

March 14, 2022

KOÇ HOLDING VICE CHAIR OF THE BOARD AND FORD OTOSAN CHAIR OF THE BOARD ALİ Y. KOÇ:

“WE ARE STRIVING WITH INCREASED EFFORTS, EMPOWERED BY OUR STRONG BELIEF IN OUR COUNTRY AND LEAD THE WAY WITH STRATEGIC MOVES AND HISTORIC INVESTMENTS IN THE TRANSFORMATION OF THE AUTOMOTIVE INDUSTRY.”

Ali Y. Koç, Koç Holding Vice Chair of the Board and Ford Otosan Chair of the Board, commented on the two major investments aiming to improve Turkey's competitiveness in the automotive industry, announced today by Koç Holding and Ford Otosan simultaneously. Ali Y.

Koç stated that an agreement has been reached with Ford to incorporate Ford's Craiova, Romania factory into Ford Otosan, and a non-binding memorandum of understanding was signed between Ford Motor Company, SK On Co., Ltd. and Koç Holding to join the battery production investment. Ali Y. Koç said, “Despite the uncertainties the world is facing, I would like to once again emphasize that we are striving with increased efforts, empowered by our strong belief in our country. In a period of such extraordinarily challenging conditions, we are proudly announcing the largest automotive investments in our history consecutively, and leading the transformation of the automotive industry in Turkey. Last year, together with our President, we have announced an investment that will make Ford Otosan Kocaeli Plant, Turkey’s first and only electric vehicle integrated production facility including batteries, while highlighting it as a forward-looking strategic move. Ford Otosan continues to make our country and Koç Group proud with achievements that affirm this approach, becoming an international manufacturing company by taking a responsibility in production in Romania, and consolidating its position as Europe's largest commercial vehicle production center. The agreement signed by Koç Holding, Ford and SK On Co., Ltd will go down in history as the first step of the investment that will provide Turkey with a very significant global competitive advantage in battery production. I would like to sincerely thank The Presidential Investment Office, The Ministry of Industry and Technology, and our esteemed Minister for their guidance and support throughout this process. I am proud of all of my colleagues who made these achievements possible and would like thank them all.”

Ford Otosan, one of the most valuable companies traded on Borsa İstanbul and Turkey’s export champion, has announced that it had reached an agreement with Ford to incorporate Ford's Craiova, Romania factory into Ford Otosan. For its part, Koç Holding has also announced that, in line with its ongoing explorations of potential opportunities in the automotive industry, it had signed a non-binding memorandum of understanding with Ford Motor Company and SK On Co.,

Ltd. concerning the Koç Group's participation in a planned Ankara-based joint venture to make electric vehicle batteries.

Ali Y. Koç: "Our aim is to increase Turkey's competitiveness in the automotive industry."

Noting that they continue to announce the biggest automotive investments in Koç Group's history, Ali Y. Koç said: "Increasing Turkey's competitiveness in the automotive industry, transforming our country into a global hub and making Turkey as one of the leading countries are among our biggest objectives. In March 2021, together with our esteemed President, we announced the first phase of Ford Otosan's decade-long investment in Next-Gen all-electric, fully-connected, commercial vehicles at an investment cost of 20.5 billion TL, our country's biggest-ever investment in the automotive industry. Afterwards, we showed off a transmission that had been designed and developed here in Turkey by Ford Otosan engineers at an investment-cost of 58 million Euros. And today, we are all excited and proud again. In a period of such extraordinarily challenging conditions, we are proudly announcing the largest automotive investments in our history consecutively, and leading the transformation of the automotive industry in Turkey with strategic moves."

Highlighting that the takeover of Ford's Craiova plant in Romania will make Ford Otosan an international manufacturer, Ali Y. Koç also said: "We'll be increasing our contributions to the Turkish economy through this investment, while continuing to work on advanced technologies that will give us a global competitive advantage. This investment will further cement our position as Europe's biggest commercial vehicle production base. A Next-Gen Courier along with an all-electric version of it, both fully designed and engineered by Ford Otosan, will be manufactured at the Craiova plant, which will also be producing the Ford Puma, an all-electric version of it, and 1.0L EcoBoost engines."

Ali Y. Koç: "This memorandum of understanding will go down in history as the first step of the investment that will provide Turkey with a very significant global competitive advantage in battery production."

Emphasizing that the Koç Group also keeps a close watch on opportunities in the automotive industry, Ali Y. Koç said: "Our strong, nearly century-old cooperation with our partner Ford also gives rise to forward-looking strategic investment opportunities as well. A non-binding memorandum of understanding has been signed with Ford Motor Company and SK On Co., Ltd. concerning the Koç Group's participation in a planned Ankara-based joint venture to make EV batteries. Besides being proof of our group's and our business partners' confidence in Turkey, this move will go down in history as the first step of the investment that will provide Turkey with a very significant global competitive advantage in battery production. Our belief in this project is further reinforced by the Koç Group's strengths in the automotive industry, its leading position in domestic and international markets, by Ford's confidence in us and in our country, and by SK On Co., Ltd.'s deep-rooted experience."