



INVESTOR PRESENTATION

3Q 2021 FIGURES

31.12.2021



- ✓ **Capital Efficiency:** 49.4% of Return on Equity Ratio Above Interest Rates
- ✓ **Financials:** Growth and Strong Cash Position Continued
- ✓ **Margins:** Rising Commercial Goods Sales with Turnkey Projects Affected Margins

EXECUTIVE SUMMARY

DEBT LEVEL

High sales growth and the steady decrease in working capital sales share since 2019 point to efficiency.

In a period of increasing exchange rates, Company's FX surplus position continued and its net cash position rose to TL 49.9 mn.



PERFORMANCE

With its financial performance, the company achieved a return on equity (49.4%) well above risk free the interest rates.

Economic added value has been generated with the sales of projects having high profit margins

MARGINS

Considering the added value that can be achieved with quarterly rise in R&D expenses, the expectation for operating profitability for the next period continues.

GROWTH

The solid growth in quarterly revenue was driven by the rise in the number and size of contracts.

Despite the significant growth in R&D expenses, rising revenues were effective in EBITDA growth, which increased by 197.8% in 3Q21 compared to 3Q20. Net profit was also supported by the cash position and tax incentives.

SOLID PERFORMANCE

2021/09 & 2020/09 PERIODICAL

186,4%

185,7%

234,5%

58,5%

REVENUE
GROWTH

EBITDA *
GROWTH

NET INCOME
GROWTH

EBITDA*
MARGIN

3Q21 & 3Q20 QUARTERLY

340,2%

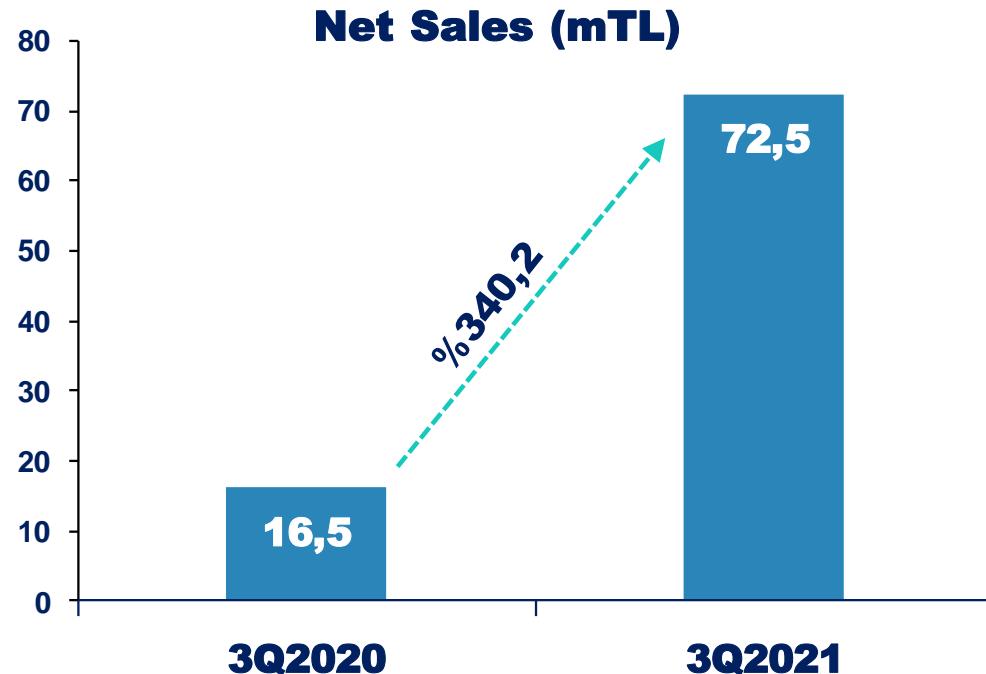
197,8%

270,5%

56,0%

**Other Income / Expense from Operating Activities are included in EBITDA*

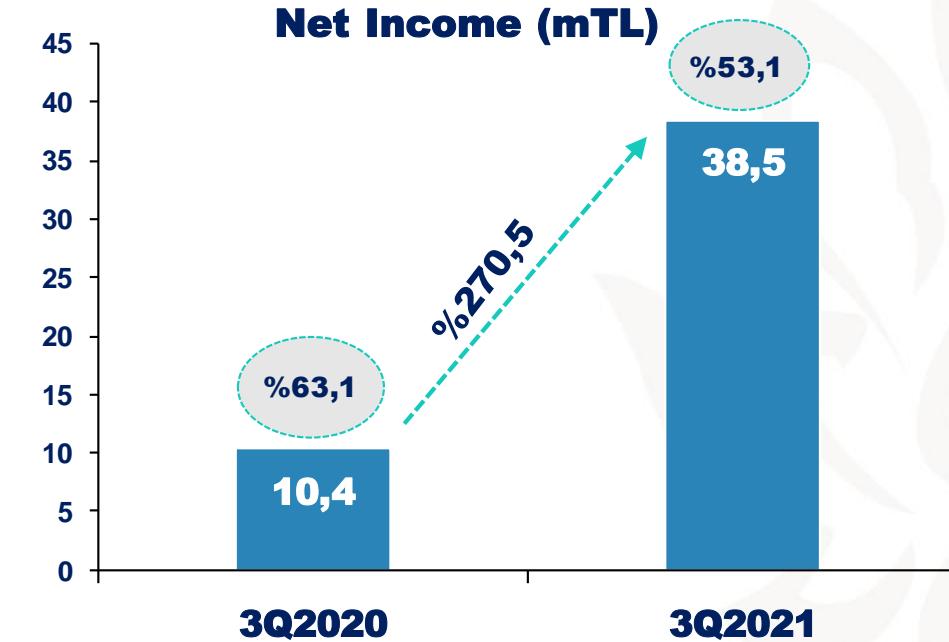
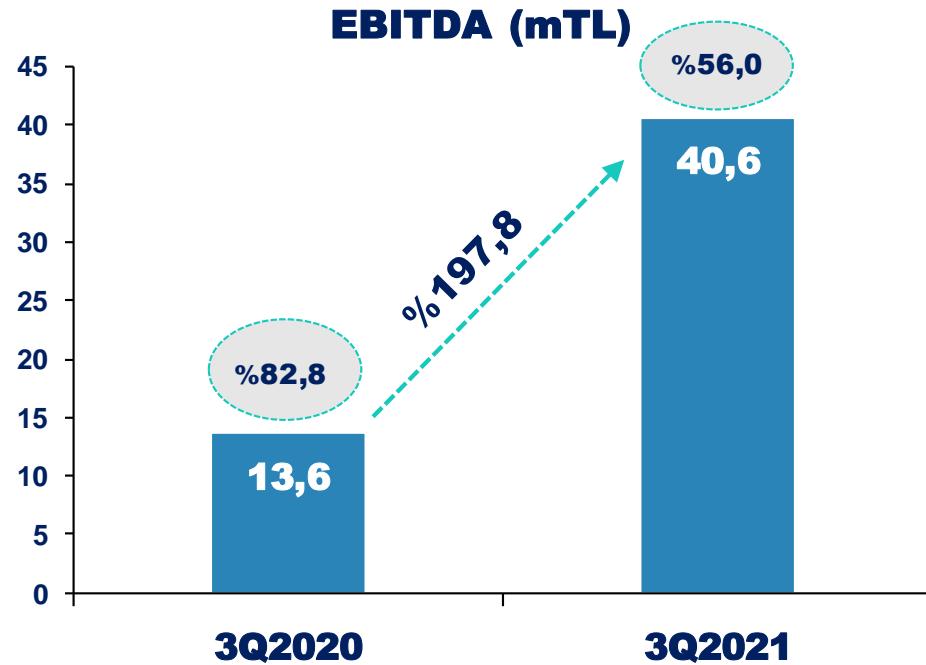
Number and Size of Contracts Increasing



QUARTERLY FIGURES

- Net sales raised by 340.2% on a quarterly basis compared to the same period of the previous year and amounted to 72.5 m TL.
- Compared to the previous quarter, net sales increased by 2.6% and the sales record for all periods was broken.

QUARTERLY FIGURES



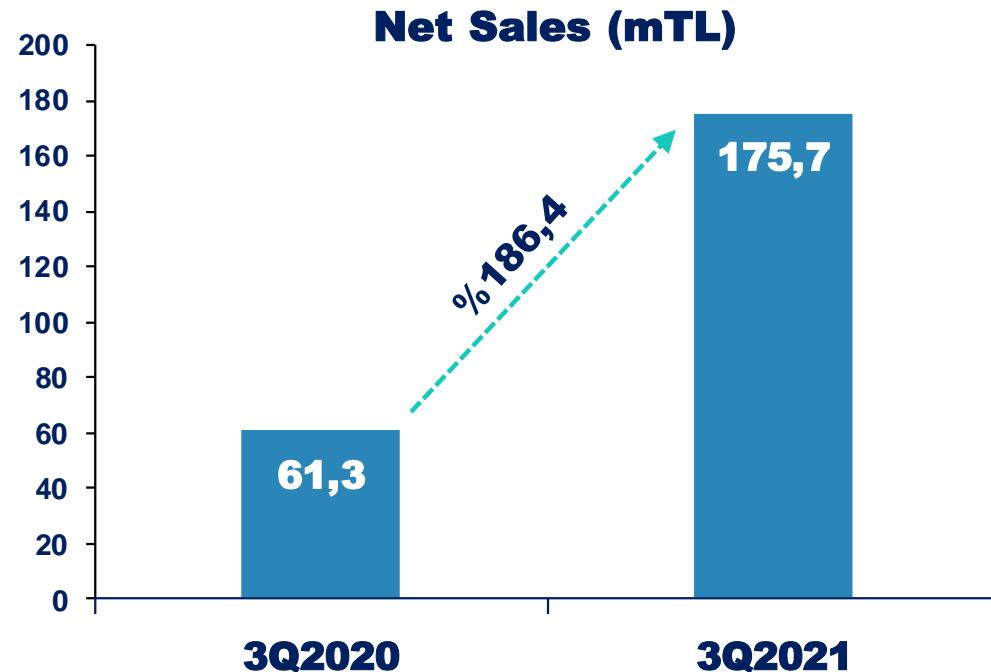
- EBITDA increased by 197.8% QoQ to 40.6 mTL, while the EBITDA margin was slightly lowered by the cost of goods required for turnkey projects.

- Net profit increased by 270.5% QoQ to 38.5 mTL. Strong stance in operating profitability was recorded as the most important factor supporting net profit for the period.

EBITDA and Net Income Margin

Net Sales Maintained Strong Growth Trend in 2021

PERIODICAL FIGURES

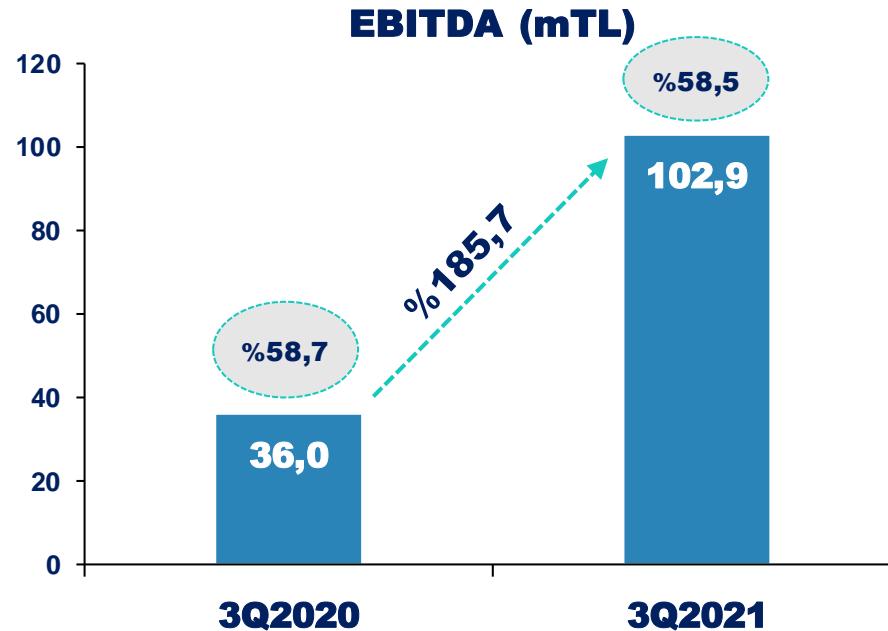


- Periodic net sales increased by 186.4% in 2021/09 compared to the same period of the previous year and amounted to 175.7 mTL.
- Value added projects were effective in the strong enhancement in revenues.
- Topline is stemmed from domestic operations in 2021/09.
- The pandemic increased customers' software and technology expenditures and this new normal contributed to the Company's revenues.
- The rise in the number and size of contracts supported revenues.

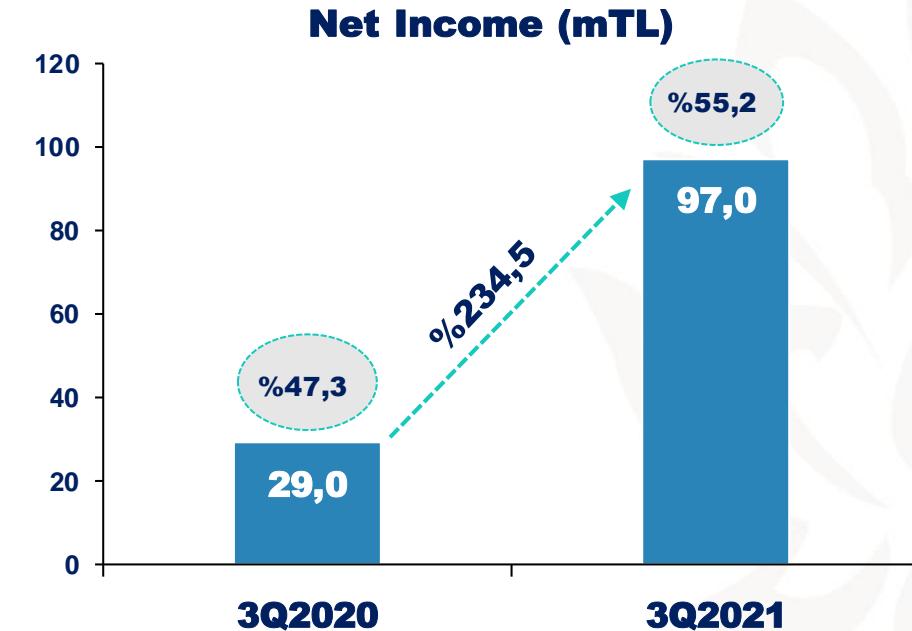
3Q 2021 RESULTS

Cash Position and Low Taxes Supported Profitability

PERIODICAL FIGURES



- EBITDA augmented by 185.7% and reached 102.9 mTL periodically.



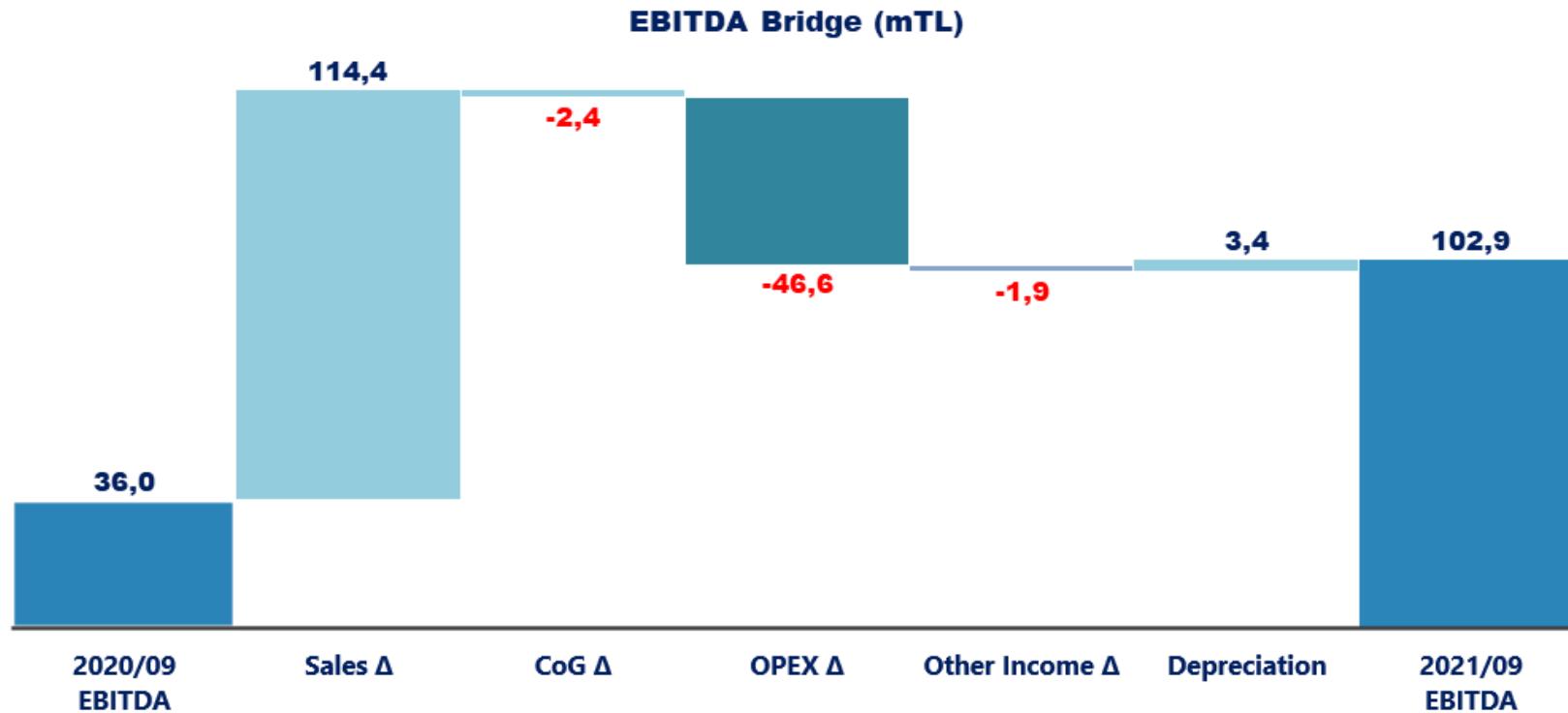
- Net Income increased by 234.5% and reached to 97.0 mTL periodically.

EBITDA and Net Income Margin

3Q 2021 RESULTS

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Turnkey Projects Increased Cost of Commercial Goods Sales in Q3



Δ : Change

➤ Sales growth, supported by the increase in the number and volume of contracts, was recorded as the main parameter in the EBITDA increase.

The increase in the weight of projects with high added value in the portfolio was effective in the EBITDA growth.

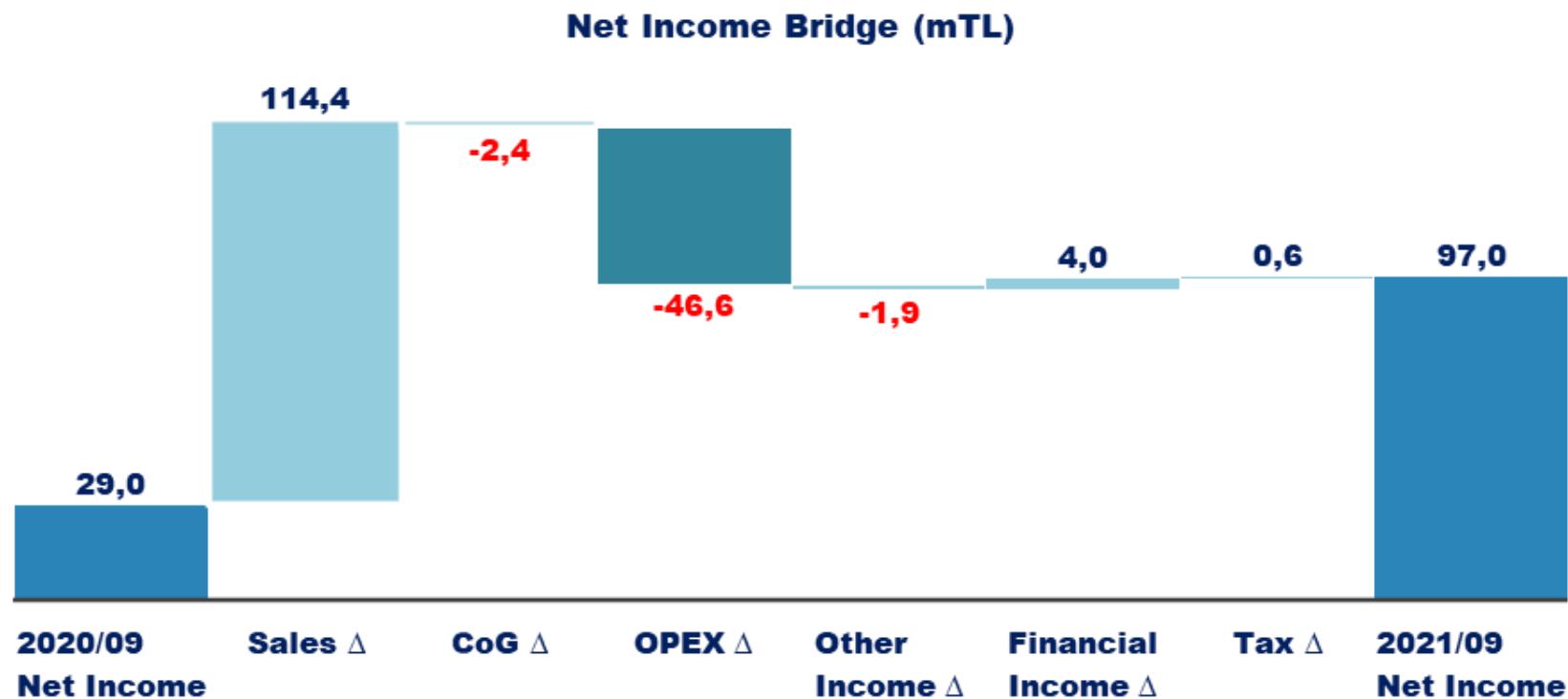
The high increase in operating expenses due to R&D expenditures partially offset the EBITDA growth.

R&D expenditures create an expectation for EBITDA growth in the upcoming period.

3Q 2021 RESULTS

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Cash Position Supported Net Profit for the Period



- The strong increase in net profit continued thanks to the factors supporting the EBITDA growth.
- The cash position generated financing income and supported the jump in net profit for the period.
- Keeping a part of the cash position in foreign currency assets and increasing exchange rate positively affected the net profit for the period as financial income.
- Other expenses in the third quarter suppressed profitability due to the effect of one-off expense.
- In addition to all these effects, the tax advantage and deferred tax income supported the net profit for the period compared to the same period of the previous year.

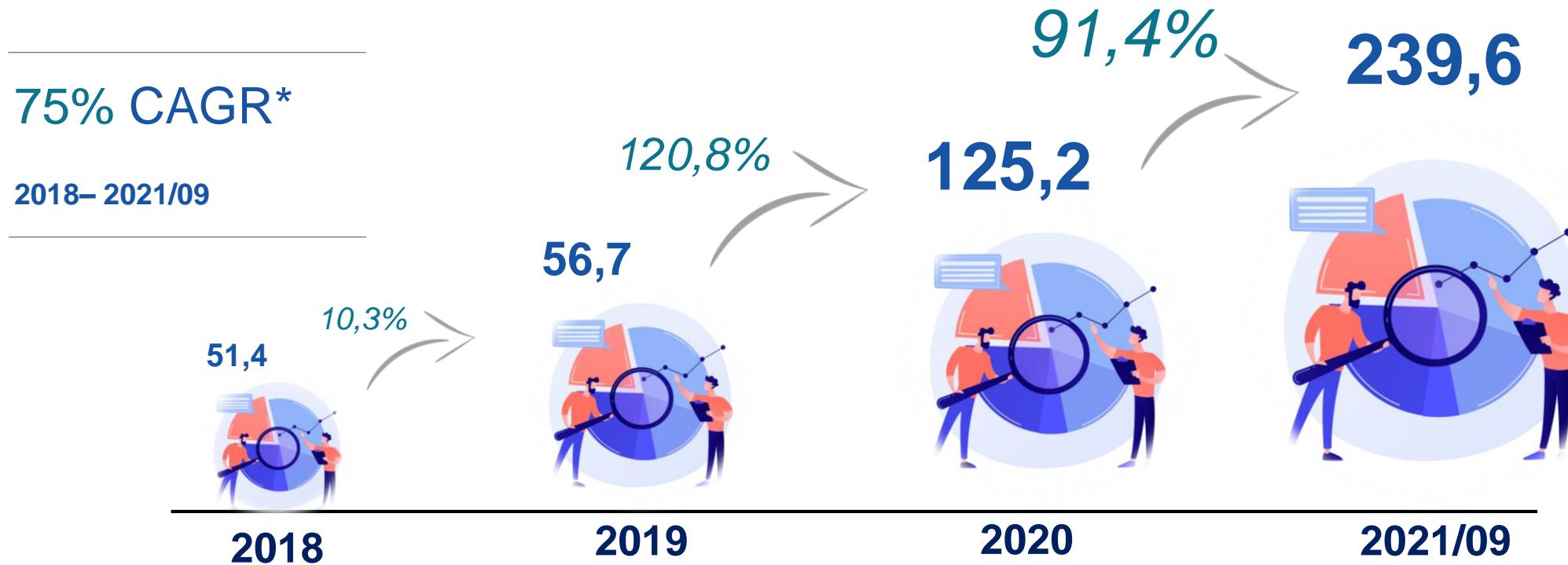
Δ : Change

3Q 2021 RESULTS

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Annualized Revenue in 2021/09 239.6 mTL

ANNUAL NET SALES DEVELOPMENT (mTL)



*CAGR : Compounded Annual Growth Rate

Total Sales TL M

3Q 2021 RESULTS

Annualized EBITDA in 2021/09 141.4 mTL

ANNUAL EBITDA DEVELOPMENT (mTL)

82% CAGR*

2018–2021/09

27,1



2018

19,9%

32,5



2019

129,2%

89,7%

74,5



2020

141,4



2021/09

EBITDA TL M

*CAGR: Compounded Annual Growth Rate

3Q 2021 RESULTS

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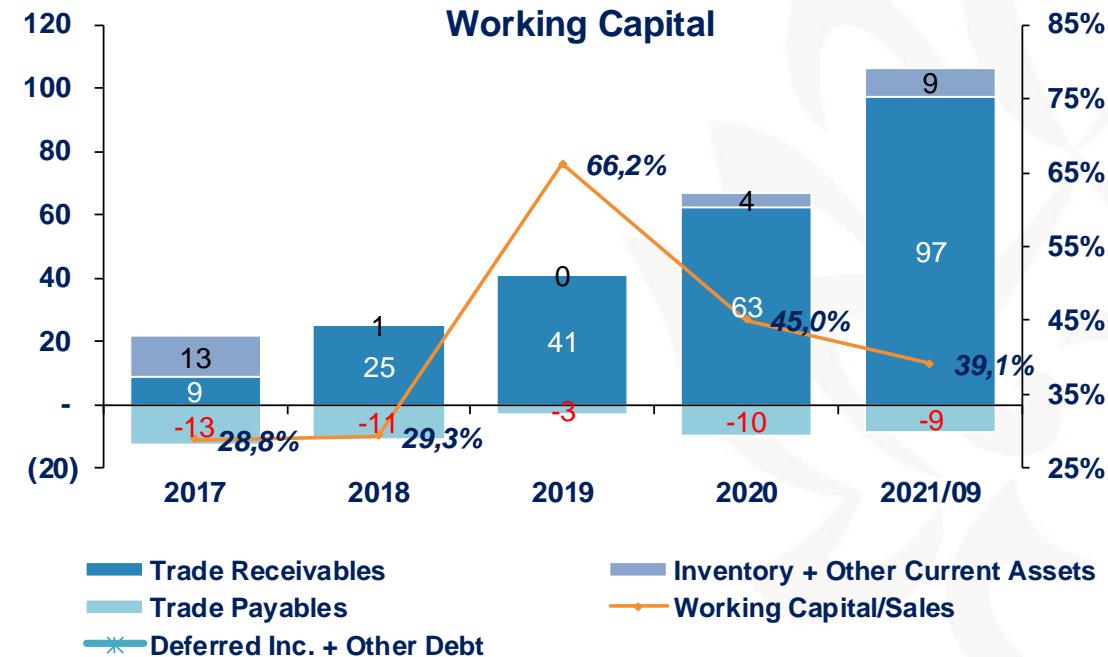
Improvement in Working Capital Continued Despite Rising Revenue

Working Capital

Working Capital Analysis

TLm	2017	2018	2019	2020	2021/09
Trade Receivables	8,8	25,0	40,9	62,6	97,1
Inventory + Other Current Ass	13,0	0,8	0,4	4,4	9,4
Trade Payables	(12,8)	(10,7)	(3,2)	(9,6)	(8,5)
Deferred Inc. + Other Debt	(0,1)	(0,1)	(0,5)	(1,0)	(4,3)
Working Capital/Sales	28,8%	29,3%	66,2%	45,0%	39,1%
Net Sales*	30,8	51,4	56,8	125,2	239,6

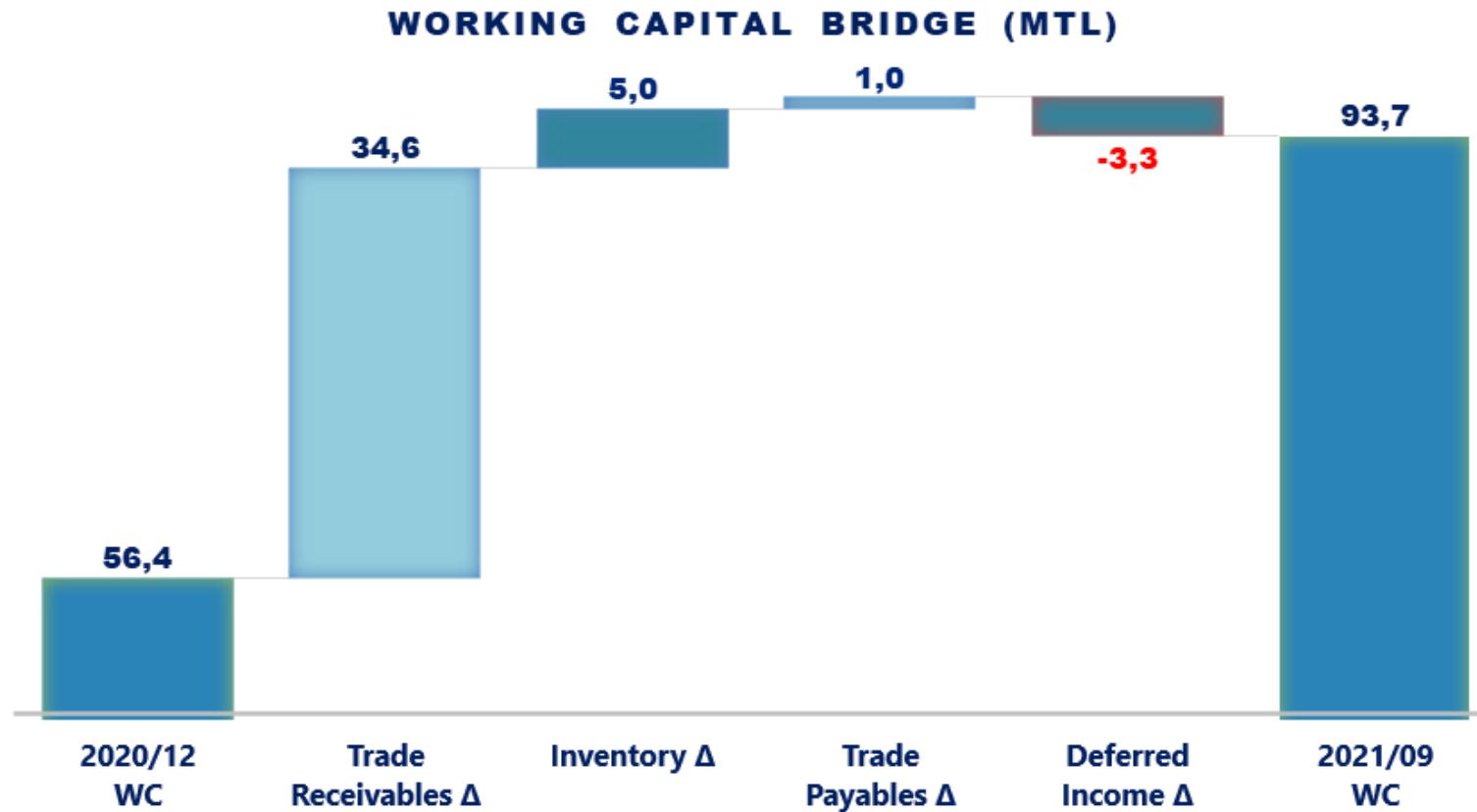
*As of 2021/09 trailing net sales has been considered



3Q 2021 RESULTS

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Converging 2018 Level in Working Capital to Sales Continues



- With the effect of net sales growth, the increase in trade receivables and inventories created the need for working capital, while normalization in trade payables continued.
- Working capital, which was 56.4 mTL at the end of 2020, augmented to 93.7 mTL in 2021/09.
- Although there is a significant growth in working capital, the rise in revenues above this level is an important productivity indicator.

Δ : Change

3Q 2021 RESULTS

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Low Financial Indebtedness Creates Significant Borrowing Capacity

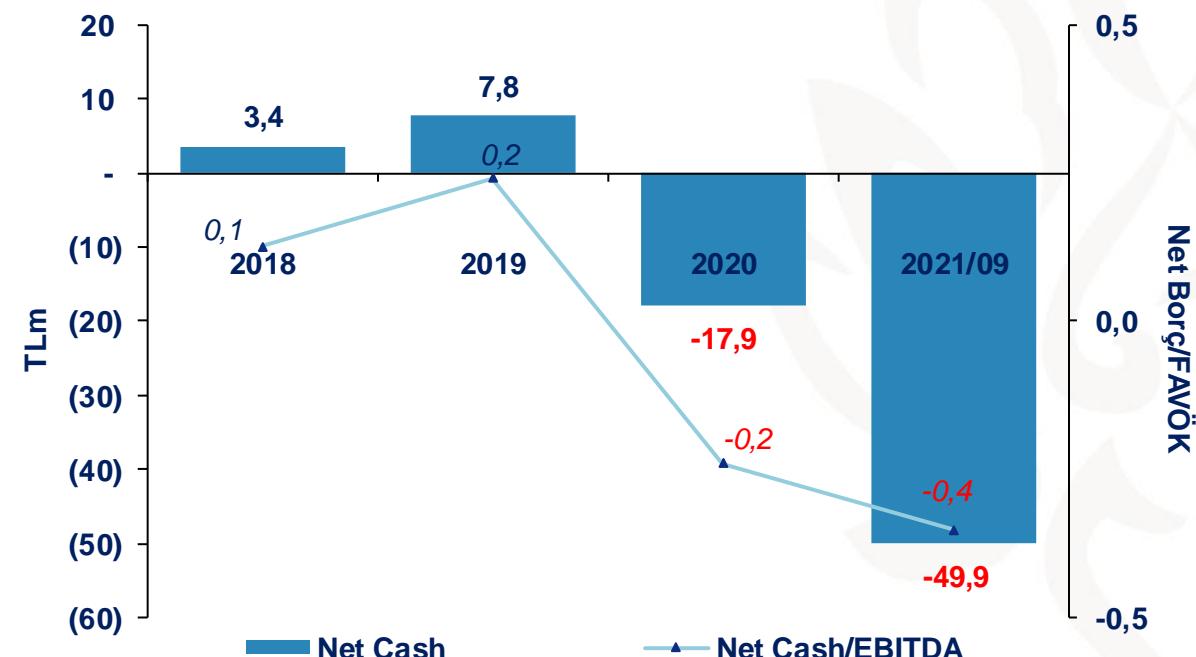
Net Cash Position

Net Cash & Equity & Financial Leverage

TLm	2018	2019	2020	2021/09
Cash and Cash Equivalents	0,1	1,7	27,3	57,5
Other Receivables	4,4	-	-	0,0
Short-Term Financial Debt	5,7	7,4	4,7	4,6
Other Debt	0,0	-	0,1	0,2
Long-Term Financial Debt	2,2	2,1	4,6	2,9
Net Cash	3,4	7,8	(17,9)	(49,9)
Equity	46,1	72,5	173,5	270,6
Net Cash/Equity	7,4%	10,8%	-10,3%	-18,4%
Net Cash/EBITDA	0,1	0,2	-0,2	-0,4
EBITDA	27,1	32,5	74,5	141,4

*As of 2021/09 EBITDA is annualized

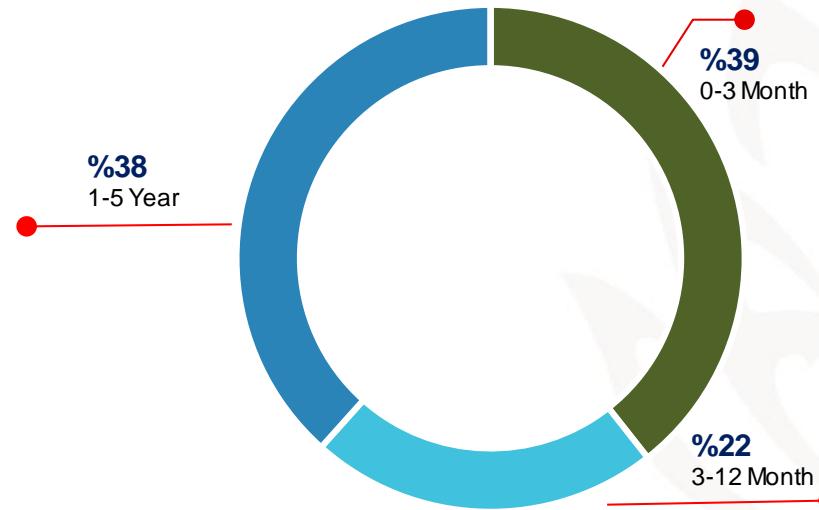
Net Cash/EBITDA



Foreign Exchange Position

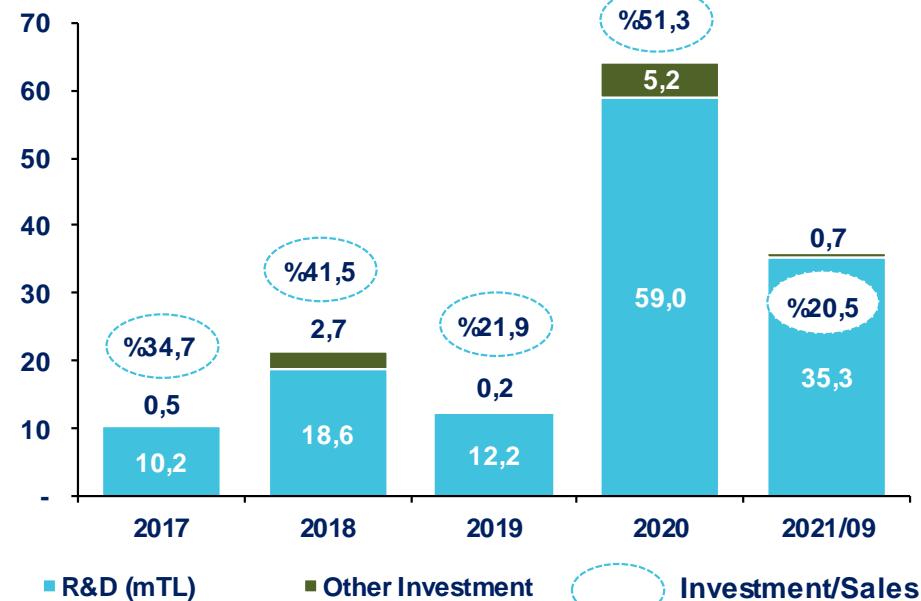


Credit Maturity Breakdown

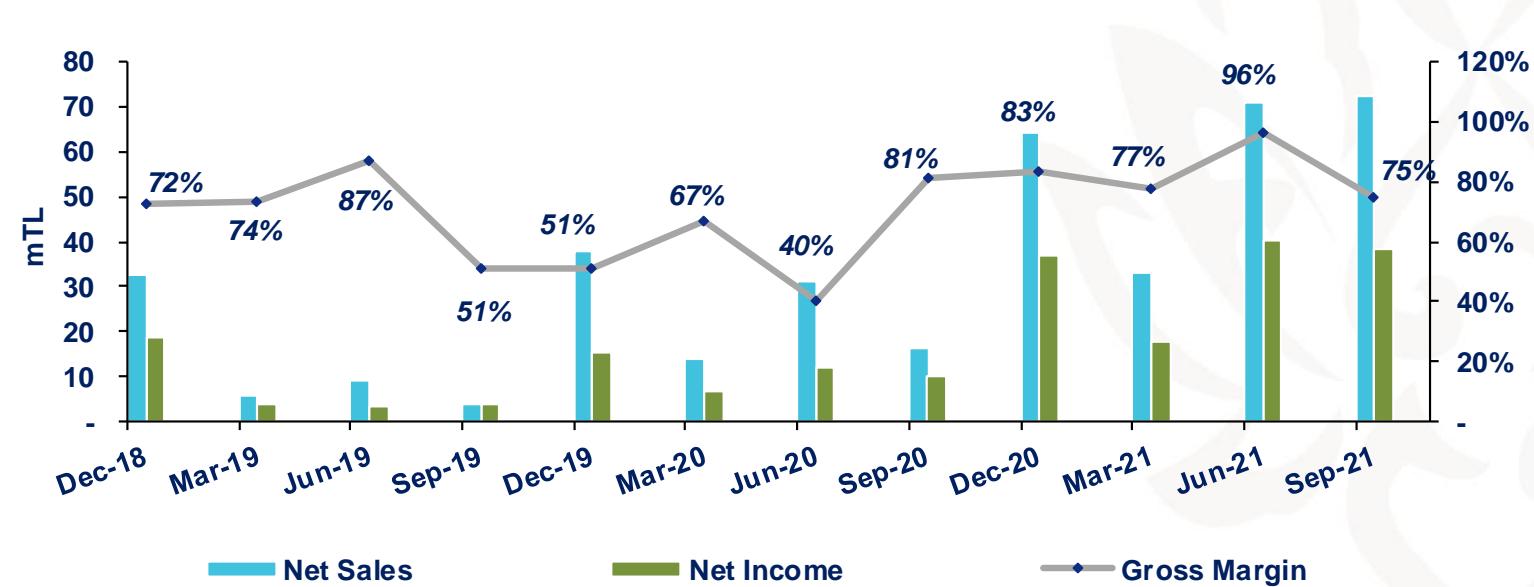


- As of 2021/09, the Company has a foreign currency surplus of 3.3 mn TL. As of the end of the period, all loans are in TL and the effective interest rate fluctuates in the band of 10-26%. Although a significant part of the financial debts are short-term, the Company has a significant borrowing capacity with low financial indebtedness.

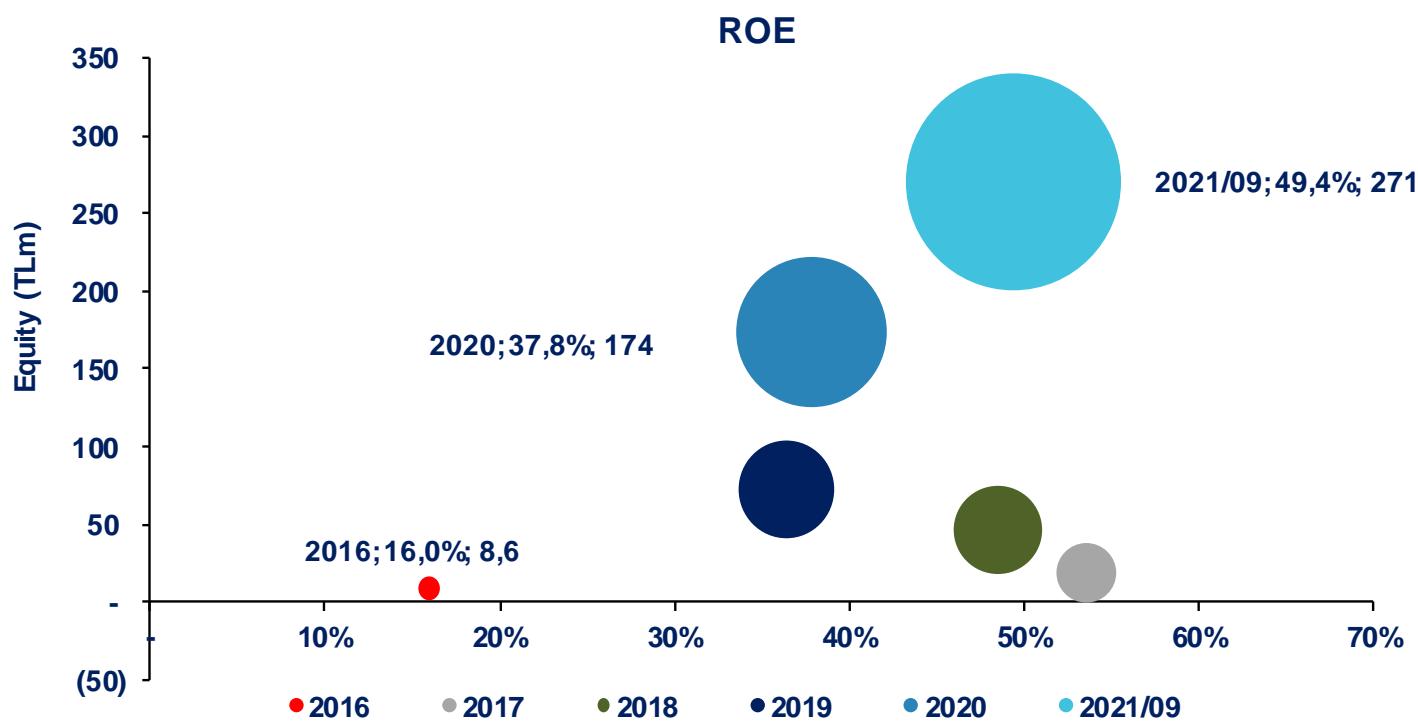
Investments (mTL)



Seasonality



49.4% ROE Well Above Interest Yield



- The liquidity level of the balance sheet continued to increase with each period.
- The return on equity is above the bond yield, indicating that the capital is being used efficiently.
- Low indebtedness means that the Company has high borrowing capacity, and the coverage ratio and Net Debt/EBITDA ratios indicate investment grade.

Financial Ratios

Liquidity Ratios	2021/09	2020/12	2019/12	Reference
Current Ratio	9,40	6,17	3,86	1,0-1,5
Liquidity Ratios	8,99	5,94	3,83	0,8-1,0
Investment Ratios (12M Trailing)	2021/09	2020/12	2019/12	Reference
Investment/Depreciation	1177,9%	850,3%	282,8%	>%100
Investment/Net Sales	20,5%	51,3%	21,9%	Sektör
EVA-TL	60.695.551	25.803.144	8.010.822	>0
ROIC	44,8%	33,6%	26,8%	>%18,5
CRR	91,2%	124,2%	143,9%	<%100

Financial Ratios

Debt Ratios	2021/09	2020/12	2019/12	Reference
Total Debt/Total Assets	7,1%	10,6%	16,0%	<%40
Short-Term Fin. Debt/Equity	1,7%	2,7%	10,3%	<100%
Coverage Ratio	-46,2	78,2	18,4	>3
Net Debt/EBITDA	-0,4	-0,2	0,2	<4
Short-Term Liabilities/Assets	6,0%	7,9%	12,9%	Sektör
Long-Term Liabilities/Assets	1,1%	2,8%	3,1%	Sektör
Equity/Assets	92,9%	89,4%	84,0%	>%60
Total Liabilities/Equity	7,6%	11,9%	19,1%	Sektör
Financial Debt/Total Liabilities	36,3%	45,0%	69,2%	Sektör

*As of 2021/09 Net Debt/EBITDA and Coverage Ratio are calculated negatively because of net cash position and net financial income

Financial Ratios

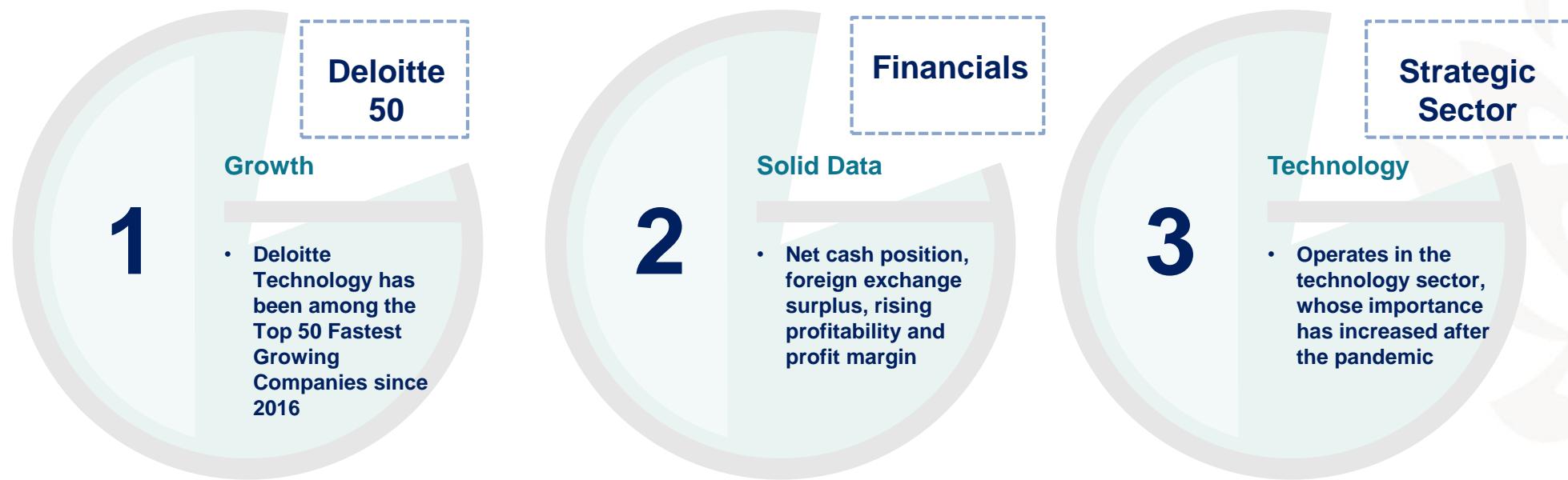
Profitability Ratios (12MTrailing)	2021/09	2020/12	2019/12	Reference
Gross Margin	83,5%	70,3%	59,2%	Sektör
EBIT Margin	54,4%	53,5%	49,5%	Sektör
EBITDA Margin	59,0%	59,5%	57,2%	Sektör
Net Margin	55,8%	52,5%	46,5%	Sektör
ROE	49,4%	37,8%	36,4%	>Tahvil Getirisi
ROA	44,8%	34,5%	32,5%	Sektör
Financial Exp./Net Sales	-1,3%	0,8%	3,1%	<%3
OPEX/Net Sales	28,3%	17,0%	8,2%	Sektör



- 764% return from the date of public offering until the end of September.
- Strong financial figures and corporate governance principles supported performance
- The company has been selected among the top 50 companies in the "Deloitte Technology Fast 50 Turkey 2020" program held in February 2021, and was among the fastest growing technology companies in Turkey.

Investment Thesis

Rising software expenditure all over the world with the pandemic makes the sector strategic; R&D and Technocity incentives and low tax rate; Being one of the fastest growing technology companies in Turkey by the Deloitte Technology Fast 50 Turkey since 2016; Low indebtedness creates high borrowing capacity; Resilient financial structure in the period of increasing exchange rate with net cash position and foreign exchange surplus; Strong financials as of 2021/09; Strong cash position and liquid balance sheet means high dividend yield potential, R&D investments, which are made every year, will have a significant impact on EBITDA in the coming years.



ARD Informatics has a vital potential for the investors with its strong financial data, growth potential, incentives and operating in a strategic sector.

APPENDIX



3Q 2021 RESULTS

Balance Sheet (TL)	2020/12 Audited	2021/09 Audited
Assets	194.182.794	291.228.394
Cash & Cash Equivalent	27.282.062	57.519.466
Trade Receivables	62.550.745	97.118.301
Other Current Assets	853.786	2.412.675
Inventories	3.572.036	7.034.520
Current Assets	94.258.629	164.084.962
Investment Property	26.200	26.200
Tangible Assets	6.192.120	5.432.927
Intangible Assets	93.705.845	121.684.305
Fixed Assets	99.924.165	127.143.432
Equity and Liabilities	194.182.794	291.228.394
Short-Term Debt	4.674.158	4.601.549
Trade Payables	9.562.520	8.529.115
Other Debt	115.021	165.888
Other Short-Term Liabilities	919.596	4.167.355
Short-Term Liabilities	15.271.295	17.463.907
Long-Term Debt	4.624.358	2.880.428
Other Long-Term Liabilities	766.164	281.738
Long-Term Liabilities	5.390.522	3.162.166
Paid-In Capital	23.875.000	23.875.000
Emission Premium	30.961.672	30.961.672
Other Comprehensive Inc.	24.532	120.619
Profit Reserves	1.340.006	1.340.006
Retained Earning	51.650.507	117.319.767
Net Income	65.669.260	96.985.257
Equity	173.520.977	270.602.321

Income Statements (TL)	2020/09 Audited	2021/09 Audited	2021-2020 Change (%)
Net Sales	61.346.413	175.717.620	186,4%
Change		186,4%	
CoGS	(26.358.145)	(28.713.847)	8,9%
Gross Profit	34.988.268	147.003.773	320,2%
Gross Margin	57,0%	83,7%	
General Administrative Exp.	(3.265.673)	(4.894.335)	49,9%
Change		49,9%	
R&D	(3.557.503)	(48.562.323)	1265,1%
Change		1265,1%	
Other Income	4.146.842	3.465.663	-16,4%
Other Expenses	(1.574.852)	(2.805.426)	78,1%
EBITDA	35.998.375	102.853.102	185,7%
Change		185,7%	
EBITDA Margin	58,7%	58,5%	
Depreciation	(5.261.293)	(8.645.750)	64,3%
EBIT	30.737.082	94.207.352	206,5%
Change		206,5%	
EBIT Margin	50,1%	53,6%	
Income from Investment Activities	95.215	41.851	
Net Financial Income	(1.602.232)	2.411.775	
Profit Before Tax	29.230.065	96.660.978	
Tax	(237.075)	324.279	
Net Income	28.992.990	96.985.257	234,5%
Margin	47,3%	55,2%	

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THANK YOU

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