

**PENTA TEKNOLOJİ ÜRÜNLERİ
DAĞITIM TİCARET A.Ş.**

**CONVENIENCE TRANSLATION
INTO ENGLISH OF THE
1 JANUARY – 31 MARCH 2022
INTERIM REPORT**

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1. GENERAL INFORMATION, CAPITAL AND SHAREHOLDERS STRUCTURE

Reporting Period	: 01.01.2022 – 31.03.2022
Trade Name	: Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş.
Trade Registration Number	: 492652
Head Office Address	: Dudullu Organize Sanayi Bölgesi 4. Cadde No : 1 34775 Ümraniye/İSTANBUL
Phone Number	: (0216) 528 00 00
Fax Number	: (0216) 415 23 27
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Principal activities of Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş. (“Penta Teknoloji” or the “Company”) are distribution of computer, hardware and software goods. The Company purchases the trade goods from domestic and foreign suppliers and distributes them mostly to its domestic customers via its sales network. Total number of the Company’s employees is 357 as of 31 March 2022

The capital and shareholder structure as of 31.03.2022 is given below. Group A shares, held by Gözde Girişim Sermayesi Yatırım Ortaklığı A.Ş. (“Gözde GSYO A.Ş.”) are privileged shares and their only privilege is the privilege of nominating candidates for members of the Board of Directors.

Shareholder	Share Group	Share Capital (TL)	Share Capital (%)
Gözde GSYO A.Ş.	A	11.824.231,00	27,04
	B	2.259.528,00	5,17
İstanbul Portföy Yıldız Serbest Fon	B	8.974.600,00	20,53
Mustafa Ergün	B	4.459.397,00	10,20
Mürsel Özçelik	B	3.135.347,00	7,17
Sinan Güçlü	B	3.091.088,00	7,07
Bülent Koray Aksoy	B	3.082.430,00	7,05
Other	B	6.897.379,00	15,77
Total Capital		43.724.000,00	100,00

The details of subsidiaries as of 31.03.2022 are given below.

Subsidiary Name	Place of Incorporation and Operation	Proportion of Ownership
Commonwealth Finance Investment Ltd.	British Virgin Islands	100,00%
Penta International B.V.	Netherlands	100,00%

2. BOARD OF DIRECTORS AND SENIOR EXECUTIVES

The Company is represented and managed by a 6-member Board of Directors, determined by the General Assembly. Most of the Board Members are non-executive members. Only one member is an executive member. Non-executive Board Members do not have any administrative duties in the Company, other than their Board memberships, and do not interfere in the Company's daily work flow and ordinary operations.

Members of the Board of Directors:

Name	Title
Mehmet TÜTÜNCÜ	Chairman of the Board of Directors
Ali ÜLKER	Vice Chairman of the Board Of Directors
Mürsel ÖZÇELİK	Executive Member of the Board of Directors
Erman KALKANDELEN	Member of the Board of Directors
Aytaç Saniye MUTLUGÜLLER	Independent Member of the Board of Directors
Fatma Pınar ILGAZ	Independent Member of the Board of Directors

Authorization and Limitations of the Members of the Board of Directors:

In accordance with the Turkish Commercial Code ("TCC"), the Capital Markets Board regulations and the provisions of the Articles of Association; the Board of Directors is authorized to take all decisions except those that fall within the jurisdiction of the General Assembly.

However, if such matters fall within the scope of a significant transaction pursuant to the Capital Markets Board's Corporate Governance Principles regulation, action is taken within the framework required by the aforementioned regulation. The Corporate Governance Principles, which are mandatory to be implemented by the Capital Markets Board, are complied with.

Top Management of the Company:

Name	Title
Mehmet Fatih ERÜNSAL	General Manager
Gülay ÇUĞU BAL	Chief Financial Officer
Yasemin BUDAK	Digital Transformation and Operations Director
Ayperi Atalay CİLVEZOĞLU	Human Resources Director
Bülent KÖKEN	Sales Director
Arda SERİM	Business Development and Marketing Director
Gamze OKAY	Business Development and Marketing Director

3. SECTORAL DEVELOPMENTS AND ACTIVITIES IN THE REPORTING PERIOD

The effect of exchange rate fluctuations, which took place in the last quarter of 2021, also spread to the first quarter of 2022. This caused the Company's first quarter results to be realized slightly below the expectations.

4. EVENTS AFTER THE REPORTING PERIOD

The Ordinary General Assembly Meeting of the Company will be held on May 11, 2022.

5. SUMMARY OF FINANCIAL INDICATORS

Condensed Consolidated Balance Sheet as of 31 March 2022:

	(Turkish Lira) 31.03.2022	(Turkish Lira) 31.12.2021	(US Dollar) 31.03.2022	(US Dollar) 31.12.2021
Current Assets	2.657.605.246	2.550.272.108	181.566.379	191.332.591
Non-Current Assets	92.056.308	82.202.209	6.289.245	6.167.170
TOTAL ASSETS	2.749.661.554	2.632.474.317	187.855.624	197.499.761
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Current Liabilities	1.662.502.018	1.643.025.204	113.581.380	123.266.952
Non-Current Liabilities	23.761.897	22.348.121	1.623.406	1.676.655
Equity	1.063.397.639	967.100.992	72.650.838	72.556.154
TOTAL LIABILITIES AND EQUITY	2.749.661.554	2.632.474.317	187.855.624	197.499.761

Condensed Consolidated Income Statement as of 1 January – 31 March 2022:

	(Turkish Lira) 01.01.2022 - 31.03.2022	(Turkish Lira) 01.01.2021 - 31.03.2021	(US Dollar) 01.01.2022 - 31.03.2022	(US Dollar) 01.01.2021 - 31.03.2021
Revenue	1.933.791.539	1.265.936.676	138.850.984	171.596.589
Cost of Sales (-)	(1.787.144.719)	(1.177.632.075)	(128.321.382)	(159.626.979)
GROSS PROFIT	146.646.820	88.304.601	10.529.602	11.969.610
General Administrative Expenses (-)	(15.004.528)	(8.920.036)	(1.077.362)	(1.209.103)
Marketing, Sales and Distribution Expense	(27.274.108)	(16.578.633)	(1.958.348)	(2.247.219)
Other Income From Operating Activities	2.123.075	836.132	152.442	113.337
Other Expenses From Operating Activities	(41.400.840)	(13.709.979)	(2.972.682)	(1.858.375)
OPERATING PROFIT	65.090.419	49.932.085	4.673.652	6.768.250
Income From Investing Activities	514.105	332.396	36.914	45.056
Finance Income	83.925	4.942.010	6.026	669.885
Finance Expenses (-)	(31.960.870)	(27.212.680)	(2.294.869)	(3.688.655)
PROFIT BEFORE TAX	33.727.579	27.993.811	2.421.723	3.794.536
Tax Expense From Continuing Operations	(32.408.905)	(12.261.460)	(2.327.039)	(1.662.030)
Current tax expense	(37.576.179)	(9.224.304)	(2.698.062)	(1.107.918)
Deferred tax income / (expense)	5.167.274	(3.037.156)	371.023	(554.112)
PROFIT / (LOSS) FOR THE YEAR	1.318.674	15.732.351	94.684	2.132.506

Financial Ratios:

	31.03.2022	31.03.2021
Gross Profit Margin (%)	7,6%	7,0%
Operating Profit Margin (%) ^(*)	5,4%	5,0%
Net Profit Margin (%)	0,1%	1,2%
EBITDA Margin (%)	5,6%	5,1%

^(*) Before other income / expenses from operations.

6. ADMINISTRATIVE, LEGAL AND OTHER OPERATIONAL ISSUES

Related Party Transactions:

The amount of the sales and purchase transactions of the Company with the related parties is less than 1% of the Company's total sales. Details of transactions with related parties are included in note 4 of the independently audited consolidated financial statements report as of 31 March 2022.

Compensation of Key Management Personnel:

The key management personnel of the Company consist of board members, the general manager and the directors. The sum of wages and similar benefits paid to top management as of 31 March 2022 is TL 2.889.701.

Donations and Grants:

As of 31.03.2022, no donations have been made.

Other Issues:

Mehmet Fatih Erünsal, Deputy General Manager responsible for Sales and Marketing, was appointed as the General Manager on 31 January 2022 and it is decided that the previous General Manager of our company, Mürsel Özçelik, will continue to serve as Executive Director.

It has been decided to increase the registered capital ceiling of the Company from 150.000.000 TL to 750.000.000 TL for the years 2022-2026, and the necessary approvals of the Capital Markets Board and the Ministry of Trade have been obtained. It will be submitted to the approval of the shareholders at the Ordinary General Assembly on May 11, 2022.

The approval of Fatma Pınar Ilgaz and Aytaç Saniye Mutlugüller has been obtained by the Capital Markets Board for their nominations for Independent Board Members. It will be submitted to the approval of the shareholders at the Ordinary General Assembly on May 11, 2022.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was chosen as the independent audit firm for 2022. It will be submitted to the approval of the shareholders at the Ordinary General Assembly on May 11, 2022.

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