



# Turkey's Leading Value-Added Technology Distributor

**Q3 2022 Webcast Presentation**

2022



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Business & Sector Overview



Q3 2022 Financial Results



Q&A



# Penta Highlights



**40+**  
global  
vendors



**14**  
sole  
distributorship



**9,000+**  
business partners

**~\$404 mn (\$)**  
Net Sales

**7,6%**  
Gross Profit Margin

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**5,6%**  
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



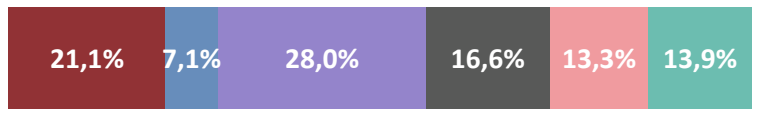
Valuable talent acquired and retained

359<sup>1</sup> competent and loyal employees (average seniority of 9,9 years)

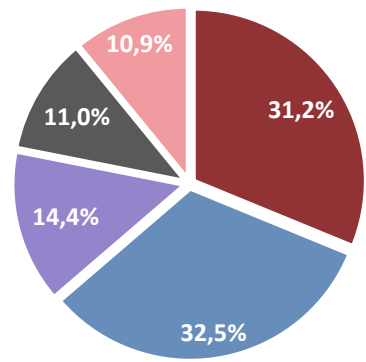
<sup>1</sup> As of 30.09.2022

# Diversified Customer Base & Product Portfolio

## 2022 Q3 Category and Channel Breakdown



- Peripherals & Accessories
- Printing Solutions & Consumables
- PC
- PC Components
- Server & Storage and Networking
- Software

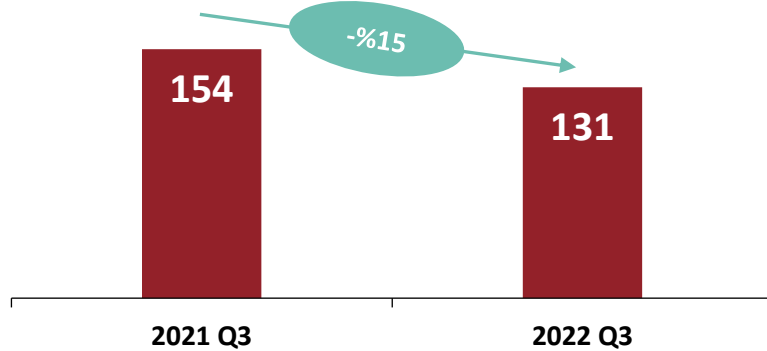


- Retail
- Value Added Reseller
- Dealer
- Marketplace
- Sub-distributor & Other

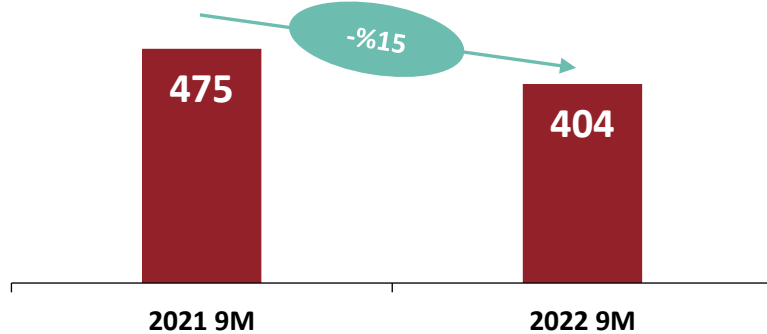
- Our main aim is to have a balanced approach on channels and categories and expect to achieve an outstanding profit margin consequently.
- In order to accomplish this, we offer value added services to our business partners aligning with their strategies and market requirements.
- We have reached 26% growth in our sectoral software business (recurring revenue)
- The demand in commercial categories such as server and storage is in rise.
- Consumer demand was high. Traditional and online retailers met this demand within this quarter.

# Financial Results – Overview of Sales

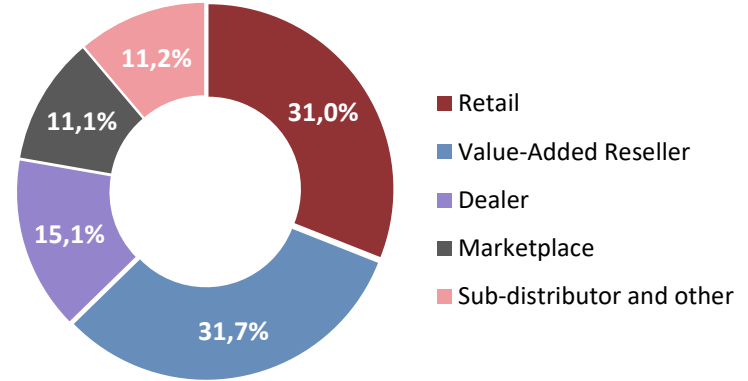
## Net Sales (mn \$)



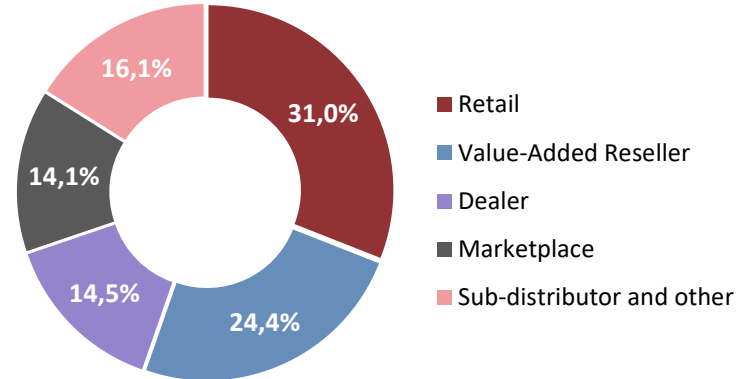
## Net Sales (mn \$)



## 2022 9M Sales Breakdown (%)



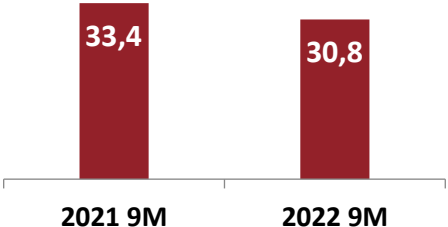
## 2021 9M Sales Breakdown (%)



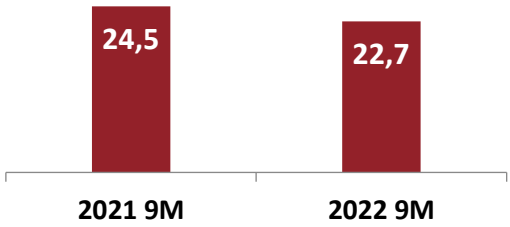
# Financial Results – Overview of Profit Ratios

Decrease in gross profit and EBITDA levels; but performing higher margins.  
Lower net income in the bottom-line mainly due to significant CIT expense in Q3

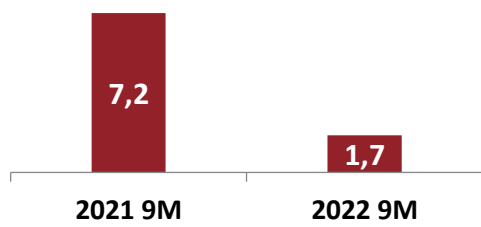
### Gross Profit (mn \$)



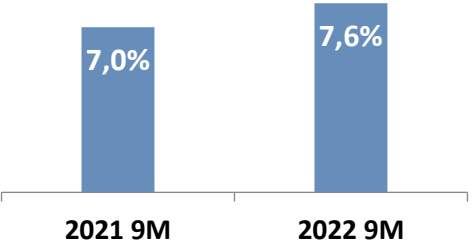
### EBITDA (mn \$)



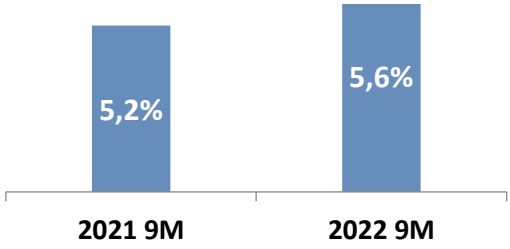
### Net Income (mn \$)



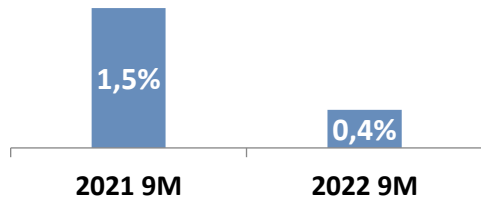
### Gross Profit Margin (%)



### EBITDA Margin (%)



### Net Income Margin (%)

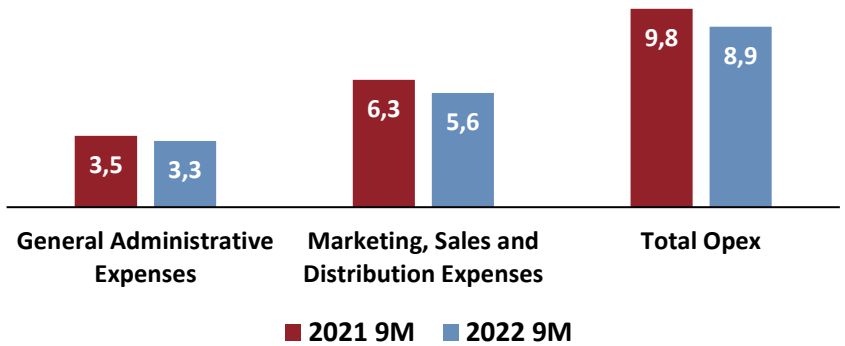


EBITDA: Gross Profit – Operational Expenses + Depreciation & Amortisation

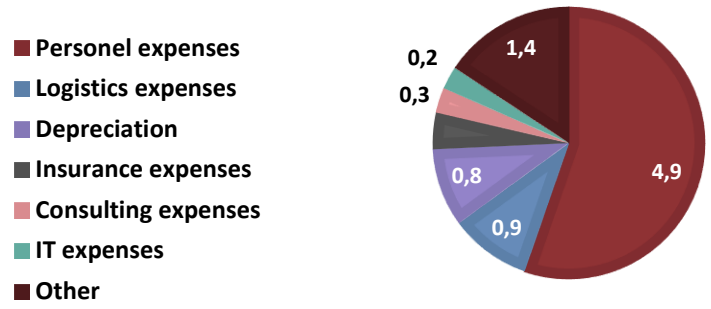


# Financial Results – Operational Expenses

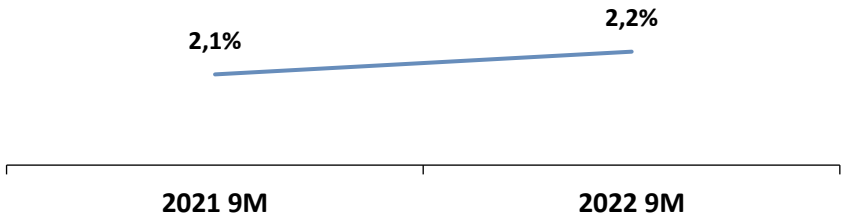
## TL based opex result in improvement in SG&A expenses



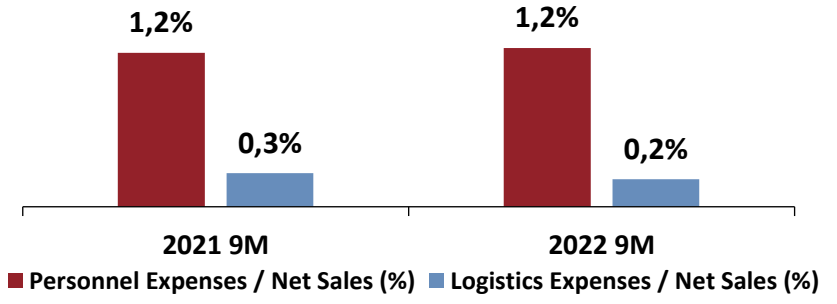
## Breakdown of Operational Expenses (mn \$)



## SG&A expenses (% of Net Sales)

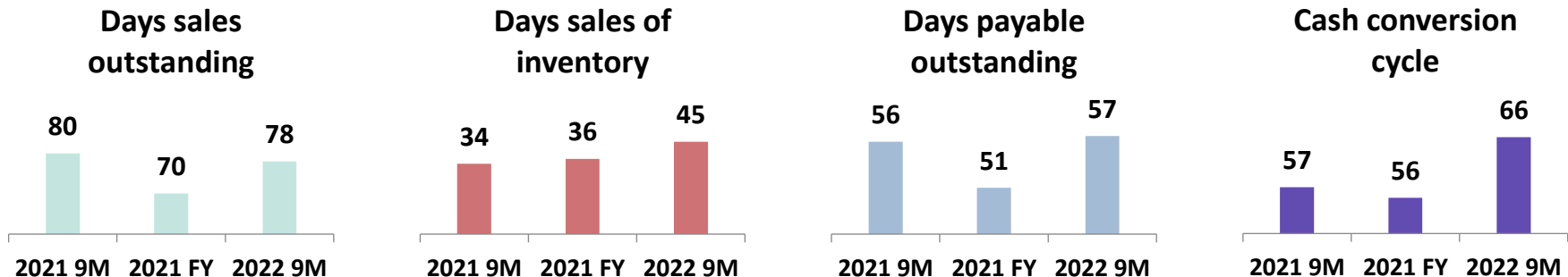


## Personnel expenses and logistics expenses (% of Net Sales)

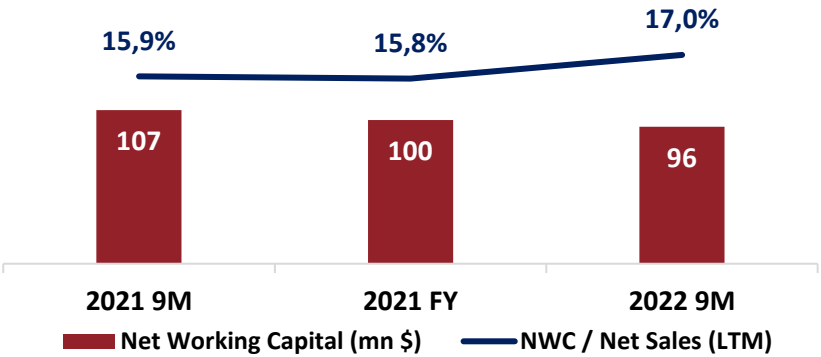


# Financial Results – Net Working Capital

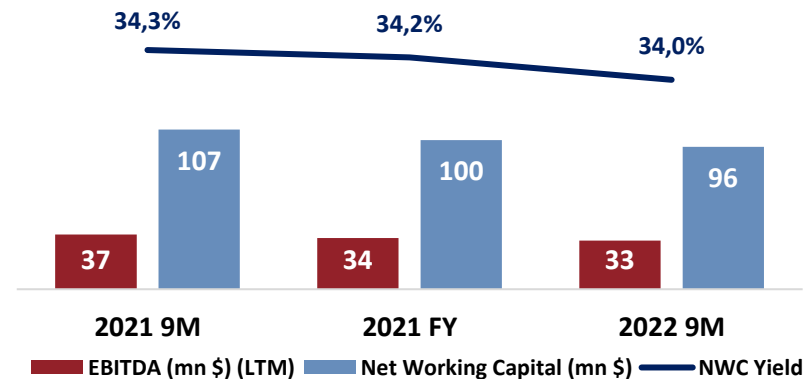
## Cash conversion cycle<sup>1</sup>



## Net Working Capital / Sales



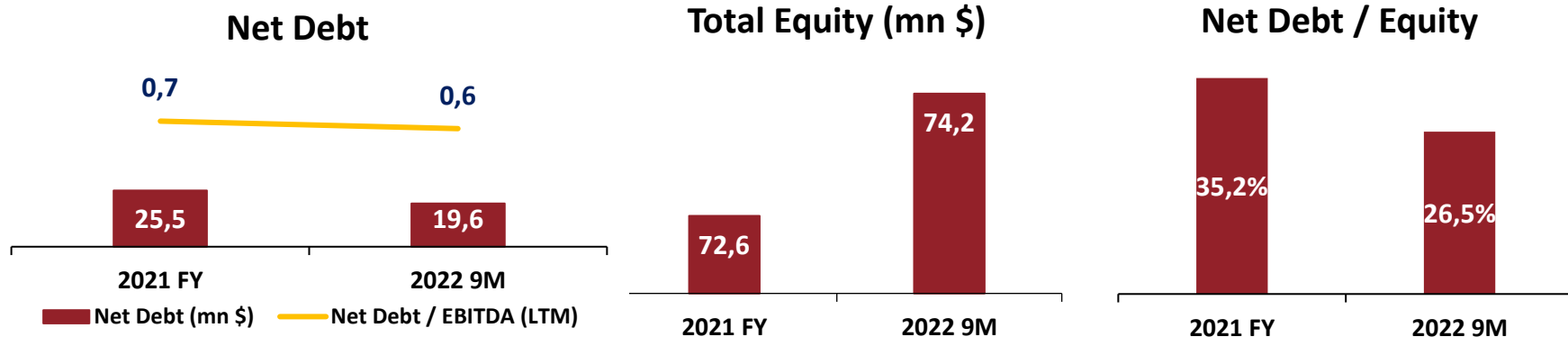
## NWC Yield<sup>2</sup>



1: DSO = 365 days (#of days in the period) \* (ave. receivables / sales); Days sales of inventory = 365 (#of days in the period \* (ave. inv / COGS); DPO = 365 (#of days in the period \* (ave. payables / COGS); CCC = DSO + DSI – DPO. VAT ignored in all calculations.  
 2: NWC Yield: EBITDA / Net working capital (TR + inv – TP)

# Financial Results – Debt & Equity Structure

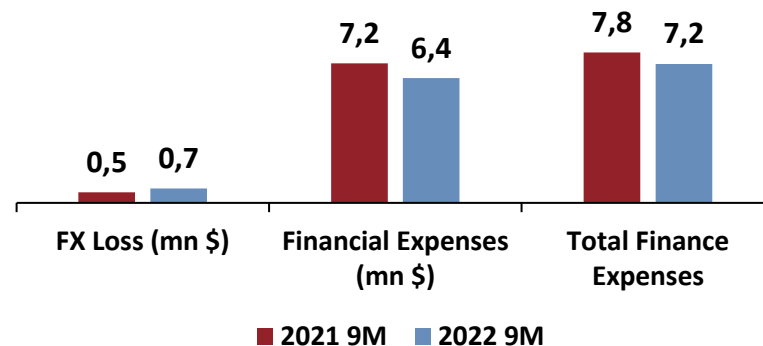
Financial debt is about 20 M USD while Net Debt/EBITDA ratio is 0,6



## Financial Debt Structure

mn \$	31 December	30 September
	2021	2022
Financial payables to Yildiz Holding	31,5	32,9
Other payables to shareholders	1,7	0,7
Lease liabilities (TFRS 16 effect)	0,8	0,6
<b>Total financial debt</b>	<b>34,0</b>	<b>34,2</b>
Cash and cash equivalents (-)	(8,5)	(14,6)
<b>Net financial debt</b>	<b>25,5</b>	<b>19,6</b>

## Financial Expenses



# Financial Results – Comprehensive Income

Net income and comprehensive net income differs dramatically due to CTA

	TRY mn. 2022 Q3	TRY mn. 2021 Q3	USD mn. 2022 Q3	USD mn. 2021 Q3
Revenue	6.408	3.838	404	475
Cost of Sales (-)	(5.920)	(3.568)	(373)	(441)
<b>GROSS PROFIT</b>	<b>488</b>	<b>270</b>	<b>31</b>	<b>33</b>
General Administrative Expenses (-)	(52)	(28)	(3)	(4)
Marketing, Sales and Distribution Expenses (-)	(89)	(51)	(6)	(6)
Other Income From Operating Activities	6	2	0	0
Other Expenses From Operating Activities (-)	(109)	(45)	(7)	(6)
<b>OPERATING PROFIT</b>	<b>243</b>	<b>148</b>	<b>15</b>	<b>18</b>
Income From Investing Activities	6	1	0	0
Finance Income	10	5	1	1
Finance Expenses (-)	(114)	(63)	(7)	(8)
<b>PROFIT BEFORE TAX</b>	<b>145</b>	<b>92</b>	<b>9</b>	<b>11</b>
Tax Expense From Continuing Operations	(119)	(34)	(7)	(4)
<b>PROFIT / (LOSS) FOR THE YEAR</b>	<b>26</b>	<b>58</b>	<b>2</b>	<b>7</b>
Currency translation differences	381	74	-	-
<b>OTHER COMPREHENSIVE INCOME/ (EXPENSE)</b>	<b>381</b>	<b>74</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME/ (EXPENSE)</b>	<b>407</b>	<b>132</b>	<b>2</b>	<b>7</b>

- 7 mUSD tax expense
- 381 mTRY translation difference in TRY tables

# Q&A

