

PENTA TEKNOLOJİ ÜRÜNLERİ  
DAĞITIM TİCARET A.Ş.

CONVENIENCE TRANSLATION INTO  
ENGLISH OF THE ANNUAL REPORT 2023

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**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR’S REPORT  
ON THE BOARD OF DIRECTORS’ ANNUAL REPORT  
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş.

**1. Opinion**

We have audited the annual report of Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the 1 January - 31 December 2023 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group’s position in the Board of Directors’ Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

**2. Basis for Opinion**

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the “TSA”) adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities in the Audit of the Board of Directors’ Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.



### **3. Our Audit Opinion on the Full Set Consolidated Financial Statements**

We expressed an unqualified opinion in the auditor's report dated 4 March 2024 on the full set consolidated financial statements for the 1 January - 31 December 2023 period.

### **4. Board of Director's Responsibility for the Annual Report**

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;
- b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.
- c) to include the matters below in the annual report:
  - events of particular importance that occurred in the Company after the operating year,
  - the Group's research and development activities,
  - financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.



## **5. Independent Auditor's Responsibility in the Audit of the Annual Report**

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited[consolidated] financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mert Tüten, SMMM  
Independent Auditor

Istanbul, 4 March 2024

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## 1. GENERAL INFORMATION, CAPITAL AND SHAREHOLDERS STRUCTURE

Reporting Period	: 01.01.2023 – 31.12.2023
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
E-mail Address	: <a href="mailto:info@penta.com.tr">info@penta.com.tr</a> , <a href="mailto:yatirimciiliskileri@penta.com.tr">yatirimciiliskileri@penta.com.tr</a>
Website	: <a href="http://www.penta.com.tr">www.penta.com.tr</a> , <a href="http://yatirimci.penta.com.tr">yatirimci.penta.com.tr</a>

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 358 as of 31 December 2023.

The capital and shareholder structure as of 31.12.2023 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	106.418.079,00	27,04
	B	20.335.752,00	5,17
Mustafa Ergün	B	38.823.906	9,87
Mürsel Özçelik	B	27.960.870	7,11
Bülent Koray Aksoy	B	27.617.870	7,02
Sinan Güçlü	B	27.529.492	7,00
Diğer	B	144.830.031	36,79
<b>Total Capital</b>		<b>393.516.000</b>	<b>100,00</b>

The details of subsidiaries as of 31.12.2023 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
Ertan KİREZ (*)	Chief Financial Officer
Yasemin BUDAK	Digital Transformation and Operations Director
Bülent KÖKEN	Sales Director
Arda SERİM	Business Development and Marketing Director

(\*) He resigned from his duty as of 29.02.2024.

## 3. SECTORAL DEVELOPMENTS AND ACTIVITIES IN THE REPORTING PERIOD

The momentum in the IT distribution sector, which started in the second half of 2022, continued throughout 2023; this has caused a growth in the Company's net sales level in 2023 compared to 2022. According to these results, net sales in USD terms were approximately 30% above the previous year (86% in TRY terms), and net profit for the period in USD terms was approximately 32% above the previous year (89% in TRY terms).

### 3. SECTORAL DEVELOPMENTS AND ACTIVITIES IN THE REPORTING PERIOD (CONT'D)

In 2023, The Company has become an authorised distributor of the Cricut brand, which offers solutions for designing, cutting, personalizing and labeling hundreds of materials at home in the field of do-it-yourself projects; the xFusion brand, which stands out with its energy-efficient computing network solutions and products that provide highly secure data storage; and Lexar brand, which provides solutions that provide the performance and reliability required to get the most out of computers and other digital devices with the drives and storages it produces. In addition, the Company has crowned its long-standing successful business partnership with Xerox, one of the largest companies in the digital printing industry, by becoming the sole authorised distributor of Xerox's channel business partners in Türkiye with a new agreement.

### 4. EVENTS AFTER THE REPORTING PERIOD

Mr. Ertan Kirez, who has been serving as the Financial Affairs Director (CFO) at Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş., has decided to leave his position at our company. Mr. Eren Mantaş has been appointed as the Financial Affairs Director (CFO) replacing Mr. Ertan Kirez.

### 5. SUMMARY OF FINANCIAL INDICATORS

#### Consolidated Balance Sheet as of 31 December 2023:

	(Turkish Lira) 31.12.2023	(Turkish Lira) 31.12.2022	(US Dollar) 31.12.2023	(US Dollar) 31.12.2022
Current Assets	7.815.174.941	4.221.046.442	265.477.337	225.744.931
Non-Current Assets	247.339.286	144.224.008	8.401.984	7.713.215
<b>TOTAL ASSETS</b>	<b>8.062.514.227</b>	<b>4.365.270.450</b>	<b>273.879.321</b>	<b>233.458.146</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
Current Liabilities	5.428.899.406	2.840.338.241	184.416.826	151.903.555
Non-Current Liabilities	89.486.888	58.293.296	3.039.826	3.117.573
Equity	2.544.127.933	1.466.638.913	86.422.669	78.437.018
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8.062.514.227</b>	<b>4.365.270.450</b>	<b>273.879.321</b>	<b>233.458.146</b>

#### Consolidated Income Statement as of 1 January – 31 December 2023:

	(Turkish Lira) 01.01.2023 - 31.12.2023	(Turkish Lira) 01.01.2022 - 31.12.2022	(US Dollar) 01.01.2023 - 31.12.2023	(US Dollar) 01.01.2022 - 31.12.2022
Revenue	18.198.902.432	9.783.134.720	766.469.665	590.633.473
Cost of Sales (-)	(16.828.792.880)	(9.022.162.227)	(708.765.778)	(544.691.570)
<b>GROSS PROFIT</b>	<b>1.370.109.552</b>	<b>760.972.493</b>	<b>57.703.887</b>	<b>45.941.903</b>
General Administrative Expenses (-)	(150.136.036)	(74.798.924)	(6.323.168)	(4.515.807)
Marketing, Sales and Distribution Expenses (-)	(261.040.144)	(141.131.046)	(10.994.034)	(8.520.451)
Other Income From Operating Activities	24.741.633	16.536.868	1.042.021	998.373
Other Expenses From Operating Activities (-)	(262.744.356)	(166.535.658)	(11.065.809)	(10.054.194)
<b>OPERATING PROFIT</b>	<b>720.930.649</b>	<b>395.043.733</b>	<b>30.362.897</b>	<b>23.849.824</b>
Income From Investing Activities	74.453.577	10.942.062	3.135.706	660.601
Finance Income	505.695	411.760	21.298	24.859
Finance Expenses (-)	(255.967.709)	(163.127.376)	(10.780.402)	(9.848.427)
<b>PROFIT BEFORE TAX</b>	<b>539.922.212</b>	<b>243.270.179</b>	<b>22.739.499</b>	<b>14.686.857</b>
Tax Expense From Continuing Operations (-)	(344.179.820)	(139.589.702)	(14.495.566)	(8.427.396)
Current Tax Expense (-)	(337.575.292)	(169.796.077)	(14.217.408)	(10.251.034)
Deferred Tax (Expense) / Income	(6.604.528)	30.206.375	(278.158)	1.823.638
<b>PROFIT FOR THE YEAR</b>	<b>195.742.392</b>	<b>103.680.477</b>	<b>8.243.933</b>	<b>6.259.461</b>



## 5. SUMMARY OF FINANCIAL INDICATORS (CONT'D)

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### Financial Ratios:

	31.12.2023	31.12.2022
Gross Profit Margin (%)	7,5%	7,8%
Operating Profit Margin (%) <sup>(*)</sup>	5,3%	5,6%
Net Profit Margin (%)	1,1%	1,1%
EBITDA Margin (%)	5,4%	5,7%

<sup>(\*)</sup> Before other income / expenses from operations.

## 6. ADMINISTRATIVE, LEGAL AND OTHER OPERATIONAL ISSUES

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### 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 December 2023.

### 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 in 2023 is 25.561.743 TL.

### Donations and Grants:

The amount of donations made in 2023 is 5.933 TL.

### Other Issues:

No material lawsuits were filed against the Company during the period. There are no administrative and/or judicial sanctions against the Company and the members of the management. There has been no transaction or competition situation that may cause a conflict of interest with the Company or its subsidiaries, of the shareholders holding the management dominance, the Members of the Board of Directors, senior managers and their spouses and close relatives including relatives-in-law up to the second degree.

## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

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### SECTION I – Statement of Compliance with Corporate Governance Principles

CMB's Corporate Governance Communiqué numbered II-17.1, which determines the principles and procedures regarding the corporate governance principles and related party transactions on which the partnerships whose shares are publicly offered or deemed to be offered to the public, came into effect after being published in the Official Gazette dated 03.01.2014 and numbered 28871. In this respect, compliance with the provisions stipulated by the CMB to be mandatory has been accepted and compliance with these provisions has been achieved. Furthermore, the majority of non-mandatory principles were also complied with and there is no conflict of interest for the non-applied principles.

## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

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### SECTION I – Statement of Compliance with Corporate Governance Principles (CONT'D)

The Corporate Governance Compliance Report as required by the Capital Markets Board Resolution no. 2/49 on 10.01.2019 and the Communiqué no. II-17.1 on Corporate Governance will be published on the Public Disclosure Platform by using the templates of Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF). Related documents can be reached at <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/3909-penta-teknoloji-urunleri-dagitim-ticaret-a-s>.

Our Corporate Governance Principles Compliance Report, the details of which are given below, is also available to the shareholders and the public on the Company's website. Necessary efforts will be carried out by taking the developments and practices in the legislation into account to comply with the principles in the upcoming period. Accordingly;

- “Investor Relations Department” was established; the Board of Directors was formed including the Independent Board Members in the number set forth in the Corporate Governance Principles Communiqué, and upon the dissemination of their résumés,
- Female members were elected to the Board,
- Corporate Governance Committee, Audit Committee, and Risk Assessment Committee were formed in a way to directly report to the Board of Directors,
- Working principles of the committees were published on the Public Disclosure Platform and corporate website,
- Committee chairs were elected among the Independent Members of the Board,
- Information documents, meeting agenda, annual report, résumés of the nominees for Board Membership, and other matters to be announced were submitted to investors and shareholders three weeks prior to the General Assembly,
- The Investor Relations Manager was included in the Corporate Governance Committee to ensure compliance of committee members with the Corporate Governance Communiqué,
- Necessary arrangements were made regarding insider trading,
- The corporate website was arranged as stipulated in the principles.

Although full compliance with non-mandatory Corporate Governance Principles is a target, it has not yet been achieved due to difficulties regarding implementation of some principles and some principles failing to align with the existing structure of the market and the Company.

The principles that have not been implemented yet have not resulted in a conflict of interest among stakeholders up today. However, they are being worked on and the plan is to adopt them upon the completion of the administrative, legal and technical infrastructure works that would contribute to the Company’s effective management.

## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

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### SECTION I – Statement of Compliance with Corporate Governance Principles (CONT'D)

#### Grounds for the Corporate Governance Principles Not Yet Implemented

- No model or mechanism was created for the Stakeholders to participate in the management. However, the independent members of the Board ensure that the Company and shareholders, as well as all stakeholders, are represented in the management. The Company takes the advice and opinions of the employees, suppliers, various non-governmental organizations, and all other stakeholders into consideration.
- There is no written compensation policy for the employees that must be established in accordance with Article 3.1.2 of the Corporate Governance Principles and related works are in progress.
- Due to the number of members in the Board of Directors, a member of the Board assumes duties in a number of committees.
- As per Article 4.6.5 of the “Corporate Governance Principles,” the remuneration of the members of the Board and executive senior managers as well as all other benefits granted are publicly announced via Annual Report. The wages paid and all other benefits provided are disclosed collectively, and no disclosure is made on an individual basis yet.
- There are no provisions in the Articles of Association, giving the shareholders any personal right to ask for a private audit from the general assembly. The relevant regulations of the Turkish Code of Commerce and the Capital Markets Board are deemed sufficient to appoint a private auditor. Every shareholder’s right to ask for a private audit is recognized within the framework of the regulations of the Turkish Code of Commerce no. 6102 that entered into force on 01.07.2012.

### SECTION II – Shareholders

#### 2.1. Investor Relations

The duties, stipulated in Article 11 of the Capital Markets Board’s Communiqué on Corporate Governance numbered II-17.1, are carried out under the Investor Relations Department, which reports directly to the Company's Chief Financial Officer

This unit responds to applications made by existing and potential stakeholders. It also participates in investor conferences and holds meetings with institutional investors. BIST, CMB and Central Securities Depository statements that provides information to shareholders and stakeholders and the communication with these institutions are carried out by this department.

Information regarding the executives responsible for the Investor Relations Department is presented below.

Osman AKBULUT

Investor Relations Manager

Phone: +90 (216) 528 0000

E- mail address: [yatirimciiliskileri@penta.com.tr](mailto:yatirimciiliskileri@penta.com.tr)

Eren MANTAŞ

Chief Financial Officer

Phone: +90 (216) 528 0000

E-mail address: [yatirimciiliskileri@penta.com.tr](mailto:yatirimciiliskileri@penta.com.tr)

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION II – Shareholders (CONT'D)**

#### **2.2. Use of Shareholders' Right to Request Information**

Except for information considered either commercial secret or insider information, all written or verbal requests from our shareholders for information within the period were responded to. Our shareholders are provided with all the information as required to exercise their rights as shareholders in a healthy manner via quarterly reports and annual reports, material event disclosures, and investor presentations. The information necessary for shareholders is also made available to shareholders in the Company's website.

The request of the shareholders to appoint a special auditor has not yet been regulated as an individual right in the articles of association of the Company and no request has been made to appoint a private auditor in the period.

#### **2.3. General Assembly Meetings**

General assemblies convene ordinarily or extraordinarily. The provisions of the Turkish Commercial Code and the Capital Markets Legislation are complied with at the general assembly meetings. The operation of the general assembly meetings is regulated by the Company's Internal Directive on the Working Principles and Procedures of the General Assembly.

The ordinary general assembly convenes at least once a year. At this meeting, negotiations are held and decisions are taken regarding the election of the organs, financial statements, the annual report of the Board of Directors, the way the profit is used, the determination of the proportions of the profit and earnings to be distributed, the release of the members of the board of directors, and other matters that are relevant to the period and deemed necessary.

Extraordinary general assembly convenes when required by the business of the Company, in accordance with the provisions written in the law and the articles of association, and takes the necessary decisions.

Pursuant to Article 1527 of the Turkish Commercial Code no. 6102 dated January 13, 2011, which stipulates that online participation in general assembly meetings, making proposals and statements online, and online voting shall have the same legal effects in all aspects as participating and voting in any general assembly meeting in person; and that all companies traded on the stock exchange are required to set up and maintain a system allowing online participation in general assembly meetings and voting; the online General Assembly convenes on the same date and with a parallel agenda as the physical general assembly.

The Company's shares are publicly traded on Borsa Istanbul as of 17 May 2021. The Company's Ordinary General Assembly Meeting for the year 2022 was held on July 11, 2023 at 14.00 at Kısıklı Mah. Ferah Cad. No:1 B.Çamlıca Üsküdar-Istanbul, under the supervision of Ministry Representative Nuran DEVRİM, who was assigned with the letter of Istanbul Provincial Trade Directorate dated 07.07.2023 and numbered 86964527. In accordance with Article 414 of the Turkish Commercial Code, the invitation to the meeting was made in due time as stipulated in the Law and the Articles of Association, by announcement in the Turkish Trade Registry Gazette dated 15.06.2023 and numbered 10872, on the Company's official website at [www.penta.com.tr](http://www.penta.com.tr) and on the Public Disclosure Platform, and also by announcing the date and agenda of the meeting. After the examination of the list of attendees, it was understood that the minimum meeting quorum stipulated in both the law and the articles of association was present, and the discussion of the agenda began. After the meeting, the minutes of the general assembly meeting, the list of attendees and additional documents regarding the decisions taken were published on the Company's corporate website and on the Public Disclosure Platform.

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION II – Shareholders (CONT'D)**

#### **2.4. Voting and Minority Rights**

According to the Articles of Association, each share carries the right to one vote.

However, provided that the capital represented by the group A shares continues to represent at least 20% of the Company's issued capital, half of the total members of the Board of Directors of the Company will be selected from among the candidates nominated by the A group shareholders.

The Company does not implement a cumulative voting method.

There are no provisions in the Articles of Association that prevent non-shareholders from voting by proxy as representatives.

There is no company in which the Company holds reciprocal shares.

The shareholders who have the right to attend the General Assembly meetings of the Company may also attend them by electronic means, pursuant to Article 1527 of the Turkish Commercial Code.

The Company may set-up an electronic general assembly system allowing the shareholders to participate in general assembly meetings, express opinions, share suggestions, and vote as per the terms of the “Regulation on the General Assembly Meetings to be held Electronically in Joint Stock Companies” or may purchase services from the systems designed for this purpose. In all General Assembly meetings, it shall be ensured that the beneficiaries and their representatives are able to exercise their rights specified in the provision of the aforementioned Regulation, through the system set-up as described under this provision of the Articles of Association.

#### **2.5. Dividend Rights**

Our company distributes profits in accordance with the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other relevant regulations and the provisions of our Articles of Association regarding profit distribution.

As long as the relevant regulations and financial possibilities allow, taking into account the market expectations, the long-term strategies of the Company, the capital requirements of the subsidiaries and affiliates, the investment and financing policies, profitability and cash situation; It is aimed to distribute at least 50% of the distributable net profit for the period calculated within the framework of the Articles of Association, TCC, CMB Communiqué on Dividends and tax regulations to the shareholders and other people participating in the profit. The dividend may be distributed in cash and/or in the form of bonus shares and/or by using these two methods together at certain rates.

The dividend is, as of the distribution date, distributed equally to all existing shares in proportion to their shares, regardless of their issuance and acquisition dates. There is no share that provides a profit share privilege among the shares of the Company.

Provided that it is decided at the General Assembly Meeting where dividend distribution is decided, dividend payments can be made in equal or different amount installments. The Company's Profit Distribution Policy was approved at the Extraordinary General Assembly meeting held on September 8, 2021 and disclosed to the public via the Public Disclosure Platform and the corporate website.

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION II – Shareholders (CONT'D)**

#### **2.6. Transfer of Shares**

The transfer of shares is included in the Article 7 of the Articles of Association.

The transfer of Company shares is carried out in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law and other relevant legislation.

When an application is made to the Central Securities Depository or the institution that will replace it, for any of the group A shares to be traded on the stock exchange for any reason, including the sale of the said shares on the stock exchange or being subject to collateral, the shares subject to the application automatically turn into group B shares.

### **SECTION III – Public Disclosure and Transparency**

#### **3.1. Corporate Website and Its Content**

The Company's websites [www.penta.com.tr](http://www.penta.com.tr) and [yatirimci.penta.com.tr](http://yatirimci.penta.com.tr) which are published in Turkish and English, are used for public disclosure, and the information contained there is updated when necessary. The information on the Company's website is the same and consistent with the explanations made in accordance with the provisions of the relevant legislation, and does not contain contradictory or incomplete information.

In addition to the information that is required to be disclosed in accordance with the legislation; the Company's website also contains trade registry information, current partnership and management structure, the final version of the company's articles of association, material disclosures, financial reports, annual reports, investor presentations, prospectuses and public offering circulars, information on general assembly meetings, company policies and frequently asked questions.

#### **3.2. Annual Report**

The Company's annual report is prepared in detail to enable shareholders and the public to access complete and accurate information about the Company's operations, in accordance with the Corporate Governance Principles and the issues specified in the legislation.

### **SECTION IV – Stakeholders**

#### **4.1. Information to Stakeholders**

In cases where the rights of the stakeholders are not regulated by legislation or contract, the interests of the stakeholders are protected within the framework of goodwill rules and within the scope of the Company's abilities, by also considering the reputation of the Company.

Stakeholders such as company employees, customers, suppliers and investors are provided with information on matters that concern them, in addition to the information included in the financial statements and reports disclosed to the public pursuant to the CMB legislation. Company employees are informed through periodic e-mail announcements and announcements made on the Company's internal internet portal.

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION IV – Stakeholders (CONT'D)**

#### **4.2. Participation of Stakeholders in Management**

The Board of Directors consists of 6 members, 2 of which are independent members. These members are elected by the General Assembly upon the proposal of the shareholders in line with the provisions of the Articles of Association. There are no efforts made for the participation of stakeholders in the management. Stakeholders are informed through regular meetings.

#### **4.3. Human Resources Policy**

The adopted human resources policy aims to position the qualified workforce for the right job in the light of the vision and strategies of the Company, to give importance to the development, career plans and happiness of its employees, as well as to carry out studies for improvement, to design systems to support sustainable high performance and productivity. Penta Teknoloji Human Resources adopts a working system that puts people in its priority and focus and adopts the principle of applying its processes with this perspective.

The core of the company's human resources policy is to be against discrimination, to provide equal opportunities to all employees and to display a fair management approach. The Company's Human Resources Policy is submitted to the shareholders via the Company's corporate website and annual report.

#### **4.4. Ethical Rules and Social Responsibility**

For our Company and its subsidiaries, the Ethical Principles represent the behaviors that must be followed or avoided and is based on honesty. The purpose of the Ethical Principles is to create a common corporate culture on business ethics and to raise awareness on this issue. Ethical Principles aim to be a guide for all parties in business processes to act not only with legal and commercial but also with ethical responsibility.

The Ethical Principles cover relationships with customers, employees, shareholders, business partners, suppliers, competitors, government agencies, society and the environment. Environmental Policy, Customer Satisfaction Policy, Information Security Policy, Anti-Bribery and Anti-Corruption Policy, Occupational Health and Safety Policy, which constitute our ethical and working principles, are presented to the public on the Company's website.

We as Penta Teknoloji, act with the understanding of creating shared value in our social investments. In line with its social responsibility approach, with the understanding of contributing to the development of society and creating value, our employees are supported to participate in volunteer projects. To act with business ethics and social responsibility awareness; we act sensitively to the problems of the society, take part in projects that will contribute to the life and development of the society, provide donation support, contribute to social life by supporting education, culture, art, science and sports activities. Care is taken not to make corporate donations and social supports to projects, institutions and organizations that will damage the Company's reputation, to political activities and to persons and organizations associated with these activities, to private accounts and profit-oriented organizations. In all activities, we act in line with social benefit and respect for the environment.



## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

### SECTION V – Board of Directors

#### 5.1. Structure and Organization of the Board of Directors

Members of the Board of Directors are elected by the General Assembly. Declaration of independence is taken from independent members. There are 2 female members in the board of directors. Information on the Members of the Board of Directors is presented below:

Name	Title	Tenure
Mehmet Tütüncü	Chairman of the Board of Directors	08.09.2021 – 08.09.2024
Ali Ülker	Vice President of the Board of Directors	08.09.2021 – 08.09.2024
Erman Kalkandelen	Member of the Board of Directors	08.09.2021 – 08.09.2024
Mürsel Özçelik	Executive Member of the Board of Directors	08.09.2021 – 08.09.2024
Aytaç Saniye Mutlugüller	Independent Member of the Board of Directors	08.09.2021 – 08.09.2024
Fatma Pınar Ilgaz	Independent Member of the Board of Directors	08.09.2021 – 08.09.2024

#### ***Mehmet Tütüncü - Chairman of the Board of Directors***

He completed his undergraduate education in Gazi University Mechanical Engineering Department and his graduate education in Maltepe University Industrial and Organizational Psychology. Starting his career as a Domestic Industry Specialist at the Ministry of Industry and Trade, Tütüncü took on the duties of Production Manager, Operations Manager and General Manager, respectively, during his 10 years of experience at Best Rothmans Entegre Sigara ve Tütün Sanayi A.Ş. He started to work at Ülker Gıda A.Ş. in 1996 as the Operations Coordinator. He served as the General Manager of Ülker Biscuits and Chocolate factories, Vice President of Ülker Group, Head of Food and Beverage Group, President of Food Group and Ülker International Group. In 2016, he was appointed as the Regional CEO responsible for Turkey, Middle East, North Africa and Central Asia to the pladis organization established within Yıldız Holding. In 2017, he continued his duty as pladis Deputy CEO, taking the responsibility of South Asia and Latin America regions and pladis Global Information Systems and Business Models Transformation. In October 2018, he was elected to the position of Deputy Chairman of Yıldız Holding Board of Directors and also appointed as Yıldız Holding CEO. In addition to his duties at Yıldız Holding, he is the Chairman of the Board of Directors and a member of various companies. Being a member of Turkish Food&Beverage Industry Employers Association Board of Directors, Tütüncü is a member of many Turkish and foreign sectoral organizations.

#### ***Ali Ülker - Vice President of the Board of Directors***

Ali Ülker was born in 1969, following his education at Istanbul Erkek Lisesi he graduated from the Business Administration Department of the Faculty of Economics and Administrative Sciences at Boğaziçi University, Istanbul. Having participated at different education programs at IMD, INSEAD, Wharton, and Harvard, Ali Ülker worked in the Internal Kaizen Projects at De Boccard & Yorke Consultancy (1992) and on IESC Sales System Development and Internal Organization Projects (1997). Mr. Ülker joined the group in 1985 as an intern in the quality control department of Ülker Gıda. From 1986 to 1998 he worked at chocolate production facilities and at Atlas Gıda Pazarlama in positions including sales manager, sales coordinator, product group coordinator, and product group director. In 1998 Mr. Ülker became General Director of Atlas Gıda Pazarlama, in 2000 Vice Chief of Retail Group, and in 2001 General Director of Merkez Gıda Pazarlama A.Ş. In 2002, he rose to Vice Chairman of the Food Group and in 2005 Chairman of the Group. After working as Vice Chairman of the Yıldız Holding Board of Directors for nine years, as of January 29, 2020, Ali Ülker became the Chairman of Yıldız Holding. Having a deep expertise and experience in marketing and sales, Ali Ülker is especially interested in innovation and supports teams working on this subject in the Group. He is Fluent in English and German and he is married with three children.



## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

### SECTION V – Board of Directors (CONT'D)

#### 5.1 Structure and Organization of the Board of Directors (CONT'D)

##### ***Erman Kalkandelen - Member of the Board of Directors***

Currently serving as the CEO and Chairman of Franklin Templeton Danışmanlık A.Ş. Since joining Franklin Templeton in 2006, Mr. Kalkandelen has focused on Emerging Markets, Small-cap Companies and Turkish Stocks. He is a member of the Board of Directors of Defacto Perakende Ticaret A.Ş., ŞOK Marketler Ticaret A.Ş. and Gözde Girişim Sermayesi Yatırım Ortaklığı A.Ş. Kalkandelen holds an MBA degree, with honors, from Sabancı University. During his MBA, he also studied strategic management at Florida University, Warrington School of Business Management, and he completed the Labor Economics Department of the Political Sciences Faculty, Ankara University, as a high honor student.

##### ***Mürsel Özçelik - Executive Member of the Board of Directors***

Born in Malatya in 1968, Mürsel Özçelik graduated from Kabataş High School for Boys in 1986 and completed his university education at Istanbul Technical University, Department of Control and Computer Engineering. Özçelik, who founded Penta Bilgisayar with his university friends in 1990, also served as the General Manager of the Company for many years. He has been appointed as the Executive Director by the Board of Directors on 30 November 2021.

##### ***Aytaç Saniye Mutlugüller - Independent Member of the Board of Directors***

Aytaç Saniye Mutlugüller obtained her undergraduate degree in Business Administration from Boğaziçi University and spent most of her professional life at the Şişecam Group, which operates in all fields of glass with production plants in many countries. She began her professional life as an assistant specialist for finance and then was directly involved in the domestic and overseas growth of the Group that adopted a centralized financial management style. Ms. Mutlugüller supported the development of a robust financial structure and played an active role as manager in the first-time implementation of various financial products. She represented the Group in several conferences as a speaker, in addition to her representative duties for foreign and domestic shareholders. After she retired as the Vice President for Finance, she served the Boards of four companies under the Group, provided advisory, and supported the implementation of different projects.

##### ***Fatma Pinar Ilgaz - Independent Member of the Board of Directors***

Pinar Ilgaz graduated from Izmir Bornova Anatolian High School in 1983 and from the Faculty of Administrative Sciences, Department of Public Administration of Boğaziçi University in 1988. In 1989, she started her career in banking and continued as assistant finance manager in the financial leasing sector. Since 1995, she works at the ARGE Consultancy department. She continues to provide management consultancy in various projects as a Managing Partner at ARGE Consultancy. Within the scope of her expertise areas such as Strategic Assessment and Performance Improvement Projects, Institutionalization, Corporate Governance Structures and Sustainability Strategies, Integrated Thinking and Reporting, and Human Resources areas under ARGE Consultancy, Ms. Ilgaz has conducted management consultancy projects for more than 100 institutions and companies of different magnitudes and in different sectors. She serves at the Advisory Board of a food industry company with production and global sales activities. She is Managing Partner at ARGE Consultancy ([www.arge.com](http://www.arge.com)), Vice Chairman of the Board of Directors of the Argüden Governance Academy Foundation ([www.argudenacademy.org](http://www.argudenacademy.org)), Chairman of the Board of Directors of the Association of Private Sector Volunteers (OSGD- [www.osgd.org](http://www.osgd.org)), Member of the Placement Committee of the Association of Women at the Board of Directors. She has been selected for the 'More Women in the Boards of Directors' Program, together with 40 Women Executive in the first group to be selected in Turkey, she has completed the trainings within the program, including Preparations for Being an Independent Member in the Boards of Directors, Information and Mentor Guidance.

## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

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### SECTION V – Board of Directors (CONT'D)

#### 5.1 Structure and Organization of the Board of Directors (CONT'D)

##### **Statement of Independence:**

The joint statement of independence of the Independent Members of the Board of Directors is presented below.

##### **STATEMENT OF INDEPENDENCE**

***To the Board of Directors of Penta Teknoloji Ürünleri Dağıtım Ticaret A.Ş.;***

*In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.*

*In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided.*

*I have the professional education, knowledge and experience to fulfill the duties I will undertake as an independent board member.*

*I do not work full time in a Turkish governmental or public institution and I will keep this trait if I am elected.*

*I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960.*

*I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders.*

*I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities.*

*I have not been on the Board of Directors of the Company for more than six years within last ten years.*

*I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.*

*I declare that I am not registered in the name of any legal entity elected as a member of the Board of Directors.*

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION V – Board of Directors (CONT'D)**

#### **5.2. Rules of Conduct of the Board of Directors**

The business and administration of the Company is carried out by a board of directors consisting of six or eight members to be elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code and the Capital Markets legislation, meeting the conditions specified in the Turkish Commercial Code and the Capital Markets legislation.

Members of the Board of Directors can be elected for a maximum of three years. Members of the Board of Directors whose term of office has expired can be re-elected. If the general assembly deems necessary, it can always change the members of the board of directors. The Board of Directors may conclude contracts and other transactions exceeding the term of office. The Board of Directors holds meetings as often as necessary according to the Company's business and transactions. However, it is mandatory for the board of directors to meet at least four times a year.

Those who have the right to attend the Board of Directors' meetings may also attend them via electronic means, pursuant to Article 1527 of the Turkish Commercial Code.

The Company may establish an Electronic Meeting System allowing beneficiaries to participate in Board of Directors' meetings and vote via electronic means, as per the terms of the "Communiqué regarding the Meetings other than General Assembly Meetings to be held in Electronic Environment in Joint Stock Companies" or may purchase systems designed for this purpose. It shall be ensured in those meetings that the beneficiaries exercise their rights set forth in the provisions of the relevant legislation within the framework of relevant Communiqué of the Ministry through the system set-up or through the system from which support will be received under this provision of the Articles of Association.

In accordance with the provisions of the Turkish Commercial Code, if none of the members of the board of directors requests a meeting, provided that the written approval of a sufficient number of board members stipulated in the Turkish Commercial Code, the Capital Markets legislation and Articles of Association, the board of directors can make a decision, provided that written approval is obtained for a proposal written in the form of a decision made by one of the members of the board.

The management of the Company and its representation against third parties belong to the Board of Directors. The Board of Directors performs the duties envisaged in the Turkish Commercial Code, the Capital Markets Law and other relevant legislation and assigned to it by the General Assembly.

The Board of Directors took 20 decisions in the period between 01.01.2023– 31.12.2023.

No different opinions were expressed against the decisions taken by the members of the Board of Directors at the meetings held in the year 2023. Important decisions regarding the issues that should be shared with the public were announced to the public right after the meeting.

## 7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)

### SECTION V – Board of Directors (CONT'D)

#### 5.3. Number, Structure, and Independence of the Committees formed by the Board of Directors

Audit Committee, Corporate Governance Committee and Risk Assessment Committees serve within the Company. The Company's Board of Directors has left the task of fulfilling the duties envisaged for the Nomination Committee and Remuneration Committee to the Corporate Governance Committee.

The frequency of meetings of the committees, their activities and the procedures they follow while carrying out these activities are specified in the regulations on our corporate website.

Decisions taken as a result of the work carried out independently by the committees are presented to the Board of Directors as suggestions, and the final decision is taken by the Board of Directors.

##### **Audit Committee:**

Name	Duty	Title
Aytaç Saniye Mutlugüller	Chairman	Independent Member of the Board of Directors
Fatma Pınar Ilgaz	Member	Independent Member of the Board of Directors

The Audit Committee convened 5 times in 2023 and presented the meeting results to the Board of Directors.

##### **Corporate Governance Committee:**

Name	Duty	Title
Fatma Pınar Ilgaz	Chairman	Independent Member of the Board of Directors
Aytaç Saniye Mutlugüller	Member	Independent Member of the Board of Directors
Osman Akbulut	Member	Investor Relations Manager

The Corporate Governance Committee convened 5 times in 2023 and presented the meeting results to the Board of Directors.

##### **Risk Assessment Committee:**

Name	Duty	Title
Aytaç Saniye Mutlugüller	Chairman	Independent Member of the Board of Directors
Fatma Pınar Ilgaz	Member	Independent Member of the Board of Directors
Erman Kalkandelen	Member	Member of the Board of Directors

The Risk Assessment Committee convened 6 times in 2023 and presented the meeting results to the Board of Directors.

## **7. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT (CONT'D)**

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### **SECTION V – Board of Directors (CONT'D)**

#### **5.4. Risk Management and Internal Control Mechanism**

The Company's risk management activities are carried out by the Risk Assessment Committee. In addition, the Company is regularly audited by the audit units of Yıldız Holding A.Ş. and independent audit firms. Findings obtained from audits are reported to the members of the Audit Committee together with other Board members. The Company's work flows, procedures, authorities and responsibilities of the employees have been brought under control within the framework of risk management and have been subjected to a continuous audit.

#### **5.5. Strategic Objectives of the Company**

The increase in digitalization all over the world and the increase in the need for technology have also spread to our country. In addition, the importance of digital infrastructure in all sectors and the fact that individuals have a large share of awareness have supported the growth of our sector. Many world-renowned global manufacturers operate in Turkey and invest in our country. Being one of the companies that distribute for these manufacturers in Turkey and support their operational processes, the Company works to spread the technology to our country and reach all users.

Due to the nature of its sector, the Company bases its strategies on working capital management and providing value-added services to producers and customers. In this context, the policies developed to date continue to be implemented with the principle of continuous improvement.

#### **5.6. Remuneration**

The principles of remuneration of the members of the Board of Directors and executives with administrative responsibility were put in writing and presented to the shareholders for the first time at the Extraordinary General Assembly meeting for 2021 held on 08.09.2021. The remuneration policy is available on the Company's website. The amount paid to the independent members of the Board of Directors is determined by the General Assembly and it is disclosed to the public through the General Assembly minutes published on the Public Disclosure Platform and on the Company website.

No loans were given to any member of the Board of Directors or senior executives, no loans were made available under a personal loan directly or through a third party and no guarantees were given in their favor during the period.

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