

Harnessing solar power for the technology of the new century...



Smart 
SOLAR TECHNOLOGIES

Annual Report 2024

Contents

10 Message from the Chairman

14 Smart Solar Technologies at a Glance

14 Smart Solar Technologies in Figures

16 2024 Highlights

18 About Smart Solar Technologies

20 Shareholding Structure and Subsidiaries

22 Our Mission, Vision, Values and Keys to Success

24 Smart Solar Technologies Operational Map

26 Milestones

28 Financial and Operational Indicators

30 Stock Performance

32 Donations and Aids, Our Sponsorships, Awards Received

34 Activities in 2024

34 Solar Energy Industry in Türkiye and the World

38 Production Facilities

40 Products

42 Marketing and Sales

44 Turnkey Installation Activities and Projects

48 Electric Vehicle Charging Network Operation

50 Investments

52 Information Technologies

54 Human Resources

58 Sustainability

58 Sustainability Governance

60 Sustainability Strategy, Policies and Goals

62 Corporate Governance

62 Board of Directors

66 Senior Management

68 Assessment of the Board of Directors

70 Statements of Independence

74 Corporate Governance Principles Compliance Report

80 Sustainability Principles Compliance Report

86 Internal Audit Activities

86 Risk Management Activities

87 Research and Development Activities

87 Changes Between the Period-End and the Issuance of the Report

87 Information Regarding the Lawsuits Against the Company, which Could Affect Its Financial Situation and Activities, and Their Possible Consequences

88 Disclosures on Administrative or Judicial Sanctions Imposed on the Company and Board Members for Acts Contrary to Legislative Provisions

88 Repurchased Own Shares by the Company

88 Rating Notes

89 Dividend Distribution Policy

90 Amendments to Legislation in 2024

92 Amendments to the Articles of Association

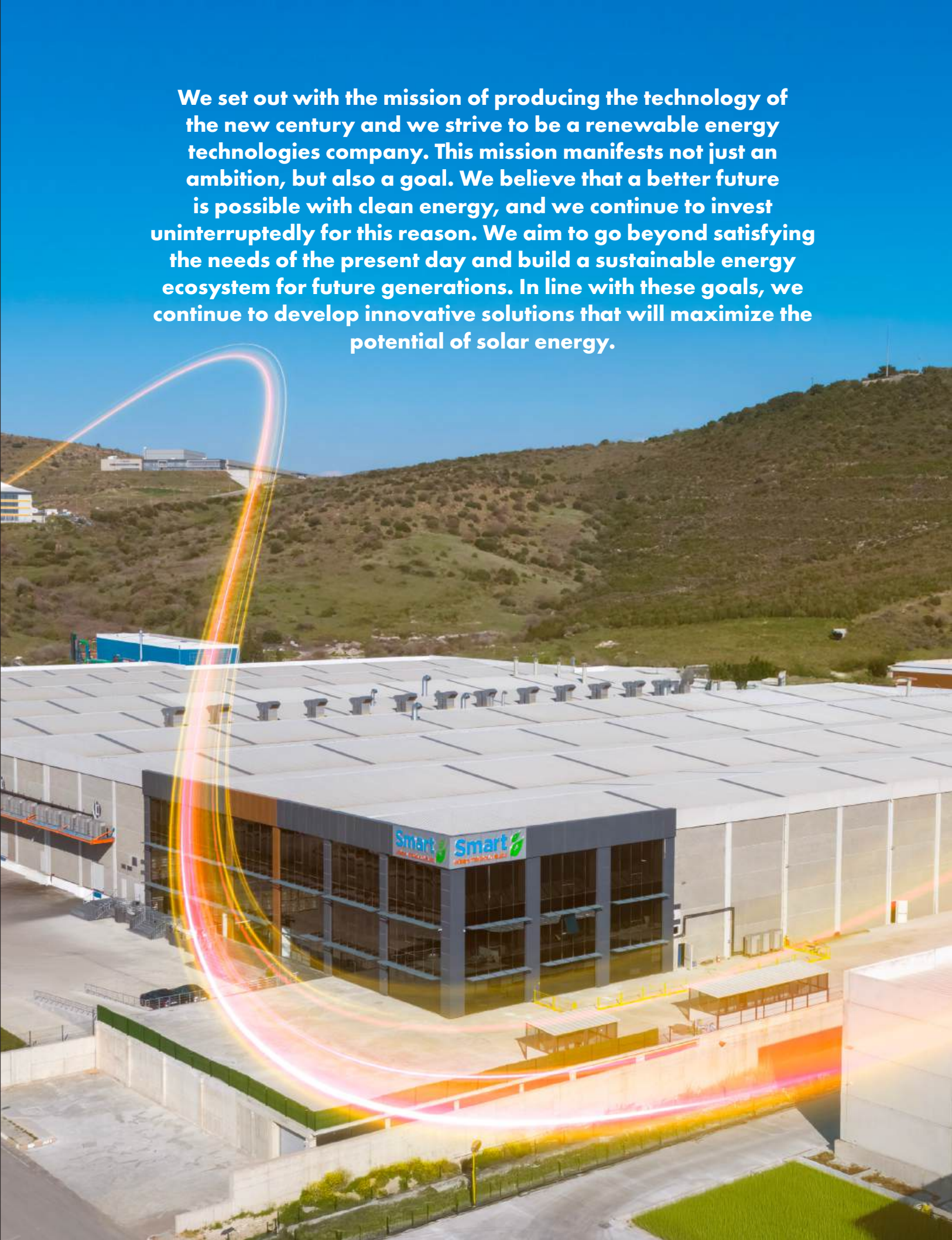
92 Information Related to the Private Audit and Public Audit Conducted in 2024

93 Other Matters

95 Financial Information

95 Consolidated Financial Statements as of December 31, 2024 and Independent Auditor's Report

Contact



We set out with the mission of producing the technology of the new century and we strive to be a renewable energy technologies company. This mission manifests not just an ambition, but also a goal. We believe that a better future is possible with clean energy, and we continue to invest uninterruptedly for this reason. We aim to go beyond satisfying the needs of the present day and build a sustainable energy ecosystem for future generations. In line with these goals, we continue to develop innovative solutions that will maximize the potential of solar energy.



A stronger future with solar energy

With our new investment in Aliğa, we raised our installed capacity to 2,400 MW of panel and 800 MW of cell production and became one of Türkiye's leading cell and solar panel manufacturers. We contribute to our country's energy independence and economic development with our panel production from domestic solar cells and our employment of 1,164 people. We will continue to invest in solar energy technologies and achieve greater accomplishments.

800 MW

Cell production capacity

A big investment in the future

We have obtained a 30-year operation license for our Niğde YEKA SPP investment. We completed the infrastructure for our plant in 2024, and we plan to place it in commercial operation in 2025 using solar panels produced from our domestic cells. It will materially support our company's cash inflows while contributing to our country's development.

130 MW

Niğde YEKA SPP
investment





Success beyond borders in solar energy

After our initiatives in Bulgaria, we were awarded the 60.5 MW capacity SPP tender in Albania and solidified our presence in Europe. We increase our panel exports to the Balkans while we bolster our position as a reliable business partner in the global arena with our turnkey projects. We extend our expertise in solar energy to the rest of the world with the pride of contributing to Türkiye's exports.

60.5 MW

Albania SPP tender
investment

Successful results in sustainable finance

We have successfully completed our first lease certificate (sukuk) issuance as a result of the confidence of stakeholders and investors in us as well as our steady growth strategy. In addition, we were added to the BIST Sustainability Index as an important step toward corporate governance. We will continue to develop and offer innovative and environmentally friendly energy solutions to reach our sustainability goals.

TRY 750 million

Total demand for
sukuk issuance



We **combine** the power we derive from the sun **with the technology** of the new century.

TRY **1.6** billion
EBITDA

**SPPs represented
17.1% of Türkiye's total
installed capacity with
19,882 MW installed
capacity at end-2024.**

Despite being dominated by uncertainties and challenges on a global scale in nearly every aspect, 2024 also brought about new approaches and opportunities. Energy and commodity prices remain volatile due in part to the ongoing Russia-Ukraine war, developments in the Middle East, and global geopolitical risks. After the presidential elections in the United States, increasing financial incentives within the United States while raising tariffs for certain countries came to the fore.

On a global scale, problems in supplies chains, rising costs, high inflation, volatility in interest rates, and supply-demand imbalances increased economic protectionism and geopolitical rivalry while raising the prominence of sustainability initiatives, energy independence, green energy transition, and energy supply security on the countries' agendas. During this period, technological advances accelerated the transition and reshaped energy systems. Countries increased their efforts to diversify their energy sources while renewable energy investments accelerated.

Türkiye's installed capacity growth is spearheaded by solar energy

While solar energy accounted for 14.1% of Türkiye's total installed capacity with 15,734 MW installed capacity at end-2023, SPPs represented 17.1% of total installed capacity with 19,882 MW installed capacity at end-2024. Türkiye's installed capacity increased by 4,958 MW to reach 115,893 MW in 2024, as the growth in SPP installed capacity accounted for nearly 70% of this increase. According to Türkiye's National Energy Plan, Türkiye's installed capacity will rise to 189.7 GW in 2035 while the share of renewable energy sources is projected to reach 64.7%. Based on this projection, installed capacity of SPPs is anticipated to increase to 52.9 GW.



We managed to open a Cell Production Facility that will carry out domestic cell production, which in turn will reduce foreign dependence in energy. We are not stopping here, either.

TRY **3.5** billion

Shareholders' Equity

At Smart Solar Technologies, we have reached 2,400 MW of panel and 800 MW of cell production capacity annually at our production facilities in Gebze and Aliğa.

Similar to the world, we also had a challenging year in our country. Inflationary pressures that made their presence felt globally and the high interest rate environment restricted access to financing while also hindering investment appetite. Despite these uncertainties and challenges in market conditions, our company, Smart Solar Technologies, maintained its strong financial structure and carried out various improvement initiatives to boost its operational efficiency. The important investments we have made during the year supported our long-term growth goals and once again demonstrated our determination to create a sustainable business model. However, due to the cost pressures and fluctuations in demand driven by economic conditions, we came very close to our targets at the beginning of the year, but we did not fully attain them.

Supporting our sustainable growth with value-added investments

Smart Solar Technologies managed to maintain its growth in 2024 despite difficult market conditions owing to its sound foundations and dynamic management approach. We made important strides in terms of expanding into new markets, accelerating our digital transformation processes, and developing innovation-based projects. In the period ahead, we aim to monitor global and local economic developments closely, manage risks

successfully, and maintain our growth momentum. Our Company's fixed assets increased 37.76% to TRY 6.81 billion in 2024. Our Company's shareholders' equity rose 14.35% from December 31, 2023, to December 31, 2024, and reached TRY 3.51 billion. Owing to successful and effective business and operations management, our Company's EBITDA reached TRY 1.58 billion. In parallel to the strategic investments that we have made in accordance with our sustainable growth goal, our financing costs increased within manageable levels. Our long-term and short-term liabilities have increased.

The future of the energy industry is being shaped by electrification and renewable generation

The energy industry, which is being reshaped by electrification on a global scale, is undergoing a radical transition. Increasing population, increasingly prevalent electric vehicles, and data centers and air conditioning solutions that lead the way in a digitalizing world increase the need for electricity while the importance of meeting this demand from carbon-neutral renewable sources is rising by the day. In parallel to the world, Türkiye is also among the major players in this energy transition.



We take pride in combining domestic production with the technology of the new century

At Smart Solar Technologies, on this journey which we set out with the motto "Fate is in love with effort," we have reached 2,400 MW of panel and 800 MW of cell production capacity annually at our production facilities in Gebze and Aliğa. We managed to open a Cell Production Facility with ultra-modern technology in Aliğa that will carry out domestic cell production, which in turn will reduce our country's foreign dependence in energy and support the narrowing of the trade deficit. Consequently, we will be able to provide domestic cells and domestic panels manufactured from domestic cells to YEKA projects as well as to other projects with minimum local content requirements. We will be able to sell Turkish cells and panels to the United States market, which will impose high tariff rates on Far East countries, as well as to the European market. We will not stop there, either. Leveraging project-based incentives, we will commence operation at our wafer slicing and ingot production facilities by 2026 and raise our cell manufacturing capacity to 2,200 MW.

Our Solargize electric vehicle charging stations continue to be the clean energy of the roads

The synergy between solar energy and electric vehicles helps Smart Solar Technologies to specialize in sustainability-oriented projects and to generate innovative solutions for the energy needs of the future. Determined to make important contributions to sustainability and a green energy future in this dynamic industry, our Company continued to make investments in various provinces in Türkiye through the Charging Network Operation License of Solargize, which has been growing steadily. Our Solargize electric vehicle charging stations meet the energy needs of electric vehicles, sales of which are increasing by the day, through its charging stations across Türkiye and continue to be the clean energy of the roads in accordance with our sustainability-focused business model.

We will continue to invest to leave behind a cleaner and more inhabitable world to future generations

As we continue to invest resolutely with a business model centered on sustainability, we will not only steer Türkiye's green transition, but we will also continue to be among the leading players that prioritize sustainable growth and environmental responsibility in the global energy transition. I would like to thank our valued shareholders, business partners, and employees for their trust and support during this process. I firmly believe that we will march toward a stronger future together.

Respectfully,

Halil DEMİRDAĞ
Chairman

Smart Solar Technologies’
total assets amounted to
TRY 17.4 billion.

TRY 17.4 billion
Total Assets

TRY 3.5 billion
Shareholders’
Equity

TRY 11.6 billion
Revenues

TRY 2.3 billion
Gross Profit

TRY 434 million
Net Profit

TRY 1.5 billion
EBITDA

13.56%
EBITDA Margin

2.4 GW
Solar Panel
Capacity

100+
Dealers

1,164
Employees

Domestic solar cell production has commenced at the Aliğa Integrated Production Facility.

1.5 GW

Capacity of wafer cell splitting investment

Following the completion of production line revisions, which have been underway since 2022 and finalized in 2024, the Gebze Production Facility has improved efficiency, increased capacity utilization, and acquired the capability to manufacture cutting-edge products.

Memorandum of Understanding for Bulgaria Investment Was Approved

Smart Solar Technologies has obtained approval from the Council of Ministers of the Republic of Bulgaria for a Memorandum of Understanding concerning the necessary investments and collaborations for the planned solar panel production facility, cell production facility, and solar power plant (SPP) projects in Europe. This MoU relates to the establishment of a “solar panel and solar cell production factory” as a priority investment project through Smart Solar Technologies AD, the Company’s wholly-owned subsidiary in Bulgaria. The MoU designates Smart Solar Technologies AD as a “Priority Investor” in both Bulgaria and the European Union for the planned solar panel production facility, cell production facility, and solar power projects in Europe.

Investments in Bulgaria Progressing Rapidly

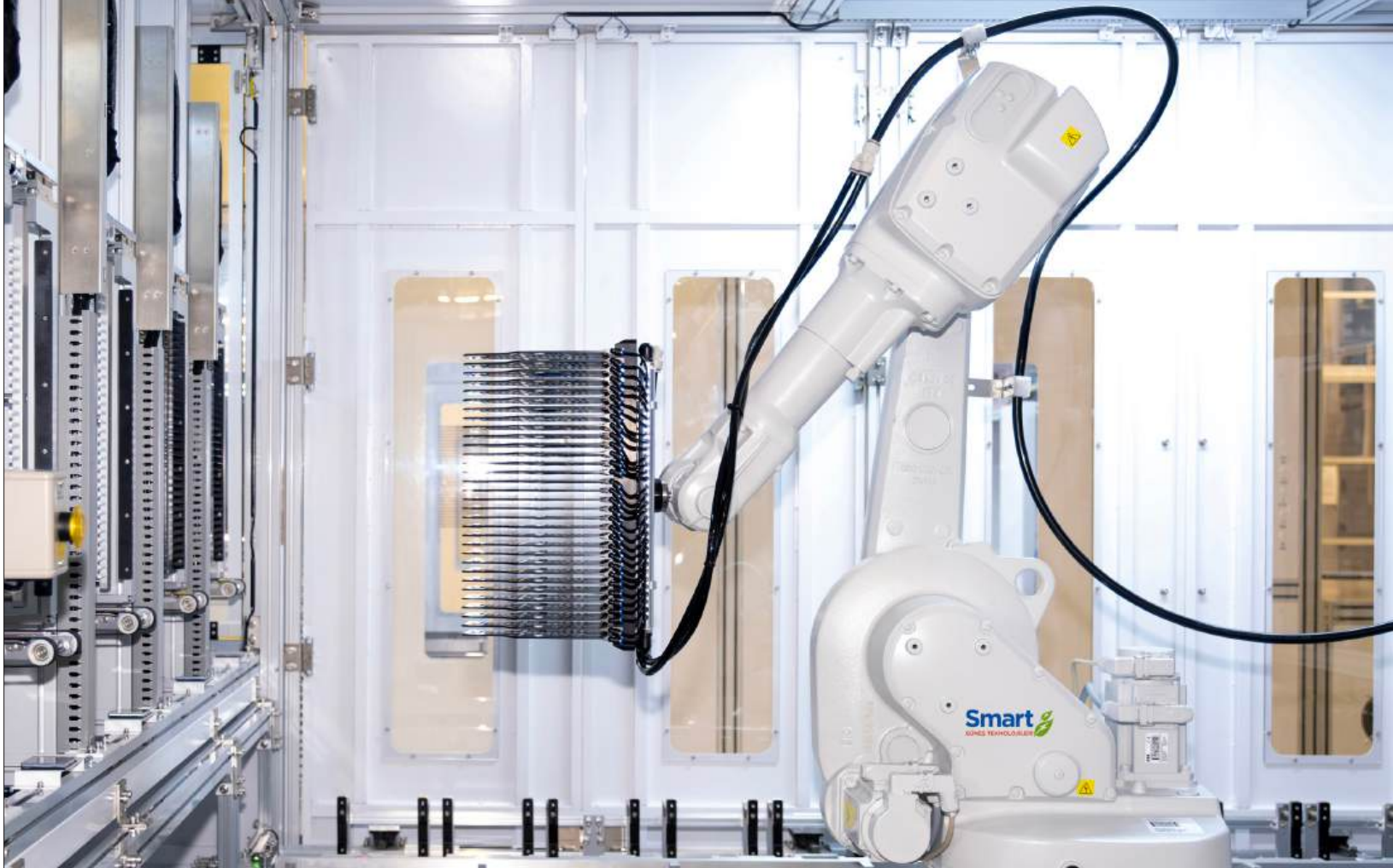
The Bulgarian authorities are set to initiate investments in the Stara Zagora region over the next three years, totaling 240 million Bulgarian Leva (approximately 122 million Euros) to support the development of a solar panel production facility, a solar cell production facility, and a solar power plant. Accordingly, Smart Solar Technologies AD will receive 160,000 m² of land, along with necessary infrastructure, central treatment, and main road connections, during the first stage of the investment rollout. A cash grant, structured as an investment incentive totaling approximately 66,000,000 Bulgarian Leva (34,000,000 Euro), will be allocated to Smart Solar Technologies AD between 2026 and 2029. As investments are implemented, further incentives may be secured through applications to the Bulgarian authorities and the European Union. Any developments in this regard will be communicated to the public.

Solar Cell Production Commences in Aliğa

Commercial production of domestically manufactured solar cells has commenced at the 800 MW capacity Aliğa Integrated Production Facility, where the Company had previously announced successful completion of its investment and trial production processes, confirming its capability to produce solar cells. The facility was officially inaugurated on January 17, 2025. Concurrently, production of solar panels using these domestic solar cells has commenced. The use of domestically produced solar cells for the production of solar panels has met the localization criteria, allowing the production, shipment, and delivery of both domestic solar cells and domestic solar panels to begin. Furthermore, the launch of domestic solar panel production will facilitate import substitution, support efforts to reduce the trade deficit, and enable the Company to export Turkish-manufactured solar panels and solar cells.

The Smart Solar Consortium Secures 60.5 MW Solar Power Plant Tender in Albania

A consortium consisting of Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Tic. A.Ş. (31% stake), its parent company Smart Holding A.Ş. (20% stake), and Erseka Solar Park 3 sh.p.k. (49% stake) submitted bids for two projects under the Photovoltaic Solar Power Plant CfD tender organized by the Albanian Ministry of Infrastructure and Energy. The projects have capacities of 40.3 MW and 20.2 MW, respectively, within a total tender capacity of 300 MW, which took place on June 10, 2024. In the open tender, a total capacity of 60.5 MW was awarded to the consortium, which holds stakes in the projects. The unit electricity sales price is EUR 53.53/MWh for the 40.3 MW project and EUR 56.28/MWh for the 20.2 MW project.



Cost reduction through the implementation of next-generation machinery and products

The 1,200 MW Gebze Production Facility, located on a 23,500 square meter indoor area, has undergone revisions to its production lines since 2022, which were completed in 2024. These changes have improved its efficiency and increased capacity utilization, enabling the facility to produce state-of-the-art products. The Gebze production facility aims to further reduce costs by implementing next-generation machinery and products. A decision has been made to transfer the operations of the Dilovası Production Facility, located at Çerkeşli OSB Mahallesi İMES 10. Cad. No:4, Dilovası, Kocaeli, in the same geographical region as this facility, to the Aliğa and Gebze production facilities, which are continuing their current operations. This decision was based on the fact that the existing structural and architectural condition of the factory building is not suitable for production aligned with advancing technology, and to accommodate the increased capacity of the solar panel and cell integrated production operations. This decision aims to enhance the Company’s production and sales planning, as well as improve the efficiency of its production and financial processes. It will not adversely affect production activities or financial results.

1.5 GW Capacity Cell Splitting Investment in Aliğa

The “Communiqué Amending the Communiqué on the Implementation of the Decree on State Aids in Investments” (Communiqué No. 2024/3), published in the Official Gazette on September 25, 2024, introduced changes to incentives for solar energy-based electricity generation investments. Under these changes, investments in photovoltaic solar panel production can receive support if the production process is integrated with solar cell manufacturing, starting from the ingot slicing stage or an earlier stage (wafer/slicing), and does not exceed cell production capacity. In alignment with the Company’s vertical integration goals, a decision has been made to invest in wafer cell splitting with a capacity of 1.5 GW at the production facility in Aliğa in 2024. Wafer slicing machines have been ordered and are expected to be operational in the first half of 2025.

The investment process has been initiated for 800 MW of solar energy capacity

On November 4, 2024, the Ministry of Energy and Natural Resources announced plans to organize six new domestic solar energy competitions (YEKA SPP-2024) with a total capacity allocation of 800 MWe. These YEKA projects will require a minimum of 75% local content. The aforementioned YEKA competition concluded on February 4, 2025, with an estimated investment of approximately 500 million USD in the 800 MW solar power plant projects.

About Smart Solar Technologies

Smart Solar Technologies develops innovative solutions for carbon-neutral industries.

Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim San. ve Tic. A.Ş.

Date of Establishment

August 11, 2014

Main Field of Activity

Turnkey SPP installation services, PV module and cell production, electric vehicle charging network operation

Number of Employees

1,164

Founded in 2014, the Company adopted its current name, "Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi" in 2016 and began investing in photovoltaic solar panel production, initiating the investment process for a production facility in Gebze. Over the years, the Company has strengthened its capital and continued to expand its production lines. The state-of-the-art automated production facility in Gebze boasts an annual production capacity of 1,200 MW, utilizing Multi Busbar, TOPCon, PERC, Half-Cut Cell, and Bifacial technologies to produce high-efficiency, high-quality solar panels across an indoor area of 23,500 m². In 2023, the panel production lines at the Aliğa facility were commissioned, increasing total production capacity to 2,400 MW. Additionally, the Aliğa Integrated Production Facility, with a capacity of 800 MW, was completed with further investments in 2024, leading to the commencement of solar cell production.

As a top integrated solar energy company in Europe, Smart Solar Technologies specializes in turnkey power plant installations and PV module production, while providing a diverse range of solar energy solutions for both commercial and retail customers. Headquartered in Istanbul, the Company provides services through its offices and dealers in Türkiye, the Netherlands, Spain, and Germany, and its production facilities in Gebze and Aliğa.

As a prominent investment and engineering firm in renewable energy, Smart Solar Technologies is committed to driving significant growth in the solar sector. The Company distinguishes itself by focusing on value engineering solutions, fostering a corporate culture dedicated to exceptional service for customers and investors, ensuring continuous corporate development by prioritizing stakeholder values, supporting economic growth through domestic production, and contributing to a sustainable future for the world.

To fulfill its vision, the Company is dedicated to fostering organic growth by expanding its existing production capabilities. This entails investments in new solar cell manufacturing and increased panel production capacity, along with the integration of photovoltaic-based solar power plants.

Leveraging its expertise across more than 20 countries, the Company delivers reliable energy to all the communities it serves and develops technologies geared toward carbon-neutral industries. As of the end of 2024, the Company employs 1,164 people and is governed by a Board of 11 members.

Fields of Activity

- Production and Sales of Solar Panels and Cells
- Engineering & Project Design
- Electric Vehicle Charging Network Operation

Trade Registry Information

Trade Name	Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi
Date of Establishment	11.08.2014
Trade Registry Office	Istanbul
Trade Registry No.	934086-0
Head Office Address	Energy Plaza Rüzgarlıbahçe Mah. Feragat Sok. No: 2 Kat: 6 Beykoz/Istanbul
Tax Office and Tax Number	Beykoz V.D.M 7720708996

Shareholding Structure and Subsidiaries

Capital Structure

Name/Title of Shareholder	Capital Share (TRY)	Percentage of Shares (%)	Voting Rights (%)
Smart Holding A.Ş.	442,458,798.53	73.03	85.92
Publicly Traded	163,421,201.47	26.97	14.08
Total	605,880,000.00	100.00	100.00

The Company has switched to the registered share capital system upon the CMB's permission dated 21.10.2021 and numbered E-29833736-I 10.03.03-12167 and has a registered capital ceiling of TRY 2,000,000,000.

Following the increase of the Company's issued capital of TRY 127,500,000 to TRY 153,000,000, a total of 38,208,000 shares, including 25,500,000 Group B Bearer shares representing the increased capital and 12,708,000 Group B Bearer shares belonging to the Company's shareholder Smart Holding A.Ş., were offered to the public on 18.03.2022 and started to be traded on Borsa İstanbul on March 24 under the ticker SMRTG.

On 17.06.2022, it was decided to increase the issued capital of the Company amounting to TRY 153,000,000 to TRY 306,000,000, all of which will be covered from internal resources, and to issue 100% bonus shares to the shareholders.

On 21.07.2023, it was decided to increase the issued capital of the Company amounting to TRY 306,000,000 to TRY 605,880,000, all of which will be covered from internal resources, and to issue 98% bonus shares to the shareholders.

The Company's Board of Directors resolved to initiate a share buyback program to mitigate the short-term negative impact of price movements on investors, stabilizing the share value, supporting healthy price formation, and protecting shareholder interests. The shares are traded on Borsa İstanbul A.Ş. under the ticker symbol SMRTG. Within this framework, the maximum number of shares subject to buyback was set at 1,000,000, and the total fund allocated for the buyback was limited to a maximum of TRY 75,000,000.

According to the Board of Directors' resolution dated February 15, 2024, the share buyback program was extended for an additional year. Upon the expiration of the designated period, the program was concluded on February 15, 2025, in accordance with regulations. Under the program, a total of 520,000 shares were repurchased. Additionally, 147,000 bonus shares obtained through the 98% capital increase by bonus issue on July 28, 2023, were included in this calculation. As a result, the repurchased shares corresponded to 0.0858% of the Company's total share capital.

The group information of the Company's shares is given below.

Share Group	Capital Share (TRY)	Capital Share (%)
Group A Registered	138,600,000	22.88
Group B Bearer	467,280,000	77.12
TOTAL	605,880,000	100.00

Group A shareholders of the Company have 5 voting rights at the General Assembly Meeting and the privilege of nominating Board Members.

Subsidiaries of the Company

SUBSIDIARY	FIELD OF ACTIVITY	SHARE AMOUNT (%)	COUNTRIES
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
Consortium of Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi Ticaret A.Ş & IHK Holding A.Ş.	Solar Power Plant Equipment	60	Türkiye
Icarus Solar GmbH	Solar Power Plant Equipment	100	Germany
Smart Solar Ukraine	Solar Power Plant Equipment	100	Ukraine
Smart Solar Technology GmbH	Solar Power Plant Equipment	100	Germany
Smart Solargize Yeşil Mobilité Enerji Anonim Şirketi	Mobile Charging Stations Distribution Network	100	Türkiye
Smart Gunes Tecnologias Renovables S.L.	Solar Power Plant Equipment	100	Spain
Smart Global Enterprises & Trading B.V.	Solar Panel and 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 Energ 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 Plant Commercial Activities	100	USA
Smart Green Energy Trading	Solar Panel and Plant Commercial Activities	100	USA

Our Mission, Vision, Values and Keys to Success

Our Mission

To invest in renewable energy by producing “value” based on advanced technology with the goal of a green future and high quality approach and to create impact and difference in sustainable development by considering the values of our stakeholders.

Our Vision

To be the company of the future by creating value with our innovative renewable energy and technology solutions.

Our Values

As Smart Solar Technologies, we take every step in line with our working values that guide us, and we walk confidently into the future. We aim to contribute to both our industry and our country with the vision of offering the best to our domestic and foreign customers.

The values we have adopted in this direction are as follows:

- Innovativeness
- Continuous Development
- Solution-Focused
- Passion
- Shared Wisdom
- Social Responsibility
- Perception of Quality
- Agility
- Sustainability

Our Keys to Success

Perception of Quality

We consider quality as a whole, and we carry out all our activities from panel production to shipment with our understanding of high standards of quality. Thanks to our understanding of quality, which is an output of our customer satisfaction-oriented approach, we guarantee that our products and services will always meet expectations at the same standards.

Value Engineering

We work with a value engineering approach from production to installation to ensure that all our processes run at optimum efficiency. With this understanding, we reveal our perspective that adds value to the industry by developing an engineering strategy that will perfect the triangle of performance, quality and cost. We create “value” for the future.

Investing for Good

Investing in the sun is to do good to both nature and economy.



Smart Solar Technologies operates in 10 countries.

PV Panel Production Capacity in 2024

2,400 MW

PV Cell Production Capacity in 2024

800 MW

Total Project Experience

170+ EPC Projects

Number of Employees

1,164

Countries of Operation



Smart Solar Technologies shares are included in **the Borsa Istanbul Sustainability Index.**

2014

- Smart Solar Technologies was established in Istanbul.
- Installation of the first PV power plant in Türkiye was completed.
- The first rooftop project in Romania was realized.

2015

- Project approval with a total capacity of 15 MW in Türkiye was obtained.
- Installation of the first CIS glass-glass panel was completed.

2016

- Smart Solar Technologies started the factory construction on an area of 23,500 m² in Gebze.
- Smart Solar Technologies signed a strategical cooperation agreement with SUMEC Group, one of the leading global companies in solar energy industry for PV cell production.

2017

- The solar energy panel factory in Gebze started production with a capacity of 420 MW.
- Installation of the world's 2nd largest Glass-Glass Panel SPP project was completed.

2018

- PV panel production capacity was increased to 800 MW.
- Production of Bifacial and Half-Cut panels started.

2019

- Offices in Germany and Ukraine were opened.
- Holding structure was adopted.

2020

- PV panel production capacity was increased to 1,200 MW.

2021

- Smart Solar Technologies decided to make a cell investment to produce low-carbon panels, and started project design works.
- I-REC certificate was received by setting the carbon emissions from panel production to zero.

2022

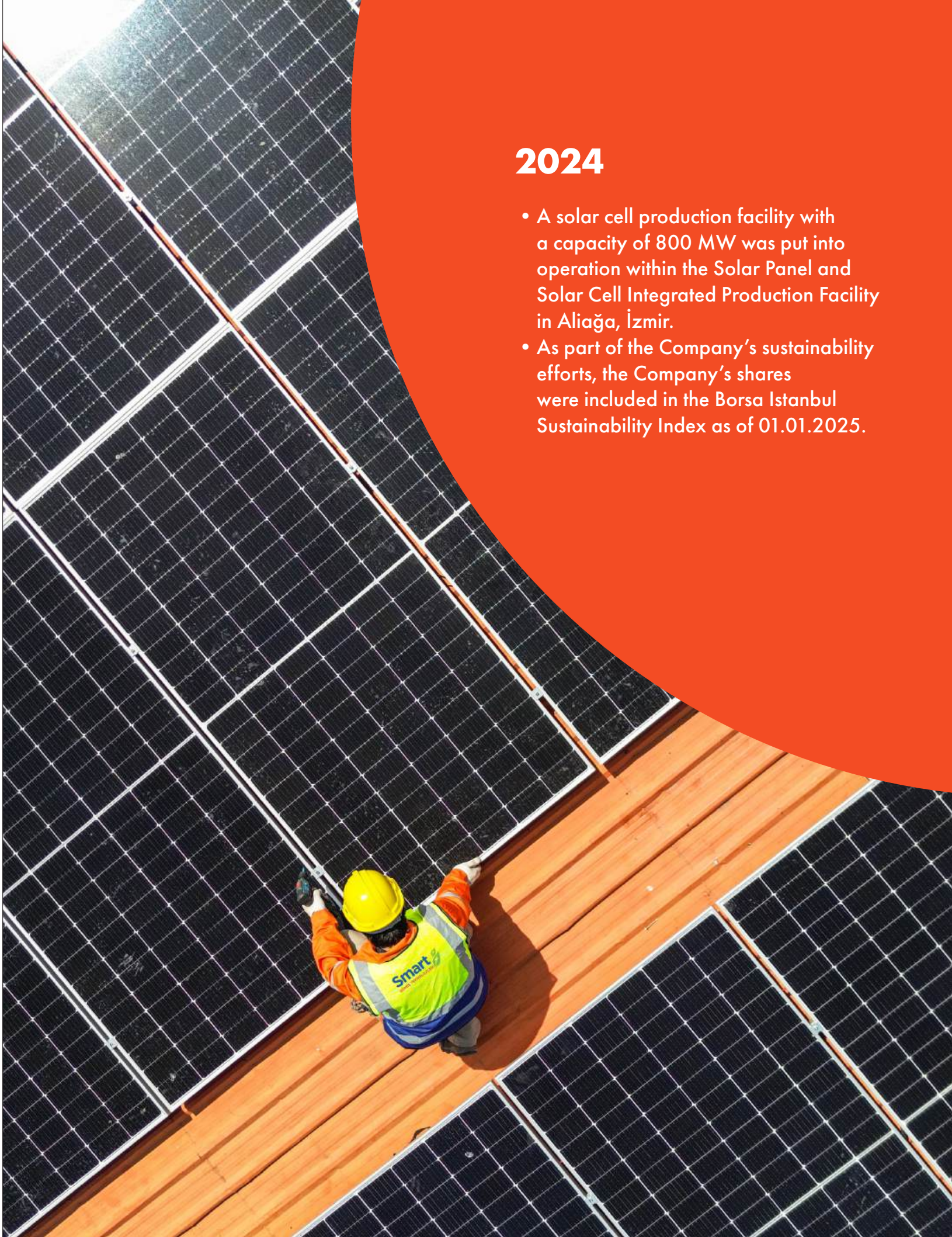
- The Company was listed on Borsa Istanbul Stock Exchange.
- Smart Solar Technologies' subsidiary Smart GES Elektrik Üretim A.Ş. submitted the best offer and was awarded 100 MWe capacity in the Bor-1 YEKA GES tender.
- Dilovası Solar Panel Production Facility became operational and production started.
- The total PV panel production capacity of Gebze and Dilovası Solar Panel Production Factories was increased to 1,700 MW.

2023

- The PV panel production facility, which is the first phase of the Solar Panel and Solar Cell Integrated Production Facility in Aliğa, İzmir, was commissioned in March. with a capacity of producing 1,200 MW panels.
- A collaboration agreement was signed with the Chinese state-owned corporation SUMEC Energy Holdings Co. in order to ensure supply security of solar panels, solar cells and other equipment and to create synergy in international markets.
- The Strategy Document covering the period 2023-2027 was shared with the public.
- The Company's first Global Reporting Initiative (GRI)-compliant Sustainability Report has been published.
- The Capital Markets Board (CMB) approved the Company's application for issuing debt instruments in Turkish Lira with various maturities up to 5 years in an amount not exceeding TRY 300 million, in one or more times, to be sold to qualified investors in the country, without public offering.

2024

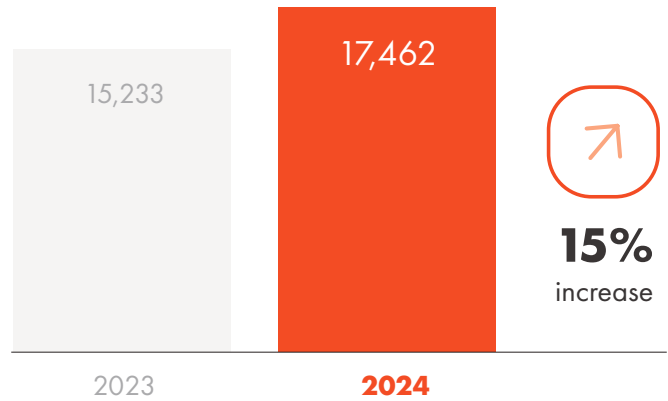
- A solar cell production facility with a capacity of 800 MW was put into operation within the Solar Panel and Solar Cell Integrated Production Facility in Aliğa, İzmir.
- As part of the Company's sustainability efforts, the Company's shares were included in the Borsa Istanbul Sustainability Index as of 01.01.2025.



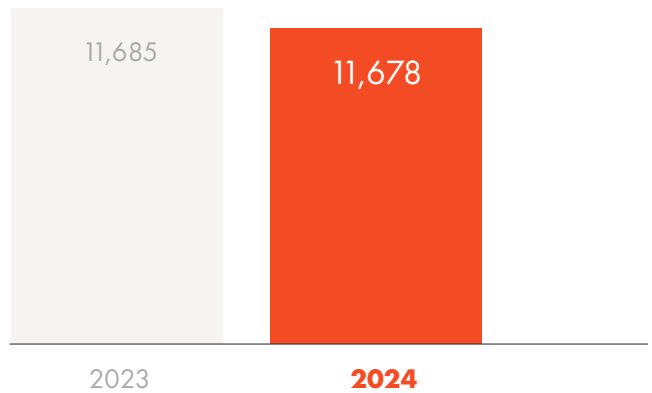
Total shareholders' equity **stands at TRY 3.5 billion.**

FINANCIAL INDICATORS (TRY Million)	2023	2024	Increase %
Total Assets	15,233	17,462	15
Net Sales	11,685	11,678	0
Total Equity	3,073	3,514	14
EBITDA	2,681	1,583	-41
EBITDA Margin (%)	23	14	-

Total Assets (TRY Million)



Net Sales (TRY Million)



The closing price of the share as of December 31, 2024, stood at TRY 40.64.

Smart Solar Technologies stocks started trading on March 24, 2022, with a price of TRY 14.00 under the ticker symbol SMRTG.

On October 24, 2022, 100% bonus share distribution was realized.

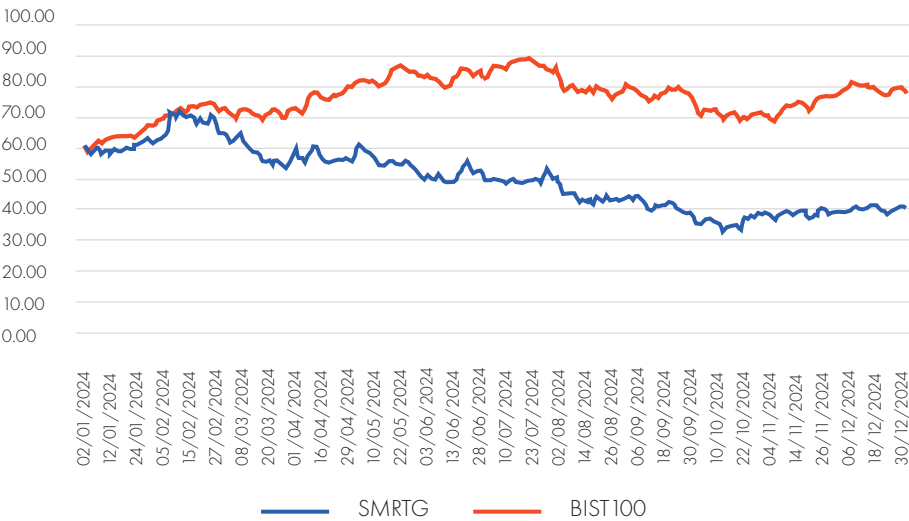
This was followed by a 98% bonus share distribution on July 28, 2023.

The stock reached a peak price of TRY 99.20 (post split).

As of October 1, 2022, SMRTG began trading on the BIST 100 Index, and subsequently joined the BIST 50 Index on January 1, 2023. However, it was removed from the BIST 50 Index as of October 1, 2024.

The closing price on December 31, 2024, was TRY 40.64.

SMRTG-2024



Shareholder Relations Unit

Smart Solar Technologies has established an Investor Relations Department to manage shareholder relations. This unit is staffed full-time by employees holding both a Capital Market Activities Advanced Level License and a Corporate Governance Rating Specialist License, and they are members of the Corporate Governance Committee.

The Investor Relations Department reports to the Company's Board Member responsible for Finance and provides at least an annual report detailing its activities to the Board of Directors. Throughout 2024, the Board received monthly updates on stock performance, investor demands, and market analysis.

The Company's free float rate is 26.97%. Consequently, requests for meetings and interviews from both institutional and individual investors, as well as analysts, are promptly addressed. All inquiries submitted via email are responded to on time, adhering to legal guidelines. In 2024, the Company held 16 analyst meetings and responded to 453 email requests from individual investors.

Smart Solar Technologies' interim financial results, reports, and statements for 2024 were published on the Company's website and announced on the Public Disclosure Platform (KAP). Additionally, all material disclosures mandated by legislation were communicated to the public via PDP throughout the year. During this period, there were no lawsuits or court decisions necessitating material disclosures.

Investor Relations Department:

Investors Relations Director: Alper Yücel
alper.yucel@smartsolar.com.tr
+90 216 225 72 06
Address: Energy Plaza, Rüzgarlıbahçe, Feriğat Sok. No: 2 K: 7 34805 Kavacık Beykoz – İSTANBUL/TÜRKİYE
investorrelations@smartsolar.com.tr

At the 6th Türkiye Energy and Climate Forum, Smart Solar Technologies received the “Our Energy Is Our Future” award.

Halil Demirdağ, Chairman of the Board of Directors, received a gift from Vice President Cevdet Yılmaz at the 6th Productivity and Technology Fair in recognition of his contributions to the advancement of domestic solar energy technologies in Türkiye.

Since its inception, Smart Solar Technologies has sponsored projects that contribute to societal value and has garnered numerous awards for its innovative technologies in the sector. In 2024, the Company achieved significant milestones, including:

A strategic advancement towards Türkiye’s goal of achieving “Full Energy Independence” through the establishment of domestic solar cell production.

A token of appreciation from Vice President Cevdet Yılmaz, recognizing the Company’s contribution to Türkiye’s industrial and technological progress with its domestic solar cell investment in Aliğa, aligned with the High Technology Investment Program HIT-30.

The “Our Energy Is Our Future” award from Alparslan Bayraktar, Minister of Energy and Natural Resources, highlighting the Company’s commitment to green energy transformation at the 6th Turkish Energy and Climate Forum.

Halil Demirdağ, Chairman of the Board of Directors, received a gift from Vice President Cevdet Yılmaz at the 6th Productivity and Technology Fair in recognition of his contributions to the advancement of domestic solar energy technologies in Türkiye.

Inclusion in the Deloitte Technology Fast 50 list, which highlights Türkiye’s fastest-growing technology companies.

The Big Star award for the fourth time, acknowledging the Company’s size and financial strength.

The Company has secured a place on both the Fortune 500 and ISO 500 lists, which rank the 500 largest companies in Türkiye.

The Company’s clean energy-focused business model, sustainability goals, and commitment to achieving Net Zero have been recognized in financial markets, and it is included in the BIST Sustainability Index.

The Company participated in the United Nations Climate Change Conference COP29 in Baku, showcasing its sustainable solar technology solutions that will significantly contribute to global net-zero targets.

To solidify its commitment to responsible and sustainable production, the Company offset the carbon emissions from the electricity consumption of its management and factory buildings by obtaining International Renewable Energy Certificates (I-REC) from the green energy production of its group companies.

Following audits conducted by IQM International Certification Company, the Company proudly received the ISO 31000 Risk Management System verification certificate.

Smart Solar Technologies joined the United Nations’ UN Global Forward Faster initiative to underscore its commitment to equal opportunities and pledged to promote “Gender Equality.”

The Company was honored with an award at the ‘IBB Regional Employment Office Contribution to Istanbul’s Employment Award Ceremony’, organized by the Istanbul Metropolitan Municipality.

Additionally, the Company had the opportunity to present its products and services at nine different fairs across five countries.

The PV MAXX brand, known for its high efficiency and innovative technology, was launched at the RE+24 fair in Anaheim, California, targeting the US market.

Sponsorships

- Name Tag Sponsor at 9th Istanbul Carbon Summit
- 2024 Gold Sponsor at Solarex Istanbul Fair
- Panel Manufacturer Sponsor at the Solar Energy and Energy Storage seminar organized in cooperation with GENSED and Adana Chamber of Industry
- Sponsor for ITU Faculty of Electrical and Electronics
- Bronze Sponsor for World Newspaper Climate Economy Summit

Collaborations and Memberships During the Period

- For a more innovative and sustainable future, a cooperation agreement was signed with Huasun HJT, known for its heterojunction technology.
- Academy collaborations brought together young talents who will carry the technology flag forward at six different universities. We contributed to the career planning of students by sharing information about the growing energy sector, the strengthening Smart Solar Technologies and its activities.
- Sustainable Development Association (SDG Türkiye)
- Turkish Industry and Business Association (TUSIAD)
- Corporate Investment Managers Association of Türkiye (TKYD)
- Energy Industrialists’ and Business People’s Association (ENSIAD)
- Istanbul Mineral and Metals Exporters’ Association (IMMIB)
- Foreign Economic Relations Board (DEIK)
- Turkish Solar Energy Industry Association (GENSED)
- International Solar Energy Society- Türkiye Section (GÜNDER)
- Energy Investors Association (GÜYAD)
- Solar NGO
- Turkish Investor Relations Society (TUYID)
- UN Global Compact
- Solar Energy Industries Association (SEIA)
- Ultra Low-Carbon Solar Alliance,
- EuPD Research,
- European-Ukrainian Energy Agency (EUEA)
- PV Cycle
- Turkish Ukrainian Business Association (TUID)
- European Solar Manufacturing Council (ESMEC)

By 2030, global installed solar power capacity is projected to reach 7,639 GW.

66%
Share of solar in total installed capacity for renewables as of 2050

According to the International Energy Agency's (IEA) World Energy Outlook (WEO) 2023 report, clean technologies will have an even higher significance in energy systems in 2030. The number of electric vehicles will increase by almost 10 times, solar energy will produce more electricity than the capacity of the entire US grid system, and the share of renewable energy sources in global electricity production will increase from 30% today to 50%.

All these estimates of increase are based solely on the current policy regulations of governments around the world. If countries fulfill their national energy and climate commitments on time and in full, it is predicted that progress in the field of clean energy will accelerate. However, even stronger measures are needed to keep alive the goal of limiting global warming to 1.5 degrees.

According to the WEO-2023 report, the energy demand of China, which has a major impact on global energy trends, is expected to peak in the middle of this decade. Along with economic slowdown and structural changes, growth in clean energy will reduce use of fossil fuels and associated emissions.

The report also highlights that solar energy has strong growth potential over the next 10 years. Renewable energy sources will account for 80% of new energy production capacity by 2030, with solar energy making up more than half of this expansion. However, while global solar panel production capacity is estimated to reach 1,200 GW per year, only 500 GW is expected to be produced in 2030. It is estimated that, if

800 GW of new solar power capacity is reached by the end of the decade, electricity production from coal-fired power plants in China will decrease by 20% and that electricity production from coal and gas fuels is predicted to fall by 25% in Latin America, Africa, Southeast Asia and the Middle East by 2030.

While research shows that solar energy will become the fastest growing production technology in the green transformation of electricity production, the International Energy Agency estimates that the global installed solar PV capacity will reach 7,639 GW by 2030 and 12,639 GW by 2050. In addition, it is estimated that the share of solar in renewable energy installed capacity will reach 66% by 2050.

Solar energy investments are growing rapidly in the USA

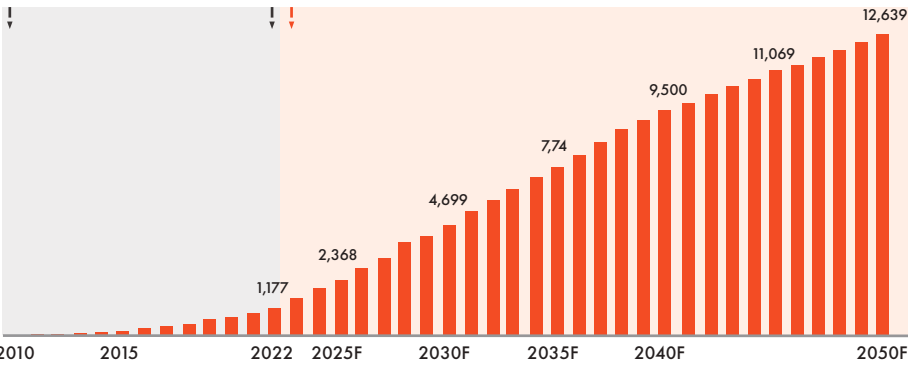
The solar energy industry, which has started to grow in the USA thanks to reduced financial and operational costs since 2015, has gained significant momentum with the tax incentives introduced by the Inflation Reduction Act (IRA) that came into force in 2022. With the incentives introduced by the IRA to support renewable energy investments, the installed capacity is expected to reach 200 GW between 2024-28. On the other hand, the anti-dumping measures in place on solar panels and cells from China and 4 Southeast Asian countries cause the USA to continue to need imports to meet the increase in demand due to the IRA, which gives solar panel exporting countries, including Türkiye, the opportunity to gain market share in this large market.

EU focuses on clean energy transformation

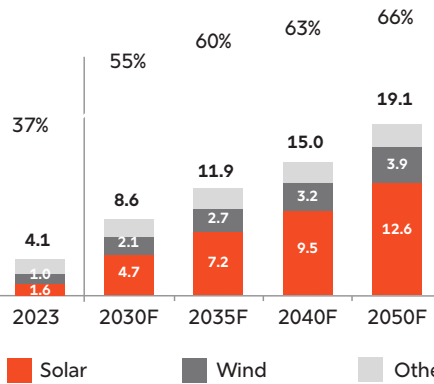
In line with the environmental sustainability goals of the European Union (EU) and as one of the key elements of the European Green Deal, the process of transition to the Carbon Border Adjustment Mechanism (CBAM) started on October 1, 2023. This mechanism aims to contribute to the EU's goal of achieving at least a 55% reduction in greenhouse gas emissions by 2030 by applying carbon pricing equivalent to the EU's Emissions Trading System (ETS) for goods imported from outside the EU.

Having moved to a new phase in its fight against global climate change with the CBAM, the EU is accelerating the installation of solar energy in response to the energy crisis as per the new policies and targets proposed in the Green Deal. In the EU, which has a similar growth potential as that of the USA in this field, the total installed solar energy capacity is expected to increase by more than 200 GW during the next 5 years.

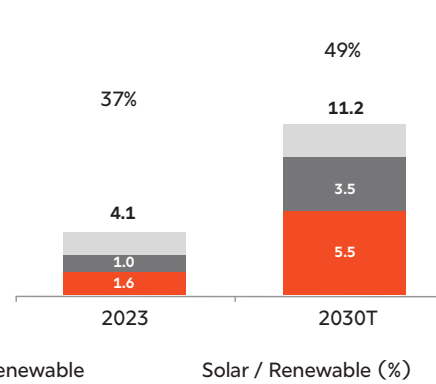
Global Total Installed Solar Energy Capacity (GW)



Installed Renewable Energy Capacity Estimates for the World (IEA, TW)



Installed Renewable Energy Capacity Estimates for the World (IRENA, TW)



By the end of 2024, **SPPs** represented **17.1%** of the total installed capacity in Türkiye.

115,983 MW
Installed Capacity in Türkiye

Electricity demand is surging in Türkiye
“Türkiye’s National Energy Plan,” published by the Ministry of Energy and Natural Resources (ETKB) in December 2022, pointed out Türkiye’s future electricity demand targets. In this context, it is estimated that electricity demand will increase by 3.5% on average and reach 510.5 TWh by 2025. The share of electrical energy in final energy consumption is expected to increase from 21.8% in 2020 to 24.9% in 2035.

Solar energy has a growing share in Türkiye’s overall installed capacity
By the close of 2022, Türkiye’s installed solar energy capacity reached 10,916 MW, accounting for 10.4% of the nation’s total installed capacity. Fast forward to the end of December

2023, solar power plants had surged to 15,734 MW, boosting their share to 14.2%. The upward momentum carried on through 2024, with solar capacity climbing to 19,882 MW by year-end, elevating its portion of the total installed capacity to 17.1%. Türkiye’s overall installed capacity, which stood at 111,027 MW in 2023, expanded by 4,958 MW in 2024 to total 115,983 MW — with roughly 70% of this growth driven by the rise in solar power.

It is expected that the share of solar energy in installed capacity will continue to increase rapidly in the coming period. The sun is also the most prominent source in applications aimed at increasing renewable energy capacity.



Development of Installed Capacity in Türkiye

Installed Capacity (MW)	2021	2022	2023	2024
Natural Gas	25,339	25,391	25,361	24,663
LPG	2	2	2	2
Coal	20,362	21,814	21,814	21,931
Fuel Oil	255	255	255	255
Diesel Oil	1	1	1	1
Naphtha	5	5	5	5
Waste Heat	344	340	316	317
Biomass	1,639	1,917	2,080	2,128
Geothermal	1,676	1,691	1,691	1,734
Hydraulic	31,502	31,567	31,962	32,203
Wind Power	10,595	11,386	11,806	12,864
Solar Energy	8,592	10,916	15,734	19,882
Total Installed Capacity (MW)	100,312	105,285	111,027	115,985
Share of Solar Energy in Total Mix (%)	8.6	10.4	14.17	17.14

Source: TEİAŞ

Türkiye signed the Paris Agreement, pledging net-zero emissions by 2053. According to Türkiye’s National Energy Plan — a roadmap for the country’s transition to clean energy and its net-zero commitments outlining the milestones to be achieved by 2035 — Türkiye’s installed capacity is projected to rise to 189.7 GW by 2035. Meanwhile, the share of renewable energy sources, currently around 53%, is targeted to increase to 64.7% by that year. According to this projection, the installed capacity of solar power plants is expected to increase to 52.9 GW.

The 12th Development Plan, published in October 2023, sets a target to increase solar capacity from 9,425 MW in 2022 to 30,000 MW by 2028.

Installed Capacity Target Based on Türkiye’s National Energy Plan

Installed Capacity (GW)	2035 (GW)	Share in Renewable Energy Resources (%)	Share in Grand Total (%)
Solar	52.9	43.1	27.9
Hydro	35.1	28.6	18.5
Wind	29.6	24.1	15.6
Geothermal and Biomass	5.1	4.2	2.7
Renewable Total	122.7	100.0	64.7
Source (GW)	2035 (GW)	Share in the Overall Mix of Gas, Coal, and Nuclear	Share in Grand Total (%)
Gas	35.5	53.0	18.7
Coal	24.3	36.3	12.8
Nuclear	7.2	10.7	3.8
Grand Total	189.7	100.00	100.00

Production Facilities



Gebze Solar Panel Production Facility

- 23,500 m² indoor area
- 1,200 MW Panel Production Capacity
- 549,749 Total Panels Produced in 2024

Aliğa Integrated Solar Panel and Cell Production Facility

- 38,000 m² indoor area
- 1,200 MW Panel, 800 MW Cell Production Capacity
- 721,462 Total Panels Produced in 2024



Innovative production sites and technology infrastructure

In 2017, Smart Solar Technologies unveiled its solar panel factory in Kocaeli Gebze, boasting an indoor area of 23,500 m² and a production capacity of 1,200 MW, solidifying its vertically integrated structure and sharpening its competitive edge in the market

By March 2023, the Company expanded its footprint with a state-of-the-art facility in İzmir Aliğa I Organized Industrial Zone, situated on 50,000 m² of land with an indoor area of 38,000 m². This facility is equipped to produce 1,200 MW of full-cell or 600 MW of half-cut cell solar panels annually. Furthermore, within the scope of the Aliğa II project, the Solar Cell Production Facility — spanning a total allocated area of 58,309 m² — commenced production in 2024 with an 800 MW capacity.

Across Smart Solar Technologies’ facilities, a diverse range of panel designs is crafted, featuring between 108 and 156 cells with options for monofacial (capturing solar energy from one side) and bifacial (harnessing energy from both sides) configurations. Production processes favor glass-backsheet or glass-glass structures, integrating cutting-edge technologies such as multi-busbar designs that boost efficiency through increased electrical contact points, square and rectangular cell formats, including

the advanced 210 mm cell size, and half-cut technology that reduces resistance losses and elevates panel efficiency. The resulting solar panels deliver power outputs ranging from 400 to 635 watts, depending on panel size, cell count, and applied technology.

Innovative strides in TOPCon and Half-Cut panel production

Recognizing the rising prominence of bifacial cells with expansive surface areas, Smart Solar Technologies has strategically aligned its investments to lead in this space. The Company successfully modernized the existing production line at its Gebze Production Facility, elevating it to a level capable of manufacturing Half-Cut (HC) M6 Multi-Busbar (MBB) panels, and boosting the production capacity across three lines to HC M6 MBB standards.

As a result, the factory now operates three lines dedicated to G1 cells, three lines for M6 cells, and one line capable of processing M10 and M12 cells — primarily producing G1 and M6 HC standard and bifacial panels.

The industry is witnessing a shift as PERC technology gradually gives way to TOPCon. TOPCon panels differ physically from PERC panels, notably in the number of busbars, and the precision inherent to TOPCon technology lends itself better to glass-glass panel construction.

These differences also result in variations between the machines used for PERC cell production and the equipment compatible with TOPCon technology. March 2023 marked the operational launch of the Aliğa factory, while the newly acquired equipment, ordered as part of a comprehensive upgrade to older lines, arrived in the final quarter of the year. The refurbishment of the Gebze facility’s lines concluded in early 2024, rendering the facility fully equipped and ready to produce for TOPCon technology. Smart Solar Technologies primarily focuses on producing M10 Half-Cut panels at its Aliğa facility, while its Gebze facility manufactures both M10 and M6 Half-Cut panels.

Beyond panel production, Smart Solar Technologies plays an active role in EPC (engineering, procurement, and construction) services and investments. The Company carefully assesses the needs and expectations of investors and EPC firms, fully recognizing that on-site performance hinges on quality and optimization. With this insight, Smart Solar Technologies approaches panel production with the mindset of an end user, ensuring the highest standards of quality. The Company’s extensive EPC experience greatly improves its ability to develop innovative photovoltaic panel solutions.



Products

SOLAR PANELS

PERC – M10

- Monofacial- Bifacial (energy production with two surfaces)
- Production option with 156/ 144/ 132/ 120/ 108 cells
- Glass-Backsheet production
- Multi-Busbar technology (10BB)
- Half-cut Technology
- M10 cell technology
- Anti-PID



PERC – G12R

- Monofacial- Bifacial (energy production with two surfaces)
- Production with 132/ 120/ 108 cells
- Glass-Backsheet production
- Multi-Busbar technology (10BB)
- Half-cut Technology
- G12R (210 mm rectangular) cell technology
- Anti-PID

TOPCON – M10

- Bifacial (energy production with two surfaces)
- Production option with 156/ 144/ 132/ 120/ 108 cells
- Glass-glass production
- Multi-Busbar technology
- Half-cut Technology
- M10 cell technology
- Anti-PID



TOPCON – G12R

- Bifacial (energy production with two surfaces)
- Production with 132/ 120/ 108 cells
- Glass-glass production
- Multi-Busbar technology (16BB)
- Half-cut Technology
- G12R (210 mm rectangular) cell technology
- Anti-PID

ELECTRIC CHARGERS

AC

- 7-11-22 KW power options
- Residential and commercial use
- Wall mount and stand mount option
- Bluetooth / Wifi / 4G / Ethernet backend option
- RFID/ App user authentication
- OCPP 1.6 JSON
- IEC 62196-2 Type-2 socket
- IK08 & IP55 indoor/ outdoor durability
- Multiple protection for user safety
- 4.3 inch color touch screen



DC 30 KW

- CCS2 Single socket
- Wall mount option
- Bluetooth / Wifi / 4G / Ethernet backend option
- RFID/ App user authentication
- OCPP 1.6 JSON
- IK10 & IP54 indoor/ outdoor durability
- Multiple protection for user safety
- 4.3 inch color touch screen
- 95% efficiency or more
- Power Factor > 0.98



DC 60-240 KW

- CCS2 Double socket
- Wall mount option
- 4G / Ethernet backend option
- RFID/ App user authentication
- OCPP 1.6 JSON
- IK10 & IP54 indoor/ outdoor durability
- Multiple protection for user safety
- 7 inch color touch screen
- 95% efficiency or more
- Power Factor > 0.98



DC 240-480 KW

- CCS2 4/8 socket option
- Dynamic Split Charging System
- 4G / Ethernet backend option
- OCPP 1.6 JSON
- IK10 & IP54 indoor/ outdoor durability
- Multiple protection for user safety
- Boost mode providing high charging efficiency
- Faster charging with liquid-cooled charging gun option
- Use for electric vehicles, bus terminals, commercial fleets, etc.



Smart Solar Technologies delivers solar panels adhering to various standards across an ever-expanding global footprint.

Together, the Gebze and Aliğa factories now boast a combined production capacity of 2.4 GW, establishing Smart Solar Technologies as a powerhouse in the sector.

A value-added product range
Smart Solar Technologies strives to build strong, lasting relationships with both existing and prospective customers by placing customer satisfaction at the core of its strategies. The Company adopts the vision of becoming an industry leader, embraces value creation as a foundational principle, and is committed to delivering its high-quality products directly to the end user. To achieve this, Smart Solar Technologies offers an extensive product range—including PV panels, inverters, solar cables, batteries, solar lighting systems, home charging units, and mounting solutions—through strategic partnerships with key distributors, dealers, installers, and EPC companies that meet designated quality standards. These products serve a diverse range of applications, from solar power plants and rooftop systems to individual residential setups.

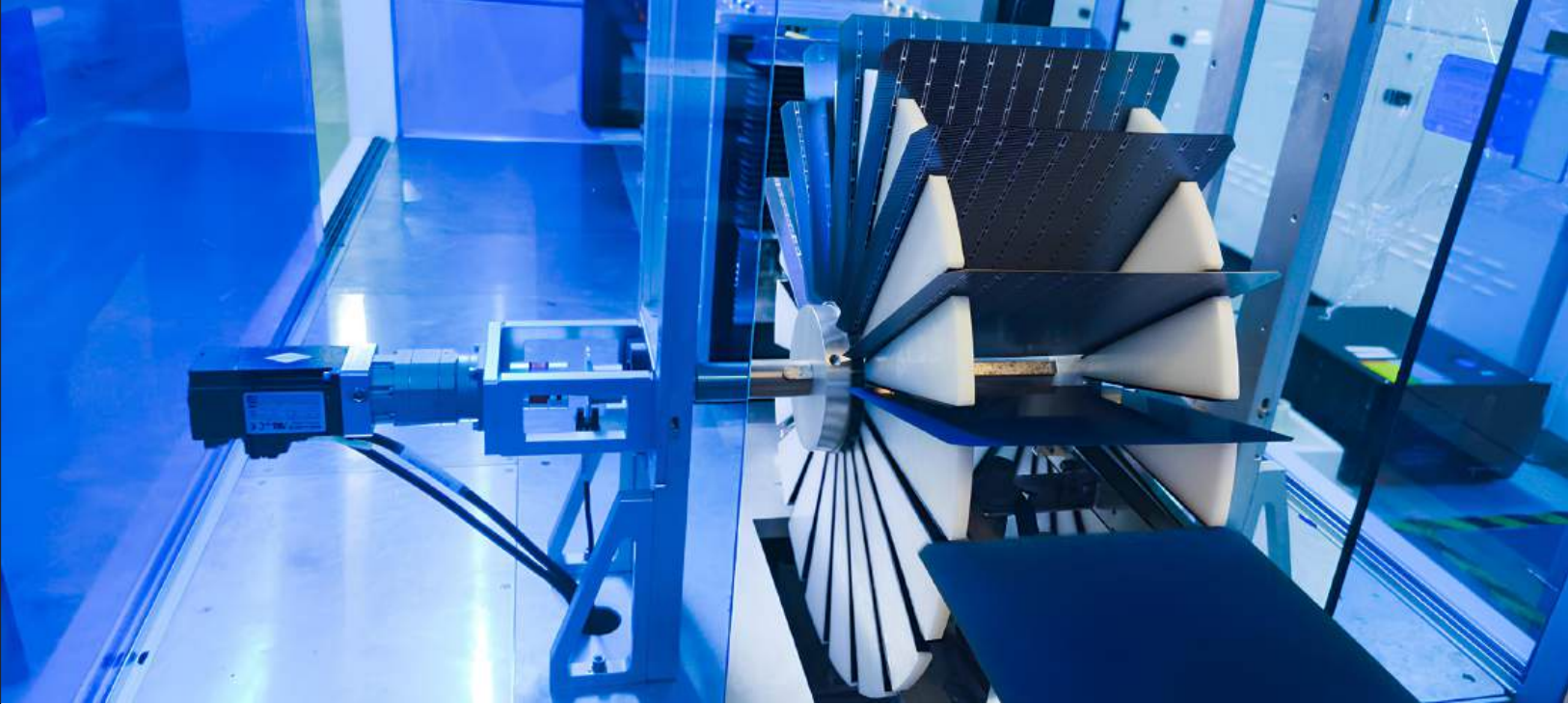
Transitioning to a dealership model in 2022, the Company had grown its network to over 100 dealers nationwide by the end of 2024. Aligning with its mission to provide top-tier service to all installers and end users, Smart Solar Technologies plans to establish comprehensive solar marketplaces that fulfill every solar technology need under one roof.

Expanding global reach
Smart Solar Technologies delivers solar panels built to various standards across an ever-growing global landscape. As part of its international sales and marketing strategy, the Company has established subsidiaries in Ukraine, Germany, Spain, the Netherlands, and Bulgaria to broaden its sphere of influence. In 2024, through its wholly-owned Dutch subsidiary, Smart Global Enterprises & Trading BV, the Company founded Smart Green Energy Technologies Inc. in the United States. Additionally, Smart Solar Technologies AD, its wholly-owned subsidiary in Bulgaria, signed a

Memorandum of Understanding with the Council of Ministers of the Republic of Bulgaria, earning the “priority investor” status in both Bulgaria and the European Union.

Advancing toward a “Fully Independent Türkiye in Energy”
In 2024, Smart Solar Technologies took a significant step toward Türkiye’s ambition of becoming “Fully Independent in Energy” by commissioning the Aliğa Solar Cell and Solar Panel Integrated Production Facility. This milestone not only accelerates the country’s clean energy transition but also marks a crucial advancement in supporting domestic production within the sector. Smart Solar Technologies is committed to enhancing its advanced technology-driven production processes and increasing its independence in raw material sourcing. By 2025, the Company plans to complement its existing wafer supply chain by integrating wafer production through ingot slicing technology, utilizing domestic resources. This strategic move will deepen production integration and play a pivotal role in Türkiye’s ambition to boost exports of high-value-added products.

Gebze and Aliğa production capacity hits 2.4 GW
In 2023, the commissioning of the Aliğa production facility propelled the Company’s solar panel manufacturing capacity to 1,200 MW. By 2024, 800 MW of domestically produced solar cells had been achieved—a milestone recognized as a significant stride toward Türkiye’s energy independence. Together, the Gebze and Aliğa factories now boast a combined production capacity of 2.4 GW, establishing Smart Solar Technologies as a powerhouse in the sector. This expansion is a cornerstone of the Company’s strategy to secure a competitive edge in global markets and to amplify Türkiye’s exports of value-added products.



Sustainable and highly efficient energy solutions
Smart Solar Technologies relentlessly advances its technological investments to maintain industry leadership and shape the future with cutting-edge innovations. To produce more sustainable and highly efficient energy solutions, the Company has deepened its collaboration with HUASUN HUT, renowned for its pioneering Heterojunction technology. Additionally, to meet the surging market demand, Smart Solar Technologies has initiated production of TopCON solar panels, adhering to rigorous quality and reliability standards. Through these groundbreaking technologies, the Company aims to fortify its position in the industry and broaden its market share by delivering tailored, customer-centric solutions.

Noteworthy achievements in environmental transparency
Committed to building a strong brand image grounded in environmental stewardship and ethical business practices, Smart Solar Technologies prioritizes sustainable supply chain management. The Company holds its suppliers to exacting standards—not only in quality but also in their dedication to environmental responsibility and ethical values. This strategic commitment enables Smart Solar Technologies to offer its customers a business model that is both responsible and sustainable. Highlighting its environmental leadership, the Company earned a Management Level B rating under the Carbon Disclosure Project (CDP) Climate Change Program—a testament to its significant strides in environmental transparency. As a clear demonstration of its sustainable growth strategy, Smart Solar Technologies reaffirms its unwavering commitment to combating climate change and advancing toward a low-carbon future.

Quality and Control
Smart Solar Technologies is dedicated to maintaining the highest quality standards throughout its production processes, conducting meticulous inspections at every step—from raw material intake to the final shipment of products. Backed by a robust 25 to 30-year warranty for its products, the Company manages its quality assurance with its expert teams. Notably, GCT tests—which many companies outsource—are carefully conducted in-house by Smart Solar Technologies’ specialized quality teams. In 2023, the expansion of the quality department further strengthened these testing procedures, with offline wet leakage tests now seamlessly integrated into the production line.

A trailblazer in the sector, Smart Solar Technologies continually refines its quality-driven production philosophy, delivering innovative solutions through sustained investments in R&D and quality management. The Company’s core mission remains to contribute to sustainable energy while ensuring its products are reliable and built to last.

Logistics and Packaging Process
Smart Solar Technologies ships its solar panels in specially designed packaging engineered to withstand environmental conditions. Innovative packaging solutions like the double-box system safeguard the products from damage during transportation and installation. Protective measures—including reinforcing frame edges with guards, using separators within packaging, securing boxes with strapping, and wrapping them in stretch film—are all implemented under a zero-error policy to guarantee the panels arrive safely and installation proceeds smoothly.

In logistics, every step of the supply chain is carefully orchestrated to ensure materials are delivered safely and on time. Smart Solar Technologies divides its logistics operations into two key areas: supply logistics, which encompasses the seamless flow of materials from suppliers to the factory warehouse, including warehousing, customs clearance, and domestic and international transport; and distribution logistics, which covers storage, packaging, insurance, and transportation activities designed to deliver finished panels safely and promptly to customers.

Order and Shipment Process Management
The Company oversees the shipment process in alignment with schedules agreed upon with its business partners. Project details are coordinated closely between production and logistics teams, ensuring deliveries are made with consideration to on-site conditions. Beyond label, quality, quantity/ power, and address verifications, orders are meticulously tracked using a QR code barcode system, enabling swift and precise fulfillment of customer requirements.

Customer Satisfaction
Always seeking to elevate customer satisfaction, Smart Solar Technologies continuously refines its processes and carefully reviews feedback. The Company nurtures strong customer relationships through regular field visits and places great emphasis on data security. By implementing stringent measures to safeguard the information of all business partners and customers, it ensures a trustworthy service experience. Furthermore, Smart Solar Technologies provides ongoing warranty support well beyond the point of delivery.

Smart Solar Technologies delivers engineering design services for projects both within Türkiye and abroad.

Smart Solar Technologies is a trusted solution partner for its commercial and retail customers with its turnkey solutions offered through a value engineering approach focused on managing processes in the most efficient way.

With its projects and turnkey installation operations, Smart Solar Technologies continues to play a pivotal role in advancing Türkiye's clean energy transformation. Leveraging superior engineering expertise, operational excellence, and extensive site management experience, the Company proudly commissioned power plants totaling 369,527 kWp (370 MWp) this year, further fueling the nation's sustainable energy growth.

At the heart of Smart Solar Technologies' mission to serve its country and customers lies the turnkey installation of solar power plants (SPPs). Positioned as a trusted solution partner, the Company offers commercial and retail customers turnkey solutions grounded in value engineering principles—prioritizing the most efficient and effective management of every stage of the process.

Comprehensive Engineering and Project Design

Smart Solar Technologies' seasoned EPC team spearheads project development, engineering services, site identification, power plant component procurement, and turnkey installation for solar power plants. The engineering and project design unit collaborates seamlessly with manufacturers, suppliers, and both public and private sector stakeholders to align solutions precisely with customer needs and expectations.

The services offered by the Company to its customers in this context are as follows:

Engineering Services

Smart Solar Technologies delivers engineering design services for projects both within Türkiye and abroad. Smart Solar Technologies crafts tailor-made design solutions across all disciplines—including construction, mechanical, and electrical engineering—meticulously aligned with the standards of each respective country.

The Company provides engineering services that include designing solar power plants, selecting appropriate technologies, arranging module layouts, choosing inverters, implementing remote monitoring and SCADA infrastructure, and calculating the net energy to be fed into the grid after accounting for losses. These calculations utilize international simulation programs based on NASA's meteorological data from the past 20 years.

Upon request, Smart Solar Technologies conducts detailed analyses of solar power plant projects to boost efficiency. The Company identifies critical needs, such as panel replacements or structural reinforcements, and delivers bespoke engineering, project design, and implementation services tailored to these requirements.

To ensure solar power plants operate efficiently and without interruption—maximizing production capacity and accelerating return on investment—Smart Solar Technologies offers comprehensive maintenance and repair solutions.

The Company's main maintenance and repair services are as follows:

- SPP Failure Response
- Quick Spare Parts Supply
- SPP Technical Service
- Protective and Preventive Maintenance Activities
- Performance Tracking with Remote Monitoring
- Reporting
- Mechanical and Electrical Periodic Controls
- Solar Panel and Field Cleaning
- Site Selection Consultancy

Additionally, Smart Solar Technologies offers expert consultancy to its customers on land selection for solar power plant projects. This process involves a thorough evaluation of factors such as solar irradiation potential, soil composition and

topography, shading conditions, dust and pollution tendencies, distance to power transmission lines, climatic conditions, and accessibility. Following these detailed assessments, the Company designs the optimal site layout to maximize efficiency and presents production simulations to customers using advanced software like PVsyst.

Power Plant Components Supply

Tapping into its deep industry experience and robust supplier networks, Smart Solar Technologies secures all necessary products, technological components, and services for every project under the best possible terms. The Company also provides consultancy on managing logistics operations. By actively following leading industry fairs, technology institutes, and testing laboratories, Smart Solar Technologies has developed profound knowledge and expertise in solar panel technologies, inverters, transformers, high-efficiency cabling solutions, and low-loss electrical systems. Long-standing supplier relationships enable the Company to offer reliable, high-quality solutions tailored to customer needs — all at competitive prices.

In addition to the solar panels produced by Smart Solar Technologies, the main equipment constituting the power plant components that the Company supplies to its customers are as follows:

- Inverter
- MV Cell and Concrete Kiosk
- Transformer
- Load-bearing Construction
- Cable
- Electrical Panel
- Grounding and Lightning Protection Materials
- Cable Carrier Systems
- Perimeter Security and Protection Systems
- SCADA and Monitoring Systems
- Weather Stations
- ETL Materials
- Turnkey SPP Installation Service

Application Areas and Project Types

Smart Solar Technologies undertakes a diverse portfolio of projects, ranging from large-scale ground-mounted installations with high installed capacity to self-consumption-focused rooftop and land-based systems. The Company's scope of work also includes hybrid projects and solar power plants (SPPs) integrated with storage systems. These initiatives are carried out either as licensed projects within Renewable Energy Resource Areas (YEKA) or as unlicensed projects under the Unlicensed Electricity Generation Regulation (LÜY), including those with storage integration.

The Company's main application areas in this context are as follows:

- Large-Scale Commercial Ground-Mounted Projects (capacity over 10 MW)
- Medium-Scale Commercial and Self-Consumption Ground-Mounted Projects (capacity under 10 MW)
- Large- and Medium-Scale Commercial and Self-Consumption Rooftop Projects (capacity over 1 MW)
- Medium-Scale Off-Grid/Microgrid Projects (capacity under 1 MW)
- Photovoltaic-Integrated Hybrid Projects (energy generation projects where solar energy is used in combination with facilities that generate energy from non-solar sources)

With the experience it has gained to date, Smart Solar Technologies continues to successfully operate worldwide in areas such as project development, engineering services, EPC, BOT, and BOO.

Turnkey SPP Installation Process

Following technical and financial feasibility studies, the turnkey solar power plant (SPP) installation service begins, encompassing land selection, plant construction, project approval and acceptance, energy transmission line (ENH) design and installation, testing, and commissioning phases. The design and installation of transformers and distribution substations are also included within this scope.

As of December 31, 2024, Smart Solar Technologies has more than 170 EPC projects, either completed or ongoing, with a combined installed capacity exceeding 1,125 MWp. Since its establishment, the number of implemented projects exceeds 145. Under the scope of Project Development 5.1.h, engineering and contracting works are underway for 17 projects totaling 145 MWp in capacity.

Selected Projects Undertaken in 2024

BOTAŞ and Nehir Çak Tekstil Projects: Identical plants with a total installed capacity of 26 MWp, which began installation in January 2024, have been successfully commissioned.

Ziraat Bank Kayseri Pınarbaşı SPP: The 64 MWp offshore solar power project, awarded in April 2024, was completed and commissioned in February 2025.

Gedik Holding Sakarya Hendek OIZ Rooftop SPP: The 8 MWp rooftop SPP contract was signed in May 2024, and installation was completed and commissioned at the beginning of 2025.

DESKİ Denizli Çivril Tracker SPP: The tracker-system solar plant, with a capacity of 90 MWp, was successfully commissioned in mid-2024.

Borusan Çanakkale Hybrid WPP-SPP: The hybrid wind and solar power plant with a capacity of 94 MWp was successfully completed in mid-2024.



The license for the Niğde project has been **obtained**, and **installation works have officially commenced**.

Development activities are ongoing for 44 projects, totaling 1,156 MWp / 1,036 MWe of solar capacity and 1,036 MWh of storage capacity.

- Project development activities within the scope of unlicensed electricity generation:**
- Smart Solar Technologies identifies land areas with high irradiation and optimum efficiency for solar power plant installation,
 - Prepares tailored feasibility and detailed generation analysis reports based on land data for the company's own consumption,
 - Applies for an invitation letter regarding the connection agreement for suitable sites,
 - Manages and advances the process of obtaining a favorable opinion from the Ministry of Environment, Urbanization, and Climate Change, confirming that the installation of a solar power plant on the proposed land poses no harm to nature, as required under the Environmental Impact Assessment Regulation, so that the connection agreement of the projects with an invitation letter is signed,
 - Oversees and progresses all zoning procedures related to the land – including preparing geological survey reports, securing approvals from relevant authorities, drafting zoning plans, and managing all other processes in compliance with applicable rules and regulations.

Project development studies carried out specifically for storage-integrated solar power plants:

Smart Solar Technologies resumed operations in the industry throughout 2024 in a variety of business development areas. Highlights of the year include the advancement of solar power plant projects with integrated storage, the development and turnkey installation of unlicensed SPPs under the Unlicensed Electricity Generation Regulation (LUY), the acquisition of a license and launch of installation works for the 128.1 MWp Niğde project under the YEKA scheme, and important steps taken toward international project development.

Following regulatory changes introduced on November 19, 2022, the EMRA began accepting preliminary license applications for storage-integrated solar projects via its application system. By August 2023, such projects had firmly established their presence in the sector.

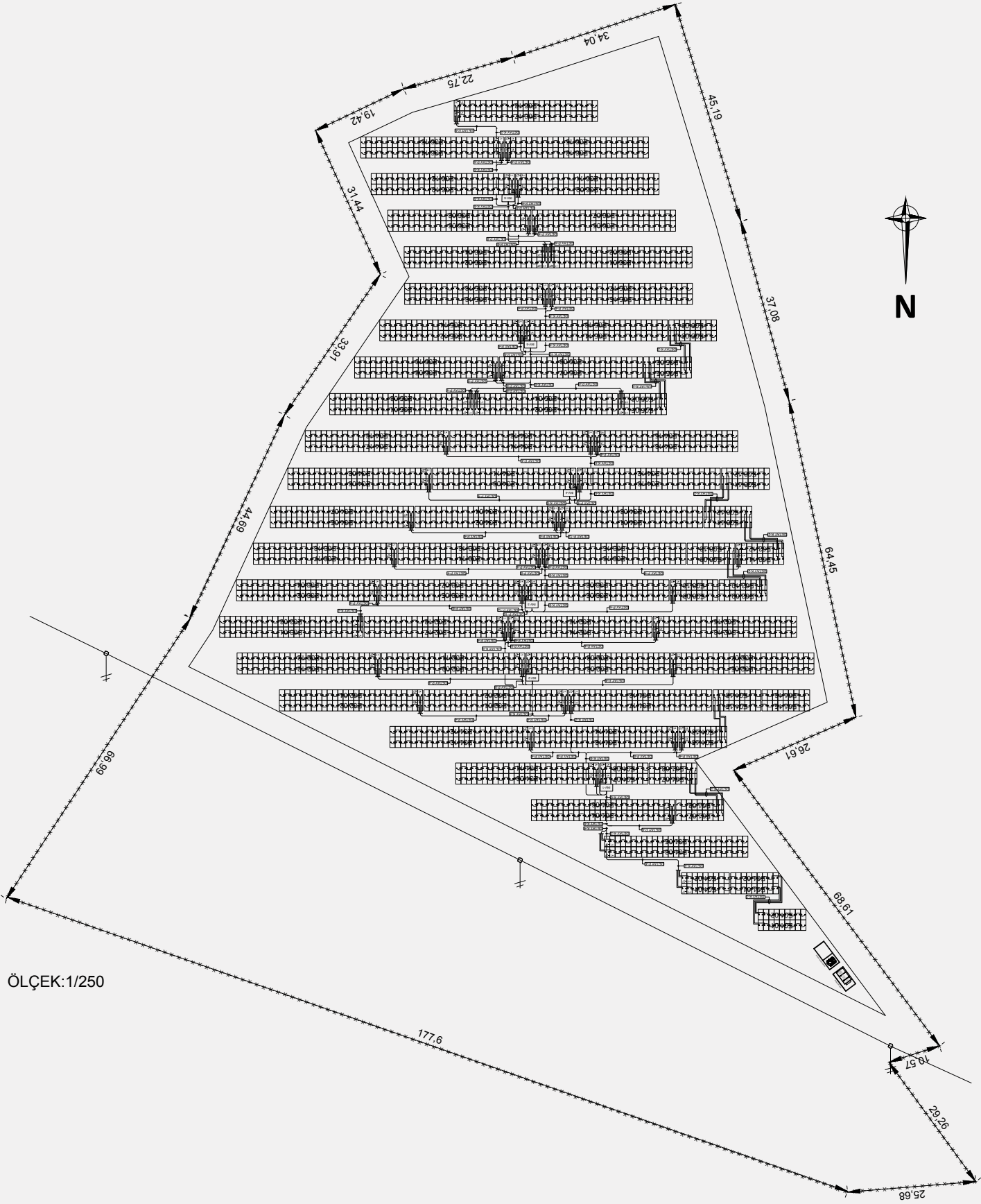
Pursuing its own investments, Smart Solar Technologies secured preliminary licenses for seven projects across various regions, boasting a combined capacity of 240 MWp / 184 MWe of solar and 184 MWh of storage. Developed in regions with high solar irradiation, these projects are expected to deliver robust annual energy output.

Smart Solar Technologies is developing Storage-Integrated SPP projects for its business partners and customers. Currently, development is underway for 44 projects, which will provide a total of 1,156 MWp / 1,036 MWe of solar capacity and 1,036 MWh of storage capacity. A portfolio consisting of 335 MWp / 258 MWe of solar capacity and 258 MWh of storage has received approval from EMRA to be transferred to Smart Global Enterprise & Trading B.V., where Smart Solar R&D holds a stake.

The Company is actively developing 22 additional projects across various regions of Türkiye under the LUY 5.1.h regulation, with a combined capacity of 185 MWp / 152 MWe. While some projects are still in the development phase, others have already advanced to the turnkey installation stage.

Simultaneously, Smart Solar Technologies is advancing the development and engineering processes for its self-consumption investment, the Smart Tembelova SPP projects, which feature an installed capacity of 4.6 MWp / 4 MWe, also under LUY 5.1.h.

Moreover, under the YEKA (Renewable Energy Resource Areas) framework, the Company is managing projects with a total installed capacity of 168 MWp. Notably, the G4-Bor-1 project in Niğde stands out with a capacity of 128 MWp, making it one of the largest licensed solar projects in Türkiye.



ÖLÇEK:1/250

SEMBOL LİSTESİ	
SEMBOL	AÇIKLAMA
TEL ÇİTİ	TEL ÇİTİ
GÜNEŞ PANELİ	GÜNEŞ PANELİ
EVİRİCİ	EVİRİCİ
OG HÜCRE KABİNİ	OG HÜCRE KABİNİ
TR KABİNİ	TR KABİNİ
TRAFO	TRAFO

Solargize focuses on R&D investments.

By allocating more resources to digital marketing activities, Solargize has strengthened its online presence and actively reached its target audience across social media platforms.

In 2023, Smart Solar Technologies took its first step into the electric vehicle charging network operation through a partnership with Solargize Green Mobility Energy Inc., offering high-quality charging devices designed to meet the growing needs of electric vehicle users. The Company has made it its core mission to deliver innovative products and develop solutions that support a sustainable future.

With a sustainability-driven business model, Smart Solar Technologies continues to expand its presence in mobility and logistics—two areas becoming increasingly crucial for effective carbon footprint management. The synergy between solar energy and electric vehicles has played a key role in sharpening the Company's focus on sustainable projects and fostering the development of forward-looking energy solutions. The Company made significant strides in sustainability and green energy

by launching its first charging stations in various provinces of Türkiye in 2023, which was made possible through the Charging Network Operator license from Solargize, which has delivered a consistent growth trajectory.

Solargize continues to concentrate heavily on R&D to offer its customers the most advanced technologies, both in charging network operations and hardware provision. The Company has taken significant steps to expand its existing product range and enhance performance, investing in next-generation fast-charging technologies and energy-efficient designs. This approach aims to continuously improve customer experience and broaden its customer base by launching new products. At the same time, it has successfully maintained profit margins through cost optimization and increased operational efficiency.



By strengthening its marketing and sales strategies, Solargize has significantly boosted its digital presence, allocating more resources to digital marketing efforts and actively engaging with its target audience on social media platforms. It has also expanded its distribution network of its products by deepening partnerships with retail outlets.

Remaining committed to sustainability and social responsibility at every stage of its business operations, Solargize uses recyclable materials and focuses on energy efficiency to minimize environmental impact. The Company supports local communities through various social responsibility projects and works to maximize employee well-being.

With its customer-centric approach, high-quality products, and effective business strategies, Solargize has achieved tangible success in a short time—and remains focused on growth and innovation in the years ahead. The Company continues to invest in R&D to maximize customer satisfaction and solidify its industry leadership, while expanding into international markets with the goal of global growth.

Smart Solar Technologies’ dream of solar cell production has become a reality.

The cell production line was completed in a rapid eight-month period and became operational in July 2024. The cell production line continues to operate at full capacity.

CELL AND PANEL INVESTMENTS

Modernization completed at the Gebze Solar Panel Production Facility

Smart Solar Technologies, which has been producing state-of-the-art products at its facility in Gebze, Kocaeli since 2017, has completed a major renovation while maintaining its production capacity of 1,200 MW. Accordingly, the Company established a fourth production line capable of manufacturing panels using M10 182mm x 182mm PERC cells and commenced production. With this development, the facility has gained the capability to meet next-generation technology standards and produce at a more advanced level.

Cell Production Line completed at Aliğa Integrated Cell and Panel Facilities

In 2023, Smart Solar Technologies launched its photovoltaic (PV) panel production facility located on a 50,000 m² plot—38,000 m² of which is indoor—within the Aliğa Organized Industrial Zone (Aliğa I), İzmir. Under the Aliğa II investment phase for PV cell and panel production, a total area of 58,309 m², covering four parcels, has been allocated. The first phase of this integrated facility—the 1,200 MW solar panel production facility—was commissioned in March 2023. Throughout 2024, the facility produced and delivered 721,462 panels to designated projects.

The second phase, the Cell Production Line, was completed in just eight months and became operational ahead of schedule. The first commercial cell production took place in July 2024, and the line has since been operating at full capacity. With an annual production capacity of 800 MW, the line manufactured 18,299,695 cells within six months. These cells were

transferred to the panel production lines for use in YEKA projects. Through this strategic investment, the Company aims to achieve vertical integration, boost its export potential, and strengthen its market position in Türkiye by offering domestically produced solar cells.

The investment for photovoltaic solar panel production in Aliğa—covering the entire process from silicon ingot production to wafers, cells, and final PV panels—was accepted under the “Project-Based State Incentive Scheme” as announced in the Official Gazette dated October 15, 2022 (No. 31984), and disclosed via the Public Disclosure Platform (KAP). In this context, the Company secured an Investment-Pledged Advance Loan with a 10-Year Term (YTAK) from the Central Bank of the Republic of Türkiye, with a two-year grace period on principal repayment, amounting to 1.1 billion Turkish Lira. Due to meeting the criteria for using locally manufactured machinery, the loan interest rate received a 25 basis point discount, setting the annual rate at 9.25%.

The cell production line, backed by an investment exceeding 40 million USD, manufactures high-efficiency solar cells through 12 distinct processes starting from silicon wafers. These processes include surface texturing, doping, oxidation/annealing, phosphor glass layer removal, passivation, and metallization.

To minimize environmental impact, the production facility has completed eco-friendly investments such as seven different filtration systems, two ultrapure water generation systems, and a wastewater treatment plant. Thanks to this advanced cell production line, the local content ratio in panel manufacturing has surpassed 70%.

Investment incentives in Bulgaria

Smart Solar Technologies has successfully commissioned numerous field projects in Bulgaria and advanced its commercial relationships to the next level. Following these achievements, the Company qualified for a direct investment incentive worth 32.48 million USD from the Bulgarian Government. After receiving these incentives, a 127-acre land parcel was allocated and planned for the new facility intended to be established in Bulgaria.

Silicon Wafer Slicing Line at Aliğa Integrated Cell and Panel Facilities

In August 2024, regulatory changes by the Ministry of Energy revised the customs taxation of solar cells, moving the wafer slicing process to an earlier stage in the supply chain compared to previous tax implementations. The wafer slicing line investment, originally planned under the incentives received in 2022, was rescheduled to an earlier date; equipment procurement has been completed, and on-site installation has commenced.

This investment covers a silicon ingot slicing (wafer) line with a production capacity of 1.5 GW, targeted for completion by May 2025. This development will increase Smart Solar Technologies’ manufacturing capacity and further strengthen its competitive position in the solar energy sector.

Capacity Expansion in Panel Production at Gebze and Aliğa Integrated Facilities

In 2025, Smart Solar Technologies has planned significant investments aimed at expanding the production capacity of panel manufacturing lines at its Gebze and Aliğa facilities.

At the Gebze facility, the projects scheduled for completion by March 2025 are set to boost production capacity by 20%. Additionally, during the second half of 2025, upgrades will integrate automation and artificial intelligence systems into the production line. These advancements will improve manufacturing efficiency, contributing to more productive and sustainable operations.

Similarly, at the Aliğa facility, investments slated for completion in the latter half of 2025 will increase the panel production line capacity by 20%.

Investing in the future of energy

Beyond contributing to Türkiye’s energy independence, Smart Solar Technologies aims to position itself as a key exporter in the solar energy sector. The Company pursues organic growth strategies to elevate its global influence and strengthen domestic manufacturing capacity. Accordingly, new investments in cell production and additional panel production capacity have been made, aligned with global solar energy trends.

As part of its vertical integration strategy, the Company has initiated efforts to expand low-carbon panel production capacity and reduce its carbon footprint. This commitment is particularly critical for compliance with regulations such as the Paris Climate Agreement and the European Green Deal, including border carbon adjustment mechanisms. Manufacturing semiconductor-based solar cells enables Smart Solar Technologies to access markets with anti-dumping policies against Chinese products, such as the United States, and meet Europe’s demand for low-carbon production.

This approach simultaneously bolsters the Company’s competitive edge in global markets by boosting export potential aligned with the European Union’s solar installation targets.

Smart Solar Technologies has also resolved to make a significant expansion into the U.S. market. The Company plans to establish solar panel production facilities with up to 3 GW capacity across at least two regions. To realize this goal, it has decided to establish a new entity through its wholly-owned Dutch subsidiary, Smart Global Enterprises & Trading BV.

The new U.S.-based company, named Smart Green Energy Technologies Inc., was founded in Delaware with a capital of 50,000 USD. Site selection for the U.S. facility is largely complete, and efforts continue regarding incentives and regulatory processes.

YEKA-4 BOR-1 SPP investment

Smart Solar Technologies’ wholly-owned subsidiary, Smart GES Üretim A.Ş., won the BOR-1 (100 MWe) tender held on April 8, 2022, by the General Directorate of Energy Affairs under Türkiye’s Ministry of Energy and Natural Resources. The tender concerned the allocation of renewable energy resource areas and connection capacities based on solar energy, and Smart GES Üretim A.Ş. secured the top bid. Following this achievement, the Company expanded its operations to include solar power generation. In this context, the construction of a solar power plant with a capacity of 100 MWe is planned, with the plant’s power range expected to reach 128 MWp. The investment is currently underway, with operations targeted to commence in 2025.

Modernization investments

Smart Solar Technologies makes modernization investments in its panel production lines and turnkey EPC projects by keeping pace with the latest technologies. These investments incorporate technological innovations that enable the Company to produce with high efficiency. Furthermore, the Company’s engineering and project design services prioritize high quality and effectiveness in every project by implementing the newest and most advanced technologies. This approach aims to maintain a competitive position both in the domestic market and internationally.



Go-live of the SAP S/4 HANA RISE Project successfully completed.

In 2024, Smart Solar Technologies modernized and upgraded its Information Technologies infrastructure by integrating the latest innovations

SAP S/4 HANA RISE Project

Launched in March 2023, the SAP S/4 HANA RISE Project officially went live on January 1, 2024, across Smart Solar Technologies headquarters and its Gebze and İzmir Aliğa facilities.

Modules successfully transitioned into live operation include:

- PP – Production & Production Planning
- SD – Sales & Distribution
- MM – Material Management
- PS – Project Management
- FI – Financial Accounting
- CO – Cost Accounting
- TRM – Treasury Management
- HR – Human Resources

In 2024, Smart Solar Technologies carried out a detailed process analysis for the newly commissioned Cell Production Facility at its Aliğa site, optimizing its production and procurement workflows. Required improvements and custom developments were implemented within the SAP system, and the optimized modules went live in Q3 of 2024.

Additionally, the SAP Analytics Cloud (SAC) reporting tool was activated in 2024. This tool now transforms SAP-generated data into executive dashboards and reports, providing real-time insights to management.

Cyber Security

In the final quarter of 2024, Smart Solar Technologies launched a comprehensive cybersecurity initiative. The purpose of this initiative is to identify the cybersecurity needs across all Company locations—including the headquarters, production sites, and solar power plant fields—and to address these needs in accordance with the level approved by senior management.

The first phase of the initiative has been completed, with risk areas and mitigation actions clearly defined. In 2025, the approved measures will be systematically implemented as part of the Company's cybersecurity roadmap.

Infrastructure & Network

The infrastructure and network requirements for the Cell Production Facility in İzmir Aliğa were planned as a dedicated IT project within the broader construction scope. All essential work was finalized by Q3 2024, allowing for seamless operational readiness of the facility.

In parallel, a company-wide IT infrastructure and network standardization effort was initiated for solar plant sites and auxiliary locations such as warehouses. This involved a comprehensive inventory review of existing IT equipment, the creation of standardized technical specifications for each site, and the rollout of these standards for all future installations. This move aims to ensure that every Smart Solar Technologies location operates on a harmonized, secure, and efficient IT infrastructure.

Planned Projects and Initiatives for 2025

The projects and initiatives slated for 2025 are aimed at advancing the Company's digital transformation by taking key strategic steps. In this context, the following efforts will be undertaken:

1. **IT Strategy and Roadmap Development:** A comprehensive roadmap initiative will be launched to define the Company's IT strategy in alignment with its short-term, medium-term, and long-term goals. The initiative will focus on establishing an enterprise architecture, strengthening the infrastructure of corporate applications, and setting strategic directions in cybersecurity.
2. **Automation and MES System for Production Sites:** A thorough analysis will be conducted to assess the automation and system requirements of production facilities. This initiative aims to select and implement a Manufacturing Execution System (MES) across all production sites. Partner selection and project launch are scheduled for the second half of 2025.
3. **New SAP S/4 RISE ERP Modules:** Following the successful go-live of the SAP S/4 RISE ERP system in early 2024, additional modules are planned for implementation in 2025:
 - o **PM (Plant Maintenance):** To optimize maintenance and repair processes in production.
 - o **QM (Quality Management):** To raise quality across production and service operations.
4. **Functional Enhancements to the SAP System:** New functionalities required for the existing SAP modules will be activated, and corresponding developments will be completed to enhance system performance and usability.
5. **QDMS System Implementation:** A project has been initiated for the implementation of a QDMS (Quality Document Management System) to improve quality certification and management systems. Completion is targeted for the first half of 2025.
6. **CRM System Implementation:** To optimize customer relationship management, analysis work for a CRM system has been completed. Partner selection and implementation are planned for 2025, marking the official start of the CRM project.

These projects are expected to maximize production efficiency, bring greater transparency to operations, and represent major strides toward full digitalization.



The average age of employees at Smart Solar Technologies is 35.

1,164
Employees

In 2024, Smart Solar Technologies was once again recognized with the “Respect for People Award” by Kariyer.net and ranked among the top companies with the highest number of applications at the Istanbul Metropolitan Municipality Employment Fair & Summit.

Human Resources Policies and Practices

Embracing core values such as integrity, trust, and teamwork, Smart Solar Technologies has shaped its human resources processes in alignment with these principles. The Company aims to create sustainable value for its employees and stakeholders by implementing the most modern and up-to-date HR practices across all areas of operation. As of 2024, the Company has taken significant steps to elevate the employee experience and has aligned its human resources processes with its strategic goals.

Smart Solar Technologies offers its employees the unique opportunity to shape their careers, develop their skills, become part of a successful team operating at international standards, and take part in unique projects with broad areas of responsibility. The Company implements a reward system that recognizes consistently high performance and applies competitive compensation and benefits policies in line with market conditions. In 2024, compensation policies were updated based on market data, and related processes were reviewed to raise employee satisfaction.

Committed to providing equal opportunities, Smart Solar Technologies supports the career development of employees through competency-based evaluation processes and constructive feedback mechanisms. In line with principles of diversity and inclusion, employees are evaluated solely on their competencies and job performance—regardless of race, belief, gender, religion, national origin, age, disability status, or sexual orientation.

Smart Solar Technologies values the ideas and contributions of employees and transforms its institutional knowledge and experience into a key competitive advantage by promoting transparency and engagement. The Company continues to support innovative and creative solutions and implements projects that strengthen employee engagement and job satisfaction in pursuit of efficiency and sustainable success.

To strengthen employee engagement, internal communication mechanisms were developed, and suggestion and complaint systems were established to ensure more effective evaluation of employee feedback.

Smart Solar Technologies marked a significant milestone by inaugurating its Cell Production Facility within the integrated manufacturing campus in Aliağa, İzmir. This new facility is not only a strategic investment aimed at boosting the Company’s technological capacity but also a key step toward its goal of producing sustainable energy solutions. The investment serves a dual purpose—contributing to the economy while creating employment opportunities. This development further solidifies Smart Solar Technologies’ industry leadership and underscores its unwavering commitment to innovative manufacturing processes.

Digital Human Resources

As part of its digital transformation initiatives, human resources processes were optimized through the integration and enhancement of PDKS and SAP systems.

In 2024, Smart Solar Technologies was once again recognized with the “Respect for People Award” by Kariyer.net and ranked among the top companies with the highest number of applications at the Istanbul Metropolitan Municipality Employment Fair & Summit. The Company actively participated in high-profile events such as the METU Career Summit, Istanbul Technical University Career Summit, and Gebze Technical University Employment Fair, engaging directly with emerging talent across the industry. Meaningful progress was also achieved in the “Mastery-Compensation Program,” conducted in collaboration with Private Adem Ceylan Final Vocational and Technical High School, yielding tangible contributions to the project.

Training and Development

Smart Solar Technologies aims to offer its employees more than just a workplace—it envisions an academy and a learning hub where their careers can flourish. In line with this vision, training programs tailored to employee needs were implemented, with a particular focus on sharpening technical competencies.

Throughout 2024, programs such as General Orientation Training, Basic First Aid, Mandatory High Voltage Electrical Installations (EKAT), and FIDIC training were carried out. Comprehensive programs covering Occupational Health and Safety (OHS), technical skills, sustainability, and gender equality were also delivered across the Company’s Gebze, Aliağa, and headquarters locations. Both online and in-person learning opportunities were promoted to support employees’ personal, professional, and technical growth. Additionally, needs assessments ensured that every employee was enrolled in the most suitable training programs for their development.

Corporate Culture Initiatives

To reinforce corporate culture and raise awareness, projects with internal and societal impact were launched. Initiatives like “Are You Aware?” and “Shoulder to Shoulder” were implemented and expanded to help employees better understand the value their work brings to both the Company and society. Moreover, training programs on ethics and compliance were conducted to help employees internalize corporate values.

Social Responsibility Activities

Driven by its mission to contribute to society, Smart Solar Technologies continues to support social responsibility projects. In this context, a charity event was organized to raise funds for Genç İnciler Derneği (Young Pearls Association), with active employee participation supporting youth education.

Additionally, by running in the Istanbul Marathon in support of TESYEV (Turkish Disabled Sports Aid and Education Foundation), the Company took part in a meaningful initiative promoting equal opportunity in education. Smart Solar Technologies remains steadfast in its support for similar projects aimed at improving educational standards across society.

Career Management

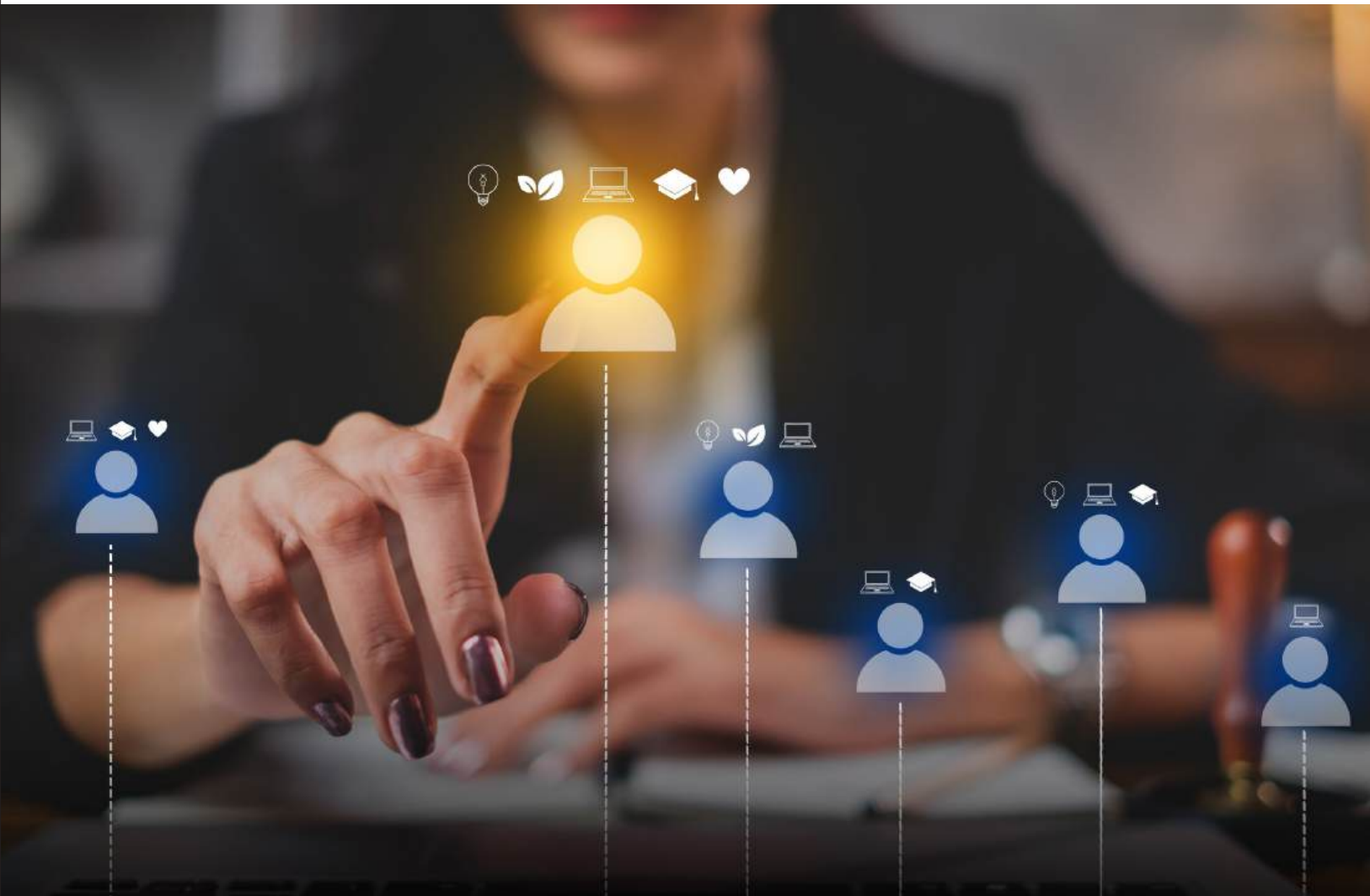
As part of workforce planning, the organizational structure was revisited, talent management processes were strengthened, and succession plans were developed for critical roles.

To foster internal career growth and invest in future talent, the Intern Development Program continued throughout the year. Designed to provide students with hands-on experience in a professional setting, the program aligned internship placements with departmental needs. In 2024, a total of 41 interns joined the program.

Performance Management System

To better monitor employee performance and reinforce recognition and reward mechanisms, the Performance Management System was overhauled. As of 2024, new methodologies were introduced to enable more accurate measurement of both individual and team performance.

A performance-based incentive system was also implemented specifically for production employees, adopting a structured approach to boost productivity and operational efficiency.

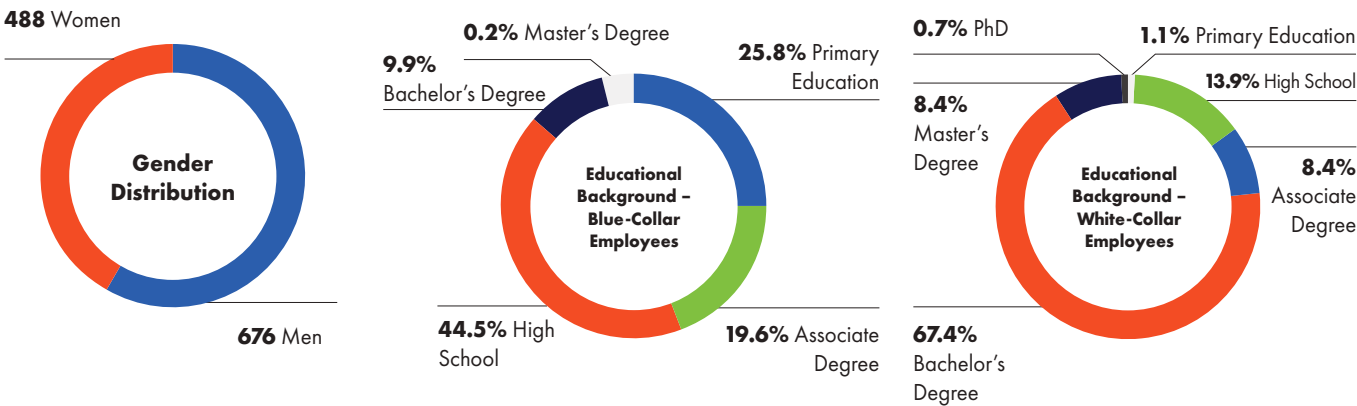


Pillars of the HR Policy



Employee Profile

As of the end of 2024, Smart Solar Technologies employs 1,164 people, with an average age of 35. Over the course of the year, the Company onboarded 109 white-collar and 391 blue-collar employees.



Human Resources Efforts in 2025

To advance the Company's strategic objectives, human resources processes will continue to be enhanced and effectively implemented throughout 2025.

As part of talent management efforts, critical competency analyses will be conducted to anticipate future workforce needs, while HR analytics and reporting systems will be developed to support data-driven decision-making. Transparent career path frameworks will be introduced, empowering employees to take ownership of their professional development.

Performance management systems will be restructured around goal- and competency-based frameworks, fostering a culture of continuous feedback. In production operations specifically, a KPI-driven incentive system will be implemented to better measure and reward individual performance and improve overall efficiency.

Compensation and benefits policies will continue to be revised in alignment with evolving market conditions and employee expectations.

To strengthen employee engagement, internal communication channels will be optimized, and mechanisms will be established to ensure more effective, accessible feedback loops. Programs designed to support both physical and mental well-being will also be introduced, contributing to increased motivation and workplace satisfaction.

The digital transformation of HR will accelerate, with AI-powered tools enabling faster and more accurate decision-making. By integrating existing HR technologies, process efficiency and coherence will be significantly improved.

In terms of learning and development, digital learning platforms will be launched to simplify access to knowledge. Structured technical and leadership training programs will be offered to strengthen the capabilities of teams across production, engineering, and support functions.

The Company's corporate culture will be further reinforced through initiatives promoting diversity and inclusion. Awareness projects will continue to help employees better understand their individual and collective impact—both within the organization and on society. Additionally, new initiatives will be developed to encourage greater female participation in the workforce. Ethics and compliance programs will support the internalization of the Company's core values across all levels.

Through this comprehensive approach, HR operations will evolve into a more strategic, efficient, and employee-centric function.

Our efforts **are powered by a sustainability management system.**

We aim to create solutions for a more sustainable world in the future and to create shared values with our stakeholders in this process.

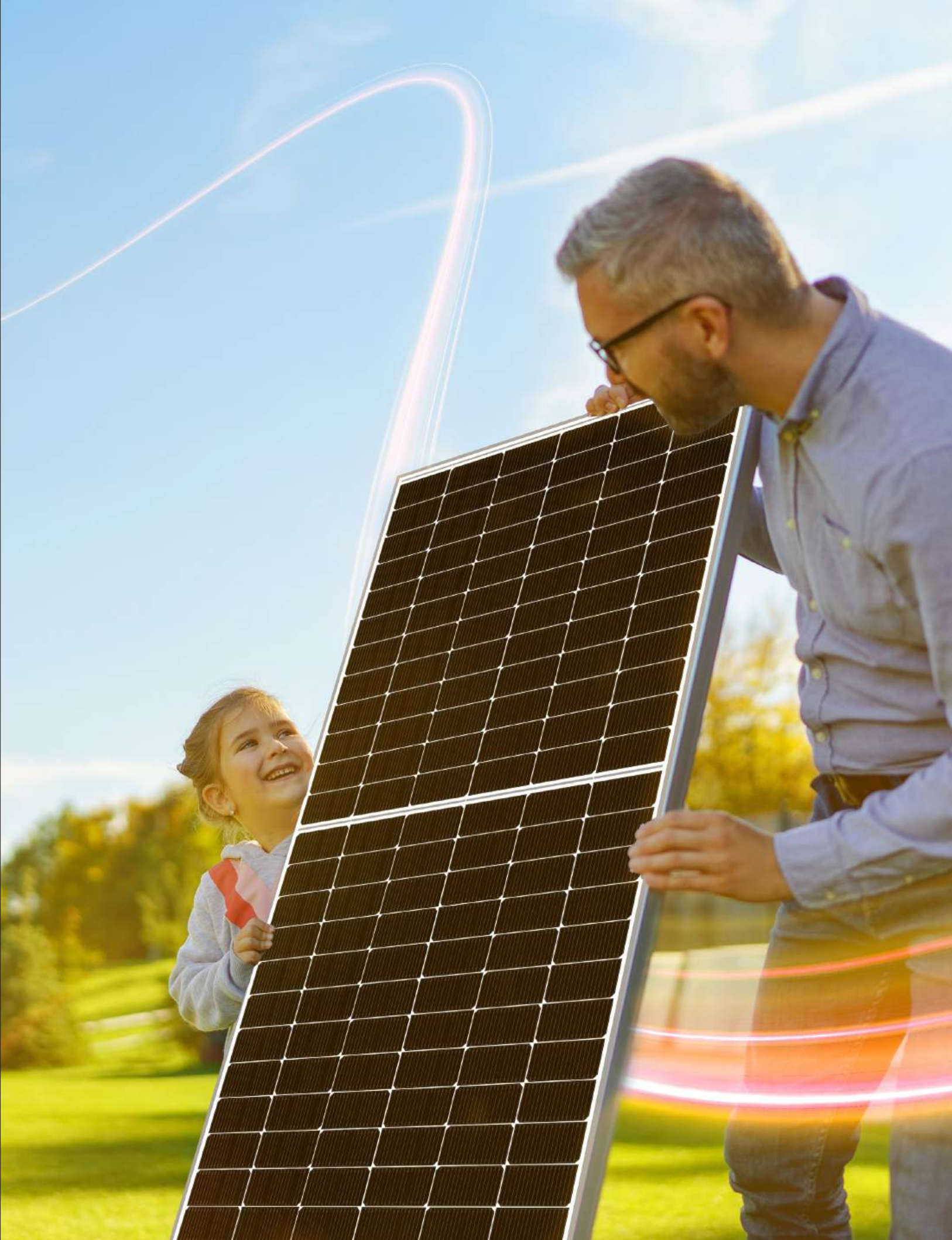
Sustainability cannot be achieved by simply adding the buzzwords “green” or “sustainability” to corporate discourse, joining certain initiatives, or carrying out social responsibility projects. What’s truly needed is to build sustainable structures and to take systematic steps to ensure sustainability in a meaningful and lasting way. Real success in sustainability doesn’t come from theoretical knowledge or worn clichés-it comes from embedding it into your business model, strategy, and governance. It requires setting goals, employing metrics, reporting, and committing to continuous improvement at every step. From this point of view, sustainability requires a long-term perspective in technical, social, financial and managerial dimensions and needs to be structured in the light of the dynamics of the sector in which each company operates.

As Smart Solar Technologies, while placing sustainability at the center of the company, we aim to structure our strategy, business conduct and governance processes by taking into account the entire production and supply chain as well. We thus aim to achieve a sustainable management system by internalizing the concept of sustainability in all aspects and integrating it into our business model. What is important for us is to build a sustainable future together with all our stakeholders in our sector by adopting sustainability values and to make it sustainable to create value with our high-tech products

and services in the investment, engineering and production stages with solar technologies that we turn to. We took the first step towards this goal by establishing the Sustainability Committee at the beginning of 2022. We then started to structure the ‘Smart Sustainability Management System’ to cover all processes within the Company. As Smart, we created our roadmap in line with our priorities and goals on sustainability. We prepared our first Sustainability report in 2023 and shared it with our customers, suppliers and valuable stakeholders of the renewable energy and solar technology sectors.

As Smart Solar Technologies, we are aware that climate change management can be realized through green transformation in energy and that solar power generation and solar technology in green-oriented development is significant. With this awareness, we strengthen our work with a sustainability management system with the belief that producing value based on green technologies will contribute positively to the green energy transformation of our country and the world. We are excited to share our sustainability policies and our sustainability governance experiences with all our stakeholders in the coming periods.

We aim to create solutions for a more sustainable world in the future and to create shared values with our stakeholders in this process.



Efforts to develop sustainable business models, minimize environmental impact, and **create value for all stakeholders are moving forward with unwavering determination.**

Following our diligent efforts throughout 2024, Smart Solar Technologies proudly entered the Carbon Disclosure Project (CDP) Climate Change Reporting for the first time, securing a distinguished ‘B’ Management Level rating.

Our Strategic Document, covering the 2023–2027 period, and our first Sustainability Report for 2022 were shared with the public at a launch event held on September 5, 2023. Our 2023 Sustainability Report was subsequently published on September 3, 2024. Since 2021, we have continued our efforts to calculate greenhouse gas emissions under the ISO 14064-1:2018 standard, and our 2040 Net Zero goal is clearly defined in our strategic document and sustainability report. Accordingly, we are working to create a sustainable supply chain and have also started the process of migrating sustainability processes to the SAP platform. Efforts are underway to obtain LEED-Green Building certification for our Aliağa Solar Cell & Solar Panel Integrated Production Facility in Izmir. LEED Certification is a green building certification that stands for leadership in energy and environmental design. As a company operating in the renewable energy sector, our goal is to demonstrate an environmentally friendly and sustainable approach in all of our activities.

In line with our sustainability-driven strategies and long-term value creation approach, our environmental, social, and governance (ESG) performance has been evaluated by the London Stock Exchange Group (LSEG) under its agreement with Borsa İstanbul as per international sustainability criteria. As a result of this evaluation, Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim San. ve Tic. A.Ş. has been officially included in the BIST Sustainability Index, effective January 1, 2025.

This achievement highlights our Company’s firm commitment to environmental and social responsibility, our capacity to create innovative solutions, and the effectiveness of our sustainability policies. It also marks a critical milestone on our journey toward carbon neutrality. With the same commitment and resolve, we will continue to build sustainable business models, reduce our environmental footprint, and create meaningful value for all our stakeholders.



In 2024, for the first time, we participated in the Carbon Disclosure Project (CDP) Climate Change Reporting initiative and were awarded a ‘B’ Management Level score, reflecting our proactive engagement in climate-related transparency.

The Carbon Disclosure Project (CDP) stands as an internationally recognized platform that empowers companies to systematically measure, manage, and transparently disclose their environmental impacts concerning climate change, water security, and forest stewardship to investors and stakeholders alike. CDP’s comprehensive evaluations harness data utilized across finance, supply chains, investment, and policy-making arenas, aiming to elevate transparency within the business landscape and mitigate environmental risks. Through reporting to CDP, companies not only facilitate their access to sustainable financing but also significantly improve their environmental performance.

As Smart Solar Technologies, we embrace our responsibility to forge a more sustainable future by actively minimizing our environmental footprint. Building on the strides we’ve made in this process, we set our sights on securing even higher ratings in the years ahead. As a steadfast investor in domestic and renewable energy resources that contribute to the Turkish economy, our participation in the CDP Climate Change Program marks a pivotal step in

affirming our dedication to climate action and fortifying our sustainability-focused governance strategies. Our sustainability journey progresses with unwavering momentum as we proudly maintain membership in the Business Council for Sustainable Development Türkiye (SKD Türkiye). Moreover, we have formally endorsed the UN Global Compact principles, diligently overseeing all corresponding initiatives.

Within the scope of our environmental commitment, the Smart Solar community undertook the following impactful actions throughout 2024:

- Delivering training programs year-round to cultivate a robust Environmental Management culture among all employees, encompassing both on-the-job and targeted educational sessions.
- Installing prominent informational displays on Environmental Management at the factory entrance and across all operational areas to foster awareness among all personnel and visitors.
- Prioritizing waste prevention and reduction at the source by meticulously planning and executing dedicated initiatives.
- Precisely identifying waste categories and ensuring their segregation and collection at the point of origin.

- Establishing and continuously improving designated waste collection sites to streamline management processes.
- Championing the zero-waste office philosophy by eliminating desk-side trash bins and replacing single-use items with sustainable, reusable alternatives, beginning with office environments.
- Systematically monitoring electricity, water, and wastewater consumption data to drive initiatives that boost energy and resource efficiency.
- Conducting thorough evaluations of environmental aspects and associated risks to formulate and implement targeted corrective action plans.
- Expanding the Waste Management System comprehensively across all factory operations to guarantee inclusive participation and accountability.
- Organizing training and emergency drills focused on environmental incident preparedness.
- Executing socially responsible projects aimed at elevating environmental consciousness, including reforestation campaigns, educational programs, and employee engagement activities such as “Giving Waste a New Life.”

Board of Directors



Halil Demirdağ
Chairman

Halil Demirdağ graduated from Boğaziçi University, Department of Industrial Engineering in 1996, and started his professional career as an entrepreneur by carrying out international trade activities on consumer goods during his university education. After completing his undergraduate studies, Halil Demirdağ founded and served as CEO of Everest Group Company, a family-owned business, from 1996 to 2006. In April 2009, he established Smart Solar Technologies Renewable Energy Investment Company in Sofia, focusing on investments in solar energy projects and technologies. Under his leadership, the Company has completed numerous international solar energy investment projects and forged valuable international partnerships. In a short time, Smart Solar Technologies expanded its operations to include domestic photovoltaic solar panel production, offering investor services and turnkey installations for SPP projects. The Company commissioned a domestic solar cell production facility with an 800 MW capacity in 2024 and completed wafer slicing investments, achieving vertical integration and positioning itself as a leader in the sector.

As the Company's innovative investments began to garner international attention, it established strategic partnerships that enabled the opening of offices in Bulgaria, Romania, Greece, Germany, Switzerland, Ukraine, and Türkiye. Halil Demirdağ, who remains the Chairman of the Board of Directors, is fluent in English and Bulgarian.



Hakan Akkoç
Vice Chairperson

Hakan Akkoç completed his undergraduate degree in Industrial Engineering at Boğaziçi University. Between 1992 and 1994, he visited Taiwan several times, driven by his entrepreneurial spirit and interest in global trade, where he established long-term commercial relationships for his family's automotive spare parts import business. In May 2007, he initiated investment projects in Bulgaria and, since April 2009, has been an investor in various SPP projects with Smart Solar Technologies Group. In 2016, he began contributing to the development of SPP investment and PV panel production projects with the group and became a member of the Board of Directors. Since January 2017, Hakan Akkoç has served as the General Manager of the Company's PV panel factory and continues to engage in managerial activities within the organization. He has experience in various sectors internationally and is fluent in English, German, and Bulgarian.



Borga Karagülle
Vice Chairperson

Borga Karagülle graduated from L'Université Américaine de Paris with a bachelor's degree in international business administration. He began his education at Private Kalamış High School in 1986 and completed his high school studies at Private Semiha Şakir College in 1994.

He commenced his professional career as an Assistant Production Manager at Multimed Group Corporation, a petroleum company. From 2000 to 2004, he served as the International Trade Manager for the same company. Mr. Karagülle then took on the role of Business Development Manager at Renovatio Group. In 2010, he transitioned to ET Solutions AG/Mel Solar Energy, a company focused on renewable energy. By 2015, he was working as the Business Development Manager at ReneSola, one of the world's largest solar energy companies listed on the New York Stock Exchange, and he currently holds the position of Business Development Director there. Through his extensive experience in the energy sector, particularly in renewable energy, he continues to add value to the Smart Solar Technologies family. In addition to his commercial acumen, self-motivation, and results-oriented approach, which have significantly sharpened his business and management skills, Borga Karagülle also served as the General Manager of Smart Solar Technology GmbH, the Company's subsidiary in Germany, and Smart Güneş Enerji Ekipmanları Pazarlama A.Ş. He has advanced level of knowledge of English and French.



Havva Köroğlu
Vice Chairperson

Havva Köroğlu graduated in 2000 with a Bachelor's degree from Istanbul Technical University's Department of Geological Engineering. She embarked on her professional journey in 2001, successfully holding various Sales and Foreign Trade positions across multiple industries.

Building on over 20 years of professional experience enriched by extensive knowledge and expertise, she chose to advance her career within the energy sector. Between 2014 and 2015, she founded SEG Electrical and Electronics Engineering and took on the role of General Manager at EFMC Electricity Production. Currently serving as the Vice Chairperson of the Board at the Company, Havva Köroğlu is fluent in English at an advanced level and continues to lead with a strategic vision grounded in her diverse background.



İhsan Şafak Balta
Board Member

He graduated from Istanbul University, Faculty of Law in 1989. He completed his legal internship at the Istanbul Bar Association and is a self-employed lawyer registered at the Istanbul Bar Association.

Between 2002 and 2017, he worked as the manager of legal departments in the banking and finance industry. He served as a member of the Board of Directors of financial and real industry companies operating in Türkiye and abroad. He is a member of various professional and social networks, foundations and associations. İhsan Şafak Balta has been a member of the Company's Board of Directors as well as a legal advisor since 2019.



Filiz Avcı Aktaş
Board Member

She graduated from Marmara University, Department of Business Administration in 2003. Starting her career in the international logistics industry, she worked as a specialist, manager, and director respectively in the leading companies of the industry between 2004-2011. She worked as Operations Manager in the project for the establishment of the first Ro-Ro line between Egypt and Türkiye in order to develop trade between the two countries, and made significant contributions to the realization of the project which was financed by an international fund. Between 2011 and 2015, she worked as a project coordinator in clustering projects carried out by the then Ministry of Economy. In this capacity, she has played a key role in organizing fairs, trade delegations, training sessions, and similar events across numerous target markets to boost sustainable exports for member companies from various sectors under the Istanbul Minerals and Metals Exporters' Association. Her successful project management in these initiatives earned her recognition as the Best Project Manager by the Republic of Türkiye Ministry of Economy. Since joining the Company in 2019, she has been serving as the Secretary General and possesses advanced proficiency in English.

Board of Directors



Cem Nuri Tezel
Board Member

Nuri Tezel graduated from the Department of Finance, Marmara University and continued his post-graduate education with MBA at Leeds University. Nuri Tezel began his professional career in 1996 at Arthur Andersen's Istanbul Audit Department. He then advanced his career as Senior Manager at Ernst & Young and subsequently served as Internal Audit Manager at Sabancı Holding. Between 2005 and 2007, he held the position of Finance Director at Enka Marketing. From 2008 to 2021, Tezel served as CFO at prominent organizations including Sabiha Gökçen Airport, Soyak Holding, Assan Aluminum, and Aksa Energy, a company publicly traded on Borsa Istanbul (BIST). Nuri Tezel is a member of ISMMMO, a founding member of the Corporate Risk Management Association (KRYD), and was a Member of the Business Council of DEİK Bahrain between 2017-2018. In 2016, 2018 and 2020, when he served as CFO, he was recognized as one of the "50 Most Effective CFOs" by Fortune Türkiye and has participated in many international seminars in the field of finance as a speaker. Cem Nuri Tezel has been serving as Vice Chairman of the Board of Directors and Board Member Responsible for Financial Affairs at the Company as of 2022. He has knowledge of English and German.



Prof. Dr. Mustafa Kemal Yılmaz
Independent Board Member

He graduated from Galatasaray High School in 1985. In 1990, he earned his degree from Marmara University's Faculty of Economics and Administrative Sciences, English Business Administration program. He completed his Master's degree in Finance and Accounting (taught in English) at Marmara University in 1993. Between 1991 and 1994, he worked as a specialist at the Undersecretariat of Treasury of the Republic of Türkiye, within the General Directorate of Banking and Exchange. In 1994, he began his career at the Istanbul Stock Exchange (İMKB). He earned his doctorate in Banking from Marmara University's Banking and Insurance Institute in 1998 and was awarded the title of Associate Professor in Finance and Accounting in 2004. Between 1994 and 2005, Yılmaz served as a specialist in the Derivatives Market at İMKB (Istanbul Stock Exchange), followed by the same role at the Risk Management Department from 2006 to 2007. From 2007 to 2011, he held the position of Chief of Staff. In November and December 2006, he acted as the representative of the Islamic Development Bank at the Tehran Metal Exchange and the Iran Agricultural Products Exchange. Between 2007 and 2013, he served as an advisor to the Capital Markets Sector Council of TOBB (The Union of Chambers and Commodity Exchanges of Türkiye). Yılmaz was Deputy General Manager of Borsa Istanbul from 2012 to 2016. Concurrently, he served as a Board Member of Takasbank (2012-2013), Vice Chairman of the Board at Enerji Piyasaları İşletme A.Ş. (2015-2016), and Board Member at MKK (Central Securities Depository of Türkiye) from 2013 to 2016. Since 2017, he has been a professor and Dean of the Faculty of Management Sciences at Ibn Haldun University. He is married and has two children.



Hülya Kurt
Independent Board Member

Born in 1966 in Havza, Samsun, Kurt graduated from Hacettepe University with a degree in Chemical Engineering in 1988. She began her professional journey in 1989 as an R&D and Project Engineer at Eczacıbaşı Vitra Ceramics. In 1995, she joined the Türkiye Industrial Development Bank (TSKB) as a Project Engineer Specialist in the Engineering Department. During this period, she completed a Business Certificate program at Marmara University in 1997, followed by an Executive MBA from Koç University in 2000. Rising through roles from Senior Specialist, Consulting Specialist to Manager, she led the Engineering Department as Director from 2008 onwards. She also served as the Bank's Environment and Sustainability Coordinator between 2006 and 2016. While spearheading the bank's sustainability strategy, she led the establishment of Escarus-TSKB Sustainability Consulting Inc., a dedicated sustainability consultancy firm within TSKB in 2011. Until 2015, alongside her leadership roles at TSKB's Engineering Department and Sustainability Coordination, she served as Vice Chairperson of Escarus's Board, before being appointed General Manager of Escarus in 2016. She retired from TSKB in 2019. Beyond TSKB, Hülya Kurt chaired the Turkish Banks Association's Working Group on the Role of the Financial Sector in Sustainable Development from 2009 to 2016, leading the creation of the Sustainability Guide for the Banking Sector. She is also a member of TÜSİAD's Finance Working Group and the BIST Sustainability Platform, and provided sustainability consulting for the TSKB Green Bond Project. Kurt coordinated Türkiye's Sustainable Development Goals Project on behalf of the Ministry of Development. She has experience in the fields of climate change, sustainable development governance, climate change finance, green economy, energy and energy transition.



Meliha Seyhan
Independent Board Member

She holds bachelor's degrees in Accounting from Yıldız Technical University and in Business Administration from Anadolu University and completed her master's degree at Sabancı University Executive MBA program. She attended the "Leadership and Innovation" certificate program at MIT University in the USA. Her professional career began in 1991 at Gillette Türkiye, where she worked in cost accounting. Over the next 14 years, she held roles including Factory Controller for Türkiye, the Balkans, and the Medex Hub region, Financial Analyst, and Manager of Reporting and Cost Accounting. Notably, she led the Rönesas project—the largest financial reporting system implementation in Gillette's history—covering Türkiye, the Balkans, and Medex Hub countries from Boston, USA. After Procter & Gamble acquired Gillette in 2005, Meliha Seyhan joined P&G and served in various leadership roles: Systems Simplification Manager, Customer Business Development Finance Team Manager, Corporate Accounting Group Manager, and Internal Control and Procure-to-Pay Group Manager.

In 2010, she started to work in the CFO position, which was opened for the first time in Lila Group, which accelerated its institutionalization efforts. During this period, she spearheaded the systemic, structural, and organizational transformation of the company's financial affairs unit. In 2017, she expanded her role to include the Information Technologies department, leading efforts for digital transformation. After 18 years of global experience, she left Lila Group—a rapidly growing and established company in Türkiye for 11 years—at the end of June 2021. She then founded ANKA, a consulting firm on holistic management, providing management and finance consultancy services to businesses. Meliha Seyhan is an active member of several NGOs, including TKYD, LEAD Network Türkiye, Türkonfed, and the Futurists Association. She mentors women executives in the retail sector and teaches Financial Ethics courses at various universities through the "Ethical Leaders Academy."



Bilgün Gürkan
Independent Board Member

Bilgün Gürkan graduated from Izmir American Girls' High School, then from Boğaziçi University, Department of Business Administration, and received her Executive MBA from INSEAD in 1998.

Gürkan started her professional career at the American Bank of Saudi Arabia (Samba Bank) in 1991, then moved to ABN AMRO Bank in 1994, where she served as Country Head of Corporate Banking and Investment Banking until 2011, and continued her career as Head of Corporate Marketing Department at Standard Bank and Country Manager at Renior Management Consulting Company between 2011-2015.

Since 2016, Bilgün Gürkan has been the founder and head of the Bank of Bahrain and Kuwait's (BBK) Representative Office in Türkiye, playing a pivotal role in facilitating financing from Gulf countries to Türkiye's leading corporations and banks. In 2017, she spearheaded the creation of TÜSİAD's Gulf Countries Network and continues to serve as its Chairperson.

Since 2020, Gürkan has also been serving as the Chair of the DEİK Türkiye-Bahrain Business Council. Additionally, she holds board memberships with the 30% Club and the International Women's Forum, while actively contributing as a trustee to the TEMA Foundation. Gürkan is married, has 2 children and is fluent in English.

Senior Management



Murat Mert

EPC Vice President

He completed his high school education at Vehbi Koç High School in 1999 and graduated from 9 Eylül University, Department of Mechanical-Painting-Construction in 2002 and Eastern Mediterranean University, Department of Mechanical Engineering in 2006. He worked as a Field Engineer at a 2,000 MW Combined Cycle Power Plant in the United Arab Emirates between 2008 and 2010, and he joined Alstom Power Company between 2010 and 2016 as a Supervisor and Site Manager for various hydroelectric power plants, respectively, before assuming the position of Service Project Manager responsible for the MENAT region. In 2016, he worked as Project Manager responsible for the installation of wind power plants at EUM, a Danish company. Between 2016-2020, he worked as Country Manager and Projects Director at Semi Energy FZCO, developing, managing and operating a collection of projects in Africa and the Middle East totaling around EUR 700 million. He also set up the entire organization of the Company's energy division. As of 2021, he has been serving as the EPC Vice President of the Company, reporting directly to the Chairman of the Board of Directors.



Dr. Papatya Ceylan Sözbir

Vice Chairwoman of Technology Development

She graduated from Pertevniyal Anatolian High School in 2002 and from Yeditepe University, Faculty of Arts and Sciences, Department of Physics in 2007. During her time at the university, she studied in the field of spectroscopy and published three papers by the time she graduated. In 2013, she completed her PhD at Bowling Green State University, Center for Photochemical Science. During her PhD, she studied electron transfer dynamics affecting the efficiency of solar cells and published 6 papers. She was as a Project Manager at 3B Telecom Services Ltd. Şti. between 2013-2014. She worked as a consultant at Enerlab Enerji ve İletişim Hizmetleri A.Ş. between 2014-2015. In 2015, she started her career as an R&D Specialist at Smart Solar Research and Development Industry and Trade Ltd. Şti. and worked as R&D Manager under the roof of the company, which is a group company in 2018.



Aykut Koray Özçelik

Vice President, Chief Operating Officer

Aykut Koray Özçelik started his education at Gazi Anatolian High School in 1996 and successfully graduated from Istanbul Technical University, Department of Mechanical Engineering in 2000. He continued his education and completed his master's degree at UCLA in 2001 and at Istanbul Technical University Executive MBA Department in 2003. He started his professional career as a field engineer at Yüksel İnşaat in the 2001-2002 period. Then, he worked as an investment and business development manager at Assan Alüminyum from 2002 to 2008. During this period, he played an important role in identifying and implementing the company's growth strategies. He worked in the Project Finance Loans department at Akbank TAŞ between 2008 and 2014. Here, he gained experience in the financial field and improved his skills in managing the financing of projects. He worked as Strategy and Business Development Manager at Kibar Holding between 2014 and 2017. During this period, he directed the Holding's expansion and diversification strategies and started initiatives in new business areas. He returned to Assan Alüminyum and worked there between 2017 and 2023, serving first as investment director, then as investment and operational excellence director, and finally as Deputy General Manager - Chief Operating Officer in charge of investments, operational excellence and technical services. During this process, he took leadership in setting the company's capacity increase strategies and implementing investment decisions. During this period, he especially managed intensive investment programs designed to increase foil production capacity. Additionally, he played a key role in executing the company's digital transformation, production excellence and culture transformation projects. He has been serving as Vice President, Chief Operating Officer at Smart Solar Technologies since October 2023. In this role, he directly reports to the Chairman of the Board and contributes to the strategic direction of the company.



Osman Şahin

Sales and Channel Management Director

He graduated from Yıldız Technical University, Faculty of Engineering, Department of Electrical Engineering in 1990. In 1992, he completed the International Management Program in English at Istanbul University. Between 1992 and 1994, he worked as a sales engineer at Telemecanique. Between 1994-1995, he completed his military service as a reserve officer. Between 1995 and 2010, he worked in various positions including Mid-Level Management at Schneider Electric in the Sales, Marketing, Services and International Projects departments. Between 2010-2021, he worked as Country Deputy General Manager and Central Asia Sales Director in the Central Asia organization of Schneider Electric based in Baku, Azerbaijan. He participated in many training program in Türkiye and abroad. Most recently, he completed the Inspiring Leaders for Development Program at Singapore Management University in 2015. He is currently working as Director of Sales and Channel Management at the Company.

Assessment of the Board of Directors

ASSESSMENT OF THE BOARD OF DIRECTORS

Smart Solar Technologies Board of Directors is responsible for determining and monitoring the overall risk management framework of the Company. The Board of Directors formed the Early Risk Detection Committee to oversee the development and monitoring of the Company's risk management policies.

The Company pursues an effective risk management policy to prevent and mitigate all risks. The risk management philosophy is based on the core principles of protecting asset value, ensuring operational safety and pursuing sustainability.

Risk management policies are designed to identify and analyze potential risks, determine suitable risk limits and establish relevant controls, and monitor risks as well as the correlation between risks and risk limits. Risk management policies and systems are regularly reviewed to reflect changes in the Company's activities and evolving market conditions. Through training and management standards and procedures, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and responsibilities.

Financial risks faced by the Company are managed in a centralized fashion. The Company's financial risks and opportunities are effectively managed via policy revisions, when deemed necessary. Hedging instruments are purchased when appropriate, in line with policies determined by upper management to minimize risk exposure.

The Early Risk Detection Committee, which convenes under the Chairmanship of the Independent Board Member, also carries out studies to identify risks and take action. The Committee executes activities to identify and implement the necessary measures regarding potential risks, manage these within the framework of the risk management system, and report the results to the Board of Directors.

Operating in an investment-intensive industry, the Company has financed some of its investments through bank loans. Therefore, liquidity, currency and interest rate risk positions and market developments are monitored regularly.

The Company continues analyzing and prioritizing market risks, using methodologies in compliance with its strategic objectives, in order to reach its operational and financial profitability targets.

Our Company carries no operational foreign exchange risk. However, the project financing loans used for investments are in foreign currency, which can lead to foreign exchange losses. It determines targets to find financing sources for projects to bring FX-based EBITDA with higher profit margins.

In parallel with the growth and development realized over the years based on the Company's activities and successful operations, financial results were positive, with an increase in sales and profitability. In line with this growth, the Company's assets increased and there was an increase in operating capital items. Our Company's product sales and raw material purchases are denominated in foreign currency, and in addition to operational growth, foreign currency-based activities also had an impact on growth.

In parallel with the growth and development realized over the years, depending on the activities of our company, our company's assets and shareholders' equity increased in the financial results for 2024.

Although our company's 2024 revenue was realized in parallel with the inflation-indexed 2023 revenue, our company's sales volume and market share continued to increase. In 2024, due to the FX-based decline in raw material costs and unit sales prices in the solar energy technologies sector, we realized TRY 11.6 billion after our increasing market share and sales volume. Our company's sales volumes have been continuously increasing over the years. The main reasons for this increase include capacity increases in production and services, increased efficiency, increased interest in renewable energy and solar energy in our country and around the world, and the increasing recognition and competence of our Company in Türkiye and abroad.

In addition to investments in infrastructure, facilities and operational growth, the Company incurs operational expenses in line with its strategies to increase its recognition in Türkiye and abroad, to expand into wider markets in the long term and to acquire new business partnerships. Investing in IT, technical infrastructure and human resources in line with these strategies, our company is taking strong steps towards achieving its long-term goals. Although the expenses and cost elements within this scope have a periodic impact on operating profit, they are elements that serve our company's goals in the long term.

As a result of successful and effective operational management, the Company's Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached TRY 1.58 billion.

In general, our Company needs financing to meet its working capital requirements and to finance its investments in capacity increase and having an end-to-end value chain in solar panel production stages in line with its strategy, and aims to finance this requirement mainly with the cash generated from its operations, and depending on the size of the investments and projects, it also uses external resources. The increases in long and short term liabilities are due to the external resources used in parallel with the investments and the high capacity developed. In parallel with the increase in financing costs starting from the second half of 2023, there has been an increase in the financial expense incurred during the period.

In parallel with the investments realized by the Company, its fixed assets increased by 37.76% to TRY 6.81 billion. As of December 31, 2024, our company's shareholders' equity increased by 14.35% compared to December 31, 2023, reaching TRY 3.51 billion. The Company strengthened its balance sheet and equity following the Public Offering in 2022 and we will maintain our successful financial and operational performance by elevating our investments and continuing to effectively manage our operational capital.

ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMMITTEES

Within the scope of Corporate Governance Principle no. 4.5 in the Capital Markets Board's Corporate Governance Communiqué no. II-17.1; the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee carry out their activities under the Board of Directors. In addition, the Sustainability Committee was established to oversee the sustainability principles introduced by the Capital Markets Board's "Communiqué (II-17.1.a) on the Amendment of the Corporate Governance Communiqué (II-17.1)" and the implementation of which is based on a voluntary basis, to carry out Environmental, Social and Corporate Governance (ESG) studies in the Company within the Sustainability Principles Compliance Framework announced by the Board, to establish the necessary policies, to implement and monitor the policies, and to carry out the necessary studies within the Sustainability Principles Compliance Framework in accordance with the Company's activities. The Audit Committee convenes at least once every three months upon the invitation of the Chairman of the Committee. Other Committees convene as often as required by the duties assigned to them. The Committees closely examined and discussed key issues such as audit, corporate governance, risks and strategies, and presented recommendations on these to the Board of Directors. For detailed information on the committees and their working principles, please visit the Company's website at the address <http://www.smartsolar.com.tr>.

ASSESSMENT OF THE BOARD OF DIRECTORS ON THE INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT PRACTICES

It is aimed to inform the Board of Directors that the internal audit activities by Smart Holding Internal Audit Department and the activities of the Company and its subsidiaries are carried out in line with laws, relevant legislation and internal strategies, policies and procedures, and to express opinions on the efficiency and sufficiency of internal control and risk management systems. The audit studies, it is aimed to develop business processes and create added value for the Company by presenting opinions and recommendations for taking regulatory and preventive measures, protecting corporate assets, increasing operational efficiency and establishing systematic developments. The risk-based annual internal audit plan, which is prepared based on the risk assessment results from an internal audit perspective and updated at regular intervals, is submitted to the Audit Committee and the Board of Directors for approval. Upon approval, the audit activities included in the annual audit plan are carried out in accordance with international audit standards and requirements. The results of the audit activities carried out during the year are presented to the Board of Directors and the Audit Committee, which consists of independent members.

Statements of Independence

I hereby declare that I am a candidate for assuming the role of an “independent member” in the Board of Directors of Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi (“Company”) in line with the criteria stipulated in the legislation, the Articles of Association and the Capital Markets Board’s Corporate Governance Communiqué, and within this scope;

a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,

b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held stocks (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the company’s audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,

c) I have the necessary professional education and training, knowledge, and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,

d) I do not work on a full-time basis at public agencies and institutions after my appointment as a member except for the lecturer position at universities in line with applicable laws,

e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31 / 12 / 1960,

f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company’s operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,

g) I will make sufficient time for keeping track of the company’s activities and for fully performing my duties on behalf of the company,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been an independent member of the Board of Directors in the Company or in more than three of the companies controlled by the shareholders who control the management of the Company and in more than five of the publicly traded companies in total,

j) I have not been registered and announced on behalf of the juridical person elected as member of the Board of Directors. I hereby declare the above-mentioned matters. 02.04.2024

Hülya KURT

I hereby declare that I am a candidate for assuming the role of an “independent member” in the Board of Directors of Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi (“Company”) in line with the criteria stipulated in the legislation, the Articles of Association and the Capital Markets Board’s Corporate Governance Communiqué, and within this scope;

a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,

b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held stocks (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the company’s audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,

c) I have the necessary professional education and training, knowledge, and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,

d) I do not work on a full-time basis at public agencies and institutions after my appointment as a member except for the lecturer position at universities in line with applicable laws,

e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31 / 12 / 1960,

f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company’s operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,

g) I will make sufficient time for keeping track of the company’s activities and for fully performing my duties on behalf of the company,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been an independent member of the Board of Directors in the Company or in more than three of the companies controlled by the shareholders who control the management of the Company and in more than five of the publicly traded companies in total,

j) I have not been registered and announced on behalf of the juridical person elected as member of the Board of Directors. I hereby declare the above-mentioned matters. 02.04.2024

Mustafa Kemal YILMAZ

Statements of Independence

I hereby declare that I am a candidate for assuming the role of an “independent member” in the Board of Directors of Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi (“Company”) in line with the criteria stipulated in the legislation, the Articles of Association and the Capital Markets Board’s Corporate Governance Communiqué, and within this scope;

a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,

b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held stocks (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the company’s audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,

c) I have the necessary professional education and training, knowledge, and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,

d) I do not work on a full-time basis at public agencies and institutions after my appointment as a member except for the lecturer position at universities in line with applicable laws,

e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31 / 12 / 1960,

f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company’s operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,

g) I will make sufficient time for keeping track of the company’s activities and for fully performing my duties on behalf of the company,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been an independent member of the Board of Directors in the Company or in more than three of the companies controlled by the shareholders who control the management of the Company and in more than five of the publicly traded companies in total,

j) I have not been registered and announced on behalf of the juridical person elected as member of the Board of Directors. I hereby declare the above-mentioned matters. 02.04.2024

Meliha SEYHAN

I hereby declare that I am a candidate for assuming the role of an “independent member” in the Board of Directors of Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi (“Company”) in line with the criteria stipulated in the legislation, the Articles of Association and the Capital Markets Board’s Corporate Governance Communiqué, and within this scope;

a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,

b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held stocks (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the company’s audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,

c) I have the necessary professional education and training, knowledge, and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,

d) I do not work on a full-time basis at public agencies and institutions after my appointment as a member except for the lecturer position at universities in line with applicable laws,

e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31 / 12 / 1960,

f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company’s operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,

g) I will make sufficient time for keeping track of the company’s activities and for fully performing my duties on behalf of the company,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been an independent member of the Board of Directors in the Company or in more than three of the companies controlled by the shareholders who control the management of the Company and in more than five of the publicly traded companies in total,

j) I have not been registered and announced on behalf of the juridical person elected as member of the Board of Directors. I hereby declare the above-mentioned matters. 02.04.2024

Bilgün GÜRKAN

Corporate Governance Principles Compliance Report

Corporate Governance Principles Compliance Statement

Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş., which creates value and builds the future from today with its young and dynamic structure, strong corporate structure and culture, has built its relations with its management, shareholders, employees and third parties on the principles of equality, transparency, accountability and responsibility. The Company adopts and adheres to the corporate governance approach in order to maintain its success in its fields of activity and its position as one of the most important players in the market. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. adopts the “Corporate Governance Principles” determined under the Corporate Governance Communiqué (Communiqué) numbered II- 17.1 of the Capital Markets Board and shows the necessary attention and care for the correct implementation of these principles. In this context, full compliance has been achieved with all the principles that are mandatory as per the Communiqué, and the non-mandatory principles are also largely fulfilled in accordance with the corporate structure of the Company. Believing in the importance and contribution of corporate governance, the Company management aims for full compliance with the non-mandatory Corporate Governance Principles and strives to comply with all of them. There have been no conflicts of interest arising from principles that have not yet been implemented or partially complied with. Our explanations regarding the non-mandatory principles that are not yet complied with or partially complied with are as follows:

1.3.11. While there is no article in the Articles of Association regulating the participation of stakeholders in the General Assembly, our employees also attended the 2023 Ordinary General Assembly Meeting together with the shareholders, and the General Assembly was broadcast live.

1.4.2. Within the Company’s Articles of Association, shareholders holding registered Group A shares have the privilege to nominate candidates for the Board of Directors (election of ½ of the Board members among the candidates nominated by Group A shareholders) and to vote (5 voting rights per share in the General Assembly of the Company) at the Ordinary and Extraordinary General Assembly meetings.

All other shares have 1 voting right. There is no consideration for the removal of these privileges at this stage.

1.5.2. The Company’s Articles of Association do not provide for the extension of minority rights to those who hold less than one-twentieth of the capital. The current practice of the minority rights for one-twentieth is considered to be sufficient for the protection of investor rights, and there are no plans to expand the scope.

4.2.5. While there is no provision in the Articles of Association regarding the clear separation of the powers of the Chairman of the Board of Directors and the Chief Executive Officer/ General Manager, the Chairman of the Board of Directors and the General Manager Responsible for Production of the Company are separate individuals.

4.4.7. There are no limitations on the external duties held by the Members of the Board of Directors. However, it is ensured that all members spare sufficient time for company management and decision-making processes.

4.5.5. Since the number of Board members is 11 and the number of independent members is 4, it is possible for our Board members to take part in more than one committee. As per the Corporate Governance Communiqué, Board members serve on more than one committee, regarding the requirement to elect the chairmen of the committees from among the independent board members, the number of committees to be formed and the knowledge and experience of the members. Members serving in more than one committee also facilitate communication and cooperation among committees. Competent individuals with expertise in related fields are appointed to the committees by taking into account the professions, knowledge and experience of the Board Members. The current structure does not prevent the committees from carrying out their duties effectively. In addition, it is ensured that the committees act in accordance with their legal authorities and responsibilities.

4.6.5. Salaries paid and all other benefits provided to the members of the Board of Directors and senior executives are collectively disclosed to the public via the annual report.

SECTION I SHAREHOLDERS

Investor Relations Unit

An “Investor Relations Department” has been established to carry out the Company’s relations with shareholders. This duty is carried out on a full-time basis by our employees who hold Capital Market Activities Advanced Level License and Corporate Governance Rating Specialist License and are members of the Corporate Governance Committee. Contact information of the Investor Relations Department is given below:

Investor Relations Manager: Alper Yücel
alper.yucel@smartsolar.com.tr
+90 216 225 72 06
Address: Energy Plaza, Rüzgarlıbahçe, Feragat Sok. No: 2 K: 7 34805 Kavacık Beykoz - ISTANBUL/TÜRKİYE
investorrelations@smartsolar.com.tr

The Investor Relations Department operates under the Board Member who is also the Company’s Chief Financial Officer. The Investor Relations Department submits a report on its activities to the Board of Directors at least once a year. In 2024, the Board of Directors was regularly informed and reported every month on issues such as stocks, requests from investors, market analysis, etc.

The company’s free float rate is 26.97%. In this context, care is taken to fulfill all kinds of meeting and interview requests received directly from institutional and individual investors as well as analysts and to respond to all kinds of questions received via e-mail, etc. within the existing legal limits. In 2024, a total of 16 analyst meetings were held, and a total of 453 questions and clarification requests received from individual investors via e-mail were fulfilled in a timely manner.

The financial reports and statements regarding the annual and interim financial results of Smart Solar Technologies for the year 2024 were published on the Company’s website and also announced on the Public Disclosure Platform (KAP). In 2024, material event disclosures required by the legislation were also disclosed

to the public through KAP. During the period, there were no lawsuits or court decisions requiring material event disclosures. During this period, our Company did not receive any request for the appointment of a special auditor.

General Assembly Meeting

The Ordinary General Assembly Meeting was held on 30.05.2024 at 10:30 a.m. and was also broadcast live via the electronic general assembly system “e-gks.” Attendance rate to the meeting was realized as 76%. As stipulated by the relevant legislation and provisions of the articles of association, the invitation to the General Assembly meeting was made 3 weeks prior to the meeting date via the Trade Registry Gazette, KAP and our corporate website, together with the information form that will enable shareholders to access all information in a transparent manner and the samples of power of attorney for those who will represent themselves by proxy at the General Assembly meeting. No additional agenda proposals were submitted for the meeting. Board members, authorized persons who are responsible for preparing the financial statements and auditors were present at the meeting to provide necessary information and to answer questions.

At the General Assembly meeting, the chairman of the meeting paid attention to the issue of conveying the topics on the agenda in an impartial and detailed manner, with a clear and understandable method. Shareholders were given the opportunity to express their opinions and ask questions under equal conditions, and all questions asked by shareholders at the general assembly meeting and not covered by trade secrets were answered directly. At the meeting, it was decided not to distribute the profit of 2023 due to existing investments, the election of the members of the Board of Directors was held, the General Assembly was informed about the share buyback program to be implemented and the aforementioned decisions and transactions were approved by the General Assembly. With a separate agenda item, the General Assembly was informed about the donations and grants made in 2023. All proposals and dissenting opinions of the shareholders who attended the meeting were published with the minutes of the meeting.

Voting Rights and Minority Rights

In Ordinary and Extraordinary General Assembly meetings, shareholders holding registered Group A shares have 5 votes and all other shares have 1 vote right. Cumulative voting method is not included in the company’s articles of association. In addition, our Company does not have any shares listed abroad. Minority rights are recognized for shareholders representing at least 1/20th of our capital within the framework of the legislation.

Share Transfer

All shares may be transferred freely in line with the provisions of the Turkish Commercial Code, Capital Markets Law and other relevant legislation.

Dividends

The Company’s dividend distribution policy was approved at the General Assembly Meeting held on 10.06.2022. Accordingly, as its Dividend Distribution Policy, the Company adopted distribution of minimum 25% of its distributable period profit calculated within the framework of Capital Markets Board regulations in cash and/or bonus shares. As long as the relevant regulations and financial possibilities allow, this policy is reviewed by the Board of Directors considering market expectations, national and global economic conditions, the Company’s growth, investment and financing policies, profitability and cash position. Any changes to the Policy are also submitted for the approval of the shareholders at the first General Assembly meeting after the change and published on the Company’s website. At the General Assembly Meeting, it was decided not to distribute the profit for 2023 due to existing investments.

SECTION II DISCLOSURE AND TRANSPARENCY

Disclosure Policy

The Company’s disclosure policy is available on our corporate website. The Board of Directors is responsible for the implementation of the disclosure policy. The purpose of the

disclosure policy is to share Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret A.Ş.’s past performance, future expectations, strategies, necessary information and explanations that do not constitute trade secrets, goals and vision with the public, relevant authorities, current and potential investors and shareholders in an equal manner, and to provide a continuous, effective and open communication platform by both the investor relations and the corporate communication departments by disclosing the financial information of the Company in a simultaneous, full, fair, complete, clear, accurate, timely, understandable and easily accessible manner within the generally accepted financial reporting principles and Capital Markets Board regulations.

Company Website

The address of our Company’s corporate website is <https://www.smartsolar.com.tr>. The website has been organized in Turkish and English. Our corporate website complies with international standards and its content is constantly kept up-to-date. The “Investor Relations” section of the website contains various information and documents of interest to investors and stakeholders. Efforts to improve the content and design of the website are ongoing.

Annual Report

Our Company’s annual report is prepared in Turkish and English (year-end) in a manner to ensure that our shareholders, the public and all other stakeholders have access to complete and accurate information about our Company’s activities, in the content required by the Turkish Commercial Code and Capital Markets Legislation. Annual financial statements and footnotes, Corporate Governance Compliance Report and our disclosures on Sustainability Principles are included in our annual report. Our annual report is available on the Company’s official website and on KAP.

SECTION III
STAKEHOLDERS

Informing Stakeholders

The Company pays due care and attention to ensure that its employees and other stakeholders are informed in a timely and complete manner. Employees receive developments and information about the Company from the managers to whom they report and from announcements and notifications made by Human Resources throughout the Company. Company employees are provided with periodic trainings, particularly on health and safety. Due to the nature of the work carried out, Company employees, customers and other stakeholders are in constant face-to-face communication and are quickly informed on matters that concern them. The Company's website, which is constantly updated, also enables all stakeholders to obtain information.

Participation of Stakeholders in Management

Our Company has adopted the principle of carefully and meticulously evaluating the feedback and suggestions received from its customers and suppliers always at the senior management level. Since our Company is in a very important position in the renewable energy sector, it is very careful and attentive to take into account the opinions, criticisms and feedback of its customer companies and institutions in the media in its decisions, practices and policies. It is a priority for the Company to ensure and sustain the targeted success and satisfaction of its customers and to produce fast and permanent solutions to their problems.

In order to ensure the participation of personnel at various levels in the management of the Company, management meetings are held with departmental representation, with the participation of department managers and senior executives, and opinions are exchanged on relevant issues at these meetings. The opinions, demands and expectations of employees, customer and suppliers are communicated to the Senior Management at these meetings. The decisions taken are implemented by the departments.

Human Resources Policy and Ethical Rules

The Company's business approach is shaped by the culture of being a company that respects human rights and offers its employees a comfortable, healthy, safe and productive work environment. The Company respects fundamental human rights in all business processes, does not employ child labor or forced labor, offers equal opportunities to all employees, stands against all forms of discrimination such as religion, language, age, color, ethnic origin, sexual orientation, disability and marital status, and provides equal opportunities in recruitment processes. Company employees have a high sense of belonging and responsibility. There are quite a lot of personnel working in the Company for many years.

Talents who will be in management positions in the future of the Company, who can be promoted to positions critical for the continuity of the business or who can take part in different critical functions are identified, talent management practices are carried out to ensure their development and permanence. Young talents are given opportunities in recruitment and their development is monitored through on-the-job training. The main purpose of talent management is to identify candidates for succession plans, create a talent pool for promotion and rotation, and prepare new generations for management.

If employees have problems and suggestions, they convey these to their immediate managers, who in turn convey the matter to senior management when deemed necessary. Suggestions, recommendations, criticisms and feedback from employees are given great importance in the Company's operations. There have been no complaints from employees regarding discrimination.

Our Company has adopted a management approach that complies with the law and social ethical rules, is aware of the importance of social responsibility, values people, the environment and nature, and it supports the adoption of this approach by its employees. The ethical rules were formed in writing and disclosed to the public.

SECTION IV
BOARD OF DIRECTORS

Formation and Structure of the Board of Directors
The business and administration of our Company are carried out by a Board of Directors consisting of 11 members. Five of the members are elected by the General Assembly from among the candidates to be nominated by the majority of Group (A) shareholders. All of the members to be nominated by Group (A) shareholders consist of members other than independent members. Members of the Board of Directors may be elected for a maximum term of three years, and members whose term of office expires may be re-elected. All members of the Board of Directors were re-elected for a 3-year term at the Ordinary General Assembly Meeting held on May 30, 2024.

There are 4 independent members on the Board of Directors and each independent member has a written statement of independence. The members of the Board of Directors consist of individuals with a high level of knowledge and skills, competent in financial matters, qualified, with a certain level of experience and background, in accordance with the criteria set forth in the CMB's Corporate Governance Principles. The necessary and appropriate opinions have been received from the Capital Markets Board regarding the independent board members of our company.

As of the current situation, the members of the Board of Directors do not engage in any transaction that may cause a conflict of interest with our Company and do not engage in any activity that may cause competition in the same fields of activity. There are 5 female members (45%) on our Company's Board of Directors. The Chairman of the Board of Directors and the Company's General Manager Responsible for Production are separate individuals.

Name-Surname	Position	Term of Office
Halil Demirdağ	Chairman	30.05.2024-30.05.2027
Hakan Akkoç	Vice Chairman	30.05.2024-30.05.2027
Borga Karagülle	Vice Chairman	30.05.2024-30.05.2027
Havva Köroğlu	Vice Chairman	30.05.2024-30.05.2027
İhsan Şafak Balta	Board Member	30.05.2024-30.05.2027
Filiz Avşar Aktaş	Board Member	30.05.2024-30.05.2027
Cem Nuri Tezel	Board Member	30.05.2024-30.05.2027
Mustafa Kemal Yılmaz	Independent Board Member	30.05.2024-30.05.2027
Hülya Kurt	Independent Board Member	30.05.2024-30.05.2027
Meliha Seyhan	Independent Board Member	30.05.2024-30.05.2027
Bilgün Gürkan	Independent Board Member	30.05.2024-30.05.2027

Board of Directors Operating Principles

The Board of Directors convenes with the majority of the total number of members and takes its decisions with the majority of the members present at the meeting. This rule also applies if the Board of Directors convenes electronically.

A General Secretariat department is in place to inform the members of the Board of Directors about the meeting time and agenda and to ensure communication.

In 2024, a total of 11 Board of Directors meetings were held and all decisions were taken unanimously by the participating members. Average rate of attendance at board meetings is 90%.

The Board members of our Company do not have privileges such as weighted voting rights and/or negative veto rights. Our Company has an "Executive Liability Insurance" for our

members of the Board of Directors and senior executives. Board members are paid monthly or annual attendance fees to be determined at the general assembly meetings. The Capital Markets Board and related regulations are taken into consideration in determining the remuneration for independent members. In the relevant period, there were no related party transactions submitted for the approval of the independent Board members.

Financial Rights

In 2024, the total amount of salaries and similar benefits provided to the Chairman and Vice Chairman of the Board of Directors and other executives of the Group in the current period is TRY 24,021,717. A performance-based rewarding system is not applied in determining the financial rights provided to the Board members. The Company does not lend any funds or extend any loans to the Board members or executives, grant any personal loans through a third party, or extend any guarantees such as sureties in their favor.

Number, Structure, and Independence of the Committees Established under the Board of Directors

In order to fulfill the duties and responsibilities of the Board of Directors in a healthy manner, the Corporate Governance Committee, Audit Committee and Early Detection of Risk Committee were established in accordance with the Corporate Governance Principles of the Capital Markets Board. The duties of the Nomination Committee and the Remuneration Committee, which must be established in accordance with the legislation on corporate governance principles, are carried out within the Corporate Governance Committee. In addition, within the framework of our Company's sustainability policy, a Sustainability Steering Committee was established. All committees are chaired by independent board members. Considering the total number of Board members, independent board members also serve on different committees.

AUDIT COMMITTEE

The Audit Committee was established to oversee the operation of the Company’s accounting and reporting systems in line with applicable laws, rules and regulations, the public disclosure of financial information, and the effective functioning of the independent audit and internal control systems. The Committee notifies the Board of Directors in writing of its evaluations on the factuality and accuracy of the annual and interim financial statements and their compliance with the Company’s accounting principles, taking into account the opinions of the Company’s management and independent auditors. The Committee’s duties and responsibilities include:

- Conducting assessments for the selection of the independent audit company, making a recommendation and presentation to the Board of Directors;
- Evaluating compliance of financial statements and their footnotes to be disclosed to the public with legal and regulatory requirements and international reporting standards;
- Monitoring the operation and effectiveness of the Company’s accounting system, public announcement of financial information, independent audit, and the internal control system;
- Examining and finalizing complaints related to the Company’s accounting, internal control system, and independent audit.

The Audit Committee consists of at least two members who are elected from among Independent Board Members.

Audit Committee	
Meliha Seyhan	Chairwoman
Hülya Kurt	Member
Bilgün Gürkan	Member
Mustafa Kemal Yılmaz	Member

The Audit Committee convenes at least once every three months upon the invitation of the Chairman of the Committee. When deemed necessary, the managers, internal and independent auditors are also invited to the meeting to provide information. The Committee may also decide to receive consultancy services from third parties outside of the Company. The Committee expenses are covered by the Board of Directors. The Audit Committee may notify specific issues to the Company’s General Assembly, if deemed necessary. In 4 meetings during 2024, the Audit Committee received information about periodically conducted audit activities, decided whether to expand or narrow the scope of audit activities and made resolutions on amendments to the annual plan. The Committee also provided support to the Board of Directors during the selection of the independent audit firm.

CORPORATE GOVERNANCE COMMITTEE

- Corporate Governance Committee;
- Determines whether the corporate governance principles are implemented in the company; if not, determines the rationale and conflicts of interest emerging due to failure in completely complying with these principles,
 - Makes recommendations to Board of Directors to improve corporate management practices, and
 - Supervises the works of the Investor Relations Department.

The Corporate Governance Committee convenes as often as required by the duties assigned to it. In 2024, the Committee oversaw the Company’s compliance with the Corporate Governance Principles set forth in the Communiqué on the Determination and Implementation of the Corporate Governance Principles; investigated the reasons for non-compliance with certain principles; identified the incompatibilities resulting from incomplete compliance; took remedial measures.

The duties of the Nomination Committee and the Remuneration Committee are performed by the Corporate Governance Committee as well. The Committee supports the Board of Directors with respect to the determination and evaluation of the appropriate candidates for Board membership and managerial positions with executive function. In 2024, the approval of the Capital Markets Board was obtained for our independent board members who were re-elected. The Committee met 5 times during the period.

Corporate Governance Committee	
Mustafa Kemal Yılmaz	Chairman
Meliha Seyhan	Member
Bilgün Gürkan	Member
Hülya Kurt	Member
Alper Yücel	Member

EARLY DETECTION OF RISK COMMITTEE

The Early Risk Assessment Committee, which reports to the Board of Directors, is responsible for determining at an early stage all the operational, strategic, financial and compliance risks that may jeopardize the Company’s existence, development and continuity; taking the necessary measures concerning the risks thus identified; developing the necessary policies to execute the risk management processes; managing and reporting risks in accordance with the Company’s risk taking profile.

The Committee is established and authorized by the Board of Directors in accordance with the Company’s Articles of Association and applicable legislation. It convenes as often as required by the duties assigned to it, evaluates the situation in its reports to the Board of Directors, points out any threats and recommends solutions. The Committee met and reported 6 times during the year.

Early Detection of Risk Committee	
Bilgün Gürkan	Chairwoman
Mustafa Kemal Yılmaz	Member
Cem Nuri Tezel	Member
Hülya Kurt	Member

SUSTAINABILITY COMMITTEE

The Sustainability Committee was established to oversee the sustainability principles introduced by the Capital Markets Board’s “Communiqué (II-17.1.a) on the Amendment of the Corporate Governance Communiqué (II-17.1)” and the implementation of which is based on a voluntary basis, to carry out Environmental, Social and Corporate Governance (ESG) studies within the Sustainability Principles Compliance Framework announced by the Board, to establish the necessary policies, to implement and monitor the policies, and to carry out the necessary studies within the Sustainability Principles Compliance Framework in accordance with the Company’s activities.

Sustainability Committee	
Hülya Kurt	Chairwoman
Mustafa Kemal Yılmaz	Member
Filiz Avcı Aktaş	Member

As Smart Solar Technologies, while placing sustainability at the center of the company, we aim to structure our strategy, business conduct and governance processes by taking into account the entire production and supply chain as well. We thus aim to achieve a sustainable management system by internalizing the concept of sustainability in all aspects and integrating it into our business model. What is important for us is to build a sustainable future together with all our stakeholders in our sector by adopting sustainability values and to make it sustainable to create value with our high-tech products and services in the investment, engineering and production stages with solar technologies that we turn to. The Company’s Sustainability Report for 2023 was published on 03.09.2024 in Turkish and English. The Company has been included in the Borsa İstanbul Sustainability Index as of 01.01.2025.

POLICIES AND CODE OF ETHICS

The policies and principles of the Company determined by the Board of Directors are available in English and Turkish under the Corporate Governance heading at www.smartsolar.com/tr.

The Company’s “Corporate Governance Compliance Report” and “Corporate Governance Information Form” for the year 2024 were published on the Public Disclosure Platform (www.kap.org.tr) on 07.03.2025, in accordance with the CMB’s decision dated 10.01.2019 and numbered 2/49. The relevant report and information form can be accessed by selecting the company name, notification type and subject (Corporate Governance Compliance Report) from the detailed query field from the notification inquiries tab.

Sustainability Principles Compliance Report

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Targets						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				Smart Solar Technologies Sustainability Committee was established on 07.04.2022 in order to carry out environmental, social and corporate governance studies, to establish the necessary policies, to implement and monitor the policies and to carry out the necessary studies in the Sustainability Principles Compliance Framework announced by the Board in accordance with the Company's activities. As the first step of this strategy, the Smart Sustainability Management System (SMS) project was initiated with the aim of establishing sustainability as the Company's business model and integrating it into all processes of the Company in an inclusive manner. Within the scope of this study, Sustainability-ESG gap analysis and stakeholder analysis studies were conducted to assess the current situation of the Company from an ESG perspective. Smart Solar Technologies' Sustainability Policy has been prepared based on the priorities and focus areas of the Company and all stakeholders in the value chain. The Company's Sustainability Policy was published in 2022 and efforts are ongoing in this context.	https://smartsolar.com.tr/pdf/SUSTAINABILITY-POLICY.pdf https://www.smartsolar.com.tr/en/yonetisim.html
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				Within the scope of the Sustainability Management System (SMS) project, Company policies were established and published on the corporate website.	https://smartsolar.com.tr/pdf/SUSTAINABILITY-POLICY.pdf https://smartsolar.com.tr/en/companypolicies.html https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				The company strategy document includes macro targets. The 2022 sustainability report was shared with the public. In the 2023 sustainability report, short-term targets were updated and published. In addition, emission reduction interim targets were announced in the sustainability report for 2023.	https://smartsolar.com.tr/pdf/Sustainability-Report-Interactive.pdf
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				Smart Solar Technologies Sustainability Committee was established on 07.04.2022 in order to carry out environmental, social and corporate governance studies, to establish the necessary policies, to implement and monitor the policies and to carry out the necessary studies in the Sustainability Principles Compliance Framework announced by the Board in accordance with the Company's activities. The Smart Sustainability Committee, which consists of three members, one of whom is the chairman and two of whom are members, convenes regularly in relation to the activities carried out within this scope and reports its activities directly to the Board of Directors. More detailed information can be found in the relevant section of the Company's corporate website and the 2023 sustainability report.	https://smartsolar.com.tr/en/Committees.html https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				The Sustainability Committee convenes periodically and meeting minutes are regularly shared with the Board of Directors.	
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.		X			Draft implementation and action plans were developed within the scope of the Sustainability Management System (SMS) project. Relevant developments are disclosed to the public in sustainability reports.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.		X			Work is ongoing to identify Key Performance Indicators (KPIs) within the scope of the outputs of the Sustainability Management System (SMS) project.	
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				Within the scope of the Sustainability Management System (SMS) project: Activities to improve the sustainability performance of business processes, products and services were carried out. These activities will be shared with the public in the integrated sustainability report to be published in 2025.	
A3. Reporting						

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				As of 2021, sustainability is included as a separate topic in company annual reports. In 2023, the sustainability report containing data on sustainability performance for 2022 was published for the first time. In the same context, the sustainability report for 2023 was also shared on the company's website. These activities will be shared with the public in the integrated sustainability report 2024 to be published in 2025.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				The annual report 2023 of the Company includes information on which activities are related to the UN 2030 Sustainable Development Goals. Relevant information is also included in the sustainability report for 2023. This information will also be shared with the public in the integrated sustainability report 2024.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.				X	There are no lawsuits filed against and/or finalized on Environment-Social-Governance issues, which are important in terms of ESG policies and/or will significantly affect operations.	
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X				The work to determine the Company's ESG Key Performance Indicators is ongoing. Afterwards, the verification of the information is planned to be done by a 3 rd party person/institution.	
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X				The Environmental and Climate Change Policy implemented by the Company outlines the framework of how the efforts to be carried out to reduce the impact on the environment and prevent climate change will be handled. In line with the principles set out in the policy, activities are carried out in line with the targets in order to monitor environmental performance, use resources efficiently, reduce carbon footprint, mitigate the impacts of risks related to the environment and climate change, and ensure compliance with legal requirements. Detailed information about Smart Solar Technologies' Environment and Climate Change Policy is available on the Company's website. The Company's environmental management approach and its practices in this area are included in the sustainability reports for 2022 and 2023 and shared with the public. The company's certificates for the relevant management systems are also shared on the company's website. Updated data will be shared with the public in the 2024 integrated sustainability report.	https://smartsolar.com.tr/pdf/ENVIRONMENTAL-AND-CLIMATE-CHANGE-POLICY.pdf
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	X				The Sustainability Report 2023 includes information on the report's boundary, scope, reporting period, reporting date, data collection process and reporting conditions.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).		X			A KPG study has been initiated within the Company, but has not yet been finalized. Within the scope of the study, it is planned to define performance indicators for the managers of the relevant units within the scope of environmental targets and share them with the public.	
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X				Within the scope of the Sustainability Management System (SMS) project; current situation analysis, sector analysis, prioritization study, gap analysis and draft action plan were conducted. In line with the outputs of these studies, the company's environmental policy was determined. In the coming period, it is planned to implement the objectives and strategies determined within the scope of the studies carried out. In the 2022 and 2023 sustainability reports, it was shared with the public how environmental policy is integrated into business goals and strategies. Updated data will be shared with the public in the 2024 integrated sustainability report.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf

Sustainability Principles Compliance Report

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X				Within the company, environmental sustainability is an important component of the sustainability strategy. In line with its vision and mission, the Company aims to contribute to Türkiye's sustainable development by focusing on minimizing its environmental impact and protecting the ecosystem. Work is being carried out to establish a Responsible Supply Chain structure in line with the requirements of the gap analysis study conducted within the scope of the Sustainability Management System (SMS) project. Supplier mapping has been realized and supplier risk assessments and supplier information trainings are provided. Audits are carried out within the scope of the supplier code of conduct, which includes requirements for compliance with environmental issues.	https://www.smartsolar.com.tr/en/sosyal.html
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	X				The Company is an active member of many associations, institutions and working groups operating in different fields such as the Ministry of Environment, Urbanization and Climate, Turkish Industry and Business Association (TÜSİAD), Sustainable Development Association (SKD), German-Turkish Chamber of Commerce and Industry (AHK), Foreign Economic Relations Board (DEİK), İstanbul Chamber of Commerce (İTO), International Solar Energy Association Türkiye (GÜNDER), Solar Energy Industrialists and Industry Association (GENSED) and participates in policy-making processes on environmental issues. The company is also a signatory of the United Nations Global Compact (UN Global Compact Türkiye). The full list of the Company's memberships is available in the annual report and on the corporate website.	https://www.smartsolar.com.tr/en/uyelikler.html https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.		X			Taking 2021 as the base year, Scope-1, Scope-2 and Scope-3 GHG emissions for 2021 have been calculated and verified by TÜV Austria. Thus, ISO 14064-1 certification has been completed. Greenhouse gas emission for 2022 and 2023 have been calculated and verified. The greenhouse gas emission calculation process has also been initiated for 2024, and the relevant results are planned to be shared in the Integrated Sustainability Report for 2024. In line with the outputs of the prioritization study and gap analysis conducted within the scope of the SMS project, projects are being developed on other issues. In the 2022 and 2023 sustainability reports, data on these issues were shared under the heading "Environmental Approach." Updated data will be shared with the public in the 2024 integrated sustainability report.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X				The calculations and verification certificate according to the ISO- 14064-1 standard are available on the company's website. Relevant data are compared in the company's sustainability reports and shared with the public.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.			X		The calculations and verification certificate according to the ISO- 14064-1 standard are available on the company's website. Relevant data are compared in the company's sustainability reports and shared with the public.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.		X			In order to minimize the negative environmental impact of the Company's operations, regular improvements are made in waste management and efficient use of resources. Within the scope of the Sustainability Management System (SMS) project and ISO 14064 standard, targets are set and monitoring activities are carried out. Relevant data are compared in the company's sustainability reports and shared with the public.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.		X			The Company's business model is comprised of a set of principles for sustainability, environment and climate change prevention. As an alternative to fossil fuels due to the area of activity, energy production with solar energy, which is one of the renewable energy sources, is supported and thus contributes to mitigating climate change. Within the scope of the Sustainability Management System (SMS) project, a gap analysis was conducted and draft climate targets/actions were identified and the Environment and Climate Change Policy was shared with the public. The policy is published on the corporate website. By 2040, it establishes its sustainability strategy with the goal of becoming a net zero company. The "Sustainability Roadmap" determined in this direction was shared in the 2022 sustainability report and updates were shared in the 2023 sustainability report.	https://www.kap.org.tr/en/Bildirim/1141510
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X				The Company is a member of PV Cycle. Work on Ecolabel and life cycle analysis (LCA) is ongoing.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.		X			Within the scope of the Sustainability Management System (SMS) project, a gap analysis was conducted and the project to establish a Responsible Supply Chain structure was initiated in line with the draft targets/actions. Once all the work is completed, it will be shared with 3 rd parties.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X				Due to the area of activity, the Company contributes to energy production with solar energy, which is one of the renewable energy sources as an alternative to fossil fuels. In this way, it serves to close the country's current account deficit and meet the carbon emission reduction targets set by the Paris Climate Agreement and the United Nations Framework Convention on Climate Change.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X				The relevant data has been calculated for the years 2021, 2022 and 2023 within the scope of ISO 14064-1 certification and verified by accredited organizations and publicly disclosed on the company website.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X				For 2023, a statement was made with the publication of the Sustainability Report. With the 2023 I-REC certification, data sharing for electricity consumption/ carbon neutralization was also made. Data for 2024 will be shared in the 2024 Sustainability Report.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X				Work on I-REC certification has been carried out and the certification process for 2023 has been completed. The work was shared with the public in the Company's annual report 2023. Updated data will be shared with the public in the 2024 integrated sustainability report.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
B19. The renewable energy production and usage data has been publicly disclosed.	X				Work on I-REC certification has been carried out and the certification process for 2023 has been completed. The work was shared with the public in the Company's annual report 2023. Updated data will be shared with the public in the 2024 integrated sustainability report.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.		X			Inside our Solar Panel production facilities, there are production sections conditioned for heat and ventilation. No conventional fuel is used in our factories, production is provided with electrical energy. The carbon emission caused by the electricity consumed is zeroed by the amount of clean electricity generated by the company's Solar Power Plants investments. Not publicly disclosed.	
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.		X			Water is not used in the production processes of the Company's operations in 2023. In 2024, there will be water consumption as a result of adding new processes. The relevant data will be disclosed within the scope of the integrated sustainability report for 2024.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).				X	In Türkiye, the legal regulation processes regarding the carbon pricing system have not been completed. Therefore, the Company's activities are not included in any carbon pricing system. When the legal regulation processes regarding the relevant system are completed, the system can be included in the system.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X				As of 2021, transactions are carried out within the scope of I-REC carbon certificate. It was shared with the public in the Company's annual report 2023. The certification process for 2024 is ongoing.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X		Carbon pricing is not applied in the Company.	
B25. The platforms where the Company discloses its environmental information have been disclosed.	X				The Company's Sustainability Reports were published for 2022 and 2023. The preparation process of Integrated Sustainability Report 2024 is ongoing. In 2024, CDP reporting was made and participation in the BIST Sustainability Index was ensured with the results obtained in the Refinitiv scoring process. It is planned to obtain an Environmental, Social and Governance (ESG) Risk Rating from an international organization. In the Company sustainability report 2023, this information was shared with the public within the scope of the "Sustainability Roadmap."	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	X				The Human Rights Policy, which is based on human rights documents adopted on national and international platforms and prepared in compliance with the United Nations (UN) Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and national legal texts, is published on the Company's corporate website.	https://smartsolar.com.tr/pdf/HUMAN-RIGHTS-POLICY.pdf

Sustainability Principles Compliance Report

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labour standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X				Within the scope of its sustainability goals and activities, the Company aims to create an egalitarian, inclusive, modern and fair working environment that respects human rights in its activities within the framework of its Human Rights Policy, which is based on human rights documents adopted on national and international platforms and complies with the United Nations (UN) Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and national legal texts. The Company provides equal opportunities to all employees regardless of age, gender, belief, ethnic origin or any other personal characteristic, and does not allow any discrimination or any practice that implies discrimination. Smart Solar Technologies' public Supplier Code of Conduct, Supply Chain Policy and Human Rights Policy are available on the corporate website.	https://smartsolar.com.tr/pdf/SUPPLY-CHAIN-POLICY2.pdf https://smartsolar.com.tr/pdf/Supplier-Code-of-Conduct.pdf https://smartsolar.com.tr/pdf/HUMAN-RIGHTS-POLICY.pdf
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X				The Company assumes active responsibility for protecting and supporting the environment in all its activities through its human rights policy, human resources, ethical principles, supply chain and corporate social responsibility policies, while investing in the future by making efforts to raise public awareness on sustainability. The Company takes a proactive and collaborative role to create value for all stakeholders through its social responsibility activities. The Company's female employee ratio is 50%, and in line with the cooperation protocols signed with vocational and technical high schools in the regions where it operates, the Company supports young people to have jobs and contribute to the economy. The Company prioritizes the employment of local people in the regions where it operates, thereby contributing to regional development. As a result of the audit conducted by the Respect Human Rights Organization at the Company's Gebze plant in June 2022, Smart Solar Technologies was awarded the "Respect Human Rights" Workplace Respectful of Human Rights certificate valid for 2023-2024. The relevant certificates and policies are available on the Company's corporate website. The Company's Equality, Inclusion and Diversity Policy was published in the sustainability report 2023.	https://smartsolar.com.tr/en/companypolicies.html https://www.smartsolar.com.tr/en/hakkimizda.html
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labour have been disclosed.	X				In compliance with the International Labor Organization (ILO) and the Turkish Labor Law No. 4857, the Company observes the human rights of its employees in all its activities, especially the prevention of child labor and forced labor. Human Rights Policy, Human Resources Policy, Remuneration Policy and Ethical Principles Policy are published on the corporate website.	https://smartsolar.com.tr/pdf/HUMAN-RIGHTS-POLICY.pdf
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				The Company's Human Resources Policy, Remuneration Policy and Ethical Principles Policy are transparently disclosed to all stakeholders via the corporate website. Within the framework of these policies, practices are implemented to recruit qualified employees to the Company and to ensure and increase the loyalty of employees who adopt a high performance culture and are open to development. To this end, all candidates are treated equally in the recruitment process, and the recruitment process is applied if they have the competencies appropriate for the position. Continuous learning and development of employees is supported by prioritizing their personal and professional development. As mentioned in the remuneration policy, the Company aims to have a fair and competitive remuneration policy in the sector and in this context; equal opportunity, diversity and inclusion are encouraged in the corporate culture.	https://smartsolar.com.tr/pdf/Code-of-Ethics.pdf https://smartsolar.com.tr/pdf/HUMAN-RESOURCES-POLICY.pdf https://smartsolar.com.tr/pdf/Remuneration_Policy.pdf
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				The Company has a grievance and suggestion procedure. Suggestion and complaint boxes are available in work areas. Suggestions and complaints are reviewed monthly. General complaints, suggestions and requests of employees are met by organizing an employee satisfaction survey. Information on suggestion and complaint mechanisms is available in the Human Resources Policy on the corporate website.	https://smartsolar.com.tr/pdf/HUMAN-RESOURCES-POLICY.pdf
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				The Company considers high employee motivation as an important driving force for employees to add value to business processes and various actions are taken to measure and increase employee motivation on a regular basis. In order to increase the motivation of employees by measuring their satisfaction and loyalty, two different processes are carried out during the year: employee satisfaction surveys and events. The Employee Satisfaction Survey aims to measure employee loyalty, analyze motivation and loyalty, evaluate the effects of satisfaction factors that drive loyalty within the organization, understand the most important factors affecting loyalty and determine future actions. Action plans to be realized according to the degree of satisfaction, which is the output of the survey results, are created. Related studies were disclosed to the public in the 2023 sustainability report.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
C1.6. The occupational health and safety policies have been established and disclosed.	X				The Company's Occupational Health and Safety (OHS) Policy is published on the corporate website.	https://smartsolar.com.tr/pdf/OCCUPATIONAL-HEALTH-AND-SAFETY-POLICY.pdf

Sustainability Compliance Report	COMPLIANCE STATUS				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X				All OHS performance practices and accident statistics are published annually in the annual report. The relevant data was also shared with the public in the first Sustainability Report published for 2022. The 2023 sustainability report includes relevant data and updated data will be shared in the 2024 integrated sustainability report.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
C1.7. The personal data protection and data security policies have been established and disclosed.	X				The Company's articles on Information Confidentiality and Information Technology Security are published on the corporate website within the scope of the Code of Business Ethics. The Information Security Policy is published on the corporate website.	https://smartsolar.com.tr/pdf/Code-of-Ethics.pdf
C1.8. The ethics policy have been established and disclosed.	X				The Ethical Principles Policy is published on the Company's corporate website.	https://smartsolar.com.tr/pdf/Code-of-Ethics.pdf
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X				The relevant activities carried out in this context are included in the sustainability reports for 2022 and 2023. These reports and the Company's Corporate Social Responsibility Policy are published on the corporate website.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				Since 2021, face-to-face and online trainings on ESG policies and practices are provided to employees at all levels by 3 rd party organizations in line with the company's sustainability strategy. Environmental bulletins are prepared and surveys are organized as part of environmental awareness projects.	https://www.smartsolar.com.tr/pdf/Smart-Gunes-Teknolojileri-Faaliyet-Raporu-30-09-2024.pdf
C2. Stakeholders, International Standards and Initiatives						
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.		X			The Company regularly conducts customer satisfaction surveys and takes measures and makes changes to increase customer satisfaction in light of the feedback received. These progress under three main headings: Quality documentation, monthly reporting on projects, OHS actions and measures. Not publicly disclosed.	
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				The Company has shared details about the methods of communication with stakeholders through the Disclosure Policy published on the corporate website.	https://www.smartsolar.com.tr/userfiles/docs/880179f3-3048-4e82-9eec-c7d531d65afblInformation-Policy.pdf
C2.3. The international reporting standards that adopted in reporting have been explained.	X				Our Sustainability Reports are published in GRI-compliant format as of 2022.	https://smartsolar.com.tr/pdf/Smart-Solar-Technologies-2023-Sustainability-Report.pdf
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X				A list of relevant memberships is available on the Company's corporate website. It is also disclosed to the public in published sustainability reports.	https://smartsolar.com.tr/en/uyelikler.html
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X				The Company was included in the Borsa Istanbul Sustainability Index with the score it received on the Refinitiv rating platform.	https://www.kap.org.tr/en/Bildirim/1368388
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X				In 2022, priorities in Environmental, Social and Corporate Governance issues were identified through a stakeholder analysis study conducted in collaboration with internal and external stakeholders. The sustainability issues identified in the sector were evaluated by stakeholders through the Smart Sustainability Stakeholder Survey and the ESG priorities matrix was created by associating the prominent issues with the Sustainable Development Goals (SDGs). The prioritization matrix was also reviewed and updated in 2023.	https://smartsolar.com.tr/pdf/ENVIRONMENTAL-AND-CLIMATE-CHANGE-POLICY.pdf
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				While the Company assumes active responsibility for protecting and supporting the environment in all its activities, it also invests in the future in order to raise public awareness on sustainability. The Company takes a proactive and collaborative role to create value for all stakeholders through its social responsibility activities. It supports social projects that improve the health, education and social welfare of vulnerable groups such as women, children, youth and the disabled. Discrimination based on language, religion, race, sect, color, gender, political opinion, age, physical disability and similar reasons is not tolerated inside or outside the organization. Launched in 2020, the "Smart Solar Academy" project collaborates with vocational schools and non-governmental organizations and carries out informative awareness-raising projects on the climate crisis, renewable energy resources, solar energy and technology, and circular economy. Basic Sustainability Training is provided to all new employees as part of the Company's orientation program.	https://smartsolar.com.tr/pdf/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf https://www.smartsolar.com.tr/en/smartakademi.html

Internal Audit Activities

INTERNAL AUDIT

Internal Audit is an independent, objective, and internally sourced consultancy activity that undertakes assurance and compliance activities aimed at adding value to Smart Holding's and the Company's activities and evaluating the effectiveness of the overall control framework while improving these activities. As part of its Internal Audit activities, the Company evaluates and refines the design and effectiveness of its risk management, internal control, and governance processes, ensuring they are upheld through a systematic and disciplined approach.

Scope of Internal Audit Activity

The scope of Internal Audit activity includes;

- Appropriately addressing and assessing significant risks to the organization, including monitoring and evaluating the effectiveness of Smart Holding's and the Company's risk management system;
- Reviewing the reliability and integrity of financial and business information and examining the tools used to measure, classify and report this information;
- Reviewing systems set up to ensure compliance with policies, plans, procedures and regulations;
- Reviewing asset protection tools and verifying their existence as appropriate;
- Reviewing and valuating the financial system where the resources are allocated, and the efficiency of this system;

- Reviewing activities to determine whether results are consistent with established goals and objectives and whether operations or programs are carried out as planned;
- Reviewing how key risks arising from legal or regulatory rules are addressed for Smart Holding and the Company;
- Reviewing the procedures determined at the request of the Executive Committee;
- Assuming a support role in identifying opportunities to improve management control, profitability, and Smart Holding and Company alignment and reputation;
- Carrying out the assurance activities specified in the Audit Plan, all assignments approved by the Audit Committee and/or requested by the Executive Committee, additional audit and assurance activities or special projects as appropriate;
- Performing and reporting audits in accordance with the scope of internal audit activities and carrying out the necessary follow-up procedures;

Risk Management Activities

Since its establishment in 2009, Smart Solar Technologies has achieved significant growth by strategically navigating both the Turkish and international markets through a robust risk management approach. Over the past 15 years, the Company has embraced a results-oriented and visionary strategy that minimizes uncertainties while capitalizing on opportunities to reach its strategic goals.

The creation of the Risk Management Department has facilitated the development and implementation of a corporate risk management methodology aligned with the Company's risk appetite. To identify potential threats and opportunities in achieving strategic objectives, risk workshops have been organized. Additionally, risk factors pertinent to investors considering investing in shares offered to the public have been transparently disclosed in the prospectus. Insurance policies are regularly reviewed based on risk analyses for both existing and newly operational facilities, with coverage scopes, amounts, and exemption limits updated according to these assessments.

The Early Detection of Risk Committee continuously monitors risk management processes and reports to the Board of Directors. Furthermore, Risk Engineering services are routinely acquired from independent audit institutions for production facilities to identify existing risks through third-party assessments, enabling the planning of preventive actions that are incorporated into the corporate risk inventory.

The financial risk management activities of Smart Solar Technologies for 2024 are as follows;

Interest rate risk is managed by maintaining a balanced mix of fixed and variable interest rate borrowings, in line with established financial risk management practices. Hedging strategies are regularly assessed and adjusted based on current market conditions. The Company evaluates options provided by banks and financial institutions, ensuring that financial instruments are used most cost-effectively.

Foreign currency risk primarily stems from bank loans denominated in foreign currencies, as all of the Company's revenues are received in Euro and USD. However, the local inputs and labor costs, which are denominated in TRY, counterbalance the Company's TRY liabilities, resulting in a positive foreign currency risk position. Regarding receivables risk, the Company minimizes this risk by conducting a significant portion of its sales through cash payments.

Smart Solar Technologies pursues sustained growth through the ongoing refinement of its risk management processes and the strategic execution of sound financial practices.

Research and Development Activities

Smart Solar Technologies conducts most of its R&D activities within its production processes. As of 2023, the Company completed the first phase of its panel and cell production facility in Aliğa and plans to establish an R&D center to diversify its projects. To further deepen its R&D efforts in conjunction with the cell facility investment, Smart Solar Technologies joined the CETP (Clean Energy Transition Partnership) project in the third quarter of 2023, collaborating with major European laboratories and companies such as Fraunhofer and Nines PV. Additionally, in December 2023, the Company received its first patent for a "Distance-controlled nano-composite material that increases photovoltaic cell efficiency."

The project proposal titled "Development of Distance Controlled Plasmonic Structures that Increase Cell Efficiency," supported by the Tübitak Technology and Innovation Support Programs Directorate (TEYDEB), was successfully completed on November 20, 2024, in line with its stated objectives.

Changes Between the Period-End and the Issuance of the Report

The buyback program, which the Board of Directors decided to extend for one year on February 15, 2024, expired on February 15, 2025, with the maximum amount and maximum total (in TRY) remaining unchanged.

In alignment with our sustainability-oriented growth strategy, we initiated Project Development studies in the Pazarcık district of Kahramanmaraş province to offset/meet the electricity consumption of our Solar Panel Production Facility in Gebze with solar energy. Following our application to Akdeniz Elektrik Dağıtım A.Ş. in 2022, a "Distribution System Connection Agreement" was signed between Akdeniz Elektrik Dağıtım A.Ş. and our Company on February 14, 2025. Within one year, the energy generated from a Solar Power Plant with an installed capacity of 4,000 kW_e, to be established in Kahramanmaraş Pazarcık, will meet the electricity needs of our Gebze Solar Panel Production Facility during production.

Information Regarding the Lawsuits Against the Company, which Could Affect Its Financial Situation and Activities, and Their Possible Consequences

There is no such lawsuit.

Disclosures on Administrative or Judicial Sanctions Imposed on the Company and Board Members for Acts Contrary to Legislative Provisions

As announced in the Capital Markets Board’s bulletin dated December 20, 2024 (Bulletin No. 57), our Company has been issued an administrative fine amounting to TRY 471,033 on the grounds of multiple banks’ participation in managing the funds obtained through the public offering of our shares. Our Company paid the administrative fine to the affiliated Tax Office. Taking into account the potential impact on public shareholders, the Chairman of the Company’s Board of Directors deemed it appropriate to personally cover the administrative fine. Accordingly, an amount equal to the fine was transferred from his personal accounts to the Company’s accounts.

Repurchased Own Shares by the Company

To mitigate potential short-term adverse effects of share price fluctuations on our investors, support share price stability, encourage healthy price formation, and uphold shareholder value, the Company’s Board of Directors approved a one-year share buyback program. The program allowed for the repurchase of up to 1,000,000 shares traded under the ticker symbol SMRTG on Borsa İstanbul, with a maximum allocation of TRY 75,000,000. Originally extended for one year by a Board resolution dated February 15, 2024, the buyback program concluded on February 15, 2025, in accordance with applicable regulations. Under the completed program, a total of 520,000 shares were repurchased. This figure includes 147,000 bonus shares distributed through a 98% bonus capital increase dated July 28, 2023. The repurchased shares represent approximately 0.0858% of the Company’s total capital.

Rating Notes

As of July 18, 2024, the Company’s credit ratings, as evaluated by JCR Avrasya Derecelendirme A.Ş., were as follows:

Long-term National Issuer Credit Rating:	A (tr) / (Stable Outlook)
Short-term National Issuer Credit Rating:	J1 (tr) / (Stable Outlook)
Long-term International Foreign Currency Issuer Credit Rating:	BB / (Stable Outlook)
Long-term International Local Currency Issuer Credit Rating:	BB / (Stable Outlook)

Dividend Distribution Policy

Information on the Dividend Distribution Policy of our Company, Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Ticaret Anonim Şirketi, is given below.

The Company distributes dividends within the framework of the provisions of Turkish Commercial Code, Capital Market Regulations, Tax Regulations, and other relevant regulations, as well as the article on dividend distribution of the Company’s Articles of Association. In dividend distribution, a balanced and consistent policy is followed between the interests of the shareholders and the Company in accordance with the Corporate Governance Principles. The amount of dividends to be distributed and distribution date are approved and decided by the General Assembly in line with

the proposal of the Board of Directors. As its Dividend Distribution Policy, the Company adopted distribution of minimum 25% of its distributable period profit calculated within the framework of Capital Markets Board regulations in cash and/or bonus shares. As long as the relevant regulations and financial possibilities allow, this policy is reviewed by the Board of Directors considering market expectations, national and global economic conditions, the Company’s growth, investment and financing policies, profitability and cash position. Any changes to the Policy are also submitted for the approval of the shareholders at the first General Assembly meeting after the change and published on the Company’s website. It is aimed to distribute profits within one month at the latest following the General Assembly

meeting, and the date of profit distribution is decided by the General Assembly. The General Assembly or if authorized, the Board of Directors may decide to distribute the dividend in installments in accordance with the Capital Markets Regulations. According to the Articles of Association and the provisions of legislation in force, the Board of Directors may distribute advance dividend only if authorized by the General Assembly and adhering to the Capital Market Regulations. This Dividend Distribution Policy was approved by the Board of Directors with resolution no. 2022/02 dated February 24, 2022. It was subsequently presented to the shareholders at the General Assembly Meeting, adopted by a General Assembly resolution, and has since been made publicly available through the Company’s investor relations website.

Amendments to Legislation in 2024

- **Regulation on Fluorinated Greenhouse Gases (October 15, 2024 – Official Gazette No. 32385)** was published in the Official Gazette on October 15, 2024 (Issue No. 32385). The Regulation establishes the procedures and principles for the management of fluorinated greenhouse gases in alignment with the Montreal Protocol and EU legislation. The regulation encompasses equipment containing fluorinated greenhouse gases, including refrigeration, air conditioning, fire protection, and electrical switchgear systems. Article 10 introduces a mandatory control certificate requirement for the import and export of hydrofluorocarbons. Articles 11 to 15 address labeling, leakage checks, system records, usage, and trade restrictions. Article 16 stipulates that personnel involved in the installation, maintenance, or decommissioning of relevant equipment must hold a professional qualification certificate. The previous regulation, dated June 29, 2022 (Issue No. 31881), has been repealed. Except for the second paragraph of Article 9 and the fourth paragraph of Article 10—which took effect on January 1, 2025—all other provisions entered into force on the date of publication.
- **Communiqué on the Prevention of Unfair Competition in Imports Related to Investments (Communiqué No: 2024/30) (September 27, 2024 – Official Gazette No. 32370):** Announced in the Official Gazette dated September 27, 2024 (Issue No. 32370), this Communiqué follows an investigation under Communiqué No. 2023/26, published on November 25, 2023. The inquiry concluded that existing anti-dumping measures on photovoltaic cell imports originating from the People’s Republic of China were being circumvented. However, specific manufacturers in Malaysia, Vietnam, and Thailand were found not to be undermining these measures. Consequently, the scope of the measures originally applied to Chinese-origin products has been extended—excluding certain firms—to now include products originating in or shipped from Croatia, Malaysia, Thailand, Jordan, and Vietnam.
- **EMRA Decision (December 26, 2024 – Decision No: 13134) (Published December 29, 2024 – Official Gazette No. 32767):** The Energy Market Regulatory Authority (EMRA) issued Decision No. 13134 on December 26, 2024, which was published in the Official Gazette on December 29, 2024 (Issue No. 32767). This decision lays out capital requirements for preliminary license and generation license applications in the electricity market. It also sets forth capital obligations applicable when an independent electricity storage facility is added under a supply or aggregator license. Investment amounts will be calculated based on the specific energy source.
- **EMRA Decision (November 7, 2024 – Decision No: 12989) (Published November 16, 2024 – Official Gazette No. 32727):** Published in the Official Gazette on November 16, 2024 (Issue No. 32727), this EMRA decision (No. 12989) dated November 7, 2024, introduces revised regulations concerning eligibility thresholds for free consumers in the electricity market. The decision establishes the free consumer threshold to be applied in 2025.
- **Communiqué on the Implementation of the Decision on State Aids for Investments (Communiqué No: 2024/3) (September 25, 2024 – Official Gazette):** This communiqué, published in the Official Gazette on September 25, 2024, amends subparagraph (e) of the second paragraph of Article 8 in the earlier communiqué (No. 2012/1), which was published on June 20, 2012 (Issue No. 28329). Under the amendment, expenditures for solar panels and their supporting construction systems procured from abroad will be considered ineligible for evaluation within the scope of incentive certificates for solar power investments. Additionally, with certain procedural exceptions, investment projects under incentive certificates for which completion visa applications are submitted by February 28, 2025, are excluded from the amendment. The revision is effective retroactively as of August 24, 2024.
- **Presidential Decree Amending the Decision on State Aids for Investments (Official Gazette – August 29, 2024, Issue No. 8860): Published in the Official Gazette on August 29, 2024, this Presidential Decree introduces a significant amendment to the Annex-4, Section II/B of the Council of Ministers Decision dated June 16, 2012 (No. 2012/3305), titled “Investment Areas Not to Be Promoted or Conditionally Supported.”** The amendment specifies that investments in photovoltaic solar panel production will be eligible for support only if the production process is integrated with a solar cell manufacturing line that begins from or prior to the ingot slicing stage, and provided that the production capacity of the solar cells is not exceeded. Additionally, Article 3 of the same Presidential Decree revises the previously established List of Machinery and Equipment Ineligible for Customs Duty Exemptions.
- Communiqué on the Implementation of the Decision on State Aids for Investments (Communiqué No: 2024/1 – Official Gazette, August 24, 2024): The communiqué brings noteworthy changes for investors holding investment incentive certificates. Under the revised provisions, solar panels and their support structures procured from abroad will only be eligible for incentives if they are manufactured using domestically produced solar cells, and the manufacturing process begins no later than the ingot slicing stage. Parallel provisions have been introduced for unlicensed wind energy investments, whereby generators manufactured abroad and the nacelles supplied with them will also be eligible for support.
- Amendments to the Employer’s Social Security Premium Contribution Support (İSPİH): A new regulation published on August 24, 2024, outlines changes to the İSPİH support. According to Article 3, investors are required to apply to the Social Security Institution (SGK) within three months after the İSPİH support period specified in their investment incentive certificate ends. The communiqué also provides detailed guidance on the application procedures and required documentation.
- On August 25, 2024, the Official Gazette published an amendment to Article 8 of the previous communiqué, which also revised the regulations regarding solar energy investments from the communiqué dated August 24. Under the revised regulation, solar panels manufactured without the use of domestically produced solar cells will no longer be eligible for any form of state support.
- May 7, 2024 – Official Gazette: The Notification on the Calculation and Application Methods for Transmission System Usage and Operation Tariffs was revised, introducing updates to tariff implementation methodologies.
- May 9, 2024 – 1*Repetition of the Official Gazette: Amendments were made to the Regulation on Electricity Facilities Projects, specifically concerning zoning approvals and the issuance of Facility Location Eligibility Certificates.
- The amendment to Law No. 5346, concerning the Utilization of Renewable Energy Resources for Electricity Generation, has updated the YEK Support Mechanism as of May 11, 2024.
- Under the Energy Efficiency Law No. 5627, new support rates were introduced for energy efficiency projects. (May 11, 2024)
- The Electricity Market Law No. 6446 was amended to incorporate updated procedures for unlicensed electricity generation and grid connection processes. (May 11, 2024)
- In the Official Gazette dated December 17, 2024, the Energy Market Regulatory Authority (EMRA) published a suite of critical regulations concerning energy storage, aggregators, and demand-side mechanisms. These changes mark a substantial shift in compliance requirements and obligations for companies operating in the electricity market.
- **Regulation on Aggregator Activities in the Electricity Market, as published on December 17, 2024:** This newly issued regulation establishes the operational framework for aggregators within the electricity market, outlining the core principles governing their activities. It introduces updated licensing requirements for legal entities seeking aggregator licenses and sets an upper limit on the total installed electrical capacity that aggregators may manage. The regulation will enter into force on January 1, 2025.
- **Amendment to the Electricity Market Licensing Regulation, as published on December 17, 2024:** This amendment incorporates definitions and provisions related to aggregator operations, while also introducing new equity capital requirements for companies engaged in such activities. The financial thresholds required for license applications will be finalized by the end of 2024. The regulation will enter into force on January 1, 2025.
- **Amendment to the Electricity Grid Regulation, as published on December 17, 2024:** The revision introduces technical updates concerning demand-side participation, frequency sensitivity, and limited frequency modes within the power grid. The regulation will enter into force on December 17, 2024.
- **Amendments to the Ancillary Services Regulation, as published on December 17, 2024:** Key updates have been made in areas such as demand-side participation, frequency sensitivity, and the integration of energy storage facilities into ancillary services. A temporary provision outlines transition timelines for service participation. The regulation will enter into force on March 1, 2025.
- **Amendment to the Balancing and Settlement Regulation, as published on December 17, 2024:** The updated regulation redefines balancing zones, sets parameters for aggregator activities, and introduces minimum generation thresholds. The regulation will enter into force on January 1, 2025.
- **Renewable Energy Source Guarantee Certificate Regulation, as published on December 17, 2024:** This regulation mandates certification for electricity supplied from renewable energy sources by aggregators and charging network operators. It aims to ensure transparency and traceability in renewable energy sourcing. The regulation will enter into force on January 1, 2025.
- **Amendment to the Unlicensed Electricity Generation Regulation, as published on December 17, 2024:** The regulation introduces new provisions concerning unauthorized electricity consumption and establishes clear guidelines on how excess energy fed into the system will be accounted for and managed. The regulation entered into force on its publication date.

Amendments to the Articles of Association

No change was made to the Company’s Articles of Association in 2024.

Information Related to the Private Audit and Public Audit Conducted in 2024

There was no public or statutory audit conducted during the period.

Other Matters

Total Number of Employees of Our Company is 1,164 employees as of December 31, 2024 (1,161 on December 31, 2023). A Collective Labor Agreement is in place for our Company’s production facilities. A consensus has been reached in the collective bargaining process run with all workers’ unions present at our production sites.

Debt Instrument Issuance: Smart Solar Technologies’ application to issue debt instruments—denominated in Turkish Lira, with maturities of up to 5 years, and in one or more tranches, not exceeding a total nominal value of TRY 300,000,000—was approved by the Capital Markets Board (CMB). The issuance will be carried out domestically, without a public offering, and will be sold exclusively to qualified investors. Based on this approval, the Company’s debt instrument with ISIN code TRFSMARK2414 with a nominal value of TRY 250,000,000, a maturity of 364 days and a coupon payment of 49.0% annual fixed interest every three months, with November 10, 2023 as the maturity start date and November 8, 2024 as the redemption date, was issued within the issuance ceiling by offering it for sale to qualified investors without a public offering.

Based on the approval granted by the CMB on September 14, 2023, the Company’s debt instrument with ISIN code TRFSMAR72410 with a nominal value of TRY 50,000,000, a maturity of 180 days and 51% annual simple interest without coupon payment, with January 11, 2024 as the maturity start date and July 9, 2024 as the redemption date, was issued within the issuance ceiling of TRY 300,000,000 by offering it for sale to qualified investors without a public offering.

On January 24, 2024, our Board of Directors decided to apply for the issuance of debt instruments denominated in Turkish Lira, with maturities of up to five years and various terms. These instruments will be sold domestically to qualified investors without a public offering, in one or more tranches, with a total nominal amount not exceeding TRY 1,000,000,000 (one billion Turkish Lira), in accordance with the Capital Markets Board’s Debt Instruments Communiqué (VII- 128.8). Following this resolution, we submitted the necessary application to the Capital Markets Board (CMB), which approved an issuance ceiling of TRY 250,000,000. This approval was published in the CMB’s Weekly Bulletin on June 7, 2024, under number 2024/28.

Within the TRY 250,000,000 issuance ceiling approved by the Capital Markets Board on June 7, 2024, the issuance of the financing bond with ISIN code TRFSMAR72519—offered to qualified investors without a public offering—has been successfully completed. The bond, with a nominal value of TRY 250,000,000, carries a maturity of 364 days and features floating-rate coupon payments every three months based on TLREF + 4.5%. The value date of the issuance is July 3, 2024, and the maturity date is set for July 2, 2025.

It has been resolved that lease certificates with a total nominal value of up to TRY 750,000,000 (Seven Hundred Fifty Million Turkish Lira) will be issued by Emlak Varlık Kiralama A.Ş., denominated in Turkish Lira and structured under the provisions of the Communiqué on Lease Certificates (III-61.1), based on a management agreement, with our Company acting as the fund user. These certificates will be issued in bearer form and offered domestically through private placement and/or to qualified investors. In this context, an application will be submitted to the Capital Markets Board for the approval of the issuance. The Capital Markets Board approved the application on November 14, 2024. Under the approved limit of TRY 750,000,000, three separate lease certificate issuances, each with a nominal value of TRY 250,000,000, were successfully completed.

(CONVENIENCE TRANSLATION OF
THE INDEPENDENT AUDITOR'S REPORT AND
FINANCIAL STATEMENTS ORIGINALLY
ISSUED IN TURKISH)

**SMART GÜNEŞ ENERJİSİ TEKNOLOJİLERİ
AR-GE ÜRETİM SANAYİ VE TİCARET A.Ş.
AND ITS SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024 AND
INDEPENDENT AUDITORS' REPORT THEREON

INDEPENDENT AUDITOR’S REPORT

To the General Assembly of Directors of
Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş.

Eren Bağımsız Denetim A.Ş.
Maslak, Eski Büyükdere Cad.
No.14 Kat:10
34396 Sarıyer/İstanbul,Turkey

T + 90 212 373 00 00
F + 90 212 291 77 97
www.grantthornton.com.tr

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. (the "Company" or “Smart”) and its subsidiaries (together will be referred to as “the Group”), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (“TFRS”).

Basis for Opinion

We conducted our audit in accordance with Independent Auditing Standards which are part of the Turkish Auditing Standards issued by by the Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) and adopted within the framework of the Capital Markets Board of Turkey (“CMB”). Our responsibilities under those standards are further described in the “*Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements*” section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors* (“Code of Ethics”) issued by POA and the ethical requirements in CMB legislation that are relevant to audit of consolidated financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and legislation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Trade receivables and recoverability	
As of 31 December 2024, the Group's total trade receivable is TL 3.065.999.160 (31 December 2023: TL 3.655.590.834). The trade receivable from the third parties amounting to TL 3.052.664.918 (31 December 2023: TL 3.478.758.481), which is a part of total trade receivables, constitutes approximately 18% (31 December 2023: 24%) of the Group's assets.	During our audit, the following audit procedures regarding the recoverability of trade receivables were applied: The processes applied by the Group during the verification of trade receivables have been understood.
The assessment of the recoverability of these receivables made by the Group management includes considerations of the amount of guarantees/collateral received from the customers, past collection performance, analysis of aging of receivables and litigations or disputes regarding receivables. As a result of all these assessments, determination of doubtful receivables and setting of impairment provision for these receivables include also management judgements and estimations.	Trade receivable balances have been tested with the confirmation method. It was ensured that the Group's process regarding the collection follow-up of its trade receivables and financial reporting for credit risk was understood, and the operational effectiveness of the internal controls included in the process was evaluated.
In addition, the Group has calculated the Expected Credit Loss Provision for its receivables within the scope of TFRS 9.	Collection receipts and invoice controls regarding trade receivables were provided. The balances of the receivables in the previous year and the current year have been comparatively controlled, and especially the exchange rate differences arising from foreign currency balances have been controlled.
These estimations used are highly sensitive to expected future market conditions. For these reasons, trade receivables and their recoverability are an important issue for our audit.	The collection turnover rate was compared with the previous year.
The Group's explanations regarding trade receivables, provision for doubtful receivables and credit risk are included in Notes 2.6 and 29.	The collections in the following periods were tested by sampling method. The sufficiency of the explanations in the notes to the consolidated financial statements regarding the recoverability of trade receivables has been evaluated.
	As a result of the audit procedures we have applied, we have not had any significant findings regarding the recoverability of trade receivables.



The key audit matter	How the matter was addressed in our audit
Revenue recognition	
<p>Revenue is an important measurement in terms of evaluating the results of the Group’s strategies implemented during the year and monitoring the performance.</p> <p>As of 31 December 2024, revenue is the most important caption and account in the consolidated financial statements, the issue of "revenue recognition" has been determined as a key audit matter.</p> <p>Group's revenue consists of income from domestic and foreign sales.</p> <p>Revenues are recorded on accrual basis the fair value of the consideration received or receivable upon the delivery of the product, the transfer of risks and benefits associated with the product, the reliable determination of the amount of income and the probable flow of economic benefits of transaction.</p> <p>As of 31 December 2024, the Group's sales revenue is TL 11.677.588.216 (31 December 2023: TL 11.684.945.071) and explanations regarding the relevant accounting policies are given in Note 2.6 and Note 20.</p>	<p>The audit procedures that we perform consist of testing internal controls, analytical reviews and test of details regarding the revenue recognition process, including reporting on performance evaluation and controls performed by Group management. Our audit procedures also include procedures for testing evidence that obtained about risks and benefits of products have been delivered to the customer.</p> <p>The main audit procedures that we made as follows:</p> <ul style="list-style-type: none">· Revenue examined with analytical procedures,· Revenue invoice vouching test,· Revenue Cut-off testing· The processes applied by the Group during the confirmation of trade receivables have been understood,· Invoice tests made by sampling method regarding the accuracy of sales transactions and records, and these invoices were matched with the bill of parcels and collections from the customer,· The collection risk of trade receivables was evaluated and the controls used in the follow-up of the collection process were tested.· Customer contracts were reviewed, and if there is any management judgments were evaluated. <p>As a result of the audit procedures we have applied, we have not had any significant findings regarding the revenue recognition.</p>



The key audit matter	How the matter was addressed in our audit
Inventories	
<p>There is a risk of impairment of inventories in the financial statements dated 31 December 2024 due to macroeconomic factors.</p> <p>However, the calculation of the provision for inventory also includes management estimations and assumptions. These estimates and assumptions include the evaluation of inventories sold for macroeconomic reasons and the evaluation of the provision for inventories that have not moved for a certain period and are damaged. For these reasons, provision for inventory is an important issue for our audit.</p> <p>Explanations on the Group's accounting policies and amounts related to inventory impairment are given in Note 2.6 and Note 8.</p>	<p>During our audit, the following procedures have been applied regarding the impairment of inventories.</p> <ul style="list-style-type: none">i) Understanding and evaluating the appropriateness of the accounting policy related to the impairment of inventory,ii) Discussing with the company management the changing customer demand, the qualitative characteristics of the inventories and the risk of macroeconomic factors and comparing the inventory turnover rate with the previous year,iii) Observing whether there are inactive or damaged inventories in the year-end stock counts,iv) Sample testing of selling prices deducted from the discounts used in the net realizable value calculation.v) Assessment of the necessity for an inventory impairment. <p>As a result of the audit procedures we have applied, we have not had any significant findings regarding the inventory impairment.</p>



The key audit matter	How the matter was addressed in our audit
Advances received	
<p>The Group's revenue consists of the installation and construction of solar power plants and the sales of solar panels and power plant equipment related to solar power plants.</p> <p>Revenue is recognized when the significant risks and controls of ownership are transferred to the buyer.</p> <p>The Group's solar power plant installations and investments are delivered to customers on a turnkey basis because of the installations.</p> <p>As explained in Note 9 (advances received included in deferred income), it results from the advances received by the Group from its customers regarding sales. We consider the Group's advances received to be a key audit matter.</p>	<p>During our audit, the following procedures were applied regarding the revenue recognition and the order advances received:</p> <ul style="list-style-type: none">- Obtained the delivery confirmations with supporting documents regarding the delivery of the revenue realized in the power plant revenues within the framework of the periodicity principle;- The substantive procedures focused on the assessment of cases where income was earned but not invoiced.- We specifically examined the billing transactions regarding the power plants the Group made abroad and the services it provided during the period.- The arithmetic calculations of the advances given and the data forming the basis for these calculations have been checked by audit team.- We have inquired the convenience of the information in the financial statements and its footnotes, considering the importance of the information disclosed to the readers of the financial statements. <p>As a result of the audit procedures we have applied, we have not had any significant findings regarding the advances received.</p>



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Responsibilities of auditors in an audit are as follows:

In an independent audit, our responsibilities as the auditors are:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with standards on auditing issued by the CMB and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the standards on auditing issued by the CMB and Standards on Auditing issued by POA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Legal and Regulatory Requirements

1. In accordance with the fourth paragraph of Article 402 of the TCC; no significant matter has come to our attention that causes us to believe that, the Group’s bookkeeping activities and consolidated financial statements for the period between 1 January – 31 December 2024, are not in compliance with laws and provisions of the Company’s articles of association in relation to financial reporting.
2. In accordance with the fourth paragraph of Article 402 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of the audit.
3. In accordance with the fourth paragraph of Article 398 of Turkish Commercial Code (“TCC”) no. 6102; the Independent Auditor’s Report on System and Committee of Early Identification of Risks is presented to the Board of Directors of the Group on 07 March 2025.

The name of the engagement partner who supervised and concluded this audit is Nazım Hikmet.

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



Nazım HİKMET
Partner

İstanbul, 07.03.2025

Member of Grant Thornton International Ltd

CONTENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	104-105
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME	106
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	107
CONSOLIDATED STATEMENTS OF CASH FLOWS	108
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS	109-154
1. GROUP’S ORGANIZATION AND NATURE OF OPERATIONS	109-113
2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	114-128
3. CASH AND CASH EQUIVALENTS	129
4. FINANCIAL INVESTMENTS	129
5. TRADE RECEIVABLES AND PAYABLES	130
6. RELATED PARTIES	131-132
7. OTHER RECEIVABLES AND PAYABLES	132
8. INVENTORIES	133
9. PREPAID EXPENSES VE DEFERRED INCOME	133
10. OTHER ASSETS AND LIABILITIES	133
11. PROPERTY, PLANT AND EQUIPMENTS	134-135
12. INTANGIBLE FIXED ASSETS	135
13. RIGHT OF USED ASSETS	136
14. FINANCIAL BORROWING	136-137
15. EMPLOYEE BENEFITS	137-138
16. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES	138-139
17. EMPLOYEE BENEFITS OBLIGATIONS	140
18. INCOME TAX	140-143
19. SHARE CAPITAL	143-144
20. REVENUE AND COST OF SALES	144-145
21. SELLING, MARKETING AND DISTRIBUTION EXPENSES	145
22. GENERAL ADMINISTRATIVE EXPENSES	145
23. EXPENSES BY NATURE	146
24. OTHER OPERATING INCOME AND EXPENSES	146
25. GAINS FROM INVESTMENT ACTIVITIES	147
26. FINANCIAL INCOME AND EXPENSES	147
27. EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)	148
28. EARNING PER SHARE	148
29. FINANCIAL INSTRUMENTS	149
30. NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS	150-153
31. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)	154
32. SUBSEQUENT EVENTS	154

Consolidated Statement of Financial Position as of 31 December 2024 and 2023

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

ASSETS	Notes	Audited	Audited
		Current period	Prior Period
		31 December 2024	31 December 2023
Current Assets			
Cash and cash equivalents	3	468.045.170	847.117.786
Financial investments	4	20.508.254	349.719.208
Trade receivables		3.065.999.160	3.655.590.834
- Due from related parties	6	13.334.242	176.832.353
- Due from third parties	5	3.052.664.918	3.478.758.481
Other receivables		611.049.975	555.134.621
- Other receivables from related parties	6	18.642.556	35.123.642
- Other receivables from third parties	7	592.407.419	520.010.979
Inventories	8	2.259.414.976	2.848.354.160
Prepaid expenses		3.457.601.828	1.812.306.429
- Due from related parties	6	1.055.541.961	129.263.533
- Prepaid expenses, third parties	9	2.402.059.867	1.683.042.896
Current income tax assets	18	104.625.010	28.809.181
Other current assets	10	660.324.068	189.198.779
TOTAL CURRENT ASSETS		10.647.568.441	10.286.230.998
Non-current Assets			
Other receivables		4.213.155	6.082.901
- Other receivables from third parties	7	4.213.155	6.082.901
Right of use assets	13	208.003.972	289.379.385
Property plant and equipment	11	5.321.758.508	2.781.973.611
Intangible assets	12	22.463.385	27.862.692
Prepaid Expenses		181.053.691	1.500.053.951
- Prepaid expenses, third parties	9	181.053.691	1.500.053.951
Deferred tax assets	18	1.077.258.589	341.375.169
TOTAL NON-CURRENT ASSETS		6.814.751.300	4.946.727.709
TOTAL ASSETS		17.462.319.741	15.232.958.707

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

Consolidated Statement of Financial Position as of 31 December 2024 and 2023

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

LIABILITIES	Notes	Audited	Audited
		Current period	Prior Period
		31 December 2024	31 December 2023
Current Liabilities			
Short-term borrowings	14	2.525.158.755	2.179.064.621
Short-term portion of long-term borrowings	14	1.142.041.344	443.776.373
Lease liabilities	14	61.416.122	47.449.583
- Lease transactions from related parties		21.738.955	14.935.871
- Lease transactions from third parties		39.677.167	32.513.712
Trade payables		4.455.467.375	3.402.998.523
- Due to related parties	6	334.459.233	783.507.095
- Trade payables third parties	5	4.121.008.142	2.619.491.428
Employee benefits obligations	17	154.047.373	96.998.039
Other Payables		-	3.672.667
- Other payables from third parties	7	-	3.672.667
Deferred income		2.206.360.481	2.953.031.060
- Deferred income from third parties	9	2.206.360.481	2.953.031.060
Provisions		18.964.489	12.685.816
- Provisions for employee benefits	15	14.357.739	10.437.377
- Other short-term provisions	16	4.606.750	2.248.439
Other current liabilities	10	707.526.893	94.117.997
TOTAL CURRENT LIABILITIES		11.270.982.832	9.233.794.679
Non-current liabilities			
Long-term borrowings	14	2.522.921.968	2.744.358.450
Lease liabilities	14	133.790.896	163.638.357
- Lease transactions from related parties		48.619.548	59.624.738
- Lease transactions from third parties		85.171.348	104.013.619
Long-term provisions		20.671.316	18.268.666
Long-term provisions for employee benefits	15	20.671.316	18.268.666
TOTAL NON-CURRENT LIABILITIES		2.677.384.180	2.926.265.473
Shareholders' Equity			
Paid-in capital	19	605.880.000	605.880.000
Adjustment to share capital		1.013.391.228	1.013.391.228
Treasury shares (-)		(40.808.045)	(36.946.005)
Share premiums		602.539.837	602.539.837
Accumulated other comprehensive income not to be reclassified in profit or loss		(24.215.725)	(3.963.921)
- Gain/(Loss) on remeasurements of the defined benefit plans		(24.215.725)	(3.963.921)
Accumulated other comprehensive income that will be reclassified in profit or loss		(509.016.193)	(540.230.874)
- Foreign currency translation differences		4.719.850	2.142.624
- Gain / (loss) of hedging reserve		(513.736.043)	(542.373.498)
Reserves on retained earnings		163.049.591	99.234.586
Prior years' profit		1.261.421.066	(151.734.577)
Net income for the period		441.128.517	1.476.970.648
Non-controlling interest		582.453	7.757.633
TOTAL SHAREHOLDER'S EQUITY		3.513.952.729	3.072.898.555
TOTAL LIABILITIES		17.462.319.741	15.232.958.707

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

Statement of Profit or Loss and Other Comprehensive Income
for the Periods 1 January - 31 December 2024 and 2023

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

		Audited 1 January- 31 December 2024	Audited 1 January- 31 December 2023
	Notes		
Revenue	20	11.677.588.216	11.684.945.071
Cost of sales (-)	20	(9.403.198.138)	(9.017.857.159)
GROSS PROFIT		2.274.390.078	2.667.087.912
General administrative expense (-)	22	(608.529.601)	(457.563.504)
Selling, marketing and distribution expense (-)	21	(215.649.510)	(339.426.129)
Other operating income	24	1.134.112.521	1.323.809.977
Other operating expense (-)	24	(1.221.924.978)	(733.449.748)
OPERATING PROFIT / (LOSS)		1.362.398.510	2.460.458.508
Gains from investment activities	25	43.032.584	144.464.886
Expected credit loss according to TFRS 9		(13.496.484)	(20.420.454)
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES		1.391.934.610	2.584.502.940
Financial income	26	104.820.794	197.027.355
Financial expenses (-)	26	(2.501.025.253)	(1.215.255.337)
Net monetary position gains (losses)	27	703.217.958	(179.333.263)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		(301.051.891)	1.386.941.695
Tax income / (expense) from continuing Operations			
Current period tax expense	18	(2.667.295)	(100.361.904)
Deferred tax (expense) / income	18	737.672.523	211.229.774
PROFIT FROM CONTINUING OPERATIONS		433.953.337	1.497.809.565
NET PROFIT/LOSS FOR THE PERIOD		433.953.337	1.497.809.565
Attributable to:			
Non-controlling interest		(7.175.180)	20.838.917
Equity holder of the parent		441.128.517	1.476.970.648
Earnings per share	28	0,73	3,63
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not to be reclassified to profit or loss			
- Gain / (loss) arising from defined benefit plans		(27.002.405)	(7.057.013)
Taxes on items that will not to be reclassified to profit or loss			
- Deferred tax (expense) / income		6.750.601	1.764.254
Items that will be reclassified to profit or loss			
- Currency translation differences		2.577.226	(241.536)
- Cash flow hedging		37.177.159	(589.600.904)
Taxes on items that will be reclassified to profit or loss			
- Deferred tax (expense) / income		(8.539.704)	137.903.814
TOTAL OTHER COMPREHENSIVE LOSS		10.962.877	(457.231.385)
TOTAL COMPREHENSIVE LOSS		444.916.214	1.040.578.180
Attributable to:			
Equity holder of the parent		452.091.394	1.019.739.263
Non-controlling interest		(7.175.180)	20.838.917

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

Consolidated Statement of Changes in Equity for the Periods 1 January - 31 December 2024 and 2023

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

	Paid-in capital	Adjustment to share capital	Repurchased Shares	Share premium	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			Attributable to equity holders of the parent	Non- controlling interest	Total equity
					Gain/(loss) on remeasurements of defined benefit plans	Gain/(loss) of hedging reserve	Foreign currency translation differences	Restricted reserves appropriated from profit	Prior years' profit	Net profit/loss for the period						
Balance as of 1 January 2023	306.000.000	709.264.543	-	740.410.012	1.328.838	(90.676.408)	2.384.160	41.691.267	183.857.337	128.087.915	2.082.347.664	(14.629.348)	2.067.718.316			
Transfer	-	-	-	-	-	-	-	20.597.314	107.490.601	(128.087.915)	-	-	-			
Total comprehensive income	-	-	-	-	(5.292.759)	(451.697.090)	(241.536)	-	-	1.476.970.648	1.019.739.263	20.838.917	1.040.578.180			
Capital increase (*)	299.880.000	244.126.685	-	(137.870.175)	-	-	-	-	(406.136.510)	-	-	-	-			
Increase/decrease due to acquisition of treasury shares	-	-	-	-	-	-	-	36.946.005	(36.946.005)	-	(36.946.005)	-	(36.946.005)			
Increase due to share-based transactions	-	-	-	-	-	-	-	-	-	-	-	-	-			
Balance as of 31 December 2023	605.880.000	1.013.391.228	(36.946.005)	602.539.837	(3.963.921)	(542.373.498)	2.142.624	99.234.586	(151.734.577)	1.476.970.648	3.065.140.922	7.757.633	3.072.898.555			
Balance as of 1 January 2024	605.880.000	1.013.391.228	(36.946.005)	602.539.837	(3.963.921)	(542.373.498)	2.142.624	99.234.586	(151.734.577)	1.476.970.648	3.065.140.922	7.757.633	3.072.898.555			
Transfer	-	-	-	-	-	-	-	59.932.965	1.417.017.683	(1.476.970.648)	-	-	-			
Total comprehensive income	-	-	-	-	(20.251.804)	28.637.455	2.577.226	-	-	441.128.517	452.091.394	(7.175.180)	444.916.214			
Increase/decrease due to acquisition of treasury shares	-	-	-	-	-	-	-	3.862.040	(3.862.040)	-	(3.862.040)	-	(3.862.040)			
Balance as of 31 December 2024	605.880.000	1.013.391.228	(40.808.045)	602.539.837	(24.215.725)	(513.736.043)	4.719.850	163.049.591	1.261.421.066	441.128.517	3.513.370.276	582.453	3.513.952.729			

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

Consolidated Cash Flow Statements for the Periods
1 January – 31 December 2024 and 2023

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
A. Cash flows from operating activities		1.492.072.202	(2.400.304.762)
Profit for the period		433.953.337	1.497.809.565
Adjustments to reconcile net profit/loss to net cash:		(527.415.818)	(985.501.756)
Adjustments related to depreciation and amortization expenses	11-12-13	232.922.315	208.544.741
Adjustments related to provision for employee benefits		(22.115.777)	9.665.795
Adjustments related to interest expenses		1.628.051.086	598.716.640
Adjustments related to interest incomes		(104.820.794)	(197.027.355)
Adjustments for fair value losses / (gains) of financial assets		(43.032.584)	(144.464.886)
Adjustments related to expected provision losses on trade receivables		13.496.484	20.420.454
Adjustments for inventory impairments	8	4.923.201	6.583.913
Adjustments related to tax income/(expense)	18	(735.005.228)	(110.867.870)
Adjustments related to unrealized currency translation differences		233.014.839	(149.948.107)
Monetary gain/(loss)		(1.734.849.360)	(1.227.125.081)
Adjustments related to other increase / (decrease) in working capital		1.700.027.050	(2.786.790.962)
Decrease/(increase) in financial investments		372.243.538	(77.242.721)
Decrease/(increase) in inventories		584.015.983	(1.727.422.251)
Decrease/(increase) in trade receivables from third parties		412.597.079	(1.461.275.129)
Decrease/(increase) in trade receivables from related parties		163.498.111	200.468.226
Decrease/(increase) in other operating receivables from related parties		16.481.086	(35.123.642)
Decrease / (increase) in other operating receivables from third parties		(70.526.694)	(471.637.729)
(Decrease) / Increase in trade payables to third parties		1.501.516.714	1.169.836.964
(Decrease) / increase in other operating payables to third parties		(3.672.667)	(25.018.787)
(Decrease) / increase in trade payables to related parties		(449.047.862)	580.713.816
(Decrease) / increase in deferred incomes		(746.670.579)	1.444.973.742
Decrease / (increase) in other assets related to operations		(414.075.955)	51.226.385
(Decrease) increase in other liabilities related to operations		659.963.435	69.137.454
Decreases / (increase) in prepaid expenses		(326.295.139)	(2.505.427.290)
Cash inflow (outflow) from other operations		(114.492.367)	(125.821.609)
Taxes paid		(75.815.829)	(118.920.458)
Payments under provisions for employee benefits		(38.676.538)	(6.901.151)
B. Cash flows from investing activities		(2.705.594.289)	(2.158.896.800)
Proceeds from sale of property, plant and equipment and intangible assets	11-12	188.465	504.376
Purchases of property, plant and equipment	11	(2.705.245.407)	(2.140.542.672)
Purchases of intangible assets	12	(537.347)	(18.858.504)
C. Cash flows from financing activities		1.094.834.334	5.059.466.857
Cash inflows from borrowings	14	4.727.168.831	5.804.095.526
Cash outflows from borrowings	14	(2.791.920.823)	(910.411.720)
Bonds issued	14	600.554.423	383.702.283
Cash outflows from repayment of debt securities issued	14	(308.636.300)	-
Cash inflows from leaseings	14	276.330.914	511.258.820
Cash outflows from leaseings	14	(129.955.963)	(304.192.647)
Cash outflows related to debt payments arising from lease agreements	14	(23.556.517)	(150.852.095)
Cash outflows related to the acquisition of an entity's own shares and other equity instruments		(3.862.040)	(36.946.005)
Interest paid		(1.356.108.985)	(434.214.662)
Interest received		104.820.794	197.027.357
Net increase/(decrease) in cash and cash equivalents before			
foreign currency translation differences (A+B+C)		(118.687.753)	500.265.295
D. Inflation impact on cash and cash equivalents		(260.384.863)	(224.666.482)
E. Cash and cash equivalents at the beginning of the year		847.117.786	571.518.973
Cash and cash equivalents at the end of the year (A+B+C+D+E)	3	468.045.170	847.117.786

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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 26.97% as of the report date.

The Main Field of Group.

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

As of 31.12.2024, the headquarters of the Group is, Energy Plaza Rüzgârlıbahçe Mah. Feragat Sok. No:2 Kat:6 Beykoz/İstanbul. As of 31.12.2024, the factories where it produces are located, Gebze Organize Sanayi Bölgesi Tembelova Mevki 3200 Cadde No:3207 41400 Gebze/Kocaeli and Çoraklar Mah. 5024. Sok. No:10 Aliğa Organize Sanayi Bölgesi (ALOSBİ) Aliğa/İzmir.

As of 31 December 2024 and 2023 the total number of personnel employed by the Group is 1.164 and 1.161 respectively.

The company is registered at Istanbul Trade Registry Office and the registration number is 934086.

The Subsidiaries

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

31 December 2024			
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 Tecnologias 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 Energ 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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

31 December 2023			
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 Tecnologias 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 Energ 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

The details of the Group's subsidiaries are summarized below:

Smart Güneş Enerji Ekipmanları Pazarlama A.Ş.

The company was established on 20.04.2021. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. To carry out all kinds of research and development activities for the electrical energy sector, including electricity networks and electricity generation facilities, to provide maintenance and operation services of all technical infrastructure and systems, to manage turnkey projects for the electrical energy sector, To make project installation and maintenance repairs of low voltage lines and facilities, electricity networks, transformers, electricity distribution panels and tables, control systems, meters, and to undertake contracting works in this regard, to benefit from renewable and alternative energy sources such as sun, wind, river. tools and software for measuring, protection, automation, remote monitoring, communication in high, medium and low voltage networks, devices that transfer electrical energy obtained from renewable energy sources to all kinds of electrical networks and tools related to the automation of these devices, all kinds of power electronic systems, devices such as frequency converters, rectifiers, inverters and systems and software for remote monitoring and control of these systems and devices, systems for remote monitoring and communication of all kinds of information and telecommunication devices and systems, and To produce and have all kinds of panels made, to buy, to sell, to import and export of ready-made panels, to establish all kinds of marketing networks and to market the products and semi-products that are used for energy production from the sun, with the power plant to be established in and outside Turkey and the generation and sale of electrical energy from this power plant. Regarding power plants, refineries, factories, tunnels, highways, canals, waterways, gas plants, steam turbines, wind turbines, water turbines and other turbines, solar panels and all kinds of construction, including buildings and accessories of all kinds of work done. connected t It may design, design, provide settlement and engineering services, equip, maintain, operate and install the facilities. It was established to develop software programs related to its subject, to make sales and marketing, to prepare studies, research and reports, to provide official-private, national-international consultancy services related to its subject.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Smart GES Enerji Üretim A.Ş.

The company was established on 05.03.2021. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. By complying with all applicable legislation and obtaining permission from the relevant authorities, the purpose and subject of the company are as follows; By obtaining the necessary license from the Energy Market Regulatory Authority, it is aimed to increase and support energy efficiency in the production, transmission, distribution and consumption stages of energy, in industrial enterprises, buildings, electric power generation facilities, transmission and distribution networks and transportation, to develop energy awareness in the society, to benefit from renewable energy sources. Establishing, commissioning, leasing, generating electrical energy, producing electrical energy and/or capacity, to legal entities holding wholesale licenses, in order to produce electrical energy, to convert energy resources into electrical energy in generation facilities, to cover the procedures and principles to be applied for to sell to retail license holder legal entities and eligible consumers through bilateral agreements, to provide project, contracting, engineering and consultancy services for all necessary facilities and transmission lines, and/or have it made. To establish facilities to generate electricity by utilizing the sun, to manufacture power plants that operate with wind to provide electrical energy in parts or as a whole. To carry out all kinds of electrical-electronic contracting works in the country and abroad, to participate in tenders, to prepare projects and feasibility studies, to have them prepared, to undertake the electrical-electronic works partially or completely with real or legal persons or to tender them to others, responsible engineering and control engineering was established to do so.

Smart Sumec Enerji Ekipmanları ve Pazarlama A.Ş.

The company was established on 08.08.2019. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 50% of the company. To carry out all kinds of transactions related to all kinds of products, semi-finished products and raw materials; Establishing various facilities for buying, selling, importing, exporting these goods, dealing with the full trade of these goods and packaging these goods, operating these enterprises, having them operated by third parties or renting and leasing, For the installation of photovoltaic solar power plants Opening and establishing warehouses, showrooms and offices for the purchase and sale of all kinds of necessary materials, establishment of relevant service units to serve companies engaged in electrical energy production, distribution, retail and wholesale, managing and selling turnkey projects for the electrical energy sector and/or include power grids and power generation facilities for sale; systems used for remote monitoring and control of all kinds of data processing and telecommunication devices and systems; was established to market, import and export software. However, there is no personnel working in the company, and its administration and accounting is entirely under the control of Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. it says. In addition, Smart Enerji carries out the Company's customer portfolio and new customer acquisitions, and Sumec is not involved in these matters. For this reason, it has been consolidated using the full consolidation method in the accompanying financial statements.

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

The company was established on 08.05.2020. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. is the 60% owner and leading partner of the relevant company. The relevant consortium is between Smart Solar Energy R&D Production Industry Trade A.Ş. and IHK Holding, "Gün Güneş Enerjisi Elektrik Üretim Sanayi ve Ticaret A.Ş." was established for the project "Engineering, Procurement and Construction Turnkey Works for Van Arısu GES 45MWe/55 MWp Licensed Van Arısu Solar Power Plant (GES)", which was put out to tender by the parties, to create a partnership and complete the project. In the said consortium, Smart Energy has 60% and IHK Holding 40%. In the founding agreement, the parties agreed that Smart Energy is the leading partner and coordinator. It has been accepted and declared by all partners that if a unanimous vote cannot be reached at the board of directors meetings of the said consortium, the matter will be conveyed to the parties for resolution by the Lead partner within 2 business days, and if an agreement cannot be reached within the specified day, the decision of the lead partner regarding the works and transactions that will cause delay in the work program will be considered final. For this reason, it has been consolidated using the full consolidation method in the accompanying financial statements.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Icarus Solar GmbH

The company was established in Germany in 2019. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. There are no personnel working in the company. Solar panel, Inverter, construction etc. was established to wholesale solar energy products to Europe, mainly Germany, Netherlands, Belgium, France, Spain, through channel management.

Smart Solar Technology GmbH

The company was established in Germany in 2019. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. There are no personnel working in the company. It was established to provide turnkey installation and engineering services in Europe.

Smart Solar Ukraine

The company was established in Ukraine in 2019. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. Due to COVID, there are no personnel working in the company. It was established to provide turnkey installation and engineering services in countries in Eastern Europe.

Smart Solargize Yeşil Mobilite Enerji A.Ş.

The company was established on 30.11.2022. Smart Solar Enerji Teknolojileri Ar-ge Üretim San. ve Tic. A.Ş. owns 100% of the company. The subject of activity is electric vehicle; to provide charging solutions by creating a station network and transmission system consisting of charging units, electric vehicle; To contribute to the charging infrastructure works in terms of technical, administrative and legislation, to supply vehicle charging units and to install them at the requested points.

Smart Gunes Tecnologias Renovables S.L.

The establishment of the company was carried out in 2023. Smart Güneş Enerji Teknolojileri Ar-Ge Üretim Sanayi ve Ticaret A.Ş. owns 100% of the company. The Company's field of activity covers energy generation, transmission, distribution and the supply, sale and trade of renewable energy-based products.

Smart Global Enterprises & Trading B.V.

The company was established in 2023 and operates in the Netherlands. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Ve Tic. A.Ş. owns 100% of the company. The firm's field of activity includes energy generation, transmission, distribution and the supply, sale and trade of renewable energy-based products.

Smart Yeşil Hidrojen Teknolojileri ve Üretim A.Ş.

The company was established on 31.05.2023. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Ve Tic. A.Ş. owns 70% of the relevant company. The company's field of activity; It covers the production, energy production, storage and trading of gaseous or liquid fuels using hydrogen and oxygen based on renewable energy.

Smart Solar Technologies AD

The company was established in 2023 and operates in Bulgaria. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Ve Tic. A.Ş who owns 100% of the company. The Company's field of activity includes energy production, transmission, distribution and production, supply, sale and trade of products based on renewable energy.

Smart Güneş Paneli Hücre Üretim Teknolojileri A.Ş.

The company was established on 29.11.2023. Smart Güneş Enerjisi Teknolojileri Ar-Ge Üretim San. Ve Tic. A.Ş is 100% owner of the relevant company. The company's field of activity; It produces and trades solar panel cells.

Smart Energy Global Investment and Development B.V.

The company was established in 2023 and operates in the Netherlands. Smart Global Enterprises & Trading B.V. It owns 100% of the company. The Company's field of activity includes energy production, transmission, distribution and supply, sale and trade of products based on renewable energy, as the main partner of companies operating in and outside the country where it operates.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Smart Energy Bulgaria B.V

The company was established in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. It owns 100% of the company. As the main partner of companies operating in Bulgaria outside the country where the company operates, it covers energy production, transmission, distribution and supply, sale and trade of products based on renewable energy.

Smart Energy Iberia B.V.

The company was established in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. He owns 100% of the company. As the main partner of companies operating in Spain outside the country in which the Company operates, it covers energy production, transmission, distribution and supply, sale and trade of products based on renewable energy.

Smart Energy Romania B.V.

The company was established in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. He owns 100% of the company. As the main partner of companies operating in Romania outside the country in which the Company operates, it covers energy production, transmission, distribution and supply, sale and trade of products based on renewable energy.

Smart Energy Overseas Investment B.V.

The company was established in 2023 and operates in the Netherlands. Smart Energy Global Investment and Development B.V. He owns 100% of the company. The Company's field of activity includes energy production, transmission, distribution and supply, sale and trade of products based on renewable energy, as the main partner of companies operating in overseas countries.

Smart Green Energy Technologies Inc.

In order to establish solar panel production facilities in the United States of America, a company with a capital of USD 50.000, titled ‘Smart Green Energy Technologies Inc.’, was established in the state of Delaware, USA through Smart Global Enterprises & Trading BV, a wholly-owned subsidiary of our Company located in the Netherlands, and the registration procedures were completed.

Smart Green Energy Trading llc.

In order to sell solar energy cells, panels and equipment in the United States of America, a company named ‘Smart Green Energy Trading llc’ was established through Smart Green Energy Technologies Inc. located in the United States, which is a wholly owned subsidiary of our Company.

Joint Ventures

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

31 December 2024

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

KES Adi Ortaklığı

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of presentation

Accounting policies

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 article 5 of the Communiqué. consolidated financial statements are prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/IFRS”) and its addendum and interpretations (“IFRIC”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) Turkish Accounting Standards Boards.

TMS, include Turkish Accounting Standards, Turkish Financial Reporting Standards (“TFRS”) and their annexes and interpretations. TFRS is updated through communiqués in order to ensure parallelism with the changes in International Financial Reporting Standards (“IFRS”).

The consolidated financial statements of the Group are prepared as per the CMB announcement of 3 July 2024 relating to financial statements presentations.

Approval of the financial statements

Condensed consolidated financial statements for the accounting period 1 January - 31 December 2024 were approved at the Board of Directors meeting dated 7 March 2025. 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

The current period consolidated financial statements of the 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

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2023, on the purchasing power basis as of 31 December 2024.

Pursuant to the decision of the Capital Markets Board (CMB) dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TSI). As of 31 December 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.1. Basis of presentation (Continued)

Financial reporting in hyperinflationary economy (Continued)

Restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index (‘CPI’) in Turkey published by the Turkish Statistical Institute (‘TURKSTAT’). As at 31 December 2024, the indices and adjustment factors used in the restatement of the consolidated financial statements are as follows:

Year End	Index	Conversion Factor	Three-Year Inflation Rate
31 December 2024	2.684,55	1,00000	291 %
31 December 2023	1.859,38	1,44379	268 %
31 December 2022	1.128,45	2,37897	156 %

The main elements of the 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 balance sheet 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 balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the consolidated income statement.

Functional and presentation currency

The 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 the Group is Turkish Lira ("TL"). These consolidated financial statements are presented in TL, which is the valid currency of the Group.

Financial statements of subsidiaries operating in countries other than Türkiye

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

Netting/Offsetting

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

2.	BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)
2.2.	Changes in Accounting Policies Significant changes in accounting policies are applied retrospectively and prior period consolidated financial statements are restated.
2.3.	Restatement and Errors in the Accounting Policies and Estimates If changes in accounting estimates are related to only one period, they are recognised in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively. There was no significant change in accounting estimates of the Group in the current year. The detected significant accounting errors are applied retrospectively, and prior period consolidated financial statements are restated.
2.4.	Going concern The consolidated financial statements prepared on a going concern basis, with the assumption that the Group will benefit from its assets and fulfil its obligations in the next year and in the natural course of its activities.
2.5.	New and Revised Turkish Financial Reporting Standards As at 31 December 2024, the accounting policies adopted in preparation of the condensed consolidated financial statements for the year ended 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2024. The effects of these standards and interpretations on the financial position and performance of the Group/Company are disclosed in the related paragraphs. <i>a) Amendments and interpretations effective from 2024</i> TAS 1 (Amendments) Classification of Liabilities as Current or Non-Current IFRS 16 (Amendments) Lease Liability in a Sale and Leaseback Transaction TAS 1 (Amendments) Long-term liabilities with loan contract terms TAS 7 and TFRS 7 (Amendments) Supplier Financing Arrangements TSRS 1 General requirements for disclosure of sustainability-related financial information TSRS 2 Climate Related Disclosures <i>TAS 1 (Amendments) Classification of Liabilities as Current or Non-Current</i> The purpose of these amendments is to ensure consistent application of the requirements of the standard by assisting entities in making decisions about whether debt and other liabilities in the statement of financial position that have no fixed maturity should be classified as current (expected to be settled within one year) or non-current. These amendments to IAS 1 will be effective for annual periods beginning on or after 1 January 2024, with earlier application permitted. The Group is in the process of assessing the potential impact of the standard, amendments and improvements on the consolidated financial position and performance of the Group / the Company. <i>IFRS 16 (Amendments) Lease Liability in a Sale and Leaseback Transaction</i> These amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that meet the requirements in TFRS 15 to be recognised as sales. These amendments to TFRS 16 are effective for annual periods beginning on or after 1 January 2024, with earlier application permitted. The Group is in the process of assessing the potential impact of these standards, amendments and improvements on the consolidated financial position and performance of the Group/Company.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

2.	BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)
2.5.	New and Revised Turkish Financial Reporting Standards (Continued) <i>IAS 1 (Amendments) Long-term Liabilities with Credit Agreement Terms</i> The amendments to TAS 1 clarify how conditions that an entity must meet within twelve months of the reporting period affect the classification of a liability. The amendments to TAS 1 are effective for annual periods beginning on or after 1 January 2024, with earlier application permitted. The Group is in the process of assessing the potential impact of these standards, amendments and improvements on the consolidated financial position and performance of the Group / the Company. <i>TAS 7 and TFRS 7 (Amendments) Supplier Financing Arrangements</i> The amendments to TAS 7 and TFRS 7 add guidance that requires entities to provide qualitative and quantitative information about supplier financing arrangements and disclosure requirements to existing disclosure requirements. The amendments are effective for annual periods beginning on or after 1 January 2024. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group/Company. <i>TSRS 1 General requirements for disclosure of sustainability-related financial information</i> TSRS 1 sets out general requirements for sustainability-related financial disclosures, requiring an entity to disclose information about sustainability-related risks and opportunities that is useful for primary users of general purpose financial reports to make decisions about funding the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for entities that meet the relevant criteria in the POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS. The Group is in the process of assessing the impact of the amendment on the financial position and performance of the Group/Company. <i>TSRS 2 Climate Related Disclosures</i> TSRS 2 sets out the requirements for identifying, measuring and disclosing climate-related risks and opportunities that are useful to primary users of general purpose financial reports in making decisions about funding the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for entities that meet the relevant criteria in the POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may report in accordance with TSRS on a voluntary basis. <i>b) Standards, amendments and interpretations to existing standards that are not yet effective</i> The Group has not yet adopted the following standards, amendments and interpretations to existing standards that are not yet effective <i>TFRS 17 Insurance Contracts</i> <i>TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information</i> <i>TAS 21 (Amendments) Lack of Exchangeability</i> <i>TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture</i>

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

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

TFRS 17- Insurance Contracts

IFRS 17 requires insurance liabilities to be measured at a current settlement value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts as at 1 January 2026.

The Group / Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Group/Company.

TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs and facilitate disclosure of results and transition.

In addition, the amendment on comparative information permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset.

The Group / Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Group/Company.

TAS 21 (Amendments) Lack of Exchangeability

These amendments provide guidance on when a currency is exchangeable and how exchange rates should be determined when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

The Group / Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Group/Company.

TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture

These amendments provide new guidance on the accounting for asset sales and contributions made by investor entities to their subsidiaries or joint ventures, offering clarity on how such transactions should be reported in the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

The Group / Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Group/Company.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies

Significant accounting policies applied in the preparation of these consolidated financial statements are summarized below:

Consolidation Principles

Full Consolidation:

The paid-in 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.

- The paid-in capital of the consolidated balance sheet is the paid-in capital of the Company, the paid-in capital of the subsidiary is not included in the consolidated balance sheet.

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

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

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

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

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

Related Parties

To the accompanying consolidated financial statements, key personnel in management and board of directors, their family and controlled or dependent companies, participations and subsidiaries of the 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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

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

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less (Note 3). To consolidated statements of cash flows, cash and cash equivalents includes cash and cash equivalents with original maturities less than three months, excluding the interest accruals. If any provision provided to the cash and cash equivalents because of a specific event, Group measures expected credit loss from these cash and cash equivalents by the life-time expected credit loss. The calculation of expected credit loss is performed based on the experience of the Group and its expectations for the future indications.

Trade Receivables and Allowance for Doubtful Receivables

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

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 the Group are considered.

The Group has chosen to apply the "simplified approach" defined in the TFRS 9 standard within the scope of impairment calculations of its trade receivables (with a maturity of less than 1 year), which are recognized at amortized cost in its financial statements.

Trade Payables

Trade payables are stated at their nominal value, discounted to present value as appropriate.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the weighted average method. Costs comprise direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

Property, plant and equipment and related depreciation

As of 31 December 2024, the Group's tangible assets are shown by deducting accumulated depreciation from the indexed acquisition cost. Lands are not subject to depreciation.

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

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

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

	<u>Year</u>
Machinery and Equipment	4-15
Vehicles	5
Furniture and Fixtures	2-50
Leasehold improvements	5-15

Right – of - use assets

The Group recognizes right-of-use assets at the beginning date of the lease agreement. Right-of-use assets are calculated at cost less accumulated depreciation and impairment losses. In case of revaluation of rental debts, this figure is also adjusted.

The cost of the right-of-use asset includes:

- (a) Amount of the initial measurement of the lease liability.
- (b) Any lease payments made at or before the commencement date, less any lease incentives received.
- (c) Any initial direct costs incurred by the Group.

Unless the transfer of ownership of the underlying asset to the Group at the end of the lease term is reasonably certain, the Group depreciates the right-of-use asset using the straight-line method from the date the lease commences to the end of the useful life of the underlying asset. Right-of-use assets are included to impairment assessment.

Intangible assets and related amortization

An intangible asset is recognized if it meets the identifiability criterion of intangibles, control exists over the asset; it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment. Amortization of intangible assets is allocated on a systematic pro-rata basis using the straight-line method Intangible assets including acquired rights, information systems and computer software are amortized using the straight-line.

Costs incurred on development projects relating to the design and testing of new or improved products are recognized as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other research and development expenditures are recognized as an expense as incurred. Development expenditures previously recognized as an expense cannot be recognized as an asset in a subsequent period.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

The useful lives of intangible assets are as follows:

	Year
Rights	3-15

Impairment of assets

The carrying values of all tangible or intangible fixed assets, other than goodwill which is reviewed for impairment at least annually, are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement for items carried at cost and treated as a revaluation decrease for items carried at revalued amount to the extent that impairment loss does not exceed the amount held in the revaluation surplus. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

Financial assets

The Group performs the classification process regarding its financial assets during the acquisition of the related assets and reviews them regularly.

Classification

The Group classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss. The classification of financial assets is determined considering the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Financial assets are not reclassified after initial recognition except when the Group’s business model for managing financial assets changes; in the case of a business model change, after the amendment, the financial assets are reclassified on the first day of the following reporting period.

Recognition and Measurement

a) Financial assets measured at amortized cost

Financial assets measured at amortized cost, are non-derivative assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group’s financial assets measured at amortized cost comprise “cash and cash equivalents”, “trade receivables”, “other receivables” and “financial investments”. Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the statement of income.

b) Financial assets measured at fair value

i. Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income, are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

In case of sale of assets, valuation differences classified to other comprehensive income are reclassified to retained earnings.

Group make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss. If the said preference is made, dividends from related investments are recognized in the income statement.

ii. Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss, are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the statement of income.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Company is recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets is measured by using “Expected credit loss model” (ECL). The impairment model applies for amortized financial and contractual assets.

Provisions for losses are measured as below.

- Impairment of the financial and contractual assets is measured by using “Expected credit loss model” (ECL). The impairment model applies for amortized financial and contractual assets.

Provisions for losses are measured as below.

- 12- Month ECL: results from default events that are possible within 12 months after reporting date.

- Lifetime ECL: results from all possible default events over the expected life of financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12-month ECL measurement if it has not.

The Group may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

a) Financial liabilities at fair value through profit and loss

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Leases

At the beginning of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Company in case of rental

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a considerable time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale. Investment income earned by the temporary investment of the part of the borrowing not yet used is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Taxation and Deferred Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax: The tax currently payable is based on taxable profit for the year.

Deferred tax: Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Employee Benefits / Retirement Pay Provision

Under the Turkish law and union agreements, severance payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per Turkish Accounting Standard No: 15 “Employee Benefits” (“TAS 19”). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Operating Expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin. Expenditure for warranties is recognized and charged against the associated provision when the related revenue is recognized.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (continued)

Revenue Recognition

Group recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods are counted to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:

- (a) Identification of customer contracts
- (b) Identification of performance obligations,
- (c) Determination of transaction price in the contract,
- (d) Allocation of price to performance obligations,
- (e) Recognition of revenue when the performance obligations are fulfilled.

Group recognizes revenue from its customers only when all the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- (b) Group can identify each party’s rights regarding the goods or services to be transferred,
- (c) Group can identify the payment terms for the goods or services to be transferred.
- (d) The contract has commercial substance,
- (e) It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer’s ability and intention to pay that amount of consideration when it is due.

Provisions

Provisions are recognized when, and only when the Group has a present obligation because of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are recognized by the amortized amount as of balance sheet date in case that the monetary loss is material. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Commitments and Contingencies

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non-occurrence of certain future events unless the expected performance is remote. Accordingly, contingent losses are recognized in the financial statements if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

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, UAH and BGN are shown below:

	31 December 2024		31 December 2023	
	Buying	Selling	Buying	Selling
USD	TL 35,2803	TL 35.3438	TL 29,4382	TL 29,4913
EURO	TL 36,7362	TL 36.8024	TL 32,5739	TL 32,6326
BGN	TL 18,6752	TL 18.9196	TL 16,5611	TL 16,7778
UAH	TL 0,8396	TL 0,8396	TL 0,7752	TL 0,7752

Cash flow hedge

Hedges of exposures to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit and loss are designated as cash flow hedges by the Group.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.6. Summary of significant accounting policies (Continued)

Changes in the fair value of derivatives, designated as cash flow hedges and qualified as effective, are recognised in equity as “hedge reserves”. Where the forecasted transaction or firm commitment results in the recognition of an asset or of a liability, the gains and losses previously recognised under equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Otherwise, amounts recognised under equity are transferred to the consolidated income statement in the period in which the hedged firm commitment or forecasted transaction affects the consolidated income statement.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or losses previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

Earnings per share

Earnings per share presented in the consolidated statements of profit or loss are determined by dividing consolidated net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings or inflation adjustments. To earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period.

Share capital

Share premium

Share premium represents differences resulting from the sale of the Company’s subsidiaries and associates’ shares at a price exceeding the face values of those shares or differences between the face values and the fair value of shares issued for acquired companies.

Government incentives and grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the group will comply with all the attached conditions. Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Cash Flow statement

Cash and cash equivalents comprise of cash in hand and bank deposits.

EBITDA

This financial data is an indicator of a business's measured income without taking into account financing, tax expenses, and depreciation and amortization expenses. This financial information should be evaluated together with other financial data in the cash flow statement. The Group's EBITDA calculations for the ended periods are given below. The Group's "Earnings Before Interest, Depreciation and Taxes (EBITDA)" is calculated by adding depreciation and amortization expenses, severance pay for employee benefits and leave payments, and other non-cash income/expenses to the "Main operating profit" item.

	31 December 2024	31 December 2023
Operating profit	1.362.398.510	2.460.458.508
Depreciation and amortization expenses (Note 11)	232.922.315	208.544.741
Vacation and termination expenses	(11.855.804)	11.690.055
EBITDA	1.583.465.021	2.680.693.304

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

2.7. Significant Accounting Assessments, Estimates and Assumptions

The preparation of the financial statements requires the disclosure of the amounts of assets and liabilities reported as of the balance sheet date, the disclosure of contingent assets and liabilities, and the use of estimates and assumptions that may affect the amounts of income and expenses reported during the accounting period. The Group makes predictions and assumptions about the future. Due to their nature, accounting estimates may not result in exactly the same amounts as the actual results. Some estimates and assumptions that may cause significant adjustments in the carrying values of assets and liabilities in the upcoming financial reporting period are given below.

Provisions for doubtful trade receivables: The provision for doubtful receivables reflects the amounts that the management believes will cover the future losses of the receivables that exist as of the reporting date but have the risk of being uncollectible within the current economic conditions. While evaluating whether the receivables are impaired or not, the past performance of the debtors, their credibility in the market, their performance from the date of the consolidated financial statements until the approval date of the consolidated financial statements and the renegotiated conditions are also taken into. In addition, the “simplified approach” defined in TFRS 9 has been preferred within the scope of the impairment calculations of trade receivables that are accounted at amortized cost in the consolidated financial statements and that do not contain a significant financing component (with a maturity of less than one year). With this approach, the Group measures the provision for impairment on trade receivables at an amount equal to “lifetime expected credit losses”, unless the trade receivables are impaired for certain reasons (excluding realized impairment losses)

Provision for employee benefit: Employment termination benefits pay liability is determined by actuarial calculations based on some assumptions including discount rates, future salary increases and employee turnover rates. Since these plans are long term, these assumptions contain significant uncertainties

Lawsuit provisions: The probability of loss of ongoing lawsuits and the consequences that will be endured if they are lost are evaluated in line with the opinions of the Group's legal advisors. The Group management makes its best estimates using the data in hand and estimates the provision it deems necessary

Deferred tax: The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their statement of financial position accounts prepared in accordance with TFRS promulgated by POA Financial Reporting Standards and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for TFRS and Tax Law.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

3. CASH AND CASH EQUIVALENTS

The details of the Group's cash and cash equivalents for the periods are as follows:

	31 December 2024	31 December 2023
Cash on hand	183.135	235.391
Cash at banks	467.862.035	846.882.395
- Demand deposit	278.963.150	703.099.646
- Time deposit (*)	188.898.885	143.782.749
	468.045.170	847.117.786

(*) Time deposits consist of bank accounts with a maturity of less than three months. The details of the Company's time deposits are as follows.

31 December 2024	Interest Rate (%)	TL Equivalent
TL deposits	55 %	188.898.885
Total		188.898.885
31 December 2023	Interest Rate (%)	TL Equivalent
TL deposits	42 %	143.782.749
Total		143.782.749

4. FINANCIAL INVESTMENTS

The details of the Group's financial investments by periods are as follows:

Short Term Financial Investments	31 December 2024	31 December 2023
Fx protected TL Deposits (**)	20.508.254	349.719.208
	20.508.254	349.719.208

(**) Currency Protected TL Time Deposit Account is a deposit product that offers foreign exchange protection in case the USD and Euro exchange rates in TL increase more than the interest rate at the end of the term.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

5. TRADE RECEIVABLES AND PAYABLES

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

	31 December 2024	31 December 2023
Short-term trade receivables		
Trade receivables	2.497.903.970	3.316.965.121
Notes receivables	597.161.688	203.524.972
Allowance for expected credit loss (-)	(42.400.740)	(41.731.612)
Doubtful receivables (*)	70.852.049	88.158.736
Allowance for doubtful receivables (-)	(70.852.049)	(88.158.736)
	3.052.664.918	3.478.758.481

Explanations on the nature and level of risks in trade receivables are given in Note 30.

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

	1 January- 31 December 2024	1 January- 31 December 2023
Balance at beginning of the period	88.158.736	60.788.385
Current year additions / (Provisions no longer required)	9.791.317	51.266.518
Monetary gain / (loss)	(27.098.004)	(23.896.167)
End of the period	70.852.049	88.158.736

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

	1 January- 31 December 2024	1 January- 31 December 2023
Balance at beginning of the period	41.731.612	35.115.015
Current year additions / (Provisions no longer required)	13.496.484	20.420.454
Monetary gain / (loss)	(12.827.356)	(13.803.857)
End of the period	42.400.740	41.731.612

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

	31 December 2024	31 December 2023
Short-term trade payables		
Trade payables (**)	2.209.839.990	2.222.014.733
Notes payables	1.911.168.152	397.476.695
	4.121.008.142	2.619.491.428

(**) Explanations on the nature and level of risks in trade payables are given in Note 30.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

6. RELATED PARTIES

The details of the group's related party transactions for periods are as follows:

	Trade Receivables	
	31 December 2024	31 December 2023
Smart Çukurova Yenilenebilir Enerji Üretim A.Ş.	6.953.029	9.813.181
Smart Energy Ukraine	6.381.213	8.169.837
Smart Verde Yenilenebilir Enerji A.Ş.	-	109.523.966
Şems 4 Yenilenebilir Enerji Yatırımları A.Ş.	-	12.634.443
Şems 3 Yenilenebilir Enerji Yatırımları A.Ş.	-	10.179.541
Şems 1 Yenilenebilir Enerji Yatırımları A.Ş.	-	9.588.780
Şems 8 Yenilenebilir Enerji Yatırımları A.Ş.	-	8.387.885
Şems 5 Yenilenebilir Enerji Yatırımları A.Ş.	-	3.905.817
Şems 2 Yenilenebilir Enerji Yatırımları A.Ş.	-	3.236.725
Şems 6 Yenilenebilir Enerji Yatırımları A.Ş.	-	1.373.364
Smart Energy Group AD (Bulgaria)	-	18.814
	13.334.242	176.832.353
	Other Receivables	
	31 December 2024	31 December 2023
Smart Holding A.Ş.	18.642.556	35.123.642
	18.642.556	35.123.642
	Prepaid Expenses	
	31 December 2024	31 December 2023
Smart Verde Yenilenebilir Enerji A.Ş. (*)	597.070.287	-
Sumec Energy Holdings Co. Ltd.	453.471.888	110.842.823
KES Adi Ortaklığı	4.999.786	18.420.710
	1.055.541.961	129.263.533

(*) These are the advance amounts given for solar energy construction works planned to be completed in 2025.

	Short-term Trade Payables	
	31 December 2024	31 December 2023
Smart Energy Group AD (Bulgaria)	334.459.233	769.295.155
Smart Verde Yenilenebilir Enerji A.Ş.	-	12.668.849
Şems 6 Yenilenebilir Enerji Yatırımları A.Ş.	-	590.191
Şems 11 Yenilenebilir Enerji Yatırımları A.Ş.	-	519.764
Şems 12 Yenilenebilir Enerji Yatırımları A.Ş.	-	433.136
	334.459.233	783.507.095

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

6. RELATED PARTIES (Continued)

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

	Sales		Purchases	
	2024	2023	2024	2023
Smart Solar EOOD (Bulgaria)	176.786.750	195.943.007	368.478.899	221.955
Sumec Energy Holdings Co. Ltd.	8.694.583	9.292.697	737.532.140	1.903.182.131
Smart Verde Yenilenebilir Enerji A.Ş.	-	31.534.725	810.778.946	514.613.549
Smart Holding A.Ş.	-	-	159.735.354	239.793.486
Sumec Hong Kong Co. Ltd.			36.035.093	-
Smart Energy Group AD (Bulgaria)	-	-	-	1.267.565.247
	185.481.333	236.770.429	2.112.560.432	3.925.376.368

	Interest Income	
	2024	2023
Smart Holding A.Ş.	-	92.581.820
	-	92.581.820

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 TL 24.021.717 (31 December 2023: TL 25.820.025)' dir.

7. OTHER RECEIVABLES AND PAYABLES

The details of the Group's other receivables and payables for the periods are as follows:

<u>Short term other receivables</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
VAT return receivables	587.760.172	518.488.838
Deposits and guarantees given	4.647.247	1.522.141
	592.407.419	520.010.979

<u>Long term other receivables</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Deposits and guarantees given	4.213.155	6.082.901
	4.213.155	6.082.901

<u>Short term other payables</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Tax structuring liabilities (*)	-	3.672.667
	-	3.672.667

(*) On 23 August 2021, within the scope of the Law No. 7326, the Corporate Tax base for the previous period was increased, and the amounts in the payment plan for the said base increase are included in the tax structuring liabilities.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

8. INVENTORIES

The details of the Group's inventories for the periods are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Raw materials	650.287.087	826.028.126
Finished goods	747.014.032	920.300.360
Trade goods	872.308.744	1.108.504.688
Other Inventories	-	1.132.181
Provision for impairment in inventory (-)	(10.194.887)	(7.611.195)
	2.259.414.976	2.848.354.160

9. PREPAID EXPENSES VE DEFERRED INCOME

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

<u>Short-term prepaid expenses</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Advances given to suppliers (*)	2.370.869.024	1.632.180.246
Prepaid expenses	31.190.843	50.862.650
	2.402.059.867	1.683.042.896

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

<u>Long-term prepaid expenses</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Advances given to suppliers	121.964.184	1.440.143.422
Prepaid expenses	59.089.507	59.910.529
	181.053.691	1.500.053.951

<u>Deferred Incomes</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Advances received (**)	2.206.360.481	2.953.031.060
	2.206.360.481	2.953.031.060

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

10. OTHER ASSETS AND LIABILITIES

The details of other assets and liabilities for the periods are as follows:

<u>Other current assets</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Deferred VAT	653.665.980	178.313.425
Receivables from personnel	6.658.088	8.308.385
Other VAT	-	1.270.774
Other Assets	-	1.306.195
	660.324.068	189.198.779

<u>Other short-term liabilities</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Prepaid taxes and dues	707.526.893	94.117.997
	707.526.893	94.117.997

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

11. PROPERTY, PLANT AND EQUIPMENTS

Movement of property, plant, and equipment for the period 01.01.-31.12.2024 is as follows:

	1 January 2024	Additions	Disposals (-)	Transfers(*)	31 December 2024
Cost					
Land	109.776.317	73.689.248	-	67.911.952	251.377.517
Machinery and equipment	1.152.766.819	699.058.856	-	144.554.295	1.996.379.970
Vehicles	51.125.558	84.123	(2.196.065)	-	49.013.616
Furniture and fixtures	78.012.705	51.967.724	-	-	129.980.429
Construction in progress	1.626.242.916	1.873.205.111	-	(1.455.862.875)	2.043.585.152
Leasehold improvements	116.368.238	7.240.345	-	1.243.396.628	1.367.005.211
	3.134.292.553	2.705.245.407	(2.196.065)	-	5.837.341.895
	1 January 2024	Current year charge	Disposals (-)	Transfers	31 December 2024
Accumulated depreciation					
Machinery and equipment	(239.958.374)	(124.530.966)	-	-	(364.489.340)
Vehicles	(10.385.282)	(8.030.801)	2.007.600	-	(16.408.483)
Furniture and fixtures	(23.905.212)	(19.145.508)	-	-	(43.050.720)
Leasehold improvements	(78.070.074)	(13.564.770)	-	-	(91.634.844)
	(352.318.942)	(165.272.045)	2.007.600	-	(515.583.387)
Net book value	2.781.973.611				5.321.758.508

(*) The Group's transfers consist of land, machinery and special costs incurred in order to make the building structure suitable for production within the scope of Aliğa Cell Production Facility investment.

As at 31 December 2023, movements of property, plant and equipment are as follows:

	1 January 2023	Additions	Disposals (-)	Transfers	31 December 2023
Cost					
Land	109.776.317	-	-	-	109.776.317
Machinery and equipment	658.501.261	494.265.558	-	-	1.152.766.819
Vehicles	10.095.075	42.631.326	(1.600.843)	-	51.125.558
Furniture and fixtures	33.785.006	44.227.699	-	-	78.012.705
Construction in progress	76.605.755	1.549.637.161	-	-	1.626.242.916
Leasehold improvements	106.587.310	9.780.928	-	-	116.368.238
	995.350.724	2.140.542.672	(1.600.843)	-	3.134.292.553
	1 January 2023	Current year charge	Disposals (-)	Transfers	31 December 2023
Accumulated depreciation					
Machinery and equipment	(148.721.795)	(91.236.579)	-	-	(239.958.374)
Vehicles	(6.467.863)	(5.013.886)	1.096.467	-	(10.385.282)
Furniture and fixtures	(13.716.047)	(10.189.165)	-	-	(23.905.212)
Leasehold improvements	(66.007.121)	(12.062.953)	-	-	(78.070.074)
	(234.912.826)	(118.502.583)	1.096.467	-	(352.318.942)
Net book value	760.437.898				2.781.973.611

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

11. PROPERTY, PLANT AND EQUIPMENTS (Continued)

As at 31 December 2024, the amount of insurance on property, plant and equipment is TL 2.011.628.939.(31 December 2023: TL 1.136.767.073). There is a mortgage of USD 11.250.000 on the Group's immovables (31 December 2023: None).

Depreciation and amortization shown in expense accounts associated with tangible and intangible assets and right-of- use assets as of 31 December are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Cost		
Cost of sales (Note 20)	217.478.873	183.536.018
General administrative expenses (Note 22)	15.443.442	25.008.723
	232.922.315	208.544.741

12. INTANGIBLE FIXED ASSETS

Movement of intangible fixed asset for the period 01.01.-31.12.2024 is as follows:

	1 January 2024	Additions	31 December 2024
Cost			
Rights	29.228.044	537.347	29.765.391
Research and development costs	7.151.316	-	7.151.316
	36.379.360	537.347	36.916.707
	1 January 2024	Current year charge	31 December 2024
Accumulated amortization			
Rights	(8.516.668)	(5.936.654)	(14.453.322)
	(8.516.668)	(5.936.654)	(14.453.322)
Net Book Value	27.862.692		22.463.385

Movement of intangible fixed asset for the period 01.01.-31.12.2023 is as follows:

	1 January 2023	Additions	31 December 2023
Cost			
Rights	10.973.653	18.254.391	29.228.044
Research and development costs	6.547.203	604.113	7.151.316
	17.520.856	18.858.504	36.379.360
	1 January 2023	Current year charge	31 December 2023
Accumulated amortization			
Rights	(4.747.731)	(3.768.937)	(8.516.668)
	(4.747.731)	(3.768.937)	(8.516.668)
Net book value	12.773.125		27.862.692

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

13. RIGHT OF USED ASSETS

Movement of right of use assets for the period 01.01.-31.12.2024 and 01.01.-31.12.2023 are as follows:

	Buildings	Vehicles	Total
As of 1 January 2024	278.067.628	11.311.757	289.379.385
Additions	-	12.826.514	12.826.514
Changes in leases	(27.202.652)	(5.285.659)	(32.488.311)
Depreciation	(53.140.387)	(8.573.229)	(61.713.616)
As of 31 December 2024	197.724.589	10.279.383	208.003.972
	Buildings	Vehicles	Total
As of 1 January 2023	147.827.241	15.758.631	163.585.872
Additions	32.353.482	5.643.404	37.996.886
Changes in leases	171.609.460	2.460.388	174.069.848
Depreciation	(73.722.555)	(12.550.666)	(86.273.221)
As of 31 December 2023	278.067.628	11.311.757	289.379.385

14. FINANCIAL BORROWING

The details of financial borrowings for the periods are as follows:

	31 December 2024	31 December 2023
Short-term bank borrowings	1.818.032.006	1.595.117.545
Issued debt instruments (**)	564.990.221	385.245.645
Liabilities from financial leasing transactions	142.136.528	198.701.430
Liabilities arising from leasing transactions (*)	61.416.122	47.449.584
Short-term borrowings	2.586.574.877	2.226.514.204
Short-term portion of long-term borrowings	1.142.041.344	443.776.373
Short-term portion of long-term borrowings	1.142.041.344	443.776.373
Long-term borrowings	2.395.694.539	2.468.727.850
Long-term liabilities from financial leasing transactions	127.227.429	275.630.600
Liabilities arising from leasing transactions (*)	133.790.896	163.638.357
Long-term borrowings	2.656.712.864	2.907.996.807
Total financial borrowings	6.385.329.085	5.578.287.384

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

(**) On 3 July 2024, the Company issued bonds amounting to TL 250.000.000 with quarterly coupon payments over floating interest (TLREF+4,5) quoted on Borsa Istanbul.

(**) On 28 November 2024, the Company has issued Sukuk amounting to TL 250.000.000 with quarterly coupon payments (Dividend/Return Rate- Annual Simple 44%).

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

14. FINANCIAL BORROWING (Continued)

The details of currency-based financial liabilities are as follows:

	Interest Rate	31 December 2024
TL bank borrowings	7,50%-68,00%	3.595.783.496
EUR bank borrowings	7,00%-8,00%	281.289.318
USD bank borrowings	4,75%-11,00%	2.313.049.253
		6.190.122.067
	Interest Rate	31 December 2023
TL bank borrowings	7,50%-60,00%	2.582.195.074
EUR bank borrowings	7,00%-9,50%	962.426.943
USD bank borrowings	4,75%-12,00%	1.822.577.427
		5.367.199.444

15. EMPLOYEE BENEFITS

Severance pay provision

Under the Turkish Legislations, the Company and its subsidiaries which located in Turkey, is required to pay termination benefits to each employee, who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies, who retires after completing 25 years for man and 20 years for women of service and reaches the retirement age (58 for women and 60 for men). Due to the amendment of the legislation as of 8 September 1999, there are certain transitional obligations regarding the length of service due to retirement.

These payments are calculated based on the rate on the day of retirement or termination per year worked, with a maximum of TL 30-day salary as of 31 December 2024 TL 46.655 (31 December 2023: TL 35.059). The provision for severance pay is calculated on a current basis and is reflected in the Consolidated financial statements. The provision is calculated according to the severance pay ceiling announced by the Government.

Provision for termination benefits is made by calculating the present value of the possible liability to be paid in case of retirement of employees. To calculate the liabilities of the Group in accordance with TAS 19 (Employee Benefits), a calculation made with actuarial assumptions is required. Accordingly, the actuarial assumptions used in the calculation of total liabilities are given below. The basic assumption is that the maximum liability for each year of service will increase in line with inflation. Hence the discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As a result, the liabilities in the accompanying Consolidated financial statements as of 31 December 2024 and 31 December 2023 are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.

	31 December 2024	31 December 2023
Discount rate	2,50%	3,13%
Estimated rate of salary increasing /inflation rate	22,70%	21,70%
The turnover ratio used to calculate the probability of retirement	95,78%	96,89%

It is planned that the severance pay rights will be paid at the end of the concession agreement. Accordingly, the terms of the concession agreements are considered in calculating the present value of the liabilities to be paid in the future.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

15. EMPLOYEE BENEFITS (Continued)

The details of long-term severance pay provisions for the periods are as follows:

<u>Long-term provisions</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Severance pay provision	20.671.316	18.268.666
	<u>20.671.316</u>	<u>18.268.666</u>

Movement of severance pay provisions for the periods are as follows:

	<u>1 January- 31 December 2024</u>	<u>1 January- 31 December 2023</u>
Balance on 1 January	18.268.666	11.260.264
Service cost	8.535.097	8.380.581
Interest cost	5.761.096	4.559.463
Actuarial (Gain)/Loss	32.398.371	5.395.966
Compensation paid (-)	(38.676.538)	(6.901.151)
Monetary Gain / (Loss)	(5.615.376)	(4.426.457)
Balance at the end of the period	<u>20.671.316</u>	<u>18.268.666</u>

The details of short-term employee benefits provisions for the periods are as follows:

<u>Short-term provisions</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Provision for unused vacation liability	14.357.739	10.437.377
	<u>14.357.739</u>	<u>10.437.377</u>

Movement of unused vacation provisions as follows:

	<u>1 January- 31 December 2024</u>	<u>1 January- 31 December 2023</u>
Balance on 1 January	10.437.377	5.149.428
Current year provision expense (*)	7.128.577	7.312.209
Monetary Gain / (Loss)	(3.208.215)	(2.024.260)
Balance at the end of the period	<u>14.357.739</u>	<u>10.437.377</u>

(*) Unused vacation provision expenses for the relevant periods are included in personnel expenses.

16. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

The details of the Group's provisions for periods are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Lawsuit provisions	4.606.750	2.248.439
	<u>4.606.750</u>	<u>2.248.439</u>

The movement table of the Group's provision for lawsuits by periods is as follows:

	<u>1 January- 31 December 2024</u>	<u>1 January- 31 December 2023</u>
Beginning of the Term	2.248.439	2.189.763
Provisions in the period / (Provisions no longer required)	3.049.430	919.482
Monetary Gain / (Loss)	(691.119)	(860.806)
Balance at the end of the period	<u>4.606.750</u>	<u>2.248.439</u>

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

16. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

a) Guarantees received

As at 31 December 2024, guarantees received by the Group are as follows:

<u>Guarantees Received by the Group</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Bank Letters of Guarantee	78.727.896	-
Total	<u>78.727.896</u>	<u>-</u>

b) Guarantees given

Collaterals/ pledges/ mortgages/bill of guarantees (“CPMB”) position of the Group as of 31 December 2024, 31 December 2023, are as follows:

<u>CPMB’s given by the Group</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
A. CPMB’s given for Group’s own legal personality	2.815.954.185	1.731.262.280
B. CPMB’s given on behalf of fully consolidated companies	2.081.741.297	2.239.574.339
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	-	-
	<u>4.897.695.482</u>	<u>3.970.836.619</u>

<u>Given to</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
USD	2.696.693.746	1.633.720.526
TL	2.051.685.073	2.214.215.331
EUR	149.316.663	122.900.762
Total	<u>4.897.695.482</u>	<u>3.970.836.619</u>

The guarantees given by the Group consist of bank letters of guarantee given to third parties to whom it sells goods or services and to public institutions within the scope of its activities.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

17. EMPLOYEE BENEFITS OBLIGATIONS

The details of employee benefits obligations for the periods are as follows:

	31 December 2024	31 December 2023
Social Security deductions to be paid	46.263.506	45.128.497
Due to personnel	107.783.867	51.869.542
	154.047.373	96.998.039

18. INCOME TAX

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

	31 December 2024	31 December 2023
Current tax expense	(2.667.295)	(100.361.904)
Prepaid taxes and funds	107.292.305	129.171.085
	104.625.010	28.809.181
	1 January-31 December 2024	1 January-31 December 2023
Deferred tax assets / liabilities	737.672.523	211.229.774
	737.672.523	211.229.774

Corporation tax

In Turkey, the corporate tax rate is 25% as of 31 December 2024 (31 December 2023: 25%). The corporate tax rate is applied to the net corporate income, which will be found as a result of adding the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the institutions and deducting the exemptions and deductions in the 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, the institutions whose shares are offered to the public at least 20% of the time to be traded in the Borsa Istanbul Equity Market are subject to five accounting periods, starting from the accounting period in which their shares are offered to the public for the first time. It has been stipulated that the corporate tax rate will be applied to the corporate earnings of the company with a 2 point discount. Within the scope of the said law, 25% was used as the tax rate in the current tax and deferred tax calculations in the parent company in the consolidated financial statements dated 31 December 2024.

Tax expenses included in the statements of comprehensive income for the accounting periods ending 31 December 2024 and 2023 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 Turkey 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 Turkey and legal entities who are not resident in Turkey are subject to 15% income tax.

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

18. INCOME TAX (Continued)

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

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

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

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

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

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

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

Tax applications for the Group's foreign subsidiaries

- Operating in Ukraine, Smart Ukraine LTD is subject to 18% corporate tax.
- Operating in Germany, Smart Solar GmbH and Icarus GmbH are subject to 15.8% corporate tax.
- In accordance with Spanish tax laws, a 15% tax rate will be applied in the first year of Smart Gunes Tecnologias Renovables Sociedad Limitada company operating in Spain. In the following periods, if the revenue amount is below EUR 1.000.000, the tax rate to be applied will be 23%, and if the revenue is above the relevant amount, 25% tax rate will be applied.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

18. INCOME TAX (Continued)

Tax applications for the Group's foreign subsidiaries (continued)

- 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.

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 Turkey and/or the international general economic and political situation that may affect the Group. The 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 Turkey and/or international general economic and political situation that may affect the Group while reflecting the deferred tax asset to the consolidated financial statements. The Group estimates that it will generate sufficient taxable profits in the future.

Recognized deferred tax assets and liabilities

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

	31 December 2024	31 December 2023
	Assets / (Liabilities)	Assets / (Liabilities)
Employee benefits	14.812.064	8.371.436
Trade payables	(4.234.922)	(18.281.770)
Trade receivables	24.736.611	29.932.185
Lease liabilities	44.897.614	48.550.226
Inventories	32.728.897	23.054.450
Tangible and intangible assets	25.687.394	66.758.353
Assets subject to cash flow hedge accounting	153.467.964	162.007.668
Financial liabilities	20.098.237	23.726.152
Lawsuit provisions	1.074.617	517.142
Right of use assets	(47.840.914)	(66.557.258)
Investment incentives(*)	794.131.111	32.783.431
Other	17.699.916	30.513.154
Deferred tax assets	1.077.258.589	341.375.169
Deferred tax assets	1.129.334.425	426.214.197
Deferred tax liabilities	(52.075.836)	(84.839.028)
Deferred tax assets	1.077.258.589	341.375.169

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

18. INCOME TAX (Continued)

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

The Company's earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or completely until the investment contribution amount is reached. In this context, as of 31 December 2024, the tax advantage amounting to TL 794.131.111 (31 December 2023: TL 32.783.431) that the Company will benefit from in the foreseeable future is reflected in the interim financial statements as deferred tax asset. As a result of the recognition of the aforementioned tax advantage as of 31 December 2024, deferred tax income amounting to TL 761.347.680 has been recognised in the statement of profit or loss for the period 1 January- 31 December 2024.

The movement of the deferred tax for the periods are as follows:

	1 January 2024	Deferred tax income/ (expense)	Other comprehensive income	31 December 2024
Total Deferred Tax (Liability) /				
Asset	341.375.169	737.672.523	(1.789.103)	1.077.258.589
	1 January 2023	Deferred tax income/ (expense)	Other comprehensive income	31 December 2023
Total Deferred Tax (Liability) /				
Asset	(9.522.673)	211.229.774	139.668.068	341.375.169

The reconciliation of the pre-tax profit with the calculated tax income is presented below:

	1 January- 31 December 2024	1 January- 31 December 2023
Profit/(loss) for before taxation	(301.051.891)	1.386.941.695
Corporation tax rate	25%	25%
Calculated tax using the Company's domestic tax rate	75.262.973	(346.735.424)
Non-deductible expenses	(133.105.455)	(29.246.372)
Investment incentive discounts	186.031.611	458.328.519
Discounts and exceptions	34.794.283	46.612.043
Earthquake tax	-	(94.325.962)
Effect of current period adjustments	572.021.816	76.235.066
Tax (expense) / income	735.005.228	110.867.870

19. SHARE CAPITAL

Share Capital

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

	31 December 2024	Share	31 December 2023	Share
	TL	%	TL	%
Shareholders				
Smart Holding A.Ş.	442.458.799	73,03	442.458.799	73,03
Public part	163.421.201	26,97	163.421.201	26,97
Total paid-in capital	605.880.000	100	605.880.000	100
Adjustment to share capital (*)	1.013.391.228		1.013.391.228	
	1.619.271.228	100	1.619.271.228	100

(*) Adjustment to share capital represents the difference between the total amount of cash and cash equivalent contributions to share capital restated for the effects of inflation and the amount before the restatement.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

19. SHARE CAPITAL AND NON-CONTROLLING INTERESTS (Continued)

Between 16.02.2023 and 12.09.2024, Smart Güneş Enerjisi Teknolojileri Ar-ge Üretim San. ve Tic. A.Ş. repurchased 520.000 shares of its shares traded in the publicly traded section (0,086% of the Company's capital).

The Group has adopted the registered share capital system with the permission of CMB dated 23.02.2024 and numbered E-29833736-110.04.04.04-33704 and the registered share capital ceiling is TL 2.000.000.000.

As at 31 December 2024, the Group's share capital consists of 605.880.000 shares (31 December 2023: 605.880.000). The nominal value of the shares is TL 1 per share (31 December 2023: TL 1).

As of 31 December 2024, the details of the shares by group are given below. TL 163.421.201 of the bearer B group shares are traded on the BIST.

Group	Capital ratio (%)	Total balance
Group A Stocks (Registered)	22,88	138.600.000
Group B Shares (Bearer)	77,12	467.280.000
Issued capital	100,00	605.880.000

As of 31 December 2024 and 2023, the equity items prepared in accordance with the Tax Procedure Laws and the amounts presented in accordance with TAS/IFRS are as follows:

31.12.2024 (IFRS)	Value	Inflation Adjustment Effect	Indexed Value
Capital	605.880.000	1.013.391.228	1.619.271.228
Share Premiums	133.782.358	468.757.479	602.539.837
Restricted Reserves Allocated from Profit(*)	99.945.843	63.103.748	163.049.591

31.12.2024 (TAS)	Value	Inflation Adjustment Effect	Indexed Value
Capital	605.880.000	892.605.744	1.498.485.744
Share Premiums	133.782.358	447.632.646	581.415.004
Restricted Reserves Allocated from Profit(*)	76.138.947	45.443.766	121.582.713

(*) According to TAS/IFRS financial statements, a reserve amounting to 40.808.045 has been set aside in restricted reserves within the scope of treasury shares.

20. REVENUE AND COST OF SALES

Revenue for the periods are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Domestic Sales	11.484.172.716	11.565.202.030
Export Sales	208.463.743	370.990.773
Gross Sales (*)	11.692.636.459	11.936.192.803
Sales Returns (-)	(11.001.517)	(235.960.220)
Sales Discounts (-)	(4.046.726)	(15.287.512)
Net Sales	11.677.588.216	11.684.945.071
Cost of goods sold (-)	(5.478.381.136)	(6.702.650.198)
Cost of trade goods sold (-)	(2.174.293.121)	(1.714.859.945)
Cost of services sold (-)	(1.533.045.008)	(416.810.998)
Depreciation and amortization expenses (Note 11)	(217.478.873)	(183.536.018)
Gross Profit	2.274.390.078	2.667.087.912

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

20. REVENUE AND COST OF SALES (Continued)

(*) The details of the Group's gross sales based on product types by periods are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Solar panel, SPP project equipment and construction revenue	11.552.738.123	10.990.617.833
Transit trade sales	105.160.757	936.071.698
Waste and scrap sales	34.737.579	9.503.272
	11.692.636.459	11.936.192.803

21. SELLING, MARKETING AND DISTRIBUTION EXPENSES

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

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel expenses	75.538.838	94.729.524
Advertising, publicity and promotion expenses	58.925.076	59.691.272
Transport, cargo, courier expenses	27.487.824	16.513.397
Taxes, duties and charges	24.762.883	49.968.575
Consultancy expenses	7.615.304	8.245.952
Export and warehouse expenses	6.700.564	2.908.395
Meal and travelling expenses	4.726.353	11.669.515
SPP project expenses	-	69.359.656
Other	9.892.668	26.339.843
	215.649.510	339.426.129

22. GENERAL ADMINISTRATIVE EXPENSES

The details of general administrative expenses for the periods are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel expenses	307.224.543	195.751.409
Consultancy expenses	56.837.431	96.596.350
Vehicle expenses	18.245.067	6.295.925
Representation and hospitality expenses	18.230.436	10.938.664
Depreciation and amortisation expenses (Note 11)	15.443.442	25.008.723
Meal and travelling expenses	11.576.438	19.601.193
Taxes, duties and charges	9.576.912	18.139.877
Other (*)	171.395.332	85.231.363
	608.529.601	457.563.504

(*) As of 31.12.2024, Smart Holding A.Ş. has a common expense reflection expense of TL 79.652.936. (31 December 2023: TL 71.318.948)

Fees for Services Obtained from Independent Auditor/Independent Audit Firm

The Group's explanation regarding the fees for the services provided by independent audit firms, which is prepared in accordance with the Board Decision of the POA published in the Official Gazette dated 30 March 2022 and based on the POA letter dated 19 August 2022, is as follows:

	2024	2023
Independent audit fee for the reporting period	1.300.000	938.462
	1.300.000	938.462

Fees excluding VAT are declared according to contract amounts.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

23. EXPENSES BY NATURE

The details of expenses based on type for the periods are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Cost of goods sold (-)	5.478.381.136	6.702.650.198
Cost of merchandise sold (-)	2.174.293.121	1.714.859.945
Cost of services sold (-)	1.533.045.008	416.810.998
Personnel expenses	382.763.381	290.480.933
Depreciation and amortization expenses (Note 11)	232.922.315	208.544.741
Consultancy expenses	64.452.735	104.842.302
Advertising and promotion expenses	58.925.076	59.691.272
Transport, cargo, courier expenses	27.487.824	16.513.397
Representation and hospitality expenses	18.230.436	10.938.664
Meal and travelling expenses	16.302.791	31.270.708
Export and warehouse expenses	6.700.564	2.908.395
Other	233.872.862	255.335.239
	10.227.377.249	9.814.846.792

24. OTHER OPERATING INCOME AND EXPENSES

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

	1 January- 31 December 2024	1 January- 31 December 2023
Other operating income		
Foreign exchange gain (*)	1.058.083.034	1.223.778.006
SSI Incentive Premiums	18.867.663	51.556.129
Other	57.161.824	48.475.842
	1.134.112.521	1.323.809.977
Other operating expenses		
Foreign exchange loss (*)	1.178.338.492	647.306.061
Provisions for doubtful receivables	12.840.747	52.186.000
Other	30.745.739	33.957.687
	1.221.924.978	733.449.748

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

25. GAINS FROM INVESTMENT ACTIVITIES

The details of the Group's income from investment activities by periods are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Gains from investment activities		
Fx protected TL Deposits interest and currency income	43.032.584	144.464.886
	43.032.584	144.464.886

26. FINANCIAL INCOME AND EXPENSES

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

	1 January- 31 December 2024	1 January- 31 December 2023
Finance income		
Interest income	104.820.794	197.027.355
	104.820.794	197.027.355
Finance expenses		
Interest expense	1.628.051.086	598.716.640
Foreign exchange loss (*)	587.672.396	571.723.315
Bank transaction and commission expenses	285.301.771	44.815.382
	2.501.025.253	1.215.255.337

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

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Non-Monetary Items	31 December 2024
Statement of Financial Position Items	116.042.339
Inventories	(33.037.983)
Prepaid expenses	(15.458.334)
Right of use assets	(34.845.944)
Property, plant and equipment	1.027.359.628
Intangible assets	8.584.867
Deferred income	1.202.674
Deferred tax assets	104.915.741
Paid-in capital	(497.727.380)
Treasury shares	12.081.851
Share premiums	(185.207.128)
Items not to be reclassified to profit or loss	1.218.420
Items to be reclassified to profit or loss	166.713.356
Restricted reserves appropriated from profit	(22.683.361)
Retained earnings	(417.074.068)
Profit or Loss Statement Items	587.175.619
Revenue	(1.037.891.486)
Cost of sales (-)	1.199.576.713
General administrative expenses (-)	69.997.390
Marketing, selling and distribution expenses (-)	25.182.188
Other operating income/expenses	(5.205.914)
Income/expense from investing activities	(6.826.973)
Finance income/expense	342.343.701
Net monetary position gains (losses)	703.217.958

28. EARNING 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 – 31 December 2024	1 January – 31 December 2023
Profit for the period attributable to equity holders	441.128.517	1.476.970.648
Weighted average number of common shares issued	605.880.000	407.055.452
Profit per share	0,73	3,63

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

29. FINANCIAL INSTRUMENTS

Capital Risk Management

While trying to ensure the continuity of its activities in capital management, the Group also aims to increase its profits by using the debt and equity balance in the most efficient way. The Group's capital structure consists of equity items including issued capital, reserves and retained earnings.

	31 December 2024	31 December 2023
Total financial borrowings	6.385.329.085	5.578.287.384
Less: Cash and cash equivalents	(488.553.424)	(1.196.836.994)
Net debt	5.896.775.661	4.381.450.390
Total equity	3.513.952.729	3.072.898.555
Net debt to equity ratio	1,68	1,43

Risk Management System

When calculating the 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.

The 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.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

30. NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS

Risk management disclosures

The 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. The 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 the 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.

31 December 2024	Receivables				Cash at Banks	Financial Investments
	Trade receivables		Trade receivables			
	Related Party	Third Party	Related Party	Third Party		
Maximum credit risk exposed as of balance sheet date,(A+B)	13.334.242	3.052.664.918	18.642.556	596.620.574	467.862.035	20.508.254
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	13.334.242	3.052.664.918	18.642.556	596.620.574	467.862.035	20.508.254
B. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	113.252.789	-	-	-	-
- Impairment (-)	-	(113.252.789)	-	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-	-

	Receivables				Cash at Banks	Financial Investments
	Trade receivables		Trade receivables			
	Related Party	Third Party	Related Party	Third Party		
31 December 2023						
Maximum credit risk exposed as of balance sheet date,(A+B)	176.832.353	3.478.758.481	35.123.642	526.093.880	846.882.395	349.719.208
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	176.832.353	3.478.758.481	35.123.642	526.093.880	846.882.395	349.719.208
B. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	129.890.348	-	-	-	-
- Impairment (-)	-	(129.890.348)	-	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-	-

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Credit Risk (Continued)

The 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

The 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 the Group's non-derivative financial liabilities:

Contractual maturity	31 December 2024					
	Carrying Value	Contractual cash flows	Less than 3 months	3- 12 months	1- 5 years	More than 5 years
Non derivative financial liabilities	10.840.796.460	12.781.206.379	1.398.369.568	6.812.007.269	3.271.670.777	1.299.158.765
Loans and borrowings	6.190.122.067	8.081.730.244	697.406.434	2.969.793.665	3.115.371.380	1.299.158.765
Trade payables	4.455.467.375	4.455.467.375	678.790.455	3.776.676.920	-	-
Lease liabilities	195.207.018	244.008.760	22.172.679	65.536.684	156.299.397	-
Contractual maturity	31 December 2023					
	Carrying Value	Contractual cash flows	Less than 3 months	3- 12 months	1- 5 years	More than 5 years
Non derivative financial liabilities	8.984.958.574	11.334.817.742	1.236.479.462	4.869.064.536	3.359.458.271	1.869.815.473
Loans and borrowings	5.367.199.444	7.647.706.567	509.156.931	2.113.684.062	3.155.050.101	1.869.815.473
Trade payables	3.402.998.523	3.402.998.525	703.542.423	2.699.456.102	-	-
Lease liabilities	211.087.940	280.439.983	20.107.441	55.924.372	204.408.170	-
Other payables	3.672.667	3.672.667	3.672.667	-	-	-

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Foreign Currency Risk

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

	31 December 2024			31 December 2023		
	TL equivalent	USD	EUR	TL equivalent	USD	EUR
1 Trade payables	2.666.416.865	73.755.747	1.750.099	3.114.692.670	101.173.421	4.185.230
2a. Monetary financial assets	95.078.092	2.606.142	85.273	88.450.458	2.196.970	729.898
2b. Non-Monetary financial assets				-	-	-
3 Other	1.325.050.501	33.466.541	3.929.118	1.978.206.665	43.445.231	21.466.796
4 Current assets (1+2+3)	4.086.545.458	109.828.430	5.764.490	5.181.349.793	146.815.622	26.381.924
5 Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-Monetary financial assets	-	-	-	-	-	-
7 Other	-	-	-	1.440.143.422	48.920.906	-
8 Non- Current assets (5+6+7)	-	-	-	1.440.143.422	48.920.906	-
9 Total assets (4+8)	4.086.545.458	109.828.430	5.764.490	6.621.493.215	195.736.528	26.381.924
10 Trade payables	2.278.623.984	61.451.866	2.898.766	2.776.812.571	90.280.681	3.503.182
11 Financial borrowings	1.346.601.003	33.703.908	4.221.920	1.813.403.886	38.683.075	20.610.976
12a. Other Monetary financial liabilities	-	-	-	-	-	-
12b. Other Non-Monetary financial liabilities	2.023.562.356	57.253.673	-	2.887.800.495	96.738.787	1.067.886
13 Current liabilities (10+11+12)	5.648.787.343	152.409.447	7.120.686	7.478.016.952	225.702.543	25.182.044,00
14 Trade payables	-	-	-	-	-	-
15 Financial borrowings	1.247.737.594	31.740.364	3.421.313	971.600.449	23.117.437	8.881.830,00
16a. Other Monetary financial liabilities	-	-	-	-	-	-
16b. Other Non-Monetary financial liabilities	-	-	-	-	-	-
17 Non-Current liabilities (14+15+16)	1.247.737.594	31.740.364	3.421.313	971.600.449	23.117.437	8.881.830
18 Total liabilities (13+17)	6.896.524.937	184.149.811	10.541.999	8.449.617.401	248.819.980	34.063.874
19 Net asset / liability position of off-balance sheet derivatives	2.594.338.597	65.444.272	7.643.233	2.785.004.335	61800512	29492806
20 Net foreign currency asset /(liability)position (9-18+19)	(215.640.882)	(8.877.109)	2.865.724	956.880.149	8.717.060	21.810.856
21 Net foreign currency asset / (liability)position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(2.111.467.624)	(50.534.249)	(8.706.627)	(2.358.673.778)	(48.710.802)	(28.080.860)

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

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

Foreign currency risk (Continued)

Sensibility analysis

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

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

	31.12.2024		31.12.2023	
	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	(263.377.472)	263.377.472	(157.589.414)	157.589.414
2- Amount hedged for USD risk (-)	-	-	-	-
3- USD net effect (1+2)	(263.377.472)	263.377.472	(157.589.414)	157.589.414
In case of 10% appreciation of EUR against TL				
4- EUR net asset/liability	(17.620.541)	17.620.541	(25.223.062)	25.223.062
5- Amount hedged for EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(17.620.541)	17.620.541	(25.223.062)	25.223.062
Total net effect (3+6)	(280.998.013)	280.998.013	(182.812.476)	182.812.476

Profil

The current interest structure of the report of the Group's financial items with interest instruments is as follows:

Interest position table		
Fixed interest financial instruments	31 December 2024	31 December 2023
Financial Assets	20.508.254	349.719.208
Financial Obligations	3.565.740.870	3.300.311.497
Financial leases	269.363.957	474.332.030
Issued debt instruments	259.827.176	385.245.645
Financial instruments with variable interest rates	31 December 2024	31 December 2023
Financial obligations	1.790.027.019	1.207.310.272
Debt instruments issued	305.163.045	-

Cash flow hedge accounting for high probability forecast transaction currency risk

The 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, the 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.

Footnotes to the Consolidated Financial Statements Dated 1 January- 31 December 2024

(Amounts are expressed in TL based on the purchasing power of the Turkish Lira (TL) as of 31 December 2024, unless otherwise stated.)

31. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)

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

		31 December 2024		31 December 2023	
<i>Financial assets</i>	<i>Notes</i>	Book value	Fair value	Book value	Fair value
Cash and cash equivalents	3	468.045.170	468.045.170	847.117.786	847.117.786
Financial Investments	4	20.508.254	20.508.254	349.719.208	349.719.208
Trade receivables	5	3.108.399.900	3.065.999.160	3.697.322.445	3.655.590.834
Other receivables	7	615.263.130	615.263.130	561.217.523	561.217.522
Total financial assets		4.212.216.454	4.169.815.714	5.455.376.962	5.413.645.350
<i>Financial liabilities</i>					
Financial borrowings	14	6.385.329.085	6.385.329.085	5.578.287.384	5.578.287.384
Trade payables	5	4.455.467.375	4.455.467.375	3.402.998.523	3.402.998.523
Other payables	7	-	-	3.672.667	3.672.667
Payables related to employment benefits	17	154.047.373	154.047.373	96.998.039	96.998.039
Total financial liabilities		10.994.843.833	10.994.843.833	9.081.956.613	9.081.956.613
Net		(6.782.627.379)	(6.825.028.119)	(3.626.579.651)	(3.668.311.263)

32. SUBSEQUENT EVENTS

None.

Contact

Smart Solar Technologies Head Office

Rüzgarlıbahçe, Feragat Sk. No: 2,
34805 Beykoz/İstanbul-Türkiye
P +90 (216) 225 72 00
F 0850 225 7209
info@smartsolar.com.tr

Smart Solar Technologies Gebze Solar Panel Production Facility

GOSB Tembelova Alanı, Cadde 3200,
N3207, Gebze/Kocaeli-Türkiye
P +90 (262) 673 71 00
F +90 (262) 673 71 03

Aliğa Integrated Solar Panel Cell Production Facility

Aliğa OSB, Çoraklar Mah., 5024. Sk., No: 10 Aliğa/İzmir-Türkiye
P +90 232 570 53 00
F +90 850 305 06 10

GERMANY

Lerchenweg 3, 40789
Monheim am Rhein, Germany

BULGARIA

35 Nikola Vapstarov
Blvd., 3rd Floor
Sofia, Bulgaria

NETHERLANDS

Rembrandt Tower, Amstelplein 1, 13th floor (unit 13.1), Amsterdam,
Netherlands

SPAIN

C/Alberto Alcocer 28/1A 28036, Madrid, Spain

SWITZERLAND

Maggi Strasse 16,
8046, Zurich,
Switzerland

ROMANIA

30 Alexandru Puskin
Street, Sector 1
Bucharest, Romania

GREECE

Riga Fereou 3,
55134, Thessaloniki,
Greece

UKRAINE

Harmatna Str.
4, Office 3, 03067,
Kyiv, Ukraine

Social Media Accounts

Facebook: /smartgunesteknolojileri
Twitter: /smartgunes
LinkedIn: /smartgunesteknolojileri
Instagram: /smartgunesteknolojileri
YouTube: /smartgunesteknolojileri

www.smartsolar.com.tr



www.smartsolar.com.tr