



ŞİŞECAM
GLASS
PACKAGING

2Q 2020

ANADOLU CAM

Investor Presentation

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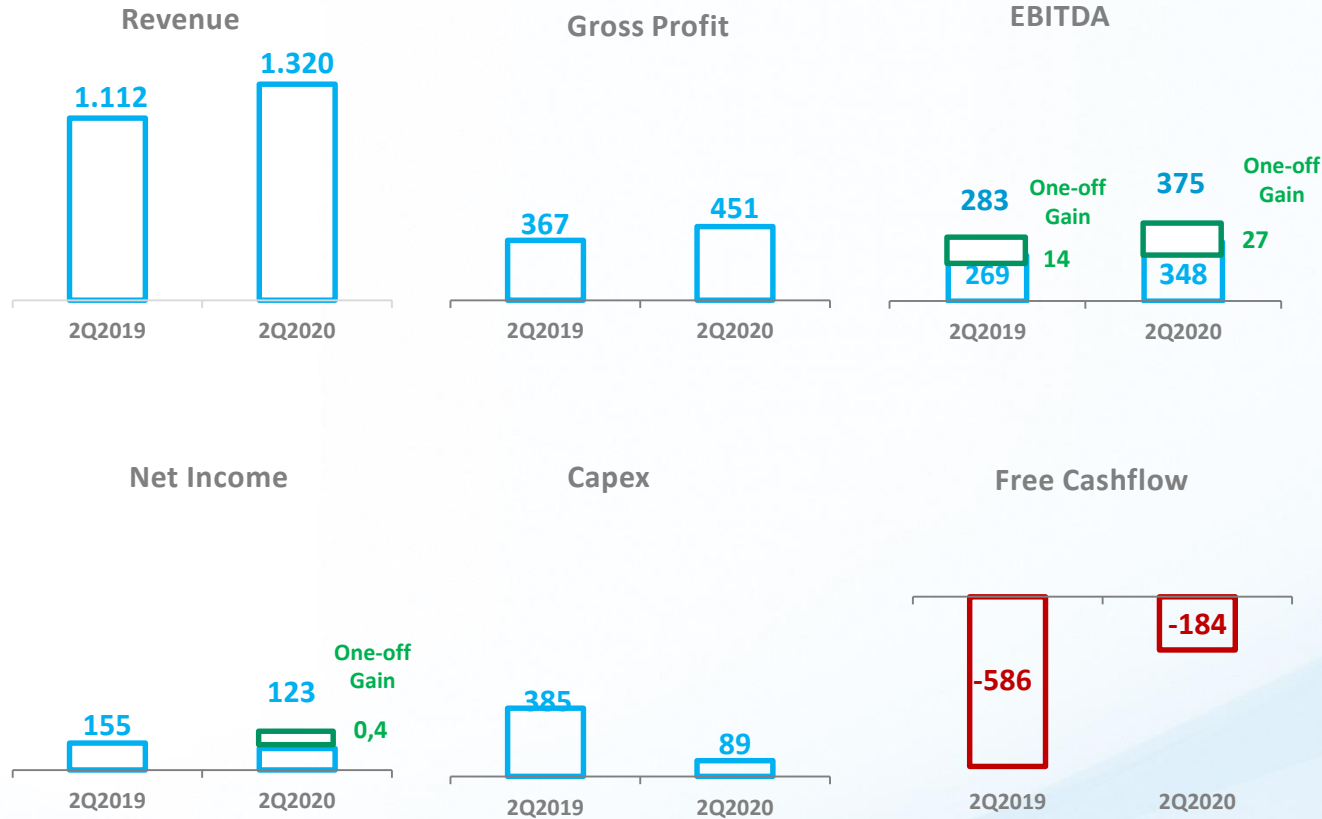
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ANADOLU CAM SANAYİİ A.Ş. OPERATIONAL RESULTS & FINANCIAL PERFORMANCE

29

Key Financial Indicators

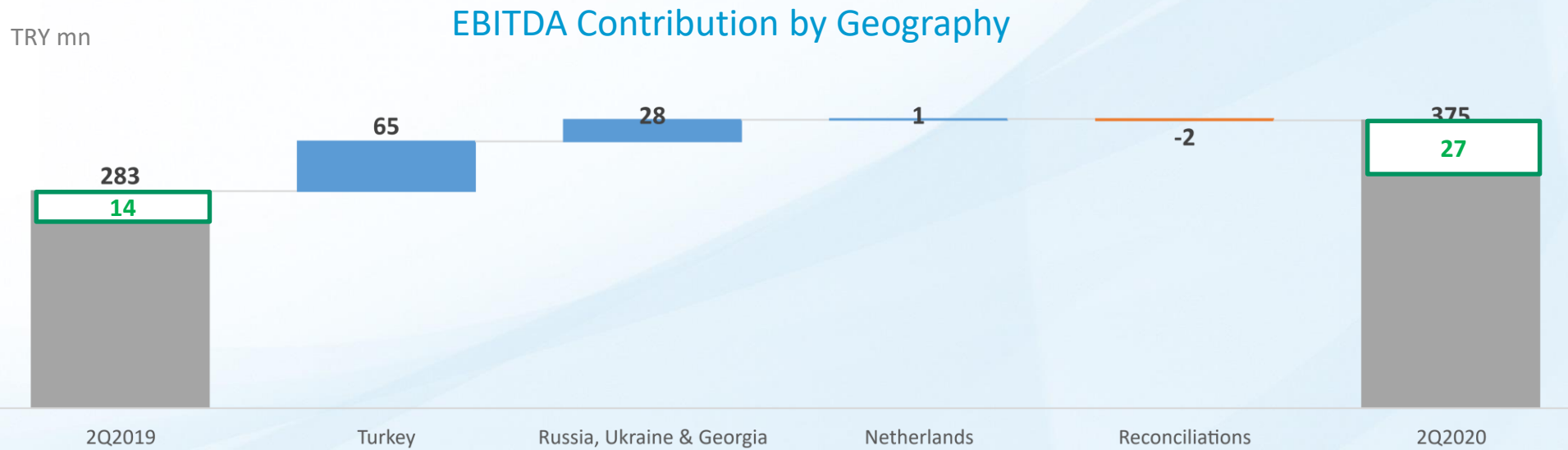
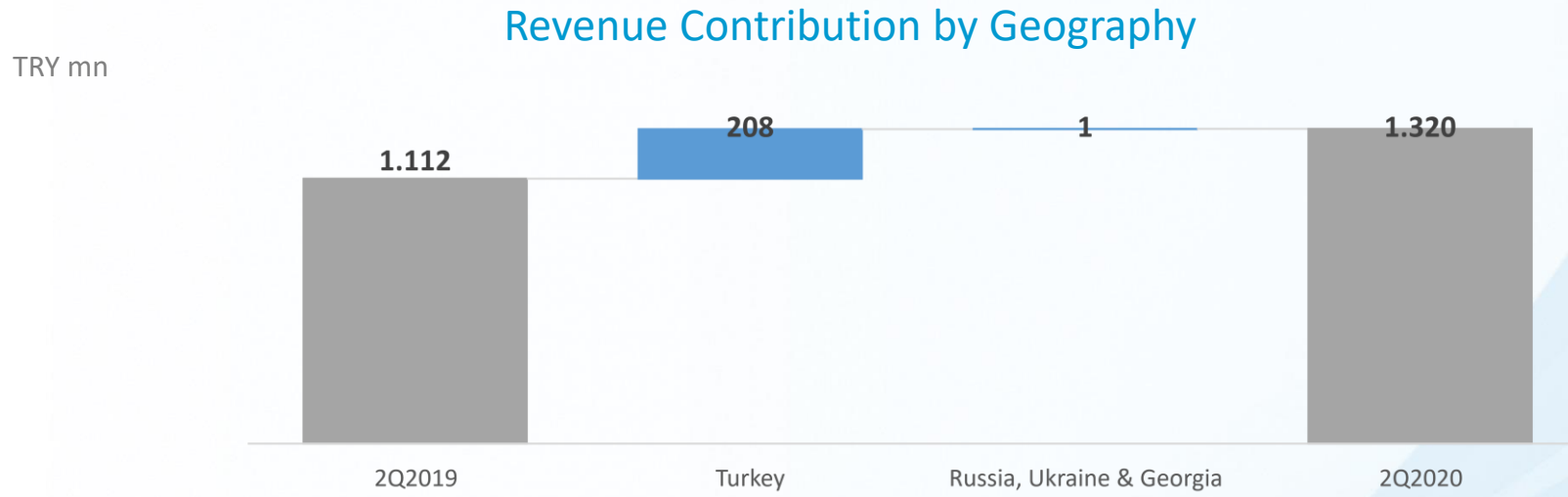
TRY mn



2Q 2020 Highlights

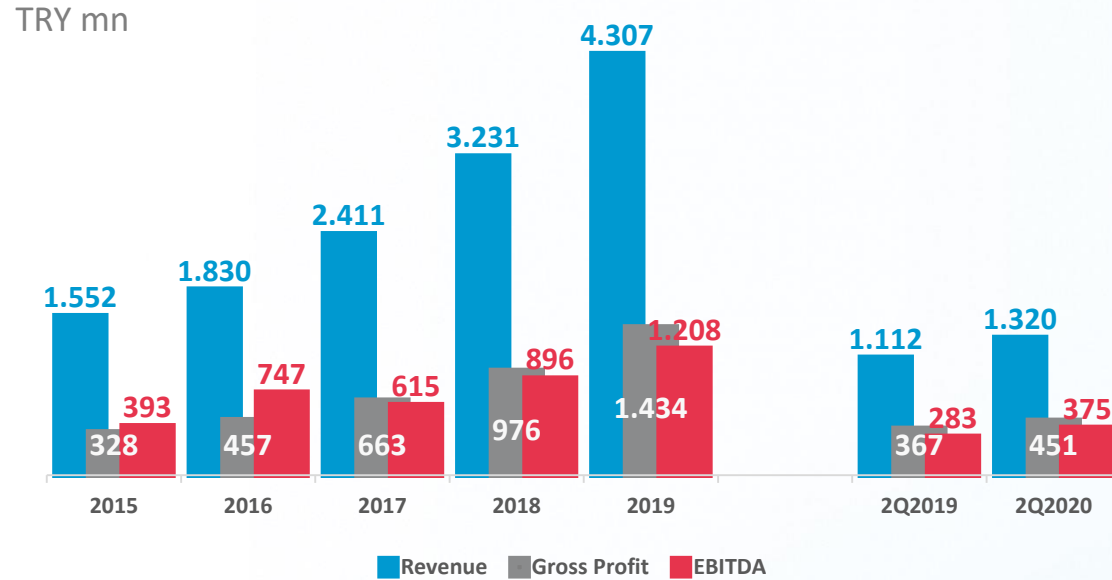
- ◆ 3% YoY growth in consolidated sales volume;
 - a) domestic up by 6%,
 - b) international up by 2% (exports from Turkey up by 63%, sales from other operating regions down by 12%)
- ◆ 19% YoY increase in revenues thanks to 12% positive pricing and product mix, 4% local currency depreciation impact and 3% rise in sales volume
- ◆ 39% to 61% revenue split between domestic and international sales (almost flat compared with 2Q 2019 breakdown)

Key Financial Indicators



Anadolu Cam Sanayii – Financial Results

Consolidated Financial Results

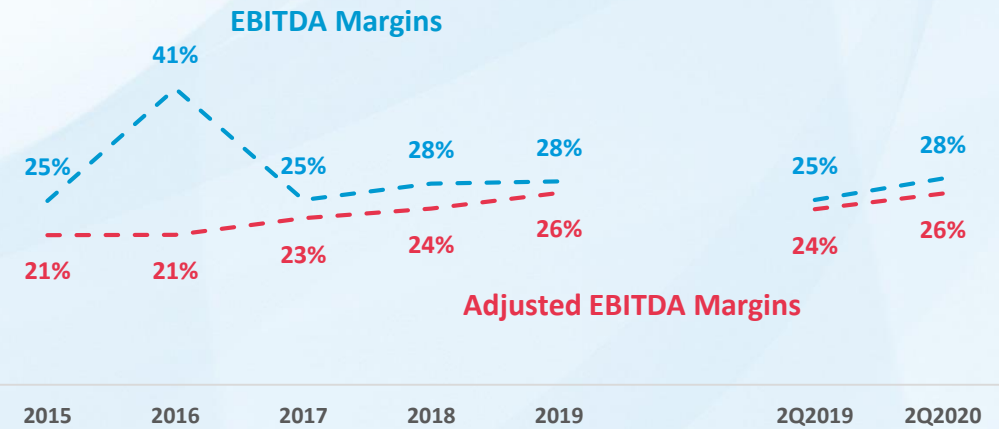


Gross Margin	21%	25%	28%	30%	33%	33%	34%
EBIT Margin	11%	27%	13%	17%	18%	16%	19%
EBITDA Margin	25%	41%	25%	28%	28%	25%	28%

EBITDA Margins Adjusted to One-off Gains

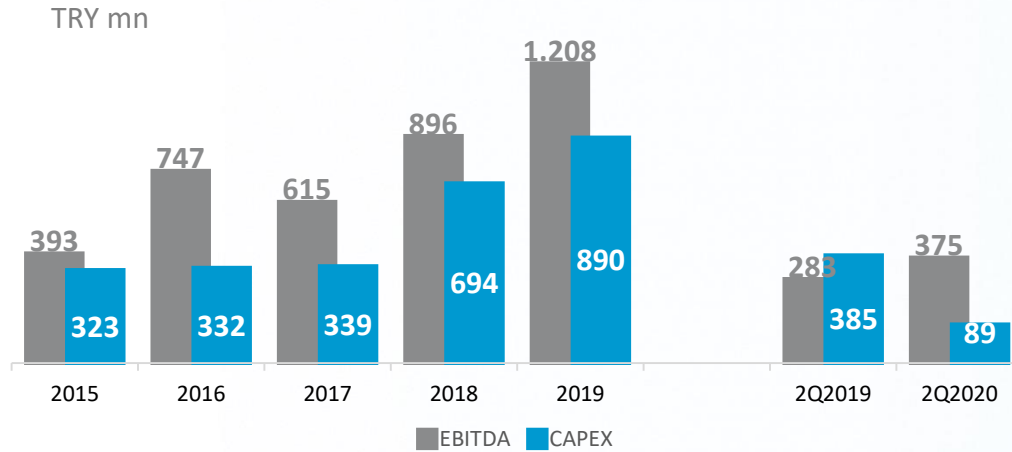
One-off gains;

- 2015: TRY 73 mn (Soda shares sale)
- 2016: TRY 342 mn (Soda shares sale) + TRY 27mn (Revaluation gain on Eurobond investments)
- 2017: TRY 32 mn (OMCO stake sale) + TRY 30mn (Revaluation gain on Eurobond investments)
- 2018: TRY 112 mn (Revaluation gain and provision for losses on Eurobond investments)
- 2019: TRY 69 mn (Revaluation gain and gain on provision for potential losses on Eurobond investments)
- 2Q2019: TRY 14 mn (Revaluation loss and TFRS-9 Adjustment on Eurobond investments)
- 2Q2020: TRY 27 mn (Revaluation gain and TFRS-9 Adjustment on Eurobond investments and one-off income arisen from accounting correction)

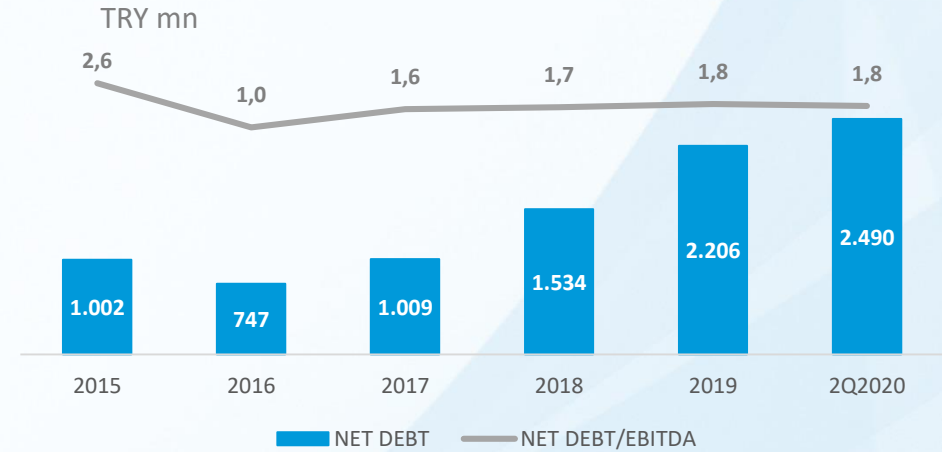


Anadolu Cam Sanayii – Financial Results

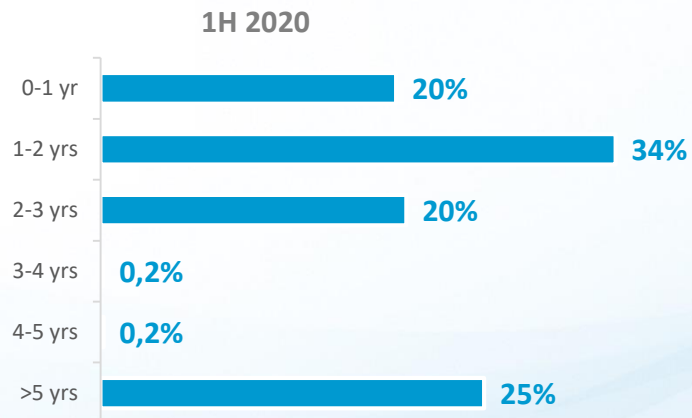
Consolidated EBITDA & CAPEX



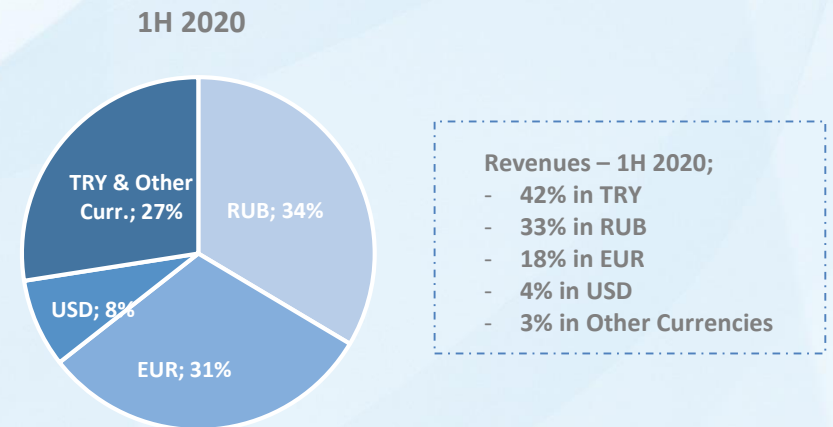
Consolidated EBITDA & NET DEBT



Maturity Breakdown of Debt



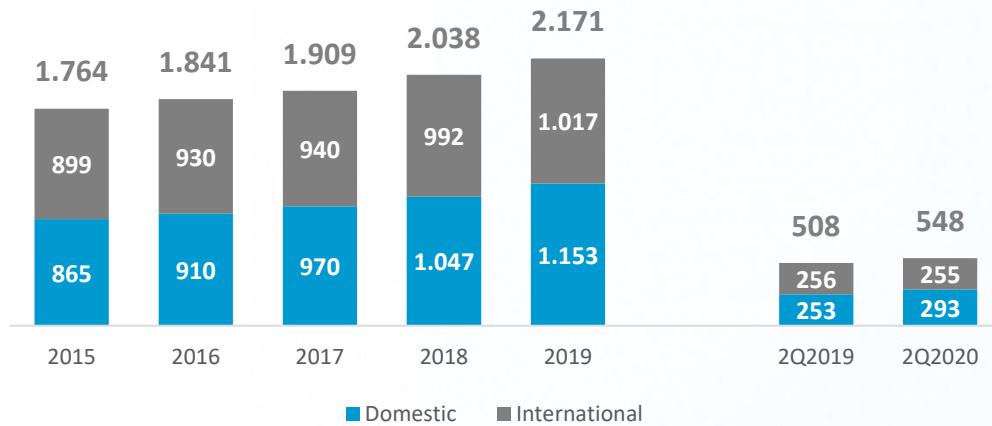
Currency Breakdown of Debt *



Anadolu Cam Sanayii – Operational Results

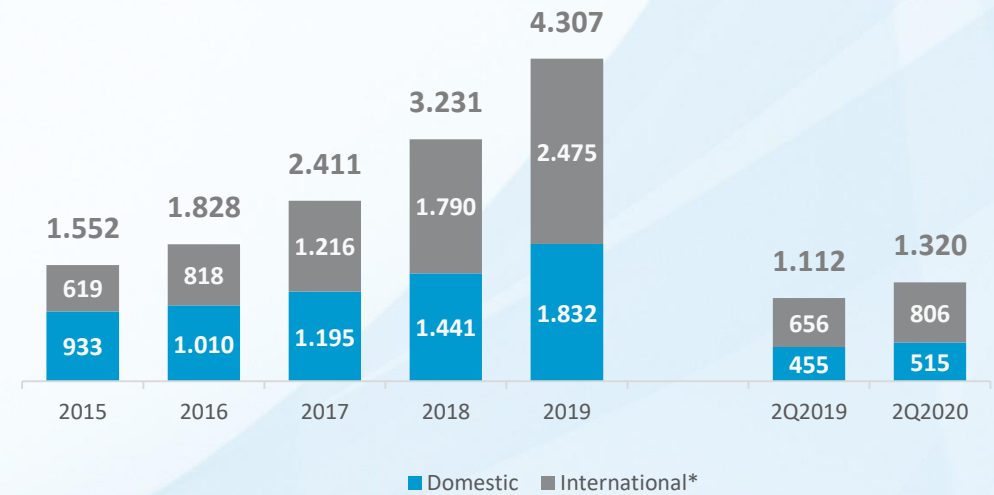
Glass Packaging Production Breakdown

K Tons



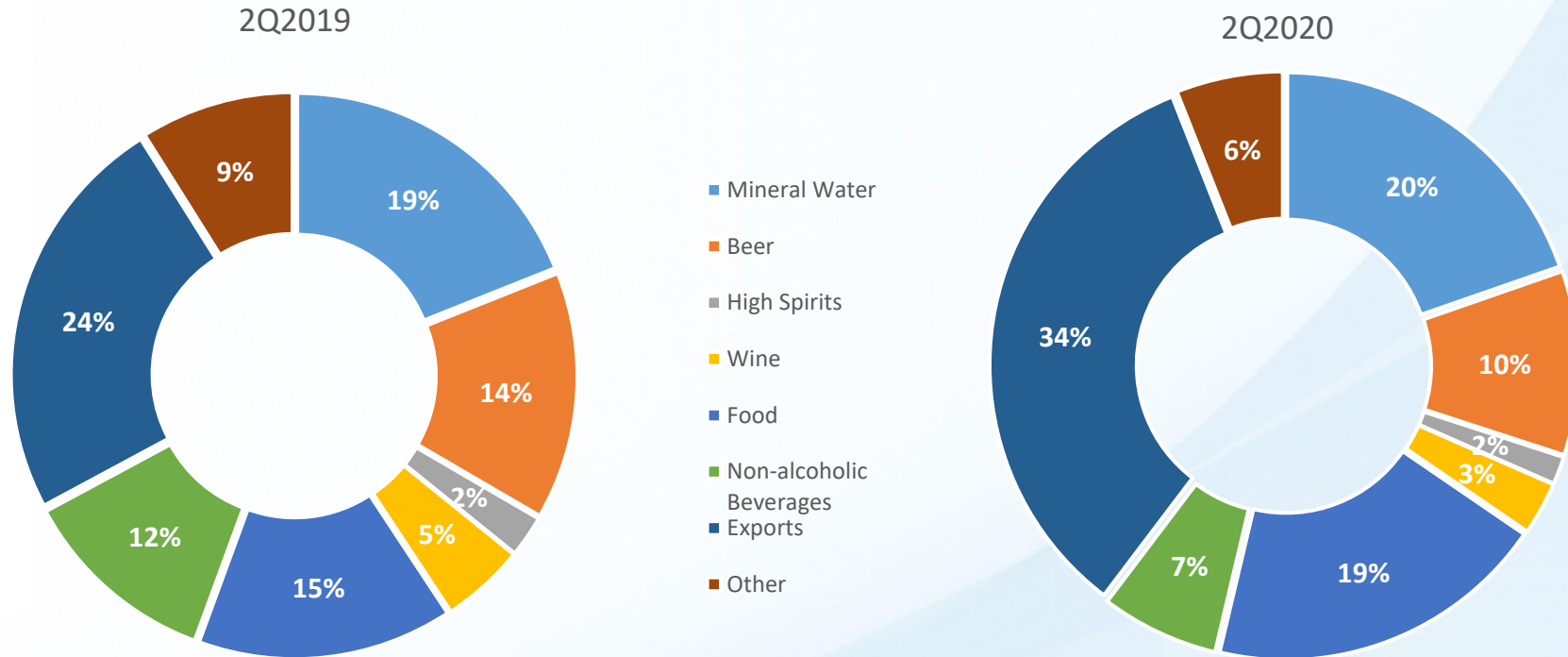
Consolidated Revenues Breakdown

TRY mn



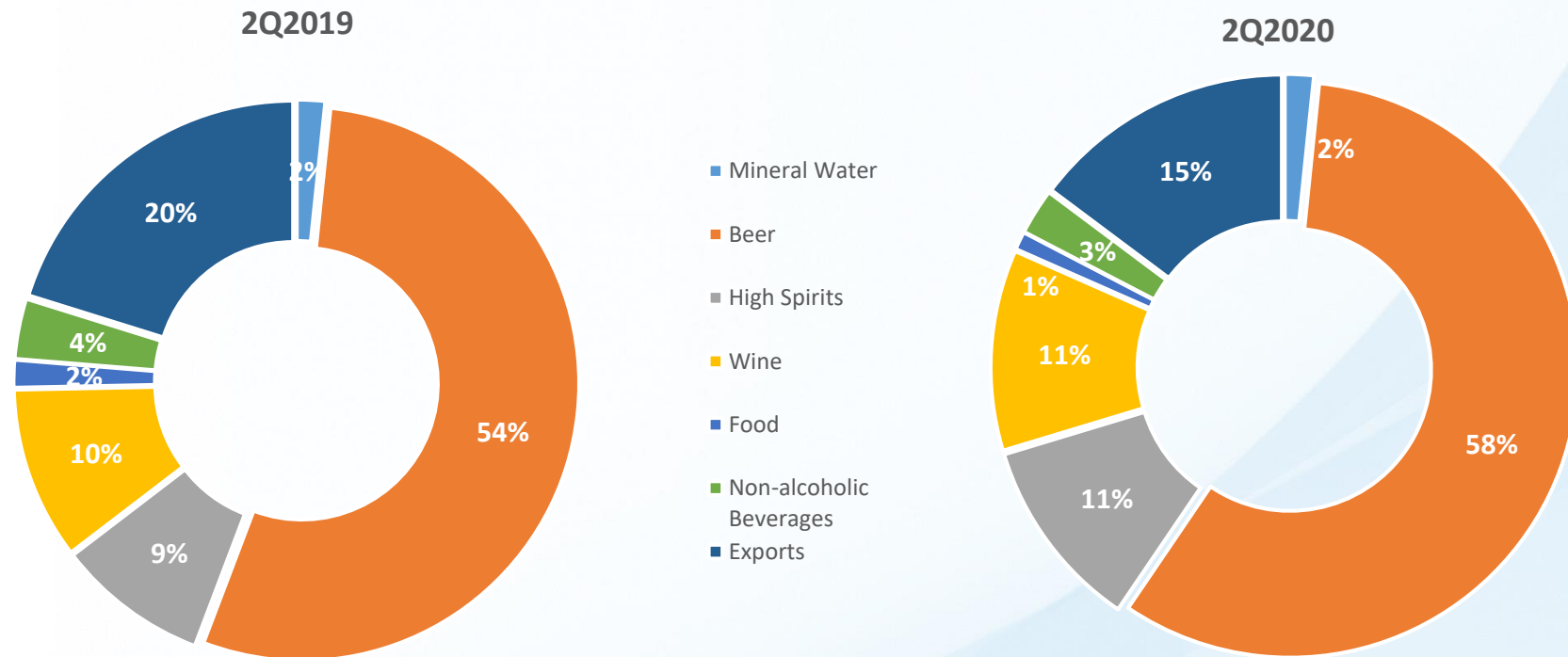
Anadolu Cam Sanayii – Sales Breakdown

Anadolu Cam Turkey - Value Based Sales Mix



Anadolu Cam Sanayii – Sales Breakdown

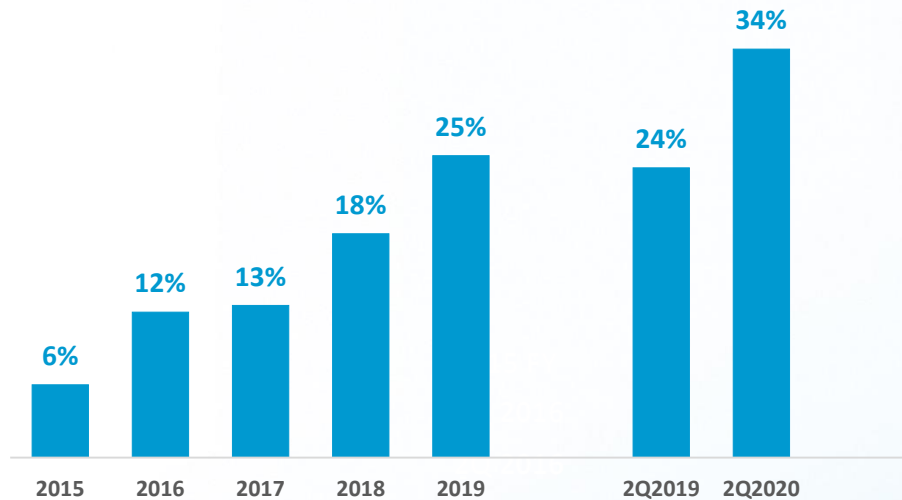
Anadolu Cam Russia – Value Based Sales Mix



Anadolu Cam Sanayii – Sales Breakdown

Growing Share of Exports in Revenue Mix

Anadolu Cam Turkey

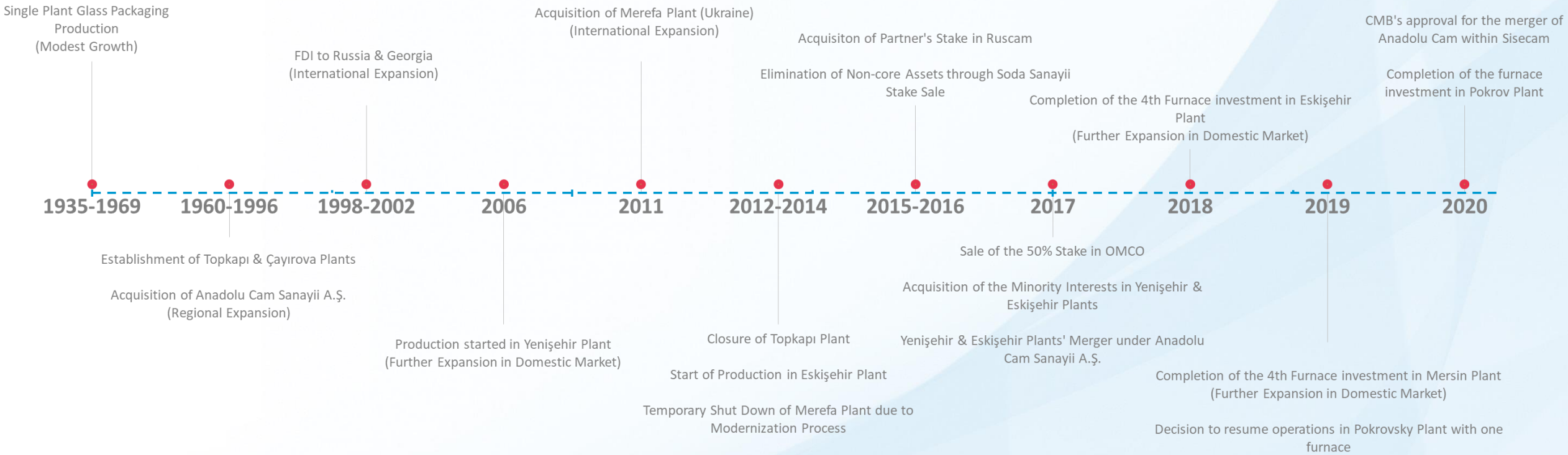


Anadolu Cam Russia

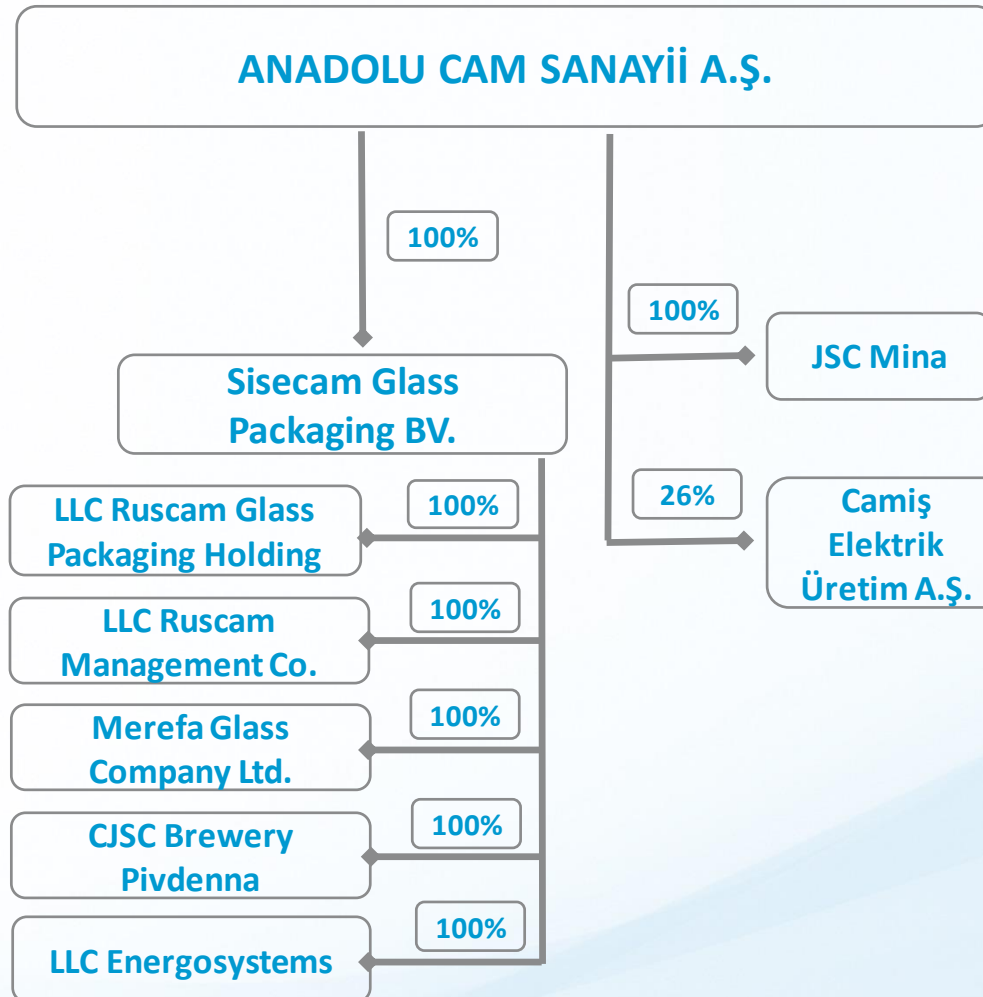


4Q 2016 -
2016 FY

Anadolu Cam Sanayii History



Corporate Structure



Production facilities consolidated under "Anadolu Cam San. A.Ş." legal entity;

- Mersin Plant
- Yenişehir (Bursa) Plant
- Eskişehir Plant

Production facilities consolidated under "LLC Ruscam Glass Packaging Holding" legal entity;

- Gorokhovets Plant
- Pokrovsky Plant
- Ufa Plant
- Kirishi Plant
- Kuban Plant

Vision, Mission, Strategy & Sustainability

VISION

“... Being a global glass packaging company which constantly adds value to people and environment by providing customized products and services to its customers and being a solution partner with creative processes...”

MISSION

“Şişecam is a company that respects people and nature with its high quality and value added products”

SUSTAINABILITY

Anadolu Cam publishes Sustainability Reports on an annual basis

<http://www.sisecamcamambalaj.com/en/sustainability/sustainability-reports>

Strategy & Competitive Advantage

STRATEGY

- ◆ Continue to be the leading glass packaging supplier in the region
- ◆ Strengthen its current position in the global glass packaging market

COMPETITIVE ADVANTAGE

- ◆ Strong technological know-how
- ◆ Financial strength
- ◆ Experience in developing markets
- ◆ Fast growth ability
- ◆ High quality and wide portfolio of products
- ◆ Experienced and qualified technical teams

ANADOLU CAM will continue to enjoy its strength and experience in the industry for its ambitious growth plans and new expansion opportunities.

GLASS PACKAGING BUSINESS SEGMENT OVERVIEW

Glass Packaging – Anadolu Cam

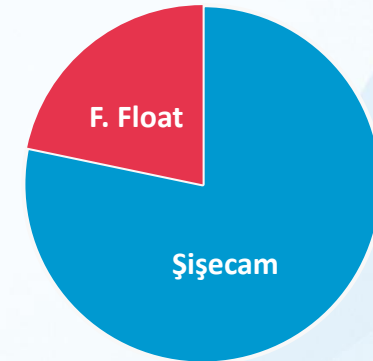
Operations & Global Presence

Anadolu Cam, operational in 4 regions with 2,65mn tons/year installed capacity, is Şişecam Group's leading brand name in the glass packaging segment with a portfolio focusing on food, alcoholic and non-alcoholic beverages, mineral water and pharmaceuticals sectors



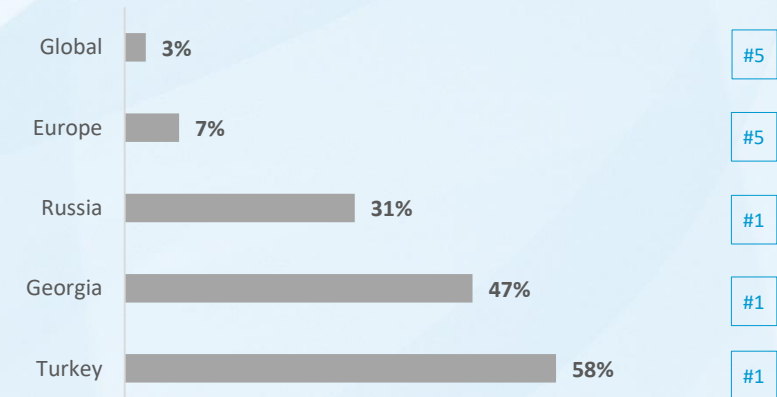
SHAREHOLDERS

21,7%



78,3%

Glass Packaging Group Market Shares (2019)



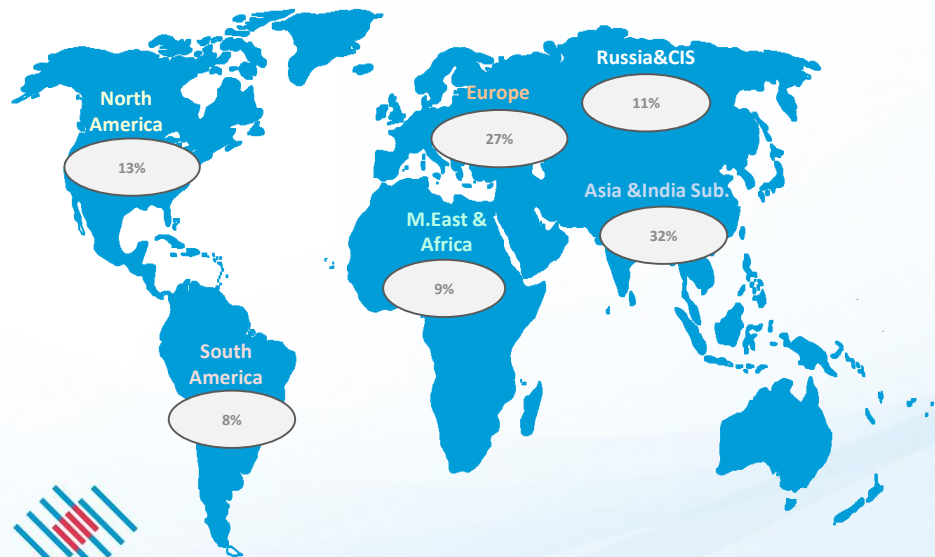
Global Glass Packaging Market

Industry Dynamics

- ◆ As of 2019, global glass packaging market (USD 52bn) accounting for 7% of global packaging industry
- ◆ Annual glass container consumption of +455 Billion units incl. on trade sales
- ◆ In unit terms 86% of glass containers produced are purchased by beverage industry and 13% by food sector
- ◆ 5 producers dominate 40% of the market
- ◆ Asia Pacific & Europe, being the largest consumers, compose 70% of the market
- ◆ While Asia Pacific (including China and India) and Eastern Europe have high growth potentials on the back of increasing alcoholic beverage consumption in the former and EU accession of the latter, Middle East & Africa region is also promising with young population and growing disposable income
- ◆ High barriers to entry in small markets with highly fragmented customer base and wide range of products

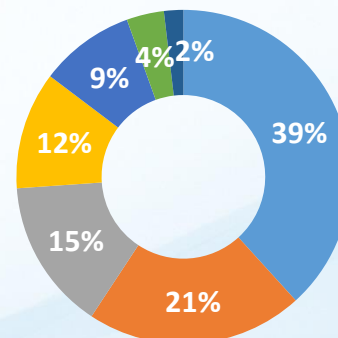
Regional Breakdown of Glass Packaging Production Capacity

2019



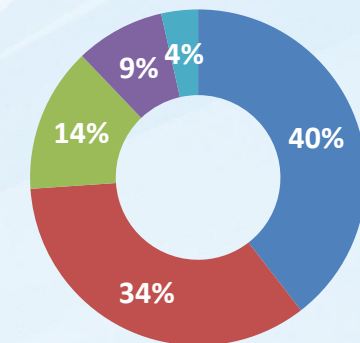
Demand by Regions

1H 2020



Demand By Segments

2019



Appendix

Summary Financials

SUMMARY BALANCE SHEET (Million TL)	2019	1H2020	Change
Total Assets	7.274	7.668	5%
Cash & Cash Equivalents	990	863	-13%
Financial Assets & Derivatives	409	487	19%
Trade Receivables	1.045	1.401	34%
Inventories	614	788	28%
Equity-Pickups	16	17	5%
Property, plant and equipment	3.476	3.480	0%
Intangible assets	8	8	-6%
Tax & Deferred Tax Assets	405	354	-13%
Other*	310	272	-12%
Total Liabilities	4.448	4.741	7%
Interest Bearing Liabilities & Derivatives	3.650	3.773	3%
Trade Payables	575	593	3%
Provisions	126	211	67%
Tax & Deferred Tax Liabilities	4	6	32%
Other**	92	158	73%
Equity	2.826	2.927	4%
Equity holders of the parent	2.826	2.927	4%
Minority Interest	0	0	

*Other Receivables, Prepaid Expenses, Other Current & Non-Current Assets

**Other Payables, Deferred Income

Summary Financials

SUMMARY INCOME STATEMENT (Million TL)	1H2019	1H2020	YoY Change
Revenue	1.887	2.433	29%
COGS	-1.263	-1.587	26%
Gross Profit	624	846	35%
Research and development	-1	-1	37%
Sales and marketing	-244	-355	46%
General and administrative	-122	-139	13%
Other income (expense), net	20	62	207%
Income from Equity Pick-ups	1	1	-26%
Impairment Gain/Loss	-5	-1	-84%
Income from Investing Activities	49	69	41%
EBIT	322	481	49%
EBITDA	525	734	40%
Financial Expense, net	-180	-182	1%
Income before Tax	142	299	110%
Tax Expense, net	114	-59	-152%
Net Income	257	239	-7%
Net income after Minority Interest	257	239	-7%
Minority Interest	0	0	0%
Earnings per share (TL):	0,3424	0,3190	-7%

Summary Financials

CASH FLOW STATEMENT (Million TL)	1H 2019	1H2020
Net Profit	102	239
Non-cash	157	492
Operating cash flows provided before changes w/c	259	732
Change in w/c	-148	-443
Cash flows from operating activities	111	289
Interest paid	-37	-138
Interest received	4	23
Dividend paid	0	-101
Taxes paid	-4	-23
Capex	-187	-234
Free Cash Flow	-114	-184
Proceeds from sale of property, plant and equipment	2	14
Other cash flows from operating activities	-3	-3
Other cash flows from investing activities	-91	44
Proceeds from financial liabilities	1.402	1.973
Repayments of financial liabilities	-865	-2.148
Other cash flows from financing activities	-3	-7
FX gain/loss on cash and cash equivalents	78	183
Net decrease/increase in cash and cash equivalents	406	-126



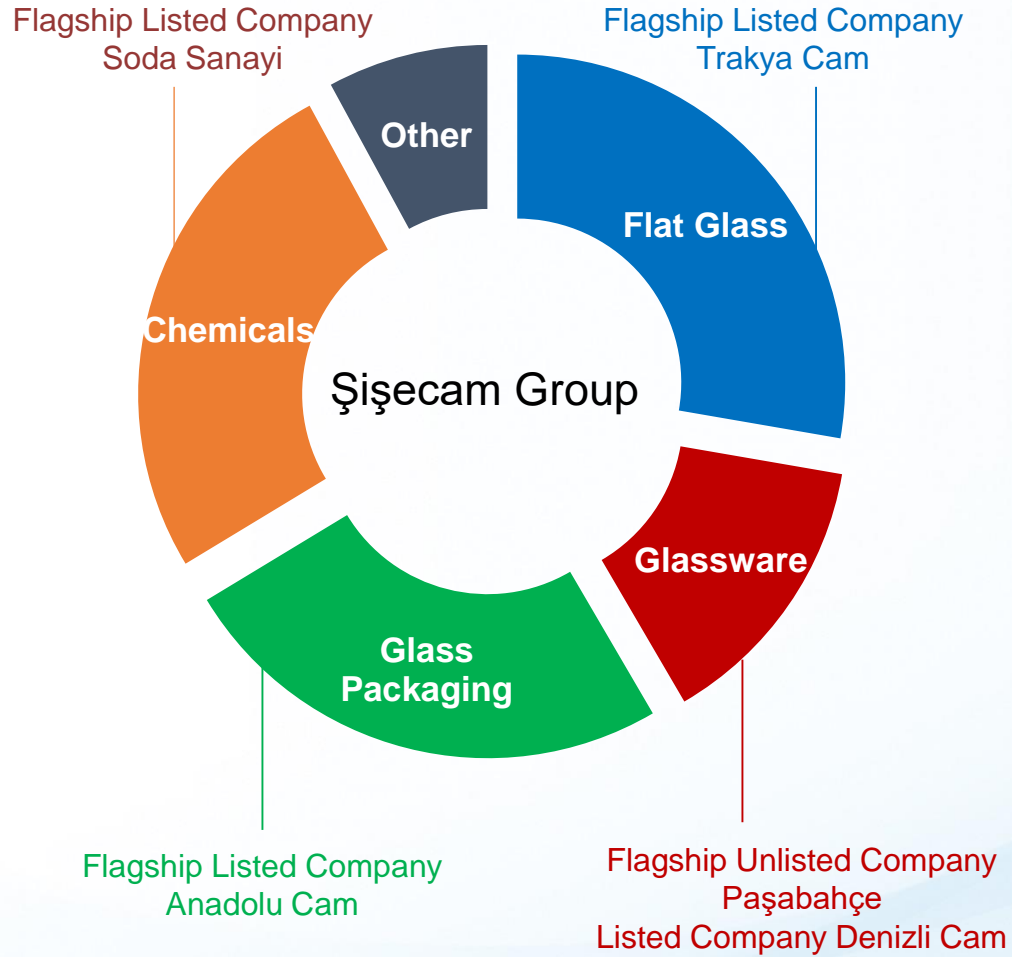
ŞİŞECAM

2020 H1 Results

Rationale of the Merger

- **MAXIMIZING SHAREHOLDER VALUE**
- Simplification of the Group's shareholding structure by creating only one single listed entity
- Higher free float and increased depth
- Optimization of costs through the centralization of
 - **Supply Chains at Phase I**
- Creation of synergies between business units
- Improved corporate governance and key decision-making processes
- Higher revenue generation and profitability
- Better positioning of Sisecam to build a strong reputation on the global stage

Existing Business Structure



43 production facilities located in 14 countries

68 companies established in 18 countries

Stand-alone management of business segments

Centralized IT and R&D

Centralized management of non-core operations levels

- Treasury and Corporate Finance, Strategy, Tax, Human Resources and Investor Relations
- In 2017, centralization of Procurement begins

Timeline



January 30th: Group began merger talks



April 27th:
Finalization of Expert Valuation Report & Opinion
Submission of formal CMB application



July 23rd: CMB approval received

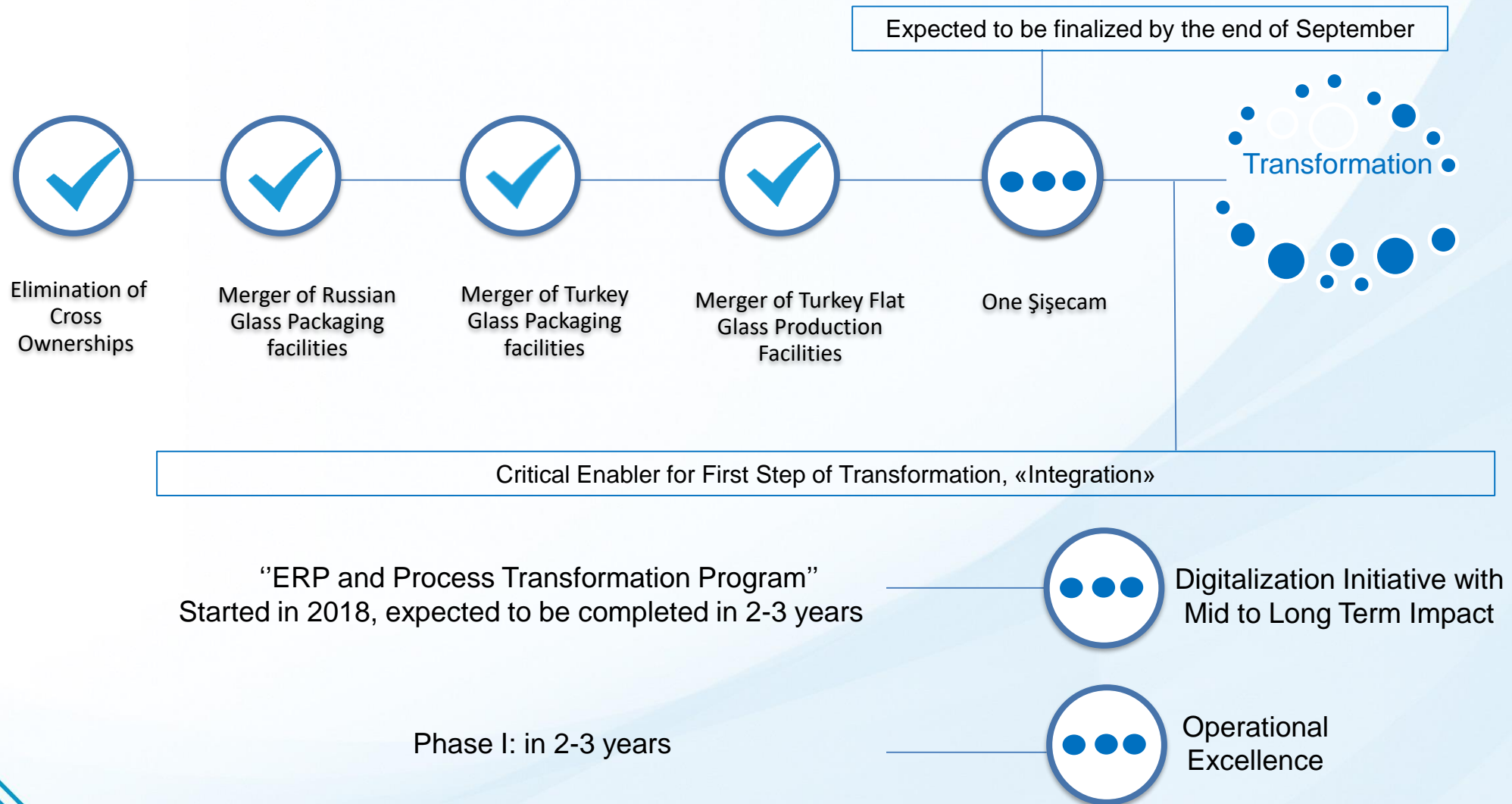


August 26th – 28th: Extraordinary General Assembly Meetings



End of September: One Şişecam

A Holistic Business Approach



Şişecam at a Glance

\$3,2 Billion
Revenue

5 Million Tons
Glass Production

2,4 Million Tons
Soda Production

21.848
Employees

Presence in 14
Countries

5th Flat Glass
Producer Globally

3rd Glassware
Producer Globally

5th Glass Packaging
Producer Globally

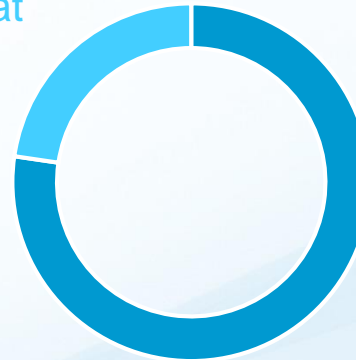
10th Soda Ash
Producer Globally

Leader Producer in
Basic Chromium
Sulfate Globally

4th Chromic Acid
Producer
Globally

Shareholder Structure

Free Float
23%



İş Bank
Group
77%

85 year of
corporate history

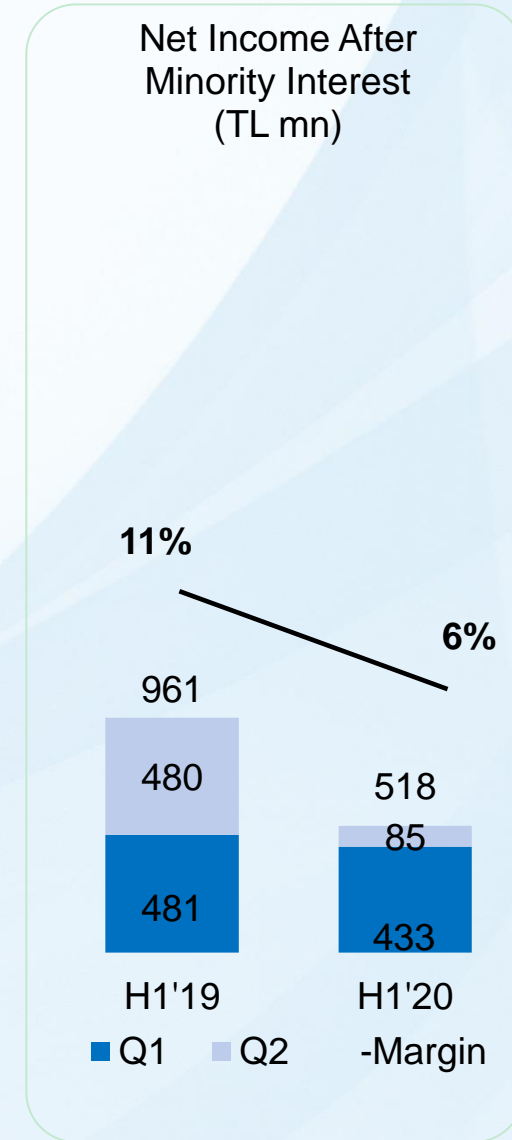
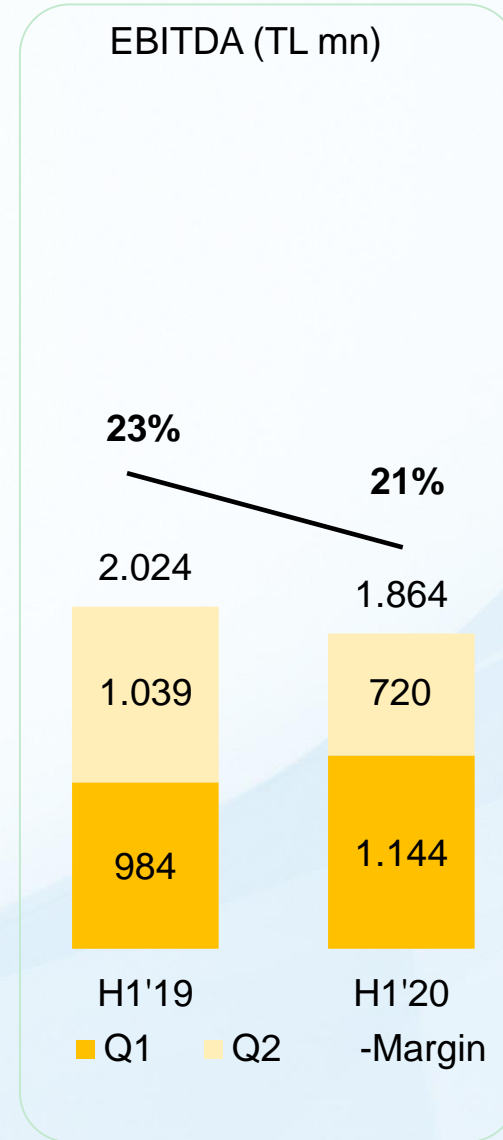
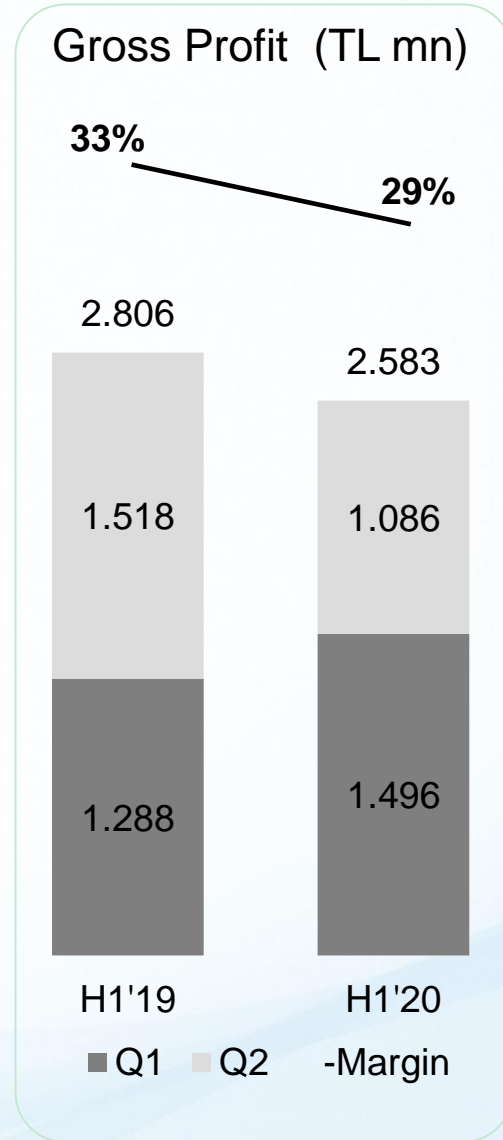
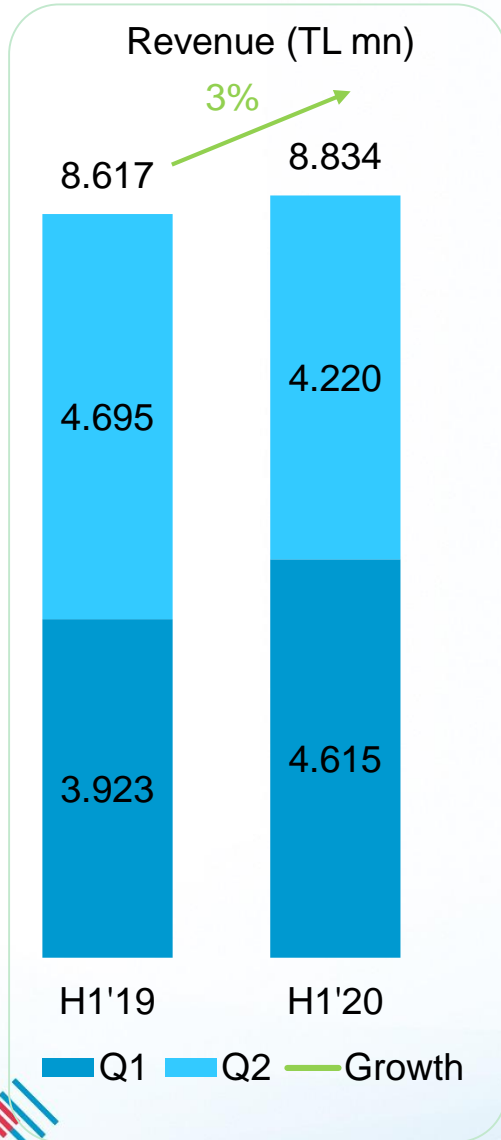
150 Export
Countries

43 Production
Plants

\$1,8 Billion Market
Cap.

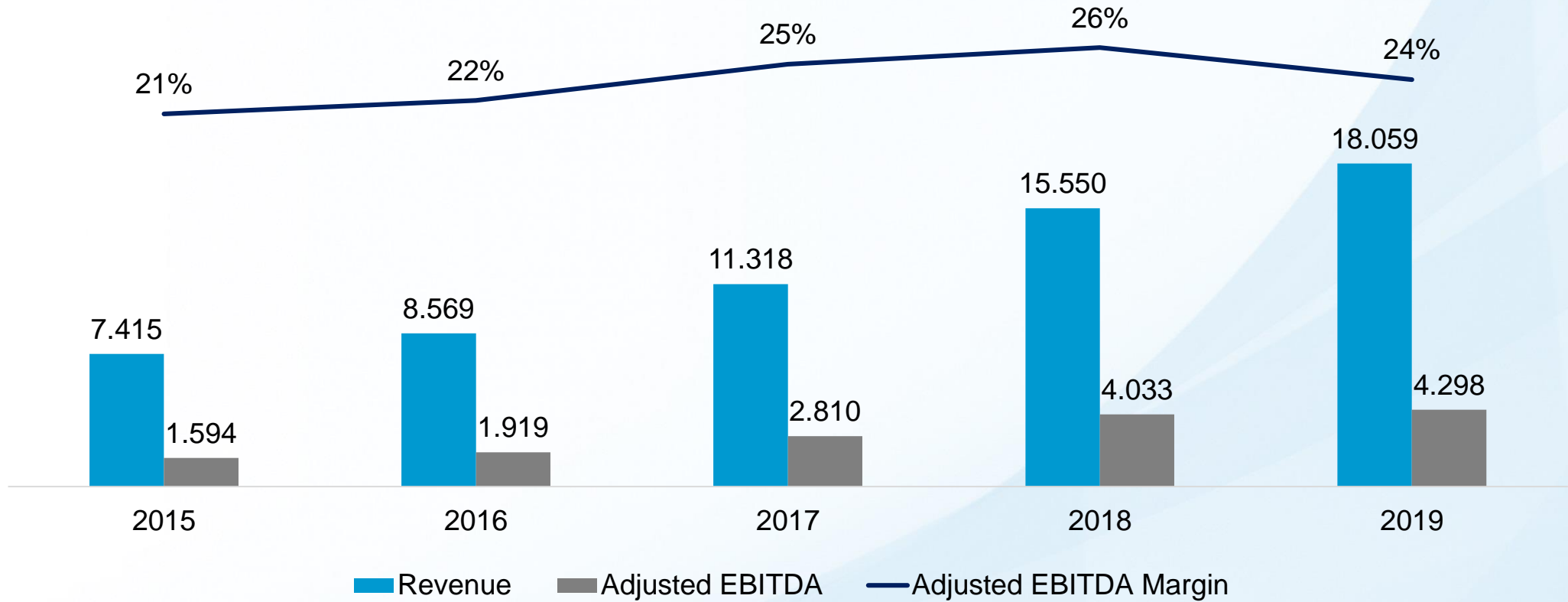
Listed Company
since 1986

First-Half Financial and Operational Results



Historical Financial Results

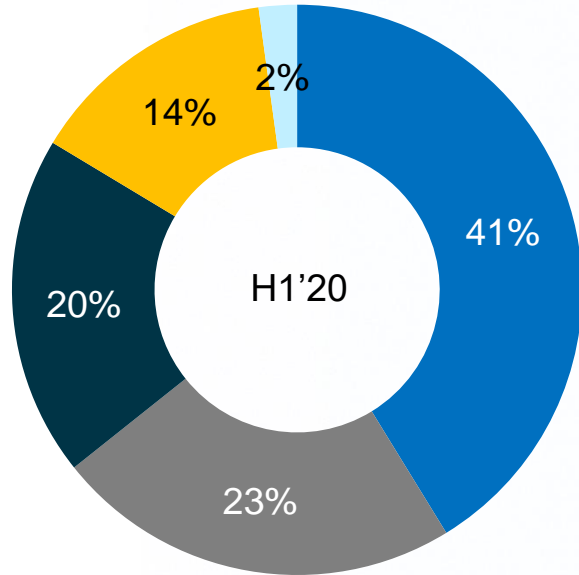
TL mn



	2015	2016	2017	2018	2019
Revenue Growth Y-o-Y	8%	16%	32%	37%	16%

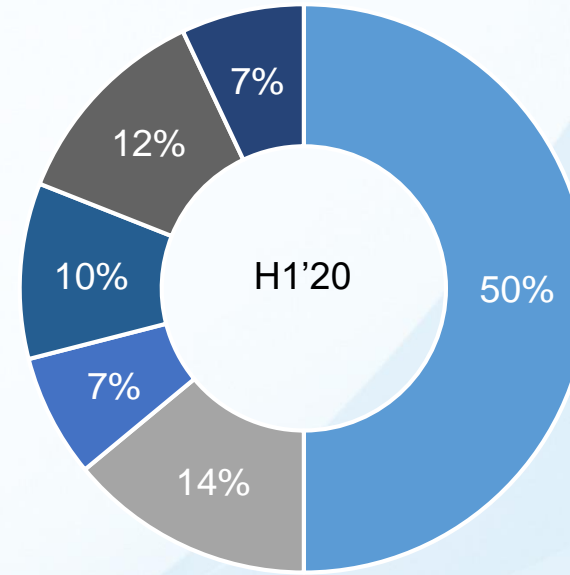
First Half Regional Results

Geographic Revenue Mix



- Sales in Turkey
- Europe
- Other
- Exports from Turkey
- Russia, Ukraine and Georgia

Regional Breakdown of Exports from Turkey



- Europe
- Asia
- Middle East
- North Africa
- North America
- Other

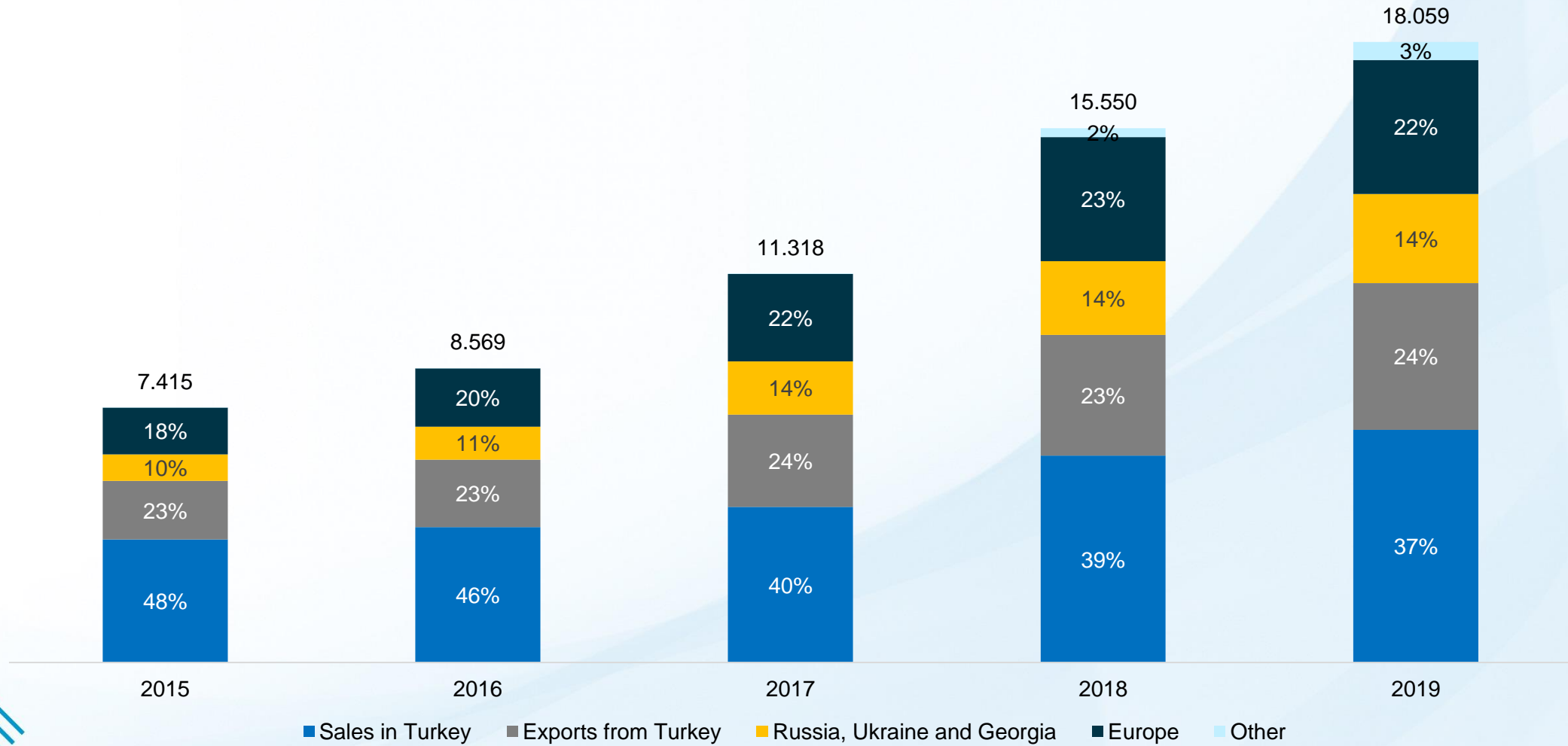
Top 10 Export Countries
Italy, Egypt, USA, Lebanon, France, Germany,
Israel, China, Romania, UK

\$339 mn exports revenue

Exports to +150 Countries

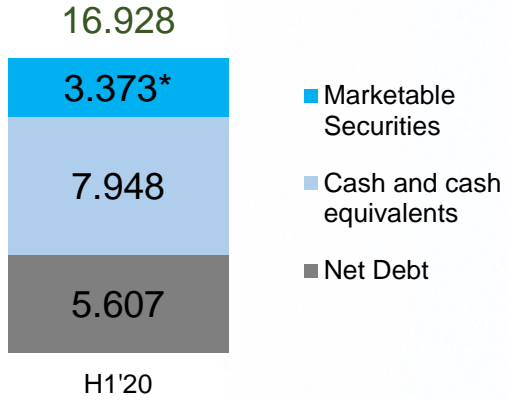
Historical Regional Results

TL mn

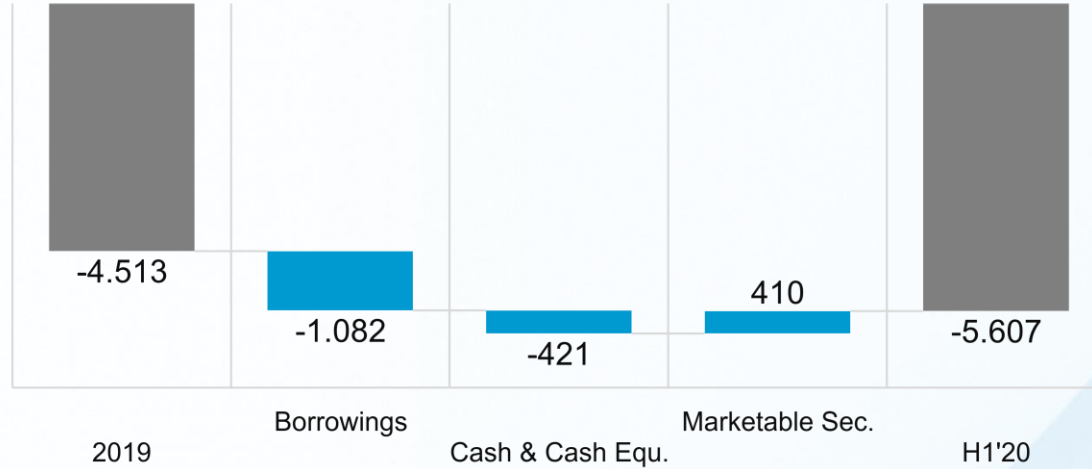


Debt Position

Liquidity and Debt Structure (TL mn)



Net Debt Bridge (TL mn)



Net Debt/EBITDA
1.14x

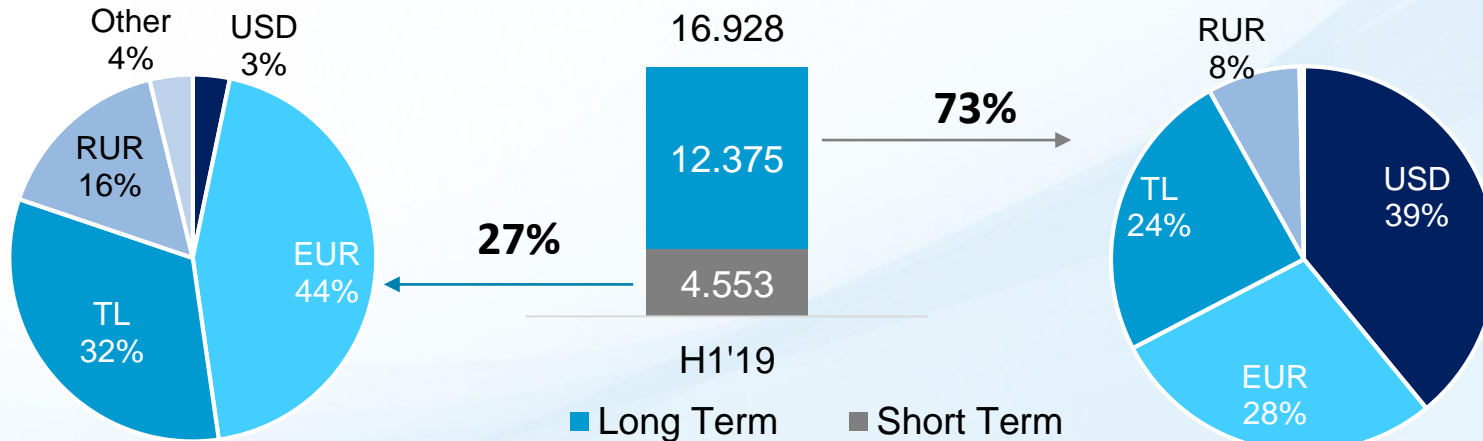


70% Fixed Int. Rate
vs
30% Variable Int. Rate



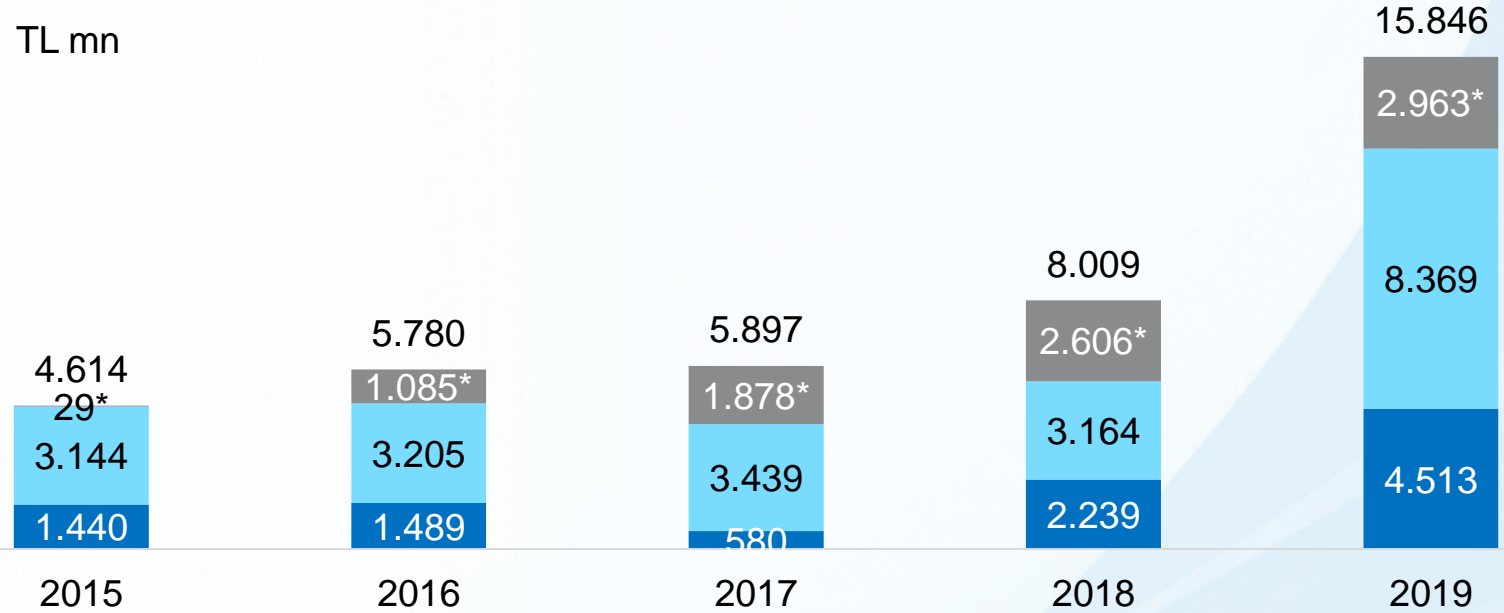
USD 778 million
Net Long FX Position

Term Structure of Gross Debt (TL mn)



*USD 706 mn long term liabilities include USD 700mm Eurobond issued back in March 2019. After cross currency swap agreements made in April and June in 2019, 68% of the bond converted to EURs, 14% converted to TL and rest of 18% kept in USD

Historical Debt & Liquidity Results



■ Net Debt ■ Cash and cash equivalents ■ Marketable Securities

Net Debt/EBITDA**	0,82	0,70	0,19	0,46	0,93
Net Debt/Equity**	0,15	0,13	0,04	0,13	0,24

Credit Ratings

MOODY'S	LT FCY Rating	B1	Negative
FITCH	LT FCY Rating	BB-	Stable

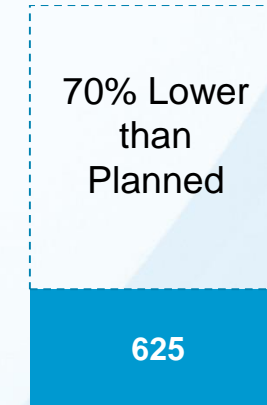
(*) Marketable securities (Eurobond investment portfolio) amounting to USD 500 Million (TRY 2.96 Billion)

(**) Marketable securities are included in net debt calculation

FCF & Capex

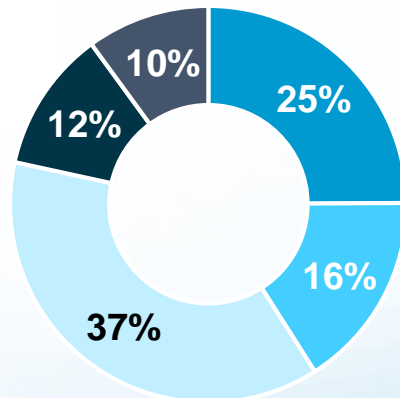
(TL mn)	H1'19	H1'20	Change
Net Profit	1.349	862	-487
Non Cash Items	644	1.043	399
Changes in Working Capital	-959	-1.388	-429
Cashflow from operations	1.035	518	-517
Interest received,net	-52	-367	-315
Dividend paid,net	-588	-454	134
Taxes paid	-230	-323	-93
Capex	-1.240	-625	615
FCF	-1.075	-1.252	-177

■ Realized Capex □ Canceled / Delayed Portion



H1'20

CAPEX Breakdown



- Flat Glass
- Glassware
- Glass Packaging
- Chemicals
- Other

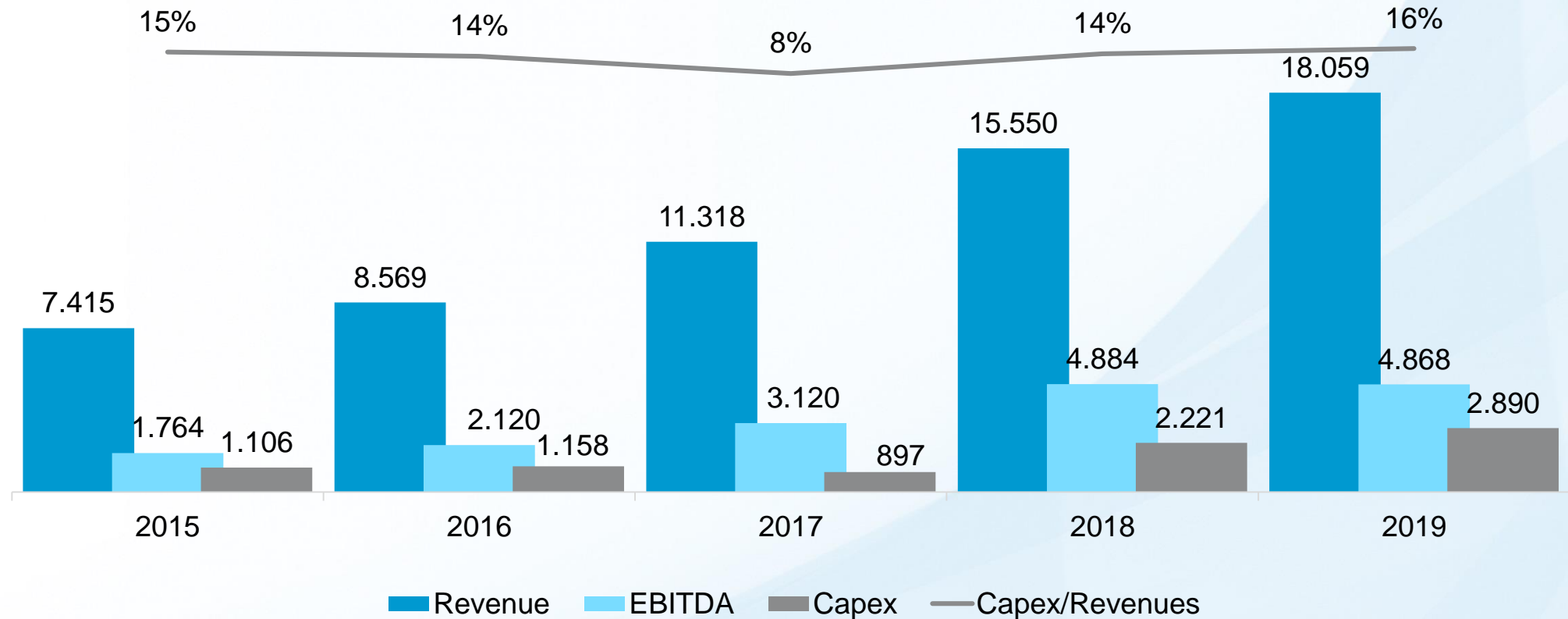
3x
Adjusted
EBITDA/CAPEX

7%
CAPEX/Revenues

38%
Working Capital/Revenues

Historical Capex Analysis

TL mn



EBITDA/Capex 1,60 1,83 3,48 2,20 1,68

Şişecam: New Implementations

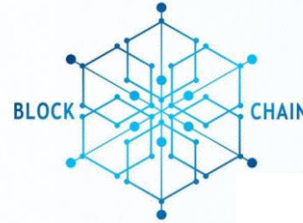
The First Blockchain Transaction in Turkey

The first trade finance transaction on Marco Polo blockchain network in Turkey



Technology to increase **security, speed and operational efficiency** in international trade

Privacy in finance

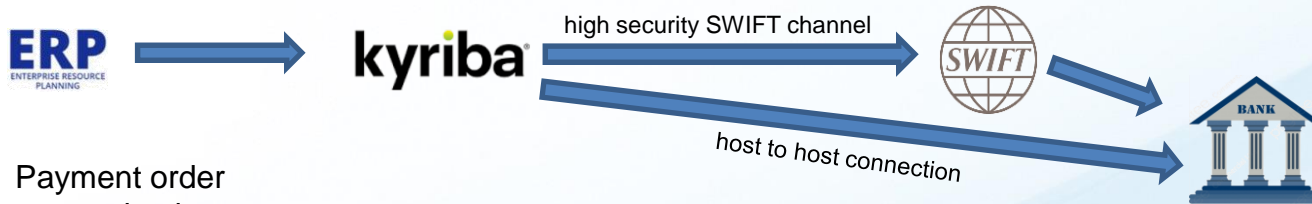


Simple processes

Safe, transparent and protected transactions

Effective audit and reliability

Anti Fraud System



Payment order generation in ERP systems and transfer to Kyriba for **approvals and fraud controls**

Following the approval in Kyriba, transmission to the bank through **high security SWIFT** channel or **host to host** connection.

Examination according to **5 main fraud detection rules** prepared based on the **most common fraud scenarios** in the world

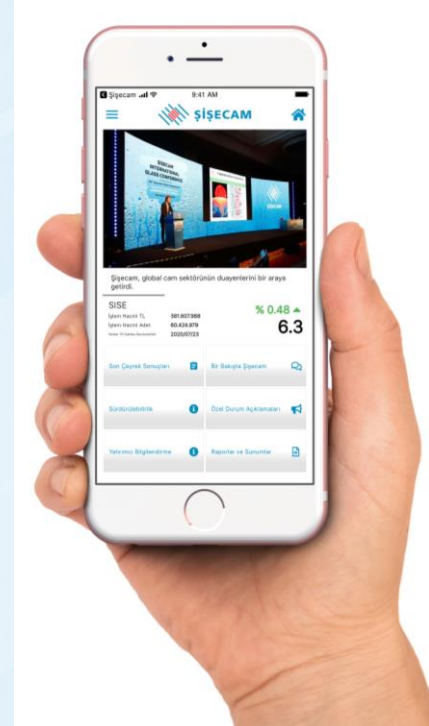
Investor Relations Mobile Application

- Mobile toolkit to examine earnings results, financial reports as well as corporate governance and ESG materials
- Easy and rapid access along with an offline access option
- Push-up notification option

Available on:

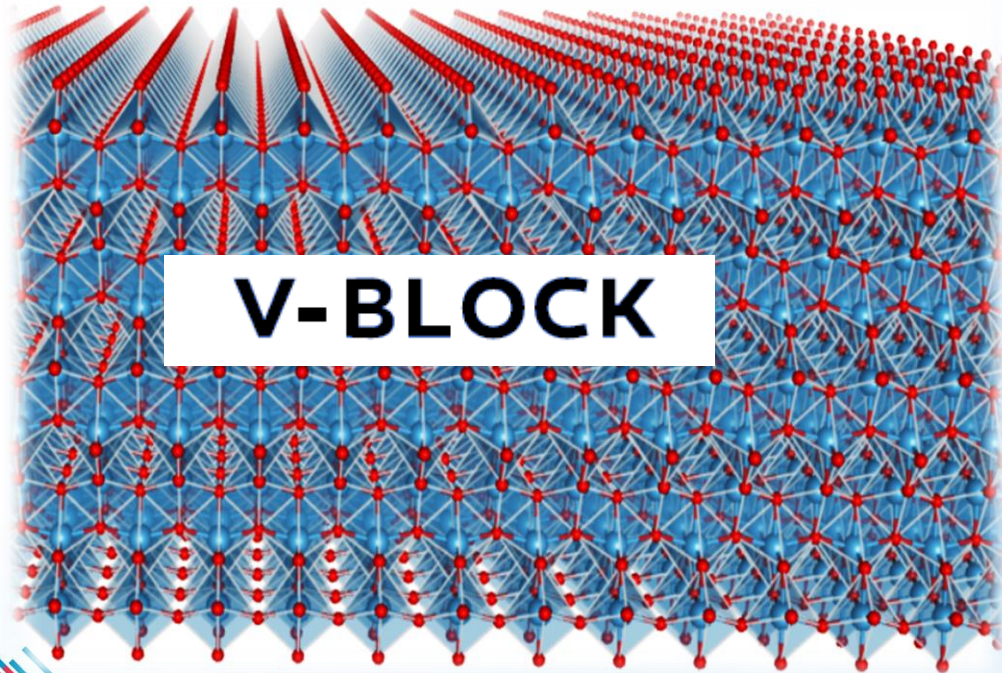


ANDROID



V-Block Technology - Paşabahçe

- Neutralizes viruses and bacteria on glass surfaces
- Special chemical formula and hot coating method
- Patent process in ongoing



- First to be offered in Turkey, then in export market
- Initial production is planned by August
- Further plans to implement this technology in glass packaging, architectural glass and glass for home appliances



Şişecam's Sustainable Strategy: CARE for NEXT

Şişecam Sustainability Strategy: Care for Next



Sustainability

Key Sustainability Achievements

The Group is among the first 100 in “Best Emerging Markets Performers” Viego Eiris Sustainability Index

- 5.5% **re-use of waste water**
- 23% of **cullet usage** in production of container glass
- **NOx emission reduction** in 8 furnaces
- 3 **industrial synergy program** realization
- **Forest lands** in mine sites increased by 35%
- Set of **Supplier Code of Conduct** integrated with sustainability principles

PRESERVE

Natural Resources
Corporate Heritage
Product Safety

- **Lost Time Injury Frequency Rate: 12**
- Publishing **Diversity and Inclusion Principles**
- 20% of **women employee in total**
- Ongoing support for both local and international regulations regarding **equal opportunities**

EMPOWER




Diversity and Inclusion
Talent Management
Occupational Health and Safety
Corporate Social Responsibility

- 0.4% **GHG emission intensity** avoided compared to 2017
- 1.8% **energy consumption reduction** in glass production plants compared to 2017
- 6.3 MW energy obtained from **renewable energy**
- Ongoing process regarding implementation of reactant pre-heating methodology for at least for one additional plant in order to decrease **natural gas consumption**
- Ongoing process regarding waste heat recovery system for **additional 2 plants**

PROGRESS

Research & Development and
Digitalization
Innovative Products
Combatting Climate Change

Sustainability: Progress Status

	Şişecam Sustainability Strategy (2017 -2022)	Unit	2019 current status
 <p>preserve</p>	Reuse of 5% of industrial waste water	%	5.5
	Using at least 20% recycled glass through glass packaging production	%	23
	Reduction of NOx emission values with primary measures in at least 10 glass furnaces	Number	8
	Development of at least 4 industrial synergy programs	Number	3
	Increasing forest areas by 20% in existing mining areas	ha	35
	Renewal of corporate procurement procedures within the scope of sustainability principles	Procedure	Realized
	Initiation of biodiversity and conservation practices by involving local people at the geographies of operation	Area (ha)	Not Initiated
 <p>empower</p>	Zero occupational accidents (LTIFR-loss-time injury frequency rate)	LTIFR	12
	Endorsement of Şişecam Group's Diversity and Inclusion Principles	Principles Document	Realized
	Dissemination of culture of inclusion among Şişecam Group and the entire stakeholders, measuring those against performance indicators	% of female employees	20.02
	Supporting national, international policies and regulations on equal opportunities		Ongoing
 <p>progress</p>	Reduction of greenhouse gas emission intensity by 5% in glass production facilities compared to 2017	%	0.4
	Reduction of annual specific energy consumption by 2% in glass production facilities compared to 2017	%	1.8
	Generating 12 MW of energy from renewable resources	MW	6.3
	In order to reduce natural gas consumption, switching to reactant pre-heating method in at least 2 more factories	Number	Ongoing
	Application of Waste Heat Recovery system in at least two more manufacturing plants at minimum	Number	Ongoing

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FX Rates

	2015	2016	2017	2018	2019	Q2'19	Q2'20	H1'19	H1'20
USD/TL									
Period End	2,91	3,52	3,77	5,26	5,94	5,76	6,84	5,76	6,84
Period Average	2,72	3,02	3,64	4,83	5,67	5,87	6,85	5,62	6,47
EUR/TL									
Period End	3,18	3,71	4,52	6,03	6,65	6,55	7,71	6,55	7,71
Period Average	3,02	3,34	4,11	5,68	6,35	6,60	7,54	6,35	7,13

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