



TÜMOSAN



TÜMOSAN MOTOR VE TRAKTÖR SANAYİ A.Ş.

BOARD OF DIRECTORS' ANNUAL REPORT FOR THE ACCOUNTING PERIOD 01.01.2024 –
31.12.2024 PREPARED IN ACCORDANCE WITH THE CAPITAL MARKETS BOARD'S
COMMUNIQUE II-14.1 ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS

 TÜMOSAN



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TÜMOSAN AT A GLANCE



ABOUT TÜMOSAN

Strong Partnership Structure

*69 Years of Experience
in the Industry*

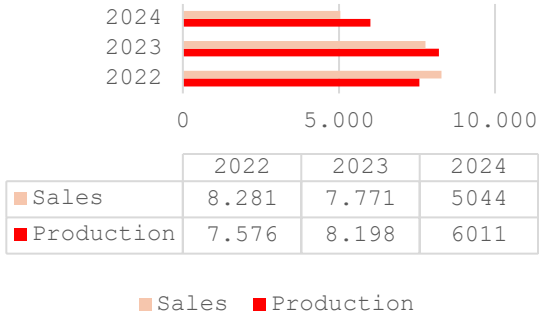
R&D Competency

**Production Technology and
High Quality**

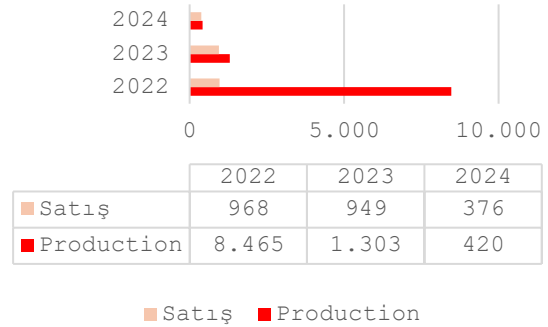
*Turkey's Largest Dealer
and Service Network*

**Leadership in the Turkish
Tractor Market for the Last
17 Years**

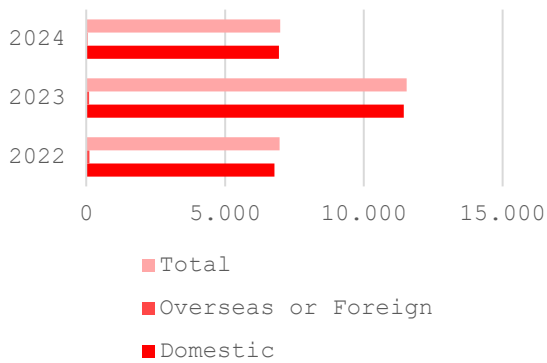
Tractor Production and Sales
Figures



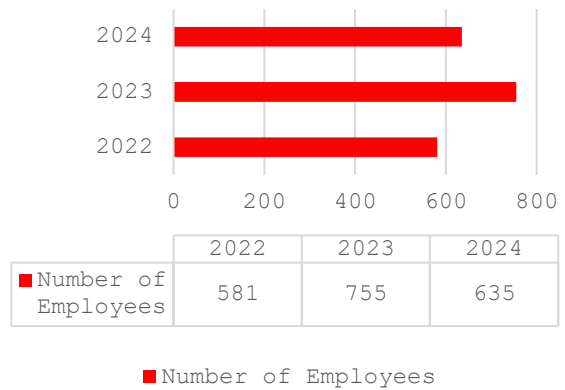
Engine Production and Sales
Figures



Sales Revenue
(Million TL)



Number of Employees





1975

The foundations were laid.

The foundations were laid with the participation of Mr. Necmettin Erbakan.

1976

Establishment by the State

TÜMOSAN was established with the aim of producing engines and powertrains.

1977

Tractor and Diesel Engine Projects

By making an agreement with Fiat, the right to produce 3, 4, and 6-cylinder diesel engines and 8 types of tractors was acquired.

1981

Engine Production

The first engine was produced.

2012

Initial Public Offering (IPO)

It started trading on the Istanbul Stock Exchange.

2013

Domestic 105 Horsepower

The 8105 model tractor with 105 horsepower was produced.

2014

First Domestic 115 Horsepower

Turkey's first domestic 115 horsepower tractor was produced.

2015

Agricultural Equipment Production

The production of agricultural equipment has begun.

2017

The first step in the defense industry

The PUSAT armored vehicle was introduced at IDEF 2017.

2018

Diesel and Electric Forklifts

The production of forklifts has started.

2019

Marine Engines

A 4-cylinder marine engine was produced.

2019

Generator Production

The company entered the generator sector.

2022

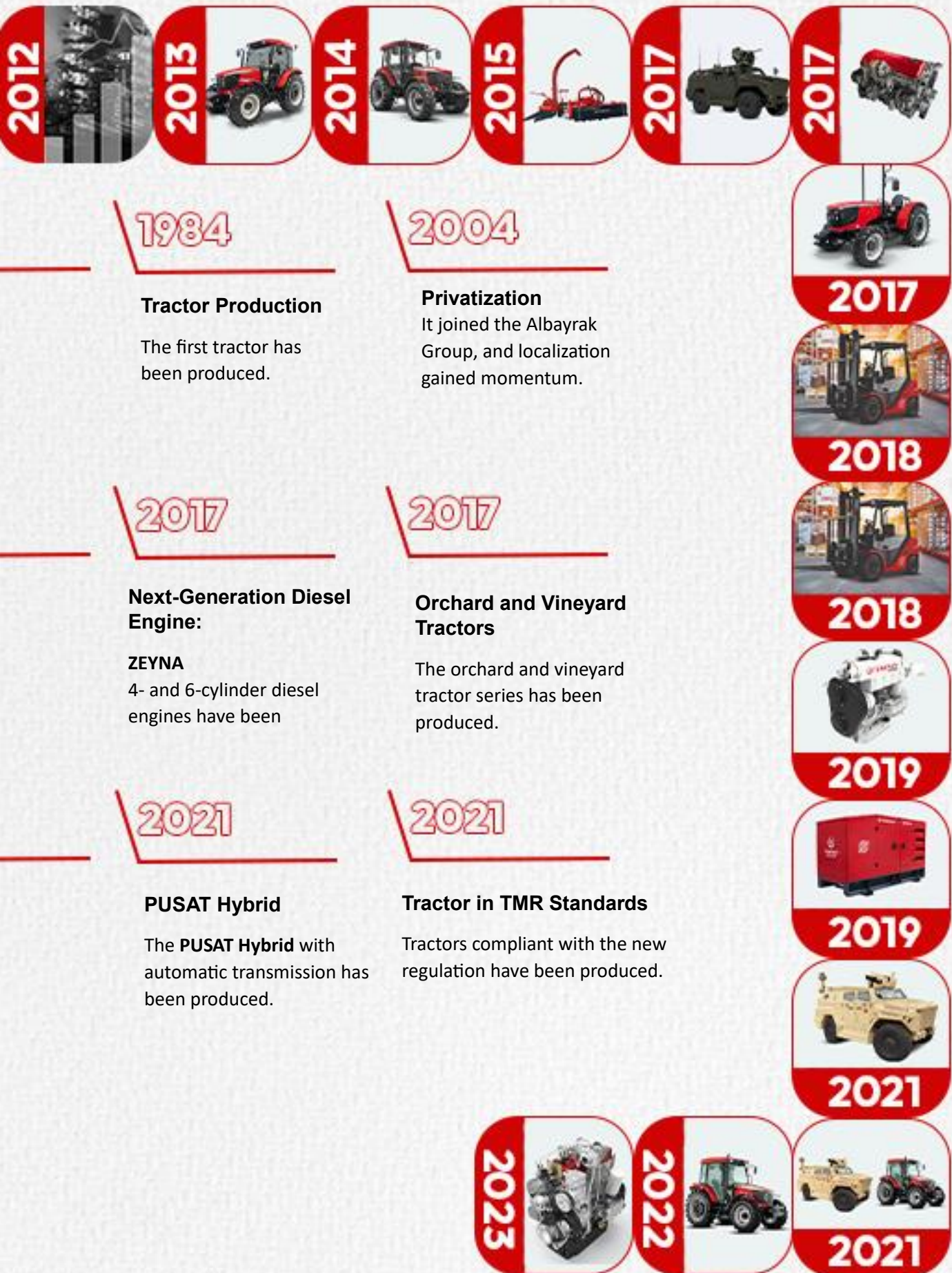
81 Premium Series

The comfort-focused series was introduced.

2023

TÜMOSAN Stage V Engine

An eco-friendly and powerful engine family has been developed.



Dear Stakeholders,

The year 2024 has been a challenging one for TMOSAN Motor and Tractor Industry Inc. (“TMOSAN”). Global economic conditions, industry dynamics, and rising costs have put pressure on our financial performance. Despite the challenges we faced, TMOSAN focused on strategic investments and quickly adapted to the changing dynamics in the sector, completing the year in the best possible way.

Industry Developments and Trends

Significant changes have occurred in the global agricultural machinery sector. Digitalization, sustainability, and the integration of innovative technologies into production processes have reshaped competition within the industry. In our country, as the strategic importance of the agricultural sector increased, government incentives and policies to support domestic production were implemented. These developments have contributed to reinforcing TMOSAN's leadership in domestic production.

2024 Performance and Achievements

The past year has been a period in which we largely achieved the goals we set. With our investments in advanced technologies, we expanded into new markets, increased customer satisfaction, and made significant strides in our digital transformation process. During this time, our participation in prestigious programs such as the Brand Support Program, ISO 500, and R&D 500 strengthened our position in global competition.

Although local and national initiatives in the automotive industry in Turkey have gained momentum, dependency on foreign sub-systems continues in critical areas. Due to our country's geopolitical position and the fragility of the international context, the supply of foreign sub-systems also brings along uncertainties. For this reason, TMOSAN's newly developed FAZ-V engines are of critical importance. TMOSAN, which has embraced local and national production since its establishment, has succeeded in increasing the domestic production rate of its tractors to as high as 97% with its engines, transmissions, drivetrains, and other sub-systems developed and operated in-house.

As a key issue both in Europe and Turkey, TMOSAN has developed domestic engines that comply with the FAZ-V regulation, which has become a legal requirement for reducing carbon emissions and is aligned with European standards for engine exhaust gas emissions. By using FAZ-V emission level engines in its tractors, TMOSAN has positioned itself to target

European markets. The locally developed FAZ-V engines are integrated into all TŪMOSAN tractor series, ranging from 48 horsepower to 125 horsepower. This shows that TŪMOSAN will continue to maintain a critical producer position in the Turkish automotive sector.

We successfully completed the implementation of Integrated Management Systems covering ISO 9001, ISO 14001, ISO 45001, ISO 55001, ISO 50001, ISO 10002, ISO/IEC 22301, ISO/IEC 27001, and ISO/IEC 27701 standards. As a result of audits conducted by independent auditing firms, we earned the relevant certifications.

In line with this, our primary goal is to ensure the continuity and sustainability of our management systems, approved by independent organizations, by integrating them with our company culture, in accordance with our mission and vision. In line with our continuous improvement policies, we are committed to maximizing the quality of our production and services, and adhering to international standards in critical areas such as occupational health and safety, environmental responsibility, and information security.

By progressing with a philosophy of continuous improvement and excellence, we aim to build a more reliable, high-quality, and sustainable structure for all our stakeholders.

Steps Towards Innovation and Sustainability

In 2024, TŪMOSAN continued its efforts in production, innovation, and sustainability. As part of our R&D activities, we focused on developing more environmentally friendly and energy-efficient products. Additionally, by investing in domestic and innovative technologies, we continued our efforts to strengthen Turkey's position as a global player in the agricultural equipment manufacturing market.

In this context, while expanding our product range, we also grew our distributor network by adding Bosnia and Herzegovina, Iraq, and Ukraine. Our expansion into new markets has significantly increased the global recognition of our brand and contributed to the growth of our export volume.

Looking Ahead to 2025 and Beyond

Our goals for the coming year are to further increase our production capacity, expand into new markets, and bring our sustainability-focused projects to life. We will continue to grow our domestic production capacity in the agricultural machinery sector by developing strategies on how we can meet both domestic and international demand. In recent years, we have followed a stable growth process while maintaining our position in the market. In 2023, we were ranked second, and in 2024, we placed third. However, considering the sector dynamics and

competitive conditions, we are continuing our strategic investments without slowing down to return to our previous position and even surpass it.

We believe that our greatest strength in this process is our strong human resources and the dedication of our employees. In 2025, we aim to further increase our market position by focusing on innovation-driven projects, sustainable growth, and expanding our export volume.

With the belief that we will achieve even greater successes together, we will continue our journey in 2025 with the same determination and perseverance.

I would like to thank you all and wish you health, success, and happiness in 2025.

Sincerely,

HALİM TOSUN

General Manager

1. GENERAL INFORMATION

1.1. REPORT PERIOD

This report covers the working period from January 1, 2024, to December 31, 2024.

1.2. Company Trade Name / Trade Registry Number / MERSIS Number

TÜMOSAN MOTOR VE TRAKTÖR SANAYİ A.Ş. / 505991/ 0050 0361 6010 0013

1.3. CONTACT INFORMATION

Head Office

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

Phone : (212) 468 19 00 Pbx

Fax : (212) 465 28 91

Factory

Büyükkayacık Mahallesi Aksaray Çevre Yolu Caddesi No: 7/1 Selçuklu-Konya – TÜRKİYE

Phone : (332) 239 05 40 (10 Line)

Fax : (332) 239 11 88

R&D Center

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

Phone : (212) 468 19 00 Pbx

Fax : (212) 465 28 91

Website Address

www.tumosan.com.tr

Corporate Email Address

musterihizmetleri@tumosan.com.tr

1.4. COMPANY'S FIELD OF ACTIVITY:

TÜMOSAN Motor ve Traktör Sanayi A.Ş. ("TÜMOSAN" or the "Company") is one of Turkey's leading engine and tractor manufacturers. Founded in 1976, our company initially began operations to support Turkish agriculture and increase domestic production. Over time, it has expanded beyond the agricultural sector to produce engines and other technological solutions for the industrial and defense industries. Today, TÜMOSAN has successfully established itself as a recognized brand both in the domestic and international markets.

TÜMOSAN Motor ve Traktör Sanayi A.Ş. (formerly known as Alçelik Çelik Yapı İnşaat Sanayi ve Ticaret Anonim Şirketi) was established in Ankara on June 23, 1976, based on the decision of the Council of Ministers dated November 13, 1975, and numbered 7/10905. It was initially founded to manufacture engine parts, power transmission components, and similar equipment, but later focused on diesel engine and tractor production. As one of Turkey's first diesel engine manufacturers, TÜMOSAN not only supplied diesel engines for tractors produced under its own brand but also manufactured diesel engines for other vehicle manufacturers for many years.

The company was included in the privatization program on August 18, 1998. The shares belonging to the Machinery and Chemical Industry Institution (MKEK) were transferred to the Privatization Administration, with the decision to complete the privatization process within one year.

During the tender held on April 24, 2000, four companies participated. However, due to the failure of the designated buyers to sign the sales contract within the specified period, their deposits were forfeited, and the tender was not successfully concluded. Following the unsuccessful privatization attempt, TÜMOSAN continued its operations in a limited capacity. As part of the privatization efforts, the Privatization Administration decided on February 3, 2003 (decision no. 2732) to merge the company with Sümer Holding A.Ş., effective from February 5, 2003. Consequently, the legal entity of TÜMOSAN Türk Motor Sanayi A.Ş. was dissolved.

The TÜMOSAN factory in Konya was then registered under the trade name "Sümer Holding A.Ş. TÜMOSAN / Türk Motor Sanayii İşletmesi" in the Konya Trade Registry on February 20, 2003, with trade registry number 26788. In 2004, a second privatization tender was held, and TÜMOSAN was sold through a property sale to Alçelik Çelik Yapı İnşaat Sanayi ve Ticaret A.Ş. The handover process was completed on July 1, 2004.

Alçelik Çelik Yapı İnşaat Sanayi ve Ticaret A.Ş. was established with a capital of 500,000 TL, and its articles of incorporation were amended and registered on September 23, 2003. Subsequently, in an Extraordinary General Assembly Meeting held on December 29, 2010, the company's name was changed to TÛMOSAN Motor ve Traktör Sanayi A.Ş. This change was officially registered on January 6, 2011.

MISSION, VISION, AND CORPORATE VALUES

Our Mission

To ensure sustainability in stakeholder satisfaction by producing high-quality and technologically advanced products at the right time, while playing an active and regulatory role in both the defense industry and the agricultural sector.

Our Vision

To become a competent and global company in the agricultural and defense industries.

Our Values

Working with a customer-centric approach, considering expectations and needs.

Establishing open and transparent communication at all levels and platforms.

Advancing through effective teamwork and making our stakeholders feel valued.

Being aware of our social responsibilities and supporting social responsibility projects.

Engaging in environmentally friendly production.

Striving for excellence with a continuous improvement-oriented Human Resources Policy.

Sharing technological advancements with our country on the path to becoming a great Turkey.

1.5. SHAREHOLDING STRUCTURE AND VOTING RIGHTS

Registered Capital Ceiling : 500.000.000 TL

Paid-in Capital : 115.000.000 TL

As of December 31, 2024, the shareholding structure of TÛMOSAN Motor ve Traktör San. A.Ş. is as follows:

Trade Name / Shareholder's Name and Surname	Share in Capital (TL)	Share in Capital (%)
EREĞLİ TEKSTİL TURİZM SAN. VE TİC. A.Ş.	70.000.000,16	60,87
AHMET ALBAYRAK	2.000.000,00	1,74
NURİ ALBAYRAK	2.000.000,00	1,74
KAZIM ALBAYRAK	2.000.000,00	1,74
MUZAFFER ALBAYRAK	2.000.000,00	1,74
MUSTAFA ALBAYRAK	2.001.285,00	1,74
BAYRAM ALBAYRAK	2.000.000,00	1,74
Other	32.998.714,84	28,69
TOTAL	115.000.000,00	100,00

1.6. EXPLANATIONS REGARDING PRIVILEGED SHARES AND VOTING RIGHTS

The shares of TŪMOSAN Motor ve Traktör Sanayi A.Ş. are divided into two groups: A and B. Group A shares have voting privileges, with each Group A share granting 15 (fifteen) voting rights. Half of the Board of Directors' members are elected by the General Assembly from among the candidates nominated by Group A shareholders. If half of the Board of Directors' members results in a fractional number, the fraction is rounded down. Group B shares do not have any privileges.

Share Group	Registered/Bearer	Nominal Value of a Share (TL)	Number of Shares	Total Nominal Value (TL)
A	Registered	1,00	12.000.000	12.000.000
B	Bearer	1,00	103.000.000	103.000.000
Total			115.000.000	115.000.000

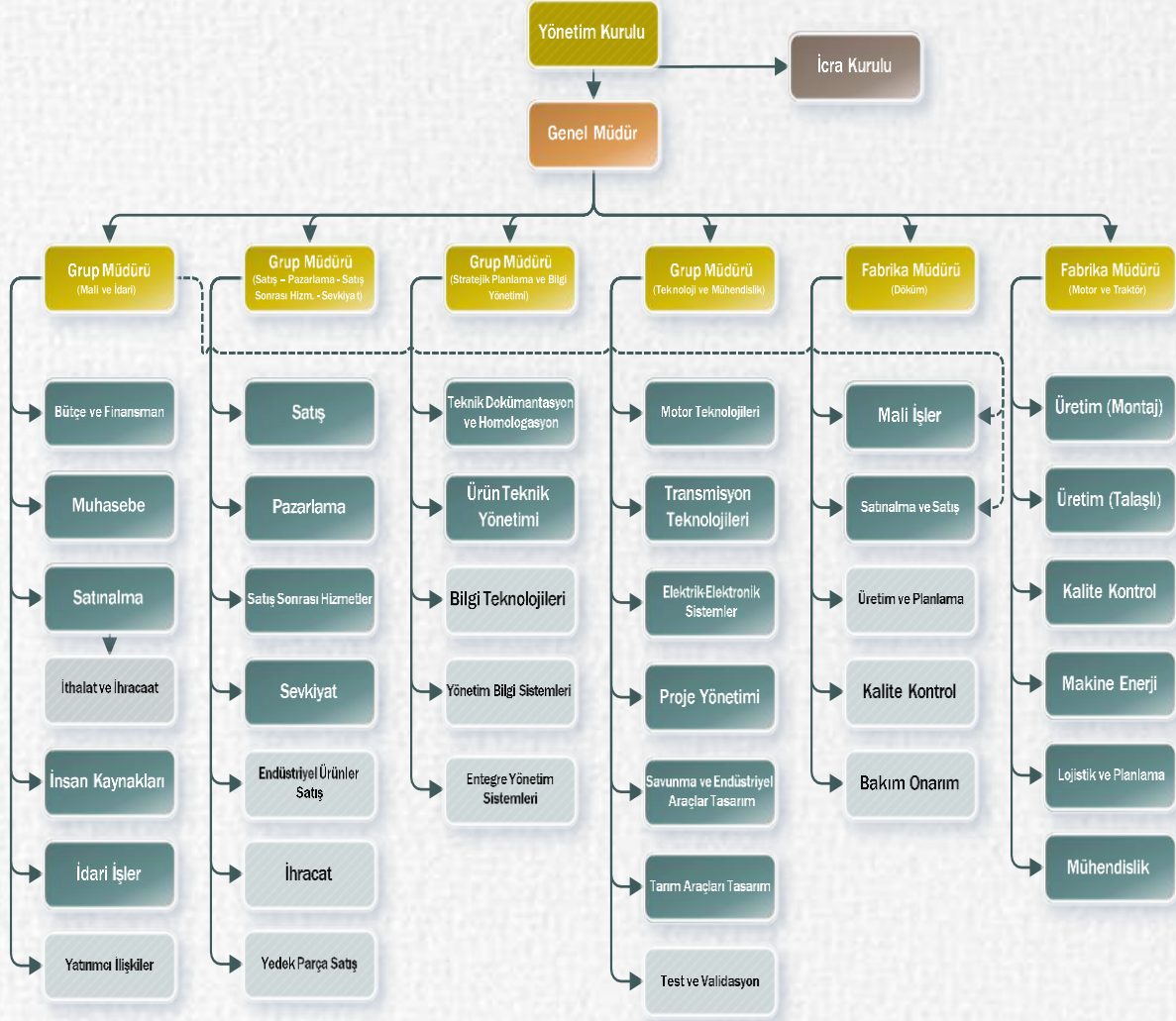
1.7. SHARE INFORMATION

TŪMOSAN shares have been traded on Borsa Istanbul (BIST) national market since 2012 under the stock code TMSN and are listed in the Star Market. Additionally, TŪMOSAN is included in the BIST 100, BIST 500, BIST Industrial, BIST Star, BIST Konya, BIST Metal Goods & Machinery, BIST 100-30, and BIST All indices.

2024 Key Figures

Paid-in Capital	115.000.000 TL
Market Traded On	Yıldız Pazar
Free Float Amount (as of 31.12.2024)	32.970.692,19 TL
Highest Closing Price Between 01.01.2024 – 31.12.2024	191,40 TL
Closing Price on 31.12.2024	119,70 TL
Market Value in TL (as of 31.12.2024)	13.765.500.000 TL

1.8. COMPANY'S ORGANIZATIONAL CHART



1.9. INFORMATION ON THE MANAGEMENT BODY, SENIOR EXECUTIVES, AND NUMBER OF PERSONNEL:**Board of Directors**

Name – Surname	Position/Title	Term of Office	Whether They Are an Independent Board Member	Committees They Are In and Their Roles
Ahmet ALBAYRAK	Chairman of the Board	From September 1, 2022, for a period of 3 years	Not an Independent Member	
Nuri ALBAYRAK	Vice Chairman of the Board	From September 1, 2022, for a period of 3 years	Not an Independent Member	
Muzaffer ALBAYRAK	Board Member	From September 1, 2022, for a period of 3 years.	Not an Independent Member	
Mesut Muhammet ALBAYRAK	Board Member	From September 1, 2022, for a period of 3 years.	Not an Independent Member	Corporate Governance Committee Member - Chairman of the Early Detection of Risk Committee
Aygün KARAKAŞ	Board Member	From November 28, 2023, for a period of 3 years	Independent Member	Chairman of the Audit Committee
İsmail YÜKSEK	Board Member	From September 1, 2022, for a period of 3 years	Independent Member	Chairman of the Corporate Governance Committee - Member of the Early Detection of Risk Committee - Member of the Audit Committee

Senior Executives

Name – Surname	Position/Title
Muzaffer ALBAYRAK	Board Member / Executive Committee Chairman
Halim TOSUN	General Manager / Deputy Chairman of the Executive Committee
Kurtuluş ÖĞÜN	Executive Committee Member
Bülent BOLAT	Executive Committee Member

As of December 31, 2024, the total number of employees is 635 (December 31, 2023: 755).

The personnel expenses included in operating expenses during the period amount to 599.769.340 TL . Our company does not have a collective bargaining agreement in place. The provisions set forth in the Labor Law are applied to company employees.



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BOARD MEMBERS' BIOGRAPHIES

Ahmet ALBAYRAK

Chairman of the Board

Ahmet Albayrak was born in 1954 in the Of district of Trabzon. He completed his primary and secondary education in Trabzon and successfully finished his high school education in Istanbul. Ahmet Albayrak has successfully completed numerous construction investments in both public and private sector projects.

In the early 1990s, he became one of the first businessmen in Turkey to engage in sectors such as municipal solid waste collection, water-electricity-natural gas meter reading, and fleet vehicle rental services for public institutions.

Later, in the mid-1990s, Ahmet Albayrak entered the industrial sector by participating in privatization tenders for certain industrial facilities that were on the verge of closure. In this context, Albayrak Holding acquired and modernized several facilities, including Konya Ereğli Sümerbank Textile in 1997, Trabzon Port Operations in 2003, and Konya TÜMOSAN Tractor and Diesel Engine Factory in 2004, successfully reintegrating them into Turkish industry as productive establishments.

Since 2011, Ahmet Albayrak has been leading significant investment projects in Lahore, the capital of Punjab Province, Pakistan, by winning several international public tenders. Most notably, Albayrak Holding won the Lahore Metrobus operation tender, and since March 2013, the company has been providing high-quality and cost-effective transportation services with a fleet of 100 luxury buses.

Nuri ALBAYRAK

Vice Chairman of the Board of Directors

Nuri Albayrak was born on December 14, 1959, in the Of district of Trabzon. He graduated from Istanbul Imam Hatip High School in 1978. In his professional career, he currently serves as the Vice Chairman of the Board of Directors at Albayrak Holding A.Ş., a continuously growing group since 1952. In addition to his native language, Turkish, he has a basic proficiency in Arabic.

Albayrak Holding, which started its investments in the construction sector in 1952, has expanded its portfolio over the past 60 years, now operating in six different sectors, including construction, industry, logistics, services, energy, tourism, and media, with more than 20 companies. Today, Albayrak Holding has investments in Turkey, Pakistan, and the African

continent, employing more than 10,000 people. Additionally, Nuri Albayrak represents Albayrak Holding in the MÜSİAD Businessmen's Association.

Muzaffer ALBAYRAK

Member of the Board of Directors

Muzaffer Albayrak was born in 1966 in the Of district of Trabzon. He graduated from Istanbul Imam Hatip High School in 1984. Muzaffer Albayrak started his professional career at Albayrak Holding, a continuously growing group since 1952, and currently serves as a Member of the Board of Directors at Albayrak Holding A.Ş. In addition to his native Turkish, he has basic proficiency in English.

Albayrak Holding, which began its investments in the construction sector in 1952, has expanded over 65 years by adding new ventures. Today, it operates in six different sectors—construction, industry, logistics, services, energy, tourism, and media—through more than 20 companies. With investments in Turkey, Pakistan, and Somalia, Albayrak Holding currently provides employment for over 10,000 people.

Mesut Muhammet ALBAYRAK

Member of the Board of Directors

Mesut Muhammet Albayrak, born in 1981, is a graduate of the Faculty of Economics and Administrative Sciences, Department of Business Administration. He began his professional career in 2000 by establishing the technology company Albil within the Albayrak Group. In the following years, he also managed the Human Resources and Corporate Communications departments within the group.

In 2005, he took on the role of Executive Board Member responsible for Information Technologies, Human Resources, and Corporate Communications within the Albayrak Group. In 2008, he played a key role in the establishment of the Albayrak Foundation alongside the late Hacı Ahmet Albayrak, the founder of Albayrak Group.

In addition to being a Trustee and Board Member of the Albayrak Foundation, he is also a founding Trustee Board Member of the Selçuklu Autism Individuals Education Foundation (SOBE). Since 2007, he has been serving as an Executive Board Member at Albayrak Holding, and since 2008, he has also held an Executive Board position at Albayrak Publishing Holding.

Aygün KARAKAŞ

Independent Board Member

Aygün KARAKAŞ was born in 1960 in the Çaykara district of Trabzon and completed his primary and secondary education in Istanbul. After graduating from the Electronics Department

of Boğaziçi University, he continued his higher education in the United States at Ohio Wright State University in the Systems Engineering department. He then pursued two different master's degrees in Social and Applied Economics and International Business at the same university. Following his studies, he worked as a Teaching and Research Assistant at Wright State University for three years.

After returning to Turkey, Karakaş entered the business world and currently serves as the Chairman of the Board for four companies operating in the Energy, Healthcare, and Construction sectors. Since 2020, he has also been the Consul General of the Republic of The Gambia in Istanbul.

Beyond his professional career, Karakaş actively participates in various foundations, associations, and professional organizations. His current roles include being a Member of the High Advisory Board of the Boğaziçi University Alumni Association (BURA), a Member of the Karadeniz Foundation Assembly, and a Trustee of the Çaykara and Dernekpazarı Foundation.

His past roles include serving as a Member of the Istanbul Chamber of Commerce Assembly, Coordinator of the Association of Mediterranean Chambers of Commerce and Industry (ASCAME), Board Member of MÜSİAD, Board Member of the Istanbul World Trade Center, Vice Chairman of the Turkey-Bahrain Business Council under the Foreign Economic Relations Board (DEİK), Chairman of the Turkey-Gambia Business Council, Board Member of the Kutup Yıldızı Health Volunteers Association, and Vice Chairman of both the Plan and Budget Commission and the Culture and Social Services Commission of the Istanbul Provincial General Assembly. Karakaş is married and has two children.

İsmail YÜKSEK
Independent Board Member

İsmail Yüksek was born in 1963 in Maraşlı Village, Çaykara, Trabzon. He completed his primary education at Maraşlı Village Primary School in 1974, his secondary education at Beykoz Ziya Ünsal Middle School in 1977, and his high school education at Paşabahçe Ferit İnal High School in 1980. He earned his undergraduate degree from Yıldız Technical University in 1984, followed by a Master's degree in 1987 and a Ph.D. in 1995 from the same university.

At Yıldız Technical University, he served as a research assistant from 1986 to 1994, a lecturer from 1995 to 1996, an assistant professor from 1996 to 1999, and an associate professor from 1999 to 2005. From 2005 to 2016, he continued his academic career as a full professor at the same institution. Between 1994 and 1995, he conducted research on vehicle vibrations at

Politecnico di Milano in Italy with a government scholarship. In 1999-2000, he pursued postdoctoral research at JST, Mechanical Engineering Laboratory in Japan under a scholarship from the Japanese Ministry of Industry.

He has taught courses in Machine Dynamics I & II, Automatic Control, Computer-Aided Design, and Basic Computer Technologies and Applications at the undergraduate level, as well as Vibration Isolation, System Dynamics and Control, and Active Control of Vehicle Vibrations at the graduate level. He has numerous national and international publications.

Between 1987 and 1988, he completed his military service at the Ministry of National Defense, serving as a Control Engineer in the Construction and Real Estate Department. From 1999 to 2018, he served as a consultant for the Istanbul Chamber of Industry and was the Vice President of the Turkish Engineers Association from 1999 to 2006.

His administrative roles include Head of the Mechatronics Engineering Department (2007), Head of the Machine Theory, System Dynamics, and Control Department (2006-2007), Faculty Board Member (2007), Vice Dean of the Faculty of Mechanical Engineering (2003-2005), Vice Head of the Mechanical Engineering Department (2003-2004), Faculty Executive Board Member (2004-2006), Faculty Council Member (2004-2006), KOSGEB Consultant (2004-2008), TÜBİTAK-MAKİTEG Field Committee Member (2008-2010), and TÜBİTAK-MAKİTEG Reviewer (2005-2008).

Between September 12, 2011, and 2014, he served as a member of the TÜBİTAK Science Board and from 2013 to 2016, as a Board Member of TÜBİTAK MAM.

Prof. Dr. İsmail Yüksek served as the Rector of Yıldız Technical University from August 2008 to 2016. After his tenure as rector, he was appointed as an advisor to Minister of Science, Industry, and Technology Faruk Özlü. On December 22, 2016, President Recep Tayyip Erdoğan appointed him as the Rector of Antalya Bilim University, where he continues to serve.

He is married with three children and speaks English.

Independence Declarations of Independent Board Members

Declaration of Independence

Due to my election as an independent board member at TŪMOSAN Motor ve Traktör Sanayi Anonim Şirketi (the Company), I hereby declare that I meet all the criteria of an "independent member" as specified in article 4.3.6 of the Corporate Governance Communiqué (II-17.1) issued by the Capital Markets Board (CMB).

1- Neither I, my spouse, nor my relatives up to the second degree by blood or marriage have been employed in an executive position with significant duties and responsibilities, held more than 5% of the capital or voting rights (including privileged shares) alone or together, or established a significant commercial relationship with the Company, its subsidiaries, its controlling shareholders, or legal entities controlled by these shareholders within the past five years.

2- In the past five years, I have not been a partner (holding 5% or more), an executive in a significant position, or a board member at any company from which the Company has purchased or sold substantial amounts of products or services, including but not limited to auditing (tax, legal, internal audit), rating, or consulting services.

3- I possess the necessary professional education, knowledge, and experience required to fulfill the responsibilities of an independent board member properly.

4- Except for university faculty positions, I will not accept a full-time role at any public institutions or organizations after my election.

5- I am a resident of Turkey in accordance with Article 4 of Income Tax Law No. 193, dated 31/12/1960.

6- I uphold strong ethical standards, professional reputation, and experience, ensuring I can make decisions freely while considering the rights of stakeholders, avoiding conflicts of interest between the Company and shareholders, and contributing positively to Company operations.

7- I am capable of monitoring the Company's activities and allocating sufficient time to fulfill my duties as an independent board member effectively.

8- I have not served as a board member for more than six years within the last ten years at the Company.

9- I do not serve as an independent board member in more than three companies controlled by the Company's controlling shareholders or more than five publicly traded companies in total.

10- I have not been registered or announced as a board member on behalf of a legal entity elected as a board member.

This declaration is presented for the information of the Board of Directors, the General Assembly, our shareholders, and all stakeholders.

28/11/2023

AYGÜN KARAKAŞ

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01/09/2022

İSMAİL YÜKSEK

1.10. INFORMATION ON TRANSACTIONS CONDUCTED BY MEMBERS OF THE GOVERNING BODY ON BEHALF OF THEMSELVES OR OTHERS WITHIN THE SCOPE OF THE AUTHORIZATION GRANTED BY THE GENERAL ASSEMBLY, AS WELL AS ACTIVITIES FALLING UNDER THE NON-COMPETE CLAUSE:

The members of the Board of Directors have been granted the freedom to engage in commercial transactions related to the company's field of activity in accordance with Articles 395 and 396 of the currently applicable Turkish Commercial Code.

Although there is no prohibition on Board Members conducting transactions with the company, no conflict of interest has arisen as of the December 2024 period.

2. FINANCIAL RIGHTS PROVIDED TO MEMBERS OF THE GOVERNING BODY AND SENIOR EXECUTIVES

2.1 TOTAL AMOUNTS OF FINANCIAL BENEFITS PROVIDED SUCH AS ATTENDANCE FEE, SALARY, BONUS, PREMIUM, AND PROFIT SHARE:

In accordance with our company's articles of association, all rights, benefits, and remuneration provided to the members of the Board of Directors are determined by the General Assembly. The total benefits and entitlements provided to senior management for the interim accounting period ending on December 31, 2024, amount to 16.139.104 TL. (December 31, 2023: 12.522.136 TL)

2.2. INFORMATION ON THE TOTAL AMOUNT OF ALLOWANCES, TRAVEL, ACCOMMODATION, AND REPRESENTATION EXPENSES, AS WELL AS IN-KIND AND CASH BENEFITS, INSURANCE, AND SIMILAR GUARANTEES PROVIDED:

None.

3. COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES

- R&D activities are carried out in the fields of Diesel Engines, Transmission, Powertrain Systems, Off-Road Vehicles, and their derivatives.
- The R&D Center is located in Istanbul, while the test laboratories and production facilities are in Konya.

R&D ACTIVITY AREAS:

TÜMOSAN's primary field of activity mainly includes tractors, diesel engines, transmissions, powertrains, and agricultural equipment. However, as a result of its R&D efforts, the company has also developed products such as diesel forklifts, the PUSAT tactical wheeled military land vehicle, engine and vehicle electronic control units, contributing to the national economy. Through the development of next-generation diesel engines, Tümosan aims to expand its presence in both domestic and international markets in areas such as tractors, automotive, cleaning equipment, generators, military land vehicles, and marine vessels.

The TÜMOSAN R&D Center aspires to be among the first to design a feasible solution in the process of developing a new product. It continuously seeks new possibilities and solutions to improve existing products, processes, and systems. In alignment with the company's vision, it is committed to increasing efficiency, developing new product groups, and enhancing the quality of existing services through continuous product and process innovation.

TÜMOSAN works to enhance its technological know-how by seeking consultancy services from domestic and international sources to address deficiencies, continuously improving its personnel to develop value-added products. To establish a sectoral infrastructure, the company constantly renews itself and maintains a dynamic and innovative approach. As one of the leading domestic manufacturers in its industry, TÜMOSAN aims to strengthen its position through its R&D vision. The project management-oriented structure of the TÜMOSAN R&D Center ensures that the accumulated know-how is shared across the entire TÜMOSAN family, aiming to create new high-value-added R&D initiatives.

TÜMOSAN actively engages in collaborations with universities and research centers, as well as participating in national and international R&D cooperation programs to enrich its existing R&D experience and expertise. Additionally, the company is committed to fostering an R&D culture throughout the organization, ensuring its widespread adoption. Efforts are made to enhance the emphasis placed on R&D activities, improve synchronization, and sustain projects focused on product and process development based on specific industries. These efforts aim to enhance the performance and efficiency of R&D operations while ensuring their continuity.

Recognizing the importance of having competent R&D personnel, the TÜMOSAN R&D Center is dedicated to increasing the employment of researchers with master's and doctoral degrees. It also focuses on enriching training programs to equip its employees with the necessary skills for future job markets. The company continues to expand support mechanisms for employees pursuing further education, encourage participation in scientific events, support academic publications, increase access to scientific journals and associations, provide more internship opportunities for university students, and broaden scientific renewal opportunities for its personnel.

In this context, the R&D activities at TÜMOSAN include new product development, product quality improvement, continuous review of processes, and making improvements to enhance competitive advantages by optimizing cost, power, and efficiency. Additionally, efforts are made to restructure products for new markets. TÜMOSAN has taken significant steps toward increasing localization and reducing imports. The company also aims to standardize innovations and improvements to embed an innovation-driven corporate culture. By establishing mechanisms that facilitate the flow of information, TÜMOSAN ensures the effective dissemination of knowledge throughout the organization.

TÜMOSAN's R&D strategies, financial planning, resource allocation, personnel development, and overall R&D activities are carefully assessed and managed. All past and future R&D initiatives are guided by TÜMOSAN's mission and vision. Strategies are formulated and reviewed in coordination with senior management, with evaluations made on project processes, outcomes, and financial resources to assess targets and actual results. In terms of financial resources, investment decisions related to R&D, technological product ratios, and industry averages in Turkey and globally are analyzed, followed by necessary improvements and strategic planning.

R&D PROJECTS

With the projects developed through our R&D efforts, it is evident that our competencies have increased. TŪMOSAN continues to grow beyond tractors by serving as an implementing partner for various projects, thereby expanding its product range.

As our company grows and evolves, it places great importance on research and development, continuously working on new projects that add value. The necessity of innovation for business sustainability makes it essential for our R&D Center to adopt a strategic approach to research and development activities.

For this reason, among TŪMOSAN's projects:

National Integrated Light-Class Tactical Wheeled Vehicle Project: By utilizing the design and manufacturing infrastructure established for engines (TMSN 5.4), transmissions (TMSN 1308 AMT, 8+1 Automated Transmission), and other subsystems, TŪMOSAN has successfully designed, prototyped, and tested a high-local-content Tactical Wheeled Vehicle that meets modern tactical and technical requirements while maintaining low investment and operational costs. This military vehicle is being developed in both diesel and hybrid versions.

Special-Purpose Tactical Wheeled Armored Vehicles (ÖMTTZA) Project: Under the project initiated by the Presidency of Defense Industries (SSB) to meet the needs of the Turkish Land Forces and Gendarmerie General Command, TŪMOSAN will supply domestically produced and nationally developed engine subsystems for the 6x6 and 8x8 vehicles to be procured.

Marine Engine Project: With the completion of the marine engine project, an engine designed for both auxiliary power and marine genset use, as well as for vessels approximately 12 meters in length, has been launched for sale. This project aims to provide and integrate cost-effective, domestic, and national solutions for vital waterway platforms in Turkey, a country surrounded by three seas.

ULAQ Project - Armed Unmanned Surface Vehicle (AUSV): TŪMOSAN has begun delivering marine power groups for the Katır boats of the General Directorate of Shipyards. Additionally, TŪMOSAN played a crucial role in integrating and testing a domestically developed marine engine in the ULAQ project—the first time a locally produced marine engine was used in an armed unmanned surface vehicle. The ULAQ 35 AUSV, which will be delivered

to the Turkish Naval Forces Command, features a fully domestic marine engine and an electrical-electronic control module developed by Tümosan.

Alp Light Tracked Vehicle Power Group: TÜMOSAN, which develops engines for land vehicles and powertrain solutions for armored vehicles, has showcased the Alp Light Tracked Vehicle Power Group at the IDEF exhibition. The company aims to play an active role in defense industry modernization projects by focusing on localization efforts in engines, transmissions, power packs, and drivetrains.

Generator and Diesel Generator Engine Projects: To diversify its product range and meet customer demands, TÜMOSAN is developing generator and generator engine projects using 3-cylinder and 4-cylinder diesel engines.

Diesel Forklifts and Material Handling Equipment: As Turkey's first diesel engine manufacturer, TÜMOSAN has accumulated significant expertise since 1975, contributing to the advancement of Turkish-made quality products. In line with its commitment to producing local industrial equipment, TÜMOSAN has developed and launched a 3.5-ton Diesel Forklift, while R&D efforts for a 5-ton Diesel Forklift continue. The company is also working on electric, hybrid, Stage V engine-equipped, and 8-ton capacity forklifts to expand product diversity and alternatives.

Electronic Control Unit for Tractors: TÜMOSAN has developed an indigenous electronic control unit (ECU) for its tractors, enhancing technological accessibility and user comfort for farmers. This project aims to increase efficiency in agricultural operations by enabling seamless integration with precision farming equipment. The ECU consolidates electrical and electronic systems under a single framework, reducing system complexity, maintenance time, and repair costs.

Stage V Emission-Level Engine Development: TÜMOSAN has completed the development of its Stage V emission-level engine and has begun integrating it into its next-generation tractors. The project ensures compliance with the EU/2015/96 Regulation, providing roadworthy, traffic-safe, and environmentally friendly engine products for the market.

Backhoe Loader with Stage V Emission Engine: In line with its commitment to reducing product dependency on foreign markets, TÜMOSAN has independently developed a backhoe loader prototype and is advancing its R&D efforts to commercialize a construction machine

featuring the TÛMOSAN S8000 Common Rail engine, which meets Stage V emissions standards.

Polymer Electrolyte Membrane Fuel Cell (PEMFC) Project: With support from TENMAK (Energy Ministry's Nuclear and Mineral Research Agency), TÛMOSAN has been leading a project approved in 2024 to develop a low-temperature fuel cell stack with a minimum power output of 10kW. This initiative aims to produce a 10kW+ modular fuel cell system.

TÛMOSAN continues to take an active role in both its core business areas (tractors and engines) and non-tractor projects, successfully completing its initiatives while contributing to Turkey's national income.

4. COMPANY ACTIVITIES AND SIGNIFICANT DEVELOPMENTS RELATED TO ACTIVITIES

4.1. INFORMATION ON THE INVESTMENTS MADE BY THE COMPANY DURING THE RELEVANT ACCOUNTING PERIOD:

The company made an investment expenditure of 154.078.237 TL during the period 01.01-31.12.2024.

4.2. INFORMATION ON THE COMPANY'S INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT ACTIVITIES, AS WELL AS THE MANAGEMENT BODY'S OPINION ON THIS MATTER:

The internal control system has not yet been established. All transactions within our company are carried out under the supervision of the Board of Directors. In accordance with the applicable regulations, independent external audits are conducted.

4.3. INFORMATION ON THE COMPANY'S DIRECT OR INDIRECT SUBSIDIARIES AND SHAREHOLDING RATIOS:

The latest information regarding the company's direct or indirect subsidiaries and their shareholding ratios is as follows:

Trade Name	Company's Field of Activity	Paid-in/Issued Capital (TL)	Company's Share in Capital	Company's Share in Capital (%)
TÛMOSAN Döküm A.Ş.	It is engaged in all kinds of casting and machining activities and trade.	10.000.000	10.000.000	100

TTM TÜMOSAN Teknoloji Mühendislik Sanayi ve Ticaret A.Ş.	To conduct R&D activities in technology and engineering, develop new products, create prototypes, provide technical consultancy, and develop software.	1.000.000	1.000.000	100
TÜMOSAN Teknoloji Mühendislik Sanayi Ticaret A.Ş.	To conduct R&D activities in technology and engineering, develop new products, create prototypes, provide technical consultancy, and develop software.	30.000.000	30.000.000	100

TÜMOSAN Döküm A.Ş.

TÜMOSAN Döküm A.Ş. commenced its production activities on 04.07.2012 and operates in the manufacturing of cast iron parts in a factory established on a total area of 15.340 m². Information about the company can be accessed at <https://www.tumosandokum.com.tr/>.

TTM TÜMOSAN Teknoloji Mühendislik Sanayi ve Ticaret A.Ş.

The company is engaged in R&D activities in the fields of technology and engineering, developing new products, creating prototypes, providing technical consultancy, and software development. As of the reporting date, it has no active operations.

Tümosan Teknoloji Mühendislik Sanayi Ticaret A.Ş.

The company was established through a partial demerger and was registered in the trade registry on April 5, 2022, following the determination of the expert report on the partial demerger dated December 11, 2021, by TÜMOSAN Motor ve Traktör Sanayi A.Ş.

4.4. INFORMATION ON THE COMPANY'S ACQUIRED OWN SHARES:

As of 31.12.2024, TÜMOSAN Motor ve Traktör Sanayi A.Ş. has not acquired any of its own shares.

4.5. STATEMENTS REGARDING SPECIAL AUDITS AND PUBLIC AUDITS CONDUCTED DURING THE FISCAL PERIOD:

Since the Company has publicly traded status, it is subject to independent external audits twice a year (in June and December).

4.6. LAWSUITS FILED AGAINST THE COMPANY THAT MAY AFFECT ITS FINANCIAL SITUATION AND OPERATIONS AND POSSIBLE OUTCOMES:

There are no lawsuits that could significantly affect the Company's financial situation and operations.

4.7. STATEMENTS REGARDING ADMINISTRATIVE OR JUDICIAL SANCTIONS IMPOSED ON THE COMPANY AND MEMBERS OF THE MANAGEMENT BODY DUE TO VIOLATIONS OF REGULATORY PROVISIONS:

There are no administrative or judicial sanctions imposed on the Company or the Members of the Board of Directors due to violations of regulatory provisions.

4.8. INFORMATION AND EVALUATIONS ON WHETHER THE TARGETS SET IN PREVIOUS PERIODS HAVE BEEN ACHIEVED, WHETHER THE GENERAL ASSEMBLY DECISIONS HAVE BEEN IMPLEMENTED, AND IF THE TARGETS HAVE NOT BEEN ACHIEVED OR THE DECISIONS HAVE NOT BEEN IMPLEMENTED, THE REASONS:

The company has achieved its set targets, and the General Assembly decisions have been implemented.

4.9. INFORMATION ON THE EXTRAORDINARY GENERAL ASSEMBLY MEETING HELD DURING THE YEAR, INCLUDING THE DATE OF THE MEETING, DECISIONS TAKEN, AND RELATED TRANSACTIONS:

No Extraordinary General Assembly meeting was held between 01.01.2024 and 31.12.2024.

4.10. INFORMATION ON DONATIONS AND AID MADE BY THE COMPANY DURING THE YEAR AND EXPENSES INCURRED WITHIN THE SCOPE OF SOCIAL RESPONSIBILITY PROJECTS:

A total donation of 26.733.750 TL, in both cash and in-kind contributions, was made to public benefit foundations between 01.01.2024 and 31.12.2024.

4.11. IF THE COMPANY IS PART OF A CORPORATE GROUP; LEGAL TRANSACTIONS CONDUCTED FOR THE BENEFIT OF THE PARENT COMPANY, A SUBSIDIARY OF THE PARENT COMPANY, OR UNDER THE DIRECTION OF THE PARENT COMPANY FOR ITS OWN BENEFIT OR THAT OF ITS SUBSIDIARIES, AS WELL AS ALL OTHER MEASURES TAKEN OR

REFRAINED FROM TAKING FOR THE BENEFIT OF THE PARENT COMPANY OR ITS SUBSIDIARIES IN THE PREVIOUS FISCAL YEAR:

The Company is not part of a corporate group.

4.12. IF THE COMPANY IS PART OF A CORPORATE GROUP; WHETHER AN APPROPRIATE CONSIDERATION WAS PROVIDED FOR EACH LEGAL TRANSACTION MENTIONED IN THE PARAGRAPH ABOVE AT THE TIME THE LEGAL TRANSACTION WAS CONDUCTED, THE MEASURE WAS TAKEN, OR THE DECISION WAS MADE TO REFRAIN FROM TAKING THE MEASURE, BASED ON THE KNOWN FACTS AND CONDITIONS AT THAT TIME, AND WHETHER THE MEASURE TAKEN OR NOT TAKEN CAUSED ANY LOSS TO THE COMPANY; IF THE COMPANY SUFFERED A LOSS, WHETHER IT WAS COMPENSATED:

The Company is not part of a corporate group.

5. FINANCIAL POSITION

The Consolidated Financial Statement Data and Income Statement are as follows.

Balance Sheet (TL)

	Audited	Audited
ASSETS	31 December 2024	31 December 2023
Current Assets		
Cash and cash equivalents	161.427.462	428.265.784
Financial investments	1.008.442.998	736.993.655
Trade receivables		
-Trade receivables from related parties	1.158.708.994	810.889.707
-Trade receivables from non-related parties	1.533.649.961	1.544.582.248
Other receivables		
-Other receivables from related parties	--	276.062
- Other receivables from non-related parties	11.772.851	6.189.722
Inventories	2.974.825.848	3.067.799.111
Prepaid expenses	187.480.135	280.594.383
Current Period Tax-Related Assets	32.064.039	--
Other current assets	267.176.943	305.728.976
Total Current Assets	7.335.549.231	7.181.319.648
Non-Current Assets		
Other receivables		
-Other receivables from non-related parties	170.082	245.562
Property, plant and equipment	4.704.893.501	4.802.328.953
Intangible assets	239.113.774	125.909.327
Investment property	107.960.869	107.960.869
Right of use assets	64.853.150	63.832.184
Total Non-Current Assets	5.116.991.376	5.100.276.895
Total Assets	12.452.540.607	12.281.596.543

BOARD OF DIRECTORS' ANNUAL REPORT FOR THE PERIOD JANUARY 1 – DECEMBER 31, 2024

LIABILITIES	31 December 2024	31 December 2023
Short Term Liabilities		
Short term borrowings	3.655.004.068	1.895.665.240
Short term portion of long-term borrowings	58.294.009	44.233.580
Trade payables		
- Trade payables to related parties	17.575.902	30.964.357
- Trade payables to non-related parties	847.887.050	1.726.751.674
Payables related to employee benefis	46.885.235	56.969.900
Other payables		
- Other payables to non-related parties	9.111.342	31.885.421
Deferred income	240.106.405	245.204.336
Current period tax liability	--	119.319.448
Short term provisions		
-Short term provisions for employee benefits	17.850.267	17.322.750
- Other short term provisions	79.007.735	74.986.643
Liabilities from leasing transactions	3.050.050	2.543.199
Total Short Term Liabilities	4.974.772.063	4.245.846.548
Long term borrowings	42.203.424	103.501.155
Long term provisions		
- Long term provisions for employee benefits	40.062.473	32.300.543
Liabilities from leasing transactions	17.146.139	18.565.278
Deferred tax liability	826.147.197	868.038.317
Total Long Term Liabilities	925.559.233	1.022.405.293
Total Liabilities	5.900.331.296	5.268.251.841
Equity Attributable to the Owners of the Company		
Paid-in share capital	115.000.000	115.000.000
Capital adjustment differences	1.561.986.129	1.561.986.129

BOARD OF DIRECTORS' ANNUAL REPORT FOR THE PERIOD JANUARY 1 – DECEMBER 31, 2024

Share premium	167.725.188	167.725.188
Accumulated other comprehensive income		
- Items will not to be reclassified in profit or loss	(27.314.245)	(22.214.083)
Restricted reserves	179.291.701	176.988.180
Retained earnings	5.011.555.767	4.042.836.949
Net profit for the period	(456.035.229)	971.022.339
Total Equity	6.552.209.311	7.013.344.702
Total Equity and Liabilities	12.452.540.607	12.281.596.543

Income Statement (TL)

	Audited	Audited
	1 January- 31 December 2024	1 January- 31 December 2023
Revenue	6.981.498.747	11.528.224.121
Cost of sales (-)	(5.560.148.457)	(8.602.671.446)
Gross profit	1.421.350.290	2.925.552.675
General administrative expenses (-)	(211.651.155)	(165.735.711)
Marketing expenses (-)	(1.107.232.835)	(936.845.630)
Research and development expenses (-)	(84.497.555)	(148.763.701)
Other operating income	173.764.603	134.751.126
Other operating expenses (-)	(154.780.673)	(255.355.673)
Operating profit	36.952.675	1.553.603.086
Incomes from investment activities	534.251.085	199.086.901
Operating profit before financial expenses, net	571.203.760	1.752.689.987
Financial expenses (-)	(1.184.527.121)	(231.888.476)
Net monetary position gain /(loss)	191.067.173	265.247.882

BOARD OF DIRECTORS' ANNUAL REPORT FOR THE PERIOD JANUARY 1 – DECEMBER 31, 2024

Profit before tax	(422.256.188)	1.786.049.393
Tax expense		
- Current tax expense for the period	(73.970.107)	(584.384.060)
- Deferred tax income	40.191.066	(230.642.994)
Loss for the period	(456.035.229)	971.022.339

Distribution of net profit for the period

Equity holders of the Company	(456.035.229)	971.022.339
Non-controlling interest	--	--
Number of shares	115.000.000	115.000.000
Earnings/(Loss) Per Share	(3,97)	8,44
Net Profit/(Loss) for the Period	(456.035.229)	971.022.339

Other Comprehensive Income Section

Items that will not be reclassified to profit or loss

- Actuarial gains and losses	(6.800.216)	(13.558.566)
- Deferred tax income / (expense)	1.700.054	3.389.642
Total other comprehensive income	(5.100.162)	(10.168.924)
Total comprehensive income	(461.135.391)	960.853.415

The financial statements have been prepared in accordance with the provisions of the Capital Markets Board's Communiqué (II-14.1) on "Principles of Financial Reporting in Capital Markets," published in the Official Gazette dated 13.06.2013 and numbered 28676.

All financial statements and notes can be accessed at www.tumosan.com.tr.

The Company's financial statements as of 31.12.2024 were approved by the Company's Board of Directors on 11.03.2025.

5.1. MANAGEMENT'S ANALYSIS AND EVALUATION OF FINANCIAL POSITION AND OPERATING RESULTS, DEGREE OF ACHIEVEMENT OF PLANNED ACTIVITIES, AND THE COMPANY'S POSITION AGAINST STRATEGIC GOALS:

As of 31.12.2024, TMOSAN Motor ve Traktr Sanayi A..'s consolidated balance sheet shows a net loss for the period of 456.035.229 TL.

According to the financial statement data as of 31.12.2024, the Company's total assets amounted to 12.452.540.607 TL. The Company's resources consist of 4.974.772.063 TL in Short-Term Liabilities, 925.559.233 TL in Long-Term Liabilities, and 6.552.209.311 TL in Equity.

The Company continues its operations as planned. In management meetings held frequently and periodically, the Company's status is reviewed, and new goals and strategies are developed in line with changing conditions.

5.2. COMPARATIVE ANALYSIS OF SALES, PRODUCTIVITY, REVENUE GENERATION CAPACITY, PROFITABILITY, DEBT-TO-EQUITY RATIO, AND OTHER KEY INDICATORS ALONG WITH FUTURE EXPECTATIONS:

Revenue amounted to 6.981.498.747 TL for the accounting period 01.01.2024 – 31.12.2024 and 11.528.224.121 TL for the accounting period 01.01.2023 – 31.12.2023.

5.3. ASSESSMENT OF WHETHER THE COMPANY'S CAPITAL IS IMPAIRED OR IF IT IS INSOLVENT:

As of December 31, 2024, an examination of the equity accounts in the financial statements indicates that the company's issued capital amounts to 115.000.000 TL, and the total equity at the end of 2024 has been determined as 6.552.209.311 TL. Consequently, it has been concluded that the company's capital is not impaired and it is not insolvent.

5.4. MEASURES CONSIDERED TO IMPROVE THE COMPANY'S FINANCIAL STRUCTURE:

A series of measures are being implemented to strengthen our company's financial structure and achieve sustainable growth targets. Efforts are focused on converting short-term debts into long-term financing instruments and addressing high-interest liabilities. Necessary investments will be made to enhance operational efficiency, optimizing costs and improving profit margins.

Additionally, cash flow management processes will be improved, minimizing unnecessary expenses and strengthening cash reserves. To diversify revenue sources and expand market share, export strategies will be developed, and strategic partnerships and collaborations will be established to reinforce the company's financial structure.

All these steps aim to help our company achieve its long-term growth objectives and establish the necessary foundations for sustainable financial health.

5.5. INFORMATION ON DIVIDEND DISTRIBUTION POLICY AND PROPOSAL REGARDING THE USE OF UNDISTRIBUTED PROFIT IF NO DIVIDEND IS DISTRIBUTED:

According to the financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and audited by Vizyon Grup Bağımsız Denetim A.Ş. our Company recorded a Net Period Profit of 721.718.231 TL as of December 31, 2023.

It was decided by majority vote at the Ordinary General Assembly Meeting held on October 24, 2024, that no dividend will be distributed for 2023. Instead, the period profit will be used as equity support for financing investments made/planned in the years 2023-2025.

Dividend Distribution Policy

In accordance with the Company's Articles of Association, there are no privileges granted to partnership shares regarding participation in the Company's profit. The Capital Markets Board has decided to determine dividend distribution policies for 2012 and the following years.

Based on this decision, the Company's dividend distribution policy for 2012 and subsequent years has been established. The distributable profit amount is determined based on the period profit stated in the financial statements prepared in accordance with the prevailing legal regulations (after deducting the legal reserves required by law, taxes, funds, financial obligations, and any past losses). The dividend amount is calculated by considering the relevant legislation, the provisions of the Articles of Association, the Company's equity ratio, sustainable growth rate, market value, and cash flows.

In line with the regulations of the Capital Markets Board, the dividend may be distributed in cash or through the issuance of bonus shares by adding the dividend to the capital, or through a combination of a certain percentage of cash and bonus shares. The dividend distribution proposal prepared by the Board of Directors was approved at the Ordinary General Assembly Meeting held on May 15, 2014.

6. RISKS AND MANAGEMENT BODY'S ASSESSMENT

6.1. INFORMATION ON THE COMPANY'S RISK MANAGEMENT POLICY AGAINST FORESEEN RISKS:

The Board of Directors establishes risk management and internal control systems to minimize the impact of risks that may affect the Company's stakeholders, particularly its shareholders. In accordance with the decision of the Board of Directors and in compliance with Article 378 of the Turkish Commercial Code No. 6102 and the Capital Markets Board's Corporate Governance Communiqué, a Risk Management Committee has been established. This committee is responsible for the early detection of risks that may endanger the Company's existence, growth, and continuity, implementing necessary measures to address identified risks, and managing these risks effectively.

6.2. INFORMATION ON THE ACTIVITIES AND REPORTS OF THE EARLY DETECTION AND MANAGEMENT OF RISK COMMITTEE:

Risk management involves the identification, evaluation, prioritization, monitoring, and reporting of risks that may arise in the Company's operations. It also includes determining the necessary measures to be taken and the strategies to be followed, ensuring their implementation in accordance with established principles and procedures.

6.3. FORWARD-LOOKING RISKS REGARDING SALES, EFFICIENCY, REVENUE GENERATION CAPACITY, PROFITABILITY, DEBT/EQUITY RATIO, AND SIMILAR MATTERS:

In past operating periods, the Company has not encountered any risk, either alone or in combination with other identified risks, that could threaten its existence. Although the occurrence of such a risk cannot be predicted, in the event of exceptional risks, there could be an impact on production volume and profitability. Despite these considerations, no risk has been identified that could threaten the Company's existence.

7. OTHER MATTERS

Information on Business Activities

- In order to meet the growing demands of the expanding tractor market, it is aimed to transition sales and after-sales points to the 3S (Sales, Service, Spare Parts) concept and further enhance service quality.
- Dealer sales performance and inventory levels are monitored weekly by regional offices and headquarters.
- In the agricultural sector, where timing is of great importance, after-sales services play a crucial role in brand preference. TMOSAN has an extensive authorized service network with 400 locations across the country.
- All authorized service centers participate in periodic and new model training programs at the factory and are certified accordingly.
- To ensure the quality of the products manufactured, TMOSAN holds several important certifications, including the Production Competency Certificate and Quality Compliance Certificate. For laboratory quality control, it possesses a Laboratory Quality Competency Certificate issued by the Turkish Standards Institute (TSE). Additionally, TMOSAN is certified with the TSE-ISO-EN-9000:2015 Quality Management System.
- TMOSAN has taken an important step in strengthening Turkey's presence in international markets by being accepted into the Brand Support Program led by the Ministry of Trade. This development aims to enhance TMOSAN's global competitiveness and further strengthen its international position.
- Furthermore, our Company has risen in the 2023 "Turkey's Top 500 Industrial Enterprises" Research conducted by the Istanbul Chamber of Industry (ISO), ranking 240th based on sales from production, an improvement compared to the 2022 ranking.

Information on Legislative Changes That May Significantly Affect Company Activities:

Any special circumstance disclosures made by our Company in accordance with the relevant legislation regarding issues that may significantly impact our activities can be accessed at www.kap.gov.tr and our corporate website www.tumosan.com.tr.

Conflicts of Interest Between the Company and Institutions Providing Investment Advisory and Rating Services, and Measures Taken to Prevent Such Conflicts:

There are no conflicts of interest between the Company and the institutions from which it receives services in areas such as investment advisory and credit rating.

Information on Employee Social Rights, Professional Training, and Other Social and Environmental Impacts of Company Activities:

Employees have been provided with the opportunity to participate in professional seminars, and necessary renewal training has been facilitated for those holding specific licenses.

Amendments to the Articles of Association During the Period and Their Reasons:

No amendments were made to the Articles of Association during the period. The latest version of the Company's Articles of Association, in compliance with the Turkish Commercial Code and the Capital Markets Law, is published on our corporate website (www.tumosan.com.tr) and on the Public Disclosure Platform (KAP).

Nature and Amount of Issued Capital Market Instruments

As the fund user, our company is involved in the issuance of lease certificates based on a management agreement by Hedef Varlık Kiralama A.Ş. which will be sold to qualified investors in the domestic market without a public offering. The Capital Markets Board (SPK) approved the issuance document, which includes an issuance ceiling of 500.000.000 TL, at its meeting dated February 29, 2024 (Decision No: 13/317).

Auditor

At the 2023 Ordinary General Assembly Meeting of our company held on October 24, 2024, Vizyon Grup Bağımsız Denetim A.Ş. was appointed as the auditor for the 2024 fiscal year.

Sectors / Markets in Which the Company Operates and Its Position, Advantages, and Disadvantages in These Sectors / Markets:

The company operates in the automotive industry and is engaged in the production of agricultural tractors. Agricultural tractors play a crucial role in agricultural production by increasing labor efficiency, reducing costs, enabling the use of modern production technologies, and ensuring that operations are performed on time and in accordance with agricultural needs. This, in turn, enhances product quality and yield, making tractors a vital input for agricultural production.

Developments in Investments, Utilization of Incentives, and the Extent of Their Implementation:

TÜMOSAN Motor ve Traktör San. A.Ş. has been making significant investments, particularly in the production of domestic engines and tractors. The company focuses on R&D activities in areas such as the defense industry, diesel engine production, and electric tractors.

TÜMOSAN benefits from various government incentives in Turkey, including Strategic Investment Incentives, Regional Incentives, and R&D Supports. Additionally, the company receives support for its R&D projects from institutions such as TÜBİTAK and KOSGEB.

To assess the extent to which these incentives have been utilized, the company's financial statements and investment incentive documents can be reviewed. Detailed information regarding the advantages gained from investment incentives such as tax reductions, social security premium support, and interest support is available in the financial statements and publicly disclosed reports.

Characteristics of the Company's Production Units, Capacity Utilization Rates, Developments, Overall Capacity Utilization Rate, Developments in the Production of Goods and Services, and Comparisons with Previous Period Figures in Terms of Quantity, Quality, Sales, and Prices:

Our company, which has the largest tractor production capacity under a single roof in Turkey, has the capability to increase capacity within its existing complex without the need for additional land investment. TÜMOSAN has an annual production capacity of 15.000 tractors and 25.000 diesel engines in a single shift. The company manufactures 3-cylinder diesel engines ranging from 48 to 85 hp and 4-cylinder diesel engines ranging from 75 to 115 hp.

The tractor production capacity stands at 15.000 units per year in a single shift and 45.000 units per year in three shifts. Within the 48-115 hp range, 268 different tractor models are produced under 10 series and 25 main models. Considering these capacity figures, TÜMOSAN is one of the most significant tractor manufacturing facilities in Turkey.

Production and Sales

31.12.2024	Production	Sales Volume
Tractor	6011	5044
Engine	420	376

Source: Company Data

The breakdown of revenue by product is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Tractor Sales	6.181.453.048	10.424.113.383
Spare Parts Sales	534.288.761	652.558.993
Engine Sales	76.834.058	236.824.294
Construction Machinery Sales	25.621.396	63.834.087
Agricultural Machinery Sales	13.317.346	11.985.696
Other Sales	149.984.138	138.907.668
Total Revenue	6.981.498.747	11.528.224.121

Related Party Disclosures

Disclosures regarding related party transactions for the year 2024 are provided in Note 3 of the summary financial statements.

8. CORPORATE GOVERNANCE COMPLIANCE REPORT

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

TÜMOSAN Motor ve Traktör San. A.Ş. (the “Company”) aims to be a reliable and preferred collective investment institution by monitoring changing market conditions, minimizing risk, and maximizing returns. In this context, the Company has adopted the fundamental principles of corporate governance, namely “equality,” “transparency,” “accountability,” and “responsibility,” and makes maximum effort to comply with the Capital Markets Law (“CML”) and the secondary regulations and decisions of the Capital Markets Board (“CMB”).

In line with its corporate governance efforts, the Company ensures that corporate governance mechanisms operate in accordance with these principles. The provisions mandated by the CMB for mandatory implementation have been fully adopted and complied with. Maximum attention is also paid to voluntary principles that are not required by the relevant regulations. The aspects that have not yet been fully implemented have not, to date, caused any conflicts of interest among stakeholders.

Compliance with the corporate governance principles outlined in the annex of the Corporate Governance Communiqué, as well as explanations regarding principles that have not yet been fully implemented, are included in the Corporate Governance Compliance Report (“URF”), the

Corporate Governance Information Form (“KYBF”), and other relevant sections of the report for the financial period ending on December 31, 2024. Going forward, efforts will continue to enhance the corporate governance practices of the Company in line with these principles, ensuring the effective operation of governance mechanisms and the implementation of any remaining voluntary principles. Any changes made during the period in the URF or KYBF will be disclosed through a material event statement.

During the interim accounting period from January 1 to December 31, 2024, the Company has demonstrated due diligence in implementing the principles set out in the Corporate Governance Principles published by the Capital Markets Board (CMB). In accordance with the CMB's decision dated January 10, 2019, and numbered 2/49, as well as the Corporate Governance Communiqué No. II-17.1, Corporate Governance Compliance Reporting is carried out using the Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF) templates via the Public Disclosure Platform (KAP). Corporate Governance Compliance Reports can be accessed through the KAP links provided below.

Corporate Governance Compliance Report (URF): <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/1694-tumosan-motor-ve-traktor-sanayi-a-s>

Corporate Governance Information Form (KYBF):
<https://www.kap.org.tr/tr/cgif/4028e4a141e536460141e53904b50025>

In the KAP announcement dated March 22, 2024, following the review conducted by the credit rating agency JCR Avrasya Derecelendirme A.Ş. our company's long-term national institution credit rating has been affirmed as ‘A (tr)’, and all ratings are as follows:

Long-Term National Institution Credit Rating: A (tr) / (Stable Outlook)

Short-Term National Institution Credit Rating: J1 (tr) / (Stable Outlook)

Long-Term International Foreign Currency Institution Credit Rating: BB / (Negative Outlook)

Long-Term International Local Currency Institution Credit Rating: BB / (Negative Outlook)

SECTION I – SHAREHOLDERS

1.1. INVESTOR RELATIONS DEPARTMENT

Özge Cantürk, who holds a "Capital Market Activities Level 3 License" and a "Corporate Governance Rating Expertise License," has been appointed to ensure coordination in

fulfilling the company's obligations arising from capital market regulations and corporate governance practices.

Investor Relations Department Contact Information:

Investor Relations Manager: Özge CANTÜRK

Investor Relations Specialist: Makbule KEÇECİ

Phone: 0212 468 19 88

E-mail: ozge.canturk@tumosan.com.tr – makbule.kececi@tumosan.com.tr

yatirimciiliskileri@tumosan.com.tr - investorrelation@tumosan.com.tr

1.2. EXERCISE OF SHAREHOLDERS' RIGHT TO OBTAIN INFORMATION

The Company's financial statements and reports have been timely disclosed to shareholders in accordance with the relevant regulations. To ensure equal access to information for all shareholders and to expand their right to obtain information, all relevant information is disclosed through the Public Disclosure Platform (KAP) and made available to shareholders electronically at www.tumosan.com.tr.

During the period 01.01.2024 - 31.12.2024, a total of 85 material disclosures were made in compliance with the Capital Markets Board (SPK) regulations. No sanctions were imposed by SPK for any delays in these disclosures.

Article 10 of the Company's Articles of Association includes provisions regarding the General Assembly, and no shareholders requested the appointment of a special auditor during the period.

There are no provisions in the Company's Articles of Association or any decisions by the Company's management that restrict or remove shareholders' legally defined rights to obtain and review information.



GENERAL ASSEMBLY



1.3. GENERAL ASSEMBLY MEETINGS

The Ordinary General Assembly Meeting of our Company for the year 2023 was held on 24.10.2024 at 11:00 AM at the address Maltepe Mahallesi, Fetih Caddesi No:6, -2nd Floor, Conference Hall, Topkapı/Zeytinburnu/Istanbul, with the participation of 25 shareholders representing 64% of the total capital, both physically and electronically.

The announcement of the General Assembly Meeting was made at least three weeks prior to the meeting date through all possible communication channels to reach the highest number of shareholders, in addition to the methods prescribed by regulations.

For the 2023 Ordinary General Assembly, a call announcement was published in the Turkish Trade Registry Gazette dated 19.09.2024 and numbered 11168, on the Public Disclosure Platform (KAP), in the Electronic General Assembly System (e-GKS), and on the Company's website.

Before the General Assembly, an information document regarding the agenda items was prepared and disclosed to the public via the Public Disclosure Platform and the Company's website.

A separate agenda item is included in the Ordinary General Assembly meeting regarding collateral, pledges, mortgages, and guarantees granted in favor of third parties, as well as the revenues or benefits obtained from them. The Annual Activity Report, financial statements, reports, profit distribution proposal, the information document prepared concerning the General Assembly agenda items, and other documents supporting the agenda items were made available for shareholders' review at the company headquarters and on the website from the date of the meeting announcement.

Proxy forms for shareholders who will be represented by a proxy were included in the announcement and made available on the Company's website. No questions were raised outside the agenda by shareholders at the General Assembly. To facilitate participation, announcements were also made electronically.

The necessary documents were provided on the Public Disclosure Platform, the Electronic General Assembly System, and the Company's corporate website to facilitate participation in the General Assembly.

Starting 21 days before the General Assembly meeting, the Board of Directors Activity Report, Independent Auditor's Report, Balance Sheet, and Income Statement prepared per

legal records, as well as the Board's proposal for the 2023 profit distribution, were made available for shareholders' examination at the Company's headquarters.

General Assembly minutes were made available on the Company's corporate website for shareholders' review.

Care was taken to ensure that the agenda did not include vague terms such as "other" or "miscellaneous." Information provided before the General Assembly is referenced to the relevant agenda items.

The General Assembly meeting is held in a way that does not create inequality among shareholders and ensures the lowest possible cost of participation. The meeting is held at the company's administrative headquarters or a convenient location in the same city.

The meeting chairman ensures that the topics on the agenda are conveyed impartially, in detail, clearly, and comprehensibly. Shareholders are given equal opportunities to express their views and ask questions. The chairman ensures that all questions asked by shareholders at the General Assembly, except those concerning trade secrets, are answered directly during the meeting. If a question is unrelated to the agenda or too complex to be answered immediately, it is answered in writing by the Investor Relations Department within 15 days at the latest.

A total of 60.899.349 TL in donations and aid made during 2023 was presented to the shareholders as a separate agenda item at the General Assembly meeting on 24.10.2024. It was approved by the majority that if there is no profit, donations for 2024 will be up to 60.000.000 TL, and if there is profit, the upper limit will be either 10% of the Net Profit or up to 60.000.000 TL.

In accordance with the Capital Markets Board's decision dated 09.02.2023 and numbered 8/174, donations and aids made in response to the extraordinary situation caused by the earthquake that struck 10 provinces centered in Kahramanmaraş on 06.02.2023 were as follows:

Donations to campaigns initiated by the Presidency of the Republic of Turkey: 12.745.210,20 TL

Donations to the Turkish Red Crescent Society: 34.008.522,60 TL

Cash donations and aids to the Turkish Green Crescent Society: 413.728,49 TL

Donations and aids made throughout the company: 13.731.887,71 TL

Total donations in 2023: 60.899.349 TL

The 2023 Ordinary General Assembly Meeting held on 24 October 2024 was registered by the Istanbul Trade Registry Office on 28.10.2024.

Agenda of the 2023 Ordinary General Assembly Meeting

- 1- Opening and Election of the Presidency Council,
- 2-Authorization of the Presidency Council to sign the meeting minutes,
- 3-Discussion and approval of the Financial Statements, Annual Report, and Independent Audit Report for the 2023 fiscal year,
- 4- Resolution on the individual release of the Board Members from their transactions, actions, and activities in 2023,
- 5- Discussion and resolution on the Board of Directors' proposal regarding profit distribution,
- 6- Resolution on determining the remuneration of the Board Members,
- 7- Approval of the independent audit firm selected by the Board of Directors in accordance with the Turkish Commercial Code and Capital Markets Board regulations,
- 8- Presentation of the Company's donations and charitable contributions made in 2023 to the General Assembly and determination of the upper limit for donations to be made in 2024,
- 9- Informing the General Assembly about related party transactions conducted in 2023,
- 10- Informing the General Assembly about guarantees, pledges, and mortgages granted by the Company in favor of third parties, as well as the income and benefits obtained, in accordance with the Corporate Governance Principles of the Capital Markets Board,
- 11- Granting the necessary authorization for shareholders holding management control, Board Members, senior executives, and their spouses and relatives up to the second degree by blood or marriage to conduct transactions that could lead to a conflict of interest with the Company or its subsidiaries and to compete with them, within the scope of Articles 395 and 396 of the Turkish Commercial Code,

12- Wishes and Requests,

1.4. VOTING RIGHTS AND MINORITY RIGHTS

According to Article 6 of our Company's Articles of Association, the issued capital of the partnership is divided into two groups: Group A and Group B shares.

In accordance with Article 6 of our Articles of Association, Group A shares have voting privileges, with each Group A share granting 15 (fifteen) voting rights. Half of the Board of Directors' members are elected by the General Assembly from among the candidates nominated by Group A shareholders. If the number of Board members to be elected is a fractional number, it is rounded down. Group B shares do not have any privileges.

Minority shares are not represented in the management. The cumulative voting method is not included in the Company's Articles of Association.

Our Company avoids any practices that may hinder shareholders from exercising their voting rights and takes maximum care to ensure that minority rights are exercised in compliance with relevant legal regulations.

At General Assembly meetings, individuals with voting rights may exercise their votes personally or appoint a proxy, who may or may not be a shareholder of the Company. A proxy statement template for shareholders unable to attend in person is made available at the Company's headquarters, on the corporate website (www.tumosan.com.tr), on the Public Disclosure Platform (KAP), on the Central Securities Depository's (MKK) e-GKS portal, and in the Turkish Trade Registry Gazette along with the General Assembly meeting invitation notice.

1.5. DIVIDEND RIGHTS

The Company's "Dividend Distribution Policy" was approved at the General Assembly meeting in 2014. It has been publicly disclosed through the Public Disclosure Platform and the company's website.

1.6. TRANSFER OF SHARES

There are no provisions in our Company's Articles of Association that restrict the transfer of shares. Share certificates can be freely transferred in accordance with the Capital Markets Legislation and the provisions of the Turkish Commercial Code.

SECTION II – PUBLIC DISCLOSURE AND TRANSPARENCY

2.1. CORPORATE WEBSITE AND ITS CONTENT

Information specified in the CMB Corporate Governance Principles is available in both Turkish and English on the company's corporate website (www.tumosan.com.tr). The website provides comprehensive details about our company that may be requested by the public.

The corporate website is actively used for public disclosure, and the information contained therein is continuously updated. The information on the company's website is consistent with and/or identical to disclosures made in accordance with relevant regulatory requirements, ensuring there are no contradictory or incomplete details.

The website, which is regularly updated according to developments, includes an "Investor Relations" section that covers the minimum requirements stipulated by the CMB.

2.2. ANNUAL REPORT

The annual report is prepared in accordance with the Capital Markets Board's (CMB) Communiqué on Principles of Financial Reporting in Capital Markets (II-14.1), within the framework of CMB Corporate Governance Principles, and in compliance with the provisions of the "Regulation on Determining the Minimum Content of Companies' Annual Reports," published in the Official Gazette No: 28395 on August 28, 2012.

The annual report is approved by the Board of Directors and disclosed to the public along with the financial statements. It includes information outlined in the Corporate Governance Principles.

Annual reports are published on the Public Disclosure Platform (KAP) and on our website (www.tumosan.com.tr) under the Investor Relations section, titled "Financial Reports."

2.3. SOCIAL RESPONSIBILITY

TÜMOSAN contributes to society through various social responsibility projects.

Community Impact: TÜMOSAN's "Benim Kulübüm Yeşilay Tırı" initiative reached 864 children and young people in earthquake-affected areas in Hatay and Gaziantep.

Innovation Support: Through initiatives such as the "Sen Yeter Ki Yap" project competition, TÜMOSAN aims to support young people and inspire innovative projects.

SECTION III – STAKEHOLDERS

3.1 INFORMING STAKEHOLDERS

As stakeholders, employees, suppliers, customers, and third parties directly involved with the company are subject to equal treatment and communication. All stakeholders are informed about matters concerning them, and the company organizes necessary events, informational meetings, planned activities, and regulatory disclosures to facilitate this process.

In accordance with Capital Markets Board regulations, the company discloses all material events that may affect its operations, along with quarterly financial statements and reports, via the Public Disclosure Platform (KAP) to keep stakeholders informed. Additionally, stakeholders are kept updated on relevant matters through authorized personnel and the company's website.

3.2. STAKEHOLDER PARTICIPATION IN MANAGEMENT

The company implements practices that allow stakeholders to actively express their opinions and contribute to administrative improvements. Meetings aimed at enhancing quality and efficiency are conducted in line with company policies, enabling employees, suppliers, and customers to voice their requests and suggestions.

The company's Articles of Association do not yet grant individual shareholders the right to request the appointment of a special auditor as a personal right. Additionally, no such requests were received by the company during the period.

3.3. HUMAN RESOURCES POLICY

Productivity is the key principle in determining the wages and benefits provided to employees. A safe working environment and conditions have been established, adhering to a policy that respects human rights without discrimination based on race, religion, language, or gender. There have been no complaints from employees regarding discrimination.

Our corporate culture and exceptional employees have been recognized with the Great Place To Work® Certification.

3.4. CUSTOMER AND SUPPLIER RELATIONS

As TŪMOSAN primarily manufactures engines and tractors for the agriculture sector and defense industry, its customer base is diverse. Across Turkey, the company's main customers include farmers, agricultural cooperatives, and large-scale agricultural enterprises. Customer satisfaction is enhanced through a strong dealer and service network.

In the agriculture sector, customer loyalty is high, while in the defense industry, institutional and long-term relationships are prioritized. TMOSAN adopts a quality-focused approach aimed at strengthening domestic production, ensuring sustainable growth, and maintaining strong customer and supplier relationships.

SECTION IV – BOARD OF DIRECTORS

4.1. STRUCTURE AND COMPOSITION OF THE BOARD OF DIRECTORS

The company's affairs and management are conducted by the Board of Directors, which consists of at least five members elected by the General Assembly from among the shareholders in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law.

Our Board of Directors consists of six members, including two independent members. Accordingly, one-third of the Board Members are independent members.

Board Members can be elected for a maximum term of three years. Members whose term has expired may be re-elected. In the event of a vacancy for any reason, the Board of Directors shall temporarily appoint a qualified individual who meets the requirements set forth in the Turkish Commercial Code and Capital Markets Regulations, subject to approval by the next General Assembly. If approved, the appointed member completes the term of the former member.

Half of the Board Members are elected by the General Assembly from among the candidates nominated by Group A shareholders.

In compliance with Capital Markets Regulations, the required number and qualifications of independent members are determined in accordance with the Corporate Governance Regulations of the Capital Markets Board (CMB), with a minimum of two independent members on the Board of Directors.

The remuneration of the Board Members is determined by the General Assembly, considering the provisions of the Turkish Commercial Code, Capital Markets Law, relevant regulations, and the Corporate Governance Principles of the Capital Markets Board.

4.2. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS

The Board of Directors meets as frequently as necessary to effectively fulfill its duties. Each member has one vote in the meetings. The agenda of the Board meetings is determined by the Chairman of the Board.

The meetings are held at the Company's headquarters. However, if deemed appropriate by the Board of Directors, meetings may also be conducted at another location.

The Board of Directors convenes with the majority of its total members. Decisions are made by the majority of attendees. In the event of a tie, the decision on that matter is postponed to the next meeting. If a tie occurs again in the second meeting, the proposal is considered rejected.

Votes in the Board of Directors meetings are cast as either acceptance or rejection. Members voting against a decision must state their reason for rejection in writing below the decision and sign it. Members who do not attend the meeting cannot vote in writing or through a proxy.

As of December 31, 2024, the Board of Directors has held 14 meetings, with a 96% attendance rate.

4.3. NUMBER, STRUCTURE, AND INDEPENDENCE OF THE COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS

In accordance with the Corporate Governance Principles defined by the Capital Markets Board (CMB) regulations, our company established the Corporate Governance Committee, Audit Committee, and Committee for the Early Detection of Risk within the Board of Directors on June 10, 2013. An update regarding the working principles of the committees was made on July 4, 2023, and disclosed on the Public Disclosure Platform (KAP) (<https://www.kap.org.tr/tr/Bildirim/1165028>). Due to the Board of Directors' structure, a separate Nomination Committee and Remuneration Committee could not be formed; therefore, the Corporate Governance Committee has assumed their responsibilities.

Decisions made through the independent work of the committees are presented as recommendations to the Board of Directors, with the final decisions being made by the Board.

The committee chairpersons and the entire Audit Committee consist of independent Board Members. Each committee comprises at least two members.

The Board of Directors Committees and the Board Members serving on these committees as of December 31, 2024, are as follows:

Board of Directors Committee	Member	Position
AUDIT COMMITTEE	Aygün Karakaş	Chairman
	İsmail Yüksek	Member
CORPORATE GOVERNANCE COMMITTEE	İsmail Yüksek	Chairman
	Mesut Muhammet Albayrak	Member

	Özge Cantürk	Member (Investor Relations Manager)
EARLY DETECTION OF RISK COMMITTEE	Mesut Muhammet Albayrak	Chairman
	İsmail Yüksek	Member

Audit Committee

The Audit Committee oversees the company's accounting system, the public disclosure of financial information, independent auditing, and the operation and effectiveness of the internal control system.

The Audit Committee determines the independent audit firm to be engaged by the company and the services to be obtained from these firms, submitting its decisions to the Board of Directors for approval. The selection of the independent audit firm, the preparation of independent audit agreements, the initiation of the independent audit process, and the monitoring of the audit firm's activities at every stage are carried out under the supervision of the Audit Committee.

The Audit Committee oversees the system established to review and resolve complaints regarding the company's accounting, reporting, and internal control systems as well as independent audit processes. It also ensures that employee reports on accounting, reporting, internal control, and independent auditing matters are evaluated confidentially.

The Audit Committee reviews the annual and interim financial statements to be disclosed to the public by obtaining the opinions of company executives and independent auditors regarding compliance with accounting principles, accuracy, and fairness. The committee then submits its own assessment in writing to the Board of Directors.

The Audit Committee consists of at least two members, with the chairperson and members selected from among the Independent Board Members.

The committee convenes at least four times a year, at intervals of no more than three months, and the meeting results are recorded and submitted to the Board of Directors.

The Audit Committee submits its findings and recommendations within its scope of duties and responsibilities to the Board of Directors through a written report.

During the period 01.01 – 31.12.2024, the Audit Committee held four meetings, and the recommendations made as a result of these meetings were adopted by the Board of Directors.

Detailed information regarding the duties and responsibilities, structure, membership criteria, meetings, and implementation of the committee can be found under the corporate governance section of our corporate website (www.tumosan.com.tr).

Corporate Governance Committee

The Corporate Governance Committee assesses the extent to which corporate governance principles are implemented within the company. If any principles are not applied, the committee examines the reasons for non-compliance and identifies potential conflicts of interest arising from partial adherence to these principles. It also provides recommendations to the Board of Directors for improving corporate governance practices.

Due to the Board of Directors' structure, the Nomination Committee and the Remuneration Committee, as stipulated in the Corporate Governance Principles, have not been separately established. Instead, their functions have been undertaken by the Corporate Governance Committee. The committee consists of at least three members, including two members of the Board of Directors and the Head of the Investor Relations Department.

According to the Capital Markets Board (CMB) Corporate Governance Communiqué (II-17.1), it is mandatory for the head of the Investor Relations Department to also be a member of the Corporate Governance Committee. In line with the company's corporate governance compliance process, our company has appointed the head of the Investor Relations Department as a member of the Corporate Governance Committee.

The committee convenes as frequently as required to fulfill its responsibilities.

During the period 01.01 – 31.12.2024, the Corporate Governance Committee held four meetings, and the recommendations made as a result of these meetings were adopted by the Board of Directors.

Detailed information regarding the purpose, structure, meetings, duties, responsibilities, and implementation of the committee can be found under the corporate governance section of our corporate website (www.tumosan.com.tr).

Committee for the Early Detection of Risk

The Committee for the Early Detection of Risk provides recommendations and suggestions to the Board of Directors regarding the assessment of existing and potential strategic, operational, financial, and legal risks that could endanger the company's existence, growth, and continuity.

It also ensures that these risks are managed in accordance with the company's corporate risk-taking profile, properly reported, addressed with necessary measures, considered in decision-making processes, and integrated into effective internal control systems.

The committee consists of at least two members, with the majority being non-executive Board Members. The CEO/General Manager cannot serve on the committee.

The committee evaluates the situation in reports submitted to the Board of Directors every two months. Meeting results are recorded, and the decisions taken are presented to the Board of Directors.

During the period 01.01 – 31.12.2024, the Committee for the Early Detection of Risk held six meetings, and the Board of Directors adopted the recommendations made as a result of these meetings.

Detailed information about the purpose, structure, meetings, duties, responsibilities, and implementation of the committee can be found under the corporate governance section of our corporate website (www.tumosan.com.tr).

4.4. STRATEGIC GOALS OF THE COMPANY

Our company has established and published its mission, vision, and values, which are regularly revised and updated in line with developments. These have been determined by the senior management with the knowledge of the Board of Directors and are available on our corporate website.

In accordance with the Company's Articles of Association, the Board of Directors holds periodic meetings to monitor the company's goals and activities, including past performance evaluations. During these meetings, the company's current status is reviewed, and if necessary, new goals and strategies are developed based on prevailing conditions. The Board of Directors ensures that company activities comply with legislation, the Articles of Association, internal regulations, and established policies.

4.5. FINANCIAL RIGHTS

The principles regarding the remuneration of Board Members and executives with administrative responsibilities have been documented in writing. In the 2022 General Assembly, these principles were presented to the shareholders as a separate agenda item, allowing them to express their opinions on the matter. The remuneration policy prepared for this purpose is available on the company's corporate website.

Special attention is given to ensuring that the remuneration of Independent Board Members is at a level that preserves their independence.

9. EVALUATION OF COMPLIANCE WITH THE SUSTAINABILITY PRINCIPLES FRAMEWORK

The Sustainability Principles Compliance Framework set forth by the Capital Markets Board (CMB) includes fundamental principles that publicly traded companies are expected to disclose while carrying out their Environmental, Social, and Corporate Governance (ESG) initiatives.

Our company closely follows best practices in the field of sustainability, including those outlined in the CMB Sustainability Principles Compliance Framework, and conducts its activities with the aim of aligning with globally recognized best practices in this area.

In accordance with the information provided in the Communiqué on Amendments to the Corporate Governance Communiqué (II-17.1.a), published in the Official Gazette on October 2, 2020, the implementation of the Sustainability Principles announced by the Board is based on a voluntary basis. The scope of compliance with these principles will be evaluated by our company in the coming periods.



TÜMOSAN

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