

2021 3-Month FINANCIAL RESULTS

Otokar



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

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

For the 12th time, **market leader** in the total bus segments in which it operates

Vision

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

Mission

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



1963

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



1970s

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



1980s

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



1990s

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



2000s

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



2010s

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

FOUNDED IN **1963**



LOCAL CAPITAL



KOÇ
HOLDING A.Ş.



ÜNVER
HOLDING A.Ş.



OTHER



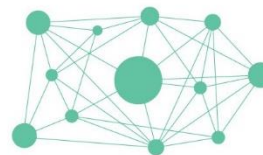
2,278

EMPLOYEES



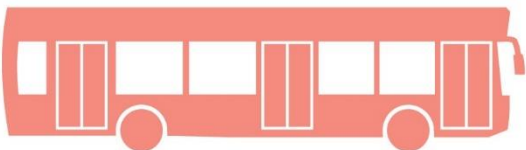
552,000 M²

PRODUCTION AREA



APPROX. **300**

SALES & SERVICE NETWORK



**1 OUT OF EVERY 3 BUSES SOLD
IN TURKEY IN 2020 IS OTOKAR**

USD 69 MILLION
EXPORT REVENUES IN 2021 3M

TL 877 MILLION
TURNOVER IN 2021 3M

TL 1,3 BILLION
10 YEAR R&D EXPENDITURES

5,300

BUSES & MINIBUSES

2,000

TACTICAL
VEHICLES

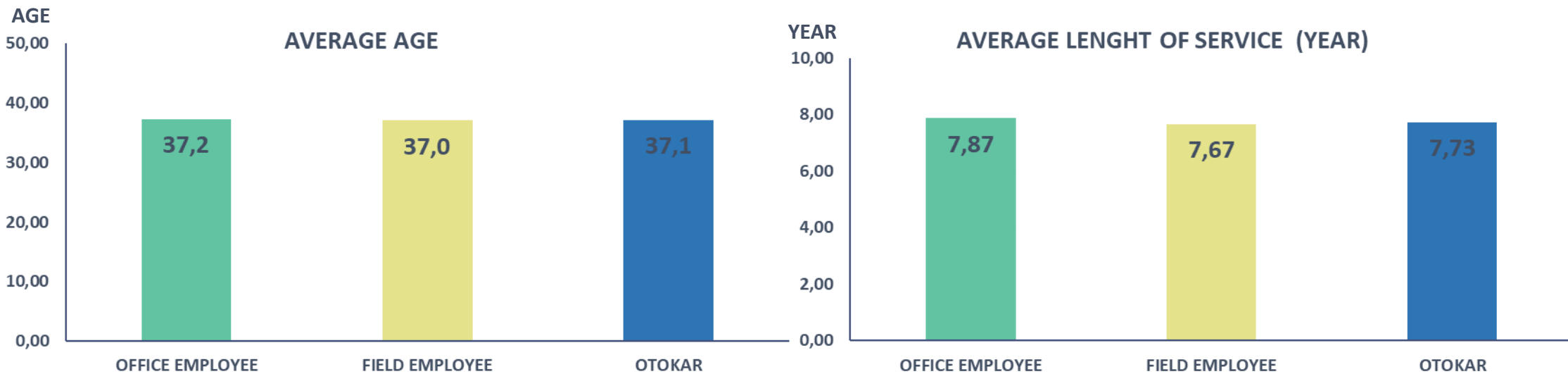
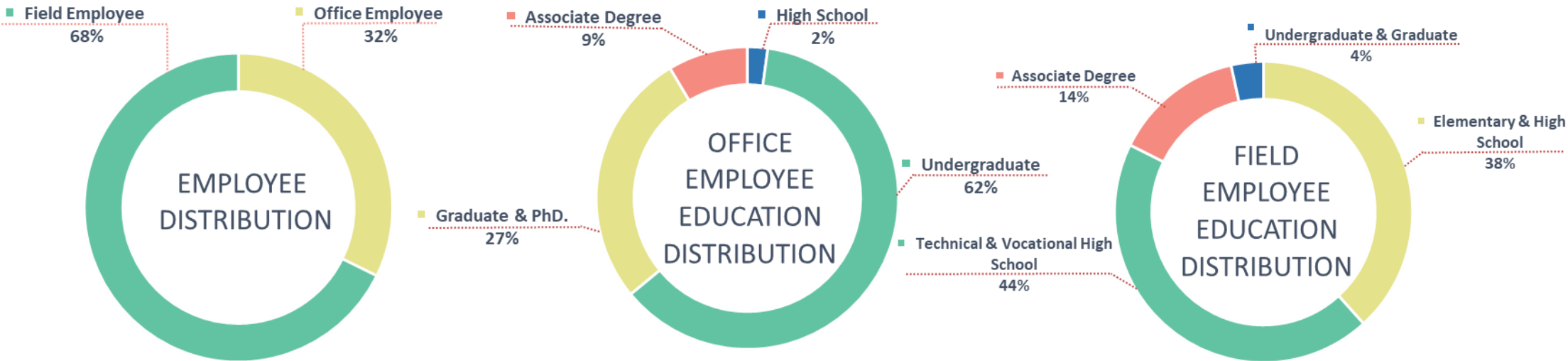
**YEARLY
PRODUCTION
CAPACITY**

1,600

TRUCKS & LIGHT TRUCKS

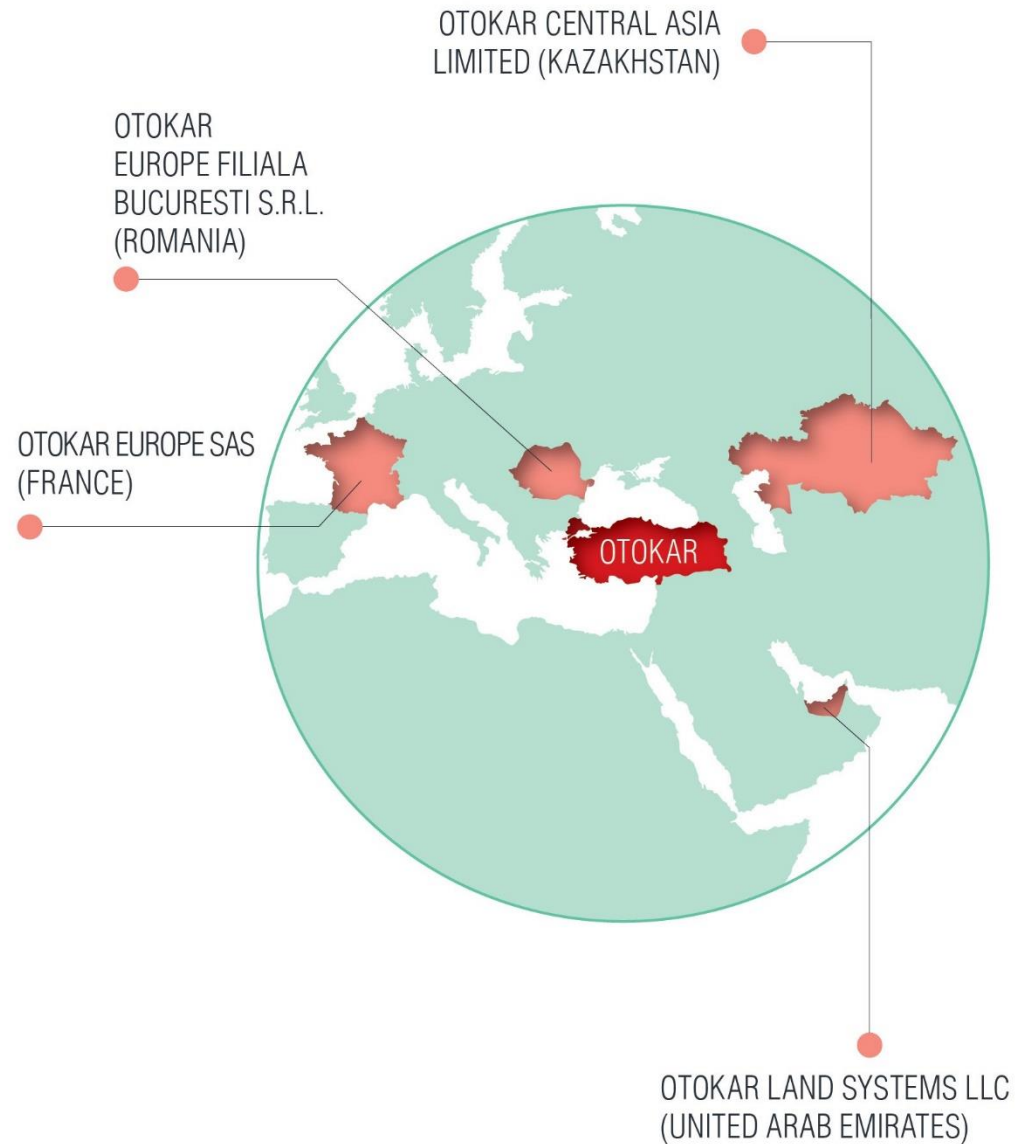
625

TACTICAL ARMORED
VEHICLES





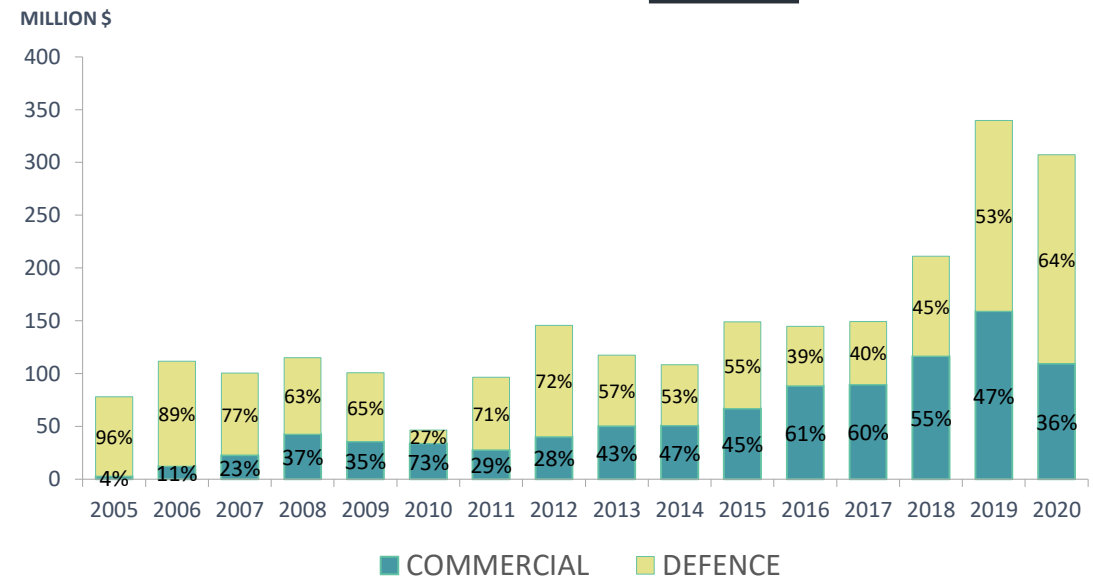
- 552.000m² factory with an annual production capacity of 9,800 units and more than 2,200 employees in Arifiye/Sakarya



GROWTH IN EXPORT MARKETS



SEGMENT BASED EXPORT





PASSENGER TRANSPORTATION



CARGO TRANSPORTATION



TACTICAL WHEELED & TRACKED ARMORED VEHICLES



SPARE PART/OTHERS

2021 3M

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

422 mn TL
 48%
 300 mn TL
 122 mn TL
 29% (bus)
 14% (total)

28 mn TL
 3%
 28 mn TL
 -
 -
 -

322 mn TL
 37%
 -
 323 mn TL
 100% (armoured)
 37% (total)

ARMORED

105 mn TL
 12%
 51 mn TL
 54 mn TL
 51% (spare part)
 6% (total)

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

2020 3M

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

204 mn TL
 %44
 103 mn TL
 101 mn TL
 49% (bus)
 22% (total)

21 mn TL
 %5
 21 mn TL
 -
 -
 -

163 mn TL
 %36
 -
 163 mn TL
 100% (armoured)
 36% (total)

ARMORED

71 mn TL
 %15
 42 mn TL
 28 mn TL
 40% (spare part)
 6% (total)

A GLOBAL
COMPANY

THE LARGEST



PIONEER



MARKET LEADER





- Widest product range in the Turkish bus segment with an offering that includes buses from **7 to 18.75 meters** with varying passenger capacities suitable for city, intercity and tourism transportation.
- Exporting buses to **more than 50 countries**, particularly in Europe.
- Working on alternative fuelled vehicles.



- Manufacturing light truck with 8.5-ton weight capacity in light truck segment under license since 2013.



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

PUBLIC TRANSPORT

POYRAZ



SULTAN / NAVIGO



DORUK / VECTIO



TERRITO



KENT



KENT ELECTRA



KENT ARTICULATED



LOGISTIC&CARGO TRANSPORTATION



DEFENSE INDUSTRY VEHICLES

WHEELED ARMoured



TRACKED ARMoured

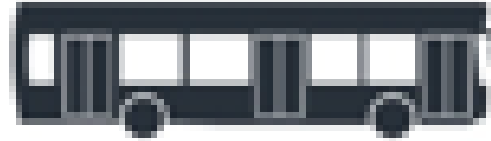


TURRET SYSTEMS

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

1 OUT OF EVERY 3 BUSES SOLD
IN TURKEY IN 2020 IS OTOKAR

In the total of segments in which it operates



1 out of every 3 buses sold in Turkey in 2020 is Otokar

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

Otokar accelerated its export activities, **increased its exports by 70%** compared to the same term last year.

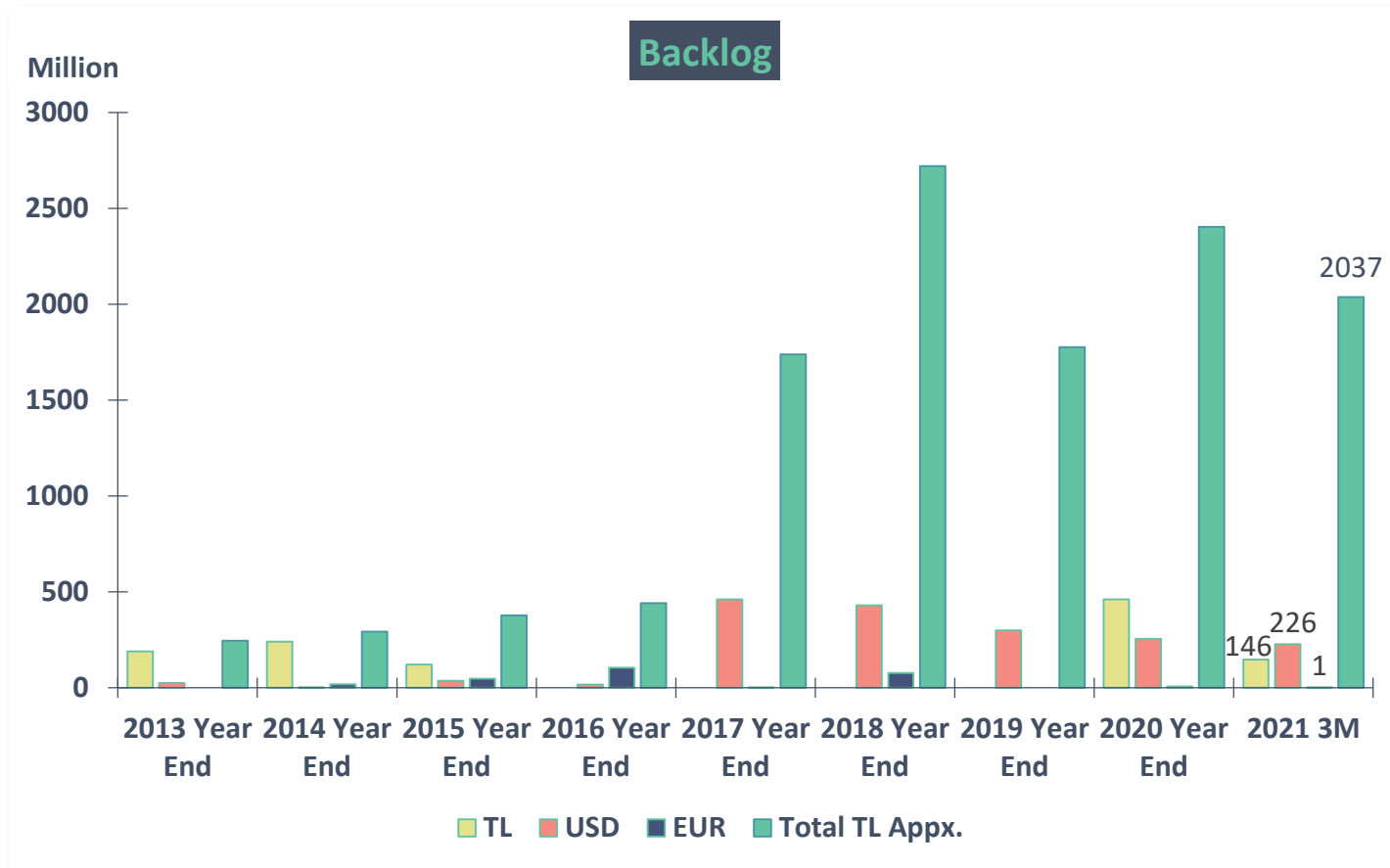
Otokar increased the number of Otokar buses used in passenger transportation France **to over 2,400.**



Otokar participated in IDEX - 2021, in Abu Dhabi, and showcased its 5 vehicles.



Within the scope of "Kincentric Best Employers 2020" research, Otokar is rewarded "Turkey's Best Employer" award by the world's leading human resources and management consulting company Kincentric.



- The above backlog amounts and deliveries will be held directly by Otokar Otomotiv ve Savunma Sanayi A.Ş., is related to important projects.
- Backlog consists of the 8x8 and 4x4 armored vehicles order and buses order.
- Backlog amount to USD 226 million, 1 million Euro and 146 million TL.



Leader

Market leader across its respective bus segments in Turkey for the last 12 years.



Strong export performance and a global company

In addition to its strong export performance, Otokar strengthened its global presence with its fourth subsidiary in Kazakhstan. Export revenues have increased by an annual average of 41% in the last 10 years.



R&D capabilities and flexible production capability

New product development and speed of delivery to market. Ability to develop products according to market needs.



Products that are intellectual property rights Otokar

The share of Otokar design vehicle sales in turnover is 98%. The number of patents and industrial design applications reached to 378.



Sustainable growth and profitability

Total turnover increased by 26% in the last 15 years, Net profit increased by 30% in the last 15 years, with the annual compound growth rate.



Consistent dividend distribution

Dividend distribution within the framework of profit distribution policy.



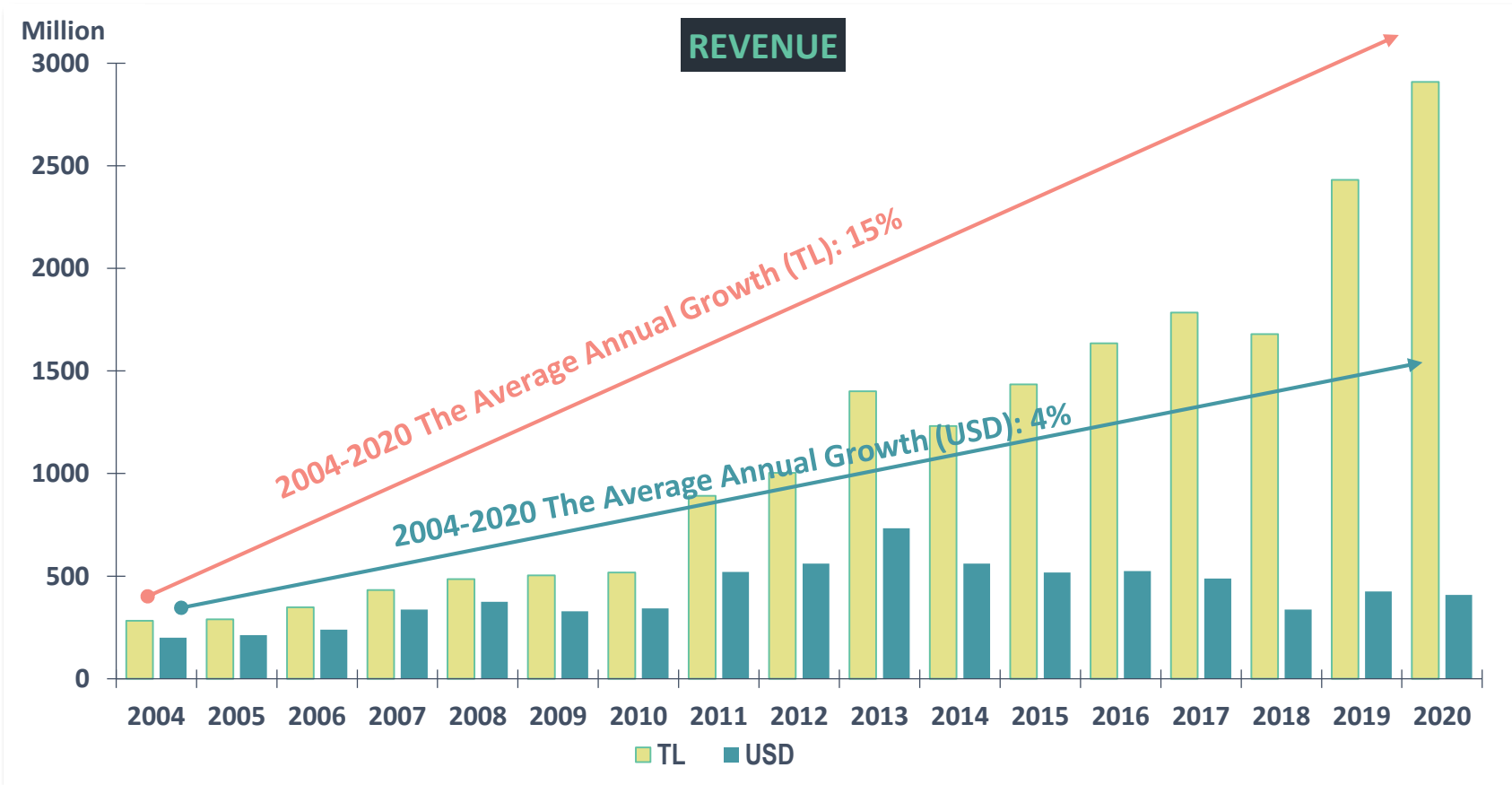
Significant compliance to corporate governance principles

Increased Corporate Governance Rating to 94.67 (9.47 out of 10) as a sign that it has achieved significant compliance with corporate governance principles

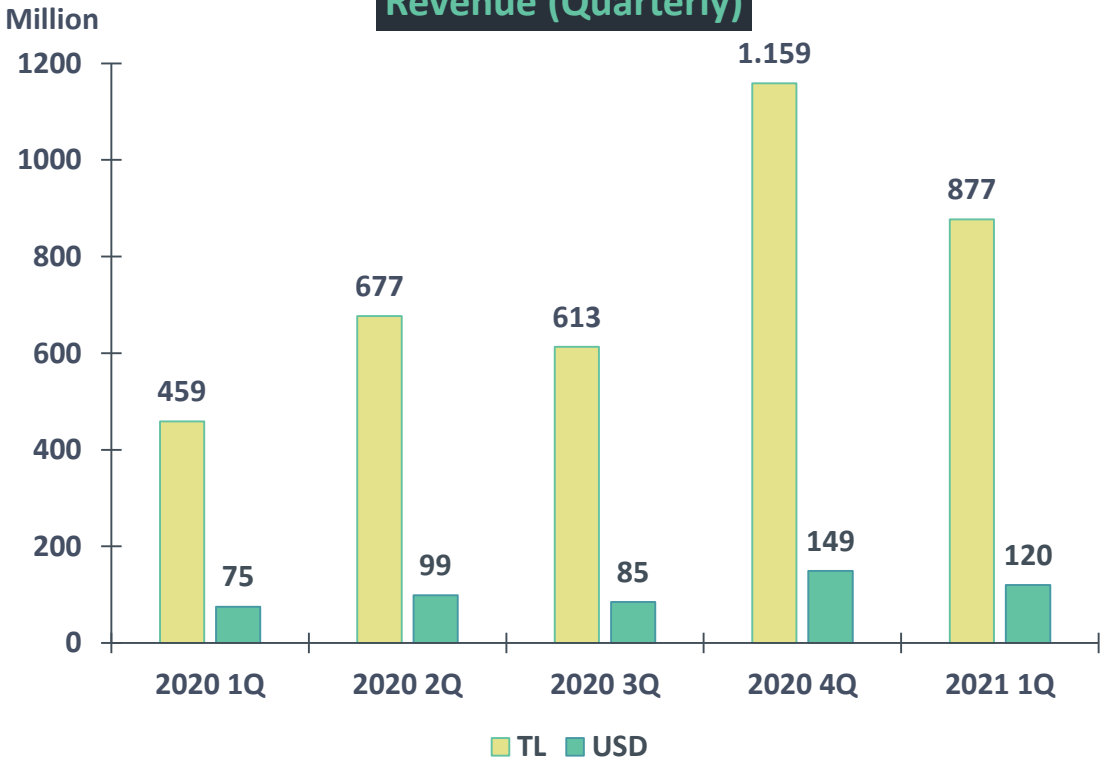
Balance Sheet (000 TL)		31.03.2021	
Current Assets	2.883.831	S.T. Liabilities	2.915.770
Fixed Assets	1.421.918	L.T. Liabilities	706.365
		Shareholders Equity	683.614
Total Assets	4.305.749	Total Liabilities	4.305.749

Income St. (000 TL)	2021 3M	2020 3M	Change (%)
Net Sales	877.242	458.789	91%
Gross Profit	280.503	150.485	86%
Operating Profit	144.315	25.001	477%
Profit Before Tax	104.466	17.506	497%
Net Profit	107.444	22.307	382%

- 91% increase in total turnover compared to last year's same period.

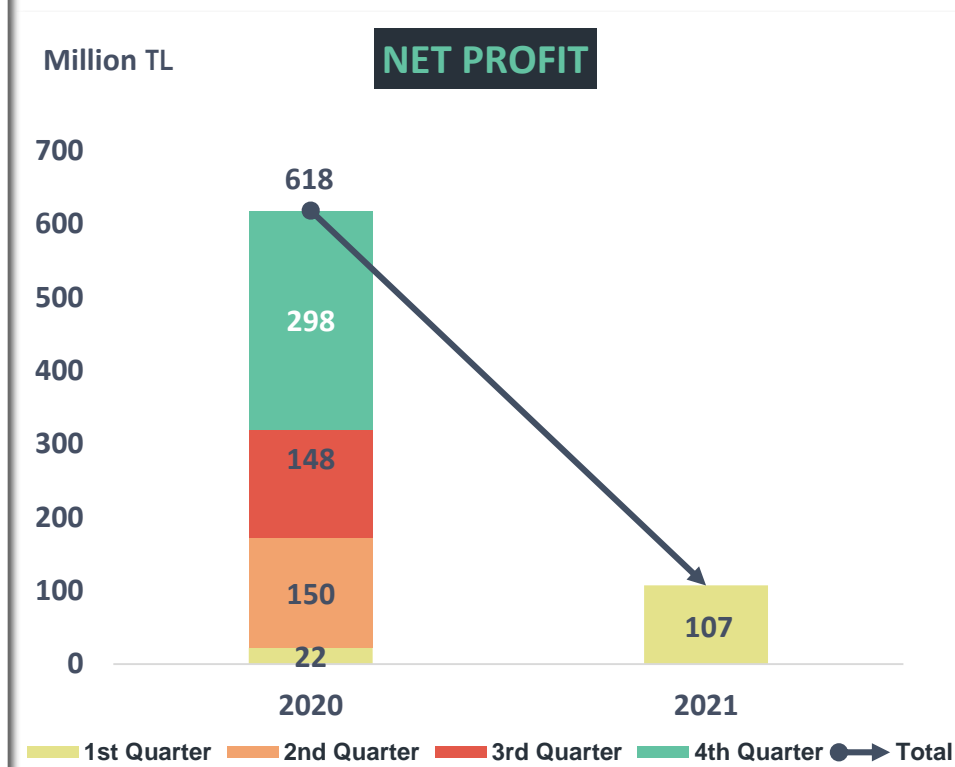
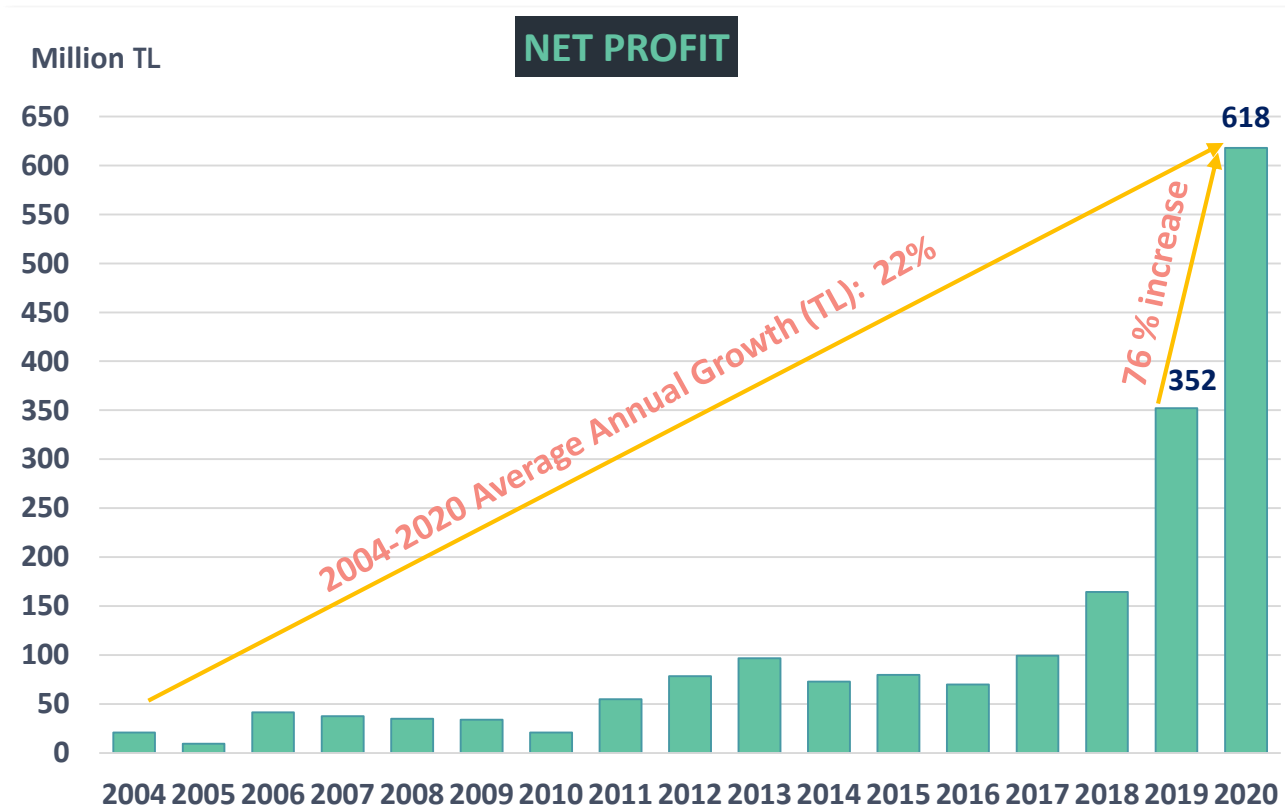


Revenue (Quarterly)

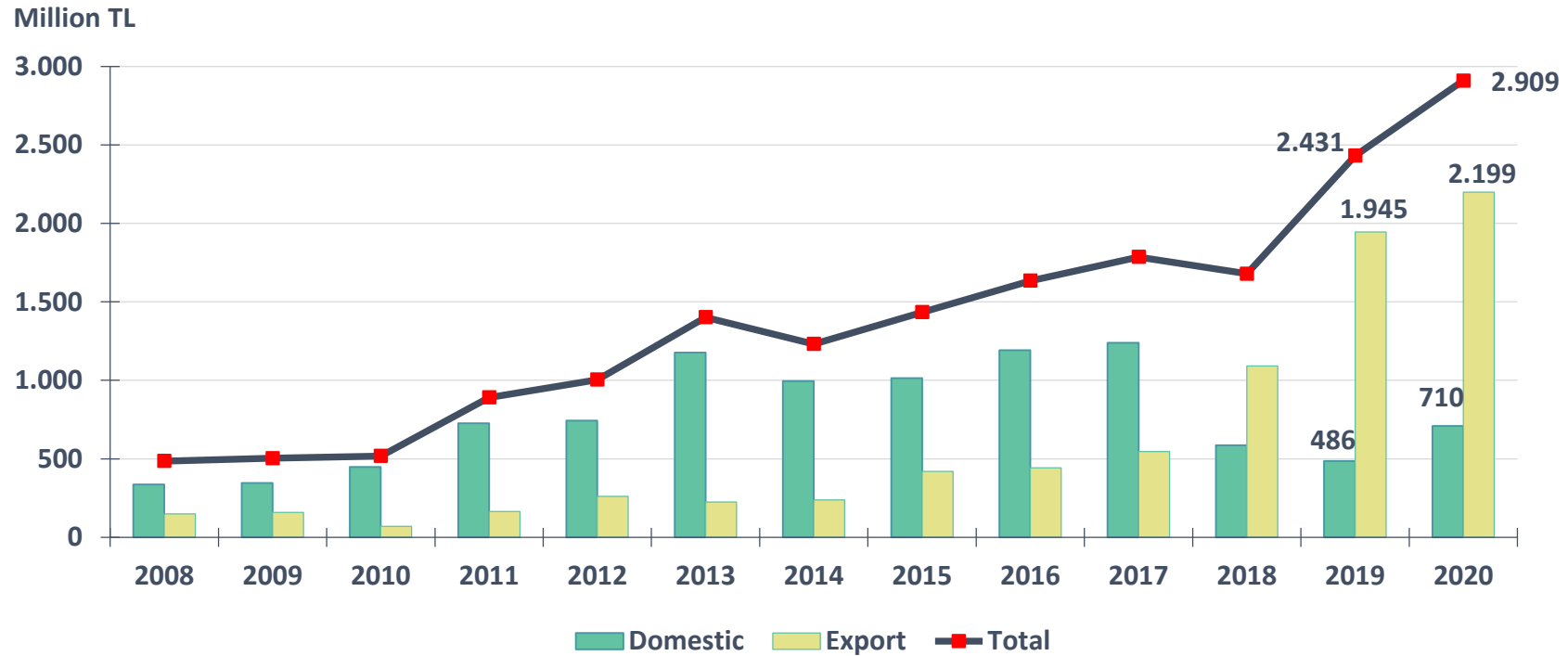


Revenue (Cumulative)



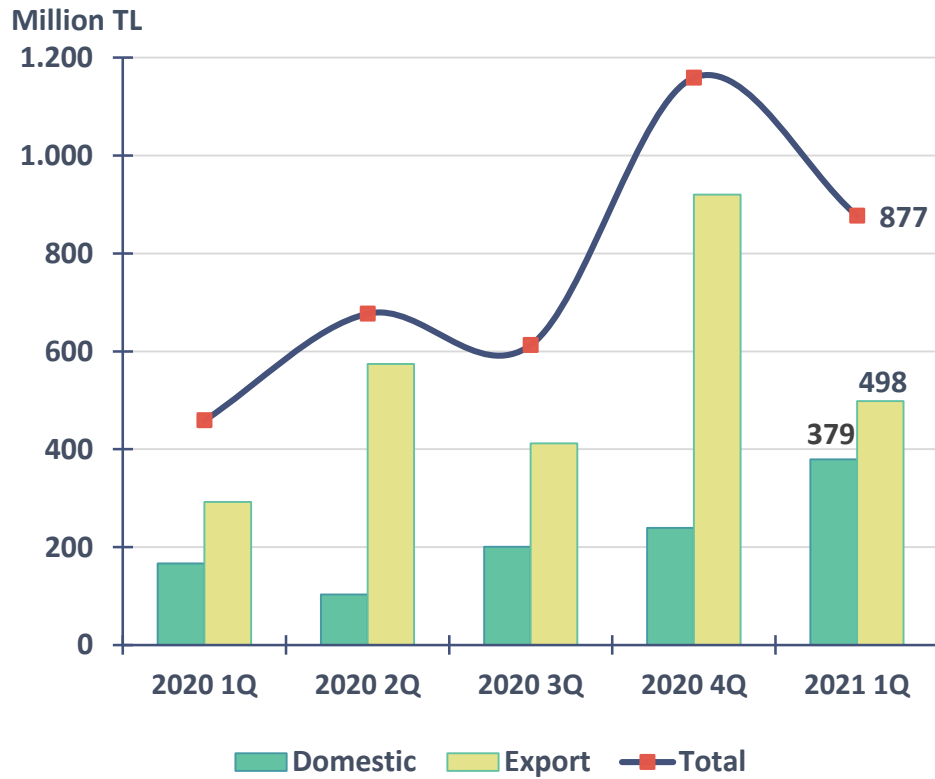


SALES

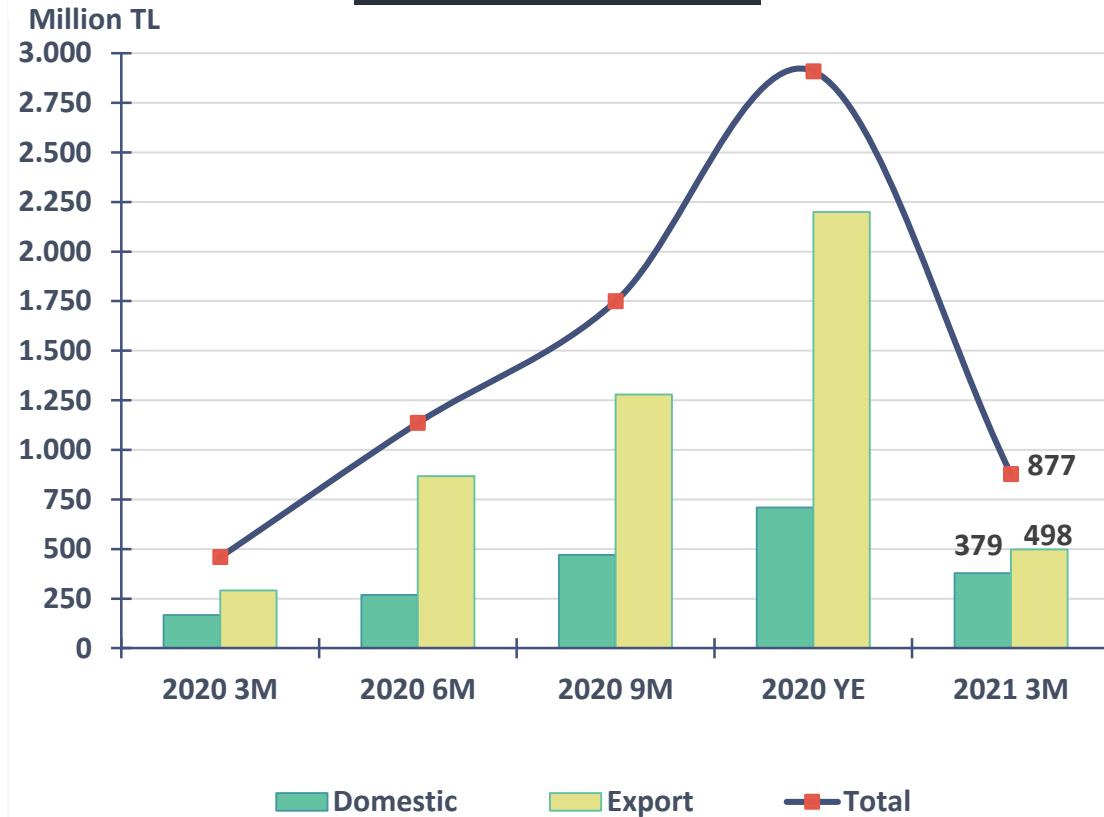


- Export revenues amounted to 2.199 million TL, **increased 13%** compared to last year's exports.

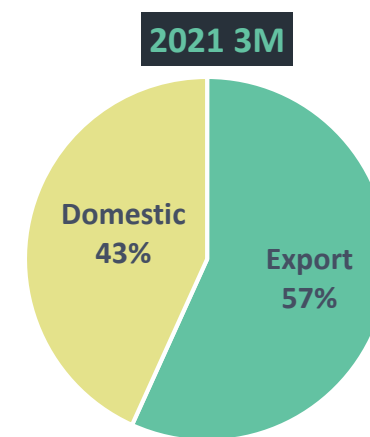
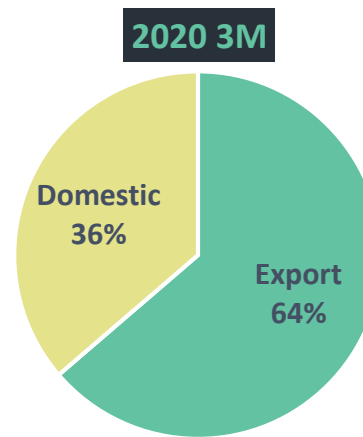
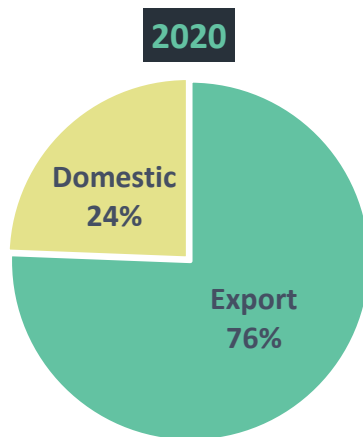
Revenue (Quarterly)



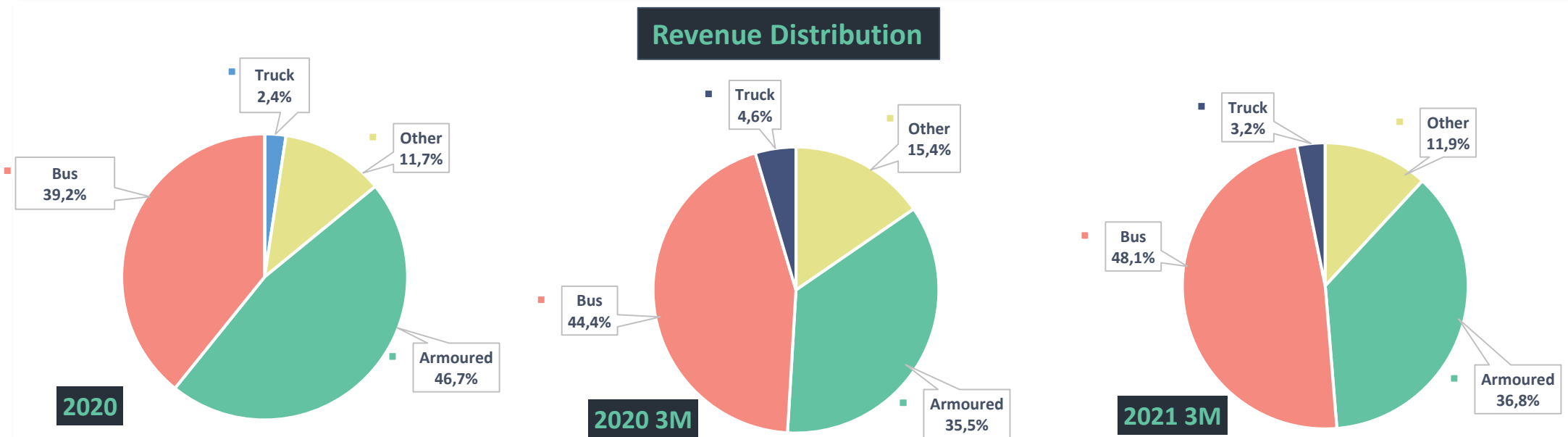
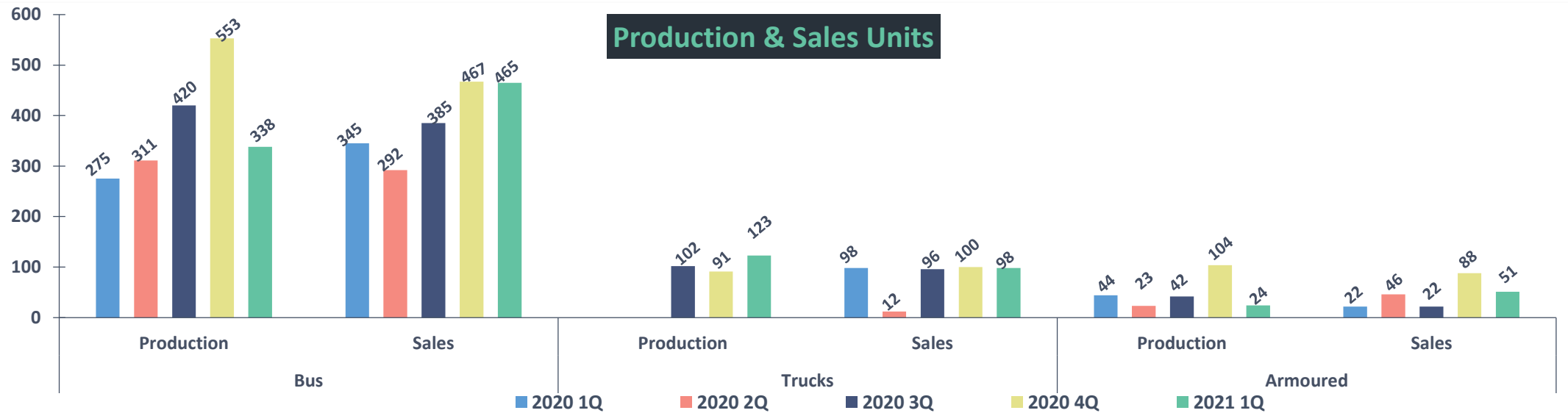
Revenue (Cumulative)



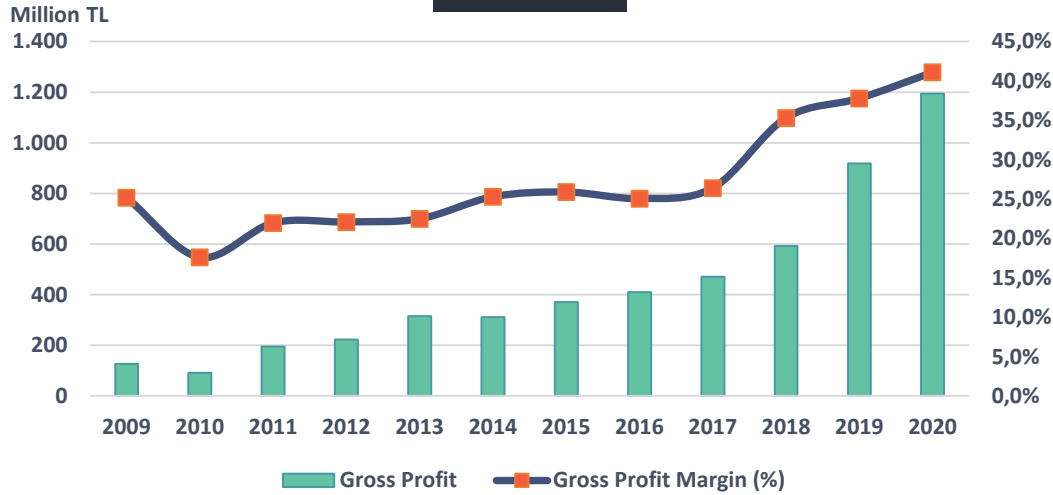
Sales (000 TL)	2021 3M	2020 3M	Change (%)	
Domestic	379.241	166.534	128%	▲
Export	498.001	292.255	70%	▲
Total	877.242	458.789	91%	▲



- Otokar domestic sales 128% and export sales 70% higher compared to last year's same period.
- The share of exports in turnover is **57%** in 2020 3M.



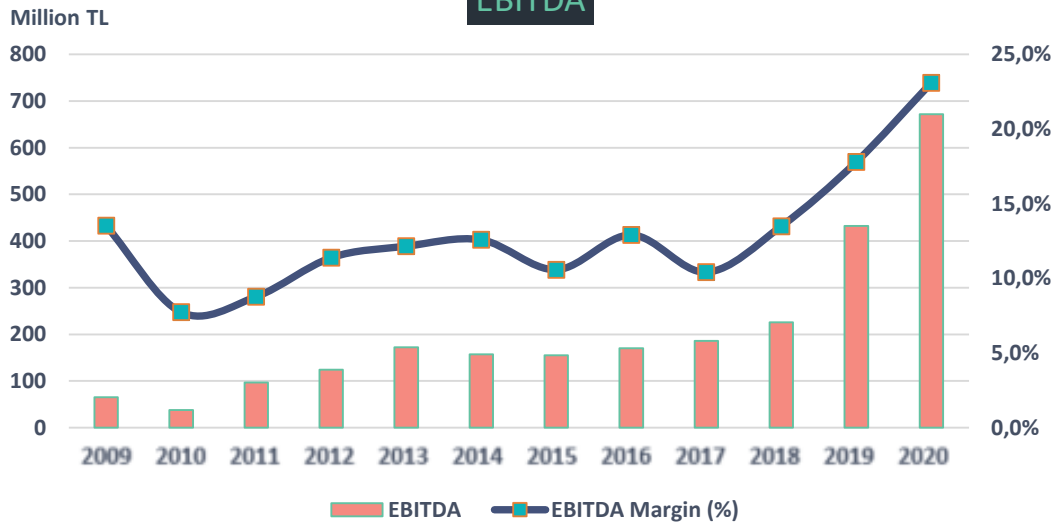
Gross Profit



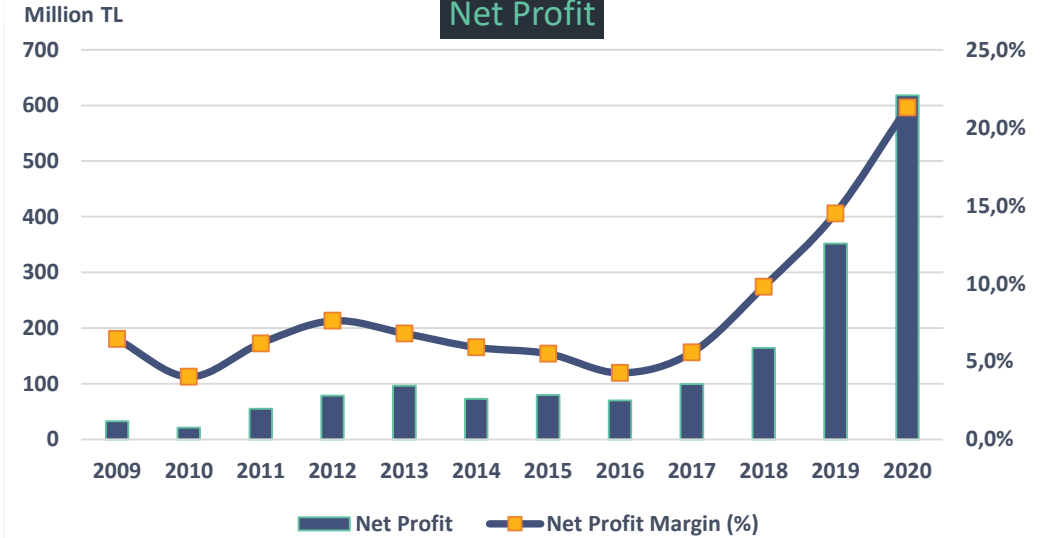
Operating Profit



EBITDA



Net Profit



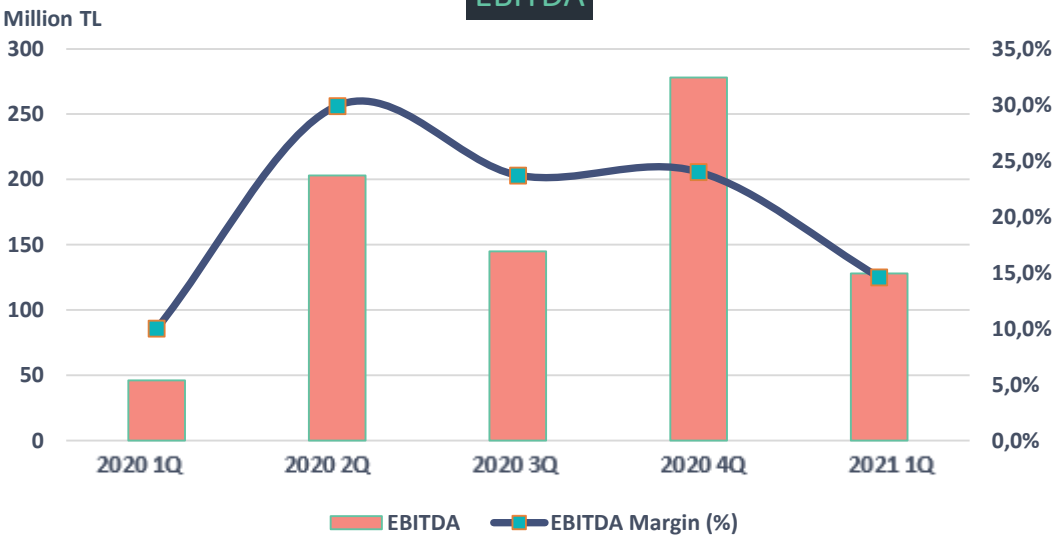
Gross Profit



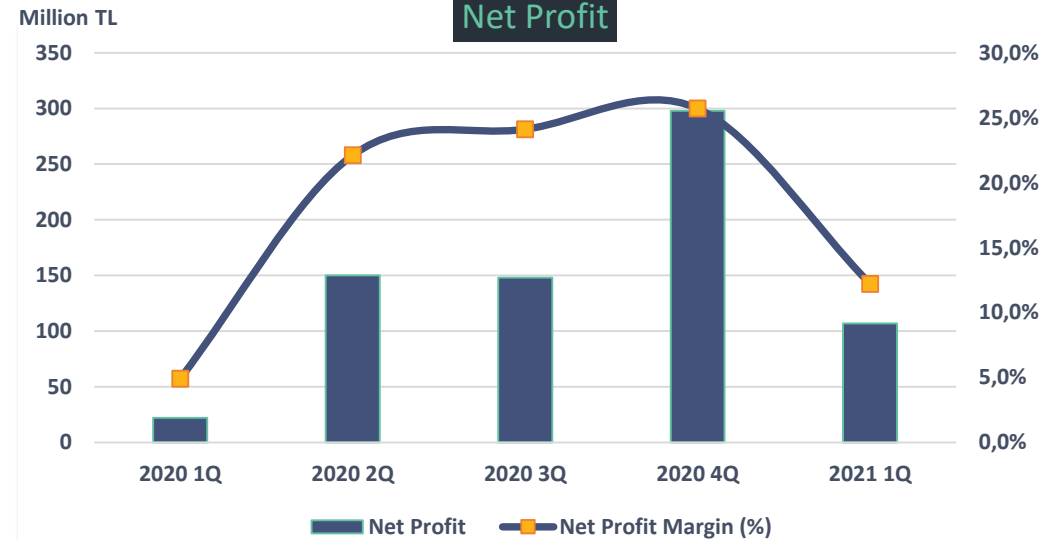
Operating Profit



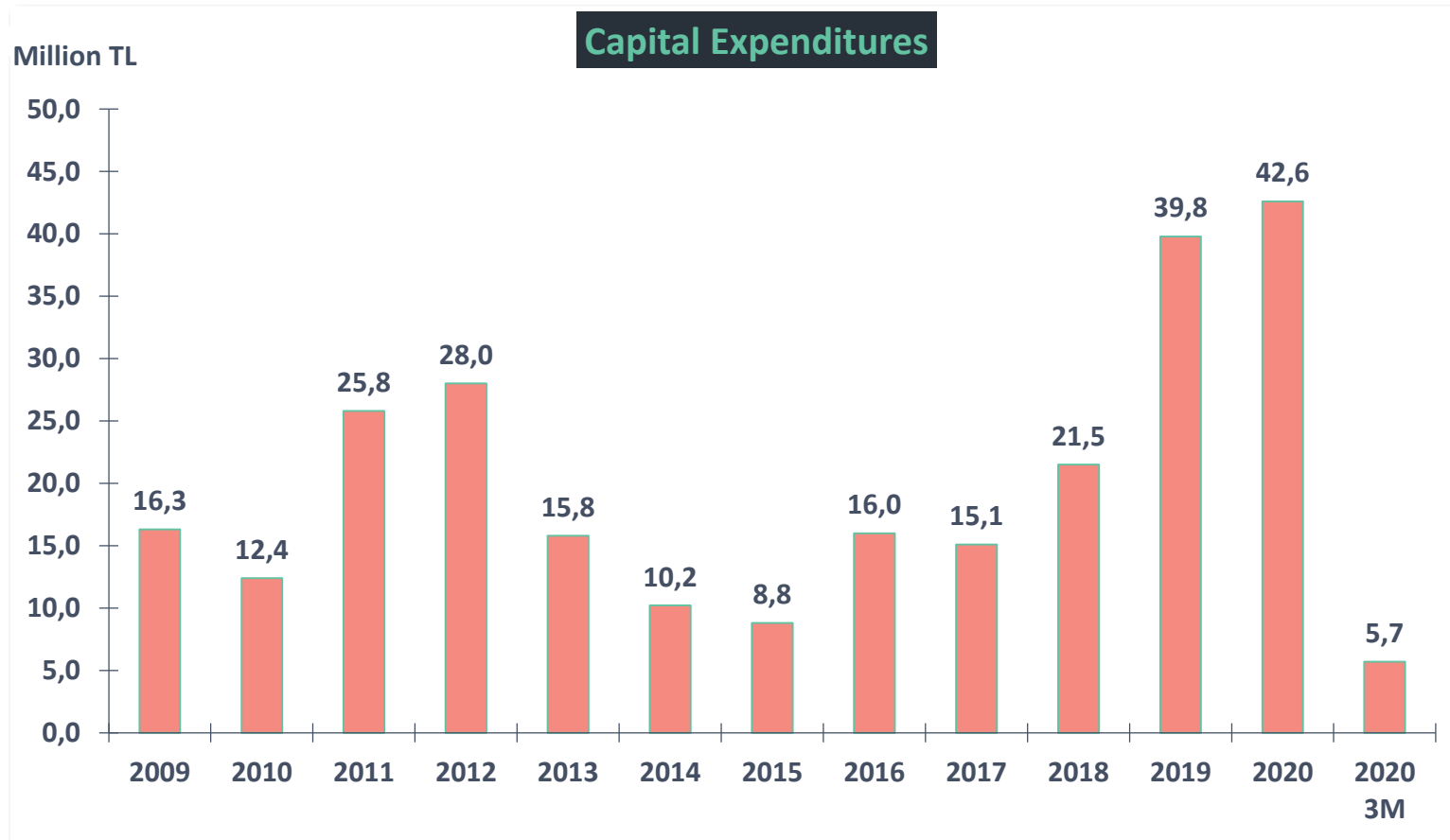
EBITDA

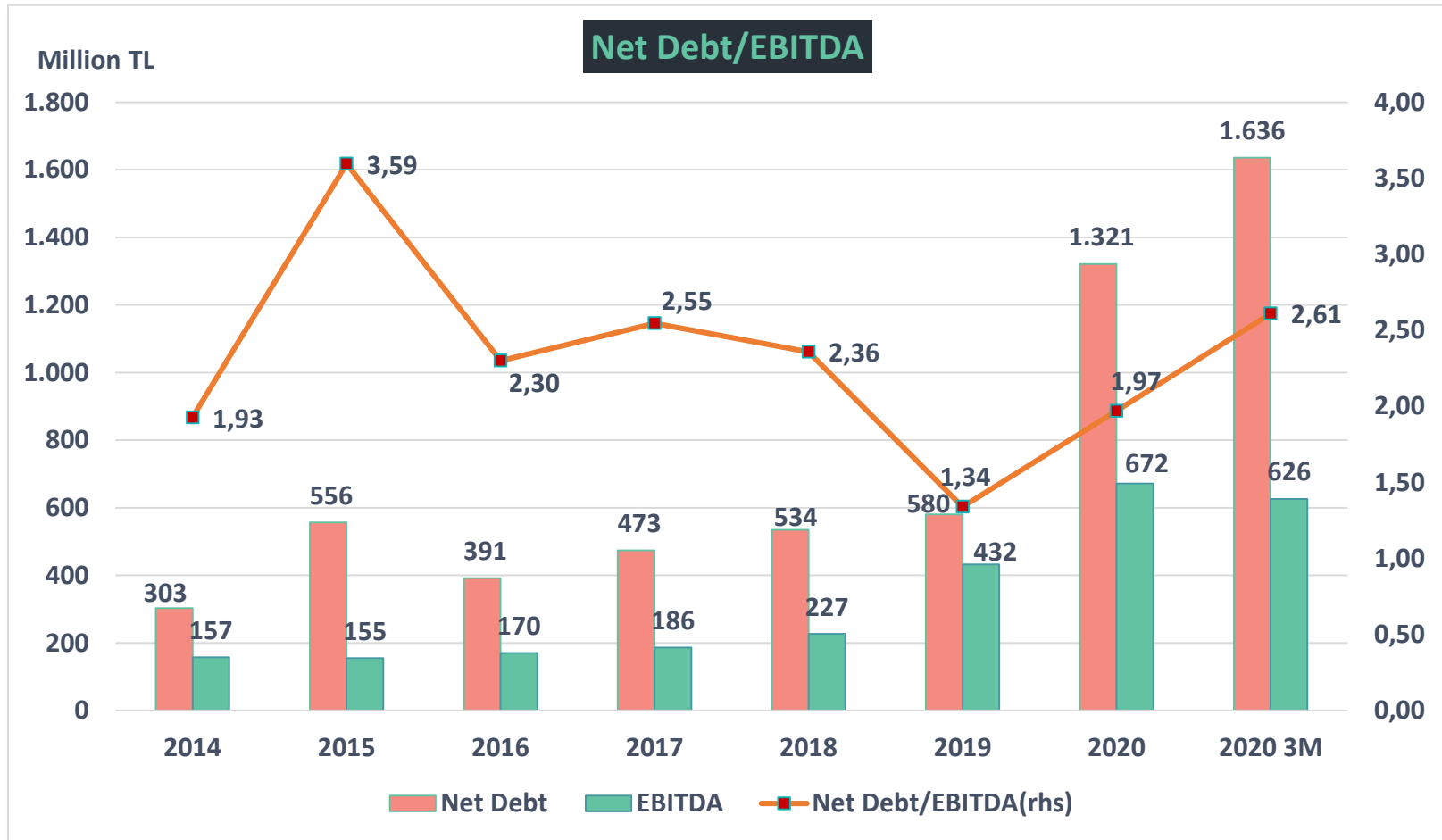


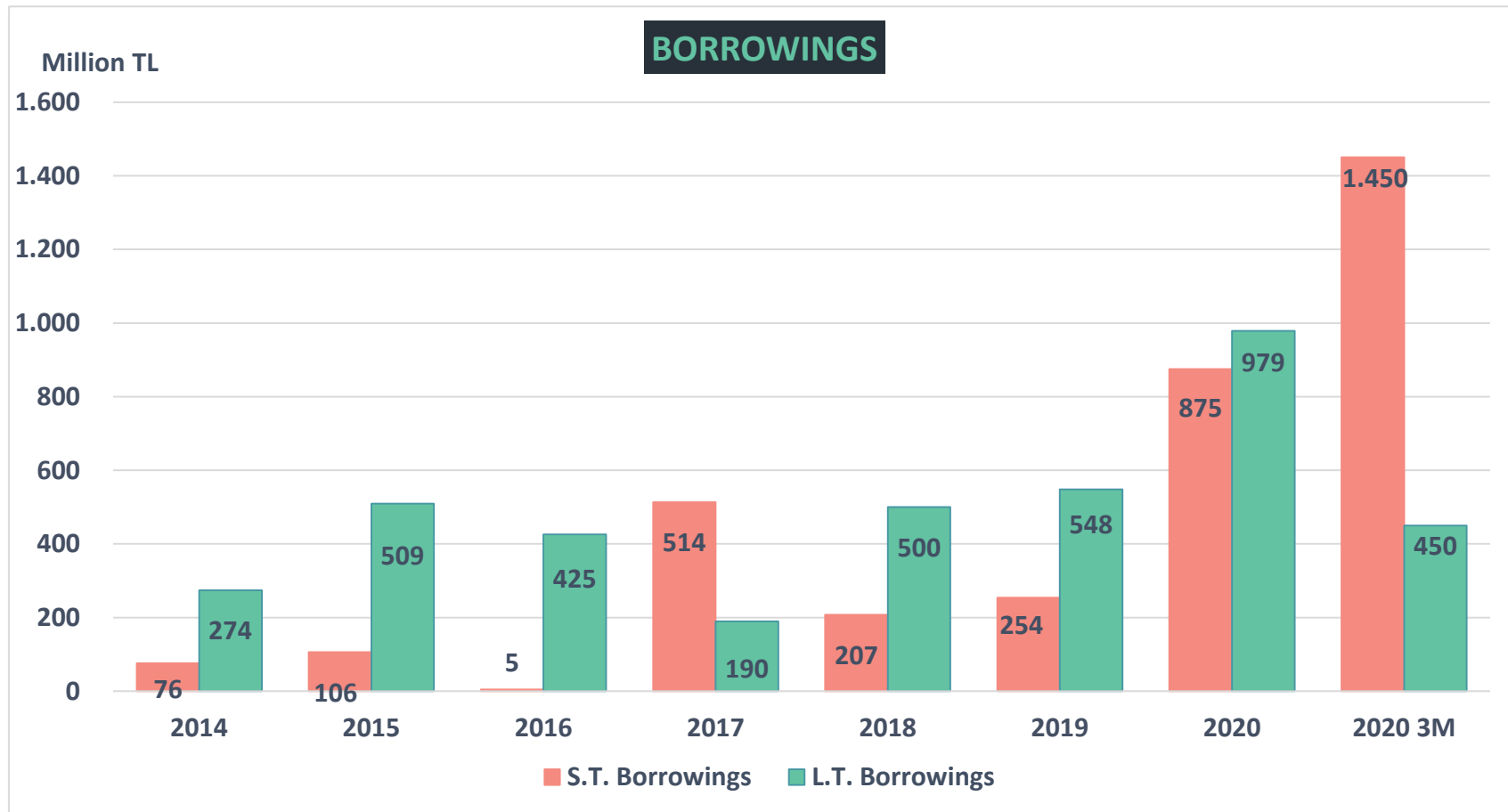
Net Profit



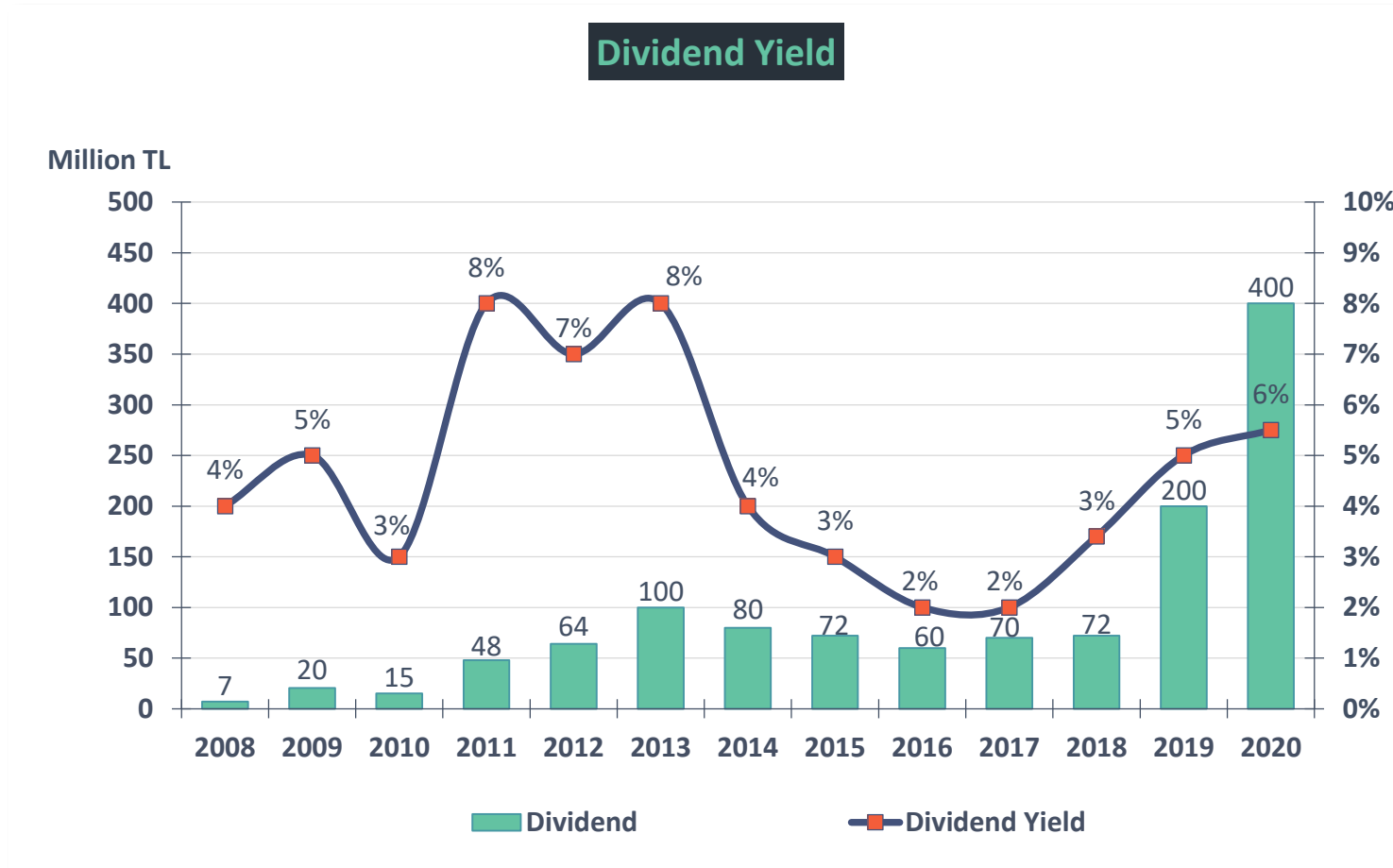
Ratios	2015	2016	2017	2018	2019	2020	2020 1Q	2021 1Q
ROE	32,4%	28,7%	35,1%	42,2%	55,1%	61,4%	4,9%	15,7%
EBITDA Margin	10,8%	10,4%	10,4%	13,5%	17,8%	23,1%	10,0%	14,6%
Net Margin	5,5%	4,3%	5,6%	9,8%	14,5%	21,3%	4,9%	12,2%
Net Debt/Equity	2,3	1,6	1,7	1,4	0,9	1,3	2,1	2,4
Net Debt/EBITDA	3,6	2,3	2,5	2,4	1,3	2,0	2,1	2,6
ST. Borrowing/T.Borrowings	0,49	0,60	0,53	0,38	0,39	0,49	0,42	0,68
Equity/Total Assets	0,15	0,14	0,14	0,17	0,24	0,23	0,14	0,16
Current Ratio	1,3	1,4	1,5	2,1	1,9	1,5	1,8	1,0





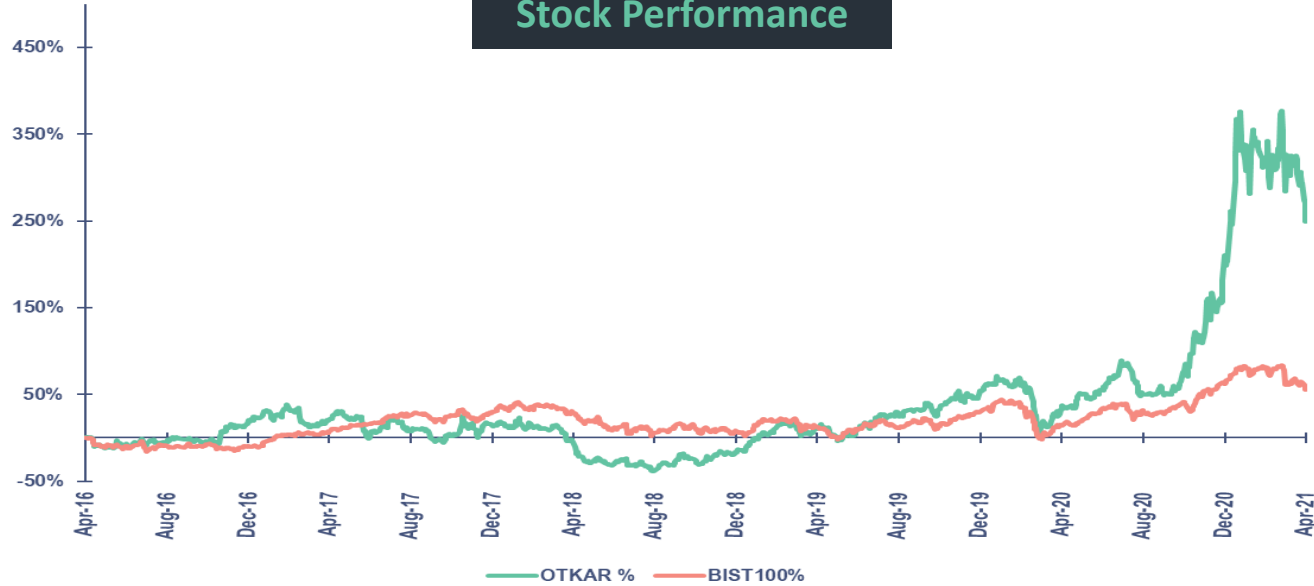


- Exchange rate risk and liquidity are monitored actively and the maturity of the borrowings and the currency type is determined by taking into consideration of the foreign currency position and liquidity risk.
- In the last 5 year period, borrowings are mainly realized in long term, in terms of foreign currency and TL.



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

Stock Performance

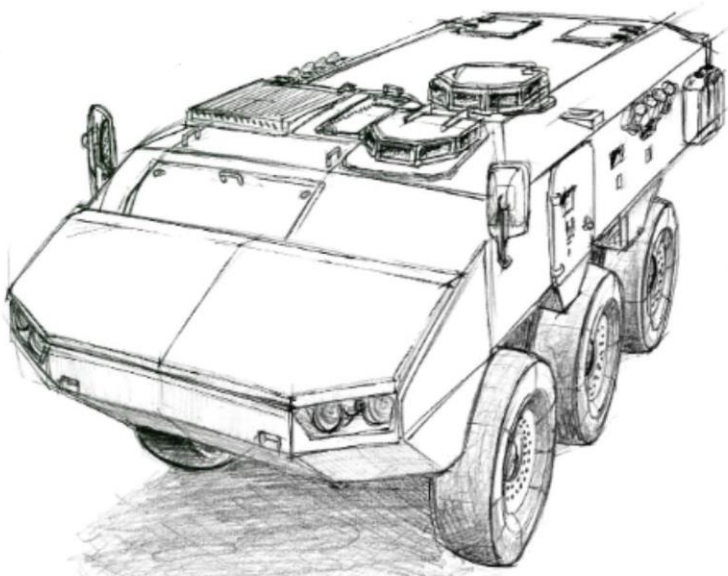


Market Capitalization





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





According to "R & D 250, companies that engaged in R & D expenditures in Turkey" survey prepared by Turkishtime magazine in 2019, Otokar ranked 20th among the companies that conduct R&D research.

Total of **537** R&D center employee



Otokar was awarded with "Intelligent Spare Part Optimization" project in the "Analytical and Big Data" category in the Artificial Intelligence, Analytical and RPA Technologies competition, and with it's "OTOperasyon" project in the "Mobility in Production" category in the Smart Manufacturing competition organized by IDC.

Total R & D spending over the last 10 years **1.3 billion TL**



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

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

DORUK HIBRA

Turkey's first hybrid bus



DORUK DG

Turkey's first natural gas powered mid-sized bus



KENT DG

12 m CNG bus



DORUK ELECTRA

Turkey's first electric bus



E-Kent C

12 m electric bus



AKREP Ile

Turkey's first electric armoured vehicle





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

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

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

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

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



58th Ordinary General Assembly of Otokar Otomotiv ve Savunma Sanayi A.Ş. held on 17.03.2021

Rating of Adaptation to Corporate Governance Principles	Weight	Rating
Shareholders	25%	95,92
Public Disclosure & Treansperancy	25%	96,19
Stakeholders	15%	97,13
Board of Directors	35%	92,28
Total	100%	94,89

Otokar, as publicly disclosed with the material disclosure dated 23.03.2021, stated that SAHA Corporate Governance and Rating Services A.Ş. (SAHA) **increased its Corporate Governance Rating to 94.89 (9.49 out of 10)**



Otokar Investor Relations Department

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