

**SMART HOLDINGS, INC.**  
**BALANCE SHEET**  
**SEP 30, 2013 and SEP 30, 2012**

<b>ASSETS</b>	<b>Consolidated Unaudited Sep 30, 2013</b>	<b>Consolidated Unaudited Sep 30, 2012</b>
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 5,452	\$ 1
Accounts Receivable	\$ 275,255	-
Loans to Stockholder	-	\$ 37,772
Inventories	\$ 126,893	-
Other Current Assets	\$ 203,900	-
<b>Total Current Assets</b>	<b>\$ 611,499</b>	<b>\$ 37,773</b>
<b>Non-Current Assets:</b>		
Long-Term Investments (see Note C)	\$ 5,128,150	-
Fixed Assets, Net (see Note D)	\$ 2,908,513	\$ 11,227
Intangible Assets (see Note E)	\$ 43,383,986	-
Other Non- Current Assets	\$ 352	\$ 201,167
<b>Total Non-Current Assets</b>	<b>\$ 51,421,000</b>	<b>\$ 212,394</b>
<b>Total Assets</b>	<b>\$ 52,032,500</b>	<b>\$ 250,167</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities :</b>		
Accounts Payable	\$ 112,911	-
Loan Payable	\$ 38,111	-
<b>Total Current Liabilities</b>	<b>\$ 151,022</b>	-
<b>Non-Current Liabilities:</b>		
Loans From Stockholders	\$ 2,031,821	-
<b>Total Non-Current Liabilities</b>	<b>\$ 2,031,821</b>	-
<b>Total Liabilities</b>	<b>\$ 2,182,843</b>	-
<b>Stockholders' Equity (Deficit):</b>		
Common Stock	\$ 50,015,560	\$ 845,950
Accumulated Deficit	\$ (165,903)	\$ (595,783)
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 52,032,500</b>	<b>\$ 250,167</b>

**SMART HOLDINGS, INC.**  
**STATEMENT OF OPERATIONS**  
**FOR THE THREE MONTHS AND NINE MONTHS ENDED**  
**SEP 30, 2013 and SEP 30, 2012**

	<b>THREE Months Ended</b>		<b>NINE Months Ended</b>	
	<b>Consolidated Unaudited Sep 30 2013</b>	<b>Consolidated Unaudited Sep 30 2012</b>	<b>Consolidated Unaudited Sep 30 2013</b>	<b>Consolidated Unaudited Sep 30 2012</b>
Revenue	\$ 2,431	\$ 13,064	\$ 76,030	\$ 66,171
Cost of Revenue	-	-	-	-
Gross Profit	\$ 2,431	\$ 13,064	\$ 76,030	\$ 66,171
Operating Expenses	\$ 37,685	\$ 55,640	\$ 87,291	\$ 143,408
Operating Income (loss)	\$ (35,253)	\$ (42,577)	\$ (11,260)	\$ (77,237)
Other income (expense)	-	-	-	-
Net Income (loss) from Operations	\$ (35,253)	\$ (42,577)	\$ (11,260)	\$ (77,237)
Interest Income	-	-	-	\$ 16
Income Tax	-	-	-	-
Net Income (Loss)	\$ (35,253)	\$ (42,577)	\$ (11,260)	\$ (77,221)
Basic and diluted loss per share	-	-	-	-
Weighted average number of common shares outstanding	995,098,061	1,808,695,760	995,098,061	1,808,695,760

**SMART HOLDINGS, INC.**  
**STATEMENT OF CASH FLOW**  
**FOR THE THREE MONTHS ENDED**  
**SEP 30, 2013 and SEP 30, 2012**

	<b>THREE Months Ended</b>	
	<b>Consolidated Unaudited Sep 30, 2013</b>	<b>Consolidated Unaudited Sep 30, 2012</b>
<b>Cash Flow From Operating Activities</b>		
Net Profit/(Loss)	\$ (35,253)	\$ (42,577)
<b>Adjustments to reconcile net loss to net flows from operating activities:</b>		
Depreciation and Amortization	-	-
<b>Changes in operating assets and liabilities:</b>		
Account Receivables	\$ 44,878	-
Inventories	-	-
Loans to Stockholders	-	\$ 16,016
Loans from Stockholders	\$ 233,216	\$ (708,338)
Accounts Payable	\$ 14,435	-
Loan Payable	\$ 33,155	-
Other Financial Liabilities	-	-
Payroll Taxes Payable	-	-
Accrued Liabilities	-	-
Other Assets	\$ 10,435	\$ (268)
Total Adjustments	\$ 336,119	\$ (692,590)
<b>Net Cash Flow From Operating Activities</b>	<b>\$ 300,866</b>	<b>\$ (735,167)</b>
<b>Cash Flows From Investing Activities</b>		
Purchases of property and equipment	-	-
Proceeds from sales of property and equipment	-	\$ 6,019
Long-Term Investments	\$ (309,015)	-
<b>Net Cash Flow From Investing Activities</b>	<b>\$ (309,015)</b>	<b>\$ 6,019</b>
<b>Cash Flows From Financing Activities</b>		
Sale/Purchase of Stock	-	\$ 708,338
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>\$ 708,338</b>
Net Change in Cash	\$ (8,149)	\$ (20,810)
Cash, Beginning of the Period	\$ 13,601	\$ 20,811
<b>Cash, End of the Period</b>	<b>\$ 5,452</b>	<b>\$ 1</b>

**SMART HOLDINGS, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FROM INCEPTION THROUGH SEPTEMBER 30, 2013**

	<b>Consolidated, Unaudited</b>			
	<b>Common Stock Shares</b>	<b>Amount</b>	<b>Paid-In Capital</b>	<b>Accumulated Deficit</b>
Balance, December 31, 2006	9,000,000	\$ 9,000	\$ 23,500	\$ (17,500)
Net Loss for the Year Ended December 31, 2007				\$ (18,502)
Balance, December 31, 2007	9,000,000	\$ 9,000	\$ 23,500	\$ (36,002)
Common Stock Issued for Cash	2,500	\$ 3	\$ 2,497	-
Common Stock Cancelled	(400,000)	\$ (400)	\$ (400)	-
Net Loss for the Year Ended December 31, 2008				\$ (942)
Balance, December 31, 2008	8,602,600	\$ 8,603	\$ 25,597	\$ (36,944)
Net Loss for the Year Ended December 31, 2009				\$ (764)
Balance, December 31, 2009	8,602,600	\$ 8,603	\$ 25,597	\$ (37,708)
Net Loss Three Months Ended March 31, 2010				\$ (19,075)
Balance, March 31, 2010	8,602,600	\$ 8,603	\$ 25,597	\$ (56,783)
Net Loss Three Months Ended June 30, 2010				\$ (47,742)
Balance, June 30, 2010*	137,640,000	\$ 13,764	\$ 25,597	\$ (104,525)
*Following 16/1 stock split effective April 30th, 2010				
Net Loss Three Months Ended September 30, 2010				\$ (13,006)
Balance, September 30, 2010	137,640,000	\$ 13,764	\$ 25,597	\$ (117,531)
Net Loss Three Months Ended December 31, 2010				\$ (122,864)
Balance, December 31, 2010	162,798,426	\$ 16,279	\$ 256,236	\$ (240,395)
Net Loss Three Months Ended March 31, 2011				\$ (157,849)
Balance, March 31, 2011	227,325,132	\$ 22,733	\$ 527,127	\$ (398,244)
Net Loss Three Months Ended June 30, 2011				\$ (53,915)
Balance, June 30, 2011	323,325,132	\$ 32,332	\$ 527,127	\$ (452,160)
Net Loss Three Months Ended Sept 30, 2011				\$ (115,107)
Balance, Sept 30, 2011	436,786,670	\$ 43,679	\$ 670,739	\$ (567,267)
Prior Adjustment				\$ (39,556)
Net Loss Three Months Ended Dec 31, 2011				\$ (89,064)
Balance, Dec 31, 2011	704,786,670	\$ 70,479	\$ 688,939	\$ (695,887)
Prior Adjustment				\$ 177,325
Net Loss for the Year Ended December 31, 2012				\$ (77,221)
Balance, December 31, 2012*	20,098,061	\$ 2,009	\$ 685,097	\$ (595,783)
*Following reverse split its shares 1-for 90, effective as of October 12, 2012				
Net Profit Three Months Ended March 31, 2013				\$ 1,491
Balance, March 31, 2013	20,098,061	\$ 2,009	\$ 685,097	\$ (594,292)
Prior Adjustment				\$ 439,649
Net Profit Six Months Ended June 30, 2013				\$ 23,993
Balance, June 30, 2013**	995,098,061	\$ 99,510	\$ 50,015,560	\$ (130,650)
**The company issued 975,000,000 common shares on April 8, 2013, to acquire Anatolian Walnut Production Co., a Turkish Company (see Note C).				
Net Loss Three Months Ended September 30, 2013				\$ (35,253)
Balance, September 30, 2013	995,098,061	\$ 99,510	\$ 50,015,560	\$ (165,903)

**SMART HOLDINGS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**THREE & NINE MONTHS ENDED SEPTEMBER 30, 2013**  
**Unaudited; Consolidated**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**NATURE OF BUSINESS:** The Company is incorporated in the State of Nevada. Until April 8, 2013, its headquarters were located in Marietta, Georgia and Miami, Florida and the Company was selling Extended Auto Warranties, Home Alarms and a Prescription Discount Plan (see Note B below).

**BASIS OF ACCOUNTING:** These financial statements have been prepared under the accrual method of accounting according to the US GAAP.

**INCOME TAXES:** There has been no provision for income tax expenses as the Company is currently operating at a loss and has no income tax liability.

**PROPERTY AND EQUIPMENT:** Property and equipment are stated at cost.

**REVERSE SPLIT:** The Company reverse split its shares 1-for 90, effective as of October 12, 2012.

**NOTE B – CHANGE OF CONTROL, ACQUISITION:**

On April 8, 2013, the Company issued 975,000,000 post-1-for-90 reverse split shares to acquire Anadolu Ceviz Üretim A.S., i.e. Anatolian Walnut Production Co. (“AWPC”), a Turkish company which is currently growing 40,000 walnut trees in Turkey. AWPC intends to begin harvesting the walnuts beginning in 2014. As part of the acquisition, existing management of the Company resigned and appointed AWPC’s designees as new management of the Company. AWPC’s operations are located in Turkey.

The financial statements as of and for the period ended September 30, 2013 are consolidated with AWPC, and do not include the Company’s Extended Auto Warranty business, which was sold on April 8, 2013.

**NOTE C – LONG-TERM INVESTMENTS**

Long-term investments consist of the followings; preparation and fencing of the land; installation of five wells; production and planting of 40,000 walnut trees; installation of drip irrigation system; maintenance of land and trees for up to the balance sheet date; mulch, fertilizers, the use of electricity; all employee costs for up to the balance sheet date.

**NOTE D- FIXED ASSETS**

Fixed Assets consist of the followings; land, two giant ripper dozers, two farm tractors, one loader, one van, two ATV, five well water engines/pipes & equipment, two water tanks with a total volume of 22,072 ft<sup>3</sup> water engine/pipes & equipment, transformers and power transmission line, 2,200 ft<sup>2</sup> residence & office building; 7,530 ft<sup>2</sup> warehouse.

**NOTE E – INTANGIBLE ASSETS:**

The both US GAAP (*ASC 805, Business Combinations, and ASC 350, Intangibles — Goodwill and Other*) and IFRS (*IFRS 3(R), Business Combinations, and IAS 38, Intangible Assets*) define intangible assets as non monetary assets without physical substance. The recognition criteria for both accounting models require that there will be probable future economic benefits and costs that can be reliably measured.

Under US GAAP, intangible assets are classified into: purchased vs. internally created intangibles, and limited-life vs. indefinite-life intangibles. Internally created intangibles of the company that are definable and have definite life, are recorded.

Walnut production is an agriculture investment, the income level of which consistently increases, depending on the years. AWPC which already completed its investment, owns these intangible assets that have commercial and marketing characteristics, which are used in the improvement and operation of the commercial activity.

According to the Turkish Commercial Code (“TCC”) in the scope of converting the business type regulation, AWPC’s business type was converted from Limited to Joint Stock on October 8th, 2012 by the Court Decision. The investment of walnut production belonging to the Limited company was accepted as an asset of AWPC and was added as capital in kind to Joint Stock Company by the Court while converting its business type from Limited to Joint Stock. This was published in the Turkish trade registry gazette on October 30, 2012, numbered 8182.