

INDEX GROUP COMPANIES ANALYST MEETING

07 November 2022



Disclaimer

This presentation contains information and analysis on financial statements as well as forward-looking statements that reflect the Company 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 Indeks Bilgisayar 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.

- Technology World in Turkey and the World
- Index A.Ş. 2021-2022 Performance Review
- Index A.Ş. 3Q 2022 Financial & Operational Results
- Index Group 2022 General Review
- Q & A

Technology Sector and Index Grup During Pandemic

Erol Bilecik

World and Turkey Technology Market

Banu Sürek



Technology Market in Turkey and the World

IT & ICT volume in the World :

2021 Approx. **4,1 trillion USD**

In 2020, 8,4 % growth realised.

IT & ICT volume in Turkey :

2021 Approx. **210 billion TL**

We estimate to reach this level.





World and Turkey E-Commerce

World E-Commerce:

In Global e-commerce **radical growth**

2021

e-commerce is **over 15 %** of total retail commerce



2023

Global e-commerce volume will grow **32 %** in 2 years and reach **6,5 trillion USD**



With E-Commerce





World and Turkey E-Commerce

E-Commerce in Turkey:

2021 H1 : e-commerce volume
increased 75,6 % vs 2020 1H

161 billion TL

E-commerce Turkey to
General commerce: **%17,6**

In the World, e-commerce to general commerce: **%15,1**

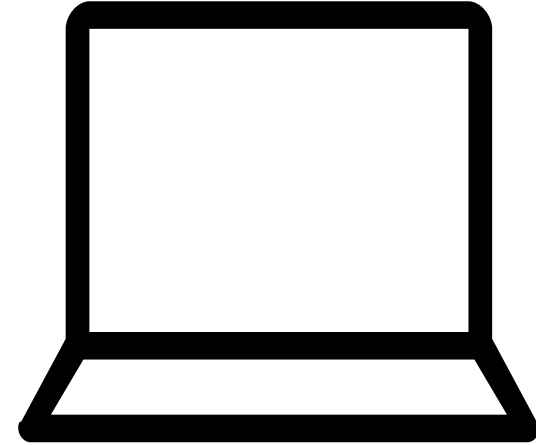




Personal Computer and Smart Phone Market

Personal Computer Market

- 2020 Turkish Market PC units: **2.239.000**
- 2021 Turkish Market PC units: **2.367.000**
- YoY growth: **%6**



Smart Phone Market

- 2021 **9,2 million units** and **4,8 billion USD**



Digital Transformation

- Global 2019 digital transformation expen.: **1,25 trillion USD**
2022 estimated: **2 trillion USD**
- Turkey's digitalisation note: **3,24 over 5**
- Digital transformation investments continue to increase!



In the next **10 years** global technology sector:



Cyber Security
%7,7 growth
270 billion USD



Artificial Intelligence
%21,7 growth
110 billion USD



5G
%156 growth
176 billion USD



Edge Computing
%24 growth
43 billion USD



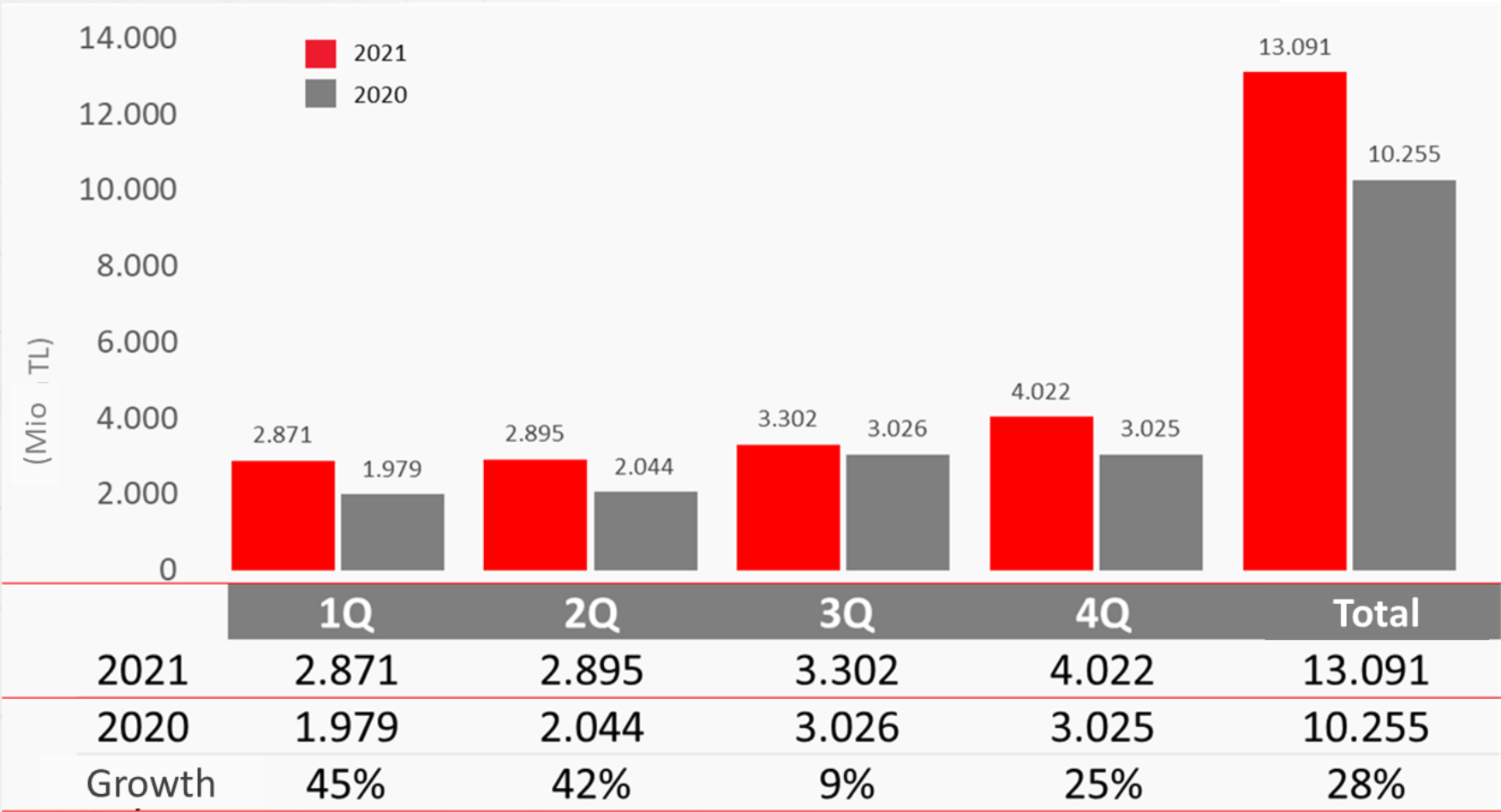
IOT
%89 growth
16,4 billion units

Index AŞ 2021-2022 Performance Review Banu Sürek



Index AŞ 2021-2022 Performance Review

Sales Performance (Mio TL)





Personal NB-PC Market

IDC 2021 Turkey PC market (units): **2.367.000**



%63 Individual Consumer



%45 growth



5% growth in Corporate Sales*

In 2022, market will continue to grow **!**



Smart Phone Market (GFK)

2021 Turkey Smart Phone market (units): **9.200.000**

- **Apple:** Market share increased from **13% to 17%**
- **Oppo:** Market share increased from **8% to 12%**

In 2022, continue to grow with our all brands!





Turkey ICT Distributor Market

Regional Market Volumes

| Country | 2020 | 2021 | YoY Growth |
|----------------|------------------------|------------------------|--------------|
| Germany | \$21.680.980.000 | \$21.822.145.000 | 0,70% |
| UK | \$16.490.910.000 | \$18.320.560.000 | 11,10% |
| Italy | \$10.399.700.000 | \$11.250.710.00 | 8,10% |
| Russia | \$8.350.560.000 | \$8.699.490.000 | 4,20% |
| France | \$8.680.590.000 | \$9.050.070.000 | 4,30% |
| Spain | \$7.280.630.000 | \$7.810.930.000 | 7,30% |
| Polond | \$5.530.220.000 | \$6.260.940.000 | 13,20% |
| Holland | \$5.730.020.000 | \$5.960.780.000 | 4,00% |
| Switzerland | \$4.210.760.000 | \$4.395.240.000 | 4,30% |
| Turkey | \$3.780.920.000 | \$3.930.370.000 | 4,10% |
| Sweden | \$2.780.920.000 | \$3.299.720.000 | 18,70% |
| Austria | \$2.350.850.000 | \$2.510.880.000 | 6,60% |
| Czech Republic | \$2.150.180.000 | \$2.440.270.000 | 13,80% |
| Belgium | \$2.280.560.000 | \$2.410.350.000 | 5,70% |
| Rest of Europe | \$1.440.190.000 | \$1.770.980.000 | 22,80% |

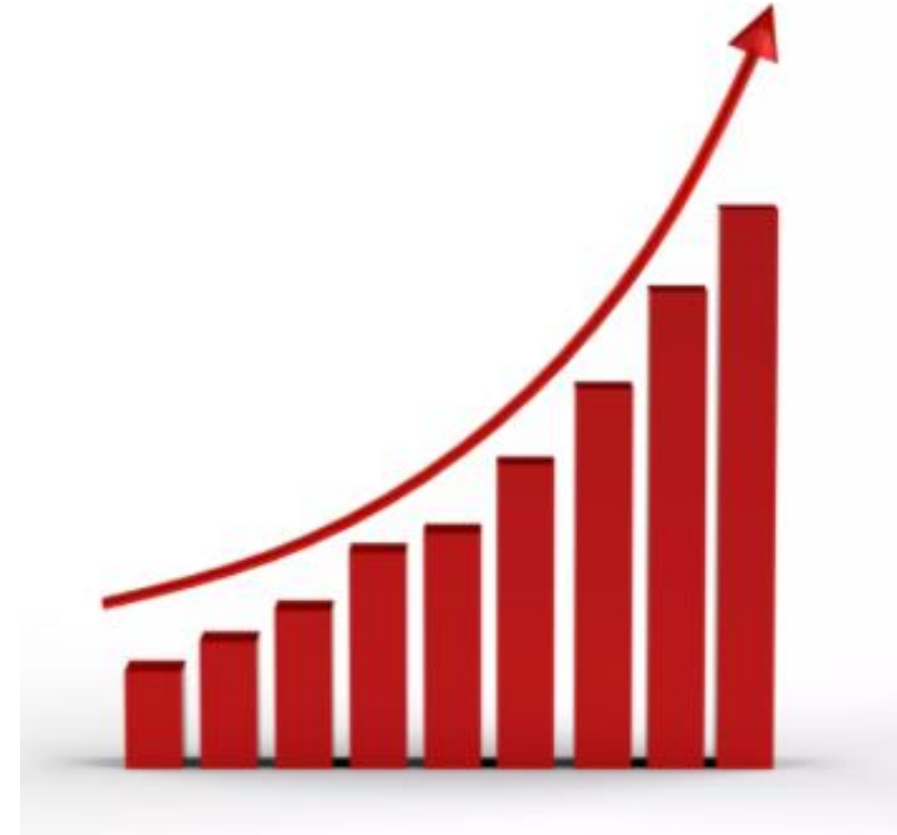




Index 2022 Expectations

Technology sector continue to grow:

- Market will grow minimum **5%** !
- Majority of growth will come from value added products!
- Great momentum in Broad channel sales
- We will spend maximum effort for new brand contracts:
 - Cloud
 - Smart home /Smart life
 - 3D Printer
 - Virtual Reality Products
- **We will continue to grow** as profitable, strong and effective in 2022 with increasing market shares of **our brands!**



World Leader Technology Brands

more than
200+ **25.000**
Contract product



Lenovo



oppo

Hewlett Packard
Enterprise

IBM



Kingston



Microsoft

Jabra®

EPSON®

FUJITSU

Panasonic

PHILIPS

realme

SONY®



HUAWEI

acer®

ARISTA

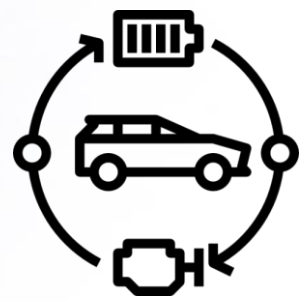
aruba®
a Hewlett Packard
Enterprise company

Canon

ASUS®



Index Group 3 Years ESG Targets



Hybrid Vehicle Usage
increase from 8% to **40%**



Print out rate saving!
increase to **50%**



Under Age 30 workers rate
to increase from 21% to **35%**



Women working rate in Logistic
to increase from 20% to **30%**

Index AŞ 3Q 2022 Financial and Operational Results

Halil Duman



Index AŞ Financial ve Operational Results

Summarized P/L (000 TL)

| (000) TRL | 9 months 2022 | 9 months 2021 | Chnages (%) |
|-----------------------------------|---------------|---------------|-------------|
| Net Sales | 16.886.061 | 9.069.333 | 86,19 |
| Gross Profit | 784.007 | 370.282 | 111,73 |
| Gross Profit Margin (%) | 4,64 | 4,08 | 13,72 |
| EBITDA | 991.761 | 277.129 | 257,87 |
| EBITDA Margin (%) | 5,87 | 3,06 | 92,21 |
| Operational Profit | 976.287 | 264.710 | 268,81 |
| Operational Profit Margin (%) | 5,78 | 2,92 | 98,09 |
| Financial Income /(Expenses), Net | (405.181) | (61.853) | 555,07 |
| Profit Before Tax | 598.931 | 203.891 | 193,75 |
| Profit margin Before Tax (%) | 3,55 | 2,25 | 57,77 |
| Tax Expenses | (165.075) | (53.498) | 208,56 |
| Net Profit | 405.730 | 136.713 | 196,77 |
| Net Profit Margin (%) | 2,40 | 1,51 | 59,39 |



Index AŞ Financial ve Operational Results

Summarized Balance Sheet (000 TL)

| Assets | 30.09.2022 | (%) | 31.12.2021 | (%) | Changes (%) | Liabilities & Capital | 30.09.2022 | (%) | 31.12.2021 | (%) | Changes (%) |
|---------------------------|------------------|--------------|------------------|--------------|-------------|---------------------------------|------------------|--------------|------------------|--------------|-------------|
| Current Assets | 8.607.390 | 98,4% | 6.838.701 | 98,4% | 25,9 | Short Term Lia. | 7.362.067 | 84,2% | 5.840.452 | 84,0% | 26,1 |
| Cash | 1.936.919 | 22,1% | 2.095.002 | 30,1% | (7,5) | Financial Lia. | 1.460.603 | 16,7% | 1.120.923 | 16,1% | 30,3 |
| Financial Investments (*) | 399.383 | 4,6% | - | 0,0% | 0,0 | Trade Payables | 5.447.249 | 62,4% | 4.253.218 | 61,2% | 28,1 |
| Trade Receivables | 4.676.972 | 53,6% | 3.553.845 | 51,1% | 31,6 | Deferred Income | 181.617 | 2,1% | 221.255 | 3,2% | (17,9) |
| Inventories | 1.245.086 | 14,2% | 917.619 | 13,2% | 35,7 | Provisions for Tax Liability | 59.620 | 0,7% | 119.286 | 1,7% | (50,0) |
| Inventories in Transit | 81.304 | 0,9% | 66.336 | 1,0% | 22,6 | Prov. for Other Pay. | 149.115 | 1,7% | 92.230 | 1,3% | 61,7 |
| Other | 267.726 | 3,1% | 205.899 | 3,0% | 30,0 | Other | 63.863 | 0,7% | 33.540 | 0,5% | 90,4 |
| Non-Current Assets | 138.738 | 1,6% | 113.441 | 1,6% | 22,3 | Long Term Lia. | 28.471 | 0,3% | 18.737 | 0,3% | 52,0 |
| Fixed Assets | 84.399 | 1,0% | 85.264 | 1,1% | (1,0) | Long Term Lia. | 8.659 | 0,1% | 6.774 | 0,1% | 27,8 |
| Right of Use Assets | 26.630 | 0,3% | 24.402 | 0,4% | 9,1 | Prov. for Empl. Trm. Ind. | 19.811 | 0,2% | 11.963 | 0,2% | 65,6 |
| Deferred Tax Asset | 27.670 | 0,3% | 3.735 | 0,1% | 640,8 | Deferred Tax | - | 0,0% | - | 0,0% | 0,0 |
| Other | 39 | 0,0% | 40 | 0,0% | (2,5) | Capital | 1.355.590 | 15,5% | 1.092.953 | 15,7% | 24,0 |
| Total Assets | 8.746.128 | 100% | 6.952.142 | 100% | 25,8 | Total Lia. & Capital | 8.746.128 | 100% | 6.952.142 | 100% | 25,8 |

(*) This amount consist of currency risk protected deposit in full.



Index AŞ Financial ve Operational Results

Net Financial Debt (000 TL)





Index AŞ Financial ve Operational Results

Financial Ratios

| LIQUIDITY RATIOS | 30.09.2022 | 31.12.2021 |
|--|-------------------|-------------------|
| Current Ratio | 1,17 | 1,17 |
| Quick Ratio | 0,99 | 1,00 |
| THE WORKING CAPITAL RATIOS (*) | 30.09.2022 | 31.12.2021 |
| Receivables Days | 62 | 68 |
| Payables Days | 77 | 84 |
| Inventory Days | 20 | 16 |
| FINANCIAL STRUCTURE RATIOS | 30.09.2022 | 31.12.2021 |
| Capital / Total Liabilities & Capital | 15,5% | 15,7% |
| Short T. Debts / Total Liabilities & Capital | 84,2% | 84,0% |
| Long T. Debts / Total Liabilities & Capital | 0,3% | 0,3% |
| Financial Debts / Total Debts | 19,9% | 19,2% |
| PROFITABILITY RATIOS | 30.09.2022 | 30.09.2021 |
| Gross Profit Margin | 4,64% | 4,08% |
| Operational Profit Margin | 5,78% | 2,92% |
| Net Profit / Sales | 2,40% | 1,51% |
| Profit Margin Before Tax | 3,55% | 2,25% |

(*) Quarterly prepared financial sheets were taken into consideration for calculations.

Index Group

2022 General Review

Erol Bilecik



Index Group 2022 General Review



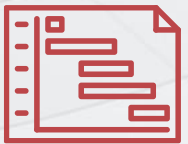
Net Cash Position



Dividend Plan



Buy Back Program



M&A Plans

Q & A

THANK YOU