

AGCO

AGCO EMFM Virtual Investor Conference Presentation

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IR Director

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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 at a glance



Enterprise
Application
Software (EAS)
Company



Local leader
in Turkey and
Romania



Active in
India
through a JV



39%
IFRS revenue
CAGR
in 2010-2020



545 mn TL
2020
revenues



62%
Recurring
revenue base



Growing SaaS
business



Dedicated
R&D spending



1.200+
employees



44%
women
employees



5.000+
people in
ecosystem



110.000+
Customers*

Key investment highlights



Solid growth



Leading provider of EAS solutions



High profitability



Extensive product suit



Latest technology



Largest business partner network in Turkey / 800+

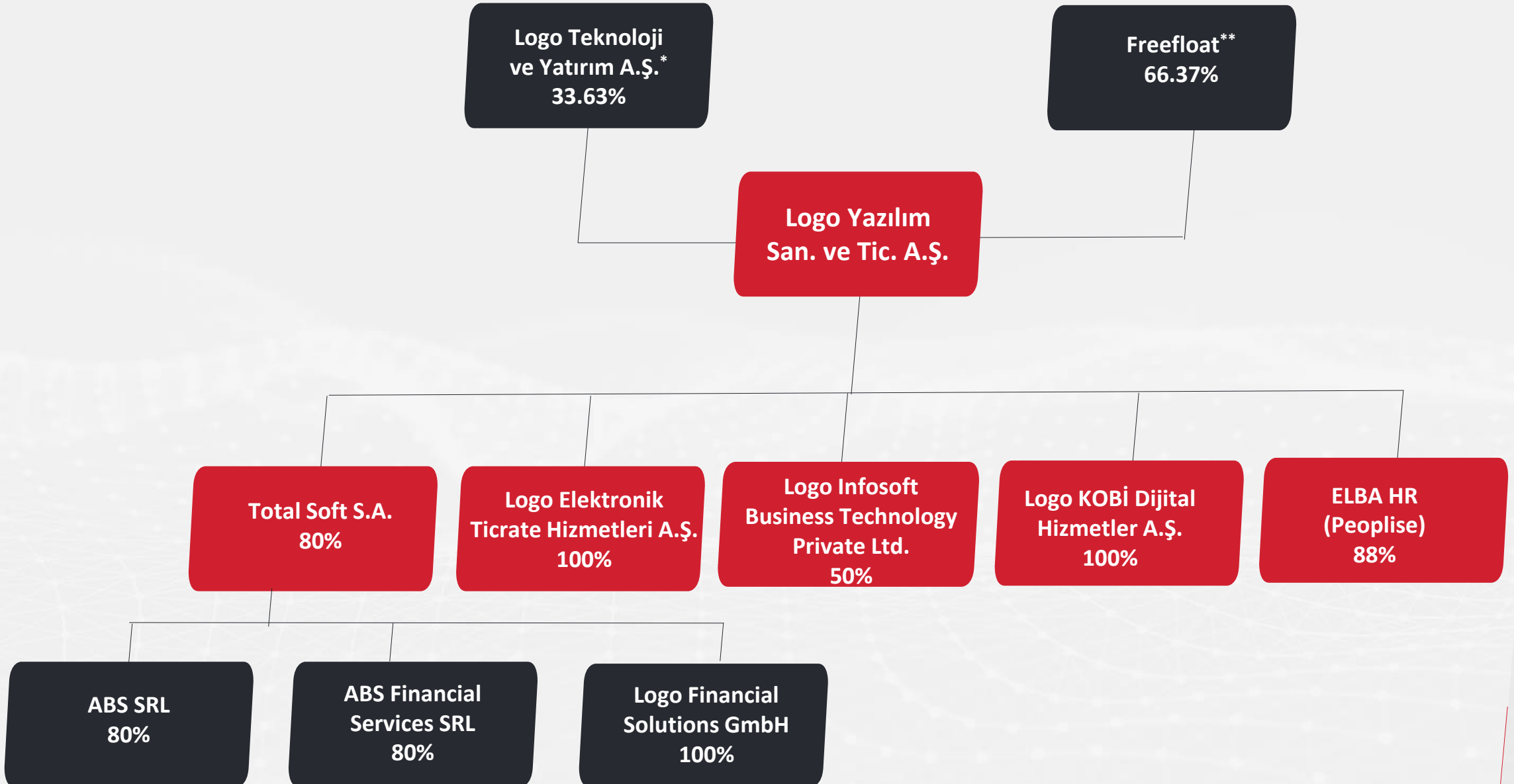
International expansion in emerging markets



Most valuable IT brand*



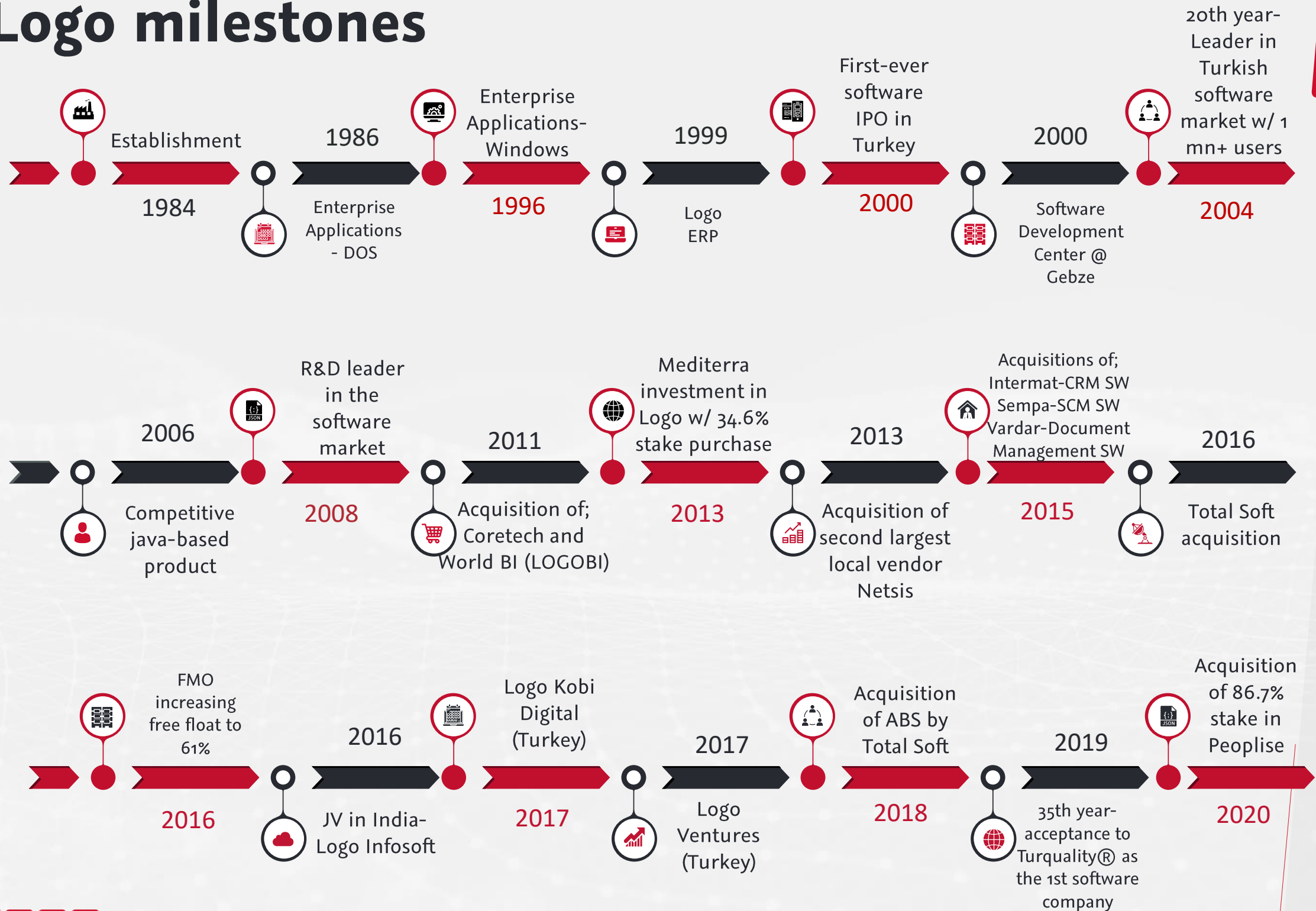
Shareholder structure



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

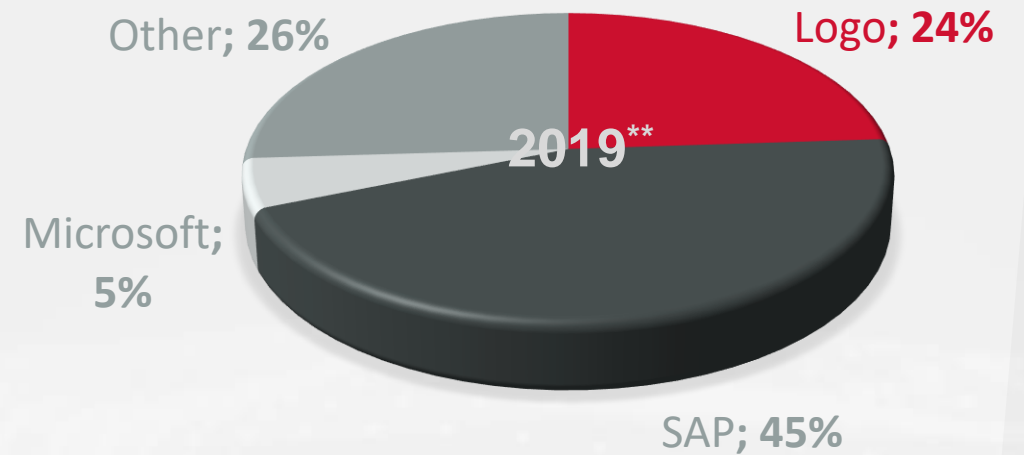
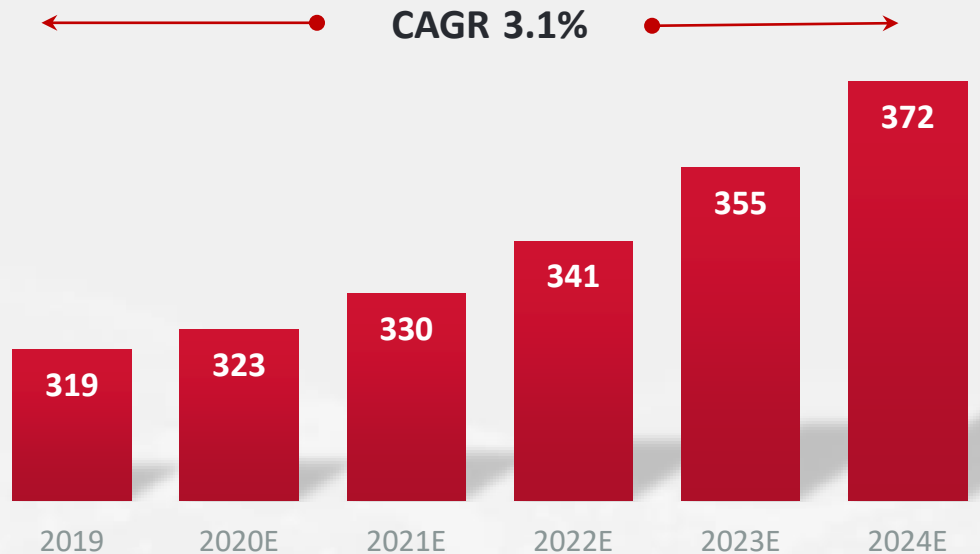
** Includes the treasury shares of 3,22%.

Logo milestones



Turkish EAS market and Logo market share

Turkish EAS market growth expectation* (\$mn)



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

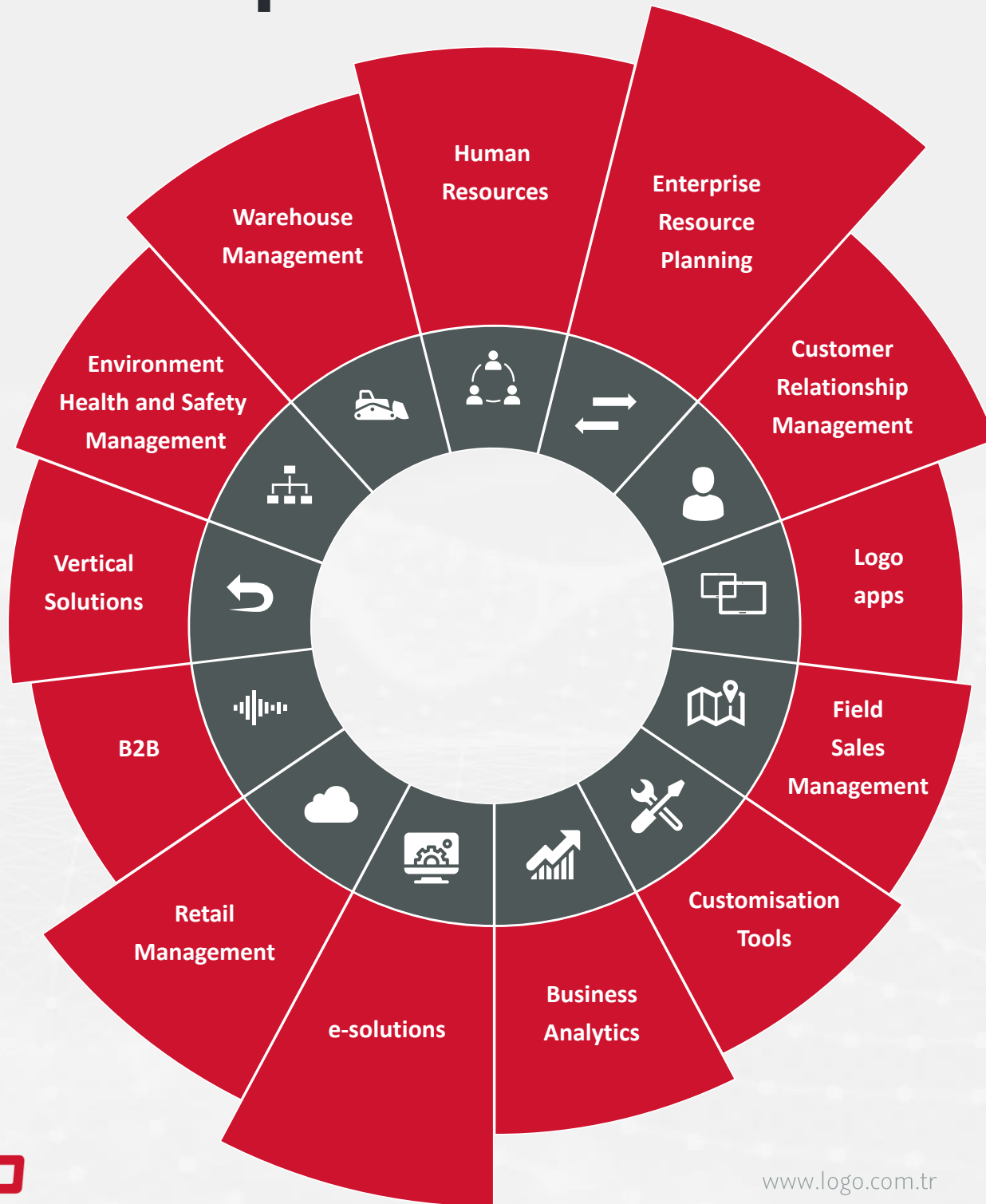


Potential pricing upside

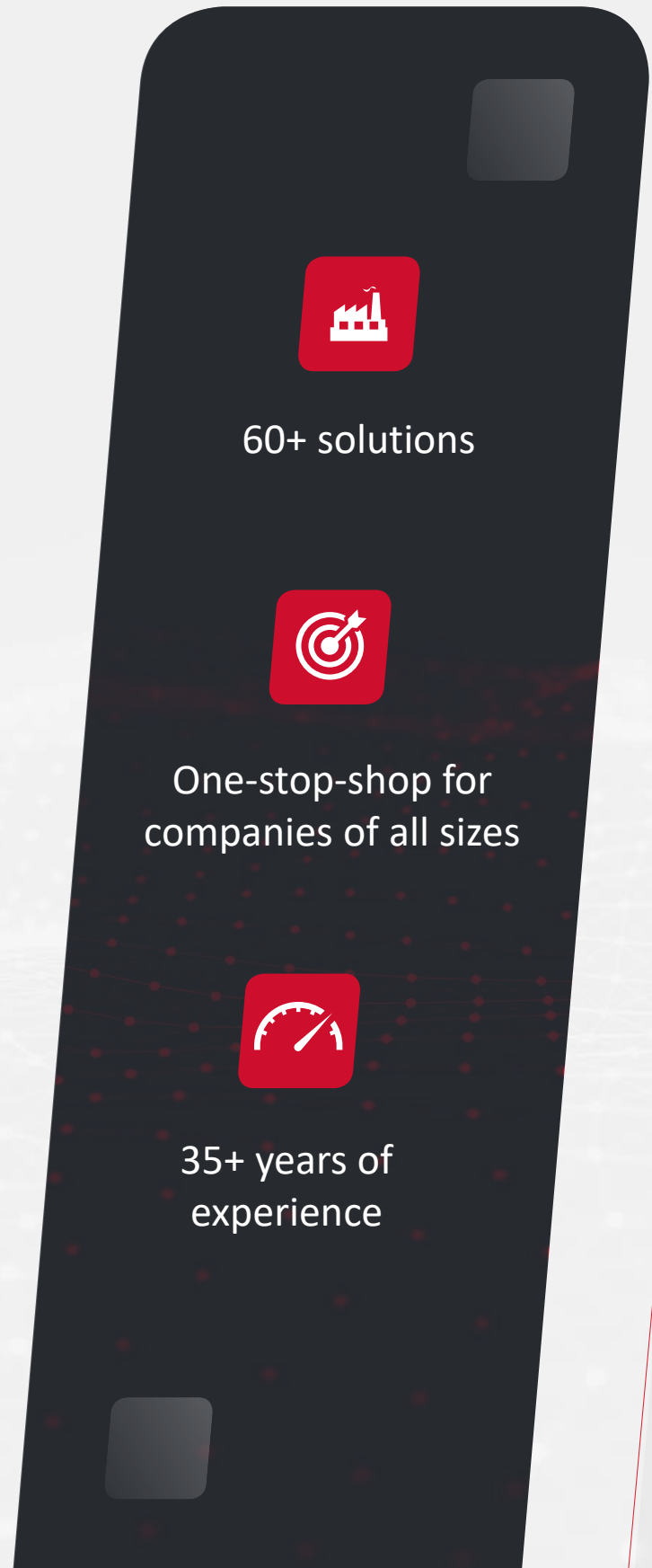


Digitalization becoming more of an obligation than choice post Covid

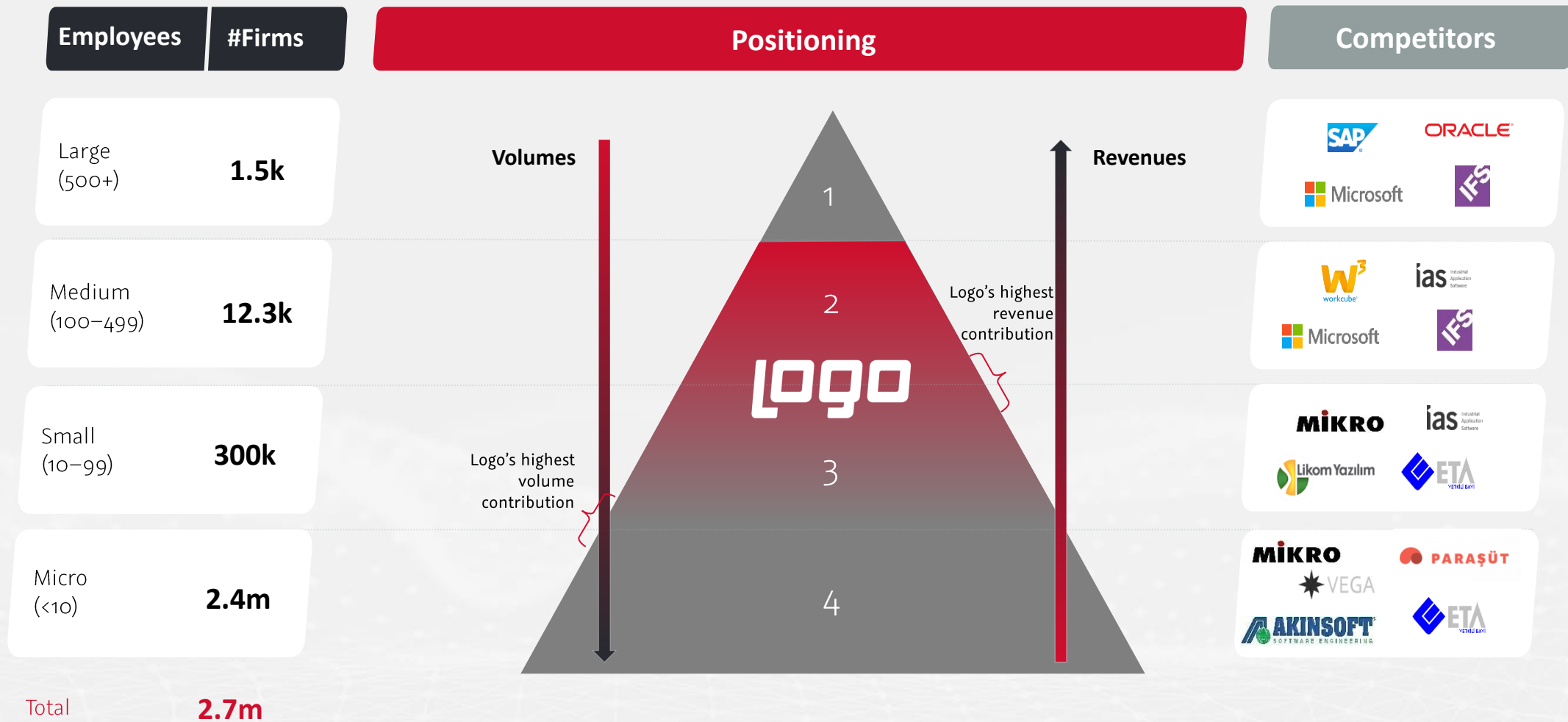
Extensive product suite



www.logo.com.tr



Logo Turkey's product portfolio from micro to large corporates

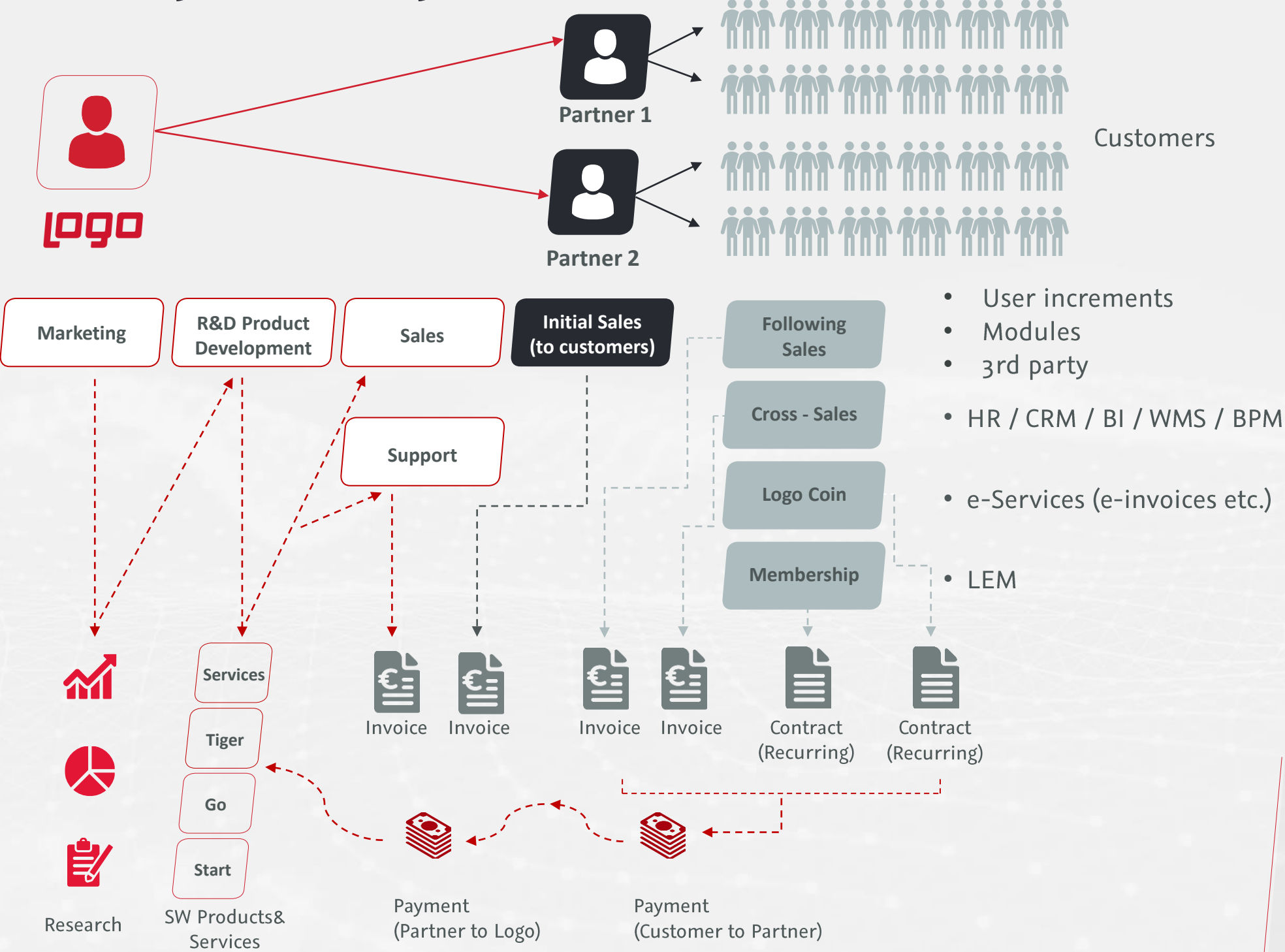


- 1**
- Higher presence of large incumbents that do not have SME tailored products
 - Low volume, high penetration region

- 2-3**
- Market leadership with highest number of customers in Turkey
 - Tailored SME products with local know-how

- 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



Competitive advantages of Logo Turkey

1

Robust product suite

- Best suited to local market legislations and business practices
- Lower total cost of ownership
- Attractive price point, simple maintenance and easy implementation
- Best-in-class technology and adaptive to trends

2

Extensive distribution network

- Large network of 800+ BPs and c. 5,000 sales and implementation team members
- All BPs exclusively sell Logo software products creating high barriers of entry
- 50% of BPs have tenure longer than 10 years
- No BP with over 1-2% of sales

3

Strong brand

- Trusted brand with > 35yrs of presence
- Positive perception of Logo products across the board
- Upsell opportunities to large passive customer base of c. 100k
- Strong advocates of Logo products

Appeals to customer base

Rapid growth in total & recurring revenues

Increased opportunity to cross-sell

Low churn

Economies of scale

Major recurring revenue streams of Logo Turkey

LEM – Logo Enterprise Membership

Pay as you go – Logo coins



License
maintenance



3,896
new features
added in 2020

28%

Revenue
CAGR in
2015-2020



Version
releases
New features
Regulatory
changes



32%
share in
recurring
revenues in
2020



7 version
releases in
2020

Market
leader in
e-government
solutions



71,000
Customers
(end-H121)



e-invoice
e-archive
e-ledger
e-dispatch

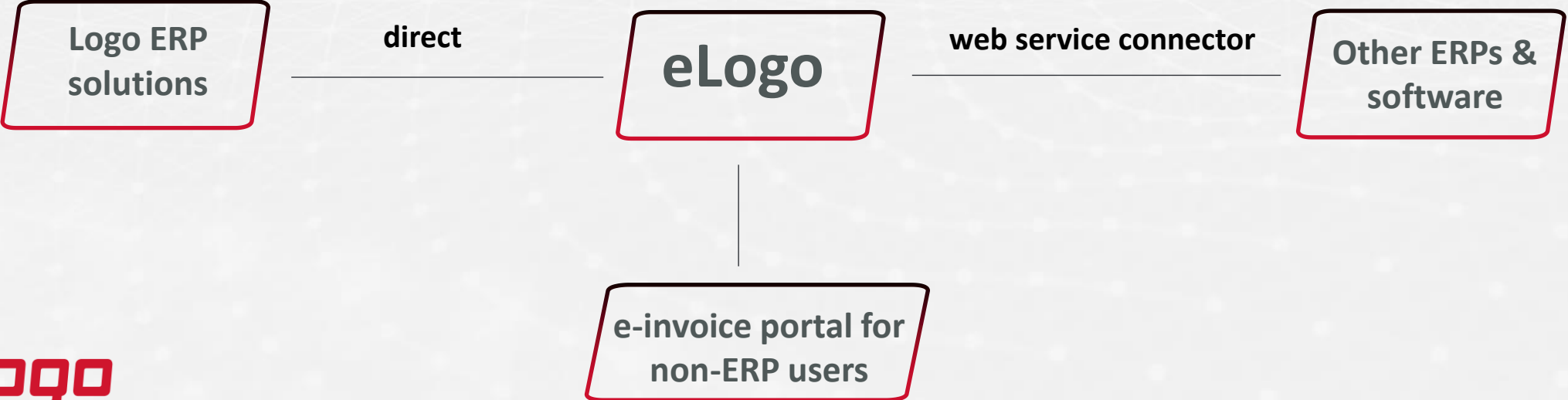
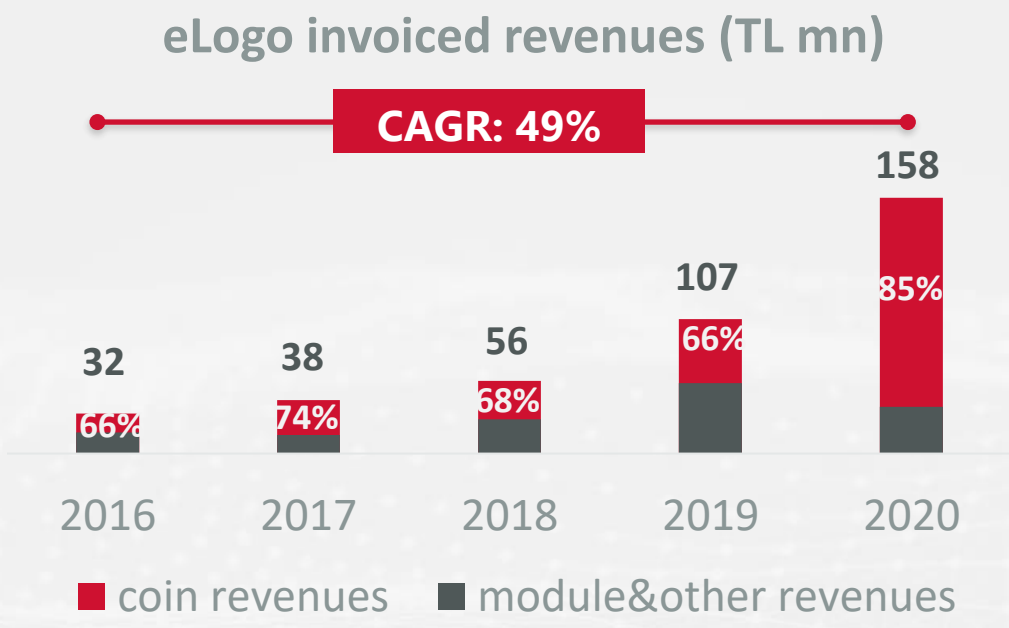
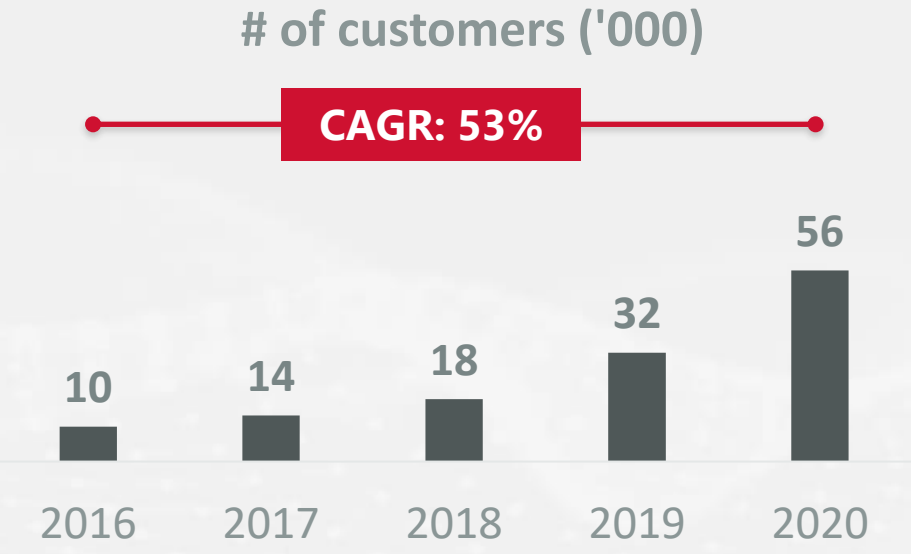
59%
Logo coin
revenue
CAGR in
2016-2020

35%
share in
recurring
revenues in
2020

86%
increase in
coin sales in
2020

eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 56K customers



Logo Total Soft - Romania



25 years of experience



Over 800 clients



Expertise in business application software development & implementation across various industries

Competitive advantages of Logo Total Soft

1 Robust product suite & superior service quality

- Charisma Business Suite; core being ERP and Human Capital Management (HCM)
- Focus on 8 verticals at the second layer; Financial Services, Healthcare and Agriculture standing out
- Innovation and technology present in all product and services

2 Strong brand

- Trusted brand with >25 yrs of presence
- 1st place in Romanian ERP providers
- Human Capital and Healthcare solutions expanded through CEE
- One of Top 10 Global Leasing and Credit solutions
- Member Firm of Global Retail Consulting, Ebeltoft

3 Project management know-how

- Development of best of breed solutions together w/ vertical leaders
- Project implementation experience in 35 countries
- Know-how, innovation and project management capabilities strengthened with ABS acquisition in 2018
- High-quality developers dedicated to project development

Appeals to medium and large sized local and international client base

Well-positioned to increase international sales

Client centric organization and business model

Competitive positioning in home market

Sustainable competitive advantages in multiple verticals

Research and Development

Meeting new user generation's expectations & Customer centric design

Evolving from content richness approach to usability and accessibility approach

Mobile and web usage

Compliance with e-gov't processes



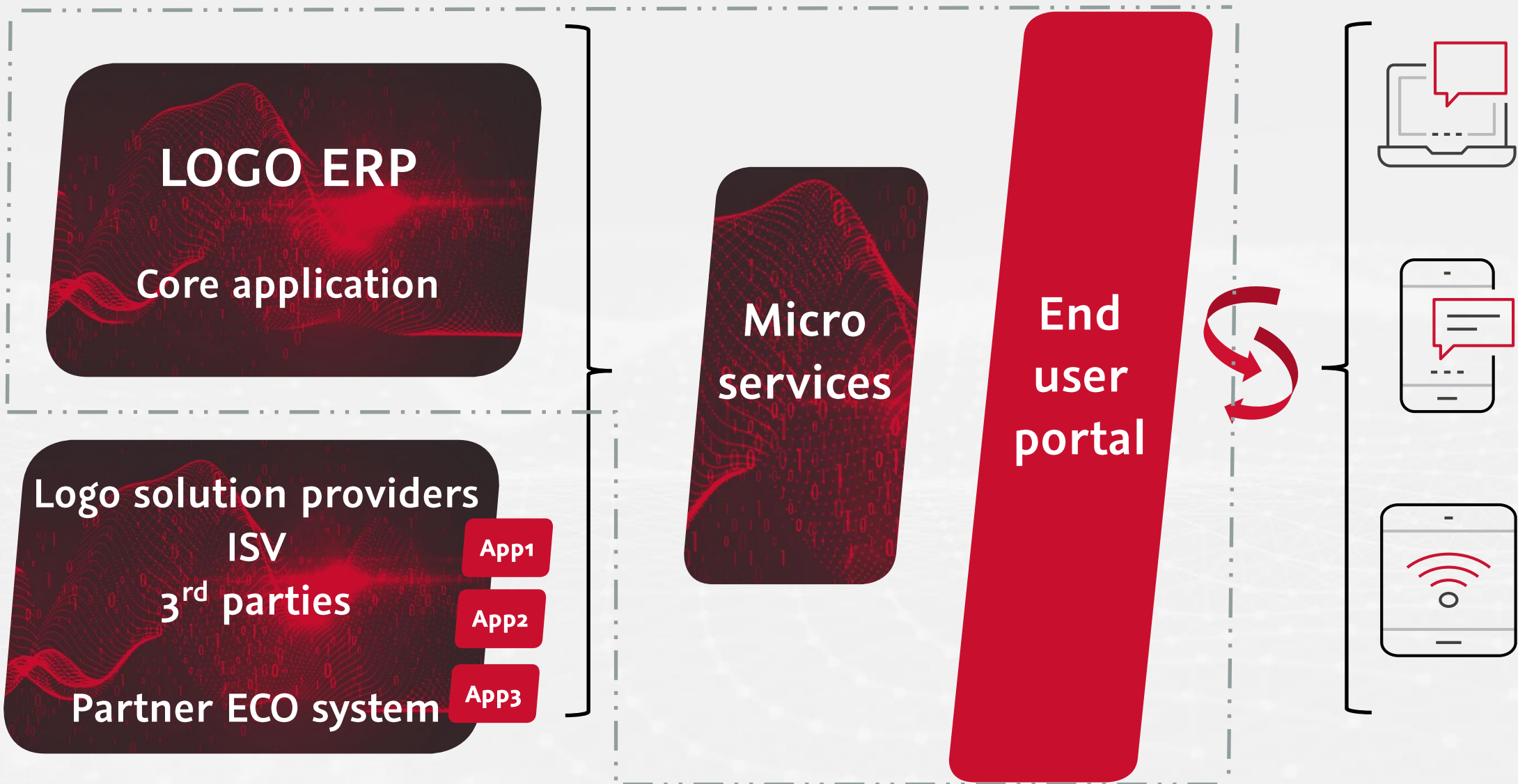
Machine Learning enabled documentation and i18n

aPaas for ERP Services

All products with the same design approach, and on one platform

Logo Cloud Portal

Software ecosystem on cloud infrastructure; enabling all Logo business partners and solutions partners to develop products that work in sync with core ERP



Micro services include data, menu, management, notification, reporting, monitoring, measurement, log, billing services etc.

MicroSME digitalization

Turkey

- ✓ SaaS solution **Logo İşbaşı**'s users reached **27 thousand** at end-9M21 with **383% growth y/y** in a very competitive MicroSME segment
- ✓ Logo as the leading e-invoice provider, differentiates itself with **high service quality**
- ✓ Quick and **easy upgradability** to a larger ERP solution
- ✓ **Value creation on digital platform**: connecting revenue administration, financial institutions, customers, trade partners and e-commerce sites

of users ('000)



India

Logo CaptainBiz is GSTN approved

Only 8 solutions are approved by the Goods and Services Tax Network (GSTN) of India

Logo CaptainBiz is a mobile solution

Only 4 solutions are mobile among the 8-GSTN-approved solutions

1K users at end-9M21

Basic functionality is free for 1 user until March 2023 - when thru GSTN

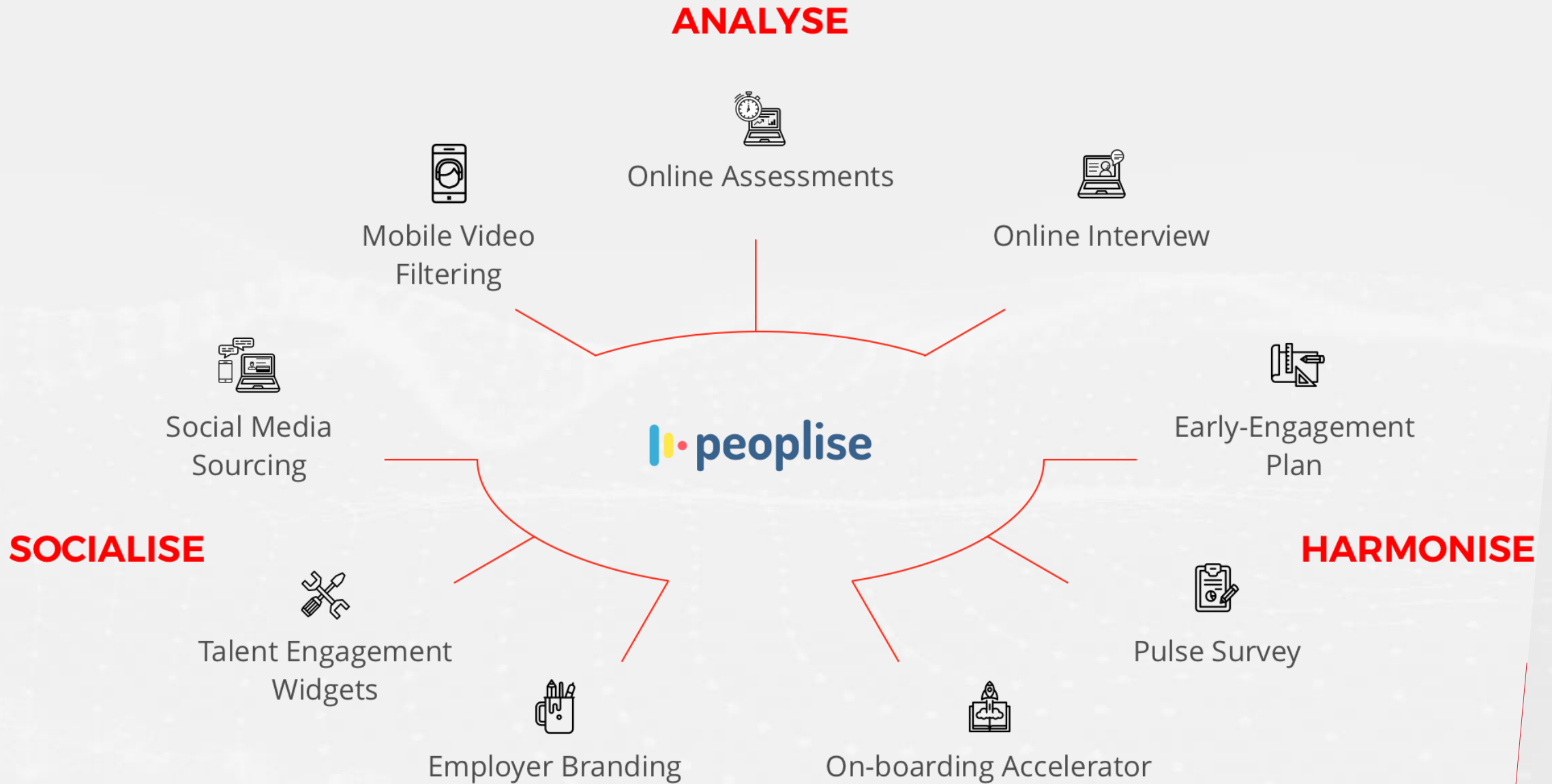
Same source-code with Logo İşbaşı

Aligned R&D effort

- ✓ SaaS solution **Logo CaptainBiz** final product with enhanced features rebranded and launched in 2020
- ✓ Total **investment** by Logo is \$4.65 million since JV's foundation at end-2016;
 - \$1.00 mn equity
 - \$3.65 mn long-term equity convertible

Peoplise: next generation talent acquisition

Logo's new asset complementing its HR solutions



ERP case study: Pegasus Airlines

Turkey's digital airline is using Logo's solutions since 2008

eLogo

allows Pegasus process e-invoices within its vast supply chain network and with General Revenue Administration (GIB)

Logo Connect

ensures seamless connection between the core ERP and e-gov't solutions



Logo Flow

document flow among various business applications

Logo Treasury Wizard

invoice cross-check with Logo ERP, and integration with banks via two-way automated flow

Case studies for various solutions

Unilever / Consumer Goods

- **Logo j-Platform (ERP)**

Customer's need:

- Managing distributors' sales and distribution activities
- Centralized management
- Cost saving

Logo solutions' benefits:

- Cost saving on server investment, maintenance and support
- Centralized data management
- Sales team of 1,600 people connected and integrated via tablet application

Barilla / Pasta

- **Logo Ocean (warehouse automation)**
- Logo Tiger 3 Enterprise (ERP)
- e-gov't solutions (eLogo)

Customer's need:

- Increasing efficiency in warehouse management
- Quicker response time for customer requests
- Faster and easier inventory counting
- Reducing aged product inventory

Logo solutions' benefits:

- 20% reduction in order preparation duration
- 30% reduction in shipment error rates
- Up to 50% improvement in aged product inventory
- Shortening the inventory counting time

Yaktas / Flooring

- **Logo CRM**
- Logo Netsis 3 Standard (ERP)

Customer's need:

- Meeting customers' changing needs
- Effective management, follow-up and reporting of sales and marketing operations
- Recording all field activities

Logo solutions' benefits:

- Increase in customer satisfaction
- Enhanced performance by sales teams thanks to mobile applications
- More effective communication with prospective clients

ESG in numbers



1,233

Employees



44%

Women employees



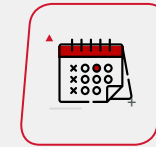
45%

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



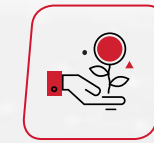
50%

of Board is independent



9,22/10

Corporate Governance Rating



100%

of e-waste recycled in TR



LOGO

9M 2021 results

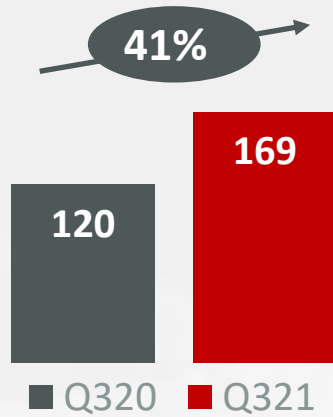
9M21 at a glance

- **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

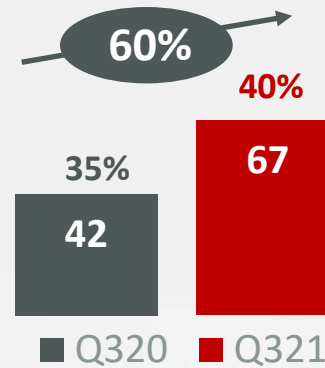
Solid performance continues in Q321

Consolidated

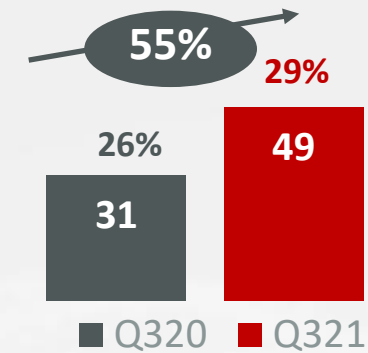
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

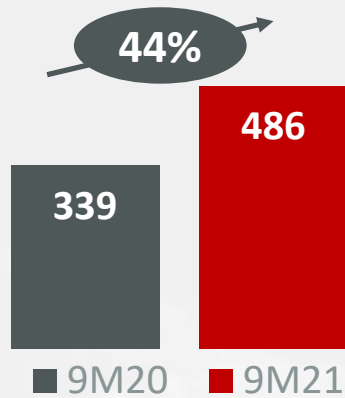


- **Revenues** grew by 41% y/y reaching 169 TL mn, with Turkey and Romania operations contributing 67% and 33% respectively.
- **EBITDA** increased by 60% y/y, yielding 40% margin.
- **Net income** grew by 55%, yielding 29% margin.

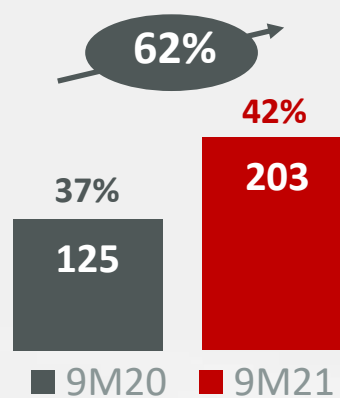
Outstanding results in 9M21

Consolidated

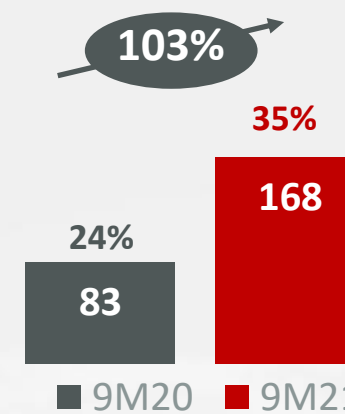
Revenues (TL mn)



EBITDA (TL mn)



Net Income (TL mn)

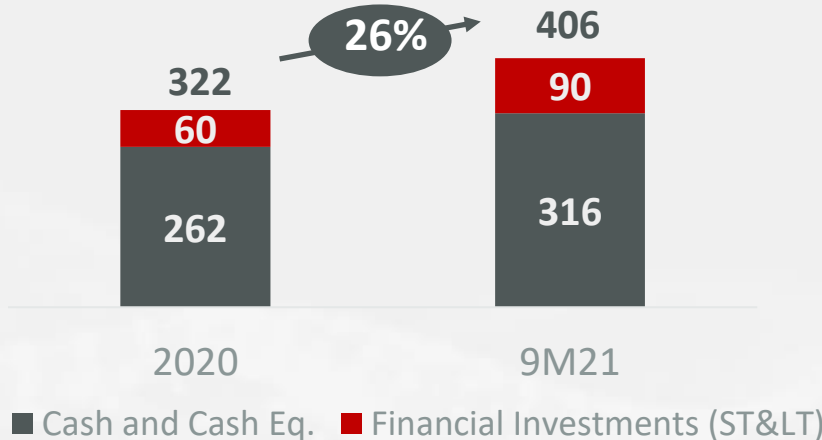


- **Revenues** up by 44%y/y, reaching 486 TL mn, with Turkey and Romania operations contributing 67% and 33% respectively
- **EBITDA** up by 62% y/y, reaching 203 TL mn yielding 42% margin
- **Sales/employee** up by 35% y/y (2010-2020 CAGR; 13%), **EBITDA/employee** up by 52% y/y (2010-2020 CAGR; 17%)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

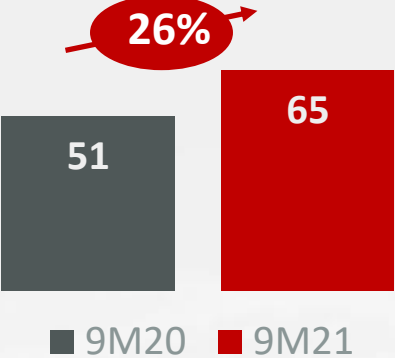
Effective financial management

Consolidated

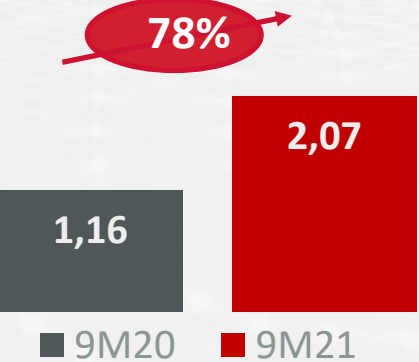
Cash & Financial Investments (TL mn)



Strong FCF – LTM (TL mn)



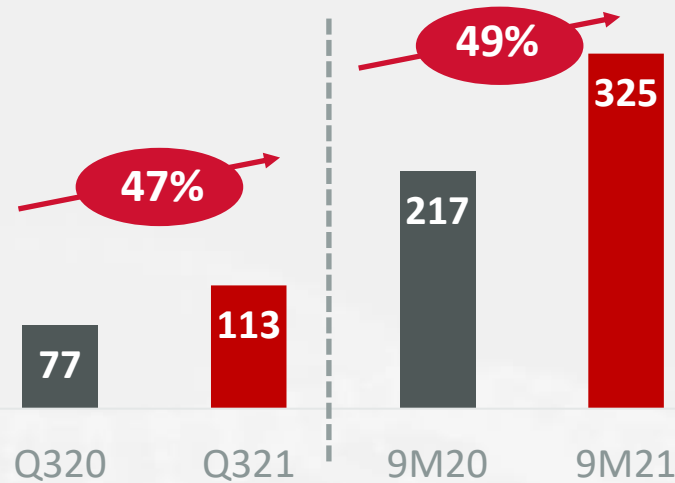
EPS (LTM)* growth



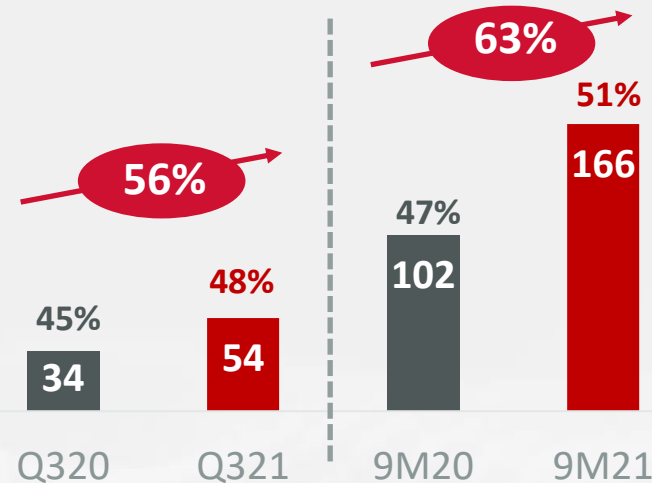
*Adjusted by 3.22% treasury shares (9M20: 3.48%)

Solid performance in Turkey

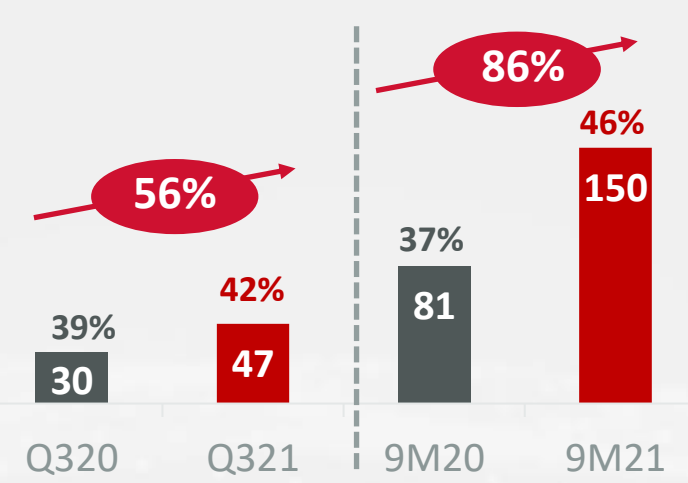
Logo Turkey-Revenues (TL mn)



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%



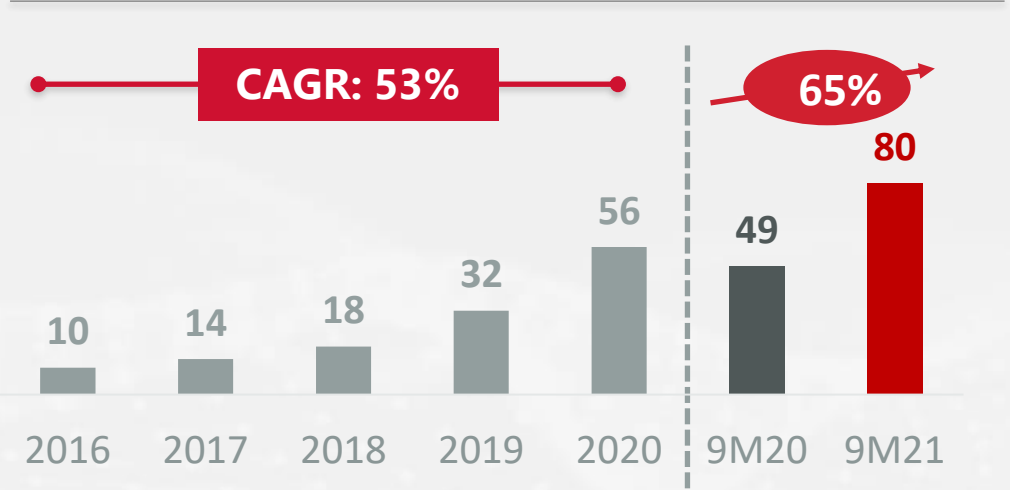
*IFRS 16 impact 9M21: EBITDA +5 TL mn (9M20: 5 TL mn) / EBIT +1,3 TL thou (9M20: +1,1 TL thou) / EBT -147 TL thou (9M20: -155 TL thou)

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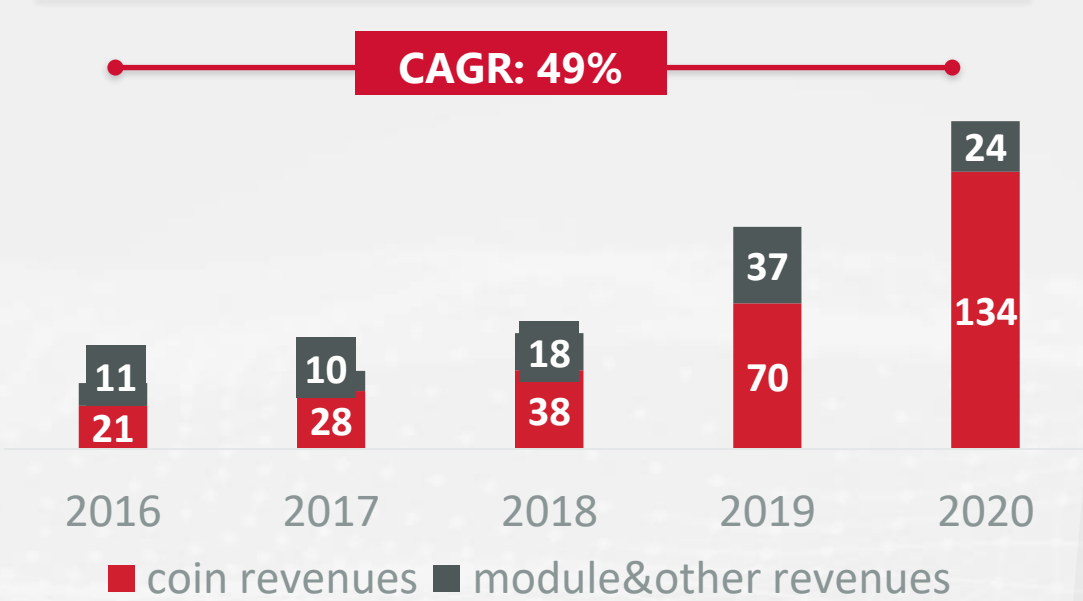
eLogo: e-services platform and leader in digital transformation

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

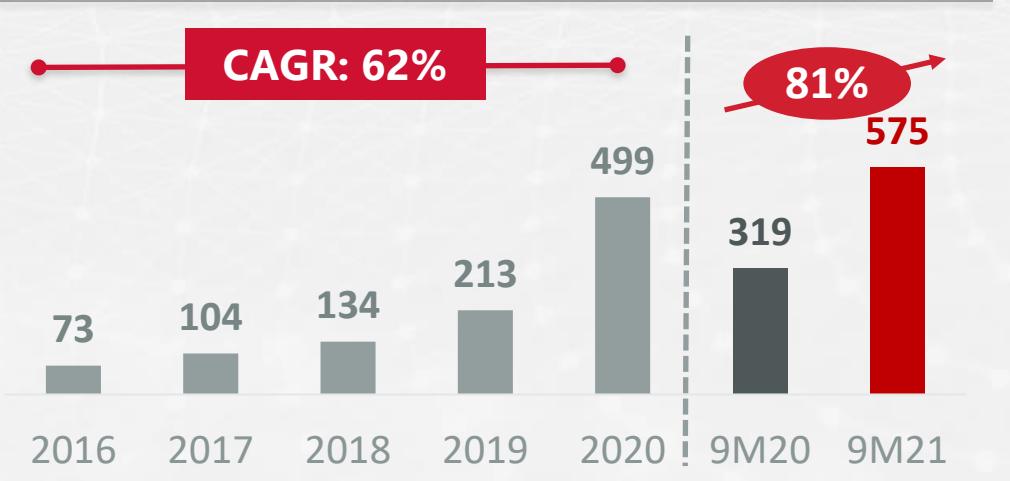
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)



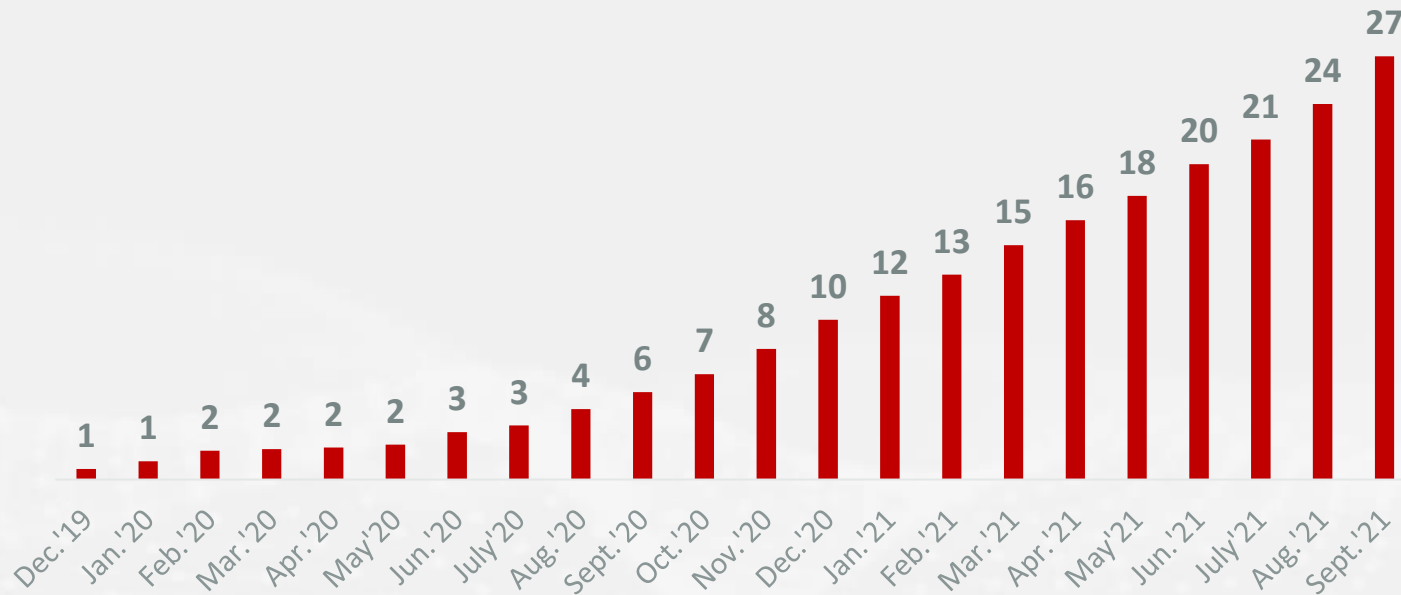
- ✓ **Growth** in number of customers and coin usage remained **strong** in 9M21
- ✓ eLogo invoiced revenues (modules and coins) recorded significant growth rate since 2016.
- ✓ Coin revenues comprises 85% of eLogo's invoiced revenues in 2020 and 89% in 9M21 signaling strong recurring revenue growth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



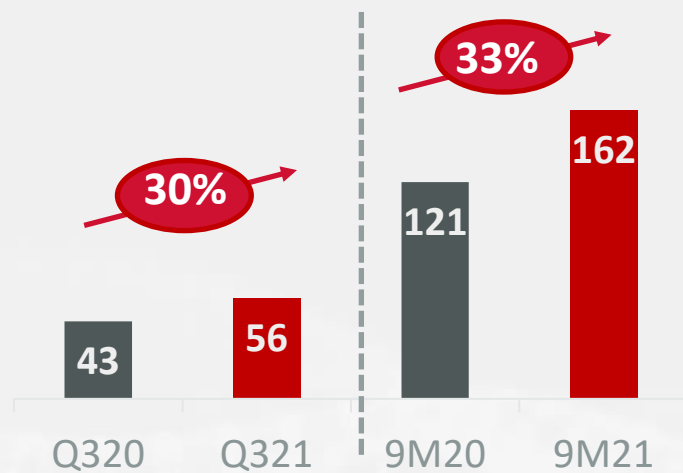
*ARPU (Average revenue per user) is based on total invoiced revenues (LTM) and average # of users (LTM).

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

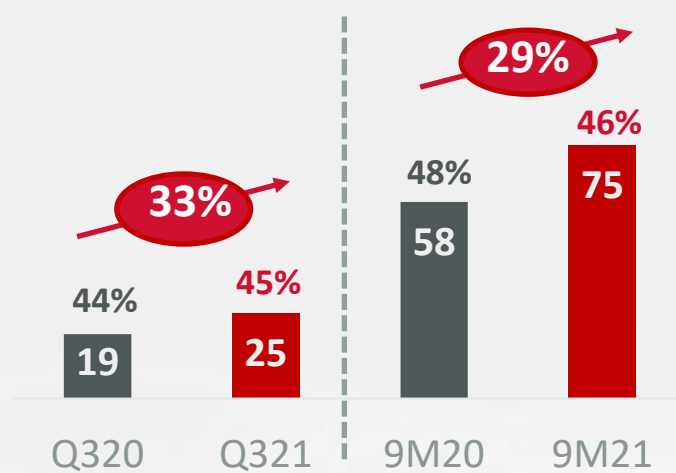
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Strong performance at Total Soft

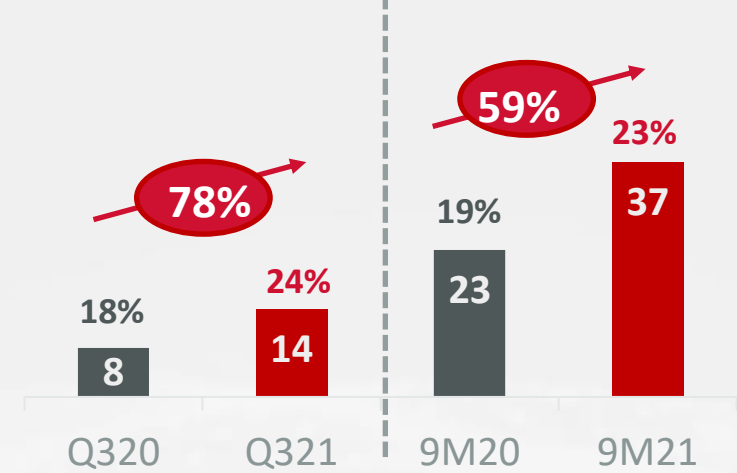
Total Soft–Revenues (TL mn)



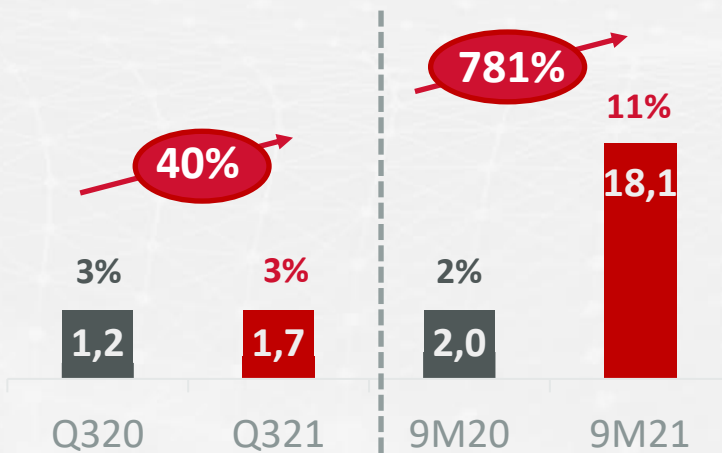
Total Soft–Gross profit (TL mn)



Total Soft–EBITDA (TL mn)



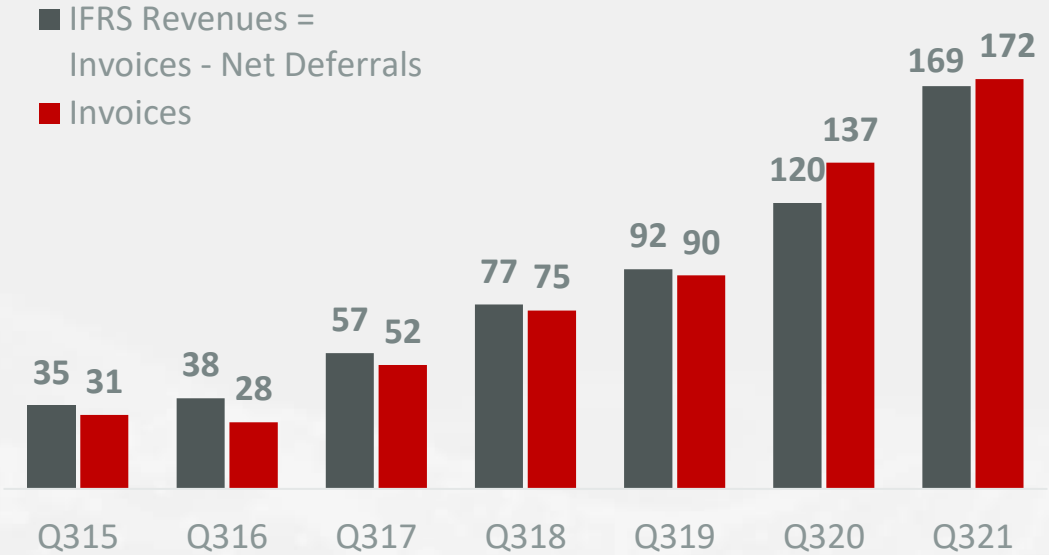
Total Soft–Net Income (TL mn)



- **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.

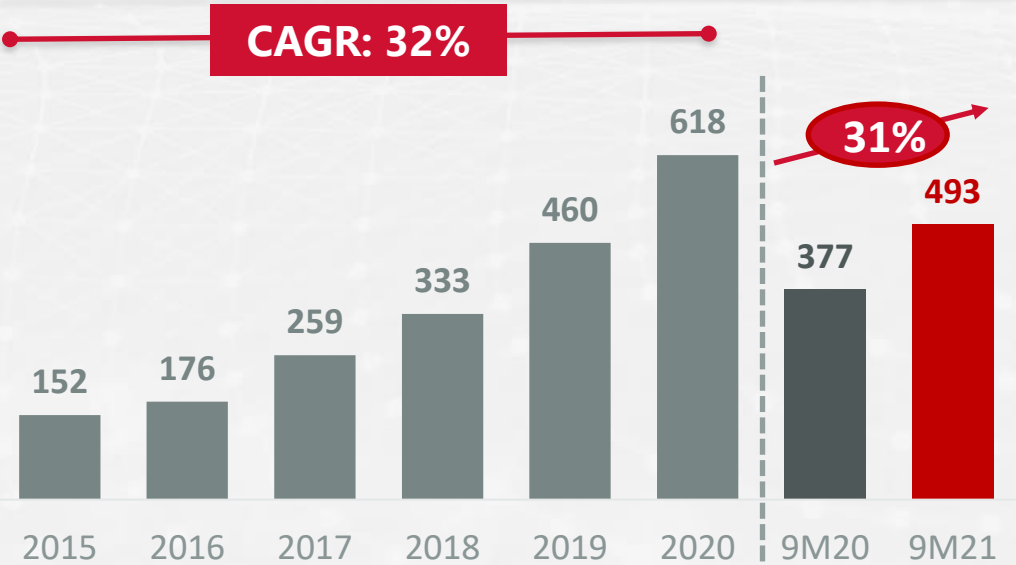
Invoiced Revenue vs IFRS Revenue (Consolidated)

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)

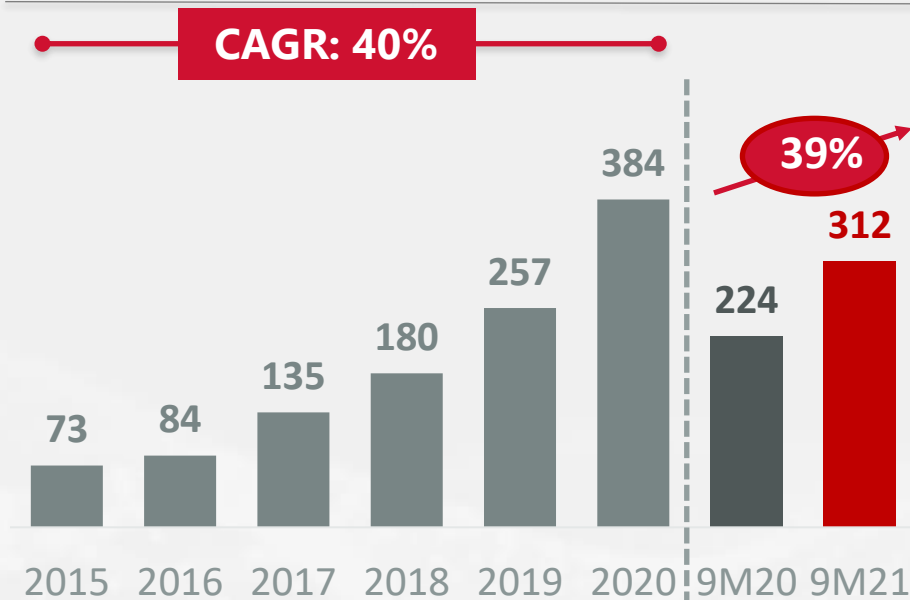


- In Turkey, invoiced revenue was 347 TL mn in 9M21 with 40% increase y/y
- Total Soft's invoiced revenue increased by 13% y/y and reached 146 TL mn in 9M21
- Recurring revenues make up 63% of invoices, with Turkey and Romania operations contributing 73% and 27%, respectively



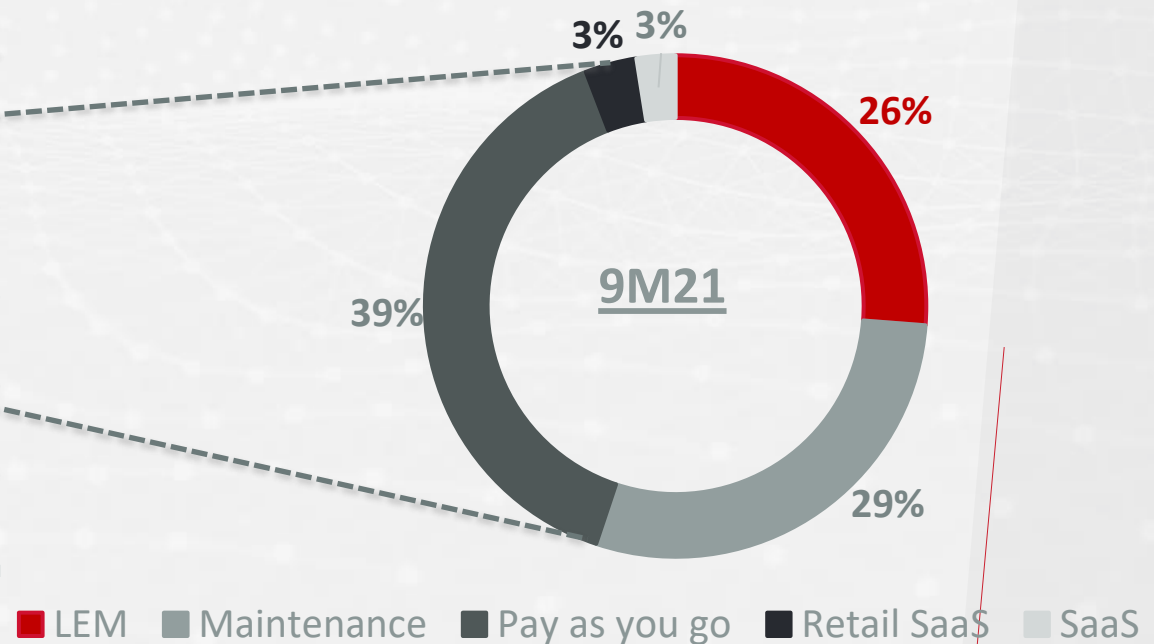
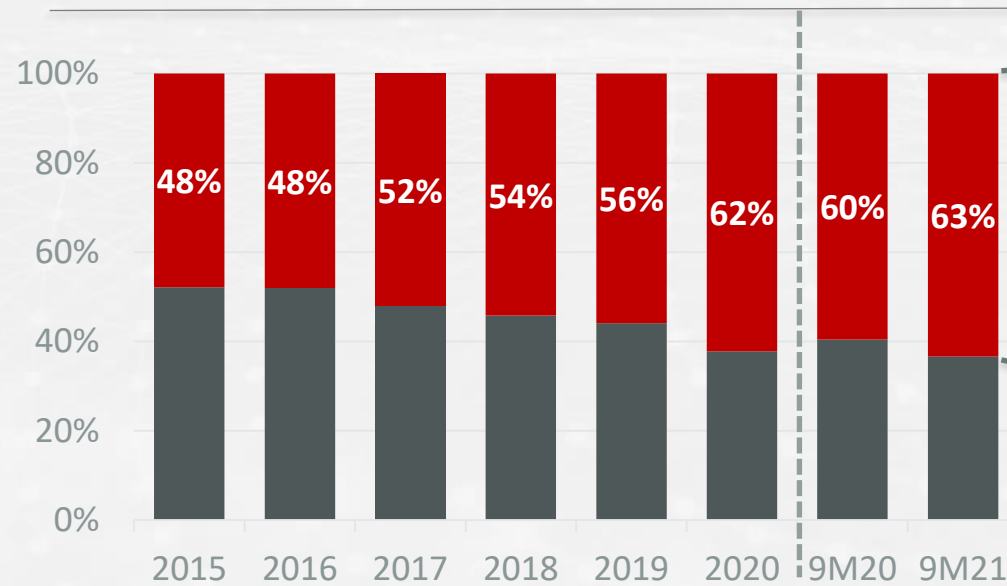
Recurring Revenue Growth Ensuring Predictability

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

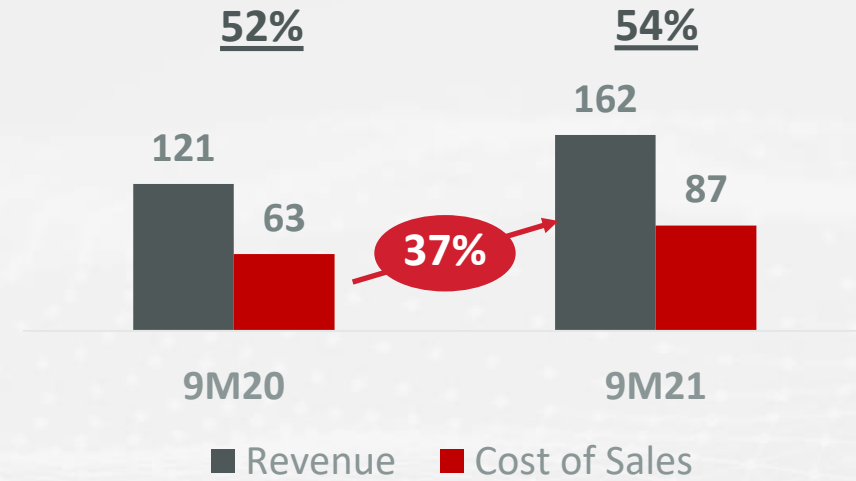
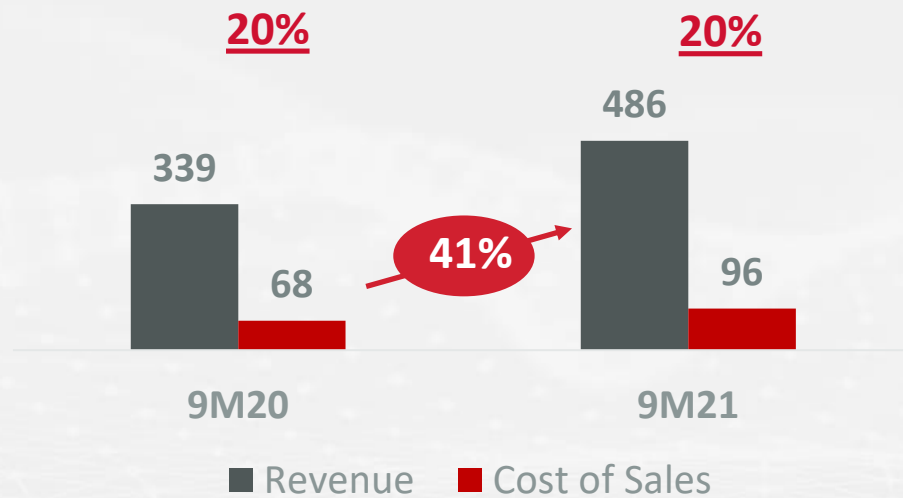
Recurring Invoices/Total Invoices (%)



Cost of Sales

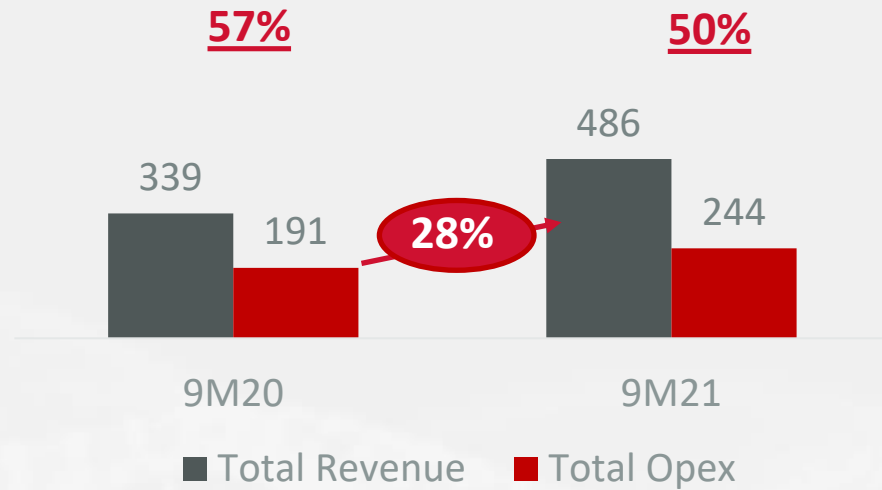
Consolidated (TL mn) – As % of IFRS Revenue

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

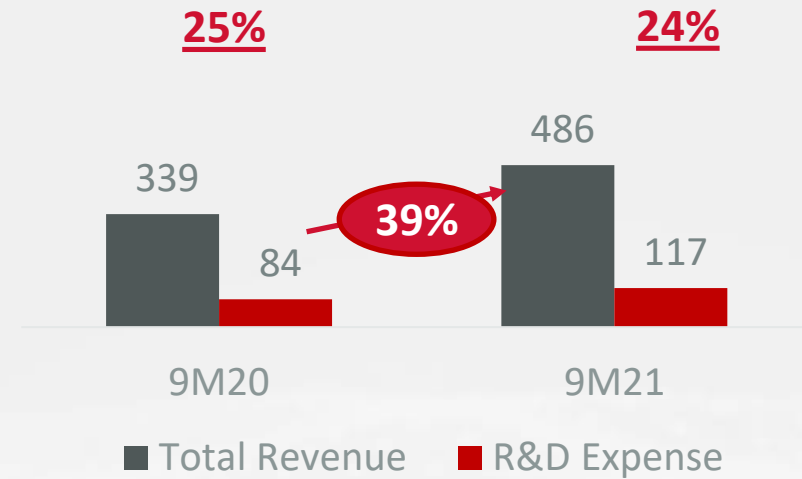


Operating Expenses

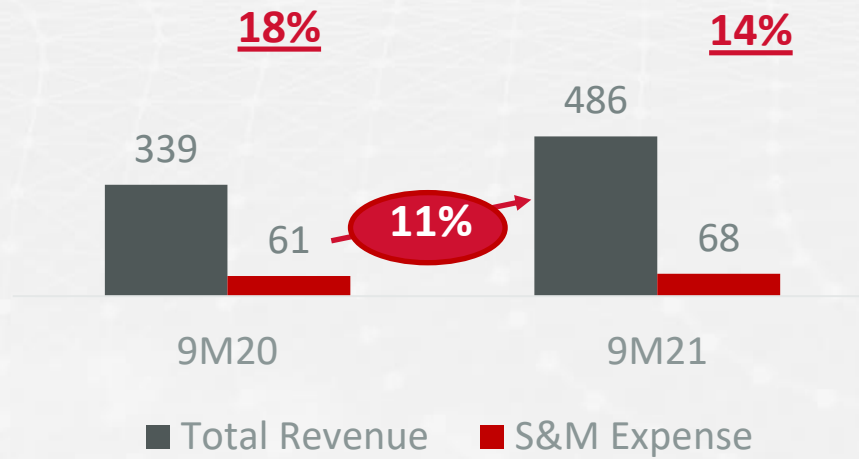
OpEx (TL mn) – As % of IFRS Revenue



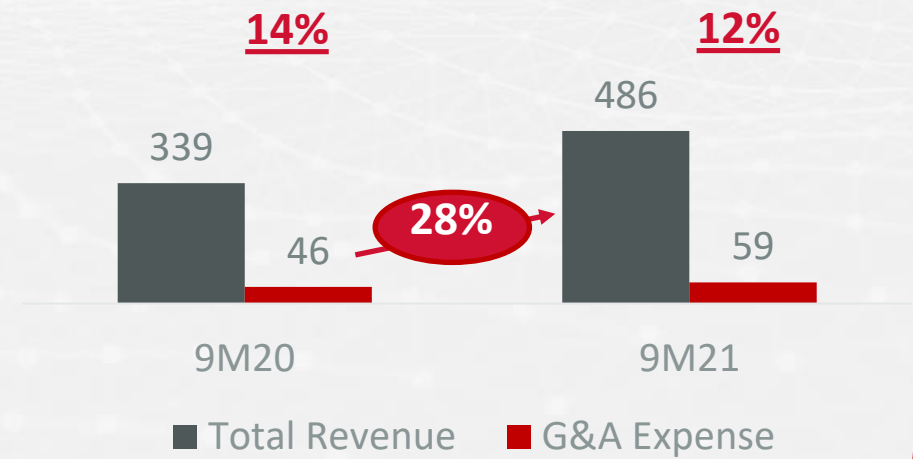
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

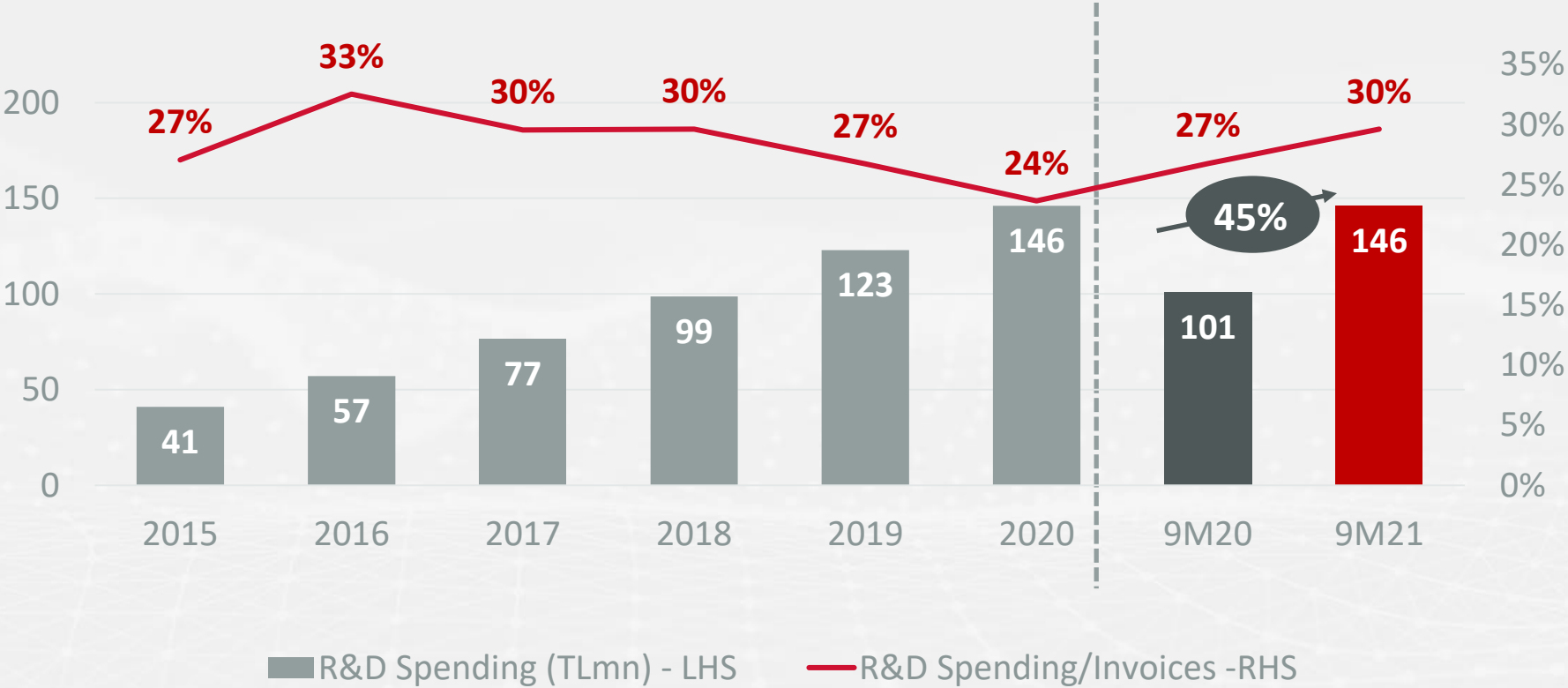


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

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



Strong Balance Sheet

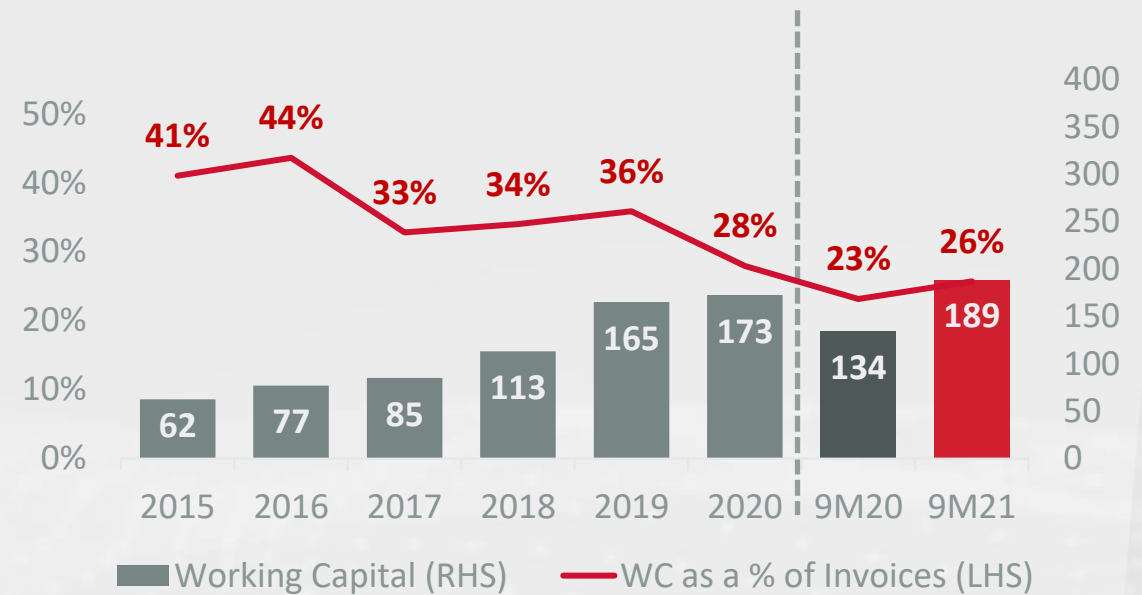
Balance Sheet Highlights (TL mn)

	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)



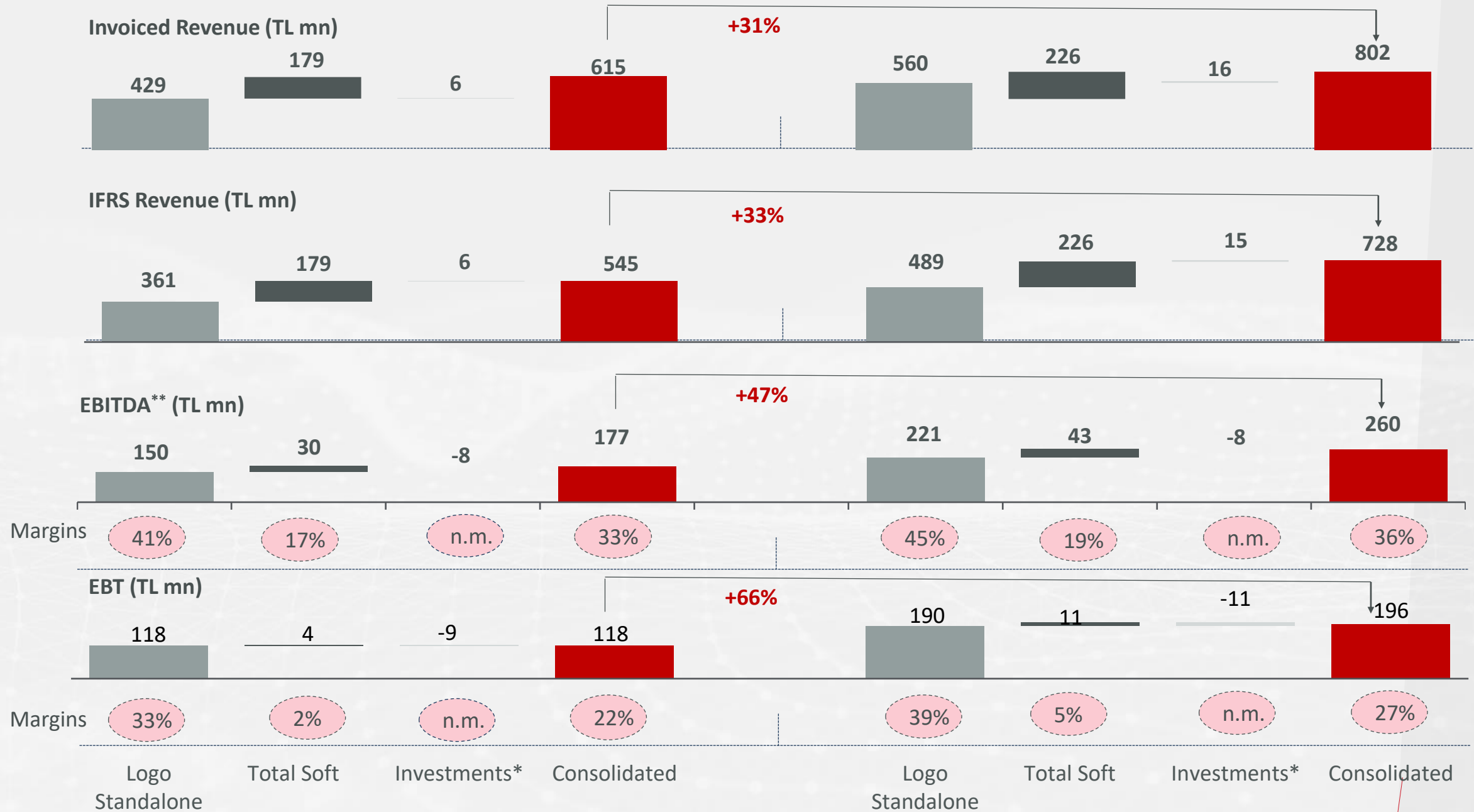
Working capital: Trade receivables+Inventories–Trade payables
WC/Invoices figures are based on 12-month trailing invoices

- **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.



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



LOGO

Thank you