



# INVESTOR PRESENTATION

## 2Q 2022 FIGURES

29.08.2022



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**155** Net Sales  
mTL

Annually\* %50 Growth

01.01.2022-30.06.2022 financial period



**94** EBITDA  
mTL

Annually\* %50 Growth



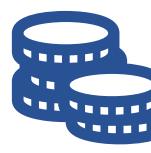
**%61** EBITDA  
Margin

Annually\* %46 Growth



**9** \$ Long Position  
mTL

31.12.2021 → 47 mTL



**1,2** Mcap  
billion TL

As of 29.08.2022



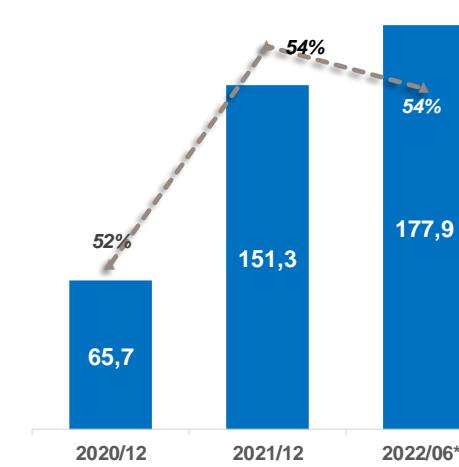
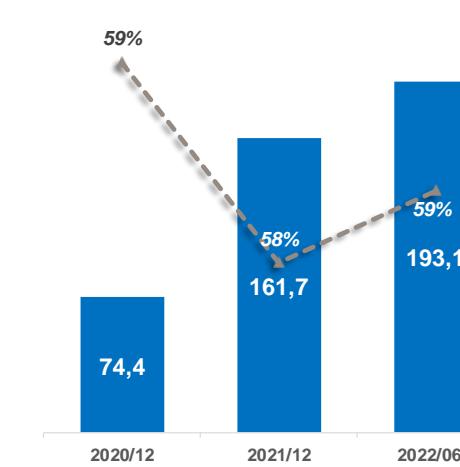
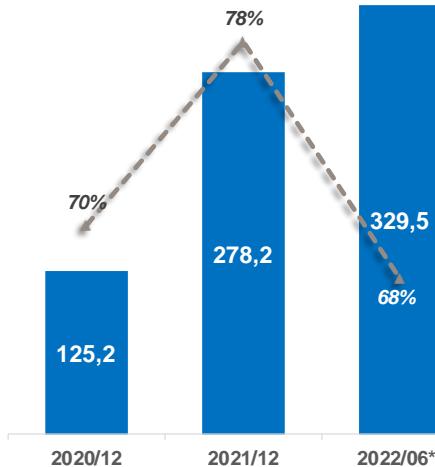
**93** # of Staff

31.12.2021 → 82

Net Sales, mTL  
— Gross Margin

EBITDA, mTL  
— EBITDA Margin

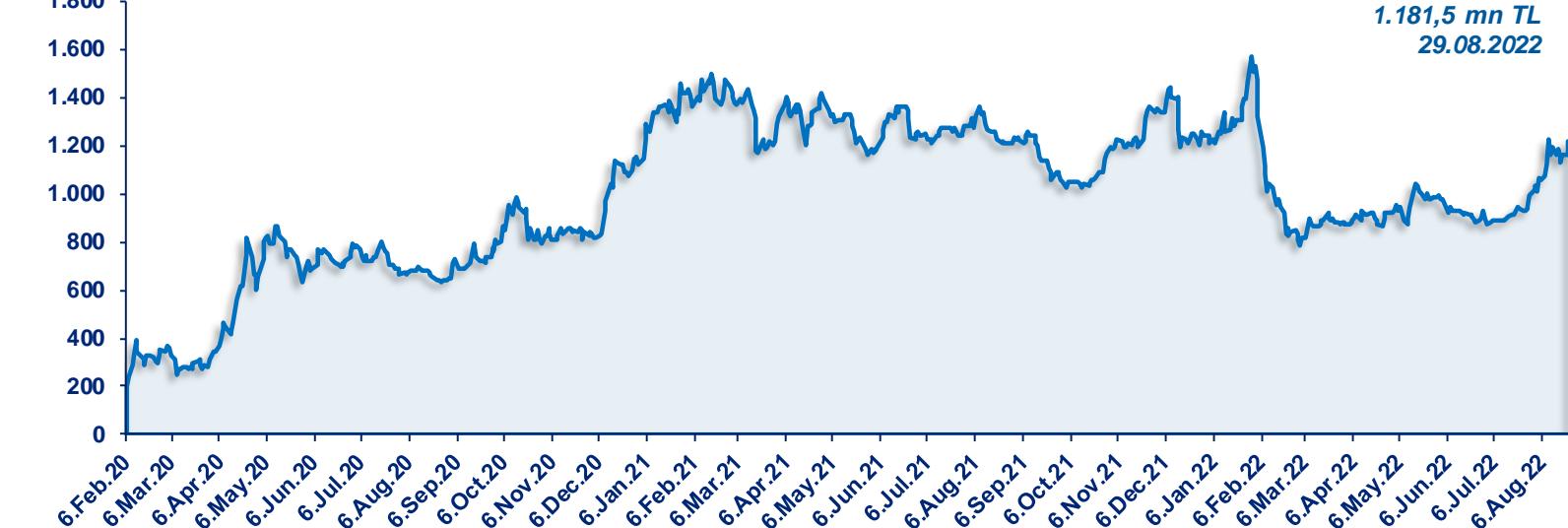
Net Income, mTL  
— Net Margin



mTL

Market Cap

1.181,5 mn TL  
29.08.2022



\* Compared to the same period of the previous year

\*\* Annualized figures are used as of 2022/06.



**Capital Yield:** 43.4% of ROE\* beating market interest rate



**Financials:** Sustainable growth continued



**Leverage:** Low Indebtedness Creates Significant Borrowing Capacity



**Exchange Position:** Foreign exchange surplus in the rising exchange term

\* Return on Equity

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# EXECUTIVE SUMMARY

## DEBT LEVEL

Despite the rising sales between 2019 and 2021, the decline in the working capital sales share indicates efficiency. However, the relative increase in the need for working capital in the second quarter of 2022 draws attention.

In a period of rising exchange rates, the Company's foreign currency surplus position continued, while its net debt position was realized as TL 6.4 mn.



## FINANCIAL ASSET

"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 will produce innovative services and products in the field of proactive security solutions in parallel with the cooperation with Dallmeier Electronic GmbH & Co.KG.

## MARGINS

Quarterly gross margin, which was 96% in 2Q21, declined to 61% in 2Q22, driven by higher costs.

## GROWTH

Rising revenues were effective in EBITDA growth, which increased by 50% in 2Q22 compared to 2Q21. The increase in net profit, which progressed in parallel with the increase in EBITDA, was also supported by tax incentives.

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## 2022/06 & 2021/06 PERIODICAL

49,7%

REVENUE  
GROWTH

50,4%

EBITDA \*  
GROWTH

45,6%

NET INCOME  
GROWTH

60,6%

EBITDA\*  
MARGIN

## 2Q22 & 2Q21 QUARTERLY

68,2%

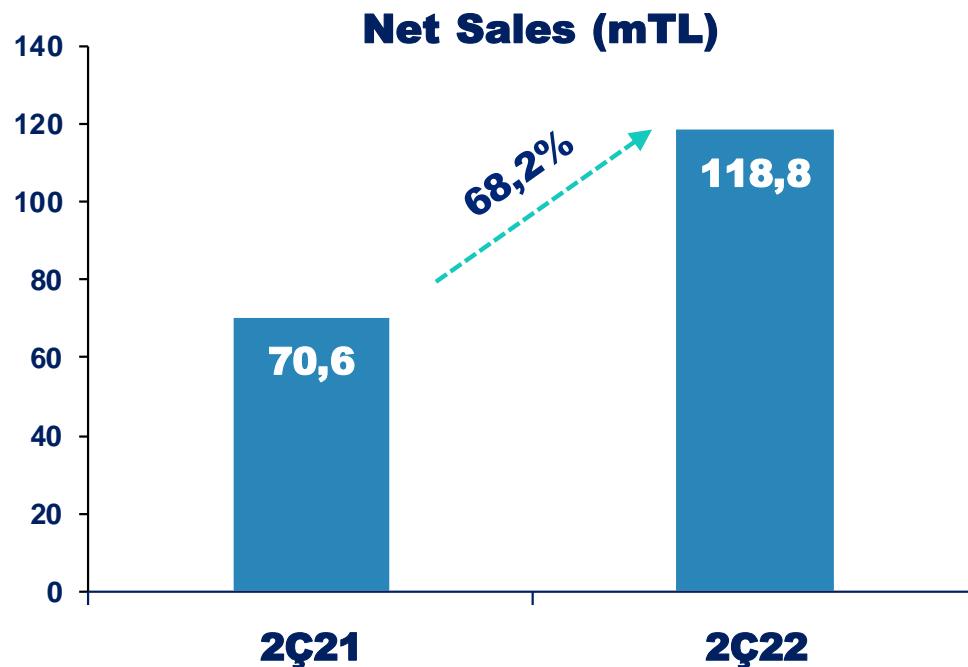
58,9%

59,3%

58,0%

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

## Stable Growth in Sales

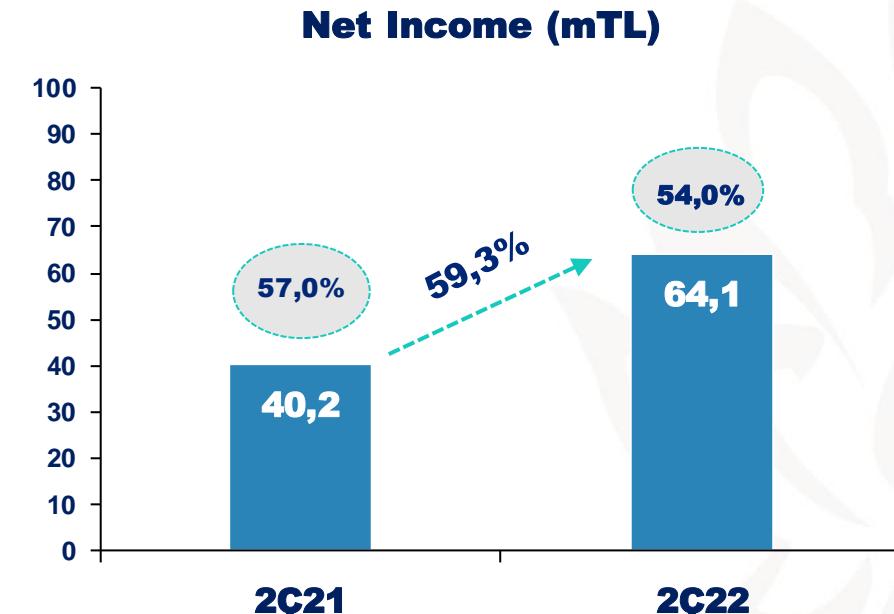
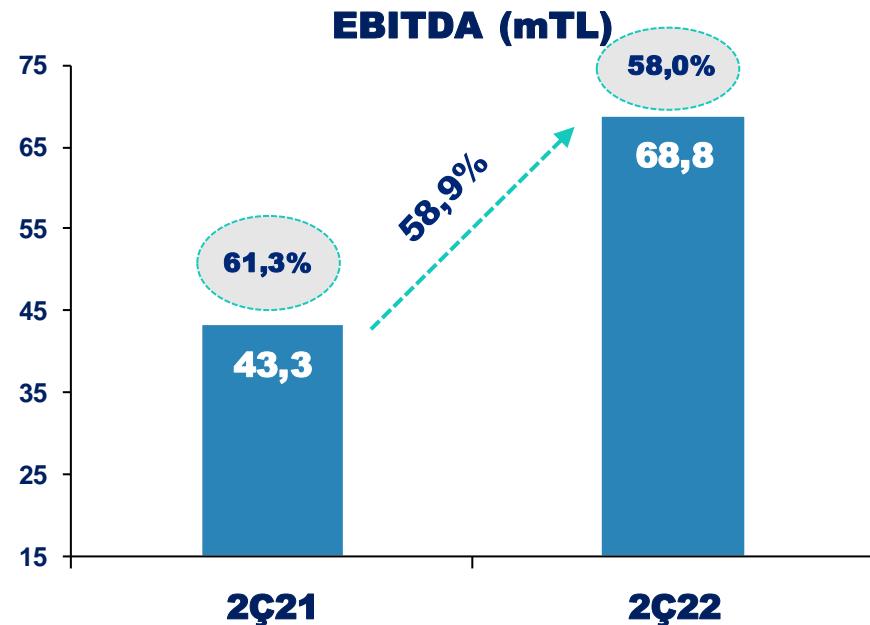


## QUARTERLY FIGURES

- Net sales raised by 68.2% on a quarterly basis compared to the same period of the previous year and amounted to 118.8 m TL.
- Due to the seasonality net sales increased by 232.2% compared to the previous quarter.

## Improvement in Sales Supported Profitability

### QUARTERLY FIGURES

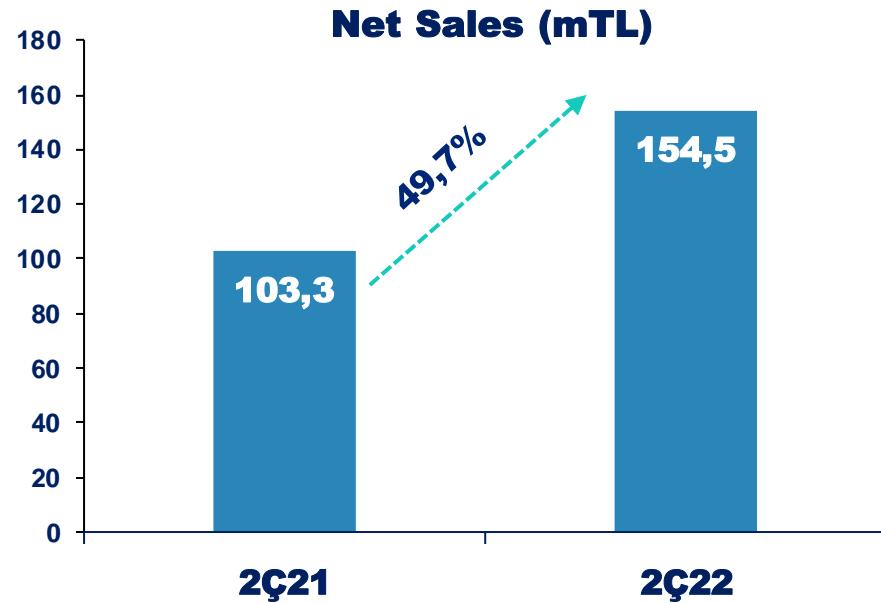


➤ EBITDA improved by 58.9% QoQ to 68.8 mTL, while the EBITDA margin decreased from 61.3% to 58.0%

➤ Net profit increased by 59.3% QoQ to 64.1 mTL. Strong stance in operating profitability was recorded as the most important factor supporting net profit for the period

EBITDA and Net Margin

## Net Sales Maintained Growth Trend in 2022

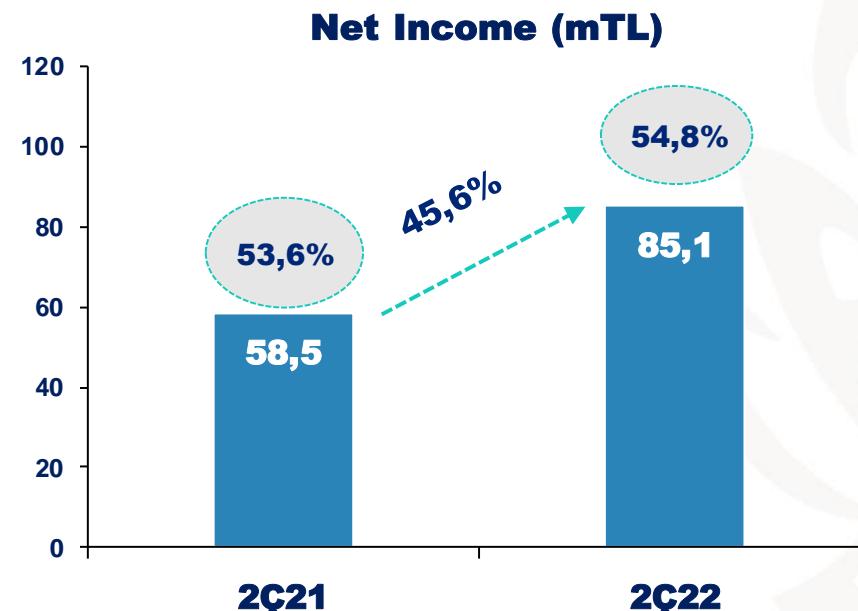
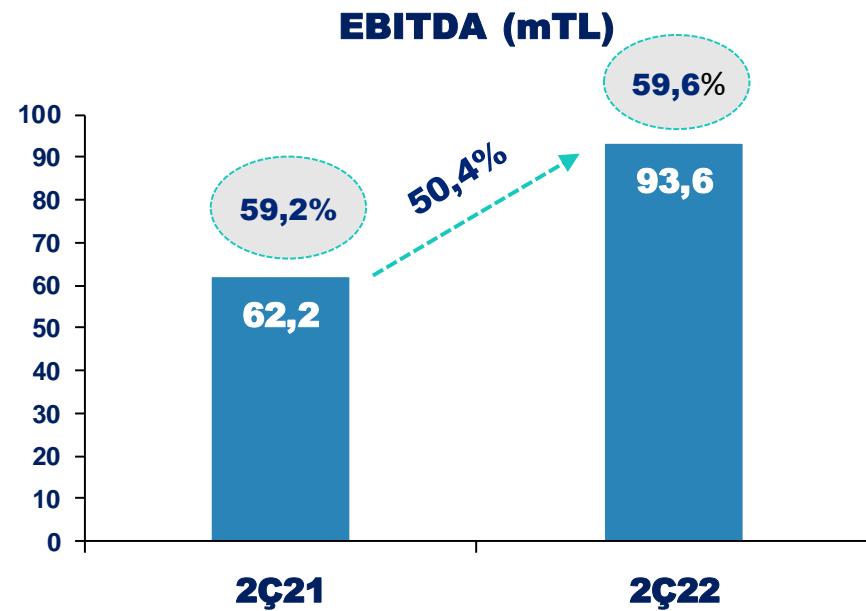


## PERIODICAL FIGURES

- Periodical net sales increased by 49.7% in 2022/06 compared to the same period of the previous year and amounted to 154.5 mTL.
- The pandemic increased customers' software and technology expenditures and this new normal contributed to the Company's revenues.

## Sustainability in Margins Continued

### PERIODICAL FIGURES

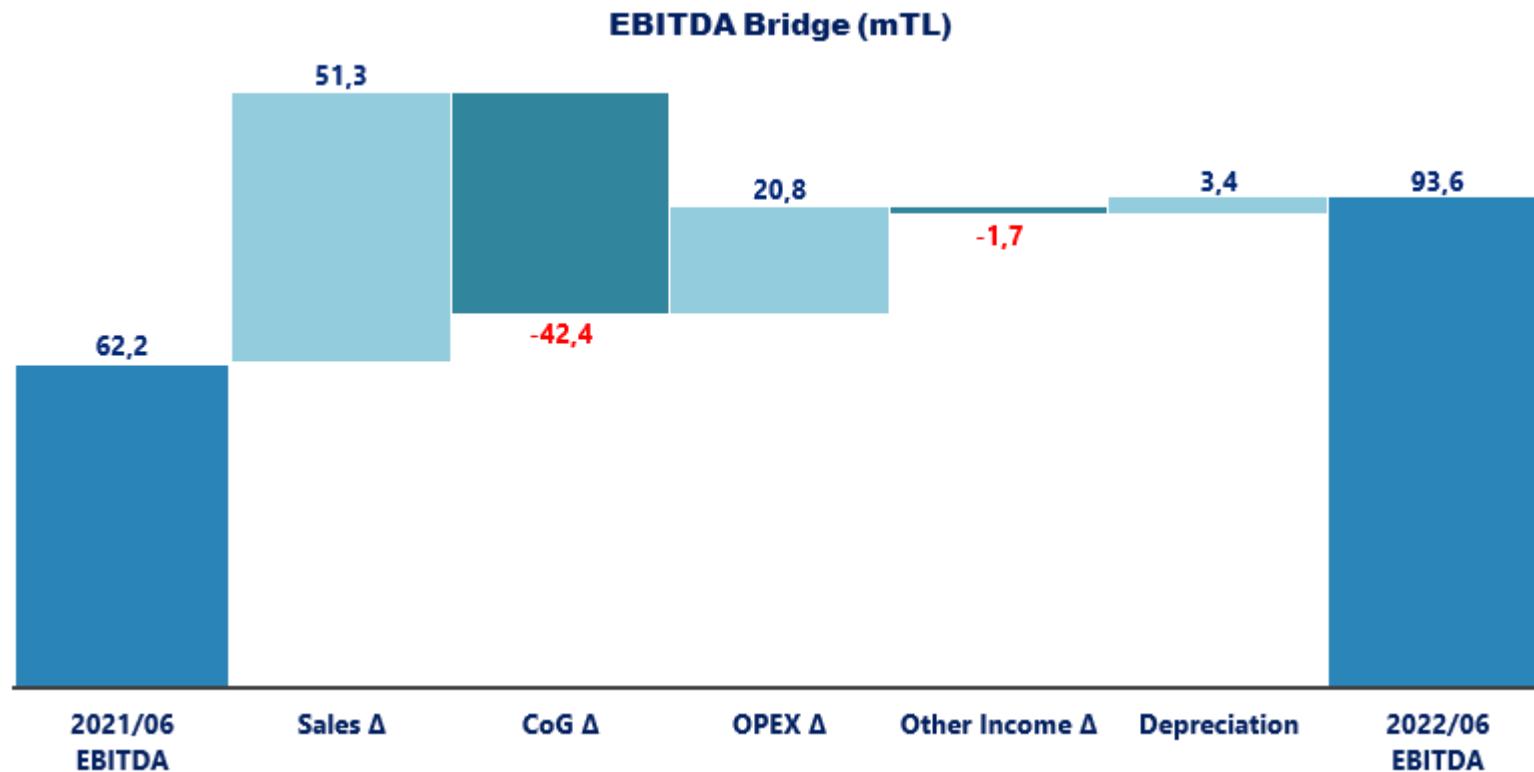


- Periodical EBITDA augmented by 50.4% and reached 93.6 mTL.

- Periodical Net Income increased by 45.6% and reached to 85.1 mTL periodically.

FAVÖK ve Net Kar Marjı

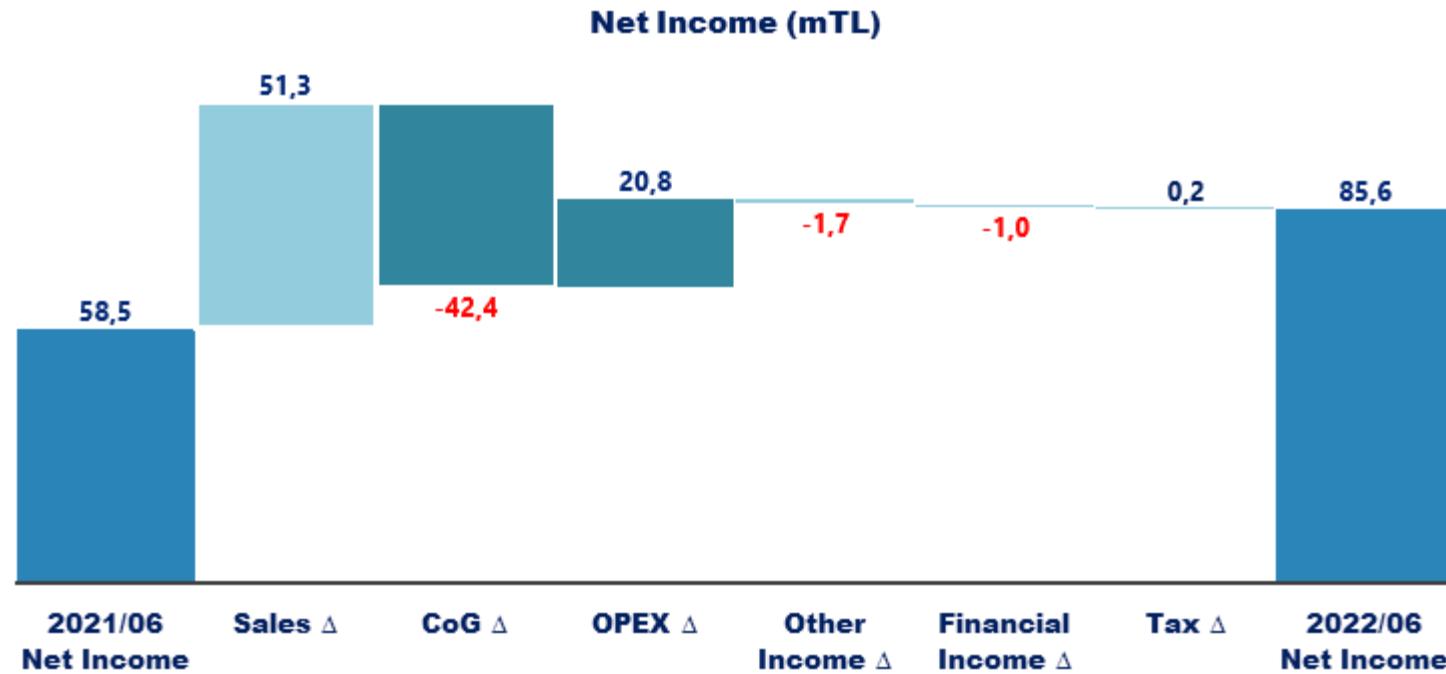
## The Rise in Sales Supported EBITDA



- Despite the weak margins, the rising revenue supported EBITDA.
- R&D expenditures create expectations for EBITDA growth in the coming period.

Δ : Change

## Sustainable Net Income Growth Continued



Δ : Change

- 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 created the net financing cost.
- 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.

# 2Q 2022 RESULTS

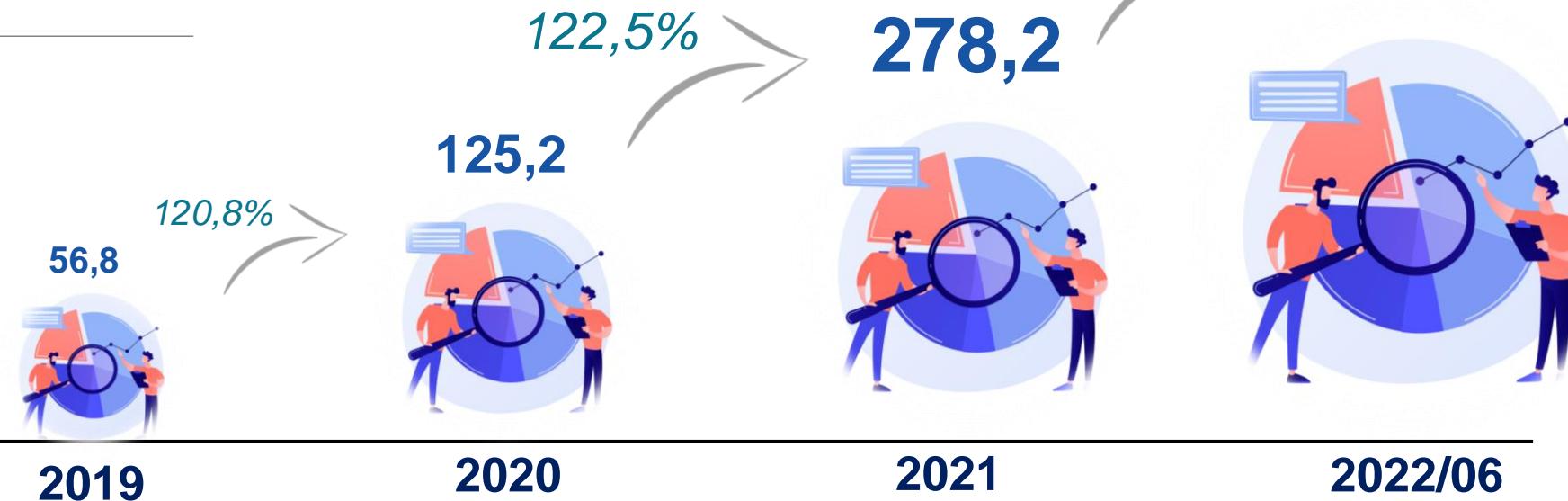
15

329,5 mTL of Annualized Revenue in 2022/06

## ANNUAL NET SALES DEVELOPMENT (mTL)

119% CAGR\*

2019– 2022/06



\*CAGR : Compounded Annual Growth Rate

Total Sales TL M

# 2Q 2022 RESULTS

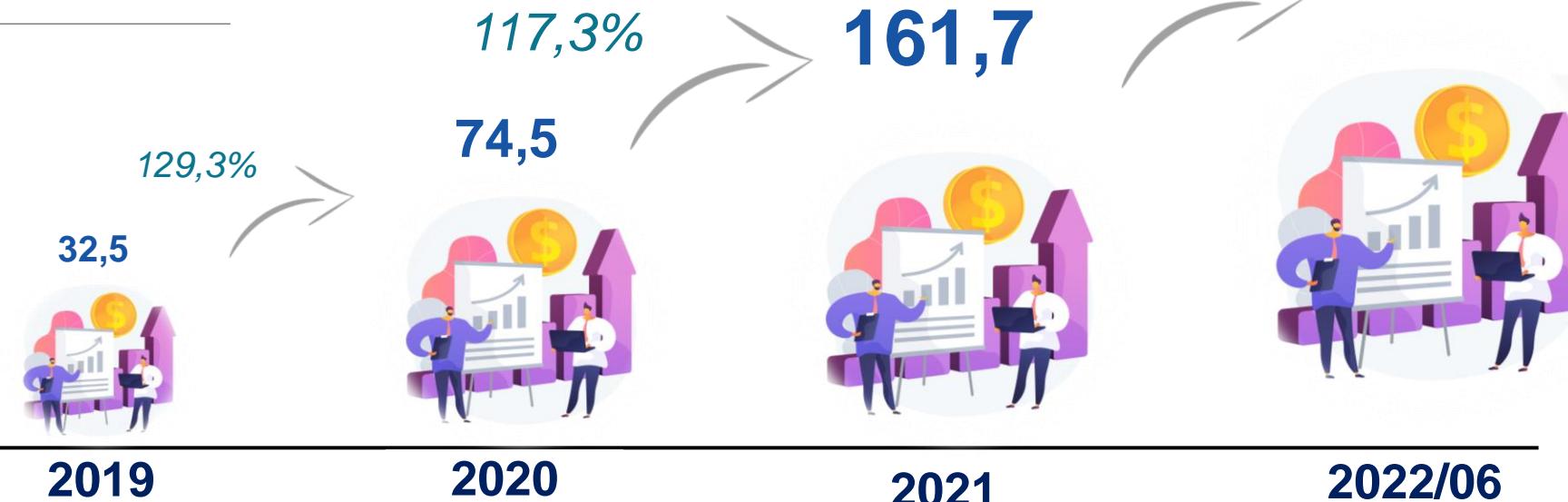
16

193,1 mTL of Annualized EBITDA in 2022/06

## ANNUAL EBITDA DEVELOPMENT (mTL)

121% CAGR\*

2019– 2022/06



\*CAGR: Compounded Annual Growth Rate

EBITDA TL M

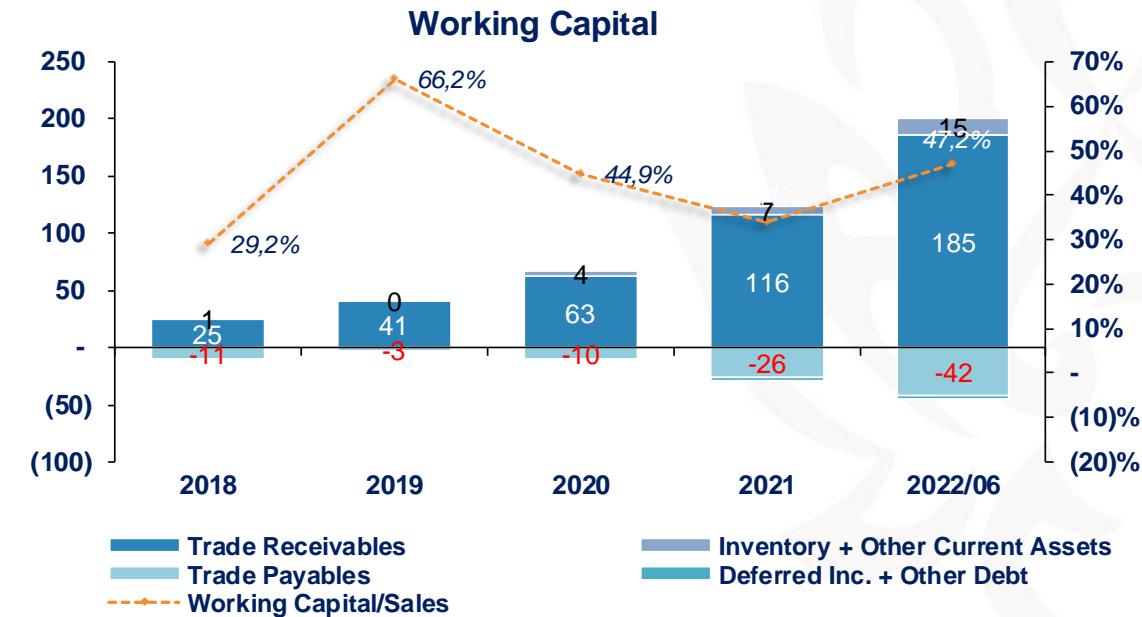
# 2Q 2022 RESULTS

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## Relative Increase in Working Capital

Working Capital Analysis					
TLM	2018	2019	2020	2021	2022/06
Trade Receivables	25,0	40,9	62,6	116,1	185,4
Inventory + Other Current Assets	0,8	0,4	4,3	7,0	15,4
Trade Payables	(10,7)	(3,2)	(9,6)	(26,0)	(41,7)
Deferred Inc. + Other Debt	(0,1)	(0,5)	(1,0)	(2,3)	(3,7)
<b>İşletme Sermayesi</b>	<b>15,0</b>	<b>37,6</b>	<b>56,3</b>	<b>94,8</b>	<b>155,4</b>
<b>Working Capital/Sales</b>	<b>29,2%</b>	<b>66,2%</b>	<b>44,9%</b>	<b>34,1%</b>	<b>47,2%</b>
<b>Net Sales*</b>	<b>51,4</b>	<b>56,8</b>	<b>125,2</b>	<b>278,2</b>	<b>329,5</b>

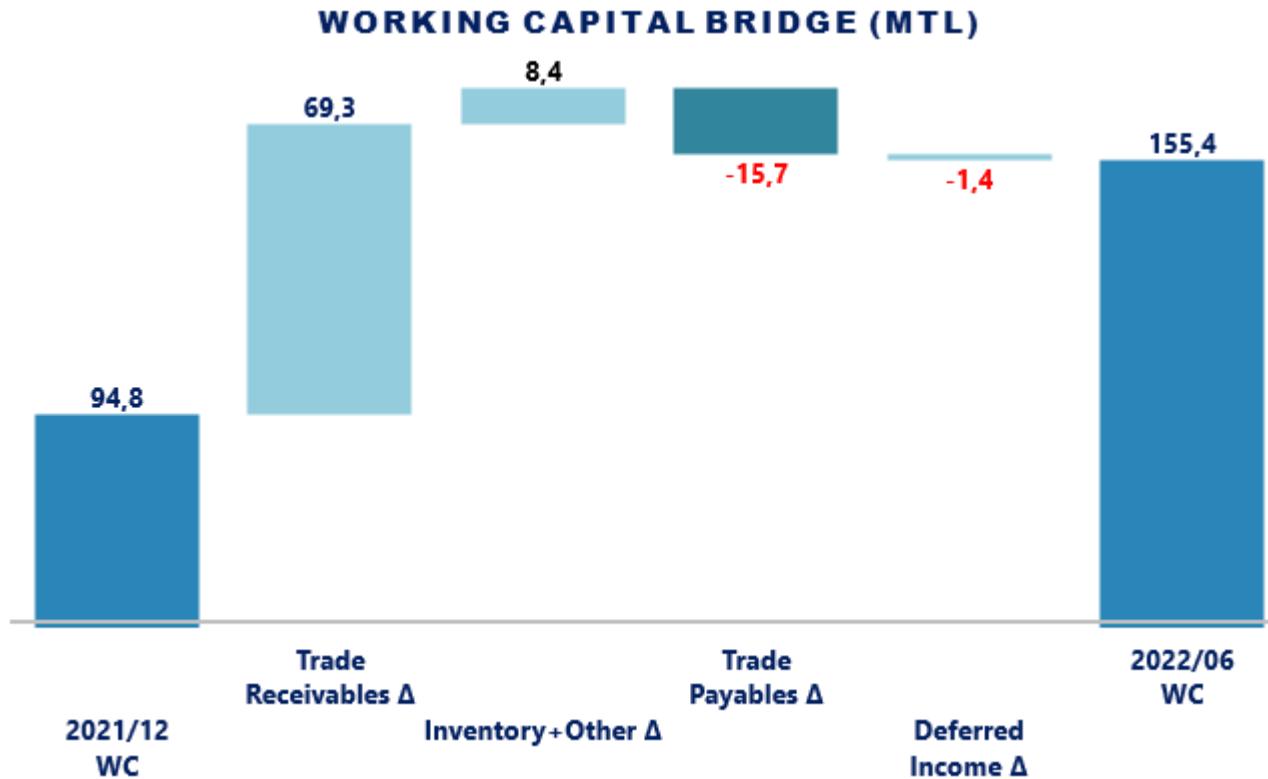
## Working Capital



# 2Q 2022 RESULTS

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## Rising Trade Receivables and Stocks Created Working Capital Need



- A significant increase in trade receivables and inventories in the first half of the year created the need for working capital.
- Working capital, which was 94.8 mTL at the end of 2021, augmented to 155.4 mTL in 2022/06.
- Working capital to sales ratio, which declined continuously between 2019 and 2021, rose slightly in the second quarter of 2022.

Δ : Change

# 2Q 2022 RESULTS

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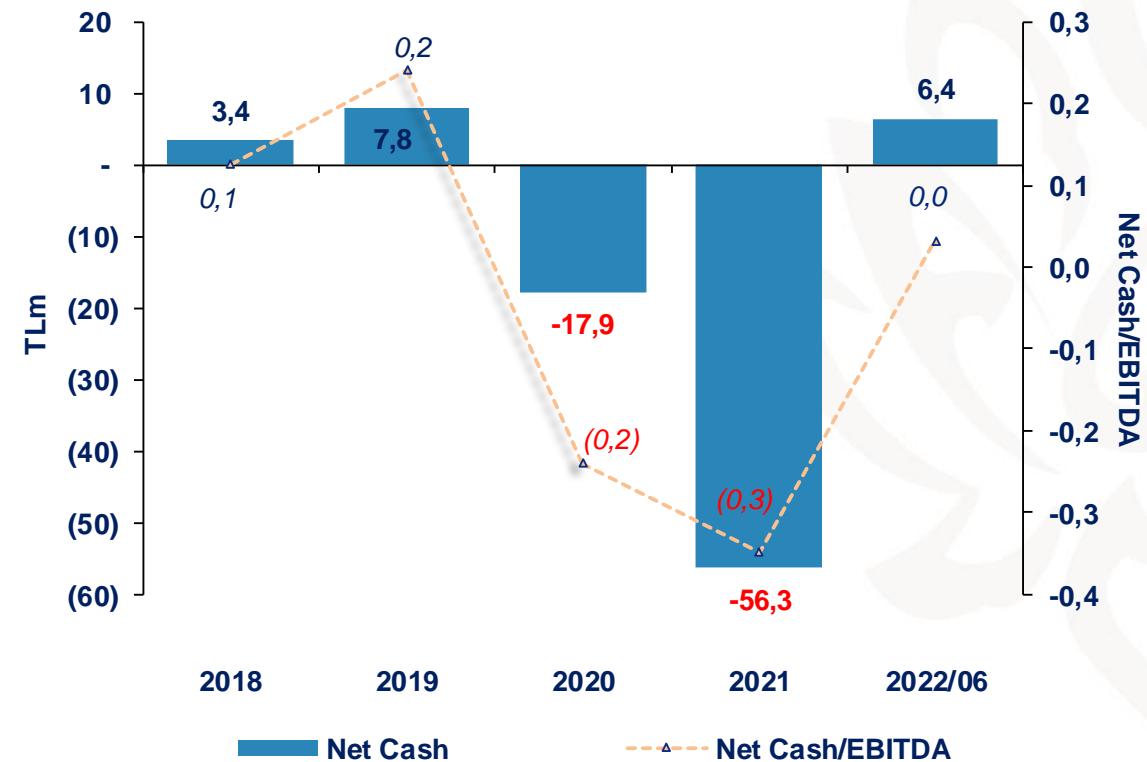
## Rising R&D Investments and Working Capital Downward Pressure on Cash Position

### Net Cash Position

#### Net Cash & Equity & Financial Leverage

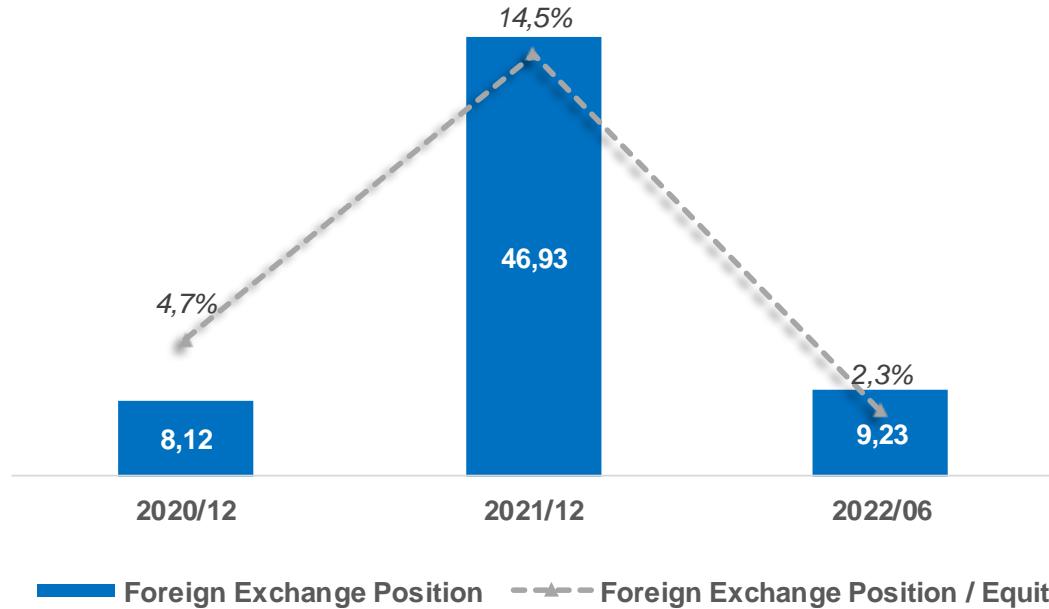
TLm	2018	2019	2020	2021	2022/06
Cash and Cash Equivalents	0,1	1,7	27,3	64,0	16,8
Other Receivables	4,4	-	-	0,0	0,1
Short-Term Financial Debt	5,7	7,4	4,7	5,5	13,5
Other Debt	0,0	-	0,1	0,7	0,5
Long-Term Financial Debt	2,2	2,1	4,6	1,4	9,3
<b>Net Cash</b>	<b>3,4</b>	<b>7,8</b>	<b>(17,9)</b>	<b>(56,3)</b>	<b>6,4</b>
Equity	46,1	72,5	173,5	324,7	409,9
<b>Net Cash/Equity</b>	<b>7,4%</b>	<b>10,8%</b>	<b>-10,3%</b>	<b>-17,4%</b>	<b>1,6%</b>
<b>Net Cash/EBITDA</b>	<b>0,1</b>	<b>0,2</b>	<b>(0,2)</b>	<b>(0,3)</b>	<b>0,0</b>
EBITDA	27,1	32,5	74,4	161,7	193,1

### Net Cash/EBITDA

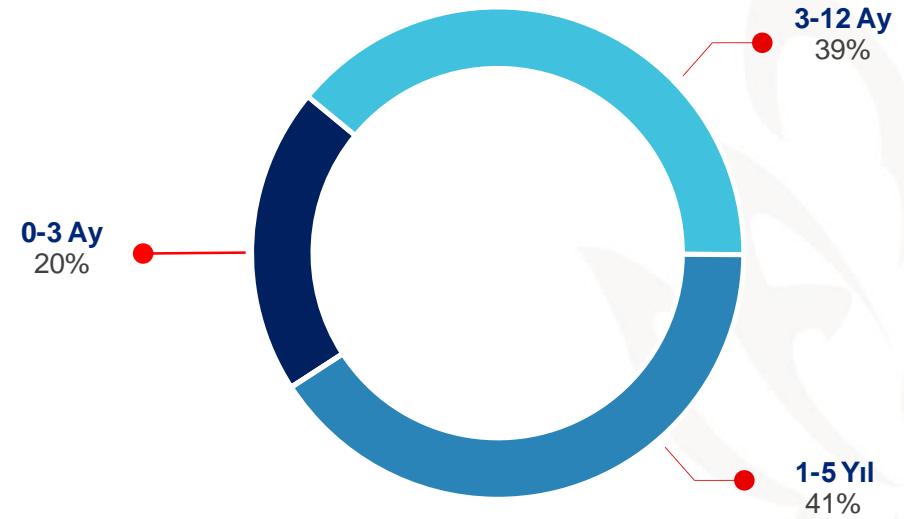


\*As of 2022/06 EBITDA is annualized

## Foreign Exchange Position



## Credit Maturity Breakdown



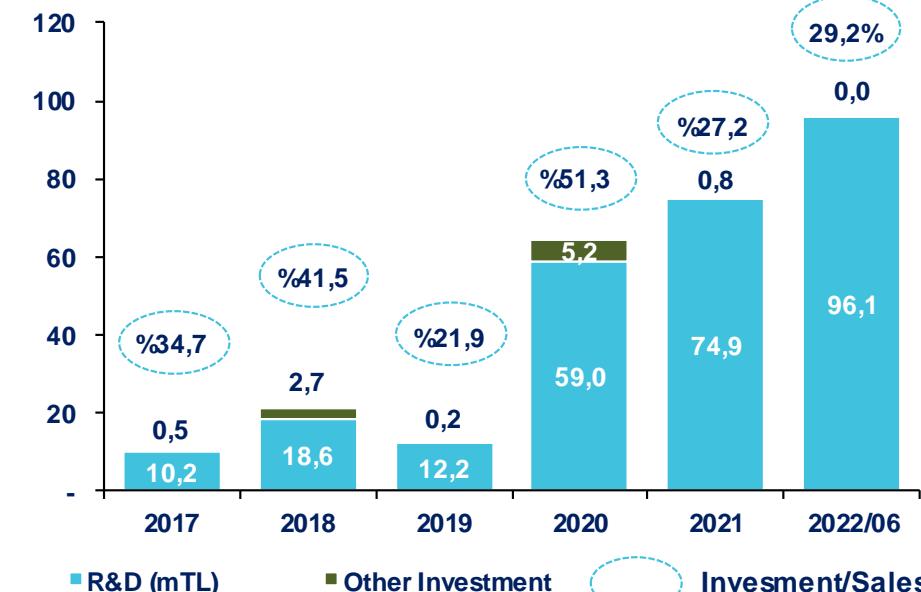
- As of 2022/06 the Company has foreign currency surplus of 9.2 mTL. As of the end of the period, all loans are in TL denominated and the effective interest rate fluctuates in the band of 20-35.5%. Although a significant portion of the financial debts are short-term, the Company has a significant borrowing capacity with low financial indebtedness.

# 2Q 2022 RESULTS

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R&D Investments Made in Previous Periods Reflected on Profitability

Investments (mTL)



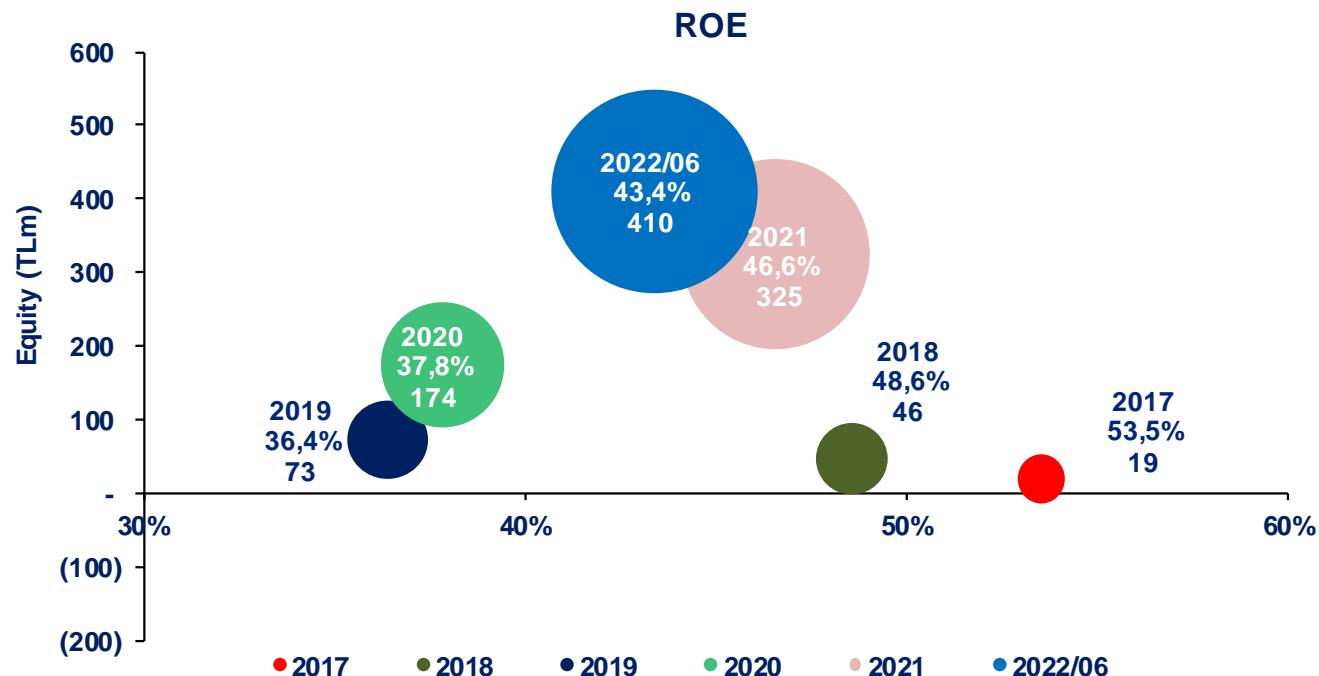
Seasonality (mTL)



# 2Q 2022 RESULTS

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43.4% ROE Well Above Interest Yield



\*The size of the bubble represents equity.

\* Return on Equity

- 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	2022/06	2021/12	2020/12	Reference
<b>Current Ratio</b>	<b>3,69</b>	<b>5,53</b>	<b>6,17</b>	<b>1,0-1,5</b>
<b>Liquidity Ratios</b>	<b>3,56</b>	<b>5,40</b>	<b>5,94</b>	<b>0,8-1,0</b>
Investment Ratios (12M Trailing)	2022/06	2021/12	2020/12	Reference
<b>Investment/Depreciation</b>	<b>617,2%</b>	<b>624,2%</b>	<b>850,3%</b>	<b>&gt;%100</b>
<b>Investment/Net Sales</b>	<b>29,2%</b>	<b>27,2%</b>	<b>51,3%</b>	<b>Sektör</b>
<b>Ticari Alacak/Aktif</b>	<b>38,7%</b>	<b>32,1%</b>	<b>32,2%</b>	<b>Sektör</b>
<b>EVA-TL</b>	<b>63.511.876</b>	<b>71.180.426</b>	<b>25.475.208</b>	<b>&gt;0</b>
<b>ROIC</b>	<b>32,5%</b>	<b>43,6%</b>	<b>33,2%</b>	<b>&gt;%18,5</b>
<b>CRR</b>	<b>124,3%</b>	<b>96,2%</b>	<b>125,4%</b>	<b>&lt;%100</b>

**CRR (Capital Requirement Ratio):** Investment Requirement Ratio shows the investment required by the firm to generate 1 unit of income.

**EVA (Economic Value Added):** It is the difference between the after-tax cash flow generated by the company on its investments and the cost charged to the capital used in the company. If this ratio is positive, it is interpreted that the firm produces value from its investments. EVA measures whether the company creates an added value from its investments by calculating the portion of the return on investment that exceeds the cost of capital.

## Financial Ratios

Debt Ratios	2022/06	2021/12	2020/12	Reference
<b>Total Debt/Total Assets</b>	<b>14,5%</b>	<b>10,1%</b>	<b>10,6%</b>	<%40
<b>Short-Term Fin. Debt/Equity</b>	<b>3,3%</b>	<b>1,7%</b>	<b>2,7%</b>	<100%
<b>Coverage Ratio</b>	<b>-263,9</b>	<b>-79,8</b>	<b>78,1</b>	>3
<b>Net Debt/EBITDA</b>	<b>0,0</b>	<b>-0,3</b>	<b>-0,2</b>	<4
<b>Short-Term Liabilities/Assets</b>	<b>12,3%</b>	<b>9,4%</b>	<b>7,9%</b>	Sektör
<b>Long-Term Liabilities/Assets</b>	<b>2,2%</b>	<b>0,8%</b>	<b>2,8%</b>	Sektör
<b>Equity/Assets</b>	<b>85,5%</b>	<b>89,9%</b>	<b>89,4%</b>	>%60
<b>Total Liabilities/Equity</b>	<b>16,9%</b>	<b>11,3%</b>	<b>11,9%</b>	Sektör
<b>Financial Debt/Total Liabilities</b>	<b>32,8%</b>	<b>19,0%</b>	<b>45,0%</b>	Sektör

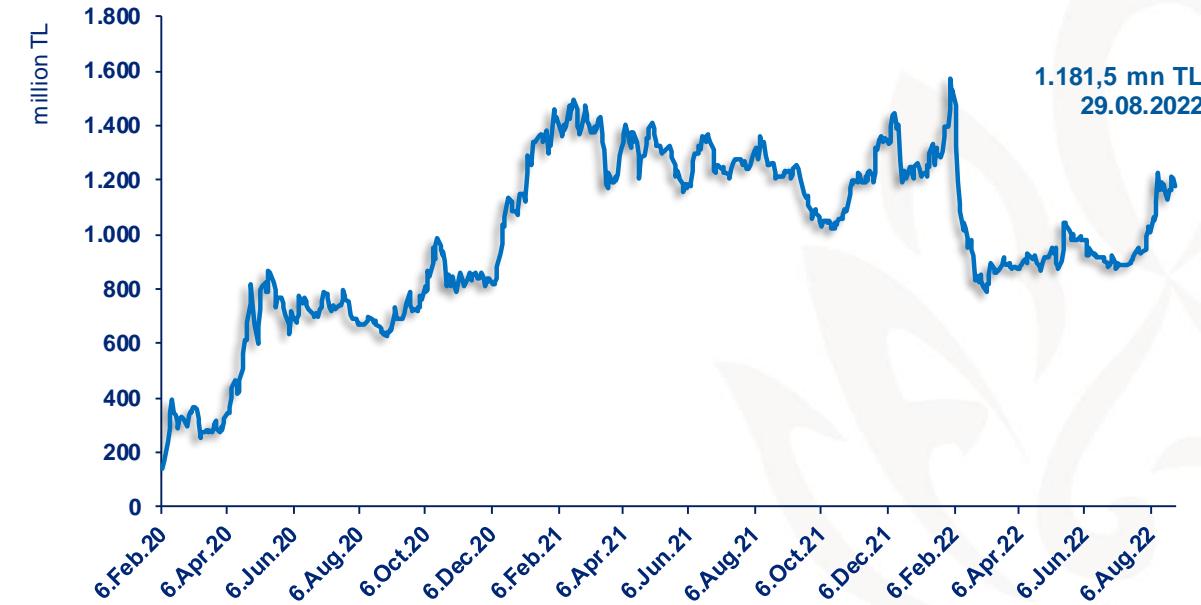
## Financial Ratios

Profitability Ratios (12MTrailing)	2022/06	2021/12	2020/12	Reference
Gross Margin	68,1%	77,5%	70,3%	Sector
EBIT Margin	53,9%	53,8%	53,4%	Sector
EBITDA Margin	58,6%	58,1%	59,4%	Sector
Net Margin	54,0%	54,4%	52,5%	Sector
ROE	43,4%	46,6%	37,8%	>Bond Yield
ROA	37,0%	41,4%	34,4%	Sector
Financial Exp./Net Sales	0,2%	0,7%	-0,8%	<%3
OPEX/Net Sales	13,8%	23,8%	17,0%	Sector

## Share Performance (TL)



## Mcap (TL)



- Return of 757% from the date of the public offering until the 29th August
- 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.

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## 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 2022/06; 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.

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# APPENDIX



# 2Q 2022 RESULTS

Balance Sheet (TL)	2021/12 Audited	2022/06 Audited
<b>Assets</b>	<b>361.277.524</b>	<b>479.274.925</b>
Cash & Cash Equivalent	64.022.152	16.765.456
Trade Receivables	116.087.883	185.427.691
Other Current Assets	2.626.735	7.608.704
Inventories	4.398.437	7.772.185
<b>Current Assets</b>	<b>187.135.207</b>	<b>217.574.036</b>
Investment Property	26.200	26.200
Tangible Assets	5.259.797	4.659.850
Intangible Assets	168.856.320	257.014.839
<b>Fixed Assets</b>		
<b>Equity and Liabilities</b>	<b>361.277.524</b>	<b>479.274.925</b>
Short-Term Debt	5.520.842	13.491.575
Trade Payables	26.046.341	41.740.163
Other Debt	1.531.522	3.132.163
Other Short-Term Liabilities	720.214	520.236
<b>Short-Term Liabilities</b>	<b>33.818.919</b>	<b>58.884.137</b>
Long-Term Debt	1.434.849	9.272.996
Other Long-Term Liabilities	998.543	169.169
<b>Long-Term Liabilities</b>	<b>2.718.726</b>	<b>10.481.812</b>
Paid-In Capital	170.000.000	170.000.000
Other Comprehensive Inc.	(21.278)	14.631
Profit Reserves	1.340.006	8.822.598
Retained Earning	2.156.439	145.938.559
<b>Net Income</b>	<b>151.264.712</b>	<b>85.133.188</b>
<b>Equity</b>	<b>324.739.879</b>	<b>409.908.976</b>

Income Statements (TL)	2021/06 Audited	2022/06 Audited	2022/06-2021/06 Change (%)
<b>Net Sales</b>	<b>103.251.322</b>	<b>154.549.182</b>	<b>(33,2%)</b>
Change		49,7%	
CoGS	(10.240.197)	(52.667.456)	(80,6%)
<b>Gross Profit</b>	<b>93.011.125</b>	<b>101.881.726</b>	<b>(8,7%)</b>
Change		9,5%	
Gross Margin	90,1%	65,9%	
General Administrative Exp.	(2.853.865)	(5.813.327)	(50,9%)
Change		103,7%	
R&D	(35.999.438)	(12.273.867)	193,3%
Change		(65,9%)	
Other Income	3.070.554	2.257.020	36,0%
Other Expenses	(565.859)	(1.461.077)	(61,3%)
<b>EBITDA</b>	<b>62.247.753</b>	<b>93.622.620</b>	<b>(33,5%)</b>
Change		50,4%	
EBITDA Margin	60,3%	60,6%	
Depreciation	(5.585.236)	(9.032.145)	(38,2%)
<b>EBIT</b>	<b>56.662.517</b>	<b>84.590.475</b>	<b>(33,0%)</b>
Change		49,3%	
EBIT Margin	54,9%	54,7%	
Income from Investment Activities	3.225.484	3.391.861	
Net Financial Income	(2.630.805)	(1.845.915)	
Profit Before Tax	57.257.196	86.136.421	
Tax	425.534	261.738	
<b>Net Income</b>	<b>58.470.201</b>	<b>85.133.188</b>	<b>(31,3%)</b>
Change		45,6%	
Margin	56,6%	55,1%	

# MILESTONES OF ARD GROUP

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Establishment of ARD  
Grup Bilişim in  
Hacettepe Technopark

2011

With the change of type, the  
company title was changed to ARD  
GROUP BİLİŞİM TEKNOLOJİLERİ  
A.Ş.

Opening of ARD Bilişim London,  
Dubai and ARDTech Bahrain offices

2017

Obtaining Facility  
Security Document  
NATO / NATIONAL  
CONFIDENTIAL and  
SPICE TS ISO/IEC  
15504 documents

2018

Public offering of Ard Grup  
Information Technologies on  
February 6, 2020

Entry of ARD Group Information  
Technologies into BIST 100  
index and Star Market

2020

2019

Transition to the registered  
capital system

2021

Increasing the capital from  
23.875.000 TL to 170.000.000 TL  
with the internal resources

Change of head office address to  
Koç Towers/ANKARA

2022

Acquisition of the whole of  
Açılımsoft Yazılım Teknolojileri A.Ş.

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## THANK YOU

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