

5 MARCH 2023



2022 Year End Investor Presentation



Disclaimer

This presentation contains forward-looking statements that reflect the Company management's current views and assumptions with respect to future events. Although the expectations reflected in these statements are believed to be reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

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Key financial results for FY2022



2022 record revenue

157m TL

86% year-on-year
increase

45%

EBITDA margin

2022 net profit

50m TL

43% year-on-year
increase

50%

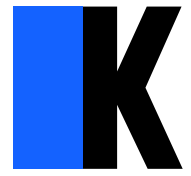
share of international
sales in total revenue

Net cash

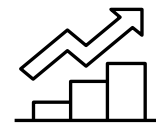
3.2m TL

63%

of sales in
foreign currency



2022 key highlights and developments



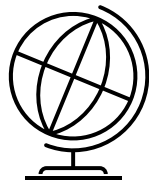
Strong financial performance

- Revenue increased by 86% and gross profit increased by 90% compared to previous year
- EBITDA realized as 71m TL, Net Profit as 50m TL
- Share of international sales in total revenues reached 50%
- Strong balance sheet management continued; 36.4m TL cash available against 33.2m TL bank debt



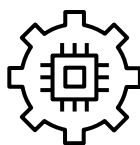
Growing customer portfolio and new sales

- With 40 new customers acquired globally, our total number of customers increased by 65%
- We further penetrated baking sector with sales to 32 financial institutions, including 16 new customers
- With our focus on sales in the enterprise market, a total of 41 contracts were signed in Turkey, 18 of which were with new customers



Strengthening our global sales network with new business partners

- We strengthened our global sales network by establishing new partnerships with global system integrators such as Damovo and PKWARE in North America and Europe, and Jazz and Synax in the Asia-Pacific region
- Important business partnership was initiated with Havelan in Turkey for cybersecurity projects in defense industry



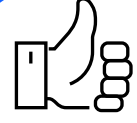
Increasing the competencies of our existing products and continuing to develop new, adjacent products

- Development of our data security products (Database Activity Monitoring and Dynamic Data Masking) has been completed and the first sale has been made to one of America's leading financial institutions. With this product, an important new revenue stream has been established
- Further R&D conducted to enhance the competencies of our existing products (Data Stream Processing and Deep Packet Inspection) that address the growing big data management needs, and a contract was signed with a large customer in the U.S. for this product



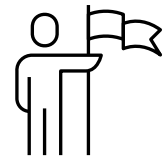


2022 key highlights and developments



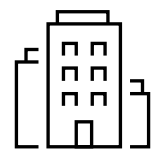
Strong recognition by analyst firms as a leading global player

- We have been included again among the world's leading Privileged Access Management companies in KuppingerCole's 'Leadership Compass for PAM' report
- We were recognized as one of the leading PAM (Privileged Access Management) companies globally in Omdia's "Selecting a Privileged Access Management Solution, 2021-22" report
- With a rating score of 4.8/5 and a recommendation rate of 100% obtained in Gartner Peer Insights, our PAM product ranked among the most effective and highest customer satisfaction Privileged Access Management products
- In Bilişim 500 Research, we were ranked no.1 for the third time consecutively in the Turkey-based Manufacturer - Data Security Software category, and we were among the top 15 companies in the Software Export Revenues category



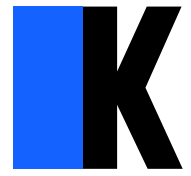
Participation in leading international fairs of our industry

- We were the main sponsor of the Cybersecurity Week organized by the Turkey Cybersecurity Cluster
- We participated in the Gartner Identity & Access Management Summit in London and IT-SA Expo in Europe
- We introduced our cybersecurity and network infrastructure products at GITEX Global, the most comprehensive technology fair in the EMEA region, held in Dubai



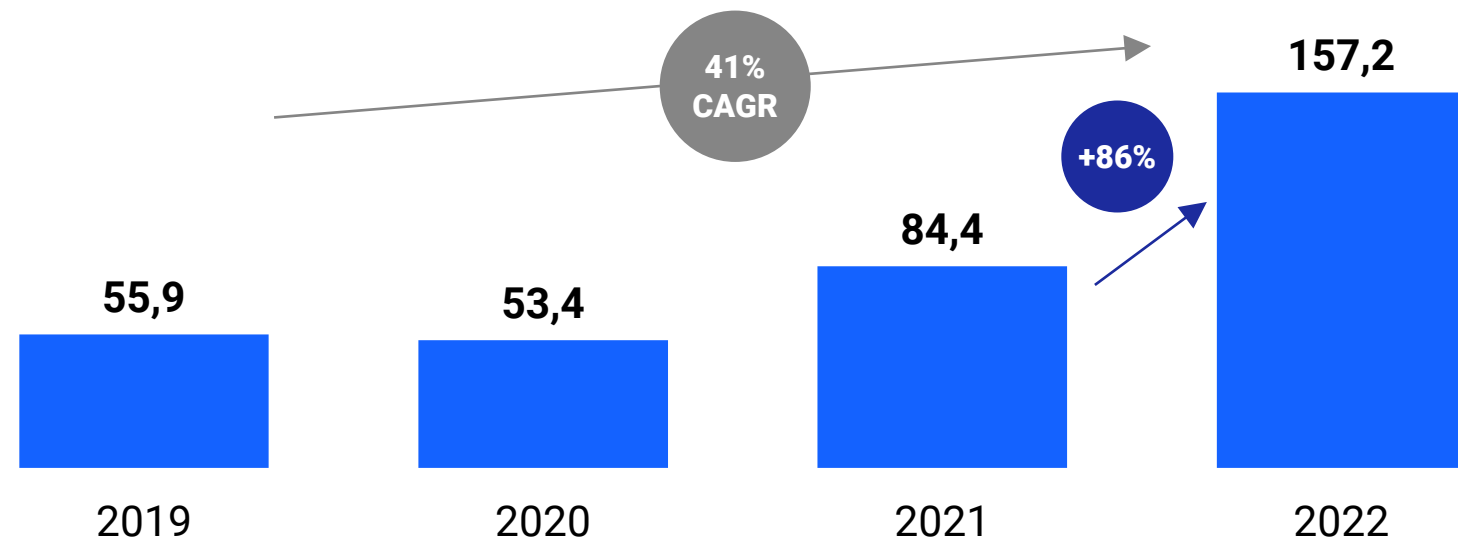
Corporate changes made in line with our strategy

- We simplified our shareholder structure to ensure fast and agile decision-making and to support our growth objectives in global markets, while reinforcing the commitment and long-term vision of our founders
- To align with our current operations and reinforce our position as leading provider of access and data security solutions to clients across all sectors, we changed our company name to Kron Technology
- Application was made to CMB for capitalization of reserves through bonus issue for 28.5m TL, in order to strengthen our capital base

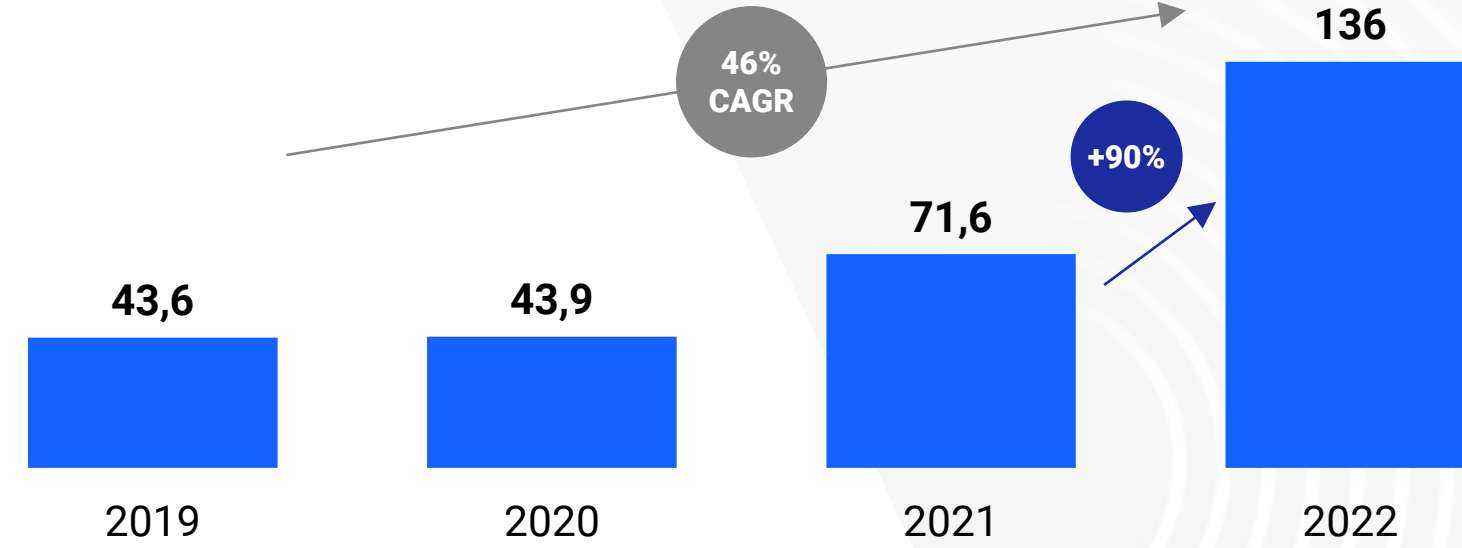


Record revenue and profitability

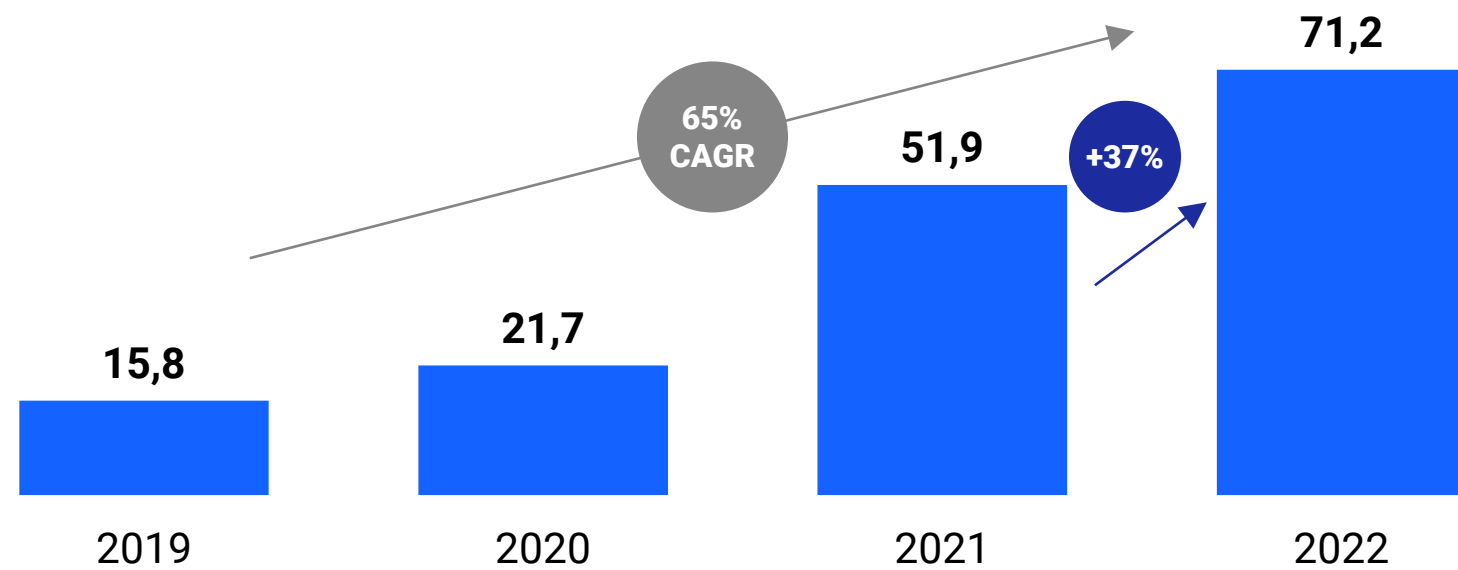
Revenues (TLm)



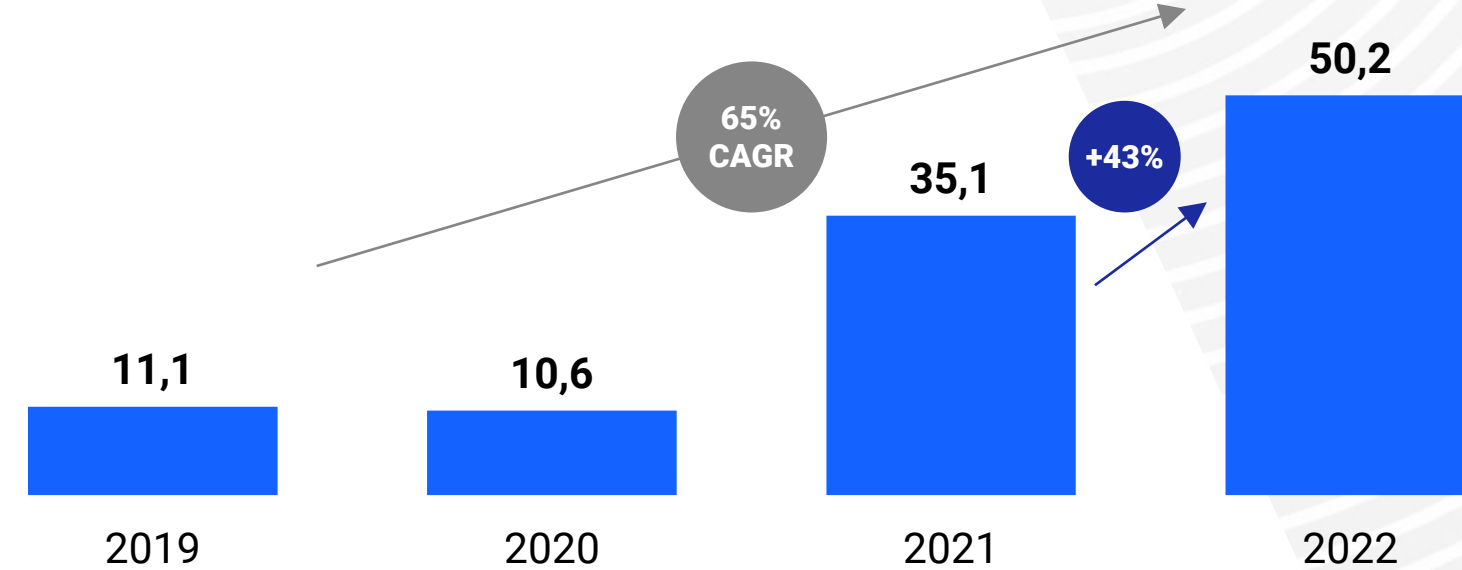
Gross profit (TLm)

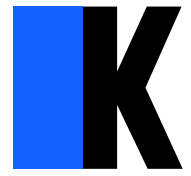


EBITDA (TLm)



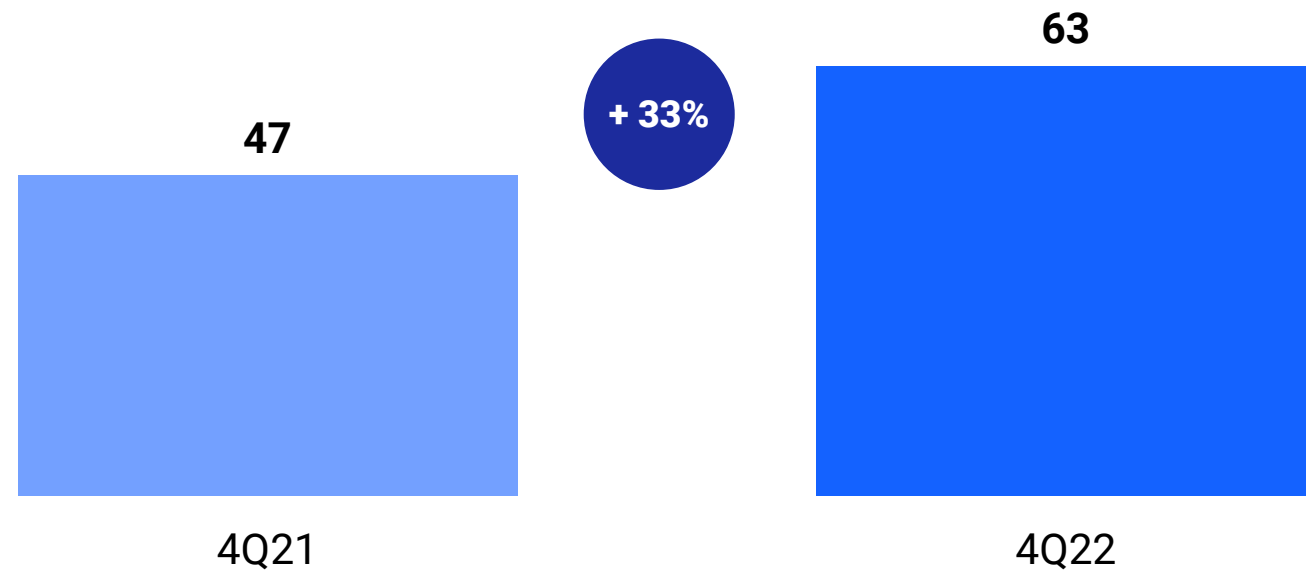
Net profit (TLm)



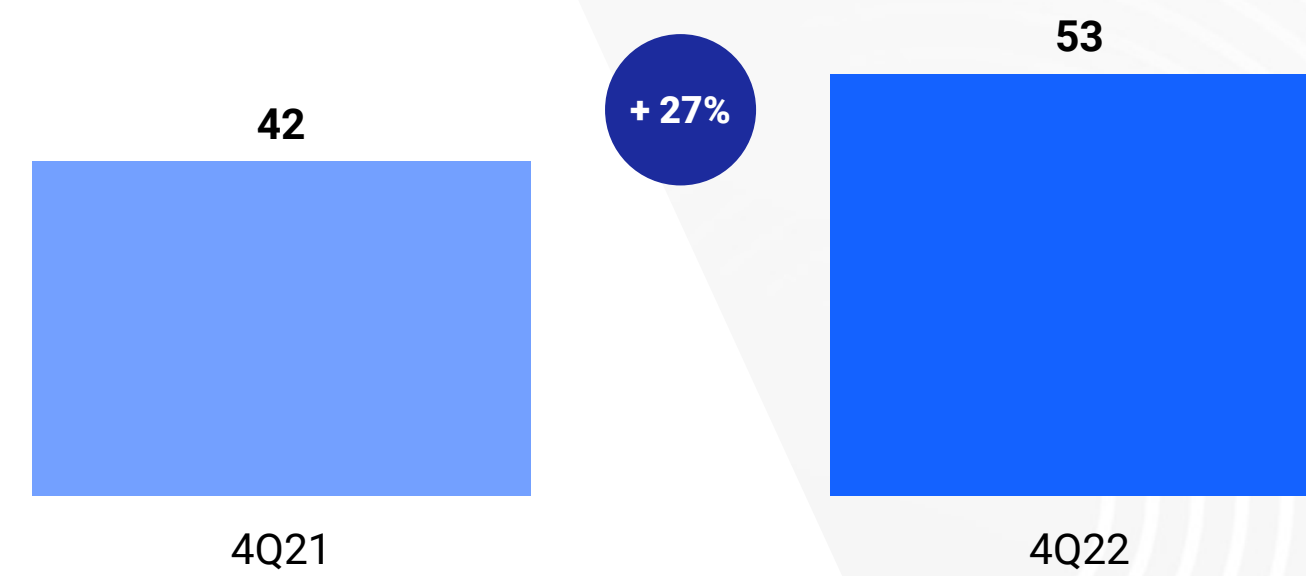


4Q22 figures

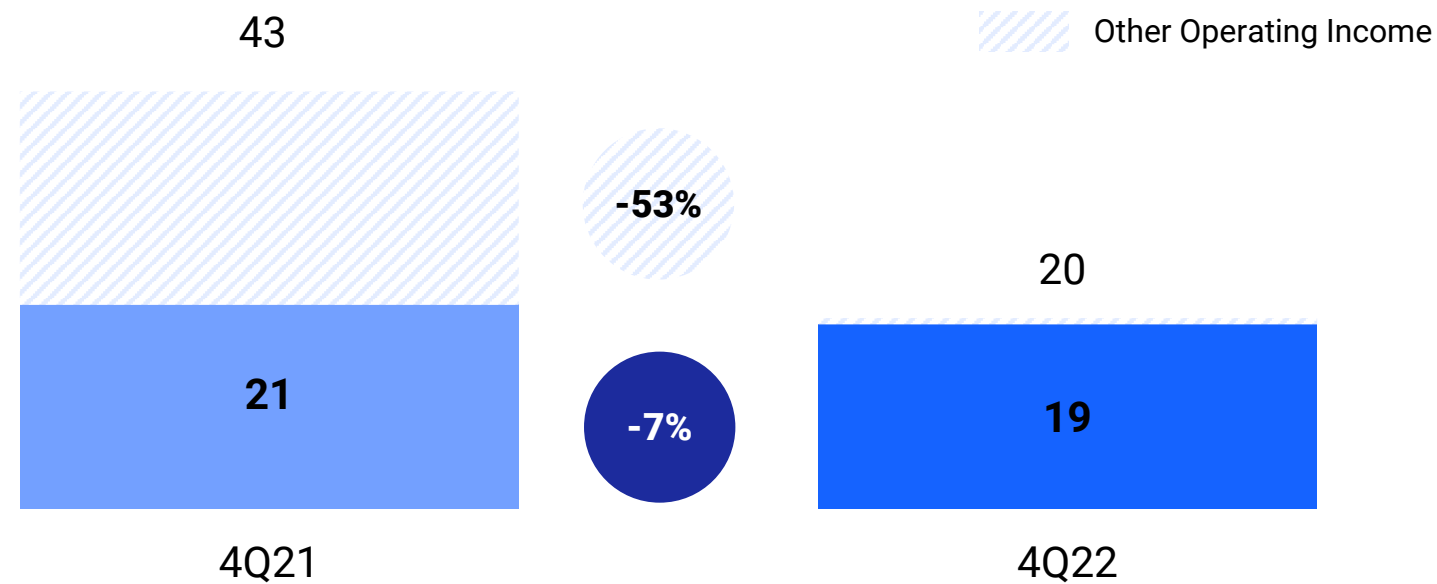
Revenues (TLm)



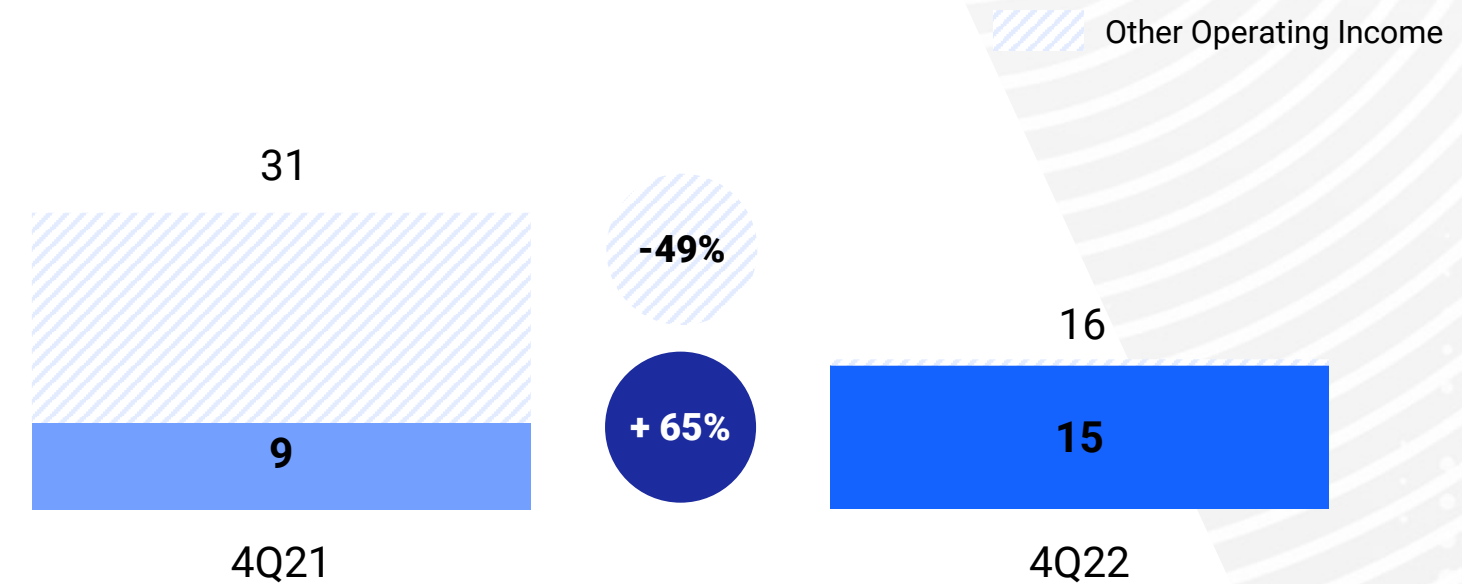
Gross profit (TLm)

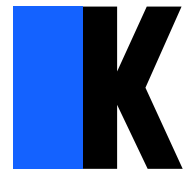


EBITDA (TLm)

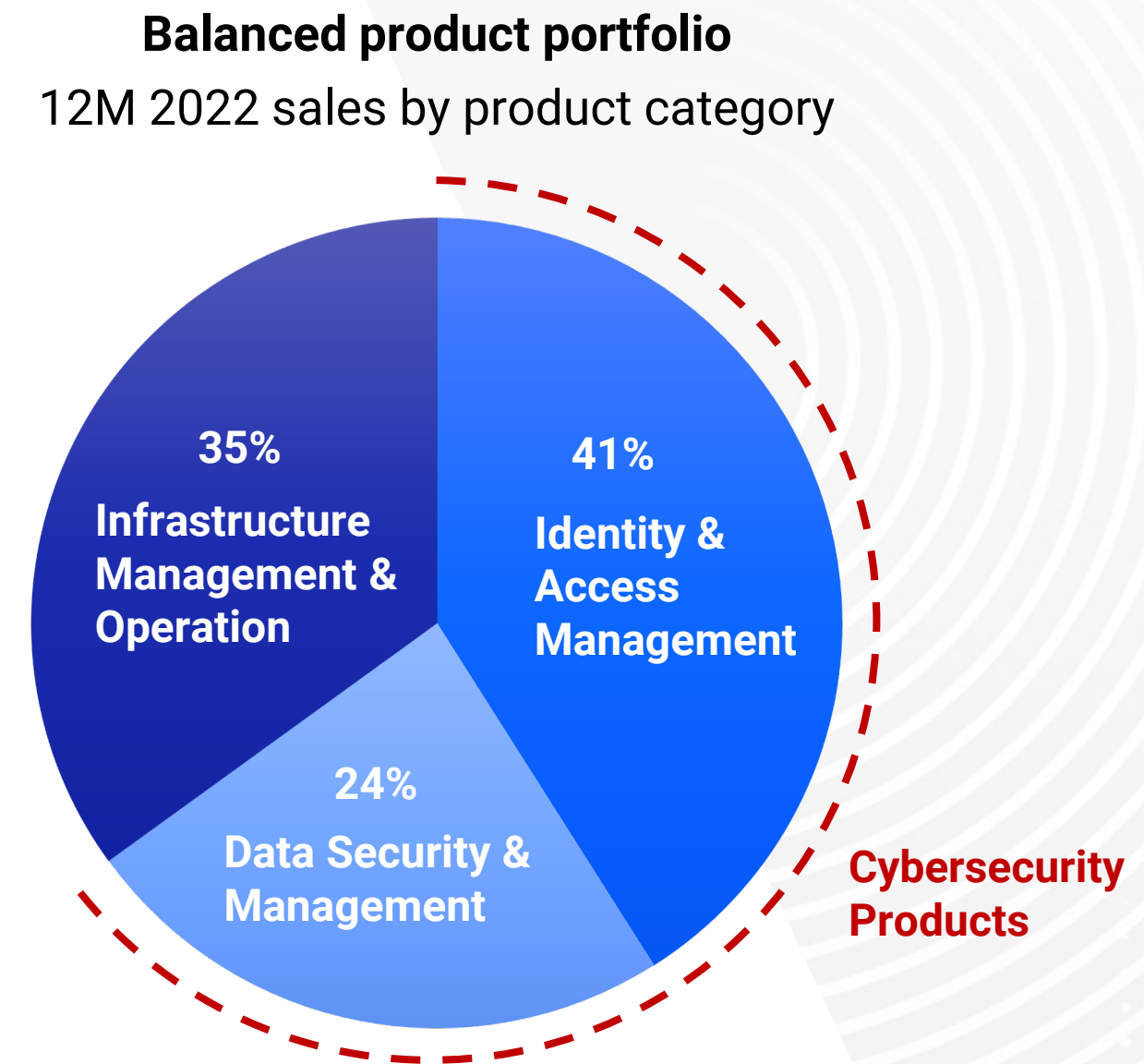
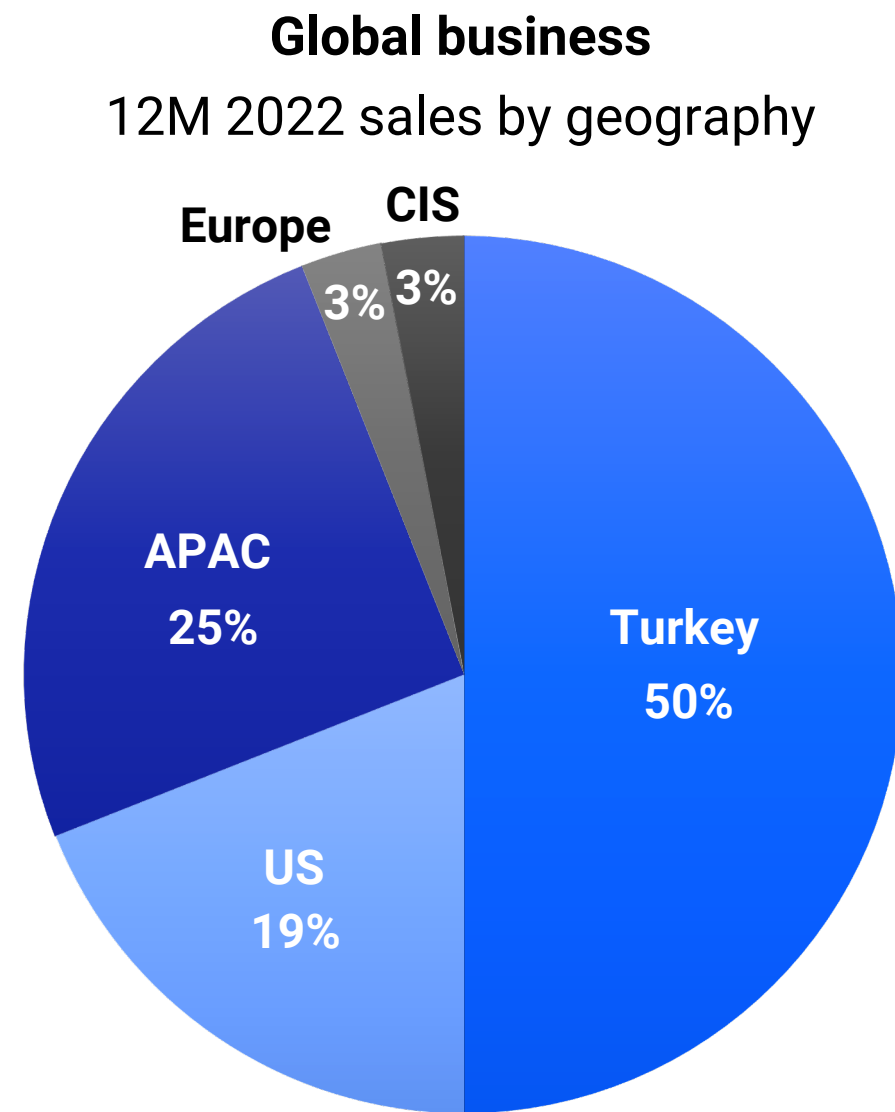


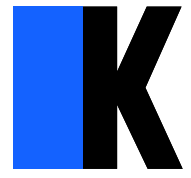
Net profit (TLm)





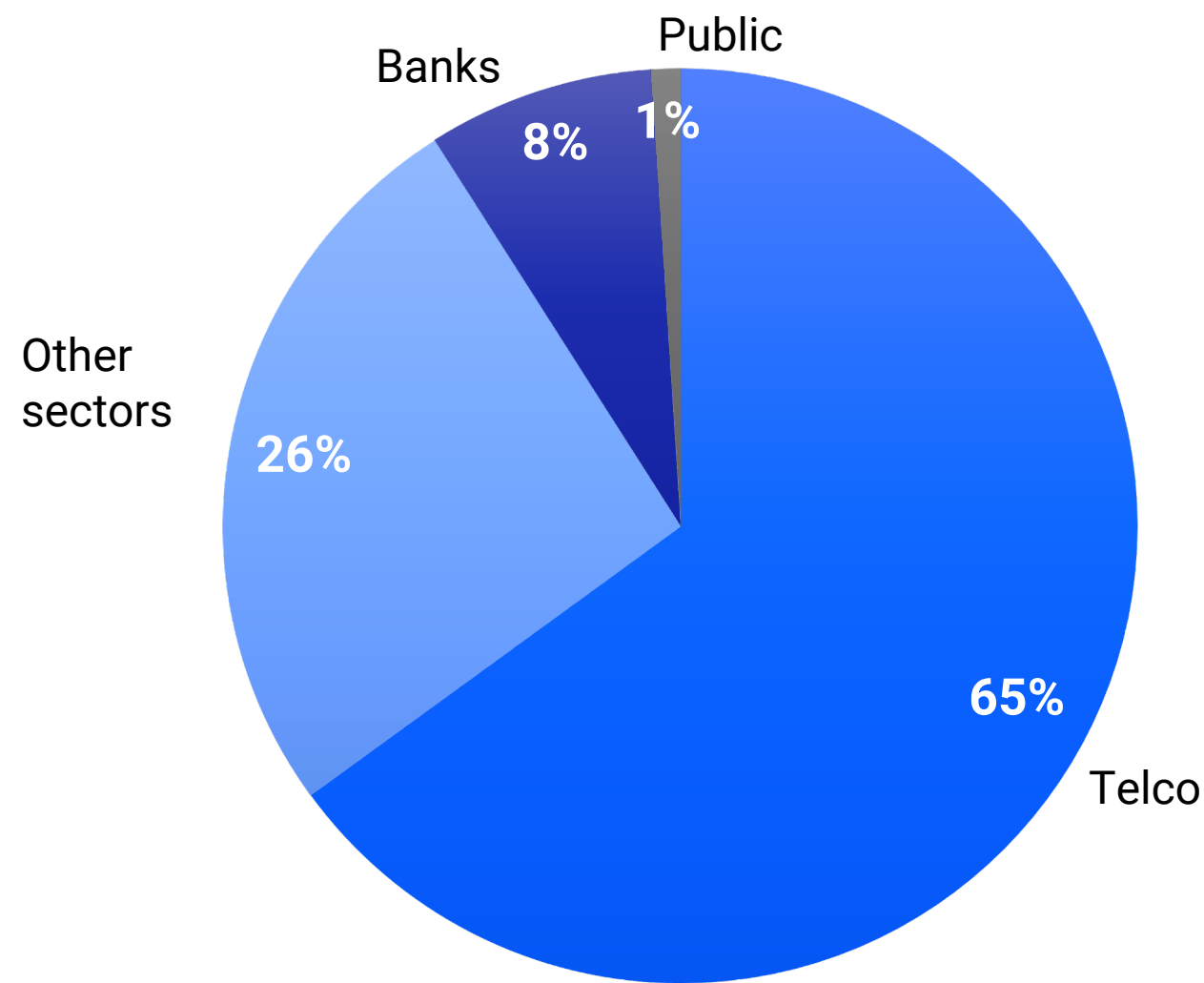
Global business with a balanced product portfolio





Increasing penetration of enterprise and financial institutions

12M 2022 revenues by sector



Telecom sector continues to be an important part of revenues, with significant success in Turkey and internationally

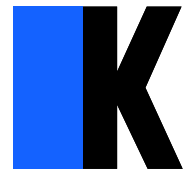


41 new contracts secured in enterprise segment in Turkey in 2022; among which 18 are from new customers

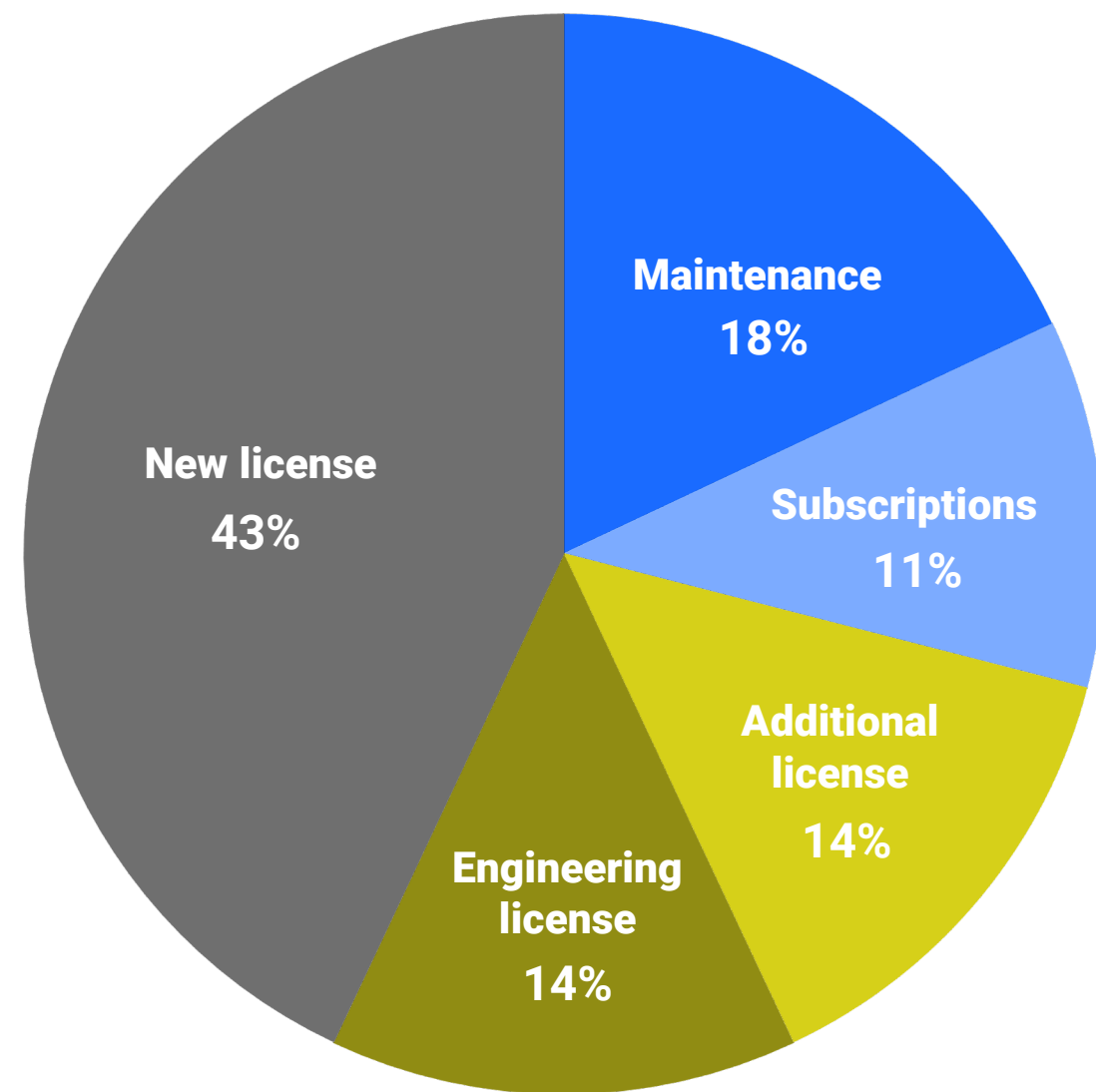


In 2022, we became the preferred choice for financial institutions with a total of 32 contracts signed, including 16 newly acquired customers in the financial sector





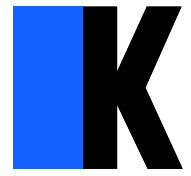
12M 2022 Breakdown of revenues



Total revenue : 157.228.981 TL

- Recurring revenues 29%**
- Additional license and service revenues 28%**
- New license revenues 43%**

The share of subscription-based revenues in total revenues is expected to increase in the coming years



Strong balance sheet and natural hedge



Net cash position and available credit limits at banks



TL short business model, with majority of revenues in USD / EUR



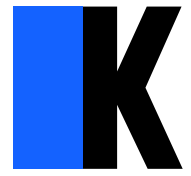
Healthy balance sheet

	Balance as of 31 Dec 2022 (in TL millions)	
38% TL / 62% USD	Bank Dept	33.2
17% TL / 83% USD	Cash	36.4
	Net Dept	-3.2



Right way FX exposure

12M 2022 revenues by currency	12M 2022 expenses by currency
63% USD/EUR	38% USD
37% TL	62% TL



Key pillars of our future strategy

1

Leveraging our top strength:

Our product focus

- Ensuring continued innovation and high quality in existing product suit, especially in Privileged Access Management and Data Security areas
- Continue to build and evolve new security solutions based on growing customer needs and market
- Invest in our AI capabilities to go beyond current expectations and future proof our products and our Cloud capabilities to expand our reach in different cloud platforms

2

Growing in international markets

- 2022 was the first year when international income caught up with local income ratio
- Our goal is to increase our international share by 6% every year
- We prioritize and develop channel strategies for each international market, especially the United States

3

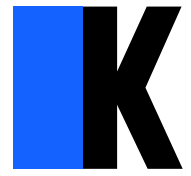
Expanding our reach through channel partners

- Strong partner network will be the main engine for new client growth
- Recently onboarded partners PKWare (US) and Damovo (Europe) are valuable additions to our partner network representing large potentials for 2023 and onwards
- Growing the partner network for each geography with the optimal product suite is a key priority of the growth plan
- In Turkey, already a strong partner network is in place (i.e. GlassHouse, SabancıDX, İşNet, DeSistem, Vodafone, Turkcell) positioning Kron well to take advantage of the high growth in the local market

4

Increasing recurring revenue

- Increasing recurring revenue will be a driver of revenue growth by maintaining a healthy balance between desire to move to subscriptions, addressing client needs and maintaining a strong cash flow cycle



2023 Guidance

Based on our growth strategy, our guidance for 2023 is as follows:

Growth in revenue
in the range of
55-60%

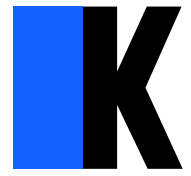
EBITDA Margin
in the range of
40-45%

The ratio of
international sales to
total sales in the
range of
53-58%





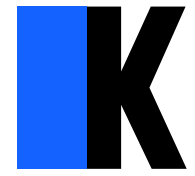
APPENDICES



FY2022 income statement

Financial Results (TL)	31.12.2022	31.12.2021
Total Revenue	157,228,981	84,439,676
Gross Profit	135,960,263	71,605,606
Operating Expenses	-101,664,417	-58,681,580
Other Income from Operating Activities	32,718,790	49,058,730
Other Expenses from Operating Activities	-7,912,868	-18,059,571
Operating Profit (Loss)	59,101,768	43,923,185
Financial Income	7,987,497	7,143,160
Financial Expense	-11,784,382	-15,309,691
Profit (Loss) Before Taxes	55,304,883	35,756,654
Current Period Tax Income (Expense)	-416,998	-2,461,413
Deferred Tax Income (Expense)	-4,710,878	1,784,858
Profit (Loss) from Continuing Operations	50,177,007	35,080,099
Earnings per Share	3.517	2.459

Profitability Ratio	31.12.2022	31.12.2021
Gross Margin	86%	85%
Operating Margin	38%	52%
Net Margin	32%	42%

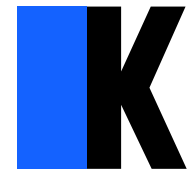


FY2022 balance sheet

Key Figures – Balance Sheet (TL)	31.12.2022	31.12.2021
Total Current Assets	142,874,612	99,732,161
Cash and Cash Equivalents	36,430,028	31,590,867
Trade Receivables	95,481,098	64,898,669
Net Fixed Assets	2,447,784	1,506,820
Intangible Assets (Net)	71,968,173	44,464,158
Total Assets	225,947,057	158,182,624
Short-Term Debt	35,393,586	32,286,416
Equity	119,918,620	80,201,417

Liquidity Ratios	31.12.2022	31.12.2021
Current Ratio	1.52	1.44
Liquidity Ratio	1.50	1.42

Financial Structure Ratios	31.12.2022	31.12.2021
Equity / Liabilities	53%	51%
Short-term Liabilities / Total Liabilities	42%	44%
Long-term Liabilities / Total Liabilities	5%	6%



Shareholder structure

Shareholder	Share Group	Number of Shares	Shareholding %
Zeynep Yenel Onursal	A	1.426.852,00	10.00%
Lütfi Yenel	B	4.057.799,50	28,44%
Public	B	8.783.861,50	61,56%
Total		14,268,513.0	100.00%

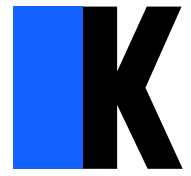
- ✓ Long term shareholder horizon
- ✓ Agile decision making
- ✓ New shareholder structure allows for accelerated growth in Turkey and in international markets

New name: Kron Teknoloji A.S.

On November 29, our name was changed from Kron Telekomunikasyon A.S. to Kron Teknoloji A.S. as a more accurate reflection of our current operations.

Our new name aligns and reinforces Kron's position as leading provider of advanced technology solutions for Access and Data Security.





Our priorities for 2023

- Increasing the share of international sales in our total sales by continuing to be a leading player in the global market with our renewed product strategy
- Creating new sales channels and partnerships to run our global sales operations more effectively
- Positioning all products in our portfolio as global products and focusing on marketing them internationally
- Expanding our market share in PAM by adding new capabilities such as cloud-based remote PAM, user behavior analytics, and endpoint privilege management
- Effectively marketing our data security (Database Activity Monitoring and Dynamic Data Masking) products in global markets
- Enhancing our existing products (Data Stream Processing and Deep Packet Inspection) that address the needs of big data management and make them suitable for cloud based usage
- Promoting the widespread use of our Kron AAA product in the Banking and Finance sector, for efficient management of point-of-sale (POS) device authentication, authorization, and activity monitoring/charging processes, within the scope of the access security needs in the Internet of Things (IoT)
- Expanding the usage of our Kron NPM product in public and private sectors
- Continuing to contribute to the effective implementation of information security in our country with our products and expertise by collaborating with public and private institutions
- Playing an active role in cybersecurity projects in the Turkish Defense Industry sector



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Thank you

