

## Announcement regarding Merger Process

As announced on January 30<sup>th</sup>, Şişecam intends to simplify its legal and shareholding structure by merging with its 4 listed subsidiaries and Paşabahçe. Şişecam believes that this simplified structure will consolidate its position as a global player in the glass manufacturing sector and drive further growth.

We have today submitted our formal application to the Capital Markets Board who will conduct a thorough review of our proposal. We expect a decision by the end of the first half of July, at the latest.

We will be hosting a Webcast Call on Tuesday, April 28 at 17:00 in Istanbul time where we will discuss the transaction in more detail, but the key highlights are below:

- This transaction will create a single stock with greater appeal to both local and international investors, which will better-position Şişecam to build a strong reputation on the global stage.
- It will positively impact Şişecam's (SISE) valuation and create long-term, sustainable value growth for investors
- It will allow us to optimize operating costs, unlock synergies between business units, and centralize revenue generation leading to higher operating profit
- The Expert Valuation Report, produced by PwC, has now been submitted. With the COVID-19 pandemic severely disrupting markets, PwC recalculated its projections and updated assumptions to reflect the impact of the pandemic on our companies and subsidiaries across the different markets
- The Conversion Rates were finalized as:

	Value of Shares Subject to Merger (TL Million)	Conversion Rates
SISE	18.093	1,00000
TRKCM	1.917	0,67615
ANACM	1.156	0,88239
PASAB	5	0,53423
DENCM	20	0,33089
SODA	3.450	1,15997

- The methodology to calculate the total share values was a mixture of the DCF, relative value, book value and market value. Weighing them 30%, 30%, 20% and 20% respectively
- This transaction will increase Şişecam's Share Capital by TL 814 Million, taking the Total Share Capital to TL 3.064 Million
- İş Bank will hold c. 51% of Şişecam shares, whilst the free float will increase 21 percentage points to c. 43%

- Exit Rights below, calculated with respect to the existing Communiqué, are the arithmetical mean of corrected weighted average prices quoted in the stock exchange within thirty days prior to the date of first disclosure of transaction to public, excluding the date of disclosure

TL/Share	Exit Rights
SISE	5,27
TRKCM	3,47
ANACM	4,46
PASAB	-
DENCM	8,85
SODA	6,39

- An official announcement will be made, should the Amended Communiqué, of which the draft version was published on March 16<sup>th</sup>, would point out to a different calculation methodology, hence changes on the above exit rights

We look forward to discussing these points in more detail with you on the webcast.

#### **WEBCAST CALL PARTICIPATION DETAILS**

**Event Name:** T. ŞİŞE VE CAM FABRİKALARI A.Ş. Merger Update Webcast Call

**Event Date:** April 28, 2020 – Tuesday

#### **Dial-in Info**

Turkey English Toll: +902123755128 (Direct)  
 UK English Toll-Free: 08082389671 (Direct)  
 UK English Toll: +442030092476 (Direct)  
 USA English Toll: +16467224914 (Direct)  
 Turkey Toll: +902123755127

**PIN: 55206537#**

Registration link that gives participants access to the live event;

<https://event.onlineseminarsolutions.com/eventRegistration/EventLobbyServlet?target=registration.jsp&partnerref=rss-events&eventid=2295940&sessionid=1&key=0B3F31468DB8B904025AFED5BD35343D&regTag=&sourcepage=register>