

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2025**

(ORIGINALLY ISSUED IN TURKISH)

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 31 MARCH 2025**

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LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

	Notes	31 March 2025	Audited 31 December 2024
ASSETS			
Current assets		1,726,557	4,672,770
Cash and cash equivalents	4	665,000	488,465
Financial investments	5	51,330	140,912
Trade receivables		686,413	1,322,912
- <i>Trade receivables from third parties</i>	8	684,203	1,322,912
- <i>Trade receivables from related parties</i>	30	2,210	-
Other receivables		515	310
- <i>Other receivables from third parties</i>	9	515	310
Inventories	10	11,991	15,916
Prepaid expenses	17	119,230	67,216
Other current assets	9	53,448	34,444
Sub total		1,587,927	2,070,175
Assets classified as held for sale	27	138,630	2,602,595
Non-current assets		4,103,787	3,324,967
Other receivables		1,499	1,698
- <i>Other receivables from related parties</i>	30	1,499	1,698
Financial investments	5	534,696	813,370
Investments valued using the equity method		1,041,909	-
Right-of-use assets	13	31,708	10,977
Property, plant and equipment	11	377,124	380,751
Intangible assets		2,083,645	2,032,045
- <i>Goodwill</i>	14	114,896	114,896
- <i>Other intangible assets</i>	12	1,968,749	1,917,149
Prepaid expenses	17	27,054	1,751
Deferred tax asset	28	3,966	81,969
Other non-current assets		2,186	2,406
Total assets		5,830,344	7,997,737

The accompanying consolidated financial statements were approved for issue by the Board of Directors on 07 May 2025 and signed on behalf of the Board of Directors by Buğra Koyuncu, Vice Chairman and Logo Group Chief Executive Officer, CEO and Gülnur Anlaş, Logo Group Chief Financial Officer, CFO.

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

	Notes	31 March 2025	Audited 31 December 2024
LIABILITIES			
Current liabilities		2,282,927	4,112,079
Short-term borrowings	7	24,857	6,764
Trade payables		267,342	284,511
- <i>Trade payables to third parties</i>	8	267,342	284,511
Employee benefit payables	16	127,938	358,131
Other payables		101,286	308,544
- <i>Other payables to third parties</i>	9	101,286	308,544
Liabilities arising from customer contracts	17	1,761,502	2,050,341
Other current liabilities		2	60
Sub total	7	2,282,927	3,008,351
Liabilities related to asset groups classified as held for sale	27	-	1,103,728
Non-current liabilities		519,666	690,444
Long-term borrowings	7	7,851	5,872
Other payables		301,278	430,014
- <i>Other payables to third parties</i>	9	301,278	430,014
Long-term provisions		177,544	162,760
- <i>Provisions for employee benefits</i>	16	177,544	162,760
Liabilities arising from customer contracts	17	32,993	80,509
Deferred tax liabilities	28	-	11,289
EQUITY			
Equity attributable to equity holders of the parent		3,027,751	2,893,998
Paid-in capital	18	95,000	95,000
Adjustment differences to share capital	18	880,950	880,950
Restricted reserves appropriated from profit		283,158	283,158
Put option revaluation fund			
related with non-controlling interests		(627,120)	(627,120)
Treasury shares (-)	18	(341,354)	(341,354)
Reserves related to treasury shares	18	341,354	341,354
Other accumulated comprehensive income that will not be reclassified to profit or loss		354,562	325,002
- <i>Loss on remeasurement of defined benefit plans</i>		(56,707)	(59,248)
- <i>Gain from investments in equity instruments</i>		411,269	384,250
Other accumulated comprehensive income that will be reclassified to profit or loss		29,232	655,250
- <i>Foreign currency translation differences</i>		29,232	667,655
- <i>Cost of hedging reserves</i>		-	(10,233)
- <i>Fair value gains (losses) on financial assets at fair value through other comprehensive income</i>		-	(2,172)
Prior years' profit		1,281,758	894,488
Net profit for the period		730,211	387,270
Non-controlling interests		-	301,216
Total equity		3,027,751	3,195,214
Total liabilities and equity		5,830,344	7,997,737

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024**

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

PROFIT OR LOSS	Notes	1 January - 31 March 2025	1 January - 31 March 2024
Revenue	20	1,045,830	925,022
Cost of sales (-)	20	(26,243)	(25,102)
Gross profit		1,019,587	899,920
General administrative expenses (-)	21	(95,442)	(99,596)
Marketing expenses (-)	21	(261,117)	(242,975)
Research and development expenses (-)	21	(402,499)	(373,579)
Other operating income	22	67,074	42,497
Other operating expenses (-)	22	(13,253)	(13,624)
Operating Profit		314,350	212,643
Income from investing activities	23	727,106	49,771
Shares of losses on investments valued using the equity method		(88,972)	-
Operating profit before financial income/(expenses)		952,484	262,414
Finance income	24	5,247	124,773
Finance expenses (-)	25	(50,702)	(126,123)
Net monetary position losses	26	(112,927)	(260,660)
Profit before tax		794,102	404
Tax expense		(63,891)	(64,439)
Current tax expense	28	-	(13,316)
Deferred tax income	28	(63,891)	(51,123)
Profit for the Period from Continuing Operations		730,211	(64,035)
Profit / (Loss) for the Period from Discontinued Operations	27	-	14,309
Net profit for the period		730,211	(49,726)
Distribution of net profit for the period:			
Non-controlling interests		-	(678)
Equity holders of the parent		730,211	(49,048)
		730,211	(49,726)
Earnings/ (loss) per share	29	7.79	(0.52)
- Earnings/(loss) per share from continuing operations		7.79	(0.68)
- Earnings/(loss) per share from discontinued operations		-	0.16

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE
INCOME FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024**

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

OTHER COMPREHENSIVE INCOME	Notes	1 January - 31 March 2025	1 January - 31 March 2024
Profit for the period		730,211	(49,726)
Items that will be reclassified to profit or loss:		31,404	(78,466)
Foreign currency translation differences		29,232	(77,106)
Hedge losses		-	1,126
Fair value difference gains (losses) on financial assets through other comprehensive income		2,830	(3,222)
Tax effect	28	(658)	736
Items that will not be reclassified to profit or loss		29,560	31,065
Revaluation losses of defined benefits plans	16	2,907	4,740
Tax effect	28	(365)	(530)
Gain from investments in equity instruments		28,818	28,645
Tax effect	28	(1,800)	(1,790)
Other comprehensive income		60,964	(47,401)
Total comprehensive income		791,175	(97,127)
Distribution of total comprehensive income:			
Non-controlling interest		-	89,982
Equity holders of the parent		791,175	(187,109)
		791,175	(97,127)

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira (“TL”) as of 31 March 2025, unless otherwise stated.)

	Paid-in capital	Share capital adjustment differences	Treasury shares	Reserves for treasury shares	Losses on hedging shares (**)	Restricted reserves appropriated from profit	Gains and losses on remeasurement of defined benefit plans (*)	Gains from investments in equity instruments (*)	Gains (Losses) on Assets at FVTOCI (**)	Foreign currency translation differences(**)	Prior years' profit	Net profit for the period	Put option valuation fund for non-controlling interests	Equity attributable to the parent	Non- controlling interests	Total equity
As of 1 January 2024	100,000	924,292	(334,154)	334,154	(16,458)	283,158	(53,021)	263,262	2,135	846,062	1,282,530	222,715	(501,510)	3,353,165	306,061	3,659,226
Transfers to prior years' profit	-	-	-	-	-	-	-	-	-	-	222,716	(222,716)	-	-	-	-
Decrease due to share ratio changes that do not result in loss of control in subsidiaries	-	-	-	-	-	-	-	-	-	-	(26,135)	-	(4,602)	(30,737)	10,065	(20,672)
Increase/decrease due to treasury shares repurchase transactions	-	-	(47,133)	47,133	-	-	-	-	-	-	(47,133)	-	-	(47,133)	-	(47,133)
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	(49,048)	-	(49,048)	(678)	(49,726)
Other comprehensive income	-	-	-	-	1,126	-	4,209	26,856	(2,486)	(167,766)	-	-	-	(138,061)	90,660	(47,401)
Balances as of 31 March 2024	100,000	924,292	(381,287)	381,287	(15,332)	283,158	(48,812)	290,118	(351)	678,296	1,431,978	(49,049)	(506,112)	3,088,186	406,108	3,494,294
Balances as of 1 January 2025	95,000	880,950	(341,354)	341,354	(10,233)	283,158	(59,248)	384,250	(2,172)	667,655	894,488	387,270	(627,120)	2,893,998	301,216	3,195,214
Transfers to prior years' profit	-	-	-	-	-	-	-	-	-	-	387,270	(387,270)	-	-	-	-
Decrease due to share ratio changes that do not result in loss of control in subsidiaries	-	-	-	-	10,233	-	-	-	-	(667,655)	-	-	-	(657,422)	(301,216)	(958,638)
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	730,211	-	730,211	-	730,211
Other comprehensive income	-	-	-	-	-	-	2,541	27,019	2,172	29,232	-	-	-	60,964	-	60,964
Balances as of 31 March 2025	95,000	880,950	(341,354)	341,354	-	283,158	(56,707)	411,269	-	29,232	1,281,758	730,211	(627,120)	3,027,751	-	3,027,751

(*) Accumulated other comprehensive income/(expenses) that will not be reclassified to profit or loss

(**) Accumulated other comprehensive income/(expenses) that will be reclassified to profit or loss

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

		Current Period 1 January - 31 March 2024	Prior Period 1 January - 31 March 2024
	Notes		
A. Cash flows generated from operating activities		713,348	(402,720)
Profit for the period		730,211	(49,726)
Profit/(loss) for the period from continuing operations		730,211	(64,035)
Profit/(loss) for the period from discontinued operations		-	14,309
Adjustments to reconcile profit for the year		366,962	(76,885)
Adjustments related to depreciation and amortization expenses	11, 12, 13	152,629	126,642
Adjustments related to provisions for			
employment termination benefits	16	34,193	56,568
Adjustments related to interest expenses	25	32,992	114,640
Adjustments related to interest income	24	(363)	(8,057)
Adjustments related to losses (gains) on			
disposal of financial investments	23	(23,935)	(49,771)
Adjustment related to impairment/(reversal of) on receivables	8	175	(1,577)
Adjustments related to unrealized exchange differences		(5,547)	(119,109)
Adjustments related to tax (income)/expense	28	63,891	64,439
Monetary (gain)/loss effect		112,927	(260,660)
Changes in working capital		(382,528)	(288,779)
Adjustments related to decrease / (increase) in inventories		2,470	4,784
Adjustments related to decrease / (increase) in trade receivables		515,373	388,899
Adjustments related to increase / (decrease) in trade payables		8,843	(70,091)
Increase in other assets related to operations		(99,660)	(73,344)
Increase / (decrease) in other payables related to operations		(809,554)	(539,027)
Cash flows generated from operating activities		714,645	(415,390)
Tax payments	28	-	(3,493)
Payments related to employee benefits	16	(1,297)	(3,650)
Net cash from discontinued operations		-	19,813
Cash outflows for purchases of property, plant and equipment and intangible assets		(193,360)	(275,046)
Cash inflows for the sale of debt instruments or shares of other entities or funds		15,508	365,133
Cash inflows from sales of property, plant and equipment and intangible assets		259	2,790
Cash outflows due to acquisition of interests in associates and joint ventures or capital increases		-	(16,070)
Net cash from investing activities of discontinued operations		-	(82,477)
Increase/decrease arising from changes in ownership interests in subsidiaries that do not result in a loss of control		(301,216)	-
B. Cash flows from investing activities		(478,809)	(5,670)
Net cash from financing activities of discontinued operations		-	51,463
Cash outflows from repayments of loans	33	(1,568)	(32,068)
Cash inflows from loans	33	-	13,170
Interest paid		(29,486)	(113,798)
Interest received		24,298	57,828
Cash outflows from the purchase of own shares		-	(47,133)
Cash outflows related to debt payments from lease agreements	33	(6,590)	(9,779)
C. Cash flows from financing activities		(13,346)	(80,317)
Net decrease in cash and cash equivalent before the effects of currency translation differences (A+B+C)		221,193	(488,707)
D. Effects of currency translation differences on cash and cash equivalents		(44,658)	400,149
E. Monetary gains effect on cash and cash equivalents	4	488,465	775,673
Cash and cash equivalents at the end of the period (A+B+C+D+E)	4	665,000	687,115

The accompanying notes form an integral part of these consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Logo Yazılım Sanayi ve Ticaret Anonim Şirketi ("Logo Yazılım" or "the Company") was established in 1986 as a Limited Company and became a corporation on 30 September 1999. The Company is domiciled in Türkiye and operates under the Turkish Commercial Code.

The main activity of the Company is production, development, processing and multiplication of operating systems, application software, databases, software increasing productivity, multimedia software products and all types of similar software processed inside all types of computer hardware, and distribution of these at all physical and electronic environment, and to carry out all the services such as technical support, training and technical service activities.

As of 31 March 2025, the average number of personnel working in Group activities is 933 (Average number of personnel under Türkiye activities as of December 31, 2024: 989; under Romanian activities: 552)

The address of the registered office of the Company is as follows:

Şahabettin Bilgisu Caddesi, No: 609 Gebze Organize Sanayi Bölgesi Gebze, Kocaeli

As of 31 March 2025, main shareholder and ultimate controlling party of Logo Yazılım is Logo Teknoloji ve Yatırım A.Ş. The partnership structure of the Company is explained in Note 18.

The operations of subsidiaries and joint ventures of Logo Yazılım (together referred to as "the Group") are as follows.

Subsidiaries	Country of operation	Field of activity
ELBA HR İnsan Kaynakları Eğitim ve Danışmanlık A.Ş. ("Peoplise")	Türkiye	Software programming and informatics
Logo Ödeme Hizmetleri A.Ş. ("Logo Ödeme") (*)	Türkiye	Software programming and informatics
Logo Business Solutions FZ-LLC ("Logo FFC-LLC")	United Arab Emirates	Software marketing

Joint venture	Country of operation	Field of activity
Total Soft S.A. ("Total Soft") (**)	Romania	Software development and marketing
Logo Financial Solutions GmbH ("Logo GmbH")	Germany	Software development and marketing
Architected Business Solutions SRL ("ABS")	Romania	Software development and marketing
ABS Financial Services SRL ("ABS FS")	Romania	Software development and marketing
Logo Infsoft Business Technology Private Limited ("Logo Infsoft")	India	Software development and marketing

(*) Logo Ödeme Hizmetleri A.Ş. was established within the Group on 29 November 2022 to operate within the scope of our country's new regulations on open banking within the framework of the goal of maintaining and growing its investments in the field of Fintech. As of 31 March 2025, the revenue model of the Fintech services of the company, which has not yet started its operations, will be based on annual package subscription and credits per transaction, and the Company is expected to significantly increase its SaaS (Software-as-a-Service) revenues.

(**) Note 27

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 Financial Reporting Standards Applied

The accompanying consolidated financial statements of the Group have been prepared in accordance with the communiqué numbered II - 14.1 'Communiqué on the Principles of Financial Reporting in Capital Markets' ("the Communiqué") announced by the CMB on 13 June 2013 which is published on Official Gazette numbered 28676, in compliance with the international standards, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") and related supplements and interpretations. TAS/TFRS are updated in harmony with the changes and updates in International Financial and Accounting Standards ("IFRS") by the communiqués.

The consolidated financial statements are presented in accordance with "Announcement regarding with TAS Taxonomy" which was published on 4 October 2022 by the POA, and the format and mandatory information recommended by CMB.

The consolidated financial statements have been prepared under the historical cost convention except for the financial investments, derivative assets and liabilities at fair values and revaluations related to the differences between carrying value and fair value of property, plant and equipment and intangible assets arising from business combinations.

2.1.2 Financial Statements of Subsidiaries Operating in Foreign Countries

The financial statements of subsidiaries operating in foreign countries are adjusted to TAS/TFRSs published by the POA for the purpose of fair presentation with necessary adjustments and classifications. Subsidiaries' assets and liabilities of the related foreign subsidiaries are translated into Turkish Lira from the foreign exchange rate at the balance sheet date and income and expenses are translated into Turkish Lira at the average foreign exchange rate. Exchange differences arising from the translation of the opening net assets and differences between the average and balance sheet dates are included in the "foreign currency translation difference" under the shareholders' equity.

2.1.3 Basis of Consolidation

The consolidated financial statements prepared in accordance with the principles of consolidated financial statements for the year ended 31 December 2024 include the accounts of Logo Yazılım and its subsidiaries. The table below sets out the subsidiaries of Logo Yazılım and ownership interests held by the Company as of 31 March 2025 and 31 December 2024:

Subsidiaries	31 March 2025 (%)	31 December 2024 (%)
Peoplise	100.00	100.00
Logo Ödeme	100.00	100.00

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.3 Basis of Consolidation (cont'd)

Joint venture	31 March 2025 (%)	31 December 2024 (%)
Total Soft	80.00	80.00
Logo GmbH	80.00	80.00
ABS	80.00	80.00
ABS FS (*)	39.20	39.20
Logo Infosoft (**)	75.93	75.93

(*) In 2018, the Company acquired 100% of the shares of Architected Business Solutions SRL and indirectly owns 49% of the shares of Nexia ABS Financial Services SRL. Pursuant to the parent agreement, all risks and gains (including gains, losses and net asset rights) related to Nexia's shares have been transferred to the Company.

(**) On 1 January 2018, the Company has joint control of Logo Infosoft based on the contract made with GSF Software Labs LLC. After this date, Logo Infosoft was evaluated as a joint venture in the consolidated financial statements and accounted for as an investment valued by the equity method.

Subsidiaries

The condensed consolidated financial statements include financial statements of the Company and entities controlled by the Company's subsidiaries. Control is provided by the Company providing the following conditions:

- Have the authority on the investee company/asset,
- Being open to or entitled to variable returns from the investee company/asset and
- Ability to use its power that may have effect on the returns.

The balance sheets, income statements and other comprehensive income statements of the subsidiaries that are incorporated into consolidation are consolidated using full consolidation method. The registered value of the investment recorded in the assets of the company and the amount from subsidiaries' shareholder's equity corresponded to the Company's share are settled net. The transactions and balances between the Company and subsidiaries are mutually deleted under consolidation.

Joint ventures

Joint venture is a joint initiative in which the sides, who have joint control in an arrangement, have rights related to net assets in this common arrangement. Joint control is the sharing of the control over an economic activity depends on the agreement. This control is supposed to exist if the decisions about the related activity can only be made by the unanimous vote of the sides who share the control.

The investments in joint ventures are recognized using equity method as of the date after the investees turn into subsidiary or joint venture.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.4 Functional and Presentation Currency

The financial position and operating results of the Group are prepared in TL, which is the currency of the main economic environment in which Logo Yazılım operates ("functional currency") and the presentation currency for the consolidated financial statements.

Functional currency of joint ventures operating in Romania is Romanian Leu ("RON"). Functional currency of Logo Infosoft is Indian rupee ("INR"). Financial information of each entity included in consolidation are measured using the currency of the primary economic environment in which these entities operate, normally under their local currencies. The financial statements of subsidiaries operating in foreign countries have been prepared in accordance with the laws and regulations applicable in the country in which they operate, in the currency of that country, and assets and liabilities for each statement of financial position presented are translated to TL at closing exchange rates at the statement of financial position date. Income and expenses are translated to TL at monthly average exchange rates. Foreign currency differences resulting from the use of closing and monthly average rates are followed in the foreign currency translation differences account under shareholders' equity and other comprehensive income.

2.1.5 Comparative Information and Restatement of Prior Period Financial Statements

The Group's condensed consolidated financial statements have been prepared comparatively with the prior period to allow determination of the financial position and performance trends. Reclassifications can be made in comparative information in order to conform with the presentation of the current period financial statements. In the current year, the Group had reclassified certain comparative balances to conform to current year's presentation.

2.2 Going Concern

The companies included in the consolidation have prepared their financial statements in accordance with the going concern principle. The Group management has made an assessment of the going concern of the Group's operations and concluded that the Group has sufficient resources to continue its activities in the near future.

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to TAS 21

Lack of Exchangeability

Amendments to TAS 21 *Lack of Exchangeability*

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 New and Amended Turkish Financial Reporting Standards (cont'd)

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17

Amendments to TFRS 17

Insurance Contracts

*Initial Application of TFRS 17 and TFRS 9 —
Comparative Information (Amendment to TFRS 17)*

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2026.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

2.4 Changes in Accounting Policies

Accounting policy changes arising from the initial application of a new TAS/TFRS are applied retrospectively or prospectively in accordance with the transitional provisions of the TAS/TFRS. Changes to which no transition clauses are included, material changes in accounting policies or voluntary accounting errors are applied retrospectively and prior period financial statements are restated.

Restatement of financial statements during periods of high inflation

The consolidated financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 "Financial Reporting in Hyperinflationary Economies".

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NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

Restatement of financial statements during periods of high inflation (cont'd)

TAS 29 applies to the consolidated financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

In this framework, while preparing the consolidated financial statements dated 31 March 2025, inflation adjustment has been made in accordance with TAS 29.

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
31.03.2025	2,954.69	1.00000	250%
31.12.2024	2,684.55	1.10063	291%
31.03.2024	2,139.47	1.38104	309%

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the consolidated balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.

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NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

Restatement of financial statements during periods of high inflation (cont'd)

- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Group.
- All items in the consolidated income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 "Financial Reporting in Hyperinflationary Economies" is summarized below:

Restatement of the Statement of Consolidated Financial Position

Amounts in the consolidated statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

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NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 Changes in Accounting Policies (cont'd)

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate. When consolidating financial statements with different reporting period ends, all monetary and non-monetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

The statement of financial position of the Group's subsidiary operating in Romania has been translated into Turkish Lira at the period-end exchange rate and the statement of profit or loss and other comprehensive income at the exchange rate valid for transactions. Prior period financial statements are included in the consolidated financial statements by indexing them according to the current period purchasing power for comparative presentation.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

2.5 Summary of Significant Accounting Policies

The interim condensed consolidated financial statements for the three months period ended 31 March 2025 have been prepared in accordance with TAS 34. In addition, the significant accounting policies used in preparing the condensed interim consolidated financial statements for the period ended 31 March 2025 are consistent with the accounting policies disclosed in the consolidated financial statements as at 31 December 2024. Accordingly, the condensed consolidated interim financial statements should be evaluated with the consolidated financial statements for the year ended 31 December 2024. The Group has disclosed its accounting policies for the first time in Note 2.4.

2.6 Significant Accounting Estimates and Assumptions

Preparation of the consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, forecasts and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results. The estimates and assumptions that can lead to significant adjustments on the carrying value of the assets and liabilities are as follows:

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NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.6 Significant Accounting Estimates and Assumptions (cont'd)

Provision for doubtful receivables

Provision for doubtful receivables is an estimated amount that management believes to reflect for possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than related parties and key customers are assessed with their prior year performances, their credit risk in the current market, and their individual performances after the balance sheet date up to the issuing date of the financial statements and furthermore, the renegotiation conditions with these debtors are considered.

Useful lives of intangible assets

In accordance with the accounting policy stated in Note 2.5, intangible assets are stated at historical cost less depreciation, net of any impairment charges. Depreciation on tangible assets is calculated using the straight-line method over their estimated useful lives. Useful lives depend on the best estimates of the management and are reviewed in each balance sheet period and corrected accordingly, when needed.

Revenue recognition

The Group records software license revenue and special software development project revenues based on the completion level of contract activities as of the balance sheet date. Completion level is found by dividing the estimated total service rendered as of the balance sheet date by the total contractually required service.

Logo Enterprise Membership ("LEM") is an insurance package that provides free ownership for all the charged version updates which protect enterprises against all the legal amendments, and which includes new features that will contribute new values to the products throughout the year. Since the free of charge LEM products given in the first year are given along with the currently up-to-date software, they do not bring significant updates for the user and their commercial value is lower compared to the LEM products provided in the subsequent years. Thus, related sales amounts are recognized as revenue within the transaction year.

Research expenses and development costs

Development is defined as the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, products, processes or systems before the start of commercial production or use and the costs incurred for these activities are capitalized by the Group. The Management determines the cost of employees to be capitalized taking into account time spent by each employee on research and development activities. The costs of employees relating to research are expensed as incurred.

Goodwill impairment test

The Group tests goodwill for impairment annually, or less frequently if events or changes in circumstances indicate that it may be impaired. The recoverable amounts of cash generating units have been determined based on fair value calculations less costs to sell. The details of the estimates and assumptions used are explained in Note 14.

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NOTE 3 - SEGMENT REPORTING

The competent authority to make decisions on the Group's operations is responsible for making decisions about resources to be allocated to the segments and evaluating the performance of the segments. Adjusted earnings before interest, tax, depreciation and amortization ("EBITDA") are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Adjusted EBITDA is calculated by the Company by adding depreciation expense and amortization to the net amount of sales income, cost of sales, operating expenses (excluding other income and expenses from operating activities).

A new agreement has been signed with Avramos Holding, which holds a 20% interest in the Group's associate, Total Soft. In accordance with the Group's agreement made with Avramos Holding's management buyout offer, the associate is accounted for using the equity method as of January 1, 2025, and the details regarding discontinued operations for the periods ended March 31, 2024, and December 31, 2024 are presented below.

	Continuing operations Türkiye	Discontinued operations Romania	Consolidated
31 December 2024			
Segment assets	5,395,142	2,602,595	7,997,737
Segment liabilities	3,698,794	1,103,729	4,802,523
Goodwill	114,896		114,896
Property, plant and equipment and intangible assets	2,297,900		2,297,900
Right-of-use assets	10,977		10,977
31 March 2024	Türkiye	Romania	Consolidated
Revenue	925,022		925,022
Cost of sales	(25,102)		(25,102)
Operating expenses	(716,150)		(716,150)
Other income from operating activities	42,497		42,497
Other expenses from operating activities	(13,624)		(13,624)
Income from investing activities	49,771		49,771
Finance income	124,773		124,773
Finance expenses	(126,123)		(126,123)
Depreciation and amortization expenses	(126,642)		(126,642)
Tax expense	(64,439)		(64,439)
Net monetary position gains (losses)	(260,660)		(260,660)
Net profit for the period	(64,035)	14,309	(49,726)
Adjusted EBITDA	310,412		310,412
Purchase of property, plant and equipment and intangible assets	208,563		208,563

Reconciliation between adjusted EBITDA and profit before tax is as follows:

31 March 2024	Consolidated
Adjusted EBITDA	310,412
Depreciation and amortisation expenses	(126,642)
Income from investing activities	49,771
Other income from operating activities	42,497
Other operating expenses	(13,624)
Finance income	124,773
Finance expenses	(126,123)
Net monetary position losses	(260,660)
Profit before tax	404

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NOTE 4 - CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents as of 31 March 2025 and 31 December 2024 are as follows:

	31 March 2025	31 December 2024
Bank	34,039	15,328
- Time deposit	4,176	6,063
- Demand deposit	29,863	9,265
Credit cards slip receivables	430,975	306,669
Liquid funds (*)	199,986	166,468
	665,000	488,465

(*) Liquid funds consist of investment instruments with a maturity of less than 3 months that can be converted into cash at any time without significant loss.

The reconciliation of cash and cash equivalents in the statement of cash flows is as follows:

	31 March 2025	31 December 2024
Cash and cash equivalents	665,000	488,465
Cash and cash equivalents related to assets classified as held for sale		403,993
	665,000	892,458

NOTE 5 - FINANCIAL INVESTMENTS

Short-term financial investments

	31 March 2025	31 December 2024
- Financial assets at fair value through Profit or loss	51,330	42,096
- Financial assets at fair value through other comprehensive income (*)	-	98,816
	51,330	140,912

(*) Private sector bonds consist of highly liquid financial investments that are easily convertible into cash, do not bear the risk of significant value changes. Bonds are denominated in US Dollars.

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NOTE 5 - FINANCIAL INVESTMENTS (cont'd)

Long-term financial investments

Financial assets at fair value through other comprehensive income

The analysis of non-current financial investments as of 31 March 2025 and 31 December 2024 is as follows:

	31 March 2025	31 December 2024
Logo Ventures Girişim Sermayesi Yatırım Fonu ("Logo Ventures I") (*)	16,284	16,647
Logo Ventures Girişim Sermayesi Yatırım Fonu ("Logo Ventures II") (*)	432,053	440,919
İnterpro Yayıncılık Araştırma ve Organizasyon Hizmetleri A.Ş. ("İnterpro")	81	89
Figo Ticari Bilgi ve Uygulama Platformu A.Ş. (**)	76,069	76,069
Payer Yazılım Sanayi ve Ticaret A.Ş. (**)	9,640	9,640
Dokuz Eylül Teknoloji Geliştirme Bölgesi A.Ş. ("Dokuz Eylül")	569	569
	534,696	543,933

(*) As of 31 March 2025, Logo Ventures has been recognized as the asset fair value and difference is reflected to other comprehensive income and TL 28,818 (31 March 2024: TL 28,645) difference between its fair value and the cost value is accounted in other comprehensive income. İnterpro and Dokuz Eylül is reflected to consolidated financial statements with their cost value since their fair value is not significant as of 31 March 2025 and 31 December 2024. The Company has committed USD 11,200 to, İstanbul Portföy Yönetimi AŞ. A total of USD 7,370 was paid, including USD 100 paid in 2025 (2024: USD 1,600).

(**) Payer Yazılım Sanayi ve Ticaret A.Ş. and Figo Ticari Bilgi ve Uygulama Platformu A.Ş., in which the Group owns 10% and 3.02% of shares as of 31 March 2025, respectively, are indexed in accordance with TAS 29.

31 March 2025 31 December 2024

Private sector bonds:

Assets at fair value through

other comprehensive income (***)	-	150,269
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(***) Private sector bonds consist of highly liquid financial investments that are easily convertible into cash, do not bear the risk of significant value changes. Bonds are denominated in US Dollars.

Long-term other financial investments:

31 March 2025 31 December 2024

Long-term other financial investment (****)	-	119,168
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(****) The Group's joint venture consists of the convertible debt instruments issued by Logo Infosoft, when the relevant amounts are included in equity the ownership ratio of the Group is 89.22% (31 December 2024: 89.22%). The Group has not considered the related investment for trading purposes and has recognized the fair value changes in the other comprehensive income statement in accordance with the accounting policies explained in Note 2.5.

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NOTE 6 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The financial information summary of investment accounted for using the equity method is as follows:

Summary of balance sheet

Total Soft	31 March 2025
Cash and cash equivalents	395,873
Other current assets	437,326
Other non-current assets	1,877,838
Total assets	2,711,037
Other current liabilities	805,861
Other non-current liabilities	336,021
Total liabilities	1,141,882
Net liabilities	1,569,155
Total Soft	31 March 2025
Revenue	403,682
Other income	17,684
Expenses (-)	(362,736)
Net profit for the period	58,630
Group's ownership rate (*)	%70,00
Group's share	43,657
Share of losses of investment under equity method	43,657

(*) The 10% stake planned to be sold by December 31, 2025, has been classified as an asset held for sale, while the remaining 70% interest has been accounted for using the equity method.

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NOTE 6 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (cont'd)*Summary of balance sheet*

Logo Infosoft	31 March 2025	31 December 2024
Cash and cash equivalents	12,933	15,104
Other current assets	33,118	38,526
Other non-current assets	1,390	1,669
Total assets	47,441	55,299
Other current liabilities	28,043	27,989
Other non-current liabilities	284,334	272,420
Total liabilities	312,377	300,409
Net liabilities	(264,936)	(245,110)
Logo Infosoft	31 March 2025	31 March 2024
Income	4,663	4,301
Expenses (-)	(29,583)	(35,946)
Net loss for the period	(24,920)	(31,645)
Group's ownership rate	75.93%	68.25%
Group's share	(18,921)	(21,599)
Unrecognized profit / (losses) (*)	-	(21,599)
Share of losses of investment under equity method	(132,629)	-

NOTE 7 - BORROWINGS

Details of financial borrowings as of 31 March 2025 and 31 December 2024 is as follows:

Short-term borrowings:	31 March 2025	31 December 2024
Lease liabilities	23,265	3,604
Credit card payables	1,592	3,160
	24,857	6,764
Long-term borrowings:	31 March 2025	31 December 2024
Lease liabilities	7,851	5,872
	7,851	5,872

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NOTE 7 – BORROWINGS (cont'd)

	31 March 2025	
	Weighted average annual interest rate (%)	Original amount TL equivalent
Short-term borrowing:		
Credit card payables – TL	-	1,592
Lease liabilities - TL	12% - 25%	23,265
		24,857
Long-term borrowings:		
Lease liabilities - TL	-	7,851
		7,851
Total borrowings		32,708

	31 December 2024	
	Weighted average Annual interest rate (%)	Original amount (nominal) TL equivalent
Short-term borrowing:		
Credit card payables – TL	-	2,871
Lease liabilities - TL	12% - 25%	3,275
		6,764
Long-term borrowings:		
Lease liabilities - TL	-	5,335
		5,872
Total borrowings		12,636

The redemption schedules of long-term borrowings as of 31 March 2025 and 31 December 2024 are as follows:

	31 March 2025	31 December 2024
To be paid within 1 - 2 years	734	986
To be paid within 2 - 5 years	76	50
To be paid in more than 5 years	7,041	4,836
	7,851	5,872

Interest rate and currency risk of the Group are explained in Note 31.

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES

The details of trade receivables and payables as of 31 March 2025 and 31 December 2024 are as follows:

Short-term trade receivables:	31 March 2025	31 December 2024
Buyers	715,132	1,432,659
Cheques and notes receivable	35,109	24,448
Less: Provision for doubtful receivables	(7,145)	(7,671)
Less: Unearned finance income arising from credit sales	(58,893)	(126,524)
	684,203	1,322,912

As of 31 March 2025, the average turnover of the trade receivables is 67 days (31 December 2024: 73 days). The discount rate applied to the undue receivables is 48.47% (31 December 2024: 53.93%).

As of 31 March 2025, TL 101,942 of trade receivables (31 December 2024: TL 56,917) were past due but not impaired. The aging analysis of these trade receivables is as follows:

	31 March 2025	31 December 2024
Up to 1 month	66,957	36,006
1 - 3 months	23,156	7,555
More than 3 months	11,829	13,356
	101,942	56,917

The movement of provision for doubtful receivables for the periods ended 31 March 2025 and 2024 are as follows:

	2025	2024
As of 1 January	7,671	55,544
Provisions recognised during the period	175	3,578
Provisions released	-	(5,155)
Foreign currency translation difference	-	2,821
Inflation effect	(701)	(7,271)
As of 31 March	7,145	49,517

Trade payables to third parties:	31 March 2025	31 December 2024
Trade payables	267,342	284,511

As of 31 March 2025, the average debt payment period is 77 days (31 December 2024: 91 days).

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont'd)

The table below shows the maximum exposure of the Group to credit risk as of 31 March 2025 and 31 December 2024:

31 March 2025	<u>Trade receivables</u>		<u>Other receivables</u>		Bank and funds	Other
	Related party	Other	Related party	Other		
The maximum of credit risk exposure as of reporting date	2,210	684,203	1,499	515	665,000	586,026
- Amount of risk covered by guarantees	-	245	-	-	-	-
Net carrying value of not past due not impaired financial assets	2,210	582,261	1,499	515	665,000	586,026
Net carrying value of past due but not impaired financial assets	-	101,942	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-
Net carrying value of impaired assets	-	-	-	-	-	-
Past due (gross carrying value)	-	7,145	-	-	-	-
Impairment (-)	-	(7,145)	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-

The guarantees which cover the credit risk include guarantee cheques, mortgages and letter of guarantees.

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont'd)

31 December 2024	<u>Trade receivables</u>		<u>Other receivables</u>			
	Related party	Other	Related party	Other	Bank and funds	Other
The maximum of credit risk exposure as of reporting date	-	1,322,912	1,698	310	488,465	954,282
- Amount of risk covered by guarantees	-	390	-	-	-	-
Net carrying value of not past due not impaired financial assets	-	1,265,995	1,698	310	488,465	954,282
Net carrying value of past due but not impaired financial assets	-	56,917	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-
Net carrying value of impaired assets	-	7,671	-	-	-	-
Past due (gross carrying value)	-	(7,671)	-	-	-	-
Impairment (-)	-	-	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-

The guarantees which cover the credit risk include guarantee cheques, mortgages and letter of guarantees.

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NOTE 9 – OTHER RECEIVABLES, PAYABLES AND OTHER ASSETS**Other short-term receivables
from third parties:**

	31 March 2024	31 December 2024
Income accruals	458	247
Deposits and guarantees given	57	63
	515	310

**Other short-term payables
to third parties:**

	31 March 2025	31 December 2024
Put option liability (*)	47,739	71,082
Other taxes payable	53,547	237,462
	101,286	308,544

**Other long-term payables
to third parties:**

	31 March 2025	31 December 2024
Put option liability (*)	300,663	429,337
Other	615	677
	301,278	430,014

(*) The Company has signed a new agreement with Avramos Holding, 20% shareholder of its subsidiary Total Soft. Within the framework of the management buy out offer, Avramos Holding will pay a total of EUR 15.1 thousand to the Company until the end of 2027 and increase its shareholding in Total Soft in two stages, from 20% to 30% in 2025 and from 30% to 85% at the end of 2027. As of the end of 2027, the Company has a put option for the 15% of Total Soft shares that will remain in the Company as of 2030. Under the share sale agreement signed with Avramos Holding, a share sale liability has been recognised (Note 27).

Other current assets:

	31 March 2025	31 December 2024
Prepaid taxes	9,767	10,725
Personnel advances	26,604	14,241
Business advances	15	13
Deferred VAT	6,839	6,257
Other	10,223	3,208
	53,448	34,444

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2025 AND 2024

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NOTE 10 - INVENTORIES

	31 March 2025	31 December 2024
Trade goods	25	53
Raw materials and supplies	11,800	15,832
Other	166	31
	11,991	15,916

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

	1 January 2025	Additions	Disposals	31 March 2025
Cost:				
Machinery, plant and equipment	169,610	14,795	(2,209)	182,196
Motor vehicles	161,319	-	-	161,319
Furniture and fixtures	75,175	314	-	75,489
Leasehold improvements	472,091	-	-	472,091
	878,195	15,109	(2,209)	891,095

Accumulated depreciation:				
Machinery, plant and equipment	109,709	7,192	(1,950)	114,951
Motor vehicles	56,789	7,945	-	64,734
Furniture and fixtures	73,525	224	-	73,749
Leasehold improvements	257,420	3,117	-	260,537
	497,443	18,478	(1,950)	513,971

Net book value	380,752			377,124
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	1 January 2024	Additions	Disposals	Foreign currency translation differences	31 March 2024
Cost:					
Machinery, plant and equipment	210,657	7,517	(961)	(4,056)	213,157
Motor vehicles	184,500	3,548	(3,317)	(1,820)	182,911
Furniture and fixtures	76,489	17	-	(117)	76,389
Leasehold improvements	493,341	298	-	(193)	493,446
	964,987	11,380	(4,278)	(6,186)	965,903

Accumulated depreciation:					
Machinery, plant and equipment	133,225	7,413	(778)	(3,001)	136,859
Motor vehicles	47,828	8,368	(710)	(1,508)	53,978
Furniture and fixtures	69,251	407	-	70	69,728
Leasehold improvements	263,022	3,848	-	(156)	266,714
	513,326	20,036	(1,488)	(4,595)	527,279

Net book value	451,661				438,624
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LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 12 - INTANGIBLE ASSETS

	1 January 2025	Additions	Disposals	31 March 2025
Cost:				
Development costs	5,169,252	170,827	-	5,340,079
Advanced technology	164,841	-	-	164,841
Customer relations	190,132	-	-	190,132
Non-compete agreement	35,436	-	-	35,436
Other intangible assets	195,639	7,424	-	203,063
	5,755,300	178,251	-	5,933,551
Accumulated depreciation:				
Development costs	3,322,724	122,298	-	3,445,022
Advanced technology	161,030	286	-	161,316
Customer relations	158,852	1,799	-	160,651
Non-compete agreement	35,436	-	-	35,436
Other intangible assets	160,108	2,269	-	162,377
	3,838,150	126,652		3,964,802
Net book value	1,917,150			1,968,749

Additions amounting to TL 170,827 to development costs for the interim period ended 31 March 2025 (31 March 2024: TL 263,404) consists of capitalized personnel costs.

TL 140,389 (31 March 2024: TL 117,392) of the current period's depreciation and amortization expenses has been allocated to research and development expenses, TL 9,633 (31 March 2024: TL 6,887) to marketing expenses and TL 2,607 (31 March 2024: TL 2,363) to general administrative expenses. As explained in Note 27, depreciation and amortisation expenses of Total Soft amounting to TL 61,302 for the period ended March 2024 have been recognised under discontinued operations.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 12 - INTANGIBLE ASSETS (cont'd)

	1 January 2024	Additions	Disposals	Foreign currency translation differences	31 March 2024
Cost:					
Development costs	5,833,560	263,404	-	(102,836)	5,994,128
Advanced technology	193,337	-	-	(2,077)	191,260
Customer relations	464,558	-	-	(19,397)	445,161
Non-compete agreement	35,436	-	-	-	35,436
Other intangible assets	260,870	262	-	677	261,809
	6,787,761	263,666	-	(123,633)	6,927,794
Accumulated amortization:					
Development costs	3,410,022	153,830	-	(35,714)	3,528,138
Advanced technology	183,304	1,277	-	(1,940)	182,641
Customer relations	274,321	6,454	-	(8,493)	272,282
Non-compete agreement	35,436	-	-	-	35,436
Other intangible assets	198,858	1,324	-	(3,189)	196,993
	4,101,941	162,885	-	(49,336)	4,215,490
Net book value	2,685,820				2,712,304

NOTE 13 – RIGHT-OF-USE ASSETS

	1 January 2025	Additions	Disposals	31 March 2025
Cost:				
Office rent	24,727	28,230	(5,777)	47,180
	24,727	28,230	(5,777)	47,180
Accumulated depreciation:				
Office rent	13,750	7,499	(5,777)	15,472
	13,750	7,499	(5,777)	15,472
Net book value	10,977			31,708

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NOTE 13 – RIGHT-OF-USE ASSETS (cont'd)

	1 January 2024	Additions	Disposals	Foreign currency translation differences	31 March 2024
Cost:					
Motor vehicles	40,866	-	(257)	(645)	39,964
Office rent	86,416	12,714	-	(4,426)	94,704
	127,282	12,714	(257)	(5,071)	134,668
Accumulated depreciation: (-)					
Motor vehicles	40,754	112	(257)	(645)	39,964
Office rent	47,839	4,911	-	(2,388)	50,362
	88,593	5,023	(257)	(3,033)	90,326
Net book value	38,689				44,342

NOTE 14 - GOODWILL

	31 March 2025	31 December 2024
Netsis	75,993	75,993
Peoplise	21,519	21,519
Other	17,384	17,384
	114,896	114,896

Movement table of goodwill for the interim periods ended 31 March 2025 and 2024 are as follows:

	2025	2024
As of 1 January	114,896	1,214,518
Foreign currency translation differences	-	(77,690)
As of 31 March	114,896	1,136,828

The Group applies impairment test for goodwill every year or in shorter periods in case any triggering event that shows any impairment indicator on goodwill. The recoverable amounts of cash generating units are determined based on fair value less cost of disposal ("FVLCD").

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NOTE 15 - COMMITMENTS AND CONTINGENT LIABILITIES

Guarantees received:

	Original currency	31 March 2025		31 December 2024	
		Original amount	TL equivalent	Original amount	TL equivalent
Guarantee notes	TL	245	245	390	390
		245	245	390	390

As of 31 March 2025 and 31 December 2024, guarantee/pledge/mortgage ("GPM") given by the Company on behalf of its legal entity are as follows:

GPM given by the Company:

	31 March 2025			31 December 2024		
	EUR	USD	TL	EUR (nominal)	USD (nominal)	TL
A. Total amount of GPM provided by the Company on behalf of itself		1,687	10,959		1,576	11,852
B. Total amount of GPM provided on behalf of the associates accounted under full consolidation method (*)	716,353			646,557		
C. Total amount of GPM provided on behalf of third parties in order to maintain operating activities (to secure third party payables)						
D. Total amount of other GPM given						
(i) Total amount of GPM given on behalf of the parent Company						
(ii) Total amount of GPM provided on behalf of other Group companies which are not in the scope of B and C						
(iii) Total amount of GPM provided on behalf of third parties which are not in the scope of C						
	716,353	1,687	10,959	646,557	1,576	11,852

NOTE 16 - EMPLOYEE BENEFITS

Short-term payables for employee benefits:

	31 March 2025	31 December 2024
Taxes, funds and social security deductions payables	118,471	55,614
Personnel premiums	8,736	298,674
Due to personnel	731	3,843
	127,938	358,131

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NOTE 16 - EMPLOYEE BENEFITS (cont'd)

Long-term payables for employee benefits:

	31 March 2025	31 December 2024
Provision for employment termination benefits	90,874	92,140
Provision for unused vacation	86,670	70,620
	177,544	162,760

The movements of provision for unused vacation for the interim periods ended 31 March 2025 and 2024 are as follow:

	2025	2024
As of 1 January	70,620	91,340
Increase during the year	22,862	38,499
Foreign currency translation difference	-	2,106
Inflation effect	(6,812)	(13,415)
As of 31 March	86,670	118,530

Under the Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). The amount payable consists of one month's salary limited to a maximum of TL 46,655 for each year of service (31 December 2024: TL 46,037). Provision for employment termination benefits is calculated based on the present value of the Group's obligation to pay in the event of retirement.

Employment termination benefit liability is not funded and there is no legal funding requirement.

TAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the Group's obligation under the defined benefit plans. The following actuarial assumptions are used in the calculation of the total liability. Actuarial gain/(loss) is accounted under the "Actuarial gain/(loss) calculated within the scope of employee benefits":

	31 March 2025	31 December 2024
Discount rate (%)	3.50	3.50
Probability of voluntary leave (%)	96,47	77,27

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Since the Group calculates the reserve for employment termination benefits every six months the maximum amount of TL 46,655 which is effective from 1 January 2025 (1 January 2024: TL 55,711) has been taken into consideration in the calculations.

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NOTE 16 - EMPLOYEE BENEFITS (cont'd)

The movements of the provision for employment termination benefits for the interim periods ended 31 March 2025 and 2024 are as follows:

	2025	2024
As of 1 January	92,140	122,214
Service cost	6,063	11,537
Interest cost	5,268	6,532
Actuarial loss	(2,907)	(4,740)
Compensations paid	(1,297)	(3,650)
Inflation effect	(8,393)	(15,931)
As of 31 March	90,874	115,962

NOTE 17 - PREPAID EXPENSES AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS

Short-term prepaid expenses:	31 March 2025	31 December 2024
Prepaid expenses	119,230	67,216
	119,230	67,216

Long-term prepaid expenses:	31 March 2025	31 December 2024
Advances given	27,054	1,751
	27,054	1,751

Short-term liabilities from contracts with customers:	31 March 2025	31 December 2024
Liabilities from contracts with customers (*)	1,737,204	2,037,500
Advances received	24,298	12,841
	1,761,502	2,050,341

Long-term liabilities from contracts with customers:	31 March 2025	31 December 2024
Liabilities from contracts with customers (*)	32,993	80,509
	32,993	80,509

(*) Liabilities from contracts with customers mainly relates to LEM sales income, SaaS sales income, Subscription revenue, after-sales services, customized software sales.

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NOTE 17 - PREPAID EXPENSES AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS (cont'd)

The details of prepaid expenses as of 31 March 2025 and 31 December 2024 as follows:

	31 March 2025	31 December 2024
SaaS income	1,124,818	1,244,603
LEM sales	599,564	826,062
Revenue from continuing projects	29,945	40,172
After-sales services revenue	15,870	7,172
	1,770,197	2,118,009

NOTE 18 - EQUITY

The Company's authorized and paid-in share capital consists of 95,000,000 (31 December 2024: 95,000,000) shares with a nominal value of Kr 1 each. The shareholding structure of the Company as of 31 March 2025 and 31 December 2024 is as follows:

	31 March 2025	Share rate (%)	31 December 2024	Share rate (%)
Logo Teknoloji ve Yatırım A.Ş.	33,630	35.40	33,630	33.63
Publicly traded	61,370	64.60	61,370	66.37
	95,000	100.00	95,000	100.00
Share capital adjustment differences	880,950		880,950	
Paid-in capital	975,950		975,950	

The shares representing capital are categorized as group A and B. The privileges granted to group A shares are as follows: half of the board members will be elected from among the candidates nominated by group A shareholders and the Chairman of the Board is elected from among the board members proposed by Group A shareholders. Adjustment to share capital represents the difference between the historical amounts and the amounts adjusted according to the inflation of cash contributions to share capital.

Treasury shares

As of 31 March 2025, the amount of treasury shares which is accounted in Group's equity is TL 341,354 (31 December 2024: TL 341,354).

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NOTE 18 – EQUITY (cont'd)

Dividend distribution

Listed companies distribute dividend in accordance with the Communiqué No. II - 19.1 issued by the CMB which is effective from 1 February 2014.

As a dividend distribution policy, as long as the ongoing regulations and its financial resources allow the Company, considering its long-term corporate strategy, investment plans and financing policies, and its profitability and cash position, and provided that it can be met from the profit in the statutory records, intends to distribute up to 55% of the distributable profit calculated in accordance with Capital Market Regulations to its shareholders; dividend distribution may be realized in cash or by capital increase through bonus shares or partly in cash and partly through bonus shares. In the event that the dividend amount is less than 5% of the paid-in capital then such amount will not be distributed and will be retained within the company.

Dividend advance payments can be made in accordance with Turkish Commercial Code and CMB regulations provided that General Assembly authorizes the Board of Directors to pay dividend advance, limited to the related year, to shareholders in accordance with the Articles of Association.

The Group aims to complete the dividend payment before the last working day of the year in which dividend distribution decision is made in the General Assembly and starts the payment latest at the end of the accounting period when the General Assembly meeting is held. The General Assembly or Board of Directors, if authorized by the General Assembly, can decide to distribute dividend in installments in line with CMB regulations.

NOTE 19 - EXPENSES BY NATURE

As of 31 March 2025 and 2024, expenses are disclosed by function and the details of the expenses are summarized in Note 21 and Note 22.

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NOTE 20 - REVENUE AND COST OF SALES

Revenue:

	1 January - 31 March 2025	1 January – 31 March 2024
Sales income	557,823	552,875
SaaS service income	458,098	332,668
Service income	43,457	55,328
Sales returns	(7,234)	(6,571)
Sales discounts	(6,314)	(9,278)
Net sales income	1,045,830	925,022
Cost of sales (-)	(26,243)	(25,102)
Gross profit	1,019,587	899,920

Cost of sales:

	1 January - 31 March 2025	1 January – 31 March 2024
Cost of transfer of financial rights	13,993	13,668
Cost of trade goods sold	8,486	8,013
Service cost	3,764	3,421
Cost of sales (-)	26,243	25,102

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**NOTE 21 -RESEARCH AND DEVELOPMENT EXPENSES, MARKETING EXPENSES AND
GENERAL ADMINISTRATIVE EXPENSES****Research and development expenses:**

	1 January - 31 March 2025	1 January – 31 March 2024
Personnel expenses	203,282	187,492
Depreciation and amortization	140,389	117,392
Outsourced benefits and services	17,532	21,880
Consultancy expenses	6,245	9,270
Motor vehicle expenses	4,844	6,786
Travel expenses	704	946
Other	29,503	29,813
	402,499	373,579

Marketing expenses:

	1 January - 31 March 2025	1 January – 31 March 2024
Personnel expenses	116,410	106,727
Advertising and Sales Expenses	110,050	108,793
Outsourced benefits and services	10,371	2,679
Depreciation and amortization	9,633	6,887
Motor vehicle expenses	4,810	5,942
Travel expenses	1,007	945
Consultancy expenses	413	2,948
Other	8,423	8,054
	261,117	242,975

General administrative expenses:

	1 January - 31 March 2025	1 January – 31 March 2024
Personnel expenses	73,425	75,506
Consultancy expenses	10,439	11,830
Motor vehicle expenses	3,240	3,813
Depreciation and amortization	2,607	2,363
Outsourced benefits and services	1,756	813
Travel expenses	285	586
Other	3,690	4,685
	95,442	99,596

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NOTE 22 - OTHER OPERATING INCOME AND EXPENSES**Other operating income**

	1 January - 31 March 2025	1 January – 31 March 2024
Rediscount income	62,027	29,607
Foreign exchange income (*)	2,475	10,385
Maturity difference income	1,768	-
Other	804	2,505
	67,074	42,497

(*) Arising from the foreign exchange differences of trade receivables and payables.

Other operating expenses

	1 January - 31 March 2025	1 January – 31 March 2024
Rediscount expenses	5,483	3,302
Foreign exchange losses (*)	1,208	5,385
Provision expenses	179	-
Other	6,383	4,937
	13,253	13,624

(*) Arising from the foreign exchange differences of trade receivables and payables.

NOTE 23 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

	1 January - 31 March 2025	1 January – 31 March 2024
Gain on sale of securities	23,935	49,771
Profit from sale of subsidiaries shares	703,171	-
	727,106	49,771

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NOTE 24 - FINANCE INCOME

	1 January - 31 March 2025	1 January – 31 March 2024
Foreign exchange gains	4,884	116,716
Interest income	363	8,057
	5,247	124,773

NOTE 25 - FINANCE EXPENSES

	1 January - 31 March 2025	1 January – 31 March 2024
Interest expenses (*)	29,486	113,798
Interest cost of employment termination benefits	5,268	6,532
Interest expense from leases	3,506	842
Credit card commissions	2,001	1,204
Foreign exchange losses	604	2,607
Other finance expenses	9,837	1,140
	50,702	126,123

(*) TL 29,486 of interest expenses (31 March 2024: TL 113,798) consist of bank charges arising from the early collection of credit card receivables.

NOTE 26 – EXPLANATIONS ON NET MONETARY POSITION GAINS/ (LOSSES)

Non-Monetary Items	31 March 2025
Financial statement items	(94,540)
Inventories	546
Prepaid expenses	8,676
Assets classified as held for sale	12,675
Financial investments, subsidiaries	7,888
Property, plant and equipment	35,282
Right-of-use assets	619
Intangible assets	175,228
Goodwill	10,505
Deferred tax assets	6,462
Liabilities arising from customer contracts	(197,558)
Share capital	(83,974)
Capital adjustment differences	(5,255)
Foreign currency translation differences	88,722
Restricted reserves appropriated from profit	(25,888)
Reserves for Repurchased Shares	(31,209)
Repurchased Shares	31,209
Non-controlling interest put option valuation fund	53,953
Gains from investments in equity instruments	(35,131)
Accumulated other comprehensive income and expenses not to be reclassified to profit or loss	5,417
Prior years' profit	(152,707)

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NOTE 26 – EXPLANATIONS ON NET MONETARY POSITION GAINS/ (LOSSES) (cont'd)

Statement of profit or loss items	(18,387)
Revenue	(4,065)
Cost of sales	503
Research and development expenses	5,288
Marketing expenses	5,486
General administrative expenses	1,923
Other operating income/expenses	(419)
Other income/expenses from investing activities	(32,364)
Profit/(loss) of investments accounted through equity method share of losses	4,674
Finance income/expenses	587
Gains (losses) on net monetary position	(112,927)

NOTE 27 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

a) Non-current Assets Held for Sale:

A new agreement was signed with Avramos Holding, 20% shareholder of Total Soft, a subsidiary of the Group. Competition Board approval was completed in August 2024. Within the framework of the management buy out offer, Avramos Holding will increase its stake in Total Soft in two stages, from 20% to 30% in 2025 and from 30% to 85% by the end of 2027, by making a total payment of EUR 15.1 thousand to the Group until the end of 2027.

The Company has left the board of directors of Total Soft as of 1 February 2025. Until 31 December 2025, 10% of the shares to be sold will be accounted for as held for sale and the remaining 70% will be accounted for using the equity method.

For the 15% Total Soft shareholding that will remain in Logo as of the end of 2027, Logo has a put option as of 2030.

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NOTE 27 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (cont'd)

a) Non-current Assets Held for Sale (cont'd) :

31 December 2024

Cash and cash equivalents	403,993
Trade receivables	309,194
Inventories	361
Prepaid expenses	11,867
Other current assets	51,196
Financial investments	6
Property, plant and equipment	14,098
Right-of-use assets	11,722
Intangible assets	1,785,064
Other non-current assets	15,093
Short-term borrowings	(10,260)
Short-term portion of long-term borrowings	(110,211)
Trade payables	(69,442)
Payables for employee benefits	(133,571)
Other payables	(301,714)
Liabilities arising from customer contracts	(106,506)
Current income tax liability	(5,012)
Other current liabilities	(14,723)
Long-term borrowings	(276,692)
Long-term provisions	(26,570)
Deferred tax liability	(49,026)

Net assets	1,498,867
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b) Discontinued Operations:

The details of the Group's profit from discontinued operations for the period for the associate to be accounted for by equity method in accordance with the agreement made with Avramos Holding within the framework of the management buy out offer are as follows:

31 March 2024

Revenue	414,789
Cost of sales (-)	(250,327)
General administrative expenses (-)	(63,047)
Marketing expenses (-)	(15,099)
Research and development expenses (-)	(61,520)
Other operating income	3,081
Other operating expenses (-)	(4,345)
Finance income	713
Finance expenses (-)	(4,633)
Tax expense for the period (-)	(1,895)
Deferred tax income/(expense)	(3,408)

Net profit/(loss) from discontinued operations	14,309
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NOTE 28 – TAX ASSETS AND LIABILITIES

	31 March 2025	31 March 2024
Current period tax expense	-	(13,316)
Deferred tax income	(63,891)	(51,123)
Current period tax expense	(63,891)	(64,439)

Deferred taxes

The Group recognizes deferred tax assets and liabilities based upon the temporary differences between financial statements as reported in accordance with TFRS and its tax base of statutory financial statements. These differences usually result in the recognition of revenue and expense items in different periods for TFRS and statutory tax purposes.

Turkish Tax Legislation does not permit a parent company to file a consolidated tax return. Therefore, tax assets and liabilities, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis.

The tax rate used in calculating deferred tax assets and liabilities is 25%.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 28 – TAX ASSETS AND LIABILITIES (cont'd)***Deferred taxes (cont'd)***

As of 31 March 2025 and 31 December 2024, the breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided using enacted tax rates are as follows:

	Total temporary differences		Deferred tax assets/(liabilities)	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Deferred tax assets:				
Provisions for expenses	4,047	182,852	1,012	45,713
Provision for employment termination benefits	61,227	68,338	15,307	17,085
Deferred income	45,815	47,343	11,454	11,836
Deferred tax from the valuation of other financial assets	-	2,896	-	724
Vacation provision	34,240	28,233	8,560	7,058
Finance income unaccrued	57,157	124,755	14,289	31,188
Provision for doubtful receivables	2,188	2,061	547	515
	204,674	456,478	51,169	114,119
Deferred tax liabilities:				
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	(55,326)	(46,101)	(13,833)	(11,524)
Sale of subsidiary shares	(48,372)	(92,532)	(12,093)	(11,566)
Inventories	(546)	-	(136)	-
Prepaid expenses	(7,104)	(4,064)	(1,776)	(1,016)
Gains from investments in equity-based financial instruments	(77,459)	(77,330)	(19,365)	(19,333)
	(188,807)	(220,027)	(47,203)	(43,439)
Deferred income tax assets /(liabilities), net			3,966	70,680

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NOTE 28 – TAX ASSETS AND LIABILITIES (cont'd)***Deferred taxes (cont'd)***

The analysis of deferred tax assets and liabilities is as follows:

Deferred tax assets	1 January - 31 March 2025	1 January – 31 December 2024
To be recovered less than 12 months	27,302	89,976
To be recovered more than 12 months	23,867	24,143
	51,169	114,119
Deferred tax liabilities		
To be recovered less than 12 months	(1,912)	(1,016)
To be recovered more than 12 months	(45,291)	(42,423)
	(47,203)	(43,439)
Deferred income tax assets/(liabilities), net	3,966	70,680

Movements of deferred tax assets/(liabilities) are as follows:

	2025	2024
1 January	70,680	42,098
Charged to statements of profit or loss	(63,891)	(54,532)
Charged to other comprehensive income	(2,823)	(1,584)
Foreign currency translation difference	-	(2,933)
31 March	3,966	(16,951)

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NOTE 28 – TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Turkish Corporate Tax Law has been amended by Law No. 5520 dated 13 June 2006. Most of the articles of this new Law No. 5520 have come into force effective from 1 January 2006. Accordingly, the corporate tax rate in Türkiye is 25% for the year 2025 (31 December 2024: 25%).

With the amendment made to the Corporate Tax Law on 15 July 2023, the 50% securities sales income exemption was abolished. However, this exemption will continue to be applied as 25% for immovable properties purchased before the amendment date of the law.

Corporation tax rate is applicable on the total income of the companies after adjusting for certain disallowable expenses, income tax exemptions (participation exemption etc.) and income tax deductions (for example research and development expenses deduction). No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Türkiye, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 25% on their corporate income. Advance tax is payable by the 17th of the second month following each calendar. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

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NOTE 28 – TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax (cont'd)

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 30th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

There are many exemptions in Corporate Tax Law regarding corporations. Those related to the Group are explained below:

Within the scope of the Temporary Article added to the Technology Development Zones Law No. 4691 with Article 44 of the Law No. 5035, the income and corporate taxpayers operating in the technology development zones are exempted from income and corporate tax for earnings, which are exclusively from the software and R&D activities in this zone, until 31 December 2028.

The investment allowance, which has been applied for many years and calculated as 40% of property plant and equipment acquisitions exceeding a certain amount, was annulled with the Law No. 5479 dated 30 March 2006. However, in accordance with the temporary Law No. 69 added to the Income Tax Law, corporate and income taxpayers can offset the investment allowance amounts present as of 31 December 2005, which could not be offset against taxable income in 2005 and:

- a) In accordance with the investment certificates prepared for applications made before 24 April 2003, investments to be made after 1 January 2006 in the scope of the certificate regarding the investments that began in the scope of additional articles 1, 2, 3, 4, 5 and 6 of Income Tax Law No: 193 before it was repealed with the Law No: 4842 dated 9 April 2003 and,
- b) Investment allowance amounts to be calculated in accordance with legislation effective at 31 December 2005 related to investments which exhibit a technical and economic and integrity and which were started prior to 1 January 2006 in the scope of Income Tax Law 193 repealed 19th article, only against the income related to the years 2006, 2007 and 2008, in accordance with the legislation at 31 December 2005 (including provisions related to tax rates).

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NOTE 28 – TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax (cont'd)

The Constitutional Court abolished the provisions of Temporary Article 69 of the Income Tax Law regarding the time limitation to the investment allowance in its meeting held on 15 October 2009 and published the minutes of the relevant meeting on its website in October 2009. The decision of the Constitutional Court on the cancellation of the time limitation for investment allowance for the years 2006, 2007 and 2008 came into force with its promulgation in the Official Gazette, dated 8 January 2010, and thereby the time limitation regarding investment allowance was removed.

NOTE 29 – EARNINGS PER SHARE

As of 31 March 2025, earnings for the period amounting to TL 7.79 full (31 March 2024: TL (0.52) full) per thousand shares with a nominal value of Kr 1.

	1 January - 31 March 2025	1 January – 31 March 2024
Net income attributable to equity holders of the parent	730,211	(49,048)
Average number of shares for the year	9,379,900	9,458,602
Earnings/(loss) per share	7.79	(0.52)

	1 January - 31 March 2025	1 January – 31 March 2024
Parent Company's share from continuing operations	730,211	(64,035)
Average number of shares available during the year	9,379,900	9,458,602
Earnings/(loss) per share from continuing operations (Full TL)	7.79	(0.68)

	1 January - 31 March 2025	1 January – 31 March 2024
Parent Company's share from discontinued operations	-	14,987
Average number of shares available during the year	-	9,458,602
Earnings/(loss) per share from discontinued operations (Full TL)	-	0.16

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NOTE 30 – RELATED PARTY DISCLOSURES

a) Receivables from related parties as of 31 March 2025 and 31 December 2024:

Trade receivables from related parties:	31 March 2025	31 December 2024
Other	2,210	-
	2,210	-

b) Receivables from related parties as of 31 March 2025 and 31 December 2024:

Other receivables from related parties:	31 March 2025	31 December 2024
Logo Infosoft	1,499	1,698
	1,499	1,698

c) As of 31 March 2025 and 31 March 2024, sales to related parties, services provided and finance income from related parties:

Services provided to related parties:

	31 March 2025	31 March 2024
Berqnet Siber Güvenlik Teknolojileri A.Ş.	1,768	4,432
Logo Teknoloji ve Yatırım A.Ş.	71	63
Tekbulut Teknoloji	2	2
	1,841	4,497

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NOTE 30 – RELATED PARTY DISCLOSURES (cont'd)

e) As of 31 March 2025 and 31 March 2024, services received from related parties and other transactions:

Services received from related parties:

	31 March 2025	31 March 2024
Logo Teknoloji ve Yatırım A.Ş.	3	-
Logo Infosoft	-	12
	3	12

f) Remuneration of the key management:

	31 March 2025	31 March 2024
Remuneration of the key management	34,251	35,054

NOTE 31 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

31.1 Financial risk management

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are managed by limiting aggregate risk from any individual counterparty (excluding related parties) and obtaining sufficient collateral, where necessary.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business the Company aims at maintaining flexibility in funding by keeping committed credit lines available. The Company management monitors the liquidity reserve movements according to the estimated cash flows. The Company management holds adequate cash and credit commitment that will meet the need cash for recent future in order to manage its liquidity risk. In this context, the Company has credit limit from banks amounting to over TL 100,000 that can be utilized whenever needed.

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NOTE 31 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

31.1 Financial risk management (cont'd)

Liquidity risk (cont'd)

Non-derivative financial instruments	Book value	31 March 2025				
		Total contractual cash outflows (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Borrowings	32,708	32,708	8,343	16,514	810	7,041
Trade payables						
- Trade payables to third parties	267,342	267,342	267,342	-	-	-
Payables related to employee benefits	127,938	127,938	127,938	-	-	-
Other payables						
- Other payables to third payables	402,564	402,564	101,286	-	301,278	-
Total liabilities	830,552	830,552	504,909	16,514	302,088	7,041

Non-derivative financial instruments	Book value	31 December 2024				
		Total contractual cash outflows (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Borrowings	12,636	12,636	4,132	2,633	1,036	4,835
Trade payables						
- Trade payables to third parties	284,511	284,511	284,511	-	-	-
Payables related to employee benefits	358,131	358,131	358,131	-	-	-
Other payables						
- Other payables to third payables	738,558	738,558	308,544	-	430,014	-
Total liabilities	1,393,836	1,393,836	955,318	2,633	431,050	4,835

Interest rate risk

The Group management uses its interest-bearing assets in short-term investment instruments within the framework of the principle of managing with natural precautions by balancing the maturities of interest-sensitive assets and liabilities.

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NOTE 31 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

31.1 Financial risk management (cont'd)

The Group's interest rate sensitive financial instruments are as follows:

	31 March 2025	31 December 2024
<u>Financial instruments with fixed interest rate</u>		
Financial assets		
- Financial assets at amortized cost	4,176	6,063
- Financial assets with fair value reflected to other comprehensive income	-	249,085
Financial liabilities	32,708	12,636
Put option valuation fund for non-controlling interests	348,402	500,419
- Put option	-	-
- Share sale liability	348,402	500,419

Financial instruments with floating interest rate

Financial assets		
- Financial assets with fair value reflected to profit/loss	251,316	208,564

Financial assets designated as fair value through profit or loss consists of fixed and floating interest rate bank deposits denominated in TL and foreign currencies which maturities less than three months and liquid funds. Since the interest expense of the floating rate loans during the year is not significant, sensitivity analysis of interest rate change has not been presented.

Funding risk

The ability to fund the existing and prospective debt requirements is managed as necessary by obtaining adequate committed funding lines from high quality lenders.

Foreign currency risk

The Group is exposed to exchange rate risk arising from exchange rate changes due to the translation of foreign currency denominated debts or creditors into Turkish Lira. The foreign currency risk is followed by analyzing the foreign exchange position. Foreign exchange rates used to translate the Group's assets and liabilities denominated in foreign currencies into TL as of 31 March 2025 and 31 December 2024 are as follows:

	31 March 2025	31 December 2024
Assets		
USD	37.7656	35.2803
EUR	40.7019	36.7362
Liabilities		
USD	37.8337	35.3438
EUR	40.7753	36.8024

The Group is mainly exposed to foreign currency risk in USD and EUR.

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NOTE 31 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

		Foreign Currency Position as of 31 March 2025			
		TL equivalent	USD	EUR	Other
1.	Trade receivables	-	-	-	-
2a.	Monetary financial assets (cash and bank accounts included)	7,755	168	34	19
2b.	Non-monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
4.	Current assets (1+2+3)	7,755	168	34	19
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non-current assets (5+6+7)	-	-	-	-
9.	Total assets (4+8)	7,755	168	34	19
10.	Trade payables	-	-	-	-
11.	Financial liabilities	-	-	-	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
13.	Current liabilities (10+11+12)	-	-	-	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	-	-	-	-
16a.	Other monetary liabilities	-	-	-	-
16b.	Other non-monetary liabilities	-	-	-	-
17.	Non-current liabilities (14+15+16)	-	-	-	-
18.	Total liabilities (13+17)	-	-	-	-
19.	Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	-	-	-	-
19a.	Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b.	Off-balance sheet foreign currency derivative financial liabilities	-	-	-	-
20.	Net foreign assets/(liability) position (9-18+19)	7,755	168	34	19
21.	Net foreign currency asset/(liability) position of monetary items (=1+2a+3+5+6a -10-11-12a-14-15-16a)	7,755	168	34	19
22.	Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23.	Export	7,380	192	-	-
24.	Import	-	-	-	-

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NOTE 31 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

		Foreign Currency Position as of 31 December 2024			
		TL equivalent	USD (nominal)	EUR (nominal)	Other (nominal)
1.	Trade receivables	34,061	869	7	-
2a.	Monetary financial assets (cash and bank accounts included)	113,836	2,874	55	17
2b.	Non-monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
4.	Current assets (1+2+3)	147,897	3,743	62	17
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	150,512	3,876	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non-current assets (5+6+7)	150,512	3,876	-	-
9.	Total assets (4+8)	298,409	7,619	62	17
10.	Trade payables	(9,380)	(232)	(9)	-
11.	Financial liabilities	-	-	-	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
13.	Current liabilities (10+11+12)	(9,380)	(232)	(9)	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	-	-	-	-
16a.	Other monetary liabilities	-	-	-	-
16b.	Other non-monetary liabilities	-	-	-	-
17.	Non-current liabilities (14+15+16)	-	-	-	-
18.	Total liabilities (13+17)	(9,380)	(232)	(9)	-
19.	Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	-	-	-	-
19a.	Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b.	Off-balance sheet foreign currency derivative financial liabilities	-	-	-	-
20.	Net foreign assets/(liability) position (9-18+19)	289,029	7,387	53	17
21.	Net foreign currency asset/(liability) position of monetary items (=1+2a+3+5+6a -10-11-12a-14-15-16a)	289,029	7,387	53	17
22.	Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23.	Export	61,843	1,450	-	-
24.	Import	-	-	-	-

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NOTE 31 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

The following table shows the TL equivalents of Group's sensitivity to a 10% change in USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the end of the period and presents effect of 10% change in foreign currency rates. The positive amount indicates increase in profit/loss before tax or equity.

Foreign currency sensitivity

	31 March 2025			
	Profit/(Loss)		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
In case of 10% appreciation of US Dollar against TL				
1- USD net assets/liabilities	636	(636)	-	-
2- Hedged portion from USD risks (-)	-	-	-	-
3- USD net effect (1+2)	636	(636)	-	-
In case of 10% appreciation of EUR against TL				
4- EUR net assets/liabilities	137	(137)	-	-
5- Hedged portion from EUR risks (-)	-	-	-	-
6- EUR net effect (4+5)	137	(137)	-	-

	31 December 2024			
	Profit/(Loss)		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
In case of 10% appreciation of US Dollar against TL				
1- USD net assets/liabilities	28,686	(28,686)	-	-
2- Hedged portion from USD risks (-)	-	-	-	-
3- USD net effect (1+2)	28,686	(28,686)	-	-
In case of 10% appreciation of EUR against TL				
4- EUR net assets/liabilities	218	(218)	-	-
5- Hedged portion from EUR risks (-)	-	-	-	-
6- EUR net effect (4+5)	218	(218)	-	-

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NOTE 31 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may pay out dividends, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including borrowings, accounts payable and due to related parties, as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated statement of financial position, plus net debt.

	31 March 2025	31 December 2024
Total borrowings	32,708	12,636
Less: Cash and cash equivalents (*)	(716,330)	(629,377)
Net debt	(683,622)	(616,741)
Total equity	3,027,751	2,893,998
Total capital	2,344,129	2,277,257
Debt/equity ratio	(29%)	(27%)

(*) Cash and cash equivalents include cash and cash equivalents, deposits with maturities longer than 3 months and shares and private sector bonds included in short-term financial investments.

Fair value is the amount at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the company could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value.

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NOTE 32 - FINANCIAL INSTRUMENTS

Monetary assets

The fair value of the foreign currency denominated amounts, which are translated by using the exchange rates prevailing at period-end, is considered to approximate their fair value.

Certain financial assets carried at cost including cash and cash equivalents are carried at cost, and their carrying values are approximately equal to their fair values due to their short-term nature.

It is assumed that the book values of trade receivables reflect their fair values with the related doubtful receivables provisions.

Monetary liabilities

It is assumed that the carrying values of financial liabilities and other monetary liabilities approximate their fair values due to the variable interest rate of long-term financial liabilities. It is anticipated that the book values of trade and other payables reflect their fair values due to their short-term nature. The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted).

Level 2: Other valuation techniques include direct or indirect observable inputs.

Level 3: Valuation techniques does not contain observable market inputs.

Fair value hierarchy table as of 31 March 2025 is as follows.

Financial assets at fair value through profit or loss in the statement of financial position

	Level 1	Level 2	Level 3
Financial investments (*)	51,330	-	534,696

(*) Note 5

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 32 - FINANCIAL INSTRUMENTS (cont'd)**Categories and fair values of financial instruments****31 March 2025**

	Financial assets at amortized cost	FVTPL	FVTOCI	Financial liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>						
Cash and cash equivalents	665,000	-	-	-	665,000	4
Financial assets	-	51,330	534,696	-	586,026	5
Trade receivables	684,203	-	-	-	684,203	8
Receivables from related parties	3,709	-	-	-	3,709	30
<u>Financial liabilities</u>						
Financial payables	-	-	-	32,708	32,708	7
Other payables	-	-	-	54,162	54,162	9
Put option liabilities	-	-	-	348,402	348,402	9
Trade payables	-	-	-	267,342	267,342	8

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(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 32 - FINANCIAL INSTRUMENTS (cont'd)**Categories and fair values of financial instruments (cont'd)****31 December 2024**

	Financial assets at amortized cost	FVTPL	FVTOCI	Financial liabilities at amortized cost	Financial liabilities at fair value	Carrying value	Note
<u>Financial assets</u>							
Cash and cash equivalents	488,465	-	-	-	-	488,465	4
Financial assets	-	42,096	912,186	-	-	954,282	5
Trade receivables	1,322,912	-	-	-	-	1,322,912	8
Receivables from related parties	1,698	-	-	-	-	1,698	30
<u>Financial liabilities</u>							
Financial payables	-	-	-	-	12,636	12,636	7
Other payables	-	-	-	-	238,139	238,139	9
Put option liabilities	-	-	-	-	500,419	500,419	9
Trade payables	-	-	-	-	284,511	284,511	8

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2025 AND 2024

(Amounts expressed in TL based on the purchasing power of the Turkish Lira ("TL") as of 31 March 2025, unless otherwise stated.)

NOTE 33 - DISCLOSURES ON THE STATEMENT OF CASH FLOWS

	Bank loans and credit cards	Leases	Total
1 January 2025	3,160	9,476	12,636
Classified for sale	(1,568)	-	(1,568)
Increase in lease liabilities (TFRS 16)	-	28,230	28,230
Cash outflows from lease liabilities (TFRS 16)	-	(6,590)	(6,590)
31 March 2025	1,592	31,116	32,708
Cash and cash equivalents (-)			(665,000)
Net debt			(632,292)

	Bank loans and credit cards	Leases	Total
1 January 2024	498,723	56,649	555,372
Cash inflows	9,330	-	9,330
Cash outflows	(486,087)	-	(486,087)
Foreign currency translation difference	(18,806)	(14,765)	(33,571)
Increase in lease liabilities (TFRS 16)	-	9,330	9,330
Cash outflows from lease liabilities (TFRS 16)	-	(41,738)	(41,738)
31 December 2024	3,160	9,476	12,636
Cash and cash equivalents (-)			(488,465)
Net debt			(475,829)

NOTE 34 - EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors meeting of Logo Yazılım Sanayi ve Ticaret Anonim Şirketi held on 18 April 2025; it was decided to initiate a merger transaction whereby Elba HR İnsan Kaynakları Eğitim ve Danışmanlık Anonim Şirketi ("Elba"), a subsidiary in which the Company holds 100% of the shares, shall be acquired by the Company by way of merger through the transfer of all of its assets and liabilities to the Company. The Company made an application to the Capital Markets Board on 18 April 2025 for the approval of the merger.