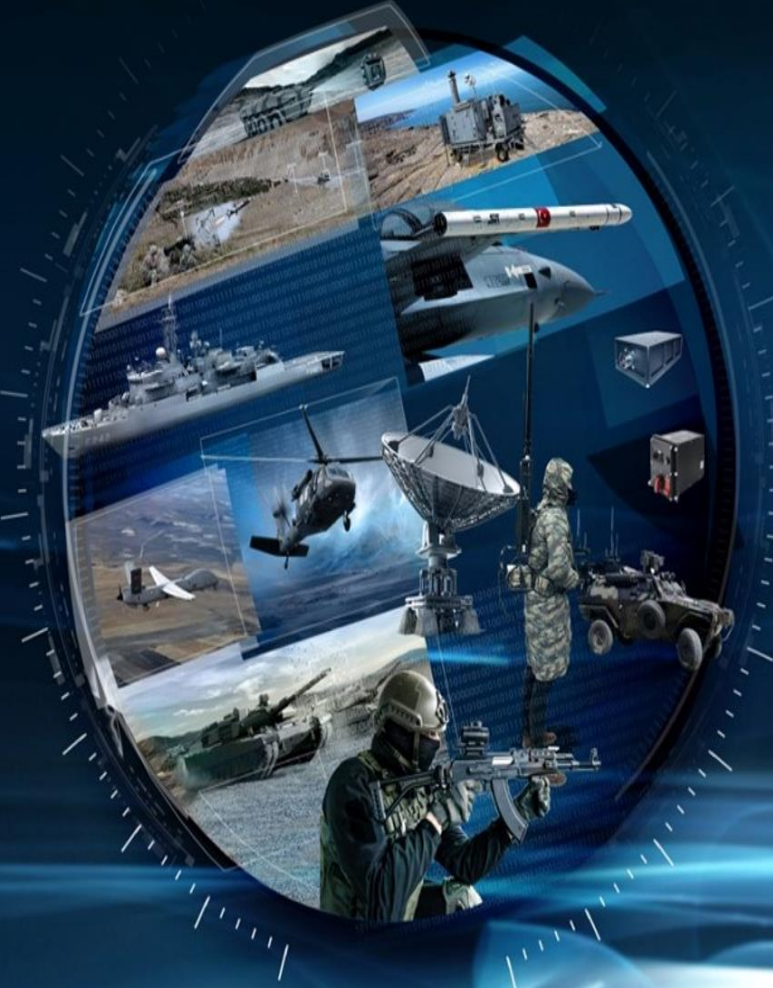
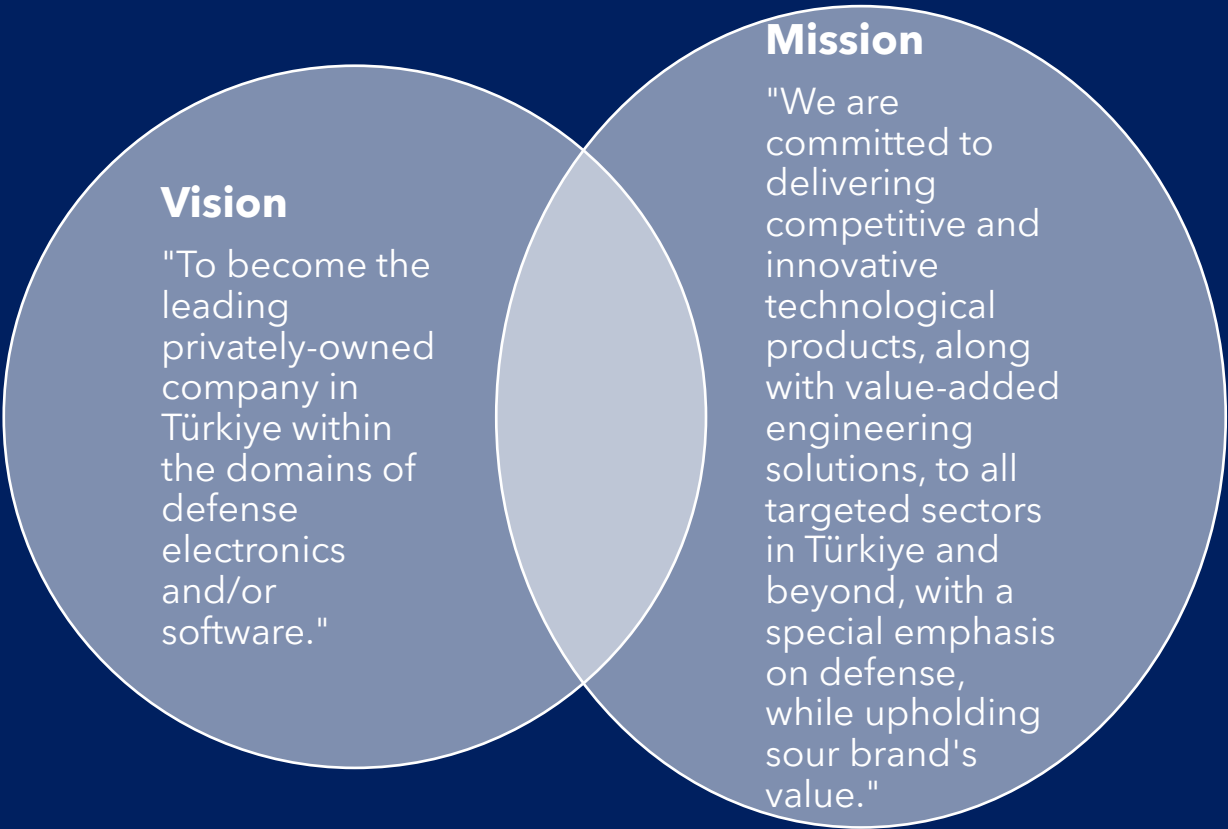




Activity Report for the Period: January 1,2025 – March 31,2025





A Venn diagram consisting of two overlapping circles. The left circle is labeled 'Vision' and the right circle is labeled 'Mission'. The overlapping area in the center is shaded a lighter blue than the individual circles. The background of the entire slide is a solid dark blue.

Vision

"To become the leading privately-owned company in Türkiye within the domains of defense electronics and/or software."

Mission

"We are committed to delivering competitive and innovative technological products, along with value-added engineering solutions, to all targeted sectors in Türkiye and beyond, with a special emphasis on defense, while upholding our brand's value."



Table of Contents

1. Company Overview
2. Capital Ownership Structure
3. Organizational Structure
4. History and Development of the Company's Operational Domain
5. Industry Focus and Market Position
6. Capital Structure
7. Privileged Shares
8. Board of Directors Overview
9. Board of Directors Committees
10. Human Resources
11. Sustainability Initiatives
12. Corporate Policies
13. Financial Overview
14. Key Milestones in Company Activities and Operations
15. Risk Management and Board of Directors Evaluation
16. Miscellaneous

1.Company Overview

Report Period : January 1 to March 31, 2025
Company Name : **SDT SPACE AND DEFENCE TECHNOLOGIES INC.**
Trade Registry No : 200761
HQ Address : Üniversiteler Mah. İhsan Doğramacı Bulvarı, No: 37, İç Kapı No:1,
Çankaya/Ankara, Türkiye
Met 2 Branch Address : Mustafa Kemal Mah. 2082 Cad., No: 54 A Çankaya/Ankara, Türkiye
SDT - ASO Teknopark Branch : Ahi Evran OSB Mah. Erkunt Cad., No: 3/16 Sincan/Ankara, Türkiye
Telephone : (0312) 210 10 15
Fax : (0312) 210 11 21
Web Address : www.sdt.com.tr
KEP Address : sdtuzay@hs02.kep.tr
E-mail Address : info@sdt.com.tr
Mersis No : 0757030831100016

2. Capital Ownership Structure

a) Capital : 58.000.000,00 TL
b) Shareholding Structure

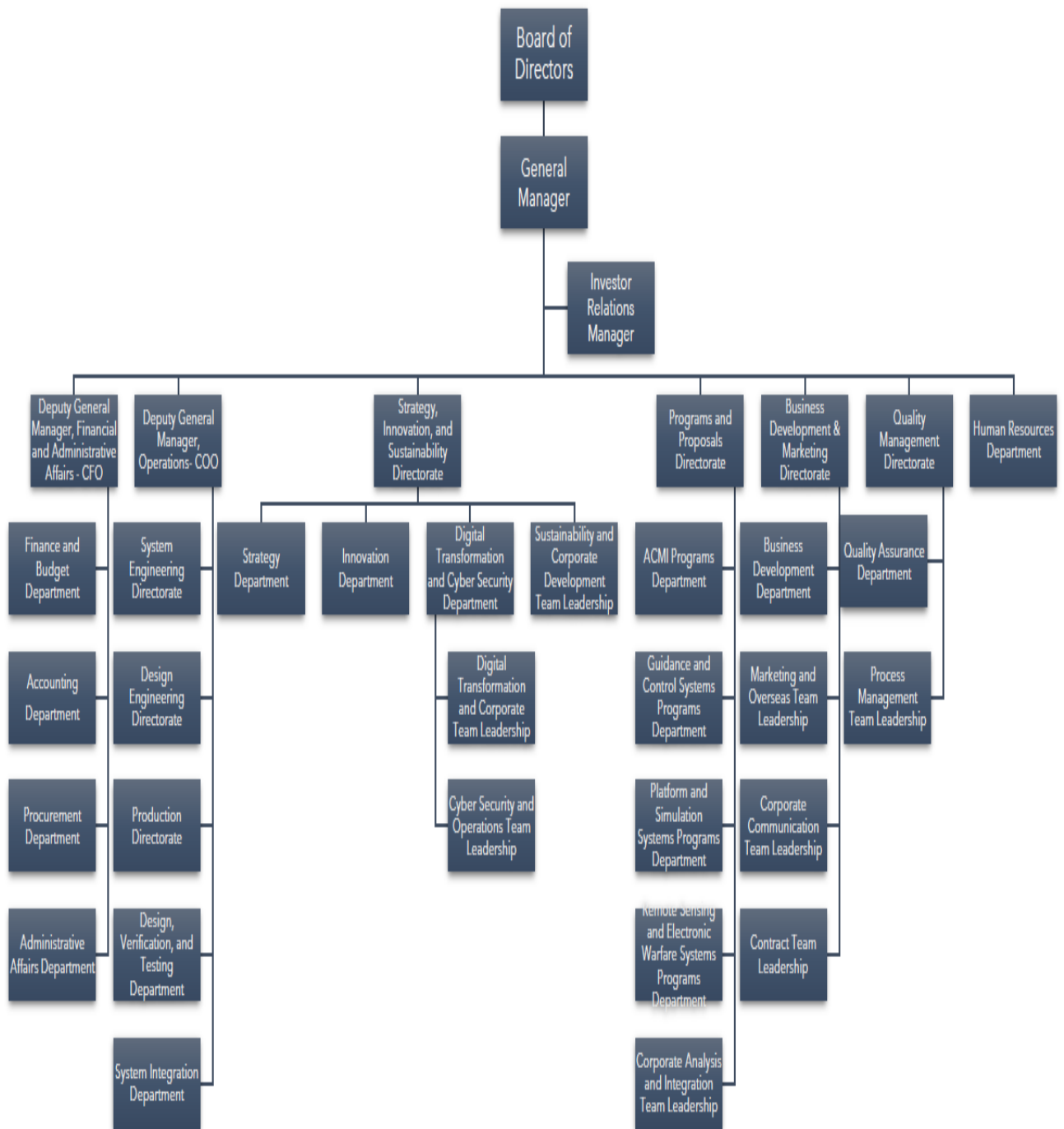
Company's Shareholding Structure		
Trade Name of the Partner/ Full Name	Share in Capital	
	Amount (TL)	Share Rate (%)
Mehmet DORA	36.602.500	63.11
Other	21.397.500	36.89
Total	58.000.000,00	100.00%

Shareholding Structure of the Legal Entity Holding the Largest Share in Capital:

The table below provides details on the information and shareholding structure of shareholders who hold 5% or more of the Company's capital.

SDT SPACE AND DEFENCE TECHNOLOGIES INC.		
Trade Name of the Partner/ Full Name	Share in Capital	
	Amount (TL)	Share Rate (%)
Mehmet DORA	36.602.500	63.11
Hedef Portföy Yönetimi A.Ş. Varlık Girişim Sermayesi Yatırım Fonu	4.060.000	7.00
Total	40.662.500	70.11

3. Organizational Structure



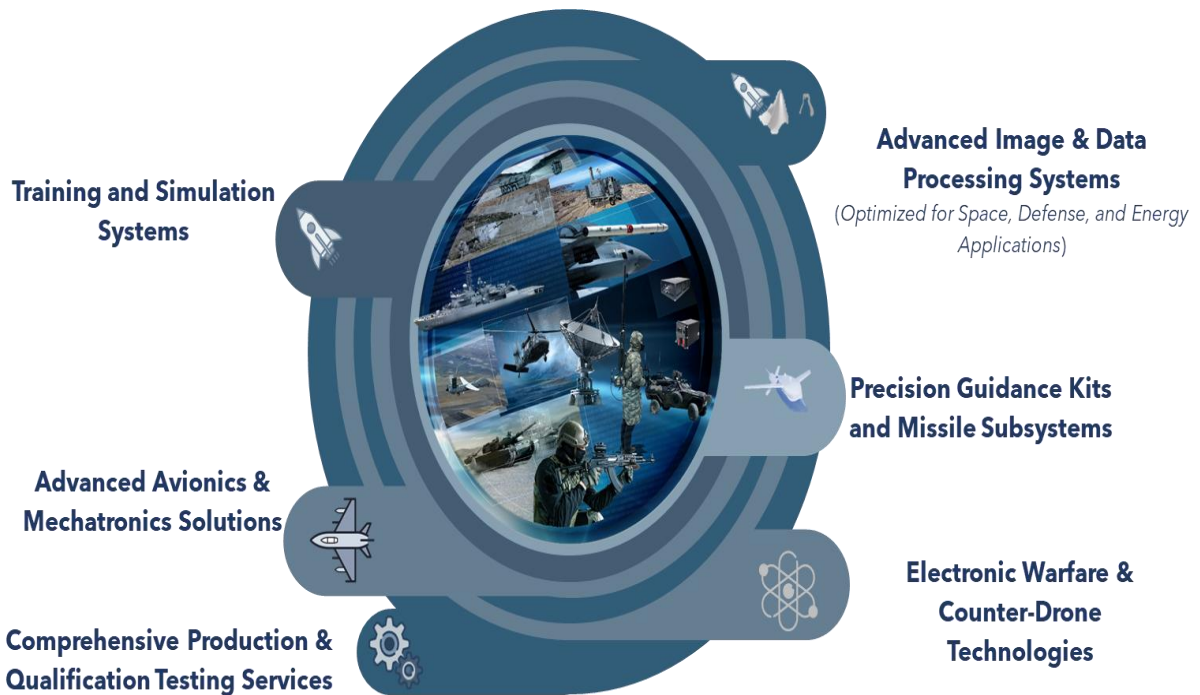
4. History and Development of the Company's Operational Domain

The company was founded on February 11, 2005, with the aim of delivering competitive and innovative technological products and value-added engineering services across various sectors in Türkiye and internationally, with a particular focus on the defense industry. Additionally, the company aims to develop products in specific verticals through research and development within the defense sector. On July 13, 2017, it underwent a title change and has since been operating under its current name.

SDT was initially established as a technology-oriented company and, during the early stages of its development, primarily undertook subcontracting roles in major projects. These roles encompassed both the design and production of electronic subsystems, as well as the development of value-added software solutions. In the following years, SDT achieved significant success through collaborations with leading firms in the defense industry.

In addition to its contributions to various projects, the company has actively pursued research and development (R&D) initiatives, supported by both its internal resources and external funding from the Scientific and Technological Research Council of Türkiye (TÜBİTAK). As a result of these sustained R&D efforts, SDT has emerged as a key player in the defense sector, capable of delivering advanced solutions at both the system and subsystem levels.

SDT specializes in the following main fields of activity:



Training and Simulation Systems

- Air Combat Training Systems (ACMI)
- Fire Training Systems
- Naval Combat Training Systems

Advanced Avionic and Mechatronic Systems

Avionic Systems

- Platform Management and Control System Solutions
- Data Recording Systems (*SDT DDR Family*)
- Weapon Control and Interface Units
- Payload Integration and Ground Control Systems
- Secure Data Link Systems

Mechatronic Systems

- Aircraft Control Systems (*Side Stick, Throttle/Accelerator Handle*)
- Aircraft Arresting and Interception Systems (*Fixed Hook, Mobile, and Networked UDS Types*)

Advanced Image & Data Processing Software

- AI-Driven Image Processing & Data Science Solutions (*GÖRGÜÇ*)
- National Seismic Data Analysis & Geospatial Management Software (*Orhun Bilge*)

Precision Guidance Kits and Missile Subsystems

Missile Subsystems

- Video Compression and Analysis Units
- Image Conversion Units
- Fire Control Units

Guidance Kit Subsystems

- Subunits: EGI, GNNS Receiver, CRPA Antenna, Plug (Electric), Flight Computer, Cabling, Test Suite
- Other: Design and development and/or procurement, production, final assembly, and testing of guidance kit electronics

Electronic Warfare & Counter Drone Systems

Jammer Solutions

- Portable RF Jamming Unit (*Backpack Type*)
- Mobile RF Jamming Unit (*Vehicle-Based*)
- Covert RF Jamming Unit (*Bag Type*)

COMINT (Communications Intelligence) Systems

- Miniature COMINT Platforms
- UAV-Mounted Antenna & Switching Modules

Anti-Drone Systems

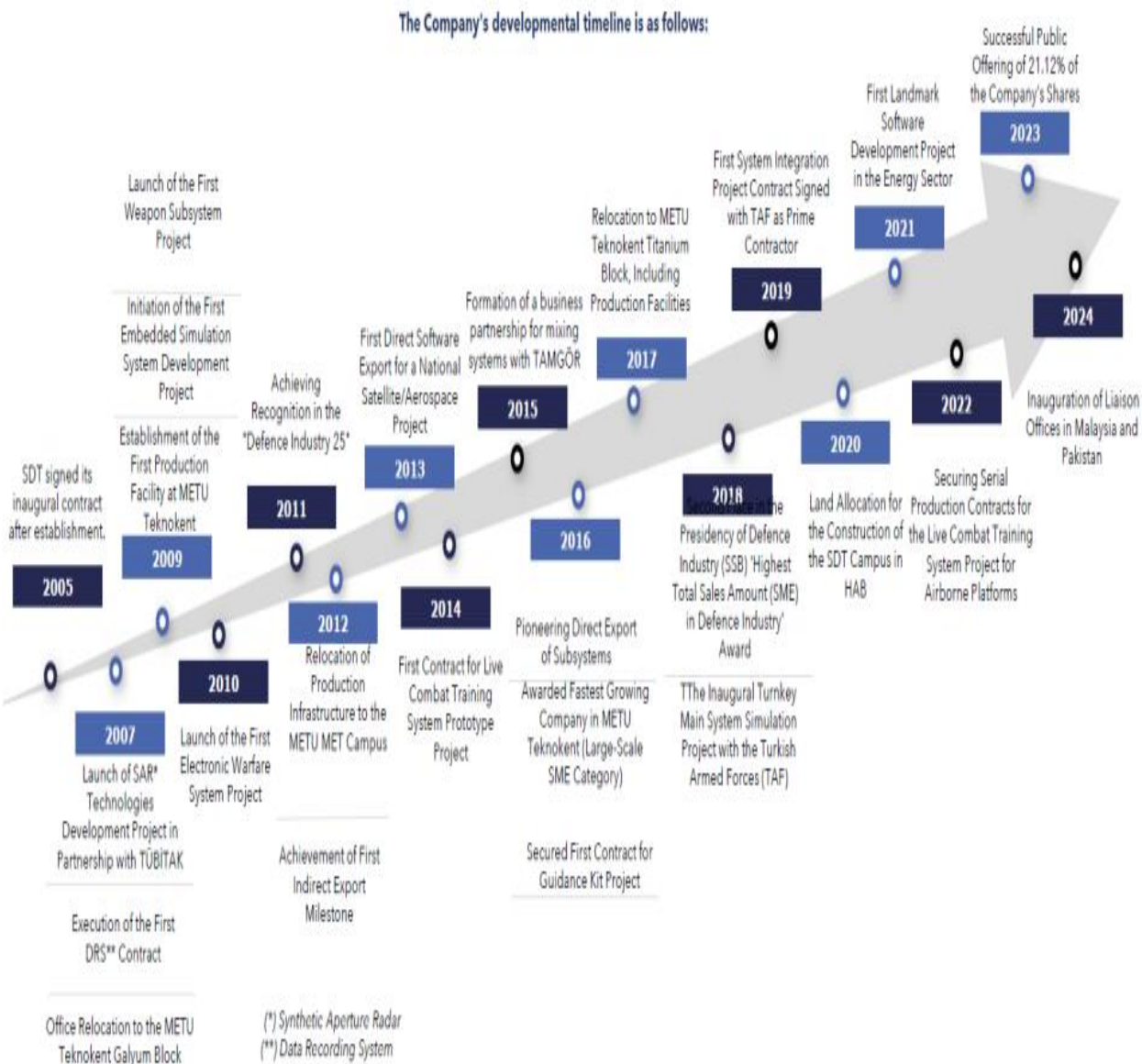
- Tactical Mobile Anti-Drone Rifle
- Hunter-Class Anti-Drone System

Production & Qualification Testing Services

- Electrical, Electronic & Mechatronic Manufacturing Services
- Environmental, EMI & EMC Qualification Testing Services

The Company's revenues are primarily generated through project-based engagements, including competitive tendering processes, custom project orders, and spot sales. Certain projects are executed in collaboration with partners via joint ventures or cooperation agreements; in such cases, revenues are recognized proportionally based on the Company's ownership stake. In addition to project revenues, the Company benefits from recurring income streams through maintenance, support services, and other repeat business activities.

Key milestones in the Company's Development



5. Industry Focus and Market Position

An overview of the sectors or markets of operation, the exporter's positioning within these sectors or markets, and the related advantages and disadvantages

a. Defense Industry Sector:

In line with the principles of a social state, governments are tasked with safeguarding national integrity and ensuring the security of their nations. In the contemporary landscape marked by rising geopolitical tensions and persistent threats of terrorism, countries are increasingly allocating resources to bolster their defense capabilities. Consequently, many nations are enhancing their defense infrastructure and undertaking efforts to modernize and restructure their technological frameworks. The defense industry encompasses the industrial landscape involved in the production of defense equipment and the provision of essential services crucial for national security.

Its primary sectors include:

- Aerospace Industry
- Military Shipbuilding Industry
- Military Automotive and Armored Vehicle Industry
- Rocket and Missile Industry
- Electronic Industry
- Military Clothing Industry

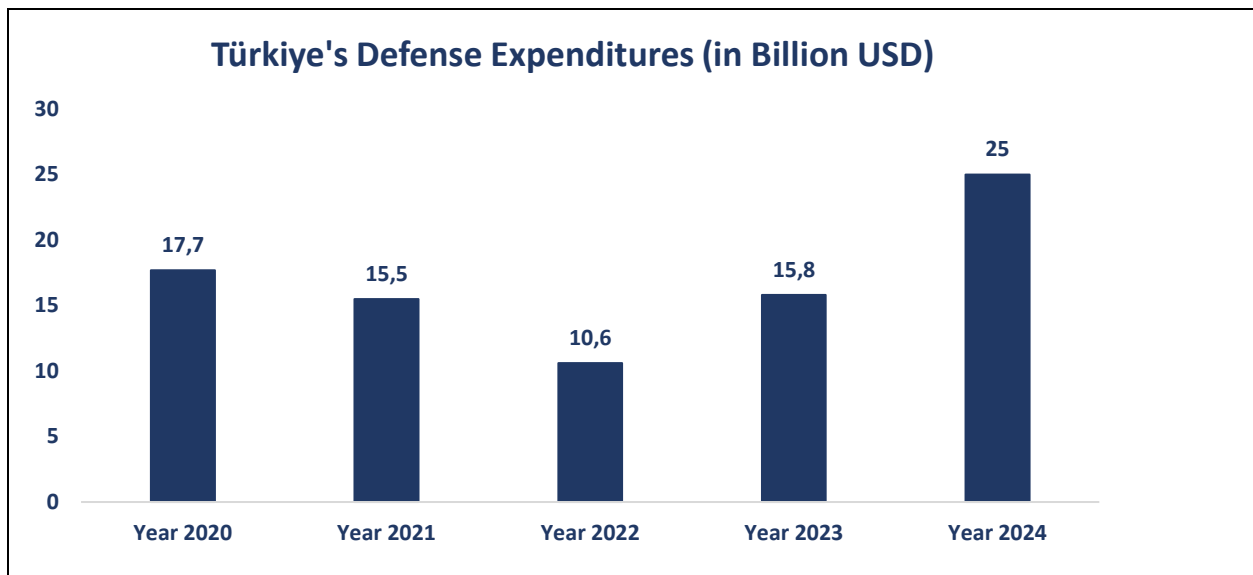
b. Global Defense Industry Overview

According to data from the Stockholm International Peace Research Institute (SIPRI), global defense expenditures saw a significant increase of 9.4% in 2024, primarily driven by the ongoing Russia-Ukraine conflict. Total defense spending reached USD 2.72 trillion, marking a notable rise in military budgets worldwide. This expenditure accounts for 2.5% of the global Gross Domestic Product (GDP), underscoring the strategic importance of defense spending in the global economy. Regionally, Europe experienced the highest increase in defense spending, with a 17% rise, followed by the Middle East with a 15% increase. Within Europe, Central and Western European nations saw a 14% growth, while Eastern Europe recorded a 24% surge, primarily due to the increasing security concerns surrounding Russia.

When analyzing the countries with the highest defense expenditures in 2024, the United States ranked first with USD 997 billion, followed by China with USD 314 billion, Russia with USD 149 billion, Germany with USD 88.5 billion, and India with USD 86.1 billion. Together, these five countries accounted for 60% of total global defense expenditures (Source: SIPRI Military Expenditure Database, April 2025).

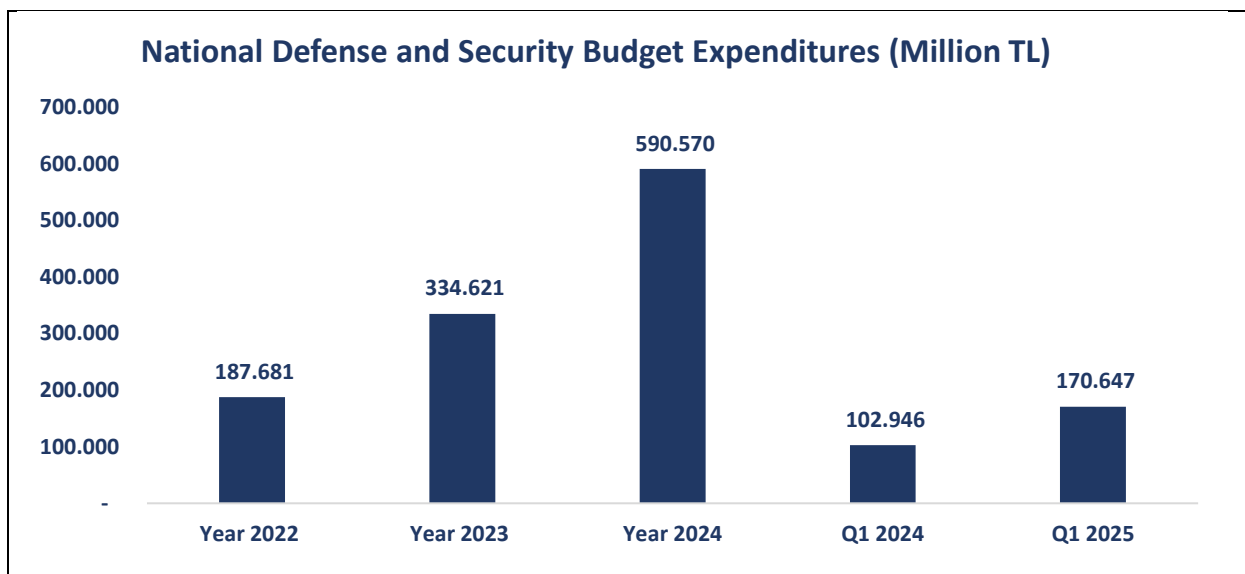
c. Turkish Defense Industry

As reported by the Stockholm International Peace Research Institute (SIPRI), Turkey ranked 17th globally in defense spending in 2024, with an expenditure of 25 billion USD. This represents a notable rise from its 22nd position in 2023, when its defense expenditure stood at 15.8 billion USD. In 2024, the share of defense spending in Turkey's Gross Domestic Product (GDP) was recorded at 1.9%. (Source: SIPRI Military Expenditure Database, April 2025)



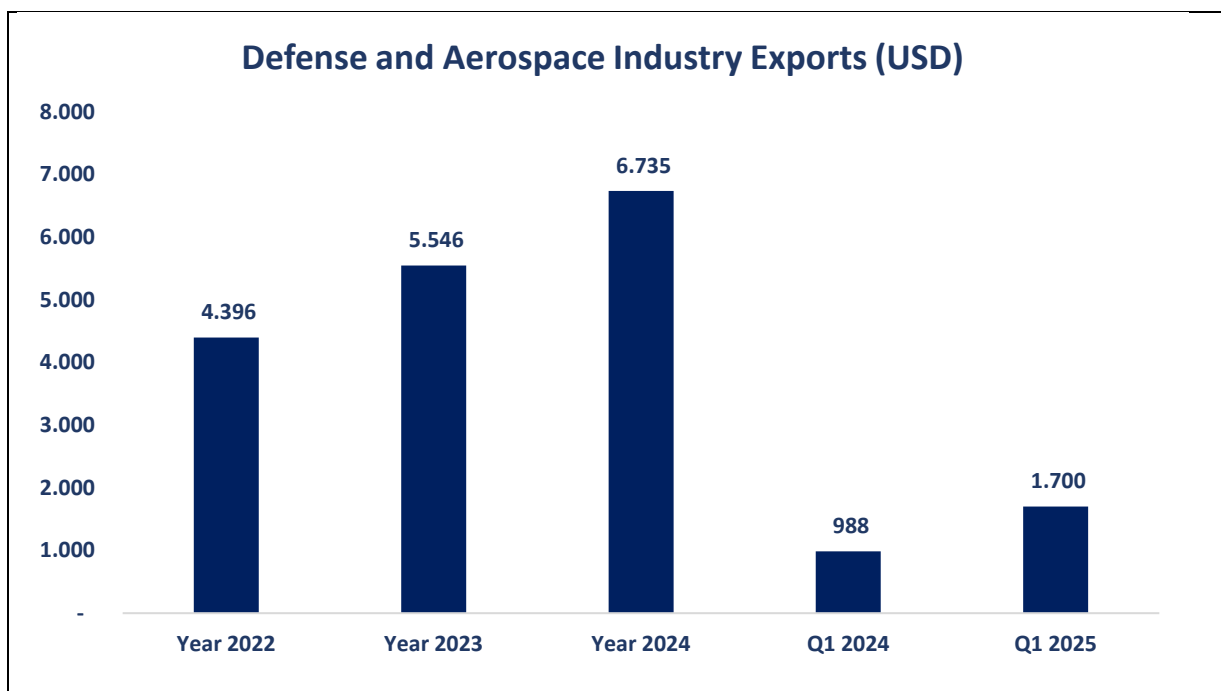
Source: SIPRI

According to the Central Government Budget Monthly Realization Reports published by the Strategy and Budget Directorate of the Presidency of the Republic of Turkey, expenditures on national defense and security amounted to 171 billion Turkish Lira (TL) in the January-March period of 2025. This represents a significant year-on-year increase of 66% compared to the same period in 2024, when spending totaled 103 billion TL. The proportion of defense and security expenditures within total budgetary outlays also rose, increasing from 4.79% in the first quarter of 2024 to 5.47% in the corresponding period of 2025.

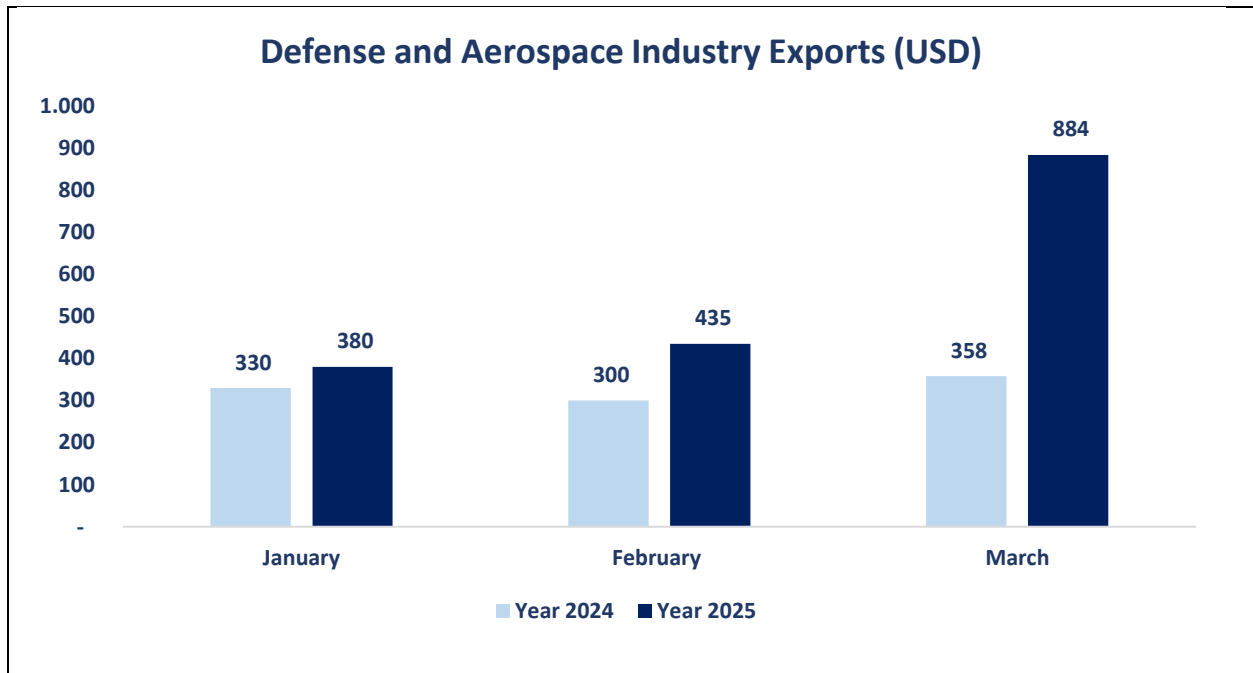


Source: Presidency of the Republic of Turkey, Presidency of Strategy and Budget. Central Government Budget Monthly Realizations Reports, 2022-2025.

During the first quarter of 2025, exports in the defense and aerospace industry increased by 72% compared to the corresponding period of the previous year, reaching a total value of 1.7 billion USD. This notable rise was largely attributable to the substantial export volume recorded in March, which amounted to 884 million USD.



Source: Turkish Exporters Assembly (TIM), 2025.



Source: Turkish Exporters Assembly (TIM), 2025.

6. Capital Structure

Capital Representation Share Information:

Group	Holder/Bearer	Privilege Type	Nominal Share Value (TL)	Total (TL)	Share Ratio (%)
A	Holder	Privileged	1,00	7.500.000	12.93
B	Holder	Unprivileged	1,00	50.500.000	87.07
TOTAL				58.000.000,00	100,00

As per Article 9 of the Company's Articles of Association, half of the Board of Directors, totaling five members, will be elected by the General Assembly from candidates proposed by the majority of Group A shareholders. If the calculated half-member is a fraction, it will be rounded down to the nearest whole number. In accordance with Article 12 of the Articles of Association, Group A shareholders are entitled to five voting rights each, while Group B shareholders hold one voting right each during General Assembly meetings.

7. Privileged Shares

The Company's capital is segmented into Group A and Group B shares, both of which are registered shares. As stipulated in Article 12, titled "General Assembly," of the Company's Articles of Association:

- Group A shares possess voting privileges, with each share valued at TL 1 granting its owner 5 votes during general assembly meetings.
- Conversely, Group B shares lack voting privileges, with each share valued at TL 1 entitling its owner to 1 vote in general assembly meetings.

Mehmet DORA exercises management control over the Company, which is derived from his shareholding and ownership of privileged Group A shares. As stipulated in Article 9 of the Company's Articles of Association, titled "Board of Directors and Its Term," at least half of the Board of Directors, which shall consist of a minimum of five members, is to be elected by the General Assembly from candidates nominated by the majority of Group A shareholders.

In cases where the total number of Board members is odd, resulting in a fractional division for the number of members to be nominated by Group A shareholders, the number of nominees shall be rounded up to the next whole number. Furthermore, in accordance with Article 12, titled "General Assembly," of the Company's Articles of Association, each Group A share grants its holder five votes at General Assembly meetings. Group B shares, by contrast, do not carry any special privileges.

8. Board of Directors Overview

The Company's management and representation in dealings with third parties are vested in the Board of Directors. The Board, composed of at least 5 members in compliance with Turkish Commercial Code and Capital Markets Law, oversees the Company's affairs and administration. Directors serve a maximum term of 3 years and may be re-elected upon the expiration of their term. The General Assembly retains the authority to change Board members if necessary.

To ensure accountability and impartiality, the General Assembly elects a sufficient number of independent directors in line with the principles of director independence outlined in the Corporate Governance Principles attached to the Capital Markets Board's Corporate Governance Communiqué No. 17.1. The selection and qualifications of independent directors adhere to the regulations of the Capital Markets Board on corporate governance.

Board members are permitted to hold positions on the boards of other companies. Meetings of the Board of Directors may be convened by the Chairman or, in their absence, by the Vice Chairman. Meeting and voting procedures are governed by the Turkish Commercial Code, requiring a majority of members for a quorum.

Decisions are made by a majority of members present, as stipulated in Article 390 of the Turkish Commercial Code, including when the board convenes electronically.

Members of the Company's governing body are prohibited from engaging in transactions with the Company or participating in activities that compete with its interests.

From January 1, 2025, to March 31, 2025, the Company's Board of Directors held five meetings, during which 13 resolutions were adopted. The attendance rate for these meetings was 88%.

Full Name	Position	Last (5) Years Assignments	Current Term / Remaining Term*	Share of Capital	
				(TL)	(%)
Mehmet DORA	Chairman of the Board of Directors	Chairman of the Board of Directors	Until 28.04.2027	36.602.500	63.11
Mustafa Fatih ÜNAL	Vice-Chairman of the Board of Directors	Vice-Chairman of the Board of Directors, General Manager	Until 28.04.2027	1.347.500	2.32
Beril DORA	Board Member	Board Member	Until 28.04.2027	0	0,00
Mehmet Veysel YAYAN	Independent Board Member	Independent Board Member	Until 28.04.2027	0	0,00
Necip Yalçın PEHLİVANTÜRK	Independent Board Member	Independent Board Member	Until 28.04.2027	0	0,00

(*) The board members were elected during the Ordinary General Assembly Meeting held on April 28, 2025.

ROLES OF THE MEMBERS OF THE BOARD OF DIRECTORS APART FROM THE PARTNERSHIP						
Full Name	Company	Role	Continuity of Service	Capital Amount (TL)	Capital Share (TL)	Capital Share (%)
Mehmet DORA	Dormak İthalat İhracat Mümessillik ve Danışmanlık Ticaret A.Ş.	Chairman of the Board of Directors, Shareholder	Continues	27.000.000	27.000.000	100
	Dorsan Uzay ve Havacılık Savunma Sanayi Taahhüt ve Ticaret Ltd. Şti.	Manager, Shareholder	Continues	150.000	72.000	48
	Dorsav Teknik Lojistik ve Ticaret A.Ş.	Chairman of the Board of Directors, Shareholder	Continues	50.000	24.000	48
	Mehmet DORA-Real Person Enterprise	Business Owner	Continues	10.000	10.000	100
Necip Yalçın PEHLİVANTÜRK	-	-	-	-	-	-
Mehmet Veysel YAYAN	FNSS Savunma Sistemleri A.Ş.	Board Member	Continues	3.000.000	0	0
	İMSAD İnşaat Malzemesi Sanayicileri Derneği	Board Member	Continues	-	0	0
	Türkiye Çelik Üreticileri Derneği	General Secretary	Continues	-	0	0
Beril DORA	Dorsav Teknik Lojistik ve Ticaret A.Ş.	Shareholder	Continues	50.000	6.000	12

9. Board of Directors Committees

To ensure the effective fulfillment of its duties and responsibilities, and in accordance with Article 4.5 of the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, the Board of Directors has resolved to establish the "Audit Committee," the "Early Detection of Risk Committee," and the "Corporate Governance Committee," with clearly defined roles and responsibilities. Furthermore, the Board has decided not to establish separate "Nomination" and "Remuneration" Committees; instead, the responsibilities of these functions will be carried out by the "Corporate Governance Committee."

a. Audit Committee

The Audit Committee is responsible for supervising the Company's accounting procedures, the public disclosure of financial information, independent audits, and the efficiency of the Company's internal control and internal audit system. The Company has established an Audit Committee to fulfill these duties.

AUDIT COMMITTEE			
Full Name	Position	Share in Capital	
		TL	%
Mehmet Veysel YAYAN	President	-	-
Necip Yalçın PEHLİVANTÜRK	Member	-	-

b. Early Risk Detection Committee

The Early Detection of Risk Committee is tasked with identifying potential risks (threats and opportunities) that could threaten the Company's existence, growth, and continuity. It is responsible for implementing measures to mitigate and manage these risks, as well as reviewing the Company's risk management systems at least annually. Furthermore, corporate opportunities are regularly assessed and evaluated by this committee. The Company has established an Early Detection of Risk Committee to fulfill these responsibilities.

EARLY RISK DETECTION COMMITTEE			
Full Name	Position	Share in Capital	
		TL	%
Necip Yalçın PEHLİVANTÜRK	President	-	-
Beril DORA	Member	-	-

c. Corporate Governance Committee

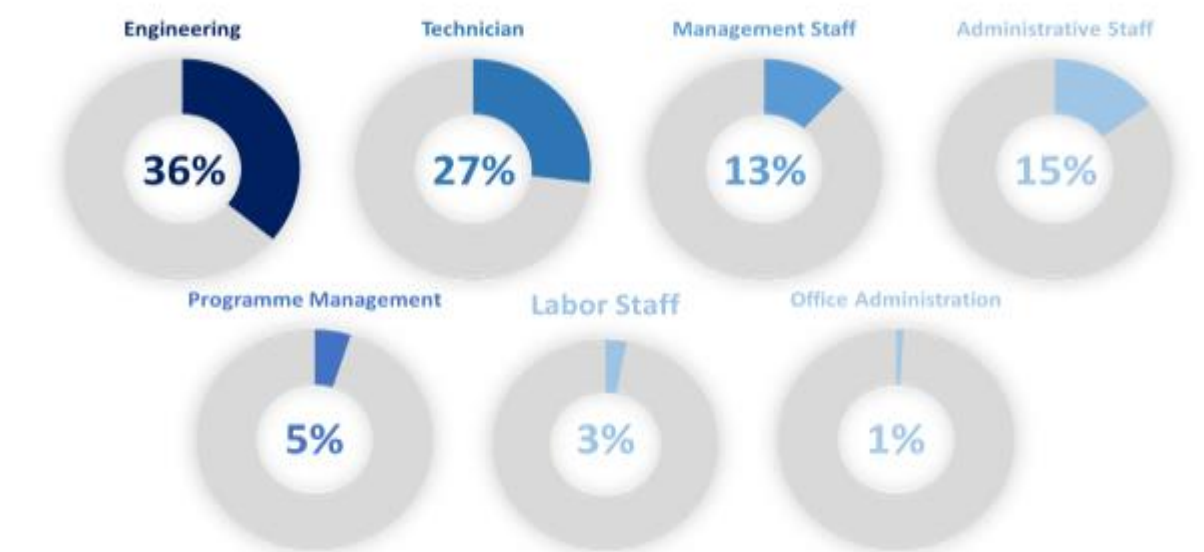
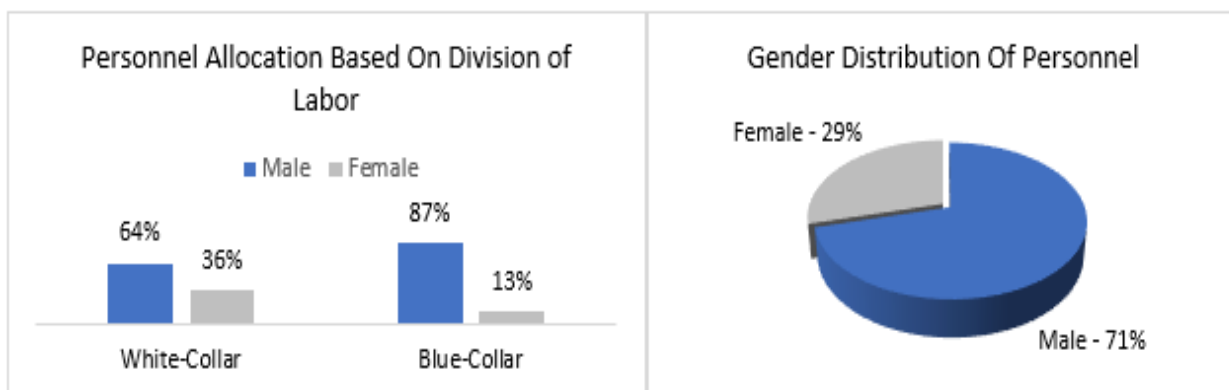
The Corporate Governance Committee is responsible for assessing the application of corporate governance principles within the company. In cases where these principles are not fully adhered to, the committee identifies the reasons behind such deviations and any conflicts of interest that may arise as a result. It provides recommendations to the board of directors aimed at enhancing corporate governance practices. Additionally, the committee oversees the activities of the investor relations department. A Corporate Governance Committee has been established to fulfill these duties.

CORPORATE GOVERNANCE COMMITTEE			
Full Name	Position	Share in Capital	
		TL	%
Mehmet Veysel YAYAN	President	-	-
Mustafa Fatih ÜNAL	Member	1.347.500	2.32
(*) Kadir Engin Solmaz	Member	-	-

* He assumed office on December 27, 2024.

10. Human Resources

The average personnel number is 267. The distribution of personnel at SDT Company is comprised of 71% white-collar employees and 29% blue-collar employees. In terms of gender distribution, 71% of the workforce is male, while 29% is female. Among the SDT employees, the distribution based on job roles is as follows: 36% engineers, 27% technicians, 13% managers, 15% administrative staff, 5% program management, 3% laborers, and 1% office managers.



11. Sustainability Initiatives

Although our company is not obligated to report in accordance with the Turkish Sustainability Reporting Standards (TSRS), published in the Official Gazette on December 29, 2023, we have voluntarily adopted these standards for our reporting starting in 2024. In preparation for the 2024 sustainability report, which aligns with both the Global Reporting Initiative (GRI) and the Turkish Sustainability Reporting Standards (TSRS), the company continued to engage professional consultancy services and appointed dedicated personnel to strengthen internal capacity in this area. As part of this process, we organized in-house training programs aimed at cultivating sustainability awareness across the organization, with a specific focus on enhancing employee understanding of environmental, social, and governance (ESG) issues. Looking ahead to 2025, we remain committed to advancing the short-, medium-, and long-term sustainability goals we established in 2023. At SDT, we adopt an integrated approach to sustainability that incorporates environmental, social, and governance (ESG) considerations, upholding ethical, transparent, and responsible practices across all business operations.

12. Corporate Policies

a. Information Policy

In accordance with the company disclosure policy, the company adheres to the principle of providing necessary information, excluding insider information, to all shareholders and stakeholders. This is done within the framework of principles such as equality, accuracy, impartiality, consistency, comprehensibility, accessibility at the lowest possible cost, and timely manner. Methods and tools used for disclosure in relations with stakeholders include Material Event Disclosures, Public Disclosure of Financial Reports, Annual Reports of the Board of Directors, and the Company Website.

b. Methods for Ensuring Information Confidentiality

The Company establishes a List of Individuals with Access to Inside Information and notifies the relevant authority of this list and any changes to it. Additionally, it periodically informs those concerned about the application of Silent Periods and Prohibited Periods.

c. Dividend Distribution Policy

The purpose of SDT A.Ş.'s Dividend Distribution Policy is to define the principles for profit distribution in accordance with the Turkish Commercial Code, the CMB's "Communiqué on Dividends" (Serial II No: 19.1, published in the Official Gazette on 23.01.2014, No. 28891), and other applicable legal regulations. In distributing dividends, the Company adheres to a balanced and consistent approach that considers both shareholder interests and the Company's objectives in accordance with Corporate Governance Principles.

The Board of Directors presents its proposal on dividend distribution, including its form and content, along with a dividend distribution table, which is publicly disclosed in accordance with the Capital Markets Board's regulations on the disclosure of material events.

d. Remuneration Policy

The objective of the Remuneration Policy is to establish principles for determining the compensation of the Company's Board Members and senior executives in accordance with the CMB's "Corporate Governance Communiqué," Serial: IV No: 17.1, which came into effect upon publication in the Official Gazette dated 01.03.2014, and numbered 28871. The remuneration principles for Board Members and senior executives, given the absence of a separate Remuneration Committee, are documented by the Corporate Governance Committee. These principles consider the Company's long-term objectives and are then presented to the Board of Directors for approval. The approved remuneration principles are separately disclosed to shareholders during General Assembly meetings, providing them with an opportunity to express their views on the matter.

e. Information Security Policy

Given the critical nature of the defense sector in which SDT primarily operates, ensuring information security is paramount. With a keen awareness of this sensitivity, the company is dedicated to guaranteeing the confidentiality, integrity, and accessibility of information assets belonging to itself and its internal and external stakeholders in all organizational activities. This commitment is upheld through the implementation and maintenance of an Information Security Management System (ISMS) established within the framework of the TS ISO/IEC 27001 standard.

To achieve this, the company:

- Abides by its legal, regulatory, and contractual obligations concerning information security.
- Implements and sustains a risk management methodology to identify, evaluate, and control risks associated with information assets.
- Develops suitable business continuity plans and systems to ensure the continuity of business activities with minimal interruption. These plans are implemented, tested, and continuously enhanced.
- Conducts regular training and awareness-raising activities to enhance information security awareness among stakeholders.
- Constantly enhances the ISMS through regular audits and reviews based on objective measurements. Control targets are established to enhance information security performance.
- Ensures that appropriate measures are taken and necessary sanctions are imposed to manage and prevent the recurrence of information security violations.

f. Quality Policy and Quality Management System

SDT, as an institution committed to fulfilling the requirements of the Quality Management System, aims to:

- Meet customer needs in the most appropriate and competitive manner through its processes and applications.
- Ensure sustainable growth in both foreign and domestic markets by fostering effective and efficient teams with its employees and establishing strong collaborative relationships with other companies through its products/solutions.
- Achieve, enhance, and maintain balanced satisfaction among all stakeholders (customers, employees, shareholders, suppliers, subcontractors, business partners) and instill confidence in society through the development and production of products and services.
- Ensure that all functions within the company operate in an integrated manner with a process-oriented approach based on measurement and improvement, managing them with data.
- Increase and manage the competencies of all employees within the framework of the quality system in accordance with needs, focusing on continuous improvement and development. This is achieved by recognizing employees as integral parts of a larger whole and prioritizing internal information sharing.

g. Technology Infrastructure & Corporate Information Governance

In 2022, significant upgrades were made to the information system server and storage infrastructure as part of a comprehensive modernization initiative. By January 1, 2021, the implementation of the second phase functionalities of the Enterprise Resource Planning (ERP) application had been successfully concluded, aligning with the strategic plan's objectives to fortify the corporate infrastructure. In pursuit of bolstering corporate memory, streamlining processes through digitization, and transitioning towards a paperless office environment, the deployment and expansion of the content management system were completed. Furthermore, infrastructure investments pertaining to internet network IT services were finalized and implemented. SDT has obtained certifications for its Quality Management System in compliance with AS 9100 Rev D, TS EN ISO 9001:2015, TS EN ISO/IEC 27001:2017, AQAP 2310, and AQAP 2210 standards. Additionally, SDT's Quality Management System adheres to the requirements outlined in IEEE/EIA 12207, IEEE 1220, and MIL-STD-498 for engineering processes, and MIL-STD-973 and ANSI/EIA-649 for Configuration Management processes.

Moreover, in 2023, CMMI Ver2.0 certification efforts were successfully concluded. Following our assessments, it has been established that the company has attained Level-3 maturity in both Development (Development-DEV) and Supplier Management (Supplier Management-SPM). This achievement positions us as the third company globally and the second company in Türkiye to reach this level of maturity in these specific areas.

Furthermore, in the evaluation conducted by the Presidency of Defense Industry in 2023 as part of the Industrial Competence Evaluation and Support Program (EYDEP), the company was recognized for maintaining its competence as a category A company in the Defense Industry Capability Inventory (YETEN). The completion of Level 3 evaluation processes in both CMMI DEV and CMMI SPM further underscores the company commitment to excellence and continuous improvement.

13. Financial Status

Financial Statements and Results as of March 31,2025

	Current Period Unaudited 31.03.2025	Prior Period Audited 31.12.2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalent	642.485.137	710.512.353
Trade Receivables	255.224.796	393.890.835
- Trade receivables from related parties	-	2.189.779
- Trade receivables from other parties	255.224.796	391.701.056
Other Receivables	13.873.249	8.916.179
- Other receivables from related parties	-	-
- Other receivables from other parties	13.873.249	8.916.179
Inventories	1.554.359.139	1.345.054.396
Prepaid Expenses	82.284.079	134.127.476
Current Period Tax Related Assets	5.408.432	5.988.012
Other Current Assets	30.222.958	17.273.151
TOTAL CURRENT ASSETS	2.583.857.790	2.615.762.402
NON-CURRENT ASSETS		
Other Receivables	545.583	578.118
- Other receivables from related parties	-	-
- Other receivables from other parties	545.583	578.118
Financial Investments	9.498.845	10.113.295
Investments Valued by Equity Pick-up Method	13.949.546	8.491.313
Right of Use Assets	25.240.967	30.002.864
Tangible Fixed Assets	191.748.136	180.417.517
Intangible Fixed Assets	97.726.320	88.971.001
Prepaid Expenses	114.749.379	111.735.454
Deferred Tax Assets	128.314.754	122.439.580
TOTAL NON-CURRENT ASSETS	581.773.530	552.749.142
TOTAL ASSETS	3.165.631.320	3.168.511.544

	Current Period	Prior Period
	Unaudited	Audited
SOURCES	01.01. 31.03.2025	01.01- 31.12.2024
CURRENT LIABILITIES		
Financial Borrowings	159.077.532	154.620.668
Current Installment of Long Term Financial Borrowings	200.141.368	203.141.152
Trade Payables	108.964.471	100.655.779
- Trade payables to related parties	24.835.582	575.350
- Trade payables to other parties	84.128.889	100.080.429
Employee Benefit Liabilities	72.139.914	40.903.691
Other Payables	12.660.082	18.175.147
- Other payables to related parties	-	-
- Other payables to other parties	12.660.082	18.175.147
Deferred Income	511.008.108	468.009.516
Short Term Provisions	35.320.136	42.279.021
- Provisions for employee benefits	31.511.273	38.492.874
- Other short term provisions	3.808.863	3.786.147
Derivative Instruments	9.945.189	6.748.313
TOTAL CURRENT LIABILITIES	1.109.256.800	1.034.533.287
NON-CURRENT LIABILITIES		
Financial Borrowings	18.736.122	12.420.727
Deferred Income	42.988.347	67.332.697
Long Term Provisions	25.736.419	24.444.469
- Provision for employee benefits	23.649.228	22.283.077
- Other Long-Term Provisions	2.087.191	2.161.392
TOTAL NON-CURRENT LIABILITIES	87.460.888	104.197.893
TOTAL LIABILITIES	1.196.717.688	1.138.731.180
SHAREHOLDERS' EQUITY		
Parent Company's Equity	1.968.913.632	2.029.780.364
Paid In Capital	58.000.000	58.000.000
Adjustment to Share Capital	192.501.705	192.501.705
Premiums/Discounts Related to Shares	567.543.152	567.543.152
Other Comprehensive Income or Loss		
Not to Be Reclassified Under Profit or Loss	(387.975)	981.028
Remeasurement Gains (Loss)	(387.975)	981.028
- Actuarial gains/losses on defined benefit plans	(387.975)	981.028
Restricted Reserves	31.158.461	31.158.461
Retained Earnings or Losses	1.179.596.018	1.168.677.568
Net Profit or Loss for the Period	(59.497.729)	10.918.450
Minority Interests	-	-
TOTAL SHAREHOLDERS' EQUITY	1.968.913.632	2.029.780.364
TOTAL LIABILITIES AND EQUITY	3.165.631.320	3.168.511.544

	Current Period Unaudited 01.01.- 31.03.2025	Prior Period Unaudited 01.01.- 31.03.2024
PROFIT OR LOSS		
Revenue	170.654.275	342.198.397
Cost of Sales	(103.689.273)	(259.871.564)
GROSS PROFIT / (LOSS)	66.965.002	82.326.833
General Administrative Expenses	(55.069.399)	(54.236.731)
Marketing Expenses	(16.322.372)	(14.191.460)
Research and Development Expenses	(4.245.818)	(4.706.074)
Other Operating Income	56.250.805	93.175.972
Other Operating Expenses	(55.486.675)	(43.348.919)
OPERATING PROFIT / (LOSS)	(7.908.457)	59.019.621
Income from Investing Activities	13.173.756	53.535.335
Expenses from Investing Activities	-	(1.004.049)
Share of Profit/Loss of Investments Accounted Through Equity Method	5.460.752	2.018.284
BEFORE FINANCIAL INCOME / (EXPENSE)	10.726.051	113.569.191
OPERATING PROFIT / (LOSS)		
Financing Revenues	103.925.810	52.475.173
Finance Expenses (-)	(80.511.097)	(69.418.888)
Monetary Gain / (Loss), net	(99.104.744)	(247.640.467)
CONTINUING OPERATIONS BEFORE TAX PROFIT / (LOSS)	(64.963.980)	(151.014.991)
Tax Income / (Expense) from Continuing Operations	5.466.251	14.040.225
Current Period Tax (Expense) / Income	-	(2.726.886)
Deferred Tax (Expense) / Income	5.466.251	16.767.111
PROFIT / (LOSS) FOR THE CURRENT PERIOD	(59.497.729)	(136.974.766)
Distribution of Profit / (Loss) for the Period		
Non-controlling Interests	-	-
Parent Company Shares	(59.497.729)	(136.974.766)
Per Share Earnings	(1,03)	(2,36)

14. Key Milestones in Company Activities and Operations

a. Company Investments in the Current Accounting Period

In line with its growing business volume, SDT acquired 30,376 m² of land through allocation in the Ankara Space and Aviation Specialized Organized Industrial Zone in 2020. The new campus, which will be built on this land with a closed area of approximately 16,000 m², will bring all of SDT's existing campuses under one roof, including offices where business partnership activities are conducted. Construction work is ongoing in this regard.

As part of the construction investment, the project is being carried out in accordance with the revised amendment license. The rough construction phase, including column concretes, garden walls, and other foundational elements, has been completed.

On the prefabricated structure, the selection of exterior façades and roof panels has been finalized, and the enclosure process has been completed. Production for the composite façade design is underway. Orders for heating, cooling systems, and elevators have been placed, and supplier/subcontractor selection for the interior structure and finishing works has been completed. The contract is in the process of being signed, and fine works manufacturing is expected to begin shortly.





b. No significant administrative sanctions or penalties have been imposed on the Company or its Board Members.

c. No significant changes in legislation impacting company operations

d. Internal Control System and Audit activities

The Company currently does not have an internal control system in place. However, it undergoes independent audits and receives comprehensive certification services to ensure compliance with tax laws.

e. Resolving Conflicts of Interest between the Company and Service-Providing Institutions in Investment Consultancy and Rating

There is no conflict of interest between the Company and institutions that offer services such as investment consulting and ratings.

f. Mutual Associates with Ownership Exceeding 5%

Subsidiary Structure	Shareholding	Parent Company's Equity Share in the Subsidiary		Uncontrollable Equity Capital
		(Direct)	(Direct+ Indirect)	Share
SDT Azerbaijan/Azerbaijan		%100.00	%100.00	-
Cey Savunma		%100.00	%100.00	-
Sirius Tasarım		%40.00	%40.00	%60.00

g. Company's acquisition of own shares

No shares were acquired by the Company.

h. Explanation regarding special and public audits conducted during the Accounting Period

RAM BAĞIMSIZ DENETİM VE DANIŞMANLIK RAM BAĞIMSIZ DENETİM VE DANIŞMANLIK A.Ş. has been appointed to audit the Company's financial statements for the years 2022, 2023, 2024 and 2025.

i. Lawsuits impacting company's financial position and operations

There are no lawsuits filed against the Company.

j. Information regarding Company's direct or indirect subsidiaries and share ratios

	Parent Company's Equity Share in the Subsidiary		Uncontrollable Equity Capital
Subsidiary Shareholding Structure	(Direct)	(Direct+ Indirect)	(Share)
SDT Azerbaijan/Azerbaijan	%100.00	%100.00	-
Cey Savunma	%100.00	%100.00	-

	Parent Company's Equity Share in the Subsidiary		Uncontrollable Equity Capital
Partnership Shareholding Structure	(Direct)	(Direct+ Indirect)	(Share)
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	%40	%40	60

k. Legal Transactions and Measures with Controlling Company and Affiliates: If the Company is a subsidiary of a group of companies, this section includes details on legal transactions with the controlling company, any affiliated companies, directives from the controlling company benefiting itself or affiliated entities, as well as any other actions taken or avoided for the benefit of the controlling company or its affiliates during the previous activity year.

No such transactions occurred.

l. Evaluation of previous period targets and General Assembly resolutions

The company successfully achieved its targets for the period spanning from January 1 to March 31, 2025. All resolutions set forth by the General Assembly were duly fulfilled during this period.

m.Details regarding company donations and aid within the period, and expenditures on social responsibility projects

As of March 31, 2025, no donations or grants were issued during the interim accounting period.

n. Summary of Ordinary and Extraordinary General Assembly Meetings Held During the Period

The Company convened its Ordinary General Assembly Meeting for the year 2023 on May 30, 2024.

o. Corporate Social Responsibility (CSR) Activities

From January 1, 2025, to March 31, 2025, no social responsibility activities were conducted.

p. Dividend Distribution Policy

The Company's shareholders, Mehmet DORA and Mustafa Fatih ÜNAL, have unanimously agreed and committed to voting for the distribution of a minimum of 35% of the distributable profit in cash dividends for a duration of 5 years following the commencement of the Company's shares trading on the Stock Exchange.

q. Company Activities and Major Developments

The Live Virtual Simulated Training Integrated System Serial Production Project was signed with the Presidency of Defense Industries (SSB) to address the operational training needs of the Turkish Air Force. Within the scope of the project, the production and delivery of Air Combat Maneuvering Instrument (ACMI) pods, as well as the associated ground stations and their software deployed in command centers, will enable pilots to conduct combat readiness training in a live, simulated environment. The design phase of the project has been completed, and the delivery and acceptance processes are scheduled for 2025.

In the last quarter of 2023, SDT initiated design and development activities for a new work package added to the ongoing Cloud-Based Satellite Ground Systems Project, which is being executed in collaboration with the Italian firm Telespazio. The factory acceptance of the project was finalized in November 2024, and final acceptance procedures were completed in January 2025. A subsequent agreement was signed with Telespazio for the provision of maintenance and support services over an 18-month period.

SDT also finalized the first two phases of the Seismic Data Processing, Analysis, and Imaging Application Development Project, launched in 2021 to meet the requirements of the Turkish Petroleum Corporation (TPAO), by March 2024. Phase 3 was completed in March 2025, while work on Phase 4 is currently ongoing. The project is expected to be concluded in the final quarter of 2025.

The preliminary design phase of the Göktürk Renewal Satellite Ground Station Development Project, signed between TAI and SDT, was successfully completed in the final quarter of 2023. Subsequently, the critical design phase of the project commenced. As part of this initiative, plans are in place to transition to a Multi-Satellite Management concept, which will involve integrating the IMECE2/3 satellites into the ground station. This integration will be realized through a contract amendment between TAI and SDT.

In the Göktürk-1 Mobile Satellite Ground Station Virtualization Project, an agreement was established with the Italian prime contractor Telespazio (TPZ), and the project officially began in April 2024. The project is progressing as scheduled, with acceptance anticipated in the second quarter of 2025.

Within the scope of the Portable COMINT (Communication Intelligence) System project, an in-house R&D initiative, the development of a general-purpose mobile communication intelligence system continues. This system is designed to detect broadband communication signals and perform accurate direction finding.

It will incorporate materials not subject to ITAR regulations. The system aims to function as a multi-purpose Electronic Warfare (EW) capability, offering features such as RF monitoring, broadcast direction and location tracking, and communication intelligence.

In 2024, SDT received an order from the South Korean company LigNex1 for the supply of a data link system. The deliveries related to this order, which involves the serial production of data link systems, will be completed in 2025 and 2026. Prototype deliveries for this system have already been finalized.

In January 2025, SDT entered into a contract with Turkish Aerospace Industries (TAI) for the provision of Passive and Active Flight Control Subsystems for integration into air platforms. Deliveries under this contract are scheduled to take place over the period from 2025 to 2027. Analysis and design activities are currently underway as part of the project.

Development activities for the air conditioning control unit of the Gökbeý helicopter, contracted with a domestic customer in 2023, are ongoing. Within the scope of this project, the critical design phase is expected to be completed in the first quarter of 2025. Production and testing processes are progressing, with the project planned for completion by the end of 2025.

In relation to the Life Support System Development project for a domestic air platform, which was initiated in March 2022, SDT signed the contract for the second phase in March 2025. Product and service deliveries under this phase are expected to take place in 2025 and 2026.

SDT has secured new orders for various VKS (Data Recording System) devices, developed for integration into a range of avionic platforms. These orders, in addition to the additional contracts received in 2023, will continue to be delivered to customers throughout 2025.

In addition, SDT has received supplementary orders for the aircraft control unit being developed for a domestic client, with deliveries scheduled for 2025. Similarly, SDT has obtained further orders for a remote control unit, previously developed for land vehicles, with deliveries set for 2025 and 2026. The production, testing, and delivery processes for both the Air and Land Vehicle Remote Control Units are currently underway.

Moreover, SDT has finalized new contracts for the production of Precision Guidance Electronics, the Explorer GPS device, which is utilized in various guidance systems, multiple circuit boards for guidance electronics, as well as the control and mission computers for various weapon systems—all of which are designed and mass-produced by SDT. Deliveries for these contracts commenced in 2024 and are expected to continue through 2025, with completion anticipated in 2026.

During the period from January 1 to March 31, 2025, SDT received new orders totaling USD 10,976,843.

r. Remuneration Provided to the Members of the Board of Directors and Senior Management for the Period January 1, 2025, to March 31, 2025

The Company's board of directors comprises 5 members, and there is no remuneration provided to these members as of the last annual accounting period. However, attendance fees are disbursed to the board members. During the period from January 1, 2025, to March 31, 2025, the total remuneration and benefits disbursed to the board of directors and senior executives amounted to TL 6.371.000 (compared to TL 7.454.324, during the same period in 2024).

s. Research and Development Activities

The Company persists in its research and development endeavors aimed at designing indigenous products in the fields of radar and electronics/warfare, utilizing SDT's internal resources. These R&D activities align with the "R&D Road Map" framework, wherein the Company endeavors to allocate 20% of the income derived from public offerings.

t. Transactions with Related Parties

To mitigate potential conflicts of interest arising from transactions between the Company, its subsidiaries, and related parties such as controlling shareholders, board members, senior executives, as well as their spouses and relatives up to the second degree, prior approval from the general assembly is mandatory. Full disclosure of such transactions is also required during general assembly meetings.

Receivables and payables from related parties:

a) The details of receivables from related parties classified under other short-term receivables are as follows:

	31.03.2025	31.12.2024
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	-	2.032.927
Dormak İth. İhr. Müm. ve Dan. Tic. A.Ş.	-	156.852
Dorsan Uzay ve Hav.Sav. San.Taah.ve Tic. Ltd.Şti.	-	-
	-	2.189.779

b) The details of advances given to related parties classified under the prepaid expenses account item are as follows:

	31.03.2025	31.12.2024
Dormak İth. İhr. Müm. ve Dan. Tic. A.Ş.	-	26.386.134
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	865.936	-
	865.936	26.386.134

c) The details of payables to related parties classified under the short-term trade payables account item are as follows:

	31.03.2025	31.12.2024
Dormak İth. İhr. Müm. ve Dan. Tic. A.Ş.	11.559.404	-
Tamgör Elektronik Sanayi ve Ticaret Limited Şirketi	13.234.054	551.941
Gate-Tamgör Elektronik Sanayi Ticaret Limited Şirketi	42.124	23.409
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	-	-
	24.835.582	575.350

Sales, purchases and transactions to related parties:

a) The details of sales to related parties classified in the revenue are as follows:

	01.01- 31.03.2025	01.01- 31.03.2024
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	26.874	1.471.605
Tamgör Elektronik Sanayi ve Ticaret Limited Şirketi	-	677.500
Dorsan Uzay ve Hav.Sav. San.Taah.ve Tic. Ltd.Şti.	-	9.029.848
	26.874	11.178.953

b) The details of purchases from related parties classified within the cost of sales account are as follows:

	01.01- 31.03.2025	01.01- 31.03.2024
Tamgör Elektronik Sanayi ve Ticaret Limited Şirketi	35.012.461	1.246.498
Dormak İth. İhr. Müm. ve Dan. Tic. A.Ş.	42.433.548	-
Gate-Tamgör Elektronik Sanayi Ticaret Limited Şirketi	95.782	303.726
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	17.455.627	-
	94.997.418	1.550.224

c) The details of other income obtained from related parties classified under the other income from main activities account item are as follows:

	01.01- 31.03.2025	01.01- 31.03.2024
Dormak İth. İhr. Müm. ve Dan. Tic. A.Ş.	29.485	-
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	9.828	-
	39.313	-

d) The details of other expenses from related parties classified in expenses from investing activities are as follows:

	01.01- 31.03.2025	01.01- 31.03.2024
Sirius Tasarım Laboratuvarı Mühendislik A.Ş.	-	504.560
	-	504.560

u. Information regarding transactions of governing body members with the company on their own or others' behalf within general assembly permission, if any, and activities prohibited by competition

None.

v.Evaluation and analysis by the management body on financial position, operational results, achievement of planned activities, and alignment with strategic targets

None.

15. Risk Management and Board of Directors Evaluation

Details of the Company's Risk Management Policy to Address Anticipated Risks:

To manage foreign currency risk, the Company avoids taking on debt denominated in foreign currencies, particularly on the liability side, during the current period. Additionally, it employs derivative financial instruments to mitigate fluctuations in exchange rates. To address liquidity risk, the Company ensures a balance between purchase and payment terms, maintaining sufficient cash flow. When necessary, the Company also secures funding through loans to further minimize liquidity risks.

16. Miscellaneous

Significant Events Occurring After the Date of the Statement of Financial Position:

1. The Investment Incentive Certificate obtained by the Parent Company on 04.07.2022 within the scope of HAB Facility investments has been revised and the fixed investment incentive amount has been increased from TRY 96.459.044 to TRY 249.757.677.
2. On April 28, 2025, the Ordinary General Assembly convened in Ankara to review and discuss the company's activities for the fiscal year 2024. All relevant documentation pertaining to the General Assembly was duly uploaded to the Public Disclosure Platform and made available on the company's official website (sdt.com.tr). During this General Assembly, a resolution was approved for the distribution of dividends, amounting to a gross total of TL 9,920,203 for the 2024 fiscal year. Additionally, the agenda item regarding the method of dividend distribution was unanimously approved. It was resolved that the dividend will be disbursed in two equal installments, and that the Board of Directors would be empowered to finalize the distribution dates in accordance with the company's cash flow situation. The exact dates for the cash dividend distribution will be determined by the Board of Directors, who will ensure the distribution dates are communicated at least fifteen days in advance via a material event disclosure published on the Public Disclosure Platform.

Mehmet DORA
Chairman of the Board of Directors

Mehmet Veysel YAYAN
Independent Board Member

Üniversiteler Mahallesi İhsan
Doğramacı Bulvarı No:37/1
Çankaya -ANKARA



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