

SALE ANNOUNCEMENT OF COMMERCIAL AND ECONOMIC INTEGRITY

From the Sale Commission of the Commercial and Economic Integrity of Adularya for Energy Production of Savings Deposit Insurance Fund of Turkey

Savings Deposit Insurance Fund of Turkey (the “Fund”) is appointed as trustee to the below mentioned Company, by several decisions with various file numbers of the Office of Gaziantep Criminal Judge of Peace (*Sulh Ceza Hakimliği*) pursuant to the request of Gaziantep Chief Public Prosecutor’s Office. The Board of the Fund decided on the formation and sale of the Commercial and Economic Integrity of Adularya for Energy Production. The mentioned integrity is hereby tendered subject to the terms and conditions that are stated in the tender specifications (the “Specifications”), free of all encumbrances such as liens, retentions or pledges, as per Articles 19 and 20 of the Law No. 6758 on Amendment and Adoption of the Statutory Decree on Certain Measures Taken within the Scope of the State of Emergency, Article 134 of the Banking Law and the Regulation on the Sale of Attached Assets Forming a Commercial and Economic Integrity by the Saving Deposits Insurance Fund (the “Regulation”), through a combined procedure composed of submission of bids in sealed envelopes and an open auction.

OWNERS

- Adularya Enerji Elektrik Üretimi ve Madencilik A.Ş.
- Tümsan İnşaat Madencilik San. ve Tic. A.Ş.

SCOPE OF THE COMMERCIAL AND ECONOMIC INTEGRITY

Commercial and Economic Integrity of Adularya for Energy Production consists of immovable properties (31 pieces of land and the mine site in total including the parcels numbered 323 and 331 located in Mihalıççık – Eskişehir, Gediz District of the Kütahya Province, Gümüşlü Village as well as the Yunus Emre Thermal Power Plant located in Bey Village of the Koyunağılı Neighborhood), usufruct rights established on two State owned-lands held by the Turkish Treasury in favor of Adularya Enerji Elektrik Üretimi ve Madencilik A.Ş. until the date of 23.06.2055, movable properties (prefabs, movable properties and vehicles on the mine and thermal power plant sites), mining licenses, rights (documents, licenses and permits) and agreements pertaining to these assets, and all other properties, rights and assets including those which are arising from these contracts but do not have an individual economic value.

ESTIMATED VALUE

The estimated value of the Commercial and Economic Integrity of Adularya for Energy Production is TL 1,400,000,000- (One Billion Four Hundred Million Turkish Liras).

SECURITY

It is required to deposit TL 140,000,000- (One Hundred and Forty Million Turkish Liras) as cash collateral to the Fund’s TL account at T. Ziraat Bankası A.Ş. Levent Branch with IBAN No: TR76 0001 0007 5306 2864 3883 23 with the explanation “Security for the Commercial and Economic Integrity of Adularya for Energy Production” in order to participate in the tender. In addition to this, irrevocable letters of guarantee for unlimited time in TL that are obtained from Banks listed in Article 3 of Law No. 5411 as well as Government Bonds, Treasury Bills or Bonds with a Surety by the Treasury of the Republic of Turkey with a value corresponding to 15% more of the security’s present value will also be accepted instead of cash collateral. Letters of guarantee that are

obtained from banks where the Participant holds direct or indirect management, supervision or control rights will not be accepted as tender security.

It is required to submit and deliver to the Sale Commission receipts demonstrating that the required amount has been deposited, or letter(s) of guarantee, or documents issued by banks which demonstrate that Government Bonds, Treasury Bills or Bonds with a Surety by the Treasury of the Republic of Turkey are blocked in the name of the Fund, on 29 January 2019 until 5.00pm, in the designated envelope, together with the other documents stated in the Specifications.

DATE, TIME AND PLACE OF THE TENDER

The tender will be held on 30 January 2019, at 2.30pm, in the Mezzanine Floor Conference Room at the Fund's address Büyükdere Cad. No: 143 Esentepe/ISTANBUL. The tender will start with opening of the bids submitted in sealed envelopes; and, subsequent to formation of the list of bidders who are entitled to participate further in tender (the "Short List"), the open auction phase of the tender will be commenced.

CONDITIONS OF PARTICIPATION

1. Only legal entities who are established as joint-stock or limited liability companies in accordance with the provisions of the Turkish Commercial Code No. 6102, whose articles of association enlist mining within the scope of their operation purposes as per Electricity Market Law No. 6446, Electricity Market Licensing Regulation and Article 6 of Mining Law No. 3213, and who duly submit the other Administrative Documents can participate and submit bids during tender.
All shares of the bidding joint-stock companies, excluding the publicly-traded ones as per the capital markets legislation, shall be in the form of registered shares. Also, the bidding joint-stock companies shall not have issued any bearer shares aside from the ones that are publicly-traded.
2. Persons who cannot attend the sale as per Article 12 of the Regulation, persons who are responsible for the preparation, execution, finalization and supervision of the subject tender, and legal entities where these persons are jointly or severally authorized for administration and supervision cannot participate, either directly or indirectly, in the tender process.
3. Legal entities whose administration, supervision or control belong, directly or indirectly, to the same group, cannot, directly or indirectly, participate in the tender process separately on behalf of the same group.
4. Real or legal persons who belong, adhere and connect to or are shareholders in organizations and/or groups, that are declared by a court decision to be a part of the FETÖ/PYD Terrorist Organizations or determined by the Council of National Security to be operating against the national security of the State cannot participate in the tender process.
5. Other conditions in the Specifications must be satisfied to participate in the tender.

ASSESSMENT

The Specifications will be held open to public by the Sale Commission to be reviewed by those concerned, without any charges, in the Fund's address at Büyükdere Cad. No: 143 Esentepe/ISTANBUL. Participants can attend the tender by signing the Specifications that include the approval of the Sale Commission. Persons willing to purchase the Specifications that include the approval of the Sale Commission shall deposit TL 10,000- (Ten Thousand Turkish Liras) to the Fund's TL account at T. Ziraat Bankası A.Ş. Levent Branch with IBAN No: TR25 0001 0007 5306 2864 3862 34 with the explanation "Payment for the Specifications for the Commercial and Economic

Integrity of Adularya for Energy Production” and shall submit the receipt of such payment in person to the Sale Commission. The Specifications bearing the Participant’s initials on each page and signature on the last page shall be submitted to the Sale Commission. Deposited payments for the Specifications will not be returned in any case. Persons who have purchased the Specifications are obliged to check the Specifications and its annexes whether they bear the required approval and/or have any missing pages and to declare with a signed declaration that they have received the respective documents in a complete package and approved as necessary.

Data room will be open for review and site visits will be possible during the period between 19 November 2018 and 29 January 2019. Participants shall apply to the Sale Commission with a signed request in order to use the data room or to schedule a site visit.

Participants can do a Site Visit or use the Data Room that includes information prepared electronically or by paper regarding the Commercial and Economic Integrity of Adularya for Energy Production by depositing TL 20,000- (Twenty Thousand Turkish Liras) to the Fund’s TL account at T. Ziraat Bankası A.Ş. Levent Branch with IBAN No: TR25 0001 0007 5306 2864 3862 34 with the explanation “Payment for Site Visit and Usage of Data Room regarding the Commercial and Economic Integrity of Adularya for Energy Production” and submitting the original receipt of such payment to the Sale Commission, and by executing and delivering in person to the Sale Commission a Nondisclosure Undertaking. Deposited payments for the site visit or the use of data room will not be returned for any reason whatsoever.

TENDER PROCEDURE

The tender will be held with a combination of submission of bids in sealed envelopes and an open auction and will be finalized with the approval of the Board. The Sale Commission will prepare the list of participants who will be entitled to further attend the open auction from among the participants submitting their bids in sealed envelopes in accordance with the rules set forth in the Specifications. The tender will be proceeded with an open auction starting from the highest bid submitted in the sealed envelopes. If the highest bid received in the open auction is below the estimated value, the Board can decide to proceed the tender with negotiations with the participants offering the highest three bids during the open auction. The bids shall be given in Turkish Liras and in the form of payment in cash.

In the event of a decision by the Board to proceed the tender with negotiations, the negotiation will be held on 1 February 2019, at 2.30pm in the Mezzanine Floor Conference Room in the Fund’s address at Büyükdere Cad. No: 143 Esentepe/ISTANBUL.

DEBTS FROM PREVIOUS PERIODS

Debts which fall within the scope of Article 25 titled Debts from Previous Periods of the Regulation shall be paid by the Board of the Fund from the tender price provided that these are determined by the Board to arise from real property or service relationships with persons who do not belong, adhere or connect to FETÖ/PYD Terrorist Organizations as per Article 20(2) of Law No. 6758 and provided that the transactions pertaining to such payment under the Regulation are completed until the date of approval of the tender by the Board.

In addition to above and other than the Tender Price and the applicable Value Added Tax, TL 175,000,000- (One Hundred and Seventy Five Million Turkish Liras) shall be deposited, in the specified period for payment, to the Fund’s TL account at T. Ziraat Bankası A.Ş. Levent Branch with IBAN No: 5900 0100 0753 0628 6438 83 38, for payment of the debts that the Board has decided to

be paid by the successful Purchaser of the Tender, including the debts of the Owner to employees (consisting of retirement, severance and notice payments of the employees who had rightful terminations, debts arising from continuing labor lawsuits), debts arising from collective bargaining agreements, commercial debts to suppliers, debts arising from public affairs such as tax and social security payments, and debts which fall within the scope of Article 134 of Law No. 5411 and Article 25 titled Debts from Previous Periods of the Regulation.

OTHER PROVISIONS

- 1- The tender price and the applicable VAT at the rate of 18% shall be paid by the purchaser, in cash and in Turkish Liras, within the period set forth for payment in the Board approval, upon notification to be made regarding the tender results to the winner of the tender.
- 2- Other than announcement of the tender at the Official Gazette, all amendments, notices, announcements and declarations will be made on the bulletin board located in the below stated address of the Fund.
- 3- The Sale Commission reserves the right to amend the foreseen dates in the Specifications by making of an announcement on the bulletin board.
- 4- Persons holding rights and receivables (lien, pledge, etc.) on assets and properties within the scope of the Commercial and Economic Integrity of Adularya for Energy Production, shall submit their claims to be included in the order table to the Sale Commission until 1 January 2019.
- 5- Other matters regarding the tender can be found in the Specifications and further information can be received from the Sale Commission. Address and phone numbers of the Sale Commission are as follows:

Savings Deposit Insurance Fund of Turkey

Commercial and Economic Integrity of Adularya for Energy Production

Sale Commission

Büyükdere Cad. No: 143

34394 Esentepe – Istanbul

Phone: 0 212 340 24 29

0 212 340 20 53

0 212 340 18 15

Fax: 0 212 288 49 63