



Türkiye's Leading Value-Added Technology Distributor

Q4 2023 Webcast Presentation

2024



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Agenda



Sector & Business Overview



2024 Tech Trends – Not the New But the Improved

Neurotech at Work



Monitoring Employees' Brain Activities

Web 3.0



More Valuable Internet for Everyone

ChatGPT



Tipping Point for AI

Bring Supply Chain Closer



Reconstructing System Thanks to Developing Technologies

Digital Employees



AI with Human Face

Augmented Reality



Technology with Late Discovered Potential

Source: Review, H. B., De Cremer, D., Florida, R., Mollick, E., & Farahany, N. A. (2023, October 24). The Year in Tech, 2024: The Insights You Need from Harvard Business Review. Harvard Business Press.

Penta Highlights



40+
global
vendors



15
sole
distributorship



9,000+
customers

~\$766 mn (\$)
Net Sales

7,5%
Gross Profit Margin

5,4%
EBITDA Margin

Unique Business Model Drives Growth and Profitability

Value Added Services

Extensive Cooperation



Customer solutions



Penta Tech Center

Superior Logistics



Penta
MyWarehouse



10-to-10 overnight
delivery

Digitalization



Bayinet

CRM

Integration with vendors
and customers

Subscription
services

Strategic
Corporate
Acquisitions



Efficient
integration



New segments &
brands

Strong
Management
and Talented
Employees

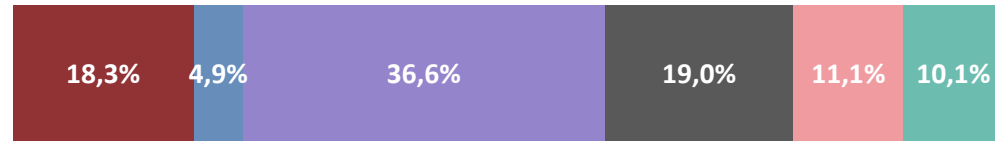


Valuable talent acquired
and retained

358¹ competent and
loyal employees
(average seniority of 9,3
years)

Diversified Customer Base & Product Portfolio

2023 Category and Channel Breakdown



■ Peripherals & Accessories

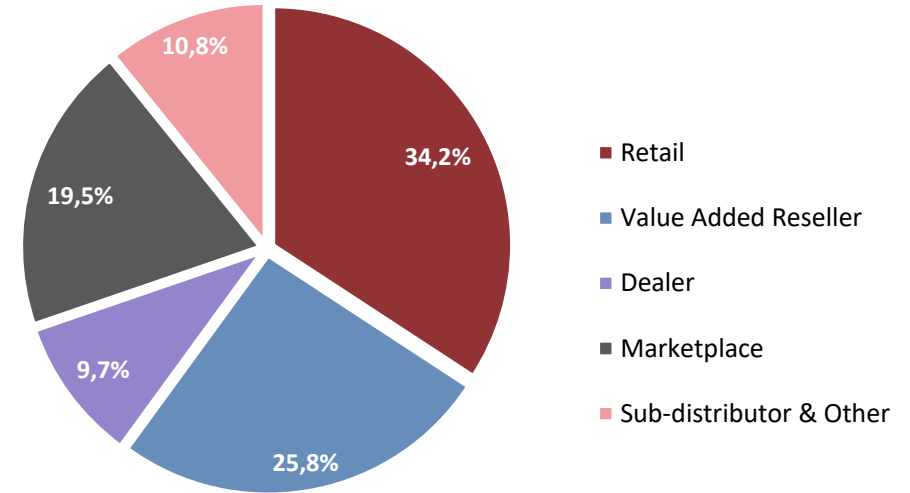
■ Printing Solutions & Consumables

■ PC

■ PC Components

■ Server & Storage and Networking

■ Software



■ Retail

■ Value Added Reseller

■ Dealer

■ Marketplace

■ Sub-distributor & Other

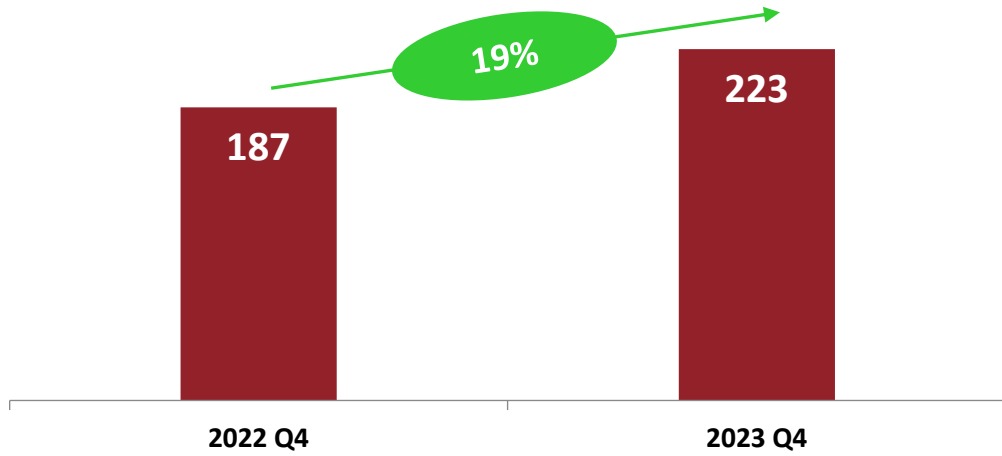
- We have reached 6% growth in our sectoral software business (recurring revenue).
- There has been a noticeable expansion in the Turkish technology market, especially related to PC and PC Components categories. As a significant player in these categories, we have benefited from this growth.
- The impacts of the revival of DIY market worldwide are also being observed in Türkiye, and this is having a positive influence on our business.
- The demands for advancing technology related to remote access have increased (network infrastructure, security, etc.). Peripheral products that provide a sense of working from the office when not physically present there have diversified, leading to increased demand for these products.
- Technology retailers experienced a growth in revenue in USD when compared to the same period the previous year, with an increase in both physical and online channel visits.
- Our main aim is to have a balanced approach on channels and categories and expect to achieve an outstanding profit margin consequently.
- In order to accomplish this, we offer value added services to our business partners aligning with their strategies and market requirements.

2023 Financial Results

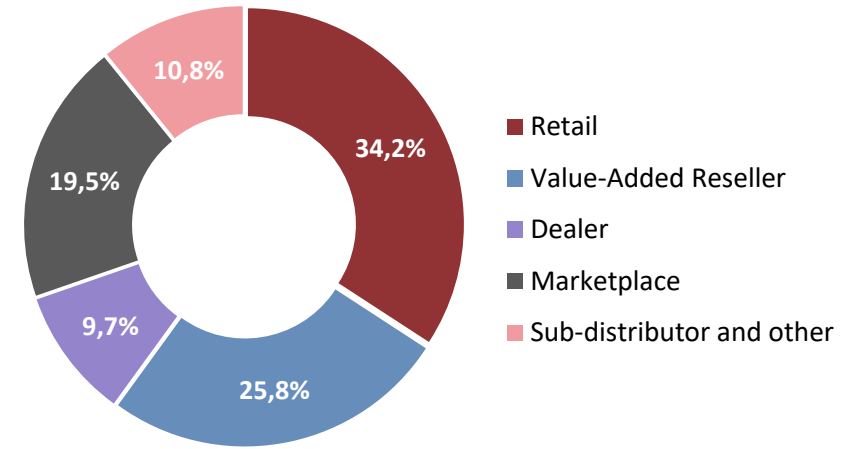


Financial Results – Overview of Sales

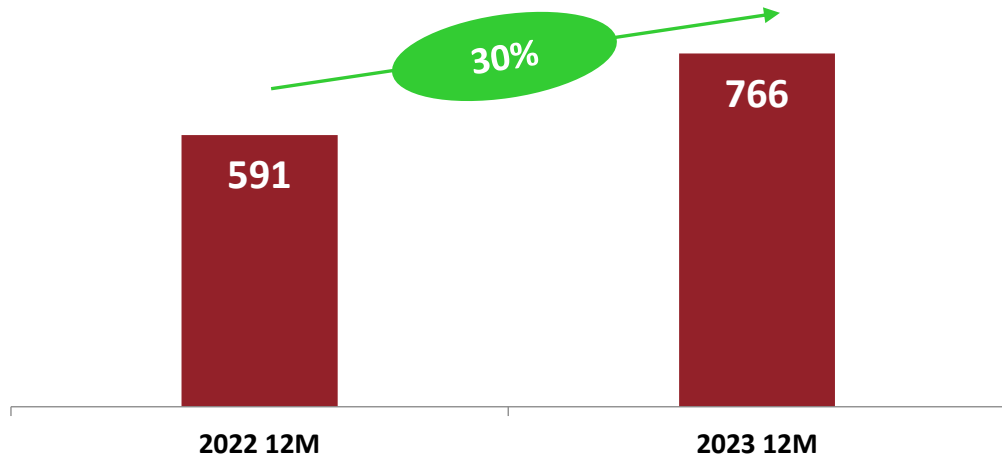
Net Sales (mn \$)



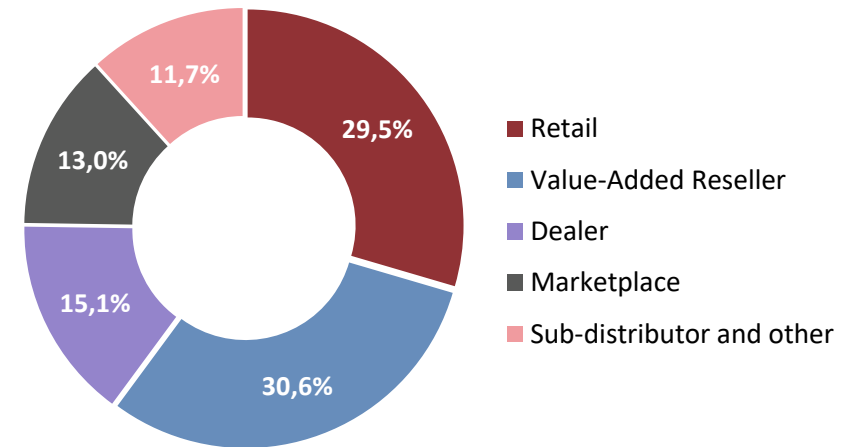
2023 12M Sales Breakdown (%)



Net Sales (mn \$)



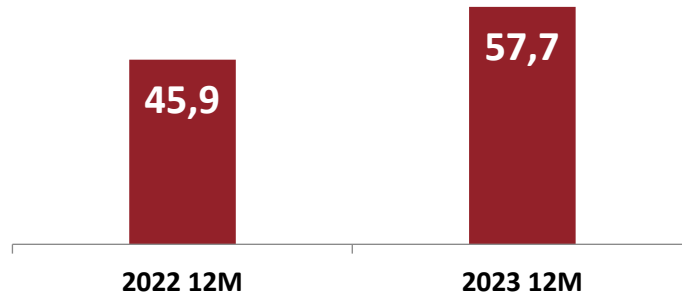
2022 12M Sales Breakdown (%)



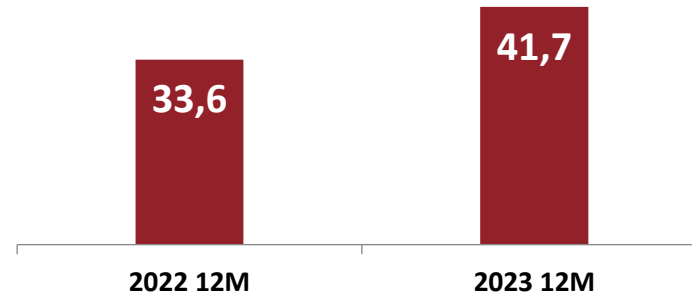
Financial Results – Overview of Profit Ratios

Increase in profit levels

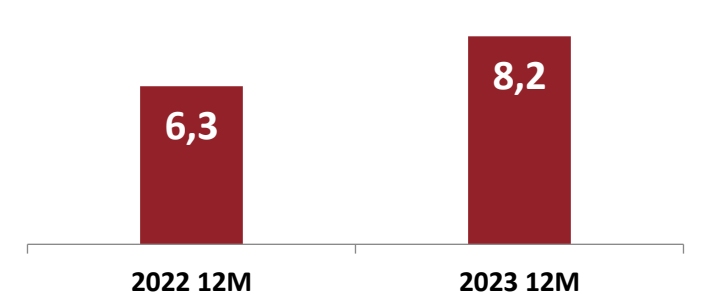
Gross Profit (mn \$)



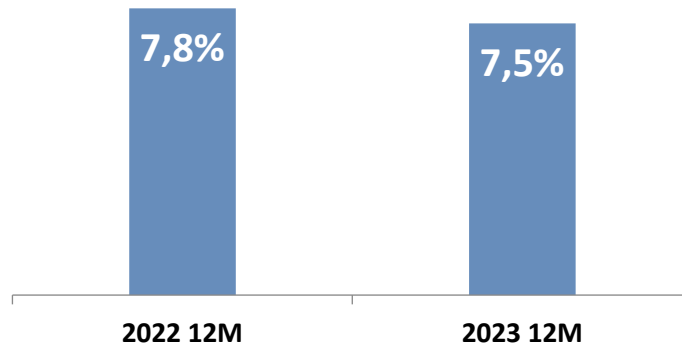
EBITDA (mn \$)



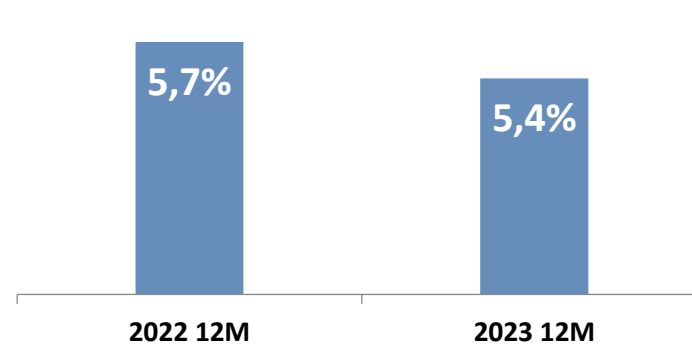
Net Income (mn \$)



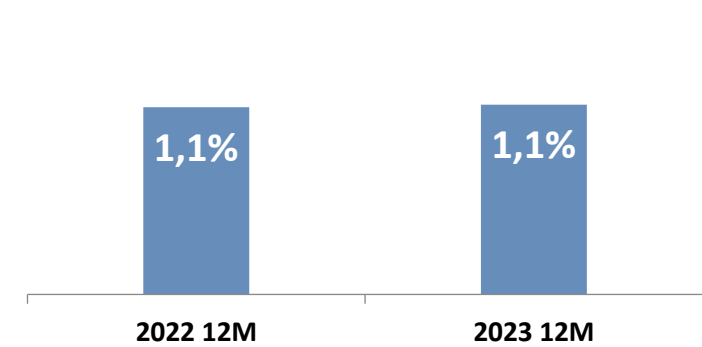
Gross Profit Margin (%)



EBITDA Margin (%)



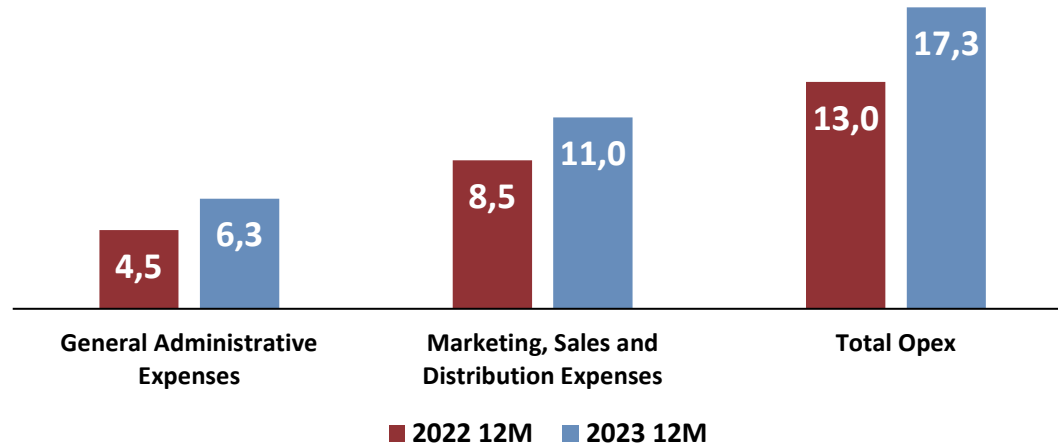
Net Income Margin (%)



EBITDA: Gross Profit – Operational Expenses + Depreciation & Amortisation

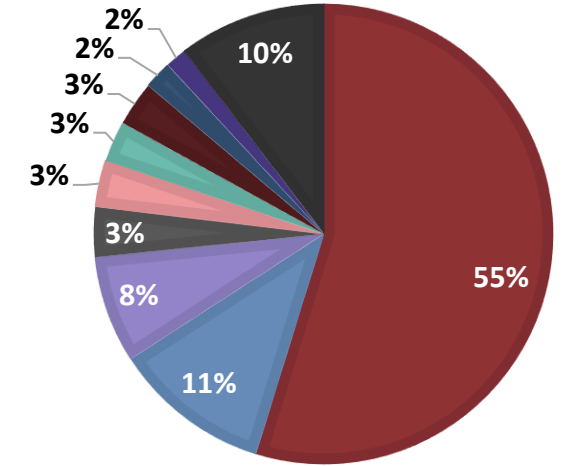
Financial Results – Operational Expenses

Increase in opex results mainly due to inflation

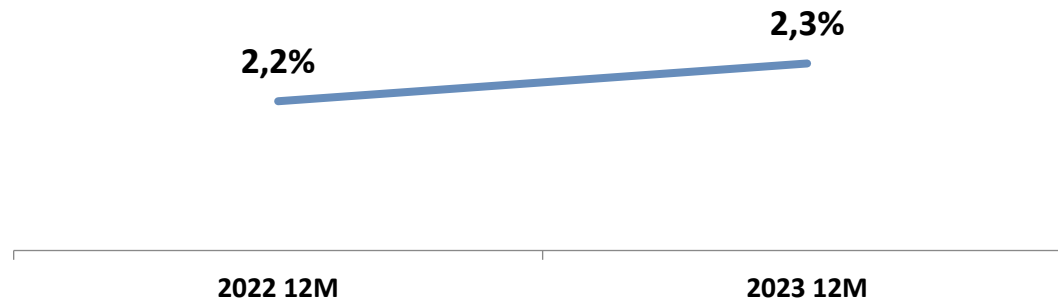


Breakdown of Operational Expenses (%)

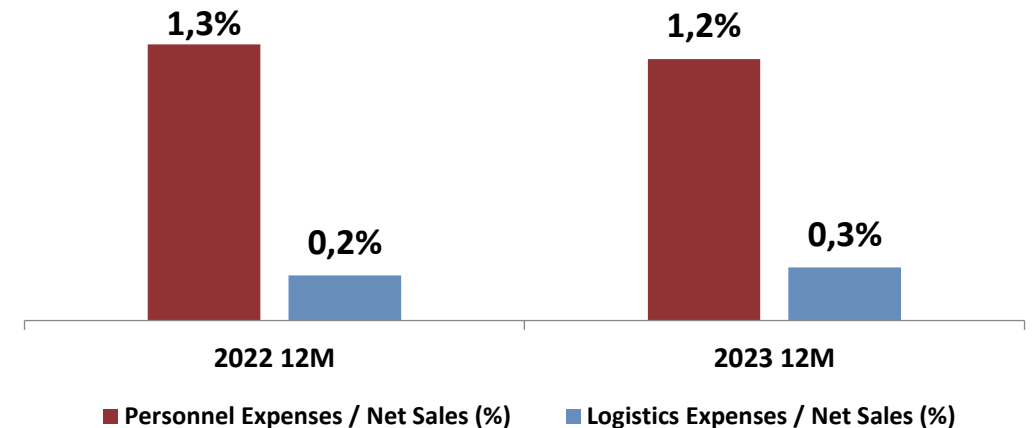
- Personnel expenses
- Logistics expenses
- Depreciation
- Consulting expenses
- Insurance expenses
- IT expenses
- Meal expenses
- Outsourcing expenses
- Travel expenses
- Other



SG&A expenses (% of Net Sales)

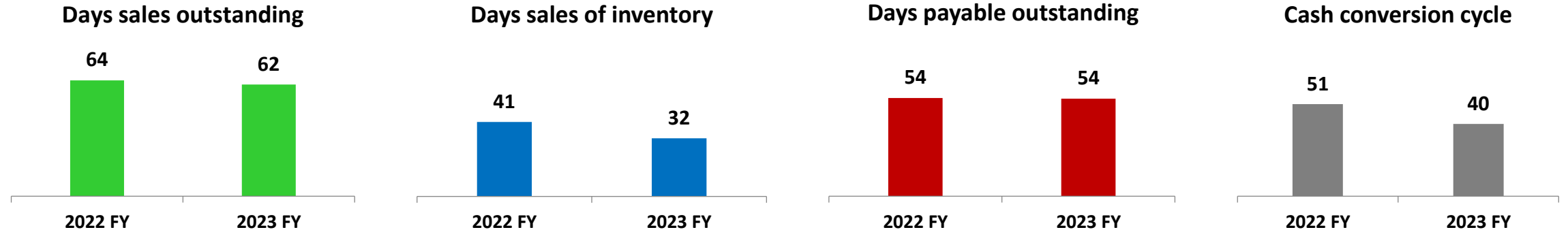


Personnel expenses and logistics expenses (% of Net Sales)

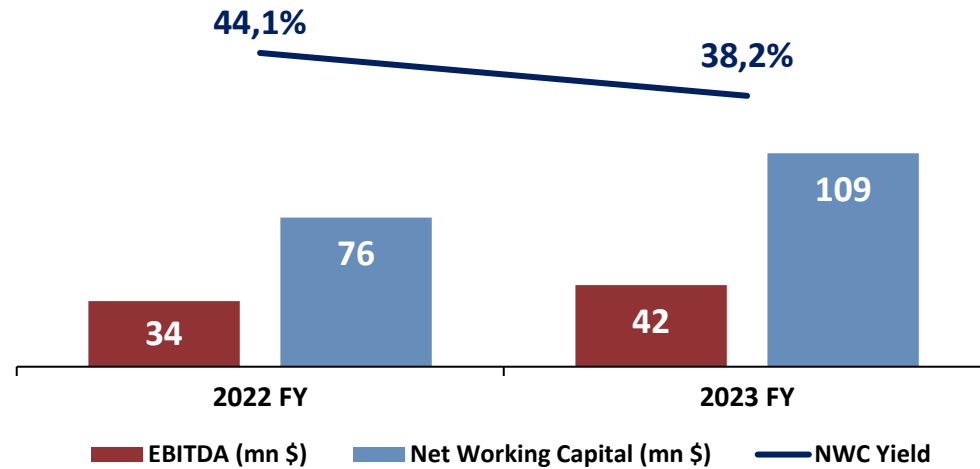


Financial Results – Net Working Capital

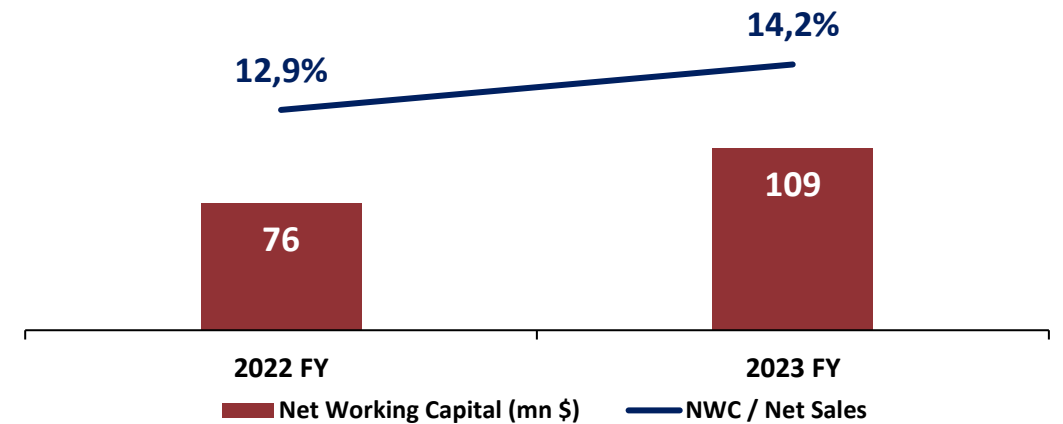
Cash conversion cycle ¹



NWC Yield²



Net Working Capital / Sales

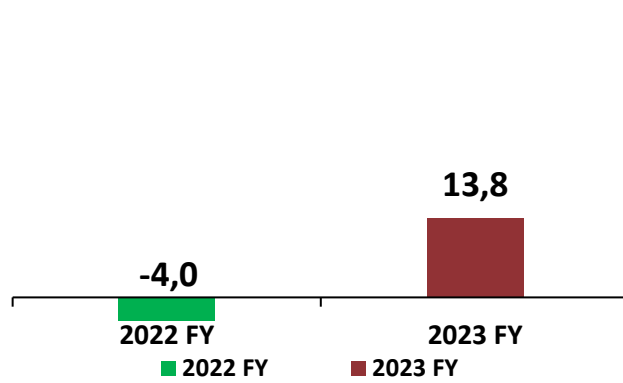


1: $DSO = 365 \text{ days} \times (\text{ave. Receivables (VAT free)} / \text{sales})$; $\text{Days sales of inventory} = 365 \text{ days} \times (\text{ave. inv} / \text{COGS})$; $DPO = 365 \text{ days} \times (\text{ave. Payables (VAT free)} / \text{COGS})$; $CCC = DSO + DSI - DPO$.

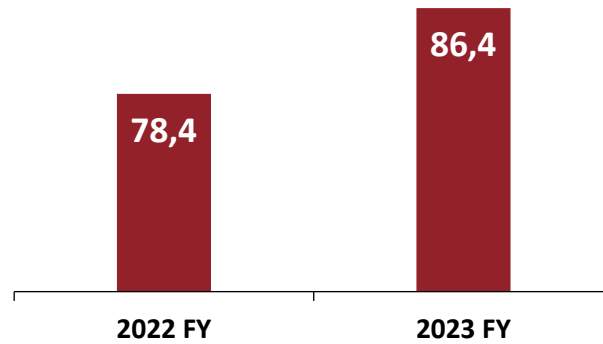
2: $NWC \text{ Yield} = EBITDA / \text{Net working capital (TR + inv - TP)}$

Financial Results – Debt & Equity Structure

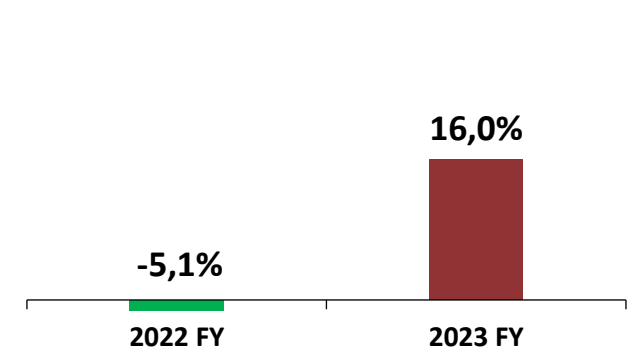
Net Debt



Total Equity (mn \$)



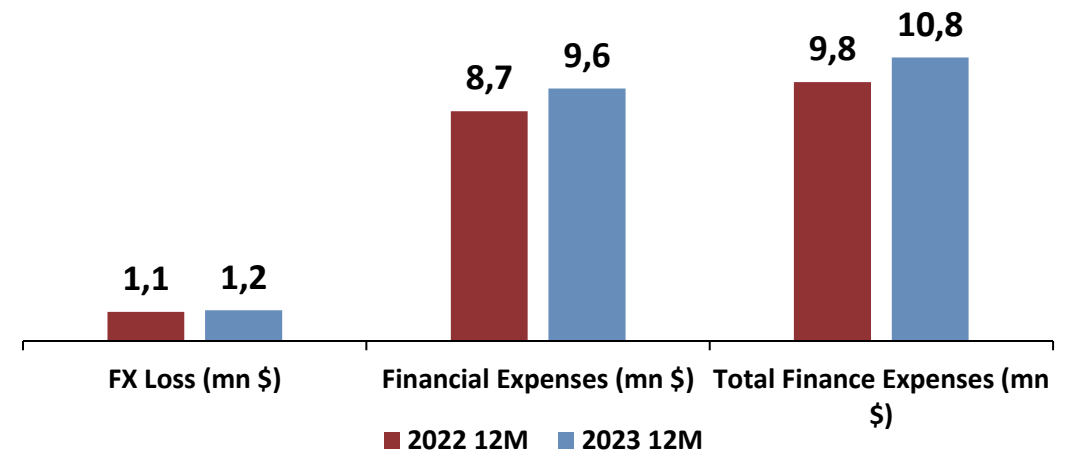
Net Debt / Equity (%)



Financial Debt Structure

mn \$	31 December	31 December
	2022	2023
Bank Loans	-	4,3
Financial payables to Yıldız Holding	29,8	25,4
Lease liabilities (TFRS 16 effect)	1,3	1,7
Total financial debt	31,1	31,4
Cash and cash equivalents (-)	(35,1)	(17,6)
Net financial debt	(4,0)	13,8

Finance Expenses



Financial Results – Currency Position

Net TRY Position

Net TRY Position	31 December 2022		31 December 2023	
	TRY	USD Eqv.	TRY	USD Eqv.
Trade Receivables	253	14	489	17
Other Monetary Assets	239	13	246	8
Total Assets	493	26	735	25
Trade Payables	(35)	(2)	(57)	(2)
Other Monetary Liabilities	(95)	(5)	(371)	(13)
Total Liabilities	(130)	(7)	(428)	(15)
Derivatives	(100)	(5)	(88)	(3)
Net Foreign Currency Position	263	14	219	7

Sensitivity to FX Fluctuations

	FX Rate Change (%)	Effect on Profitability (mn TRY)	Effect on Profitability (mn \$)
31 December 2022			
TRY	+10% / -10%	26,3 / (26,3)	1,4 / (1,4)



	FX Rate Change (%)	Effect on Profitability (mn TRY)	Effect on Profitability (mn \$)
31 December 2023			
TRY	+10% / -10%	21,9 / (21,9)	0,8 / (0,8)

Financial Results – Comprehensive Income

Net income and comprehensive net income differs dramatically due to CTA

	TRY mn. 01.01.2023 - 31.12.2023	TRY mn. 01.01.2022 - 31.12.2022	USD mn. 01.01.2023 - 31.12.2023	USD mn. 01.01.2022 - 31.12.2022
Revenue	18.199	9.783	766	591
Cost of Sales (-)	(16.829)	(9.022)	(709)	(545)
GROSS PROFIT	1.370	761	58	46
General Administrative Expenses (-)	(150)	(75)	(6)	(5)
Marketing, Sales and Distribution Expenses (-)	(261)	(141)	(11)	(9)
Other Income From Operating Activities	25	17	1	1
Other Expenses From Operating Activities (-)	(263)	(167)	(11)	(10)
OPERATING PROFIT	721	395	30	24
Income From Investing Activities	74	11	3	1
Finance Income	1	0	0	0
Finance Expenses (-)	(256)	(163)	(11)	(10)
PROFIT BEFORE TAX	540	243	23	15
Tax Expense From Continuing Operations	(344)	(140)	(14)	(8)
PROFIT FOR THE YEAR	196	104	8	6
Currency translation differences	889	403	-	-
Defined Benefit Plans Measurement Gains / (Losses)	(10)	(9)	(0)	(0)
Tax (Expense) / Income related to other comprehensive income items	2	2	0	0
OTHER COMPREHENSIVE INCOME	882	396	(0)	(0)
TOTAL COMPREHENSIVE INCOME	1.077	500	8	6

□ 889mn TRY translation
difference in TRY financials

Q&A

