

**REPORT OF RELATED PARTY TRANSACTIONS WHICH
WERE PERFORMED IN 2024 AND PROJECTED
TO BE PERFORMED IN 2025**

General Information

This report has been prepared in accordance with Article 10 of the Capital Markets Board's (CMB) Communiqué on Corporate Governance numbered II-17.1 (Communiqué). Pursuant to the aforementioned article, the amount of common and continuous transactions between companies whose shares are traded on Borsa Istanbul and their subsidiaries and related parties within an accounting period,

- a) The ratio of the purchase transactions to the cost of sales according to the last annual financial statements disclosed to the public,
- b) The ratio of the sales transactions to the revenue amount according to the last annual financial statements disclosed to the public,

In the event that it is foreseen to reach a ratio of more than 10%, a report should be prepared by the board of directors of the publicly traded company regarding the terms of the transactions and their comparison with the market conditions, and the full report or the result of this report should be disclosed on the Public Disclosure Platform.

The purpose of this Report is to disclose the terms of the transactions that Türk Traktör ve Ziraat Makineleri A.Ş. (our Company) intends to realize in 2025 with the related parties defined in the Turkish Accounting Standard on Related Party Transactions (TAS 24) within the framework of the CMB legislation, provided that they do not fall within the scope of trade secrets, and to show that no unfavorable outcome is foreseen against our Company when compared with market conditions.

The detailed information about related party transactions of TürkTraktör carried out in 2024 was announced to the public in the 26th footnote of financial statements concerning our activities in 2024. In this report, only and solely the transactions that will be expected to exceed 10% range in 2025 were evaluated.

a) Information about TürkTraktör

Our Company manufactures a wide range of tractors between 48 HP – 145 HP, tractor spare parts and transmission. Besides, engine and spare part production is done. All the products are manufactured for both local and export markets. Since 2020, backhoe loaders have also been produced. The Company also imports and sells tractors, agricultural equipment, construction equipment, and spare part. In addition, the Company provides technical service maintenance service for the tractors.

Our Company's activities are jointly managed by Koç Group and CNH Industrial Group in line with Joint Venture Agreement signed in 1998. Within the context of the agreement signed for the purpose of protecting the interest of two parties that are completely independent of each other, CNH Industrial Group and Koç Group have an equal share in Our Company's capital.

Our Company's paid-in capital is TL 100,066,875 and the shareholder structure is given below.

Shareholder	Share Amount (TL)	Share (%)	Voting Right	Voting Right Ratio
Koç Holding A.Ş.	37,525,078	37.50%	1	37.50%
CNH Industrial Osterreich GmbH (CNH Industrial Group)	37,525,078	37.50%	1	37.50%
Free Float and Other	25,016,719	25.00%	1	25.00%
Total	100,066,875	100%		100%

Our Company's financials in brief pertaining 2023-2024 years are given below.

	31.12.2023	31.12.2024
Total Assets	46,859,088,092	35,933,462,064
Equity	22,230,965,306	16,967,510,137

	01.01.2023-31.12.2023	01.01.2024-31.12.2024
Revenue	84,366,889,719	66,969,628,539
COGS	(61,856,904,188)	(54,050,698,074)
Net Profit	13,487,523,973	5,740,536,185

In parallel with the communique, the board resolution shall be prepared for the purchasing transactions are expected to reach up to TL 5,405,069,807 (2024 COGS*10%) in 2025, and selling transactions are expecting to reach up to TL 6,696,962,853 (2024 Revenue*10%) in 2025 within the context of the given data.

General Information about CNHI International S.A. that is subject to the report

CNHI International S.A. is a subsidiary of CNH Industrial NV (CNH Industrial) based in the Netherlands. CNH Industrial is a leading global equipment and services company engaged in the design, production, marketing, sale, and financial services of agricultural and construction equipment in 170 countries around the world.

CNH Industrial, a shareholder of the Company based in Netherlands, transferred its fully paid Group B shares in the capital of the Company to CNH Industrial Osterreich GmbH based in Austria on February 16, 2011. CNH Industrial Osterreich GmbH is 100% owned subsidiary of CNHI and manufactures tractor and agricultural equipment branded Steyr, Case IH, and New Holland and is responsible for after-sales service.

In 2013, CNH Global NV and Fiat Industrial were merged, the name of CNH Global NV changed to CNH Industrial NV. As a result of this merger, CNH Industrial is starting to gain an important role in global agricultural, construction equipment, commercial vehicle, and transmission sectors.

CNH Industrial shares are quoted on the New York Stock Exchange.

Operations are divided into 3 parts as follows:

- 1) Design, production, sales of agricultural equipment
- 2) Design, production, sales of construction equipment
- 3) Financial services

CNH Industrial offers its products through 10 brands; brand family in the agricultural sector is sold under Case IH (Steyr brand in Europe) and New Holland, and its construction sector is sold under Case and New Holland Construction brands.

Information about the conditions of transactions to be done with related parties and conformity of these operations with market requirements

Since CNH Industrial holds the copyright according to the Joint Venture agreement signed by Koç Group and CNH Industrial, our Company export sales (tractors, spare parts, and transmissions) are carried out through CNHI International S.A. The large majority of risks, transportation, and insurance costs of sales to CNHI International S.A, are taken over by CNHI International S.A. Whereas our Company's export sales are mostly to CNHI International S.A, it does not have promotional, advertising, market, and customer searching costs. In addition, the Company does not have collection risk and overdue debt thanks to direct sales to CNHI International S.A. Our Company only carries the FX and inventory risk due to export sales that have to be FX denominated.

Details of our Company's transactions to CNHI International S.A. pertaining to 01.01.2024-31.12.2024 are given below table. Total sales represent 20% of total revenue, and total purchases represent 16% of COGS. Although not exceeding the thresholds stipulated in the Communiqué, transactions for the purchase and sale of services were also realized with CNHI International S.A. in 2024, and information on these transactions is presented in the table below.

Title of Related Party	Transaction Type	Transaction Amount (TL) (2024)	The Ratio of Transaction / Revenue or COGS (2024)	Transaction Pricing Method
CNHI INTERNATIONAL S.A.	Product Sales	13,603,155,169	20%	Cost Plus Method
	Product Purchasing	8,620,613,254	16%	Cost Plus Method
	Service Sales	30,098,561	0.1%	Cost Plus Method
	Service Purchasing	85,841,774	0.1%	Cost Plus Method

Our Company's related party transactions that are expected to reach up to 10% range in 01.01.2025-31.12.2025 period shall be with CNHI International S.A. The brief info concerning these transactions is given below.

Information about the transactions expected to reach 10% of Revenue/COGS

In 2024, a total of TL 8,620,613,254 of product purchases and TL 13,603,155,169 of product sales transactions were realized between our Company and the related CNHI International S.A. The amount of product/service purchases and sales transactions in 2025 are expected to exceed 10%.

Our Company, whose shares have been quoted on the stock exchange since 2004, carries out its activities as per the provisions of the Joint Venture agreement signed in 1998 by CNH Industrial and Koç Holding, which has an equal share in our Company's capital and has not any relation between each other in terms of capital, management, and audit, and the provisions of supply and license agreements. The method used in selling transactions is the Cost-Plus Pricing method, and for product purchasing, mostly this method was used.

The Cost-Plus Pricing Method is generally applied in such areas as raw-material, work-in-progress goods, manufactured goods, sub-production, and supply of service. In this method, arm's length price is determined by increasing the cost of goods and services sold with a reasonable gross profit ratio,

and also direct or indirect manufacturing should be considered. In case any need to make a transfer from operational expenses to costs, in gross margin calculation, the relevant costs of goods and services should be correlated with the most proper criteria on the condition that it shall be related to the mentioned transaction.

Our Company is a manufacturer for CNH Industrial Company because of purchasing main parts related to manufacturing export goods, in other words, doing import-based export and assembling in-house. Our Company is holding a manufacturer position for the CNHI Industrial, and considering this structure, the Cost-Plus Pricing Method, of which conditions are determined as per the provisions of the agreement, is preferred.

As a result of these transactions carried out with CNH Industrial in that way, our Company has the opportunity to sell its products to different foreign markets through market discrimination, and therefore, TürkTraktör is affected by local market volatility at a minimum level.

Total product/service sales amount to our related party CNHI International S.A. realized as TL 13,633,253,730 within 2024, and product/service purchasing from our related party CNHI International S.A. realized as TL 8,706,095,028. In 2024, CNHI International S.A. provided engineering, developing strategy, brokerage, and consultancy services, and TürkTraktör purchased tractors, agricultural equipment, spare parts, and engines from CNHI International S.A. In 2024, the important part of the export sales was done through CNHI International S.A. and TürkTraktör also provide engineering, consultancy, and several other services. Although service purchases and sales are also carried out with CNHI International S.A., the total amount of service purchase and sales transactions for 2025 is not expected to exceed 10%.

Conclusion

This report has been prepared within the context of the 10th article of the Capital Markets Board (CMB) communiqué on corporate governance numbered II.17.1, in accordance with the fact that the common and continuous selling and purchasing transactions reach up to 10% of revenue / COGS amount in the financial statements of 2024, which is the last annual financial statements disclosed to the public, and it is expected that this kind of related party transaction will reach to the same level in 2025. This report gives information about the conditions of transactions with CNHI International S.A., the pricing method and the reasons for choosing this method, and a comparison between the market requirements.