

Corporate Credit Rating

New Update

Sector: Energy

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Team Leader

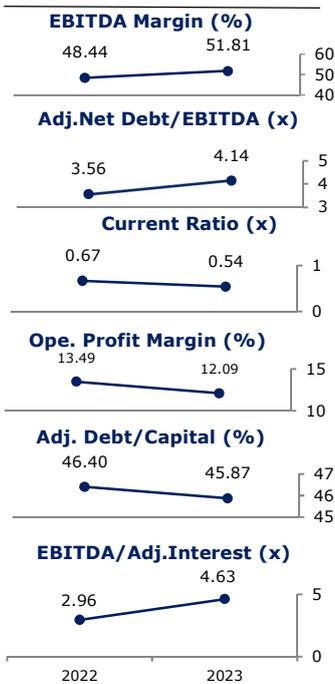
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on May 10, 2024



MOGAN ENERJİ YATIRIM HOLDİNG A.Ş.

JCR Eurasia Rating has evaluated "Mogan Enerji Yatırım Holding A.Ş." in the investment grade category with high credit quality and affirmed the Long-Term National Issuer Credit Rating as 'A (tr)' and the Short-Term National Issuer Credit Rating as 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

Mogan Enerji Yatırım Holding A.Ş. (hereinafter referred to as "Mogan Enerji" or "the Group") was initially established in 1980 with the legal name of "Mogan Makina Sanayi A.Ş." and amended to "Mogan Yatırım Holding A.Ş." in 1997 and finally changed to its current legal name "Mogan Enerji Yatırım Holding A.Ş." in 2011 with the intention of collecting all the energy companies in Gürış Group under one roof. Mogan Enerji, which has directed its investments to renewable power plants, maintains 8 Geothermal Power Plants (GEPP), 4 Hydroelectric Power Plants (HEPP) and 9 Wind Power Plants (WEPP) within its structure and generates its operating revenue via electricity sales from mentioned renewable energy resources. Moreover, Mogan Enerji has 12 subsidiaries in energy sector in Türkiye as of FYE2023 and their production licenses are all registered on Special Purpose Vehicles (SPV). Installed capacity of the Group has reached to 1,025.52MW as of FYE2023.

In addition, the Group's registered address is located in Ankara, Türkiye. Mogan Enerji's capital amount to TRY 2.44bn. (FYE2023: TRY 2.23bn) and its shareholders are Tevfik Yamantürk, Müşfik Hamdi Yamantürk, Gürış İnş. ve Müh. A.Ş and free float with their 39,1%, 39,1%, 11% and 10,8 shares, orderly. Mogan Enerji shares have been traded on Borsa İstanbul Index (BIST) since March 2024 with a free-float rate of 10.8% under the ticker name "MOGAN".

Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Easing debt service capacity through high liquid assets by Initial Public Offering (IPO) process in March 2024 and rapid conversion of trade receivables into cash,
- High sectoral support for renewable energy sources along with investment incentive market dynamics,
- Substantial level of installed capacity provided by the WPP, GPP and HEPP projects and being among the largest renewable energy companies in Türkiye,
- Compliance with the corporate governance practices as a publicly listed company,
- Strong shareholding structure supported by Gürış Group.

Constraints

- Decline in inflation adjusted sales revenue and EBITDA figures in FY2023 and 1Q2024,
- Regulatory environment that ensures the sustainability of the energy sector may suppress profitability,
- High influence of climatic conditions on electricity generation from renewable energy resources,
- 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.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed as 'A (tr)'. The Company's debt services capacity, high liquid assets, reduced collection risk thanks to the customer base, long years of sector experience, along with ongoing uncertainties arisen from geopolitical tensions as well as global interest rate hiking cycle, have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Company's profitability performance, asset quality and equity structure will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.