

*Explanations provided in this section are for general information and to help in the understanding of the merger transaction, in which Türkiye Şişe ve Cam Fabrikaları A.Ş. (“Şişecam”) will acquire Anadolu Cam Sanayii A.Ş. (“Anadolu Cam”), Denizli Cam Sanayii ve Ticaret A.Ş. (“Denizli Cam”), Paşabahçe Cam Sanayii ve Ticaret A.Ş. (“Paşabahçe”), Soda Sanayii A.Ş. (“Soda Sanayii”) and Trakya Cam Sanayii A.Ş. (“Trakya Cam”).*

*The information is provided according to the regulation applicable as of the date of the explanation (II-23.1 Communiqué on Common Rules for Transactions of Critical Importance and Exit Rights). Therefore, if any change occurs in the regulation or practices related to this matter, or detailed information is presented specific to the issue/transaction, our explanations may become invalid, or may change. Considering that our explanations in this text are provided with the purpose to provide preliminary information on the inquiries, none of our replies are comprehensive, complete, definite or detailed, and additional issues may arise upon the presentation of more information. Information provided within the text is not legally binding and does not include any suggestion or evaluation of the probable commercial or technical outcomes of a specific transaction or arrangement. Therefore, the information provided does not contain any recommendation and does not constitute a legal opinion.*

*Şişecam is not liable for the explanations provided in this text. Şişecam cannot be held liable for the practices and differences of opinion to arise due to the changes in the legal regulations that are not in force, and/or that cannot be foreseen as of the date of the related explanations. No claims can be made against Şişecam because of any transaction carried out in consideration of the information and explanations in this text. Before taking action in any regard, the related parties are recommended to obtain professional help and legal opinion from the experts in this matter.*

### **1- What are Exit Rights?**

***This is an optional right granted by the law, which emerges at the time of a company's transaction of critical importance, and which enables the shareholders to sell their shares back to the company, in a way to protect their financial interests prior to the disclosure of the transaction.***

Exit Rights are regulated in article 24 of the Capital Markets Law numbered 6362. The text of the article reads as follows:

*"(1) Shareholders who/which have attended the general assembly meeting on the transactions of critical importance stated in article 23, and who/which have cast a negative vote and had their dissenting opinion recorded in the meeting minutes are entitled to exit rights. Considering the characteristics of the public company, the Board is authorized to determine the rules that will be applied during the exercise of exit rights, provided that the rights are exercised for the shares held on the date the transaction of critical information was disclosed. The public company is obliged to purchase these shares upon the request of the shareholder in return for a fair value, which shall be determined according to the rules stipulated by the Board. The Board can determine rules and procedures involving the offering of exit shares to other shareholders or investors before they are bought by the company.*

*(2) In the event that the shareholder is unfairly prevented from attending the general assembly meeting on the transactions of critical importance stated in article 23 or casting his/her vote, that the*

*invitation to the general assembly meeting is not duly made or that the agenda is not announced as required; the first paragraph shall apply, without the requirement of casting a negative vote and having the dissenting opinion recorded in the meeting minutes.*

*(3) The Board determines the cases where the exit rights are not applicable, and the Board also can decide to exempt a company from the obligation of granting exit rights, and the rules and procedures for the exercise of rights and calculation of the fair value. With respect to these matters regarding the exercise of exit rights, the Board can determine different rules and procedures, based on the characteristics of the company."*

Article 23 of the Capital Markets Law regulates the decisions of critical importance and deems the merger transactions of public companies among the decisions of critical importance. Within this framework, in a merger transaction, shareholders who/which are eligible as per the Law and the related CMB regulations can benefit from exit rights. Therefore, concerning the acquisition of Anadolu Cam, Denizli Cam, Paşabahçe, Soda Sanayii and Trakya Cam by Şişecam, the shareholders of the public companies shall have the exit rights, under the Communiqué on Common Rules for Transactions of Critical Importance and Exit Rights No. II-23.1 ("**the Communiqué on Transactions of Critical Importance**"). (Replies to the below 10 questions also need to be reviewed about this matter).

With the Law numbered 7222, article 23 of the Capital Markets Law numbered 6362 was amended as stated above. This led to the requirement of an amendment in the Communiqué on Transactions of Critical Importance, as well. The Draft Communiqué on Common Rules for Transactions of Critical Importance and Exit Rights No. II-23.3 ("**Draft Communiqué**") was presented to the opinion of the general public on the website of the Capital Markets Board on 16 March 2020. Currently, the new Communiqué is still in the draft status, and the current Communiqué on Transactions of Critical Importance is still applicable. Under these circumstances, Şişecam has filed an application with the CMB according to the current legal regulations, and the currently applicable Communiqué on Transactions of Critical Importance.

**2- Are shareholders required to exercise exit rights?**

*No, the exercise of exit rights is optional. If shareholders do not wish to exercise exit rights by selling their shares to the public company, they can have their new shares which will be calculated according to the swap ratios, and continue as the shareholders of Şişecam, the acquiring company. Shareholders are not forced to exercise exit rights.*

**3- What are the prices for the exercise of exit rights in this Şişecam Merger Transaction?**

*In the Şişecam Merger Transaction, the prices for the exercise of exit rights are as follows (indicated separately as before and after the dividend payment):*

Company	Exit Rights Exercise Price	2019 Dividend Payment	Exit Rights Exercise Net Price After the Dividend Payment
Şişecam	5.268	0.142	5.126
Trakya Cam	3.474	0.104	3.370
Anadolu Cam	4.455	0.133	4.322
Paşabahçe	0.000	0.000	0.000
Denizli Cam	8.852	0.000	8.852
Soda Sanayii	6.389	0.245	6.144

Because Paşabahçe, one of the party companies of the merger is not a public company, it is not subject to the Capital Markets Law and other regulations applicable to public companies. Consequently, exit rights cannot be granted to Paşabahçe shareholders.

**4- Where can I find the Summary of the Valuation Expert's Report?**

*You can reach the Summary of the Valuation Expert's Report at the [Valuation Expert's Report](#) link.*

**5- How is the exercise price for exit rights calculated?**

*As stated in the documents related to the Merger Transaction, exit rights exercise price is calculated as the average of the 30 days' weighted average prices in the stock exchange, before the date the merger transaction is disclosed.*

Before the Capital Markets Law was amended with the Law numbered 7222, article 24 of the Capital Markets Law regulated the exercise price for exit rights as the "average of the 30 days' weighted average prices in the stock exchange, before the date the merger transaction is disclosed". Likewise, the Communique on Transactions of Critical Importance, which was issued while the said article of the Capital Markets Law was still in force, specified the exercise price in its 10th article as; the average of the 30 days' adjusted weighted prices in the stock exchange, before the date the merger transaction is disclosed. There is no other method or possibility of calculation under the applicable legal regulations, therefore the application was filed with the CMB using this method.

**6- Why will the exercise price for exit rights be adjusted according to dividends?**

*In the relevant article of the Communique setting the rules for the calculation of the exercise price for exit rights, it is stated that the exercise price shall be the average of the thirty days' adjusted weighted prices on the stock exchange, before the date the merger transaction is disclosed. The word "adjusted" in the Communique points to the adjustment after the dividend payments. Therefore, when the exercise price for exit rights is set before the dividend payment, the price should be adjusted by deducting the dividend, provided that exit rights are not exercised until the dividend is paid.*

**7- What are the Swap Ratios?**

*Following the merger, shareholders of the acquired companies (Anadolu Cam, Denizli Cam, Paşabahçe, Soda Sanayii and Trakya Cam) will receive shares of the acquiring company (Şişecam), provided that they have not exercised exit rights. Swap ratios are the ratios used to calculate the number of the shares that will be received by the shareholders of acquired companies. According to the Valuation Expert's Report, swap ratios are determined to be; 1.00000 for Şişecam; 0.88239 for Anadolu Cam; 0.33089 for Denizli Cam; 0.53423 for Paşabahçe; 1.15997 for Soda Sanayii; 0.67615 for Trakya Cam.*

**8- How are the Swap Ratios Determined?**

*In line with the provisions of the CMB Communique on Merger and Demerger (II-23.2), article 7 under the heading of "Valuation Expert's Opinion", Valuation Expert's Opinion has been prepared in consideration of 4 valuation methods, depending on the characteristics of the Party Companies. These methods are; Income Approach ("IA"), Market Approach ("MA"), Asset-Based Approach ("ABA") and Market Capitalization Approach ("MCA"), and their weights are 30%, 30%, 20% and 20% respectively.*

Income Approach ("IA"): In this method, the value of the Acquired Companies is calculated by discounting the cash flows that are expected to be generated in the projection period, to their net present value. Within the framework of the income approach, business plans provided by the management bodies of

the Acquired Companies, and cash flow forecasts for the periods coming after these business plans have been considered. Within the Framework of the DCF (Discounted Cash Flow) analysis, a DCF model was prepared, which forecasted the revenues/expenses of the Acquired Companies, taxes that will be paid by them, their investments, and working capital requirements. Information provided by the management bodies of the Acquired Companies was taken as the basis of DCF calculations. Present values of the cash flows that are forecasted to be generated by the Acquired Companies are calculated by discounting these cash flows using a discount rate in conformity with the risk profile of these companies. Within the framework of the income approach, standalone share values were calculated for each company of the study, and then when calculating the total value of each company to be merged, "Adding-Up the Pieces" method was used. In this method; firstly, share values forecasted for the Acquired Company itself, its affiliates, and subsidiaries are multiplied with the shareholding rates of the Acquired Company in these affiliates and subsidiaries. Then, the value of the Acquired Company and the value of its shares in the affiliates and subsidiaries are added-up, reaching the total share value. 30% weight was assigned to the Income Approach by the Valuation Expert, because it better reflects the expectations regarding the cash generation potentials of the Acquired Companies, considers the COVID-19 impact, and considers the new investment projects that will be deployed in the future.

Market Approach ("MA"): Within the framework of the Market Approach, two methods are used, being public company comparable ("PCC"), and precedent transactions ("PT"). Both these methods aim to estimate the total share value by considering the valuation multiples of other companies which have similar operations with the Acquired Companies. In this method, the value of a company is calculated by analyzing the financial data of comparable public companies, and companies that have been acquired before. The value of the company is expressed as multiples of its financial figures. The biggest obstacle in the practice of this method is the difficulty of finding comparable companies and precedent transactions. The companies selected for the analysis of Public Company Comparables are; public companies that are both similar to the Acquired Companies with regards to their operations, profitability, and indebtedness, and that are understood to be in competition with the Acquired Companies, with regards to business lines and geographies. As the adequate valuation multiple to be used in the comparison, "Company Value (CV)/EBITDA ratio" is specified. CV/EBITDA ratio is calculated by using the 5-year average market values for the period of 2015-2019 (data was obtained from the related companies), end-of-year net indebtedness amounts, and other relevant data. This ratio, which is calculated annually for a period of 5 years, and taken into account as averages, is believed to represent the industry's general multiple. The calculated multiple was applied to the 4-year (2019-2022) average EBITDA amount of the Acquired Companies (inflation-adjusted to the year 2019 prices), thus the company value was estimated. With this method of EBITDA selection, the short-term effects of the COVID-19 pandemic is included in the EBITDA base, enabling to reflect this current development to the value in the Market Approach study as well. Precedent transactions method was not applied, because there was not a sufficient number of transactions disclosed fully to the public, and some of the existing ones were for purchases of minority shares. A 5-year retrospective search was made, and the number of available transactions was not sufficient. When the Market Approach was being applied for ŞİŞECAM, a separate comparable company search was not conducted. Where ŞİŞECAM is a direct shareholder of an Acquired Company, Market Approach results for those Acquired Companies were taken into account in proportion to the rate of ŞİŞECAM shares. The result was the estimation of the total ŞİŞECAM shares value.

Where ŞİŞECAM is the direct shareholder of a company but that company is not one of the Acquired Companies, Income Approach or Asset-Based Approach was applied as part of Market Approach to calculate the value of those companies. Because those other companies are engaged in narrow-scope, specialized activities in line with the Group's requirements, Market Approach was thought of as not being

appropriate for their valuation. Many companies that are similar to the Acquired Companies with regards to operations and finances, and that are direct competitors, are publicly traded. Multiples of these companies are seen to be adequate industry multipliers, and the Valuation Expert assigned 30% to the Market Approach, the same weight with the Income Approach.

Asset-Based Approach ("ABA"): This approach is based on the assumption that; the value a buyer will pay for a company should be at least the amount calculated by liquidating all of the company's assets and payables at a certain date or the expenditure that has to be made to bring the company to its current status (amortized renewal value). Within this framework, net asset values of all the companies in question were estimated, based on the consolidated shareholders' equity in their independently audited financial statements as of 31 December 2019. Financial statements used in the analysis have been prepared in compliance with CMB standards for ŞİŞECAM, ANADOLU CAM, DENİZLİ CAM, SODA SANAYİİ and TRAKYA CAM, and in compliance with TAS/TFRS financial reporting standards issued by the Public Oversight Accounting and Auditing Standards Authority (KGK), for PAŞABAHÇE. In the process, shareholders' equity figures were adjusted for the dividends that will be paid or received, and adjustments were also made for certain other asset and liability items. Because the Acquired Companies are operating in capital-intensive industries, Asset-Based Approach should be considered. However, because the gain from capital investments is realized in the future, Valuation Expert assigned 20% weight to the Asset-Based Approach.

Market Capitalization ("MC"): Because the Party Companies are listed companies and the price information supplied by an active market is seen as an adequate indicator of value, the Market Capitalization approach was considered for the listed companies of the merger transaction. When the value is being calculated in the Market Capitalization approach, average share price of the Acquired Companies weighted for the daily trade volume was calculated for a period of 1 year, retrospectively from the date ŞİŞECAM management disclosed the merger on the Public Disclosure Platform (KAP) (from 30.01.2020 to 31.01.2019). Because PAŞABAHÇE is not a listed company, market capitalization was estimated using the results of the Income Approach and Market Approach. In this estimation, the ratio of the market capitalization of other Acquired Companies to their value as the average of Income and Market Approaches was used. This ratio was multiplied with the arithmetic average of PAŞABAHÇE valuations coming out of Income and Market Approaches. The result was the estimated market capitalization of PAŞABAHÇE. Details of this calculation are in the report's PAŞABAHÇE section. Because the Acquired Companies are listed companies excluding PAŞABAHÇE, and also considering that they are included in BIST-30/BIST 50 indexes, their liquidity, trade volumes, and investor profiles, Market Capitalization is decided to be used as a valuation method. On the other hand, because past price performance does not reflect the current developments, Valuation Expert assigned 20% weight to the Market Capitalization approach.

**9- What is the difference between the swap ratio and the exercise price for exit rights?**

*The swap ratio is used to determine the value of the shares of the companies that are a party to the merger, in proportion to each other. It concerns the shareholders of acquired companies who wish to be a shareholder of the acquiring company, Şişecam, and indicates the relative ratio to be used in the conversion of acquired company shares to the acquiring company shares.*

*Exit rights are an optional right granted by the law, which emerges at the time of a company's transaction of critical importance, and which enables the shareholders to sell their shares back to the company, in a way to protect their financial interests prior to the disclosure of the transaction.*

**10- Why were the share values indicated in PwC's valuation report not used as the exercise price for exit rights?**

***The rules stated in the legal regulations on the determination of the exercise price for exit rights does not allow any flexibility to the company in this regard. The exercise price for exit rights can only be calculated by using the formula in the current regulation.***

The Valuation Expert's Report, prepared by PwC, indicates share values for each of the companies, which are used in the calculation of swap ratios. Accepting these values as the exercise price for exit rights would be a violation of the legal regulations, and neither the company nor PwC has any discretionary power to make a decision in this regard. This obligation of calculating the exercise price for exit rights according to the law is important with regards to protecting the interests of both the shareholders who will exercise their exit rights, as well as the shareholders who will not exercise this right and continue to be shareholders of the company. Setting the exercise price for exit rights below or above the legally required price would not only be illegal, but would also cause the members of the board of directors to be responsible. Since 2012, when the Capital Markets Law entered into force, in all merger transactions (including the latest merger transaction in the cement industry), the exercise price for exit rights has been the average of the weighted average prices on the stock exchange for a period of thirty days before the disclosure of the merger.

**11- What needs to be done to exercise the exit rights**

***To exercise the exit rights, the following actions are required; (i) to attend to the extraordinary general assembly meeting in which the merger transaction will be approved, (ii) to vote against the merger transaction, (iii) to have the dissenting opinion recorded in the meeting minutes, (iv) to apply to İş Yatırım Menkul Değerler A.Ş. ("İş Yatırım") within the specified time period, to sign the exit rights request form, and (v) to transfer the shares to the account that will be specified by İş Yatırım. These actions are all the conditions stated by the Capital Markets Law, and all of them should be met.***

Shareholders that wish to exercise their exit rights are obliged to exercise this right for all of their shares.

**12- When will the extraordinary general assembly meeting in which we will exercise our exit rights (in which the merger transaction will be approved) be held?**

***The date has not been set yet, but it is expected to be no later than the week commencing 24 August 2020. The date of the general assembly meeting will be announced in line with the legal regulations, in the Public Disclosure Platform and Turkish Trade Registry Gazette.***

The date of the extraordinary general assembly meeting in which the merger transaction will be approved has not yet been set. After the necessary permissions are obtained from governmental institutions the major one being the CMB, the related boards of directors will negotiate whether to invite the general assemblies to meet. If it is decided to invite the general assemblies to meet, this will be announced both through the Public Disclosure Platform, and by way of announcements published in the Turkish Trade Registry Gazette, pursuant to the provisions of the Turkish Commercial Code numbered 6102.

According to the CMB Communique on Merger and Demerger No. II-23.2, article 6, for a merger transaction to be carried out using the end-of-year financials, the general assembly should approve the merger transaction until the end of August. The duration which the Capital Markets Board requires for reviewing the Announcement Text is not known. However, considering the size of the transaction and the

number of the party companies of the merger, it may be expected that they will take their time to review, as much as possible. With this approach and considering the time constraint stated in the Communique on Merger and Demerger, extraordinary general assemblies are expected during the week commencing 24 August 2020, at the latest.

**13- Is physical attendance to the general assembly required to exercise the exit rights?**

***No, investors can attend the general assembly meeting by electronic means, and by way of a proxy. At the general assembly meeting in which the merger transaction will be submitted for approval, dissenting opinions can be recorded both in a physical environment and/or by electronic means.***

Shareholders who/which do not attend to the General Assembly meeting in person, in an electronic environment, or through a proxy cannot benefit from exit rights under the Law. Any other notification sent to the company stating their intention (letter, official notification, telephone call, etc.) shall not have any legal consequences, and these shareholders will not be able to benefit from exit rights.

**14- Which shareholders will be able to benefit from exit rights?**

***With the Law numbered 7222 which was published in the Official Gazette on 25 February 2020, an amendment was made to article 24 of the Capital Markets Law. In this amended version of the article, it is stated that exit rights can be exercised for the shares held as of the date the transaction is disclosed to the public. However, if there is a transaction of critical importance that was disclosed before the amendment in the law, the procedure of the exercise of exit rights is not clear.***

For the explanations related to the Draft Communique, please also review the reply to question 1 above. It is worth noting about the Draft Communique that, according to the Interim Article 1, for the transactions disclosed prior to the issuance date of the Communique, the current Communique on Transactions of Critical Importance shall be applied. It is also stipulated that persons entitled to exit rights are subject to the restrictions of the Law as well, and only the ones holding shares as of 25 February 2020 shall benefit from exit rights. About this issue, we believe that the CMB resolution about [Anel Elektrik](#) which was published in the Bulletin dated 12 March 2020 and numbered 2020/17, can shed some light on the discussion.

**15- Are there any limits on exit rights?**

***It is possible that certain restrictions are introduced on the exercise of exit rights, and to propose to retract from the merger transaction if those restrictions are exceeded. This matter is within the discretion of the companies' authorized bodies. As of today, there is not a decision taken in this regard. If such a decision is made, this maximum limit shall be notified to the shareholders by way of the agenda of the general assembly meeting, in which the merger transaction will be discussed. Before these restrictions are included in the agenda of the general assembly meeting, if and when the boards of directors of the companies that are a party to the merger take a resolution, this shall immediately be disclosed through the Public Disclosure Platform.***

In the agenda of the general assembly meetings in which the Merger Transaction will be discussed, a separate agenda item shall be inserted right after the item for the approval of the Merger Agreement, and in this separate item, it shall be stated that, if the maximum limits set by the boards of directors are exceeded, then it would be possible to retract from the Merger Transaction.

**16- Will the investors be able to exercise exit rights at the announced price, regardless of the share market price?**

*Yes, on the date exit rights will be exercised, whatever the sale price at the stock exchange is, the shareholders will be able to sell their shares to the company at the previously determined exercise price.*

**17- What will be the process after exit rights are exercised? What is the duration required to complete the capital increase and the merger transaction?**

*According to the provisions of the Turkish Commercial Code, the effective date of the merger is the date on which the transaction is registered with the trade registry offices. Accordingly, after the exit rights are exercised, applications shall be filed with the related trade registry offices presenting the extraordinary general assembly resolutions in which the merger is approved, requesting the registration of the capital increase. Therefore, the date on which the merger transaction will be finalized, and the merger becomes official is estimated to be a date in September 2020.*

**18- Will Şişecam continue to purchase the shares of its subsidiaries?**

*Şişecam is not likely to continue its purchases of subsidiary shares until the merger transaction.*

If Şişecam were to purchase the shares of its subsidiaries (Anadolu Cam, Denizli Cam, Soda Sanayii and Trakya Cam) before the merger transaction, this would have changed the swap ratios. And this would lead to changing all the merger documentation, and the section of the Valuation Expert's Report determining the swap ratios. During the correspondence held with the CMB in this regard, CMB drew attention to this issue and suggested not to purchase shares after the application is filed with the CMB. Regarding the issue, ŞİŞECAM will act according to the CMB's opinion and the provisions of the legal regulations.

**19- Will İş Bank continue to buy-back shares?**

*There is not a fact or situation in place that would prevent İş Bank from buying the shares of Şişecam or its affiliates.*

**20- After the merger is completed, which price shall be the initial trading price of the share on the stock exchange?**

*Because this is a case where a listed company acquires other listed companies, a reference price will be announced, and free margin will be applied during trading. The reference price following the merger will be calculated as: Market capitalization of the acquiring company and the acquired companies are added, excluding the shares they have with each other, using the last closing price. Then, this figure is divided into the number of the shares of the acquiring company, as of the post-merger situation.*

**21- When will the merger be completed?**

*Because it is aimed to realize the merger using the financial statements of 2019, the general assemblies related to the merger should be held until the end of August 2020 at the latest. Exit rights will be exercised at a date after the general assembly, and the merger will be finalized with the registration at the Trade Registry. The date on which the merger transaction will be finalized and the merger becomes official is estimated to be a date in September 2020.*

**22- If the extraordinary general assembly meeting related to the merger cannot be held until the end of August 2020, will the transaction be cancelled? Is there a possibility of a merger using the financial statements dated 30 June 2020?**

*Merger transaction is subject to the approval of authorized bodies and institutions. If the necessary approvals cannot be obtained, or cannot be obtained within the specified timeframe, the merger transaction cannot be realized. If the transaction cannot be finalized or if it is understood at an earlier date that it cannot be finalized until the end of August 2020, the matter will be evaluated by the authorized bodies, considering the existing circumstances, and the next steps will be decided. It is not possible to forecast or comment on the probable decisions of the future.*

**23- How was Pacific Soda, USA investment of Soda Sanayii A.Ş., valued?**

*As of the valuation date the investment has not started operations, and there was not any operating profit or cash flow. Therefore, in the valuation of Pacific Soda, Discounted Cash Flows method as part of the Income Approach was used as the most adequate method. Discounted Cash Flows method was applied in conformity with International Valuation Standards. With the Discounted Cash Flows method, the project's total net present value was predicted. When the total net present value is being calculated for the project, cash outflows for the project investment were included for the related years. Therefore, the project's total net present value is the value remaining after the related investment expenditures.*

The business plan that is used in the application of the Discounted Cash Flows method is aligned with the predicted life of the reserve. The fact that the project's total net present value is positive, is an indication that the Project's Internal Rate of Return (Project IRR) is significantly higher than the discount rate (Weighted Average Cost of Capital) used in the net present value calculation, and it is in direct proportion to the project profitability/return. As of its current phase, the project is subject to many elements of risk. If there is a significant amount of time between the valuation and the start of cash flows (like the Pacific Soda investment), the valuation result is naturally low, compared to the valuation of companies already generating cash flows. In the coming years, as the risk elements are cleared, the project's total net present value may come out as a much bigger figure, depending on the cash capital investments.

**24- Is the impact of COVID-19 temporary? What is the reason that it was included in the valuation?**

*COVID-19 is classified as a pandemic by the World Health Organization (WHO), and is effective all around the globe. As a result of the current developments, macroeconomic forecasts have been revised for all global markets. Accordingly, the valuation expert examined the impact of COVID-19, especially for the industries of construction, automotive, and tourism, and revised its valuations of the companies providing input to these industries. With regards to the companies that are parties to the merger, COVID-19 impact is expected to be seen on three main items; sales, production volume, and investment expenditures. For the moment, it is impossible to foresee the impacts of the COVID-19 pandemic exactly. New global developments related to the pandemic and new decisions made by the companies that are parties to the merger may be effective in various ways.*

It is impossible to reflect the impact of the COVID-19 pandemic on every method. In this valuation study, it has been considered only in the Income Approach and Market Approach and its impact is limited to these two methods. Additionally, the impact of COVID-19 was reflected in the valuation study through the merging companies' own operational and market dynamics, and in line with global expectations. In general, a moderate decline is predicted for the year 2020 with regards to the volumes and unit prices, and recovery is expected to begin with the year 2021. A negative impact was not considered for Anadolu

Cam for the year 2020, because of the characteristics of its operations. Finally, this impact was reflected in the valuation studies with the assumption that it will not last forever, it was reflected in a certain interval within the projection period.

**25- If I purchase the shares of your companies that are the subject of the merger, I will have SISE shares for all of them following the merger, can you confirm?**

*Yes. All shares for which the shareholders have not cast a negative vote in the merger-related general assembly meeting, all shares for which the shareholders have not recorded their dissenting opinion in the meeting minutes, and all shares for which the exit rights are not exercised despite fulfilling the two aforementioned conditions, will convert to Şişecam shares after the merger and as of the registration date.*

**26- Do I have to attend to the General Assembly to have my shares converted, or will my existing shares of the group be automatically converted to SISE shares?**

*Conversion of shares is automatically carried out in the system of Merkezi Kayıt İstanbul, and the shareholders need not take any other action.*

The shares of the acquired companies held by shareholders who/which have preferred not to attend to the general assembly meeting will also be converted to Şişecam shares as the result of the merger.

**27- After the merger, will new Şişecam shares be issued?**

*Yes, the shares of the shareholders of the acquired companies (Anadolu Cam, Denizli Cam, Soda Sanayii and Trakya Cam) who/which have not exercised exit rights, will convert to Şişecam shares automatically, new Şişecam shares will be issued in the system of Merkezi Kayıt İstanbul corresponding to the aforementioned shares, and these will be distributed to the shareholders.*

**28- Will the Şişecam shares I have still be listed?**

*Yes, existing Şişecam shares of shareholders will continue to be listed.*

**29- SISE shares calculated according to the swap ratios have fractions. Will these fractions be removed?**

*As a result of the calculation based on the swap ratios approved by the CMB, shareholders will have fractional (odd lot) shares.*