



LDR Turizm A.Ş.

**Realisation and Evaluation Report Prepared by the Audit Committee
Regarding the Assumptions Based on the Determination of the Public
Offering Price
(Regarding 12-Month Financial Statements for 2023)**

**Prepared in accordance with Article 29/5 of
the Capital Markets Board's Equity Communiqué numbered II-128.1**

1. Report Subject and Justification: This report, which includes evaluations on whether the assumptions taken as basis in determining the public offering price of LDR Turizm Anonim Şirketi ("Lider Filo" or "Company") have been realised or not, has been prepared by the Audit Committee in accordance with Article 29/5 of the Capital Markets Board's Equity Communiqué No. VII-128.1

2. Explanations: According to Article 29, Paragraph 5 of the Capital Markets Board's Communiqué on Shares No. VII-128.1, *"It is obligatory for the corporation, whose shares are offered to public for the first time, to prepare a report within ten business days following the public disclosure of its financial statements for two years following the commencement of trading of its shares on the stock exchange, including evaluations on whether the assumptions taken as basis in determining the public offering price have been realised, and if not, the reason thereof, and to publish the said report on the corporation's website and PDP. This obligation is fulfilled by the audit committee within the corporation. This obligation is fulfilled by the board of directors for the partnerships that do not have the obligation to establish an audit committee."* Pursuant to this provision, this report is prepared and disclosed to the public.

3. Methods Used in Price Determination Report:

The price determination report prepared by Tera Yatırım Menkul Değerler A.Ş., the intermediary for the public offering of the Company's shares, was published on the Public Disclosure Platform on 25.03.2022. In the Price Determination Report, the Company value and public offering price were determined as follows.

In order to determine the value per share of LDR Turizm A.Ş., the following valuation methods were analysed.

- Discounted Cash Flow (DCF) Analysis,
- Market Multiples Analysis, methods were used.

Discounted Cash Flow (DCF) Analysis

INA (Discounted Cash Flow) Analysis is a valuation method based on a company's ability to generate free cash flows. In this method, the value formed by discounting the free cash flows to the present and adding the cash position is accepted as the equity value of the company.

Cash flow projections are usually made for a period of 5 to 10 years and the terminal value (terminal value) is calculated based on the cash flow in the last year of the projection period. According to this method, the value of the company is determined by discounting the estimated future cash flows of the company with the weighted average cost of capital (WACC) and finally deducting the net financial debt.

In the price determination report, Lider Filo's income statement projection was made as follows:

EBITDA (TL)	2021E	2022E	2023E	2024E	2025E
Operating Lease Income	179.841.810	297.131.681	476.800.886	694.727.394	933.943.530
Second Hand Vehicle Sales Revenue	285.681.928	311.951.341	521.119.741	680.627.541	993.034.148
Other Income	10.777.571	16.342.242	26.224.049	38.210.007	51.366.894
NET SALES REVENUE	476.301.309	625.425.265	1.024.144.677	1.413.564.942	1.978.344.572
Car Hire Cost	-44.257.361	-73.121.284	-114.432.213	-166.734.575	-224.146.447
Cost of Vehicle Sales	-160.143.386	-151.280.339	-247.913.136	-367.341.511	-632.494.295
COST OF SALES	-204.410.346	-224.451.623	-362.395.349	-534.126.085	-856.690.742
GROSS PROFIT	271.890.963	400.973.642	661.749.328	879.438.857	1.121.653.830
<i>Change</i>	36,3%	47,5%	65,0%	32,9%	27,5%
<i>Gross Profit Margin</i>	57,1%	64,1%	64,6%	62,2%	56,7%

<i>Rental Income Gross Profit Margin</i>	75,4%	75,4%	76,0%	76,0%	76,0%
<i>2nd Hand Vehicle Sales Revenue Gross Profit Margin</i>	43,9%	51,5%	52,4%	46,0%	36,3%

<i>Operating Expenses</i>	-11.690.909	-18.485.897	-27.298.113	-36.387.626	-46.935.407
+ <i>Depreciation Expenses</i>	206.464	264.245	189.744	206.176	224.269
EBITDA	260.406.518	382.751.991	634.640.959	843.257.407	1.074.942.692
<i>Change</i>	36,2%	47,0%	65,8%	32,9%	27,5%
<i>EBITDA margin</i>	54,7%	61,2%	62,0%	59,7%	54,3%

EBITDA (TL)	2026E	2027E	2028E	2029E	2030E	2031E
Operating Lease Income	1.143.378.316	1.323.800.196	1.513.671.546	1.729.103.248	1.975.195.858	2.256.313.106
Second Hand Vehicle Sales Revenue	1.510.898.981	1.853.529.890	2.119.460.145	2.401.324.087	2.718.820.288	3.075.121.430
Other Income	62.885.807	72.809.011	83.251.935	95.100.679	108.635.772	124.097.221
NET SALES REVENUE	2.717.163.104	3.250.139.097	3.716.383.626	4.225.528.014	4.802.651.919	5.455.531.756
Car Hire Cost	-274.410.796	-304.474.045	-348.144.456	-397.693.747	-454.295.047	-518.952.014
Cost of Vehicle Sales	-	-	-	-	-	-
	1.087.591.952	1.386.350.231	1.617.006.621	1.836.178.748	2.078.953.049	2.353.826.275
COST OF SALES	-	-	-	-	-	-
	1.362.052.748	1.690.874.276	1.965.201.076	2.233.922.495	2.533.298.097	2.872.828.289
GROSS PROFIT	1.355.110.357	1.559.264.821	1.751.182.550	1.991.605.519	2.269.353.822	2.582.703.468
<i>Change</i>	20,8%	15,1%	12,3%	13,7%	13,9%	13,8%
<i>Gross Profit Margin</i>	49,9%	48,0%	47,1%	47,1%	47,3%	47,3%

<i>Rental Income Gross Profit Margin</i>	76,0%	77,0%	77,0%	77,0%	77,0%	77,0%
<i>2nd Hand Vehicle Sales Revenue Gross Profit Margin</i>	28,0%	25,2%	23,7%	23,5%	23,5%	23,5%

<i>Operating Expenses</i>	-56.377.046	-64.691.181	-73.303.066	-82.965.842	-93.911.822	-109.755.504
+ <i>Depreciation Expenses</i>	244.189	266.121	290.268	316.854	346.125	368.352
EBITDA	1.298.977.500	1.494.839.761	1.678.169.752	1.908.956.531	2.175.788.125	2.473.316.315
<i>Change</i>	20,8%	15,1%	12,3%	13,8%	14,0%	13,7%
<i>EBITDA margin</i>	47,8%	46,0%	45,2%	45,2%	45,3%	45,3%

For the purpose of discounted cash flow analysis, the Company's free cash flows have been calculated and discounted to their present value by discounting the free cash flows at the weighted average cost of capital (Free Cash Flows x Discount Rate).

HISTORICAL CASH FLOW										
TL	31.12.2022E	31.12.2023E	31.12.2024E	31.12.2025E	31.12.2026E	31.12.2027E	31.12.2028E	31.12.2029E	31.12.2030E	31.12.2031E
Net Sales	625.425.265	1.024.144.677	1.413.564.942	1.978.344.572	2.717.163.104	3.250.139.097	3.716.383.626	4.225.528.014	4.802.651.919	5.455.531.756
Annual Growth	31%	64%	38%	40%	37%	20%	14%	14%	14%	14%
Cost of Sales	-224.451.623	-362.395.349	-534.126.085	-856.690.742	-1.362.052.748	-1.690.874.276	-1.965.201.076	-2.233.922.495	-2.533.298.097	-2.872.828.289
Operating Expenses	-18.485.897	-27.298.113	-36.387.626	-46.935.407	-56.377.046	-64.691.181	-73.303.066	-82.965.842	-93.911.822	-109.755.504
OPERATING PROFIT (EBIT)	382.487.746	634.451.215	843.051.231	1.074.718.423	1.298.733.311	1.494.573.640	1.677.879.484	1.908.639.677	2.175.442.000	2.472.947.963
Ratio to Net Sales	61,2%	61,9%	59,6%	54,3%	47,8%	46,0%	45,1%	45,2%	45,3%	45,3%
Tax Rate	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%
Current Period Tax Expense	19.124.387	31.722.561	42.152.562	53.735.921	64.936.666	74.728.682	83.893.974	95.431.984	108.772.100	123.647.398
NOPAT (net operating profit after tax)	363.363.358	602.728.654	800.898.669	1.020.982.502	1.233.796.645	1.419.844.958	1.593.985.510	1.813.207.693	2.066.669.900	2.349.300.565
Cost of Vehicle Sales	151.280.339	247.913.136	367.341.511	632.494.295	1.087.591.952	1.386.350.231	1.617.006.621	1.836.178.748	2.078.953.049	2.353.826.275
Ratio to Net Sales	24,2%	24,2%	26,0%	32,0%	40,0%	42,7%	43,5%	43,5%	43,3%	43,1%
Investment Expenditure	-676.104.564	-1.160.403.287	-1.426.438.726	-1.650.873.305	-1.869.140.469	-2.116.268.127	-2.396.069.769	-2.712.865.398	-3.071.546.188	-3.477.650.002
Ratio to Net Sales	108,1%	113,3%	100,9%	83,4%	68,8%	65,1%	64,5%	64,2%	64,0%	63,7%
Amortisation	264.245	189.744	206.176	224.269	244.189	266.121	290.268	316.854	346.125	368.352
Ratio to Net Sales	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Change in Net Working Capital	-3.801.729	282.058	6.132.517	5.213.574	5.730.449	9.662.100	7.357.189	-25.102.881	1.702.515	1.984.706
Ratio to Net Sales	-0,6%	0,0%	0,4%	0,3%	0,2%	0,3%	0,2%	-0,6%	0,0%	0,0%
Free Cash Flow (FCF)	-164.998.351	-309.289.695	-251.859.853	8.041.336	458.222.765	699.855.283	822.569.818	911.735.016	1.076.125.401	1.227.829.895
Present Value of FCF	-138.913.795	-212.556.896	-141.290.405	3.682.357	171.284.609	213.547.209	204.881.338	185.371.192	178.599.594	166.341.175

Market Multiples Analysis

The market multiples method is based on analysing similar companies using appropriate market multiples. This method is based on the assumption that the fair value of the shares reflects the expected future earnings growth and the level of risk associated with it in an efficient and speculation-free environment.

In the multiplier analysis, it has been decided to use a stock exchange index directly related to LDR Turizm A.Ş. and/or domestic companies with the same field of activity, as well as the multiplier values of similar companies operating in areas such as automotive and transportation in order to provide diversity.

In addition, similar companies of different sizes and from different countries operating in a similar line of business with the Company abroad were tried to be selected.

In the calculation of comparable company multiples, in order to objectively determine the value of the Company, the multiples of Firm Value/EBITDA, Price Earnings Ratio (P/E), Market Value/Book Value (PD/BV) and Firm Value/Net Sales were preferred.

4. Valuation Result

Market Multiples and Discounted Cash Flow (DCF) Analysis were used in the valuation of LDR Turizm A.Ş., and the capital value of the Company reached 1.235.658.791 TL. According to the Company's current issued capital of 53.000.000 TL the unit share value before IPO discount corresponds to 23,31 TL.

VALUATION RESULT			
Valuation Method	Equity Value (TL)	Weight	Weighted Market Value (TL)
INA Analysis	1.069.142.211	50%	534.571.105
Multiplier Analysis	1.402.175.372	50%	701.087.686
CONCLUSION			1.235.658.791

Issued Capital	53.000.000
Price per Share (TL)	23,31
Public Offering Discount	20%
Company Market Value (TL)	988.450.000
Public Offering Share Price (TL)	18,65

The market capitalisation of the company after 20% public offering discount is calculated as 988.450.000 TL and the value per share of the public offering is calculated as 18,65 TL.

6. Conclusion: Estimation and Realisation Data

The realisation table for the income and cash flow projections described above in the price determination report is given below:

Million TL	2023 Full Year (Forecast)	2023 Full Year Realised	Annual Realisation Rate (%)
Revenue	1.024,1	1.773,4	173,2%
Cost of Sales	362,4	1.194,5	329,6%
Gross Profit	661,7	578,9	87,5%
Operating Expenses (*)	27,3	60,8	222,7%
EBITDA (**)	634,5	531,9	83,8%
Net Profit	602,7	607,7	100,8%

(*) Operating Expenses=General Administrative Expenses + Marketing, Sales and Distribution Expenses

(**) EBITDA=Gross Profit - Operating Expenses + Depreciation and Amortisation Expenses

As can be seen in the table above, in terms of revenue and net profit, the Company performed above the cash flow projections for the year 2023 (173,2% and 100,8% respectively), which were taken as a basis in determining the IPO price, while gross profit and EBITDA figures were below the projections (87,5% and 83,8% respectively) due to higher than expected cost of sales and operating expenses. However, it should be noted that inflation accounting has been applied to the 2023 realization figures in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies, whereas the revenue and cash flow projections in the valuation report were not prepared in accordance with TAS 29.

As it is known, in order to make the necessary adjustments in the financial statements in accordance with TAS 29, assets and liabilities were first separated into monetary and non-monetary, and non-monetary assets and liabilities were further separated into those measured at current value and those measured at cost. Monetary items (except for those linked to an index) and non-monetary items measured at their current values at the end of the reporting period are not subject to inflation adjustment since they are currently expressed in terms of the measuring unit current at 31 December 2023. As at 31 December 2023, non-monetary items that are not expressed in terms of the measuring unit current at 31 December 2023 are restated for inflation by using the relevant coefficient. Where the inflation-adjusted value of a non-monetary item exceeds its recoverable amount or net realisable value, the carrying amount is reduced by applying the relevant TFRS.

Therefore, it is useful for our investors to interpret the above-mentioned comparison by taking into account the effect of inflation accounting.

Sincerely,
LDR Turizm A.Ş.

Prof. Dr Çağrı ERHAN
Chairman of the Audit Committee

Prof. Dr. Saim KILIÇ
Audit Committee Member