



LOGO

9M2022 Results Presentation

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Chief Financial Officer

November 9th, 2022

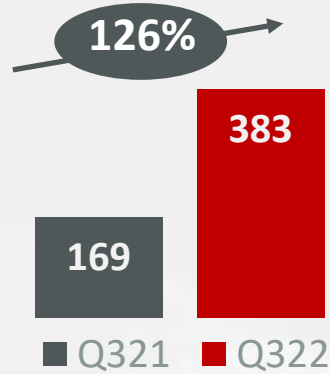
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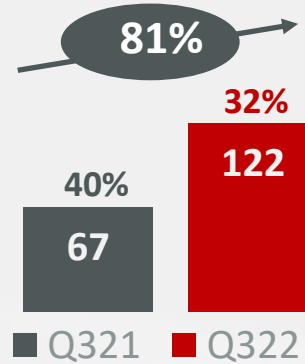
Strong performance continues in Q322

Consolidated

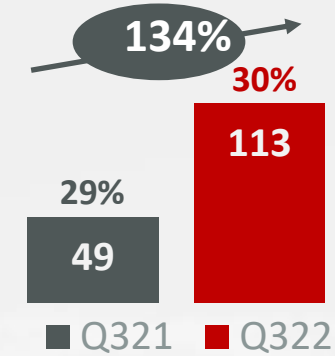
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

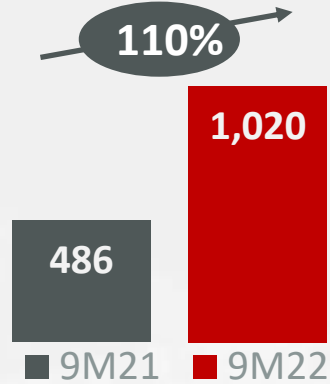


- **Strong growth** continued in Q3 across the board despite macro uncertainties
- **Recurring revenues** were **59%** of invoiced sales with sustainable growth in all categories
- **In Turkey**; revenues grew **by 100%** in 9M with increased spending from existing customers and healthy new customer acquisitions;
 - Logo Turkey's **new customer additions** in ERP segment grew by **23% y/y**
 - e-services' **new customer additions** grew by **22% y/y**
 - MicroSME SaaS solution **İşbaşı's** users at **47 thousand** with **77% growth y/y**
 - **Peoplise** active customers up by **33% y/y** reaching **152** at end-9M22
- **Romania**; strong Euro **sales growth** continued in Q322
- **India**; implementing organizational and marketing strategy changes to ensure paying customer traction in coming quarters

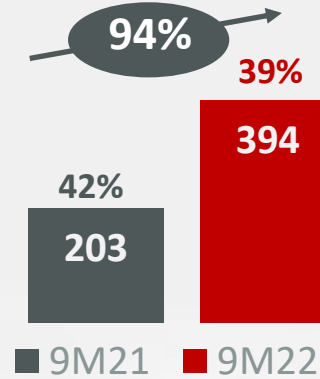
Solid results in 9M22

Consolidated

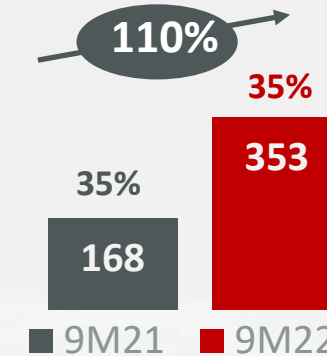
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

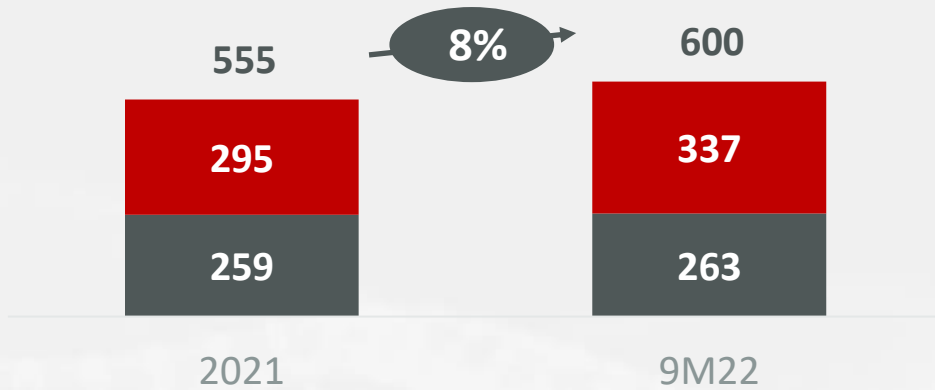


- **Revenues** up by 110%, reaching 1.02 TL bn, with Turkey and Romania operations contributing 64% and 36% respectively
- **EBITDA** up by 94%, reaching 394 TL mn yielding 39% margin
- **Sales/employee** up by 88% y/y (2010-2021 CAGR; 15%), **EBITDA/employee** up by 74% y/y (2010-2021 CAGR; 20%)
- **Net income** up by 110%, reaching 353 TL mn yielding 35% margin

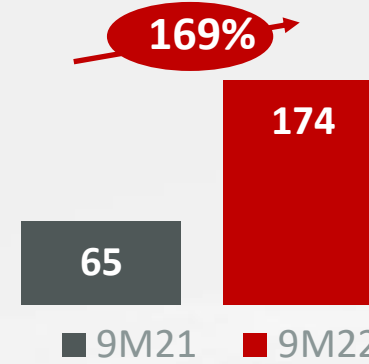
Effective financial management

Consolidated

Cash and Financial Investments (TL mn)

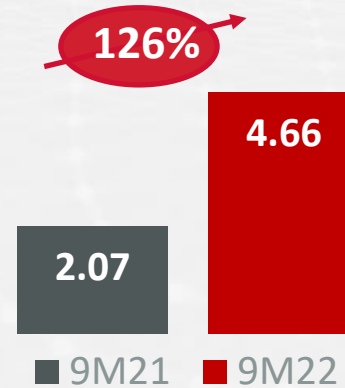


Strong FCF – LTM (TL mn)



■ Financial Investments (ST<) ■ Cash and Cash Eq.

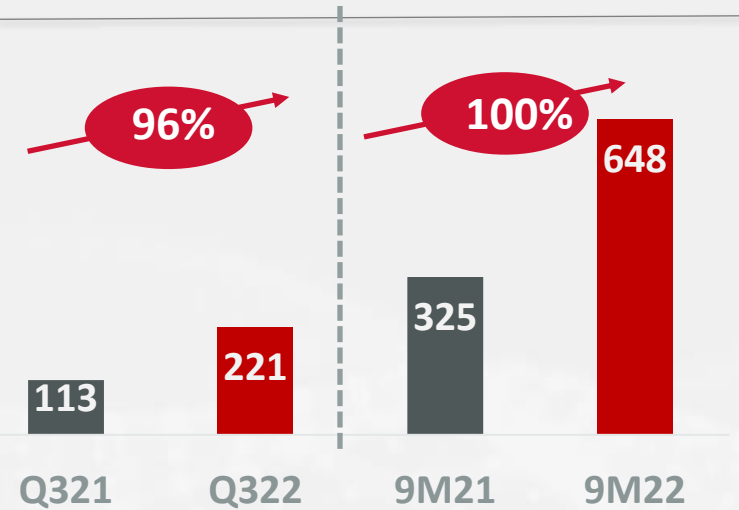
EPS* growth (LTM)



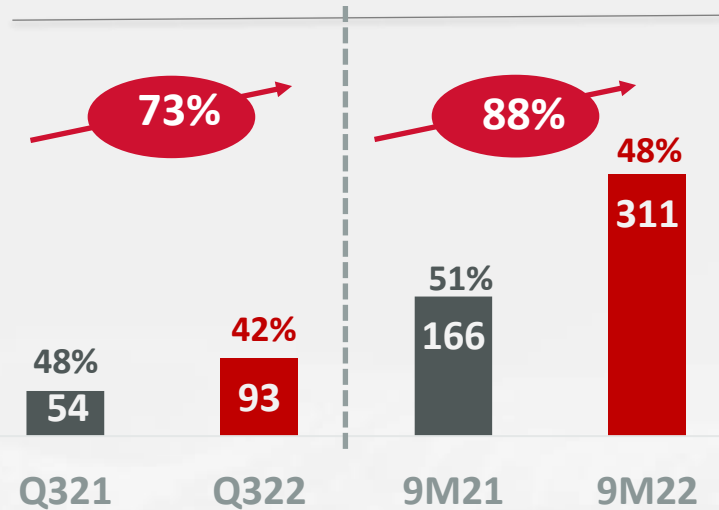
*Adjusted by 3.61% treasury shares (9M21: 3.22%)

Strong performance in Turkey amid macro challenges

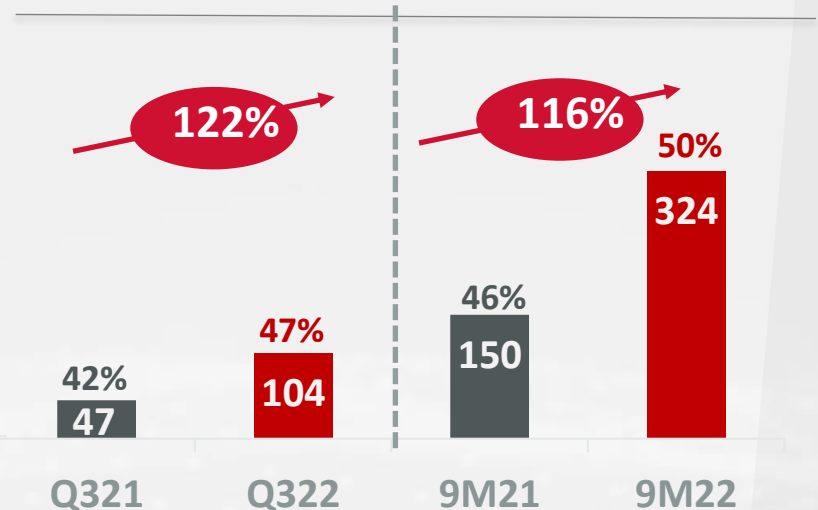
Logo Turkey-Revenues (TL mn)



Logo Turkey-EBITDA (TL mn)



Logo Turkey-Net Income (TL mn)

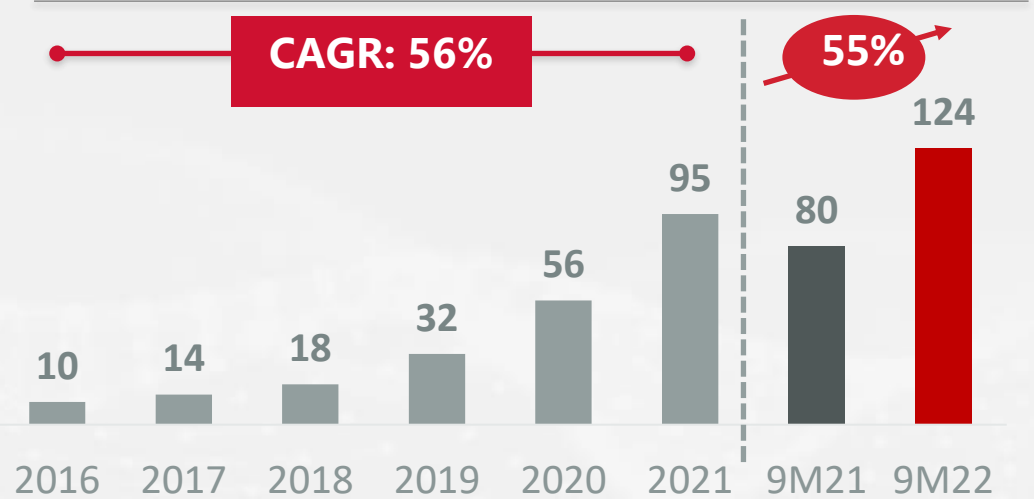


- **Revenues in 9M** increased by 100% with healthy new customer acquisitions and increased spending from existing customers.
- **EBITDA** grew by 88% with 48% margin.
- **Net income** positively affected by net financial gains with margin reaching 50%

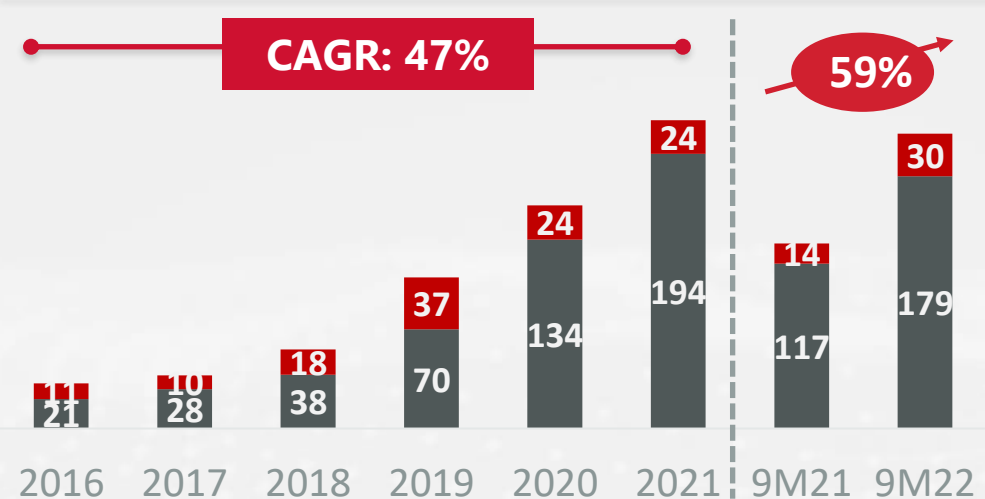
eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 124K customers

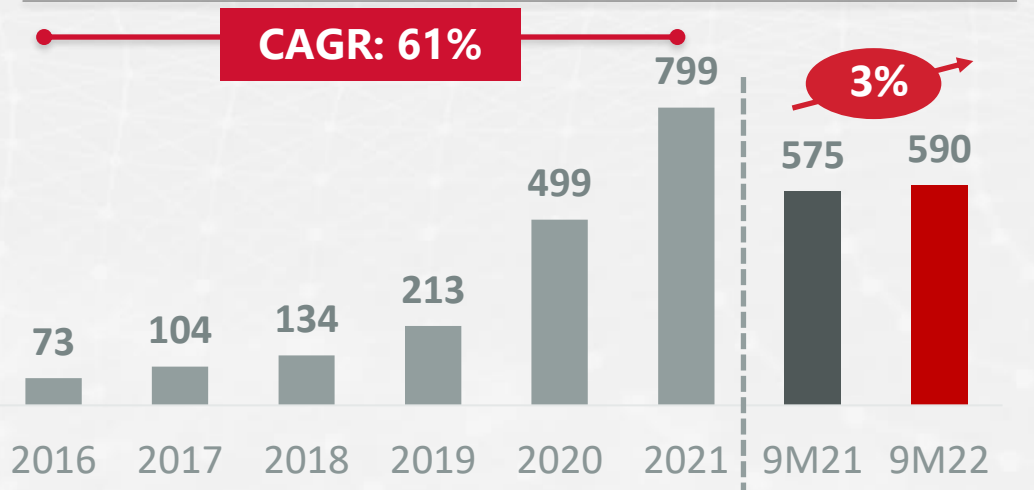
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)



■ coin revenues ■ module&other revenues

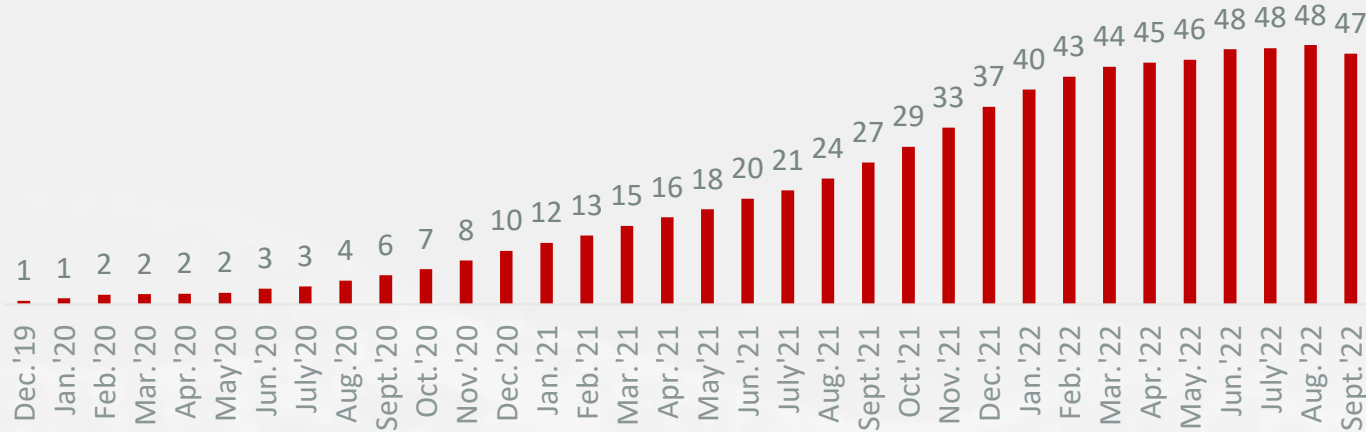
- ✓ New customer additions in 9M22 increased by 22% y/y
- ✓ Coin revenues comprises 86% of eLogo's invoiced revenues in 9M22 signaling strong recurring revenue growth potential going forward



Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering *basic accounting software and e-invoicing services*

of users ('000)



User growth:
77% y/y

ARPU*: 331 TL

LTV/CAC**: 14

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



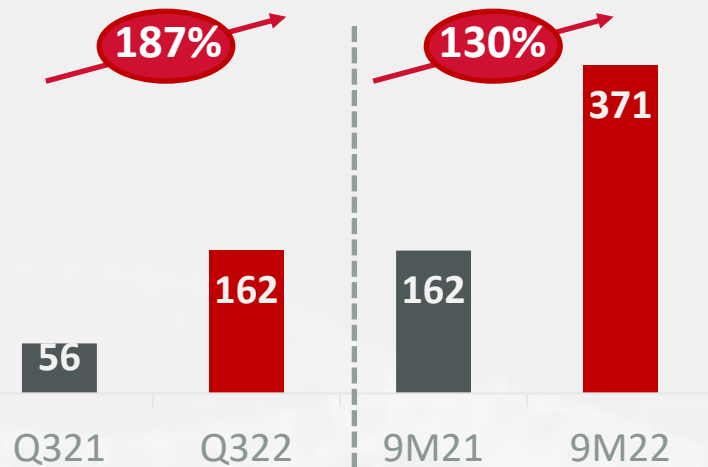
*ARPU (Average revenue per user) is based on total invoiced revenues (LTM) and average # of users (LTM).

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

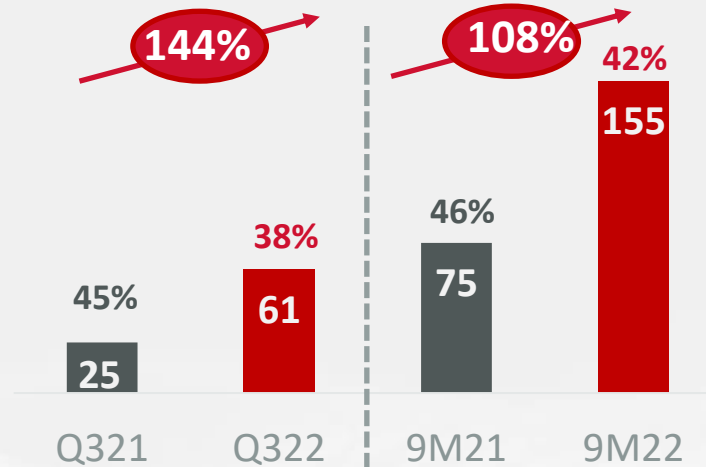
www.logo.com.tr

Solid performance at Total Soft

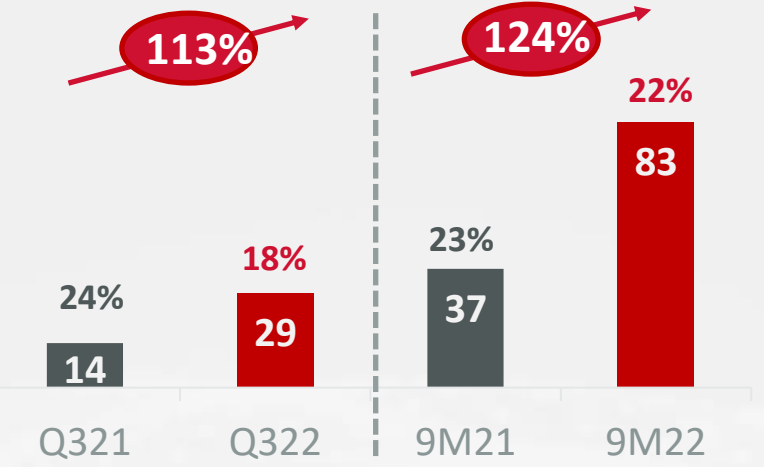
Total Soft-Revenues (TL mn)



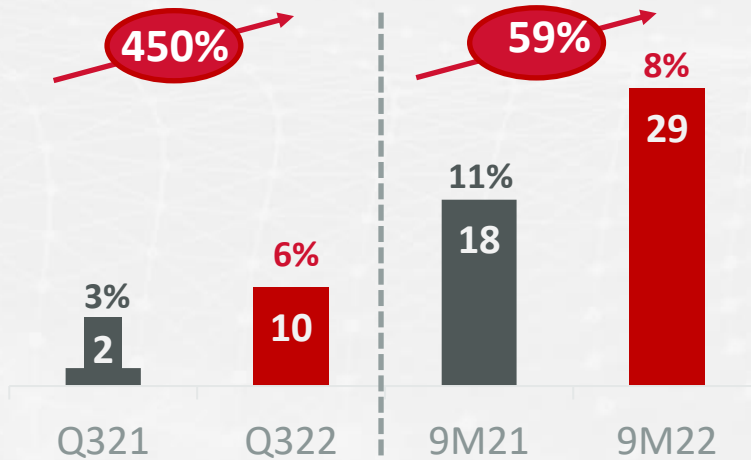
Total Soft-Gross profit (TL mn)



Total Soft-EBITDA (TL mn)



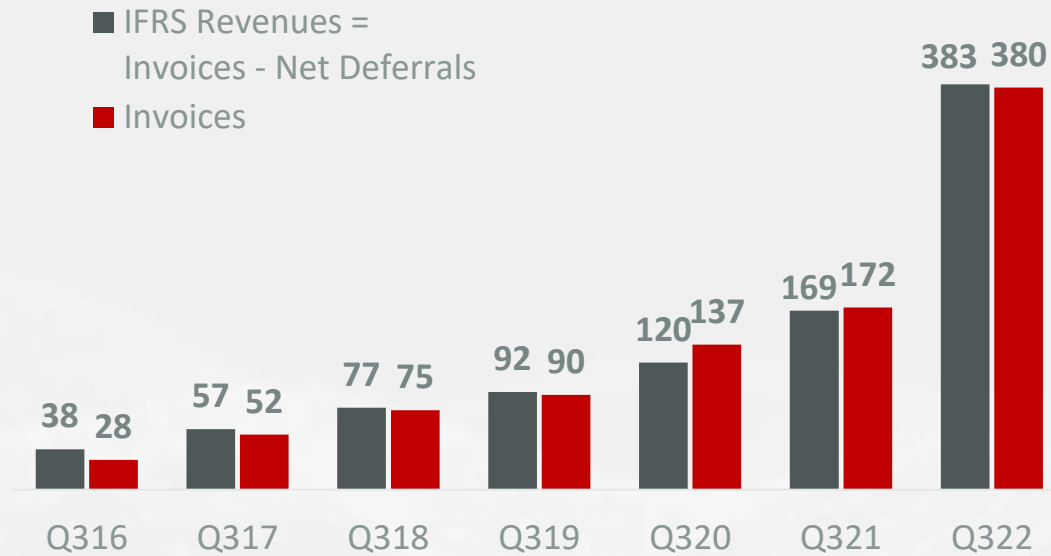
Total Soft-Net Income (TL mn)



- **Revenues** grew by 130% y/y and revenue growth in Euros was 31% y/y
- Gross profit is up by 108% yielding a 42% gross margin
- **EBITDA** went up by 124%, yielding 22% margin.
- 9M22 **net income margin** was 8%. 9M21 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.

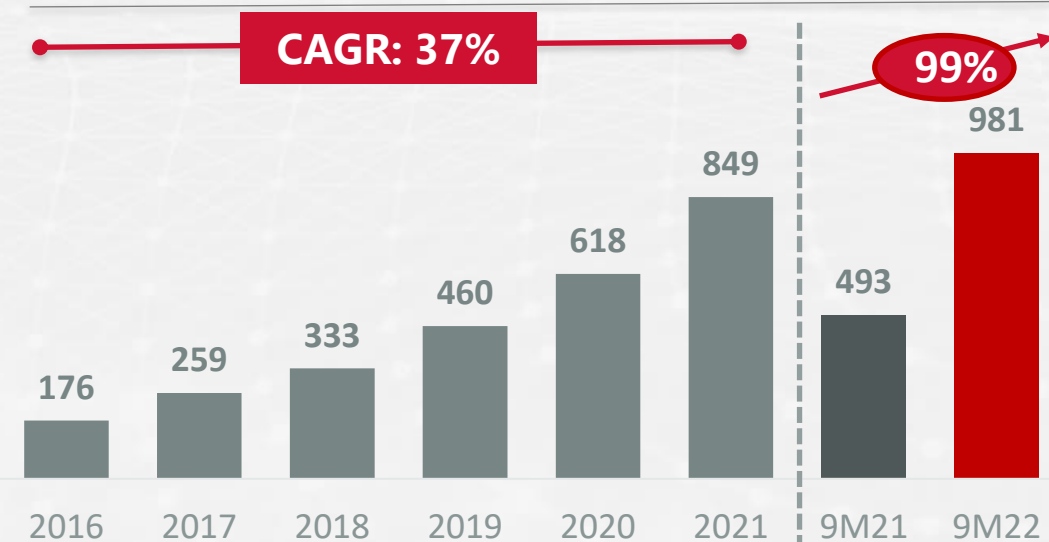
Invoiced Revenue vs IFRS Revenue (Consolidated)

Third Quarter Invoices & IFRS Revenues (TL mn)



- Q3 sales invoice growth was 121% y/y
- IFRS Revenue growth was 126%y/y in Q3

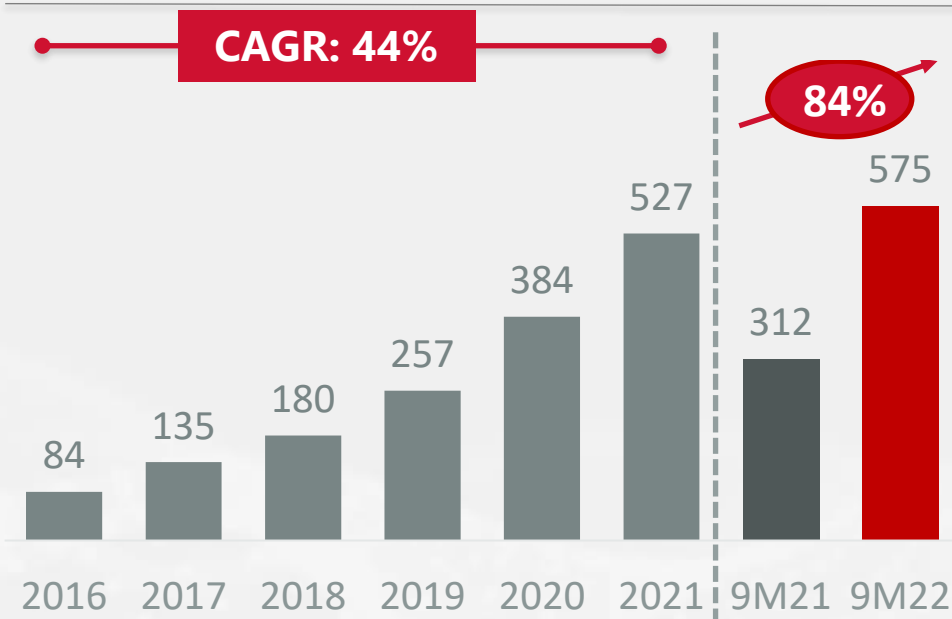
Invoiced Revenues (TL mn)



- In Turkey, invoiced revenue was 619 TL mn in 9M22 with 78% increase
- Total Soft's invoiced revenue increased by 148% and reached 362 TL mn in 9M22
- Recurring revenues make up 59% of invoices

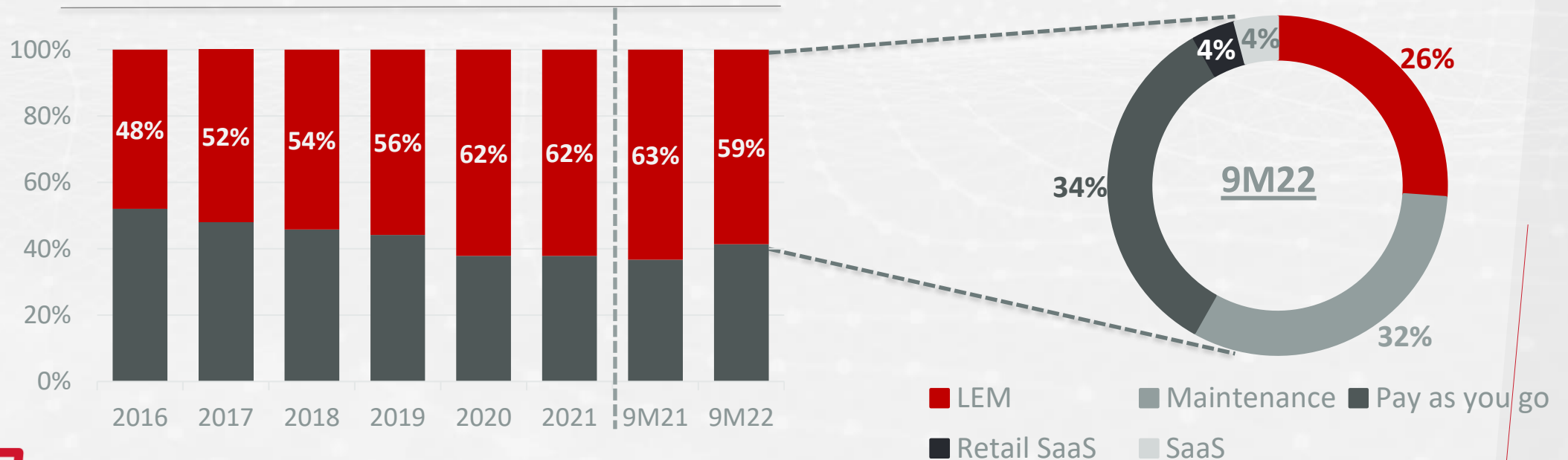
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



- LEM revenues increased by 83% y/y
- Pay as you go revenues increased by 59% y/y
- Maintenance revenues increased by 104% y/y
- Retail SaaS revenues increased by 129%
- SaaS revenues increased by 198%
- Retail SaaS and SaaS revenues make up 8% of recurring revenues in 9M22 compared to 6% in 9M21

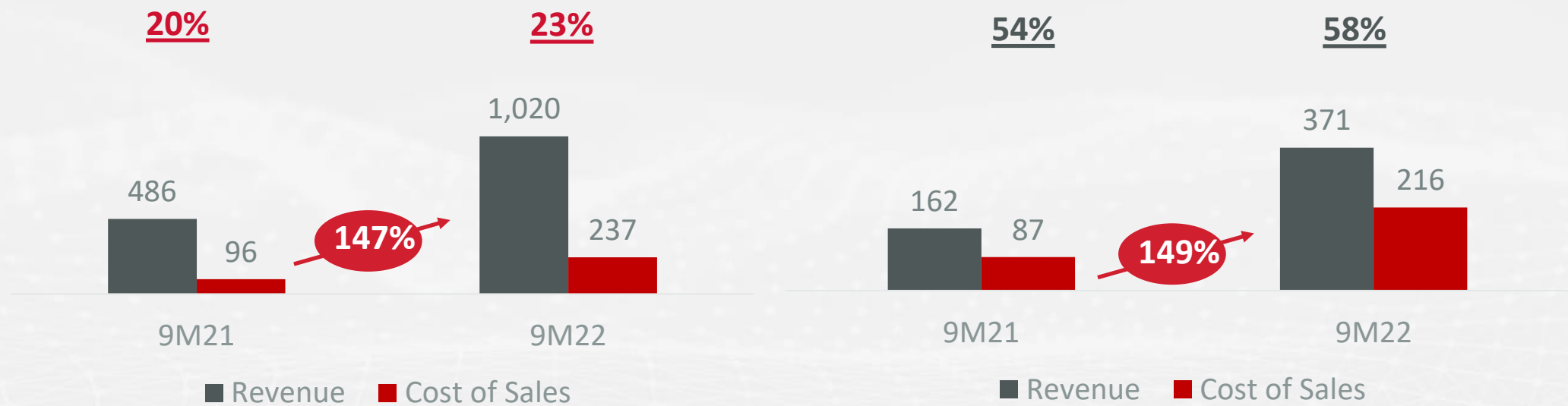
Recurring Invoices/Total Invoices (%)



Cost of Sales

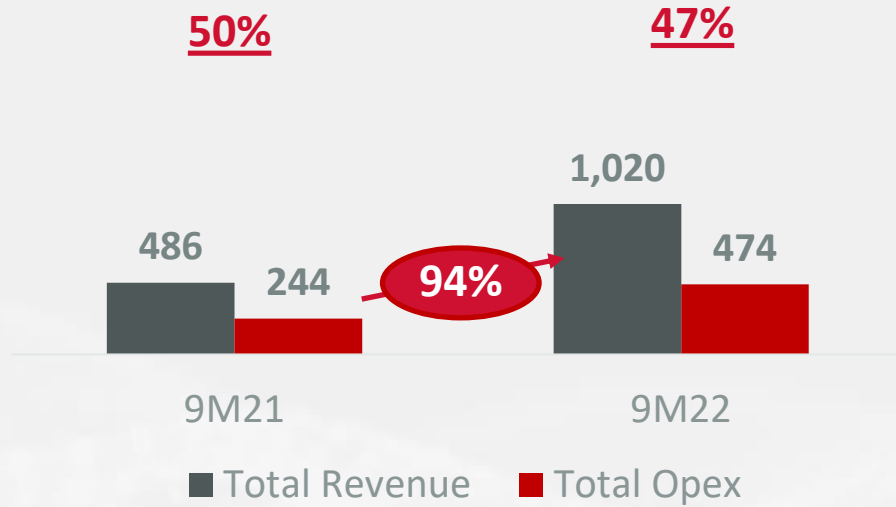
Consolidated (TL mn) – As % of IFRS Revenue

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

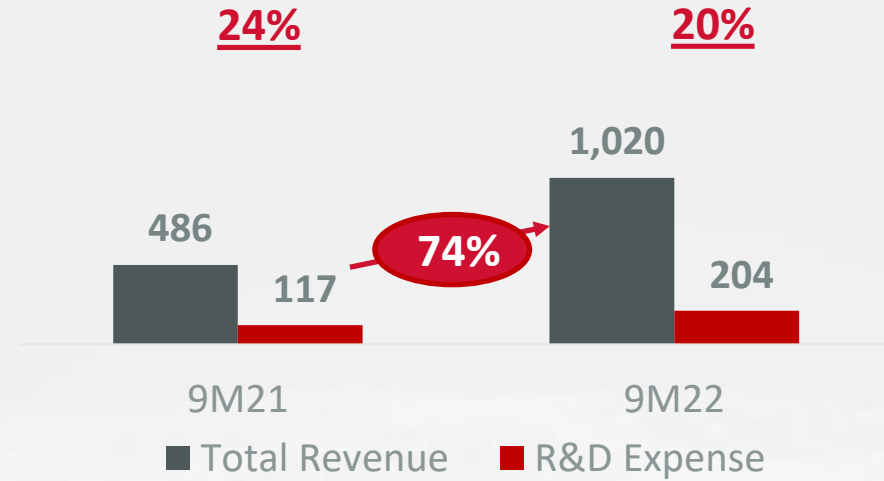


Operating Expenses

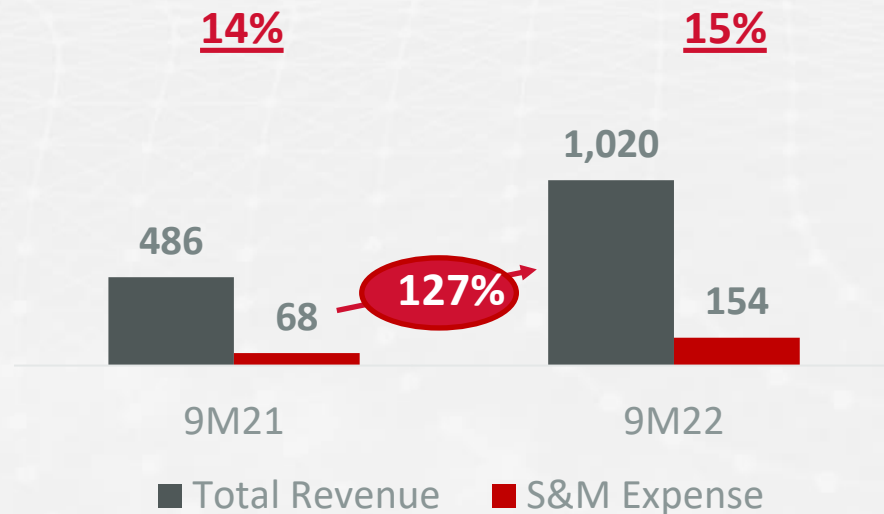
OpEx (TL mn) – As % of IFRS Revenue



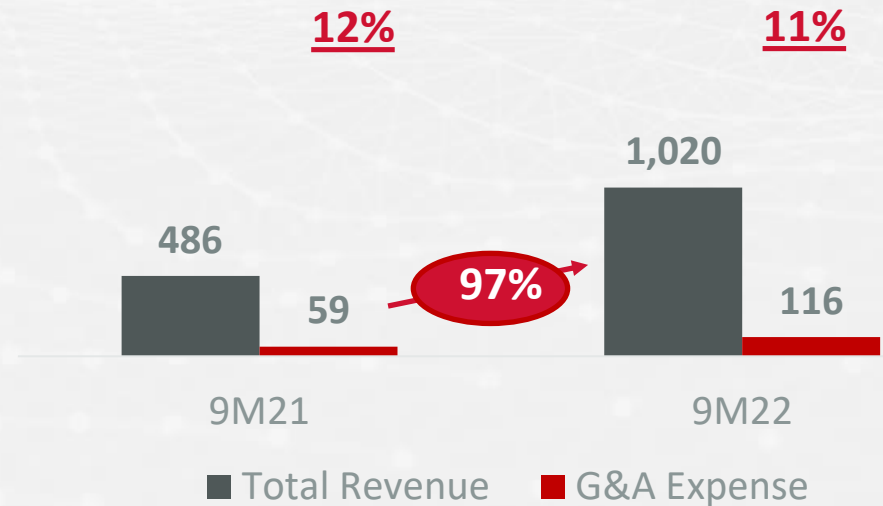
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

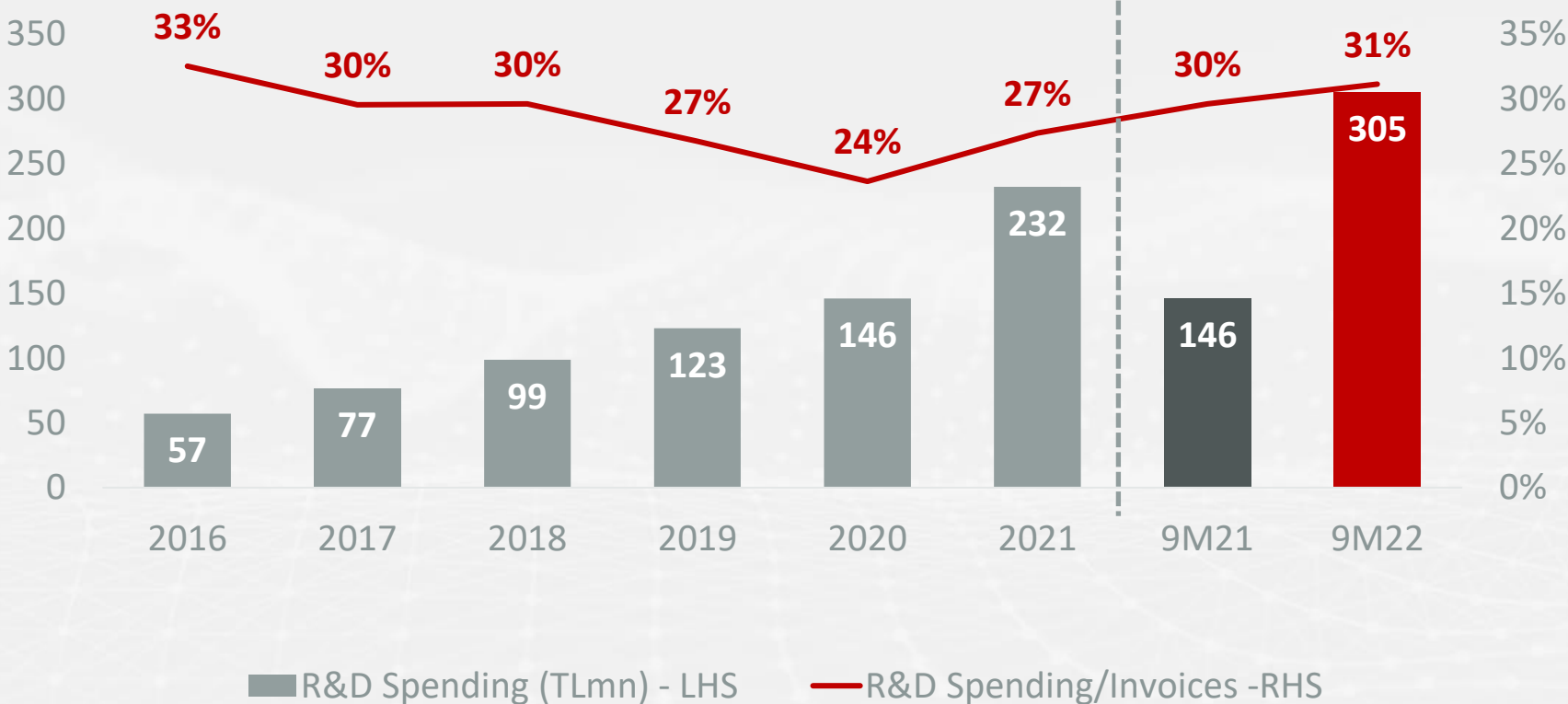


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

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



Strong Balance Sheet

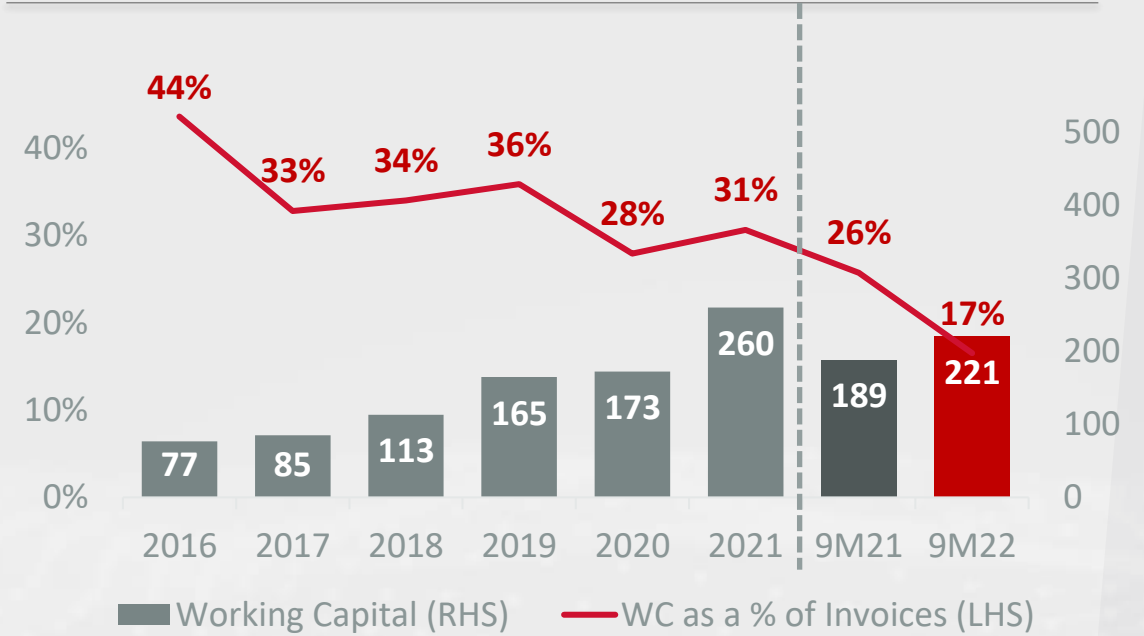
Balance Sheet Highlights (TL mn)

	2021	9M22	Δ
Cash & Cash Eq.	259.4	263.1	1%
Trade Receivables	333.7	310.5	-7%
Tangible Assets	21.0	23.6	13%
Intangible Assets*	759.2	975.9	29%
Other Assets	434.2	555.5	28%
Total Assets	1,807.5	2,128.6	18%
Total Liabilities	974.0	1,033.2	6%
Total Shareholders' Equity	833.5	1,095.4	31%
Total Liabilities and Equity	1,807.5	2,128.6	18%
Shareholders Equity Ratio	0.46	0.51	12%
Current Ratio	1.07	0.97	-9%
EPS (LTM)**	2.73	4.66	70%

* 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 147 TL mn at end-Q322** (excluding 17,3 TL mn IFRS 16 impact) vs 186.8 TL mn at end-2021 (excluding 19.9 TL mn IFRS 16 impact). Net cash of 524 TL mn together with 3.61% treasury shares @Mcap at end-Q322 and long-term financial investments (2021: 442 TL mn).
- WC is 17% of invoiced revenues at end-9M22, improving from 26% at end-9M21 due to earlier collection of credit card receivables.



Questions & Answers

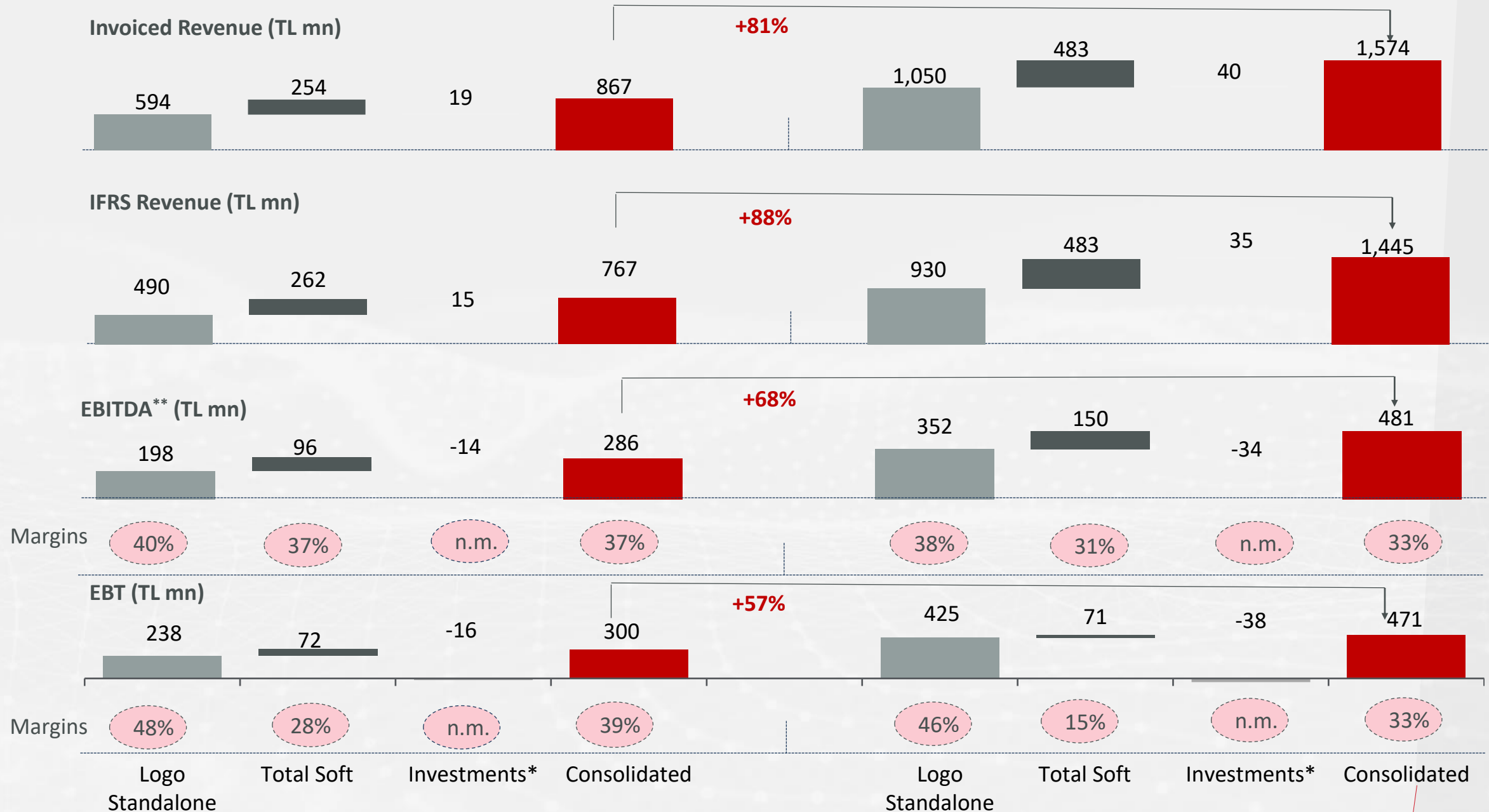
The background is a vibrant red with a subtle pattern of binary code (0s and 1s) and a glowing, dotted cylinder in the center. The cylinder is surrounded by concentric dotted lines that create a sense of depth and focus. In the top left corner, there are two overlapping squares, one dark red and one 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. The overall aesthetic is modern and digital.

Appendix

Revised Guidance

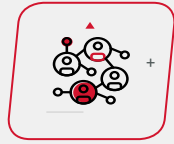
2021

2022 revised 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.

ESG in numbers



1,315

Employees



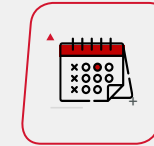
43%

Women
employees



50%

Women in
executive
management



35

Average age
of employees



27%

R&D spending/
invoiced
revenues



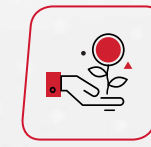
50%

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 GİB**	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.



Thank you for joining us today

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