

Dear Shareholders and Stakeholders,

As also disclosed in our announcement made on June 21st on the Public Disclosure Platform in relation to our investment in USA, as part of our transparent and equal disclosure communication principles and considering the inquiries received, we continue to share information on this very important step which we believe will have significant value-add to our operations.

As you are well aware of, the flagship company of Şişecam Chemicals Division, namely Soda Sanayii A.Ş. is globally the 7th largest synthetic soda ash producer with its production capacity of 2.4 million tonnes in a total of three countries. You may recall from our earlier discussions that for a long while, we had been looking for opportunities of partnerships, M & As or other types of investments towards a sustainable growth of operations as it was not possible to increase capacity in our current facilities due to physical barriers despite our strong financial position and high liquidity.

While 75% of the global soda ash production is synthetic, remaining 25% is natural and it is a well-known fact that global competition will increase severely as the natural soda production capacity increases which has lower production cost compared to synthetically produced one. Besides, as part of the industry dynamics, capacity increases in synthetic soda is at marginal levels contrary to higher capacity production capabilities of natural soda. Expectations such as demand growth in soda globally to be higher than the production capacity growth, an average annual growth rate of 2% in the most important two sectors, namely glass and detergents that soda is a raw material for and while demand growth rate in India, South America and Africa is to be above the global average, still China, Europe and North America consuming more than 70% of the global soda ash have encouraged us to direct our investments towards natural soda.

One of the most important reasons of this joint production investment decision in Wyoming, USA in addition to our market related expectations, higher profitability levels in the production of natural soda versus synthetic soda is the know-how and experience of our partner Ciner Group, number one natural soda ash producer globally. As you know, Şişecam Chemicals division has already been in a similar partnership with another world leader, Solvay, in synthetic soda ash production for many years successfully.

Some of our numeric expectations in relation to this partnership which will be jointly managed, financed with equal share of product output are as follows:

- **Capex:** Total capex of this investment is expected to be close to \$ 2 billion. This amount is expected to be financed by 20% equity and 80% financing, equally split among the partners. Our share of capex is expected to be mainly spent between 2021-2023 period, approximately \$ 200-250 million on average per annum, therefore any disbursement of financing is not expected to take place before 2021 in parallel to the heavy capex period. Contemplated financing is expected to be structured with a grace period during this period and then amortizing over the course of 10 or more years. As the investment amount during the initial phase of 2019-2021 is minimal, mainly related to obtaining of the relevant legal permissions for the investment, it is planned to be financed via equity that both partners would be putting into the project.

- **Revenue and EBITDA Impact:** As the investment is planned to be completed by 2024, our share of 1.25 million tonnes of natural soda and 100k tonnes of sodiumbicarbonate production are planned to be sold in the US market as well as exported to the near geographies , hence revenue and cash flow stream to be generated witin 2024. Although global soda ash prices are expected to increase in the coming period, with a conservative approach of taking current global prices into our projections, once full capacity production is attained, we expect a topline lifting impact of \$ 300 million per annum when consolidated into Soda Sanayii and ultimately to Şişecam revenues. With lower cost of production compared to synthetic soda ash, we expect this investment to generate 250-300 bps higher EBITDA margin than our currenct soda ash operations. With these assumptions,we expect the IRR to be 13-15% with a payback period of 6-7 years.

We would like to highlight that as the capex is quite low especially during the 2019-2021 period, we do not foresee a change in our dividend policy throughout this investment; additionally, upon completion of this investment, Şişecam aims be among the top 5 soda ash producers globally.

We would like to reiterate that we will be providing you with updates in relation to the developments throughout the investment period. In the meantime, please do not hesitate to reach out to our Investor Relations team at sc_ir@sisecam.com with any questions you may have.

Sincerely,

IR Team