



LOGO

Q1 2021 Results Presentation

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Chief Financial Officer

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Disclaimer

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Q121 at a glance

- Started the year with a continued **strong performance**
- **Recurring revenue** grew in all categories reaching **65%** of invoiced sales
- **Turkey;**
 - **Revenues** increased **by 44%** with healthy new customer acquisition, increased spending from existing customers and strong growth in e-government coin sales
 - MicroSME digitalization SaaS solution **İşbaşı's** paying users reached **14.7 thousand** with **670% growth y/y**
 - **Peoplise** reached **120+** customers, ranking **#1** in Turkey
- **Romania;**
 - Challenging market conditions continue due to COVID-19 where enterprise segment customers still inclined to postpone large projects. As a result, new project additions, especially from international markets was low.
 - Project additions from existing customers and maintenance revenues remained strong
- **India;** microSME digitalization SaaS solution **CaptainBiz** user number remained at 1 thousand with tough market dynamics due to COVID-19

ESG in numbers



1,233

Employees



44%

Women employees



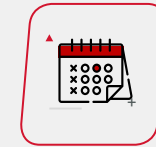
45%

Women in executive management



79

Employee engagement index score (TR)



35

Average age of employees



78%

of employees works in software development



24%

R&D spending/ invoiced revenues



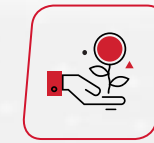
50%

of Board is independent



9,22/10

Corporate Governance Rating



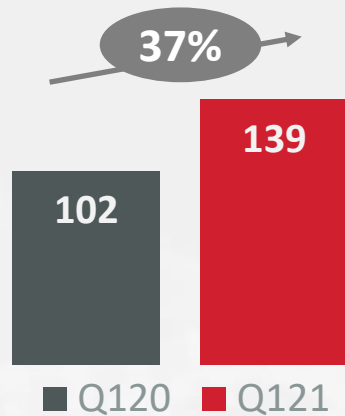
100%

of e-waste recycled in TR

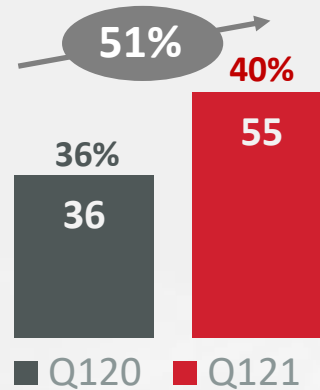
Outstanding performance in Q121

Consolidated

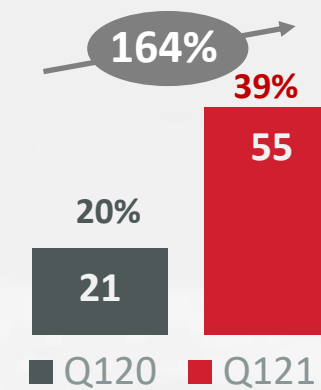
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

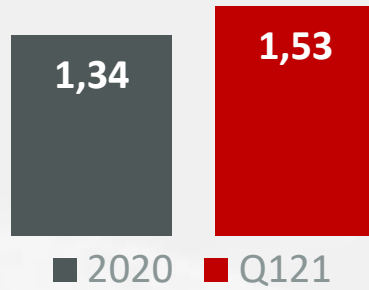


- **Revenues** grew by 37% reaching 139 TL mn, with Turkey and Romania operations contributing 65% and 35% respectively.
- **EBITDA** increased by 51%, yielding 40% margin.
- **Net income** grew by 164%, yielding 39% margin.

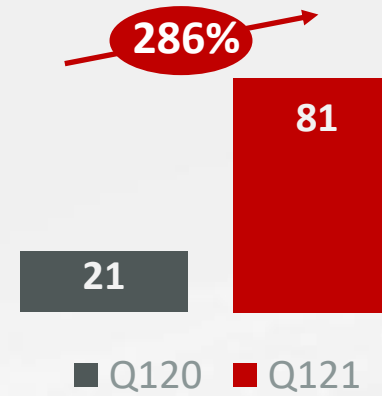
Effective financial management

Consolidated

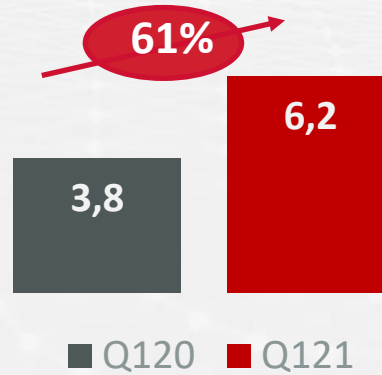
Current Ratio



Strong FCF – LTM (TL mn)



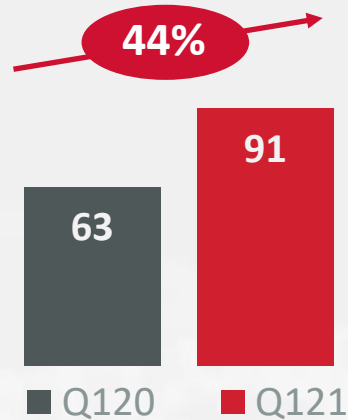
EPS* growth



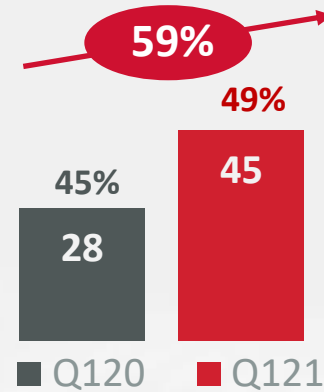
**Adjusted by 3.48% treasury shares*

Very strong performance in Turkey

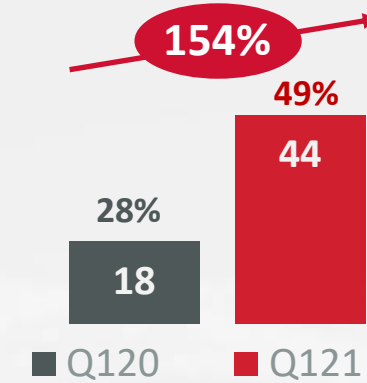
Logo Turkey-Revenues (TL mn)



Logo Turkey-EBITDA (TL mn)



Logo Turkey-Net Income (TL mn)

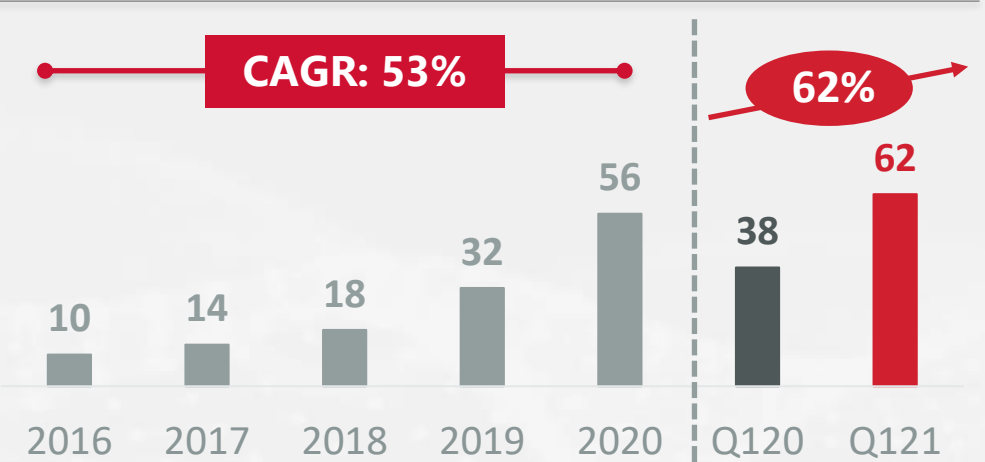


- **Revenues** increased by 44% with healthy new customer acquisitions, increased spending from existing customers, and strong growth in e-service coin sales
- **EBITDA** grew by 59% with margin reaching 49%
- **Net income** positively affected by net financial gains with margin reaching 49%

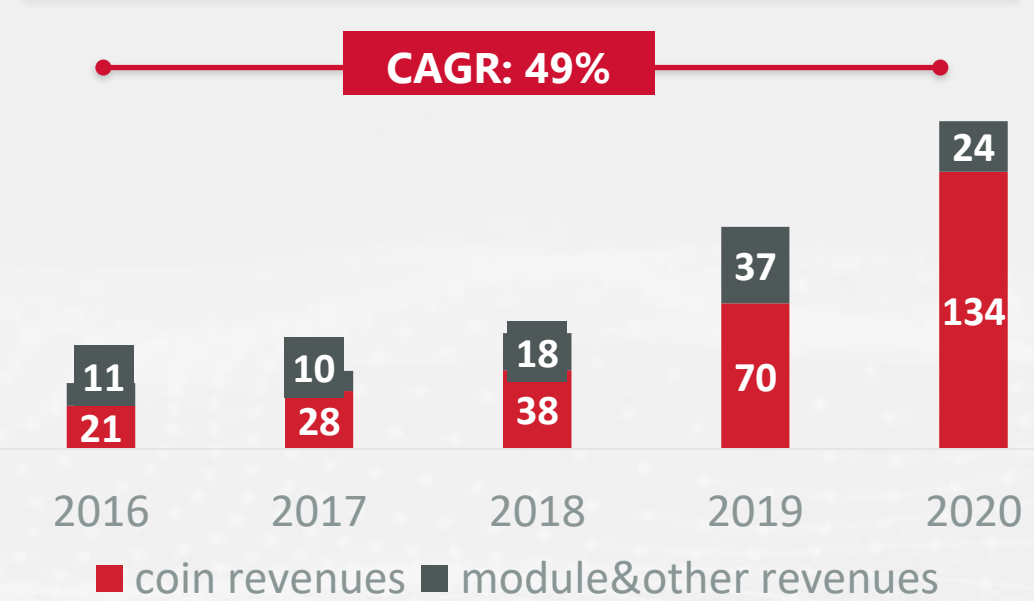
eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 62K customers

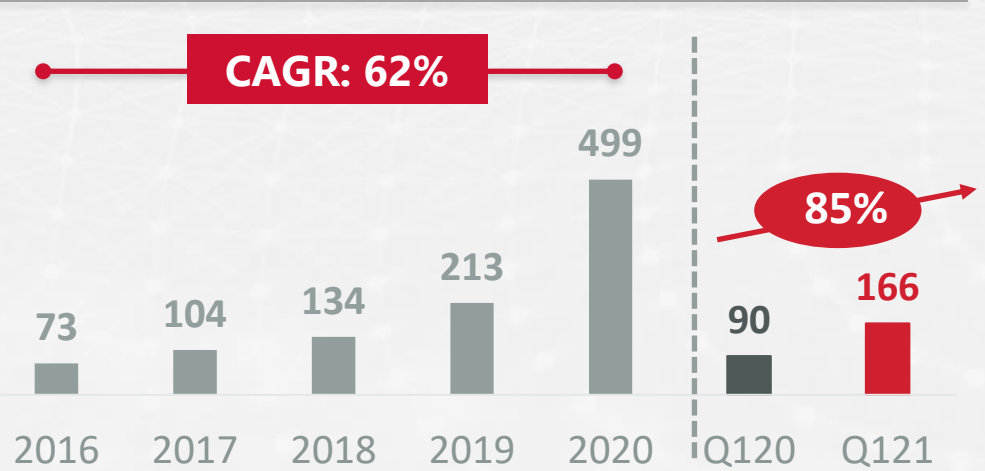
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)



- ✓ eLogo invoiced revenues (modules and coins) recorded significant growth rate since 2016.
- ✓ Coin revenues comprises 85% of eLogo's invoiced revenues in 2020 signaling strong recurring revenue growth potential going forward

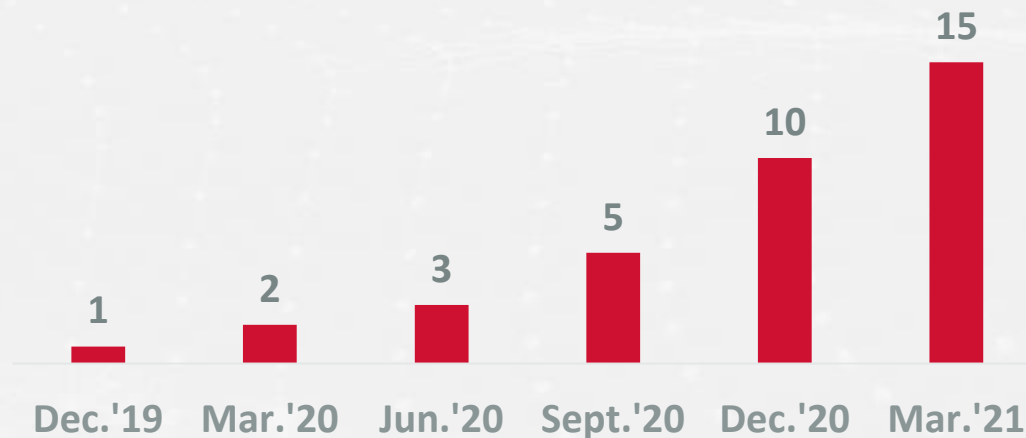


MicroSME digitalization

Turkey

- ✓ SaaS solution **Logo İşbaşı**'s users reached **14.7 thousand** with **670% growth y/y** in a very competitive MicroSME segment
- ✓ Logo as the leading e-invoice provider, differentiates itself with **high service quality**
- ✓ Quick and **easy upgradability** to a larger ERP solution
- ✓ **Value creation on digital platform**: connecting revenue administration, financial institutions, customers, trade partners and e-commerce sites

of users ('000)



India

Logo CaptainBiz is GSTN approved

Only 8 solutions are approved by the Goods and Services Tax Network (GSTN) of India

1K users at end-Q121

Basic functionality is free for 1 user until March 2023 - when thru GSTN

Logo CaptainBiz is a mobile solution

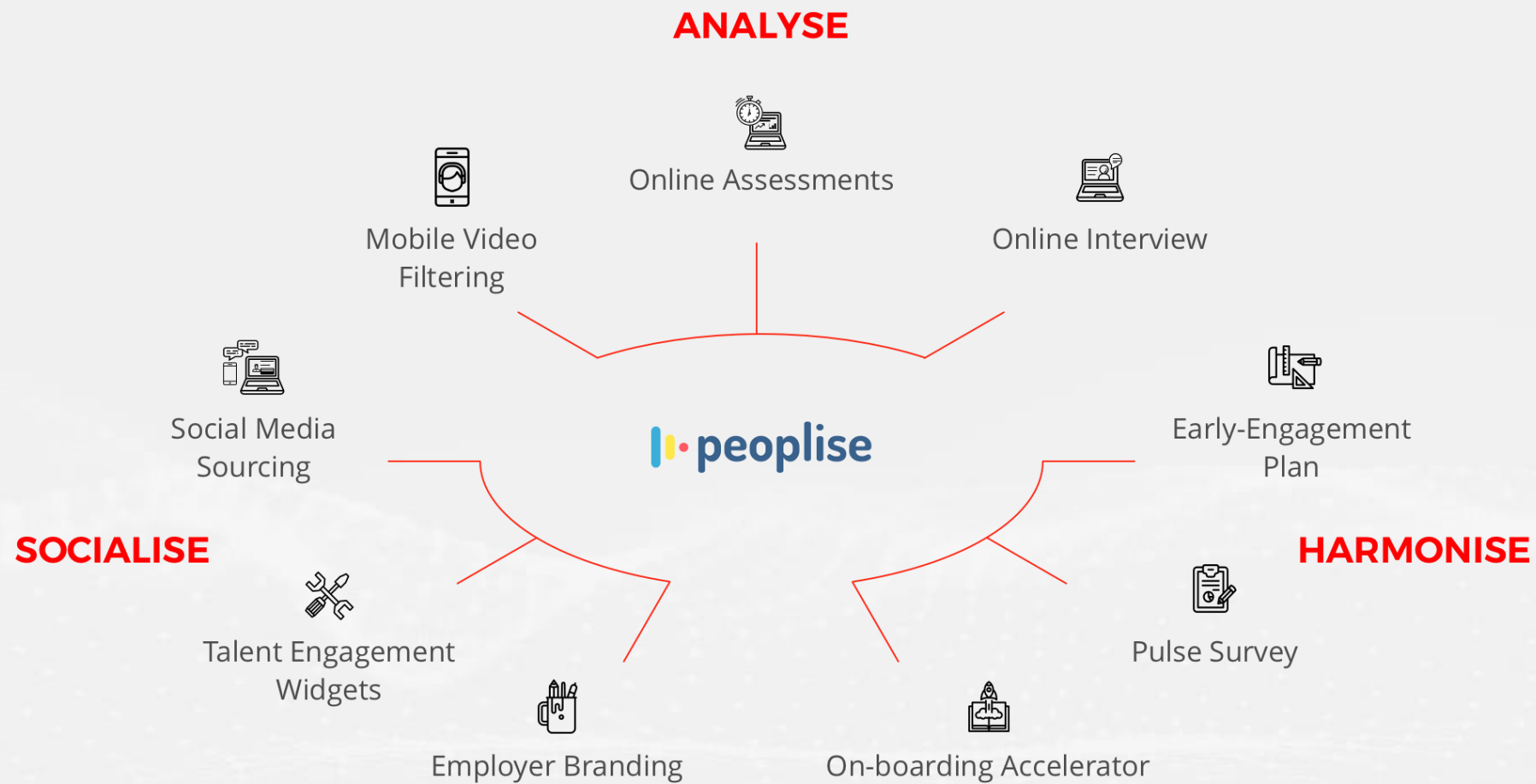
Only 4 solutions are mobile among the 8-GSTN-approved solutions

Same source-code with Logo İşbaşı

Aligned R&D effort

- ✓ SaaS solution **Logo CaptainBiz** (formerly Vyapari): final product with enhanced features rebranded and launched in 2020
- ✓ Total **investment** by Logo is **\$4.3 million** since JV's foundation at end-2016;
 - \$1.0 mn equity
 - \$3.3 mn long-term equity convertible

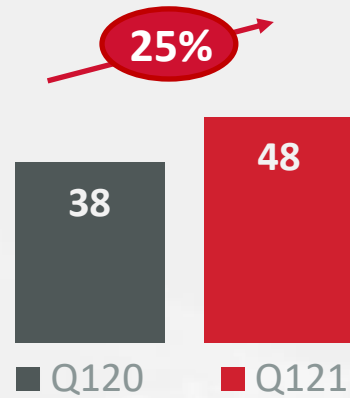
Peoplise: Next Generation Talent Acquisition



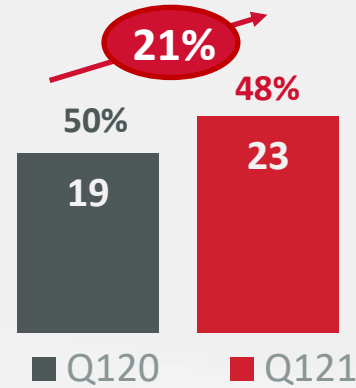
- ✓ Revenue and customer **growth** remained **strong** in Q121
- ✓ Reached **120+** customers, ranking **#1** in Turkey
- ✓ The new version of fully digital **applicant tracking system** was launched successfully in Q121 improving **talent analytics** and **customer experience**
- ✓ AI based chatbot supported **100% Digital assessment center application**, **Casebot**, became a client favorite for young talent programs of more than 12 companies including blue chip ones
- ✓ Serving clients in **8** different countries in **14** languages

Solid performance at Total Soft

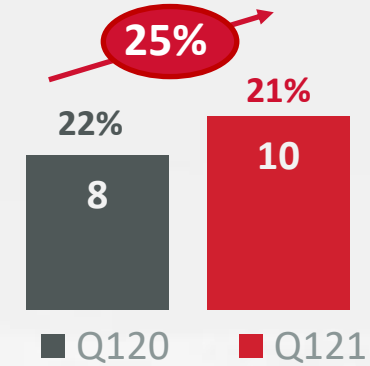
Total Soft-Revenues (TL mn)



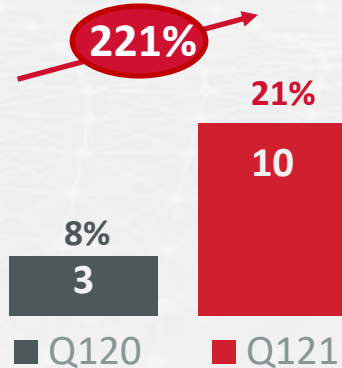
Total Soft-Gross profit (TL mn)



Total Soft-EBITDA (TL mn)



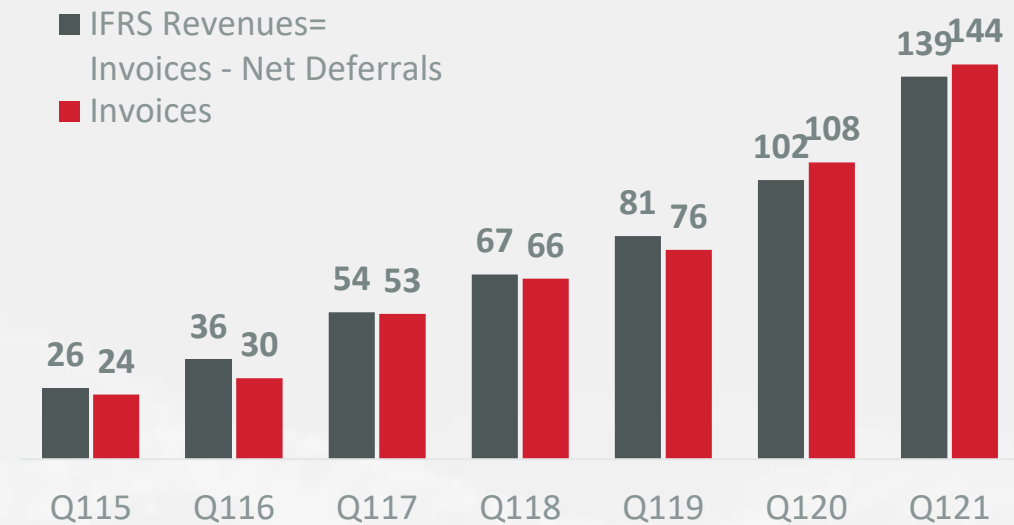
Total Soft-Net Income (TL mn)



- **Revenues** grew by 25% y/y and revenue growth in Euros was -5% y/y
- Gross profit is up by 21% yielding a 48% gross margin
- **EBITDA** went up by 25%, yielding 21% margin
- Q121 **net income margin** reached 21%, with 9,2 TL mn one-off income in relation to the payment received as per the share purchase agreement dated September 2nd, 2016.

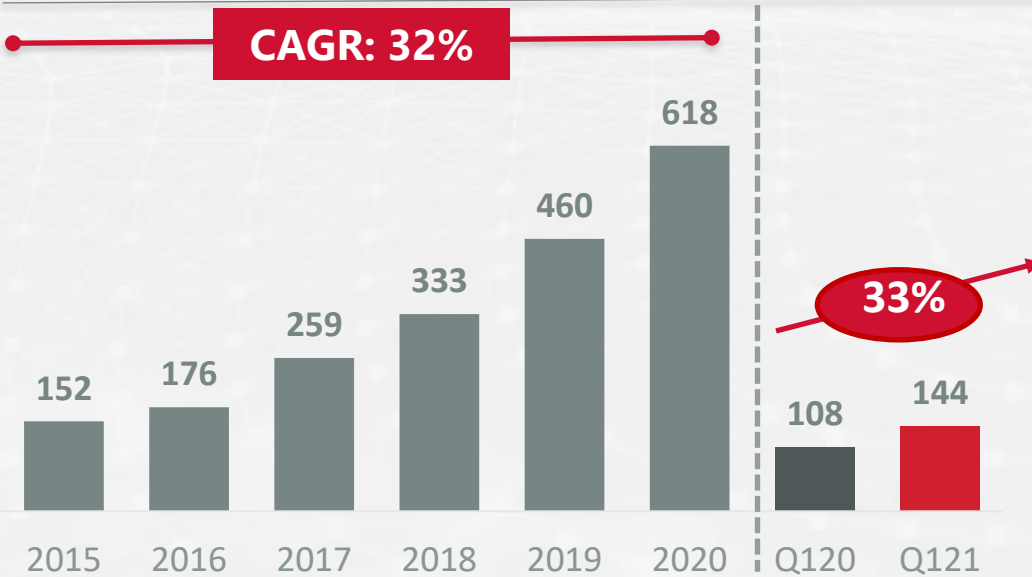
Invoiced Revenue vs IFRS Revenue (Consolidated)

First Quarter Invoices & IFRS Revenues (TL mn)



- Q1 sales invoice growth was 33% y/y
- IFRS Revenue growth was 37%y/y in Q1

Invoiced Revenues (TL mn)

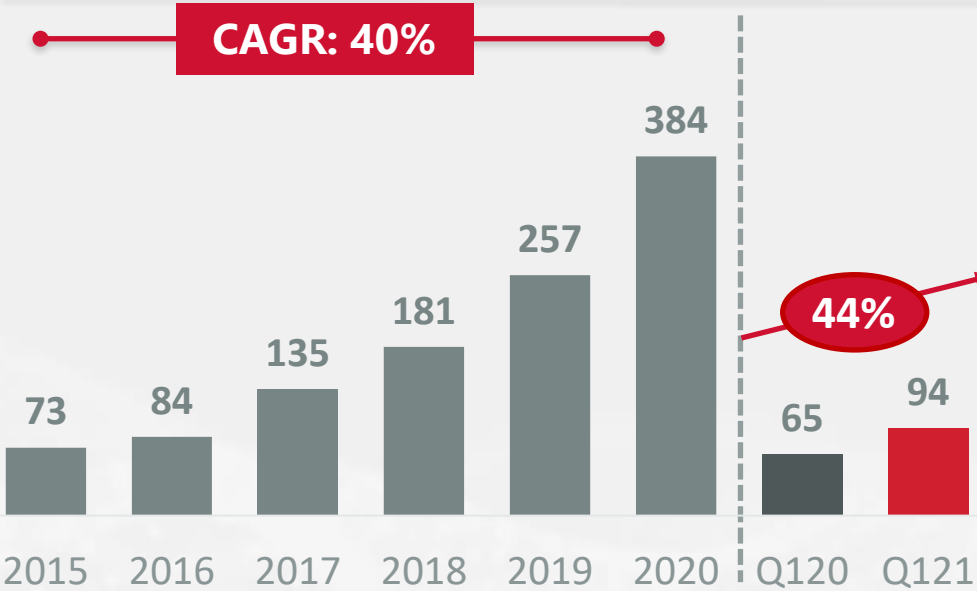


- In Turkey, invoiced revenue was 93,1 TL mn with 41% increase
- Total Soft's invoiced revenue increased by 21% and reached 50,8 TL mn
- Recurring revenues make up 65% of invoices



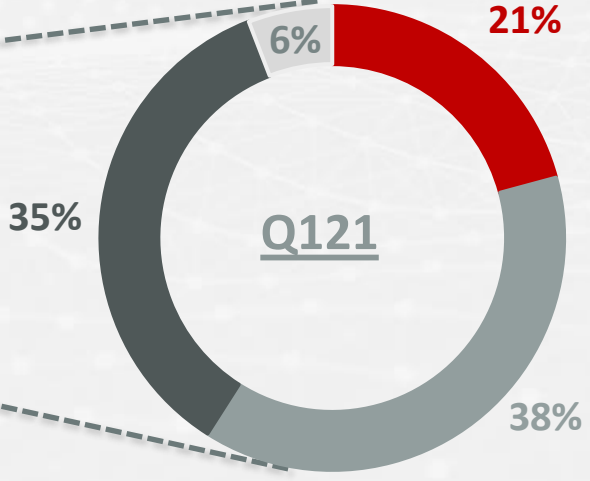
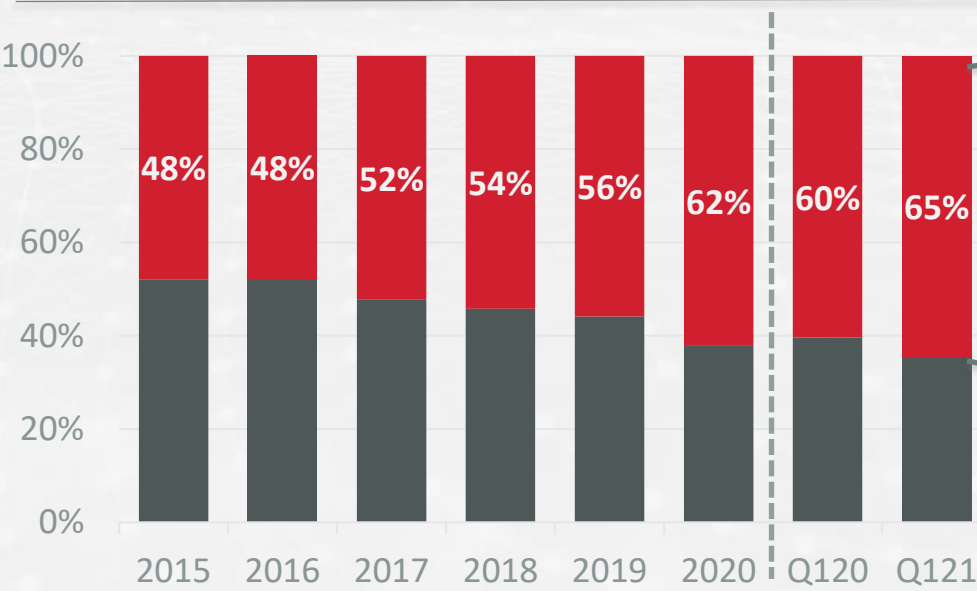
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



- LEM revenues increased by 19% y/y
- Pay as you go revenues increased by 63% y/y with strong coin sales.
- Maintenance revenues increased by 34% y/y with significant contribution from Total Soft
- SaaS revenues increased by 183%

Recurring Invoices/Total Invoices (%)



■ LEM ■ Maintenance ■ Pay as you go ■ SaaS



Recurring Revenue Growth and Breakdown

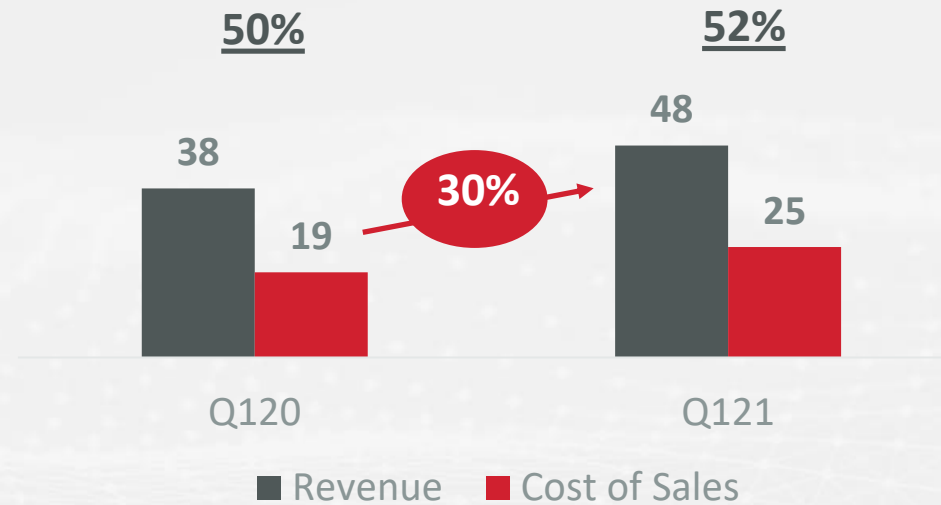
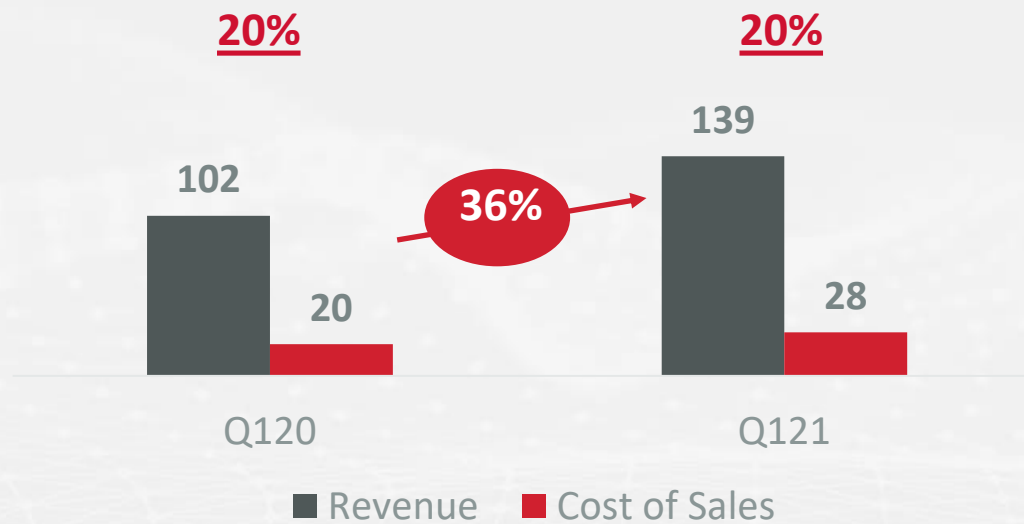
	2016	2017	2018	2019	2020	4-yr-CAGR
Invoice revenues (TL mn)	175,8	259,1	333,0	460,1	617,7	37%
One-time	91,6	123,6	152,5	203,0	233,5	26%
<i>share in total</i>	52%	48%	46%	44%	38%	
Recurring	84,1	135,5	180,5	257,2	384,2	46%
<i>share in total</i>	48%	52%	54%	56%	62%	
Recurring invoice revenues (TL mn)						
LEM	46,2	61,4	75,7	97,0	124,7	28%
<i>share in recurring</i>	55%	45%	42%	38%	32%	
Pay-as-you-go	21,7	29,1	39,5	72,7	139,7	59%
<i>share in recurring</i>	26%	21%	22%	28%	36%	
Maintenance	11,3	38,5	57,4	77,1	106,9	75%
<i>share in recurring</i>	13%	28%	32%	30%	28%	
SaaS	5,0	6,5	7,9	10,3	12,8	26%
<i>share in recurring</i>	6%	5%	4%	4%	3%	

- All recurring revenue streams recorded substantial growth between 2016 and 2020, and recurring revenues' share reached 62% in 2020 ensuring predictability going forward
- E-services' coin sales is the main trigger for pay-as-you-go revenue growth
- Maintenance revenues' major contributor is Romania operations

Cost of Sales

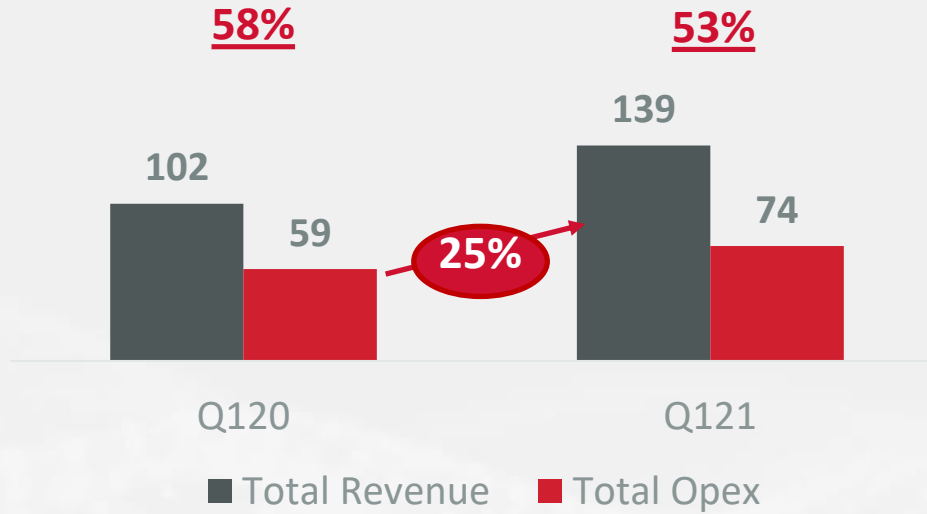
Consolidated (TL mn) – As % of IFRS Revenue

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

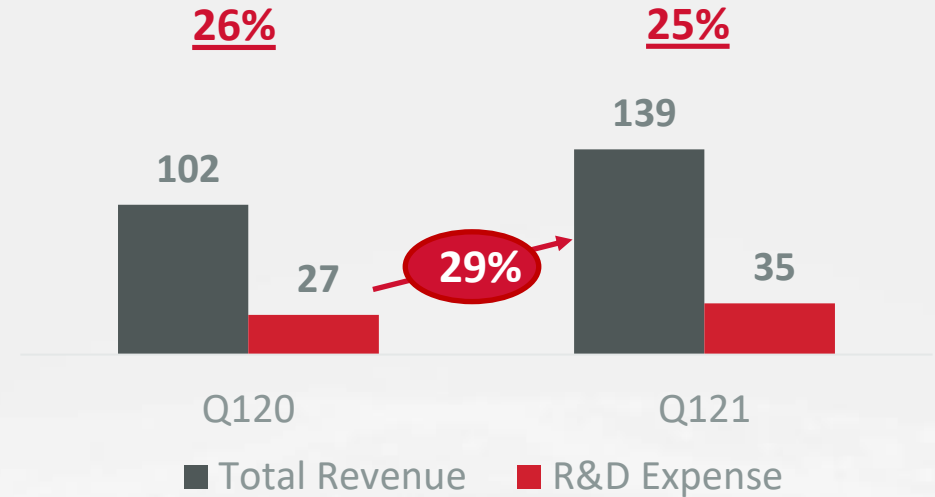


Operating Expenses

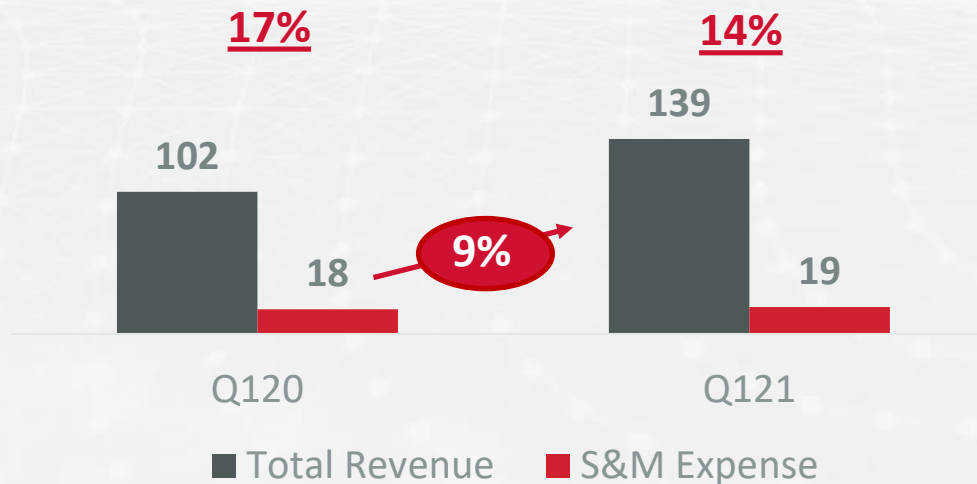
OpEx (TL mn) – As % of IFRS Revenue



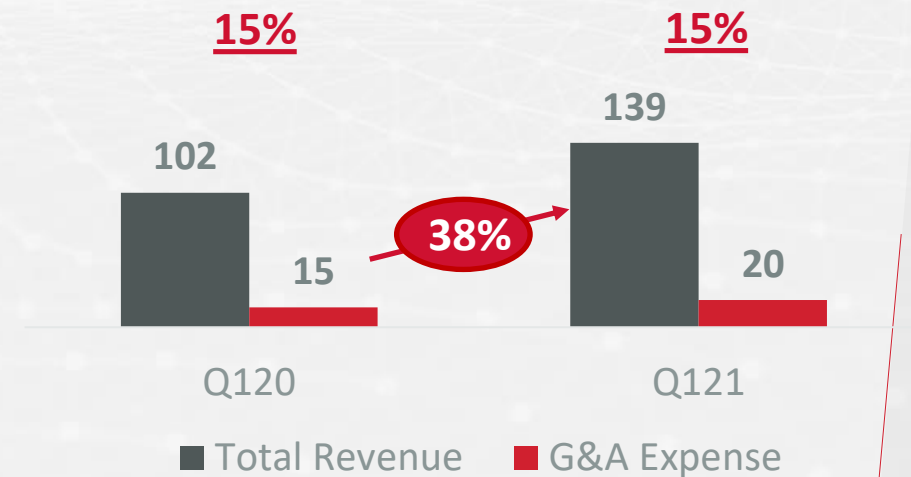
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

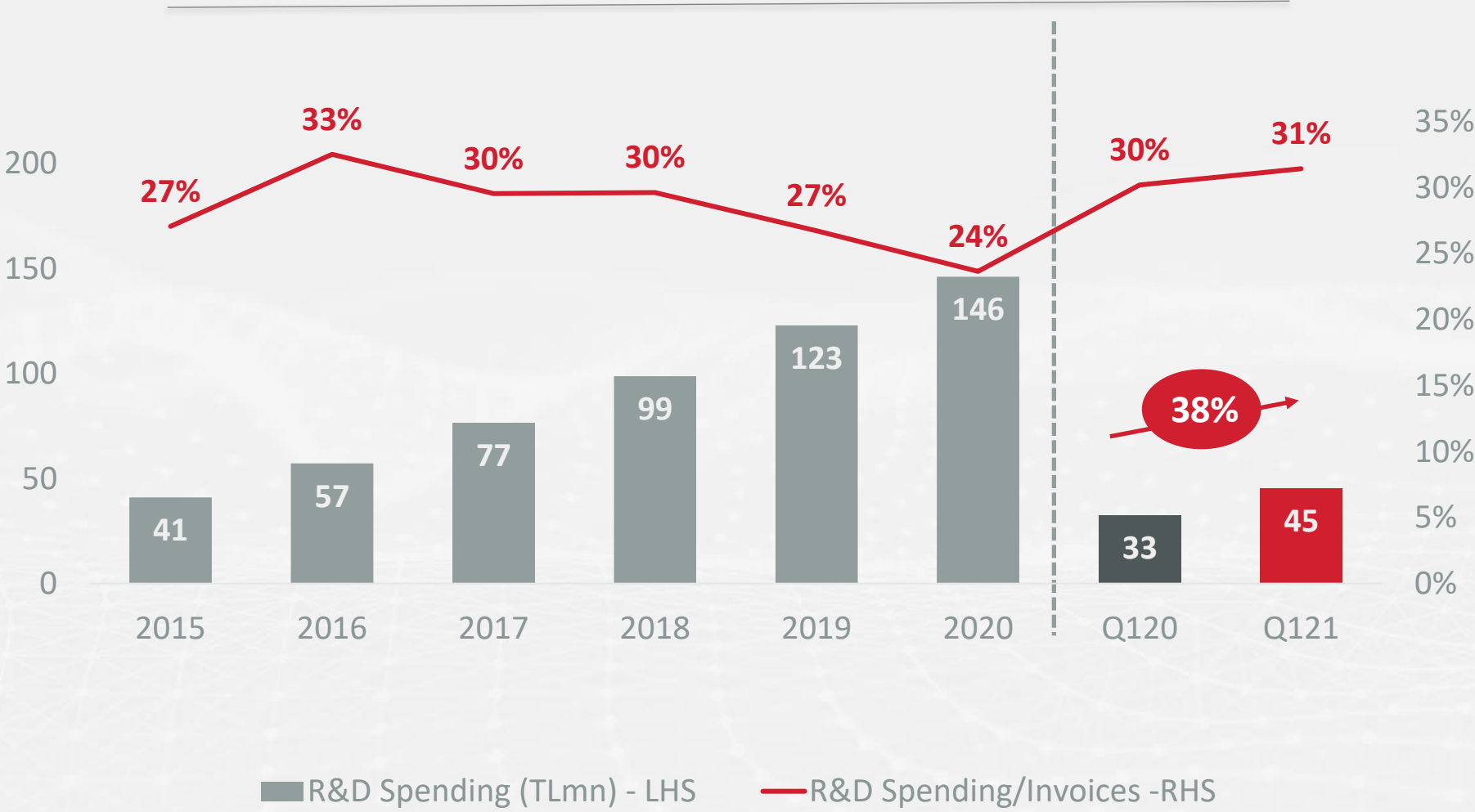


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

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



Strong Balance Sheet

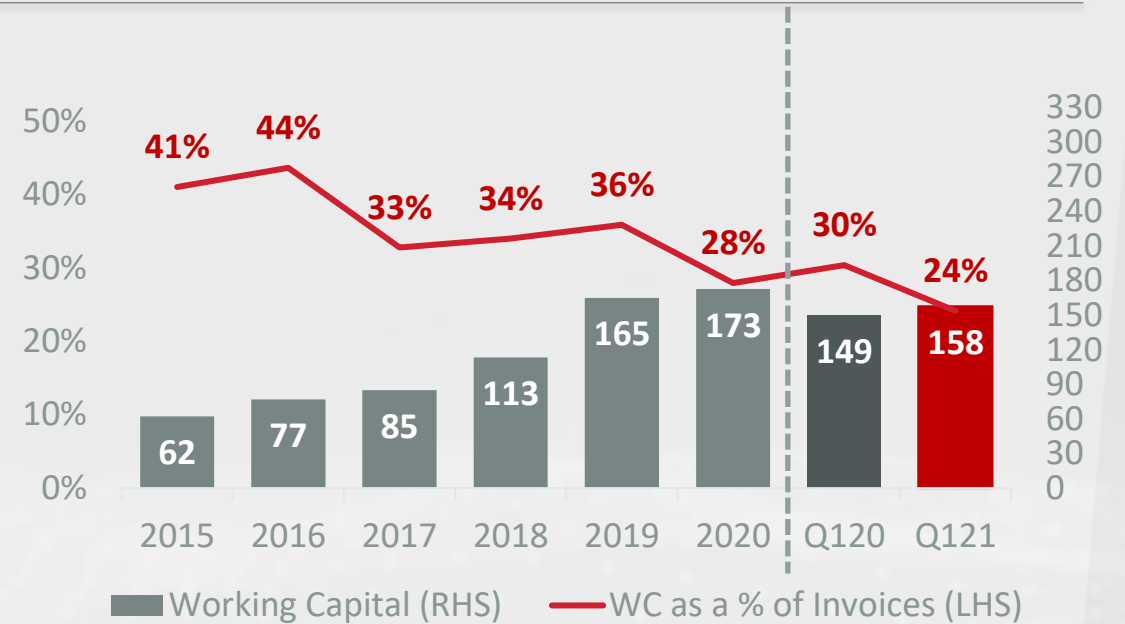
Balance Sheet Highlights (TL mn)

	2020	1Q21	Δ
Cash & Cash Eq.	293,7	319,1	9%
Trade Receivables	235,7	203,0	-14%
Tangible Assets	19,3	18,9	-2%
Intangible Assets*	470,2	506,8	8%
Other Assets	78,6	85,2	8%
Total Assets	1.097,5	1.133,0	3%
Total Liabilities	559,8	528,7	-6%
Total Shareholders' Equity	537,8	604,3	12%
Total Liabilities and Equity	1.097,5	1.133,0	3%
Shareholders Equity Ratio	0,49	0,53	9%
Current Ratio	1,34	1,53	14%
EPS**	4,75	6,16	30%

* Includes goodwill

** Adjusted by 3.48% treasury shares

Working Capital (TL mn)



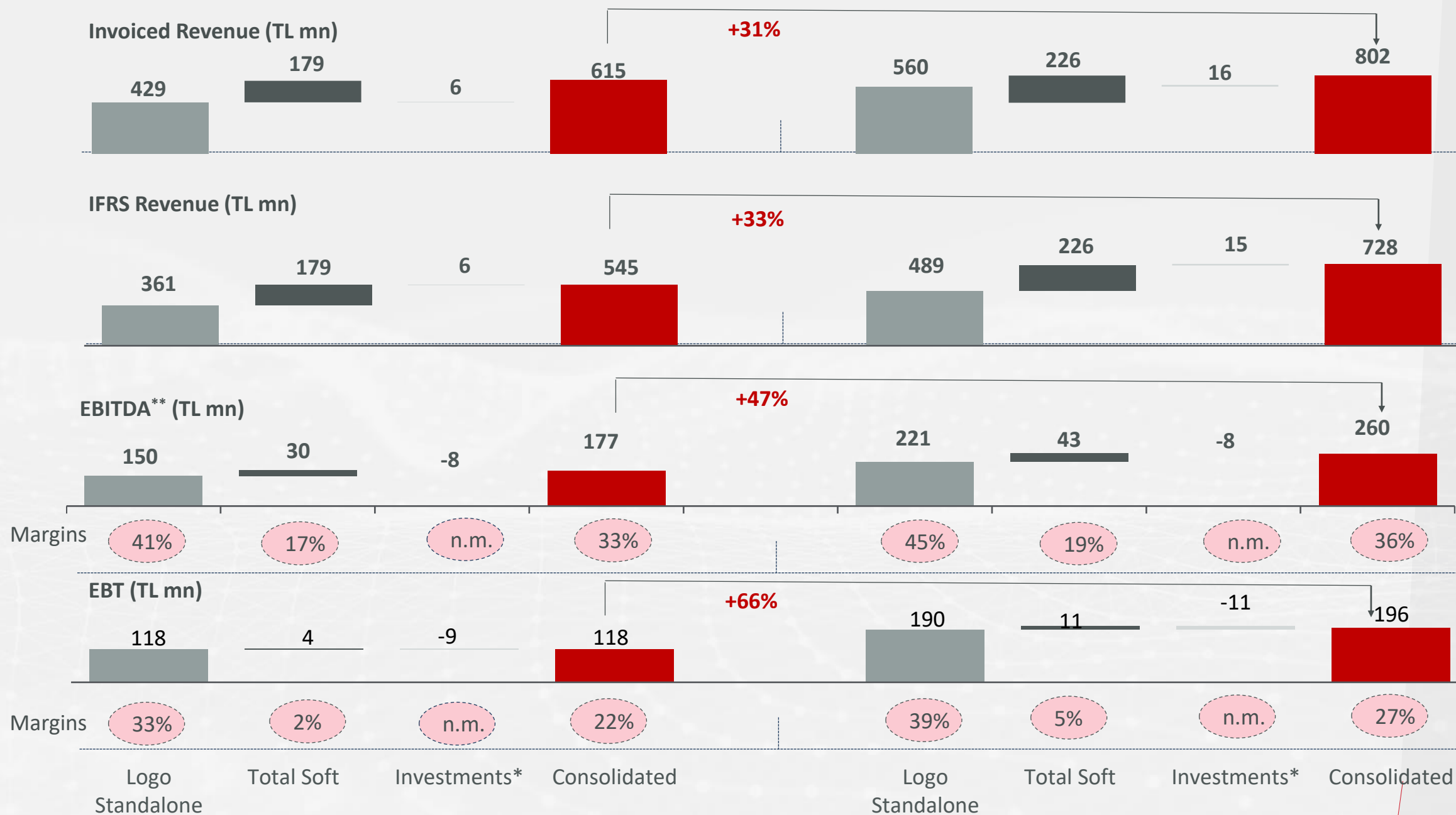
Working capital: Trade receivables + Inventories – Trade payables
WC/Invoices figures are based on 12-mnth trailing invoices

- Net cash is 161.5 TL mn at end-Q121 (excluding 21.6 TL mn IFRS 16 impact) vs 160.6 TL mn at end-2020 (excluding 19.2 TL mn IFRS 16 impact). Net cash of 297.8 TL mn together with 3.48% treasury shares @Mcap at end-Q121.
- WC is 24% of invoiced revenues, improving from 28% at end-2020.

Guidance

2020

2021 guidance



*Investments = Logo Infosoft (India), Logo Kobi Digital (Turkey) and ELBA HR (Peoplise). Logo Infosoft (India) is recognized with equity method and does not have expense impact on consolidated figures.

** IFRS 16 impact on consolidated EBITDA: +11.1 TL mn for 2020 and 9 TL mn for 2021 guidance.



Questions & Answers



Thank you for joining us today

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