



LOGO

2022 Results Presentation

Gülnur Anlaş

Chief Financial Officer

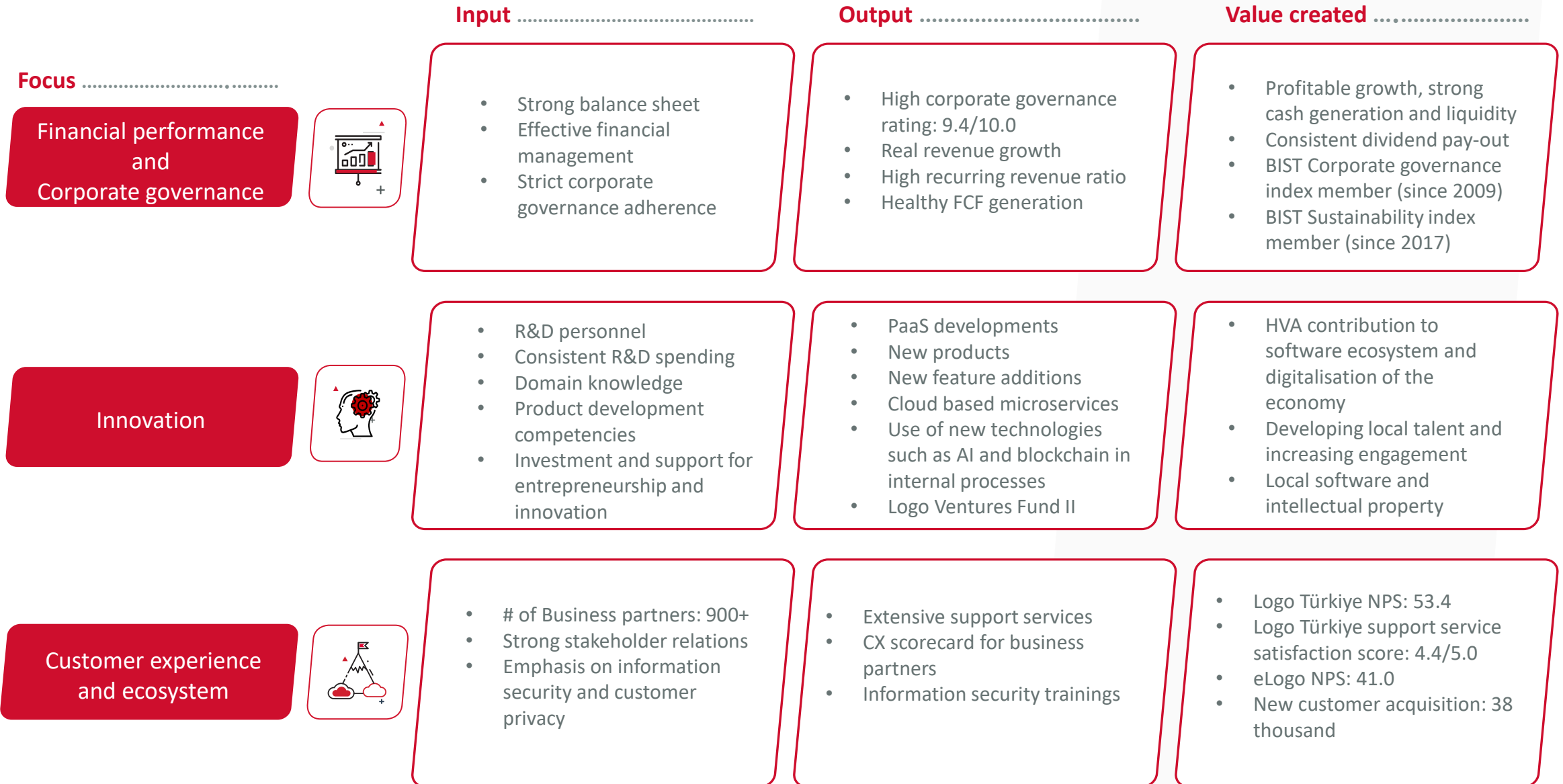
February 28th, 2023

Disclaimer

This presentation 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's value creation

Integrated approach with stakeholder focus



Logo's value creation

Integrated approach with stakeholder focus

Focus

Employee experience



Input

- # of total employees*: 1.507
- Gender equality and women empowerment related projects
- Logo Academy's learning and development activities
- # of interns within LOG-in internship programs: 166

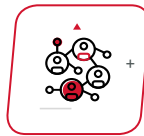
Output

- Women employee* ratio: 47%
- Women in executive management: 50%
- Training hours per employee: 32
- Recruitment from LOG-in internship program: 48 PT and 22FT

Value created

- Logo Türkiye employee engagement score: 83%
- Logo Türkiye winning "great place to work" certificate for 2022
- Loyalty index: 87%
- EVP index: 86%
- Wellbeing index: 88%

Social impact



- Corporate social responsibility investments
- Investment and support for entrepreneurship and innovation
- Logo Academy's product and solutions' investments, and partnerships with universities

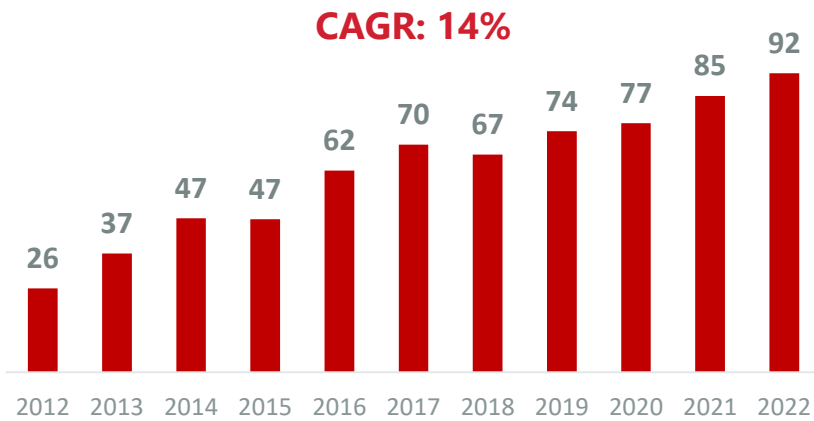
- # of students impacted by 'Dream Coders' project: 2,000+
- Donations
- Logo Ventures Fund II
- # of universities using Logo ERP for their curriculum: 133

- Contribution to informatics ecosystem
- Developing local talent and increasing engagement
- Contribution to decrease income and digital inequality
- Brand reputation

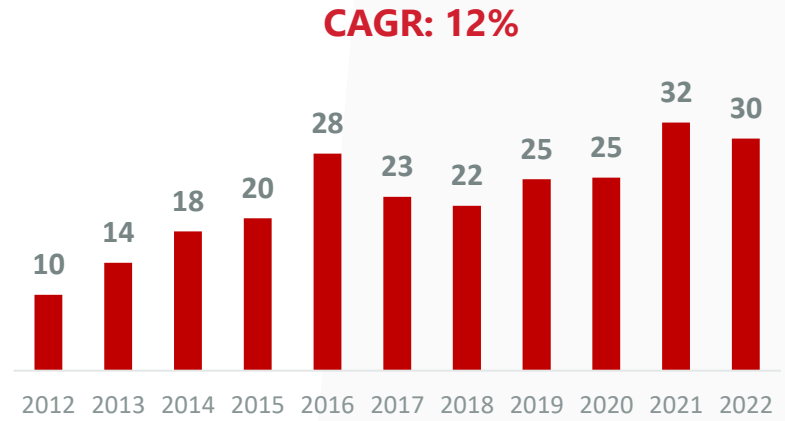
Sustainable and profitable growth

Consolidated

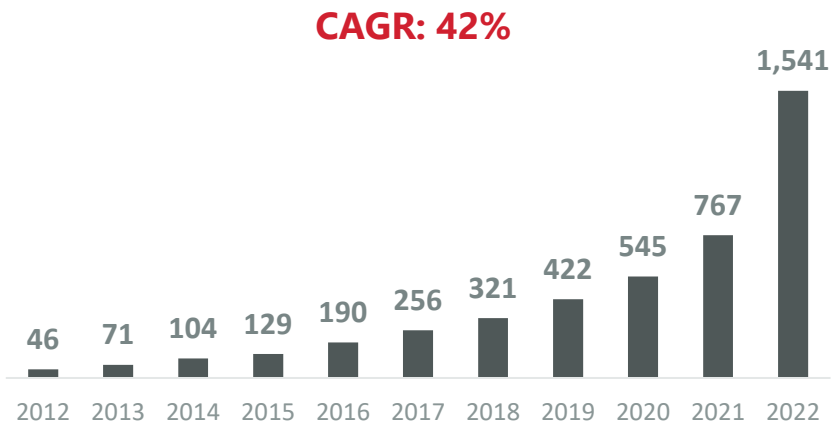
Revenues
USD mn



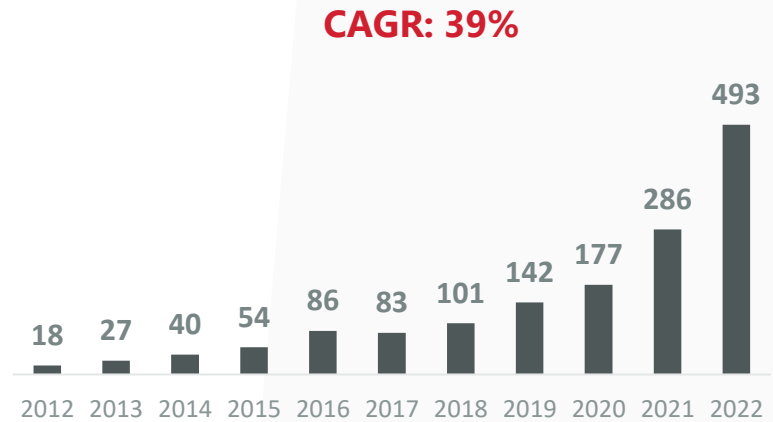
EBITDA
USD mn



Revenues
TL mn



EBITDA
TL mn



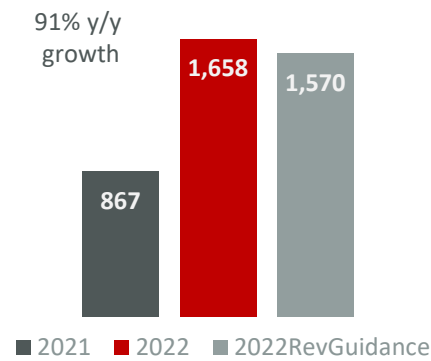
2022: Sustained resilience

Exceeded revised targets

Consolidated

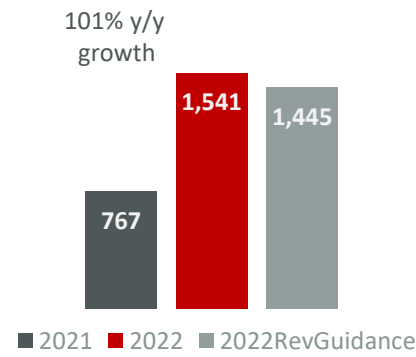
Invoiced revenues

TL mn



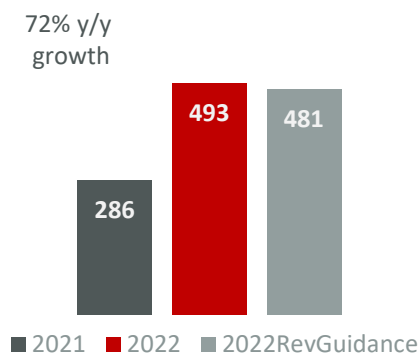
Revenues

TL mn



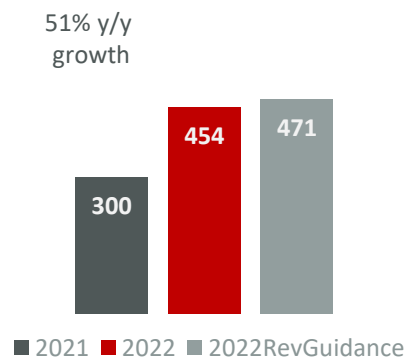
EBITDA

TL mn



EBT

TL mn



Positive business momentum and strong pricing

Logo Türkiye

- Strong IFRS and invoiced revenue growth y/y in TL and USD eqv.
- Strong one-time and recurring revenue growth
- Strong cloud revenue growth
- Large and loyal customer base enhanced with new customer gains

Logo Total Soft (Romania)

- 27% euro- based sales growth y/y
- Very strong one-time license sales and project implementation revenues
- Taking part in the digitization projects of the public sector, offering additional growth avenue for the coming years

Logo Infosoft (India)

- Implementing organizational and marketing strategy changes to ensure paying customer traction in 2023
- Ranked within top software for billing and invoicing applications in major software comparison sites
- Tapping the talent pool to create synergies among cloud offerings

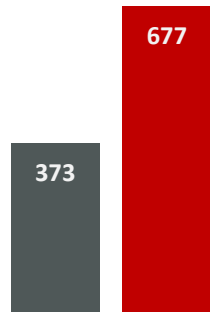
Q422 figures

Consolidated

Invoiced revenues

TL mn

81% y/y
growth

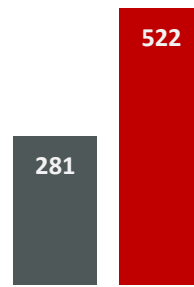


■ Q421 ■ Q422

Revenues

TL mn

86% y/y
growth

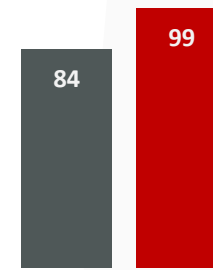


■ Q421 ■ Q422

EBITDA

TL mn

19% y/y
growth

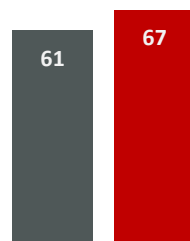


■ Q421 ■ Q422

EBIT

TL mn

10% y/y
growth

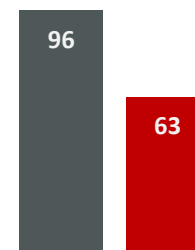


■ Q421 ■ Q422

EBT*

TL mn

-35% y/y
growth



■ Q421 ■ Q422

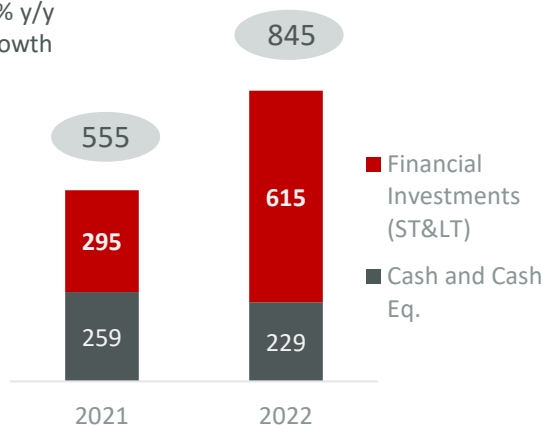
Effective financial management and strong balance sheet

Consolidated

High liquidity

TL mn

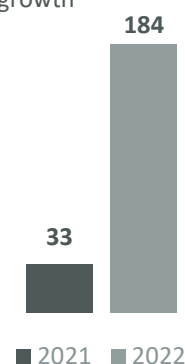
52% y/y growth



Strong FCF

TL mn

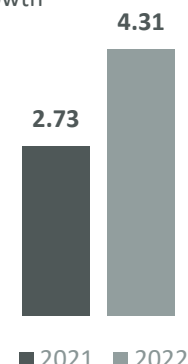
450% y/y growth



EPS* growth

TL mn

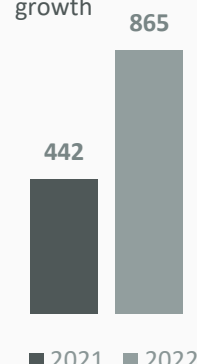
58% y/y growth



Net cash**

TL mn

96% y/y growth



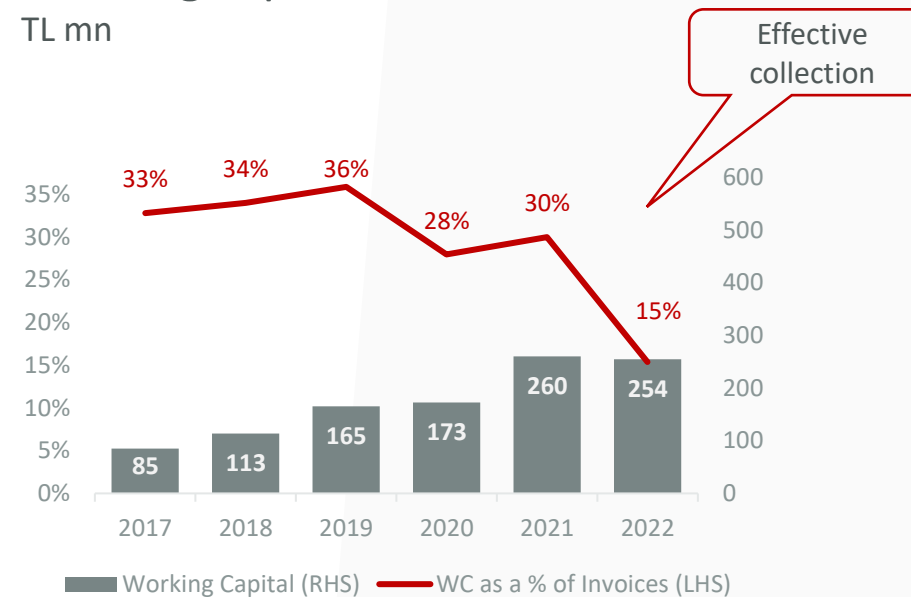
Balance sheet highlights

TL mn

	2021	2022	Δ
Cash & Cash Eq.	259.4	229.2	-12%
Trade Receivables	333.7	387.4	16%
Tangible Assets	21.0	46.5	122%
Intangible Assets***	759.2	1,102.8	45%
Other Assets	434.2	900.9	107%
Total Assets	1,807.5	2,666.9	48%
Total Liabilities	974.0	1,468.0	51%
Total Shareholders' Equity	833.5	1,198.8	44%
Total Liabilities and Equity	1,807.5	2,666.9	48%
Shareholders Equity Ratio	0.46	0.45	-3%
Current Ratio	1.07	0.91	-15%

Working capital

TL mn



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



**Net cash excluding IFRS 16 impact of 22.1 TL mn (2021: 19.9 TL mn), including treasury shares @mcap at end of period and long-term financial investments.

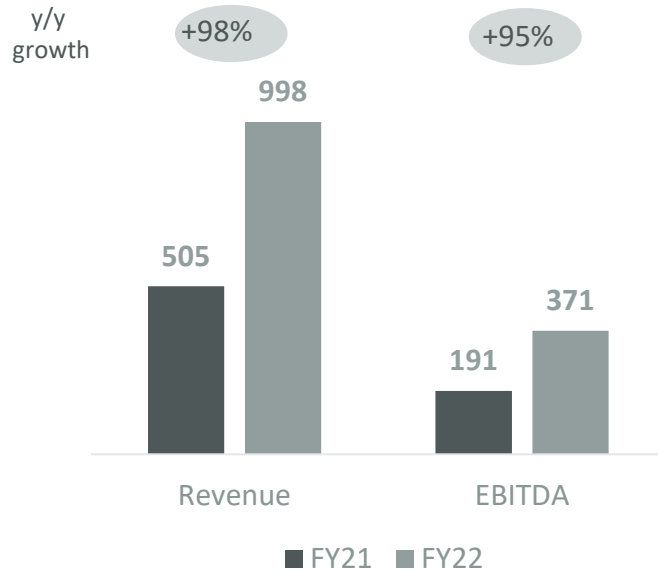
*** Includes goodwill.

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

Logo Türkiye: Strong and profitable real growth

Logo Türkiye

TL mn

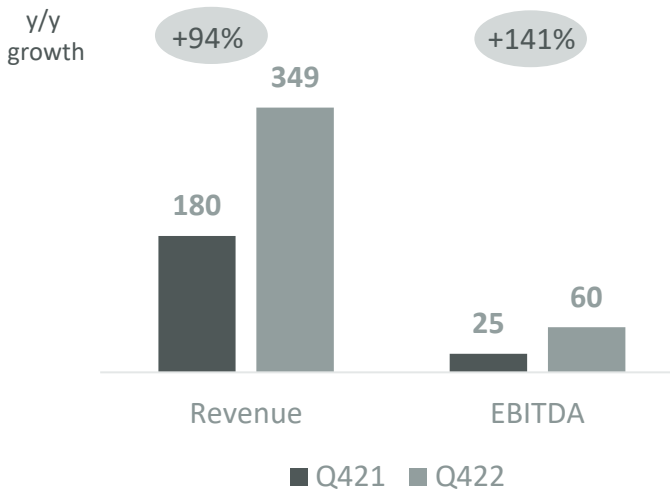
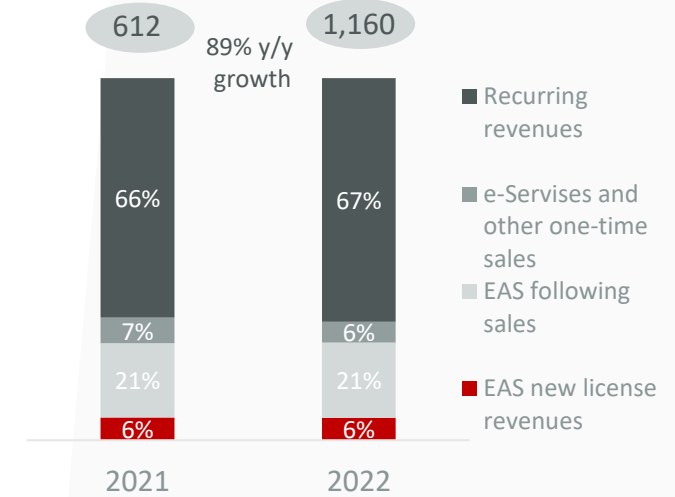


- Strong one-time and recurring revenue growth
- One-time sales driven by new license sales, and following sales to existing customers in EAS* segment with 88% and 91% y/y growth, respectively
- 2022 EBITDA margin: 37%

Logo Türkiye

Invoiced revenues

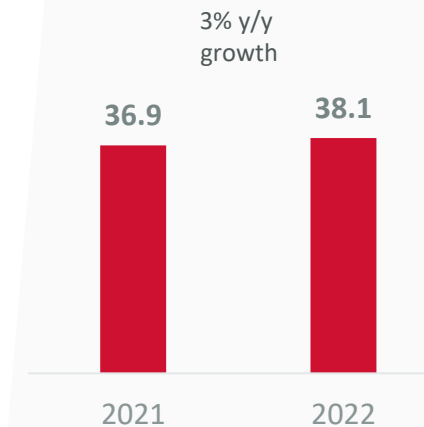
TL mn



- Large and loyal customer base further strengthened with new customer gains
- 38.1 thousand new customer additions in total

Logo Türkiye

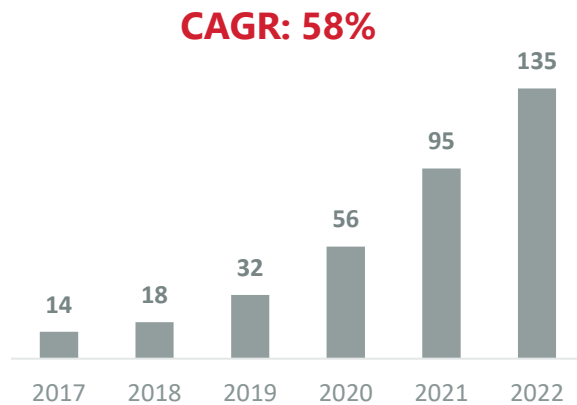
Total new customer acquisition ('000)



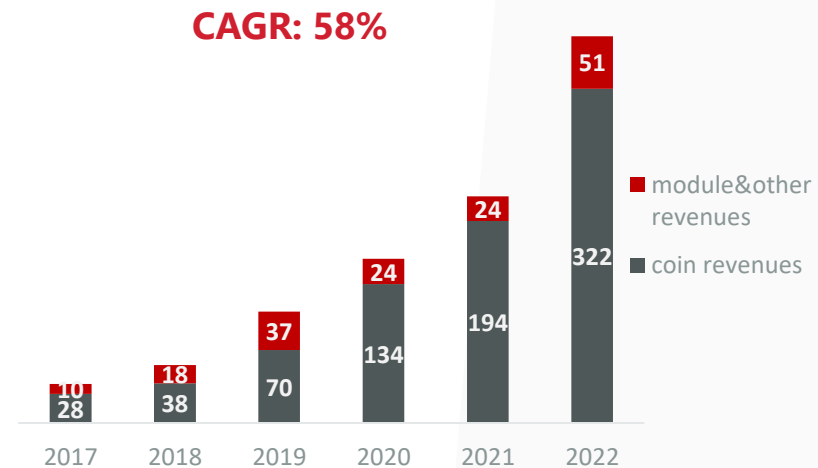
eLogo: e-Service platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 135K customers

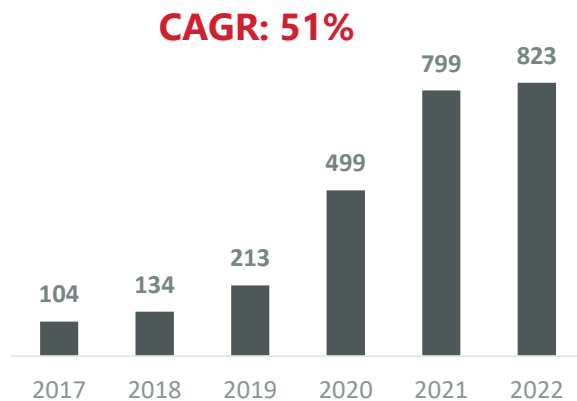
of customers
(‘000)



Invoiced revenues
(TL mn)



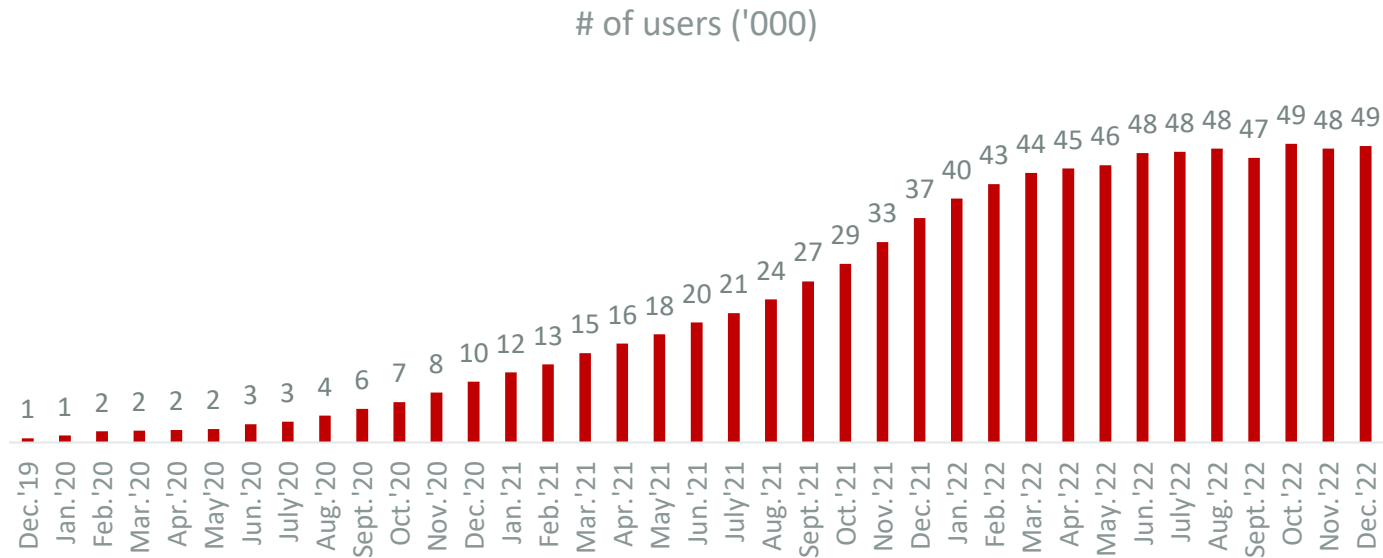
Coin usage
(‘000,000)



- Active customers reached 135 thousand with 42% y/y growth
- New customer additions reached 40K in 2022 with an increase of 3% y/y
- Recurring revenue growth of 65% y/y with 5yr CAGR of 63%
- 86% recurring revenue base comprising of coin revenues, signaling strong recurring revenue growth potential going forward

Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering basic accounting software and e-invoicing services



User growth: 32% y/y

ARPU*: 366 TL

LTV/CAC**: 8

Competitive advantages:

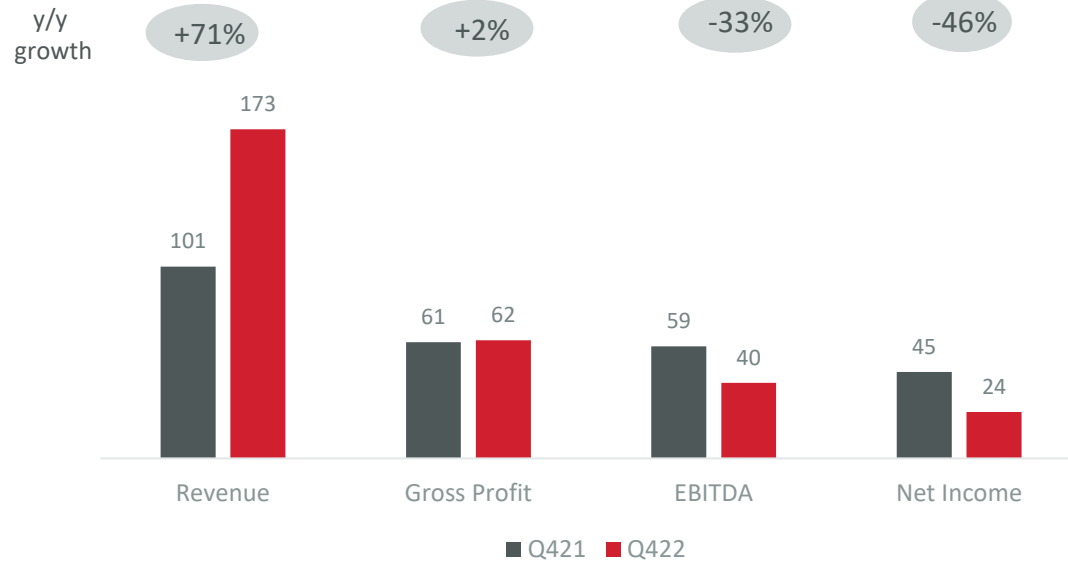
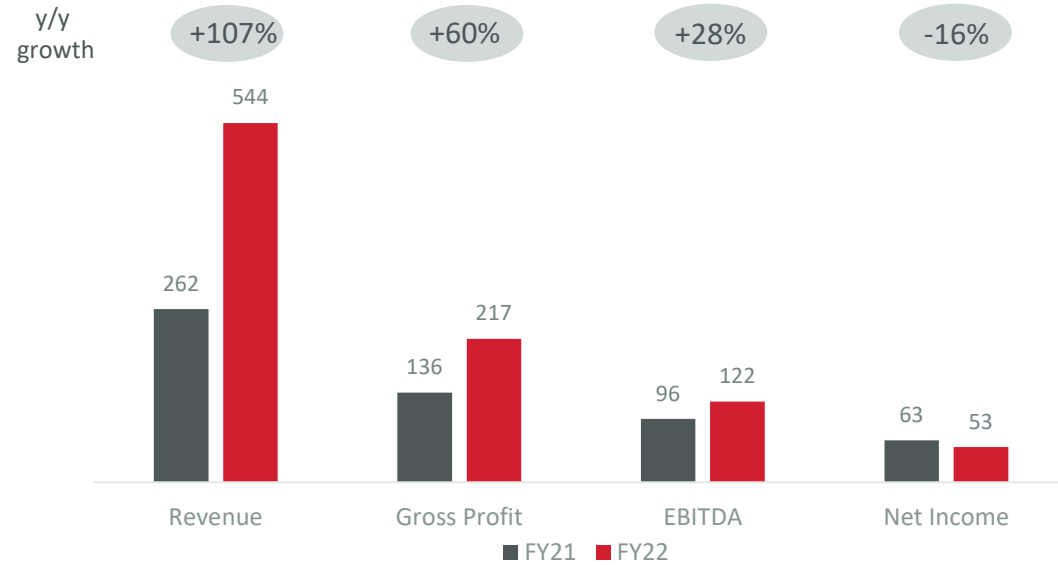
- Logo as the **leading e-invoice provider** of Turkey, differentiates itself with high service quality
- **Value creation on digital platform:** connecting revenue administration, financial institutions, customers, trade partners and e-commerce sites
- Quick and easy upgradability to a larger ERP solution

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

Strong growth and sustainable profitability at Total Soft

Total Soft

TL mn



- 2021 offers a high base across the board due to strong project additions recorded in Q421.
- 2022 margins were impacted negatively by interim wage adjustment due to inflation and the impact of a new large project with low profitability in the initial stage.

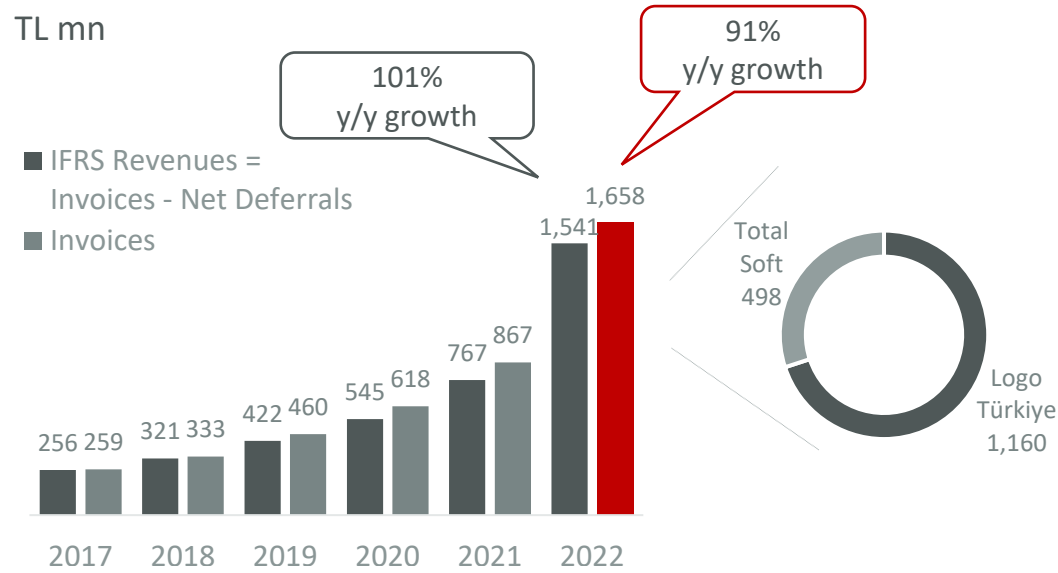
- Euro revenue growth was 27% y/y
- Gross profit is up by 60% yielding a 40% gross margin
- EBITDA went up by 28%, yielding 22% margin.
- 2022 net income margin was 10%. 2021 offers a high-base with 9,2 TL mn one-off income in relation to the payment received as per the share purchase agreement dated September 2nd, 2016

Invoiced Revenue vs IFRS Revenue

Consolidated

Invoices & IFRS Revenues

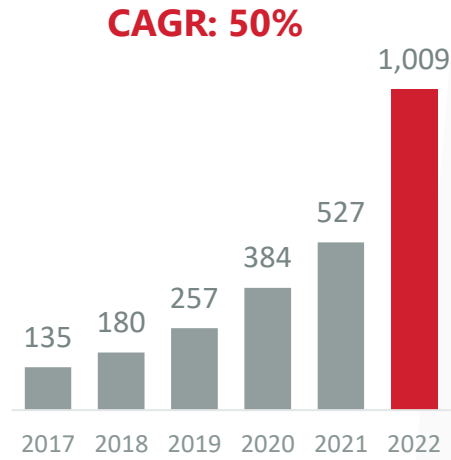
TL mn



Recurring Revenue Growth Ensuring Predictability

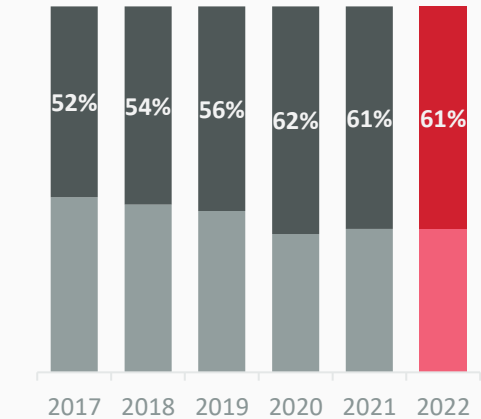
Recurring Invoices

TL mn



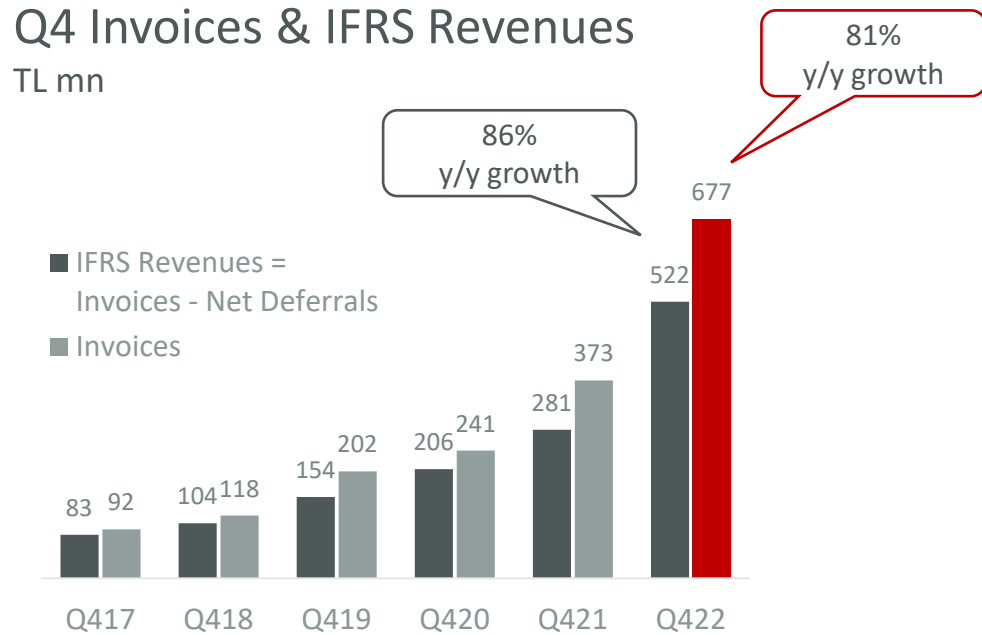
Recurring Invoices/Invoices

%



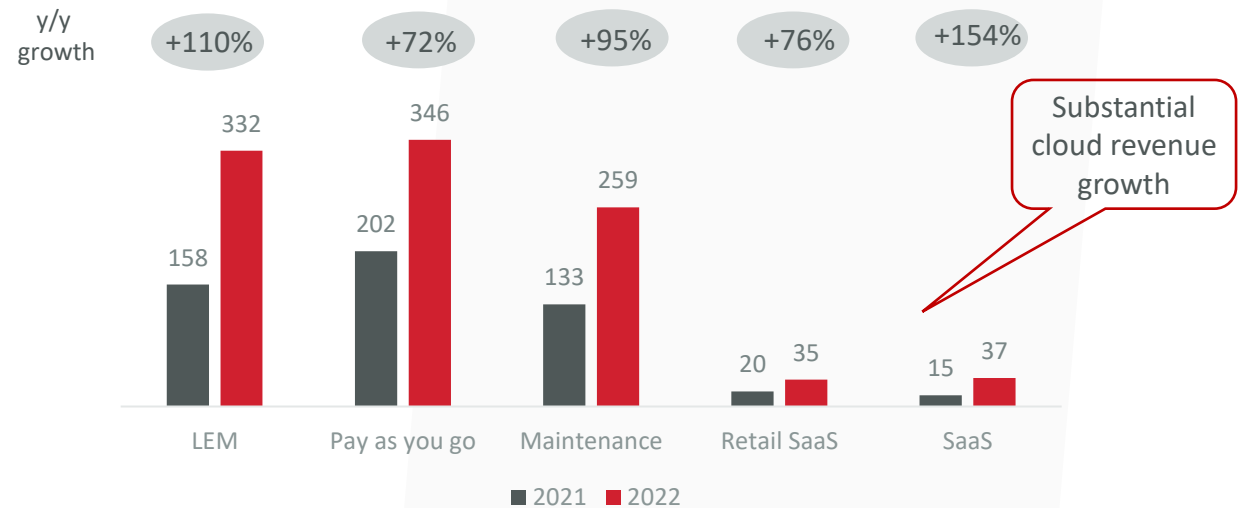
Q4 Invoices & IFRS Revenues

TL mn



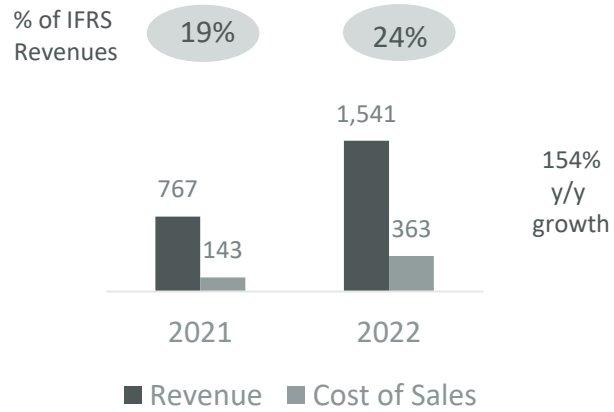
Recurring Invoices

TL mn

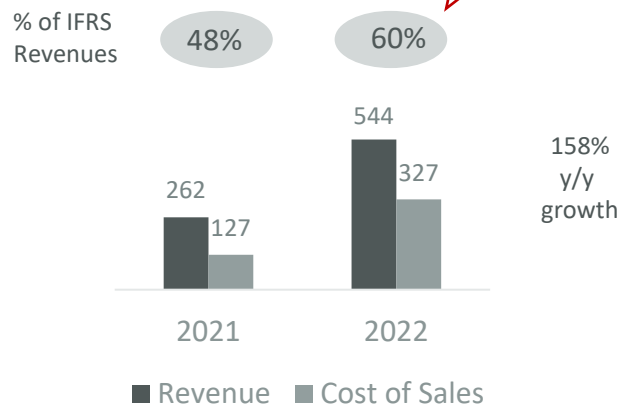


Cost of Sales

Consolidated TL mn

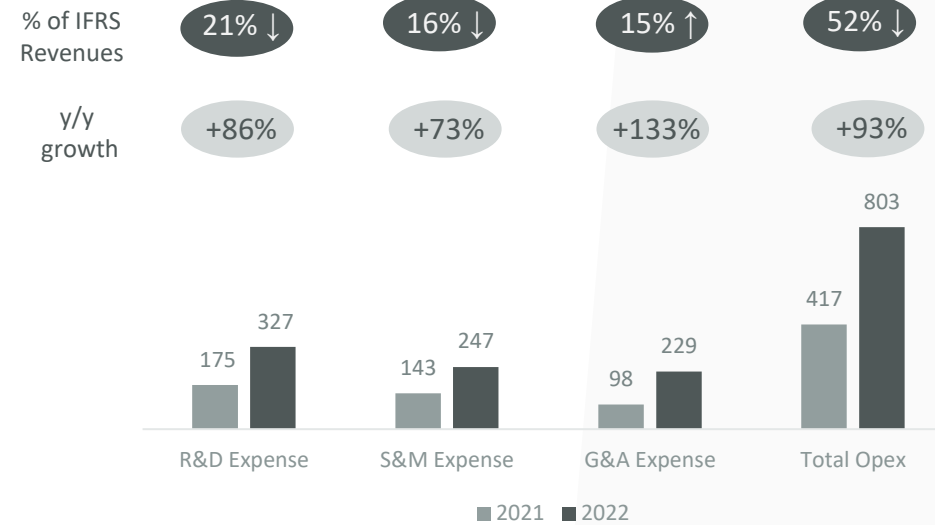


Total Soft TL mn

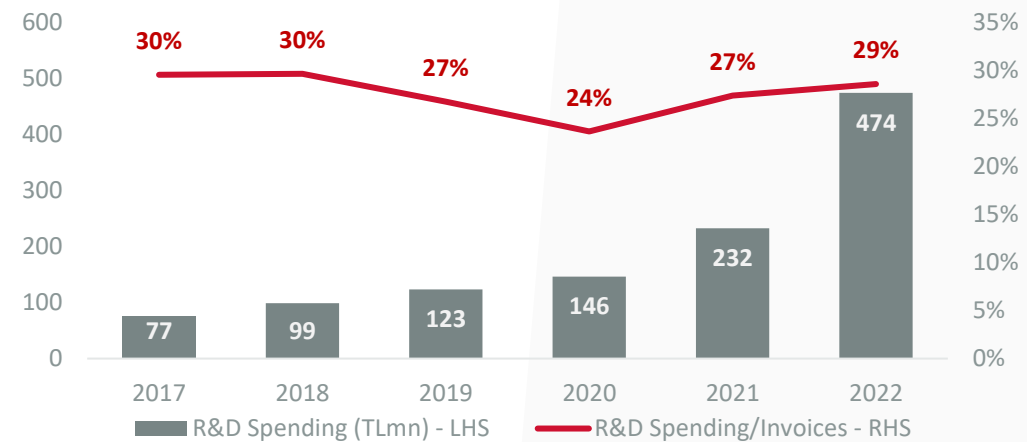


Operating Expenses

Consolidated TL mn



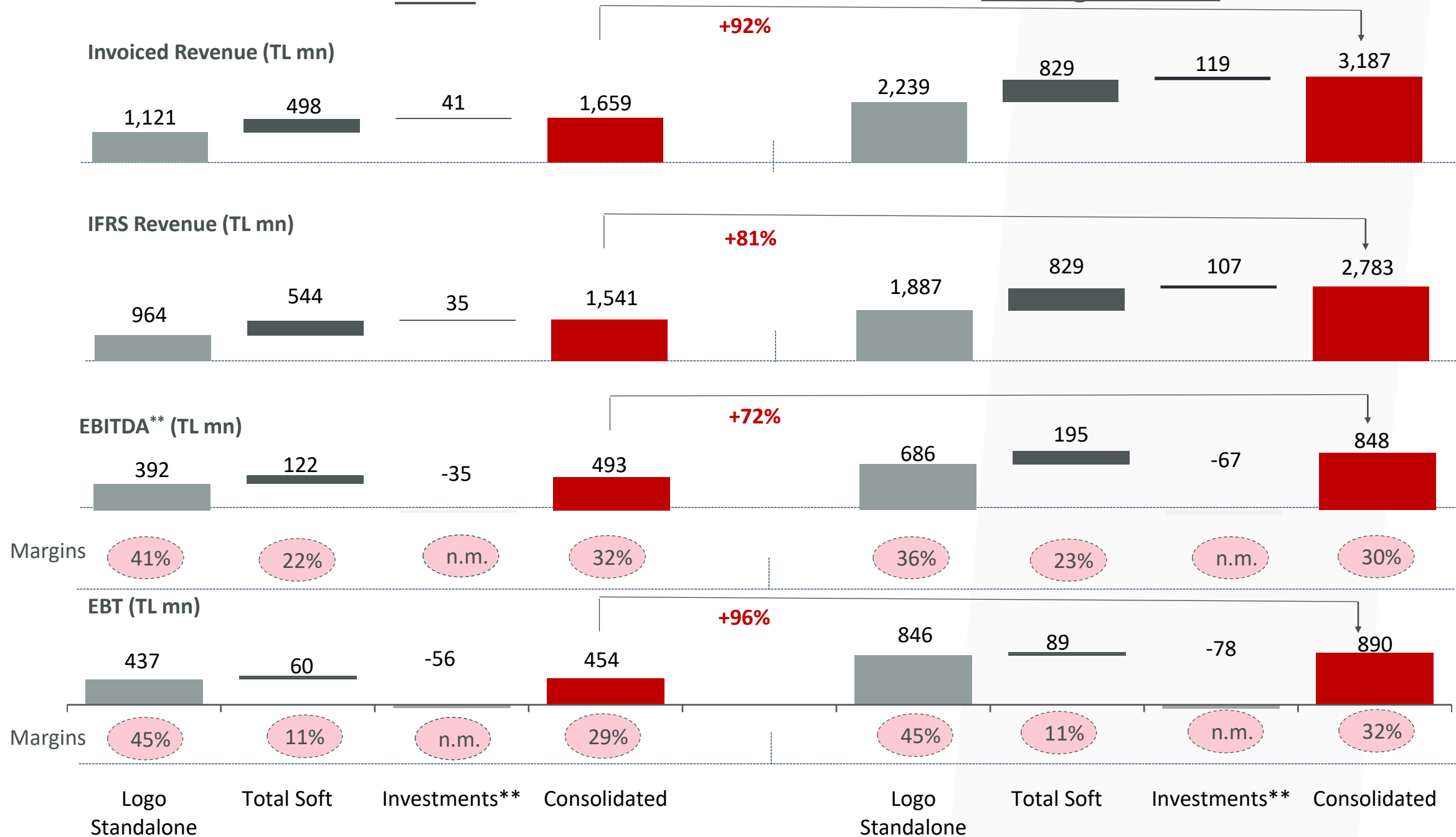
Dedicated Investment in Technology



Guidance

2022

2023 guidance



The background is a deep red color with a subtle pattern of binary code (0s and 1s) and a glowing, dotted white cylinder in the center. There are also some faint, abstract shapes and lines scattered across the scene.

Questions & Answers








Appendix

Invoiced Revenue Growth and Breakdown

	2017	2018	2019	2020	2021	2022	5-yr-CAGR
Invoiced revenues-consolidated (TL mn)	259.1	333.0	460.1	617.7	866.5	1,657.8	45%
<i>y/y growth</i>	47%	29%	38%	34%	40%	91%	
One-time	123.6	152.5	203.0	233.5	339.3	648.9	39%
One-time - TR	83.4	95.0	130.1	145.6	225.1	379.2	35%
<i>share in total</i>	32%	29%	28%	24%	26%	23%	
One-time - RO	40.2	57.5	72.9	87.9	114.2	269.7	46%
<i>share in total</i>	16%	17%	16%	14%	13%	16%	
Recurring	135.5	180.5	257.2	384.2	527.3	1,009.0	49%
Recurring - TR	102.6	130.4	186.6	289.4	405.1	780.7	50%
<i>share in total</i>	40%	39%	41%	47%	47%	47%	
Recurring - RO*	32.9	50.1	70.5	94.8	122.2	228.2	47%
<i>share in total</i>	13%	15%	15%	15%	14%	14%	
Recurring invoice revenues (TL mn)							
LEM	61.4	75.7	97.0	124.7	158.3	332.0	40%
<i>share in recurring</i>	45%	42%	38%	32%	30%	33%	
Pay-as-you-go	29.1	39.5	72.7	139.7	201.8	346.4	64%
<i>share in recurring</i>	21%	22%	28%	36%	38%	34%	
Maintenance	38.5	57.4	77.1	106.9	132.7	258.6	46%
<i>share in recurring</i>	28%	32%	30%	28%	25%	26%	
Retail SaaS	6.5	7.9	10.3	12.8	19.9	35.0	40%
<i>share in recurring</i>	5%	4%	4%	3%	4%	3%	
SaaS (İşbaşı+Peoplise+Total Soft)	0.0	0.0	0.0	0.0	14.6	37.0	n/m
<i>share in recurring</i>	0%	0%	0%	0%	3%	4%	

eLogo: e-Service platform and leader in digital transformation

Latest 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



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