

ANADOLU ISUZU

(BIST: ASUZU)

6M2023 Earnings Release, August 08, 2023

(000 TL)	2Q2022	2Q2023	%	6M2022	6M2023	%
Net Sales	1,321,420	2,746,505	107.8%	2,255,074	5,024,298	122.8%
Gross Profit	320,183	828,497	158.8%	578,768	1,399,378	141.8%
EBITDA	174,504	588,249	237.1%	293,338	910,551	210.4%
Net Income (Loss)	145,589	329,918	126.6%	250,777	569,291	127.0%
Free Cash Flow	(210,584)	(251,536)	19.4%	(388,759)	(984,362)	153.2%
Gross Profit Margin	24.2%	30.2%		25.7%	27.9%	
EBITDA Margin	13.2%	21.4%		13.0%	18.1%	
Net Profit/Loss Margin	11.0%	12.0%		11.1%	11.3%	

FINANCIAL PERFORMANCE:

A - NET SALES

Net sales increased by 123% to TL 5.024 million in 6M2023, compared to same period last year. Domestic sales increased by 134% and export sales increased by 99% in the same period.

In 6M2023, domestic automotive market sales volume was 55% higher than last year, with 581k units. In 6M2023, domestic light commercial vehicle segment increased by 58% and in the heavy commercial vehicle market; the truck segment grew by 45%, the bus segment by 25% and the midibus market by 26%.

In 6M2023, 3.828 vehicles were sold in total, of which 3.246 in domestic market and 582 in export markets. Compared to same period last year, the Company's total sales volume increased by 41%.

Domestic Sales (Unit)	6M2022	6M2023	%
Truck	1,431	1,547	8.1%
Light-Truck	136	432	217.6%
Pick-Up	601	858	42.8%
Midibus	153	359	134.6%
Bus	16	50	212.5%
Total Domestic Sales	2,337	3,246	38.9%

Export Sales (Unit)	6M2022	6M2023	%
Export Sales	379	582	%53.6

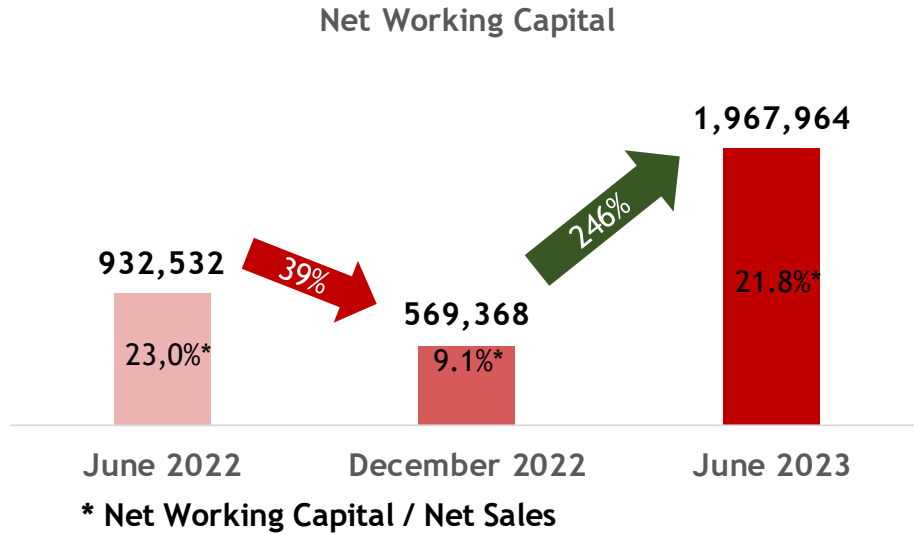
Total Sales	2,716	3,828	40.9%
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B - EBITDA

In 6M2023, EBITDA increased by %210 to TL 911 million and EBITDA margin increased by 512 basis points up to %18.1, compared to same period last year. (6M2022:13.0%).

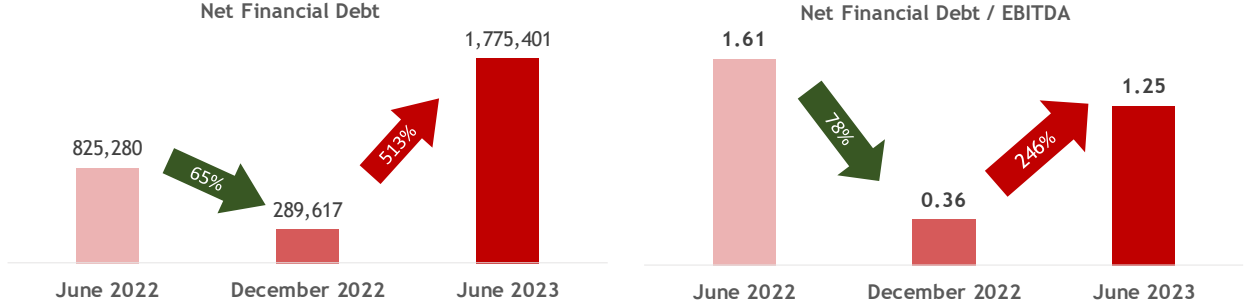
C - NET WORKING CAPITAL

As of June 2023, net working capital requirement realized as TL 1.968 million. Net Working Capital / Net Sales ratio, which was 9.1% at the end of 2022, increased to 21.8% in 6M2023. (6M2022 23.0%)



D - FINANCIAL DEBT

Net financial debt, which was TL 290 million at the end of 2022, increased to TL 1,775 million as of the end of June 2023 (6M2022: TL 825 million). The Company's Net Financial Debt/EBITDA ratio is 1.25 in the same period. (6M2022: 1.61 / 2022: 0,36)



RISKS

Exchange Rate Risk: Exchange rates followed a volatile trend according to the risks resulted from global macroeconomic indicators and the pandemic, in 6M2023. Although the net open position risk due to foreign currency-denominated assets and liabilities was € 71 million as of June 2023; the risk was closed to € 0.9 million short position, after the hedge operations carried out in order to mitigate the currency risk in the following periods.

Global Supply Chain Risks: Although prices of key raw materials (sheet metal, steel, copper, etc.) have declined in USD terms in recent months, they are still above pre-pandemic levels and continue to increase in TRY terms. Freight prices are almost close to pre-pandemic levels. However, although the supply problem in electronic parts is not at a high-risk level compared to the past, the lead times for some items are still long.

Our Company has been managing the volatility in raw material and freight prices with long-term contracts. Regarding the chip shortage, there is not an expected risk that will have a material effect in the financial statements, in the short-medium term.

Earthquake Risk: The possible effects of the earthquake that took place in Kahramanmaraş on February 6, 2023 which affected many provinces of Turkey, on the Company's activities and business continuity were evaluated by the Company Management; It does not have a material impact on the financial statements.

INVESTOR RELATIONS CONTACT INFORMATION

You may visit our website at www.anadoluisuzu.com.tr to reach the financial statements of the Company. You can contact us using any of the contact details below.

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