



Smart 
GÜNEŞ TEKNOLOJİLERİ

INVESTOR PRESENTATION

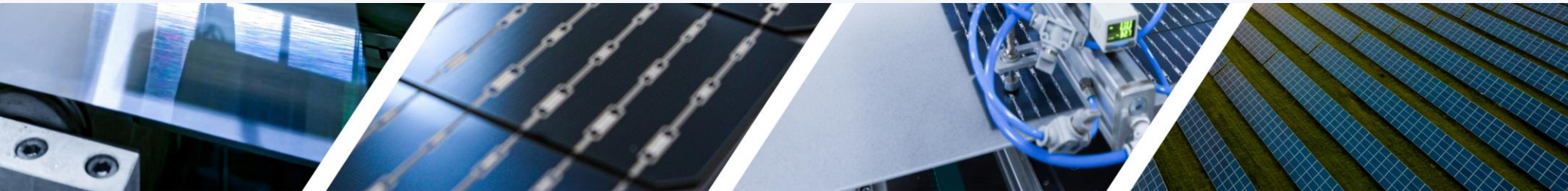
SMART GÜNEŞ TEKNOLOJİLERİ
AR-GE ÜRETİM SAN. Ve TİC. A.Ş.

NOVEMBER 2022



Smart 
GÜNEŞ TEKNOLOJİLERİ

SMART GÜNEŞ OVERVIEW



Company Overview

Smart Güneş operates in the fields of PV panel production and EPC.

- ❖ The company, which has been operating in the fields of PV solar panel production and engineering and projecting (EPC) since 2014, with the aim of providing end-to-end service in the rapidly growing solar energy sector
- ❖ EPC competency fed by the management team's GES investing experience
- ❖ Value engineering focused project development approach



- 23,410 m2 production area and 1,200 MW PV panel production capacity in Gebze.
- 10.000 m2 workplace/factory building area and 500 MW PV panel production capacity in Dilovası
- Aliğa I 50.000 m2 closed area within a 50,000 m2 land area
- Aliğa II 58,309 m2 land area and over 50,000 m2 closed area



International strategic partnerships



Export to 18+ countries



Strong R&D capacity



48% Female Employee Ratio



EPC Projects with a total capacity of 368.50 MWp between 2018-2022/09



Within the scope of the credit rating process carried out by JCR Eurasia, our long-term national rating is A+ Stable Outlook and our short-term national rating is J1 Stable Outlook, at high investment grade.

Our most valuable asset
agile person
is our resource



800+ Employees



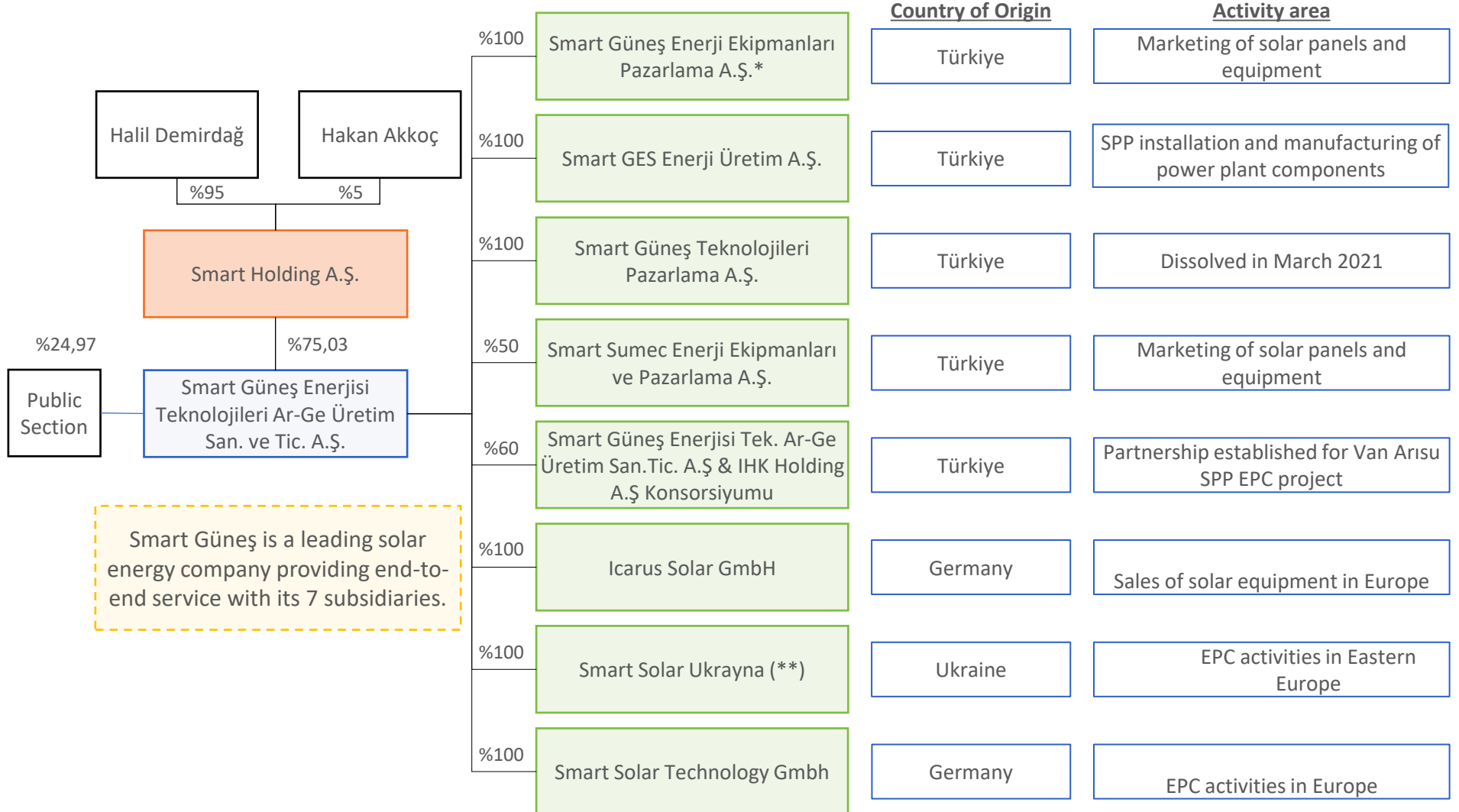
100+ Engineering and Basic Sciences



241 White Collar

Smart Güneş Corporate Structure

Smart Güneş has 7 subsidiaries in three different countries.

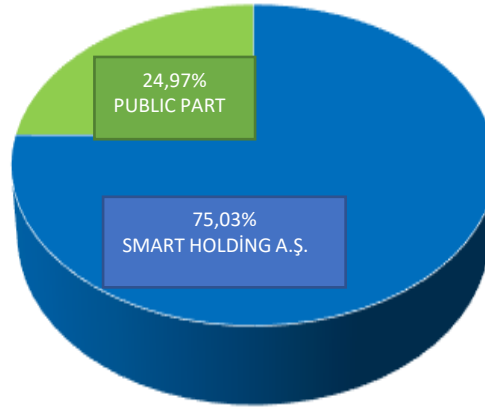


Smart Güneş is a leading solar energy company providing end-to-end service with its 7 subsidiaries.

- It was dissolved without liquidation by merging with the company on 31.03.2021.
- Smart Solar Ukraine has no active activity.

Ownership Structure

Share Ratio (%)



Partner's Name-Surname/Trade Title	Share in Capital	Currency	Share in Capital (%)
SMART HOLDİNG ANONİM ŞİRKETİ	229.584.000	TRY	75,03
PUBLIC PART	76.416.000	TRY	24,97
TOTAL CAPITAL	306.000.000	TRY	100

*As a result of the CMB's approval of the capital increase process, the capital of our company increased from 153.000.000 TL to 306.0000.000 TL with the completion of the right exercise transactions that started on 20.10.2022.

BIST Ticker	SMRTG
IPO Date	24.03.2022
Listed Exchanges	BIST 100 / BIST SERVICES / BIST IPO / BIST PARTICIPATION 50 / BIST PARTICIPATION ALL BIST ALL / BIST ELECTRICITY / BIST 100-30 / BIST KOCAELİ / BIST STAR / BIST PARTICIPATION 100
The market in which the capital market instrument is traded	Star Market

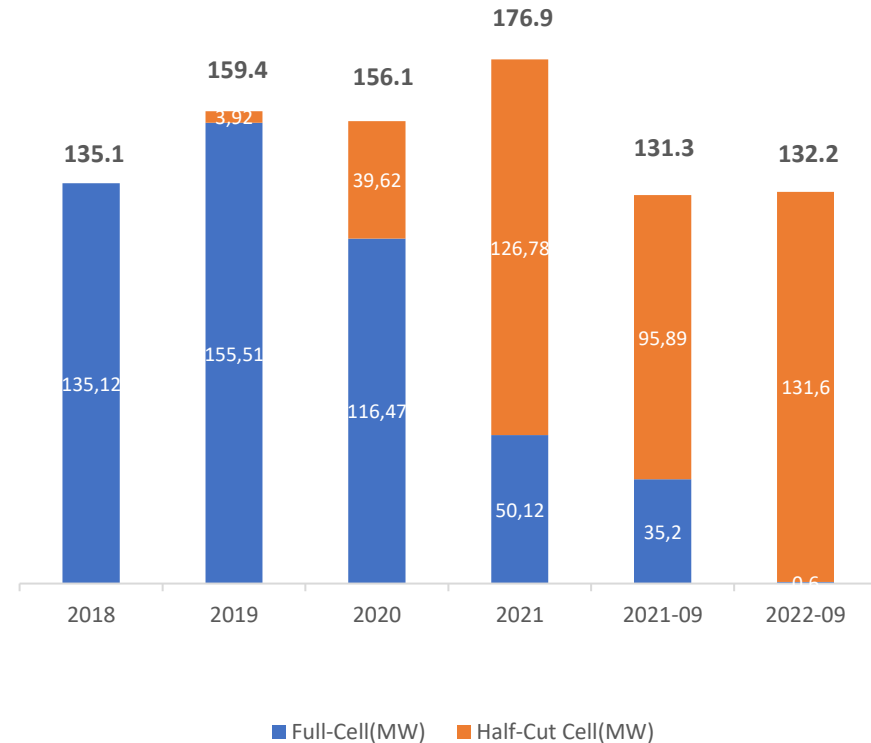
Operating Activities

While the Company's EPC activities create an additional sales channel for PV panels, the expertise gained in this field makes a significant contribution to the development of PV panel solutions.

PV Panel Production

- ❖ The company, which produces solar panels with many different features used in electricity generation from solar energy, also exports these products.
- ❖ **Production capacity : 1.200 MW**
- ❖ **Installed Panel Technology : Mono PERC**
- ❖ **Number of Panel Models Produced: 16**

Sales Quantity (MW)



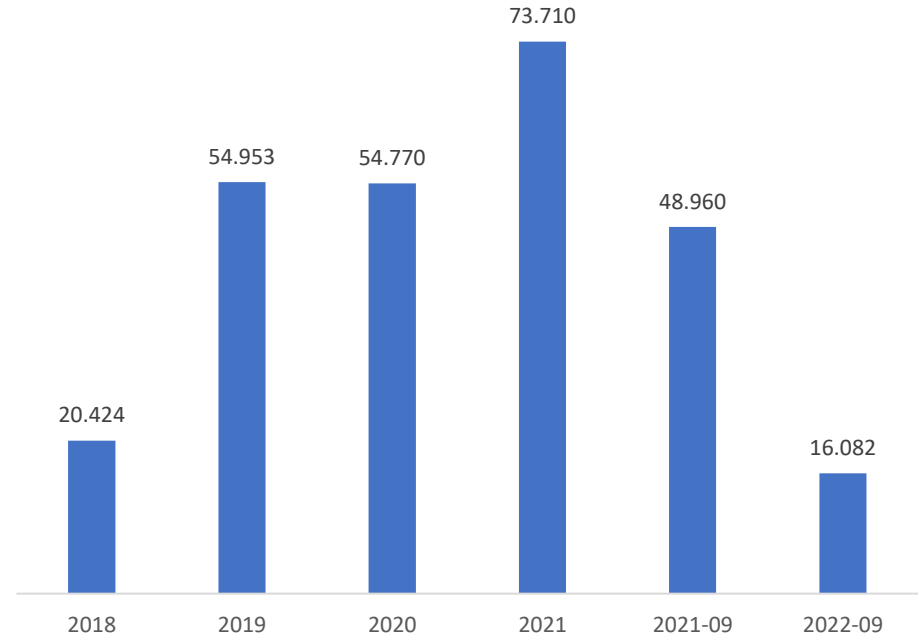
Operating Activities

While the Company's EPC activities create an additional sales channel for PV panels, the expertise gained in this field makes a significant contribution to the development of PV panel solutions.

EPC

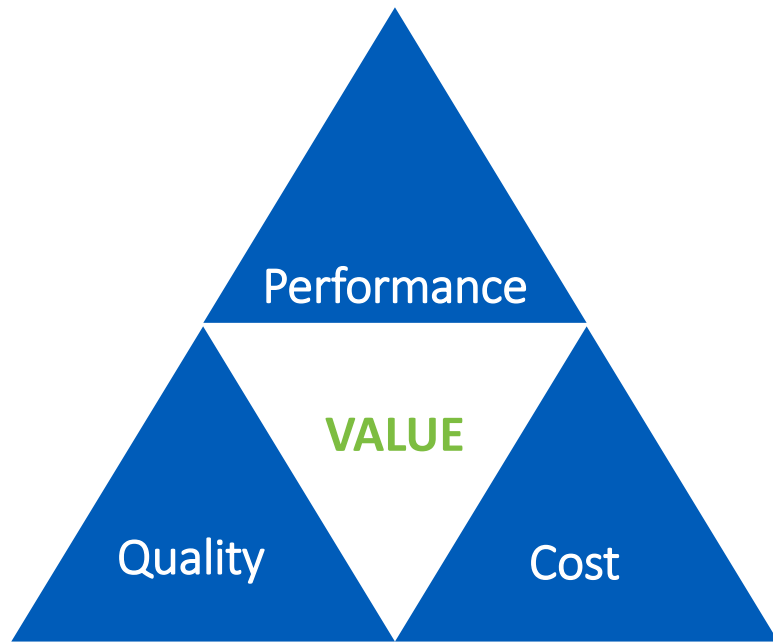
- ❖ The company provides project development, engineering, land selection, supply of power plant components and turnkey solar power plant supply services for solar power plants. Number of Employees in EPC activities : 23
- ❖ **Number of Completed Projects: 108**
- ❖ **Completed and Ongoing Project Total Installed Capacity: 368,50 MWp**

Completed Project Power Capacity (KWp)



Value Engineering

With this understanding, we present our perspective that adds value to the sector by developing an engineering strategy that will perfect the performance, quality and cost triangle.



- 🌱 To be a pioneer in the production and installation of innovative solar module technologies and to spread them
- 🌱 Unique design according to variable project dynamics within the scope of each project
- 🌱 Performance evaluation of innovative solar module technologies in our own fields for the first time
- 🌱 Production & cost & quality analysis for different solar panel and inverter technologies, installation systems

End-to-End Service/Vertical Integration

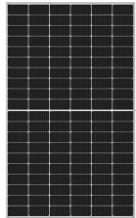
Smart Güneş aims to be a global player operating in all areas of the value chain with its investments and technical competence.

Engineering and Design



- It covers engineering design services for domestic and international projects.
- A service approach tailored to the needs of the customer with a value engineering approach.

Panel



- Smart Güneş is investing in panel production capacity increase in order to meet the increasing customer demand.

Cell



Advantages of Investment

- Advantages in working capital and panel production cost
- Minimum 70% - 75% locality criteria for projects to be realized within the scope of YEKA
- A production with lower emissions with the reduction of transportation
- Increase in the volume of exports to countries with anti-dumping
- Tax advantage in the US market

Source: Company Prospectus

Advantages of Solar Energy

Compared to other energy sources, solar energy has several advantages in terms of both technical and sustainability.



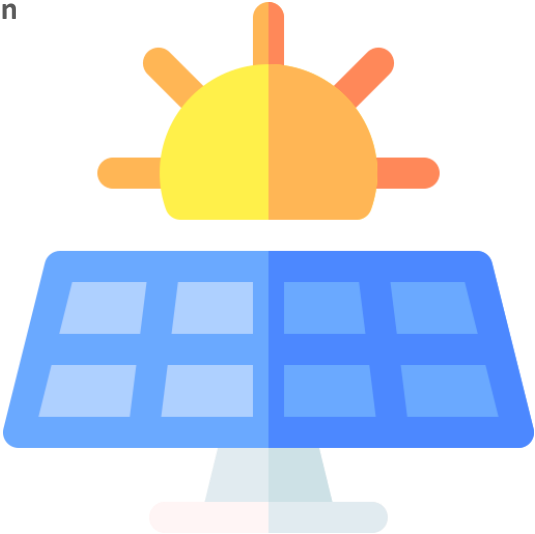
Leading role in zeroing the carbon footprint



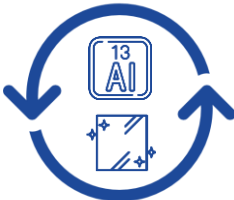
Rapidly falling electricity generation costs



International support and encouragement



Variety of usage areas



Renewability



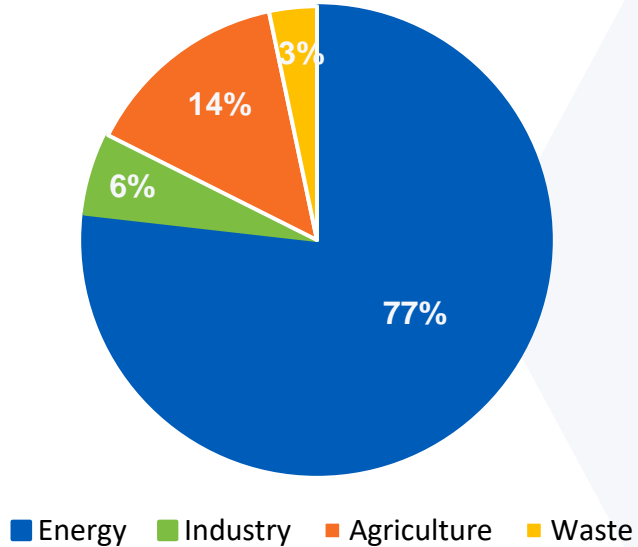
Availability

Source: PwC Industry Report

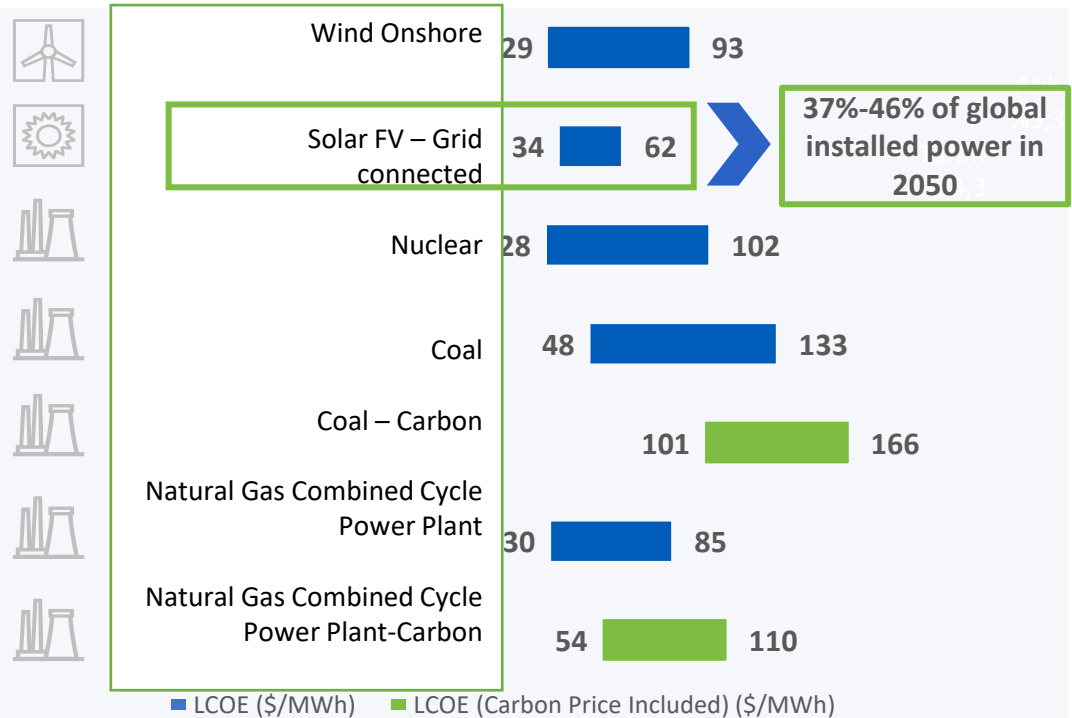
Leading Role in Zero Carbon Footprint

Solar energy is one of the most suitable energy sources in line with the goal of reducing carbon emissions.

Sectoral Distribution of Greenhouse Gas Emissions (2020)



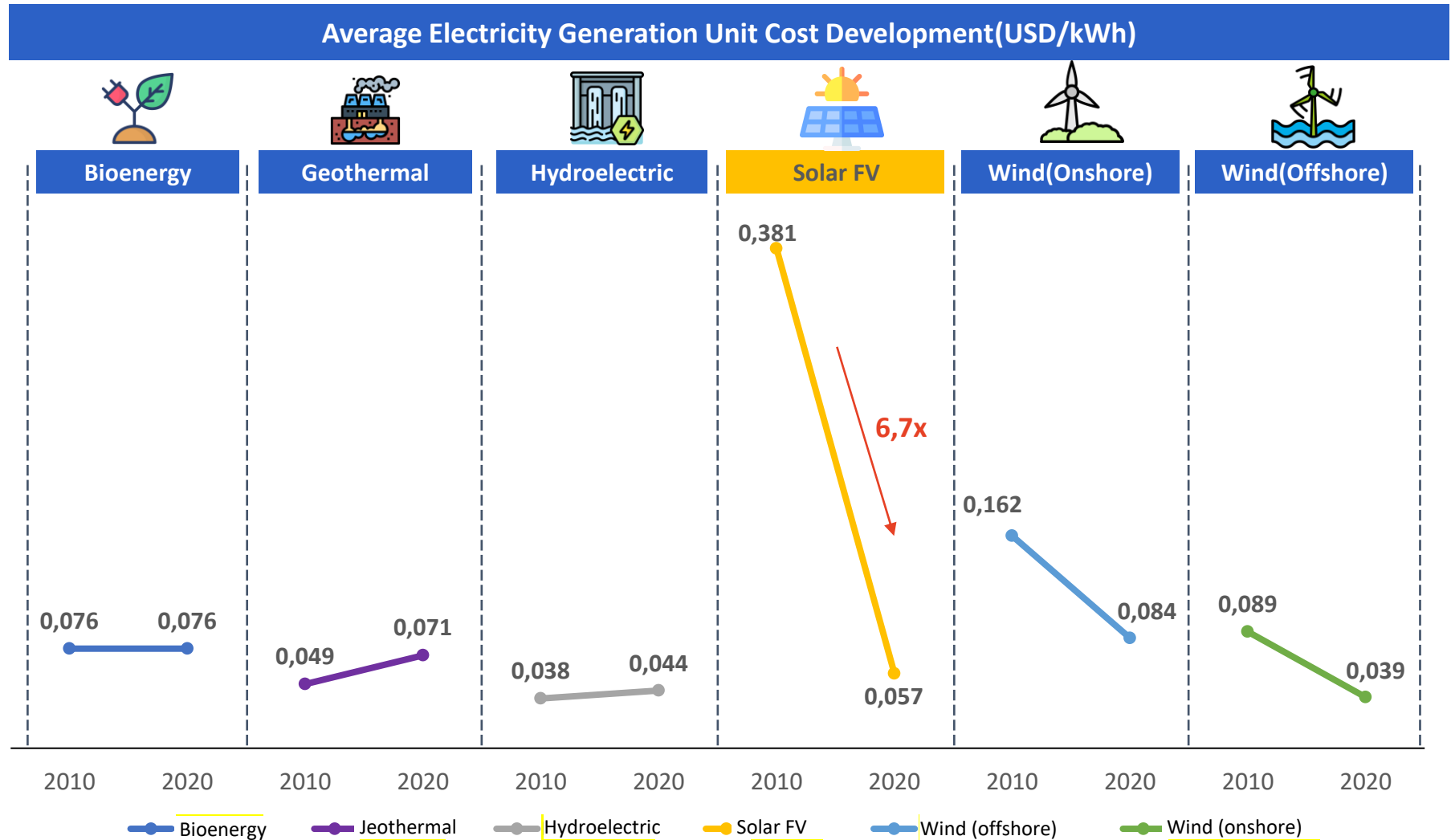
Electricity Production Cost and Effect of Carbon Emission Premium (USD/kWh, 2020)



Source: PwC Industry Report

Rapidly Declining Electricity Production Costs

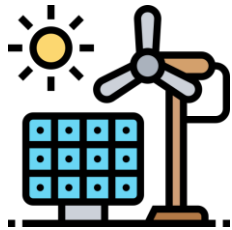
The cost of electricity generation from solar energy has decreased by 6.7 times in the last ten years.



Source: PwC Industry Report

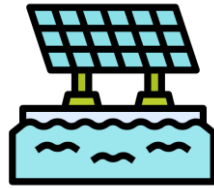
Usage Area Diversity

Solar energy is one of the most convenient energy sources in terms of both its purpose and conditions of use.



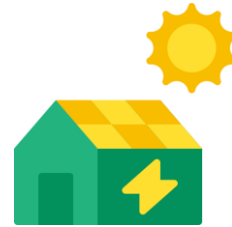
Hybrid Systems

- High capacity factor
- Return on investment period
- The most effective and sustainable use of resources
- Improved efficiency



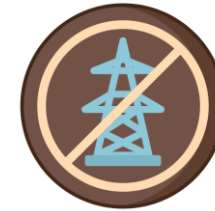
Floating SPP

- Saving land
- Preventing the water surface from overheating
- High efficiency due to cooling effect from water
- Improved efficiency
- Ability to be combined with water fields such as hydroelectric generation facilities



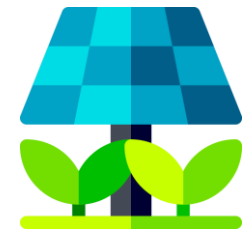
Rooftop Systems

- Low maintenance cost
- Easy setup
- Low space usage
- Improved energy access
- Reduced carbon footprint
- Selling the surplus to the electricity system



Network Independent systems

- Advantage in cases where the cost of connecting to the grid is high
- Advantage for residences that want to leave the network
- Contributing to access to energy
- Triggering cost reduction
- 1.7 GW installed power increase in the world in 2020



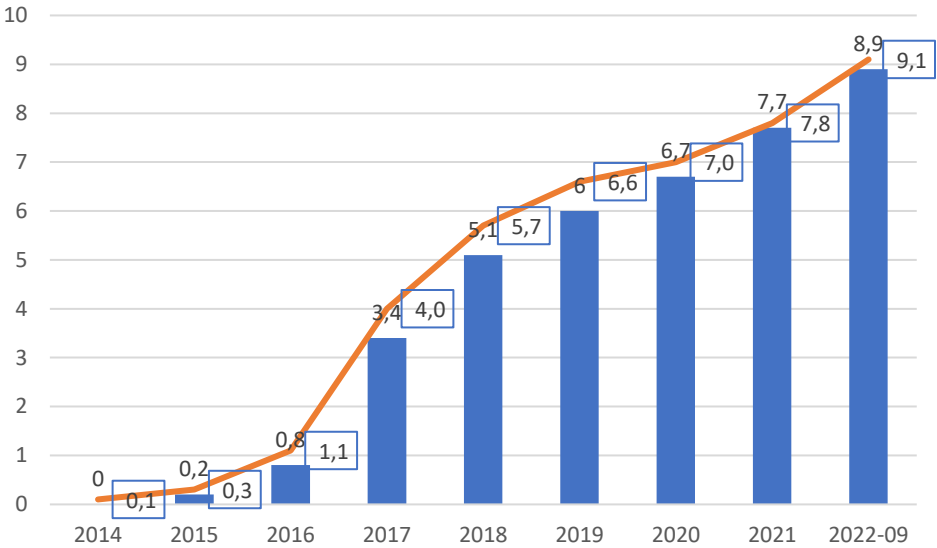
Agrisolar Systems

- Positive effect of shadow provided by solar panels on crops and soil
- Balancing carbon emissions from agriculture
- Higher crop yield
- Less water use
- Increasing land use efficiency by 60%-70%

Attractive Growth-Oriented Industry Dynamics

The use of solar energy in Turkey has started to respond significantly to the energy demand in the country by following the global expansion.

Development of the Ratio of Turkey Solar PV Installed Power to Total Installed Power(%)



Source: TEIAS



Rapid installed power increase



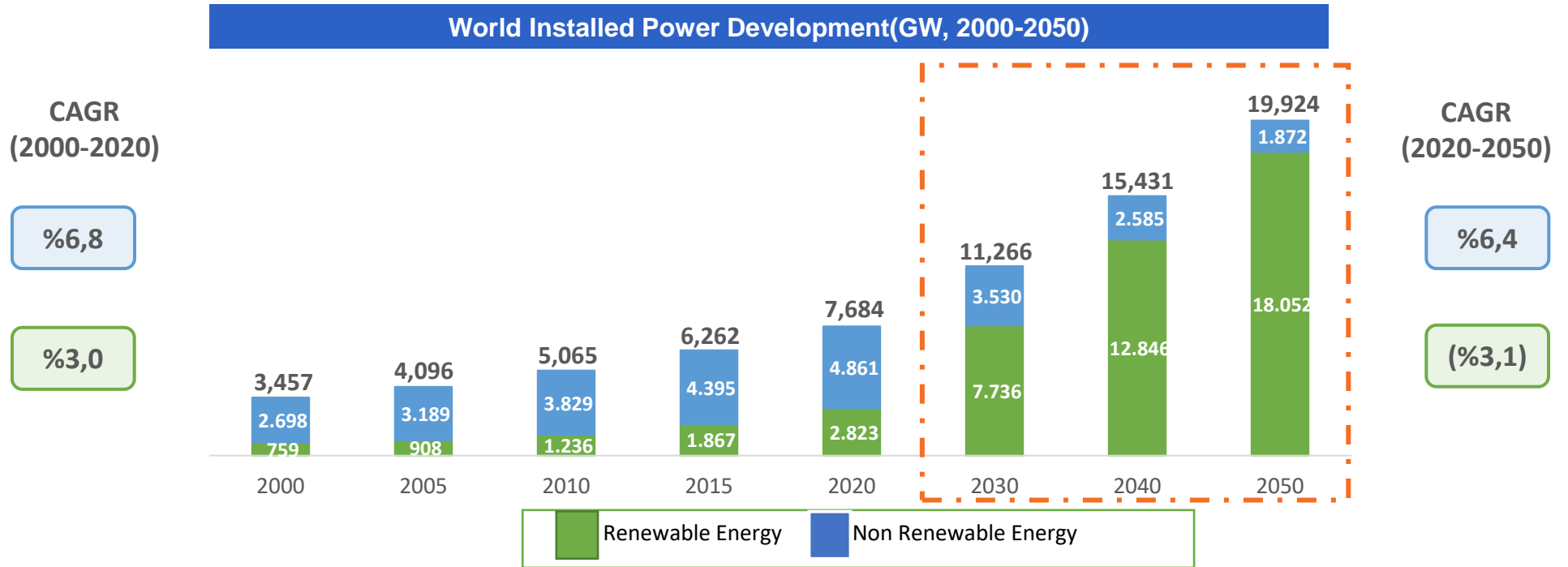
9.1% of the total installed power in 2022



Tender and incentive mechanisms since 2015

Solar Energy in the World

In order to reach the net zero carbon emission target by 2050, it is predicted that electricity generation will depend heavily on renewable energy sources.



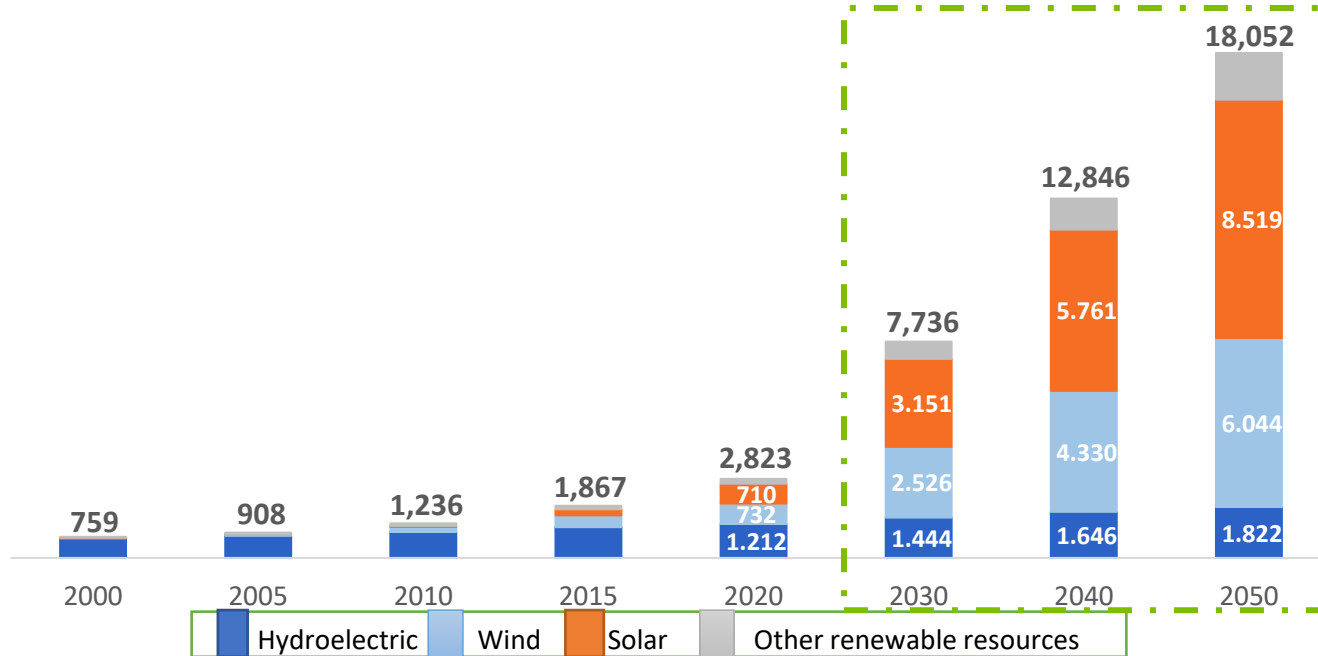
- ❖ The share of renewable energy sources in electricity generation was 22% in 2000 and 37% in 2020, showing that it will reach 91% in 2050.

Solar Energy in the World

Renewable Energy Installed Power Development (GW, 2000-2050)

CAGR
(2000-2020)

%40,3



CAGR
(2020-2050)

%8,6

- ❖ Increasing the share of renewable resources in electricity generation is very important in terms of decarbonizing the energy system.
- ❖ Electricity generation systems from solar energy cause at least 90% less carbon emissions than fossil fuels throughout their life cycle.
- ❖ The share of solar energy in the electricity production of renewable energy sources was 0.1% in 2000 and 25.1% in 2020; It is predicted that it will reach 47.2% in 2050.

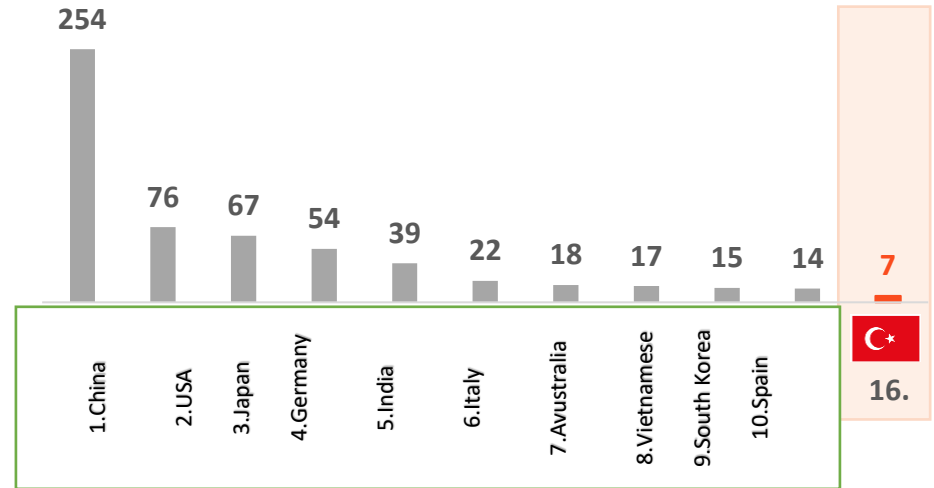
Source: PwC Industry Report

Solar Energy in Turkey

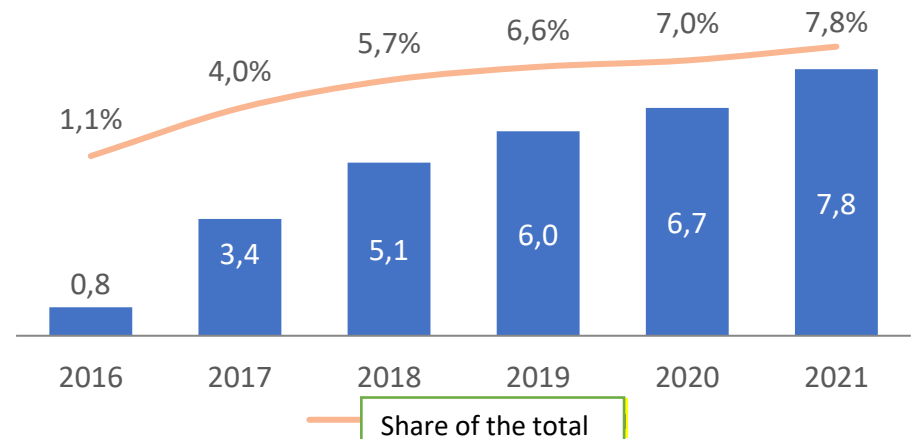
Solar energy installed power in Turkey has approached 10 GW as of 2021.

- ❖ Turkey ranked 14th in 2010 and 12th as of 2020 in Total Installed Power of World Renewable Energy.
- ❖ Turkey was ranked 51st in 2010 and ranked 16th as of 2020 in Total Installed Power of World Renewable Energy.
- ❖ The development of electricity generation from solar energy in Turkey has grown from 2016 to 2020 with a CAGR of 81.2%.
- ❖ In 2016, the share of electricity generated from solar energy in total electricity production was 0.4%, and it was 4.0% as of November 2021.

The Place of Solar Energy in Turkey in the World Total Installed Power Ranking(GW - 2020)



Turkey Solar Energy Installed Capacity Development(GW)



Source: PwC Industry Report

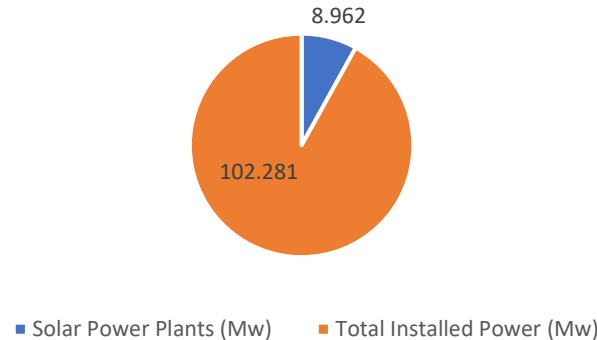
Solar Energy in Turkey

Position of Solar Power Plants in Turkey at the end of September 2022

- ❖ The installed power of solar power plants has been increasing over the years.
- ❖ Compared to the end of December 2021, the ratio of SPPs, which showed a capacity increase of 1.146 MW, in Turkey's total installed power share is also increasing.

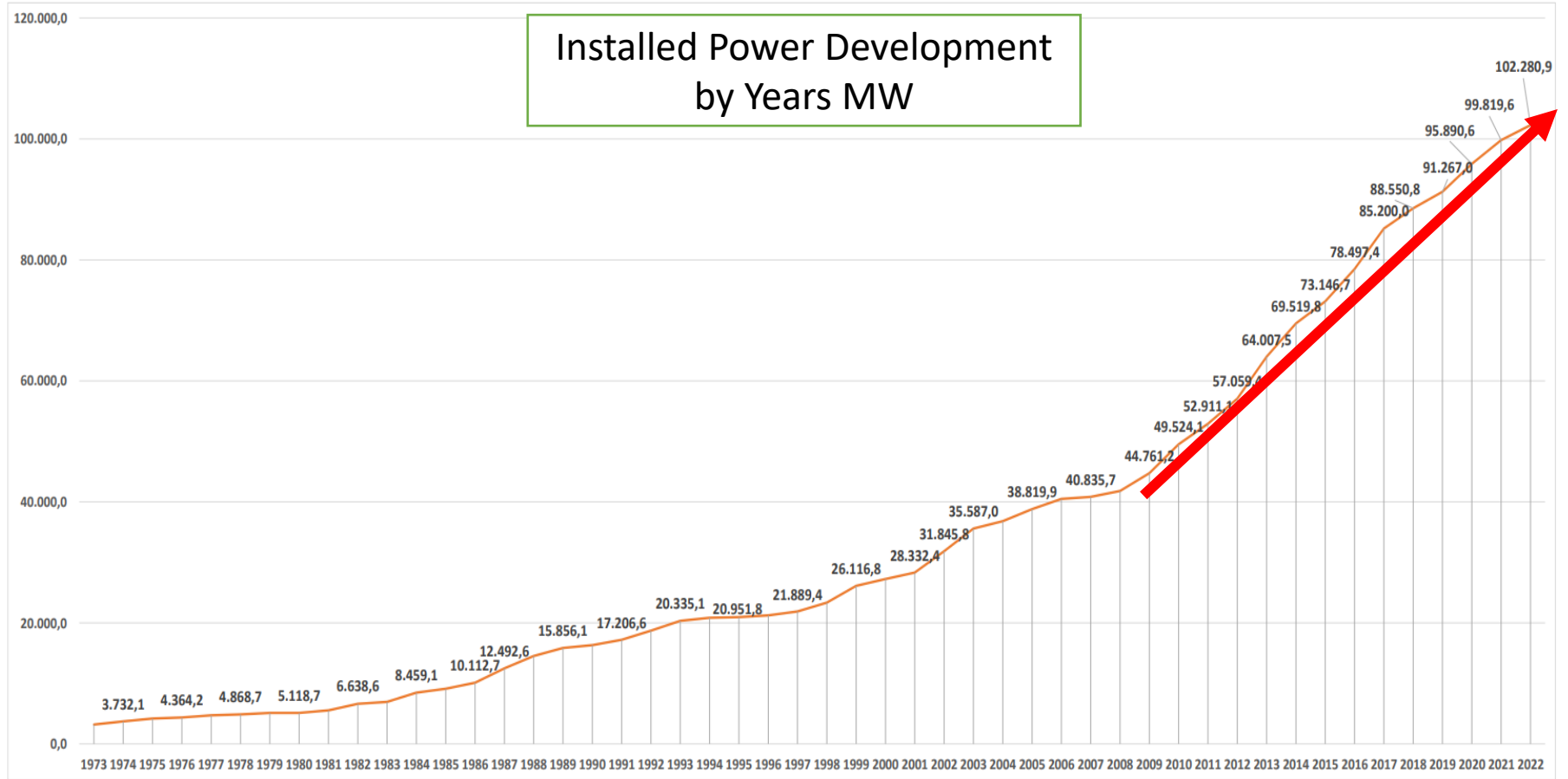
	September 2022	December 2021	Change (Mw)	Change (%)
<i>Solar Power Plants (Mw)</i>	8.962	7.816	1.146	14,66%
Total Installed Power (Mw)	102.281	99.820	2.461	2,47%
Share of Solar Power Plants %	8,76%	7,83%	46,56%	

Share of Solar Power Plants - September 2022



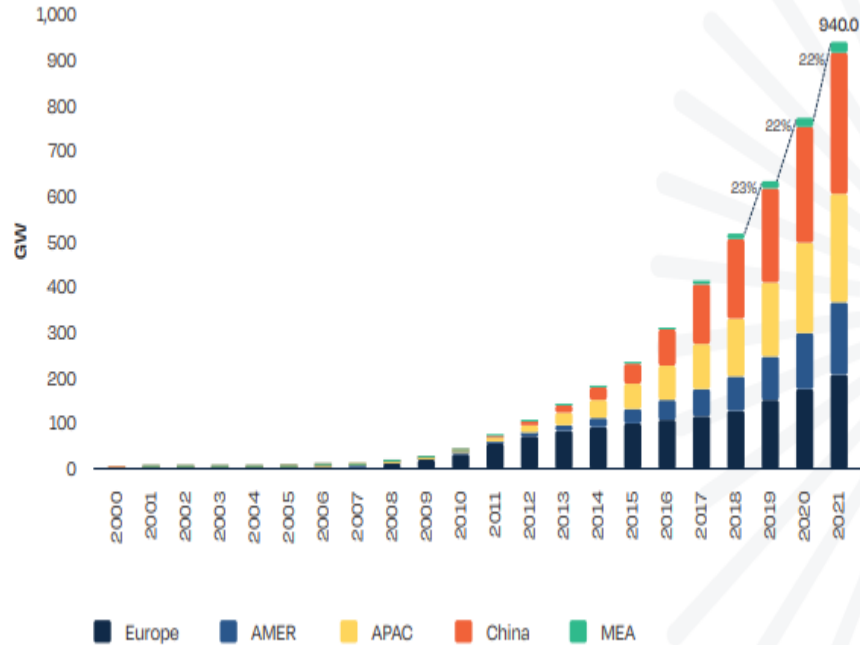
Kaynak: Teias

Installed Power Development by Years MW



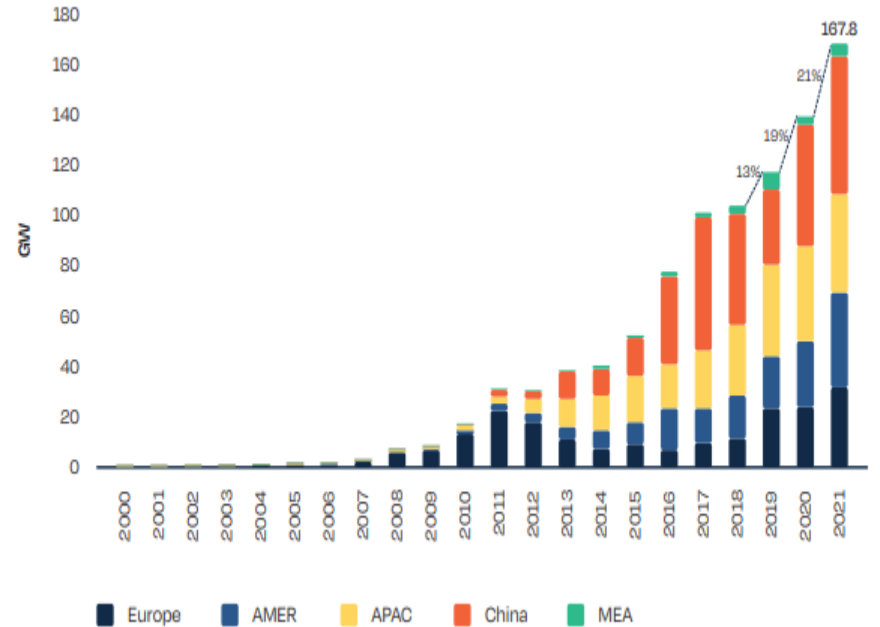
Solar Energy in the World

By the end of 2022, Total Solar Energy Capacity is expected to be 1.1 TW



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Annual Solar Energy Installation in the World Between 2000-2021



Planned Investments

The company aims to achieve vertical integration with its cell investment, increase its export potential and strengthen its position in the Turkish market thanks to domestic cell production. The company planned to invest 186.2 m USD in total in the public offering projection, and the investment amount increased to 478.4 m USD upon being included in the scope of the super incentive.

Ongoing Investments 2022-2023

**87 Million
USD**

Planned Investment
Amount
2022-2023

Aliğa OIZ I Integrated
production in a 50.000
m2 closed area within
a 50.000 m2 land area

600 MW

+

600 MW

Mono PERC Cell
Production Capacity

600 MW Perc

+

600 MW

New Gen

Solar Panel Production
Capacity

Ongoing investments - Aliğa OIZ Phase-1



- CONTRIBUTION TO CURRENT DEFICIT
- CONTRIBUTION TO EMPLOYMENT
 - *A total of 3000 employees at the end of the investment period*
- CONTRIBUTION TO TECHNOLOGY
- STRATEGIC INVESTMENT
- INFLATION LOWERING EFFECT

Planned Investments – Aliğa OIZ Phase-2

Within the scope of the PV cell and panel investment to be made by Aliğa OIZ, İzmir (ALOSBi), a total of 58,309 m² land allocation covering 4 parcels has been provided, and Ingot, Cell, Panel and Wafer production will be carried out in a closed area of 90,000 m².



Completed Investment - Our Dilovası Facility

In order to meet the increasing demand in the field of solar energy panels, Çerkeşli OSB Mah. İMES 10.Cad. N 3 has signed a rental agreement for a 2-year period for a workplace/factory building and area of 10.000 m2 in Dilovası-Kocaeli.

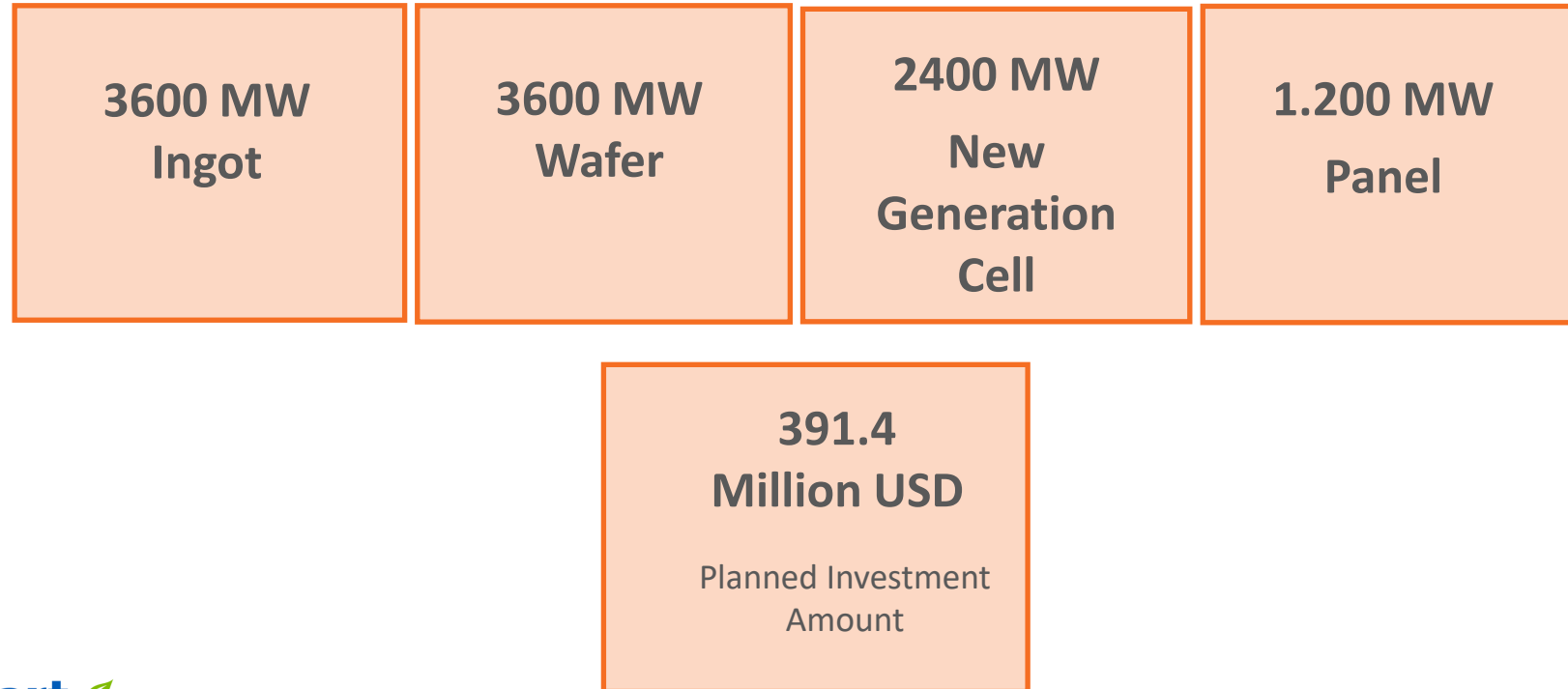
Our Dilovası Facility will reach the capacity to produce approximately 2000 solar panels per day in parallel with the trial productions that started in July. When the facility reaches full capacity, it will provide additional employment for approximately 200 people.



Planned Investments

The company plans to reach a total of 3,600 MW Laser Half-Cut solar panels and 2,400 MW cell production capacity with the investments..

Planned Investments– 2024-2026



Other Investments

YEKA-4 BOR-1 SPP Investment

On April 8, 2022, Smart GES Üretim A.Ş. won the BOR-1 (100 MWe) tender for the allocation of solar energy-based renewable energy resource areas and connection capacities, with the best bid. Based on this result, our Group has included solar energy-based electricity generation activities in its activities, and it is planned to establish a power plant in the 130-MWp 140 MWp power range against a 100 MWe SPP capacity.

The EIA Compliance Certificate of the project has been obtained and necessary steps have been taken in terms of financing. It is planned to enter the field in 2023.



Other Investments

Modernization Investments

Our company carries out modernization investments and purchases following the latest technology in the turnkey EPC project that delivers engineering and project design in panel production services.



Project Based Investment Incentive – Aliğa OIZ Investment

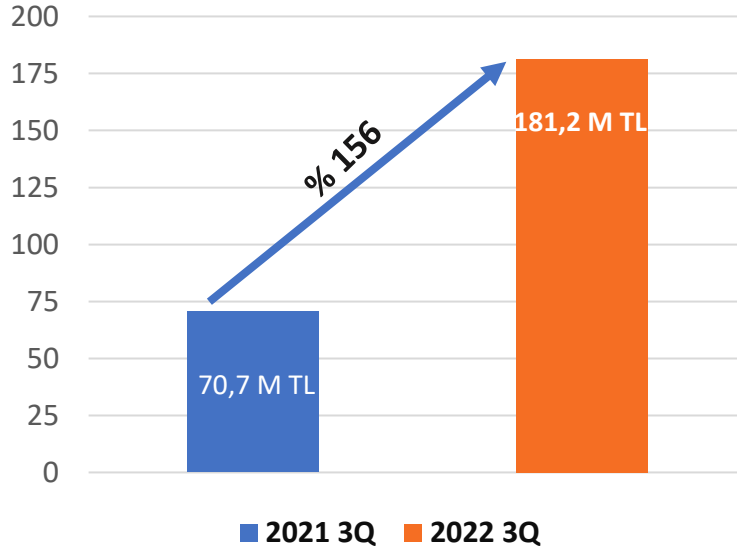
Regarding the photovoltaic solar panel production facility investment of our company to be built in İzmir with a capacity of 2.048 MW/Year, our incentive application to the Ministry of Industry and Technology, Giving Project-Based Investment Incentive to Investments, accepted with the Presidential Decision No. 6211 published in the Official Gazette which dated 15.10.2022 and numbered 31984 .

The projected fixed investment amount subject to the incentive is **7.627.000.000 TL**, and the incentive elements that the investment will benefit from are as follows:

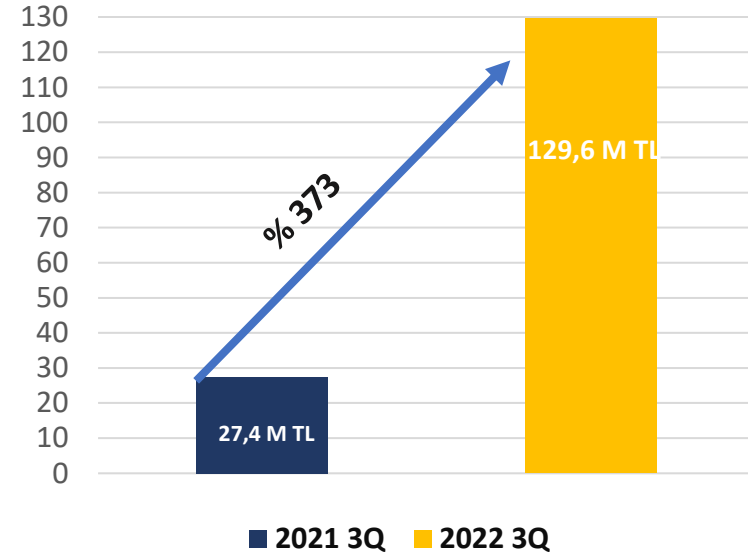
- a) Customs Duty Exemption,
- b) VAT Exemption,
- c) VAT Refund,
- d) Corporate Tax Reduction (tax discount rate: 100%, investment contribution rate: 80%, the amount of contribution to the investment in the investment period kullanılabilir oranı : %100),
- e) Social Security Premium Employer's Share Support (10 years without maximum amount limit),e) Nitelikli Personel Desteđi (azami 120.000.000 TL),
- f) Qualified Personnel Support (maximum 120.000.000 TL),
- g) Energy Support (energy consumption not exceeding 100,000,000 TL for up to 10 years from the date of operation 50% of their expenses),
- h) Allocation of investment location (Land allocation)

Financial Performance – Key Indicators

EBITDA M TL



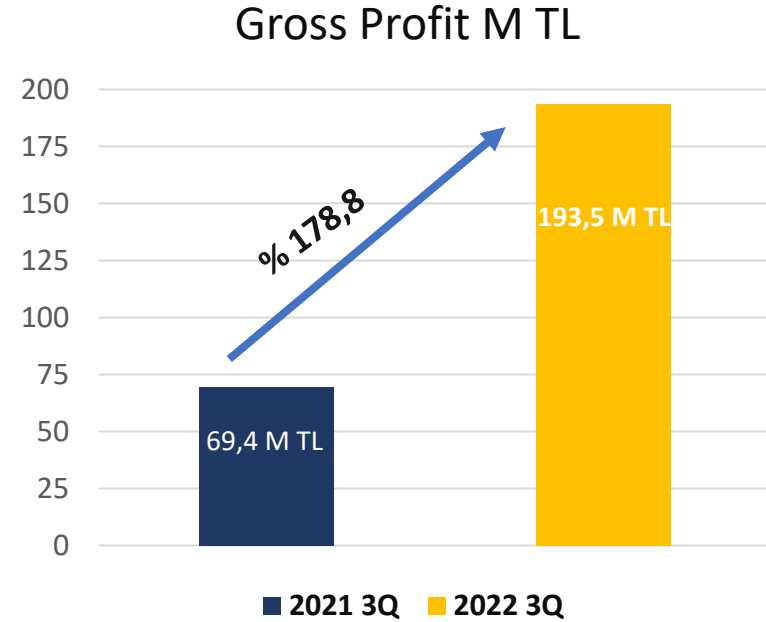
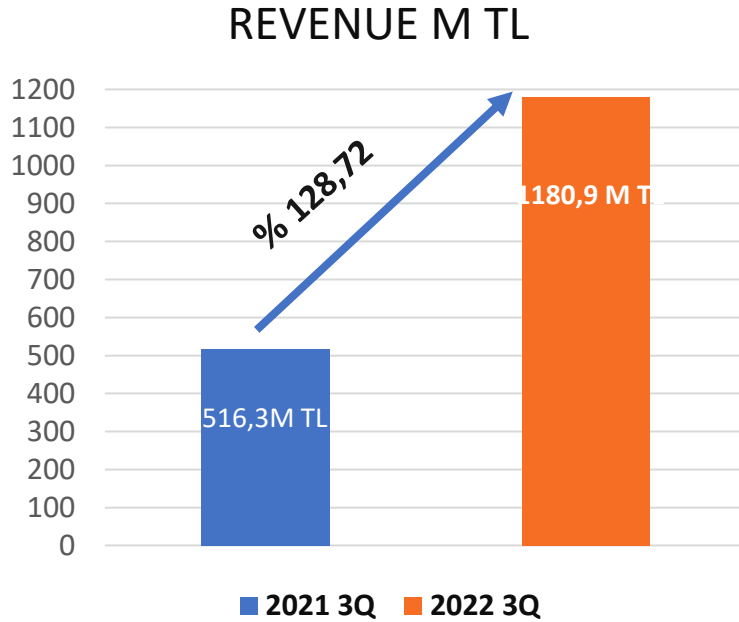
NET PROFIT M TL



❖ As a result of successful and effective operational and operational management, our Company's Profit Before Interest, Depreciation and Taxes (EBITDA) increased by 156% in the 3rd quarter of 2022 to TL 181.2 Million.

❖ Despite the increased financial expenses due to investments, the consolidated net profit after successful and effective operational and financial performance increased by 373% to TL 129.6 Million at the end of the 3rd quarter of 2022. Likewise, the consolidated net profit of the parent company at the end of the third quarter of 2022 increased by 439% and reached 137.5 Million TL.

Financial Performance – Key Indicators



- ❖ The revenue of our company in the 3rd quarter of 2022 increased by 129% compared to the previous year and reached TL 1.18 billion. There has been a continuous increase in the sales amount of our company over the years. Among the main reasons for this increase are capacity increases in production and services, increased efficiency, increased interest in renewable energy and solar energy in our country and around the world, and the increasing awareness and competence of our Company in the country and abroad. In parallel with this situation, the gross profitability has also increased, and as of the third quarter of 2022, it has reached 193.5 million TL with an increase of 179% compared to the previous period.

Annexes – Consolidated Summary Income Statement

Summary Income Statement	30 September 2022	30 September 2021	Change - %	Change - TL
Revenue	1.180.964.646	516.305.343 ↑	129% ↑	664.659.303
Cost of sales (-)	(987.423.135)	(446.869.102) ↑	121% ↑	540.554.033
Gross profit	193.541.511	69.436.241 ↑	179% ↑	124.105.270
Operating Profit Before Financial Exp	158.947.300	56.405.542 ↑	182% ↑	102.541.758
Net Profit For the Period	129.589.391	27.405.456 ↑	373% ↑	102.183.935
Non-Controlling Interest	(7.912.166)	1.862.442 ↓	-525% ↓	(9.774.608)
Equity holder of the parent company	137.501.557	25.543.014 ↑	438% ↑	111.958.543
EBITDA	181.161.449	70.712.476 ↑	156% ↑	110.448.973

Annexes – Consolidated Summary Balance Sheet

Summary Balance Sheet	30 September 2022	31 December 2021	Delta - %	Delta - TL
Current Assets	1.712.538.132	712.656.851	↑ 140%	↑ 999.881.281
Non-Current Assets	226.001.133	105.674.912	↑ 114%	↑ 120.326.221
Total Assets	1.938.539.265	818.331.763	↑ 137%	↑ 1.120.207.502
Short Term Liabilities	1.192.660.264	579.082.290	↑ 106%	↑ 613.577.974
Long Term Liabilities	90.175.777	38.637.911	↑ 133%	↑ 51.537.866
Equity	655.703.224	200.611.562	↑ 227%	↑ 455.091.662
Total Liabilities	1.938.539.265	818.331.763	↑ 137%	↑ 1.120.207.502

Financial Performance – Cash and Debt Profile (TL)

	30 September 2022	31 December 2021
Total financial borrowings	492.501.691	177.760.818
Less: Cash and cash equivalents	(217.236.988)	(23.734.489)
Net debt	275.264.703	154.026.329
Total equity	655.703.224	200.611.562
Net debt to equity ratio	0,42	0,77

FINANCIAL BORROWINGS

The details of financial borrowings for the periods are as follows:

	30 September 2022	31 December 2021
Short-term bank borrowings	358.825.586	114.038.356
Financial lease liabilities	28.554.724	17.502.706
Liabilities arising from leasing transactions (*)	19.881.852	2.923.536
Other financial borrowings	12.392	45.277
Short-term borrowings	407.274.554	134.509.875
Short-term portion of long-term borrowings	1.029.944	7.394.989
Short-term portion of long-term borrowings	1.029.944	7.394.989
Long-term borrowings	-	5.966.469
Long-term financial lease liabilities	36.274.266	27.948.706
Liabilities arising from leasing transactions (*)	47.922.927	1.940.779
Long-term borrowings	84.197.193	35.855.954
Total financial borrowings	492.501.691	177.760.818

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

Financial Performance – Balance Sheet Currency Risk

	30 September 2022			31 December 2021		
	Total TL	USD TL	EURO TL	Total TL	USD TL	EURO TL
	Equivalent	Equivalent	Equivalent	Equivalent	Equivalent	Equivalent
Cash and cash equivalents	37.621.414	25.900.319	11.721.095	24.961.524	24.822.219	139.305
Trade receivables	677.809.471	627.687.942	50.121.529	286.716.773	250.170.178	36.546.595
Other assets	323.102.583	269.934.056	53.168.527	79.210.169	32.506.301	46.703.868
Total assets	1.038.533.468	923.522.317	115.011.151	390.888.466	307.498.698	83.389.768
Borrowings	(268.740.498)	(211.588.923)	(57.151.575)	(129.654.048)	(68.640.436)	(61.013.612)
Trade payables	(234.496.051)	(218.716.181)	(15.779.870)	(115.826.640)	(112.726.017)	(3.100.623)
Other liabilities	(451.564.628)	(446.539.276)	(5.025.352)	(146.721.981)	(145.669.569)	(1.052.412)
Total liabilities	(954.801.177)	(876.844.380)	(77.956.797)	(392.202.669)	(327.036.022)	(65.166.647)
Net foreign currency asset /(liability)position	83.732.291	46.677.937	37.054.354	(1.314.203)	(19.537.324)	18.223.121
Amounts subject to hedge accounting	268.740.498	211.588.923	57.151.575	129.654.048	68.640.436	61.013.612
After amounts subject to cash flow hedge accounting Net foreign currency asset /(liability)position	352.472.789	258.266.860	94.205.929	128.339.845	49.103.112	79.236.733

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Yasal Uyarı

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