Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş.

Realization and Evaluation Report on the Assumptions Based on the Determination of the Public Offering Price (Convenient Translation Into English of the Original Report)

27.03.2023

Prepared In Accordance with Article 29/5 of the Capıtal Markets Board's Share Communiqué Numbered VII- 128.1

1. Subject of The Report:

This report, which includes evaluations on whether the assumptions based on the determination of the public offering price of Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş. ("Penta" or the "Company") have been realized, is based on Article 29/5 of the Capital Markets Board's Share Communiqué No. VII-128.1. It has been prepared by the Penta Audit Committee as required.

2. Instructions:

Pursuant to the 5th paragraph of Article 29 of the Capital Markets Board's Communiqué on Shares numbered VII-128.1, "The corporation, the shares of which are offered to public for the first time, is required to prepare a report stating whether or not the assumptions used in determination of public offering price have been realized, and if not, the causes thereof, within ten business days following the date of offering of its financial statements to public throughout two years following the starting date of trading of its shares in the exchange." This report is required to be published on the corporate website and in PDP. This obligation shall be performed by the audit committee of the corporation

3. Methods Used in Price Determination Report:

In the Price Determination Report prepared on 21.04.2021 by İş Yatırım Menkul Değerler A.Ş. ("İş Yatırım"), the intermediary for the public offering of the company's shares, and published on the Public Disclosure Platform on 30.04.2021, the company value and the public offering price have been determined as follows.

In determining the share price of Penta's shares to be offered to the public, 3 valuation approaches (Cost Approach, Income Approach, Market Approach) specified in the International Valuation Standards ("IVS") 105 Valuation Approaches and Methods are taken into account.

With this; as stated in IVS 200 Businesses and Business Interests Article 70.1, the Cost Approach is rarely applied to the valuation of businesses and business interests. Since Penta was not in the establishment period, was not an investment partnership or holding company where the collection method could be applied, and it was believed that its activities were continuous, the cost approach was taken into account within the scope of the valuation but was not used.

The following two main methods were used in calculating Penta's per share value in the report:

a) Within the scope of Income Approach - Discounted Cash Flow Analysis (DCFA) Method
b) Within the scope of Market Approach - Multiplier Analysis Method

These valuation methodologies have been selected in accordance with the specific characteristics of the industry and the Company. Both the multiplier-based valuation result and the cash flow-based valuation result are equally weighted by 50%.

a) <u>Discounted Cash Flow Analysis (DCFA):</u>

In this method, the present value of the asset is determined by making projections regarding the future activity and financial situation of the company and by reducing the estimated cash flows to the valuation date with a determined discount rate, and the equity value is determined by adding/subtracting net cash/debt to this value. The "Weighted Average Cost of Capital" (WACC) is used as the discount rate in calculating the present value of future cash flows. WACC is calculated by weighting the Company's calculated equity and debt costs with the relevant ratios.

The result obtained by the DCFA method is based on many hypothetical parameters such as the Company's forecasts, past performance, and macroeconomic forecasts.

Although the projections in question do not mean a forward-looking commitment, the values reached may vary significantly depending on the perspective of the valuation expert, as well as the multiplicity of the parameters affecting the valuation of the DCFA method.

Since the functional currency of the Company is US Dollars ("$" or "USD"), projections are also made in US Dollars. The projection period has been determined as 2021-2025.

b) Multiplier Analysis Method:

In this method, the company value is determined by multiplying the relevant multipliers of similar domestic and foreign public companies in the sector in which the company operates with the relevant data of the company subject to the valuation. The main valuation multipliers used in the Multiplier Analysis method are listed below.

• Market Value / Book Value (MV/BV): It is calculated by dividing the Market Value of a traded company on a certain date by its total equity in the most recent financial statements announced as of the same date.

• Price / Earnings (P/E): It is calculated by dividing the Market Value of a traded company on a certain date by the net profit of the parent company for the last 12 months included in the latest financial statements announced as of the same date.

• Enterprise Value / EBITDA (EV/EBITDA): It is calculated by dividing the Enterprise Value of a traded company, which is calculated by combining the Market Value on a certain date and its net debt (Net Debt = Short-Term Financial Liabilities + Long-Term Financial Liabilities – Liquid Assets [Cash and Cash Equivalents + Financial Investments]) included in the latest financial statements announced as of the same date, by the Profit Before Interest, Depreciation, Taxes (EBITDA) for the last 12 months as of the relevant date.

• Enterprise Value / Sales (EV/Sales): It is calculated by dividing the Enterprise Value, which is calculated by combining the Market Value of a traded company on a certain date and the net debt in the latest financial statements announced as of the same date, by the sales amount of the last 12 months as of the relevant date.

4. Valuation Result:

Equal weight was given to DCFA and Multiplier Analysis methods while calculating Penta's equity value before the IPO discount, and the pre-IPO equity value was calculated as 1.337 million TL. Consequently, the pre-IPO per share value was calculated as 42,1 TL, according to the Company's issued capital. After the 24,1% discount applied over the base price and 9,8% applied over the ceiling price, the per share value in the public offering was determined as 32,0 TL – 38,0 TL interval.

mn TL	Calculated Equity Value	Weight	Contribution to Equity
Discounted Cash Flow Method	1.350	50%	675
Market Value Method	1.323	50%	662
Weighted Equity Value	1.337		

TL		Result
Nominal Capital		31.724.000
Calculated Pre-IPO Equity Value		1.336.755.259
Share Value Before Public Offering Discount	42,1	
IPO Discount Rate	24,1%	9,8%
IPO Discounted Equity Value	1.015.168.000	1.205.512.000
Public Offering Price (TL/share) (Base-Ceiling)	32,0	38,0

5. Forecast and Realization

PENTA (million USD)	2022 (Forecast)	2022 (Actual)	Realization Rate (%)
Revenue	692,0	590,6	85,4%
Cost of Sales	641,0	544,7	85,0%
Gross Profit	51,0	45,9	90,1%
Operating Expenses (1)	17,0	13,0	76,7%
EBITDA (2)	35,0	33,6	95,9%

(1) Operating Expenses = General Administrative Expenses + Marketing, Sales and Distribution Expenses

(2) EBITDA = Gross Profit - Operating Expenses + Depreciation and Amortization

The forecasts and actual data of our company for 2022 are given in the table above. The information in the forecast and realization table is in USD, which is the functional currency of the Company. The forecast data consists of the data in the price determination report. According to this, actual results in 2022 were approximately 15% below the estimate for sales, approximately 10% below the estimate for gross profit and approximately 4% below the estimate for EBITDA. When the results are evaluated, the effect of the exchange rate fluctuations in the last months of 2021 affected the performance of the company in the first half of 2022; thus revenue, gross profit and EBITDA realized below the forecast at the end of the year.

Regards,

PENTA TEKNOLOJİ ÜRÜNLERİ DAĞITIM TİCARET A.Ş.

Audit Committee