

# 2022 6-Month FINANCIAL RESULTS

# Otokar



Turkey's **100% domestically** owned leading automotive and defense industry company

A **global company**, intellectual property rights belong to itself and its products are in use on 5 continents as well as in more than 60 countries

For the 13th time, **market leader** in the total bus segments in which it operates

## Vision

Otokar's vision is to preserve the local and national identity of its products by developing technologies in-house, also to provide continued satisfaction for its clients, employees, and shareholders with total excellence philosophy.

## Mission

Otokar's primary mission is to design, manufacture and market commercial vehicles and various defense industry products with global competitive strength, all developed to meet customer expectations.



1963

- Establishment
- Production of buses under the license of Magirus-Deutz



1970s

- Turkey's first intercity bus
- The first Turkish Armored Vehicle production
- Partnering with Koç Group



1980s

- Production of 4x4 tactical vehicle under the license of Land Rover



1990s

- Military armored vehicles by own desing
- Turkey's first export of tactical armored vehicle
- Sakarya plant/factory



2000s

- Merge with the İstanbul Fruehauf A.Ş.
- Production of small and mid-size buses
- Production of Turkey's first hybrid bus
- The prime contractor of ALTAY Project



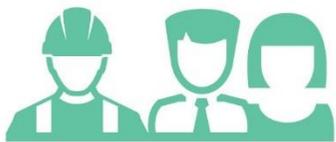
2010s

- Establishment of Otokar Europe SAS in France
- Production of 12 meters municipal buses
- Turkey's first electric bus
- Addition of Multi-wheeled armored tactical vehicles to the product family
- Production of Atlas Truck
- Introduced new armored tactical wheeled vehicle URAL
- Tracked Armoured Vehicle TULPAR
- Establishment of Otokar Land Systems in U.A.E
- Establishment of Otokar Europe Filiala Bucuresti SRL in Romania
- Turkey's first electric armored vehicle, AKREP Ile
- Establishment of Otokar Central Asia Limited in Kazakhstan

FOUNDED IN **1963**

**100%**

LOCAL CAPITAL



**3,134**

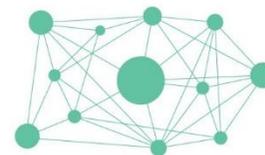
EMPLOYEES

Temporary employees included



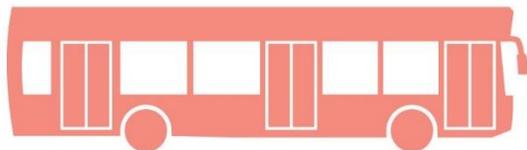
**552,000 M<sup>2</sup>**

PRODUCTION AREA



APPROX. **300**

SALES & SERVICE NETWORK



APPROXIMATELY 1 OUT OF EVERY 2 BUSES SOLD  
IN TURKEY IN 2021 IS OTOKAR

USD 146 MILLION  
EXPORT REVENUES IN 2022 6M

TL 3,651 MILLION  
TURNOVER IN 2022 6M

TL 1,6 BILLION  
10 YEAR R&D EXPENDITURES

**5,300**

BUSES & MINIBUSES

**2,000**

TACTICAL  
VEHICLES

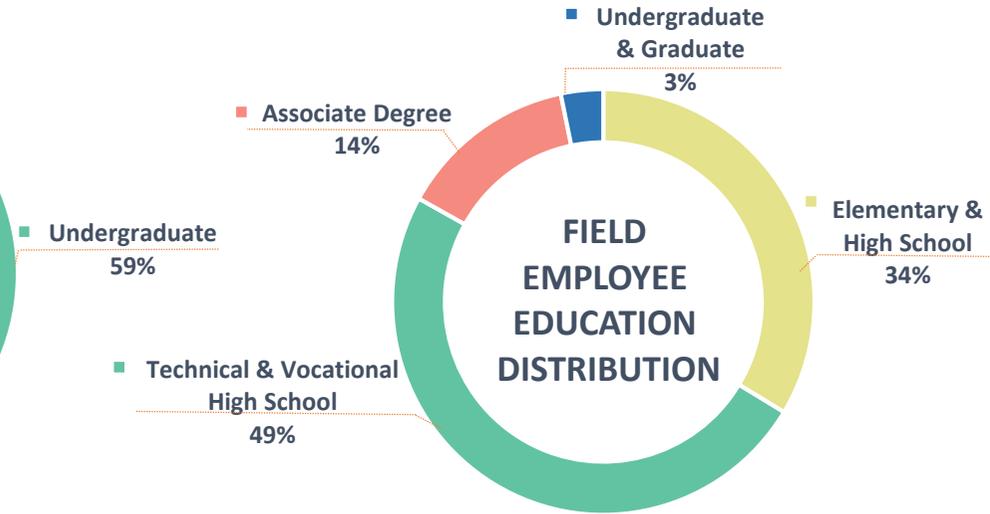
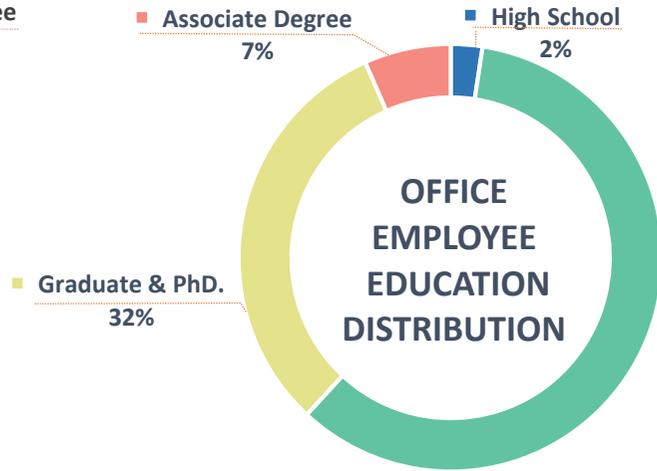
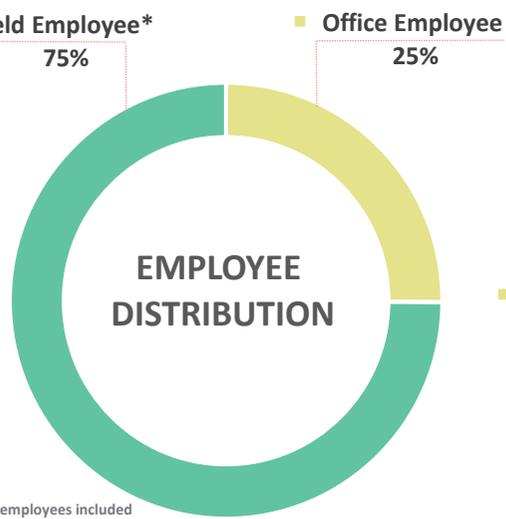
**YEARLY  
PRODUCTION  
CAPACITY**

**1,600**

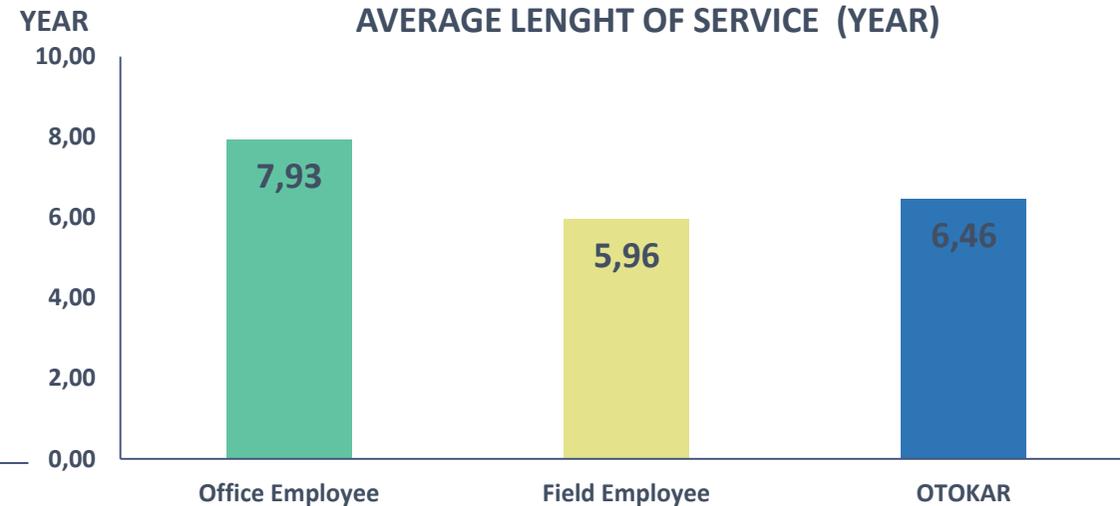
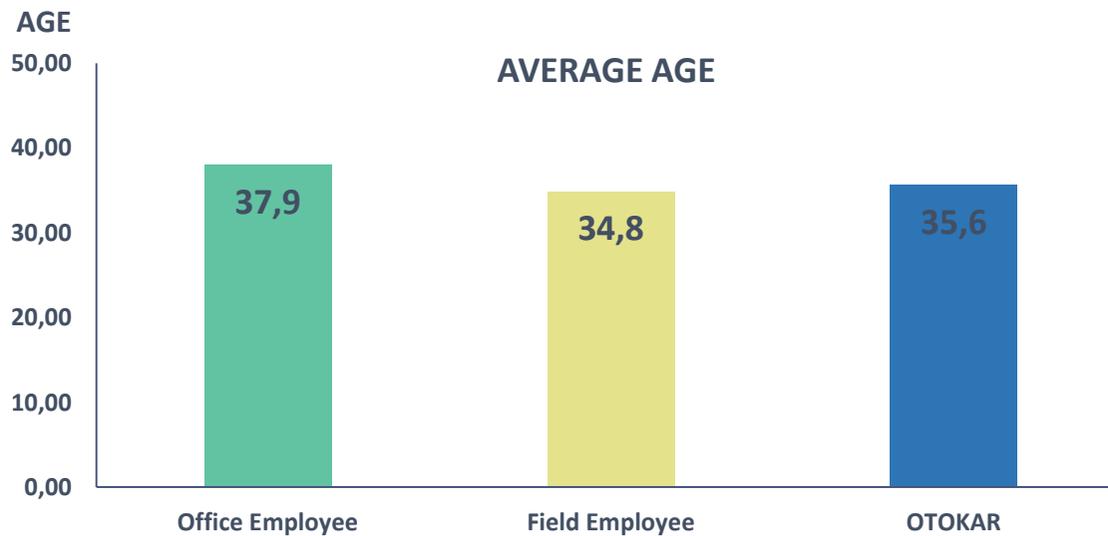
TRUCKS & LIGHT TRUCKS

**700**

TACTICAL ARMORED  
VEHICLES

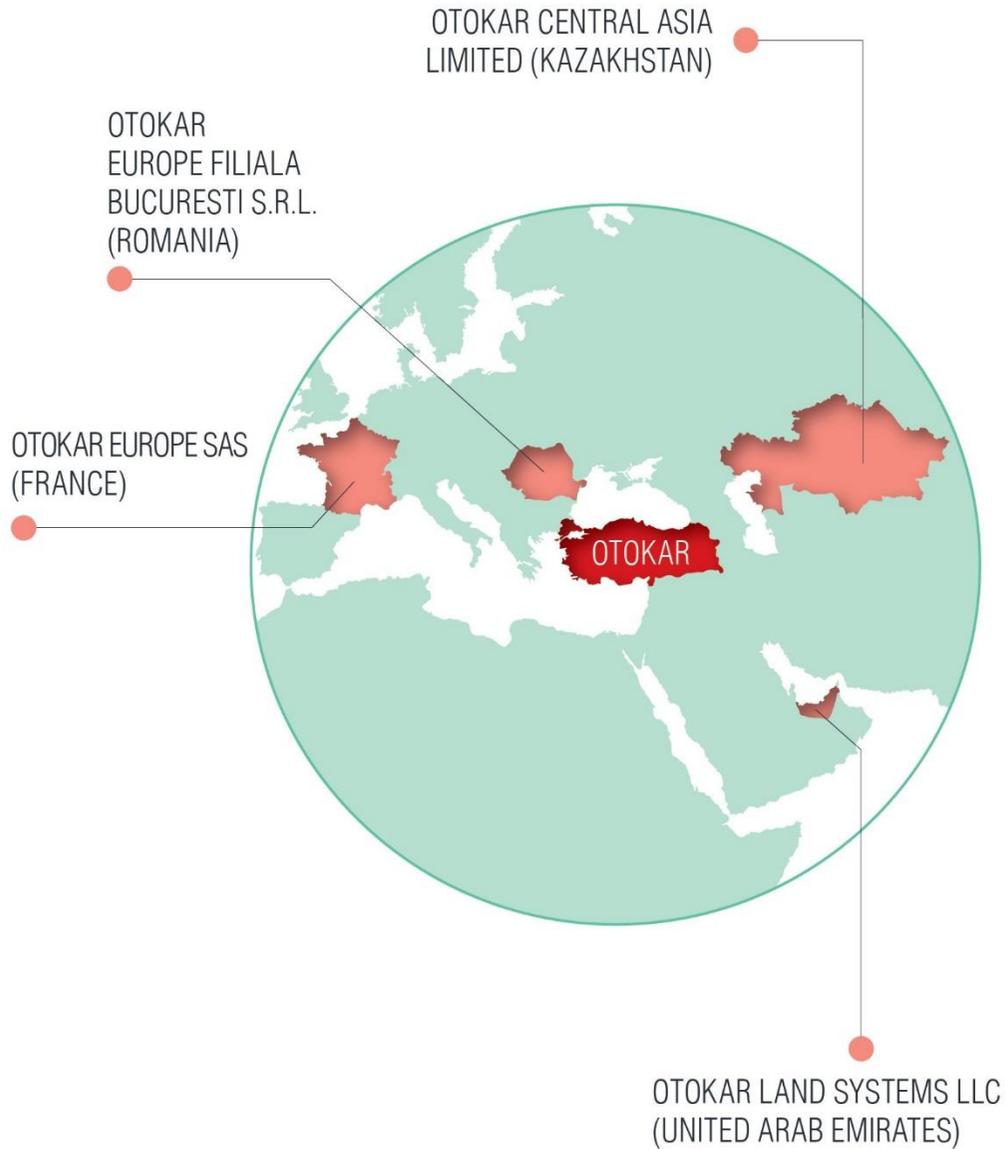


\*Temporary employees included





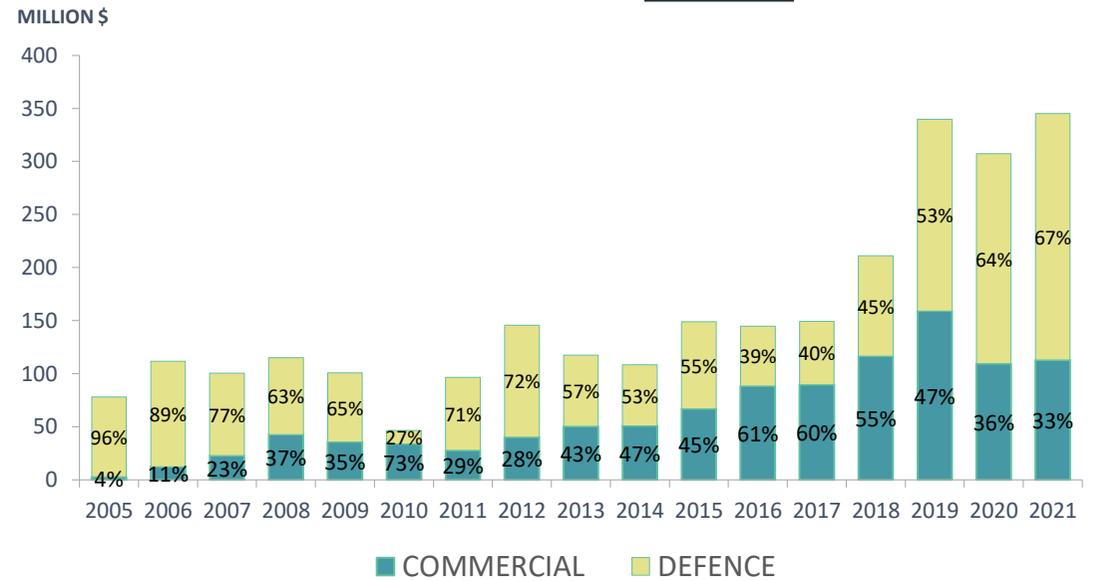
- 552.000m<sup>2</sup> factory with an annual production capacity of 9,600 units and more than 3,100 employees in Arifiye/Sakarya



## GROWTH IN EXPORT MARKETS



## SEGMENT BASED EXPORT





PASSENGER TRANSPORTATION



CARGO TRANSPORTATION



TACTICAL WHEELED &amp; TRACKED ARMORED VEHICLES



SPARE PART/OTHERS

## 2022 6M

**Total revenue**  
**Rev. Contribution :**  
**Domestic :**  
**Export :**  
**Export share\* :**  
**Export share\*\* :**

1586 mn TL  
 43%  
 955 mn TL  
 630 mn TL  
 40% (bus)  
 17% (total)

195 mn TL  
 5%  
 195 mn TL  
 -  
 -

1417 mn TL  
 39%  
 39 mn TL  
 1378 mn TL  
 97% (armoured)  
 38% (total)

ARMORED

454 mn TL  
 12%  
 225 mn TL  
 229 mn TL  
 51% (spare part)  
 6% (total)

\* The share of exports in the relevant segment vehicle turnover.  
 \*\* The share of exports in total company turnover.

## 2021 6M

**Total revenue :**  
**Rev. Contribution :**  
**Domestic :**  
**Export :**  
**Export share\* :**  
**Export share\*\* :**

726 mn TL  
 39%  
 490 mn TL  
 236 mn TL  
 32% (bus)  
 13% (total)

64 mn TL  
 3%  
 64mn TL  
 -  
 -

830 mn TL  
 45%  
 10 mn TL  
 820 mn TL  
 99% (armoured)  
 44% (total)

ARMORED

240 mn TL  
 13%  
 106 mn TL  
 134 mn TL  
 56% (spare part)  
 7% (total)

A GLOBAL COMPANY



THE LARGEST



PIONEER



MARKET LEADER





- Widest product range in the Turkish bus segment with an offering that includes buses from **6 to 21 meters** with varying passenger capacities suitable for city, intercity and tourism transportation.
- Exporting buses to **more than 50 countries**, particularly in Europe.
- Working on alternative fuelled vehicles.



- Manufacturing light truck with 8.5-ton weight capacity in light truck segment under license since 2013. Atlas 3D, a light truck with 12-ton weight capacity was added to the product range in 2022.



- The leading supplier of land defense systems.
- More than 30.000 vehicles are actively used both in **Turkey and also in over 35 allied and friendly countries** across continents by their armed forces and security forces.
- Products are manufactured on order basis depending on intended purposes, capacity and protection levels.

# COMMERCIAL VEHICLES

## PUBLIC TRANSPORT

CENTRO



E-CENTRO



SULTAN / NAVIGO



DORUK / VECTIO



TERRITO



KENT



E- KENT



E- KENT ARTICULATED



KENT ARTICULATED



KENT XL



## LOGISTIC&CARGO TRANSPORTATION

ATLAS L



ATLAS S



ATLAS 3D



# DEFENSE INDUSTRY VEHICLES

## WHEELED ARMoured



## TRACKED ARMoured

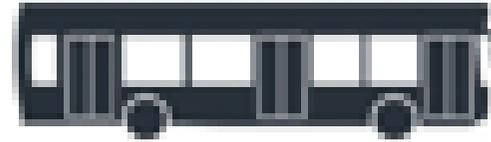


### TURRET SYSTEMS

- Open Cupola
- Basok
- Keskin - RCWS
- Bozok
- Ucok
- Mızrak - RCWS

APPROXIMATELY 1 OUT OF EVERY 2 BUSES  
SOLD IN TURKEY IN 2021 IS OTOKAR

In the total of segments in which it operates



Approximately **1 out of every 2** buses sold in Turkey in 2021 is Otokar

The total of the segments in which it operates as a market leader, **was the best-selling brand in Turkey.**

Otokar accelerated its export activities, **increased its exports by 67%** compared to the same term last year

Otokar increased the number of Otokar buses used in passenger transportation France **to over 2,600.**



50 natural gas powered city buses purchased by Azerbaijan's leading public transportation company, Xaliq Faiqoglu, started service with a ceremony held in Baku.



Otokar participated in DSA - 2022, in Malaysia's capital Kuala Lumpur, and showcased its ARMA 6X6 and COBRA II vehicles.



Otokar's BRT version of its Kent Articulated bus and its electric bus Kent Electra won awards in the "Mobility" category at the BIG SEE Awards 2022.



Otokar promoted its broad armored vehicle product range in the foremost aerospace, defense and security exhibition of Latin America, FIDAE 2022, on 5-10 April, in Santiago, Chile.



Otokar delivered the first 20 of the 100 bus rapid transit (BRT) buses as part of the tender that the IETT General Directorate awarded last year. Otokar will complete the delivery of the 21mt, 200-passenger capacity Otokar KENT C buses in 2022.



Otokar brought innovation to the light truck segment with Atlas, which first launched in 2013. Introduced its new 12-ton weight capacity vehicle Atlas 3D in 2022.



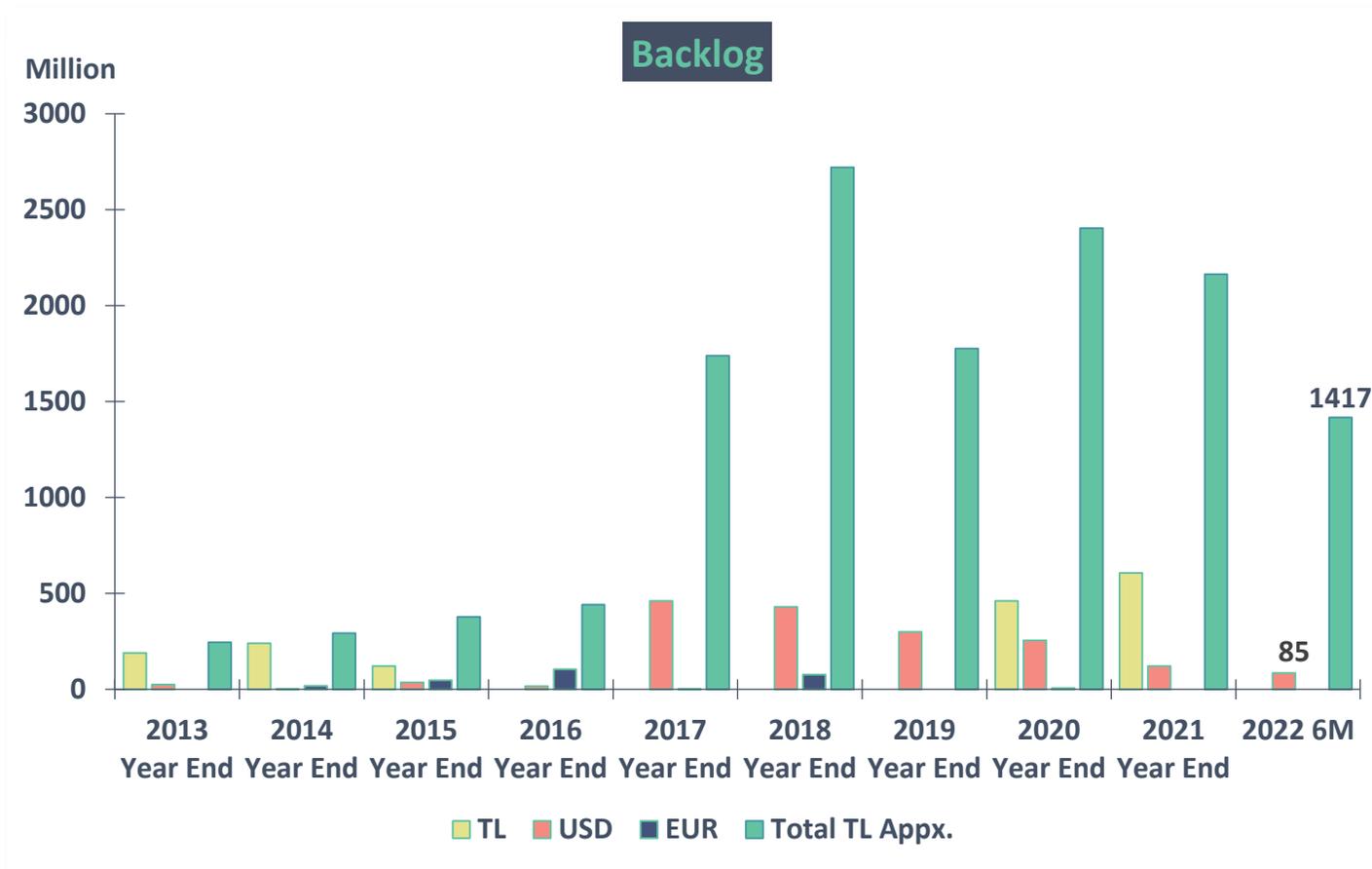
Otokar debuted its electric bus range, featuring models from 6mt to 19mt, at Busworld Türkiye 2022. The 6mt bus e-CENTRO and the 19mt articulated bus e-KENT became the highlights of the exhibition.



Otokar continues to promote its products and capabilities in the defense industry, in different exhibitions. Otokar, exhibited its ARMA 8x8 infantry fighting vehicle in HEMUS 2022 on June 01-04 in Plovdiv, Bulgaria.



Otokar promoted worldwide known 6 vehicles range in the foremost defense industry exhibition of Europe, EUROSATORY 2022, on 13-17 June, in Paris, France.



- The above backlog amounts and deliveries will be held directly by Otokar Otomotiv ve Savunma Sanayi A.Ş., is related to important projects.
- Backlog consists of the 4x4 armored vehicles, and commercial vehicle order.
- Backlog amount to USD 85 million.



**Leader**  
Market leader  
across its respective  
bus segments in Turkey  
for the last 13 years.



**Strong export performance and a global company**  
In addition to its strong export performance, export revenues have increased by an annual average of 29% in the last 10 years.



**R&D capabilities and flexible production capability**  
New product development and speed of delivery to market. Ability to develop products according to market needs.



**Products that are intellectual property rights Otokar**  
The share of Otokar design vehicle sales in turnover is 97%. The number of patents and industrial design applications reached to 393.



**Sustainable growth and profitability**  
Total turnover increased by 17% in the last 15 years, Net profit increased by 25% in the last 15 years, with the annual compound growth rate.



**Consistent dividend distribution**  
Dividend distribution within the framework of profit distribution policy.

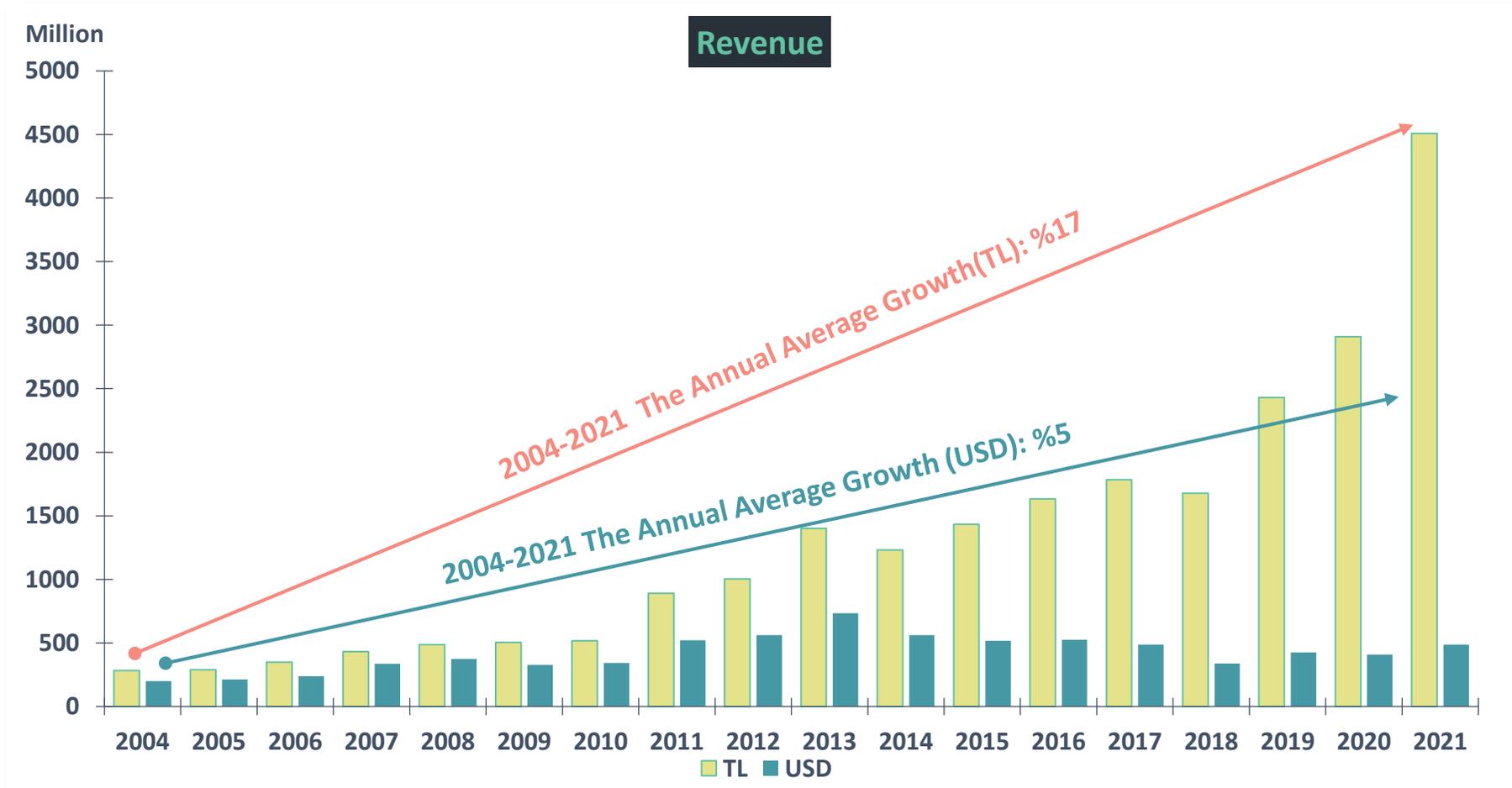


**Significant compliance to corporate governance principles**  
Increased Corporate Governance Rating to 95.53 (9.55 out of 10) as a sign that it has achieved significant compliance with corporate governance principles

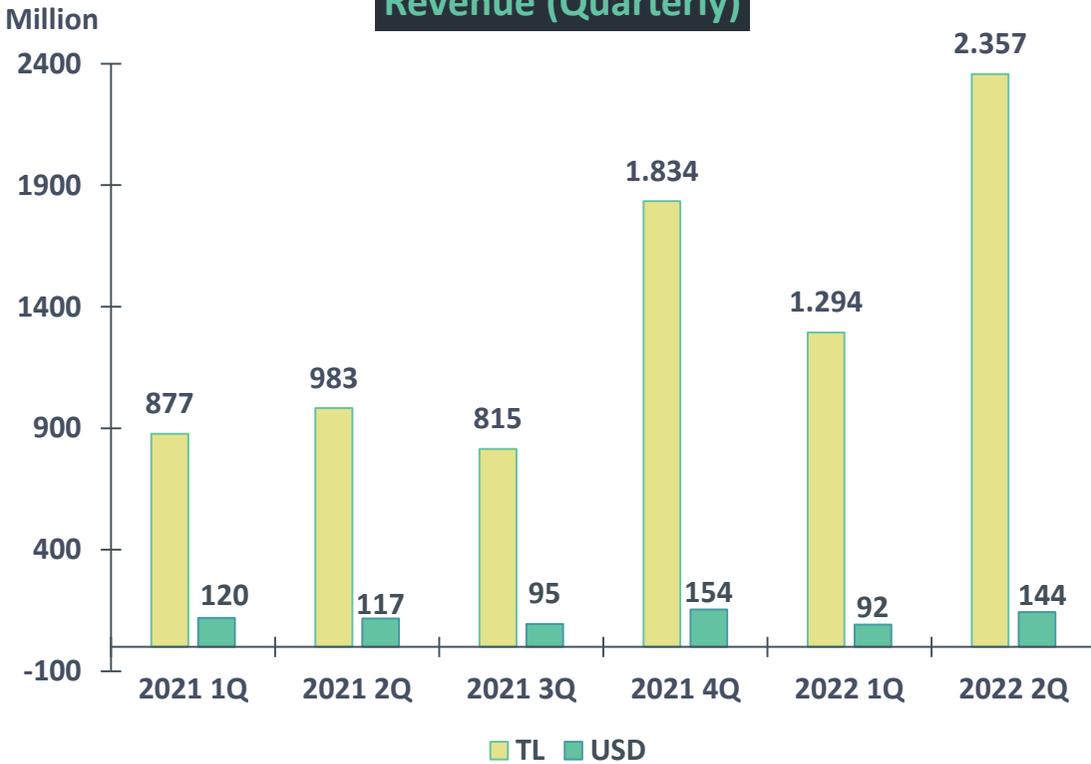
Balance Sheet (000 TL)		30.06.2022	
Current Assets	5.327.863	S.T. Liabilities	4.231.428
Fixed Assets	2.975.738	L.T. Liabilities	2.511.732
		Shareholders Equity	1.560.441
<b>Total Assets</b>	<b>8.303.601</b>	<b>Total Liabilities</b>	<b>8.303.601</b>

Income St. (000 TL)	2022 6M	2021 6M	Change (%)
Net Sales	3.651.120	1.859.889	96%
Gross Profit	1.204.604	670.319	80%
Operating Profit	745.446	403.105	85%
Profit Before Tax	527.240	357.463	48%
Net Profit	542.789	396.504	37%

- 96% increase in total turnover compared to last year's same period.

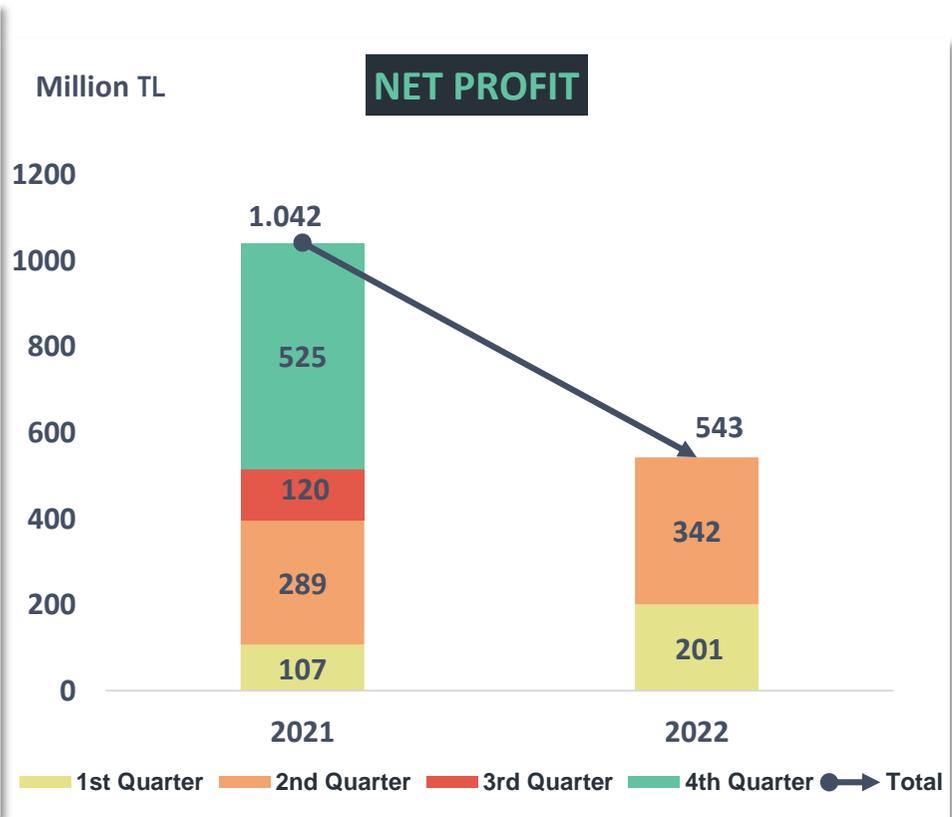
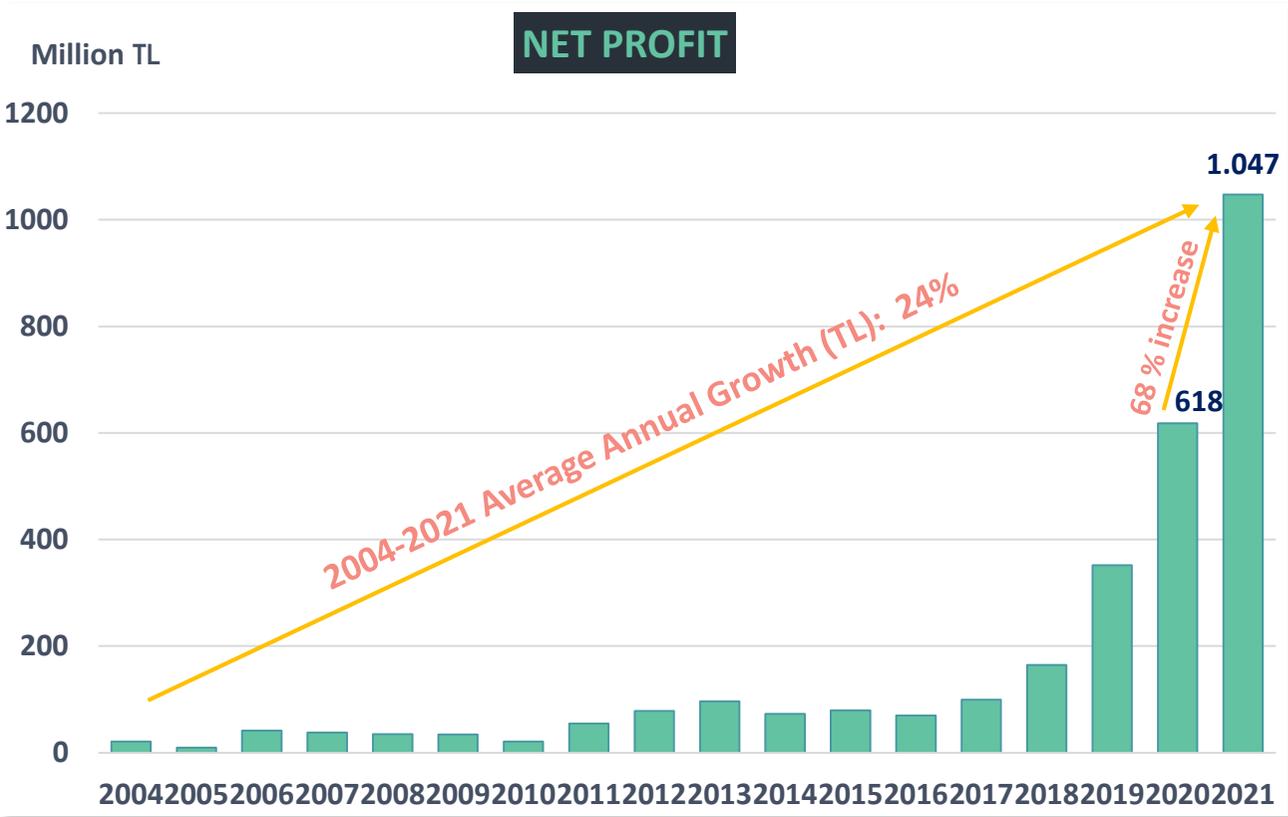


Revenue (Quarterly)

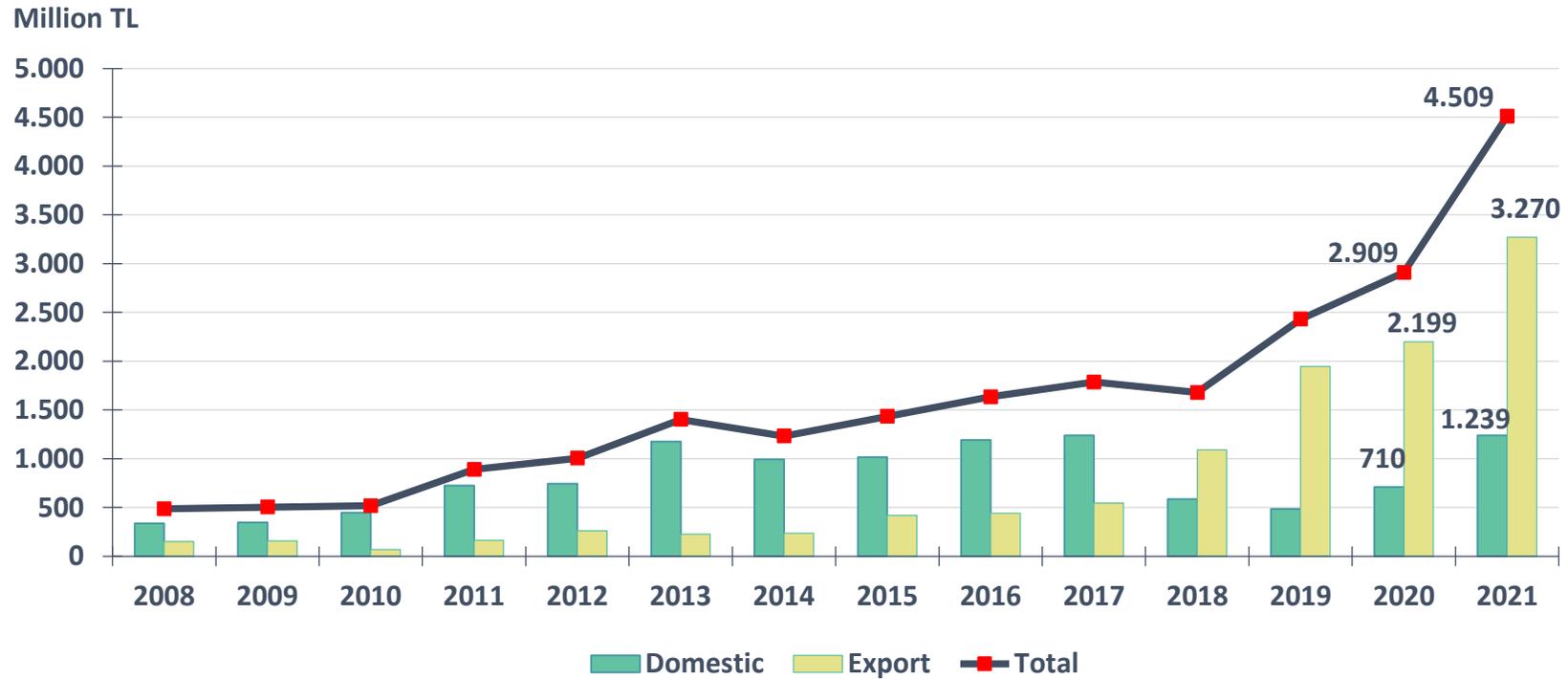


Revenue (Cumulative)



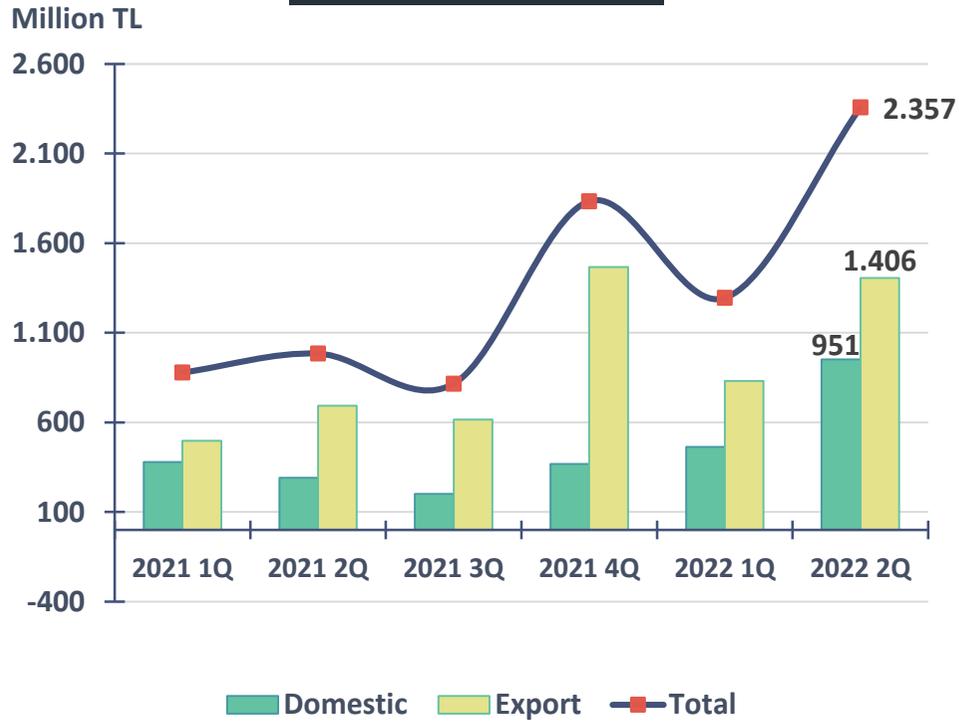


## SALES

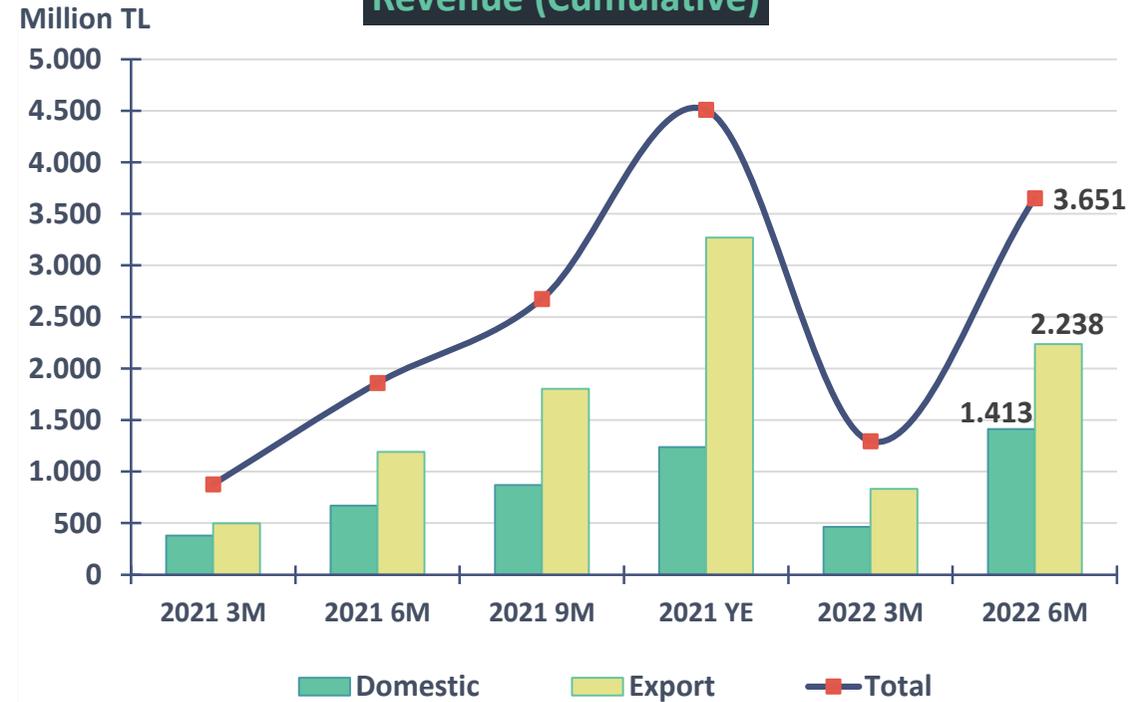


- Export revenues amounted to 3.270 million TL, **increased 49%** compared to last year.

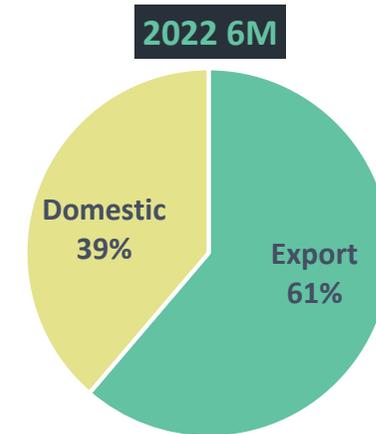
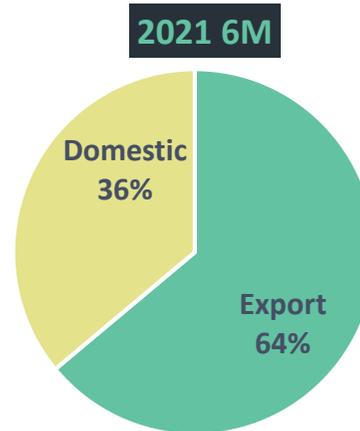
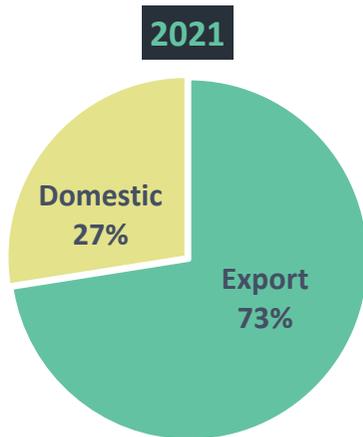
Revenue (Quarterly)



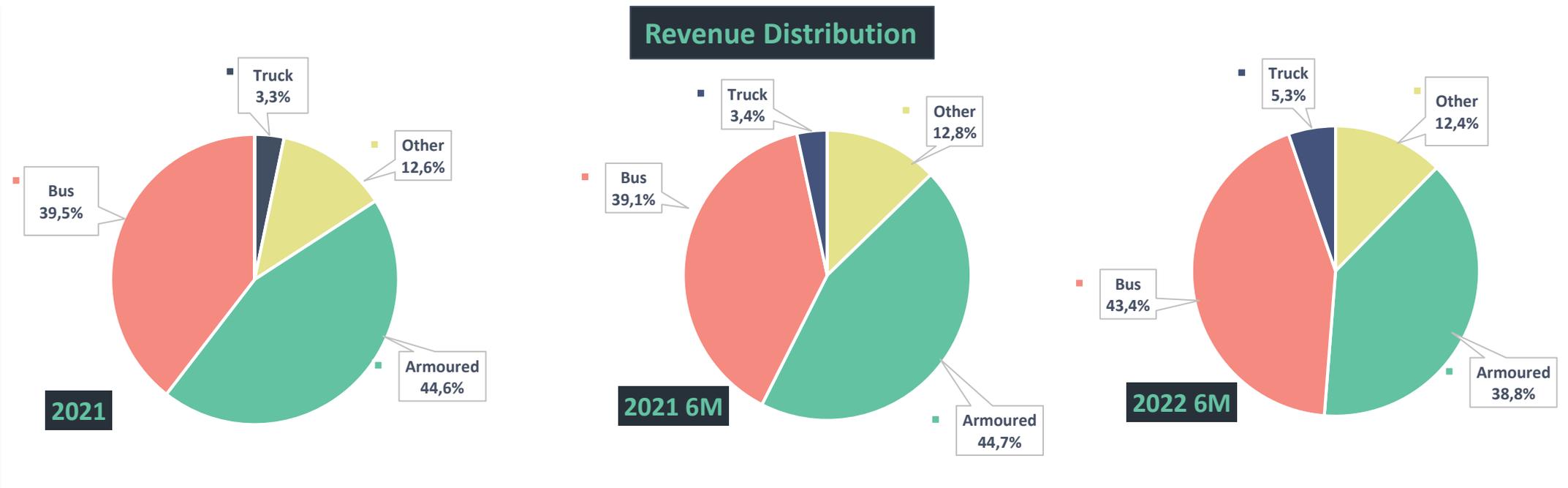
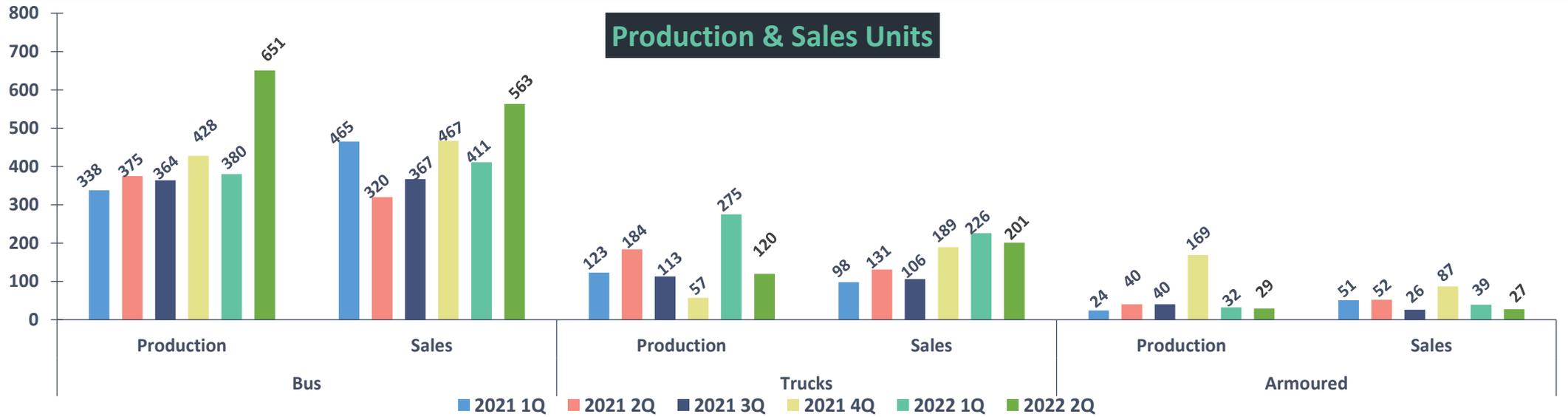
Revenue (Cumulative)



Sales (000 TL)	2022 6A	2021 6A	Change (%)	
Domestic	1.413.603	670.351	111%	▲
Export	2.237.517	1.189.539	88%	▲
<b>Total</b>	<b>3.651.120</b>	<b>1.859.889</b>	<b>96%</b>	<b>▲</b>



- Otokar domestic sales 111% and export sales 88% higher compared to last year's same period.
- The share of exports in turnover is **61%** in 2022 6M.



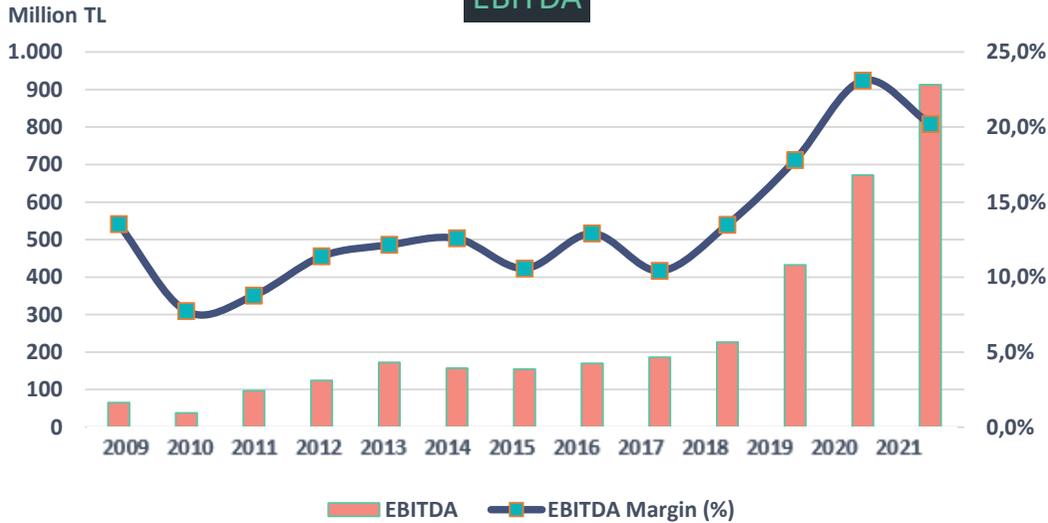
### Gross Profit



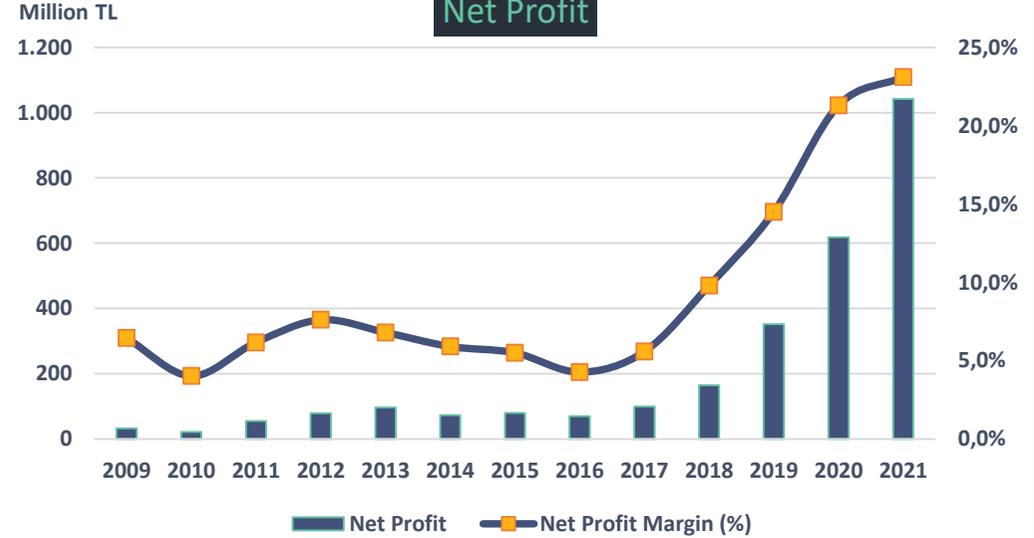
### Operating Profit



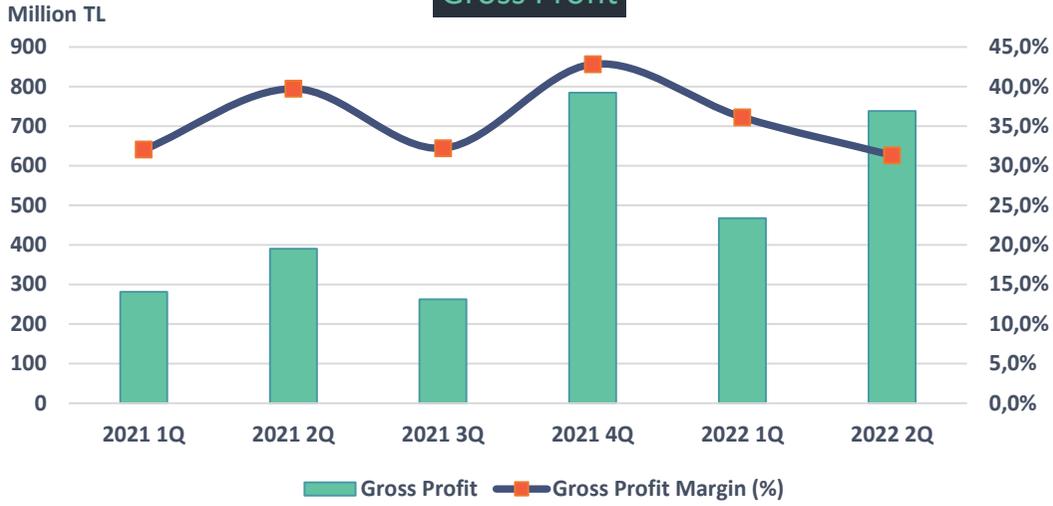
### EBITDA



### Net Profit



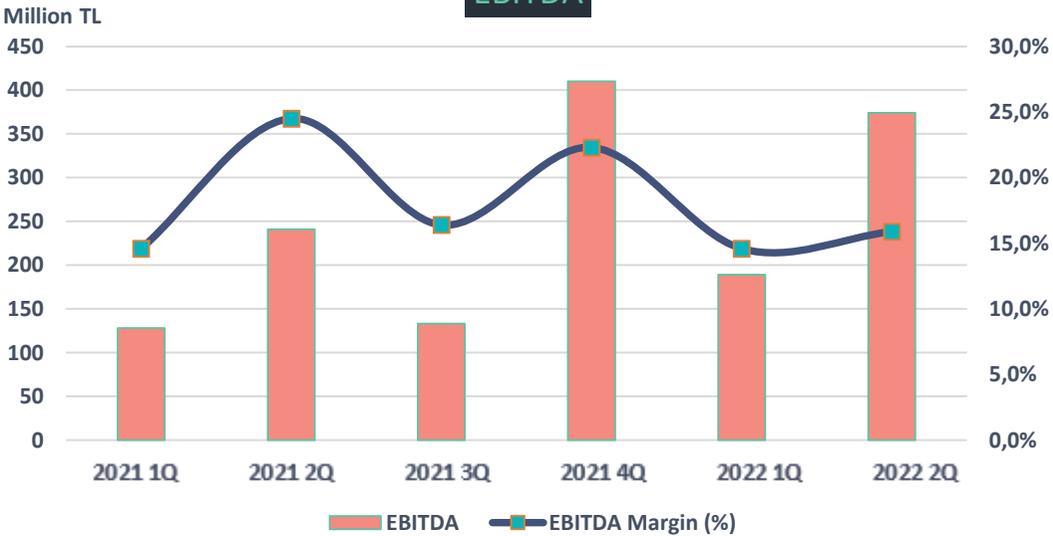
**Gross Profit**



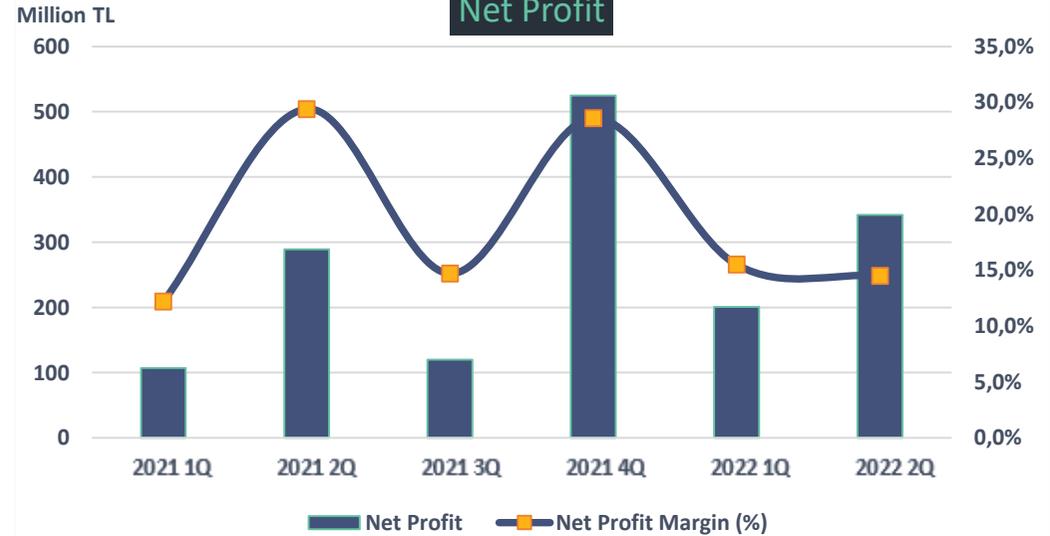
**Operating Profit**



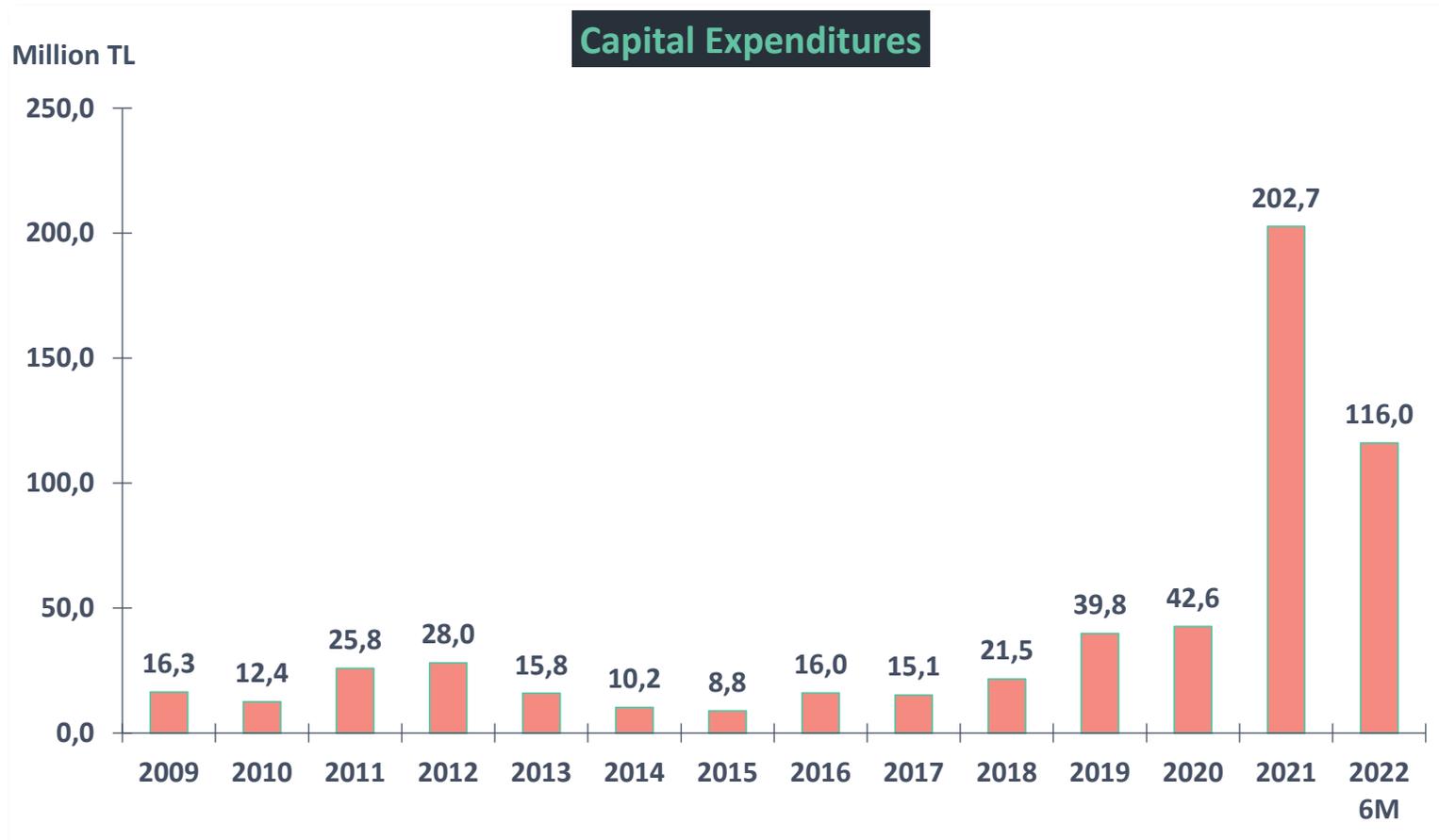
**EBITDA**

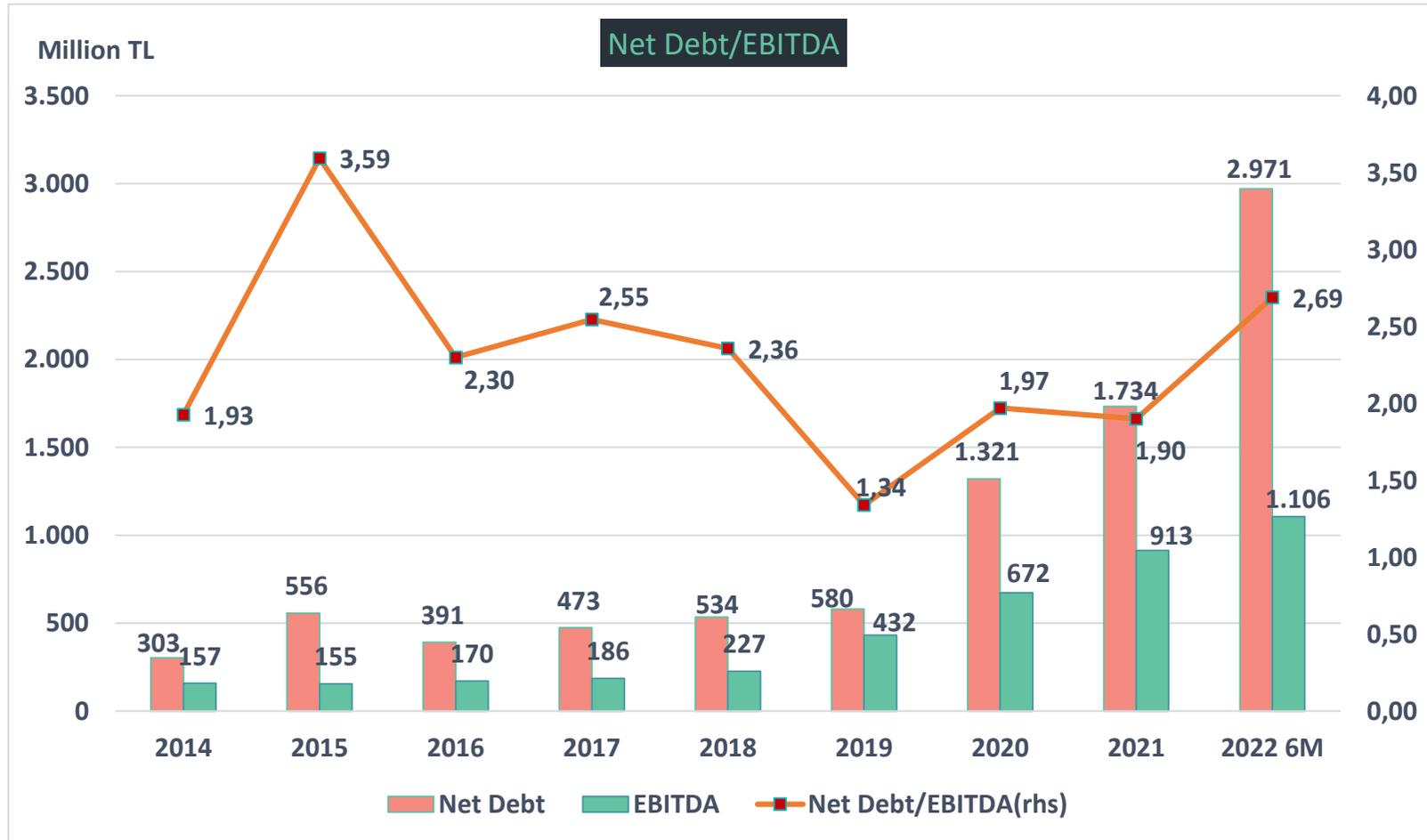


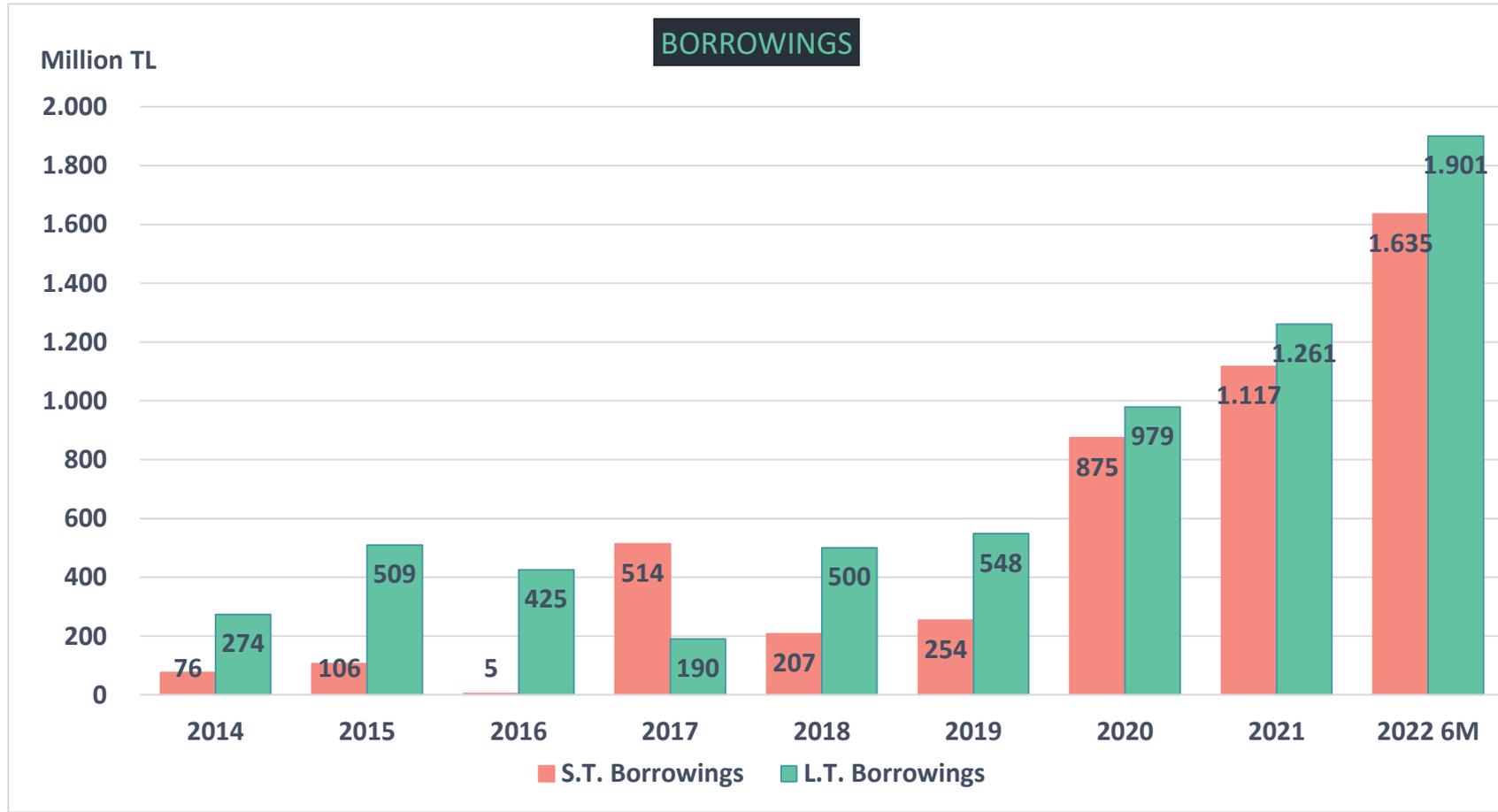
**Net Profit**



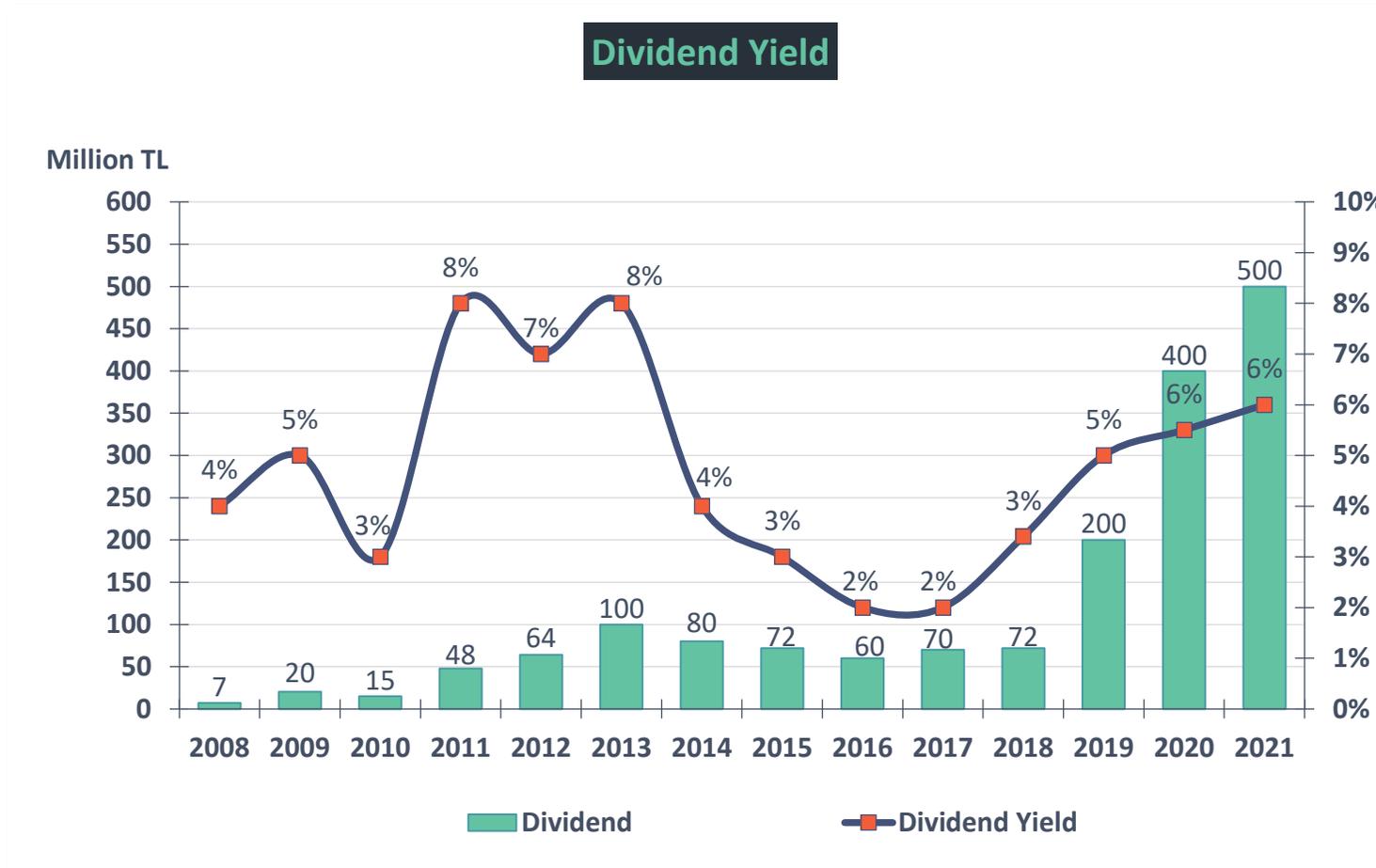
Ratios	2016	2017	2018	2019	2020	2021	2021 6M	2022 6M
ROE	28,7%	35,1%	42,2%	55,1%	61,4%	69,6%	41,3%	34,8%
EBITDA Margin	10,4%	10,4%	13,5%	17,8%	23,1%	20,2%	19,9%	15,4%
Net Margin	4,3%	5,6%	9,8%	14,5%	21,3%	23,1%	21,3%	14,9%
Net Debt/Equity	1,6	1,7	1,4	0,9	1,3	1,2	1,7	1,9
Net Debt/EBITDA	2,3	2,5	2,4	1,3	2,0	1,9	2,0	2,7
ST. Borrowing/Total Borrowings	0,60	0,53	0,38	0,39	0,49	0,48	0,65	0,51
Equity/Total Assets	0,14	0,14	0,17	0,24	0,23	0,25	0,16	0,19
Current Ratio	1,4	1,5	2,1	1,9	1,5	1,4	1,0	1,3







- Exchange rate risk and liquidity are monitored actively and the maturity of the borrowings and the currency type is determined by taking into consideration of the foreign currency position and liquidity risk.



- Consistent dividend distribution is an indication of the importance given to creating shareholder value.

## Stock Performance

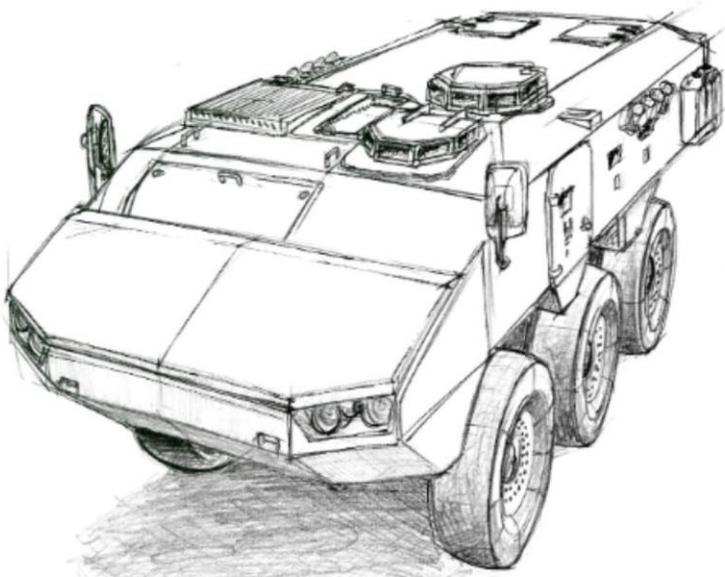


## Market Capitalization





Otokar R&D Center houses a Climatic Test Chamber with Dynamometer, the one and only of its kind in Turkey, and among the top few in Europe, and Turkey's the highest capacity hydraulic road simulator as well as Turkey's the largest and the world's best state-of-the-art Electromagnetic Compatibility Test Center





Otokar and Milrem Robotics signed a teaming agreement to explore opportunities for unmanned and remote controlled ground vehicles.

Otokar added electric bus e-Kent C and Turkey's first electric-powered armored combat vehicle Akrep II to its product range, which both were developed by its own R&D.

Total of **587** R&D center employee

Total R & D spending over the last 10 years **1.6 billion TL**

10 year R & D expenditures in turnover **8%**

## DORUK HIBRA

Turkey's first hybrid bus



## DORUK DG

Turkey's first natural gas powered mid-sized bus



## KENT DG

12 m CNG bus



## DORUK ELECTRA

Turkey's first electric bus



## E-Kent C

12 m electric bus



## AKREP IIe

Turkey's first electric armoured vehicle



## Otokar listed in the BIST Sustainability Index for the **sixth** consecutive term

**Otokar considers its sustainability strategy**, protecting domestic capital structure and the goal of profitability, its sensitivity to the environment, human and society, its focus on universal human rights and business ethics principles, operational excellence and customer satisfaction, and the development of high-tech, value-added products.

Otokar is strictly bound to the 10 principles of the **UN Global Compact** signed by Koç Holding.

Otokar is also signatory of the **Women's Empowerment Principles (WEPs)**, a joint initiative of the United Nations Women's Unit (UN Women) and the United Nations Global Compact (UN Global Compact).

Otokar **accepts 17 Global Goals for Sustainable Development** as defined by the United Nations General Assembly and carries out its activities accordingly.

### R&D and Innovation for Continuous and Sustainable Development

- Product Quality
- Product Life Cycle
- Minimizing the Impact of Supply and Value Chains



### Sustainable and Quality Products

- Applying New Technologies
- Alternative Fuel Vehicles
- Sustainable Product Design
- Digitalization



### Innovative Solutions to Combating Climate Change

- Energy Efficiency in Production
- Zero Waste
- Shift to Low Carbon Economy



### Brand Value and Customer Satisfaction

- Accessibility
- Customer Satisfaction
- Brand Value and Reputation



### Employee Satisfaction

- Employee Loyalty
- Occupational Health and Safety
- Diversity and Human Rights
- Talent Management





59th Ordinary General Assembly of Otokar Otomotiv ve Savunma Sanayi A.Ş. held on 21.03.2022.

Rating of Adaptation to Corporate Governance Principles	Weight	Rating
Shareholders	25%	95,92
Public Disclosure & Treansperancy	25%	96,19
Stakeholders	15%	97,13
Board of Directors	35%	94,10
<b>Total</b>	<b>100%</b>	<b>95,53</b>

Otokar, as publicly disclosed with the material disclosure dated 23.03.2022, stated that SAHA Corporate Governance and Rating Services A.Ş. (SAHA) **increased its Corporate Governance Rating to 95.53 (9.55 out of 10)**



## Otokar Investor Relations Department

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Investor Relations

Corporate Information



Corporate Governance



General Meetings

Financial Results



Investor Presentations



Disclosures/ Announcements

