

# hepsiburada

## Q4/ Full Year 2022 Results Presentation

March 22, 2023



# Disclaimer

## Restatement of Financial Information

Pursuant to the International Accounting Standard 29, Financial Reporting in Hyperinflationary Economies (“IAS 29”), the financial statements of entities whose functional currency is that of a hyperinflationary economy must be adjusted for the effects of changes in a general price index. Turkish companies reporting under IFRS, including the Company, have been required to apply IAS 29 to their financial statements for periods ending on and after June 30, 2022.

The Company’s interim financial statements as of and for the year ended December 31, 2022, including figures corresponding to the same period of the prior year, have been restated pursuant to IAS 29. Under IAS 29, the Company’s financial statements are presented in terms of the measuring unit current as of December 31, 2022. All the amounts included in the balance sheet which are not stated in terms of the measuring unit current as of the date that the financial statements are restated applying the general price index. Adjustments for inflation have been calculated considering the price indexes published by the Turkish Statistical Institute (TurkStat). For the indices used, please refer to the press release. The information contained in documents we have previously filed or furnished with the U.S. Securities and Exchange Commission is not directly comparable to the information presented below on an adjusted basis.

## Non-IFRS Financial Measures

This presentation includes certain non-IFRS financial measures, including but not limited to Gross Contribution, IAS-29-Unadjusted Gross Contribution, IAS-29-Unadjusted Revenue, EBITDA, IAS-29-Unadjusted EBITDA, Free Cash Flow and Net Working Capital. These financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative to profit/loss for the period or other measures of profitability, liquidity or performance under IFRS. You should be aware that the Company’s presentation of these measures may not be comparable to similarly titled measures used by other companies, which may be defined and calculated differently. We believe that these measures provide useful information to investors in understanding and evaluating our operating results in the same manner as our management and board of directors. In particular, we have included IAS 29-Unadjusted Revenue, IAS 29-Unadjusted Gross Contribution and IAS 29-Unadjusted EBITDA in this presentation because we believe their inclusion facilitates the understanding of Revenue, Gross Contribution and EBITDA restated in accordance with IAS 29 as well as our year on year growth and profitability guidance. See “Presentation of Financial and Other Information” in this presentation for a reconciliation of certain of these non-IFRS measures to the most directly comparable IFRS measure.

## Statement Regarding Unaudited Financial Information

This presentation includes unaudited quarterly financial information as of and for the three months ended December 31, 2022 and 2021 and as of and for the years ended December 31, 2022 as well as December 31, 2021. The quarterly and yearly information has not been audited or reviewed by the Company’s auditors. The unaudited information for the year ended December 31, 2022 and December 31, 2021 are preliminary, based on the information available at this time and subject to changes in connection with the completion of the audit of the Company’s financial statements for the years ended December 31, 2022 and December 31, 2021. As such, the Company’s actual results and financial condition as reflected in the financial statements that will be included in the Company’s Annual Report on Form 20-F for the year ended December 31, 2022 may be adjusted or presented differently from the financial information herein and the variations could be material. The unaudited consolidated financial statements include the accounts of the Company and its subsidiaries. All periods presented have been accounted for in conformity with International Financial Reporting Standards (“IFRS”) and pursuant to the regulations of the SEC.

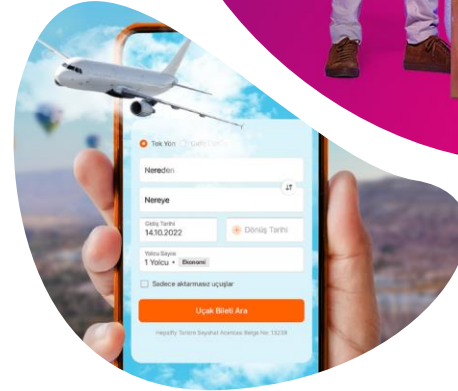
# Forward Looking Statements

This presentation, the conference call webcast, press release and related communications include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended and the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995, and encompasses all statements, other than statements of historical fact contained in these communications, including but not limited to statements regarding (a) Company's future results of operations and financial position; (b) our expectations regarding current and future GMV and EBITDA; (c) potential disruptions to our operations and supply chain that may result from (i) epidemics or natural disasters; (ii) global supply challenges; (iii) the ongoing conflict in Ukraine; (iv) changes in the competitive landscape in the industry in which the Company operates; (v) the rising inflationary environment and/or (vi) currency devaluation; (d) the anticipated launch of new initiatives, businesses or any other strategic projects; (e) our expectations and plans for short- and long-term strategy, including our anticipated areas of focus and investment, market expansion, product and technology focus, and projected growth and profitability; (f) our ability to respond to the ever-changing competitive landscape in the industry in which we operate; (g) our liquidity, substantial indebtedness, and ability to obtain additional financing; (h) our strategic goals and plans, including our relationships with existing customers, suppliers, merchants and partners, and our ability to achieve and maintain them; (i) outcomes resulting from pending litigation and investigations; (j) expectations regarding our future performance based on our ability to attract more customers to our platform in a cost effective manner, to increase frequency of our customers on our platform, to add more merchants to our platform, to expanding our selection of products and services, to scale our new strategic assets and leverage logistics and technology as business enablers; (k) regulatory changes in the e-commerce law and (l) the outcome of the general elections in Türkiye. These forward-looking statements can be identified by terminology such as "may", "could", "will", "expects," "anticipates," "aims," "future," "intends," "plans," "believes," "estimates," "seek", "targets", "likely to" and similar statements. Among other things, quotations from management in this announcement, as well as our outlook and guidance, strategic and operational plans, contain forward-looking statements.

These forward-looking statements are based on management's current expectations. However, it is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. These statements are neither promises nor guarantees but involve known and unknown risks, uncertainties and other important factors and circumstances that may cause Hepsiburada's actual results, performance or achievements to be materially different from its expectations expressed or implied by the forward-looking statements, including conditions in the U.S. capital markets, negative global economic conditions, potential negative developments resulting from epidemics or natural disasters, other negative developments in Hepsiburada's business or unfavorable legislative or regulatory developments. We caution you therefore against relying on these forward-looking statements, and we qualify all of our forward-looking statements by these cautionary statements. For a discussion of additional factors that may affect the outcome of such forward looking statements, see our 2021 annual report filed with the U.S. Securities and Exchange Commission ("SEC") on Form 20-F (File No.001-40553), and in particular the "Risk Factors" section, as well as the other documents filed with or furnished to the SEC by the Company from time to time. Copies of these filings are available online from the SEC at [www.sec.gov](http://www.sec.gov), or on the SEC Filings section of our Investor Relations website at <https://investors.hepsiburada.com>. These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation. Any such forward-looking statements represent management's estimates as of the date of this presentation. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this presentation. All forward-looking statements in this presentation are based on information currently available to the Company, and the Company and its authorized representatives assume no obligation to update these forward-looking statements in light of new information or future events. Accordingly, undue reliance should not be placed upon the forward-looking statements.

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## Business Update



# 2022: Year Ends With Solid Results

## IAS 29-Unadjusted GMV Growth

**81%** YoY  *Guidance exceeded*

**+3.8pp YoY real growth<sup>(1)</sup>**

## IAS 29-Unadjusted EBITDA as a % GMV

**-2.1%** in 2022  *Guidance exceeded*

**+4.4pp YoY improvement**

## IAS 29-Unadjusted EBITDA as a % GMV

**-0.04%** in Q4 2022

**nearly breakeven level for the quarter**

## Total Orders - Frequency

**80.4M**

**6.6**

 **50.4% YoY**

 **39.1% YoY**

## Market Leader in NPS<sup>(2)</sup>

**74** in 2022

**through logistics services and affordability solutions**

## HB Premium Program<sup>(3)</sup>

**615K members**

**in 5 months<sup>(3)</sup>**

See "Certain Definitions" in the Appendix of this presentation for IAS 29-Unadjusted GMV, IAS 29-Unadjusted EBITDA, Number of Orders and Frequency definitions. Revenue increased by 6.8% in 2022 compared to 2021 to TRY 16,069.4 million.

Net loss is TRY 2,899.8 million for 2022 and TRY 546.1 million for Q4 2022. IAS 29-Unadjusted EBITDA is a non-IFRS measure. For reconciliation to the most comparable IFRS measure, please refer to the Appendix at the end of this presentation.

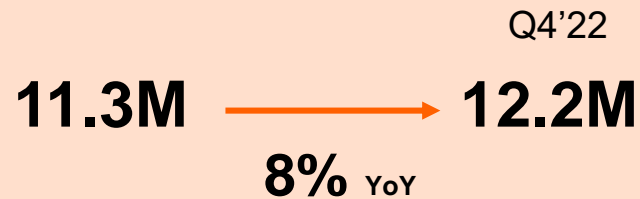
(1): Growth rate of GMV adjusted for inflation in FY'22 compared to FY'21.

(2): According to the market research of FutureBright at the request of the Company.

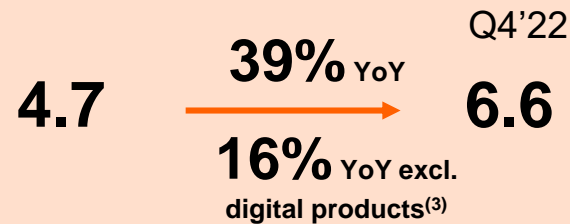
(3): As of December 31, 2022.

# Strong Value Proposition Increasing Customer Base and Frequency

## Active Customers<sup>(1)</sup>



## Frequency<sup>(2)</sup>



## Solid Value Proposition for Customers

### Super Convenience with Delivery Services

- ~83% of 1P orders delivered by HJ arrived next day<sup>(4)</sup>
- ~56% of total returns picked-up at customers' address by HJ<sup>(5)</sup>

### Diverse Affordability Solutions

- Wallet redesigned and re-launched with new features
- First in-house BNPL solution in e-commerce used by +150K<sup>(6)</sup>
- Pay later campaigns with banks

### Enhanced Loyalty Solutions

- HB Premium Program reached 615K members<sup>(6)</sup>
- Higher engagement, higher frequency

### Depth and breadth in selection

- Hybrid 1P – 3P model with ~ 164M SKUs
- Digital products such as sweepstakes and gamified lotteries



NOTE: Growth figures are between Q4 2022 and Q4 2021 unless otherwise indicated. The year-over-year growth rates are calculated over full digit value. All other figures in single digits are rounded to the nearest digit.

(1): Active Customers are users (both unregistered users and members) who purchased an item within the 12-month period preceding the relevant date, including returns and cancellations.

(2): Frequency means the average number of orders per Active Customer over a 12-month period preceding the relevant date.

(3): Digital products include gamification tools which include sweepstakes, gamified lotteries, scratch cards as well as the first monthly payment of the Hepsiburada premium membership subscription.

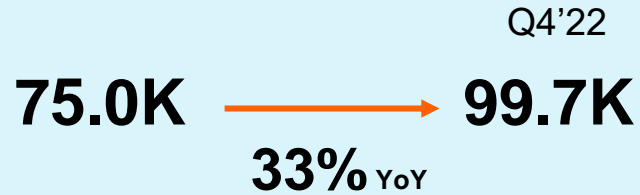
(4): Denotes the full year for 2022 and for the orders from retail operations (1P). Calculated from acceptance of parcel by Hepsijet to delivery. 2021 was at 79%.

(5): The figure is for 2022.

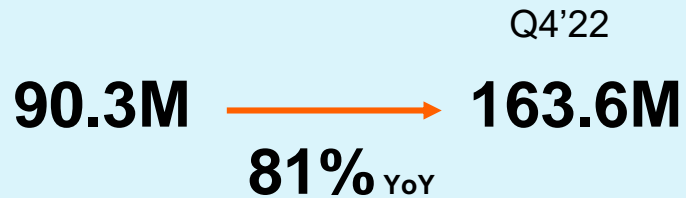
(6): As of end of 2022.

# Solid Merchant Growth Through Comprehensive Services

## Active Merchants<sup>(1)</sup>



## Selection<sup>(2)</sup>



## End-to-End Solutions Partner for Merchants

### Logistics services

- ~60% of total 3P volume delivered by HJ in 2022<sup>(3)</sup>
- ~40% of oversized products in 3P delivered by HJ XL in Q4'22<sup>(4)</sup>
- 7 DCs<sup>(5)</sup> providing fulfillment services to 751 companies<sup>(6)</sup>

### Advertising solutions

- Focus on building advertising product capabilities

### Financing solutions

- Merchant financing in collaboration with banks

User-friendly merchant app for convenience: [hepsiburada işOrtağım](#)

- App mainly used for self-managed campaigns, order tracking and accounting tools in 2022

hepsiJET

hepsiJET  
XL

hepsilojistik

hepsiAd

# Our Core Priorities

1

Win via loyalty rather than reliance on one-timers and streamline marketing and promotions strategy



2

Clear differentiation with best-in class affordability solutions and high-quality service levels on our platform



3

Promote profitability through focus on core, growth in non-electronics and step change in operating expenses

4

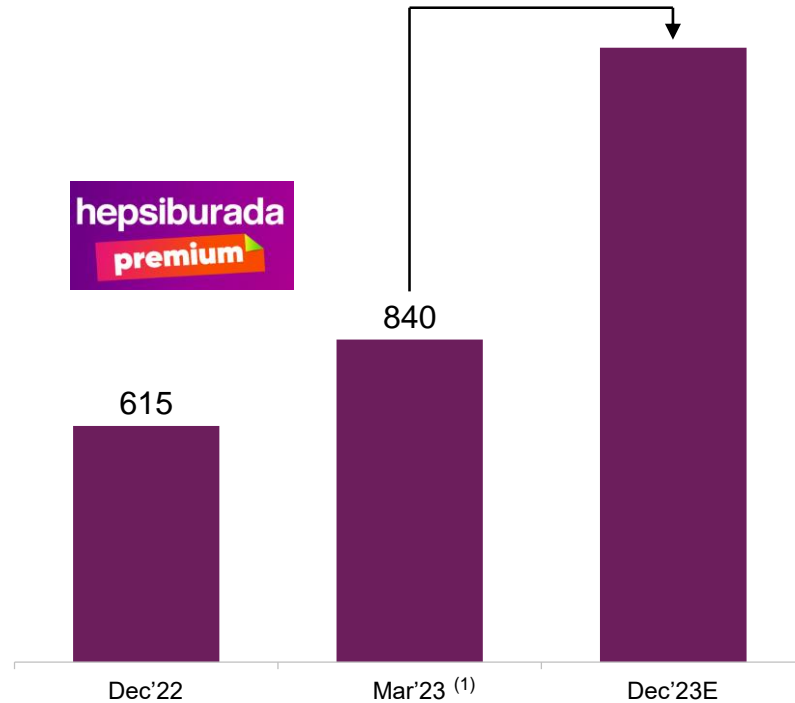
Offer best in class payment, lending & last mile services to other retailers (Win with online retail growth beyond marketplaces)





# 1 Win With Loyalty

## Hepsiburada Premium Members



✓ Reduce and optimize advertising spending, focusing on retention

✓ Hepsiburada Premium: A wide range of benefits including free delivery, cashback, free access to an on-demand streaming service

✓ Higher frequency post joining the program

## HB Premium Program – Order Frequency (Dec'22)<sup>(2)</sup>

Before  $\xrightarrow{1.7x}$  After

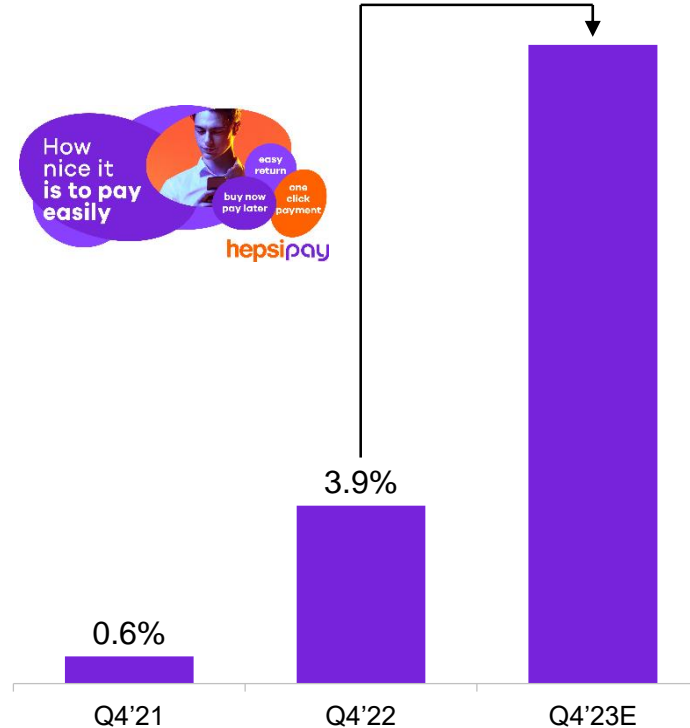


## 2 Clear Sustainable Strategic Differentiators

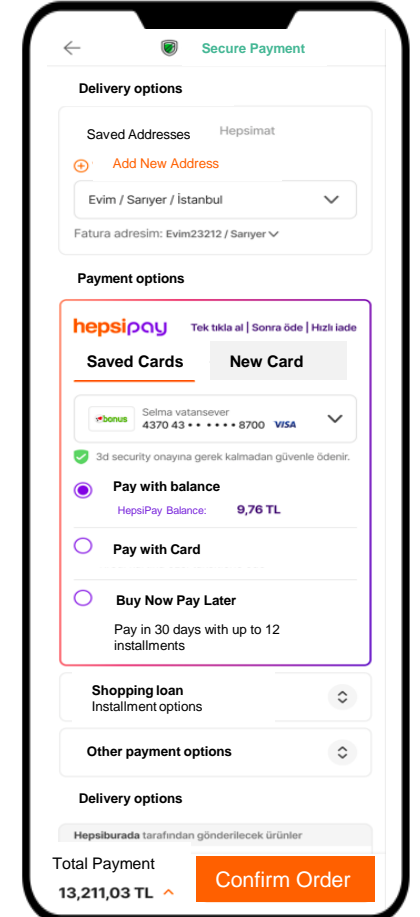
- ✓ Win with affordability solutions leveraging in-house fintech capabilities (only e-retailer with this license and first in market BNPL solution) as well as strong integration with banks
- ✓ Convenience through wide range of payment options

- ✓ Superior NPS thanks to HJet (standard and XL) strong service levels

Affordability Solutions GMV Penetration<sup>(1)</sup>

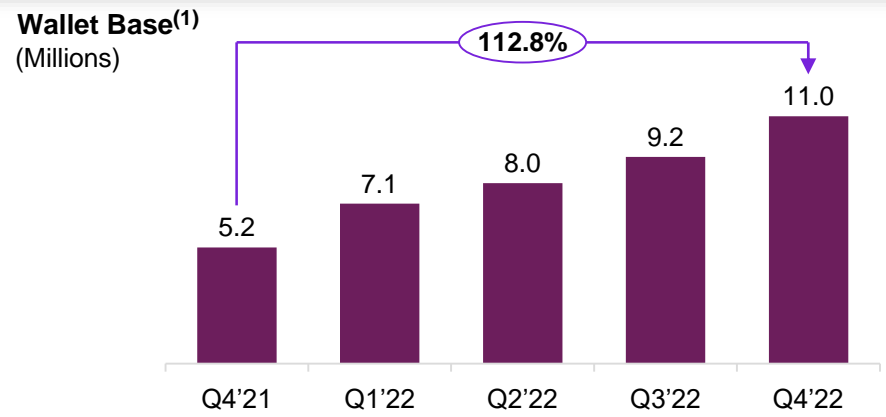


Multiple Payment Options



# 2 Competitive Edge In Affordability Solutions Through Hepsipay

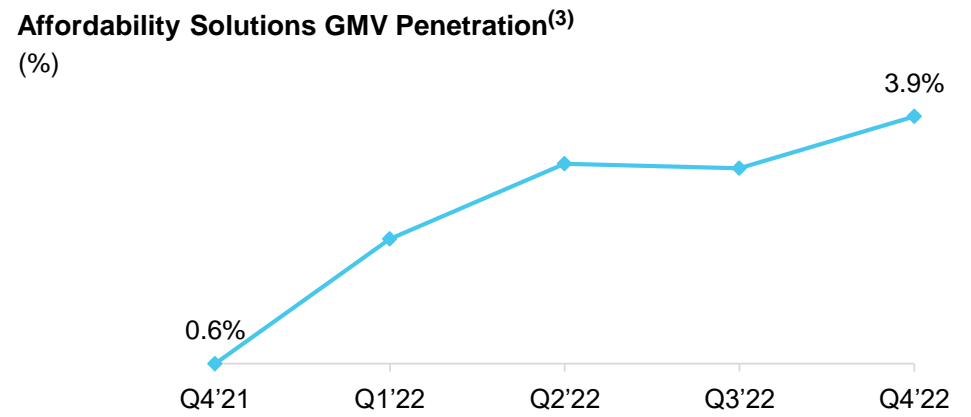
## Hepsipay Wallet



## Penetration as a % of GMV<sup>(2)</sup>

**84%** in Q4'22  
Hepsipay Clients  
**+18pp YoY**

## Affordability Solutions



## BNPL

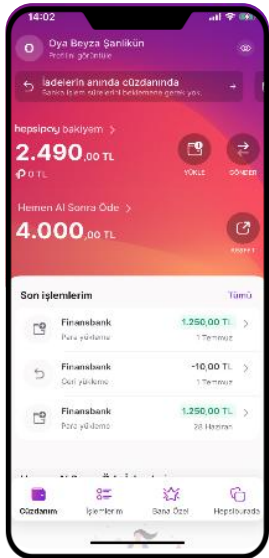
**First** in Turkish E-Commerce  
**150K+** used their BNPL limit as of Q4'22  
**189K** orders through our affordability solutions<sup>(4)</sup>

(1): 11.0 million represents those users who have opened their wallet account by giving required consent to Hepsipay.  
 (2): Percentage represents total payments by Hepsipay clients in GMV generated during the specified period. Includes payments through credit and debit card, BNPL, shopping loans and e-money accounts.  
 (3): Percentage represents total payments through BNPL and shopping loans in GMV generated during the specified period.  
 (4): Represents total number of orders where either BNPL or a shopping loan was used during Q4 2022.

# 2 Hepsipay En Route To Becoming A Leading Fintech Player

Addressable market, 2022

## Key Milestones in 2022



- **Wallet redesigned** and re-launched with new features, enhanced security and new top-up channels
- Progress towards **becoming a payment gateway** by consolidating payment options within a frictionless experience
- Enhanced **affordability offering** a first in market **BNPL solution**, improved UX in shopping loans and affordability solutions visibility across the buy journey

## Upcoming in 2023 and Beyond

### Enhancement of affordability solutions....

- In-house consumer finance solution (Hepsifinans)
- Improved customer value proposition with new shopping loan UX
- Consumer loan top-ups to wallet enhancing client payment capacity

TRY 873 bn<sup>(1)</sup>

### ...Moving beyond Hepsiburada

- 1-click check-out (Pay with Hepsipay) integrations with merchants to target online retail
- Launching QR payment and prepaid cards to target both physical and online retail
- Capturing a share of the acquiring market<sup>(4)</sup> with enhanced PSP infrastructure

TRY 499 bn<sup>(2)</sup>

TRY 3,708 bn<sup>(3)</sup>

TRY 499 bn<sup>(2)</sup>

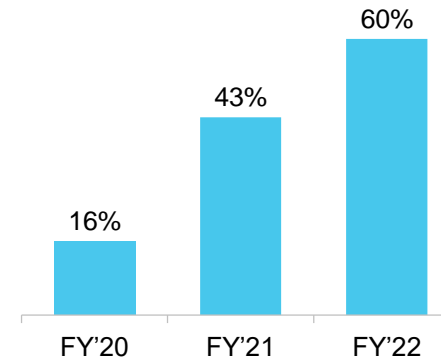
## Creating value in financial services

## 2 Superior NPS with HepsiJet Services

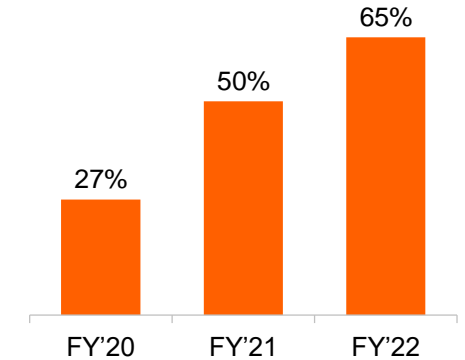
✓ Flexible delivery with options such as postpone delivery, change address while en route etc.

✓ Convenience with return-pick at customer's address

HJ - % Parcel Volume in 3P<sup>(1)</sup>



HJ - % Total Parcels Delivered<sup>(2)</sup>



HepsiJet NPS<sup>(3)</sup>

**87.9**  
in 2022

### 3 Promote profitability through a prioritized focus

- ✓ Increase share of non-electronics in GMV
- ✓ Optimization of HR through automation in processes
- ✓ Cut-back non-profitable businesses without path to profitability



## 4 Offer payment, lending & last mile services to other retailers

### hepsiJET

- ✓ High quality last-mile delivery with increased value added services and oversized cargo delivery (XL)
- ✓ Scale third-party business through targeting all e-commerce players

### hepsiPAY

- ✓ Convenient payment methods for retailers, better experience for their customers with 1-click check-out
- ✓ Diversified affordability and lending solutions

**Advantage of economies of scale**

**Improved operational efficiency**

**Increased market share  
in respective businesses**

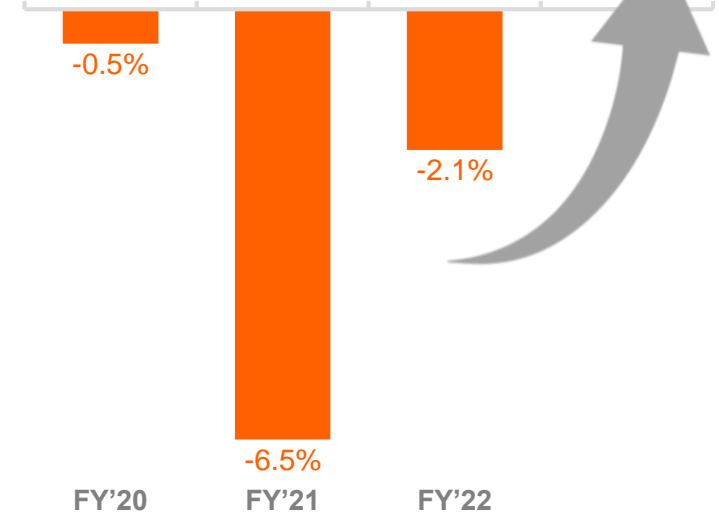
**Enabler of other e-commerce players  
in Türkiye**

# Path to Profitability Through Focusing On Our Priorities

## Building Blocks on Path to Profitability

1. Optimization of marketing and customer loyalty
2. Affordability and service on-Platform
3. Opex and Gross Contribution improvement
4. HepsiJet and HepsiPay off-Platform revenue

IAS29-Unadjusted  
EBITDA as a % of GMV

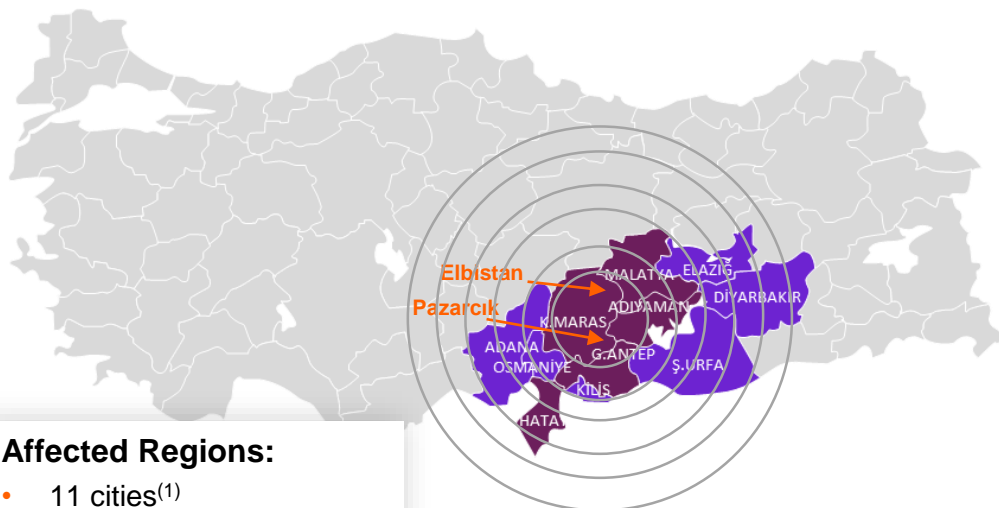






# Addressing the Disaster of 2023

## Earthquake Region



### Affected Regions:

- 11 cities<sup>(1)</sup>
- 14 mn population
- 16% of total population

### Hepsiburada's Regional Presence:

- 6.5K merchants out of 99.7K
- 8 cross-docks<sup>(1)</sup> out of 192

## Recovery Actions Taken by Hepsiburada

- **Immediate recovery actions**
  - Sale of aid goods, prepaid cards facilitating donations
  - Managing warehouses, logistics teams and mobilizing ~1,500 volunteer employees to support the region
  - Advanced our payments to merchants by one week
- **Hepsiburada is committed to long-term regional recovery**

### Trade & Technology Empowerment for the Earthquake Region 2-year Program

- to generate TRY 10 billion GMV in the region through support for 10K SMEs;
- supporting 5,000 women entrepreneurs and cooperatives; and
- establishing "E-commerce Specialization Centre"s in 3 cities in the region

## Impact on Q1 2023 Performance

- **Starting from February 6<sup>th</sup>**
  - Temporary decline in overall customer demand & orders received
  - Paused marketing communication, events and media advertising
- **Stabilization by mid-March**
  - Customer demand and orders almost back to pre-earthquake levels
  - Re-initiated communication in late Feb

# Q1 2023 Outlook

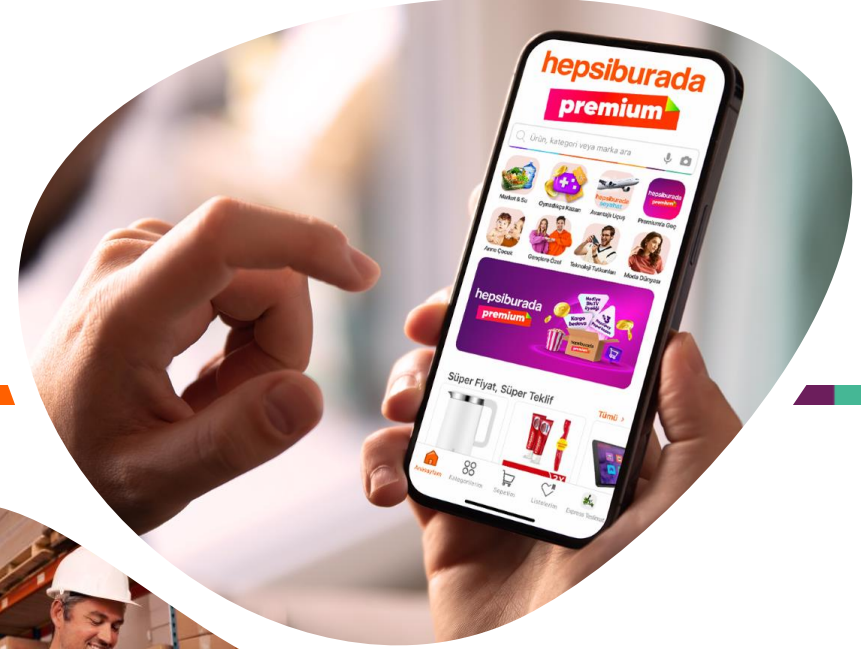
## Q1 2023

- Despite the impact of the earthquake disaster, we expect to deliver a quarterly breakeven EBITDA<sup>(1)</sup>
- ~70% GMV<sup>(1)</sup> growth compared to Q1 2022  
(expected to be above 12-month inflation rate of 55% as at February 2023)

*In 2023, we intend to remain focused on sustainable GMV growth and our path to profitability with a prudent approach to capital allocation.*

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## Financial Performance



# Q4 2022: Strong Performance Across All Key Metrics

IAS 29-Unadjusted GMV	IAS 29-Unadjusted Revenue	IAS 29-Unadjusted Gross Contribution	IAS 29-Unadjusted EBITDA
TRY 19.1Bn	TRY 5.4Bn	9.2% of GMV	-0.04% of GMV
104% YoY	97% YoY	+2.1 pp YoY	+8.0 pp YoY

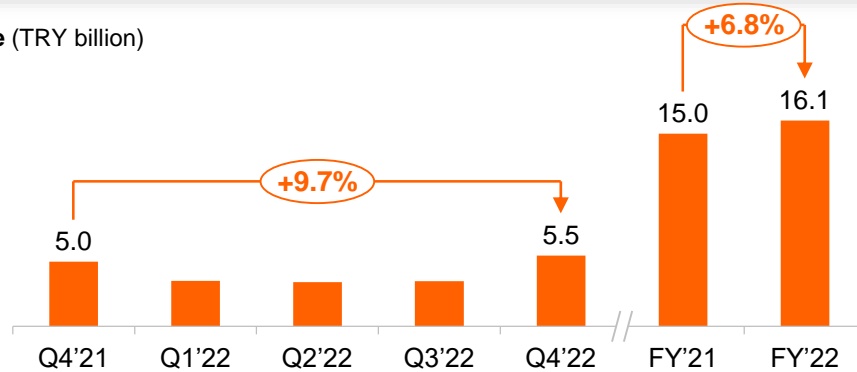
GMV	Revenue	Gross Contribution	EBITDA
TRY 19.4Bn	TRY 5.5Bn	7.8% of GMV	-1.3% of GMV
14% YoY	10% YoY	+2.5 pp YoY	+8.4 pp YoY

33.9Mn Orders with 95% YoY Growth

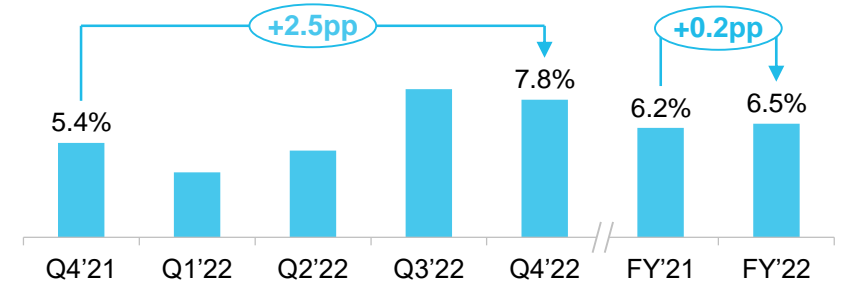
# Path to Profitability: Consistent Progress in Q4

Solid revenue growth with stable gross contribution margin in a rising inflationary environment and...

Revenue (TRY billion)

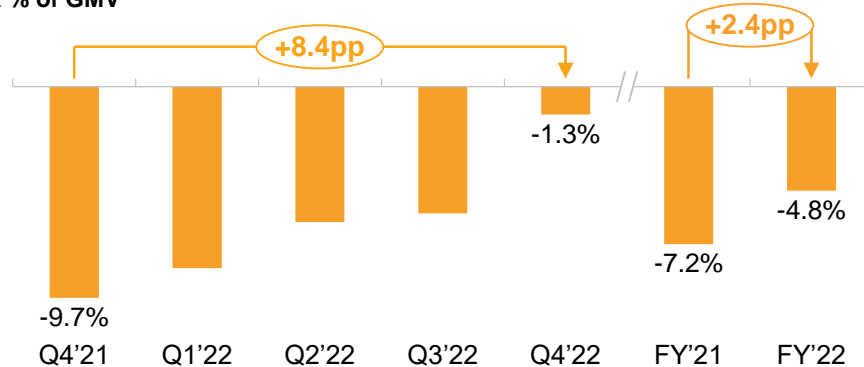


Gross Contribution % of GMV

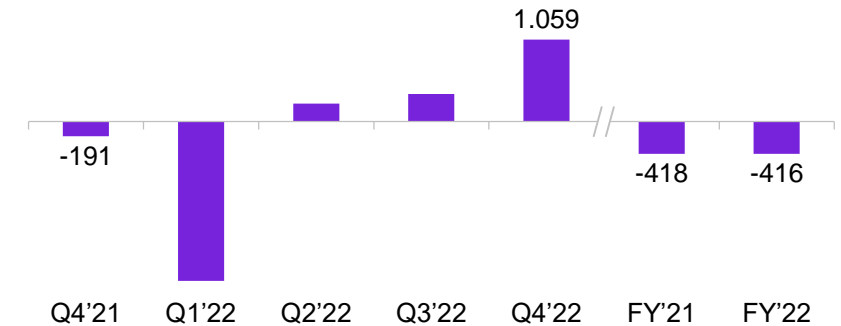


...significant improvement in EBITDA under disciplined cost management and higher cash generation, compensating for higher capex in 2022

EBITDA % of GMV

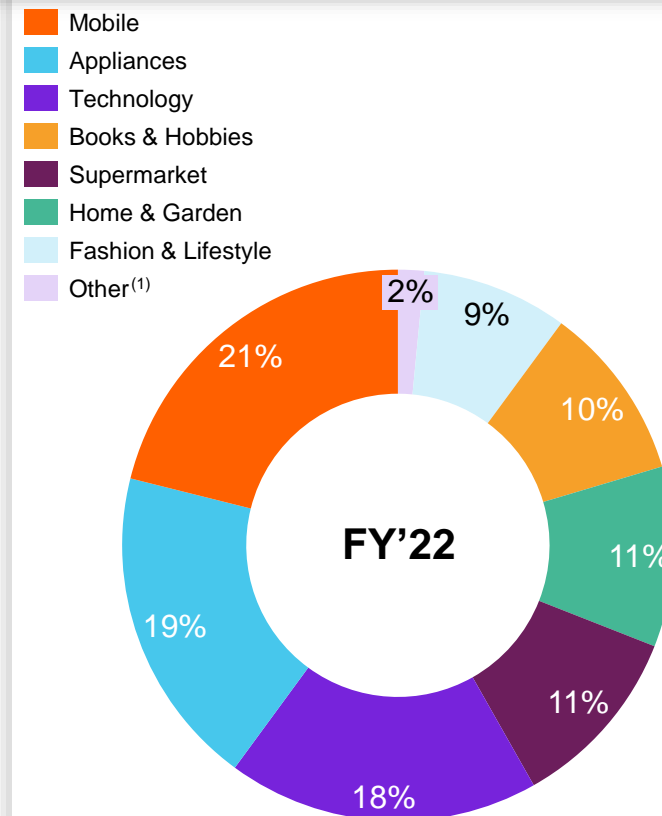
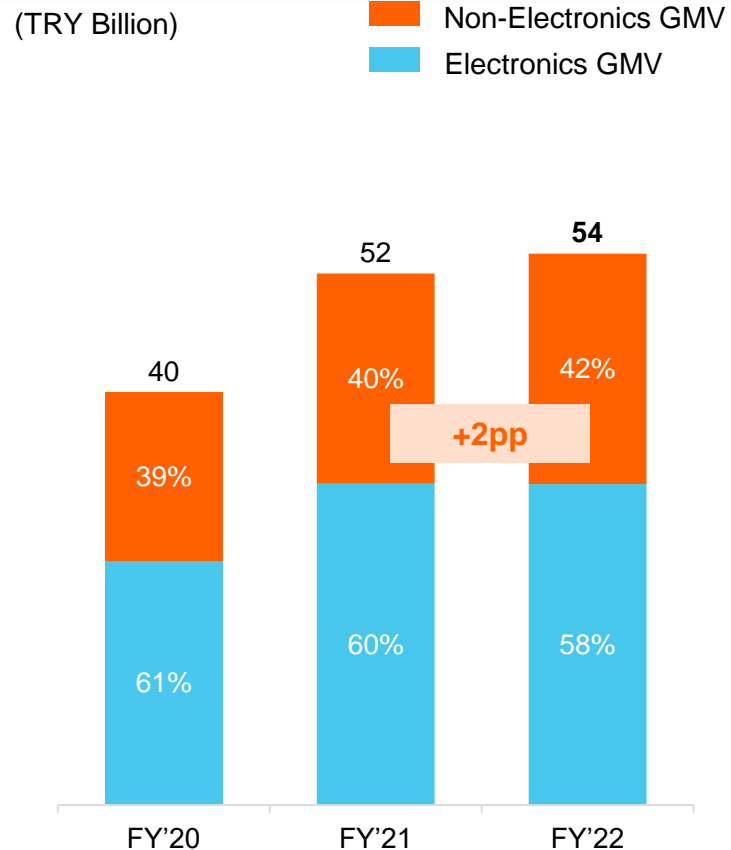
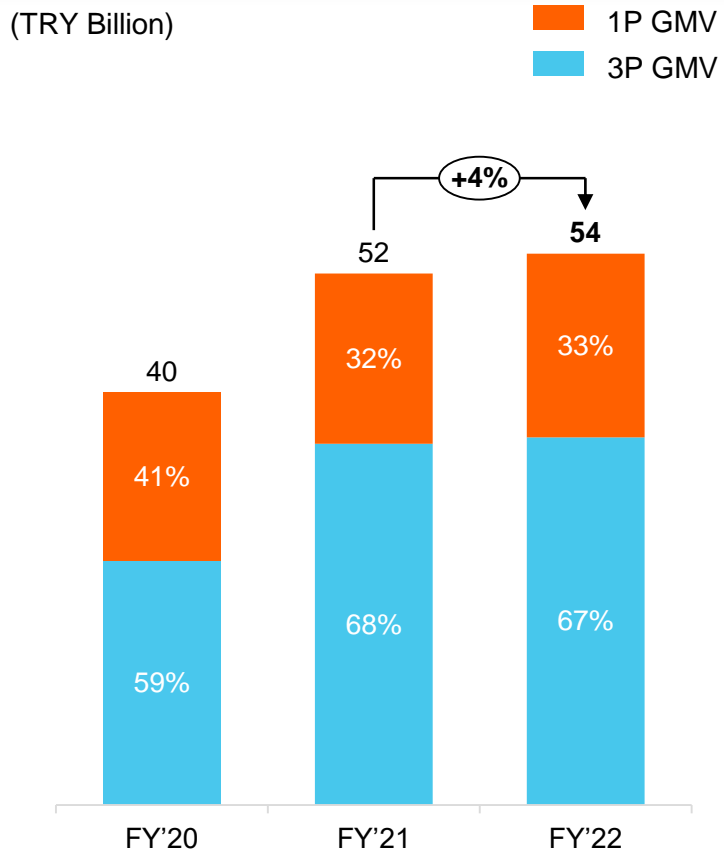


Free Cash Flow (TRY million)

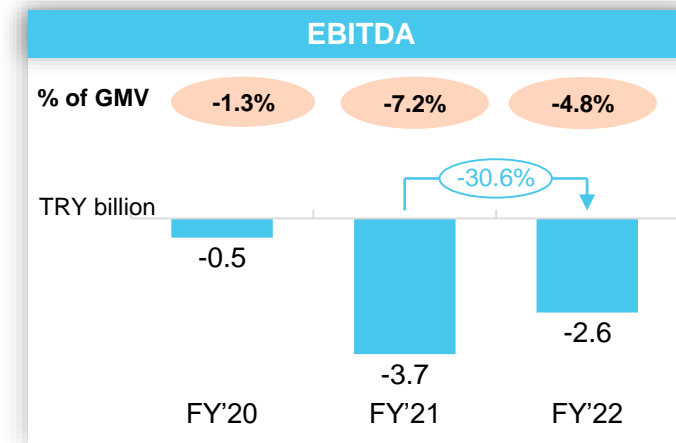
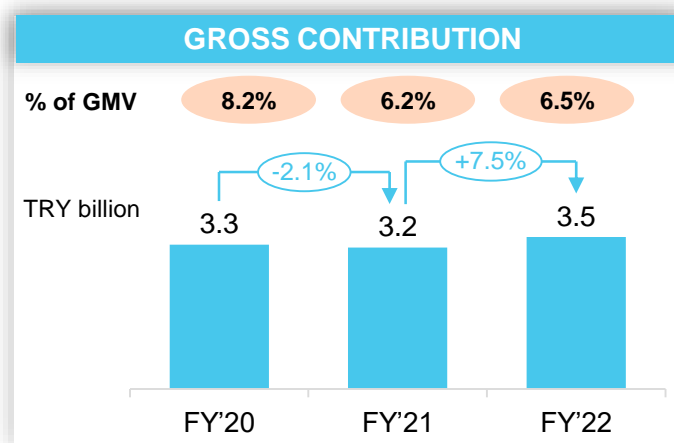
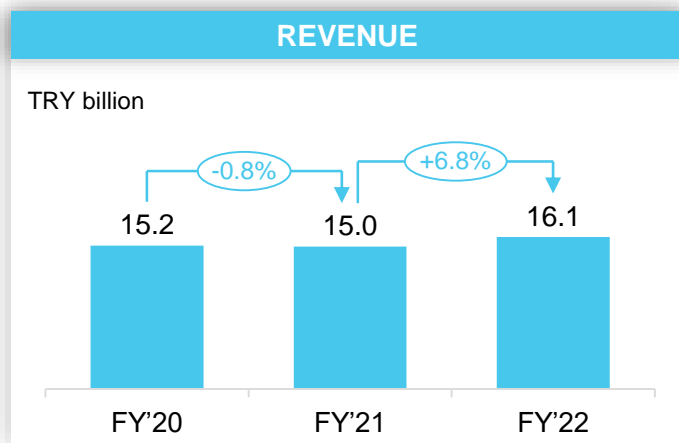
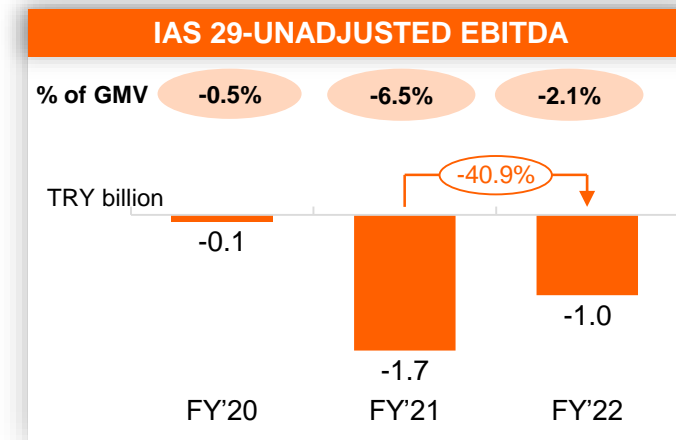
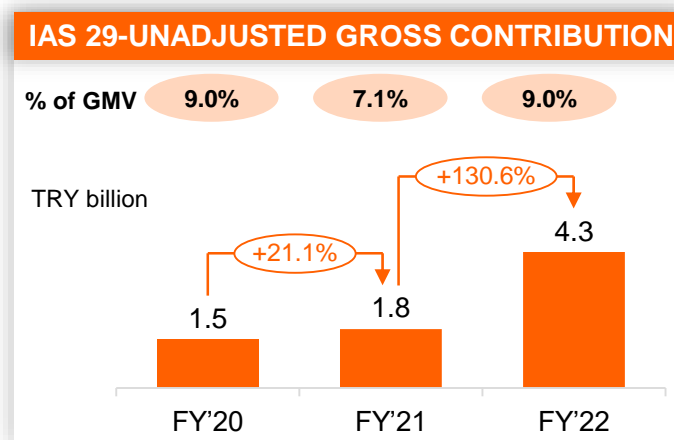
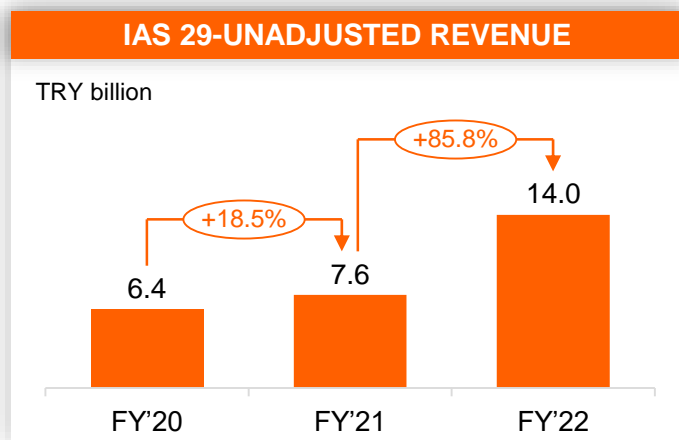


# FY 2022: Real Growth in GMV and Rise in Share of Non-Electronics

## GMV Breakdown



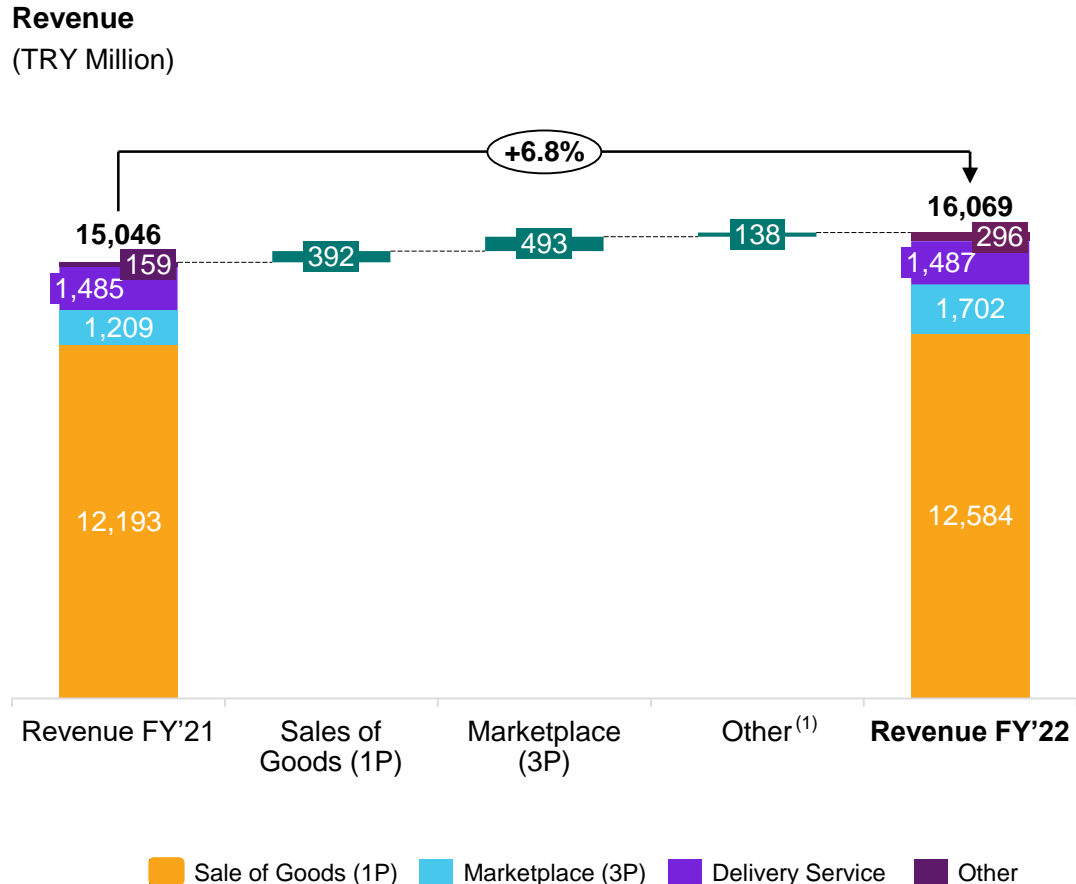
# FY 2022: Real Top-line Growth And Margin Improvement



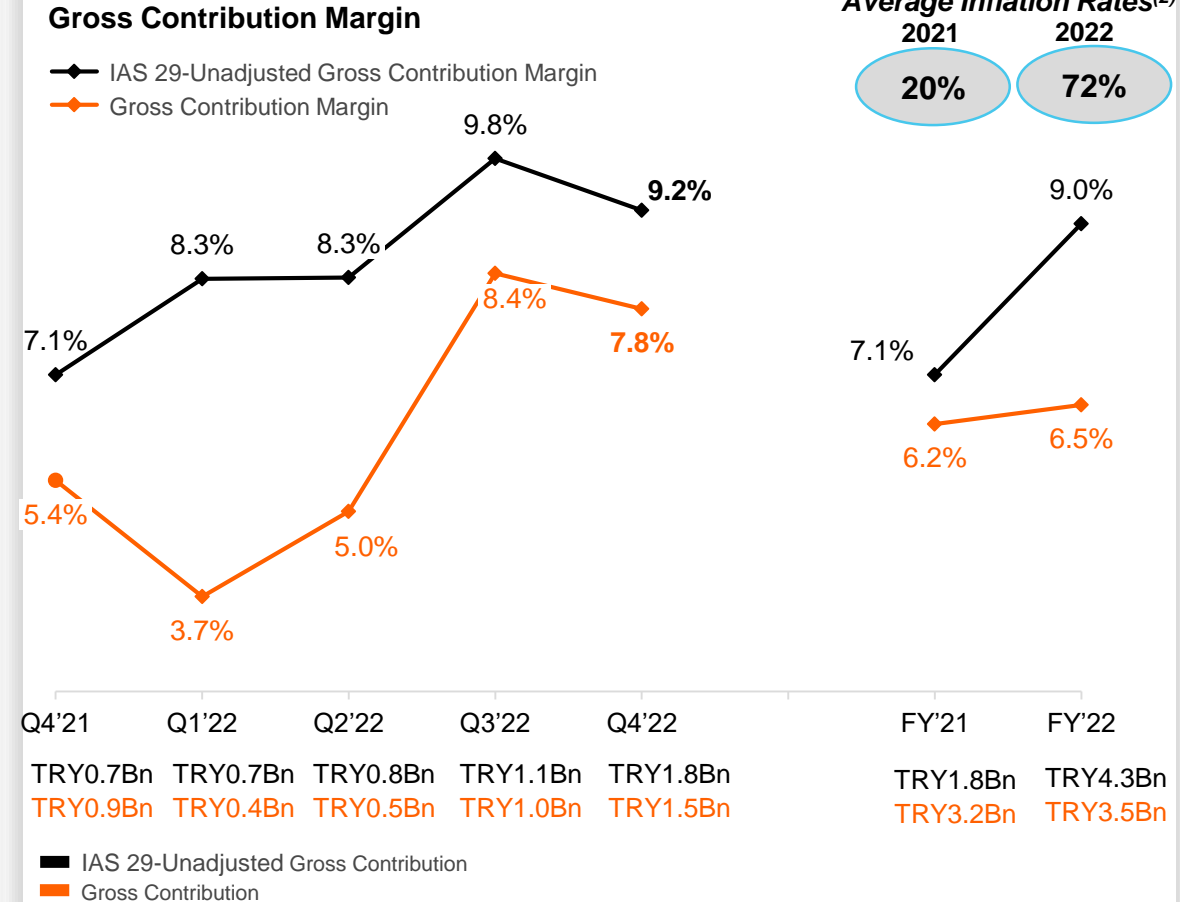
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# Defending Gross Contribution Margin In A High Inflationary Environment

## Revenue Breakdown and Bridge

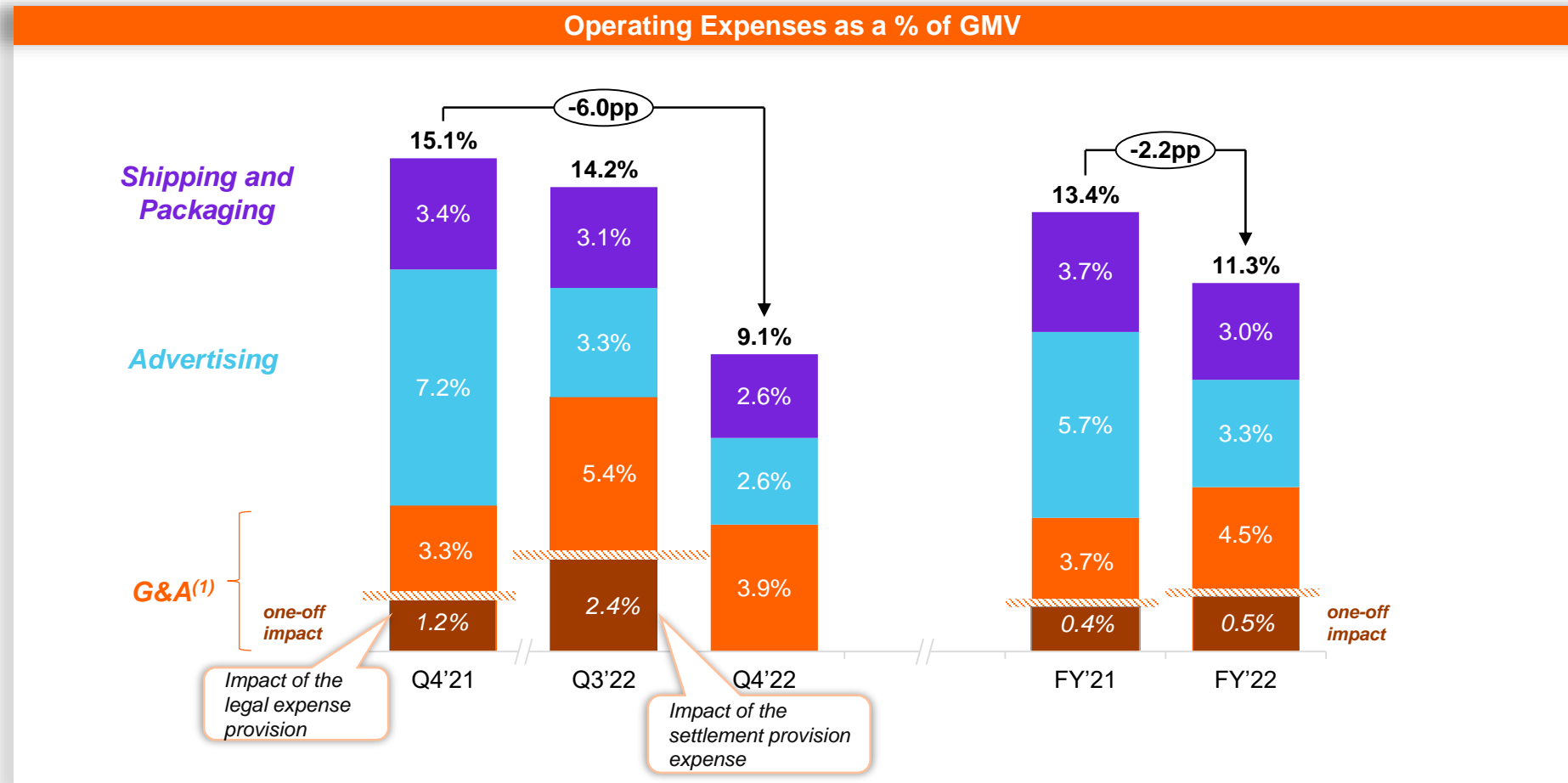


## Gross Contribution Performance





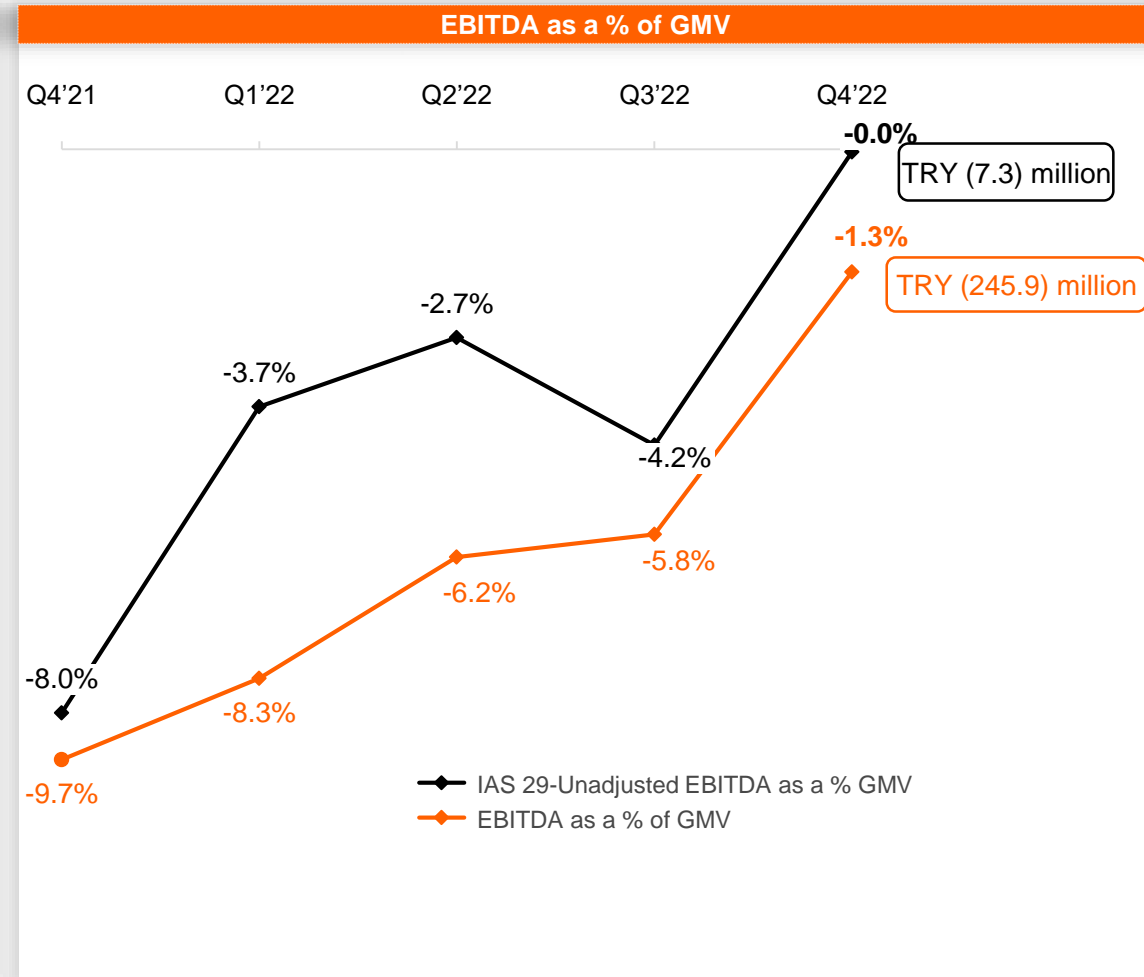
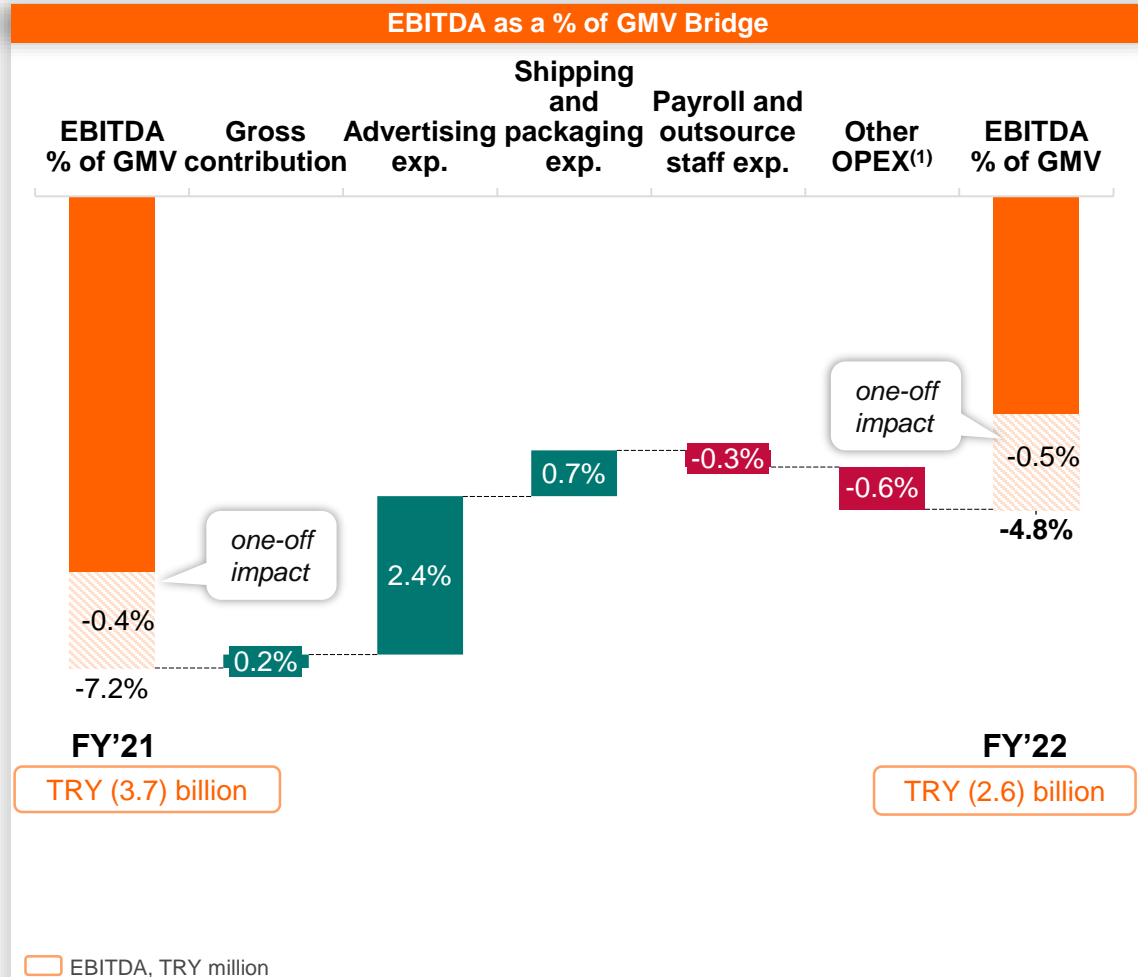
# Improvement in Operating Expenses



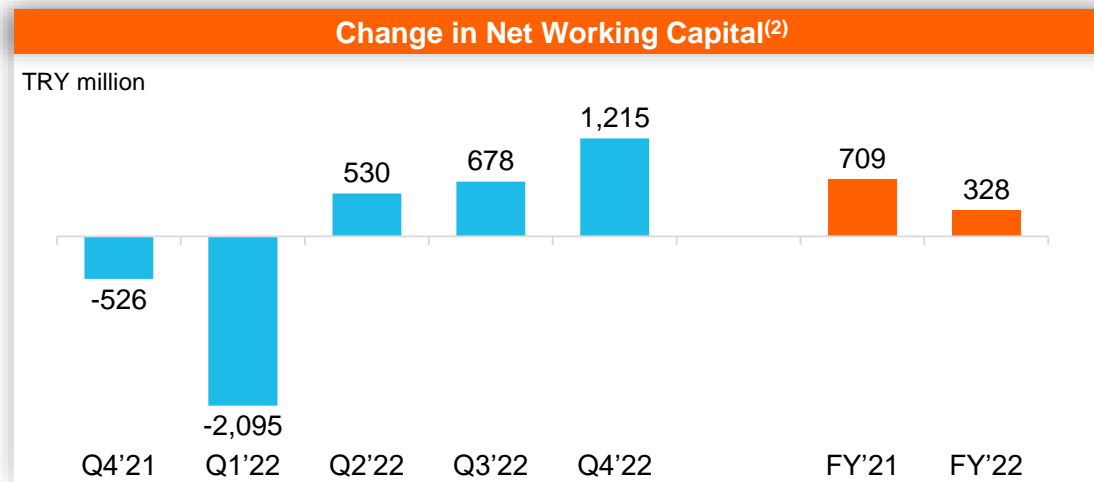
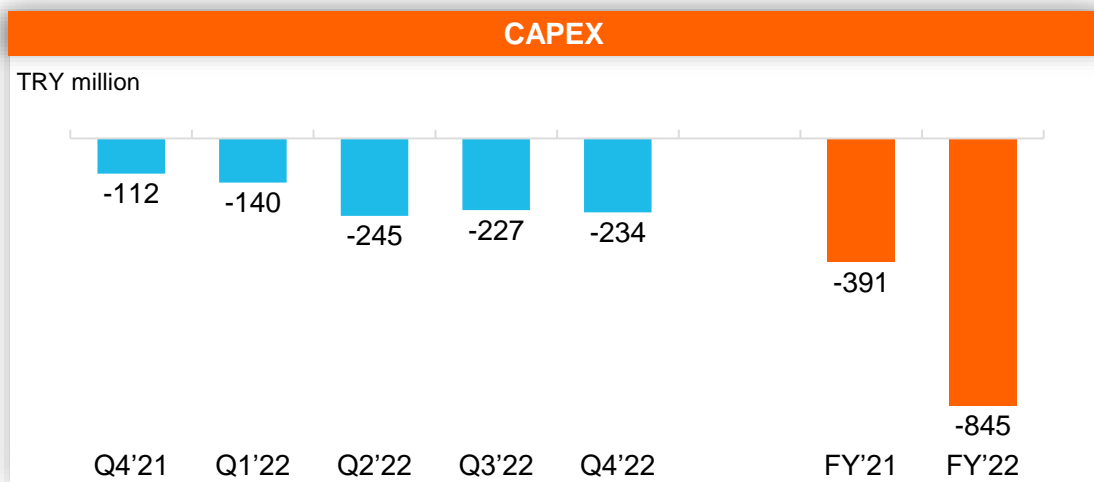
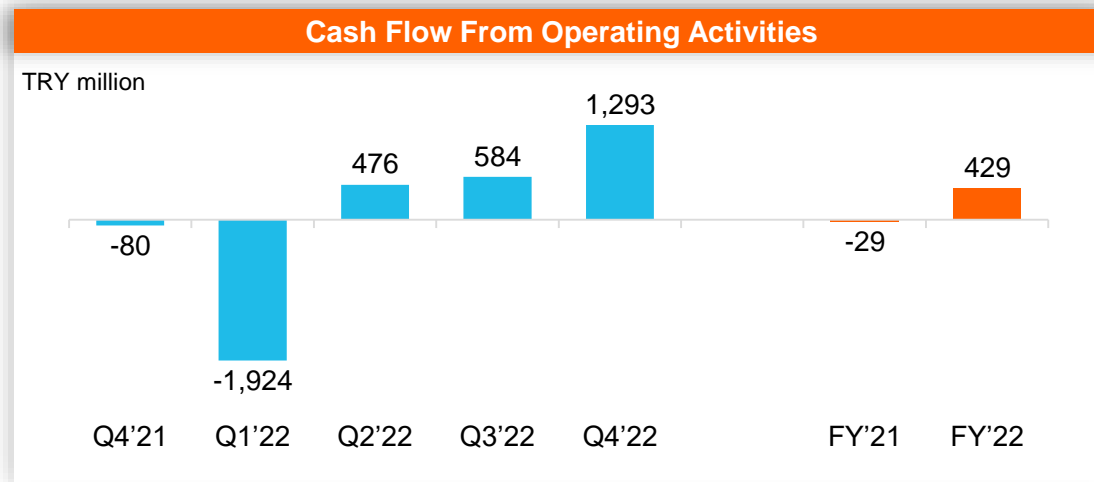
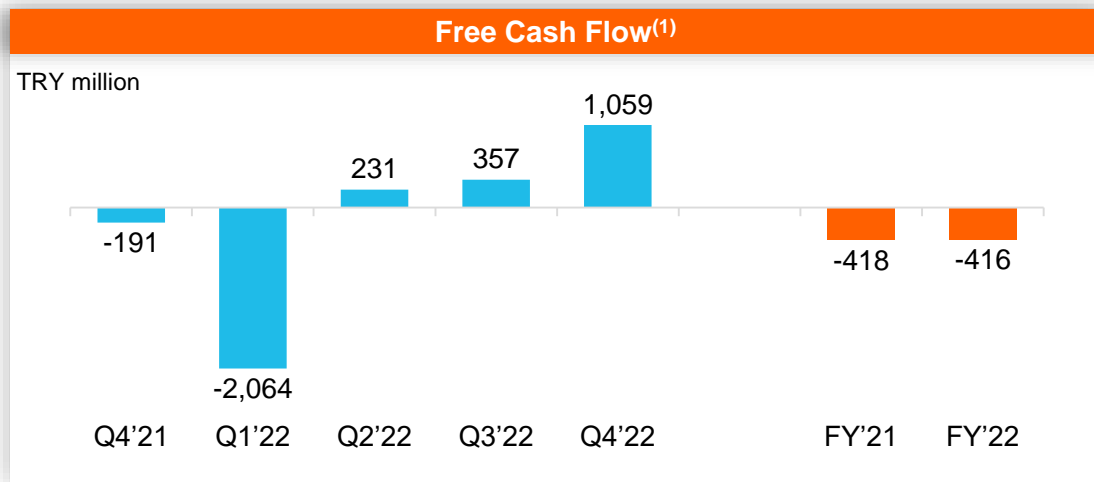
Note: Totals may differ due to rounding.

(1): Includes payroll and outsource staff expenses, technology expenses, other operating expenses. One-off item in Q4'21 includes the provision expense amounting to TRY 209.5 million for the Competition Authority investigation in 2021 as further disclosed in our 2021 annual report filed with SEC on Form 20-F. One-off item in Q3'22 and FY'22 includes the litigation settlement provision expense amounting to TRY 280.7 million as further disclosed in our Form 6-K furnished with the SEC on December 5, 2022.

# Continued Progress in EBITDA



# Free Cash Flow Flat in 2022 With Higher Cash Generation Compensating for Higher Capex



# hepsiburada

## Q&A



# hepsiburada

## Appendix

*Consolidated Financial Statements*

*Presentation of Financial  
and Other Information*



# Summary Financials

TRY million	(unaudited) Q4'22	(unaudited) Q4'21	Q4 YoY	(unaudited) FY'22	(unaudited) FY'21	FY YoY
<b>Revenue</b>	<b>5,535.2</b>	<b>5,044.7</b>	<b>9.7%</b>	<b>16,069.4</b>	<b>15,046.2</b>	<b>6.8%</b>
<b>Gross Contribution</b>	<b>1,521.4</b>	<b>918.5</b>	<b>65.6%</b>	<b>3,492.1</b>	<b>3,249.7</b>	<b>7.5%</b>
<i>Gross Contribution margin<sup>(1)</sup></i>	<i>7.8%</i>	<i>5.4%</i>	<i>2.5pp</i>	<i>6.5%</i>	<i>6.2%</i>	<i>0.2pp</i>
Operating Expenses <sup>(2)</sup> (Opex)	(5,959.6)	(6,813.3)	(12.5%)	(19,166.3)	(19,159.1)	0.1%
<i>Opex as a % of GMV</i>	<i>(30.7%)</i>	<i>(40.0%)</i>	<i>9.2pp</i>	<i>(35.5%)</i>	<i>(36.9%)</i>	<i>1.3pp</i>
<b>Net Loss for the Period</b>	<b>(546.1)</b>	<b>588.8</b>	<b>n.m.</b>	<b>(2,899.8)</b>	<b>(2,021.0)</b>	<b>43.5%</b>
<b>EBITDA<sup>(3)</sup></b>	<b>(245.9)</b>	<b>(1,650.1)</b>	<b>(85.1%)</b>	<b>(2,584.1)</b>	<b>(3,726.1)</b>	<b>(30.6%)</b>
<i>EBITDA as a % of GMV</i>	<i>(1.3%)</i>	<i>(9.7%)</i>	<i>8.4pp</i>	<i>(4.8%)</i>	<i>(7.2%)</i>	<i>2.4pp</i>

Amounts expressed in thousands of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022.

# Consolidated Statements of Comprehensive Loss

## Consolidated Statements of Comprehensive Loss

(Amounts expressed in thousands of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022 unless otherwise indicated.)

	Twelve Months Ended		Three Months Ended	
	unaudited	unaudited	unaudited	unaudited
	1 January - 31 December 2022	1 January - 31 December 2021	1 October - 31 December 2022	1 October - 31 December 2021
<b>Revenue</b>	<b>16,069,394</b>	<b>15,046,238</b>	<b>5,535,176</b>	<b>5,044,716</b>
Cost of inventory sold	(12,577,307)	(11,796,542)	(4,013,848)	(4,126,242)
Shipping and packaging expenses	(1,595,728)	(1,899,366)	(495,901)	(577,773)
Payroll and outsource staff expenses	(1,807,797)	(1,587,567)	(590,512)	(477,317)
Advertising expenses	(1,765,278)	(2,950,767)	(513,178)	(1,227,288)
Technology expenses	(183,416)	(123,951)	(49,038)	(38,537)
Depreciation and amortization	(512,761)	(386,600)	(178,588)	(118,486)
Other operating expenses	(802,629)	(573,365)	(142,159)	(313,622)
Other operating income	78,654	159,211	23,570	65,952
<b>Operating loss</b>	<b>(3,096,868)</b>	<b>(4,112,709)</b>	<b>(424,478)</b>	<b>(1,768,597)</b>
Financial income	1,913,635	4,024,276	206,201	3,641,883
Financial expenses	(1,710,031)	(1,988,906)	(468,923)	(986,304)
Monetary (losses)/ gains	(6,550)	56,328	141,096	(298,224)
<b>Loss before income taxes</b>	<b>(2,899,814)</b>	<b>(2,021,011)</b>	<b>(546,104)</b>	<b>588,758</b>
Taxation on income	-	-	-	-
<b>(Loss)/ Income for the period</b>	<b>(2,899,814)</b>	<b>(2,021,011)</b>	<b>(546,104)</b>	<b>588,758</b>

Note: The quarterly and yearly information has not been audited or reviewed by the Company's auditors. The unaudited information for the year ended December 31, 2022 and December 31, 2021 are preliminary, based on the information available at this time and subject to changes in connection with the completion of the audit of the Company's financial statements for the years ended December 31, 2022 and December 31, 2021. As such, the Company's actual results and financial condition as reflected in the financial statements that will be included in the Company's Annual Report on Form 20-F for the year ended December 31, 2022 may be adjusted or presented differently from the financial information herein and the variations could be material. The unaudited consolidated financial statements include the accounts of the Company and its subsidiaries. All periods presented have been accounted for in conformity with International Financial Reporting Standards ("IFRS") and pursuant to the regulations of the SEC.

Consolidated Statement of Comprehensive Loss for the year ended 2021 has not yet been audited for the implementation of IAS 29. Audited figures may differ.

# Consolidated Balance Sheets

## Consolidated Balance Sheets

(Amounts expressed in thousands of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022 unless otherwise indicated.)

	unaudited	unaudited <sup>(1)</sup>
	31 December 2022	31 December 2021
<b>Assets:</b>		
Cash and cash equivalents	5,266,008	6,264,371
Restricted cash	107,427	65,704
Financial investments	17,557	1,902,328
Trade receivables	664,221	369,100
Due from related parties	1,718	3,588
Loan receivables	3,514	0
Inventories	1,788,247	2,876,246
Contract assets	15,348	12,076
Other current assets	514,110	329,377
<b>Total current assets</b>	<b>8,378,150</b>	<b>11,822,790</b>
Property and equipment	337,990	223,945
Intangible assets	845,813	405,391
Right of use assets	438,542	432,313
Loan receivables	3,858	0
Other non-current assets	63,018	502,257
<b>Total non-current assets</b>	<b>1,689,221</b>	<b>1,563,906</b>
<b>Total assets</b>	<b>10,067,371</b>	<b>13,386,696</b>
<b>Liabilities:</b>		
Bank borrowings	13,049	317,343
Lease liabilities	157,414	179,563
Wallet deposits	113,493	67,226
Trade payables and payables to merchants	5,886,538	6,672,876
Due to related parties	5,579	14,861
Provisions	371,280	217,529
Employee benefit obligations	164,733	116,186
Contract liabilities and merchant advances	638,556	360,146
Other current liabilities	380,029	271,961
<b>Total current liabilities</b>	<b>7,730,671</b>	<b>8,217,691</b>
Bank borrowings	10,924	0
Lease liabilities	104,953	167,456
Employee benefit obligations	16,457	8,702
Due to related parties	0	0
Other non-current liabilities	146,597	180,829
<b>Total non-current liabilities</b>	<b>278,931</b>	<b>356,987</b>
<b>Total liabilities</b>	<b>8,009,602</b>	<b>8,574,678</b>
Share capital	302,635	302,635
Other capital reserves	329,913	170,364
Share premium	8,789,896	8,789,896
Accumulated deficit	(7,364,675)	(4,450,877)
<b>Total equity</b>	<b>2,057,769</b>	<b>4,812,018</b>
<b>Total equity and liabilities</b>	<b>10,067,371</b>	<b>13,386,696</b>

Note: The quarterly and yearly information has not been audited or reviewed by the Company's auditors. The unaudited information for the year ended December 31, 2022 and December 31, 2021 are preliminary, based on the information available at this time and subject to changes in connection with the completion of the audit of the Company's financial statements for the years ended December 31, 2022 and December 31, 2021. As such, the Company's actual results and financial condition as reflected in the financial statements that will be included in the Company's Annual Report on Form 20-F for the year ended December 31, 2022 may be adjusted or presented differently from the financial information herein and the variations could be material. The unaudited consolidated financial statements include the accounts of the Company and its subsidiaries. All periods presented have been accounted for in conformity with International Financial Reporting Standards ("IFRS") and pursuant to the regulations of the SEC.

(1): Consolidated balance sheet as at December 31, 2021 has not yet been audited for the implementation of IAS 29. Audited figures may differ.



# Consolidated Statements of Cash Flows

## Consolidated Statements of Cash Flows

(Amounts expressed in thousands of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022 unless otherwise indicated.)

	Unaudited 1 January - 31 December 2022	Unaudited 1 January - 31 December 2021
Loss before income taxes	(2,899,814)	(2,021,011)
<b>Adjustments to reconcile loss before income taxes to cash flows from operating activities:</b>	<b>3,000,318</b>	<b>1,283,736</b>
Interest and commission expenses	1,141,806	1,267,611
Depreciation and amortization	512,761	386,600
Interest income on time deposits	(201,147)	(83,627)
Interest income on credit sales	(125,574)	(67,212)
Provision for unused vacation liability	24,245	21,957
Provision for personnel bonus	137,938	73,559
Provision for legal cases	13,541	3,481
Provision for doubtful receivables	19,471	(6,657)
Provision for impairment of trade goods, net	(10,570)	6,722
Provision for post employment benefits	4,042	3,463
Provision for share based payment	159,549	170,364
Adjustment for impairment loss of financial investments	45,506	70,814
Provision for competition board penalty	(5,799)	209,484
Provision for settlement of legal precedings	280,660	
Net foreign exchange differences	(1,424,287)	(2,389,501)
Change in provisions due to inflation	(172,428)	(29,761)
Monetary effect on non-operating activities	2,600,604	1,646,439
<b>Changes in net working capital</b>		
Change in trade payables and payables to merchants	(787,039)	2,147,208
Change in inventories	1,098,569	(1,123,448)
Change in trade receivables	(285,199)	(13,704)
Change in contract liabilities and merchant advances	278,410	23,276
Change in contract assets	(3,272)	112,517
Change in other liabilities	(46,379)	227,780
Change in other assets and receivables	206,946	(641,958)
Change in due from related parties	1,870	4,030
Change in due to related parties	(25,416)	6,076
Post employment benefits paid	(4,908)	(6,074)
Payments for concluded litigation	(27,728)	(1,128)
Payments for personnel bonus	(74,807)	(29,332)
Payments for unused vacation liabilities	(2,802)	(4,770)
Collections of doubtful receivables	0	8,040
<b>Net cash provided by/ used in operating activities</b>	<b>428,749</b>	<b>(28,762)</b>
<b>Investing activities:</b>		
Purchases of property and equipment and intangible assets	(845,149)	(391,498)
Proceeds from sale of property and equipment	192	2,743
Purchase of financial instruments	(1,571,400)	(1,651,789)
Proceeds from sale of financial investment	3,195,140	0
Interest received on time deposits	196,114	82,426
Interest received on credit sales	125,574	67,212
Payment for acquired businesses, net of cash acquired	(4,384)	0
<b>Net cash used in investing activities</b>	<b>1,096,087</b>	<b>(1,890,906)</b>
<b>Financing activities:</b>		
Proceeds from borrowings	944,695	3,537,817
Repayment of borrowings	(1,168,333)	(3,866,246)
Interest and commission paid	(1,049,930)	(1,198,154)
Lease payments	(200,850)	(153,350)
Proceed from share capital and share premiums increase	0	8,263,758
<b>Net cash used in financing activities</b>	<b>(1,474,418)</b>	<b>6,583,825</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>50,418</b>	<b>4,664,157</b>
<b>Cash and cash equivalents at 1 January</b>	<b>6,262,950</b>	<b>1,323,982</b>
Inflation effect on cash and cash equivalents	(2,029,040)	(1,542,133)
Effects of exchange rate changes on cash and cash equivalents and restricted cash	975,473	1,816,944
<b>Cash and cash equivalents at 30 September</b>	<b>5,259,801</b>	<b>6,262,950</b>

# Non-IFRS Metrics Reconciliation (I/V)

## EBITDA

(TRY million)	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Net gain/(loss) for the period	(546.1)	588.8	(2,899.8)	(2,021.0)
Taxation on income	0.0	0.0	0.0	0.0
Financial income	206.2	3,641.9	1,913.6	4,024.3
Financial expenses	(469.0)	(986.3)	(1,710.0)	(1,988.9)
Depreciation and amortization	(178.6)	(118.5)	(512.8)	(386.6)
Monetary gain/(losses)	141.1	(298.2)	(6.5)	56.3
<b>EBITDA</b>	<b>(245.9)</b>	<b>(1,650.1)</b>	<b>(2,584.1)</b>	<b>(3,726.1)</b>

Amounts expressed in million of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022.

# Non-IFRS Metrics Reconciliation (II/V)

## EBITDA

(TRY million)	Three months ended December 31,					
	2022	Reversal of IAS 29 Adjustment	IAS 29 Unadjusted 2022	2021	Reversal of IAS 29 Adjustment	IAS 29 Unadjusted 2021
Net gain/(loss) for the period	(546.1)	(200.0)	(346.0)	588.8	(50.9)	639.7
Taxation on income	-	-	-	-	-	-
Financial income	206.2	2.4	203.8	3,641.9	1,671.3	1,970.6
Financial expenses	(469.0)	(9.6)	(459.3)	(986.3)	(451.3)	(535.0)
Depreciation and amortization	(178.6)	(95.4)	(83.2)	(118.5)	(73.7)	(44.8)
Monetary gain/(losses)	141.1	141.1	-	(298.2)	(298.2)	-
<b>IAS 29-Unadjusted EBITDA</b>			<b>(7.3)</b>			<b>(751.1)</b>

Amounts expressed in million of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022.

# Non-IFRS Metrics Reconciliation (III/V)

## EBITDA

(TRY million)	Twelve months ended December 31,					
	2022	Reversal of IAS 29 Adjustment	IAS 29-Unadjusted 2022	2021	Reversal of IAS 29 Adjustment	IAS 29-Unadjusted 2021
Net loss for the period	(2,899.8)	(1,682.8)	(1,217.0)	(2,021.0)	(1,320.9)	(700.1)
Taxation on income	-	-	-	-	-	-
Financial income	1,913.6	375.5	1,538.1	4,024.3	1,864.2	2,160.1
Financial expenses	(1,710.0)	(245.6)	(1,464.4)	(1,988.9)	(972.2)	(1,016.7)
Depreciation and amortization	(512.8)	(229.1)	(283.7)	(386.6)	(245.7)	(140.9)
Monetary gain/(losses)	(6.5)	(6.5)	-	56.3	56.3	-
<b>IAS 29-Unadjusted EBITDA</b>			<b>(1,007.0)</b>			<b>(1,702.6)</b>

Amounts expressed in million of Turkish lira (TRY) in terms of the purchasing power of the TRY at 31 December 2022.

# Non-IFRS Metrics Reconciliation (IV/V)

## REVENUE

(TRY million)	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Revenue	5,535.2	5,044.7	16,069.4	15,046.2
Reversal of IAS 29 adjustment	88.4	2,285.6	2,027.2	7,488.2
<b>IAS 29-Unadjusted Revenue</b>	<b>5,446.8</b>	<b>2,759.1</b>	<b>14,042.2</b>	<b>7,558.0</b>

## GROSS CONTRIBUTION

(TRY million)	Three months ended December 31,					
	2022	Reversal of IAS 29 Adjustment	IAS 29- Unadjusted 2022	2021	Reversal of IAS 29 Adjustment	IAS 29- Unadjusted 2021
Revenue	5,535.2	88.5	5,446.8	5,044.7	2,285.6	2,759.1
Cost of inventory sold	(4,013.8)	(320.8)	(3,693.0)	(4,126.2)	(2,028.2)	(2,098.0)
<b>IAS 29-Unadjusted Gross Contribution</b>			<b>1,753.8</b>			<b>661.1</b>

(TRY million)	Twelve months ended December 31,					
	2022	Reversal of IAS 29 Adjustment	IAS 29- Unadjusted 2022	2021	Reversal IAS 29 Adjustment	IAS 29- Unadjusted 2021
Revenue	16,069.4	2,027.2	14,042.2	15,046.2	7,488.2	7,558.0
Cost of inventory sold	(12,577.3)	(2,797.4)	(9,779.9)	(11,796.5)	(6,087.0)	(5,709.5)
<b>IAS 29-Unadjusted Gross Contribution</b>			<b>4,262.3</b>			<b>1,848.5</b>

# Non-IFRS Metrics Reconciliation (V/V)

## Free Cash Flow

(TRY million)	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Net cash provided by /(used in) operating activities	1,293.0	(80.4)	428.7	(28.8)
Capital expenditures	(233.6)	(112.0)	(845.1)	(391.5)
Proceeds from the sale of property and equipment	(0.0)	1.0	0.2	2.7
<b>Free Cash Flow</b>	<b>1,059.3</b>	<b>(191.4)</b>	<b>(416.2)</b>	<b>(417.5)</b>

## Net Working Capital

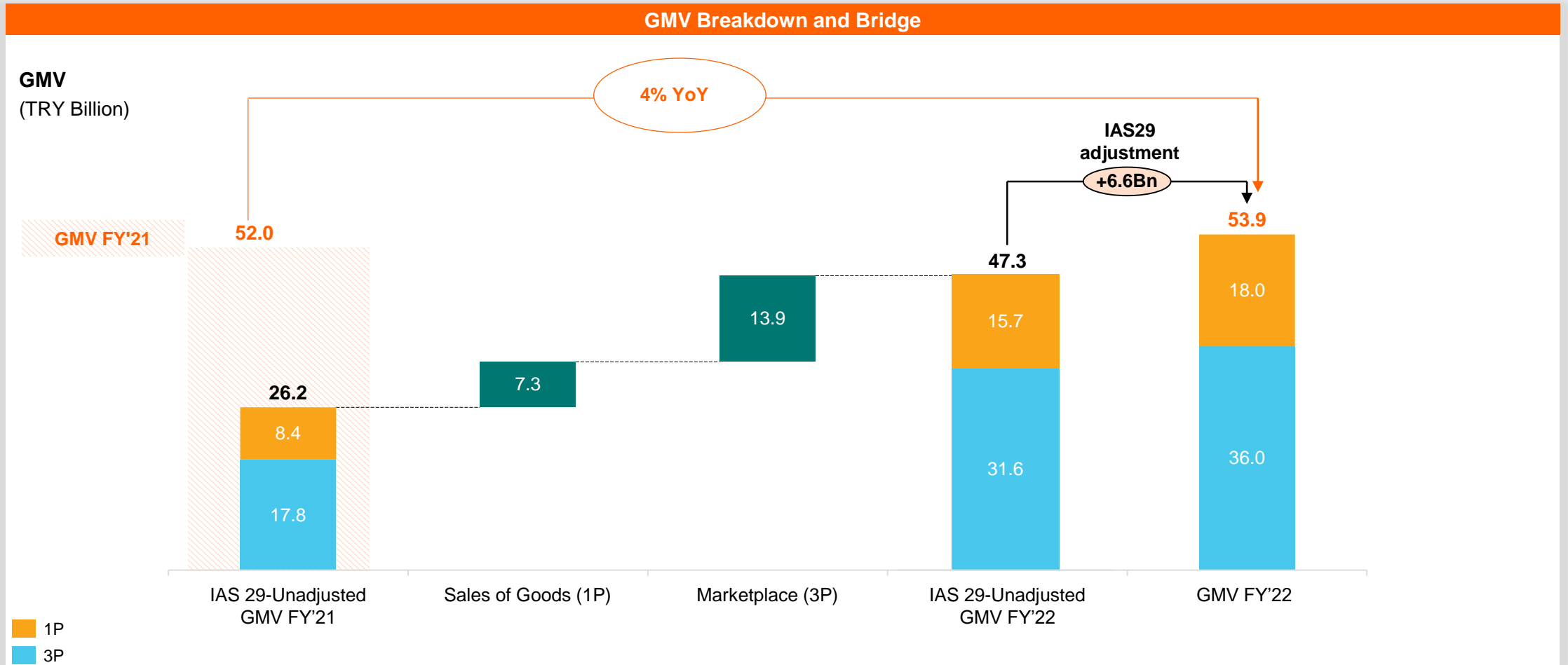
(TRY million)	As of December 31, 2022	As of December 31, 2021
Current assets	8,378.1	11,822.8
Cash and cash equivalents	(5,266.0)	(6,264.4)
Financial investments	(17.6)	(1,902.3)
Current liabilities	(7,730.7)	(8,217.7)
Bank borrowings, current	13.0	317.3
Lease liabilities, current	157.4	179.6
<b>Net Working Capital</b>	<b>(4,465.8)</b>	<b>(4,064.7)</b>

# Certain Definitions

We provide a number of key operating performance indicators used by our management and often used by competitors in our industry. We define certain terms used in this presentation as follows:

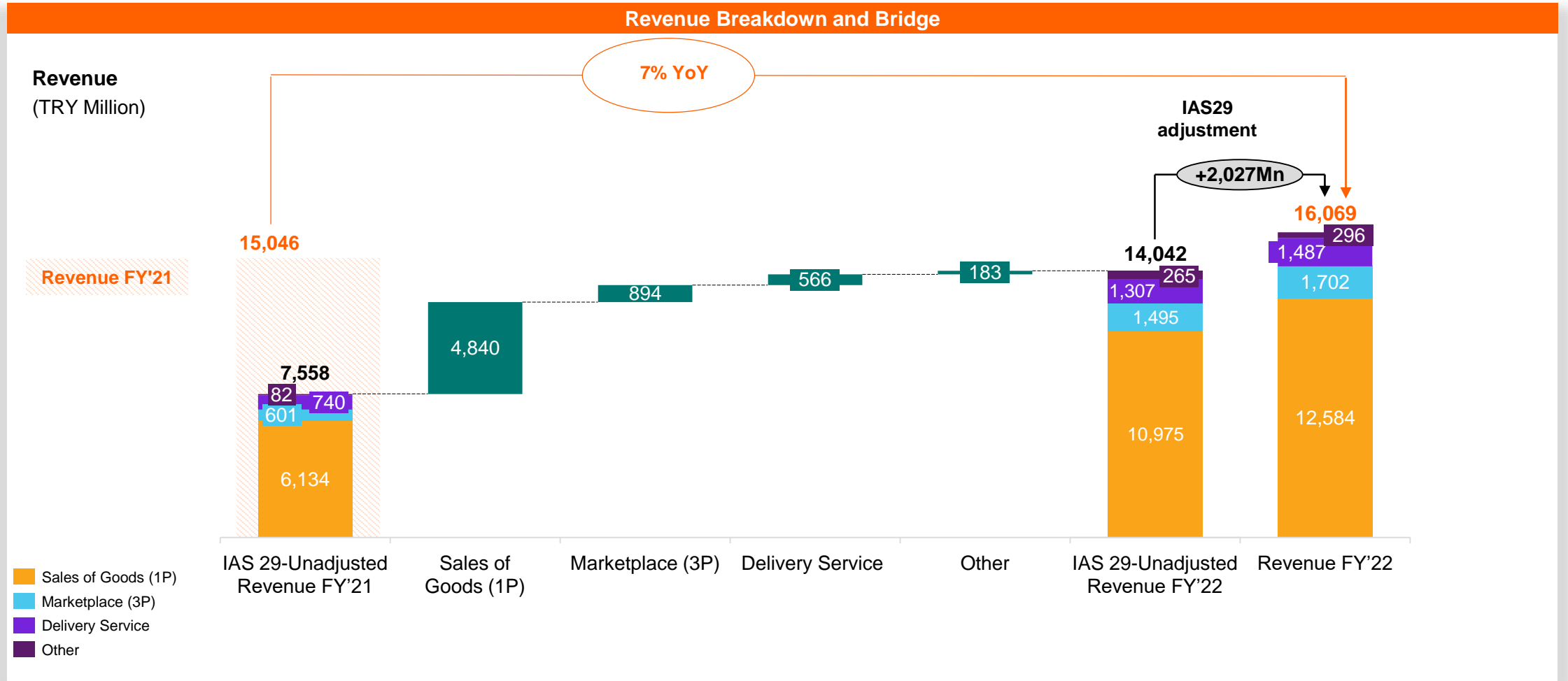
- **GMV** as gross merchandise value which refers to the total value of orders/products sold through our platform over a given period of time (including value added tax (“VAT”) without deducting returns and cancellations), including cargo income (shipping fees related to the products sold through our platform) and excluding other service revenues and transaction fees charged to our merchants;
- **Marketplace GMV** as total value of orders/products sold through our Marketplace over a given period of time (including VAT without deducting returns and cancellations), including cargo income (shipping fees related to the products sold through our platform) and excluding other service revenues and transaction fees charged to our merchants;
- **Share of Marketplace GMV** as the portion of GMV sold through our Marketplace represented as a percentage of our total GMV;
- **IAS 29-Unadjusted GMV** as GMV presented on an unadjusted for inflation basis;
- **IAS 29-Unadjusted Revenue** as Revenue presented on an unadjusted for inflation basis;
- **Gross Contribution** as revenues less cost of inventory sold;
- **IAS 29-Unadjusted Gross Contribution** as Gross Contribution presented on an unadjusted for inflation basis;
- **Gross Contribution margin** as Gross Contribution represented as a percentage of GMV;
- **EBITDA** as profit or loss for the period plus taxation on income less financial income plus financial expenses, plus depreciation and amortization plus monetary gains/losses;
- **IAS 29-Unadjusted EBITDA** as EBITDA presented on an unadjusted for inflation basis;
- **IAS 29-Unadjusted EBITDA as a percentage of GMV** as IAS 29-Unadjusted EBITDA represented as a percentage of IAS 29-Unadjusted GMV;
- **Free Cash Flow** as net cash provided by operating activities less capital expenditures plus proceeds from sale of property and equipment;
- **Number of Orders** as the number of orders we received through our platform including returns and cancellations;
- **Frequency** are to the average number of orders per Active Customer over a 12-month period preceding the relevant date;
- **Active Merchants** as merchants who sold at least one item within the 12-month period preceding the relevant date, including returns and cancellations; and
- **Active Customers** are users (both unregistered users and members) who purchased an item within the 12-month period preceding the relevant date, including returns and cancellations.

# GMV (FY'22)

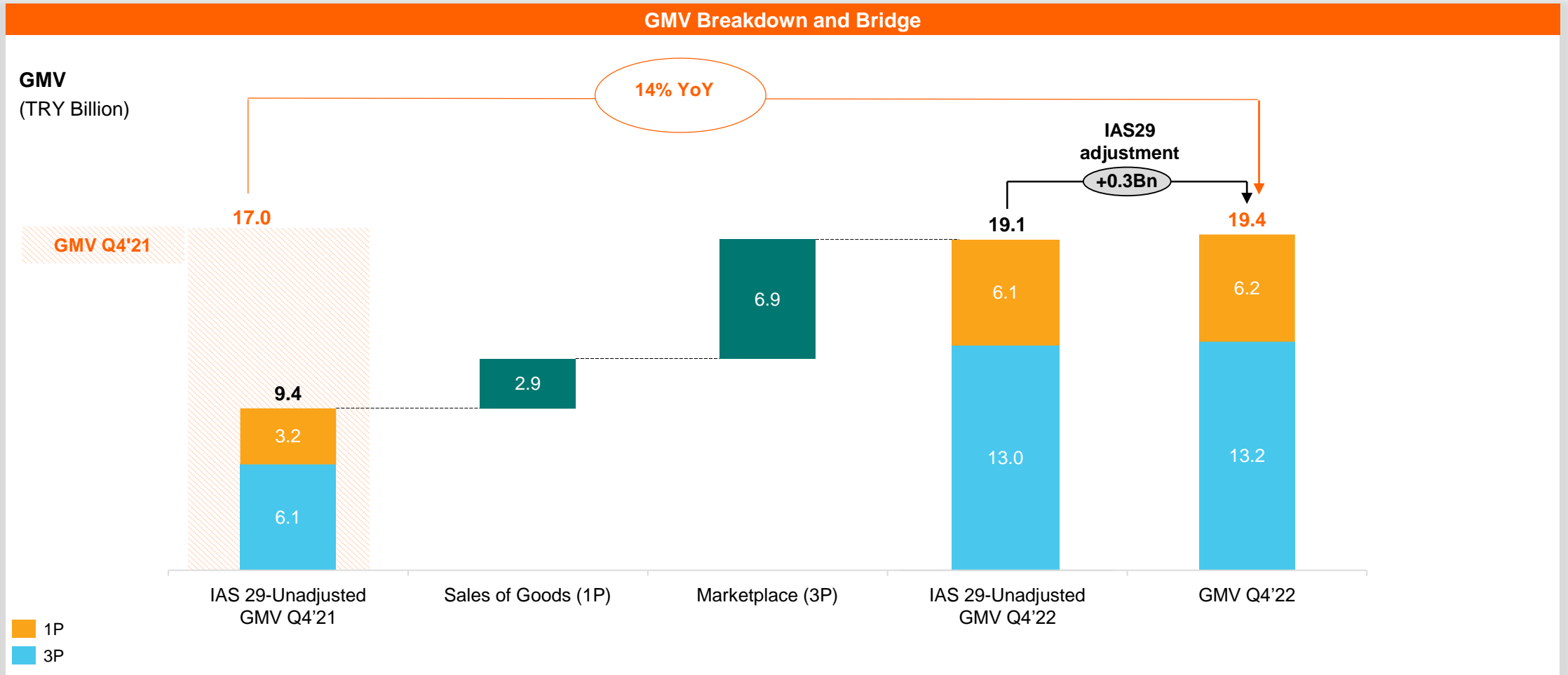




# Revenue (FY'22)



# GMV (Q4'22)



# Revenue (Q4'22)

