

# 2023 3-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 75 countries

For the 14th 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



2020s

- Production agreement signed between Otokar and Iveco Bus
- Foundations laid for a Cataphoresis Line
- Addition of minibus and e-minibus to the product family
- Production of Autonomous bus

FOUNDED IN **1963**



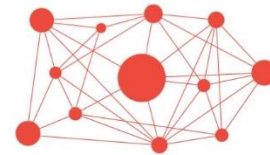
**LOCAL CAPITAL**



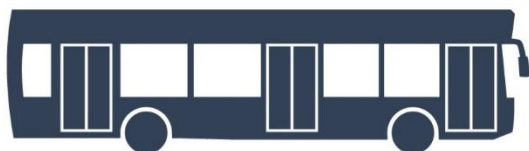
**2,862**  
EMPLOYEES



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



APPROX. **300**  
SALES & SERVICE NETWORK

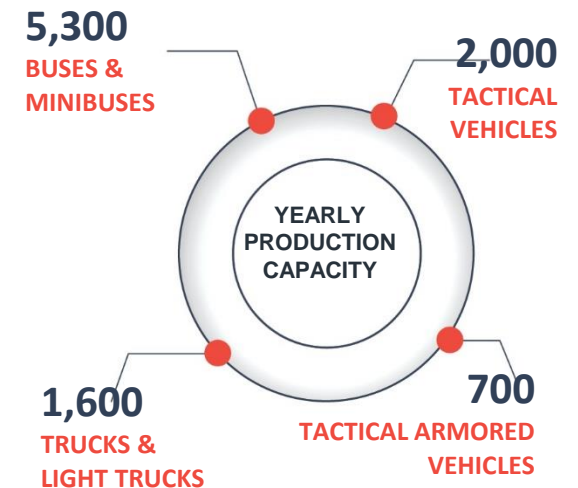


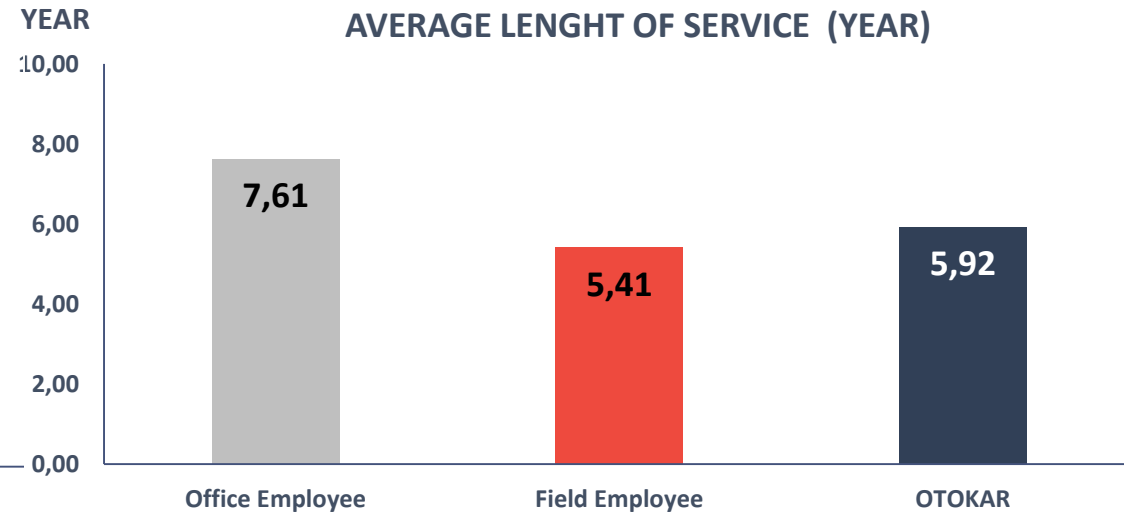
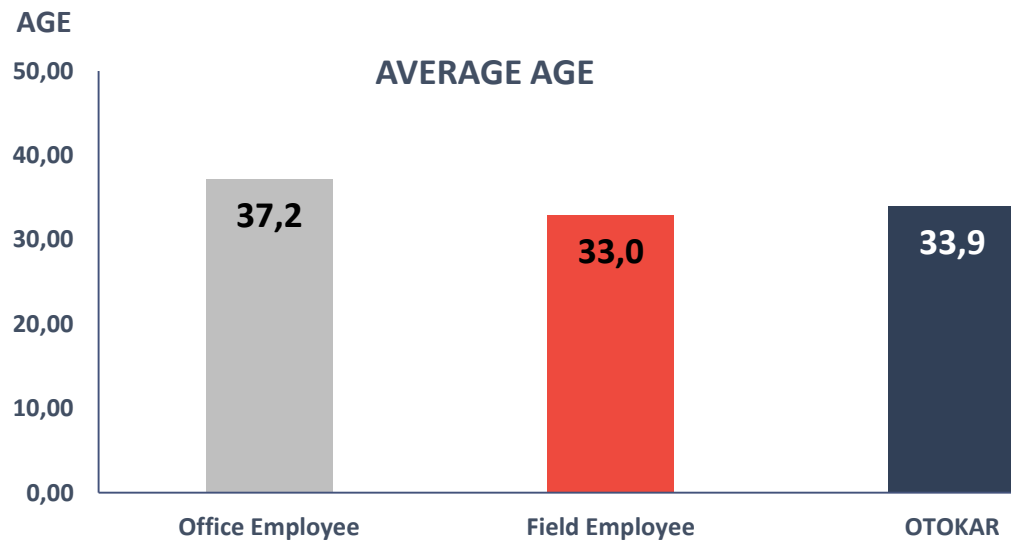
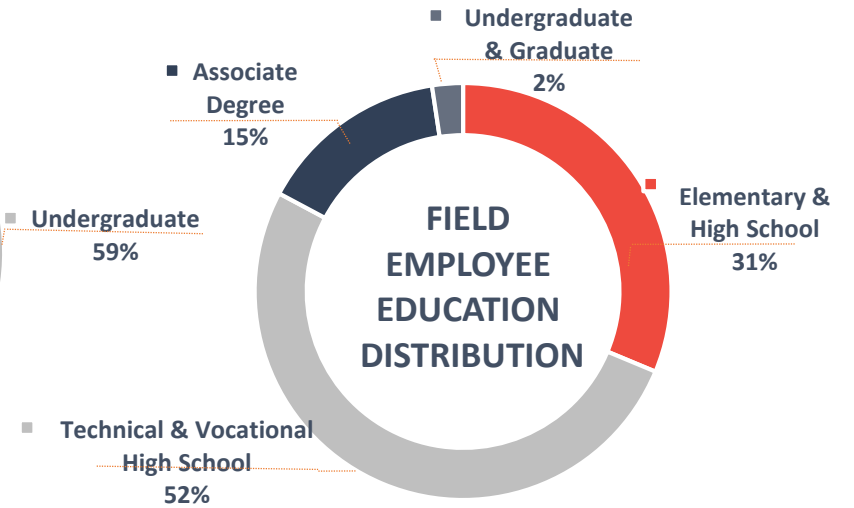
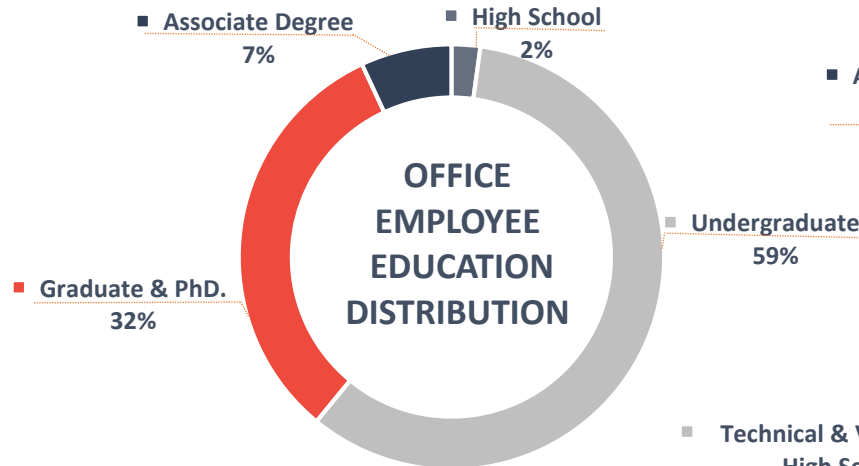
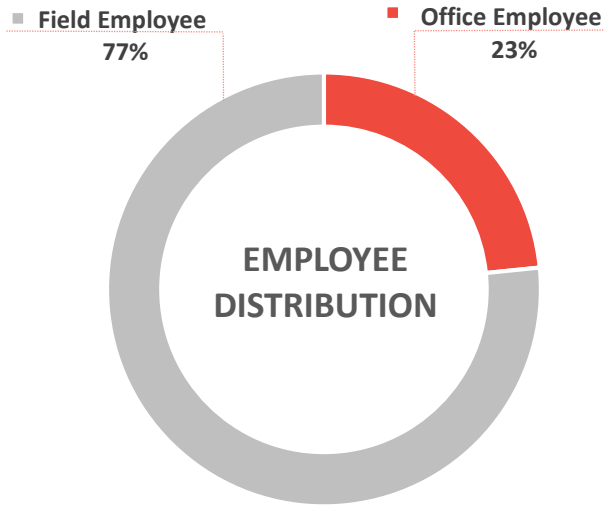
APPROXIMATELY 1 OUT OF EVERY 3 BUSES SOLD  
IN TURKEY IN 2022 IS OTOKAR

**USD 73 MILLION**  
EXPORT REVENUES IN 2023 3M

**TL 2,536 MILLION**  
TURNOVER IN 2023 3M

**TL 2,1 BILLION**  
10 YEAR R&D EXPENDITURES



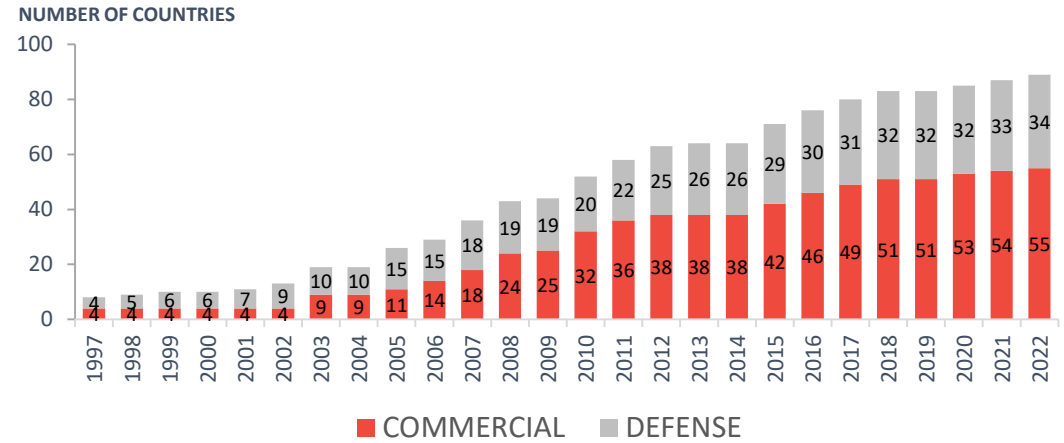




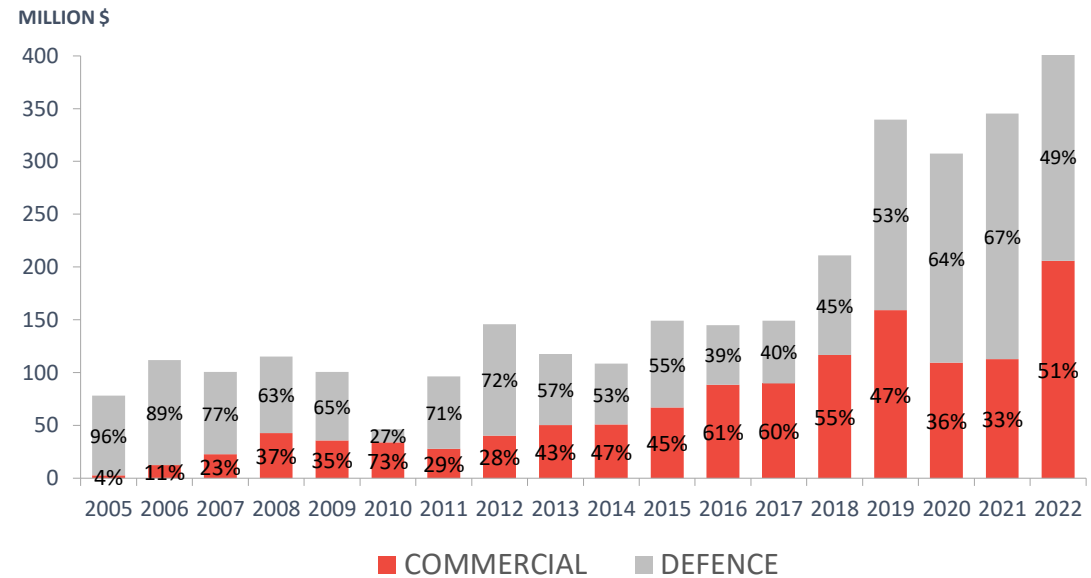
- 552.000m<sup>2</sup> factory with an annual production capacity of 9,600 units and approximately 4,000 employees in Arifiye/Sakarya



## GROWTH IN EXPORT MARKETS



## SEGMENT BASED EXPORT







## 2023 3M

	PASSENGER TRANSPORTATION	CARGO TRANSPORTATION	TACTICAL WHEELED & TRACKED ARMORED VEHICLES	ARMORED	SPARE PART/ OTHERS
Total revenue :	1,872 mn TL	219 mn TL	24 mn TL	}	421 mn TL
Rev. Contribution :	74%	9%	1%		17%
Domestic :	723 mn TL	218 mn TL	24 mn TL		191 mn TL
Export :	1,144 mn TL	1 mn TL	-		230 mn TL
Export share* :	61% (bus)	-	-		55% (spare part)
Export share** :	45% (total)	-	-	9% (total)	

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

\*\* The share of exports in total company turnover.

## 2021

	PASSENGER TRANSPORTATION	CARGO TRANSPORTATION	TACTICAL WHEELED & TRACKED ARMORED VEHICLES	ARMORED	SPARE PART/ OTHERS
Total revenue :	581 mn TL	94 mn TL	429 mn TL	}	190 mn TL
Rev. Contribution :	45%	7%	33%		15%
Domestic :	270 mn TL	94 mn TL	-		98 mn TL
Export :	311 mn TL	-	429 mn TL		92 mn TL
Export share* :	53% (bus)	-	100% (armoured)		48% (spare part)
Export share** :	24% (total)	-	33% (total)	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 **nearly 60 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 40 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.

## DIESEL VEHICLES

CENTRO



NAVIGO



VECTIO



KENT



TERRITO



KENT ARTICULATED



KENT XL



## ELECTRIC VEHICLES

E-CENTRO



E-KENT



E-KENT ARTICULATED



## LOGISTICS and CARGO TRANSPORTATION

ATLAS



ATLAS 3D



Garbage Truck



Road Sweeper Truck



Hydraulic Platform



Towing Truck



Dump Truck



Firetruck



Sewage Cleaner Truck

**Otokar Atlas  
is here with multiple  
body options**



Soft Top Truck



Refrigerated Ice Cream Truck



Box Top Truck



Beverage Truck



Refrigerated Box Truck



Flatbed Truck



Cylinder Gas Carrier

# 12 DEFENSE INDUSTRY VEHICLES

## WHEELED ARMoured



## TRACKED ARMoured

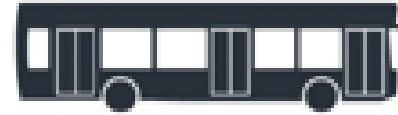


### TURRET SYSTEMS

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

APPROXIMATELY 1 OUT OF EVERY 3 BUSES  
SOLD IN TURKEY IN 2022 IS OTOKAR

In the total of segments in which it operates



Approximately **1 out of every 3** buses sold in Turkey in 2022 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 66%** compared to the same term last year



Otokar announced ARMA II, the new member of the world-renowned ARMA vehicle family. The ARMA II armored combat vehicle will offer the highest level of protection and the highest firepower in its class.



Otokar exhibited 6 vehicles from its extensive armored vehicle family at the IDEX International Defense Industry Fair held in Abu Dhabi, the capital of the United Arab Emirates, on February 20-24, 2023.



Otokar continues the deliveries of CENTRO microbus, the new favorite of public transportation. Designed specifically for municipalities and public bus cooperatives, 56 centro microbus was delivered to Bursa.

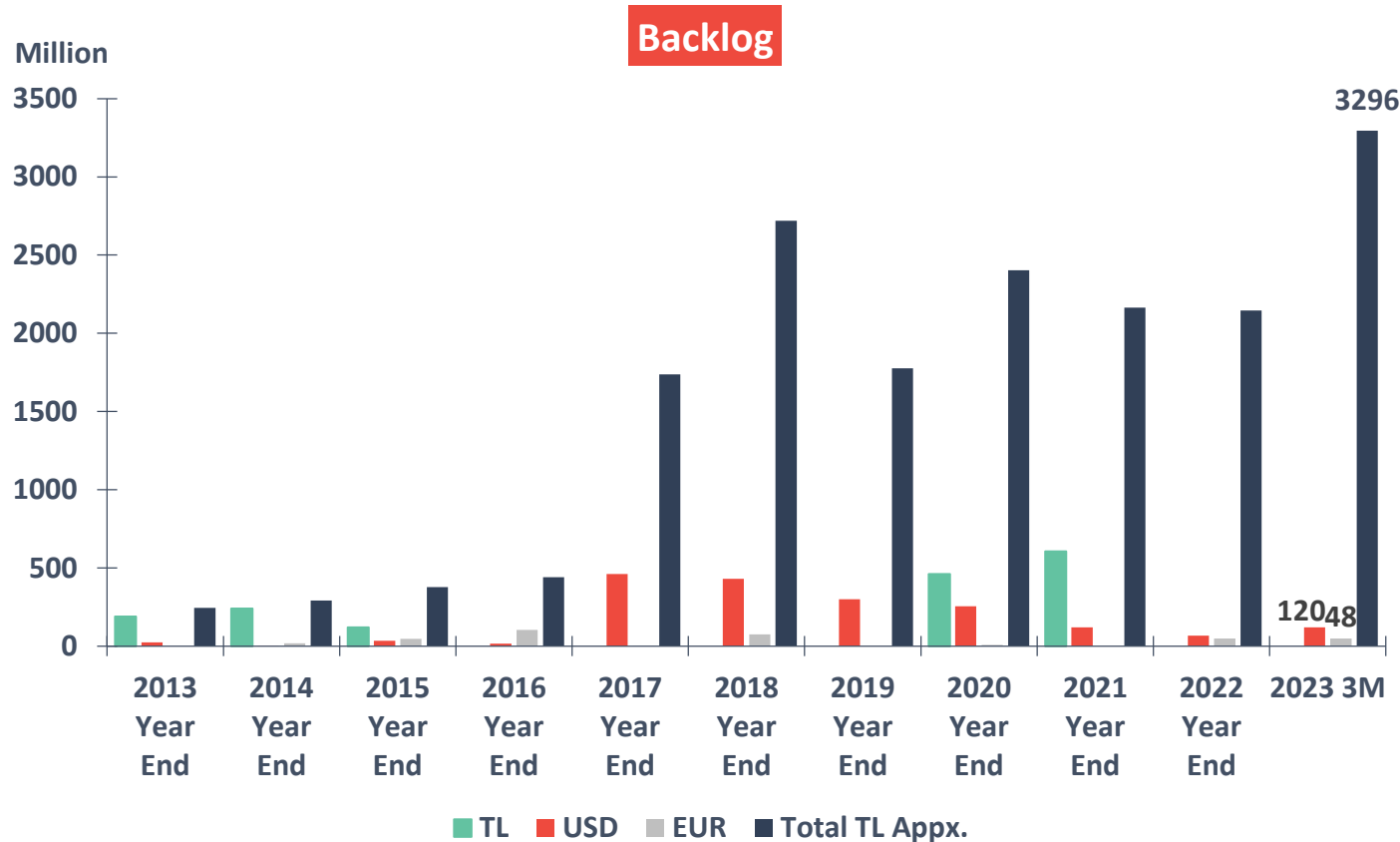


Otokar participated in ElekBu 2023, which was held in Berlin, the capital of Germany, between 27-28 June with its e-Centro vehicle.



Otokar participated in LAAD 2023, one of the leading defense and security fairs of South America, held in Rio de Janeiro, Brazil, between 11-14 April. During the fair, Otokar introduced its wide product range in armored vehicles as well as its superior capabilities in land systems.





- 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, commercial vehicles and spare parts orders.
- Backlog amount to USD 120 million and EUR 48 million.



**Leader**  
Market leader across its respective bus segments in Turkey for the last 14 years.



**Strong export performance and a global company**  
In addition to its strong export performance, export revenues have increased by an annual average of 41% 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 96%. The number of patents and industrial design applications reached to 399.



**Sustainable growth and profitability**  
Total turnover increased by 22% in the last 15 years, Net profit increased by 27% in the last 15 years, with the annual compound growth rate.



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

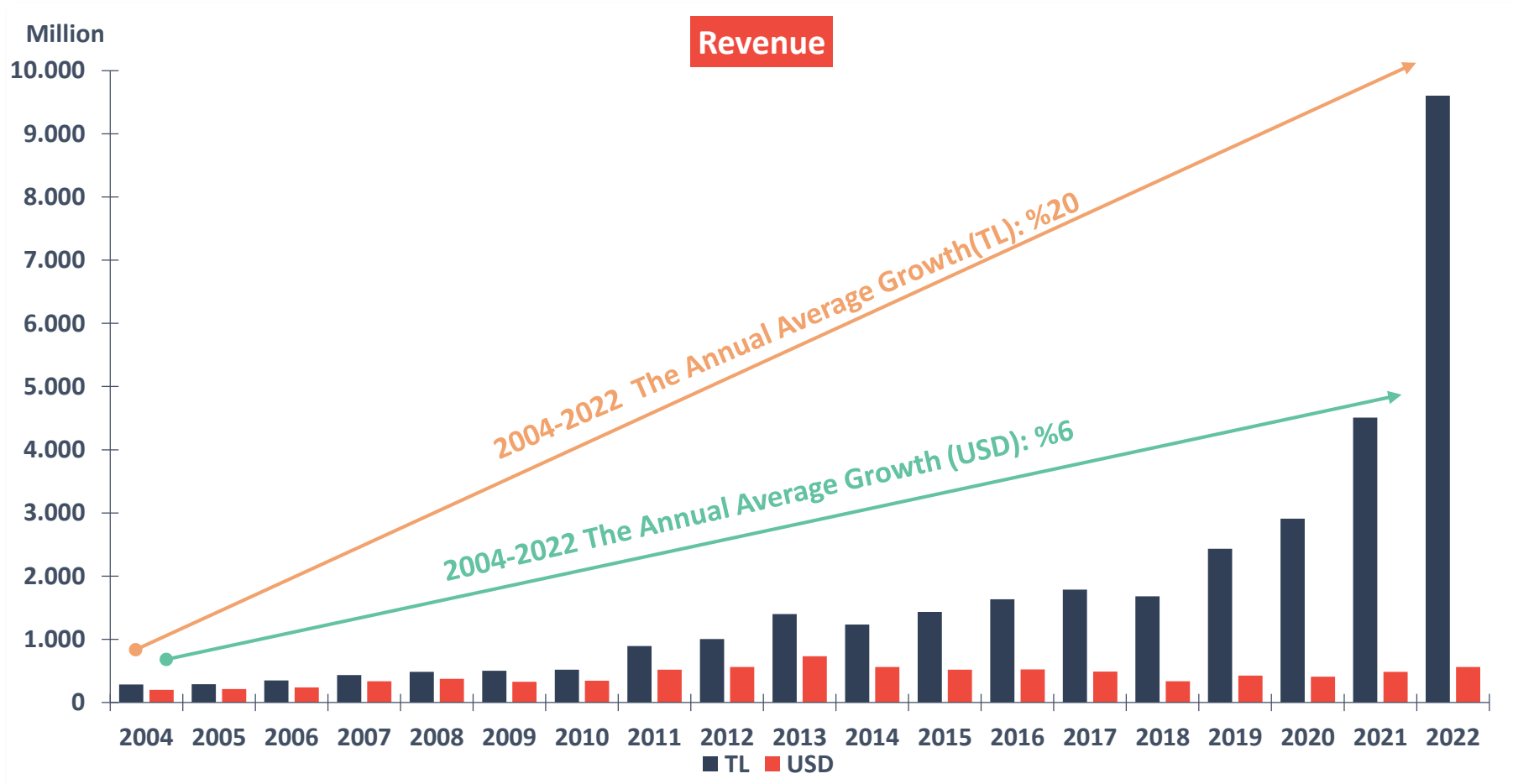


**Significant compliance to corporate governance principles**  
Increased Corporate Governance Rating to 95.60 (9.56 out of 10) as a sign that it has achieved significant compliance with corporate governance principles

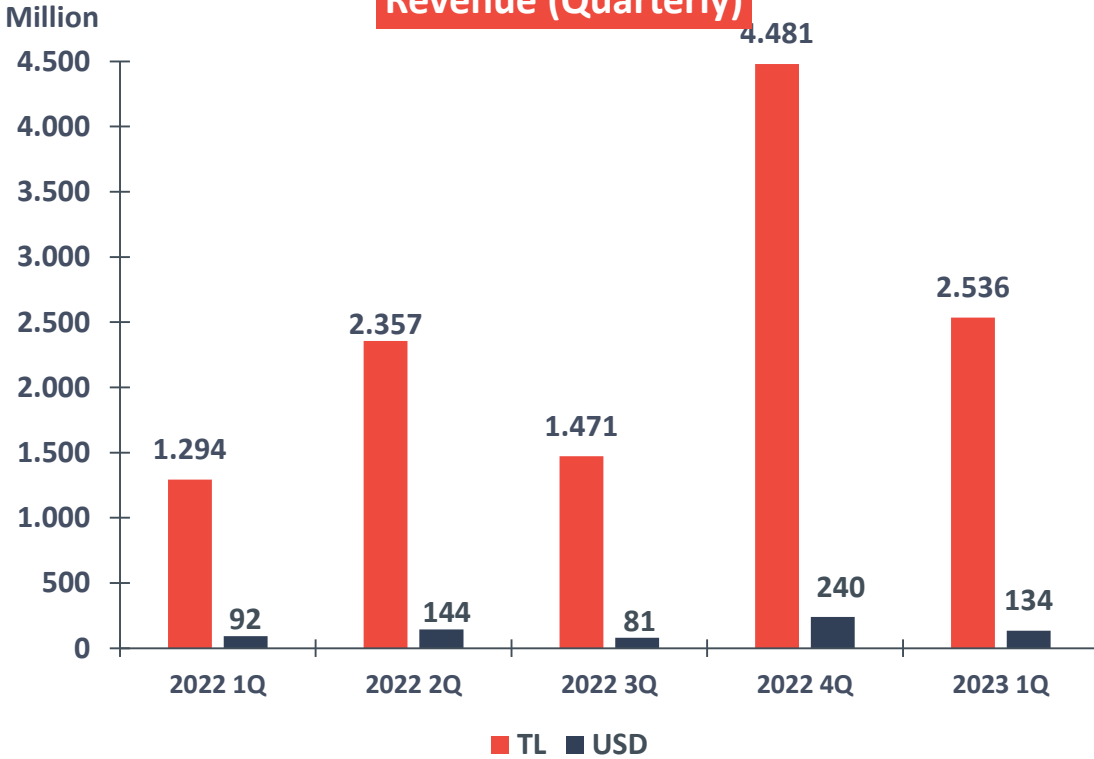
Balance Sheet (000 TL)		31.03.2023	
Current Assets	13.556.499	S.T. Liabilities	13.677.536
Fixed Assets	3.609.664	L.T. Liabilities	1.956.184
		Shareholders Equity	1.532.443
<b>Total Assets</b>	<b>17.166.163</b>	<b>Total Liabilities</b>	<b>17.166.163</b>

Income St. (000 TL)	2023 3M	2022 3M	Change (%)
Net Sales	2.536.091	1.293.998	96%
Gross Profit	382.902	466.748	-18%
Operating Profit	-18.403	304.875	106%
Profit Before Tax	-383.673	202.089	-290%
Net Profit	-514.813	200.532	-357%

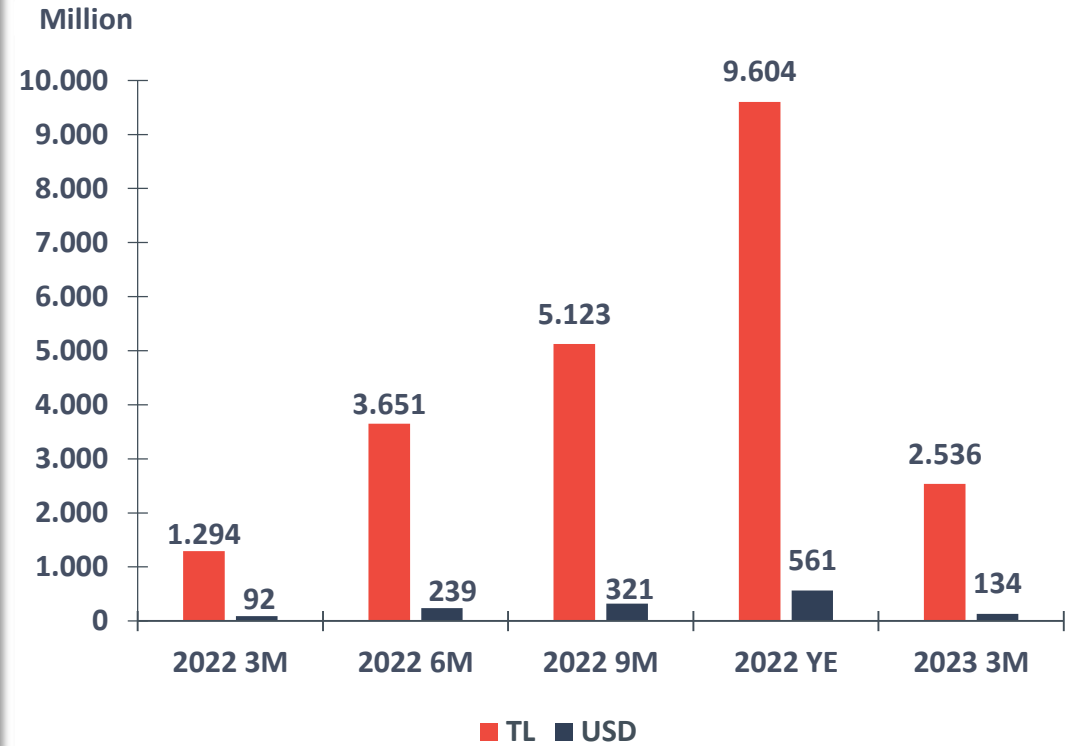
- 96% increase in total turnover compared to last year's same period.



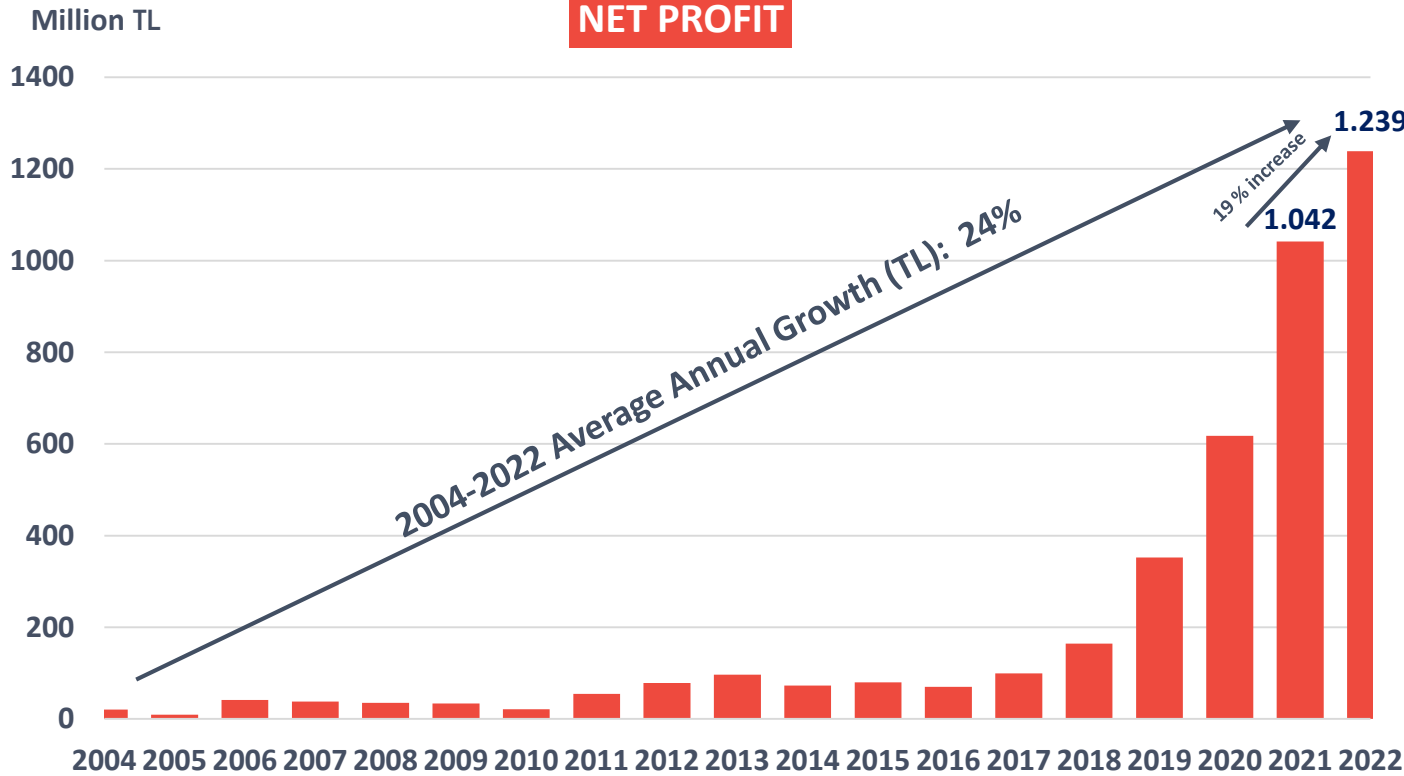
Revenue (Quarterly)



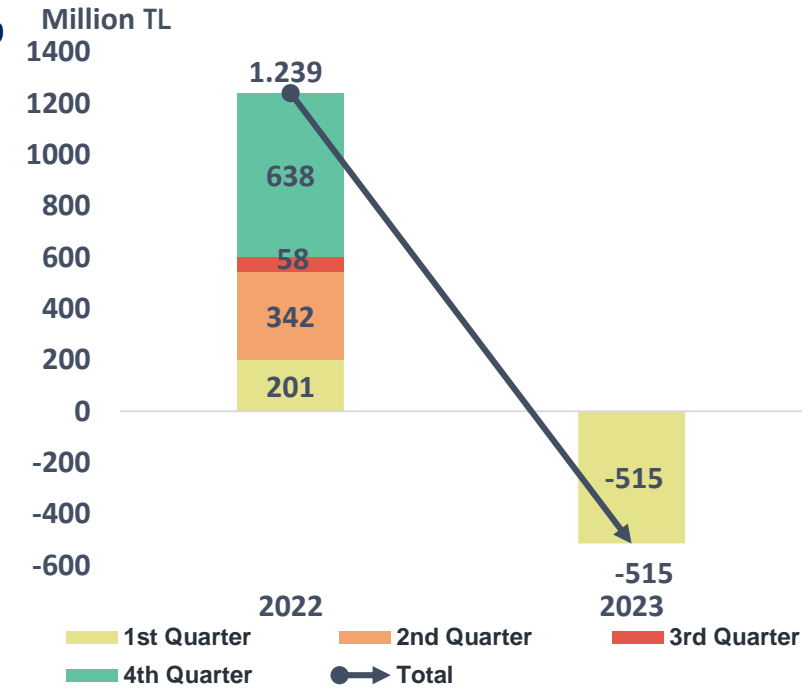
Revenue (Cumulative)



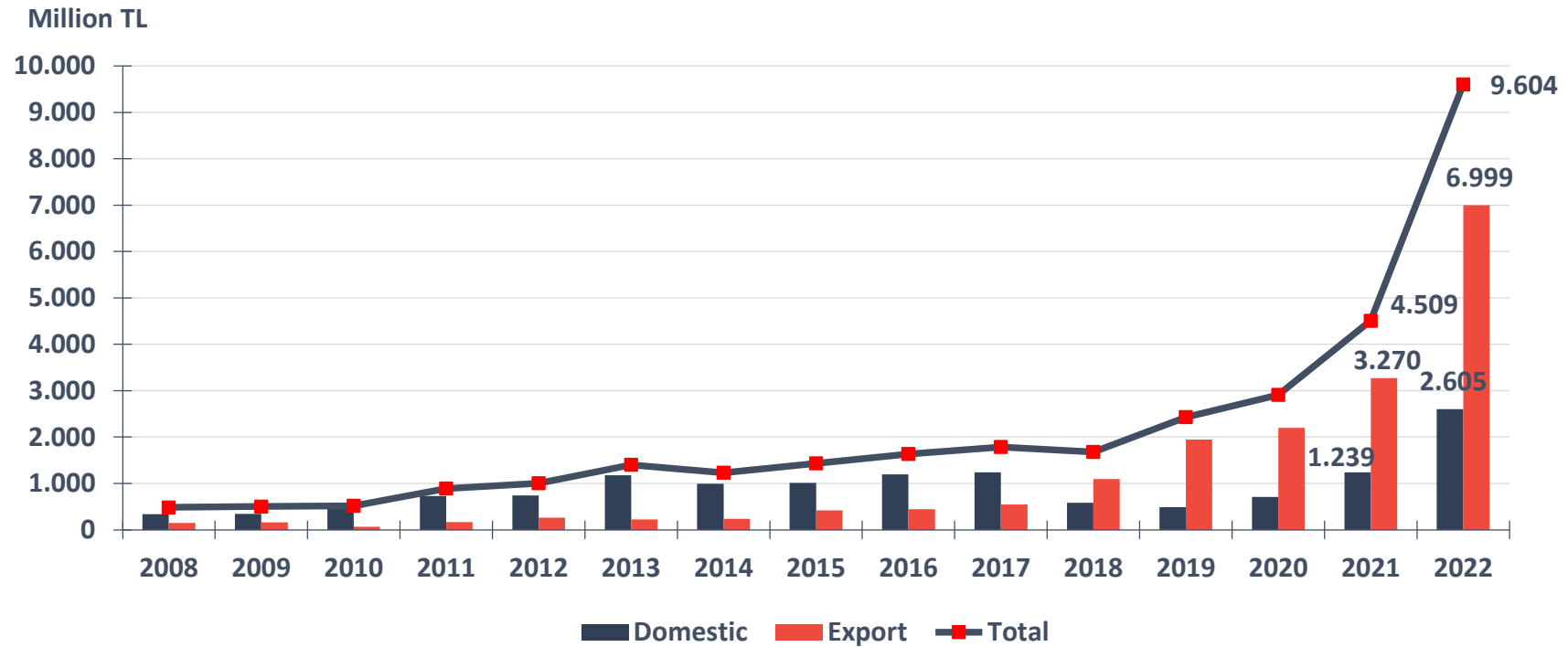
## NET PROFIT



## NET PROFIT

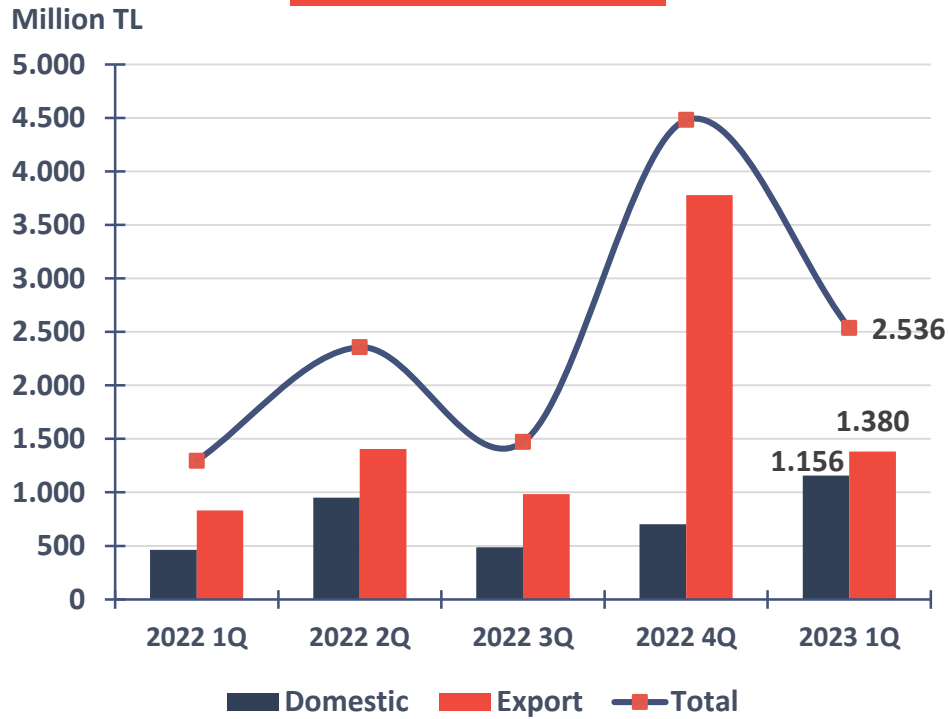


## SALES

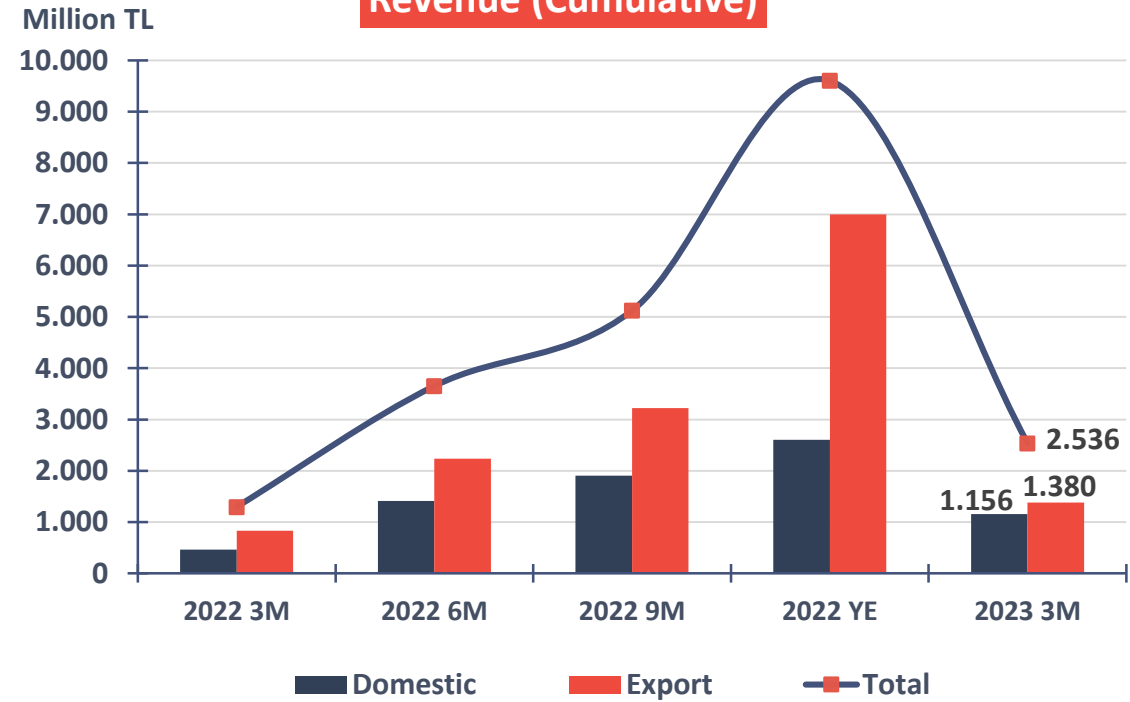


- Export revenues amounted to **6.999** million TL, **increased 114%** compared to last year.

Revenue (Quarterly)

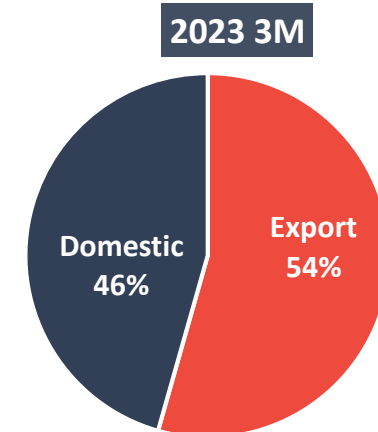
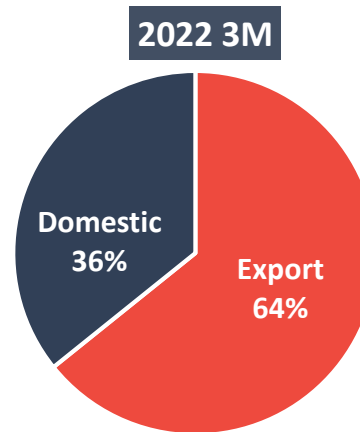
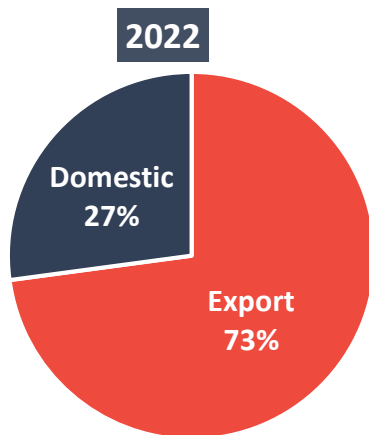


Revenue (Cumulative)

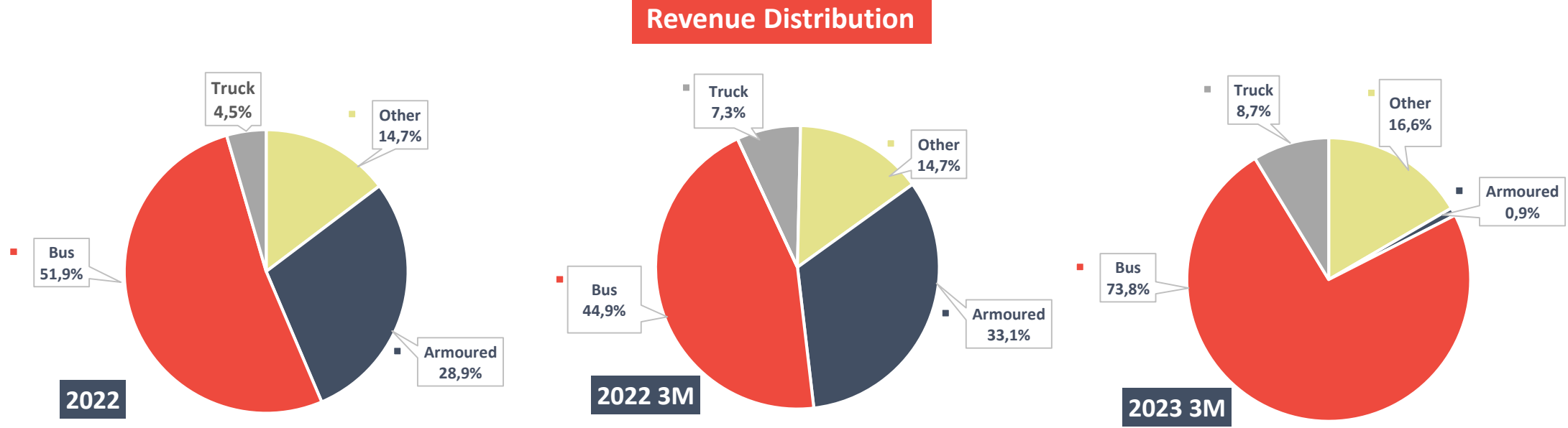
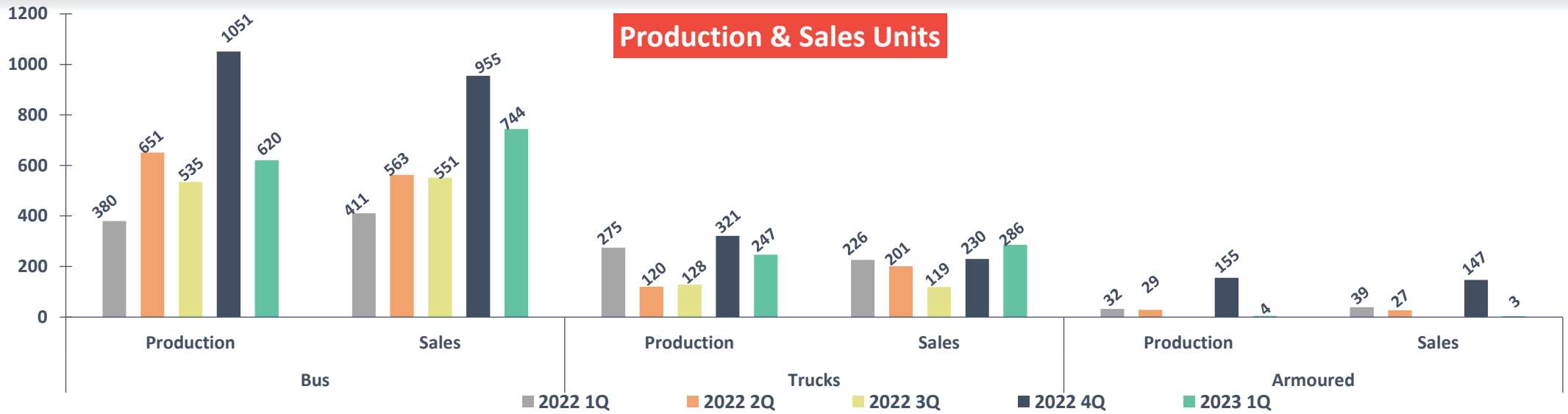




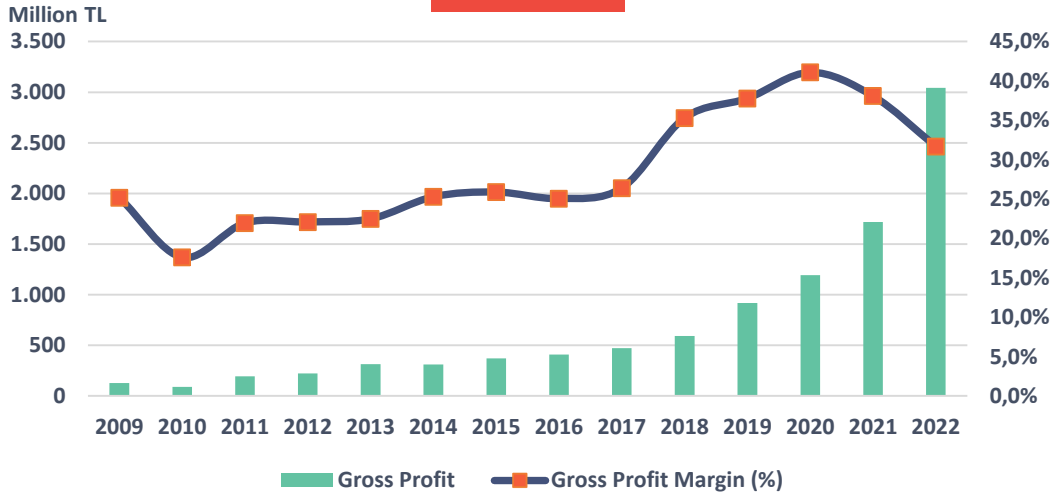
Sales (000 TL)	2023 3M	2022 3M	Change (%)	
Domestic	1.156.532	462.904	150%	▲
Export	1.379.559	831.094	66%	▲
<b>Total</b>	<b>2.536.091</b>	<b>1.293.998</b>	<b>96%</b>	<b>▲</b>



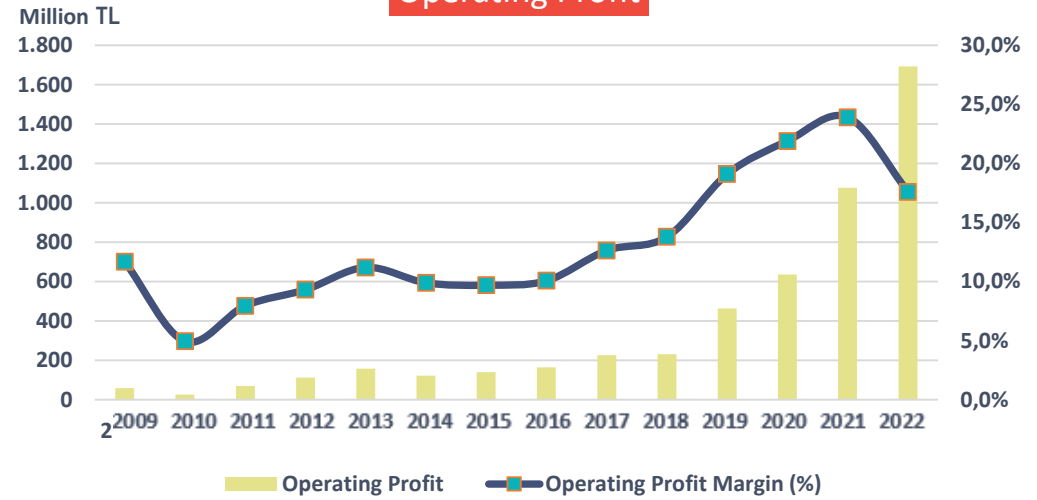
- Otokar domestic sales **150%** and export sales **66%** higher compared to last year's same period.
- The share of exports in turnover is **54%** in 2022.



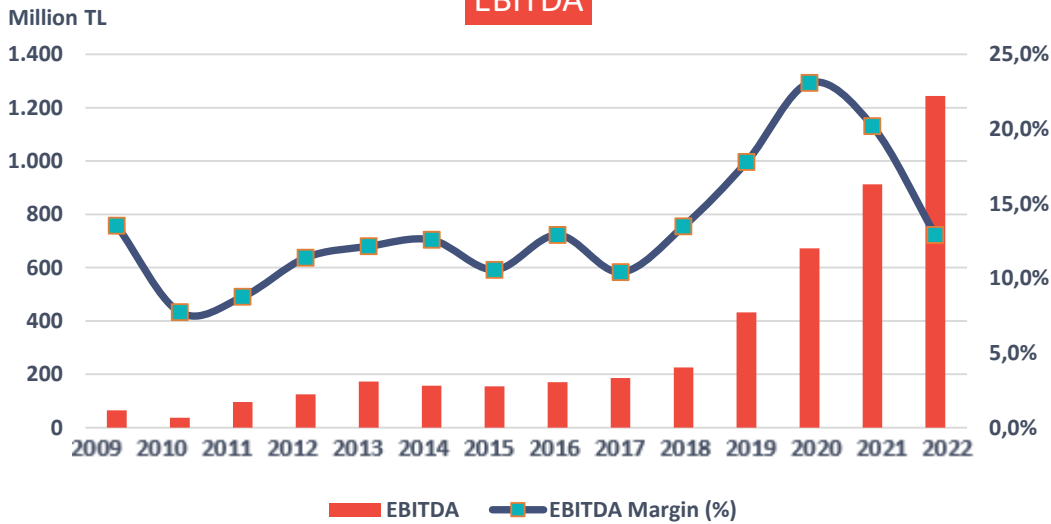
Gross Profit



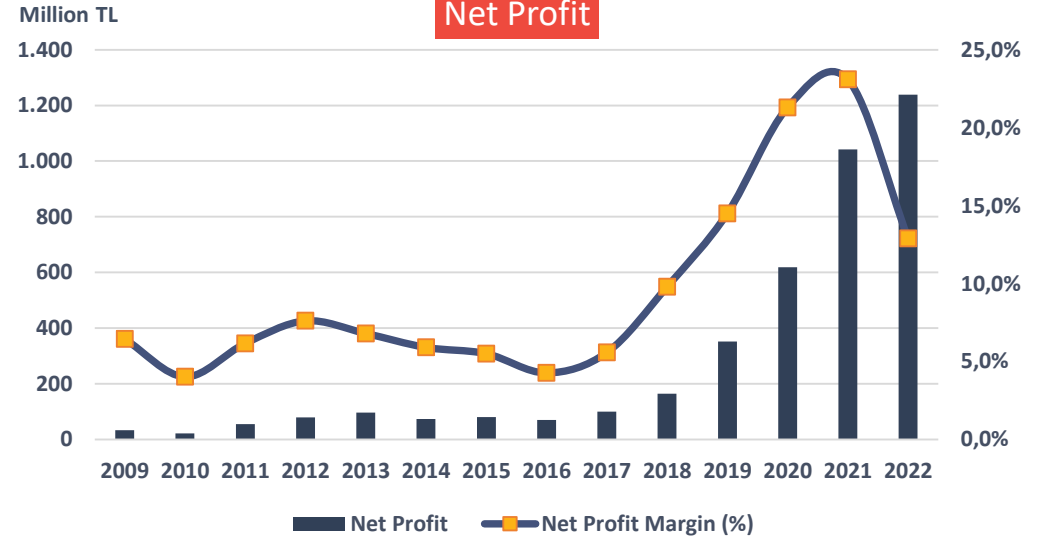
Operating Profit



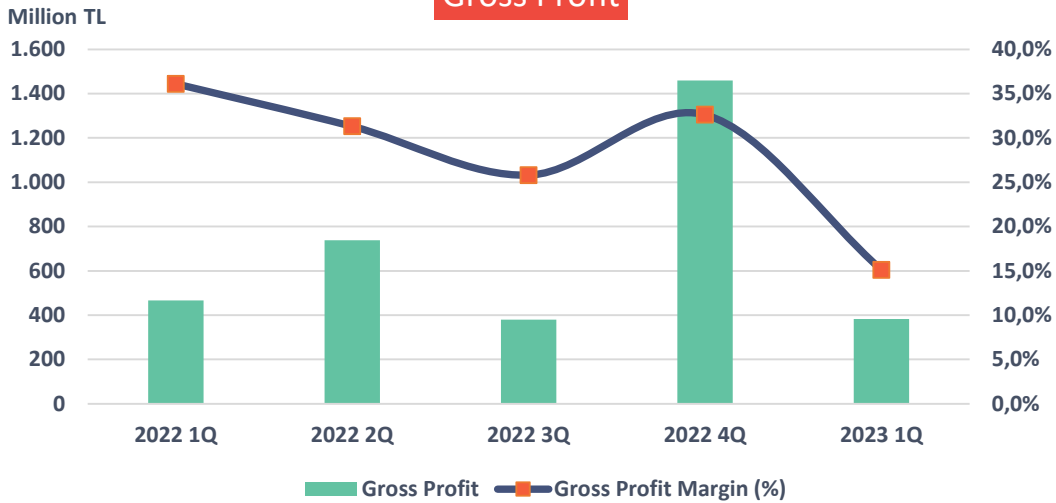
EBITDA



Net Profit



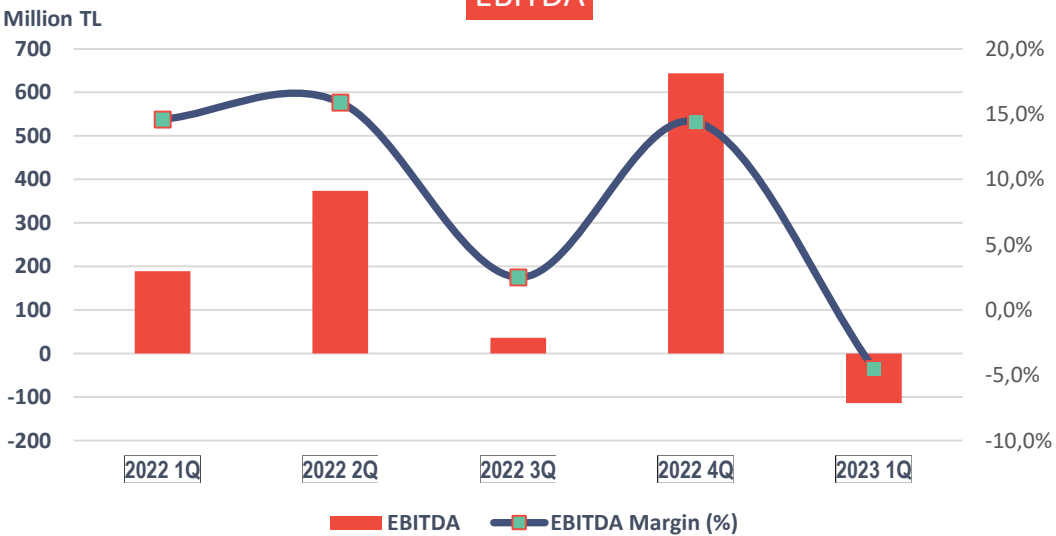
## Gross Profit



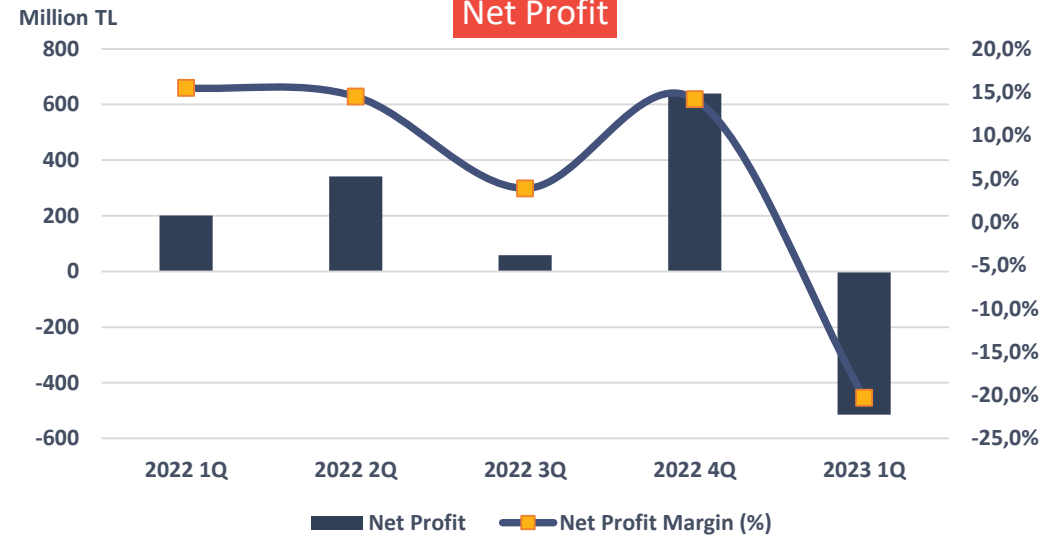
## Operating Profit



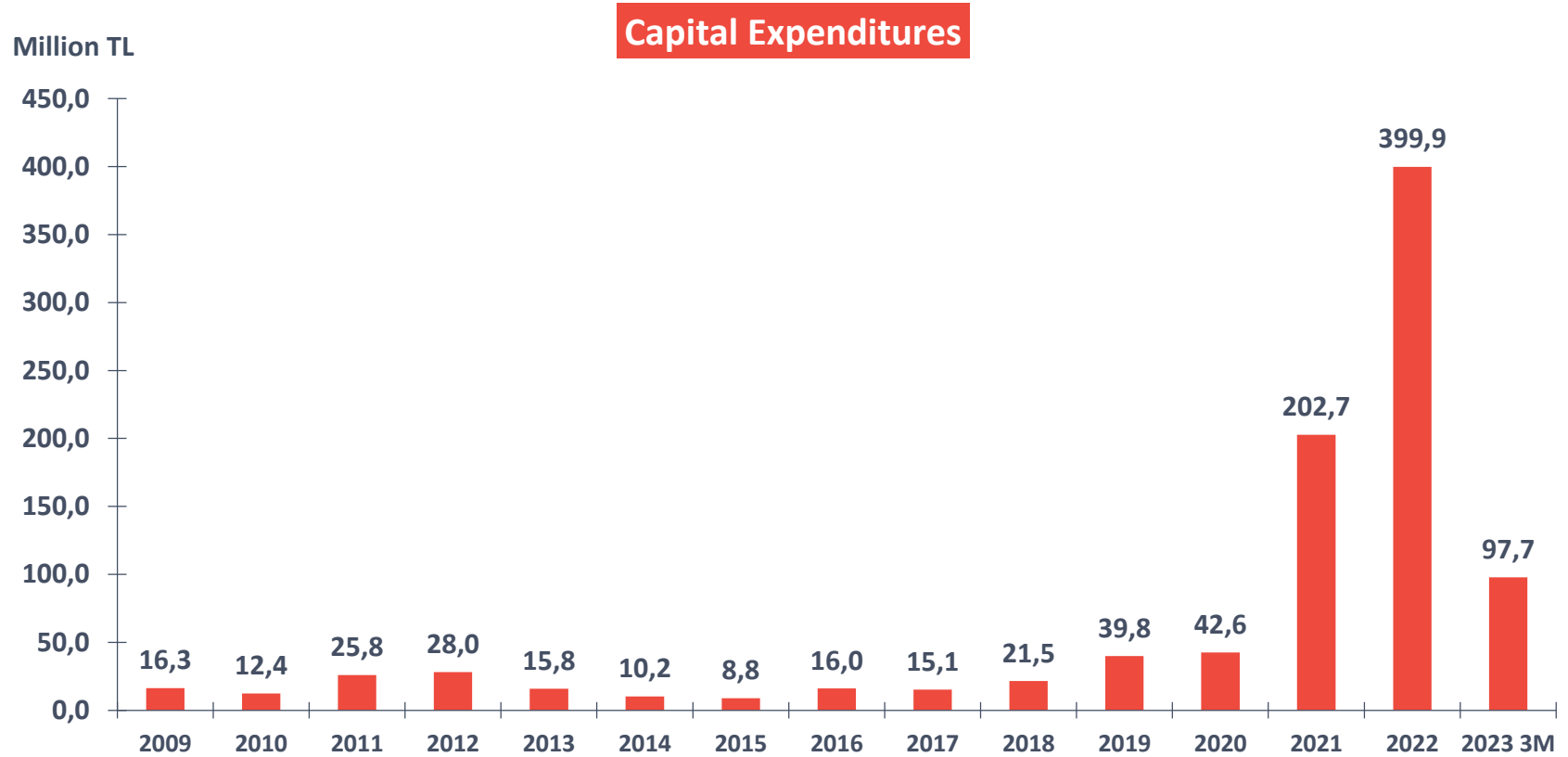
## EBITDA

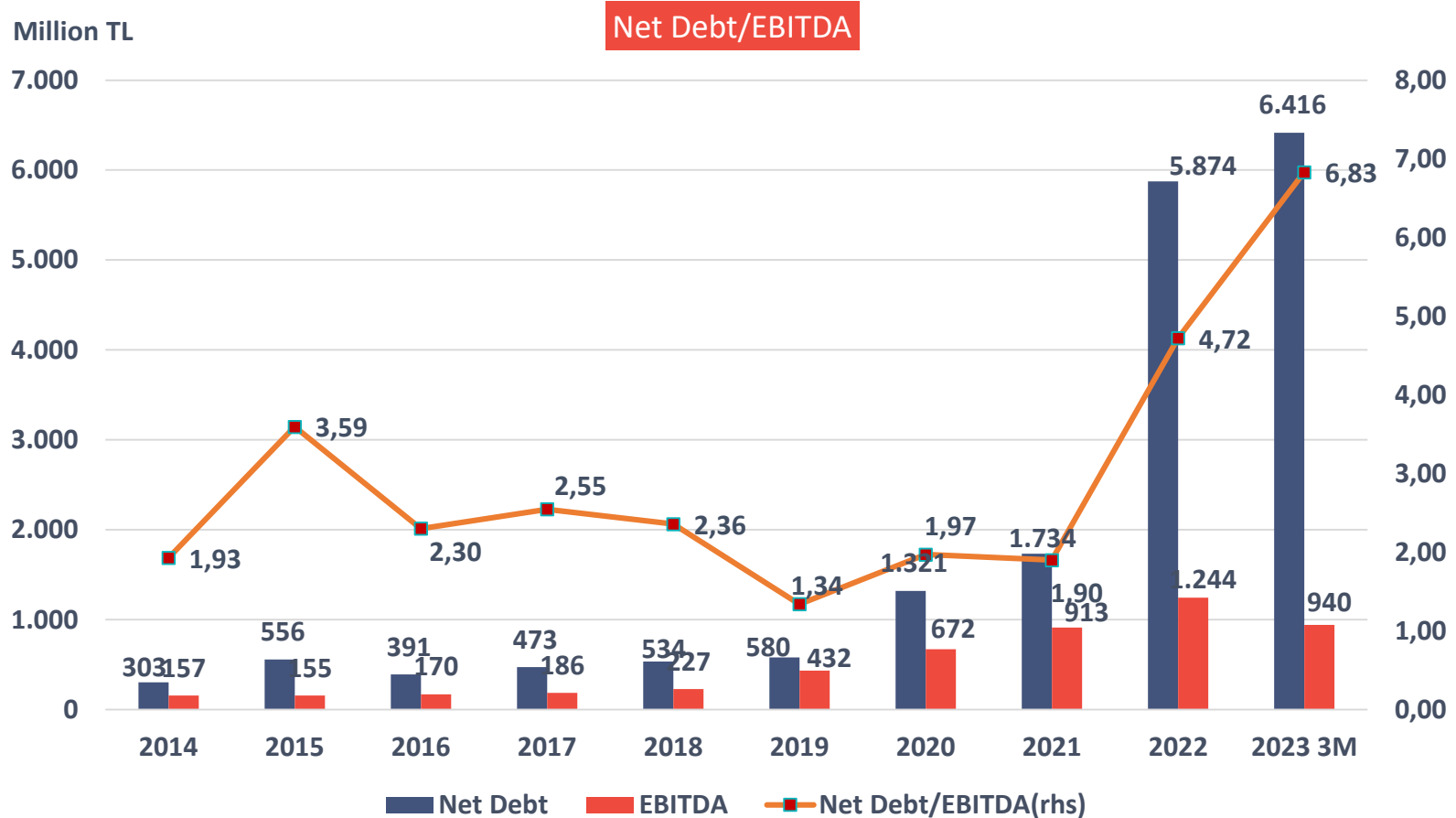


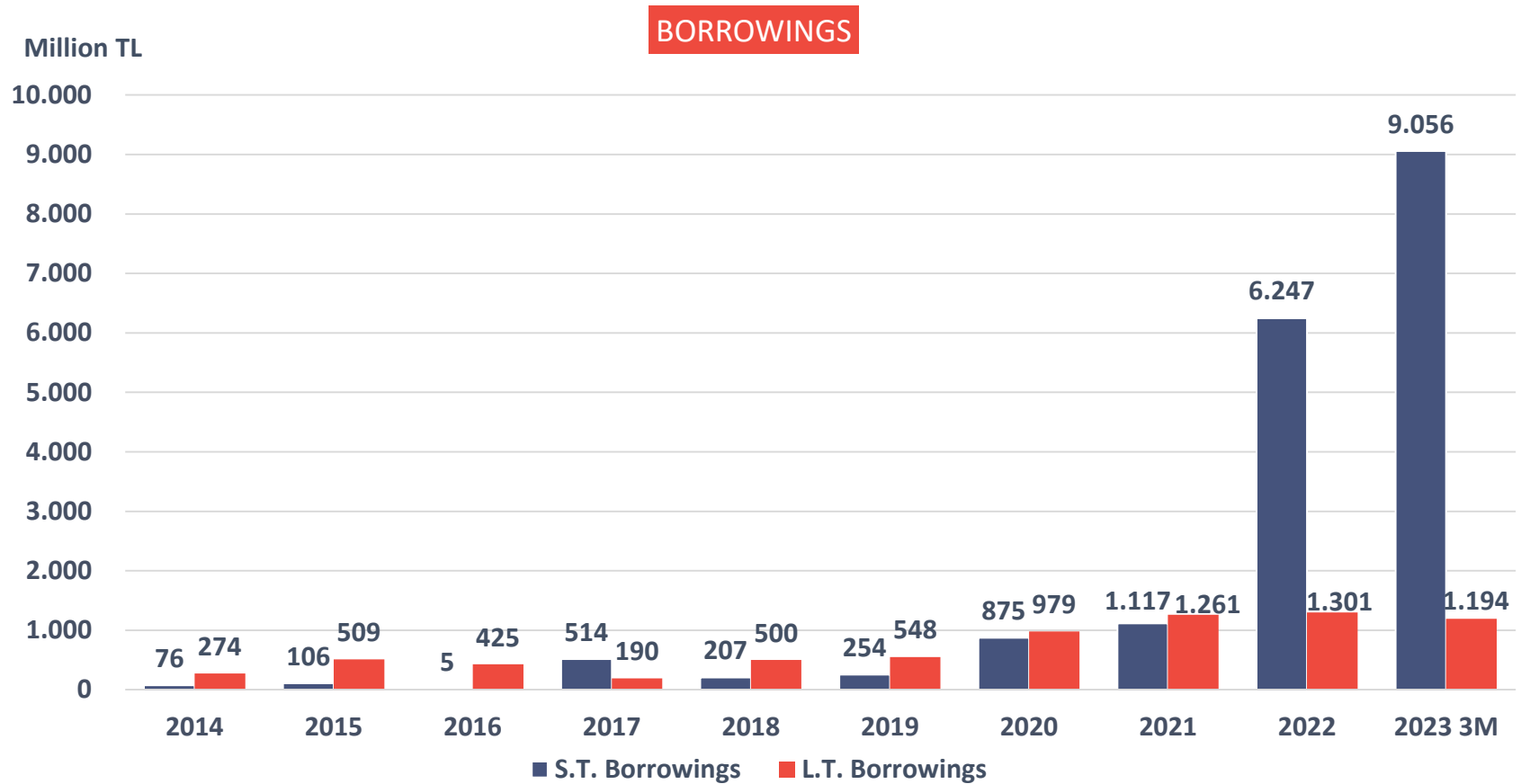
## Net Profit



Ratios	2018	2019	2020	2021	2022	2022 3M	2023 3M
ROE	42,2%	55,1%	61,4%	69,6%	58,9%	16,8%	-33,6%
EBITDA Margin	13,5%	17,8%	23,1%	20,2%	12,9%	14,6%	-4,5%
Net Margin	9,8%	14,5%	21,3%	23,1%	12,9%	15,5%	-20,3%
Net Debt/Equity	1,4	0,9	1,3	1,2	2,8	1,6	4,2
Net Debt/EBITDA	2,4	1,3	2,0	1,9	4,7	1,9	6,8
ST. Borrowing/Total Borrowings	0,38	0,39	0,49	0,48	0,71	0,49	0,80
Equity/Total Assets	0,17	0,24	0,23	0,25	0,15	0,20	0,09
Current Ratio	2,1	1,9	1,5	1,4	1,1	1,3	1,0



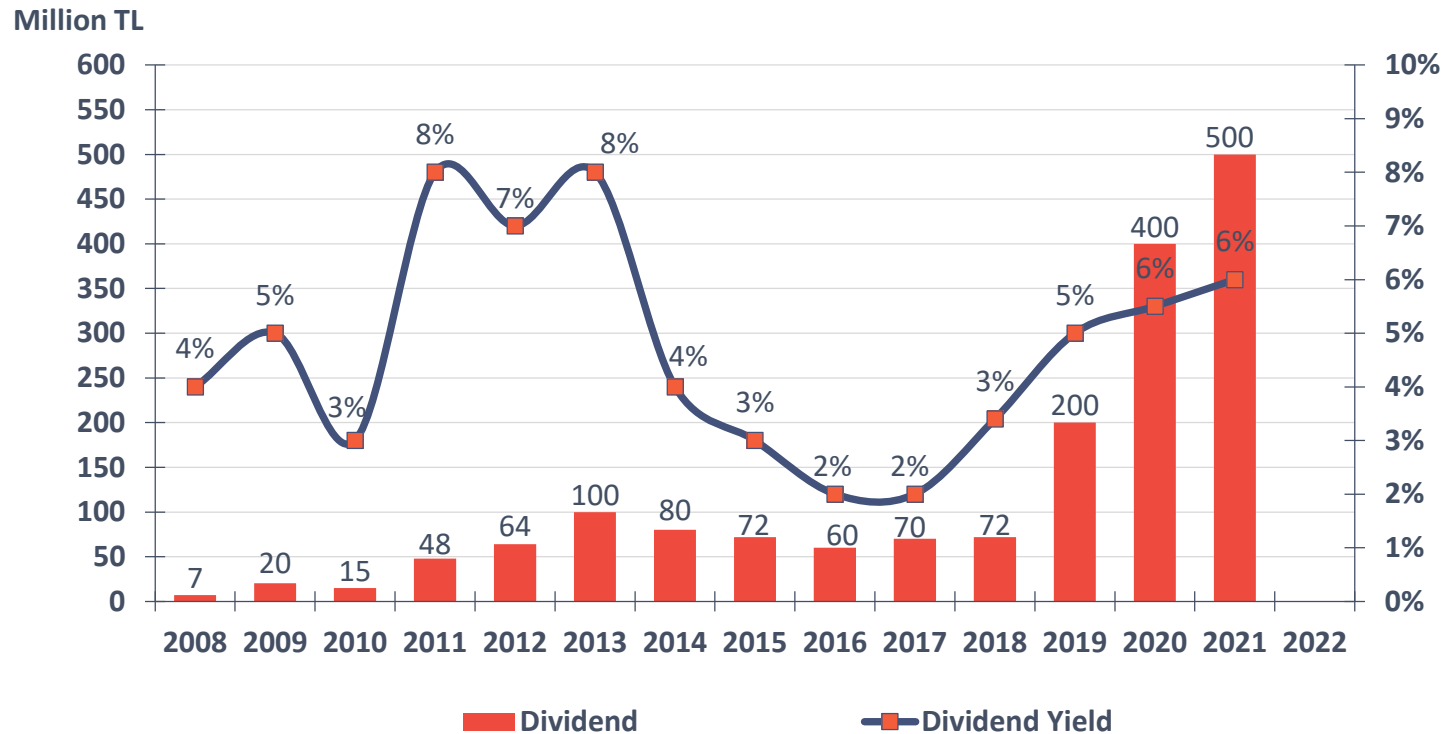




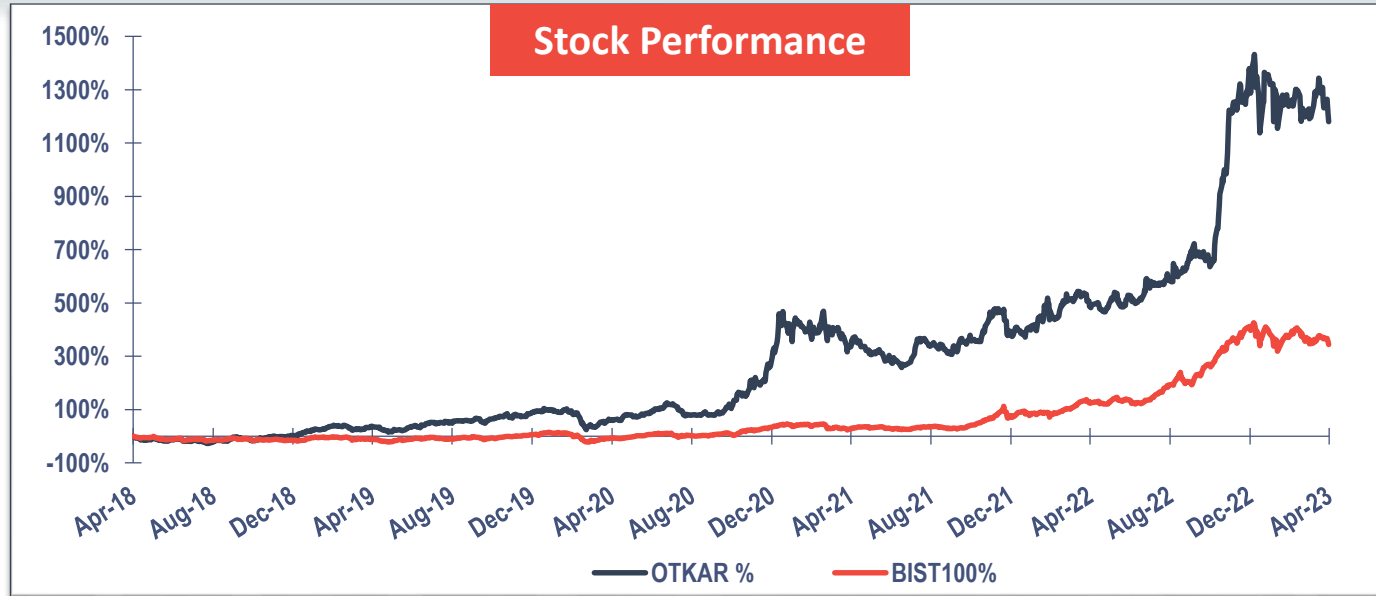
- Exchange rate risk and liquidity are monitored actively and the maturity of the borrowings and the currency type is determined by taking into consideration of the foreign currency position and liquidity risk.



## Dividend Yield

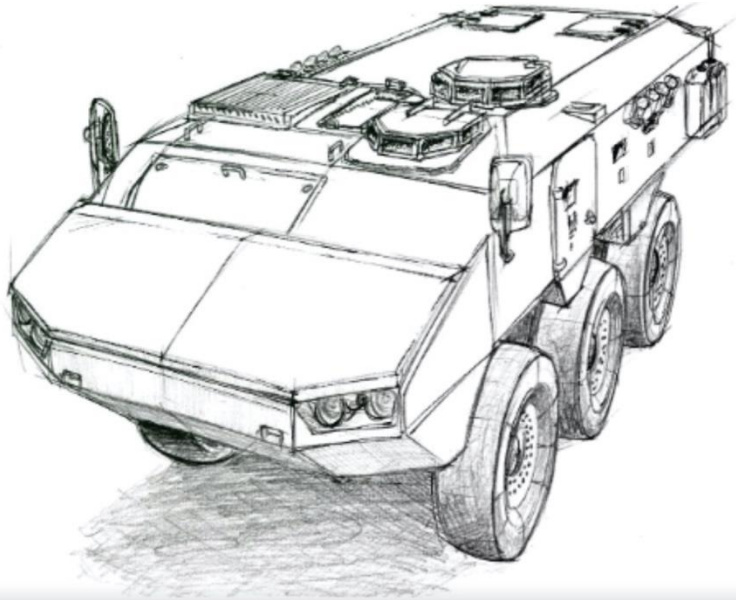


- Consistent dividend distribution is an indication of the importance given to creating shareholder value.





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 **627 R&D center employee**

Total R & D spending over the last 10 years **2.1 billion TL**

10 year R & D expenditures in turnover **7%**

## 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





60TH ORDINARY GENERAL ASSEMBLY OF OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş. HELD ON 13.03.2023.

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 95.60 (9.56 out of 10)**

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%	94,30
<b>Total</b>	<b>100%</b>	<b>95,60</b>





## Otokar Investor Relations Department

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Authorized Person	Position	E-Mail	Phone	Internal
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Corporate Governance



General Meetings

Financial Results



Investor Presentations



Disclosures/ Announcements

