



KAMUYU AYDINLATMA PLATFORMU

TÜRK TRAKTÖR VE ZİRAAT MAKİNELERİ A.Ş. Non-current Financial Asset Acquisition

Summary

Share Purchase and Sale Agreement



MERKEZİ KAYIT
İSTANBUL

Noncurrent Financial Asset Acquisition

Related Companies []

Related Funds []

Noncurrent Financial Asset Acquisition	
Update Notification Flag	Hayır (No)
Correction Notification Flag	Hayır (No)
Date Of The Previous Notification About The Same Subject	-
Postponed Notification Flag	Hayır (No)
Announcement Content	
Board Decision Date for Acquisition	30/10/2024
Were Majority of Independent Board Members' Approved the Board Decision for Acquisition	Yes
Title of Non-current Financial Asset Acquired	Kayhan Ertuğrul Makina Sanayi ve Ticaret A.Ş. ("KEM") and Terramak Tarım Makinaları Dış Ticaret A.Ş. ("Terramak")
Field of Activity of Non-current Financial Asset whose Shares were being Acquired	KEM: Production, domestic and export sales and marketing of agricultural machinery, equipment and spare parts Terramak: Domestic and export sales and marketing of agricultural machinery, equipment and spare parts
Capital of Noncurrent Financial Asset	KEM: TRY 75,000,000 Terramak: TRY 250,000
Acquirement Way	Satın Alma (Purchase)
Date on which the Transaction was/will be Completed	Subject to the fulfillment of the preconditions, the closing is targeted to occur within 4 months from the signing date of the Share Purchase and Sale Agreement ("Agreement"). If the approval from the Competition Authority, as one of the related preconditions, is not obtained by the specified date, the targeted closing date will be extended by 3 months on a one-time basis.
Acquisition Conditions	Peşin (Cash)
Detailed Conditions if it is a Timed Payment	No
Nominal Value of Shares Acquired	KEM: TRY 75,000,000 Terramak: TRY 250,000
Purchase Price Per Share	Subject to closing adjustments, the base purchase price is calculated based on the total company equity values determined in accordance with the Agreement and the combined net cash totals of the target companies. According to financial results as of 31 December 2023, excluding the combined net cash total of USD 8,048,187, it is calculated as USD 15 for each KEM share with a nominal value of TL 25 and

	USD 1,250 for each Terramak share with a nominal value of TL 25.
Total Purchasing Value	The base purchase price, subject to adjustment according to the currency protection mechanism outlined in the Agreement, is calculated as USD 65,548,187, taking into account the total enterprise values of USD 57,500,000, determined as USD 45,000,000 for KEM and USD 12,500,000 for Terramak and the combined net cash total of the target companies amounting to USD 8,048,187. The base purchase price will also be subject to closing adjustment.
Ratio of New Shares Acquired to Capital of Non-current Financial Asset (%)	KEM: 100% Terramak: 100%
Total Ratio of Shares Owned in Capital of Non-current Financial Asset After Transaction (%)	KEM: 100% Terramak: 100%
Total Voting Right Ratio Owned in Non-current Financial Asset After Transaction (%)	KEM: 100% Terramak: 100%
Ratio of Non-current Financial Asset Acquired to Total Assets in Latest Disclosed Financial Statements of Company (%)	It is calculated as 5.8% of the total value of the companies.
Ratio of Transaction Value to Sales in Latest Annual Financial Statements of Company (%)	It is calculated as 3.4% of the total value of the companies.
Effects on Company Operations	Expanding our activities in the agricultural equipment sector across in both domestic and export markets by adding production and distribution processes
Did Takeover Bid Obligation Arised?	Hayır (No)
Will Exemption Application be Made, if Takeover Bid Obligation Arised?	Hayır (No)
Title/ Name-Surname of Counter Party	KEM: Ayka Ertuğrul - Kaan Ertuğrul Terramak: Ayka Ertuğrul - Kaan Ertuğrul - Mesut Göncü
Is Counter Party a Related Party According to CMB Regulations?	Hayır (No)
Relation with Counter Party if any	-
Agreement Signing Date if Exists	-
Value Determination Method of Non-current Financial Asset	It has been determined through negotiation between the parties.
Did Valuation Report be Prepared?	Düzenlenmedi (Not Prepared)
Reason for not Preparing Valuation Report if it was not Prepared	It is not mandatory according to the legislation.
Date and Number of Valuation Report	-
Title of Valuation Company Prepared Report	-
Value Determined in Valuation Report if Exists	-
Reasons if Transaction wasn't/will not be performed in Accordance with Valuation Report	-
Explanations	

A Share Purchase and Sale Agreement (Agreement) has been signed by our Company for the acquisition of all shares of Kayhan Ertuğrul Makina Sanayi ve Ticaret A.Ş. (which owns all of the shares of Kayhan Ertuğrul Tarım Sanayi ve Ticaret A.Ş.) and all shares of Terramak Tarım Makinaları Dış Ticaret A.Ş.

Pursuant to the Agreement, the total transfer price is determined as USD 65,548,187, taking into account the total value of the companies considered as USD 57,500,000 and the combined net cash totals of USD 8,048,187, to be paid in cash and in TL on the date of completion of the share transfer transactions ("Closing Date"). The amount is subject to adjustment according to the net cash and net working capital amounts in the financial statements to be prepared based on the Closing Date, and if there is an increase of 10% to 30% in the exchange rate by the closing, the total of company values will be reduced by half of the portion of the increase above 10%. If there is an increase of more than 30%, the Agreement grants the right to renegotiate the base purchase price or terminate the agreement. If the closing takes longer than 3 months due to the Competition Authority's approval, the mentioned rates will be applied as 15% to 35%.

The completion of the share transfer transaction is subject to certain closing conditions, including obtaining approval from the Competition Authority, and the closing is targeted to occur within 4 months. If the approval is not obtained by the specified date, the targeted closing date will be extended by 3 months on a one-time basis and if the approval cannot be obtained within the specified period, the parties have the right to terminate the agreement.

Important information on the subject will be shared with our investors.

This statement has been translated into English for informational purposes. In case of a discrepancy between the Turkish and the English versions of this disclosure statement, the Turkish version shall prevail.

We proclaim that our above disclosure is in conformity with the principles set down in "Material Events Communiqué" of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we're personally liable for the disclosures.