

## Corporate Credit Rating

New Update

**Sector:** Manufacturing

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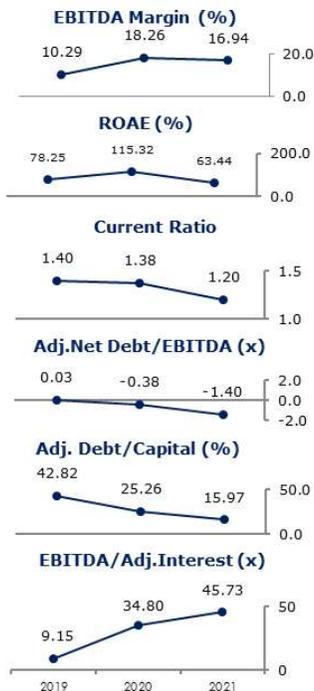
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## RATINGS

RATINGS		Long Term	Short Term
<b>ICRs (Issuer Credit Rating Profile)</b>	<b>National ICR</b>	<b>AA (tr)</b>	<b>J1+ (tr)</b>
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
<b>ISRs (Issue Specific Rating Profile)</b>	International LC ICR	BB	-
	International LC ICR Outlooks	Negative	-
	National ISR	-	-
<b>Sovereign*</b>	International FC ISR	-	-
	International LC ISR	-	-
	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

\* Assigned by JCR on August 18, 2022



## Alfa Solar Enerji Sanayi ve Ticaret A.Ş.

JCR Eurasia Rating has evaluated **Alfa Solar Enerji Sanayi ve Ticaret A.Ş.** in the investment level category and assigned the Long Term National Issuer Credit Rating as '**AA (tr)**' and the Short-Term National Issuer Credit Rating at '**J1+ (tr)**' with '**Stable**' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were assigned as '**BB/Negative**' as parallel to international ratings of Republic of Türkiye.

**Alfa Solar Enerji Sanayi ve Ticaret A.Ş.** (hereinafter referred to as "Alfa Solar Enerji" or "the Company") was founded in 2011 as a manufacturer of photovoltaic (PV) panels in a modern facility. The Company is headquartered in Ankara and the factory of the Company is located in Kırkkale Industrial Zone includes 6,000 m<sup>2</sup> high-tech robotic production line with 220MW/year module production capacity. The production and process of the Company are certified by internationally accredited institution TÜV Rheinland, Kiwa Meyer, and TSE. The number of employees of the Company is 168 as of FYE2021 (FYE2020: 144).

The main shareholder of the Company is Alfa Kazan Enerji ve Çevre Yatırımları A.Ş. (100%) which operates in the machinery industry.

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

### Strengths

- Increasing trend of revenue and EBITDA during the review period
- Continuously improvement in cash flow metrics facilitating liquidity management
- Strong level of leverage indicators
- High level of collection performance during the review period
- High support level of sectoral authority encouraging the use of renewable energy sources and Türkiye's high potential of solar energy production

### Constraints

- Rising raw material prices may exert pressure on profitability margins
- Need improvement for corporate governance practices
- The geopolitical risks stemming from the Russia-Ukraine tension causing uncertainty

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Ratings has been assigned as '**AA (tr)**'. The Company's indebtedness level, liquidity and leverage metrics, profitability indicators, level of foreign currency risk exposure, and global interest rate hiking cycle have been evaluated as important indicators for the stability of the ratings and outlooks for Long and Short-Term National Issuer Credit Ratings '**Stable**'. The Company's operational profitability performance, borrowing structure, equity level, and liquidity level 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.