



LOGO

Investor Presentation

December 2024

Disclaimer

With Capital Markets Board (CMB) of Türkiye's bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or later, in accordance with IAS29 inflationary accounting provisions. Accordingly, this presentation is related to the third quarter 2024 financial results containing the Company's financial information prepared according to Turkish Accounting / Financial Reporting Standards by application of IAS29 inflation accounting provisions, in accordance with CMB's decision dated 28.12.2023.

This presentation also contains financial information not adjusted with inflation accounting, prepared under the responsibility of our Board of Directors and the Executive Management responsible for financial reporting, for the purpose of providing a comparable overview for our investors and analysts with respect to previously disclosed guidance and financials, and such financial information was not audited by an independent auditor.

This presentation also contains information and analysis on financial statements as well as forward-looking statements that reflect Logo management's current views with respect to certain future events. Although it is believed that the information and analysis are correct and expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially. Neither Logo nor any of its managers or employees nor any other person shall have any liability whatsoever for any loss arising from the use of this presentation.

Logo at a glance: Türkiye's long standing Enterprise Application Software leader



Local leader in
Türkiye and
Romania



Active in **India**
through a JV



Products:
ERP, HR and
Payroll, CRM, WMS



108 mn USD
2023 IFRS
revenues*



11%
USD IFRS
revenue* **CAGR**
2013-2023



70%
Recurring
revenue
base



34%
SaaS
revenue
share



Dedicated
R&D
spending



1.600+
employees



45%
women
employees

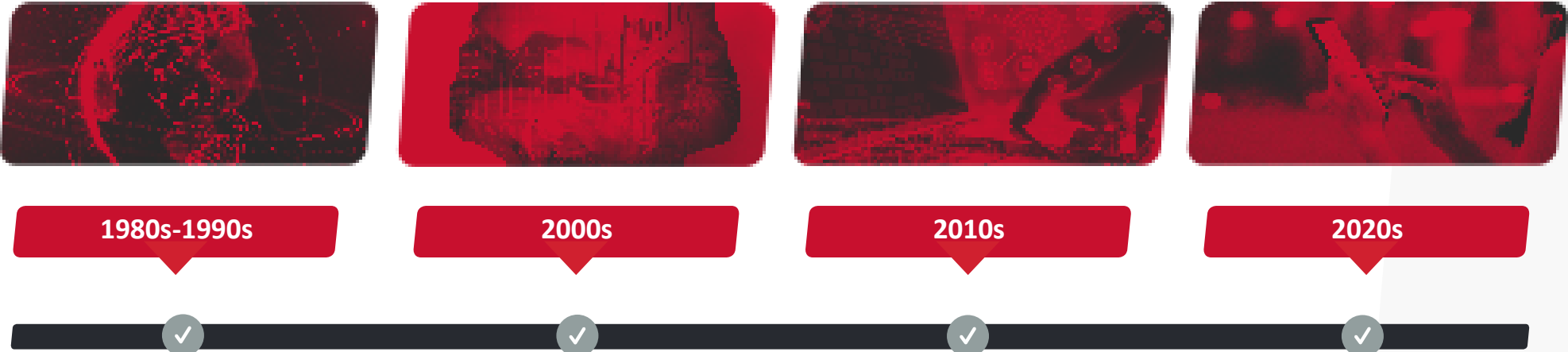


5.000+
people in
ecosystem



200.000+
Customers

Logo success journey: 40 years innovation, entrepreneurial DNA and sustainable profitable growth



- ✓ 1984; establishment
- ✓ Enterprise Applications-DOS
- ✓ Enterprise Applications-Windows
- ✓ Logo ERP

- ✓ 2000; First-ever software company IPO in Turkey
- ✓ Software Development Center @ Gebze
- ✓ Competitive java-based product
- ✓ R&D leadership in software market
- ✓ Market leadership in terms of number of customers and users

- ✓ Local acquisitions; Coretech (2011), Netsis (2013), WorldBI (LogoBI, 2011), Intermat (CRM, 2015), Sempa (SCM, 2015), Vardar (Document Management, 2015)
- ✓ International acquisitions; Total Soft* (Romania, 2016), ABS (Romania, 2018)
- ✓ Joint Venture in India (2016)
- ✓ Private Equity investment (2013) and exit (2016-2019)
- ✓ FMO to institutional investors increasing free float (2016)
- ✓ Establishment of Logo Ventures I
- ✓ Turquality® inclusion






- ✓ Specialized acquisitions; Peoplise (Elba HR, 2020), Nexia (Romania, 2020)
- ✓ Establishment of Logo Ventures II
- ✓ Cloud ERP and Cloud HR



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* Logo's ownership of 80% will be 70% at end-2025, and 15% at end-2027 as per the agreement signed with our minority shareholder Avramos Holding in July 2024.

Shaping the future path with a strong SaaS footprint

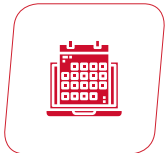
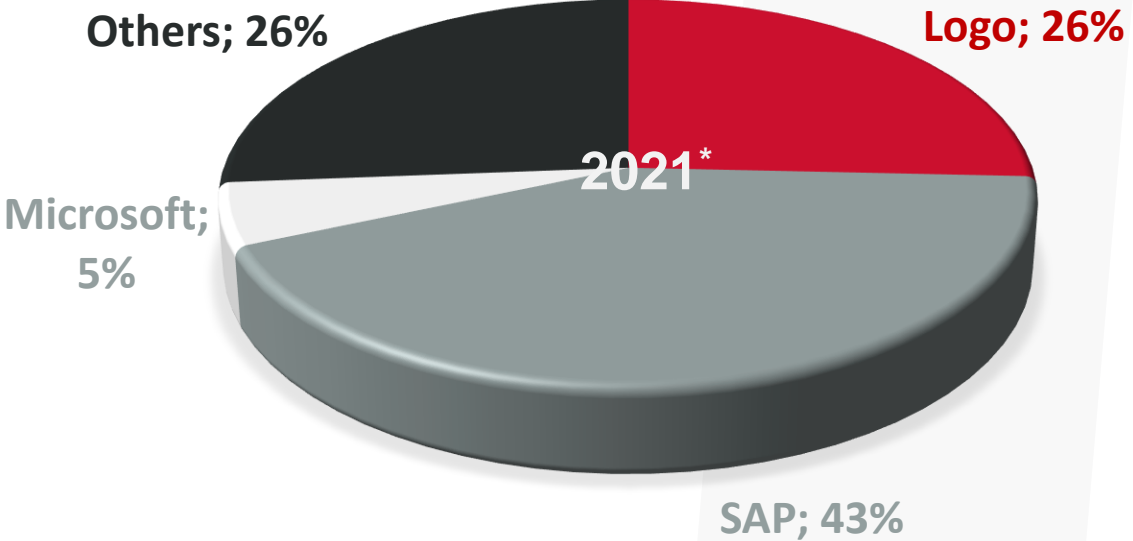
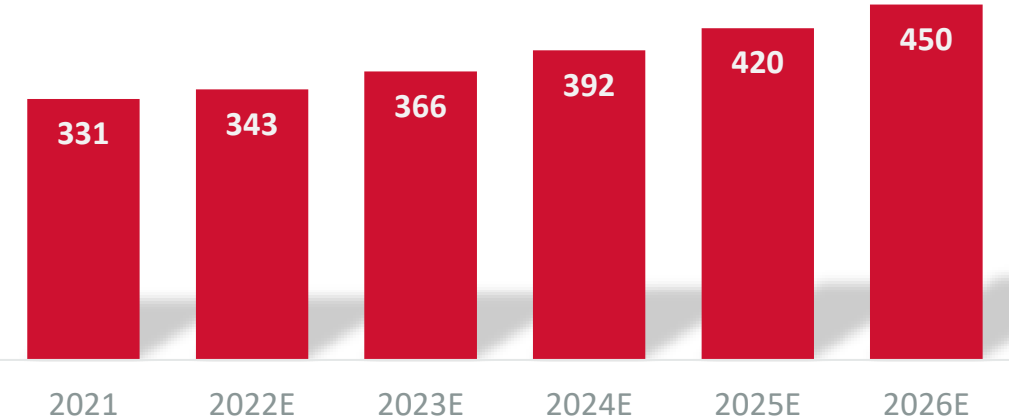
	Solutions and services	# of customers/users	ARR
	eService platform and leader in digital transformation	188,000+ customers	22 mio USD
	SaaS solution for reliable and sustainable retail operations	139 customers 10,700+ user locations	4.0 mio USD
	SaaS solution for recruitment, on-boarding and talent engagement needs of enterprises	180 customers	0.82 mio USD
	SaaS solution for MicroSMEs: basic accounting software and e-invoicing services	64,000+ users	1.8 mio USD
	SaaS solution for MicroSMEs: Pre-accounting and e-invoicing services with in-built GSTN compliance	18,300+ users	0.52 mio USD

Turkish EAS market and Logo market share

Multiple secular drivers for further EAS adoption

Turkish EAS market growth expectation* (\$mn)

← CAGR 6.4% →



SMEs lead software market growth



Government push for digitalisation



Lower ERP penetration compared to EU



Enterprise cloud adoption will be on the rise and big data will be one of the fastest growing fields



Potential pricing upside

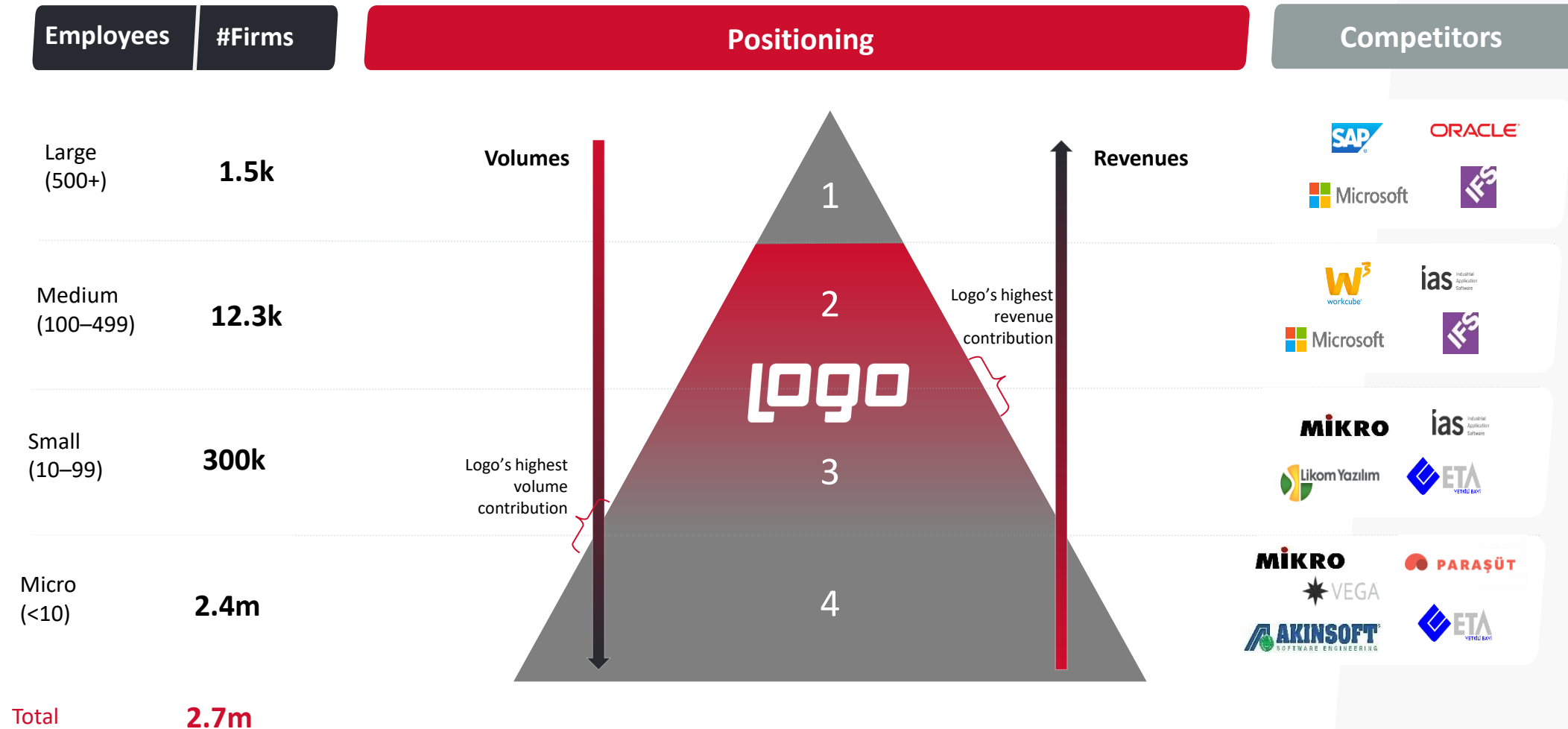


Digitalization becoming more of an obligation than choice post Covid



*Based on IDC.

Logo market positioning: Longstanding SME leadership with products serving the mission critical need across the lifecycle



1

- Higher presence of large incumbents that do not have SME tailored products
- Low volume, high penetration region

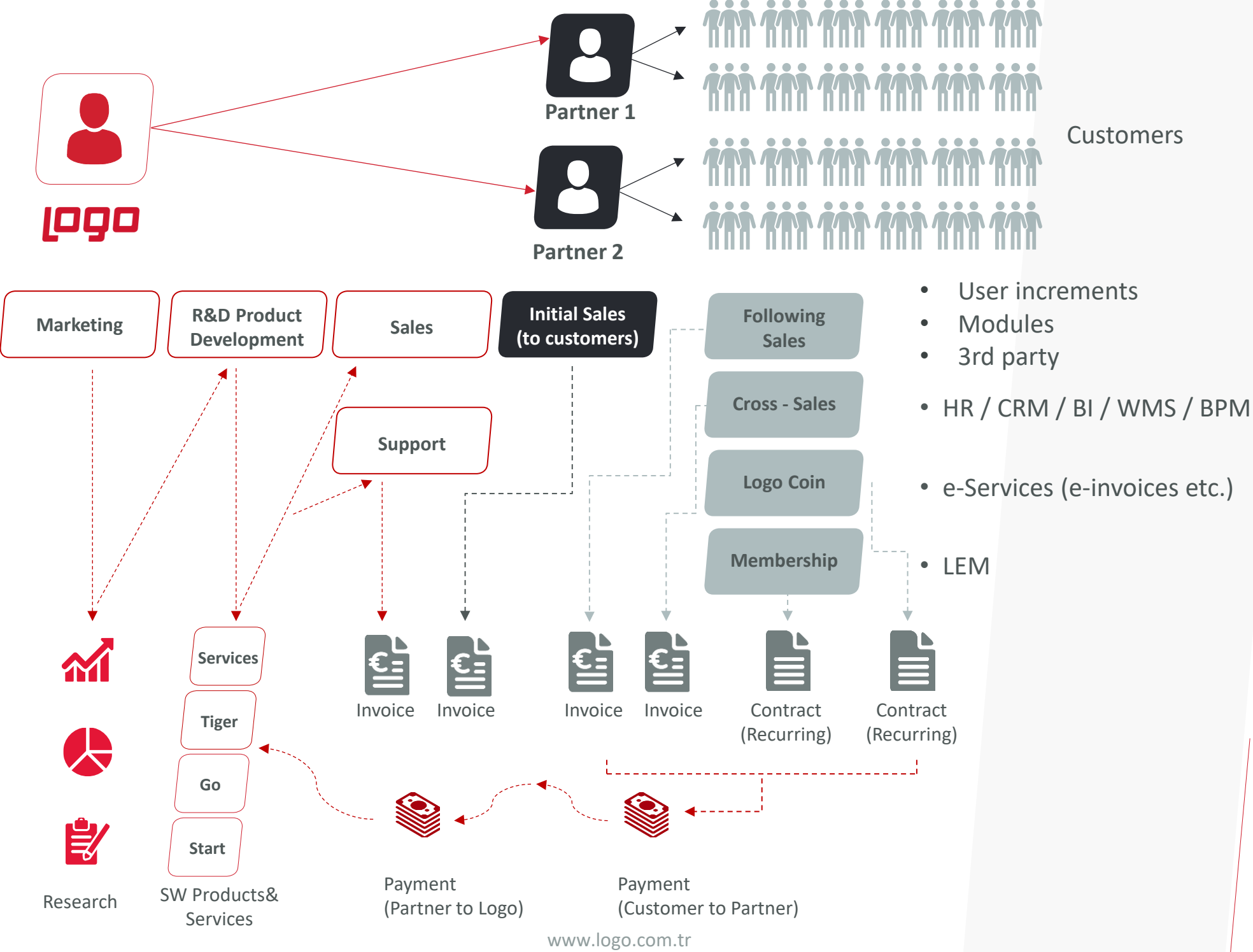
2-3

- Market leadership with highest number of customers in Turkey
- Tailored SME products with local know-how

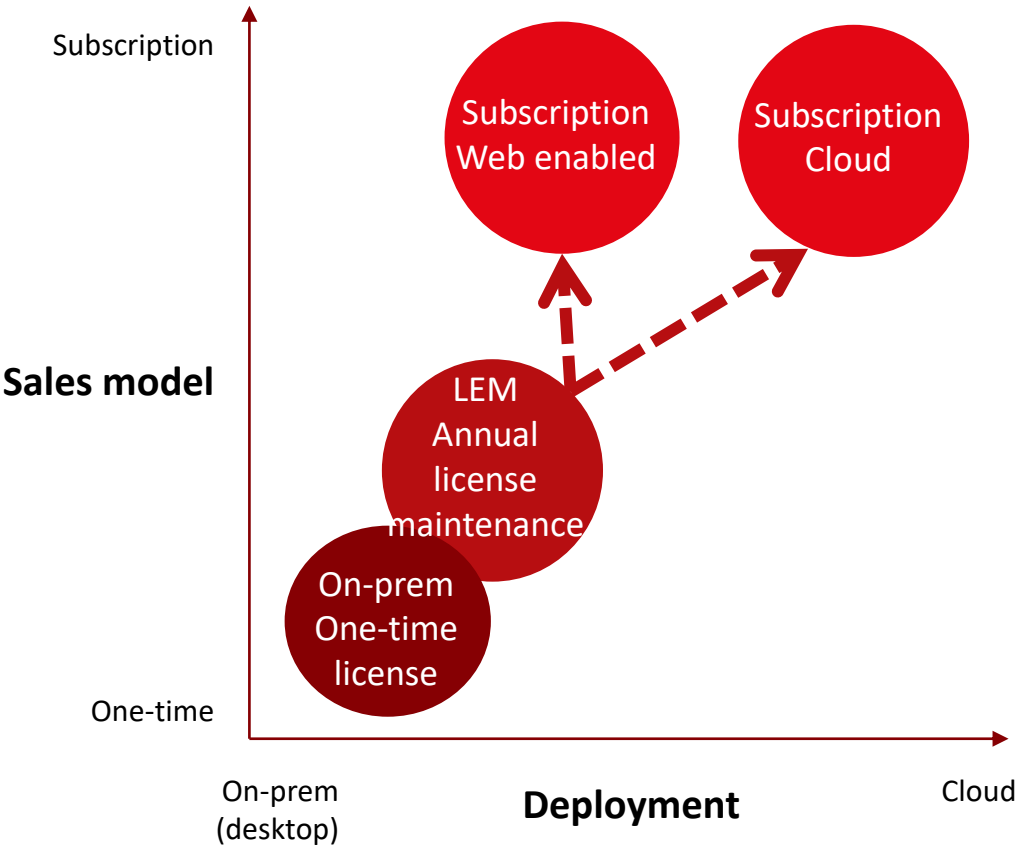
4

- High growth potential area
- Next largest competitor is a local Turkish player with c. 1/5th of Logo's market share by revenue

Logo Turkey sales cycle



Our servitization strategy






Subscription	
<u>2023</u> 1.600+ Small segment customers	<u>2026e</u> 36.000+ Small segment customers

Cloud ERP	
<u>2023</u> 700+ customers	<u>2026e</u> 4.000+ customers



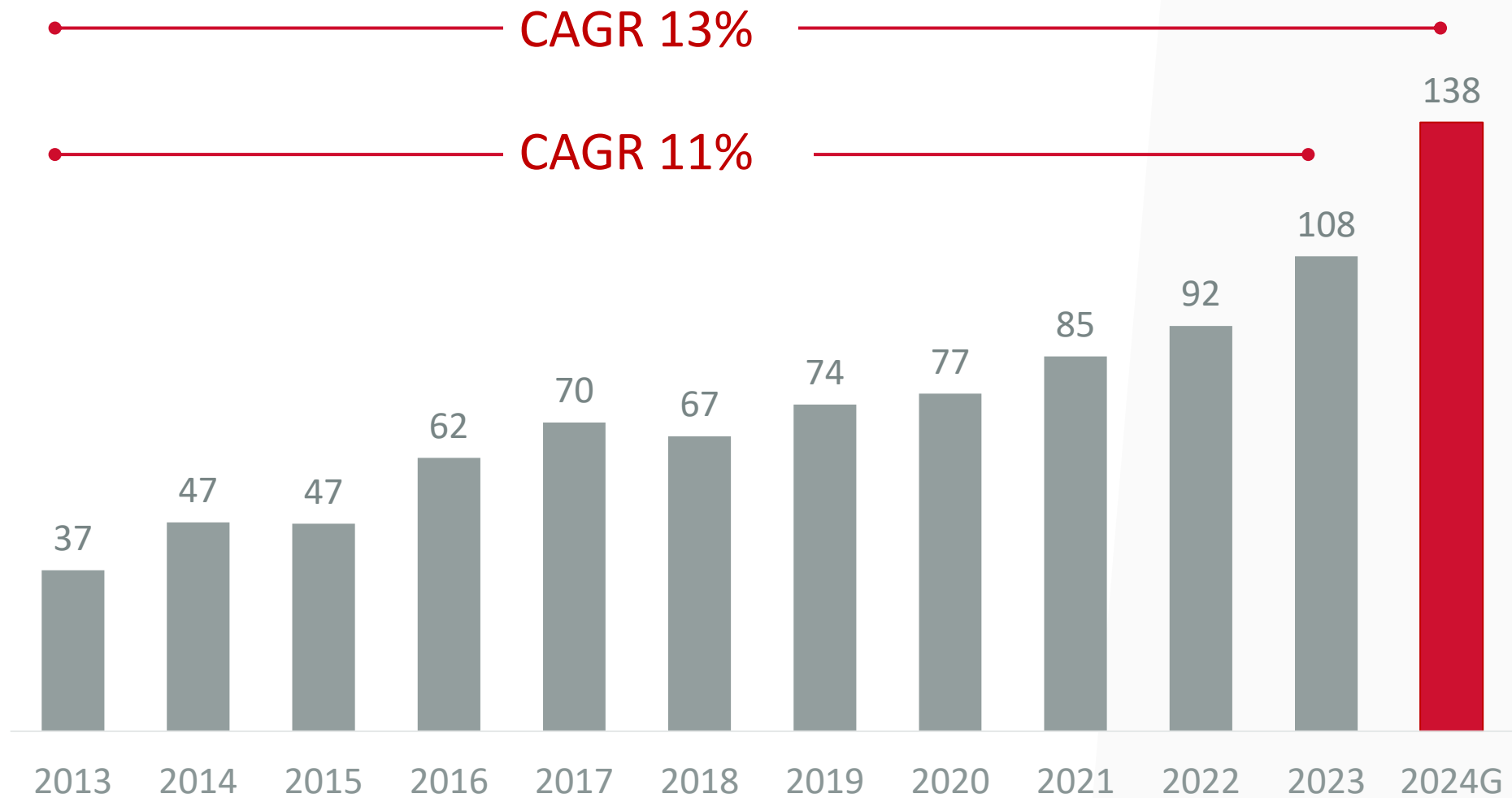
Logo Total Soft - Romania



- 
30 years of experience
- 
Over 800 clients
- 
Expertise in business application software development & implementation across various industries

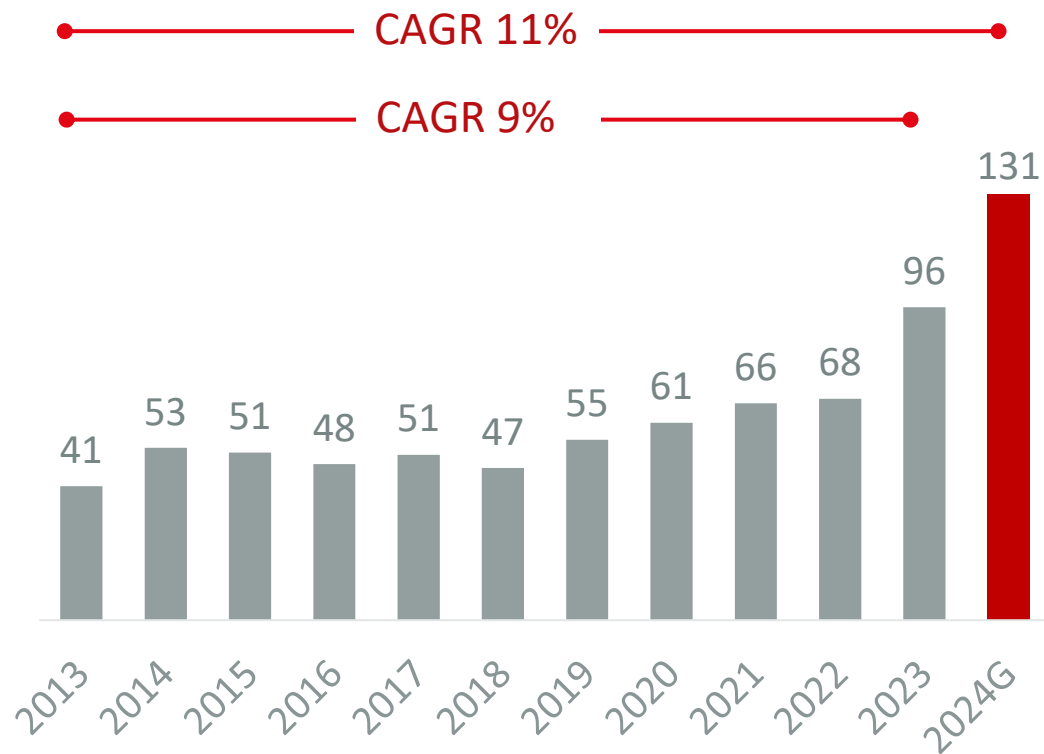
Strong growth: double digit USD based growth

Consolidated
IFRS revenues mn \$

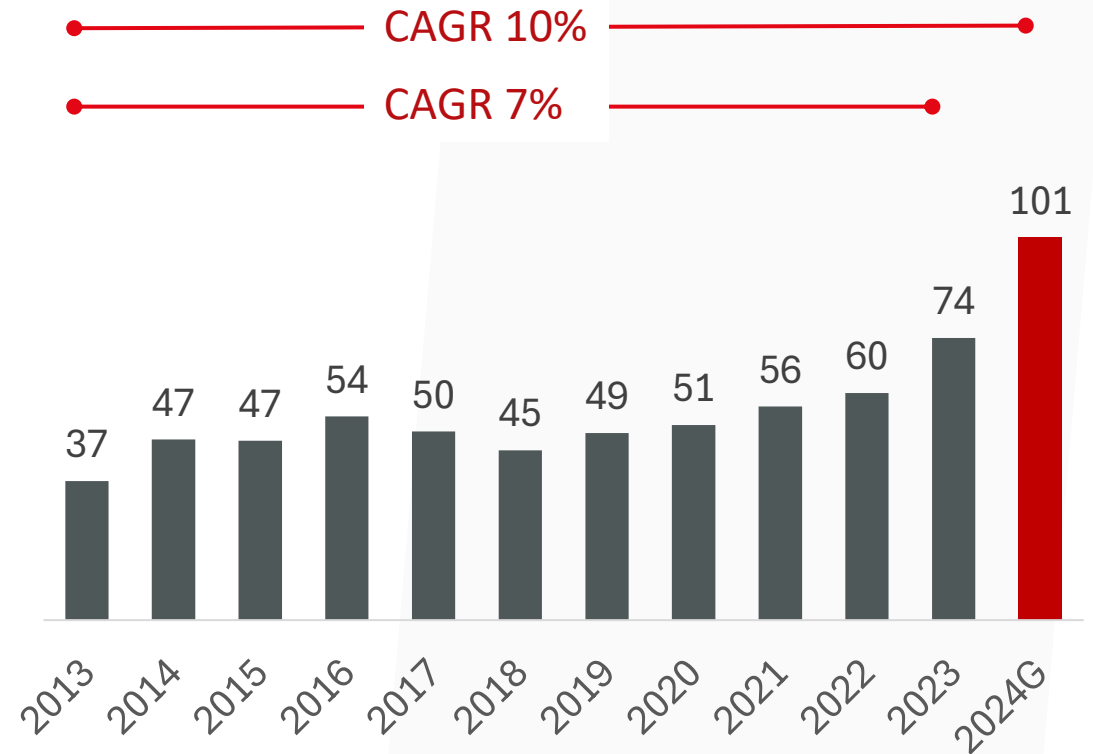


Strong growth: double digit USD based growth

Türkiye
Invoiced revenues mn \$



Türkiye
IFRS revenues mn \$



Dividend track record

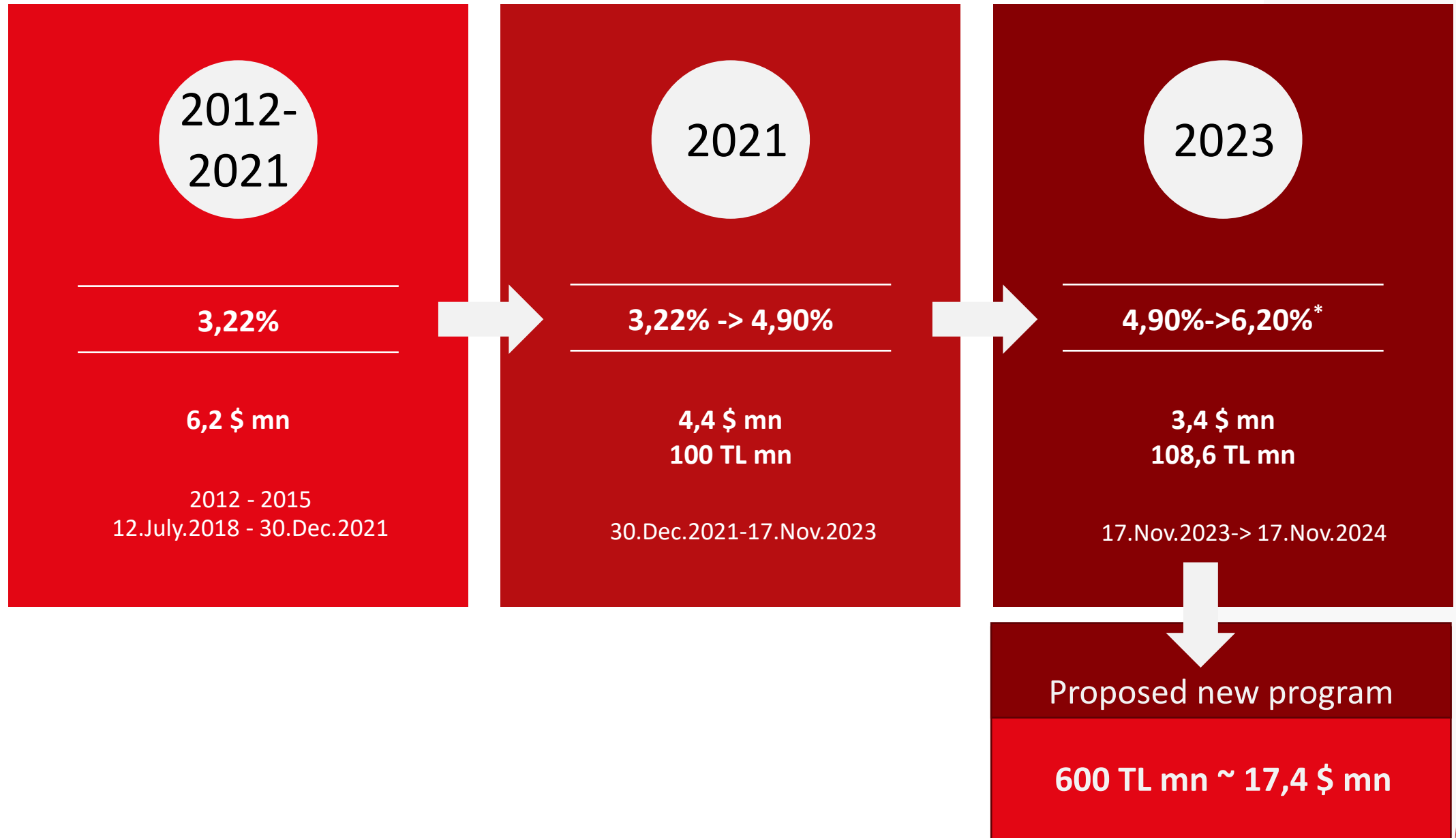
	2020	2021	2022	2023
Pay-out ratio	26%	34%	36%	35%*
Yield	0,75%	2,20%	2,85%	4,51%**
Gross amount	4,1 \$ mn 30 TL mn	6,9 \$ mn 90 TL mn	8,0 \$ mn 150 TL mn	13,6 \$ mn 400 TL mn
		300% bonus issue		



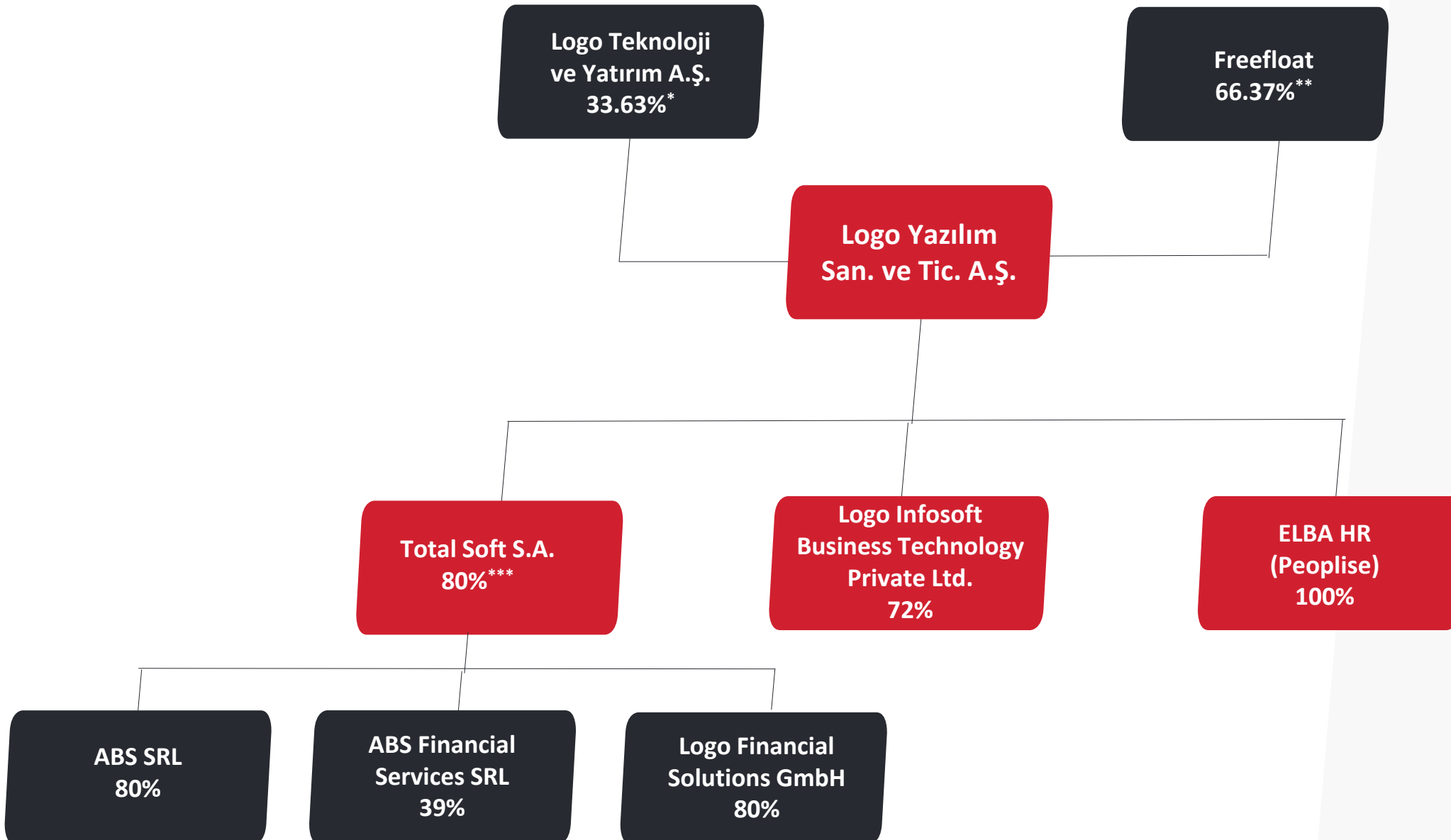
*Based on statutory records.

**Based on PDP disclosure date.

Share buy-back programs



Shareholder structure



* 32,32% belongs to M. Tuğrul Tekbulut. Other; 1,31%.

** Includes the treasury shares of 6,20%. 5,00% will be cancelled once approved by General Assembly to be held on Dec 18th, 2024.

*** Logo ownership will be 70% at end-2025, and 15% at end-2027 as per the agreement signed with our minority shareholder Avramos Holding in July 2024.

Our ESG performance



logo



**Refinitiv
ESG score A-**



**Corporate
Governance rating
9.5/10.0**



**BIST
Sustainability
Index
since 2017**



**BIST
Corporate
Governance Index
since 2009**

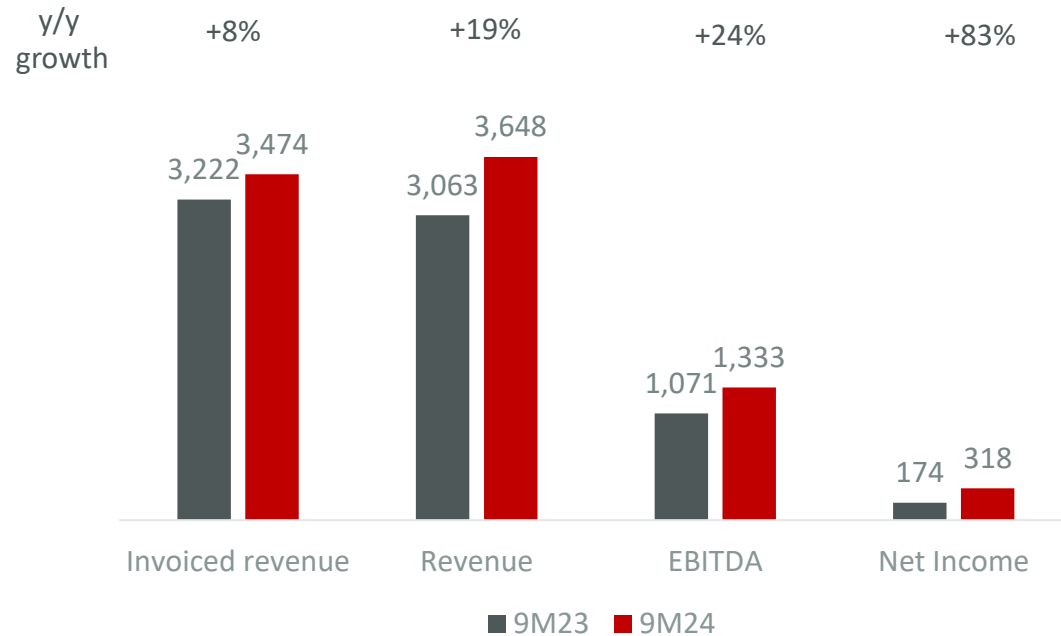


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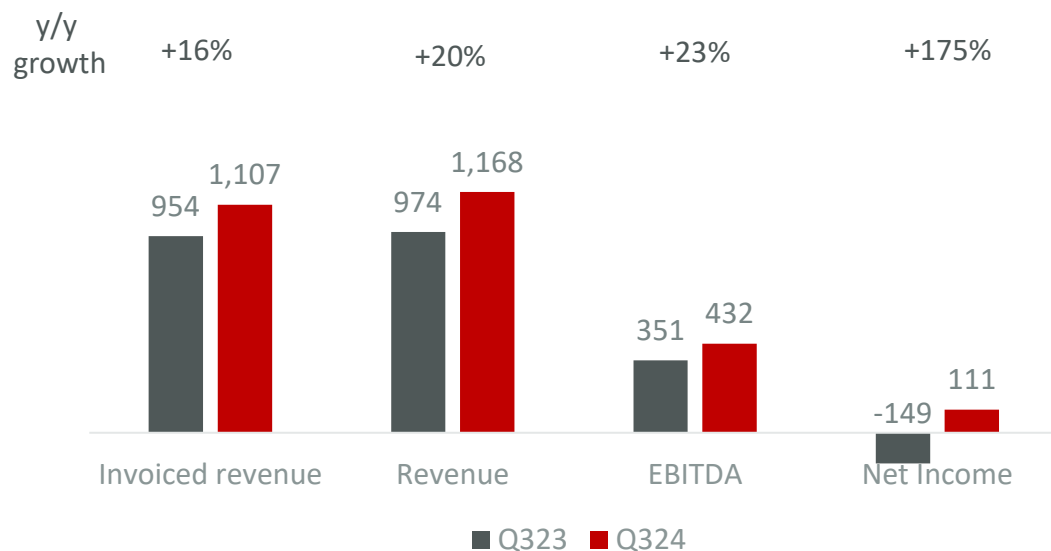
Q3 2024 results

Strong growth despite macro challenges

Consolidated (TL mn)



Consolidated (TL mn)



Solid results across the board

Consolidated

- **Strong overall performance**, with **substantial revenue growth** in both invoiced and IFRS revenues.
- **Recurring revenue** continued its upward trend, increasing its share to 70%, up from 67% of total invoiced revenues.
- **EBITDA grew by 24%**, with the **margin improving to 37%**, compared to 35% in 9M23.

Logo Türkiye

- **Continued strong SaaS revenue growth**, up by **21% y/y**
- **Strong revenue growth** across the board with healthy new customers additions and increased spending from existing customers
- **EBITDA margin at 42%** (9M23: 43%)

Logo Total Soft (Romania) and Logo Infosoft (India)

- Strong revenue growth in Romania, and Logo's strategy change resulting in planned stake sale in subsidiary Total Soft announced on July 31st
- Logo Infosoft improves ARPU, up by 38% y/y, together with continued user growth

IAS29 impact on Balance Sheet

Non-monetary assets and liabilities, and equity is indexed with inflation

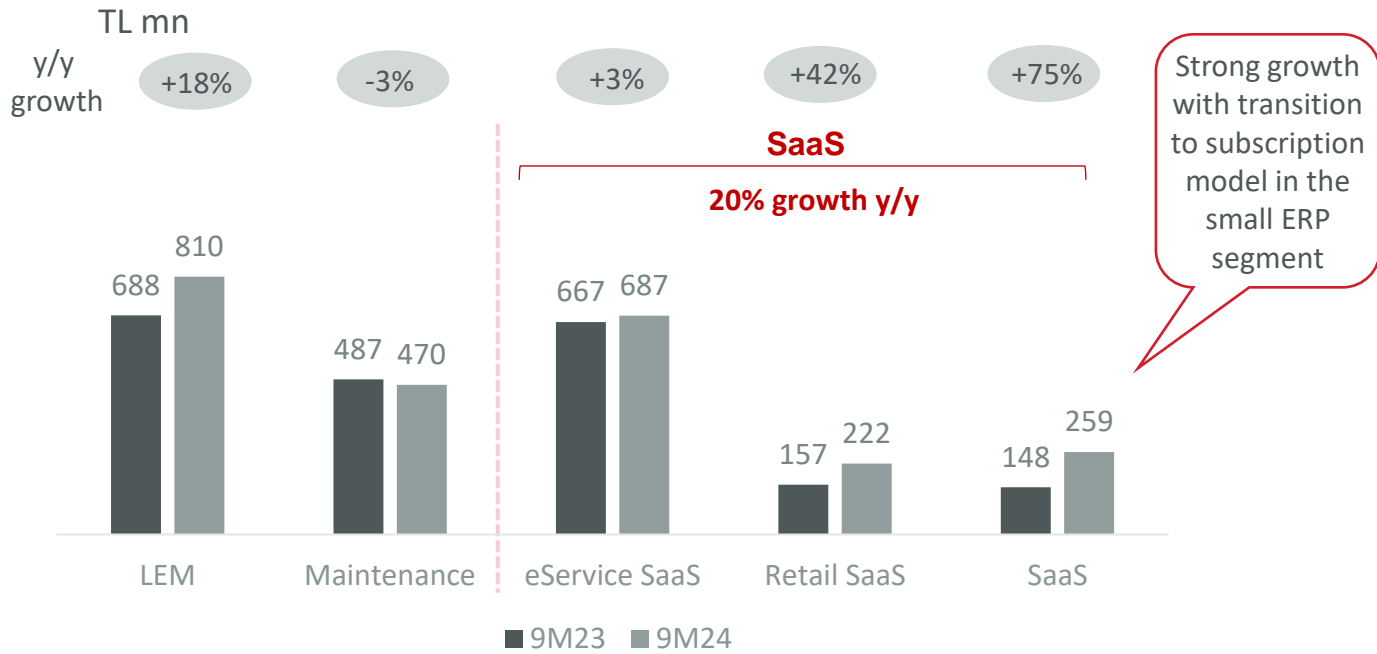
Asset	Liabilities
Current Assets +25,797,270 TL (+0,8 USD mn) Major impact is from prepaid expenses	Short and long-term Liabilities -523,225,047 TL (-15,4 USD mn) Major impact is from contract liabilities (LEM, eService coins and projects)
Non-Current Assets +541,706,196 TL (+15,9 USD mn) Major impact is from tangible and intangible assets	Equity -503,155,613 TL (-14,8 USD mn) Major impact is from retained earnings and paid-in capital

458,877,194 TL (13,5 USD mn) net monetary loss impact of IAS29 from balance sheet on income statement

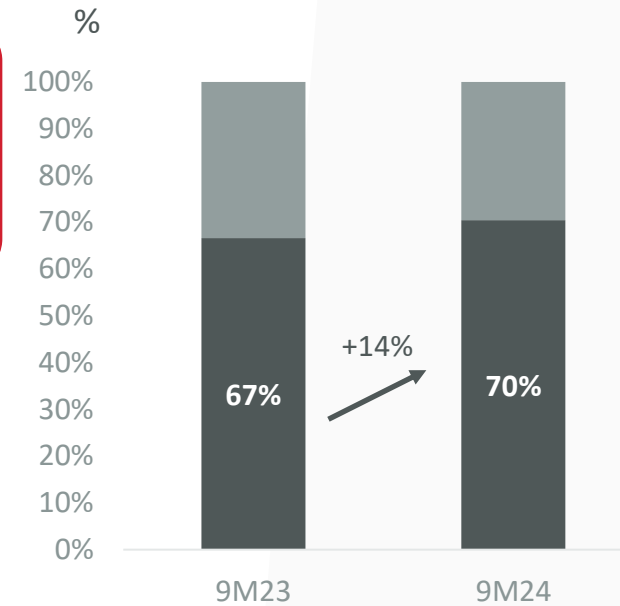
Recurring Revenue Growth Ensuring Predictability

Sustainable revenue growth supported by SaaS transition

Recurring Invoices (Consolidated)



Recurring Invoices/Invoices

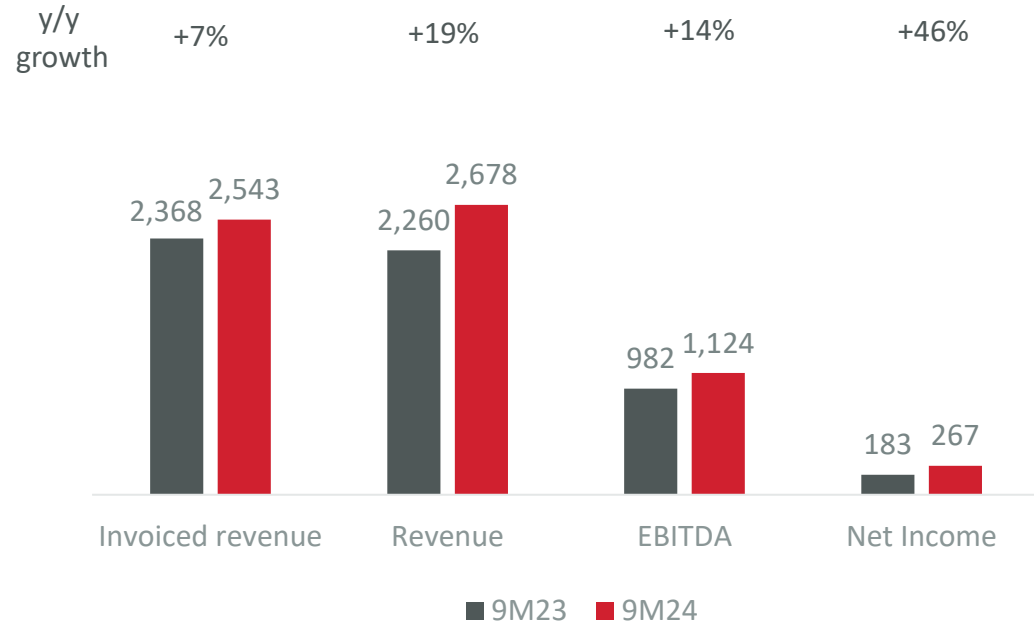


- **Recurring revenues** up by 14% y/y, and has 70% share in total invoiced revenue
- SaaS revenues include eService's coin revenues, Retail SaaS, İşbaşı, Peoplise, subscription in small ERP segment, CloudERP from Türkiye, and a small contribution from Romania's SaaS sales (16 mn TL)
- SaaS revenues grew by 20% y/y in 9M24, share in total revenues reached 34% in 9M24 from 30% in 9M23

Logo Türkiye: strong performance

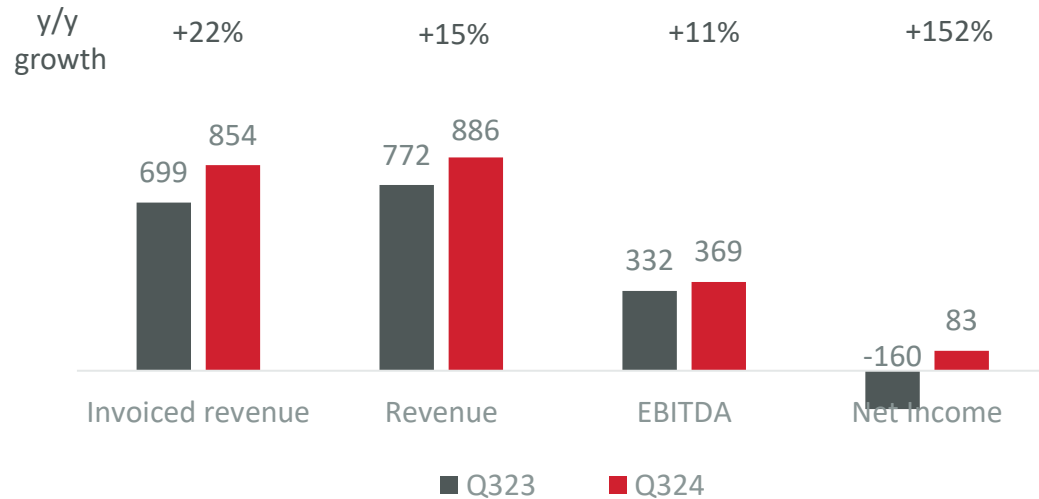
Logo Türkiye

TL mn



Logo Türkiye

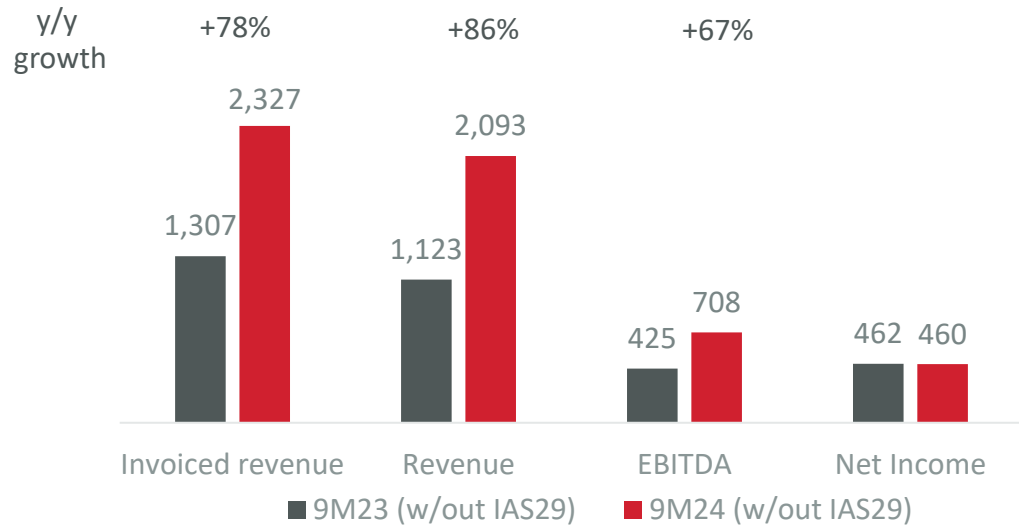
TL mn



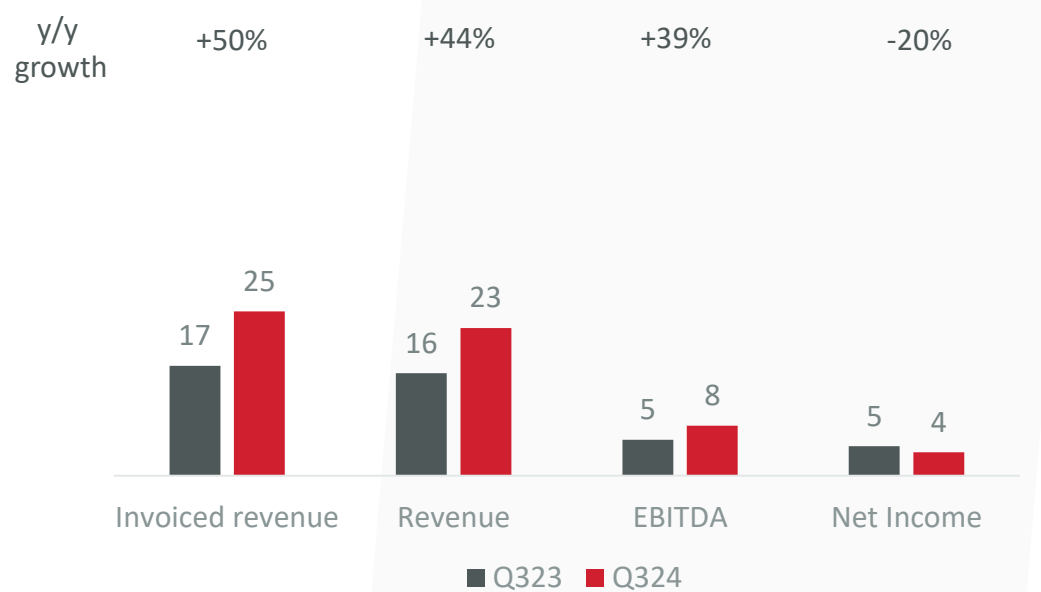
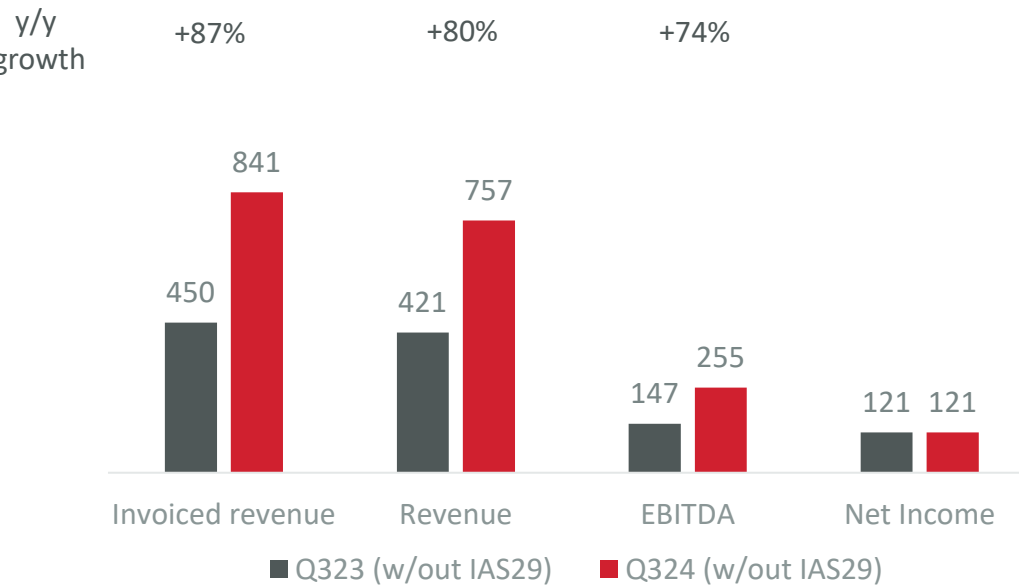
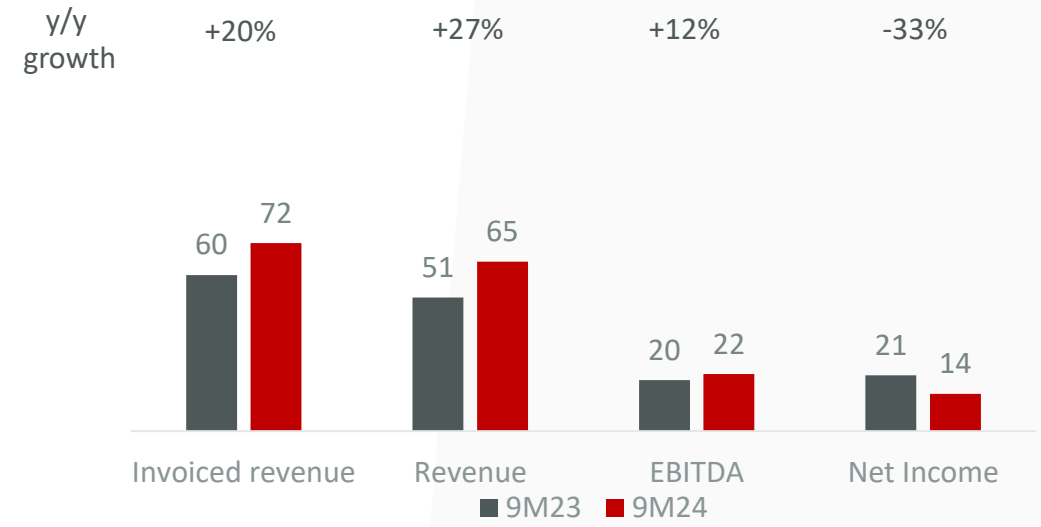
- **Healthy revenue growth** amid macro difficulties
- **Solid SaaS revenue growth of 21%**
- **Strong and loyal customer base further expanded with new customer acquisitions**
- **New customer acquisition** in EAS and e-Services remained at a healthy level of 7 thousand in 9M amid macro difficulties
- **Sustained profitability together with sales growth. EBITDA grew by 14% and yielded a strong margin of 42% in 9M24 (43% in 9M23)**
- **Net income** positively impacted by lower net monetary loss and negatively impacted by lower net financial income.

Logo Türkiye figures w/out IAS29

Logo Türkiye (TL mn)



Logo Türkiye (USD mn)

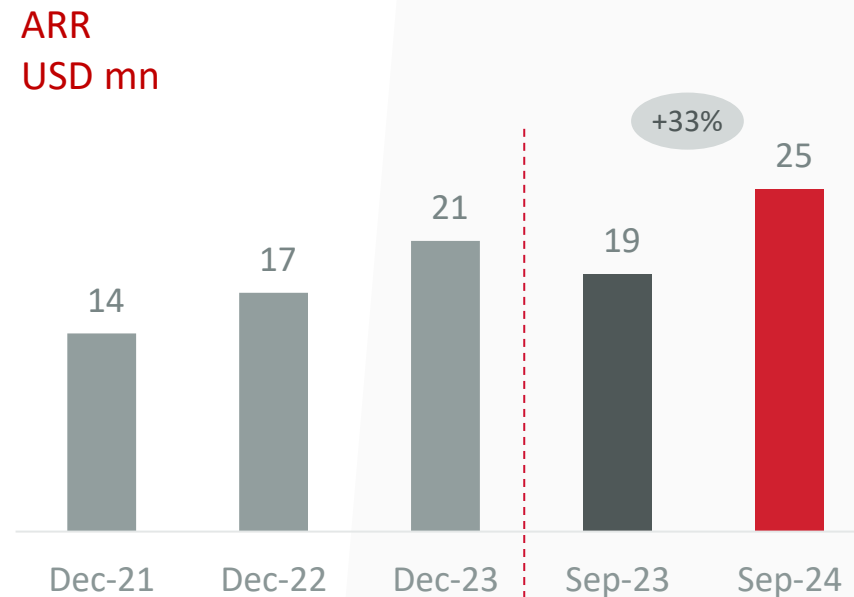
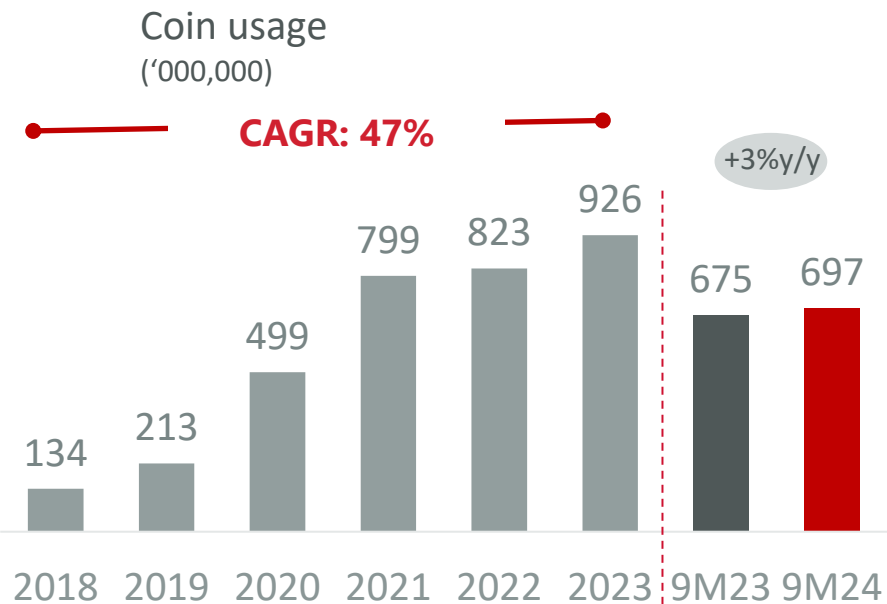
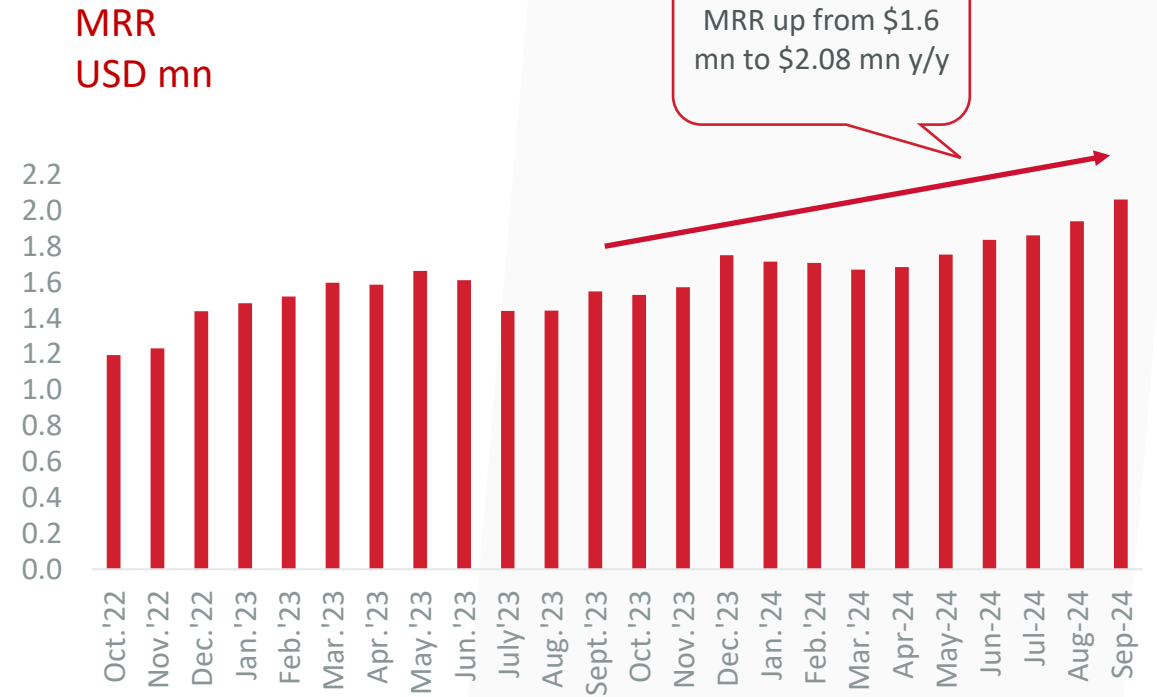
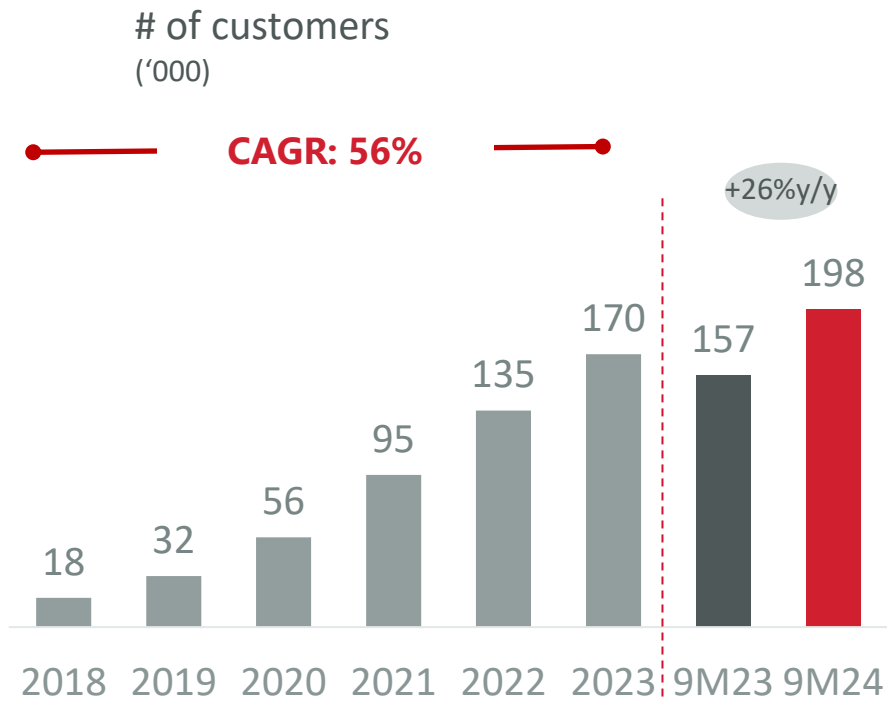


Figures do not include IAS29 adjustments.

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eLogo: e-Service platform and leader in digital transformation

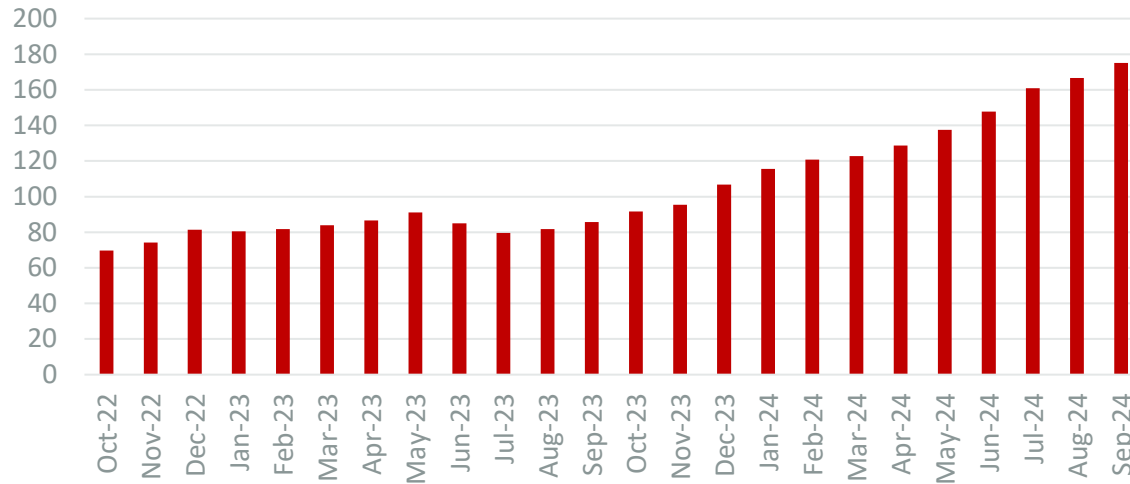
Leading player in e-government solutions; e-Invoice, e-Archive, e-Ledger, e-Dispatch with 198K customers



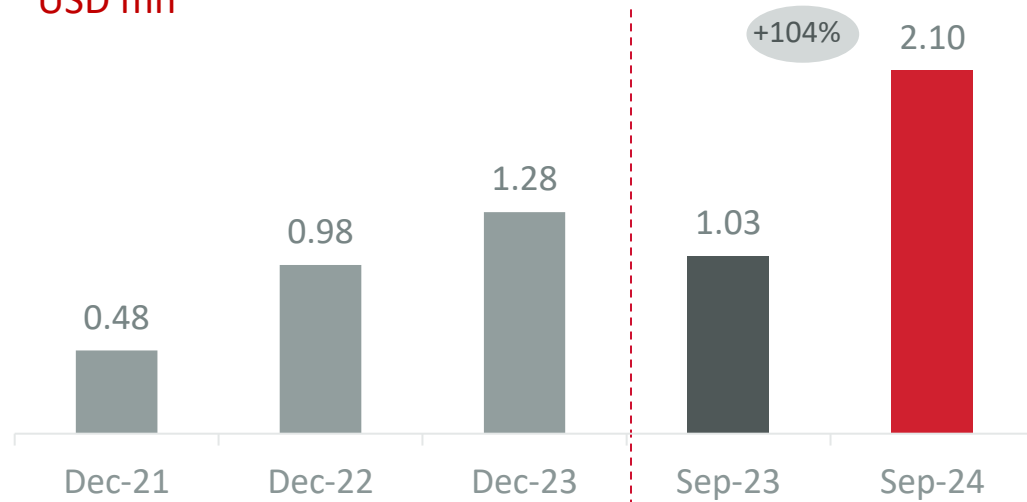
Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering basic accounting software and e-invoicing services

MRR
USD '000



ARR
USD mn

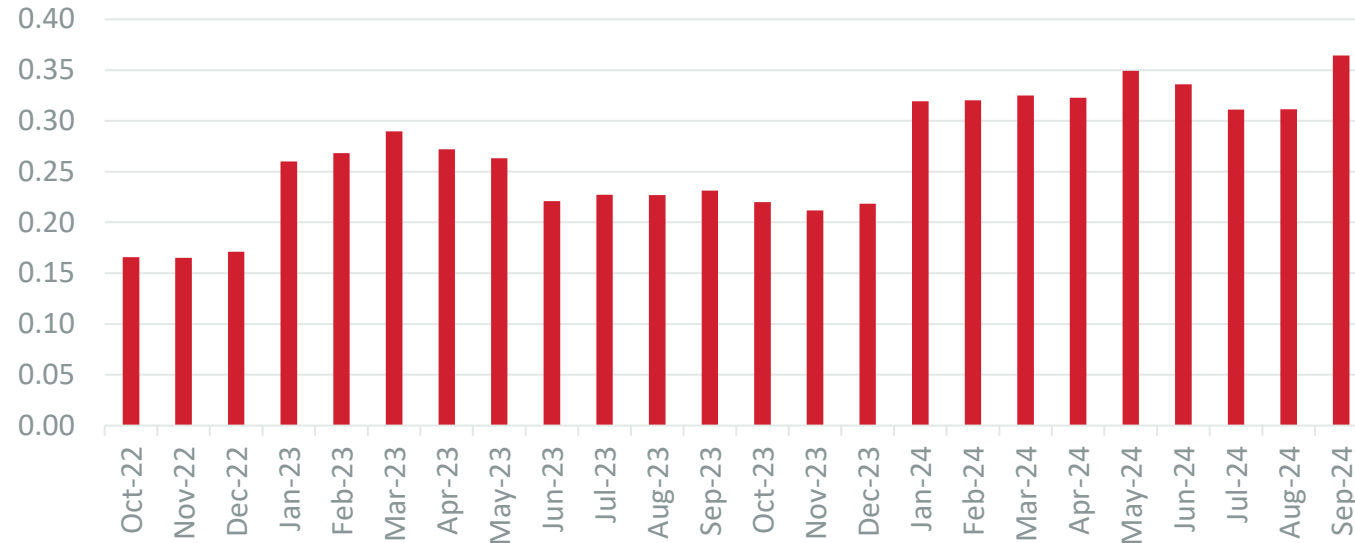


- MRR at \$175K, up from \$86K in Sept 23
- ARR up by **104%** reaching **\$2.1 mn**
- Total users reached **67,9 thousand**, with **33% y/y growth**
- ARPU* is at \$31, up by 38% from \$22 at 2023-end

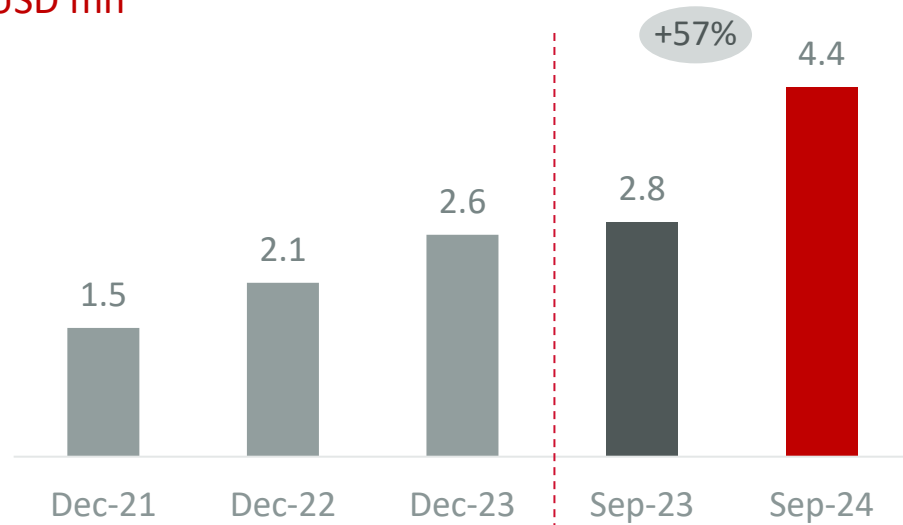
Logo Diva Retail

SaaS solutions for reliable and sustainable retail operations: a new generation CX in retail

MRR
USD mn



ARR
USD mn

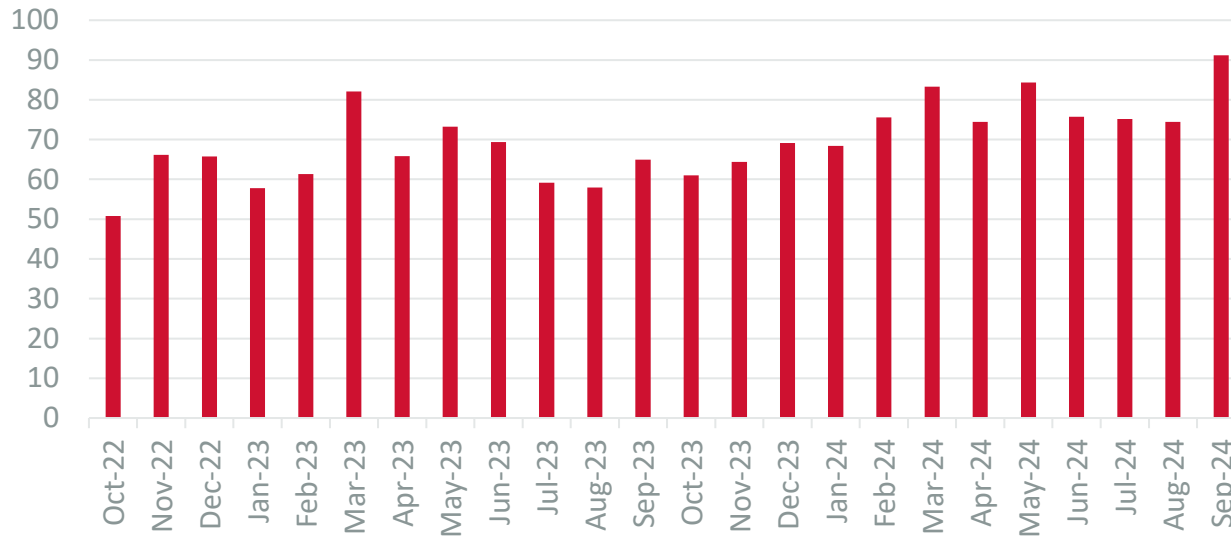


- **Total customers** is at **139**, with **10,7K user locations** growing by **4% y/y**
- **ARPU**** is at **\$408**, up by **62%** from **\$252** at 2023-end

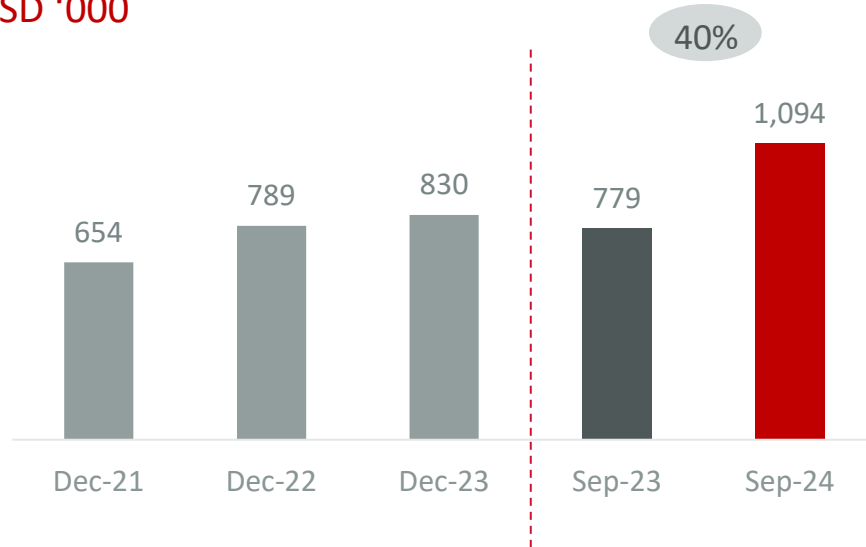
Peoplise

SaaS solution for recruitment, assessment, on-boarding and talent engagement needs of enterprises

MRR
USD '000



ARR
USD '000



- **Total customers** is at 185, with 21% y/y growth
- **ARPU** reached \$5.9K, up by 29% from \$4,6K at 2023-end
- 7 out of 10 most powerful brands* in Türkiye use Peoplise's solutions.

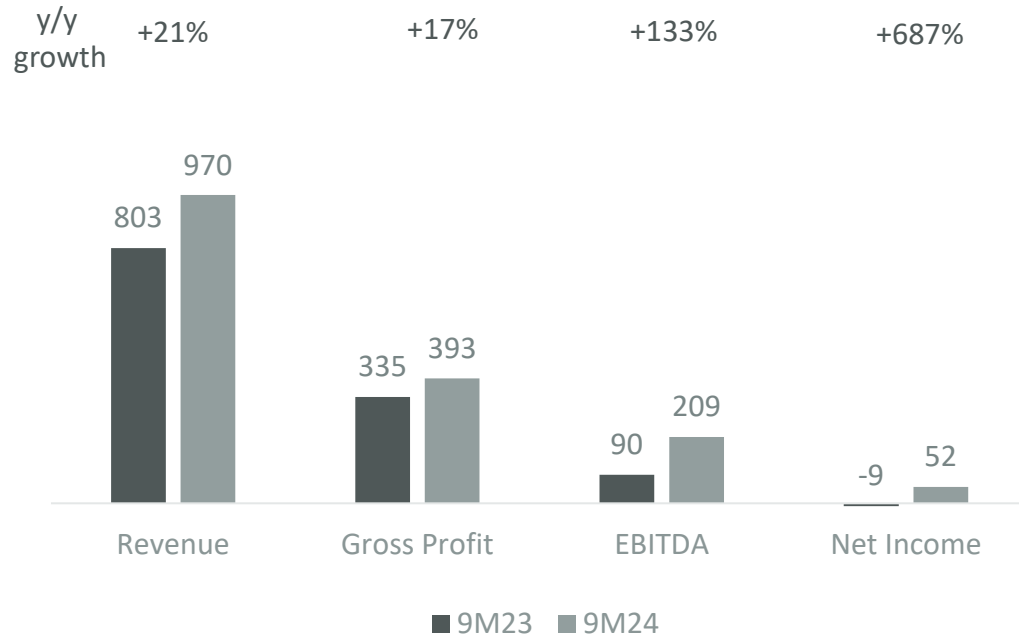


* 10 most powerful brands according to Brand Finance Turkey 100 2023 report dated June 2023.
MRR = Monthly recurring revenues. ARR (Annual run rate) = MRR x 12.
ARPU = ARR / # of customers at the end of the period.

Total Soft: strong results

Total Soft

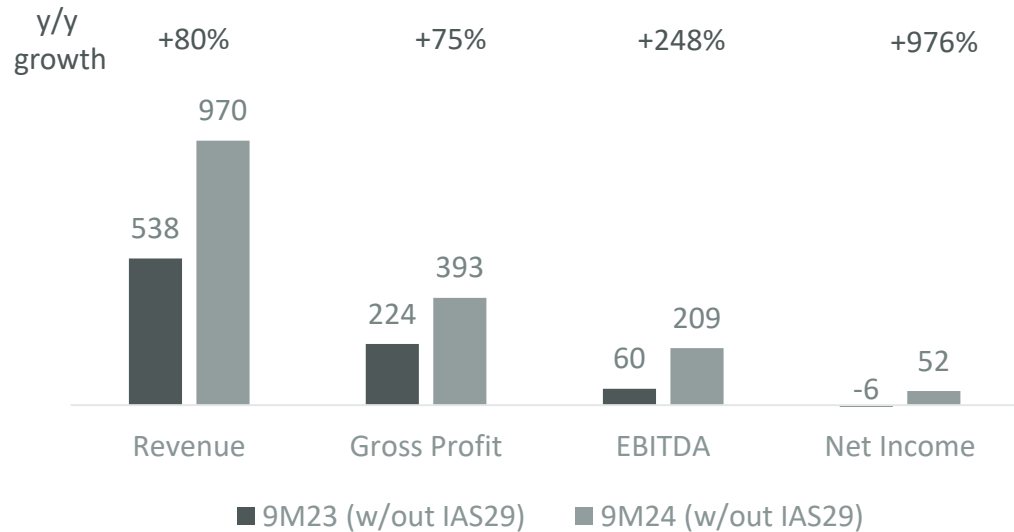
TL mn



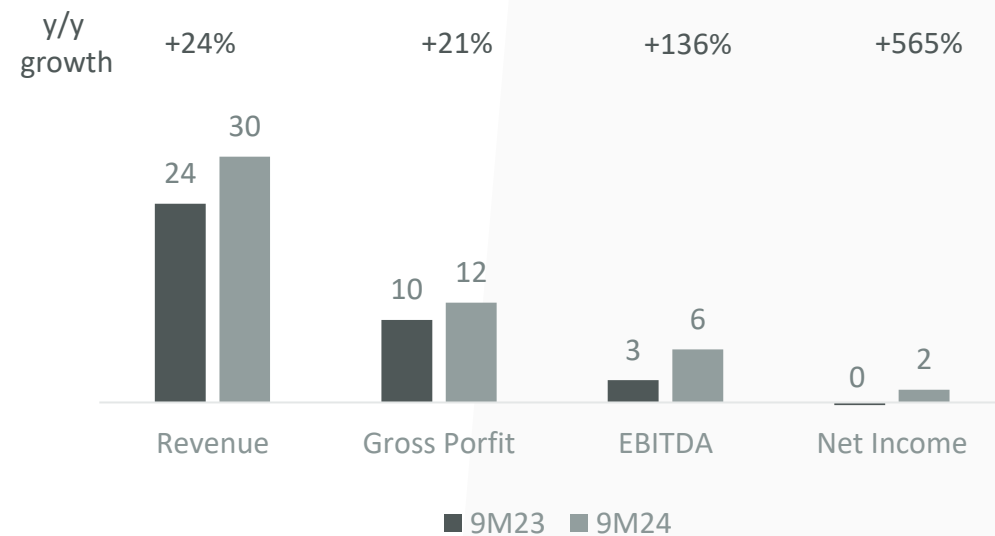
- Revenues reached €27,6 mn in 9M24, up by 23%
- Strong revenue growth, and optimization in operating expenses inline with project backlog realization improved profitability. EBITDA margin is at 22% in 9M24, increased from 11% in 9M23
- As per our material disclosure dated July 31st, there is a new agreement between our company and our subsidiary Total Soft's minority shareholder Avramos Holding regarding Logo's stake sale of 65%. Total Soft will be recognized according to equity method in 2024 year-end results
- Total Soft sales are 27% of consolidated sales, and EBITDA is %16 of consolidated EBITDA as of 9M24

Total Soft figures w/o IAS 29

TL mn



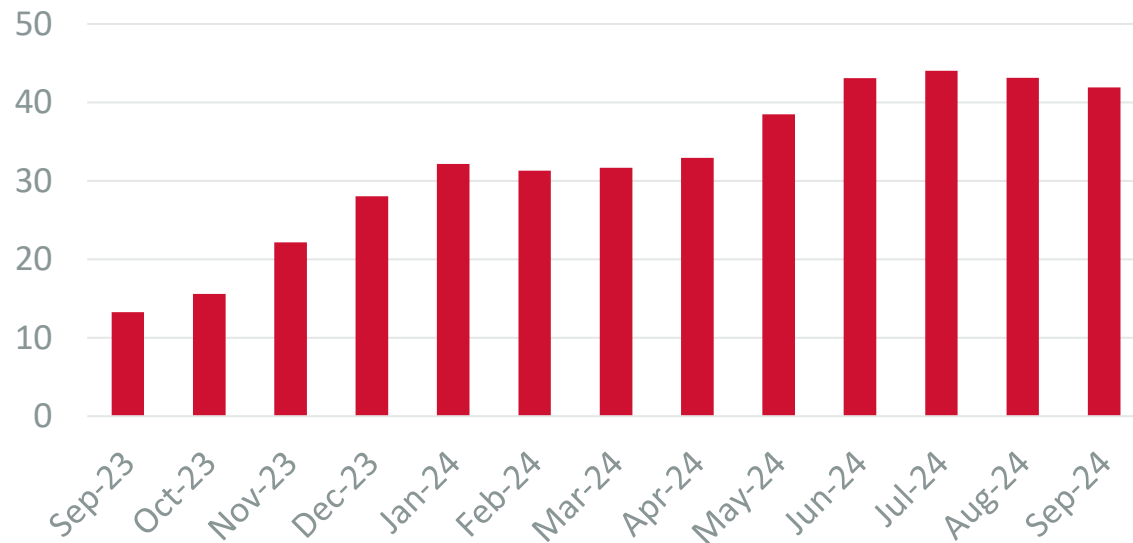
Total Soft figures (USD mn)



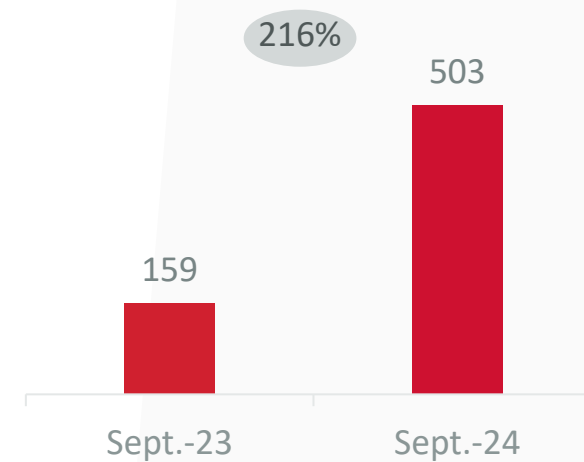
Logo CaptainBiz: SaaS solution for MicroSMEs in India

Pre-accounting and e-invoicing services with in-built GSTN compliance

MRR
USD '000

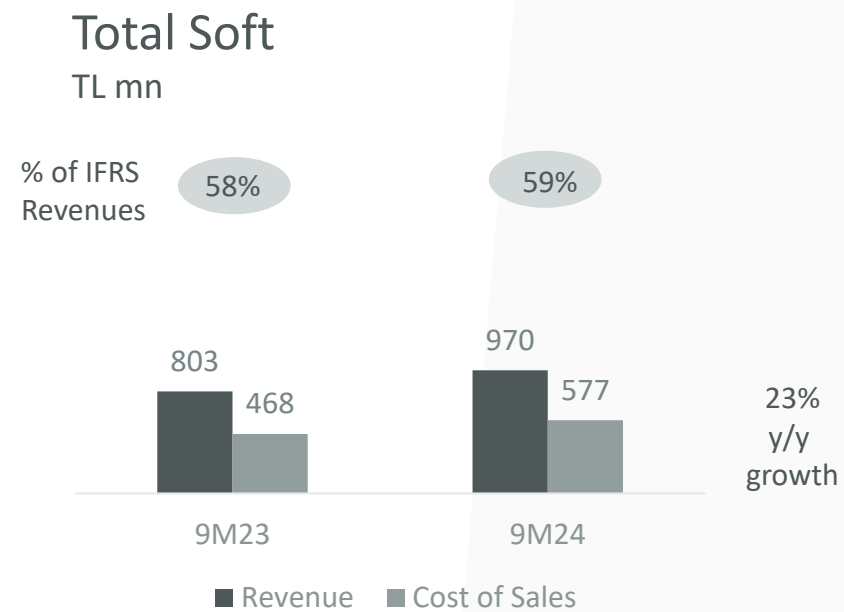
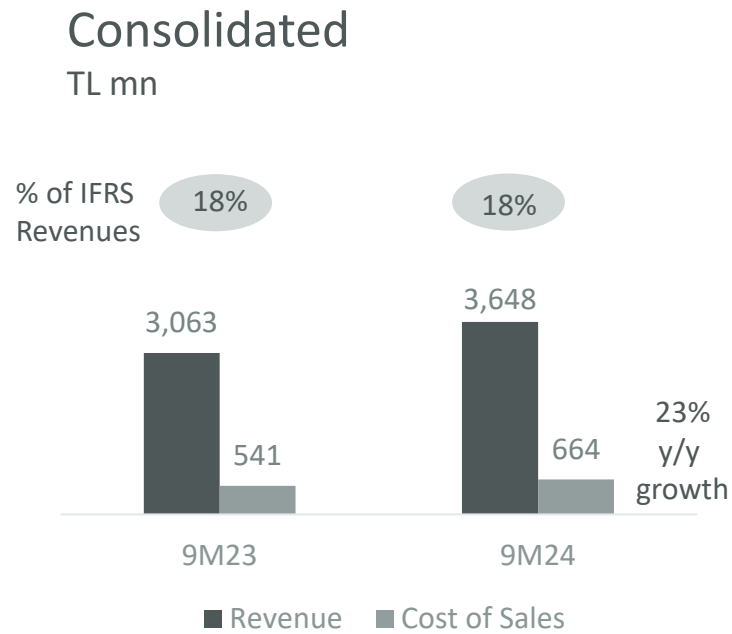


ARR
USD '000

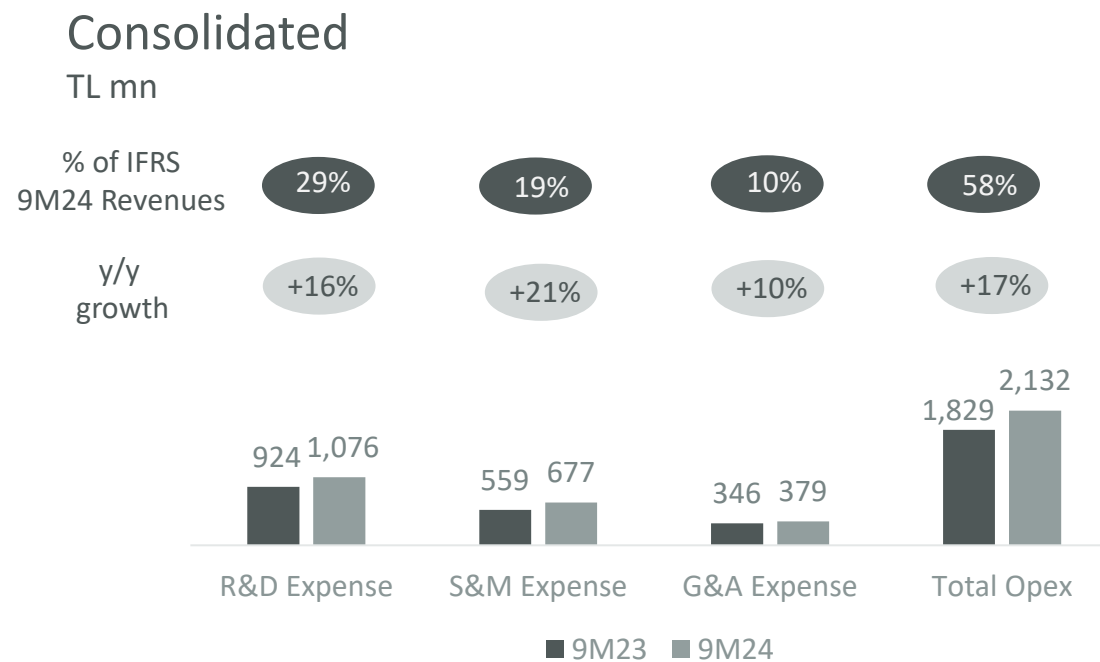


- **MRR** at \$42K, up from \$13K in Sept. 23
- **ARR** up by **216%** reaching **\$503K**
- **Total users** at **16.8 thousand**, with **214% y/y growth**
- **ARPU*** is at \$30, up by 38% from \$22 at Sept. 23
- Building up new distribution channel

Cost of Sales



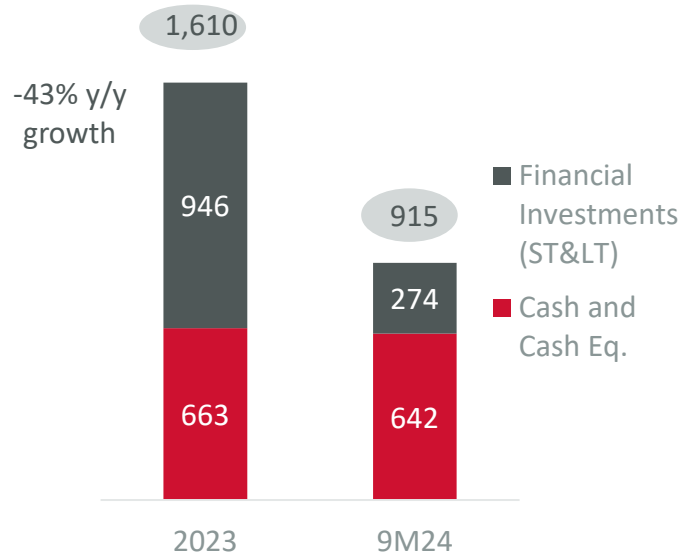
Operating Expenses



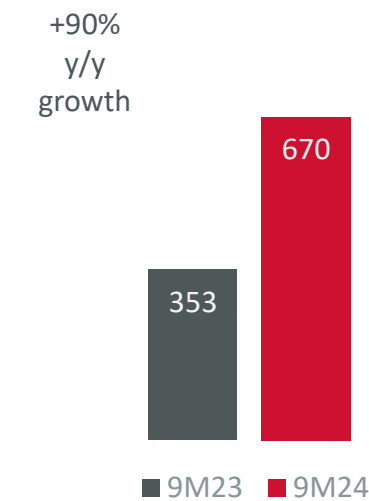
Effective financial management and strong balance sheet

Consolidated

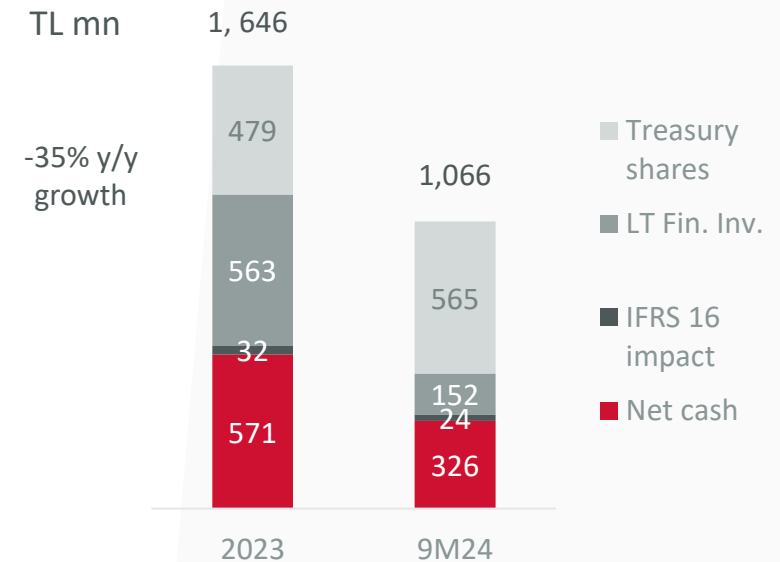
High liquidity TL mn



FCF TL mn



Adj. net cash* TL mn



*Includes long-term financial investments, and the treasury shares (6.20%) at 9M24-end price of 91.05 TL.

Balance sheet highlights

TL mn

	2023	9M24	Δ
Cash & Cash Eq.	663.2	641.5	-3%
Trade Receivables	1108.1	872.8	-21%
Tangible Assets	386.2	355.8	-8%
Intangible Assets*	3,334.7	3,367.0	1%
Other Assets	1622.2	1,014.6	-37%
Total Assets	7,259.0	6,251.7	-14%
Total Liabilities	4,130.5	3,455.1	-16%
Total Shareholders' Equity	3,128.5	2,796.6	-11%
Total Liabilities and Equity	7,259.0	6,251.7	-14%
Shareholders Equity Ratio	0.43	0.45	4%
Current Ratio	0.66	0.63	-5%

2024 Guidance

Logo Türkiye expectations:

- 30% invoiced revenue growth
 - 34% IFRS revenue growth
 - EBITDA growth of ~ 15%
 - EBITDA margin of ~ 25%
-
- *105% invoiced revenue growth without IAS29 adj.*
 - *107% IFRS revenue growth without IAS29 adj.*
 - *EBITDA growth of 73% without IAS29 adj.*
 - *EBITDA margin of 22% without IAS29 adj.*

Economic indicator expectations:

- 2024 year-end inflation is 45%
- Average USD/TL rate for 2024 is 36.6
- Average Euro/TL rate for 2024 is 40.0
- Year-end USD/TL rate for 2024 is 43.0
- Year-end Euro/TL rate for 2024 is 47.3

Total Soft expectations*:

- 11% Euro revenue growth
- 24% EBITDA margin

* As per our [material disclosure](#) dated July 31st, there is a new agreement between Logo and our subsidiary Total Soft's minority shareholder Avramos Holding regarding our stake sale of 65%. Total Soft will be recognised according to equity method at year-end 2024.

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Thank you

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