

Otokar

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.

1 JANUARY - 30 SEPTEMBER 2025

INTERIM REPORT

(TRANSLATION OF INTERIM REPORT ORIGINALLY ISSUED IN TURKISH)



OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.
01.01.2025 - 30.09.2025 INTERIM PERIOD

INTERIM REPORT

The consolidated financial statements of our company, containing the nine months of 2025 activities and the results thereof, prepared in compliance with Turkish Financial Reporting Standards (TFRS) and formats determined by the Capital Markets Board (CMB) in accordance with the CMB's "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué") II.14.1, and pursuant to the resolution dated 28.12.2023 on the implementation of inflation accounting, are presented to our shareholders and the public.

The members of the Board of Directors appointed at the Ordinary General Assembly Meeting on 24.03.2025 and served the Board during the reporting period are shown below.

BOARD OF DIRECTORS :

<u>Name & Last name</u>	<u>Title</u>
Yıldırım Ali KOÇ	Chairperson
Selin Ayla ÜNVER	Vice Chairperson
Levent ÇAKIROĞLU	Member
Haydar YENİGÜN	Member
İbrahim Aykut ÖZÜNER	Member
Ahmet Serdar GÖRGÜÇ	Member
Ali İhsan İLKBAHAR	Independent Member
Fatma Füsün AKKAL BOZOK	Independent Member
Kamil Ömer BOZER	Independent Member

Our Board of Directors started to serve on March 24, 2025 and will be serving until the Ordinary General Assembly Meeting in order to audit 2025 accounts.

Provisions on the Members of the Board of Directors are outlined in Articles 11, 12 and 13 of the Company's Articles of Association and the Turkish Commercial Code provisions.

Following are the committees established under the provisions of the Corporate Governance Communiqué of the Capital Markets Board of Turkey and the information on the board members involved in these committees:

Committee	Chairman	Member
Audit Committee	Kamil Ömer BOZER	Fatma Füsün AKKAL BOZOK
Risk Management Committee	Fatma Füsün AKKAL BOZOK	Haydar YENİGÜN
Corporate Governance Committee	Ali İhsan İLKBAHAR	Levent ÇAKIROĞLU Başak TEKİN ÖZDEN

Working principles of the committees are available on the Company's website.

Partnership and Capital Structure

As of September 30, 2025, our Company's registered capital ceiling is TL 3 billion, and the issued capital is TL 120 million.

Following is a list showing shareholders with more than 10% of the Company capital, their shares, and their ratio in our capital:

Shareholder Title	Share Amount (TL)	Share %
Koç Holding A.Ş.(*)	56.850.123	47,38
Ünver Holding A.Ş.	29.774.719	24,81
Other(*)	33.375.158	27,81
Total	120.000.000	100,00

The parent company Koç Holding A.Ş. is controlled by Koç Family and the companies owned by Koç Family. Shareholder, Ünver Holding A.Ş., is controlled by Ünver Family. The balance representing 27.81% of our capital consists of shares with a nominal value of TL 33.375.158, other shareholders and publicly held shares.

Information related to subsidiaries and participations of the Company subject to consolidation is as follows:

Subsidiaries	Country	Nature of operation	Area of activity
Otokar Europe SAS	France	Sales and Marketing	Automotive
Otokar Land Systems Limited	United Arab Emirates	Sales and Marketing	Automotive and Defense Industry
Otokar Europe Filiala Bucuresti S.R.L.	Romania	Sales and Marketing	Automotive
Otokar Central Asia Limited	Kazakhstan	Sales and Marketing	Automotive and Defense Industry
Otokar Italia S.R.L.	Italy	Sales and Marketing	Automotive
Otokar Land Systems SRL	Romania	Production Sales and Marketing	Automotive and Defense Industry
Participation	Country	Nature of operation	Area of activity
Al Jasoor Heavy Vehicle Industry LLC	United Arab Emirates	Sales and Marketing	Automotive and Defense Industry
Sisteme de Aparare Romania (SAROM) SRL	Romania	Production Sales and Marketing	Automotive and Defense Industry

Dividends Distributed in the Last Three Years and their Ratios:

Otokar distributed cash dividends through its issued capital based on the following ratios:

Period	%
2022	-
2023	600.00
2024	-

Our shareholders can access the Company's corporate and financial data under the section "Investor Relations" on the website www.otokar.com

AUTOMOTIVE INDUSTRY AND OTOKAR

Otokar manufactures microbus, small buses and buses in the field of public transportation, light trucks for the transport and logistics sector, wheeled armored and tracked armored vehicles for the defense industry. In addition, it started selling Foton Tunland brand Pick-Up type vehicles in the last quarter of 2024. Otokar, a global company with 100% Turkish capital, is present in the automotive and defense industries with its products whose intellectual property rights belong to itself.

Otokar owes its growth to the products of its own design and intellectual property rights, developed through engineering and research development capabilities. Defining its strategies as growing through international operations in the defense and commercial industries increasing the share of exports in its turnover expanding on the backdrop of new models, Otokar carries on activities to reach these targets.

MARKET – SALES - PRODUCTION

It is possible to summarize the industry-specific developments in the first nine months of 2025 in line with the OSD (Automotive Manufacturers Association) data as follows:

Category	Indicator	2025 (Jan-Sep)	Change (Yearly)	Explanation
Total Production	Unit	1.031.527	3%	Total vehicle production increased.
Automobile Production	Unit	637.450	-3%	Automobile production declined.
Total Vehicle Market	Unit	958.847	9%	The total vehicle market grew.
Automobile Market	Unit	742.687	10%	Automobile sales increased.

Production developments by vehicle group in the first nine months of 2025 compared to the previous year are as follows:

Category	Sub Segment	Indicator	2025 (Jan-Sep)	Change (Yearly)
Light Commercial Vehicles	Minibus	Unit	75.818	84%
Light Commercial Vehicles	Midibus	Unit	3.513	-3%
Light Commercial Vehicles	Pickup	Unit	281.128	7%
Heavy Commercial Vehicles	Bus	Unit	8.444	21%
Heavy Commercial Vehicles	Truck	Unit	24.774	-11%

The imported light commercial vehicle sales recorded 20% year-on-year increase in the first nine months of 2025, while the domestic light commercial vehicle sales decrease by 26%.

The light commercial vehicle (minibus + pickup) imports had 79% market share in this period.

PRODUCTION AND SALES

Our Company's production and sales figures by product type are presented below in comparison to the figures of the previous year. Sales of Foton Tunland brand pickup type vehicles started in the last quarter of 2024. These vehicles are not produced by our company, they are imported and sold.

	<u>2025 9M</u>		<u>2024 9M</u>		<u>Change (Units)</u>		<u>Change %</u>	
	<u>Production</u>	<u>Sales</u>	<u>Production</u>	<u>Sales</u>	<u>Production</u>	<u>Sales</u>	<u>Production</u>	<u>Sales</u>
Microbus	125	116	86	58	39	58	45	100
Small Bus	1.294	1.239	1.438	1.381	(144)	(142)	(10)	(10)
Bus	1.254	1.261	1.202	1.249	52	12	4	1
Armored Vehicles	224	133	94	86	130	47	138	55
Truck	1.108	988	814	761	294	227	36	30
Pickup	-	1.384	-	-	-	1.384	-	-
TOTAL	4.005	5.121	3.634	3.535	371	1.586	10	45

According to our consolidated financial statements prepared in line with the relevant legislation,

Our Company's first nine months of 2025 revenue increase by 8% compared to same period of last year.

The distribution of our revenues in terms of domestic and international sales, and in comparison to the previous year, is as follows:

	<u>2025</u> <u>(January-September)</u> <u>(Thousand TL)</u>	<u>2024</u> <u>(January-September)</u> <u>(Thousand TL)</u>	<u>Change %</u>
Domestic Sales	12.006.131	10.297.122	17
Export Sales	18.930.806	18.255.979	4
TOTAL	19.838.251	17.517.394	13

Our export total sales amounted to USD 456.182 thousand in the first nine months of 2025 (USD 439.909 thousand in the first nine months of 2024) accounting for 61% of the total turnover. (2024 9M: 64%)

In the first nine months of 2025, our capacity utilization was 51%. (2024 9M: 46%)

The distribution of our turnover by product group is given below;

	1 January- 30 September 2025	1 July- 30 September 2025	1 January- 30 September 2024	1 July- 30 September 2024
Commercial vehicles	22.111.832	7.674.249	21.389.828	7.186.558
Military Vehicles	5.303.526	1.037.650	2.732.236	483.555
Other Sales ^(*)	3.521.579	898.125	4.431.050	2.051.031
Total	30.936.937	9.610.024	28.553.114	9.721.144

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

In the first nine months of 2025, commercial vehicle sales accounted for 72% of total revenue (2024 9M: 75%), while military vehicle sales reached 17% (2024 9M: 10%). Other sales revenues accounted for 11% of total revenue (2024 9M: 16%).

INVESTMENTS

Our company continues its R&D investments in 2025 with the aim of achieving the targeted rapid growth with vehicles whose intellectual property rights belong to Otokar, and to be a pioneer in the field of research and development activities.

Our company made an investment of approximately USD 53 million with capitalizing the R&D expenditures as of the end of June 2025.

CORPORATE INFORMATION

The names and positions of the Senior Executives of our Company in 2025 are listed below:

<u>Name & Last name</u>	<u>Title</u>
İbrahim Aykut ÖZÜNER	General Manager
Başak TEKİN ÖZDEN	Assistant General Manager- Finance
Uğur Sedef VEHBİ	Assistant General Manager- Military Vehicles
Mustafa Kerem ERMAN	Assistant General Manager- Commercial Vehicles
Onur VURAL	Assistant General Manager- Operations

The number of end-of-period and average personnel employed within the Group is as follows:

	End of the period		Average	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
Office Employee	921	900	931	988
Permanent Field Employee	2.763	2.809	2.786	2.724
Total	3.684	3.709	3.717	3.712
Temporary Field Employee	222	63	193	540
Total	3.906	3.772	3.910	4.252

No disputes and workers' movements were observed during the period.

Our Company is subject to the Collective Labor Agreement signed between the Turkish Metal Workers Union and MESS (Turkish Employers' Association of Metal Industries) on January 17, 2024, and which came into force as of September 1, 2023.

Our Company has agreed to comply with the Principles of Corporate Governance issued by the Capital Markets Board, and to undertake the necessary amendments in line with changing conditions. Otokar has been rated by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. in accordance with CMB's (Capital Markets Board) Communiqué on "The Principles Regarding Rating Activity in Capital Markets and Rating Agencies", and pertaining to rating the compliance of corporations listed on the BIST, with the Principles of Corporate Governance. The "Corporate Governance Rating Report" can be found at www.otokar.com.tr/en

Our Company's Corporate Governance Rating rose from 95.99 (9.60) in 2024 to 96.93 (9.69) in 2025.

Otokar has been listed in the BIST Sustainability Index, which includes companies with the highest corporate sustainability performance since 2014, with their work in the field of sustainability. Otokar shares with its stakeholders the information, performance results and related targets of the activities it carries out in the fields of environmental, social and corporate governance through its Sustainability Index. 2024 TSRS Compliant Sustainability Report and 2024 Otokar Sustainability Report is available on the corporate website <https://www.otokar.com.tr/en>

FINANCIAL RESULTS

The company presents to the public its 2025 first nine months consolidated financial statements, prepared in in compliance with Turkish Financial Reporting Standards (TFRS) and formats determined by the Capital Markets Board (CMB) in accordance with the CMB's "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué") II.14.1, and pursuant to the resolution dated 28.12.2023 on the implementation of inflation accounting.

The financial tables, notes, and ratios showing the results of our activities in the first nine months of 2025 are also presented for your information.

The consolidated revenues of our company as of September 30, 2025 totaled TL 30.936.937 thousand while gross profit totaled TL 6.514.738 thousand. Total sales revenues increased by 8% compared to the same period last year, while gross profit increased by 52%.

Pursuant to CMB regulations and according to the consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards and the resolution dated 28.12.2023 on the implementation of inflation accounting, the company has posted a loss of TL 948.883 thousand before tax, and a net period loss of TL 436.338 thousand in the first nine months of 2025 (-3,106,793 thousand TL pre-tax loss, -3,198,947 thousand TL net loss in the first nine months of 2024).

FINANCIAL RATIOS

As of September 30, 2025 our Company presents to the public consolidated condensed financial statements on our company website (www.otokar.com.tr/en) and KAP (Public Disclosure Platform). Our Company's financial and profitability ratios are presented below in comparison to the figures of the previous year:

	30.09.2025	31.12.2024
Liquidity Ratios		
1- Current Ratio (Current Assets / Short Term Liabilities)	1,12	1,37
2- Liquidity Ratio ((Current Assets-Inventories) / (Short Term Liabilities))	0,49	0,74
Financial Leverage Ratios		
1- Total Debt to Total Assets Ratio ((Short Term Liabilities+Long Term Liabilities / Total Assets))	0,85	0,79
2- Equity / Total Debt Equity (Equity / (Short Term Liabilities+Long Term Liabilities))	0,18	0,26
Profitability Ratios		
1- Return on Assets (Pre-Tax Profit / Total Assests)	(0,02)	(0,07)
2- Return on Equity (Net Profit / Equity)	(0,05)	(0,38)

İstanbul, 3 November 2025