

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

**CONVENIENCE TRANSLATION INTO ENGLISH
OF CONSOLIDATED FINANCIAL STATEMENTS
AT 1 JANUARY - 31 MARCH 2025
TOGETHER WITH AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

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FORD OTOMOTİV SANAYİ A.Ş.

STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 31 MARCH 2025 AND 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

	Notes	Current period not-audited 31 March 2025	Previous period audited 31 December 2024
Assets			
Current assets		189,695,856	169,462,154
Cash and cash equivalents		49,385,215	24,577,193
Trade receivables			
- Due from related parties	22	56,491,572	48,845,082
- Due from third parties	6	17,339,194	26,247,067
Other receivables			
- Due from related parties	22	3,343,832	3,177,146
- Due from third parties		460,236	124,874
Assets arising from customer contracts		3,534,572	170,067
Inventories	7	44,453,686	43,958,012
Prepaid expenses	10	5,056,414	4,920,804
Other current assets		9,631,135	17,441,909
Non-current assets		189,077,338	190,190,892
Financial investments	4	565,355	615,090
Trade receivables			
- Due from third parties	6	836	822
Other receivables			
- Due from related parties	22	18,899,789	18,865,948
Property, plant and equipment	8	108,144,198	107,071,478
Intangible assets			
- Other intangible assets	9	24,054,054	23,019,669
- Goodwill		1,022,852	1,016,406
Right of use assets		2,183,969	2,282,846
Prepaid expenses	10	11,133,721	12,727,138
Deferred tax assets	20	22,400,254	23,761,774
Investments in subsidiaries, joint ventures and affiliated companies		448,973	435,309
Derivative financial instruments	23,24	223,337	394,412
Total Assets		378,773,194	359,653,046

Summary consolidated financial statements for the period ended 1 January - 31 March 2025 were approved for issue by the Board of Directors on 29 April 2025.

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

FORD OTOMOTİV SANAYİ A.Ş.

STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 31 MARCH 2025 AND 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

	Notes	Current period not-audited 31 March 2025	Previous period audited 31 December 2024
Liabilities			
Current liabilities		157,534,530	135,819,000
Short-term borrowings			
- Bank borrowings	5	17,960,836	18,161,506
Short-term portion of long-term borrowings			
- Bank borrowings	5	25,218,173	21,678,262
- Debt instruments issued	5	1,315,487	1,327,179
- Payables from leasing transactions	5	480,880	367,685
- Short-term portion of other long-term borrowings	5	7,925,184	7,836,963
Trade payables			
- Due to related parties	22	21,545,774	17,187,184
- Due to third parties	6	63,644,775	55,618,233
Other payables			
- Due to related parties	22	4,991,639	567,243
- Due to third parties		3,481,952	1,548,577
Deferred income		3,736,986	4,494,371
Short-term provisions			
- Other short-term provisions	11	2,394,916	2,720,627
Employee benefit liabilities		4,447,654	3,765,828
Current income tax liability	20	390,274	545,342
Non-current liabilities		96,392,651	97,015,618
Long-term borrowings			
- Bank borrowings	5	60,517,046	61,423,687
- Debt instruments issued	5	18,120,301	18,281,353
- Payables from leasing transactions	5	1,401,617	1,474,801
- Other long-term borrowings	5	5,722,570	5,658,868
Long-term provisions			
- Provision for employment termination benefits		2,517,114	2,498,153
- Other long-term provisions	11	2,402,538	2,262,255
Deferred income		3,779,620	3,790,446
Deferred tax liability	20	1,468,100	1,443,892
Derivative financial liabilities	23,24	463,745	182,163
Equity	13	124,846,013	126,818,428
Paid-in capital		350,910	350,910
Inflation adjustments on capital		9,456,616	9,456,616
Share premium		8	8
Other comprehensive income/(loss)			
not to be reclassified under profit or loss			
- Losses on remeasurements of defined benefit plans		(2,611,120)	(2,637,556)
Other comprehensive income/(loss) to be reclassified under profit or loss			
- Gains from financial assets measured at fair value through other comprehensive income		227,697	222,007
- Losses on cash flow hedges		(29,712,796)	(27,332,741)
- Exchange differences on translation		(9,076,985)	(8,965,964)
Restricted reserves		10,815,799	10,217,497
Retained earnings		138,908,788	102,733,244
Net profit for the period		6,487,096	42,774,407
Total liabilities and equity		378,773,194	359,653,046

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

FORD OTOMOTİV SANAYİ A.Ş.**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIODS 31 MARCH 2025 AND 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

	Notes	Current period not - audited 1 January - 31 March 2025	Previous period not - audited 1 January - 31 March 2024
Continuing operations			
Revenue	14	160,901,178	171,508,365
Cost of sales (-)	14	(146,995,509)	(153,256,368)
Gross profit		13,905,669	18,251,997
Marketing expenses (-)		(3,432,269)	(2,665,410)
General administrative expenses (-)		(2,157,090)	(2,694,934)
Research and development expenses (-)		(1,767,559)	(1,863,067)
Other income from operating activities	16	4,992,102	5,077,434
Other expenses from operating activities (-)	16	(3,770,947)	(3,829,743)
Profit from operating activities		7,769,906	12,276,277
Income from investing activities	25	2,488,094	953,230
Expenses from investing activities (-)		(390)	-
Operating income before financial income/(expense)		10,257,610	13,229,507
Financial income	17	5,255,756	3,703,542
Financial expenses (-)	18	(11,651,765)	(9,393,951)
Monetary gain	19	5,341,611	6,118,301
Profit from continuing operations before tax		9,203,212	13,657,399
Tax income/(expense) from continuing operations		(2,716,116)	(1,265,283)
Tax expenses for the period (-)	20	(432,021)	(139,601)
Deferred tax expense (-)	20	(2,284,095)	(1,125,682)
Profit for the period		6,487,096	12,392,116
Earnings per share with a nominal value Kr	21	18.49 Kr	35.31 Kr

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

FORD OTOMOTİV SANAYİ A.Ş.**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE PERIODS 31 MARCH 2025 AND 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

	Notes	Current period not - audited 1 January - 31 March 2025	Previous period not - audited 1 January - 31 March 2024
Profit for the period		6,487,096	12,392,116
Other comprehensive income/(expense)			
Other comprehensive income not to be reclassified to profit or loss			
(Losses)/gains on remeasurements of defined benefit plans		35,248	(554,195)
Other comprehensive income taxes not to be reclassified to profit or loss			
Taxes relating to remeasurements of defined benefit plans		(8,812)	138,546
Other comprehensive income to be reclassified to profit or loss			
Gains/(losses) from financial assets measured at fair value through other comprehensive income		6,503	-
Other comprehensive income/(expense) relating to cash flow hedges	24	(3,173,407)	(1,807,766)
Exchange differences on translation		(111,021)	(2,504,348)
Other comprehensive income taxes to be reclassified to profit or loss			
Taxes relating to gains/(losses) from financial assets measured at fair value through other comprehensive income		(813)	-
Taxes relating to cash flow hedges		793,352	495,869
Other comprehensive expense		(2,458,950)	(4,231,894)
Total comprehensive income		4,028,146	8,160,222

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

FORD OTOMOTİV SANAYİ A.Ş.

SUMMARY CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 31 MARCH 2025 AND 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 March 2025, 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 to profit or loss				Accumulated profit		
				Gains/(losses) on remeasurement defined benefit plans	Gain/(losses) from financial assets measured at fair value through comprehensive income	Cash flow hedge reserve	Foreign exchange risk differences	Restricted reserves	Retained earnings	Net profit	Total equity
Balances at 1 January 2024	350,910	9,456,616	8	(2,122,487)	179,211	(29,716,549)	(981,420)	9,347,660	51,547,487	77,953,376	116,014,812
Profit for the period	-	-	-	-	-	-	-	-	-	12,392,116	12,392,116
Other comprehensive income/(loss)	-	-	-	(415,649)	-	(1,311,897)	(2,504,348)	-	-	-	(4,231,894)
Total comprehensive income	-	-	-	(415,649)	-	(1,311,897)	(2,504,348)	-	-	12,392,116	8,160,222
Transfers	-	-	-	-	-	-	-	-	77,953,376	(77,953,376)	-
Balances at 31 March 2024	350,910	9,456,616	8	(2,538,136)	179,211	(31,028,446)	(3,485,768)	9,347,660	129,500,863	12,392,116	124,175,034
Balances at 1 January 2025	350,910	9,456,616	8	(2,637,556)	222,007	(27,332,741)	(8,965,964)	10,217,497	102,733,244	42,774,407	126,818,428
Profit for the period	-	-	-	-	-	-	-	-	-	6,487,096	6,487,096
Other comprehensive income/(loss)	-	-	-	26,436	5,690	(2,380,055)	(111,021)	-	-	-	(2,458,950)
Total comprehensive income	-	-	-	26,436	5,690	(2,380,055)	(111,021)	-	-	6,487,096	4,028,146
Transfers	-	-	-	-	-	-	-	-	42,774,407	(42,774,407)	-
Dividends	-	-	-	-	-	-	-	598,302	(6,598,863)	-	(6,000,561)
Balances at 31 March 2025	350,910	9,456,616	8	(2,611,120)	227,697	(29,712,796)	(9,076,985)	10,815,799	138,908,788	6,487,096	124,846,013

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

FORD OTOMOTİV SANAYİ A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS 31 MARCH 2025 AND 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

	Notes	Current period not-audited 31 March 2025	Previous period not-audited 31 March 2024
Cash flows generated from/(used in) operating activities		29,788,288	14,831,179
Net profit for the period		6,487,096	12,392,116
Adjustments to reconcile profit or loss		6,820,109	4,815,629
Adjustments for depreciation and amortisation expense	8, 9	3,506,299	2,910,688
Adjustments for impairment loss of inventories	7	134,104	309,781
Adjustments for provisions related with employee benefits		364,115	396,981
Adjustments for lawsuit and/or penalty provisions	11	155,636	47,205
Adjustments for warranty provisions	11	1,349,970	845,688
Adjustments for other provisions		307,657	174,052
Adjustments for interest income	17	(1,059,326)	(1,147,762)
Adjustments for interest expense	18	2,537,024	3,400,004
Adjustments for tax expenses	20	2,716,116	1,265,283
Unearned finance income from credit sales	16	(1,989,301)	(2,175,946)
Deferred financing expense on credit purchases	16	2,727,861	2,995,943
Adjustments for loss on sales of property, plant and equipment	16	(1,237)	-
Unrealized foreign currency translation differences		(625,692)	935,620
Other adjustments for which cash effects are investing or financing cash flow		5,413,757	2,890,885
Adjustments for monetary (gain)/loss		(8,716,874)	(8,032,793)
Changes in working capital		17,853,117	(43,986)
Decrease/(increase) in trade receivable		1,743,993	(8,161,760)
(Increase)/decrease in inventories		(629,766)	(3,214,271)
(Increase)/decrease in prepaid expenses		(130,701)	(199,607)
Increase/(decrease) in trade payable		12,152,377	9,451,078
(Increase)/decrease in other assets		5,053,534	1,873,466
Increase/(decrease) in other liabilities		(336,320)	207,108
Cash flows generated from operations		31,160,322	17,163,759
Interest paid		(2,411,953)	(3,420,180)
Interest received		2,772,543	2,081,979
Payments related with provisions for employee benefits		(62,032)	(103,608)
Payments related with other provisions		(1,083,503)	(650,549)
Taxes paid		(587,089)	(240,222)
Cash flows used in investing activities		(3,858,078)	(9,265,867)
Proceeds from sales of property, plant and equipment		368,068	48,387
Purchase of property, plant and equipment		(4,286,885)	(5,460,614)
Purchase of intangible assets		(1,514,105)	(1,093,282)
Cash advances given and payables		1,588,508	(2,746,697)
Cash outflows from capital increase/share purchase of subsidiaries		(13,664)	(13,661)
Cash flows (used in)/generated from financing activities		1,315,620	9,139,610
Proceeds from borrowings	5	10,470,683	18,352,045
Cash outflows related to borrowings	5	(8,040,686)	(8,329,776)
Dividends paid		(1,884,439)	(1,665,744)
Interest received		992,270	873,118
Cash outflows on debt payments from leasing agreements	5	(222,208)	(90,033)
Net (decrease)/increase in cash and cash equivalents before the effect of currency translation differences		27,245,830	14,704,922
Monetary (loss) on cash and cash equivalents		(2,545,304)	(3,271,068)
Effect of foreign currency translation differences on cash and cash equivalents		40,440	31,919
Net increase in cash and cash equivalents		24,740,966	11,465,773
Cash and cash equivalents at the beginning of the period		24,575,883	24,150,534
Cash and cash equivalents at the end of the period		49,316,849	35,616,307

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

FORD OTOMOTİV SANAYİ A.Ş.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, 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 Yanika plant in which the 1 tons of commercial vehicle is manufactured and in its Eskişehir Inonu 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 Company 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:

	Average		Period-end	
	2025 March	2024 March	2025 March	2024 December
Hourly	20,571	18,657	20,577	20,579
Salaried	5,128	5,081	5,116	5,139
	25,699	23,738	25,693	25,718

Research and development operations which are also subject to service export is conducted with, in totally 2,392 employees as of 31 March 2025 (31 December 2024: 2,381).

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.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**2.1 Basis of presentation (Continued)**

The consolidated financial statements are presented in accordance with the formats determined in the "Announcement on TFRS Taxonomy" published by the POA on July 3, 2024 and the Financial Statement Samples and User Guide published by the CMB.

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. The 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.

Financial reporting in hyperinflationary economy

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, 2024. The Group has prepared its consolidated financial statements for the period ended March 31, 2025 in accordance with the provisions of TAS 29 "Financial Reporting in Hyperinflation Economies," based on the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, and the "Implementation Guide on Financial Reporting in Hyperinflation Economies" published by POA. According to this standard, financial statements prepared in the currency of a high inflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date and comparative information of the previous period financial statements is also presented in the current measurement unit at the end of the reporting period for comparison purposes. Therefore, the Group has presented its consolidated financial statements as of December 31, 2024 based on the purchasing power as of March 31, 2025.

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 March 31, 2025, the indices and correction coefficients used in the correction of interim condensed consolidated financial statements are as follows:

Date	Correction Index	Coefficient	Three Year Compound Inflation Rate
31 March 2025	2,954.69	1.00000	250%
31 December 2024	2,684.55	1.10063	291%
31 March 2024	2,139.47	1.38104	309%

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

- 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.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation (Continued)

- 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 effect of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary position gains/(losses) account in the income statement (Note 19).

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"). Interim 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/TFRS 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.

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.

FORD OTOMOTİV SANAYİ A.Ş.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

As of 31 March 2025, and 31 December 2024, 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		31 March 2025		31 December 2024	
		Suffrage	Effective partnership rate	Suffrage	Effective partnership rate
Ford Otosan Romania SRL	RON	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.

Going concern

The interim condensed consolidated financial statements of the Group are prepared on the basis of a going concern assumption.

Comparatives of prior periods' financial statements

The interim condensed consolidated financial statements of the Group are prepared comparatively with the prior period in order to allow the determination of the financial position and performance trends. The Group has prepared the statement of financial position as at March 31, 2025 comparatively with the statement of financial position as at December 31, 2024 and the statement of profit or loss, statement of other comprehensive income, statement of cash flows and statement of changes in equity for the period January 1 - March 31, 2025 comparatively with the statement of profit or loss, statement of other comprehensive income, statement of cash flows and statement of changes in equity for the period January 1 - March 31, 2024.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of March 31, 2025 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, 2025 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

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. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a significant impact on the financial position or performance of the Group.

ii) 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. The amendments did not have a significant impact on the financial position or 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, 2026 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.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 The new standards, amendments and interpretations (Continued)

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

The following two amendments to IFRS 9 and IFRS 7 and 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.

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 amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 The new standards, amendments and interpretations (Continued)

- 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 amendments are 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 - Contracts Referencing Nature-dependent Electricity

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendment clarifies the application of the “own use” requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows. The amendments are 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 Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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 Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

2.3 Summary of significant accounting policies

Condensed consolidated financial statements for the interim period ended 31 March 2025 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 solo financial statements as of 31 December 2024, 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 2024.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

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 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).
- (b) 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 Company should allocate provisions for inventory impairment (Note 7).
- (c) 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 Company's Legal Counsellor and by the Management team taking into account expert opinions. The management determines the amount of the provisions based on the best forecasts.
- (d) In calculation of the warranty provision, the Company 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).
- (e) 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 31 March 2025 and 31 December 2024 since presumptions that the Company will have taxable profit in the forthcoming periods are found to be sufficient (Note 20).
- (f) The Company 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).
- (g) The company capitalizes ongoing development expenditures and evaluates whether there is an annual depreciation of these capitalized assets. As of 31 March 2025, and 31 December 2024, there is no impairment of capitalized development expenses (Note 9).
- (h) In accordance with the accounting policies regarding goodwill, the amounts in question are reviewed for impairment by the Group annually or more frequently if there are conditions indicating the existence of impairment. The recoverable value of cash-generating units was determined based on value-in-use calculations. Certain estimates have been made for these calculations. As a result of these studies, no impairment was detected.

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3. SEGMENT REPORTING

The Group, has primary operation of manufacturing, assembling, importing and selling motor vehicles and spare parts. The Company'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

	31 March 2025		31 December 2024	
	Participation rate (%)	Amount	Participation rate (%)	Amount
Financial assets at fair value through other comprehensive income assets				
Otokar Otomotiv ve Savunma Sanayi A.Ş. (Otokar) (*)	0.59	347,103	0.59	374,876
Assets recorded at fair value through profit or loss				
Venture capital investment funds		218,252		240,214
		565,355		615,090

(*) The Company's shareholding in Otokar was stated at market value on 31 March 2025 and 31 December 2024 which is assumed to approximate its fair value.

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5. FINANCIAL LIABILITIES

Short-term financial liabilities

Bank borrowings

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- TRY	36.49	5,763,905	39.43	6,691,265
- EUR	5.45	12,196,931	5.95	11,470,241
		17,960,836		18,161,506

Short-term portion of long-term financial liabilities

Bank borrowings

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- EUR	5.62	25,218,173	5.85	21,678,262
		25,218,173		21,678,262

Debt instruments issued (*)

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- USD	7.13	1,315,487	7.13	1,327,179
		1,315,487		1,327,179

Payables from leasing transactions

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- TRY	47.33	237,324	44.80	117,790
- EUR	7.47	243,556	7.47	249,895
		480,880		367,685

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5. FINANCIAL LIABILITIES (Continued)

Short-term portion of long-term financial liabilities (Continued)

Short-term portion of other long-term payables (**)

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- EUR	2.00	7,925,184	2.00	7,836,963
		7,925,184		7,836,963
		34,939,724		31,210,089
Total short-term financial liabilities		52,900,560		49,371,595

Long-term financial liabilities

Bank borrowings

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- EUR	5.64	60,517,046	5.95	61,423,687
		60,517,046		61,423,687

Debt instruments issued (*)

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
-USD	7.13	18,120,301	7.13	18,281,353
		18,120,301		18,281,353

Lease liabilities

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- TRY	48.26	613,144	48.92	637,623
- EUR	7.49	788,473	7.49	837,178
		1,401,617		1,474,801

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5. FINANCIAL LIABILITIES (Continued)

Long-term financial liabilities (Continued)

Other long-term financial liabilities

	31 March 2025		31 December 2024	
	Effective interest rate (%)	TRY amount	Effective interest rate (%)	TRY amount
- EUR	2.00	5,722,570	2,00	5,658,868
		5,722,570		5,658,868
Total long-term financial liabilities		85,761,534		86,838,709

(*) 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 Otosan Romania SRL's shares on 1 July 2022. This amount has been determined according to the best estimation of the Group management as of 31 March 2025.

The payment schedules of long-term bank borrowings as of 31 March 2025 and 31 December 2024 are as follows:

Payment period	31 March 2025	31 December 2024
2026	22,981,625	30,403,755
2027	20,430,962	17,967,435
2028	10,651,277	8,764,620
2029	19,809,826	18,923,480
2030	3,751,769	2,846,248
2031	1,011,888	799,502
	78,637,347	79,705,040

The letters of bank guarantee given to financial institutions in connection with borrowings amounts to TRY 13,807,455 (31 December 2024: TRY 12,288,120) (Note 11).

The payment schedules of other long-term bank borrowings as of 31 March 2025 and 31 December 2024 are as follows:

Payment period	31 March 2025	31 December 2024
2028	5,722,570	5,658,868
	5,722,570	5,658,868

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5. FINANCIAL LIABILITIES (Continued)

The movement of financial liabilities in the three - month periods ending on 31 March 2025 and 2024 are as follows:

	2025	2024
1 January	122,714,473	103,440,773
Cash inflows from borrowing	10,470,683	18,352,045
Cash outflows from borrowing	(8,040,686)	(8,329,776)
Cash outflows related to debt payments arising from lease agreements	(222,208)	(90,033)
Unrealised foreign exchange differences	5,899,464	5,832,084
Change in accrual of interest	652,585	1,859,590
New lease agreements/impact of contract changes	368,026	370,826
Monetary gain / (loss)	(6,827,997)	(14,058,839)
31 March	125,014,340	107,376,670

6. TRADE RECEIVABLES AND PAYABLES

	31 March 2025	31 December 2024
Short-term trade receivables		
Trade receivables	17,755,991	27,029,825
Doubtful receivables	520,625	572,998
Less: provision for doubtful receivables	(520,625)	(572,998)
Less: unearned credit finance income	(416,797)	(782,758)
	17,339,194	26,247,067

The average turnover of receivables related to vehicle sales to domestic distributors is 30 days (31 December 2024: 30 days), domestic sales of spare parts turnover is 70 days (31 December 2024: 70 days) and discounted by 3.75% monthly effective interest rate (31 December 2024: 4.32%).

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6. TRADE RECEIVABLES AND PAYABLES (Continued)

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.

31 March 2025 31 December 2024

Long-term trade receivables

Deposits and guarantees given	836	822
	836	822

31 March 2025 31 December 2024

Trade payables

Trade payables	64,352,950	56,540,765
Less: unearned credit finance expense	(708,175)	(922,532)
	63,644,775	55,618,233

The Group's average turnover of trade payables is 60 days (31 December 2024: 60 days) and discounted by 3.75% monthly effective interest rate (31 December 2024: 4.32%).

FORD OTOMOTİV SANAYİ A.Ş.**NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025**

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6. TRADE RECEIVABLES AND PAYABLES (Continued)

The maximum exposure of the Group to credit risk as of 31 March 2025 and 31 December 2024 is as follows:

31 March 2025	Trade receivables		Other receivables		Deposit in bank
	Related party	Other	Related party	Other	
The maximum of credit risk exposed at the reporting date (Note 22)	56,491,572	17,340,030	22,243,621	460,236	49,316,849
- The maximum of credit risk covered by guarantees	6,556,008	17,340,030	-	-	-
Net book value of the financial assets that are neither overdue not impaired	53,139,360	16,811,276	22,243,621	460,236	49,316,849
Net book value of the financial assets that are overdue but not impaired	3,352,211	528,754	-	-	-
- Amount of risk covered by guarantees	-	528,754	-	-	-
Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	520,625	-	-	-
- Provision for impairment (-)	-	(520,625)	-	-	-
- Amount of risk covered by guarantees	-	-	-	-	-

FORD OTOMOTİV SANAYİ A.Ş.**NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025**

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6. TRADE RECEIVABLES AND PAYABLES (Continued)

31 December 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 22)	48,845,082	26,247,889	22,043,094	124,874	24,568,206
- The maximum of credit risk covered by guarantees	9,235,635	26,247,889	-	-	-
Net book value of the financial assets that	47,659,332	25,614,124	22,043,094	124,874	24,568,206
Net book value of financial assets that are overdue but not impaired	1,185,752	633,765	-	-	-
- Amount of risk covered by guarantees	-	633,765	-	-	-
Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	572,998	-	-	-
- Provision for impairment (-)	-	(572,998)	-	-	-
- Amount of risk covered by guarantees	-	-	-	-	-

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6. TRADE RECEIVABLES AND PAYABLES (Continued)

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

31 March 2025	Trade receivables	
	Related party	Other
1 - 30 days overdue	2,420,744	406,396
1 - 3 months overdue	375,295	20,015
3 - 12 months overdue	544,310	23,145
1 - 5 years overdue	11,862	79,198
	3,352,211	528,754
Risk covered by guarantees	-	528,754

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 2024	Trade receivables	
	Related party	Other
1 - 30 days overdue	417,827	528,693
1 - 3 months overdue	102,380	12,138
3 - 12 months overdue	625,283	20,902
1 - 5 years overdue	40,262	72,032
	1,185,752	633,765
Risk covered by guarantees	-	633,765

7. INVENTORIES

	31 March 2025	31 December 2024
Raw materials	18,011,758	18,953,793
Goods in transit	9,958,638	8,599,157
Finished goods	8,287,189	9,902,953
Vehicle spare parts	3,433,152	3,169,107
Imported vehicles	3,349,672	1,681,095
Spare parts	1,040,976	975,828
Other	1,371,206	1,540,892
	45,452,591	44,822,825
Less: provision for impairment of finished goods and vehicle spare parts	(998,905)	(864,813)
	44,453,686	43,958,012

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7. INVENTORIES (Continued)

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 term is as follows:

	2025	2024
1 January	864,813	85,234
Change within the period	134,104	309,925
Exchange differences on translation	(12)	(144)
31 March	998,905	395,015

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.

8. PROPERTY, PLANT AND EQUIPMENT

	2025	2024
As of January 1		
Cost	213,718,311	193,890,514
Accumulated depreciation	(106,646,833)	(102,999,243)
Net book value	107,071,478	90,891,271
Net book value at the beginning of the period	107,071,478	90,891,271
Additions	4,286,885	5,460,614
Disposals (*)	(782,345)	(3,311,249)
Transfers	-	2,339,580
Exchange differences on translation	157,360	(2,045,824)
Current depreciation charge	(2,628,204)	(2,070,564)
Disposals from accumulated depreciation	39,024	48,387
Closing net book value	108,144,198	91,312,215
As of 31 March		
Cost	217,380,211	196,333,635
Accumulated depreciation	(109,236,013)	(105,021,420)
Net book value	108,144,198	91,312,215

(*) In the classification of disposals of property, plant, and equipment, the Group has leased certain fixed assets at its Kocaeli and Craiova plants to Ford Motor Company through financial leasing in accordance with IFRS 16 and has reclassified this amount from property, plant, and equipment to other receivables from related parties.

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8. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group compared the borrowing cost of investment loans in foreign currency to the market loan interest denominated in TRY.

According to the cumulative method within the scope of TAS 23, there is no interest expense capitalized for the period ending as of 31 March 2025 (31 December 2024: None).

There is no collateral, pledge or mortgage on tangible assets as of 31 March 2025 and 2024.

9. INTANGIBLE ASSETS

	2025	2024
As of January 1		
Cost	39,341,335	42,318,402
Accumulated depreciation	(16,321,666)	(13,780,053)
Net book value	23,019,669	28,538,349
Net book value at the beginning of the period	23,019,669	28,538,349
Additions	1,514,105	1,093,282
Exchange differences on translation	189,228	(1,295,085)
Current depreciation charge	(668,948)	(703,803)
Transfers	-	(2,339,580)
Closing net book value	24,054,054	25,293,163
As of 31 March		
Cost	41,044,668	39,777,019
Accumulated depreciation	(16,990,614)	(14,483,856)
Net book value	24,054,054	25,293,163

There are no fully depreciated intangible assets as of 31 March 2025. There is no capitalized interest cost and foreign exchange difference in accordance with TAS 23 (31 December 2024: None).

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10. PREPAID EXPENSES

Short-term prepaid expenses	31 March 2025	31 December 2024
Advances given for inventories	4,409,963	4,455,639
Other prepaid expenses	646,451	465,165
	5,056,414	4,920,804
Long-term prepaid expenses	31 March 2025	31 December 2024
Advances given for investments (*)	11,063,939	12,652,447
Other prepaid expenses	69,782	74,691
	11,133,721	12,727,138

(*) The investment advances given are related to the Group's new vehicle investments, with TRY 4,137,775 (31 December 2024: TRY 5,061,694) consisting of tooling advances provided to local suppliers for these vehicles and TRY 6,926,164 (31 December 2024: TRY 7,590,753) consisting of investment advances related to new projects.

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

	31 March 2025	31 December 2024
Warranty expense provision	1,052,674	1,009,873
Provisions for sales premium (*)	1,025,054	789,589
Other short-term provisions	317,188	921,165
	2,394,916	2,720,627

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

Long-term provisions

	31 March 2025	31 December 2024
Warranty expense provision	1,823,011	1,809,123
Provisions for lawsuits	477,965	348,402
Other long-term provisions	101,562	104,730
	2,402,538	2,262,255

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11. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

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

	2025	2024
1 January	348,402	305,725
Paid during the period	(22,943)	(18,256)
Additions during the period	155,636	47,205
Exchange differences on translation	32	1,791
Monetary (gain)/loss	(3,162)	11,937
31 March	477,965	348,402

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

	2025	2024
1 January	2,818,996	3,180,933
Paid during the period	(1,060,560)	(632,293)
Additions during the period	1,349,970	845,688
Monetary (gain)/loss	(232,721)	(416,443)
31 March	2,875,685	2,977,885

Letters of guarantee and letters of credit	31 March 2025	31 December 2024
Letters of guarantee given to financial institutions due to bank loans	13,807,455	12,288,120
Letters of guarantee given to customs	407,019	404,403
Letters of guarantees given to other parties	219,289	217,503
	14,433,763	12,910,026

Letters of guarantee given

	31 March 2025		31 December 2024	
	Original currency	TRY amount	Original currency	TRY amount
TRY	8,395,802	8,395,802	6,911,235	6,911,235
EUR	141,611	5,763,852	141,601	5,726,407
RON	33,710	274,109	33,710	272,384
		14,433,763		12,910,026

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11. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

The allocation of collaterals, pledges and mortgages as of 31 March 2025 and 31 December 2024 as follows:

Collaterals, pledges and mortgages given by the Group	31 March 2025	31 December 2024
A. Total amount of collaterals/pledges/mortgages given for its own legal entity	14,415,538	12,889,959
B. Total amount of collaterals/pledges/mortgages given for participations included in entire consolidation	-	-
C. Total amount of collaterals/pledges/mortgages given to assure debts of third parties, for the purpose of conducting the business activities ^(*)	18,225	20,067
D. Total amount of other collaterals/pledges/mortgages given		
i, Total amount of guarantees/pledges/mortgages given in favor of the main partner	-	-
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	-	-
	14,433,763	12,910,026

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

As of 31 March 2025 and 31 December 2024, total amount of the collaterals, pledges and mortgages obtained by the Group are as follows:

Letters of guarantee taken

	31 March 2025		31 December 2024	
	Original currency	TRY amount	Original currency	TRY amount
TRY	2,854,733	2,854,733	4,388,092	4,388,092
EUR	105,108	4,278,088	147,951	5,983,184
USD	2,794	105,516	6,161	239,058
		7,238,337		10,610,334

Other

The long-term bank borrowing agreements related to the investments require the Group to comply with certain financial ratios. The Group complies with these financial ratios as of March 31, 2025 and December 31, 2024.

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12. COMMITMENTS

None.

13. EQUITY

The composition of the Group's paid-in capital as of 31 March 2025 and 31 December 2024 is as follows:

Shareholders	Share group	31 March 2025	Shareholders percentage (%)	31 December 2024	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 (Public)	A	62,786	17,89	62,786	17,89
Paid in Capital		350,910	100	350,910	100
Inflation adjustment to share capital		9,456,616		9,456,616	
Inflation adjusted paid in capital		9,807,526		9,807,526	

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.

There are 35,091,000,000 unit of shares (31 December 2024: 35,091,000,000 unit) with a nominal value of Kr 1 each.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first 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 second 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.

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13. EQUITY (Continued)

The adjusted values of the items shown above with their historical values and the equity inflation adjustment differences as of 31 March 2025:

31 March 2025 (TFRS)	Historical values	Adjusted values	Equity inflation adjustment differences
Paid in capital	350,910	9,807,526	9,456,616
Legal reserves	2,791,489	10,815,799	8,024,310
Share premium	8	214	206
	3,142,407	20,623,539	17,481,132

31 March 2025 (TPL)	Historical values	Adjusted values	Equity inflation adjustment differences
Paid in capital	350,910	11,292,942	10,942,032
Legal reserves	2,791,489	6,161,109	3,369,620
Share premium	8	267	259
	3,142,407	17,454,318	14,311,911

14. REVENUE AND COST OF SALES

Revenue

	31 March 2025	31 March 2024
Export sales (*)	129,936,187	134,771,952
Domestic sales	33,925,716	39,930,610
Other sales	1,160,853	1,066,768
Less: Discounts	(4,121,578)	(4,260,965)
	160,901,178	171,508,365

(*) Foreign sales and sales volumes include the Group's exports as well as Ford Otosan Romania SRL's sales also includes.

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14. REVENUE AND COST OF SALES (Continued)

Units of vehicle sales

	1 January - 31 March 2025			1 January - 31 March 2024		
	Domestic sales	Export sales	Total sales	Domestic sales	Export sales	Total sales
1 ton commercial vehicle	2,735	65,323	68,058	2,028	50,980	53,008
2 ton commercial vehicle	7,111	29,073	36,184	7,530	39,942	47,472
Puma	1,204	31,380	32,584	2,592	40,321	42,913
Transit Courier	7,005	13,730	20,735	3,397	14,071	17,468
Passenger Vehicles	4,678	-	4,678	5,049	20	5,069
Ford Trucks (Truck)	1,772	533	2,305	2,361	481	2,842
Ranger	735	-	735	1,348	-	1,348
Tourneo Connect	1	-	1	102	2	104
	25,241	140,039	165,280	24,407	145,817	170,224

As of 31 March 2025 and 31 March 2024, summaries of cost of sales are as follows:

	31 March 2025	31 March 2024
Cost of raw material	(125,598,891)	(136,400,447)
Production overhead cost	(11,438,571)	(10,810,395)
Amortization expenses (Note 8 and 9)	(3,185,568)	(2,664,387)
Changes in finished good	2,753,834	8,146,860
Total production cost	(137,469,196)	(141,728,369)
Cost of trade goods sold	(9,526,313)	(11,527,999)
Total cost of sales	(146,995,509)	(153,256,368)

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15. EXPENSES BY NATURE

The classification of expenses by nature for the periods ended at 31 March 2025 and 2024 is as follows:

	31 March 2025	31 March 2024
Raw material cost	(125,598,891)	(136,400,447)
Finance expenses	(11,651,765)	(9,393,951)
Personnel expenses	(10,648,166)	(9,687,039)
Cost of trade goods sold	(9,526,313)	(11,527,999)
Other overhead costs	(4,242,843)	(4,210,864)
Other operational expenses	(3,770,947)	(3,829,743)
Other general production expenses	(3,584,139)	(3,889,602)
Depreciation and amortization expenses	(3,506,299)	(2,910,688)
Changes in inventories	2,753,834	8,146,860
Total expenses	(169,775,529)	(173,703,473)

16. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES

	31 March 2025	31 March 2024
Other income from operating activities		
Foreign exchange gains on trade receivables and payables	2,811,497	2,668,376
Financial income from sales on credit	1,989,301	2,175,946
Rental income	32,437	55,496
Commission income	24,791	30,300
Price difference and compensated damage amounts	11,386	11,058
Provisions no longer required	1,132	22,200
Other	121,558	114,058
	4,992,102	5,077,434

	31 March 2025	31 March 2024
Other expenses from operating activities		
Financial expenses from credit purchases	(2,727,861)	(2,995,943)
Foreign exchange losses on trade receivables and payables	(592,895)	(484,567)
Other	(450,191)	(349,233)
	(3,770,947)	(3,829,743)

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17. FINANCIAL INCOME

	31 March 2025	31 March 2024
Foreign exchange gains	3,700,984	2,157,632
Interest income	1,059,326	1,147,762
Other	495,446	398,148
	5,255,756	3,703,542

18. FINANCIAL EXPENSES

	31 March 2025	31 March 2024
Foreign exchange losses	(9,114,741)	(5,993,947)
Interest expenses	(2,537,024)	(3,400,004)
	(11,651,765)	(9,393,951)

19. NET MONETARY POSITION GAINS/(LOSSES) DISCLOSURES

Non-Monetary Items	31 March 2025
Financial statement items	5,292,850
Inventories	2,754,572
Prepaid expenses	935,548
Investments accounted for using the equity method, financial investments, subsidiaries	3,508,341
Property, plant and equipment	7,315,590
Intangible assets	674,706
Right of use assets	143,009
Deferred tax assets	599,401
Deferred income	73,444
Paid-in capital	(896,661)
Not to be reclassified to profit or loss accumulated other comprehensive income and expenses	320,373
Accumulated losses to be reclassified to profit or loss other comprehensive income / (expense)	4,143,777
Restricted reserves appropriated from profit	(934,153)
Retained earnings	(13,345,097)
Statement of profit or loss items	48,761
Revenue	(2,799,771)
Cost of sales	2,649,312
Marketing expenses	61,270
General administrative expenses	46,247
Research and development expenses	38,729
Other operating income/expenses	(9,202)
Income/expenses from investing activities	(30,140)
Finance income/expenses	90,985
Tax expense for the period	1,331
Gains on net monetary position	5,341,611

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20. 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 the interim period 31 March 2025 is 25% (31 December 2024: 25%). The corporate tax rate for the interim period 31 March 2025 is 16% in Romania (31 December 2024: 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.

15% 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 evening of the last workday 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.

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 tax.

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.

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20. TAX ASSETS AND LIABILITIES (Continued)

In the sensitivity analysis carried out as of 31 March 2025, when the inputs in the basic macroeconomic and sectoral assumptions that make up the business plans (such as growth rate and profitability) are evaluated by increasing / decreasing by 10%, there is a significant increase in the amount of deferred tax assets related to investment incentives and the recovery period envisaged as 10 years. There has been no change.

The Group's net tax position as of 31 March 2025 and 31 December 2024 are as follows:

	31 March 2025	31 December 2024
Current year corporate tax expense	(432,021)	(1,384,250)
Prepaid tax and withholding	41,747	838,908
Current tax related assets/(liabilities)	(390,274)	(545,342)
Deferred tax assets	22,400,254	23,761,774
Deferred tax liabilities	(1,468,100)	(1,443,892)
Net deferred tax assets	20,932,154	22,317,882

The taxation on income for the periods ended 31 March 2025 and 2024 are as follows:

	31 March 2025	31 March 2024
Current year corporate tax expense	(432,021)	(139,601)
Current year tax effect of cash flow hedge (*)	(793,352)	(495,869)
Other deferred tax	(1,490,743)	(629,813)
Deferred tax expense (-)	(2,284,095)	(1,125,682)
Continuing operations tax income/(expense)	(2,716,116)	(1,265,283)

(*) 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.

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20. 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 31 March 2025 and 2024 and current tax ratio based on income before tax is as follows:

	31 March 2025	31 March 2024
Income before tax	9,203,212	13,657,399
Effective tax rate	25%	25%
Current year tax expense	(2,300,803)	(3,414,350)
Research and development deductions	345,590	427,966
Investment incentive exemption	2,901,300	4,707,641
Monetary gain / (loss) and other	(3,662,203)	(2,986,540)
	(2,716,116)	(1,265,283)

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.

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20. TAX ASSETS AND LIABILITIES (Continued)

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities as at 31 March 2025 and 31 December 2024 using the current enacted tax rates is as follows:

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Deferred tax assets				
Investment incentive tax asset	(111,702,306)	(112,937,529)	27,701,089	28,764,788
Expense accruals and other provisions	(16,851,554)	(14,434,602)	4,220,596	3,619,206
Warranty expense provision	(2,875,685)	(2,818,996)	738,273	704,749
Employee benefits provision	(1,746,762)	(1,856,916)	429,123	456,816
Inventories	9,447,353	7,356,242	(2,356,187)	(1,839,363)
	(123,728,954)	(124,691,801)	30,732,894	31,706,196
Deferred tax liabilities				
Tangible and intangible assets	20,866,574	19,358,949	(4,377,634)	(4,004,114)
Income accruals and other	21,620,508	21,460,176	(5,423,106)	(5,384,200)
	42,487,082	40,819,125	(9,800,740)	(9,388,314)
Net deferred tax asset			20,932,154	22,317,882

The movements of deferred tax assets/(liabilities) for the three-months interim periods ended 31 March are as follows:

	2025	2024
1 January	22,317,882	19,194,880
Deferred tax income/expense recognized in statement of profit or loss	(2,284,095)	(1,125,682)
Deferred tax income recognized directly in the equity	783,727	634,415
Exchange differences on translation	114,640	(84,116)
31 March	20,932,154	18,619,497

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21. EARNINGS PER SHARE

	31 March 2025	31 March 2024
Net profit for the year	6,487,096	12.392.116
Weighted average number of shares with nominal	35,091,000,000	35,091,000,000
Earnings per share with nominal value of Kr1 each	Kr 18.49	Kr 35.31

22. 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 Holding 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 31 March 2025 and 31 December 2024 and the transactions with related parties during the year are as follows:

a) Receivables from related parties

i) Trade receivable from related parties

	31 March 2025	31 December 2024
Due from shareholders		
Ford Motor Company and subsidiaries	50,283,035	40,516,967
	50,283,035	40,516,967
Due from group companies (*)		
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.,	6,317,698	8,529,996
Other	24,529	48,472
	6,342,227	8,578,468
Less: unearned credit finance income	(133,690)	(250,353)
	56,491,572	48,845,082

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

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(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

22. RELATED PARTY DISCLOSURES (Continued)

Export sales mainly consist of sales to Ford Motor Company. Payments terms and conditions are specified in the business agreements with Ford Motor Company. Group's export vehicle receivables from the Ford Motor Company sales made from Turkey are due in 14 days and sales made from Romania are 30 days, these 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 6, the Group'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 (*)*

31 March 2025 31 December 2024

Due other from shareholders

Ford Motor Company and subsidiaries	3,343,832	3,177,146
	3,343,832	3,177,146

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

31 March 2025 31 December 2024

Due long-term from shareholders

Ford Motor Company and subsidiaries	18,899,789	18,865,948
	18,899,789	18,865,948

(*) 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.

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

22. RELATED PARTY DISCLOSURES (Continued)

b) Payables to related parties

i) Trade payables to related parties

	31 March 2025	31 December 2024
Due to shareholders		
Ford Motor Company and subsidiaries	17,406,056	13,058,684
	17,406,056	13,058,684
Due to group companies (*)		
Ram Dış Ticaret A.Ş.	1,885,388	1,603,562
Zer Merkezi Hizmetler ve Ticaret A.Ş.	1,383,657	1,461,558
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	270,181	168,897
Ram Sigorta Aracılık Hizmetleri A.Ş.	228,488	57,553
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	227,635	518,697
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	45,154	48,754
Ark İnşaat A.Ş.	44,261	118,759
Opet Petrolcülük A.Ş.	35,919	30,790
Divan Turizm İşletmeleri A.Ş.	30,782	5,077
Setur Servis Turistik A.Ş.	26,575	25,629
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	14,500	14,156
INGAGE Dijital Pazarlama Hizmetleri	8,637	56,648
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	3,584	3,472
Other	25,314	123,703
	4,230,075	4,237,255
Less: unearned credit finance income	(90,357)	(108,755)
	21,545,774	17,187,184

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

ii) Other payables to related parties

	31 March 2025	31 December 2024
Ford Motor Company (*)	2,462,349	-
Koç Holding A.Ş. (*)	2,384,015	206,867
Koç Holding Emekli Yardım Sandığı Vakfı (*)	55,732	-
Vehbi Koç Vakfı (*)	49,257	-
Temel Ticaret A.Ş. (*)	40,286	-
Koç Finansman A.Ş.	-	337,674
Yapı ve Kredi Bankası A.Ş.	-	22,702
	4,991,639	567,243

(*) The balances as of March 31, 2025 include dividend payables to Partners, and dividend payables were paid in April 2025.

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

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22. RELATED PARTY DISCLOSURES (Continued)

c) Sales to related parties

	31 March 2025	31 March 2024
Ford Motor Company (*)	129,439,995	133,754,734
Otokoç Otomotiv Tic, ve San, A.Ş., (**)	7,171,664	8,683,086
	136,611,659	142,437,820
Less: financial income from credit sales	(473,717)	(529,692)
	136,137,942	141,908,128

(*) The Group, 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 - 31 March 2025			
	Material	Service	Fixed assets	Total
Domestic purchases				
Zer Merkezi Hizmetler ve Ticaret A.Ş. ⁽¹⁾	119,310	2,024,302	-	2,143,612
Ram Dış Ticaret A.Ş.	1,935,591	-	-	1,935,591
Ram Sigorta Aracılık Hizmetleri A.Ş. ⁽³⁾	-	338,297	-	338,297
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	256,882	48,550	305,432
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	201,698	-	201,698
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	101,279	-	101,279
Ark İnşaat Sanayi ve Ticaret A.Ş. ⁽²⁾	-	-	93,587	93,587
Opet Petrolcülük A.Ş.	84,634	-	-	84,634
İngage Dijital Pazarlama A.Ş.	-	72,609	-	72,609
Setur Servis Turistik A.Ş.	-	62,603	-	62,603
Koç Holding A.Ş. ⁽⁴⁾	-	55,236	-	55,236
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	40,580	-	-	40,580
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	13,310	-	-	13,310
Koçtaş Yapı Marketleri Ticaret A.Ş.	12,962	-	-	12,962
Other	152	73,181	6,309	79,702
	2,206,539	3,186,087	148,506	5,541,132
Less: Unearned credit finance charges	(135,394)	-	-	(135,394)
	2,071,145	3,186,087	148,506	5,405,738

(1) The Group primarily receives services from Zer Merkezi Hizmetler 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 for the new project investments at the Kocaeli and Eskişehir Factories.

(3) It includes the premiums paid and accrued under the policies signed between unrelated insurance companies through Ram Sigorta Aracılık Hizmetleri A.Ş., which operates as an insurance agency.

(4) The costs incurred for services provided by Koç Holding A.Ş. to the companies under its umbrella, including services related to finance, law, planning, tax, senior management, and other areas, including personnel and senior management expenses, are included in the service fees invoiced to the Group as a result of the distribution in accordance with the "11-Group Services" regulation in the Transfer Pricing and Hidden Profit Distribution General Communiqué No. 1.

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

22. RELATED PARTY DISCLOSURES (Continued)

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

	1 January - 31 March 2024			
	Material	Service	Fixed assets	Total
Domestic purchases				
Zer Merkezi Hizmetler ve Ticaret A.Ş. ⁽¹⁾	167,063	2,018,496	-	2,185,559
Ram Dış Ticaret A.Ş.	189,639	-	-	189,639
Ram Sigorta Aracılık Hizmetleri A.Ş. ⁽³⁾	-	504,574	-	504,574
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	25,392	-	25,392
Eltek Elektrik Enerjisi İth. İhr. ve Toptan Tic. A.Ş.	-	202,332	-	202,332
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.	-	72,553	5,637	78,190
Ark İnşaat Sanayi ve Ticaret A.Ş. ⁽²⁾	-	-	341,571	341,571
Opet Petrolcülük A.Ş.	111,375	-	-	111,375
Ingage Dijital Pazarlama A.Ş.	-	20,212	-	20,212
Setur Servis Turistik A.Ş.	-	61,802	-	61,802
Koç Holding A.Ş. ⁽⁴⁾	-	52,565	-	52,565
Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş.	64,294	-	-	64,294
AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş.	17,137	-	-	17,137
Koçtaş Yapı Marketleri Ticaret A.Ş.	12,327	-	-	12,327
Other	213	67,239	31,180	98,632
	562,048	3,025,165	378,388	3,965,601
Less Unearned credit finance charges	(36,346)	-	-	(36,346)
	525,702	3,025,165	378,388	3,929,255

Material, vehicle and service purchases from abroad

	31 March 2025	31 March 2024
Ford Motor Company and subsidiaries	58,068,824	50,659,367

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

	31 March 2025	31 March 2024
	751,148	822,981

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

	31 March 2025	31 March 2024
	-	772

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(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

22. RELATED PARTY DISCLOSURES (Continued)

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

	31 March 2025	31 March 2024
	177,641	367,868

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

Deposits in related banks

	31 March 2025	31 December 2024
Yapı ve Kredi Bankası A.Ş.		
- Foreign currency time deposits	8,144,467	7,397,522
- TRY time deposit	2,578,359	939,654
- TRY demand deposits	433,958	321,004
- Foreign currency demand deposits	45,659	155,777
	11,202,443	8,813,957

i) Related bank borrowings

	31 March 2025	31 December 2024
Yapı ve Kredi Bankası A.Ş.	-	570,238
	-	570,238

i) Other current and non-current liabilities of the Group

	31 March 2025	31 December 2024
Ford Motor Company and subsidiaries (Note 5)	13,647,754	13,495,831
	13,647,754	13,495,831

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21. RELATED PARTY DISCLOSURES (Continued)

j) Advances received

	31 March 2025	31 December 2024
Ford Motor Company and subsidiaries	5,494,748	6,057,636
	5,494,748	6,057,636

k) Commission income

	31 March 2025	31 March 2024
Koç Finansman A.Ş.	23,059	14,215
Yapı ve Kredi Bankası A.Ş.,	1,483	13,326
Otokoç Otomotiv Ticaret ve Sanayi A.Ş.,	20	7
	24,562	27,548

l) Commission expense

	31 March 2025	31 March 2024
Koç Finansman A.Ş.	501,213	236,948
Yapı ve Kredi Bankası A.Ş.,	40,684	137,369
	541,897	374,317

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.

m) Interest income

	31 March 2025	31 March 2024
Yapı ve Kredi Bankası A.Ş.	129,409	22,413

n) 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 benefits provided by the Group to its top executives in 2025 amount to TRY 47,150 as of 31 March 2025 with the purchasing power (31 March 2024: TRY 56,143).

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

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23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The table below summarizes the Group 's exposure to foreign currency exchange rate risk at 31 March 2025 and 31 December 2024. The carrying amount of the Group 's foreign currency denominated assets and liabilities, categorized by currency have been presented below:

31 March 2025

	TRY Equivalent (Functional currency)	USD	EUR	Other
1. Trade receivables	53,805,584	21,438	1,301,976	63
2. Monetary financials assets (including cash and cash equivalents)	34,487,534	5,366	841,159	237
3. Other	11,233,591	76,298	205,191	10
4. Current assets (1 + 2 + 3)	99,526,709	103,102	2,348,326	310
5. Monetary financial assets	1,741,342	-	42,783	-
6. Non - current assets (5)	1,741,342	-	42,783	-
7. Total assets (4 + 6)	101,268,051	103,102	2,391,109	310
8. Trade payables	36,251,559	247,134	637,889	19,847
9. Financial liabilities (*)	46,899,331	34,833	1,119,944	-
10. Other monetary liabilities	3,505,336	-	86,122	-
11. Short-term liabilities (8 + 9 + 10)	86,656,226	281,967	1,843,955	19,847
12. Financial liabilities (*)	85,148,390	479,810	1,646,805	-
13. Other monetary liabilities	3,245,028	-	79,727	-
14. Long-term liabilities (12 + 13)	88,393,418	479,810	1,726,532	-
15. Total liabilities (11 + 14)	175,049,644	761,777	3,570,487	19,847
16. Net foreign currency (liabilities)/assets position (7 - 15)	(73,781,593)	(658,675)	(1,179,378)	(19,537)
17. Net monetary foreign (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12-13)	(85,015,184)	(734,973)	(1,384,569)	(19,547)

(*) 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 TRY 54,803,828 as of 31 December 2024 (December 31, 2024: TRY 54,081,611). As of March 31, 2025, the Group has a total of TRY 22,037,758 (December 31, 2024: TRY 33,547,988) of the finished goods to be used in vehicles to be exported.

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23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2024

	TRY Equivalent (Functional currency)	USD	EUR	Other
1. Trade receivables	45,301,170	32,142	1,202,027	69
2. Monetary financials assets (including cash and cash equivalents)	19,909,063	7,717	531,941	55
3. Other	8,961,731	89,438	158,139	21
4. Current assets (1 + 2 + 3)	74,171,964	129,297	1,892,107	145
5. Monetary financial assets	2,814,071	-	76,588	-
6. Non - current assets (5)	2,814,071	-	76,588	-
7. Total assets (4 + 6)	76,986,035	129,297	1,968,695	145
8. Trade payables	25,309,003	194,580	481,609	18,393
9. Financial liabilities (*)	42,497,179	37,679	1,120,489	-
10. Other monetary liabilities	3,831,669	-	104,284	-
11. Short-term liabilities (8 + 9 + 10)	71,637,851	232,259	1,706,382	18,393
12. Financial liabilities (*)	86,018,657	519,013	1,843,549	-
13. Other monetary liabilities	2,704,610	-	73,609	-
14. Long-term liabilities (12 + 13)	88,723,267	519,013	1,917,158	-
15. Total liabilities (11 + 14)	160,361,118	751,272	3,623,540	18,393
16. Net foreign currency (liabilities)/assets position (7 - 15)	(83,375,083)	(621,975)	(1,654,845)	(18,248)
17. Net monetary foreign (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12-13)	(92,336,814)	(711,413)	(1,812,984)	(18,269)

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23. 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.

31 March 2025

Appreciation/depreciation in foreign currency	Profit/(loss)/before taxation	
	Increase by 10 (%)	Decrease by 10 (%)
Change in USD against TRY		
USD net assets/(liabilities)	(2,487,525)	2,487,525
USD net hedged amount	-	-
USD net- gain/(loss)	(2,487,525)	2,487,525
Change in EUR against TRY		
EUR net assets/(liabilities)	(4,800,292)	4,800,292
EUR net hedged amount	5,480,383	(5,480,383)
EUR net- gain/(loss)	680,091	(680,091)
Change in other foreign currency against TRY		
Other foreign currency denominated net (liabilities)/assets	(90,342)	90,342
Other foreign currency denominated- hedged amount	-	-
Other foreign currency denominated net - (loss)/gain	(90,342)	90,342

31 December 2024

Appreciation/depreciation in foreign currency	Profit/(loss)/before taxation	
	Increase by 10 (%)	Decrease by 10 (%)
Change in USD against TRY		
USD net assets/(liabilities)	(2,190,804)	2,190,804
USD net hedged amount	-	-
USD net- gain/(loss)	(2,190,804)	2,190,804
Change in EUR against TRY		
EUR net assets/(liabilities)	(6,080,374)	6,080,374
EUR net hedged amount	5,952,384	(5,952,384)
EUR net- gain/(loss)	(127,990)	127,990
Change in other foreign currency against TRY		
Other foreign currency denominated net (liabilities)/assets	(66,330)	66,330
Other foreign currency denominated- hedged amount	-	-
Other foreign currency denominated net - (loss)/gain	(66,330)	66,330

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23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The comparative amounts for total export and import amounts for the period ended 31 March 2025 and 2024 are as follows:

	31 March 2025	31 March 2024
Total export amount	98,257,718	97,869,253
Total import amount	51,736,171	60,225,841

The Group's net assets are exposed to foreign exchange risk which arises from export sales. To minimize its foreign currency risk, the Company 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 Company's interest rate sensitive financial instruments are as follows:

	31 March 2025	31 December 2024
Fixed interest rate financial instruments		
Financial assets	28,790,127	13,735,480
Financial liabilities	85,904,598	88,237,952

Floating interest rate financial instruments

Financial liabilities	52,757,496	47,972,352
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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 132,868 at 31 March 2025 (31 December 2024: TRY 98,703) due to higher/lower interest expense.

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

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23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

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

31 March 2025	Book value	Total contractual cash outflow	3 months	3 - 12 months	1 - 5 years	Longer than 5 years
Non-derivative financial instruments						
Financial liabilities	123,131,843	141,619,839	550,943	32,819,556	101,476,078	6,773,263
Long-term other liabilities	13,647,754	14,098,545	7,963,133	-	6,135,412	-
Lease liabilities	1,882,497	2,649,010	148,641	675,770	1,824,599	-
Trade payables						
- Related party	21,545,774	21,636,131	21,636,131	-	-	-
- Other	63,644,775	64,352,950	64,352,950	-	-	-
Other liabilities						
- Related party	4,991,639	4,991,639	4,991,639	-	-	-
- Other	3,481,952	3,481,952	3,481,952	-	-	-
Derivative financial liabilities						
Derivative financial liabilities	463,745	463,745	-	-	463,745	-

FORD OTOMOTİV SANAYİ A.Ş.**NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025**

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23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2024	Book value	Total contractual cash outflow	3 months	3 - 12 months	1 - 5 years	Longer than 5 years
Non-derivative financial instruments						
Financial liabilities	120,871,987	140,548,198	9,646,050	33,937,509	91,559,770	5,404,869
Long-term other liabilities	13,495,831	14,494,065	-	8,186,531	6,307,534	-
Lease liabilities	1,842,486	2,799,651	227,738	626,327	1,945,586	-
Trade payables						
- Related party	17,187,184	17,295,939	17,295,939	-	-	-
- Other	55,618,233	56,540,765	56,540,765	-	-	-
Other liabilities						
- Related party	567,243	567,243	567,243	-	-	-
- Other	1,548,577	1,548,577	1,548,577	-	-	-
Derivative financial liabilities						
Derivative financial liabilities	182,163	182,163	-	182,163	-	-

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

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23. 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 31 March 2025 and 31 December 2024, the Group 's hierarchy table for its assets and liabilities recorded at fair value are as follows:

31 March 2025	Level 1 (*)	Level 2 (**)	Level 3
Assets at fair value			
Derivative financial assets	-	223,337	-
Financial assets at fair value through OCI -Otokar	218,252	-	-
Financial assets at fair value through profit or loss – Other	347,103	-	-
Total assets	565,355	223,337	-
Liabilities at fair value			
Derivative financial liabilities	-	463,745	-
Total liabilities	-	463,745	-

(*) 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).

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2024	Level 1 (*)	Level 2 (**)	Level 3
Assets at fair value			
Derivative financial assets	-	394,412	-
Financial assets at fair value through OCI -Otokar	374,876	-	-
Financial assets at fair value through profit or loss – Other	240,214	-	-
Total assets	615,090	394,412	-
Liabilities at fair value			
Derivative financial liabilities	-	182,163	-
Total liabilities	-	182,163	-

(*) 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).

24. 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 31 March 2025, the Group has hedged the interest rate risk arising from the cash flows of the loan amounting to EUR 150,000,000 with a maturity of 16 December 2030, 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 31 March 2025. The fair value of the said swap transaction as of 31 March 2025 is TRY 134,925 and it is shown under long-term liabilities in the statement of financial position.

As of 31 December 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 interest swap. 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, which is the subject of financial protection as of 31 March 2025. As of 31 March 2025, the fair value of the said swap transaction is TRY 64,170 and is presented under non-current assets in the statement of financial position.

As of 31 March 2025, 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 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 31 March 2025. The fair value of the related swap transaction as of 31 March 2025 is TRY 3,366 and is presented under non-current assets in the financial position statement.

NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

24. CASH FLOW HEDGE OPERATIONS (Continued)

Considering that a significant portion of the sales revenues are in EUR, the Group has hedged the exchange rate risk that may arise from the changes in the USD - EUR parity originating from the bond issuance of USD 500,000,000 on April 25, 2024, with USD - EUR cross currency swap transactions. The critical terms 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 USD 500 million, are compatible with the critical terms of the bond subject to financial protection as of 31 March 2025. The fair value of the said swap transaction calculated as of 31 March 2025 is TRY 261,284 and is shown under non-current assets in the statement of financial position.

	31 March 2025	31 December 2024
Derivative financial liabilities	463,745	182,163
	463,745	182,163

As of 31 March 2025, 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 EUR 100,000,000 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 31 March 2025. The fair value of the related swap transaction as of 31 March 2025 is TRY 223,337 and is presented under non-current assets in the financial position statement.

	31 March 2025	31 December 2024
Derivative financial assets	223,337	394,412
	223,337	394,412

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 December 2019 to December 2031 with long-term financial borrowings.

	31 March 2025	31 December 2024
Cash flow hedge reserve		
Amount recognized in other comprehensive income	5,903,181	6,520,668
Amount recycled from other comprehensive income to statement of profit or (loss)	(2,729,774)	(9,699,047)
	3,173,407	(3,178,379)

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NOTES TO THE SUMMARY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 March 2025, unless otherwise indicated.)

25. INCOME FROM INVESTING ACTIVITIES

	2025	2024
Income from investing activities		
Foreign exchange gains	2,473,745	952,655
Gain on sale of fixed assets	1,627	575
Other	12,722	-
	2,488,094	953,230

26. SUBSEQUENT EVENTS

At the Ordinary General Assembly held on March 26, 2025, the Group has decided to distribute TRY 6,000,561 cash dividend at the rate of 1,710%, which is TRY 17.10 gross (TRY 14.54 net) per TRY 1 share from the profit for the year 2024 and the dividend payment has been made as of April 3, 2025.

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