



2022 FY Earnings Presentation

9 February 2023

Agenda

- **2022 Evaluation**
- **Domestic Sales Performance**
- **Export Performance**
- **Since We Last Met**
- **Financial Results**

2022 Evaluation

2022 Highlights

Rank #1 in CV segment with 33.6% market share in Turkey

LCV: 31.5%

MCV: 39.7%

Truck: 27.2%

Strong domestic performance in 4Q

42% rise in volumes and 145% increase in revenues

Export volume growth supported by the volumes from the Craiova Plant

35% rise in volumes and 144% increase in revenues

Ford is Europe's No.1 CV brand for 8 consecutive years

Highest-ever overall market share of 15% in 2022

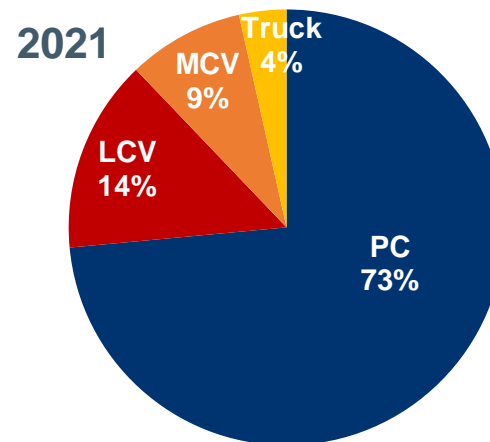
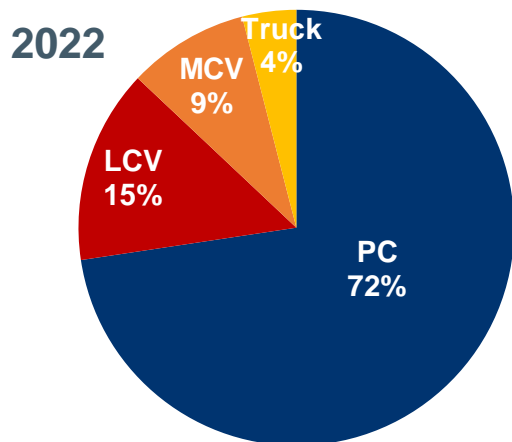
Historical high production and sales volumes in Truck business

16,513 production and 16,542 sales volumes

Domestic Sales Performance

CV Industry Share Rose YoY

Segments	2022	2021	Δ
Passenger Cars	592,660	561,853	5%
Light Com. Vehicle	117,386	109,926	7%
Medium Com. Vehicle	73,237	65,571	12%
Truck	32,989	26,614	24%
Total*	821,664	766,195	7%



* Total industry volumes include PC, LCV, MCV, HCV and Truck sales.

Domestic Sales Performance - I

Rank	Brand	2022 Sales	2021 Sales	Market Share %	YoY Δ
Total Industry					
1	Fiat	146,435	121,254	17.8	2.0
2	Renault	99,639	81,280	12.1	1.5
3	Ford	86,401	74,261	10.5	0.8
4	VW	60,341	68,186	7.3	-1.6
5	Toyota	49,937	52,588	6.1	-0.8
Passenger Cars					
1	Fiat	97,354	73,081	16.4	2.9
2	Renault	88,206	75,561	14.9	1.7
3	VW	49,695	53,523	8.4	-0.7
4	Hyundai	42,241	36,935	7.1	1.5
5	Toyota	38,276	45,899	6.5	-1.2
16	Ford	11,303	14,052	1.9	-0.6

PC strategy: Profitability over market share

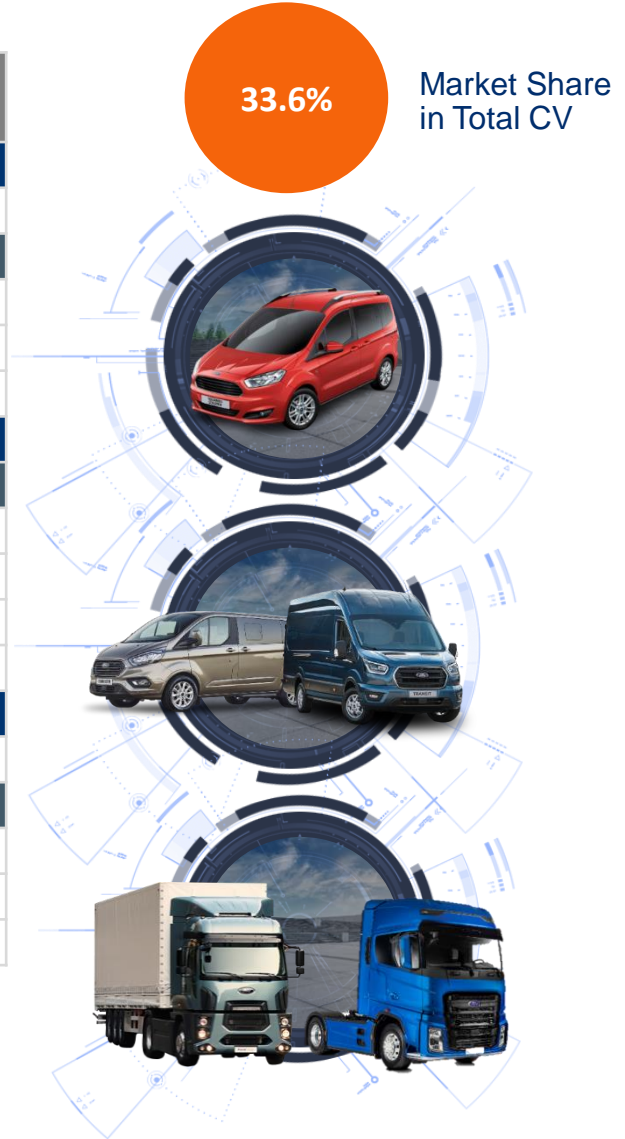
Our PC performance mainly impacted by the weak vehicle availability



Domestic Sales Performance - II

Rank	Brand	2022 Sales	2021 Sales	Market Share %	YoY Δ
LCV					
1	Fiat	45,380	44,618	38.7	-1.9
2	Ford	37,030	27,063	31.5	6.9
3	Renault	8,935	3,753	7.6	4.2
4	Peugeot	7,146	7,775	6.1	-1.0
5	Opel	5,352	4,495	4.6	0.5
MCV					
1	Ford	29,102	26,154	39.7	-0.1
2	Toyota	7,707	3,399	10.5	5.3
3	Mercedes	6,327	6,100	8.6	-0.7
4	VW	6,080	7,378	8.3	-3.0
5	Fiat	3,701	3,555	5.1	-0.4
Truck					
1	Mercedes	13,450	10,620	40.8	0.9
2	Ford	8,966	6,992	27.2	0.9
3	Renault	2,443	1,800	7.4	0.6
4	MAN	2,194	2,136	6.7	-1.4
5	Iveco	1,905	1,022	5.8	1.9

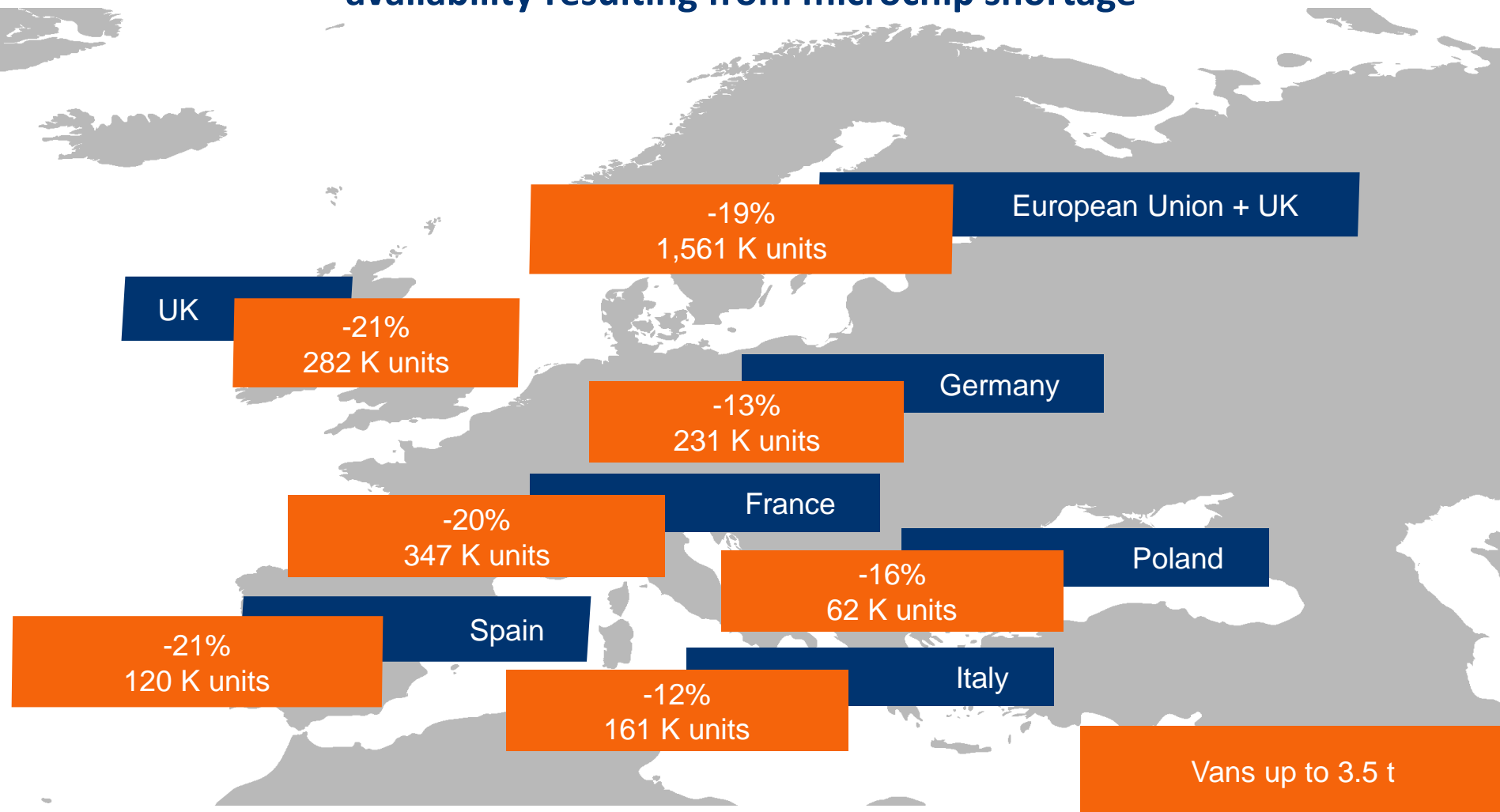
CV Strategy: Profitable growth



Export Performance

European Van Market Went Down 19%YoY in 2022

Contraction in European van registrations has continued due to weak vehicle availability resulting from microchip shortage

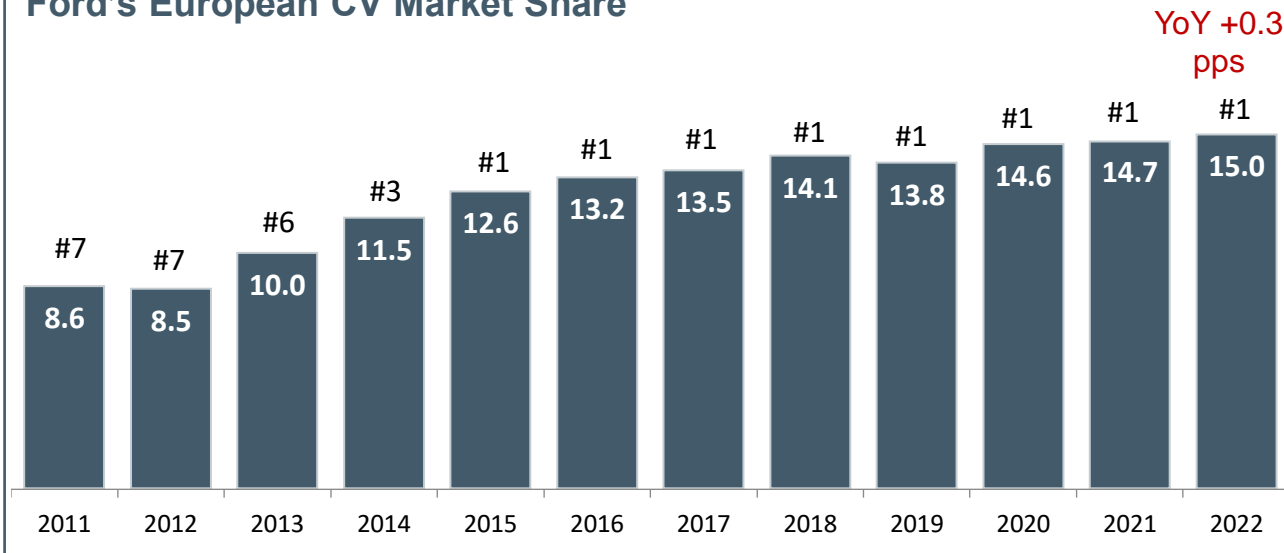


Source: ACEA; 26 European markets + UK

Ford is Europe's #1 CV Brand for 8 Years in a Row

Ford Recorded its Highest-Ever Overall Market Share of 15% in 2022

Ford's European CV Market Share



Ford is Europe's **No.1 CV brand** for 8 consecutive years

Ford **increased its market share YoY in 11 countries** (UK,GER,FR,IT,SP, GR,IRL,POR,ROM,SWE,TR)

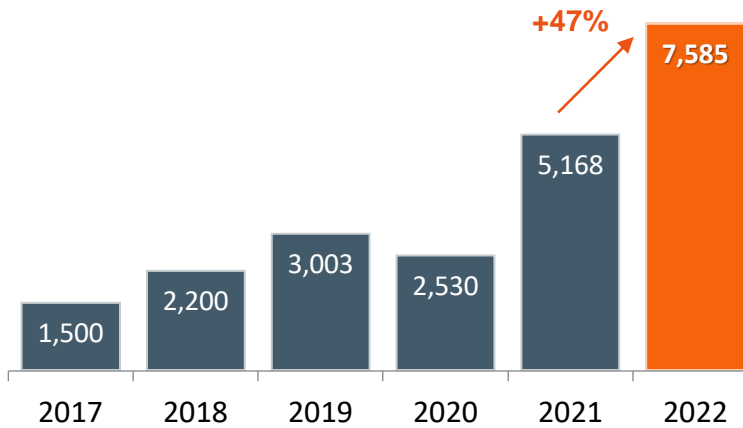
Transit Custom named Europe's best-selling 1-tonne van and best-selling vehicle in UK

Strong demand for Ford Products has continued in Europe
 $\frac{3}{4}$ of Ford's CV Sales are produced by Ford Otosan, the key driver of Ford's Market Performance

Source: Ford of Europe

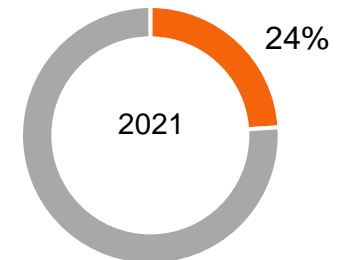
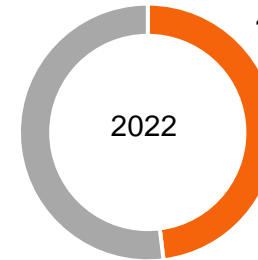
All Time High International Sales, Increased By 47% By End Of 2022

International Sales (Units)

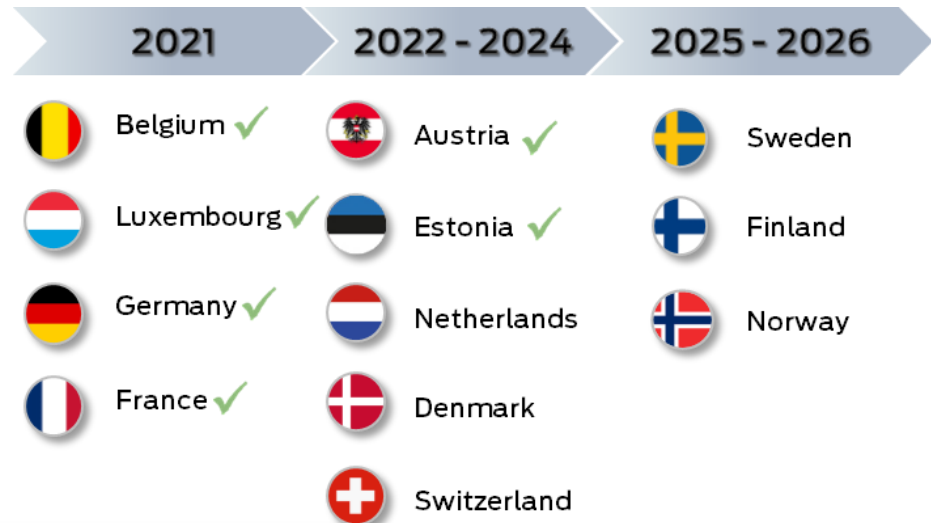


Volumes	2021	2022	YoY Growth
International Markets Industry	207,117	292,975*	41%
Ford Trucks' International Sales	5,168	7,585	47%

Share of W. Europe
in Ford Trucks
International Sales



* Estimate



Since We Last Met

Ford Pro was Introduced in Türkiye in 4Q



Ford Pro is a fully integrated one-stop shop to help customers increase uptime and productivity while reducing complexity and total cost of ownership

Ford Pro will integrate, digitize and simplify transportation by implementing new services in phases:

- ✓ Ford Pro Vehicles
- ✓ Ford Pro Intelligence
- ✓ Ford Pro Charging
- ✓ Ford Pro Service Elite

Ford Pro and DHL Join Forces to Electrify Last Mile Delivery



Ford Pro and DHL signed a MoU aiming to speed up electrification of vans

- ✓ Ford Pro will provide DHL Group with more than **2,000 electric vans** including solutions to address logistics specific requirements and maximise uptime, service and productivity.
- ✓ “Ford Pro and DHL Group share the vision of greater sustainability and a commitment to electrified solutions. E-Transit is the best-seller in its segment in Europe, meaning the all-electric 2-tonne van is already making big strides to support this ambition.” **said Hans Schep, General Manager, Ford Pro, Europe.**



2022 Results

Highlights

TL 171,797 million

Revenues, +142% YoY

- Total volumes 32%
- Export volumes 35%
- Domestic volumes 16%

TL 133,267 million

Export Revenues*, +144% YoY

- 35% volume increase
(supported by the inclusion of Craiova Plant)
- Exchange impact

TL 38,530 million

Domestic Revenues, +132% YoY

- 16% volume increase
- Positive sales mix
- Ongoing pricing discipline
- Improvement in vehicle availability

TL 21,035 million

EBITDA, +100% YoY

- Strong domestic volumes
- Export volume growth
- Pricing discipline
- Cost reduction measures and OpEx control
- Cost-plus export contracts
- Exchange impact on our export business
(average EUR/TRY up 67% YoY)

TL 19,727 million

**EBITDA excl. Currency impact,
+108% YoY**

TL 15,623 million

PBT, +80% YoY

- Net Financial Expenses went up 389% and reached to TL 3,503 mn in 2022 (mainly driven by 116% rise in Net FX Expense and TL 834 mn Net Interest Income in 2021 turned to TL 349 mn Net Interest Expenses)

TL 18,614 million

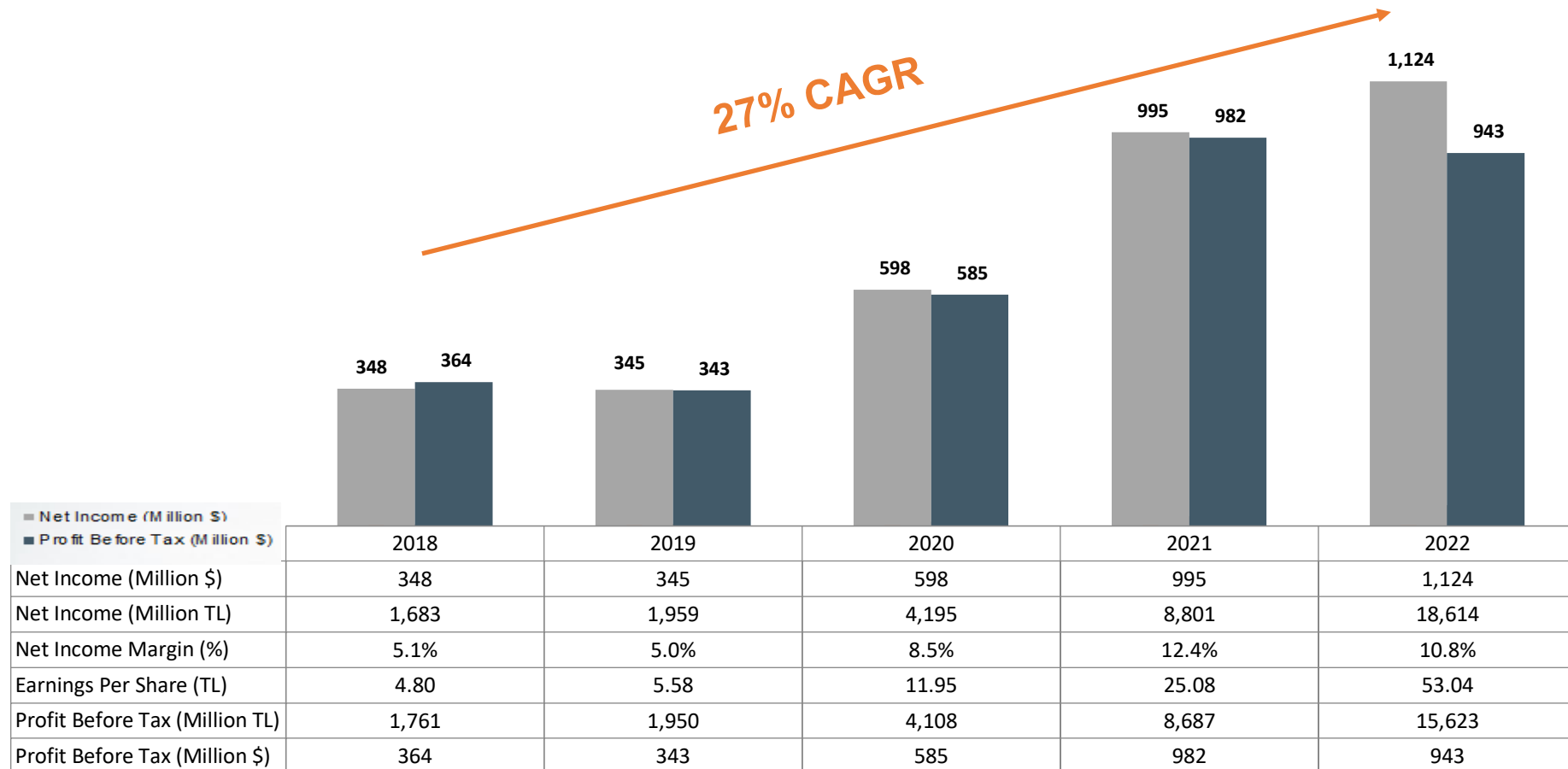
Net Income, +111% YoY

- Higher than PBT due to Tax Income Resulting from Deferred Tax Asset in 2022 (TL 3,085 mn)

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

PBT & Net Income

Absolute and Aggregate PBT Growth Focus

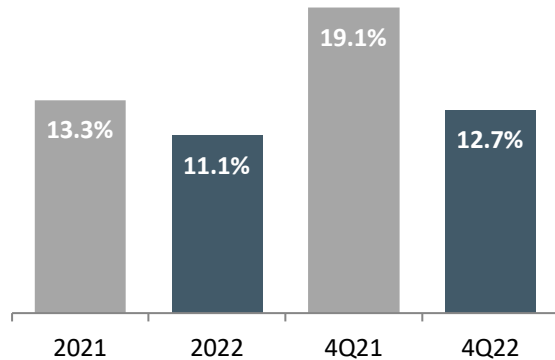


2014 numbers reflect the transition to new product range and relevant ramp-up period.

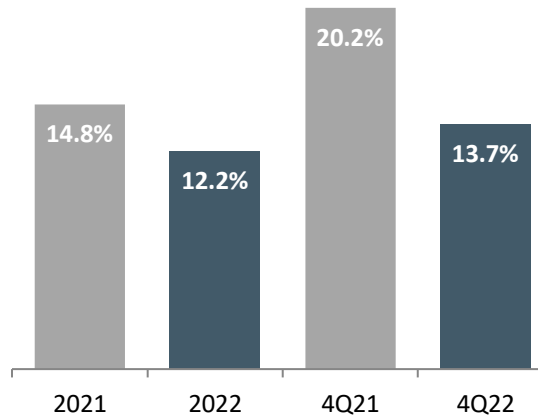
Deferred tax asset resulted in higher net income than PBT in certain years.

Margins

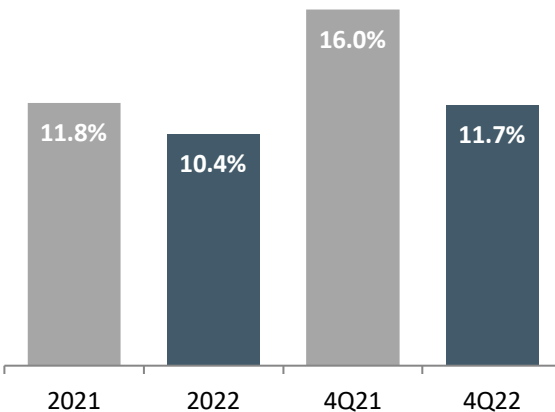
Operating Margin



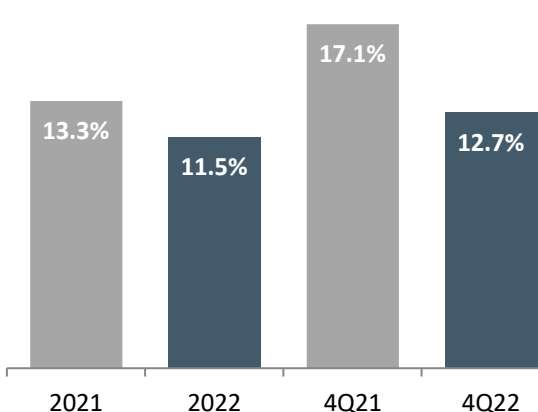
EBITDA Margin



Operating Margin (excl. Other items)



EBITDA Margin (excl. Other items)



Strong EBITDA and PBT per Vehicle

EBITDA, EUR	FY	4Q
2020	1,857	1,822
2021	2,508	3,520
2022	2,385	2,714

PBT, EUR	FY	4Q
2020	1,444	1,413
2021	2,302	3,224
2022	1,889	2,223

Drivers:

- + Strong domestic sales
- + Export volume growth
- + Pricing discipline
- + Cost reduction measures and OpEx control
- + Cost-plus export contracts
- + Exchange impact on our export business (average EUR/TRY up 67% in 2022 YoY)

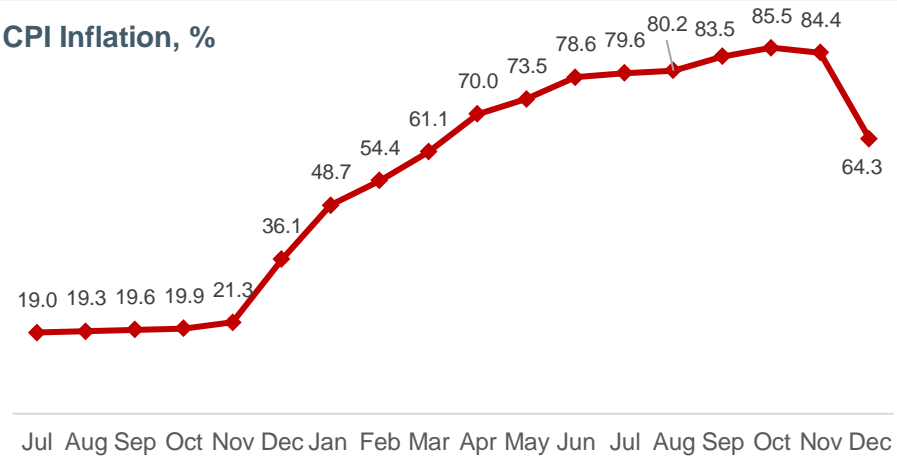
Challenges:

- Extended global chip shortage
- Logistic problems

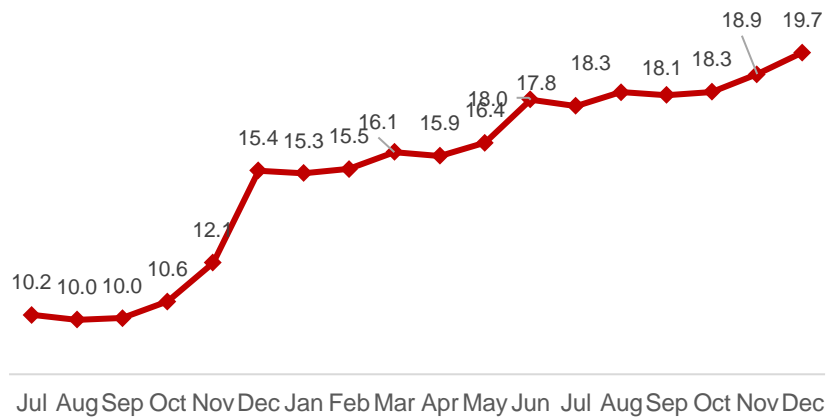
Cost Dynamics

	2022/2021	4Q22/4Q21
Production Volume	34%	52%
Raw Material Costs	158%	225%
€ / TL Average	67%	50%

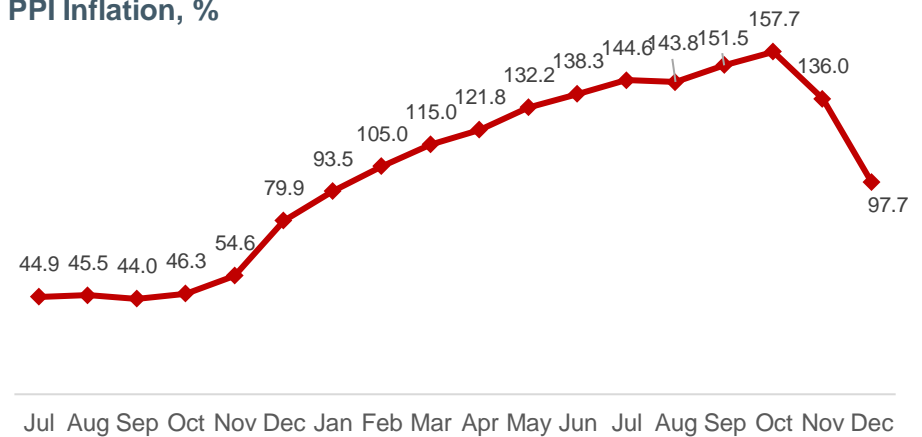
CPI Inflation, %



EUR/TL Rate, Average



PPI Inflation, %



Source: Ford Otosan, CBT, Turkstat

Debt Profile & Financial Ratios

Cash Position (TL mn)	31.12.2022	31.12.2021
Cash & Cash Equivalents (incl. interest accrual)	10,115	14,174
Total Financial Debt	(37,918)	(19,056)
Net Financial Debt	(27,804)	(4,882)
Financial Ratios	31.12.2022	31.12.2021
Current ratio	1.19	1.58
Liquidity ratio	0.81	1.25
Net Debt / EBITDA*	1.32	0.47
Current Assets / Total Assets	0.57	0.77
Current Liabilities / Total Liabilities	0.62	0.64
Total Liabilities / Total Liabilities and Equity	0.78	0.76
Return on Equity	86.9%	86.7%
Margins	31.12.2022	31.12.2021
Gross Margin	13.9%	15.7%
EBITDA Margin	12.2%	14.8%
EBITDA Margin (excl.other items)	11.5%	13.3%
Operating Margin	11.1%	13.3%
Net Margin	10.8%	12.4%

* Capped at 3.5x. EBITDA is calculated on a rolling 4-quarter basis.

Sales Volume by Model

	2022	2021	YoY%	4Q22	4Q21	YoY%
Total Domestic	84,910	73,090	16%	30,642	21,554	42%
PC	8,205	10,322	-21%	2,453	2,500	-2%
Puma	1,583	1,247	27%	528	73	623%
Ecosport	2,113	2,028	4%	577	914	-37%
Other	4,509	7,047	-36%	1,348	1,513	-11%
LCV	39,775	28,895	38%	15,263	6,060	152%
Transit Courier	39,403	28,541	38%	15,132	6,022	151%
Transit Connect	372	354	5%	131	38	245%
MCV	27,705	26,575	4%	9,510	10,328	-8%
Transit	21,395	20,773	3%	7,432	8,638	-14%
Transit Custom	5,354	4,372	22%	1,646	1,403	17%
Ranger	956	1,430	-33%	432	287	51%
Truck	8,957	7,298	23%	3,394	2,666	27%
Rakun	268	-		22	-	
Total Export	390,811	288,511	35%	119,813	76,252	57%
Transit Custom	149,319	157,967	-5%	37,969	40,674	-7%
Transit	116,068	107,345	8%	30,032	30,412	-1%
Transit Courier	24,476	18,004	36%	6,641	3,403	95%
Truck	7,585	5,168	47%	1,991	1,754	14%
Puma	74,241	2	-	34,838	-	-
Ecosport	19,116	6	-	8,342	4	-
Other	6	19	-68%	-	5	-
Total Wholesale	475,721	361,601	32%	150,455	97,806	54%

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

Main Financial Indicators

Million TL	2022	2021	YoY %	4Q22	4Q21	YoY %
Total Revenues ⁽¹⁾	171,797	71,101	142%	60,939	25,444	140%
Export ⁽²⁾	133,267	54,515	144%	45,305	19,061	138%
Domestic	38,530	16,586	132%	15,635	6,383	145%
Gross Profit	23,941	11,154	115%	9,382	5,250	79%
Operating Profit	19,140	9,438	103%	7,724	4,848	59%
EBITDA	21,035	10,492	100%	8,368	5,130	63%
EBITDA excluding other income	19,727	9,464	108%	7,754	4,358	78%
Profit Before Tax	15,623	8,687	80%	6,352	3,992	59%
Net Income ⁽¹⁾	18,614	8,801	111%	8,292	4,090	103%
Other Financial Data						
Depreciation & Amortization	1,895	1,054	80%	644	282	128%
Financial Expense	(3.503)	(716)	389%	(1.367)	(853)	60%

(1) 2H22, Ford Romania SRL contributed TL 24,526,139 thousand to Total Revenues and TL 89,522 thousand to Net Profit

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

Summary Balance Sheet & Cash Flow Statement

Balance Sheet, Million TL	31.12.2022	31.12.2021	YoY Δ
Current Assets	55,125	32,814	68%
Current Liabilities	46,206	20,782	122%
Property, Plant and Equipment - Net	20,145	5,149	291%
Total Assets	96,052	42,793	124%
Total Liabilities	74,650	32,644	129%
Shareholders' Equity	21,402	10,149	111%

Cash Flow Statement, Million TL	31.12.2022	31.12.2021	YoY Δ
Beginning Balance of Cash & Equivalents	14,106	8,074	75%
Net Cash from Operating Activities	19,129	8,702	120%
Net Cash Used in Investing Activities	(21,296)	(3,441)	519%
Net Cash Used in Financing Activities	(1,989)	772	N/M
End of Period Balance of Cash & Equivalents	10,110	14,106	-28%

2023 Guidance

2023 Guidance

	2022A	2023F
Total Industry Volume	822 K	800 K- 850 K
Ford Otosan:		
Retail Sales Volume	85 K	90 K- 100 K
Export Volume	391 K	550 K - 570 K
Turkey	298 K	355 K- 365 K
Romania	93 K	195 K - 205 K
Wholesale Volume	476 K	640 K - 670 K
Total Production Volume	466 K	630 K - 660 K
Turkey	374 K	430 K- 450 K
Romania	92 K	200 K- 210 K
Capex (fixed assets)	€ 818 million	€ 1,000-1,050 million
General Investments	€ 52 million	€ 90-100 million
Product Related Investments	€ 766 million	€ 910-950 million

- Ford Otosan provides guidance 4 times a year as part of quarterly financial statements.
- This is the first guidance issued for 2023 as part of FY 2022 results in February

Thank You

