

RATING NOTIFICATION

Rating Agency	: JCR AVRASYA DERECELENDİRME A.Ş.
Rated Company	: KALESERAMİK ÇANAKKALE KALEBODUR SERAMİK SANAYİ A.Ş.
Address	: Maslak Mahallesi Taşyoncası Sokak No:1/F F2 Blok Kat:2 34485 Sarıyer, İstanbul- Türkiye
Phone & Fax No	: 0212 352 56 73 – 0212 352 56 75
Date	: 25/04/2024
Subject	: Article 26 of the CMB Serial VIII, No. 51 Communiqué on Principles

**Capital Markets Board of Türkiye (SPK)- To the Accounting Standards Department
Central Securities Depository of the Turkish Capital Markets (MKK)- Public Disclosure Platform**

JCR Eurasia Rating has evaluated "**Kaleseramik Çanakkale Kalebodur Seramik Sanayi Anonim Şirketi**".

- Favorable gross and net profit margins in FY2022
- Cash surplus position as of September 2023 thanks to the IPO proceeds
- Consistent FFO and net working capital generation
- Effective foreign exchange risk management through utilization of derivative instruments
- Collateral policy leading to asset quality
- Leading domestic position in the ceramic tiles industry, and broad sectoral experience
- High compatibility with the corporate governance practices as a publicly traded company
- Noteworthy focus on R&D and sustainability
- Operational synergy with Kale Group
- Slowdown in sales growth and contraction in profitability in 9M2023, driven by the intense competition environment as a result of the sector's weak export performance
- Anti-dumping measures by the EU against Turkish and Indian manufacturers
- Leading economic indicators signal global economic slowdown whereas quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side

The Long-Term National Issuer Credit Rating of "**Kaleseramik Çanakkale Kalebodur Seramik Sanayi Anonim Şirketi**" has been affirmed at '**AA (tr)**' and its outlook has been revised from '**Stable**' to '**Positive**' considering the above-mentioned issues. All notes of the Company are determined as follows.

Long-Term National Issuer Credit Rating	: AA (tr) / (Positive Outlook)
Short-Term National Issuer Credit Rating	: J1+ (tr) / (Stable Outlook)
Long-Term International Foreign Currency Issuer Credit Rating	: BB / (Negative Outlook)
Long-Term International Local Currency Issuer Credit Rating	: BB / (Negative Outlook)
Long-Term National Issuer Specific Rating	: -
Short-Term National Issuer Specific Rating	: -

Note: *JCR AVRASYA DERECELENDİRME A.Ş. ratings are objective and independent opinions regarding the creditworthiness of a security and/or issuer and should not be considered as a recommendation to buy, hold, sell, or lend any security. Unless otherwise stated, rating reports are valid for 1 year from the publication date. The validity date of interim reviews cannot exceed the validity date of the original report.*

Regards,
JCR AVRASYA DERECELENDİRME A.Ş.

Şevket GÜLEÇ
Executive Vice President

Prof. Dr. Feyzullah YETGİN
General Manager