



LOGO

FY2021 Results Presentation

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Chief Financial Officer

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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.

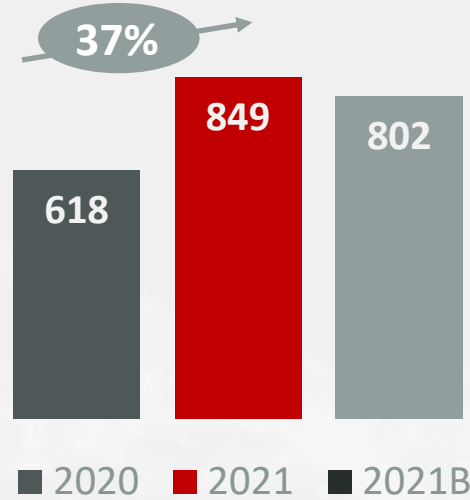
2021 at a glance

- **Strong top-bottom line growth** across the board
- Healthy **growth in recurring revenues**, kept share in total at **62%** -supporting Logo's sustainable growth and profitability
- **Turkey;**
 - **Revenues** increased by **41%** with healthy new customer acquisitions, increased spending from existing customers and strong growth in e-service coin sales,
 - **e-service** customers reached **95 thousand** with **70% y/y growth**,
 - MicroSME digitalization SaaS solution **Logo İşbaşı's** paying users up by **269% y/y** reaching **37 thousand** at end-2021,
 - **Peoplise** active customers up by 69% y/y reaching **132** at end-2021.
- **Romania;** significant sales growth achieved in Q4 resulted in strong set of results for FY21
- **India;** microSME digitalization SaaS solution **CaptainBiz** user numbers reached 1.5 thousand

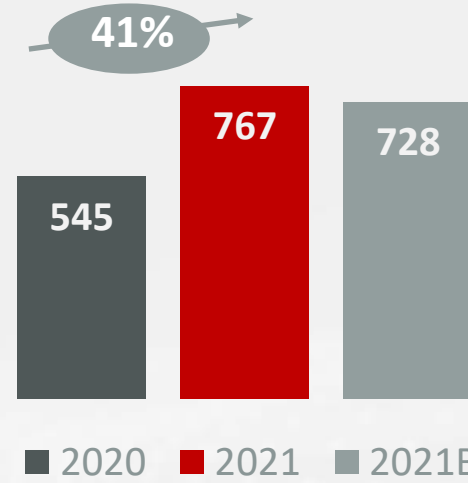
High budget realization

Consolidated

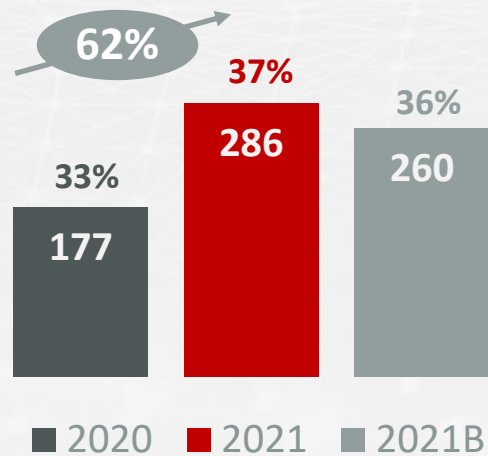
Invoiced Revenues (TL mn)



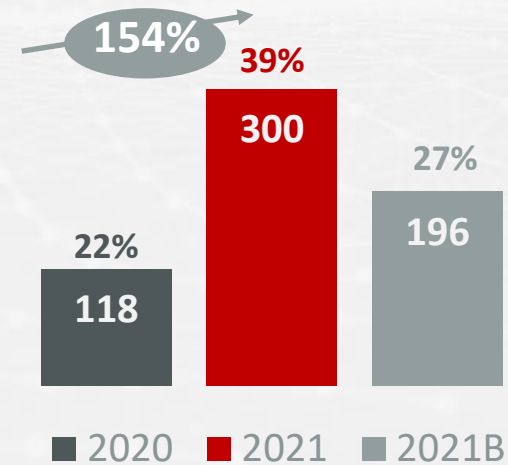
Revenues (TL mn)



EBITDA (TL mn)



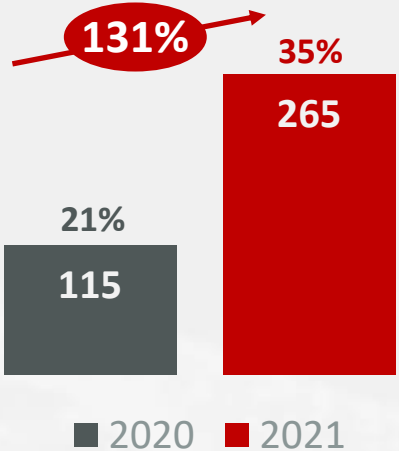
EBT (TL mn)



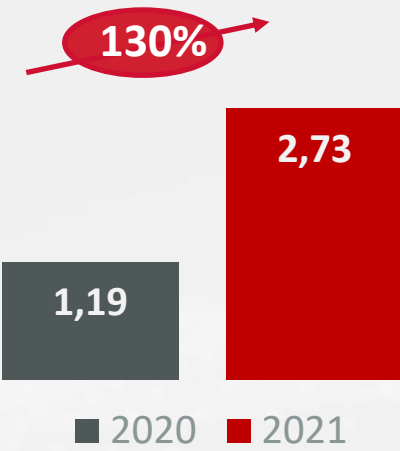
Effective financial management

Consolidated

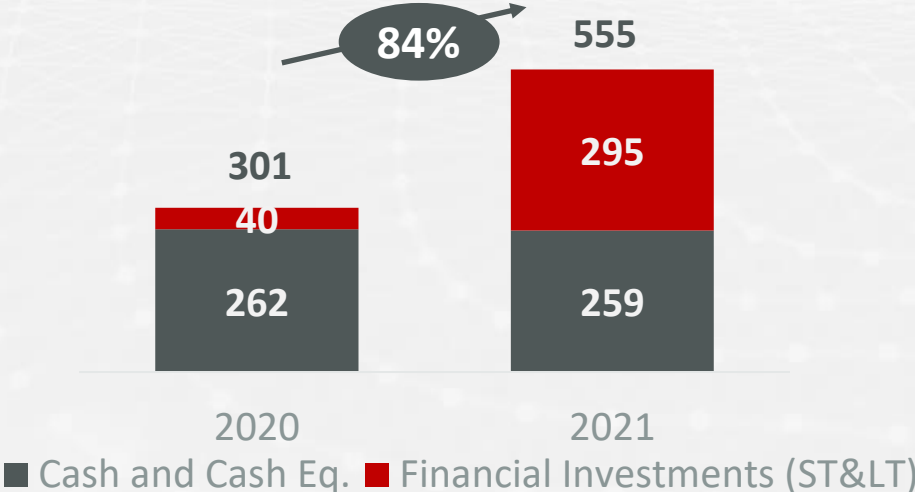
Net Income (TL mn)



EPS* growth



Cash & Financial Investments (TL mn)

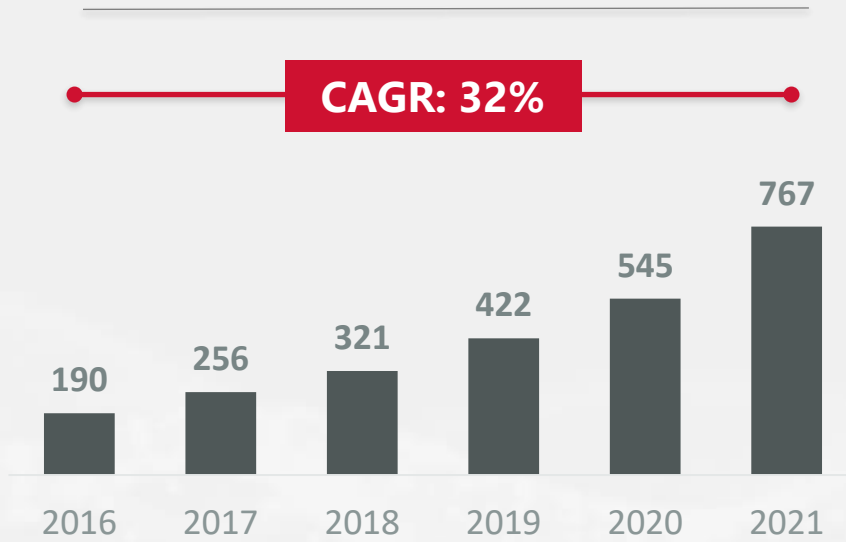


*Adjusted by 3.22% treasury shares (2020: 3.48%)

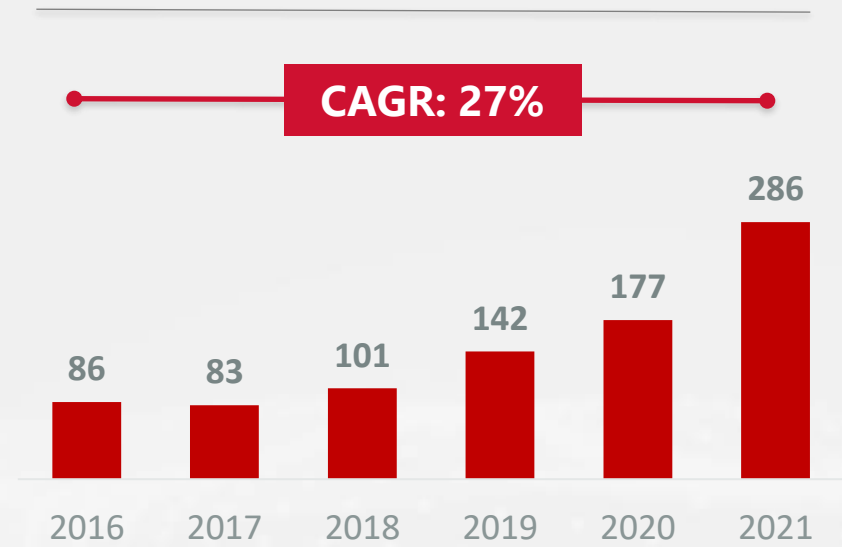
Sustainable growth

Consolidated

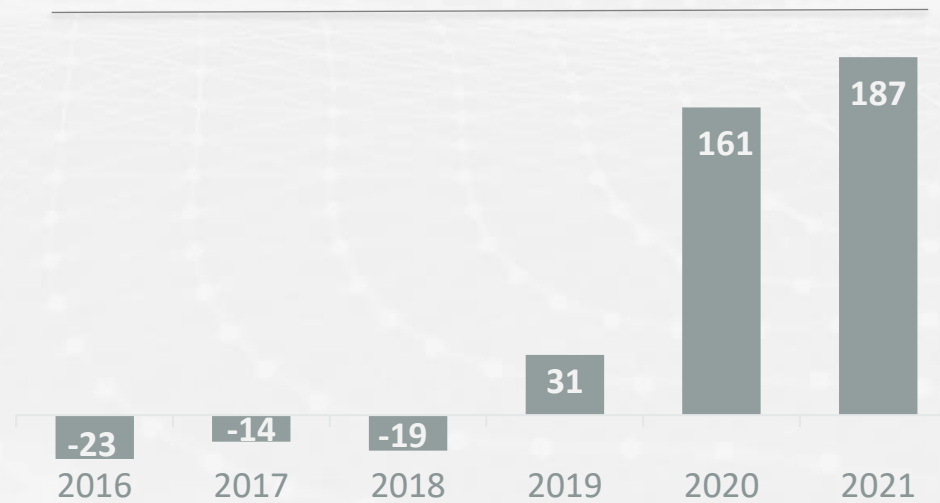
Revenues (TL mn)



EBITDA (TL mn)



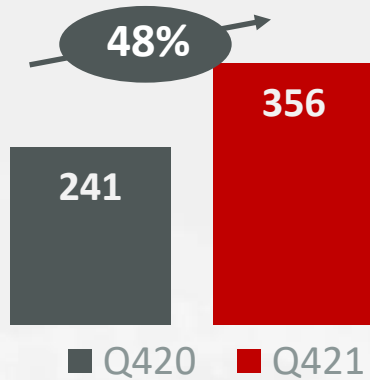
Net Cash (TL mn)



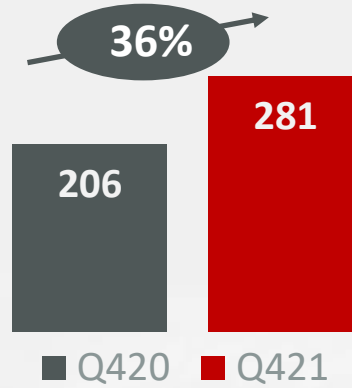
Strong performance in Q421

Consolidated

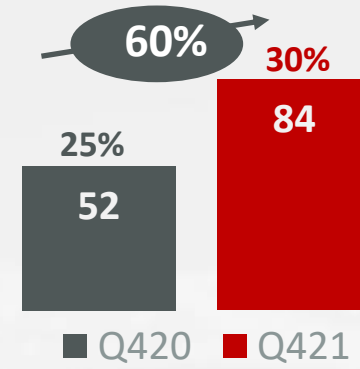
Invoiced Revenues (TL mn)



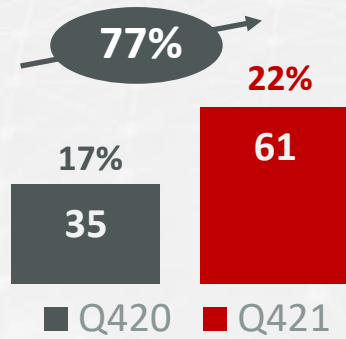
Revenues (TL mn)



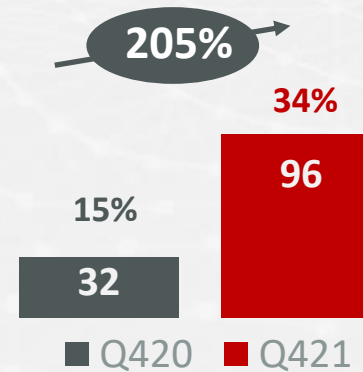
EBITDA (TL mn)



EBIT (TL mn)

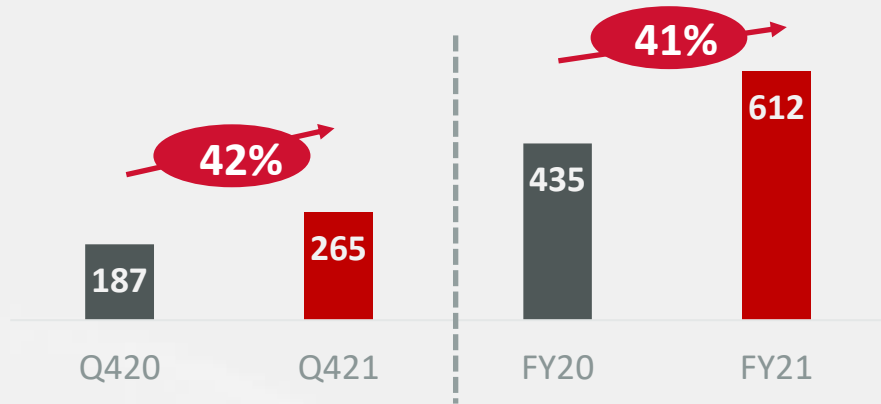


Net Income (TL mn)

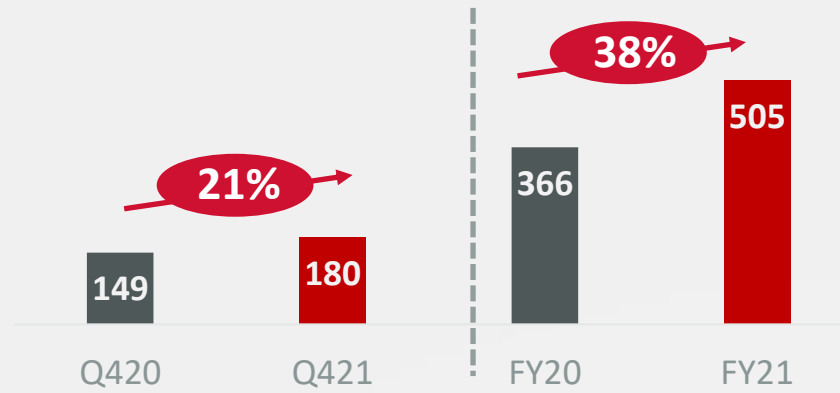


Solid results in Turkey

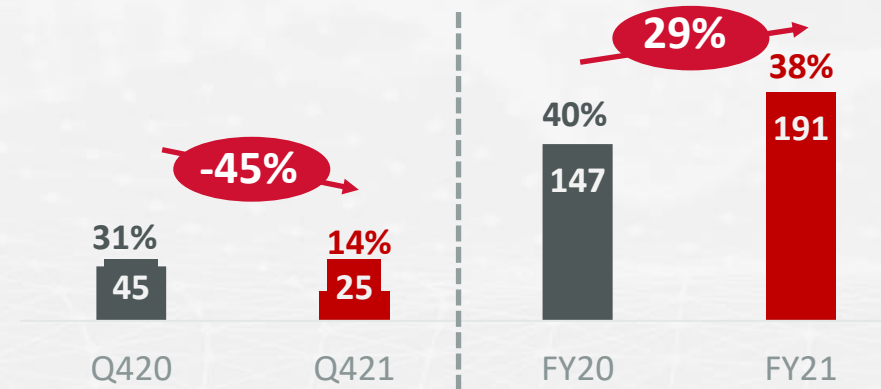
Logo Turkey – Invoiced Revenues (TL mn)



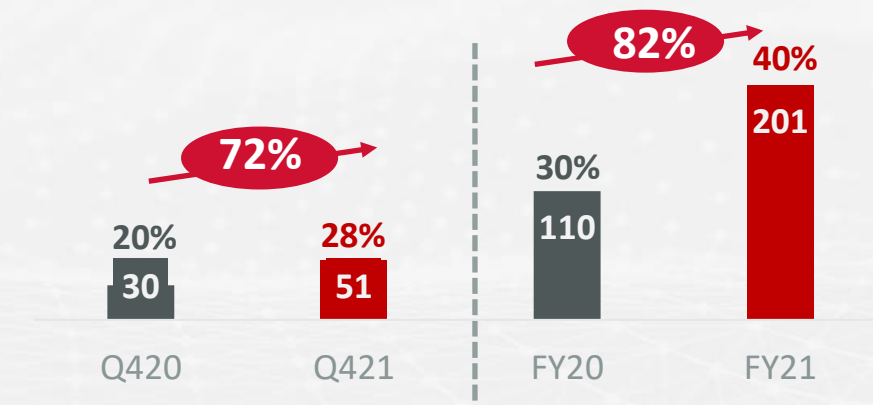
Logo Turkey – Revenues (TL mn)



Logo Turkey – EBITDA (TL mn)



Logo Turkey - Net Income (TL mn)

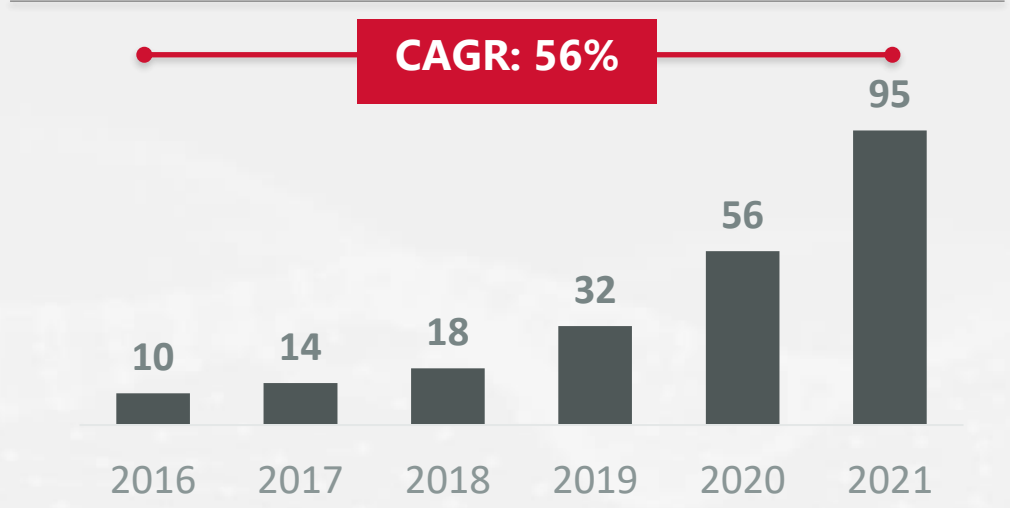


- **Strong top-line and bottom-line growth**
- Lower operational profitability in Q4 due to:
 - interim wage increase averaging 15% to ease inflationary pressure
 - change in Technopark procedures for remote work of R&D personnel
- **Strong net income growth** with a fivefold financial income increase

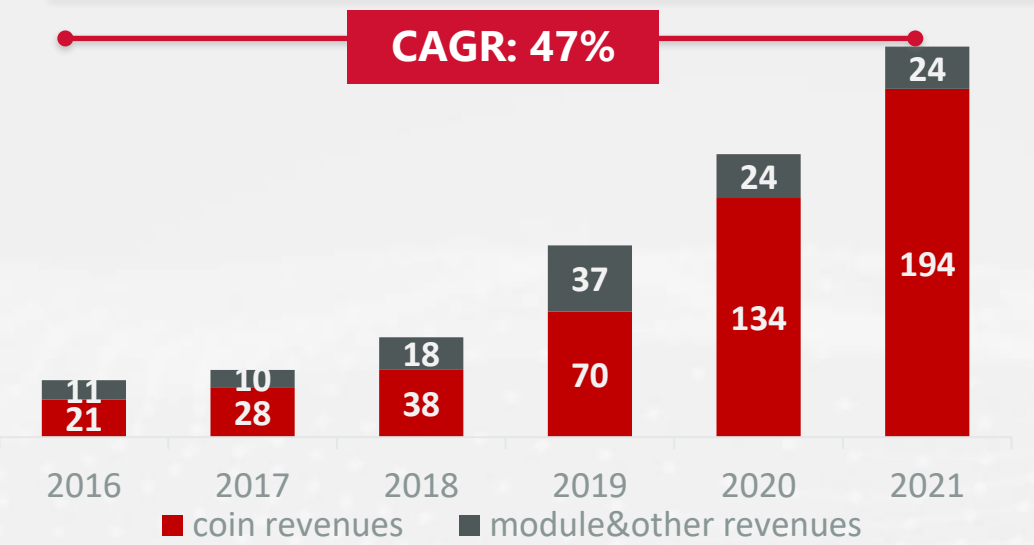
eLogo: e-services platform and leader in digital transformation

Market leader in e-government solutions; e-invoice, e-archive, e-ledger, e-dispatch with 95K customers

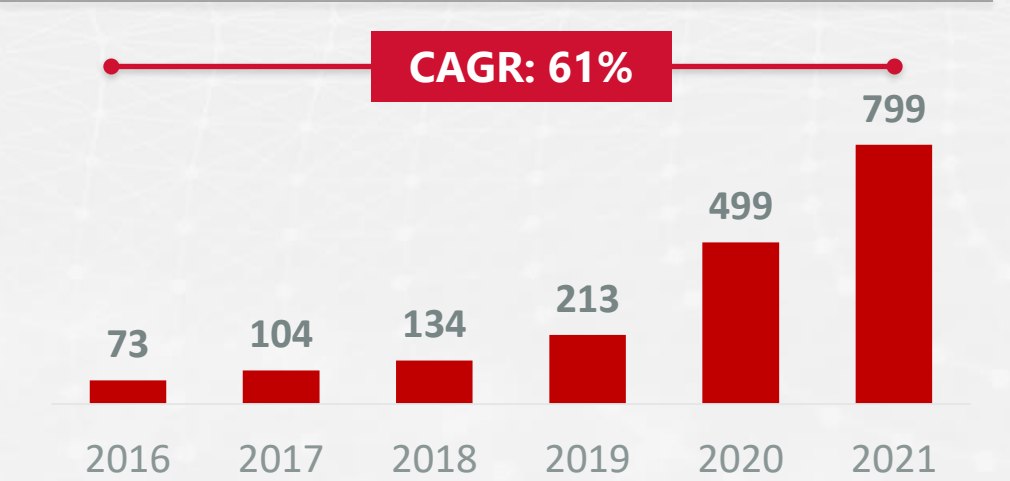
of customers ('000)



eLogo invoiced revenues (TL mn)



coin usage (mn)








- ✓ **Growth** in number of customers and coin usage remained **strong** in 2021
- ✓ Coin revenues comprises 89% of eLogo's invoiced revenues in 2021 signaling strong recurring revenue growth potential going forward



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 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

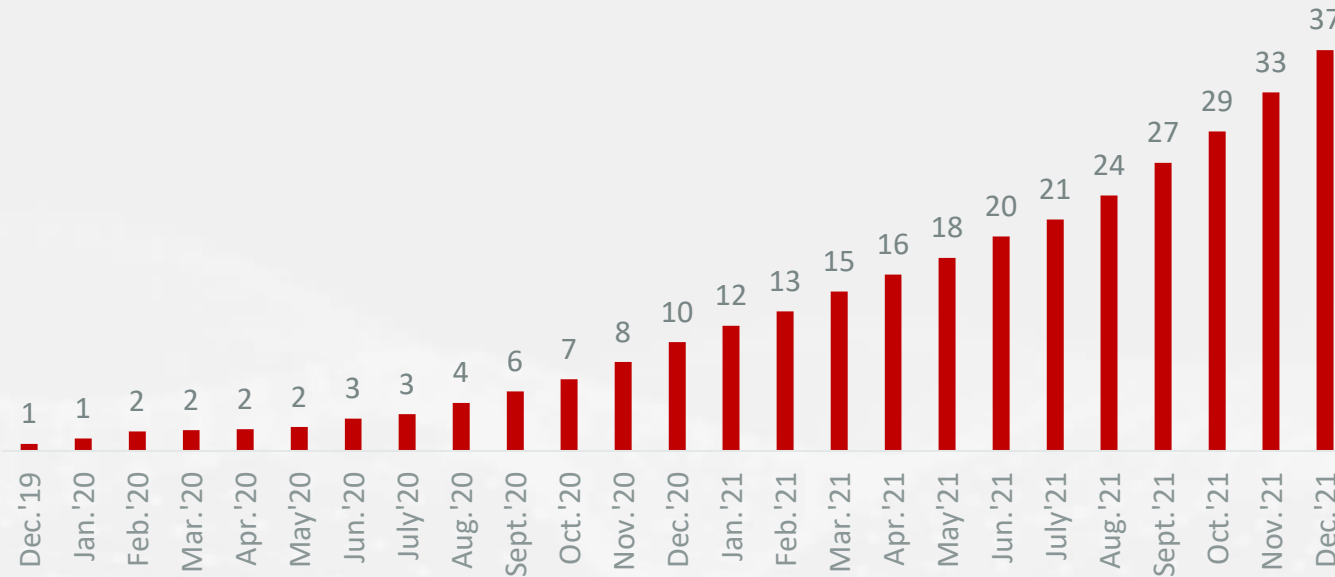


*Effective as of January 1st, 2022
**Revenue Administration

Logo İşbaşı: SaaS solution for MicroSME digitalization

Offering *basic accounting software and e-invoicing services*

of users ('000)



User growth:
269% y/y

ARPU*: 326 TL

LTV/CAC**: 28

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



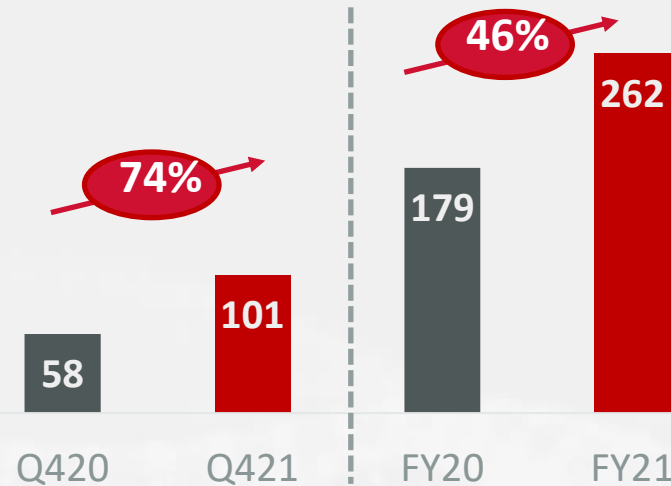
*ARPU (Average revenue per user) is based on total invoiced revenues (LTM) and average # of users (LTM).

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

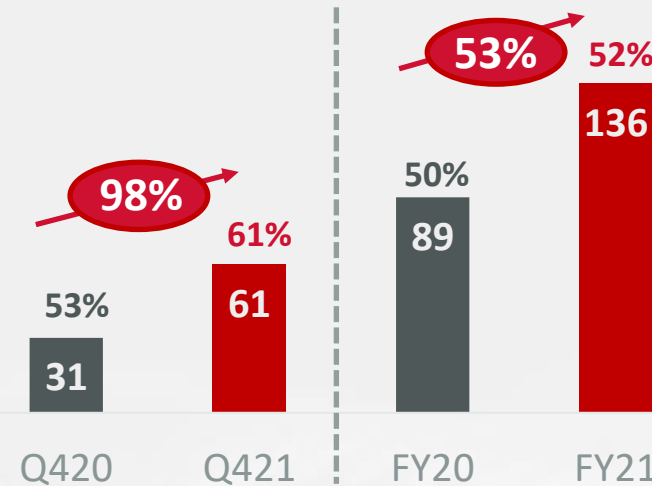
www.logo.com.tr

Strong performance at Total Soft

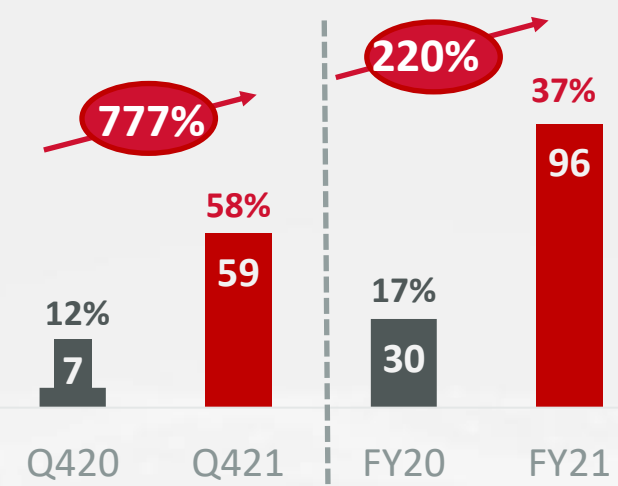
Total Soft–Revenues (TL mn)



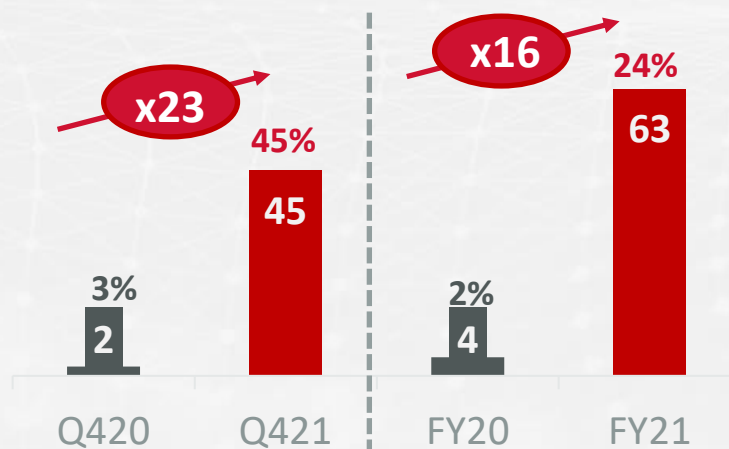
Total Soft–Gross profit (TL mn)



Total Soft–EBITDA (TL mn)



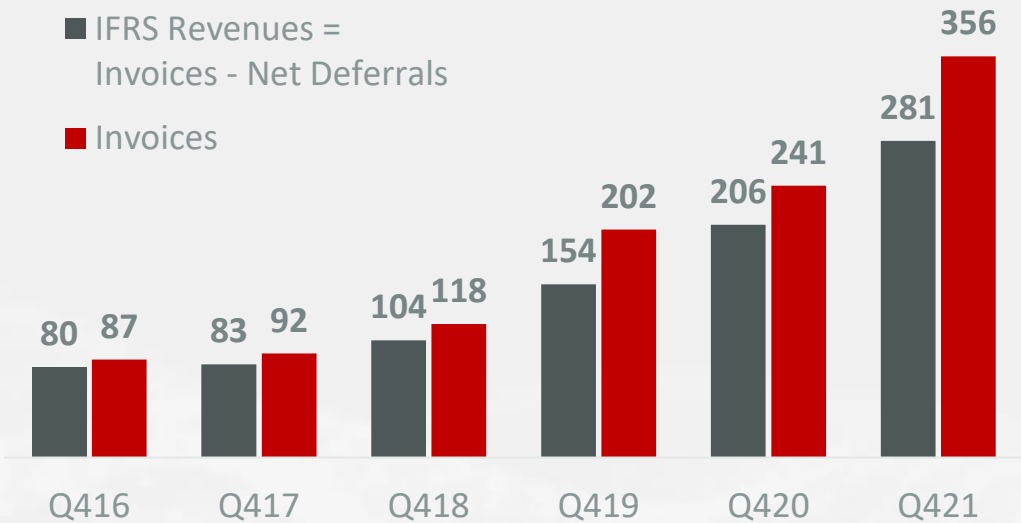
Total Soft–Net Income (TL mn)



- **Revenues** grew by 46% y/y and revenue growth in Euros was 10% y/y in 2021; project additions were strong in Q4 due to increase of sales pipeline and development of new revenue streams
- **Gross profit improved** due to strong revenue growth in Q4
- **Operational profitability** is higher due to further management focus on operational efficiency
- **Net income margin** reached 24%, with improved operational profitability and the 9,2 TL mn one-off income in relation to the payment received as per the share purchase agreement dated September 2nd, 2016

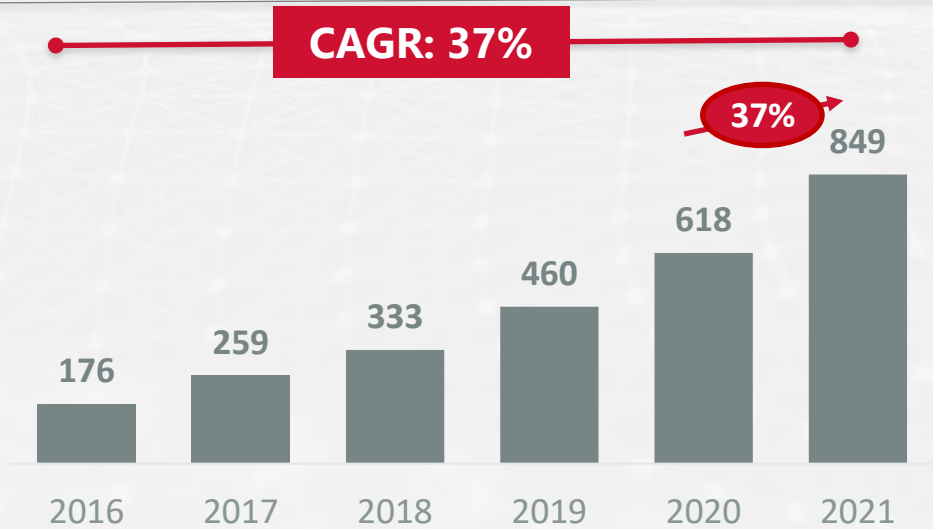
Invoiced Revenue vs IFRS Revenue (Consolidated)

Fourth Quarter Invoices & IFRS Revenues (TL mn)



- Q4 sales invoice growth was 48% y/y
- IFRS Revenue growth was 36%y/y in Q4

Invoiced Revenues (TL mn)

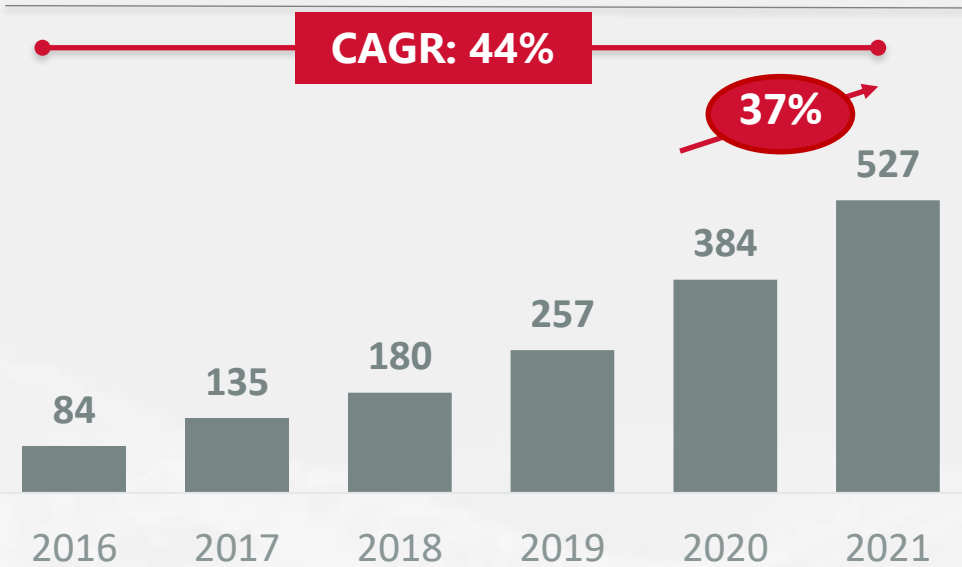


- In Turkey, invoiced revenue was 612 TL mn in 2021 with 41% increase y/y
- Total Soft’s invoiced revenue increased by 29% y/y and reached 236 TL mn in 2021
- Recurring revenues make up 62% of invoices, with Turkey and Romania operations contributing 77% and 23%, respectively



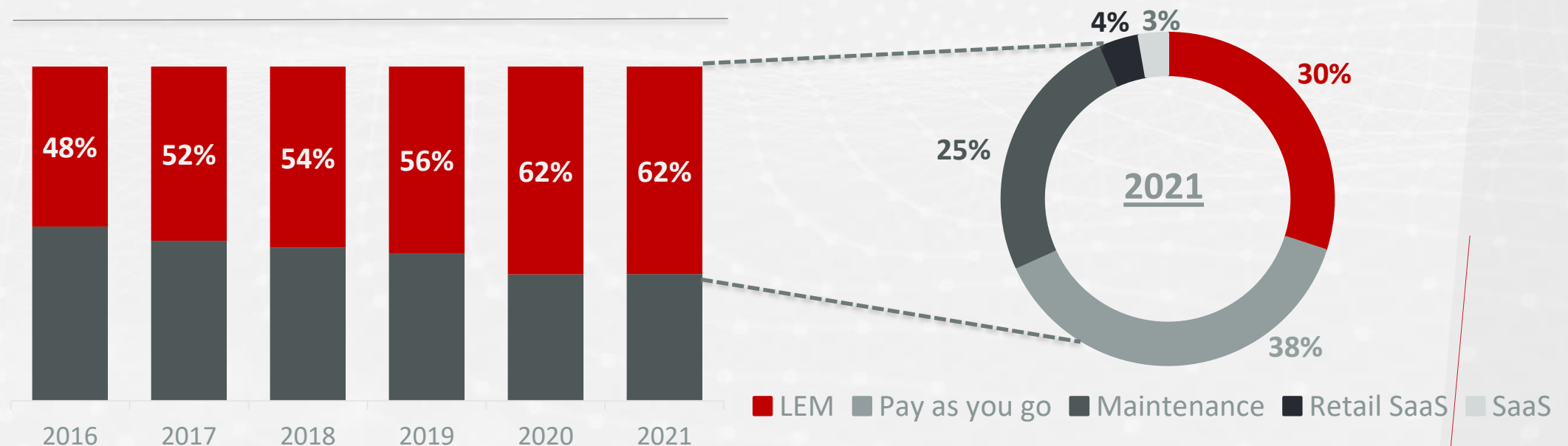
Recurring Revenue Growth Ensuring Predictability

Consolidated Recurring Invoices (TL mn)



- **LEM** revenues increased by 27% y/y
- **Pay as you go** revenues increased by 46% y/y with strong coin sales
- **Maintenance** revenues increased by 24% y/y with significant contribution from Total Soft
- **Retail SaaS** revenues increased by 55%
- **SaaS** includes İşbaşı and Peoplise

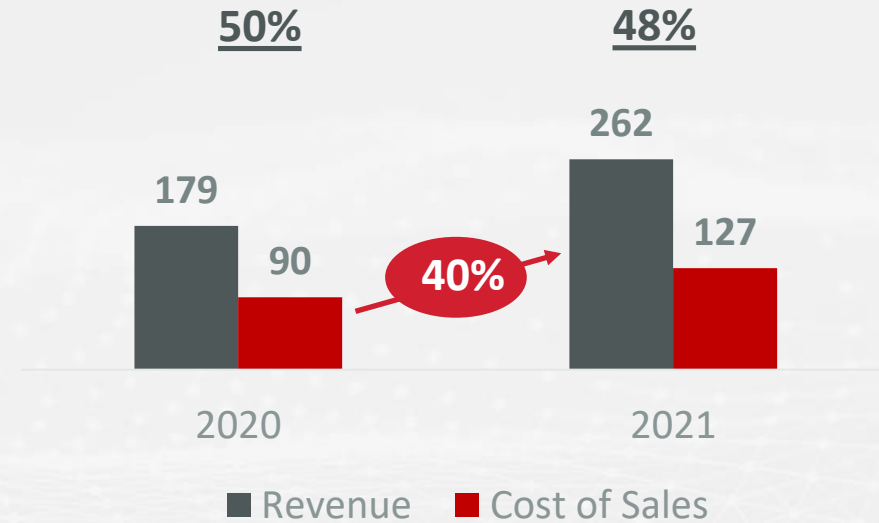
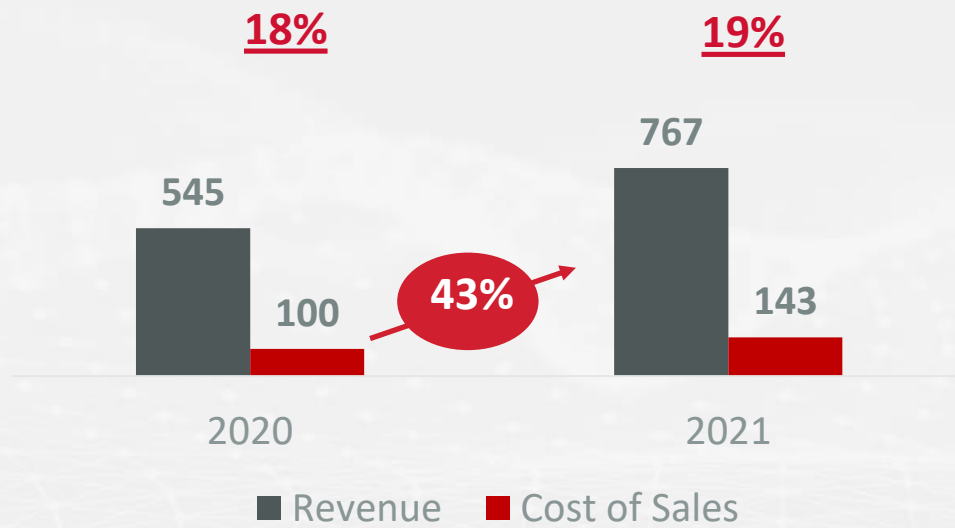
Recurring Invoices/Total Invoices (%)



Cost of Sales

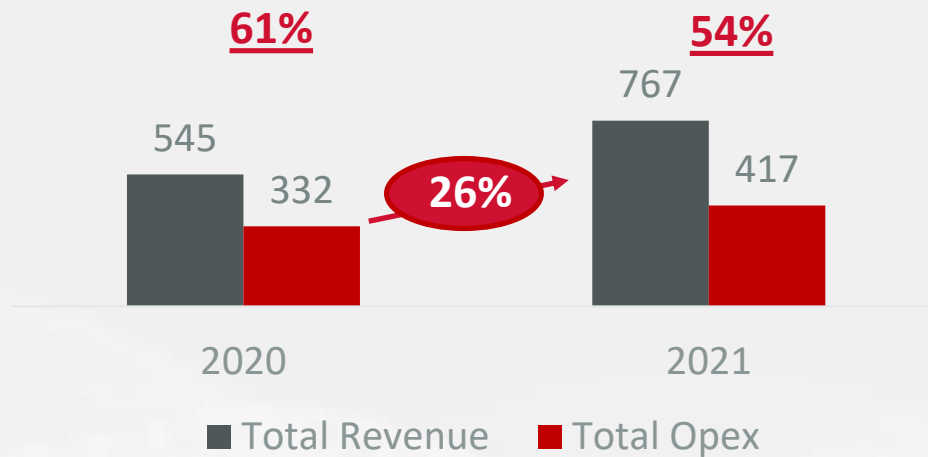
Consolidated (TL mn) – As % of IFRS Revenue

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

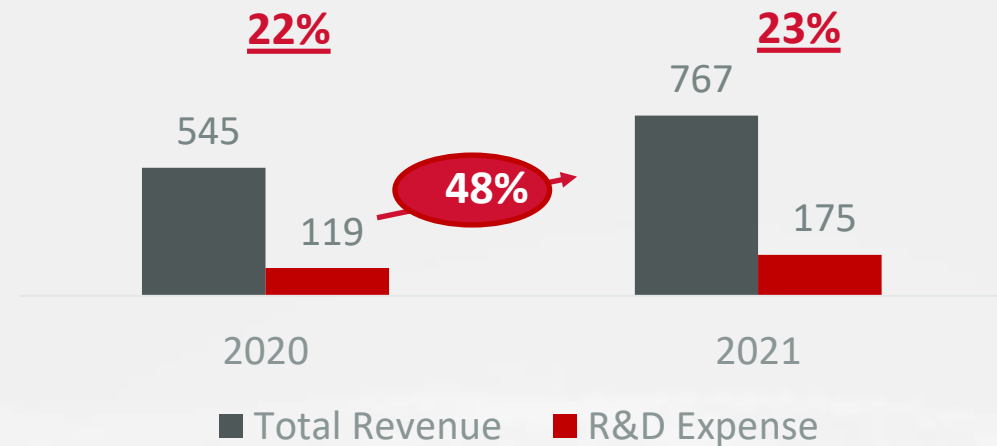


Operating Expenses

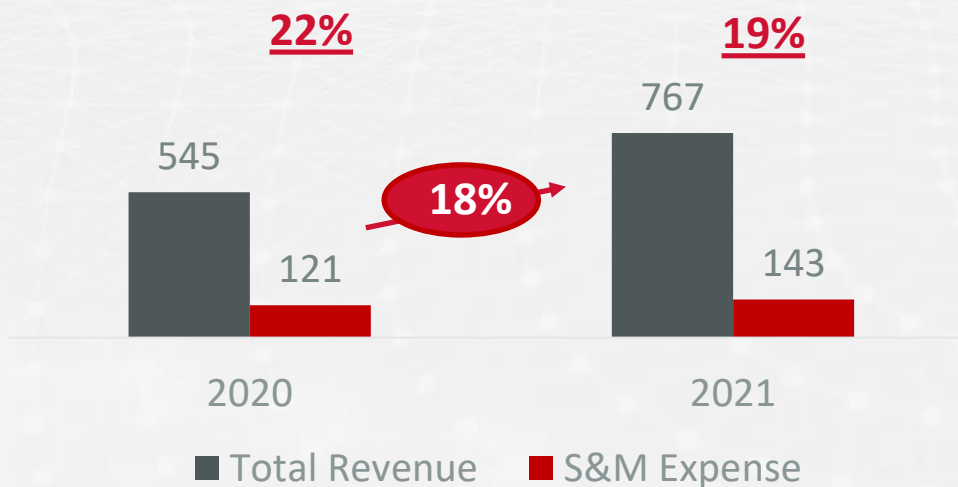
OpEx (TL mn) – As % of IFRS Revenue



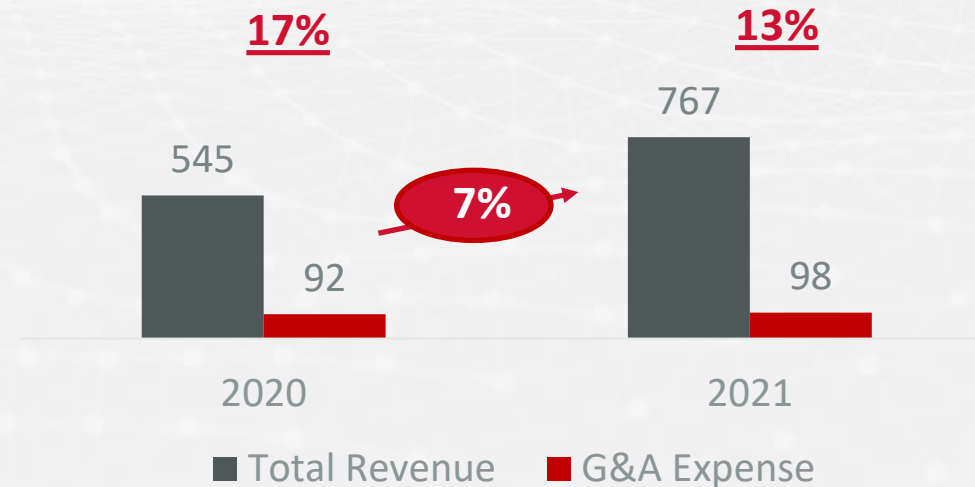
R&D Expenses (TL mn) – As % of IFRS Revenue



S&M (TL mn) – As % of IFRS Revenue

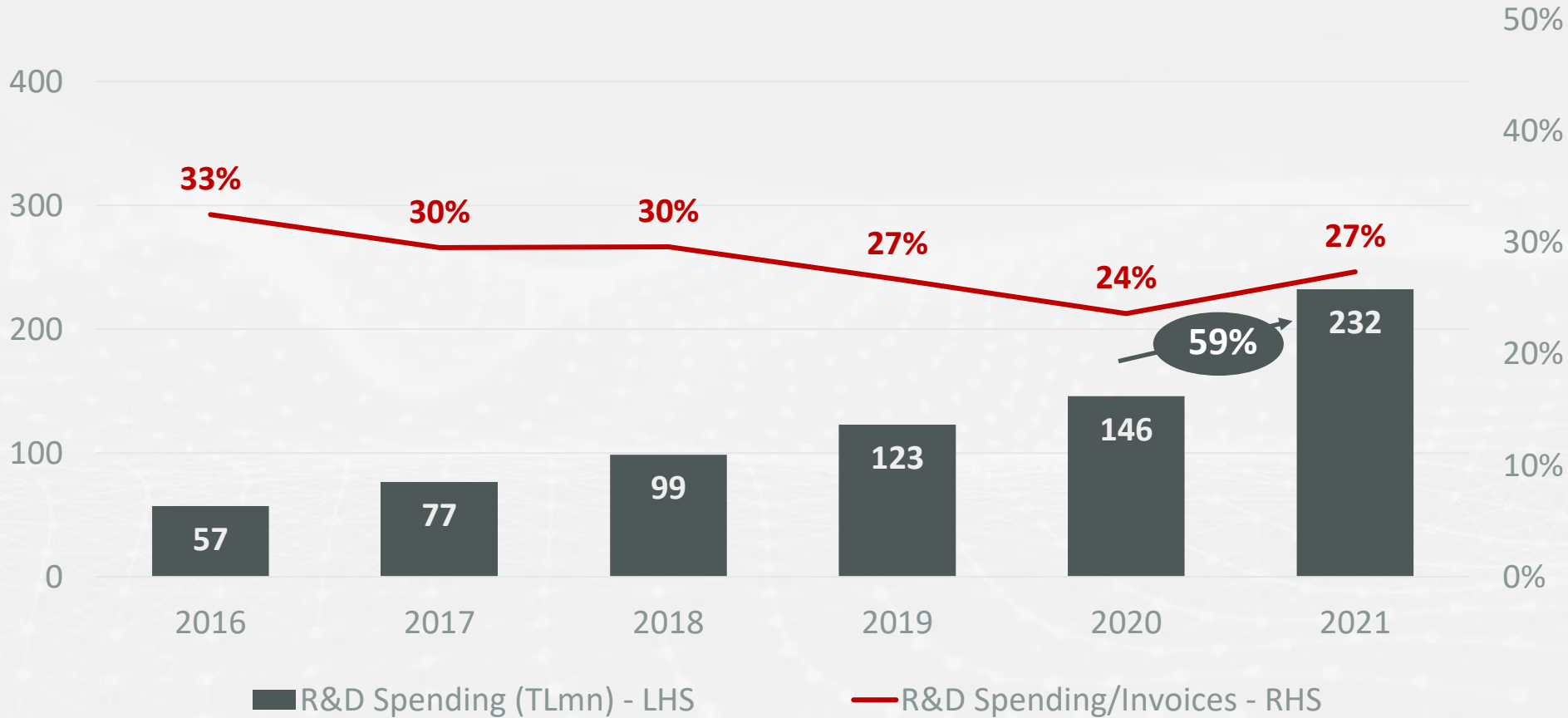


G&A (TL mn) – As % of IFRS Revenue



Dedicated Investment in Technology

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



Strong Balance Sheet

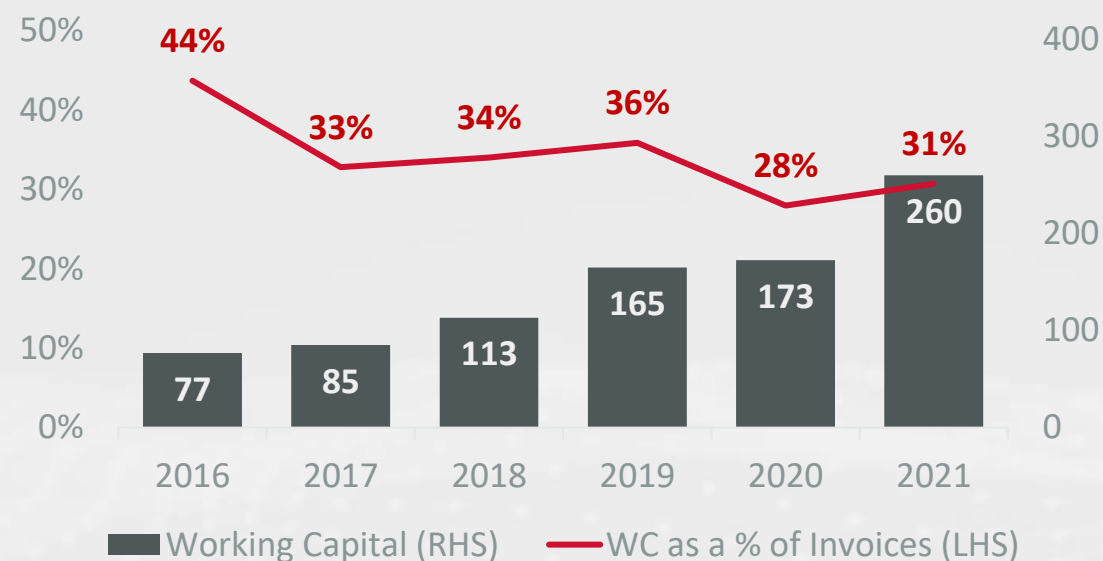
Balance Sheet Highlights (TL mn)

	2020	2021	Δ
Cash & Cash Eq.	261,6	259,4	-1%
Trade Receivables	235,7	332,8	41%
Tangible Assets	19,3	21,0	8%
Intangible Assets*	470,2	759,2	61%
Other Assets	110,7	435,1	293%
Total Assets	1.097,5	1.807,5	65%
Total Liabilities	559,8	974,0	74%
Total Shareholders' Equity	537,8	833,5	55%
Total Liabilities and Equity	1.097,5	1.807,5	65%
Shareholders Equity Ratio	0,49	0,46	-6%
Current Ratio	1,34	1,01	-25%
EPS**	1,19	2,73	130%

* Includes goodwill

** Adjusted by 3.22% treasury shares (2020: 3.48%).

Working Capital (TL mn)



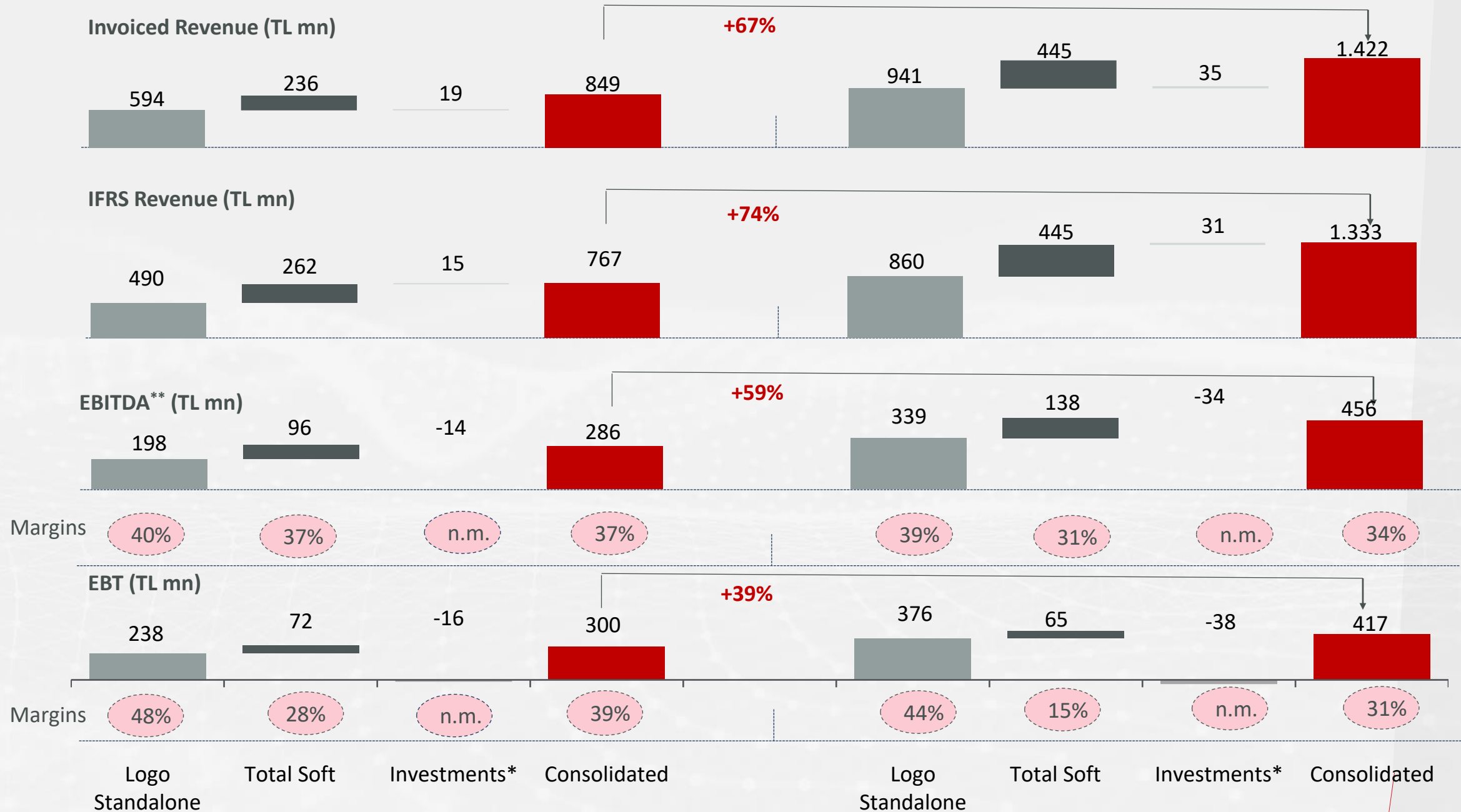
Working capital: Trade receivables+Inventories–Trade payables
WC/Invoices figures are based on 12-month trailing invoices

- Assets grew by 65% y/y reaching 1,8 TL bn.
- **Net cash is 186.8 TL mn at end-2021** (excluding 19.9 TL mn IFRS 16 impact) vs 160.6 TL mn at end-2020 (excluding 19.2 TL mn IFRS 16 impact). Net cash of 442 TL mn together with 3.22% treasury shares @Mcap at end-2021 and long-term financial investments (2020: 277 TL mn).
- Working capital to invoices ratio increased from 28% to 31% due to concentration of sales in December, both in Turkey and Romania operations.

Guidance

2021

2022 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.



Questions & Answers

Appendix

ESG in numbers



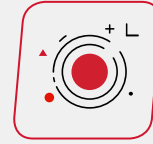
1,315

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

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.





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