

INVESTOR PRESENTATION

1Q 2022 FIGURES

31.05.2022



ARD BİLİŞİM

- ✓ **Capital Yield:** 44.6% of ROE beating market interest rate
- ✓ **Financials:** Sustainable growth and strong cash position continued
- ✓ **Margins:** The rise in sales and margins

EXECUTIVE SUMMARY

DEBT LEVEL

Despite high sales growth, steady decline in working capital to sales between 2019-2021 points out efficiency. However, the relative increase in the need for working capital in the first quarter of 2022 draws attention.

In a period of increasing exchange rates, Company's FX surplus position continued and its net cash position rose to TL 35.9 mn.

MARGINS

Quarterly gross margin, which was 77% in 1Q21, increased to 83% in 1Q22, driven by lower commercial goods sold and decreasing in operating expenses.



FINANCIAL ASSETS

"Dallmeier Turkey Elektronik Sanayi ve Ticaret A.Ş." as a 100% subsidiary under ARD Grup Bilişim Teknolojileri A.Ş. on 11.05.2022 was established. Dallmeier Turkey, established within the group, will produce innovative services and products in the field of proactive security solutions in parallel with the cooperation with Dallmeier Electronic GmbH & Co.KG.

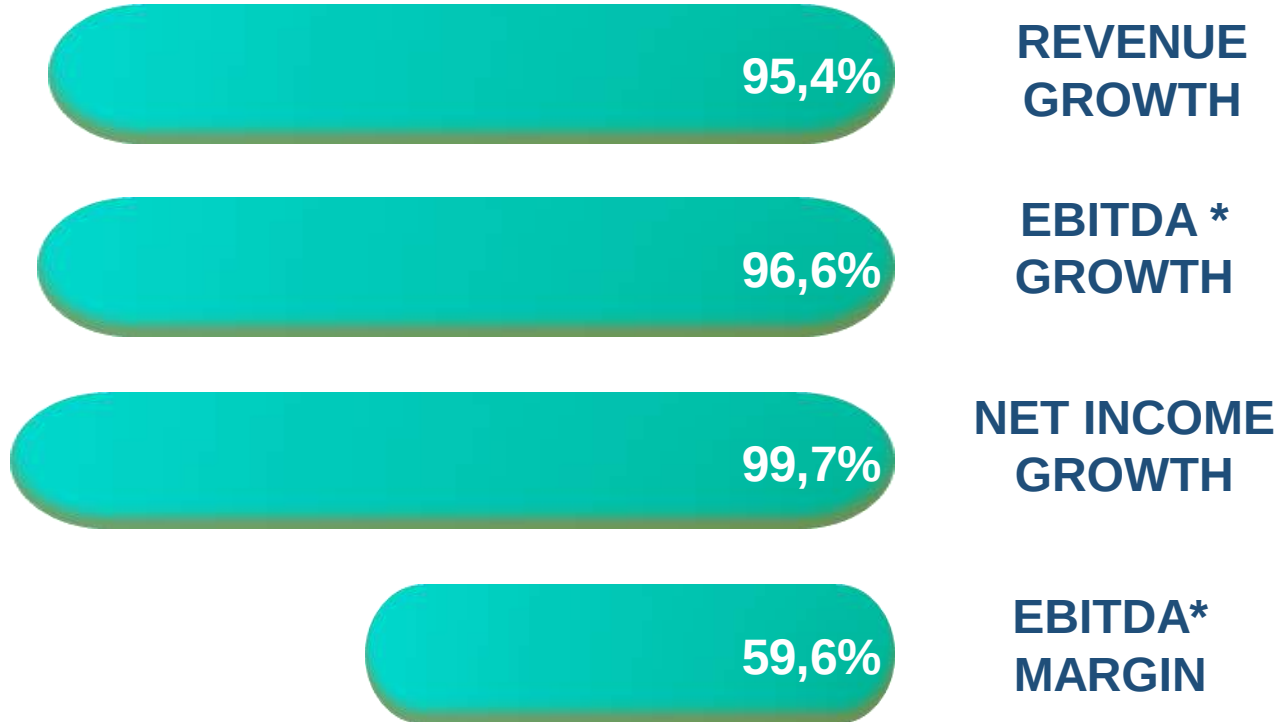
GROWTH

Steady growth continued in the first quarter of the year, in which revenues do not occur in significant amounts seasonally. Rising revenues were instrumental in EBITDA growth, which pushed by 31% in 1Q22 compared to 1Q21. The rise in net profit, which was parallel to the growth in EBITDA, was also supported by the cash position and tax incentives.

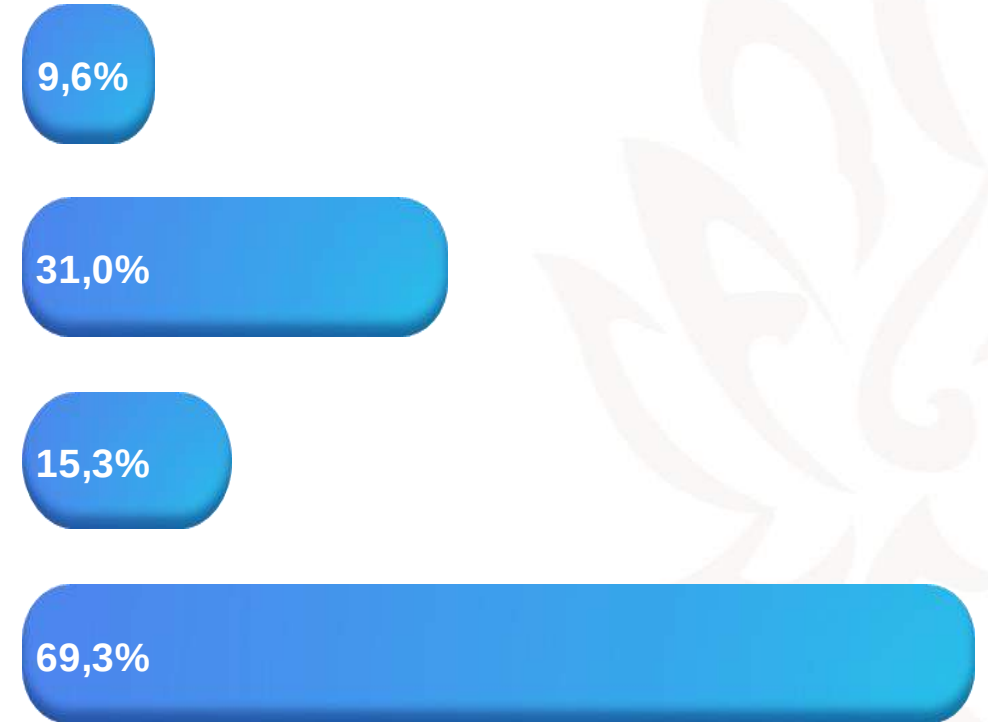
SOLID PERFORMANCE

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2022/03 & 2021/03 ANNUALIZED



1Q22 & 1Q21 QUARTERLY



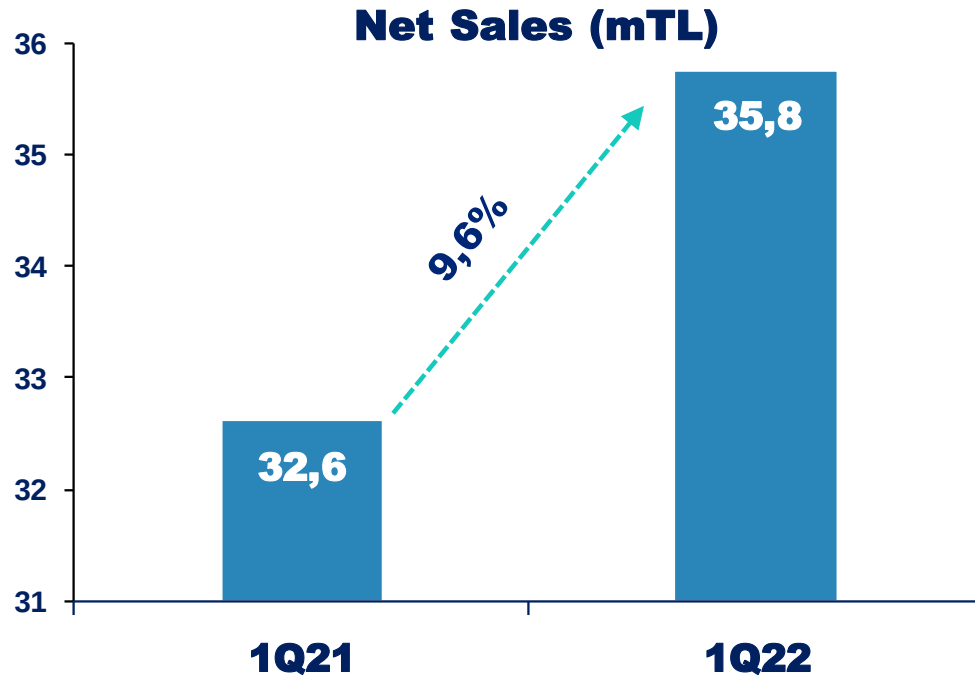
**Other Income / Expense from Operating Activities are included in EBITDA*

1Q 2022 RESULTS

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Stable Growth in Sales

QUARTERLY FIGURES



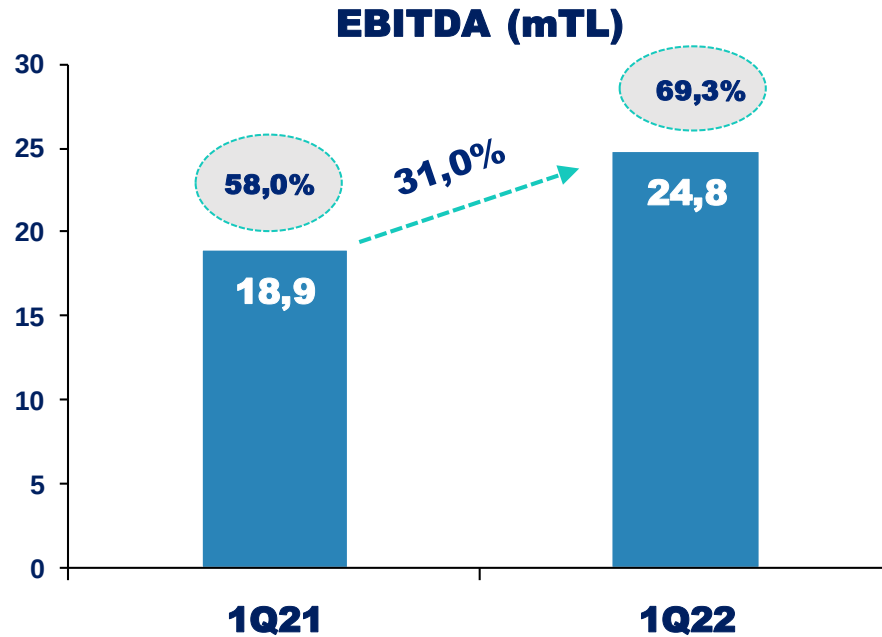
- Net sales raised by 9.6% on a quarterly basis compared to the same period of the previous year and amounted to 35.8 m TL.
- Due to the seasonality net sales decreased by 65% compared to the previous quarter.
- In addition to sales growth in the first quarter of the year, margins also improved with reduced commercial good sold and decreasing operating expenses.

1Q 2022 RESULTS

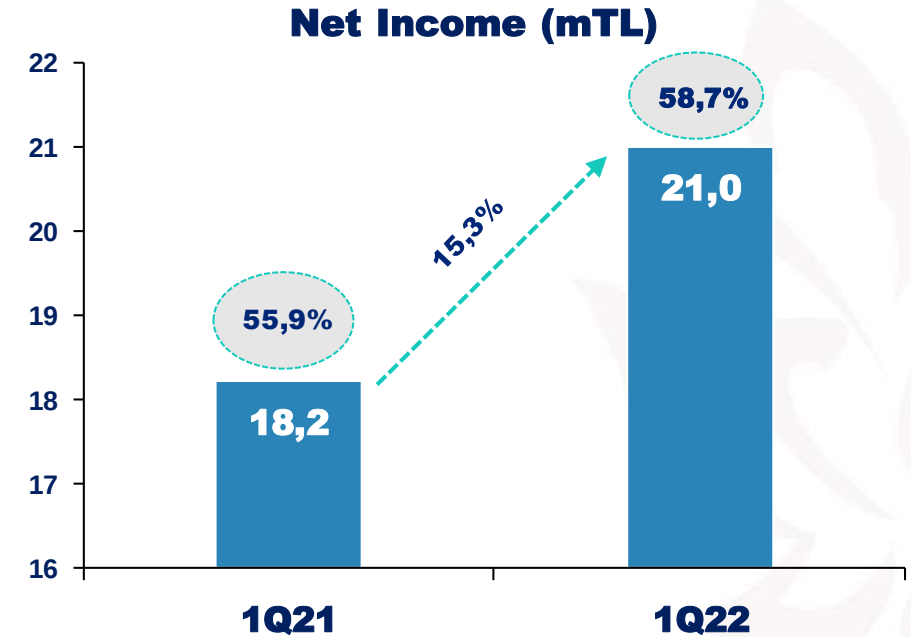
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Improvement in Margins Reflected on Profitability

QUARTERLY FIGURES



- EBITDA improved by 31,0% QoQ to 24,8 mTL, while the EBITDA margin increased from 58% to 69,3%



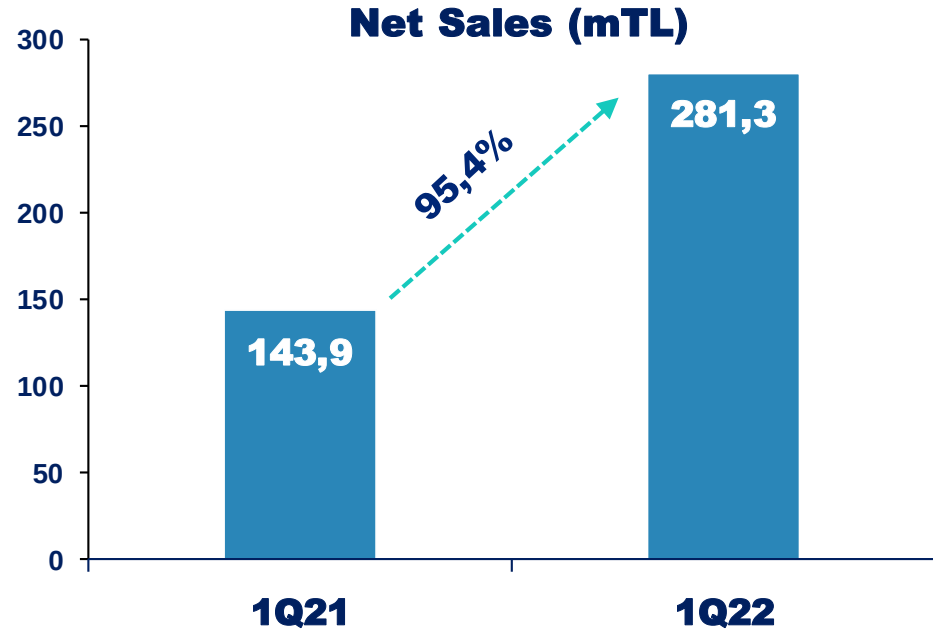
- Net profit increased by 15,3% QoQ to 21,0 mTL. Strong stance in operating profitability was recorded as the most important factor supporting net profit for the period.

 **EBITDA and Net Income Margin**

1Q 2022 RESULTS

Net Sales Maintained Growth Trend in 2022

PERIODICAL FIGURES



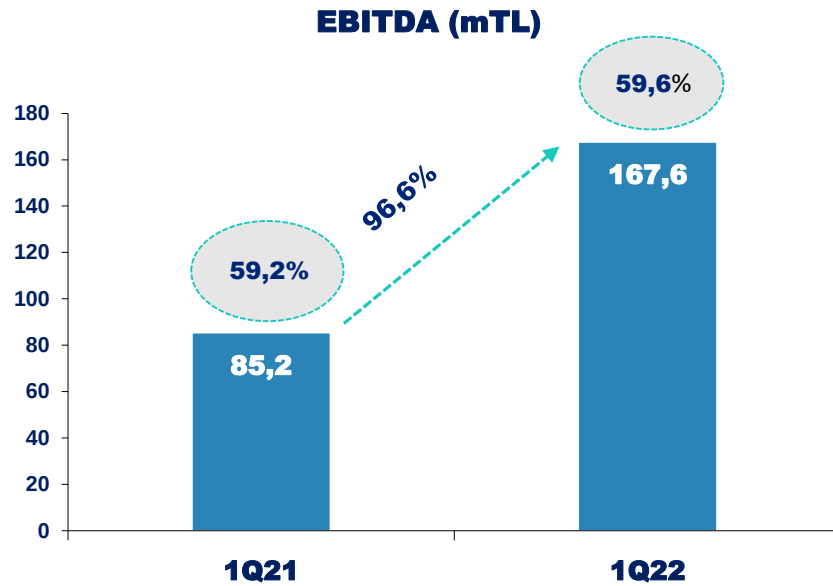
- Annualized net sales increased by 95.4% in 2022/03 compared to the same period of the previous year and amounted to 281.3 mTL.
- Value added projects were effective in the strong enhancement in revenues.
- The pandemic increased customers' software and technology expenditures and this new normal contributed to the Company's revenues.

1Q 2022 RESULTS

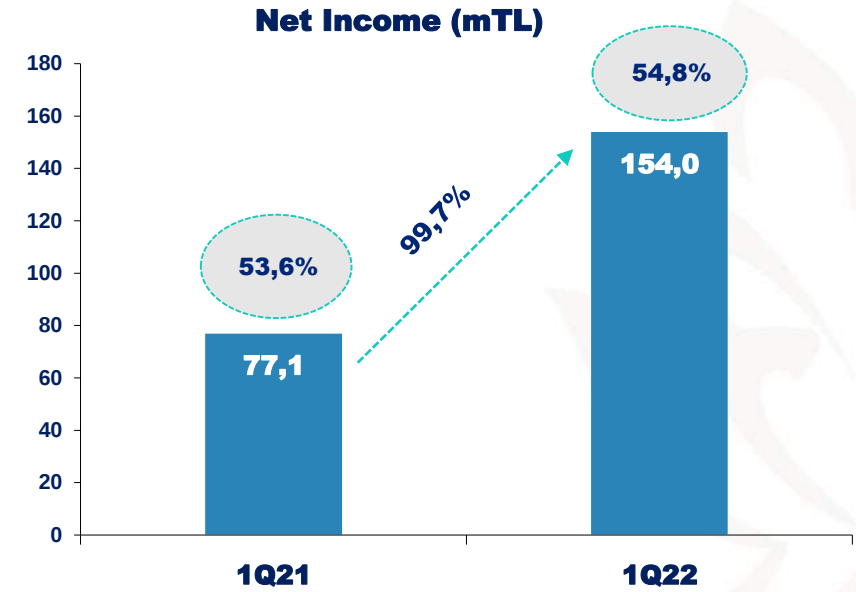
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Cash Position and Low Taxes Supported Profitability

PERIODICAL FIGURES



- Annualized EBITDA augmented by 96.6% and reached 167.6 mTL periodically.



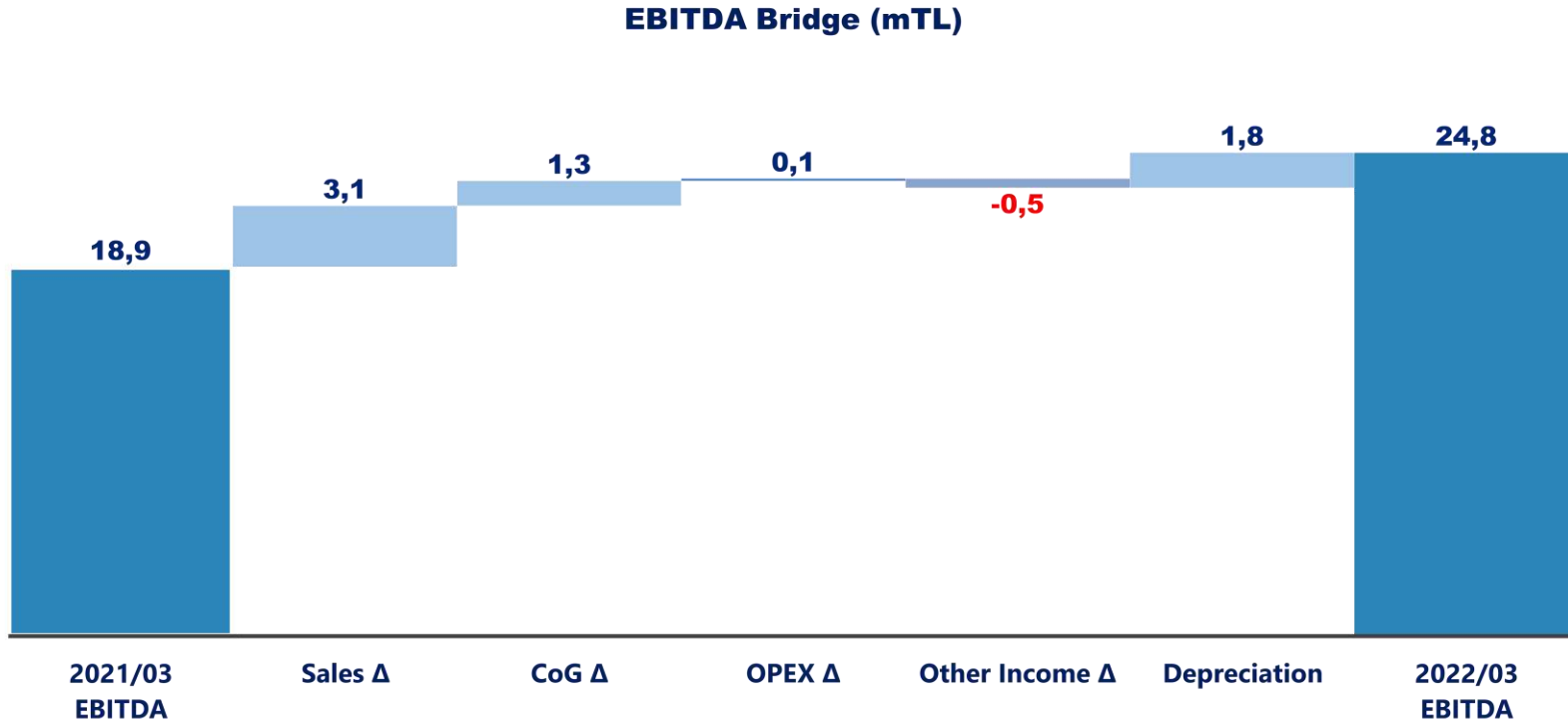
- Annualized Net Income increased by 99.7% and reached to 154.0 mTL periodically.

 **EBITDA and Net Income Margin**

1Q 2022 RESULTS

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The Rise in Sales and Margins Supported EBITDA



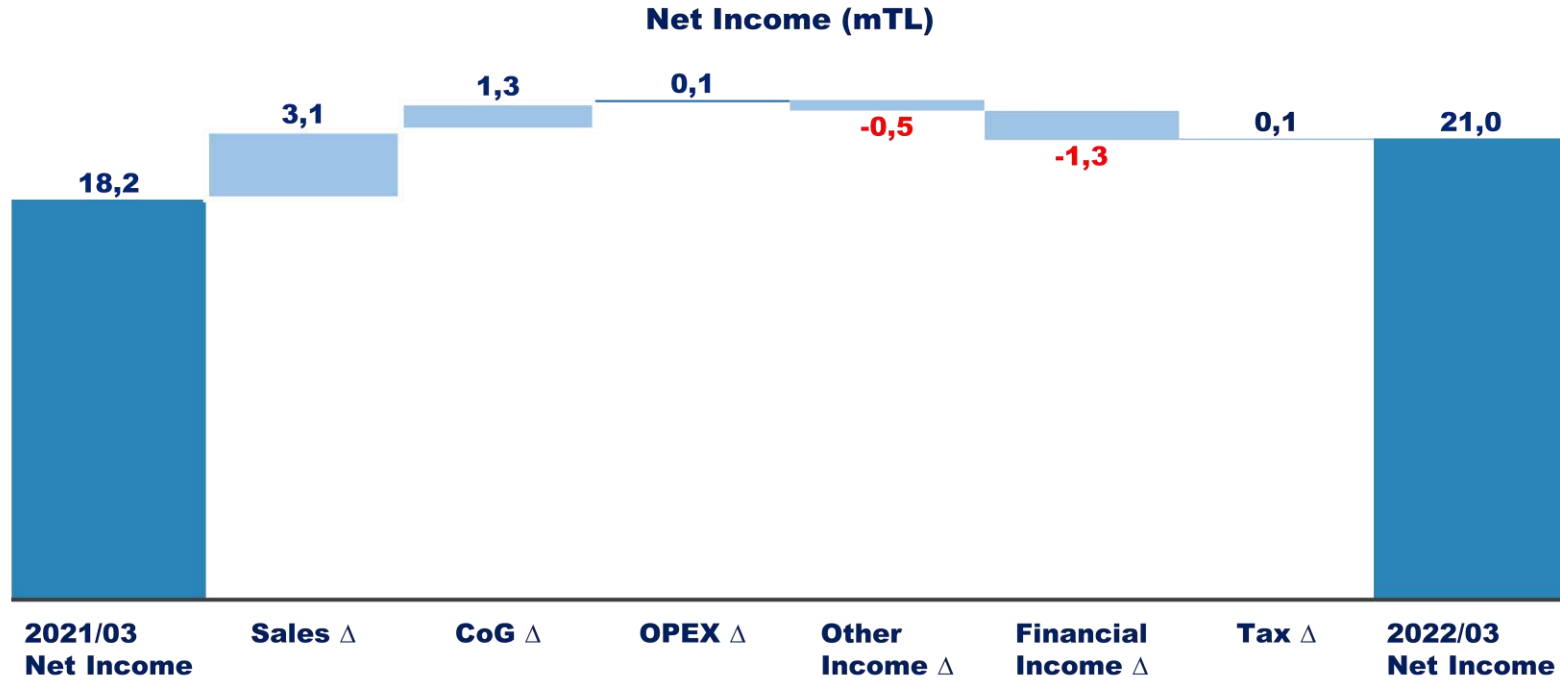
- Despite the limited sales growth, the rising margins supported EBITDA.
- The jump in the weight of added value projects in the portfolio was effective in the EBITDA growth.
- R&D expenditures create expectations for EBITDA growth in the coming period.

Δ : Change

1Q 2022 RESULTS

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Sustainable Net Income Growth Continued



- The rise in net profit continued thanks to the factors supporting the EBITDA growth.
- Increasing R&D investments and the change in working capital put downward pressure on the cash position. This situation reduced the net financing income.
- The decrease in the foreign exchange position decreased the income from the exchange rate in a period when the exchange rates were rising.
- In addition to all these effects, the tax advantage supported the net profit for the period compared to the same period of the previous year.

Δ : Change

1Q 2022 RESULTS

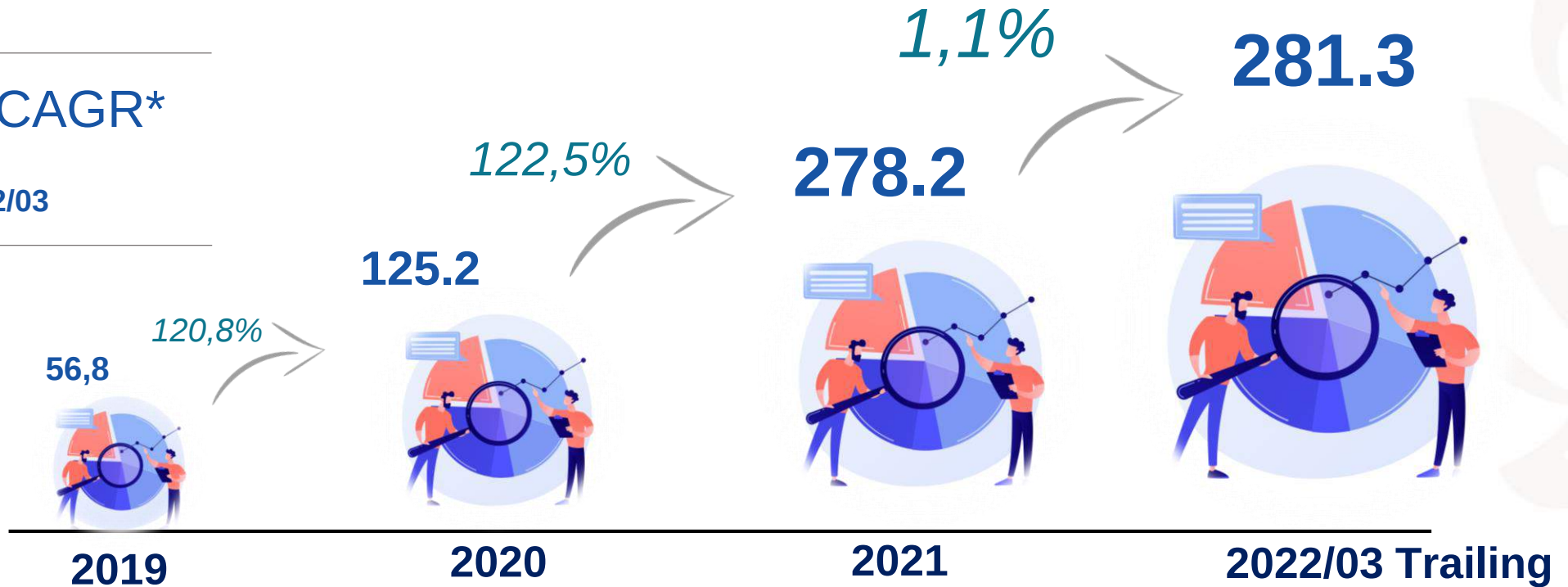
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281.3 mTL of Annualized Revenue in 2022/03

ANNUAL NET SALES DEVELOPMENT (mTL)

104% CAGR*

2018– 2022/03



*CAGR : Compounded Annual Growth Rate

Total Sales TL M

1Q 2022 RESULTS

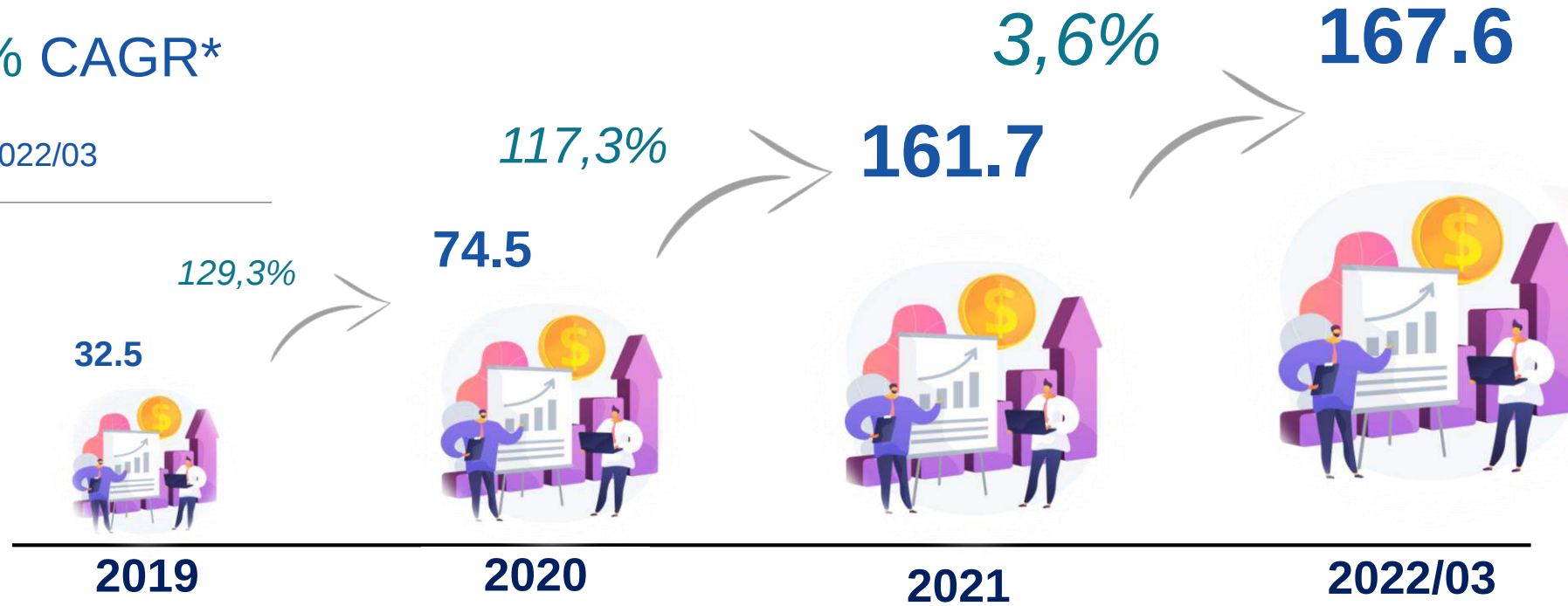
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167.6 mTL of Annualized EBITDA in 2022-03

ANNUAL EBITDA DEVELOPMENT (mTL)

107% CAGR*

2018– 2022/03



*CAGR: Compounded Annual Growth Rate

EBITDA TL M

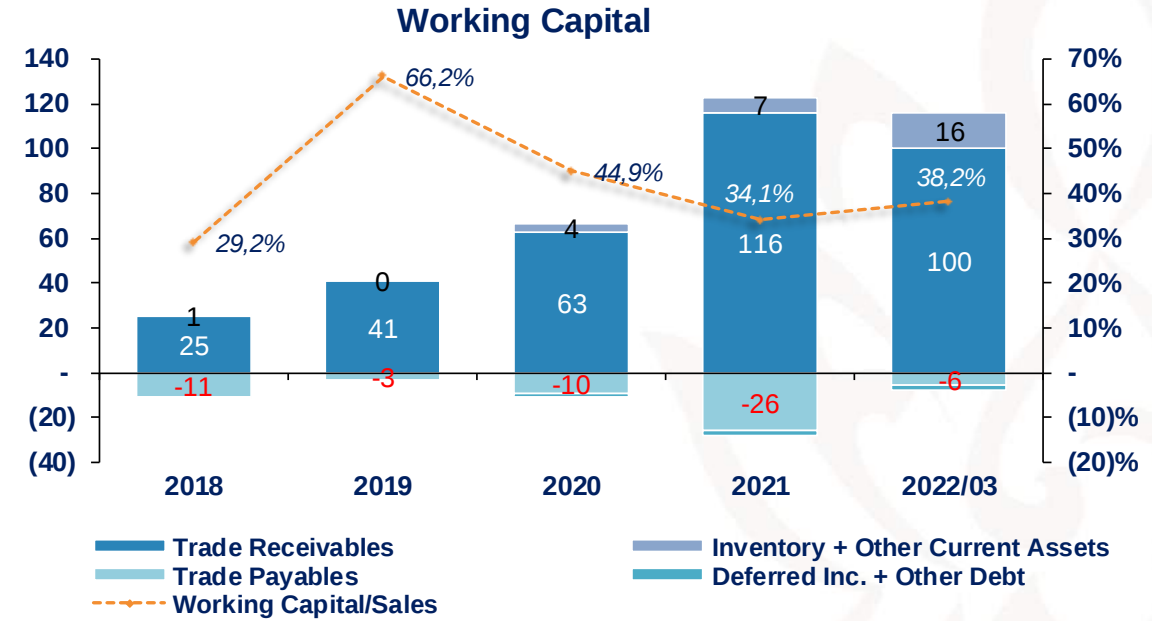
1Q 2022 RESULTS

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Declining Trade Payables Maturities Increased Working Capital Sales Share

Working Capital

Working Capital Analysis						
TLm	2017	2018	2019	2020	2021	2022/03
Trade Receivables	8,8	25,0	40,9	62,6	116,1	100,1
Inventory + Other Current Assets	13,0	0,8	0,4	4,3	7,0	15,6
Trade Payables	(12,8)	(10,7)	(3,2)	(9,6)	(26,0)	(5,8)
Deferred Inc. + Other Debt	(0,1)	(0,1)	(0,5)	(1,0)	(2,3)	(2,4)
İşletme Sermayesi	8,9	15,0	37,6	56,3	94,8	107,5
Working Capital/Sales	28,8%	29,2%	66,2%	44,9%	34,1%	38,2%
Net Sales*	30,8	51,4	56,8	125,2	278,2	281,3

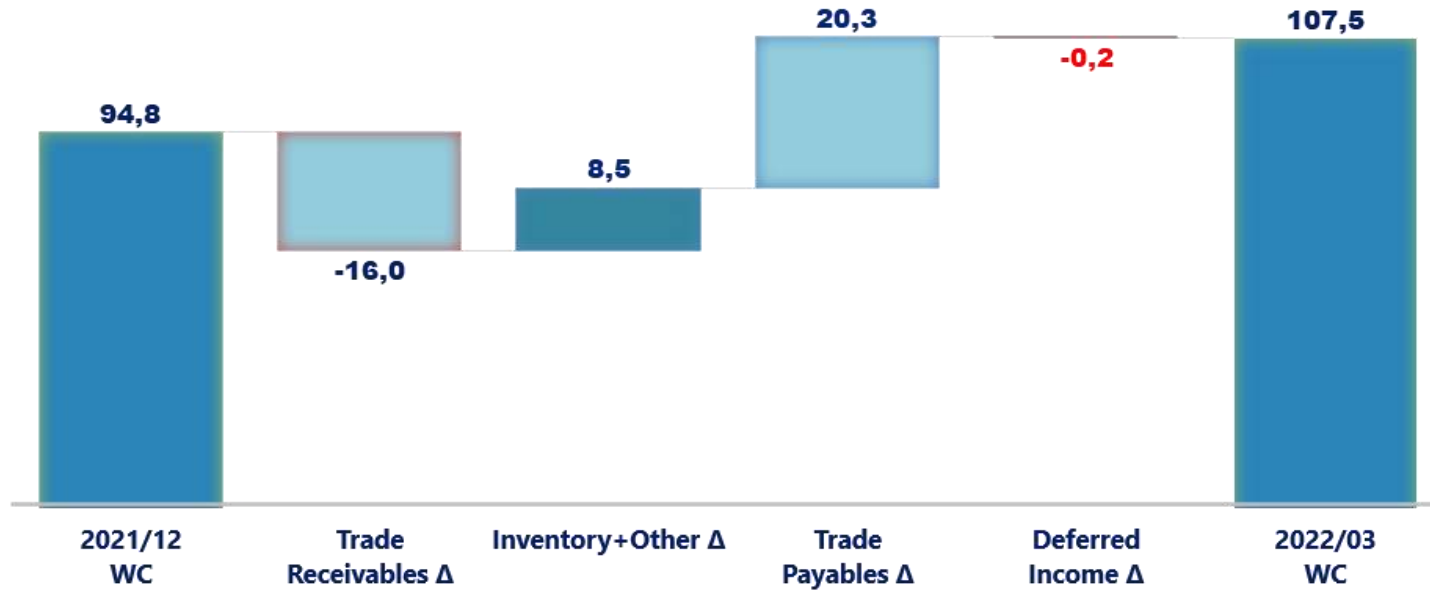


1Q 2022 RESULTS

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Decrease in Receivables and Debt Maturities Draws Attention

WORKING CAPITAL BRIDGE (MTL)



- Despite the rise in receivables collections in the first quarter of the year, declining trade payables and rising stock values due to inflation boosted working capital to sales ratio.
- Working capital, which was 94.8 mTL at the end of 2021, augmented to 107.5 mTL in 2022/03.
- Working capital to sales ratio, which declined continuously between 2019 and 2021, rose slightly in the first quarter of 2022.

Δ : Change

1Q 2022 RESULTS

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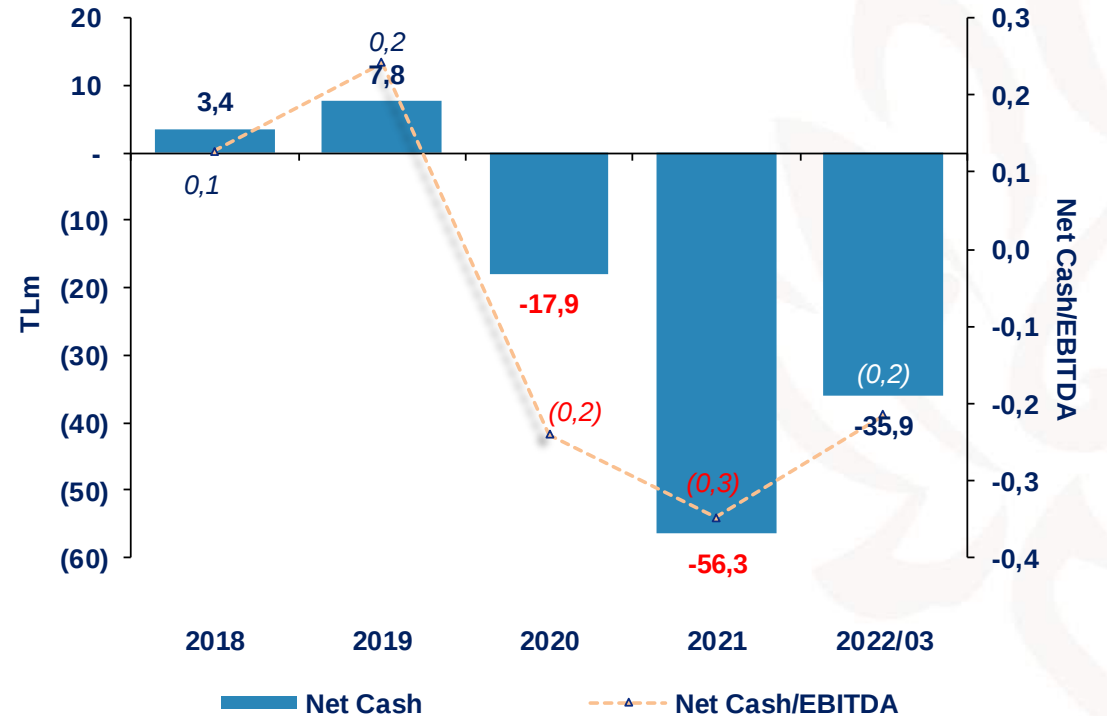
Rising R&D Investments and Working Capital Downward Pressure on Cash Position

Net Cash Position

Net Cash & Equity & Financial Leverage					
TLm	2018	2019	2020	2021	2022/03
Cash and Cash Equivalents	0,1	1,7	27,3	64,0	42,9
Other Receivables	4,4	-	-	0,0	0,0
Short-Term Financial Debt	5,7	7,4	4,7	5,5	6,0
Other Debt	0,0	-	0,1	0,7	0,4
Long-Term Financial Debt	2,2	2,1	4,6	1,4	0,7
Net Cash	3,4	7,8	(17,9)	(56,3)	(35,9)
Equity	46,1	72,5	173,5	324,7	345,6
Net Cash/Equity	7,4%	10,8%	-10,3%	-17,4%	-10,4%
Net Cash/EBITDA	0,1	0,2	(0,2)	(0,3)	(0,2)
EBITDA	27,1	32,5	74,4	161,7	167,6

*As of 2022/03 EBITDA is annualized

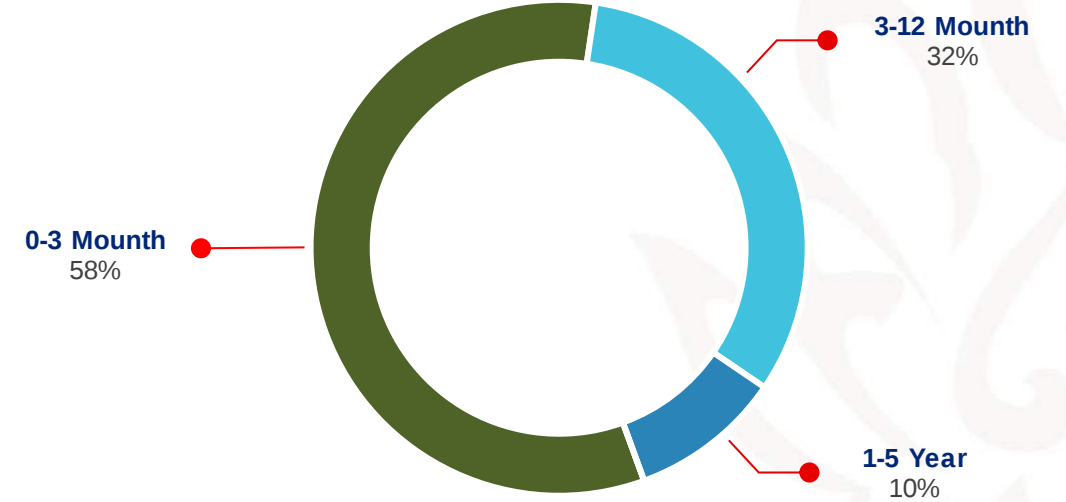
Net Cash/EBITDA



Foreign Exchange Position



Credit Maturity Breakdown



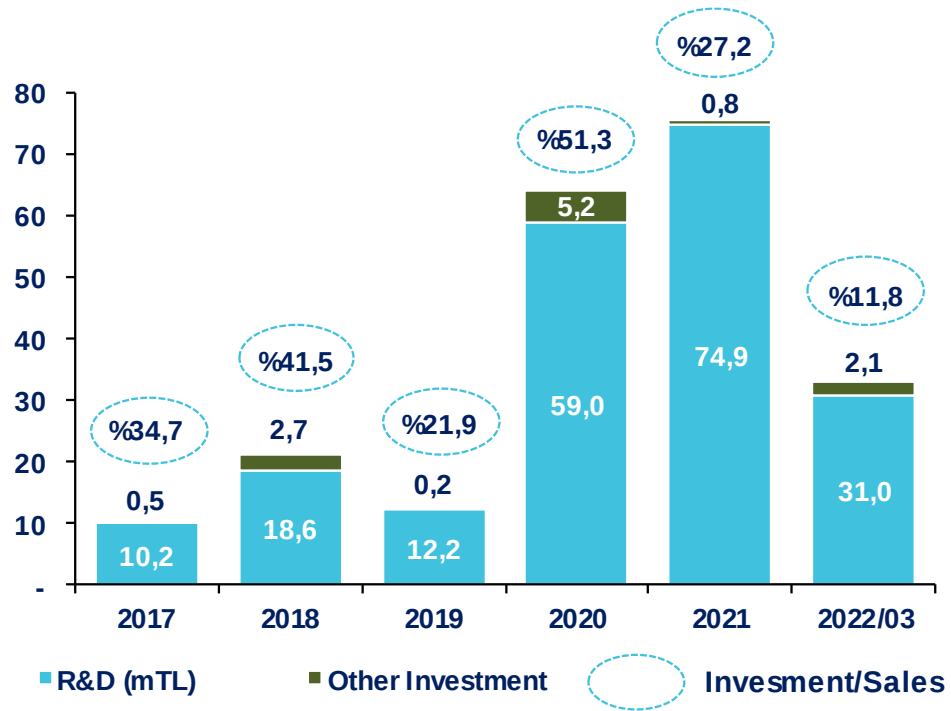
- As of 2022/03 the Company has foreign currency surplus of 1.6 mTL. As of the end of the period, all loans are in TL denominated and the effective interest rate fluctuates in the band of 10-27%. Although a significant portion of the financial debts are short-term, the Company has a significant borrowing capacity with low financial indebtedness.

1Q 2022 RESULTS

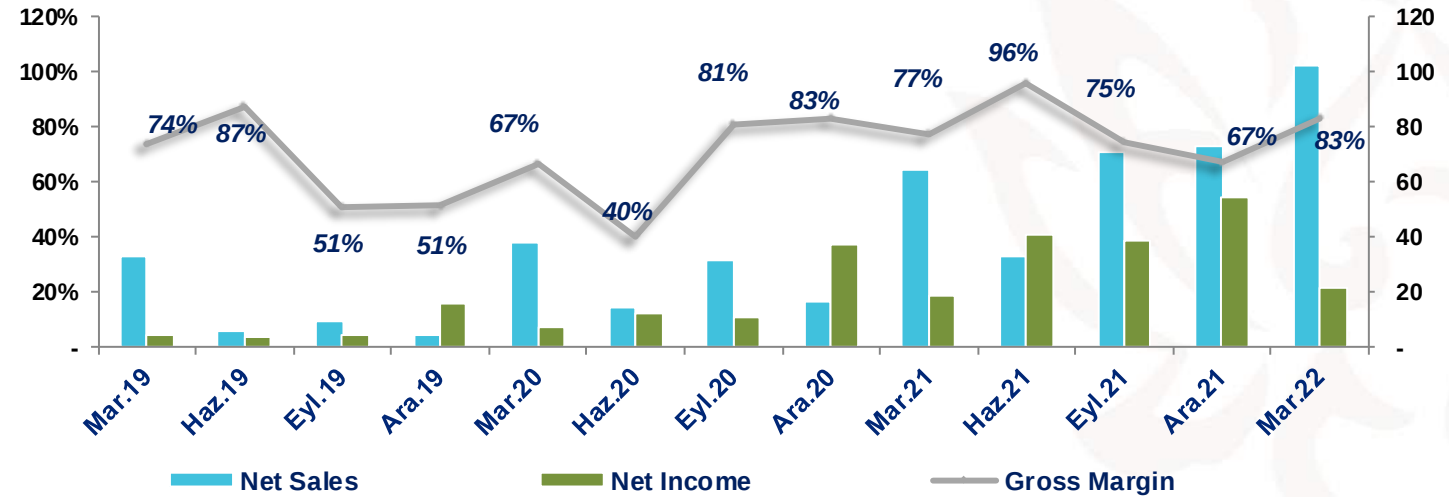
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Investment/Sales Ratio Continued to Decline

Investments (mTL)



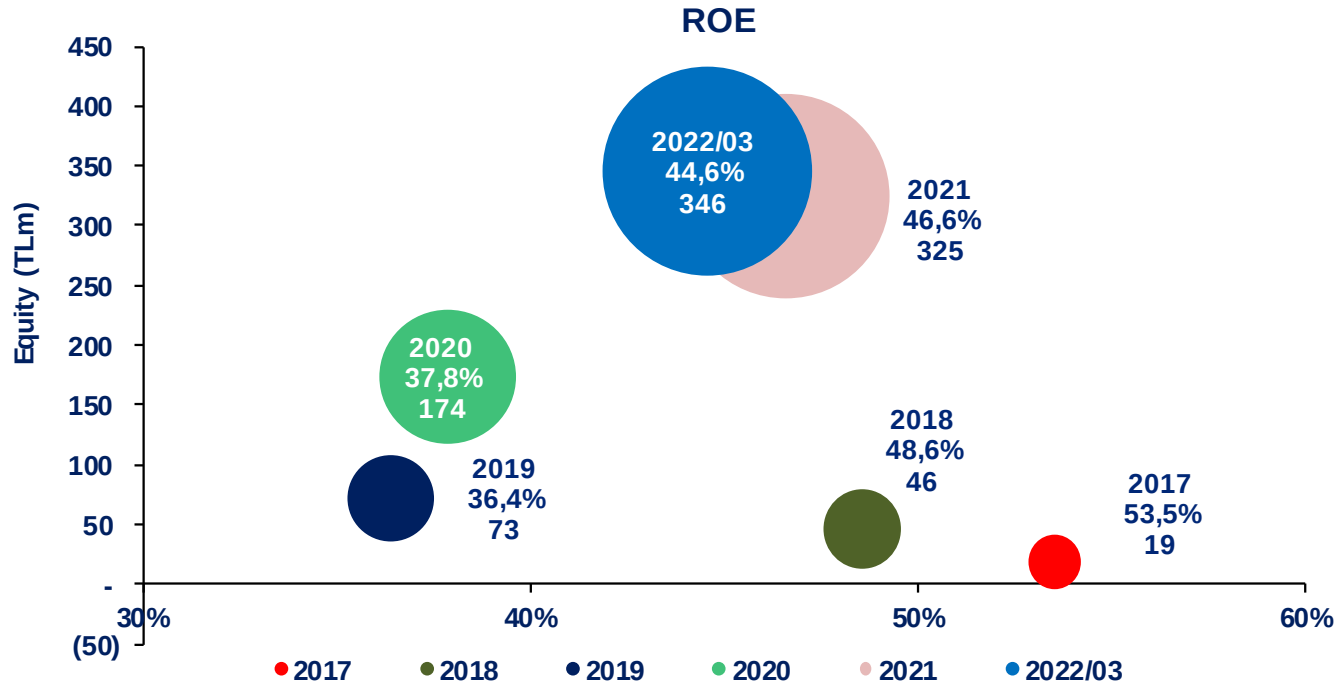
Seasonality



1Q 2022 RESULTS

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44.6% 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	2022/03	2021/12	2020/12	Reference
Current Ratio	11,19	5,53	6,17	1,0-1,5
Liquidity Ratios	10,93	5,40	5,94	0,8-1,0
Investment Ratios (12M Trailing)	2022/03	2021/12	2020/12	Reference
Investment/Depreciation	752,8%	624,2%	850,3%	>%100
Investment/Net Sales	11,8%	27,2%	51,3%	Sektör
EVA-TL	64.492.820	71.180.425	25.475.208	>0
ROIC	38,6%	43,6%	33,2%	>%18,5
CRR	106,0%	96,2%	125,4%	<%100

1Q 2022 RESULTS

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Financial Ratios

Debt Ratios	2022/03	2021/12	2020/12	Reference
Total Debt/Total Assets	4,4%	10,1%	10,6%	<%40
Short-Term Fin. Debt/Equity	1,7%	1,7%	2,7%	<100%
Coverage Ratio	102,5	79,8	-78,1	>3
Net Debt/EBITDA	-0,2	-0,3	-0,2	<4
Short-Term Liabilities/Assets	3,9%	9,4%	7,9%	Sektör
Long-Term Liabilities/Assets	0,5%	0,8%	2,8%	Sektör
Equity/Assets	95,6%	89,9%	89,4%	>%60
Total Liabilities/Equity	4,6%	11,3%	11,9%	Sektör
Financial Debt/Total Liabilities	41,7%	19,0%	45,0%	Sektör

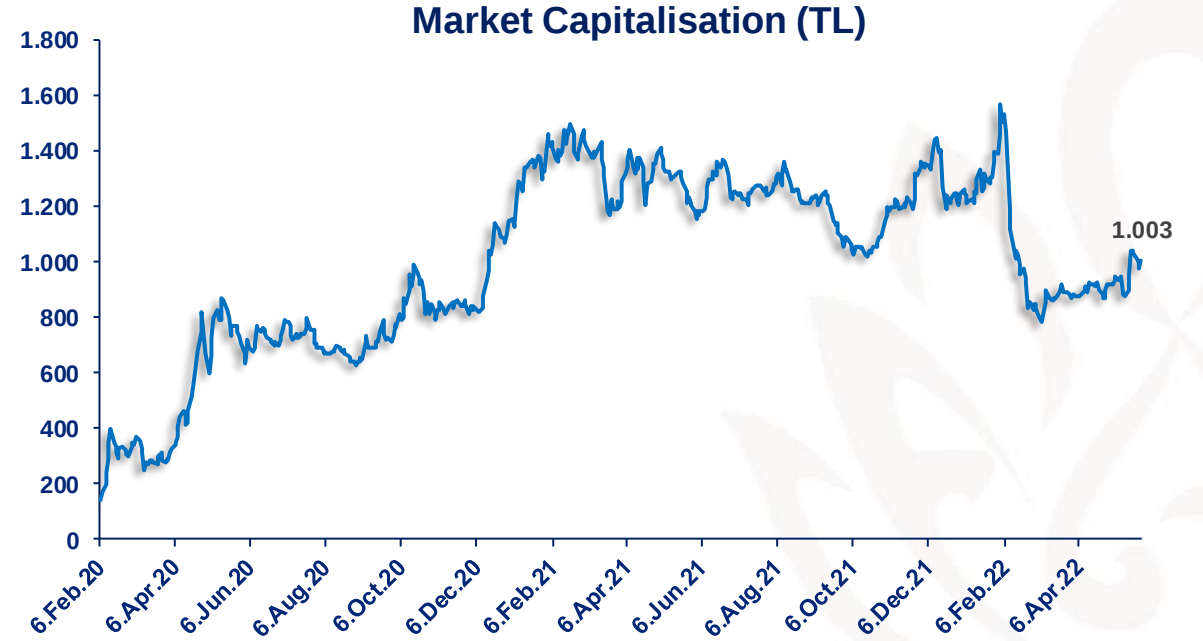
**As of 2022/03 Net Debt/EBITDA is calculated negatively because of net cash position*

Financial Ratios

Profitability Ratios (12MTrailing)	2022/03	2021/12	2020/12	Reference
Gross Margin	78,2%	77,5%	70,3%	Sektör
EBIT Margin	54,6%	53,8%	53,4%	Sektör
EBITDA Margin	59,6%	58,1%	59,4%	Sektör
Net Margin	54,8%	54,4%	52,5%	Sektör
ROE	44,6%	46,6%	37,8%	>Tahvil Getirisi
ROA	42,5%	41,4%	34,4%	Sektör
Financial Exp./Net Sales	0,6%	0,7%	-0,8%	<%3
OPEX/Net Sales	23,5%	23,8%	17,0%	Sektör

1Q 2022 RESULTS

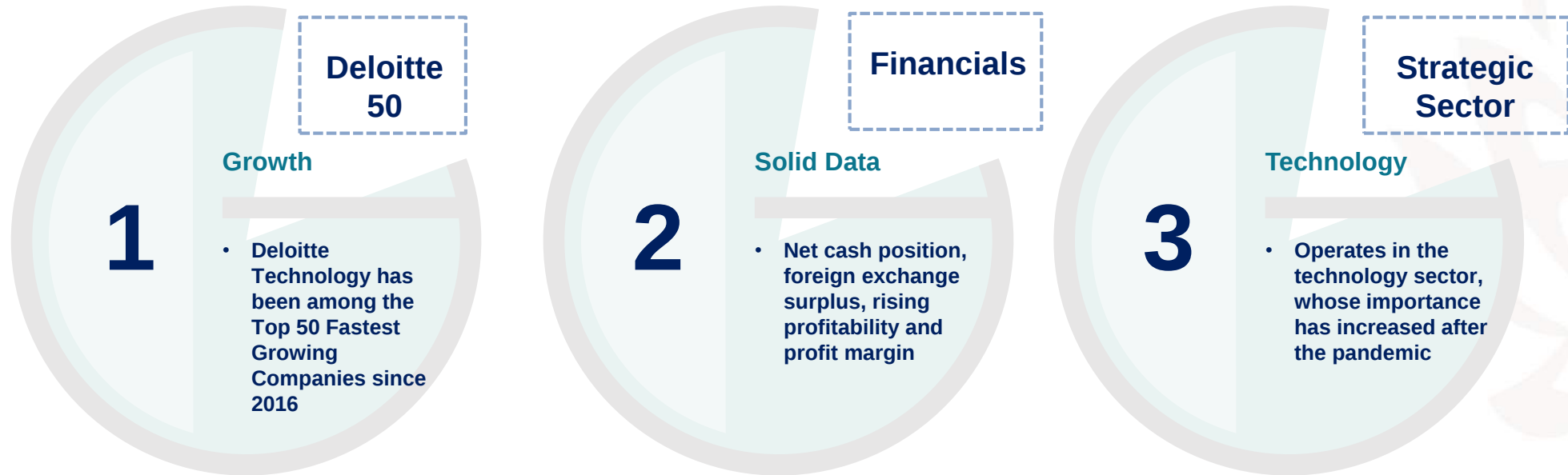
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- Return of 627% from the date of the public offering until the end of June.
- Strong financial figures and corporate governance principles supported performance
- The company has been selected among the top 50 companies in the "Deloitte Technology Fast 50 Turkey 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 Deolitte 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 2022/03; 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



1Q 2022 RESULTS

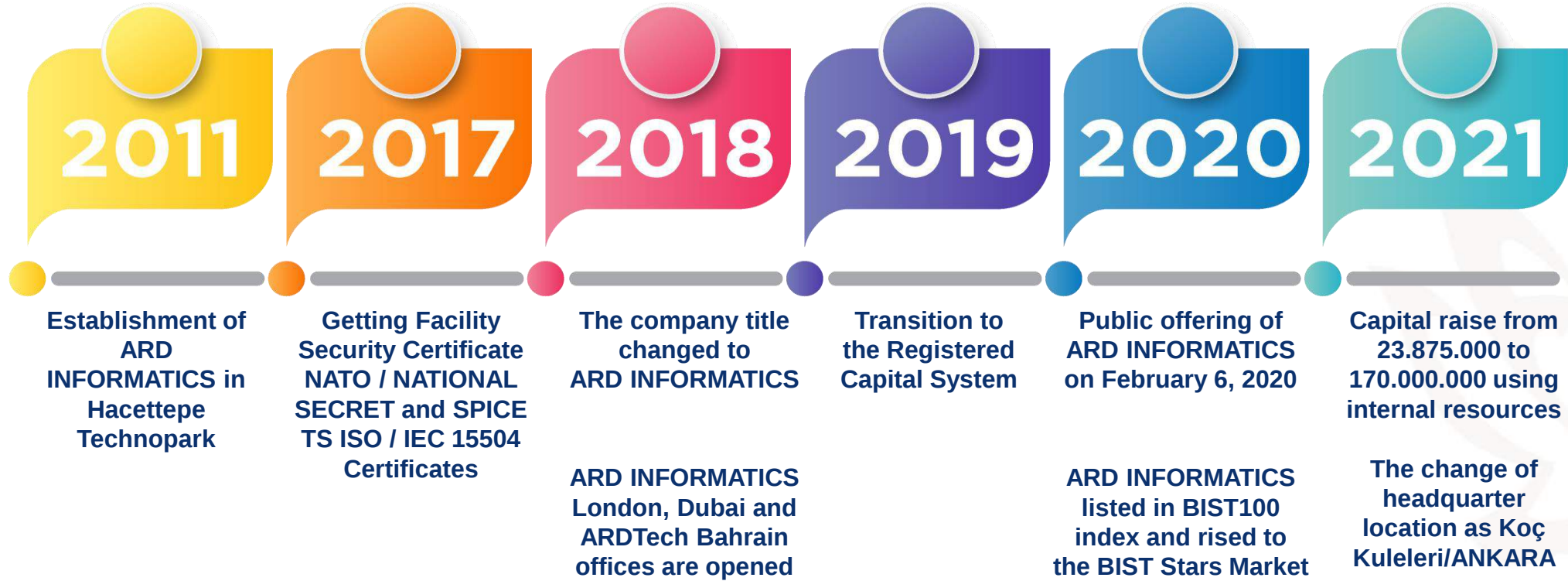
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Balance Sheet (TL)	2021/12 Audited	2022/03 Unaudited
Assets	361.277.523	361.418.810
Cash & Cash Equivalent	64.022.150	42.925.071
Trade Receivables	116.087.883	100.118.579
Other Current Assets	2.626.735	11.889.024
Inventories	4.398.437	3.682.643
Current Assets	187.135.205	158.615.317
Investment Property	26.200	26.200
Tangible Assets	5.259.797	6.848.589
Intangible Assets	168.856.321	195.928.704
Fixed Assets		
Equity and Liabilities	361.277.523	361.418.810
Short-Term Debt	5.520.842	5.950.790
Trade Payables	26.046.341	5.782.714
Other Debt	1.531.522	2.024.829
Other Short-Term Liabilities	720.214	421.347
Short-Term Liabilities	33.818.919	14.179.680
Long-Term Debt	1.434.849	655.801
Other Long-Term Liabilities	1.283.877	992.951
Long-Term Liabilities	2.718.726	1.648.752
Paid-In Capital	170.000.000	170.000.000
Other Comprehensive Inc.	(21.279)	162.571
Profit Reserves	1.340.006	1.340.006
Retained Earning	2.156.440	153.081.151
Net Income	151.264.711	21.006.650
Equity	324.739.878	345.590.378

Income Statements (TL)	2021/03 Unaudited	2022/03 Unaudited	2021-2020 Change (%)
Net Sales	32.614.170	35.756.580	9,6%
Change		9,6%	
CoGS	(7.415.577)	(6.145.424)	-17,1%
Gross Profit	25.198.593	29.611.156	17,5%
Gross Margin	77,3%	82,8%	
General Administrative Exp.	(1.051.620)	(2.508.176)	138,5%
Change		138,5%	
R&D	(10.677.104)	(9.102.211)	-14,8%
Change		-14,8%	
Other Income	3.029.536	2.996.347	-1,1%
Other Expenses	(172.260)	(624.093)	262,3%
EBITDA	18.913.863	24.776.697	31,0%
Change		31,0%	
EBITDA Margin	58,0%	69,3%	
Depreciation	(2.586.718)	(4.403.674)	70,2%
EBIT	16.327.145	20.373.023	24,8%
Change		24,8%	
EBIT Margin	50,1%	57,0%	
Income from Investment Activities	2.475.124	2.903.145	
Net Financial Income	(604.923)	(2.378.077)	
Profit Before Tax	18.197.346	20.898.091	
Tax	25.559	108.559	
Net Income	18.222.905	21.006.650	15,3%
Değişim		15,3%	
Margin	55,9%	58,7%	

MILESTONES OF ARD GROUP

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