

**OTOKAR OTOMOTİV VE SAVUNMA  
SANAYİ ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE INTERIM PERIOD  
1 JANUARY- 30 SEPTEMBER 2025**

**(ORIGINALLY ISSUED IN TURKISH)**

## **OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

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**(Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish)**

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**AS OF 30 SEPTEMBER 2025 AND 31 DECEMBER 2024**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

	Notes	<b>Unaudited</b>	<b>Audited (*)</b>	
		<b>30 September 2025</b>	<b>31 December 2024</b>	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	4	3,440,692	1,845,555	
Trade receivables	9	10,372,310	14,236,001	
Due from related parties	22	3,533,641	5,233,128	
Due from other parties	9	6,838,669	9,002,873	
Other receivables		5,412	6,134	
Inventories	10	22,303,751	15,004,560	
Prepaid expenses	14	2,301,159	482,237	
Other current assets	14	1,591,718	840,403	
<b>Total current assets</b>		<b>40,015,042</b>	<b>32,414,890</b>	
<b>Non-current assets</b>				
Trade receivables	9	917,489	941,262	
Other receivables		73,478	18,499	
Investments accounted for using the equity method	6	58,303	91,687	
Financial investments	7	82,245	93,224	
Property, plant and equipment	11	6,642,903	6,521,907	
Right of use assets	11	33,320	80,310	
Intangible assets	12	9,200,265	8,493,900	
Goodwill		21,165	20,047	
Other intangible assets	12	9,179,100	8,473,853	
Deferred tax asset	20	1,910,802	1,368,265	
Prepaid expenses	14	2,575,221	28,596	
<b>Total non-current assets</b>		<b>21,494,026</b>	<b>17,637,650</b>	
<b>Total assets</b>		<b>61,509,068</b>	<b>50,052,540</b>	

(\*) Reclassified – Note 2.5

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

**(Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish)**

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**AS OF 30 SEPTEMBER 2025, AND 31 DECEMBER 2024**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

	Notes	Unaudited	Audited (*)	
		30 September 2025	31 December 2024	
<b>Liabilities</b>				
<b>Short-term liabilities</b>				
Short-term borrowings	5	9,705,206	8,621,809	
Bank loans	5	9,635,296	8,540,816	
Short-term lease liabilities	5	69,910	80,993	
Short-term portion of long-term borrowings	5	9,410,191	3,057,838	
Bank loans	5	8,807,116	1,055,259	
Issue of debt instruments	5	603,075	2,002,579	
Derivative Instruments	8	-	9,613	
Trade Payables	9	6,678,565	6,570,551	
Due to related parties	22	427,625	581,436	
Due to other parties	9	6,250,940	5,989,115	
Payables related to employee benefits	14	340,656	838,246	
Other payables		438,719	42,796	
Liabilities from customer contracts	14	6,948,781	1,936,876	
Government incentives and grants		6,770	5,670	
Short-term provisions	13	2,091,506	2,090,069	
Provisions for employee benefits	13	145,891	175,918	
Other provisions	13	1,945,615	1,914,151	
Other current liabilities	14	257,246	428,828	
<b>Total current liabilities</b>		<b>35,877,640</b>	<b>23,602,296</b>	
<b>Non-current liabilities</b>				
Long-term borrowings	5	8,164,037	14,993,374	
Bank loans	5	8,054,691	14,866,693	
Short-term lease liabilities	5	109,346	126,681	
Government incentives and grants		23,050	25,901	
Long-term provisions	13	538,414	527,674	
Provisions for employee benefits	13	538,414	527,674	
Liabilities from customer contracts	14	7,493,027	632,813	
<b>Total non-current liabilities</b>		<b>16,218,528</b>	<b>16,179,762</b>	
<b>Total liabilities</b>		<b>52,096,168</b>	<b>39,782,058</b>	
<b>Equity</b>				
Paid-in share capital		120,000	120,000	
Inflation adjustment on share capital		2,261,539	2,261,539	
Restricted reserves		1,842,066	1,842,066	
Accumulated other comprehensive income and expense that will not be reclassified to statement of profit or loss		(814,488)	(791,081)	
Defined benefit plans remeasurement losses		(814,488)	(791,081)	
Accumulated other comprehensive income and expense that will be reclassified to statement of profit or loss		(1,382,326)	(984,489)	
Currency translation differences		(1,382,326)	(984,489)	
Retained earnings		7,822,447	11,716,332	
Net profit or loss for the period		(436,338)	(3,893,885)	
<b>Total equity</b>		<b>9,412,900</b>	<b>10,270,482</b>	
<b>Total liabilities and equity</b>		<b>61,509,068</b>	<b>50,052,540</b>	

(\*) Reclassified – Note 2.5

The accompanying explanatory notes are supplementary parts of these interim condensed consolidated financial statements.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIODS ENDED SEPTEMBER 30, 2025, AND 2024

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

Notes	Unaudited		Unaudited	
	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Revenue	15	30,936,937	9,610,024	28,553,114
Cost of sales (-)	15	(24,422,199)	(7,814,484)	(24,271,711)
<b>Gross profit (loss)</b>		<b>6,514,738</b>	<b>1,795,540</b>	<b>4,281,403</b>
Marketing expenses (-)	16	(3,865,271)	(1,342,245)	(3,990,301)
General administrative expenses (-)	16	(1,636,873)	(460,298)	(1,783,567)
Research and development expenses (-)	16	(991,316)	(326,782)	(1,067,352)
Other operating income	17	3,855,376	1,348,012	4,309,572
Other operating expenses (-)	17	(2,477,268)	(937,575)	(2,458,626)
<b>Operating profit (loss)</b>		<b>1,399,386</b>	<b>76,652</b>	<b>(708,871)</b>
Income from investing activities		2,469	5,549	2,109
Profit (loss) from investments accounted by equity method		(52,239)	(27,714)	(65,610)
<b>Operating income (expense) before</b>		<b>1,349,616</b>	<b>54,487</b>	<b>(772,372)</b>
Financial income	18	498,158	104,917	1,201,996
Financial expense (-)	19	(7,196,383)	(2,139,595)	(7,494,167)
Monetary gain/ (loss)		4,399,726	1,377,762	3,957,750
<b>Profit (loss) before taxation from continuing operations</b>		<b>(948,883)</b>	<b>(602,429)</b>	<b>(3,106,793)</b>
<b>Income (expense) tax from continuing operations</b>				
Current year tax expense / (income)	20	(22,189)	(3,864)	-
Deferred tax income (expense)	20	534,734	255,682	(92,154)
<b>Loss for the period</b>		<b>(436,338)</b>	<b>(350,611)</b>	<b>(3,198,947)</b>
<b>Items that will not be reclassified to profit or loss</b>				
Defined benefit plans remeasurement gains (losses)	13	(31,209)	17,301	(222,514)
Deferred tax income (expense)	20	7,802	(4,326)	55,629
<b>Items that will be reclassified to profit or loss</b>				
Currency translation differences of investments accounted by equity method	6	(5,046)	(1,848)	(17,997)
Currency translation differences		(392,791)	148,294	537,744
<b>Other comprehensive income(expense)</b>		<b>(421,244)</b>	<b>159,421</b>	<b>352,862</b>
<b>Total comprehensive income/(expense)</b>		<b>(857,582)</b>	<b>(191,190)</b>	<b>(2,846,085)</b>
<b>Earnings (losses) per share (Kr)</b>	21	<b>(3.63)</b>	<b>(2.92)</b>	<b>(26.66)</b>
				<b>(10.04)</b>

The accompanying explanatory notes are supplementary parts of these interim condensed consolidated financial statements.

(Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish)

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

			Accumulated other comprehensive income and expense that will not be reclassified to statement of profit or loss	Accumulated other comprehensive income and expense that may be reclassified to statement of profit or loss			
			Remeasurement profits (losses) on defined benefit plans	Currency translation differences	Retained earnings	Net profit for the period	Total Equity
	Paid in share capital	Inflation adjustments	Restricted reserves				
<b>1 January 2024</b>	<b>Beginning of the period</b>	<b>120,000</b>	<b>2,261,539</b>	<b>1,729,692</b>	<b>(605,615)</b>	<b>(1,430,991)</b>	<b>6,917,384</b>
	Transfers	-	-	112,374	-	-	3,451,484
	Dividends	-	-	-	-	(1,133,178)	-
	Total comprehensive income	-	-	-	(166,887)	519,746	(3,198,947)
<b>30 September 2024</b>	<b>Closing balances</b>	<b>120,000</b>	<b>2,261,539</b>	<b>1,842,066</b>	<b>(772,502)</b>	<b>(911,245)</b>	<b>9,235,690</b>
<b>1 January 2025</b>	<b>Beginning of the period</b>	<b>120,000</b>	<b>2,261,539</b>	<b>1,842,066</b>	<b>(791,081)</b>	<b>(984,489)</b>	<b>11,716,332</b>
	Transfers	-	-	-	-	-	(3,893,885)
	Total comprehensive income	-	-	-	(23,407)	(397,837)	-
<b>30 September 2025</b>	<b>Closing balances</b>	<b>120,000</b>	<b>2,261,539</b>	<b>1,842,066</b>	<b>(814,488)</b>	<b>(1,382,326)</b>	<b>7,822,447</b>
							<b>(436,338)</b>
							<b>9,412,900</b>

The accompanying explanatory notes are supplementary parts of these interim condensed consolidated financial statements.

# OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENTS OF CASH FLOWS

### FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

	Notes	1 January – 30 September 2025	1 January – 30 September 2024
<b>Cash flows from operating activities</b>		<b>5,332,528</b>	<b>(1,507,330)</b>
Net profit/(loss) for the period		(436,338)	(3,198,947)
<b>Adjustments to reconcile net profit (loss) for the period to cash flows from operating</b>		<b>5,493,889</b>	<b>5,947,568</b>
Adjustments for depreciation and amortization	11,12	1,446,248	1,433,800
Adjustments in relation to impairment:		317,347	190,726
- Provision for inventories		317,347	190,726
Adjustments in relation to provision:		1,382,366	697,572
- Provision for employee benefits		142,391	219,449
- Provision for warranty expenses	13	1,052,483	970,923
- Adjustments for other provisions		187,492	(492,800)
Adjustments in relation to interest income and expenses:		5,226,719	5,475,277
- Adjustment in relation to interest income	18	(212,304)	(987,069)
- Adjustment in relation to interest expense	19	5,439,023	6,462,346
Adjustments in relation to unrealised foreign exchange gains and losses	5	1,678,947	936,783
Adjustments in relation to fair value gains and losses		15,014	(21,138)
- Fair value losses/(gains) on financial assets		10,979	(35,623)
- Fair value losses/(gains) on financial derivative instruments		4,035	14,485
Adjustments for undistributed profits of investments accounted for using equity		28,338	65,610
Adjustments for tax income/(expenses)		(512,545)	92,154
Adjustments in relation to gains or losses on sales of property, plant and equipment		(2,469)	(2,109)
Monetary gain/ (loss)		(4,086,076)	(2,921,107)
<b>Changes in net working capital</b>		<b>1,310,717</b>	<b>(3,290,397)</b>
Adjustments for increase/decrease in trade receivables		795,681	(1,721,563)
Adjustments for increase/decrease in inventories		(7,623,394)	(4,081,666)
Adjustments for increase/decrease in trade payables		1,501,399	(358,250)
Adjustments for other increase (decrease) in working capital		6,637,031	2,871,082
- Increase/(decrease) in other assets related to activities		(5,339,644)	230,079
- Increase/(decrease) in other liabilities related to activities		11,976,675	2,641,003
<b>Cash flows from operations</b>		<b>6,368,268</b>	<b>(541,776)</b>
Payments in relation to employee benefits	13	(32,784)	(92,261)
Payments in relation to other provisions	13	(1,002,956)	(788,778)
Deductions/(payments) in relation to income tax		-	(38,154)
Other cash collections/(payments)		-	(46,361)
<b>Cash flows from investment activities</b>		<b>(1,953,516)</b>	<b>(1,965,581)</b>
Cash outflows for the acquisition of shares of other businesses or funds or debt		-	(7,063)
Proceeds from sales of property, plant, and equipment intangible assets		9,959	4,457
-Proceeds from sale of property, plant and equipment		9,959	4,457
<b>Cash outflows due to purchase of property, plant and equipment and intangible assets</b>		<b>(2,175,215)</b>	<b>(3,063,719)</b>
- Purchase of property, plant and equipment	11	(619,772)	(987,779)
- Purchase of intangible assets	12	(1,555,443)	(2,075,940)
<b>Interest received</b>		<b>211,740</b>	<b>1,100,744</b>
<b>Cash flows from financing activities</b>		<b>(1,043,060)</b>	<b>(2,784,594)</b>
<b>Cash inflows from borrowing</b>		<b>12,466,934</b>	<b>20,652,456</b>
Cash inflows from loans	5	12,466,934	20,652,456
<b>Cash outflow due to repayment of borrowings</b>		<b>(8,992,835)</b>	<b>(17,616,343)</b>
Repayments of borrowings	5	(8,992,835)	(17,616,343)
<b>Cash outflows related to debt payments from lease agreements</b>		<b>5</b>	<b>(72,862)</b>
Dividends paid		-	(1,133,177)
<b>Interest paid</b>		<b>(4,444,297)</b>	<b>(4,598,782)</b>
Effect of monetary loss on cash and cash equivalents		(374,173)	(3,267,485)
<b>Net increase (decrease) in cash and cash equivalents before</b>		<b>1,961,779</b>	<b>(9,524,990)</b>
<b>The effect of foreign currency translation differences on cash and cash equivalents</b>		<b>(367,206)</b>	<b>535,002</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1,594,573</b>	<b>(8,989,988)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	4	<b>1,844,885</b>	<b>12,263,924</b>
<b>Cash and cash equivalents at the end of the period</b>	4	<b>3,439,458</b>	<b>3,273,936</b>

The accompanying explanatory notes are supplementary parts of these interim condensed consolidated financial statements.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

Otokar Otomotiv ve Savunma Sanayi A.Ş. ('Otokar' or the 'Company'), was established in 1963 and is registered in Istanbul, Turkey and operating under the Turkish Commercial Code.

The Group operates in the automotive sector, with its production primarily focused on off-road vehicles, armored vehicles, minibuses, midibuses and buses, as well as light trucks, truck-mounted applications and pick-ups.

The registered addresses of the Company are as follows:

Headquarters: Taşdelen Mahallesi, Sırrı Çelik Bulvarı No: 5 Çekmeköy/İstanbul

Plant: Atatürk Cad. No: 6 54580 Arifiye/Sakarya

Information related to subsidiary of the Company subject to consolidation is as follows:

Subsidiaries	Country	Main activity	Field of activity
Otokar Europe SAS	France	Sales and marketing	Automotive
Otokar Land Systems Limited	United Arab Emirates	Sales and marketing	Automotive and defence industry
Otokar Europe Filiala Bucuresti S.R. L	Romania	Sales and marketing	Automotive
Otokar Central Asia Limited (*)	Kazakhstan	Sales and marketing	Automotive and defence industry
Otokar Italia S.R. L	Italy	Sales and marketing	Automotive
Otokar Land Systems S.R. L	Romania	Production, sales and marketing	Automotive and defence industry

  

Partnerships	Country	Main activity	Field of activity
Al Jasoor Heavy Vehicle Industry LLC	United Arab Emirates	Sales and marketing	Automotive and defence industry
Sisteme de Apare Romania (Sarom) SRL	Romania	Production, sales and marketing	Automotive and defence industry

(\*) Otokar Central Asia Limited Company was established on November 5, 2019 in Astana International Financial Center (AIFC), a special-status region that accepts the principles of British Law in Kazakhstan, in order to increase its international sales and follow up export activities. Since the financial activities of Otokar Central Asia Limited Company have not started yet, the investment was presented under financial investments in the condensed interim consolidated financial statements.

Otokar and its subsidiaries will be referred as the "Group" for the purpose of the preparation of these consolidated financial statements.

The period-end and the average number of personnel employed in the Group are as follows:

	Period end		Average	
	30 September 2025	31 December 2024	30 September 2025	30 September 2024
White collar	921	900	931	988
Blue collar	2,763	2,809	2,786	2,724
<b>Total</b>	<b>3,684</b>	<b>3,709</b>	<b>3,717</b>	<b>3,712</b>
Temporary blue collar	222	63	193	540
<b>Total</b>	<b>3,906</b>	<b>3,772</b>	<b>3,910</b>	<b>4,252</b>

The condensed interim consolidated financial statements for the period ended September 30, 2025 were authorized for issue and signed by the Board of Directors of Otokar on November 3, 2025.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (continued)

Otokar is registered to the Capital Market Board ("CMB") and its shares are listed on the Borsa İstanbul A.Ş. ("BIST") since 1995. As of September 30, 2025 27.81% of the shares are quoted on the BIST.

As of September 30, 2025, the principal shareholders and their respective shareholding percentages are as follows:

	(%)
Koç Holding A.Ş.	47.38
Ünver Holding A.Ş.	24.81
Other	27.81
	<b>100.00</b>

Otokar Otomotiv ve Savunma Sanayi A.Ş. is controlled by Koç Holding A.Ş.

The parent company (Koç Holding A.Ş.) is controlled by Koç Family and the companies owned by Koç Family.

The shareholder, Ünver Holding A.Ş., is controlled by Ünver Family.

The Group conducts part of its business transactions with the Koç Holding A.Ş. and related parties. There are certain related parties, which are both customers and vendors of the Group.

#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

##### 2.1 Principles of preparation of consolidated financial statements

The interim condensed consolidated financial statements attached herewith have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Series II-14,1 No, Communiqué on Principles Regarding Financial Reporting in Capital Markets, published in the Official Gazette on June 13, 2013, based on the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight, Accounting, and Auditing Standards Authority ("POA").

The interim condensed consolidated financial statements for the period ended September 30, 2025 have been prepared in accordance with TFRS's IAS 34 Interim Financial Reporting, Therefore, these interim condensed consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended December 31, 2024.

The consolidated financial statements have been presented in accordance with the formats specified in the 'Financial Statement Examples User Guide' as announced by the Public Oversight Accounting and Auditing Standards Authority (POA) on July 3, 2024, regarding the 'TMS Taxonomy Announcement'.

The Company and its Subsidiaries registered in Turkey maintain their accounting records and prepare their statutory financial statements in accordance with the principles and conditions set forth by the Capital Markets Board (CMB), the Turkish Commercial Code (TCC), tax regulations, and the Uniform Chart of Accounts issued by the Ministry of Finance. The consolidated financial statements have been prepared on the historical cost basis, except for derivative instruments, which are measured at fair value, and include the necessary adjustments and reclassifications to present them fairly in accordance with TFRS.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.1 Principles of preparation of consolidated financial statements (continued)

###### Functional and presentation currency

Items included in the consolidated financial statements of the Subsidiaries and Joint Ventures of the Group are measured using the currency of the primary economic environment in the entity operates ("the functional currency"). The consolidated financial statements are presented in TRY, which is the Company's functional and presentation currency.

###### Financial statements of foreign subsidiaries, joint ventures, and associates

The assets and liabilities, presented in the financial statements of the foreign subsidiaries and joint ventures prepared in accordance with the Group's accounting policies, are translated into TRY at the exchange rate at the date of the balance sheet whereas income and expenses are translated at the average exchange rates for the respective periods. Exchange differences resulting from using the exchange rates at the balance sheet date and the average exchange rates are recognised in the currency translation differences under the equity and are adjusted according to the changes in the purchasing power of the TRY in order to comply with TFRS.

###### Financial reporting in hyperinflationary economies

Pursuant to the decision of the Capital Markets Board of Turkey ("CMB") dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting / Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 Financial Reporting in Hyperinflationary Economies, starting from their annual financial reports for accounting periods ending as of 31 December 2023. In line with the aforementioned CMB decision, the announcement made by the Public Oversight Accounting and Auditing Standards Authority ("POA") on 23 November 2023, and the published "Implementation Guide on Financial Reporting in Hyperinflationary Economies", the Group has prepared its consolidated financial statements as of and for the period ended 30 September 2025 by applying TAS 29. Under this standard, financial statements prepared based on the currency of a hyperinflationary economy are required to be stated in terms of the purchasing power of that currency at the balance sheet date, and comparative financial statements of prior periods are required to be restated in terms of the current measuring unit as of the end of the reporting period. Accordingly, the Group has also presented its consolidated financial statements as of 30 September 2024 and 31 December 2024 based on the purchasing power of the Turkish Lira as of 30 September 2025.

The restatements performed in accordance with TAS 29 have been calculated using the adjustment coefficients derived from the Consumer Price Index ("CPI") published by the Turkish Statistical Institute ("TÜRKSTAT"). As of 30 September 2025, the indices and adjustment coefficients used in the restatement of the consolidated financial statements, covering the current and prior periods since 1 January 2005, the date on which the Turkish Lira ceased to be classified as the currency of a hyperinflationary economy, are presented below.:

Date	Index	Correction coefficient	Three-year cumulative inflation rates
30 September 2025	3,367.22	1.00000	%222
31 December 2024	2,684.55	1.25430	%291
30 September 2024	2,526.16	1.33294	%343

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

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#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.1 Principles of preparation of consolidated financial statements (continued)

###### Financial reporting in hyperinflationary economies (continued)

The main factors of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period condensed consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of nonmonetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first represented in the financial statements.
- The effect of inflation on the Group's net monetary asset position for the current period has been recognized in the consolidated statement of profit or loss under net monetary gains/(losses). While the purchasing power of entities holding monetary assets in excess of monetary liabilities decreases as inflation increases, the purchasing power of entities holding monetary liabilities in excess of monetary assets increases with rising inflation. The net monetary gain or loss has been derived from the restatement differences of non-monetary items, equity, items in the statement of profit or loss and other comprehensive income, and index-linked monetary assets and liabilities.
- The financial statements of the Group's subsidiaries, joint ventures and associates operating in foreign countries have been prepared by reflecting the necessary adjustments and reclassifications to ensure fair presentation in accordance with Turkish Financial Reporting Standards ("TFRSs") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). The assets and liabilities of the related foreign operations have been translated into Turkish Lira using the exchange rates prevailing at the balance sheet date, while income and expenses have been translated using average exchange rates on a monthly basis. Income and expenses have also been indexed in order to restate them to the purchasing power at the end of the current reporting period. Exchange differences arising from the use of closing and average exchange rates are recognized under foreign currency translation differences within equity.

## **OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### **NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)**

##### **2.2 Accounting errors and changes in accounting estimates**

The Group recognizes, evaluates, and presents similar events and transactions consistently, accounting errors identified are restated retrospectively. The Group has applied the accounting policies consistent with the prior period.

If changes in accounting estimates are related to only one period, they are recognised in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively. The accounting policies used in the preparation of these condensed interim consolidated financial statements for the period ended September 30, 2025 are consistent with those used in the preparation of consolidated financial statements for the year ended December 31, 2024.

##### **2.3 Changes in accounting policies**

The Group changes accounting policies when it is believed that the change will lead to better presentation of transactions and events in the financial statements. When the intentional change can affect the prior period results, the change is applied retrospectively as though it was already applied before. Accounting policy changes arising from the application of a new standard are applied considering the transition principles of the related standard, if any, retrospectively or forward. If no transition principle for the standard exists, the changes are applied retrospectively.

###### **2.3.1 The new standards, amendments and interpretations**

The accounting policies adopted in preparation of the consolidated financial statements as of September 30, 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2025 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

###### **i) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows**

###### **Amendments to TAS 21 - Lack of exchangeability**

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a significant impact on the financial position or performance of the Group.

###### **ii) Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

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#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.1 The new standards, amendments and interpretations (continued)

###### ii) Standards issued but not yet effective and not early adopted (continued)

###### Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

###### TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2026 with the announcement made by the POA.

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

###### Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings.

The Group expects no significant impact on its balance sheet and equity.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.1 The new standards, amendments and interpretations (continued)

###### ii) Standards issued but not yet effective and not early adopted (continued)

###### Annual Improvements to TFRSs – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

- TFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9.
- TFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language on unobservable inputs in the Standard and include a cross reference to TFRS 13.
- TFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to 'transaction price'.
- TFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs.
- TAS 7 Statement of Cash Flows – Cost Method: The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

Improvements are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted for all.

The Group expects no significant impact on its balance sheet and equity.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

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#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.1 The new standards, amendments and interpretations (continued)

###### ii) Standards issued but not yet effective and not early adopted (continued)

###### Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The amendment will be effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted but will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

###### TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### 2.3.1 The new standards, amendments and interpretations (continued)

###### ii) Standards issued but not yet effective and not early adopted (continued) TFRS 19 – The new Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

#### 2.4 Summary of key accounting policies

##### Group accounting

The condensed interim consolidated financial statements include the accounts of the parent company, Otokar and its subsidiaries on the basis set out in sections below, the financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with TFRS, the results of subsidiaries are included or excluded from their effective dates of acquisition or disposal, respectively.

The table below sets out the subsidiaries of the Company and shows the total interest of the Company in these companies on 30 September 2025 and 31 December 2024:

Subsidiaries	2025		2024	
	Direct and indirect ownership (%)	Proportion of effective interest (%)	Direct and indirect ownership (%)	Proportion of effective int(%)
Otokar Europe SAS	100.00	100.00	100.00	100.00
Otokar Land Systems Limited	100.00	100.00	100.00	100.00
Otokar Europe Filiala Bucuresti S.R.L	100.00	100.00	100.00	100.00
Otokar Central Asia Limited	100.00	100.00	100.00	100.00
Otokar Italia S.R.L	100.00	100.00	100.00	100.00
Otokar Land Systems SRL (*)	100.00	100.00	-	-

(\*) Otokar Land Systems SRL was established on March 24, 2025 in Romania to produce, sell and market the automotive and defence industry.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

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#### NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

##### *Joint Ventures*

Joint Ventures are established by Otokar and its subsidiaries through a contract to undertake an economic activity, managed jointly by one or more entrepreneurial partners. Otokar ensures this joint control by leveraging the shares it owns directly or indirectly.

Under the equity method, an investment in a joint venture is initially recognized at acquisition cost. After the acquisition date, the investor's share of the profit or loss of the investee is reflected in the financial statements by increasing or decreasing the carrying amount of the investment. The investor's share of the profit or loss of the investee is recognized as the investor's profit or loss. Distributions received from the investee (such as dividends) reduce the carrying amount of the investment. The carrying amount of the investment should be adjusted for the investor's share of changes in the investee's other comprehensive income. In applying the equity method for Joint Ventures, the proportion of Otokar's direct and indirect voting rights has been considered.

The table below sets out the company and shows the total interest of the Company in these companies on September 30, 2025, and December 31, 2024:

Joint ventures	2025		2024	
	Direct and indirect ownership (%)	Proportion of effective interest (%)	Direct and indirect ownership (%)	Proportion of effective int (%)
Al Jasoor Heavy Vehicle Industry LLC (*)	49.00	49.00	49.00	49.00
Sisteme de Apare Romania (Sarom) SRL (**)	50.00	50.00	-	-

(\*) Al Jasoor Heavy Vehicles Industry LLC, owned 49% of shares by Otokar Land Systems LLC which is a subsidiary of the Group, was established on May 28, 2017 with the purpose of selling and marketing in the UAE.

(\*\*) Sistema de Apare Romania (Sarom) SRL, which is 50% owned by Otokar Land Systems Limited, a subsidiary of the Group, was established on May 28, 2025 to produce, sell and market the automotive and defence industry in Romania.

#### 2.5 Comparative information and correction of financial statements dated in the previous period

In order to enable the determination of financial position and performance trends, the Group's financial statements for the current period are prepared in comparison with the previous period. Comparative information is reclassified when deemed necessary in order to ensure compliance with the presentation of the financial statements for the current period.

In accordance with TFRS 15 Revenue from Contracts with Customers, the Group has performed netting and reclassification adjustments in its consolidated financial statements as of 31 December 2024 in relation to advances received and advances given that have been invoiced but whose payment terms have not yet become due. Accordingly, with respect to advances received, the Group has reclassified TL 3,831,167 from Trade Receivables and TL 3,925,741 from Contract Liabilities arising from Customer Contracts. In addition, with respect to advances given, the Group has performed netting and reclassification of TL 2,136,281 from Inventories, TL 55,232 from Prepaid Expenses, TL 315,680 from Other Current Assets, TL 1,986,476 from Trade Payables, and TL 315,680 from Other Short-term Liabilities.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 3 - SEGMENT REPORTING

The Group does not prepare segment reporting and follows financial statements by one operating unit.

Since Chief Executive Decision Makers (composed of key management, board members, general manager and assistant general managers) do not monitor cost of sales, operating expenses and financial expenses, the products are only monitored based on revenue (Note 15). Thus, segment reporting is not performed.

#### NOTE 4 - CASH AND CASH EQUIVALENTS

	30 September 2025	31 December 2024
Banks		
- Time deposits	2,525,407	1,158,818
- Demand deposits	913,353	685,960
Other	698	107
<b>Cash and cash equivalents in the cash flow statement</b>	<b>3,439,458</b>	<b>1,844,885</b>
Interest accrual	1,234	670
	<b>3,440,692</b>	<b>1,845,555</b>

As of September 30, 2025, the amount corresponding to TRY 2,525,407 of the time deposit accounts with a total amount of TRY 1,536,295 is in foreign currency, and the effective interest rate is 2,86% per annum and the maturity is 1 day. The effective interest rate of the remaining amount of TRY 989,112 is 47,25% per annum, and the maturity is 1 day.

(As of December 31, 2024, the amount corresponding to TRY 1,158,818 of the time deposit accounts with a total amount of TRY 652,858 is in foreign currency, the effective interest rate is 1,35% per annum, and the maturity is 2 days. The effective interest rate of the remaining amount of TRY 505,960 is 47,00% per annum and the maturity is 2 days.)

As of September 30, 2025, the Group has blocked bank deposit of TRY 925 (December 31, 2024: TRY 79).

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 5 – BORROWINGS

The details of the Group's borrowings as of September 30 and December 31 are as follows:

	30 September 2025	31 December 2024
<b>Short-term</b>		
Short-term bank loans	9,635,296	8,540,816
Lease liabilities	69,910	80,993
<b>Total short-term borrowings</b>	<b>9,705,206</b>	<b>8,621,809</b>
<b>Short-term portion of long-term borrowings</b>		
Short-term portion of long-term loans	8,807,116	1,055,259
Issued debt instruments	603,075	2,002,579
<b>Short-term portions of total long-term borrowings</b>	<b>9,410,191</b>	<b>3,057,838</b>
<b>Long-term</b>		
Long-term bank loans	8,054,691	14,866,693
Lease liabilities	109,346	126,681
<b>Total long-term borrowings</b>	<b>8,164,037</b>	<b>14,993,374</b>
<b>Total borrowings</b>	<b>27,279,434</b>	<b>26,673,021</b>

The repayment terms of bank loans are as follows:

	30 September 2025	31 December 2024
Within 1 year	18,442,412	9,596,075
Within 1–2 years	8,054,691	14,866,693
<b>Total bank loans</b>	<b>26,497,103</b>	<b>24,462,768</b>

(Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish)

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 5 – BORROWINGS (continued)

The foreign currency and interest details of the Group's bank loans as of September 30 and December 31 are as follows;

	30 September 2025			31 December 2024		
	Effective interest rate (%)	Original currency	Equivalent in TRY	Effective interest rate (%)	Original currency	Equivalent in TRY
<b>Short-term</b>						
TRY loans	25.45	5,873,608	5,873,608	35.77	5,118,953	5,118,952
EUR loans	5.35	40,300	1,964,680	6.49	83,257	3,059,110
USD loans	4.88	43,294	1,797,008	5.54	10,299	362,754
<b>Total short-term bank loans</b>			<b>9,635,296</b>			<b>8,540,816</b>
<b>Short-term portions of long-term loans</b>						
TRY loans	50.78	8,471,962	8,471,962	50.12	1,055,259	1,055,259
EUR loans	6.09	6,875	335,154	-	-	-
<b>Total short-term portions of long-term loans</b>			<b>8,807,116</b>			<b>1,055,259</b>
<b>Long-term</b>						
TRY loans	44.82	2,996,427	2,996,427	53.66	11,853,135	11,853,134
EUR loans	5.63	103,757	5,058,264	5.65	82,017	3,013,559
<b>Total long-term bank loans</b>			<b>8,054,691</b>			<b>14,866,693</b>

(Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish)

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 5 – BORROWINGS (continued)

As of September 30 and December 31, the foreign currency and interest details of the Group's leasing transactions are as follows:

	30 September 2025			31 December 2024		
	Effective interest rate (%)	Original currency	Equivalent in TRY	Effective interest rate (%)	Original currency	Equivalent in TRY
<b>Short-term</b>						
TRY lease liabilities	30.00	54,360	54,360	34.49	62,978	62,978
EUR lease liabilities	2.00	318	15,550	2.02	490	18,015
<b>Total short-term lease liabilities</b>			<b>69,910</b>			<b>80,993</b>
<b>Long-term</b>						
TRY lease liabilities	30.00	104,868	104,868	34.49	121,492	121,492
EUR lease liabilities	2.00	92	4,478	2.02	141	5,188
<b>Total long-term lease liabilities</b>			<b>109,346</b>			<b>126,680</b>

The details of the Group's debt instruments issued as of September 30 and December 31 are as follows:

	30 September 2025			31 December 2024		
	Effective interest rate (%)	Original currency	Equivalent in TRY	Effective interest rate (%)	Original currency	Equivalent in TRY
TRY bonds (*)	52.52	603,075	603,075	45.55	2,002,579	2,002,579
<b>Total issued debt instruments</b>		<b>603,075</b>	<b>603,075</b>		<b>2,002,579</b>	<b>2,002,579</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 5 – BORROWINGS (continued)

(\*) The Group issued a bond with a maturity of 733 days, a coupon payment every 6 months at a fixed interest rate of 47%, and a redemption date of October 20, 2025, in the amount of TRY 500,000, the clearing transaction of which took place on October 18, 2023, to be sold to qualified investors without a domestic public offering.

As of September 30, 2025, the Group does not have any collateral against the loans it has used (31 December 2024: None).

The Group has no financial commitments arising from its borrowings.

The movements of borrowings in the years ending September 30 are as follows:

	2025	2024
<b>1 January</b>	26,673,021	29,214,943
Borrowing received during the period	12,466,934	20,652,456
Principal payments (-)	(8,992,835)	(17,616,343)
Changes in lease liabilities	2,340	110,687
Cash outflows related to debt payments from leasing agreements	(72,862)	(88,748)
Change in interest accruals	994,726	1,863,561
Change in exchange rates	1,678,947	936,784
Monetary gain/(loss)	(5,470,837)	(8,126,171)
<b>30 September</b>	<b>27,279,434</b>	<b>26,947,169</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 6 - INVESTMENTS VALUED BY EQUITY METHOD

As of September 30, 2025, and December 31, 2024, the details of carrying value and ownership rate subject to equity accounting of the joint venture is as follows:

Joint ventures	2025		2024	
	(%)	Amount	(%)	Amount
Al Jasoor	49	58,303	49	91,687
		<b>58,303</b>		<b>91,687</b>

The movements of joint ventures for the periods ended on September 30, 2025 and 2024 are as follows:

	2025	2024
<b>Beginning 1 January</b>	<b>91,687</b>	<b>154,577</b>
Shares of profit /(loss)	(28,338)	(65,610)
Currency translation difference	(5,046)	(17,997)
<b>30 September</b>	<b>58,303</b>	<b>70,970</b>

The summary of the financial statements of Al Jasoor Heavy Vehicle Industry LLC as of September 30, 2025 and December 31, 2024 is as follows:

	30 September 2025	31 December 2024
Total assets	169,207	268,879
Total liabilities	(50,221)	(81,763)
<b>Net assets</b>	<b>118,986</b>	<b>187,116</b>
Ownership rate of the Group	%49	%49
<b>Net asset share of the Group</b>	<b>58,303</b>	<b>91,687</b>

#### NOTE 7 - FINANCIAL INVESTMENTS

Otokar Central Asia Limited company was established on November 5, 2019, in Astana International Financial Centre (AIFC), a special-status region that accepts the principles of British Law in Kazakhstan, in order to increase overseas sales and follow up export activities.

Financial investments include Otokar Central Asia Limited's capital participation amount of TRY 1.108 and its investments in the Private Venture Capital Investment Fund of TRY 81,137 (December 31, 2024: Otokar Central Asia Limited capital participation amount includes TRY 1.108 and its investments in the Private Venture Capital Investment Fund of TRY 92,116).

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 8 - DERIVATIVE INSTRUMENTS**

Derivative instruments consist of the forward contracts which are entered in order to hedge foreign currency risk arising from Group's foreign currency sales.

<b>30 September 2025</b>	<b>Contract amount</b>	<b>Current period contract maturity</b>	<b>Fair value liabilities</b>
Forward transactions	--	--	--
Short-term derivatives	--	--	--
<b>Total derivative instruments</b>	<b>--</b>		<b>--</b>
<b>31 December 2024</b>	<b>Contract amount</b>	<b>Current period contract maturity</b>	<b>Fair value liabilities</b>
Forward transactions	3,232,237	January 2025	(9,613)
Short-term derivatives	3,232,237		(9,613)
<b>Total derivative instruments</b>	<b>3,232,237</b>		<b>(9,613)</b>

**NOTE 9 - TRADE RECEIVABLES AND PAYABLES**

**Trade receivables**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Trade receivables from third parties	6,838,669	9,002,873
Trade receivables from related parties (Note 22)	3,533,641	5,233,128
Doubtful trade receivables	361,681	347,003
Provisions for doubtful trade receivables (-)	(361,681)	(347,003)
<b>Short-term trade receivables</b>	<b>10,372,310</b>	<b>14,236,001</b>
Long-term trade receivables	917,489	941,262
<b>Long-term trade receivables</b>	<b>917,489</b>	<b>941,262</b>

As of September 30, 2025, the average maturity of short-term trade receivables is between 30-60 days (December 31, 2024: 60-90 days)

**Guarantees received for trade receivables**

The Group's receivables mainly arise from sales to small buses, trucks, pick-ups and bus dealers, as well as sales of defence vehicles. As of September 30, 2025, a total of TRY 1,987,975 (December 31, 2024: TRY 2,866,024) of receivables remaining after the provision for doubtful receivables from the receivables originating from the Group's domestic dealers was secured with a total of TRY 1,987,975 (December 31, 2024: TRY 2,866,024) with a total amount of collateral and mortgage.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 9 - TRADE RECEIVABLES AND PAYABLES (continued)

Legal proceedings have been initiated for trade receivables overdue for 1 to 5 years.

The movements of the provision for doubtful trade receivables in the interim accounting periods ending on September 30, 2025 and 2024 are as follows:

	2025	2024
<b>1 January</b>	<b>347,003</b>	<b>415,066</b>
Monetary gain/(loss)	(21,452)	(64,661)
Collections	(34)	(4)
Currency translation difference	36,164	(788)
<b>30 September</b>	<b>361,681</b>	<b>349,613</b>
<b>Trade payables</b>		
	<b>30 September 2025</b>	<b>31 December 2024</b>
Trade payables to third parties	6,250,940	5,989,115
Trade payables to related parties (Note 22)	427,625	581,436
<b>Short-term trade payables</b>	<b>6,678,565</b>	<b>6,570,551</b>

As of September 30, 2025, the average maturity of trade payables is between 45-60 days (December 31, 2024: between 45-60 days).

As of September 30, 2025 and December 31, 2024, the fair values of trade payables approximate to their carrying values due to short-term maturity of those payables.

#### NOTE 10 - INVENTORIES

	30 September 2025	31 December 2024
Raw material	7,457,664	6,610,912
Semi-finished goods	3,101,680	465,639
Finished goods	7,092,253	4,572,883
Merchandises	2,211,411	1,690,530
Goods in transit	3,662,783	2,569,289
Less: Impairment for inventories (*)	(1,222,040)	(904,693)
<b>Total</b>	<b>22,303,751</b>	<b>15,004,560</b>

(\*) TRY 775.550 of the impairment loss of inventory is related to raw materials (December 31, 2024: TRY 593.759), TRY 29.029 to finished goods (December 31, 2024: TRY 49.508), TRY 7.606 to merchandise goods (December 31, 2024: TRY 10.086), and TRY 409.855 to advances (December 31, 2024: TRY 251.340). The provision for impairment of inventory has been recognized in the cost of goods sold account.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 11 - PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Movements of property, plant and equipment and related accumulated depreciation for the periods ended September 30, 2025 and 2024 is as follows:

	1 January 2025	Additions	Currency translation difference	Disposals	Transfers	30 September 2025
<b>Cost</b>						
Land	869,077	-	-	-	-	869,077
Land improvements	344,736	1,990	-	-	39,370	386,096
Buildings	2,911,692	11,532	-	-	-	2,923,224
Machinery and equipment	4,103,929	151,188	6,913	(49,025)	11,383	4,224,388
Vehicles	273,787	55,549	-	(4,993)	-	324,343
Furniture and fixtures	2,751,306	79,599	8,493	(4,874)	(39,370)	2,795,154
Leasehold improvements	272,771	473	-	(812)	-	272,432
Construction in progress	198,277	319,441	1,759	-	(11,383)	508,094
	<b>11,725,575</b>	<b>619,772</b>	<b>17,165</b>	<b>(59,704)</b>	-	<b>12,302,808</b>
<b>Accumulated depreciation</b>						
Land improvements	(164,518)	(8,391)	-	-	(2,187)	(175,096)
Buildings	(1,421,724)	(61,140)	-	-	-	(1,482,864)
Machinery and equipment	(2,534,054)	(204,446)	(6,043)	47,336	-	(2,697,207)
Vehicles	(157,237)	(16,104)	-	3,837	-	(169,504)
Furniture and fixtures	(899,460)	(166,985)	(5,800)	229	2,187	(1,069,829)
Leasehold improvements	(26,675)	(39,542)	-	812	-	(65,405)
	<b>(5,203,668)</b>	<b>(496,608)</b>	<b>(11,843)</b>	<b>52,214</b>	-	<b>(5,659,905)</b>
<b>Net book value</b>	<b>6,521,907</b>					<b>6,642,903</b>
	1 January 2024	Additions	Currency translation difference	Disposals	Transfers	30 September 2024
<b>Cost</b>						
Land	869,074	-	-	-	-	869,074
Land improvements	282,131	23,885	-	-	-	306,016
Buildings	2,618,657	7,295	-	-	-	2,625,952
Machinery and equipment	3,649,599	242,194	4,040	(12,168)	-	3,883,665
Vehicles	297,462	20,711	-	(2,201)	-	315,972
Furniture and fixtures	2,182,387	366,193	4,233	(1,350)	68	2,551,531
Leasehold improvements	41,374	7,602	-	-	-	48,976
Construction in progress	206,831	319,899	-	-	(68)	526,662
	<b>10,147,515</b>	<b>987,779</b>	<b>8,273</b>	<b>(15,719)</b>	-	<b>11,127,848</b>
<b>Accumulated depreciation</b>						
Land improvements	(154,766)	(7,158)	-	-	-	(161,924)
Buildings	(1,349,038)	(53,880)	-	-	-	(1,402,918)
Machinery and equipment	(2,302,772)	(174,353)	(3,410)	12,168	-	(2,468,367)
Vehicles	(183,073)	(15,651)	-	285	-	(198,439)
Furniture and fixtures	(703,470)	(143,870)	(2,956)	917	-	(849,379)
Leasehold improvements	(27,193)	(3,979)	-	-	-	(31,172)
	<b>(4,720,312)</b>	<b>(398,891)</b>	<b>(6,366)</b>	<b>13,370</b>	-	<b>(5,112,199)</b>
<b>Net book value</b>	<b>5,427,203</b>					<b>6,015,649</b>

As of September 30, 2025, there are no pledges or collaterals on property, plant, and equipment (December 31, 2024: No mortgages).

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (continued)**

**Right-of-use assets**

The allocation of right of use assets for the periods ended September 30, 2025 and 2024 is as follows:

<b>As of 30 September 2025</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Furniture and fixtures</b>	<b>Total</b>
Cost	221,164	333,116	9,635	563,915
Accumulated depreciation	(206,053)	(317,969)	(6,573)	(530,595)
	<b>15,111</b>	<b>15,147</b>	<b>3,062</b>	<b>33,320</b>

<b>As of 30 September 2024</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Furniture and fixtures</b>	<b>Total</b>
Cost	193,142	290,910	8,415	492,467
Accumulated depreciation	(147,075)	(226,958)	(4,692)	(378,725)
	<b>46,067</b>	<b>63,952</b>	<b>3,723</b>	<b>113,742</b>

**NOTE 12 – OTHER INTANGIBLE ASSETS**

Movements of intangible assets and related accumulated amortisation for the periods ended September 30, 2025 and 2024 are as follows:

	<b>1 January 2025</b>		<b>Currency translation difference</b>	<b>30 September 2025</b>
	<b>Additions</b>			
<b>Cost</b>				
Other intangible assets	589,043	14,503	103	603,649
Development costs	12,146,557	-	-	12,146,557
Developments projects in progress	4,951,602	1,540,940	-	6,492,542
Customer relations	76,544	-	-	76,544
	<b>17,763,746</b>	<b>1,555,443</b>	<b>103</b>	<b>19,319,292</b>
<b>Accumulated depreciation</b>				
Other intangible assets	(455,729)	(41,362)	(25)	(497,116)
Development costs	(8,791,688)	(796,195)	-	(9,587,883)
Customer relations	(42,476)	(12,717)	-	(55,193)
	<b>(9,289,893)</b>	<b>(850,274)</b>	<b>(25)</b>	<b>(10,140,192)</b>
<b>Net book value</b>	<b>8,473,853</b>			<b>9,179,100</b>

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 12 – OTHER INTANGIBLE ASSETS (continued)**

	1 January 2024	Additions	Currency translation difference	30 September 2024
<b>Cost</b>				
Other intangible assets	534,754	10,012	48	544,814
Development costs	11,588,963	17,871	-	11,606,834
Developments projects in progress	2,927,529	2,048,057	-	4,975,586
Customer relations	-	-	-	-
	<b>15,051,246</b>	<b>2,075,940</b>	<b>48</b>	<b>17,127,234</b>
<b>Accumulated depreciation</b>				
Other intangible assets	(400,958)	(40,923)	(1)	(441,882)
Development costs	(7,717,192)	(866,935)	-	(8,584,127)
Customer relations	-	-	-	-
	<b>(8,118,150)</b>	<b>(907,858)</b>	<b>(1)</b>	<b>(9,026,009)</b>
<b>Net book value</b>	<b>6,933,096</b>			<b>8,101,225</b>

For the interim accounting periods ending September 30, 2025 and 2024, the distribution of current period depreciation and amortization expenses, consisting of property, plant and equipment, other intangible assets, and right-of-use assets, is as follows:

	30 September 2025	30 September 2024
Research and development expenses	802,300	866,831
Cost of goods sold	281,198	238,599
Right-of-use assets	99,366	127,051
Developments projects in progress	75,055	80,457
Depreciation on inventories	77,081	60,919
General administrative expenses	64,916	43,070
Selling and marketing expenses	46,332	16,873
Currency translation differences	11,868	6,367
<b>Total</b>	<b>1,458,116</b>	<b>1,440,167</b>

**NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**Short-term provisions**

	30 September 2025	31 December 2024
Provision for warranty expenses	899,478	1,055,506
Provision for employee benefits (Note 13)	145,891	175,918
Provision for purchase costs	136,087	79,927
Litigation provisions	35,665	48,099
Other	866,975	730,619
	<b>2,091,506</b>	<b>2,090,069</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### Provision for warranty expenses

The Group covers the vehicles it has sold for a period of 2 years. Accordingly, as of the balance sheet date, a provision is provided for the warranty expenses for the vehicles under warranty.

As of September 30, 2025 and 2024, the movement of provision for warranty expenses is follows:

	2025	2024
<b>1 January</b>	1,055,506	1,251,387
Monetary gain/(loss)	(205,554)	(342,914)
Additional provisions	1,052,483	970,923
Disposals/payments (-)	(1,002,956)	(788,778)
<b>30 September</b>	<b>899,479</b>	<b>1,090,618</b>

##### Provision for employment termination benefits

	30 September 2025	31 December 2024
Provision for employment termination benefits	538,414	527,674
Provision for unused vacation	145,891	175,918
	<b>684,305</b>	<b>703,592</b>

##### Provision for employment termination benefits

As of September 30, 2025, the Company's severance pay provision is revised every six months and is calculated on the basis of 53,919.68 TRY in full (January 1, 2025: 46,655.43 TRY in full), which is valid as of July 1, 2025.

The reserve for employment termination benefits is not legally subject to any funding and there are no funding requirements.

Provision for employment termination benefits is calculated by estimating the present value of the probable obligation that the employees will have to pay in case of retirement.

Turkish Accounting Standards issued by POA require actuarial valuation methods to be developed to estimate the enterprises' obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	30 September 2025	31 December 2024
Net discount rate (%)	2.90	2.90
Turnover rate to estimate the probability of retirement (%)	97.83	98.00

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### Provisions for employee benefits

The principal assumption is that the ceiling provision set for each year of service increases in proportion to inflation. Thus, the applied discount rate shows the real rate adjusted for the expected effects of inflation.

As of September 30, 2025 and 2024, the movements of provision for employment termination benefits are as follows:

	2025	2024
<b>1 January</b>	527,674	606,669
Monetary gain/(loss)	(119,272)	(199,690)
Interest expense and charge for the period	131,587	128,188
Actuarial loss/gain	31,209	222,514
Payments	(32,784)	(92,261)
<b>30 September</b>	<b>538,414</b>	<b>665,420</b>

##### Provision for unused vacation

As of September 30, 2025 and 2024, the movements of provision for unused vacation are as follows:

	2025	2024
<b>1 January</b>	175,918	197,640
Monetary gain/(loss)	(40,831)	(68,914)
Charge for the period, net	10,804	91,261
<b>30 September</b>	<b>145,891</b>	<b>219,987</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

##### Commitments and contingencies

As of September 30, 2025, and December 31, 2024, the tables which represent the position of guarantees, pledges and mortgages are as follows:

	30 September 2025	31 December 2024
a. Total amount of guarantees, pledges and mortgages given the name of legal entity	38,940,911	35,320,854
b. Total amount of guarantees, pledges and mortgages given in favour of the parties which are included in the scope of full consolidation	542,644	378,598
c. Total amount of guarantees, pledges and mortgages given to third parties for their liabilities in the purpose of conducting the ordinary operations	-	-
d. Total amount of other guarantees, pledges and mortgages	-	-
	<b>39,483,555</b>	<b>35,699,452</b>

The details of guarantees, pledges, and mortgages in terms of original currencies are as follows:

	30 September 2025			31 December 2024
	Original currency	TRY equivalent	Original currency	TRY equivalent
TRY	11,101,008	11,101,008	10,245,466	10,245,466
USD	75,116	3,117,214	75,778	3,347,927
EUR	58,043	2,823,674	57,257	2,638,790
RON	2,348,193	22,368,887	2,086,962	19,217,413
CNY	117	1,789	11,817	186,294
CZK	242	1,405	-	-
GEL	34,690	69,578	34,690	63,562
	<b>39,483,555</b>		<b>35,699,452</b>	

##### Guarantee letters

a) Guarantees given as of September 30, 2025 and December 31, 2024 are as follows:

	30 September 2025	31 December 2024
Bank letters of guarantee	39,483,555	35,699,452
	<b>39,483,555</b>	<b>35,699,452</b>

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)**

b) Guarantees received as of September 30, 2025 and December 31, 2024 are as follows:

	<b>30 September 2025</b>	<b>31 December 2024</b>
Bank letters of guarantee	4,777,599	5,721,710
Guarantee notes	2,432	2,304
	<b>4,780,031</b>	<b>5,724,014</b>

**NOTE 14 - PREPAID EXPENSES, DEFERRED REVENUE, OTHER ASSETS AND LIABILITIES**

a) Prepaid expenses

**Prepaid expenses - short-term**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Advances given	1,837,402	55,232
Prepaid expenses	463,757	427,005
	<b>2,301,159</b>	<b>482,237</b>

**Prepaid expenses - long-term**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Advances given	2,443,854	21,040
Prepaid expenses	131,367	7,556
	<b>2,575,221</b>	<b>28,596</b>

b) Other current assets

<b>Other current assets - short-term</b>	<b>30 September 2025</b>	<b>31 December 2024</b>
Value added tax receivables	1,300,268	728,135
Other	291,450	112,268
	<b>1,591,718</b>	<b>840,403</b>

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

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**NOTE 14 - PREPAID EXPENSES, DEFERRED REVENUE, OTHER ASSETS AND LIABILITIES (continued)**

**c) Liabilities arising from customer contracts**

<b>Liabilities arising from customer contracts—short term</b>	<b>30 September 2025</b>	<b>31 December 2024</b>
Advances received	6,678,144	1,532,607
Deferred maintenance revenues	270,637	404,250
Other deferred income	-	19
	<b>6,948,781</b>	<b>1,936,876</b>

<b>Liabilities arising from customer contracts—long term</b>	<b>30 September 2025</b>	<b>31 December 2024</b>
Advances received	7,040,959	-
Deferred maintenance revenues	452,068	632,813
	<b>7,493,027</b>	<b>632,813</b>

**d) Employee benefits obligation**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Social security payables	164,846	189,651
Payables to employees	114,986	406,151
Taxes and funds payable	60,824	242,444
	<b>340,656</b>	<b>838,246</b>

**e) Other current liabilities**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Taxes and funds payable	242,166	385,044
Deferred special consumption tax	-	6,335
Other	15,080	37,449
	<b>257,246</b>	<b>428,828</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 15 - REVENUE AND COST OF SALES

##### Revenue

	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
Domestic sales	12,477,825	3,850,270	10,445,374	3,832,450
Export sales	18,977,818	6,035,503	18,361,095	5,992,374
<b>Gross sales</b>	<b>31,455,643</b>	<b>9,885,773</b>	<b>28,806,469</b>	<b>9,824,824</b>
Less: sales discounts and returns	(518,706)	(275,749)	(253,355)	(103,680)
<b>Net sales</b>	<b>30,936,937</b>	<b>9,610,024</b>	<b>28,553,114</b>	<b>9,721,144</b>

Sales of the Group for the periods ended September 30, 2025 and 2024 in terms of the products are as follows:

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Commercial vehicle	22,111,832	7,674,249	21,389,828	7,186,558
Military vehicle	5,303,526	1,037,650	2,732,236	483,555
Other sales (*)	3,521,579	898,125	4,431,050	2,051,031
	<b>30,936,937</b>	<b>9,610,024</b>	<b>28,553,114</b>	<b>9,721,144</b>

(\*) Consists of spare parts, service and other sales income.

##### Cost of sales

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Cost of finished goods sold	(21,799,221)	(6,839,994)	(22,536,190)	(7,720,737)
Cost of merchandise goods sold	(2,622,978)	(974,490)	(1,735,521)	(549,655)
	<b>(24,422,199)</b>	<b>(7,814,484)</b>	<b>(24,271,711)</b>	<b>(8,270,392)</b>

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 16 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING AND GENERAL ADMINISTRATIVE EXPENSES**

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Marketing expenses	(3,865,271)	(1,342,245)	(3,990,301)	(1,227,897)
General administrative expenses	(1,636,873)	(460,298)	(1,783,567)	(493,838)
Research and development expenses	(991,316)	(326,782)	(1,067,352)	(352,060)
	<b>(6,493,460)</b>	<b>(2,129,325)</b>	<b>(6,841,220)</b>	<b>(2,073,795)</b>

**NOTE 17 - OTHER OPERATING INCOME AND EXPENSES**

Other operating income	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Foreign exchange gains on operating activities	3,132,210	1,135,873	2,959,709	1,240,648
Interest income recognized on deferred sales	591,082	171,713	875,887	255,590
Gain on derivative instruments	17,156	17,156	350,030	198,511
Incentive income	4,798	1,497	3,074	933
Other income	110,130	21,773	120,872	32,544
	<b>3,855,376</b>	<b>1,348,012</b>	<b>4,309,572</b>	<b>1,728,226</b>
Other operating expenses	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Foreign exchange loss on operating activities	(2,432,935)	(908,261)	(2,088,085)	(984,421)
Gain on derivative instruments	(28,855)	(28,855)	(370,271)	(157,730)
Doubtful provision	-	-	(259)	(1)
Other expenses	(15,478)	(459)	(11)	(5)
	<b>(2,477,268)</b>	<b>(937,575)</b>	<b>(2,458,626)</b>	<b>(1,142,157)</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 18 - FINANCIAL INCOME

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Interest income from bank deposits	212,304	48,790	987,069	255,878
Foreign exchange gains on bank deposits	279,436	55,875	182,938	112,601
Foreign exchange gains from bank loans	6,418	252	31,989	171
	<b>498,158</b>	<b>104,917</b>	<b>1,201,996</b>	<b>368,650</b>

#### NOTE 19 - FINANCIAL EXPENSES

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Interest expense	(5,439,023)	(1,757,469)	(6,462,346)	(2,443,444)
Foreign exchange losses on bank borrowings	(1,680,369)	(363,126)	(968,770)	(483,095)
Foreign exchange losses on bank deposits	(76,991)	(19,000)	(63,051)	(21,553)
	<b>(7,196,383)</b>	<b>(2,139,595)</b>	<b>(7,494,167)</b>	<b>(2,948,092)</b>

#### NOTE 20 - TAX ASSETS AND LIABILITIES

The general corporate tax rate in Turkey is 25% (December 31, 2024: 25%). With Article 15 of Law No. 7351, published in the Official Gazette dated January 22, 2022, and numbered 31727, an amendment was made to Article 32 of the Corporate Tax Law No. 5520. The corporate tax rate for institutions that exclusively earn income from exports and institutions holding an industrial registration certificate and actively engaged in manufacturing activities is applied at a reduced rate of 1 percentage point. With Article 21 of Law No. 7456, published in the Official Gazette dated July 15, 2023, and numbered 32249, the corporate tax reduction rate applied to the income exclusively earned from exports by these institutions was increased to 5 percentage points.

Corporate tax is declared by the end of the fourth month following the end of the relevant fiscal period and is paid in a single instalment. In accordance with tax legislation, profits generated over quarterly periods are separated. Temporary tax is calculated and paid at the rate of 20% on export earnings, 24% on manufacturing earnings derived from actual production with an industrial registration certificate, and 25% on other earnings. The amounts paid in this manner are deducted from the tax calculated on the annual profit.

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 20 - TAX ASSETS AND LIABILITIES (continued)**

The breakdown of total income tax expense for the interim periods ended 30 September 2025 and 2024 is as follows:

	<b>1 January - 30 September 2025</b>	<b>1 January - 30 September 2024</b>
Current corporate income tax	(22,189)	-
<b>Deferred tax income/(expense) recognised in profit or loss</b>		
Recognised in profit for the period	534,734	(92,154)
Recognised in other comprehensive income/(expense)	7,802	55,629
	<b>520,347</b>	<b>(36,525)</b>

As of September 30, 2025 and December 31, 2024, the distribution of the net deferred tax asset, calculated using the temporary differences subject to deferred tax and the effective tax rates, is summarized below:

	<b>Cumulative temporary differences</b>		<b>Deferred tax asset/(liability)</b>	
	<b>30 September 2025</b>	<b>31 December 2024</b>	<b>30 September 2025</b>	<b>31 December 2024</b>
Research and development incentive	(3,216,192)	(2,211,316)	804,048	552,829
Deductible accumulated losses	-	-	430,644	495,449
Other provisions	(1,225,112)	(778,720)	306,278	194,680
Provision for warranty expenses	(899,480)	(1,055,508)	224,870	263,877
Investment incentives (*)	-	-	213,583	246,617
Inventories	(836,268)	(813,756)	209,067	203,439
Deferred maintenance income	(674,600)	(950,424)	168,650	237,606
Provision for employment termination benefits	(538,100)	(527,672)	134,525	131,918
Deferred financial income	(217,904)	(285,892)	54,476	71,473
Provision for unused vacation	(145,892)	(175,920)	36,473	43,980
Deferred financial income and expenses	39,696	41,840	(9,924)	(10,460)
Property, plant and equipment intangible assets	4,449,860	4,393,824	(1,112,465)	(1,098,456)
Other	(1,802,308)	(141,252)	450,577	35,313
<b>Deferred tax asset</b>			<b>1,910,802</b>	<b>1,368,265</b>

(\*) The Group's application for an Investment Incentive Certificate submitted to the Investment Incentive Implementation and Foreign Capital Directorate General of the Ministry of Industry and Technology of the Republic of Türkiye has been approved. Accordingly, Investment Incentive Certificate No. 512845 was issued for a modernisation investment with a total planned amount of TRY 1,890,086 thousand to be carried out over a four-year period. Due to the planning of additional investments, the validity period of the investment incentive certificate was extended by two years upon the application submitted in 2024.

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 20 - TAX ASSETS AND LIABILITIES (continued)**

The movement of deferred tax asset for the periods ended September 30, 2025 and 2024 are as follows:

	<b>1 January - 30 September 2025</b>	<b>1 January - 30 September 2024</b>
<b>1 January</b>	<b>1,368,265</b>	<b>1,409,595</b>
<b>Deferred tax income charged to profit or loss and other comprehensive income/expense for the period</b>		
Charged to profit for the period	534,734	(92,154)
Charged to other comprehensive income /(expense)	7,802	55,629
<b>30 September</b>	<b>1,910,802</b>	<b>1,373,070</b>

**NOTE 21 - EARNINGS PER SHARE**

Earnings per share are calculated by dividing net profit by the weighted average number of shares that have been outstanding during the period concerned.

Companies are allowed to increase their capital by distributing free shares to shareholders from accumulated profits with respect to their shares. In calculation of earnings per share, such free shares are considered as issued shares. Therefore, weighted average number of shares in the calculation of earnings per share is found by applying distribution of free shares retrospectively.

Earnings per main share are determined by dividing net income of the shareholders by the weighted average number of shares that have been outstanding during the related year concerned.

	<b>30 September 2025</b>	<b>30 September 2024</b>
Net profit/(loss) for the period	(436,338)	(3,198,947)
Weighted average number of issued shares	12,000,000,000	12,000,000,000
Earnings/(loss) per share at per value of 1 cent (KR)	(3.63)	(26.66)

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 22 - RELATED PARTY DISCLOSURES**

Due from and due to the related parties at the period end and transactions with related parties during the periods are as follows:

i) Due from and due to related party balances as of September 30, 2025 and December 31, 2024:

	<b>30 September 2025</b>	<b>31 December 2024</b>
<b>Due from related parties</b>		
Ram Dış Ticaret A.Ş. (1) (**)	3,507,358	5,194,301
Otokar Central Asia Limited (3)	22,691	20,384
Opet Fuchs Madeni Yağ A.Ş. (1)	2,631	3,324
Al Jasoor Heavy Vehicle Industry LLC (3) (*)	956	-
Ford Otosan A.Ş. (1)	5	2,061
Türk Traktör ve Ziraat Makineleri A.Ş. (1)	-	13,058
	<b>3,533,641</b>	<b>5,233,128</b>

(\*) These represent trade receivables arising from sales to Al Jasoor Heavy Vehicle Industry LLC, which is a joint venture of the Group.

(\*\*) Some of the overseas sales are carried out through Ram Dış Ticaret A.Ş. with export registration, and the balance consists of trade receivables arising from these transactions.

	<b>30 September 2025</b>	<b>31 December 2024</b>
<b>Due to related parties</b>		
Ram Dış Ticaret A.Ş. (1)	201,343	194,692
Zer Merkezi Hizmetler A.Ş. (1)	156,923	101,924
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	20,404	9,398
Ark İnşaat A.Ş. (1)	11,175	24,576
Opet Fuchs Madeni Yağ A.Ş. (1)	9,433	21,988
Setur Servis Turistik A.Ş. (1)	8,478	7,423
Ram Sigorta Aracılık Hz. A.Ş. (1)	5,558	-
Other (1)	14,311	221,435
	<b>427,625</b>	<b>581,436</b>

(1) Related parties of the parent company

(2) Shareholder of the Group

(3) Joint venture

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 22 - RELATED PARTY DISCLOSURES (continued)**

Advances received from related parties	30 September 2025	31 December 2024
Ram Dış Ticaret A.Ş. (1)	1,200,223	850,276
	<b>1,200,223</b>	<b>850,276</b>

ii) Sales to related parties and purchases from related parties:

Sales of products and services	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Ram Dış Ticaret A.Ş. (1) (*)	5,450,673	959,626	3,190,761	944,883
Al Jasoor Heavy Vehicle Industry LLC (3)	35,301	9,084	242,946	12,359
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	2,958	1	-	-
Ford Otosan A.Ş. (1)	4	4	259	259
Opet Fuchs Madeni Yağ A.Ş. (1)	-	-	20	-
	<b>5,488,936</b>	<b>968,715</b>	<b>3,433,986</b>	<b>957,501</b>

(\*) The export registered sales to Ram Dış Ticaret A.Ş. comprise export sales made to third party customers.

Fixed asset purchases	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Ark İnşaat A.Ş. (1)	61,420	11,782	-	-
KoçSistem Bilgi ve İletişim Hizm. A.Ş. (1)	48,632	21,109	98,361	68,429
Zer Merkezi Hizmetler A.Ş. (1)	13,483	9,601	10,478	4,710
Koçdigital Çözümler A.Ş. (1)	5,016	-	-	-
Arçelik Pazarlama A.Ş. (1)	1,037	800	1,607	1,098
Wat Mobilite Çözümleri Tek. ve Tic. A.Ş. (1)	68	68	1,626	1,626
Koçtaş Yapı Marketleri A.Ş. (1)	-	-	131	131
	<b>129,656</b>	<b>43,360</b>	<b>112,203</b>	<b>75,994</b>

Inventory purchases	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Zer Merkezi Hizmetler A.Ş. (1)	621,597	171,067	677,995	267,373
Ram Dış Ticaret A.Ş. (1)	129,669	46,525	136,059	27,165
Wat Motor Sanayi Ticaret A.Ş. (1)	80,156	2,013	92,887	72,073
Opet Fuchs Madeni Yağ A.Ş. (1)	46,530	13,419	45,290	13,079
Ford Otosan A.Ş. (1)	40,513	15,338	14,536	5,382
Akpa Dayanıklı Tük.Paz. A.Ş. (1)	23,062	7,318	26,174	6,746
Opet Petrolcülük A.Ş. (1)	20,326	7,382	36,380	14,022
Düzey A.Ş. (1)	18,181	5,054	377	363
Other (1)	4,073	1,129	7,125	2,647
	<b>984,107</b>	<b>269,245</b>	<b>1,040,192</b>	<b>410,667</b>

(1) Related parties of the parent company

(2) Shareholder of the Group

(3) Joint venture

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 22 - RELATED PARTY DISCLOSURES (continued)**

Service purchases	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Ram Sigorta Aracılık Hz. A.Ş. (1) (**)	144,599	12,133	169,100	9,375
Ram Dış Ticaret A.Ş. (1)	136,879	104,480	160,716	13,539
Setur Servis Turistik A.Ş. (1)	130,782	45,151	131,647	46,051
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	87,422	32,932	65,660	24,269
Eltek Elektrik Enerji İth.İhr. Top.Tic. A.Ş. (1)	73,375	21,834	90,683	32,511
KoçSistem Bilgi ve İletişim Hizm. A.Ş. (1)	54,761	4,429	99,250	30,515
Koç Holding A.Ş. (2) (*)	37,812	12,870	36,436	11,285
Token Finansal Teknolojileri A.Ş. (1)	23,319	7,263	27,668	7,294
Divan Turizm İşletmeleri A.Ş. (1)	16,911	401	25,012	3,231
Ingage Dijital (1)	16,462	7,904	14,194	3,510
Temel Ticaret A.Ş. (1)	10,745	3,971	7,936	3,061
Koç Holding Emekli ve Yardım Sandığı (1)	5,826	1,784	4,841	1,459
Other (1)	15,656	4,333	33,323	7,134
	<b>754,549</b>	<b>259,485</b>	<b>866,466</b>	<b>193,234</b>

(\*) It includes service cost that are based on finance, law, planning, tax and management provided by Koç Holding A.Ş. to the companies within the group organization, invoiced to Company with the contest of "11-Intercompany Services" in numbered 1 General Communiqué about Concealed Gain Distribution by Transfer Pricing.

(\*\*) It includes paid and accrued premium as of September 30, 2025 and September 30, 2024 in accordance with insurance policies signed between third party insurance companies via Ram Sigorta Aracılık Hizmetleri A.Ş. which is an insurance agency.

- (1) Related parties of the parent company
- (2) Shareholder of the Group
- (3) Joint venture

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 22 - RELATED PARTY DISCLOSURES (continued)**

	30 September 2025	31 December 2024		
<b>Bank deposits</b>				
Yapı ve Kredi Bankası A.Ş. (1)				
- Demand deposits	257,767	3,434		
- Time deposits	990,223	71,635		
	<b>1,247,990</b>	<b>75,069</b>		
<b>Loans</b>				
Yapı ve Kredi Bankası A.Ş. (1)	1,442,457	643,343		
	<b>1,442,457</b>	<b>643,343</b>		
Other income and expenses from related parties as of the periods ending September 30, 2025 and 2024:				
	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
<b>Trade receivables and payables foreign exchange gains</b>				
Ram Dış Ticaret A.Ş. (1)	457,907	152,205	1,083,914	587,647
Zer Merkezi Hizmetler A.Ş. (1)	1,284	999	300	39
KoçSistem Bilgi ve İletişim Hizm. A.Ş. (1)	59	7	34	2
Other (1)	1	1	1,190	34
	<b>459,251</b>	<b>153,212</b>	<b>1,085,438</b>	<b>587,722</b>
<b>Trade receivables and payables foreign exchange losses</b>				
	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
Ram Dış Ticaret A.Ş. (1)	408,331	4,829	951,404	731,290
Zer Merkezi Hizmetler A.Ş. (1)	12,586	4,516	5,663	5,577
Ram Sigorta Aracılık Hz. A.Ş. (1)	5,759	95	5,325	5,325
KoçSistem Bilgi ve İletişim Hizm. A.Ş. (1)	584	80	1,090	346
Other (1)	310	16	256	146
	<b>427,570</b>	<b>9,536</b>	<b>963,738</b>	<b>742,684</b>

(1) Related parties of the parent company

(2) Shareholder of the Group

(3) Joint venture

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOT 22 - İLİŞKİLİ TARAF AÇIKLAMALARI (continued)

For the periods ended September 30, 2025 and 2024, financial income and expense with related parties are as follows:

	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
<b>Interest income</b>				
Yapı ve Kredi Bankası A.Ş. (1)	5,144	4,825	36,446	270
	<b>5,144</b>	<b>4,825</b>	<b>36,446</b>	<b>270</b>

	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
<b>Interest expense</b>				
Yapı ve Kredi Bankası A.Ş. (1)	214,708	82,782	106,692	81,463
	<b>214,708</b>	<b>82,782</b>	<b>106,692</b>	<b>81,463</b>

Financial income and expenses from related parties for the periods ending 30 September 2025 and 2024:

	1 January - 30 September 2025	1 July - 30 September 2025	1 January - 30 September 2024	1 July - 30 September 2024
<b>Foreign exchange income</b>				
Yapı ve Kredi Bankası A.Ş. (1)	70,326	16,673	33,778	17,024
	<b>70,326</b>	<b>16,673</b>	<b>33,778</b>	<b>17,024</b>
<b>Foreign exchange expenses</b>				
Yapı ve Kredi Bankası A.Ş. (1)	27,103	8,039	10,753	800
	<b>27,103</b>	<b>8,039</b>	<b>10,753</b>	<b>800</b>

(1) Related parties of the parent company

#### Benefits provided to senior executives

For the period ended September 30, 2025, the Group's short-term benefits to its senior executives totalled TRY 154,373 (September 30, 2024: TRY 253,285). It consists of top-level executives, board members, general manager, and deputy general managers.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

##### a) Foreign currency risk and related sensitivity analysis

The Group is exposed to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. These risks are market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

The recorded amounts of foreign currency assets and liabilities held by the Group by foreign currency type are as follows:

30 September 2025	TRY equivalent <sup>(*)</sup>	USD	EUR	GBP
1. Trade receivables	10,002,746	76,898	140,018	-
2a. Monetary financial assets (including cash, bank accounts)	825,704	12,111	6,629	11
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>10,828,450</b>	<b>89,009</b>	<b>146,647</b>	<b>11</b>
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
<b>8. Non-current assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total assets (4+8)</b>	<b>10,828,450</b>	<b>89,009</b>	<b>146,647</b>	<b>11</b>
10. Trade payables	(3,757,375)	(36,011)	(46,448)	(58)
11. Financial liabilities	(4,078,367)	(43,303)	(46,895)	-
12a. Other monetary liabilities	(346,817)	(3,696)	(3,976)	-
12b. Other non-monetary liabilities	-	-	-	-
<b>13. Current liabilities (10+11+12)</b>	<b>(8,182,559)</b>	<b>(83,011)</b>	<b>(97,319)</b>	<b>(58)</b>
14. Trade payables	-	-	-	-
15. Financial liabilities	(5,058,264)	-	(103,977)	-
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
<b>17. Non-current liabilities (14+15+16)</b>	<b>(5,058,264)</b>	<b>-</b>	<b>(103,977)</b>	<b>-</b>
<b>18. Total liabilities (13+17)</b>	<b>(13,240,823)</b>	<b>(83,008)</b>	<b>(201,296)</b>	<b>(58)</b>
<b>Net Balance Sheet Position (9+18)</b>	<b>(2,412,373)</b>	<b>5,998</b>	<b>(54,649)</b>	<b>(47)</b>
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-
19a. Hedged total assets amount	-	-	-	-
19b. Hedged total liabilities amount	-	-	-	-
<b>20. Net foreign currency asset/(liability) position (9+18+19)</b>	<b>(2,412,373)</b>	<b>5,998</b>	<b>(54,649)</b>	<b>(47)</b>
<b>21. Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(2,412,373)</b>	<b>5,998</b>	<b>(54,649)</b>	<b>(47)</b>
22. Total fair value of financial instruments used for foreign currency hedging	-	-	-	-
23. Export (As of 30 September 2025)	18,930,528	37,861	356,946	-
24. Import (As of 30 September 2025)	55,402,647	968,140	306,971	643

(\*) Amounts are stated in thousands of Turkish Lira ("TRY") and are presented in terms of the purchasing power of the Turkish Lira as of 30 September 2025.

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS  
(continued)**

31 December 2024	TRY equivalent <sup>(*)</sup>	USD	EUR	GBP
1. Trade receivables	10,207,370	124,224	102,396	-
2a. Monetary financial assets (including cash, bank accounts)	760,021	1,664	14,895	-
2b. Non-monetary financial assets	-	-	-	-
3. Other	80	2	-	-
<b>4. Current assets (1+2+3)</b>	<b>10,967,471</b>	<b>125,890</b>	<b>117,291</b>	-
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	158	-	3	-
<b>8. Non-current assets (5+6+7)</b>	<b>158</b>	-	3	-
<b>9. Total assets (4+8)</b>	<b>10,967,629</b>	<b>125,890</b>	<b>117,294</b>	-
10. Trade payables	(3,185,351)	(36,542)	(33,967)	(99)
11. Financial liabilities	(3,396,422)	(8,211)	(65,825)	-
12a. Other monetary liabilities	(1,505,356)	(7,066)	(25,890)	-
12b. Other non-monetary liabilities	-	-	-	-
<b>13. Current liabilities (10+11+12)</b>	<b>(8,087,129)</b>	<b>(51,819)</b>	<b>(125,682)</b>	<b>(99)</b>
14. Trade payables	-	-	-	-
15. Financial liabilities	(3,013,559)	-	(65,389)	-
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
<b>17. Non-current liabilities (14+15+16)</b>	<b>(3,013,559)</b>	-	<b>(65,389)</b>	-
<b>18. Total liabilities (13+17)</b>	<b>(11,100,688)</b>	<b>(51,819)</b>	<b>(191,071)</b>	<b>(99)</b>
<b>Net Balance Sheet Position (9+18)</b>	<b>(133,059)</b>	<b>74,071</b>	<b>(73,777)</b>	<b>(99)</b>
Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	(6,187)	(36,650)	35,000	-
19a. Hedged total assets amount	1,613,032	-	35,000	-
19b. Hedged total liabilities amount	(1,619,219)	(36,650)	-	-
<b>20. Net foreign currency asset/(liability) position (9+18+19)</b>	<b>(139,246)</b>	<b>37,422</b>	<b>(38,777)</b>	<b>(99)</b>
<b>Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(133,297)</b>	<b>74,069</b>	<b>(73,780)</b>	<b>(99)</b>
Total fair value of financial instruments used for foreign currency hedging	7,664	7,664	-	-
22. Export (30 September 2024)	18,255,988	80,159	276,921	28,072
23. Import (30 September 2024)	9,692,065	72,295	117,288	2,307

<sup>(\*)</sup> Amounts are stated in thousands of Turkish Lira ("TRY") and are presented in terms of the purchasing power of the Turkish Lira as of 30 September 2025.

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

The following table demonstrates the sensitivity to a possible change of 10% in the USD, EUR and GBP exchange rates, with all other variables held constant, on the Group's income before tax as of September 30, 2025 and December 31, 2024:

	Profit before tax	Profit before tax
	Appreciation foreign currency	Depreciation foreign currency
<b>30 September 2025</b>		
In case 10% appreciation of USD against TRY:		
1- USD net asset/liability	24,904	(24,904)
2- Amount hedged for USD risk (-)	-	-
<b>3- USD net effect (1+2)</b>	<b>24,904</b>	<b>(24,904)</b>
In case 10% appreciation of EUR against TRY:		
4- EUR net asset/liability	(266,128)	266,128
5- Amount hedged for EUR risk (-)	-	-
<b>6- EUR net effect (4+5)</b>	<b>(266,128)</b>	<b>266,128</b>
In case 10% appreciation of GBP against TRY:		
7- GBP net asset/liability	(258)	258
8- Amount hedged for GBP risk (-)	-	-
<b>9- GBP net effect (7+8)</b>	<b>(258)</b>	<b>258</b>
<b>Total (3+6+9)</b>	<b>(241,482)</b>	<b>241,482</b>
<b>31 December 2024</b>		
In case 10% appreciation of USD against TRY:		
1- USD net asset/liability	165,332	(165,332)
2- Amount hedged for USD risk (-)	-	-
<b>3- USD net effect (1+2)</b>	<b>165,332</b>	<b>(165,332)</b>
In case 10% appreciation of EUR against TRY:		
4- EUR net asset/liability	(178,710)	178,710
5- Amount hedged for EUR risk (-)	-	-
<b>6- EUR net effect (4+5)</b>	<b>(178,710)</b>	<b>178,710</b>
In case 10% appreciation of GBP against TRY:		
7- GBP net asset/liability	(547)	547
8- Amount hedged for GBP risk (-)	-	-
<b>9- GBP net effect (7+8)</b>	<b>(547)</b>	<b>547</b>
<b>Total (3+6+9)</b>	<b>(13,925)</b>	<b>13,925</b>

## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

#### NOTE 24 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Disclosure of fair value measurements by level of the following fair value measurement hierarchy.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1),
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2),
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets that are measured at fair value on September 30, 2025 and December 31, 2024:

30 September 2025 Liabilities	Level 1	Level 2	Level 3	Total
Derivative financial instruments	-	-	-	-
31 December 2024 Liabilities	Level 1	Level 2	Level 3	Total
Derivative financial instruments	-	(9,613)	-	(9,613)
	-	<b>(9,613)</b>	-	<b>(9,613)</b>

Fair value is the amount for which a financial instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction, other than a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation techniques. Estimates are used in determining fair values and in interpreting market data. Accordingly, the estimates presented herein may not necessarily be indicative of the amounts that the Group could realise in a current market transaction.

The Group believes that the carrying amounts of its financial instruments reasonably approximate their fair values.

Financial assets – Due to their short-term nature and the insignificant level of credit risk, the fair values of financial assets are considered to be close to their carrying amounts.

Financial liabilities – Due to their short-term nature, the fair values of trade payables and other monetary liabilities are considered to approximate their carrying amounts. The fair value of long-term fixed-rate bank borrowings is considered to be close to their carrying amounts when discounted using the fixed interest rates applicable at the balance sheet date. Short-term borrowings are assumed to reflect their fair values due to their short maturities.

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Unless otherwise stated, the amounts are expressed as one thousand TL on the basis of purchasing power of the Turkish Lira ("TL") as of September 30, 2025.)

**NOTE 25 - EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)**

Non-monetary items	30 September 2025
<b>Statement of financial position items</b>	<b>2,964,850</b>
Inventories	2,269,777
Prepaid expenses	41,040
Property, plant and equipment	1,316,449
Intangible assets	1,974,674
Right of use assets	18,109
Liabilities arising from the customer contracts	(573,729)
Government incentives and aids	(9,446)
Capital adjustment differences	(482,832)
Restricted reserves	(373,460)
Other comprehensive expenses to be reclassified to profit or loss	164,386
Other comprehensive expenses not to be reclassified to profit or loss	204,464
Retained earnings	(1,585,943)
Other	1,361
<b>Profit or loss statement items</b>	<b>1,434,877</b>
Revenue	(2,490,375)
Cost of sales	2,673,088
Research and development expenses	444,929
Marketing, selling and distribution expenses	276,673
General administrative expenses	43,661
Other operating income/expenses	(396,945)
Income/expenses from investing activities	19,342
Financial income/expenses	587,098
Tax expense	277,406
<b>Net monetary gain/(loss)</b>	<b>4,399,726</b>

**NOTE 26 - SUBSEQUENT EVENTS**

None.

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