



LOGO

Q1 2022 Results Presentation

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Chief Financial Officer

May 12th, 2022

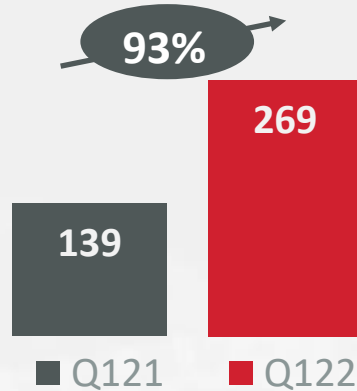
Disclaimer

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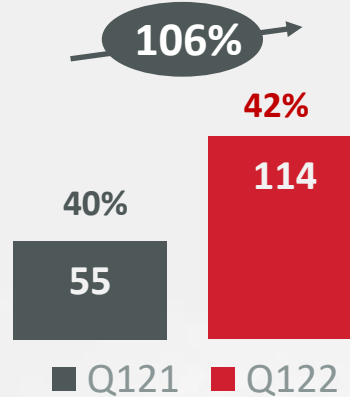
Outstanding performance in Q122

Consolidated

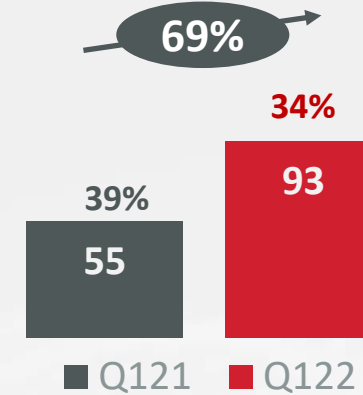
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

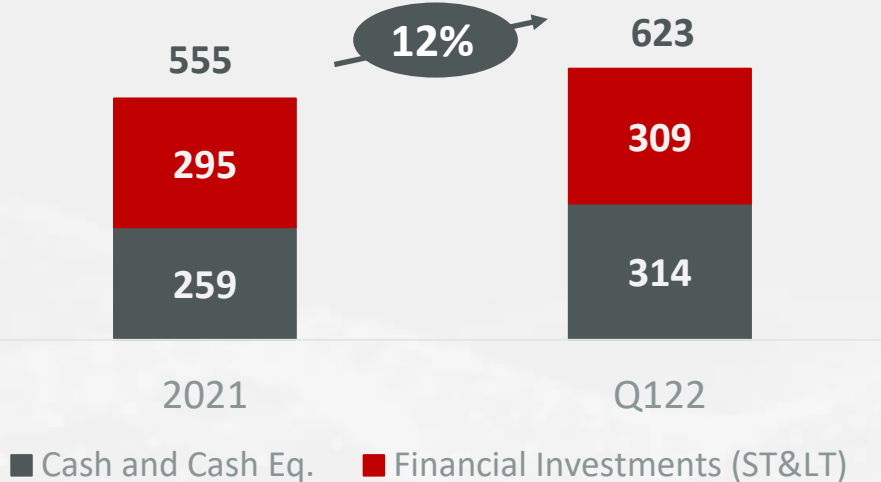


- Strong start to year 2022, with **solid revenue growth** and **improved operational profitability** despite macro uncertainties
- **Recurring revenues** were **61%** of invoiced sales with growth in all categories
- **In Turkey**; revenues grew **by 91%** with increased spending from existing customers, and healthy new customer acquisitions;
 - Logo Turkey's **new customer additions** in ERP segment grew by **30% y/y**
 - e-services' **new customer additions** grew by **87% y/y**
 - MicroSME SaaS solution **İşbaşı's** users reached **44 thousand** with **202% growth y/y**
 - **Peoplise** active customers up by 54% y/y reaching **134** at end-Q122
- **Romania**; strong sales **growth** and **profitability** continued in Q122
- **India**; reviewed marketing strategy of microSME SaaS solution **CaptainBiz** to ensure customer traction

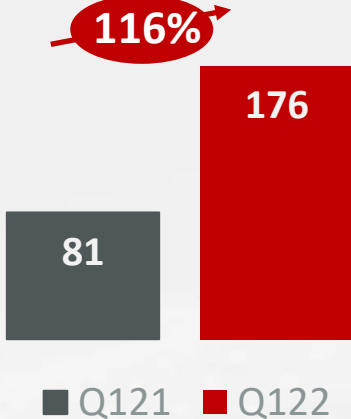
Effective financial management

Consolidated

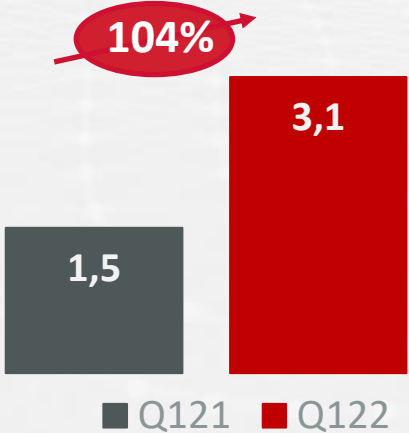
Cash and Financial Investments (TL mn)



Strong FCF – LTM (TL mn)



EPS* growth

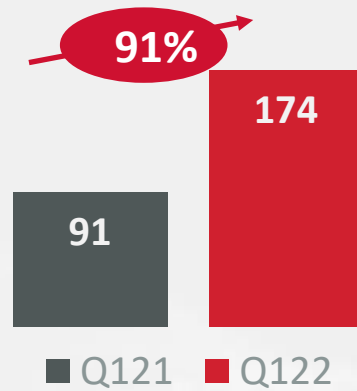


*Adjusted by 3.61% treasury shares (Q121: 3.48%)

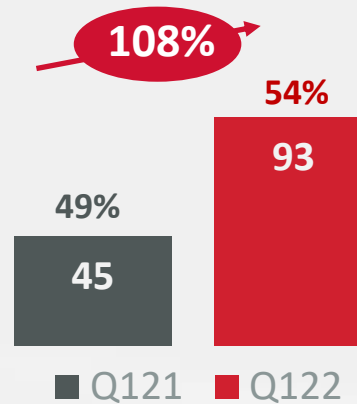


Solid performance in Turkey

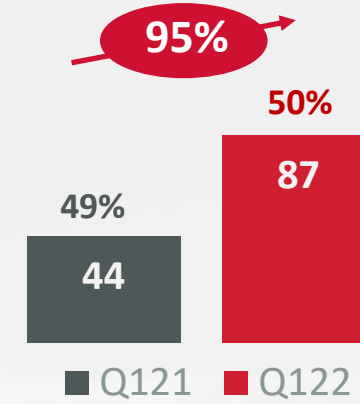
Logo Turkey-Revenues (TL mn)



Logo Turkey-EBITDA (TL mn)



Logo Turkey-Net Income (TL mn)

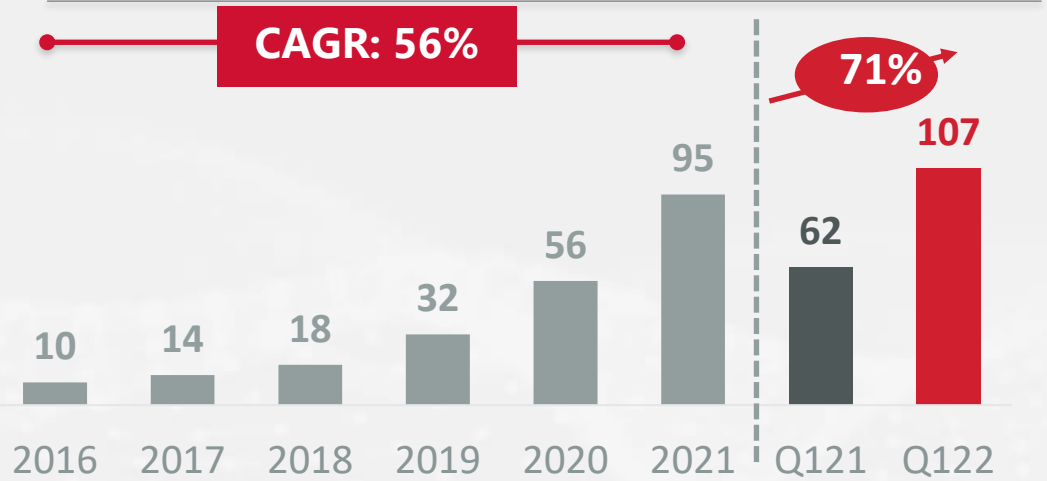


- **Revenues** grew by 91% with increased spending from existing customers and healthy new customer acquisitions
- **EBITDA** grew by 108% with margin reaching 54% due to controlled expenditures in Q1
- **Net income** increased by 95% with 50% margin

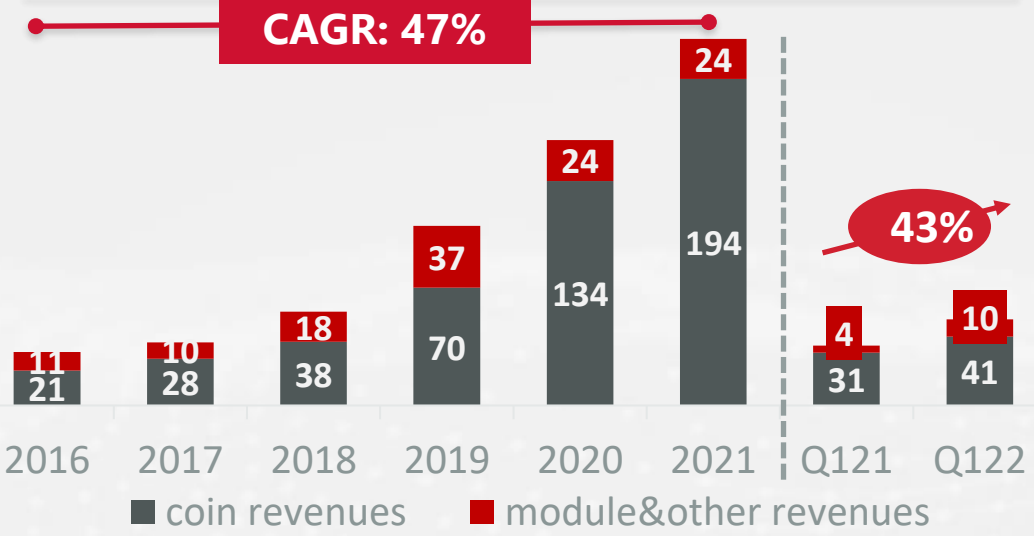
eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 107K customers

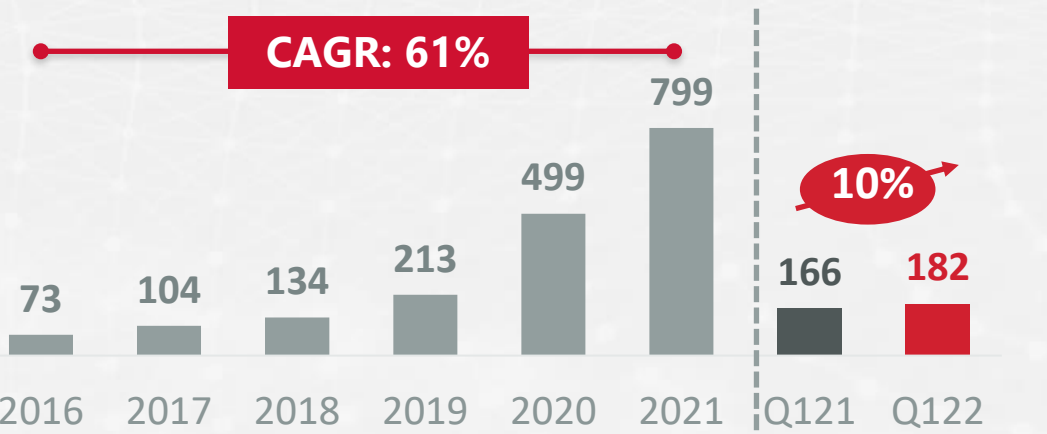
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)



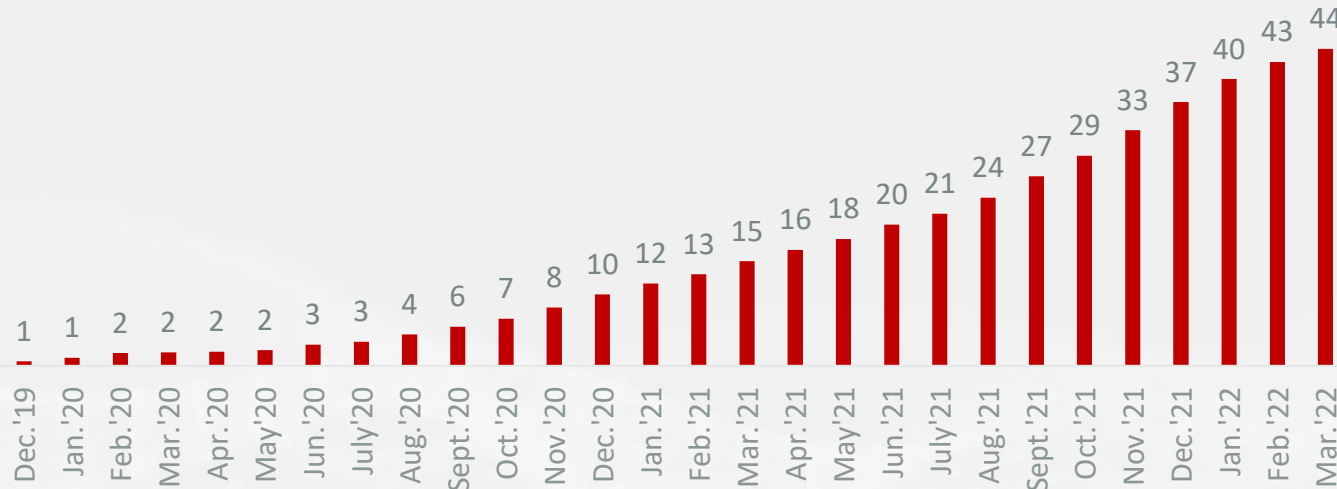
- ✓ New customer additions increased by 87% y/y
- ✓ Coin revenues comprises 80% of eLogo's invoiced revenues in Q122 signaling strong recurring revenue growth potential going forward



Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering *basic accounting software and e-invoicing services*

of users ('000)



User growth:
202% y/y

ARPU*: 334 TL

LTV/CAC**: 26

Competitive advantages:

- ✓ Logo as the **leading e-invoice provider** of Turkey, differentiates itself with **high service quality**
- ✓ **Value creation on digital platform:** connecting revenue administration, financial institutions, customers, trade partners and e-commerce sites
- ✓ Quick and **easy upgradability** to a larger ERP solution

- Strong brand-name
 - Strategic partnerships
 - Key account management
- } → high LTV/CAC



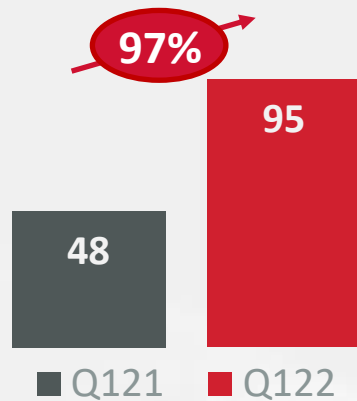
*ARPU (Average revenue per user) is based on total invoiced revenues (LTM) and average # of users (LTM).

**LTV/CAC: Lifetime value/Customer acquisition cost

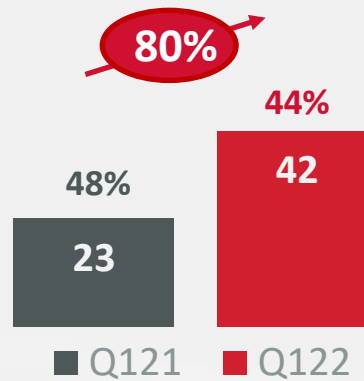
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Strong performance at Total Soft

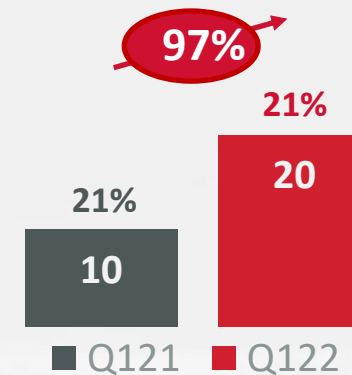
Total Soft-Revenues (TL mn)



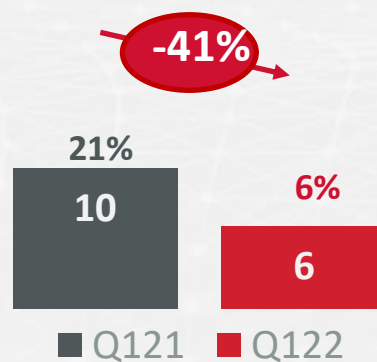
Total Soft-Gross profit (TL mn)



Total Soft-EBITDA (TL mn)



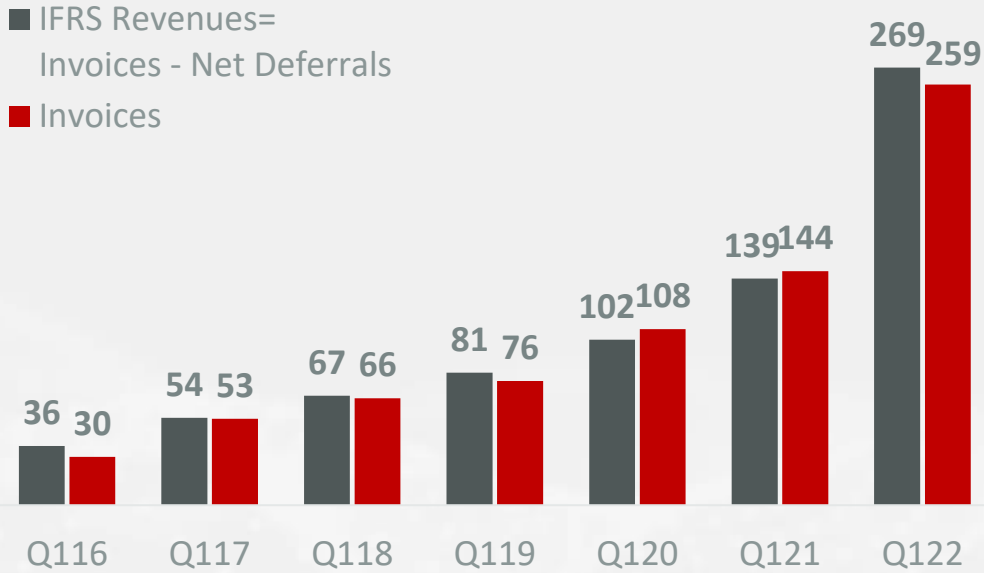
Total Soft-Net Income (TL mn)



- **Revenues** grew by 97% y/y and revenue growth in Euros was 12% y/y
- Gross profit is up by 80% yielding a 44% gross margin
- **EBITDA** went up by 97%, yielding 21% margin
- Q122 **net income margin** was 6%. Q121 offers a high-base with 9,2 TL mn one-off income in relation to the payment received as per the share purchase agreement dated September 2nd, 2016.

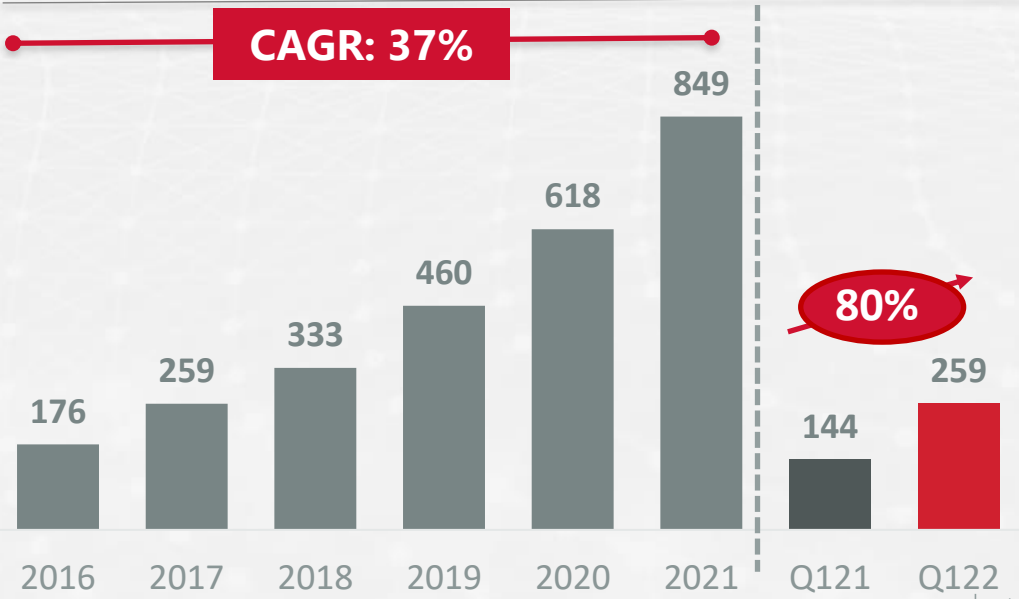
Invoiced Revenue vs IFRS Revenue (Consolidated)

First Quarter Invoices & IFRS Revenues (TL mn)



- Q1 sales invoice growth was 80% y/y
- IFRS Revenue growth was 93%y/y in Q1

Invoiced Revenues (TL mn)

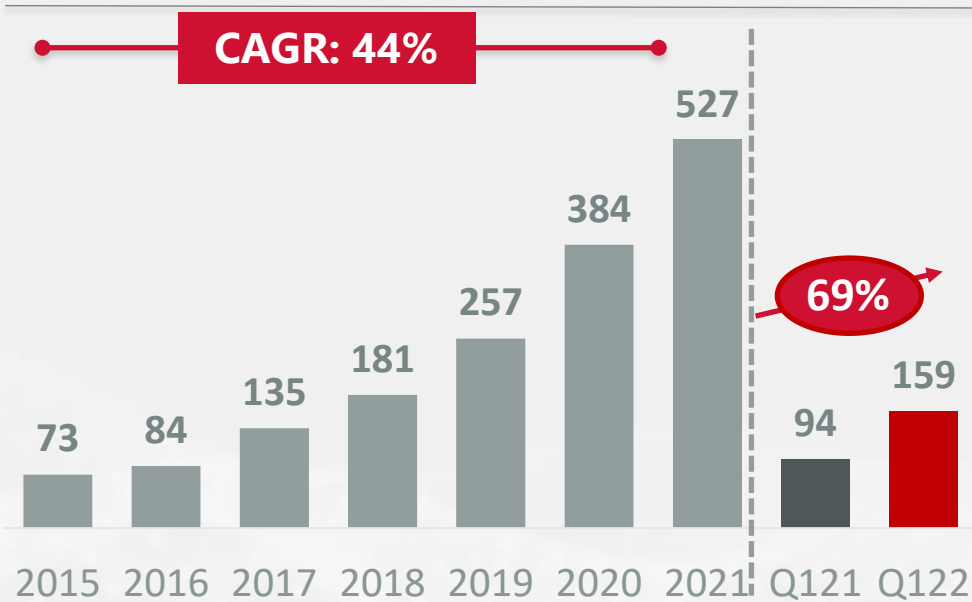


- In Turkey, invoiced revenue was 156 TL mn with 68% increase
- Total Soft's invoiced revenue increased by 102% and reached 102.8 TL mn
- Recurring revenues make up 61% of invoices



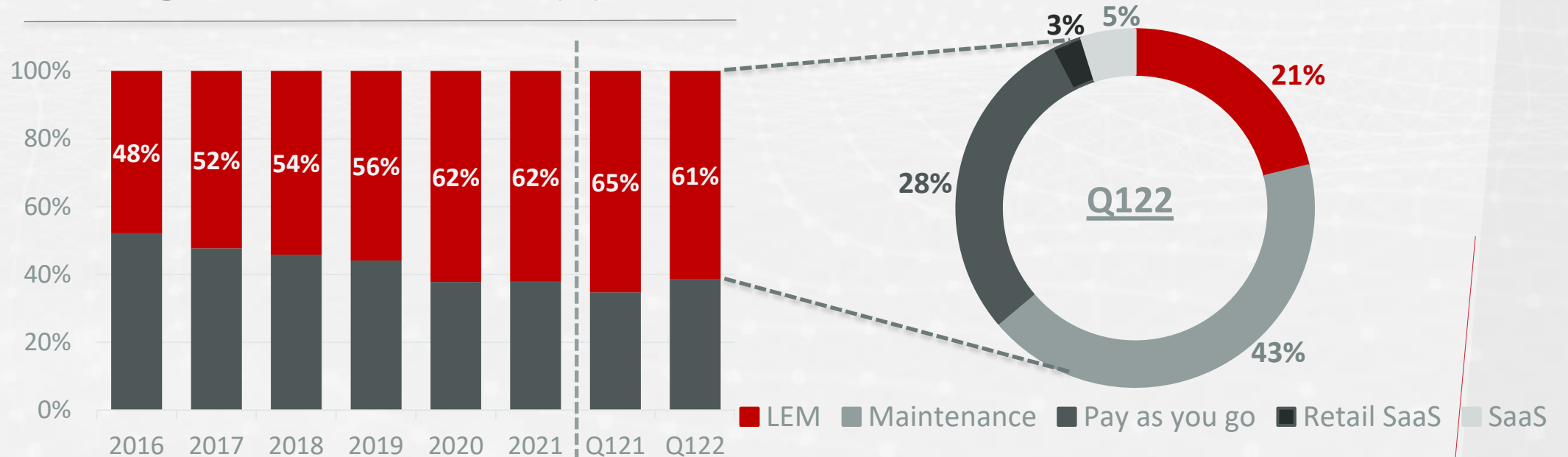
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



- LEM revenues increased by 72% y/y
- Pay as you go revenues grew by 37% y/y
- Maintenance revenues increased by 89% y/y
- Retail SaaS revenues grew by 80% y/y
- SaaS revenues increased by 155% y/y,
- Retail SaaS and SaaS revenues make up 8% of recurring revenues in Q122 compared to 6% in Q121

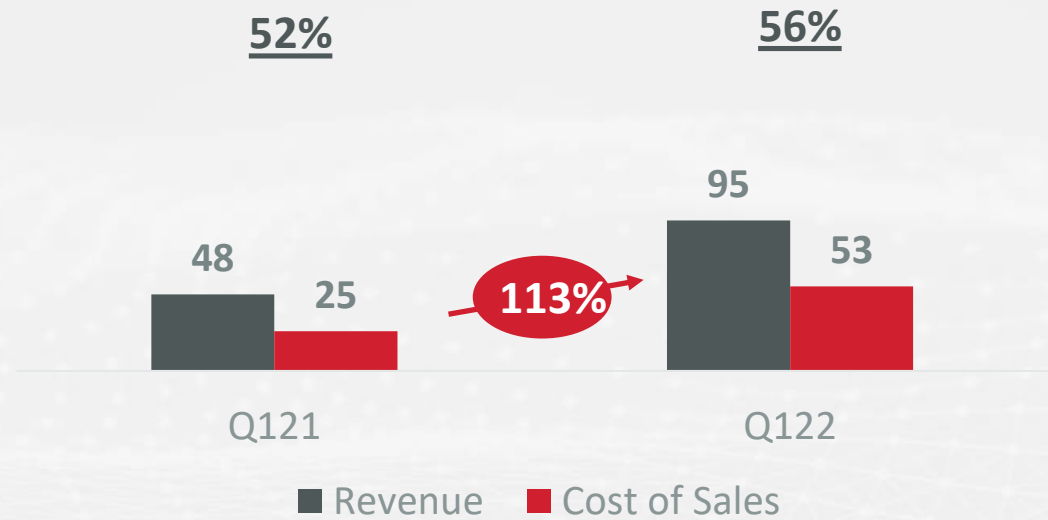
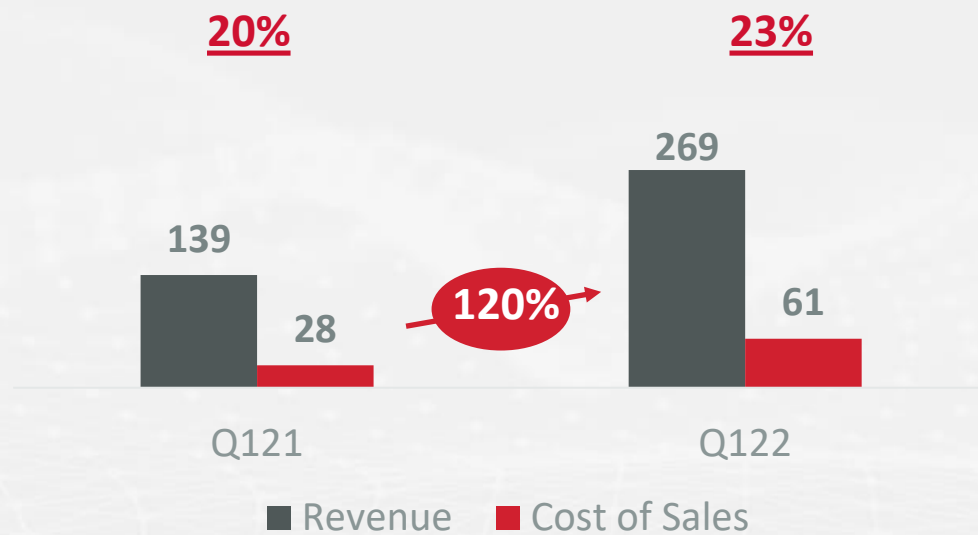
Recurring Invoices/Total Invoices (%)



Cost of Sales

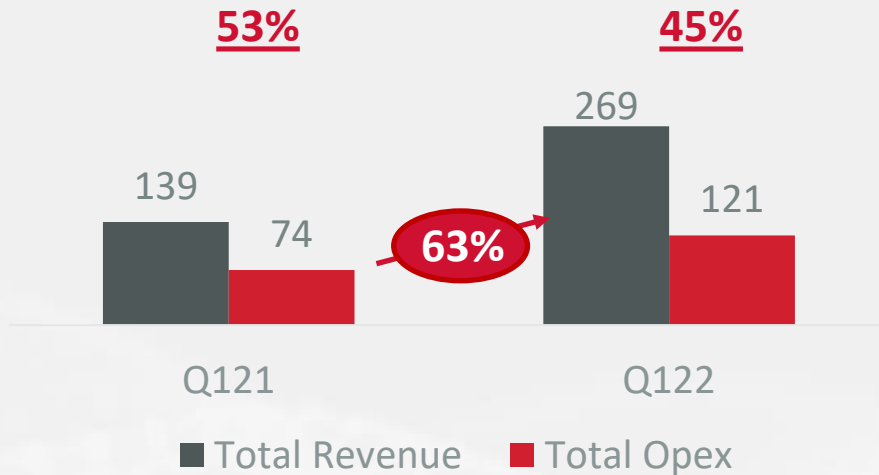
Consolidated (TL mn) – As % of IFRS Revenue

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

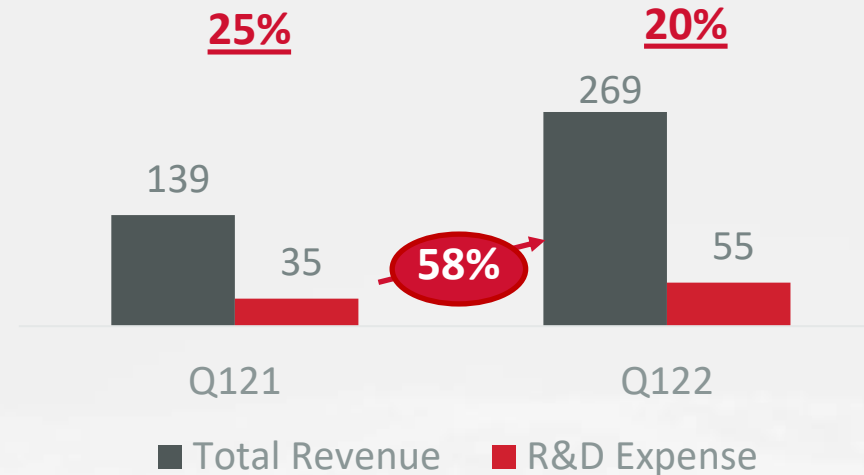


Operating Expenses

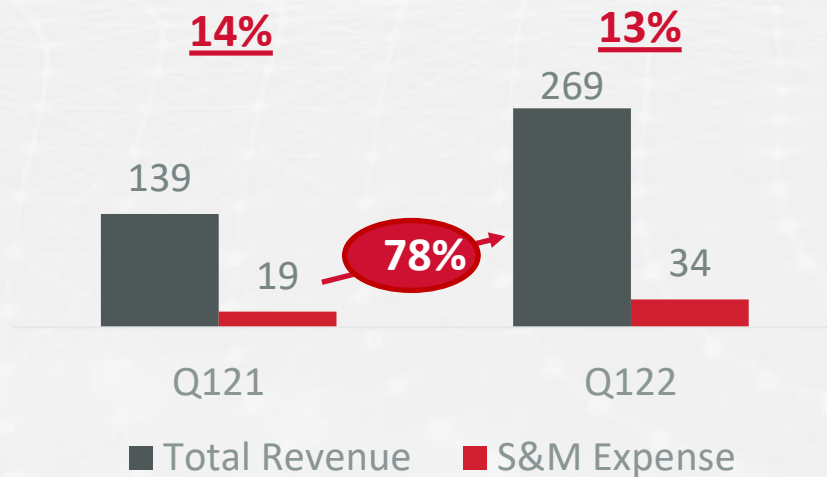
OpEx (TL mn) – As % of IFRS Revenue



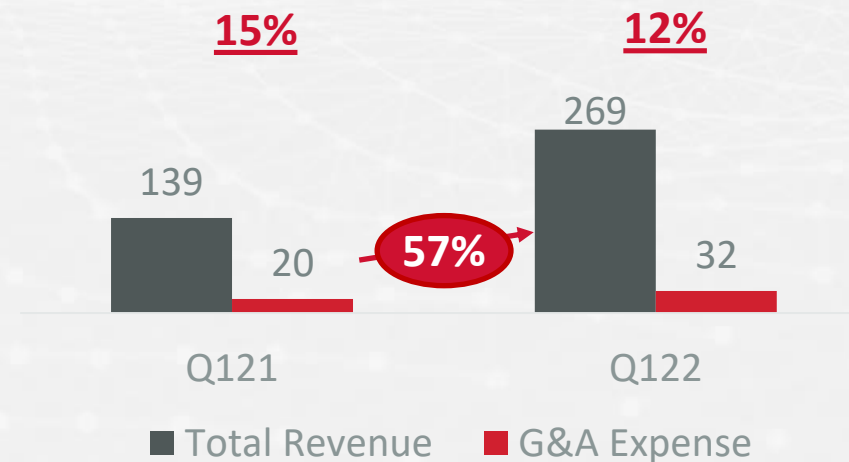
R&D Expenses (TL mn) – As % of IFRS Revenue



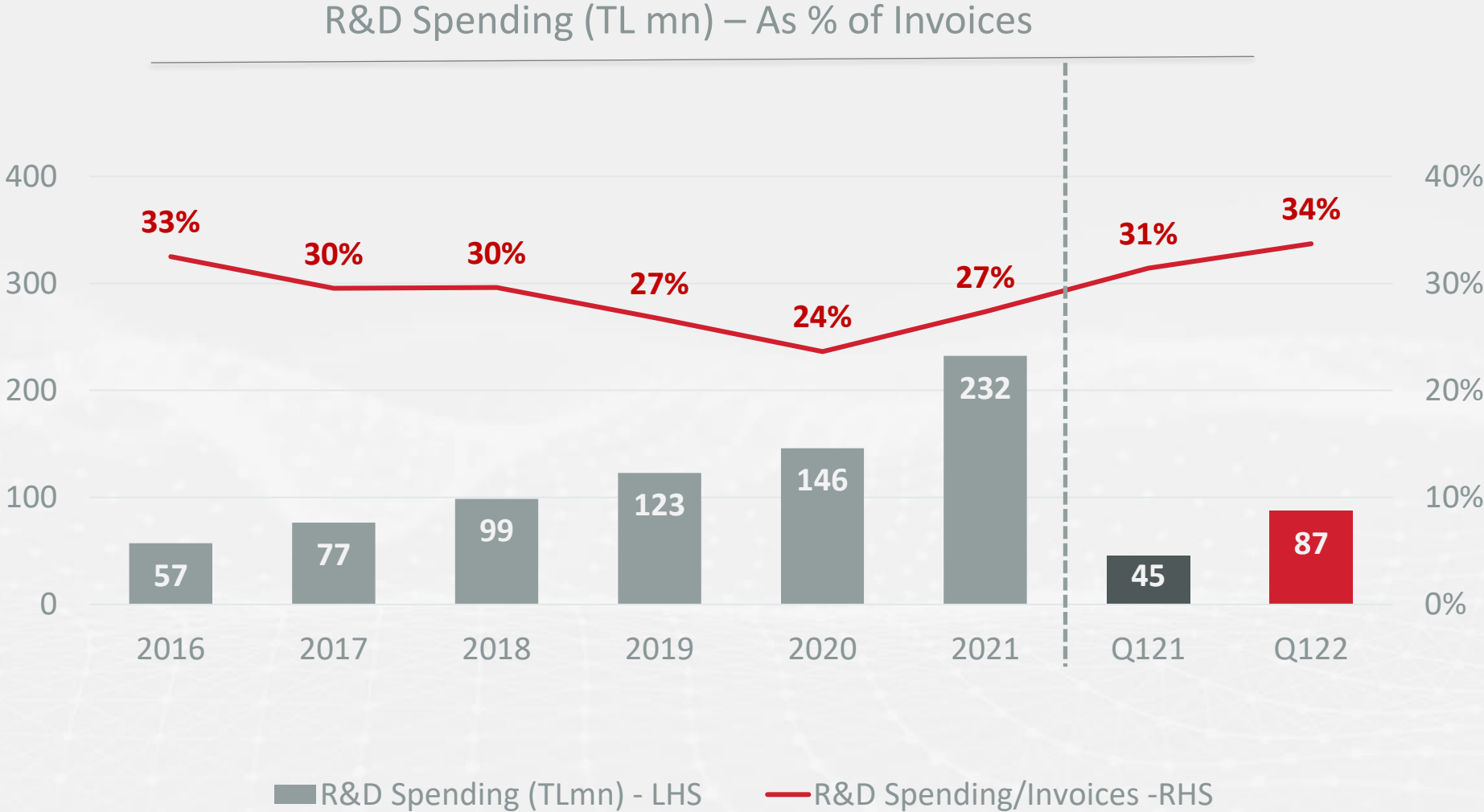
S&M (TL mn) – As % of IFRS Revenue



G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology



Strong Balance Sheet

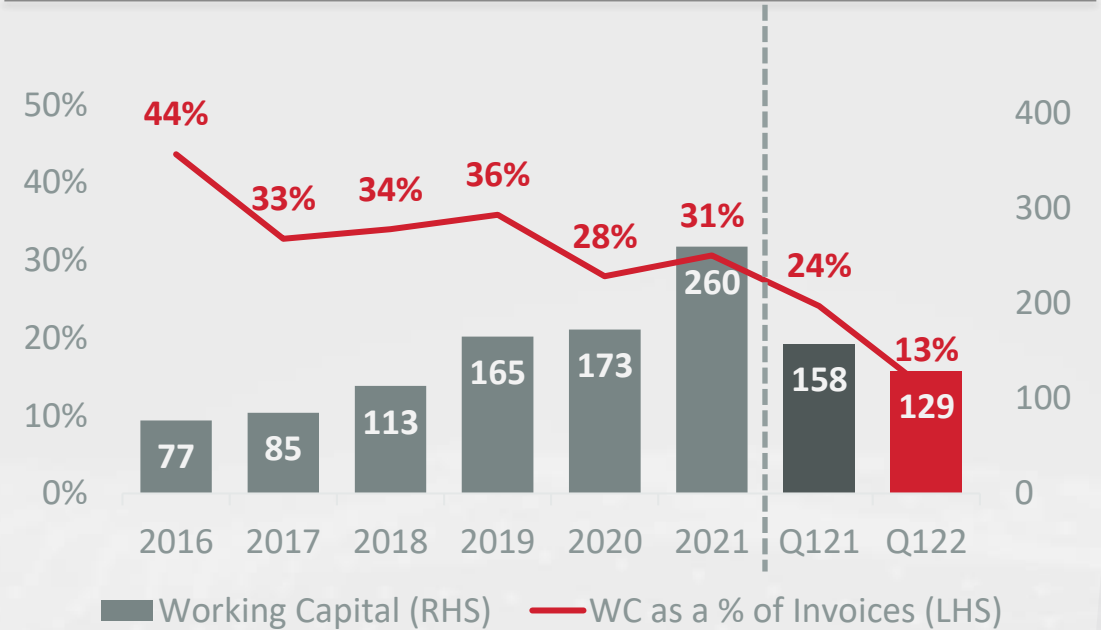
Balance Sheet Highlights (TL mn)

	2021	Q122	Δ
Cash & Cash Eq.	259,4	313,8	21%
Trade Receivables	332,8	189,3	-43%
Tangible Assets	21,0	22,3	6%
Intangible Assets*	759,2	836,5	10%
Other Assets	435,1	474,8	9%
Total Assets	1.807,5	1.836,8	2%
Total Liabilities	974,0	902,4	-7%
Total Shareholders' Equity	833,5	934,4	12%
Total Liabilities and Equity	1.807,5	1.836,8	2%
Shareholders Equity Ratio	0,46	0,51	10%
Current Ratio	1,07	1,13	6%
EPS**	2,73	3,14	15%

* Includes goodwill

** Adjusted by 3.61% treasury shares (2021: 3.22%)

Working Capital (TL mn)



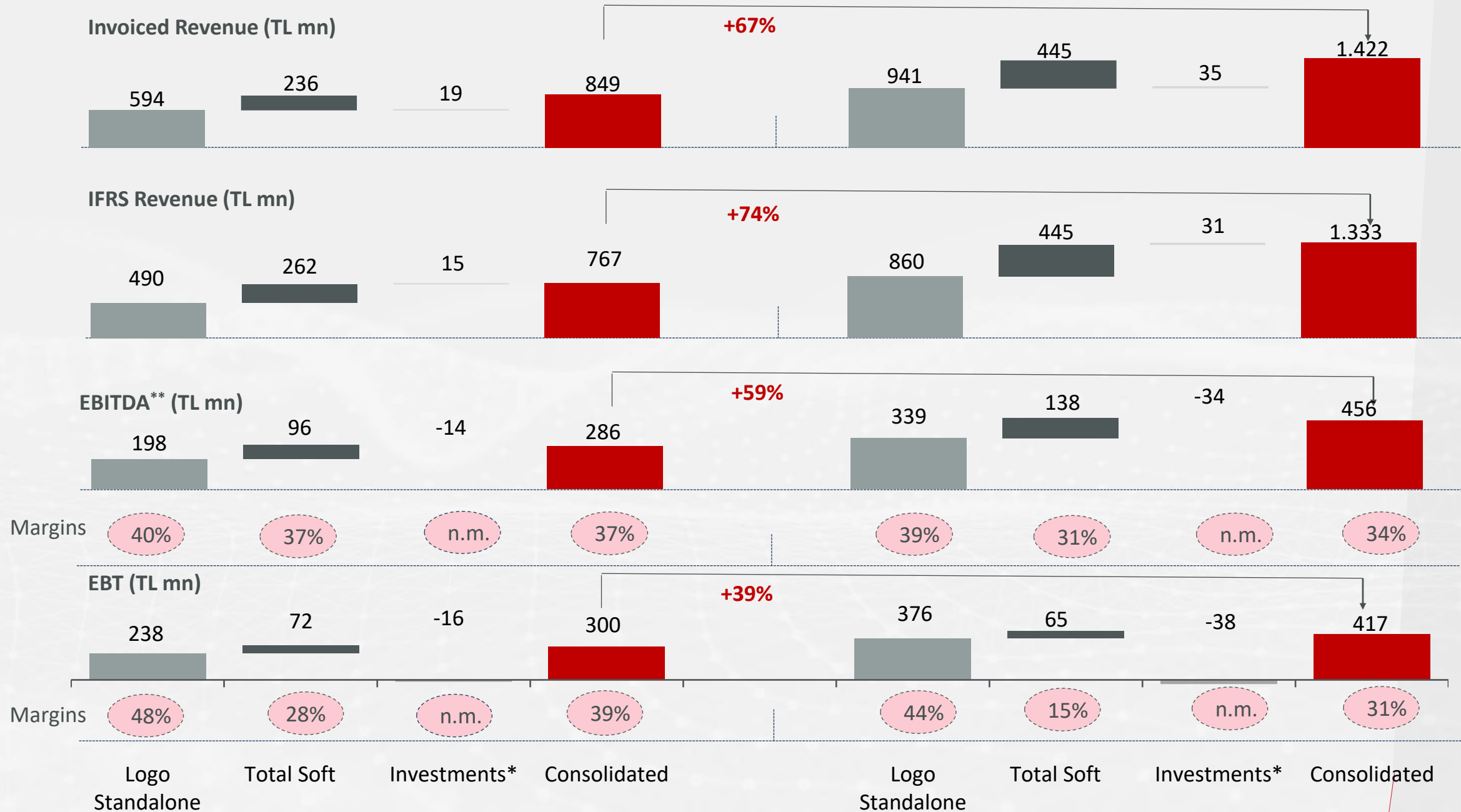
Working capital: Trade receivables + Inventories – Trade payables
WC/Invoices figures are based on 12-mnth trailing invoices

- **Net cash is 237.4 TL mn at end-Q122** (excluding 20.3 TL mn IFRS 16 impact) vs 186.8 TL mn at end-2021 (excluding 19.9 TL mn IFRS 16 impact). Net cash of 536.1 TL mn together with 3.61% treasury shares @Mcap at end-Q122 and long-term financial investments (2021: 442 TL mn).
- WC is 13% of invoiced revenues at end-Q122, improving from 24% at end-Q121 due to earlier collection of credit card receivables, expected to normalize in coming quarters.

Guidance

2021

2022 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.



Questions & Answers

The background is a deep red color with a subtle pattern of binary code (0s and 1s) and a glowing, dotted cylinder in the center. The cylinder is surrounded by a wavy, particle-like effect at its base. In the top left corner, there are two overlapping rounded squares, one dark red and one white with a dark red outline. In the top right corner, there is a white rounded rectangle with a dark red square at its bottom right corner. In the bottom left corner, there is a dark red rounded square.

Appendix

ESG in numbers



1,315

Employees



43%

Women
employees



50%

Women in
executive
management



35

Average age
of employees



27%

R&D spending/
invoiced
revenues



50%

of Board is
independent



9.28/10

Corporate
Governance
Rating








100%

of e-waste
recycled in TR

eLogo: e-services platform and leader in digital transformation

New communique's details (January 22nd, 2022)

	<u>BEFORE</u>	<u>AFTER (eff. as of July 1st, 2022)</u>
 e-invoice	Companies w/sales 5mio₺+, Specific sectors with no sales threshold	Companies w/sales 4mio₺+, Companies in some sectors w/sales 1mio ₺+, Specific sectors with no sales threshold
 e-archive	All e-invoice issuers and invoices above 5K and 30K	All e-invoice issuers and invoices above 10K*
 e-ledger	Required to safekeep on in-house server, e-invoice integrator or GiB**	No change
 e-dispatch	Companies w/sales 25mio₺+, specific sectors	Companies w/sales 10mio₺+, specific sectors
 e-selfemp. invoice	All self-employed professionals (doctors, lawyers, etc.)	No change



*Effective as of January 1st, 2022
**Revenue Administration

Invoiced Revenue Growth and Breakdown

	2016*	2017	2018	2019	2020	2021	4-yr-CAGR
Invoiced revenues (TL mn)	175,8	259,1	333,0	460,1	617,7	848,6	35%
One-time - TR	70,3	83,4	95,0	130,1	145,6	207,2	26%
<i>share in total</i>	40%	32%	29%	28%	24%	24%	
One-time - RO	21,3	40,2	57,5	72,9	87,9	114,2	30%
<i>share in total</i>	12%	16%	17%	16%	14%	13%	
Recurring - TR	76,4	102,6	130,4	186,6	289,4	405,1	41%
<i>share in total</i>	43%	40%	39%	41%	47%	48%	
Recurring - RO**	7,8	32,9	50,1	70,5	94,8	122,2	39%
<i>share in total</i>	4%	13%	15%	15%	15%	14%	
Recurring invoice revenues (TL mn)							
LEM	46,2	61,4	75,7	97,0	124,7	158,3	27%
<i>share in recurring</i>	55%	45%	42%	38%	32%	30%	
Pay-as-you-go	21,7	29,1	39,5	72,7	139,7	201,8	62%
<i>share in recurring</i>	26%	21%	22%	28%	36%	38%	
Maintenance	11,3	38,5	57,4	77,1	106,9	132,7	36%
<i>share in recurring</i>	13%	28%	32%	30%	28%	25%	
Retail SaaS	5,0	6,5	7,9	10,3	12,8	19,9	33%
<i>share in recurring</i>	6%	5%	4%	4%	3%	4%	
SaaS (İşbaşı + Peoplise)	0,0	0,0	0,0	0,0	0,0	14,6	n/a
<i>share in recurring</i>	0%	0%	0%	0%	0%	3%	

*Includes the performance of Romania for the last four months of 2016.

**Recurring revenues in Romania comprises of maintenance revenues only.



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