

**FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ
VE SAVUNMA SANAYİ ANONİM ŞİRKETİ
AND SUBSIDIARIES
ENDING JUNE 30, 2026
CONSOLIDATED INTERIM FINANCIAL
STATEMENTS
AND NOTES**

Eren Bağımsız Denetim A.Ş.
Mustafa Kemal Mah.
Dumlupınar Bulvarı No:266
Tepe Prime İş ve Yaşam
Merkezi B Blok Kat:12
Çankaya/Ankara, Turkey
T : 0 312 219 16 50
F : 0 312 219 16 60
www.grantthornton.com.tr

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi (the "Company") and its subsidiaries (the "Group") as at 30 June 2026, and the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with Turkish Accounting Standard 34 *Interim Financial Reporting* ("TAS 34") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Grant Thornton

Conclusion

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

Ankara, August 6, 2026.



TABLE OF CONTENTS	PAGE
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1-2
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	4
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	5-6
EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	7-41
<i>NOTE-1 GROUP'S ORGANISATION AND NATURE OF OPERATIONS</i>	7-11
<i>NOTE-2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS</i>	11-15
<i>NOTE-3 SEGMENT REPORTING</i>	16-17
<i>NOTE-4 RELATED PARTY DISCLOSURES</i>	18
<i>NOTE-5 CASH AND CASH EQUIVALENTS</i>	18
<i>NOTE-6 FINANCIAL INVESTMENTS</i>	18
<i>NOTE-7 BORROWINGS</i>	19
<i>NOTE-8 TRADE RECEIVABLES AND PAYABLES</i>	20
<i>NOTE-9 OTHER RECEIVABLES AND PAYABLES</i>	21
<i>NOTE-10 EMPLOYEE BENEFIT OBLIGATIONS</i>	21
<i>NOTE-11 INVENTORIES</i>	21
<i>NOTE-12 OTHER CURRENT ASSETS</i>	22
<i>NOTE-13 PREPAID EXPENSES AND DEFERRED INCOME</i>	22
<i>NOTE-14 RIGHT OF USE ASSETS</i>	23
<i>NOTE-15 INVESTMENT PROPERTIES</i>	24
<i>NOTE-16 PROPERTY, PLANT AND EQUIPMENT</i>	25-26
<i>NOTE-17 INTANGIBLE FIXED ASSETS</i>	27
<i>NOTE-18 GOVERNMENT INCENTIVES AND GRANTS</i>	28
<i>NOTE-19 COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES</i>	28
<i>NOTE-20 PROVISIONS</i>	28-29
<i>NOTE-21 PROVISIONS RELATED TO EMPLOYEE BENEFITS</i>	29
<i>NOTE-22 EQUITY</i>	29-30
<i>NOTE-23 REVENUE AND COST OF SALES</i>	30-31
<i>NOTE-24 GENERAL ADMINISTRATIVE EXPENSES</i>	31
<i>NOTE-25 MARKETING, SELLING AND DISTRIBUTION EXPENSES</i>	31
<i>NOTE-26 RESEARCH AND DEVELOPMENT EXPENSES</i>	31
<i>NOTE-27 OTHER OPERATING INCOME AND EXPENSES</i>	32
<i>NOTE-28 INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES</i>	32
<i>NOTE-29 FINANCIAL INCOME AND EXPENSES</i>	32-33
<i>NOTE-30 TAX ASSETS AND LIABILITIES</i>	33
<i>NOTE-31 MONETARY GAIN/(LOSS)</i>	34
<i>NOTE-32 EARNINGS/(LOSS) PER SHARE</i>	34
<i>NOTE-33 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS</i>	35-41
<i>NOTE-34 EVENTS AFTER THE BALANCE SHEET DATE</i>	41

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2026, AND DECEMBER 31, 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

		Reviewed	Audited
		June 30,	December 31,
	Notes	2026	2025
Assets			
Current assets			
Cash and cash equivalents	5	507,062,193	476,581,698
Trade receivables		1,273,953,529	926,507,728
- <i>Trade receivables from third parties</i>	8	1,273,953,529	926,507,728
Other receivables		29,335,372	76,670,671
- <i>Other receivables from third parties</i>	9	29,335,372	76,670,671
Inventories	11	1,910,126,581	1,002,368,801
Prepaid expenses	13	317,288,886	340,902,730
Current income tax assets	30	14,640,996	8,702,822
Other current assets	12	68,945,960	138,124,516
Total current assets		4,121,353,517	2,969,858,966
Non-current assets			
Other receivables		548,068	649,290
- <i>Other receivables from third parties</i>	9	548,068	649,290
Financial investments	6	138,042,216	143,158,660
Right of use assets	14	115,867,049	112,441,391
Investment properties	15	98,938,452	68,438,541
Property, plant and equipment	16	200,576,471	193,052,303
Intangible assets	17	3,661,416,548	3,471,035,864
Prepaid expenses	13	3,524,456	2,452,096
Total non-current assets		4,218,913,260	3,991,228,145
Total assets		8,340,266,777	6,961,087,111

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

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2026, AND DECEMBER 31, 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

		Reviewed	Audited
		June 30,	December 31,
	Notes	2026	2025
Liabilities			
Short term liabilities			
Short-term borrowings	7	366,783,622	490,467,497
Short-term portion of long-term borrowings	7	593,390,936	488,490,331
Short-term leaseings	7	34,967,265	11,426,511
Trade payables		1,108,359,696	727,404,810
- <i>Trade payables to third parties</i>	8	1,108,359,696	727,404,810
Employee benefit obligations	10	210,528,222	81,714,534
Other payables		42,105,431	15,540,653
- <i>Other payables to third parties</i>	9	42,105,431	15,540,653
Deferred income	13	469,387,921	384,555,529
Current income tax liability	30	31,662,202	31,542,162
Short-term provisions		70,193,766	58,894,001
- <i>Provisions for employee benefits</i>	21	65,860,826	54,865,837
- <i>Other short term provisions</i>	20	4,332,940	4,028,164
Other short-term liabilities	12	-	1,688,054
Total short-term liabilities		2,927,379,061	2,291,724,082
Long term liabilities			
Long-term borrowings	7	1,413,223,970	1,042,261,793
Long-term leaseings	7	77,507,123	89,256,359
Trade payables		450,136,885	502,216,202
- <i>Trade payables to third parties</i>	8	450,136,885	502,216,202
Other payables		141,205,830	-
- <i>Other payables to related parties</i>		141,205,830	-
Long-term provisions		76,817,261	66,741,538
- <i>Provisions for employee benefits</i>	21	8,220,502	6,773,881
- <i>Other long term provisions</i>	20	68,596,759	59,967,657
Deferred tax liabilities	30	121,771,387	47,580,647
Total long term liabilities		2,280,662,456	1,748,056,539
Equity			
Equity holders of the parent		3,118,104,679	2,907,814,995
Paid-in capital	22	67,000,000	67,000,000
Adjustment to share capital	22	349,691,863	349,691,863
Share premiums/discounts		712,009,201	712,009,201
Other comprehensive income or expenses not to be reclassified to profit or loss		(48,003,150)	(42,044,274)
- <i>Gains/(losses) on remeasurement of defined benefit plans</i>		(48,003,150)	(42,044,274)
Other comprehensive income or expenses to be reclassified to profit or loss		(94,498)	(3,230,096)
- <i>Foreign currency translation differences</i>		(94,498)	(3,230,096)
Restricted reserves	22	182,999,606	171,032,384
Retained earnings/(losses)		1,641,388,695	(1,089,429,844)
Net profit/(loss) for the period		213,112,962	2,742,785,761
Non-controlling interests		14,120,581	13,491,495
Total equity		3,132,225,260	2,921,306,490
Total Liabilities and Shareholders' Equity		8,340,266,777	6,961,087,111

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

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

		Reviewed January 1 – June 30, 2026	Reviewed January 1 – June 30, 2025	Reviewed April 1 – June 30, 2026	Reviewed April 1 – June 30, 2025
	Notes				
Revenue	23	2,090,356,195	693,469,884	1,029,082,566	349,372,270
Cost of sales (-)	23	(1,612,840,107)	(546,725,863)	(715,139,550)	(290,389,710)
Gross Profit		477,516,088	146,744,021	313,943,016	58,982,560
General administrative expenses (-)	24	(108,539,323)	(55,259,474)	(38,498,958)	(25,326,115)
Marketing, selling and distribution expenses (-)	25	(36,553,479)	(26,788,338)	4,355,361	(13,541,619)
Research and development expenses (-)	26	-	(19,639,461)	269,141	(6,412,230)
Other income from operating activities	27	47,500,615	58,340,962	27,722,111	(9,676,199)
Other operating expenses (-)	27	(73,632,364)	(86,834,351)	(40,785,794)	4,415,693
Operating Profit		306,291,538	16,563,359	267,004,877	8,442,090
Income from investing activities	28	840,767	19,141,336	840,767	(286,474)
Operating Profit before Finance Expenses		307,132,304	35,704,695	267,845,644	8,155,616
Finance income	29	94,977,607	51,978,136	47,329,753	18,198,009
Finance expenses (-)	29	(440,991,019)	(112,818,313)	(232,833,985)	(76,165,274)
Monetary gain/loss (-)	31	336,013,366	(21,884,365)	184,607,596	28,455,293
Loss for the Period from Continuing Operations before Tax		297,132,258	(47,019,847)	266,949,008	(21,356,356)
Tax Income/(Expense)					
- Current tax expense	30	(5,561,722)	(1,806,636)	(5,561,722)	10,134,661
- Deferred tax expense	30	(77,828,488)	(30,824,901)	(58,092,780)	(18,040,139)
Period Loss		213,742,048	(79,651,384)	203,294,506	(29,261,834)
Distribution of Profit/(Loss) for the Period					
Non-controlling interests		629,086	(6,387,806)	475,373	(3,421,537)
Parent company shares		213,112,962	(73,263,578)	202,819,133	(25,840,297)
Earnings per share		3.18	(1.19)	3.03	0.39
OTHER COMPREHENSIVE INCOME					
Items not to be reclassified to profit or loss		(5,958,876)	(887,091)	1,451,994	(37,055)
Gains/(losses) on remeasurement of defined benefit plans		(6,079,353)	(199,160)	1,466,115	-
Taxes on other comprehensive income not to be reclassified to profit or loss		120,477	(687,931)	(14,121)	(37,055)
- Deferred tax income		120,477	(687,931)	(14,121)	(37,055)
Items to be reclassified to profit or loss		3,135,597	3,793,869	(3,312,477)	(395,145)
Foreign currency translation differences		3,135,597	3,793,869	(3,312,477)	(395,145)
Total Other Comprehensive Income		(2,823,279)	2,906,778	(1,860,483)	(432,200)
Total Comprehensive Income		210,918,769	(76,744,606)	201,434,023	(29,694,034)
Breakdown of Total Comprehensive Income/(Expenses)					
Non-controlling interests		629,086	(6,387,806)	475,373	(3,421,537)
Parent company shares		210,289,683	(70,356,800)	200,958,650	(26,272,497)

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

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

				Other comprehensive income not to be reclassified under profit and loss		Other comprehensive income to be reclassified under profit and loss	Retained earnings				
	Paid-in capital	Adjustment to share capital	Premiums related to shares	Gain/(loss) arising from defined benefit plans	Restricted reserves	Currency translation differences	Retained earnings	Net profit/(loss) for the period	Equity holders of the parent	Non controlling interest	Total equity
Balance at January 1, 2025	67,000,000	349,691,863	712,009,201	(199,161)	(740,490)	22,877,738	155,682,831	(126,418,523)	1,179,903,459	9,333,926	1,189,237,385
Transfer	-	-	-	-	-	-	(95,692,564)	95,692,564	-	-	-
Total comprehensive income/(loss)	-	-	-	(687,931)	3,793,869	-	-	(73,263,578)	(70,157,640)	(6,387,805)	(76,545,445)
- Profit/(loss) for the period	-	-	-	-	-	-	-	(73,263,578)	(73,263,578)	-	(73,263,578)
- Other comprehensive income/(expense)	-	-	-	(687,931)	3,793,869	-	-	-	3,105,938	(6,387,805)	(3,281,867)
Balances as of June 30, 2025	67,000,000	349,691,863	712,009,201	(887,092)	3,053,379	22,877,738	59,990,267	(103,989,537)	1,109,745,819	2,946,121	1,112,691,940
Balance at January 1, 2026	67,000,000	349,691,863	712,009,201	(42,044,274)	(3,230,095)	171,032,384	(1,089,429,844)	2,742,785,761	2,907,814,996	13,491,495	2,921,306,491
Transfer	-	-	-	-	-	11,967,222	2,730,818,539	(2,742,785,761)	-	-	-
Total comprehensive income/(loss)	-	-	-	(5,958,876)	3,135,597	-	-	213,112,962	210,289,683	629,086	210,918,769
- Profit/(loss) for the period	-	-	-	-	-	-	-	213,112,962	213,112,962	629,086	213,742,048
- Other comprehensive income/(expense)	-	-	-	(5,958,876)	3,135,597	-	-	-	(2,823,279)	-	(2,823,279)
Balances as of June 30, 2026	67,000,000	349,691,863	712,009,201	(48,003,150)	(94,498)	182,999,606	1,641,388,695	213,112,962	3,118,104,679	14,120,581	3,132,225,260

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

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

	Reviewed	Reviewed
	January 1 –	January 1–
	June 30,	June 30,
	2026	2025
A. CASH FLOWS FROM OPERATING ACTIVITIES	353,247,198	(278,119,027)
Profit/(Loss) for the period	213,742,048	(79,651,384)
- <i>Period gain/(loss) from continuing operations</i>	<i>213,742,048</i>	<i>(79,651,384)</i>
Adjustments to reconcile net profit/(loss) for the period:	498,297,409	131,284,248
Adjustments related to depreciation and amortization expense	65,012,273	40,810,942
Adjustments related to impairment of receivables	(1,274,398)	4,730,529
Adjustments related to provisions	45,077,939	(5,580,122)
- <i>Adjustments related to provisions for employee benefits</i>	<i>26,493,223</i>	<i>(4,884,742)</i>
- <i>Adjustments related to warranty provisions</i>	<i>18,584,716</i>	<i>(695,380)</i>
Adjustments related to interest income and expenses	404,995,131	2,855,755
- <i>Adjustments related to interest income</i>	<i>(21,201,737)</i>	<i>(9,186,808)</i>
- <i>Adjustments related to interest expenses</i>	<i>426,196,868</i>	<i>12,042,563</i>
Adjustments related to tax (income)/expense	74,190,740	30,824,900
Adjustments related to unrealized foreign exchange differences	56,257,323	-
Adjustments related to monetary gain/(loss)	(145,961,599)	57,642,244
Adjustments regarding net profit reconciliation for the period	(347,301,553)	(329,751,891)
(Increase)/decrease in financial investments	5,116,444	1,046,169
(Increase)/decrease in trade receivables	(485,892,653)	355,659,780
- <i>(Increase)/decrease in third parties</i>	<i>(485,892,653)</i>	<i>355,659,780</i>
(Increase)/decrease in other operating receivables	7,843,285	(27,762,987)
- <i>(Increase)/decrease in Related Parties</i>	<i>-</i>	<i>(27,326,781)</i>
- <i>(Increase)/decrease in third parties</i>	<i>7,843,285</i>	<i>(436,206)</i>
(Increase)/decrease in inventories	(907,757,780)	(241,331,541)
(Increase)/decrease in prepaid expenses	18,090,502	(84,873,891)
(Increase)/decrease in other operating assets	48,348,800	(38,595,343)
(Increase)/decrease in other operating liabilities	(1,433,488)	-
(Increase)/decrease in trade payables	514,307,573	(297,852,470)
- <i>(Increase)/decrease in third parties</i>	<i>514,307,573</i>	<i>(297,852,470)</i>
(Increase)/decrease in other payables	141,205,830	-
- <i>(Increase)/decrease in related parties</i>	<i>141,205,830</i>	<i>-</i>
Increase/(decrease) in employee benefit obligations	141,136,582	7,165,655
(Increase)/decrease in other operating payables	28,908,374	1,915,421
- <i>(Increase)/decrease in third parties</i>	<i>28,908,374</i>	<i>1,915,421</i>
(Increase)/decrease in deferred income	142,824,978	(5,122,684)
Cash Flows from operating activities	364,737,904	(278,119,027)
Payments within the scope of provisions for employee benefits	(11,490,706)	-

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

	Reviewed	Reviewed
	January 1 –	January 1–
	June 30,	June 30,
	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES	(266,342,765)	(167,989,045)
Cash outflows from sale of property, plant and equipment and intangible assets	(267,463,511)	(208,655,916)
- <i>Cash outflows from sale of property, plant, and equipment</i>	(63,622,752)	(45,866,850)
- <i>Cash changes from capitalised investments</i>	(203,840,759)	(162,789,066)
Cash inflows from sale of property, plant and equipment and intangible assets	1,120,746	40,666,871
- <i>Cash inflows from sale of property, plant, and equipment</i>	1,120,746	40,666,871
CASH FLOWS FROM FINANCING ACTIVITIES	39,463,682	461,203,438
Cash inflows from borrowings	1,918,448,766	598,816,725
Cash outflows from borrowings	(1,271,083,557)	(62,290,147)
Interest paid	(629,103,264)	(84,509,948)
Interest received	21,201,737	9,186,808
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES	126,368,115	15,095,366
EFFECT OF CURRENCY TRANSLATION DIFFERENCES	3,135,597	3,793,869
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	129,503,712	18,889,235
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	476,581,698	163,456,655
Effects of inflation on cash	(99,023,217)	(31,029,326)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	507,062,193	151,316,564

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

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS

Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi and its subsidiaries will be referred to as the “Group” in the notes to the consolidated financial statements. Information regarding the operations of the companies included in the consolidation is as follows;

Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi (“Parent Company” or the “Company”)

Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi was established on May 03, 2006 in Ankara/Turkey with the title “Forte Bilgi ve İletişim Teknolojileri Sanayi ve Ticaret Anonim Şirketi” and changed its title on September 24, 2021. The main field of activity of the Company is to purchase and sell all kinds of electronic data processing and communication machines and to provide technical support for related products; also to produce and develop application software, database, operating system software, productivity enhancing software, to carry out R&D activities related to these, and to provide installation and technical support for them. The Company carries out its R&D activities at its branch office located at Hacettepe University Teknokent.

The shares of Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi started to be traded on Borsa Istanbul Main Market with the code “FORTE” and continuous trading method as of June 14, 2023.

The Group's software projects as of March 31, 2026 are as follows;

- Factory Production Management System Project
- Integrated Logistics Support System
- SMarch Project Portfolio Management and Analysis Systems
- Interactive Technical Documentation System Viewer
- Interactive Technical Documentation System Editor
- Unmanned Aerial Vehicle Management Information System
- Azerbaijan Personnel and Logistics Management Information System
- Artificial Intelligence Assistant
- Crowdfunding Platform System

As of June 30, 2026, the Company's average number of personnel is 822. (December 31, 2025:76).

The capital structure of the Company as of June 30, 2026 and December 31, 2025 is presented in Note 22.

As of the report date, the Company's head office address is as follows,

Mustafa Kemal Mahallesi, 2123 Caddesi, Cepa Sitesi Alışveriş Merkezi No: 2/501, Çankaya/Ankara.

As of the date of this report, the Company has 7 branches in Hacettepe Teknokent, Erzurum, Adana, Denizli, Gaziantep, İstanbul and Trabzon.

Milsoft Yazılım Teknolojileri Anonim Şirketi (“Milsoft” or “the Company”)

Milsoft Yazılım Teknolojileri A.Ş., is a 100% Turkish company that was established in 1998 to operate in the fields of system integration and software development, and continues its activities within the defense industry sector.

It was acquired by Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi A.Ş. on July 1, 2025.

As of June 30, 2026, the Company’s software projects are as follows:

- Turkish Armed Forces Cloud Computing System Project – Migration Activities
- PiriMap vol,4
- Information Customs Platform Project
- IKIZ Phase-3 Additional Capabilities Development Project
- Mil-CDS

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS (CONTINUED)

Milsoft Yazılım Teknolojileri Anonim Şirketi (“Milsoft” or “the Company”)(Continued)

- Tactical Data Links Product Line (DLP PL) Vol,4
- JETS (Joint Electronic Warfare Training System) - JETSIM (Joint Electronic Warfare Training Simulator) Laboratory Qatar Project
- Battalion and Below Command and Control System
- Development Project for Wheeled Unmanned Ground Vehicle
- HvBS – NATO ACCS Integration Project
- Early Warning Radar Systems (EIRS) Product Family Radar Control and Integration Subsystem (RKEAS) Software Development Project
- Turkuaz PL V,4
- Basic RadNet Modernization Project
- MilSOFT Data Distribution Service (MilDDS)
- SIPER TVLS
- HAKIM Command and Control System Project – Tactical Data Link Project
- Intelligence Functional Services (INTEL-FS) Spiral 2 and BMD Functions in NATO INTEL-FS
- MilSOFT Data Distribution Service (MilDDS) (50-152-I,1)
- Mil-CDS (50-434-I)
- Mil-ILS (10-040-I)
- Turkuaz Infrastructure Support Software Project V,4 (30-005-I,4)
- CMS PL Combat Management System (10-037-I,3)

The shareholding structure of Milsoft as of June 30, 2026 and December 31, 2025 is as follows:

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (TRY)	Share Ratio (%)	Share Amount (TRY)
Shareholders				
Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi A.Ş.	100	100,000,000	100	100,000,000
Total	100	100,000,000	100	100,000,000

As of June 30, 2026, the average number of personnel of the Company is 229.(December 31, 2025: 211).

The registered address of the Company is İhsan Doğramacı Bulvarı Üniversiteler Mahallesi No: 25 Teknokent -ODTÜ Ankara/Türkiye.

ELD Bilişim Sanayi Ticaret Anonim Şirketi (“ELD Bilişim” or the “Company”)

ELD Bilişim Sanayi Ticaret Anonim Şirketi was established on April 5, 2018 in Ankara / Turkey and its main field of activity is to provide services to public institutions and defense industry in the fields of system integration and software development.

ELD Bilişim's software projects as of June 30, 2026 are as follows;

- Material Coding and Integrated Logistics Information System
- Electronic Documentation Software (Eldok Project)
- Customer Relationship Management Software (Crm Project)
- Network Management System (FornetPlan)
- Organization Information System
- Integrated Logistics Support Artificial Intelligence Assistant

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS (CONTINUED)

ELD Bilişim Sanayi Ticaret Anonim Şirketi (“ELD Bilişim” or the “Company”) (Continued)

As of June 30, 2026, the average number of personnel of ELD Bilişim is 35. (December 31, 2025: 36).

The shareholding structure of ELD Bilişim as of June 30, 2026 and December 31, 2025 is as follows;

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (TRY)	Share Ratio (%)	Share Amount (TRY)
Shareholders				
Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi	100	10,000,000	100	10,000,000
Total	100	10,000,000	100	10,000,000

The head office address of ELD Bilişim is Üniversiteler Mahallesi, 1596. Cadde, Hacettepe Teknokent Sitesi, 5th R&D B Blok No:8 B/9 Çankaya/Ankara.

Forte Kitle Fonlama Platformu Anonim Şirketi (“Forte Kitle Fonlama” or “Company”)

Forte Kitle Fonlama Platform Incorporated Company will be incorporated on April 3, 2023, following the receipt of the Company's incorporation permit, as published in the Capital Markets Board's weekly bulletin dated February 23, 2023 and numbered 2023/12. It was established in Ankara/Turkey and its main activity is to act as an intermediary in equity-based crowdfunding activities and to operate a crowdfunding platform in accordance with Article 5, paragraph 1, subparagraph d of the “Communiqué on Crowdfunding” published by the Capital Markets Board in the Official Gazette dated October 27, 2021 and numbered 31641.

As of June 30, 2026, Forte Kitle Fonlama 's average number of personnel is 2. (December 31, 2025: 2).

The shareholding structure of Forte Kitle Fonlama as of June 30, 2026 and December 31, 2025 is as follows;

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (TRY)	Share Ratio (%)	Share Amount (TRY)
Shareholders				
Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi	100	30,000,000	100	30,000,000
Total	100	30,000,000	100	30,000,000

Forte Kitle Fonlama 's headquarters address is Mustafa Kemal Mahallesi, 2123 Caddesi, Cepa Sitesi Shopping Center No: 2/501, Çankaya/Ankara.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS (CONTINUED)

Forips B.V. (“Forips B.V.” or “Company”)

Forips B.V. (“the Company”) was established on September 6, 2023 in Eindhoven/Netherlands under the name “Forips B.V.”.

Forips B.V.'s field of activity is to carry out the marketing, promotion and sales activities of technology and software products that have already been produced in the European market and whose research and development processes are ongoing.

As of June 30, 2026, the Company has no personnel. (December 31, 2025: None.)

The shareholding structure of Forips B.V. as of June 30, 2026 and December 31, 2025 is as follows;

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (EUR)	Share Ratio (%)	Share Amount (EUR)
Shareholders				
ELD Bilişim Sanayi Ticaret Anonim Şirketi	100	100	100	100
Total	100	100	100	100

The registered address of the Company is Kastanjelaan 400, 5616 LZ, Eindhoven/Netherlands.

Cetwell Bilgi Teknolojileri ve Ziraî Sistemler Danışmanlık Hizmetleri İthalat İhracat Sanayi Ticaret Limited Şirketi (“Cetwell” or “Company”)

Cetwell Bilgi Teknolojileri ve Ziraî Sistemler Danışmanlık Hizmetleri İthalat İhracat Sanayi Ticaret Limited Şirketi (“the Company”) was established on March 7, 2018.

The Company's field of activity is the software, development, production, marketing, export and import of all kinds of agricultural systems and agricultural technologies.

As of June 30, 2026, the average number of personnel of the Company is 6. (December 31, 2025: 18).

The shareholding structure of Cetwell as of June 30, 2026 and December 31, 2025 is as follows;

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (TRY)	Share Ratio (%)	Share Amount (TRY)
Shareholders				
Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi	51	765,000	51	765,000
Erdoğan Elpe	49	735,000	49	735,000
Total	100	1,500,000	100	1,500,000

The registered address of the Company is Acıdere OSB Mahallesi, Gürgeç Sokak, No:5/1, Sarıçam/Adana.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS (CONTINUED)

Techfor Bilişim Teknolojileri ve Üretim İmalat Sanayi Anonim Şirketi (“Techfor” or “Company”)

Techfor (“the Company”) was established on November 8, 2024 in Çankaya/Ankara with the title “Techfor Bilişim Teknolojileri Anonim Şirketi” and changed its title on February 6, 2025.

The Company's field of activity is to purchase, sell and market all kinds of electronic data processing and communication machines and related devices and parts and to operate in the field of informatics.

As of June 30, 2026, the Company has no personnel. (December 31, 2025: None.)

The shareholding structure of Techfor as of June 30, 2026 and December 31, 2025 is as follows;

	June 30, 2026		December 31, 2025	
	Share Ratio (%)	Share Amount (TRY)	Share Ratio (%)	Share Amount (TRY)
Shareholders				
Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi Anonim Şirketi	100	1,000,000	100	1,000,000
Total	100	1,000,000	100	1,000,000

The registered address of the Company is Acıdere OSB Mahallesi, Gürgen Sokak, No:5/1, Sarıçam/Adana.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

Financial reporting standards

The condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”), including the related interpretations, as issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”) and in compliance with the principles set forth in the Communiqué No. II-14.1 “Principles of Financial Reporting in Capital Markets” published in the Official Gazette dated June 13, 2013 and numbered 28676 by the Capital Markets Board of Turkey. TFRS are aligned with the International Financial Reporting Standards (“IFRS”) and are updated through communiqués to ensure parallelism with amendments to IFRS.

The condensed interim consolidated financial statements have been presented in accordance with the formats specified in the “Announcement on TFRS Taxonomy” published by the POA on July 3, 2024 and the Financial Statement Examples and User Guide issued by the Capital Markets Board of Turkey.

The Group has prepared its condensed consolidated interim financial statements for the three-month period ended June 30, 2026 in accordance with TAS 34 “Interim Financial Reporting”. Condensed interim consolidated financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as of December 31, 2025.

Subsidiaries operating in foreign countries prepare their statutory financial statements in accordance with the applicable laws and regulations of the countries in which they operate. The condensed consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, contingent liabilities and financial investments measured at fair value.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Financial reporting in hyperinflationary economy

Pursuant to the decision of the Capital Markets Board of Turkey dated December 28, 2023 and numbered 81/1820, it has been resolved that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards shall apply inflation accounting in accordance with IAS 29 “Financial Reporting in Hyperinflationary Economies”, starting from their annual financial reports for the reporting periods ending as of December 31, 2023.

In this context, the Group has prepared its consolidated financial statements as of and for the interim period ended June 30, 2026 by applying IAS 29, based on the aforementioned CMB decision, the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (“POA”) on November 23, 2023, and the “Application Guidance on Financial Reporting in Hyperinflationary Economies” published by the POA.

In accordance with 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 reporting date. Comparative financial statements are also restated in terms of the current measurement unit at the end of the reporting period. Accordingly, the Group has presented its consolidated financial statements as of June 30, 2026 and December 31, 2025 in terms of the purchasing power as of June 30, 2026.

Restatements in accordance with IAS 29 have been made using the adjustment coefficients derived from the Consumer Price Index (“CPI”) in Turkey published by the Turkish Statistical Institute. As of June 30, 2026, the indices and adjustment coefficients used in the restatement of the condensed interim consolidated financial statements are as follows::

	Index(*)	Conversion Factor	Three-year Inflation Rate
June 30, 2026	129.99	1.00000	%206
December 31, 2025	110.39	1.17758	%211
June 30, 2025	98.40	1.32109	%220

(*) As of 2026, the Turkish Statistical Institute (“TurkStat”) has updated the base year to 2025=100. Accordingly, index values previously reported using different reference years and scaling have been revised based on the new base year. For comparability purposes, historical data have also been adjusted to the same base year.

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 IAS 36 “Impairment of Assets” and IAS 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 (Note 31).

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.3 Summary of Significant Accounting Policies

The condensed consolidated financial statements for the interim period ended March 31, 2026, have been prepared in accordance with IAS 34, Interim Financial Reporting. The significant accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those disclosed in detail in the consolidated financial statements as at December 31, 2025. Consequently, the interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2025.

2.4 Changes in Accounting Estimates and Errors

Changes in accounting estimates are applied prospectively: if the change relates to a single period, it is recognized in the current period; if it affects future periods, it is recognized both in the period of the change and in future periods. Material accounting errors identified are applied retrospectively, and prior period financial statements are restated. No changes in accounting estimates or errors were identified during the preparation of the consolidated financial statements as of December 31, 2025.

2.5 Comparative Information and Restatement of Prior Period Financial Statements

To enable the assessment of the Group’s consolidated financial position and performance, the consolidated financial statements are prepared on a comparative basis. Comparative information is reclassified where necessary to ensure consistency with the presentation of the current period consolidated financial statements, and significant differences are disclosed.

2.6 New and amended standards and interpretations

a) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

- Amendments to TAS 21 - Lack of exchangeability

The amendments did not have a significant impact on the financial position or performance of the Group.

b) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

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

The Group will assess the effects of the aforementioned amendments once the relevant standards are finalized.

TFRS 17- The new Standard for insurance contracts

The mentioned standard is not applicable to the Group.

TFRS 18 – New Presentation and Disclosure in Financial Statements Standard

The effects of the aforementioned standard on the Group’s financial position and performance are being assessed.

TFRS 19- New Subsidiaries without Public Accountability: Disclosures Standard

The mentioned standard is not applicable to the Group.

TMS 21 – Translation to a Hyperinflationary Presentation Currency

The effects of the aforementioned standard on the Group’s financial position and performance are being assessed.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.7 Full consolidation method

Full consolidation method

Companies in which the Parent Company directly or indirectly holds 50% or more of the shares, has voting rights exceeding 50%, or has control over their operations are accounted for using the full consolidation method. Control is considered to exist when the Parent Company has the right to determine the financial and operating policies of the entity for its own benefit. Companies in which the Parent Company has a continuing involvement in management and decision-making, and/or has direct or indirect equity and management relationships, or holds 20% or more but less than 50% of the shares, or has the right to participate in management to that extent, are accounted for using the equity method.

The principles applied in the full consolidation method are as follows:

- The accounting policies applied by the companies included in the consolidation have been brought into line with the accounting policies of the Company.
- The acquisition cost of the shares owned by the Company in the equity of its subsidiaries within the scope of consolidation has been offset from the value represented by these shares in the equity of the subsidiaries' balance sheets brought into line with the accounting policies of the Company.
- The balance sheet items other than the paid-in capital and equity capital of the Company and subsidiaries on the date of acquisition have been added up and in the total transaction, the receivables and payables of the partnerships subject to the consolidation method from each other have been mutually deducted.
- The amounts corresponding to the shares other than the parent company and subsidiaries from all equity account group items including the paid-in/issued capital of the subsidiaries within the scope of consolidation have been deducted and shown in the "Non-Controlling Interests" account in the consolidated balance sheet.
- The shares of the Company owned by the subsidiaries within the scope of consolidation have been mutually discounted with the capital of the Company.
- The profit or loss statement items of the Company and the subsidiaries have been collected separately and the income and expense items arising from their transactions with each other have been mutually offset with the relevant accounts. In the collection of the profit or loss statement items for the subsidiaries acquired during the accounting period, the events that occurred after the date the subsidiaries were acquired have been taken into account (excluding business combinations subject to joint control).
- The portion of the net profit or loss of the subsidiaries within the scope of consolidation that corresponds to the shares other than the partnerships subject to the consolidation method has been shown in the “Non-Controlling Interests” account.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Full consolidation method (Continued)

As of June 30, 2026, the companies in which the Parent Company directly or indirectly owns 50% or more of the shares or has more than 50% of the voting rights or has control over their activities and which are subject to the "full consolidation method" are as follows;

	Parent Company's Share Ratio in Subsidiary		Non-Parent Equity
	(Direct)	(Direct + Indirect)	Share
ELD Bilişim Sanayi Ticaret Anonim Şirketi	%100.00	%100.00	%0.00
Forte Kitle Fonlama Platformu Anonim Şirketi	%100.00	%100.00	%0.00
Forips B.V.	-	%100.00	%0.00
Cetwell	%51.00	%51.00	%49.00
Techfor	%100.00	%100.00	%0.00
Milsoft	%100.00	%100.00	%0.00

As of December 31,2025, the companies in which the Parent Company directly or indirectly owns 50% or more of the shares or has more than 50% of the voting rights or has control over their activities and which are subject to the "full consolidation method" are as follows;

	Parent Company's Share Ratio in Subsidiary		Non-Parent Equity
	(Direct)	(Direct + Indirect)	Share
ELD Bilişim Sanayi Ticaret Anonim Şirketi	%100.00	%100.00	%0.00
Forte Kitle Fonlama Platformu Anonim Şirketi	%100.00	%100.00	%0.00
Forips B.V.	-	%100.00	%0.00
Cetwell	%51.00	%51.00	%49.00
Techfor	%100.00	%100.00	%0.00
Milsoft	%100.00	%100.00	%0.00

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 3 – SEGMENT REPORTING

The Group operates in the same geographical region in the “Commercial Activities” (“Hardware”), “Software Activities”, “Crowdfunding Activities” and “Agricultural (Service Sector) Activities” sectors during the accounting period ending on June 30, 2026 (January 1 - December 31, 2025: “Commercial Activities” (“Hardware”), “Software Activities” and “Crowdfunding Activities”). For this reason, segment reporting is based on these sectors. The Group’s service revenues that are not included in the scope of software and crowdfunding activities are reported in the “Commercial Activities” section.

As of June 30, 2026, the consolidated statement of financial position by segments is as follows;

	Commercial Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Elimination	Total
Trade receivables	1,062,638,010	241,897,917	5,400,000	35,659,715	(71,642,113)	1,273,953,529
Inventories	1,524,163,089	331,411,058	-	54,552,434	-	1,910,126,581
Tangible fixed assets	152,010,752	37,027,515	-	12,045,274	(507,070)	200,576,471
Intangible fixed assets	447,558,672	3,215,003,328	139,251	6,423,514	(7,708,217)	3,661,416,548
Prepaid expenses	288,355,033	12,199,891	3,097,102	17,161,316	-	320,813,342
Other assets	1,775,818,714	192,480,065	19,138,602	18,236,842	(1,032,293,917)	973,380,306
Total Assets	5,250,544,270	4,030,019,774	27,774,955	144,079,095	(1,112,151,317)	8,340,266,777
Financial liabilities	2,029,396,467	451,917,913	-	4,558,536	-	2,485,872,916
Trade payables	1,084,488,560	705,982,386	598,265	97,972,019	(189,338,819)	1,699,702,411
Deferred revenues	408,651,977	60,735,944	-	-	-	469,387,921
Other debts and liabilities	530,433,026	324,109,506	809,733	12,808,391	(315,082,387)	553,078,269
Total Liabilities	4,052,970,030	1,542,745,749	1,407,998	115,338,946	(504,421,206)	5,208,041,517
Paid-in capital	68,000,000	110,004,502	30,000,000	1,500,000	(142,504,502)	67,000,000
Other equity	1,129,574,240	2,377,269,525	(3,633,043)	27,240,147	(465,225,609)	3,065,225,260
Total Equity	1,197,574,240	2,487,274,027	26,366,957	28,740,147	(607,730,111)	3,132,225,260
Total Liabilities	5,250,544,270	4,030,019,776	27,774,955	144,079,093	(1,112,151,317)	8,340,266,777

As of December 31, 2025, the consolidated financial position statement by segments is as follows;

	Commercial Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Elimination	Total
Trade receivables	633,897,873	253,756,868	4,239,305	42,267,242	(7,653,560)	926,507,728
Inventories	676,125,983	274,144,367	-	52,098,451	-	1,002,368,801
Tangible fixed assets	160,544,228	16,853,168	-	15,654,907	-	193,052,303
Intangible fixed assets	437,133,145	3,026,914,757	179,038	6,808,924	-	3,471,035,864
Prepaid expenses	316,234,045	11,561,793	3,585,274	11,973,714	-	343,354,826
Other assets	2,161,791,019	318,055,268	25,695,877	27,555,357	(1,508,329,932)	1,024,767,589
Total Assets	4,385,726,293	3,901,286,221	33,699,494	156,358,595	(1,515,983,492)	6,961,087,111
Financial liabilities	1,590,338,604	529,105,379	-	2,458,508	-	2,121,902,491
Trade payables	1,165,263,524	665,817,642	99,840	111,808,165	(713,368,159)	1,229,621,012
Deferred revenues	344,870,297	39,685,318	-	(86)	-	384,555,529
Other debts and liabilities	170,046,928	243,178,909	1,246,590	14,623,194	(125,394,032)	303,701,589
Total Liabilities	3,270,519,353	1,477,787,248	1,346,430	128,889,781	(838,762,191)	4,039,780,621
Paid-in capital	68,000,000	130,715,286	35,327,541	1,766,377	(168,809,204)	67,000,000
Other equity	1,047,206,941	2,300,466,757	(2,974,475)	25,702,437	(516,095,170)	2,854,306,490
Total Equity	1,115,206,941	2,431,182,043	32,353,066	27,468,814	(684,904,374)	2,921,306,490
Total Liabilities	4,385,726,294	3,908,969,291	33,699,496	156,358,595	(1,523,666,565)	6,961,087,111

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at June 30, 2026 unless otherwise indicated.)

NOTE 3– SEGMENT REPORTING (CONTINUED)

The consolidated profit or loss statement for the accounting period ending on June 30, 2026 is reported by segments as follows;

	Commercial Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Elimination	Total
Revenue	1,916,634,476	831,681,087	1,520,845	31,525,283	(691,005,496)	2,090,356,195
Cost of sales	(1,671,915,369)	(605,273,377)	-	(22,091,715)	686,440,354	(1,612,840,107)
General administrative expenses	(38,522,673)	(81,462,239)	(2,789,181)	(7,988,355)	22,223,124	(108,539,324)
Marketing expenses	(27,109,099)	(9,585,282)	-	-	140,902	(36,553,479)
Other income/(expenses) from operating activities, net	(38,391,290)	10,915,571	(2,788)	1,330,243	16,515	(26,131,749)
Income/(expenses) from investing activities, net	840,767	-	-	-	-	840,767
Financing income/(expenses), net	(150,731,910)	(193,999,036)	69,411	(863,586)	(488,292)	(346,013,413)
Monetary gain/(loss), net	145,610,551	95,841,591	(4,814,536)	4,532,950	94,842,810	336,013,366
Current tax expense	(5,139,945)	(289,816)	-	(131,961)	-	(5,561,722)
Deferred tax (expense)/income, net	(67,038,297)	(5,817,239)	56,060	(5,029,012)	-	(77,828,488)
Profit / (loss) for the period, net	64,237,211	42,011,260	(5,960,189)	1,283,847	112,169,919	213,742,048

The depreciation and amortisation expense for the accounting period ended June 30, 2026 is reported by segments as follows;

	Trading Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Total
Depreciation of Property, Plant and Equipment	8,750,388	3,985,615	-	2,488,886	15,224,889
Amortisation of Intangible Assets	8,686,365	4,348,533	39,786	385,411	13,460,095
Right-of-Use Assets	9,559,401	26,535,727	-	232,161	36,327,289
Total	26,996,154	34,869,875	39,786	3,106,458	65,012,273

The consolidated profit or loss statement for the accounting period ending on June 30, 2025 is reported by segments as follows;

	Commercial Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Elimination	Total
Revenue	659,390,913	34,485,333	87,542	3,827,690	(4,321,594)	693,469,884
Cost of sales	(521,222,153)	(1,921,242)	-	(13,717,275)	(9,865,193)	(546,725,863)
General administrative expenses	(62,230,990)	(22,014,343)	(3,096,852)	(7,231,254)	39,313,965	(55,259,474)
Marketing expenses	(15,533,865)	(7,301,307)	-	-	(3,953,166)	(26,788,338)
Research and development expenses	-	(19,500,236)	-	-	(139,225)	(19,639,461)
Other income/(expenses) from operating activities, net	(36,681,168)	(163,633)	(2,694)	8,150,892	203,214	(28,493,389)
Income/(expenses) from investing activities, net	16,851,601	386,617	-	-	1,903,118	19,141,336
Financing income/(expenses), net	(57,195,254)	(2,723,820)	86,224	(620,709)	(386,618)	(60,840,177)
Monetary gain/(loss), net	(143,767,406)	19,106,293	(2,011,659)	(372,311)	105,160,718	(21,884,365)
Current tax expense	(1,806,636)	-	-	-	-	(1,806,636)
Deferred tax (expense)/income, net	(30,236,183)	(2,966,873)	23,862	(3,073,370)	5,427,663	(30,824,901)
Profit / (loss) for the period, net	(192,431,141)	(2,613,211)	(4,913,577)	(13,036,337)	133,342,882	(79,651,384)

The depreciation and amortisation expense for the accounting period ended June 30, 2025 is reported by segments as follows;

	Trading Activities	Software Activities	Crowdfunding Activities	Agricultural Activities	Total
Depreciation of Property, Plant and Equipment	16,365,323	438,983	-	2,161,536	18,965,842
Amortisation of Intangible Assets	1,129,543	25,671,173	149,408	-	26,950,124
Right-of-Use Assets	7,815,046	-	-	-	7,815,046
Total	25,309,912	26,110,156	149,408	2,161,536	53,731,012

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 4 – RELATED PARTIES DISCLOSURES

i)Payables to Related Parties

The details of long-term other payables to related parties are as follows:

	June 30, 2026	December 31, 2025
Ebubekir Balıkcı	141,205,830	-
Total	141,205,830	-

The details of remuneration and other benefits provided to senior executives are as follows:

	January 1- June 30, 2026	January 1- December 31, 2025
Benefits provided to senior executives	2,400,000	17,905,413
Total	2,400,000	17,905,413

The Group has defined senior executives as the Members of the Board of Directors, along with the Directors of General Management, Finance, Software, Sales, Marketing, and Technical Services.

NOTE 5 – CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of June 30,2026 and December 31,2025 are as follows:

	June 30, 2026	December 31, 2025
Cash on hand	1,315,321	376,107
Cash on bank	505,746,872	476,205,591
- Demand deposits	410,680,376	35,050,177
- Term deposits	95,066,496	441,155,414
Total	507,062,193	476,581,698

As of June 30,2026, the Group has no blocked deposits. (December 31, 2025: None.)

NOTE 6 – FINANCIAL INVESTMENTS

The details of financial investments as of June 30, 2026 and December 31, 2025 are as follows:

Long-term financial investments

	June 30, 2026	December 31, 2025
Venture capital investment funds (*)	138,042,216	143,158,660
Total	138,042,216	143,158,660

(*) Long-term financial investments arise from the long-term fund purchases acquired by the Group within the scope of the “Regulation on Amendments to the Implementation and Supervision Regulation on Supporting Research, Development and Design Activities No. 5746”.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 7 – BORROWINGS

The details of short-term financial debts as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Short-term bank loans	363,552,280	488,864,112
Short-term financial lease debts	34,967,265	11,426,511
Other financial debts (*)	3,231,342	1,603,385
Total	401,750,887	501,894,008

(*) Other financial liabilities consist of the company's credit card payables.

The detail of the current portion of long-term financial liabilities as of June 30, 2026 and December 31, 2025 is as follows:

	June 30, 2026	December 31, 2025
Current portion of long-term borrowings	593,390,936	488,490,331
Total	593,390,936	488,490,331

The details of long-term financial debts as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Long-term financial lease debts	77,507,123	89,256,359
Long-term bank loans	1,413,223,970	1,042,261,793
Total	1,490,731,093	1,131,518,152

The maturity analysis of financial debts as of June 30, 2026 and December 31, 2025 is as follows:

	June 30, 2026	December 31, 2025
Payables due within 0 – 1 year	995,141,822	990,384,339
Payables due within 1 – 5 years	1,490,731,094	1,131,518,152
Total	2,485,872,916	2,121,902,491

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 8 – TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables

As of June 30, 2026 and December 31,2025 the Group's short-term trade receivables are as follows:

	June 30, 2026	December 31, 2025
Trade receivables	1,273,953,529	919,842,598
Notes receivable	-	6,665,130
Doubtful trade receivables	897,147	2,557,178
Provision for doubtful trade receivables (-)	(897,147)	(2,557,178)
Total	1,273,953,529	926,507,728

The maturity of the Group's trade receivables varies from customer to customer and is between 30 and 120 days on average.

Short-term trade payables

As of June 30, 2026 and December 31,2025, the Group's short-term trade payables are as follows:

	June 30, 2026	December 31, 2025
Trade payables	1,108,359,696	689,847,867
Notes payable	-	37,556,943
Total	1,108,359,696	727,404,810

The maturity of the Group's trade payables varies from supplier to supplier and is between 30 and 120 days on average.

Long-term trade payables

As of June 30, 2026 and December 31,2025, the Group's short-term trade payables are as follows:

	June 30, 2026	December 31, 2025
Notes Payable (*)	450,136,885	502,216,202
Trade Payables to Related Parties	141,205,830	-
Total	591,342,715	502,216,202

(*) Relates to the amount payable to SSTEK Savunma Sanayi Teknolojileri A.Ş. arising from the Milsoft acquisition.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 9 - OTHER RECEIVABLES AND PAYABLES

As of June 30, 2026 and December 31, 2025, the Group's other short-term receivables are as follows:

	June 30, 2026	December 31, 2025
Income accruals from trading activities	28,195,446	66,096,072
Other receivables	1,139,926	10,574,599
Total	29,335,372	76,670,671

As of June 30, 2026 and December 31, 2025, the Group's other long-term receivables are as follows:

	June 30, 2026	December 31, 2025
Deposits and guarantees given	548,068	649,290
Total	548,068	649,290

As of June 30, 2026 and December 31, 2025 the Group's other short-term payables are as follows:

	June 30, 2026	December 31, 2025
Taxes and funds payable	41,916,635	14,599,926
Other	188,796	940,727
Total	42,105,431	15,540,653

NOTE 10 – EMPLOYEE BENEFIT OBLIGATIONS

As of June 30, 2026 and December 31, 2025, the payables within the scope of employee benefits are as follows:

	June 30, 2026	December 31, 2025
Payables to personnel	145,770,535	63,933,280
Social security payables	64,757,687	17,781,254
Total	210,528,222	81,714,534

NOTE 11 – INVENTORIES

The details of the inventories as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Commercial goods (*)	1,539,097,972	688,628,717
Raw materials and supplies	750,000	883,189
Other stocks(**)	370,278,609	312,856,895
Total	1,910,126,581	1,002,368,801

(*) Commercial goods primarily consist of inventory items related to contracts made by the Group with its customers, typically hardware stock. As of June 30, 2026, TRY 424,831,042 of the relevant inventory is held in the Group's own warehouse, while the remaining inventory consists of stock held at the customers' premises as part of ongoing projects, due to the nature of the Group's operations (December 31, 2025: TRY 619,471,738).

(**) Software project stocks consist of the costs of software projects that are being built on order.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 12 – OTHER CURRENT ASSETS

As of June 30, 2026 and December 31, 2025, the details of other current assets and liabilities are as follows:

	June 30, 2026	December 31, 2025
Carryforward VAT	68,945,960	133,867,379
VAT deductible	-	4,257,137
Total	68,945,960	138,124,516

	June 30, 2026	December 31, 2025
Other Short-Term Liabilities		
Accrued VAT	-	1,688,054
Total	-	1,688,054

NOTE 13 – PREPAID EXPENSES AND DEFERRED REVENUES

As of June 30, 2026 and December 31, 2025, short-term prepaid expenses are as follows:

	June 30, 2026	December 31, 2025
Order advances given(*)	286,337,496	313,839,850
Expenses for following months	25,072,638	15,192,940
Business advances given to personnel	5,878,752	11,869,940
Total	317,288,886	340,902,730

(*) Advances received on orders relate to payments received by the company for upcoming period projects.

As of June 30, 2026 and December 31, 2025, long-term prepaid expenses are as follows:

	June 30, 2026	December 31, 2025
Expenses for following years	2,160,456	549,120
Order advances given	1,364,000	1,902,976
Total	3,524,456	2,452,096

As of June 30, 2026 and December 31, 2025, short-term deferred revenues are as follows:

	June 30, 2026	December 31, 2025
Order advances received (*)	424,727,442	332,530,847
Revenues for following years	44,660,479	52,024,682
Total	469,387,921	384,555,529

(*) Advances received on orders relate to payments the company has received for upcoming period projects.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 14 – RIGHT OF USE ASSETS

The right of use asset movement table for the year ending June 30, 2026 is as follows:

	January 1, 2026	Additions	June 30, 2026
Cost			
Buildings	136,214,259	39,752,947	175,967,206
Machinery, plant and equipment	4,643,226	-	4,643,226
Total	140,857,485	39,752,947	180,610,432
Depreciation			
Buildings	28,405,371	36,095,128	64,500,499
Machinery, plant and equipment	10,723	232,161	242,884
Total	28,416,094	36,327,289	64,743,383
Net Book Value	112,441,391		115,867,049

The right of use asset movement table for the year ending December 31, 2025 is as follows:

	January 1, 2025	Additions	Disposals	Business Combination Effect	December 31, 2025
Cost					
Buildings	34,229,678	23,478,196	(26,151,026)	104,657,411	136,214,259
Machinery, plant and equipment	1,286,575	-	-	3,356,651	4,643,226
Vehicles	18,772,987	-	(18,772,987)	-	-
Total	54,289,240	23,478,196	(44,924,013)	108,014,062	140,857,485
Depreciation					
Buildings	23,552,229	7,199,244	(20,807,672)	18,461,570	28,405,371
Machinery, plant and equipment	10,723	-	-	-	10,723
Vehicles	18,620,574	-	(18,620,574)	-	-
Total	42,183,526	7,199,244	(39,428,246)	18,461,570	28,416,094
Net Book Value	12,105,714				112,441,391

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 15 – INVESTMENT PROPERTIES

The details and movement tables of investment properties as of June 30, 2026 and December 31, 2025 are as follows:

	January 1, 2026	IAS 29 Effect of Inflation	June 30, 2026
Cost			
Land	68,438,541	30,499,911	98,938,452
Total	68,438,541	30,499,911	98,938,452

	January 1, 2025	Additions	Impairment	December 31, 2025
Cost				
Land	83,939,051	14,999,402	(30,499,912)	68,438,541
Total	83,939,051	14,999,402	(30,499,912)	68,438,541

As of June 30, 2026 and December 31, 2025, the Group's investment properties are shown in the accompanying consolidated financial statements using the fair value method. There is no restriction on the transfer of income from investment properties to the Group. The appraisal values of the Group's investment properties were calculated by a company listed in the CMB's real estate appraisal companies list as of December 31, 2025. The fair values of the Group's real estate properties were determined using the market approach and cost approach methods, which are estimated to be the most accurate method for determining the fair value of the relevant property. The positive difference (increase in value) between the amount resulting from the valuation and the book value of the relevant investment properties is reported in the “Income from investment activities” account item in the profit or loss statement, and the negative difference (decrease in value) between the amount resulting from the valuation and the book value of the relevant investment properties is reported in the “Expenses from investment activities” account item in the profit or loss statement.

The Group’s fair value hierarchy for the investment properties subject to expert valuation and the assets in question is Level 2, and there has been no transition between Level 1 and Level 2 in the current period.

As of June 30, 2026 and December 31, 2025, there are no mortgages on the relevant properties.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 16 – PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment as of June 30, 2026 are as follows:

	January 1, 2026	Additions	Disposals (-)	June 30, 2026
Cost				
Machinery, plant and equipment	18,292,719	5,192,719	-	23,485,438
Motor vehicles	216,436,334	-	(3,363,270)	213,073,064
Fixed assets	223,258,416	17,451,875	-	240,710,291
Investment in progress	15,144,942	-	-	15,144,942
Special costs	181,445,455	1,225,212	-	182,670,667
Total	654,577,866	23,869,806	(3,363,270)	675,084,402
Accumulated Depreciation				
Machinery, plant and equipment	17,301,340	176,083	-	17,477,423
Motor vehicles	66,569,257	9,861,489	(2,242,521)	74,188,225
Fixed assets	202,685,657	4,326,415	-	207,012,072
Special costs	174,969,309	860,902	-	175,830,211
Total	461,525,563	15,224,889	(2,242,521)	474,507,931
Net Book Value	193,052,303			200,576,471

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 16 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The movements of tangible fixed assets as of December 31,2025 are as follows:

	January 1, 2025	Additions	Disposals (-)	Business combination effect	December 31, 2025
Cost					
Machinery, plant and equipment	36,264	651,297	-	17,605,158	18,292,719
Motor vehicles	174,014,392	11,652,850	(2,182,206)	32,951,298	216,436,334
Fixed assets	33,528,134	1,332,882	(224,006)	188,621,406	223,258,416
Investment in progress	-	15,144,942	-	-	15,144,942
Special costs	14,789,458	801,173	(220,023)	166,074,847	181,445,455
Total	222,368,248	29,583,144	(2,626,235)	405,252,709	654,577,866
Accumulated Depreciation					
Machinery, plant and equipment	3,023	34,629	-	17,263,688	17,301,340
Motor vehicles	16,522,039	22,228,096	(1,091,103)	28,910,225	66,569,257
Fixed assets	20,214,943	3,067,598	(110,728)	179,513,844	202,685,657
Special costs	9,367,451	1,390,928	(971,053)	165,181,983	174,969,309
Total	46,107,456	26,721,251	(2,172,884)	390,869,740	461,525,563
Net Book Value	176,260,792				193,052,303

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 17 – INTANGIBLE FIXED ASSETS

The intangible asset movement table for the year ending June 30, 2026 is as follows:

	January 1, 2026	Additions	June 30, 2026
Cost			
Rights	65,414,701	777,612	66,192,313
Research and development expenses (*)	3,530,337,104	203,063,147	3,733,400,251
Total	3,595,751,805	203,840,759	3,799,592,564
Accumulated depreciation			
Rights	64,320,023	947,671	65,267,694
Research and development expenses	60,395,918	12,512,404	72,908,322
Total	124,715,941	13,460,075	138,176,016
Net Book Value	3,471,035,864		3,661,416,548

(*) Capitalized research and development expenses consist of the costs of software projects that the Group does not execute on a commissioned basis. The related costs mainly consist of personnel costs working for the relevant Project.

The intangible asset movement table for the year ending December 31, 2025 is as follows:

	January 1, 2025	Additions	Effect of business combination	December 31, 2025
Cost				
Rights	4,626,275	-	60,788,426	65,414,701
Research and development expenses (*)	528,403,829	240,149,064	2,761,784,211	3,530,337,104
Total	533,030,104	240,149,064	2,822,572,637	3,595,751,805
Accumulated depreciation				
Rights	2,009,315	1,608,380	60,702,328	64,320,023
Research and development expenses	35,092,292	25,303,626	-	60,395,918
Total	37,101,607	26,912,006	60,702,328	124,715,941
Net Book Value	495,928,497			3,471,035,864

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 18 – GOVERNMENT INCENTIVES AND GRANTS

The details of the incentives obtained by the Group are as follows;

a) The Group's software projects are approved by the relevant official institutions and the Group obtains certain tax incentives after approval. The rights of the Group due to these incentives are as follows:

- Incentives within the scope of the Technology Development Zones Law (100% Corporate Tax exemption),
- Incentives within the scope of the Research and Development Law (Social Security Institution incentives etc.),

The Group's income to be obtained as a result of research and development activities is exempt from corporate tax in accordance with the provisional second article of the Technology Development Zones Law No, 4691, "Income earned by the managing companies within the scope of this law and income and corporate taxpayers operating in the region, exclusively from software and R&D activities in this region, are exempt from income and corporate tax until 31 December 2028".

In addition, within the scope of the same law; the Group's personnel income and stamp duty incentive amount for the accounting period ending on June 30, 2026 is TRY 92,152,602 (December 31, 2025: TRY 205,483,825).

b) The Group benefits from the incentive in accordance with the "Social Insurance and General Health Insurance Law No, 5510 and 5746" of the Social Security Institution of the Republic of Turkey. In this context; the incentive amount obtained by the Group for the accounting period ending on June 30, 2026 is TRY 28,623,962 (December 31, 2025: TRY 60,714,600).

c) Since the Parent Company's shares are offered to the public at a rate of at least 20% for the first time to be traded on the Borsa Istanbul Equity Market, a 2 point discount is applied to corporate income for 5 accounting periods, starting from the accounting period in which the Parent Company's shares are offered to the public for the first time (2023).

NOTE 19 – COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

As of June 30, 2026 and December 31, 2025, the table regarding the collateral, pledge, mortgage and surety (“CPMS”) positions given by the Group is as follows:

	June 30, 2026	December 31, 2025
A, Total amount of pledges given on behalf of its own legal entity		
- <i>Guarantee letter (TRY)</i>	29,685,900	1,165,850,934
- <i>Guarantee letter (USD)</i>	59,165,684	292,982,301
- <i>Guarantee letter (EUR)</i>	20,554,633	-
- <i>Guarantee note (TRY)</i>	-	955,158,221
- <i>Guarantee note (USD)</i>	72,460,699	-
- <i>Pledge (TRY)</i>	252,000	-
Total	182,118,916	2,413,991,456

NOTE 20 – PROVISIONS

As of June 30, 2026 and December 31, 2025, short-term provisions are as follows:

	June 30, 2026	December 31, 2025
Warranty expense provision	4,231,440	3,908,639
Provisions for lawsuits	101,500	119,525
Total	4,332,940	4,028,164

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 20 – PROVISIONS (CONTINUED)

As of June 30, 2026 and December 31, 2025, long-term provisions are as follows:

	June 30, 2026	December 31, 2025
Warranty expense provision	68,596,759	59,967,657
Total	68,596,759	59,967,657

NOTE 21 – PROVISIONS RELATED TO EMPLOYEE BENEFITS

Provisions for short-term benefits provided to employees as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Provision for unused vacation	65,860,826	54,865,837
Total	65,860,826	54,865,837

Provisions for long-term employee benefits as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Severance pay provisions	8,220,502	6,773,881
Total	8,220,502	6,773,881

As of June 30, 2026, severance pay provision is calculated based on 30 days' wages, with a maximum of TRY 64,948.77 for each year of service, and using the rates on the retirement or separation date. (December 31, 2025: TRY 64,948.77).

The Group has reflected the severance pay liability calculated by reducing it to the balance sheet date using the expected inflation rate and real rediscount rate based on the principles stated above in its consolidated financial statements for the periods ending on June 30, 2026 and December 31, 2025.

NOTE 22 – EQUITY**Equity**

As of June 30, 2026, the capital of the Parent Company consists of 67,000,000 shares, each with a value of 1 TRY (December 31, 2025: 67,000,000 shares).

The capital structure of the Parent Company as of June 30, 2026 and December 31, 2025 is as follows:

	June 30, 2026		December 31, 2025	
	Share Amount	Partnership Share %	Share Amount	Partnership Share %
Shareholders				
Ali Celal Asiltürk	18,563,790	28%	18,900,000	28%
Hasan Cengiz Bayrak	16,200,000	24%	16,200,000	24%
Ebubekir Balıkcı	8,659,103	13%	9,900,000	15%
Public ownership	23,577,107	35%	22,000,000	33%
Total	67,000,000	100%	67,000,000	100%
Capital adjustment differences	349,691,863		349,691,863	
Total	416,691,863		416,691,863	

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 22 – EQUITY (CONTINUED)**Equity (Continued)**

The Parent Company has adopted the registered capital system in accordance with the provisions of the Capital Markets Law No. 6362, and based on the Capital Markets Board's resolution dated 17 February 2022 and numbered 8/212, and the letter dated March 14, 2022 and numbered E-29833736-110.03.03-18555, the transition to the registered capital system was registered on March 31, 2022. The Parent Company's registered capital ceiling is TRY 225,000,000, divided into 225,000,000 shares with a nominal value of TRY 1 each. The permission granted by the Capital Markets Board regarding the registered capital ceiling is valid for a period of 5 years, covering the years 2022 to 2026.

Forte Bilgi İletişim Teknolojileri ve Savunma Sanayi A.Ş., upon receiving approvals from the Capital Markets Board of the Republic of Türkiye and Borsa İstanbul A.Ş., increased its issued capital from TRY 45,000,000 to TRY 67,000,000 within the registered capital ceiling of TRY 225,000,000. The newly issued shares, representing a nominal capital increase of TRY 22,000,000, were offered to the public on 8–9 June 2023 at a price of TRY 12.12 per share, with pre-emptive rights of the existing shareholders completely restricted. The Parent Company's shares started trading on Borsa İstanbul's Main Market under the ticker symbol “FORTE” using the continuous trading method as of 14 June 2023.

The capital increase from TRY 45,000,000 to TRY 67,000,000 was registered on 23 June 2023.

As of June 30, 2026, the historical values and inflation adjustment effects of the following accounts under the Group's equity are presented below in accordance with TFRS and Tax Procedure Law (VUK) financial statements:

June 30, 2026 (TFRS)	Historical value	Inflation adjustment effect	Indexed value
Capital	67,000,000	349,691,863	416,691,863
Restricted reserves allocated from profits	25,674,431	157,325,175	182,999,606

June 30, 2026 (VUK)	Historical value	Inflation adjustment effect	Indexed value
Capital	67,000,000	208,010,670	275,010,670
Restricted reserves allocated from profits	4,569,146	11,999,099	16,568,245

NOTE 23 – REVENUE AND COST OF SALES

Sales and cost of sales as of June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1 – June 30, 2025	April 1 – June 30, 2026	April 1 – June 30, 2025
Domestic sales	2,079,977,872	722,489,108	1,035,876,320	384,380,465
International sales	5,095,691	2,422,508	347,132	-
Other sales	10,320,646	4,235,573	(2,223,052)	669,110
Gross sales	2,095,394,209	729,147,189	1,034,000,400	385,049,575
Cost of sales	(5,038,014)	(35,677,305)	(4,917,834)	(35,677,305)
Gross profit	2,090,356,195	693,469,884	1,029,082,566	349,372,270

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 23 – REVENUE AND COST OF SALES (CONTINUED)

The cost of sales for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Cost of goods sold	(1,004,764,232)	(374,063,709)	(676,363,526)	(205,178,250)
Depreciation and Amortisation	(47,152,939)	(10,955,349)	(47,152,939)	(80,323,274)
Cost of service sold	(560,922,936)	(161,706,805)	8,376,915	(4,888,186)
Total	(1,612,840,107)	(546,725,863)	(697,280,216)	(290,389,710)

NOTE 24 – GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Personnel expenses	(41,168,564)	(17,588,054)	(18,172,597)	(4,385,390)
Consultancy service expenses	(19,574,396)	(12,631,288)	(9,741,266)	(6,720,048)
Office overhead expenses	(4,018,973)	(8,952,183)	(3,683,953)	(8,487,105)
Depreciation and amortization expenses	(17,859,334)	(6,262,964)	4,542,593	(2,794,483)
Taxes, duties and fees	(9,720,581)	(2,622,162)	(6,204,776)	(1,212,314)
Representation and hospitality expenses	(4,947,473)	(2,217,469)	(2,854,190)	(1,413,151)
Vehicle expenses	(7,548,062)	(1,244,667)	(406,494)	(118,693)
Stationery and printing expenses	(972,809)	(1,181,332)	(380,161)	(689,558)
Notary expenses	(841,769)	(965,745)	(506,750)	(485,805)
Maintenance and Repair Expenses	(182,685)	(273,813)	(182,685)	(273,813)
Other expenses	(1,704,677)	(1,319,797)	(908,679)	1,254,245
Total	(108,539,323)	(55,259,474)	(38,498,958)	(25,326,115)

NOTE 25 – MARKETING, SALES AND DISTRIBUTION EXPENSES

Marketing, sales and distribution expenses for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Taxes, duties and fees	(24,615,265)	(10,284,614)	7,083,485	(5,798,707)
Personnel expenses	(8,395,455)	(9,893,144)	(2,601,724)	(5,206,821)
Representation and hospitality expenses	(3,182,647)	(1,336,283)	(1,820,229)	(1,763,870)
Depreciation and amortization	-	(3,953,166)	-	375,455
Other expenses	(360,112)	(1,321,131)	1,693,829	(1,147,676)
Total	(36,553,479)	(26,788,338)	4,355,361	(13,541,619)

NOTE 26 – RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Depreciation and amortization expenses	-	(19,639,461)	269,141	(6,412,230)
Total	-	(19,639,461)	269,141	(6,412,230)

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 27 – OTHER OPERATING INCOME AND EXPENSES

Other income from main activities for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Foreign exchange gains from trade activities	21,659,440	11,180,806	2,153,403	(427,142)
Government grant income	19,762,745	-	19,762,745	-
Rediscount income	-	41,107,731	-	(9,689,274)
Provisions no longer required	1,363,712	4,730,529	1,363,712	(656,570)
Intercompany interest income	-	386,617	-	386,617
Other income	4,714,718	935,279	4,442,251	710,170
Total	47,500,615	58,340,962	27,722,111	(9,676,199)

Other expenses from main activities for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Training and consultancy expenses	(28,865,430)	(39,140,142)	(19,714)	(7,719,581)
Rediscount income	-	(30,529,442)	-	5,942,292
Exchange rate difference expense from commercial activities	(14,533,001)	(7,719,581)	(11,999,474)	(1,684,816)
Prior period expenses and losses	(27,178,517)	(7,368,260)	(25,989,561)	-
Provision expenses	(928,202)	-	(649,832)	-
Other expenses	(2,127,214)	(2,076,926)	(2,127,213)	7,877,798
Total	(73,632,364)	(86,834,351)	(40,785,794)	4,415,693

NOTE 28 – INCOME FROM INVESTMENT ACTIVITIES

Income from investment activities for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Gains on sale of marketable securities	840,767	18,010,577	840,767	(1,417,233)
Gain on sale of property, plant and equipment	-	1,130,759	-	1,130,759
Total	840,767	19,141,336	840,767	(286,474)

NOTE 29 – FINANCIAL INCOME AND EXPENSES

The finance income for the years ending June 30, 2026 and 2025 is as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Interest income	52,392,829	9,186,808	28,863,219	6,722,794
Exchange rate difference income	42,584,778	42,791,328	18,466,534	11,475,215
Total	94,977,607	51,978,136	47,329,753	18,198,009

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 29 – FINANCIAL INCOME AND EXPENSES (CONTINUED)

Financing expenses for the years ending June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1– June 30, 2025	April 1 – June 30, 2026	April 1– June 30, 2025
Loan interest expenses	(352,134,589)	(84,509,948)	(200,656,299)	(64,560,770)
Exchange rate difference expenses	(88,856,430)	(28,308,365)	(32,177,686)	(11,604,504)
Total	(440,991,019)	(112,818,313)	(232,833,985)	(76,165,274)

NOTE 30 – TAX ASSETS AND LIABILITIES

Deferred tax

Turkish tax legislation does not allow the parent company to file a tax return on the financial statements where the subsidiaries are consolidated. For this reason, the tax liabilities reflected in these consolidated financial statements are calculated separately for all companies included in the scope of consolidation.

In Turkey, the corporate tax rate as of June 30, 2026 is 25% (December 31, 2025: 25%), The corporate tax rate is applied to the net corporate income that will be found by adding expenses that are not deductible according to tax laws to the commercial income of the institutions and deducting the exemptions and discounts included in the tax laws.

The details of the accumulated temporary differences and deferred tax assets and liabilities as of the consolidated financial position statement dates, prepared using the tax rates specified above, are as follows:

	June 30, 2026	December 31, 2025
	(Asset)/ Liability	(Asset)/ Liability
Adjustments related to trade receivables and payables	(211,982)	615,998
Adjustments related to inventories	(69,916,639)	(17,435,073)
Adjustments related to prepaid expenses	(679,166)	8,544,254
Adjustments related to tangible, intangible fixed assets and investment properties	(104,873,374)	(78,138,789)
Adjustments related to right of use assets and lease obligations	303,302	(612,394)
Adjustments related to accrued loan interest	25,240,941	28,640,078
Adjustments related to deferred income	4,905,900	(8,238,728)
Adjustments related to leave provisions	5,773,349	2,941,895
Adjustments related to warranty provisions	18,207,050	15,969,074
Adjustments related to seniority provisions	906,540	1,287,264
Other adjustments	(1,427,308)	(1,154,226)
Deferred tax (asset)/liability, net	(121,771,387)	(47,580,647)

Tax income/expense for the years ending on June 30, 2026 and 2025 are as follows:

	January 1 – June 30, 2026	January 1 – June 30, 2025	April 1 – June 30, 2026	April 1 – June 30, 2025
Current tax (expense)	(5,561,722)	(1,806,636)	(5,561,722)	10,134,661
Deferred tax (expense)/income	(77,828,488)	(30,824,901)	(58,092,780)	(18,040,139)
Tax income/(expense)	(83,390,210)	(32,631,537)	(63,654,502)	(7,905,478)

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 31 – MONETARY GAIN/(LOSS)

	January 1 – June 30, 2026	January 1 – June 30, 2025	April 1 – June 30, 2026	April 1 – June 30, 2025
Non-monetary items				
Statement of financial position items	356,584,554	(7,048,957)	188,267,613	4,206,163
Inventories	211,038,242	26,729,037	148,736,764	(3,677,017)
Advances	(8,493,840)	-	(4,940,828)	-
Prepaid Expenses	7,279	8,500	(10,116)	(2,482,423)
Right-of-Use Assets	31,268,087	4,217,056	1,151,949	3,338,587
Property, Plant and Equipment	41,743,507	24,495,272	(905,994)	29,287,814
Intangible Assets	158,289,304	63,967,797	66,590,829	62,806,089
Deferred Income	-	(350,372)	-	2,441,158
Paid-in Capital	-	-	54,486,981	3,795,190
Share Premiums / Discounts	-	(51,229,868)	24,993,248	(18,454,764)
Restricted Reserves Allocated from Profit	(19,748,763)	-	(3,849,417)	2,106,108
Retained Earnings / Accumulated Losses	(57,519,262)	(74,886,379)	(97,985,803)	(74,954,579)
Statement of profit or loss items	(20,571,188)	(14,835,408)	(3,660,017)	24,249,130
Revenue	(88,506,599)	(35,765,583)	(78,298,688)	(138,281,183)
Cost of sales	81,064,846	16,969,904	67,011,094	70,471,222
General administrative expenses	7,866,005	1,177,389	6,056,570	24,372,400
Research and Development Expenses (-)	-	-	(6,006)	-
Marketing Expenses	4,479,942	3,420,497	2,702,170	46,401,597
Other income/expenses from operating activities	(2,185)	(1,280,909)	(13,195)	(11,899,362)
Financing income/expenses	(25,473,197)	643,294	(1,111,962)	33,184,456
Net monetary position gains/(losses)	336,013,366	(21,884,365)	184,607,596	28,455,293

NOTE 32 – EARNINGS/(LOSS) PER SHARE

Earnings per share stated in the consolidated profit and loss statements are determined by dividing net profit by the weighted average number of shares outstanding in the relevant period.

Companies may increase their capital by distributing shares from accumulated profits to existing shareholders in proportion to their shares (“Free Shares”). When calculating earnings per share, this issuance of free shares is counted as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issuance of shares free of charge retroactively.

Earnings per share are as follows:

	June 30, 2026	December 31, 2025
Average number of shares outstanding during the period (full value)	67,000,000	67,000,000
Net profit attributable to parent company shareholders	213,112,962	(79,651,383)
Earnings per share	3.18	(1.19)

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

The Group may be exposed to the following risks depending on the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

Risk management framework

The Group’s Board of Directors has overall responsibility for determining and overseeing the risk management framework. The Board of Directors has established a Risk Management Committee responsible for developing and monitoring the Group’s risk management policies. The Committee reports its activities regularly to the Board.

The Group’s risk management policies are designed to identify and analyse risks, determine appropriate risk limits and establish controls, and monitor risks and their adherence to limits. Risk management policies and systems are regularly reviewed to reflect changes in the Group’s activities and market conditions. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities through training and management standards and procedures.

Credit risk

Credit risk arises from the failure of a customer or counterparty to fulfil the terms of a contract relating to financial instruments, and primarily constitutes the credit risk of financial losses that may arise from the Group’s trade receivables and investments in debt securities. The book values of financial assets indicate the maximum credit risk exposure. The Group’s financial instruments that may cause significant credit risk concentrations consist primarily of cash and trade receivables. The Group has cash and cash equivalents in various financial institutions. The Group manages this risk by limiting transactions with financial institutions and continuously evaluating the reliability of these institutions. The credit risk that may arise from trade receivables is limited due to the Group management’s limited credit amount applied to customers. Trade receivables are evaluated by the Group management by taking into account past experiences and current economic conditions and are shown net in the balance sheet after the provision for doubtful receivables is separated

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

	Receivables				
	Trade receivables		Other receivables		Deposits in banks
June 30, 2026	Related party	Third party	Related party	Third party	
Maximum exposed credit risk as of reporting date (A+B+C+D+E)	-	1,273,953,529	-	29,883,440	505,746,872
- Secured portion of the maximum credit risk by guarantees, etc	-	-	-	-	-
A, Net book value of financial assets that are not past due or impaired	-	1,273,953,529	-	29,883,440	505,746,872
B, Book value of financial assets whose terms have been renegotiated and would otherwise be considered past due or impaired	-	-	-	-	-
C, Net book value of assets that are past due but not impaired	-	-	-	-	-
- Part secured by collateral etc,	-	-	-	-	-
D, Net book value of assets that are impaired	-	-	-	-	-
- Past due (gross book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
E, Off-balance sheet items containing credit	-	-	-	-	-

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

	Receivables				
	Trade receivables		Other receivables		Deposits in
December 31, 2025	Related party	Third party	Related party	Third party	banks
Maximum exposed credit risk as of reporting date (A+B+C+D+E)	-	926,507,728	-	76,670,671	476,205,591
- Secured portion of the maximum credit risk by guarantees, etc	-	-	-	-	-
A, Net book value of financial assets that are not past due or impaired	-	926,507,728	-	76,670,671	476,205,591
B, Book value of financial assets whose terms have been renegotiated and would otherwise be considered past due or impaired	-	-	-	-	-
C, Net book value of assets that are past due but not impaired	-	-	-	-	-
- Part secured by collateral etc,	-	-	-	-	-
D, Net book value of assets that are impaired	-	-	-	-	-
- Past due (gross book value)	-	2,813,975	-	-	-
- Impairment (-)	-	(2,813,975)	-	-	-
- Not past due (gross book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
E, Off-balance sheet items containing credit	-	-	-	-	-

Liquidity risk

Liquidity risk is the possibility that the Group will not fulfill its net funding obligations. Liquidity risk occurs when events such as market disruptions or credit score reductions result in a decrease in funding sources. The Group management manages liquidity risk by distributing funding sources and maintaining sufficient cash and similar resources to fulfill its current and potential obligations.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

The tables showing the Group’s liquidity risk as of June 30, 2026 are as follows:

Maturities under the contract	Net book value	Total contractual cash outflows (=I+II+III)	Less than 3 months (I)	Between 3 and 12 months (II)	Between 1 and 5 years (III)
Non-Derivative Financial Liabilities					
Financial liabilities	2,373,398,528	2,766,785,945	692,543,386	505,287,567	1,568,954,992
Lease liabilities	112,474,388	274,202,145	26,165,363	73,565,638	174,471,144
Total	2,485,872,916	3,040,988,090	718,708,749	578,853,205	1,743,426,136
Expected maturities	Net book value	Total expected cash outflows by maturity (=I+II+III)	Less than 3 months (I)	Between 3 and 12 months (II)	Between 1 and 5 years (III)
Non-Derivative Financial Liabilities					
Trade payables	1,699,702,411	1,699,702,411	-	1,699,702,411	-
Other payables	42,105,431	42,105,431	-	42,105,431	-
Total	1,741,807,842	1,741,807,842	-	1,741,807,842	-

The tables showing the Group’s liquidity risk as of December 31, 2025 are as follows:

Maturities under the contract	Net book value	Total contractual cash outflows (=I+II+III)	Less than 3 months (I)	Between 3 and 12 months (II)	Between 1 and 5 years (III)
Non-Derivative Financial Liabilities					
Financial liabilities	2,021,219,621	2,658,292,744	197,841,754	1,903,245,448	557,205,542
Lease liabilities	100,682,870	223,832,930	12,965,769	38,897,311	171,969,850
Total	2,121,902,491	2,882,125,674	210,807,523	1,942,142,759	729,175,392
Expected maturities	Net book value	Total expected cash outflows by maturity (=I+II+III)	Less than 3 months (I)	Between 3 and 12 months (II)	Between 1 and 5 years (III)
Non-Derivative Financial Liabilities					
Trade payables	1,229,621,012	1,229,621,012	-	1,229,621,012	-
Other payables	15,540,653	15,540,653	-	15,540,653	-
Total	1,245,161,665	1,245,161,665	-	1,245,161,665	-

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Capital Risk Management

When managing capital, the Group’s objectives are to provide returns to its shareholders, benefit other stakeholders, ensure the continuity of the Group’s operations, and maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital management using the debt-to-equity ratio. This ratio is calculated by dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total borrowings (including both short-term and long-term liabilities as presented in the statement of financial position). Cash and cash equivalents comprise the total of cash, cash equivalents, and foreign exchange-protected deposits accounted for under short-term financial investments. Total capital is calculated as the sum of equity and net debt, as presented in the statement of financial position.

As of June 30, 2026 and December 31, 2025, the net debt / total capital ratio is as follows:

	June 30, 2026	December 31, 2025
Borrowings	2,373,398,527	2,021,219,621
Lease liabilities	112,474,388	100,682,870
Cash and cash equivalents (-)	(507,062,193)	(476,581,698)
Net debt	1,978,810,722	1,645,320,793
Total equity	3,132,225,259	2,921,306,489
Total capital	5,111,035,982	4,566,627,283
Net debt / total capital ratio	0.39	0.36

Operational risk

Operational risk refers to direct and indirect risks that may arise from various reasons such as the Company's processes, employees, technology and infrastructure, in addition to external risks such as credit, market and liquidity, and risks arising from the obligations of legal regulators. Operational risk consists of the Company's activities.

The Company manages operational risk in order to avoid financial losses. In this context, the Company has determined internal processes and controls on the following issues;

- Appropriate task allocation, including independent authorization of transactions,
- Reconciliation and control of transactions,
- Compliance with legal and other regulatory obligations,
- Documentation of transactions and controls,
- Periodic assessment of operational risks encountered and adequacy of controls and procedures established to meet identified risks,
- Reporting of operational losses and compensatory recommendations and actions,
- Development of contingency plans,
- Training and professional development,
- Ethics and business standards,
- Risk reduction measures, including insurance in areas where they may be effective,

Market risk

Market risk is the risk that changes in the money market, such as exchange rates and interest rates, will affect the Company's income or the value of its financial assets. Market risk management aims to optimize returns while controlling market risk exposure within acceptable limits.

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31, 2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Exchange rate risk

The Group is exposed to exchange rate risk due to sales, purchases and liabilities in currencies different from the functional currencies of the Group companies. The main currencies used in these transactions are the Euro and the US Dollar.

	June 30, 2026		
	TRY		
	Equivalent	USD	EUR
1. Trade receivables	220,864,886	2,741,546	1,755,211
2. Cash and cash equivalents	94,763,889	1,984,471	44,037
3. Other assets	1,392,306,725	27,382,847	2,203,171
4. Current assets (1+2+3)	1,707,935,499	32,108,864	4,002,419
5. Total assets	1,707,935,499	32,108,864	4,002,419
6. Trade payables	(867,269,071)	(17,488,252)	(993,828)
7. Financial borrowings	(274,848,353)	(5,901,237)	-
8. Other	(243,478,641)	(5,009,055)	(191,827)
9. Short-term liabilities (6+7+8)	(1,385,596,064)	(28,398,544)	(1,185,655)
10. Total liabilities	(1,385,596,064)	(28,398,544)	(1,185,655)
Total (5+10)	322,339,435	3,710,320	2,816,763

	December 31, 2025		
	TRY		
	Equivalent	USD	EUR
1. Trade receivables	389,049,984	8,549,829	451,947
2. Cash and cash equivalents	167,397,729	3,268,213	544,265
3. Other assets	47,847,936	1,070,273	39,600
4. Current assets (1+2+3)	604,295,649	12,888,315	1,035,812
5. Total assets	604,295,649	12,888,315	1,035,812
6. Trade payables	272,599,258	6,352,262	8,594
7. Financial borrowings	98,527,261	2,299,583	-
8. Other	11,024,508	214,590	36,397
9. Short-term liabilities (6+7+8)	382,151,027	8,866,435	44,991
10. Financial borrowings	486,419,069	7,773,174	3,050,000
11. Other	426,314,716	9,950,000	-
12. Long-term liabilities (10+11)	912,733,785	17,723,174	3,050,000
13. Total liabilities	1,294,884,812	26,589,609	3,094,991
Total (5+13)	(690,589,163)	(13,701,294)	(2,059,179)

FORTE BİLGİ İLETİŞİM TEKNOLOJİLERİ VE SAVUNMA SANAYİ ANONİM ŞİRKETİ AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026, AND 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at March 31,2026 unless otherwise indicated.)

NOTE 33 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Exchange rate risk (Continued)

	Interest Rate Sensitivity Analysis	
	2026	
	Profit/(Loss)	
	Foreign currency appreciation	Foreign currency depreciation
In case of 10% change of USD against TRY		
1- USD net asset/liability	17,280,704	(17,280,704)
2- Portion protected from USD risk (-)	-	-
3- USD net effect (1+2)	17,280,704	(17,280,704)
In case of 10% change of Euro against TRY		
4- EUR net asset/liability	14,953,239	(14,953,239)
5- Portion protected from EUR risk (-)	-	-
6- EUR net effect (4+5)	14,953,239	(14,953,239)
Total (3+6)	32,233,944	(32,233,944)

	Interest Rate Sensitivity Analysis	
	2025	
	Profit/(Loss)	
	Foreign currency appreciation	Foreign currency depreciation
In case of 10% change of USD against TRY		
1- USD net asset/liability	(5,870,415)	5,870,415
2- Portion protected from USD risk (-)	-	-
3- USD net effect (1+2)	(5,870,415)	5,870,415
In case of 10% change of Euro against TRY		
4- EUR net asset/liability	(1,035,477)	1,035,477
5- Portion protected from EUR risk (-)	-	-
6- EUR net effect (4+5)	(1,035,477)	1,035,477
Total (3+6)	(6,905,892)	6,905,892

NOTE 34 – EVENTS AFTER BALANCE SHEET DATE