Kron TECHNOLOGIES

1Q 2025
Results Presentation

MAY 2025

Disclaimer

Capital Markets Board Bulletin No. 2023/81 dated December 28, 2023, announced that issuers and capital market institutions are required to prepare their annual financial statements for the fiscal periods ending on or after December 31, 2023, in accordance with the provisions of IAS 29 inflation accounting.

Accordingly, this presentation regarding the 2025 first quarter interim term not-audited financial results contain the Company's financial information prepared according to Turkish Accounting/Financial Reporting Standards by application of IAS29 inflation accounting provisions.

This presentation includes content prepared within the framework of Kron Technologies' internal management reporting practices and is presented for the purpose of providing investors with a more comprehensive understanding of the Company's operations and financial performance.

The information and opinions contained in this document have been prepared for the purpose of providing a consistent and comparable evaluation of our financial performance, under the responsibility of our Company's Board of Directors and managers responsible for financial reporting.

This presentation may contain forward-looking statements reflecting the current views, expectations, assumptions, and forecasts of the Company's management regarding certain future events, using words such as "may," "will," "expect," "believe," "plan," and "anticipate." While the Company believes that the expectations reflected in these forward-looking statements are reasonable under current circumstances, actual results may differ depending on developments and events affecting the variables and assumptions underlying future expectations and estimated figures.

The Company, its shareholders, members of the board of directors, managers, employees, or any other person cannot be held responsible for any damages that may arise from the use of the contents of this presentation.

Kron TECHNOLOGIES

Kron at a Glance

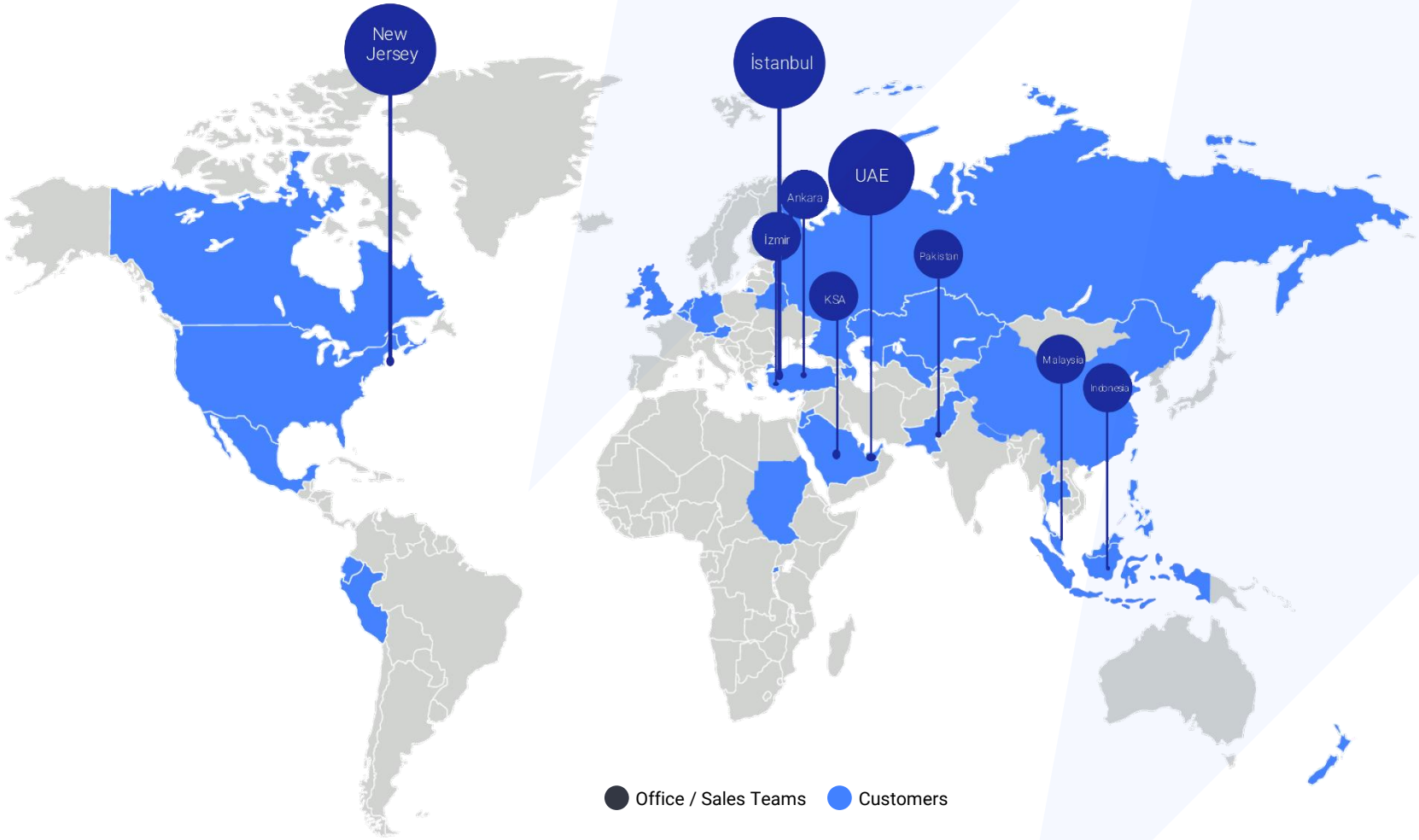
Leading Identity & Data Security Vendor

Leading Provider of cybersecurity solutions for Identity and Access Management and Data Security with **18 years** of experience

300+
customers globally in **32 countries,** across **6 continents**

162
employees globally, in 8 countries

Continuous **R&D Investment** with expert staff in **3 R&D centers** in Türkiye



Industry Recognitions

Kron Technologies**, a leading software company** specializing in cybersecurity, distinguishes itself in the global arena **with its high-quality and innovative solutions**. The company has garnered numerous achievements and awards, underscoring its technological excellence and customer-centric ethos.

Kron Technologies was **highlighted in two distinct categories** in **KuppingerCole's Leadership Compass** reports in 2024. Kron PAM was listed in the Leadership Compass for Privileged Access Management, highlighting its strength in securing privileged accounts, while **Kron DAM&DDM was recognized in the Leadership Compass for Data Security Platforms**, showcasing its growing impact in data security. These recognitions further establish Kron's position as a leader in both privileged access management and data security solutions.

Kron Technologies has been recognized multiple times by Gartner, solidifying its position in the cybersecurity domain. **Kron PAM** was selected into **Gartner's Magic Quadrant for Privileged Access Management (PAM)** in 2020 and 2021, making Kron the only Turkish company to be included in the Magic Quadrants for cybersecurity. **In 2024, Kron's DAM&DDM** product was featured in **Gartner's Market Guide for Data Masking and Synthetic Data**, marking the second Kron product to be acknowledged by Gartner outside of PAM.

Kron Technologies was recognized as a leading Privileged Access Management (PAM) provider in the **"Omdia Universe: Selecting a Privileged Access Management Solution"** report published in 2021- 22. The company stood out in key areas such as customer experience, solution capabilities, and market impact, further reinforcing its reputation as a trusted global Cybersecurity provider.

Kron PAM has been included in Forrester Research's most recent report, **The Privileged Identity Management Solutions Landscape**, Q2 2025. Kron Technologies has distinguished itself as the first and only national cybersecurity technology provider to be featured alongside leading global vendors in this prestigious assessment.

1Q 2025 Highlights

Our Strategy to Increase Recurring Revenue is Delivering Growth

Growth in Total Sales

2025 1Q invoiced sales grew by 33% Y-o-Y and reached **$3.6m**

Recurring revenue share is 72.3%

Significant Rise in Annual Recurring Revenue (ARR)

82% Y-o-Y increase, exceeding $6m

Accelerated Expansion in Subscription Revenue

275% increase, driven by our disciplined shift to subscription licensing in key markets

Expanding our Customer Base

10 new clients onboarded in 1Q 2025

Strong 1Q Financial Results

EBITDA increased Y-o-Y by %59 reaching TRY 47,1m

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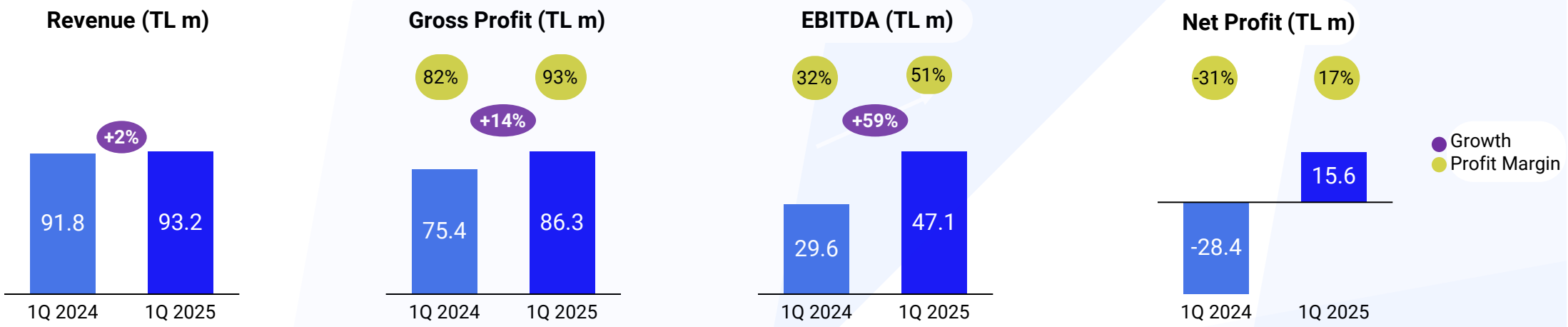
1Q 2025 IFRS Consolidated Results



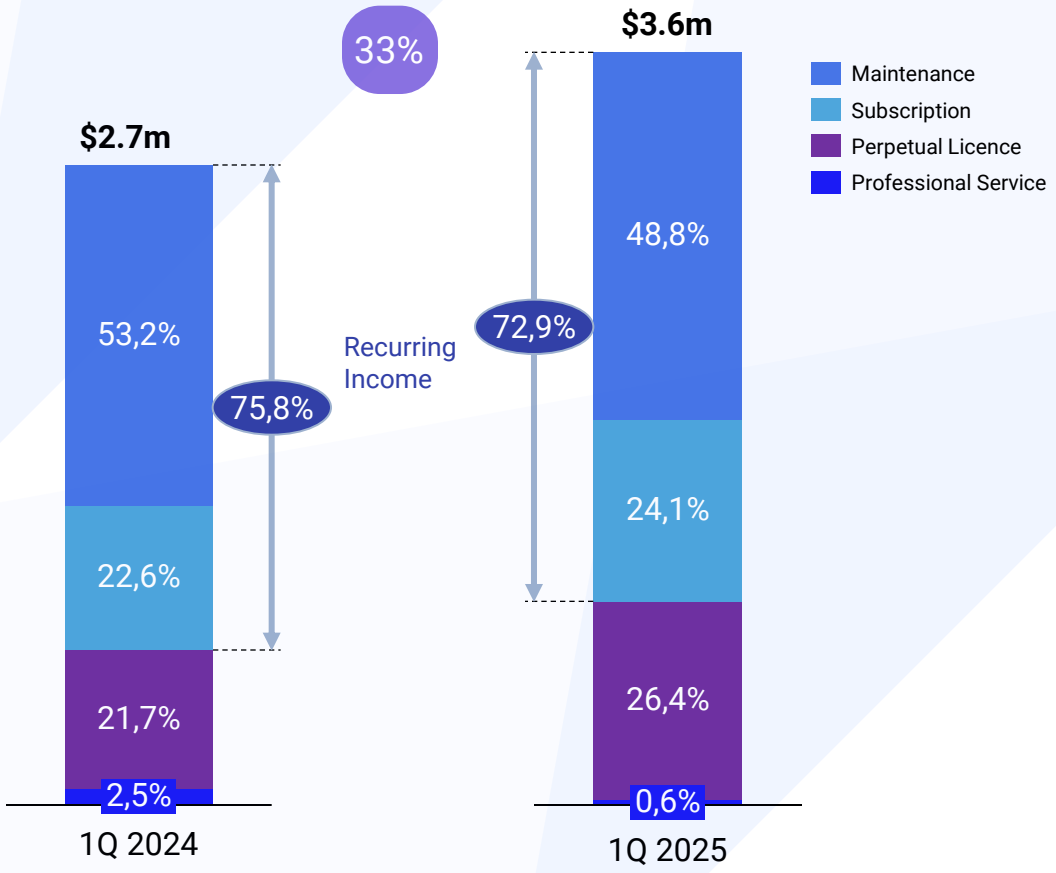
Strong start to 2025 with favorable 1Q Consolidated Results

- Consolidated revenues in 1Q amounted to TRY93.2m post-IAS29, reflecting a 2% Y-o-Y increase.
- Gross Profit up by 14% with a Gross Margin of 93%.
- EBITDA grew by 59% in comparison to same period last year reaching TRY47.1m and EBITDA margin increased to 51%
- As a result of higher Gross Profit, strong cost management while making necessary growth investments, and lower adverse impact from monetary losses due to slowing inflation, 1Q recorded a Net Profit of TRY15.6m.
- In 2025, increased investments in new product development led to a greater portion of R&D expenses being capitalized. Consequently, intangible fixed assets rose, while operating R&D expenses declined compared to the previous year.

All figures include IAS29 impact

1Q 2025 Invoiced Revenues*

- Invoiced revenues grew by 33% Y-o-Y, reaching USD3.6m in 1Q 2025
- Recurring revenue sales represented 73% of the total figure. Maintenance sales in 1Q are higher due to a seasonality effect where large accounts maintenance & support is invoiced in the 1Q for the full year. This seasonality effect gets normalized within the year.
- Whilst TelCo continues to be our leading sector, we have seen a material acceleration in Financial Institutions sales in 1Q 2025.



(*)Invoiced revenues are revenues that have been invoiced within the relevant reporting period but are recognized in the income statement in the same reporting period or in subsequent reporting periods, according to IFRS rules. Figures do not include the effect of IAS 29.

Balance Sheet and Liquidity Position

Net Cash Position (TL m)

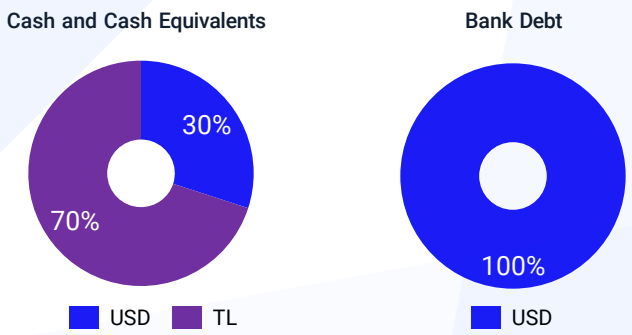
Net Cash Position	31 Dec 2024	31 Mar 2025
Cash and Cash Equivalents	89.8	47.5
Bank Debt	(52.7)	(65.2)
Net	**37.1**	**(17.7)**

31 Mar 2025 Receivables
TL 242 m

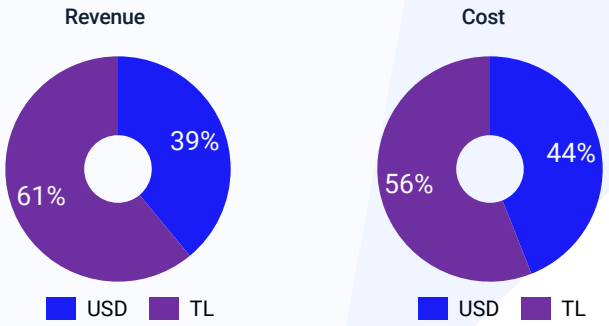
USD Average Weighted Interest Rate of
8%

Currency Exposure

Debt and cash currency breakdown



Revenue and cost breakdown by currency



All figures include IAS29 impact

Key Long Term Growth Drivers

Favorable Industry Tailwinds

Expanded Platform

Leveraging Partner Ecosystem

Subscription & Recurring Revenue Growth

Global Expansion

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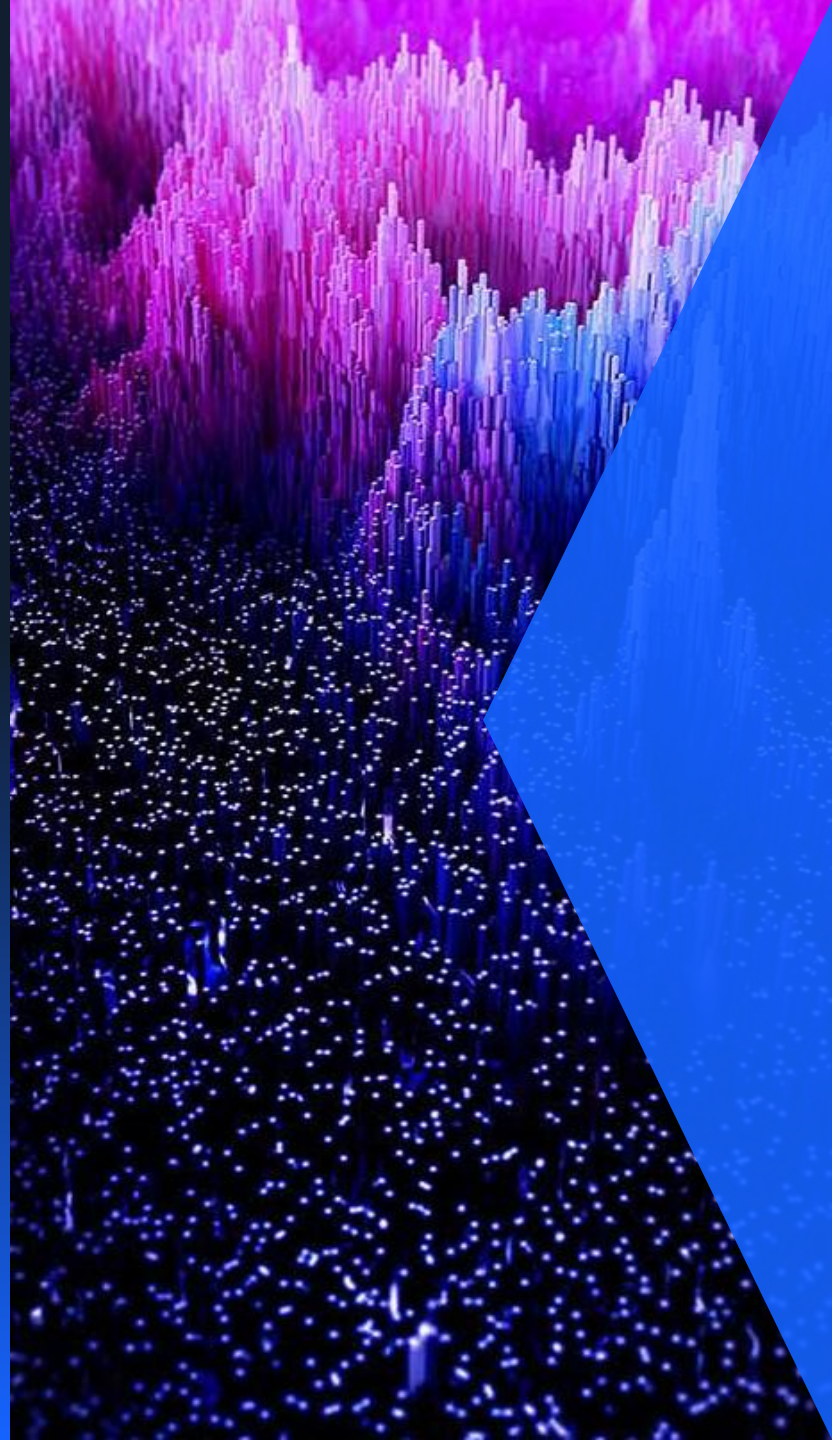
2025 Guidance

Revenue Growth (in TL with IAS 29 adjustments)	7-10%
EBITDA Margin (in TL with IAS 29 adjustments)	20-25%
ARR Growth (in USD)	60-65%



Appendix

1Q 2025 Unaudited Financial Statements

Balance Sheet

TL*	31 December 2024	31 March 2025	Change %
Cash, Cash Equivalents and Financial Investments	94,912,712	52,521,855	-45%
Trade Receivables	178,384,446	242,011,941	36%
Inventory	1,902,598	4,262,716	124%
Tangible Assets	11,829,542	11,541,169	-2%
Intangible Assets	406,137,887	452,286,302	11%
Deferred Tax Assets	3,870,357	1,011,502	-74%
Total Assets	**785,095,796**	**839,125,290**	**7%**
Short-Term Financial Liabilities	259,185,289	308,911,863	19%
Trade Payables	12,742,416	14,568,016	14%
Total Liabilities	**365,647,019**	**408,873,686**	**12%**
Equity	**419,448,777**	**430,251,604**	**3%**
Total Equity + Liabilities	**785,095,796**	**839,125,290**	**7%**

**All figures include IAS29 impact*

1Q 2025 Unaudited Financial Statements

Income Statement

TL*	1Q 2024	1Q 2025	Change %
Net Sales	91,772,539	93,169,163	2%
Cost of Sales	(16,376,303)	(6,911,101)	-58%
Gross Profit	**75,396,236**	**86,258,062**	**14%**
Gross Profit Margin	**82%**	**93%**	
Operating Expenses	(64,402,287)	(52,618,797)	-18%
G&A Expenses	*(14,493,545)*	*(11,942,891)*	*-18%*
Marketing Expenses	*(31,974,040)*	*(35,153,062)*	*10%*
R&D Expenses	*(35,174,531)*	*(22,043,048)*	*-37%*
Other Operating Income/Expense, Net	*17,239,829*	*16,519,754*	*-4%*
Operating Profit	**10,993,949**	**33,638,815**	**206%**
Amortisation	18,597,563	13,479,488	-28%
EBITDA	**29,591,512**	**47,118,303**	**59%**
EBITDA Margin	**32%**	**51%**	
Financial Expenses, Net	(418,446)	(1,799,405)	330%
Monetary Gain / (Loss)	(31,600,928)	(14,811,731)	-53%
Profit Before Taxes	**(20,350,671)**	**18,422,981**	
Tax Income / (Expense)	(8,093,129)	(2,769,352)	-66%
Profit / (Loss)	**(28,443,800)**	**15,653,629**	
Profit Margin	**-31%**	**17%**	

**All figures include IAS29 impact*

Kron Platform: Built to Address Today's Cybersecurity Challenges

Key Challenges in Identity & Access Security

- Remote Work and Mobility
- Rapid Growth of Machine Identities
- Hybrid & Multicloud Infrastructure
- Sophistication of Identity Based Attacks

Key Challenges in Data Security

- Massive Growth of Data
- Regulations and Compliance
- Complexity of Database Diversity
- Poor Monitoring of Internal Threats

Our Solutions

Privileged Access Management (PAM)

- Secure Remote Access
- Database Access Management
- Secrets Management
- Privileged Session Manager
- AI-Based Threat Analytics
- CIEM
- Password Vault
- Privileged Task Automation

End Point Privilege Manager

Multi Factor Authentication

TACACS +/ Radius Access Manager

Database Activity Monitoring

Dynamic Data Masking

Telemetry Pipeline

Thank You

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