

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

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

(ORIGINALLY ISSUED IN TURKISH)

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

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FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

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

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

| | | Current period audited | Previous period audited |
|---|-------|---------------------------|----------------------------|
| | Notes | 31 December 2025 | 31 December 2024 |
| Assets | | | |
| Current assets | | 223,456,658 | 201,532,210 |
| Cash and cash equivalents | 4 | 63,973,964 | 29,228,333 |
| Trade receivables | | | |
| - Due from related parties | 27 | 59,061,191 | 58,088,826 |
| - Due from third parties | 7 | 29,792,006 | 31,214,224 |
| Other receivables | | | |
| - Due from related parties | 27 | 4,353,906 | 3,778,408 |
| - Due from third parties | 8 | 232,452 | 148,506 |
| Assets arising from customer contracts | 35 | 60,347 | 202,252 |
| Inventories | 9 | 49,331,040 | 57,575,748 |
| Prepaid expenses | 12 | 772,743 | 553,193 |
| Derivative financial instruments | 28,29 | 87,014 | - |
| Other current assets | 16 | 15,791,995 | 20,742,720 |
| Non-current assets | | 227,323,792 | 226,183,791 |
| Financial investments | 5 | 673,801 | 731,494 |
| Trade receivables | | | |
| - Due from third parties | 7 | 836 | 978 |
| Other receivables | | | |
| - Due from related parties | 27 | 21,482,616 | 22,436,257 |
| Property, plant and equipment | 10 | 137,162,744 | 127,334,344 |
| Intangible assets | | | |
| - Other intangible assets | 11 | 30,425,530 | 27,376,053 |
| - Goodwill | | 1,238,570 | 1,208,758 |
| Right of use assets | 32 | 2,290,820 | 2,714,866 |
| Prepaid expenses | 12 | 8,958,104 | 15,135,700 |
| Deferred tax assets | 25 | 24,356,354 | 28,258,598 |
| Investments in subsidiaries, joint ventures and affiliated companies | 34 | 618,395 | 517,690 |
| Derivative financial instruments | 28,29 | 116,022 | 469,053 |
| Total assets | | 450,780,450 | 427,716,001 |

Consolidated financial statements for the period ended 1 January - 31 December 2025 were approved for issue by the Board of Directors on 9 February 2026. Consolidated financial statements will be finalized after the approval at the General Assembly.

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

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

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

| | Notes | Current period audited 31 December 2025 | Previous period audited 31 December 2024 |
|---|-----------|---|--|
| Liabilities | | | |
| Current liabilities | | 180,623,530 | 161,522,222 |
| Short-term borrowings | | | |
| - Bank borrowings | 6 | 20,224,315 | 21,598,501 |
| Short-term portion of long-term borrowings | | | |
| - Bank borrowings | 6 | 41,029,457 | 25,780,789 |
| - Issued debt instruments | 6 | 1,467,201 | 1,578,343 |
| - Lease liabilities | 6 | 623,579 | 437,268 |
| - Short-term portions of other long-term debts | 6 | - | 9,320,078 |
| Trade payables | | | |
| - Due to related parties | 27 | 28,251,935 | 20,439,792 |
| - Due to third parties | 7 | 74,206,127 | 66,143,770 |
| Other payables | | | |
| - Due to related parties | 27 | 636,021 | 674,591 |
| - Due to third parties | 8 | 2,731,749 | 1,841,639 |
| Deferred income | 31 | 1,186,545 | 5,344,913 |
| Short-term provisions | | | |
| - Other short-term provisions | 13 | 4,126,931 | 3,235,496 |
| Employee benefit liabilities | 15 | 5,960,098 | 4,478,496 |
| Current tax liabilities | 25 | 179,572 | 648,546 |
| Non-current liabilities | | 114,136,231 | 115,375,453 |
| Long-term borrowings | | | |
| - Bank borrowings | 6 | 70,964,952 | 73,047,884 |
| - Issued debt instruments | 6 | 20,217,785 | 21,741,029 |
| - Lease liabilities | 6 | 1,443,968 | 1,753,902 |
| - Other long-term debts | 6 | 7,196,223 | 6,729,787 |
| Long-term provisions | | | |
| - Provision for employment termination benefits | 15 | 3,158,428 | 2,970,919 |
| - Other long-term provisions | 13 | 2,932,765 | 2,690,378 |
| Deferred income | 31 | 4,270,554 | 4,507,774 |
| Deferred tax liabilities | 25 | 1,665,311 | 1,717,143 |
| Derivative financial liabilities | 28,29 | 2,286,245 | 216,637 |
| Equity | 17 | 156,020,689 | 150,818,326 |
| Paid-in capital | | 3,509,100 | 350,910 |
| Inflation adjustments on capital | | 8,154,462 | 11,312,652 |
| Share premium | | 8 | 8 |
| Other comprehensive income/(loss) not to be reclassified under profit or loss | | | |
| - Losses on remeasurements of defined benefit plans | | (3,445,779) | (3,136,704) |
| Other comprehensive income/(loss) to be reclassified in profit or loss | | | |
| - Gains from financial assets measured at fair value through other comprehensive income | | 174,716 | 264,021 |
| - Currency translation differences | | (10,003,040) | (10,662,739) |
| - Losses on cash flow hedges | | (32,995,916) | (32,505,357) |
| Restricted reserves | | 13,958,349 | 12,151,119 |
| Retained earnings | | 142,682,654 | 122,175,117 |
| Net profit for the period | | 33,986,135 | 50,869,299 |
| Total liabilities and equity | | 450,780,450 | 427,716,001 |

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

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

| | Notes | Current period audited 1 January- 31 December 2025 | Previous period audited 1 January- 31 December 2024 |
|---|-----------|---|--|
| Continuing operations | | | |
| Revenue | 18 | 830,827,933 | 778,801,036 |
| Cost of sales (-) | 18 | (761,444,215) | (707,328,208) |
| Gross profit | | 69,383,718 | 71,472,828 |
| Marketing expenses (-) | 19 | (16,929,773) | (13,717,279) |
| General administrative expenses (-) | 19 | (9,254,212) | (11,517,211) |
| Research and development expenses (-) | 19 | (8,300,055) | (8,076,120) |
| Other income from operating activities | 21 | 24,231,109 | 16,777,747 |
| Other expenses from operating activities (-) | 21 | (16,527,585) | (17,001,585) |
| Profit from operating activities | | 42,603,202 | 37,938,380 |
| Income from investing activities | 30 | 12,215,287 | 9,076,174 |
| Expenses from investing activities (-) | 30 | (280,171) | (797,988) |
| Operating income before financial income/(expense) | | 54,538,318 | 46,216,566 |
| Financial income | 22 | 25,687,821 | 18,792,430 |
| Financial expenses (-) | 23 | (56,632,740) | (46,269,904) |
| Net monetary position gains | 24 | 15,873,390 | 29,700,418 |
| Profit from continuing operations before tax | | 39,466,789 | 48,439,510 |
| Tax income/(expense) from continuing operations | | (5,480,654) | 2,429,789 |
| Tax expenses for the period (-) | 25 | (1,102,418) | (1,646,214) |
| Deferred tax income / (expense) | 25 | (4,378,236) | 4,076,003 |
| Profit for the period | | 33,986,135 | 50,869,299 |
| Earnings per share with nominal value of Kr 1 each | 26 | 9,69 Kr | 14,50 Kr |

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 2025, unless otherwise indicated)

| | | Current period audited 1 January- 31 December 2025 | Previous period audited 1 January- 31 December 2024 |
|---|-------|---|--|
| | Notes | | |
| Profit for the period | | 33,986,135 | 50,869,299 |
| Other comprehensive income/(expense) | | | |
| Not to be reclassified to profit or loss | | | |
| (Losses) on remeasurements of defined benefit plans | 15 | (412,100) | (816,728) |
| Other comprehensive income taxes not to be reclassified to profit or loss | | | |
| Taxes relating to remeasurements of defined benefit plans | 17,25 | 103,025 | 204,182 |
| To be reclassified to profit or loss | | | |
| Gains/(losses) from financial assets measured at fair value through other comprehensive income | 17 | (102,063) | 58,167 |
| Taxes relating to cash flow hedges | 17,29 | (654,079) | 3,779,874 |
| Currency translation differences | 17 | 659,699 | (9,495,591) |
| 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 | 17,25 | 12,758 | (7,271) |
| Taxes relating to cash flow hedges | 17,25 | 163,520 | (944,968) |
| Other comprehensive loss | | (229,240) | (7,222,335) |
| Total comprehensive income | | 33,756,895 | 43,646,964 |

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS 31 DECEMBER 2025 AND 2024

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

| | Paid in capital | Inflation adjustments on capital | Share premium | Other comprehensive income not to be reclassified in profit or loss | Gains/(losses) from financial assets measured at fair value through other comprehensive income | Other comprehensive income to be reclassified | Currency translation differences | Restricted reserves | Accumulated profit | | Total equity |
|-------------------------------------|------------------|----------------------------------|---------------|---|--|---|----------------------------------|---------------------|--------------------|---------------------------|--------------------|
| | | | | Gains/(losses) on remeasurements of defined benefit plans | | Gain/(losses) on cash flow hedges | | | Retained earnings | Net profit for the period | |
| Balances at 1 January 2024 | 350,910 | 11,312,652 | 8 | (2,524,158) | 213,125 | (35,340,263) | (1,167,148) | 11,116,660 | 61,302,603 | 92,705,679 | 137,970,068 |
| Profit for the period | - | - | - | - | - | - | - | - | - | 50,869,299 | 50,869,299 |
| Other comprehensive income/(loss) | - | - | - | (612,546) | 50,896 | 2,834,906 | (9,495,591) | - | - | - | (7,222,335) |
| Total comprehensive income | - | - | - | (612,546) | 50,896 | 2,834,906 | (9,495,591) | - | - | 50,869,299 | 43,646,964 |
| Transfers | - | - | - | - | - | - | - | - | 92,705,679 | (92,705,679) | - |
| Dividends | - | - | - | - | - | - | - | 1,034,459 | (31,833,165) | - | (30,798,706) |
| Balances at 31 December 2024 | 350,910 | 11,312,652 | 8 | (3,136,704) | 264,021 | (32,505,357) | (10,662,739) | 12,151,119 | 122,175,117 | 50,869,299 | 150,818,326 |
| Balances at 1 January 2025 | 350,910 | 11,312,652 | 8 | (3,136,704) | 264,021 | (32,505,357) | (10,662,739) | 12,151,119 | 122,175,117 | 50,869,299 | 150,818,326 |
| Profit for the period | - | - | - | - | - | - | - | - | - | 33,986,135 | 33,986,135 |
| Other comprehensive income/(loss) | - | - | - | (309,075) | (89,305) | (490,559) | 659,699 | - | - | - | (229,240) |
| Total comprehensive income | - | - | - | (309,075) | (89,305) | (490,559) | 659,699 | - | - | 33,986,135 | 33,756,895 |
| Transfers | - | - | - | - | - | - | - | - | 50,869,299 | (50,869,299) | - |
| Dividends | - | - | - | - | - | - | - | 1,807,230 | (30,361,762) | - | (28,554,532) |
| Capital Increase | 3,158,190 | (3,158,190) | - | - | - | - | - | - | - | - | - |
| Balances at 31 December 2025 | 3,509,100 | 8,154,462 | 8 | (3,445,779) | 174,716 | (32,995,916) | (10,003,040) | 13,958,349 | 142,682,654 | 33,986,135 | 156,020,689 |

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

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

| | Notes | Current period audited 31 December 2025 | Previous period audited 31 December 2024 |
|---|----------|---|--|
| Cash flows from operating activities | | 105,099,896 | 43,990,396 |
| Net profit for the period | | 33,986,135 | 50,869,299 |
| Adjustments to reconcile profit or loss | | 42,141,963 | 10,086,041 |
| Adjustments for depreciation and amortisation expense | 10,11,32 | 17,205,394 | 14,021,732 |
| Adjustments for impairment loss of inventories | 9 | (155,377) | 926,490 |
| Adjustments for provisions related with employee benefits | | 539,518 | 950,375 |
| Adjustments for lawsuit and/or penalty provisions | 13 | 485,012 | 268,316 |
| Adjustments for warranty provisions | 13 | 2,457,162 | 732,358 |
| Adjustments for other provisions | | 36,252 | 294,260 |
| Adjustments for dividend income | 27,30 | - | (6,713) |
| Adjustments for interest income | 22 | (6,797,034) | (5,661,622) |
| Adjustments for interest expense | 23 | 11,131,704 | 16,206,189 |
| Adjustments for tax expenses | 25 | 5,480,654 | (2,429,789) |
| Interest income arising from trading activities | 21 | (9,181,239) | (10,480,490) |
| Interest expenses arising from trading activities | 21 | 13,173,471 | 13,667,459 |
| Adjustments for loss on sales of property, plant and equipment | 30 | 147,639 | 754,394 |
| Unrealized foreign currency translation differences | | (1,756,698) | 3,696,075 |
| Other adjustments for which cash effects are investing or financing cash flow | | 26,758,350 | 17,584,163 |
| Monetary (gain)/loss adjustments | | (17,382,845) | (40,437,156) |
| Changes in working capital | | 32,595,155 | (13,415,788) |
| (Increase) / decrease in trade receivable | | 516,084 | (3,065,427) |
| (Increase) / decrease in inventories | | 8,400,133 | (52,493) |
| (Increase) / decrease in prepaid expenses | | (152,005) | 253,344 |
| Increase / (decreases) in trade payable | | 15,672,678 | (12,702,190) |
| (Increase) / decrease in other assets | | 10,529,451 | 4,520,470 |
| Increase / (decrease) in other liabilities | | (2,371,186) | (2,369,492) |
| Cash flows from operating activities | | 108,723,253 | 47,539,552 |
| Interest paid | | (12,214,927) | (12,492,414) |
| Interest received | | 10,545,596 | 11,657,156 |
| Payments related with provisions for employee benefits | 15 | (233,080) | (1,494,963) |
| Payments related with other provisions | 13 | (149,554) | (81,781) |
| Taxes paid | 25 | (1,571,392) | (1,137,154) |
| Cash flows used in investing activities | | (23,729,544) | (42,591,044) |
| Cash inflows from sales of property, plant and equipment | | 1,388,980 | 1,157,598 |
| Cash outflows of property, plant and equipment | 10 | (25,366,724) | (48,107,679) |
| Cash outflows from purchase of intangible assets | 11 | (5,761,146) | (5,403,525) |
| Cash advances given and payables | | 6,110,051 | 10,036,487 |
| Dividend income received | 27,30 | - | 6,713 |
| Cash outflows from share purchase/capital increase of subsidiaries | | (100,705) | (280,638) |
| Cash flows (used in)/generated from financing activities | | (34,769,707) | 10,792,346 |
| Cash inflows from borrowings | 6 | 52,096,510 | 106,097,678 |
| Cash outflows related to borrowings | 6 | (53,766,010) | (52,565,568) |
| Dividends paid | | (28,554,532) | (30,798,706) |
| Interest paid | | (10,241,729) | (16,743,201) |
| Interest received | | 6,789,940 | 5,708,980 |
| Cash outflows on debt payments from leasing agreements | 6 | (1,093,886) | (906,837) |
| Net (decrease) / increase in cash and cash equivalents before the effect of currency translation differences | | 46,600,645 | 12,191,698 |
| Monetary (loss) on cash and cash equivalents | | (12,285,825) | (11,745,829) |
| Effect of foreign currency translation differences on cash and cash equivalents | | 423,719 | 58,467 |
| Net (decrease)/increase in cash and cash equivalents | | 34,738,539 | 504,336 |
| Cash and cash equivalents at the beginning of the period | | 29,217,645 | 28,713,309 |
| Cash and cash equivalents at the end of the period | 4 | 63,956,184 | 29,217,645 |

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

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 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.

Within the Group’s Kocaeli site, the Gölçük Plant produces 2-ton commercial vehicles, while the Yeniköy Plant manufactures 1-ton commercial vehicles. At the Eskişehir site, the Ford Trucks Plant and the Engine and Powertrain Plant produce Ford Trucks, as well as engines and powertrain systems for trucks and 2-ton commercial vehicles. At the Romania site, the Craiova Plant manufactures Puma vehicles, the new-generation Transit Courier, and Ecoboost engines. Additionally, through Ford Otosan Netherlands BV, located in the Netherlands, the Company conducts holding activities related to its international operations.

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

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

| | Average | | Period End | |
|----------|---------------|---------------|---------------|---------------|
| | 2025 | 2024 | 2025 December | 2024 December |
| Hourly | 20,556 | 19,287 | 19,963 | 20,579 |
| Salaried | 5,090 | 5,150 | 5,039 | 5,139 |
| | 25,646 | 24,437 | 25,002 | 25,718 |

Research and development operations which are also subject to service export is conducted with, in totally 2,238 employees as of 31 December 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.

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.

FORD OTOMOTİV SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY - 31 DECEMBER 2025

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

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, 2023. The Group has prepared its consolidated financial statements for the year ended December 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 December 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 December 31, 2025, the indices and adjustment coefficients used in the adjustment of consolidated financial statements are as follows:

| Date | Index | Correction Coefficient | Three-Year Compound Inflation Rate |
|------------------|----------|------------------------|------------------------------------|
| 31 December 2025 | 3,513.87 | 1,00000 | 211% |
| 31 December 2024 | 2,684.55 | 1,30892 | 291% |
| 31 December 2023 | 1,859.38 | 1,88981 | 268% |

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.
- 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 24).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

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”). Consolidated financial statements are represented in Ford Otomotiv San. A.Ş.'s current financial statement presentation currency of the Group, Turkish Lira.

Financial Statements of Subsidiaries Operating in Foreign Countries

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

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/IFRS, 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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation (Continued)

Consolidation Principles (Continued)

As of 31 December 2025 and 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 December 2025 | | 31 December 2024 | |
|----------------------------|------------------------|------------------|-------------------------------|------------------|-------------------------------|
| | | Suffrage | Effective Partnership rate | Suffrage | Effective Partnership rate |
| Ford Otosan Romania SRL | Romanian Leu | 100.00 | 100.00 | 100.00 | 100.00 |
| Ford Otosan Netherlands BV | EUR | 100.00 | 100.00 | 100.00 | 100.00 |

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

Going concern

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

Comparatives of prior periods' financial statements

In order to enable the identification of financial position and performance trends, the Group's consolidated financial statements have been prepared on a comparative basis with the prior period. The Group has presented the statement of financial position as of 31 December 2025 together with the statement of financial position as of 31 December 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 1 January – 31 December 2025 together with the corresponding statements for the period 1 January – 31 December 2024 on a comparative basis. The amount of TRY 5,298,851 previously presented under the “Prepaid Expenses” account as of 31 December 2024 has been reclassified to the “Inventories” account.

2.2 Changes and interpretations of standards

The new standards, amendments and interpretations

The accounting policies applied in the preparation of the consolidated financial statements for the year ended 31 December 2025 are consistent with those used in the previous year, except for the new and amended TFRS standards and TFRS interpretations effective as of 1 January 2025, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.2 Changes and interpretations of standards

i. Standards, amendments, and interpretations applicable as of 1 January 2025

- **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. This amendment has no impact on the Group's financial position or performance.

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 financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting financial statements and disclosures, when

- **Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. This amendment has no impact on the Group's financial position or performance.

- **TFRS 17 - The new Standard for insurance contracts**

In February 2019, the Public Oversight Authority (KGK) issued TFRS 17, a comprehensive new accounting standard covering the recognition, measurement, presentation, and disclosure of insurance contracts. TFRS 17 introduces a model that requires measuring insurance contract liabilities at current statement of financial position values and recognizing profit as the related services are provided. The mandatory effective date of the Standard has been deferred by the KGK to annual reporting periods beginning on or after 1 January 2027.

The Standard is not applicable to the Group and will have no impact on the Group's financial position or performance.

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

In August 2025, the Public Oversight Authority (KGK) issued amendments to the classification and measurement requirements for financial instruments (related to TFRS 9 and TFRS 7). The amendments clarify that financial liabilities are to be derecognized at their "expiry date." In addition, the amendments introduce an accounting policy option that permits the derecognition of financial liabilities settled through an electronic payment system before their expiry date, provided that certain conditions are met. The amendments also provide clarifications regarding the assessment of contractual cash flow characteristics of financial assets that contain Environmental, Social, and Governance (ESG)-linked or similar contingent features, as well as guidance on instruments that do not give rise to unlimited liability and on financial instruments that are contractually linked.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Amendments and interpretations in the standards (Continued)

ii) Standards issued but not yet effective and not early adopted (Continued)

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

In addition, the amendment introduces further disclosure requirements under TFRS 7 for financial assets and liabilities that contain contractual terms referencing a contingent event (including ESG-linked features), as well as for equity instruments measured at fair value through other comprehensive income. The amendment will be effective for annual reporting periods beginning on or after 1 January 2026. Entities may choose to early apply the amendments related to the classification of financial assets and the associated disclosure requirements, and apply the remaining amendments thereafter. The new provisions will be applied retrospectively by adjusting the opening balance of retained earnings (or accumulated losses). This amendment has no impact on the Group’s financial position or performance.

- **Annual Improvements to TFRSs – Cycle 11**

In September 2025, the Public Oversight Authority (KGK) issued the “*Annual Improvements to TFRSs – Cycle 11*”, which include the following amendments:

- *TFRS 1 First-time Adoption of Turkish Financial Reporting Standards* – Hedge accounting applied by a first-time adopter:
The amendment was introduced to eliminate potential confusion arising from inconsistencies between the wording in TFRS 1 and the hedge accounting requirements under TFRS 9.
- *TFRS 7 Financial Instruments: Disclosures* – Gains or losses related to derecognition:
The amendment revises the terminology used to describe unobservable inputs and adds a reference to TFRS 13.
- *TFRS 9 Financial Instruments* – Derecognition of a lease liability by a lessee and transaction price:
The amendment clarifies that when a lease liability is extinguished, the lessee must apply the derecognition requirements in TFRS 9, and any resulting gain or loss must be recognized in profit or loss. In addition, the reference to “transaction price” has been removed from TFRS 9.
- *TFRS 10 Consolidated Financial Statements* – Determination of a “de facto agent”:
The amendment was made to eliminate inconsistencies within the relevant paragraphs of the Standard.
- *TAS 7 Statement of Cash Flows* – Cost method:
Following earlier amendments that removed the term “cost method,” the remaining references to this term have been deleted from the Standard.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, and early application is permitted for all amendments. These amendments have no impact on the Group’s financial position or performance.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Amendments and interpretations in the standards (Continued)

ii) Standards issued but not yet effective and not early adopted (Continued)

- **Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity**

In August 2025, the Public Oversight Authority (KGK) issued the amendment “*Nature-Linked Electricity Contracts*” (related to TFRS 9 and TFRS 7). The amendment clarifies the application of the “own use” exemption and permits the application of hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements aimed at enabling investors to understand the impact of these contracts on an entity’s financial performance and cash flows. The amendment will be effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted, and entities applying the amendment early are required to disclose this fact in the notes. The clarifications relating to the “own use” exemption are applied retrospectively, while the provisions permitting hedge accounting are applied prospectively to new hedging relationships designated on or after the date of initial application. This amendment has no impact on the Group’s financial position or performance.

- **TFRS 18 – Presentation and Disclosure in Financial Statements**

In May 2025, the Public Oversight Authority (KGK) issued TFRS 18, which replaces IAS 1. TFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the presentation of specific totals and subtotals. Under TFRS 18, entities are required to present all income and expenses in the statement of profit or loss within one of five categories: operating activities, investing activities, financing activities, income taxes, and discontinued operations. The Standard also requires the disclosure of management-defined performance measures and introduces new requirements for the aggregation and disaggregation of financial information in line with the defined functions of the primary financial statements and the notes. The issuance of TFRS 18 also results in amendments to other financial reporting standards, including IAS 7, IAS 8, and IAS 34. TFRS 18 and the related amendments will be effective for reporting periods beginning on or after 1 January 2027. Early application is permitted. TFRS 18 is to be applied retrospectively. The Group is assessing the impact of this amendment on its financial position and performance.

- **TFRS 19 – Subsidiaries Without Public Accountability: Disclosures**

In August 2025, KGK issued TFRS 19, which provides an option for certain entities to apply reduced disclosure requirements when applying the recognition, measurement, and presentation requirements of TFRSs. Unless otherwise specified, entities that elect to apply TFRS 19 will not be required to apply the disclosure requirements of other TFRSs. An entity may elect to apply TFRS 19 if it is a subsidiary, does not have public accountability, and its parent (intermediate or ultimate) prepares publicly available consolidated financial statements that comply with TFRS. TFRS 19 will be effective for reporting periods beginning on or after 1 January 2027, and early application is permitted. Entities that apply the Standard early are required to disclose this fact in the notes. In the first reporting period of initial application (annual or interim), disclosures presented for the comparative period must be aligned with the disclosures presented in the current period in accordance with TFRS 19. This amendment has no impact on the Group’s financial position or performance.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Amendments and interpretations in the standards (Continued)

iii) Amendments Issued by the IASB but Not Yet Issued by the POA

The amendments to IAS 21 described below have been issued by the International Accounting Standards Board (IASB) but have not yet been adopted or issued by the Public Oversight Authority (KGK). Therefore, they do not form part of TFRS at this stage. The Company / Group will make the necessary amendments to its consolidated financial statements and notes once these amendments become effective under TFRS.

• IAS 21 Amendments –Translation into a Hyperinflationary Presentation Currency

The amendments to IAS 21 issued by the IASB in November 2025 require the use of the closing exchange rate when translating from a non-hyperinflationary functional currency to a hyperinflationary presentation currency. Accordingly, an entity whose functional currency is that of a non-hyperinflationary economy but whose presentation currency is that of a hyperinflationary economy must use the closing rate at the end of the reporting period to translate all relevant amounts (that is, assets, liabilities, equity items, income, and expenses), including comparative figures, when translating its operating results and financial position. In addition, an entity whose functional and presentation currencies are those of a hyperinflationary economy must restate comparative amounts relating to a foreign operation whose functional currency is that of a non-hyperinflationary economy in the current measurement unit by applying a general price index in accordance with IAS 29. These amendments also introduce certain additional disclosure requirements. The Group is assessing the impact of this amendment on its financial position and performance.

2.3 Summary of Significant Accounting Policies

When managing capital, the Group’s objectives are to ensure the continuity of its operations in order to provide returns to its shareholders and benefits to other stakeholders, and to maintain the optimal capital structure with the aim of reducing the cost of capital. In order to maintain or adjust its capital structure, the Group may change the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors its capital structure using the “Net Financial Debt / EBITDA” ratio. This ratio is calculated by dividing net financial debt by the EBITDA (earnings before interest, tax, depreciation, and amortization) amount of the last four quarters as of the reporting date. Net financial debt is calculated by deducting “cash and cash equivalents” from the total of “short-term and long-term borrowings.” The Group’s management targets a financial debt-to-EBITDA ratio not exceeding 3.5.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of Significant Accounting Policies (Continued)

| Reconciliation of Adjusted EBITDA to Operating Profit | Note | Current Period 1 January – 31 December 2025 | Prior Period 1 January – 31 December 2024 |
|---|------|---|---|
| Operating income | | 42,603,202 | 37,938,380 |
| (-) Other income from operating activities | 21 | 24,231,109 | 16,777,747 |
| (-) Other expense from operating activities | 21 | (16,527,585) | (17,001,585) |
| (+) Adjustments for depreciation and amortization expenses | 20 | 17,205,394 | 14,021,732 |
| EBITDA Before Adjustments | | 52,105,072 | 52,183,950 |
| Straight-line expenses related to the finance lease method in accordance with TFRS 16 | | 6,757,830 | 3,933,099 |
| Adjusted EBITDA excluding other income/expenses from main operations | | 58,862,902 | 56,117,049 |
| (+) Other income from main operations | 21 | 24,231,109 | 16,777,747 |
| (+) Other expense from main operations | 21 | (16,527,585) | (17,001,585) |
| Adjusted EBITDA* | | 66,566,426 | 55,893,211 |

(*) The Group includes in the adjusted EBITDA calculation the reclassification of certain project-based assets, which are part of its main operations, as receivables arising from the finance lease impact in accordance with TFRS 16, as well as the foreign exchange effects on short-term Euro-denominated receivables that occur during the collection period pursuant to the contract signed with Ford Motor Company (other income/expenses from main operations).

| | 31 December 2025 | 31 December 2024 |
|--|------------------|------------------|
| Net financial debt | 99,193,516 | 132,759,248 |
| Adjusted EBITDA(*) | 66,566,426 | 55,893,211 |
| Net financial debt / EBITDA (*) | 1.49 | 2.38 |

(*) EBITDA (Earnings before tax depreciation and interest) covering the last four quarters. The EBITDA amount also includes the straight-line expenses of the fixed assets that the Group rented to Ford Motor Company under financial leasing method in accordance with TFRS 16 and classified from its tangible assets to other receivables from related parties.

The significant accounting policies applied in the preparation of the consolidated financial statements, consistent with those applied in previous periods, are summarized below.

Cash and Cash Equivalents

Cash and cash equivalents are reflected in the statement of financial position at their cost values. Cash and cash equivalents include cash on hand, bank deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash, with insignificant risk of changes in value, and with maturities of three months or less (Note 4).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Trade Receivables, Impairment Allowance and Expected Credit Losses

Trade receivables as a result of providing goods or services by the Group directly to a debtor are carried at amortized cost. Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant. Foreign exchange gain/loss and credit finance income of trade receivables are classified under “other operating income/expense”.

The Group uses a provisioning matrix to measure the expected credit losses on trade receivables. Depending on the number of days the maturities of trade receivables are exceeded, certain maturity ratios are calculated, and these ratios are reviewed at each reporting period and revised where necessary. In the calculation of expected credit losses, the Group takes into account past credit loss experience as well as forecasts for the future. Expected credit losses are accounted for under "other income / expense from operating activities" in the income statement.

The Group measures the allowance for trade receivables at an amount equal to the "expected life-time credit losses" (except for realized impairment losses) where the trade receivables are not impaired for some reason. Expected credit losses are a weighted estimate of the likelihood of credit losses over the expected life of a financial instrument.

The Group collects receivables arising from domestic vehicles and spare parts sales through the “Direct Debit System” (DDS). Within this system which is also named as Direct Collection System; the contracted banks warrant the collection of the receivables within the limits granted to the dealers. Trade receivables are transferred by the contracted banks to the Group’s bank accounts at the due dates (Notes 7 and 27).

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the moving monthly average basis. Cost elements included in inventories are materials, labour and an appropriate amount of factory overheads and exclude the cost of borrowing. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Idle time expenses arising from the ceases in production other than planned in the factory’s annual production plan are not associated with inventories and are recognized as cost of sales (Note 9).

Trade payables

Trade payables are recognized at initial cost and subsequently measured at amortized cost using effective interest rate method (Notes 7 and 27). Foreign exchange gain/loss and credit finance charges of trade payables are classified under “other operating income/expense”.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided using the straight-line method based on the estimated useful lives of the assets.

The depreciation periods for property and equipment, which approximate the economic useful lives of assets concerned, are as follows:

| | |
|-------------------------|------------------|
| Land improvements | 14.5- 30 years |
| Buildings | 14.5- 36 years |
| Machinery and equipment | 5- 25 years |
| Moulds and models | Project lifetime |
| Furniture and fixtures | 4- 14.5 years |
| Vehicles | 9- 15 years |

Land is not depreciated as it is deemed to have an indefinite useful life.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in income/expense from investing activities. Repair and maintenance expenses are charged to the statement of profit or loss as they are incurred. Repair and maintenance expenditures are capitalized if they result in an enlargement or substantial improvement of the respective asset (Notes 10, 30).

Intangible assets

Intangible assets comprise computer software, rights, leasehold improvements and development costs.

Intangible assets are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over a period depending on the project’s lifetime.

Development costs, comprising of engineering design incurred for the production of new commercial vehicles, are capitalized as discussed in Note 2 Research and development expenses (Note 11).

The estimated useful lifetimes of such assets are as follows:

| | |
|----------------------------------|------------------|
| Rights | 3- 5 years |
| Capitalized development expenses | Project lifetime |
| Other intangible assets | 5 years |
| Customer contracts | 22 years |

Impairment of assets

All assets are reviewed for impairment losses including property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset’s net selling price and value in use.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Impairment of assets (Continued)

If the booked value of the asset in question or any cash-generating unit of that asset is higher than the amount to be recovered through use or sale, impairment has occurred. Impairment losses are recognized in the statement of profit or loss. Impairment losses on assets can be reversed, to the extent of previously recorded impairment losses, in cases where increases in the recoverable value of the asset can be associated with events that occur subsequent to the period when the impairment loss was recorded.

Financial assets

Classification and measurement

The Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through other comprehensive income, financial assets carried at fair value through profit or loss. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

"Financial assets carried at amortized cost", assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost.

The Group's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position. The aforementioned assets are initially measured at fair values and measured at amortized cost using the effective interest rate method in subsequent reporting. Gains and losses resulting from the valuation of non-derivative financial assets measured at amortized cost are recognized in the income statement.

"Financial assets carried at fair value through profit or loss", they consist of financial assets that are measured at amortized cost and whose fair value changes are reflected in other comprehensive income. Gains and losses arising from the valuation of such assets are recognized in the income statement.

"Financial assets carried at fair value through other comprehensive income", are the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on the related financial assets are recognized in other comprehensive income, except for impairment losses or gains or losses. If the assets whose fair value difference is recognised under consolidated other comprehensive income statement are sold, valuation differences classified under consolidated other comprehensive income statement are classified under "Retained Earnings/(Losses)".

The group, at initial recognition, an entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument. If an entity makes the election, it shall recognize in profit or loss dividends from that investment.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Share capital and dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized in equity in the period in which they are declared. Dividends payable is recognized as an appropriation of profit in the period in which they are declared (Notes 17 and 30).

Taxes on income

The tax liability on profit or loss for the period includes current tax and deferred tax.

Current period income tax

Current year tax liability consists of tax liability on the taxable income calculated according to currently enacted tax rates and to the effective tax legislation as of statement of financial position date.

Deferred tax

Deferred income tax is provided, using the liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax bases of assets and liabilities comprise of the amounts that will affect the future period tax charges based on the tax legislation. Currently enacted tax rates, which are expected to be effective during the periods when the deferred tax assets will be utilized or deferred tax liabilities will be settled, are used to determine deferred income tax.

Deferred tax liability is calculated on all taxable temporary differences whereas deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporarily differences can be utilized. Carrying values of deferred tax assets are decreased to the extent necessary if future taxable profits are not expected to be available to utilize deferred tax assets partially or fully.

Deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities (Note 25).

Current and deferred tax

Current and deferred taxes except those which are either related to the items directly recognized in the equity as receivable or payable (which, in such cases, the deferred tax regarding the related items is also recognized directly in the equity) or those which result from the initial recognition of an enterprise merger are recognized as income or expense in the income statement.

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Revenue recognition

The Group adopted which proposes a five-step model framework mentioned below for recognizing the revenue.

- Identification of customer contracts,
- Determination of performance obligations in contracts,
- Determination of transaction price in the contract
- Allocating the transaction price to the performance obligations in the contracts,
- Recognition of revenue when the performance obligations are fulfilled

The Group recognized revenue from its customers only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- Group can define the rights of each party regarding the goods or services to be transferred,
- Group can identify the payment terms for the goods or services to be transferred,
- The contract has commercial substance,
- It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Goods & services sales

Revenue comprises the invoiced value for the sale of goods and services. Revenues are recognized on an accrual basis at the fair values incurred or to be incurred when the goods are delivered, the risks and rewards of ownership of the goods are transferred, when the amount of revenue can be reliably measured, and it is probable that the future economic benefits associated with the transaction will flow to the entity.

For domestic vehicle and spare parts sales, significant risk and rewards are transferred to the buyer when goods are delivered and received by the buyer or when the legal title is passed to the buyer. But if the Group makes a sales agreement with buyback commitment, which shall most likely be applied, the sales made in this scope are not recognized as revenue and monitored under “Other Non-Current Liabilities”. Sales, which are subject to buyback commitment, are evaluated as operating lease and monitored as deferred income through allocating the difference between the price paid by the customers and their buyback price to leasing period (Note 31).

The revenue recognised on lease revenue for the periods over 1 year is recognized as “Long-term deferred revenue” (Note 31).

The vehicles with repurchase commitments are classified in tangible assets (Note 10). The vehicles are amortised during the repurchase commitment period. For export sales significant risk and rewards in foreign vehicle sales to Ford Motor Company are transferred according to the “Final Assignment to Ship” terms. Revenue is recorded when the vehicles ready for sale are matched with ship shipments and invoices. Exported service sales are recorded when the service is delivered and the amount of revenue can be measured reliably.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Revenue recognition (Continued)

Goods & services sales (Continued)

Net sales represent the invoiced value of goods shipped less sales returns. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognized as interest income on an accrual basis (Notes 18, 21).

When another party is involved in providing goods or services to a customer, the group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself or to arrange for the other party to provide those goods or services. The Group is a principal if it controls a promised good or service before the Group transfers the good or service to a customer. When a Group that is a principal satisfies a performance obligation, it recognizes as revenue the gross amount of consideration which it expects to be entitled to in exchange for those goods or services. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party.

The Group is an agent if the performance obligation is to act as an intermediary for the provision of goods or services by other parties and does not reflect the revenue for the performance obligation to the financial statements.

The Group pays customer premiums to its dealers based on their performance results. Amounts calculated as of the balance sheet date are recognized in other payables in the balance sheet and in revenue as discounts in revenue in the statement of profit or loss.

The Group provides legal warranty commitment to its customers depending on the type of goods and the location of sale between 2-3-4 years. These legal warranty commitments are mandatory by regulations, have not a separate price apart from the good and are not separately sold.

Revenue from extended warranty and maintenance package

The Group sells extended warranty to its customer for the period after the termination of legal warranty provided for all goods. The price of extended warranty and maintenance package are determined separately from the price of the goods and it is a separate performance obligation in the contract. Therefore, the Group treats the service that will be provided due to the sale of extended warranty as a separate performance obligation.

The Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. The Group delivers the control of services related to the sale of extended warranty and maintenance packages over time and it fulfils the performance obligation of those over time. Therefore, Group measures the delivery status of its performance obligation and recognize revenue in the consolidated financial statements accordingly.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Revenue recognition (Continued)

Dividend and interest income

Dividend income from the stock investments are recorded when the stockholders become entitled to receive a dividend.

Interest income is realized on a time period basis and the accrued income is determined by taking into account the valid interest rate and the interest rate that is to be effective until its maturity date.

Foreign currency transactions and balances

Transactions in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY at the Central Bank of Turkey exchange rates prevailing at the statement of the financial position dates. Foreign currency exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized under the other operating income/expenses and financial income/expense in the statement of profit or loss (Notes 21, 22, 23 ve 28).

Financial instruments and financial risk management

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. All trade receivables are due mainly from dealers and related parties. The Group has established effective control procedures over its dealers and the credit risk arising from transactions with such dealers is regularly monitored by management and the aggregate risk to any individual counterparty is limited. The Group covered its credit risk from domestic vehicle sales to dealers by setting credit limits for dealers through arranged banks and collects its trade receivables from banks at the due date through the use of Direct Debit System. The use of DDS for receivables from dealers is an effective way to decrease the credit risk.

Bank letters of collaterals received from dealers for the exceeding part of DDS limit, regarding domestic vehicle sales and spare part sales is another method in the management of the credit risk (Note 7).

Most of the foreign sales are made to Ford Motor Company and its subsidiaries. Conditions are specified in the business agreements with Ford Motor Company. Receivables from Ford Motor Company and its subsidiaries are collected in 14 days, Ford Otosan Romania SRL is 30 days for export vehicle sales regularly. Receivables from Ford Motor Company and its subsidiaries, except vehicle sales, are collected in 60 days in average. The collection of receivables resulting from export sales to customers other than Ford Motor Company is secured with letter of credit, letter of guarantee, export receivables insurance, and cash payment.

Price risk

The Group is exposed to equity securities price risk because of investments classified on the statement of financial position as financial assets at fair value through other comprehensive income. The Group limits the financial assets at fair value through other comprehensive income in order to manage the price risk arising from investments in equity securities.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Financial instruments and financial risk management (Continued)

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The risk of funding current and future debt requirements is managed by having an adequate number of quality loan providers constantly available. The Group management keeps cash, credit commitment and factoring capacity to maintain 21 days cash outflows to manage the liquidity risk. The Group maintains a credit commitment amounting to EUR100 million and factoring agreement amounting to EUR120 million in case a requirement for use arises.

Interest rate risk

Management uses short-term interest bearing financial assets to manage the maturities of interest bearing assets and liabilities. The Group makes limited use of interest rate swaps, to hedge its floating rate borrowings, if needed.

Capital risk management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Fair value of financial instruments

The Group measures derivatives and financial assets whose fair value changes reflected into other comprehensive income at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of significant accounting policies (Continued)

Fair value of financial instruments (Continued)

Financial assets

Foreign currency balances are translated into TRY at the exchange rates prevailing at the balance sheet date. These balances are estimated to be close to the book value. Certain financial assets, including cash and cash equivalents, are carried at cost and are considered to approximate their respective carrying values due to their short-term nature. The carrying values of trade receivables along with the related allowances for uncollectability are estimated to be their fair values.

Financial liabilities

Bank borrowings are recorded over their fair value of which the transaction costs are discounted. In the following periods, they are evaluated and recognized with their discounted costs by using the effective rate of interest method. The fair values of other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Cash flow hedge accounting

Hedges of exposures to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit and loss are designated as cash flow hedges by the Group.

Changes in the fair value of derivatives, designated as cash flow hedges and qualified as effective, are recognised in equity as “hedging reserves”. Where the forecasted transaction or firm commitment results in the recognition of a non-financial asset or of a liability, the gains and losses previously recognised under equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Otherwise, amounts recognised under equity are transferred to the income statement in the period in which the hedged firm commitment or forecasted transaction affects the income statement. If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or losses previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

The Group has entered into swap transactions in order to manage its interest rate risk. Swap transactions are initially recognized at fair value on the date the derivative contract is entered into and subsequently remeasured at fair value. The fair value of interest swap contracts is determined by using valuation methods based on observable data in the market.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Fair value of financial instruments (Continued)

Cash flow hedge accounting (Continued)

Derivative instruments are initially recognized at the transaction cost reflecting the fair value at the date of the contract is entered into and are subsequently measured at fair value. Derivative financial instruments are recognized as assets if the fair value is positive and as liabilities when the fair value is negative. The fair value differences of the Group are reflected in derivative financial instruments and consist of forward foreign currency purchase and sale contracts. Fair value is determined using valuation methods based on observable market data.

Borrowings and borrowing costs

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortized cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings (Note 6). With respect to assets which take long time to get ready for use and sale, borrowing costs related to production or construction are integrated to the cost of the asset. The borrowing costs include other costs incurred due to borrowing and interest.

Provision for employee benefits

a) Defined benefit plan

Provision for employee benefits represent the present value of the estimated total reserve of the future probable obligation of the Group arising from the retirement of the employees or reasons except for resignation and behaviours stated in labour law, calculated in accordance with the Turkish Labour Law (Note 15). According to the amendments on TAS 19 “Employee Benefits”, the actuarial (gain)/loss of employee benefits are recognized under other comprehensive income.

b) Defined contribution plan

The Group is obliged to pay social insurance contributions to the Social Security Institution. No other obligation exists as long as the Group pays these premiums. These premiums are reflected to the personnel expenses when they are accrued (Note 15).

c) Other Benefits Provided to Employees Liabilities

Other Benefits Provided to Employees Liabilities arising from unused leave entitlements, defined as 'long-term provisions for employee benefits,' are accrued in the periods in which they are earned and are accounted for at a discounted value if their effect is significant.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the provision amount decreases, in the case of an event occurring after the provision is accounted for, the related amount is classified as other income in the current period.

Provisions for sales premium

Provision for dealer stock sales premium expenses is accounted based on the last approved sales premium programme (Note 13).

Warranty provisions

Warranty expenses are recognized on an accrual basis for amounts estimated based on prior periods’ realization. The Group has reclassified warranty reserves to be expected to be realized in one year as current provision (Note 13).

Research and development expenses

Research expenditure is recognized as an expense as incurred. Costs, except for listed below are classified as development expenditures and recognized as expense as incurred:

- If the cost related to the products can be defined and only if the cost can be measured reliably,
- If the technological feasibility can be measured
- If the good will be sold or will be used within the Group,
- If there’s a potential market or can be proved that it is used within the Group,
- If necessary technological, financial and other resources can be provided to complete the project.

Development costs previously recognized as expense are not recognized as an asset in a subsequent period. Development costs that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis over the project lifetime. Impairment test for the assets is performed annually within the recognition period of the development expenditures in progress (Note 11).

Related parties

Parties are considered related to the group (reporting entity) if;

- (a) A person or close member of that’s person’s family is related to a reporting entity:

If that person,

- (i) has control or joint control over the reporting entity,
- (ii) has significant influence over the reporting entity or,
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Related parties (Continued)

(b) An entity is related to a reporting entity if any of the following condition applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party,
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The Group defines its key management personnel as board of directors’ members, general managers, assistant general managers and directors reporting directly to the general manager (Note 27).

Earnings per share

The earnings per share disclosed in the statement of profit or loss have been calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the period. Companies in Türkiye may increase their share capital through “bonus share” issues funded from retained earnings. Such bonus share distributions are treated as issued shares in the calculation of earnings per share. Accordingly, the weighted average number of shares used in these calculations is determined by taking into account the retrospective effects of bonus share distributions (Note 26).

Reporting of cash flows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group’s operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment. Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid assets with less than three months to maturity (Note 4).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the financial statements and treated as contingent assets or liabilities (Note 13).

Subsequent events

Subsequent events and announcements related to net profit or even declared after other selective financial information has been publicly announced; include all events that take place between the statement of financial position date and the date when the statement of financial position is authorized for issue. In the case that events requiring an adjustment to the financial statements occur subsequent to the statement of financial position date, the Group makes the necessary corrections on the financial statements (Note 37).

Offsetting

Financial assets and liabilities are offset when there is a legal basis, intention to disclose net amount of related assets and liabilities or obtaining an asset that follows the settlement its liability.

Government grants and incentives

Government grants and incentives are recognized at fair value when there is assurance that these grants and incentives will be received and the Group has met all conditions required. Government grants and incentives regarding the capitalized projects, costs are recognized by netting from costs of property, plant and equipment and intangible assets. Incentives which are not subject to assets are shown as other income in the income statement (Note 33).

Leases

Group- As Lessor

If the Group transfers substantially all the risks and rewards of ownership of an underlying asset, it is classified as a finance lease. Whether a lease is a finance lease depends on the substance of the transaction rather than the form of the contract. At the commencement date of the lease, the Group recognizes a receivable equal to the net lease investment in the statement of financial position instead of the assets granted as finance leases. The implicit interest rate on the lease is used to measure the net lease investment. The Group recognizes financing income over the lease term on a basis that reflects a constant periodic rate of return on the net lease investment. The effective interest rate approach is utilised to measure subsequent recognition at amortised cost.

Group- As a Lessee

At inception of a contract, the Group shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group shall assess whether, throughout the period of use, the customer has both of the following:

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Leases (Continued)

Group- As a Lessee (Continued)

- The contract includes an identified asset (identification of an asset in a clear or implicitly specified form in the contract),
- A capacity portion of an asset is an identified asset if it is physically distinct and represents substantially all of the capacity of the asset (the asset is not an identified asset if the vendor has a fundamental right to substitute the asset for the duration of its use and obtain an economic benefit from it),
- The Group has the right to obtain almost all of the economic benefits that will be derived from the use of the identified asset.
- The right to direct the use of the identified asset. The Group has the right to direct the use of an identified asset throughout the period of use only if either:
 - a) The Group has the right to direct how and for what purpose the asset is used throughout the period of use
 - b) The relevant decisions about how and for what purpose the asset is used are predetermined and:
 - i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions or
 - ii. The Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use

The Group recognizes right of use asset and lease liability at the start date of lease after evaluation of aforementioned criteria's.

Right of use asset

At the commencement date, the Group shall measure the right-of-use asset at cost (Note 32). The cost of the right-of-use asset shall comprise:

- a) The amount of the initial measurement of the lease liability
- b) Any lease payments made at or before the commencement date, less any lease incentives received
- c) Any initial direct costs incurred by the Group,
- d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

To apply a cost model, the Group shall measure the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses and
- b) Adjusted for any remeasurement of the lease liability.

The Group shall apply the depreciation requirements in TAS 16 Property, Plant and Equipment in depreciating the right-of-use asset.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

Leases (Continued)

Right of use asset (Continued)

The Group shall apply TAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease liability

At the commencement date, the Group shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined incremental borrowing interest rate shall be used for discounting.

At the commencement date, Group's the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) Fixed payments, less any lease incentives receivable;
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or Rate as at the commencement date,
- c) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group shall measure the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability,
- b) Reducing the carrying amount to reflect the lease payments made and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments. The Group reflects the remeasurement amount of the lease liability as an adjustment to the right-of-use asset in its consolidated financial statements.

Extension and early termination options

The lease liability is determined by considering the extension and early termination options in the contracts. Most of the extension and early termination options included in the contracts are composed of the options that are jointly applicable by the Group and the lessor.

The Group determines the lease term by the extension of the lease, if such extension and early termination options are at the Group's discretion and the use of the options is reasonably certain. If there is a significant change in the circumstances, the evaluation is reviewed by the Group

Variable lease payments

Lease payments arising from some of the Group's lease agreements consist of variable rent payments. These variable lease payments, which are not included in TFRS 16, are recorded as rent expense in the related period in the income statement.

Practical expedient

Contracts for short-term lease agreements with a rental period of less than 12 months and information technology equipment leases (mainly printers, laptops, mobile telephones, etc.), which are determined as low value by the Group, have been evaluated under the exception of the TFRS 16 Leases Standard and these payments are recognized as an expense in the period in which they are incurred.

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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 calculation of the employee benefit provision actuarial assumptions relating to turnover ratio, discount rate and salary increase are used. The details regarding the calculation are disclosed under provision for employee benefit (Note 15).
- (b) In determination of the impairment of trade receivables, the factors such as debtor credibility, historical payment performance and debt restructuring is considered. The expected credit loss of trade receivables has been measured and no significant effect has been found (Note 7).
- (c) Discounted inventory price list is used to calculate inventory impairment. Where the sales price cannot be predicted, technical personnel’s opinion and inventory waiting time is considered. If expected net realizable value is less than cost, the Group should allocate provisions for inventory impairment (Note 9).
- (d) In determination of the legal case provisions, the possibilities of losing the case and the liabilities that will arise if the case is lost is evaluated by the Group’s Legal Counsellor and by the Management team taking into account expert opinions. The Group management determines the amount of the provisions based on the best forecasts.
- (e) In calculation of the warranty provision, the Group considers the historical warranty expenses incurred addition to planned technical and financial improvements to estimate the possible warranty expense per vehicle. Provision calculations are realistically performed and based on vehicle quantity, warranty period and historical claims (Note 13).
- (f) Deferred tax assets are recognized when the occurrence of taxable profit is probable in the forthcoming years. Deferred tax asset is calculated over any temporary differences in cases when the occurrence of taxable profit is probable, taken into consideration of tax advantages obtained within the context of investment incentive certificates. Deferred tax asset is recorded as of 31 December 2025 and 2024 since presumptions that the Group will have taxable profit in the forthcoming periods are found to be sufficient (Note 25).
- (g) The Group recognizes depreciation and amortization for its property, plant and equipment and intangibles by taking into account their useful lives that are stated in Note 2 (Notes 10 and 11).
- (h) The Group capitalizes ongoing development expenditures and evaluates whether there is an annual depreciation of these capitalized assets. As of 31 December 2025 and 2024, there is no impairment of capitalized development expenses (Note 11).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting estimates and decisions (Continued)

- (i) 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.

The value in use has been calculated by discounting the expected cash flows from the continuous use of the unit. As of December 31, 2025, the value in use has been determined using the following assumptions:

The goodwill impairment test has been conducted based on management-approved five-year projections for the period from January 1, 2025, to December 31, 2030. To estimate future cash flows (in perpetuity), a fixed growth rate of 2.17%, which is the estimated average Euro inflation rate, has been used. To calculate the recoverable amount of the unit, a post-tax discount rate in the range of 10.9% to 12.8% has been applied as the weighted average cost of capital. The post-tax rate has been adjusted to account for cash outflows due to taxes, future other tax cash flows, and the differences between the costs of assets and tax bases.

3. SEGMENT REPORTING

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

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4. CASH AND CASH EQUIVALENTS

There are no blocked or deposits with a maturity of more than three months included in cash and cash equivalents. The weighted average interest rate for foreign currency time deposits is 1.61% (31 December 2024: 1.08%), and the weighted average interest rate for TRY time deposits is 38.82% (31 December 2024: 47.49%).

| | 31 December 2025 | 31 December 2024 |
|---|-------------------|-------------------|
| Bank - Foreign currency time deposits | 42,457,656 | 23,437,152 |
| Bank - TRY time deposits | 18,236,475 | 4,737,440 |
| Bank - Foreign currency demand deposits | 2,435,964 | 343,310 |
| Bank - TRY demand deposits | 826,089 | 699,743 |
| Cash and cash equivalents in the cash flow statement | 63,956,184 | 29,217,645 |
| Accrued interest income | 17,780 | 10,688 |
| | 63,973,964 | 29,228,333 |

5. FINANCIAL INVESTMENTS

| | 31 December 2025 | | 31 December 2024 | |
|--|--------------------|----------------|--------------------|----------------|
| | Ownership rate (%) | Amount | Ownership rate (%) | Amount |
| Financial assets at fair value through other comprehensive income | | | | |
| Otokar Otomotiv ve Savunma Sanayi A.Ş. (Otokar) (*) | 0.59 | 341,656 | 0.59 | 445,819 |
| Assets recorded at fair value through profit or loss | | | | |
| Venture capital investment funds | | 332,145 | | 285,675 |
| | | 673,801 | | 731,494 |

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

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6. FINANCIAL LIABILITIES

Short-term financial liabilities

| Bank borrowings | 31 December 2025 | | 31 December 2024 | |
|-----------------|-----------------------------|-------------------|-----------------------------|-------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - TRY | 28.13 | 6,492,268 | 39.43 | 7,957,561 |
| - EUR | 4.65 | 13,732,047 | 5.95 | 13,640,940 |
| | | 20,224,315 | | 21,598,501 |

Short-term portion of long-term financial liabilities

| Bank borrowings | 31 December 2025 | | 31 December 2024 | |
|-----------------|-----------------------------|-------------------|-----------------------------|-------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - EUR | 5.24 | 41,029,457 | 5.85 | 25,780,789 |
| | | 41,029,457 | | 25,780,789 |

Issued debt instruments (*)

| | 31 December 2025 | | 31 December 2024 | |
|-------|-----------------------------|------------------|-----------------------------|------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - USD | 7.13 | 1,467,201 | 7.13 | 1,578,343 |
| | | 1,467,201 | | 1,578,343 |

Lease liabilities

| | 31 December 2025 | | 31 December 2024 | |
|-------|-----------------------------|----------------|-----------------------------|----------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - TRY | 47.69 | 306,212 | 44.80 | 140,082 |
| - EUR | 7.47 | 317,367 | 7.47 | 297,186 |
| | | 623,579 | | 437,268 |

Other short-term portions of long-term debts (**)

| | 31 December 2025 | | 31 December 2024 | |
|--|-----------------------------|-------------------|-----------------------------|-------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - EUR | - | - | 2.00 | 9,320,078 |
| | | - | | 9,320,078 |
| | | 43,120,237 | | 37,116,478 |
| Total short-term financial borrowings | | 63,344,552 | | 58,714,979 |

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6. FINANCIAL LIABILITIES (Continued)

Long-term financial liabilities

Bank borrowings

| | 31 December 2025 | | 31 December 2024 | |
|-------|-----------------------------|-------------------|-----------------------------|-------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - EUR | 5.37 | 70,964,952 | 5.95 | 73,047,884 |
| | | 70,964,952 | | 73,047,884 |

Issued debt instruments (*)

| | 31 December 2025 | | 31 December 2024 | |
|-------|-----------------------------|-------------------|-----------------------------|-------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - USD | 7.13 | 20,217,785 | 7.13 | 21,741,029 |
| | | 20,217,785 | | 21,741,029 |

Lease liabilities

| | 31 December 2025 | | 31 December 2024 | |
|-------|-----------------------------|------------------|-----------------------------|------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - TRY | 48.00 | 701,065 | 48.92 | 758,292 |
| - EUR | 7.48 | 742,903 | 7.49 | 995,610 |
| | | 1,443,968 | | 1,753,902 |

Other long-term financial liabilities (**)

| | 31 December 2025 | | 31 December 2024 | |
|---|-----------------------------|-------------------|-----------------------------|--------------------|
| | Effective interest rate (%) | TRY Amount | Effective interest rate (%) | TRY Amount |
| - EUR | 2.00 | 7,196,223 | 2.00 | 6,729,787 |
| | | 7,196,223 | | 6,729,787 |
| Total long-term financial borrowings | | 99,822,928 | | 103,272,602 |

(*) 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 included under the current portion of other long-term borrowings and other long-term borrowings relates to the contingent and deferred consideration payable by the Group in connection with the acquisition of the shares of Ford Otosan Romania SRL on 1 July 2022, which is due in 2025 and 2028. The portion of the purchase consideration falling due in 2025 has been settled as of the financial position date. The remaining amount has been determined based on the Group management's best estimate as of 31 December 2025.

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6. FINANCIAL LIABILITIES (Continued)

Long-term financial liabilities (Continued)

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

| Payment Period | 31 December 2025 | 31 December 2024 |
|----------------|-------------------|-------------------|
| 2026 | - | 36,157,548 |
| 2027 | 30,934,076 | 21,367,703 |
| 2028 | 24,999,570 | 10,423,291 |
| 2029 | 27,268,528 | 22,504,676 |
| 2030 | 6,615,334 | 3,384,889 |
| 2031 | 1,365,229 | 950,806 |
| | 91,182,737 | 94,788,913 |

The letters of bank guarantee given to financial institutions in connection with borrowings amounting to TRY 12,030,677 (31 December 2024: TRY 14,613,600) (Note 13).

The movement of financial liabilities as of 31 December 2025 and 2024 is as follows:

| Payment Period | 31 December 2025 | 31 December 2024 |
|----------------|------------------|------------------|
| 2028 | 7,196,223 | 6,729,787 |
| | 7,196,223 | 6,729,787 |

The movement of financial liabilities as of 31 December 2025 and 2024 is as follows:

| | 31 December 2025 | 31 December 2024 |
|--|--------------------|--------------------|
| 1 January | 161,987,581 | 143,162,287 |
| Cash inflows from borrowing | 52,096,510 | 80,251,826 |
| Cash inflows from debt instruments issued | - | 25,845,852 |
| Cash outflows from borrowing | (53,766,010) | (52,565,568) |
| Cash outflows related to debt payments arising from lease agreements | (1,093,886) | (906,837) |
| Unrealised foreign exchange differences | 27,412,429 | 13,804,289 |
| Change in accrual of interest | 1,038,076 | (537,012) |
| New lease agreements/impact of contract changes | 1,478,994 | 1,915,744 |
| Monetary (gain)/loss | (25,986,214) | (48,983,000) |
| 31 December | 163,167,480 | 161,987,581 |

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7. TRADE RECEIVABLES AND PAYABLES

| | 31 December 2025 | 31 December 2024 |
|---|-------------------|-------------------|
| Short term trade receivables | | |
| | 30,661,021 | 32,145,116 |
| Trade receivables | | |
| Doubtful receivables | 695,804 | 681,436 |
| Less: provision for doubtful receivables | (695,804) | (681,436) |
| Less: unearned finance income arising from credit sales | (869,015) | (930,892) |
| | 29,792,006 | 31,214,224 |

The average turnover of receivables related to vehicle sales to domestic distributors is 38 days (31 December 2024: 30 days), domestic sales of spare parts turnover is 70 days (31 December 2024: 70 days) and discounted by 3.72% monthly effective interest rate (31 December 2024: 4.32%).

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

| | 31 December 2025 | 31 December 2024 |
|---------------------------------|------------------|------------------|
| Long term trade payables | | |
| Deposits and guarantees given | 836 | 978 |
| | 836 | 978 |

| | 31 December 2025 | 31 December 2024 |
|--|-------------------|-------------------|
| Trade payables | | |
| Trade payables | 75,140,426 | 67,240,888 |
| Less: unrealized finance expense on credit purchases | (934,299) | (1,097,118) |
| | 74,206,127 | 66,143,770 |

The Group’s average turnover of trade payables is 60 days (31 December 2024: 60 days) and discounted by 3,72% monthly effective interest rate (31 December 2024: 4,32%).

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7. TRADE RECEIVABLES AND PAYABLES (Continued)

Aging table of the Group's overdue but not impaired assets is as follows:

| 31 December 2025 | Trade Receivables | |
|-------------------------------|-------------------|----------------|
| | Related parties | Third parties |
| Overdue 1-30 days | 1,949,219 | 773,790 |
| Overdue 1-3 months | 367,322 | 23,072 |
| Overdue 3-12 months | 1,231,970 | 28,189 |
| Overdue 1-5 years | 28,450 | 32,311 |
| | 3,576,961 | 857,362 |
| Portion secured by collateral | - | 857,362 |

The Group's overdue receivables from related parties arise from long-term engineering service invoices and parts export receivables with Ford Motor Company,

| 31 December 2024 | Trade Receivables | |
|-------------------------------|-------------------|----------------|
| | Related parties | Third parties |
| Overdue 1-30 days | 496,899 | 628,746 |
| Overdue 1-3 months | 121,754 | 14,435 |
| Overdue 3-12 months | 743,616 | 24,858 |
| Overdue 1-5 years | 47,880 | 85,664 |
| | 1,410,149 | 753,703 |
| Portion secured by collateral | - | 753,703 |

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7. TRADE RECEIVABLES AND PAYABLES (Continued)

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

| 31 December 2025 | Trade receivables | | Other receivables | | Deposit in bank |
|--|-------------------|------------|-------------------|---------|-----------------|
| | Related party | Other | Related party | Other | |
| The maximum credit risk exposed at the reporting date (Note 4, 7, 8, 27) | 59,061,191 | 29,792,842 | 25,836,522 | 232,452 | 63,956,184 |
| - The maximum risk covered by guarantees | 11,075,060 | 29,606,912 | - | - | - |
| Net book value of the financial assets that are neither overdue nor impaired | 55,484,230 | 28,935,480 | 25,836,522 | 232,452 | 63,956,184 |
| Net book value of financial assets that are overdue but not impaired | 3,576,961 | 857,362 | - | - | - |
| - Amount of risk covered by guarantees | - | 857,362 | - | - | - |
| Net book value of impaired assets | - | - | - | - | - |
| - Overdue (gross book value) | - | 695,804 | - | - | - |
| - Provision for impairment (-) | - | (695,804) | - | - | - |
| - Amount of risk covered by guarantees | - | - | - | - | - |

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7. TRADE RECEIVABLES AND PAYABLES (Continued)

| 31 December 2024 | Trade receivables | | Other receivables | | Deposit in bank |
|--|-------------------|------------|-------------------|---------|-----------------|
| | Related party | Other | Related party | Other | |
| The maximum credit risk exposed at the reporting date (Note 4, 7, 8, 27) | 58,088,826 | 31,215,202 | 26,214,665 | 148,506 | 29,217,645 |
| - The maximum risk covered by guarantees | 10,983,444 | 31,215,202 | - | - | - |
| Net book value of the financial assets that are neither overdue nor impaired | 56,678,677 | 30,461,499 | 26,214,665 | 148,506 | 29,217,645 |
| Net book value of financial assets that are overdue but not impaired | 1,410,149 | 753,703 | - | - | - |
| - Amount of risk covered by guarantees | - | 753,703 | - | - | - |
| Net book value of impaired assets | - | - | - | - | - |
| - Overdue (gross book value) | - | 681,436 | - | - | - |
| - Provision for impairment (-) | - | (681,436) | - | - | - |
| - Amount of risk covered by guarantees | - | - | - | - | - |

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8. OTHER RECEIVABLES AND PAYABLES

| | 31 December 2025 | 31 December 2024 |
|---------------------------------|------------------|------------------|
| Other receivables | | |
| Other miscellaneous receivables | 232,452 | 148,506 |
| | 232,452 | 148,506 |
| | | |
| | 31 December 2025 | 31 December 2024 |
| Other payables | | |
| Taxes and funds payable | 1,798,287 | 846,379 |
| Accrued sales premiums | 390,665 | 183,246 |
| Other | 542,797 | 812,014 |
| | 2,731,749 | 1,841,639 |

9. INVENTORIES

| | 31 December 2025 | 31 December 2024 |
|--|-------------------|-------------------|
| Raw materials | 21,664,284 | 22,540,725 |
| Goods in transit | 5,851,900 | 11,777,048 |
| Finished goods | 9,627,236 | 15,525,366 |
| Import vehicles | 5,529,402 | 1,999,235 |
| Vehicle spare parts | 4,235,647 | 3,768,848 |
| Spare parts | 1,295,498 | 1,160,500 |
| Other | 2,000,123 | 1,832,501 |
| | 50,204,090 | 58,604,223 |
| Less: provision for impairment of finished goods and vehicle spare parts | (873,050) | (1,028,475) |
| | 49,331,040 | 57,575,748 |

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

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

| | 2025 | 2024 |
|----------------------------------|------------------|------------------|
| 1 January | 1,028,475 | 101,363 |
| Change within the period | (155,377) | 926,490 |
| Currency translation differences | (48) | 622 |
| 31 December | 873,050 | 1,028,475 |

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.

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10. PROPERTY, PLANT AND EQUIPMENT

| 1 January 2025 | Land | Land improvements | Buildings | Machine and equipment | Models and moulds | Fixture and furniture | Vehicles | Constructions in progress | Total |
|--|------------------|-------------------|-------------------|-----------------------|-------------------|-----------------------|----------------|---------------------------|--------------------|
| Cost | 1,168,247 | 8,013,869 | 50,216,042 | 101,712,916 | 72,648,790 | 12,699,464 | 293,648 | 7,410,708 | 254,163,684 |
| Accumulated depreciation | - | (3,676,426) | (18,957,450) | (43,797,107) | (52,471,928) | (7,805,017) | (121,412) | - | (126,829,340) |
| Net book value | 1,168,247 | 4,337,443 | 31,258,592 | 57,915,809 | 20,176,862 | 4,894,447 | 172,236 | 7,410,708 | 127,334,344 |
| For the period ended 31 December 2025 | | | | | | | | | |
| Opening net book value | 1,168,247 | 4,337,443 | 31,258,592 | 57,915,809 | 20,176,862 | 4,894,447 | 172,236 | 7,410,708 | 127,334,344 |
| Additions | - | 202,248 | 349,481 | 10,748,221 | 5,516,958 | 1,423,143 | 138,996 | 6,987,677 | 25,366,724 |
| Transfers | - | 96,297 | 1,589,105 | 5,077,931 | 288,221 | 116,553 | 26,106 | (7,528,167) | (333,954) |
| Disposals (*) | - | - | - | (1,895,647) | (1,988,459) | (153,473) | (85,131) | - | (4,122,710) |
| Currency translation differences | - | 33,078 | 137,911 | 445,447 | - | 48,383 | 18,027 | 51,768 | 734,614 |
| Current period depreciation | - | (191,834) | (1,296,543) | (7,259,649) | (3,013,053) | (1,083,086) | (32,782) | - | (12,876,947) |
| Disposals from accumulated depreciation | - | - | - | 862,794 | 64,714 | 117,597 | 15,568 | - | 1,060,673 |
| Closing net book value | 1,168,247 | 4,477,232 | 32,038,546 | 65,894,906 | 21,045,243 | 5,363,564 | 253,020 | 6,921,986 | 137,162,744 |
| 31 December 2025 | | | | | | | | | |
| Cost | 1,168,247 | 8,345,492 | 52,292,539 | 116,088,868 | 76,465,510 | 14,134,070 | 391,646 | 6,921,986 | 275,808,358 |
| Accumulated depreciation | - | (3,868,260) | (20,253,993) | (50,193,962) | (55,420,267) | (8,770,506) | (138,626) | - | (138,645,614) |
| Net book value | 1,168,247 | 4,477,232 | 32,038,546 | 65,894,906 | 21,045,243 | 5,363,564 | 253,020 | 6,921,986 | 137,162,744 |

(*) 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 TFRS 16 and has reclassified this amount from property, plant, and equipment to other receivables from related parties.

The Group has compared the borrowing costs incurred on foreign currency investment loans with TRY-denominated market loan interest rates.

Under TAS 23, there is TRY 245,043 capitalized interest expense for the period ending as of 31 December 2025 (31 December 2024: None).

As of 31 December 2025 and 2024, there are no collaterals, pledges, or mortgages on property, plant, and equipment.

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10. PROPERTY, PLANT AND EQUIPMENT (Continued)

| | Land | Land improvement | Buildings | Machine and equipment | Models and moulds | Fixture and furniture | Vehicles | Constructions in progress | Total |
|--|------------------|------------------|-------------------|-----------------------|-------------------|-----------------------|----------------|---------------------------|--------------------|
| 1 January 2024 | | | | | | | | | |
| Cost | 1,168,210 | 6,929,504 | 35,664,245 | 87,921,651 | 66,339,104 | 11,359,015 | 256,715 | 20,945,106 | 230,583,550 |
| Accumulated depreciation | - | (3,693,855) | (18,044,049) | (40,438,487) | (52,695,185) | (7,507,822) | (112,057) | - | (122,491,455) |
| Net book value | 1,168,210 | 3,235,649 | 17,620,196 | 47,483,164 | 13,643,919 | 3,851,193 | 144,658 | 20,945,106 | 108,092,095 |
| For the period ended 31 December 2024 | | | | | | | | | |
| Opening net book value | 1,168,210 | 3,235,649 | 17,620,196 | 47,483,164 | 13,643,919 | 3,851,193 | 144,658 | 20,945,106 | 108,092,095 |
| Additions | - | 374,259 | 362,911 | 17,090,608 | 14,382,647 | 1,757,530 | 54,252 | 14,085,472 | 48,107,679 |
| Transfers | 37 | 1,293,870 | 15,721,936 | 11,183,236 | 1,361,844 | 158,860 | 11,933 | (27,150,979) | 2,580,737 |
| Disposals | - | (207,515) | (746) | (9,554,226) | (9,434,805) | (575,941) | (29,427) | - | (19,802,660) |
| Currency translation differences | - | (376,249) | (1,532,304) | (4,928,353) | - | - | 175 | (468,891) | (7,305,622) |
| Current period depreciation | - | (154,669) | (913,716) | (6,234,910) | (1,954,898) | (758,009) | (23,579) | - | (10,039,781) |
| Disposals from accumulated depreciation | - | 172,098 | 315 | 2,876,290 | 2,178,155 | 460,814 | 14,224 | - | 5,701,896 |
| Closing net book value | 1,168,247 | 4,337,443 | 31,258,592 | 57,915,809 | 20,176,862 | 4,894,447 | 172,236 | 7,410,708 | 127,334,344 |
| 31 December 2024 | | | | | | | | | |
| Cost | 1,168,247 | 8,013,869 | 50,216,042 | 101,712,916 | 72,648,790 | 12,699,464 | 293,648 | 7,410,708 | 254,163,684 |
| Accumulated depreciation | - | (3,676,426) | (18,957,450) | (43,797,107) | (52,471,928) | (7,805,017) | (121,412) | - | (126,829,340) |
| Net book value | 1,168,247 | 4,337,443 | 31,258,592 | 57,915,809 | 20,176,862 | 4,894,447 | 172,236 | 7,410,708 | 127,334,344 |

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11. INTANGIBLE ASSETS

| 1 January 2025 | Rights | Development costs | Development costs in progress | Other | Total |
|--------------------------|----------------|-------------------|-------------------------------|------------------|-------------------|
| Cost | 3,308,864 | 24,792,953 | 9,328,470 | 9,356,244 | 46,786,531 |
| Accumulated amortisation | (2,405,371) | (15,901,663) | - | (1,103,444) | (19,410,478) |
| Net book value | 903,493 | 8,891,290 | 9,328,470 | 8,252,800 | 27,376,053 |

For the period ended 31 December 2025

| | | | | | |
|---|------------------|------------------|-------------------|------------------|-------------------|
| Opening net book value | 903,493 | 8,891,290 | 9,328,470 | 8,252,800 | 27,376,053 |
| Additions | 965,644 | 871,827 | 3,859,045 | 64,630 | 5,761,146 |
| Transfer | 285,808 | 1,406,160 | (1,353,066) | (4,948) | 333,954 |
| Disposals | (7,014) | (420,822) | - | - | (427,836) |
| Currency translation differences | - | 542,446 | - | 162,854 | 705,300 |
| Current period depreciation | (476,655) | (2,480,512) | - | (414,242) | (3,371,409) |
| Disposals from accumulated depreciation | 3,682 | 44,640 | - | - | 48,322 |
| Closing net book value | 1,674,958 | 8,855,029 | 11,834,449 | 8,061,094 | 30,425,530 |

31 December 2025

| | | | | | |
|--------------------------|------------------|------------------|-------------------|------------------|-------------------|
| Cost | 4,553,302 | 27,192,564 | 11,834,449 | 9,578,780 | 53,159,095 |
| Accumulated amortisation | (2,878,344) | (18,337,535) | - | (1,517,686) | (22,733,565) |
| Net book value | 1,674,958 | 8,855,029 | 11,834,449 | 8,061,094 | 30,425,530 |

As of 31 December 2025, there are no intangible assets that have reached the end of their economic life. According to TAS 23, there are no capitalized interest or exchange rate differences for the period ending on 31 December 2025 (31 December 2024: None).

The cost of the "Customer Contracts" amount classified under "Other" in the Group's Ford Otosan Romania SRL acquisition accounting is TRY 11,515,881, with the current period amortization amounting to TRY 421,626.

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11. INTANGIBLE ASSETS (Continued)

| 1 January 2024 | Rights | Development costs | Development costs in progress | Other | Total |
|--|----------------|-------------------|-------------------------------|-------------------|-------------------|
| Cost | 2,732,056 | 29,144,935 | 6,782,492 | 11,667,514 | 50,326,997 |
| Accumulated amortisation | (2,009,690) | (13,703,848) | - | (674,337) | (16,387,875) |
| Net book value | 722,366 | 15,441,087 | 6,782,492 | 10,993,177 | 33,939,122 |
| For the period ended 31 December 2024 | | | | | |
| Opening net book value | 722,366 | 15,441,087 | 6,782,492 | 10,993,177 | 33,939,122 |
| Additions | 533,734 | 1,377,331 | 3,488,069 | 4,391 | 5,403,525 |
| Transfer | 44,210 | (1,794,266) | (942,091) | 111,410 | (2,580,737) |
| Disposals | (1,136) | (326,722) | - | - | (327,858) |
| Currency translation differences | - | (3,608,325) | - | (2,427,071) | (6,035,396) |
| Current period depreciation | (396,633) | (2,226,995) | - | (429,107) | (3,052,735) |
| Disposals from accumulated depreciation | 952 | 29,180 | - | - | 30,132 |
| Closing net book value | 903,493 | 8,891,290 | 9,328,470 | 8,252,800 | 27,376,053 |
| 31 December 2024 | | | | | |
| Cost | 3,308,864 | 24,792,953 | 9,328,470 | 9,356,244 | 46,786,531 |
| Accumulated amortisation | (2,405,371) | (15,901,663) | - | (1,103,444) | (19,410,478) |
| Net book value | 903,493 | 8,891,290 | 9,328,470 | 8,252,800 | 27,376,053 |

12. PREPAID EXPENSES

| Short-term prepaid expenses | 31 December 2025 | 31 December 2024 |
|------------------------------------|------------------|-------------------|
| Other prepaid expenses | 772,743 | 553,193 |
| | 772,743 | 553,193 |
| Long-term prepaid expenses | 31 December 2025 | 31 December 2024 |
| Advances given for investments (*) | 8,936,823 | 15,046,874 |
| Other prepaid expenses | 21,281 | 88,826 |
| | 8,958,104 | 15,135,700 |

(*) The investment advances given are related to the Group's new vehicle investments, with TRY 4,186,078 (31 December 2024: TRY 6,019,600) consisting of tooling advances provided to local suppliers for these vehicles and TRY 4,750,745 (31 December 2024: TRY 9,027,274) consisting of investment advances related to new projects.

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13. 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 December 2025 | 31 December 2024 |
|----------------------------------|------------------|------------------|
| Warranty expense provision | 2,585,638 | 1,200,988 |
| Provisions for sales premium (*) | 975,267 | 939,015 |
| Other short-term provisions | 566,026 | 1,095,493 |
| | 4,126,931 | 3,235,496 |

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

Long-term provisions

| | 31 December 2025 | 31 December 2024 |
|-----------------------------|------------------|------------------|
| Warranty expense provision | 2,190,216 | 2,151,493 |
| Provisions for lawsuits | 618,891 | 414,336 |
| Other short-term provisions | 123,658 | 124,549 |
| | 2,932,765 | 2,690,378 |

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

| | 2025 | 2024 |
|----------------------------------|----------------|----------------|
| 1 January | 414,336 | 363,581 |
| Paid during the period | (149,554) | (81,781) |
| Additions during the period | 485,012 | 268,316 |
| Currency translation differences | (512) | (5,212) |
| Monetary (gain)/loss | (130,391) | (130,568) |
| 31 December | 618,891 | 414,336 |

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13. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

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

| | 2025 | 2024 |
|-----------------------------------|------------------|------------------|
| 1 January | 3,352,481 | 3,782,908 |
| Additions during the period (net) | 2,457,162 | 732,358 |
| Monetary (gain)/loss | (1,033,789) | (1,162,785) |
| 31 December | 4,775,854 | 3,352,481 |

| Letters of guarantee and letters of credit | 31 December 2025 | 31 December 2024 |
|--|-------------------|-------------------|
| Letters of guarantee given to financial institutions due to bank loans | 12,030,677 | 14,613,600 |
| Letters of guarantee given to customs | 504,532 | 480,935 |
| Letters of guarantees given to other parties | 3,078 | 258,665 |
| | 12,538,287 | 15,353,200 |

Letters of guarantee given

| | 31 December 2025 | | 31 December 2024 | |
|--------------|-------------------|-------------------|-------------------|-------------------|
| | Original currency | TRY amount | Original currency | TRY amount |
| TRY | 8,267,577 | 8,267,577 | 8,219,160 | 8,219,160 |
| EUR | 82,988 | 4,187,016 | 141,601 | 6,810,108 |
| Romanian Leu | 8,500 | 83,694 | 33,710 | 323,932 |
| | | 12,538,287 | | 15,353,200 |

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13. PROVISION, CONTINGENT ASSETS AND LIABILITIES (Continued)

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

| Collaterals, pledges and mortgages given by the Group | 31 December 2025 | 31 December 2024 |
|--|-------------------------|-------------------------|
| A. Total amount of CPM given for its own legal entity | 12,512,055 | 15,329,334 |
| B. Total amount of CPM given for participations included in entire consolidation | - | - |
| C. Total amount of CPM given to assure debts of third parties, for the purpose of conducting the business activities (*) | 26,232 | 23,866 |
| D. Total amount of other CPM given | | |
| i. Total amount of CPM | - | - |
| ii. Total amount of CPM given for other related companies that do not fall into B and C sections | - | - |
| iii. Total amount of CPM given for third parties that do not fall into C section | - | - |
| | 12,538,287 | 15,353,200 |

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

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

Letters of guarantee taken

| | 31 December 2025 | | 31 December 2024 | |
|-----|--------------------------|-------------------|--------------------------|-------------------|
| | Original Currency | TRY amount | Original currency | TRY amount |
| TRY | 2,811,050 | 2,811,050 | 5,218,521 | 5,218,521 |
| EUR | 81,542 | 4,114,072 | 147,951 | 7,115,479 |
| USD | 3,218 | 137,948 | 6,161 | 284,299 |
| | | 7,063,070 | | 12,618,299 |

Other

The long-term bank borrowing agreements related to the investments require the Group to comply with certain financial ratios, Such financial ratios are met by the Group as of 31 December 2025 and 2024.

On 15 December 2025 Ford Motor Company announced a series of measures aimed at reinforcing its strategies through decisive steps to reallocate capital in order to meet customer demand and support profitable growth. Although the main focus of this announcement is the U.S. market, certain projects already initiated within the Group (Ford Otosan) will also be affected by this change. Nevertheless, in line with the existing program preliminary agreements between Ford and Ford Otosan, Ford Motor Company will cover the investments and expenses incurred by Ford Otosan, as well as the investment and expense claims to be received through suppliers, within the framework of the amounts that have been approved.

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14. COMMITMENTS

None.

15. EMPLOYEE BENEFITS

Liabilities for employee benefit obligations

| | 31 December 2025 | 31 December 2024 |
|-------------------------------------|------------------|------------------|
| Salaries and social charges payable | 3,557,590 | 1,899,433 |
| Social security premiums | 1,279,393 | 1,462,276 |
| Income tax withholdings payable | 1,016,037 | 991,205 |
| Other | 107,078 | 125,582 |
| | 5,960,098 | 4,478,496 |

Long-term provision for employee benefits

| | 31 December 2025 | 31 December 2024 |
|---|------------------|------------------|
| Provision for employment termination benefits | 2,439,579 | 2,208,330 |
| Provision for unused vacation pay liability | 718,849 | 762,589 |
| | 3,158,428 | 2,970,919 |

Provision for employee benefits:

There are no agreements for pension commitments other than the legal requirement as explained below.

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men).

The amount payable consists of one month’s salary limited to a maximum of exact TRY 53,919.68 for each year of service as of 31 December 2025 (31 December 2024: full TRY 41,828.42).

The liability is not funded, as there is no funding requirement, The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

TAS requires actuarial valuation methods to be developed to estimate the Group’s obligation under defined benefit plans, accordingly, the following actuarial assumptions were used in the calculation of the total liability:

| | 31 December 2025 | 31 December 2024 |
|---|------------------|------------------|
| Net discount rate (%) | 3.66 | 2.90 |
| Turnover rate to estimate the probability of retirement (%) | 91.21 | 94.56 |

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Since the Group calculates the reserve for employee benefits once a year, the maximum amount of full TRY 64,948.77 which was effective as of 1 January 2026 (1 January 2025: Full TRY 46,655.43) has been used in the calculations.

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15. EMPLOYEE BENEFITS (Continued)

Provision for employee benefits (Continued)

Movements in the provision for employee benefits during the year are as follows:

| | 2025 | 2024 |
|---|------------------|------------------|
| 1 January | 2,208,330 | 2,883,348 |
| Interest cost | 393,884 | 575,386 |
| Current period service cost | 189,374 | 212,052 |
| Payments made during the period | (233,080) | (1,494,963) |
| Remeasurement (gains)/losses on defined benefit plans | 412,100 | 816,728 |
| Currency translation differences | 11,845 | (30,037) |
| Monetary (gain)/loss | (542,874) | (754,184) |
| 31 December | 2,439,579 | 2,208,330 |

The sensitivity analysis of the assumptions which was used for the calculation of provision for employee benefits as of 31 December 2025 is below:

| Sensitivity level | Net discount rate | | Turnover rate related to the probability of retirement | |
|---|--------------------|--------------------|--|--------------------|
| | 0.5% base decrease | 0.5% base increase | 0.5% base decrease | 0.5% base increase |
| Rate (%) | (3.2) | (4.2) | 90.7 | 91.7 |
| Change in provision for employee benefits | 169,776 | (157,637) | (55,098) | 56,726 |

16. OTHER CURRENT ASSETS

| | 31 December 2025 | 31 December 2024 |
|-------------------------------|-------------------|-------------------|
| VAT to be deducted (*) | 13,487,494 | 19,859,891 |
| Prepaid taxes and withholding | 711,994 | 278,509 |
| Other | 1,592,507 | 604,320 |
| | 15,791,995 | 20,742,720 |

(*) The VAT receivable subject to refund consists of the export VAT refunds related to November and December 2025. The refund for November was collected in January 2026. While the refund for December will be collected in February 2026.

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17. EQUITY

The Company's share capital was increased by TRY 3,158,190 in 2025, from TRY 350,910 to TRY 3,509,100, through a capitalization of the Capital Adjustment Differences presented under equity. The capital increase was registered on 30 May 2025 in accordance with the Turkish Commercial Code and was announced in the Turkish Trade Registry Gazette (issue no. 11342).

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

| Shareholders | Share group | 31 December 2025 | Shareholders percentage (%) | 31 December 2024 | Shareholders percentage (%) |
|--|-------------|-------------------|-----------------------------|-------------------|-----------------------------|
| Koç Holding A.Ş. | B | 1,356,313 | 38.65 | 135,631 | 38.65 |
| Temel Ticaret ve Yatırım A.Ş. | B | 23,559 | 0.67 | 2,356 | 0.67 |
| Ford Deutschland Engineering GmbH | C | 1,439,970 | 41.04 | 143,997 | 41.04 |
| Vehbi Koç Vakfı | A | 28,805 | 0.82 | 2,881 | 0.82 |
| Koç Holding Emekli ve Yardım Sandığı Vakfı | A | 32,592 | 0.93 | 3,259 | 0.93 |
| Other (Public) | A | 627,861 | 17.89 | 62,786 | 17.89 |
| Paid in capital | | 3,509,100 | 100 | 350,910 | 100 |
| Inflation adjustment to share capital | | 8,154,462 | | 11,312,652 | |
| Inflation adjusted paid in capital | | 11,663,562 | | 11,663,562 | |

According to the articles of association, half of the members to be elected to the Board of Directors will be selected from candidates nominated by Group B shareholders, and the other half will be selected from candidates nominated by Group C shareholders. The General Assembly is authorized to determine the number of Board members and to select the members. It is mandatory for one candidate nominated by both Group B and Group C shareholders to meet the independent criteria defined in the CMB regulations.

Capital adjustment differences refer to the total amounts of cash and cash-equivalent additions made to the paid-in capital, adjusted for inflation, and the difference before inflation adjustment.

There are 350,910,000,000 unit of shares (31 December 2024: 35,091,000,000 unit) with a nominal value of Kr 1 each.

According to the Turkish Commercial Code, legal reserves are divided into first and second-order legal reserves. According to the Turkish Commercial Code, first-order legal reserves are set aside as 5% of the legal net profit until they reach 20% of the company's paid-in capital. Second-order legal reserves are 10% of the distributed profit exceeding 5% of the paid-in capital. According to the Turkish Commercial Code, legal reserves can only be used to offset losses as long as they do not exceed 50% of the paid-in capital.

The aforementioned legal reserves are classified under "Restricted Reserves from Profit" in accordance with the provisions of the Communiqué issued by the CMB, As of 31 December 2025, the amount of restricted reserves from profit is TRY 13,958,349 (31 December 2024: TRY 12,151,119).

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17. EQUITY (Continued)

According to the "Principles on Financial Reporting in the Capital Markets" Communiqué Serial: II-14.1 No, 1, published in the Official Gazette on 13 June 2013, and which came into effect, "Paid-in capital", "Restricted reserves from profit", and "Share premium" must be presented based on the amounts recorded in the legal records. During the application of this communiqué, differences arising from valuations (such as differences due to inflation adjustment) should be:

- If arising from "Paid-in capital" and not yet added to the capital, it should be associated with the "Capital adjustment differences" account to be opened following the "Paid-in capital" line,
- If arising from "Restricted reserves from profit" and "Share premium" and not yet subject to profit distribution or capital increase, it should be associated with "Retained earnings/accumulated losses,"

Other equity items are presented at their values as per TAS, Capital adjustment differences have no other use except for being added to the capital.

Public companies distribute dividends in accordance with the Capital Markets Board (CMB) Communiqué II-19,1 on Dividend Distribution, which became effective as of 1 February 2014, Companies distribute their profits in accordance with the profit distribution policies determined by their general assemblies and in compliance with the relevant legal provisions. Under this communiqué, no minimum distribution rate has been specified. Companies distribute dividends as stipulated in their articles of association or profit distribution policies. In addition, dividends may be paid in equal or different instalment amounts, and a cash dividend advance may be distributed from the profit reflected in the consolidated financial statements.

According to the Turkish Commercial Code (TCC), unless the required reserves are set aside and the dividends determined for shareholders in the articles of association or profit distribution policy are allocated, no additional reserves may be allocated, profit may not be transferred to the following year, and no dividend may be distributed to the usufruct holders, board members, employees, or individuals who are not shareholders. Additionally, no dividend may be distributed to these individuals unless the dividend set for shareholders is paid in cash.

At the Ordinary General Assembly held on 26 March 2025, the Group resolved to distribute a cash dividend of TRY 6,000,561 from the profit for the year 2024, corresponding to gross TRY 17.10 (net TRY 14.54) per share with a nominal value of TRY 1, representing a gross rate of 1,710% (net 1,454%). The dividend payment was made in April 2025. At the Extraordinary General Assembly held on 28 November 2025, the Group resolved to distribute a cash dividend of TRY 21,230,055, corresponding to gross TRY 6.05 (net TRY 5.14) per share with a nominal value of TRY 1, representing a gross rate of 605% (net 514%). The dividend payment was made in December 2025. The inflation-adjusted amount of the total dividend payments as of 31 December 2025 is TRY 28,554,532.

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17. EQUITY (Continued)

In accordance with Communiqué No: II-14,1 “Communiqué on the Principles of Financial Reporting in Capital Markets”, equity schedule at 31 December 2025 and 2024 are as follows:

| | 31 December 2025 | 31 December 2024 |
|---|--------------------|--------------------|
| Issued capital | 3,509,100 | 350,910 |
| Inflation adjustments on capital | 8,154,462 | 11,312,652 |
| Share premium | 8 | 8 |
| Gains from financial assets measured at fair value through other comprehensive income | 174,716 | 264,021 |
| Losses on cash flow hedge | (32,995,916) | (32,505,357) |
| Losses on remeasurements of defined benefit plans | (3,445,779) | (3,136,704) |
| Currency translation differences | (10,003,040) | (10,662,739) |
| Restricted reserves | 13,958,349 | 12,151,119 |
| - Legal reserves | 13,958,349 | 12,151,119 |
| Retained earnings | 142,682,654 | 122,175,117 |
| - Inflation adjustment to equity | 93,672,829 | 75,231,563 |
| - Extraordinary reserves | 49,009,825 | 46,943,554 |
| Net income for the period | 33,986,135 | 50,869,299 |
| Total equity | 156,020,689 | 150,818,326 |

The adjusted values of the items shown at historical costs above and the equity inflation adjustment differences with TFRS and TPL financial statements, as of 31 December 2025 and 2024 are as follows:

| 31 December 2025 (TFRS) | Historical values | Adjusted values | Equity inflation adjustment differences |
|-------------------------|-------------------|-------------------|---|
| Issued capital | 3,509,100 | 11,663,562 | 8,154,462 |
| Legal reserves | 3,877,556 | 13,958,349 | 10,080,793 |
| Share premium | 8 | 255 | 247 |
| | 7,386,664 | 25,622,166 | 18,235,502 |

| 31 December 2025 (TPL) | Historical values | Adjusted values | Equity inflation adjustment differences |
|------------------------|-------------------|-------------------|---|
| Issued capital | 3,509,100 | 11,292,942 | 7,783,842 |
| Legal reserves | 3,877,556 | 7,247,176 | 3,369,620 |
| Share premium | 8 | 267 | 259 |
| | 7,386,664 | 18,540,385 | 11,153,721 |

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17. EQUITY (Continued)

The inflation adjustment differences for equity can only be used for non-cash capital increases or offsetting losses; the recorded values of extraordinary reserves can be used for non-cash capital increases, cash dividend distributions, or offsetting losses.

The shares of Otokar, traded on the Borsa Istanbul, are valued based on the market prices at the end of the last trading day as of 31 December 2025 and 2024, As of 31 December 2025, the deferred tax effect of TRY 89,305 (31 December 2024: TRY 50,896) arising in the current period has been netted with the fair value difference and is shown under other comprehensive income.

The effects of the changes under other comprehensive income, net of deferred tax, and the changes in accumulated income and expenses under equity are as follows:

| | 2025 | 2024 |
|--|---------------------|---------------------|
| 1 January | (46,040,779) | (38,818,444) |
| Gains/(losses) from financial assets measured at fair value through other comprehensive income | (89,305) | 50,896 |
| Actuarial gains/(losses) | (309,075) | (612,546) |
| Gains/(losses) on cash flow hedges | (490,559) | 2,834,906 |
| Currency translation differences | 659,699 | (9,495,591) |
| 31 December | (46,270,019) | (46,040,779) |

18. REVENUE AND COST OF SALES

| | 2025 | 2024 |
|------------------|--------------------|--------------------|
| Export sales (*) | 660,241,410 | 598,055,881 |
| Domestic sales | 187,371,761 | 197,606,963 |
| Other sales | 5,421,554 | 5,262,984 |
| Less: discounts | (22,206,792) | (22,124,792) |
| | 830,827,933 | 778,801,036 |

(*) International sales and sales figures include Ford Otosan Romania SRL's sales as well as the Group's exports.

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18. REVENUE AND COST OF SALES (Continued)

| Units of vehicle sales | 2025 | | | 2024 | | |
|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Domestic sales | Export sales | Total sales | Domestic sales | Export sales | Total sales |
| 1 ton commercial vehicle | 16,541 | 282,255 | 298,796 | 7,991 | 203,705 | 211,696 |
| 2 ton commercial vehicle | 31,911 | 115,026 | 146,937 | 34,630 | 122,628 | 157,258 |
| Puma | 7,212 | 147,768 | 154,980 | 9,121 | 158,749 | 167,870 |
| Transit Courier | 37,302 | 54,744 | 92,046 | 28,384 | 57,206 | 85,590 |
| Passenger vehicles | 18,158 | - | 18,158 | 20,214 | 20 | 20,234 |
| Ford Trucks | 7,254 | 3,049 | 10,303 | 8,571 | 3,919 | 12,490 |
| Ranger | 3,144 | - | 3,144 | 5,516 | - | 5,516 |
| Tourneo Connect | 133 | - | 133 | 351 | 2 | 353 |
| | 121,655 | 602,842 | 724,497 | 114,778 | 546,229 | 661,007 |

Summaries of cost of production as of 31 December 2025 and 2024 are as follows;

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Raw materials and consumables | (627,795,863) | (582,354,232) |
| Production overhead cost | (58,757,003) | (51,843,711) |
| Amortization expenses (Notes 10, 11 and 32) | (15,626,929) | (12,695,228) |
| Changes in finished good | (5,864,801) | 4,366,416 |
| Total production cost | (708,044,596) | (642,526,755) |
| Cost of trade goods sold | (53,399,619) | (64,801,453) |
| Total cost of sales | (761,444,215) | (707,328,208) |

19. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

| | 2025 | 2024 |
|--|--------------------|--------------------|
| Research and development expenses | | |
| Personnel expenses | (4,377,973) | (4,591,979) |
| Project costs | (1,973,047) | (1,464,892) |
| Mechanization expenses | (1,062,326) | (856,426) |
| Depreciation and amortization expenses (Notes 10, 11 and 32) | (418,762) | (381,330) |
| Other | (467,947) | (781,493) |
| | (8,300,055) | (8,076,120) |

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19. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (Continued)

| | 2025 | 2024 |
|--|---------------------|---------------------|
| Marketing expenses | | |
| Warranty expenses | (8,116,710) | (5,112,467) |
| Vehicle transportation expenses | (2,816,845) | (2,881,481) |
| Personnel expenses | (1,915,738) | (2,113,509) |
| Advertising expenses | (1,314,353) | (1,090,337) |
| Spare parts transportation and packaging expense | (557,147) | (296,851) |
| Export expenses | (493,288) | (421,818) |
| Mechanization expenses | (357,519) | (641,263) |
| Dealer meeting and service development expenses | (134,320) | (128,206) |
| Depreciation and amortization expenses (Note 10, 11 ve 32) | (81,560) | (150,017) |
| Other | (1,142,293) | (881,330) |
| | (16,929,773) | (13,717,279) |

| | 2025 | 2024 |
|---|--------------------|---------------------|
| General administrative expenses | | |
| Personnel expenses | (4,732,811) | (6,806,812) |
| Depreciation and amortization expenses (Notes 10, 11, and 32) | (1,078,143) | (795,157) |
| Legal, consultancy, and audit expenses | (618,485) | (728,116) |
| Donations and aids | (562,037) | (620,001) |
| New project management expenses | (541,905) | (694,396) |
| Taxes, duties, and fees expenses | (337,563) | (199,513) |
| Mechanization expenses | (221,668) | (227,946) |
| Repair, maintenance, and energy expenses | (76,761) | (86,425) |
| Transportation and travel expenses | (72,841) | (66,695) |
| Other | (1,011,998) | (1,292,150) |
| | (9,254,212) | (11,517,211) |

20. EXPENSES BY NATURE

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

| | 2025 | 2024 |
|--|----------------------|----------------------|
| Raw materials and consumables | (627,795,863) | (582,354,232) |
| Financial expenses | (56,632,740) | (46,269,904) |
| Cost of goods sold | (53,399,619) | (64,801,453) |
| Personnel expenses | (45,057,387) | (45,133,685) |
| Other general production expenses | (24,726,139) | (20,222,327) |
| Other operational expenses | (21,879,052) | (18,471,805) |
| Other expenses from main operations | (16,527,585) | (17,001,585) |
| Depreciation and amortization expenses | (17,205,394) | (14,021,732) |
| Expenses from investment activities | (280,171) | (797,988) |
| Changes in inventories | (5,864,801) | 4,366,416 |
| Total expenses | (869,368,751) | (804,708,295) |

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21. OTHER OPERATING INCOME/EXPENSES

| | 2025 | 2024 |
|---|---------------------|---------------------|
| Other income and gains from main operations | | |
| Interest income arising from trading activities | 9,181,239 | 10,480,490 |
| Foreign exchange gains on trade receivables and payables | 8,800,911 | 4,850,529 |
| Tax liabilities written off | 3,644,106 | - |
| Price difference and compensated damage amounts | 320,913 | 46,255 |
| Rental income | 166,900 | 201,494 |
| Commission income | 142,812 | 130,029 |
| Provisions no longer required | 67,880 | 33,618 |
| Licensing income | - | 3,437 |
| Other | 1,906,348 | 1,031,895 |
| | 24,231,109 | 16,777,747 |
| | | |
| | 2025 | 2024 |
| Other expenses and losses from main operations | | |
| Interest expense arising from trading activities | (13,173,471) | (13,667,459) |
| Foreign exchange losses on trade receivables and payables | (2,065,486) | (1,013,592) |
| Other | (1,288,628) | (2,320,534) |
| | (16,527,585) | (17,001,585) |

22. FINANCIAL INCOME

| | 2025 | 2024 |
|------------------------|-------------------|-------------------|
| Foreign exchange gains | 18,890,787 | 12,479,552 |
| Interest income | 6,797,034 | 5,661,622 |
| Other | - | 651,256 |
| | 25,687,821 | 18,792,430 |

23. FINANCIAL EXPENSES

| | 2025 | 2024 |
|-------------------------|---------------------|---------------------|
| Foreign exchange losses | (45,649,137) | (30,063,715) |
| Interest expenses | (11,131,704) | (16,206,189) |
| Other | 148,101 | - |
| | (56,632,740) | (46,269,904) |

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24. NET MONETARY POSITION GAINS/(LOSSES) DISCLOSURES

| Non monetary items | 31 December 2025 | 31 December 2024 |
|---|---------------------|---------------------|
| Financial statement items | 20,443,436 | 30,264,364 |
| Inventories | 9,245,688 | 17,243,483 |
| Prepaid expenses | 3,709,306 | 7,028,729 |
| Investments accounted for using the equity method, financial investments, subsidiaries | 10,877,743 | 14,040,895 |
| Tangible fixed assets | 23,098,548 | 20,263,114 |
| Intangible assets | 2,075,422 | 2,882,508 |
| Right-of-use assets | 276,800 | 437,745 |
| Deferred tax assets | 4,083,897 | 3,371,087 |
| Deferred revenues | 29,163 | (329,282) |
| Paid-in capital | (2,752,745) | (3,585,110) |
| Accumulated other comprehensive income and expenses not to be reclassified to profit or loss | 1,001,025 | 1,251,131 |
| Accumulated other comprehensive income/(expenses) to be reclassified to profit or loss | 11,311,762 | 14,973,972 |
| Restricted reserves from profits | (2,990,682) | (3,832,244) |
| Retained earnings | (39,522,491) | (43,481,664) |
| Income Statement Items | (4,570,046) | (563,946) |
| Revenue | (59,473,011) | (70,588,065) |
| Cost of sales | 54,145,449 | 65,627,330 |
| Marketing expenses | 1,504,602 | 1,598,233 |
| General Administrative expenses | 796,900 | 1,365,879 |
| Research and development expenses | 772,194 | 1,056,360 |
| Other income/expenses from operating activities | (715,158) | (330,355) |
| Income/expenses from investing activities | (1,232,909) | (556,309) |
| Finance income/expenses | (510,939) | 1,221,504 |
| Income tax expense | 142,826 | 41,477 |
| Net monetary position gains | 15,873,390 | 29,700,418 |

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25. 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 31 December 2025 is 25% in Turkey (31 December 2024: 25%). The Romanian Corporate Tax rate is 16% (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 25th of the fourth month following the close of the financial year. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

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.

As of 31 December 2025, the Group utilised R&D incentive exemption amounting of TRY 9,262,303 (31 December 2024: TRY 11,190,456) in return for the legal tax.

As of the reporting date, TRY 9,469,120 (31 December 2024: TRY 9,469,120) under the Large-Scale Investment Incentive Certificate, completed and investment in progress, TRY 72,308,141 (31 December 2024: TRY 68,678,318) within the scope of Priority Investment Incentive Certificates and TRY 126,157,473 (31 December 2024: TRY 86,798,352) within the scope of Project Based State Aid investment expenditure and within the scope of the Regional Investment Incentive Certificate, an investment expenditure of TRY 352,928 (31 December 2024: 352,925) was made.

The Group utilized discounted corporate taxation amounting to TRY 10,106,149 (31 December 2024: TRY 2,705,364) in the current year and this amount has been deducted from the total deferred tax asset.

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25. TAX ASSETS AND LIABILITIES (Continued)

Tax Advantages Obtained within the Scope of Investment Incentive System

Gains obtained from the investments of the Group, which are subject to the incentive certificate, are subject to corporate tax at reduced rates from the accounting period in which the investment is started to be operated partially or completely, until it reaches the amount of contribution to the investment. In this context, as of 31 December 2025, the tax advantage amounting to TRY 36,768,779 (31 December 2024: TRY 34,208,413) that the Group will benefit from in the foreseeable future is reflected in the consolidated financial statements as a deferred tax asset. As a result of recognizing the mentioned tax advantage as of 31 December 2025, deferred tax income amounting to TRY 10,633,940 (current period effect of 1 January-31 December 2025) has occurred in the consolidated profit or loss statement for the period 1 January - 31 December 2025.

Periods in which deferred tax assets arising from investment incentives are expected to be used:

As of the balance sheet period, the Group has associated the reduced corporate tax advantage it has achieved through investment expenditures with the tax base, It defines the amount of incentive that the Group can benefit from in this process for the next 10 year period, which the management team has determined as the foreseeable future, as deferred tax asset, In this context, as of 31 December 2025, the Group has 57 Billion TRY of investment incentive assets, As a result of the estimations it has prepared, the Group has accounted for 37 Billion TRY as a deferred tax asset for the relevant period,

The periods during which the deferred tax assets arising from investment incentives are expected to be used/recovered are as follows:

| | 31 December 2025 | 31 December 2024 |
|-----------|------------------|------------------|
| 0-5 year | 19,269,546 | 20,456,285 |
| 5-10 year | 17,499,233 | 13,752,128 |

Deferred tax assets are recognized when it is determined that taxable income is likely to occur in the coming years, In cases where taxable income is likely to occur, deferred tax assets are calculated over deductible temporary differences, tax losses and tax advantages vested in indefinite-lived investment incentives that allow reduced corporate tax payments, In this context, the Group bases the reflection of deferred tax assets arising from investment incentives in the consolidated financial statements on long-term plans, and evaluates the recoverability of deferred tax assets related to these investment incentives as of each balance sheet date, based on business models that include taxable profit estimations, These deferred tax assets are expected to be recovered within 10 years from the balance sheet date,

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

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25. TAX ASSETS AND LIABILITIES (Continued)

Other Countries Tax Practices

As of 31 December 2025 and 2024, the effective tax rates applicable in the other countries in which the Group operates are as follows:

| | 31 December 2025 | 31 December 2024 |
|-------------|------------------|------------------|
| Romania | 16% | 16% |
| Netherlands | 25% | 25% |

Global Minimum Top-Up Tax

In line with its multinational structure, the Group has carried out the necessary research and analyses regarding the “Global Minimum Tax” that has started to be implemented worldwide. Based on these analyses, it has been determined that the Group may be subject to an additional tax obligation in Türkiye, one of the jurisdictions in which the Group operates, within the scope of this tax regulation. As of 31 December 2025, there is no additional tax liability for Türkiye (31 December 2024: None).

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

| | 31 December 2025 | 31 December 2024 |
|---|-------------------|-------------------|
| Current year corporate tax expense | (1,102,418) | (1,646,214) |
| Prepaid tax and withholding | 922,846 | 997,668 |
| Current tax related assets/(liabilities) | (179,572) | (648,546) |
| Deferred tax assets | 24,356,354 | 28,258,598 |
| Deferred tax liabilities | (1,665,311) | (1,717,143) |
| Net deferred tax assets/(liabilities), net | 22,691,043 | 26,541,455 |

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25. TAX ASSETS AND LIABILITIES (Continued)

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

| | 2025 | 2024 |
|---|--------------------|------------------|
| Current year corporate tax expense | (1,102,418) | (1,646,214) |
| Current year tax effect of cash flow hedge (*) | (163,520) | 944,968 |
| Other deferred tax | (4,214,716) | 3,131,035 |
| Deferred tax (expense)/income | (4,378,236) | 4,076,003 |
| Continuing operations tax income/(expense) | (5,480,654) | 2,429,789 |

(*) 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.

Calculation of the tax expense reconciliation using the current period tax expense in the statement of profit or loss as at 31 December 2025 and 2024 and current tax ratio based on income before tax is as follows:

| | 31 December 2025 | 31 December 2024 |
|-------------------------------------|------------------|------------------|
| Profit before tax | 39,466,789 | 48,439,510 |
| Effective tax rate | 25% | 25% |
| Current year tax expense | (9,866,697) | (12,109,878) |
| Research and development deductions | 2,306,250 | 2,797,614 |
| Investment incentive exemption | 14,342,592 | 21,153,265 |
| Monetary gain / (loss) and other | (12,262,799) | (9,411,212) |
| | 5,480,654 | 2,429,789 |

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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25. TAX ASSETS AND LIABILITIES (Continued)

The breakdown of accumulated temporary differences and deferred tax assets and liabilities as of 31 December 2025 and 2024, using the applicable tax rates, is as follows:

| | Cumulative temporary differences | | Deferred tax assets / (liabilities) | |
|--|----------------------------------|----------------------|-------------------------------------|---------------------|
| | 31 December 2025 | 31 December 2024 | 31 December 2025 | 31 December 2024 |
| Deferred tax assets | | | | |
| Investment incentive tax asset (Note 33) | (129,197,115) | (134,310,522) | 36,768,779 | 34,208,413 |
| Expense accruals and other provisions | (17,252,858) | (17,166,295) | 4,325,799 | 4,304,127 |
| Warranty expense provision | (4,775,854) | (3,352,481) | 1,384,735 | 838,120 |
| Employee benefits provision | (2,439,579) | (2,208,330) | 600,025 | 543,267 |
| Inventories | 8,540,867 | 8,748,383 | (2,137,545) | (2,187,455) |
| | (145,124,539) | (148,289,245) | 40,941,793 | 37,706,472 |
| Tangible and intangible assets | 51,531,376 | 23,022,556 | (11,932,578) | (4,761,877) |
| Income accruals and other | 25,212,510 | 25,521,432 | (6,318,172) | (6,403,140) |
| | 76,743,886 | 48,543,988 | (18,250,750) | (11,165,017) |
| Net deferred tax asset | | | 22,691,043 | 26,541,455 |

The deferred tax movement table of 2025 and 2024 are presented below:

| | 2025 | 2024 |
|--|-------------------|-------------------|
| 1 January | 26,541,455 | 22,827,420 |
| Deferred tax income/expense recognized in the profit or loss statement | (4,378,236)s | 4,076,003 |
| Deferred tax income reflected in equity | 279,303 | (748,057) |
| Currency translation differences | 248,521 | 386,089 |
| 31 December | 22,691,043 | 26,541,455 |

26. EARNINGS PER SHARE

| | 2025 | 2024 |
|---|-----------------|-----------------|
| Net profit for the year | 33,986,135 | 50,869,299 |
| Weighted average number of shares with nominal | 350,910,000,000 | 350,910,000,000 |
| Earnings per share with nominal value of Kr 1 each | 9.69 Kr | 14.50 Kr |

27. RELATED PARTY DISCLOSURES

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

The related party balances at 31 December 2025 and 2024 and the transactions with related parties during the year are as follows:

a) Receivables from related parties

i) Trade receivables from related parties

| | 31 December 2025 | 31 December 2024 |
|--|-------------------|-------------------|
| Due from shareholders | | |
| Ford Motor Group and subsidiaries | 49,049,392 | 48,184,648 |
| | 49,049,392 | 48,184,648 |
| Due from group companies (*) | | |
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | 10,191,981 | 10,144,265 |
| Other | 113,338 | 57,645 |
| | 10,305,319 | 10,201,910 |
| Less: unearned credit finance income | (293,520) | (297,732) |
| | 59,061,191 | 58,088,826 |

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

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

Under the domestic dealership agreement, the Group maintains a vehicle and spare parts sales relationship with Otokoç Otomotiv Ticaret ve Sanayi A.Ş. As disclosed in Note 7, the Group's trade receivables arising from vehicle sales to Otokoç Otomotiv Ticaret ve Sanayi A.Ş. have an average maturity of approximately 38 days, while the average maturity of receivables related to spare parts sales is 70 days.

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27. RELATED PARTY DISCLOSURES (Continued)

a) Receivables from related parties (Continued)

ii) Other receivables from related parties (*)

| | 31 December 2025 | 31 December 2024 |
|-----------------------------------|------------------|------------------|
| Due from shareholders | | |
| Ford Motor Group and subsidiaries | 4,353,906 | 3,778,408 |
| | 4,353,906 | 3,778,408 |

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

| Other long receivables from shareholders | 31 December 2025 | 31 December 2024 |
|--|-------------------|-------------------|
| Ford Motor Company and subsidiaries | 21,482,616 | 22,436,257 |
| | 21,482,616 | 22,436,257 |

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

b) Payables to related parties

i) Trade payables to related parties

| Trade payables to shareholders | 31 December 2025 | 31 December 2024 |
|-------------------------------------|-------------------|-------------------|
| Ford Motor Company and subsidiaries | 23,453,140 | 15,529,990 |
| | 23,453,140 | 15,529,990 |

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27. RELATED PARTY DISCLOSURES (Continued)

| Due to group companies (*) | 31 December 2025 | 31 December 2024 |
|--|---------------------|---------------------|
| Ram Dış Ticaret A.Ş. | 2,256,712 | 1,907,030 |
| Zer Merkezi Hizmetler ve Ticaret A.Ş. | 1,783,076 | 1,738,153 |
| Ingage Dijital Pazarlama Hizmetleri | 251,829 | 67,369 |
| Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş. | 149,622 | 200,860 |
| Ark İnşaat A.Ş. | 102,828 | 141,234 |
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | 92,498 | 616,859 |
| Divan Turizm İşletmeleri A.Ş. | 54,573 | 6,038 |
| Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş. | 45,564 | 57,980 |
| Opet Petrolcülük A.Ş. | 29,739 | 36,617 |
| Setur Servis Turistik A.Ş. | 19,055 | 30,480 |
| Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş. | 12,626 | 16,835 |
| Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş. | 7,915 | 4,130 |
| Ram Sigorta Aracılık Hizmetleri A.Ş. | - | 68,445 |
| Other | 83,092 | 147,109 |
| | 4,889,129 | 5,039,139 |
| Less: unaccrued finance expense arising from forward purchases | (90,334) | (129,337) |
| | 28,251,935 | 20,439,792 |

(*) The Group's shareholders' subsidiaries, joint ventures and affiliates.

ii) Other payables to related parties

| | 31 December 2025 | 31 December 2024 |
|----------------------------|------------------|------------------|
| Koç Finansman A.Ş. | 292,460 | 401,578 |
| Koç Holding A.Ş. | 262,574 | 246,015 |
| Yapı ve Kredi Bankası A.Ş. | 80,987 | 26,998 |
| | 636,021 | 674,591 |

c) Sales to related parties

| | 2025 | 2024 |
|--|--------------------|--------------------|
| Ford Motor Company (*) | 651,136,122 | 580,884,253 |
| Otokoç Otomotiv Tic. ve San. A.Ş. (**) | 44,933,913 | 44,629,014 |
| Other | 35 | 198 |
| | 696,070,070 | 625,513,465 |
| Less: financial income from credit sales | (2,276,627) | (2,358,203) |
| | 693,793,443 | 623,155,262 |

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

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

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27. RELATED PARTY DISCLOSURES (Continued)

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

| | 2025 | | | Total |
|---|-------------------|-------------------|------------------|-------------------|
| | Material | Service | Fixed assets | |
| Domestic purchases | | | | |
| Zer Merkezi Hizmetler ve Ticaret A.Ş. ⁽¹⁾ | 536,825 | 10,018,678 | 4,549 | 10,560,052 |
| Ram Dış Ticaret A.Ş. | 9,841,877 | - | - | 9,841,877 |
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | - | 1,184,152 | 75,382 | 1,259,534 |
| Eltek Elektrik Enerjisi İth, İhr, ve Toptan Tic, A.Ş. | - | 991,952 | - | 991,952 |
| Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş. | - | 461,926 | 392,138 | 854,064 |
| Ram Sigorta Aracılık Hizmetleri A.Ş. ⁽³⁾ | - | 734,183 | - | 734,183 |
| Ingage Dijital Pazarlama A.Ş. | - | 688,325 | 4,694 | 693,019 |
| Ark İnşaat Sanayi ve Ticaret A.Ş. ⁽²⁾ | - | - | 585,779 | 585,779 |
| Koç Holding A.Ş. ⁽⁴⁾ | - | 515,943 | - | 515,943 |
| Opet Petrolcülük A.Ş. | 395,313 | - | - | 395,313 |
| Setur Servis Turistik A.Ş. | - | 295,926 | - | 295,926 |
| Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş. | 189,869 | - | - | 189,869 |
| Koçtaş Yapı Marketleri Ticaret A.Ş. | 75,787 | - | 4,209 | 79,996 |
| AKPA Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş. | 48,621 | - | - | 48,621 |
| Other | 496 | 449,974 | 188,249 | 638,719 |
| | 11,088,788 | 15,341,059 | 1,255,000 | 27,684,847 |
| Less: unaccrued finance expense arising from forward purchases | (607,144) | - | - | (607,144) |
| | 10,481,644 | 15,341,059 | 1,255,000 | 27,077,703 |

(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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27. RELATED PARTY DISCLOSURES (Continued)

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

| | 2024 | | | Total |
|---|------------------|-------------------|------------------|-------------------|
| | Material | Service | Fixed assets | |
| Domestic purchases | | | | |
| Zer Merkezi Hizmetler ve Ticaret A.Ş. ⁽¹⁾ | 575,446 | 10,236,227 | 7,412 | 10,819,085 |
| Ram Dış Ticaret A.Ş. | 6,844,460 | - | - | 6,844,460 |
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | - | 693,614 | 228,113 | 921,727 |
| Eltek Elektrik Enerjisi İth, İhr, ve Toptan Tic. A.Ş. | - | 1,405,126 | - | 1,405,126 |
| Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş. | - | 675,002 | 662,289 | 1,337,291 |
| Ram Sigorta Aracılık Hizmetleri A.Ş. (3) | - | 1,233,268 | - | 1,233,268 |
| Ingage Dijital Pazarlama A.Ş. | - | 338,300 | - | 338,300 |
| Ark İnşaat Sanayi ve Ticaret A.Ş. (2) | - | - | 1,465,484 | 1,465,484 |
| Koç Holding A.Ş. (4) | - | 432,398 | - | 432,398 |
| Opet Petrolcülük A.Ş. | 425,398 | - | - | 425,398 |
| Setur Servis Turistik A.Ş. | - | 471,503 | - | 471,503 |
| Opet Fuchs Madeni Yağ Sanayi ve Ticaret A.Ş. | 255,848 | - | - | 255,848 |
| Koçtaş Yapı Marketleri Ticaret A.Ş. | 75,881 | - | 3,662 | 79,543 |
| Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş. | 91,014 | - | - | 91,014 |
| Other | 3,658 | 380,305 | 671,757 | 1,055,720 |
| | 8,271,705 | 15,865,743 | 3,038,717 | 27,176,165 |
| Less: unaccrued finance expense arising from forward purchases | (579,621) | - | - | (579,621) |
| | 7,692,084 | 15,865,743 | 3,038,717 | 26,596,544 |

Material, vehicle and service purchases from abroad

| | 2025 | 2024 |
|-------------------------------------|-------------|-------------|
| Ford Motor Company and subsidiaries | 303,004,160 | 238,703,140 |

e) License fees paid to Ford Motor Company

| | 2025 | 2024 |
|--|-----------|-----------|
| | 4,501,705 | 3,983,826 |

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

| | 2025 | 2024 |
|--|------|-------|
| | - | 3,437 |

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

| | 2025 | 2024 |
|--|---------|---------|
| | 518,989 | 509,526 |

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27. RELATED PARTY DISCLOSURES (Continued)

h) The Group's deposits held with related banks

Related Party Bank Deposits

| | 31 December 2025 | 31 December 2024 |
|------------------------------------|-------------------|-------------------|
| Yapı ve Kredi Bankası A.Ş. | | |
| - Foreign currency time deposits | 8,942,303 | 8,797,475 |
| - TRY time deposit | 7,794,792 | 1,117,480 |
| - TRY demand deposit | 413,694 | 381,753 |
| - Foreign currency demand deposits | 27,449 | 185,257 |
| | 17,178,238 | 10,481,965 |

i) Related party bank loans

| | 31 December 2025 | 31 December 2024 |
|----------------------------|------------------|------------------|
| Yapı ve Kredi Bankası A.Ş. | 1,517,221 | 678,153 |
| | 1,517,221 | 678,153 |

i) Other short-term and long-term liabilities

| | 31 December 2025 | 31 December 2024 |
|--|------------------|-------------------|
| Ford Motor Company and subsidiaries (Note 6) | 7,196,223 | 16,049,865 |
| | 7,196,223 | 16,049,865 |

j) Advances received

| | 31 December 2025 | 31 December 2024 |
|-------------------------------------|------------------|------------------|
| Ford Motor Company and subsidiaries | 3,381,950 | 7,204,020 |
| | 3,381,950 | 7,204,020 |

k) Commission income

| | 2025 | 2024 |
|--|----------------|----------------|
| Koç Finansman A.Ş. | 132,675 | 92,801 |
| Yapı ve Kredi Bankası A.Ş. | 9,960 | 33,849 |
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | 24 | 25 |
| | 142,659 | 126,675 |

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27. RELATED PARTY DISCLOSURES (Continued)

l) Commission expense

| | 2025 | 2024 |
|----------------------------|------------------|------------------|
| Koç Finansman A.Ş. | 4,970,344 | 3,579,350 |
| Yapı ve Kredi Bankası A.Ş. | 411,590 | 1,046,869 |
| | 5,381,934 | 4,626,219 |

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

| | 2025 | 2024 |
|----------------------------|---------|---------|
| Yapı ve Kredi Bankası A.Ş. | 564,083 | 663,927 |

n) Dividends income

| | 2025 | 2024 |
|--|------|-------|
| Otokoç Otomotiv Ticaret ve Sanayi A.Ş. | - | 6,713 |

o) 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 508,082 as of 31 December 2025 with the purchasing power (31 December 2024: TRY 608,784). Of this amount, TRY 69,084 relates to payments made due to separations, while the remaining portion consists of short-term benefits.

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28. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

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

| 31 December 2025 | TRY equivalent (Functional currency) | USD | EUR | Other |
|--|---|------------------|--------------------|-----------------|
| 1. Trade receivables | 54,195,180 | 16,570 | 1,060,088 | 2 |
| 2. Monetary financials assets (including cash and cash equivalents) | 44,537,522 | 4,646 | 832,294 | 26 |
| 3. Other | 9,913,520 | 76,423 | 131,044 | 454 |
| 4. Current assets (1 + 2 + 3) | 108,646,222 | 97,639 | 2,023,426 | 482 |
| 5. Monetary financial assets | 136,377 | - | 2,703 | - |
| 6. Non-current assets (5) | 136,377 | - | 2,703 | - |
| 7. Total assets (4 + 6) | 108,782,599 | 97,639 | 2,026,129 | 482 |
| 8. Trade payables | 40,567,954 | 181,691 | 632,533 | 16,273 |
| 9. Financial liabilities (*) | 56,546,072 | 34,231 | 1,091,682 | - |
| 10. Other monetary liabilities | 491,626 | - | 9,744 | - |
| 11. Short term liabilities (8 + 9 + 10) | 97,605,652 | 215,922 | 1,733,959 | 16,273 |
| 12. Financial liabilities (*) | 99,121,863 | 471,692 | 1,563,906 | - |
| 13. Other monetary liabilities | 5,668,195 | - | 112,346 | - |
| 14. Long term liabilities (12+13) | 104,790,058 | 471,692 | 1,676,252 | - |
| 15. Total liabilities (11 + 14) | 202,395,710 | 687,614 | 3,410,211 | 16,273 |
| 16. Net foreign currency (liabilities)/ assets position (7 - 15) | (93,613,111) | (589,975) | (1,384,082) | (15,791) |
| 17. Net monetary foreign currency (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12 - 13) | (103,526,631) | (666,398) | (1,515,126) | (16,245) |

(*) 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 86,221,576 as of 31 December 2025 (31 December 2024: TRY 70,788,502), As of 31 December 2025, the Group has a total of TRY 16,514,251 (31 December 2024: TRY 24,447,342) of the inventories to be issued.

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28. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

| 31 December 2024 | TRY equivalent (Functional currency) | USD | EUR | Other |
|--|--|------------------|--------------------|-----------------|
| 1. Trade receivables | 53,874,243 | 38,224 | 1,429,506 | 82 |
| 2. Monetary financials assets (including cash and cash equivalents) | 23,676,776 | 9,177 | 632,609 | 65 |
| 3. Other | 16,854,540 | 112,904 | 307,820 | 25 |
| 4. Current assets (1 + 2 + 3) | 94,405,559 | 160,305 | 2,369,935 | 172 |
| 5. Monetary financial assets | 3,346,623 | - | 91,083 | - |
| 6. Non-current assets (5) | 3,346,623 | - | 91,083 | - |
| 7. Total assets (4 + 6) | 97,752,182 | 160,305 | 2,461,018 | 172 |
| 8. Trade payables | 30,098,635 | 231,404 | 572,752 | 21,873 |
| 9. Financial liabilities (*) | 50,539,607 | 44,810 | 1,332,537 | - |
| 10. Other monetary liabilities | 4,556,798 | - | 124,019 | - |
| 11. Short term liabilities (8 + 9 + 10) | 85,195,040 | 276,214 | 2,029,308 | 21,873 |
| 12. Financial liabilities (*) | 102,297,357 | 617,234 | 2,192,433 | - |
| 13. Other monetary liabilities | 3,216,447 | - | 87,539 | - |
| 14. Long term liabilities (12+13) | 105,513,804 | 617,234 | 2,279,972 | - |
| 15. Total liabilities (11 + 14) | 190,708,844 | 893,448 | 4,309,280 | 21,873 |
| 16. Net foreign currency (liabilities)/ assets position (7 - 15) | (92,956,662) | (733,143) | (1,848,262) | (21,701) |
| 17. Net monetary foreign currency (liabilities)/assets (1 + 2 + 5 - 8 - 9 - 10 - 12 - 13) | (109,811,202) | (846,047) | (2,156,082) | (21,726) |

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28, 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 December 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) | (2,528,761) | 2,528,761 |
| USD net hedged amount | - | - |
| USD net- gain/(loss) | (2,528,761) | 2,528,761 |
| Change in EUR against TRY | | |
| EUR net assets/(liabilities) | (6,983,137) | 6,983,137 |
| EUR net hedged amount | 8,622,158 | (8,622,158) |
| EUR net- gain/(loss) | 1,639,021 | (1,639,021) |
| Change in other foreign currency against TRY | | |
| Other foreign currency denominated net (liabilities)/assets | 150,587 | (150,587) |
| Other foreign currency denominated- hedged amount | - | - |
| Other foreign currency denominated net - (loss)/gain | 150,587 | (150,587) |

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) | (2,605,406) | 2,605,406 |
| USD net hedged amount | - | - |
| USD net- gain/(loss) | (2,605,406) | 2,605,406 |
| Change in EUR against TRY | | |
| EUR net assets/(liabilities) | (7,231,062) | 7,231,062 |
| EUR net hedged amount | 7,078,850 | (7,078,850) |
| EUR net- gain/(loss) | (152,212) | 152,212 |
| Change in other foreign currency against TRY | | |
| Other foreign currency denominated net (liabilities)/assets | (78,882) | 78,882 |
| Other foreign currency denominated- hedged amount | - | - |
| Other foreign currency denominated net - (loss)/gain | (78,882) | 78,882 |

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28, FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

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

| | 31 December 2025 | 31 December 2024 |
|---------------------|------------------|------------------|
| Total export amount | 490,780,817 | 433,981,554 |
| Total import amount | 305,290,247 | 280,507,635 |

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

Interest rate risk

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

| | 31 December 2025 | 31 December 2024 |
|---|------------------|------------------|
| Fixed interest rate financial instruments | | |
| Financial assets | 58,547,469 | 16,334,867 |
| Financial liabilities | 99,648,673 | 104,936,644 |
| Floating interest rate financial instruments | | |
| Financial liabilities | 63,518,807 | 57,050,937 |

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 94,192 at 31 December 2025 (31 December 2024: TRY 117,383) due to higher/lower interest expense.

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28. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

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

| 31 December 2025 | Book value | Total contractual cash outflow | Up to 3 months | Between 3-12 months | Between 1-5 years | Longer than 5 years |
|---|-------------|--------------------------------|----------------|---------------------|-------------------|---------------------|
| Non-derivative financial instruments | | | | | | |
| Financial liabilities | 153,903,710 | 169,443,498 | 17,391,754 | 43,538,385 | 106,618,093 | 1,895,266 |
| Long term other liabilities | 7,196,223 | 7,605,325 | - | - | 7,605,325 | - |
| Lease liabilities | 2,067,547 | 3,085,136 | 264,731 | 756,244 | 1,820,710 | 243,451 |
| Trade payables | | | | | | |
| -Related party | 28,251,935 | 28,342,269 | 28,342,269 | - | - | - |
| -Other | 74,206,127 | 75,140,426 | 75,140,426 | - | - | - |
| Other payables | | | | | | |
| -Related party | 636,021 | 636,021 | 636,021 | - | - | - |
| -Other | 2,731,749 | 2,731,749 | 2,731,749 | - | - | - |
| Derivative financial liabilities | | | | | | |
| Derivative financial liabilities | 2,286,245 | 2,286,245 | - | - | 2,286,245 | - |

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28. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

| 31 December 2024 | Book value | Total contractual cash outflow | Up to 3 months | Between 3-12 months | Between 1-5 years | Longer than 5 years |
|---|-------------|--------------------------------|----------------|---------------------|-------------------|---------------------|
| Non-derivative financial instruments | | | | | | |
| Financial liabilities | 143,746,546 | 167,146,405 | 11,471,528 | 40,360,052 | 108,887,105 | 6,427,720 |
| Long term other liabilities | 16,049,865 | 17,237,012 | - | 9,735,801 | 7,501,211 | - |
| Lease liabilities | 2,191,170 | 3,329,475 | 270,836 | 744,857 | 2,313,782 | - |
| Trade payables | | | | | | |
| -Related party | 20,439,792 | 20,569,129 | 20,569,129 | - | - | - |
| -Other | 66,143,770 | 67,240,888 | 67,240,888 | - | - | - |
| Other payables | | | | | | |
| -Related party | 674,591 | 674,591 | 674,591 | - | - | - |
| -Other | 1,841,639 | 1,841,639 | 1,841,639 | - | - | - |
| Derivative financial liabilities | | | | | | |
| Derivative financial liabilities | 216,637 | 216,637 | - | - | 216,637 | - |

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28, 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 December 2025 and 2024, the Group’s hierarchy table for its assets and liabilities recorded at fair value are as follows:

| 31 December 2025 | Level 1 (*) | Level 2 (**) | Level 3 |
|---|--------------------|---------------------|----------------|
| Assets at fair value | | | |
| Derivative financial assets | - | 203,036 | - |
| Financial assets at fair value through OCI -Otokar | 341,656 | - | - |
| Financial assets at fair value through profit or loss – Other | - | 332,145 | - |
| Total assets | 341,656 | 535,181 | - |
| Liabilities at fair value | | | |
| Derivative financial liabilities | - | 2,286,245 | - |
| Total liabilities | - | 2,286,245 | - |

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

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

| 31 December 2024 | Level 1 (*) | Level 2 (**) | Level 3 |
|---|--------------------|---------------------|----------------|
| Assets at fair value | | | |
| Derivative financial assets | - | 469,053 | - |
| Financial assets at fair value through OCI -Otokar | 445,819 | - | - |
| Financial assets at fair value through profit or loss – Other | - | 285,675 | - |
| Total assets | 445,819 | 754,728 | - |
| Liabilities at fair value | | | |
| Derivative financial liabilities | - | 216,637 | - |
| Total liabilities | - | 216,637 | - |

(*) 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).

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29. CASH FLOW HEDGE OPERATIONS

Derivative financial instruments

The Group has hedged the interest rate risk arising from the cash flows of the loans amounting to EUR 100,000,000 maturing on 5 November 2026 and EUR 100,000,000 maturing on 6 November 2028, through interest rate cap options. The critical terms of the swap contract—such as maturity, payment dates, and interest reset dates—are aligned with the critical terms of the hedged loans as of 31 December 2025. The fair value of this swap transaction calculated as of 31 December 2025 is recognized in the statement of financial position, with TRY 105,030 classified under non-current assets and TRY 22,758 classified under current assets.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 42,000,000 maturing on 6 September 2027, through an interest rate swap. The critical terms of the swap contract—maturity, payment dates, and interest reset dates—are aligned with the critical terms of the hedged loan as of the reporting date. The fair value of this swap transaction, calculated as of 31 December 2025, amounts to TRY 1,834 and is recognized under non-current assets in the statement of financial position.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 40,000,000 maturing on 6 December 2029, through an interest rate swap. The critical terms of the swap contract are aligned with those of the hedged loan. The fair value of the swap transaction calculated as of 31 December 2025 is TRY 9,158, which is recognized under non-current assets in the statement of financial position.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 135,000,000 maturing on 17 March 2031, through an interest rate swap. The critical terms of the swap contract—maturity, payment dates, and interest reset dates—are aligned with the critical terms of the hedged loan as of the reporting date. The fair value of this swap transaction calculated as of 31 December 2025 amounts to TRY 64,256 and is recognized under current assets in the statement of financial position.

| | 31 December 2025 | 31 December 2024 |
|-----------------------------|------------------|------------------|
| Derivative financial assets | 203,036 | 469,053 |
| | 203,036 | 469,053 |

The Group obtains long-term foreign currency borrowings with variable interest rates from international markets. The Group hedges the interest rate risk arising from a portion of these variable-rate loans by converting them into fixed-rate positions through short- and long-term swap transactions.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 100,000,000 maturing on 21 August 2028 through an interest rate swap. The critical terms of the swap contract—such as maturity, payment dates, and interest reset dates are aligned with the critical terms of the hedged loan as of 31 December 2025. The fair value of this swap transaction, calculated as of 31 December 2025, amounts to TRY 57,525 and is presented under non-current liabilities in the statement of financial position.

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29. CASH FLOW HEDGE OPERATIONS (Continued)

Derivative financial instruments (Continued)

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 100,000,000 maturing on 6 November 2028 through an interest rate swap. The critical terms of the swap contract—such as maturity, payment dates, and interest reset dates—are aligned with the critical terms of the hedged loan as of 31 December 2025. The fair value of this swap transaction, calculated as of 31 December 2025, amounts to TRY 8,564 and is presented under non-current liabilities in the statement of financial position.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 150,000,000 maturing on 16 December 2030 through an interest rate swap. The critical terms of the swap contract are aligned with those of the hedged loan as of the reporting date. The fair value of this swap transaction calculated as of 31 December 2025 amounts to TRY 109,964 and is recognized under non-current liabilities in the statement of financial position.

As of 31 December 2025, the Group has hedged the interest rate risk arising from the cash flows of its loan amounting to EUR 135,000,000 maturing on 17 March 2031 through an interest rate swap. The critical terms of the swap contract maturity, payment dates, and interest reset dates are aligned with the critical terms of the hedged loan. The fair value of this swap transaction as of 31 December 2025 amounts to TRY 1,599 and is presented under non-current liabilities in the statement of financial position.

Given that a significant portion of the Group’s revenue is denominated in Euro, the Group has hedged the foreign currency risk arising from the USD/EUR exchange rate fluctuations related to the USD 500,000,000 bond issuance completed on 25 April 2024, through USD–EUR cross-currency swap transactions. The Group entered into four cross-currency swap contracts with a total nominal amount of USD 500 million. The critical terms of these contracts—such as maturity and payment dates—are aligned with the critical terms of the hedged bond as of 31 December 2025. The fair value of these swap transactions, calculated as of 31 December 2025, amounts to TRY 2,108,593 and is presented under non-current liabilities in the statement of financial position.

| | 31 December 2025 | 31 December 2024 |
|----------------------------------|------------------|------------------|
| Derivative financial liabilities | 2,286,245 | 216,637 |
| | 2,286,245 | 216,637 |

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29. CASH FLOW HEDGE OPERATIONS (Continued)

Derivative financial instruments (Continued)

31 December 2025 31 December 2024

Cash flow hedge reserve

| | | |
|---|----------------|--------------------|
| Amount classified in other comprehensive income during the year | 22,489,520 | 7,754,680 |
| Amount classified in profit or loss | (21,835,441) | (11,534,554) |
| | 654,079 | (3,779,874) |

There is an effective cash flow hedge relationship between the Group's long-term foreign currency borrowings (non-derivative hedging instruments) obtained for investment expenditures and the highly probable foreign currency revenues expected to be generated from the realized and forecasted sales of export-oriented commercial vehicles (hedged item), with respect to foreign exchange risk. Within the framework of the production agreements executed with Ford Motor Company, the Group will associate a portion of its estimated sales revenues to be generated from 1 July 2013 until December 2031 with its long-term loan borrowings.

30. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

| | 2025 | 2024 |
|---|-------------------|------------------|
| Income from investing activities | | |
| Foreign exchange gain (*) | 9,971,755 | 8,926,921 |
| Change in fair value of financial investments | 2,111,000 | 98,946 |
| Profit on sale of fixed assets | 132,532 | 43,594 |
| Dividend income | - | 6,713 |
| | 12,215,287 | 9,076,174 |
| | | |
| | 2025 | 2024 |
| Expense from investing activities | | |
| Loss on sale of property, plant and equipment | (280,171) | (797,988) |
| | (280,171) | (797,988) |

(*) The Group's receivables arising from financial lease arrangements under TFRS 16 with Ford Motor Company are based on their valuations.

31. DEFERRED INCOME

Short term deferred revenue

| | 31 December 2025 | 31 December 2024 |
|----------------------------------|------------------|------------------|
| Advances received | 168,984 | 4,216,921 |
| Short-term deferred revenue (**) | 1,017,561 | 1,127,992 |
| | 1,186,545 | 5,344,913 |

(**) TRY 920,502 of short-term deferred revenue is from the sales of extended warranty and maintenance packages (31 December 2024: TRY 1,012,260).

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31. DEFERRED INCOME (Continued)

Long term deferred revenue

| | 31 December 2025 | 31 December 2024 |
|--------------------------------|------------------|------------------|
| Advances received | 3,381,950 | 3,216,446 |
| Long-term deferred revenue (*) | 694,129 | 1,007,337 |
| Other non-current liabilities | 194,475 | 283,991 |
| | 4,270,554 | 4,507,774 |

(*) Long-term deferred income represents revenue arising from the sale of extended warranty and maintenance packages.

32. RIGHT OF USE ASSETS

The right of use assets and expenses of depreciation and amortization as of 31 December 2025 and 2024 are as follows:

| | Buildings | Machinery and equipments | Vehicles | Total |
|---|----------------|--------------------------|----------------|------------------|
| As of 1 January 2025 | 876,117 | 1,417,775 | 420,974 | 2,714,866 |
| For the period ended 31 December 2025 | | | | |
| Additions | 185,668 | 33,487 | 313,402 | 532,557 |
| Disposals | - | - | - | - |
| Currency translation differences | - | 435 | - | 435 |
| Period depreciation and amortization expenses | (365,138) | (363,893) | (228,007) | (957,038) |
| As of 31 December 2025 | 696,647 | 1,087,804 | 506,369 | 2,290,820 |
| | Buildings | Machinery and equipments | Vehicles | Total |
| As of 1 January 2024 | 562,422 | 796,914 | 484,357 | 1,843,693 |
| For the period ended 31 December 2024 | | | | |
| Additions | 814,325 | 856,167 | 157,318 | 1,827,810 |
| Disposals | - | (3,494) | - | (3,494) |
| Exchange differences on translation | - | (23,927) | - | (23,927) |
| Period depreciation and amortization expense | (500,630) | (207,885) | (220,701) | (929,216) |
| As of 31 December 2024 | 876,117 | 1,417,775 | 420,974 | 2,714,866 |

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33. GOVERNMENT INCENTIVES AND GRANTS

It is realized with incentives within the scope of "Decisions of the Council of Ministers on State Aids in Investments".

The investment projects for which the Group has completed their investment processes and continue to benefit from the deserved investment contribution amounts are as follows;

- An investment incentive certificate of TRY 500,640 (the historical price on the document) was received on March 30, 2020 for the renewal investments of the machinery and equipment used for the manufacturing and assembly of the engine and transmission parts of the F-Trucks (truck, tractor). Transit and Transit Custom vehicles produced in Eskişehir Factories, line installation investments for the manufacturing of the Brake Disc and Front Alignment Assembly, which will be newly produced for use in Transit vehicles, and the machinery and equipment investments to be made to domestically produce the transmission of the F-Trucks, a product in the heavy commercial vehicle segment. The contribution rate of this project to the investment is 40%.
- A Project Based Incentive of a total of TRY 20,501,206 (the historical amount on the document) for product diversification and expansion investments covering the production of new generation commercial vehicles and batteries in Kocaeli Factories was published in the Official Gazette with the Presidential Decree dated December 4, 2020 and numbered 3273. The contribution rate to the investment to be utilized for this project is 100%.

As of the balance sheet period, the Group has associated the reduced corporate tax advantage it has obtained regarding to its investment expenditures with the tax base, It defines the amount of incentive that the group can benefit from in this process for the next 10-year period, which the management team has determined as the foreseeable future, as deferred tax asset, In this context, the group has a well-deserved investment incentive asset of TRY 57 billion for 2025, The Group has estimated this amount as TRY 37 billion as a deferred tax asset for the related period as a result of the estimations it has prepared.

34. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND AFFILIATED COMPANIES

Gembox Teknoloji Girişimleri A.Ş. was established with 100% Ford Otosan capital in order to carry out research and development, consultancy, engineering and incubation activities, and to invest in companies established in these fields and initiatives carried out.

Ford Otosan Netherlands BV was established with 100% Ford Otosan capital in order to centrally manage the Group's Ford Trucks export market structures.

Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş. was established with 100% Ford Otosan capital to develop and sell products, technologies and solutions in the field of mobility.

Investments in subsidiaries as of 31 December 2025 and 2024 are as follows:

31 December 2025

| | Ownership rate (%) | Amount |
|--|--------------------|----------------|
| Investment in subsidiaries | | |
| Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş. (*) | 100 | 308,355 |
| Gembox Teknoloji Girişimleri A.Ş. | 100 | 310,040 |
| | | 618,395 |

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34. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND AFFILIATED COMPANIES (Continued)

31 December 2024

| | Ownership rate (%) | Amount |
|--|--------------------|----------------|
| Investment in subsidiaries | | |
| Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş. (*) | 100 | 308,354 |
| Gembox Teknoloji Girişimleri A.Ş. | 100 | 209,336 |
| | | 517,690 |

(*) As of 11 December 2025, the trade name of Rakun Mobilite Teknoloji ve Ticaret A.Ş. has been changed and published in the Turkish Trade Registry Gazette ("TTRG") as Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş.

These investments are carried at cost and are not included in the scope of consolidation since their financial statements do not have a significant effect on the financial statements of the Group,

35. ASSETS ARISING FROM CUSTOMER CONTRACTS

| | 31 December 2025 | 31 December 2024 |
|--|------------------|------------------|
| Contract assets arising from sales of goods and services | 60,347 | 202,252 |
| | 60,347 | 202,252 |

36. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITORS

The explanation regarding the fees for the services rendered by the independent audit firms, which was prepared pursuant to the POA's Board Decision published in the Official Gazette on March 30, 2021, and the preparation principles of which were based on the letter of the POA dated August 19, 2021 are as follows:

| | 2025 (*) | 2024 (*) |
|---|---------------|---------------|
| Independent audit fees for the reporting period | 16,666 | 16,136 |
| Fees for tax advisory services | 1,287 | 1,202 |
| Restricted assurance services | 2,028 | 1,795 |
| | 19,981 | 19,133 |

(*) The fees above have been determined by including the statutory audit and other related service fees of all subsidiaries,

37. SUBSEQUENT EVENTS

Gembox Teknoloji Girişimleri A.Ş. a subsidiary of the Group, increased its paid-in share capital from a nominal amount of TRY 182,000 to TRY 490,000 by raising TRY 308,000 through the resolution adopted at the Extraordinary General Assembly Meeting held on 19 January 2026. The Group paid the capital increase amount in cash on 28 January 2026.