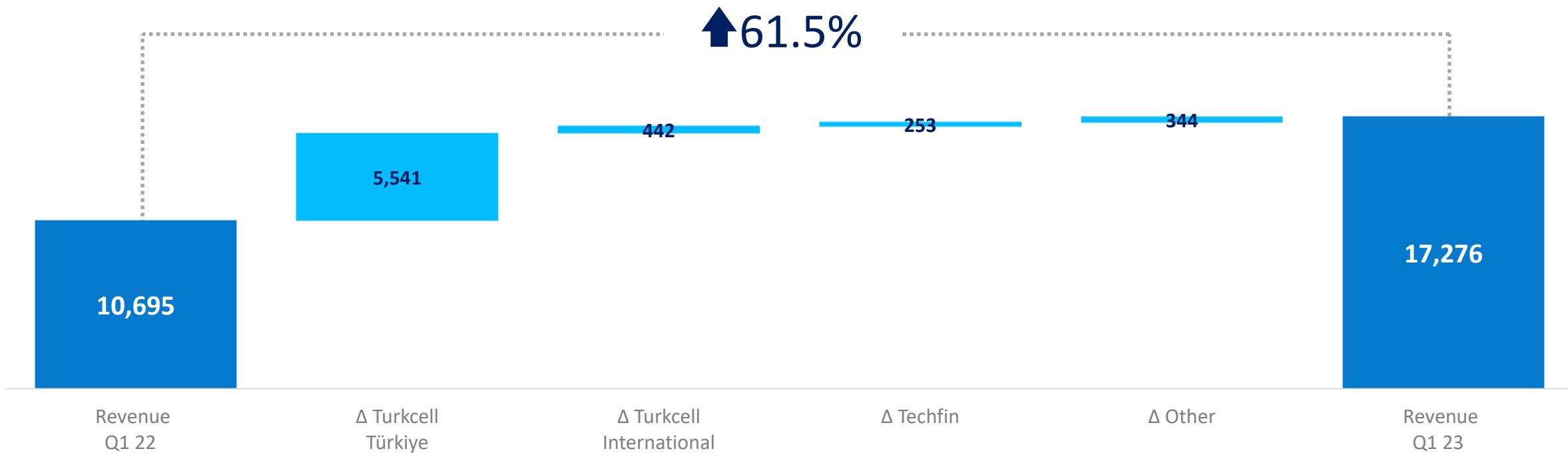
FINANCIAL OVERVIEW

Turkcell Group Revenue



REVENUE

MILLION TL



- All segments supported yearly revenue generation of 6.6 Bn TL in Q1 23.
- Solid revenue generation from Turkcell Türkiye, thanks to a higher subscriber base and strong ARPU growth as a result of sequential price adjustments.
- Strong growth in techfin business: 71.7% YoY in Q1 23; mainly driven by Paycell business growth of 79.4%.

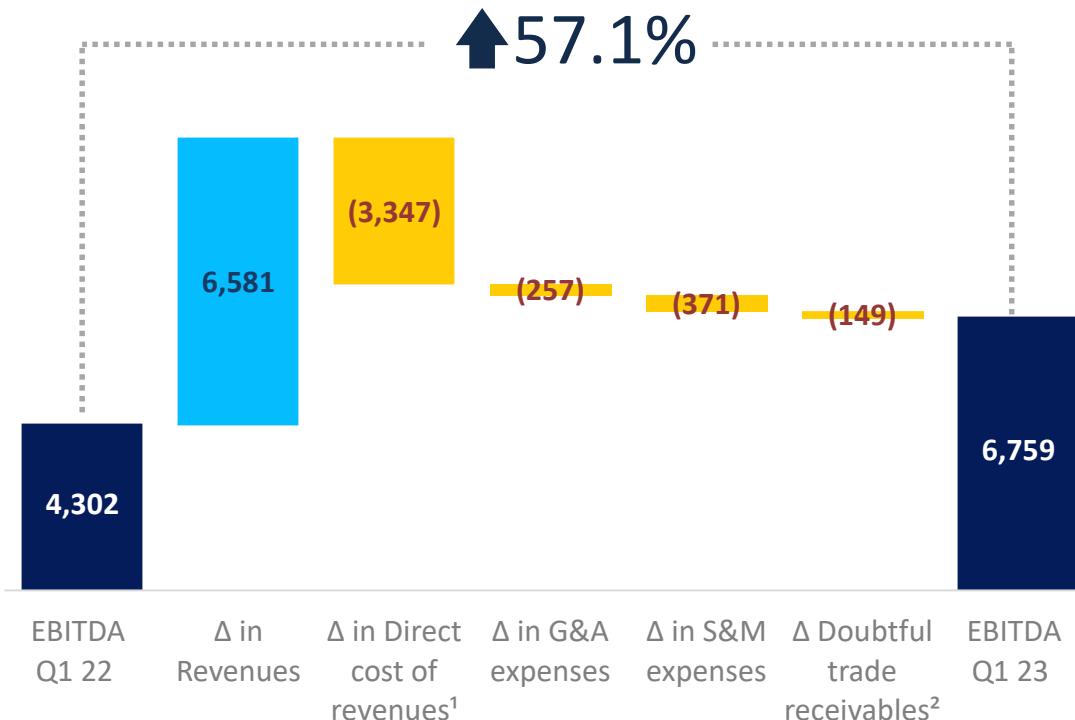
Turkcell Group

EBITDA & EBITDA Margin

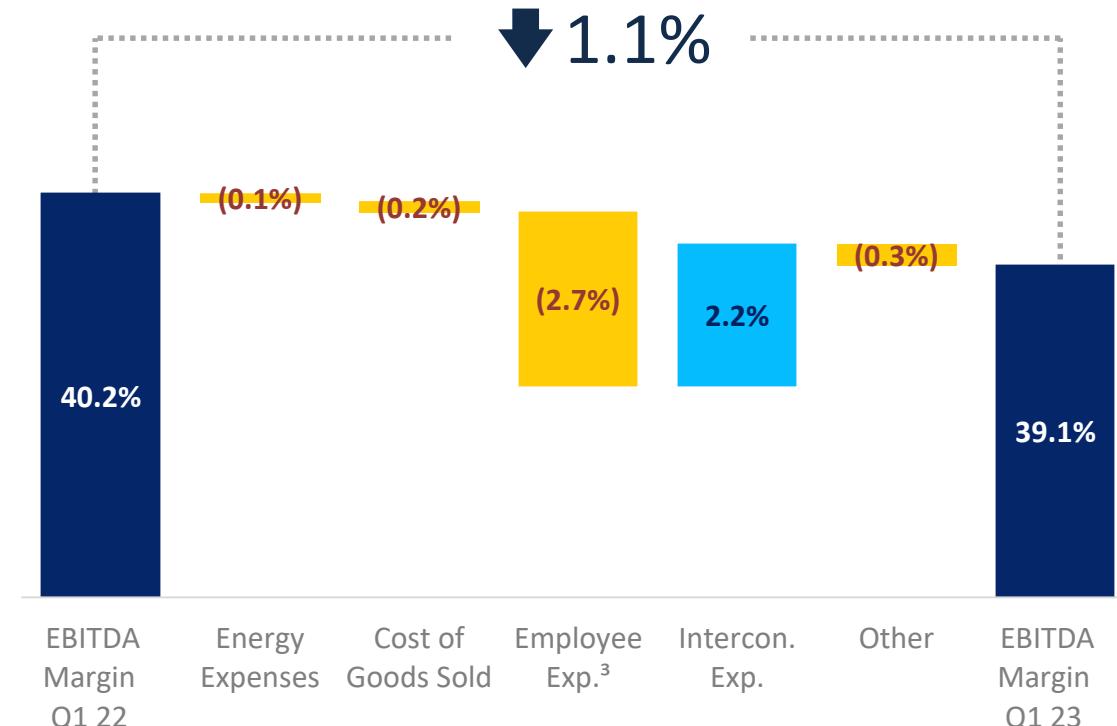


EBITDA

MILLION TL



EBITDA MARGIN

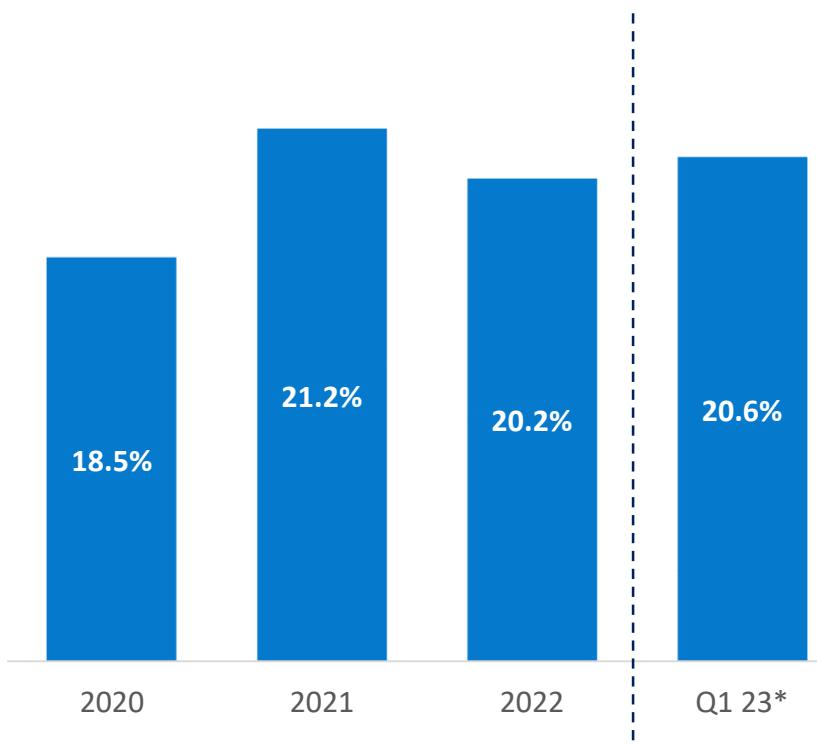


- 57.1% EBITDA growth on the back of strong revenue growth.
- Turkcell International made a higher contribution to the EBITDA margin.
- Declining interconnection expenses as a percentage of revenues partially offset the rise in personnel expenses.

(1) Excluding depreciation and amortization. (2) Net impairment losses on financial and contract assets. (3) Employee expenses in cost of revenue, selling & marketing expenses and administrative expenses.

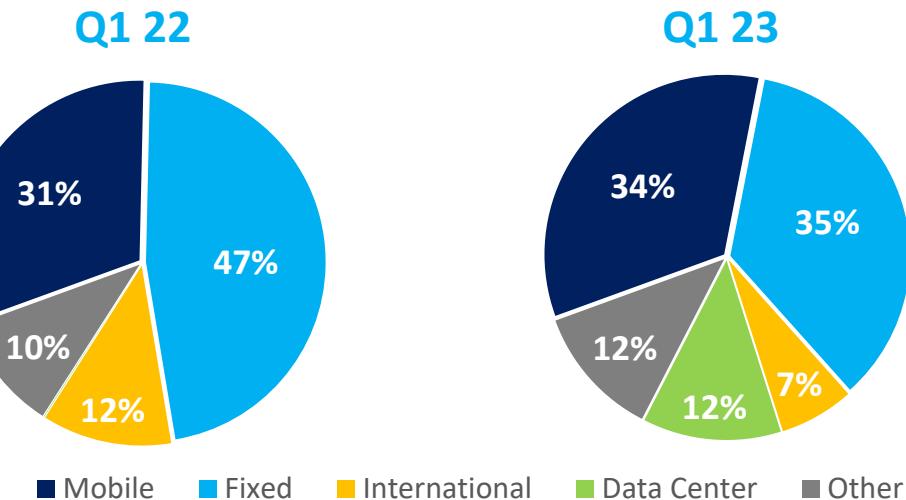


OPERATIONAL CAPEX/SALES

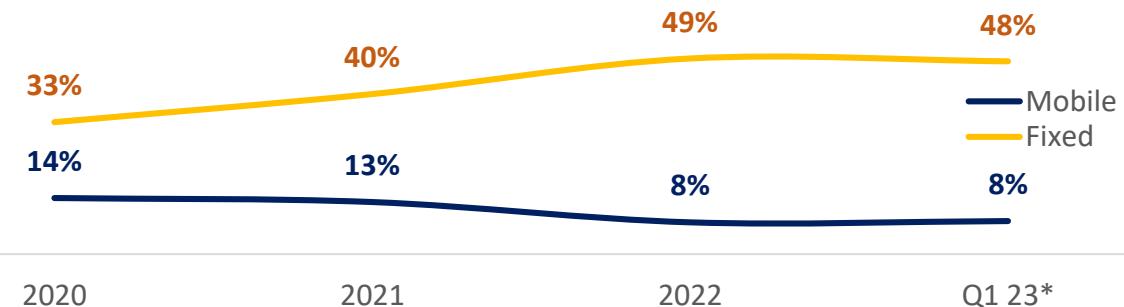


- ~43% of one-off CAPEX due to earthquake realized in Q1 23
- Operational CAPEX/Sales ratio is in line with 2023 guidance

OPERATIONAL CAPEX BREAKDOWN



OPERATIONAL CAPEX INTENSITY BY SEGMENT



Note: Operational CAPEX figures exclude license fees.

*Last twelve months

Turkcell Group

Solid Balance Sheet

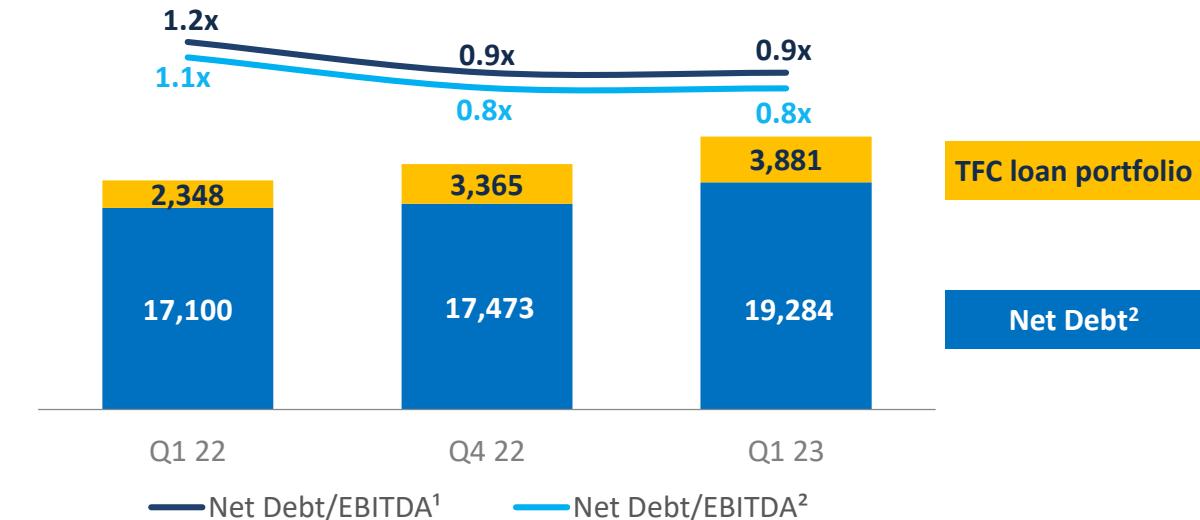


SUMMARY

MILLION TL

	Q1 22	Q4 22	Q1 23
Total Cash	18,804	25,961	27,317
Total Assets	75,325	101,265	109,843
Total Debt	40,855	53,854	58,486
<i>Lease Obligations</i>	2,984	3,055	3,391
Total Equity	23,379	30,895	33,853
Net Debt¹	19,449	20,838	23,166
Net Debt²	17,100	17,473	19,284

NET DEBT/EBITDA



DEBT SERVICE (PRINCIPAL & INTEREST)³

USD MILLION



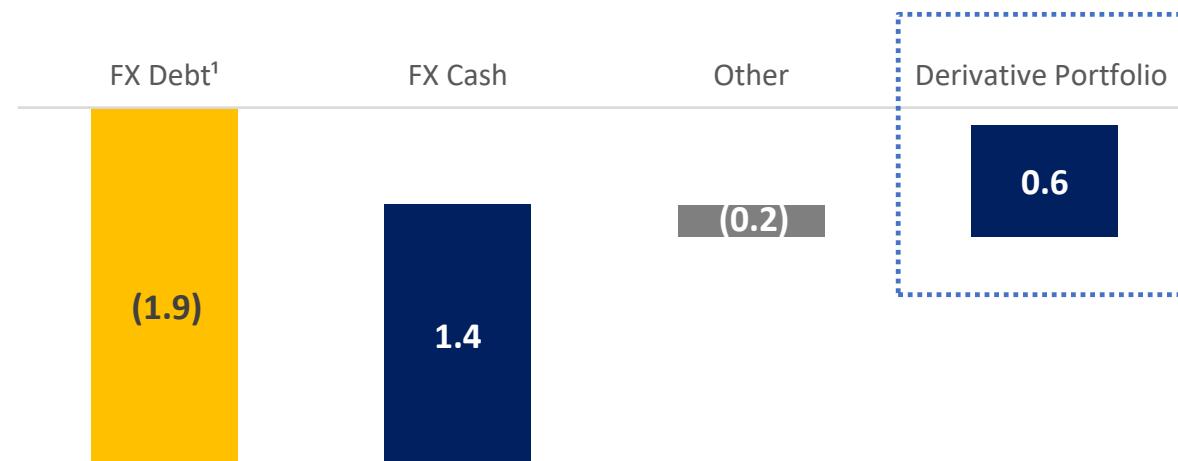
(1) We revised the definition of our net debt calculation to include "financial assets at fair value through other comprehensive income" reported under current and non-current assets, and "financial assets at amortized cost". Required reserves held in CBRT balances also considered in net debt calculation. (2) Excludes Turkcell Finance Company's (TFC) loan portfolio. (3) Data of Turkcell Group companies excluding TFC.

Turkcell Group FX Exposure



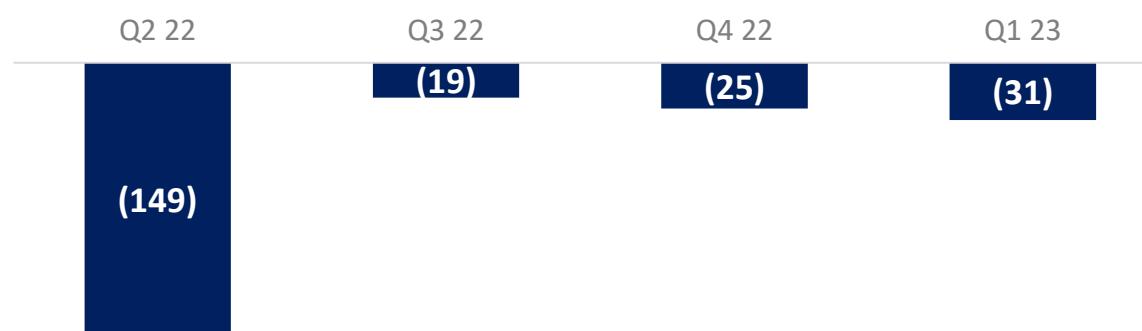
FX POSITION BREAKDOWN

USD BILLION EQUIVALENT

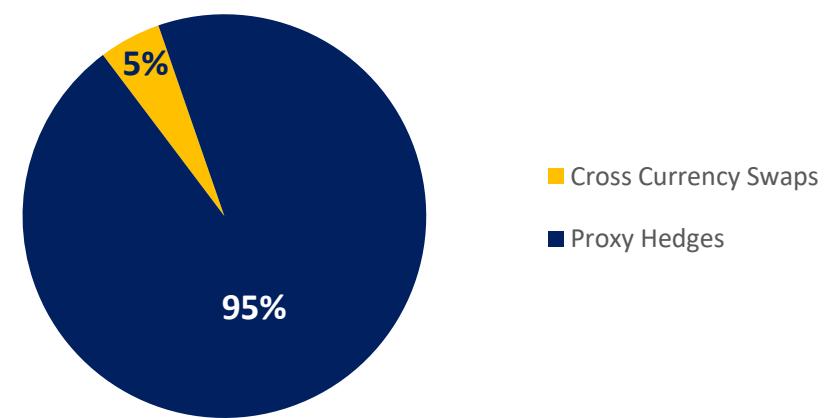


NET FX POSITION²

USD MILLION



DERIVATIVE PORTFOLIO BREAKDOWN



- Average cost of hedging for FX loans at around 12%
- Net FX position is inline with our FX neutral definition (+/- 200 Mn USD)



THANK YOU

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(+90 212 313 1888)

Turkcell IR Website



Turkcell Group

Financial Summary



MILLION TL

	Q1 2023	YoY Growth	QoQ Growth
Revenue	17,276	61.5%	7.7%
EBITDA	6,759	57.1%	1.3%
<i>EBITDA Margin</i>	39.1%	(1.1pp)	(2.5pp)
EBIT	4,073	83.7%	(2.0%)
<i>EBIT Margin</i>	23.6%	2.9pp	(2.3pp)
Net Income	2,817	250.8%	(53.0%)
Op. CAPEX/Sales*	19.9%	2.6pp	(7.9pp)

*Excluding license fees

Note: TRY figures are based on TFRS..

Notice



This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995. This includes, in particular, our targets for revenue, EBITDA and operational capex in 2023. More generally, all statements other than statements of historical facts included in this presentation, including, without limitation, certain statements regarding the launch of new businesses, our operations, financial position and business strategy may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the written or oral use of forward-looking terminology such as, among others, "will," "expect," "intend," "estimate," "believe", "continue" and "guidance".

Although Turkcell believes that the expectations reflected in such forward-looking statements are reasonable at this time, it can give no assurance that such expectations will prove to be correct. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. Factors such as changes in the state of emergency measures and potential aftershocks, as well as the risk factors disclosed in our Annual Report on Form 20-F for 2022 filed with U.S. Securities and Exchange Commission, may affect the outcome of such forward looking statements. We undertake no duty to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

We are publishing financial statements as of March 31, 2023 prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS"/"TFRS") only. These standards are issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") and are in full compliance with IAS/IFRS Standards. In an announcement published by the POA on January 20, 2022, it is stated that TAS 29 "Financial Reporting in Hyperinflationary Economies" does not apply to TFRS financial statements as of December 31, 2021. Since then and as of the preparation date of our latest consolidated financial statements, no new statement has been made by the POA about TAS 29 application. Consequently, no TAS 29 adjustment was made to our consolidated financial statements.

Financial statements prepared in accordance with IFRS should apply IAS 29 "Financial Reporting in Hyperinflationary Economies" as of March 31, 2023. In this context, financial statements prepared in accordance with IFRS and TFRS would have significant differences and would not be comparable as of March 31, 2023. We intend to publish IFRS financial statements, compliant with IAS 29 to the extent that it remains applicable, with our Annual Report on Form 20-F that will be filed to the U.S. Securities and Exchange Commission.

Although we have not prepared a detailed comparison of differences between IFRS (unadjusted according to IAS 29) and TFRS, we have noted in our past financial statements that the most significant differences have appeared in the lines Other Operating Income/Expense, Finance Income/Expense, and Investment Activity Income/Expense. In the past, revenue, net income and EBITDA have generally not differed. While no assurance can be given that this will be the case for Q1 2023, we are not at present aware of changes that would cause other significant differences, other than those resulting from the application of IAS 29.

The Company makes no representation as to the accuracy or completeness of the information contained in this presentation, which remains subject to verification, completion and change. No responsibility or liability is or will be accepted by the Company or any of its subsidiaries, board members, officers, employees or agents as to or in relation to the accuracy or completeness of the information contained in this presentation or any other written or oral information made available to any interested party or its advisers.

Please note that all financial data are consolidated whereas non-financial data are unconsolidated unless otherwise specified. In the charts or tables used in this presentation totals may not foot due to rounding differences. The figures used in this presentation are rounded while percentage changes are calculated based on the figures disclosed in the press release.

Please also note that this presentation should be considered together with the press release filed for the same period.