



# **Kron** Technologies

2025 • **Annual Report**

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## CHAIRMAN'S MESSAGE



**LÜTFİ YENEL**

Chairman of the Board

### Dear Esteemed Stakeholders,

Cybersecurity has become one of the most strategically critical domains for any organisation that intends to endure. As the digital economy continues to expand at pace — driven by the proliferation of cloud infrastructure, distributed systems, and an ever-growing array of digital services — the number of identities and access points that organisations must protect has grown dramatically. The attack surface is no longer bounded. It is everywhere.

Kron Technologies sits at the heart of this challenge. Our focus on identity security — the discipline of governing who and what can access critical systems — has never been more relevant. In 2025, the company grew revenues by approximately 31%, sustaining the strong momentum we have been building. We see this as an important milestone, and we are committed to maintaining this trajectory as we pursue sustainable, long-term growth in the years ahead.

The architecture of cybersecurity itself is undergoing a profound shift. For years, the dominant paradigm centred on network and device security. Today, identity has moved to the core of any serious security architecture. The data reinforces this clearly: research consistently shows that approximately 80% of cyberattacks involve compromised or misused credentials. Securing identities is no longer a supporting function — it is the frontline of defence.

“ *In the age of AI, machines and agents will vastly outnumber humans as identity holders. The future of cybersecurity lies in our ability to govern this rapidly expanding universe of identities — securely and at scale.* ”

At the centre of this shift sits Privileged Access Management. PAM platforms — which govern and audit access to an organisation's most critical systems — have become foundational to modern security architecture. This is the domain in which Kron has built its expertise, and it is the domain where we intend to lead.

Two powerful forces are set to reshape this landscape further in the years ahead: artificial intelligence, and the rapid rise of non-human identities.

Organisations today are no longer populated solely by human users. Applications, service accounts, machines, and a growing number of AI agents are active participants in enterprise infrastructure. In many organisations, the number of these non-human identities already far exceeds the number of human ones — and this gap will only widen. The security architectures of the future must be capable of governing not just people, but the entire and rapidly expanding ecosystem of non-human identities. The convergence of AI, Non-Human Identity management, and PAM defines the next generation of enterprise security — and it is precisely where Kron is building.

We identified this trajectory early. Our product strategy and technology investments have been shaped around it deliberately. Deeper integration of AI into our software development processes, greater automation within identity management workflows, and the secure governance of the expanding non-human identity ecosystem are among our principal areas of focus in the period ahead.

On the regulatory front, the new cybersecurity frameworks taking effect in Turkey represent a meaningful growth catalyst for our sector. We believe these regulations will drive significant increases in both awareness and investment across the market, accelerating the development of the cybersecurity ecosystem in Turkey. We also welcome them as an important step toward strengthening the resilience of our country's digital infrastructure against an increasingly sophisticated threat landscape.

As a Turkish technology company developing proprietary, globally competitive products, we take genuine pride in representing our country on the world stage and contributing to Turkey's capacity as a technology producer through high-value exports. This is a responsibility we carry with conviction and intend to honour.

We believe Kron Technologies is exceptionally well positioned to capture the opportunities ahead — grounded in strong technology, a highly capable team, and a product strategy that is aligned with where the market is going. We look to the future with confidence and determination.

My sincere thanks go to our employees, our customers, our partners, and all our stakeholders for their continued commitment and support.

Warm regards,

**Lütfi Yenel**  
**Chairman of the Board, Kron Technologies**

# 01

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# Kron at a Glance

# About KRON

## Securing the Digital Enterprise

Providing end-to-end identity and data security solutions for corporate enterprises, financial institutions, public sector organizations, and telecommunications operators

**Kron Technologies is a global cybersecurity company specializing in identity and data security solutions for enterprises, financial institutions, public sector organizations, and telecommunications operators operating in increasingly complex and high-risk digital environments.**

Our Privileged Access Management solution, Kron PAM, which is evaluated and recognized as a global leader by KuppingerCole, Gartner, and Forrester, is also the first solution by a Turkish company to be included in the Gartner Magic Quadrant.



**Founded in Istanbul in 2007**, the company has grown over **19 years** from a domestic software provider into an internationally recognized cybersecurity firm, with a presence spanning **35 countries across 6 continents**. Kron's roots lie in the telecommunications sector, where the company built its early reputation delivering operational efficiency and network management solutions to some of the region's largest operators — an experience that continues to inform its deep understanding of large-scale, mission-critical infrastructure. Building on this foundation, Kron expanded its focus to cybersecurity, developing KronPAM, its flagship Privileged Access Management platform, which addresses one of the most critical challenges in enterprise security: governing and controlling privileged access to sensitive systems, infrastructure, and data. KronPAM has earned recognition from Gartner, Forrester, and KuppingerCole as among the world's leading PAM solutions.

Operating through its main offices in Istanbul, Ankara, and İzmir — as well as its wholly owned North American subsidiary, Kron Technologies US, based in New Jersey — the company **employs staff across 8 countries** and delivers its solutions to more than 400 customers globally through a growing network of direct sales, channel partners, and regional distributors. Three dedicated R&D centers in Turkey drive the company's continuous investment in product innovation, with a particular focus on the integration of artificial intelligence into next-generation security capabilities.

Listed on Borsa İstanbul (BIST: KRONTE) since 2011, Kron Technologies is built upon a highly skilled engineering organization that operates within a collaborative, non-hierarchical structure — one that values technical excellence, agility, and a deep commitment to understanding and serving customer needs. As demand for advanced access and data security solutions continues to accelerate globally, Kron Technologies remains focused on expanding its international footprint, strengthening its partner ecosystem, and delivering the security technologies that enterprises worldwide will depend upon in the years ahead.



# Corporate Information

**CORPORATE NAME** Kron Teknoloji Anonim Şirketi

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**E-MAIL** [investor@krontech.com](mailto:investor@krontech.com)

**547587**  
Trade Registry  
Number

**KRONT**  
Ticker

**27 May 2011**  
Listing Date

**Borsa**  
Listing Venue

**BIST Main**  
Market

**2007**  
Founding Year

# Vision & Mission

## VISION



Empowering businesses worldwide with advanced cybersecurity and data management solutions for a secure digital future.

## MISSION



As a global technologies firm, our mission is to empower our clients by delivering solutions that safeguard their digital assets and enable efficient data management.

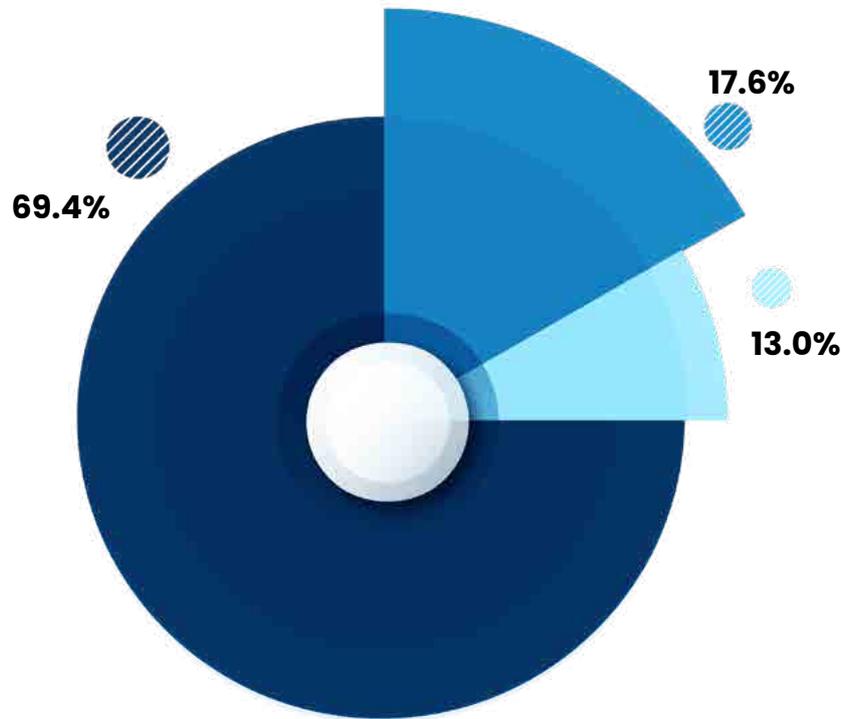


## SHAREHOLDER STRUCTURE

Kron's paid-in capital is 171,222,156 TL, consisting of 171,222,156 shares, each with a registered nominal value of 1 TL.

The company's shareholder and capital structure as of December 31, 2025 is as follows:

SHAREHOLDERS	SHARE GROUP	SHARE AMOUNT IN TL
Zeynep Yenel Onursal	A/B	22,258,888
Lütfi Yenel	B	30,164,336
Free Float	B	118,798,932
<b>TOTAL</b>		<b>171,222,156</b>

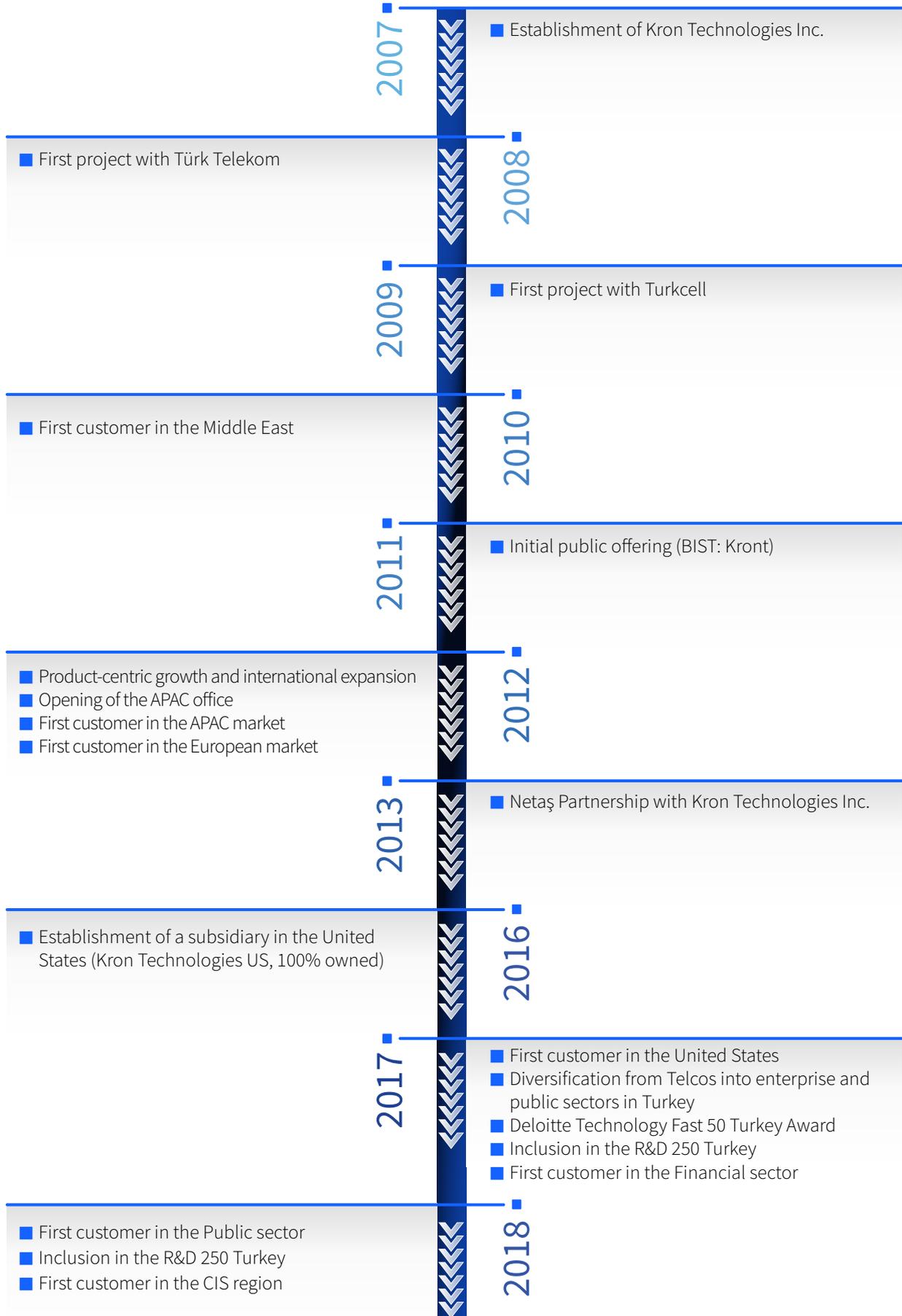


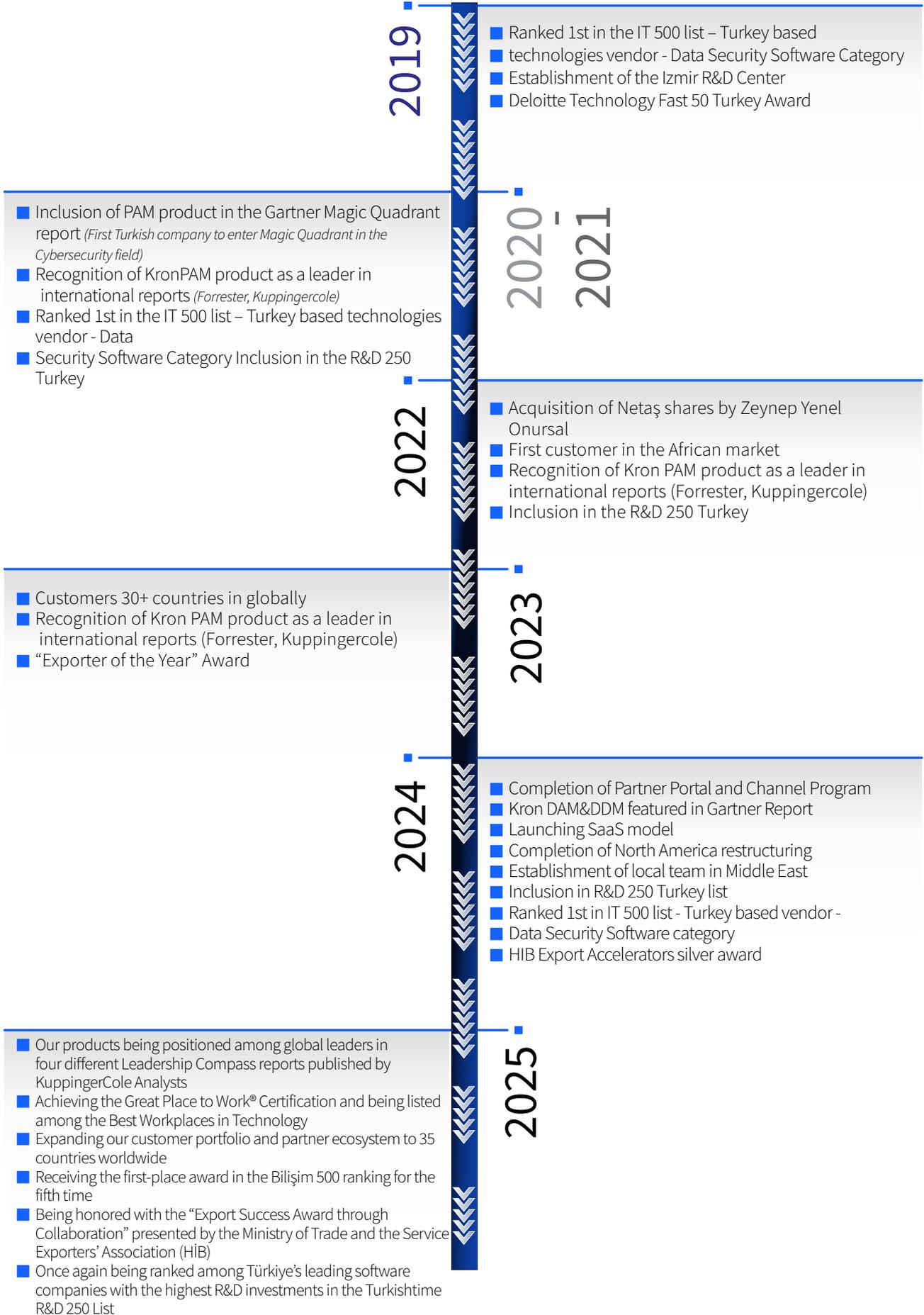
## SUBSIDIARIES

COMPANY NAME	CENTRAL	PARTICIPATION RATE
KRON TECHNOLOGIES US	NEW JERSEY - USA	100%

Ironsphere Inc., a wholly owned subsidiary of Kron Teknoloji A.Ş. located in the United States, has changed its trade name to "Kron Technologies US" in order to increase brand awareness and ensure brand consistency in global markets.

# KRON'S MILESTONES





# OUR PRODUCTS

Comprehensive Security Solutions for Enterprises and TelCos

## Product Categories



### Identity & Access Management

- Privileged Access Management
- Endpoint Privilege Manager
- Multi-Factor Authentication
- TACACS+ / RADIUS Access Manager
- AAA & SIM Identity Manager



### Data Security & Data Management

- Database Access Management
- Dynamic Database Masking
- Telemetry Pipeline



### Telecom Solutions

- IPDR Logging
- Quality Assurance
- AAA & Subscriber Management
- Deep Packet Inspection

## Identity & Access Management

Kron's Identity and Access Management platform, **Kron PAM**, delivers advanced security to ensure secure access to your critical data.

- Privileged Access Management (Kron PAM)
- Endpoint Privilege Manager (EPM)
- Multi-Factor Authentication
- TACACS+ / RADIUS Access Manager
- AAA & SIM Identity Manager

### Privileged Access Management (Kron PAM)

#### Description

Kron PAM is an advanced Privileged Access Management (PAM) solution designed to provide secure and controlled access to organizations' critical IT infrastructures. Built on a zero-trust approach, it centrally manages, monitors, and audits the lifecycle of privileged accounts, reducing the risk of unauthorized access.

With its modular and scalable architecture, Kron PAM integrates easily into on-premises, cloud, and hybrid environments. Advanced session management, real-time threat detection, and user behavior analytics enable instant identification of risky activities and rapid response.

Through its Machine Identity Management capabilities, service accounts, applications, API keys, and certificates are centrally and securely managed, with regular monitoring and auditing. Secure Remote Access features provide controlled and monitored connectivity for third-party vendors and remote employees without requiring direct network access. All sessions are recorded.

Kron PAM enforces strict access control through role-based access control (RBAC), just-in-time authorization, and multi-factor authentication. Detailed logging, monitoring, and centralized reporting deliver full visibility across both privileged and machine-based access. Comprehensive audit trails, timestamped session logs, and advanced reporting capabilities help meet regulatory requirements and ensure audit readiness. Automation features standardize policy enforcement, accelerate compliance processes, and reduce operational overhead.

#### Use Cases

Kron PAM serves organizations operating in highly regulated industries such as finance, energy, healthcare, telecommunications, public sector, and critical infrastructure. By securing privileged access, it supports compliance with global security standards including ISO 27001, ISO 31000:2009, KVKK, PCI DSS, SOX, HIPAA, and GDPR.

Key use cases include:

**Financial Institutions and Banking:** Controls privileged access to financial systems, servers, and databases, enhancing security and supporting compliance with regulations such as PCI DSS and SOX. Covers service accounts and application identities, with full monitoring and reporting of access activities.

**Energy and Critical Infrastructure:** Protects operational technology (OT) and industrial control systems (ICS) in critical facilities such as power grids, oil refineries, and water treatment plants from cyber threats.

**Telecommunications:** Secures network infrastructure, subscriber data, and privileged accounts against cyber risks while ensuring compliance with GDPR and other data privacy regulations.

**Public Sector and Government:** Safeguards sensitive public data by enforcing zero-trust policies and strengthening cybersecurity measures against internal and external threats.

**Cloud and Hybrid Environments:** Enables secure and controlled privileged access management across AWS, Azure, Google Cloud, and hybrid cloud infrastructures.

In today's increasingly regulated environment, Kron PAM helps organizations strengthen cybersecurity strategies across enterprise IT environments, DevOps teams, and remote workforces—minimizing both internal and external threats while ensuring continuous security and compliance.

# Kron PAM

## Product Family

### Modules



#### PASSWORD VAULT

Ensures centralized, secure storage and lifecycle management of all privileged account credentials. Prevents unauthorized access to systems and applications



#### MACHINE IDENTITY MANAGEMENT

Secures and manages API keys, passwords, certificates, and similar credentials. Automates rotation and access management to reduce the risk of identity-based data breaches.



#### PRIVILEGED SESSION MANAGEMENT

Provides advanced session management capabilities and full control over privileged sessions.



#### SECURE REMOTE ACCESS

Delivers secure, monitored, and controlled remote access for third-party vendors and employees. Minimizes security risks while maintaining compliance.



#### DATABASE ACCESS MANAGEMENT

Monitors database administrators' access to critical data, records sessions, and offers dynamic data masking for applications and queries.



#### USER BEHAVIOR ANALYTICS

Leverages advanced AI algorithms to detect malicious activities originating from insider threats by analyzing user behavior patterns.



#### CLOUD INFRASTRUCTURE ENTITLEMENT MANAGEMENT

Identifies cloud assets, monitors permissions, and reports security events. Ensures enforcement of least privilege principles across cloud environments.



#### PRIVILEGED TASK AUTOMATION

Prevents service disruptions by automating routine tasks through a flexible and scalable architecture.

## Identity & Access Management

### Endpoint Privilege Manager (EPM)

#### Definition

Kron Endpoint Privilege Management (EPM) enforces the principle of least privilege across endpoints. It ensures that users, applications, and services operate only with the permissions they strictly require, reducing security risks. By preventing privilege escalation attacks, insider threats, and unauthorized system changes, it helps maintain business continuity. Through real-time monitoring, behavioral analysis, and automated policy enforcement, EPM delivers centralized control and visibility across endpoints. Privilege requests are managed in a controlled and auditable manner, with temporary and approval-based elevation when required.

#### Use Cases

EPM prevents privilege escalation attacks by restricting unnecessary administrative rights and reduces the risks of malware and ransomware. By controlling local administrator privileges, it blocks unauthorized software installations and secures endpoint devices. Organizations can effectively enforce least privilege policies while maintaining operational efficiency.



### Multi-Factor Authentication

#### Definition

Kron's Multi-Factor Authentication (MFA) solution provides a critical security layer against threats such as credential theft and unauthorized access. It enhances account security and minimizes data breach risks by adding additional verification factors beyond passwords. With AI-powered adaptive authentication technology, Kron MFA dynamically adjusts security measures by analyzing user behavior. It strengthens authentication for high-risk login attempts while ensuring seamless access for trusted users, increasing security without compromising productivity.

#### Use Cases

MFA strengthens critical systems with additional security layers such as push notifications, biometric authentication, geolocation verification, and managerial approval. It ensures secure access beyond passwords, enhancing overall protection.

### TACACS+ / RADIUS Access Manager

#### Definition

TACACS+ / RADIUS Access Management enables organizations to centrally manage network access in compliance with AAA (Authentication, Authorization, and Accounting) standards, supporting up to 250,000 devices with a single deployment. It provides secure and scalable access control while recording all sessions in detail to ensure full system transparency.

#### Use Cases

TACACS+ / RADIUS Access Manager allows organizations to efficiently manage thousands of network devices with high performance. By controlling all authorized users, it ensures complete visibility and centralized governance across the infrastructure.



### Kron AAA – SIM Card Identity Management

#### Product Definition

Kron AAA is an AAA (Authentication, Authorization, and Accounting) solution that centrally manages SIM card-based authentication for devices operating in M2M (Machine-to-Machine) and IoT (Internet of Things) networks. Going beyond traditional user authentication, it securely verifies the SIM identity of every network-connected device, enforces authorization policies, and maintains access records in a fully auditable manner.

#### Use Cases

Kron AAA plays a critical role in network authentication for smart meters deployed by energy distribution companies and POS devices used in banking. Beyond these, it meets the secure authentication and access management needs of any SIM-enabled environment, including connected vehicles, industrial automation systems, and more.

## Data Security & Data Management

Our advanced solutions centrally manage access to sensitive data and monitor database activities through anomaly-based analytics, reducing the risk of unauthorized access and identifying potential threats at an early stage.

- Database Access Management
- Database User Behavior Analytics and Anomaly Detection
- Telemetry Data Pipeline



### Database Access Management

#### Definition

Database Access Management is a security solution that enables organizations to centrally and systematically control access to their databases. Its primary objective is to determine who can access which data, when, and at what privilege level, and to enforce these controls through policy-based governance. By managing and supervising privileged accounts, it aims to prevent unauthorized or excessive access.

#### Kullanım Alanları

Database Access Management strengthens database security by restricting user and application access based on defined roles and privilege levels. It reduces both internal and external threat risks by controlling and monitoring

privileged accounts. The solution provides detailed access logs and reporting capabilities to support regulatory compliance and audit requirements. By ensuring that sensitive data is accessible only to authorized individuals, it lowers the likelihood of data breaches and enhances overall organizational security.

### Dynamic Data Masking

#### Definition

Dynamic Data Masking is a solution that enhances security and supports regulatory compliance by enabling database administrators to record sessions and mask sensitive data during access.

#### Use Cases

Dynamic Data Masking supports many databases and big data platforms, including Oracle, MSSQL, MySQL, PostgreSQL, Hive, and IBM DB2. It automatically discovers sensitive data and masks it at the table and column level, preventing the exposure of real data.



### Telemetry Pipeline

#### Definition

Kron Telemetry Pipeline is an enterprise-grade solution designed to collect, process, and enrich logs, metrics, and traces from diverse sources — delivering structured, destination-ready data across multiple targets in the required format.

#### Use Cases

Reduces unnecessary log volume to optimize storage costs and improve operational efficiency. Enhances the analytical value of log data through advanced enrichment capabilities. Enforces data governance by normalizing disparate log formats from heterogeneous sources into a unified schema. Eliminates vendor lock-in by fully decoupling log sources from downstream destinations



## Telco Solutions

Enabling successful digital transformation by empowering Telecom infrastructure with innovative technologies

- IPDR Logging
- Quality Assurance
- AAA & Subscriber Management
- Deep Packet Inspection

### IPDR Logging

#### Definition

Kron IPDR Logging is an enterprise-grade logging solution designed to manage high-volume network traffic records. It is capable of processing millions of records per second without data loss, and stores data efficiently through compression.

#### Use Cases

Kron IPDR Logging provides telecom operators and large-scale enterprises with the capabilities required for regulatory-compliant record keeping and data enrichment. It also ensures seamless integration with widely adopted network equipment vendors through ready-made adapters.



### Quality Assurance

#### Definition

Kron QA (Quality Assurance) is a quality monitoring product that measures the performance of networks and services using actively deployed distributed probe devices.

#### Use Cases

The Network & Service Quality Measurement solution proactively monitors network traffic in real time through its distributed data collection architecture, enabling early detection and immediate identification of issues. By providing access to all data through a single unified interface and platform, it eliminates the need to aggregate information from multiple disparate platforms — enabling efficient and effective quality measurement.

## AAA & Subscriber Management

### Definition

Kron AAA is a network access management software that provides authentication, authorization, and accounting functions for controlling access to network resources. The solution is offered to telecommunications operators in conjunction with comprehensive subscriber management capabilities.

### Use Cases

Its vendor-agnostic architecture enables simultaneous interoperability with network devices from multiple manufacturers. The solution scales both horizontally and vertically to accommodate growing traffic volumes. The product also supports SIM card authentication for M2M and IoT use cases.



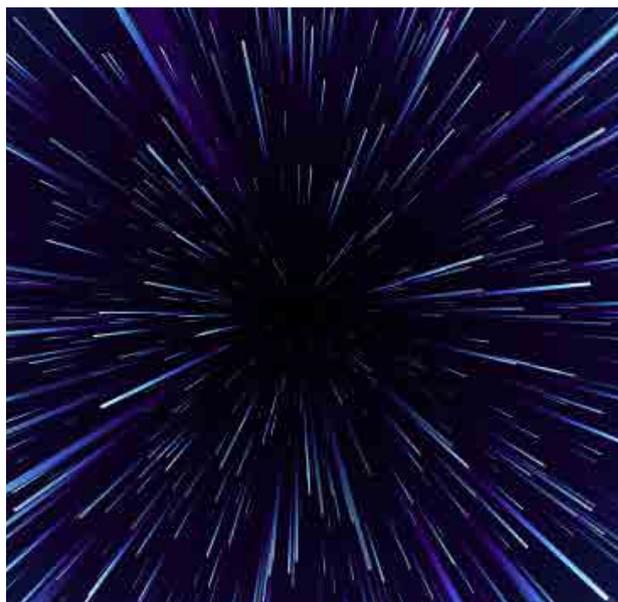
## Deep Packet Inspection

### Definition

Kron DPI is a Deep Packet Inspection product designed to help both fixed and mobile service providers meet regulatory requirements and deliver value-added internet services. The solution is architected to handle terabit-scale traffic analysis and active management of subscriber traffic.

### Use Cases

Internet Service Providers are required to comply with regulatory obligations to enforce safe internet usage and mitigate unlawful activities. Kron DPI enhances ISP capabilities through traffic analysis, bandwidth management, and access control at the application and website level. The product also generates metadata for network and subscriber analytics, supporting network planning and marketing analysis initiatives.



# GLOBAL FOOTPRINT



**400+**  
customers,  
**35** Countries

**165**  
employees in  
**8** Countries

**19 Years**  
of industry experience

**3**  
R&D Center

# GLOBAL INDUSTRY RECOGNITION AND SUCCESS

Kron Technologies, as a leading software company specializing in cybersecurity, differentiates itself globally with its high-quality and innovative solutions. The company has received numerous achievements and awards that highlight its technological excellence and customer-centric approach.

## KuppingerCole

In 2025, Kron Teknoloji achieved a strong position across multiple categories in the KuppingerCole Leadership Compass reports. Kron DAM & DDM was featured in the Leadership Compass for Data Security Platforms report, once again demonstrating its international expertise in the field of data security.

Kron PAM was recognized in the Leadership Compass for Non-Human Identities report as both an Overall Leader and a Product Leader. This distinction confirms its vision and product maturity in managing machine identities and non-human identities.

In addition, Kron PAM was positioned as an Overall Leader, Product Leader, Innovation Leader, and Market Leader in the Leadership Compass for Secure Remote Access for OT/ICS report. This evaluation clearly highlights Kron PAM's technological strength in secure remote access for operational technologies (OT) and industrial control systems (ICS).



## QKS Grup

Kron PAM was positioned in the Leaders category in the SPARK Matrix™ for Privileged Access Management (PAM) report published in the fourth quarter of 2025. This evaluation demonstrates Kron PAM's strong market leadership in the field of privileged access management.



## GigaOm

Kron PAM was recognized as an Outperformer in the GigaOm Radar for Privileged Access Management (PAM) report published by GigaOm. This assessment highlights Kron PAM's pace of innovation and technological advancement in the privileged access management domain.



## Forrester

Kron PAM was positioned among global providers in Forrester's report titled "The Privileged Identity Management Solutions Landscape, Q2 2025," published in the second quarter of 2025. This recognition highlights Kron PAM's capability to deliver strong protection against privileged identity-based threats, support regulatory compliance, and enhance operational agility.

The report places particular emphasis on Kron PAM's ability to secure administrative access, prevent credential theft, and meet critical audit and compliance requirements.



## Gartner

Kron Technologies has strengthened its position in the cybersecurity field through recognition by Gartner. In 2020 and 2021, Kron PAM was included in Gartner's Magic Quadrant report for Privileged Access Management (PAM), positioning Kron as the only Turkish cybersecurity vendor featured in the report.

In 2024, Kron's DAM & DDM solutions were also recognized in Gartner's Market Guide for Data Masking and Structured Data Security.

This prestigious recognition significantly enhances Kron's visibility and credibility in the data security market.

Receiving a 4.8 / 5 rating on Gartner Peer Insights based on user reviews highlights Kron as one of the highest-rated Privileged Access Management (PAM) vendors and confirms the global recognition of its solutions.



PAM	4.8 ★★★★★	<b>Privileged Access Management</b>
	Highest Rated on Gartner Peer Insights.	
<ul style="list-style-type: none"> <li>✓ Protect your data and critical infrastructure by managing privileged users and sessions with Kron PAM</li> <li>✓ Password Management</li> <li>✓ Session Management with Zero Trust Principles</li> <li>✓ Regulatory and Audit Compliance</li> </ul>		

**02**

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**KRON in  
2025**

## Co-CEO MESSAGE



**ZEYNEP YENEL ONURSAL**  
Co-CEO

**AYŞE YENEL**  
Co-CEO

### Dear Stakeholders,

2025 was a defining year for Kron. We delivered record financial performance while completing a strategic transition that is reshaping our company for long-term growth. Our focus on expanding recurring revenue, maintaining profitability, and investing in innovation continues to strengthen Kron's position in the global identity and data security market.

Our results reflect both strong execution and growing demand for identity security solutions worldwide. IFRS revenue increased by 31%, significantly exceeding our guidance, while invoiced revenues in USD grew by 25%. During the year we welcomed 74 new customers and expanded our global footprint to 35 countries across six continents.

Equally important is the transformation of our business model. Over the past several years we have deliberately shifted toward a subscription-driven approach. In 2025, Annual Recurring Revenue grew by 43%, reaching nearly three times its level from just two years ago. ARR has become the core compounding asset of our strategy, creating greater visibility, predictability, and resilience in our revenue base. Combined with robust revenue growth and careful cost management, we delivered an EBITDA margin of 51% — surpassing our revised targets and highlighting the scalability of our platform.

Alongside our cybersecurity business, our roots in telecommunications remain a defining part of who we are. Kron built its engineering reputation managing mission-critical, large-scale infrastructure for some of the region's leading operators — and that heritage continues to generate significant value. Our telco solutions serve a loyal and growing customer base globally. This business is the foundation of our expertise, a steady contributor to our revenues and one that we intent to grow with focused investment.

Looking ahead, we believe the global cybersecurity landscape is entering a new phase defined by Artificial Intelligence. The rapid adoption of AI is fundamentally transforming how organizations operate — and how they must secure their digital environments. One of the most significant shifts is the explosion of non-human identities — AI agents, service accounts, and automated processes — which already outnumber human identities by an estimated 144 to one. Increasingly stringent global regulations are creating a permanent tailwind for our business as enterprises face mounting pressure to secure these digital identities.

Kron is positioning itself at the center of this transformation. Our strategy focuses on four key priorities.

First, we are advancing Non-Human Identity Management. Traditional Privileged Access Management solutions were designed for people. The next generation of KronPAM is being engineered to govern machine identities — securing the lifecycle and credentials of AI agents and automated systems.

Second, we are embedding AI-native behavioral analytics into our platform. By analyzing access patterns in real time, our technology moves beyond reactive monitoring to proactively detect and prevent credential misuse.

Third, we continue to expand our global partner ecosystem. Our channel-first model now drives 59% of our cybersecurity revenue. We are actively strengthening our partner network and regional sales teams across EMEA, North America, and Asia-Pacific — building the distribution infrastructure that will power our next phase of international growth.

Fourth, we are investing in the organization to sustain scale. This means enhancing our operational infrastructure, integrating AI into internal workflows to accelerate product development, and attracting high-performance talent globally to support our international ambitions.

Our strategy and innovation are increasingly recognized by the global analyst community. In 2025, KuppingerCole named Kron a leader in three categories: Non-Human Identity Management, Privileged Access Management, and Secure Remote Access for OT/ICS. These recognitions confirm that our product roadmap is aligned with the future direction of identity security.

None of this is possible without our people. Behind every result, every product release, and every customer relationship is a team that brings exceptional skill, dedication and genuine passion to what they do. In 2025, Kron was certified as a Great Place to Work and ranked among the Best Workplaces in Technology in Türkiye — a recognition that belongs entirely to our employees for building an exemplary culture over the years. Fostering and sustaining this culture as we grow remains one of our most important commitments.

The foundation we have built in 2025 gives us genuine confidence as we enter 2026. The tailwinds are real, the strategy is working and we are just getting started.

We are grateful to our 165 employees for their dedication, to our 400+ customers for their continued trust, and to our shareholders for their unwavering support. This journey is one we take together.

**Ayşe Yenel & Zeynep Yenel Onursal**

**March 9, 2026**

# Overview of 2025



Revenues increased by **31%**, our growth momentum has strengthened



Recurring revenues increased by **43%**, strengthening our sustainable growth base.



With the acquisition of **74 new customers**, we have reached the highest level in our history.



EBITDA margin rose to **51%**, demonstrating our strong profitability.



Our sales increased by **25%**, with the share of recurring revenues reaching 55%.



Our customer and business partner ecosystem expanded to **35 countries**.



Our team grew; we reached **165 colleagues across 8 countries**.



We received **Great Place to Work certification** and were recognized among the best employers in the technology sector.



We were listed among global leaders in **4 KuppingerCole Leadership Compass** reports.

## KEY FINANCIAL INDICATORS

FINANCIAL RESULTS (TRY)	31.12.2025	31.12.2024
<b>Total Revenue</b>	<b>536,690,451</b>	<b>410,541,098</b>
<b>Cost Of Sales</b>	<b>(51,878,122)</b>	<b>(60,826,375)</b>
<b>Gross Profit</b>	<b>484,812,329</b>	<b>349,714,723</b>
Operating Expenses	-341,420,483	-371,272,329
Other Income from Operating Activities	87,813,744	63,129,960
Other Expenses from Operating Activities	-27,796,269	-28,776,916
<b>Operating Profit / Loss</b>	<b>203,409,321</b>	<b>12,795,438</b>
Financial Income	32,467,106	27,110,082
Financial Expense	-25,753,601	-23,407,320
Net Monetary Positions Gains/ Loss	-84,246,972	-76,716,572
<b>Profit / Loss Before Taxes</b>	<b>133,953,841</b>	<b>-56,706,404</b>
Deferred Tax Income / Expense	12,940,890	778,260
<b>Profit / Loss from Continuing Operations</b>	<b>146,894,731</b>	<b>-55,928,144</b>
<b>Earnings per Share</b>	<b>0.858</b>	<b>-0.653</b>
<b>EBITDA</b>	<b>275,386,092</b>	<b>101,862,639</b>

PROFITABILITY RATIO	31.12.2025	31.12.2024
Gross Margin	90%	85%
Operating Profit Margin	38%	3%
EBITDA Margin	51%	25%
Net Profit Margin	27%	-14%

KEY FIGURES - BALANCE SHEET (TRY)	31.12.2025	31.12.2024
<b>Total Current Assets</b>	<b>398,043,641</b>	<b>364,798,030</b>
<b>Cash, Cash Equivalents and Financial Investments</b>	<b>127,636,544</b>	<b>112,874,577</b>
<b>Trade Receivables</b>	<b>253,590,610</b>	<b>212,144,392</b>
<b>Net Fixed Assets</b>	<b>11,548,074</b>	<b>14,068,237</b>
<b>Intangible Assets (Net)</b>	<b>710,912,671</b>	<b>482,997,923</b>
<b>Total Assets</b>	<b>1,182,609,128</b>	<b>933,673,536</b>
<b>Short-Term Debt</b>	<b>45,335,930</b>	<b>63,308,199</b>
<b>Equity</b>	<b>740,031,907</b>	<b>498,829,225</b>

LIQUIDITY RATIOS	31.12.2025	31.12.2024
<b>Current Ratio</b>	<b>1,23</b>	<b>1,18</b>
<b>Liquidity Ratio</b>	<b>1,22</b>	<b>1,18</b>

FINANCIAL STRUCTURE RATIOS	31.12.2025	31.12.2024
<b>Equity / Total Liabilities</b>	<b>63%</b>	<b>53%</b>
<b>Short-Term Liabilities / Total Liabilities</b>	<b>27%</b>	<b>33%</b>
<b>Long-Term Liabilities / Total Liabilities</b>	<b>10%</b>	<b>14%</b>

\*All figures include IAS 29 impact

## CAPITAL INCREASE AND GROWTH INVESTMENTS

In order to accelerate our company’s growth and enhance its global competitiveness, the prospectus draft submitted to the Capital Markets Board on December 11, 2024 was approved. Through a 100% preemptive rights offering, fully paid in cash, our registered capital was increased from TRY 85,611,078 to TRY 171,222,156. The capital increase was successfully completed in 2025, with total equity reaching TRY 740,031,907 as of December 31, 2025.

Kron utilized the funds raised from this capital increase in line with the planned allocation. Significant resources were allocated to R&D and product development investments; investments to strengthen global sales and marketing channels were maintained, and increased working capital requirements were met.

Investments aligned with growth targets in the North America, Middle East, and Asia-Pacific markets gained further momentum in 2025. Supported by these investments, net sales revenues increased by 31% compared to the previous year, reaching TRY 536,690,451, and the company achieved a net profit of TRY 146,894,731 in 2025.

Use of Proceeds	% of Total Funds Raised
R&D and Product Development Investments	30%
Investments to Strengthen Our Global Distribution Channels	40%
Increasing Working Capital Requirement	30%



## MATURITY PHASE IN OUR PARTNER ECOSYSTEM

### A Scalable Growth Engine Driving Long-Term Value

As our partners continue to stand at the center of our growth strategy, we are pleased to observe that, as of 2025, the ecosystem we have built has reached a new level of operational and structural maturity. The partner model we laid the foundations for in previous years has evolved into a more systematic, data-driven, and performance-oriented structure.

Through strong collaborations with our strategic partners across MEA, APAC, the United States, and Türkiye, we have not only expanded our geographical footprint but also increased our project generation velocity and strengthened our opportunity closing discipline.

Throughout 2025, our focus has been not only on expanding the ecosystem numerically, but also on deepening its quality and capability. Through our Partner Portal and structured Channel Program, we managed more than 1,200 opportunities (deals) with over 220 active partners across 52 countries.

From a regional perspective, the majority of our sales in Türkiye, APAC, and CIS have been generated through our partner ecosystem, while in our new investment geography, MEA, all opportunities are managed through distributors and business partners. This clearly demonstrates that our ecosystem has become an integral component of our commercial operating model.

This volume demonstrates not only the scale of our ecosystem but also its operational capacity.

### Thanks to our portal infrastructure:

- End-to-end opportunity tracking has been standardized,
- Deal registration processes have become transparent and measurable,
- Pipeline visibility has significantly increased,
- Regional performance analytics have become regularly reportable.



This systematic approach has accelerated decision-making processes while creating a more predictable structure for resource planning.

On the capability development front—one of the most critical pillars of ecosystem sustainability—we achieved tangible progress. More than 150 participants from 80 different partners obtained over 300 product specialization certifications through the Kron Online Academy.

These figures reflect not only training participation but also a deliberate effort to enhance the technical and commercial capacity across the ecosystem.

#### Through our certification framework:

- Technical independence of partners has been strengthened,
- Product positioning accuracy in sales cycles has improved,
- Project delivery timelines and solution quality have been enhanced.



Our maturing partner model has now been institutionalized through structured governance mechanisms, including performance tracking, certification programs, joint marketing initiatives, and regular business reviews (QBR processes). As a result, our ecosystem is no longer merely a growing channel network, but a measurable, continuously developed, and strategically directed value chain.

At this stage, our partner ecosystem has transformed into a mature organizational structure that supports sustainable revenue generation, accelerates entry into new markets, and acts as a key lever for our regional growth strategies.

Looking ahead, we aim to further deepen our data-driven management approach and, together with our partners, deliver higher value-added projects and stronger global success stories.



# AWARDS & ACHIEVEMENTS

Kron solutions have been strongly positioned in the reports of KuppingerCole Analysts AG, an independent and respected global analyst firm. The company has been evaluated across four different categories as follows:

**Overall Leader:**

- Secure Remote Access (SRA) Solutions for Operational Technology (OT) and Industrial Control Systems (ICS)
- Non-Human Identity (NHI) Management

**Product Leader:**

- Privileged Access Management (PAM)

**Challenger:**

- Data Security Platforms

## Kron PAM Recognized as a “Product Leader” in KuppingerCole Leadership Compass: Privileged Access Management

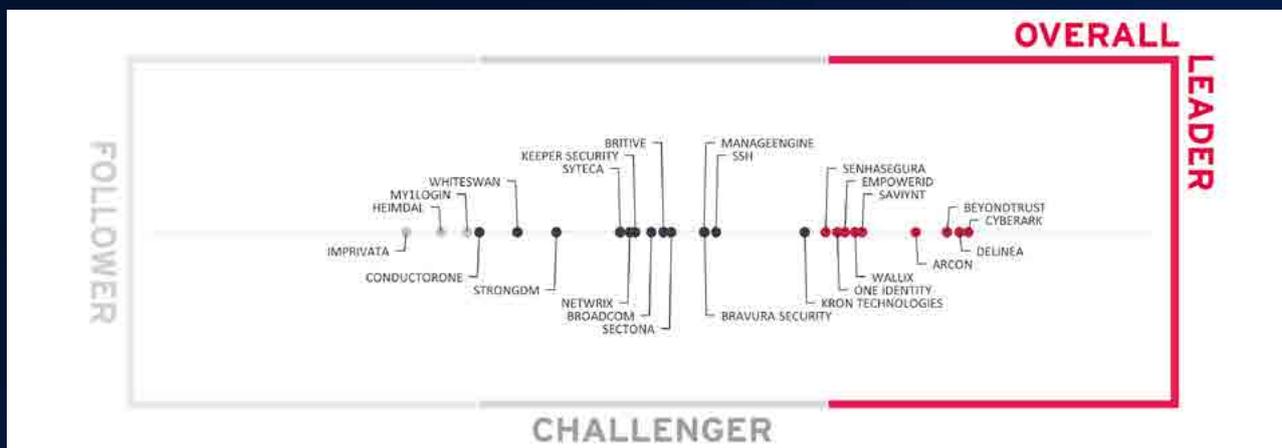
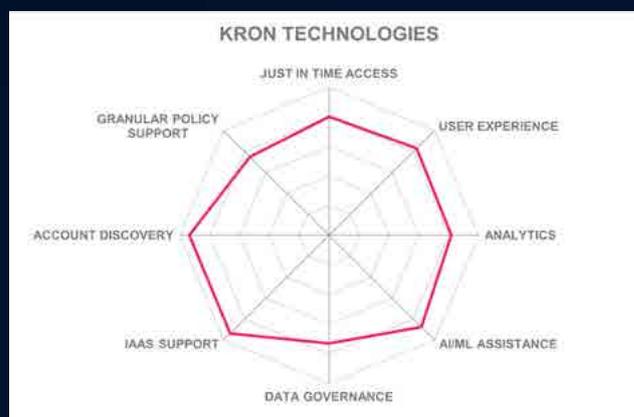
The KuppingerCole Analysts’ Leadership Compass: Privileged Access Management report provides a comprehensive evaluation of vendors in the PAM market. The report assesses each vendor across multiple dimensions, including product capabilities, innovation, and market presence.

By positioning Kron among the leading vendors, the report highlights the company’s strong capabilities in managing and securing privileged access across diverse infrastructures.

As enterprises accelerate their digital transformation journeys, the rapid growth of privileged identities—both human and machine—introduces new challenges in maintaining robust security controls.

Kron PAM addresses this complexity with an architecture specifically designed to scale alongside business needs, delivering a comprehensive and flexible solution.

Built on a strong foundation of innovation, security, and scalability, Kron PAM represents our forward-looking approach to Privileged Access Management.



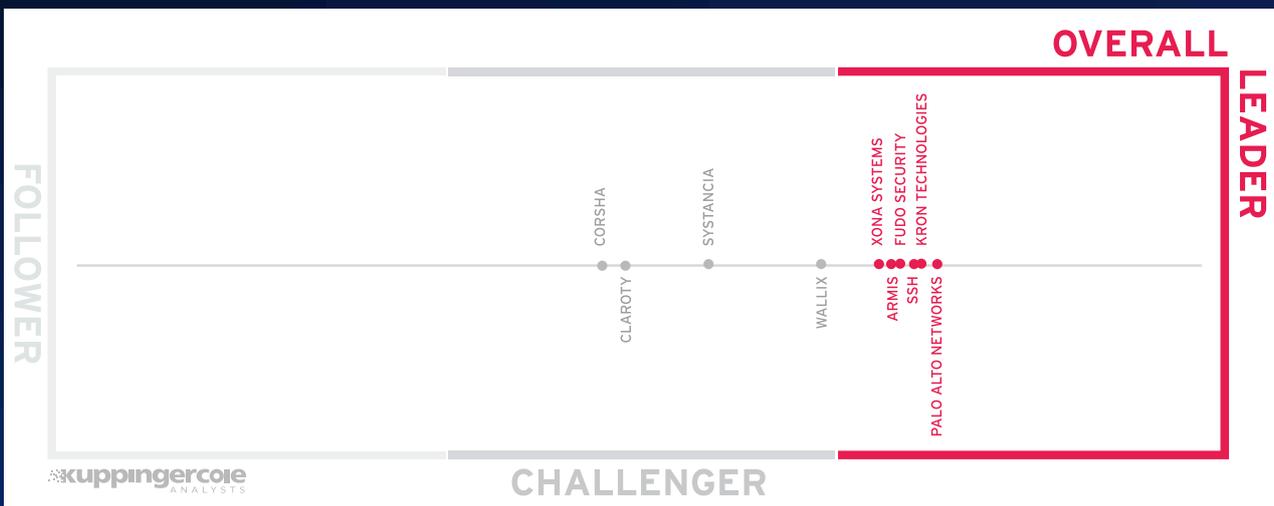
**Kron has been recognized as an “Overall Leader” in KuppingerCole’s Secure Remote Access (SRA) for OT/ICS Report.**

In the KuppingerCole Analysts’ Leadership Compass: Secure Remote Access (SRA) for OT/ICS report published by **KuppingerCole Analysts AG**, Kron was positioned as an **Overall Leader** and also achieved leadership status in all three key categories: **Product Leadership, Innovation Leadership, and Market Leadership.**

As organizations accelerate their digital transformation journeys, the increasing number of privileged identities—both human and machine—creates new challenges in maintaining strong security controls.

Kron PAM has been specifically designed to address this complexity. It is featured in the report for providing a scalable and comprehensive solution that grows in line with organizations’ evolving needs.

This significant achievement demonstrates that our secure, scalable, and intelligent remote access solutions for **Operational Technology (OT)** and **Industrial Control Systems (ICS)** are internationally recognized and validated.





OVERALL LEADER

## Kron PAM Named an Overall Leader in KuppingerCole's 2025 Non-Human Identity Management Report

In the 2025 Non-Human Identity Management report published by KuppingerCole Analysts, Kron PAM was not only positioned as an **Overall Leader**, but also recognized as a **Product Leader**, placing the company among the industry's leading global brands.

At a time when machine identities significantly outnumber human identities, the Non-Human Identity (NHI) market is expanding rapidly. Being evaluated at a leadership level in this critical and fast-evolving domain by a respected analyst firm is a strong testament to the dedication, innovation, and engineering excellence of our teams.



## Kron DAM & DDM has been recognized as a "Challenger" in the Leadership Compass: Data Security Platforms report

Kron DAM& DDM is recognized as a comprehensive database access control and data protection platform designed to meet the stringent security and compliance requirements of organizations operating in hybrid and multi-cloud environments.

In the report, Kron DAM & DDM stands out for its strong focus on real-time monitoring, dynamic data masking, AI-driven analytics, and regulatory compliance.



## AWARDS & ACHIEVEMENTS

### Bilişim 500

Kron ranked first among Türkiye-based technology manufacturers in the Data Security Software category for the third consecutive year and for the fifth time overall.

### Kron Honored with the “Export Success Award through Collaboration”

At the Tech Export Türkiye Summit 2025, organized for the second time this year by the Ministry of Trade and the Service Exporters’ Association (HİB), Kron was awarded first place in the category “Export Success Award through Collaboration (Company with the Highest Number of Authorized International Partners)”.



### Certified as a Great Place to Work®

Kron earned the Great Place to Work® Certification, based directly on employee feedback. During the evaluation process, Kron received particularly strong scores in the areas of team spirit, sense of belonging, trust, competence, innovation, and inclusiveness, confirming its position as an outstanding workplace.

### Turkishtime AR-GE 250

According to the Turkishtime R&D 250 Research conducted by Turkishtime Magazine, Kron ranked among the companies that made the highest R&D investments in the IT sector.



## MARKETING & GLOBAL EVENTS

In 2025, Kron Technologies took strategic steps to further strengthen brand awareness. Demand generation initiatives were launched, the corporate website was enhanced with enriched product and blog content, and core digital campaigns were launched across social media and LinkedIn channels.

Additionally, demand generation activities were supported through the Partner Portal, contributing to growth in the sales pipeline.

In line with its globalization strategy, Kron organized demand-generation events and webinars across the Middle East & Africa (MEA), APAC, and the United States.

### KRON'S PARTICIPATION IN GLOBAL EVENTS & EXPO'S

#### BlackHat - USA

At Black Hat USA, Kron connected with leading cybersecurity professionals, partners, and end users, showcasing how Kron Network PAM enables organizations to control and secure privileged access.

#### IDC Security Roadshow - Türkiye

As a Cybersecurity Partner, Kron presented its solutions shaping the future of cybersecurity. Co-CEO Ayşe Yenel and PAM Product Director Erhan Yılmaz delivered a keynote titled: "Security in the Digital Age: New Horizons in Privileged Identity Access and Data Security."

#### IDC CIO Summit 2025 - Türkiye

At this prestigious event bringing together IT leaders and global analysts, Co-CEO Ayşe Yenel delivered a presentation titled:

"Holistic Data Security: Protecting Data at Every Stage."

#### IDC Security Summit - Türkiye

Co-CEO Ayşe Yenel and Halkbank Information Security Systems Manager Arif Ünal delivered an inspiring joint session titled:

"Beyond Boundaries: Identity Across Cloud, AI, and Critical Infrastructure – A Case Study with Halkbank."

Throughout the event, Kron engaged with industry leaders, sharing its PAM and Data Security solutions and discussing how organizations can enhance cyber resilience.





**GISEC Global 2025 – UAE**

At the region’s largest information security exhibition, Kron met with distributors, partners, and potential customers, sharing product innovations and strategic plans.

**GITEX Global – UAE**

At the world’s largest technology exhibition in Dubai, Kron presented Kron PAM, Kron DAM & DDM, and Telemetry Pipeline solutions to distributors, partners, and customers.

**GITEX Nigeria – Nigeria**

The MEA team engaged with customers and partners to showcase solutions that strengthen cyber resilience and digital trust across Africa.

**GITEX Afrika 2025 - Morocco**

Kron proudly participated in GITEX Africa, connecting with end users, partners, and industry leaders while demonstrating how its solutions proactively strengthen cybersecurity posture.



**BlackHat MEA – Saudi Arabia**

Kron participated in Black Hat MEA 2025, providing detailed insights into its Privileged Access Management and Data Security solutions.

**CYSEC Global – UAE, Oman & Qatar**

Kron joined the CYSEC Global event series as a Gold Sponsor and received the award for Best PAM Solution.

## CUSTOMER EVENTS WITH PARTNERS

Throughout the year, we organized various events in collaboration with our business partners, reaching numerous end users across different industries and sharing Kron's cybersecurity solutions and strategic approach. The events listed below represent only a selection of the activities carried out during the year.

### Cyber Security Summit - USA

Kron participated in summits held in Santa Clara and San Diego, presenting solutions that enhance cyber resilience and digital trust across the US market..



### ITServ Technology 16. C-Suite Executive Event - Egypt

As a sponsor, Kron presented its PAM, DAM, and DDM solutions and complementary cybersecurity technologies to executive-level decision-makers.

### Identity Access & Data Security Round Table - UAE

Organized with Naizak Distribution Services and Greenware Technologies, Kron introduced secure and efficient Identity & Access Management solutions to regional participants.



### İşNet Digital Risk & Cybersecurity Solutions – Türkiye

Together with İşNet, Kron discussed digital risk trends and demonstrated how its PAM, DAM, DDM, and Telemetry Pipeline solutions enhance organizational security.

### C-Level Executive Cybersecurity Briefing - Türkiye

Held at Çırağan Palace Kempinski, this exclusive event addressed modern enterprise architecture, identity management, data security, and Zero Trust strategies.

### Vodafone Cyber Storm Events - Türkiye

Vodafone Business organized Cyber Storm Events and Kron jointly in Istanbul, Ankara, Izmir, and Adana, presenting Kron solutions to Vodafone's regional customer base and strengthening partner collaboration.



## R&D ACTIVITIES

At the core of Kron's founding philosophy lies a powerful R&D focus aimed at delivering innovative and competitive solutions. In this context:

### 2

Active **TÜBİTAK Projects:**  
**TEYDEB 1501 Industrial R&D Projects**  
**Support Program**

### 8

Completed **TÜBİTAK Projects:**  
Since inception

### Intellectual and Industrial Property Rights Kron's portfolio of intellectual assets includes:

### 12

#### Trademark Registration

- 9 registered with the TURKPATENT
- 2 registered with the USPTO
- 1 registered with WIPO

### 2

#### Patents

- 1 Examined Patent
- 1 Non-examined Patent

### 3

#### Patent Applications

- Currently under examination

### 1

#### TUDB

- Technological Product Experience Certificate

### 7

#### Domestic Goods Certificates

- 7 certificates representing 7 distinct products

### 3

#### R&D Centers

- Totaling 165 personnel across Turkey

### R&D Centers

#### **Istanbul**

İTÜ - Teknokent

**98**  
Personnel

#### **Ankara**

Bilkent - Teknokent

**33**  
Personnel

#### **izmir**

On-site R&D Center

**24**  
Personnel

# NEW PRODUCTS AND FEATURES

## — Kron PAM

- Machine Identity Management capabilities were enhanced to enable the centralized discovery, inventory, and lifecycle management of service accounts, application identities, API keys, and certificates.
- Advanced audit and compliance reporting capabilities were improved to monitor access activities of both human and machine identities, enabling automated generation of reports for regulatory requirements.
- Capabilities such as automated credential rotation, time-based access management, and policy-based controls were enhanced for machine identities used in cloud and automation-driven environments.
- Secure Remote Access capabilities were expanded by introducing new security controls and management features for remote access to critical systems, further strengthening session monitoring, recording, and access management capabilities.
- CIEM (Cloud Infrastructure Entitlement Management) features were introduced to analyze identity entitlements across AWS, Azure, and GCP environments, detect excessive privileges, and support access adjustments aligned with the least privilege principle.
- User interface improvements were implemented to enhance user experience, simplifying management dashboards, enabling faster access to critical operations, and accelerating daily administrative processes for operations teams.
- Advanced workflows, risk-based access evaluation, and policy-based authorization features were added to privilege request and access approval processes.
- Expanded integration capabilities with SIEM, ITSM, and DevOps tools were introduced, enabling access management processes to operate more seamlessly within organizations' existing security and operational ecosystems.

## — Kron DAM & DDM

- Support for new database platforms was added, enabling monitoring, auditing, and recording of access activities across different database technologies.
- Database auditing capabilities were enhanced to enable more comprehensive analysis and reporting of access activities, supported by artificial intelligence.

## — Telemetry Pipeline

- Expanded the Telemetry Pipeline product with new integration points, reaching over 100 supported source and destination systems.
- Introduced a drag-and-drop configuration interface with real-time data flow visibility.
- Developed live-view and simulation capabilities to empower customers with greater control over telemetry data transforms.
- Added sensitive data detection and masking for logs forwarded to SIEM products to ensure PCI-DSS compliance.
- Going forward, we will continue to deliver features focused on enabling customers to manage their telemetry more effectively and making their data AI-ready.

## — DPI

- The product has been enhanced with an inline operating mode to support new use cases, reaching a capacity of 200 Gbps on a single node. Throughout 2025, improvements were made to redundancy, scalability, and the control plane.

## — General Technology Transformation

- The modernization of all products to align with cloud-native technologies and microservices architecture is ongoing.
- Generative AI tools to support R&D activities were evaluated throughout 2025, and as of 2025, AI has been successfully integrated into R&D workflows — starting with coding assistants.

**03**

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# **Management**

## BOARD OF DIRECTORS

The Chairman and members of the Board of Directors are vested with the powers set forth in the relevant articles of the Turkish Commercial Code and Articles 10 and 11 of the Company's Articles of Association. Our Board of Directors consists of 6 members, and their term of office is 3 years. The members of the Audit Committee are vested with the powers set forth in Article 25 of the Communiqué (II-17.1) of the Capital Markets Board and Communiqué Series: X No: 22, and the provisions of the relevant legislation of the Capital Markets Board.



**LÜTFİ YENEL**  
Chairman

Lütfi Yenel, one of the founding partners of Kron, serves as the Chairman of the Board of Kron. Previously, Yenel was Alcatel-Lucent Turkey's Chairman and CEO and Alcatel-Lucent International's Vice President responsible for Turkey and the Independent States countries and Middle East regions. He joined Alcatel in 1995, and left Alcatel before Kron was founded.

Prior to Alcatel, he served as Chairman and CEO of Vestel and a member of the Board of Directors of Sansui / Japan. Previously, Lütfi Yenel was Sabanci Holding's and Turkey Industrialists and Businessmen's Association's (TUSIAD) Executive Board member, International Investors Association (YASED) 's Board member, Turkey Quality Association (KALDER) Vice President and member of the International Chamber of Commerce (ICC) Electronic Commerce and Telecom Committee. Lütfi Yenel holds a master's degree in Electronic Engineering and Business Administration.

Ayşe Yenel earned a Bachelor of Science Degree in Industrial Engineering from Lehigh University. She started her career at JP Morgan Chase in the United States back in 1999. After holding various positions in Credit Analytics and Strategy Management she left JP Morgan as Vice President of Credit Cards Business to move to Turkey.

In 2004 Ayşe joined HSBC Turkey to form the Retail Credit Analytics team. She worked under the Risk Function in a number of roles for 10 years including Chief Risk Officer for the Retail Bank. She moved to Retail Banking as Chief Operating Officer in 2014. Ayşe was appointed as Assistant General Manager of HSBC Turkey responsible from Wealth and Personal Banking in 2017. Additionally, Ayşe served as Vice Chairperson of HSBC Portföy Yönetimi A.Ş.

Ayşe joined Kron Technologies in 2023 and currently serves as Co-CEO and Vice Chairperson of the Board.



**AYŞE YENEL**  
Vice - Chairperson



**ZEYNEP YENEL ONURSAL**  
Board Member

Zeynep Yenel Onursal graduated from the University of Pennsylvania, Wharton School with a Bachelors in Science Degree in Finance. Zeynep started her career in 2007 at Goldman Sachs in New York. Between 2010 and 2016, she held various leadership positions in the Leveraged Finance, M&A and Financial Sponsors Groups at Goldman Sachs in London.

In 2016, Zeynep assumed Country Head responsibility for Goldman Sachs in Turkey as Managing Director. She held this role until 2023.

In addition to her career in finance, Zeynep serves on the board of the American Turkish Society (ATS) to help enhance business and cultural ties between the US and Turkey.

Zeynep Yenel Onursal joined Kron Technologies in 2023 and currently serves as Co-CEO and Board member. Since January 2026, she also serves as a Member of the TÜSİAD Board of Directors.

Emre Baran is an entrepreneur and software executive with over 20 years of experience in software products. He is the co-founder and CEO of Cerbos, a company that provides authorization services for software applications.

In the mid-2000s, Emre Baran co-founded and served as the CTO of Yonja.com, Turkey's largest social network at the time. After earning his MBA, he joined Google as a Senior Product Manager, where he developed and launched multiple products that generated \$1 billion in revenue for Google's advertising portfolio.

Following his tenure at Google, Baran co-founded Qubit alongside three former colleagues. During his 10-year tenure as CTO and board director, he led product development and technologies across various stages of the company's growth. He also serves as an Expert-in-Residence at Seedcamp, one of Europe's leading seed-stage investors. Baran holds bachelor's degrees in Economics and Computer Science from the University of Pennsylvania and an MBA from INSEAD.



**EMRE BARAN**

Board Member



**ZEYNEP TOKMAN CESUR**

Independent Board Member

Zeynep Tokman Cesur is a graduate of the Department of Sociology and International Relations at Middle East Technical University (ODTÜ). She completed her MBA at Purdue University.

Her career began in 2000 at Hewlett Packard, where she undertook various roles in the marketing and human resources departments. Cesur has also held high-level marketing positions at companies such as Sabancı Holding, Microsoft, Adobe, PayCore, and Dassault Systems.

She has also engaged in voluntary work for YenidenBiz, a social responsibility platform aimed at increasing women's participation in the workforce.

Yavuz Suat Bengür graduated from Middle East Technical University, Department of Electrical Engineering, Communication-Microwave group in 1981, and started to work as an R&D engineer at ASELSAN in the same year. Mr. Bengür completed his master's degree in Electrical and Electronics Engineering at Middle East Technical University in 1985.

He took multiple roles at ASELSAN between 1992-2017 respectively as Communications Electronic Warfare System Engineering Manager, Defense Programs Business Development Manager, Naval Combat Systems Program Director, Naval Systems Program Director, founding President of Transportation, Security, Traffic/Automation and Energy (UGES) Sector Presidency, and Deputy General Manager.

During the period of October 2017-July 2018, Mr. Bengür assumed duties as ASELSAN's Board of Directors Consultant and Deputy Chairman of the Board of Directors of the "ASELSAN Middle East-AME" company in Jordan. He retired from ASELSAN in July 2018. Then he served on the Board of Directors of the Turkish Electronics Industrialists Association (TESID) in the 2016-2018 period. Mr. Bengür still works as the General Secretary of TESID. He is married and has two children. He speaks English.



**YAVUZ SUAT BENGÜR**

Independent Board Member

## COMMITTEES

### Structure and Independence of Committees Established by the Board of Directors

In accordance with the applicable regulations of the Capital Markets Board (CMB), an audit committee, a corporate governance committee, and a committee for early detection of risk have been established in our company to ensure that the Board of Directors fulfills its duties and responsibilities properly. It was decided that the duties of a separate Nomination Committee and Remuneration Committee, as stipulated in the Corporate Governance Principles, will be carried out by the Corporate Governance Committee.

#### Audit Committee

NAME	ROLE	INDEPENDENCE
Yavuz Suat Bengür	Committee Chairman	Independent
Zeynep Tokman Cesur	Member	Independent

The Audit Committee takes all necessary measures to ensure that all internal and independent external audits are conducted sufficiently and transparently, and fulfills the duties assigned by the Capital Markets Legislation. The working principles of the committee have been determined in accordance with the CMB Corporate Governance Principles and disclosed on the company's website. The committee consists of two independent board members. In 2025, it met 6 times and fulfilled its duties as specified in the regulations defining its tasks and working principles. It informed and reported to the board 6 times throughout the year.

#### Corporate Governance Committee

NAME	ROLE	INDEPENDENCE
Yavuz Suat Bengür	Committee Chairman	Independent
Lütfi Yenel	Member	Not Independent
Onur Çelik	Member	Not Independent

The Corporate Governance Committee is responsible for monitoring compliance with the Corporate Governance Principles, investigating how well these principles are implemented within the company, identifying reasons for non-implementation, and determining any issues and conflicts of interest arising from partial implementation. The committee also fulfills the duties of the Nomination and Remuneration Committees. Its duties and working principles have been determined by the Board of Directors, documented, and disclosed to the public. In 2025, the committee fulfilled its stated duties. It consists of 2 non-executive board members and the head of the investor relations unit, with Yavuz Suat Bengür serving as the chairman, who holds independent status. The committee met 4 times and provided 4 notifications to the board.



### Committee for Early Detection and Management of Risks

NAME	ROLE	INDEPENDENCE
Zeynep Tokman Cesur	Committee Chairman	Independent
Lütfi Yenel	Member	Not Independent

The Committee for Early Detection of Risks advises the Board of Directors on matters that could impact the company's operations. These matters include identifying, defining, prioritizing, monitoring, and reviewing risks and opportunities in strategic, financial, or operational areas; calculating their impact and probability; managing these risks and opportunities in line with the company's risk profile and appetite; and reporting and considering them in decision-making mechanisms.

The committee was established by the board and fulfilled its duties in 2025, reviewing the company's risk management system and presenting its report to the board. Six meetings were held. The committee chairman is an independent board member and consists of two non-executive members.

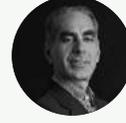
## SENIOR MANAGEMENT



**AYŞE YENEL**  
Co-CEO



**ZEYNEP YENEL ONURSAL**  
Co-CEO



**FUAT ALTIÖĞLU**  
CFO



**SERDAL YILDIZ**  
CTO



**MEHMET ILGAZ**  
CPO



**DEVRİM AKPINAR**  
COO



**SİBEL YILMAZ**  
CMO



**CANEL GÜRGEN ARCAK**  
HR Director



**ERHAN YILMAZ**  
Product Director



**HAKAN OTAL**  
Operations & Delivery  
Director (Telco)



**EVGİN DUYARLI**  
Security Operations  
Director



**ALİ ORKUN DUMURCAKLI**  
Cybersecurity Solutions  
Director



**CENGİZHAN CANLI**  
Operations & Delivery Director  
(Cybersecurity)



**BARAN BARUT**  
Telco Solutions  
Director



**AKIN KÜÇÜK**  
Software Solutions Director,  
Identity & Access Management



**SİNAN KESKİN**  
Software Solutions Director -  
Custom Projects



**MURAT DEMİR**  
Software Solutions Director -  
Data Security & Data Management



**LEVENT ARS**  
Sales Director, Apac & MEA



**MANOJ PANCHAL**  
Regional Director, MEA



**MARK PINCHOOK**  
Sales Director,  
(North America)



**BORA DÖNMEZ**  
Sales Director, Public Sector &  
Financial Institutions



**SERHAT ÜMİT ÇELİK**  
Sales Director,  
Enterprise



**MEHMET A. TANSAL**  
Sales Director,  
Turkcell & AZ



**BERKAY MEKER**  
Sales Director, Turk Telekom &  
Turksat



**OLGA MATVEEVA**  
Assc. Sales Director,  
CIS



**ONUR SEMİH SEVİM**  
Sales Director,  
Europe & Latam



**AHMET CEMAL AKGÜN**  
Channel Management  
Director



**PINAR GÜNGÖR BİLGİN**  
Customer Success  
Director

**04**

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Strategy &  
**Outlook**

# The Identity Security Revolution

The enterprise attack surface has fundamentally shifted. The perimeter is gone. The human user is no longer the primary risk vector. The defining cybersecurity challenge of our era is identity — and at its center is a rapidly expanding class of digital actor that operates at machine speed, holds privileged access, and often goes entirely unmonitored. The same AI-driven transformation is also generating an explosion of security data that existing infrastructure was never designed to handle. Governing the identities and managing the data: these are the two defining challenges of the modern security enterprise.

## Sectoral Outlook & Trends

The cybersecurity industry is undergoing its most significant structural transformation since the advent of cloud computing. For decades, enterprise security was built around a relatively simple premise: protect the perimeter, and govern the people inside it. That model has been rendered obsolete.

The modern enterprise no longer has a defined perimeter, and the identities that now require governing are no longer predominantly human. As organizations race to adopt agentic AI — autonomous systems capable of executing complex, multi-step processes with minimal human intervention — they are creating an entirely new class of digital identity: machine identities that outnumber their human counterparts by a staggering margin, hold privileged access, and in most organizations, remain largely unmanaged.

Simultaneously, the data these systems generate — logs, events, telemetry streams — is growing at a pace that is overwhelming traditional security infrastructure, creating a second and equally urgent challenge: how do organizations make sense of the data they need to stay secure?

### 144:1

Non-human identities now outnumber human users in enterprise environments  
Entro Labs NHI & Secrets Risk Report, H1 2025

### 44%

Year-over-year growth in NHIs within the average enterprise, H1 2024 to H1 2025  
Entro Labs, 2025

### 82%

of breaches involve credentials — with machine credentials increasingly the primary target  
Verizon DBIR, 2025

### <10%

of organizations have a mature strategy for non-human identity governance  
Gartner, 2024

“2025 marks the inflection point where non-human identity security transitioned from a niche concern to a mainstream enterprise crisis.”

## Four Forces Reshaping the Market

### The Rise of Non-Human Identities

Machine identities — AI agents, service accounts, API tokens, cloud workloads, automation scripts — now vastly outnumber human users and form the invisible backbone of enterprise operations. They operate continuously across cloud, SaaS, and on-premises environments, often with privileged access and minimal oversight. Traditional IAM frameworks, designed for humans, are fundamentally inadequate to govern them.

### AI as Both Threat & Defensive Tool

Threat actors are leveraging AI to execute more targeted, scalable, and adaptive attacks — automating reconnaissance, accelerating credential theft, and compressing the time between initial compromise and full breach. Simultaneously, AI is enabling a new generation of defensive capabilities: real-time behavioral analysis, adaptive access controls, and automated policy enforcement at machine scale. Security teams that do not harness AI will be outpaced.

### The Security Data Challenge

AI adoption is generating an explosion of security telemetry — logs, events, and observability data — at a volume that existing infrastructure was never designed to handle. Organizations are under pressure to collect, process, route, and store this data efficiently without incurring runaway costs or losing visibility. Gartner identifies telemetry pipeline management as a fast-emerging market category, projecting that 40% of all log telemetry will be processed through dedicated pipeline products by 2027, up from less than 20% in 2024.

### The Best-of-Breed Advantage

As enterprises rationalize their security vendor portfolios, a counterintuitive dynamic is emerging: in high-stakes domains like privileged access management — where the cost of failure is severe — organizations are increasingly choosing depth of capability over breadth. Broad, generalist platforms cannot replicate the precision and proven expertise of focused specialists. This dynamic rewards vendors with genuine domain mastery and a strong track record, creating a durable competitive position for companies like Kron that have invested years in becoming truly excellent at what they do.

## The PAM Opportunity

Within the broader cybersecurity landscape, Privileged Access Management sits at the intersection of every major structural trend driving market growth. As AI agents and automated systems proliferate across the enterprise, PAM — governing who and what can access the most sensitive systems and data — becomes not just a compliance requirement but a fundamental operational necessity.

Every new agent deployed, every automated workflow provisioned, every API integration activated creates a new identity that must be discovered, governed, and continuously monitored. The organizations that establish the right controls today will be measurably more resilient tomorrow. Those that do not will find themselves managing an invisible attack surface they cannot see and therefore cannot protect.

For Kron Technologies, this shift represents both the most significant validation of our core mission and the most compelling market opportunity in our eighteen-year history. The experience and capabilities we have built — in privileged access management, data security, and the governance of complex, large-scale infrastructure — position us precisely at the center of where enterprise security is heading

## How Attacks Happen Where KronPAM Intervenes

### 1 Credential Compromise

Unrotated NHI credentials targeted.

→ KronPAM: vaulting & auto-rotation

### 2 Lateral Movement

Machine identities exploited to move undetected.

→ Kron PAM: session monitoring & analytics

### 3 Privilege Escalation

Access elevated through chained accounts.

→ Kron PAM: least privilege & anomaly detection

### 4 Full Breach

Exfiltration at machine speed before detection.

→ KronPAM + DAM/DDM: real-time protection

## The Telemetry Pipeline Opportunity

The explosion of AI-generated data has produced a second, equally significant opportunity. As enterprises deploy more agents and automated systems, they generate exponentially more security events, logs, and observability data. Managing this flood of telemetry — collecting, transforming, routing, and storing it cost-effectively — has become a standalone enterprise challenge that existing tools were never designed to handle.

Kron Telemetry Pipeline addresses this need directly: enabling organizations to collect data from any source, significantly reduce log volumes, and route clean enriched data to destination tools without vendor lock-in. The connection is intuitive — the same AI adoption that creates new identity security challenges is generating the data management pressure that Kron TP is built to solve.

## Key Market Data

# \$10.5T

Projected global cost of cybercrime in 2025

### PAM Market Size

# \$5B → \$14B

# 21%

CAGR 2026–2031

### Gartner — Telemetry Pipelines

# 40% of enterprise

Gartner Projections suggest that by 2027, 40% of all log telemetry will be processed through a telemetry pipeline product, a substantial increase from less than 20% in 2024.

## Built for the Decade Ahead

Kron enters 2026 with a strategy grounded in clear-eyed market assessment and oriented toward a long-term vision: to be among the defining identity and data security companies of the next decade. Our four strategic priorities are tightly interconnected — each reinforcing the others, and each anchored in a direct reading of where enterprise security is going and where Kron is best positioned to lead.

### Product Leadership in the Age of Agentic AI

Extending KronPAM's privileged access controls to govern non-human identities — AI agents, service accounts, cloud workloads — is our most urgent product imperative. Alongside this, our expanding data security suite (Telemetry Pipeline, Database Access Management, Dynamic Data Masking) positions Kron to secure both the identities and the data that enterprises depend on. We are building the platform that addresses both pillars of modern enterprise security.

- *AI-native behavioral analytics & anomaly detection*
- *Non-human identity governance & lifecycle management*
- *Telemetry Pipeline: taming AI-generated data at scale*
- *PAM, Database Access Management & DDM on a unified platform — a differentiator few vendors can match*

### Accelerating Global Market Expansion

We are building depth in the markets where demand is growing fastest and our differentiation is strongest. In 2026, our commercial priorities span four regions: North America and the Middle East, where we are investing to build scale from a growing base; Asia-Pacific, our second largest region, where a strong track record is the foundation for broadening our country footprint further; and Europe, where we are making a measured re-entry into select markets

- *North America: scaling Kron Technologies US with focus and urgency*
- *Middle East & Africa: channel-led growth through a strengthening partner ecosystem*
- *Asia-Pacific: deepening penetration across an established and diversifying regional base*
- *Europe: selective re-engagement in strategic markets*

### Deepening Partner Ecosystem & Customer Relationships

Our channel-first model — which grew partner-driven sales to 59% of cybersecurity revenue in 2025 — continues to be the primary engine for scalable global growth. Alongside this, we remain deeply committed to our 400+ existing customers: deepening platform adoption, expanding deal sizes, and cementing Kron as a long-term strategic partner rather than a point solution.

- *Expanding distributor & VAR network globally*
- *MSP/MSSP: leveraging strong existing foundations to capture significant growth opportunity*
- *Multi-product adoption across existing customer base*
- *SaaS delivery model for improved accessibility*

### Building the Organization to Sustain Growth

Strategy is only as durable as the organization executing it. We are investing in leadership depth, technical talent across our three R&D centers, and the operational infrastructure needed to support a company of growing size, geographic scope, and product complexity. This includes a deliberate adoption of AI-powered tools internally — to accelerate product development cycles, improve time-to-market, and increase efficiency across the organization — while preserving the collaborative, non-hierarchical culture that defines us.

- *113+ engineers across three Turkish R&D centers*
- *AI-powered internal workflows to accelerate speed-to-market*
- *Talent development & global team expansion*
- *Operational infrastructure investment for scale*

## Geographic Focus

### 2026 Priority Markets

<p><b>Türkiye</b></p> <p>Home market, engineering &amp; HQ base</p>	<p><b>Asia-Pacific</b></p> <p>Second largest region; deepening &amp; diversifying country base</p>	<p><b>North America</b></p> <p>Priority investment market; scaling Kron US</p>	<p><b>Middle East &amp; Africa</b></p> <p>Priority investment market; strong growth opportunity</p>	<p><b>Europe</b></p> <p>Selective re-entry; measured investment in 2026</p>
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## A Foundation Built in Telecom

### A Strength We Continue to Leverage

Kron's roots in telecommunications — the sector where we built our engineering reputation managing mission-critical, large-scale infrastructure — remain a defining competitive advantage. Our telco solutions (AAA & Subscriber Management, IPDR Logging, Quality Assurance) continue to serve leading operators across our global footprint. **In 2026, our focus is on deepening relationships with existing telco partners and bringing our proven expertise to operators worldwide** — leveraging decades of experience that few cybersecurity-first vendors can match.

“AI is reshaping the enterprise — creating new identities that need governing, new data that needs managing, and new threats that demand a response. Kron Technologies is building the platform that secures both.”

**05**

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**People &  
Culture**

## KRON CORPORATE CULTURE AND EMPLOYEE EXPERIENCE

For Kron Technologies, 2025 has not only been a year of expanding our product portfolio and global footprint; it has also been a year in which our organizational capability was strengthened through data-driven and innovative HR practices.

We position our human capital not as an operational support function, but as the cornerstone of our global growth strategy.

In the technology sector, sustainable competitive advantage is achieved by attracting, retaining, developing, and aligning the right talent within an inclusive high-performance culture. With this understanding, in 2025 we concentrated on three strategic focus areas:

- Organizational alignment and performance culture
- International positioning of the employer brand
- Structured acquisition of future talent

### Organizational Alignment and Performance Culture

In 2025, we implemented the OKR (Objectives & Key Results) methodology company-wide. This initiative established a shared performance language across our scaling organization and ensured that our strategic priorities were clearly owned by all teams.

#### Through the OKR system:

- Strategic priorities were defined transparently
- Team objectives were directly linked to corporate goals
- A measurable, output-driven working model was reinforced
- Cross-functional alignment and accountability were strengthened



## A Culture Strengthened by Trust “2025 Best Technology Workplaces”



In 2025, our employee experience approach underwent an independent international evaluation process. With a 79% trust index, we earned the Great Place to Work® certification.

This score is a measurable indicator of our employees’ trust in the organization, their confidence in our leadership approach, and the strength of our internal collaboration culture.

Building on this achievement, we distinguished ourselves within the highly competitive technology ecosystem and were included in the Best Technology Workplaces list. This positioning demonstrates that our employee experience practices have reached a level of maturity above the industry average.



For us, the certification process was not merely an outcome but a source of institutional insight. By analyzing employee feedback holistically, we reinforced our cultural strengths and established a concrete, measurable roadmap for areas of improvement.

At Kron, corporate culture is not something that evolves organically; it is systematically shaped through feedback, strengthened by data, and designed for sustainability.

Across all these focus areas, our shared reference point remains our values. As we accelerate our growth, our values provide the framework that ensures cultural consistency and high engagement.

### Our Values: Our Corporate Behavioral Framework

At Kron Technologies, our values go beyond defining our corporate culture; they serve as the fundamental reference framework guiding our decision-making processes, leadership philosophy, and organizational behavior standards. As a globally scaling technology company, we integrate our values into performance discipline and daily operational practices.

#### Open and Structured Communication

Transparency is a prerequisite for trust and organizational efficiency. Information flow is two-way, and feedback mechanisms operate systematically.

#### Ownership and Results Orientation

Responsibility extends beyond job descriptions. Every output is evaluated in relation to the company’s strategic objectives, with a strong emphasis on delivering measurable results.

#### Analytical Thinking and Sound Judgment

Decisions are shaped by data, analysis, and risk assessment. Long-term value creation is prioritized.

#### Agility and Adaptability

In the rapidly evolving cybersecurity ecosystem, accurate prioritization and rapid adaptation are strategic necessities.

#### Continuous Learning and Intellectual Curiosity

Learning is not an individual preference but an organizational responsibility. Our innovation capacity is fueled by this culture.

#### Equality, Inclusion, and Meritocracy

Equal opportunity principles and merit-based evaluation systems form the foundation of our governance approach.

With 50% female representation on our Board of Directors and 57% on our Executive Committee, inclusion is visibly embraced at the highest levels of leadership. We continue to build an organizational structure that enables experts from diverse cultural backgrounds to create value together

## Growth: Expansion of Organizational Capacity

Over the past two years, we increased our workforce by 24%, reaching a total of 165 employees by the end of 2025.

This growth is not merely quantitative:

- Our engineering and product development capabilities have deepened.
- Our global sales organization has been strengthened.
- Our regional structures, particularly in North America and the Middle East, have been reinforced.

This expansion directly supports our product innovation, customer success, and global scalability objectives.

### Talent Management at Kron

At Kron Technologies, talent management focuses on attracting high-caliber professionals aligned with our values and transforming their potential into sustainable performance.

Early-stage talent acquisition is a key component of our sustainable growth model.

### Unicorn Young Talent Program

In 2025, three young talents joined our company under the Unicorn Program, and three long-term interns transitioned into permanent positions. This conversion demonstrates that the program has evolved into a long-term strategic talent pipeline.

### Academic Collaborations

Throughout 2025, we strengthened partnerships with leading universities in Türkiye. Through career fairs, technical events, and student summits, we engaged with emerging talent at an early stage.

Through a formal internship protocol signed with İTÜ Vocational School of Cybersecurity, we established a systematic and sustainable career bridge for young talent. Our university collaborations incorporate both technical knowledge sharing and employment-focused models.

### Continuous Learning and Technical Depth

The rapid transformation of technology makes continuous learning an organizational imperative.

In 2025:

- We digitally upgraded our training infrastructure
- We designed personalized learning paths for every employee through the Kron Academy platform
- We completed a total of 5,000 training hours

Technical certifications, leadership development, and global business culture remain our priority focus areas.

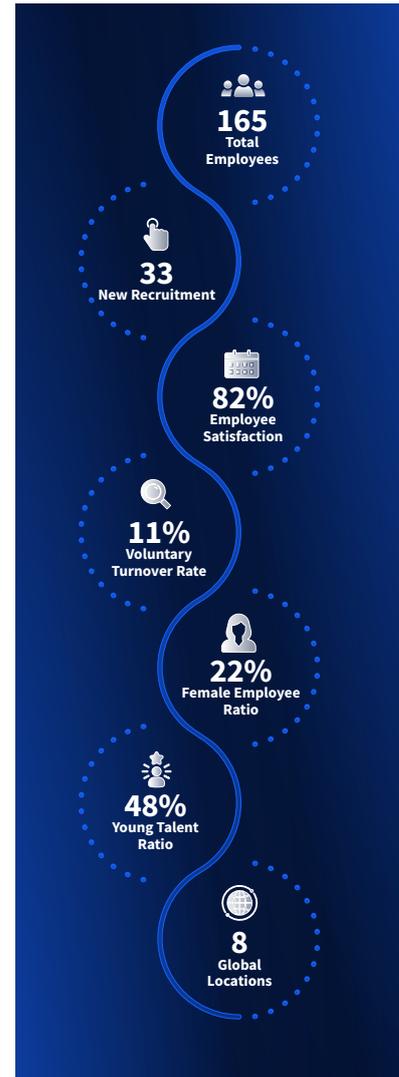
As an R&D-driven company, we support master's and doctoral programs and encourage employees who contribute to academic research aligned with our R&D projects.

## Our 2026 Priorities

As Kron Human Resources, in 2026 we will prioritize:

- Further digitalization of HR processes and development of AI-driven initiatives
- Expansion of our global talent pool
- Diversification of employee engagement programs
- Deepening data-driven HR analytics
- Strengthening our culture of continuous learning

Through this integrated approach that combines technology and human focus, we are committed to carrying the Kron culture confidently into the future.



06

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Corporate  
**Governance &  
Sustainability**

## INVESTOR RELATIONS DEPARTMENT

In accordance with Article 11 of the Corporate Governance Communiqué No. 11-17.1 of the Capital Markets Board, which was published in the Official Gazette on January 3, 2014, an Investor Relations Department has been established to operate under the Deputy General Manager of our company. The company's employees listed below have been appointed as the manager and officer of the Investor Relations Department.

### Onur ÇELİK

Investor Relations Manager  
(License No: 208664)

**Contact Information:**

Tel: (212) - 286 51 22

Fax: (212) - 286 53 43

E-Mail: onur.celik@krontech.com

### Ebru BİNGÜL

Investor Relations Officer

**Contact Information:**

Tel: (212) - 286 51 22

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E-Mail: ebru.bingul@krontech.com

### The primary duties of the unit are:

- Ensuring healthy, secure, and up-to-date maintenance of records related to correspondence and other information and documents between investors and our Company.
- Ensuring healthy, secure, and up-to-date maintenance of records related to shareholders.
- Responding to shareholders' information requests, within the framework of the Capital Markets Legislation, except for information that has not been disclosed to the public, confidential, or a trade secret.
- Taking measures to ensure that the General Assembly meetings are held in accordance with the procedure.
- Preparing documents to be presented to shareholders during the General Assembly meetings.
- Conducting necessary work to ensure that the meeting minutes are recorded in accordance with the procedure.
- Conducting the necessary secretariat work related to the Board of Directors and committee meetings.
- Supervising and monitoring that all matters related to public disclosure are conducted in accordance with the legislation.

Throughout the year, the relevant unit received information requests from shareholders via telephone and e-mail. These requests mostly relate to new projects and developments in the sector. Topics that are not considered trade secrets were answered promptly, within the framework of confidentiality rules, and to the extent allowed by legislation.

## EXERCISE OF SHAREHOLDERS' RIGHTS TO INFORMATION

Our company treats shareholders equally in their exercise of the right to information. Information requests from shareholders may only be refused by the Company to protect trade secrets or maintain equal access to information among shareholders.

During the period, questions from shareholders mostly related to the performance of our company's shares. The company's website is effectively used to inform investors.

The Investor Relations Department carefully responds to shareholders' information requests throughout the year. The Articles of Association do not specifically regulate the request for the appointment of a special auditor. However, depending on future developments, the regulation of the request for the appointment of a special auditor as an individual right in the Articles of Association will be considered. To date, there have been no requests to appoint a special auditor received by our Company.

## GENERAL ASSEMBLY

Our company held the 2024 Ordinary General Assembly meeting on May 5, 2025.

The minutes of the General Assembly meeting were announced on the same day through the Public Disclosure Platform (KAP) and our corporate website, informing investors accordingly

## VOTING AND MINORITY RIGHTS

As stated explicitly in the company's articles of association, each share carries one voting right. A group shares have the privilege of nominating candidates for the board. There is no reciprocal participation in the company's capital.

Although minority shares are not represented in management, the company takes great care in safeguarding minority rights. No requests or criticisms have been made by minority shareholders.

## DIVIDEND DISTRIBUTION POLICY AND DIVIDEND DISTRIBUTION TIME

**There are no privileges regarding profit participation in our company.**

The dividend distribution policy established by our company's Board of Directors is as follows:

"In dividend distribution, a balanced and consistent policy is pursued between shareholders' interests and company interests in accordance with the Corporate Governance Principles. Considering general economic conditions, longterm investment, financing, and business plans, as well as profitability, our Board of Directors will distribute at least 20% of the calculated distributable net profit for the period to its shareholders, in compliance with the TCC and CMB regulations

and our articles of association. This distribution can be made either in cash or through a bonus issue, or through a combination of cash and bonus shares. If the calculated amount of distributable dividends is less than 5% of the paid-in capital, this amount can be retained within the partnership instead of being distributed. This dividend distribution policy is reviewed annually by the Board of Directors." Our company acts on the principle of making dividend payments within the periods stipulated in the Capital Markets Legislation and CMB regulations, within the timeframe set out in the relevant communiqué following the general assembly meeting.

## TRANSFER OF SHARES

The Company's Articles of Association do not include any restrictive provisions regarding the transfer of shares.

## COMPANY INFORMATION POLICY

There are no restrictive provisions in the Company's Articles of Association regarding the transfer of shares. The Company's information policy, which aims to enlighten the public, has been established and disclosed by our Board of Directors.

Our information policy, based on principles of transparency and openness, aims to inform shareholders and stakeholders equally, fairly, and accurately. Preparations have been made to ensure that information to be disclosed to the public reaches shareholders, stakeholders, and all other relevant parties. Public disclosures are made in accordance with the regulations

of the Capital Markets Law No. 6362 and the "Communiqué on Material Events" No. 28891 (11-15.1), as well as other relevant communiqués.

The Board of Directors is responsible for establishing, reviewing, and developing the Information Policy. A list of people who have access to insider information has been created according to the information policy. The Investor Relations Department, under the Directorate of Finance and Accounting, is also responsible for implementing and monitoring our Information Policy.

## COMPANY WEBSITE AND ITS CONTENT

The company's website, [www.krontech.com](http://www.krontech.com), is actively used for public disclosure. The website is available in both Turkish and English.

The information specified in Article 2.1.1 of Part II of the CMB Corporate Governance Principles is available on our corporate website.

## ANNUAL REPORT

The Kron Annual Report is prepared in sufficient detail to provide the public with accurate and comprehensive information about the company's activities, and in compliance with the regulatory requirements. Our company

includes the necessary items in its annual report in accordance with the "Public Disclosure and Transparency" section 2.3 of the CMB Communiqué No: IV-56.

## INFORMATION FOR STAKEHOLDERS

Stakeholders are continuously informed through Special Situation Disclosures and the company website.

Stakeholders can request information in writing, or they can request information via the company's website using the email address [investor@krontech.com](mailto:investor@krontech.com)

## ETHICAL RULES AND SOCIAL RESPONSIBILITY

The ethical rules established for the company and its employees are communicated to new employees through orientation programs.

Additionally, the company's ethical rules are outlined in the contracts for new hires. No public disclosure has been made on this subject.

## STRUCTURE AND FORMATION OF THE BOARD OF DIRECTORS

The Kron Board of Directors consists of six members elected by the General Assembly. The names and qualifications of the Chairman and Members of the Board are listed below:

NAME	ROLE	EXECUTIVE / NON-EXECUTIVE	INDEPENDENCE	START DATE	END DATE
Lütfi Yenel	Chairman	Non-Executive	Not Indep.	15.04.2007	16.04.2027
Ayşe Yenel	Vice-Chair	Executive	Not Indep.	29.04.2022	16.04.2027
Zeynep Yenel Onursal	Board Member	Executive	Not Indep.	15.05.2023	16.04.2027
Emre Yavuz Baran	Board Member	Non-Executive	Not Indep.	29.04.2022	16.04.2027
Zeynep Tokman Cesur	Board Member	Non-Executive	Independent	01.22.2023	16.04.2027
Yavuz Suat Bengür	Board Member	Non-Executive	Independent	28.12.2021	16.04.2027

There are currently two independent members on our Board of Directors. Four members are non-executive. On March 6, 2012, the roles of Board Chairman and General Manager were separated within our company. There are no rules preventing Board members from taking on roles outside

the Company. It is believed that the members will fulfill their duties towards the company properly, so such a restriction has not been deemed necessary. Our Board of Directors is composed of 50% female members.

## WORKING PRINCIPLES OF THE BOARD OF DIRECTORS

Our Board Chairman sets the meeting agenda after evaluating the information provided by the General Manager and the Deputy General Managers, in consultation with other Board Members. The Kron Board of Directors held 18 meetings in 2025. The Board of Directors meets according to TCC provisions and when company business requires.

In principle, Board Members attend meetings in person, but in accordance with the company's Articles of Association, decisions can also be made without a meeting unless one of the members requests a discussion. All decisions made at the Board meetings are recorded in the decision book. A secretariat has been established and provides services to all members.

## INDEPENDENCE DECLARATIONS OF OUR INDEPENDENT BOARD MEMBERS:

Zeynep Tokman Cesur and Yavuz Suat Bengür have submitted their declarations of independence, affirming their status as independent members of the Board of Directors.

To the Board of Directors of Kron Teknoloji A.Ş.,

I, as a candidate to serve as an **“independent member”** on the Company’s Board of Directors, within the framework of the criteria set forth in the relevant legislation, the Articles of Association, and the Corporate Governance Communiqué No. 11-17.1 of the Capital Markets Board, hereby declare the following:

- a) Neither I, nor my spouse, nor my relatives up to the second degree have held a significant managerial position, or had more than 5% ownership or voting rights or privileged shares, or had significant commercial relations with the Company, its subsidiaries, entities controlled by or significantly influenced by the Company, or its significant shareholders, in the last five years.
- b) In the last five years, I have not been a partner (with a 5% or greater shareholding), held a significant managerial position, or been a member of the board in companies from which the Company purchased or sold significant goods or services, particularly in the areas of audit (including tax and legal audit, internal audit), rating, or consultancy.
- c) I have the professional education, knowledge, and experience to fulfill my duties as an independent board member.
- d) I am considered a resident of Turkey for tax purposes under the Income Tax Law No. 193 dated 31/12/1960.
- e) I have strong ethical standards, professional reputation, and experience to contribute positively to the Company’s activities, maintain impartiality in conflicts of interest between the Company and its shareholders, and make decisions freely, considering the rights of stakeholders.
- f) I have sufficient time to devote to the Company’s activities and to fulfill my duties fully.
- g) I have not been a member of the Company’s Board of Directors for more than six years in the last ten years.
- h) I do not serve as an independent board member in more than three companies controlled by the Company or its significant shareholders, or more than five publicly traded companies in total.

If a situation arises that affects my independence, I will immediately inform the board and resign.

This is my declaration.

## OTHER ISSUES

### **Information on conflicts of interest between the company and institutions from which it receives services such as investment consultancy and rating, and measures taken to prevent them**

Our company has not received services on these matters in 2025.

### **Assessment of the Board of Directors on the working principles and effectiveness of board committees**

With the decision of the Kron Teknoloji A.Ş. Board of Directors dated 28.07.2020, in accordance with the Capital Markets Board (11-17.1) Corporate Governance Communiqué and other relevant legislation, an Audit Committee, Corporate Governance Committee, and Committee for Early Detection and Management of Risks have been established within our Board of Directors to fulfill the duties defined in the regulations and disclosed

to the public. In 2025, the committees established within the Board of Directors fulfilled all their duties and responsibilities, and operated effectively.

The Audit Committee met six times during the year, the Corporate Governance Committee met four times, and the Committee for Early Detection and Management of Risks met six times, reporting to the Board.

### **Risk management and internal control mechanism**

The Board of Directors creates internal control systems covering risk management, information systems, and processes, considering the opinions of the relevant board committees, to minimize the impact of risks that could significantly affect the company, especially shareholders and stakeholders.

In this context, the Board of Directors has established a Committee for Early Detection of Risks, consisting of two independent members. The committee presents its suggestions and solutions related to risk management and internal control management to the Board of Directors as needed.

### **Legislation changes that may significantly affect company activities**

No legislation changes were made in 2025 that could significantly affect our company's activities.

### **Information on reciprocal participation exceeding 5% direct participation in capital**

Our company had no reciprocal participation in 2025.

### **Information on lawsuits filed against the company that could affect its financial status and activities and potential outcomes**

There were no lawsuits in 2025 that could affect the financial status and activities of our company.

## Explanations Regarding Administrative or Judicial Sanctions Imposed on Members of the Company's Governing Body Due to Violations of Legislative Provisions

There have been no significant administrative sanctions or monetary penalties imposed on the Company or the members of the Board of Directors during the year.

## Privileged Shares and Voting Rights

There are no privileged shares or special voting rights associated with any shares.

## Donations and Social Responsibility Projects

The company provides information about its donations and expenditures on social responsibility projects during the fiscal year. If you need specific details about these, they can be found in the company's reports or through direct inquiry.



## FINANCIAL RIGHTS PROVIDED TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

All rights, benefits, and remuneration for Board Members are determined by the General Assembly. There is no performance-based remuneration for Board Members. A total of TL 14,470,711 was paid to the Board of Directors and Key Managers in 2025.

Our company does not directly or indirectly lend or provide credit to any Board Member or manager.

## CORPORATE GOVERNANCE COMPLIANCE STATEMENT

Kron Teknoloji A.Ş. has adopted corporate governance principles based on transparency, equality, responsibility, and accountability in its management approach and continues to work towards achieving best practices.

Full compliance with the mandatory principles outlined in the Capital Markets Board's (11-17.1) Corporate Governance Communiqué has been achieved, while most voluntary principles have been complied with. Evaluations regarding the voluntary principles that have not been implemented are ongoing at our company.

There is no conflict of interest arising from noncompliance with voluntary principles. Although there is no provision or practice in our Articles of Association regarding voluntary principles, the company complies with the Turkish Commercial Code, Capital Markets Law, and relevant legislation in these matters.

## VOLUNTARY PRINCIPLES WITH WHICH FULL COMPLIANCE HAS NOT BEEN ACHIEVED ARE AS FOLLOWS:

**1.5.2.** Our company ensures the utmost care in safeguarding minority rights. There is no provision in the articles of association regarding the recognition of minority rights to those who own less than 1/20 of the capital and extending their scope.

**2.1.4.** Information on the company's corporate website has been prepared in Turkish and partially in English.

**3.2.1** Employees' participation in management has not been regulated by the articles of association or internal company regulations.

**4.4.7.** There are no restrictions on Board members taking on other roles outside the company. No such restriction

has been deemed necessary as members are believed to fulfill their duties towards the company properly.

**4.5.5.** Each board member serves on more than one committee. There are 3 committees within the board and 2 independent members.

**4.6.1** The board of directors has not conducted a performance assessment to evaluate whether it has effectively fulfilled its responsibilities.

**4.6.5.** The remuneration of board members and managers with administrative responsibilities has not been disclosed individually in the annual report but has been disclosed collectively.

# SUSTAINABILITY

As a software and cybersecurity company, Krontech approaches its sustainability responsibilities across three areas: investment in human capital, environmental impact management, and inclusive corporate governance. While our direct environmental footprint is inherently lower than that of manufacturing or heavy industry, this does not diminish our accountability. On the contrary, it allows us to direct our operational resources toward the social and institutional dimensions of sustainability where we can have the most meaningful impact.



The three sections below outline the Company's sustainability priorities as of 2025.

## 1. Education and Investment in Human Capital

Krontech believes that sustainable growth begins with developing talent. The Company maintains a multi-layered engagement with the education ecosystem, working with universities, students, and early-career professionals to strengthen the connection between academic learning and real-world practice.

### University Partnerships

Krontech works with a range of universities — primarily engineering and computer science faculties — under active cooperation frameworks. Company managers and technical specialists participate regularly in lectures and seminars, giving students early exposure to the practical realities of working in cybersecurity and software development. Our location within the İTÜ Arı Teknokent ecosystem, one of Turkey's leading technology park networks, further strengthens these academic partnerships.

### Unicorn Academy

Unicorn Academy is Krontech's structured mentorship program for high-potential students and recent graduates. Participants work directly alongside experienced members of the Krontech team, building both their technical skills and their professional foundation. Those who demonstrate strong potential are invited to join the Company full-time before graduation, giving them the opportunity to contribute to live projects from an early stage in their careers.

### Internship Program

Supported by our university partnerships, the Krontech internship program gives dozens of students each year the opportunity to gain hands-on experience in a live business environment. A significant share of interns go on to join the Company in permanent roles, which reflects both the quality of the program and our commitment to growing talent from within.



## 2. Environmental Management

Krontech's software-based business model means the Company generates a lower level of direct environmental impact compared to manufacturing or heavy industry. Nonetheless, Krontech has implemented a systematic set of measures aimed at improving energy efficiency and reducing its carbon footprint across its operations.

### Cloud Infrastructure and Digital Efficiency

Krontech's IT infrastructure is built primarily on cloud-based platforms, significantly reducing the need for physical server hardware and the associated energy consumption. This approach delivers measurable benefits both in terms of operational cost and environmental impact.

### Office Energy and Resource Management

Initiatives implemented in 2025 as part of the Company's waste and environmental management program include:

- Energy-efficient lighting systems and smart climate control have been deployed across all office locations.
- Single-use plastic and paper cups have been eliminated entirely across all offices. Drinking water is now provided through on-site mains water filtration systems, reducing bottled water procurement to zero and cutting both plastic waste and the carbon emissions associated with bottled water supply chains.
- The number and capacity of in-office recycling stations has been increased, with separate collection points for paper, plastic, and electronic waste now in place across all locations.
- End-of-life servers, computers, and electronic hardware are channelled through certified recycling partners, returning materials to productive use rather than general waste streams.
- Wider adoption of the Partner Portal has led to a meaningful reduction in paper-based processes and print-related waste across the partner ecosystem.

### Hybrid Working Model

Krontech's remote and hybrid working policies reduce the volume of daily commuting across the workforce, contributing to a reduction in indirect emissions. This model is regarded not only as a driver of employee wellbeing, but as an integral component of the Company's approach to carbon management.

## 3. Gender Equality and Inclusive Leadership

Krontech treats gender equality as a corporate performance indicator and aims to embed this principle across every level of the organisation, starting from the top.

As of 2025, women account for 57% of the Company's senior management team (C-suite) and 50% of the Board of Directors. These figures are significantly above the global benchmarks for the IT and cybersecurity sector, where female representation stands at approximately 25% in senior leadership and around 20% on boards. This reflects the Company's concrete commitment to inclusive leadership.

Women represent 28% of Krontech's total workforce, which the Company is actively working to increase. This effort is supported by merit-based hiring practices that reduce structural bias, flexible working arrangements that allow careers to develop sustainably over time, and mentorship mechanisms that support the professional growth of women at every level.

Increasing the presence of women in fields such as cybersecurity and software development, which have historically been male-dominated, remains one of Krontech's core institutional priorities.





## KAMUYU AYDINLATMA PLATFORMU

# KRON TEKNOLOJİ A.Ş. Sustainability Compliance Report 2025 - Annual Notification

### Summary

Sustainability Compliance Report



## A. GENERAL PRINCIPLES

### A1. Strategy, Policy and Goals

A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors..

● The ESG ( Environmental, Social, and Governance) working group at Kron Teknoloji A.Ş. has been established under the direct supervision of the Co-CEO, following the recommendation of the Corporate Governance Committee. This group continues its efforts to identify and effectively manage risks and opportunities, thereby creating value and raising awareness on sustainability issues.

Activity Report / 06 Corporate Governance / Sustainability

A1.1. In line with Capital Markets Regulations, the Disclosure Policy, Remuneration Policy, Dividend Distribution Policy, Donation and Aid Policy, Stakeholders Policy, Human Resources Policy, and Compensation Policy, which are part of the ESG policies, have been prepared and disclosed to the public on our website.

● The ESG working group has initiated efforts to set short-term and long-term goals. Information regarding these goals has been shared in Section 4 of the Activity Report.

<https://krontech.com/tr/bilgilendirme-politikasi>  
<https://krontech.com/tr/insan-kaynaklari-politikasi>  
<https://krontech.com/tr/bagis-ve-yardim-politikasi>  
<https://krontech.com/tr/ucret-politikasi>  
<https://krontech.com/tr/tazminat-politikasi>  
<https://krontech.com/tr/kar-dagitim-politikasi>  
<https://krontech.com/tr/menfaat-sahipleri-politikasi>

A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.

● The ESG working group has started to set short-term and long-term goals. Information about these goals is shared in Section 4 of the Activity Report

Activity Report / 06 Corporate Governance / Sustainability

### A2. Implementation/Monitoring

A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.

● Committees and/or units responsible for the implementation of ESG policies, as well as the highest-level officials in the partnership concerned with ESG issues and their responsibilities, have been identified Sustainability Compliance Report but have not been disclosed to the public.

A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.

● The aforementioned information was also provided during the reporting period.

A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.

● The ESG working group has started to define short-term and long-term goals, but these have not been disclosed to the public.

A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.

● No public disclosure has been made.

A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.

● No public disclosure has been made.

Yes
  No
  Partial
  Not Applicable

### A3. Reporting

A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company in an understandable, accurate and sufficient manner.



The Activity Report includes not only the Compliance Report on Sustainability Principles but also a general assessment regarding sustainability.

Activity Report / 06 Corporate Governance

A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.



The Activity Report includes not only the Compliance Report on Sustainability Principles but also a general assessment regarding sustainability.

Activity Report / 06 Corporate Governance

A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.



There are no lawsuits of significant nature or that would significantly impact the activities in terms of ESG policies

### A4. Verification

A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.



Services have not been obtained from independent sustainability assurance providers

## B. ENVIRONMENTAL PRINCIPLES

B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.



The 'Code of Ethics and Principles of Conduct' of our company also references the policies and practices in the area of environmental management.

<https://krontech.com/tr/etik-kurallar>

B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.



No public disclosure has been made.

B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).



No public disclosure has been made.

B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.



No public disclosure has been made.

B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.



No public disclosure has been made.

B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.



No activities have been conducted with the mentioned institutions and organizations.



Yes



No



Partial



Not Applicable

B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	●	No public disclosure has been made.
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	●	No public disclosure has been made.
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	●	No public disclosure has been made.
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	●	No public disclosure has been made.
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	●	No public disclosure has been made.
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	●	It is partially included in the activity reports and notifications made to the customer.
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	●	No public disclosure has been made.
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	●	No public disclosure has been made.
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	●	No public disclosure has been made.
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	●	No public disclosure has been made.
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	●	No public disclosure has been made.
B19. The renewable energy production and usage data has been publicly disclosed.	●	No public disclosure has been made.
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	●	No public disclosure has been made.
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	●	No public disclosure has been made.
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	●	No public disclosure has been made.
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	○	There are no accumulated or purchased carbon credits.
B24. If carbon pricing is applied within the Company, the details have been disclosed.	○	Carbon pricing is not implemented in our company.
B25. The platforms where the Company discloses its environmental information have been disclosed.	●	No public disclosure has been made.



Yes

No

Partial

Not Applicable

## C. SOCIAL PRINCIPLES

### C1. Human Rights and Employee Rights

<p>C1.1 - The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officals that responsible for the implementation of it have been determined and disclosed.</p>	●	<p>Our Human Resources Policy is available on our official website, but the relevant roles and responsibilities have not been disclosed.</p> <p><a href="https://krontech.com/tr/insan-kaynaklari-politikasi">https://krontech.com/tr/insan-kaynaklari-politikasi</a></p>
<p>C1.2 - Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race , religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.</p>	●	
<p>C1.3 - The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.</p>	●	<p>Measures related to the issue are being taken, but no statement has been made</p>
<p>C1.4 - The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.</p>	●	
<p>C1.5 - Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.</p>	●	<p>The Remuneration Policy and Human Resources Policy, prepared in accordance with the Capital Markets Legislation as part of the ESG policies, have been prepared and disclosed to the public on our website.</p> <p><a href="https://krontech.com/tr/insan-kaynaklari-politikasi">https://krontech.com/tr/insan-kaynaklari-politikasi</a>  <a href="https://krontech.com/tr/ucret-politikasi">https://krontech.com/tr/ucret-politikasi</a></p>
<p>C1.5 - The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.</p>	●	<p>Employee-generated complaints and disputes are resolved within the framework of Company policies and principles</p>
<p>C1.5 - The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.</p>	●	<p>Employee satisfaction is measured in annual performance evaluations, but no statement has been made regarding this matter.</p>
<p>C1.6 - The occupational health and safety policies have been established and disclosed.</p>	●	<p>Occupational health and safety policies are in place, but no statement has been made regarding this matter.</p>
<p>C1.6 - The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.</p>	●	<p>Measures have been taken against workplace accidents, but no statement has been made regarding this matter.</p>
<p>C1.7 - The personal data protection and data security policies have been established and disclosed.</p>	●	<p>Work related to the Personal Data Protection (KVKK) has been completed and compliance with the legislation has been achieved, but no statement has been made regarding this matter.</p>
<p>C1.8 - The ethics policy have been established and disclosed.</p>	●	<p>The related policy is available on the Company's website.  <a href="https://krontech.com/tr/etik-kurallar">https://krontech.com/tr/etik-kurallar</a></p>
<p>C1.9 - The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.</p>	●	<p>No public disclosure has been made.</p>
<p>C1.10 - The informative meetings and training programs related to ESG policies and practices have been organized for employees.</p>	●	<p>Product- and customer-based notifications are made.</p>

● Yes   
 ● No   
 ● Partial   
   Not Applicable

## C2. Stakeholders, International Standards and Initiatives

C2.1 - The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	<input checked="" type="radio"/>	Customer satisfaction is measured through survey studies, but a written policy has not yet been developed.
C2.2 - The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	<input checked="" type="radio"/>	In meetings with customers, progress made in sustainability activities is occasionally brought up.
C2.3 - The international reporting standards that adopted in reporting have been explained.	<input type="radio"/>	No international reporting standard has been adopted under ESG.
C2.4 - The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	<input type="radio"/>	There is no international organization/principle that has been signed or joined under ESG.
C2.5 - The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	<input checked="" type="radio"/>	The matter is being evaluated by our Board of Directors.

## D. CORPORATE GOVERNANCE PRINCIPLES

D1 - The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	<input checked="" type="radio"/>
D2 - The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	<input checked="" type="radio"/>



Yes



No



Partial



Not Applicable



## KAMUYU AYDINLATMA PLATFORMU

# KRON TEKNOLOJİ A.Ş. Corporate Governance Compliance Report 2025 - Annual Notification

### Summary

Corporate Governance Compliance Report



# CORPORATE GOVERNANCE COMPLIANCE REPORT

## 1.1. Facilitating The Exercise of Shareholder Rights

1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.

To ensure the effective use of shareholder rights, current information and disclosures are made available to investors on the corporation's website at [www.krontech.com](http://www.krontech.com)

## 1.2. Right To Obtain and Review Information

1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.

The company takes utmost care in exercising shareholder rights. There are no practices that hinder the conduct of special audits.

## 1.3. General Assembly

1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.

The agenda of the general assembly is clearly stated, with each proposal presented under a separate heading.

1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.

Those who have privileged access to partnership information have not conducted any transactions on their own behalf during the relevant period.

1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.

Board members responsible for the preparation of financial statements, officials, and auditors attended the general assembly meeting.

1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.

The general assembly agenda includes a separate item on donations and contributions.

1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.

There is no restriction on stakeholders attending the general assembly meeting without the right to speak.

## 1.4 Voting Rights

1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.

Shareholders freely exercise their voting rights in the company.

1.4.2 - The company does not have shares that carry privileged voting rights.

There are no shares with privileged voting rights in the company. Privilege exists only in nominating candidates to the board of directors.

1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.

The company does not have any mutual participation relationships with other companies.



Yes



No



Partial



Not Applicable

### 1.5 Minority Rights

1.5.1 - The company pays maximum diligence to the exercise of minority rights.	●	The company takes the necessary care in facilitating the exercise of minority rights.
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.	●	The company takes utmost care in facilitating the exercise of minority rights, although there is no specific provision in the articles of association regarding this matter.

### 1.6. Dividend Right

1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	●	The company's dividend distribution policy, approved by the general assembly, has been disclosed to the public on the corporate website.
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	●	The dividend distribution policy disclosed by the company contains minimum information that is clear enough to enable shareholders to anticipate the procedures and principles for the distribution of profits in future periods of the partnership.
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	●	The company has indicated in the agenda item that it will not distribute profits for the relevant period and will use the profits for investments.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	●	As outlined in the dividend distribution policy, the company's board of directors always considers the balance between the interests of the shareholders and the interests of the company.

### 1.7. Transfer of Shares

1.7.1 - There are no restrictions preventing shares from being transferred.	●	There is no provision in the company's articles of association that restricts the transfer of shares.
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### 2.1. Corporate Website

2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	●	
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	●	
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	●	Some of the information disclosed on the corporate website has been prepared only in English.

### 2.2. Annual Report

2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	●	
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	●	

Yes
  No
  Partial
  Not Applicable

### 3.1. Corporation's Policy on Stakeholders

3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	●
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	●
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	●
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	●

### 3.2. Supporting The Participation of The Stakeholders in The Corporation's Management

3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	●	The participatory approach is achieved through the adopted and implemented flat management philosophy in our company.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	●	

### 3.3. Human Resources Policy

3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	●	Human Resources Policy
3.3.2 - Recruitment criteria are documented.	●	
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	●	
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	●	
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	●	There is no union in our company.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	●	
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	●	
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	●	
3.3.9 - A safe working environment for employees is maintained.	●	



Yes



No



Partial



Not Applicable

### 3.4. Relations with Customers and Suppliers

- 3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction. ●

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- 3.4.2 - Customers are notified of any delays in handling their requests. ●

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- 3.4.3 - The company complied with the quality standards with respect to its products and services. ●

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- 3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers. ●

### 3.5. Ethical Rules and Social Responsibility

- 3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website. ● The corporate website includes a section on 'Corporate Governance' where Ethic Rules are provided.

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- 3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery. ●

### 4.1. Role of The Board of Directors

- 4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place. ●

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- 4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance. ●

### 4.2. Activities of The Board of Directors

- 4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders. ●

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- 4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report. ●

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- 4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity. ●

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- 4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report. ●

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- 4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined. ●

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- 4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders. ●

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- 4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital. ●

### 4.3. Structure of The Board of Directors

- 4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy. ● The ratio of our female board member composition is 50%.

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- 4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance. ●

Yes
  No
  Partial
  Not Applicable

#### 4.4. Board Meeting Procedures

4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system.	●	
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	●	
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	●	
4.4.4 - Each member of the board has one vote.	●	
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	●	
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	●	
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.	●	There are no restrictions on board members taking on other roles outside the company. It is believed that board members will fulfill their duties to the company adequately, hence such limitation is deemed unnecessary.

#### 4.5. Board Committees

4.5.5 - Board members serve in only one of the Board's committees.	●	Each board member serves on multiple committees. There are two independent members in our Board of Directors, and there are three committees within the Board.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	●	Such a need did not arise during the relevant period.
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	○	No consultancy services were obtained during the relevant period.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	●	

#### 4.6. Financial Rights

4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	●	The board of directors' performance evaluation is not conducted.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	●	
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.	●	A collective statement has been made in the annual activity report

● Yes   
 ● No   
 ● Partial   
  Not Applicable



## KAMUYU AYDINLATMA PLATFORMU

# KRON TEKNOLOJİ A.Ş. Corporate Governance Information Form 2025 - Annual Notification

### Summary

The Corporate Governance Information Form



# 1. SHAREHOLDERS

## 1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/ etc.) organised by the company during the year

Five meetings were held throughout the year.

## 1.2. Right to Obtain and Examine Information

The number of special audit request(s)

There has been no request for a special auditor.

The number of special audit requests that were accepted at the General Shareholders' Meeting.

-

## 1.3. General Assembly

Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)

<https://www.kap.org.tr/tr/Bildirim/1420064>

Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time.

The documents related to the general assembly have been presented only in Turkish.

The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9

Within the scope of the mentioned item, no transaction has occurred in the company.

The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)

Within the scope of the mentioned item, no transaction has occurred in the company.

The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)

Within the scope of the mentioned item, no transaction has occurred in the company.

The name of the section on the corporate website that demonstrates the donation policy of the company.

Yatırımcı İlişkileri/Kurumsal Yönetim/Politikalar/Bağış ve Yardım Politikası

The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved

<https://www.kap.org.tr/tr/Bildirim/1024080>

The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting.

The articles of association do not contain any provisions regarding the participation of stakeholders in the general assembly. There are no restrictions applied in our company regarding this matter.

Identified stakeholder groups that participated in the General Shareholders' Meeting, if any

The general assembly has not received any requests for participation from shareholders other than the owners of shares.

#### 1.4 Voting Rights

Whether the shares of the company have differential voting rights	Hayır (No)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	None
The percentage of ownership of the largest shareholder	17,62%

#### 1.5 Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
If yes, specify the relevant provision of the articles of association.	None

#### 1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy	Yatırımcı İlişkileri / Kurumsal Yönetim / Politikalar / Kar Dağıtım Politikası
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	<p>It was determined that the proposal of the Board of Directors not to distribute dividends, dated 08.04.2025 and numbered 2025-05, had been made available for the review of the shareholders at least three weeks prior to the date of the General Assembly meeting (excluding the dates of announcement and meeting), at the Company's headquarters, on the Public Disclosure Platform (KAP), on the Electronic General Assembly System of the Central Securities Depository (MKG), and on the Company's website. Thereafter, the Board resolution dated 08.04.2025 and numbered 2025-05 regarding the non-distribution of dividends, the full text of which is provided below, was read: Motion Regarding the Dividend Distribution Proposal: According to the Company's financial statements for the accounting period 01.01.2024 – 31.12.2024, prepared in accordance with the Capital Markets regulations and audited by Kavram Independent Audit and Consultancy Joint Stock Company, it has been determined that, after deducting taxes and other statutory obligations from the profit generated from operations for the 2024 fiscal year, the Company incurred a total net period loss amounting to TRY 42,728,466 (this amount is TRY 17,882,683 in the financial statements prepared in accordance with the Tax Procedure Law). Since a loss was recorded in the independently audited financial statements for the accounting period 01.01.2024 – 31.12.2024 prepared in compliance with the Capital Markets Law and the regulations of the Capital Markets Board, the Board of Directors has resolved to inform the shareholders that no dividend distribution will be made and to submit this matter to the approval of the General Assembly. The above-mentioned resolution of the Board of Directors regarding the non-distribution of dividends was opened for discussion. Following the discussions, the proposal of the Board of Directors regarding the non-distribution of dividends for the 2024 fiscal year was submitted to the approval of the General Assembly. The proposal of the Board of Directors not to distribute dividends for the 2024 fiscal year was unanimously approved by the shareholders present at the meeting.</p>

PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends.

<https://www.kap.org.tr/tr/Bildirim/1433985>

## GENERAL ASSEMBLY MEETINGS

General Meeting Date	06/05/2025
The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	0
Shareholder participation rate to the General Shareholders' Meeting	39,31%
Percentage of shares directly present at the GSM	38,95%
Percentage of shares represented by proxy	0,36%
Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Yatırımcılar İlişkileri / Genel Kurullar
Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	Yatırımcılar İlişkileri / Genel Kurullar
The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to	This type of transaction has not been conducted
The number of declarations by insiders received by the board of directors	0
The link to the related PDP general shareholder meeting notification	<a href="https://www.kap.org.tr/tr/Bildirim/1420064">https://www.kap.org.tr/tr/Bildirim/1420064</a>

## 2. DISCLOSURE AND TRANSPARENCY

### 2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Yatırımcı İlişkileri / Kurumsal Yönetim
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Yatırımcı İlişkileri / Kurumsal Yönetim / Ortaklık Yapısı
List of languages for which the website is available	Turkish- English

## 2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.

a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	02 Board of Directors
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	02 Board of Directors / Committees
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	06 Corporate Governance - Principles of Board of Directors' Activities
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	06 Corporate Governance - Legislation Changes That Could Significantly Impact Company Activities
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	06 Corporate Governance - Information on Lawsuits Filed Against the Company and Their Potential Impact on the Company's Financial Situation and Activities
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	06 Corporate Governance - Information regarding conflicts of interest between the company and institutions providing services such as investment consultancy and rating, and measures taken to prevent them.
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	06 Corporate Governance - Information regarding mutual participations where the direct participation in capital exceeds 5%.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	06 Corporate Governance - Ethics Rules and Social Responsibility.

## 3. STAKEHOLDERS

### 3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Yatırımcı İlişkileri / Kurumsal Yönetim / Politikalar / Tazminat Politikası
The number of definitive convictions the company was subject to in relation to breach of employee rights	None
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Deputy General Manager - Finance.
The contact detail of the company alert mechanism	investor@krontech.com <a href="https://www.krontech.com/contact">https://www.krontech.com/contact</a>

### 3.2. Supporting the Participation of the Stakeholders in the Corporation's Management

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	There is no internal regulation regarding employee participation in management.
Corporate bodies where employees are actually represented	There is no management body representing the employees.

### 3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions.	The board of directors takes all necessary measures to ensure the company's healthy continuity.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy	Yatırımcı İlişkileri / Kurumsal Yönetim / Politikalar / İnsan Kaynakları Politikası
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Yatırımcı İlişkileri / Kurumsal Yönetim / Politikalar / İnsan Kaynakları Politikası
The number of definitive convictions the company is subject to in relation to health and safety measures	None

### 3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	Yatırımcı İlişkileri/ Kurumsal Yönetim/Etik Kurallar
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The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.

Our company prioritizes environmental awareness in all of its activities. By leveraging the technologies it develops to optimize performance, productivity is enhanced, leading to a natural reduction in energy consumption and contributing to the fight against global warming. Kron designs its technologies aiming for green energy. Additionally, support is provided for social responsibility projects to foster the development of more qualified young individuals in the field of technologies.

Any measures combating any kind of corruption including embezzlement and bribery

All company employees adhere to our company's code of ethics.

## 4. BOARD OF DIRECTORS - I

### 4.2. Activity of the Board of Directors

Date of the last board evaluation conducted.	The performance evaluation has not been conducted.
Whether the board evaluation was externally facilitated	Hayır (No)
Whether all board members released from their duties at the GSM	Evet (Yes)
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Ayşe Yenel - Zeynep Yenel Onursal / Under Article 367 of the Turkish Commercial Code, they are responsible and authorized for matters outside of those requiring decisions by the Board of Directors or General Assembly, in accordance with the Law, Capital Markets legislation, Articles of Association, and the provisions of this Internal Directive, which are listed in Article 7.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	None
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	06 Corporate Governance - Risk Management and Internal Control Mechanism
Name of the Chairman	Lütfi Yenel
Name of the CEO	Ayşe Yenel / Zeynep Yenel Onursal
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	The distinction between the chairman of the board and the general manager has been made.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	There is an insurance policy with a premium exceeding 25% of the company's capital.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	<a href="https://krontech.com/tr/Kadin-Yonetim-Kurulu-yulerinin-Oranini-Artirmaya-Yonelik-cesitlilik-Politikamiz">https://krontech.com/tr/Kadin-Yonetim-Kurulu-yulerinin-Oranini-Artirmaya-Yonelik-cesitlilik-Politikamiz</a>

The number and ratio of female directors within the Board of Directors 3 / 50%

### Composition of Board of Directors

Names of the Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independence Declaration	Whether the Independent Director Considered By The Nomination	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director 'Has At Least 5 Years ,Experience On Audit Accounting And/Or Finance Or Not
Lütfi Yenel	Non-Executive	Not Independent Director	14/05/2007	-	Not Applicable	Not Applicable	No
Ayşe Yenel	Executive	Not Independent Director	29/04/2022	-	Not Applicable	Not Applicable	Yes
Zeynep Yenel Onursal	Executive	Not Independent Director	15/05/2023	-	Not Applicable	Not Applicable	Yes
Emre Yavuz Baran	Non-Executive	Not Independent Director	29/04/2022	-	Not Applicable	Not Applicable	Yes
Zeynep Tokman Cesur	Non-Executive	Independent Director	02/11/2023	<a href="https://www.kap.org.tr/tr/Bildirim/1214442">https://www.kap.org.tr/tr/Bildirim/1214442</a>	Considered	No	No
Yavuz Suat Bengür	Non-Executive	Independent Director	28/11/2021	<a href="https://www.kap.org.tr/tr/Bildirim/986781">https://www.kap.org.tr/tr/Bildirim/986781</a>	Considered	No	Yes

## 4. BOARD OF DIRECTORS - II

### 4.4. Meeting Procedures of the Board of Directors

Number of physical or electronic board meetings in the reporting period	18
Director average attendance rate at board meetings	69%
Whether the board uses an electronic portal to support its work or not	Hayır(No)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	2 Days
The name of the section on the corporate website that demonstrates information about the board charter	<a href="https://krontech.com/tr/yonetim-kurulu-toplanti-usulve-esaslari">https://krontech.com/tr/yonetim-kurulu-toplanti-usulve-esaslari</a>
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None

#### 4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented

02 Board of Directors / Committees

Link(s) to the PDP announcement(s) with the board committee charters

<https://www.kap.org.tr/tr/Bildirim/1132020>

## COMPOSITION OF BOARD COMMITTEES-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Corporate Governance Committee	-	Yavuz Suat Bengür	Yes	Board Member
Corporate Governance Committee	-	Lütfi Yenel	No	Board Member
Corporate Governance Committee	-	Onur Çelik	No	Not Board Member
Audit Committee	-	Yavuz Suat Bengür	Yes	Board Member
Audit Committee	-	Zeynep Tokman Cesur	No	Board Member
Committee of Early Detection of Risk	-	Zeynep Tokman Cesur	Yes	Board Member
Committee of Early Detection of Risk	-	Lütfi Yenel	No	Board Member

## 4. BOARD OF DIRECTORS - III

#### 4.5. Board Committees-ztlI

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report website)

02 Board of Directors / Committees

Specify where the activities of the corporate governance committee are presented in your annual report or website ( Page number or section name in the annual report/website)

02 Board of Directors / Committees

Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is fulfilled by the Corporate Governance Committee. 02 Board of Directors / Committees.
Specify where the activities of the early detection of risk committee are presented in your annual report or website ( Page number or section name in the annual report/website)	02 Board of Directors / Committees
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is fulfilled by the Corporate Governance Committee. 02 Board of Directors / Committees.

#### 4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	06 Corporate Governance / Company's Strategic Objectives
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	<a href="https://kron.com.tr/ucret-politikasi">https://kron.com.tr/ucret-politikasi</a>
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	06 Corporate Governance / Financial Rights Provided to the Board of Directors and Senior Management

## COMPOSITION OF BOARD COMMITTEES-II

Names Of The Board Committees	Name of Committees Defined as "Other" in the First Column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee	-	%100	%100	6	6
Corporate Governance Committee	-	%100	%33	4	4
Committee of Early Detection of Risk	-	%100	%50	6	6

**07**

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2025

**Financial  
Statements**

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**AUDIT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AND NOTES**  
**AS OF JANUARY 1, 2025-DECEMBER 31, 2025**  
**(Convenience Translation into English)**

Original reporting language is Turkish.  
In case of translation errors, original report should be referred as correct.

INDEPENDENT AUDITOR'S REPORT	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	1-3
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT	4-5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
CONSOLIDATED CASH FLOW STATEMENT	7-8
CONSOLIDATED NOTES REGARDING FINANCIAL STATEMENTS	9-51

## INDEPENDENT AUDITOR REPORT

To the General Assembly of Kron Teknoloji Anonim Şirketi

### A. Independent Audit of Consolidated Financial Statements

#### 1. Opinion

**Kron Teknoloji Anonim Şirketi** (the Company) and its subsidiary (the Group) for the fiscal period ending on the same date as the consolidated financial statement dated 31 December 2025; we have audited the financial statements that consist of the notes of the financial statements including consolidated profit or loss and other comprehensive income statement, consolidated statement of changes in equity and consolidated cash flow statement and summary of significant accounting policies.

In our opinion, the Group's consolidated financial statements as of December 31, 2025, offer a fair manner with appropriate as all important aspects in accordance with Turkish Financial Reporting Standards (TFRS) of the consolidated financial condition and the same date as the end of the fiscal year of consolidated financial performance and its consolidated cash flows.

#### 2. The Base of Opinion

In our independent audit we did the Independent Auditing Standards published by the Capital Markets Board and the standards issued by the Public Oversight, Accounting and Auditing Standards Authority was carried out in accordance with the Independent Auditing Standards which are a part of Turkey Auditing Standards. Our responsibilities under these Standards are explained in detail in the section entitled "Independent Auditor's Responsibilities for Independent Audit of Consolidated Financial Statements". We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors published by the Public Oversight Accounting and Auditing Standards Authority (Code of Ethics) and the ethical provisions contained in the relevant legislation with independent auditing of the consolidated financial statements. Ethical Rules and other ethical responsibilities under the legislation have also been fulfilled by us. We believe that the independent audit evidence we obtain during the independent audit is sufficient and appropriate basis for the establishment of our opinion.

#### 3. Key Audit Matters

The key audit matters, according to our professional judgment, are those that are most important in the independent audit of the financial statements in the current period. The key audit issues are discussed in the context of the independent audit of the financial statements as a whole and in the formation of our view of the financial statements, and we do not give a separate opinion on these matters.

Key Audit Matter	How the matter is addressed in the Audit
<b>Testing of Internally Generated Intangible Assets / Capitalized Development Costs</b>  The Group has development costs in the amount of TL 493,988,561 capitalized in the consolidated financial statements as of December 31,2025.  In the capitalization of costs related to the Group's development operations, TAS 38 'Intangible Assets' Standard and the explanations explained in Note 2.9.16 are taken into consideration.  The costs are capitalized related to costs of personnel related to software projects for the projects the Group has completed feasibility studies and projects the Group provides cash flow in the scope of development operations. Capitalization is calculated according to rates and timing of development costs of personnel determined according to forecasts and assumptions of project managers and management level.	The following procedures are implemented related to audit of development costs.  The bases are examined about the criteria related to TAS 38 'Intangible Assets' related to communications with management.  The movement table of intangible assets are controlled with the detail of expenditures of capitalized costs  For the tests of personnel costs associated with projects, the details of personnel and capitalized costs are received and the verification is made with personnel pay rolls and time sheets.  The meetings are conducted with personnel chosen by sampling method related to capitalization and the activities are examined with the details of development projects in the scope.

<p>The calculation of capitalization costs are determined as key audit matter since they are significant related to financial statements and it includes the forecasts of management related to this matter.</p>	
<p><b>Application of TAS 29 'Financial Reporting in Hyperinflationary Economies</b></p> <p>TAS 29, "Financial Reporting in High-Inflation Economies" ("TAS 29") standard has been applied in the Group's consolidated financial statements for the year ending December 31, 2025 as explained in Note 2.5.</p> <p>According to TAS 29, statement of financial position items and non-monetary items that are not expressed in terms of the current measurement unit as of the end of the reporting period are adjusted using a general price index. For this reason, the transactions in 2025, non-monetary balances at the end of the period and the consolidated financial statements of previous years have been rearranged to reflect the current price index as of the balance sheet date of December 31, 2025. The application of TAS 29 has a widespread and significant impact on consolidated financial statements. Considering these reasons, the risk that the data used in the application of TAS 29 may not be accurate and complete, and the additional audit effort spent, the implementation of TAS 29 has been determined by us as a key audit matter.</p>	<p>During our audit, the following audit procedures were applied regarding the application of TAS 29 "Financial Reporting in High Inflation Economies" standard:</p> <ul style="list-style-type: none"> <li>-The Group's TAS 29 implementation process was analyzed and the design and implementation of controls related to this process were evaluated.</li> <li>-It has been checked whether the distinction between monetary and non-monetary items made by the Group is made in accordance with TAS 29.</li> <li>-The assumptions used by the Group were evaluated and checked whether they were used consistently in each period.</li> <li>-The general price index rates used in the calculations have been checked with the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute.</li> <li>- Within the scope of TAS 29 application, detailed studies were provided regarding non-monetary items and their acquisition dates and amounts were tested by sampling method.</li> <li>-The mathematical accuracy of the non-monetary items and financial statements rearranged with the application of TAS 29 was tested.</li> <li>-The adequacy of the disclosures in the consolidated financial statements and notes has been evaluated within the scope of TFRS.</li> </ul>

#### 4. Responsibilities of the Administrative and Supervisory Officers on Financial Statements

The group management; is responsible for the internal control it deems necessary to prepare it so that it does not contain significant error caused by error or fraud, the preparation of financial statements in accordance with Turkey Accounting Standards and from its presentation in a reasonable way.

Management when preparing consolidated financial statements is in the responsibility of the Group to use the continuity principle as long as there is no obligation, from the assessment of the ability of the Group to maintain its continuity, for clarifying the points of continuity if necessary, for liquidation of Group or for intention to terminate commercial activity.

Those responsible for top management are responsible for overseeing the Group's financial reporting process.

#### 5. Independent Auditor's Responsibilities for Independent Audit of Financial Statements

In an independent audit, the responsibilities of independent auditors like ours are:

Our aim is to obtain reasonable assurance as to whether the financial statements as a whole contain significant errors caused by errors or fraud, and to prepare an independent auditor's report that includes our observations. Reasonable assurance as a result of an independent audit carried out in accordance with the Independent Auditing Standards (IAS); is a high level of assurance, but does not always guarantee that an important mistake that exists will always be detected. Errors can be due to errors or tricks. These inaccuracies are considered significant if the mistakes are reasonably expected to affect the economic decisions that financial statement users will receive in the context of a table, alone or collectively.

By force of an independent audit carried out in accordance with the Independent Auditing Standards (IAS) published by the Capital Markets Board, we use our professional judgment during the independent audit and we continue our professional skepticism.

We also:

Risks of "major mistakes" originating from errors or fraud in the consolidated financial statements are identified and evaluated; audit procedures that respond to these risks are designed and implemented, and sufficient and appropriate audit evidence is obtained to provide a basis for the audit. (Since trick has fraud, intentional negligence, untrue declaration or internal control violation, the risk of not detecting an important fallacy of falsity is higher than the risk of not detecting an important mistake.)

-Internal control is not evaluated with the aim to give an opinion on the effectiveness of the Group's internal control, but it is evaluated on the audit to design appropriate audit procedures.

- It is evaluated whether the accounting estimates made by the appropriateness of the accounting policies used by the management and the related disclosures are reasonable or not.

-Based on the audit evidence obtained, it is concluded that there is a significant uncertainty regarding the event or circumstances that could cause serious doubt as to the ability of the Group to maintain its continuity and the appropriateness of the management using the continuity of the management. If we reach a conclusion that there is a significant ambiguity, we should draw attention to the relevant disclosures in the Consolidated Financial Statements, or we should give any opinion other than a positive opinion if these disclosures are inadequate. The results we have are based on the audit evidence obtained until the date of the independent auditor's report. However, future events or circumstances may end the continuity of the Group.

-The Consolidated Financial Statements reflect the general presentation, structure and content of the financial statements, including the disclosures, and whether these statements reflect the underlying transactions and events in a manner that will provide a sound presentation.

-Adequate and appropriate audit evidence is obtained about the financial information about the entities in the Group or business segments in order to give an opinion on the consolidated financial statements. We are responsible in the guidance, observation and execution of the Group audit. We are responsible alone by the audit opinion mentioned.

Among other things, we report to the top management the planned coverage and timing of the independent audit, as well as any significant audit findings, including any significant internal control deficiencies we identified during the audit.

We have informed top management that we have complied with the ethical provisions regarding independence. We have informed top management all relations and other matters and any treats that may be considered to have an effect on independence and, if any, relevant measures.

Among the issues that are reported to top management, we have identified key issues that are most important in the independent audit of the consolidated financial statements. Where the legislation does not allow public disclosure of the matter, or in exceptional circumstances where it is reasonably expected that the negative consequences of public disclosure will exceed public interest, we may decide that the relevant matter should not be mentioned in our independent audit report.

## **B.Other Liabilities Arising From Legislation**

1. The report dated March 9, 2026, which we prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code with number 6102, on the early detection system of the Group's risk appetite and its applications, was presented to the Board of Directors of the Company.

2. In accordance with the fourth paragraph of Article 402 of the Turkish Commercial Code with number 6102, the bookkeeping method and the financial statements have no significant issues indicating unsuitability with the provisions of the TCC and the Company's articles of association regarding financial reporting between January 1- 2025 and December 31, 2025

3. In accordance with the fourth paragraph of Article 402 of the Turkish Commercial Code, The Board of Directors has made the required explanations within the scope of the audit and given the documents we requested.

BÜNYAMİN KALYONCU is the auditor responsible for carrying out this independent audit.

**İstanbul, March 9, 2026**

**Bünyamin KALYONCU**

Responsible Auditor

**KAVRAM BAĞIMSIZ DENETİM VE DANIŞMANLIK A.Ş.**

Member Crowe Global

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S  
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT AS OF  
DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

Statement of Financial Position (Balance Sheet)	Note Refer	Independently Audited	
		Current Period December 31, 2025	Previous Period December 31, 2024
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Cash and Cash Equivalents</b>	<b>4</b>	<b>121,553,115</b>	<b>106,835,886</b>
<b>Trade Receivables</b>	<b>7</b>	<b>253,590,610</b>	<b>212,144,392</b>
-Trade Receivables from Related Parties		-	-
-Trade Receivables from Unrelated Parties		253,590,610	212,144,392
<b>Other Receivables</b>	<b>8</b>	<b>594,154</b>	<b>176,260</b>
-Other Receivables from Unrelated Parties		594,154	176,260
<b>Receivables Arising from Contracts with Customers</b>	<b>9</b>	<b>-</b>	<b>25,398,500</b>
-Contractual Assets from Sales of Goods and Services		-	25,398,500
<b>Inventories</b>	<b>11</b>	<b>3,971,505</b>	<b>2,262,658</b>
<b>Prepaid Expenses</b>	<b>12</b>	<b>14,394,360</b>	<b>16,313,805</b>
- Prepaid Expenses to Unrelated Parties		14,394,360	16,313,805
<b>Current Tax Assets</b>	<b>17-18</b>	<b>3,334,658</b>	<b>601,440</b>
<b>Other Current Assets</b>	<b>10</b>	<b>605,239</b>	<b>1,065,089</b>
-Other Current Assets from Unrelated Parties		605,239	1,065,089
<b>SUB TOTAL</b>		<b>398,043,641</b>	<b>364,798,030</b>
<b>TOTAL CURRENT ASSETS</b>		<b>398,043,641</b>	<b>364,798,030</b>
<b>NON-CURRENT ASSETS</b>			
<b>Financial Investments</b>	<b>5</b>	<b>6,083,429</b>	<b>6,038,691</b>
Financial Assets Fair Value Reflected To Profit/Loss		6,083,429	6,038,691
-Financial Assets Held With The Aim Of Purchase and Sale		6,083,429	6,038,691
<b>Other Receivables</b>	<b>8</b>	<b>2,714,952</b>	<b>2,802,338</b>
-Other Receivables From Unrelated Parties		2,714,952	2,802,338
<b>Tangible Fixed Assets</b>	<b>14</b>	<b>11,548,074</b>	<b>14,068,237</b>
-Furniture and fixtures		10,124,488	12,248,801
-Special Cost		1,423,586	1,819,436
<b>Right-Of-Use Assets</b>	<b>15</b>	<b>31,907,690</b>	<b>50,443,286</b>
<b>Intangible Fixed Assets</b>	<b>16</b>	<b>710,912,671</b>	<b>482,997,923</b>
- Capitalized Development Costs		493,988,561	286,448,484
- Other Intangible Fixed Assets		216,924,110	196,549,439
<b>Prepaid Expenses</b>	<b>12</b>	<b>3,273,459</b>	<b>7,922,224</b>
- Prepaid Expenses to Unrelated Parties		3,273,459	7,922,224
<b>Deferred Tax Asset</b>	<b>30</b>	<b>18,125,212</b>	<b>4,602,807</b>
<b>Total Non-Current Assets</b>		<b>784,565,487</b>	<b>568,875,506</b>
<b>TOTAL ASSETS</b>		<b>1,182,609,128</b>	<b>933,673,536</b>

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S  
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT AS OF  
DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

Statement of Financial Position (Balance Sheet)	Note Refer	Independently Audited	
		Current Period December 31, 2025	Previous Period December 31, 2024
<b>Liabilities</b>			
<b>Short-Term Liabilities</b>			
<b>Short-Term Borrowings</b>	<b>6</b>	<b>45,335,930</b>	<b>63,308,199</b>
- Short-Term Borrowings From Unrelated Parties		45,335,930	63,308,199
-Bank credits		44,650,365	62,714,565
-Other Short Term Liabilities		685,565	593,634
<b>Short-Term Portion of Long-term Borrowings</b>	<b>6</b>	<b>12,369,196</b>	<b>13,758,656</b>
Short-Term Portion of Long Term Borrowings From Unrelated Parties		12,369,196	13,758,656
- Debts from Leasing Transactions		12,369,196	13,758,656
<b>Trade Payables</b>	<b>7</b>	<b>11,805,173</b>	<b>15,153,870</b>
-Trade Payables to Unrelated Parties		11,805,173	15,153,870
<b>Payables in Scope of Employee Benefits</b>	<b>19</b>	<b>53,204,740</b>	<b>68,684,806</b>
<b>Other Payables</b>	<b>8</b>	<b>18,251,828</b>	<b>19,945,892</b>
- Other Payables to Unrelated Parties		18,251,828	19,945,892
<b>Liabilities Arising from Contracts with Customers</b>	<b>9</b>	<b>146,751,001</b>	<b>110,073,222</b>
- Contractual Liabilities From Sales Of Goods and Services		146,751,001	110,073,222
<b>Short-Term Provisions</b>	<b>22</b>	<b>19,829,286</b>	<b>16,923,510</b>
-Short-Term Provisions for Employee Benefits		19,829,286	16,923,510
<b>Other Short-Term Liabilities</b>	<b>20</b>	<b>16,637,450</b>	<b>386,953</b>
-Other Short-Term Liabilities to Unrelated Parties		16,637,450	386,953
<b>SUB-TOTALp</b>		<b>324,184,604</b>	<b>308,235,108</b>
<b>TOTAL SHORT-TERM LIABILITIES</b>		<b>324,184,604</b>	<b>308,235,108</b>
<b>Long-Term Liabilities</b>			
<b>Long Term Borrowings</b>	<b>6</b>	<b>20,515,072</b>	<b>35,353,057</b>
Long Term Borrowings From Unrelated Parties		20,515,072	35,353,057
- Loans From Lease Transactions		20,515,072	35,353,057
<b>Other Payables</b>	<b>8</b>	<b>1,328,217</b>	<b>-</b>
Other Payables to Unrelated Parties		1,328,217	-
<b>Liabilities Arising from Contracts with Customers</b>	<b>9</b>	<b>88,375,413</b>	<b>86,019,454</b>
Contractual Liabilities From Sales of Goods and Services		88,375,413	86,019,454
<b>Long-Term Provisions</b>	<b>22</b>	<b>8,173,915</b>	<b>5,236,692</b>
Long-Term Provisions For Employee Benefits		8,173,915	5,236,692
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>118,392,617</b>	<b>126,609,203</b>
<b>TOTAL LIABILITIES</b>		<b>442,577,221</b>	<b>434,844,311</b>

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S  
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT AS OF  
DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

Statement of Financial Position (Balance Sheet)	Note Refer	Independently Audited	
		Current Period December 31, 2025	Previous Period December 31, 2024
<b>EQUITY</b>			
Equity Attributable To Owners of Parent Company		740,031,907	498,829,225
Paid In Capital	23	171,222,156	85,611,078
Capital Adjustment Differences	23	346,172,768	335,740,202
Share Premium (Discount)	23	2,844,855	2,243,739
Accumulated other comprehensive income/(expense) not to be reclassified in Profit/Loss		(7,636,635)	(5,892,090)
<i>Revaluation measurement gains/losses</i>		(7,636,635)	(5,892,090)
- Actuarial Gain/Loss Fund from defined benefit plan	23	(7,636,635)	(5,892,090)
Accumulated other comprehensive income/(expense) to be reclassified in Profit/Loss		(138,064,134)	(137,471,870)
<i>Foreign currency conversion differences</i>	23	(138,064,134)	(137,471,870)
Restrained Reserves From Profit		44,669,641	44,669,641
<i>Legal Reserves</i>	23	36,538,627	36,538,627
<i>Venture Capital Fund</i>	23	8,131,014	8,131,014
Previous Years' Profits/(Losses)	23	173,928,525	229,856,669
Net Profit (Loss) For The Period	31	146,894,731	(55,928,144)
<b>TOTAL EQUITY</b>		<b>740,031,907</b>	<b>498,829,225</b>
<b>TOTAL LIABILITIES</b>		<b>1,182,609,128</b>	<b>933,673,536</b>

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S  
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT AS OF  
DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT	Note Refer	Independently Audited	
		Current Period January 1- December 31, 2025	Previous Period January 1- December 31, 2024
Revenue	24	536,690,451	410,541,098
Cost of Sales (-)	24	(51,878,122)	(60,826,375)
<b>GROSS PROFIT (LOSS) FROM TRADE OPERATIONS</b>		<b>484,812,329</b>	<b>349,714,723</b>
<b>GROSS PROFIT/LOSS</b>		<b>484,812,329</b>	<b>349,714,723</b>
General Administrative Expenses	25	(52,991,262)	(63,080,361)
Marketing Expenses	25	(166,664,676)	(167,335,667)
Research and Development Expenses	25	(121,764,545)	(140,856,301)
Other Operating Income	27	87,813,744	63,129,960
Other Operating Expenses	27	(27,796,269)	(28,776,916)
<b>OPERATING LOSS/PROFIT</b>		<b>203,409,321</b>	<b>12,795,438</b>
Income From Investment Operations	28	8,077,987	3,511,968
<b>OPERATING PROFIT/LOSS BEFORE FINANCIAL INCOME (EXPENSE)</b>		<b>211,487,308</b>	<b>16,307,406</b>
Financial Income	29	32,467,106	27,110,082
Financial Expense (-)	29	(25,753,601)	(23,407,320)
Net Monetary Position Gains (Losses)	29	(84,246,972)	(76,716,572)
<b>PRE-TAX PROFIT/LOSS MARGIN FROM CONTINUING OPERATIONS</b>		<b>133,953,841</b>	<b>(56,706,404)</b>
Continuing Operations Tax Expense/Income		12,940,890	778,260
Deferred Tax Expense/Income	30	12,940,890	778,260
<b>CURRENT PROFIT / LOSS FROM CONTINUING OPERATIONS</b>		<b>146,894,731</b>	<b>(55,928,144)</b>
<b>PERIOD PROFIT/LOSS</b>		<b>146,894,731</b>	<b>(55,928,144)</b>
Distribution of Period Loss/Profit		146,894,731	(55,928,144)
Shares of Main Partnership		146,894,731	(55,928,144)
-Earnings per Share from Continuing Operations	31	0.858	(0.653)
-Diluted Earnings Per Share (Loss) from Continuing Operations	31	1.084	-

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S  
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT AS OF  
DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

	Note Refer	Independently Audited	
		Current Period January 1- December 31, 2025	Previous Period January 1- December 31, 2024
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>146,894,731</b>	<b>(55,928,144)</b>
<b>Not to be Reclassified in Profit or Loss</b>		<b>(1,744,545)</b>	<b>(1,914,488)</b>
Remeasurement Profit of Defined Benefit Plans, Before Tax	<b>22-23</b>	(2,326,060)	(2,552,651)
Tax Related To Income (Loss) that will not be Reclassified in Profit or Loss		581,515	638,163
-Deferred Tax Income/ Expense	<b>30</b>	581,515	638,163
<b>To be Reclassified in Profit or Loss</b>		<b>(592,264)</b>	<b>(34,230,920)</b>
Other Comprehensive Income Related to Foreign Currency Conversion Differences From Foreign Operations, Net of Tax		(592,264)	(34,230,920)
-Gains (Losses) from Foreign Currency Conversion Differences From Foreign Operations , Net of Tax		(592,264)	(34,230,920)
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	<b>23</b>	<b>(2,336,809)</b>	<b>(36,145,408)</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>144,557,922</b>	<b>(92,073,552)</b>

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF JANUARY 1- 2025 -DECEMBER 31, 2025**

(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

		Equity								Equity
		Equity attributable to owners of parent company								Equity
		Paid-in Capital	Capital Adjustment Differences	Share Issue Premium / Discounts	Other Accumulated comprehensive income/(expense) that will not to be reclassified in Profit/Loss	Other Accumulated comprehensive income/(expense) that will be reclassified in Profit/Loss	Restricted Reserves on Retained Earnings	Accumulated Losses		
					Revaluation and Measurement Gains/Losses			Previous Period Profit / Loss	Net Profit Or Loss	
	Statement of Changes in Equity				Actuarial Gains/Losses Due to Remeasurement of Defined Benefit Plan	Foreign currency conversion differences				
Previous Period	<b>Balances as of 1 January 2024</b>	<b>85,611,078</b>	<b>335,740,202</b>	<b>2,243,739</b>	<b>(3,977,602)</b>	<b>(103,240,950)</b>	<b>31,207,540</b>	<b>155,687,919</b>	<b>87,630,851</b>	<b>590,902,777</b>
	Other Corrections									-
	Transfers				-	-	13,462,101	74,168,750	(87,630,851)	-
	<b>Total comprehensive income (Expense)</b>				(1,914,488)	(34,230,920)			(55,928,144)	(92,073,552)
	Period Profit (Loss)								(55,928,144)	(55,928,144)
	Other Comprehensive Income (Expense)				(1,914,488)	(34,230,920)				(36,145,408)
	<b>Balances as of December 31, 2024</b>		<b>85,611,078</b>	<b>335,740,202</b>	<b>2,243,739</b>	<b>(5,892,090)</b>	<b>(137,471,870)</b>	<b>44,669,641</b>	<b>229,856,669</b>	<b>(55,928,144)</b>
Current Period	<b>Balances as of 1 January 2025</b>	<b>85,611,078</b>	<b>335,740,202</b>	<b>2,243,739</b>	<b>(5,892,090)</b>	<b>(137,471,870)</b>	<b>44,669,641</b>	<b>229,856,669</b>	<b>(55,928,144)</b>	<b>498,829,225</b>
	Other Corrections									-
	Transfers							(55,928,144)	55,928,144	-
	<b>Total comprehensive income (Expense)</b>				(1,744,545)	(592,264)			146,894,731	144,557,922
	Period Profit (Loss)								146,894,731	146,894,731
	Other Comprehensive Income (Expense)				(1,744,545)	(592,264)				(2,336,809)
	Capital Increase	85,611,078	10,432,566							96,043,644
	Increase (Decrease) Through Other Changes, Equity			601,116						601,116
<b>Balances as of December 31, 2025</b>		<b>171,222,156</b>	<b>346,172,768</b>	<b>2,844,855</b>	<b>(7,636,635)</b>	<b>(138,064,134)</b>	<b>44,669,641</b>	<b>173,928,525</b>	<b>146,894,731</b>	<b>740,031,907</b>

Enclosed notes are integral parts of these statements

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD JANUARY 1- 2025 – DECEMBER 31, 2025**  
(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

TFRS- CASH FLOW STATEMENT (Indirect Method)	Note Ref.	Independently Audited	
		Current Period January 1- December 31, 2025	Previous Period January 1- December 31, 2024
<b>CASH FLOWS OBTAINED FROM OPERATIONS</b>		<b>230,294,485</b>	<b>203,078,375</b>
<b>Period Profit / Loss</b>		<b>146,894,731</b>	<b>(55,928,144)</b>
<i>Period Profit / (Loss) from Continuing Operations</i>	31	146,894,731	(55,928,144)
<b>Adjustments Related to Net Period Profit/ (Loss) Reconciliation</b>		<b>72,713,561</b>	<b>19,801,042</b>
Adjustments Related to Depreciation/Amort, Exp	14-15-16	71,976,771	72,880,189
Adjustments Related To Impairment (Cancellation)		143,757	92,439
<i>Adjust,Rel,To Impairment (Cancel.) of Receivables</i>	7	292,611	56,928
<i>Adjust,Rel,To Impairment (Cancel.) of Inventory</i>		(148,854)	35,511
<b>Adjustments Related to Provisions</b>		<b>24,751,546</b>	<b>(2,841,105)</b>
<i>Adjust,Rel, to Prov,(Cancel.) for Employee Benefits</i>	22	8,501,049	8,946,315
<i>Adjust,Rel, to General Provisions (Cancellations)</i>		16,250,497	(11,787,420)
<b>Adjustments Rel, To Interest (Income) and Exp,</b>		<b>(12,443,231)</b>	<b>(728,873)</b>
<i>Adjustments Related To Interest Income</i>	29	(22,595,873)	(1,896,604)
<i>Adjustments Related To Interest Expenses</i>	29	10,152,642	1,167,731
<b>Adjust,Rel,to Unrealized Foreign Curr,Conversion Diff,</b>	23	<b>14,639,407</b>	<b>(8,291,208)</b>
<b>Adjustments Related to Tax Expense / Income</b>	30	<b>(12,940,890)</b>	<b>(778,260)</b>
<b>Other Adjustments Related to Nonmonetary Items</b>		<b>1,802,846</b>	<b>2,831,957</b>
<b>Adjust, for Losses (Gains) on Disposal of Fixed Assets</b>		<b>(13,681)</b>	<b>(29,444)</b>
<i>Adjust,for Loss (Gain) on Disposal of Tangible Fix, As,</i>		(13,681)	(29,444)
<b>Adjustments for Monetary Position Gains (Losses) (+/-)</b>		<b>(15,202,964)</b>	<b>(43,334,653)</b>
<b>Changes in Working Capital</b>		<b>15,056,281</b>	<b>245,968,959</b>
<b>Adjust,in (Increase)/Decr,in Trade Receivables</b>		<b>(34,553,020)</b>	<b>141,923,679</b>
<i>(Increase)/Decrease in Trade Rec,from Unrelated Parties</i>	7	(34,553,020)	141,923,679
<b>Adjust, Related to (Incr,)/Decr, in Other Rec, related to Operations</b>		<b>2,309,966</b>	<b>853,640</b>
<i>Adjustments Related to (Increase)/Decrease in Other Receivables related to Operations from Unrelated Parties</i>		2,309,966	853,640
<b>Incr, (Decr,) In Other Assets Arising From Customer Contracts</b>	9	<b>25,398,500</b>	<b>-</b>
<b>Adjustments Related to (Incr,)/Decr, in Inventories</b>		<b>(1,559,993)</b>	<b>1,212,203</b>
<b>Adjustments Related to (Incr,)/Decr, in Prepaid Exp,</b>	12	<b>6,568,210</b>	<b>(2,044,787)</b>
<b>Adjustments Related to Incr,/(Decr,) in Trade Debts</b>		<b>(4,013,132)</b>	<b>7,696,656</b>
<i>Adjust, Related to Incr,/(Decr,) in Trade Debts to Unrelated Part,</i>	7	(4,013,132)	7,696,656
<b>Adjust, Related to Incr,/(Decr,) in Liabilities Under Empl, Benefits</b>	19	<b>(15,480,066)</b>	<b>21,403,172</b>
<b>Adjust. Related to Incr, (Decr,) In Other Liab, About Customer Contracts</b>		<b>39,033,738</b>	<b>75,438,831</b>
<i>Inc, (Dec,) in Contr, Liab, Arising from Sale of Goods-Serv,</i>	9	39,033,738	75,438,831
<b>Adjust, Related to Incr,/(Decr,) in Other Debts related to Operations</b>		<b>(365,847)</b>	<b>287,008</b>
<i>Incr, (Decr,) In Other Liab,Rel,to Operations Between Unrelated Parties</i>		(365,847)	287,008
<b>Adjustments Related to Other Increase/(Decrease) in Operational Capital</b>		<b>(2,282,075)</b>	<b>(801,443)</b>
<i>Decr,/(Incr,) in Other Assets Related to Operations</i>		(2,273,368)	(790,883)
<i>Decr,/(Incr,) in Other Liabilities Related to Operations</i>		(8,707)	(10,560)
<b>Cash Flows From Operations</b>		<b>234,664,573</b>	<b>209,841,857</b>
<b>Interest Paid</b>		<b>(3,024,064)</b>	<b>(4,686,138)</b>
Payments for Provisions About Employee Benefits		(1,346,024)	(2,077,344)

Enclosed notes are integral parts of these statements

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD JANUARY 1- 2025 – DECEMBER 31, 2025**  
(Amounts are expressed in Turkish Lira (TL) based on purchasing power of TL as of December 31, 2025, unless otherwise stated.)

TFRS- CASH FLOW STATEMENT (Indirect Method)	Note Ref.	Independently Audited	
		Current Period January 1- December 31, 2025	Previous Period January 1- December 31, 2024
<b>CASH FLOWS DUE TO INVESTING ACTIVITIES</b>		<b>(261,894,136)</b>	<b>(203,815,792)</b>
Cash Outflows Related To Acquisition of Other Companies or Funds Shares or Debt Instruments	5	(44,738)	(3,557,777)
Cash Inflows Due to Sales of Tangible and Intangible Fixed Assets		13,681	104,227
Cash Inflows from Sale of Tangible Fixed Assets	14-15-16	-	74,783
Cash Inflows from Sale of Intangible Fixed Assets	14-15-16	13,681	29,444
<b>Cash Outflows due to Purch,of Tang,-Intan,assets</b>		<b>(284,915,185)</b>	<b>(210,058,746)</b>
Cash Outflows due to Purchase of Tangible Fixed Assets	14	(3,127,841)	(9,238,440)
Cash Outflows due to Purchase of Intan,Fixed Assets	16	(281,787,344)	(200,820,306)
<b>Interest Received</b>	29	23,052,106	9,696,504
<b>CASH FLOWS DUE TO FINANCING ACTIVITIES</b>		<b>59,113,542</b>	<b>(14,207,222)</b>
Cash inflows from the issuance of shares and other equity-based instruments.		96,644,760	-
Cash Inflows from Iss. of Shares		601,116	-
Cash Inflows from Iss. of Other Equity-Based Ins.		96,043,644	-
<b>Cash Inflows Related to Borrowings</b>	6	<b>33,838,230</b>	<b>62,805,610</b>
Cash Inflows From Credits	6	33,838,230	62,805,610
<b>Cash Outflows Related to Debt Payments</b>	6	<b>(51,034,470)</b>	<b>(54,788,409)</b>
Cash Outflows Due to Credit Repayment	6	(51,034,470)	(54,788,409)
<b>Cash Outflows Rel. to Payments of Rent Contracts</b>	6	<b>(11,771,479)</b>	<b>(16,607,977)</b>
<b>Interest Paid</b>	29	<b>(8,563,499)</b>	<b>(5,616,446)</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES</b>		<b>27,513,891</b>	<b>(14,944,639)</b>
Effect of Foreign Cur, Conversion Differ, On Cash and Cash Equivalents		3,551,467	3,582,129
<b>NET INCREASE/DECREASE AT CASH AND CASH EQUIVALENTS (+/-)</b>		<b>31,065,358</b>	<b>(11,362,510)</b>
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	4	<b>106,835,886</b>	<b>114,428,750</b>
<b>Inflation Effect on Cash and Cash Equiv, (+/-)</b>		<b>(16,348,129)</b>	<b>3,769,646</b>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	4	<b>121,553,115</b>	<b>106,835,886</b>

Enclosed notes are integral parts of these statements.

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
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**NOTE 1 - ORGANIZATION AND SUBJECT OF ACTIVITY**

**1.1 Field of Activity;**

Kron Teknoloji A.Ş. ("the Company") assumed its current name on November 29, 2022, following a change from its former title, Kron Telekomünikasyon Hizmetleri A.Ş. The Company is registered with the Istanbul Trade Registry Office under registration number 547587.

Kron Teknoloji A.Ş. is a technology enterprise specializing in cybersecurity solutions, primarily serving the telecommunications, financial services, and corporate sectors. The Company provides a wide range of internet-related services, including internet service provision, content provision, and access provision. Additionally, its offerings extend across software development, design, hardware, training, consultancy, and seminar services, specifically tailored for electronic and other communication channels, as well as for various commercial activities conducted over the internet.

The Company is publicly held, with its shares traded on Borsa İstanbul (BIST) since May 27, 2011. The Company operates within the BIST Main Market, specifically categorized under the Technology - Data Processing sector.

The Company's headquarters is located at İstanbul Teknik Üniversitesi (İTÜ) Ayazağa Yerleşkesi, Koru Yolu, ARI 3 Binası, Teknokent No:B401, 34469, Maslak, İstanbul - Türkiye. Additionally, the Company operates a Teknopark branch in Ankara Bilkent Cyberpark, an R&D Center in İzmir, and a subsidiary in New Jersey, USA, under the name "Kron Technologies US."

As of December 31, 2025, the Group — comprising Kron Teknoloji A.Ş. and its wholly-owned subsidiary, Kron Technologies US — had 164 employees. (December 31, 2024: 160)

**1.2 Capital Structure:**

The partnership structure of the group is as follows:

Name	December 31, 2025		December 31, 2024	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Lütfi Yenel	17,62	30,164,336	17,62	15,082,168
Zeynep Yenel Onursal	13,00	22,258,888	13,00	11,129,444
Fatma Alev Araslı	7,38	12,640,373	-	-
Other	62,00	106,158,559	69,38	59,399,466
<b>Paid-in Capital</b>	100,00	171,222,156	100,00	85,611,078
<b>Capital Adjustment Differences</b>		346,172,768		335,740,202
<b>Total</b>		517,394,924		421,351,280

Within the company's registered capital ceiling of TL 500,000,000, the issued capital of TL 85,611,078 was increased by 100% (TL 85,611,078) to be paid in cash, increasing the total capital to TL 171,222,156. Regarding the capital increase, the prospectus was approved by the Capital Markets Board at its meeting dated May 30, 2025, with resolution number 33/938, and the approved prospectus was notified to the company on June 4, 2025.

**1.3 Approval of Financial Statements;**

The financial statements of the group prepared were approved by the board of directors on March 9, 2026. The General Assembly and definite regularity institutions has the authority to amend the financial statements after its circulation.

The main accounting policies applied in the preparation of Group's consolidated financial statements are as follows.

**NOTE 2- GUIDELINES ON SUBMISSION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1. Basic Guidelines on Submission of Financial Statements and Declaration of Conformity to the Turkish Accounting Standard**

The Group keeps and prepares its statutory books and financial statements in accordance with the Turkish Trade Law and Uniform Account Plan and principles issued by Ministry of Finance of Turkey.

The Group's consolidated financial statements have been prepared in accordance with the provisions of the Communiqué No. 14.1, Series II, on "Principles Regarding Financial Reporting in the Capital Market" published by the Capital Markets Board (SPK) in the Official Gazette dated June 13, 2013, and numbered 28676, and in line with international standards published by the Public Oversight Accounting and Auditing Standards Authority ("KGK"), based on the Turkish Financial Reporting Standards ("TFRS") and their annexes and interpretations. TFRS is updated through communiqués to ensure parallelism with changes in the International Financial Reporting Standards ("IFRS").

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**2.2. Preparation Of Consolidated Financial Statements**

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on IFRS Taxonomy" published by the Public Oversight Board on July 3, 2024, and the Financial Statement Examples and Usage Guide published by the Capital Markets Board.

The affiliates in foreign companies are prepared in conformity with laws and regulations of foreign countries the affiliates operate.

**2.3 The Bases of Consolidation**

The affiliates of the Group are as follows:

Title	Operation Field	Center	Functional Money Unit	Rate of Affiliation	Capital (USD)
Kron Technologies US	Software	New Jersey-USA	US Dollar	100%	2,266,305

Kron Teknoloji decided to establish a wholly-owned subsidiary in the United States of America with the center in New York, with 100% capital ownership and the situation is revealed by special situation statement on June 8, 2016. The entity was incorporated as "Krontech Inc." on June 24, 2016, with its registered address at 3 2nd Street, Suite 201, Jersey City, NJ 07302, USA. The subsidiary was established with the primary objective of marketing advanced technology software products throughout North and South America.

As of June 30, 2017, Kron Technologies US was consolidated within the financial statements as a wholly-owned subsidiary. On August 21, 2019, the entity's name was changed from "Krontech Inc." to "Ironsphere Inc."; subsequently, in 2023, the name was changed again to "Kron Technologies US."

On August 18, 2022, the Board of Directors of Kron Teknoloji A.Ş. approved a capital contribution of USD 2,146,305 to strengthen the capital base of Ironsphere Inc. established in USA, in which Kron Teknoloji A.Ş. maintains 100% ownership. This capital contribution was effected through the offset against of receivables associated with prior investments made in Kron Technologies US. Following this capital increase, Kron Technologies US's total capital stood at USD 2,266,305.

In cases where the Company does not have a majority voting right over the invested company/asset, it has control over the invested company/asset, provided that it has sufficient voting rights to direct/manage the activities of the relevant investment on its own. The Company takes into account all relevant events and conditions in assessing whether a majority vote in the relevant investment is sufficient to provide control power, including the following factors:

- Comparing the voting rights held by the Company with the voting rights held by other shareholders;
- Potential voting rights held by the Company and other shareholders;
- Rights arising from other contractual agreements; And
- Other events and conditions that may indicate whether the Company has the current power to manage the relevant activities in situations where decisions need to be made (including votes made at general assembly meetings in previous periods).

Including a subsidiary within the scope of consolidation begins when the Company has control over the subsidiary and ends when it loses control. Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition until the date of disposal.

Each item of profit or loss and other comprehensive income belongs to the shareholders of the parent company and non-controlling interests. The total comprehensive income of the subsidiaries is transferred to the parent company shareholders and the non-controlling interests, even if the non-controlling interests result in a reverse balance.

If necessary, adjustments have been made to the accounting policies in the financial statements of subsidiaries to ensure that they are the same as the accounting policies followed by the Company.

All intra-Group assets and liabilities, equity, income and expenses and cash flows related to transactions between Group companies are eliminated in consolidation.

**(i) Subsidiaries:**

- Subsidiaries represent the entities in which the parent the group has more than 50% of the shares, voting rights or the majority of the management or the right to elect the majority of the management through capital and management relations, either directly or through other subsidiaries or participations. The controlling power is defined as the parent the group's power to manage the financial and operating policies of its subsidiaries and to provide benefits from the activities. The subsidiary, Kron Technologies US is subject to full consolidation.

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**2.4 Assumption on Going Concern**

The financial statements are prepared on the going concern basis by assuming that the Group shall get benefit from assets and perform its obligations within next year and in the ordinary course of its business activities.

**2.5 Functional and reporting currency and Adjustment of Financial Statements during High Inflation Periods**

**Operational and reporting currency**

Financial statements are presented in TL, which is the functional and reporting currency of the parent company. The financial statements of the subsidiary Kron Technologies US operating in the United States are prepared in US Dollars and are included in the attached consolidated financial statements by converting them into TL, which is the presentation currency. Differences arising from the conversion to TL are shown in the "Foreign Currency Conversion Differences" account.

**Adjustment of financial statements in high inflation periods**

According to the standard TAS 29, if the functional money unit is high inflation economy money unit, the companies report according to money purchasing power in the end of reporting period. TAS 29 defines the qualifications that reveals the economy is high inflation economy. At the same time, all the Companies that make reporting in money unit in high inflationary economy should implement the standard beginning from the same date. For this reason, to provide consistency in application process in the country as stated in TAS 29, all the companies will start to implement the standard TAS 29 at the same time with the explanation that will be made by Public Oversight Accounting and Auditing Standards Authority.

Public Oversight Accounting and Auditing Standards Authority has made an explanation in the scope of TMS 29 and its application is in November 23,2023. The financial statements of companies applying Turkish Financial Reporting Standards as of December 31,2023 and afterwards should be adjusted and presented in the scope of inflation accounting according to accounting standards in the scope of TAS 29.

In this scope, inflation adjustment has been made according to TAS 29 in the scope of TAS 29 in December 31, 2025 and December 31,2024.

The financial statements are adjusted according to changes in purchasing power of functional unit and as a result the financial statements are presented according to TAS 29 standard in terms of unit available in the end of the period.

TAS 29 is applied to financial statements of every company in the economy of high inflation. In an economy, if there is high inflation the financial statements are adjusted according to TAS 29, if the functional unit is related to valid monetary unit, the financial statements should be presented in valid measurement unit in the end of reporting period.

As of reporting date, as the Consumer Price Index ("TÜFE"), the change in the last 3 years purchasing power the cumulative change is above 100%, the companies operating in Turkish should apply the standard TAS 29 'Adjustment Of Financial Statements of Independently Audited Companies According To Inflation' as of December 31, 2024 and the periods ending after that date.

The adjustments made pursuant to TAS 29 were made using the adjustment coefficient derived from the Consumer Price Index ("CPI") in Turkey, published by the Turkish Statistical Institute ("TÜİK"). As of 31 December 2025, the indices and adjustment coefficients used in the adjustment of the financial statements are as follows:

Date	Index	Adjustment Coefficient
2025-DECEMBER	3,513.87	1.00000
2024- DECEMBER	2,684.55	1.30892
2023-DECEMBER	1,859.38	1.88981

The indexation process are as follows according to TAS 29:

- As of the balance sheet date, all units other than the units with current purchasing power are indexed according to price index coefficients. The amounts related to prior periods are indexed accordingly.
- The monetary asset and liability items are not indexed since they are presented with current purchasing power. The monetary units are cash and receivable and payable amounts to be received and paid in cash.
- The tangibles, affiliates and similar assets are indexed over their purchased amounts not to be over their market value. The depreciation is adjusted similarly. The amounts in the equity item, are adjusted with general price indexes in the periods of their contribution to the Company or establishment in the Company.

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- Other than the non monetary items in the balance sheet that have effect on the income statement, are indexed with coefficients calculated over the periods that have income and expenses that have reflected firstly in the financial statements.

- The gain or loss as a result of inflation over the net monetary position, is the difference of adjustments over non monetary assets, equity items and income statement accounts. The gain or loss over the net monetary position is included in the net profit.

The compared amounts

The related amounts belonging to prior periods, are readjusted by using the general price index accurate in the end of reporting period by presenting the valid measurement value of the financial statements. The information related to prior periods are disclosed by measurement value valid in the end of reporting period.

**2.6 Offsetting – Deduction**

The financial assets and liabilities are shown as net values, where any necessary legal rights are available, and it is intended to assess such assets and liabilities as net values, or the assets and liabilities are obtained and fulfilled simultaneously.

**2.7 Comparative Information and Amendment of the Financial Statements for the Previous Period**

In order to make financial condition and performance trends eligible to determine, the financial statements of the the group are prepared comparatively with the previous period. Comparative information are reclassified, if deemed necessary, in order to ensure compliance with the presentation of financial statements of current period. The Group, has reclassified the following items as of December 31, 2024.

	<b>Post-classification December 31, 2024</b>	<b>Pre-classification December 31, 2024</b>
Trade Receivables	212,144,392	237,542,892
Assets Arising from Customer Contracts	25,398,500	-
	<u>237,542,892</u>	<u>237,542,892</u>

**2.8 Changes in Accounting Policies**

The Group applied its accounting policies consistently with the previous year. When there are significant changes in accounting policies, they are applied retrospectively and the financial statements of the previous period are rearranged.

The Group started to implement TFRS 16 Leases Standard on January 1- 2019. For leases previously classified as operating leases in accordance with TAS 17, the right-of-use asset was reflected in the financial statements at an amount equal to the lease liability adjusted for the amount of all prepaid or accrued lease payments as of January 1- 2019.

**2.9.1. Cash Flow Statement**

Cash and cash equivalents included in cash flow statements are cash, demand deposits, and other highly liquid short-term investments with maturities of 3 months or less from the date of purchase, which can be immediately converted to cash and do not carry significant risk of value change.

**2.9.2. Financial Assets**

**Classification and Measuring**

The Group accounts for its financial assets under the category of financial assets accounted for at amortized cost. Classification is based on the business model and expected cash flows, determined by the intended use of the financial assets. Management classifies its financial assets at the time of acquisition.

Assets are classified as assets accounted for at amortized cost. If their maturity is less than 12 months from the balance sheet date, they are classified as current assets; if it is more than 12 months, they are classified as fixed assets. Assets accounted for at amortized cost include the items "trade receivables" and "cash and cash equivalents" in the statement of financial position.

**Financial assets recognized at amortized cost**

Financial assets that have fixed or determinate payments, are not traded in an active market and are not derivative instruments, where the management has adopted the business model of collecting contractual cash flows and the contractual terms include only payments of principal and interest arising from the principal balance on certain dates.

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**Impairment**

The Group calculates expected credit loss provision for its trade receivables, which are accounted for at amortized cost in the consolidated financial statements. In the calculation of expected credit losses, the Group's future estimates are taken into account along with past credit loss experiences.

**2.9.3. Derivative Financial Instruments**

Any derivative financial instruments, which are appropriate the definition "financial asset or financial obligation" in TAS 32, are calculated in accordance with the provisions of the TAS 39 (IFRS 9), and submitted furthermore in the financial statement.

There are no derivative financial instruments as of the balance sheet date.

**2.9.4. Receivables from Financial Sector Activities**

Any receivables other than cash and cash equivalents resulting from the financial sector are shown here.

**2.9.5. Trade Receivables**

Trade receivables arise from the supply of goods or services directly to a debtor and are recorded at discounted cost based on the original effective interest rates of the invoice amounts.

If there is a situation that indicates that the Group will not be able to collect the amounts due, an impairment provision is created for trade receivables. The amount of this provision is the difference between the registered value of the receivable and the collectible amount. Collectible amount is the discounted value of the expected cash flows, including the amounts that can be collected from guarantees and guarantees, based on the original effective interest rate of the trade receivable. If the impairment amount decreases due to a situation that occurs after the write-off, the said amount is reflected in other income in the current period.

**2.9.6. Other Receivables**

They include any receivables other than the trade receivables and financial investments. Their examples are the given deposits and guarantees, other receivables from the related parties, any receivables from public authorities other than any assets related to tax of the current period, and other miscellaneous receivables.

Part of these receivables from the related parties is shown in a separate sub-item in accordance with the sample format.

**2.9.7. Inventories**

It is an item, in which any assets that are available as substances and materials held to sell, manufactured to sell, and to be used during manufacturing process or service delivery in the regular course of business of the enterprise, are shown.

Inventories are valued at the lower of cost or net realizable value. Cost is determined using a weighted average method. Net realizable value is the amount obtained by deducting the estimated completion cost from the estimated sale price and the estimated sales cost required to realize the sale. The advances given for purchase orders have not a nature of inventories, and are shown in the "Prepaid Expenses," until the inventory accounting is conducted.

**2.9.8. Alive Assets**

If the current assets included in the TAS 41, and any agricultural products collected during harvest relate to the agricultural activities, they are shown in this item. This item is used by the enterprises, which deal with agricultural activities only.

The Group does not have any biological assets as of the date of financial statement.

**2.9.9. Prepaid Expenses**

All amounts paid usually to the suppliers and to be transferred to the expense and cost accounts in a subsequent period (or period) are shown in this item. If the item is negligible, such amounts are submitted in the other current/non-current assets.

**2.9.10. Assets Related To the Current Period**

Pursuant to the Income Tax Standard TAS 12, any assets such as various taxes and funds related to the current period tax payable over revenue prepaid and possibly subject to discount are shown in this item.

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**2.9.11. Other Current/Non-Current Assets**

The current/non-current assets such as transferred VAT, VAT discount, other VAT, counting and acceptance points are shown in this item.

**2.9.12. Non-current Assets Classified For Sales Purpose**

Pursuant to the Standard on Non-Current Assets and Discounted Operations TFRS 5, any non-current assets classified for sales purpose, because their book value shall be recovered by means of the sales procedure rather than use, and all assets to be sold are shown in this item.

Furthermore, pursuant to the TFRS 5, any non-current assets classified for purpose of distributing them to the shareholders and all other assets to be sold are also shown in this item since it is committed to distribute them to the shareholders. In this case, this item is called so as to state these assets.

The Group does not have any non-current assets classified as held for sale as of the date of financial statement.

**2.9.13. Investments Assessed By Equity Method**

Pursuant to the Standard on Investments in Subsidiaries and Business Associates TAS 28, any subsidiaries and business associates assessed by equity method are shown in this item.

The Group has no affiliates and business associates assessed by equity method as of the financial statement period.

**2.9.14. Investment Property**

Pursuant to the Investment Property Standard TAS 40, any real properties (lands, buildings part of a building) acquired (by their landlord or tenant according to the financial leasing agreements for purposes of obtaining a rental income or capital gains income or both of them) are shown in this item. If the real property is subject to the financial leasing, the details specified in three Standards on Leasing Operations TAS 16 are added.

If it is included in the definition of investment property and the tenant uses the fair value method, it is possible that a right for a real property held by the tenant under the operating lease is shown as an investment property in this item.

The Group does not have any investment property.

**2.9.15. Tangible Assets:**

They are physical fixed assets that are held to be used in the production or supply of goods and services, to be rented to others or to be used for administrative purposes, and are expected to be used for more than one period. In accordance with TAS, tangible fixed assets are listed in the Statement of Financial Position or in the notes as land and plots, buildings, facilities, machinery and equipment, vehicles, fixtures, investments in progress, assets related to the exploration and evaluation of mineral resources, other tangible assets, etc. can be classified as.

Tangible assets are stated at their net value after deducting accumulated depreciation from their cost.

In the Group's depreciation practice, tangible assets are depreciated using the straight-line method based on their useful lives over their values.

Tangible assets are amortized within the following periods, taking into account their economic lives.

	<b>Useful Life</b>
Furniture and Fixtures	3-15 years
Special Costs	3-15 years

The gain or loss arising on the sale or retirement of a tangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income statement.

The advances given for the purchases of tangible assets are shown under "Prepaid Expenses" item rather than this item until the relevant asset is capitalized.

**2.9.16 Intangible Assets:****a. Intangible assets acquired**

Intangible assets acquired are stated at cost value by deducting accumulated depreciation and accrued depreciation, if any. These assets are amortized using the straight-line depreciation method based on their expected useful lives. Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of the changes in the estimations and they are accounted for prospectively if there is a change in the estimates.

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**Licenses**

Purchased licenses are shown at their historical cost. Licenses have limited useful lives and are stated at cost less accumulated depreciation. Purchased licenses are amortized using straight-line depreciation based on their expected useful lives.

**Computer Software**

Purchased computer software is capitalized based on the costs incurred during its purchase and the period from purchase until it is ready for use. These costs are amortized according to their useful lives.

**Internally generated intangible assets-research and development expenses**

Research expenses are recorded in the profit and loss statement during the period in which they are incurred. Intangible assets created internally as a result of development activities (or the development phase of an Intra-Group project) are recognized only if all of the following conditions are met:

- It is technically possible to complete the intangible asset to be ready for use or ready for sale,
- The intention to complete, use or sell the intangible asset,
- The intangible asset can be used or sold,
- It is known that the asset has a kind of possible economic benefit for the future.
- Having appropriate technical, financial and other resources to complete the development of the intangible asset, use or sell the asset in question, and
- The cost of developing the asset can be measured reliably during the development process.

The amount of intangible assets created internally is the total amount of expenses incurred from the moment the intangible asset meets the above-mentioned accounting conditions. When intangible assets created internally cannot meet the conditions stated above, development expenditures are recorded as an expense in the period they occur. After initial recognition, internally created intangible assets are shown over the amount after the accumulated amortization and accumulated impairment losses are deducted from their cost values, just like intangible fixed assets purchased separately.

The rates determined by taking into account the useful lives of Intangible Fixed Assets are as follows:

	<u>Useful Life</u>
Capitalized Development Costs	5-15 years
Other Intangible Assets	3-10 years

**2.9.17. Financial Liabilities**

A financial liability is measured at fair value upon initial recognition. During the initial recognition of financial liabilities whose fair value difference is not reflected in profit or loss, transaction costs that can be directly associated with the underwriting of the relevant financial liability are also added to the fair value in question. Financial liabilities are recognized at amortized cost using the effective interest method, with interest expense calculated based on the effective interest rate in subsequent periods.

**2.9.18. Borrowing Costs**

In the case of assets that require significant time to be ready for use or sale (qualifying assets), borrowing costs directly associated with their purchase, construction or production are included in the cost of the asset until the relevant asset is made ready for use or sale. Borrowing costs other than this situation are recognized in the income statement. The amount of borrowing costs that can be capitalized for funds borrowed for the purpose of acquiring a qualifying asset in a period is the amount determined by deducting the income obtained from temporary investments of these funds from the total borrowing costs incurred for these assets in the relevant period.

**2.9.19. Taxation**

Tax expense (income) consists of current period tax expense (income) and deferred tax expense (income). Corporate Tax liability is calculated on the basis found after correcting the period result by taking into account legally unacceptable expenses and deductions.

The tax provision was calculated by taking into account the profit for the period and deferred tax was taken into account in the calculation.

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Deferred tax assets and liabilities arise from significant timing differences (future taxable timing differences) as a result of different treatment of accounting and taxation and are calculated at the current tax rate using the "borrowing" method.

Deferred tax assets are recorded only when a taxable profit is expected to occur in the future, from which this asset can be amortized. Net deferred tax assets arising from timing differences are reduced in proportion to tax deductions in cases where it is not certain that they can be used in future years in the light of available data.

**2.9.20. Revenue**

The group records revenue in its consolidated financial statements when it fulfills, or as it fulfills, its obligation by transferring a promised good or service to its customer. An asset is transferred when (or when) control of the asset passes to (or is transferred to) the customer.

The Group records its revenue in its financial statements in accordance with the following fundamental principles:

- Identification of contracts with customers
- Defining performance obligations in the contract
- Determination of contract price
- The transaction price is allocated to the performance obligations in the contract.
- Record revenue as contractual obligations are met

**Presentation of service**

The Group generates revenue from services related to software, design and hardware, as well as internet service, content and access provision.

For each performance obligation, the Group determines at the beginning of the contract whether it fulfills its performance obligation over time or whether it fulfills its performance obligation at a certain moment in time.

Revenue from a service delivery contract is recognized according to the completion stage of the contract. The stage of completion of the contract is determined as follows:

- Installation fees are recognized based on the stage of completion of the installation.
- Service fees included in the prices of goods sold are accounted for according to the total cost of the services provided in relation to the goods sold, taking into account the number of services provided in previous sales of goods, and
- Revenue from contracts based on time spent is recognized through working hours and contract fees as direct expenses are incurred.

**2.9.21. Impairment of assets**

At each balance sheet date, the Group evaluates whether there is any indication of impairment of an asset. If such an indicator is available, the recoverable amount of that asset is estimated. If the registered value of the asset in question or any cash-generating unit of that asset is higher than the amount to be recovered through use or sale, impairment has occurred. The recoverable amount is determined by choosing the higher of the asset's net sales price and value in use. Value in use is the estimated present value of the cash flows expected to be generated from the continued use of an asset and its disposal at the end of its useful life. Impairment losses are recognized in the consolidated income statement.

An impairment loss on a receivable is reversed if the subsequent increase in the recoverable amount of that asset can be attributed to an event that occurred in the periods subsequent to the recognition of the impairment loss. Impairment losses on other assets are reversed if there is a change in the estimates used to determine the recoverable amount. The increase in the registered value of the asset due to the reversal of the impairment loss should not exceed the registered value (net amount remaining after depreciation) that would have been determined if no impairment loss had been included in the consolidated financial statements in previous years.

**2.9.22. Earnings per Share**

Net earnings per share are calculated by dividing the main shareholder's earnings or loss (numerator) the ordinary shareholders into the weighted average of number of ordinary shares (denominator) of the relevant period.

In Turkey, companies can increase their capital by distributing "bonus shares" to shareholders from past year's profits. These "bonus share" distributions are treated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations has been determined by taking into account the retrospective effects of these share distributions.

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**2.9.23 Post-balance-sheet Events**

Even if the post-balance sheet events emerge after the disclosure of any announcement regarding profit or disclosure of other selected financial information, they cover all events between the date of the balance sheet and the authorization date for the publishing of the balance sheet.

In the event that certain events require correction following the balance sheet date, the Group shall correct the amounts stated in the financial statements in accordance with the then current situation.

**2.9.24 Provisions, Contingent Liabilities and Contingent Assets**

If there is a current obligation arising from past events, it is probable that the obligation will be fulfilled and the amount of the obligation can be estimated reliably, a provision is made in the financial statements. The amount set aside as a provision is calculated by estimating in the most reliable way the expense to be incurred to fulfill the obligation as of the balance sheet date, taking into account the risks and uncertainties regarding the obligation. If the provision is measured using the estimated cash flows required to meet the current obligation, the carrying amount of the provision is equal to the present value of the relevant cash flows.

In cases where some or all of the economic benefit required to pay the provision is expected to be borne by third parties, the amount to be collected is recognized as an asset if it is virtually certain that the relevant amount will be collected and can be measured reliably.

**2.9.25 Payables In Scope Of Employee Benefits / Employee Termination Benefit Provision for severance pay**

In case of severance pay, pension or dismiss, they are paid in accordance with the legislation in force in Turkish and the provisions of the collective labour agreement. Pursuant to the updated Employee Benefit Standard UMS 19 ("UMS 19"), such payments are defined as the identified pension benefit plans.

The severance pay obligation recognized in the balance sheet is calculated according to the net present value of the liability amounts expected to arise in the future due to the retirement of all employees and reflected in the financial statements. All calculated actuarial gains and losses are recognized under other comprehensive income.

**Leave Provisions**

Accumulated paid leaves; These are the permissions that are carried forward and can be used in the future period if the rights related to the current period are not fully used and are reflected in the financial statements because they create a liability for the business.

**2.9.26 Significant Accounting Assessments, Estimates and Assumptions**

Preparation of financial statements require stating the amounts of the reported assets and liabilities as of the date of financial statement, disclosure of contingent assets and liabilities and using of estimates and assumptions that may affect the amounts of income and expenses reported throughout the financial year. Despite these estimates and assumptions are based on the best knowledge of the group management regarding the current events and transactions, actual results may differ from assumptions. The important assumptions and evaluations are as follows:

-Severance pay obligations are determined by actuarial calculations based on a number of assumptions, including discount rates, future salary increases, and employee turnover rates. Because these plans are long-term, these assumptions involve significant uncertainties.

-Provisions for doubtful receivables reflect the amounts that Management believes will cover future losses on receivables existing as of the balance sheet date but which are at risk of not being collected under current economic conditions. When assessing whether receivables have been impaired, the past performance of debtors, their market creditworthiness, their performance from the balance sheet date to the date of approval of the financial statements, and renegotiated conditions are taken into account. Provisions for doubtful receivables as of the relevant balance sheet date are presented in Note 7.

When setting aside provisions for litigation, the probability of losing the relevant litigation and the consequences that would be incurred if lost are assessed in line with the opinions of the Group's legal counsel, and Group Management makes its best estimates using the available data and sets aside the necessary provisions.

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**2.10. Changes In Significant Accounting Policies**

Public Oversight Accounting and Auditing Standards Authority has published the Standard of TFRS 16 'Leases' Standard in April 2018. The new standard, has disposed the differentiation of operating lease and financial lease and necessities the the rent is to be taken into balance sheet under one model for the Companies in the situation of lessee. For the Companies as lessors, the accounting of leasing operations has not changed significantly and the differentiation of operation lease and financial lease still endures. TFRS 16 substitutes TAS 17 and the comments about TAS 17 and it's valid for the accounting periods of January 1-2019 and the periods beginning after this period.

**The Transition to TFRS 16;**

For the contracts agreed before January 1-2019 the Company, determined the contract as lease or not or it includes renting operation or not by determining the following factors;

- a) The realization of a contract is dependant on the usage of a special asset or the usage of the asset or
- b) The realization of the transfer of the right of usage is determined by whether the contract transfers the right-of-usage of the related asset.

The Group has not reevaluated the contract whether as qualification of lease or whether it includes lease transactions as of January 1-2019 which is the first implementation of TFRS 16 standard. Instead, the Company applies TAS 17 and TFRS Comment 4 to the contracts defined as lease and it applies TFRS 16 Leasing Standard. Before, TAS 17 and TFRS Comment 4 is applied and TFRS 16 leasing standard has not been applied to the contracts that do not involve leasing operations.

For this reason, there is no necessity in rearranging the financial statements of the prior years, the related financial statements are presented suitably to TAS 17 and TFRS Comment 4.

As a lessee, the Group has previously classified leases where the risks and rewards of ownership of the leased asset belong to the Group as financial leases. Other leases are classified as operational leases. As of 1 January 2019, the Group's transition date to TFRS 16, the Group has measured lease liabilities at the present value of lease payments not due at that date. Lease payments are discounted using the implied interest rate in the lease where readily determinable, or using the Group's alternative borrowing interest rate where readily determinable. The Group measures right-of-use assets equal to lease liabilities, adjusted for prior or accrued lease payments.

For leases, the Group assesses at the commencement of the contract whether the contract constitutes a lease or involves a lease transaction. A contract constitutes a lease or involves a lease transaction if it transfers the right to control the use of the defined asset for a specified period in exchange for consideration. When assessing whether a contract transfers the right to control the use of a defined asset for a specified period, the Group considers the following conditions:

- a) The contract may involve definite asset is defined by the contract; an asset usually is defined by clearly or implicitly.
- b) The asset's functional division may be physically separate and represents nearly the whole part of the asset's capacity. The supplier's may have a right to substitute the asset and may have an economic benefit, in that case the asset is not defined.
- c) May have a right to obtain the economic benefit provided from the usage of defined asset
- d) May have a right to manage the usage of defined asset. The Group if the decisions are pre defined about how and the purpose of the usage, the asset is valued to have usage right. The Group has the management of the asset in the following cases;
  - i) The Group may possess the operational right for the usage period and the supplier does not have a right to change the instructions.
  - ii) The Group may design the asset how and with what purpose for the usage period.

**The Group right of use assets as a lessee.**

The Group, presents right of use assets and rent liability in the financial statements in actual beginning of rent process.

The right of use assets initially is accounted with cost method and it includes the following:

- a) The initial measurement amount of rent liability,
- b) The amount that is calculated after the deduction of incentives of the actual start of rent and the rent payments made before.
- c) The initial direct costs endured by the Group and,

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d) Estimated costs to be borne by the Group in connection with the dismantling and removal of the underlying asset, the restoration of the site where it was placed, or the restoration of the underlying asset to bring it into the condition required by the terms and conditions of the lease.

The Group, bears the liability of the costs about the usage of asset in the beginning date or a definite period of time after the usage.

By implementing the cost method, the right of use asset is measured by;

- a) Deducting accumulated depreciation and accumulated impairment and
- b) Measuring the revalued adjusted cost of rent liability.

The Group implements depreciation provisions of TAS 16 in calculating depreciatin of right of use assets. In case the supplier transfers the possession of the asset to the Group or the cost of right of use asset presents the usage of purchase option, The Group calculates depreciation of right of use asset form the date of actual start of rent until the date of useful life.

In other cases, the Group calculates depreciation in the useful life or renting period which one is shorter.

The Group implements TAS 36 in determining whether the asset is impaired and accounting of impairment loss.

### **Lease Liability**

In the actual beginning of rent transactions, The Group measures the present value of the rent payments – not paid in that date- of the lease liability. The rent payments, in case the rate is determined easily, are discounted by implicit interest rate. In case, the rate is not determined easily, the Group implements the alternative borrowing interest rate.

In the actual beginning of leasing, the measurement of lease payments involved on lease liability, includes the payments of the asset of lease period for the lease right and the payments not made in the actual beginning of lease and it follows the following payments:

- a) The amount by deducting the rent incentive receivables from fixed payments.
- b) The variable rent payments by using an index or a rate, the measurement is made in the date of actual beginning of lease by using an index or rate.
- c) The usage price of the option when the Group is having the fairly certainty about using the purchase option
- d) In case, the lease period presents the ending of lease to use an option the penalty payments of ending of lease transactions

After the actual beginning of lease transactions, the Group measures the lease liability in the following ways:

- a) The book value is increased to present the interest in the lease liability.
- b) The book value is decreased to present the lease payments made.
- c) The book value is re-measured to present re-evaluatons and re-structuring or revised fixed lease payments.

The interest of the lease liability of the periods, is the amount calculated by implementing a fixed period interest rate to the residual balance of lease liability. The periodical interest rate, in case it's determined easily, is the implicit interest rate in leasing. In case, the rate is not determined easily, the Group uses its own alternative borrowing interest rate.

After the date of actual beginning of lease, the Group remeasures the lease liability to reflect the changes in the lease payments. The Group, reflects the remeasurement of lease liability as an adjustment of right-of-use assets to financial statements.

### **2.11 New and Revised Turkey Financial Reporting Standards**

As of December 31, 2025 the accounting policies adopted during the preparation of consolidated financial statements are applied consistently with the previous year's accounting policies except for new and changed Turkish Accounting Standards (TAS)/IFRS and TAS/IFRS Comments valid as of January 1, 2024. The effects of these standards and comments on the Company's financial situation end performance are explained in the related paragraphs.

- a) New standard, amendments and interpretations effective as of January 1, 2025

- Amendments to TAS 21 Lack of Exchangeability

These changes are not expected to have a significant impact on the financial position and performance of the Group.

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**b) Standards Issued but Not Yet Effective and Not Early Adopted**

As of the approval date of the consolidated financial statements, the following new standards, interpretations, and amendments have been issued but are not yet effective for the current reporting period and have not been early adopted by the Group. Unless otherwise stated, the Group will make the necessary amendments to its consolidated financial statements and disclosures upon the effective date of these new standards and interpretations.

- 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 impact of these changes once the standards in question have been finalized.

- TFRS 17 – New Insurance Contracts Standard

The standard in question does not apply to the Group.

- TFRS 9 and TFRS 7 Amendments – Classification and Measurement of Financial Instruments

This amendment has not had a significant impact on the Group's financial position and performance.

- Annual Improvements to TFRS – Volume 11

- TFRS 1 First Application of Turkish Financial Reporting Standards

- TFRS 7 Financial Instruments: Disclosures – Gains or losses related to derecognition

- TFRS 9 Financial Instruments – Derecognition of lease liability by lessee and transaction price

- TFRS 10 Consolidated Financial Statements – Determination of the "Actual Agent"

- TAS 7 Cash Flow Statement – Cost method

The changes will take effect in annual reporting periods beginning on or after 1 January 2026, and early application is possible for all changes.

The Group does not expect a significant impact on the financial statements.

- TFRS 9 and TFRS 7 Amendments – Contracts Based on Naturally Reliant Electricity

The Group does not expect a significant impact on its financial statements.

- TFRS 18 – New Presentation and Disclosure Standard in Financial Statements

In May 2025, the KGK (Public Oversight Accounting and Auditing Standards Authority) published IFRS 18, which replaces IAS 1. IFRS 18 introduces new provisions regarding the presentation of the income statement, including the presentation of specific totals and subtotals. TFRS 18 requires entities to present all income and expenses included in the income statement within one of five categories: operating activities, investing activities, financing activities, income taxes, and discontinued operations. The standard also requires the disclosure of performance measures determined by management and introduces new provisions for the aggregation or disaggregation of financial information in accordance with the functions defined for the primary financial statements and notes. The publication of IFRS 18 has also resulted in certain changes to other financial reporting standards such as TAS 7, TAS 8, and TAS 34. TFRS 18 and its related amendments will enter into force for reporting periods beginning on or after 1 January 2027. However, early application is permitted. TFRS 18 will be applied retrospectively.

The impact of this standard on the Group's financial position and performance is being assessed.

- TFRS 19 – New Non-Publicly Accountable Subsidiaries: Disclosures Standard

The Group does not expect a significant impact on the financial statements.

**c) Amendments Effective from the Time of Publication**

- TAS 12 Amendments – International Tax Reform – Second Pillar Model Rules

These amendments do not have a significant impact on the Group's financial position and performance.

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**d) Amendments Published by the International Accounting Standards Board (IASB) but Not Yet Published by the Public Oversight Accounting and Auditing Standards Authority (KGK)**

The following amendments to TAS 21 have been published by the IASB but have not yet been adapted/published by the KGK. Therefore, they do not form part of TFRS. The Group will make the necessary changes to its consolidated financial statements and notes after these amendments enter into force in TFRS.

- TAS 21 Amendments – Translation to High-Inflation Presentation Currency

The aforementioned amendments, published by the IASB effective November 2025, mandate the use of the closing exchange rate when translating from a non-high-inflation functional currency to a high-inflation presentation currency. Accordingly, an entity whose functional currency is the currency of a non-high-inflation economy but whose presentation currency is the currency of a high-inflation economy shall use the closing exchange rate at the end of the current period for all relevant amounts (i.e., assets, liabilities, equity items, income and expenses), including comparative amounts, when translating its operating results and financial position. However, an entity whose functional currency and presentation currency are the currency of a high-inflation economy expresses comparative amounts of an overseas entity whose functional currency is the currency of a non-high-inflation economy in its current unit of measurement by applying the general price index in accordance with TAS 29.

These changes also introduce certain additional disclosure obligations.

**NOTE 3-SEGMENT REPORTING**

The main activity of the Group is to produce software and hardware solutions for the needs of telecommunication operators, service providers, financial institutions and corporate companies. Group management monitors Group activities on the basis of main product groups and domestic and international activities. On the other hand, due to the nature and economic characteristics of the products in each main product group, their classification according to sales channels, customer needs and customers' risks, and the legislation affecting the Group's activities being the same, financial information is not reported on a product-by-section basis.

**January 1-**

<b>December 31, 2025</b>	<b>USA</b>	<b>Türkiye</b>	<b>Elimination</b>	<b>Consolidated</b>
Revenues	18,339,838	518,350,613	-	536,690,451
Cost of Sales	-	(51,878,122)	-	(51,878,122)
Gross operating profit	18,339,838	466,472,491	-	484,812,329
Marketing Expenses (-)	(68,080,603)	(98,584,073)	-	(166,664,676)
General Administrative Expenses (-)	-	(52,991,262)	-	(52,991,262)
Research and Development Expenses (-)	-	(121,764,545)	-	(121,764,545)
Other Operating Income	7,714,441	82,692,869	(2,593,566)	87,813,744
Other Operating Expenses (-)	(5,700,194)	(22,096,075)	-	(27,796,269)
<b>Operating Loss/Profit</b>	<b>(47,726,518)</b>	<b>253,729,405</b>	<b>(2,593,566)</b>	<b>203,409,321</b>
Income from Investment Activities	-	8,077,987	-	8,077,987
Operating Profit/Loss Before Financial Income (Expense)	(47,726,518)	261,807,392	(2,593,566)	211,487,308
Financial Income	411	32,466,695	-	32,467,106
Financial Expense (-)	(3,910,483)	(24,253,654)	2,410,536	(25,753,601)
Net Monetary Position Gains (Losses)	-	(84,246,972)	-	(84,246,972)
<b>Pre-Tax Profit/Loss Margin From Continuing Operations</b>	<b>(51,636,590)</b>	<b>185,773,461</b>	<b>(183,030)</b>	<b>133,953,841</b>
Current Tax Expense/Income (-)	-	12,940,890	-	12,940,890
Period Profit/Loss	(51,636,590)	198,714,351	(183,030)	146,894,731

<b>December 31, 2025</b>	<b>USA</b>	<b>Türkiye</b>	<b>Elimination</b>	<b>Consolidated</b>
Tangible and Intangible Assets and Right of Use Assets Entries	-	286,631,094	-	286,631,094
Depreciation Expenses	(13,054,903)	(58,921,868)	-	(71,976,771)
Assets	(5,158,773)	1,371,413,958	(183,646,057)	1,182,609,128
Liabilities	212,868,076	380,833,254	(151,124,109)	442,577,221

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**January 1-**

<b>December 31, 2024</b>	<b>USA</b>	<b>Türkiye</b>	<b>Elimination</b>	<b>Consolidated</b>
Revenues	26,954,578	383,586,520	-	410,541,098
Cost of Sales	-	(60,826,375)	-	(60,826,375)
<b>Gross operating profit</b>	<b>26,954,578</b>	<b>322,760,145</b>	<b>-</b>	<b>349,714,723</b>
Marketing Expenses (-)	(67,225,708)	(100,109,959)	-	(167,335,667)
General Administrative Expenses (-)	-	(63,080,361)	-	(63,080,361)
Research and Development Expenses (-)	-	(140,856,301)	-	(140,856,301)
Other Operating Income	-	64,823,984	(1,694,024)	63,129,960
Other Operating Expenses (-)	-	(28,776,916)	-	(28,776,916)
<b>Operating Loss/Profit</b>	<b>(40,271,130)</b>	<b>54,760,592</b>	<b>(1,694,024)</b>	<b>12,795,438</b>
Income from Investment Activities	-	3,511,968	-	3,511,968
<b>Operating Profit/Loss Before Financial Income (Expense)</b>	<b>(40,271,130)</b>	<b>58,272,560</b>	<b>(1,694,024)</b>	<b>16,307,406</b>
Financial Income	450	27,109,632	-	27,110,082
Financial Expense (-)	(3,402,475)	(21,458,407)	1,453,562	(23,407,320)
Net Monetary Position Gains (Losses)	-	(76,716,572)	-	(76,716,572)
<b>Pre-Tax Profit/Loss Margin From Continuing Operations</b>	<b>(43,673,155)</b>	<b>(12,792,787)</b>	<b>(240,462)</b>	<b>(56,706,404)</b>
Current Tax Expense/Income	-	778,260	-	778,260
<b>Period Profit/Loss</b>	<b>(43,673,155)</b>	<b>(12,014,527)</b>	<b>(240,462)</b>	<b>(55,928,144)</b>

<b>December 31, 2024</b>	<b>USA</b>	<b>Türkiye</b>	<b>Elimination</b>	<b>Consolidated</b>
Tangible and Intangible Assets and Right of Use Assets Entries	-	225,377,781	-	225,377,781
Depreciation Expenses	(14,309,604)	(58,570,585)	-	(72,880,189)
<b>Assets</b>	<b>89,993,487</b>	<b>1,052,844,055</b>	<b>(209,164,006)</b>	<b>933,673,536</b>
<b>Liabilities</b>	<b>180,693,974</b>	<b>355,877,916</b>	<b>(101,727,579)</b>	<b>434,844,311</b>

**NOTE 4- CASH AND CASH EQUIVALENTS**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Cash	487,264	514,255
Cash at the bank	62,753,012	68,170,802
<i>Demand deposits</i>	<i>56,427,142</i>	<i>54,343,553</i>
<i>Term deposits with a maturity of less than three months</i>	<i>6,325,870</i>	<i>13,827,249</i>
<i>(*) Liquid funds</i>	<i>58,312,839</i>	<i>38,150,829</i>
	<b>121,553,115</b>	<b>106,835,886</b>

(\*)Liquid funds consist of short-term investment instruments with a maturity of less than three months that can be easily converted into cash at any time and do not carry significant risk of value change.

As of December 31, 2025 and December 31, 2024, the Group has no blocked deposits.

**NOTE 5 – FINANCIAL INVESTMENTS**

**a) Short Term Financial Investments**

As of the balance sheet date, the Group has no short-term financial investments. (December 31, 2024: None.)

**b) Long Term Financial Investments**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
<b>Financial assets at fair value through profit or loss</b>		
- Financial Assets Held for Purchase or Sale Purposes	6,083,429	6,038,691
	<b>6,083,429</b>	<b>6,038,691</b>

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**NOTE 6- FINANCIAL LIABILITIES**

**a) Short Term Borrowings**

	December 31, 2025	December 31, 2024
Bank Credits	42,845,700	60,032,817
Loan Interests	1,804,665	2,681,748
Other Financial Debts **	685,565	593,634
	<b>45,335,930</b>	<b>63,308,199</b>

**b) Short-term Portions of Long-term Borrowings**

	December 31, 2025	December 31, 2024
Liabilities Of Rental Transactions *	12,369,196	13,758,656
	<b>12,369,196</b>	<b>13,758,656</b>

**c) Long Term Borrowings**

	December 31, 2025	December 31, 2024
Liabilities Of Rental Transactions *	20,515,072	35,353,057
	<b>20,515,072</b>	<b>35,353,057</b>

\* The Group has recorded TL 12,369,196 in the short term portion of long term liabilities, and TL 20,515,072 in the long term liabilities in the scope of TFRS 16, (December 31,2024; The Group has recorded TL 13,758,656 in the short term portion of long term liabilities, and TL 35,353,057 in the long term liabilities in the scope of TFRS 16.)

\*\* These are credit card debts.

**d) Liabilities Of Credits Including Interest and Maturity Of Credits**

	December 31, 2025			Total
	Bank Credits	Leases	Other Debt	
Payable within 1 year	44,650,365	12,369,196	685,565	57,705,126
Payable within 2-3 years	-	20,515,072	-	20,515,072
	<b>44,650,365</b>	<b>32,884,268</b>	<b>685,565</b>	<b>78,220,198</b>

	December 31, 2024			Total
	Bank Credits	Leases	Other Debt	
Payable within 1 year	62,714,565	13,758,656	593,634	77,066,855
Payable within 2-3 years	-	35,353,057	-	35,353,057
	<b>62,714,565</b>	<b>49,111,713</b>	<b>593,634</b>	<b>112,419,912</b>

**e) Interest Rates of Credits**

**December 31, 2025**

Type of Currency	Weighted Mean Effective Interest Rate (%)			Short Term TL Amount (Excluding Interest)	Long Term TL Amount (Excluding Interest)
		Short Term	Long Term		
US Dollar	8	500,000	-	21,422,850	-
US Dollar	8	500,000	-	21,422,850	-
<b>Total</b>		<b>1,000,000</b>		<b>42,845,700</b>	

The interest rates related to US Dollar credits are 8.00%. The maturity dates are between January 2026 and March 2026.

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**December 31,  
2024**

Type of Currency	Weighted Mean Effective Interest Rate (%)			Short Term TL	Long Term TL
		Short Term	Long Term	Amount (Excluding Interest)	Amount (Excluding Interest)
US Dollar	9	600,000	-	27,707,454	-
US Dollar	8	700,000	-	32,325,363	-
<b>Total</b>		1,300,000	-	60,032,817	-

The interest rates related to US Dollar credits are 8.00% and 9.00%. The maturity dates are between January 2025 and December 2025.

**f) Other Financial Liabilities**

As of December 31, 2025, the group has no other financial liabilities. (December 31, 2024: None.)

**NOTE 7- TRADE RECEIVABLES AND PAYABLES**

**A-Trade Receivables**

The Group's trade receivables as of the balance sheet date are as follows.

**a) Trade Receivables (Short term)**

	December 31, 2025	December 31, 2024
Trade receivables	254,607,732	216,349,232
Trade receivables deferred maturity difference (-)	-	(3,256,513)
Provision for doubtful trade receivables (-)	(1,017,122)	(948,327)
	253,590,610	212,144,392

As of December 31, 2025, the Group has allocated provision for doubtful receivables for the portion of trade receivables amounting to TL 1,017,122 (2024: TL 948,327). According to the expected credit loss model within the scope of TFRS 9, the Group allocates provision for doubtful receivables for the receivables it filed for commercial receivables and overdue receivables and other undue due receivables. The Group management believes that there is no need for a provision more than the provision for doubtful receivables in the financial statements.

The Group's movement chart regarding doubtful trade receivables are as follows:

	January 1- December 31, 2025	January 1- December 31, 2024
Opening balance	(948,327)	(1,286,993)
Period expense	(3,253,297)	(65,343)
Monetary gains/(losses)	3,184,502	404,009
<b>Closing balance</b>	<b>(1,017,122)</b>	<b>(948,327)</b>

**b) Trade receivables (Long term)**

As of the balance sheet date, the Group has no long-term trade receivables. (December 31, 2024: None.)

The maturity of Group receivables mainly varies between 30-90 days.

**B-Trade Payables**

The Group's detail of trade payables as of the balance sheet date are as follows:

**a) Trade Payables (Short Term)**

	December 31, 2025	December 31, 2024
Trade payables	11,805,173	15,610,103
Trade payables deferred maturity difference (-)	-	(456,233)
	11,805,173	15,153,870

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**b) Trade Payables (LongTerm)**

As of the date of balance sheet, the Group has no long-term trade payables. (December 31, 2024-None.)

**NOTE 8-OTHER RECEIVABLES AND PAYABLES****A- Other Receivables****a) Other Receivables (Short term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Miscellaneous other receivables	36,220	47,409
Tax Receivables	557,934	128,851
	<b>594,154</b>	<b>176,260</b>

**b) Other Receivables (Long term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Deposits and Guarantees Given	2,714,952	2,802,338
	<b>2,714,952</b>	<b>2,802,338</b>

**B- Other Payables****a) Other Payables (Short Term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Income and stamp tax payable	3,052,490	4,902,492
VAT payable	15,064,816	14,930,841
Miscellaneous other payables	-	581
Other liabilities payable	134,522	111,978
	<b>18,251,828</b>	<b>19,945,892</b>

**b) Other Payables (Long Term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Deposits and Guarantees Received	1,328,217	-
	<b>1,328,217</b>	<b>-</b>

**NOTE 9- RECEIVABLES AND OBLIGATIONS ARISING FROM CONTRACTS WITH CUSTOMERS****a) Receivables Arising from Contracts with Customers (Short Term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Maintenance, license etc. income*	-	25,398,500
	<b>-</b>	<b>25,398,500</b>

**b) Receivables Arising from Contracts with Customers (Long Term)**

The Group does not have any receivables from long term customer contracts. (December 31, 2024: None)

**c) Liabilities Arising from Contracts with Customers (Short-Term)**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Advances received	48,766	-
Maintenance, license etc. income*	142,213,716	110,073,222
Other income	4,488,519	-
	<b>146,751,001</b>	<b>110,073,222</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025,)

**d) Liabilities Arising from Contracts with Customers (Long-Term)**

	December 31, 2025	December 31, 2024
Maintenance, license etc. income*	83,997,570	86,019,454
Other income	4,377,843	-
	<b>88,375,413</b>	<b>86,019,454</b>

\* Contractual assets represent the consideration the Group is entitled to for goods or services transferred to a customer under ongoing customer contracts.

\* It consists of the income that the Group will obtain from transactions that have been invoiced to the customer within the scope of customer contracts, but where the service will be carried out in subsequent periods.

**NOTE 10- OTHER CURRENT ASSETS/ OTHER FIXED ASSETS****a) Other Current Assets**

	December 31, 2025	December 31, 2024
Job advances	14,817	55,281
Personnel advances	590,422	1,009,808
	<b>605,239</b>	<b>1,065,089</b>

**b) Other Fixed Assets**

The Group does not have other fixed assets. (December 31, 2024: None)

**NOTE 11- INVENTORIES**

	December 31, 2025	December 31, 2024
Trade goods	3,971,505	2,411,512
Provision for impairment of inventory (-)	-	(148,854)
	<b>3,971,505</b>	<b>2,262,658</b>

The impairment of inventory is as follows as of December 31, 2025 and December 31, 2024.

	January 1- December 31, 2025	January 1- December 31, 2024
Opening balance	(148,854)	(113,343)
Expense of the period	-	(35,511)
Provision cancelled	148,854	-
<b>Closing balance</b>	<b>-</b>	<b>(148,854)</b>

As of December 31, 2025, the group has no inventory which was given as pledge against the loans used, (December 31, 2024-None,)

**NOTE 12- PREPAID EXPENSES AND DEFERRED INCOME****a) Prepaid Expenses (Short-Term)**

	December 31, 2025	December 31, 2024
Advances given	1,400,392	5,314,696
Insurance, repair, maintenance and seminar expenses for the incoming months	12,993,968	10,999,109
	<b>14,394,360</b>	<b>16,313,805</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**b) Prepaid Expenses (Long-Term)**

	December 31, 2025	December 31, 2024
Insurance, repair, maintenance and seminar expenses for the incoming years	3,273,459	7,922,224
	3,273,459	7,922,224

**NOTE 13- GOVERNMENT INCENTIVES AND GRANTS**

The Group benefits from insurance premium incentives in accordance with laws no, 5510, 5746, 6111 and 17103, and from income tax incentives in accordance with laws no, 5746 and 4691, In this context, in the period of December 31, 2025, TL 28,635,692 benefited from SSI premium incentives and TL 100,913,459 income tax incentives, (December 31, 2024: TL 27,801,466 SSI incentive, TL 99,335,097 \* income tax incentive).

\* The amounts are determined on the basis of the purchasing power of the Turkish Lira (TL) as of December 31, 2025.

**NOTE 14- TANGIBLE FIXED ASSETS**

Movements occurred in tangible fixed asses and respective accumulated depreciation concerning the period ended as of December 31, 2025 and December 31, 2024 are as follows:

<b>December 31, 2025</b>			
	Fixtures	Special Cost	Total
<b>Cost Value</b>			
Opening balance as of January 1- 2025	47,453,414	7,795,054	55,248,468
Assets acquired through Purchase	3,082,841	45,000	3,127,841
Outflows	(99,036)	-	(99,036)
Foreign currency conversion and index differences	(168,073)	-	(168,073)
<b>Closing balance as of December 31, 2025</b>	<b>50,269,146</b>	<b>7,840,054</b>	<b>58,109,200</b>
<b>Accumulated Depreciation</b>			
Opening balance as of January 1- 2025	(35,204,613)	(5,975,618)	(41,180,231)
Period Expense	(5,157,616)	(440,850)	(5,598,466)
Outflows	99,036	-	99,036
Foreign currency conversion and index differences	118,535	-	118,535
<b>Closing balance as of December 31, 2025</b>	<b>(40,144,658)</b>	<b>(6,416,468)</b>	<b>(46,561,126)</b>
<b>Net book value as of December 31, 2025</b>	<b>10,124,488</b>	<b>1,423,586</b>	<b>11,548,074</b>
<b>December 31, 2024</b>			
	Fixtures	Special Cost	Total
<b>Cost Value</b>			
Opening balance as of January 1- 2024	40,988,742	5,906,534	46,895,276
Assets acquired through Purchase	7,349,920	1,888,520	9,238,440
Outflows	(408,599)	-	(408,599)
Foreign currency conversion and index differences	(476,648)	-	(476,648)
<b>Closing balance as of December 31, 2024</b>	<b>47,453,415</b>	<b>7,795,054</b>	<b>55,248,469</b>
<b>Accumulated Depreciation</b>			
Opening balance as of January 1- 2024	(30,671,428)	(5,661,183)	(36,332,611)
Period Expense	(7,155,125)	(314,435)	(7,469,560)
Outflows	333,816	-	333,816
Foreign currency conversion and index differences	2,288,123	-	2,288,123
<b>Closing balance as of December 31, 2024</b>	<b>(35,204,614)</b>	<b>(5,975,618)</b>	<b>(41,180,232)</b>
<b>Net book value as of December 31, 2024</b>	<b>12,248,801</b>	<b>1,819,436</b>	<b>14,068,237</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**Pledges and Mortgages on Assets**

There are no pledges and mortgages on the tangible assets detailed above as of December 31, 2025 and December 31, 2024.

**NOTE 15- RIGHT OF USE ASSETS**

The balance of the right of use assets as of December 31, 2025 and December 31, 2024 and the depreciation and amortization expenses for the relevant period are as follows;

	December 31, 2025	December 31, 2024
<b>Cost Value</b>		
Opening balance as of January 1	80,251,710	73,725,533
Assets acquired through leasing	1,715,911	15,319,034
Transfers/ Adjustments	(2,421,581)	(8,792,857)
<b>Closing balance as of 31 December</b>	<b>79,546,040</b>	<b>80,251,710</b>
<b>Accumulated Amortization</b>		
Opening balance as of January 1	(29,808,424)	(16,822,367)
Period expense	(18,448,659)	(18,323,995)
Transfers/ Adjustments	618,733	5,337,938
<b>Closing balance as of 31 December</b>	<b>(47,638,350)</b>	<b>(29,808,424)</b>
<b>Net book value as of 31 December</b>	<b>31,907,690</b>	<b>50,443,286</b>

**NOTE 16- INTANGIBLE FIXED ASSETS**

Movements occurred in intangible fixed assets and respective accumulated depreciation concerning the period ended as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025			Total
	Development Expenses Capitalized	Development Expenses In Progress	Other Intangible Assets	
<b>Cost Value</b>				
Opening balance as of January 1, 2025	603,534,397	196,522,800	4,624,727	804,681,924
Assets acquired through purchase	4,286,760	277,500,582	-	281,787,342
Transfers/ Adjustments	257,099,272	(257,099,272)	-	-
Foreign currency conversion and index differences	(8,703,522)	-	-	(8,703,522)
<b>Closing balance as of 31 December 2025</b>	<b>856,216,907</b>	<b>216,924,110</b>	<b>4,624,727</b>	<b>1,077,765,744</b>
<b>Accumulated Amortization</b>				
Opening balance as of January 1, 2025	(317,085,913)	-	(4,598,088)	(321,684,001)
Period expense	(47,903,007)	-	(26,639)	(47,929,646)
Foreign currency conversion and index differences	2,760,574	-	-	2,760,574
<b>Closing balance as of 31 December 2025</b>	<b>(362,228,346)</b>	<b>-</b>	<b>(4,624,727)</b>	<b>(366,853,073)</b>
<b>Net book value as of 31 December 2025</b>	<b>493,988,561</b>	<b>216,924,110</b>	<b>-</b>	<b>710,912,671</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

December 31, 2024				
Cost Value	Development Expenses Capitalized	Development Expenses In Progress	Other Intangible Assets	Total
Opening balance as of January 1- 2024	699,326,617	67,554,720	4,624,727	771,506,064
Assets acquired through purchase	17,488,631	183,331,676	-	200,820,307
Transfers/ Adjustments	(88,597,943)	(54,363,597)	-	(142,961,540)
Foreign currency conversion and index differences	(24,682,908)	-	-	(24,682,908)
<b>Closing balance as of 31 December 2024</b>	<b>603,534,397</b>	<b>196,522,799</b>	<b>4,624,727</b>	<b>804,681,923</b>
<b>Accumulated Amortization</b>				
Opening balance as of January 1- 2024	(418,303,538)	-	(4,551,940)	(422,855,478)
Period expense	(47,040,487)	-	(46,147)	(47,086,634)
Transfers/ Adjustments	142,961,538	-	-	142,961,538
Foreign currency conversion and index differences	5,296,574	-	-	5,296,574
<b>Closing balance as of 31 December 2024</b>	<b>(317,085,913)</b>	<b>-</b>	<b>(4,598,087)</b>	<b>(321,684,000)</b>
<b>Net book value as of 31 December 2024</b>	<b>286,448,484</b>	<b>196,522,799</b>	<b>26,640</b>	<b>482,997,923</b>

In 2025, intangible assets increased due to the capitalization of related expenses as a result of allocating more R&D resources to newly developed product projects, while current R&D expenses decreased compared to the previous year.

**NOTE 17- CURRENT TAX ASSETS**

	December 31, 2025	December 31, 2024
Prepaid bank withholdings	3,334,658	601,440
	<b>3,334,658</b>	<b>601,440</b>

The prepaid taxes belong to the temporary tax paid and the interest income from the group's time deposits and the income tax amounts deducted by the relevant financial institutions.

**NOTE 18- PERIOD PROFIT TAX LIABILITY**

	December 31, 2025	December 31, 2024
Prepaid Taxes and Funds	3,334,658	601,440
Current Corporate Tax Provision (-)	-	-
<b>Asset/Liability At The End of The Period</b>	<b>3,334,658</b>	<b>601,440</b>

**NOTE 19- LIABILITIES UNDER EMPLOYEE BENEFITS****a) Liabilities In Scope Of Employee Benefits (Short-Term)**

	December 31, 2025	December 31, 2024
Wages payable to personnel	45,544,378	61,265,914
Social security premium payable	7,660,362	7,418,892
	<b>53,204,740</b>	<b>68,684,806</b>

The social security premiums of TL 7,660,362 and personnel wages of TL 45,544,378, both related to December 2025, were paid in January 2026.

(December 31, 2024: Social security premiums to be paid, 7,418,892, and wages to be paid to the personnel, TL 61,265,914, were paid in January 2025.)

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
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(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025,)

**b) Liabilities In Scope Of Employee Benefits (Long-Term)**

As of December 31, 2025, the Group does not have any debts within the scope of benefits for long-term employees, (December 31, 2024: None,)

**NOTE 20- OTHER LIABILITIES**

**a) Other Liabilities (Short Term)**

	December 31, 2025	December 31, 2024
Other expense provisions	15,571,603	-
Other expense accruals	1,065,847	386,953
	<b>16,637,450</b>	<b>386,953</b>

**b) Other Liabilities (Long Term)**

As of December 31, 2025, there is no other long-term liability amount. (December 31, 2024: None)

**NOTE 21- COMMITMENTS**

**a) Collaterals, pledges and mortgages given by the Group**

The tables regarding the collateral / pledge / mortgage ("TRI") position given by the group as of December 31, 2025 and December 31, 2024 are as follows.

	December 31, 2025		December 31, 2024	
	Currency	TL Equivalent*	Currency	TL Equivalent*
<b>A, CPM Given On Behalf of Its Own Legal Entity</b>				
<b>a) Guarantee Letters</b>				
-TL	8,037,173	8,037,173	3,966,572	3,966,572
-USD	144,302	6,182,720	288,017	13,300,363
<b>Total</b>		<b>14,219,893</b>		<b>17,266,935</b>

\* Amounts are determined on the basis of the purchasing power of the Turkish Lira (TL) as of December 31, 2025.

**b) Collaterals, pledges and mortgages received by the Group**

There are no letters of guarantee, pledges and mortgages received by the Group, (December 31, 2024- None)

**NOTE 22- SHORT/LONG-TERM PROVISIONS**

**a) Short-Term Provisions for Employee Benefits**

	December 31, 2025	December 31, 2024
Leave Provisions	19,829,286	16,923,510
	<b>19,829,286</b>	<b>16,923,510</b>

**The movements of unused leave fees are as follows:**

	January 1- December 31, 2025	January 1- December 31, 2024
Opening Balance January 1	(16,923,510)	(12,581,296)
Provisions Calculated In The Period	(7,713,409)	(10,386,406)
Provisions No Longer Required	813,492	2,176,972
Monetary Gains/Losses	3,994,141	3,867,220
<b>Ending Provision</b>	<b>(19,829,286)</b>	<b>(16,923,510)</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**Seniority Incentive Bonus**

As of December 31, 2025, there is no liability amount related to seniority incentive bonus. (December 31, 2024: None).

**Other**

The Group does not have any provision for social aid payments and tax risks. (December 31, 2024 - None).

**b) Long-Term Provisions for Employee Benefits**

**- Provision for Severance Pay**

As per the rules of the Labour Law in effect, it is obliged to pay the legally deserved severance payments to the employees whose labor contracts have expired provided that they have become entitled to acquire severance payment, In addition, according to the current Social Security Law's No,506/dated March 6, 1981, No,2422/dated August 25, 1999, No,4447, as well as its amended Article No,60, the legal severance payments have to be paid to the employees who became entitled to acquire severance payment in case they leave, Some transitional provisions regarding pre-retirement service conditions were removed from the Law with the amendment of the relevant law on 23 May 2002.

As of December 31, 2025, the severance pay to be paid is subject to a monthly ceiling of TL 53,920 (2024: TL 41,828). Severance pay obligations are not legally subject to any funding. Severance payment liability is calculated based on the estimation for the present value of the future potential obligations of the Company arising from the retirements of its employees, IAS 19 "Employee Benefits" (amended) sets forth actuarial valuation methods for the calculation of Company's liabilities within the scope of defined benefit plans, Accordingly, actuarial assumptions used in the calculation of total liabilities are indicated below.

Accordingly, the actuarial assumptions used in calculating total liabilities are stated below:

Main assumption is an increase in maximum liability for each service year in parallel to inflation rate, Therefore, the discount rate being applied implies the anticipated real interest rate after the adjustment of inflation effects in future, The liabilities in the attached financial statements as of the dates December 31, 2025 calculated through the estimation of the present value for the potential liabilities in future arising from the retirements of the employees, The severance pay ceiling is revised every six months, and the ceiling amount of TL 64,949 (January 1-2025: TL 46,655), effective as of January 1,2026, was taken into account in calculating the Company's severance pay provision.

Actuarial valuation methods must be used to estimate the Group's liability due to existing retirement plans, Severance pay provision is calculated based on the present net value of future liability amounts due to the retirement of all employees and is reflected in the attached financial statements.

Accordingly, taking into account financial and demographic actuarial assumptions, the total provision was calculated, using an inflation rate of 35% (December 31, 2024: 44%) and an interest rate of 38% (December 31, 2024: 48%).

**Long-term Provisions Related to Employee Benefits**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Provision for severance pay	8,173,915	5,236,692
	<b>8,173,915</b>	<b>5,236,692</b>

<b>Severance Pay Movements</b>	<b>January 1- December 31, 2025</b>	<b>January 1- December 31, 2024</b>
Provision as of January 1	(5,236,692)	(5,400,947)
Interest Cost	(1,821,592)	(612,433)
Current Service Costs	(1,601,130)	(736,879)
Payments In The Period	1,346,024	2,077,344
Actuarial earnings and loss	(2,326,060)	(2,552,651)
Monetary Gains/Losses	1,465,535	1,988,874
<b>Term End Provision</b>	<b>(8,173,915)</b>	<b>(5,236,692)</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**NOTE 23- CAPITAL, RESERVES AND OTHER EQUITY ITEMS**

**a) Paid In Capital and Capital Adjustment Differences**

As of December 31, 2025, the capital of the Group is TL 171,222,156, (December 31, 2024: TL 85,611,078) and the registered capital ceiling is TL 500,000,000, (December 31, 2024: TL 500,000,000)

The partnership structure of the Group is as follows:

Name	December 31, 2025		December 31, 2024	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Lütfi Yenel	17,62	30,164,336	17,62	15,082,168
Zeynep Yenel Onursal	13,00	22,258,888	13,00	11,129,444
Fatma Alev Araslı	7,38	12,640,373	-	-
Other	62,00	106,158,559	69,38	59,399,466
<b>Paid-in Capital</b>	<b>100,00</b>	<b>171,222,156</b>	<b>100,00</b>	<b>85,611,078</b>
<b>Capital Adjustment Differences</b>		<b>346,172,768</b>		<b>335,740,202</b>
<b>Total</b>		<b>517,394,924</b>		<b>421,351,280</b>

Capital adjustment differences represent the variance between the total amounts of cash and cash-equivalent contributions to capital, adjusted for inflation accounting, and their amounts before the adjustment.

**Additional Information on Capital, Reserves and Other Equity Items**

The comparison of the relevant equity items in the Group's consolidated financial statements as of December 31, 2025, adjusted for inflation, with the inflation-adjusted amounts in the financial statements prepared in accordance with Turkish Commercial Code No, 6762 and applicable regulations is as follows:

December 31, 2025	Inflation-adjusted amounts included in fin,statements prepared in acc, with Turkish Comm,Code No, 6762 and other regulations	Inflation-adjusted amounts included in the financial statements prepared in accordance with TAS/IFRS	Equity inflation adjustment differences
Capital Adjustment Differences	299,586,390	346,172,768	(46,586,378)
Share Premium	2,046,365	2,844,855	(798,490)
Restrained Reserves From Profit	39,187,261	44,669,641	(5,482,380)

**b) Share Premiums (Discounts)**

	December 31, 2025	December 31, 2024
Share Premiums (Discounts)	2,844,855	2,243,739

**c) Actuarial Gain/Loss Fund From Defined Benefit Plan**

The group calculates the actuarial gains/losses in the defined benefit plans regarding its employees and presents them in the financial statements.

Actuarial Gain / (Loss)	January 1- December 31, 2025	January 1- December 31, 2024
Opening Balance	(5,892,090)	(3,977,602)
Actuarial Gain / (Loss)	(2,326,060)	(2,552,651)
Deferred Tax Asset	581,515	638,163
Current Year Transactions Net	(1,744,545)	(1,914,488)
<b>Net Actuarial Gains / Losses</b>	<b>(7,636,635)</b>	<b>(5,892,090)</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025,)

**d) Foreign currency conversion difference**

	December 31, 2025	December 31, 2024
Foreign currency conversion difference	(138,064,134)	(137,471,870)

**e) Restrained Reserves from Profit**

	December 31, 2025	December 31, 2024
Legal Reserves	36,538,627	36,538,627
Venture Capital Fund	8,131,014	8,131,014
	<b>44,669,641</b>	<b>44,669,641</b>

**f) Previous Year Profits / Losses**

	December 31, 2025	December 31, 2024
Previous Year Profits / Losses	173,928,525	229,856,669

**NOTE 24- REVENUE AND COST OF SALES**

<b>a) Revenue</b>	January 1- December 31, 2025	January 1- December 31, 2024
Domestic Sales	367,393,366	285,817,977
Overseas Sales	172,556,414	131,825,543
Sales Returns and Discounts (-)	(3,259,329)	(7,102,422)
<b>Net Sales</b>	<b>536,690,451</b>	<b>410,541,098</b>

**b) Cost of Sales (-)**

	January 1- December 31, 2025	January 1- December 31, 2024
Cost of services sold (-)	(51,878,122)	(60,826,375)
	<b>(51,878,122)</b>	<b>(60,826,375)</b>

**NOTE 25- GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES and RESEARCH AND DEVELOPMENT EXPENSES**

	January 1- December 31, 2025	January 1- December 31, 2024
a)General Administrative Expenses (-)	(52,991,262)	(63,080,361)
b)Marketing Expenses (-)	(166,664,676)	(167,335,667)
c)Research and Development Expenses	(121,764,545)	(140,856,301)
<b>Total</b>	<b>(341,420,483)</b>	<b>(371,272,329)</b>

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(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025,)

	January 1- December 31, 2025	January 1- December 31, 2024
<b>a) General Administrative Expenses (-)</b>		
Personnel Wages	(29,917,718)	(42,620,196)
Depreciation Costs	(836,695)	(906,805)
Taxes, Duties and Charges	(302,163)	(560,326)
Communication Expenses	(229,883)	(162,516)
Travel Expenses	(1,122,742)	(3,228,013)
Vehicle Expenses	(930,701)	(495,400)
Outsourced Benefits and Services	(6,780,889)	(8,637,248)
Bank and Commission Expenses	(64,070)	(233,955)
Miscellaneous Expenses	(12,806,401)	(6,235,902)
<b>Total</b>	<b>(52,991,262)</b>	<b>(63,080,361)</b>

	January 1- December 31, 2025	January 1- December 31, 2024
<b>b) Details of Marketing Expenses</b>		
Personnel Wages	(94,512,823)	(108,072,379)
Depreciation Costs	(13,344,680)	(14,607,962)
Taxes, Duties and Charges	(1,557,465)	(4,097,331)
Communication Expenses	(396,539)	(501,625)
Travel Expenses	(8,751,733)	(4,512,270)
Vehicle Expenses	(3,541,632)	(1,015,321)
Marketing Expenses	(15,331,386)	(7,036,698)
Outsourced Benefits and Services	(6,011,979)	(5,307,885)
Exhibition, Fair and Seminar Expenses	(8,460,346)	(8,634,395)
Sales Commissions	(3,288,703)	(4,936,045)
Miscellaneous Expenses	(11,467,390)	(8,613,756)
<b>Total</b>	<b>(166,664,676)</b>	<b>(167,335,667)</b>

	January 1- December 31, 2025	January 1- December 31, 2024
<b>c) Research And Development Expenses</b>		
Personnel Wages	(39,974,525)	(69,975,471)
Depreciation Costs	(56,737,572)	(56,168,384)
Communication Expenses	(240,035)	(206,388)
Travel Expenses	(453,331)	(521,233)
Vehicle Expenses	(3,180,715)	(246,328)
Outsourced Benefits and Services	(14,198,174)	(10,129,559)
Miscellaneous Expenses	(6,980,193)	(3,608,938)
<b>Total</b>	<b>(121,764,545)</b>	<b>(140,856,301)</b>

In 2025, intangible assets increased due to the capitalization of related expenses as a result of allocating more R&D resources to newly developed product projects, while current R&D expenses decreased compared to the previous year.

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**NOTE 26- EXPENSES CLASSIFIED ACCORDING TO ASSORTMENT**

	January 1- December 31, 2025	January 1- December 31, 2024
<b>a) Depreciation and Amortization Expenses (-)</b>		
Service Cost	(1,057,824)	(1,197,038)
Research And Development Expenses	(56,737,572)	(56,168,384)
Marketing Expenses	(13,344,680)	(14,607,962)
General Administrative Expenses	(836,695)	(906,805)
<b>Total</b>	<b>(71,976,771)</b>	<b>(72,880,189)</b>
<b>b) Personnel Expenses (-)</b>		
Research And Development Expenses(Capitalized)	(268,056,822)	(176,780,339)
Wages & Salaries	(268,056,822)	(176,780,339)
Research And Development Expenses (Written As Expense)	(39,974,525)	(69,975,471)
Wages & Salaries	(39,974,525)	(69,975,471)
<b>General Administrative Expenses</b>	<b>(29,917,718)</b>	<b>(42,620,196)</b>
Wages & Salaries	(29,917,718)	(42,620,196)
<b>Marketing and Sales Costs</b>	<b>(94,512,823)</b>	<b>(108,072,379)</b>
Wages & Salaries	(94,512,823)	(108,072,379)
<b>Total</b>	<b>(432,461,888)</b>	<b>(397,448,385)</b>

**NOTE 27- OTHER OPERATING INCOME / EXPENSES**

Details of operating income related to the years to end after December 31, 2025 and December 31, 2024 are as follows:

	January 1- December 31, 2025	January 1- December 31, 2024
<b>a) Other Operating Income</b>		
Exchange Rate Difference Income from Operations	55,157,390	40,723,183
Income Of Cancellation Of Provision Of Inventory Impairment	148,854	-
Maturity Difference Income Accrued	3,256,513	9,747,286
Bank Promotion Income	4,599,195	243,914
Provisions No Longer Required	936,242	3,394,103
Other ordinary income and profits	23,715,550	9,021,474
	<b>87,813,744</b>	<b>63,129,960</b>
<b>b) Other Operating Expenses</b>		
Exchange Rate Difference Expense from Operations	(8,532,110)	(7,583,856)
Maturity Difference Expense Accrued	(456,233)	(7,799,903)
Provisions for Doubtful Receivables	(3,253,297)	(65,343)
Deduction of Tax	(8,162,423)	(8,184,390)
Other Ordinary Expenses and Losses	(7,392,206)	(5,143,424)
	<b>(27,796,269)</b>	<b>(28,776,916)</b>

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**NOTE 28- INCOME AND EXPENSES FROM INVESTMENT OPERATIONS****a) Revenues from Investment Activities**

	January 1- December 31, 2025	January 1- December 31, 2024
Income on Sales of Fixed assets	13,681	29,444
Securities Sales Income	8,064,306	3,482,524
	<b>8,077,987</b>	<b>3,511,968</b>

**b) Expenses from Investment Activities (-)**

As of December 31, 2025, there is no expense due to investment activities. (December 31, 2024 : None)

**NOTE 29- FINANCIAL INCOME/ EXPENSES AND NET MONETARY POSITION GAINS (LOSSES)****a) Financial Income**

	January 1- December 31, 2025	January 1- December 31, 2024
Interest income	23,052,106	9,696,504
Exchange rate difference income	9,415,000	17,413,578
	<b>32,467,106</b>	<b>27,110,082</b>

**b) Financial Expenses**

	January 1- December 31, 2025	January 1- December 31, 2024
Bank interest expenses	(8,563,499)	(5,616,446)
Exchange rate difference expense	(14,166,038)	(13,104,736)
Interest Expense of Right-Of-Use Assets	(3,024,064)	(4,686,138)
	<b>(25,753,601)</b>	<b>(23,407,320)</b>

**c) Net Monetary Position Gains (Losses)**

The net monetary position gains for the year ending December 31, 2025, are as follows:

<b>Non-Monetary Items</b>	<b>December 31, 2025</b>	<b>December 31, 2025</b>
<b>Statement of Financial Position Items</b>	<b>(26,088,671)</b>	<b>(57,454,815)</b>
Inventories	238,336	50,657
Prepaid expenses	194,315	1,174,981
Financial investments, subsidiaries	32,521,948	56,667,047
Tangible assets	3,541,277	4,277,725
Intangible assets	121,399,036	91,198,035
Deferred tax assets/liabilities	1,086,315	979,426
Right-of-use assets	5,626,250	10,490,879
Other liabilities	(15,945,945)	(14,009,114)
Paid-in capital	(109,877,307)	(129,513,901)
Share premiums	(583,817)	(689,675)
Other comprehensive income or expense not to be reclassified to profit or loss	1,620,216	1,551,369
Other comprehensive income or expense to be reclassified to profit or loss	3,648,100	4,751,243
Restricted reserves allocated from profit	(10,542,546)	(13,730,488)
Previous years' profits/losses	(59,014,849)	(70,652,999)

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<b>Statement of Profit or Loss Items</b>	<b>(58,158,301)</b>	<b>(19,261,757)</b>
Revenue	(70,131,955)	(43,158,981)
Cost of sales	3,479,525	5,829,826
Research and development expenses	5,298,870	8,800,556
Marketing expenses	8,064,409	9,193,295
General administrative expenses	4,413,329	7,396,166
Other income/expenses from operating activities	(3,266,365)	(997,667)
Income/expenses from investing activities	(471,011)	(396,595)
Financing income/expenses	(5,545,103)	(5,928,357)
<b>Net monetary position gains/(losses)</b>	<b>(84,246,972)</b>	<b>(76,716,572)</b>

**NOTE 30- TAX PROVISIONS AND LIABILITIES (DEFERRED TAX ASSETS AND LIABILITIES INCLUDED)**

**a) Period Income Tax Liability**

Turkish tax legislation does not allow the parent company to file tax returns based on the financial statements in which it consolidates its subsidiaries and affiliates, For this reason, the tax provisions reflected in these consolidated financial statements have been calculated separately for the subsidiaries included in the scope of full consolidation.

The corporate tax rate in Turkey is 25% for 2025, (25% for 2024)

The corporate tax rate is applied to the tax base to be found as a result of adding the expenses that are not accepted as deductions in accordance with the tax laws to the commercial profits of the institutions and deducting the exemptions and deductions in the tax laws, If the profit is not distributed, no other tax is paid and all or part of the profit is paid as dividend;

- To real persons
- Natural and legal persons who are exempt or exempt from Income and Corporate Tax,
- Limited taxpayer real and legal persons.

In case of distribution, 15% Income Tax Withholding is calculated, If the period profit is added to the capital, it is not considered as profit distribution and withholding tax is not applied.

Corporations calculate provisional tax based on their quarterly financial profits and declare and pay it by the 17th day of the second month following that period, The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year,

Within the scope of the Temporary Article added to the Technology Development Zones Law No, 4691 with Article 44 of Law No, 5035, income and corporate taxpayers operating in technology development zones will be able to keep their earnings exclusively from software and R&D activities in this zone is exempt from income and corporate tax. According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years, However financial losses can not be offsetted from last year's profits.

In Türkiye, there is no practice of reaching an agreement with the tax authority regarding the taxes to be paid, Corporate tax returns are submitted to the relevant tax office by the evening of the last day of the fourth month following the month in which the accounting period closes, However, the authorities authorized for tax inspection may examine the accounting records within 5 years and if incorrect transactions are detected, the tax amounts to be paid may change.

**b) Deferred tax**

The group calculates its deferred income tax assets and liabilities by taking into account the effects of temporary differences that arise as a result of different evaluations between the balance sheet items prepared for Capital Markets Board and the statutory balance sheet items. These temporary differences generally result from the recognition of income and expenses in different reporting periods in accordance with the communiqué and tax laws.

In the deferred tax calculations in the financial statements dated 31 December 2025, 25% is used as the tax rate by taking into consideration of tax differences in the following years.

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Items which are the basis for deferred tax and corporate tax are mentioned below:

<b>Deferred Tax (Assets)/Liabilities:</b>	<b>December 31, 2025</b>	<b>December 31, 2025</b>
Cash and Equivalents	61,227	16,482
Trade Receivables	324,131	1,030,778
Other Receivables	9,001	(12,373)
Inventories	(68,367)	63,822
Prepaid Expenses	(75,482)	(37,080)
Tangible and Intangible Fixed Assets and Depreciaton Differences	(48,871,112)	(19,573,414)
Right of Use Assets	(1,040,417)	(1,771,835)
Loans and Leases	15,511	56,010
Trade Payables	(3,460)	(111,198)
Severance Pay Provision	2,043,479	1,309,173
Leave Provisions	4,957,322	4,230,877
Financial Investments	(116,987)	(11,948)
Deferred Income	7,176,983	1,274,765
Liability and Expense Provisions	2,868,195	-
Previous Year Losses	1,394,671	2,961,253
R&D and Cash Capital Increase Deduction	49,450,517	15,177,495
<b>Total</b>	<b>18,125,212</b>	<b>4,602,807</b>

Movement of deferred tax (asset)/ Liabilities within current period and the previous period are listed below:

	<b>January 1- December 31, 2025</b>	<b>January 1- December 31, 2025</b>
Opening balance as of January 1	4,602,807	3,186,384
Deferred tax income/expense for the period	12,940,890	778,260
Reflected to Comprehensive Income and Equity	581,515	638,163
<b>Current Period / Previous Period</b>	<b>18,125,212</b>	<b>4,602,807</b>

As of each balance sheet date, deferred tax assets that are not reflected in the records are reviewed, If it is probable that the financial profit to be obtained in the future will allow the deferred tax asset to be earned, the deferred tax asset that was not reflected in the records in previous periods is reflected in the records.

The reconciliation study between tax income/expense and the accounting profit within scope of IAS 12 is specified below.

	<b>January 1- December 31, 2025</b>	<b>January 1- December 31, 2024</b>
Period Profit/Loss Of Continuing Operations	133,953,841	(56,706,404)
Calculated Tax Over %25-25 Local Tax Rate	(33,488,460)	14,176,601
Tax Effect of Expenses Not Allowed By Law	767,512	-
Tax Effect of Deductions and Allowances	(64,444,623)	-
Effect of Temporary Timing Differences	110,106,461	(13,398,341)
<b>Tax Income</b>	<b>12,940,890</b>	<b>778,260</b>

The expiration dates for unused past year's losses are as follows:

	<b>31 Aralık 2025</b>	<b>31 Aralık 2024</b>
That Will End In 2028	658,311	4,129,080
That Will End In 2029	4,920,375	4,920,375

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**NOTE 31- EARNINGS PER SHARE**

As of the current and previous period, group's number of shares and profit/loss calculations per unit share are as follows.

	January 1- December 31, 2025	January 1- December 31, 2024
Net period profit / loss	146,894,731	(55,928,144)
Number of Shares	171,222,156	85,611,078
Weighted Average Share	135,550,874	-
Earnings/loss per share	0.858	(0.653)
Diluted earnings per share (loss) from continuing operations	1.084	-

**NOTE 32- RELATED PARTY DISCLOSURES**

**a) Related Parties End of Period Balance Sheet Balances**

None, (December 31, 2024: None)

-As explained in footnote 2.3 "Principles Regarding Consolidation," the company has a wholly owned subsidiary (%100 partnership), Kron Technologies US, in the United States. Kron Technologies US is financed by Kron AŞ to continue its operations in the United States. As of December 31, 2025, Kron AŞ's receivables from Kron Technologies US amount to USD 3,527,171, equivalent to TRY 151,124,109. As explained in footnote 3 "Reporting by Segments," this receivable amount has been eliminated from the consolidated balance sheet. As a result of the elimination, there are no remaining debt or receivable amounts from Kron Technologies US on the balance sheet.

**b) Purchases/Sales of Goods and Services Made with Related Parties During the Period**

None, (December 31, 2024: None)

**c) Remuneration and Similar Benefits to the Chairman of board, Members of the board, General Manager and Deputy managers**

	January 1- December 31, 2025	January 1- December 31, 2024
Salaries and Other Short-Term Benefits (Net) (Excluding Paid Compensation)	14,470,711	14,643,667
	14,470,711	14,643,667

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**NOTE 33- FEATURE AND LEVEL OF THE RISKS ARISING FROM FINANCIAL INSTRUMENTS****Financial Instruments**

The Group is focused on managing various financial risks due to its activities, including the effects of changes in debt and capital market prices, exchange rates and interest rates, The Group aims to minimize the potential negative effects of market fluctuations with its risk management program.

The Group has determined the policies summarized below for the management of risks arising from financial instruments.

**Credit risks exposed due to type of financial instruments**

	Receivables		Other Receivables	Deposits at Banks	Cash and Cash Equivalents
	Trade Receivables				
December 31, 2025	Related Party	Other Party	Other Party		
Maximum credit risk exposed as of the reporting date (*)	-	253,590,610	3,309,106	62,753,012	58,800,103
- Part of the maximum risk secured by means of guarantee, etc, (**)	-	-	-	-	-
A.Net book value of financial assets that are neither past due or impaired	-	253,590,610	3,309,106	62,753,012	58,800,103
B. Net book value of assets overdue but not undergone impairment	-	-	-	-	-
C.Net book value of assets undergone impairment	-	-	-	-	-
- Overdue (Gross Book Value)	-	1,017,122	-	-	-
- Impairment (-)	-	(1,017,122)	-	-	-
- Part of the net value secured by means of guarantee, etc,	-	-	-	-	-

**Credit risks exposed due to type of financial instruments**

	Receivables		Other Receivables	Deposits at Banks	Cash and Cash Equivalents
	Trade Receivables				
December 31, 2024	Related Party	Other Party	Other Party		
Maximum credit risk exposed as of the reporting date (*)	-	215,400,905	2,978,598	68,170,802	38,665,084
- Part of the maximum risk secured by means of guarantee, etc, (**)	-	-	-	-	-
A.Net book value of financial assets that are neither past due or impaired	-	215,400,905	2,978,598	68,170,802	38,665,084
B. Net book value of assets overdue but not undergone impairment	-	-	-	-	-
C.Net book value of assets undergone impairment	-	-	-	-	-
- Overdue (Gross Book Value)	-	948,327	-	-	-
- Impairment (-)	-	(948,327)	-	-	-
- Part of the net value secured by means of guarantee, etc,	-	-	-	-	-

**Loan Risk**

The credit risk of the Group is the total of financial assets shown at the balance sheet date, Credit risk includes the risk that a company's receivables will not be collected, The Group constantly monitors customers who do not pay their debts and their guarantors separately or as a Group, and includes this information in credit risk controls, If the cost is reasonable, credit ratings are made to external evaluation institutions for customers and their guarantors, The Group's policy is to only do business with organizations with sufficient credibility.

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Although there is no significant credit risk between trade receivables and other receivables for an organization or group, there is a concentration risk since most of the trade receivables are from 4 customers, The credit risk regarding the money and liquid values equivalent to money in banks and other short-term receivables is negligible, because the banks where the money and liquid values are held are banks with high quality and credit ratings.

**Liquidity Risk**

Liquidity risk is the risk of a Group being unable to meet its funding needs, The Group has the right to utilize banks, suppliers, and shareholders as funding sources, Liquidity risk is mitigated by balancing cash inflows and outflows with the support of loans granted by reputable credit institutions, Additionally, the Group continuously assesses liquidity risk by identifying and monitoring changes in funding conditions to achieve its strategic objectives.

The breakdown of financial assets and liabilities by maturity has been presented considering the period from the balance sheet date to the maturity date.

**Liquidity Risk Table**

**December 31, 2025**

<b>Expected (or by contract) Due Dates</b>	<b>Book Value</b>	<b>Sum of Cash Outflow by Contract (I+II+III+IV)</b>	<b>&lt;3 months (I)</b>	<b>3-12 months</b>	<b>1-5 years</b>
<b>Non-derivative</b>					
<b>Financial Liabilities</b>					
Bank loans and interest	45,335,930	45,668,794	45,668,794	-	-
Lease Payables	32,884,268	32,884,268	2,916,334	9,452,862	20,515,072
Trade payables	11,805,173	11,805,173	11,805,173	-	-
Other payables	19,580,045	19,580,045	19,580,045	-	-
<b>Total liabilities</b>	<b>109,605,416</b>	<b>109,938,280</b>	<b>79,970,346</b>	<b>9,452,862</b>	<b>20,515,072</b>

**December 31, 2024**

<b>Expected (or by contract) Due Dates</b>	<b>Book Value</b>	<b>Sum of Cash Outflow by Contract (I+II+III+IV)</b>	<b>&lt;3 months (I)</b>	<b>3-12 months</b>	<b>1-5 years</b>
<b>Non-derivative</b>					
<b>Financial Liabilities</b>					
Bank loans and interest	63,308,199	65,769,519	30,829,393	34,940,126	-
Lease Payables	49,111,713	49,111,713	3,268,463	10,490,193	35,353,057
Trade payables	15,153,870	15,610,103	15,610,103	-	-
Other payables	19,945,892	19,945,892	19,945,892	-	-
<b>Total liabilities</b>	<b>147,519,674</b>	<b>150,437,227</b>	<b>69,653,851</b>	<b>45,430,319</b>	<b>35,353,057</b>

**Exchange rate risk**

The Group is mainly exposed to foreign exchange risk arising from exchange rate changes due to the conversion of amounts owed or credited in US Dollars into Turkish Lira, These risks are monitored and limited by analyzing the foreign exchange position. The Group manages foreign currency exchange rate risk by organizing foreign currency assets and liabilities in a balanced manner and by matching the maturities and foreign currency positions of liabilities and assets.

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The group's foreign asset and liability amounts and foreign currency position statements according to original amounts and Turkish Lira currency amounts as follows:

Foreign exchange position table	December 31, 2025			
	Total TL Equivalent	US Dollar	Avro	Other
Cash and Cash Equiv, & Financial Investments	94,976,929	1,503,049	368,655	22,506,018
Short Term Trade Receivables	168,149,353	3,547,983	65,678	23,985,158
Short-term Other Assets	2,652,863	37,270	21,000	-
Short and Long Term Financial Liabilities	(68,956,984)	(1,609,426)	-	-
Other Monetary Liabilities	(1,328,217)	(31,000)	-	-
Short-term Trade Payables	(8,846,196)	(173,134)	(19,976)	(789,790)
Net Foreign Currency Position	186,647,748	3,274,742	435,357	45,701,386
<b>Monetary Items Net Foreign Exchange Asset(Liability) Position</b>	<b>183,994,885</b>	<b>3,237,472</b>	<b>414,357</b>	<b>45,701,386</b>
<b>Export</b>	<b>188,425,800</b>	<b>3,251,939</b>	<b>169,676</b>	<b>73,803,544</b>

Foreign exchange position table (*)	December 31, 2024			
	Total TL Equivalent	US Dollar	Avro	Other
Cash and Cash Equiv, & Financial Investments	74,428,840	1,318,435	187,205	10,612,462
Short Term Trade Receivables	180,012,302	3,605,321	-	31,587,054
Short-term Other Assets	4,620,218	100,050	-	-
Long Term Trade Receivables	1,721,095	37,270	-	-
Short and Long Term Financial Liabilities	(60,032,817)	(1,300,000)	-	-
Other Monetary Liabilities	(298,502)	(6,464)	-	-
Short-term Trade Payables	(8,951,593)	(172,496)	(20,479)	(20)
Net Foreign Currency Position	191,499,543	3,582,116	166,726	42,199,496
<b>Monetary Items Net Foreign Exchange Asset(Liability) Position</b>	<b>186,879,325</b>	<b>3,482,066</b>	<b>166,726</b>	<b>10,612,442</b>
<b>Export</b>	<b>131,825,543</b>	<b>2,454,070</b>	<b>-</b>	<b>213,686</b>

(\*) Amounts are determined on the basis of the purchasing power of Turkish Lira (TL) as of December 31, 2025,

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025,)

**Foreign Exchange Sensitiveness Analysis**

The table below demonstrates the group's sensitivity to the 10% increase and decrease in USD and Euro currencies, Whereas the 10% rate is the rate used during the reporting of the exchange risk to senior executives, and the said rate states the potential change the management expects to see in the exchange rate, Sensitivity analysis only covers the foreign currency monetary items at the end of year and shows the influences of 10% exchange rate change of the said items, Positive value states increase in profit/ loss.

Foreign Currency Position Table	December 31, 2025			
	Profit/Loss		Equity	
	Increase of Foreign Currency	Decrease of Foreign Currency	Increase of Foreign Currency	Decrease of Foreign Currency
<b>In case US Dollar changes 10% against TL:</b>				
1- US Dollar net asset/liability	14,030,861	(14,030,861)	14,030,861	(14,030,861)
2- The part secured against US Dollar risk (-)	-	-	-	-
<b>3- US Dollar Net Effect(1+2)</b>	<b>14,030,861</b>	<b>(14,030,861)</b>	<b>14,030,861</b>	<b>(14,030,861)</b>
<b>In case EURO changes 10% against TL:</b>				
4- EURO net asset/liability	2,189,232	(2,189,232)	2,189,232	(2,189,232)
5- The part secured against EURO risk (-)	-	-	-	-
<b>6- Euro Net Effect(4+5)</b>	<b>2,189,232</b>	<b>(2,189,232)</b>	<b>2,189,232</b>	<b>(2,189,232)</b>
<b>In case Other Currencies change 10% against TL:</b>				
7-Other exchange net asset / liability	2,444,682	(2,444,682)	2,444,682	(2,444,682)
9- Other exchange net effect (7+8)	2,444,682	(2,444,682)	2,444,682	(2,444,682)
<b>TOTAL (3+6+9)</b>	<b>18,664,775</b>	<b>(18,664,775)</b>	<b>18,664,775</b>	<b>(18,664,775)</b>

Foreign Currency Position Table (*)	December 31, 2024			
	Profit/Loss		Equity	
	Increase of Foreign Currency	Decrease of Foreign Currency	Increase of Foreign Currency	Decrease of Foreign Currency
<b>In case US Dollar changes 10% against TL:</b>				
1- US Dollar net asset/liability	16,541,885	(16,541,885)	16,541,885	(16,541,885)
2- The part secured against US Dollar risk (-)				
<b>3- US Dollar Net Effect(1+2)</b>	<b>16,541,885</b>	<b>(16,541,885)</b>	<b>16,541,885</b>	<b>(16,541,885)</b>
<b>In case EURO changes 10% against TL:</b>				
4- EURO net asset/liability	801,698	(801,698)	801,698	(801,698)
5- The part secured against EURO risk (-)				
<b>6- Euro Net Effect(4+5)</b>	<b>801,698</b>	<b>(801,698)</b>	<b>801,698</b>	<b>(801,698)</b>
<b>In case Other Currencies change 10% against TL:</b>				
7-Other exchange net asset / liability	1,806,371	(1,806,371)	1,806,371	(1,806,371)
9- Other exchange net effect (7+8)	1,806,371	(1,806,371)	1,806,371	(1,806,371)
<b>TOTAL (3+6+9)</b>	<b>19,149,954</b>	<b>(19,149,954)</b>	<b>19,149,954</b>	<b>(19,149,954)</b>

(\*) Amounts are determined on the basis of the purchasing power of Turkish Lira (TL) as of December 31, 2025.

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(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

As seen in the Exchange Rate Sensitivity Analysis Table above, the gross profit resulting from the exchange rate gain would have been TL 18,664,775 lower/higher (December 31, 2024: TL 19,149,954 ).

**Interest Rate Risk Management and Interest Rate Sensitivity**

Since some of the group loans are taken with fixed interest and some without interest to be used in tax payments, the loan is not exposed to interest rate risk.

Therefore, the Group did not calculate credit interest risk in this period

**Capital Management**

During the management of capital, the targets of the Group are providing return for partners, to benefit for other shareholders and decrease the cost of capital and sustain the probable capital structure in order to sustain the operations of the Group Risks associated with each capital group as well as the capital cost of the company are assessed by top management, It is aimed to keep the balance through new share issue as well as re-borrowing or refunding the current debt in order to preserve and reorganize the capital structure according to the assessments of top management, Besides, in capital management while securing the sustainability of the activities is sought on one hand, boosting the profitability by means of optimizing the balance of debt and equity is intended on the other hand.

	December 31, 2025	December 31, 2024
Total Debts	442,577,221	434,844,311
Cash and Cash Equivalents	121,553,115	106,835,886
Net Debt	321,024,106	328,008,425
Equities	740,031,907	498,829,225
<b>Equity / Net Debt Rate</b>	<b>2.31</b>	<b>1.52</b>

**NOTE 34- POST-BALANCE SHEET EVENTS**

**December 31, 2025**

- Financial statements were approved by the board of directors on March 9, 2026.
- Severance pay ceiling amount has become TL 64,949 as of January 1, 2026

**December 31, 2024**

- Financial statements were approved by the board of directors on March 11, 2025.
- Severance pay ceiling amount has become TL 46,655 as of January 1, 2025

**NOTE 35- INDEPENDENT AUDIT FEES FOR THE REPORTING PERIOD**

**Fees For Services Rendered By Independent Audit Authority**

In accordance with the decision of the Public Oversight Authority dated March 30, 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below.

	December 31, 2025	December 31, 2024
<b>(Amounts Excluding VAT )</b>		
Independent Audit Fee	2,219,053	2,366,294
	<b>2,219,053</b>	<b>2,366,294</b>

**KRON TEKNOLOJİ A.Ş. AND ITS SUBSIDIARY'S****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT AS OF December 31, 2025**

(Unless otherwise mentioned, the amounts are expressed on the purchasing power of the Turkish Lira (TL) as of December 31, 2025.)

**NOTE 36- OTHER MATTERS****a) Financial Statement Disclosures:**

- As of December 31, 2025, total insurance amount of asset values is USD 775,000, (December 31, 2024: USD 550,480)

**b) Classifications of Previous Period Financial Statements and Their Qualifications**

In order for compliance with the presentation of the current period financial statements, comparative information is reclassified when deemed necessary.

**c) Significant Accounting Policies**

Significant accounting policies of the group regarding financial instruments are explained under the note Financial Instruments included in Note 2.

**NOTE 37- OTHER COMPLEMENTARY INFORMATION****EBITDA Reconciliation**

EBITDA is not a performance measure defined under IFRS, The reconciliation of EBITDA for the fiscal periods ended December 31, 2025, and December 31, 2024, is as follows:

	<b>January 1- December 31, 2025</b>	<b>January 1- December 31, 2024</b>
Operating Profit (Loss)	203,409,321	12,795,438
Depreciation and amortization of tangible and intangible fixed assets and right-of-use assets	71,976,771	72,880,189
Extraordinary Expenses	-	16,187,012
<b>EBITDA</b>	<b>275,386,092</b>	<b>101,862,639</b>

# **Kron** Technologies

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