

DECEMBER 2022



Investor presentation





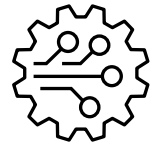
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Kron overview

Kron at a Glance



Leading provider
of advanced
technology solutions
for Access and
Data Security



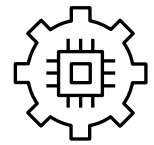
100+ customers
Globally in 22
Countries



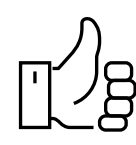
50%+ revenue
from **International
Markets**



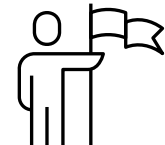
87%
EBITDA CAGR
last 3 years



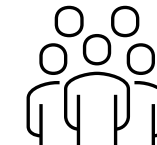
All R&D and
Product Development
done in **Turkey**



Highly recognized by
Analyst Firms like
Gartner and Omdia in
PAM domain



Established in **2007**
and listed on Istanbul
Stock Exchange since
2011



140
employees



5 Offices;
Istanbul, Ankara, Izmir,
New Jersey,
Islamabad

Product portfolio

Identity & Access Management

4 Product

Privileged access management

Multi-factor authentication

Unified access manager

AAA server

Data Security & Data Management

3 Product

Data stream processing

Dynamic data masking

Database access management

Infrastructure Management & Operation

4 Product

Network performance monitoring

Network configuration management

Quality assurance

AAA server & subscriber management

Identity & Access Management

Privileged Access Management

- ✓ Efficiently secure access to network infrastructure and applications
- ✓ Transparently enforce company security policies on privileged sessions
- ✓ Comprehensively record all activities in the network and data center that impact business continuity
- ✓ Fastest to deploy PAM with the richest access security features
- ✓ Fast growing market driven by highly regulated industries including but not limited to Telecom, Finance, Healthcare, Education, Public sector

Multi-factor Authentication

- ✓ Provides a secondary authentication layer along with privileged credentials
- ✓ AI-powered UBA in addition to SMS and token-based authentication

Unified Access Manager

- ✓ Extends Active Directory policies to network infrastructure
- ✓ Controls direct access to network elements through built-in TACACS and RADIUS support

AAA Server for Enterprises

- ✓ Device authentication in different industries
 - POS devices and ATM systems
 - IoT devices with sim-card

Data Management & Data Security

Data Stream Processing

- ✓ Provides cost effective logging solution for internet traffic and session due to regulatory requirements
- ✓ Data pipeline for monitoring and security tools like NPM, SIEM, NWDAF for 5G networks
- ✓ Route, Reduce and Reshape (RRR) streaming data for existing data lakes
- ✓ Faster and more efficient decision making with its high-capacity data ingestion and stream analytics capabilities

Database Access Management

- ✓ Single point of access control management for database layer
- ✓ Minimizes the risk of disclosure for data in progress
- ✓ Full Visibility with Data Access Logging

Dynamic Data Masking

- ✓ Secures data access by altering data in-use to non-privileged users
- ✓ Discovers sensitive data such as credit card or personal ID numbers

Infrastructure & Operation Management

Network Performance Monitoring

- ✓ All in one solution for network & IT infrastructure monitoring
- ✓ Performance data is transformed into alarms, reports or user alerts
- ✓ Detailed analyzing and predictions depending on trends

Network Configuration Management

- ✓ Centrally management of network device configurations
- ✓ Fully control of device back-up process
- ✓ Trace historical configuration changes and compare versions
- ✓ Define configuration standards and apply compliancy checks

Quality Assurance

- ✓ Distributed scenario & modeling driven proactive quality measurement
- ✓ Identify and resolve outages quickly
- ✓ Unified measurement platform for different services

AAA Server & Subscriber Management

- ✓ AAA and provisioning system that meets the requirements of large broadband service providers
- ✓ Provides complex profiling capabilities and supports service differentiation
- ✓ Authenticates millions of users concurrently and tracks account data for millions of broadband connections

Market size & forecasts and addressable market

Security software market size 2021
(Billion USD)

Region	
North America	34.14
Europe	14.18
APAC	3.89
Middle East & Africa	1.42
RoW	7.72
Total	61.37

Market size 2021, forecast 2025 of Kron product category
(Billion USD)

Security product family	2021	2025
PAM*	2.3	4
DDM	1.9	3.5
AAA	1.0	1.2
DSP	0.7	1
Total	5.7	9.7
Infrastructure product family	2021	2025
NPM	8.5	11.8

Total addressable market with our security products will be 9.7B USD by 2025

PAM: Privileged Access Management, DDM: Dynamic Data Masking, AAA: Authentication, Authorization, Accounting, NPM: Network Performance Monitoring

* PAM market size and forecast numbers are from OMDIA report, all remaining information is from Gartner researches

Well established international presence



Offices

- Istanbul
- Ankara
- Izmir
- New Jersey
- Islamabad



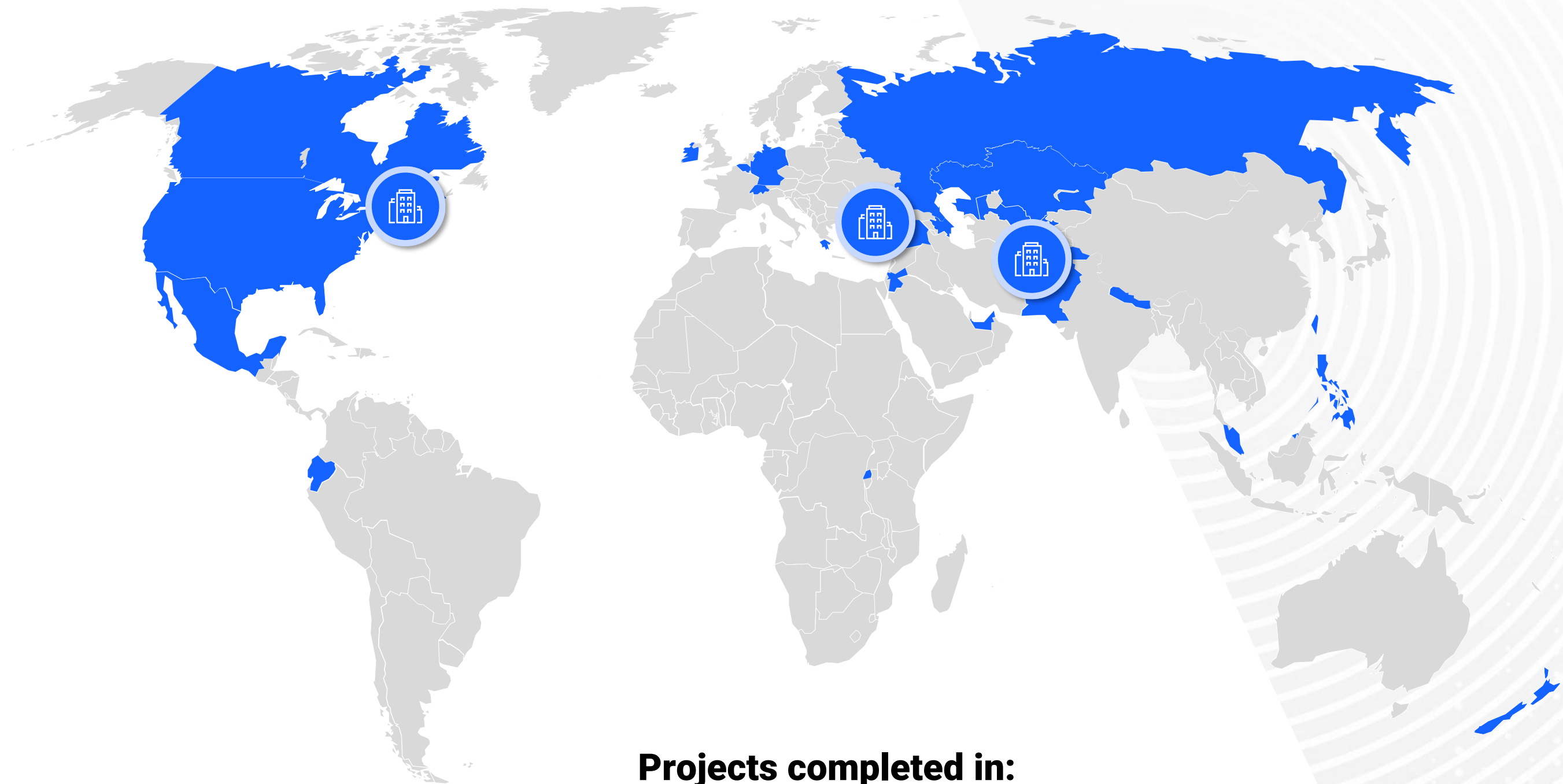
Projects completed

in **22** countries



Partners

40+

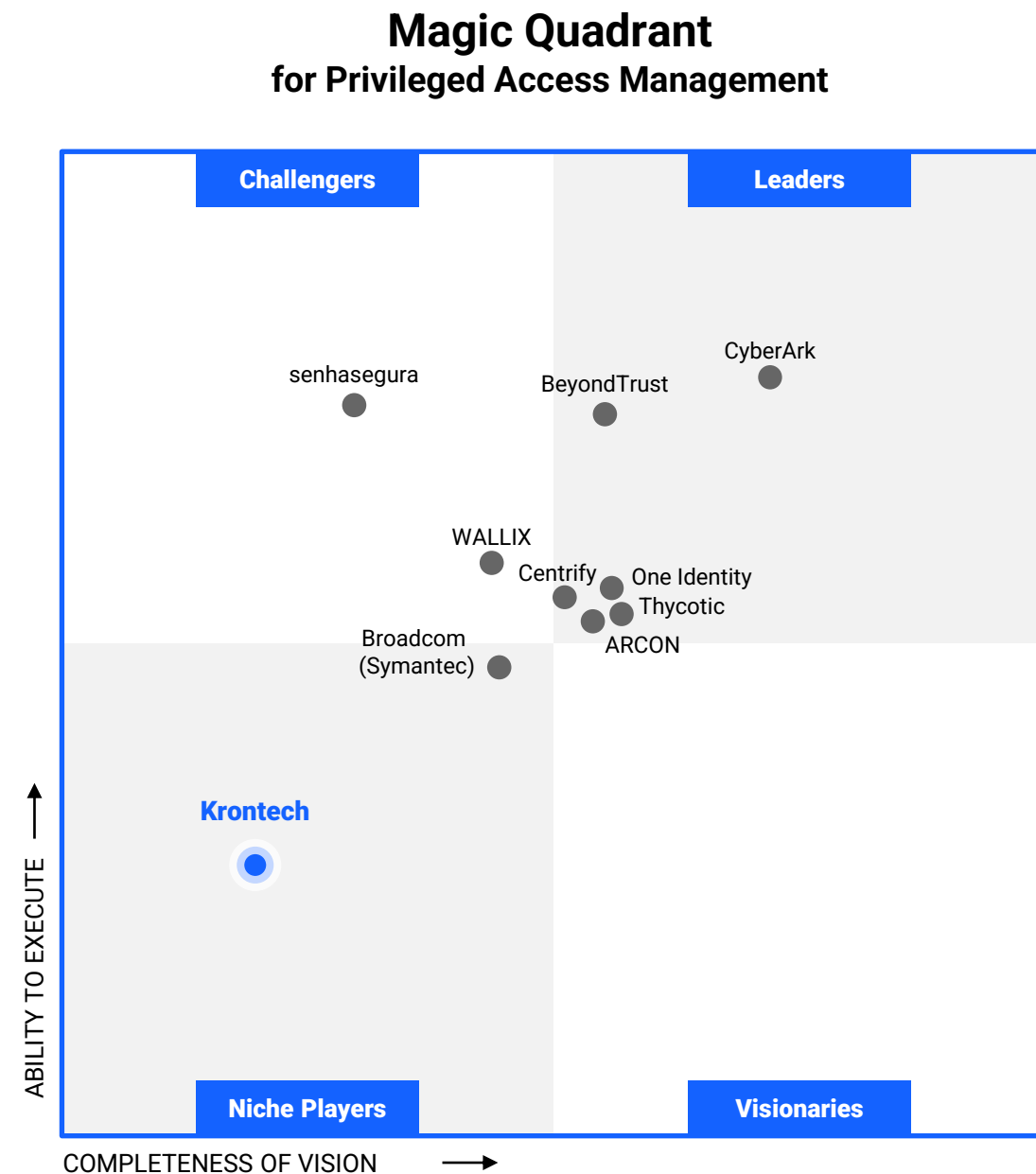


Projects completed in:

Austria | Azerbaijan | Belarus | Belgium | Canada | Cyprus | Ecuador | Germany | Ireland | Jordan | Kazakhstan | Malaysia | Mexico | Nepal | New Zealand | Pakistan | Philippines | Russia | Rwanda | Turkey | UAE | USA | Uzbekistan

The first Turkish company to enter the Gartner Magic Quadrant in the field of cybersecurity

Gartner



Source: Gartner (July 2021)



Krontech was selected into Gartner's Magic Quadrant for PAM in 2020 and 2021

Krontech's strengths include:

Scalability: Krontech is well positioned for large, heterogeneous environments such as those of telcos and has a highly scalable architecture that supports massively parallel credential rotation

Database Controls: Krontech goes further than other PAM vendors by supporting extensive SQL filtering and data masking controls for monitoring and controlling privileged database Access

Session Auditing: Krontech provides full optical character recognition (OCR) for captured graphical sessions, enabling auditors to search for artifacts, displayed on screens during activity that would otherwise be difficult to find

Service Provider Offering: Krontech has developed a multitenancy feature for its solution that is offers directly to customers, in contrast to other vendors. This gives service provider customers ability to provide PAM as a service for various groups requiring PAM services, inside or outside a company, but with isolation established between those groups.

Strong recognition by analyst firms as a leading global player

Krontech's Peer Insights Review on Gartner is **4.8/5.0**, highest in the PAM Domain amongst all global vendors



"Krontech is one of its kind solution"

SIZE 1B - 3B USD **INDUSTRY** Finance



"Fast deployment for big companies"

SIZE 3B - 10B USD **INDUSTRY** TelCo



"Great PAM solution"

SIZE 1B - 3B USD **INDUSTRY** Manufacturing



"Excellent collaboration and pragmatic approaches"

SIZE 1B - 3B USD **INDUSTRY** TelCo



"Most comprehensive PAM solution..."

SIZE 50M - 250M USD **INDUSTRY** Services



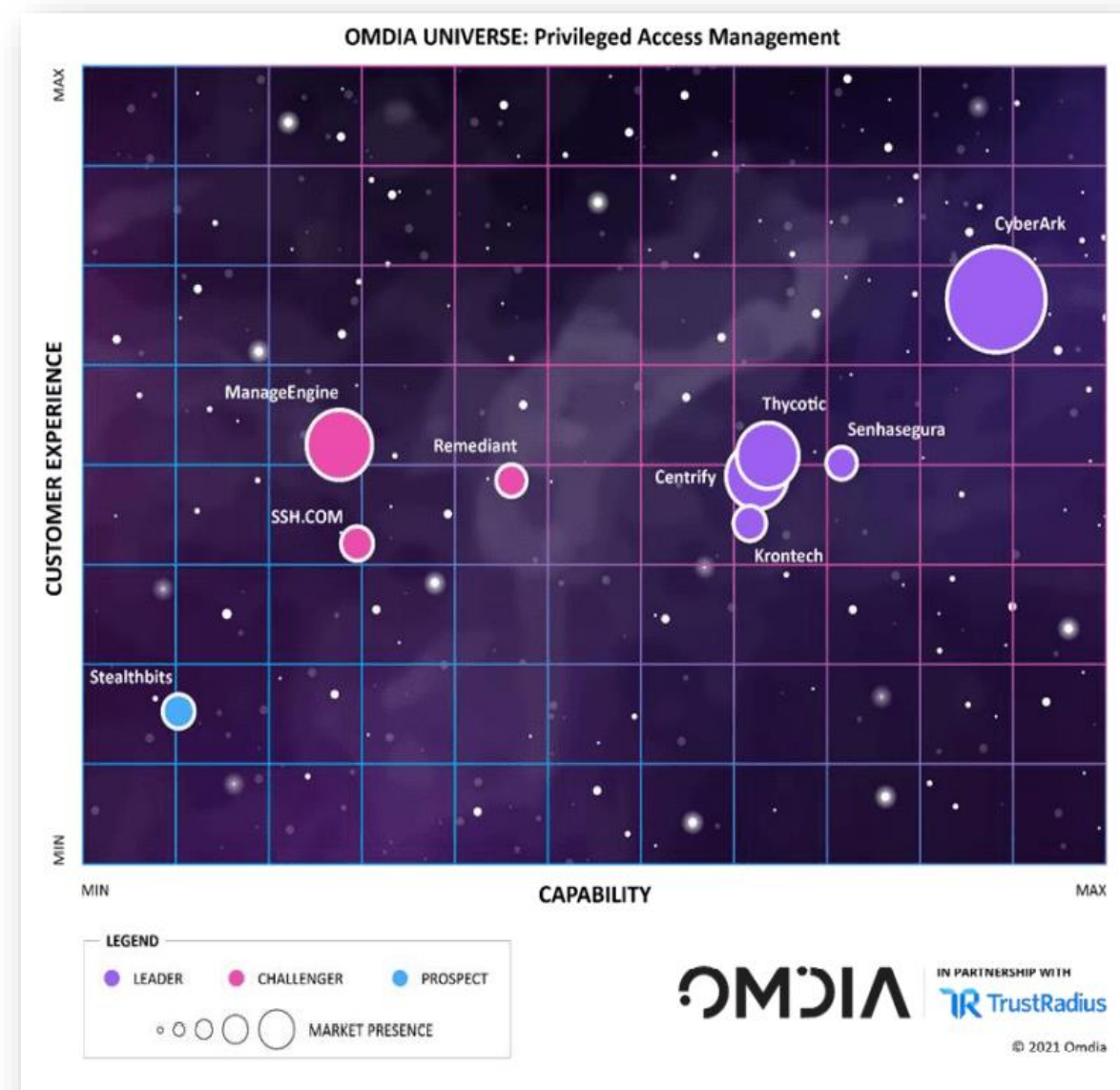
'It was a Partnership (by true meaning of the word) from the start'

SIZE 500M - 1B USD **INDUSTRY** IT Services

Strong recognition by analyst firms as a leading global player



The Omdia Universe for Privileged Access Management



Source: Omdia

Krontech is named as one of the Leaders in Omdia’s Universe for PAM for 2021-2022



Krontech’s strongest ranking areas were; solution capability, solution innovation, vendor experience and product experience.

One of Krontech’s key strengths is its User Behaviour Analysis and Response Module, creating a behavioural pattern and monitoring the database in real time to detect behaviours that do not comply with this user specific pattern.

You should consider Krontech:

If you are a large enterprise

that uses hardware and software from different vendors such as in the telecom or banking sectors.

You are a small or medium enterprise

with a need to eliminate routine tasks via automation, resulting in more privileged operations.

You are a service provider

requiring multitenancy in order to serve multiple business customers.



Financial performance

Q3 financial highlights and other key developments



2.5x

Revenue growth
in 9M 2022

54%

Record EBITDA
margin

60%

of total revenues from
International sales

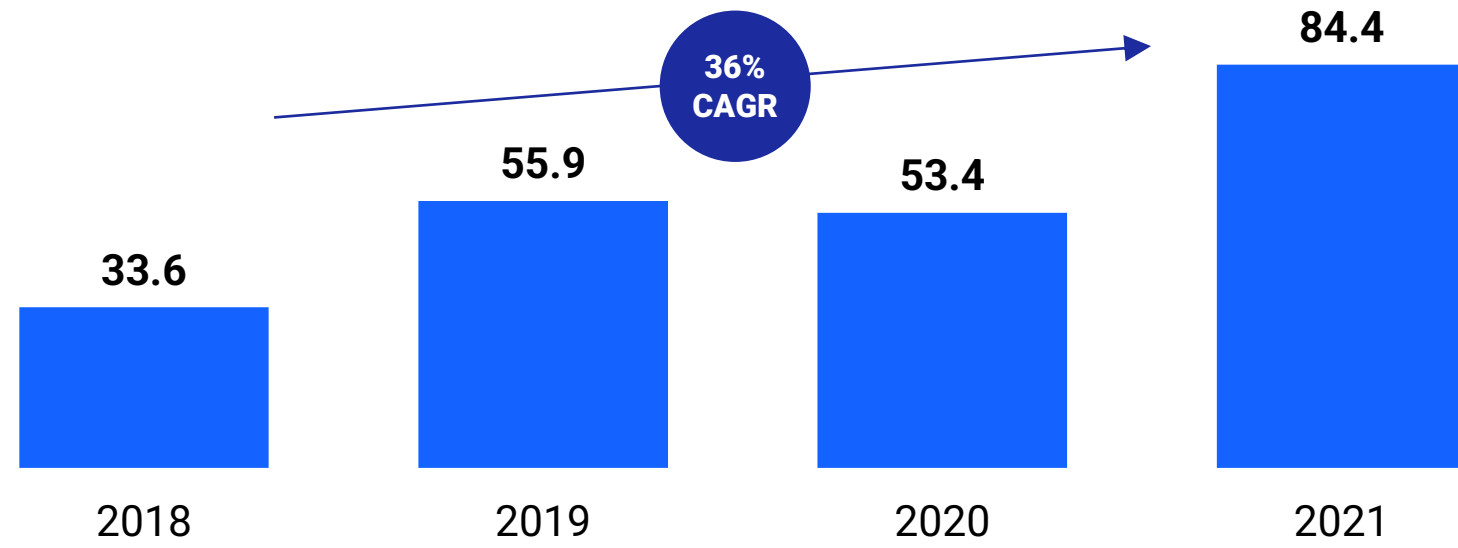
Largest contract in
Kron's history;
\$8.8m over 5 yrs
for Data Stream Processor
with Ufone
(Etisalat subsidiary)

TL 34m

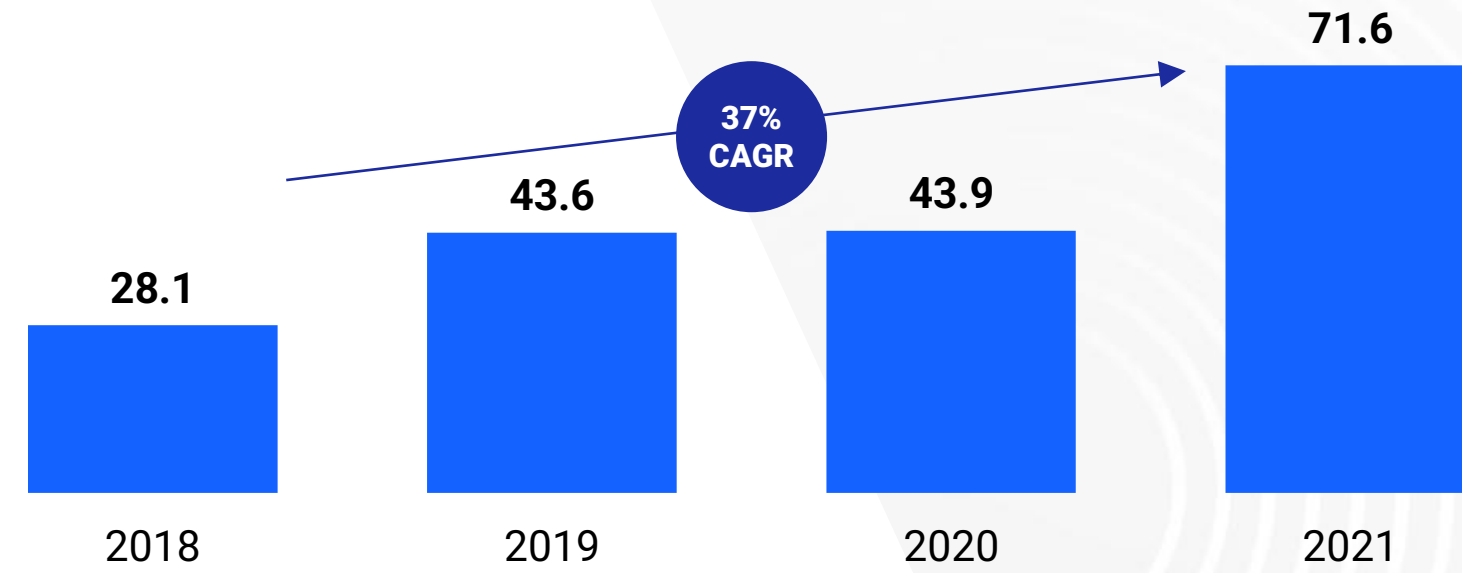
profitability and
c.zero net debt

Solid financial track record

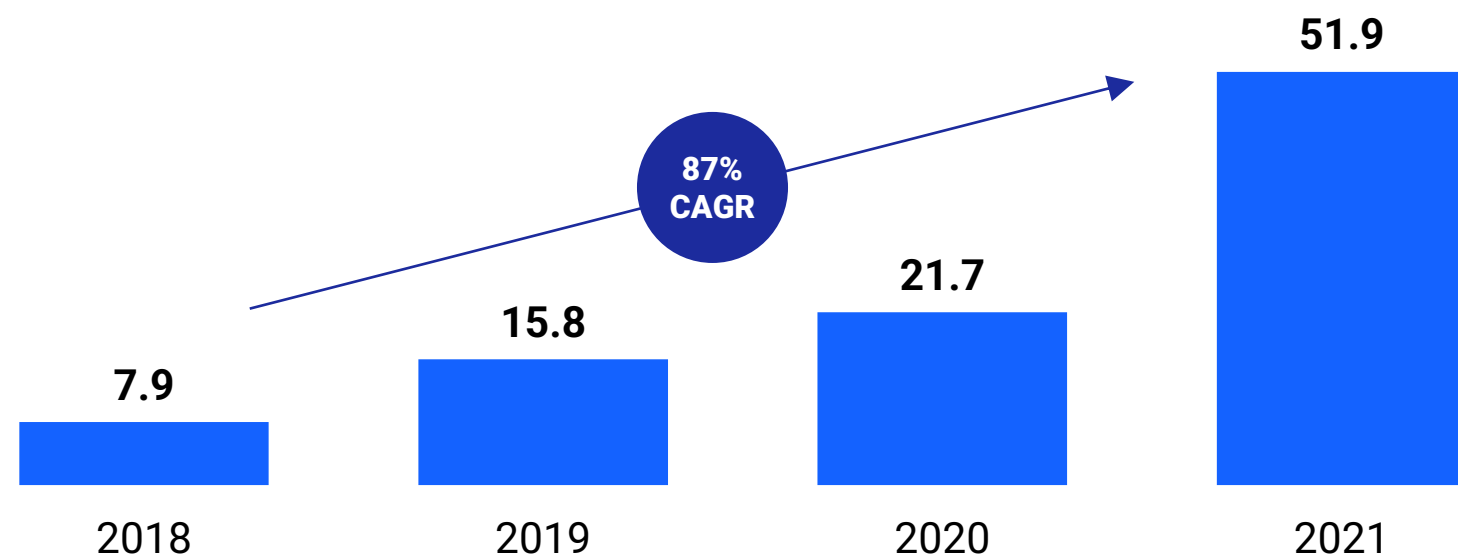
Revenues (TLm)



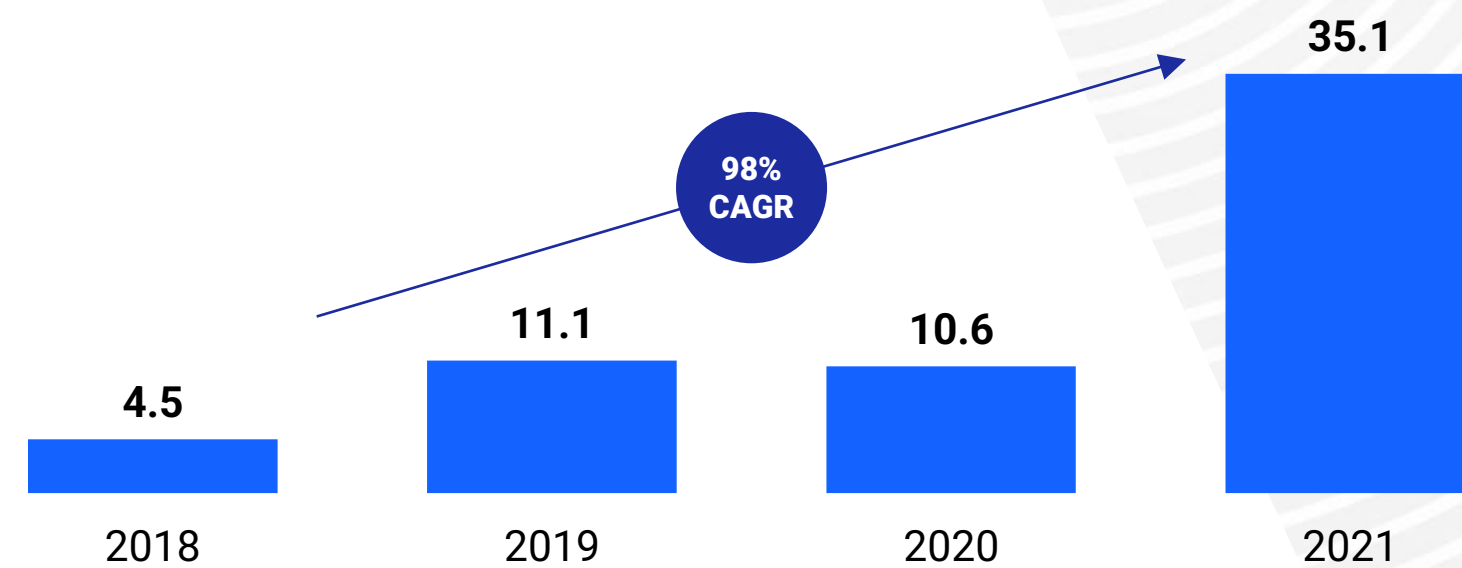
Gross profit (TLm)



EBITDA (TLm)

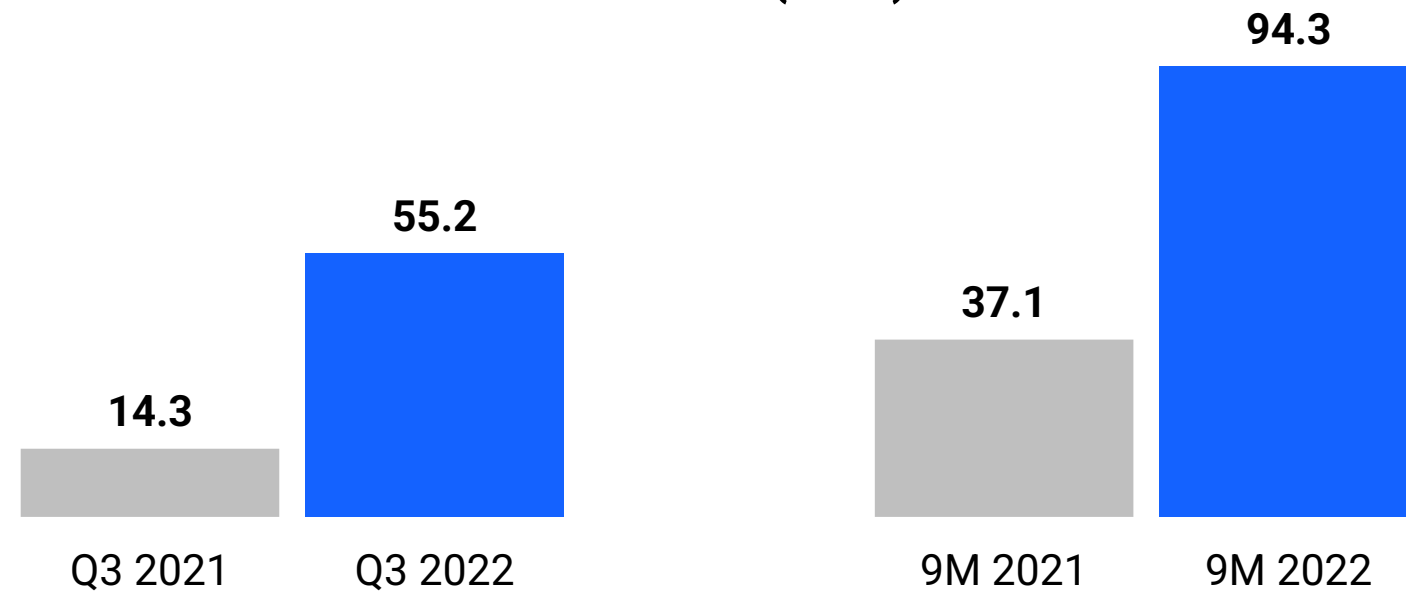


Net profit (TLm)

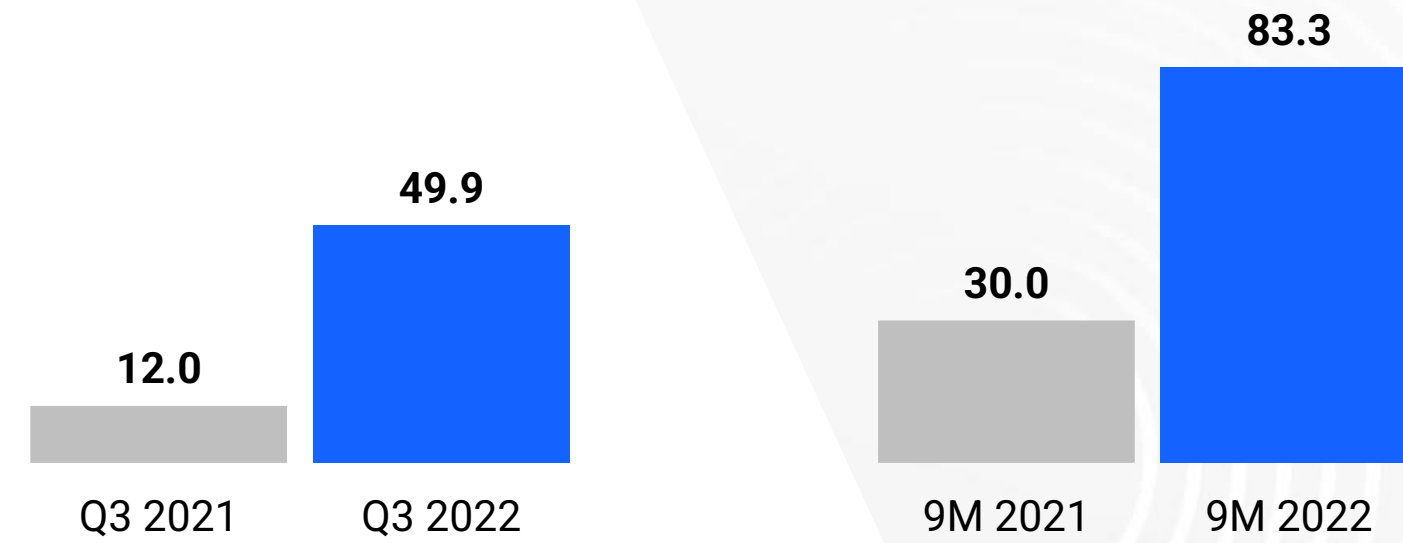


Strong momentum in 2022

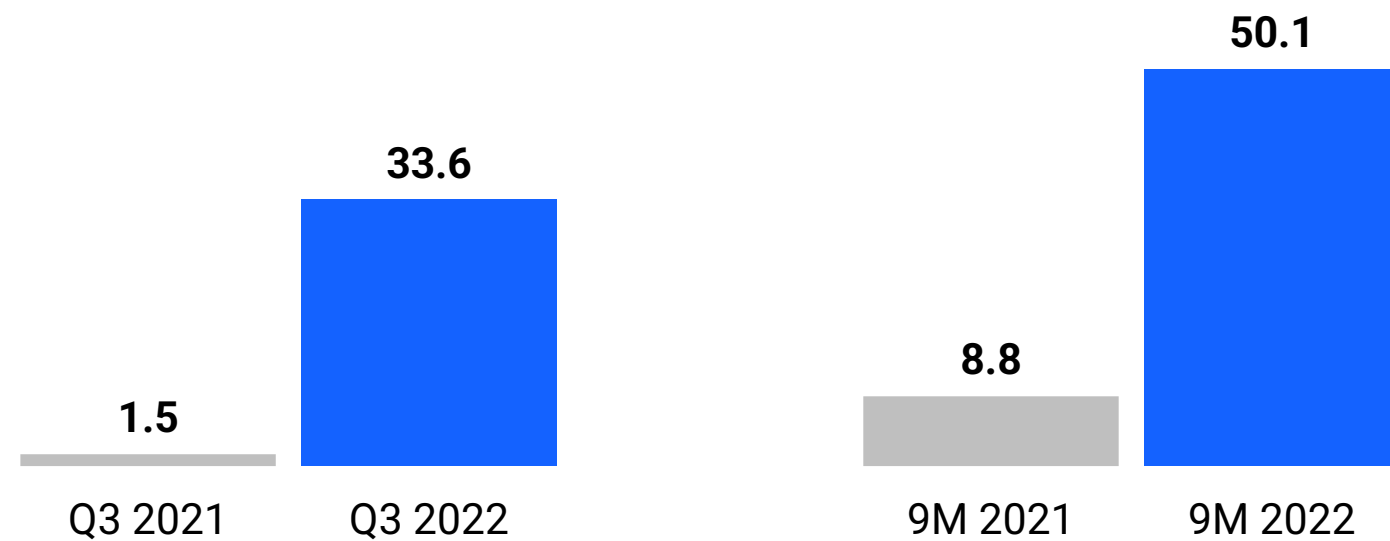
Revenues (TLm)



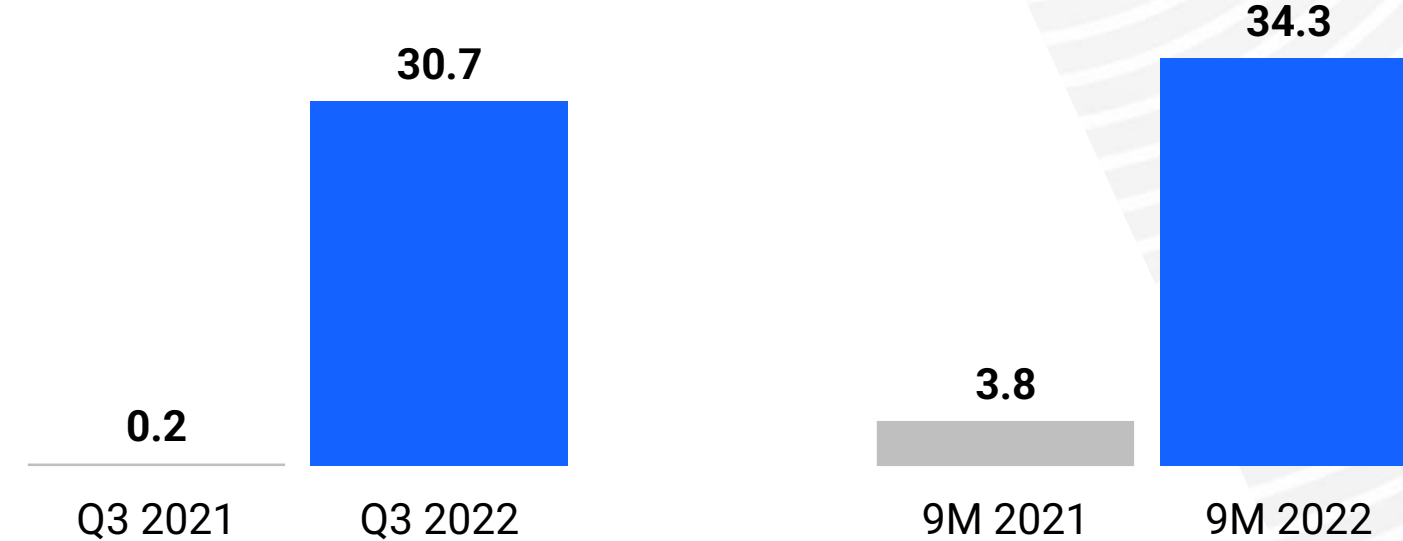
Gross profit (TLm)



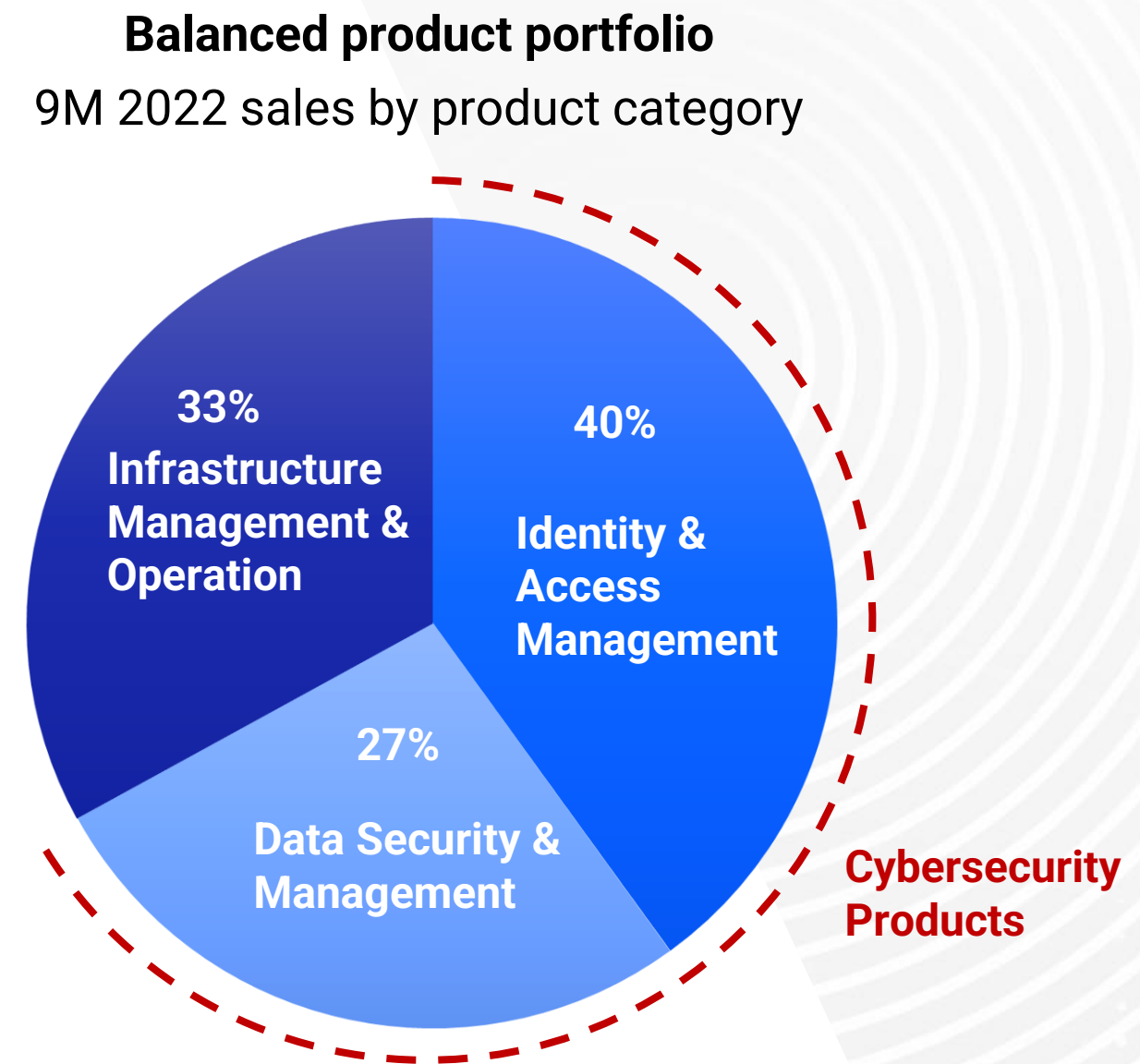
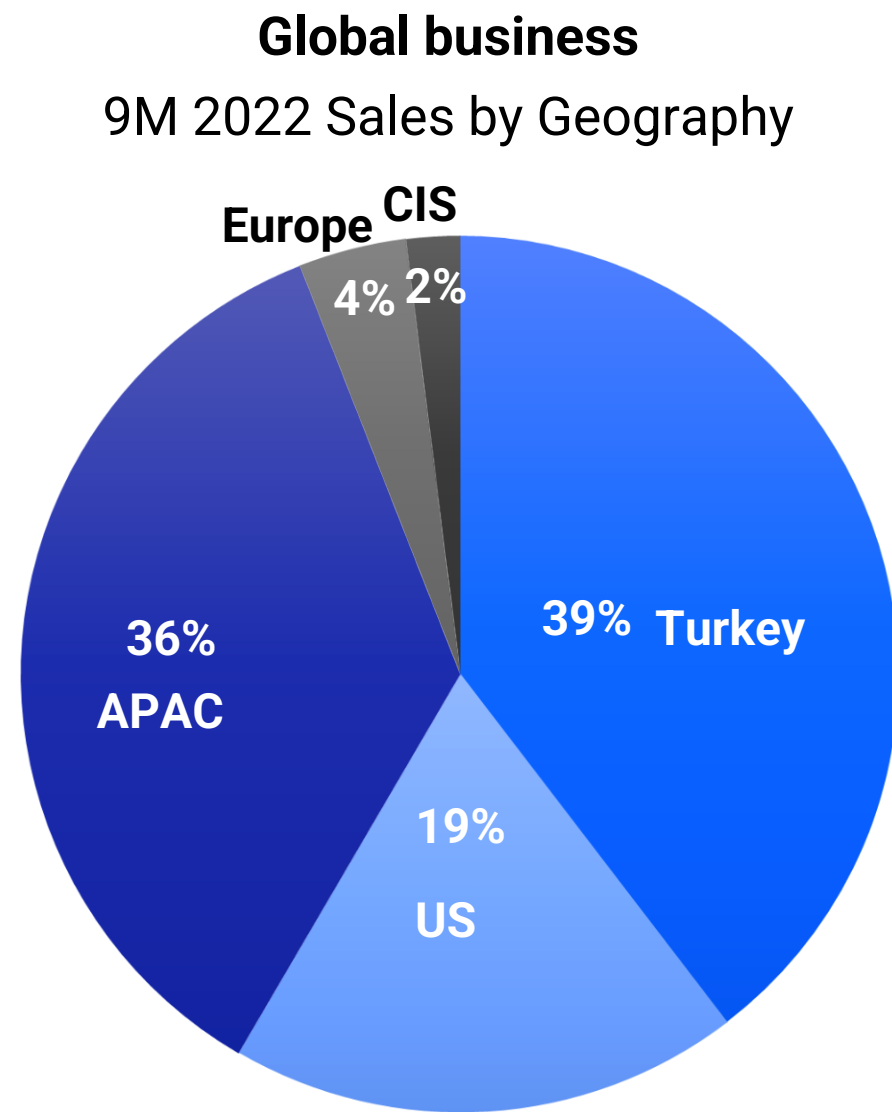
EBITDA (TLm)



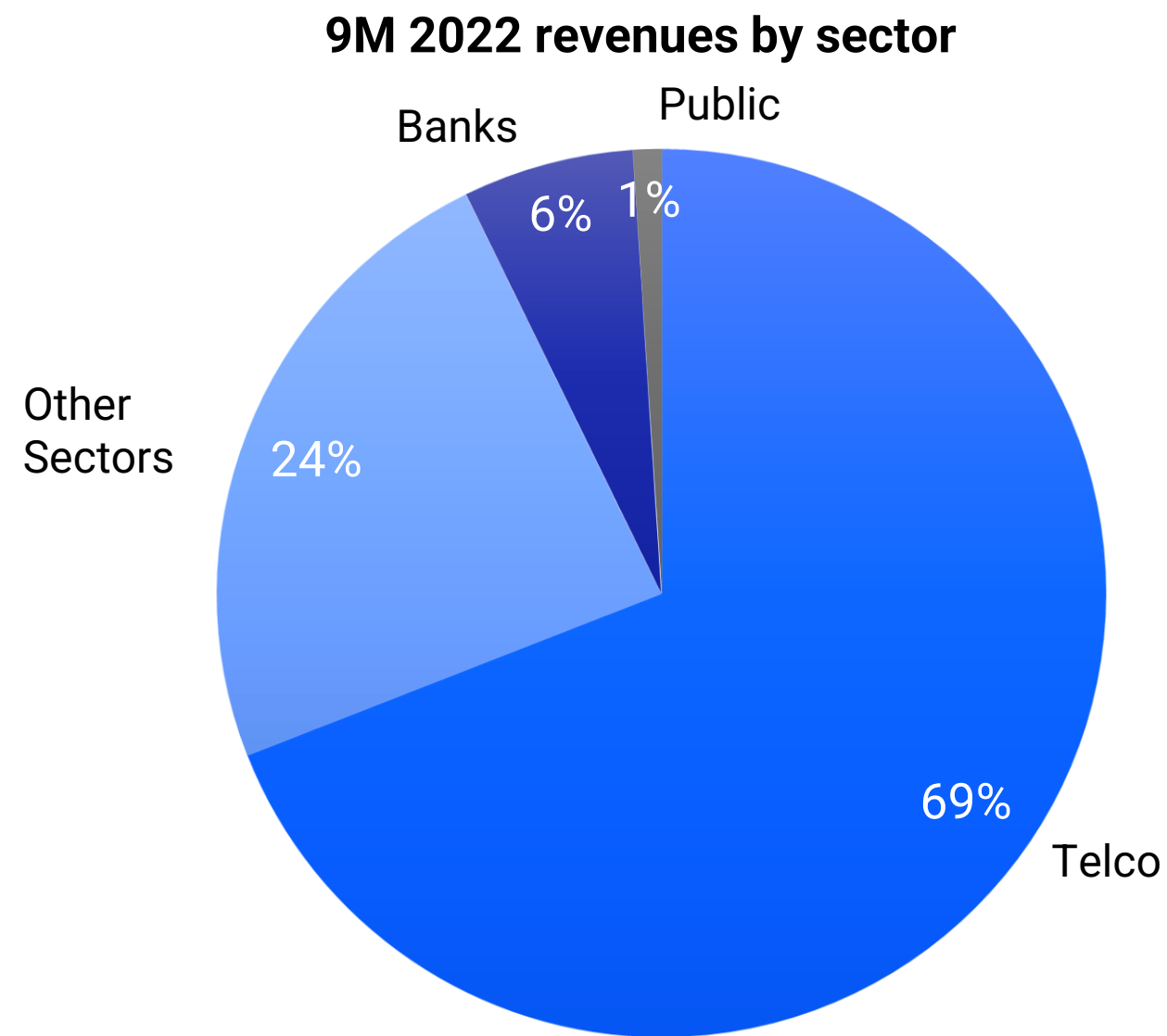
Net profit (TLm)



Global business with a balanced product portfolio



Increasing penetration of enterprise and financial institutions



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



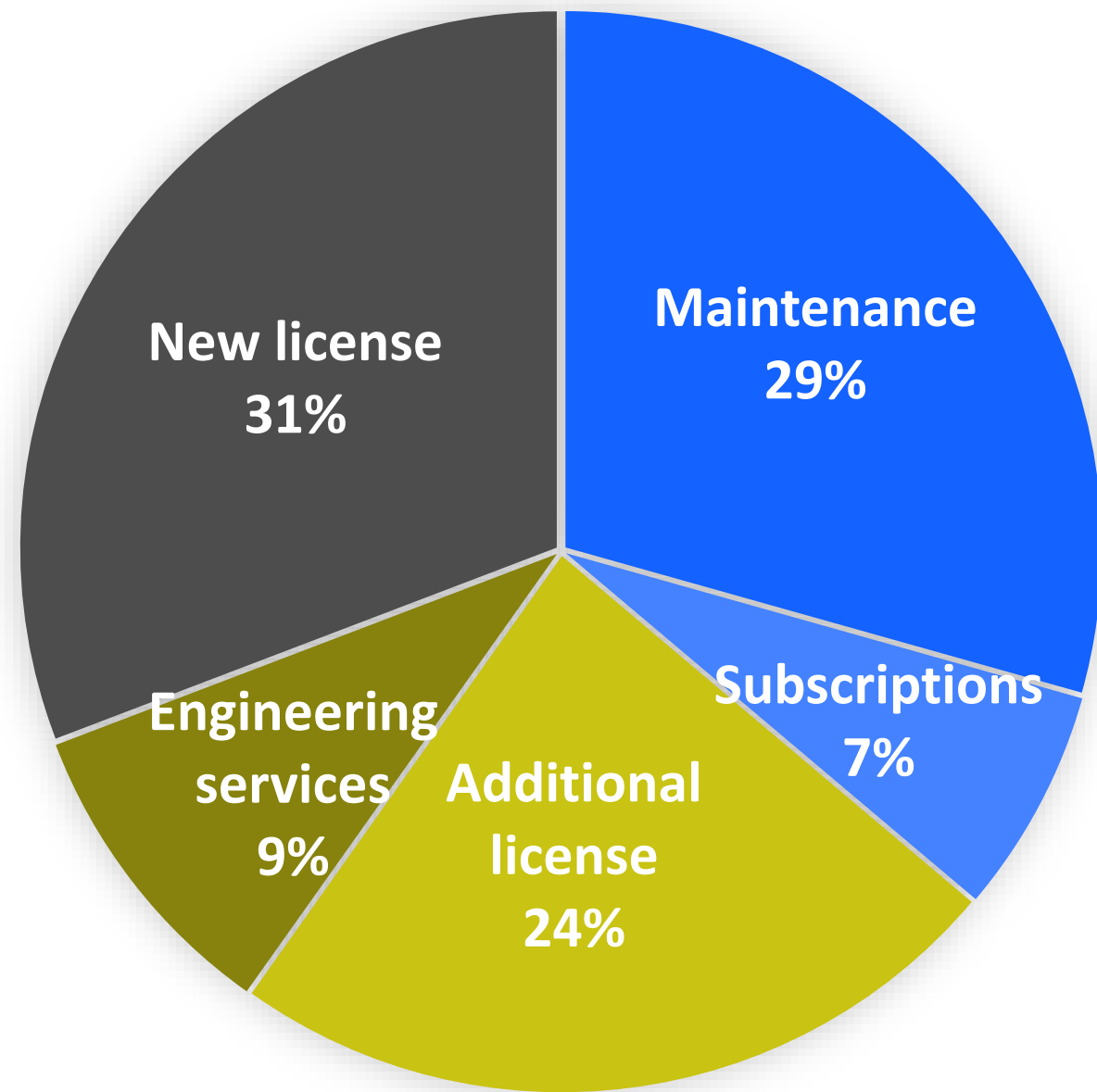
39 new contracts secured in enterprise segment in Turkey in 2022; among which 16 are from new customers






Preferred choice by leading financial institutions, with 20 new contracts signed in 2022



9M 2022 Breakdown of revenues



Total revenue : 94.288.624TL

-  **Recurring revenues 36%**
-  **Additional license and service revenues 33%**
-  **New license revenues 31%**

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

Right way FX exposure and healthy balance sheet



Approximately zero net debt, while keeping lines open with multiple banks



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



Healthy balance sheet

	Balance as of 30 Sept 2022 (in TL millions)	
41% in TL / 59% USD	Bank Debt	30.5
15% in TL / 85% USD	Cash	26.8
	Net Debt	3.7



Right way FX exposure

9M 2022 revenues by currency	9M 2022 expenses by currency
66% USD/EUR	35% USD
34% TL	65% TL



Our future strategy

Key recent changes at corporate level

Simplified shareholder structure

On April 30, A shares, representing 10% of Kron, were acquired by Zeynep Yenel Onursal.

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%
Halka açık	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.



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 is the first year where International Revenue exceeded Local Revenue (2022Q3 at 60%). Target is to increase International share to 75% by 2025
- Developing channel strategy for each international market with a prioritized investment approach, US being the initial investment area

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

Global PAM Market is estimated to reach \$3.3B - \$4.0B by 2025, displaying a CAGR of 13%-15% between 2020 and 2025

(source Gartner and Omdia respectively)

Data Security and Privacy space is expected to reach \$7.5B in 2025 with a CAGR of 13.7%

(source Gartner)

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Thank you

