

Tümosan Motor ve Traktör Sanayi A.Ş.
and Its Subsidiaries

Summary of Consolidated Financial Informations
for the Six-Month Interim Period
Ended 30 June 2025

Tümosan Motor ve Traktör Sanayi A.Ş.
and Its Subsidiaries

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(Convenience translation into English of the review report originally issued in Turkish)

**REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

To the General Assembly of Tümosan Motor ve Traktör A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Tümosan Motor ve Traktör A.Ş. (“the Company”) and its subsidiaries (together “the Group”) as of 30 June 2025, and the related condensed consolidated statement of profit or loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-months period then ended. The Group management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with Turkish Accounting Standards 34 “Interim Financial Reporting” (“TAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial statements Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim condensed consolidated financial statements is substantially less in scope than an independent audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review of the interim condensed consolidated financial statements does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Other Matter

The full scope audit of the Group’s consolidated financial statements for the year ended 31 December 2024 and the limited review of the condensed consolidated interim financial information for the six-month period ended 30 June 2024 were performed by another independent auditor. That independent auditor expressed an unmodified opinion in their audit report dated 11 March 2025 and a conclusion of no material modifications in their review report dated 19 September 2024.

Tenet Bağımsız Denetim Anonim Şirketi

Nizam Kılıç

Partner

İstanbul, 18 August 2025

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries**Condensed Consolidated Interim Statement of Financial Position (Balance Sheet)****As at 30 June 2025***(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)*

	<i>Note</i>	Reviewed	Audited
ASSETS		30 June 2025	31 December 2024
Current Assets			
Cash and cash equivalents	4	187.234.945	188.343.765
Financial investments	5	1.087.871.265	1.176.590.082
Trade receivables			
-Trade receivables from related parties	3	1.532.885.352	1.351.911.326
-Trade receivables from non-related parties	7	720.425.077	1.789.369.689
Other receivables			
- Other receivables from non-related parties	8	48.551.011	13.735.843
Inventories	9	2.847.332.258	3.470.846.241
Prepaid expenses	10	254.944.876	218.740.442
Current tax assets		2.668.626	37.410.375
Other current assets	17	191.320.663	311.725.841
Total Current Assets		6.873.234.073	8.558.673.604
Non-Current Assets			
Other receivables			
-Other receivables from non-related parties	8	549.285	198.441
Property, plant and equipment	12	5.417.605.985	5.489.384.173
Intangible assets	13	381.696.612	278.983.438
Investment property	11	11.795.987.246	125.962.189
Right of use assets	14	67.276.078	75.666.719
Total Non-Current Assets		17.663.115.206	5.970.194.960
Total Assets		24.536.349.279	14.528.868.564

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

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries**Condensed Consolidated Interim Statement of Financial Position**As at 30 June 2025 (Balance Sheet) *(continued)**(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)*

	<i>Note</i>	Reviewed	Audited
LIABILITIES		30 June 2025	31 December 2024
Short Term Liabilities			
Short term borrowings	6	4.208.155.344	4.264.436.904
Short term portion of long-term borrowings	6	68.051.540	68.013.912
Trade payables			
- Trade payables to related parties	3	35.428.186	20.506.496
- Trade payables to non-related parties	7	1.046.596.337	989.263.147
Payables related to employee benefits	16	68.785.701	54.702.846
Other payables			
- Other payables to non-related parties	8	11.486.784	10.630.561
Deferred income	10	253.479.383	280.141.580
Short term provisions			
- Short term provisions for employee benefits	16	17.222.236	20.826.608
- Other short term provisions	15	69.622.209	92.181.430
Liabilities from leasing transactions	14	3.237.933	3.558.613
Total Short Term Liabilities		5.782.065.653	5.804.262.097
Long term borrowings	6	12.156.899	49.240.394
Long term provisions			
- Long term provisions for employee benefits	16	86.616.871	46.742.462
Liabilities from leasing transactions	14	15.521.134	20.005.074
Deferred tax liability	23	2.372.436.001	963.898.406
Total Long Term Liabilities		2.486.730.905	1.079.886.336
Total Liabilities		8.268.796.558	6.884.148.433
Equity Attributable to the Owners of the Company			
Paid-in share capital	18	115.000.000	115.000.000
Capital adjustment differences	18	1.841.605.629	1.841.605.629
Share premium		195.691.569	195.691.569
Accumulated other comprehensive income			
- Revaluation and remeasurement gain or loss	18	2.013.270.678	--
- Items will not to be reclassified in profit or loss	18	(68.711.357)	(31.868.603)
Restricted reserves		209.186.675	209.186.675
Retained earnings		5.315.104.861	5.847.179.089
Net profit for the period		6.646.404.666	(532.074.228)
Total Equity		16.267.552.721	7.644.720.131
Total Equity and Liabilities		24.536.349.279	14.528.868.564

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

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries**Condensed Consolidated Interim Statement of Profit or Loss****For the Six-Month Period Ended 30 June 2025**

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

	<i>Note</i>	Reviewed	Unreviewed	Reviewed	Unreviewed
		1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Revenue	19	1.720.933.431	146.157.822	3.705.023.083	1.757.885.827
Cost of sales (-)	19	(1.742.611.265)	(759.760.221)	(2.717.560.221)	(1.279.658.196)
Gross profit		(21.677.834)	(613.602.399)	987.462.862	478.227.631
General administrative expenses (-)	20	(294.407.340)	(136.885.980)	(118.278.866)	(59.015.999)
Marketing expenses (-)	20	(652.627.476)	(126.467.626)	(324.487.943)	(144.967.371)
Research and development expenses (-)	20	(86.243.876)	(17.339.519)	(57.507.085)	(28.125.500)
Other operating income		105.245.057	13.151.598	56.478.085	22.035.908
Other operating expenses (-)		(139.517.277)	(5.334.328)	(78.539.823)	(23.516.085)
Operating profit		(1.089.228.746)	(886.478.254)	465.127.230	244.638.584
Incomes / (Expense) from investment activities	22	9.158.849.835	31.811.307	378.146.754	84.692.066
Operating profit before financial expenses, net		8.069.621.089	(854.666.947)	843.273.984	329.330.650
Financial income	21	378.406.288	188.263.119	--	--
Financial expenses (-)	21	(1.232.889.560)	(413.574.942)	(580.446.233)	(240.600.993)
Net monetary position gain /(loss)	23	180.995.137	21.814.762	292.293.781	162.139.574
Profit before tax		7.396.132.954	(1.058.164.008)	555.121.532	250.869.231
Tax expense	24				
- Current tax expense for the period		--	--	(125.849.124)	(88.998.289)
- Deferred tax income		(749.728.288)	642.328.008	(78.877.394)	34.183.558
Profit for the period		6.646.404.666	(415.836.000)	350.395.014	196.054.500
Distribution of net profit for the period					
Equity holders of the Company		6.646.404.666	(415.836.000)	350.395.014	196.054.500
Non-controlling interest		--	--	--	--
Number of shares	25	115.000.000	115.000.000	115.000.000	115.000.000
Earnings per share	25	57,79	(3,62)	3,05	1,70

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

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries**Condensed Consolidated Interim Statement of Other Comprehensive Income****For the Three-Month Period Ended 30 June 2025***(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)*

		Reviewed	Unreviewed	Reviewed	Unreviewed
	Note	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Net Profit of the Period		6.646.404.666	(415.836.000)	350.395.014	196.054.500
Other Comprehensive Income					
<u>That will not be Reclassified as Profit or Loss</u>					
- Revaluation Increases of Property, Plant and Equipment	12	2.684.360.904	(1.571.067)	--	--
- Deferred Tax Income / (Expense)	24	(671.090.226)	392.767	--	--
- Actuarial Differences	16	(49.123.673)	(55.875.869)	(124.915)	10.563.714
- Deferred Tax Income	24	12.280.919	13.968.967	31.229	(2.112.743)
Total Other Comprehensive Income		1.976.427.924	(43.085.202)	(93.686)	8.450.971
Total Comprehensive Income		8.622.832.590	(458.921.202)	350.301.328	204.505.471
Distribution of Total Comprehensive Income					
Parent Company Shares		8.622.832.590	(458.921.202)	350.301.328	204.505.471
Non-controlling Shares		--	--	--	--

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

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Condensed Consolidated Interim Statement of Change in Equity

For the Six-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

					Accumulated Other Comprehensive Income and Expenses will not be Reclassified to Profit or Loss				
	Paid-In Share Capital	Differences in Capital Adjustment	Share Premiums	Revaluation Increases of Property, Plant and Equipment	Accumulated Remeasurement Gains/Losses on Defined Benefit Plans	Restricted Reserves Appropriated from Profit	Retained Earnings	Net Profit for the Period	Total Equity
Balance at 1 January 2024	115.000.000	1.841.605.629	195.691.569	--	(25.918.044)	206.499.066	4.716.936.770	1.132.929.928	8.182.744.918
Transfers	--	--	--	--	--	2.687.609	1.130.242.319	(1.132.929.928)	--
Profit for the period	--	--	--	--	--	--	--	350.395.014	350.395.014
Other comprehensive income	--	--	--	--	(93.686)	--	--	--	(93.686)
Actuarial differences	--	--	--	--	(93.686)	--	--	--	(93.686)
Balance at 30 June 2024	115.000.000	1.841.605.629	195.691.569	--	(26.011.730)	209.186.675	5.847.179.089	350.395.014	8.533.046.246
Balance at 1 January 2025	115.000.000	1.841.605.629	195.691.569	--	(31.868.603)	209.186.675	5.847.179.089	(532.074.228)	7.644.720.131
Transfers	--	--	--	--	--	--	(532.074.228)	532.074.228	--
Profit for the period	--	--	--	--	--	--	--	6.646.404.666	6.646.404.666
Other comprehensive income	--	--	--	2.013.270.678	(36.842.754)	--	--	--	1.976.427.924
Actuarial differences	--	--	--	--	(36.842.754)	--	--	--	(36.842.754)
Revaluation and remeasurement gain	--	--	--	2.013.270.678	--	--	--	--	2.013.270.678
Balance at 30 June 2025	115.000.000	1.841.605.629	195.691.569	2.013.270.678	(68.711.357)	209.186.675	5.315.104.861	6.646.404.666	16.267.552.721

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

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Condensed Consolidated Interim Statement of Cash Flow

For the Six-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ("TL") as of 30 June 2025, unless otherwise specified)

	<i>Note</i>	Reviewed 1 January- 30 June 2025	Reviewed 1 January- 30 June 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period		1.541.097.320	(209.344.849)
Reconciliation of net cash provided by operating activities to net profit:		(6.872.119.540)	665.250.060
Adjustments for depreciation and amortization expense	12,13,14	258.285.128	227.330.714
Adjustments for impairment (reversals)			
- Adjustments for (reversal of) impairment on receivables		(2.019.269)	--
Adjustments for provisions			
- Adjustments for provision for employee termination benefits	16	20.027.818	10.548.596
- Adjustments for provision for unused vacation leave	16	(659.433)	10.265.960
- Adjustments for (reversal of) provisions for litigation	15	(2.954.192)	(1.257.402)
- Adjustments for (reversal of) warranty provisions	15	(6.900.621)	30.977.389
Adjustments for interest income and expenses			
- Adjustments for interest expenses	21	1.232.889.560	580.446.233
Adjustments for fair value losses (gains)			
- Adjustments for fair value losses (gains) on investment properties	11	(9.076.155.164)	--
- Adjustments for fair value losses (gains) on financial assets	22	(82.694.671)	(378.146.754)
Adjustments for tax income and expenses	24	749.728.288	204.726.518
Adjustments for monetary gains and losses		38.333.016	(19.641.194)
Changes in working capital		1.621.786.000	(1.382.675.245)
Adjustments for decrease (increase) in trade receivables			
- Decrease (increase) in trade receivables from related parties		(180.974.026)	134.459.692
- Decrease (increase) in trade receivables from non-related parties		1.069.679.550	379.901.069
Adjustments for decrease (increase) in other receivables related to operations			
- Decrease (increase) in other receivables related to operations from related parties		--	322.090
- Decrease (increase) in other receivables related to operations from non-related parties		(35.166.012)	(7.233.843)
Adjustments for decreases (increases) in inventories		623.513.983	(1.002.159.575)
Adjustments for decrease (increase) in prepaid expenses		(36.204.434)	44.347.175
Adjustments for increase (decrease) in trade payables			
- Increase (decrease) in trade payables to related parties		57.333.190	(806.568.556)
- Increase (decrease) in trade payables to non-related parties		14.921.690	(4.779.172)
Increase (decrease) in liabilities related to employee benefits		14.082.855	13.967.450
Adjustments for increase (decrease) in other liabilities related to operations			
- Increase (decrease) in other liabilities related to operations to non-related parties		856.223	(18.703.248)
Adjustments for other increases (decreases) in working capital			
- Decrease (increase) in other assets related to operations		93.742.981	(116.228.327)
Cash flows generated from operating activities		145.026.194	157.685.322
Tax refunds (payments)		(887.143)	(34.981.349)
Lease payments	14	(2.774.592)	(2.448.400)
Cash inflows from the sale of shares or debt instruments of other enterprises or funds		171.413.488	200.085.308
Other cash inflows (outflows)	16	(22.725.559)	(4.970.237)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(190.338.462)	(181.795.153)
Cash outflows from the purchase of tangible and intangible fixed assets			
- Cash outflows from the purchase of tangible assets	12	(41.390.888)	(89.523.074)
- Cash outflows from the purchase of intangible assets	13	(148.947.574)	(92.272.079)
C. CASH FLOWS FROM FINANCING ACTIVITIES		(1.324.951.375)	383.606.879
Net cash used in financing activities			
Changes in financial borrowings, net		(93.327.427)	962.782.332
Interest paid	21	(1.231.623.948)	(579.175.453)
D. INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(26.916.303)	(129.678.602)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(1.108.820)	(137.211.725)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		188.343.765	499.674.523
F. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		187.234.945	362.462.798

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

Tümosan Motor ve Traktör Sanayi A.Ş. and its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the Three-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

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Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the Six-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

1 Organization and Nature of Operation

Tümosan Motor ve Traktör Sanayi A.Ş. (formerly known as Alçelik Çelik Yapı İnşaat Sanayi ve Ticaret Anonim Şirketi) (“Tümosan” or “the Company”), was established in 1975 to produce engine parts, transfer organs and similar equipment, but then concentrated its activities on diesel engine and tractor production. Tümosan, which is the first diesel engine producer of Turkey, along with providing diesel engines to tractors produced under the same brand, produced diesel engines for many years for other companies producing diesel vehicles.

The Company was taken into the scope and program of privatization on 18 August 1998 and the shares belonging to Mechanics and Chemistry Institution Corporation were transferred to Directorate of Privatization Administration and it was decided that privatization procedures shall be completed within a year.

Four companies participated in the privatization tender of the Company held on 24 April 2000 and at the end of the tender, Anadolu Joint Venture Group took the first place when Konya Selçuklu Joint Venture Group took the second place. At the end of the tender, since the sale contracts forwarded respectively to the ventures could not be signed within the specified time frame, their indemnities were recorded as revenue and the tender could not be concluded positively.

Tümosan, which continued its activities in a more limited frame after the tender, was adhered to Sümer Holding on 7 February 2003. For privatization purposes, the second tender was held in 2004 and Tümosan was acquired by Alçelik Çelik Yapı İnşaat Sanayi ve Ticaret A.Ş. through asset sale and the takeover was completed on 1 July 2004.

26% of the Company’s shares were offered to public at Istanbul Stock Exchange on 5 December 2012. Since 5 December 2012, the shares of the Company are listed at Istanbul Stock Exchange.

The headquarters and factory of the Company is at the following addresses:

Headquarters:

Maltepe Mahallesi Londra Asfaltı Caddesi No:28/1 Topkapı, 34010, Zeytinburnu/İstanbul/Turkey

Factory:

Büyükkayacık Mahallesi Aksaray Çevre Yolu Caddesi No:7/1 Selçuklu/Konya/Turkey

Information regarding the Company’s shareholding interests and their shares is as follows:

	30 June 2024	31 December 2024
Name/ Title	Shareholding Rates %	Shareholding Rates %
Ereğli Tekstil Turizm Sanayi ve Ticaret A.Ş.	60,87	60,87
Muzaffer Albayrak	1,74	1,74
Ahmet Albayrak	1,74	1,74
Bayram Albayrak	1,74	1,74
Nuri Albayrak	1,74	1,74
Kazım Albayrak	1,74	1,74
Mustafa Albayrak	1,74	1,74
Publicly held	28,69	28,69
Total	100,00	100,00

The main shareholder of the Company is Ereğli Tekstil Turizm Sanayi ve Ticaret A.Ş. (“Ereğli Tekstil”) which is controlled by Albayrak Family.

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the Six-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

1 Organization and Nature of Operation (continued)

As of 30 June 2025, The Company has 597 personnel (31 December 2025: 635)

The interim condensed consolidated financial statements of the Group were approved by the Company's Board of Directors on August 18, 2025. The General Assembly of the Company and certain regulatory bodies have the right to request amendments to the interim condensed consolidated financial statements after their publication.

Subsidiaries Included in the Consolidation

Tümosan Döküm A.Ş.: The company engages in all kinds of casting and machining operations and trading.

TTM Tümosan Teknoloji Mühendislik Sanayi ve Ticaret A.Ş.: The company engages to develop new products in defense and weapons, have R&D activities, contribute the production of existing products, and operate arms and related industry product purchases and sales. Company not actively operate as of the reporting date. (Former Title: Tümosan Savunma A.Ş.).

Tümosan Teknoloji Mühendislik Sanayi Ticaret A.Ş.: the company was established through partial demerger with the expert report dated 11 December 2021 and the registration in the trade registry by Tümosan Motor ve Traktör Sanayi A.Ş. on 5 April 2022.

Since 100% of the company's capital is owned by Tümosan Motor ve Traktör Sanayi A.Ş., the partial demerger did not have any impact on the consolidated financial statements dated 30 June, 2024.

The company's activities include conducting R&D activities in technology and engineering, developing new products, creating prototypes, providing technical consultancy, and developing software. Additionally, the company engages in other activities based on its articles of association to participate in all kinds of domestic and international tenders for the Ministry of National Defense and other public institutions.

The condensed consolidated interim financial statements as of 30 June 2025 prepared by fully consolidating the subsidiaries stated below to the Company.

Company	Rate of Control	
	30 June 2025	31 December 2024
Tümosan Döküm A.Ş.	%100	%100
TTM Tümosan Teknoloji Mühendislik San. ve Tic. A.Ş.	%100	%100
Tümosan Teknoloji Mühendislik San. Tic. A.Ş.	%100	%100

The consolidated financial statements are prepared in accordance with the Capital Markets Board (CMB)'s "Communiqué on Financial Reporting in Capital Market" Numbered II-14,1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated June 13, 2013 and Turkish Accounting/Financial Reporting Standards (TAS/IFRS) including amendments and interpretations published by Public Oversight Authority (POA) as prescribed in the CMB Communiqué. The consolidated financial statements are presented in accordance with the specified format in "IFRS Taxonomy Announcement", issued on July 3, 2024 by the POA, and "the Financial Statements Examples and Guidelines for Use", published by the Capital Markets Board (CMB) of Türkiye.

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the Six-Month Period Ended 30 June 2025

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements

2.1 Basis of Presentation

(a) Statement of Compliance to TFRS

The Company and its Turkish subsidiaries and joint ventures maintain their books of accounts and prepare their statutory financial statements in accordance with TFRS, Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance. These consolidated financial statements have been prepared under historical cost conventions except for financial assets and financial liabilities which are carried at fair value. The consolidated financial statements have been prepared based on historical cost for foreign operations, and on indexed cost in accordance with TAS 29 for domestic operations, with the exception of financial assets and liabilities shown at fair value. Adjustments and classifications necessary for accurate presentation in accordance with TFRS have been reflected in the legal records. based on TAS 29, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TFRS.

(b) Basis of measurement

The consolidated financial statements have been prepared based on historical costs, excluding financial assets measured at fair value, investment properties, and tangible assets.

(c) Correction of financial statements of hyperinflation periods

The financial statements and related amounts for prior periods have been restated for general changes in the purchasing power of the functional currency and consequently expressed in the measurement unit current at the end of the reporting period in accordance with TAS 29 'Financial Reporting in Hyperinflationary Economies'.

TAS 29 applies to the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy, including consolidated financial statements. In the presence of high inflation in an economy, TAS 29 requires the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy to be expressed in the measurement unit current at the end of the reporting period.

According to the announcement issued by the Public Oversight, Accounting and Auditing Standards Authority (POA) on 23 November 2023 regarding the adjustment of financial statements of companies subject to independent audit for inflation, enterprises applying Turkish Financial Reporting Standards are required to present their financial statements for annual reporting periods ending on or after 30 June 2025 adjusted for inflation in accordance with TAS 29.

The Group has therefore restated the financial statements as of 30 June 2025 of group companies whose functional currency is solely Turkish Lira in accordance with the accounting principles specified in TAS 29.

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements (continued)

2.1 Basis of Presentation (continued)

(c) Correction of financial statements of hyperinflation periods (continued)

Below is the table showing inflation rates calculated based on the Consumer Price Index (CPI) published by the Turkish Statistical Institute ("TÜİK") for the respective years:

Date	Index	Correction Coefficient	Cumulative Inflation Rates Over Three Years
30 June 2025	3.132,17	1,00000	%220
31 December 2024	2.684,55	1,16674	%291
30 June 2024	2.319,29	1,35049	%324

The main outlines of indexing operations under TAS 29 are as follows:

- All items, excluding those expressed in current purchasing power at the reporting date, are indexed using the relevant correction factors. Amounts from previous years are similarly indexed.
- Monetary assets and liabilities are not indexed as they are expressed in current purchasing power at the balance sheet date. Monetary items are cash and items to be received or paid in cash.
- Non-current assets, investments, and similar assets are indexed based on their historical costs, provided they do not exceed market values. Depreciation is adjusted accordingly. Amounts within equity are adjusted by applying general price indices to the periods in which these amounts were included in or generated by the company.
- Except for items in the income statement affected by the indexing of non-monetary items in the statement of financial position, all items in the income statement are indexed using factors calculated based on the periods when income and expense accounts were first reflected in the financial statements.
- Gains or losses arising from general inflation on net monetary positions, non-monetary assets, equity items, and adjustments made to income statement items are included in profit or loss.

The impact of applying TAS 29 "Financial Reporting in Hyperinflationary Economies" can be summarized as follows:

Reclassification of the Statement of Financial Position:

Amounts in the statement of financial position that are not expressed in the measurement unit current at the end of the reporting period are reclassified. Therefore, monetary items are not reclassified because they are expressed in the currency current at the reporting date. However, non-monetary items must be reclassified unless they are stated at their current amounts at the end of the reporting period.

Inclusion of gains or losses from reclassification of non-monetary items gains or losses arising from the reclassification of non-monetary items are included in profit or loss and are separately presented in the statement of profit or loss and other comprehensive income.

Reclassification of Statement of Profit or Loss

All items in the income statement are expressed in the measurement unit current at the end of the reporting period. Therefore, all amounts have been reclassified using changes in the monthly general price index.

Depreciation and amortization expenses for tangible and intangible assets have been adjusted using the reclassified balances.

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements (continued)

2.1 Basis of Presentation (continued)

(c) Correction of financial statements of hyperinflation periods (continued)

Reclassification of the Cash Flow Statement

All items in the cash flow statement are expressed in the measurement unit current at the end of the reporting period.

Consolidated Financial Statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are reclassified using the general price index before being included in the consolidated financial statements prepared by the parent entity. If such a subsidiary is a foreign subsidiary, the reclassified financial statements are translated at the closing rate. When consolidating financial statements with different reporting period ends, all monetary and non-monetary items are reclassified according to the measurement unit current at the date of the consolidated financial statements.

(d) Reporting and functional currency

The accompanying financial statements are presented in TL, the functional currency of the Group. All financial information is presented in TL, unless otherwise stated.

(e) Comparative information

The attached consolidated financial statements are prepared on a comparative basis with the previous period to enable assessment of the Group's financial position, performance, and cash flow trends. Comparative information is reclassified and relevant differences are disclosed in the corresponding notes for the purpose of ensuring consistency in the presentation of current period financial statements.

(f) Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Group at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated to the functional currency at the exchange rate ruling at the date. Foreign currency differences arising on translation of foreign currency transactions are recognized in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Nonmonetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

As of 30 June 2025 and 31 December 2024, the consolidated financial statements include the accounts of the Company and its subsidiaries.

(i) Subsidiaries

Subsidiaries are those entities on which the Group has the power to control. The Group controls the companies when it is incurred changeable returns due to relations of any companies or has a right to own these returns and has a power to affect these returns. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group to the date on which control is transferred out from the Group.

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Notes to the Condensed Consolidated Interim Financial Statements

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements (continued)

2.1 Basis of Presentation (continued)

(g) Basis of Consolidation

The table below demonstrates the rates of the effective ownership and the voting power held in terms of percentages (%) as of 30 June 2025 and 31 December 2024 for all subsidiaries directly controlled by the Group and included in the scope of consolidation:

Company	Rate of Control	
	30 June 2025	31 December 2024
Tümosan Döküm A.Ş.	%100	%100
TTM Tümosan Teknoloji Mühendislik San. ve Tic. A.Ş.	%100	%100
Tümosan Teknoloji Mühendislik San. Tic. A.Ş.	%100	%100

(ii) Non-controlling interest

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

(iii) Loss of Control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus of deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

(iv) Consolidation adjustments

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. Carrying value of shares owned by the Group and dividends arising from these shares has been eliminated in equity and profit or loss statements.

2.2 Compliance of TFRS

The accompanying condensed consolidated interim financial statements have been prepared in accordance with TFRS, with the classification and corrections made based on the legal records of the Company and its subsidiaries, in line with the principle that the financial statements reflect the truth.

The company and its subsidiaries keep their accounting records in accordance with the Uniform Chart of Accounts, Turkish Commercial Code and Turkish Tax Laws and prepare their legal financial statements in TL accordingly.

The interim condensed consolidated financial statements have been approved by the Company's Board of Directors on 21 September 2024. The Company's General Assembly and certain regulatory bodies have the right to make amendments after the publication of the financial statements.

Tümosan Motor ve Traktör Sanayi A.Ş. and Its Subsidiaries
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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements (continued)

2.3 Changes in Accounting Policies

Accounting policy changes resulting from the initial application of a new TFRS are applied retrospectively or prospectively as required by the transitional provisions of that TFRS. Significant accounting errors identified are applied retrospectively, and previous period financial statements are restated accordingly. Changes in accounting estimates are applied prospectively if they relate to a single period, and if they affect future periods, they are applied both in the current period of the change and prospectively.

New and Revised Standards and Interpretations

The accounting policies used in the preparation of the consolidated financial statements for the year ended 30 June, 2025 are consistent with those applied in the previous year, except for new and amended TFRS and TFRS interpretations effective as of 1 January 2025, as summarized below. The effects of these standards and interpretations on the Group's financial position and performance are disclosed in the relevant paragraphs.

Standards, amendments, and interpretations that are issued but not effective as of 30 June 2025:

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Accounting and Auditing Standards Authority ("POA")

IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, IASB has issued IFRS 18 *Presentation and Disclosure in Financial Statements* that will replace IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged.

The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

IFRS 18 introduces three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and applies retrospectively. Early adoption is permitted.

The Group does not expect that application of IFRS 18 will have significant impact on its consolidated financial statements.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

Classification of financial assets with contingent feature

The amendments introduce an additional SPPI (solely payment of principal and interest) test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG (environmental, social, and governance) target specified in the loan contract. This contingent financial asset's classification will be determined by the SPPI test. The SPPI test determines whether the asset should be accounted for at amortized cost or fair value.

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

2 Basis of Presentation of Financial Statements (continued)

2.3 Changes in Accounting Policies (continued)

Classification of financial assets with contingent feature (continued)

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. Judgement will be required in determining whether the new test is met.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Settlement by electronic payments

A company that settles its trade payable by using an electronic payment system generally derecognises its trade payable on settlement date. The amendments provide an exception for the derecognition of such financial liabilities. The exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Other amendments

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The amendments apply for annual reporting periods beginning on or after 1 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

The Group does not expect that application of these Amendments to IFRS 9 and IFRS 7 will have significant impact on its consolidated financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries of companies using IFRS Accounting Standards can substantially reduce their disclosures and focus more on users' needs following the release of IFRS 19.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;

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2 Basis of Presentation of Financial Statements (continued)

2.3 Changes in Accounting Policies (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures (continued)

- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

The amendments apply for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

The Group does not expect that application of IFRS 19 will have significant impact on its consolidated financial statements.

Annual Improvements to IFRS Accounting Standards- Volume 11 – Amendments to:

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. In July 2024, the IASB issued “*Annual Improvements to IFRS Accounting Standards—Volume 11*” to make minor amendments to 5 standards.

Transaction Price (Amendments to IFRS 9: Financial Instruments) The term "transaction price" used in IFRS 9, with a meaning that is not necessarily consistent with the definition in IFRS 15, has been updated to "the amount determined by applying IFRS 15" for consistency.

Lessee derecognition of lease liabilities (Amendments to IFRS 9: Financial Instruments): If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The IASB’s amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)

IFRS 1 is amended:

- to improve their consistency with the requirements in IFRS 9 for hedge accounting; and
- to improve the understandability.

A cross-reference to IFRS 9 in IFRS 1 “Exception to the retrospective application of other IFRSs” is added.

Gain or Loss on Derecognition (Amendments to IFRS 7 Financial Instruments: Disclosures): With this amendment, a statement is added clarifying that the guidance in IFRS 7 does not illustrate all the requirements regarding the accounting for gains and losses arising from derecognition. Additionally, the phrase “inputs that were not based on observable market data” is adjusted to “unobservable inputs” to align with IFRS 13 terminology.

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2 Basis of Presentation of Financial Statements (continued)

2.3 Changes in Accounting Policies (continued)

Annual Improvements to IFRS Accounting Standards- Volume 11 – Amendments to (continued):

Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to IFRS 7 Financial Instruments: Disclosures): The statement that was not amended after the publication of IFRS 13 in May 2011 is clarified and simplified with this change, explaining that the transaction price at initial recognition may differ from the fair value. Fair value is not supported by a quoted price in an active market for an identical asset or liability (Level 1 input) nor by a valuation technique relying solely on observable market data. (In these circumstances, the difference will be recognised in profit or loss in subsequent periods in accordance with IFRS 9.)

Credit Risk Disclosures (Amendments to IFRS 7 Financial Instruments: Disclosures): The IG1 paragraph has been revised to provide clarity, explaining that not all requirements in the referenced paragraphs of IFRS 7 are necessarily illustrated.

Determination of a 'De Facto Agent' (Amendments to IFRS 10 Consolidated Financial Statements)

When determining an investor whether another party is acting on its behalf, IFRS 10 is amended to use conclusive language when the parties that direct the activities of the investor have the ability to direct that party to act on the investor's behalf, judgement is required to determine whether a party is acting as a de facto agent.

Cost Method (Amendments to IAS 7): Following the removal of the term "cost method" in previous amendments, the statement in IAS 7 is adjusted from "cost method" to "accounted at cost".

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, The International Accounting Standards Board (IASB) has now amended IFRS 9 to address challenges in applying IFRS 9 to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements ("PPAs"). The amendments include guidance on:

- the 'own-use' exemption for purchasers of electricity under such PPAs; and
- hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.
- new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The amendments apply for reporting periods beginning on or after 1 January 2026. Early application is permitted.

Own-use Exemption for PPAs

If the own-use exemption does not apply under IFRS 9 when purchasing electricity through PPAs, PPAs are treated as derivatives, measured at FVTPL, potentially causing significant volatility in the income statement over time, especially as PPAs are often long-term agreements.

To apply the own-use exemption to a PPA, IFRS 9 currently requires companies to assess whether the contract is for receipt of electricity in line with the company's expected purchase or usage requirements – e.g. the company expects to consume the purchased electricity. Due to electricity's unique characteristics, its inability to be stored and the requirement to sell unused electricity back to the market within a short period and these sales occur due to market conditions rather than short-term price speculation, a clarification of application of own-use exemption under existing requirements was needed. The amendments allow companies to apply the own-use exemption to PPAs if they have been, and expect to continue being, net purchasers of electricity during the contract period.

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2 Basis of Presentation of Financial Statements (continued)

2.3 Changes in Accounting Policies (continued)

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (continued)

These amendments apply retrospectively based on the facts and circumstances at the start of the reporting period of initial application, without requiring restatement of prior periods.

Hedge accounting requirements for PPAs

Since virtual PPAs (contracts for differences) and PPAs that do not meet the own-use exemption are accounted for as derivatives and measured at FVTPL, the hedge accounting requirements in IFRS 9 have been amended to allow applying hedge accounting for PPAs, to reduce profit or loss volatility:

- It permits companies to designate a variable nominal volume of forecasted sales or purchases of renewable electricity as the hedged transaction, rather than a fixed volume.
- It allows the measurement the hedged item using the same volume assumptions as those used for the hedging instrument.

The amendments apply prospectively to new hedging relationships designated on or after the date of initial application. They also allow companies to discontinue an existing hedging relationship, if the same hedging instrument (i.e. the nature-dependent electricity contract) is designated in a new hedging relationship applying the amendments.

Amendments are effective on 1 January 2025

Changes that have become effective and have been adopted for annual periods beginning on or after 1 January 2025:

1. Lack of Exchangeability – Amendments to TAS 21 The Effects of Changes in Foreign Exchange Rates

These newly adopted amendments to standards have not been a significant impact on the consolidated financial statements of the Group.

2.4 Changes in Accounting Estimates and Errors

Changes in accounting policies and significant accounting errors are applied retrospectively, resulting in the restatement of previous period financial statements. Changes in accounting estimates are applied prospectively: if they affect only the current period, they are applied in the current period; if they affect future periods as well, they are applied both in the current period and prospectively in future periods. The Company has not made any significant changes in accounting estimates.

2.5 Summary of Significant Accounting Policies

The CMB has permitted publicly traded companies to apply the full set or condensed presentation of their interim financial statements in accordance with TAS 34 "Interim Financial Statements". Accordingly, the Group prepared the condensed presentation of the financial statements at the interim period ending 30 June 2025.

In accordance with the relevant regulations, the annual financial statements prepared in accordance with TFRSs should include necessary disclosures and notes as summarized or provided under TMS 34. The attached summary consolidated financial statements should be read together with the audited consolidated financial statements as of 31 December 2024 and the accompanying notes. Therefore, these interim summary consolidated financial statements should be evaluated in conjunction with the consolidated financial statements for the year ended 31 December 2024.

The Group continued to apply the accounting policies and accounting estimates as stated in the consolidated financial statements as of 31 December 2024, in the interim summary consolidated financial statements.

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3 Related Party Disclosures

In the financial statements, shareholders, key management personnel, and board members, along with their families and the companies they control or are affiliated with, as well as associates and jointly controlled entities, are considered related parties. Various transactions have been conducted with related parties in the course of the Group's normal operations.

The details between The Group and other related parties are as follows.

The related parties shown in the related party disclosures and the nature of the relation of The Group with these parties are as follows. These companies are presented as related parties which are controlled by Albayrak Family.

<u>Related Party</u>	<u>Definition</u>
Ereğli Tekstil Turizm San. ve Tic. A.Ş. ("Ereğli Tekstil")	Shareholder
Ahmet Albayrak	Shareholder
Bayram Albayrak	Shareholder
Kazım Albayrak	Shareholder
Mustafa Albayrak	Shareholder
Muzaffer Albayrak	Shareholder
Nuri Albayrak	Shareholder
Ağa Maden İşletmeciliği Turizm Sanayi ve Ticaret Ltd. Şti. ("Ağa Maden")	Related Party
Albayrak Agro-Business-Sarlu. ("Albayrak Agro - Business – Sarlu")	Related Party
Albayrak Construction Sarlu. ("Albayrak Construction Sarlu")	Related Party
Albayrak Holding A.Ş. ("Albayrak Holding")	Related Party
Albayrak Turizm Seyahat İnşaat Tic. A.Ş. ("Albayrak İnşaat")	Related Party
Albayrak Vakfı ("Albayrak Vakfı")	Related Party
Albayrak92 Private Ltd. ("Albayrak92")	Related Party
Albil Merkezi Hizmetler ve Ticaret A.Ş. ("Albil")	Related Party
Alport Conakry S.A. ("Alport Conakry")	Related Party
Asist Oto Kiralama Turizm Ticaret A.Ş. ("Asist Oto")	Related Party
ATS Yedek Parça Servis San. ve Tic. Ltd. Şti. ("ATS Yedek")	Related Party
Bayfa Geri Dön. Tur. Taş. San. ve Tic. Ltd. Şti ("Bayfa")	Related Party
Birlikte Dağıtım A.Ş. ("Birlikte Dağıtım")	Related Party
Birun Otelcilik A.Ş. ("Birun Otelcilik")	Related Party
Dolu Akaryakıt Pazarlama A.Ş. ("Dolu Akaryakıt")	Related Party
Free Lojistik Akaryakıt Paz. ve Tic. Ltd. Şti. ("Free Lojistik")	Related Party
Güneş Turizm Sanayi İnşaat ve Tic. A.Ş. ("Güneş Turizm")	Related Party
Kademe Atık Teknolojileri San. A.Ş. ("Kademe")	Related Party
Karnawall Maroc SA ("Karnawall")	Related Party
Ketebe Kitap ve Dergi Yayıncılığı A.Ş. ("Ketebe")	Related Party
Mezra Ziraat A.Ş. ("Mezra Ziraat")	Related Party
Mogadishu Alport ("Mogadishu")	Related Party
Nakil Lojistik A.Ş. ("Nakil")	Related Party
Piri Medya A.Ş. ("Piri Medya")	Related Party
Plaket Yapı Turizm San. ve Tic. A.Ş. ("Plaket Yapı")	Related Party
Platform Tur. Taş. Gıda İnş. Tem. Hiz. San. ve Tic. A.Ş. ("Platform Turizm")	Related Party
Reklam Piri Medya İletişim A.Ş. ("Reklam Piri")	Related Party
Sukkar Şeker Üretim A.Ş. ("Sukkar")	Related Party
Trabzon Liman İşletmeciliği A.Ş. ("Trabzon Liman")	Related Party
Transbaş Trabzon Serbest Bölge İşletmeciliği A.Ş. ("Transbaş")	Related Party
Tümosan Tractors Ireland Limited ("Tümosan Tractors")	Related Party
UCH Nokta Limited ("Uch Nokta")	Related Party
Varaka Kağıt Sanayi A.Ş. ("Varaka Kağıt")	Related Party
Yeşil Adamlar Atık Yönetimi ve Taşımacılık A.Ş. ("Yeşil Adamlar")	Related Party

Tümosan Motor ve Traktör Sanayi A.Ş. and its Subsidiaries**Notes to the Condensed Consolidated Interim Financial Statements****As at and for the Three-Month Period Ended 30 June 2025**

(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

3 Related Party Disclosures (continued)

As of 30 June 2025, details regarding the related parties and significant balances are as follows:

	Receivables	Payables
30 June 2025	Short-Term	Short-Term
	Commercial	Commercial
Albayrak İnşaat	866.336.226	--
Kademe Atık	516.263.880	13.544.662
Albil	76.287.208	9.782.176
Mezra Ziraat	19.010.366	--
Alport Conakry	14.637.147	--
Varaka Kağıt	13.521.853	1.170.168
Free Lojistik	12.879.707	128.596
Ereğli Tekstil	3.099.518	--
Albayrak Agro - Business - Sarlu	2.540.910	--
Asist Oto	2.243.281	--
Karnawall	1.356.382	--
Ağa Maden	915.616	--
Albayrak Construction Sarlu	890.649	--
Sukkar	647.818	--
Uch Nokta	538.510	--
Dolu Akaryakıt	413.748	--
Piri Medya	396.058	--
Nakil Lojistik	389.520	4.385.484
Tumosan Tractors	268.562	--
Yeşil Adamlar	237.847	--
Transbaş	7.875	--
ATS Yedek	2.671	--
Reklam Piri	--	3.824.844
Birlikte Dağıtım	--	1.751.975
Platform Turizm	--	840.281
Total	1.532.885.352	35.428.186

As of 31 Aralık 2024, details regarding the related parties and significant balances are as follows:

	Receivables	Payables
31 December 2024	Short-Term	Short-Term
	Commercial	Commercial
Albayrak İnşaat	622.032.822	--
Kademe	593.301.747	1.248.511
Albil	86.011.914	14.708.716
Free Lojistik	18.068.463	--
Varaka Kağıt	17.474.097	--
Alport Conakry	11.121.109	--
Albayrak Construction Sarlu	786.294	--
Albayrak Agro - Business – Sarlu	766.632	--
Sukkar	755.835	--
Ereğli Tekstil	701.663	--
Dolu Akaryakıt	347.978	--
Yeşil Adamlar	248.104	--
Asist Oto	182.420	243.626
Ketebe Kitap	58.871	--
Nakil Lojistik	42.843	2.642.499
Transbaş	9.188	--
Trabzon Liman	1.346	--
Platform Turizm	--	781.886
Birlikte Dağıtım	--	403.518
Piri Medya	--	356.634
Reklam Piri	--	120.814
Mezra Ziraat	--	292
Toplam	1.351.911.326	20.506.496

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3 Related Party Disclosures (continued)

Purchases and Expenses

For the periods 1 January – 30 June 2025 and 1 January – 30 June 2024, purchases from the related parties are as follows:

	1 January- 30 June 2025		1 January- 30 June 2024	
Purchase	Purchase of Goods and Service	Other	Purchase of Goods and Service	Other
Kademe Atık	94.626.428	--	455.294.124	7.691.503
Albil	30.192.007	1.649.672	30.187.324	4.195.988
Nakil Lojistik	14.708.070	--	35.114.235	--
Free Lojistik	5.430.764	--	2.777.568	--
Varaka Kağıt	5.371.244	--	28.889.156	--
Reklam Piri	4.916.795	--	5.153.741	--
Birlikte Dağıtım	3.862.626	--	2.693.941	1.393.812
Platform Turizm	854.281	233.100	630	398.231
Piri Medya	588.560	--	1.811	--
Asist Oto	104.688	--	116.903	196.233
Dolu Akaryakıt	372	--	3.550.779	--
Albayrak Holding	--	9.272.560	--	--
Mezra Ziraat	--	--	2.439.190	--
Birun Otelcilik	--	--	2.028.744	--
Total	160.655.835	11.155.332	568.248.146	13.875.767

Sales and Income

For the periods 1 January – 30 June 2025 and 1 January – 30 June 2024 sales to the related parties are as follows:

	1 January- 30 June 2025		1 January- 30 June 2024	
Sale	Purchase of Goods and Service	Other	Purchase of Goods and Service	Other
Kademe Atık	29.449.999	162.859.367	180.163.335	4.408.422
Mezra Ziraat	25.845.165	--	27.290.691	--
Albayrak İnşaat	10.668.185	215.546.921	137.939.213	--
Ereğli Tekstil	3.149.917	--	2.567.431	--
Albayrak Construction Sarlu	34.046	--	4.555.947	--
Albil	16.974	--	3.971	--
Nakil Lojistik	--	308.700	10.689	266.067
Platform Turizm	--	302.400	--	--
Ketebe	--	--	--	265.197
Trabzon Liman	--	--	2.663.354	--
Varaka Kağıt	--	--	2.333.183	127.753
Mogadishu	--	--	282.799	--
Total	69.164.286	379.017.388	357.810.613	5.067.439

Benefits Provided to Senior Management

The total benefits provided to senior management for the year ended 30 June 2025 amounted to 8.824.346 TL (30 June 2024: 8.171.581 TL).

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4 Cash and Cash Equivalent

As of 30 June 2025 and 31 December 2024, cash and cash equivalents are as follows::

	30 June 2025	31 December 2024
Banks		
-Demand Deposit	187.234.945	188.343.765
Total	187.234.945	188.343.765

As of 30 June 2024, there is no account under any blockage or pledge (31 December 2024: None).

5 Financial Investments

As of 30 June 2025 and 31 December 2024, short term financial investments are as follows:

	30 June 2025	31 December 2024
Investment Funds	1.087.871.265	1.176.590.082
Total	1.087.871.265	1.176.590.082

6 Financial Borrowings

Bank Loans

As of 30 June 2025 and 31 December 2024, financial borrowings of The Group are as follows:

	30 June 2025	31 December 2024
<i>Short Term Financial Borrowings</i>		
Short Term Bank Loans	3.804.745.609	4.264.436.904
Short Term Portion of Long Term Loans	68.051.540	68.013.912
Liabilities From Lease Certificates	250.000.000	--
Others	153.409.735	--
Total	4.276.206.884	4.332.450.816
<i>Long-term Financial Borrowings</i>		
Long-Term Bank Loans	12.156.899	49.240.394
Total	12.156.899	49.240.394

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6 Financial Borrowings (continued)

Bank Loans (continued)

As of 30 June 2025 and 31 December 2024, the maturity and terms of outstanding loans are as follows:

	30 June 2025		31 December 2024	
	Effective Int. Rate %	TL Equivalent	Effective Int. Rate %	TL Equivalent
Short-Term Loans				
- Turkish Lira	30-Day TLREF- based	3.804.745.609	30-Day TLREF- based	4.260.036.596
- USD	8-12%	--	8-12%	4.400.308
Short-Term Portion of Long-Term Loans				
- Turkish Lira	30-Day TLREF- based	40.789.589	30-Day TLREF- based	38.754.587
- USD	8-12%	27.261.951	8-12%	29.259.325
Long-Term Loans				
- Turkish Lira	30-Day TLREF- based	12.156.899	30-Day TLREF- based	36.596.117
- USD	8-12%	--	8-12%	12.644.277
Total Loans		3.884.954.048		4.381.691.210

As of 30 June 2025, the Group has real estate mortgages totaling 2.420.000.000 TL related to loans utilized. (31 December 2024: 2.420.000.000 TL in real estate mortgages related to loans utilized).

7 Trade Receivables and Payables

Short Term Trade Receivables

As of 30 June 2025 and 31 December 2024, short-term trade receivables from non-related parties are as follows:

	30 June 2025	31 December 2024
Receivables	289.585.170	465.268.201
Direct Debiting System Receivables (*)	324.679.655	743.152.671
Notes Receivables	113.584.242	591.676.407
Provision for Doubtful Receivables	(7.423.990)	(10.727.590)
Total	720.425.077	1.789.369.689

(*) Direct debiting system guarantees purchase and sell payments between the Company and dealers. Dealers purchase transaction according to DBS limit that is identified by the banks. At the end of maturity, dealer pays to bank as a third party and the bank pays to the Company.

Short Term Trade Payables

As of 30 June 2025 and 31 December 2024, short-term trade payables to non-related parties are as follows:

	30 June 2025	31 December 2024
Sellers	989.642.143	740.807.777
Notes Payables	52.372.542	239.160.320
Other Trade Payables	4.581.652	9.295.050
Total	1.046.596.337	989.263.147

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8 Other Receivables and Payables

Other Short Term Receivables

As of 30 June 2025 and 31 December 2024, other short-term receivables from non-related parties are as follows:

	30 June 2025	31 December 2024
Refundable Taxes	36.876.633	2.215.117
Receivables from Personnel	11.035.587	10.853.953
Deposits and Guarantees Given	638.791	666.773
Total	48.551.011	13.735.843

Other Long Term Receivables

As of 30 June 2025 and 31 December 2024, other long-term receivables from non-related parties are as follows:

	30 June 2025	31 December 2024
Deposits and Guarantees Given	549.285	198.441
Total	549.285	198.441

Other Short Term Payables

As of 30 June 2025 and 31 December 2024, other short-term payables to non-related parties are as follows:

	30 June 2025	31 December 2024
Refundable Deposit and Guarantees	6.100.767	5.535.238
Payables to Tax Office	2.031.461	4.939.993
Others Payables	3.354.556	155.330
Total	11.486.784	10.630.561

9 Inventories

As of 30 June 2025 and 31 December 2024, details of inventories are as follows:

	30 June 2025	31 December 2024
Materials and Spare Parts	1.985.381.591	1.679.113.552
Semi-Finished Goods	177.200.883	243.092.870
Goods	641.532.455	1.481.975.978
Commercial Goods	29.052.160	49.742.572
Goods in Transit	356.783	481.567
Other Inventories	13.808.386	16.439.702
Total	2.847.332.258	3.470.846.241

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10 Prepaid Expenses and Deferred Income***Short Term Prepaid Expenses***

As of 30 June 2025 and 31 December 2024, the amount of short-term prepaid expenses from unrelated parties remaining in the current assets section consists of the following items;

	30 June 2025	31 December 2024
Advances Given	220.395.691	147.445.717
Expenses for Upcoming Months	33.558.143	70.406.044
Business Advances	991.042	888.681
Total	254.944.876	218.740.442

Short Term Deferred Incomes

	30 June 2025	31 December 2024
Advances Received	253.479.383	280.141.580
Total	253.479.383	280.141.580

11 Investment Properties

As of 30 June 2025 and 30 June 2024, details of investment properties are as follows::

	1 January- 30 June 2025	1 January- 30 June 2024
Cost Value		
1 January Opening Balance	125.962.189	125.962.189
Valuation (*) (Note 22)	9.076.155.164	--
Transfer	2.593.869.893	--
31 December Balance	11.795.987.246	125.962.189
Net Book Value of Beginning of the Period	125.962.189	125.962.189
Net Book Value of end of the Period	11.795.987.246	125.962.189

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12 Property, Plant and Equipment

For the periods ended 30 June 2025 movement of property, plant and equipment is summarized below:

	Land	Underground and Aboveground Structures	Buildings	Plant and Machinery	Vehicles	Furniture and Fixtures	Investments Under Construction	Special Costs	Total
Cost Value									
1 January 2025 Cost	3.140.760.904	76.352.382	686.416.481	2.279.386.656	224.626.509	391.149.200	151.198.996	136.018.028	7.085.909.156
Additions	--	--	--	34.304.791	--	3.520.378	3.565.719	--	41.390.888
Transfer	(2.593.869.893)	--	--	--	--	--	--	--	(2.593.869.893)
Valuation (*)	1.945.890.166	--	682.900.250	--	--	--	--	--	2.628.790.416
30 June 2025 Balance	2.492.781.177	76.352.382	1.369.316.731	2.313.691.447	224.626.509	394.669.578	154.764.715	136.018.028	7.162.220.567
Less: Accumulated Depreciation									
1 January 2025 Opening	--	(18.702.064)	(60.086.740)	(927.954.004)	(148.154.856)	(306.318.032)	--	(135.309.287)	(1.596.524.983)
Current Period Depreciation	--	(2.703.016)	(9.309.547)	(162.114.112)	(15.353.741)	(13.996.756)	--	(182.915)	(203.660.087)
Valuation (*)	--	--	55.570.488	--	--	--	--	--	55.570.488
30 June 2025 Balance	--	(21.405.080)	(13.825.799)	(1.090.068.116)	(163.508.597)	(320.314.788)	--	(135.492.202)	(1.744.614.582)
1 January 2025 Net Book Value	3.140.760.904	57.650.318	626.329.741	1.351.432.652	76.471.653	84.831.168	151.198.996	708.741	5.489.384.173
30 June 2025 Net Book Value	2.492.781.177	54.947.302	1.355.490.932	1.223.623.331	61.117.912	74.354.790	154.764.715	525.826	5.417.605.985

The Group has mortgages totaling 4.200.000.000 TL on property, plant and equipment (31 December 2024: 4.200.000.000 TL).

(*)The land and buildings of the Group were valued using the market value method by Çelen Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent valuation company licensed by the Capital Markets Board (CMB) and not related to the Group.

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12 Property, Plant and Equipment (continued)

For the periods ended 30 June 2024 movement of property, plant and equipment is summarized below:

	Land	Underground and Aboveground Structures	Buildings	Plant and Machinery	Vehicles	Furniture and Fixtures	Investments Under Construction	Special Costs	Total
Cost Value									
1 January 2024 Cost	3.138.155.645	65.900.443	681.758.308	2.034.570.985	229.157.121	360.014.360	179.902.709	135.710.497	6.825.170.068
Additions	2.605.259	--	4.658.170	37.704.337	58.248	21.902.097	22.418.386	176.577	89.523.074
30 June 2024 Balance	3.140.760.904	65.900.443	686.416.478	2.072.275.322	229.215.369	381.916.457	202.321.095	135.887.074	6.914.693.142
Less: Accumulated Depreciation									
1 January 2024 Opening	--	(14.541.558)	(51.135.098)	(621.691.049)	(111.393.211)	(288.648.150)	--	(134.695.059)	(1.222.104.125)
Current Period Depreciation	--	(2.023.639)	(6.161.398)	(157.645.055)	(15.511.899)	(13.170.695)	--	(194.151)	(194.706.837)
30 June 2024 Bakiyesi	--	(16.565.197)	(57.296.496)	(779.336.104)	(126.905.110)	(301.818.845)	--	(134.889.210)	(1.416.810.962)
1 January 2024 Net Book Value	3.138.155.645	51.358.885	630.623.210	1.412.879.936	117.763.910	71.366.210	179.902.709	1.015.438	5.603.065.943
30 June 2024 Net Book Value	3.140.760.904	49.335.246	629.119.982	1.292.939.218	102.310.259	80.097.612	202.321.095	997.864	5.497.882.180

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13 Intangible Assets

Intangible assets consist development costs, rights and licenses, and accumulated depreciation. For the periods ended 30 June 2025 and 30 June 2024, movement of intangible assets are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Value of Cost		
Balance at 1 January	960.748.499	767.462.735
Additions	148.947.574	92.272.079
30 June Balance	1.109.696.073	859.734.814
Less: Accumulated Amortization		
Balance at 1 January	(681.765.061)	(620.559.374)
Current Period Amortization	(46.234.400)	(24.379.148)
30 June Balance	(727.999.461)	(644.938.522)
1 January Net Book Value	278.983.438	146.903.361
30 June Net Book Value	381.696.612	214.796.292

There are no liens or mortgages on the Group's intangible assets.

14 Leasing Transactions**Right of Use Assets**

The Group, in accordance with the retrospective application of TFRS 16, reflects a right-of-use asset and a lease liability in its financial statements from the date when the lease actually commences.

The right-of-use asset is initially accounted for under the cost model and includes the following:

- The initial measurement amount of the lease liability.
- All initial direct costs incurred by the Company.

When applying the cost model, the Group measures the right-of-use asset at its cost, adjusted for accumulated amortization and any impairment losses, and corrected for the remeasurement of the lease liability.

The Group applies the depreciation provisions stated in TAS 16 Property, Plant and Equipment when depreciating the right-of-use asset.

	1 January 2025	Intreperiod Increase	30 June 2025
Value of Cost			
Buildings	129.470.008	--	129.470.008
Total	129.470.008	--	129.470.008
Accumulated Depreciation			
Buildings	(53.803.289)	(8.390.641)	(62.193.930)
Total	(53.803.289)	(8.390.641)	(62.193.930)
Net Carrying Value	75.666.719	(8.390.641)	67.276.078

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14 Leasing Transactions (continued)

Right of Use Assets (continued)

	1 January 2024	Intreperiod Increase	30 June 2024
<u>Value of Cost</u>			
Buildings	117.858.282	--	117.858.282
Total	117.858.282	--	117.858.282
<u>Accumulated Depreciation</u>			
Buildings	(43.382.764)	(8.244.729)	(51.627.493)
Total	(43.382.764)	(8.244.729)	(51.627.493)
Net Carrying Value	74.475.518	(8.244.729)	66.230.789

Liabilities from Leasing Transaction

The balances of lease liabilities from leasing transactions as of 30 June, 2025, and 31 December 2024, are as follows;

	30 June 2025	31 December 2024
Liabilities from Leasing Transaction (Short term)	3.237.933	3.558.613
Liabilities from Leasing Transaction (Long term)	15.521.134	20.005.074
Total	18.759.067	23.563.687

The movements of lease liabilities for the years ended 30 June 2025 and 30 June 2024 are as follows:

	30 June 2025	30 June 2024
Opening balance	23.563.687	24.628.090
Payments	(2.774.592)	(2.448.400)
Interest Expense (Note 21)	1.265.612	1.270.780
Monetary Loss/ Gain	(3.295.640)	(4.803.508)
Balance of end of the period	18.759.067	18.646.962

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15 Provisions, Contingent Assets and Liabilities

a) Provisions

As of 30 June 2025 and 31 December 2024 The Group's provisions are as follows:

	30 June 2025	31 December 2024
Warranty Provisions	64.747.595	83.211.390
Litigation Provision	4.874.614	8.970.040
Short Term Provisions	69.622.209	92.181.430

The movements of the warranty provision over the periods are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
1 January Balance	83.211.390	78.024.777
Intreperiod Increase	(6.900.621)	30.977.389
Monetary Loss/ Gain	(11.563.174)	(17.581.508)
Balance of end of the period	64.747.595	91.420.658

The movements of the litigaiton provision over the periods are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
1 January Balance	8.970.040	9.465.087
Intreperiod Increase / (Decrease)	(2.954.192)	(1.257.402)
Monetary Loss/ Gain	(1.141.234)	(1.937.150)
Balance of end of the period	4.874.614	6.270.535

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15 Provisions, Contingent Assets and Liabilities (continued)

b) Guarantee – Pledge – Mortgage - Warranty (“GPM”)

As of 30 June 2025 and 31 December 2024 The Group’s guarantee/pledge/mortgage positions are as follows:

GPM given by Group (TL Equivalents)	30 June 2025	31 December 2024
A. The total amount of GPM given on behalf of its own legal entity.	263.036.698	280.459.683
B. The total amount of collaterals given favor of the companies in the scope of full consolidation.	--	--
C. The total amount of GPM given for the purpose of providing debt to third parties in the course of ordinary business activities. (*)	6.470.399.000	7.364.312.041
D. The total amount of other GPM given	--	--
i. The total amount of GPM given in favor of the parent companies.	--	--
ii. The total amount of GPM given in favor of other group companies which are not in the scope of B and C.	--	--
iii. The total amount of GPM given in favor of third parties other than the parties stated in item C.	--	--
Total	6.733.435.698	7.644.771.724

As of 30 June, 2025, the monetary positions of the GPM provided by the Group are shown below;

	30 June 2025	31 December 2024
Turkish Lira	6.640.248.577	7.558.589.830
USD	81.514.296	76.997.844
EURO	11.672.825	9.184.050
Total	6.733.435.698	7.644.771.724

(*) An agreement was signed between The Group and Ziraat Bankası (“the Bank”) in December 2010. Within the scope of this agreement, the event that a customer who took a loan from the Bank to buy tractors sold by The Group through Tümosan tractor dealers (“Branch”), is not able to pay back this borrowing, the Bank holds the right to demand from The Group 75% of the difference between the income to be generated from the judicial sale of the tractors and the insurance fee set by the Turkish Association of Insurance and Reinsurance Companies. However, The Group reflects the difference which the Bank demands from the Company to the Dealer realizing the sale. Therefore, although the mentioned letter of guarantee is a guarantee given to the Bank by The Group, it is eventually transferred to the Customers.

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16 Employee Benefits

Payables Related to the Employee Benefits

As of 30 June 2025 and 31 December 2024, short-term payables related to the employee benefits are as follows:

	30 June 2025	31 December 2024
Wages and Salaries Payable	41.980.988	29.055.906
Social Security Withholdings Payable	17.714.168	16.922.579
Funds and Taxes Payable	9.090.545	8.724.361
Total	68.785.701	54.702.846

Short Term Provisions for Employee Benefits

As of 30 June 2025 and 31 December 2024, short-term provisions related to the employee benefits are as follows:

	30 June 2025	31 December 2024
Provision for Unused Vacation	17.222.236	20.826.608
Total	17.222.236	20.826.608

The movements of the provision for leave over the years are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Beginning of the Period	20.826.608	20.211.133
Provision Allocated During the Period	(659.433)	10.265.960
Monetary Loss/Gain	(2.944.939)	(4.706.871)
End of the Period	17.222.236	25.770.222

The Group is obliged to pay its employees or their beneficiaries for the annual leave periods that employees are entitled to but have not used as of the date the employment contract ends, regardless of the reason for termination, based on the wage at the termination date. The provision for unused leave is the undiscounted total liability amount corresponding to all leave days earned but not yet taken by all employees as of the reporting date.

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

16 Employee Benefits (continued)**Long Term Provisions for Employee Benefits**

As of 30 June 2025 and 31 December 2024, long-term provisions for employee benefits are as follows:

	30 June 2025	31 December 2024
Provision for Employment Termination	86.616.871	46.742.462
Total	86.616.871	46.742.462

In accordance with the prevailing laws in Turkey, the Group is required to make severance payments to employees who have completed one year of service and whose employment has been terminated without valid reason, who are called up for military service, who pass away, who have completed the necessary service period for retirement, or who have reached the retirement age. The severance payment to be made is equivalent to one month's salary for each year of service, and this amount is capped at 53.920 TL as of 30 June 2025 and 41.828 TL as of 31 December 2024.

The severance pay liability is not subject to any funding by law. The provision for severance pay is calculated by estimating the present value of the Group's probable future liability arising from the retirement of employees. TAS 19 ("Employee Benefits") stipulates that company liabilities should be developed using actuarial valuation methods under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are stated below:

Interest Rate	30 June 2025	31 December 2024
Interest rate	27,99%	28,70%
Expected inflation rate	23,73%	23,33%
Net discount rate	3,44%	3,50%

The principal assumption is that the maximum liability for each year of service will increase parallel with the inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 30 June 2025, the provision is calculated by estimating the present value of the future probable obligation of The Group arising from the retirement of the employees.

Movements of employee termination benefits provisions are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balance at 1 January	46.742.462	37.686.313
Cost of Services	7.299.671	4.156.796
Interest Expense	12.728.147	6.391.800
Actuarial Loss /Gain	49.123.673	124.915
Payments	(22.725.559)	(4.970.237)
Monetary Loss /Gain	(6.551.523)	651.509
Balance at 30 June	86.616.871	44.041.096

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As of 30 June 2025 and 31 December 2024, details of other assets and liabilities are as follows:

	30 June 2025	31 December 2024
Deferred VAT	190.532.627	311.485.860
Other	788.036	239.981
Total	191.320.663	311.725.841

18 Capital, Reserves and Other Equity Items**Paid in Capital**

As of 30 June 2025 and 31 December 2024, capital structure of The Group are as follows:

	30 June 2025		31 December 2024	
	Share Rate %	Share Amount (TL)	Share Rate %	Share Amount (TL)
Ereğli Tekstil	60,87%	70.000.000	60,87%	70.000.000
Public Listed	28,69%	32.998.715	28,69%	32.998.715
Other	10,44%	12.001.285	10,44%	12.001.285
Paid in Capital	100%	115.000.000	100%	115.000.000
Differences of Capital Adjustment		1.841.605.629		1.841.605.629
Total		1.956.605.629		1.956.605.629

All of The Group's capital has been paid in as of 30 June 2025 and comprises of 115.000.000 shares with a nominal value of TL 115.000.000 and each one worth TL 1 (31 December 2024: Capital: TL 115.000.000, each one with a value of TL 1, a total of 115.000.000 shares).

For June 30, 2025, nominal amounts, equity index differences and indexed value of equity are as follows:

	30 June 2025		Amounts Presented in Prior Years' Profits
	Statutory Amounts Indexed per PPI	Statutory Amounts Indexed per CPI	
Inflation Adjustments on Capital	2.314.241.618	1.841.605.629	(472.635.989)
Restricted Reserves Appropriated from Profits	250.043.341	209.186.675	(40.856.666)

Other Comprehensive Income/Expense Not to Be Reclassified to Profit or Loss

As of 30 June 2025 and 31 December 2024, other comprehensive income/expense not to be reclassified to profit or loss of The Group are as follows:

Actuarial Differences

	30 June 2025	31 December 2024
Defined Benefit Plans Remeasurements (Losses) Gains	(68.711.357)	(31.868.603)
Total	(68.711.357)	(31.868.603)

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	30 June 2025	31 December 2024
Revaluation Surplus	2.013.270.678	--
Toplam	2.013.270.678	--

19 Revenue

Sales and Cost of Sales for the periods as of 1 January- 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Domestic Sales	1.691.521.688	128.186.101	3.832.908.136	1.856.185.131
Foreign Sales	47.272.156	33.458.830	28.554.761	13.065.924
Gross Sales	1.738.793.844	161.644.931	3.861.462.897	1.869.251.055
Sales Returns and Discounts (-)	(17.860.413)	(15.487.109)	(156.439.814)	(111.365.228)
Net Sales	1.720.933.431	146.157.822	3.705.023.083	1.757.885.827
Cost of Sales (-)	(1.742.611.265)	(759.760.221)	(2.717.560.221)	(1.279.658.196)
Gross Profit	(21.677.834)	(613.602.399)	987.462.862	478.227.631

The revenue of sales on product basis are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Tractor Sales	1.439.442.170	86.563.495	3.032.979.130	1.294.999.243
Spare Part Sales	150.997.085	31.040.223	296.113.752	170.765.917
Engine Sales	51.015.451	20.612.002	48.626.356	28.865.121
Construction Equipment Sales	18.365.365	1.957.283	9.779.176	7.095.957
Agricultural Machinery Sales	9.064.030	1.332.934	7.069.280	3.882.321
Other	52.049.330	4.651.885	310.455.389	252.277.268
Total Revenue	1.720.933.431	146.157.822	3.705.023.083	1.757.885.827

20 Operating Expense

Operating expenses for the 1 January-30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Marketing Expenses	652.627.476	126.467.626	324.487.943	144.967.371
General and Administrative Expenses	294.407.340	136.885.980	118.278.866	59.015.999
Research and Development Expenses	86.243.876	17.339.519	57.507.085	28.125.500
Total	1.033.278.692	280.693.125	500.273.894	232.108.870

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21 Finance Income and Expense**Finance Income**

Finance incomes for the 1 January-30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Interest Income on Intercompany Loans	378.406.288	188.263.119	--	--
Total	378.406.288	188.263.119	--	--

Finance Expenses

Finance expenses for the 1 January-30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Interest Expenses	1.231.623.948	412.942.136	579.175.453	240.004.459
Interest Expenses from Leasing Transactions (Note 14)	1.265.612	632.806	1.270.780	596.534
Total	1.232.889.560	413.574.942	580.446.233	240.600.993

22 Income and Expense from Investment Activities

The Group's investment income for the years ended 1 January-30 June 2025 and 2024 is as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Fair Value Gains on Investment Properties (Note 11)	9.076.155.164	--	--	--
Earnings from Financial Investments	82.694.671	31.811.307	378.146.754	84.692.066
Total	9.158.849.835	31.811.307	378.146.754	84.692.066

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23 Explanations Regarding Net Monetary Position Gains (Losses)

The Group's monetary gains/(losses) for the periods ended 1 January-30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
<u>Statement of financial position items</u>		
Prepaid expenses	10.411.162	75.675.097
Inventories	303.673.617	816.811.848
Property, plant and equipment	1.174.814.292	3.941.196.582
Right of use assets	49.655.406	49.745.482
Intangibles	94.957.745	65.420.845
Investment property	769.512.732	102.038.340
Deferred tax liability	(957.522.577)	(1.082.099.556)
Capital adjustment differences	(2.067.421.740)	(2.012.745.837)
Share premium	(182.617.007)	(178.034.547)
Items will not to be reclassified in profit or loss	1.327.461.645	1.018.734.592
Restricted reserves	(186.736.802)	(178.868.422)
Retained earnings	(2.442.576.567)	(2.836.069.993)
<u>Statement of profit or loss items</u>		
Revenue	(75.850.758)	(211.404.552)
Cost of sales (-)	704.273.107	709.668.250
Marketing expenses (-)	18.494.414	18.855.162
General administrative expenses (-)	22.237.721	22.611.581
Research and development expenses (-)	22.740.738	3.148.993
Incomes / (Expense) from investment activities	1.562.338.717	(70.087.729)
Other operating income	(5.202.187)	(4.398.452)
Other operating expenses (-)	6.177.676	7.639.795
Financial expenses (-)	32.173.803	34.456.302
Monetary gain and/(loses), net	180.995.137	292.293.781

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24 Income Tax

Tax Expense

Tax income/expense for the 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
<u>Recognized in Profit or Loss</u>		
Current tax expense:		
Current tax expense	--	(125.849.124)
Deferred tax income / (expense):		
Arising from temporary differences	(749.728.288)	(78.877.394)
	(749.728.288)	(204.726.518)
<u>Recognized in Comprehensive Income Statement</u>		
Deferred tax income/(expense):		
Tax effects of actuarial differences	12.280.919	31.229
Tax effect of property, plant and equipment revaluation	(671.090.226)	--
Total Tax Expense	(1.408.537.595)	(204.695.289)

The Reconciliation of the Effective Tax Rate

The reported tax provision for the periods 1 January-30 June 2025 and 2024 differs from the amount calculated using the statutory tax rate on profit before tax. The relevant reconciliation is as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Profit for the Period	6.646.404.666	350.395.014
Deduction: Current Period Tax Expense	(749.728.288)	(204.726.518)
Profit Before Tax	7.396.132.954	555.121.532
Calculated Corporate Tax Via Statutory Rate	25% (1.849.033.239)	25% (138.780.383)
Non-Deductible Expenses	(34.460.995)	(8.406.458)
Exceptions and Discounts	11.701.416	4.203.940
Effect of Different Tax Rates and Other	1.122.064.530	(61.743.617)
Total Tax Income/(Expense) Recognized in Profit or Loss	(749.728.288)	(204.726.518)

Deferred Tax Asset/Liabilities

As of 30 June 2025 and 31 December 2024, the deferred tax liabilities are as follows:

	30 June 2025	31 December 2024
Deferred Tax Liability	(2.372.436.001)	(963.898.406)
Total	(2.372.436.001)	(963.898.406)

The movement of deferred tax liabilities are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balance at 1 January	(963.898.406)	(1.012.774.422)
Recognized in Profit or Loss	(749.728.288)	(78.877.394)
Recognized in Other Comprehensive Income	(658.809.307)	31.229
30 June Balance	(2.372.436.001)	(1.091.620.587)

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25 Earning per Share

Earnings per share are calculated by dividing the current period's net profit by the weighted average number of shares of common stock outstanding during the period. In Turkey, companies have the right to increase their capital through the distribution of bonus shares, which can be funded from the revaluation surplus or retained earnings. During the calculation of earnings per share, such increases are treated as shares distributed as dividends. Similarly, capital additions in the form of dividend distributions are also considered. Therefore, when calculating the average number of shares, it is assumed that these types of shares are in circulation throughout the entire year. Consequently, the weighted average of the number of shares used to calculate earnings per share is determined, taking into account the retroactive effects.

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
The Weighted Average Number of Shares in Existence During the Period (Each 1 TL)	115.000.000	115.000.000	115.000.000	115.000.000
Net Profit for the Period	6.646.404.666	(415.836.000)	350.395.014	196.054.500
Gain Per Share (TL)	57,79	(3,62)	3,05	1,70

26 Financial Instruments- Risk Management and Fair Value

Financial Risk Management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about The Group's exposure to each of the above risks, The Group's objectives, policies and processes for measuring and managing risk, and The Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Financial risk management is implemented by each subsidiary within the Group according to policies approved by its own Board of Directors, following the general principles established by the Group.

Risk Management Policies

The Group's risk management policies are established with the purpose of identifying and analyzing the risks faced by the Group, setting appropriate risk limits and controls, and monitoring compliance with those limits. Risk management policies and systems are regularly reviewed to reflect changes in the market and Group activities. The Group aims to develop a disciplined and constructive control environment where all employees understand their roles and responsibilities through the implementation of its training and management standards and procedures.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect The Group's income or value of The Group's financial assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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25 Financial Instruments- Risk Management and Fair Value (continued)

Market Risk (continued)

(i) Currency Risk

The Group is exposed to currency risk due to purchases made in foreign currencies and bank loans. The Group manages this currency risk by engaging in forward foreign exchange contracts and foreign currency options.

As of 30 June 2025, the foreign currency denominated assets and liabilities of monetary and non-monetary items are as follows:

	30 June 2025			
	TL Equivalent	US Dolar	Euro	GBP
1. Trade receivables	77.772.533	966.129	844.883	--
2a. Monetary assets (Including cash on hands and banks)	558.382	923	11.194	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	197.371.466	2.212.609	2.347.845	251
4. Current Assets (1+2+3)	275.702.381	3.179.661	3.203.922	251
5. Trade receivables	--	--	--	--
6a. Monetary assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Non-Current Assets (5+6+7)	--	--	--	--
9. Total Assets (4+8)	275.702.381	3.179.661	3.203.922	251
10. Trade payables	141.728.717	1.579.465	1.676.051	10.784
11. Financial liabilities	27.261.951	684.760	--	--
12a. Other monetary financial liabilities	8.638.800	55.287	137.878	--
12b. Other non-monetary financial liabilities	220.417.815	1.303.781	3.609.048	--
13. Short-Term Liabilities (10+11+12)	398.047.283	3.623.293	5.422.977	10.784
14. Trade payables	--	--	--	--
15. Financial Liabilities	--	--	--	--
16a. Other monetary financial liabilities	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--
17. Long-Term Liabilities (14+15+16)	--	--	--	--
18. Total Liabilities (13+17)	398.047.283	3.623.293	5.422.977	10.784
19. Net asset/(liability) position of derivative instruments in foreign currencies off the statement of financial position (19a-19b)	--	--	--	--
19a. The amount of foreign currency derivative instruments outside the active character financial statement	--	--	--	--
19b. The amount of foreign currency derivative instruments outside the passive character financial statement	--	--	--	--
20. Net foreign currency asset/liability position (9-18+19)	(122.344.902)	(443.632)	(2.219.055)	(10.533)
21. Net foreign currency asset/ liability position of non-monetary items (TFRS 7. B23) (=1+2a+3+5+6a-10-11-12a-14-15-16a)	(122.344.902)	(443.632)	(2.219.055)	(10.533)
22. Fair value of foreign currency hedged financial assets	--	--	--	--
23. Hedged foreign currency assets	--	--	--	--
24. Hedged foreign currency liabilities	--	--	--	--

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25 Financial Instruments- Risk Management and Fair Value (continued)

Market Risk (continued)

(i) Currency Risk (continued)

As of 31 December 2024, the items denominated in foreign currencies in terms of monetary assets and liabilities are as follows:

	31 December 2024			
	TL Equivalent	US Dolar	Euro	GBP
1. Trade receivables	41.852.609	425.598	567.729	--
2a. Monetary assets (Including cash on hands and banks)	165.460	1.480	2.439	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	172.785.578	2.268.582	1.852.271	250
4. Current Assets (1+2+3)	214.803.647	2.695.660	2.422.439	250
5. Trade receivables	--	--	--	--
6a. Monetary assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	47.704.915	798.821	345.837	--
8. Non-Current Assets (5+6+7)	47.704.915	798.821	345.837	--
9. Total Assets (4+8)	262.508.562	3.494.481	2.768.276	250
10. Trade payables	195.246.634	1.809.848	2.795.915	10.814
11. Financial liabilities	46.303.910	1.122.873	--	--
12a. Other monetary financial liabilities	13.494.068	183.236	138.289	--
12b. Other non-monetary financial liabilities	183.207.900	795.245	3.502.994	--
13. Short-Term Liabilities (10+11+12)	438.252.512	3.911.202	6.437.198	10.814
14. Trade payables	--	--	--	--
15. Financial Liabilities	12.644.277	306.625	--	--
16a. Other monetary financial liabilities	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--
17. Long-Term Liabilities (14+15+16)	12.644.277	306.625	--	--
18. Total Liabilities (13+17)	450.896.789	4.217.827	6.437.198	10.814
19. Net asset/(liability) position of derivative instruments in foreign currencies off the statement of financial position (19a-19b)	--	--	--	--
19a. The amount of foreign currency derivative instruments outside the active character financial statement	--	--	--	--
19b. The amount of foreign currency derivative instruments outside the passive character financial statement	--	--	--	--
20. Net foreign currency asset/liability position (9-18+19)	(188.388.227)	(723.346)	(3.668.922)	(10.564)
21. Net foreign currency asset/ liability position of non-monetary items (TFRS 7. B23) (=1+2a+3+5+6a-10-11-12a-14-15-16a)	(188.388.227)	(723.346)	(3.668.922)	(10.564)
22. Fair value of foreign currency hedged financial assets	--	--	--	--
23. Hedged foreign currency assets	--	--	--	--
24. Hedged foreign currency liabilities	--	--	--	--

Tümosan Motor ve Traktör Sanayi A.Ş. and its Subsidiaries**Notes to the Condensed Consolidated Interim Financial Statements****As at and for the Three-Month Period Ended 30 June 2025***(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)***25 Financial Instruments- Risk Management and Fair Value (continued)****Market Risk (continued)****(i) Currency Risk (continued)***Sensitivity Analysis*

The impact of a 10% depreciation of the Turkish Lira against specified currencies on equity and profit/loss for the years ended 30 June 2025 and 31 December 2024 is shown below. This analysis assumes all other variables, especially interest rates, remain constant.

30 June 2025		
	Profit/(Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In the case of change of USD at 10% ratio compared to TL;		
1- USD net asset / liability	(1.788.970)	1.788.970
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	(1.788.970)	1.788.970
In the case of change of EUR at 10% ratio compared to TL		
4- EUR net asset / liability	(10.387.937)	10.387.937
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(10.387.937)	10.387.937
In the case of change of GBP at 10% ratio compared to TL		
7- GBP net asset / liability	(57.582)	57.582
8- Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	(57.582)	57.582
In the case of change of CNY at 10% ratio compared to TL		
10- CNY net asset / liability	--	--
11- Part of hedged from CNY risk (-)	--	--
12- CNY net effect (10+11)	--	--
TOTAL (3+6+9+12)	(12.234.489)	12.234.489

31 December 2024		
	Profit/(Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In the case of change of USD at 10% ratio compared to TL;		
1- USD net asset / liability	(3.008.749)	3.008.749
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	(3.008.749)	3.008.749
In the case of change of EUR at 10% ratio compared to TL		
4- EUR net asset / liability	(15.775.295)	15.775.295
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(15.775.295)	15.775.295
In the case of change of GBP at 10% ratio compared to TL		
7- GBP net asset / liability	(54.778)	54.778
8- Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	(54.778)	54.778
TOTAL (3+6+9)	(18.838.822)	18.838.822

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(The amounts are expressed in terms of purchasing power of Turkish Lira ('TL') as of 30 June 2025, unless otherwise specified)

26 Subsequent Events

The Company has adopted the registered capital system in accordance with the provisions of the Capital Markets Law and transitioned to the Registered Capital System with the permission of the Capital Markets Board dated 29.06.2012 and numbered 22/778, and this decision was registered on 01.08.2025. The registered capital ceiling of the Company is TRY 8.000.000.000 divided into 8.000.000.000 shares with a nominal value of TRY 1 each.

The issued capital of the Company is TRY 115,000,000. This capital is divided into 115,000,000 shares, consisting of 12.000.000 registered (A) group shares and 103.000.000 bearer (B) group shares, each with a nominal value of TRY 1. The entire amount of the issued capital of TRY 115.000.000 has been fully paid in, free from any collusion.