

2026 1H Results Webcast Transcript

TÜRKİYE ŞİŞE VE CAM FABRİKALARI A.Ş.

August 17th, 2026

OPERATOR

Ladies and gentlemen, thank you for standing by and I would like to welcome you to Sisecam's Investor & Analyst Call for the first half of 2026 results Call on the 17th of August, 2026. At this time, all participant lines are in listen-only mode.

Today's call will feature a presentation by the management team, followed by a Q&A session. Now, I would like to pass the line to the CEO of Sisecam, Mr. Can Yücel. Please go ahead, sir.

CAN YÜCEL

Good day ladies and gentlemen, and welcome to our First Half 2026 Earnings Results Webcast. I am pleased to meet you all again to share our operational and financial results. Today, I'm together with our CFO, Gökhan Güralp and our IR Director, Hande Özbörçek. Now, I would like to hand over to our CFO Mr. Güralp for the presentation and the review of our First Half 2026 consolidated results.

GÖKHAN GÜRALP:

Thank you very much Mr. Yücel.

Good day ladies, and gentlemen, and welcome to our Webcast Audio Call. I hope that everyone is safe since we last spoke. And I would like to thank you all for joining us today.

We will commence today's webcast by presenting our financial and operational results for the First Half of 2026, with a particular focus on the performance of our core business lines. Subsequently, we will detail our cash position and capital allocation. Following the review of operational and financial results, we will conclude today's presentation by updating you on our company's sustainability journey.

As always, we will be pleased to take your questions at the end of the presentation. Please be reminded that the presentation and the Q&A sessions may both contain some forward-looking statements. Our assumptions and projections are based on the current environment and may therefore be subject to change.

Before we begin our financial review, let me briefly remind you that, in line with regulatory requirements, Turkish companies, including Şişecam, continue to prepare their financial statements under IAS 29 inflation accounting. Therefore, the first half of 2026 financial results, together with the comparative figures for 2025, are presented

in accordance with Turkish Financial Reporting Standards and expressed in terms of the purchasing power of the Turkish lira as of June 30, 2026.

As in previous periods, we will also present certain key financial indicators on a pre-IAS 29 basis at the end of the operational and financial review section. This set of info has already been provided to our main shareholder as financial institutions are exempted from the implementation of IAS-29 standards.

We concluded the reporting period with consolidated revenue of 122 Billion TL, down by 8% year-on-year.

Revenue performance continued to be affected by the mismatch between the domestic inflation rate and the depreciation of the TL against the hard currency basket. During the period, annual inflation stood at 32% while the reporting currency depreciated by 16% against the hard currency basket, limiting the translation of our international operations into reported revenue growth. In addition, performance varied across our business lines, reflecting differing market dynamics and end-market conditions across our diversified portfolio.

Core business lines' sales volume performances were maintained by Architectural Glass and Chemicals operations offsetting softer trends in Glassware and Glass Packaging. Product pricing improvements were visible across all glass businesses and geographies in USD, while pricing in our soda ash underperformed the prior year, primarily reflecting persistent global oversupply conditions.

Throughout the first half, geopolitical developments, particularly in the Middle East, led to heightened volatility in energy markets, while inflationary pressures continued to impact production costs and consumer confidence across several regions.

These challenges were not unique to our company. Across the global glass and materials sectors, companies continued to operate in an environment characterized by weaker industrial demand, elevated energy market volatility and ongoing geopolitical uncertainty.

As Şişecam, we maintained disciplined pricing, agile production planning and strict cost control measures. Combined with the growing contribution of value-added Architectural Glass products and efficiencies attained through ongoing initiatives, particularly in Industrial Glass business line, these actions enabled us to preserve a healthy gross profitability profile and deliver a gross margin of 27%.

OPEX/Sales ratio came in at 29%, higher year-on-year but broadly flat compared to the first quarter of 2026. The increase versus the prior year mainly reflected lower product prices in Chemicals operations, higher logistics costs primarily visible in Glassware and

Chemicals operations associated with energy market volatility and elevated “general and administrative” expenses in an inflationary environment. Nevertheless, the change in consolidated OPEX/Sales was kept under control on a quarter-on-quarter basis thanks to the benefits of ongoing efficiency initiatives and cost optimization measures. While the benefits are still emerging gradually, the actions implemented under the efficiency management and cost control program continue to support operational flexibility, cost discipline and profitability across our portfolio.

Our EBITDA, recorded at 3.7 Billion TL, translated into a margin of 3%, compared to 13% in the prior year. The year-on-year decline mainly reflects the high base of last year, when the independent appraisal study on our investment property portfolio resulted in a 2.4 Billion TL revaluation gain, supported by a fair value increase exceeding inflation following a change in the title deed nature of one property.

This year, the effect moved in the opposite direction. We recognized 3.5 Billion TL impairment loss in connection with the sale of our Beykoz investment property. Additionally, the termination of Stockton Port Project and the discontinuation of the partnership with 7C Basalia Global led to the booking of 1.2 Billion TL in total as investment expense. On top of these, half year appraisal studies showed that the remaining investment property portfolio and the “plant, property and equipment on hand” had not kept pace with inflation, resulting in a further revaluation loss of 2.8 Billion TL. These non-recurring items had a total negative impact of 7.4 Billion TL on our EBITDA, leading to more than 610 bps dilution on our EBITDA margin.

Under inflation accounting, the book value of investment properties is first indexed for inflation. If the independently appraised value comes below this inflation-indexed carrying value, the difference is recognized as a revaluation loss. At the same time, as the balance sheet value is updated based on the appraisal value, the inflation-indexed adjustment creates a monetary gain, which partially offsets the impact of these non-cash valuation losses on the income statement.

This outcome is also consistent with broader trends in the Turkish real estate market. According to CBRT Residential Property Price Index data, residential property prices continued to rise in nominal terms in 2024, 2025 and as of June 2026, but remained negative in real terms. The annual real decline was 10.4% in December 2024, narrowed to 1.4% in December 2025, and widened again to 5.8% as of June 2026.

Therefore, we primarily view the EBITDA decline as the result of non-operational and non-cash investment property valuation movements, rather than a deterioration in the underlying profitability of our core operations.

At the same time, while market conditions remained challenging across several of our businesses, indicators that are within our control, including portfolio quality, value-added product penetration, operational efficiency and customer diversification, continued to develop in the right direction during the first half.

Parent-Only Net Income was flat at 5.4 Billion TL with 4% margin thanks to nearly 12 Billion TL lower net financing expenses, supported by disciplined liquidity management, funding optimization measures and enhanced returns generated on cash balances. 17 Billion TL recorded as monetary gains, up by 11% year-on-year, also supported the earnings.

On Slide 5, we would like to demonstrate the underlying performance of our Company excluding the impact of inflation accounting. As you are aware, for this purpose we use Adjusted EBITDA, which is defined as EBITDA adjusted for the effects of inflation accounting through the elimination of monetary gain/loss impacts on relevant P&L items.

As can be seen, the cumulative impact of inflation accounting on the relevant P&L lines amounted to 13.4 Billion TL, largely attributable to cost of goods sold and investment activities.

With the majority of our industrial capacities located in Türkiye and operating in a high inflation environment, the impact on costs is inevitable. This is reflected in higher direct labour expenses and elevated production overheads. Inflation accounting also inflates inventory values, amplifying the impact on costs, while the naturally high inventory turnover of our business further increases the effect on cost of goods sold.

In addition to these operational impacts, this reporting period also included significant non-cash valuation effects related to our investment property portfolio. Revaluation and impairment losses recorded on non-core assets reduced reported profitability. As discussed on the previous slide, under the IAS 29 framework, the revaluation loss also came with additional monetary gains in the income statement.

Accordingly, Adjusted EBITDA calculation indicated a consolidated profitability figure amounted to 17.1 Billion TL and translated into 14% Adjusted EBITDA margin.

Yet, we fully recognize that the current profitability level does not reflect the earning potential of our diversified asset base, market positions and global footprint. Accordingly, improving returns, strengthening cash generation and enhancing profitability remain our top management priorities. We believe recently commissioned capacities, portfolio optimization initiatives and efficiency measures provide a solid basis for improving profitability and cash generation over time.

Moving onto the next slide, once again in the reporting period, our operations portfolio maintained a well-balanced structure, with glass operations accounting for two-thirds of consolidated revenue.

Architectural Glass, our largest glass operation, operated with 5.1 million tons per annum gross flat glass production capacity in Türkiye, Bulgaria, Italy, India and Russia, as well as one line in Egypt in partnership with Saint Gobain. The business line contributed 26% to consolidated revenue and remained the largest EBITDA contributor with 55% share. Profitability was supported by a more favourable pricing environment, improving demand for energy-efficient glass solutions and the increasing contribution of value-added products. Regulatory trends promoting higher energy efficiency standards in buildings also continued to support long-term market fundamentals.

The commissioning of new coated glass lines in Italy, Bulgaria, and Türkiye together with the ramp-up of our Tarsus investments, further strengthened our value-added product portfolio. The contribution of the new flat glass furnace, coated glass capacities, patterned glass furnace and solar glass processing lines supported both operational efficiency and product mix improvement across the business line.

Our 3.5 million tons per annum Glass Packaging business line, with its 26 online furnaces at 10 production facilities and in 4 countries including Hungary, remained the second largest contributor to our consolidated performance. The business line accounted for 23% of consolidated revenue and 33% of EBITDA during the reporting period.

As previously announced, we commissioned our Hungary greenfield investment at the beginning of 2026, marking an important milestone in the expansion of our European footprint. The facility is currently progressing through its test production. Therefore, we expect to book the benefits of this investment to gradually materialize as the operation becomes fully integrated into our commercial network.

Chemicals operations ranked as the third, accounting for 21% of revenue. The business line's share in EBITDA came in at 7%. Despite persistent global oversupply conditions in the soda ash market, the business line continued to leverage its diversified customer portfolio, operational discipline and strategic positioning in natural soda ash to mitigate the impact of market conditions.

Industrial Glass business line, which accounted for 13% of consolidated revenue, continued its profitability recovery and contributed 18% of consolidated EBITDA during the reporting period. The benefits of operational efficiency measures in Europe and in

Türkiye, portfolio optimization initiatives and a greater focus on value creation continued to support the segment's earnings profile.

From our Glassware operations with 524K tons per annum gross capacity, we generated 11% of our consolidated revenue. However, the business line had a dilutive impact on our EBITDA given the unfavourable demand trend.

Energy segment's performance, primarily driven by our electricity trading activities, accounted for 4% of consolidated revenue. The segment had a limited contribution to consolidated EBITDA, reflecting the softened spot pricing environment given the composition of electricity resources.

On the next two Slides, we aim to present the key takeaways regarding the first half performance of our core business lines on an individual basis to provide you with a concise summary of our Glass and Chemicals units' performance in comparison with the prior year from both operational and financial perspectives.

Architectural Glass

Architectural Glass business line generated 31 Billion TL net external revenue moving up by slightly more than the inflation rate, reflecting a resilient performance despite continued macroeconomic uncertainties, tight financing conditions and ongoing geopolitical conflicts. EBITDA margin stood at 17%, down by nearly 210 bps year-on-year.

The business line benefited from increased production capacity following the re-ignition of the North Italy furnace and the commissioning of the new flat glass furnace in Tarsus. Even beyond the capacity contribution, these investments enhanced operational flexibility and strengthened our value-added product portfolio, particularly in coated and energy-efficient glass applications. The commissioning of coated glass and energy glass investments further reinforced our ability to serve growing demand in higher value-added applications in Türkiye and in Europe. Production performance remained strong with 8% growth year-on-year despite ongoing cold repair activities at certain facilities. Even during the ramp-up phase of newly commissioned capacity and the enlarged production base, active capacity utilization rate was kept at 87%.

Demand conditions remained mixed throughout the period.

In Türkiye, re-urbanization and renovation activities continued to support demand, while value-added products further strengthened the sales mix. Solar glass emerged as one of the key growth drivers during the period, supported by the new capacities that we commissioned back in September 2025 as well as. While the market continued to expand, we delivered substantially stronger growth through deeper market

penetration and import substitution. Resultantly, we increased our market share in this product from last year's 16% level to 40% in the reporting period. Leveraging our scale, operational reliability and integrated manufacturing capabilities, we continued to strengthen our role in shaping the regional ecosystem and creating a more resilient local supply base. Coated glass products delivered a higher contribution particularly in value terms, reflecting increasing demand for energy-efficient glazing solutions.

This trend is also consistent with the increasing regulatory and industry focus on building energy efficiency in the region. Export markets remained competitive, particularly in regions affected by geopolitical developments. Increasing contributions from Europe and Asia-Pacific helped offset softer demand in certain Middle Eastern markets, demonstrating the benefits of our diversified commercial footprint. Combined with the performance of direct exports, overall sales volume of Türkiye-based facilities grew by 5% year-on-year.

In Europe, market conditions remained selective amid cautious customer purchasing behaviour and subdued construction activity. Against this backdrop, we continued to prioritize value-added products and customer portfolio management. Recent coated glass investments in Europe moved up the share of coated products in our European sales mix by around 450 bps in volume and close to 600 bps in value terms.

Meanwhile, market dynamics in India and Russia remained mixed throughout the period.

As a result, consolidated sales volume was flat year-on-year. Yet despite mixed market conditions across regions, our average standard product prices increased by 18% in USD thanks to disciplined pricing, continued growth in value-added products, expanded production capabilities and a diversified commercial footprint.

Industrial Glass

Our Industrial Glass business line, consisting of automotive glass, encapsulation and glass fiber operations, generated 16 Billion TL of net external revenue during the first half of 2026. EBITDA margin came in at 12%, compared to -3% in the prior year, thanks to ongoing operational efficiency initiatives and product mix.

Autoglass sales volume evolved broadly in line with OEM production schedules and a richer product mix; partially offsetting ton sales underperformance as opposed to low double digit decrease in unit sales. The increasing contribution of heavier and more sophisticated products helped mitigate volume-related pressures and supported value creation.

The Auto Replacement Glass channel remained another important pillar of performance. Its recurring demand profile and customer base continued to provide stability and partially offset softer OEM trends during the period.

Glassware

Glassware business line generated 14 Billion TL net external revenue, operating in a market environment characterized by cautious consumer spending, elevated geopolitical uncertainties and softer demand across markets. Half of the business line revenue resulted from international operations. The business line had recorded -10% EBITDA margin.

Consolidated sales volume was down by 5%. Yet flat sales on a unit basis reflected our continued focus on sales mix management and higher value-added products.

In Türkiye, domestic performance remained comparatively strong. National chain stores, wholesaler-retailer channels and the B2B segment all contributed positively, supporting volume growth and further strengthening our market position. According to third-party market data, the business outperformed the underlying market growth by 700 bps through effective commercial execution and strong brand equity. With this our market share moved up by 400 bps to 70% in unit terms.

International markets presented a more mixed picture. While demand was influenced by elevated customer inventories, low-cost imports and geopolitical uncertainties in certain regions, we continued to strengthen our position in selected European markets. The HoReCa channel and Paşabahçe premium segment delivered a positive contribution, while our ongoing focus on higher value-added products supported commercial performance across international operations.

Pricing actions were implemented in line with regional market conditions and cost developments. Supported by price adjustments introduced since 2025 and favourable sales mix, average consolidated USD price per ton increased by 3% year-on-year.

Glass Packaging

Glass Packaging business line generated 28 Billion TL net external revenue compared to 29 Billion TL in the prior year. Despite softer demand conditions across several end markets, pricing remained supportive throughout the period, helping offset volume weakness and reflecting our disciplined commercial approach. EBITDA margin stood at 12%, down by close to 320 bps year-on-year.

During the first half, production was impacted by planned cold repair activities in Türkiye and output optimization efforts in the CIS region. Consolidated output was down by 6% year-on-year. Despite these temporary operational constraints, we

maintained our capacity utilization levels across the network at 90% while continuing to align production with market conditions.

Demand trends were mixed throughout the period. In Türkiye, sales to food fillers and mineral water producers were supportive, while certain alcoholic beverage categories remained limited. Export performance was strong, backed by geographical diversification, market share gains in Europe and a broader customer portfolio. As commissioning activities at our Hungary facility progressed, we continued to strengthen customer relationships and commercial presence in Europe, helping offset weaker demand in certain Middle Eastern markets.

Market conditions were challenging throughout the first half in the CIS region. In Russia, weaker consumer sentiment, tax-driven price increases and softer demand in alcoholic beverage categories continued to be the factors affecting the consumption. Meanwhile, our Georgia operations delivered a strong performance, partially offsetting the limited momentum in the region.

As a result, consolidated sales volume declined by 4% year-on-year. Nevertheless, disciplined pricing actions, favourable product mix and currency effects supported pricing performance, leading to an 11% increase in average prices per ton in USD.

Chemicals

Chemicals segment generated 26 Billion TL net external revenue amid continued pressure across global chemicals markets. EBITDA margin stood at 3% versus 14% in the first half of 2025.

In soda chemicals, challenging market conditions persisted throughout the reporting period. Global supply continued to increase following new soda ash and sodium bicarbonate capacity additions in China, while demand recovery across several key end-markets remained selective. As a result, pricing environment continued to move along a weaker trend. Despite these on top of geopolitical conflicts, we maintained a solid sales performance, supported by customer acquisitions, strong domestic demand and the flexibility provided by our geographically diversified production and sales network.

Planned maintenance activities and temporary operational disruptions experienced during the period had a low single digit impact on the consolidated output to our diversified manufacturing footprint.

Commercial execution remained strong throughout the period. Domestic soda ash sales increased significantly with higher deliveries to local customers as well as strategic reallocation of some clients from Türkiye-based operations to EU-based

facilities in response to the implementation of the EU ETS, supporting competitiveness across export markets. As a result, consolidated soda ash sales volume remained broadly stable despite challenging global market conditions.

In chromium chemicals, demand conditions remained weak throughout the first half, particularly in leather applications. Heavy competition persisted across several end-markets. Despite lower sales volumes, pricing performance continued to benefit from cost pass-through initiatives in addition to active product mix management.

As a result, consolidated chemicals sales volume performance was slightly down on a year-on-year basis, while per ton net soda ash sales declined by 8% on average in USD. In chromium chemicals, average prices increased by 6% compared to the same period last year, supported by disciplined pricing actions and commercial execution.

Moving onto Slide 9, With our production facilities located in continents and 12 countries, diversified operations portfolio, and a broad product offering, we continue to serve our customers across the globe. Despite the significant challenges posed by the disparity between TL inflation and the currency depreciation international sales accounted for 61% of consolidated top line. Export revenues reached 464 Million USD, of which 62% was generated from products shipped to Europe. Including revenues generated by our European production facilities, the region accounted for 32% of consolidated revenue and remained our largest Non-Türkiye end-market. US market exposure through sales from US natural soda ash operations as well as exports, stood at 11%. Accordingly, our developed market exposure came in at 43%.

On Slide 10, you may see the details on our liquidity position. We ended the reporting period with 608 Million USD cash and cash equivalents including 144 Million USD financial assets, of which 59 Million USD Eurobond investment maturing this year. Gross debt stood at 3.7 Billion USD, with a term structure of 79% long-term to 21% short-term. 89% of the gross debt was denominated in hard currency and 96% of the remaining balance was in TL. The interest rate structure comprised of 69% fixed to 31% variable. The hard currency share of cash and cash equivalents, excluding financial investments, stood at 45%. Resultantly, our net debt position amounted to 3.1 Billion USD.

As a result, our net leverage ratio came in at 9.6x and Monetary gain/loss Adjusted EBITDA figure indicated a net leverage ratio of 3.9x. While leverage metrics remain elevated, deleveraging and balance sheet strengthening remain key priorities going forward. We also continue to assess opportunities regarding non-core assets as part of our broader capital allocation and balance sheet management framework.

We had a net long FX position of 17 Billion TL with 528 Million long in USD and 163 Million short in EUR.

Moving onto Slide 11, our Capex, recorded at 12 Billion TL, was 38% lower than the account balance in the prior year. Our capital expenditures amounted to 270 Million USD based on period average rate, close to the half of the outflow recorded in the same period of the prior year. The distribution of Capex across business lines was as follows:

- 41% of the total Capex was attributable to Architectural Glass segment, mainly in relation with the cash outflows on the newly commissioned investments as well as coated glass line that is being constructed in India
- Capital expenditures with regards to the greenfield glass packaging investment in Hungary, the commissioning of which was announced in the first quarter of this year, and payments made in relation with the cold repair processes in Türkiye corresponded to 36% of the total
- Chemicals segment accounted for 6% of consolidated Capex figure with payments mainly related to operational efficiency and maintenance investments in Mersin, and Wyoming plants
- The remaining balance was mainly related to Other segment under which Sisecam efficiency enhancement investments, digitalization and R&D projects were booked. Sustainability focused renewable energy investments, carried out across the Group as part of 2030 sustainability goals, were also booked under this segment

We ended the reporting period with a cash outflow from operating activities of 2.2 Billion TL due to an increase in working capital needs in connection with the ramp-up of newly commissioned facilities leading to higher inventories and the adjustments stemming from the sale of non-core assets including Beykoz land. Including the monetary loss on cash and cash equivalents, we recorded a negative free cash flow of 28 Billion TL versus 26 Billion TL in the prior year. Including cash collected from the land sale, free cash flow had a negative balance of 20 Billion TL.

Going forward, with the completion of most major expansion projects, investment-related cash outflows are expected to moderate compared to previous periods. Working capital optimization remains a key focus area. Inventory levels associated with newly commissioned facilities are expected to gradually normalize as ramp-up processes progress.

On Slide 12, you may see our key financials without the impact of IAS 29 as provided to our main shareholder for their consolidation purposes and as announced on the PDP for information symmetry.

In the following section, we will update you on our sustainability journey.

We have published our second TSRS-compliant Sustainability Report, prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK).

In this report, we provide a comprehensive overview of our sustainability governance framework, our resilience to climate change, and the risks and opportunities arising from our business model. We also present detailed information on our risk management approach, corporate governance practices related to sustainability, and the role of our product portfolio in managing the impacts of climate change.

The Turkish and English versions of our 2025 TSRS-Compliant Sustainability Report are available at sustainability.sisecam.com.

As a separate note, on June 17, 2026, we met with sustainability focused investors across three separate sessions as part of Barclays' "Emerging Market Corporate Days 2026" event. During the meetings, attended by representatives from Şişecam's Sustainability and Investor Relations teams, where insights into Şişecam's sustainability strategy, sustainability journey, targets, and the progress made toward achieving these goals were shared. Updates on our ESG performance provided, investors' questions were addressed, and a comprehensive overview of our ongoing sustainability initiatives was offered. In line with our transparency and equal information-sharing principles, the presentation used during these meetings was also made available on our website

Finally, the 40th Şişecam International Glass Conference was held in Istanbul this year, bringing together leading representatives of the glass industry, academia, and technology experts.

Organized under the theme "United to Innovate: A Future-Focused Transformation of Energy & Glass," the event addressed key topics at the heart of the industry's transformation, including decarbonization, energy efficiency, and digitalization.

The conference served as an important platform for evaluating strategies, innovative solutions, and collaboration opportunities aimed at shaping a more sustainable future for the glass industry.

Q&A

Cemal Demirtas – Ata Yatırım:

Thank you for the presentation. My question is very much related to the outlook in the second half of the year. We see that the margins are still under pressure, and it's one of the lowest levels we have seen. So, what should be the catalyst in the second half of the year, or is it early to expect any catalyst in the second half of the year to see some recovery in your operating performance? That's my first question. And the second question is about the impact of these corporate tax cuts, starting by 2027 from 25% to 12,5% for the production operations in Turkey. I see that your net, you know, deferred tax, asset position, but of course, it includes all international operations. My question is, what was your net deferred tax asset or liability position in Turkey operations, and what was the impact of that, the change in statutory tax rates, on your tax position or like effective tax rate? Thank you very much.

Can Yücel:

Okay, thank you very much for the questions. I will start with the first one, then give a brief explanation on the second question. Gökhan Bey will provide details more on that one. Starting with the first one, yes, it's been a challenging period in the first half of the year, especially on the second quarter, because of the changing environment and current tension is clearly impacting our cost base, especially on the energy side, which we see that, the cost on that side is currently being levelled and necessary price increases are currently being accepted by the market. So, we will see improvements there in the second half of the year.

And we will be seeing the support coming from our new facilities. As you know, we made our new lines operational starting from February 2026, and the latest one is in operation at the end of the first half of the year. And they are all completing their ramp-up period, which we clearly see, especially on the solar side. We will see their contribution in the following half of the year.

And the last one is, as per the other glass manufacturers globally, the Chinese competition is clearly affecting us as well, just like the other glass manufacturers. We are taking all necessary measures on that side, especially through regulatory authorities, on export restrictions. Now we actually improved or get the results that we expected, especially on the Turkish side. We will see its impact in the following half of the year as well.

And going back to our deferred tax assets, yes, there is a change in the regulation, and it clearly affected us in the meantime. Our effective taxation amount or ratio was all the time lower than the existing ratios due to our incentives and the current regulation affected us in that respect because it diminished our tax assets. And, I can clearly say we will see improvements on that amount in the following half of the year, through the completion of the investments as well and also through other means in the meantime. Gökhan Bey, maybe you can comment more on that.

Gökhan Güralp:

Cemal Bey asked also the Turkish part of the deferred tax side. If you look at the disclosure 31 in our financial audit report, you can see directly the impacts of Turkish side easily because of the inflationary accounting application, we are creating here in Turkey, deferred tax liability. And with the tax rate decrease, the liability part, calculated from temporary differences decreased. That's why we benefited from the tax rate decrease in Turkey in terms of tax assets, and we already accounted that the deferred tax income from these parts and the main items in the disclosure note are coming from Turkey. The other regions do not create such material differences. That's why you can see directly the impact of deferred tax, especially the tax rate change on the liability side easily with the decrease of especially property tax, property equipment and on the other hand, investment property side and also with the retirement pay liability side.

Cemal Demirtas – Ata Yatırım:

Okay, thank you. I think it's clear from my side now. One last question is about the EBITDA margin and the glassware, energy and others are all in negative territory. And should we expect at least, apart from the main operations, should we expect some recovery on those fronts, for instance, energy or even the glassware side? Thank you.

Can Yücel:

Actually, on the business lines that you mentioned, as we explain all the time, we're all committed to provide positive margins on both sides. And on our side, it is very evident that the current market conditions are adversely affecting our performance there, which we will be stabilized very soon. And on the glassware side, it is a business line which is the trademark of Şişecam, and we are creating strategies to get back to at least expected margins on that side as well. And we're trying to at least redefine the business to be online as usual.

Cemal Demirtas – Ata Yatırım:

Thank you.

Evgeniia Bystrova – Barclays

Good afternoon. Thank you very much for the presentation. I have a few questions. I'll start with the question about liquidity and free cash flow. What is your expectation for the free cash flow for the second half of the year, and where do you see the free cash flow maybe for the full year in 2026, given there was a significant cash burn in the first half of the year? And what are the maybe additional sources of liquidity that you can tap into? I know you have a portfolio of assets that you can potentially monetize. Could you please remind me what the size of the portfolio is? Maybe do you have any comments on the timing of those asset disposals, etc? And my second question is about the chemical segment. In terms of the margin decline, what would you say is the percentage points impact of weaker prices or weakness in pricing, and what is the impact of maybe cost pressures? And, obviously, you mentioned that Southeast Asia is the most affected region given the Chinese oversupply. But what is going on with prices in other regions? Any color on that would be helpful. And finally, on chemicals, could you please elaborate on the operating issues in Wyoming corporations? Did they happen, I think more specifically on the transmission line outage, did it happen in Q2 or in Q1? Thank you very much.

Can Yücel:

Evgeniia, thank you very much for your questions. For the liquidity side, this year is a period where Şişecam has completed all ongoing investments. All the coated lines, glass packaging facility in Hungary and also some other minor investments have been fully completed. Therefore, this is a year where we use our cash the most. And on top of it, the overall global economy is providing more negative margins, as you see. And cash or liquidity is our top priority all the time, and we're always trying to maximize cash as we do up to now.

As you mentioned, we have some non-operative assets in hand which do not provide EBITDA or cash and which we are very clear on disposing them to create additional cash for our balance sheet. And you see, we did the first move on the asset which was located in Beykoz, and we have larger assets waiting for us. And especially following the capacity optimization routes as we do for the automotive glass, there are some other assets which are available for that purpose as well on top of what we have in

hand. And we are very clear on selling those assets if necessary, and we are also in discussions with possible buyers. But we are not in a rush for the moment to dispose those assets very quickly. I mean, if necessary, then they are on our agenda.

On the chemicals side, the chemicals story has its own story specific to this year, because this year has been more characterized by oversupply coming from China, and it is affecting the US export market, which is mainly towards Asia-Pacific. It is a common problem for all the producers in the US for the moment. Apart from that, our operations and margins in other fields, our margins and operations from Turkey, our margins and operations within mainland US and South America is still performing pretty good. And we are expecting to see improvements on the Asia-Pacific market as well, because the overcapacity or oversupply originating from China is not sustainable in many ways, and it has to be rationalized in the future.

Evgeniia Bystrova – Barclays:

Thank you. And on the Wyoming issues, operating issues, if you can comment on that would be very helpful. Thank you.

Can Yücel:

Actually, it's a very short-term shortage, and it is not something that will occur again. It is one-time issue that has been sorted out by our technical teams.

Evgeniia Bystrova – Barclays:

Thank you. And it was in Q2 it happened?

Gökhan Guralp:

Yes, it happened in Q2, yes, Evgenia.

Evgeniia Bystrova – Barclays:

Okay, thank you. Thank you so much.

Ergün Unutmaz - Individual Investor:

Thank you very much for the presentation. My question was on the profitability and EBIT margin, but you already shed light on it, Can Bey. Thank you. And so I'll just follow on that. I do understand the unfavorable environment, subdued demand conditions,

burden of energy cost and effects of geopolitical pressures in global markets. In this regard, prioritizing cost management and efficiency programs indeed contribute to the defensive side, but for a long time, we are witnessing struggles on operational results. Considering Şişecam has also completed crucial investments, when this can reflect to numbers, and do you have a midterm target range for EBIT margin? Thank you.

Can Yücel:

Ergün Bey, thank you very much for the question, and you really pointed out good. The global conditions are not very favorable for the moment, and it is a period where we completed our ongoing investments, and we expect them to be producing EBITDA contribution in the following half of the year. The energy side is levelling after short-term shocks, but it is not prevailing, and the pricing on the revenue side is supporting EBITDA margins after the energy cost has increased. And for us, for Turkey, it's another story, as you know, because we are more immune to energy shocks compared to other parts of the world, which is creating an advantage for us. And therefore, I see in the following half of the year, we will see more improvements on the EBITDA side, in line with the ramp-up period of our new investments. But demand is picking up slowly, and we have to see improvement on the demand side, which we are seeing the signs. But as you mentioned, global economy is not providing stability for the moment. Therefore, if we can clearly see the future or the clarity is there, then we will be commenting more accurately in that sense. Thank you very much.

Evgeniia Bystrova – Barclays:

Just a quick question on CAPEX. What's your expectation for the CAPEX for the year? Thank you.

Gökhan Güralp:

In the first half, we reported 270 million USD as capital expenditure. And as you remember, we expect around 500 - 600 million USD as CAPEX budget for this year. But most probably, we will accordingly manage our cash depending on the results. And that's why the estimation is up to 500 million USD, but depending on free cash flow, we will continue in discipline in order to monitor less cash burning.

Can Yücel:

Maybe on top of what Gökhan Bey has explained, I would like to underline we will not have any new CAPEX, new facilities, new lines in the following years with the existing business plan. We already completed our ongoing investments. I am always keeping our US investment aside as we are already in the final stages of completing the permitting process there, and we have time to assess the investment feasibility, which may improve also in the future. Therefore, we have time on that side as well. But other than that, we don't have any new CAPEX other than ongoing CAPEX for renewals, etc. And for Şişecam, our global expansion in the following period and also in the following year will be more focused on not building new lines or capacities but being more active in different new markets and trying to get market share on that side. Thank you.

Evgeniia Bystrova – Barclays:

That's very clear. Thank you so much.

Can Yücel:

We would like to thank you very much for all the participants, and we'd like to see you on the year-end financials again. Thank you very much.

Gökhan Güralp:

Thank you.