(**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 FOR THE PERIOD ENDED 30 SEPTEMBER 2026

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		Non-Audited	Audited
		Current Period	Prior Period
ASSETS	***Notes***	**30 September 2026**	**31 December 2025**
Current Assets			
Cash and cash equivalents	3	286.274.922	1.954.229.733
Trade receivables		6.762.425.519	4.571.926.088
- *Trade receivables from related parties*	*5*	*9.648.643*	*10.893.057*
- *Trade receivables from third parties*	*4*	*6.752.776.876*	*4.561.033.031*
Other receivables		932.152.191	1.101.417.591
- *Other receivables from related parties*	*5*	*639.072.579*	*941.145.052*
- *Other receivables from third parties*		*293.079.612*	*160.272.539*
Inventories		3.172.765.796	2.867.618.435
Prepaid expenses		7.641.801.655	5.132.101.596
- *Prepaid expenses from related parties*	*5*	*3.032.709.108*	*1.878.848.936*
- *Prepaid expenses from third parties*	*6*	*4.609.092.547*	*3.253.252.660*
Current income tax assets		5.962.954	257.904.019
Other current assets		769.739.256	726.384.599
TOTAL CURRENT ASSETS		**19.571.122.293**	**16.611.582.061**
Non-current Assets			
Other receivables		4.152.972	5.162.859
- *Other receivables from third parties*		*4.152.972*	*5.162.859*
Right of use assets	8	334.677.487	*361.069.743*
Property plant and equipment	7	12.880.807.430	13.172.320.132
Intangible assets		28.079.032	*33.142.966*
Prepaid expenses		120.953.905	372.065.434
- *Prepaid expenses, third parties*	*6*	*120.953.905*	*372.065.434*
Deferred tax assets	11	571.141.926	956.270.171
TOTAL NON-CURRENT ASSETS		**13.939.812.752**	**14.900.031.305**
TOTAL ASSETS		**33.510.935.045**	**31.511.613.366**

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

		Non-Audited	Audited
		Current Period	Prior Period
LIABILITIES	***Notes***	**30 September 2026**	**31 December 2025**
Current Liabilities			
Short-term borrowings	9	5.272.284.325	7.274.271.590
Short-term portion of long-term borrowings	9	1.766.870.690	1.654.817.985
Lease liabilities	9	101.703.139	112.401.296
- *Lease transactions to related parties*		*40.857.717*	*45.094.480*
- *Lease transactions to third parties*		*60.845.422*	*67.306.816*
Trade payables		6.509.843.422	4.968.160.444
- *Trade payables to related parties*	*5*	*245.681.047*	*543.477.303*
- *Trade payables to third parties*	*4*	*6.264.162.375*	*4.424.683.141*
Obligations for employee benefits		140.648.926	187.021.673
Other payables		576.192.699	53.497.084
- *Other payables to third parties*		*576.192.699*	*53.497.084*
Deferred income		5.011.002.943	6.767.104.416
- *Deferred income to related parties*	5	*3.205.688.416*	*3.214.560.801*
- *Deferred income to third parties*	*6*	*1.805.314.527*	*3.552.543.615*
Provisions		45.790.079	48.347.200
- *Provisions for employee benefits*		*34.239.162*	*31.642.042*
- *Other short-term provisions*		*11.550.917*	*16.705.158*
Other current liabilities		251.244.448	239.843.843
TOTAL CURRENT LIABILITIES		**19.675.580.671**	**21.305.465.531**
Non-current liabilities			
Long-term borrowings	9	5.846.044.275	4.139.473.761
Long-term lease liabilities	9	212.156.211	282.769.799
- *Lease transactions from related parties*		*94.705.012*	*153.840.629*
- *Lease transactions from third parties*		*117.451.199*	*128.929.170*
Long-term provisions		50.268.751	35.818.739
- *Long-Term Provisions for Employee Benefits*		*50.268.751*	*35.818.739*
TOTAL NON-CURRENT LIABILITIES		**6.108.469.237**	**4.458.062.299**
Shareholders' Equity		**7.754.294.179**	**5.760.645.028**
Share capital	12	1.817.640.000	605.880.000
Adjustment to share capital		1.233.884.702	2.029.025.662
Capital advance		2.036.808.905	-
Treasury shares (-)		(66.403.544)	(66.403.544)
Share premiums		563.844.024	980.463.064
Accumulated other comprehensive income not to be reclassified in profit or loss		580.095.002	585.300.269
- *Revaluation Increases of Tangible Fixed Assets*		*627.161.977*	*627.161.977*
- *Gain/(Loss) on remeasurements of the defined benefit plans*		*(47.066.975)*	*(41.861.708)*
Accumulated other comprehensive income that will be reclassified in profit or loss		(1.058.824.201)	(868.925.367)
- *Foreign currency translation differences*		*32.228.855*	*32.987.483*
- *Gain / (loss) of hedging reserve*		*(1.091.053.056)*	*(901.912.850)*
Restricted reserves on retained earnings		319.439.663	319.439.663
Retained earnings		2.175.865.281	2.716.295.020
Net income for the period		151.944.347	(540.429.739)
Non-controlling interest		**(27.409.042)**	**(12.559.492)**
TOTAL SHAREHOLDERS' EQUITY		**7.726.885.137**	**5.748.085.536**
TOTAL LIABILITIES AND EQUITY		**33.510.935.045**	**31.511.613.366**

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

Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş and Its Subsidiaries
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Periods of 1 January-30 September 2026 and 2025
(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 30 September 2026 unless otherwise stated.)

PROFIT OR LOSS	Notes	Non-Audited 1 January – 30 September 2026	Non-Audited 1 January – 30 September 2025	Non-Audited 1 July- 30 September 2026	Non-Audited 1 July – 30 September 2025
Revenue	13	11.554.507.536	9.603.776.510	4.345.690.868	3.691.944.133
Cost of sales (-)	13	(9.001.622.359)	(7.640.224.205)	(3.271.740.048)	(2.937.659.745)
GROSS PROFIT		**2.552.885.177**	**1.963.552.305**	**1.073.950.820**	**754.284.388**
General administrative expense (-)	16	(639.537.322)	(684.500.576)	(201.476.304)	(210.158.010)
Selling, marketing and distribution expense (-)	15	(150.085.071)	(195.516.255)	(41.797.072)	(69.163.323)
Research and Development Expenses (-)	14	(106.110.754)	(31.051.088)	(35.983.903)	(20.168.634)
Other operating income	18	632.323.986	971.101.316	260.826.034	250.757.122
Other operating expense (-)	18	(712.000.082)	(1.261.482.544)	(163.095.771)	(685.644.760)
OPERATING PROFIT / (LOSS)		**1.577.475.934**	**762.103.158**	**892.423.804**	**19.906.783**
Expected credit loss according to TFRS 9		(15.947.014)	(22.054.077)	(502.942)	(4.148.748)
Share of profit/loss of investments accounted for using the equity method		-	(41.111)	-	-
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES		**1.561.528.920**	**740.007.970**	**891.920.862**	**15.758.035**
Financial income	19	398.761.599	370.247.863	87.858.017	218.120.113
Financial expenses (-)	19	(3.195.323.672)	(3.489.844.912)	(1.370.573.350)	(1.023.777.790)
Net monetary position gains (losses)	20	1.820.806.084	1.671.883.086	329.789.441	827.638.678
PROFIT / (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		**585.772.931**	**(707.705.993)**	**(61.005.030)**	**37.739.036**
Tax Income / (Expense) from Continuing Operations					
Current period tax expense		-	-	-	-
Deferred tax income (expense)	11	(448.678.134)	(248.416.433)	98.233.344	(328.036.531)
PROFIT FROM CONTINUING OPERATIONS		**137.094.797**	**(956.122.426)**	**37.228.314**	**(290.297.495)**
NET PROFIT/LOSS FOR THE PERIOD		**137.094.797**	**(956.122.426)**	**37.228.314**	**(290.297.495)**
Attributable to:					
Non-controlling interest		(14.849.550)	(9.895.490)	300.374	(6.712.739)
Equity holder of the parent		151.944.347	(946.226.936)	36.927.940	(283.584.756)
Earnings/(Loss) Per Share	**21**	**0,08**	**(0,52)**	**0,02**	**(0,16)**
Items that will not to be reclassified to profit or loss					
- *Income / (loss) arising from defined benefit plans*		(5.936.258)	834.497	(9.973.067)	(1.268.868)
Taxes on items that will not to be reclassified to profit or loss					
- *Remeasurement gains (losses) on defined benefit plans, tax effect*	11	730.991	(208.624)	1.248.876	317.217
Items that will be reclassified to profit or loss					
- *Currency translation differences*		(758.628)	24.075.702	2.150.252	4.301.373
- *Cash flow hedging*		(251.959.104)	104.070.396	107.853.723	119.695.793
Taxes on items that will be reclassified to profit or loss					
- *Deferred tax income / (expense)*	11	62.818.898	(15.648.064)	(21.282.174)	(30.984.524)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)		**(195.104.101)**	**113.123.907**	**79.997.610**	**92.060.991**
TOTAL COMPREHENSIVE INCOME / (LOSS)		**(58.009.304)**	**(842.998.519)**	**117.225.924**	**(198.236.504)**
Attributable to:					
Equity holder of the parent		(43.159.754)	(833.103.029)	116.925.550	(191.523.765)
Non-controlling interest		(14.849.550)	(9.895.490)	300.374	(6.712.739)

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

						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					
	Share capital	Adjustment to share capital	Capital Advance	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**	**2.029.025.662**	**-**	**(66.403.544)**	**980.463.064**	**(39.404.239)**	**-**	**(835.960.021)**	**7.680.220**	**265.317.066**	**2.052.605.796**	**717.811.821**	**5.717.015.825**	**947.776**	**5.717.963.601**
Transfers	-	-	-	-	-	-	-	-	-	54.122.597	663.689.224	(717.811.821)	-	-	**-**
Total income/expense	-	-	-	-	-	625.873	-	88.422.332	24.075.702	-	-	(946.226.936)	(833.103.029)	(9.895.490)	**(842.998.519)**
Balance as of 30 September 2025	**605.880.000**	**2.029.025.662**	**-**	**(66.403.544)**	**980.463.064**	**(38.778.366)**	**-**	**(747.537.689)**	**31.755.922**	**319.439.663**	**2.716.295.020**	**(946.226.936)**	**4.883.912.796**	**(8.947.714)**	**4.874.965.082**
Balance as of 1 January 2026	**605.880.000**	**2.029.025.662**	**-**	**(66.403.544)**	**980.463.064**	**(41.861.708)**	**627.161.977**	**(901.912.850)**	**32.987.483**	**319.439.663**	**2.716.295.020**	**(540.429.739)**	**5.760.645.028**	**(12.559.492)**	**5.748.085.536**
Transfers	-	-	-	-	-	-	-	-	-	-	(540.429.739)	540.429.739	-	-	**-**
Total income/expense	-	-	-	-	-	(5.205.267)	-	(189.140.206)	(758.628)	-	-	151.944.347	(43.159.754)	(14.849.550)	**(58.009.304)**
Capital Advance (*)	-	-	2.036.808.905	-	-	-	-	-	-	-	-	-	2.036.808.905	-	**2.036.808.905**
Capital increase	1.211.760.000	(795.140.960)	-	-	(416.619.040)	-	-	-	-	-	-	-	-	-	**-**
Balance as of 30 September 2026	**1.817.640.000**	**1.233.884.702**	**2.036.808.905**	**(66.403.544)**	**563.844.024**	**(47.066.975)**	**627.161.977**	**(1.091.053.056)**	**32.228.855**	**319.439.663**	**2.175.865.281**	**151.944.347**	**7.754.294.179**	**(27.409.042)**	**7.726.885.137**

(*) The balance of capital advances consists of payments totaling 2.000.000.000 TL, transferred by the Group's principal shareholder, Smart Holding A.Ş., as part of an ongoing private placement capital increase process, to be offset against the sale price of the shares to be issued. This amount has been subjected to inflation adjustment as of 30.09.2026 in the financial statements prepared in accordance with TAS 29.

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

	Notes	Non-Audited 30 September 2026	Non-Audited 30 September 2025
A. Cash flows from operating activities		**(2.431.646.371)**	**1.698.296.020**
Profit for the period		137.094.797	(956.122.426)
Adjustments to reconcile net profit/loss to net cash:		**1.842.469.335**	**1.710.590.146**
Adjustments related to depreciation and amortization expenses	7	735.844.943	581.803.605
Adjustments related to provision for employee benefits		24.042.146	20.270.407
Adjustments related to interest expenses		2.503.754.913	2.725.327.118
Adjustments related to interest incomes		(398.761.599)	(370.247.863)
Adjustments related to expected provisions for trade receivables expenses.		30.494.631	22.054.077
Adjustments related to tax income/(expense)	11	448.678.134	248.416.433
Adjustments related to unrealized currency translation differences		949.708.884	676.831.284
Monetary gain/(loss)		(2.451.292.717)	(2.193.864.915)
Adjustments related to other increase / (decrease) in working capital		**(4.389.658.586)**	**1.047.360.345**
Decrease/(increase) in financial investments		-	33.371.379
Decrease/(increase) in inventories		(305.147.361)	1.358.114.325
Decrease/(increase) in trade receivables from third parties		(2.222.238.476)	1.151.236.204
Decrease/(increase) in trade receivables from related parties		1.244.414	10.736.978
Decrease/(increase) in other operating receivables from related parties		302.072.473	(1.636.486.182)
Decrease / (increase) in other operating receivables from third parties		(131.797.186)	903.975.417
(Decrease) / Increase in trade payables to third parties		1.839.479.234	(2.755.916.307)
(Decrease) / increase in other operating payables to third parties		522.695.615	-
(Decrease) / increase in trade payables to related parties		(297.796.256)	(118.835.814)
(Decrease) / increase in deferred incomes		(1.756.101.473)	2.769.141.330
Decrease / (increase) in other assets related to operations		(43.354.657)	109.417.833
(Decrease) increase in other liabilities related to operations		(40.126.383)	(785.011.276)
Decreases / (increase) in prepaid expenses		(2.258.588.530)	7.616.458
Cash inflow (outflow) from other operations		**(2.410.094.454)**	**1.801.828.065**
Taxes paid		(8.620.645)	(93.794.227)
Payments under provisions for employee benefits		(12.931.272)	(9.737.818)
B. Cash flows from investing activities		**(377.436.138)**	**(3.016.396.570)**
Cash inflows from the sale of tangible and intangible fixed assets.	7	212.477.019	-
Purchases of property, plant and equipment	7	(589.913.157)	(3.016.004.540)
Purchases of intangible assets		-	(392.030)
C. Cash flows from financing activities		**1.523.387.125**	**1.090.828.331**
Cash inflows from borrowings		9.503.191.491	6.965.334.066
Cash outflows from borrowings		(6.999.724.209)	(5.097.984.627)
Cash inflows from issued debt instruments		1.210.847.001	1.576.289.152
Cash outflows from repayments of issued debt instruments		(1.599.373.779)	(341.633.564)
Cash inflows resulting from leasing transactions		11.263.201	378.411.552
Cash outflows from leasing transactions		(170.008.559)	(333.612.058)
Cash outflows related to debt payments arising from lease agreements		(104.128.856)	(105.776.159)
Cash inflows from capital advances		2.036.808.905	-
Interest paid		(2.764.249.669)	(2.320.447.894)
Interest received		398.761.599	370.247.863
Net increase/(decrease) in cash and cash equivalents before foreign currency translation differences (A+B+C)		**(1.285.695.384)**	**(227.272.219)**
D. Inflation impact on cash and cash equivalents		**(382.259.427)**	**(154.408.985)**
E. Cash and cash equivalents at the beginning of the year		**1.954.229.733**	**761.611.056**
Cash and cash equivalents at the end of the period (A+B+C+D+E)		**286.274.922**	**379.929.852**

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 35.56% as of the report date.

The Main Field of Group.

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

As of 30.09.2026, the headquarters of the Group is, Energy Plaza Rüzgârlıbahçe Mah. Feragat Sok. No:2 Kat:6 Beykoz/İstanbul. As of 30.09.2026, the factories where it produces are located, Gebze Organize Sanayi Bölgesi Tembelova Mevki, 3200 Cadde No:3207, 41400 Gebze/Kocaeli and Uzunburun Mevkii Aliağa Organize Sanayi Bölgesi (ALOSBİ) Aliağa/İzmir.

As of 30 September 2026 and 31 December 2025 the total number of personnel employed by the Group is 1.066 and 1.121 respectively.

The Subsidiaries

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

30 September 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
Fair Depolamalı Ges Enerji Üretim A.Ş.	Solar Panel with Storage and Power Plant Commercial Activities	100	Türkiye

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

Details regarding the Group's subsidiaries are summarized below:

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 Iberia 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 Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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 Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. is the 60% owner and leading partner of the company. The company was established within the consortium formed between Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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 Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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 Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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 Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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.

Smart Yeşil Enerji Depolama A.Ş.

The company was established on March 13, 2025. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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.

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

Kaizenn Güneş Teknolojileri ve Enerji Üretim A.Ş.

The company was established on June 18, 2025. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. 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.

Fair Depolamalı Ges Enerji Üretim A.Ş.

It was established on August 24, 2026. 100% of the company's shares are owned by Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş. The company's scope of operations includes the generation and storage of electrical energy from renewable sources—subject to obtaining the necessary licenses and permits from the Energy Market Regulatory Authority (EMDK)—as well as the establishment, operation, and leasing of electricity generation and storage facilities, the wholesale or retail sale of the electricity produced, and the provision of project development, engineering, and contracting services in these fields.

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 September 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 September 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 for the connection of Bor-1, Bor-2, and Bor-3 SPP projects to the national grid based on the connection opinion to be issued by TEİAŞ 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 TAS Taxonomy" published by the TAS on 3 July 2024 and the Financial Statement Samples and User Guide published by the CMB.

Financial statements are prepared on a historical cost basis, with the exception of the revaluation of certain non-current assets and financial instruments. In determining historical cost, the fair value of the amount paid for the assets is generally used as the basis.

Consolidated financial statements for the accounting period 1 January – 30 September 2026 were approved at the Board of Directors meeting dated 6 November 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

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.

Based on the aforementioned Capital Markets Board (CMB) decision, the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, and the published "Implementation Guide on Financial Reporting in Hyperinflationary Economies," the Group has prepared its consolidated financial statements for the period ended September 30, 2026, by applying the TAS 29 standard.

In accordance with the relevant standard, financial statements prepared using the currency of a hyperinflationary economy must be presented in terms of the purchasing power of that currency as of the balance sheet date, and the financial statements of prior periods must be restated in terms of the current unit of measurement as of the end of the reporting period. Accordingly, the Group has presented its consolidated financial statements for the periods ended 30 September 2025 and 31 December 2025 based on the purchasing power as of 30 September 2026.

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 September 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 September 2026	137,23	1,00000	%158
31 December 2025	110,39	1,24317	%211
30 September 2025	105,78	1,29732	%222

(*) 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

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.

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.

Going Concern Assumption

The summary consolidated financial statements have been prepared on a going concern basis, under the assumption that the Company—along with its subsidiaries, associates, joint ventures, and joint operations included in the consolidation—will be able to realize the benefits of its assets and fulfill its obligations in the ordinary course of business over the coming year.

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

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.

2.2. Declaration of Conformity to TAS

Group prepared its condensed consolidated financial statements for the period ended 30 September 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. Changes in 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 September 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. Adoption of New and Revised Financial Reporting Standards

The accounting policies applied in the preparation of the consolidated financial statements for the reporting period ending on September 30, 2026, are consistent with those used in the previous year, with the exception of the new and amended Turkish Financial Reporting Standards (TFRS) and TFRS interpretations that became effective as of January 1, 2026, which are summarized below. The impacts of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

Amendments that are mandatorily effective from 1 January 2026

Amendments to TFRS 9 and TFRS 7 :Classification and Measurement of Financial Instruments

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognized on the settlement date.

It also introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of nonrecourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The new requirements are applied retrospectively with an adjustment to opening retained earnings.

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

2.4 Adoption of New and Revised Financial Reporting Standards (Continued)

a) Amendments that are mandatorily effective from 1 January 2026 (Continued)

Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

Annual Improvements to TFRSs – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

- TFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9.
- TFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language on unobservable inputs in the Standard and include a cross reference to TFRS 13.
- TFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to 'transaction price".
- TFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs.
- TAS 7 Statement of Cash Flows – Cost Method: The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

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

2.4 Adoption of New and Revised Financial Reporting Standards (Continued)

b) TFRSs in issue but not yet effective and not early adopted

Amendments to TFRS 10 and TAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of these amendments to TFRS 10 and TAS 28 indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

TFRS 17 The Standard for Insurance Contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2027 with the announcement made by the POA.

TFRS 18 The Standard for Presentation and Disclosure in Financial Statements

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively.

TFRS 19 The Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards.

An entity that is a subsidiary does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

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

2.4 Adoption of New and Revised Financial Reporting Standards (Continued)

b) TFRSs in issue but not yet effective and not early adopted (Continued)

Amendments to TAS 21 Translation to a Hyperinflationary Presentation

The amendments issued by the POA in April 2026 require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. Accordingly, if an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the end of the current reporting period. Furthermore, an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a nonhyperinflationary economy, by applying the general price index, in accordance with TAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. If an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results and financial position of foreign operations whose functional currency is that of a nonhyperinflationary economy, then it is required to apply the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, it restates the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with TAS 29. Other entities will apply the amendments retrospectively.

Amendments to TAS 28 - Fair Value Option for Investments in Associates and Joint Ventures

The amendments issued by the POA in July 2026 clarify which entities can apply the fair value option in TAS 28. The amendments explained that a 'similar entity' includes an entity with a main business activity of investing in particular types of assets, as described in paragraph 49(a) of TFRS 18. It is also clarified that eligibility to apply the fair value option is assessed based on the entity that directly holds the investment in the associate or joint venture.

The amendments are applied when an entity first applies TFRS 18. If an entity elects to apply TFRS 18 for an earlier period, the amendments are applied consistently with that early application. However, if TFRS 18 is applied early for a period beginning before the issuance of the amendments, entities apply the amendments for the first reporting period ending on or after their issuance. The amendments are applied retrospectively.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

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

2.5. Summary of Significant Accounting Policies

The Capital Markets Board (CMB) permits publicly traded companies to present their interim financialstatements—in accordance with the Turkish Accounting Standard (TMS) 34 "Interim Financial Reporting"—either as a full set or in a condensed format. Accordingly, the Group has opted for a condensed presentation for its interim consolidated financial statements as of September 30, 2026.

In line with this regulation, the disclosures and footnotes typically required for annual financial statements prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (TMS/TFRS) have either been summarized or omitted, as permitted by TMS 34. The accompanying condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and their related footnotes as of December 31, 2025. Interim financial results are not necessarily indicative of full-year performance.

The Group has continued to apply the same accounting policies and estimates as those used in the consolidated financial statements for the period ended December 31, 2025. "Foreign exchange differences arising from revaluation transactions are presented within finance income and expenses in the statement of profit or loss."

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.

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

2.5. Summary of Significant Accounting Policies (Continued)

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,

b) An enterprise shall be considered related to the Company if any of the following conditions exist:

(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) If both businesses are partnerships of the same third party, or if one of the businesses is a partnership of a third party and the other business is an affiliate of that third party, In the event that an enterprise, the Company, or an entity related to the Company maintains post-employment benefit plans for its employees—or if the Company itself maintains such a plan—the sponsoring employers are also considered related to the Company.
(v) If the business is controlled or jointly controlled by a person defined in clause (a),
(vi) In the event that a person defined in clause (i) of paragraph (a) has significant influence over the entity, or is a member of the key management personnel of the entity (or of the parent undertaking of such entity).

Trade Receivables and Provisions for Doubtful

Trade receivables arising from the direct provision of goods and services by the Group to customers are initially recorded in the books at their fair value and are subsequently measured at their amortized cost—calculated using the effective interest rate method—less any allowance for impairment. Short-term trade receivables for which no specific interest rate is defined are stated at their invoiced amounts, provided that the effect of interest accrual is immaterial.

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.

Property, plant and equipment and related depreciation

As of 30 September 2026, Group's tangible assets are shown by deducting accumulated depreciation from the indexed acquisition cost. Land is 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

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

2.5. Summary of Significant Accounting Policies (Continued)

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 September 2026		31 December 2025	
	Buying	**Selling**	**Buying**	**Selling**
USD	48,9303 TL	49,0184 TL	42,8457 TL	42,9229 TL
EUR	55,5567 TL	55,6568 TL	50,2859 TL	50,3765 TL
UAH	1,0957 TL	1,0957 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 September 2026	**31 December 2025**
Cash on hand	265.095	294.909
Cash at banks	286.009.827	1.953.934.824
- Demand deposit	*227.201.432*	*1.009.488.252*
- Time deposits	*58.808.395*	*944.446.572*
	286.274.922	**1.954.229.733**

As of September, 2026, time deposits have a maturity of less than three months and the weighted average interest rate is 31% 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 September 2026**	**31 December 2025**
Trade receivables	6.048.157.114	3.741.816.735
Notes receivables	783.042.425	896.884.284
Expected credit loss (-)	(78.422.663)	(77.667.988)
Doubtful receivables (*)	97.617.459	103.270.116
Provisions for doubtful receivables (-)	(97.617.459)	(103.270.116)
	6.752.776.876	**4.561.033.031**

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

	1 January-30 September 2026	**1 January-30 September 2025**
Balance at beginning of the period	103.270.116	115.291.658
Current year additions / (Provisions no longer required)	14.547.617	13.647.758
Monetary gain / (loss)	(20.200.274)	(23.374.225)
End of the period	**97.617.459**	**105.565.191**

4. TRADE RECEIVABLES AND PAYABLES (Continued)

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

	1 January-30 September 2026	1 January-30 September 2025
Balance at beginning of the period	77.667.988	68.995.205
Provisions set aside during the period	15.947.014	22.054.077
Monetary gain / (loss)	(15.192.339)	(13.988.085)
End of the period	**78.422.663**	**77.061.197**

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

	30 September 2026	31 December 2025
Short-term trade payables		
Trade payables	2.294.097.476	1.868.723.689
Notes payables	3.970.064.899	2.555.959.452
	6.264.162.375	**4.424.683.141**

5. RELATED PARTY TRANSACTIONS

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

	Trade Receivables	
	30 September 2026	31 December 2025
Smart Energy Ukraine	9.648.643	10.893.057
	9.648.643	**10.893.057**

	Other Receivables	
	30 September 2026	31 December 2025
Smart Holding A.Ş.	639.072.579	941.145.052
	639.072.579	**941.145.052**

	Prepaid Expenses	
	30 September 2026	31 December 2025
Smart Verde Yenilenebilir Enerji A.Ş. (*)	2.571.631.216	1.868.505.423
Sumec Energy Holdings Co. Ltd.	451.738.360	-
Kes Adi Ortaklığı	9.339.532	10.343.513
	3.032.709.108	**1.878.848.936**

5. RELATED PARTY TRANSACTIONS (Continued)

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

	Short-term Trade Payables	
	30 September 2026	**31 December 2025**
Smart Energy Group AD (Bulgaria)	245.681.047	382.960.679
Sumec Energy Holdings Co Ltd.	-	160.516.624
	245.681.047	**543.477.303**

	Order Advances Received	
	30 September 2026	**31 December 2025**
Atlas Ges Enerji Üretim A.Ş. (*)	2.168.263.860	1.855.551.745
Asya GES Enerji Üretim San. Tic. Ltd. Şti. (**)	1.037.424.556	1.359.009.056
	3.205.688.416	**3.214.560.801**

(*) 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.

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

	Sales		Purchases	
	30 September 2026	**30 September 2025**	**30 September 2026**	**30 September 2025**
Sumec Energy Holdings Co. Ltd.	1.186.909	15.461.952	691.540.494	1.586.232.234
Smart Energy Group AD (Bulgaria)	-	-	221.658.692	-
Smart Solar EOOD (Bulgaria)	276.894.539	10.047.153	-	3.082.221
Smart Verde Yenilenebilir Enerji A.Ş.	2.618.960	371.355	5.048.301	499.890.744
Smart Holding A.Ş.	-	-	150.188.901	156.606.226
Sumec Hong Kong Co. Ltd.	-	-	112.131.952	-
	280.700.408	**25.880.460**	**1.180.568.340**	**2.245.811.425**

	Interest Income	
	30 September 2026	**30 September 2025**
Smart Holding A.Ş.	332.588.140	310.091.934
	332.588.140	**310.091.934**

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 26.283.978 TL (30 September 2025: 25.485.396 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 September 2026**	**31 December 2025**
Advances given to suppliers (*)	4.540.196.763	3.136.163.571
Prepaid expenses	68.895.784	117.089.089
	4.609.092.547	**3.253.252.660**

Long-term prepaid expenses	**30 September 2026**	**31 December 2025**
Advances given to suppliers	-	288.828.804
Prepaid expenses	120.953.905	83.236.630
	120.953.905	**372.065.434**

(*) Advances given for orders consist of advance payments made to suppliers by the Group within the scope of its investment activities, domestic and international project development processes, and the procurement of raw materials and supplies.

Deferred Incomes	**30 September 2026**	**31 December 2025**
Advances received (*)	1.805.314.527	3.552.543.615
	1.805.314.527	**3.552.543.615**

(*) 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 September 2026:

	1 January 2026	Additions	Disposals (-)	Foreign Currency Conversion Difference	30 September 2026
Cost					
Land	1.253.046.947	583.596	-	(19.412.720)	1.234.217.823
Machinery and equipment	10.097.721.454	87.366.138	(215.903.080)	-	9.969.184.512
Vehicles	78.620.044	-	-	-	78.620.044
Furniture and fixtures	247.654.630	21.302.572	-	-	268.957.202
Construction in progress	707.491.670	456.562.314	-	-	1.164.053.984
Leasehold improvements	2.305.678.903	24.098.537	-	-	2.329.777.440
Total	**14.690.213.648**	**589.913.157**	**(215.903.080)**	**(19.412.720)**	**15.044.811.005**

	1 January 2026	Current year charge	Disposals (-)	Foreign Currency Conversion Difference	30 September 2026
Accumulated depreciation					
Machinery and equipment	(993.275.046)	(435.379.167)	3.426.061	-	(1.425.228.152)
Vehicles	(37.554.736)	(8.492.212)	-	-	(46.046.948)
Furniture and fixtures	(111.663.446)	(29.344.318)	-	-	(141.007.764)
Leasehold improvements	(375.400.288)	(176.320.423)	-	-	(551.720.711)
Total	**(1.517.893.516)**	**(649.536.120)**	**3.426.061**		**(2.164.003.575)**
Net book value	**13.172.320.132**				**12.880.807.430**

	1 January 2025	Additions	Disposals (-)	Transfers (*)	30 September 2025
Cost					
Land	409.045.768	34.055	-	-	409.079.823
Machinery and equipment	3.248.543.419	433.834.327	-	4.164.744.529	7.847.122.275
Vehicles	79.755.790	-	-	-	79.755.790
Furniture and fixtures	211.506.363	28.300.731	-	-	239.807.094
Construction in progress	3.325.356.495	2.537.366.668	-	(4.164.744.529)	1.697.978.634
Leasehold improvements	2.224.414.110	16.468.759	-		2.240.882.869
Total	**9.498.621.945**	**3.016.004.540**	**-**	**-**	**12.514.626.485**

	1 January 2025	Current year charge	Disposals (-)	Transfers	30 September 2025
Accumulated depreciation					
Machinery and equipment	(593.103.249)	(284.964.027)	-	-	(878.067.276)
Vehicles	(26.700.163)	(9.115.489)	-	-	(35.815.652)
Furniture and fixtures	(70.052.864)	(30.797.930)	-	-	(100.850.794)
Leasehold improvements	(149.109.775)	(169.192.401)	-	-	(318.302.176)
					-
Total	**(838.966.051)**	**(494.069.847)**	**-**	**-**	**(1.333.035.898)**
Net book value	**8.659.655.894**				**11.181.590.587**

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(*) Smart GES Enerji Üretim A.Ş., a subsidiary of Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. ve Tic. A.Ş., won the "BOR-1 (130 MWp)" tender—organized by the General Directorate of Energy Affairs of the Republic of Türkiye Ministry of Energy and Natural Resources for the allocation of renewable energy resource areas and grid connection capacities based on solar energy (published in the Official Gazette dated July 14, 2021, and numbered 31541)—by submitting the best bid in April 2022. Consequently, the majority of the "investments in progress" line item consists of costs incurred for the construction of a power plant with a capacity of 130 MWp (corresponding to 100 MWe of solar power capacity). As of the final quarter, a portion of the facility has become operational, and the amount recorded under the "transfers" line item relates to this operational segment.

As of September 30, 2026, the insurance coverage amount for property, plant, and equipment is 7.288.845.185 TL. (September 30, 2025: 8.118.891.354 TL) There is a mortgage of 18.613.091 USD on the Group's real estate assets. (September 30, 2025: 18.613.091 USD)

The depreciation and amortization charges related to the Group's property, plant and equipment, intangible assets, and right-of-use assets—as reflected in the expense accounts for the periods ended—are as follows:

	1 January-30 September 2026	1 January-30 September 2025
Cost		
Cost of sales	702.548.097	552.005.042
General administrative expenses (Note 16)	33.296.846	29.798.563
	735.844.943	**581.803.605**

8. RIGHT OF USE ASSETS

The movements in right-of-use assets for the periods ending on September 30 are as follows:

	Land and Buildings	Vehicles	Total
As of 1 January 2026	**290.804.899**	**70.264.844**	**361.069.743**
Additions	-	-	-
Changes in leases	69.483.305	(14.630.672)	54.852.633
Depreciation	(68.539.151)	(12.705.738)	(81.244.889)
As of 30 September 2026	**291.749.053**	**42.928.434**	**334.677.487**

	Land and Buildings	Vehicles	Total
As of 1 January 2025	**321.740.812**	**16.726.787**	**338.467.599**
Additions	115.085.434	74.294.013	189.379.447
Changes in leases	(9.524.064)	(3.737.983)	(13.262.047)
Depreciation	(70.116.629)	(10.988.430)	(81.105.059)
As of 30 September 2025	**357.185.553**	**76.294.387**	**433.479.940**

9. FINANCIAL BORROWINGS

Details of financial borrowings for the periods are as follows:

	30 September 2026	31 December 2025
Short-term bank borrowings	3.633.843.383	4.825.697.423
Financial lease liabilities	192.603.826	245.039.573
Liabilities arising from leasing transactions (*)	101.703.139	112.401.296
Debt instruments issued	1.445.837.116	2.203.534.594
Short-term borrowings	**5.373.987.464**	**7.386.672.886**
Short-term portion of long-term borrowings	1.766.870.690	1.654.817.985
Short-term portion of long-term borrowings	**1.766.870.690**	**1.654.817.985**
Long-term borrowings	5.601.083.166	3.758.294.989
Long-term financial lease liabilities	244.961.109	381.178.772
Liabilities arising from leasing transactions (*)	212.156.211	282.769.799
Long-term borrowings	**6.058.200.486**	**4.422.243.560**
Total financial borrowings	**13.199.058.640**	**13.463.734.431**

(*) 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 September 2026
TL bank borrowings	%42	4.226.210.640
EUR bank borrowings	%5	1.080.819.825
USD bank borrowings	%9	7.578.168.825
		12.885.199.290

	Interest Rate (%)	31 December 2025
TL bank borrowings	%40	6.933.080.064
EUR bank borrowings	%9	491.324.018
USD bank borrowings	%9	5.644.159.254
		13.068.563.336

10. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

a. Guarantees received

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

Guarantees Received by the Group	30 September 2026	31 December 2025
Bank Letters of Guarantee	237.244.742	75.405.493
Total	**237.244.742**	**75.405.493**

b. Guarantees Given

The table below presents the Group's position regarding guarantees, pledges, mortgages, and sureties for the respective periods:

CPMB's given by the Group	30 September 2026	31 December 2025
A. CPMB's given for Group's own legal personality	8.146.142.944	5.839.615.965
B. CPMB's given on behalf of fully consolidated companies	1.653.269.622	1.376.423.000
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	**9.799.412.566**	**7.216.038.965**

Given to	30 September 2026	31 December 2025
In Turkish Lira	1.435.140.265	1.289.368.591
In US Dollar	1.609.918.418	1.636.120.412
In Euro	6.754.353.883	4.290.549.962
Total	**9.799.412.566**	**7.216.038.965**

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 September 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 September 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 September 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 September 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.

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 corporate 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.
- Operating in Spain, Smart Gunes Tecnologias Renovables Sociedad Limitada, a tax rate of 23% will be applied if its revenue is below 1,000,000 Euros, while a tax rate of 25% will be applied if its revenue exceeds this amount.
- 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.

Deferred 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 September 2026	31 December 2025
	Assets / (Liabilities)	Assets / (Liabilities)
Employee benefits	11.456.087	16.356.846
Trade payables	(58.914.897)	(30.459.762)
Trade receivables	40.281.106	61.212.262
Lease liabilities	72.187.651	90.889.352
Inventories	(91.673.120)	(98.438.159)
Tangible and intangible assets	(301.561.342)	(366.463.169)
Assets subject to cash flow hedge accounting	168.989.326	281.179.241
Financial liabilities	(38.834.835)	25.802.565
Provision for litigation	2.686.828	3.876.461
Right of use assets	(76.975.822)	(83.046.040)
Investment incentives (*)	900.942.502	1.120.026.643
Other	(57.441.558)	(64.666.069)
Net Deferred Tax Assets	**571.141.926**	**956.270.171**
Deferred tax assets	1.196.543.500	1.534.677.301
Deferred tax liabilities	(625.401.574)	(578.407.130)
Net Deferred Tax Assets	**571.141.926**	**956.270.171**

(*) 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 September 30, 2026, a tax advantage of TL 900.942.502 (December 31, 2025: TL 1.120.026.643) 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 September 30, 2026, a deferred tax expense of TL (219.084.141) has arisen in the profit or loss statement for the period January 1 - September 30, 2026.

11. INCOME TAX (Continued)

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

	1 January 2026	Deferred tax income/ (expense)	Other comprehensive income	30 September 2026
Deferred tax assets	956.270.171	(448.678.134)	63.549.889	571.141.926

	1 January 2025	Deferred tax income/ (expense)	Other comprehensive income	30 September 2025
Deferred tax assets	1.752.933.484	(248.416.433)	(15.856.688)	1.488.660.363

Tax Income / (Expense)	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July– 30 September 2025
Period tax provisions (-)	-	-	-	-
Deferred tax income / (expense)	(448.678.134)	(248.416.433)	98.233.344	(328.036.531)
Total	**(448.678.134)**	**(248.416.433)**	**98.233.344**	**(328.036.531)**

12. SHARE CAPITAL

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

Shareholders	30 September 2026 TL	Share %	31 December 2025 TL	Share %
Smart Holding A.Ş.	1.163.174.580	63,99	384.458.799	63,45
Public part	654.465.420	36,01	221.421.201	36,55
Total paid-in capital	**1.817.640.000**	**100**	**605.880.000**	**100**
Adjustment to share capital (*)	1.233.884.702		2.029.025.662	
	3.051.524.702		**2.634.905.662**	

(*) 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)

Between 15.09.2026 and 28.09.2026, a total of 14,798,184 shares of the Company were repurchased from the publicly traded portion—9.798.184 shares by Smart Holding A.Ş. and 5.000.000 shares by Halil Demirdağ. (The respective proportions of the Company's capital are 0,54% for Smart Holding A.Ş. and 0,28% for Halil Demirdağ.)

The Group's registered capital ceiling is 10.000.000.000 TL.

As of 30 September 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 Shares (Registered)	22,88	415.800.000
Group B Shares (Bearer)	77,12	1.401.840.000
Issued capital	**100,00**	**1.817.640.000**

12. SHARE CAPITAL (Continued)

30.09.2026 (IFRS)	Value	Inflation Adjustment Effect	Indexed Value
Capital	1.817.640.000	1.233.884.702	3.051.524.702
Share Premiums	76.934.179	486.909.845	563.844.024
Restricted Reserves Allocated from Profit(**)	137.650.626	181.789.037	319.439.663

30.09.2026 (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 66.403.544 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 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Domestic Sales	10.985.252.947	9.400.469.711	4.105.443.495	3.550.903.592
Export Sales	626.918.735	206.262.167	297.911.519	141.084.732
Gross Sales	**11.612.171.682**	**9.606.731.878**	**4.403.355.014**	**3.691.988.324**
Sales Returns (-)	(57.662.368)	(267.078)	(57.662.368)	(606)
Sales Discounts (-)	(1.778)	(2.688.290)	(1.778)	(43.585)
Net Sales	**11.554.507.536**	**9.603.776.510**	**4.345.690.868**	**3.691.944.133**
Cost of Sales (-)	(9.001.622.359)	(7.640.224.205)	(3.271.740.048)	(2.937.659.745)
Gross Profit	**2.552.885.177**	**1.963.552.305**	**1.073.950.820**	**754.284.388**

14. RESEARCH AND DEVELOPMENT EXPENSES

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Consulting expenses	55.946.734	11.862.158	21.538.867	8.889.247
Personnel expenses	49.580.376	19.140.402	14.003.303	11.249.376
Other	583.644	48.528	441.733	30.011
Total	**106.110.754**	**31.051.088**	**35.983.903**	**20.168.634**

15. SELLING, MARKETING AND DISTRIBUTION EXPENSES

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Personnel expenses	57.241.147	82.299.662	15.408.398	23.838.489
Shipping expenses	25.953.192	37.078.919	7.727.082	25.530.584
Advertising and publicity expenses	19.046.670	25.462.712	9.828.628	6.644.670
Taxes and fees	12.530.478	23.990.195	4.961.923	2.880.975
Export and warehouse expenses	11.192.827	936.290	955.490	271.943
Consulting expenses	9.793.499	4.794.022	637.582	1.265.665
Meal and travel expenses	3.261.343	9.744.951	1.379.610	8.125.842
Other	11.065.915	11.209.504	898.359	605.155
Total	**150.085.071**	**195.516.255**	**41.797.072**	**69.163.323**

16. GENERAL ADMINISTRATIVE EXPENSES

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Personnel expenses	308.195.976	346.008.234	88.598.337	99.331.390
Consulting expenses	130.265.680	141.561.517	39.259.344	72.665.403
Depreciation and amortization expenses (Note 7)	33.296.846	29.798.563	11.860.041	9.425.675
Taxes and fees	16.588.338	26.935.561	7.413.670	3.847.482
Meal and travel expenses	10.428.899	11.112.660	4.860.901	4.068.550
Representation and entertainment expenses	6.764.160	5.026.551	393.723	1.024.710
Vehicle expenses	4.645.565	5.385.639	1.773.796	1.949.558
Other (*)	129.351.858	118.671.851	47.316.492	17.845.242
Total	**639.537.322**	**684.500.576**	**201.476.304**	**210.158.010**

(*) As of September 30, 2026 Common expenses allocated by Smart Holding is amount to TL 109.238.636 (September 30, 2025: TL 96.854.750)

17. EXPENSES BY NATURE

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Cost of Sales (-)	8.299.074.262	7.088.219.163	3.039.918.445	2.738.308.566
Depreciation and amortization expenses (Note 7)	735.844.943	581.803.605	243.681.644	208.776.854
Personnel expenses	415.017.499	447.448.298	118.010.038	134.419.255
Consulting expenses	196.005.913	158.217.697	61.435.793	82.820.315
Taxes and fees	29.118.816	50.925.756	12.375.593	6.728.457
Shipping expenses	25.953.192	37.078.919	7.727.082	25.530.584
Advertising and publicity expenses	19.046.670	25.462.712	9.828.628	6.644.670
Meal and travel expenses	13.690.242	20.857.611	6.240.511	12.194.392
Export and warehouse expenses	11.192.827	936.290	955.490	271.943
Representation and entertainment expenses	6.764.160	5.026.551	393.723	1.024.710
Other	145.646.982	135.315.522	50.430.380	20.429.966
Total	**9.897.355.506**	**8.551.292.124**	**3.550.997.327**	**3.237.149.712**

18. OTHER OPERATING INCOME AND EXPENSES

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Other operating income				
Foreign exchange gain (*)	604.286.213	903.434.711	253.958.277	220.421.132
Other	28.037.773	67.666.605	6.867.757	30.335.990
Total	**632.323.986**	**971.101.316**	**260.826.034**	**250.757.122**

(*) Foreign exchange gains and losses are presented on a net basis per company for consolidated subsidiaries.

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Other operating expenses				
Foreign exchange loss (*)	666.382.605	1.128.672.015	138.029.615	638.364.507
Provision expenses	12.661.008	22.873.584	1.379.260	6.737.258
Other	32.956.469	109.936.945	23.686.896	40.542.995
Total	**712.000.082**	**1.261.482.544**	**163.095.771**	**685.644.760**

(*) Foreign exchange gains and losses are presented on a net basis per company for consolidated subsidiaries.

19. FINANCIAL INCOME AND EXPENSES

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

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Finance income				
Interest income	398.761.599	370.247.863	87.858.017	218.120.113
Total	**398.761.599**	**370.247.863**	**87.858.017**	**218.120.113**

	1 January – 30 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Finance expenses				
Interest expense	1.970.287.436	2.288.347.091	814.139.286	641.749.230
Foreign exchange loss (*)	691.568.759	764.517.794	270.846.962	231.499.265
Bank transaction and commission expenses	533.467.477	436.980.027	285.587.102	150.529.295
Total	**3.195.323.672**	**3.489.844.912**	**1.370.573.350**	**1.023.777.790**

(*) Foreign exchange gains and losses are presented on a net basis per company for consolidated subsidiaries.

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

Non-monetary Items	30 September 2026	30 September 2025
Statement of Financial Position Items	**1.588.255.462**	**1.242.303.272**
Inventories	(39.293.971)	2.843.511
Prepaid expenses	(3.004.482)	13.878.449
Right-of-use assets	11.577.011	(5.678.020)
Property, plant and equipment	2.589.068.288	2.026.852.490
Intangible assets	6.482.969	6.764.864
Deferred income	-	1.319.816
Deferred tax assets	187.052.362	355.389.639
Paid-in capital	(570.262.891)	(534.200.631)
Capital advance	(36.808.905)	-
Treasury shares	12.988.944	13.462.651
Share premiums	(136.925.601)	(198.779.028)
Items not to be reclassified to profit or loss	(114.488.354)	7.988.813
Items to be reclassified to profit or loss	169.967.178	167.925.402
Restricted reserves appropriated from profit	(62.484.374)	(58.997.981)
Retained earnings	(425.612.712)	(556.466.703)
Profit or Loss Statement Items	**232.550.622**	**429.579.814**
Revenue	(609.018.015)	(810.809.343)
Cost of sales (-)	615.613.266	993.263.309
General administrative expenses (-)	43.094.246	56.339.480
Marketing, selling, and distribution expenses (-)	9.106.048	26.481.559
Research and development expenses (-)	7.553.268	-
Other operating income/expenses	(1.025.888)	6.925.409
Financing income/expenses	167.227.697	157.379.400
Net Monetary Position Gains (Losses)	**1.820.806.084**	**1.671.883.086**

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 September 2026	1 January – 30 September 2025	1 July – 30 September 2026	1 July – 30 September 2025
Net profit/(loss) attributable to equity holders of the parent	151.944.347	(946.226.936)	36.927.940	(283.584.756)
Number of shares	1.817.640.000	1.817.640.000	1.817.640.000	1.817.640.000
Earnings/(loss) per share	0,08	(0,52)	0,02	(0,16)

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 September 2026	31 December 2025
Total financial borrowings	13.199.058.640	13.463.734.431
Less: Cash and cash equivalents and financial investments	(286.274.922)	(1.954.229.733)
Net debt	**12.912.783.718**	**11.509.504.698**
Total equity	7.726.885.137	5.748.085.536
Net debt to equity ratio	**1,67**	**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**		**Cash at Banks**
30 September 2026	**Related Party**	**Third Party**	**Related Party**	**Third Party**	
Maximum exposed credit risk as of reporting date,(A+B+C+D)	**9.648.643**	**6.752.776.876**	**639.072.579**	**297.232.584**	**286.009.827**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	9.648.643	6.752.776.876	639.072.579	297.232.584	286.009.827
B. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross carrying amount)	-	176.040.122	-	-	-
- Impairment (-)	-	(176.040.122)	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-

	Receivables				
	Trade receivables		**Other receivables**		**Cash at Banks**
31 December 2025	**Related Party**	**Third Party**	**Related Party**	**Third Party**	
Maximum exposed credit risk as of reporting date,(A+B+C+D)	**10.893.057**	**4.561.033.031**	**941.145.052**	**165.435.398**	**1.953.934.824**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	10.893.057	4.561.033.031	941.145.052	165.435.398	1.953.934.824
B. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross carrying amount)	-	180.938.104	-	-	-
- Impairment (-)	-	(180.938.104)	-	-	-
- 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 September 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	**20.285.094.761**	**22.217.766.052**	**2.902.921.628**	**11.372.191.201**	**7.231.271.151**	**711.382.072**
Financial borrowings	12.885.199.290	14.735.533.256	1.270.066.797	5.769.088.218	6.984.996.169	711.382.072
Trade payables	6.509.843.422	6.509.843.422	1.020.496.726	5.489.346.696	-	-
Lease liabilities	313.859.350	396.196.675	36.165.406	113.756.287	246.274.982	-
Other liabilities	576.192.699	576.192.699	576.192.699	-	-	-

	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	**18.485.391.959**	**20.502.465.718**	**3.188.613.398**	**10.924.485.181**	**4.983.090.563**	**1.406.276.576**
Financial borrowings	13.068.563.336	14.994.568.841	2.328.405.795	6.600.683.780	4.743.726.867	1.321.752.399
Trade payables	4.968.160.444	4.968.160.444	766.239.386	4.201.921.058	-	-
Lease liabilities	395.171.095	486.239.349	40.471.133	121.880.343	239.363.696	84.524.177
Other liabilities	53.497.084	53.497.084	53.497.084	-	-	-

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 September 2026			31 December 2025		
		TL Equivalent	**USD**	**EUR**	**TL Equivalent**	**USD**	**EUR**
1	Trade receivables	4.542.106.084	80.353.848	10.986.401	2.928.556.071	61.137.055	6.146.775
2a.	Monetary financial assets	156.079.474	1.170.436	1.778.538	558.057.211	12.476.476	467.206
2b	Non-Monetary financial assets	-	-	-	-	-	-
3	Other	5.639.673.476	94.886.730	17.942.702	1.532.460.441	23.108.405	10.785.621
4	**Current assets (1+2+3)**	**10.337.859.034**	**176.411.014**	**30.707.641**	**5.019.073.723**	**96.721.936**	**17.399.602**
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)**	**10.337.859.034**	**176.411.014**	**30.707.641**	**5.019.073.723**	**96.721.936**	**17.399.602**
10	Trade payables	5.730.343.439	110.053.321	6.031.711	3.645.025.325	79.046.063	5.005.093
11	Financial borrowings	3.494.523.453	62.010.418	8.172.802	3.955.978.984	82.404.043	8.316.547
12a	Other Monetary financial liabilities	-	-	-	-	-	-
12b	Other Non-Monetary financial liabilities	4.843.562.060	85.441.764	11.774.725	2.613.372.009	53.415.037	-
13	**Current liabilities (10+11+12)**	**14.068.428.952**	**257.505.503**	**25.979.238**	**10.214.376.318**	**214.865.143**	**13.321.640**
14	Trade payables	-	-	-	-	-	-
15	Financial borrowings	5.164.465.197	92.588.035	11.246.565	2.179.504.288	49.091.250	1.436.493
16a.	Other Monetary financial liabilities	-	-	-	-	-	-
16b	Other Non-Monetary financial liabilities	-	-	-	-	-	-
17	**Non-Current liabilities (14+15+16)**	**5.164.465.197**	**92.588.035**	**11.246.565**	**2.179.504.288**	**49.091.250**	**1.436.493**
18	**Total liabilities (13+17)**	**19.232.894.149**	**350.093.538**	**37.225.803**	**12.393.880.606**	**263.956.393**	**14.758.133**
19	**Net asset / liability position of off-balance sheet derivatives**	**8.658.988.650**	**154.598.453**	**19.419.367**	**6.135.483.272**	**131.495.293**	**9.753.040**
20	**Net foreign currency asset /(liability)position (9-18+19)**	**(236.046.465)**	**(19.084.071)**	**12.901.205**	**(1.239.323.611)**	**(35.739.164)**	**12.394.509**
21	**Net foreign currency asset / (liability)position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)**	**(9.691.146.531)**	**(183.127.490)**	**(12.686.139)**	**(6.293.895.315)**	**(136.927.825)**	**(8.144.152)**

(*) The amounts in question consist of financial liabilities denominated in foreign currencies, which the Group has designated as hedging instruments within the scope of cash flow hedge accounting against foreign exchange risk. The effective portion of the exchange rate differences related to these liabilities—designated as hedging instruments—is not reflected in profit or loss; instead, it is recognized in other comprehensive income and accumulated within equity under the “Hedging Gains (Losses)” account. Consequently, these amounts are presented as a balancing item in this line to ensure an accurate reflection of the impact of the net foreign currency position on profit or loss.

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

Foreign currency risk (Continued)

Sensitivity 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 determine the total foreign currency position across the Group. 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 September 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	(852.918.125)	852.918.125	(718.565.480)	718.565.480
2- Amount hedged for USD risk (-)	-	-	-	-
3- USD net effect (1+2)	**(852.918.125)**	**852.918.125**	**(718.565.480)**	**718.565.480**
	In case of 10% appreciation of EUR against TL			
4- EUR net asset/liability	(36.585.387)	36.585.387	(18.915.209)	18.915.209
5- Amount hedged for EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	**(36.585.387)**	**36.585.387**	**(18.915.209)**	**18.915.209**
Total net effect (3+6)	**(889.503.512)**	**889.503.512**	**(737.480.689)**	**737.480.689**

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 September 2026**	**31 December 2025**
Financial liabilities	8.204.475.730	7.167.862.967
Financial leases	437.564.935	626.218.345
Issued debt instruments	373.660.130	1.540.694.159
Variable-rate financial instruments		
Financial liabilities	2.797.321.509	3.070.947.430
Issued debt instruments	1.072.176.986	662.840.435

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 September 2026		31 December 2025	
Financial assets	***Notes***	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash and cash equivalents	*3*	286.274.922	286.274.922	1.954.229.733	1.954.229.733
Trade receivables	*4*	6.840.848.182	6.762.425.519	4.649.594.076	4.571.926.088
Other receivables		936.305.163	936.305.163	1.106.580.450	1.106.580.450
Total financial assets		**8.063.428.267**	**7.985.005.604**	**7.710.404.259**	**7.632.736.271**
Financial liabilities					
Financial borrowings	*9*	13.199.058.640	13.199.058.640	13.463.734.431	13.463.734.431
Trade payables	*4*	6.509.843.422	6.509.843.422	4.968.160.444	4.968.160.444
Other payables		576.192.699	576.192.699	53.497.084	53.497.084
Payables related to employment benefits		140.648.926	140.648.926	187.021.673	187.021.673
Total financial liabilities		**20.425.743.687**	**20.425.743.687**	**18.672.413.632**	**18.672.413.632**
Net		**(12.362.315.420)**	**(12.440.738.083)**	**(10.962.009.373)**	**(11.039.677.361)**

25. SUBSEQUENT EVENTS

None.