

**FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION INTO ENGLISH  
OF CONDENSED FINANCIAL STATEMENTS AT  
1 JANUARY - 30 SEPTEMBER 2024**

**(ORIGINALLY ISSUED IN TURKISH)**

**CONTENTS****PAGE**

<b>CONDENSED CONSOLIDATED STATEMENTS OF FINANCIL POSITION.....</b>	<b>1- 2</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS.....</b>	<b>3</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME...</b>	<b>4</b>
<b>CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY.....</b>	<b>5</b>
<b>CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS.....</b>	<b>6</b>
<b>NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS .....</b>	<b>7-55</b>
NOTE 1 ORGANIZATION AND NATURE OF THE OPERATIONS.....	7
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS.....	8-17
NOTE 3 SEGMENT REPORTING.....	18
NOTE 4 FINANCIAL INVESTMENTS.....	18
NOTE 5 FINANCIAL LIABILITIES.....	19-22
NOTE 6 TRADE RECEIVABLES AND PAYABLES.....	22-25
NOTE 7 INVENTORIES .....	26
NOTE 8 PROPERTY, PLANT AND EQUIPMENT.....	27
NOTE 9 INTANGIBLE ASSETS.....	28
NOTE 10 PREPAID EXPENSES.....	29
NOTE 11 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES.....	30-32
NOTE 12 COMMITMENTS .....	32
NOTE 13 EQUITY .....	32-33
NOTE 14 REVENUE AND COST OF SALES.....	33-34
NOTE 15 EXPENSES BY NATURE.....	35
NOTE 16 OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES.....	35
NOTE 17 FINANCIAL INCOME.....	36
NOTE 18 FINANCIAL EXPENSES.....	36
NOTE 19 TAX ASSETS AND LIABILITIES.....	36-39
NOTE 20 EARNINGS PER SHARE.....	39
NOTE 21 RELATED PARTY DISCLOSURES.....	40-46
NOTE 22 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT .....	47-53
NOTE 23 CASH FLOW HEDGE OPERATIONS.....	54-55
NOTE 24 SUBSEQUENT EVENTS.....	55

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

		<b>Current period Not audited 30 September 2024</b>	<b>Previous period Audited 31 December 2023</b>
	<b>Notes</b>		
<b>Assets</b>			
<b>Current assets</b>		<b>155,742,916</b>	<b>139,827,604</b>
Cash and cash equivalents		30,136,854	20,684,008
Trade receivables			
- Due from related parties	21	45,296,172	34,315,138
- Due from third parties	6	16,036,704	27,623,012
Other receivables			
- Due from related parties	21	2,223,220	1,622,401
- Due from third parties		506,835	276,104
Assets arising from customer contracts		824,084	1,538,856
Inventories	7	45,975,330	39,878,020
Prepaid expenses	10	4,738,384	2,612,910
Other current assets		10,005,333	11,235,921
Derivative financial instruments	22, 23	-	41,234
<b>Non-current assets</b>		<b>159,191,439</b>	<b>154,998,144</b>
Financial investments	4	413,820	472,825
Trade receivables			
- Due from third parties	6	701	22,676
Other receivables			
- Due from related parties	21	13,864,875	13,416,987
Property, plant and equipment	8	86,830,444	77,708,480
Intangible assets			
- Other Intangible assets	9	20,554,253	24,399,172
- Goodwill		955,642	1,112,774
Right of use assets		1,560,178	1,325,449
Prepaid expenses	10	16,651,252	18,205,983
Deferred tax assets	19	17,803,424	17,679,958
Investments in subsidiaries, joint ventures and affiliated companies		250,762	170,419
Derivative financial instruments	22,23	306,088	483,421
<b>Total Assets</b>		<b>314,934,355</b>	<b>294,825,748</b>

Condensed consolidated financial statements for the period ended 1 January - 30 September 2024 were approved for issue by the Board of Directors on 5 November 2024.

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

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

	Notes	Current period Not audited 30 September 2024	Previous period Audited 31 December 2023
<b>Liabilities</b>			
<b>Current liabilities</b>		<b>128,958,178</b>	<b>127,890,325</b>
Short-term borrowings			
- Bank borrowings	5	23,927,413	26,687,610
Short-term portion of long-term borrowings			
- Bank borrowings	5	22,057,477	19,218,977
- Issued debt instruments	5	1,187,793	-
- Lease liabilities	5	355,442	236,705
- Short-term portions of other long-term debts		7,331,700	-
Trade payables			
- Due to related parties	21	10,889,165	13,381,116
- Due to third parties	6	51,105,080	58,033,748
Other payables			
- Due to related parties	21	3,218	849,963
- Due to third parties		1,760,847	1,363,456
Deferred income		4,288,788	795,318
Short-term provisions			
- Other short-term provisions	11	1,667,808	1,730,543
Employee benefit liabilities		3,854,142	5,492,611
Current tax liabilities	19	391,018	100,278
Derivative financial liabilities	22, 23	138,287	-
<b>Non-current liabilities</b>		<b>84,598,143</b>	<b>67,747,373</b>
Long-term borrowings			
- Bank borrowings	5	51,841,848	41,356,827
- Issued debt instruments	5	16,356,043	-
- Lease liabilities	5	981,120	937,621
- Other long-term debts	5	5,294,031	14,483,047
Long-term provisions			
- Provision for employment termination Benefits		2,447,066	2,503,962
- Other long-term provisions	11	1,858,805	1,867,996
Deferred income		3,581,378	5,107,106
Deferred tax liabilities	19	1,314,986	1,269,100
Derivative financial liabilities	22, 23	922,866	221,714
<b>Equity</b>		<b>101,378,034</b>	<b>99,188,050</b>
Paid-in capital		350,910	350,910
Inflation adjustments on capital		8,034,140	8,034,140
Share premium		8	8
Other comprehensive income/(loss)			
not to be reclassified under profit or loss			
- Losses on remeasurements of defined benefit plans		(1,955,593)	(1,814,643)
Other comprehensive income/(loss)			
to be reclassified in profit or loss			
- Gains from financial assets measured at fair value through other comprehensive income		163,234	153,217
- Currency translation differences		(5,118,813)	(839,074)
- Losses on cash flow hedges		(27,083,635)	(25,406,465)
Restricted reserves		9,728,647	7,991,878
Retained earnings		91,593,545	44,071,047
Net profit for the period		25,665,591	66,647,032
<b>Total liabilities and equity</b>		<b>314,934,355</b>	<b>294,825,748</b>

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

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## STATEMENTS OF CONDENSED CONSOLIDATED CHANGES IN PROFIT OR LOSS FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

	Notes	Not audited 1 January 2024 - 30 September 2024	Not audited 1 July 2024 - 30 September 2024	Not audited 1 January 2023 - 30 September 2023	Not audited 1 July 2023 - 30 September 2023
<b>Continuing operations</b>					
Revenue	14	404,666,337	141,728,720	412,873,683	137,095,278
Cost of sales	14	(364,401,592)	(128,301,141)	(348,446,419)	(108,980,765)
<b>Gross profit</b>		<b>40,264,745</b>	<b>13,427,579</b>	<b>64,427,264</b>	<b>28,114,513</b>
Marketing expenses		(7,341,782)	(2,846,721)	(6,747,204)	(2,396,830)
General administrative expenses		(6,502,905)	(2,286,153)	(6,408,189)	(2,619,162)
Research and development expenses		(4,566,032)	(1,224,601)	(5,880,106)	(1,880,620)
Other income from operating activities	16	9,951,488	3,511,110	16,545,527	3,586,913
Other expenses from operating activities	16	(8,862,930)	(2,526,630)	(8,233,151)	(1,772,153)
<b>Profit from operating activities</b>		<b>22,942,584</b>	<b>8,054,584</b>	<b>53,704,141</b>	<b>23,032,661</b>
Income from investing activities		3,213,546	2,041,593	938	658
Expenses from investing activities		(307,019)	(301,563)	(103,374)	(100,155)
<b>Operating income before financial income/(expense)</b>		<b>25,849,111</b>	<b>9,794,614</b>	<b>53,601,705</b>	<b>22,933,164</b>
Financial income	17	8,583,970	3,394,077	15,621,888	5,538,197
Financial expenses	18	(24,331,951)	(8,499,647)	(27,671,668)	(6,476,826)
Net monetary position gains		16,839,602	5,329,139	7,426,319	38,937
<b>Profit from continuing operations before tax</b>		<b>26,940,732</b>	<b>10,018,183</b>	<b>48,978,244</b>	<b>22,033,472</b>
<b>Tax income/(expense) from continuing operations</b>		<b>(1,275,141)</b>	<b>(1,456,004)</b>	<b>(7,735,233)</b>	<b>(1,917,711)</b>
- Tax expenses for the period	19	(579,801)	(292,855)	(3,745,998)	(68,435)
- Deferred tax (expense)/income	19	(695,340)	(1,163,149)	(3,989,235)	(1,849,276)
<b>Net profit</b>		<b>25,665,591</b>	<b>8,562,179</b>	<b>41,243,011</b>	<b>20,115,761</b>
<b>Earnings per share with a nominal value Kr</b>	<b>20</b>	<b>73,14 Kr</b>	<b>24,40 Kr</b>	<b>117,53 Kr</b>	<b>57,32 Kr</b>

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

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## STATEMENTS OF CONDENSED CONSOLIDATED OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

	Notes	Not audited 1 January 2024 - 30 September 2024	Not audited 1 July 2024 - 30 September 2024	Not audited 1 January 2023 - 30 September 2023	Not audited 1 July 2023 - 30 September 2023
<b>Profit for the period</b>		<b>25,665,591</b>	<b>8,562,179</b>	<b>41,243,011</b>	<b>20,115,761</b>
<b>Other comprehensive income/(expense)</b>					
<b>Other comprehensive income not to be reclassified to profit or loss</b>					
Gains/(losses) on remeasurements of defined benefit plans		(187,934)	592,588	(219,823)	(482,003)
<b>Other comprehensive income taxes not to be reclassified to profit or loss</b>					
Taxes relating to remeasurements of defined benefit plans		46,984	(148,146)	54,956	107,393
<b>Other comprehensive income to be reclassified to profit or loss</b>					
Gains/(losses) from financial assets measured at fair value through other comprehensive income		10,544	(87,660)	56,502	71,614
Taxes relating to cash flow hedges	23	(2,236,227)	(3,411,351)	(11,848,699)	3,637,773
Currency translation differences		(4,279,739)	(108,810)	(2,338,781)	(6,433,758)
<b>Other comprehensive income taxes to be reclassified to profit or loss</b>					
Gains/(losses) from financial assets measured at fair value through other comprehensive income		(527)	4,383	(2,825)	(3,581)
Taxes relating to cash flow hedges	19	559,057	852,838	2,962,175	(909,443)
<b>Other comprehensive profit/(loss)</b>		<b>(6,087,842)</b>	<b>(2,306,158)</b>	<b>(11,336,495)</b>	<b>(4,012,005)</b>
<b>Total comprehensive income</b>		<b>19,577,749</b>	<b>6,256,021</b>	<b>29,906,516</b>	<b>16,103,756</b>

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

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## STATEMENTS OF CONDENSED CONSOLIDATED CHANGES IN EQUITY FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

	Paid in capital	Inflation adjustments on capital	Share premium	Other comprehensive income not to be reclassified in profit or loss	Other comprehensive income to be reclassified			Accumulated profit			
				Gains/(losses) on remeasurements defined benefit plans	Gain/(losses) from financial assets measured at fair value through other comprehensive income	Cash flow hedge reserves	Foreign Exchange risk differences	Restricted reserves	Retained earnings	Net profit	Total equity
<b>Balances at 1 January 2023</b>	<b>350,910</b>	<b>8,034,140</b>	<b>8</b>	<b>(1,928,168)</b>	<b>136,002</b>	<b>(13,562,102)</b>	<b>60,507</b>	<b>7,287,873</b>	<b>31,428,071</b>	<b>37,673,879</b>	<b>69,481,120</b>
Profit for the period	-	-	-	-	-	-	-	-	-	41,243,011	41,243,011
Other comprehensive income/(loss)	-	-	-	(164,867)	53,677	(8,886,524)	(2,338,781)	-	-	-	(11,336,495)
Total comprehensive income	-	-	-	(164,867)	53,677	(8,886,524)	(2,338,781)	-	-	41,243,011	29,906,516
Transfers	-	-	-	-	-	-	-	-	37,673,879	(37,673,879)	-
Dividends	-	-	-	-	-	-	-	991,355	(10,939,761)	-	(9,948,406)
<b>Balances at 30 September 2023</b>	<b>350,910</b>	<b>8,034,140</b>	<b>8</b>	<b>(2,093,035)</b>	<b>189,679</b>	<b>(22,448,626)</b>	<b>(2,278,274)</b>	<b>8,279,228</b>	<b>58,162,189</b>	<b>41,243,011</b>	<b>89,439,230</b>
<b>Balances at 1 January 2024</b>	<b>350,910</b>	<b>8,034,140</b>	<b>8</b>	<b>(1,814,643)</b>	<b>153,217</b>	<b>(25,406,465)</b>	<b>(839,074)</b>	<b>7,991,878</b>	<b>44,071,047</b>	<b>66,647,032</b>	<b>99,188,050</b>
Profit for the period	-	-	-	-	-	-	-	-	-	25,665,592	25,665,592
Other comprehensive income/(loss)	-	-	-	(140,950)	10,017	(1,677,170)	(4,279,739)	-	-	-	(6,087,842)
Total comprehensive income	-	-	-	(140,950)	10,017	(1,677,170)	(4,279,739)	-	-	25,665,592	19,577,750
Transfers	-	-	-	-	-	-	-	-	66,647,033	(66,647,033)	-
Dividends	-	-	-	-	-	-	-	1,736,769	(19,124,535)	-	(17,387,766)
<b>Balances at 30 September 2024</b>	<b>350,910</b>	<b>8,034,140</b>	<b>8</b>	<b>(1,955,593)</b>	<b>163,234</b>	<b>(27,083,635)</b>	<b>(5,118,813)</b>	<b>9,728,647</b>	<b>91,593,545</b>	<b>25,665,591</b>	<b>101,378,034</b>

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

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

		Current period Not audited 30 September 2024	Previous period Not audited 30 September 2023
	Note		
<b>Cash flows generated from/(used in) operating activities</b>		<b>20,018,656</b>	<b>56,185,139</b>
Net profit for the period		25,665,591	41,243,011
<b>Adjustments to reconcile profit or loss</b>		<b>8,245,991</b>	<b>13,565,115</b>
Adjustments for depreciation and amortisation expense		7,473,069	6,588,483
Adjustments for impairment loss of inventories	7	582,289	(2,105)
Adjustments for provisions related with employee benefits		(1,062,061)	1,689,973
Adjustments for lawsuit and/or penalty provisions	11	119,134	100,998
Adjustments for warranty provisions	11	2,529,905	2,634,775
Adjustments for other provisions		234,425	418,935
Adjustments for interest income	17	(2,595,380)	(3,569,451)
Adjustments for interest expense	18	8,795,033	5,423,011
Adjustments for tax expenses	19	1,275,141	7,735,233
Adjustments for unearned financing income		(5,440,959)	(3,717,519)
Adjustments for deferred financing expense	16	7,222,048	4,645,627
Adjustments for loss on sales of property, plant and equipment		-	2,133
Unrealized foreign currency translation differences		2,483,039	(220,179)
Other adjustments for which cash effects are investing or financing cash flow		10,211,156	10,892,929
Monetary (gain)/loss adjustments		(23,580,848)	(19,057,728)
<b>Changes in working capital</b>		<b>(9,142,694)</b>	<b>7,286,161</b>
(Increase)/decrease in trade receivable		897,461	10,988,016
(Increase)/decrease in inventories		(6,679,348)	(13,627,576)
(Increase)/decrease in prepaid expenses		(2,076,252)	753,905
Increase/(decrease) in trade payable		(9,388,502)	3,206,715
(Increase)/decrease in other assets		7,468,830	1,589,066
Increase/(decrease) in other liabilities		635,117	4,376,035
<b>Cash flows used in investing activities</b>		<b>24,768,888</b>	<b>62,094,287</b>
Interest paid		(7,492,260)	(4,278,829)
Interest received		5,408,842	3,215,450
Payments related with provisions for employee benefits		(305,634)	(806,011)
Payments related with other provisions	11	(2,072,119)	(1,520,565)
Taxes paid	19	(289,061)	(2,519,193)
<b>Cash flows used in investing activities</b>		<b>(23,066,730)</b>	<b>(23,265,505)</b>
Proceeds from sales of property, plant and equipment		354,429	117,453
Purchase of property, plant and equipment	8	(21,915,495)	(16,108,860)
Purchase of intangible assets	9	(2,930,830)	(2,322,142)
Cash advances given and payables		1,505,509	(4,892,271)
Cash outflows from capital increase/share purchase of subsidiaries		(80,343)	(59,685)
<b>Cash flows (used in)/generated from financing activities</b>		<b>19,301,208</b>	<b>2,809,718</b>
Proceeds from borrowings	5	66,236,675	34,344,400
Cash outflows related to borrowings	5	(24,143,097)	(20,665,452)
Dividends paid		(17,387,766)	(9,948,406)
Interest paid		(7,603,012)	(4,187,528)
Interest received		2,634,252	3,449,124
Cash outflows on debt payments from leasing agreements	5	(435,844)	(182,420)
<b>Net (decrease) / increase in cash and cash equivalents before the effect of currency translation differences</b>		<b>16,253,134</b>	<b>35,729,352</b>
Monetary (loss) on cash and cash equivalents		(6,816,999)	(13,199,205)
Effect of foreign currency translation differences on cash and cash equivalents		55,582	352,506
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>9,491,717</b>	<b>22,882,653</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>20,642,281</b>	<b>22,631,461</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>30,133,998</b>	<b>45,514,114</b>

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



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 1. ORGANIZATION AND NATURE OF THE OPERATIONS

Ford Otomotiv Sanayi A.Ş. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is incorporated and manufactures, assembles and sells motor vehicles, primarily commercial vehicles, imports and sells passenger cars and manufactures and imports and sells spare parts of those vehicles. The company was established in 1959 and currently operates under the joint management and control of Koç Group and Ford Group companies. The Company is listed on the Borsa İstanbul (“BIST”) where 17.89% of its shares are currently quoted. The registered office address of the Company is Akpınar Mahallesi, Hasan Basri Cad. No: 2 Sancaktepe, İstanbul.

In its Kocaeli compound, the Company has a Gölcük plant in which the 2 tons of commercial vehicles are manufactured and a Yeniköy plant in which the 1 tons of commercial vehicle is manufactured and in its Eskişehir İnönü compound; a Ford Trucks truck and engines and powertrain plant which manufactures for trucks and Transit vehicles and Romania Craiova factory in which produces Puma and Ecosport model vehicles and Ecoboost engines. Holding activities related to foreign structuring are carried out in the partnership of the Company with Ford Otosan Netherlands BV in the Netherlands.

Additionally, the Group has a spare part distribution warehouse, sales and marketing departments and a research and development (R&D) centre located in Sancaktepe, İstanbul.

The number of the personnel employed with respect to categories by the Group as of period ends are as follows:

	<b>Average</b>		<b>Period End</b>	
	<b>2024 September</b>	<b>2023 September</b>	<b>2024 September</b>	<b>2023 December</b>
Hourly	19,088	17,223	19,412	18,363
Salaried	5,144	4,794	5,198	5,338
	<b>24,233</b>	<b>22,017</b>	<b>24,610</b>	<b>23,701</b>

Research and development operations which are also subject to service export is conducted with, in totally 2,402 employees as of 30 September 2024 (31 December 2023: 2,298).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

#### 2.1 Basis of presentation

##### Financial reporting standards

The Company maintain its legal books of account and prepare their statutory financial statements ("Statutory Financial Statements") in accordance with accounting principles issued by the Turkish Commercial Code ("TCC") and tax legislation.

The financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards, ("TFRS") and interpretations as adopted in line with international standards 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 June 13, 2013 which is published on Official Gazette numbered 28676. Subsidiaries operating in foreign countries have prepared their statutory financial statements in accordance with the laws and regulations applicable in the countries in which they operate.

##### Financial reporting in hyperinflationary economy

The condensed consolidated financial statements have been prepared on the historical cost basis, except for the revaluations arising from the differences between the book value and the fair value of the derivative instruments and financial investments that are expressed at fair value. In accordance with the decision numbered 81/1820 dated December 28, 2023 by the Capital Markets Board of Turkey (CMB), it has been decided to apply inflation accounting by applying the provisions of TAS 29 starting from the annual financial reports of issuers subject to the financial reporting regulations applying Turkish Accounting/Financial Reporting Standards and capital market institutions for the fiscal periods ending December 31, 2023. TAS 29 is applied to the financial statements, including the interim condensed consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

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 September 30, 2024 as per TAS 29.

The adjustments made in accordance with TAS 29 were made using the adjustment coefficients derived from the Consumer Price Index ("CPI") published by the Turkish Statistical Institute ("TSI"). As of September 30, 2024, the indices and correction coefficients used in the correction of interim condensed consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three Year Compound Inflation Rate
30 September 2024	2,526.16	1,00000	343%
31 December 2023	1,859.38	1,35860	268%
30 September 2023	1,691.04	1,49385	254%

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

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### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.1 Basis of presentation (Continued)

The main elements of the adjustment process carried out by the Group for financial reporting in hyperinflation economies are as follows:

- Condensed consolidated financial statements for the current period prepared in Turkish Lira (TRY) are stated in terms of the purchasing power at the balance sheet date, and the amounts for previous reporting periods are also adjusted to reflect the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already stated in terms of the current purchasing power at the balance sheet date. When the inflation-adjusted values of non-monetary items exceed their recoverable amounts or net realizable values, the provisions of TAS 36 and TAS 2 are applied accordingly.
- Non-monetary assets and liabilities, as well as equity items not stated in terms of the current purchasing power at the balance sheet date, are adjusted using the respective adjustment coefficients.
- All items in the comprehensive income statement, excluding those affecting non-monetary items in the balance sheet, have been indexed using coefficients calculated based on the periods in which income and expense accounts were initially recognized in the financial statements.

The impact of inflation on the Group's net monetary asset position for the current period is recorded in the condensed consolidated income statement under the account of net monetary position gain/loss.

#### Functional Currency and Financial Statement Presentation Currency

Each item in the financial statements of the companies within the group is accounted for using the currency that is functional in the basic economic environment in which the companies operate (“functional currency”). Condensed consolidated financial statements are represented in Ford Otomotiv San. A.Ş.'s current financial statement presentation currency of the Group, Turkish Lira.

#### Financial Statements of Subsidiaries Operating in Foreign Countries

Financial statements of Subsidiaries operating in foreign countries have been prepared in accordance with TAS/IFRS published by POA, reflecting the necessary adjustments and classifications in order to make the correct presentation. The assets and liabilities of the related foreign partnerships are translated into Turkish Lira using the foreign exchange rate, income and expense average exchange rate at the balance sheet date. Currency differences resulting from the use of closing and average exchange rates are accounted for under the foreign currency translation differences item in shareholders' equity. Indexation was made to bring income and expenses to the purchasing power of the end of the current period.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.1 Basis of presentation (Continued)

##### Consolidation Principles

- (a) Consolidated financial statements are prepared by the parent company Ford Otomotiv San. A.Ş. and its Subsidiaries, prepared according to the principles set forth in items (b) to (d) below. During the preparation of the financial statements of the companies included in the consolidation, necessary adjustments and classifications were made in terms of compliance with the TAS/TFRS, which was put into effect by the POA in accordance with the provisions of the Communiqué Serial II, No. 14.1, and compliance with the accounting policies and presentation formats applied by the Group.
- (b) Subsidiaries, Ford Otomotiv San. A.Ş. means companies in which it is exposed to or has rights to variable returns due to its relationship with the investee, and over which it has control because it has the ability to affect these returns through its power over the investee.
- (c) Subsidiaries are included in the scope of consolidation from the date on which control over their operations is transferred to the Group and are excluded from the scope of consolidation on the date that control ceases. Financial position statements and profit or loss statements of Subsidiaries are consolidated using the full consolidation method and Ford Otomotiv San. A.Ş.'s registered values and shareholders' equity of the Subsidiaries are mutually offset. Intra-group transactions and balances between the Group and Subsidiaries are deducted during consolidation. The book values of the shares owned by the Group and the dividends arising from them have been netted off from the related equity and profit or loss statement accounts.

Statements of financial position and profit or loss statements of Subsidiaries have been consolidated using the full consolidation method and the registered values and shareholders' equity of the Subsidiaries owned by Ford Otomotiv A.Ş. have been eliminated. Intra-group transactions and balances between the Group and Subsidiaries have been netted during consolidation.

The registered values of the shares owned by the Group and the dividends arising from them have been eliminated from the relevant equity and profit or loss statement accounts.

As of 30 September 2024 and 31 December 2023, Ford Otomotiv San. A.Ş.'s direct and indirect voting rights and effective shareholding ratios (%) and functional currencies according to the countries of operation are shown below:

	Functional currency	30 September 2024		31 December 2023	
		Suffrage	Effective Partnership rate	Suffrage	Effective Partnership rate
Ford Romania SRL	Romanian Leu	100.00	100.00	100.00	100.00
Ford Otosan Netherlands BV	EUR	100.00	100.00	100.00	100.00

- (d) Financial assets at fair value through other comprehensive income for which the Group has less than 20% of the total voting rights or for which the Group has no significant influence and which have quoted market prices in active markets and whose fair value can be reliably calculated. are reflected in the consolidated financial statements at their fair values.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

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### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.1 Basis of presentation (Continued)

##### Going concern

The Condensed Consolidated financial statements of the Company are prepared on the basis of a going concern assumption.

##### Comparatives of prior periods’ financial statements

The financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. The statement of financial position of the Company at 30 September 2024 has been provided with the comparative financial information of 31 December 2023 and the statement of profit or loss, the statement of other comprehensive income, the statement of cash flows and the statement of changes in equity for the interim period between 1 - 30 September 2024 have been provided with the comparative financial information, for the period between 1 January 2023 - 30 September 2023.

#### 2.2 Changes and interpretations of standards

##### The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of September 30, 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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.2 Changes and interpretations of standards (Continued)**

**a. Standards, amendments, and interpretations applicable as of 1 January 2024:**

• **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. This change has no impact on the financial position and performance of the Group.

• **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. This change has no impact on the financial position and 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.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.2 Changes and interpretations of standards (Continued)

##### a. Standards, amendments, and interpretations applicable as of 1 January 2024 (Continued)

- **Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements (Continued)**

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. This change has no impact on the financial position and performance of the Group.

##### b. 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.

- **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. This change has no impact on the financial position and performance of the Group.

- **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.

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

In May 2024, POA issued amendments to TAS 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 amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

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### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.2 Changes and interpretations of standards (Continued)

##### c. 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 standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

##### d. 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 IFRS 9 and IFRS 7, Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 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. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments**

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.2 Changes and interpretations of standards (Continued)

##### d. The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA) (Continued)

##### • Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11, amending the followings:

- *IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter*: These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- *IFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition*: The amendments update the language on unobservable inputs in the Standard and include a cross reference to IFRS 13.
- *IFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price*: IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply derecognition requirement of IFRS 9 and recognise any resulting gain or loss in profit or loss. IFRS 9 has been also amended to remove the reference to 'transaction price'.
- *IFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent'*: The amendments are intended to remove the inconsistencies between IFRS 10 paragraphs.
- *IAS 7 Statement of Cash Flows – Cost Method*: The amendments remove the term of “cost method” following the prior deletion of the definition of 'cost method'.

The standard is not applicable for the Group and will not have an impact on the 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 standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.2 Changes and interpretations of standards (Continued)

##### d. The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA) (Continued)

##### • IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

#### 2.3 Summary of significant accounting policies

Condensed consolidated financial statements for the interim period ended 30 September 2024 have been prepared in accordance with TAS 34 for the preparation of interim financial statements. Significant accounting policies used in the preparation of the condensed consolidated financial statements are consistent with the accounting policies detailed in the consolidated financial statements as of 31 December 2023, excluding business combinations and goodwill. Therefore, the interim consolidated financial statements should be evaluated together with the financial statements for the year ended 31 December 2023.

#### 2.4 Significant accounting estimates and decisions

The preparation of financial statements require management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

- (a) In calculation of the employee benefit provision actuarial assumptions relating to turnover ratio, discount rate and salary increase are used. The details regarding the calculation are disclosed under provision for employee benefit.
- (b) In determination of the impairment of trade receivables, the factors such as debtor credibility, historical payment performance and debt restructuring is considered. The expected credit loss of trade receivables has been measured and no significant effect has been found (Note 6).
- (c) Discounted inventory price list is used to calculate inventory impairment. Where the sales price cannot be predicted, technical personnel's opinion and inventory waiting time is considered. If expected net realizable value is less than cost, the Group should allocate provisions for inventory impairment (Note 7).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

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### 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.4 Significant accounting estimates and decisions (Continued)

- (d) In determination of the legal case provisions, the possibilities of losing the case and the liabilities that will arise if the case is lost is evaluated by the Group’s Legal Counsellor and by the Management team taking into account expert opinions. The Group management determines the amount of the provisions based on the best forecasts.
- (e) In calculation of the warranty provision, the Group considers the historical warranty expenses incurred addition to planned technical and financial improvements to estimate the possible warranty expense per vehicle. Provision calculations are realistically performed and based on vehicle quantity, warranty period and historical claims (Note 11).
- (f) Deferred tax assets are recognized when the occurrence of taxable profit is probable in the forthcoming years. Deferred tax asset is calculated over any temporary differences in cases when the occurrence of taxable profit is probable, taken into consideration of tax advantages obtained within the context of investment incentive certificates. Deferred tax asset is recorded as of 30 September 2024 and 31 December 2023 since presumptions that the Group will have taxable profit in the forthcoming periods are found to be sufficient (Note 19).
- (g) The Group recognizes depreciation and amortization for its property, plant and equipment and intangibles by taking into account their useful lives that are stated in Note 2 (Notes 8 and 9).
- (h) The Group capitalizes ongoing development expenditures and evaluates whether there is an annual depreciation of these capitalized assets. As of 30 September 2024 and 31 December 2023, there is no impairment of capitalized development expenses (Note 9).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 3. SEGMENT REPORTING

The Group, has primary operation of manufacturing, assembling, importing and selling motor vehicles and spare parts. The Group’s operating segments, nature and economic characteristics of products, nature of production processes, classification of customers in terms of risk for their products and services and methods used to distribute their products are similar. Furthermore, the Group structure has been organized to operate in one segment rather than separate business segments. Consequently, the business activities of the Group are considered to be in one operating segment and the operating results, resources to be allocated to the segment and assessment of performance are managed in this respect.

### 4. FINANCIAL INVESTMENTS

	<b>30 September 2024</b>		<b>31 December 2023</b>	
	<b>Ownership rate (%)</b>	<b>Amount</b>	<b>Ownership rate (%)</b>	<b>Amount</b>
<b>Financial assets at fair value through other comprehensive income</b>				
Otokar Otomotiv ve Savunma Sanayi A.Ş. (Otokar) (*)	0.59	309,670	0.59	406,391
<b>Assets recorded at fair value through profit or loss</b>				
Venture capital investment funds		104,150		66,434
		<b>413,820</b>		<b>472,825</b>

(\*) The Company’s shareholding in Otokar was stated at market value at 30 September 2024 and 31 December 2023 which is assumed to approximate its fair value.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 5. FINANCIAL LIABILITIES

#### Short-term financial liabilities

##### Bank borrowings

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- TRY	43.24	13,062,216	44.97	8,746,494
- EUR	6.32	10,865,197	7.03	17,941,116
		<b>23,927,413</b>		<b>26,687,610</b>

#### Short-term portion of long-term financial liabilities

##### Bank borrowings

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- TRY	46.71	2,424,804	47.35	2,930,915
- EUR	6.45	19,632,673	5.56	16,288,062
		<b>22,057,477</b>		<b>19,218,977</b>

##### Issued debt instruments (\*)

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- USD	7.13	1,187,793	-	-
		<b>1,187,793</b>		<b>-</b>

##### Short-term portions of other long-term debts (\*\*)

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- EUR	2.00	7,331,700	-	-
		<b>7,331,700</b>		<b>-</b>

##### Lease liabilities

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- TRY	46.27	174,024	39.47	127,095
- EUR	7.44	181,418	7.29	109,610
		<b>355,442</b>		<b>236,705</b>
		<b>30,932,412</b>		<b>19,455,682</b>
<b>Total short-term financial liabilities</b>		<b>54,859,825</b>		<b>46,143,292</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 5. FINANCIAL LIABILITIES (Continued)

#### Long-term financial liabilities

##### Bank borrowings

	<u>30 September 2024</u>		<u>31 December 2023</u>	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- EUR	6.72	51,841,848	8.92	41,356,827
		<b>51,841,848</b>		<b>41,356,827</b>

##### Issued debt instruments (\*)

	<u>30 September 2024</u>		<u>31 December 2023</u>	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
-USD	7.13	16,356,043	-	-
		<b>16,356,043</b>		<b>-</b>

##### Lease liabilities

	<u>30 September 2024</u>		<u>31 December 2023</u>	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- TRY	47.99	371,120	46.73	511,174
- EUR	7.49	610,000	7.46	426,447
		<b>981,120</b>		<b>937,621</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 5. FINANCIAL LIABILITIES (Continued)

#### Other long-term financial liabilities (\*\*)

	30 September 2024		31 December 2023	
	Effective interest rate (%)	TRY Amount	Effective interest rate (%)	TRY Amount
- EUR	2.00	5,294,031	2.00	14,483,047
		<b>5,294,031</b>		<b>14,483,047</b>
<b>Total long-term financial liabilities</b>		<b>74,473,042</b>		<b>56,777,495</b>

(\*) The short-term portion of long-term financial borrowings and the amount of issued debt instruments included in long-term financial borrowings consist of the bond issuance of USD 500,000,000 by the Group on April 25, 2024.

(\*\*) The amount classified under the short-term portion of other long-term payables and other long-term payables consists of the contingent and deferred acquisition costs that the Group has to pay in 2025 and 2028 when it acquired Ford Romania SRL's shares on 1 July 2022. This amount has been determined according to the best estimation of the Group management as of 30 September 2024.

The payment schedules of long-term bank borrowings as of 30 September 2024 and 31 December 2023 are as follows:

Payment Period	30 September 2024	31 December 2023
2025	5,562,913	18,285,869
2026	24,777,716	13,056,270
2027	11,480,682	4,558,792
2028	6,900,699	4,005,501
2029	15,781,354	772,520
2030	2,838,135	677,875
2031	856,392	-
	<b>68,197,891</b>	<b>41,356,827</b>

The letters of bank guarantee given to financial institutions in connection with borrowings amounting to TRY 11,630,727 (31 December 2023: TRY 2,673,399) (Note 11).

The movement of financial liabilities as of 30 September 2024 and 2023 is as follows :

Payment Period	30 September 2024	31 December 2023
2025	-	8,410,234
2028	5,294,031	6,072,813
	<b>5,294,031</b>	<b>14,483,047</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 5. FINANCIAL LIABILITIES (Continued)

The movement of financial liabilities as of 30 September 2024 and 2023 is as follows:

	2024	2023
<b>1 January</b>	<b>88,437,740</b>	<b>70,541,297</b>
Cash inflows from borrowing	47,655,750	34,344,400
Cash inflows from debt instruments issued	18,580,925	-
Cash outflows from borrowing	(24,143,097)	(20,665,452)
Cash outflows related to debt payments arising from lease agreements	(435,844)	(182,420)
Unrealised foreign exchange differences	13,398,274	31,055,569
Change in accrual of interest	1,792,372	1,956,882
New lease agreements/impact of contract changes	817,547	273,528
Monetary gain/(loss)	(29,396,531)	(37,011,278)
<b>30 September</b>	<b>116,707,136</b>	<b>80,312,526</b>

### 6. TRADE RECEIVABLES AND PAYABLES

#### Short term trade receivables

	30 September 2024	31 December 2023
Trade receivables	16,506,819	28,361,403
Doubtful receivables	520,614	707,274
Less: provision for doubtful receivables	(520,614)	(707,274)
Less: unearned credit finance income	(470,115)	(738,391)
	<b>16,036,704</b>	<b>27,623,012</b>

The average turnover of receivables related to vehicle sales to domestic distributors is 30 days (31 December 2023: 30 days), domestic sales of spare parts turnover is 70 days (31 December 2023: 70 days) and discounted by 4.34% monthly effective interest rate (31 December 2023: 3.18).

The collection of receivables from export sales other than Ford Motor Group kept under guarantee with letter of credit, letter of guarantee, export credit insurance or upfront cash collection.

#### Long term trade payables

	30 September 2024	31 December 2023
Deposits and guarantees given	701	22,676
	<b>701</b>	<b>22,676</b>



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 6. TRADE RECEIVABLES AND PAYABLES (Continued)

#### Trade payables

	30 September 2024	31 December 2023
Trade payables	51,292,305	58,809,682
Less: unearned credit finance expense	(187,225)	(775,934)
	<b>51,105,080</b>	<b>58,033,748</b>

The Group's average turnover of trade payables is 60 days (31 December 2023: 60 days) and discounted by 4.34% monthly effective interest rate (31 December 2023: 3.18%).

The aging schedule of receivables that are overdue but not impaired is as follows:

30 September 2024	Trade receivables	
	Related party	Other
1 - 30 days overdue	1,004,684	274,852
1 - 3 months overdue	1,041,747	127,552
3 - 12 months overdue	241,631	21,341
1 - 5 years overdue	8,982	68,265
	<b>2,297,044</b>	<b>492,010</b>
Risk covered by guarantees	-	492,010

The Group's overdue related party receivables are related to the long-term engineering service charges and spare parts exports to Ford Motor Company.

31 December 2023	Trade receivables	
	Related party	Other
1 - 30 days overdue	290,867	303,529
1 - 3 months overdue	102,239	12,767
3 - 12 months overdue	233,542	47,998
1 - 5 years overdue	2,821	18,736
	<b>629,469</b>	<b>383,030</b>
Risk covered by guarantees	-	383,030

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 6. TRADE RECEIVABLES AND PAYABLES (Continued)

The maximum exposure of the Group credit risk as of 30 September 2024 and 31 December 2023 is as follows:

30 September 2024	Trade receivables		Other receivables		Deposit in bank
	Related party	Other	Related party	Other	
The maximum of credit risk exposed at the reporting date (Note 6, 21)	45,296,172	16,037,405	16,088,095	506,835	30,133,998
- The maximum of credit risk covered by guarantees	5,891,681	16,037,405	-	-	-
Net book value of the financial assets that are neither overdue nor impaired	42,999,128	15,545,395	16,088,095	506,835	30,133,998
Net book value of financial assets that are overdue but not impaired	2,297,044	492,010	-	-	-
- Amount of risk covered by guarantee	-	492,010	-	-	-
Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	520,614	-	-	-
- Provision for impairment (-)	-	(520,614)	-	-	-
- Amount of risk covered by guarantees	-	-	-	-	-

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 6. TRADE RECEIVABLES AND PAYABLES (Continued)

31 December 2023	Trade receivables		Other receivables		Deposit in bank
	Related party	Other	Related party	Other	
The maximum of credit risk exposed at the reporting date (Note 6, 21)	34,315,138	27,645,688	15,039,388	276,104	20,642,282
- The maximum of credit risk covered by guarantees	6,974,793	27,645,688	-	-	-
Net book value of the financial assets that are neither overdue nor impaired	33,685,669	27,262,658	15,039,388	276,104	20,642,282
Net book value of financial assets that are overdue but not impaired	629,469	383,030	-	-	-
- Amount of risk covered by guarantees	-	383,030	-	-	-
Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	707,274	-	-	-
- Provision for impairment (-)	-	(707,274)	-	-	-
- Amount of risk covered by guarantees	-	-	-	-	-

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 7. INVENTORIES

	30 September 2024	31 December 2023
Raw materials	21,123,772	19,383,688
Finished goods	13,841,198	7,691,903
Import vehicles	3,567,096	5,082,336
Goods in transit	3,337,469	3,205,729
Vehicle spare parts	2,571,094	2,558,101
Spare parts	781,906	679,163
Other	1,407,704	1,349,971
	<b>46,630,239</b>	<b>39,950,891</b>
Less: provision for impairment of finished goods and vehicle spare parts	(654,909)	(72,871)
	<b>45,975,330</b>	<b>39,878,020</b>

Fixed production costs on the product are allocated according to the normal capacity of the production facilities.

The Group classifies the expenses arising from the impairment of inventory under cost of sales. The movement in the balance of this account within the year is as follows:

	2024	2023
<b>1 January</b>	<b>72,871</b>	<b>54,761</b>
Change within the period	582,289	(2,105)
Currency translation differences	(251)	(3,759)
<b>30 September</b>	<b>654,909</b>	<b>48,897</b>

The Group has provided a provision for impairment on the inventories when their net realizable values are lower than their costs or when they are classified as slow-moving inventories. The reversal of provisions has been accounted under cost of sales (Note 14).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 8. PROPERTY, PLANT AND EQUIPMENT

	2024	2023
<b>As of 1 January</b>		
Cost	165,768,802	148,770,454
Accumulated depreciation	(88,060,322)	(83,672,771)
<b>Net book value</b>	<b>77,708,480</b>	<b>65,097,683</b>
<b>Net book value beginning of the period</b>	<b>77,708,480</b>	<b>65,097,683</b>
Addition	21,915,495	16,108,860
Disposals (*)	(8,972,763)	(921,232)
Transfers	1,919,124	(48,610)
Currency translation differences	(3,463,841)	(846,777)
Current period depreciation	(5,514,472)	(5,159,982)
Disposals from accumulated depreciation	3,238,421	801,646
<b>Closing net book value</b>	<b>86,830,444</b>	<b>75,031,588</b>
<b>As of 30 September</b>		
Cost	177,166,817	163,062,695
Accumulated depreciation	(90,336,373)	(88,031,107)
<b>Net book value</b>	<b>86,830,444</b>	<b>75,031,588</b>

(\*) The Group has leased certain fixed assets at its Craiova and Kocaeli factories to Ford Motor Company using finance lease method in accordance with TFRS 16 and reclassified this amount from its tangible fixed assets to other receivables from related parties.

The Group has compared the borrowing costs related to the foreign currency investment loans it has received with the TRY denominated market loan interest rates.

According to the cumulative method within the scope of TAS 23, there is no interest expense capitalized for the period ending as of 30 September 2024 (31 December 2023: None).

There is no collateral, pledge or mortgage on tangible assets as of 30 September 2024 and 2023.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 9. INTANGIBLE ASSETS

	2024	2023
<b>As of 1 January</b>		
Cost	36,180,578	28,562,649
Accumulated depreciation	(11,781,406)	(10,176,054)
<b>Net book value</b>	<b>24,399,172</b>	<b>18,386,595</b>
<b>Net book value beginning of the period</b>	<b>24,399,172</b>	<b>18,386,595</b>
Additions	2,930,830	2,322,142
Transfers	(1,919,124)	48,610
Currency translation differences	(3,185,405)	(1,590,718)
Current period depreciation	(1,671,220)	(1,153,518)
<b>Closing net book value</b>	<b>20,554,253</b>	<b>18,013,111</b>
<b>As of 30 September</b>		
Cost	34,006,879	29,342,683
Accumulated depreciation	(13,452,626)	(11,329,572)
<b>Net book value</b>	<b>20,554,253</b>	<b>18,013,111</b>

There are no fully depreciated intangible assets as of 30 September 2024, As of 30 September 2024, there is no capitalized interest cost and foreign exchange difference in accordance with TAS 23 (31 December 2023: None).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 10. PREPAID EXPENSES

Short-term prepaid expenses	30 September 2024	31 December 2023
Advances given for inventories	3,041,174	2,142,530
Other prepaid expenses	1,697,210	470,380
	<b>4,738,384</b>	<b>2,612,910</b>

Long-term prepaid expenses	30 September 2024	31 December 2023
Advances given for investments <sup>(*)</sup>	16,527,168	18,032,677
Other prepaid expenses	124,084	173,306
	<b>16,651,252</b>	<b>18,205,983</b>

<sup>(\*)</sup> Advances given for investments are related to the Company’s new vehicle investments. TRY 8,163,792 (31 December 2023: TRY 8,905,856) is given to domestic vendors as mould advances and TRY 8,363,376 (31 December 2023: TRY 9,126,944) is the advance given for the new project investments.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 11. PROVISION, CONTINGENT ASSETS AND LIABILITIES

The Group recognizes 2, 3 and 4 years of warranty provision for the vehicles sold by dealers for malfunctions described in the sales agreements. Warranty expense provision is estimated by considering vehicles under warranty as of the balance sheet date and warranty claims of vehicles sold in previous years on a model basis.

#### Short-term provisions

	30 September 2024	31 December 2023
Warranty expense provision	950,659	1,208,086
Provisions for sales premium (*)	697,947	463,522
Provisions for lawsuits	-	22,618
Other short-term provisions	19,202	36,317
	<b>1,667,808</b>	<b>1,730,543</b>

(\*) Provisions for sales premium is composed of expense accruals related with dealer vehicle stock at the reporting date (Note 2).

#### Long-term provisions

	30 September 2024	31 December 2023
Warranty expense provision	1,486,456	1,511,485
Provisions for lawsuits	271,233	238,764
Other long-term provisions	101,116	117,747
	<b>1,858,805</b>	<b>1,867,996</b>

The movement of provisions for lawsuits during the period is as follows:

	2024	2023
<b>1 January</b>	<b>261,382</b>	<b>283,318</b>
Paid during the period	(30,677)	(34,845)
Additions during the period	119,134	100,998
Currency translation differences	1,519	6,027
Monetary gain/(loss)	(80,125)	(112,998)
<b>30 September</b>	<b>271,233</b>	<b>242,500</b>



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 11. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

A movement in the warranty expense provision during the period is as follows:

	2024	2023
<b>1 January</b>	<b>2,719,571</b>	<b>2,522,784</b>
Paid during the period	(2,041,442)	(1,485,720)
Additions during the period	2,529,905	2,634,775
Monetary gain/(loss)	(770,919)	(1,060,165)
<b>30 September</b>	<b>2,437,115</b>	<b>2,611,674</b>

Letters of guarantee and letters of credit	30 September 2024	31 December 2023
Letters of guarantee given to financial institutions due to bank loans	11,630,727	2,673,399
Letters of guarantee given to customs	384,699	448,689
Letters of guarantees given to other parties	408,324	444,654
	<b>12,423,750</b>	<b>3,566,742</b>

#### Letters of guarantee given

	30 September 2024		31 December 2023	
	Original currency	TRY amount	Original currency	TRY amount
TRY	6,243,221	6,243,221	438,138	438,138
EUR	155,832	5,924,430	68,996	3,053,411
Romanian Leu	33,710	256,099	8,500	75,193
		<b>12,423,750</b>		<b>3,566,742</b>

The allocation of collaterals, pledges and mortgages as of 30 September 2024 and 31 December 2023 as follows:

Collaterals, pledges and mortgages given by the Company	30 September 2024	31 December 2023
<b>A.</b> Total amount of collaterals/pledges/mortgages given for its own legal entity	12,406,297	3,556,197
<b>B.</b> Total amount of collaterals/pledges/mortgages given for participations included in entire consolidation	-	-
<b>C.</b> Total amount of collaterals/pledges/mortgages given to assure debts of third parties, for the purpose of conducting the business activities (*)	17,453	10,545
<b>D.</b> Total amount of other collaterals/pledges/mortgages given		
i. Total amount of collaterals/pledges/mortgages	-	-
ii. Total amount of collaterals/pledges/mortgages given for other related companies that do not fall into B and C sections	-	-
iii. Total amount of collaterals/pledges/mortgages given for third parties that do not fall into C section	-	-
	<b>12,423,750</b>	<b>3,566,742</b>

(\*) Relevant amounts are related to CPCs (non-cash loans) given by the Group in favor of its domestic dealers within the scope of warranty obligations.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 11. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

As of 30 September 2024 and 31 December 2023, total amount of the collaterals, pledges and mortgages obtained by the Group are as follows:

#### Letters of guarantee taken

	30 September 2024		31 Aralık 2023	
	Original Currency	TRY amount	Original currency	TRY amount
TRY	3,783,012	3,783,012	7,958,737	7,958,737
EUR	174,516	6,634,717	212,029	9,383,322
USD	3,538	120,624	1,469	58,753
		<b>10,538,353</b>		<b>17,400,812</b>

#### Other

The long-term bank borrowing agreements related to the investments require the Group to comply with certain financial ratios. Such financial ratios are met by the Group as of 30 September 2024 and 31 December 2023.

### 12. COMMITMENTS

None.

### 13. EQUITY

The composition of the Company’s paid-in capital as of 30 September 2024 and 31 December 2023 is as follows:

Shareholders	Share group	30 September 2024	Shareholders percentage (%)	31 December 2023	Shareholders percentage (%)
Koç Holding A.Ş.	B	135,631	38.65	135,631	38.65
Temel Ticaret ve Yatırım A.Ş.	B	2,356	0.67	2,356	0.67
Ford Deutschland Engineering Gmbh	C	143,997	41.04	143,997	41.04
Vehbi Koç Vakfı	A	2,881	0.82	2,881	0.82
Koç Holding Emekli ve Yardım Sandığı Vakfı	A	3,259	0.93	3,259	0.93
Other (Listed)	A	62,786	17.89	62,786	17.89
<b>Paid in capital</b>		<b>350,910</b>	<b>100</b>	<b>350,910</b>	<b>100</b>
<b>Inflation adjustment to share capital</b>		<b>8,034,140</b>		<b>8,034,140</b>	
<b>Inflation adjusted paid in capital</b>		<b>8,385,050</b>		<b>8,385,050</b>	

According to the articles of association, half of the members to be elected to the Board of Directors are selected from among the candidates nominated by the B group and the other half by the C group shareholders. The General Assembly is authorized to determine the number of the members of the Board of Directors and to elect the members. One of the candidates nominated by the B and C group shareholders must have the independent qualifications defined in the CMB regulations.

Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 13. EQUITY (Continued)

There are 35,091,000,000 unit of shares (31 December 2023: 35,091,000,000 unit) with a nominal value of Kr 1 each.

The legal reserves consist of primary and secondary reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the primary legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in capital. The secondary legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in capital, Under the TCC; the legal reserves can be used only to offset losses, unless legal reserve does not exceed at the rate of 50% of the paid-in capital.

The adjusted values of the items shown above with their historical values and the equity inflation adjustment differences are as follows as of 30 September 2024 and 31 December 2023:

30 September 2024 (TFRS)	Historical values	Adjusted values	Equity inflation adjustment differences
Issued capital	350,910	8,385,050	8,034,140
Legal reserves	3,237,798	9,728,647	6,490,849
Share premium	8	1,477	1,469
	<b>3,588,716</b>	<b>18,115,174</b>	<b>14,526,458</b>

30 September 2024 (TPL)	Historical values	Adjusted values	Equity inflation adjustment differences
Issued capital	350,910	11,031,711	10,680,801
Legal reserves	3,237,798	6,478,738	3,240,940
Share premium	8	260	252
	<b>3,588,716</b>	<b>17,510,709</b>	<b>13,921,993</b>

### 14. REVENUE AND COST OF SALES

Revenue	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Export sales (*)	316,071,297	112,156,711	300,596,185	97,933,437
Domestic sales	97,736,220	32,889,357	119,445,774	41,633,562
Other sales	2,518,112	859,493	2,679,360	949,138
Less: discounts	(11,659,292)	(4,176,841)	(9,847,636)	(3,420,859)
	<b>404,666,337</b>	<b>141,728,720</b>	<b>412,873,683</b>	<b>137,095,278</b>

(\*) International sales and sales figures include Ford Romania SRL's sales as well as the Company's exports,

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 14. REVENUE AND COST OF SALES (Continued)

#### Units of vehicle sales

	1 January- 30 September 2024			1 July- 30 September 2024		
	Domestic sales	Export sales	Total sales	Domestic sales	Export sales (*)	Total sales
1 ton commercial vehicle	4,931	140,630	145,561	1,464	48,847	50,311
Puma	6,167	114,741	120,908	1,346	37,468	38,814
2 ton commercial vehicle	22,450	96,321	118,771	9,007	35,812	44,819
Transit Courier	18,588	40,953	59,541	6,767	12,381	19,148
Other passenger vehicles	13,165	20	13,185	3,877	-	3,877
Ford Trucks (Truck)	6,087	2,658	8,745	1,984	993	2,977
Ranger	3,615	-	3,615	1,265	-	1,265
Transit Connect	345	2	347	79	-	79
	<b>75,348</b>	<b>395,325</b>	<b>470,673</b>	<b>25,789</b>	<b>135,501</b>	<b>161,290</b>

	1 July- 30 September 2023			1 July- 30 September 2023		
	Domestic sales	Export sales	Total sales	Domestic sales	Export sales (*)	Total sales
1 ton commercial vehicle	4,434	101,144	105,578	1,240	30,328	31,568
Puma	3,905	136,721	140,626	1,897	43,437	45,334
2 ton commercial vehicle	16,928	105,703	122,631	6,674	34,118	40,792
Transit Courier	36,388	17,091	53,479	11,300	2,994	14,294
Other passenger vehicles	18,525	21	18,546	5,999	3	6,002
Ford Trucks (Truck)	8,223	5,446	13,669	2,452	1,926	4,378
Ranger	829	-	829	614	-	614
Transit Connect	438	6	444	184	6	190
Rakun	138	-	138	-	-	-
Ecosport	8	99	107	-	82	82
	<b>89,816</b>	<b>366,231</b>	<b>456,047</b>	<b>30,360</b>	<b>112,894</b>	<b>143,254</b>

Summaries of cost of production as of 30 September 2024 and 2023 are as follows;

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Cost of raw material	(308,317,564)	(100,249,168)	(302,801,468)	(95,155,161)
Production overhead cost	(27,773,506)	(8,619,100)	(22,373,537)	(7,209,501)
Amortization expenses	(6,997,434)	(2,571,184)	(5,932,598)	(1,647,797)
Changes in finished good	11,455,385	(4,837,039)	9,540,870	2,878,719
<b>Total production cost</b>	<b>(331,633,119)</b>	<b>(116,276,491)</b>	<b>(321,566,733)</b>	<b>(101,133,740)</b>
Cost of trade goods sold	(32,768,473)	(12,024,650)	(26,879,686)	(7,847,025)
<b>Total cost of sales</b>	<b>(364,401,592)</b>	<b>(128,301,141)</b>	<b>(348,446,419)</b>	<b>(108,980,765)</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 15. EXPENSES BY NATURE

The classification of expenses by nature for the periods ended at 30 September 2024 and 2023 is as follows:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Raw material cost	(308,317,564)	(100,249,168)	(302,801,468)	(95,155,161)
Cost of trade goods sold	(32,768,473)	(12,024,650)	(26,879,686)	(7,847,025)
Financial expenses	(24,331,951)	(8,499,647)	(27,671,668)	(6,476,826)
Personnel expenses	(19,807,313)	(6,635,548)	(15,918,091)	5,802,782)
Other operational expenses	(13,509,708)	(2,391,926)	(13,403,852)	(4,176,517)
Other expenses from operating activities	(12,391,569)	(5,871,646)	(11,431,208)	(3,952,246)
Other overhead costs	(8,862,930)	(2,526,630)	(8,233,151)	(1,772,153)
Depreciation and amortisation expenses	(7,473,069)	(2,648,639)	(6,588,483)	(1,822,365)
Expenses from investing activities	(307,019)	(301,563)	(103,374)	(100,155)
Changes in inventories	11,455,385	(4,837,039)	9,540,870	2,878,719
<b>Total expenses</b>	<b>(416,314,211)</b>	<b>(145,986,456)</b>	<b>(403,490,111)</b>	<b>(124,226,511)</b>

### 16. OTHER OPERATING INCOME/EXPENSES

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
<b>Other operating income</b>				
Unearned financial income	5,440,959	1,900,285	3,717,519	1,732,466
Foreign exchange gains				
related to trade receivables and payables	3,738,990	1,324,680	11,708,951	1,446,619
Rent income	114,569	33,039	111,543	41,039
Commission income	62,490	17,665	27,257	16,318
Price difference and claim recovery	32,943	22,995	243,870	38,258
Reversal of provisions	21,768	2,672	9,858	8,183
License income	2,046	1,386	30,882	6,236
Other	537,723	208,388	695,647	297,794
	<b>9,951,488</b>	<b>3,511,110</b>	<b>16,545,527</b>	<b>3,586,913</b>

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
<b>Other operating expenses</b>				
Unearned financial expense	(7,222,048)	(2,187,338)	(4,645,627)	(1,676,643)
Foreign exchange losses				
related to trade receivables and payables	(633,260)	(209,637)	(2,982,263)	(3,596)
Other	(1,007,622)	(129,655)	(605,261)	(91,914)
	<b>(8,862,930)</b>	<b>(2,526,630)</b>	<b>(8,233,151)</b>	<b>(1,772,153)</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 17. FINANCIAL INCOME

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Foreign exchange gains	5,325,762	2,006,284	1,346,611	3,415,286
Interest income	2,595,380	1,163,060	3,569,451	1,784,436
Other	662,828	224,733	705,826	338,475
	<b>8,583,970</b>	<b>3,394,077</b>	<b>15,621,888</b>	<b>5,538,197</b>

### 18. FINANCIAL EXPENSES

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Foreign exchange losses	(15,536,918)	(5,143,846)	(22,239,540)	(4,718,708)
Interest expenses	(8,795,033)	(3,355,801)	(5,423,011)	(1,754,752)
Other	-	-	(9,117)	(3,366)
	<b>(24,331,951)</b>	<b>(8,499,647)</b>	<b>(27,671,668)</b>	<b>(6,476,826)</b>

### 19. TAX ASSETS AND LIABILITIES

Corporate Tax Law was amended by the Law No, 5520 dated 13 June 2006. Law No, 5520 came into force as of 21 June 2006, but many of the provisions came into force effective from 1 January, 2006. Accordingly, the corporate tax rate for 30 September 2024 is 25% in Turkey (31 December 2023: 25%). The Romanian Corporate Tax rate is 16% (31 December 2023: 16%). Corporate tax is payable on the total income of the Group after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, investment incentive, etc.) and corporate income tax deductions (e.g. research and development expenditures deduction). No further tax is payable unless the profit is distributed.

10% withholding tax rate applies to dividends distributed by resident corporations resident real persons except for, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations in Turkey. Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

The temporary tax paid during the year belongs to that year and is deducted from the corporation tax that will be calculated over the tax declaration of the institutions to be given in the following year. If the temporary tax amount paid remains in spite of the indictment, this amount can be refunded or any other financial debt to the state can be deducted.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax declarations to the Tax Office within the 25th of the fourth month following the close of the financial year. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 19. TAX ASSETS AND LIABILITIES (Continued)

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods. Romanian tax legislation similarly allows deducting financial losses shown on the declaration from corporate income for a period not exceeding 7 years.

There are many exceptions to the Institutions Tax Law. These exceptions to the Group are explained below:

Dividend gains from shares in capital of another corporation subject to resident taxpaying (except dividends from investment funds participation certificates and investment trusts shares) are exempt from corporate.

The Group capitalizes the R&D expenses made within the scope of the Code no 5746 in its legal books. According to the provisions of the same Code, the Group makes calculation within the framework of the related legislation over the R&D expenses incurred and utilizes R&D deduction exemption at the rate of 100% for the portion of expenses allowed by the Code.

In the sensitivity analysis carried out as of 30 September 2024, when the inputs (such as growth rate and profitability) in the basic macroeconomic and sectoral assumptions that make up the business plans are evaluated by increasing/decreasing 10%, the amount of deferred tax assets related to investment incentives and the recovery periods foreseen as 10 years are significantly increased. there has been no change.

The Group 's net tax position as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Current year corporate tax expense	(579,801)	(2,621,493)
Prepaid tax and withholding	188,783	2,521,215
<b>Current tax related assets/(liabilities)</b>	<b>(391,018)</b>	<b>(100,278)</b>
Deferred tax assets	17,803,424	17,679,958
Deferred tax liabilities	(1,314,986)	(1,269,100)
<b>Net deferred tax assets/(liabilities)</b>	<b>16,488,438</b>	<b>16,410,858</b>

The taxation on income for the periods ended 30 September 2024 and 2023 are as follows:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Current year corporate tax expense	(579,801)	(292,855)	(3,745,998)	(68,435)
Current year tax effect of cash flow hedge (*)	(559,057)	(852,838)	(2,962,175)	909,443
Other deferred tax	(136,283)	(310,311)	(1,027,060)	(2,758,719)
Deferred tax (expense)	(695,340)	(1,163,149)	(3,989,235)	(1,849,276)
<b>Continuing operations tax (income)/(expense)</b>	<b>(1,275,141)</b>	<b>(1,456,004)</b>	<b>(7,735,233)</b>	<b>(1,917,711)</b>

(\*) The amount represents the tax effect of the reclassification made between the statement of income and other comprehensive income relating to the cash flow hedge transactions.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 19. TAX ASSETS AND LIABILITIES (Continued)

Calculation of the tax expense reconciliation using the current period tax expense in the statement of profit or loss as at 30 September 2024 and 2023 and current tax ratio based on income before tax is as follows:

	30 September 2024	30 September 2023
Income before tax	26,940,732	48,978,244
Effective tax rate	25%	25%
Current year tax expense	(6,735,183)	(12,244,561)
Research and development deductions	1,282,737	439,738
Investment incentive exemption	10,875,697	6,573,360
Monetary gain / (loss)	(3,688,292)	1,169,868
Additional tax impact due to earthquake (*)	-	(3,597,751)
Other	(3,010,100)	(75,887)
	<b>(1,275,141)</b>	<b>(7,735,233)</b>

(\*) The nominal amount accrued by the Company for the relevant tax in addition to the 2023 corporate tax is TRY 2,316,728 thousand, and the first installment of the said tax was paid in May 2023 and the second installment in August 2023.

The Group calculates deferred income tax assets and liabilities by taking into account the effects of temporary differences arising from the different assessments between TFRS and statutory financial statements.

The breakdown of accumulated temporary differences and deferred tax assets and liabilities as of September 30, 2024 and December 31, 2023, using the applicable tax rates, is as follows:

	Cumulative Temporary differences		Deferred tax assets/(liabilities)	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>Deferred tax assets</b>				
Investment incentive tax asset	(80,804,115)	(37,113,000)	17,412,020	16,359,000
Expense accruals and other provisions	(9,007,045)	(6,542,791)	2,229,502	1,795,246
Warranty expense provision	(2,437,115)	(2,719,571)	656,422	679,892
Employee benefits provision	(1,831,833)	(2,072,868)	450,365	511,869
Inventories	1,828,283	(764,923)	(457,229)	193,912
Carryforward tax losses	-	(2,005,832)	-	331,767
	<b>(92,251,825)</b>	<b>(51,218,985)</b>	<b>20,291,080</b>	<b>19,871,686</b>
<b>Deferred tax liabilities</b>				
Tangible and intangible assets	3,639,999	4,273,758	(120,741)	(124,306)
Income accruals and other	14,649,326	14,150,318	(3,681,901)	(3,336,522)
	<b>18,289,325</b>	<b>18,424,076</b>	<b>(3,802,642)</b>	<b>(3,460,828)</b>
<b>Net deferred tax asset</b>			<b>16,488,438</b>	<b>16,410,858</b>



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 19. TAX ASSETS AND LIABILITIES (Continued)

The movements of deferred tax assets/(liabilities) for the nine-month interim periods ended 30 September are as follows:

	2024	2023
1 January	16,410,858	5,367,952
Charged to statement of profit or loss as income/(expense)	(695,340)	(3,989,235)
Charged to comprehensive income statement as income/(expense)	605,513	3,014,306
Currency translation differences	167,407	395,413
30 September	16,488,438	4,788,436

### 20. EARNINGS PER SHARE

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Net profit for the year (TRY)	25,665,591	8,562,179	41,243,011	20,115,761
Weighted average number of shares with nominal	35,091,000,000	35,091,000,00	35,091,000,000	35,091,000,000
Earnings per share with nominal value of Kr 1 each	73.14 Kr	24.40 Kr	117.53 Kr	57.32 Kr

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES

Related party can be defined according to whether one of the companies has control over the others or has significant effect on its financial and administrative decisions. The Group is controlled by Koç Holding A.Ş. and Ford Deutschland Engineering GmbH, a subsidiary of Ford Motor Company. In the financial statements, shareholder companies, shareholders and financial fixed assets and other group companies' assets are shown as related parties.

The related party balances at 30 September 2024 and 31 December 2023 and the transactions with related parties during the year are as follows:

#### a) Receivables from related parties

##### i) Trade receivables from related parties

	30 September 2024	31 December 2023
<b>Due from shareholders</b>		
Ford Motor Group and subsidiaries	39,633,742	28,369,958
	<b>39,633,742</b>	<b>28,369,958</b>
<b>Due from group companies (*)</b>		
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	5,810,213	6,077,525
Other	32,119	49,494
	<b>5,842,332</b>	<b>6,127,019</b>
Less: unearned credit finance income	(179,902)	(181,839)
	<b>45,296,172</b>	<b>34,315,138</b>

(\*) The Company's shareholders' subsidiaries and affiliate.

Export sales mainly consist of sales to Ford Motor Company. Payments terms and conditions are specified in the business agreements with Ford Motor Company. Export vehicle receivables from the Ford Motor Company are due in 14 days and for Romanian 30 days and receivables are collected regularly.

Per the domestic dealership agreement between Ford Otomotiv Sanayi A.Ş. and Otokoç Otomotiv Ticaret ve Sanayi A.Ş., the Companies have a vehicle and spare parts trade connection. As mentioned in Note 5, the Company's vehicle sales receivables from Otokoç Otomotiv Ticaret ve Sanayi A.Ş. is due in 30 days on average and sales of spare parts is due in 70 days on average.

##### ii) Other receivables from related parties (\*)

	30 September 2024	31 December 2023
<b>Due other from shareholders</b>		
Ford Motor Company and subsidiaries	2,223,220	1,622,401
	<b>2,223,220</b>	<b>1,622,401</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

#### a) Receivables from related parties (Continued)

##### iii) Long-term other receivables from related parties (\*)

	30 September 2024	31 December 2023
<b>Due long term from shareholders</b>		
Ford Motor Company and subsidiaries	13,864,875	13,416,987
	<b>13,864,875</b>	<b>13,416,987</b>

(\*) All of the amounts shown in other receivables from related parties consist of receivables arising from the Group's accounting by leasing certain fixed assets in Craiova and Kocaeli factories to Ford Motor Company in accordance with TFRS 16.

#### b) Payables to related parties

##### i) Trade payables to related parties

	30 September 2024	31 December 2023
<b>Due to shareholders</b>		
Ford Motor Company and subsidiaries	8,496,087	10,183,341
	<b>8,496,087</b>	<b>10,183,341</b>

##### Due to group companies (\*)

Ram Dış Ticaret A.Ş.	1,200,317	742,923
Zer Merkezi Hizmetler ve Ticaret A.Ş.	1,102,377	1,386,784
Ram Sigorta Aracılık Hizmetleri A.Ş.	342,733	80,019
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	159,978	98,050
Ark İnşaat A.Ş.	77,681	267,033
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	58,404	106,554
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	44,606	84,554
Opet Petrolcülük A.Ş.	29,254	47,684
Setur Servis Turistik A.Ş.	18,010	185,730
INGAGE Dijital Pazarlama Hizmetleri	15,575	52,547
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	12,935	13,913
Divan Turizm İşletmeleri A.Ş.	9,613	41,371
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	6,446	-
Other	4,401	159,039
	<b>3,082,330</b>	<b>3,266,201</b>
Less: unaccrued finance expense arising from forward purchases	(689,252)	(68,426)
	<b>10,889,165</b>	<b>13,381,116</b>

(\*) The Group's shareholders' subsidiaries and affiliate

##### ii) Other payables to related parties

	30 September 2024	31 December 2023
Yapı ve Kredi Bankası A.Ş.	3,218	469,004
Koç Holding A.Ş.	-	210,970
Koç Finansman A.Ş.	-	169,989
	<b>3,218</b>	<b>849,963</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

#### c) Sales to related parties

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Ford Motor Company (*)	308,072,239	108,786,006	279,974,246	89,782,875
Otokoç Otomotiv Tic. ve San. A.Ş. (**)	21,921,464	7,759,494	27,431,716	9,264,093
Diğer	142	142	106	-
	<b>329,993,845</b>	<b>116,545,642</b>	<b>307,406,068</b>	<b>99,046,968</b>
Less: financial income from credit sales	(1,386,610)	(511,871)	(925,492)	(437,712)
	<b>328,607,235</b>	<b>116,033,771</b>	<b>306,480,576</b>	<b>98,609,256</b>

(\*) The Company, exports vehicle, spare parts and engineering service to Ford Motor Company.

(\*\*) The Group has a vehicle and spare parts trade in accordance with domestic dealer agreement with Otokoç Otomotiv Ticaret ve Sanayi A.Ş.

#### d) Material, service and fixed asset purchases from related parties

	1 January- 30 September 2024			
	Material	Service	Fixed assets	Total
<b>Domestic purchases</b>				
Zer Merkezi Hizmetler ve Ticaret A.Ş. <sup>(1)</sup>	333,144	4,725,460	-	5,058,604
Ram Sigorta Aracılık Hizmetleri A.Ş. <sup>(3)</sup>	-	818,582	-	818,582
Ark İnşaat Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	-	-	795,530	795,530
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	760,670	-	760,670
Ram Dış Ticaret A.Ş.	707,596	-	-	707,596
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	213,888	126,071	339,959
Opet Petrolcülük A.Ş.	237,928	-	-	237,928
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	23,668	203,783	227,451
Setur Servis Turistik A.Ş.	-	215,439	-	215,439
Ingage Dijital Pazarlama A.Ş.	-	164,006	-	164,006
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	145,258	-	-	145,258
Koç Holding A.Ş. <sup>(4)</sup>	-	126,515	-	126,515
Entek Elektrik Üretim A.Ş.	-	58,275	-	58,275
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	52,289	-	-	52,289
Koçtaş Yapı Marketleri Ticaret A.Ş.	37,734	-	307	38,041
Tanı Pazarlama İlet. Hiz. A.Ş.	-	19,770	-	19,770
Other	645	174,129	38,002	212,776
	<b>1,514,594</b>	<b>7,300,402</b>	<b>1,163,693</b>	<b>9,978,689</b>
Less: Financial expense from credit purchases	(105,193)	-	-	(105,193)
	<b>1,409,401</b>	<b>7,300,402</b>	<b>1,163,693</b>	<b>9,873,496</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

	1 July- 30 September 2024			
	Material	Service	Fixed assets	Total
<b>Domestic purchases</b>				
Zer Merkezi Hizmetler ve Ticaret A.Ş.	9,877	1,263,512	-	1,273,389
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	306,693	-	306,693
Ark İnşaat Sanayi ve Ticaret A.Ş.	-	-	255,951	255,951
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	337,748	-	337,748
Ram Dış Ticaret A.Ş.	99,542	-	-	99,542
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	59,081	68,254	127,335
Opet Petrolcülük A.Ş.	69,599	-	-	69,599
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	121,410	121,410
Setur Servis Turistik A.Ş.	-	92,005	-	92,005
Ingage Dijital Pazarlama A.Ş.	-	81,588	-	81,588
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	49,106	-	-	49,106
Koç Holding A.Ş.	-	37,766	-	37,766
Entek Elektrik Üretim A.Ş.	-	49,947	-	49,947
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	20,271	-	-	20,271
Koçtaş Yapı Marketleri Ticaret A.Ş.	16,134	-	293	16,427
Tanı Pazarlama İlet. Hiz. A.Ş.	-	6,422	-	6,422
Other	296	57,922	7,246	65,464
	<b>264,825</b>	<b>2,292,684</b>	<b>453,154</b>	<b>3,010,663</b>
Less: Financial expense from credit purchases	(16,069)	-	-	(16,069)
	<b>248,756</b>	<b>2,292,684</b>	<b>453,154</b>	<b>2,994,594</b>
<b>1 January - 30 September 2023</b>				
	Material	Service	Fixed assets	Total
<b>Domestic purchases</b>				
Zer Merkezi Hizmetler ve Ticaret A.Ş.	251,571	5,058,032	707	5,310,310
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	478,122	-	478,122
Ark İnşaat Sanayi ve Ticaret A.Ş.	-	-	1,977,308	1,977,308
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	1,121,780	-	1,121,780
Ram Dış Ticaret A.Ş.	1,041,310	-	-	1,041,310
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	165,481	67,023	232,504
Opet Petrolcülük A.Ş.	262,399	-	-	262,399
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	93,577	212,392	305,969
Setur Servis Turistik A.Ş.	-	202,401	-	202,401
Ingage Dijital Pazarlama A.Ş.	-	89,798	-	89,798
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	228,502	-	-	228,502
Koç Holding A.Ş.	-	115,299	-	115,299
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	52,950	-	-	52,950
Koçtaş Yapı Marketleri Ticaret A.Ş.	41,744	-	103	41,847
Tanı Pazarlama İlet. Hiz. A.Ş.	-	3,987	-	3,987
Other	2,827	193,088	10,702	206,617
	<b>1,881,303</b>	<b>7,521,565</b>	<b>2,268,235</b>	<b>11,671,103</b>
Less: Financial expense from credit purchases	(88,520)	-	-	(88,520)
	<b>1,792,783</b>	<b>7,521,565</b>	<b>2,268,235</b>	<b>11,582,58</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

	1 July - 30 September 2023			
	Material	Service	Fixes assets	Total
<b>Domestic purchases</b>				
Zer Merkezi Hizmetler ve Ticaret A.Ş.	117,812	3,469,544	485	3,587,841
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	363,281	-	363,281
Ark İnşaat Sanayi ve Ticaret A.Ş.	-	-	1,472,763	1,472,763
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	701,959	-	701,959
Ram Dış Ticaret A.Ş.	614,952	-	-	614,952
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	106,644	31,927	138,571
Opet Petrolcülük A.Ş.	201,558	-	-	201,558
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	62,402	161,083	223,485
Setur Servis Turistik A.Ş.	-	105,774	-	105,774
Ingage Dijital Pazarlama A.Ş.	-	57,233	-	57,233
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	150,214	-	-	150,214
Koç Holding A.Ş.	-	40,410	-	40,410
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	41,841	-	-	41,841
Koçtaş Yapı Marketleri Ticaret A.Ş.	30,550	-	103	30,653
Tanı Pazarlama İlet. Hiz. A.Ş.	-	3,742	-	3,742
Other	2,414	138,220	10,702	151,336
	<b>1,159,341</b>	<b>5,049,209</b>	<b>1,677,063</b>	<b>7,885,613</b>
Less: Financial expense from credit purchases	(18,403)	-	-	(18,403)
	<b>1,140,938</b>	<b>5,049,209</b>	<b>1,677,063</b>	<b>7,867,210</b>

- (1) The Group mainly purchases services from Zer Merkezi Hizmetleri ve Ticaret A.Ş. within the scope of the central purchasing function.
- (2) The Group's purchases from Ark İnşaat are related to mechanical, construction and electrical works related to new project investments in Kocaeli and Eskişehir Factories.
- (3) It includes the amount of premiums paid and accrued under the policies signed between insurance companies that are third parties through Ram Sigorta Aracılık Hizmetleri A.Ş., which operates as an insurance agency.
- (4) Koç Holding A.Ş., including personnel and senior management expenses, in return for the services provided by Koç Holding A.Ş., includes the service fee invoiced to our Group as a result of the distribution of the expenses incurred in connection with the companies rendered services within the framework of the "11- Intra-Group Services" regulation of the General Communiqué No.1 on Disguised Profit Distribution via Transfer Pricing.

### Material, vehicle and service purchases from abroad

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Ford Motor Group and Subsidiaries	122,054,721	39,410,788	123,817,667	45,183,560

### e) License fees paid to Ford Motor Group included in cost of sales

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
	1,901,302	827,348	2,000,016	841,353

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

#### f) License fees received from Jiangling Motors Corporation, a subsidiary of Ford Motor Group, included in other income

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
	2,046	1,386	30,826	6,065

#### g) Donations to related parties, establishments and foundations, included in general administrative expenses

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
	558,616	263,269	494,857	230,997

#### h) The details of deposits in related banks and loans obtained from related banks

	30 September 2024	31 December 2023
<b>Yapı ve Kredi Bankası A.Ş.</b>		
- Foreign currency time deposits	7,988,414	4,423,690
- TRY demand deposit	765,526	300,722
- TRY time deposit	205,985	1,359,569
- Foreign currency demand deposits	7,896	59,202
	<b>8,967,821</b>	<b>6,143,183</b>

#### i) Other long term payables

	30 September 2024	31 December 2023
Ford Motor Company and subsidiaries (Note 5)	12,625,731	14,483,047
	<b>12,625,731</b>	<b>14,483,047</b>

#### i) Commission income

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Yapı ve Kredi Bankası A.Ş.	24,824	3,291	26,986	16,424
Koç Finansman A.Ş.	35,494	14,395	74	38
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	18	9	210	210
	<b>60,336</b>	<b>17,695</b>	<b>27,270</b>	<b>16,672</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 21. RELATED PARTY DISCLOSURES (Continued)

#### j) Commission expense

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Koç Finansman A.Ş.	1,027,544	502,704	33,827	16,011
Yapı ve Kredi Bankası A.Ş.	565,485	152,700	79,624	3,555
	<b>1,593,029</b>	<b>655,404</b>	<b>113,451</b>	<b>19,566</b>

Commissions paid to Koç Finansman A.Ş. and Yapı ve Kredi Bankası A.Ş. are credit commissions related to sales to end user customers by dealers and are recorded as sales discounts in the statement of profit or loss.

#### k) Interest income

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Yapı ve Kredi Bankası A.Ş.	381,878	160,213	323,104	128,620

#### l) Dividends income

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Otokar Otomotiv ve Savunma Sanayi A.Ş.	4,827	4,827	-	-

#### m) Compensation of key management personnel

The Group defines its key management personnel as board of directors’ members, general manager, assistant general managers and directors reporting directly to the general manager.

Compensation of key management personnel includes salaries, premiums, Social Security Institution employer’s contribution, employer’s contribution of unemployment insurance and the attendance fees.

The total amount of compensation given to key management personnel of the Group are TRY 179,334 with the purchasing power on 30 September 2024 (31 December 2023: TL 502,288).



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The table below summarizes the Group 's exposure to currency translation risk at 30 September 2024 and 31 December 2023. The carrying amount of the Group 's foreign currency denominated assets and liabilities, categorized by currency have been presented below:

30 September 2024	TRY equivalent (Functional currency)	USD	EUR	Other
1. Trade receivables	44,857,668	24,796	1,157,363	258
2. Monetary financials assets (including cash and cash equivalents)	26,940,281	3,974	703,404	8,374
3. Other	5,308,328	-	139,603	20
<b>4. Current assets (1 + 2 + 3)</b>	<b>77,106,277</b>	<b>28,770</b>	<b>2,000,370</b>	<b>8,652</b>
5. Monetary financial assets	3,082,861	-	81,090	-
<b>6. Non-current assets (5)</b>	<b>3,082,861</b>	<b>-</b>	<b>81,090</b>	<b>-</b>
<b>7. Total assets (4 + 6)</b>	<b>80,189,138</b>	<b>28,770</b>	<b>2,081,460</b>	<b>8,652</b>
8. Trade payables	21,793,289	155,297	406,944	24,950
9. Financial liabilities (*)	31,867,081	34,843	806,967	-
10. Other monetary liabilities	19,191,399	-	504,798	-
<b>11. Short term liabilities (8 + 9 + 10)</b>	<b>72,851,769</b>	<b>190,140</b>	<b>1,718,709</b>	<b>24,950</b>
12. Financial liabilities (*)	68,807,891	479,790	1,379,261	-
13. Other monetary liabilities	504,936	-	13,282	-
<b>14. Long term liabilities (12+13)</b>	<b>69,312,827</b>	<b>479,790</b>	<b>1,392,543</b>	<b>-</b>
<b>15. Total liabilities (11 + 14)</b>	<b>142,164,596</b>	<b>669,930</b>	<b>3,111,252</b>	<b>24,950</b>
<b>16. Net foreign currency (liabilities)/ assets position (7 - 15)</b>	<b>(61,975,458)</b>	<b>(641,160)</b>	<b>(1,029,792)</b>	<b>(16,298)</b>
<b>17. Net monetary foreign currency (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12 - 13)</b>	<b>(67,283,786)</b>	<b>(641,160)</b>	<b>(1,169,395)</b>	<b>(16,318)</b>

(\*) The Group's net foreign exchange position is mainly due to long-term EUR denominated loans obtained to fund its investments. The Group is hedging for the foreign currency exchange risk arising from its EUR denominated long-term loans with export agreements signed with Ford Motor Company. The TRY equivalent of such loans amount to TRY48,398,540 as of 30 September 2024 (31 December 2023: 36,341,915 TL). As of 30 September 2024, the Group has a total of TRY 23,222,840 (31 December 2023: TRY 20,909,556) of the raw material and finished goods to be used in vehicles to be exported.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2023	TRY equivalent (Functional currency)	USD	EUR	Other
1. Trade receivables	38,197,254	13,200	1,160,701	3
2. Monetary financial assets (including cash and cash equivalents)	12,496,476	2,102	380,204	6,373
3. Other	6,027,959	-	185,022	27
<b>4. Current assets (1 + 2 + 3)</b>	<b>56,721,689</b>	<b>15,302</b>	<b>1,725,927</b>	<b>6,403</b>
5. Monetary financial assets	2,384,058	-	73,189	-
<b>6. Non-current assets (5)</b>	<b>2,384,058</b>	<b>-</b>	<b>73,189</b>	<b>-</b>
<b>7. Total assets (4 + 6)</b>	<b>59,105,747</b>	<b>15,302</b>	<b>1,799,116</b>	<b>6,403</b>
8. Trade payables	26,510,293	112,977	670,676	36,591
9. Financial liabilities (*)	34,338,788	-	1,054,181	-
10. Other monetary liabilities	491,703	171	14,939	-
<b>11. Short term liabilities (8 + 9 + 10)</b>	<b>61,340,784</b>	<b>113,148</b>	<b>1,739,796</b>	<b>36,591</b>
12. Financial liabilities (*)	41,783,274	-	1,282,722	-
13. Other monetary liabilities	18,277,827	279	560,867	-
<b>14. Long term liabilities (12+13)</b>	<b>60,061,101</b>	<b>279</b>	<b>1,843,589</b>	<b>-</b>
<b>15. Total liabilities (11 + 14)</b>	<b>121,401,885</b>	<b>113,427</b>	<b>3,583,385</b>	<b>36,591</b>
<b>16. Net foreign currency (liabilities)/assets position (7 - 15)</b>	<b>(62,296,138)</b>	<b>(98,125)</b>	<b>(1,784,269)</b>	<b>(30,188)</b>
<b>17. Net monetary foreign (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12 - 13)</b>	<b>(68,324,097)</b>	<b>(98,125)</b>	<b>(1,969,291)</b>	<b>(30,215)</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### *Foreign exchange risk*

The Group is exposed to foreign exchange risk primarily against EUR and partly against USD. The foreign exchange risk of the Group arises from long-term EUR investments.

#### 30 September 2024

	Profit/(loss)/ before taxation	
Appreciation/depreciation in foreign currency	Increase by 10 (%)	Decrease by 10 (%)
<b>Change in USD against TRY</b>		
USD net assets/(liabilities)	(2,185,712)	2,185,712
USD net hedged amount	-	-
<b>USD net- gain/(loss)</b>	<b>(2,185,712)</b>	<b>2,185,712</b>
<b>Change in EUR against TRY</b>		
EUR net assets/(liabilities)	(3,915,059)	3,915,059
EUR net hedged amount	4,839,854	(4,839,854)
<b>EUR net- gain/(loss)</b>	<b>924,795</b>	<b>(924,795)</b>
<b>Change in other foreign currency against TRY</b>		
Other foreign currency denominated net (liabilities)/assets	(96,774)	96,774
Other foreign currency denominated- hedged amount	-	-
<b>Other foreign currency denominated net - (loss)/gain</b>	<b>(96,774)</b>	<b>96,774</b>

#### 31 December 2023

	Profit/(loss) before taxation	
Appreciation/depreciation in foreign currency	Increase by 10 (%)	Decrease by 10 (%)
<b>Change in USD against TRY</b>		
USD net assets/(liabilities)	(288,861)	288,861
USD net hedged amount	-	-
<b>USD net- gain/(loss)</b>	<b>(288,861)</b>	<b>288,861</b>
<b>Change in EUR against TRY</b>		
EUR net (liabilities)/assets	(5,812,058)	5,812,058
EUR net hedged amount	4,937,412	(4,937,412)
<b>EUR net- gain/(loss)</b>	<b>(874,646)</b>	<b>874,646</b>
<b>Change in other foreign currency against TRY</b>		
Other foreign currency denominated net (liabilities)/assets	(128,692)	128,692
Other foreign currency denominated- hedged amount	-	-
<b>Other foreign currency denominated net - (loss)/gain</b>	<b>(128,692)</b>	<b>128,692</b>

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated..)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The comparative amounts for total export and import amounts for the year ended 30 September 2024 and 2023 are as follows:

	30 September 2024	30 September 2023
Total export amount	226,432,843	213,735,170
Total import amount	148,594,121	152,402,780

The Group's net assets are exposed to foreign exchange risk which arises from export sales. To minimize its foreign currency risk, the Group follows a balanced foreign currency position policy. The Group manages the currency exposure arising from foreign currency denominated borrowings and trade payables with its foreign currency assets.

#### *Interest rate risk*

The Group's interest rate sensitive financial instruments are as follows:

	30 September 2024	31 December 2023
<b>Fixed interest rate financial instruments</b>		
Financial assets	18,196,539	19,300,479
Financial liabilities	92,186,448	55,209,773
<b>Floating interest rate financial instruments</b>		
Financial liabilities	37,146,419	47,711,014

If the interest rates of floating interest-bearing EUR denominated borrowings were 100 basis points higher/lower with all other variables held constant, profit before tax for the year would have been lower/higher by TRY 116,566 at 30 September 2024 (31 December 2023: TRY 126,195) due to higher/lower interest expense.

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### *Liquidity risk*

The table below shows the liquidity risk arising from financial liabilities of the Group :

30 September 2024	Book value	Total contractual cash outflow	Up to 3 moths	Between 3-12 moths	Between 1-5 years	Longer than 5 years
<b>Non-derivative financial instruments</b>						
<b>Financial liabilities</b>	115,370,574	132,950,040	17,926,139	31,772,729	77,277,848	5,973,324
<b>Long term other liabilities</b>	12,625,731	13,168,881	-	7,438,041	5,730,840	-
<b>Lease liabilities</b>	1,336,562	1,831,072	104,688	314,063	1,412,321	-
<b>Trade payables</b>						
-Related party	10,889,165	10,993,562	10,993,562	-	-	-
-Other	51,105,080	51,292,305	51,292,305	-	-	-
<b>Other payables</b>						
-Related party	3,218	3,218	3,218	-	-	-
-Other	1,760,847	1,760,847	1,760,847	-	-	-
<b>Derivative financial liabilities</b>						
Derivative financial liabilities	1,061,153	1,061,153	37,817	100,470	922,866	-

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated..)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2023	Book value	Total contractual cash outflow	Up to 3 months	Between 3-12 months	Between 1-5 years	Longer than 5 years
<b>Non-derivative financial instruments</b>						
<b>Financial liabilities</b>	87,263,415	99,407,212	7,471,114	43,359,404	46,363,195	2,213,499
<b>Long term other liabilities</b>	14,483,047	15,329,252	-	-	15,329,252	-
<b>Lease liabilities</b>	1,174,326	1,860,438	117,250	351,748	1,295,822	95,618
<b>Trade payables</b>						
-Related party	13,381,116	13,449,542	13,449,542	-	-	-
-Other	58,033,748	58,809,679	58,809,679	-	-	-
<b>Other liabilities</b>						
-Related party	849,963	849,963	849,963	-	-	-
-Other	1,363,456	1,363,456	1,363,456	-	-	-
<b>Derivative financial liabilities</b>						
Derivative financial instruments	221,714	221,714	-	221,714	-	-

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Fair value hierarchy table

The Group classifies the fair value measurement of financial instruments reported at fair value according to their source of valuation inputs, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted).

Level 2: Other valuation techniques that includes direct or indirect observable inputs.

Level 3: Valuation techniques that does not contain observable market inputs.

As of 30 September 2024 and 31 December 2023, the Group's hierarchy table for its assets and liabilities recorded at fair value are as follows:

30 September 2024	Level 1 (*)	Level 2 (**)	Level 3
<b>Assets at fair value</b>			
Derivative financial assets	-	306,088	-
Financial assets at fair value through OCI -Otokar	309,670	-	-
Financial assets at fair value through OCI – Other	104,150	-	-
<b>Total assets</b>	<b>413,820</b>	<b>306,088</b>	
<b>Liabilities at fair value</b>			
Derivative financial liabilities	-	1,061,153	-
<b>Total liabilities</b>	<b>-</b>	<b>1,061,153</b>	<b>-</b>

(\*) Fair value is calculated at market prices per the Stock Exchange market at the reporting date

(\*\*) Fair value is calculated from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

31 December 2023	Level 1 (*)	Level 2 (**)	Level 3
<b>Assets at fair value</b>			
Derivative financial assets	-	524,655	-
Financial assets at fair value through OCI -Otokar	406,391	-	-
Financial assets at fair value through OCI – Other	66,434	-	-
<b>Total assets</b>	<b>472,825</b>	<b>524,655</b>	<b>-</b>
<b>Liabilities at fair value</b>			
Derivative financial liabilities	-	221,714	-
<b>Total liabilities</b>	<b>-</b>	<b>221,714</b>	<b>-</b>

(\*) Fair value is calculated at market prices per the Stock Exchange market at the reporting date.

(\*\*) Fair value is calculated from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated..)

### 23. CASH FLOW HEDGE OPERATIONS

#### Derivative financial instruments

The Group uses long-term floating rate foreign currency loans from international markets. The Group hedges interest rate risk by securing a portion of the floating rate loans from international markets through long-term swap transactions.

As of 30 September 2024, the Group has a forward foreign exchange purchase (forward) transaction amounting to EUR 50,000,000 with a maturity of 5 November 2024 and EUR 20,000,000 with a maturity of 16 December 2024, for the purpose of financial hedging against the exchange rate risk arising from cash flows. The fair value of these forward purchase transactions calculated as of September 30, 2024 is TRY 138,287 and is shown under short-term liabilities in the statement of financial position.

The Group has hedged the interest rate risk arising from the cash flows of its EUR 150,000,000 loan, maturing on 16 December 2030, through an interest rate swap for financial protection. As of 30 September 2024, critical terms of the swap agreement, such as maturity, payment, and interest change dates, are aligned with those of the TRY loan subject to financial protection. The fair value of the swap transaction, calculated as of 30 September 2024, amounts to TRY 137,341 and is presented in the balance sheet under long-term liabilities.

As of 30 September 2024, the Group has hedged the interest rate risk arising from the cash flows of the loan amounting to EUR 100,000,000 with a maturity of 21 August 2028, by using interest swaps. The critical conditions of the swap contract, such as maturity, payment and interest change dates, are in line with the critical conditions of the TRY loan, which is the subject of financial protection as of 30 September 2024. The fair value of the said swap transaction as of 30 September 2024 is TRY 273,225 and it is shown under long-term liabilities in the statement of financial position.

Considering that a significant portion of its sales revenues are in EUR, the Group hedges the exchange rate risk that may arise from changes in the USD - EUR parity, arising from the bond issuance of USD 500,000,000 on April 25, 2024, with USD - EUR cross currency swap (Cross Currency Swap) transactions subjected it. The critical conditions, such as maturity and payment dates, of the USD - EUR cross currency swap contracts, which are 4 in total and have a total nominal amount of 500 million USD, are compatible with the critical conditions of the bond that is the subject of financial protection as of September 30, 2024. The fair value of the swap transaction in question, calculated as of 30 September 2024, is TRY 512,300 and is shown under long-term liabilities in the statement of financial position.

	30 September 2024	31 December 2023
Derivative financial liabilities	1,061,153	221,714
	<b>1,061,153</b>	<b>221,714</b>

As of 30 September 2024, the Group bears the interest risk arising from the cash flows of the loans used, amounting to EUR 100,000,000 with a maturity of 5 November 2026 and EUR100,000,000 with a maturity of 6 November 2028, has been subject to financial protection with interest ceiling (cap) options. The critical conditions of the swap contract, such as maturity, payment and interest change dates, are in line with the critical conditions of the foreign currency loan that is the subject of financial protection as of 30 September 2024. The fair value of the related swap transaction as of 30 September 2024 is TRY 306,088 and is presented under non-current assets in the financial position statement.



# FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

### 23. CASH FLOW HEDGE OPERATIONS (Continued)

#### Derivative financial instruments (Continued)

	30 September 2024	31 December 2023
Derivative financial assets	306,088	524,655
	<b>306,088</b>	<b>524,655</b>

There is an effective foreign currency cash flow hedge relationship between foreign currency long-term financial borrowings related with investment expenditures (non-derivative hedging instrument) and highly probable forecast transaction export sales receivables (hedged item). In the frame of the manufacturing agreement signed with Ford Motor Group, the Group will associate a portion of estimated export revenue from 1 April 2013 to December 2031 with long-term financial borrowings.

	30 September 2024	31 December 2023
<b>Cash flow hedge reserve</b>		
Amount classified in other comprehensive income during the year	2,251,666	25,943,478
Amount classified in profit or loss	(15,439)	(8,482,063)
	<b>2,236,227</b>	<b>17,461,415</b>

### 24. SUBSEQUENT EVENTS

At the meeting of the Group Board of Directors held on October 17, 2024, it was decided that a cash dividend distribution of 1,425.00% gross (1,282.50% net), as 14.25 absolute Turkish Lira gross (12.83 absolute Turkish Lira net) for each absolute TL share, and a total of 5,000,467,500 TL, would be submitted for approval at the Extraordinary General Assembly meeting to be held on November 20, 2024.