

Odine Solutions Teknoloji Ticaret ve Sanayi A.Ş.

H1 2024 Financial Results
Investor Presentation



H1 2024 Financial Indicators

Total Assests (H1 2024)

1,8 
Billion TRY 34%

1,3 Billion TRY (Year 2023)

Net Cash* (H1 2024)

942 
Million TRY 202%

312 Million TRY (Year 2023)

Equity (H1 2024)

1,4 
Billion TRY 103%

0,7 Billion TRY (Year 2023)

Revenue (H1 2024)

347 
Million TRY 26%

276 Million TRY (H1 2023)

Gross Profit (H1 2024)

143 
Million TRY 217%

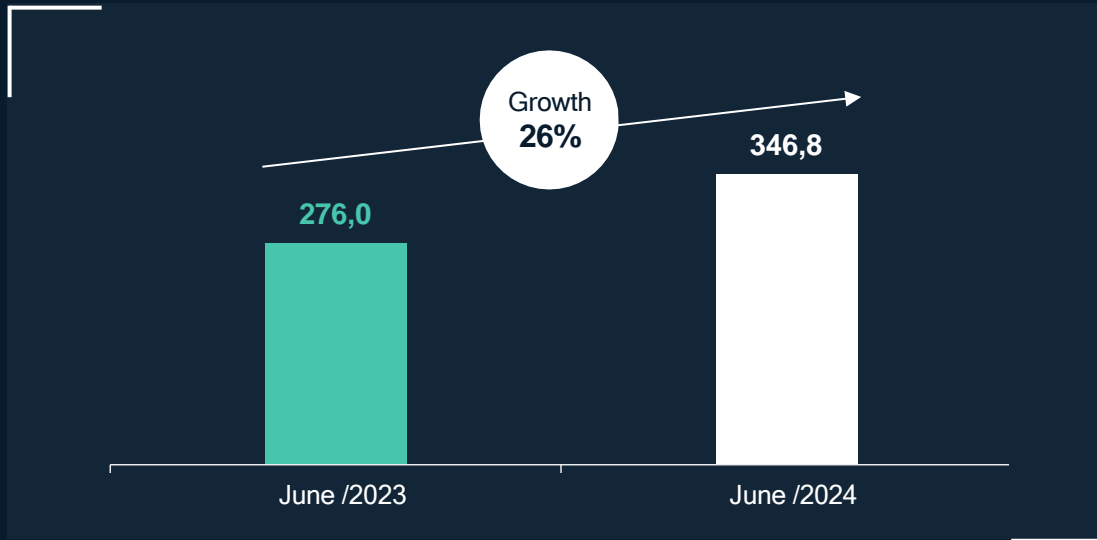
45 Million TRY (H1 2023)

EBITDA (H1 2024)

108 
Million TRY 231%

33 Million TRY (H1 2023)

Net Sales Development (Million TRY)

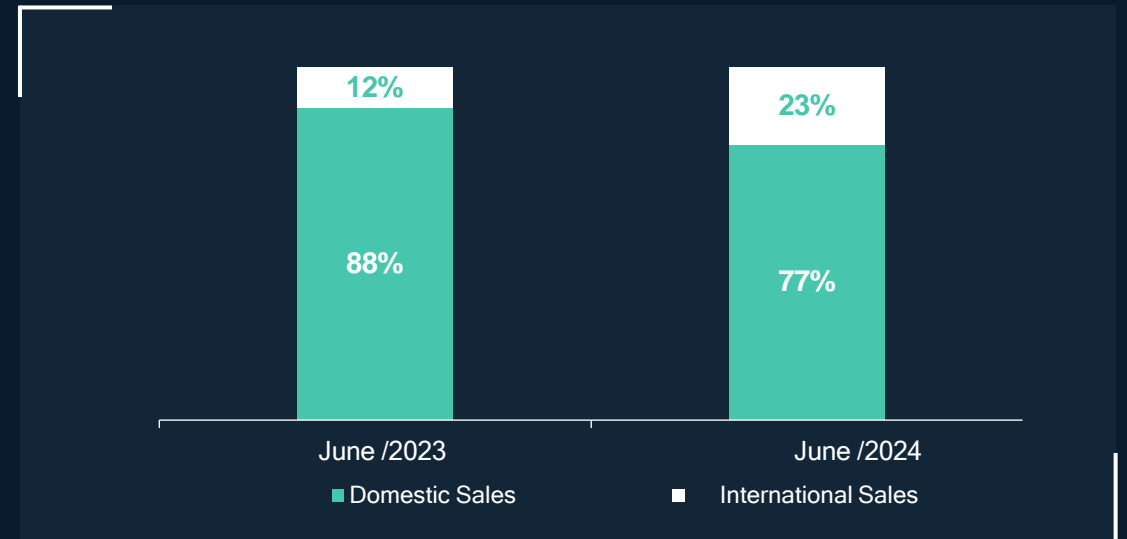


Sales for the first six months of this year have increased by over 70 million TRY compared to the first six months of the previous year.

This increase has been significantly influenced by sales in the last three months, which were approximately 64 million TRY higher than the same period last year.

In the last three months, sales reached a level of 224 million TRY

Breakdown of Net Sales

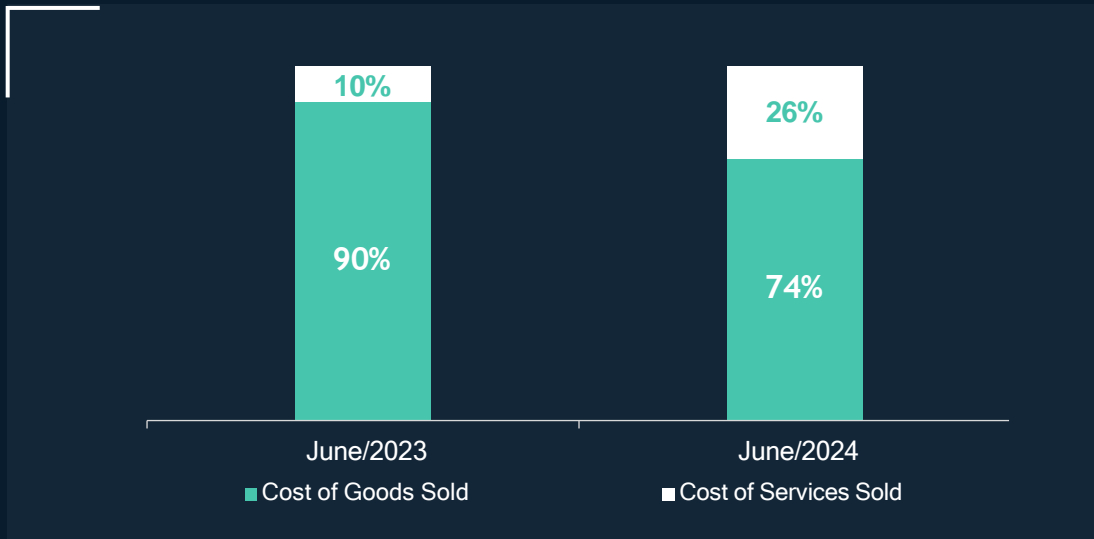


Post-IPO global marketing investments are gradually improving the financial performance.

The share of international sales in total sales has nearly doubled in the first six months compared to the same period last year, reaching 23%

GROSS PROFIT

Cost of Sales Breakdown

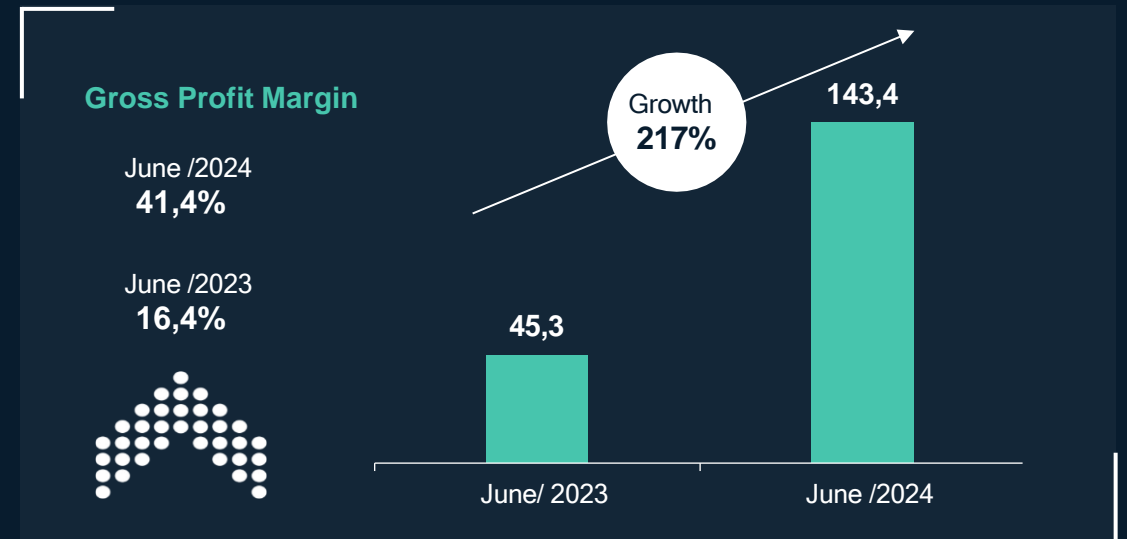


Despite a 71 million TRY increase in net sales over the first six months, the cost of goods sold decreased by 57 million TRY.

While the cost of services sold rose by 130% compared to the same period last year, the overall cost of sales decreased by 13% due to the reduction in the cost of goods sold.

The cost of goods sold as a percentage of total sales was 90% in the first six months of the previous year, whereas it has decreased to 74% this year.

Gross Profit (Million TRY)

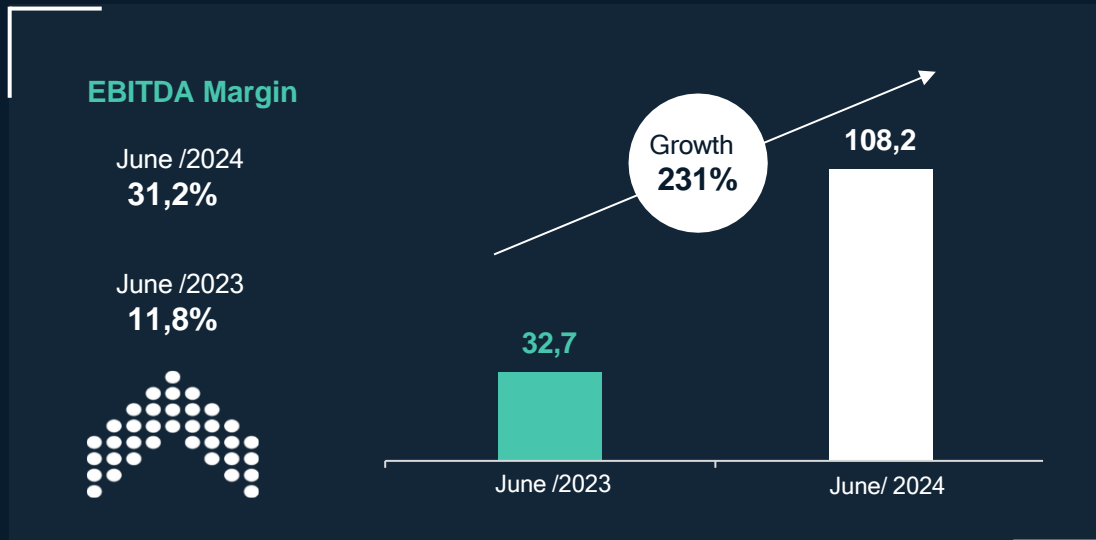


During the first six months, net sales increased by 26%, while gross profit saw a significant rise of 217%.

This substantial increase in gross profit has led to a gross profit margin of 41%. The rise in the gross profit margin, as reflected in the cost of sales breakdown, is attributed to the growth in high value-added service sales.

EBITDA and NET PROFIT (Loss)

EBITDA* (Million TRY)

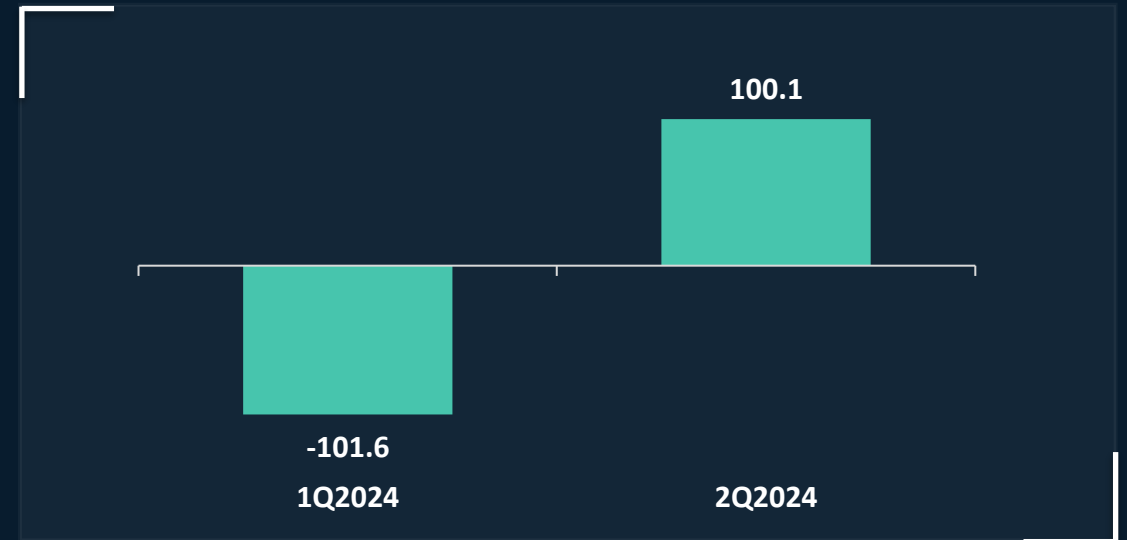


*EBITDA: Operating profit + Depreciation & Amortisation expense

EBITDA increased by 76 million TRY to reach 108 million TRY in the first six months compared to the same period last year.

Due to the rise in the share of value-added service sales within total sales, the EBITDA margin was 31% in the first six months.

Net Profit (Million TRY)



In the first three months of 2024, a loss of 102 million TRY, primarily due to foreign exchange differences, was reduced almost to zero at the end of the second quarter.

In the second quarter of 2024, a net profit of 100 million TRY was achieved. In the second three months of 2024, due to increased operating profit and financial income, a net profit margin of 45% was realized.

BALANCE SHEET RATIO ANALYSIS

Liquidity Ratio

	2024/Q1	2024/H1
Current Ratio*	3,04	3,45
Quick ratio**	2,92	3,29
Cash Ratio***	2,56	2,54

Odine, with a current ratio above 1, has current assets exceeding its short-term liabilities. Therefore, the company does not require additional working capital.

(*) Calculated by dividing Current Assets by Short-Term Liabilities.

(**) Calculated by dividing Current Assets minus Inventories and Other Current Assets by Short-Term Liabilities.

(***) Calculated by dividing Cash and Cash Equivalents plus Financial Investments by Short-Term Liabilities

Financial Structure Ratios*

	2024/Q1	2024/H1
Equity/Total Assets	0,73	0,78
Equity/Total Liabilities	2,72	3,49
Bank Loans/Equity*	0,003	0,003

Odine has low indebtedness, with total equity exceeding both short-term and long-term liabilities. As of June 30, 2024, the ratio of bank debts, including credit card liabilities, to equity was 0,003.

The capital increase resulting from the IPO in March 2024 provided the company with a cash inflow of 663.000.000 TRY. This cash inflow has positively impacted both liquidity and financial structure ratios.

(*) Bank loans include credit card debts

Profitability

	2024/3M	2024/H1
Return on Equity (ROE) (%) [*]	20,45	28,52
Return on Assets (ROA) (%) ^{**}	11,96	17,50
ROCE (%) ^{***}	30,29	30,60

Odine has demonstrated better performance in terms of profitability ratios compared to the previous quarter, creating more positive value for shareholders. Reflecting the company's ability to convert its assets and equity into profits, there is a rising trend in the equity profitability, asset profitability and ROCE profitability metrics.

(^{*}) (Annualized Net Profit / Average Equity) * 100

(^{**}) (Annualized Net Profit / Average Total Assets) * 100

(^{***}) (Annualized Net Operating Profit / Average (Total Assets - Short-Term Liabilities)) * 100

Indebtedness

	2024/3M	2024/H1
Net Debt/EBITDA	(3,46)	(2,50)
Leverage Ratio (%) [*]	26,88	22,28
Debt/Equity Ratio (%)	36,76	28,67

Odine holds a net cash position, as it possesses more cash value than its total financial debt, putting the company in a relatively protected position in terms of financial risks. The ratio of the company's total debt to both equity and assets is at a very low level, and its dependency on debt is quite minimal.

(^{*}) (Total Liabilities / Total Assets) * 100

Balance Sheet - Assets & Liabilities (TRY)

	31.12.2023	30.06.2024
Current Assets	994.135.320	1.287.271.832
Cash and Cash Equivalents	229.212.596	619.351.654
Financial Investments	84.416.487	327.596.752
Derivative Instruments	2.119.432	-
Trade Receivables	662.654.931	257.391.804
-Trade Receivables from Related Parties	12.230.979	14.409.582
-Trade Receivables from Non-related Parties	650.423.952	242.982.222
Other Receivables	3.109.186	1.587.055
-Other Receivables from Non-related Parties	3.109.186	1.587.055
Inventories	5.619.961	37.475.487
Prepaid Expenses	6.980.825	20.754.762
Current Tax Assets	-	1.074.134
Other Current Assets	21.902	22.040.184
Non-current Assets	352.539.257	512.608.353
Property, Plant, and Equipment (PPE)	5.800.857	19.583.185
Intangible Assets	318.920.332	467.855.847
Right-of-use Assets	4.101.010	4.190.018
Prepaid Expenses	23.495	4.667.704
Deferred Tax Assets	23.654.575	16.167.610
Other Non-current Assets	38.988	143.989
TOTAL ASSETS	1.346.674.577	1.799.880.185

Balance Sheet (TRY)	31.12.2023	30.06.2024
Short-term Liabilities	622.509.908	372.926.784
Short-term Borrowings	468.071	1.772.827
Lease Liabilities	1.515.224	2.129.082
Trade Payables	242.794.440	321.247.078
-Trade Payables to Related Parties	4.060.097	3.424.630
-Trade Payables to Non-related Parties	238.734.343	317.822.448
Liabilities for Employee Benefits	5.899.401	17.456.173
Other Payables	114.510.600	328.759
-Other Payables to Related Parties	61.820.220	-
-Other Payables to Non-related Parties	52.690.380	328.759
Deferred Income	218.513.552	15.539.342
Deferred Income to Non-related Parties	218.513.552	15.539.342
Current Tax Liability	28.249.616	-
Short-term Provisions	10.559.004	14.453.523
-Short-term Provisions for Employee Benefits	10.559.004	14.453.523
Long-term Liabilities	33.422.802	28.102.791
Lease Liabilities	129.034	897.444
Deferred Income	20.617.435	11.643.500
Long-Term Provisions	12.676.333	15.561.847
-Long-Term Provisions for Employee Benefits	12.676.333	15.561.847

Balance Sheet - Equity (TRY)

	31.12.2023	30.06.2024
Total Equity	690.741.867	1.398.850.610
Paid-in Capital	88.400.00	110.500.000
Share Premiums (Discounts)	-	606.203.066
Effect of Mergers Involving Entities or Enterprises Under Common Control	(27.806.923)	(27.806.923)
Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss	258.243.631	340.650.107
<i>-Foreign Currency Translation Differences</i>	258.243.631	340.650.107
Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss	(1.575.086)	(2.639.673)
<i>-Remeasurement Gains and Losses on Defined Benefit Plans</i>	(1.575.086)	(2.639.673)
Retained Earnings	123.196.987	373.471.362
Net Profit for the Period	250.274.375	(1.536.377)
Equity Attributable to Equity Holders of the Parent	690.732.984	1.398.841.562
Non-controlling Interests	8.883	9.048
Total Liabilities and Equity (or simply Total Resources)	1.346.674.577	1.799.880.185

Income Statement (TRY)

	01.04 – 30.06.2023	01.04 – 30.06.2024	01.01 – 30.06.2023	01.01 – 30.06.2024
Revenue	160.216.259	223.795.303	276.016.604	346.847.447
Cost of Sales	(121.184.629)	(103.179.989)	(230.752.659)	(203.423.776)
Gross Profit	39.031.630	120.615.314	45.263.945	143.423.671
General Administrative Expenses	(6.247.880)	(19.365.869)	(13.681.672)	(27.579.096)
Marketing, Sales, and Distribution Expenses	(4.888.130)	(11.877.101)	(6.911.706)	(21.622.349)
Research and Development Expenses	(14.861.870)	(29.550.241)	(24.089.709)	(56.257.551)
Other Income from Operating Activities	8.579.333	3.569.021	14.482.676	10.768.395
Other Expenses from Operating Activities	126.442	(1.907.091)	(8.406.603)	(6.220.788)
Impairment Gains (Losses) Recognized Under IFRS 9	95.433	(591.828)	(108.219)	4.059.368
Operating Profit	21.834.958	60.892.205	6.548.712	46.571.650
Income from Investment Activities	9.164.758	21.735.877	27.745.016	33.267.615
Expenses from Investment Activities	-	(7)	-	(504)
Operating Profit Before Finance Costs	30.999.716	82.628.075	34.293.728	79.838.761
Finance Income	(110.153)	10.095.596	9.812.416	15.182.040
Finance Costs	(14.414.997)	(3.982.104)	(21.698.441)	(88.715.946)
Profit/Loss Before Tax from Continuing Operations	16.474.566	88.741.567	22.407.703	6.304.855
Tax Expense/Income from Continuing Operations	(10.677.898)	11.370.152	(20.904.557)	(7.841.827)
Current Tax Expense/Income	(4.042.435)	11.370.152	(13.796.153)	-
Deferred Tax Expense/Income	(6.635.463)	-	(7.108.404)	(7.841.827)
Net Profit	5.796.668	100.111.719	1.503.146	(1.536.972)

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