(CONVENIENCE TRANSLATION OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

SMART GÜNEŞ ENERJİSİ TEKNOLOJİLERİ AR-GE ÜRETİM SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM AUDITOR'S REVIEW REPORT FOR THE PERIOD ENDED 30 JUNE 2026

Grant Thornton

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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To the General Assembly of
Smart Güneş Enerjisi Teknolojileri AR-GE Üretim Sanayi ve Ticaret A.Ş.

1) Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Smart Güneş Enerjisi Teknolojileri AR-GE Üretim Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2026 and the condensed consolidated statement of profit or loss, the condensed consolidated statement of other comprehensive income, the condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and other explanatory notes for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

2) Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

3) Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information of the Group is not prepared, in all material respects, in accordance with TAS 34.

4) Additional explanation for convenience translation into English

Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 June 2026. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position and results of operations of the Group in accordance with IFRS.

Eren Bağımsız Denetim A.Ş.
Member Firm of Grant Thornton International

Nazım HİKMET
Partner

Istanbul, 13.08.2026

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		Reviewed	Audited
		Current Period	**Prior Period**
ASSETS	***Notes***	**30 June 2026**	**31 December 2025**
Current Assets			
Cash and cash equivalents	3	525.273.506	1.851.128.201
Trade receivables		5.795.883.560	4.330.719.757
- *Trade receivables from related parties*	*5*	*9.219.656*	*10.318.360*
- *Trade receivables from third parties*	*4*	*5.786.663.904*	*4.320.401.397*
Other receivables		1.195.887.008	1.043.308.845
- *Other receivables from related parties*	*5*	*792.877.635*	*891.491.987*
- *Other receivables from third parties*		*403.009.373*	*151.816.858*
Inventories		2.983.390.106	2.716.328.210
Prepaid expenses		6.989.101.112	4.861.341.444
- *Prepaid expenses from related parties*	*5*	*2.211.926.237*	*1.779.724.354*
- *Prepaid expenses from third parties*	*6*	*4.777.174.875*	*3.081.617.090*
Current income tax assets		3.580.504	244.297.482
Other current assets		447.654.415	688.061.899
TOTAL CURRENT ASSETS		**17.940.770.211**	**15.735.185.838**
Non-current Assets			
Other receivables		4.152.972	4.890.476
- *Other receivables from third parties*		*4.152.972*	*4.890.476*
Right of use assets	8	354.549.275	342.020.373
Property plant and equipment	7	12.302.439.530	12.477.372.979
Intangible assets		27.402.886	31.394.405
Prepaid expenses		118.757.968	352.435.952
- *Prepaid expenses, third parties*	*6*	*118.757.968*	*352.435.952*
Deferred tax assets	11	466.935.183	905.819.133
TOTAL NON-CURRENT ASSETS		**13.274.237.814**	**14.113.933.318**
TOTAL ASSETS		**31.215.008.025**	**29.849.119.156**

The accompanying notes form an integral part of these condensed consolidated financial statements.

LIABILITIES	***Notes***	**Reviewed** **Current Period** **30 June 2026**	**Audited** **Prior Period** **31 December 2025**
Current Liabilities			
Short-term borrowings	9	5.807.322.781	6.890.494.527
Short-term portion of long-term borrowings	9	1.508.963.512	1.567.512.860
Lease liabilities	9	101.159.811	106.471.212
- *Lease transactions to related parties*		*39.278.357*	*42.715.379*
- *Lease transactions to third parties*		*61.881.454*	*63.755.833*
Trade payables		5.969.503.792	4.706.049.524
- *Trade payables to related parties*	*5*	*215.249.908*	*514.804.450*
- *Trade payables to third parties*	*4*	*5.754.253.884*	*4.191.245.074*
Obligations for employee benefits		360.558.332	177.154.757
Other payables		-	50.674.677
- *Other payables to third parties*		-	*50.674.677*
Deferred income		6.063.131.718	6.410.084.552
- *Deferred income to related parties*	*5*	*3.236.098.857*	*3.044.966.542*
- *Deferred income to third parties*	*6*	*2.827.032.861*	*3.365.118.010*
Provisions		47.695.740	45.796.492
- *Provisions for employee benefits*		*35.064.129*	*29.972.667*
- *Other short-term provisions*		*12.631.611*	*15.823.825*
Other current liabilities		326.423.876	227.190.127
TOTAL CURRENT LIABILITIES		**20.184.759.562**	**20.181.428.728**
Non-current liabilities			
Long-term borrowings	9	5.460.196.651	3.921.082.811
Long-term lease liabilities	9	239.981.530	267.851.390
- *Lease transactions from related parties*		*104.717.813*	*145.724.283*
- *Lease transactions from third parties*		*135.263.717*	*122.127.107*
Long-term provisions		51.233.206	33.929.009
- *Long-Term Provisions for Employee Benefits*		*51.233.206*	*33.929.009*
TOTAL NON-CURRENT LIABILITIES		**5.751.411.387**	**4.222.863.210**
Shareholders' Equity		**5.305.084.595**	**5.456.724.095**
Share capital	12	1.817.640.000	605.880.000
Adjustment to share capital		1.072.891.925	1.890.012.932
Treasury shares (-)		(62.900.216)	(62.900.216)
Share premiums		534.096.660	928.735.653
Accumulated other comprehensive income not to be reclassified in profit or loss		557.754.186	554.420.914
- *Gain/(Loss) on remeasurements of the defined benefit plans*		*(36.319.890)*	*(39.653.162)*
- *Revaluation Increases of Tangible Fixed Assets*		*594.074.076*	*594.074.076*
Accumulated other comprehensive income that will be reclassified in profit or loss		(1.087.003.605)	(823.082.478)
- *Foreign currency translation differences*		*28.491.711*	*31.247.124*
- *Gain / (loss) of hedging reserve*		*(1.115.495.316)*	*(854.329.602)*
Restricted reserves on retained earnings		302.586.620	302.586.620
Retained earnings		2.061.070.670	2.572.988.339
Net income for the period		108.948.355	(511.917.669)
Non-controlling interest		**(26.247.519)**	**(11.896.877)**
TOTAL SHAREHOLDER'S EQUITY		**5.278.837.076**	**5.444.827.218**
TOTAL LIABILITIES		**31.215.008.025**	**29.849.119.156**

The accompanying notes form an integral part of these condensed consolidated financial statements.

PROFIT OR LOSS	Notes	Reviewed 1 January – 30 June 2026	Reviewed 1 January – 30 June 2025	Reviewed 1 April- 30 June 2026	Reviewed 1 April – 30 June 2025
Revenue	13	6.828.492.885	5.599.935.077	4.144.776.044	1.997.005.460
Cost of sales (-)	13	(5.427.584.359)	(4.454.465.891)	(3.194.422.981)	(1.472.881.983)
GROSS PROFIT		**1.400.908.526**	**1.145.469.186**	**950.353.063**	**524.123.477**
General administrative expense (-)	16	(414.949.732)	(449.317.134)	(204.567.597)	(228.528.922)
Selling, marketing and distribution expense (-)	15	(102.574.925)	(119.686.785)	(49.588.352)	(68.273.066)
Research and Development Expenses (-)	14	(66.427.089)	(10.308.316)	(32.592.240)	(10.308.316)
Other operating income	18	351.898.411	682.340.171	184.792.910	550.468.201
Other operating expense (-)	18	(519.945.139)	(545.457.652)	(336.239.847)	(229.165.115)
OPERATING PROFIT / (LOSS)		**648.910.052**	**703.039.470**	**512.157.937**	**538.316.259**
Expected credit loss according to TFRS 9		(14.629.271)	(16.960.677)	(11.188.383)	(10.722.800)
Share of profit/loss of investments accounted for using the equity method		-	(38.942)	-	(38.942)
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES		**634.280.781**	**686.039.851**	**500.969.554**	**527.554.517**
Financial income	19	294.500.886	144.101.773	141.159.324	91.269.407
Financial expenses (-)	19	(1.728.479.883)	(2.335.962.000)	(1.066.975.002)	(1.448.405.039)
Net monetary position gains (losses)	20	1.412.353.373	799.703.642	532.175.415	316.429.059
PROFIT / (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		**612.655.157**	**(706.116.734)**	**107.329.291**	**(513.152.056)**
Tax Income / (Expense) from Continuing Operations					
Current period tax expense		-	-	-	-
Deferred tax income (expense)	11	(518.057.444)	75.419.490	(71.334.359)	271.809.537
PROFIT FROM CONTINUING OPERATIONS		**94.597.713**	**(630.697.244)**	**35.994.932**	**(241.342.519)**
NET PROFIT/LOSS FOR THE PERIOD		**94.597.713**	**(630.697.244)**	**35.994.932**	**(241.342.519)**
Attributable to:					
Non-controlling interest		(14.350.642)	(3.014.835)	(6.563.054)	(3.844.761)
Equity holder of the parent		108.948.355	(627.682.409)	42.557.986	(237.497.758)
Earnings/(Loss) Per Share	*21*	*0,06*	*(0,35)*	*0,02*	*(0,13)*
Net Profit		**94.597.713**	**(630.697.244)**	**35.994.932**	**(241.342.519)**
Items that will not to be reclassified to profit or loss					
- *Income / (loss) arising from defined benefit plans*		3.823.834	1.992.395	1.651.297	(5.727.947)
- **Taxes on items that will not to be reclassified to profit or loss**	11	(490.562)	(498.099)	52.573	1.431.987
Items that will be reclassified to profit or loss					
- *Currency translation differences*		(2.755.413)	18.731.073	(5.350.581)	11.107.507
- *Cash flow hedging*		(340.829.770)	(14.801.030)	(198.411.728)	41.389.690
Taxes on items that will be reclassified to profit or loss					
- *Deferred tax income / (expense)*	11	79.664.056	14.527.336	46.728.140	(11.778.821)
TOTAL OTHER COMPREHENSIVE LOSS		**(260.587.855)**	**19.951.675**	**(155.330.299)**	**36.422.416**
TOTAL COMPREHENSIVE LOSS		**(165.990.142)**	**(610.745.569)**	**(119.335.367)**	**(204.920.103)**
Attributable to:					
Equity holder of the parent		(151.639.500)	(607.730.734)	(112.772.313)	(201.075.342)
Non-controlling interest		(14.350.642)	(3.014.835)	(6.563.054)	(3.844.761)

The accompanying notes form an integral part of these condensed consolidated financial statements.

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						Accumulated other comprehensive income and expenses not to be reclassified in profit or loss		Accumulated other comprehensive income that will be reclassified in profit or loss		Retained earnings					
	Notes	Share capital	Adjustment to share capital	Treasury shares (-)	Share premium	Gain/(loss) on remeasurements of defined benefit plans	Revaluation Increases of Tangible Fixed Assets	Gain/(loss) of hedging reserve	Foreign currency translation differences	Restricted reserves appropriated from profit	Prior years' profit	Net profit/loss for the period	Attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as of 1 January 2025		**605.880.000**	**1.890.012.932**	**(62.900.216)**	**928.735.653**	**(37.325.345)**	**-**	**(791.856.322)**	**7.275.027**	**251.319.430**	**1.944.314.126**	**679.941.401**	**5.415.396.686**	**897.774**	**5.416.294.460**
Transfers		-	-	-	-	-	-	-	-	51.267.190	628.674.211	(679.941.401)	-	-	-
Total income/expense		-	-	-	-	1.494.296	-	(273.694)	18.731.073	-	-	(627.682.409)	(607.730.734)	(3.014.835)	**(610.745.569)**
Balance as of 30 June 2025	*12*	**605.880.000**	**1.890.012.932**	**(62.900.216)**	**928.735.653**	**(35.831.049)**	**-**	**(792.130.016)**	**26.006.100**	**302.586.620**	**2.572.988.337**	**(627.682.409)**	**4.807.665.952**	**(2.117.061)**	**4.805.548.891**
Balance as of 1 January 2026		**605.880.000**	**1.890.012.932**	**(62.900.216)**	**928.735.653**	**(39.653.162)**	**594.074.076**	**(854.329.602)**	**31.247.124**	**302.586.620**	**2.572.988.339**	**(511.917.669)**	**5.456.724.095**	**(11.896.877)**	**5.444.827.218**
Transfers		-	-	-	-	-	-	-	-	-	(511.917.669)	511.917.669	-	-	-
Total income/expense		-	-	-	-	3.333.272	-	(261.165.714)	(2.755.413)	-	-	108.948.355	(151.639.500)	(14.350.642)	(165.990.142)
Capital Increase		1.211.760.000	(817.121.007)	-	(394.638.993)	-	-	-	-	-	-	-	-	-	-
Balance as of 30 June 2026	*12*	**1.817.640.000**	**1.072.891.925**	**(62.900.216)**	**534.096.660**	**(36.319.890)**	**594.074.076**	**(1.115.495.316)**	**28.491.711**	**302.586.620**	**2.061.070.670**	**108.948.355**	**5.305.084.595**	**(26.247.519)**	**5.278.837.076**

The accompanying notes form an integral part of these condensed consolidated financial statements.

	Notes	Reviewed 30 June 2026	Reviewed 30 June 2025
A. Cash flows from operating activities		**(1.487.548.835)**	**1.064.284.815**
Profit for the period		94.597.713	(630.697.244)
Adjustments to reconcile net profit/loss to net cash:		**846.477.066**	**869.359.695**
Adjustments related to depreciation and amortization expenses	7	466.197.677	353.346.551
Adjustments related to provision for employee benefits		30.005.160	36.992.127
Adjustments related to interest expenses		1.493.677.216	1.831.064.539
Adjustments related to interest incomes		(294.500.886)	(144.101.773)
Adjustments related to expected provisions for trade receivables expenses.		26.121.730	16.960.677
Adjustments related to tax income/(expense)	11	518.057.444	(75.419.490)
Adjustments related to unrealized currency translation differences		356.842.307	220.456.613
Monetary gain/(loss)		(1.749.923.582)	(1.369.939.549)
Adjustments related to other increase / (decrease) in working capital		**(2.418.590.421)**	**892.199.445**
Decrease/(increase) in financial investments		-	31.610.767
Decrease/(increase) in inventories		(267.061.896)	1.178.223.820
Decrease/(increase) in trade receivables from third parties		(1.492.384.237)	606.105.549
Decrease/(increase) in trade receivables from related parties		1.098.704	9.872.113
Decrease/(increase) in other operating receivables from related parties		98.614.352	(1.559.479.136)
Decrease / (increase) in other operating receivables from third parties		(250.455.011)	578.263.413
(Decrease) / Increase in trade payables to third parties		1.563.008.810	(1.647.143.524)
(Decrease) / increase in other operating payables to third parties		(50.674.677)	298.970.674
(Decrease) / increase in trade payables to related parties		(299.554.542)	(75.315.376)
(Decrease) / increase in deferred incomes		(346.952.834)	1.737.595.540
Decrease / (increase) in other assets related to operations		240.407.484	39.803.523
(Decrease) increase in other liabilities related to operations		279.445.110	(670.549.138)
Decreases / (increase) in prepaid expenses		(1.894.081.684)	364.241.220
Cash inflow (outflow) from other operations		**(1.477.515.642)**	**1.130.861.896**
Taxes paid		(6.247.526)	(61.517.666)
Payments under provisions for employee benefits		(3.785.667)	(5.059.415)
B. Cash flows from investing activities		**(248.838.086)**	**(2.737.286.328)**
Cash inflows from the sale of tangible and intangible fixed assets.	7	201.228.404	-
Purchases of property, plant and equipment	7	(450.066.490)	(2.735.174.615)
Purchases of intangible assets		-	(2.111.713)
C. Cash flows from financing activities		**689.690.121**	**1.368.669.481**
Cash inflows from borrowings		7.289.485.662	5.176.271.182
Cash outflows from borrowings		(4.860.233.129)	(3.303.021.286)
Cash inflows from issued debt instruments		759.262.327	725.602.681
Cash outflows from repayments of issued debt instruments		(1.025.540.087)	-
Cash inflows resulting from leasing transactions		-	343.285.218
Cash outflows from leasing transactions		(89.266.753)	(122.748.186)
Cash outflows related to debt payments arising from lease agreements		(67.401.450)	(67.751.744)
Interest paid		(1.611.117.335)	(1.527.070.157)
Interest received		294.500.886	144.101.773
Net increase/(decrease) in cash and cash equivalents before foreign currency translation differences (A+B+C)		**(1.046.696.800)**	**(304.332.032)**
D. Inflation impact on cash and cash equivalents		**(279.157.895)**	**(103.099.908)**
E. Cash and cash equivalents at the beginning of the year		**1.851.128.201**	**721.429.870**
Cash and cash equivalents at the end of the year (A+B+C+D+E)		**525.273.506**	**313.997.930**

The accompanying notes form an integral part of these condensed consolidated financial statements.

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Ve Tic. A.Ş. and Its Subsidiaries ("Company" or "Smart Enerji") was established in 2014 in Istanbul. The Company and its subsidiaries are collectively referred to as the ("Group").

It started trading on Borsa Istanbul with the code SMRTG on 24 March 2022 and continues to trade at a rate of 36.55% as of the report date.

The Main Field of Group.

The main field of the Group includes the installation of renewable energy power plants, the production of solar panels, the sale and marketing of various Solar Power Plant system equipment, and the provision of engineering and labour services.

As of 30.06.2026, the headquarters of the Group is, Energy Plaza Rüzgârlıbahçe Mah. Feragat Sok. No:2 Kat:6 Beykoz/İstanbul. As of 30.06.2026, the factories where it produces are located, Gebze Organize Sanayi Bölgesi Tembelova Mevki 3200 Cadde No:3207 41400 Gebze/Kocaeli and Çoraklar Mah. 5024. Sok. No:10 Aliağa Organize Sanayi Bölgesi (ALOSBİ) Aliağa/İzmir.

As of 30 June 2026 and 31 December 2025 the total number of personnel employed by the Group is 1.114 and 1.121 respectively.

The Subsidiaries

The subsidiaries, the countries in which they operate, and their fields of activity are as follows:

30 June 2026

Company Title	Activity Area	Owner Share(%)	Country of Establishment
Smart Güneş Enerji Ekipmanları Pazarlama A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart GES Enerji Üretim A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart Sumec Enerji Ekipmanları ve Pazarlama A.Ş.	Solar Power Plant Equipment	50	Türkiye
Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi Ticaret A.Ş & IHK Holding A.Ş Konsorsiyumu	Solar Power Plant Equipment	60	Türkiye
Icarus Solar GmbH	Solar Power Plant Equipment	100	Germany
Smart Solar Ukrayna	Solar Power Plant Equipment	100	Ukraine
Smart Solar Technology Gmbh	Solar Power Plant Equipment	100	Germany
Smart Solargize Yeşil Mobilite Enerji Anonim Şirketi	Mobile Charging Stations Distribution Network	100	Türkiye
Smart Gunes Tecnologıas Renovables S.L.	Solar Power Plant Equipment	100	Spain
Smart Global Enterprises & Trading B.V.	Solar Panel and Power Plant Commercial Activities	100	Netherlands
Smart Yeşil Hidrojen Teknolojileri ve Üretim A.Ş.	Fuel And Energy Production	70	Türkiye
Smart Solar Technologies AD	Solar Power Plant Equipment	100	Bulgaria
Smart Güneş Paneli Hücre Üretim Teknolojileri A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart Energy Global Investment and Development B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Bulgaria B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Romania B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Overseas Investment B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Green Energy Technologies Inc.	Solar Panel and Power Plant Commercial Activities	100	USA
Smart Green Energy Trading llc	Solar Panel and Power Plant Commercial Activities	100	USA
Smart Yeşil Enerji Depolama A.Ş.	Solar Panel with Storage and Power Plant Commercial Activities	100	Türkiye
Kaizenn Güneş Teknolojileri ve Enerji Üretim A.Ş.	Solar Power Plant Equipment Commercial Activities	100	Türkiye

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (Continued))

31 December 2025

Company Name	Activity Area	Owner Share(%)	Country of Establishment
Smart Güneş Enerji Ekipmanları Pazarlama A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart GES Enerji Üretim A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart Sumec Enerji Ekipmanları ve Pazarlama A.Ş.	Solar Power Plant Equipment	50	Türkiye
Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi Ticaret A.Ş & IHK Holding A.Ş Konsorsiyumu	Solar Power Plant Equipment	60	Türkiye
Icarus Solar GmbH	Solar Power Plant Equipment	100	Germany
Smart Solar Ukrayna	Solar Power Plant Equipment	100	Ukraine
Smart Solar Technology Gmbh	Solar Power Plant Equipment	100	Germany
Smart Solargize Yeşil Mobilite Enerji Anonim Şirketi	Mobile Charging Stations Distribution Network	100	Türkiye
Smart Gunes Tecnologıas Renovables S.L.	Solar Power Plant Equipment	100	Spain
Smart Global Enterprises & Trading B.V.	Solar Panel and Power Plant Commercial Activities	100	Netherlands
Smart Yeşil Hidrojen Teknolojileri ve Üretim A.Ş.	Fuel And Energy Production	70	Türkiye
Smart Solar Technologies AD	Solar Power Plant Equipment	100	Bulgaria
Smart Güneş Paneli Hücre Üretim Teknolojileri A.Ş.	Solar Power Plant Equipment	100	Türkiye
Smart Energy Global Investment and Development B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Bulgaria B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Romania B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Energy Overseas Investment B.V.	Solar Power Plant Equipment Commercial Activities	100	Netherlands
Smart Green Energy Technologies Inc.	Solar Panel and Power Plant Commercial Activities	100	USA
Smart Green Energy Trading llc	Solar Panel and Power Plant Commercial Activities	100	USA
Smart Yeşil Enerji Depolama A.Ş.	Solar Panel with Storage and Power Plant Commercial Activities	100	Türkiye
Kaizenn Güneş Teknolojileri ve Enerji Üretim A.Ş.	Solar Power Plant Equipment Commercial Activities	100	Türkiye

(*) Group's subsidiary operating abroad, Smart Energy Iberia B.V., ceased operations as of February 9, 2026, and was deregistered from the trade registry in accordance with the relevant country's legislation. The closure of the subsidiary does not have a significant impact on the Group's financial statements.
The details of the Group's subsidiaries are summarized below

Smart Güneş Enerji Ekipmanları Pazarlama A.Ş.

The company was established on April 20, 2021. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 100% shareholder of the company. The company was founded to operate in the solar and electric energy sector, and its main activities include: purchasing, selling, importing, and exporting solar energy equipment; providing engineering, procurement, and construction (EPC) services for solar-powered electricity generation facilities; developing, constructing, commissioning, and selling turnkey solar power plant projects both domestically and internationally.

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Smart GES Enerji Üretim A.Ş.

The company was established on March 5, 2021. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 100% shareholder of the company. The company operates in the field of energy production under licenses obtained from the Energy Market Regulatory Authority. Its main activities include: establishing, operating, and leasing electricity generation facilities based on renewable energy sources; selling the generated electricity to legal entities holding wholesale or retail sales licenses and to free consumers through bilateral agreements within the framework of relevant legislation; and undertaking project development, engineering, manufacturing, installation, feasibility studies, and contracting activities related to energy generation facilities within Türkiye. The company owns the YEKA-4 Niğde Bor Solar Power Plant, located in Bor district of Niğde province, with an installed capacity of 130 MWp. This plant commenced electricity production and sales in 2025.

Smart Sumec Enerji Ekipmanları ve Pazarlama A.Ş.

The company was established on August 8, 2019. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 50% of the shares.

The company's main activity is the supply, purchase, sale, import, and export of solar energy equipment, providing equipment for renewable energy projects, and conducting commercial activities domestically and internationally in this context. The company does not have any active commercial operations.

Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi Ticaret A.Ş. & IHK Holding A.Ş. Konsorsiyumu

The company was established on May 8, 2020. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. is the 60% owner and leading partner of the company. The company was established within the consortium formed between Smart Solar Energy R&D Production Industry and Trade Inc. and IHK Holding for the Van Arısu Solar Power Plant (GES) 45 MWe/55 MWp Licensed Turnkey Engineering, Procurement and Construction Project. The company does not currently have any active commercial operations.

Icarus Solar Gmbh

The company was founded in Germany in 2019. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 100% of the company. The company's main activity is the wholesale sale of solar energy products (solar panels, inverters, structures, etc.) primarily to European countries through channel management.

Smart Solar Technology Gmbh

The company was founded in Germany in 2019. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 100% of the company. The company was established to provide turnkey installation and engineering services in European countries.

1. GROUP’S ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Smart Solar Ukrayna

The company was founded in Ukraine in 2019. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 100% of the company. The company was established to provide turnkey installation and engineering services in Eastern European countries. However, due to the current political situation in Ukraine, the company is inactive. All management and operational activities are carried out by the parent company.

Smart Solargize Yeşil Mobilite Enerji Anonim Şirketi

The company was established on November 30, 2023, and is wholly owned by Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş.

The company's main activities include the installation and operation of charging stations and related infrastructure systems for electric vehicles, providing electric vehicle charging solutions, supplying and installing necessary charging units, and providing technical, administrative, and regulatory consultancy services for electric vehicle charging infrastructure.

Smart Gunes Tecnologias Renovables Sociedad Limitada

The company completed its incorporation procedures in 2023 and operates in Spain. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 100% shareholder of the company. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy-based products. The company does not currently have any active commercial operations.

Smart Global Enterprises & Trading B.V.

The company completed its incorporation procedures in 2023 and operates in the Netherlands. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 100% shareholder of the company. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy-based products, and it also operates as a holding company.

Smart Yeşil Hidrojen Teknolojileri ve Üretim A.Ş.

The company was established on May 31, 2024, and 70% of its shares are owned by Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. The company's business activities include the production, storage, and trading of energy using hydrogen and oxygen to produce gas or liquid fuels based on renewable energy sources.

Smart Solar Technologies AD

The company completed its incorporation procedures in 2023 and operates in Bulgaria. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 100% shareholder of the company. The company was established to invest in Bulgaria for the production of solar cells and panels, and to engage in energy production, transmission and distribution, as well as the production, supply, sale and trade of renewable energy-based products.

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Smart Güneş Paneli Hücre Üretim Teknolojileri A.Ş.

The company was established on November 29, 2023, and is 100% owned by Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. The company's business activities include the production and trading of solar panel cells.

Smart Energy Global Investment and Development B.V.

The company completed its incorporation procedures in 2023 and operates in the Netherlands. Smart Global Enterprises & Trading B.V. is the 100% shareholder. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy-based products, acting as a major partner in companies operating both domestically and internationally.

Smart Energy Bulgaria B.V.

The company completed its incorporation procedures in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. is the 100% shareholder. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy products, acting as the main partner in companies operating in Bulgaria.

Smart Energy Romania B.V.

The company completed its incorporation procedures in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. is the 100% shareholder. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy products, acting as the main partner in companies operating in Romania.

Smart Energy Overseas Investment B.V.

The company completed its incorporation procedures in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. is the 100% shareholder. The company's business activities include energy production, transmission, and distribution, as well as the supply, sale, and trading of renewable energy products, acting as a major partner in companies operating overseas.

Smart Green Energy Technologies Inc.

With the aim of establishing solar panel manufacturing facilities in the United States, a company named Smart Green Energy Technologies Inc., with a capital of US$ 50,000, has been incorporated and registered in the state of Delaware, USA, through our wholly owned subsidiary, Smart Global Enterprises & Trading B.V., based in the Netherlands.

Smart Green Energy Trading llc.

For the purpose of selling solar energy cells, panels, and equipment in the United States, a company named Smart Green Energy Trading LLC has been established through Smart Green Energy Technologies Inc., a wholly owned subsidiary of our company based in the USA.

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Smart Yeşil Enerji Depolama A.Ş.

The company was established on March 13, 2025. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 100% of the company. The company's field of activity includes establishing production facilities for converting and storing energy sources into electrical energy, obtaining the necessary licenses and permits from the Energy Market Regulatory Authority, generating electrical energy, and selling the generated electrical energy and/or capacity to customers.

Kaizenn Güneş Teknolojileri ve Enerji Üretim A.Ş.

The company was established on June 18, 2025. Smart Solar Energy Technologies R&D Production Industry and Trade Inc. owns 100% of the company. The company's field of activity is to operate in the fields of energy production, transmission, distribution, and consumption by obtaining the necessary licenses from the Energy Market Regulatory Authority; to increase energy efficiency in industrial enterprises, buildings, and energy production facilities; to utilize renewable energy sources; to establish, operate, and lease electricity generation facilities; to sell the generated electricity wholesale or retail; and to provide and/or commission necessary facility, transmission line, project, contracting, engineering, and consulting services within this scope.

Affiliates

Group's subsidiaries included in the consolidated financial statements prepared by period, the countries in which they operate and their fields of activity are listed below;

30 June 2026

Company Title	Main Activity	Owner Share(%)	Country of Establishment
Erseka Solar Park 3 Lot 1 (*)	Establishment, operation and energy production activities of Solar Power Plants	31	Albania
Erseka Solar Park 3 Lot 2 (*)	Establishment, operation and energy production activities of Solar Power Plants	31	Albania

(*) Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. holds a 31% stake in the companies titled Erseka Solar Park 3 Lot 1 and Erseka Solar Park 3 Lot 2, both established in 2025. The primary activity of these companies is the establishment, operation, and energy generation of solar power plants. These companies were established within the scope of the Solar Power Plant CFD Tender held by the Albanian Ministry of Infrastructure and Energy on June 10, 2024, for the implementation of two separate projects with an installed capacity of 40.3 MW and 20.2 MW, respectively. The projects are planned to be operated initially for 15 years under a PPA (Power Purchase Agreement) with a state-guaranteed purchasing mechanism.

Joint Ventures

The joint ventures, the countries in which they operate and their fields of activity, which are the subject of Group's consolidated financial statements prepared by periods, are as follows:

30 June 2026

Company Title	Main Activity	Owner Share(%)	Country of Establishment
KES Adi Ortaklığı	Energy Transmission Line	33,33	Türkiye

KES Adi Ortaklığı

As of 30.01.2023, the establishment of the company has been completed. One of our Subsidiaries, Smart GES Enerji Üretim A.Ş. owns 33.33% of the relevant company. Within the scope of YEKA SPP – 4 tenders of SPP projects, Bor-1, Bor-2, and Bor-3 SPP projects were awarded to Türkiye Elektrik Üretim A.Ş. was established for the purpose of realizing the necessary Energy Transmission Line investments for its connection to the national grid, based on the connection opinion to be given by the Company.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II. No:14.1. "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué. consolidated financial statements are prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and its addendum and interpretations ("IFRIC") issued by Public Oversight Accounting and Auditing Standards Authority ("POA") Turkish Accounting Standards Boards.

Consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by the KGK on 3 July 2024 and the Financial Statement Samples and User Guide published by the CMB.

Consolidated financial statements for the accounting period 1 January – 30 June 2026 were approved at the Board of Directors meeting dated 13 August 2026. The General Assembly of the Company and the relevant regulatory authorities have the right to demand the amendment of the consolidated financial statements after the publication of the consolidated financial statements.

Comparative Information and Correction of Prior Financial Statements

Current period consolidated financial statements of Group are prepared comparatively with the previous period in order to enable the determination of the financial position and performance trends. Comparative information is reclassified when deemed necessary in order to comply with the presentation of the current period consolidated financial statements.

Financial Reporting In Hyperinflationary Economy

10

Following the announcement by the Public Oversight Accounting and Auditing Standards Authority (KGK) on November 23, 2023, entities applying IFRS have commenced applying inflation accounting in accordance with IAS 29 Financial Reporting in High-Inflation Economies, starting with their financial statements for the annual reporting period ending on or after December 31, 2023.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 June 2026 and 31 December 2025 on the purchasing power basis as of June 30, 2026.

In accordance with the Capital Markets Board's (SPK) decision dated December 28, 2023, numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by implementing IAS 29, starting with their annual financial reports for the accounting periods ending December 31, 2023.

Adjustments made in accordance with TAS 29 were performed using the adjustment coefficient calculated based on the Consumer Price Index ("CPI") published by the Turkish Statistical Institute ("TÜİK"). As of 30 June 2026, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Financial reporting in hyperinflationary economy (Continued)

Year End	Index (*)	Conversion Factor	Three-year Inflation Rate
30 June 2026	129,99	1,00000	%206
31 December 2025	110,39	1,17758	%211
30 June 2025	98,40	1,32109	%220

(*) As of 2026, the base year has been updated by TÜİK to 2025=100. Therefore, index values reported with a different reference year and scaling in previous periods have been revised by TÜİK according to the new base year. TÜİK has also adapted past data to the same base year to ensure comparability.

The main elements of Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the statement of financial position date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the statement of financial position, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- Impact of inflation on Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the consolidated profit or loss statement

Functional and presentation currency

Group prepares and maintains its legal books and prepares its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), accounting principles set forth by tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The valid currency of Group is Turkish Lira ("TL"). These consolidated financial statements are presented in TL, which is the valid currency of Group.

Translation of Financial Statements of Subsidiaries Operating in Foreign Countries

Subsidiaries in foreign country assets and liabilities are translated into TRY from the foreign exchange rate at the reporting date and income and expenses are translated into TRY at the average foreign exchange rate. The retranslation of net assets at the beginning of the period and the exchange differences which resulting from the using of average exchange rates are followed on differences of foreign currency translation account within shareholders' equity. Currency translation differences are recorded under other comprehensive income unless there are translation differences related to non-controlling interests and are presented under foreign currency translation differences under equity. However, if the operation relates to a wholly owned subsidiary, the portion of the non-controlling interest is proportionately classified as a non-controlling interest.

Netting/Offsetting

Financial assets and liabilities are shown in net, if the required legal right already exists, there is an intention to pay the assets and liabilities on a net basis, or if there is an intention to realize the assets and the fulfilment of the liabilities simultaneously.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2. Declaration of Conformity to TAS

Group prepared its condensed consolidated financial statements for the period ended 30 June 2026 in accordance with CMB Communiqué Serial: II-14.1 and announcements clarifying this communiqué. The condensed consolidated financial statements and notes are presented in accordance with the formats recommended by the CMB, including the mandatory disclosures.

2.3. Summary of accounting policies

Significant changes to accounting policies are applied retrospectively, and prior period financial statements are restated. The accounting policies used in preparing the consolidated financial statements for the interim period ended June 30, 2026, are consistent with the accounting policies used in preparing the summarized consolidated financial statements for the period ended December 31, 2025.

2.4. New and Revised Turkish Financial Reporting Standards

a) Amendments and interpretations effective from 2026

IFRS 9 and IFRS 7 (Amendments) Classification and Measurement of Financial Instruments
IFRS 9 and IFRS 7 (Amendments) Contracts Based on Naturally Relative Electricity
Annual Improvements Annual Improvements to IFRSs – Volume 11

IFRS 9 and IFRS 7 (Amendments) Classification and Measurement of Financial Instruments

The amendments address issues identified during a post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments. These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

IFRS 9 and IFRS 7 (Amendments) Contracts Based on Naturally Affected Electricity

The amendments aim to enable entities to include information on contracts based on naturally affected electricity in their financial statements in a manner that more accurately reflects such contracts. These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

Annual Updates to IFRS – Volume 11

The announcement includes the following changes:

- IFRS 1: Hedging accounting for first-time applicants

- IFRS 7: Gain or loss from derecognition

- IFRS 7: Disclosure of deferred difference between transaction price and fair value

- IFRS 7: Disclosure of entry and credit risk

- IFRS 9: Derecognition of lease liability by lessee

- IFRS 9: Transaction price

- IFRS 10: Determination of ‘actual agent’

- IAS 7: Cost method

These changes are effective from annual reporting periods beginning on or after 1 January 2026.These changes and improvements do not have a significant impact on the Group’s consolidated financial position and performance.

2.BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4. New and Revised Turkish Financial Reporting Standards (Continued)

b) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2026

Group has not yet implemented the following standards, which are not yet in effect, nor the following changes and interpretations to existing previous standards:

IFRS 17 Insurance Contracts

IFRS 17 requires insurance liabilities to be measured at a present coverage value, providing a more consistent measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting in insurance contracts. IFRS 17 has been postponed for one year for insurance, reinsurance, and pension companies, and will replace IFRS 4 Insurance Contracts as of January 1, 2027.

IFRS 17 (Amendments) Insurance Contracts and the Initial Application of IFRS 9 with IFRS 17 – Comparative Information

Amendments have been made to IFRS 17 to reduce implementation costs, facilitate disclosure of results, and ease the transition. Additionally, the amendment regarding comparative information allows companies that are first applying both IFRS 7 and IFRS 9 simultaneously to present comparative information on their financial assets as if the classification and measurement requirements of IFRS 9 had already been applied to that financial asset. The changes will be applied when IFRS 17 is first implemented.

IFRS 18 Presentation and Disclosure in Financial Statements

This standard outlines the requirements for the presentation and disclosure of information in financial statements for all entities applying IFRS. This standard is effective for annual reporting periods beginning on or after January 1, 2027.

IFRS 19 Subsidiaries Not Subject to Public Accountability: Disclosures

IFRS 19 specifies the disclosure requirements that a eligible subsidiary is permitted to apply in place of the disclosure requirements in other Turkish Financial Reporting Standards. This standard is effective from annual reporting periods beginning on or after January 1, 2027.

IFRS 19 (Amendments) Subsidiaries Not Subject to Public Accountability: Disclosures

The amendments incorporate new or revised Turkish Financial Reporting Standards that were not considered at the time IFRS 19 was first published. These amendments are effective from annual reporting periods beginning on or after 1 January 2027. The potential impact of these standards, amendments and improvements on the Group's consolidated financial position and performance is being assessed.

2.BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies

In accordance with TAS 34 'Interim Financial Statements', the CMB has authorised the application of full set or condensed presentation in the presentation of interim financial statements of listed companies. Accordingly, the Group has prepared its condensed consolidated interim financial statements as at 30 June 2025, preferring condensed presentation.

In accordance with this communiqué, the disclosures and footnotes required to be included in the annual financial statements prepared in accordance with TAS/TFRS are summarised or not included in accordance with TAS 34. The accompanying condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements as at 31 December 2025 and the accompanying notes. Interim financial results alone are not necessarily indicative of year-end results.

The Group has continued to apply the same policies and accounting estimates as stated in the consolidated financial statements dated 31 December 2025.

The principal accounting principles applied in the preparation of the accompanying summary consolidated financial statements are as follows:

Consolidation Principles

Full Consolidation:

Share capital and balance sheet items of the Company and its subsidiary have been collected. In the collection process, the receivables and payables of the partnership subject to the consolidation method from each other are mutually deducted.

- Share capital of the consolidated balance sheet is share capital of Company, the share capital of the subsidiary is not included in the consolidated balance sheet.

- From all equity group items of the subsidiary within the scope of consolidation, including the paid/issued capital, the amounts corresponding to the parent and non-subsidiary interests have been deducted and shown as the "Non-Controlling Interests" account group after the equity account group of the consolidated balance sheet.

- Current and non-current assets purchased from each other by the partnership subject to the consolidation method, in principle, are included in the consolidated balance sheet over the amounts found before the sale transaction, by making adjustments to ensure that these assets are shown over the acquisition cost to the corporations subject to the consolidation method.

- The income statement items of the Company and its subsidiary are collected separately, and the sales of goods and services made by the partnerships subject to the consolidation method to each other are deducted from the total sales amounts and the cost of goods sold. The profit arising from the purchase and sale of goods between these partnerships regarding the inventories of the partnerships subject to the consolidation method is added to the cost of goods sold by deducting from the inventories in the consolidated financial statements, while the loss is added to the inventories and reduced from the cost of the goods sold. Income and expense items resulting from the transactions of the partnerships subject to the consolidation method are mutually deducted in the relevant accounts.

- The portion corresponding to the shares other than the partnership subject to the consolidation method from the net profit or loss of the subsidiary within the scope of consolidation is shown under the account group name "Non-Controlling Interests" after the net consolidated profit for the period.

- When deemed necessary, adjustments have been made to bring the financial statements of subsidiaries into line with the accounting principles applied by other group companies.

Related Parties

To the accompanying consolidated financial statements, executives and board of directors, their family and controlled or dependent companies, participations and subsidiaries of Group is referred to as related parties.

a) A person or a close member of that person's family is related to a reporting entity if that person,
   (i) has control or joint control over the reporting entity,
   (ii) has significant influence over the reporting entity,
   (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

2.BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

Related Parties (continued)

b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group,
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),
(iii) Both entities are joint ventures of the same third party,
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity,,
(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity,
(vi) The entity is controlled or jointly controlled by a person identified in (a), a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

Trade Receivables and Doubtful Trade Receivables

Trade receivables that are created by Group by way of providing goods or services in the ordinary course of business directly to a debtor are recognized initially at fair value and subsequently measured at amortized cost, using the effective interest rate method, less provision for impairment. Short-term trade receivables with no specific interest rates are measured at original invoice amount if the effect of interest accrual is unsignificant..

Impairment

TAS 39, "Financial Instruments" valid before 1 January 2018: Instead of "realised credit losses model" in Accounting and Measurement Standard, "expected credit loss model" was defined in TFRS 9 "Financial Instruments" Standard. Expected credit loss is estimated by weighting credit losses, expected to occur throughout the expected life of financial instruments, based on previous statistics. When calculating the expected credit losses, credit losses in the previous years and forecasts of Group are considered.

Group has chosen to apply the "simplified approach" defined in TFRS 9 within the scope of the impairment calculations of its trade receivables (with a maturity of less than 1 year), which are accounted at amortized cost in its financial statements and do not contain a significant financing component.

2.BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Property, plant and equipment and related depreciation

As of 30 June 2026 the Group's tangible assets are shown by deducting accumulated depreciation from the indexed acquisition cost. Lands are not subject to depreciation.

Profits and losses from sales of tangible assets are included in other income and expense accounts. If the registered value of the assets is higher than the estimated replacement value, it is reduced to the replacement value by making a provision. Repair and maintenance expenses related to tangible fixed assets are expensed as incurred.

Except for land and investments in progress, tangible fixed assets have been depreciated on a pro-rata basis using the straight-line method in accordance with the useful life principle.

Depreciation rates are determined according to the approximate economic lives of tangible fixed assets and are stated below:

	Year
Machinery and Equipment	4-29
Vehicles	5
Furniture and Fixtures	2-50
Leasehold improvements	5-15

Transactions in foreign currency

Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Balance sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. The foreign exchange gains and losses are recognized in the income statement.

The periods-end rates used for USD, EURO and UAH are shown below.

	30 June 2026		31 December 2025	
	Buying	**Selling**	**Buying**	**Selling**
USD	46,5747 TL	46,6586 TL	42,8457 TL	42,9229 TL
EUR	53,0866 TL	53,1823 TL	50,2859 TL	50,3765 TL
UAH	1,0426 TL	1,0426 TL	1,0139 TL	1,0139 TL

3. CASH AND CASH EQUIVALENTS

Details of Group’s cash and cash equivalents for the periods are as follows:

	30 June 2026	**31 December 2025**
Cash on hand	253.086	279.350
Cash at banks	525.020.420	1.850.848.851
- Demand deposit	*211.212.251*	*956.229.527*
- Time deposits	*313.808.169*	*894.619.324*
	525.273.506	**1.851.128.201**

As of June 31, 2026, time deposits have a maturity of less than three months and the weighted average interest rate is 38% per annum for TL deposits. (December 31, 2025: 35% per annum for TL deposits).

4. TRADE RECEIVABLES AND PAYABLES

Details of Group’s trade receivables for the periods are as follows:

Short-term trade receivables	**30 June 2026**	**31 December 2025**
Trade receivables	4.764.271.509	3.544.405.432
Notes receivables	1.099.497.315	849.566.334
Expected credit loss (-)	(77.104.920)	(73.570.369)
Doubtful receivables (*)	94.562.301	97.821.776
Provisions for doubtful receivables (-)	(94.562.301)	(97.821.776)
	5.786.663.904	**4.320.401.397**

(*) The movement of the provisions for doubtful receivables is as follows:

	1 Ocak – 30 June 2026	**1 Ocak – 30 June 2025**
Balance at beginning of the period	97.821.776	109.209.084
Current year additions / (Provisions no longer required)	11.492.459	10.942.138
Monetary gain / (loss)	(14.751.934)	(15.607.125)
End of the period	**94.562.301**	**104.544.097**

The movement table of the Group's expected credit loss allow for the ended periods is as follows:

	1 Ocak – 30 June 2026	**1 Ocak – 30 June 2025**
Balance at beginning of the period	73.570.369	65.355.147
Provisions set aside during the period	14.629.271	16.960.677
Monetary gain / (loss)	(11.094.720)	(9.339.938)
End of the period	**77.104.920**	**72.975.886**

4.TRADE RECEIVABLES AND PAYABLES (Continued)

Details of Group's trade receivables for the periods are as follows:

	30 June 2026	31 December 2025
Short-term trade payables		
Trade payables	2.344.595.894	1.770.133.297
Notes payables	3.409.657.990	2.421.111.777
	5.754.253.884	**4.191.245.074**

5. RELATED PARTY TRANSACTIONS

Details of Group's related party transactions for periods are as follows:

	Trade Receivables	
	30 June 2026	**31 December 2025**
Smart Energy Ukraine	9.219.656	10.318.360
	9.219.656	**10.318.360**

	Other Receivables	
	30 June 2026	**31 December 2025**
Smart Holding A.Ş.	792.877.635	891.491.987
	792.877.635	**891.491.987**

	Prepaid Expenses	
	30 June 2026	**31 December 2025**
Smart Verde Yenilenebilir Enerji A.Ş. (*)	2.053.844.834	1.769.926.545
Sumec Energy Holdings Co. Ltd.	149.122.411	-
KES Adi Ortaklığı	8.958.992	9.797.809
	2.211.926.237	**1.779.724.354**

(*) These are advance payments given in respect of planned solar energy construction works.

	Short-term Trade Payables	
	30 June 2026	**31 December 2025**
Smart Energy Group AD (Bulgaria)	215.249.908	362.756.385
Sumec Energy Holdings Co. Ltd.	-	152.048.065
	215.249.908	**514.804.450**

	Order Advances Received	
	30 June 2026	**31 December 2025**
Atlas Ges Enerji Üretim A.Ş. (*)	2.202.472.677	1.757.656.281
Asya GES Enerji Üretim San. Tic. Ltd. Şti. (**)	1.033.626.180	1.287.310.261
	3.236.098.857	**3.044.966.542**

(*) Within the scope of the contract signed between the Group and Atlas Ges Enerji Üretim A.Ş., an advance payment was collected from the employer within the framework of the contract provisions for the project concerning the installation and commissioning of solar energy-based storage power generation facilities with a total capacity of 132 MW on the relevant lands.
(**) Within the scope of the contract signed between the Group and Asya GES Enerji Üretim San. Tic. Ltd. Şti., an advance payment was collected from the employer within the framework of the contract provisions for the project concerning the installation and commissioning of solar energy-based storage power generation facilities with a total capacity of 90 MW on the relevant lands.
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5. RELATED PARTY TRANSACTIONS (Continued)

Group's transactions with its related parties for periods are as follows:

	Sales		**Purchases**	
	June 2026	**June 2025**	**June 2026**	**June 2025**
Smart Solar EOOD (Bulgaria)	259.871.562	9.517.083	-	-
Sumec Energy Holdings Co. Ltd.	1.124.289	11.058.165	465.360.169	960.905.984
Smart Verde Yenilenebilir Enerji A.Ş.	109.727	-	3.078.328	427.887.413
Smart Energy Group AD (Bulgaria)	-	-	191.752.388	-
Smart Holding A.Ş.	-	-	93.635.542	94.216.975
Sumec Hong Kong Co. Ltd.	-	-	88.565.195	-
	261.105.578	**20.575.248**	**842.391.622**	**1.483.010.372**

	Interest Income	
	30 June 2026	**30 June 2025**
Smart Holding A.Ş.	245.310.384	109.188.474
	245.310.384	**109.188.474**

Key management remuneration:

Total amount of wages and similar benefits provided to the Group's President and Vice President of the Board of Directors and other key executives in the current period is 16.441.336 TL (30 June 2025: 16.268.115 TL).

6. PREPAID EXPENSES AND DEFERRED INCOME

The details of short and long-term prepaid expense for the periods are as follows:

Short-term prepaid expenses	**30 June 2026**	**31 December 2025**
Advances given to suppliers (*)	4.695.334.064	2.970.705.404
Prepaid expenses	81.840.811	110.911.686
	4.777.174.875	**3.081.617.090**

Long-term prepaid expenses	**30 June 2026**	**31 December 2025**
Advances given to suppliers	-	273.590.733
Prepaid expenses	118.757.968	78.845.219
	118.757.968	**352.435.952**

(*) Advances given consist of prepayments made by the Group to suppliers for raw material purchases.

Deferred Incomes	**30 June 2026**	**31 December 2025**
Advances received (*)	2.827.032.861	3.365.118.010
	2.827.032.861	**3.365.118.010**

(*) Advances received consist of advances received by the Group from customers regarding sales.

7. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant, and equipment for the period year ending 30 June 2026:

	1 January 2026	Additions	Disposals (-)	Foreign Currency Conversion Difference	30 June 2026
Cost					
Land	1.186.938.516	-	-	(17.327.481)	1.169.611.035
Machinery and equipment	9.564.984.419	18.506.810	(204.473.712)	-	9.379.017.517
Vehicles	74.472.197	-	-	-	74.472.197
Furniture and fixtures	234.588.831	19.156.118	-	-	253.744.949
Construction in progress	670.165.723	394.879.450	-	-	1.065.045.173
Leasehold improvements	2.184.035.565	17.524.112	-	-	2.201.559.677
Total	**13.915.185.251**	**450.066.490**	**(204.473.712)**	**(17.327.481)**	**14.143.450.548**

	1 January 2026	Current year charge	Disposals (-)	Foreign Currency Conversion Difference ı	30 June 2026
Accumulated depreciation					
Machinery and equipment	(940.871.698)	(271.823.221)	3.245.308	-	(1.209.449.611)
Vehicles	(35.573.418)	(5.337.051)	-	-	(40.910.469)
Furniture and fixtures	(105.772.290)	(18.322.930)	-	-	(124.095.220)
Leasehold improvements	(355.594.866)	(110.960.852)	-	-	(466.555.718)
Total	**(1.437.812.272)**	**(406.444.054)**	**3.245.308**	**-**	**(1.841.011.018)**
Net book value	**12.477.372.979**				**12.302.439.530**

	1 January 2025	Additions	Disposals (-)	30 June 2025
Cost				
Land	387.465.272	-	-	387.465.272
Machinery and equipment	3.077.156.300	406.084.782	-	3.483.241.082
Vehicles	75.548.021	-	-	75.548.021
Furniture and fixtures	200.347.680	15.910.001	-	216.257.681
Construction in progress	3.149.916.861	2.307.013.977	-	5.456.930.838
Leasehold improvements	2.107.058.151	6.165.855	-	2.113.224.006
Total	**8.997.492.285**	**2.735.174.615**		**11.732.666.900**

	1 January 2025	Current year charge	Disposals (-)	30 June 2025
Accumulated depreciation				
Machinery and equipment	(561.812.223)	(163.636.427)	-	(725.448.650)
Vehicles	(25.291.511)	(5.888.748)	-	(31.180.259)
Furniture and fixtures	(66.357.004)	(18.933.790)	-	(85.290.794)
Leasehold improvements	(141.243.020)	(106.477.242)	-	(247.720.262)
Total	**(794.703.758)**	**(294.936.207)**	**-**	**(1.089.639.965)**
Net book value	**8.202.788.527**			**10.643.026.935**

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

As of 30 June 2026, the insurance amount on tangible fixed assets is 6.937.945.973 TL. (30 June 2025: 7.817.445.542 TL) There is a mortgage of USD 18.613.091 on Group's real estate. (30 June 2025: 18.613.091 USD.)

Depreciation and amortization shown in expense accounts associated with tangible and intangible assets and right-of-use assets as of 30 June are as follows:

	1 January- 30 June 2026	1 January- 30 June 2025
Cost		
Cost of sales	445.891.838	334.048.500
General administrative expenses (Note 16)	20.305.839	19.298.051
	466.197.677	**353.346.551**

8. RIGHT OF USE ASSETS

Movement of right of use assets for the period 01.01.-30.06.2026 is as follows:

	Land and Buildings	Vehicles	Total
As of 1 January 2026	**275.462.571**	**66.557.802**	**342.020.373**
Additions	-	-	-
Changes in leases	70.779.266	(2.488.260)	68.291.006
Depreciation	(45.692.767)	(10.069.337)	(55.762.104)
As of 30 June 2026	**300.549.070**	**54.000.205**	**354.549.275**

	Land and Buildings	Vehicles	Total
As of 1 January 2025	**304.766.365**	**15.844.312**	**320.610.677**
Additions	109.013.741	-	109.013.741
Changes in leases	(2.583.593)	(3.031.990)	(5.615.583)
Depreciation	(47.036.150)	(6.896.286)	(53.932.436)
As of 30 June 2025	**364.160.363**	**5.916.036**	**370.076.399**

9. FINANCIAL BORROWINGS

Details of financial borrowings for the periods are as follows:

	30 June 2026	31 December 2025
Short-term bank borrowings	4.060.281.439	4.571.102.587
Financial lease liabilities	200.887.558	232.111.740
Liabilities arising from leasing transactions (*)	101.159.811	106.471.212
Debt instruments issued	1.546.153.784	2.087.280.200
Short-term borrowings	**5.908.482.592**	**6.996.965.739**
Short-term portion of long-term borrowings	1.508.963.512	1.567.512.860
Short-term portion of long-term borrowings	**1.508.963.512**	**1.567.512.860**
Long-term borrowings	5.198.828.367	3.560.014.323
Long-term financial lease liabilities	261.368.284	361.068.488
Liabilities arising from leasing transactions (*)	239.981.530	267.851.390
Long-term borrowings	**5.700.178.181**	**4.188.934.201**
Total financial borrowings	**13.117.624.285**	**12.753.412.800**

(*) Liabilities arising from lease transactions consist of the Group's liabilities within the scope of TFRS-16.

Details of currency-based financial liabilities are as follows:

	Interest Rate	30 June 2026
TL bank borrowings	42%	4.767.416.087
EUR bank borrowings	5%	1.169.385.814
USD bank borrowings	8%	6.839.681.043
		12.776.482.944

	Interest Rate	31 December 2025
TL bank borrowings	40%	6.567.303.632
EUR bank borrowings	9%	465.402.675
USD bank borrowings	9%	5.346.383.891
		12.379.090.198

10. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

a. Guarantees received

As of 30 June 2026, the Group's guarantees received are as follows.

Guarantees Received by the Group	30 June 2026	31 December 2025
Bank Letters of Guarantee	200.065.697	71.427.239
Total	**200.065.697**	**71.427.239**

b. Guarantees Given

Collaterals/ pledges/ mortgages/bill of guarantees ("CPMB") position of the Group as of 30 June 2026, 31 December 2025, are as follows:

CPMB's given by the Group	30 June 2026	31 December 2025
A. CPMB's given for Group's own legal personality	7.559.845.738	5.531.528.670
B. CPMB's given on behalf of fully consolidated companies	1.233.939.488	1.303.805.478
C. CPMB's given on behalf of third parties for ordinary course of business	-	-
D. Total amount of other CPMB's	-	-
i) Total amount of CPMB's given on behalf of the majority shareholder	-	-
ii)Total amount of CPMB's given on behalf of other Group companies which are not in scope of B and C	-	-
iii)Total amount of CPMB's given on behalf of third parties which are not in scope of C	-	-
Total	**8.793.785.226**	**6.835.334.148**

Given to	30 June 2026	31 December 2025
In Turkish Lira	1.232.589.724	1.221.343.898
In Euro	1.571.520.006	1.549.801.737
In ABD Dollar	5.989.675.496	4.064.188.513
Total	**8.793.785.226**	**6.835.334.148**

11. INCOME TAX

The details of current period tax assets for the periods are as follows:

Corporation Tax
In Türkiye, the corporate tax rate is 25% as of June 30, 2026 (December 31, 2025: 25%). The corporate tax rate is applied to the net corporate income, which is obtained by adding expenses that are not deductible under tax laws to the commercial income of the corporations and deducting the exemptions and deductions included in tax laws.

With the regulation in the sixth paragraph added to Article 32 of the Corporate Tax Law by Article 35 of Law No. 7256, it is stipulated that the corporate tax rate will be applied with a 2-point reduction to the corporate income of corporations whose shares are offered to the public for the first time on the Istanbul Stock Exchange at a rate of at least 20%, for five accounting periods starting from the accounting period in which the shares are offered to the public for the first time. Within the scope of this law, a tax rate of 23% was used in the calculation of period tax and deferred tax for the parent company in the consolidated financial statements as of June 30, 2026.

With Law No. 7582, published on June 4, 2026, the corporate tax rate applicable to the earnings of companies holding an industrial registration certificate and actually engaged in production activities, from these activities from January 1, 2027 onwards, has been reduced from 25% to 12.5%. While this change does not affect current period tax calculations, it has been reflected in the deferred tax calculations in the financial statements as of June 30, 2026, taking into account whether the relevant income originates from production or non-production activities.

Tax expenses included in the statements of comprehensive income for the accounting periods ending 30 June 2026 and 2025 are as follows:

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that it does not exceed 5 years. Declarations and relevant accounting records can be examined by the tax office within five years and tax accounts can be revised.

Dividend payments made from joint stock companies resident in Türkiye to those other than those who are not liable for corporate tax and income tax and those who are exempt, and to natural persons who are resident and non-resident of Türkiye and legal entities who are not resident in Türkiye are subject to 15% income tax.

Dividend payments made from joint stock companies resident in Türkiye to joint stock companies resident in Türkiye are not subject to income tax. Additionally, if the profit is not distributed or added to the capital, income tax is not calculated.

Dividend earnings obtained by institutions from participation in the capital of another institution subject to full liability (except dividends obtained from participation certificates of investment funds and shares of investment trusts) are exempt from corporate tax. In addition, 75% of the profits arising from the sale of the participation shares that have been in the assets of the institutions for at least two full years, as well as the founding shares, usufruct shares and priority rights of the real estate (immovable properties) they have owned for the same period, are exempt from corporate tax as of 31 December 2017. However, with the amendment made by Law No. 7061, this rate was reduced from 75% to 50% for real estate, and this rate is used as 50% in tax returns to be prepared as of 2018.

In order to benefit from the exemption, the earnings in question must be kept in a passive fund account and must not be withdrawn from the business for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made.

In Türkiye, there is no practice of reaching an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the month in which the accounting period closes. Authorities authorized for tax inspection may examine tax returns and the accounting records underlying them during the five years following the accounting period and make re-assessments as a result of their findings.

The Group, due to the Complete New Investment and Expansion Investment made in Kocaeli Gebze Organized Industrial Zone within the scope of Investment Incentive Certificates dated 05.10.2017-B 130930 and 08.01.2020/507856, is in compliance with the 15th article of the said Council of Ministers Decision and the Corporate Tax Law. Pursuant to the Reduced Corporate Tax Application in accordance with the provisions of Article 32/A, it has benefited from the tax advantage regarding the income obtained from other activities due to the investment expenditures actually made for the investments subject to the incentive certificate during the certification period.

The Group will benefit from the income tax advantage with the Complete New Investment it will make in Izmir Aliağa Organized Industrial Zone within the scope of the Investment Incentive Certificate dated 08.12.2022/544854.

11. INCOME TAX (Continued)

Income tax withholding

There is a withholding tax liability on dividend distributions, and this withholding tax liability is accrued in the period in which the dividend payment is made. Dividend payments other than those made to non-resident taxpayer institutions that generate income through a workplace or permanent representative in Türkiye and to institutions resident in Türkiye are subject to 15% withholding tax. In the application of withholding tax rates regarding profit distributions made to non-resident taxpayer institutions and real persons, the withholding tax rates included in the relevant Double Taxation Avoidance Agreements are also taken into consideration. Addition of retained earnings to capital is not considered profit distribution, therefore it is not subject to withholding tax.

Transfer pricing regulations

In Türkiye, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Hidden income distribution through transfer pricing”. The notified dated 18 November 2007 on hidden income distribution via transfer pricing regulates the details of the implementation.

If the taxpayer buys or sells goods or services with related parties at the price or price, they have determined in peer assessment, the profit is deemed to have been distributed through transfer pricing, in whole or in part. Hidden income distribution through is considered as a non-deductible expense for corporate tax.

Tax applications for the Group's foreign subsidiaries

- Operating in Ukraine, Smart Ukraine LTD is subject to 18% corporate tax.
- Operating in Germany, Smart Solar GmbH and Icarus GmbH are subject to 15,8% corporate tax.
- In accordance with Spanish tax laws, a 15% tax rate will be applied in the first year of Smart Gunes Tecnologias Renovables Sociedad Limitada company operating in Spain. In the following periods, if the revenue amount is below 1.000.000 Euros, the tax rate to be applied will be 23%, and if the revenue is above the relevant amount, 25% tax rate will be applied.
- Operating in the Netherlands, Smart Global Enterprises & Trading B.V., Smart Energy Global Investment and Development B.V., Smart Energy Bulgaria B.V., Smart Energy Iberia B.V., Smart Energy Romania B.V., Smart Energy Overseas Investment B.V. Subject to 20% corporate tax.
- Operating in Bulgaria, Smart Solar Technologies AD is subject to 10% corporate tax.
- Smart Green Energy Technologies Inc. and Smart Green Energy Trading LLC, subsidiaries located in the United States, are subject to a 21% federal corporate tax rate under relevant tax legislation. They are also subject to state corporate tax rates of 5.19% and 8.7%, respectively, in the states where they operate.

Deffered tax assets and liabilities:

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the values of assets and liabilities shown in the consolidated financial statements and the amounts considered in the legal tax base calculation. Deferred tax liability or assets are reflected in the accompanying consolidated financial statements by considering the tax rates that are expected to be valid in the future periods when the temporary differences will disappear. In reflecting the deferred tax asset to the consolidated financial statements, the developments in the sector in which it operates, taxable profit estimates in the future, it considers factors such as the general economic and political situation in Türkiye and/or the international general economic and political situation that may affect Group. Group considers factors such as developments in the sector in which it operates, taxable profit estimates in the future, general economic and political situation in Türkiye and/or international general economic and political situation that may affect Group while reflecting the deferred tax asset to the consolidated financial statements. Group estimates that it will generate sufficient taxable profits in the future.

11. INCOME TAX (Continued)

Recognized deferred tax assets and liabilities

Details of deferred tax assets and liabilities for the periods are as follows:

	30 June 2026	31 December 2025
	Assets / (Liabilities)	**Assets / (Liabilities)**
Employee benefits	10.451.367	15.493.890
Trade payables	(127.958.645)	(28.852.761)
Trade receivables	(6.122.601)	57.982.817
Lease liabilities	78.462.509	86.094.198
Inventories	(82.570.709)	(93.244.744)
Tangible and intangible assets	(305.709.319)	(347.129.253)
Assets subject to cash flow hedge accounting	183.801.202	266.344.747
Financial liabilities	(17.223.668)	24.441.270
Provision for litigation	2.935.330	3.671.946
Right of use assets	(81.546.333)	(78.664.685)
Investment incentives (*)	900.942.502	1.060.936.117
Other	(88.526.452)	(61.254.409)
Net Deferred Tax Assets	**466.935.183**	**905.819.133**
Deferred tax assets	1.176.592.910	1.453.710.576
Deferred tax liabilities	(709.657.727)	(547.891.443)
Net Deferred Tax Assets	**466.935.183**	**905.819.133**

(*) Tax advantages obtained within the scope of Investment Incentives:

The profits earned by the Company from investments linked to the incentive certificate are subject to corporate tax at reduced rates from the accounting period in which the investment is partially or fully put into operation until the investment contribution amount is reached. In this context, as of June 30, 2026, a tax advantage of TL 900.942.502 (December 31, 2025: TL 1.060.936.117) that the Company will benefit from in the foreseeable future has been reflected in the financial statements as a deferred tax asset. As a result of the accounting of this tax advantage as of June 30, 2026, a deferred tax expense of TL (159.993.615) has arisen in the profit or loss statement for the period January 1 - June 30, 2026.

The table showing the movement of deferred tax between June 30, 2026 and June 30, 2025 is as follows:

	1 January 2026	Deferred tax income/ (expense)	Other comprehensive income	30 June 2026
Deferred tax assets	905.819.133	(518.057.444)	79.173.494	466.935.183

	1 January 2025	Deferred tax income/ (expense)	Other comprehensive income	30 June 2025
Deferred tax assets	1.660.451.970	75.419.490	14.029.237	1.749.900.697

Tax Income / (Expense)	1 January– 30 June 2026	1 January– 30 June 2025	1 April– 30 June 2026	1 April– 30 June 2025
Period tax provisions (-)	-	-	-	-
Deferred tax income / (expense)	(518.057.444)	75.419.490	(71.334.359)	271.809.537
Total	**(518.057.444)**	**75.419.490**	**(71.334.359)**	**271.809.537**

12. SHARE CAPITAL

The paid capital structure of the Group for the periods are as follows:

Shareholders	30 June 2026 TL	Share %	31 December 2025 TL	Share %
Smart Holding A.Ş.	1.153.376.396	63,45	384.458.799	63,45
Public part	664.263.604	36,55	221.421.201	36,55
Total paid-in capital	**1.817.640.000**	**100**	**605.880.000**	**100**
Adjustment to share capital (*)	1.072.891.925		1.890.012.932	
	2.890.531.925		**2.495.892.932**	

(*) Adjustment to share capital, represent the difference between the inflation-adjusted total amounts of cash and cash equivalent additions to capital and their pre-adjustment amounts.

Between 16.02.2023 and 12.09.2024, Smart Güneş Enerjisi Teknolojileri Ar-ge Üretim San. ve Tic. A.Ş., It has repurchased 1.560.000 shares of its publicly traded shares. (Ratio to company capital is %0,086)

The Group's registered capital ceiling is 10.000.000.000 TL.

As of 30 June 2026, Group's capital consists of 1.817.640.000 shares (31 December 2025: 605.880.000). The nominal value of the shares is 1 TL per share (31 December 2025: 1 TL).

Group	Capital ratio (%)	Total balance
Group A Stocks (Registered)	22,88	415.800.000
Group B Shares (Bearer)	77,12	1.401.840.000
Issued capital	**100,00**	**1.817.640.000**

As of 30 June 2026, the equity items prepared in accordance with the Tax Procedure Laws and the amounts presented in accordance with TAS/IFRS are as follows:

30.06.2026 (IFRS)	Value	Inflation Adjustment Effect	Indexed Value
Capital	1.817.640.000	1.072.891.925	2.890.531.925
Share Premiums	76.934.179	457.162.481	534.096.660
Restricted Reserves Allocated from Profit(**)	137.650.626	164.935.994	302.586.620

30.06.2026 (TPL) (*)	Value	Inflation Adjustment Effect	Indexed Value
Capital	1.817.640.000	42.605.744	1.860.245.744
Share Premiums	76.934.179	142.720.825	219.655.004
Restricted Reserves Allocated from Profit(**)	113.843.730	83.148.548	196.992.278

(*) In accordance with the relevant legislation, the application of inflation accounting, which is foreseen to be implemented under the Tax Procedure Law, has been postponed, and this application has not been taken into account in the Group's financial statements prepared according to the Tax Procedure Law.

(**) In the restricted reserves appropriated from profit item, a reserve of TL 62.900.216 has been set aside within the scope of repurchased shares according to IFRS/IAS financial statements.

13. REVENUE AND COST OF SALES

Revenue for the periods are as follows:

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Domestic Sales	6.516.843.479	5.540.953.872	3.841.673.665	1.986.276.015
Export Sales	311.649.406	61.738.795	303.102.379	10.740.982
Gross Sales	**6.828.492.885**	**5.602.692.667**	**4.144.776.044**	**1.997.016.997**
Sales Returns (-)	-	(252.414)	-	(11.537)
Sales Discounts (-)	-	(2.505.176)	-	-
Net Sales	**6.828.492.885**	**5.599.935.077**	**4.144.776.044**	**1.997.005.460**
Cost of Sales (-)	(5.427.584.359)	(4.454.465.891)	(3.194.422.981)	(1.472.881.983)
Gross Profit	**1.400.908.526**	**1.145.469.186**	**950.353.063**	**524.123.477**

14. RESEARCH AND DEVELOPMENT EXPENSES

Details of Group’s research and development expenses by period are as follows:

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Consulting expenses	33.700.093	2.816.065	16.550.295	2.816.065
Personnel expenses	32.592.572	7.474.709	15.946.174	7.474.709
Other	134.424	17.542	95.771	17.542
Total	**66.427.089**	**10.308.316**	**32.592.240**	**10.308.316**

15. SELLING, MARKETING AND DISTRIBUTION EXPENSES

Details of selling, marketing and distribution expenses for the periods are as follows:

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Personnel expenses	39.625.731	55.376.870	17.996.052	24.626.164
Shipping expenses	17.264.534	10.939.065	4.537.246	1.611.430
Export and warehouse expenses	9.697.234	629.297	7.428.929	280.433
Advertising and publicity expenses	8.731.715	17.825.237	6.385.985	15.603.873
Consulting expenses	8.672.868	3.342.208	5.582.463	1.253.665
Taxes and fees	7.169.252	19.995.536	4.408.623	19.217.072
Meal and travel expenses	1.782.456	1.533.688	1.439.027	513.324
Other	9.631.135	10.044.884	1.810.027	5.167.105
Total	**102.574.925**	**119.686.785**	**49.588.352**	**68.273.066**

16. GENERAL ADMINISTRATIVE EXPENSES

Details of general administrative expenses for the periods are as follows:

	1 January-30 June 2026	1 January-30 June 2025	1 April–30 June 2026	1 April–30 June 2025
Personnel expenses	208.012.075	233.662.631	96.584.346	105.087.073
Consulting expenses	86.205.011	65.261.283	42.445.737	43.372.837
Depreciation and amortization expenses (Note 7)	20.305.839	19.298.051	11.016.995	9.574.328
Representation and entertainment expenses	6.034.345	3.790.712	4.077.924	2.264.293
Vehicle expenses	2.720.260	3.254.799	1.319.816	1.712.434
Meal and travel expenses	5.274.241	6.672.476	4.042.315	3.873.261
Taxes and fees	8.690.630	21.869.994	2.193.207	18.159.269
Other (*)	77.707.331	95.507.188	42.887.257	44.485.427
Total	**414.949.732**	**449.317.134**	**204.567.597**	**228.528.922**

(*) As of June 30, 2026 Common expenses allocated by Smart Holding is amounting of 63.099.155 TL (June 30, 2025: 64.903.389 TL)

17. EXPENSES BY NATURE

Details of Group's expenses by nature for the periods are as follows:

	1 January-30 June 2026	1 January-30 June 2025	1 April–30 June 2026	1 April–30 June 2025
Cost of Sales (-)	4.981.692.521	4.120.417.391	2.970.008.986	1.300.072.466
Depreciation and amortization expenses (Note 7)	466.197.677	353.346.551	235.430.990	182.383.845
Personnel expenses	280.230.378	296.514.210	130.526.572	137.187.946
Consulting expenses	128.577.972	71.419.556	64.578.495	47.442.567
Shipping expenses	17.264.534	10.939.065	4.537.246	1.611.430
Taxes and fees	15.859.882	41.865.530	6.601.830	37.376.341
Export and warehouse expenses	9.697.234	629.297	7.428.929	280.433
Advertising and publicity expenses	8.731.715	17.825.237	6.385.985	15.603.873
Meal and travel expenses	7.056.697	8.206.164	5.481.342	4.386.585
Representation and entertainment expenses	6.034.345	3.790.712	4.077.924	2.264.293
Other	90.193.150	108.824.413	46.112.871	51.382.508
Total	**6.011.536.105**	**5.033.778.126**	**3.481.171.170**	**1.779.992.287**

18. OTHER OPERATING INCOME AND EXPENSES

The details of other operating income and expenses for the periods are as follows

	1 January-30 June 2026	1 January-30 June 2025	1 April–30 June 2026	1 April–30 June 2025
Other operating income				
Foreign exchange gain (*)	331.845.285	646.979.051	178.095.706	541.231.118
Other	20.053.126	35.361.120	6.697.204	9.237.083
Total	**351.898.411**	**682.340.171**	**184.792.910**	**550.468.201**

(*) Currency difference income and expenses are netted presented on a company basis in consolidation subsidiaries.

18. OTHER OPERATING INCOME AND EXPENSES (Continued)

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Other operating expenses				
Foreign exchange loss (*)	500.478.067	464.439.795	328.728.166	211.528.859
Provision expenses	10.686.544	15.285.004	6.501.541	3.369.006
Other	8.780.528	65.732.853	1.010.140	14.267.250
Total	**519.945.139**	**545.457.652**	**336.239.847**	**229.165.115**

(*) Currency difference income and expenses are netted presented on a company basis in consolidation subsidiaries.

19. FINANCIAL INCOME AND EXPENSES

The details of finance income and expenses for the periods are as follows:

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Finance income				
Interest income	294.500.886	144.101.773	141.159.324	91.269.407
Total	**294.500.886**	**144.101.773**	**141.159.324**	**91.269.407**

	1 January-30 June 2026	**1 January-30 June 2025**	**1 April–30 June 2026**	**1 April–30 June 2025**
Finance expenses				
Interest expense	1.095.151.920	1.559.726.415	670.608.833	955.292.382
Bank transaction and commission expenses	398.525.296	271.338.124	253.902.932	176.525.094
Foreign exchange loss (*)	234.802.667	504.897.461	142.463.237	316.587.563
Total	**1.728.479.883**	**2.335.962.000**	**1.066.975.002**	**1.448.405.039**

(*) Currency difference income and expenses are netted presented on a company basis in consolidation subsidiaries.

20. EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary Items	**30 June 2026**	**30 June 2025**
Statement of Financial Position Items	**1.177.386.677**	**674.310.835**
Inventories	(26.022.955)	(19.794.022)
Prepaid expenses	(6.045.285)	8.391.425
Right-of-use assets	5.539.525	(28.883.934)
Property, plant and equipment	1.885.476.535	1.244.754.437
Intangible assets	4.734.408	5.119.976
Deferred income	-	1.344.003
Deferred tax assets	136.601.324	237.296.031
Paid-in capital	(409.270.114)	(356.689.322)
Treasury shares	9.485.616	8.989.102
Share premiums	(107.178.237)	(132.726.082)
Items not to be reclassified to profit or loss	(83.608.999)	5.334.184
Items to be reclassified to profit or loss	124.124.289	112.124.910
Restricted reserves appropriated from profit	(45.631.331)	(37.371.953)
Retained earnings	(310.818.099)	(373.577.920)
Profit or Loss Statement Items	**234.966.696**	**125.392.807**
Revenue	(232.744.571)	(299.886.602)
Cost of sales (-)	370.493.762	345.993.794
General administrative expenses (-)	17.338.481	18.912.428
Marketing, selling, and distribution expenses (-)	3.898.895	8.081.021
Research and Development Expenses (-)	3.251.447	-
Other operating income/expenses	(5.769.163)	1.817.306
Financing income/expenses	78.497.845	50.474.860
Net Monetary Position Gains (Losses)	**1.412.353.373**	**799.703.642**

21. EARNINGS PER SHARE

Earnings per share calculations are made by dividing the net profit/(loss) for the period in the profit or loss statement given in this report by the weighted average number of shares issued.

	1 January- 30 June 2026	**1 January- 30 June 2025**	**1 April– 30 June 2026**	**1 April– 30 June 2025**
Period profit/(loss) for equity of parent	108.948.355	(627.682.409)	42.557.986	(237.497.758)
Number of shares	1.817.640.000	1.817.640.000	1.817.640.000	1.817.640.000
Profit per share	0,06	(0,35)	0,02	(0,13)

22. FINANCIAL INSTRUMENTS

Capital Risk Management

Group strives to ensure the continuity of its operations in capital management while simultaneously increasing its profits by utilizing the most efficient balance of debt and equity. Group's capital structure consists of equity items including issued capital, reserves and retained earnings from previous years. A summary table of the Group's net financial debt/invested capital ratio is presented below:

	30 June 2026	**31 December 2025**
Total financial borrowings	13.117.624.285	12.753.412.800
Less: Cash and cash equivalents and financial investments	(525.273.506)	(1.851.128.201)
Net debt	**12.592.350.779**	**10.902.284.599**
Total equity	5.278.837.076	5.444.827.218
Net debt to equity ratio	**2,39**	**2,00**

Risk Management System

When calculating Group's capital risk management, debts and equity items including cash and cash equivalents, paid-in capital, defined benefit plans remeasurement gains / losses, restricted reserves from profit and retained earnings / (losses) are considered, respectively.

Risks associated with each capital class, together with the group capital cost, are evaluated by the senior management. Based on senior management assessments, it is aimed to keep the capital structure in balance through the acquisition of new debt or repayment of existing debt, as well as through dividend payments.

23. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Risk Management Disclosures

Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of Group.

Credit Risk

Credit risk is the risk that a customer or a counterparty will not fulfil its contractual obligations and arises mainly from customer receivables.

	Receivables				
	Trade receivables		Other receivables		
30 June 2026	**Related Party**	**Third Party**	**Related Party**	**Third Party**	**Cash at Banks**
Maximum exposed credit risk as of reporting date,(A+B+C+D)	**9.219.656**	**5.786.663.904**	**792.877.635**	**407.162.345**	**525.020.420**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	9.219.656	5.786.663.904	792.877.635	407.162.345	525.020.420
B. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross carrying amount)	-	171.667.221	-	-	-
- Impairment (-)	-	(171.667.221)	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-

	Receivables				
	Trade receivables		Other receivables		
31 December 2025	**Related Party**	**Third Party**	**Related Party**	**Third Party**	**Cash at Banks**
Maximum exposed credit risk as of reporting date,(A+B+C+D)	**10.318.360**	**4.320.401.397**	**891.491.987**	**156.707.334**	**1.850.848.851**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	10.318.360	4.320.401.397	891.491.987	156.707.334	1.850.848.851
B. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross carrying amount)	-	171.392.145	-	-	-
- Impairment (-)	-	(171.392.145)	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-

23 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Credit Risk (Continued)

Group monitors the collectability of its trade receivables periodically and allocates provision for doubtful receivables for possible losses that may arise from doubtful receivables based on the collection rates of previous years. Following the provision for doubtful receivables, if all or part of the doubtful receivable amount is collected, the collected amount is deducted from the doubtful receivable provision and associated with profit or loss.

Liquidity Risk

Group manages liquidity risk by maintaining adequate funds and available borrowing by regularly monitoring forecast and actual cash flows and matching the maturities of financial assets and liabilities. Prudent liquidity risk management expresses the ability to keep sufficient cash, the availability of sufficient credit transactions, the availability of fund resources and the ability to close market positions.

The funding risk of current and prospective debt requirements is managed by maintaining the availability of sufficient number of high-quality lenders.

The table below shows the maturity distribution of Group's non-derivative financial liabilities:

	30 June 2026					
Contractual maturity	**Carrying Value**	**Contractual cash flows**	**Less than 3 months**	**3- 12 months**	**1- 5 years**	**More than 5 years**
Non derivative financial liabilities	**19.087.128.077**	**20.878.696.685**	**2.738.526.126**	**10.695.811.652**	**6.600.618.688**	**843.740.219**
Financial borrowings	12.776.482.944	14.479.788.812	1.766.798.770	5.549.487.523	6.319.762.300	843.740.219
Trade payables	5.969.503.792	5.969.503.792	935.791.950	5.033.711.842	-	-
Lease liabilities	341.141.341	429.404.081	35.935.406	112.612.287	280.856.388	-

	31 December 2025					
Contractual maturity	**Carrying Value**	**Contractual cash flows**	**Less than 3 months**	**3- 12 months**	**1- 5 years**	**More than 5 years**
Non derivative financial liabilities	**17.510.137.001**	**19.420.793.694**	**3.020.388.075**	**10.348.129.627**	**4.720.191.957**	**1.332.084.035**
Financial borrowings	12.379.090.198	14.203.483.229	2.205.563.428	6.252.443.959	4.493.456.645	1.252.019.197
Trade payables	4.706.049.524	4.706.049.524	725.814.019	3.980.235.505	-	-
Lease liabilities	374.322.602	460.586.264	38.335.951	115.450.163	226.735.312	80.064.838
Other liabilities	50.674.677	50.674.677	50.674.677	-	-	-

23. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign Currency Risk

For the periods, Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below:

		30 June 2026			31 December 2025		
		TL Equivalent	**USD**	**EUR**	**TL Equivalent**	**USD**	**EUR**
1	Trade payables	3.620.640.356	70.287.570	6.536.826	2.774.050.891	57.911.578	5.822.483
2a.	Monetary financial assets	236.558.598	4.128.232	834.249	528.615.148	11.818.240	442.558
2b.	Non-Monetary financial assets	-	-	-			
3	Other	4.806.665.130	86.244.063	14.878.967	1.451.610.674	21.889.248	10.216.592
4	**Current assets (1+2+3)**	**8.663.864.084**	**160.659.865**	**22.250.042**	**4.754.276.713**	**91.619.066**	**16.481.633**
5	Trade receivables	-	-	-	-	-	-
6a.	Monetary financial assets	-	-	-	-	-	-
6b.	Non-Monetary financial assets	-	-	-	-	-	-
7	Other	-	-	-	-	-	-
8	**Non- Current assets (5+6+7)**	-	-	-	-	-	-
9	**Total assets (4+8)**	**8.663.864.084**	**160.659.865**	**22.250.042**	**4.754.276.713**	**91.619.066**	**16.481.633**
10	Trade payables	3.600.722.997	69.464.912	6.761.413	3.452.720.557	74.875.739	4.741.034
11	Financial borrowings	3.322.623.140	61.460.057	8.555.157	3.747.268.878	78.056.558	7.877.781
12a.	Other Monetary financial liabilities	-	-	-	-	-	-
12b.	Other Non-Monetary financial liabilities	4.551.916.402	91.314.710	5.477.384	2.475.495.354	50.596.959	6.029.143
13	**Current liabilities (10+11+12)**	**11.475.262.539**	**222.239.679**	**20.793.954**	**9.675.484.789**	**203.529.256**	**18.647.958**
14	Trade payables	-	-	-	-	-	-
15	Financial borrowings	4.686.443.717	85.129.875	13.433.095	2.064.517.688	46.501.287	1.360.706
16a.	Other Monetary financial liabilities	-	-	-	-	-	-
16b.	Other Non-Monetary financial liabilities	-	-	-	-	-	-
17	**Non-Current liabilities (14+15+16)**	**4.686.443.717**	**85.129.875**	**13.433.095**	**2.064.517.688**	**46.501.287**	**1.360.706**
18	**Total liabilities (13+17)**	**16.161.706.256**	**307.369.554**	**34.227.049**	**11.740.002.477**	**250.030.543**	**20.008.664**
19	**Net asset / liability position of off-balance sheet derivatives**	**8.009.066.857**	**146.589.932**	**21.988.252**	**5.811.786.566**	**124.557.845**	**9.238.486**
20	**Net foreign currency asset /(liability)position (9-18+19)**	**511.224.685**	**(119.757)**	**10.011.245**	**(1.173.939.198)**	**(33.853.632)**	**5.711.455**
21	**Net foreign currency asset / (liability)position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)**	**(7.752.590.900)**	**(141.639.042)**	**(21.378.590)**	**(5.961.841.084)**	**(129.703.766)**	**(7.714.480)**

23. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk (Continued)

Sensibility analysis

Group's currency risk consists of the value changes of TL against Euro and USD. The basis of the sensitivity analysis to measure the currency risk is to make the total currency statement made throughout the organization. Total foreign currency position includes all foreign currency based short-term and long-term purchase agreements and all assets and liabilities.

The exchange rate sensitivity analysis for the periods are as follows:

	30 June 2026		**31 December 2025**	
	Profit (Loss)		**Profit (Loss)**	
	Appreciation of foreign currency	**Depreciation of foreign currency**	**Appreciation of foreign currency**	**Depreciation of foreign currency**
	In case of 10% appreciation of USD against TL			
1- USD net asset/liability	(685.874.807)	685.874.807	(680.655.288)	680.655.288
2- Amount hedged for USD risk (-)				
3- USD net effect (1+2)	**(685.874.807)**	**685.874.807**	**(680.655.288)**	**680.655.288**
	In case of 10% appreciation of EUR against TL			
4- EUR net asset/liability	(63.909.410)	63.909.410	(17.917.278)	17.917.278
5- Amount hedged for EUR risk (-)				
6- EUR net effect (4+5)	**(63.909.410)**	**63.909.410**	**(17.917.278)**	**17.917.278**
Total net effect (3+6)	**(749.784.217)**	**749.784.217**	**(698.572.566)**	**698.572.566**

Profile

The interest structure of Group's financial items with an interest component as of the reporting date is as follows:

Interest position table		
Fixed-rate financial instruments	**30 June 2026**	**31 December 2025**
Financial liabilities	8.830.998.001	6.789.699.826
Financial leases	462.255.842	593.180.228
Issued debt instruments	218.413.975	1.459.409.996
Variable-rate financial instruments		
Financial liabilities	1.937.075.317	2.908.929.944
Issued debt instruments	1.327.739.809	627.870.204

Cash flow hedge accounting for high probability forecast transaction currency risk

Group provides hedging on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts that are highly probable to be realized in the future within the scope of the agreements it has made and the corporate budget.

In this context, repayments of foreign currency borrowings that are subject to hedge accounting and determined as hedging instrument are made with foreign currency sales cash flows that will be realized on close dates and determined as hedged item within the scope of hedge accounting.

Within the scope of the currency risk management strategy it has determined, Group applies hedging accounting for the purpose of hedging the currency risk component of the highly probable forecast transaction cash flow risk and accounted for the foreign exchange rate fluctuations that have occurred on the hedging instrument but have not yet occurred under equity.

24. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)

For the periods, the book values and fair values of assets and liabilities are shown in the table below:

		30 June 2026		31 December 2025	
Financial assets	***Notes***	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash and cash equivalents	*3*	525.273.506	525.273.506	1.851.128.201	1.851.128.201
Trade receivables	*4*	5.872.988.480	5.795.883.560	4.404.290.126	4.330.719.757
Other receivables		1.200.039.980	1.200.039.980	1.048.199.321	1.048.199.321
Total financial assets		**7.598.301.966**	**7.521.197.046**	**7.303.617.648**	**7.230.047.279**
Financial liabilities					
Financial borrowings	9	13.117.624.285	13.117.624.285	12.753.412.800	12.753.412.800
Trade payables	4	5.969.503.792	5.969.503.792	4.706.049.524	4.706.049.524
Other payables		-	-	50.674.677	50.674.677
Payables related to employment benefits		360.558.332	360.558.332	177.154.757	177.154.757
Total financial liabilities		**19.447.686.409**	**19.447.686.409**	**17.687.291.758**	**17.687.291.758**
Net		**(11.849.384.443)**	**(11.926.489.363)**	**(10.383.674.110)**	**(10.457.244.479)**

25. SUBSEQUENT EVENTS

In accordance with the decision of our company's Board of Directors dated 23.06.2026, the application for the planned private placement capital increase was submitted to the Capital Markets Board on 07.07.2026.

On July 7, 2026, our Board of Directors, pursuant to the authority granted by our Company's Articles of Association and in accordance with the provisions of the Capital Market Board's Communiqué on Debt Instruments (VII-128.8), decided to authorize the company management to issue debt instruments in Turkish Lira, up to a total amount not exceeding 4,000,000,000 TL (four billion Turkish Lira), with maturities of up to 5 (five) years, to be sold domestically to qualified investors without a public offering, in one or more tranches; to apply to the Capital Market Board for approval of the issuance document; and, if the application is approved, to determine all conditions, draw up contracts, make necessary applications to the relevant authorities, and carry out all necessary procedures within one year from the date of approval, subject to these limitations.