

# **OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.**

## **New Business Relation**

### **Summary**

Collaboration and Signing the Supply Contract with IVECO

## New Business Relation

### Related Companies

### Related Funds

New Business Relation	
Update Notification Flag	Hayır (No)
Correction Notification Flag	Hayır (No)
Date Of The Previous Notification About The Same Subject	-
Postponed Notification Flag	Evet (Yes)
Announcement Content	
Nature Of The Other Party With Which New Business Relation Will Start	Müşteri (Customer)
Name Surname Or Company Title Of Customer Or Supplier	Iveco S.p.A.
If Exists Share Of Customer Or Supplier In Net Sales Or Cost Of Goods Sold On Latest Disclosed Profit Or Loss And Other Comprehensive Income Statement Of Company	-
If Exists Share Of Customer Or Supplier In Trade Receivables Or Debts On Latest Disclosed Statement of Financial Position Of Company	-
Expected Starting Date Of New Business Relation	25/02/2020
If Exist Significant Provisions Of The Contract	Stated in Additional Disclosure Section
Impact Of New Business Relation On Company Activities	Production and sales of our company will be positively affected.
Explanations	

Collaboration and supply contract was signed between our Company and the commercial vehicle manufacturer IVECO S.p.A (i) for the production of buses in IVECO's existing product range at Otokar's facilities for IVECO BUS, and (ii) for the portfolio extension of IVECO BUS range in synergy with our products, manufactured in our facilities.

The contract period is for 5 years automatically renewed for 5 more years.

In accordance with the conditions in the contract more than 5,000 vehicles are foreseen for the first term of the contract, however the final quantity units will be formed according to the developments in the market.

The production is planned to start at the end of 2021 after the completion of production line preparations at the Otokar production facilities.

The parties will jointly invest approximately 26 million Euros related to this project.

The authority that the Board of Directors of our company had given to General Management of our company with the meeting held on 10.11.2017 and decision number 2017/18, General Management has decided according to article 6 of Material Events Communiqué that disclosure of preliminary agreement (MoU- Memorandum of Understanding) dated 27.12.2019 to be postponed. Postponement of the Material Event Disclosure was decided, in order not to damage the competitive power of our company by informing our competitors before the final agreement conditions in the project that carried out with IVECO and in order not to negatively affect our bargaining power in negotiations with IVECO as well as to support our company's legal rights. In the current situation, due to the disappearance of postponement reasons, a statement is made on the particular subject.

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.