

March 15, 2024

## KOÇ HOLDING POSTED 54,5 BILLION USD IN CONSOLIDATED REVENUE IN 2023 AND MADE COMBINED INVESTMENTS OF 3,7 BILLION USD

- Koç Holding posted a total of 54,5 billion USD in consolidated revenue in 2023.
- The same year, Koç Holding made combined investments amounting to 3,7 billion USD, reaching a total of 11,2 billion USD of combined investment over the last 5 years.
- Koç Holding CEO Levent Çakıroğlu said “In line with the trust we place in our country and our global vision that carries our Group to the future, we pursue our investments with determination. We will continue to make our best efforts to create value for all our stakeholders.”

While posting a total of 54,5 billion USD in consolidated revenue in 2023, Koç Holding made combined investments amounting to 3,7 billion USD, hence reaching a total of 11,2 billion USD in combined investments over the last 5 years.

Assessing the financial results of the year 2023, Koç Holding CEO Levent Çakıroğlu stated “We left behind a year seeded with worries of a recession, ongoing wars in our region, a devastating natural disaster in our country and uncertainties. However, in that challenging year too we have seen the benefits of managing our balance sheets, cash flow and liquidity with discipline. Our prudent management, solid business strategies and the devoted efforts of our colleagues allowed us to pursue our successful financial performance.” Levent Çakıroğlu emphasized that Koç Group continues its investments with resolve in line with the trust placed in the country and the global vision that carries the Group to the future, also affirming that it will press ahead with efforts to continue creating value for all stakeholders.

Affirming how proud and thrilled the Group is to have been celebrating, last year, the centennial of the Republic of Turkey granted by the Great Leader Mustafa Kemal Atatürk, Çakıroğlu expressed “As a Republican institution that pioneers the economic implementation of the Republican vision, we bear the tremendous responsibility of always achieving better. What a joy it is to see that our Group, that will also be 100 years old in 2 years, does not only glorify our Republic through its domestic activities, but also with its successes all around the world.”

### **Levent Çakıroğlu: “We are taking strategic steps both at home and abroad.”**

Explaining the resilience of Koç Holding in the face of risks thanks to its balanced portfolio structure and healthy balance sheet, Çakıroğlu mentioned that as a Group with a growth vision on the global scale, the Holding is taking strategic steps both in Turkey and overseas.

Çakıroğlu observed that the increase in availability in the automotive industry over the last year, the contributions of macroeconomic dynamics and the boom in domestic demand all had positive effects on companies. Indicating that **Ford Otosan** continues its investments in new vehicles as the leading electric commercial vehicle manufacturer in Europe, Çakıroğlu underlined that Turkey has been the champion in goods export for eight consecutive years, and he continued: “Ford Otosan commissioned the new Transit Custom at the Yeniköy Plant as part of its 2 billion EUR investment plan. Furthermore, the new generation Ford Transit Courier and Tourneo Courier were rolled off the

line at the Craiova Plant in Romania. Following the framework agreement signed with Stellantis Group in March 2023, **Tofaş** signed a purchase agreement in July for the production and sale of the light commercial and 'Combi' versions of the new 'KO' model for four brands, as well as the distributorship and commercial activities of the Stellantis brands in Turkey. The approval of the Turkish Competition Authority is awaited for the completion of the process. Additionally, Tofaş extended its leadership in the Turkish automotive market for the fifth year in a row with its brand FIAT. **TürkTraktör** broke both production and export records, while **Otokar** became the leader in the Turkish bus and midibus market for the 15<sup>th</sup> time."

Çakiroğlu reminded that, taking an important step in its global growth journey, **Arçelik** signed a partnership agreement with Whirlpool, one of the world's leading home appliance manufacturers, bringing together its production, sales and marketing subsidiaries in Europe. Çakiroğlu stated that Arçelik would become the dominant shareholder with 75 per cent in the new structure to be formed with this strategic move and that **Koç Holding** will hence strengthen its position as one of the most important players in the European and global white appliances market.

Çakiroğlu noted that **Tüpraş** continued to meet domestic demand with its high capacity utilisation rate in the energy sector. Commenting on the financial sector, Çakiroğlu said "Continuing to diversify its funding sources, **Yapı Kredi** provided approximately 4.1 billion USD of funding to our country through products such as syndication, securitisation, bond issuance and bilateral loans."

#### **Levent Çakiroğlu: "We continue working on portfolio optimisation."**

Affirming "As part of our portfolio optimisation efforts, we completed the sale of Tat Gıda to Memişoğlu Group at the beginning of 2024," Levent Çakiroğlu added that the Group makes a point of developing businesses in new areas and adjacent sectors where it can gain competitive advantage with its existing competencies. Pointing out that healthcare services transform and grow with technology, Çakiroğlu said "We established **Koç Yaşa** with the mechanical ventilator we produced and the high-flow oxygen therapy device we developed during the pandemic. **Koç Medical BV**, which operates in the field of health technologies and owns 100 per cent of the shares of Koç Yaşa, expanded its product range and export markets by acquiring the medical device company Bıçakçılar last year. Moreover, we believe that the contract we signed to acquire 80 percent of Kemer Medical Centre, which operates in the private hospital management sector in Antalya, will contribute to our growth in the health sector."

#### **Levent Çakiroğlu: "We pursue our renewable energy investments at full pace."**

Çakiroğlu reminded that the Holding launched the Carbon Transformation Programme 3 years ago in order to manage its transition to a low carbon economy more systematically in the scope of its goal to become carbon neutral in 2050, and he stated that the Group pursues its renewable energy investments at full pace. Çakiroğlu said "**Entek** acquired the Kınık Wind Power Plant in Izmir last year and reached an installed capacity of 492 MW. Within the scope of the self-consumption project managed by Entek, we have obtained a capacity of 316 MW of renewable energy investment on behalf of our Group companies." Observing that the Group emphasizes investments in the area of green hydrogen, as it is an intermediary for the storage and transport of renewable energy, Çakiroğlu declared "Last year, we announced that **Ford Trucks** would be developing the hydrogen-powered F-MAX as part of the Horizon Europe project. **Otokar** has produced the prototype of KENT Hydrogen, the first bus with a hydrogen fuel cell. Already using hydrogen in its refinery processes, **Tüpraş** is the largest hydrogen producer in Turkey. We have thus founded the Hydrogen Technologies Centre at **Koç University**, one of the greatest values granted to our country by the Vehbi Koç Foundation."

**Levent akirođlu: “We are continually at our people’s side in Hope Cities”**

akirođlu went on to indicate that Ko Group's social development-oriented activities set an example for its stakeholders and concluded his words saying “More than a year has passed since February 6, 2023 when we suffered one of the most devastating natural disasters in our country’s history. We are continually at our people’s side in Hope Cities housing 20 thousand people and that we established in Adiyaman, İskenderun, Hatay, Kahramanmaraş and Malatya in cooperation with AFAD by mobilizing our Group’s manpower, supply and logistics resources. We pursue our work in cooperation with public institutions and non-governmental organisations in Hope Cities which stand out with their accessible and inclusive units that prioritise the needs of children, youth and women, as well strengthening employment and economic participation. We also use the resources created in the **Vehbi Ko Foundation Disaster Fund** for social benefit via donations of our colleagues and their multiplication by our Group companies. In this context, we carry out activities that support children between the ages of 0-18 and give them the opportunity to realise their potential.”