



KAMUYU AYDINLATMA PLATFORMU

FORD OTOMOTİV SANAYİ A.Ş. Non-current Financial Asset Acquisition

Summary

Fulfillment of purchase of Romania SRL shares and agreements signed for the product range, including new products to be produced in Romania

Noncurrent Financial Asset Acquisition

Related Companies

Related Funds

Noncurrent Financial Asset Acquisition	
Update Notification Flag	Evet (Yes)
Correction Notification Flag	Hayır (No)
Date Of The Previous Notification About The Same Subject	14.03.2022
Postponed Notification Flag	Hayır (No)
Announcement Content	
Board Decision Date for Acquisition	14/03/2022
Were Majority of Independent Board Members' Approved the Board Decision for Acquisition	Yes
Title of Non-current Financial Asset Acquired	Ford Romania SRL
Field of Activity of Non-current Financial Asset whose Shares were being Acquired	Production of motor vehicles and their parts
Capital of Noncurrent Financial Asset	After the capital increase 2.092.303.712 LEI
Acquirement Way	Satın Alma (Purchase)
Date on which the Transaction was/will be Completed	01.07.2022
Acquisition Conditions	Diğer (Other)
Detailed Conditions if it is a Timed Payment	According to the contract, first installment has been calculated and paid as 406 million Euros after taking into consideration net debt, net working capital and Next Generation Courier investments based on estimated 30.06.2022 financial statements. EUR 196 million will be paid including interest in June 2025 and EUR 23 million will be paid including interest in December 2028 and also depending on the expected capacity utilization rate of the Romania plant for the years 2028-2034 an additional payment of up to EUR 140 million can be made. In addition, the final price adjustment will be made according to the financial statements dated 30.06.2022, which are finalized by the end of the year.
Nominal Value of Shares Acquired	2.092.303.712 LEI (approx. EUR 423 million)
Purchase Price Per Share	For shares with a nominal value of EUR 1; EUR 1.48 - EUR 1.81, including interest, depending on the final amount payable in 2028 and closing adjustment
Total Purchasing Value	Depending on the final amount to be paid in 2028 and the closing adjustment, EUR 625 million to EUR 765 million will be paid, including interest.

Ratio of New Shares Acquired to Capital of Non-current Financial Asset (%)	100
Total Ratio of Shares Owned in Capital of Non-current Financial Asset After Transaction (%)	100
Total Voting Right Ratio Owned in Non-current Financial Asset After Transaction (%)	100
Ratio of Non-current Financial Asset Acquired to Total Assets in Latest Disclosed Financial Statements of Company (%)	22-27%
Ratio of Transaction Value to Sales in Latest Annual Financial Statements of Company (%)	15-19%
Effects on Company Operations	Expanding the fields of activity of Ford Otosan by starting production abroad
Did Takeover Bid Obligation Arised?	Hayır (No)
Will Exemption Application be Made, if Takeover Bid Obligation Arised?	Hayır (No)
Title/ Name-Surname of Counter Party	Ford Capital B.V.
Is Counter Party a Related Party According to CMB Regulations?	Evet (Yes)
Relation with Counter Party if any	The seller is a fully owned subsidiary of Ford Motor Company, one of the main shareholders of Ford Otosan.
Agreement Signing Date if Exists	14/03/2022
Value Determination Method of Non-current Financial Asset	It was determined by bargaining between the parties .
Did Valuation Report be Prepared?	Düzenlendi (Prepared)
Reason for not Preparing Valuation Report if it was not Prepared	-
Date and Number of Valuation Report	11/03/2022
Title of Valuation Company Prepared Report	DRT Kurumsal Finans Danışmanlık Hizmetleri A.Ş. (Deloitte)
Value Determined in Valuation Report if Exists	EUR 701- 860 million
Reasons if Transaction wasn't/will not be performed in Accordance with Valuation Report	The transaction was carried out in accordance with the results in the valuation report.
Explanations	

Following the disclosure dated 14.03.2022, conditions set forth in the share purchase agreement for the purchase of Ford Romania shares by Ford Otosan Netherlands BV are fulfilled.

First installment has been calculated as 406 million Euros after taking into consideration net debt, net working capital and Next Generation Courier investments based on estimated 30.06.2022 financial statements. Price will be further adjusted to final figures after reconciliation of 30.06.2022 financial statements by the end of the year.

Closing transaction has been completed after the first installment of 406 million Euros was paid by Ford Otosan Netherlands BV using the emission premium payment made to Ford Otosan Netherlands BV. In addition, with the unanimous approval of all board members, as well as the Production and Supply and Spare Parts Supply agreements for Courier, Puma and EcoSport models and engines with Ford Romania SRL, Ford Motor Company and related Ford Group companies, Technology and Production License Agreements have been signed with Ford Motor Company for these products. Within the scope of these agreements, the total annual production capacity of Craiova Plant will increase to 272k and according to the production plan, the Next Generation Courier and Puma production can rise up to 100k and

189k units respectively. The total annual Engine production capacity is determined to be 350K units. With respect to supply agreements, Ford Otosan is planning to incur 490 million EUR within next three years for capital expenditures and engineering expenditures for the production of the next generation Courier, which will start in 2023.

A significant portion of the manufactured vehicles will be sold to Ford Motor Company or subsidiaries and the transfer price will be calculated with cost plus methodology through which investment cost will be reflected to Ford Motor Company.

Under the Article 10 of the CMB's Communiqué on Corporate Governance Series: II-17.1 ("Communiqué"), Since the ratio of the amount of widespread and continuous transactions to be realized within the scope of the said agreements is foreseen to go beyond 10% threshold of annual revenue figures, information about the report prepared in accordance with the Communiqué on the terms of transactions and their comparison with market conditions will be disclosed separately.

Any material developments with respect to this disclosure will be further shared with the public.

This statement has been translated into English for informational purposes. In case of a discrepancy between the Turkish and the English versions of this disclosure statement, the Turkish version shall prevail.

We proclaim that our above disclosure is in conformity with the principles set down in "Material Events Communiqué" of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we're personally liable for the disclosures.