



LOGO

1Q2020 Results Presentation

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Chief Financial Officer

May 7th, 2020

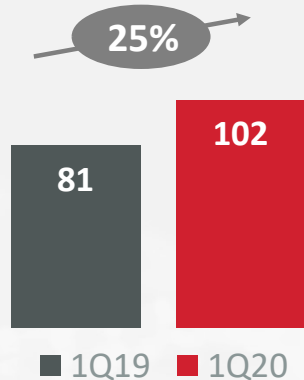
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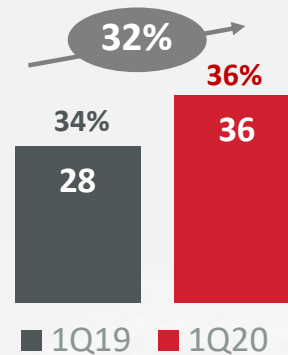
Strong performance in 1Q20

Consolidated

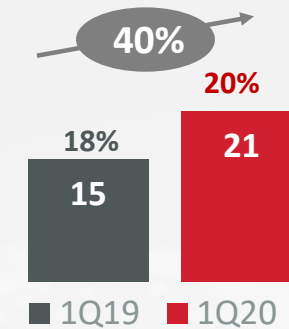
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)



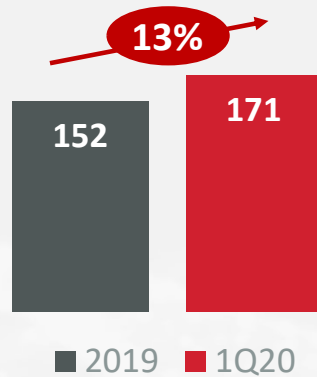
- **Revenues** grew by 25% reaching 102 TL mn, with Turkey and Romania operations contributing 62% and 38% respectively.
- **EBITDA** increased by 32%, yielding 36% margin.
- **Net income** grew by 40%, yielding 20% margin.
- Q1 results are in line with the business plan.
- Due to the coronavirus pandemic the **2020 guidance** declared on Feb 19th is **no longer valid**. A revised guidance will be shared once there is more visibility with respect to the impact of the pandemic.

Strong Financial Management

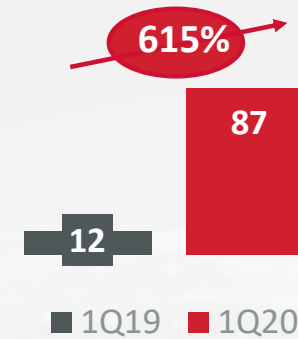
Consolidated

Improved Liquidity

Cash and Cash Eq. (TL mn)

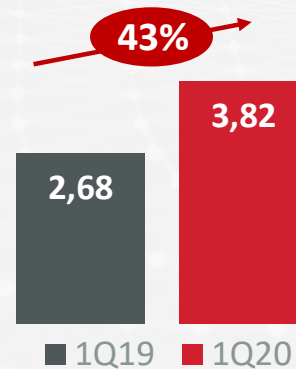


Net Cash* (TL mn)



* Net cash together with 3.48% treasury shares @Mcap and excluding IFRS impact of 17 TL mn and 15 TL mn for 1Q19 and 1Q20 respectively

EPS* growth (LTM)



*Adjusted by 3.48% treasury shares

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Update on Covid-19 outbreak's impact

All employees well and safe working remotely since March 17th with **no disruption in operations**

Logo's **diversified** customer base (geography, sector and size) minimizes risk for periods to come

Big ticket sales completed during this period and solid sales **pipeline** exists for both TR and RO

Agile adaptation to conditions: keeping SG&A in line with sales



Strategically positioned to leverage the enhanced need of companies for **digital transformation**

Sustaining the strength of the ecosystem by utilizing financial and operational tools **supporting our Business Partners**

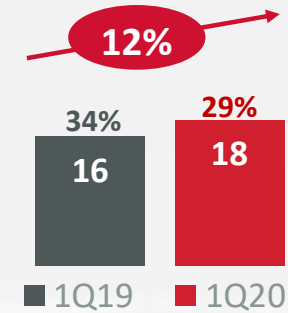
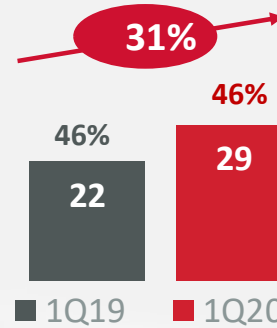
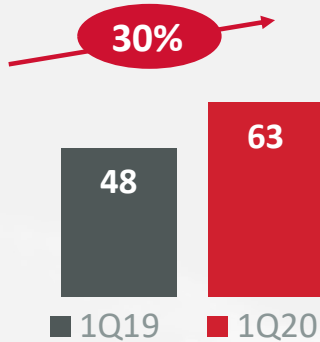
Strong and liquid balance sheet makes Logo resilient against volatility and uncertainty in the market

Stellar performance in Turkey

Logo Standalone-Revenues (TL mn)

Logo Standalone-EBITDA (TL mn)

Logo Standalone-Net Income (TL mn)



Logo Turkey Standalone: Logo's operations in Turkey excluding Logo KOBİ (İşbaşı) and Logo Infosoft (India)

- **Revenues** increased by 30% with healthy growth in new customer acquisitions, increased spending from existing customers, and exceptional growth in e-government related module and coin sales
- **EBITDA** grew by 31% with margin maintained at 46%
- Tax expenses on invoiced revenue were relatively higher impacting the net income margin
- Logo Turkey standalone new customer acquisitions was strong in 1Q with 104% growth reaching 2,1K
- Substantial **user growth** of **237%** y/y at end-1Q at **Logo İşbaşı** reaching **39K** (2,1K paying) users.

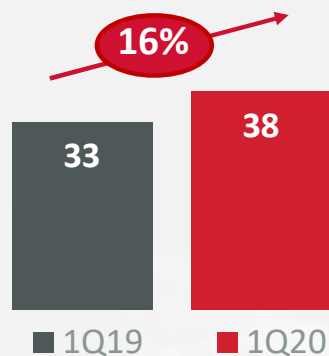


*IFRS 16 impact: EBITDA +1.7 TL mn (1Q19: 1.2. TL mn) / EBIT +337 TL thou (1Q19: +350 TL thou) / EBT -131 TL thou (1Q19: -141 TL thou)

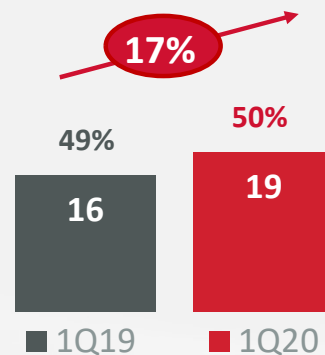
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Significant profitability improvements at Total Soft

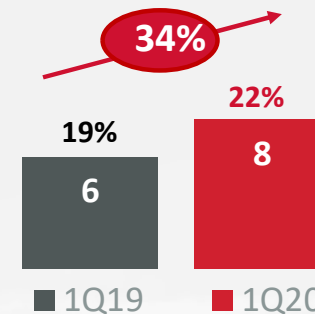
Total Soft–Revenues (TL mn)



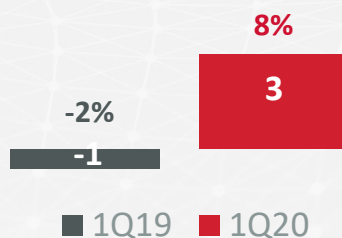
Total Soft–Gross profit (TL mn)



Total Soft–EBITDA (TL mn)



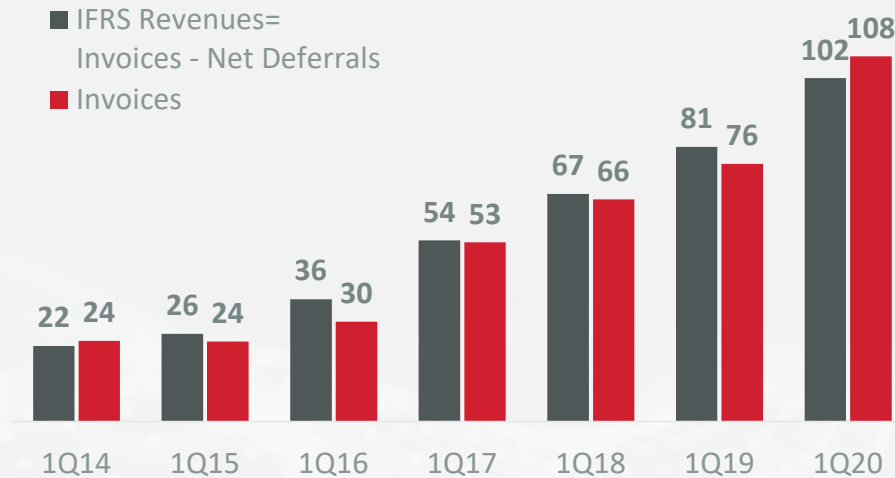
Total Soft–Net Income (TL mn)



- **Revenues** grew by 16% y/y and revenue growth in Euros was 5% y/y
- **Efficiency** improvement continued and gross profit is up by 17% yielding a 50% gross margin
- **EBITDA** went up by 34%, yielding 22% margin
- 1Q20 **net income margin** reached 8%, significantly improving on the back of higher operational profitability and lower net financial expenses

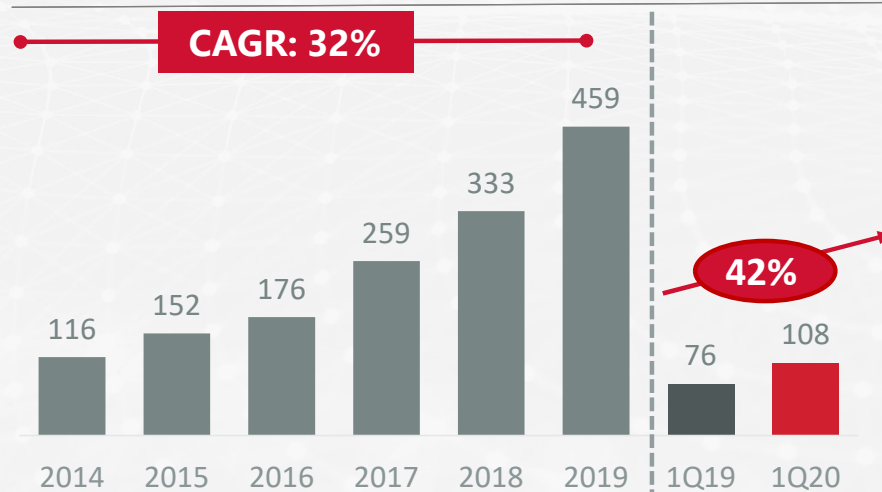
Invoiced Revenue vs IFRS Revenue (Consolidated)

First Quarter Invoices & IFRS Revenues (TL mn)



- 1Q sales invoice growth was 42% y/y
- IFRS Revenue growth was 25%y/y in 1Q

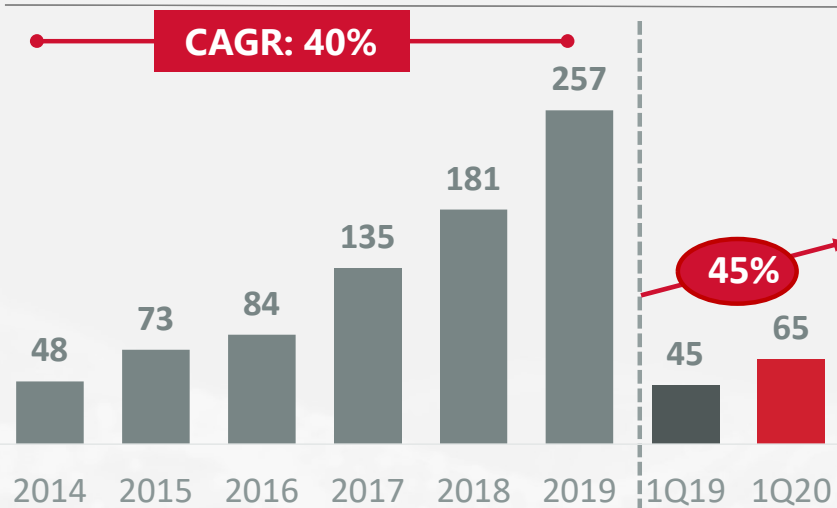
Invoiced Revenues (TL mn)



- In Turkey, invoiced revenue was 66 TL mn with 64% increase
- Total Soft's invoiced revenue increased by 17% and reached 42 TL mn
- Recurring revenues make up 60% of invoices

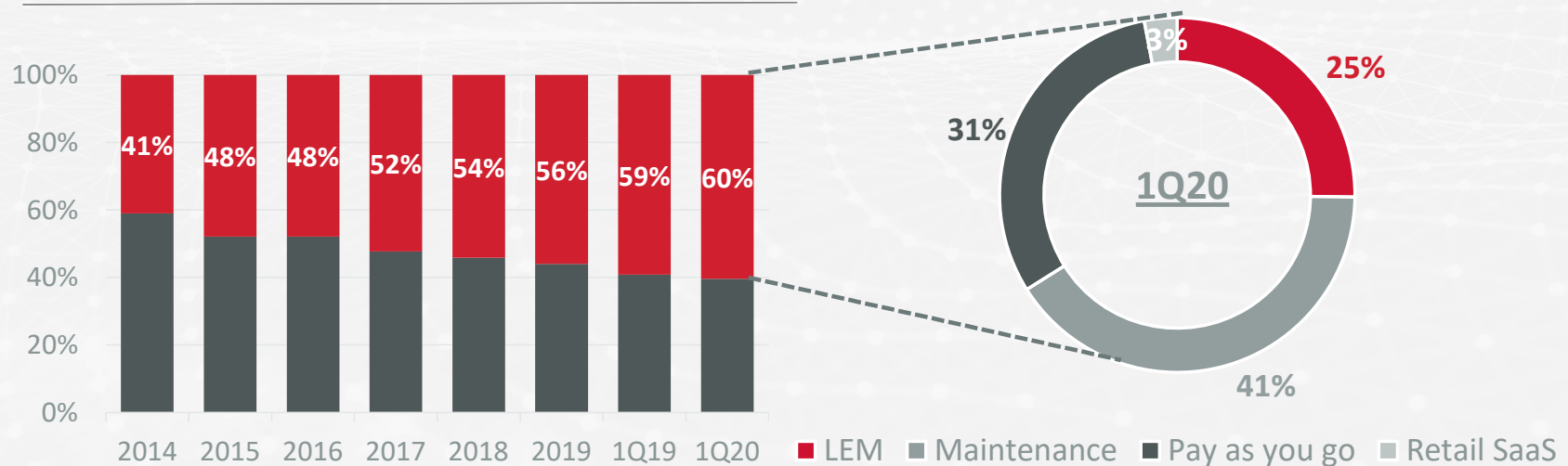
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



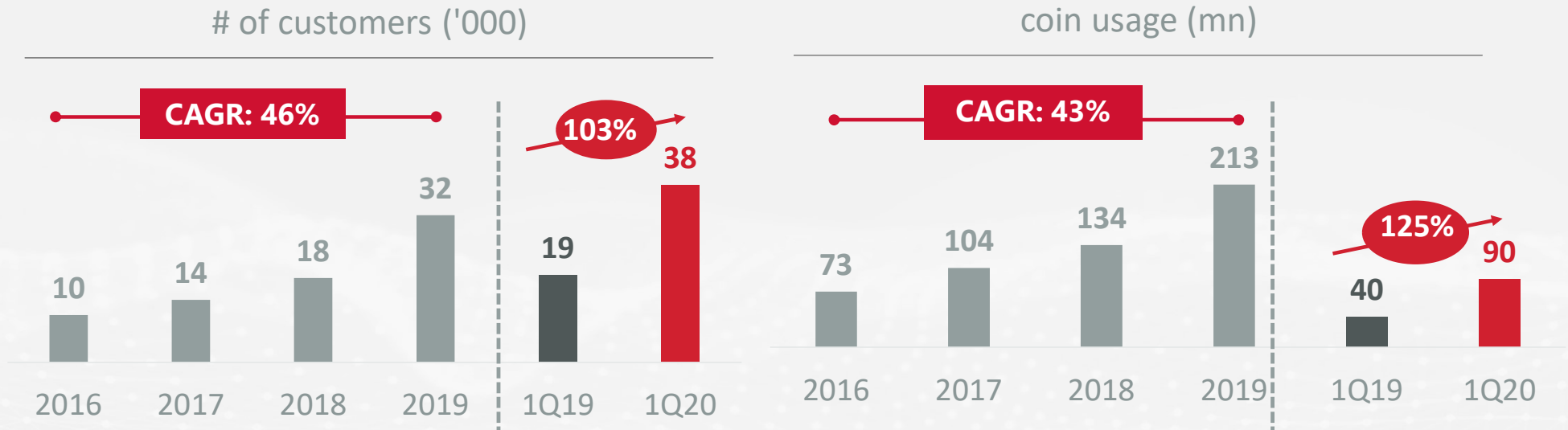
- **LEM** revenues increased by 33% y/y
- **Pay as you go** revenues increased by 130% y/y with strong coin sales. Coin customers and coin usage grew by 103% and 125%, respectively
- **Maintenance** revenues increased by 18% y/y with significant contribution from Total Soft
- **Retail SaaS** revenues increased by 31%

Recurring Invoices/Total Invoices (%)



eLogo: e-services platform and leader in digital transformation

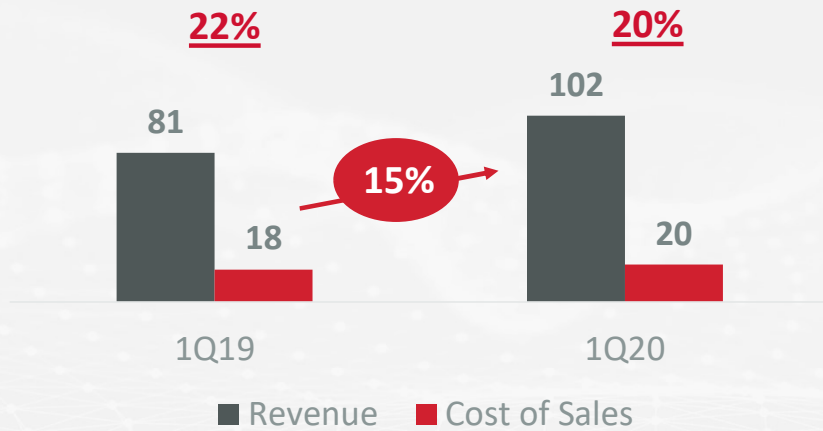
Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 38K customers



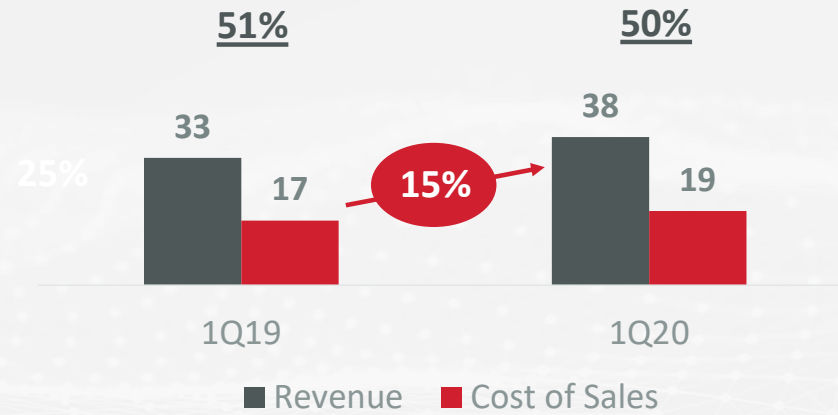
- ✓ Strong growth in number of customers and coin usage continued in 1Q with the support of the e-government solutions communique published in October 2019
- ✓ As the leader of the market, eLogo is well-positioned to take advantage of the market growth driven by the new communique

Cost of Sales

Consolidated (TL mn) – As % of IFRS Revenue

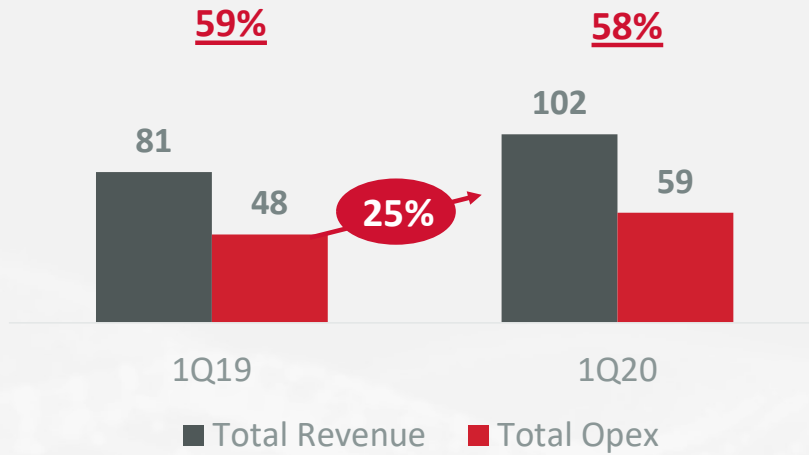


Total Soft (TL mn) – As % of IFRS Revenue

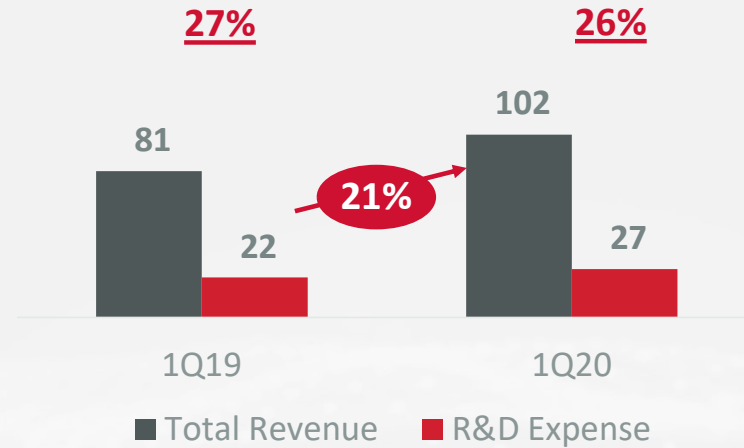


Operating Expenses

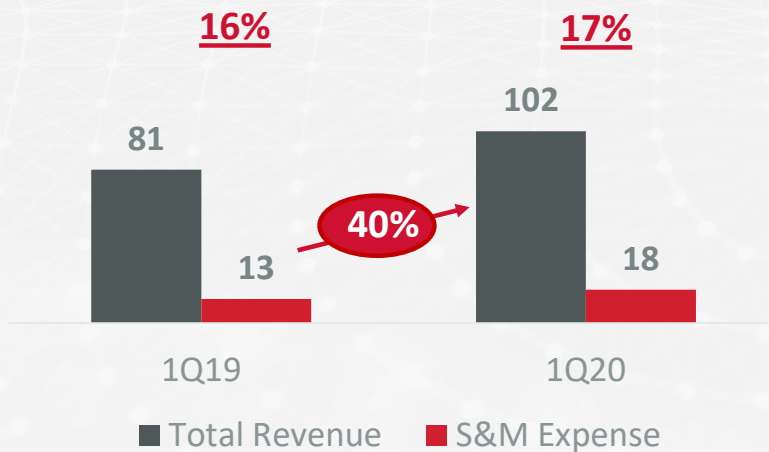
OpEx (TL mn) – As % of IFRS Revenue



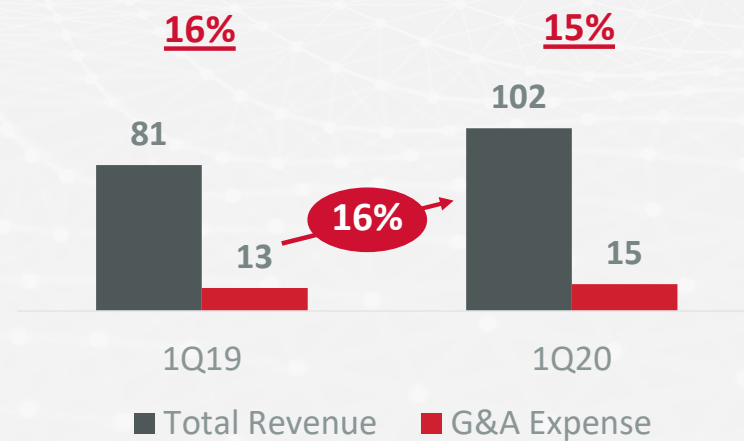
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

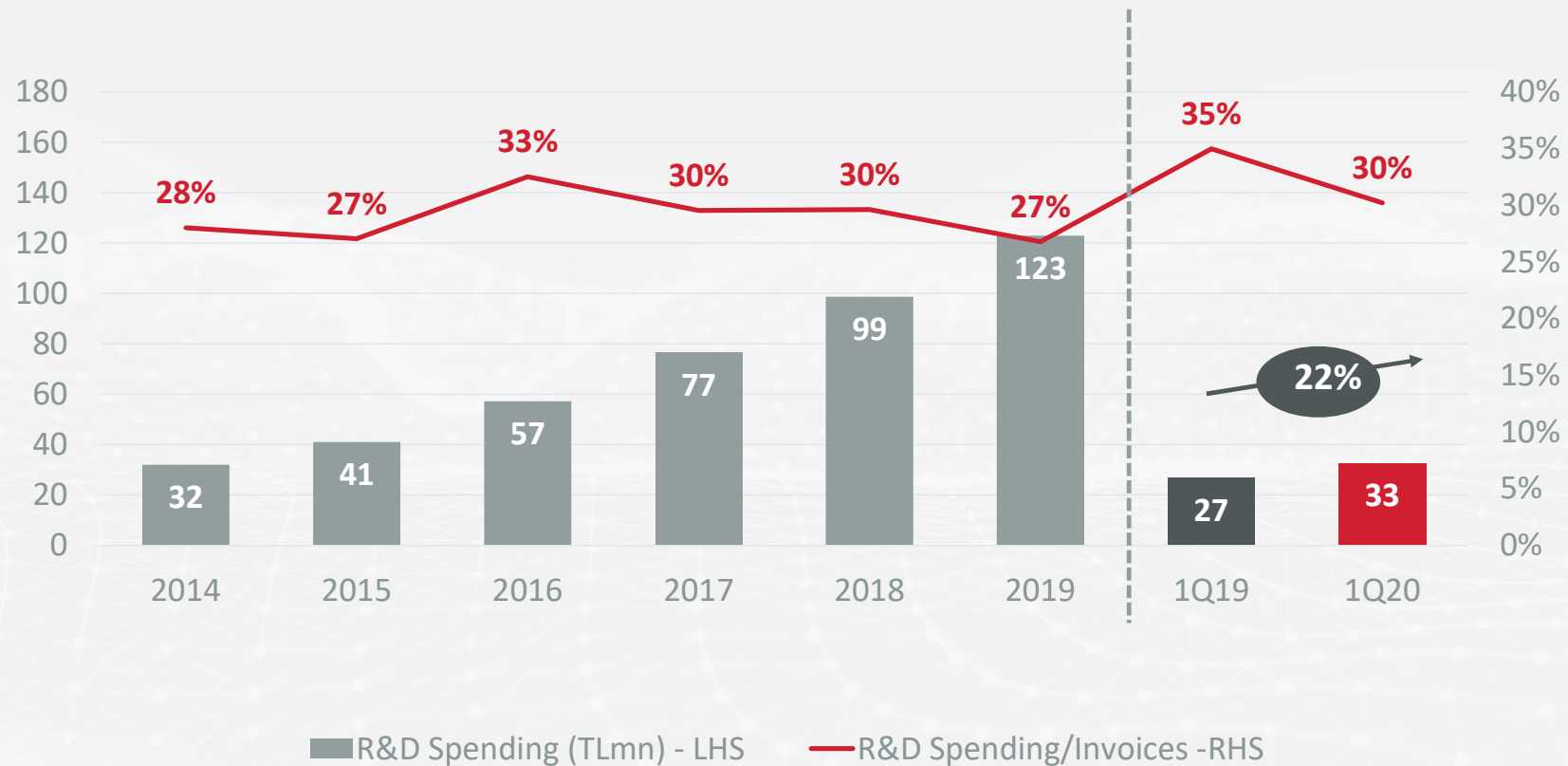


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

R&D Spending (TL mn) – As % of Invoices



Strong Balance Sheet

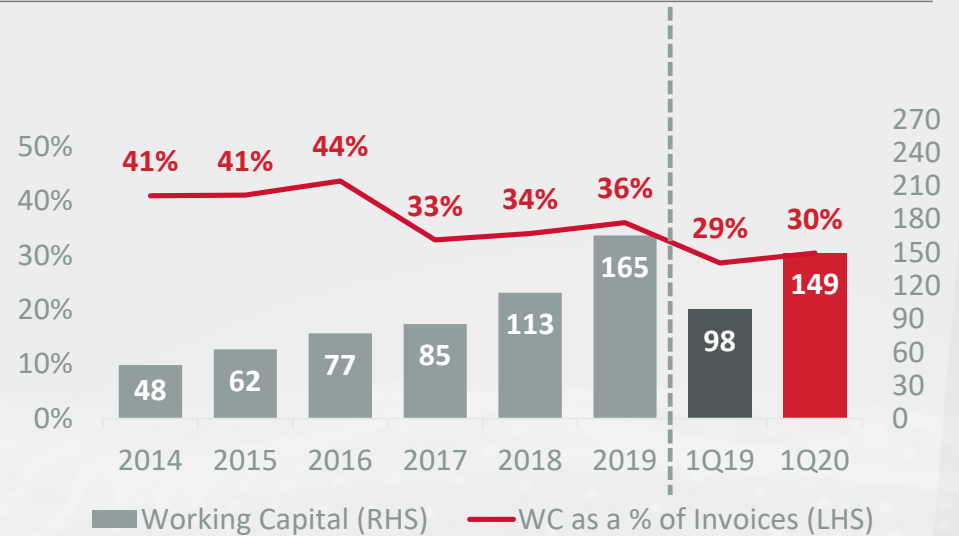
Balance Sheet Highlights (TL mn)

	2019	1Q20	Δ
Cash & Cash Eq.	152,2	171,3	13%
Trade Receivables	211,2	176,4	-16%
Tangible Assets	20,0	20,6	3%
Intangible Assets*	342,2	365,9	7%
Other Assets	50,2	52,8	5%
Total Assets	775,7	786,9	1%
Total Liabilities	381,1	371,0	-3%
Total Shareholders' Equity	394,6	416,0	5%
Total Liabilities and Equity	775,7	786,9	1%
Shareholders Equity Ratio	0,51	0,53	4%
Current Ratio	1,55	1,52	-2%
EPS**	3,58	3,82	7%

* Includes goodwill

** Adjusted by 3.48% treasury shares

Working Capital (TL mn)



Working capital: Trade receivables + Inventories – Trade payables
WC/Invoices figures are based on 12-mnth trailing invoices

- Net cash is 34.7 TL mn at end-1Q20 (excluding 15.3 TL mn IFRS 16 impact) vs 31.3 TL mn at end-2019 (excluding 15.4 TL mn IFRS 16 impact). Net cash of 86.8 TL mn together with 3.48% treasury shares @Mcap at end-1Q20.
- WC is 30% of invoiced revenues, improving from 36% at end-2019.

The background is a deep red color with a subtle pattern of binary code (0s and 1s) and faint, glowing lines. In the upper left, there are two overlapping squares: a dark red one and a white one with a dark red square inside. In the upper right, there is a white rounded rectangle with a dark red square at its bottom right corner. The text "Questions & Answers" is centered in the lower half of the image, with a dotted white line forming a horizontal oval around it.

Questions & Answers



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