



LOGO

9M2021 Results Presentation

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Disclaimer

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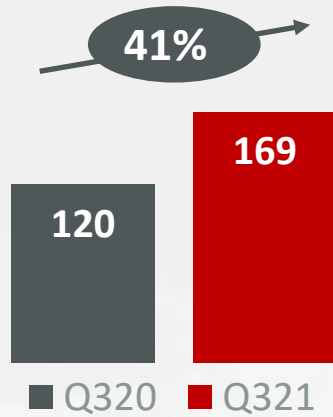
9M21 at a glance

- **Ongoing strong performance** in Q3
- **Revenue growth combined with efficiency** ensure the upward trend in revenue and EBITDA per employee
- **Recurring revenues** grew in all categories reaching **63%** of invoiced sales
- **Turkey;**
 - **Revenues** increased **by 49%** with healthy new customer acquisitions, increased spending from existing customers and strong growth in e-service coin sales
 - **e-service** customers reached **80 thousand** with **65% y/y growth**
 - MicroSME digitalization SaaS solution **Logo İşbaşı's** paying users up by **383% y/y** reaching **27 thousand** as of 9M21, and 362% y/y invoiced revenue growth
 - **Peoplise** active customers* up by 56% y/y reaching **114** as of end-Q3, corresponding to 36 new customers in 2021, and 126% y/y invoiced revenue growth in Q321
- **Romania;** improvement in sales pipeline continues in Q3
- **India;** microSME digitalization SaaS solution **CaptainBiz** user numbers were maintained around 1 thousand amidst tough market dynamics caused by COVID-19

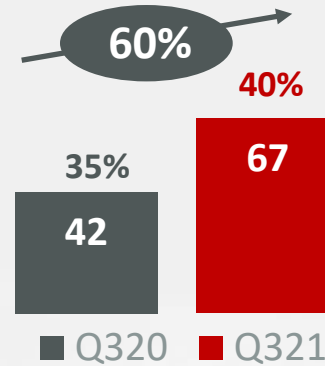
Solid performance continues in Q321

Consolidated

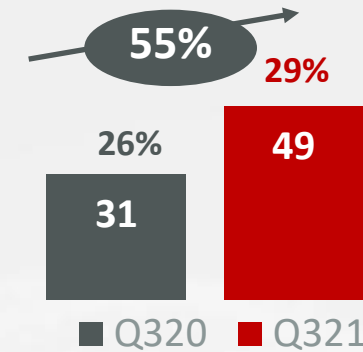
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

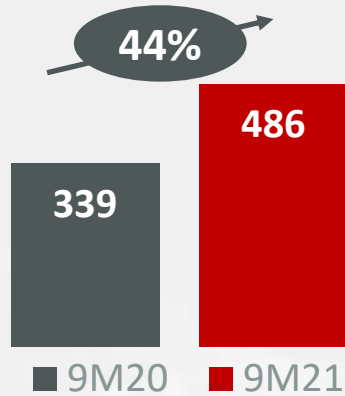


- **Revenues** grew by 41% y/y reaching 169 TL mn, with Turkey and Romania operations contributing 67% and 33% respectively.
- **EBITDA** increased by 60% y/y, yielding 40% margin.
- **Net income** grew by 55%, yielding 29% margin.

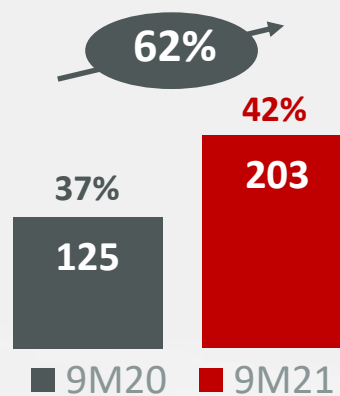
Outstanding results in 9M21

Consolidated

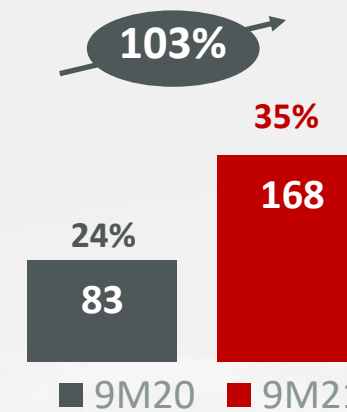
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

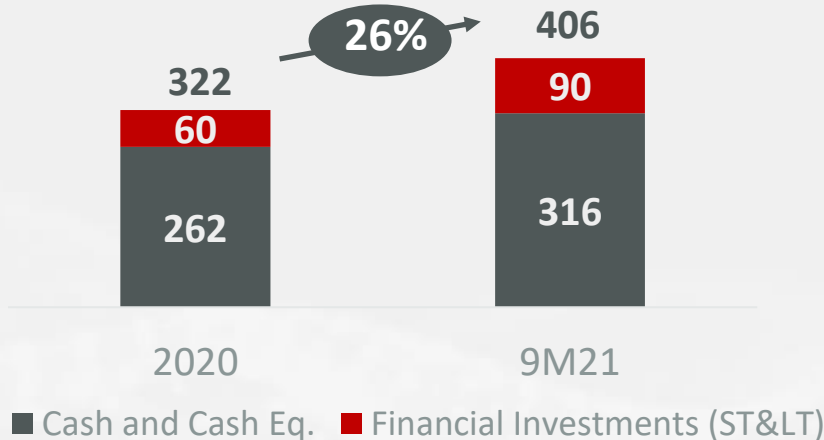


- **Revenues** up by 44%y/y, reaching 486 TL mn, with Turkey and Romania operations contributing 67% and 33% respectively
- **EBITDA** up by 62% y/y, reaching 203 TL mn yielding 42% margin
- **Sales/employee** up by 35% y/y (2010-2020 CAGR; 13%), **EBITDA/employee** up by 52% y/y (2010-2020 CAGR; 17%)
- **Net income** up by 103%, reaching 168 TL mn yielding 35% margin

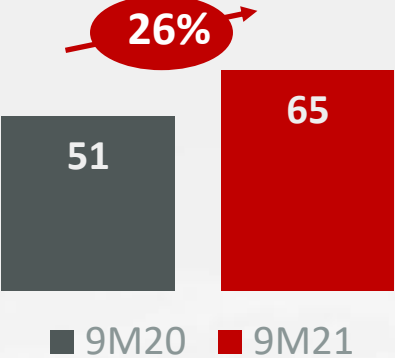
Effective financial management

Consolidated

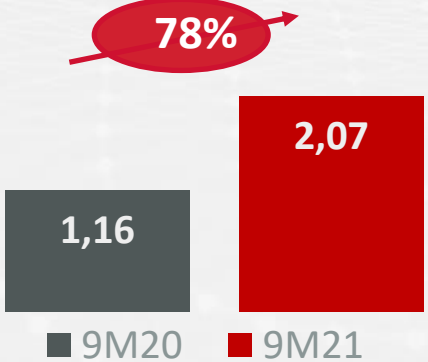
Cash & Financial Investments (TL mn)



Strong FCF – LTM (TL mn)



EPS (LTM)* growth

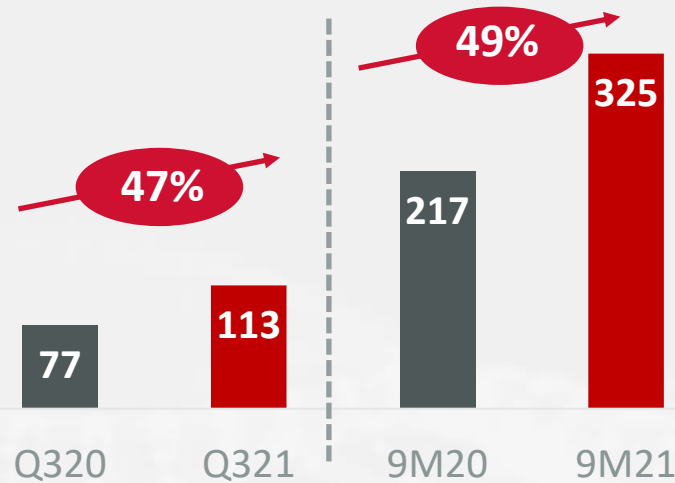


*Adjusted by 3.22% treasury shares (9M20: 3.48%)

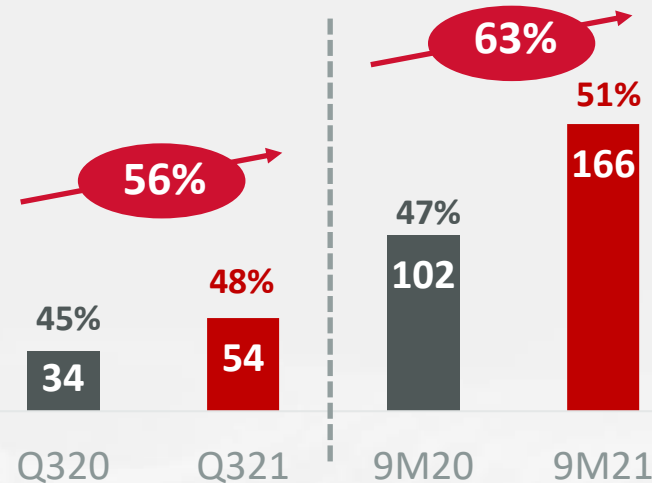


Solid performance in Turkey

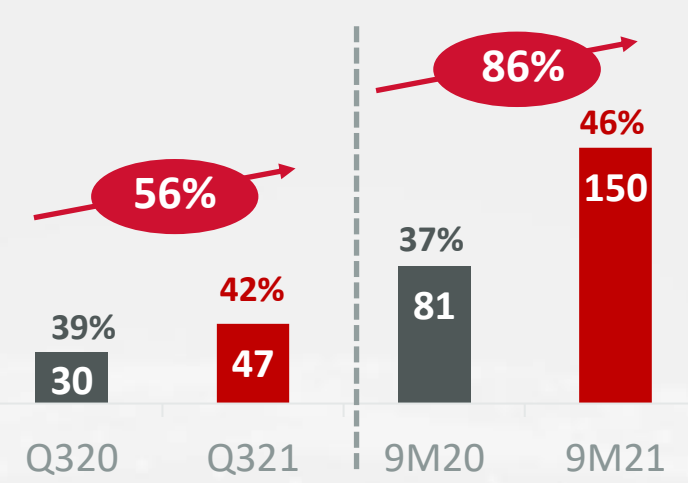
Logo Turkey-Revenues (TL mn)



Logo Turkey-EBITDA (TL mn)



Logo Turkey-Net Income (TL mn)

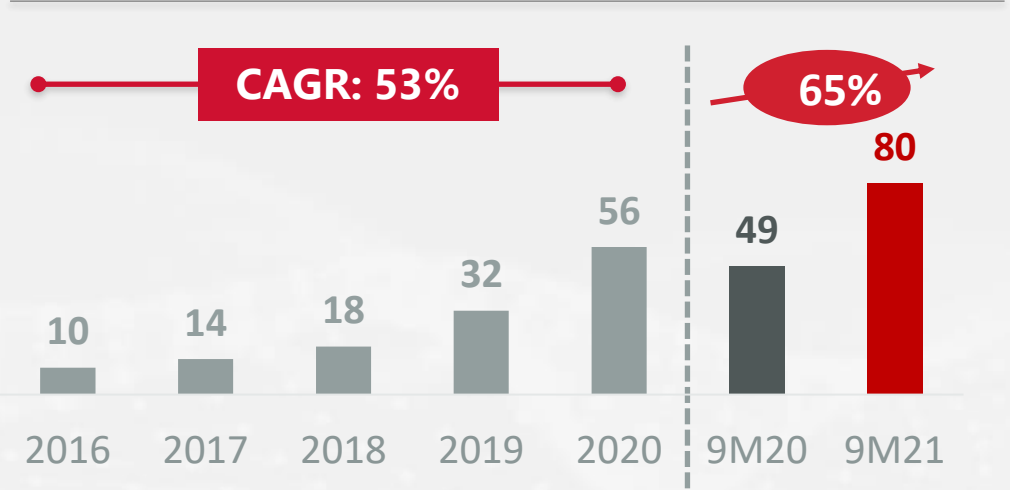


- **Revenues** increased by 49% y/y with healthy new customer acquisitions, increased spending from existing customers, and strong growth in e-service coin sales
- **EBITDA** grew by 63% y/y with margin reaching 51%
- **Net income** positively affected by net financial gains with margin reaching 46%

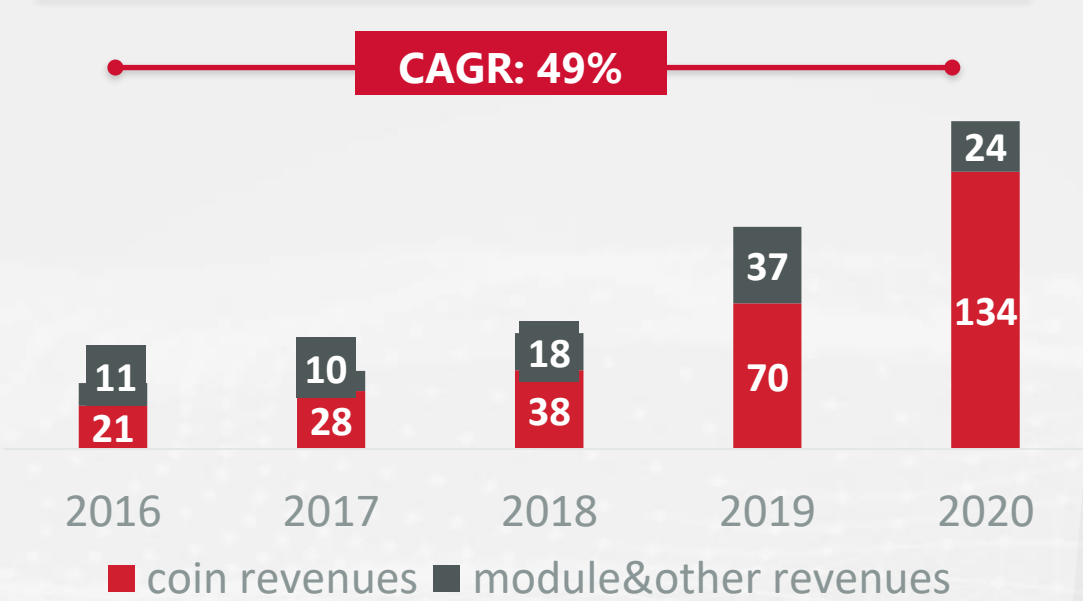
eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 80K customers

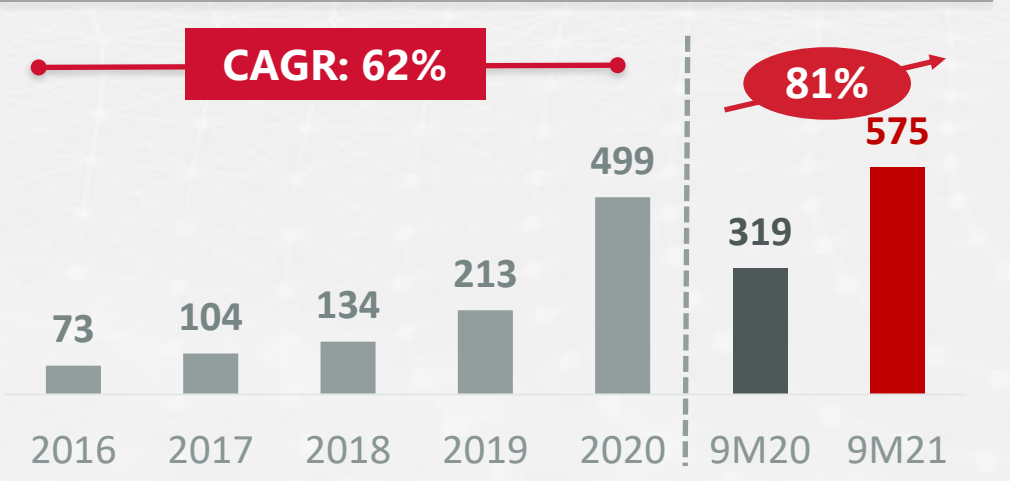
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)



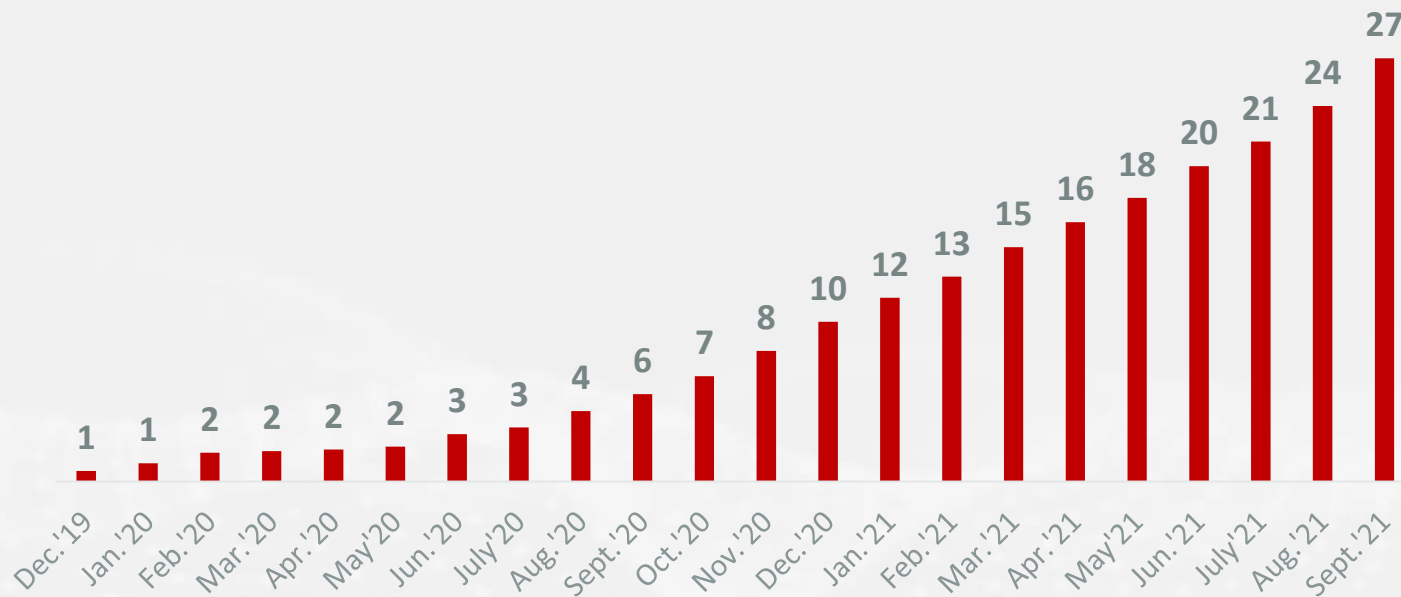
- ✓ **Growth** in number of customers and coin usage remained **strong** in 9M21
- ✓ eLogo invoiced revenues (modules and coins) recorded significant growth rate since 2016.
- ✓ Coin revenues comprises 85% of eLogo's invoiced revenues in 2020 and 89% in 9M21 signaling strong recurring revenue growth potential going forward



Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering *basic accounting software and e-invoicing services*

of users ('000)



User growth:
383% y/y

ARPU*: 313 TL

LTV/CAC**: 25

Competitive advantages:

- ✓ Quick and **easy upgradability** to a larger ERP solution
- ✓ 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

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



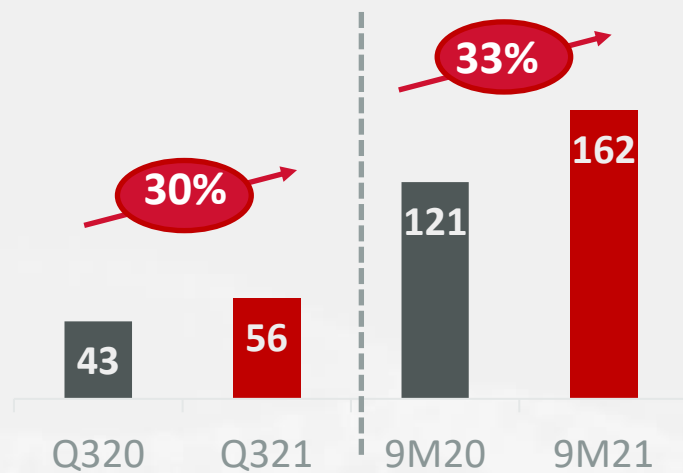
*ARPU (Average revenue per user) is based on total invoiced revenues (LTM) and average # of users (LTM).

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

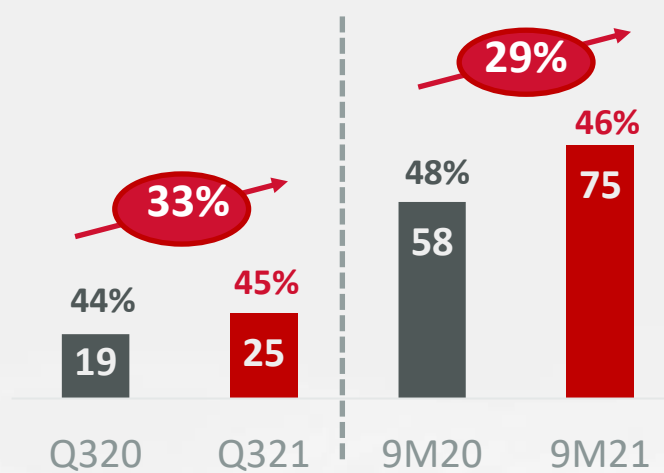
www.logo.com.tr

Strong performance at Total Soft

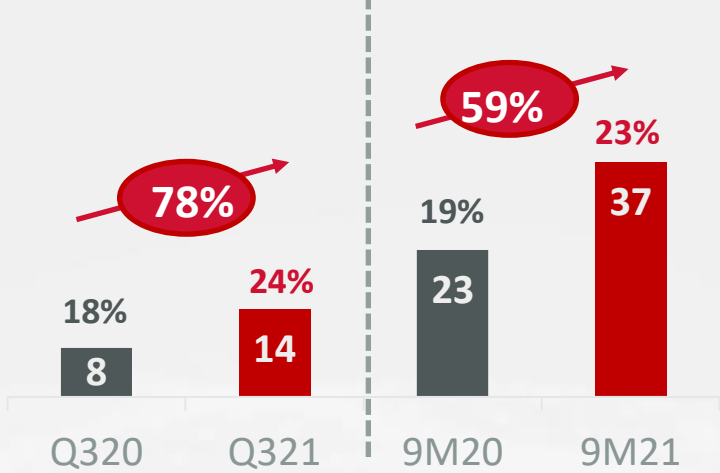
Total Soft–Revenues (TL mn)



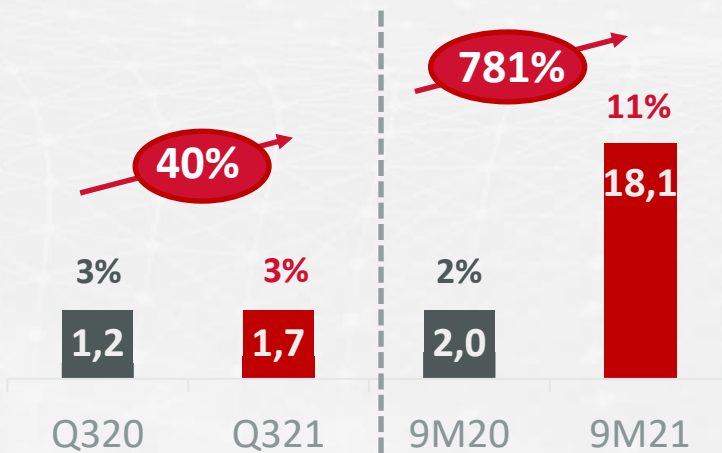
Total Soft–Gross profit (TL mn)



Total Soft–EBITDA (TL mn)



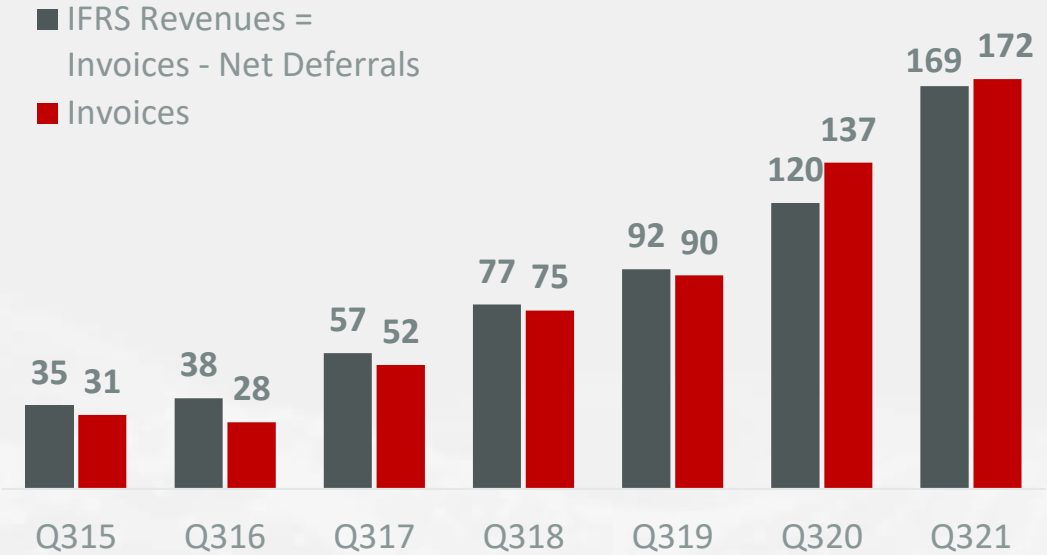
Total Soft–Net Income (TL mn)



- **Revenues** grew by 33% y/y and revenue growth in Euros was 4% y/y in 9M21
- Gross profit is up by 29% yielding a 46% gross margin
- **EBITDA** went up by 59%, yielding 23% margin
- 9M21 **net income margin** reached 11%, with 9,2 TL mn one-off income in relation to the payment received as per the share purchase agreement dated September 2nd, 2016.

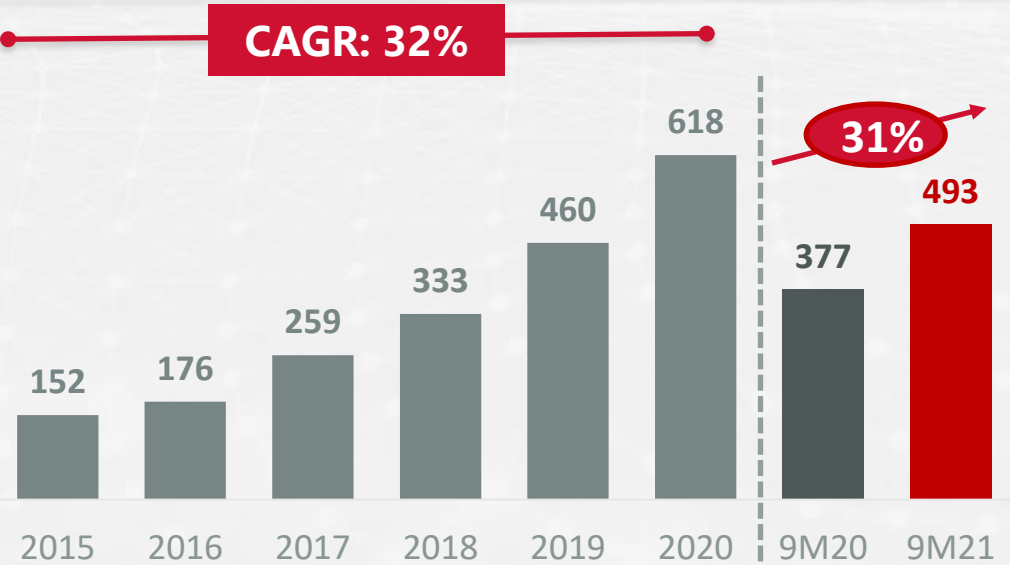
Invoiced Revenue vs IFRS Revenue (Consolidated)

Third Quarter Invoices & IFRS Revenues (TL mn)



- Q3 sales invoice growth was 26% y/y
- IFRS Revenue growth was 41%y/y in Q3

Invoiced Revenues (TL mn)

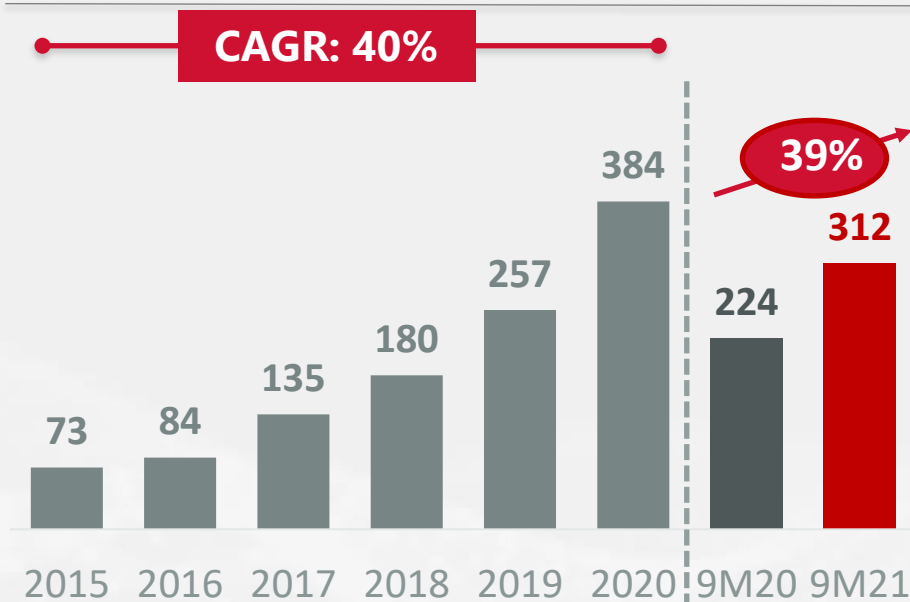


- In Turkey, invoiced revenue was 347 TL mn in 9M21 with 40% increase y/y
- Total Soft's invoiced revenue increased by 13% y/y and reached 146 TL mn in 9M21
- Recurring revenues make up 63% of invoices, with Turkey and Romania operations contributing 73% and 27%, respectively



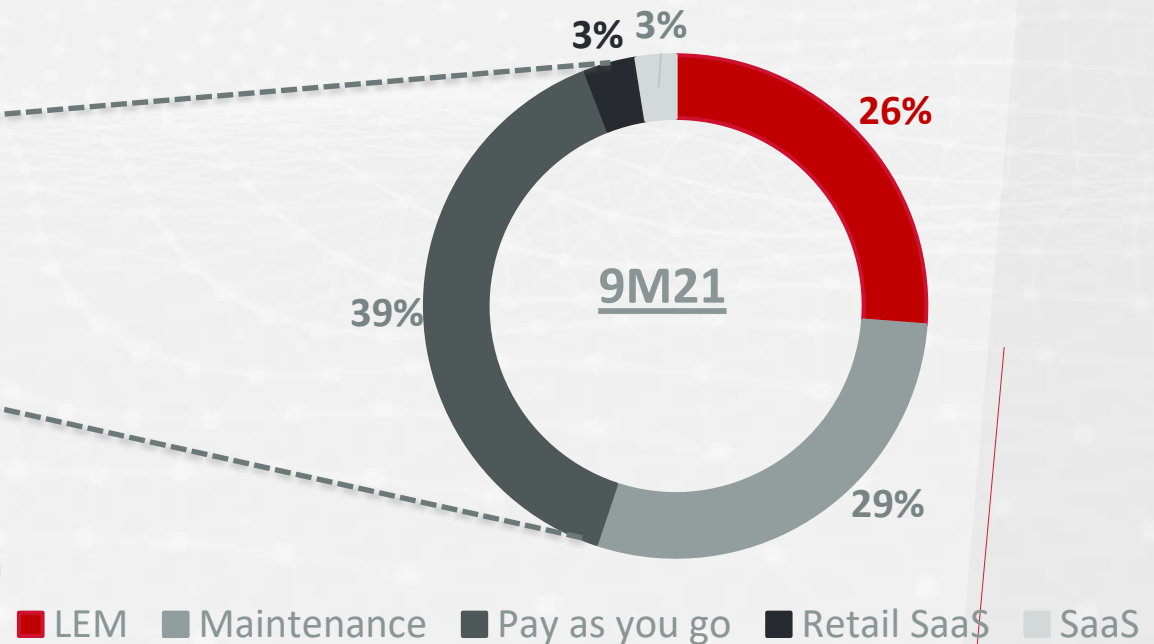
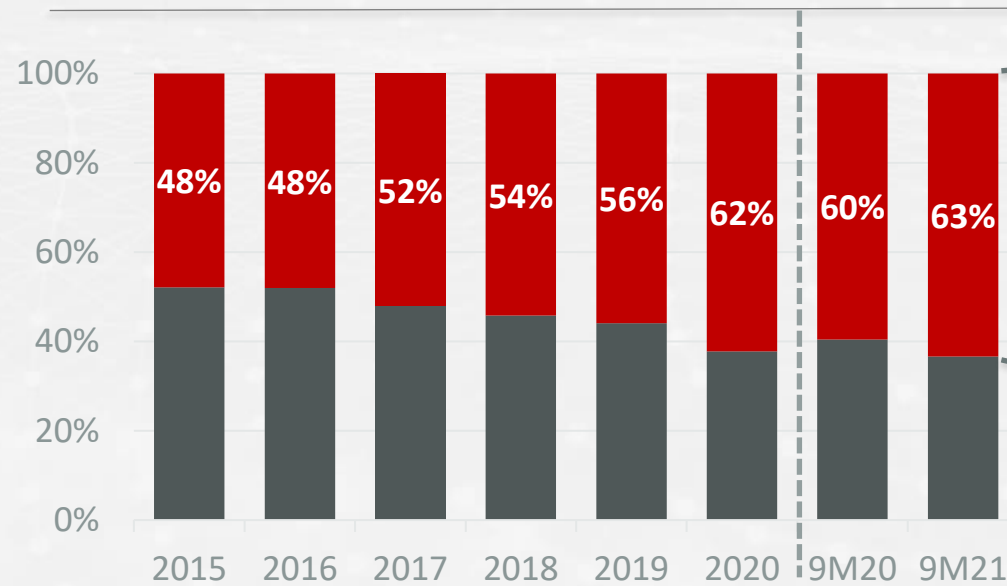
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



- **LEM** revenues increased by 22% y/y
- **Pay as you go** revenues increased by 55% y/y with strong coin sales
- **Maintenance** revenues increased by 26% y/y with significant contribution from Total Soft
- **Retail SaaS** revenues increased by 58%
- **SaaS** includes İşbaşı and Peoplise

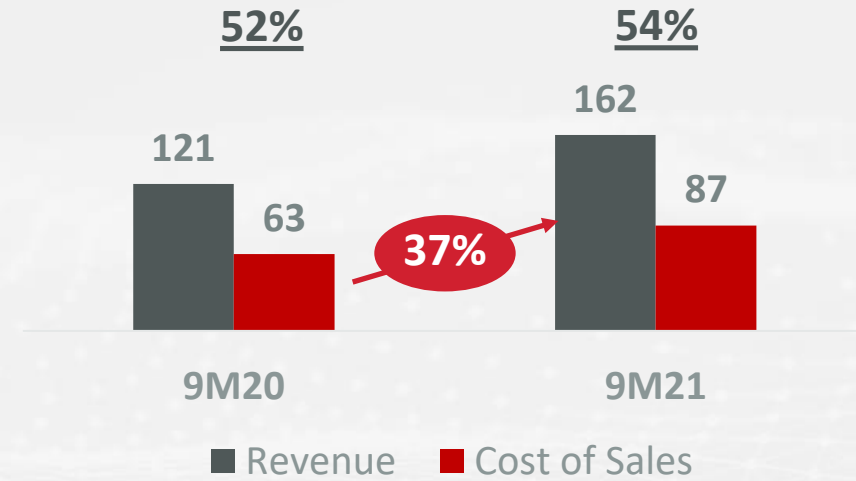
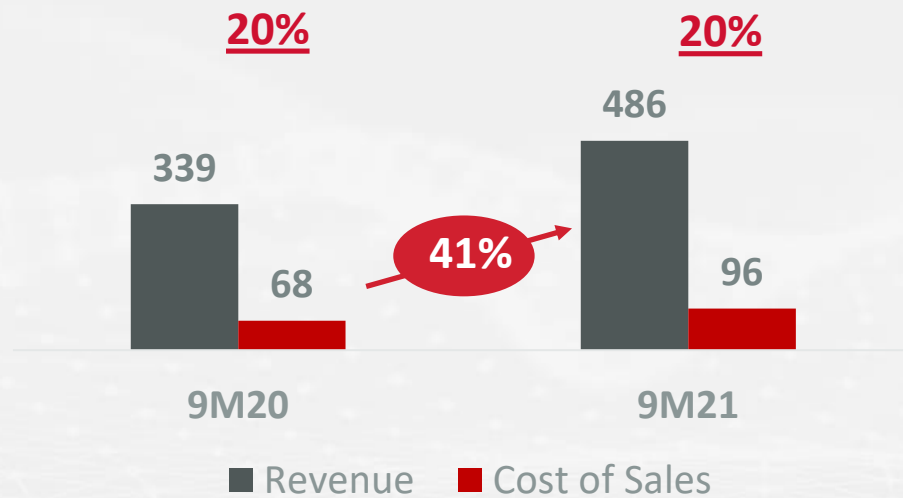
Recurring Invoices/Total Invoices (%)



Cost of Sales

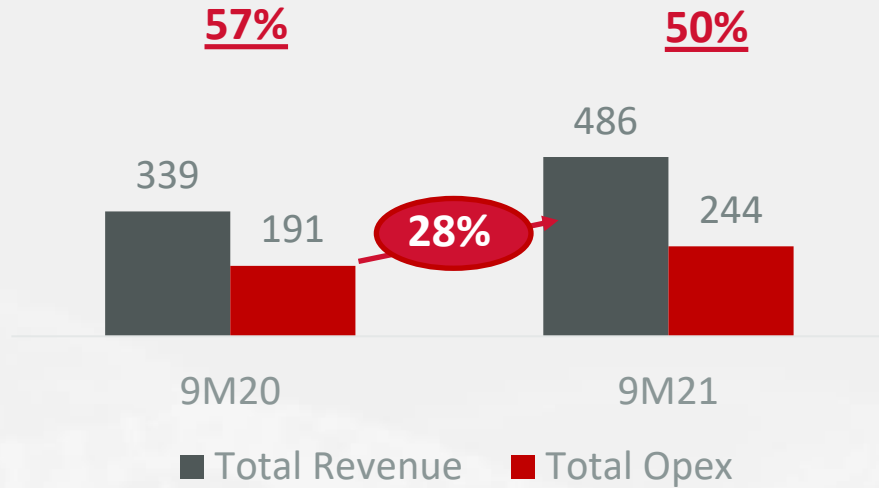
Consolidated (TL mn) – As % of IFRS Revenue

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

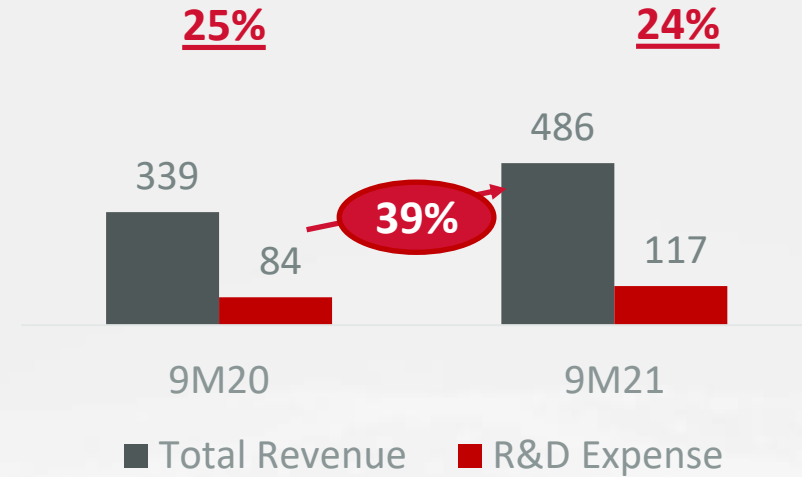


Operating Expenses

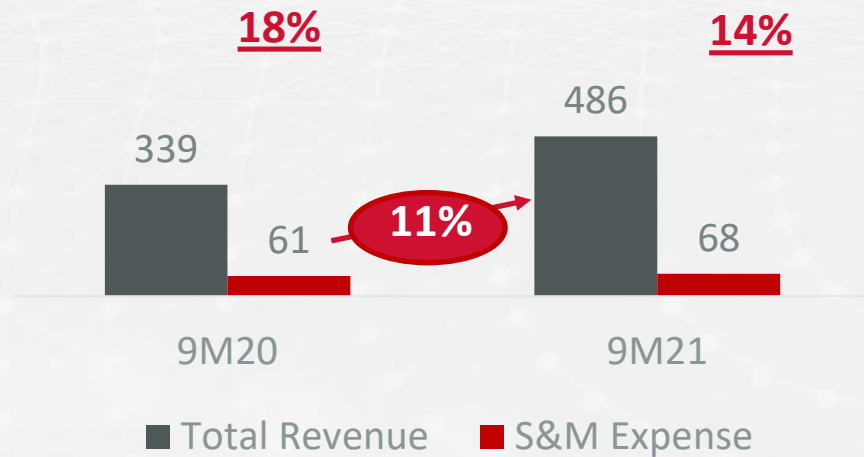
OpEx (TL mn) – As % of IFRS Revenue



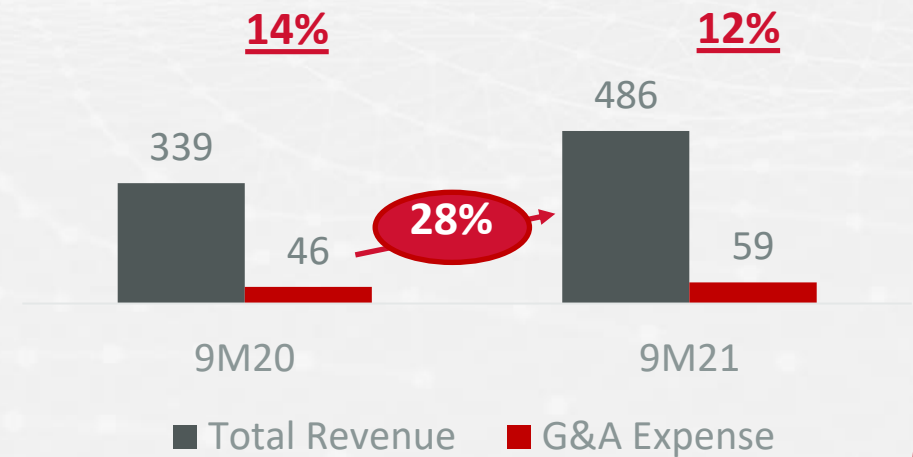
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

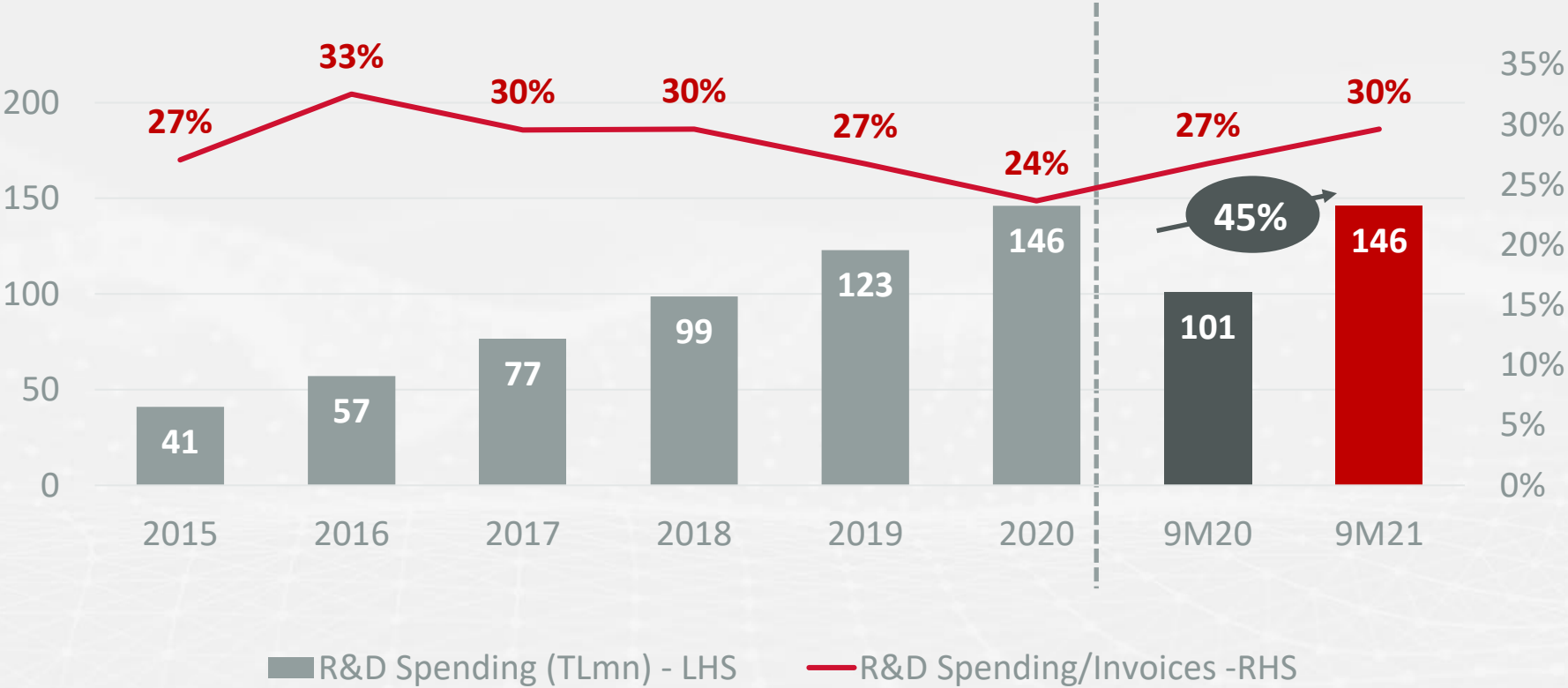


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

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



Strong Balance Sheet

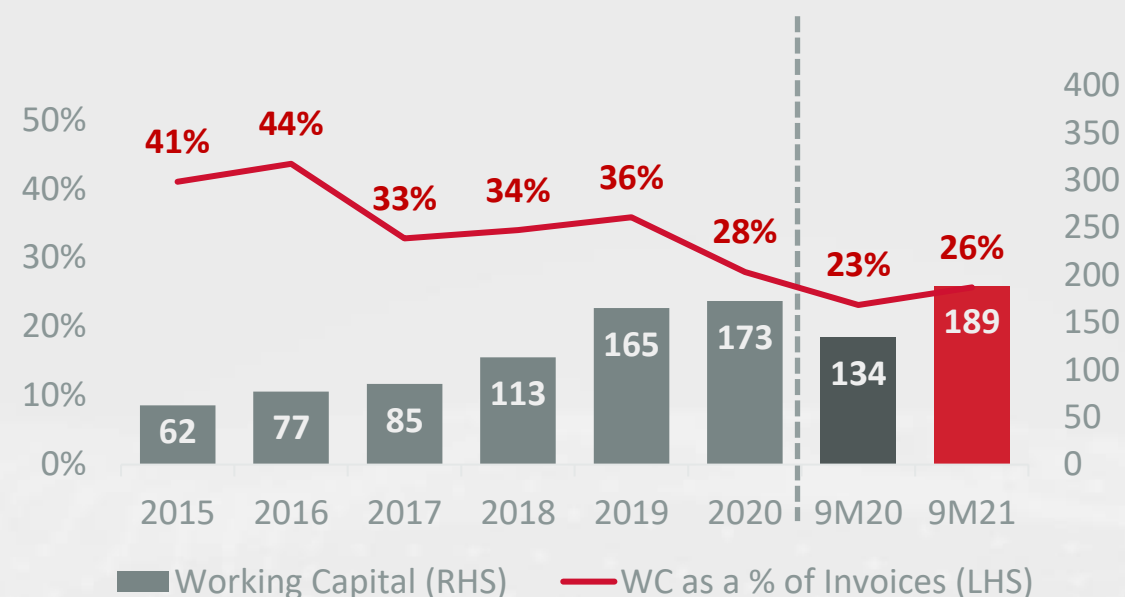
Balance Sheet Highlights (TL mn)

	2020	9M21	Δ
Cash & Cash Eq.	261,6	316,4	21%
Trade Receivables	235,7	222,5	-6%
Tangible Assets	19,3	19,2	-1%
Intangible Assets*	470,2	548,8	17%
Other Assets	110,7	143,8	30%
Total Assets	1.097,5	1.250,8	14%
Total Liabilities	559,8	561,0	0%
Total Shareholders' Equity	537,8	689,8	28%
Total Liabilities and Equity	1.097,5	1.250,8	14%
Shareholders Equity Ratio	0,49	0,55	13%
Current Ratio	1,34	1,51	13%
EPS (LTM)**	1,19	2,07	74%

* Includes goodwill

** Adjusted by 3.22% treasury shares (2020: 3.48%)

Working Capital (TL mn)



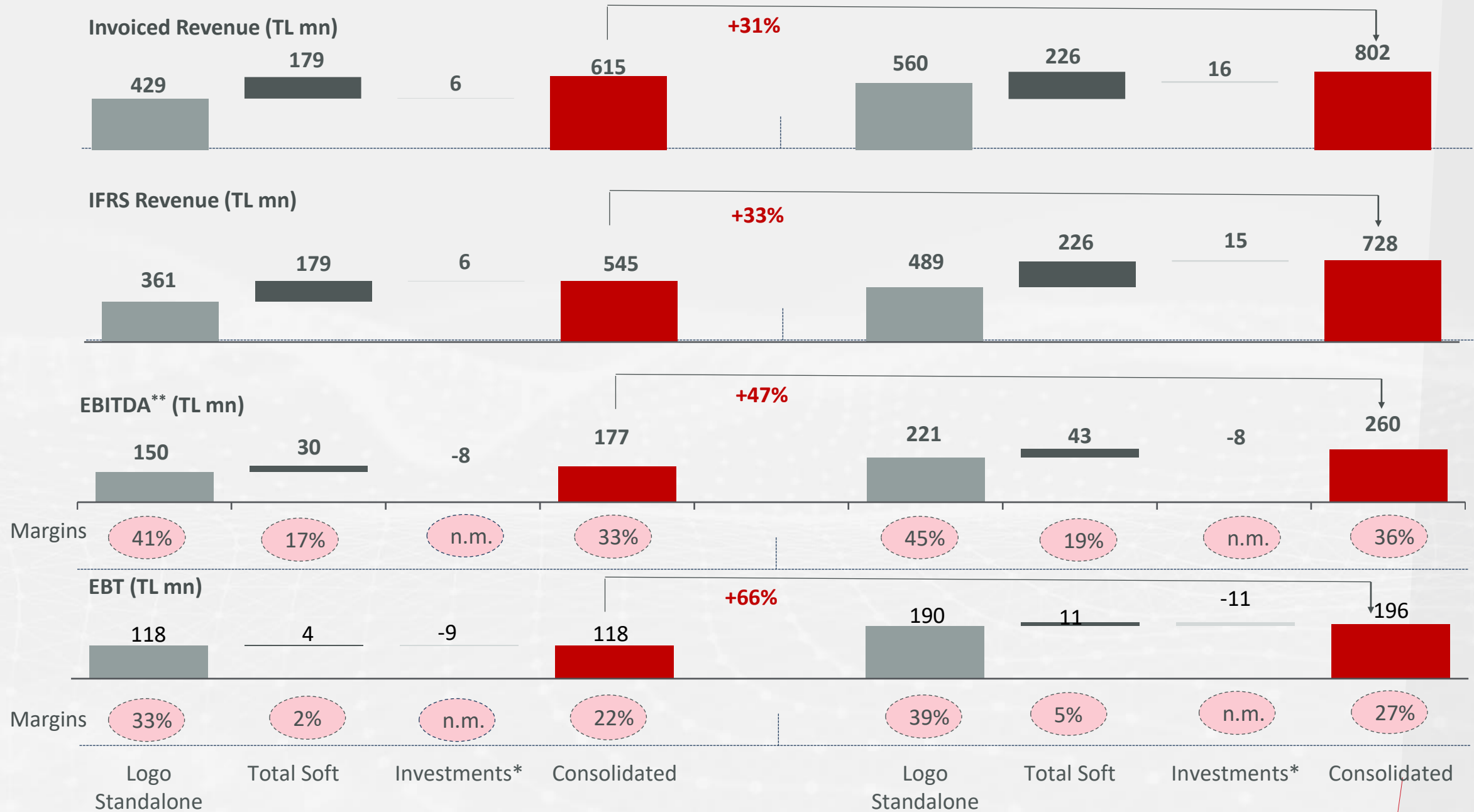
Working capital: Trade receivables+Inventories–Trade payables
WC/Invoices figures are based on 12-month trailing invoices

- **Net cash is 163.7 TL mn at end-Q321** (excluding 18.4 TL mn IFRS 16 impact) vs 160.6 TL mn at end-2020 (excluding 19.2 TL mn IFRS 16 impact). Net cash of 322 TL mn together with 3.22% treasury shares @Mcap at end-Q321 and long-term financial investments (2020: 277 TL mn).

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

Appendix

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%	
Retail 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-service coin sales is the main trigger for pay-as-you-go revenue growth
- Maintenance revenues' major contributor is Romania operations

ESG in numbers



1,233

Employees



44%

Women employees



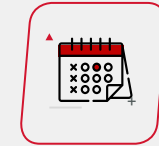
45%

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



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