

Corporate Credit Rating

☐ New ☒ Update

Sector: Paper and Forest Products Industry

Publishing Date: 26.10.2026

Team Leader

Demet Kavlak

+90 212 352 56 73

demet.kavlak@jcrer.com.tr

Senior Analyst

Cihat Keskin

+90 212 352 56 73

cihat.keskin@jcrer.com.tr

Assistant Analyst

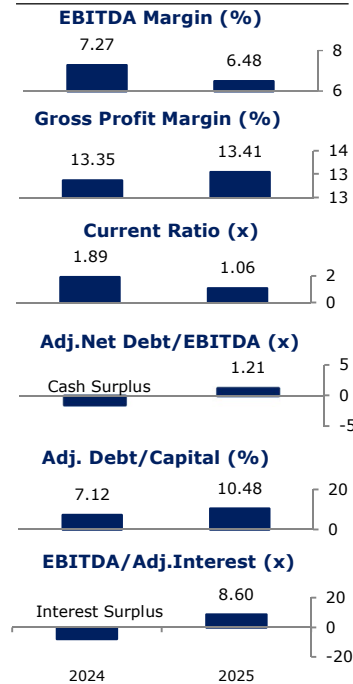
Furkan Onay

+90 212 352 56 73

furkan.onay@jcrer.com.tr

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A- (tr)	J2 (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)	-

*Affirmed by JCR on August 21, 2026



Alkim Kağıt Sanayi ve Ticaret Anonim Şirketi

JCR Eurasia Rating has evaluated "Alkim Kağıt Sanayi ve Ticaret Anonim Şirketi" in investment grade category with high credit quality and revised the Long-Term National Issuer Credit Rating to 'A- (tr)' from 'A+ (tr)' and the Short-Term National Issuer Credit Rating to 'J2 (tr)' from 'J1+ (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks are determined as 'BB/Stable' in line with the sovereign ratings and outlooks of Republic of Türkiye.

Alkim Kağıt Sanayi ve Ticaret Anonim Şirketi (hereinafter "the Company" or "Alkim Kağıt") was established in 1997 at the Organized Industrial Zone, Kemalpaşa, İzmir as a business unit of Alkim Alkali Kimya A.Ş. "Alkim Kimya". On June 30, 1999, after a demerger by means of capital in kind completely owned by Alkim Kimya it started to operate under the name Alkim Kağıt Sanayi ve Ticaret A.Ş. and, then was offered to public in November 2000 by means of a capital increase.

79.93% of the shares in the capital of Alkim Kağıt is held by Alkim Kimya and, the free float rate is 20.00%. Alkim Kağıt is listed at the Istanbul Stock Exchange under the code "ALKA". Alkim Kimya, main shareholder of Alkim Kağıt, was offered to public in 2000 and, the free float rate is 57.62%. Alkim Kimya is listed at the Istanbul Stock Exchange under the code "ALKIM".

The Company is also one of the four local industrial enterprises operating in the production of Türkiye's printing and writing paper, indicating 25%-30% of the production. The Company has an annual production capacity of 90,000 tons. Alkim Kağıt, which attaches importance to sustainability, generates steam electricity power for its own requirements with two cogeneration plants with a total generation capacity of 10.7 MW. Since the very beginning, Alkim Kağıt attaches importance to the nature and environment and, holds the certificates ISO 9001, ISO 14001, ISO 50001, OHSAS 18001 as well as FSC certificate.

The Company ranked 420th among the Türkiye's Second Top 500 industrial enterprises as of 2025.

The average staff force of the Company was composed of 255 employees at June 30, 2026 (FY2025:243).

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

Strengths

- High capacity utilization and relatively stable sales volumes, despite minor fluctuations, throughout the periods under review,
- Favorable cash conversion cycle supporting operational efficiency,
- Established market presence in domestic paper production and expectations of market share growth upon completion of ongoing investments, despite delays in project completion,
- Adequate current ratio and net working capital facilitating liquidity management despite contraction as of FYE2025,
- Asset quality supported by a diversified domestic and international customer base, alongside credit insurance,
- Solid industry experience underpinned by the Company's prolonged presence in the market,
- Compliance with corporate governance practices as a publicly traded company.

Constraints

- Continued contraction in profitability margins throughout FY2025, accompanied by the operating loss in 1H2026,
- The loss of the net cash position in FY2025, coupled with increase in debt burden and recording of negative EBITDA in 1H2026, resulting in a deterioration in leverage and coverage metrics,
- Ongoing cash outflows stemming from facility investments, leading to a further weakening in FOCF,
- Industry's competitive dynamics and market shift towards imported products leading to lower domestic demand and profitability,
- High reliance on imported inputs and exposure to commodity price volatility within the sector,
- Geopolitical tensions intensify inflationary pressures, constraining the easing of global financial conditions.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been revised to 'A- (tr)' from 'A+ (tr)'. The Company's steady sales volume, market presence and short cash conversion cycle as well as maintaining contraction in profitability margins in FY2025 and operating loss in 1H2026, the loss of the net cash position as of FYE2025 have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings were determined as 'Stable'. The Company's profitability performance, liquidity structure, efficiency of completed sizeable investments and indebtedness 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.