



Ford Smart Mobility and Zotye to Form EV Solutions JV for China's Fast-Growing Ride-Hailing Market

- Ford Smart Mobility LLC and Zotye sign a memorandum of understanding (MOU) to establish a joint venture (JV) to provide smart, customized all-electric vehicle solutions to fleet operators and drivers in China's fast-growing ride-hailing market

- Working closely with the Zotye-Ford manufacturing JV, which will offer a range of stylish and affordable all-electric vehicles under a new indigenous brand, pending regulatory approval, the new mobility JV will be located in Zhejiang and initially focus on the ride-hailing market in Zhejiang province

- Service offerings provided by the JV will include all-electric vehicle leasing, data-driven fleet management solutions, in-vehicle digital services, connectivity and vehicle customization

- Each company will provide 50 percent of the JV's registered capital of US\$20 million

SHANGHAI, May 2, 2018 – Ford Smart Mobility LLC and Zotye Auto today signed an MOU to establish a new 50:50 JV that will focus on providing smart, customized all-electric vehicle solutions to fleet operators and drivers in China's fast-growing ride-hailing market. Ford Smart Mobility LLC is a Ford Motor Company subsidiary formed to design, build, grow and invest in emerging mobility services.

Many operators in China's ride-hailing market are looking to expand their fleets with electric vehicles. According to Boston Consulting Group, the local 'e-hailing' market is expected to grow by 19 percent annually through 2022, with an overall fleet size potentially reaching up to 26 million¹.

The new mobility JV will work closely with the Zotye-Ford manufacturing JV, which will build a range of stylish and affordable all-electric vehicles for consumers in China under a new indigenous brand, pending regulatory approval.

"As people and cities across the world increasingly adopt new mobility services, we also need to work together to ensure these services are solving key issues such as accessibility and air quality versus adding to them," said Marcy Klevorn, executive vicepresident and president of mobility, Ford Motor Company. "By providing smart-enabled electric vehicles for the ride-hailing market, this new mobility joint venture will be a key part of the solution for China's cities."

The Zotye-Ford mobility JV will provide ride-hailing fleet operators and drivers with all-electric vehicle leasing services, data-driven fleet management solutions, in-vehicle digital services, connectivity and vehicle customization.

The new JV will be located in Zhejiang province and initially focus on the ride-hailing market in Zhejiang, with plans to soon expand to other provinces. It will have registered capital of US\$20 million, with each company contributing 50 percent.

Zotye is one of the leading brands in China's all-electric small vehicle segment and was one of the first automakers to produce all-electric passenger vehicles in the country. The company sold around 36,000 all-electric vehicles in 2017.

"We are delighted to have signed this MOU today to develop smart mobility solutions for cities in China," said Ying Jianren, chairman of Tech-New Group Ltd. and board director of Zotye Auto. "This underlines the strength of the relationship between Zotye and Ford, and we look forward to working even closer in the future to provide EV fleet management support for ride-hailing services through this JV."

As part of Ford's commitment to building smart vehicles for a smart world, and to pave the way for a future of V2X and autonomous vehicles, the new JV will also engage with local governments and cities to support the development of integrated transportation solutions covering data connectivity and software systems to improve traffic flow, reduce congestion and enhance the commuter experience.

"Last year, our two companies agreed to explore mobility services together to solve emerging transportation challenges for Chinese customers," said Peter Fleet, Ford group vice president and president, Ford Asia Pacific. "With today's announcement, this takes us one step further to offering smart services, connected electric vehicles and data-driven solutions to make China's urban centers cleaner and journeys more efficient and enjoyable."

1 The 26 million includes both full-time and part-time ride hailing vehicles

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