

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**OTOKAR OTOMOTİV VE SAVUNMA  
SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS AND EXPLANATORY  
NOTES FOR THE PERIOD 1 JANUARY - 31  
MARCH 2024**

**CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED  
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**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT  
FOR THE PERIOD 1 JANUARY - 31 MARCH 2024**

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TURKISH**

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 31 MARCH 2024 AND 31 DECEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	<b>Notes</b>	<b>(Unaudited) 31 March 2024</b>	<b>(Audited) 31 December 2023</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	3,954,239	7,865,490
Trade receivables	9	8,263,585	9,850,266
<i>Due from related parties</i>	22	2,737,858	3,814,054
<i>Due from third parties</i>	9	5,525,727	6,036,212
Other receivables		5,007	4,896
Inventories	10	11,334,936	8,549,569
Prepaid expenses	14	203,234	194,074
Other current assets	14	525,309	1,257,279
<b>Total current assets</b>		<b>24,286,310</b>	<b>27,721,574</b>
<b>Non-current assets</b>			
Trade receivables	9	493,777	566,219
Other receivables		16,443	10,288
Investments accounted by equity method	5	76,636	98,215
Financial investment	7	30,019	33,008
Property, plant and equipment	11	3,412,321	3,448,343
Right of use assets	11	115,693	117,031
Intangible assets	12	4,719,166	4,457,234
Goodwill		48,354	52,074
Other intangible assets	12	4,670,812	4,405,160
Deferred tax assets	20	1,128,770	895,630
Prepaid expenses	14	36,901	30,505
<b>Total non-current assets</b>		<b>10,029,726</b>	<b>9,656,473</b>
<b>Total assets</b>		<b>34,316,036</b>	<b>37,378,047</b>

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

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**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 31 MARCH 2024 AND 31 DECEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	(Unaudited) 31 March 2024	(Audited) 31 December 2023
<b>Liabilities</b>			
<b>Current liabilities</b>			
Short-term borrowings	6	10,427,161	14,955,736
<i>Bank loans</i>	6	10,369,747	14,888,300
<i>Lease liabilities</i>	6	57,414	67,436
Short-term portion of long-term borrowings	6	796,215	951,117
<i>Bank loans</i>	6	207,543	861,211
<i>Issued debt instruments</i>	6	588,672	89,906
Trade payables	9	3,962,779	4,716,301
<i>Due to related parties</i>	22	344,975	640,501
<i>Due to other parties</i>	9	3,617,804	4,075,800
Derivative financial instruments	8	36,093	29,747
Employee benefit obligations	14	363,413	471,994
Other payables		130,794	40,613
Liabilities from customer contracts	14	797,850	888,524
Government incentives		2,921	4,790
Current income tax payables	20	21,069	24,243
Short-term provisions	13	1,464,188	1,901,394
<i>Provisions for employee benefits</i>	13	158,774	125,577
<i>Other provisions</i>	13	1,305,414	1,775,817
Other current liabilities	14	752,844	73,092
<b>Total current liabilities</b>		<b>18,755,327</b>	<b>24,057,551</b>
<b>Non-current liabilities</b>			
Long-term borrowings	6	6,066,551	2,655,778
<i>Bank loans</i>	6	4,976,749	824,346
<i>Lease liabilities</i>	6	89,802	105,478
<i>Issued debt instruments</i>	6	1,000,000	1,725,954
Government incentives		12,704	22,970
Long-term provisions	13	413,421	385,467
<i>Provisions for employee benefits</i>	13	413,421	385,467
Liabilities from customer contracts	14	598,117	702,384
<b>Total non-current liabilities</b>		<b>7,090,793</b>	<b>3,766,599</b>
<b>Total liabilities</b>		<b>25,846,120</b>	<b>27,824,150</b>
<b>Equity</b>			
Paid-in share capital	25	120,000	120,000
Inflation adjustment on share capital		1,393,187	1,393,187
Restricted reserves		1,170,415	1,099,015
Accumulated other comprehensive income (expense) that will not be reclassified to statement of profit (loss)		(439,105)	(384,797)
<i>Defined benefit plans remeasurement gains (losses)</i>		(439,105)	(384,797)
Accumulated other comprehensive income (expense) that will be reclassified to statement of profit (loss)		(801,575)	(909,221)
<i>Currency translation differences</i>		(801,575)	(909,221)
Retained earnings or losses		7,444,313	5,971,305
Net profit or loss for the period		(417,319)	2,264,408
<b>Total equity</b>		<b>8,469,916</b>	<b>9,553,897</b>
<b>Total liabilities and equity</b>		<b>34,316,036</b>	<b>37,378,047</b>

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED  
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TURKISH**

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME AS OF 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

		<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>Notes</b>	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Revenue	15	4,895,917	4,379,983
Cost of sales (-)	15	(4,282,469)	(4,469,714)
<b>GROSS PROFIT (LOSS)</b>		<b>613,448</b>	<b>(89,731)</b>
Marketing expenses (-)	16	(453,873)	(272,063)
General administrative expenses (-)	16	(815,527)	(576,027)
Research and development expenses (-)	16	(223,781)	(223,511)
Other operating income	17	954,611	455,313
Other operating expenses (-)	17	(434,117)	(169,013)
<b>OPERATING PROFIT (LOSS)</b>		<b>(359,239)</b>	<b>(875,032)</b>
Income from investing activities		722	674
Profit (loss) from investments accounted by equity method	5	(17,793)	(20,872)
<b>OPERATING INCOME (EXPENSE) BEFORE FINANCIAL INCOME (EXPENSE)</b>		<b>(376,310)</b>	<b>(895,230)</b>
Financial income	18	339,576	356,786
Financial expense (-)	19	(1,434,125)	(960,525)
Monetary gain (loss)		838,503	1,278,538
<b>PROFIT (LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS</b>		<b>(632,356)</b>	<b>(220,431)</b>
<b>Income (expense) tax from continuing operations</b>			
Current year tax expense / (income)	20	-	(239,536)
Deferred tax income (expense)	20	215,037	(218,995)
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>(417,319)</b>	<b>(678,962)</b>
<b>Items that will not be reclassified to profit or loss</b>			
Defined benefit plans remeasurement gains (losses)	13	(72,411)	(106,865)
Deferred tax income (expense)	20	18,103	21,374
<b>Items that will be reclassified to profit or loss</b>			
Currency translation differences of investments accounted by equity method		7,366	9,386
Currency translation differences		100,280	(82,670)
<b>Other comprehensive income (expense)</b>		<b>53,338</b>	<b>(158,775)</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE)</b>		<b>(363,981)</b>	<b>(837,737)</b>
<b>Earnings (losses) per share (Kr)</b>	21	<b>(3.478)</b>	<b>(28.290)</b>

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**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS  
ENDED 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

				Accumulated other comprehensive income (expense) that will not be reclassified to statement of profit (loss)	Accumulated other comprehensive income (expense) that will be reclassified to statement of profit (loss)			
	Paid-in share capital	Inflation adjustment on share capital	Restricted reserve	Remeasurement losses on defined benefit plans	Currency translation differences	Retained earnings	Net profit for the period	Total equity
<b>31 March 2023</b>								
<b>Beginning of the period</b>	<b>24,000</b>	<b>1,418,029</b>	<b>1,099,015</b>	<b>(283,434)</b>	<b>(789,658)</b>	<b>3,720,393</b>	<b>2,322,102</b>	<b>7,510,447</b>
Transfers	-	-	-	-	-	2,322,102	(2,322,102)	-
Dividends paid	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(85,491)	(73,284)	-	(678,962)	(837,737)
<b>Closing balances</b>	<b>24,000</b>	<b>1,418,029</b>	<b>1,099,015</b>	<b>(368,925)</b>	<b>(862,942)</b>	<b>6,042,495</b>	<b>(678,962)</b>	<b>6,672,710</b>
<b>31 March 2024</b>								
<b>Beginning of the period</b>	<b>120,000</b>	<b>1,393,187</b>	<b>1,099,015</b>	<b>(384,797)</b>	<b>(909,221)</b>	<b>5,971,305</b>	<b>2,264,408</b>	<b>9,553,897</b>
Transfers	-	-	71,400	-	-	2,193,008	(2,264,408)	-
Dividends paid	-	-	-	-	-	(720,000)	-	(720,000)
Total comprehensive income	-	-	-	(54,308)	107,646	-	(417,319)	(363,981)
<b>Closing balances</b>	<b>120,000</b>	<b>1,393,187</b>	<b>1,170,415</b>	<b>(439,105)</b>	<b>(801,575)</b>	<b>7,444,313</b>	<b>(417,319)</b>	<b>8,469,916</b>

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

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**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	(Unaudited) 1 January – 31 March 2024	(Unaudited) 1 January – 31 March 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit/ (loss) for the period		(417,319)	(678,962)
<b>Adjustments to reconcile net profit/ (loss)</b>		<b>1,563,048</b>	<b>1,248,628</b>
<b>Adjustments for depreciation and amortization</b>	11,12	<b>289,299</b>	<b>306,283</b>
<b>Adjustments in relation to impairment</b>		<b>35,592</b>	<b>(120,117)</b>
- Provision for doubtful receivables	9	(20,081)	(18,892)
- Provision for inventories	10	55,673	(101,225)
<b>Adjustments in relation to provision</b>		<b>(117,153)</b>	<b>(20,122)</b>
- Provision for employee benefits	13	78,117	48,328
- Provision for warranty expenses	13	188,900	135,295
- Adjustments for other provisions		(384,170)	(203,745)
<b>Adjustments in relation to interest income and expenses</b>		<b>845,867</b>	<b>514,580</b>
- Adjustment in relation to interest income	18	(313,586)	(271,404)
- Adjustment in relation to interest expense	19	1,159,453	785,984
<b>Adjustments in relation to unrealised foreign exchange gains and losses</b>	6	<b>229,625</b>	<b>69,439</b>
<b>Adjustments in relation to fair value losses (gains)</b>		<b>29,895</b>	<b>134,595</b>
Fair value losses/(gains) on financial assets		2,989	2,411
Fair value losses/(gains) on financial derivative instruments		26,906	132,184
<b>Adjustments for undistributed profits of investments accounted by equity method</b>		<b>17,793</b>	<b>20,872</b>
- Adjustments for undistributed profits of joint ventures	5	17,793	20,872
<b>Adjustment on tax (income)/ expense</b>		<b>(215,037)</b>	<b>458,531</b>
<b>Adjustments in relation to losses (gains) on sales of property, plant and equipment</b>		<b>(722)</b>	<b>(674)</b>
- Losses (gains) on sale of property, plant and equipment		(722)	(674)
- Monetary(gain)/losses		447,889	(114,759)
<b>Changes in net working capital</b>		<b>(2,192,884)</b>	<b>843,104</b>
<b>Decrease/(increase) in trade receivables</b>		<b>336,959</b>	<b>211,156</b>
<b>Decrease/(increase) in inventories</b>		<b>(2,841,040)</b>	<b>(604,406)</b>
<b>Increase/(decrease) in trade payables</b>		<b>(136,085)</b>	<b>(10,672)</b>
<b>Increase/(decrease) in other working capital</b>		<b>447,282</b>	<b>1,247,026</b>
- Decrease/(increase) in other assets related to activities		616,781	200,365
- Increase/(decrease) in other liabilities related to activities		(169,499)	1,046,661
<b>Cash flows from operations</b>		<b>(1,047,155)</b>	<b>1,412,770</b>
<b>Payments in relation to employee benefits</b>	13	<b>(19,545)</b>	<b>(81,019)</b>
<b>Payments in relation to other provisions</b>	13	<b>(171,041)</b>	<b>(99,617)</b>
<b>Other cash collections/(payments)</b>		<b>(16,666)</b>	<b>(7,546)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash outflows for the acquisition of shares of other businesses or funds or debt instruments</b>		<b>(3,097)</b>	<b>-</b>
<b>Proceeds from sale of property, plant and equipment and intangible assets</b>		<b>722</b>	<b>674</b>
- Proceeds from sale of property, plant and equipment		722	674
<b>Cash outflows due to purchase of property, plant and equipment and intangible assets</b>		<b>(499,966)</b>	<b>(845,104)</b>
- Cash outflows due to purchase of property, plant and equipment	11	(41,728)	(90,102)
- Cash outflows due to purchase of intangible assets	12	(458,238)	(755,002)
<b>Interest received</b>		<b>264,461</b>	<b>182,176</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash inflow from to borrowings</b>		<b>7,364,267</b>	<b>7,107,002</b>
- Proceeds from bank borrowings	6	7,364,267	7,107,002
<b>Cash outflow due to repayment of borrowings</b>		<b>(7,552,683)</b>	<b>(3,301,437)</b>
- Repayments of borrowings	6	(7,552,683)	(3,301,437)
<b>Cash outflows on debt payments from leasing agreements</b>	6	<b>(17,289)</b>	<b>(11,223)</b>
<b>Interest paid</b>		<b>(1,159,453)</b>	<b>(785,984)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF CURRENCY TRANSLATION DIFFERENCES</b>			
		<b>(2,857,445)</b>	<b>3,570,692</b>
<b>Effect of currency translation difference on cash and cash equivalents</b>		<b>(1,029,714)</b>	<b>(352,652)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(2,857,445)</b>	<b>3,570,692</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	4	<b>7,792,273</b>	<b>3,158,250</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	4	<b>3,905,114</b>	<b>6,376,290</b>

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## OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

#### 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 industry and off-road vehicles, military vehicles, minibuses, midibuses and autobuses, light truck comprise the majority of its production.

The registered addresses of the Group are as follows:

Headquarters: Aydınevler Mahallesi, Saygı Cad. No: 58 34854 Maltepe/İstanbul

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

The information regarding the subsidiary of the Group within the scope of consolidation is as follows:

<b>Subsidiaries</b>	<b>Country</b>	<b>Main activity</b>	<b>Field of activity</b>
Otokar Europe SAS	France	Sales and marketing	Automotive
Otokar Land Systems LLC	United Arab Emirates	Sales and marketing	Automotive and defense industry
Otokar Europe Filiala Bucuresti SRL	Romania	Sales and marketing	Automotive
Otokar Central Asia Limited	Kazakhstan	Sales and marketing	Automotive and defense industry
<b>Joint Ventures</b>	<b>Country</b>	<b>Main activity</b>	<b>Field of activity</b>
Al Jasoor Heavy Vehicle Industry	United Arab Emirates	Sales and marketing	Automotive and defense industry

Otokar and its subsidiaries and joint ventures will be referred as the “Group” for the purpose of the preparation of this consolidated financial statements.

Otokar Central Asia Limited Company was established on 5 November 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 interim condensed consolidated financial statements.

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

	<b>31 March 2024</b>		<b>31 December 2023</b>	
	<b>Period end</b>	<b>Average</b>	<b>Period end</b>	<b>Average</b>
<b>Total personnel number</b>	3,575	3,561	3,580	3,069

The interim condensed consolidated financial statements for the period ended 31 March 2024 were approved by the Board of Directors of Otokar on 10 May 2024. Consolidated financial statements may be changed by the General Assembly.

Otokar is registered to the Capital Market Board (“CMB”) and its shares are listed on the Borsa Istanbul A.Ş. (“BIST”) since 1995. As of 31 March 2024, 27.85% of the shares of Otokar are quoted on the BIST.



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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

**NOTE 1 - GROUP’S ORGANIZATION AND NATURE OF OPERATIONS (Continued)**

As of 31 March 2024, the principal shareholders and their respective shareholding percentages are as follows:

	(%)
Koç Holding A.Ş.	44.68
Ünver Holding A.Ş.	24.81
Other	30.51
	<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 Basis of presentation of consolidated financial statements**

The interim condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”) and interpretations promulgated by the Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) in line with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (the “Communiqué”) announced by the Capital Markets Board of Turkey (“CMB”) on 13 March 2013 which is published on Official Gazette numbered 28676. TFRS are updated by the communiqués in harmony with the changes and updates in International Financial Reporting Standards (“IFRS”).

For the period ended 31 March 2024, interim condensed consolidated financial statements are prepared in accordance with the Turkish Accounting Standard No.34 for the preparation of interim financial reporting of TFRS. Therefore interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of 31 December 2023.

The consolidated financial statements are presented in accordance with the formats specified in the ‘Announcement on TMS Taxonomy’ and ‘Financial Table Samples Usage Guide’ published by the POA on 4 October 2022.

The consolidated financial statements have been prepared from statutory financial statements with adjustments and reclassifications for the purpose of fair presentation in accordance with Turkish Accounting Standards as prescribed by POA. The adjustments are mainly related with deferred taxation, retirement pay liability, depreciation calculation of fixed assets in accordance with useful life and prorate basis, accounting of provisions, reclassification of deferred maintenance income and discount of receivables and payables.

# 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 FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

#### 2.1 Basis of presentation of consolidated financial statements (Continued)

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except derivative financial assets and liabilities carried at fair value.

#### 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 which the entity operates (“the functional currency”). The interim condensed 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.

#### Financial reporting in hyperinflationary economy

Entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 March 2024 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared on a historical cost basis, except for financial investments measured at fair value and investment properties measured at revalued amounts.

Financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish lira and, as a result, are expressed in terms of purchasing power of Turkish lira as of 31 March 2024 as per TAS 29.

On the application of TAS 29, the entity used the conversion coefficient derived from the Customer Price Indexes (CPI) published by Turkey Statistical Institute according to directions given by POA. The CPI for current and previous year periods and corresponding conversion factors since the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e., since 1 January 2005, were as follow:

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#### NOT 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

##### 2.1 Basis of presentation of consolidated financial statements (Continued)

Year-end	Index	Index, %	Conversion Factor
2004	113.86	13.86	16.33041
2005	122.65	7.72	15.16005
2006	134.49	9.65	13.82541
2007	145.77	8.39	12.75557
2008	160.44	10.06	11.58925
2009	170.91	6.53	10.87929
2010	181.85	6.40	10.22480
2011	200.85	10.45	9.25756
2012	213.23	6.16	8.72007
2013	229.01	7.40	8.11921
2014	247.72	8.17	7.50597
2015	269.54	8.81	6.89835
2016	292.54	8.53	6.35599
2017	327.41	11.92	5.67906
2018	393.88	20.30	4.72068
2019	440.50	11.84	4.22107
2020	504.81	14.60	3.68333
2021	686.95	36.08	2.70672
2022	1,128.45	64.27	1.64773
2023	1,859.38	64.77	1.15060
2024	2,139.47	68.50	1.00000

Assets and liabilities were separated into those that were monetary and non-monetary, with non-monetary items were further divided into those measured on either a current or historical basis to perform the required restatement of financial statements under TAS 29. Monetary items (other than index -linked monetary items) and non-monetary items carried at amounts current at the end of the reporting period were not restated because they are already expressed in terms of measuring unit as of 31 March 2024. Non-monetary items which are not expressed in terms of measuring unit as of 31 March 2024 were restated by applying the conversion factors. The restated amount of a non-monetary item was reduced, in accordance with appropriate TFRSs, in cases where it exceeds its recoverable amount or net realizable value. Components of shareholders' equity in the statement of financial position and all items in the statement of profit or loss and other comprehensive income have also been restated by applying the conversion factors.

Non-monetary items measured at historical cost that were acquired or assumed and components of shareholders' equity that were contributed or arose before the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e. before 1 January 2005, were restated by applying the change in the CPI from 1 January 2005 to 31 March 2024.

The application of TAS 29 results in an adjustment for the loss of purchasing power of the Turkish lira presented in Net Monetary Position Gains (Losses) item in the profit or loss section of the statement of profit or loss and comprehensive income. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power and an entity with an excess of monetary liabilities over monetary assets gains purchasing power to the extent the assets and liabilities are not linked to a price level. This gain or loss on the net monetary position is derived as the difference resulting from the restatement of non-monetary items, owners' equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities.

In addition, in the first reporting period in which TAS 29 is applied, the requirements of the Standard are applied as if the economy had always been hyperinflationary. Therefore, the statement of financial position at the beginning of the earliest comparative period, i.e. as of 1 January 2022, was restated as the base of all subsequent reporting. Restated retained earnings/losses in the statement of financial position as of 1 January 2022 was derived as balancing figure in the restated statement of financial position.

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**NOT 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**2.1 Basis of presentation of consolidated financial statements (Continued)**

**2.2 Changes in the accounting estimates and errors**

The Group consistently recognizes, values and presents similar transactions, events and situations in the interim condensed consolidated financial statements. Identified significant accounting errors are applied retrospectively and prior period financial statements are restated. 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 estimates used in the preparation of these interim condensed consolidated financial statements for the period ended 31 March 2024 are consistent with those used in the preparation of consolidated financial statements for the year ended 31 December 2023.

**2.3 Changes in accounting policies**

Changes in accounting policies are made when the effects of transactions and events on the consolidated financial position, performance or cash flows of the Group will result in a more appropriate and reliable presentation in the consolidated financial statements. If optional changes in accounting policies affect previous periods, the policy is applied retrospectively in the consolidated financial statements as if it had always been in use. Accounting policy changes resulting from the application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions of that standard, if any. Changes without any transitional provisions are applied retrospectively.

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**NOT 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.3 Changes in accounting policies (Continued)**

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

The accounting policies adopted in preparation of the consolidated financial statements as of March 31, 2024 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, 2024 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, 2024 are as follows:**

**Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities**

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity’s right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period (“future covenants”), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

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

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

##### 2.3 Changes in accounting policies (Continued)

###### Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16. *The amendments did not have a significant impact on the financial position or performance of the Group.*

###### Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. *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.

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

**2.3 Changes in accounting policies (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, 2025 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.

**iii) The amendments which are effective immediately upon issuance**

**Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules**

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

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

**iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

The following amendments to IAS 21 and IFRS 18 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

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

**2.3 Changes in accounting policies (Continued)**

**Amendments to IAS 21 - Lack of exchangeability**

In August 2023, IASB issued amendments to IAS 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. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

**IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements**

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 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 IAS 7, IAS 8 and IAS 34.

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



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

**2.4 Significant accounting policies**

**Group accounting**

The interim condensed 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 interim condensed consolidated financial statements and have been prepared in accordance with TFRS.

The table below sets out the subsidiaries and joint ventures of the Company and shows the total interest of the Company in these companies at 31 March 2024 and 31 December 2023:

Subsidiaries	2024		2023	
	Ownership (%)	Rate of effective interest (%)	Ownership (%)	Rate of effective interest (%)
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 SRL	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	-	-

*Joint Ventures*

Joint Ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Otokar and one or more other parties. Otokar exercises such joint control through direct and indirect voting rights related to the shares held by itself and/or through the voting rights related to the shares held by Otokar and the companies owned by them.

Under the equity method, the investment in a joint venture is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor’s share of profit or loss of the investee after the date of the acquisition. The investor’s share of the profit or loss of the investee is recognised in the investor’s profit or loss. Distributions (dividends etc.) received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount are necessary for the change in the investor’s proportionate interest in the investee arising from changes in the investee’s other comprehensive income.

The table below sets out all joint ventures and shows the direct and indirect ownership and proportion of effective interest of the Group in these joint ventures at 31 March 2024 and 31 December 2023:

Join Venture	Ownership (%)	Rate of effective interest (%)	Ownership (%)	Rate of effective interest (%)
Al Jasoor Heavy Vehicle Industry LLC (*)	49.00	49.00	49.00	49.00

(\*) 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 28 May 2017 with the purpose of selling and marketing in the UAE.

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**NOTE 3 - SEGMENT REPORTING**

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

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

**NOTE 4 - CASH AND CASH EQUIVALENTS**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Banks</b>		
- Time deposits	2,557,989	6,808,951
- Demand deposits	1,346,819	983,204
Other	306	118
<b>Cash and cash equivalents in the cash flow statement</b>	<b>3,905,114</b>	<b>7,792,273</b>
Interest accrual	49,125	73,217
	<b>3,954,239</b>	<b>7,865,490</b>

As of March 31, 2024, all of the time deposit accounts with a total amount of TL 2,557,889 thousand are denominated in TL and the effective interest rate is 48.13% per annum with a maturity of 34 days.

(As of 31 December 2023, TRY 428,067 thousand of the total amount of time deposits amounting to TRY 6,808,951 thousand is denominated in foreign currency and the annual effective interest rate is 0.01% and has a maturity of 1 days. The annual effective interest rate of the remaining TRY 6,380,884 thousand is 44.93% and has a maturity of 30 days.)

As of 31 March 2024, the Group has restricted bank deposit amounting to TRY 0,02 thousand (31 December 2023: TRY 3,524 thousand).

**NOTE 5 - INVESTMENTS ACCOUNTED BY EQUITY METHOD**

The details of carrying value and ownership rate subject to equity accounting of the joint venture is as follows:

<b>Joint ventures</b>	<b>2024</b>		<b>2023</b>	
	<b>(%)</b>	<b>Amount</b>	<b>(%)</b>	<b>Amount</b>
Al Jasoor	49	76,636	49	98,215
		<b>76,636</b>		<b>98,215</b>

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**NOTE 5 - INVESTMENTS ACCOUNTED BY EQUITY METHOD (Continued)**

The movements of joint ventures for the periods ended on 31 March 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>Beginning- 1 January</b>	<b>98,215</b>	<b>457,025</b>
Shares of profit/(loss)	(17,793)	(20,872)
Currency translation differences	(3,786)	(38,973)
<b>End of the period – 31 March</b>	<b>76,636</b>	<b>397,180</b>

The summary of the financial statements of Al Jasoor Heavy Vehicle Industry LLC accounted by equity method as of 31 March 2024 and 31 December 2023 is as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Total assets	342,732	639,119
Total liabilities	(186,332)	(438,680)
<b>Net assets</b>	<b>156,400</b>	<b>200,439</b>
Ownership of the Group	%49	%49
<b>Net asset share of the Group</b>	<b>76,636</b>	<b>98,215</b>

**NOTE 6 - BORROWINGS**

**Short-term financial borrowings**

<b>31 March 2024</b>	<b>Maturities</b>	<b>Annual average effective interest rate (%)</b>	<b>TRY equivalent</b>
<b>Bank loans</b>			
TRY borrowings	2 April 2024 - 17 December 2024	40.87	5,866,931
EUR borrowings	19 April 2024 - 7 March 2025	6.69	4,011,167
USD borrowings	3 April 2024 – 25 February 2025	5.55	491,649
			<b>10,369,747</b>
<b>Borrowings from lease liabilities</b>			
EUR lease liabilities	-	2.00	17,873
TRY lease liabilities	-	30.00	39,541
			<b>57,414</b>
<b>Total short-term financial liabilities</b>			<b>10,427,161</b>

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**NOTE 6 – BORROWINGS (Continued)**

**Short-term portion of long-term borrowings (\*)**

<b>31 March 2024</b>	<b>Maturities</b>	<b>Annual average effective interest rate (%)</b>	<b>TRY equivalent</b>
<b>Bank loans</b>			
TRY borrowings	2 May 2024 12 March 2025:	17.14	207,543
			<b>207,543</b>
<b>Issued debt instruments (**)</b>			
Short-term portion of issued bonds		33.00	588,672
			<b>588,672</b>
<b>Short-term portion of long-term borrowings</b>			<b>796,215</b>

(\*) Bearing fixed interest rate.

(\*\*) The Group has issued bonds amounting to TRY 500,000,000, the clearing of which was realized on 3 March 2023, to be sold to qualified investors without public offering in the country, with a 740-days maturity, 33% annual fixed interest, with a coupon payment every 6 months and an amortization date of 12 March 2025.

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**NOTE 6 - BORROWINGS (Continued)**

<b>31 March 2024</b>	<b>Maturities</b>	<b>Annual average effective interest rate (%)</b>	<b>TRY equivalent</b>
<b>Long-term borrowings (*)</b>			
<b>Bank loans</b>			
TRY Borrowings	5 August 2025 - 27 March 2026	44.18	4,976,749
			<b>4,976,749</b>
<b>Borrowings from lease liabilities</b>			
EUR borrowings		2.00	27,955
TRY borrowings		30.00	61,847
			<b>89,802</b>
<b>Issued debt instruments (**)</b>			
Long-term portion of issued bonds		44.25	1,000,000
			<b>1,000,000</b>
<b>Total long-term financial borrowings</b>			<b>6,066,551</b>

(\*) Bearing fixed interest rate.

(\*\*) The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 41,5%, semi-annual coupon payments, and a redemption date of 30 June 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 9 June 2023.

The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 47%, semi-annual coupon payments, and a redemption date of 20 October 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 18 October 2023.

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
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(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

**NOTE 6 - BORROWINGS (Continued)**

**Short-term borrowings**

<b>31 December 2023</b>	<b>Maturities</b>	<b>Annual average effective interest rate (%)</b>	<b>Amount</b>
<b>Bank loans</b>			
	13 December 2024	6.75	3,433,507
EUR borrowings	19 February 2024 –		
USD borrowings	1 November 2024	5.58	259,960
TRY borrowings	5 January 2024 –		
	17 December 2024	39.47	11,194,833
			<b>14,888,300</b>
<b>Borrowings from lease liabilities</b>			
EUR borrowings	-	2.00	46,444
TRY borrowings	-	30.00	20,992
			<b>67,436</b>
<b>Total short-term financial borrowings</b>			<b>14,955,736</b>

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**NOTE 6 - BORROWINGS (Continued)**

31 December 2023	Maturities	Annual average effective interest rate (%)	TRY Equivalent
<b>Short-term portion of long-term borrowings (*)</b>			
TRY borrowings	11 January 2024 - 18 November 2024	20.45	861,211
			<b>861,211</b>
<b>Issued debt instruments (**)</b>			
Short-term portion of issued bonds		40.50	89,906
			<b>89,906</b>
<b>Short-term portion of long-term borrowings</b>			<b>951,117</b>

(\*) Bearing fixed interest rate.

(\*\*) The Group has issued bonds amounting to TRY 500,000,000, the clearing of which was realized on 3 March 2023, to be sold to qualified investors without public offering in the country, with a 740-days maturity, 33% annual fixed interest, with a coupon payment every 6 months and an amortization date of 12 March 2025.

The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 41,5%, semi-annual coupon payments, and a redemption date of 30 June 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 9 June 2023.

The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 47%, semi-annual coupon payments, and a redemption date of 20 October 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 18 October 2023.

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**NOTE 6 - BORROWINGS (Continued)**

<b>31 December 2023</b>	<b>Maturities</b>	<b>Annual average effective interest rate (%)</b>	<b>TRY Equivalent</b>
<b>Bank Loans</b>			
TRY borrowings	4 November 2024 - 5 August 2025	14.00	824,346
			<b>824,346</b>
<b>Borrowings from lease liabilities</b>			
EUR borrowings	-	2.00	72,643
TRY borrowings	-	30.00	32,835
			<b>105,478</b>
<b>Issued debt securities (**)</b>			
Long-term portion of issued bonds		40.50	1,725,954
			<b>1,725,954</b>
<b>Total long-term financial borrowings</b>			<b>2,655,778</b>

(\*) Bearing fixed interest rate.

(\*\*) The Group has issued bonds amounting to TRY 500,000,000, the clearing of which was realized on 3 March 2023, to be sold to qualified investors without public offering in the country, with a 740-days maturity, 33% annual fixed interest, with a coupon payment every 6 months and an amortization date of 12 March 2025.

The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 41.5%, semi-annual coupon payments, and a redemption date of 30 June 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 9 June 2023.

The Group has issued a bond with a maturity of 752 days, an annual fixed interest rate of 47%, semi-annual coupon payments, and a redemption date of 20 October 2025, for a total amount of TL 500,000,000 to be sold to qualified investors without a public offering in Turkey. The swap transaction was completed on 18 October 2023.

As of 31 March 2024, the Group has not provided any guarantees for the borrowings (31 December 2023: None).

The Group has no financial commitments arising from its borrowings.



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**NOTE 6 - BORROWINGS (Continued)**

The movement of the borrowings for the years ended 31 March 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>1 January</b>	<b>18,562,631</b>	<b>14,309,439</b>
Monetary gain (loss)	(2,308,894)	(1,786,424)
Borrowing received during the period	7,364,267	7,107,002
Cash outflows related to debt payments from leasing agreements	(17,289)	(11,223)
Changes in lease obligations under TFRS 16	49,106	92,598
Principal payments (-)	(7,552,683)	(3,301,437)
Change in interest accruals	963,165	791,161
Change in exchange rates	229,625	69,439
<b>31 March</b>	<b>17,289,928</b>	<b>17,270,555</b>

**NOTE 7 - FINANCIAL INVESTMENT**

Otokar Central Asia Limited Company was established on 5 November 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.

Financial investments include Otokar’s associates amounting to TRY 147 thousand and Otokar's investments in Private Venture Capital Investment Fund amounting to TRY 29,872.

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**NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS**

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

<b>31 March 2024</b>	<b>Contract amount</b>	<b>Current period contract maturity</b>	<b>Fair value liabilities</b>
Forward transactions	2,704,231	4 April 2024 - 4 November 2024	(36,093)
Short-term derivative financial instruments	2,704,231		(36,093)
<b>Total derivative financial instruments</b>	<b>2,704,231</b>		<b>(36,093)</b>

  

<b>31 December 2023</b>	<b>Contract amount</b>	<b>Current period contract maturity</b>	<b>Fair value assets</b>
Forward transactions	4,601,633	4 January 2024– 4 November 2024	(29,747)
Short-term derivative financial instruments	4,601,633		(29,747)
<b>Total derivative financial instruments</b>	<b>4,601,633</b>		<b>(29,747)</b>

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**NOTE 9 - TRADE RECEIVABLES AND PAYABLES**

**Trade receivables**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Trade receivables, net	5,765,242	6,295,749
Notes receivables, net	4,129	4,188
<b>Subtotal</b>	<b>5,769,371</b>	<b>6,299,937</b>
Less: provision for doubtful receivables	(243,644)	(263,725)
<b>Trade receivables from third parties</b>	<b>5,525,727</b>	<b>6,036,212</b>
Trade receivables from related parties (Note 22)	2,737,858	3,814,054
<b>Short-term trade receivables</b>	<b>8,263,585</b>	<b>9,850,266</b>
Long-term trade receivables, net	493,777	566,219
<b>Long-term trade receivables</b>	<b>493,777</b>	<b>566,219</b>

As of 31 March 2024, the average maturity of short-term trade receivables is between 60-90 days (excluding notes receivables) (31 December 2023: 60-90 days).

As of 31 March 2024 and 31 December 2023, the fair values of trade receivables approximate to their carrying values due to short term maturity of those receivables.

Guarantees received for trade receivables

Receivables of the Group are mainly composed of minibus and bus sales to dealers and defense vehicle sales. As of 31 March 2024, the total trade receivable from dealers amounting to TRY 1,766,927 thousand (31 December 2023: TRY 800,905 thousand), after provision provided for doubtful receivables, has been secured by mortgages and guarantees at the amount of TRY 1,766,927 thousand (31 December 2023: TRY 800,905 thousand).

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**NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)**

Prosecution has been started for trade receivable balances which are overdue for 1-5 years.

The movement of the provision for doubtful receivables for the periods ended 31 March 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>1 January</b>	<b>263,725</b>	<b>253,783</b>
Monetary gain (loss)	(21,436)	(28,405)
Currency translation differences	1,082	9,351
Exchange differences	273	162
<b>31 March</b>	<b>243,644</b>	<b>234,891</b>

**Trade payables**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<u>Trade payables, net</u>	<u>3,617,804</u>	<u>4,075,800</u>
<b>Trade payables to third parties</b>	<b>3,617,804</b>	<b>4,075,800</b>
Trade payables to related parties (Note 22)	344,975	640,501
<b>Short-term trade payables</b>	<b>3,962,779</b>	<b>4,716,301</b>

As of 31 March 2024, average payment term for trade payables is 45-60 days (31 December 2023: 45-60 days).

As of 31 March 2024, and 31 December 2023, the fair values of trade payables approximate to their carrying values due to short-term maturity of those payables.

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**NOTE 10 - INVENTORIES**

	31 March 2024	31 December 2023
Raw materials	4,679,584	4,525,741
Finished goods	2,837,833	1,752,771
Goods in transit	1,973,323	1,302,145
Merchandises	1,162,936	1,025,053
Semi-finished goods	982,187	189,113
Less: impairment for inventories (*)	(300,927)	(245,254)
	<b>11,334,936</b>	<b>8,549,569</b>

(\*) TRY 34,082 thousand of impairment is related to finished goods (31 December 2023: TRY 9,982 thousand), TRY 8,041 thousand is related to merchandises (31 December 2023: TRY 9,252 thousands) and TRY 258,805 thousands of impairment is related to raw materials (31 December 2023: TRY 226,020 thousands). The impairment has been accounted under cost of sales.

**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT**

Movements of property, plant and equipment and related accumulated depreciation for the periods ended 31 March 2024 and 2023 is as follows:

	1 January 2024	Additions	Currency translation differences	Disposals	Transfers	31 March 2024
<b>Cost</b>						
Land	552,194	-	-	-	-	552,194
Land improvements	179,261	-	-	-	-	179,261
Buildings	1,663,864	-	-	-	-	1,663,864
Machinery and equipment	2,318,886	33	1,241	(2,207)	-	2,317,953
Motor vehicles	189,001	-	-	-	-	189,001
Furniture and fixtures	1,387,278	8,635	1,307	-	43	1,397,263
Leasehold improvements	25,642	-	-	-	-	25,642
Construction in progress	131,416	33,060	-	-	(43)	164,433
	<b>6,447,542</b>	<b>41,728</b>	<b>2,548</b>	<b>(2,207)</b>	<b>-</b>	<b>6,489,611</b>
<b>Accumulated depreciation</b>						
Land improvements	(98,335)	(1,443)	-	-	-	(99,778)
Buildings	(857,155)	(11,357)	-	-	-	(868,512)
Machinery and equipment	(1,463,14)	(29,564)	(1,047)	2,207	-	(1,491,553)
Motor vehicles	(116,354)	(3,201)	-	-	-	(119,555)
Furniture and fixtures	(446,929)	(32,025)	(899)	-	-	(479,853)
Leasehold improvements	(17,277)	(762)	-	-	-	(18,039)
	<b>(2,999,19)</b>	<b>(78,352)</b>	<b>(1,946)</b>	<b>2,207</b>	<b>-</b>	<b>(3,077,290)</b>
<b>Net book value</b>	<b>3,448,343</b>					<b>3,412,321</b>

There is no mortgage on property, plant and equipment as of 31 March 2024 (31 December 2023: None).

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**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

	1 January 2023	Additions	Currency translation differences	Disposals	Transfers	31 March 2023
<b>Cost</b>						
Land	538,109	-	-	-	-	538,109
Land improvements	177,389	-	-	-	-	177,389
Buildings	1,405,959	-	-	-	-	1,405,959
Machinery and equipment	2,114,428	4,939	725	(1,279)	-	2,118,813
Motor vehicles	172,949	-	-	-	-	172,949
Furniture and fixtures	978,227	58,943	512	(266)	-	1,037,416
Leasehold improvements	21,355	-	-	-	-	21,355
Construction in progress	88,876	26,220	-	-	-	115,096
	<b>5,497,292</b>	<b>90,102</b>	<b>1,237</b>	<b>(1,545)</b>	-	<b>5,587,086</b>
<b>Accumulated depreciation</b>						
Land improvements	(92,406)	(1,505)	-	-	-	(93,911)
Buildings	(822,020)	(8,927)	-	-	-	(830,947)
Machinery and equipment	(1,383,765)	(24,454)	(743)	1,270	-	(1,407,692)
Motor vehicles	(103,972)	(2,934)	-	-	-	(106,906)
Furniture and fixtures	(351,139)	(19,798)	(354)	57	-	(371,234)
Leasehold improvements	(14,903)	(578)	-	-	-	(15,481)
	<b>(2,768,205)</b>	<b>(58,196)</b>	<b>(1,097)</b>	<b>1,327</b>	-	<b>(2,826,171)</b>
<b>Net book value</b>	<b>2,729,087</b>					<b>2,760,915</b>

The allocation of accumulated depreciation and amortisation for the periods ended 31 March 2024 and 2023 is as follows:

	31 March 2024	31 March 2023
Research and development expenses	183,733	169,136
Cost of goods sold	50,478	37,817
Right of use of assets	18,346	67,107
Developments projects in progress	16,373	14,731
General administrative expenses	8,834	9,179
Depreciation on inventories	8,645	6,476
Selling and marketing expenses	2,890	1,835
Currency translation differences	1,946	1,097
	<b>291,245</b>	<b>307,378</b>

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**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

**Right of use assets**

The allocation of right of use assets and related accumulated depreciation for the periods ended 31 March 2024 and 2023 is as follows:

<b>31 March 2024</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Furniture and fixture</b>	<b>Total</b>
Cost	121,688	183,287	5,301	310,276
Accumulated depreciation	(76,314)	(114,945)	(3,324)	(194,583)
	<b>45,374</b>	<b>68,342</b>	<b>1,977</b>	<b>115,693</b>
<b>31 March 2023</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Furniture and fixture</b>	<b>Total</b>
Cost	118,098	204,036	7,843	329,977
Accumulated depreciation	(57,956)	(120,756)	(3,500)	(182,212)
	<b>60,142</b>	<b>83,280</b>	<b>4,343</b>	<b>147,765</b>

**NOTE 12 - INTANGIBLE ASSETS**

Movements of intangible assets and related accumulated amortisation for the periods ended 31 March 2024 and 2023 are as follows:

	<b>1 January 2024</b>	<b>Additions</b>	<b>Currency translation differences</b>	<b>Disposals</b>	<b>Transfers</b>	<b>31 March 2024</b>
<b>Cost</b>						
Other intangible assets	339,773	73	15	(248)	-	339,613
Development costs	7,363,411	-	-	-	-	7,363,411
Developments projects in progress	1,860,098	458,165	-	-	-	2,318,263
	<b>9,563,282</b>	<b>458,238</b>	<b>15</b>	<b>(248)</b>	<b>-</b>	<b>10,021,287</b>
<b>Accumulated amortization</b>						
Other intangible assets	(254,762)	(8,868)	-	248	-	(263,382)
Development costs	(4,903,36)	(183,733)	-	-	-	(5,087,093)
	<b>(5,158,122)</b>	<b>(192,601)</b>	<b>-</b>	<b>248</b>	<b>-</b>	<b>(5,350,475)</b>
<b>Net book value</b>	<b>4,405,160</b>					<b>4,670,812</b>

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**NOTE 12 - INTANGIBLE ASSETS (Continued)**

	1 January 2023	Additions	Currency translation differences	Disposals	Transfers	31 March 2023
<b>Cost</b>						
Other intangible assets	317,867	5,835	-	-	-	323,702
Development costs	6,536,685	-	-	-	-	6,536,685
Developments projects in progress	2,195,771	749,167	-	-	-	2,944,938
	<b>9,050,323</b>	<b>755,002</b>	-	-	-	<b>9,805,325</b>
<b>Accumulated amortization</b>						
Other intangible assets	(220,726)	(11,844)	-	-	-	(232,570)
Development costs	(4,229,999)	(169,136)	-	-	-	(4,399,135)
	<b>(4,450,725)</b>	<b>(180,980)</b>	-	-	-	<b>(4,631,705)</b>
<b>Net book value</b>	<b>4,599,598</b>					<b>5,173,620</b>

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

**Short-term provisions**

	31 March 2024	31 December 2023
Provision for warranty expenses	708,875	795,108
Provision for employee benefits (Note 16)	158,774	125,577
Provision for collective labor agreement	71,087	409,616
Provision for purchase costs	46,172	38,681
Litigation provisions	19,669	22,632
Other	459,611	509,780
	<b>1,464,188</b>	<b>1,901,394</b>



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

**Provision for warranty expenses**

The Group provides warranty coverage for 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 31 March 2024 and 2023, the movement of provision for warranty expenses is as follows:

	<b>2024</b>	<b>2023</b>
<b>1 January</b>	<b>795,108</b>	<b>655,956</b>
Monetary gain (loss)	(104,092)	(72,996)
Increase/(decrease) in provision, net	188,900	135,295
Payments	(171,041)	(99,617)
<b>31 March</b>	<b>708,875</b>	<b>618,638</b>

**Provision for employment termination benefits**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Provision for employment termination benefits	413,421	385,467
Provision for unused vacation	158,774	125,577
	<b>572,195</b>	<b>511,044</b>

**Provision for employment termination benefits**

The amount payable consists of one month’s salary limited to a maximum of TRY 35,058.58 in full for each year of service as of 31 March 2024 (31 December 2023: TRY 23,489.83 in full).

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 promulgated by POA require actuarial valuation methods to be developed to estimate the Group’ obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Net discount rate (%)	2.90	2.90
Turnover rate to estimate the probability of retirement (%)	98.29	98.00

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the real rate free of expected effects of inflation. The termination indemnity ceiling is revised semi-annually and the ceiling amounting to TRY 5,058.58 in full, which is effective from 1 January 2024, has been taken into consideration in calculation of retirement benefit provision.

The movements of provision for employment termination benefits within the interim accounting periods ending on 31 March 2024 and 2023 are as follows:

	2024	2023
<b>1 January</b>	<b>385,467</b>	<b>595,469</b>
Monetary gain (loss)	(53,391)	(67,209)
Interest expense and charge for the period	28,479	11,544
Remeasurement differences	72,411	106,865
Payments	(19,545)	(81,019)
<b>31 March</b>	<b>413,421</b>	<b>565,650</b>

**Provision for unused vacation**

The movements of the provision for unused vacation days within the interim accounting periods ending on 31 March 2024 and 2023 are as follows:

	2024	2023
<b>1 January</b>	<b>125,577</b>	<b>93,448</b>
Monetary gain (loss)	(16,441)	(11,331)
Increase in the period, net	49,638	36,784
<b>31 March</b>	<b>158,774</b>	<b>118,901</b>

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

**Commitments and contingencies**

As of 31 March 2024, and 31 December 2023, the tables which represent the position of guarantees, pledges and mortgages are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
a. Total amount of guarantees, pledges and mortgages given the name of legal entity	7,469,308	6,582,436
b. Total amount of guarantees, pledges and mortgages given in favour of the parties which are included in the scope of full consolidation	283,663	305,494
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>7,752,971</b>	<b>6,887,930</b>

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

	<b>31 March 2024</b>		<b>31 December 2023</b>	
	<b>Original currency</b>	<b>TRY equivalent</b>	<b>Original currency</b>	<b>TRY equivalent</b>
TRY	2,512,102	2,512,102	2,176,614	2,176,614
USD	75,039	2,422,675	59,927	2,029,891
EUR	67,717	2,356,696	58,292	2,184,813
RON	52,885	368,225	52,885	396,218
AED	5,200	45,460	5,200	47,689
CZK	34,690	47,813	34,690	52,705
		<b>7,752,971</b>		<b>6,887,930</b>

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

**Guarantee letters**

a) Guarantees given as of 31 March 2024 and 31 December 2023 are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Bank letters of guarantee	7,752,971	6,887,930
	<b>7,752,971</b>	<b>6,887,930</b>

b) Guarantees received as of 31 March 2024 and 31 December 2023 are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Bank letters of guarantee	2,753,832	2,126,356
Guarantee notes	6,534	7,391
Mortgages received	20	23
	<b>2,760,386</b>	<b>2,133,770</b>

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**NOTE 14 - PREPAID EXPENSES, EMPLOYEE BENEFIT OBLIGATIONS, OTHER ASSETS  
AND LIABILITIES**

**a) Prepaid expenses**

**Prepaid expenses – short-term**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Prepaid expenses	203,234	194,074
	<b>203,234</b>	<b>194,074</b>

**Prepaid expenses – long-term**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Advances given	26,803	25,000
Prepaid expenses	10,098	5,505
	<b>36,901</b>	<b>30,505</b>

**b) Other current assets**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Value added tax receivables	494,237	1,209,460
Other	31,072	47,819
	<b>525,309</b>	<b>1,257,279</b>

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**NOTE 14 - PREPAID EXPENSES, EMPLOYEE BENEFIT OBLIGATIONS, OTHER ASSETS AND LIABILITIES (Continued)**

**c) Liabilities arising from customer contracts**

<b>Liabilities arising from customer contracts - short-term</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Advances received	446,938	515,737
Deferred maintenance income	350,912	372,787
	<b>797,850</b>	<b>888,524</b>

<b>Liabilities arising from customer contracts - long- term</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Deferred maintenance income	598,117	702,384
	<b>598,117</b>	<b>702,384</b>

**d) Employee benefits obligation**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Social security payables	197,032	160,418
Taxes and funds payable	99,872	114,700
Payables to employees	66,509	196,876
	<b>363,413</b>	<b>471,994</b>

**e) Other current liabilities**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Due to shareholders	720,000	-
Deferred special consumption tax	20,291	7,201
Taxes and funds payable	2,251	60,100
Other	10,302	5,791
	<b>752,844</b>	<b>73,092</b>

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

Net sales	1 January - 31 March 2024	1 January - 31 March 2023
Domestic sales	2,282,569	2,041,887
Export sales	2,653,072	2,405,127
<b>Gross sales</b>	<b>4,935,641</b>	<b>4,447,014</b>
Less: sales discount and returns	(39,724)	(67,031)
<b>Net sales</b>	<b>4,895,917</b>	<b>4,379,983</b>

Sales of the Group for the periods ended 31 March 2024 and 2023 in terms of the products are as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Commercial vehicle	4,118,989	3,598,229
Military vehicle	7,276	40,232
Other sales (*)	769,652	741,522
	<b>4,895,917</b>	<b>4,379,983</b>

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

**Cost of sales**

	1 January - 31 March 2024	1 January - 31 March 2023
Cost of finished goods sold	(3,974,025)	(4,305,175)
Cost of merchandise goods sold	(308,444)	(164,539)
<b>Cost of sales</b>	<b>(4,282,469)</b>	<b>(4,469,714)</b>

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

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Marketing expenses	(815,527)	(576,027)
General administrative expenses	(453,873)	(272,063)
Research and development expenses	(223,781)	(223,511)
	<b>(1,493,181)</b>	<b>(1,071,601)</b>

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

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
<b>Other operating income</b>		
Foreign exchange gains on trade receivables and payables	703,361	270,637
Revenue from charge of due date receivables	186,700	140,299
Gain on forward transactions	38,137	9,569
Incentives income	714	869
Other income	25,699	33,939
	<b>954,611</b>	<b>455,313</b>

	<b>1 January 31 March 2024</b>	<b>1 January - 31 March 2023</b>
<b>Other operating expenses</b>		
Foreign exchange loss on trade receivables and payables	(366,706)	(142,766)
Loss on forward transactions	(66,405)	(23,915)
Expected credit losses on trade receivables	(730)	-
Provision for doubtful receivables	(273)	(162)
Other expense	(3)	(2,170)
	<b>(434,117)</b>	<b>(169,013)</b>



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**NOTE 18 - FINANCIAL INCOME**

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Interest income from time deposits	313,586	271,404
Foreign exchange gains on bank deposits	24,460	23,834
Foreign exchange gains on bank borrowings	1,530	61,548
	<b>339,576</b>	<b>356,786</b>

**NOTE 19 - FINANCIAL EXPENSES**

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Interest expense on bank borrowings	(1,159,453)	(785,984)
Foreign exchange losses on bank borrowings	(253,724)	(138,074)
Foreign exchange losses on bank deposits	(15,075)	(33,018)
Other	(5,873)	(3,449)
	<b>(1,434,125)</b>	<b>(960,525)</b>

**NOTE 20 - TAX ASSETS AND LIABILITIES**

The general corporate tax rate in Turkey is 25% (31.12.2023: 25%). Article 15 of Law No. 7351 published in the Official Gazette No. 31727 and dated January 22, 2022. Article 32 of the Corporate Tax Law No. 5520. The article has been amended, and the corporate tax rate has started to be applied with a discount of 1 point to the earnings of the exporting institutions exclusively from exports and the earnings of the institutions that have an industrial registration certificate and are actually engaged in production activities. Article 21 of Law No. 7456 published in the Official Gazette No. 32249 and dated July 15, 2023. With the article, the corporate tax discount rate to be applied to the earnings of institutions exclusively from exports has been increased to 5 points.

Corporate tax is declared until the evening of the last day of the fourth month following the end of the accounting period to which it relates and paid in a single installment. In accordance with the tax legislation, the earnings incurred as of quarterly periods are separated, and a provisional tax of 20% is calculated and paid on export earnings, 24% on manufacturing earnings arising from actual productions with an industrial registration certificate, and 25% on external earnings, and the amounts paid in this way are deducted from the tax calculated on annual earnings.

As of 31 March 2024 and 31 December 2023, income tax payables are presented net of prepaid taxes in the balance sheet as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Corporate and income tax payable	21,069	24,243
Prepaid taxes (-)	-	-
<b>Current period tax liability/(asset)</b>	<b>21,069</b>	<b>24,243</b>

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

The allocation of total tax expense for the periods ended 31 March 2024 and 2023 are as follows:

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Current tax charge (*)	-	(239,536)
<b>Deferred tax income / (expense) reflected in profit or loss</b>		
Charged to profit for the period	215,037	(218,995)
Charged to other comprehensive income (expense)	18,103	21,374
	<b>233,140</b>	<b>(437,157)</b>

(\*)

As of 31 March 2024 and 31 December 2023, the allocation of deferred tax bases and deferred tax liability computed using the current effective tax rates are as follows:

	<b>Cumulative temporary differences</b>		<b>Deferred tax assets</b>	
	<b>31 March 2024</b>	<b>31 December 2023</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Property, plant and equipment	268,640	(73,320)	11,941	17,390
Intangible assets				
Deferred financial expenses	23,252	29,383	(5,813)	(7,346)
Deferred maintenance income	(954,630)	(1,001,522)	207,808	233,873
Provision for warranty expense	(709,073)	(795,336)	177,268	198,833
Other provisions	(621,162)	(653,512)	155,291	163,378
Provision for employment termination benefits	(408,351)	(377,978)	102,088	94,495
Deferred financial income	(299,358)	(334,544)	74,839	83,636
Inventories	(789,412)	(243,966)	197,352	60,992
Accumulated deferred losses	(689,890)	-	151,776	-
Other	(184,728)	(221,505)	56,220	50,379
<b>Deferred tax assets</b>			<b>1,128,770</b>	<b>895,630</b>

(\*)

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

The movement of deferred tax asset for the periods ended 31 March 2024 and 2023 are as follows:

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
<b>1 January</b>		
<b>Deferred tax income/expense charged to profit or loss and other comprehensive income for the period</b>	<b>895,630</b>	<b>38,767</b>
- Charged to profit for the period	215,037	(218,995)
- Charged to other comprehensive income/(expense)	18,103	21,374
<b>31 March</b>	<b>1,128,770</b>	<b>(158,854)</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 can increase their capital by distributing shares to existing shareholders from retained earnings in proportion to their shares. When calculating earnings per share, these bonus shares are counted as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issuance of bonus 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>31 March 2024</b>	<b>31 March 2023</b>
Net profit/(loss) for the period	(417,319)	(678,962)
Weighted average number of issued shares	12,000,000,000	2,400,000,000
Earnings per share (Kr)	(3.478)	(28.290)

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**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 parties as of 31 March 2024 and 31 December 2023 are as follows:

<b>Due from related parties</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Ram Dış Ticaret A.Ş. (1) (**)	2,640,963	3,472,713
Al Jasoor Heavy Vehicle Industry LLC (3) (*)	79,048	319,328
Other (1)	17,847	22,013
	<b>2,737,858</b>	<b>3,814,054</b>

(\*) Trade receivables due to sales to the Group’s joint venture Al Jasoor Heavy Vehicles Industry LLC.

(\*\*) Trade receivables due to export registered sales made via Ram Dış Ticaret A.Ş.

(1) Related parties of the parent company

(2) Shareholder of the Group

(3) Joint venture

<b>Due to related parties</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Ram Dış Ticaret A.Ş. (1)	206,438	373,646
Koç Sistem Bilgi ve İletişim Hiz. A.Ş. (1)	44,002	19,117
Ram Sigorta Aracılık Hizmet A.Ş. (1)	42,316	3,200
Zer Merkezi Hizmetler A.Ş. (1)	24,548	68,815
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	9,340	9,769
Setur Servis Turistik A.Ş. (1)	6,510	19,318
Opet Fuchs Madeni Yağ A.Ş. (1)	4,309	5,823
Akpa Dayanıklı Tük.Paz. A.Ş. (1)	1,041	3,565
Koçtaş Yapı Marketleri A.Ş. (2)	433	3,769
Ford Otosan A.Ş. (2)	9	3,033
Koç Holding A.Ş. (2)	-	74,759
Koç Digital Çözümler A.Ş. (1)	-	22,825
Divan Turizm İşletmeleri A.Ş. (1)	-	11,102
Ark İnşaat (1)	-	6,564
Other (1)	6,029	15,196
	<b>344,975</b>	<b>640,501</b>

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

<b>Advances received from related parties</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Ram Dış Ticaret A.Ş. (1)	-	65,295
Al Jasoor Heavy Vehicle Industry LLC (3) (*)	26,768	28,081
	<b>26,768</b>	<b>93,376</b>

(\*) These are the advances received due to sales to Al Jasoor Heavy Vehicles Industry LLC, which is a Joint Venture of the Group.

ii) Sales to related parties and purchases from related parties are as follows:

<b>Sales of products and services</b>	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
Ram Dış Ticaret A.Ş. (1) (*)	28,154	12,705
Al Jasoor Heavy Vehicle Industry LLC (3)	12,946	13,246
	<b>41,100</b>	<b>25,951</b>

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

<b>Fixed asset purchases</b>	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
Koç Sistem Bilgi ve İletişim Hiz. A.Ş. (1)	12,531	12,409
Zer Merkezi Hizmetler ve Ticaret A.Ş. (1)	571	3,753
Other (1)	91	432
	<b>13,193</b>	<b>16,594</b>

(1) Related parties of the parent company

(2) Shareholder of the Group

(3) Joint venture

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

<b>Inventory purchases</b>	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
Zer Merkezi Hizmetler ve Ticaret A.Ş. (1)	75,021	80,603
Ram Dış Ticaret A.Ş. (1)	34,494	23,264
Opet Petrolcülük A.Ş.(1)	5,480	7,147
Opet Fuchs Madeni Yağ A.Ş. (1)	7,478	6,965
Akpa Dayanıklı Tük.Paz. A.Ş. (1)	4,729	6,417
Ford Otosan A.Ş. (2)	1,520	3,532
Other (1)	857	1,222
	<b>129,579</b>	<b>129,150</b>

<b>Service purchases</b>	<b>1 January 31 March 2024</b>	<b>1 Jan 31 March 2023</b>
Ram Sigorta Aracılık Hz. A.Ş. (1) (**)	111,830	44,937
Ram Dış Ticaret A.Ş. (1)	69,696	3,985
Setur Servis Turistik A.Ş. (1)	22,428	19,391
Eltek Elektrik Enerji İth.İhr.Top.Tic. A.Ş. (1)	15,265	27,850
Koç Sistem Bilgi ve İletişim Hiz. A.Ş. (1)	13,548	20,446
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	11,957	9,885
Koç Holding A.Ş. (2) (*)	8,194	4,600
Ingage Dijital Pazarlama Hizmetleri A.Ş. (1)	3,784	3,231
Other (1)	10,418	5,655
	<b>267,120</b>	<b>139,980</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 Communiqé about Concealed Gain Distribution by Transfer Pricing.

(\*\*) It includes paid and accrued premium as of 31 March 2024 and 31 March 2023 in accordance with insurance policies signed between insurance companies via Ram Sigorta Aracılık Hizmetleri A.Ş. which is an insurance agency.

<b>Bank deposits</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Yapı ve Kredi Bankası A.Ş. (1)		
- Demand deposits	250,000	3,636
- Time deposits	183,754	677,968
	<b>433,754</b>	<b>681,604</b>

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

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

<b>Borrowings</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Yapı ve Kredi Bankası A.Ş. (1)	-	511,941
	-	<b>511,941</b>

For the periods ended 31 March 2024 and 2023, operating income and expense with related parties are as follows:

	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
<b>Trade receivables and payables foreign exchange gains</b>		
Ram Dış Ticaret A.Ş. (1)	167,493	42,835
Other (1)	747	144
	<b>168,240</b>	<b>42,979</b>

	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
<b>Trade receivables and payables foreign exchange expenses</b>		
Ram Dış Ticaret A.Ş. (1)	29,766	8,063
Other (1)	391	861
	<b>30,157</b>	<b>8,924</b>

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

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

For the periods ended 31 March 2024 and 2023, financial income and expense with related parties are as follows:

	<b>1 January 31 March 2024</b>	<b>1 January 31 March 2023</b>
<b>Interest income</b>		
Yapı ve Kredi Bankası A.Ş. (1)	13,854	50,009
	<b>13,854</b>	<b>50,009</b>
<b>Interest expense</b>		
Yapı ve Kredi Bankası A.Ş. (1)	3,956	17,676
	<b>3,956</b>	<b>17,676</b>
<b>Foreign exchange income</b>		
Yapı ve Kredi Bankası A.Ş. (1)	8,407	429
	<b>8,407</b>	<b>429</b>
<b>Foreign exchange expenses</b>		
Yapı ve Kredi Bankası A.Ş. (1)	3,530	7,562
	<b>3,530</b>	<b>7,562</b>

(1) Related parties of the parent company

**Benefits provided to senior executives**

For the period ended 31 March 2024, the total amount of benefits provided to senior management is TRY 139,561 thousand (31 March 2023: TRY 44,378 thousand). TRY 127,483 of this amount is related to the payments made due to leaving (31 March 2023: 26,363 TRY). It consists of senior management, members of the board of directors, general manager and assistant general managers.



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

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

The Group is exposed to exchange rate risk due to Turkish Lira conversion of foreign currency payables and receivables arising from its commercial activities with foreign companies. This exchange rate risk is followed and limited by analyzing the foreign exchange position. To manage the currency risk arising from future commercial transactions and recorded assets and liabilities, the Group follows a policy of diversification in its currency position.

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

<b>31 March 2024</b>	<b>TRY equivalent (functional currency)</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>
1. Trade receivables	7,126,292	101,494	110,611	-
2a. Monetary financial assets (including cash, bank accounts)	473,891	9,214	5,069	-
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>7,600,183</b>	<b>110,708</b>	<b>115,680</b>	-
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	104	-	3	-
<b>8. Non-current assets (5+6+7)</b>	<b>104</b>	<b>-</b>	<b>3</b>	-
<b>9. Total assets (4+8)</b>	<b>7,600,287</b>	<b>110,708</b>	<b>115,683</b>	-
10. Trade payables	(2,201,417)	(44,885)	(21,616)	-
11. Financial liabilities	(4,475,113)	(15,228)	(114,460)	-
12a. Monetary other liabilities	(358,158)	(4,325)	(6,279)	-
12b. Non-monetary other liabilities	-	-	-	-
<b>13. Current liabilities (10+11+12)</b>	<b>(7,034,688)</b>	<b>(64,438)</b>	<b>(142,355)</b>	-
14. Trade payables	-	-	-	-
15. Financial liabilities	-	-	-	-
16a. Monetary other liabilities	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-
<b>17. Non-current liabilities (14+15+16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	-
<b>18. Total liabilities (13+17)</b>	<b>(7,034,688)</b>	<b>(64,438)</b>	<b>(142,355)</b>	-
<b>Net balance sheet position (9+18)</b>	<b>565,599</b>	<b>46,270</b>	<b>(26,672)</b>	-
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	(257,470)	(32,687)	22,925	-
19a. Hedged total assets amount	1,044,069	-	30,000	-
19b. Hedged total liabilities amount	(1,301,539)	(32,687)	(7,075)	-
<b>20. Net foreign currency asset/(liability) position (9+18+19)</b>	<b>308,129</b>	<b>13,583</b>	<b>(3,747)</b>	-
<b>21. Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>565,495</b>	<b>46,270</b>	<b>(26,675)</b>	-
22. Total fair value of financial instruments used for foreign currency hedging	36,091	9,643	26,448	-
23. Export (as of 31 March 2024)	2,653,072	6,421	68,759	-
24. Import (as of 31 March 2024)	2,281,930	23,205	44,367	57

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

31 December 2023	TRY equivalent (functional currency)	USD	EUR	GBP
1. Trade receivables	8,747,535	122,801	122,408	-
2a. Monetary financial assets (including cash, bank accounts)	665,179	7,082	11,347	-
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>9,412,714</b>	<b>129,883</b>	<b>133,755</b>	-
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	113	-	3	-
<b>8. Non-current assets (5+6+7)</b>	<b>113</b>	-	<b>3</b>	-
<b>9. Total assets( 4+8)</b>	<b>9,412,827</b>	<b>129,883</b>	<b>133,758</b>	-
10. Trade payables	-	-	-	-
	(2,505,275)	(42,568)	(28,314)	(50)
11. Financial liabilities	(3,693,466)	(7,675)	(91,607)	-
12a. Monetary other liabilities	(427,738)	(5,940)	(6,044)	-
12b. Non-monetary other liabilities	-	-	-	-
<b>13. Current liabilities (10+11+12)</b>	<b>(6,626,479)</b>	<b>(56,183)</b>	<b>(125,965)</b>	<b>(50)</b>
14. Trade payables	-	-	-	-
15. Financial liabilities	-	-	-	-
16a. Monetary other liabilities	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-
<b>17. Non-current liabilities (14+15+16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18. Total liabilities (13+17)</b>	<b>(6,626,479)</b>	<b>(56,183)</b>	<b>(125,965)</b>	<b>(50)</b>
<b>Net balance sheet position (9+18)</b>	<b>2,786,348</b>	<b>73,700</b>	<b>7,793</b>	<b>(50)</b>
19. Net asset/(liability) position of off-balance sheet derivative instruments( (19a-19b)	(2,534,645)	(67,000)	(7,075)	-
19a. Hedged total assets amount	-	-	-	-
19b. Hedged total liabilities amount	-	-	-	-
	(2,534,645)	(67,000)	(7,075)	-
<b>20. Net foreign currency asset/(liability) position (9+18+19)</b>	<b>251,703</b>	<b>6,700</b>	<b>718</b>	<b>(50)</b>
<b>21. Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>2,786,235</b>	<b>73,700</b>	<b>7,790</b>	<b>(50)</b>
22. Total fair value of financial instruments used for foreign currency hedging	29,747	6,591	19,262	-
23. Export (as of 31 March 2023)	2,405,127	9,091	57,076	-
24. Import (as of 31 March 2023)	1,956,039	16,753	38,722	162

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**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 31 March 2024 and 31 December 2023:

	<b>Profit before tax</b>	<b>Profit before tax</b>
	<b>Appreciation</b>	<b>Depreciation</b>
<b>31 March 2024</b>	<b>Foreign currency</b>	<b>Foreign currency</b>
<i>In case 10% appreciation of USD against TRY:</i>		
1- USD net asset/liability	43,853	(43,853)
2- Amount hedged for USD risk (-)	-	-
<b>3- USD net effect (1+2)</b>	<b>43,853</b>	<b>(43,853)</b>
<i>In case 10% appreciation of EUR against TRY:</i>		
4- EUR net asset/liability	(13,040)	13,040
5- Amount hedged for EUR risk (-)	-	-
<b>6- EUR net effect (4+5)</b>	<b>(13,040)</b>	<b>13,040</b>
<i>In case 10% appreciation of GBP against TRY:</i>		
7- GBP net asset/liability	-	-
8- Amount hedged for GBP risk (-)	-	-
<b>9- GBP net effect (7+8)</b>	<b>-</b>	<b>-</b>
<b>Total (3+6+9)</b>	<b>30,813</b>	<b>(30,813)</b>
	<b>Profit before tax</b>	<b>Profit before tax</b>
	<b>Appreciation</b>	<b>Depreciation</b>
<b>31 December 2023</b>	<b>Foreign currency</b>	<b>Foreign currency</b>
<i>In case 10% appreciation of USD against TRY:</i>		
1- USD net asset/liability	22,695	(22,695)
2- Amount hedged for USD risk (-)	-	-
<b>3- USD net effect (1+2)</b>	<b>22,695</b>	<b>(22,695)</b>
<i>In case 10% appreciation of EUR against TRY:</i>		
4- EUR net asset/liability	2,691	(2,691)
5- Amount hedged for EUR risk (-)	-	-
<b>6- EUR net effect (4+5)</b>	<b>2,691</b>	<b>(2,691)</b>
<i>In case 10% appreciation of GBP against TRY:</i>		
7- GBP net asset/liability	(215)	215
8- Amount hedged for GBP risk (-)	-	-
<b>9- GBP net effect (7+8)</b>	<b>(215)</b>	<b>215</b>
<b>Total (3+6+9)</b>	<b>25,171</b>	<b>(25,171)</b>

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**NOTE 24 - 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 needs to be explained 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 at 31 March 2024 and 31 December 2023:

**31 March 2024**

<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Derivative financial instruments	-	(36,093)	-	(36,093)
	-	<b>(36,093)</b>	-	<b>(36,093)</b>

**31 December 2023**

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Derivative financial instruments	-	29,747	-	29,747
	-	<b>29,747</b>	-	<b>29,747</b>

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in 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 methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The Group considers that carrying amounts reflect fair values of the financial instruments.

Monetary assets - Short term monetary assets are considered to approximate their respective carrying values due to their short-term nature and low level of credit risk.

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**NOTE 24 - FINANCIAL INSTRUMENTS (Continued)**

Monetary liabilities - Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings with fixed interest rates are noted that it is close to approximate their respective carrying values, since the interest rate as of balance sheet date is used. The fair values of short-term bank borrowings are considered to approximate their respective carrying values due to their short-term nature.

**NOTE 25 - SUBSEQUENT EVENTS**

On May 3, 2024, according to the Special Disclosure made on the Public Disclosure Platform (KAP), Temel Ticaret ve Yatırım A.Ş., a subsidiary included in the "Other" category, has purchased 3,236,373.73 TL nominal value shares equivalent to approximately 2.70% of our company's capital from Koç Holding A.Ş. in cash and upfront. As a result of this transaction, as of the reporting date, Koç Holding A.Ş.'s share has reached 47.38% and the "Other" share has reached 27.81%.

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