



AGCO Emerging & Frontier Markets Virtual Investor Conference Presentation

Canan Şenkut
IR & Sustainability Director
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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, a part of this presentation is related to the second 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 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



**Enterprise
Application
Software (EAS)
Company**



**Local leader in
Turkey and
Romania**



**Active in India
through a JV**



**101 mn \$
2023
revenues**



**3 bn TL
2023
revenues**



**67%
Recurring
revenue
base**



**31%
SaaS
revenue
share**



**Dedicated
R&D
spending**



**1.600+
employees**



**45%
women
employees**








**5.000+
people in
ecosystem**



**200.000+
Customers**

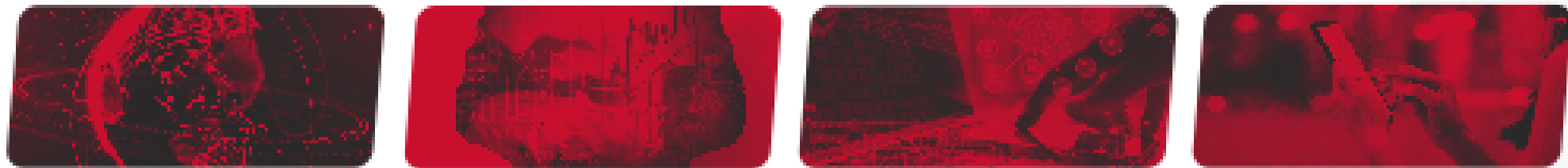
Strong SaaS footprint

On-track in the journey of becoming a global SaaS company

	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



Logo milestones



1980s-1990s

2000s

2010s

2020s

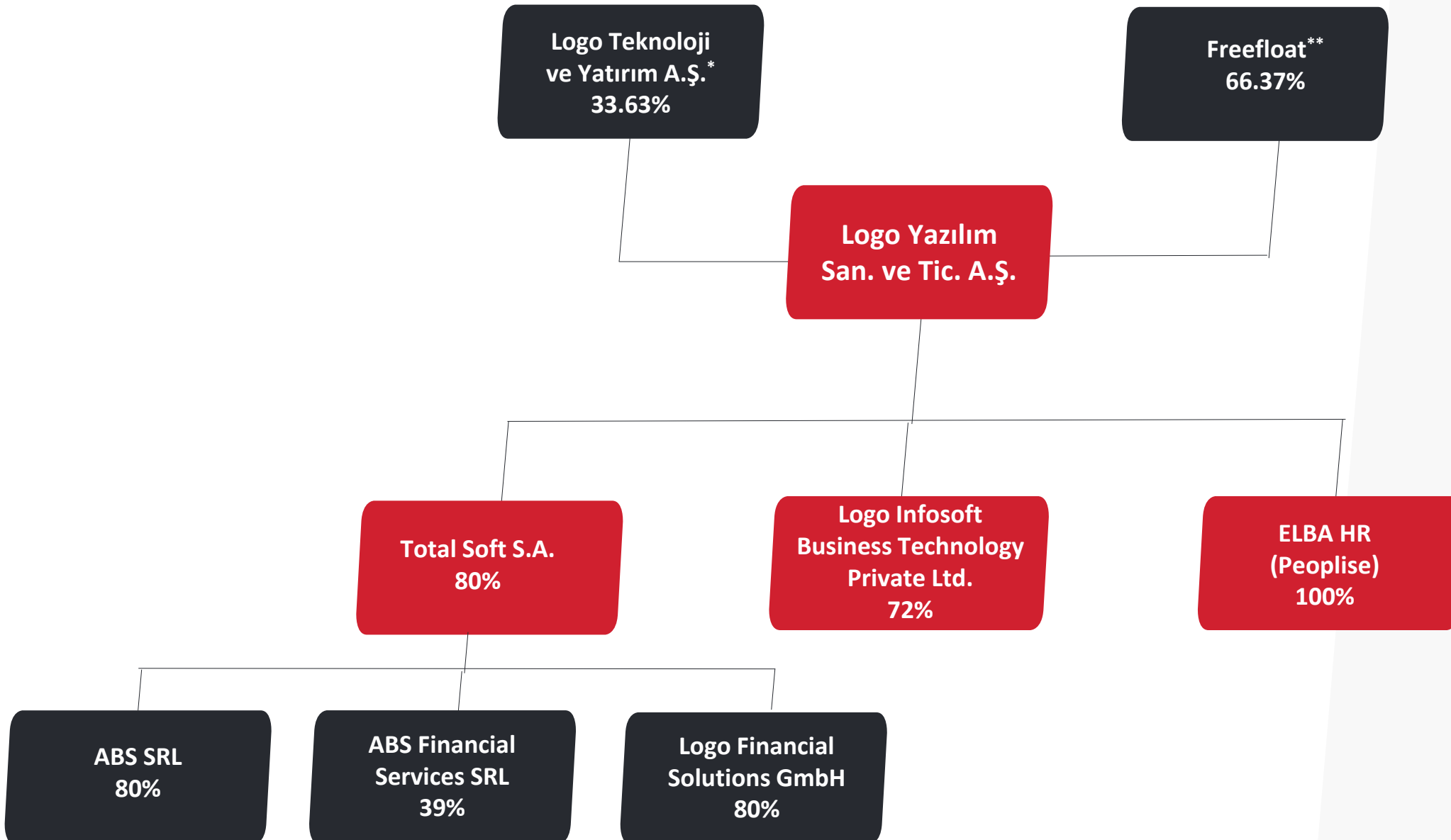
- ✓ 1984; establishment
- ✓ Enterprise Applications-DOS
- ✓ Enterprise Applications-Windows
- ✓ Logo ERP

- ✓ 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
- ✓ Turquality® inclusion

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

Shareholder structure



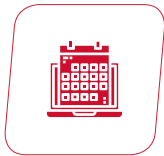
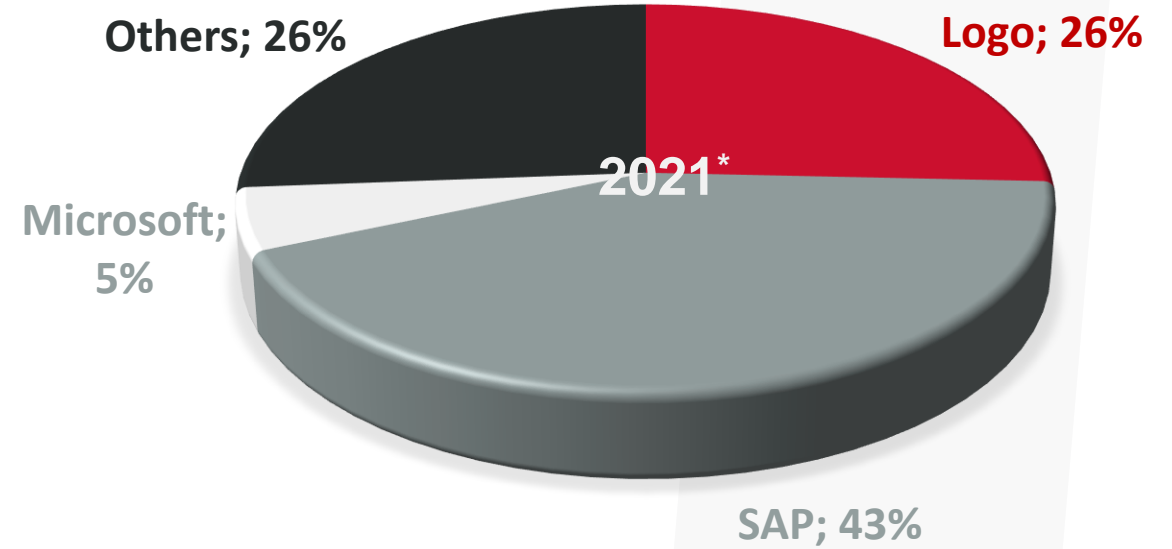
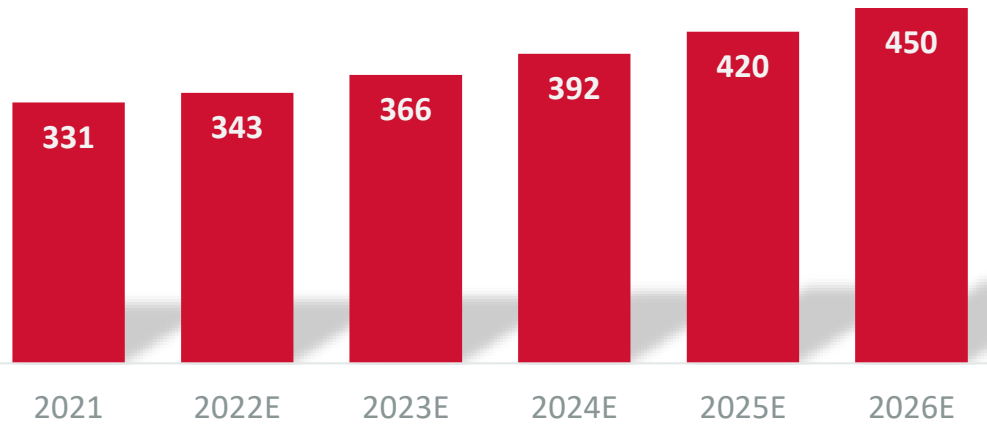
* 32,32% belongs to M. Tuğrul Tekbulut. Other; 1,31%.

** Includes the treasury shares of 6,20%.

Turkish EAS market and Logo market share

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

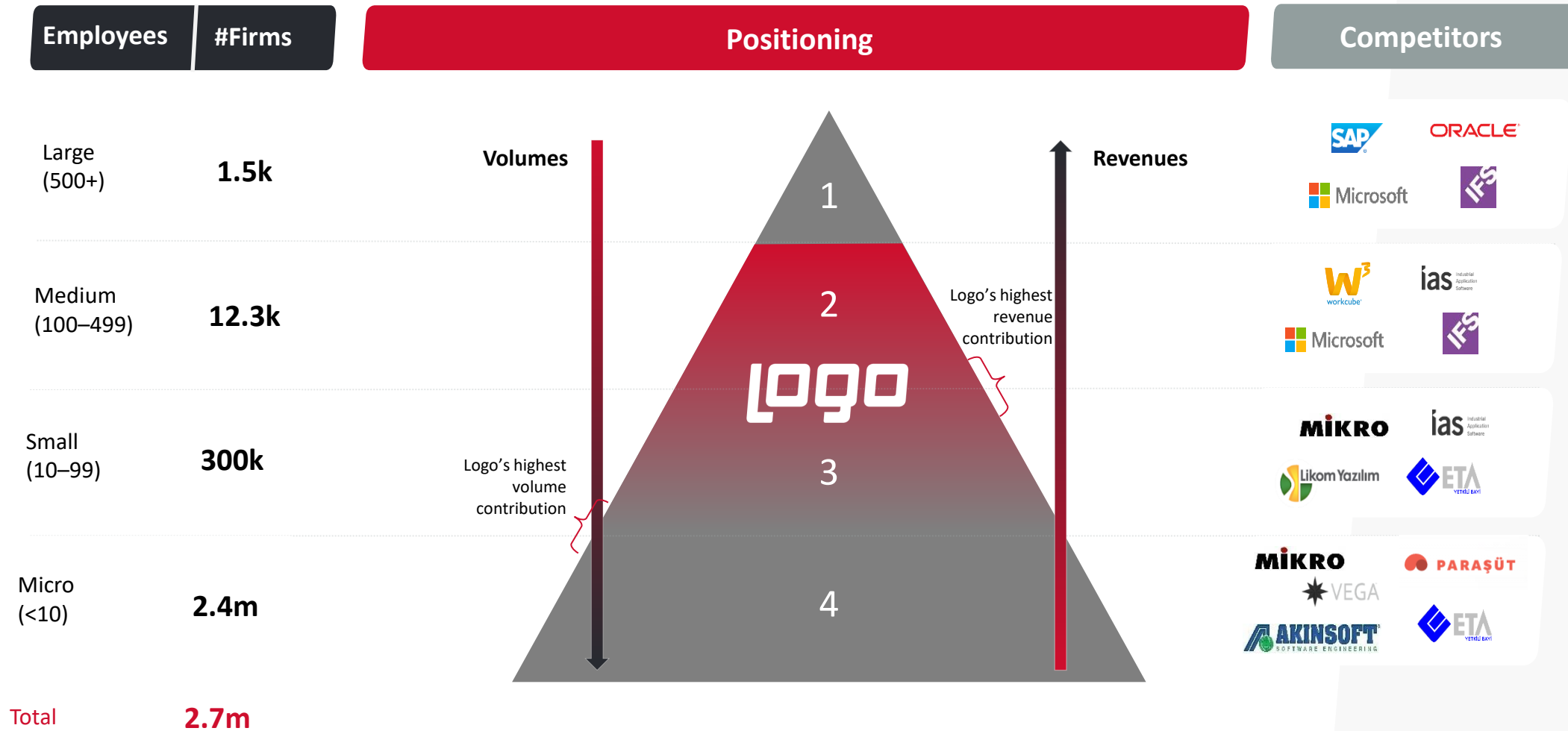


Potential pricing upside



Digitalization becoming more of an obligation than choice post Covid

Logo Turkey's product portfolio from micro to large corporates



1

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

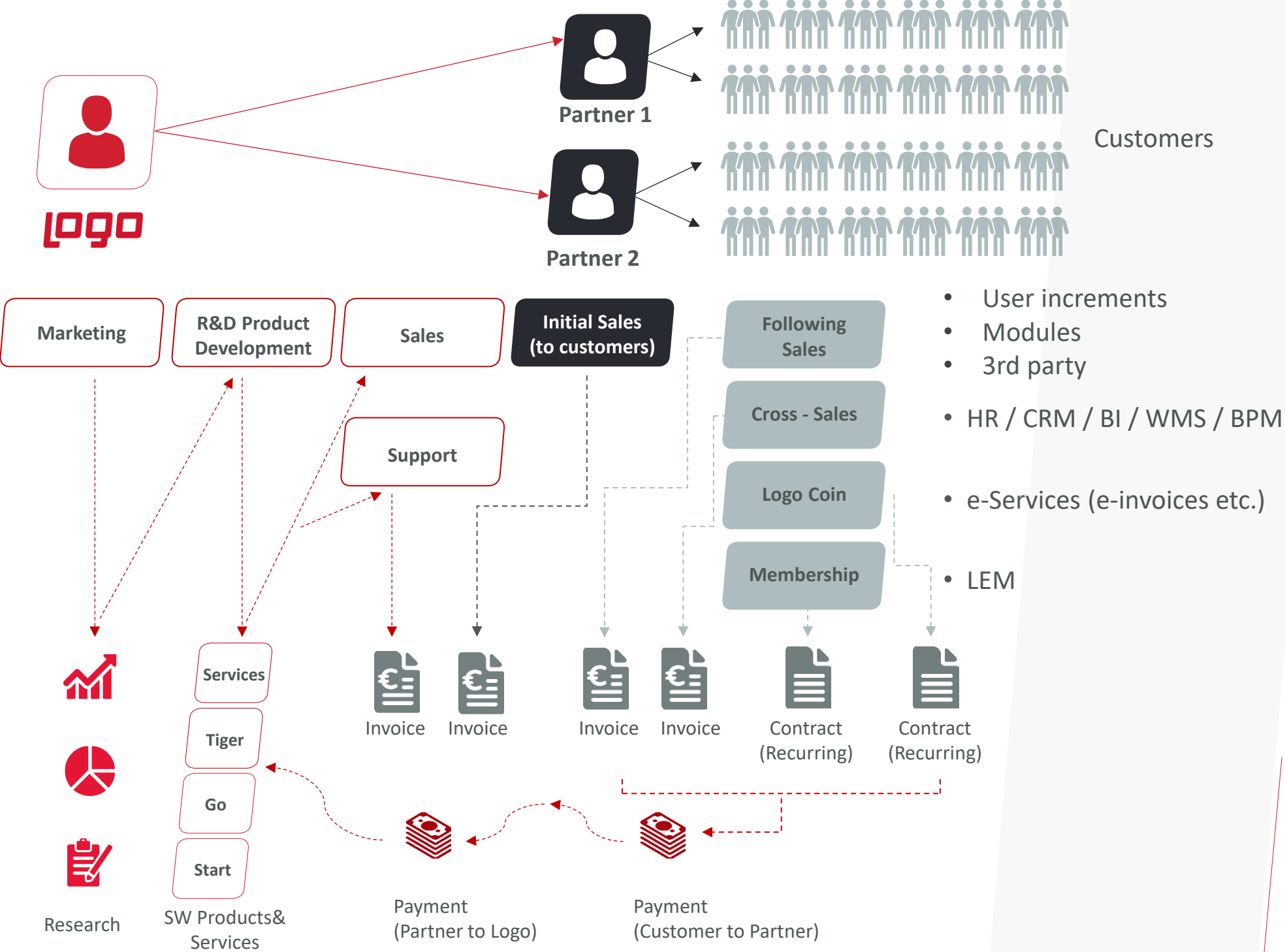
2-3

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

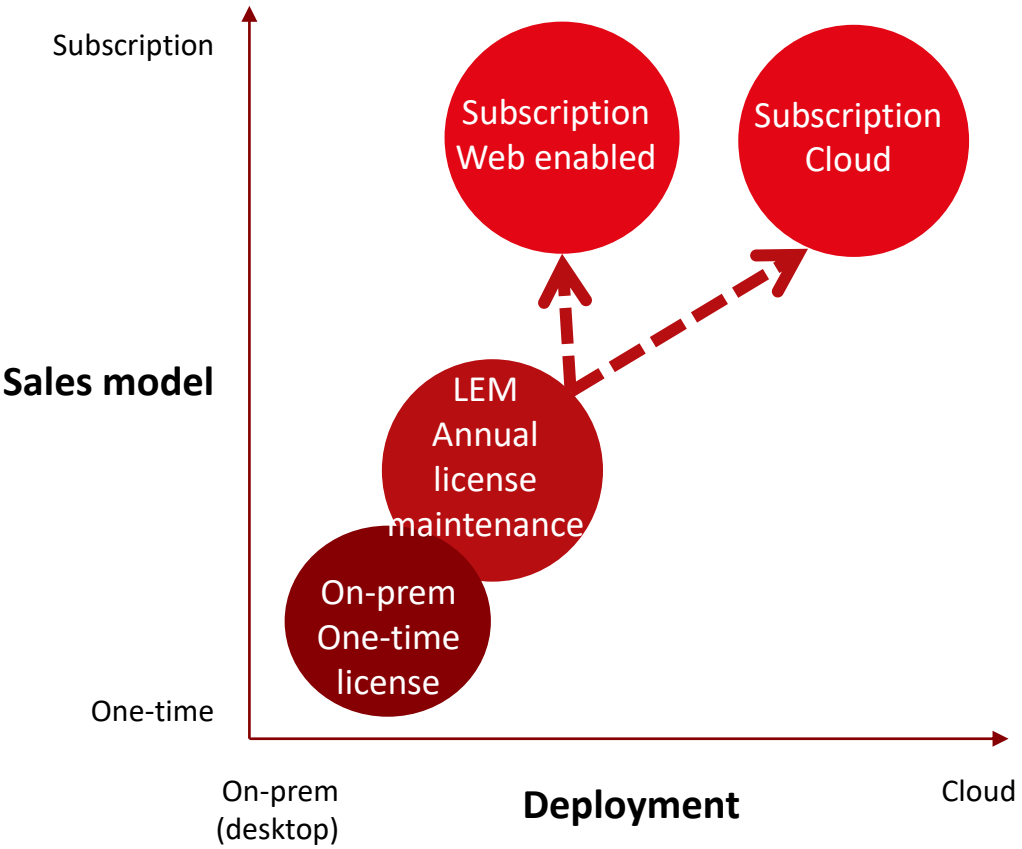
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- High growth potential area
- Next largest competitor is a local Turkish player with c. 1/5th of Logo's market share by revenue

Logo Turkey sales cycle



Our servitization strategy

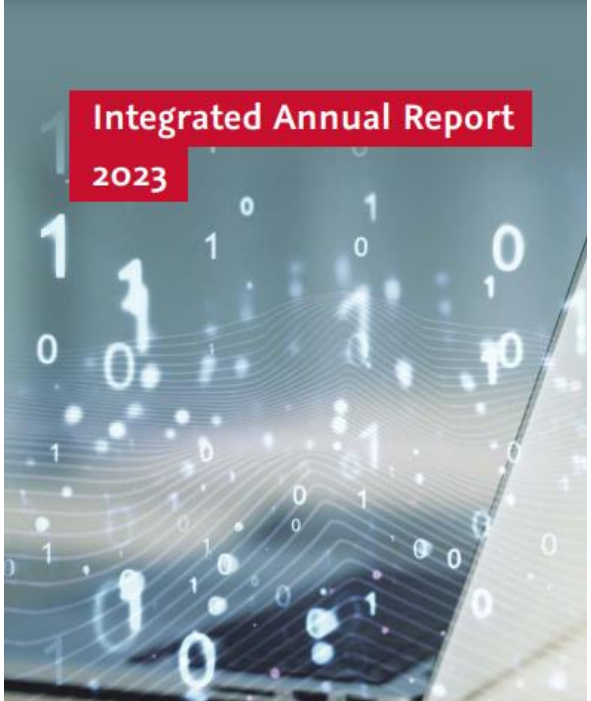


Subscription	
<u>2023</u> 1.600+ Small segment customers	<u>2026e</u> 36.000+ Small segment customers

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



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**

Dividend track record

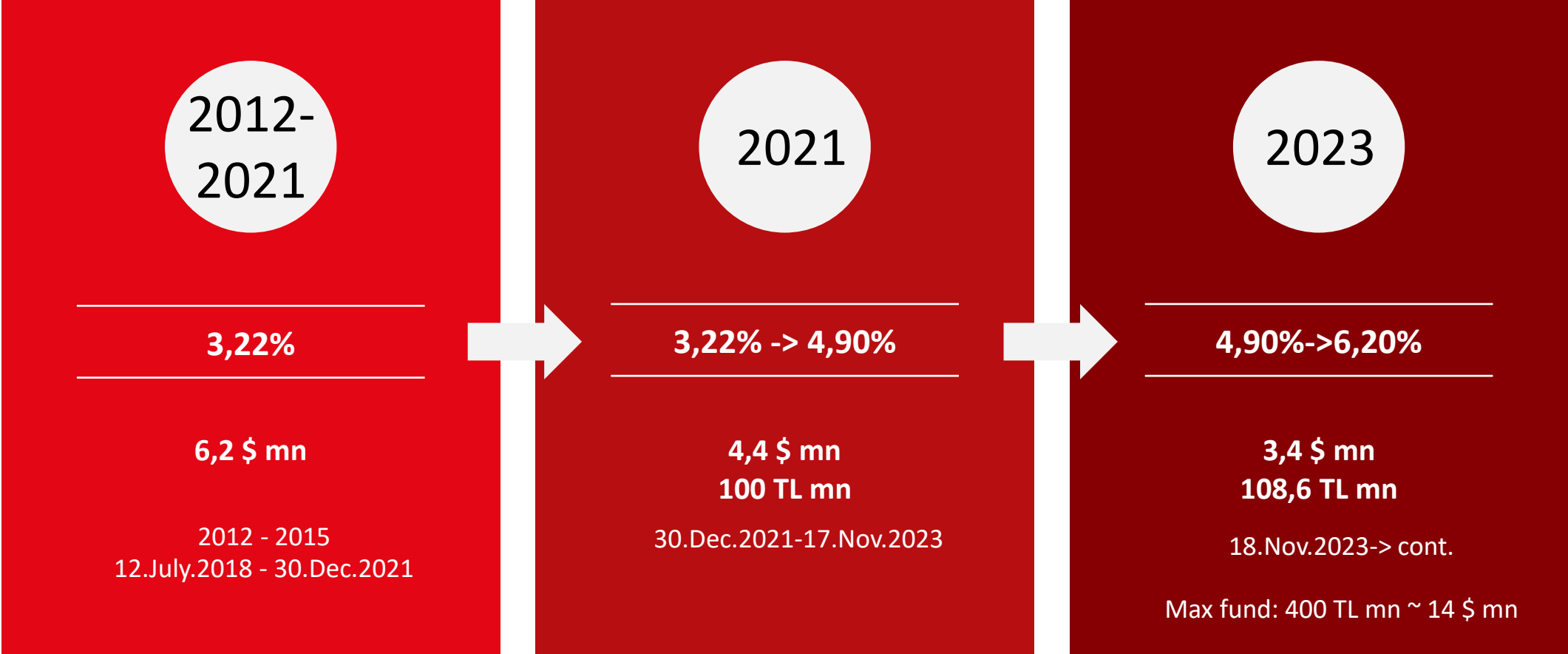
	2020	2021	2022	2023
Pay-out ratio	26%	34%	36%	35%*
Yield	0,75%	2,20%	2,85%	4,51%**
Gross amount	4,1 \$ mn 30 TL mn	6,9 \$ mn 90 TL mn	8,0 \$ mn 150 TL mn	13,6 \$ mn 400 TL mn
		300% bonus issue		



*Based on statutory records.


**Based on PDP disclosure date.


Share buy-back programs




Logo Total Soft - Romania



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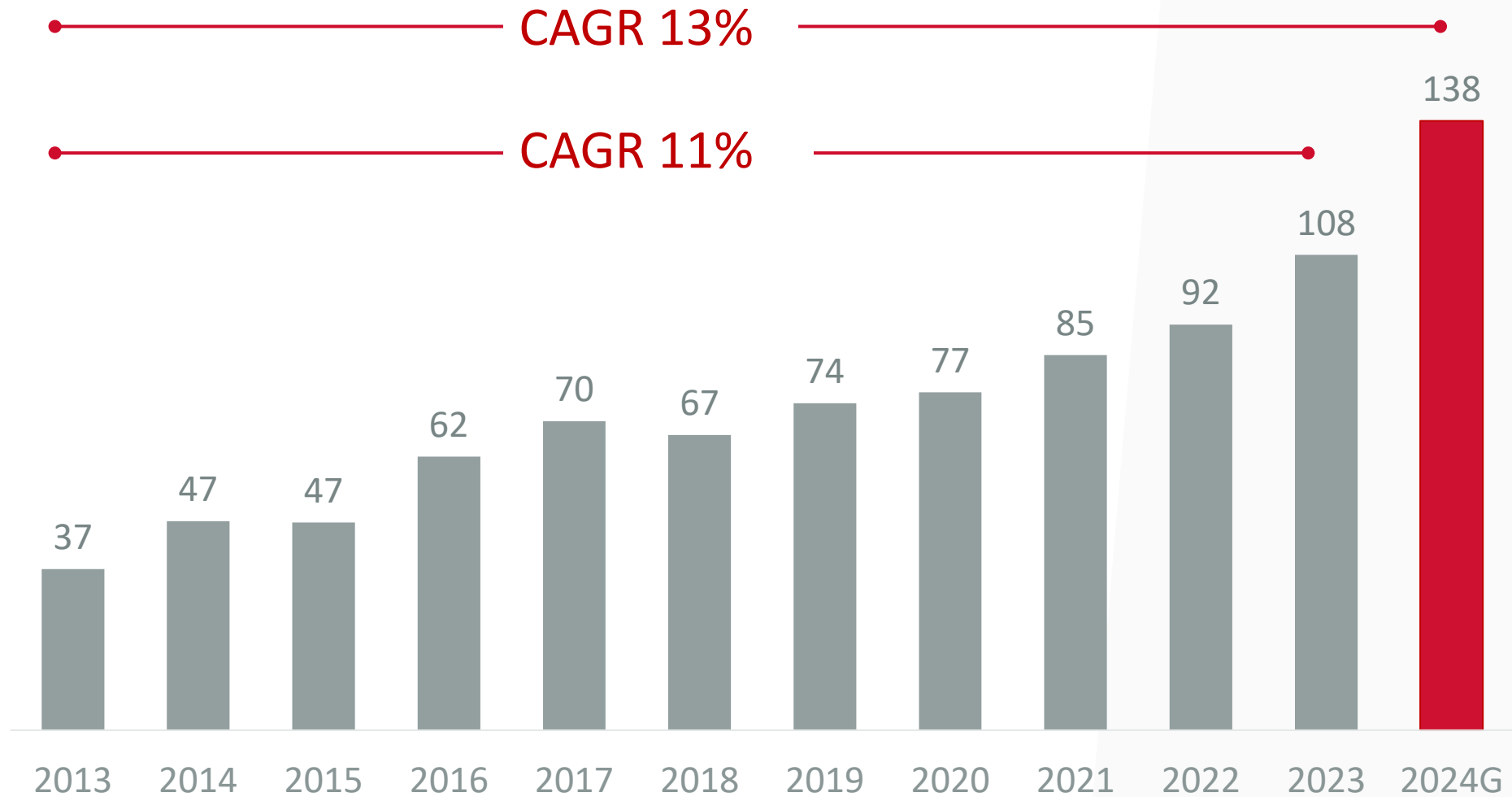
30 years of experience
- 

Over 800 clients
- 

Expertise in business application software development & implementation across various industries

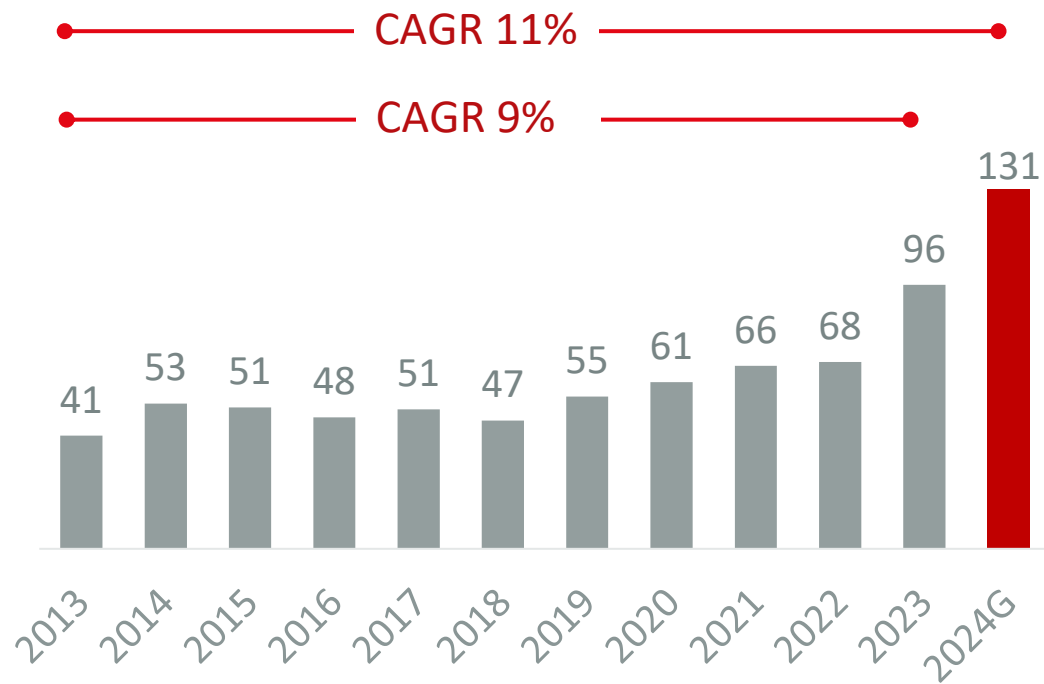
Strong growth: double digit USD based growth

Consolidated
IFRS revenues mn \$

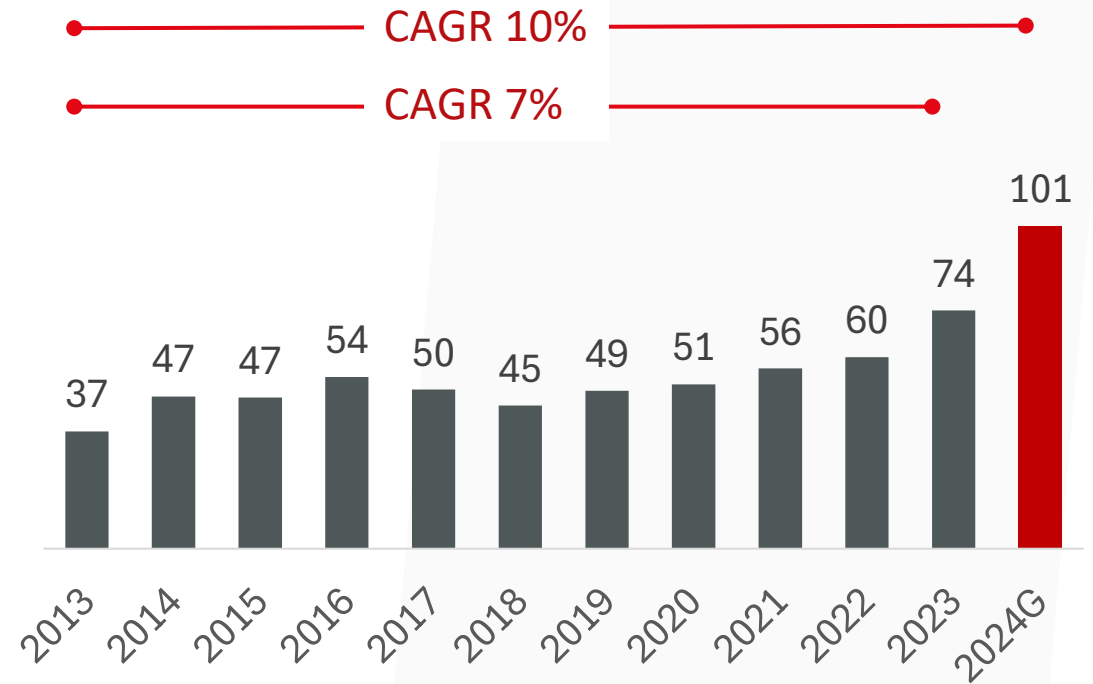


Strong growth: double digit USD based growth

Türkiye
Invoiced revenues mn \$



Türkiye
IFRS revenues mn \$



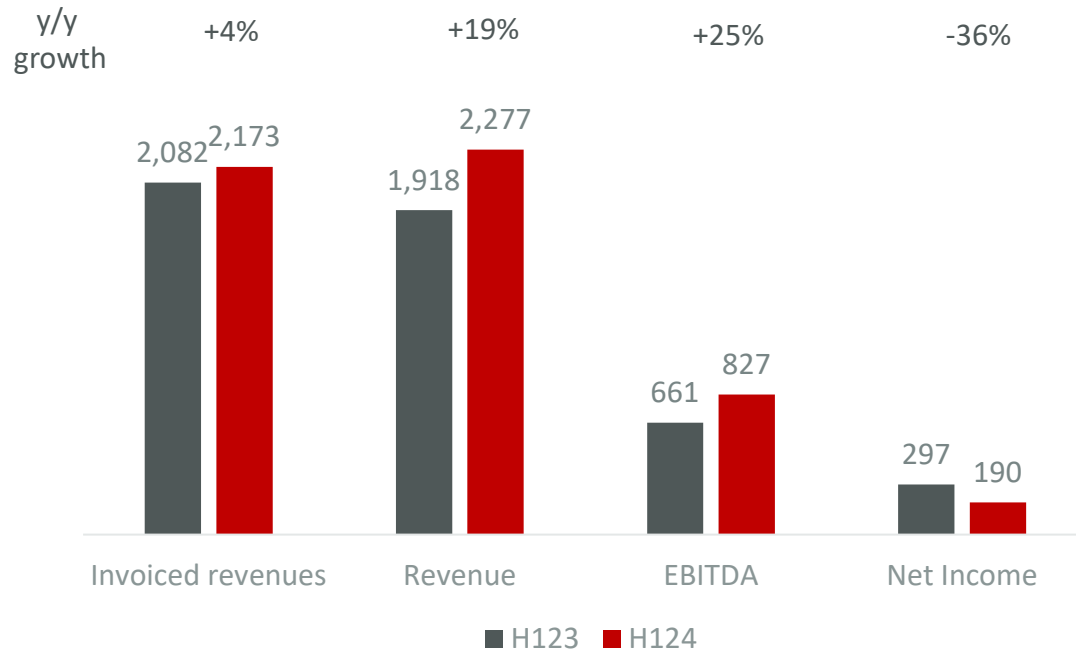


LOGO

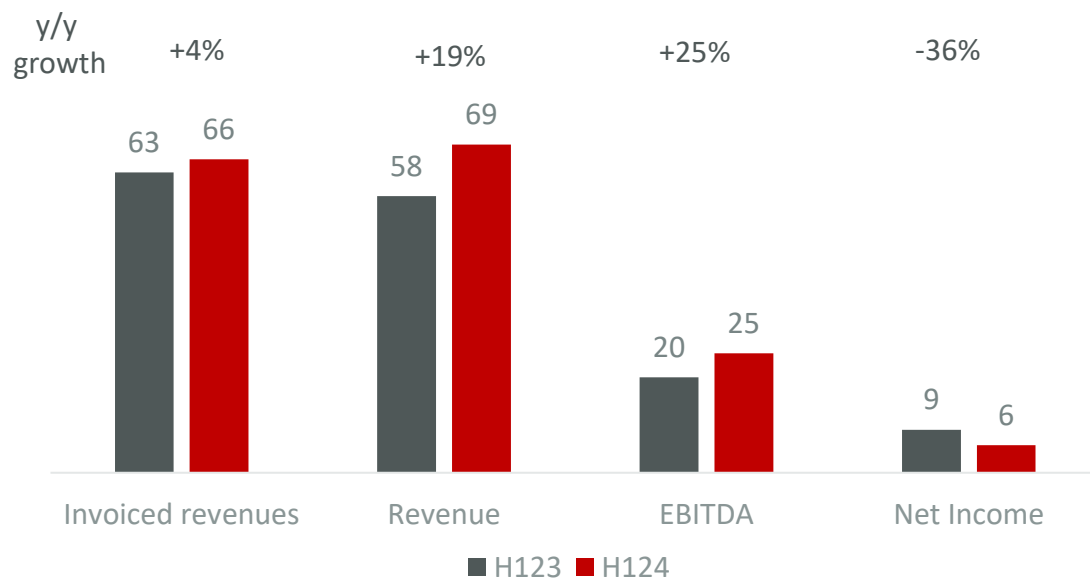
Q2 2024 results

Strong performance in H124

Consolidated (TL mn)



Consolidated (USD mn)



Strong performance across the board

Consolidated

- Strong invoiced and IFRS revenue growth
- EBITDA margin improved to 36% (H123: 34%)

Logo Türkiye

- Another quarter of strong results amid a volatile macroeconomic landscape
- **Solid revenue growth** across the board with healthy new customers additions and increased spending from existing customers
- Continued strong SaaS revenue growth
- EBITDA margin at 42% (H123: 44%)
- **Strong and loyal customer base**, ever-growing with healthy new customer additions

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

- Strong results in Romania, and Logo's strategy change resulting in planned stake sale in subsidiary Total Soft announced on July 31st
- Logo Infosoft achieves traction with consistently increasing monthly subscriptions. **Total users reached 18,339 up by 24% from Q124**

IAS29 impact on Balance Sheet

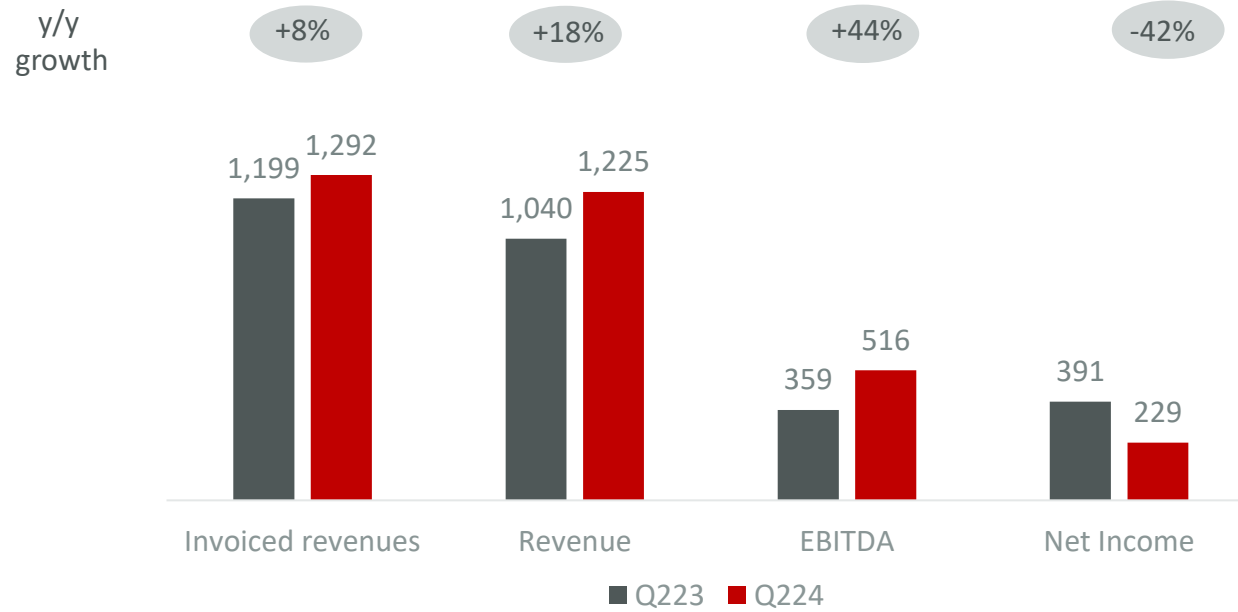
Non-monetary assets and liabilities, and equity is indexed with inflation

Asset	Liabilities
Current Assets +14,941,955 TL Major impact is from prepaid expenses	Short and long-term Liabilities -307,106,613 TL Major impact is from contract liabilities (LEM, eService coins and projects)
Non-Current Assets +353,534,081 TL Major impact is from tangible and intangible assets	Equity -375,575,437 TL Major impact is from retained earnings and paid-in capital

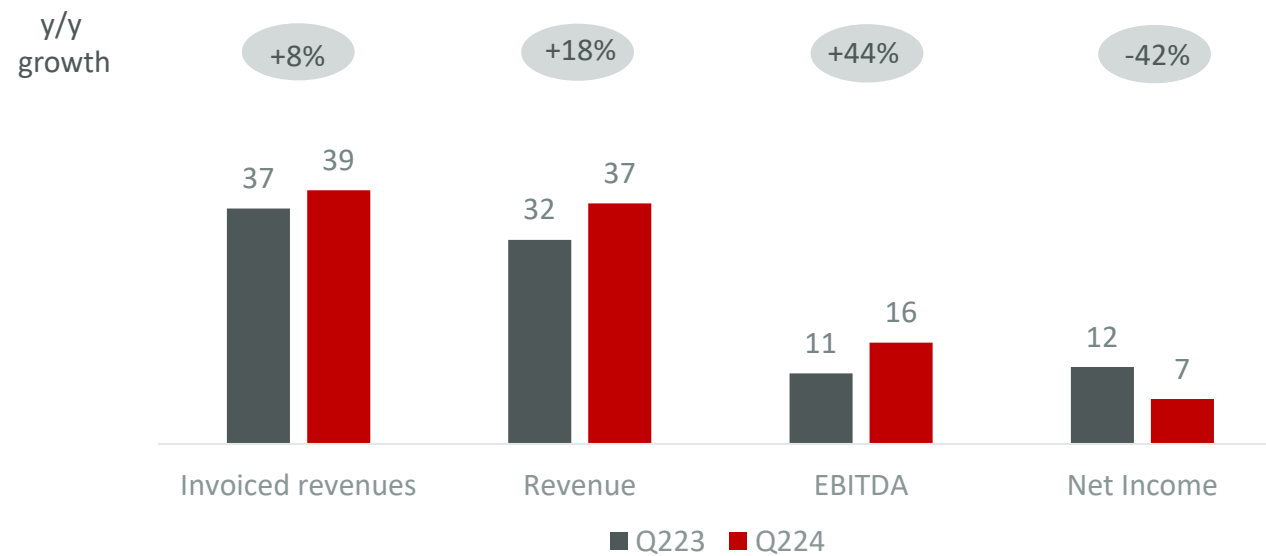
314,206,014 TL net monetary loss impact of IAS29 from balance sheet on income statement

Q224 figures

Consolidated (TL mn)



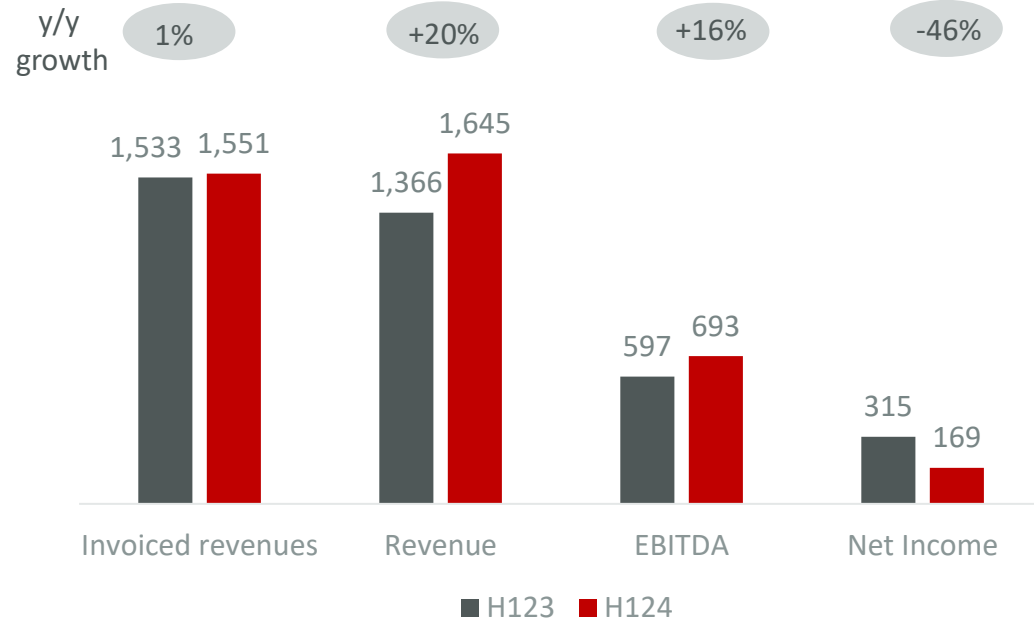
Consolidated (USD mn)



Logo Türkiye: strong performance

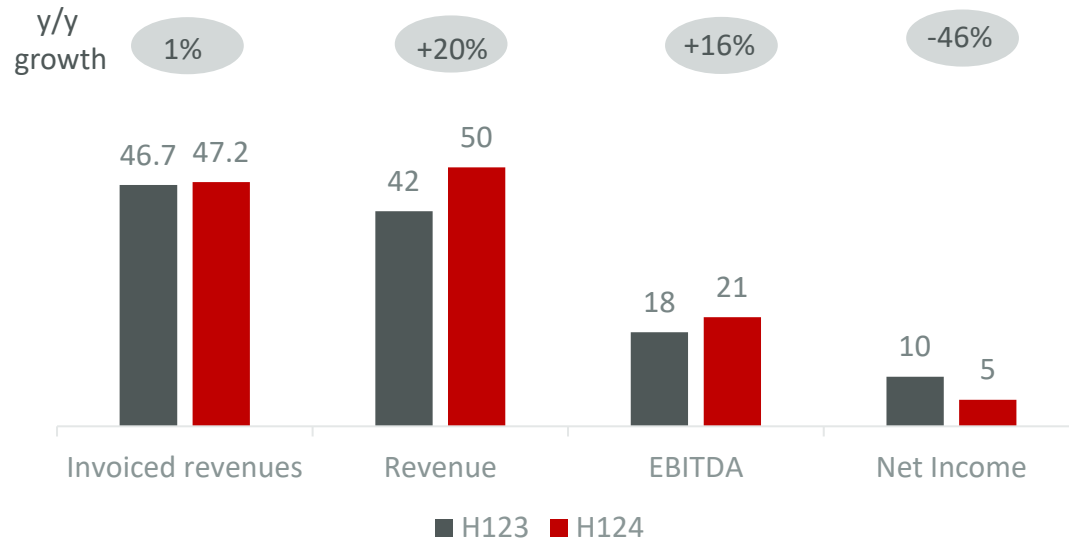
Logo Türkiye

TL mn



Logo Türkiye

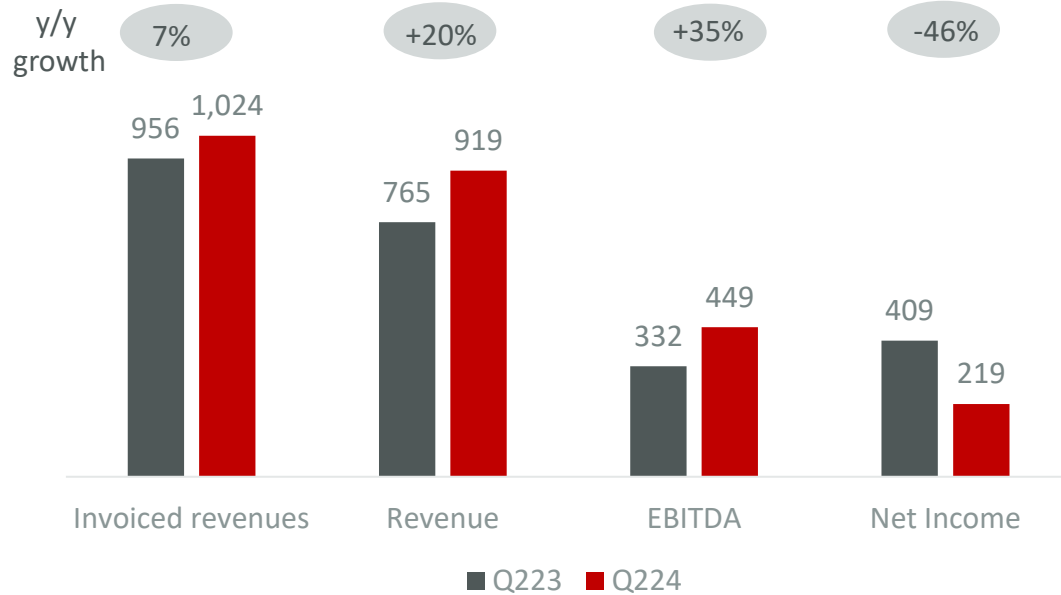
USD mn



- **Healthy revenue growth** amid macro difficulties thanks to **solid recurring revenue** contribution
- **Solid SaaS revenue growth of 18%**
- **Strong customer base expanded with new customer acquisitions**
- **New customer acquisition** in EAS and e-Services remained at a healthy level close to 5 thousand in H1
- **EBITDA margin** realized at **42% in H124** (44% in H123)
- **Net income affected by;**
 - **IAS29 adjustment** with 286 TL mn net monetary loss (H123: 285 TL mn)
 - **Lower financial income** as a result of stable exchange rate leading to fx losses

Logo Türkiye: Q224 figures

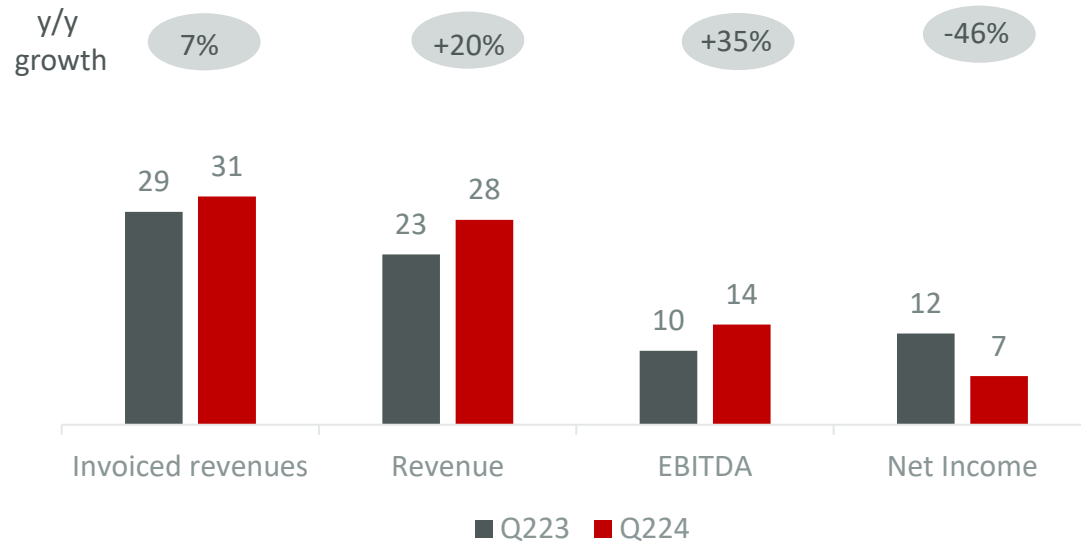
Logo Türkiye TL mn



Positive growth momentum in Q224

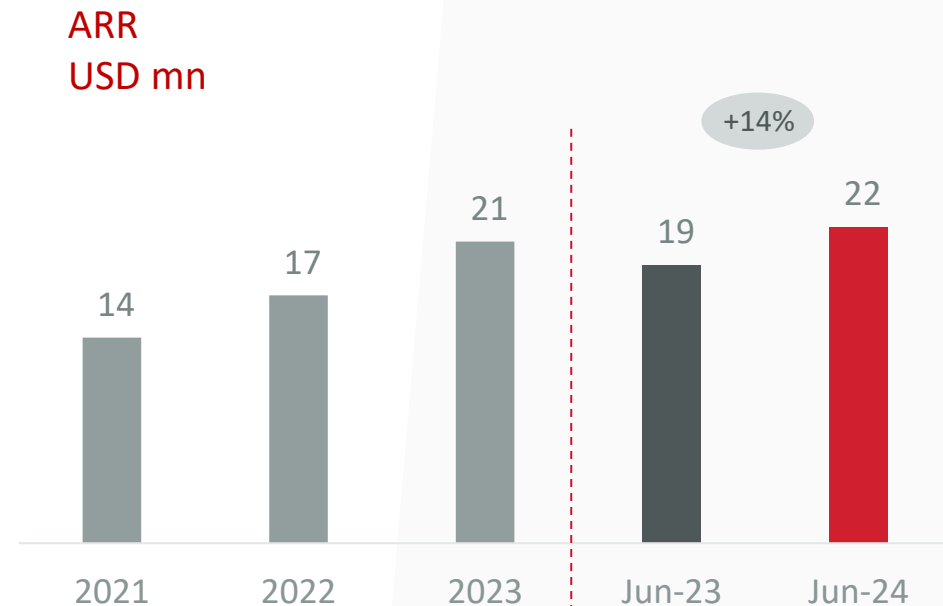
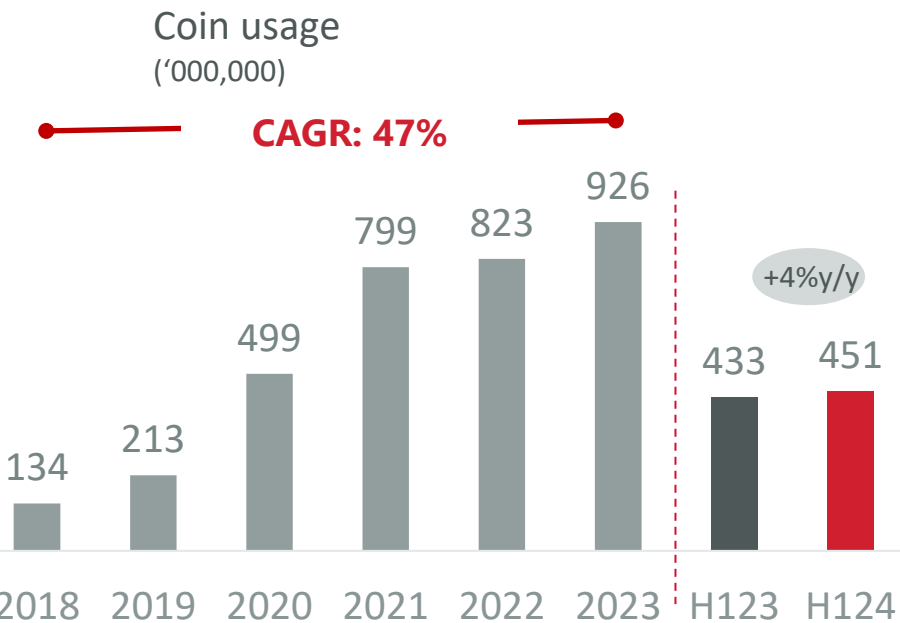
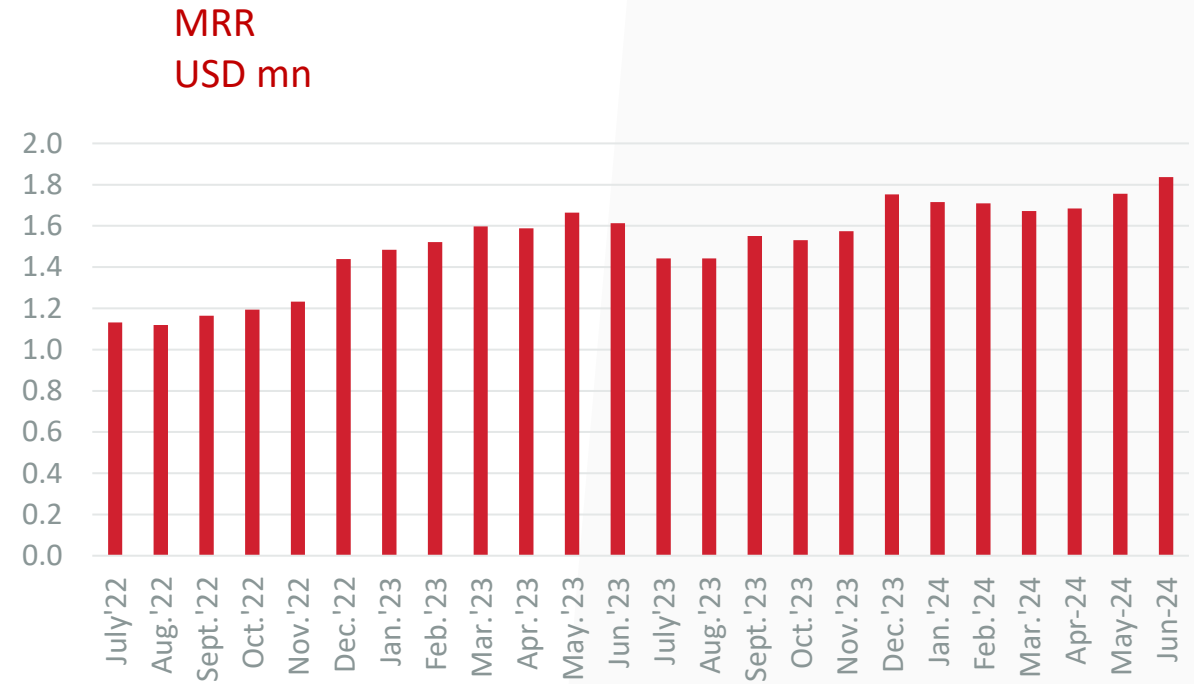
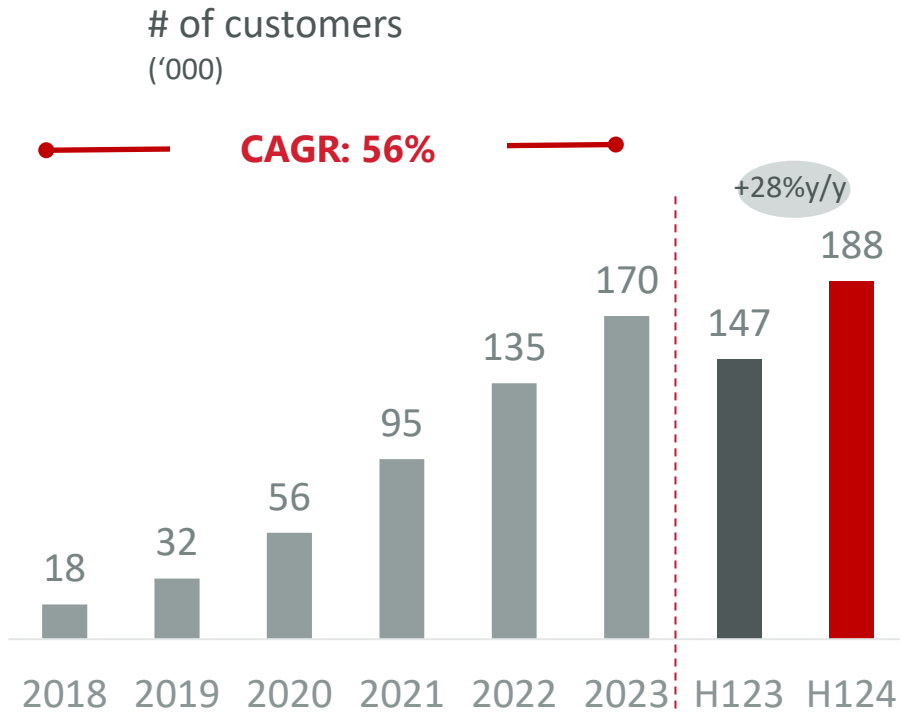
- Strong invoiced and IFRS revenue growth
- EBITDA margin is at 49% in Q224, up from 43% in Q223
- Net income affected by IAS29 adjustment and lower net financial income

Logo Türkiye USD mn



eLogo: e-Service platform and leader in digital transformation

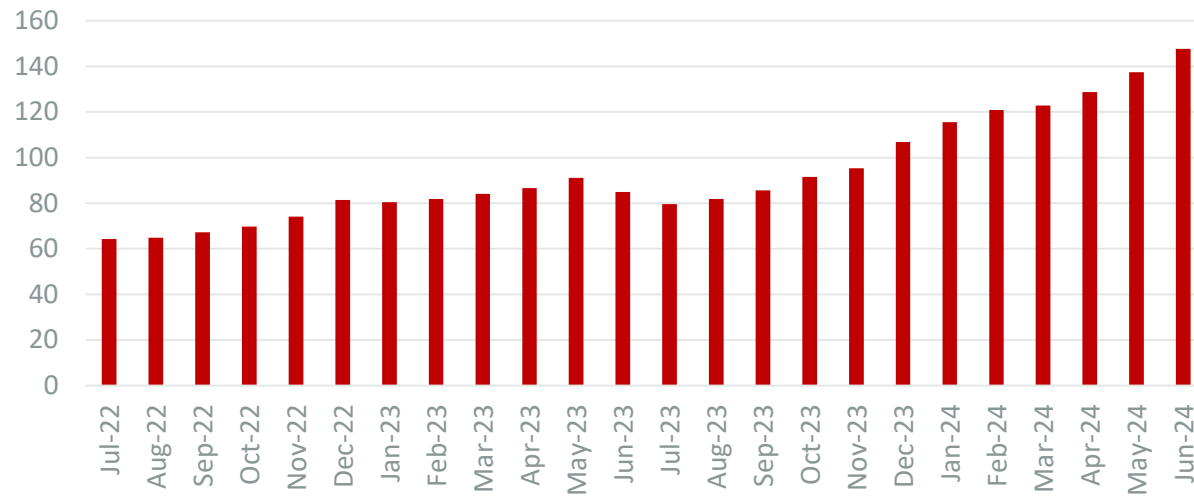
Market leader in e-government solutions; e-Invoice, e-Archive, e-Ledger, e-Dispatch with 188K customers



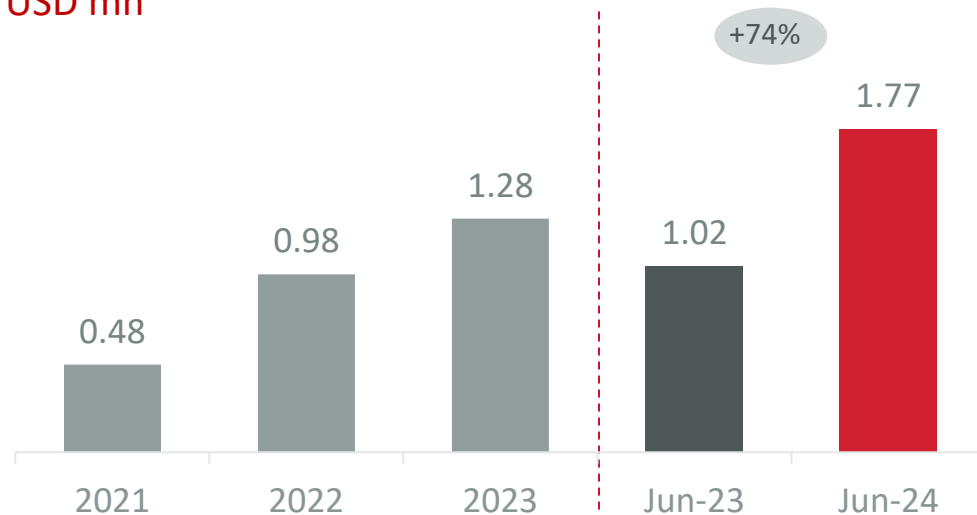
Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering basic accounting software and e-invoicing services

MRR
USD '000



ARR
USD mn

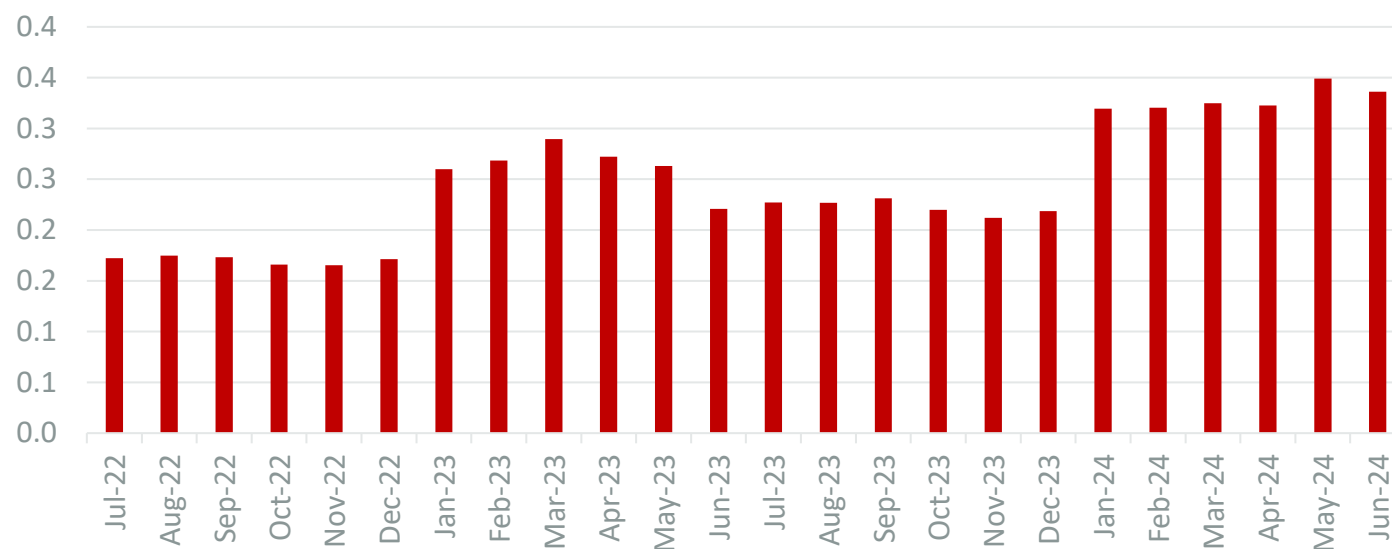


- Total users reached **64 thousand**, with **39% y/y growth**
- **ARPU*** is at \$28, up from \$22 at 2023-end

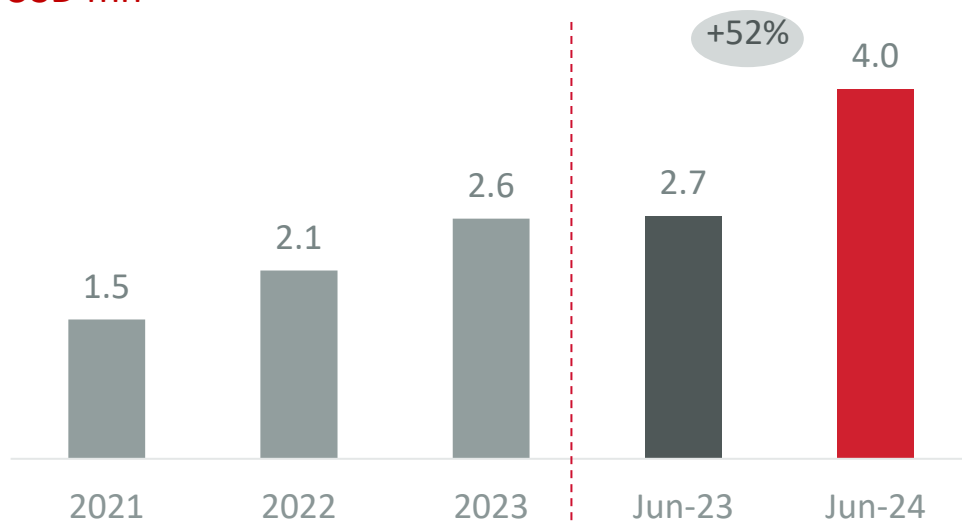
Logo Diva Retail

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

MRR
USD mn



ARR
USD mn

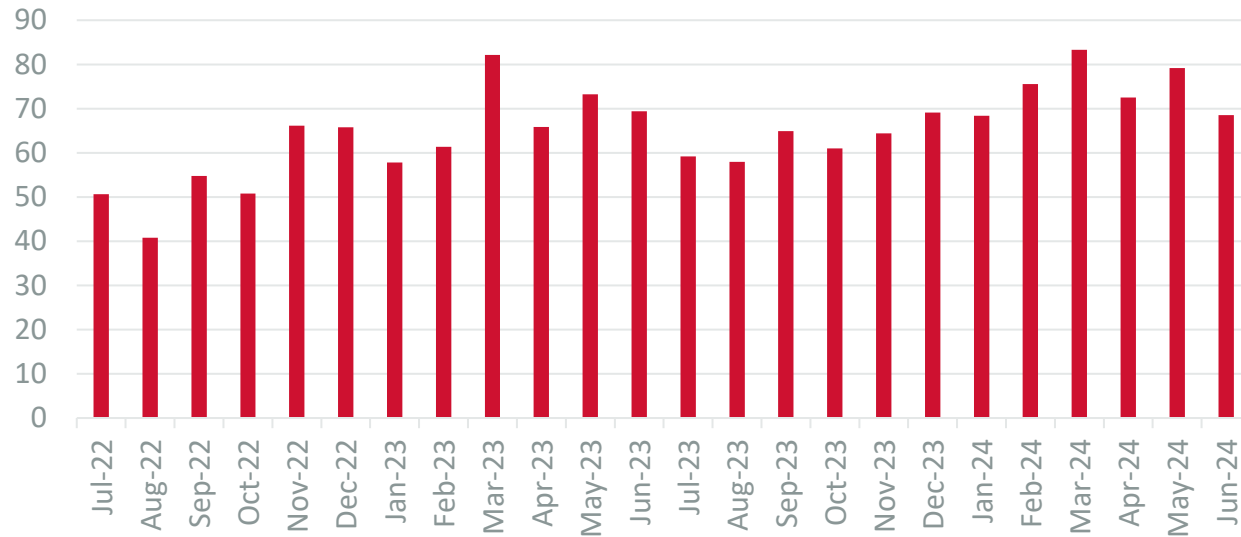


- **Total customers** is at **139**, with **10,7K user locations** growing by **5% y/y**
- **ARPU**** is at \$378, up by 50% from \$252 at 2023-end

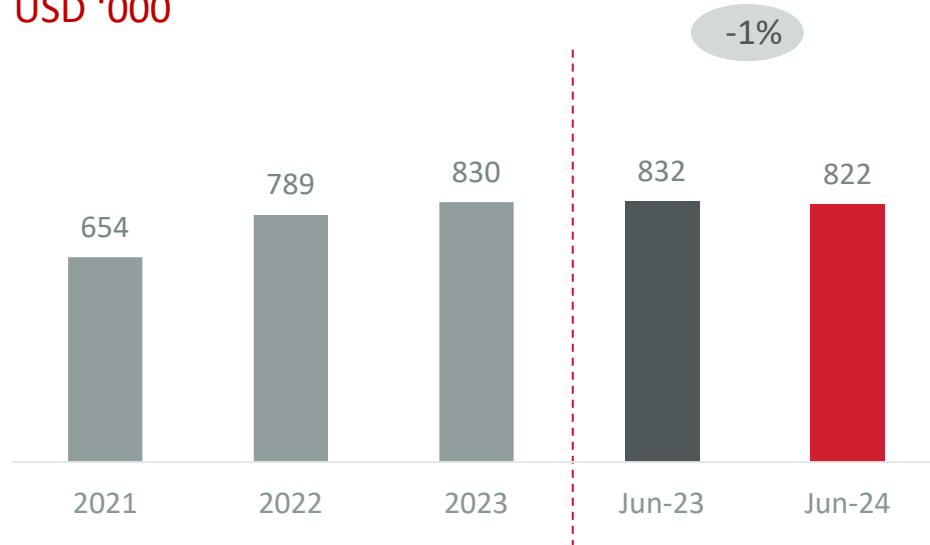
Peoplise

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

MRR
USD '000



ARR
USD '000



- **Total customers** is at 180 – stagnant due to low hiring rates
- **ARPU** remained consistent at \$4.6K
- 7 out of 10 most powerful brands* in Türkiye use Peoplise’s solutions.

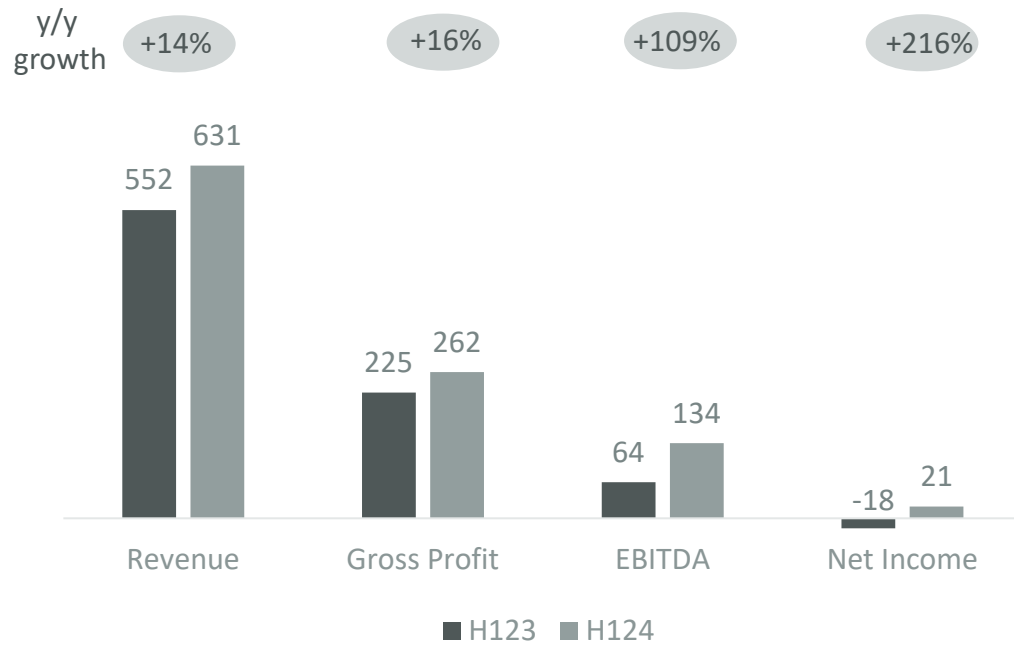


* 10 most powerful brands according to Brand Finance Turkey 100 2023 report dated June 2023.
MRR = Monthly recurring revenues. ARR (Annual run rate) = MRR x 12.
ARPU = ARR / # of customers at the end of the period.

Total Soft: strong results

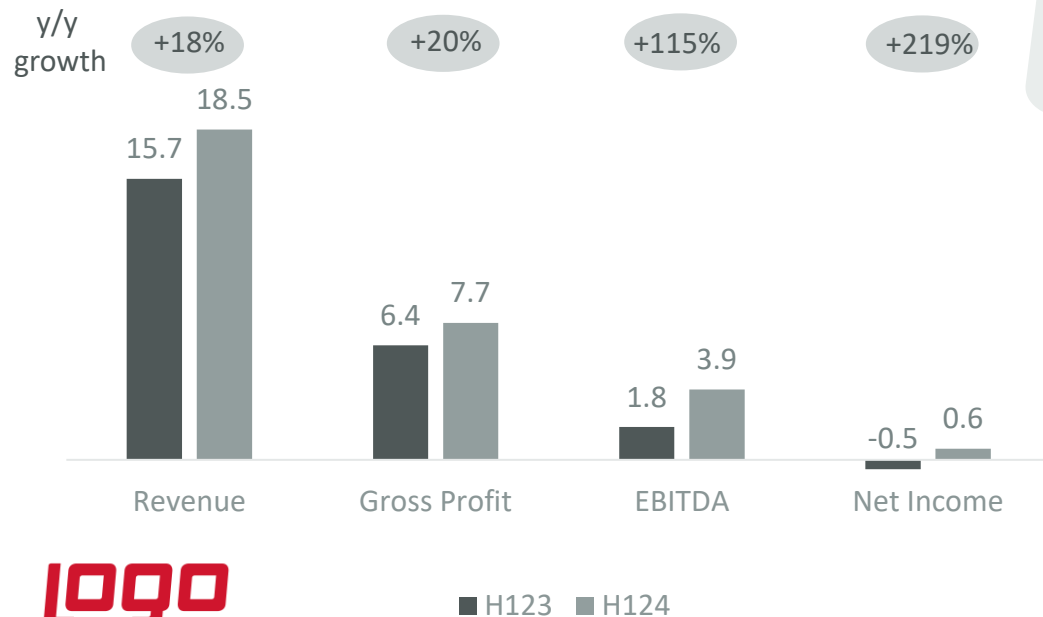
Total Soft

TL mn



Total Soft

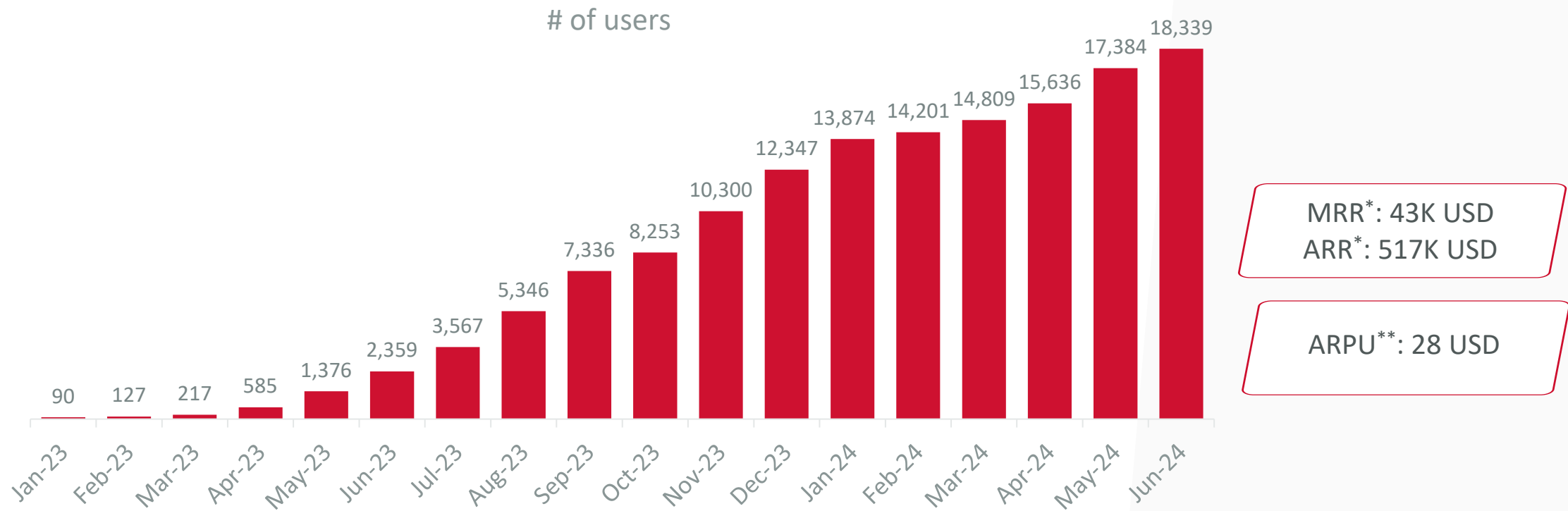
Euro mn



- Strong revenue growth, and optimization in operating expenses inline with project backlog realization improved profitability. EBITDA margin is at 21% in H124, increased from 12% in H123
- 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%. Depending on the finalization dates of certain regulatory steps, Total Soft will be recognized according to equity method, latest in 2024 year-end results
- Total Soft sales are 28% of consolidated sales, EBITDA %16 of consolidated EBITDA, Total Assets %34 of consolidated Total Assets as of H124

Logo CaptainBiz: SaaS solution for MicroSMEs in India

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



- Ready-to-use software
 - User-friendly design
 - Mobile accessibility
- Effortless digitalization experience

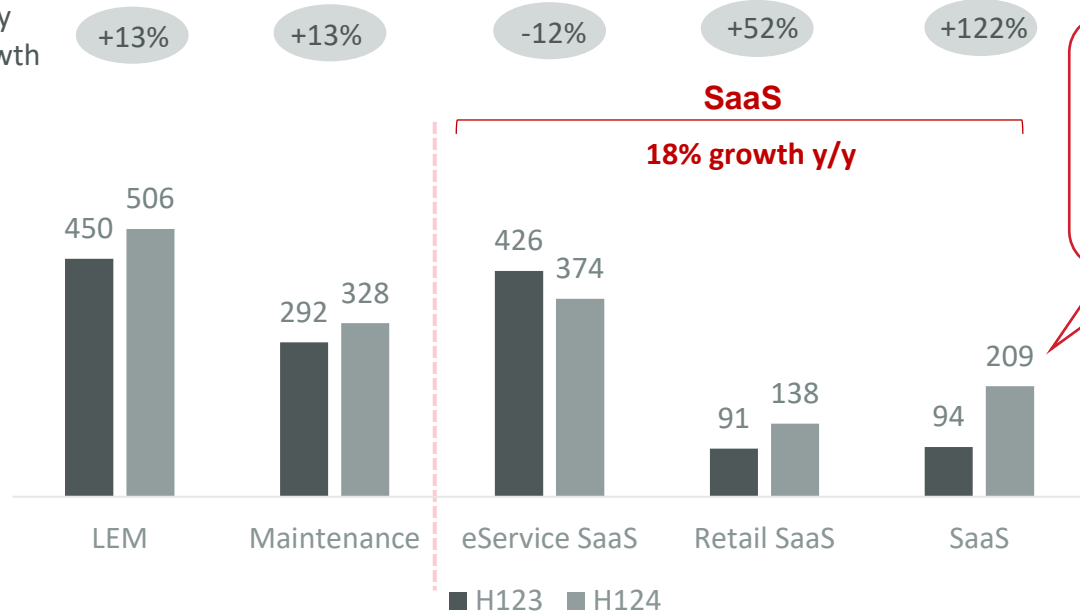
Recurring Revenue Growth Ensuring Predictability

Sustainable revenue growth supported by SaaS transition

Recurring Invoices

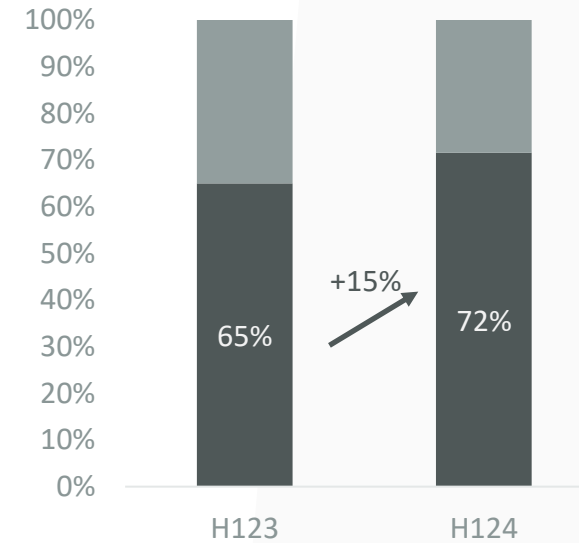
TL mn

y/y growth



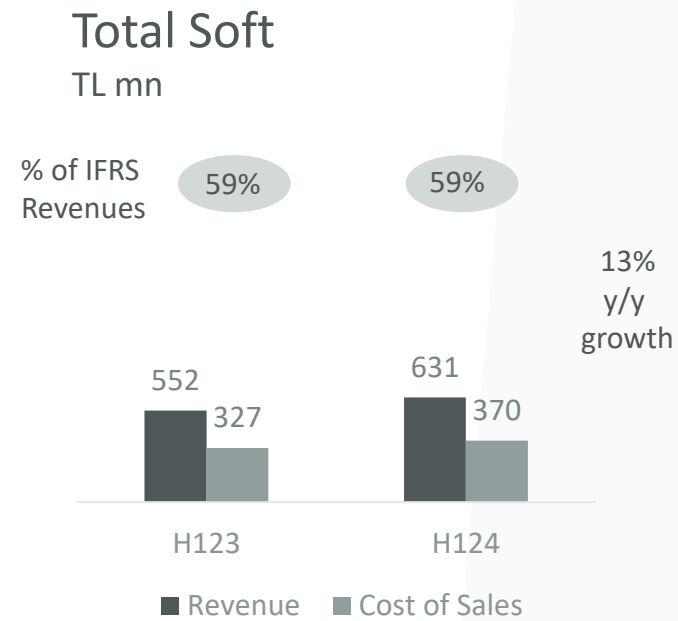
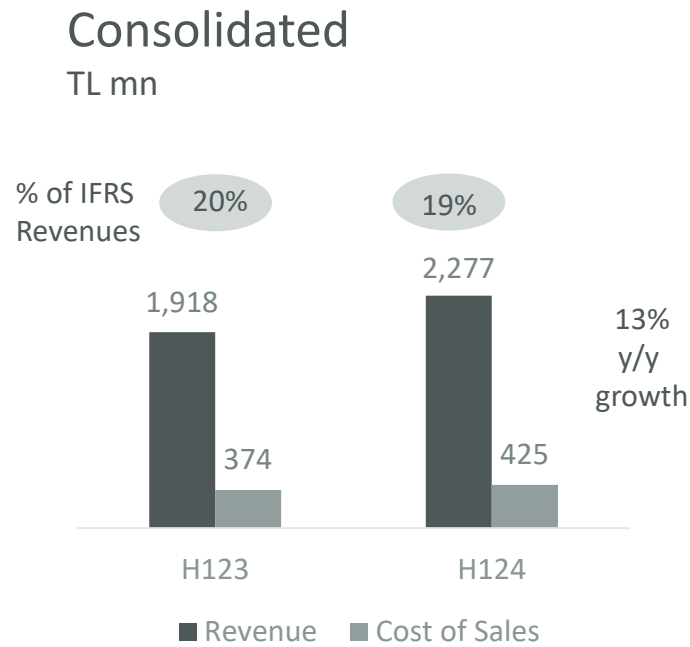
Recurring Invoices/Invoices

%

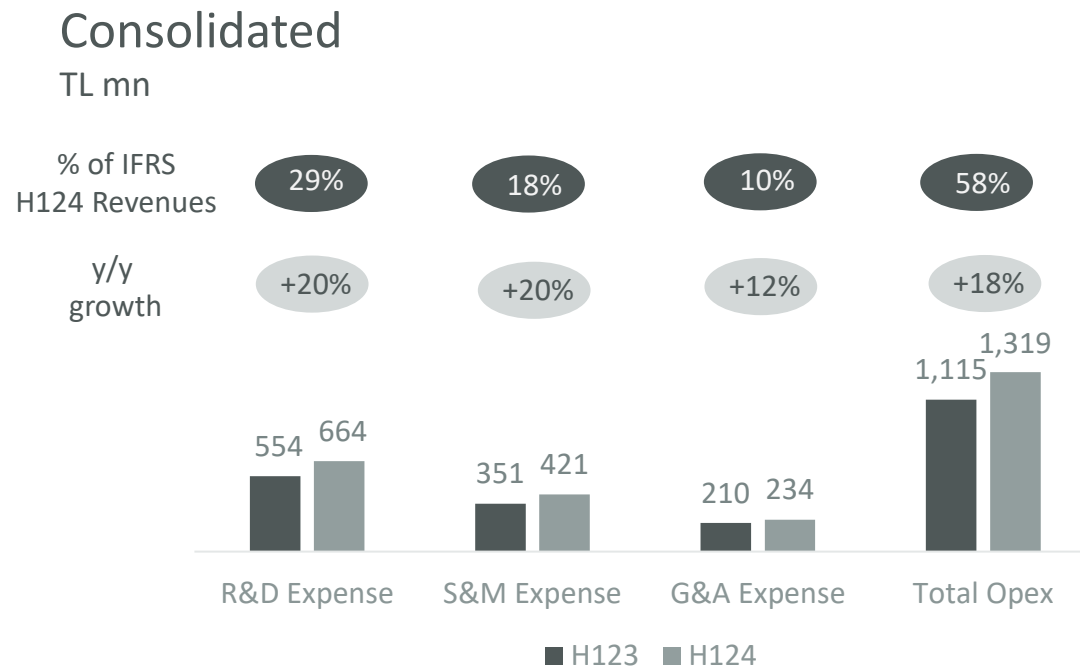


- **Recurring revenues** up by 15% y/y, and has 72% share in total invoiced revenue
- SaaS revenues include eService's coin revenues, Retail SaaS, İşbaşı, Peoplise and other SaaS sales from Türkiye and Romania
- SaaS revenues grew by 18% y/y in H124, share in total revenues reached 33% in H124 from 29% in H123

Cost of Sales



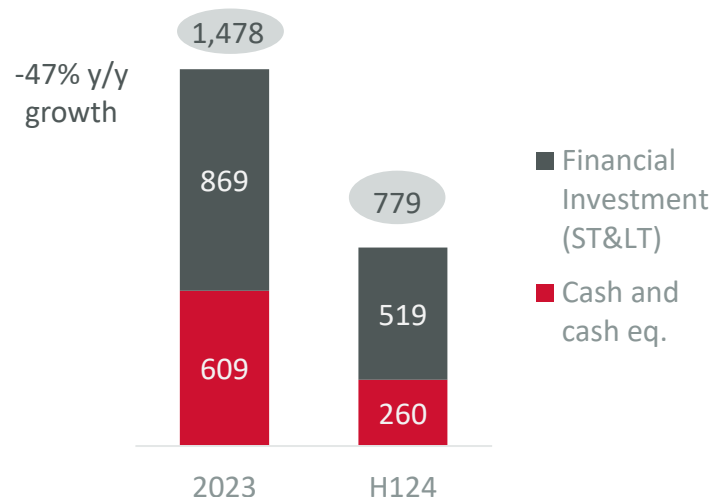
Operating Expenses



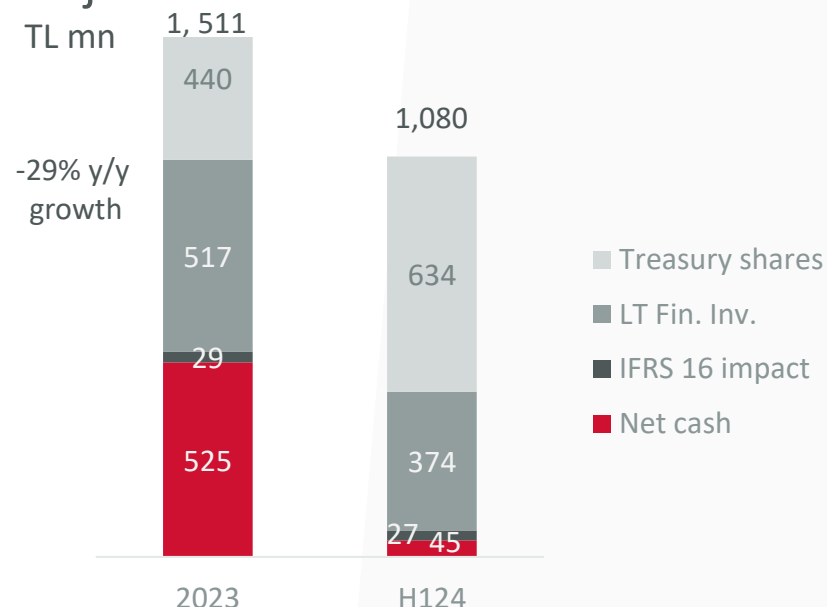
Effective financial management and strong balance sheet

Consolidated

High liquidity
TL mn



Adj. net cash*
TL mn



* Includes long-term financial investments, and the treasury shares (6.20%) at H124-end price of 102 TL.

Balance sheet highlights

TL mn

	2023	H124	Δ
Cash & Cash Eq.	608.9	260.1	-57%
Trade Receivables	1,017.4	888.7	-13%
Tangible Assets	354.5	331.3	-7%
Intangible Assets*	3,061.6	3,001.8	-2%
Other Assets	1,622.2	1,223.7	-25%
Total Assets	6,664.6	5,705.5	-14%
Total Liabilities	3,792.3	3,243.8	-14%
Total Shareholders' Equity	2,872.3	2,461.7	-14%
Total Liabilities and Equity	6,664.6	5,705.5	-14%
Shareholders Equity Ratio	0.43	0.43	0%
Current Ratio	0.66	0.57	-14%

2024 Guidance

Logo Türkiye expectations:

- 30% invoiced revenue growth
- 34% IFRS revenue growth
- EBITDA growth of ~ 15%
- EBITDA margin of ~ 25%

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%. Depending on the finalization dates of certain regulatory steps, Total Soft will be recognised according to equity method latest at year-end 2024.

LOGO

Thank you

Logo Investor Relations Team

T: +90 262 679 8000

E: investor@logo.com.tr