INDEX GRUP

INDEX GRUP COMPANIES

# ANALYST MEETING

16th AUGUST 2023

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# AGENDA

1

**Technological Changes and Technology Market** in the World and in Turkey

2

Index AŞ 2022-2023
**Performance Review**

3

Index AŞ 2022
**Financial and Operational Results**

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Index Grup 2023
**General Review**

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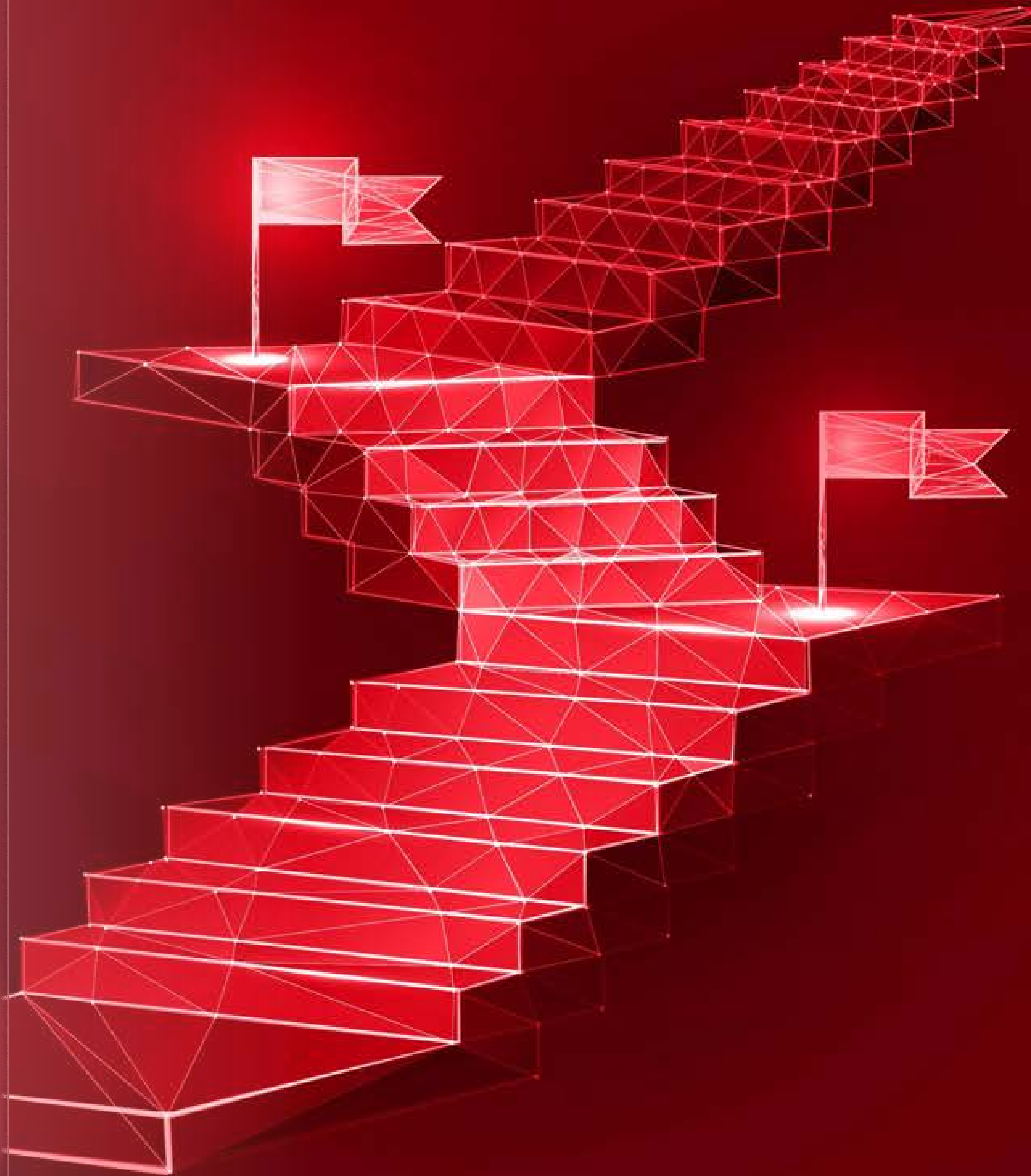
Q&A

# DIGITAL **IMMUNE SYSTEM**

**Erol Bilecik**
Index Grup Chairman

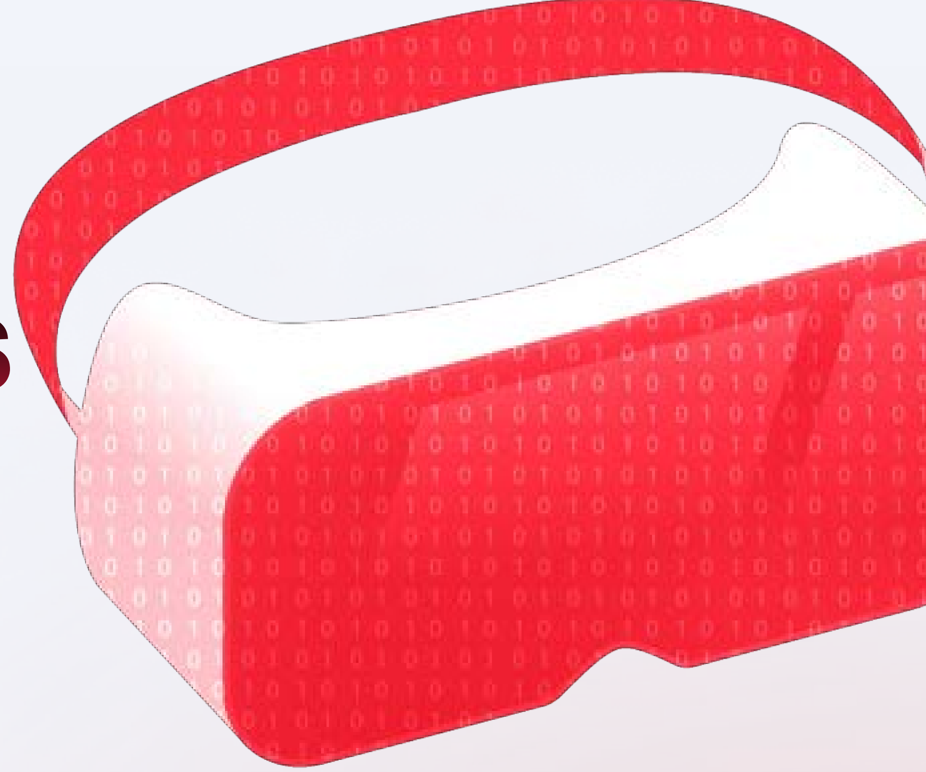


# TECHNOLOGICAL CHANGES and TECHNOLOGY MARKET IN THE WORLD AND IN TURKEY

**Kaan Bilecik**
Index AŞ Board Member

# TECHNOLOGY MARKET and TECHNOLOGICAL CHANGES

IN THE WORLD and IN TURKEY



IT & ICT

## VOLUME IN THE WORLD

**2021**

**4,1 trillion USD**

**2022**

Approx.

**4,4 trillion USD**

**2023**

%2,4 growth expectation

**4,5 trillion USD**

*Source: Gartner (January 2023)

# TECHNOLOGY MARKET and TECHNOLOGICAL CHANGES

IN THE WORLD and IN TURKEY

## IT & ICT
## VOLUME IN THE WORLD

**2021**

**4,1** **trillion USD**

**2022**

Approx.

**4,4** **trillion USD**

**2023**

%2,4 growth expectation

**4,5** **trillion USD**

*Source: Gartner (January 2023)

## IT&ICT
## VOLUME IN TURKEY

**2022**

%10 growth expectation approx.

**292,5** **billion TL**

*Source: TÜBİSAD Report

# WORLD AND TURKEY E-COMMERCE

## WORLD **E-COMMERCE**

**2023** Online retail sales **6,5** **trillion USD**

**2026** Global e-commerce ratio to general trade **% 24**

*Source: Statista

## TURKEY **E-COMMERCE**

**2022** **% 116** **increase**

**348** **billion TL**

E-commerce ratio to general trade in Turkey **%18,5**

*Source: T.C. Ministry of Commerce

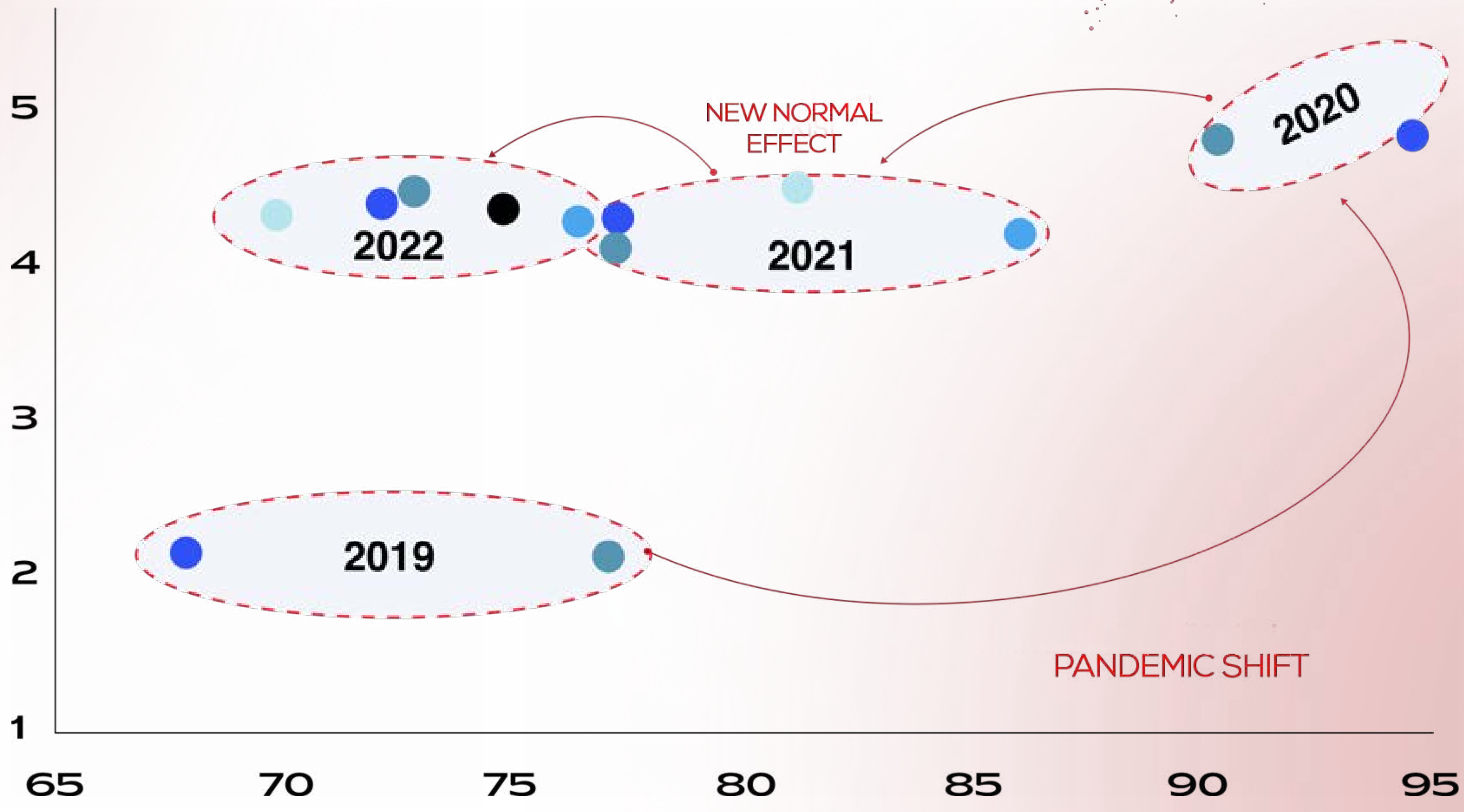
# DIGITAL LEAP

- Banking
- Tel-Co
- Insurance
- Entertainment
- Retail
- Healthcare
- Govermental Services
- Education
- Travel

- North America
- Latin America
- Europe
- Asia – Pasific
- Africa ve Middle East

## Digital Leap After Pandemic

Digital Industries / Number of Users




*Source: McKinsey Digital

CONSUMER TRENDS RESEARCH

# TECHNOLOGY PRODUCTS PLANNED TO BE PURCHASED IN THE NEXT 12 MONTHS

SMART PHONE

%35

LAPTOP or NOTEBOOK

%21

WATCH

%21

TABLET

%15

GAME CONSOLE

%10

BLUETOOTH EARPHONES

%19

VACUUM CLEANER

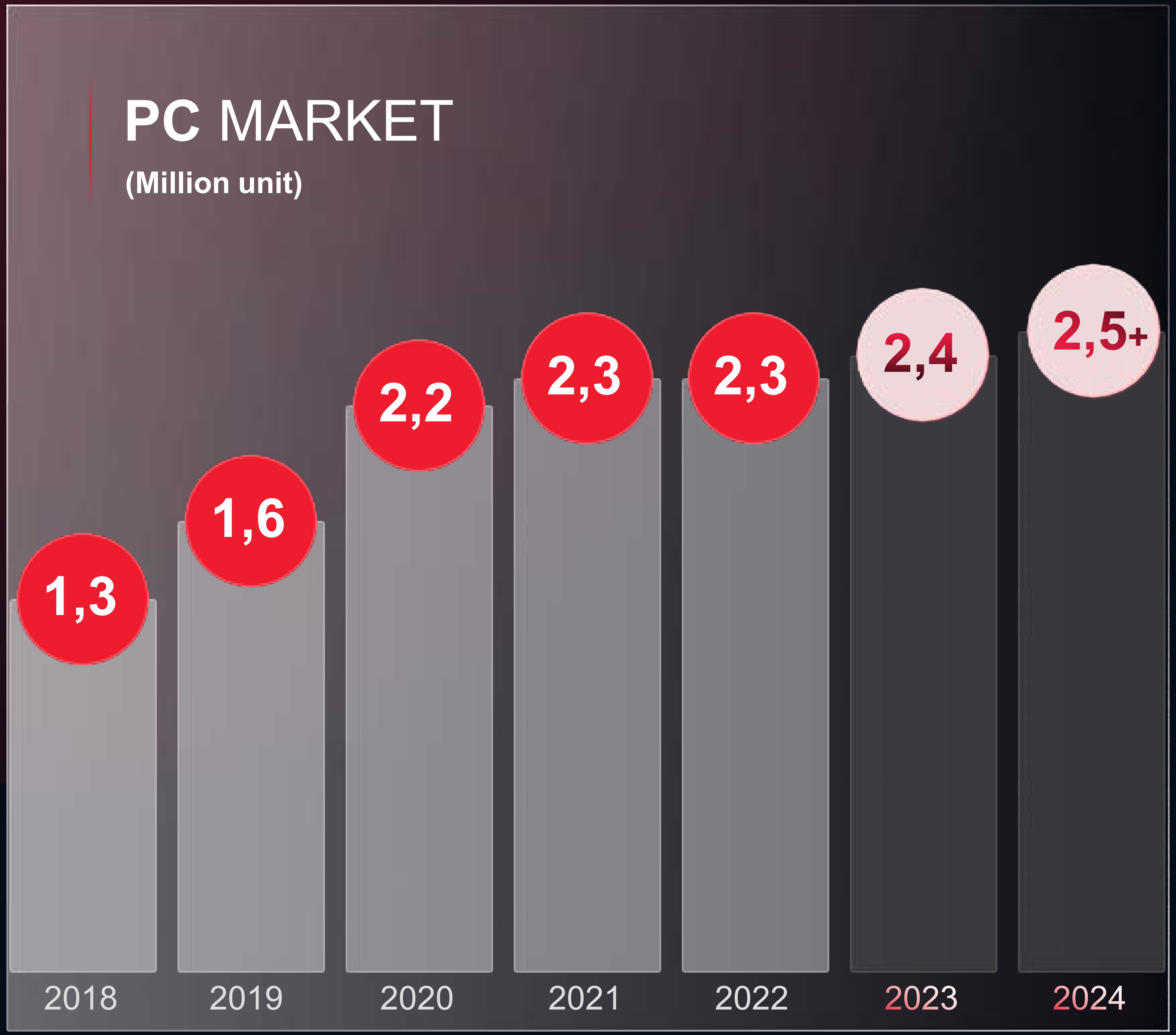
%16

SMART SPEAKER and SCREENS

%7

*Source: GFK

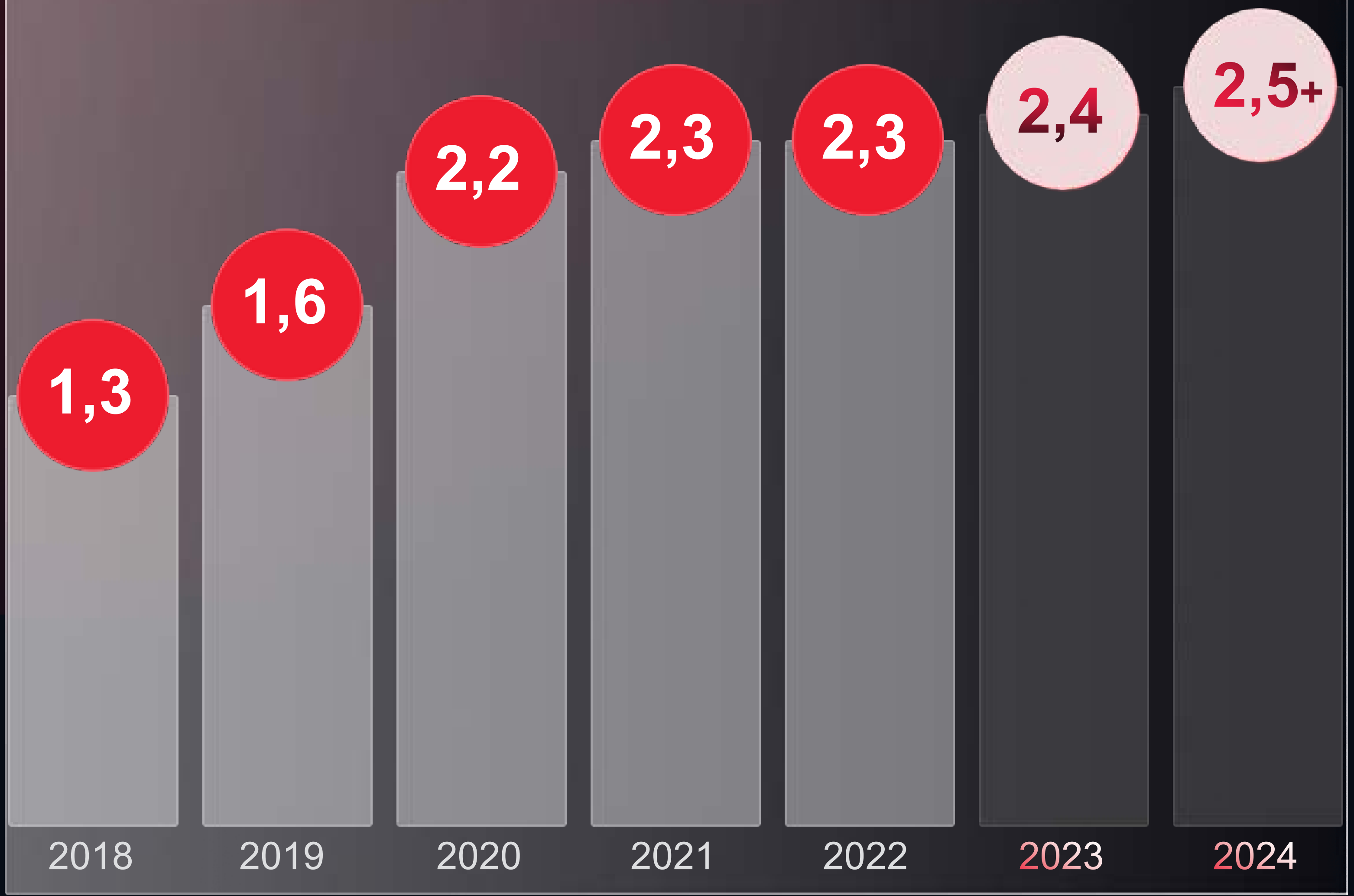
# PC AND SMART PHONE MARKET




*Source: IDC / 2023-24 Index Grup Estimation

# PC AND SMART PHONE MARKET

## PC MARKET
(Million unit)




*Source: IDC / 2023-24 Index Grup Estimation

## SMART PHONE MARKET

2021 **8,9** million units

2022 **10,1** million units

2023 **11** million units

*Source: GFK / 2023 Index Grup Estimation

# 2023 STRATEGIC TECHNOLOGY TRENDS

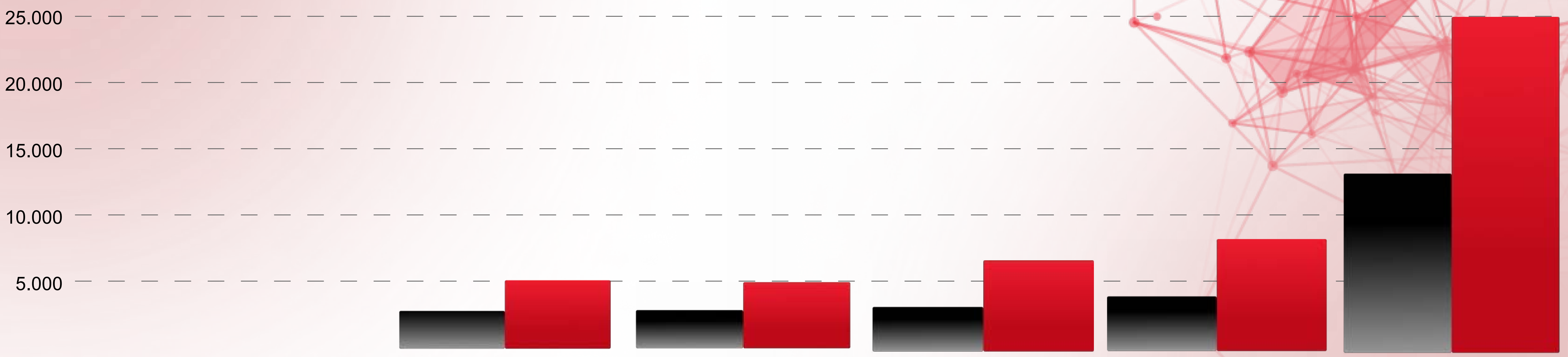
- Sustainability
- Metaverse
- Super Apps
- Applied Artificial Intelligence
- Risk and Security Management
- Applied Observability
- Artificial Intelligence
- Industry Cloud Platforms
- Platform Engineering
- Wireless Technologies

# INDEX AŞ 2022-2023 **PERFORMANCE REVIEW**

**Banu Sürek**
Index AŞ General Manager

INDEX AŞ 2022-2023 PERFORMANCE REVIEW

# İNDEKS BİLGİSAYAR CONSOLIDATED TURNOVER




SALES PERFORMANCE

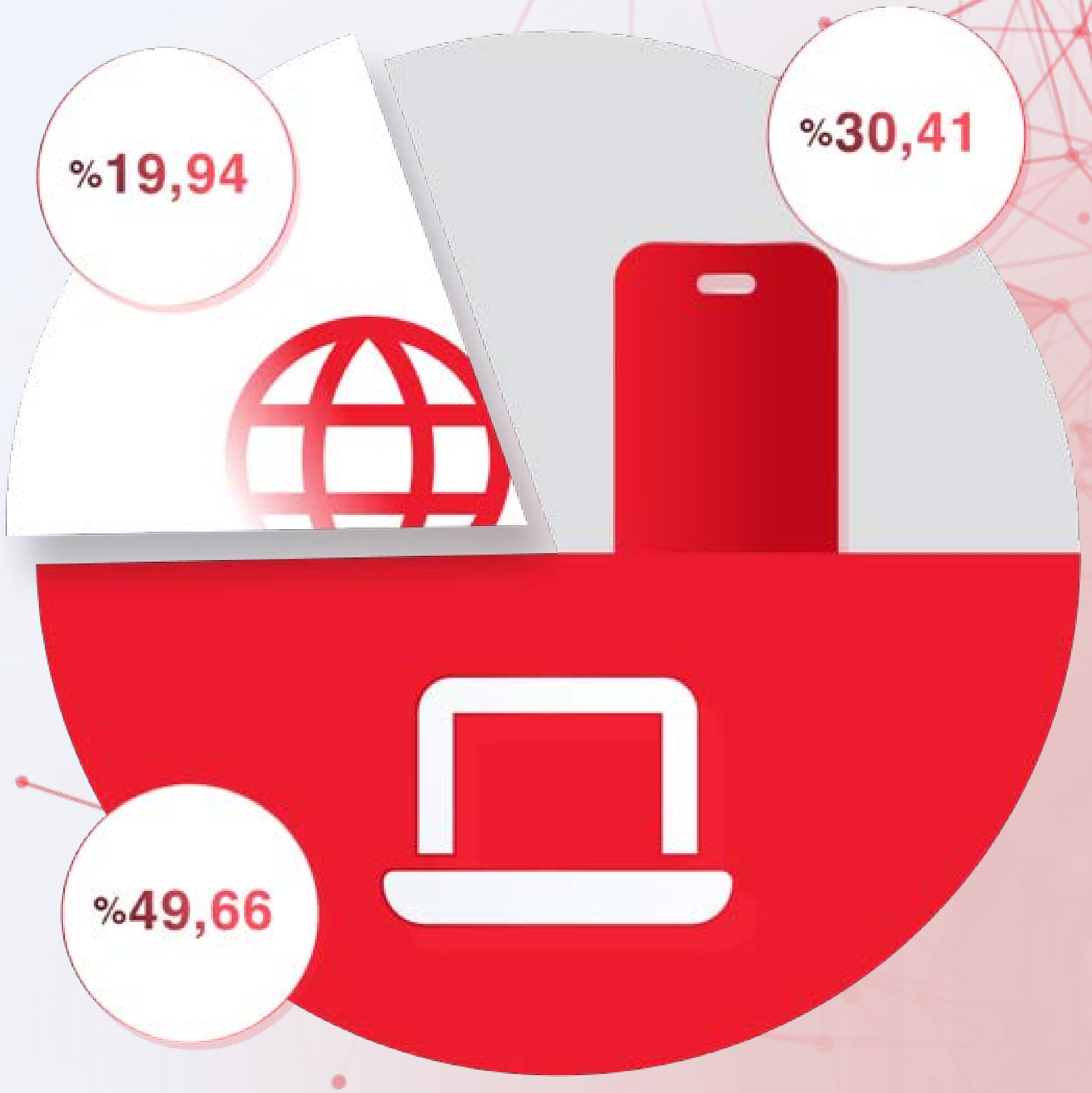
Mio TL

| Million TL | Q1 | Q2 | Q3 | Q4 | TOTAL |
|---|---|---|---|---|---|
| 2021 | 2.871 | 2.896 | 3.302 | 4.022 | 13.092 |
| 2022 | 5.168 | 4.960 | 6.758 | 8.126 | 25.012 |
| Growth | 80% | 71% | 105% | 102% | 91% |

INDEX AŞ 2022-2023 PERFORMANCE REVIEW

# MAIN CATEGORIES 2022

| CATEGORY | RATIO |
|---|---|
| SMART PHONE | %30,41 |
| VOLUME IT PRODUCTS | %49,66 |
| VALUE ADDED IT PRODUCTS | %19,94 |



INDEX 2022 REVIEW

# THE WORLD CONTINUES TO STRENGTHEN WITH TECHNOLOGY

We are the industry leader since 2000!

We are the main supply center for the demands of corporate and individual consumers.

With our more than 8000 business partners, we have reached every part of Turkey in the strongest and most widespread way.

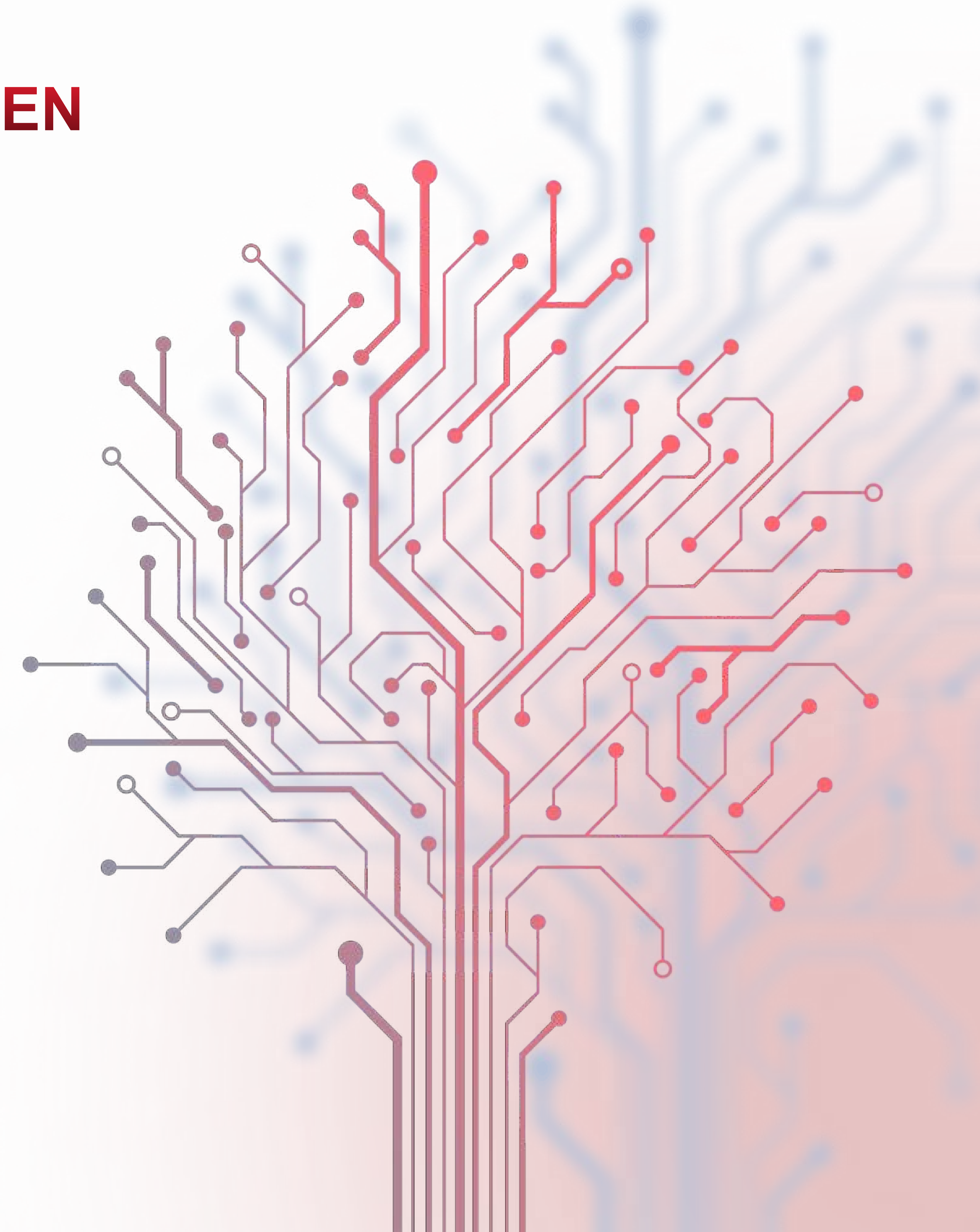
We are deemed worthy of the «Highest Turnover Distributor» and «The Distributor with the Largest Dealer Network» awards by many of our main brands.

We have our mark on all investments in Turkey:

- TOGG
- Akkuyu Nuclear Power Plant
- İBB, İGDAŞ, İSKİ
- Ministry of Justice SEGBİS
- City Hospitals
- Borsa İstanbul Infrastructure Systems
- Infrastructure systems and data center products of Turkey's largest banks

New brand contracts: Smart phones, robot vacuum cleaners, mobile accessories,cloud computing

With the responsibility we feel for the future of the world, we continued our sustainability activities within the scope of our ESG strategy.



TURKEY ICT DISTRIBUTOR MARKET

# REGIONAL MARKET SIZES

| Countries | 2021 | 2022 | Change |
|---|---|---|---|
| Germany | $21.990.450.000 | $19.270.700.000 | -12,40% |
| United Kingdom | $18.670.495.000 | $17.210.020.000 | -7,80% |
| Italy | $11.190.620.000 | $10.000.670.000 | -10,60% |
| France | $9.330.070.000 | $8.690.320.000 | -6,90% |
| Spain | $7.870.860.000 | $7.310.610.000 | -7,10% |
| Poland | $6.400.780.000 | $6.030.735.000 | -5,70% |
| Holland | $6.030.475.000 | $5.460.720.000 | -9,50% |
| Turkey | $4.340.510.000 | $4.335.935.000 | 0% |
| Switzerland | $4.365.130.000 | $4.330.235.000 | -0,80% |
| Sweden | $3.315.360.000 | $3.075.695.000 | -7,30% |
| Austria | $2.520.955.000 | $2.400.480.000 | -4,60% |
| Belgium | $2.470.630.000 | $2.325.900.000 | -6,00% |
| Czech Republic | $2.420.455.000 | $2.195.410.000 | -9,40% |
| Portugal | $1.870.095.000 | $1.835.040.000 | -1,90% |

Source: Context

INDEX 2023 EXPECTATIONS

# SUSTAINABLE, STRONG and EFFICIENT GROWTH!

## Strong Q1!

## High purchasing in the public and private sectors

## Growth in large corporate companies and SME

## High end consumer demand

## Fast growth in accessories, printers, services

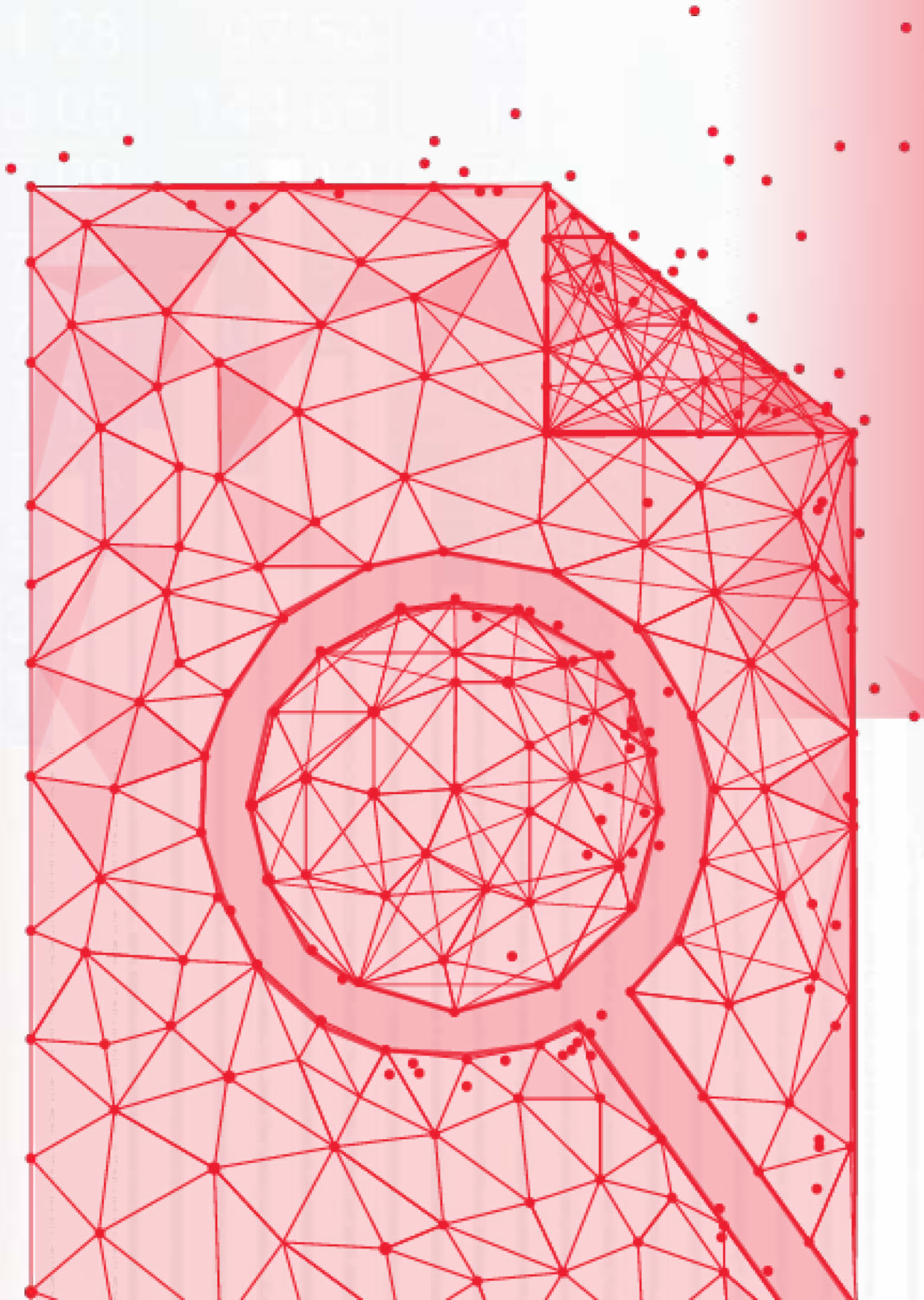
## Strategic logistics investments

## New brand contracts

- Cloud computing
- Artificial Intelligence (AI)
- Smart home, IOT
- 3D Printing
- Virtual Reality (VR)
- 5G and fiber internet
- Cyber security and data privacy technologies

# INDEX AŞ 2022 FINANCIAL AND OPERATIONAL RESULTS

**Halil Duman**
Index Grup Companies Board Member and CFO



INDEX AŞ 2022 FINANCIAL AND OPERATIONAL RESULTS

# INCOME STATEMENT 12 MONTHS (THOUSAND TL)

| (000) TRL | 6 months 2023 | 6 months 2022 | Changes (%) |
|---|---|---|---|
| **Net Sales** | **16.637.923** | **10.128.552** | **64,27** |
| Gross Profit | 907.750 | 434.395 | 108,97 |
| Gross Profit Margin (%) | 5,46 | 4,29 | 27,21 |
| EBITDA | 636.863 | 448.927 | 41,86 |
| EBITDA Margin (%) | 3,83 | 4,43 | (13,64) |
| Operational Profit | 623.185 | 438.893 | 41,99 |
| Operational Profit Margin (% | 3,75 | 4,33 | (13,56) |
| Financial Income /(Expenses), | (219.100) | (78.555) | 178,91 |
| Profit Before Tax | 492.710 | 363.339 | 35,61 |
| Profit margin Before Tax (% | 2,96 | 3,59 | (17,45) |
| Tax Expenses | (148.275) | (104.112) | 42,42 |
| Net Profit | 339.927 | 239.542 | 41,91 |
| Net Profit Margin (%) | 2,04 | 2,37 | (13,61) |

INDEX AŞ 2022 FINANCIAL AND OPERATIONAL RESULTS

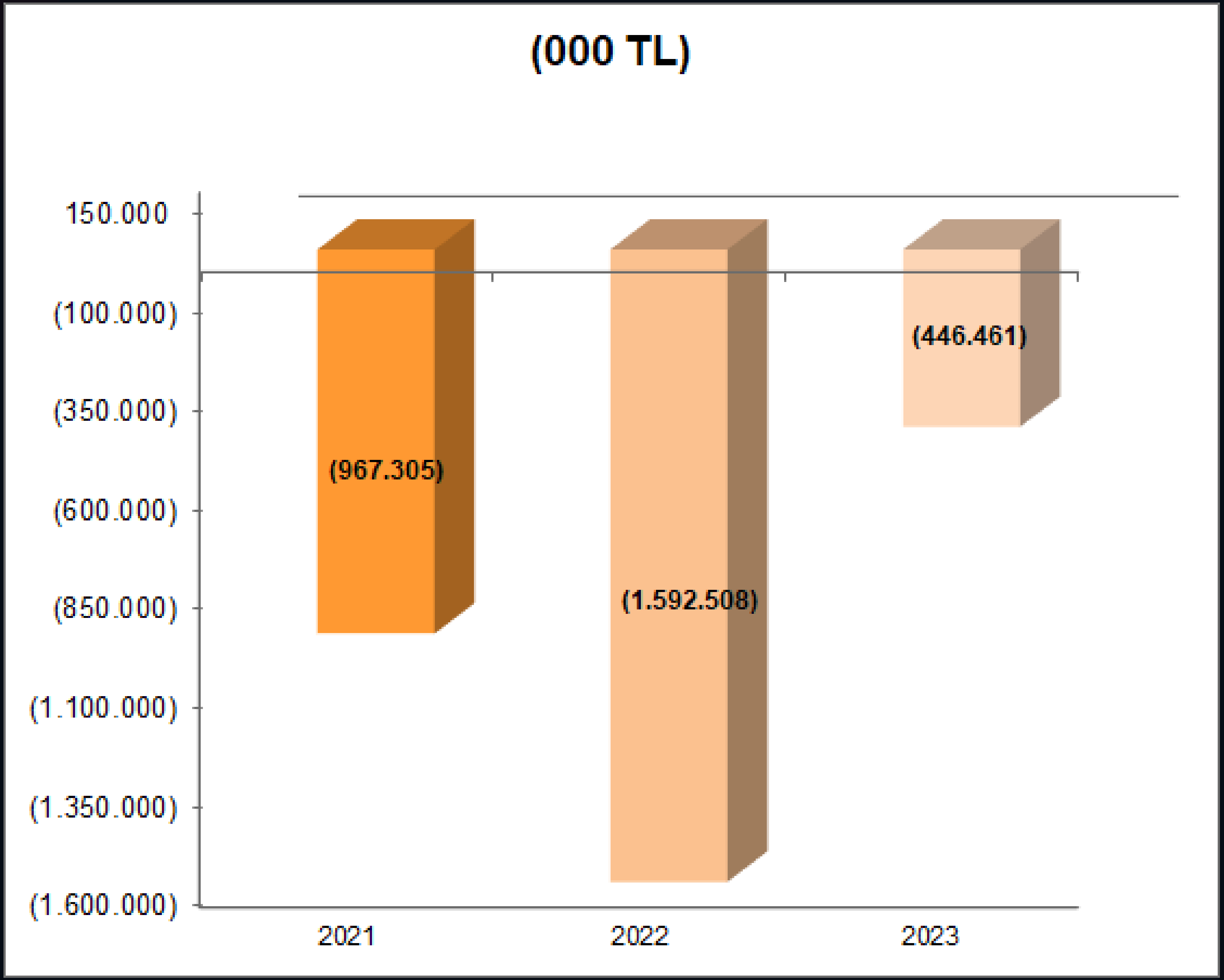
# SUMMARIZED BALANCE SHEET 12 MONTHS (THOUSAND TL)

| Assets | 30.06.2023 | (%) | 31.12.2022 | (%) | Changes (%) | Liabilities & Capital | 30.06.2023 | (%) | 31.12.2022 | (%) | Changes (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Current Assets** | **10.345.200** | **98,4%** | **8.271.933** | **98,2%** | **25,1** | **Short Term Lia.** | **8.803.369** | **83,8%** | **6.765.096** | **80,3%** | **30,1** |
| Cash | 1.798.680 | 17,1% | 2.371.261 | 28,2% | (24,1) | Financial Lia. | 1.345.145 | 12,8% | 771.341 | 9,2% | 74,4 |
| Trade Receivables | 5.313.920 | 50,7% | 4.559.391 | 54,2% | 16,5 | Trade Payables | 6.726.281 | 64,1% | 5.406.355 | 64,2% | 24,4 |
| Inventories | 2.032.326 | 19,3% | 1.027.452 | 12,2% | 97,8 | Provisions for Tax | 388.726 | 3,7% | 298.014 | 3,5% | 30,4 |
| Inventories in Transit | 270.832 | 2,6% | 88.521 | 1,1% | 206,0 | Prov. for Other Pay. | 204.279 | 1,9% | 129.170 | 1,5% | 58,1 |
| Other (*) | 929.442 | 8,8% | 225.308 | 2,7% | 312,5 | Other | 138.938 | 1,3% | 160.216 | 1,9% | (13,3) |
| **Non-Current Assets** | **162.907** | **1,6%** | **147.717** | **1,8%** | **10,3** | **Long Term Lia.** | **18.033** | **0,2%** | **31.133** | **0,4%** | **(42,1)** |
| Trade Receivables | 89.863 | 0,9% | 83.535 | 0,9% | 7,6 | Long Term Lia. | 7.074 | 0,1% | 7.412 | 0,1% | (4,6) |
| Right of Use Assets | 28.510 | 0,3% | 24.800 | 0,3% | 15,0 | Prov. for Empl. Trm. Ind. | 10.959 | 0,1% | 23.722 | 0,3% | (53,8) |
| Investments Valued by Equity M. | 18.761 | 0,2% | 39.342 | 0,5% | (52,3) | Deferred Tax | - | 0,0% | - | 0,0% | 0,0 |
| Other | 25.773 | 0,2% | 40 | 0,0% | 64.332,5 | **Capital** | **1.686.705** | **16,1%** | **1.623.421** | **19,3%** | **3,9** |
| **Total Assets** | **10.508.107** | **100%** | **8.419.650** | **100%** | **24,8** | **Total Lia. & Capital** | **10.508.107** | **100%** | **8.419.650** | **100%** | **24,8** |

**(*) In Other line, 391,5 mio TL Financial Investments consist of Currency Protected Saving. When adding this amount to cash, total cash raised to 2.190 mio TL.**

INDEX AŞ 2022 FINANCIAL AND OPERATIONAL RESULTS

# NET FINANCIAL DEBT (THOUSAND TL)



# FINANCIAL RATIOS

| LIQUIDITY RATIOS | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Current Ratio | 1,18 | 1,22 |
| Quick Ratio | 0,91 | 1,06 |

| THE WORKING CAPITAL RATIOS (*) | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Receivables Days | 51 | 59 |
| Payables Days | 68 | 74 |
| Inventory Days | 17 | 18 |

| FINANCIAL STRUCTURE RATIOS | 30.06.2023 | 31.12.2022 |
|---|---|---|
| Capital / Total Liabilities & Capital | 16,1% | 19,3% |
| Short T. Debts / Total Liabilities & Capital | 83,8% | 80,3% |
| Long T. Debts / Total Liabilities & Capital | 0,2% | 0,4% |
| Financial Debts / Total Debts | 15,3% | 11,5% |

| PROFITABILITY RATIOS | 30.06.2023 | 30.06.2022 |
|---|---|---|
| Gross Profit Margin | 5,46% | 4,29% |
| Operational Profit Margin | 3,75% | 4,33% |
| Net Profit / Sales | 2,04% | 2,37% |
| Profit Margin Before Tax | 2,96% | 3,59% |

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

# INDEX GRUP 2023
# GENERAL REVIEW

INDEX GRUP 2023 GENEL DEĞERLENDİRME

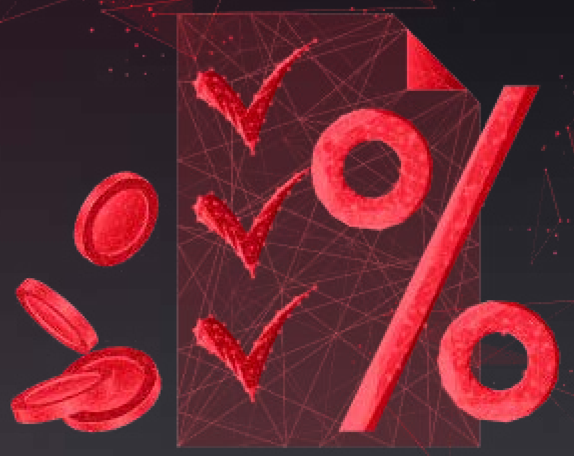
**Erol Bilecik**
Index Grup Chairman

# Net Cash Position

## Net Cash Position

## Dividend Plan

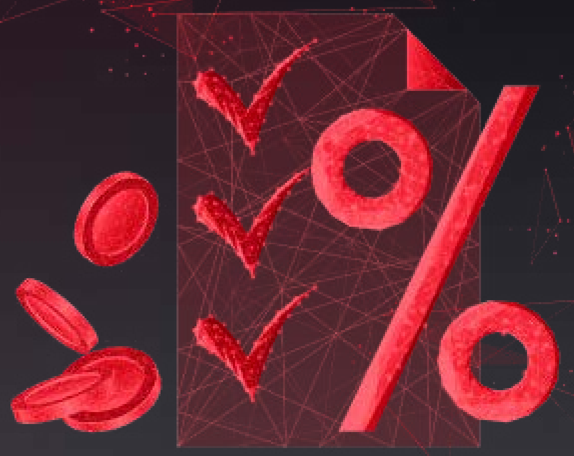
Net Cash Position



Dividend Plan

Buy Back Program

Net Cash Position



Dividend **Plan**

Buy Back Program

Investment Plans

# Q&A

INDEX GRUP

# THANK YOU

21st MARCH 2023