

Highlights

| Financial Results (mn TL) | 1Q24 | YoY Δ |
|---------------------------------------|---------|-------|
| Revenues | 124,188 | 9% |
| Export Revenues ⁽¹⁾ | 97,587 | 12% |
| Domestic Revenues | 26,601 | 0% |
| Operating Profit | 8,889 | -10% |
| EBITDA | 11,292 | -7% |
| EBITDA excluding other income/expense | 10,389 | -13% |
| Profit Before Tax | 9,889 | -4% |
| Net Income | 8,973 | 10% |

⁽¹⁾ Export revenues and volumes include exports from Ford Otosan and Ford Otosan Romania SRL

| Volumes (units) | 1Q24 | YoY Δ |
|---------------------------|----------------|-------------|
| Total Wholesale | 170,224 | 8% |
| Export | 145,817 | 11% |
| Domestic Wholesale | 24,407 | -8% |
| Domestic Retail | 24,293 | -6% |
| Market Share | 7.9% | -2.6pps |
| Production (units) | 171,167 | 5.4% |
| Capacity Utilization Rate | 92% | -6 pps |

In 1Q24, total CUR was 92%, reaching 94%, 91%, 70% and 92% in the Gölcük, Yeniköy, Eskişehir and Craiova Plants respectively.

| Summary Income Statement, Million TL | 1Q24 | 1Q23 | YoY Δ |
|--|---------|---------|-------|
| Revenues | 124,188 | 113,625 | 9% |
| Export | 97,587 | 86,919 | 12% |
| Domestic | 26,601 | 26,706 | 0% |
| Gross Profit | 13,216 | 14,041 | -6% |
| Operating Profit | 8,889 | 9,869 | -10% |
| Financial Income/(Expense) | -4,120 | -2,242 | 84% |
| Profit Before Tax | 9,889 | 10,249 | -4% |
| Net Income ⁽²⁾ | 8,973 | 8,156 | 10% |
| Other Financial Data | | | |
| Depreciation & Amortization & Embedded Lease in Turkey and Romania | 2,403 | 2,248 | 7% |
| EBITDA | 11,292 | 12,117 | -7% |
| EBITDA excluding other income/expense | 10,389 | 11,996 | -13% |
| Capital Expenditures | -6,734 | -4,583 | 47% |

⁽²⁾ The impact of deferred tax in 1Q23 (TL 2,033 mn) on Net Income is limited due to increase in the current period tax expenses (TL 1,840 mn) mainly resulting from the additional earthquake tax (one-off payment).

1Q24 financial results published in this earnings announcement have been prepared according to the International Financial Reporting Standards (IFRS).

Revenues

In 1Q24, Turkish automotive market experienced a 24% YoY growth despite last year's strong basis. In this period total sales reached to 305,878 units (1Q23: 246,500). During the first quarter of 2024, there was notable growth in both PC and MCV sales, with increases of 33% and 63%, respectively. However, sales in the LCV segment declined by 25%, while Heavy Trucks showed a relatively stable performance. i) The increase in the base price for the SCT-exemption applied to disabled individuals, ii) pull-forward domestic demand in the pre-election period despite ongoing tightening monetary policy, iii) improved vehicle availability were effective in this mixed market performance. In 1Q24, Ford Otosan maintained its #3 position in the total industry with 7.9% market share (1Q23: 10.5%) due to extended ramp-up period in new Courier model and 9% YoY decline in the HCV sales.

In spite of a strong performance in the previous year, Ford Otosan's primary export markets, consisting of European Van and PC market, grew by 12% and 5% YoY, respectively in 1Q24. Ford Otosan is the largest commercial vehicle manufacturer of Ford Pro in Europe and supports Ford's growth and 9 years of consecutive leadership in the CV market as Ford Otosan produces 73% of Ford's CVs sold in Europe. Also, we contribute to Ford's performance in European PC market with Puma by producing 38% of Ford's PC Sales.

While our domestic sales volumes decreased by 8%, our domestic revenues remained flat, compared to 1Q23, and realized as TL 26,600 million due to ongoing pricing discipline and favorable product mix. Export revenues were TL 97,587 million in 1Q24, up 12% YoY and export volumes increased by 11% mainly supported by the renewed models. As a result, total revenues increased by 9% YoY to TL 124,188 million due to 8% YoY increase in volumes despite lower HCV sales units (mainly driven by the compliance process to the new regulatory requirements). The share of export revenues in total revenues increased to 79% in 1Q24 (compared to 76% in 1Q23).

Profitability

In the first quarter of 2024, 1) strong base year impact, 2) slightly lower YoY domestic volumes and pricing ability due to increased vehicle availability, 3) an increase in the share of export revenues in the overall revenue mix and 4) ramp-up period of new models, created a dilutive impact on Ford Otosan's profitability.

In 1Q24, Gross Profit realized as TL 13,216 million with 6% YoY decrease due to YoY increase in labor & raw material costs and reduced domestic volumes combined with competitive pricing environment despite growing export volumes. In this period, despite the support of 111% increase in Net FX Gain from Operating Activities (resulting from the currency impact), Net Other Income experienced a rise of 647% year-on-year, reaching TL 903 million, leading into a 10% YoY decline in Operating Profit to TL 8,889 million. Meanwhile, EBITDA and EBITDA excluding the currency impact reached to TL 11,292 million and TL 10,389 million, with declines of 7% and 13% YoY, respectively. EBITDA per vehicle was EUR 1,815 and PBT per vehicle was EUR 1,728.

In 1Q24, TL 4,430 million monetary gain (1Q23: TL 2,625 million) was included in Profit Before Tax which was realized as TL 9,889 million due to 84% increase in Net Financial Expenses. Net Income was TL 8,973 million, up 10% YoY.

Margins: Gross 10.6% (-1.8 pps YoY); Operating 7.2% (-1.5 pps YoY); EBITDA 9.1% (-1.6 pps YoY); EBITDA excluding other income 8.4% (-2.2 pps YoY); and Net 7.2% (0 pps YoY).

| Margins | 1Q24 | 1Q23 | YoY Δ, pps |
|--|-------|-------|------------|
| Gross Margin | 10.6% | 12.4% | (1.8) |
| EBITDA Margin | 9.1% | 10.7% | (1.6) |
| EBITDA Margin (excluding other income) | 8.4% | 10.6% | (2.2) |
| Operating Margin | 7.2% | 8.7% | (1.5) |
| Net Margin | 7.2% | 7.2% | 0.0 |

| Per Vehicle (EUR) | 1Q24 | 1Q23 |
|-------------------|-------|-------|
| EBITDA | 1,815 | 2,223 |
| PBT | 1,728 | 1,899 |

Sales Performance

Ranked #3 in the total industry in 1Q24 with 7.9% share and total CV market share realized as 22.5%.

| Sales Volume by Model, units | 1Q24 | 1Q23 | YoY Δ |
|---|----------------|----------------|------------|
| Domestic Sales | 24,407 | 26,662 | -8% |
| Puma | 2,592 | 727 | 257% |
| Other | 5,049 | 4,253 | 19% |
| Passenger Car | 7,641 | 4,980 | 53% |
| Courier | 3,397 | 12,815 | -73% |
| Connect | 102 | 164 | -38% |
| Light Commercial Vehicle | 3,499 | 12,979 | -73% |
| Transit | 7,530 | 4,485 | 68% |
| Custom | 2,028 | 1,202 | 69% |
| Ranger | 1,348 | 101 | 1235% |
| Medium Commercial Vehicle | 10,906 | 5,788 | 88% |
| Truck | 2,361 | 2,788 | -15% |
| Rakun | 0 | 127 | - |
| Export Sales | 145,817 | 131,378 | 11% |
| Custom | 50,980 | 39,826 | 28% |
| Transit | 39,942 | 36,456 | 10% |
| Courier | 14,071 | 7,990 | 76% |
| Truck | 481 | 2,031 | -76% |
| Puma | 40,321 | 45,005 | -10% |
| Other | 22 | 70 | -69% |
| Total Wholesale Volume | 170,224 | 158,040 | 8% |
| Total Turkish Automotive Industry Sales | 305,878 | 246,500 | 24% |
| Ford Otosan Retail Sales | 24,293 | 25,796 | -6% |
| Ford Otosan Market Share | 7.9% | 10.5% | -2.6pps |

Balance Sheet and Cash Flow

| Summary Balance Sheet, Million TL | 3/31/2024 | 12/31/2023 | YoY Δ |
|-------------------------------------|-----------|------------|-------|
| Current Assets | 135,947 | 118,481 | 15% |
| Current Liabilities | 117,447 | 108,314 | 8% |
| Property, Plant and Equipment - Net | 66,118 | 65,814 | 0% |
| Total Assets | 265,205 | 249,697 | 6% |
| Total Liabilities | 175,291 | 165,692 | 6% |
| Shareholders' Equity | 89,914 | 84,005 | 7% |

| Financial Ratios | 3/31/2024 | 12/31/2023 |
|--|-----------|------------|
| Current Ratio | 1.16 | 1.09 |
| Liquidity Ratio | 0.76 | 0.69 |
| Net Debt / EBITDA | 1.10 | 1.19 |
| Current Assets / Total Assets | 0.51 | 0.47 |
| Current Liabilities / Total Liabilities | 0.67 | 0.65 |
| Total Liabilities/Total Liabilities & Equity | 0.66 | 0.66 |
| Return on Equity | 39.9% | 38.8% |

| Summary Cash Flow Statement, Million TL | 3/31/2024 | 3/31/2023 | YoY Δ |
|---|-----------|-----------|-------|
| Beginning Balance of Cash & Equivalents | 17,487 | 19,163 | -9% |
| Net Cash from Operating Activities | 10,739 | 22,527 | -52% |
| Net Cash Used in Investing Activities | -6,709 | -4,561 | 47% |
| Net Cash Used in Financing Activities | 6,618 | 1,026 | 545% |
| Monetary Gain/(Loss) on Cash&Equivalents | -2,369 | -2,365 | 0% |
| End of Period Balance of Cash&Equivalents | 25,790 | 35,823 | -28% |



2024 Guidance

| | 2023A | 2024 Guidance |
|--------------------------------|-----------------|-------------------------|
| Total Industry Volume | 1,278 K | 800K - 900K |
| Ford Otosan: | | |
| Retail Sales Volume | 114 K | 100K - 110K |
| Export Volume | 492 K | 560K - 610K |
| Turkey | 312K | 350K - 380K |
| Romania | 180K | 210K - 230K |
| Wholesale Volume | 610 K | 660K - 720K |
| Total Production Volume | 590 K | 650K - 700K |
| Turkey | 399 K | 400K - 430K |
| Romania | 191 K | 250K - 270K |
| Capex (fixed assets) | € 900 mn | € 900 - 1,000 mn |
| General Investments | € 96 mn | € 170 - 190 mn |
| Product Related Investments | € 804 mn | € 730 - 810 mn |

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