Corporate Credit Rating

☒New ☐Update

Sector: Information Technology

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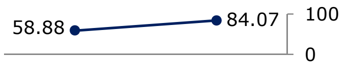
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	**National ICR**	**AA (tr)**	**J1+ (tr)**
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating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

** Assigned by JCR on May 10, 2024*

EBITDA Margin (%)

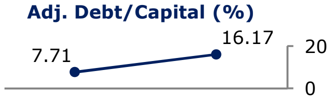


EBIT Margin (%)

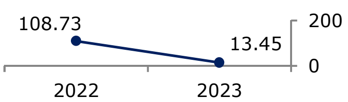
Current Ratio (x)

Adj.Net Debt/EBITDA (x)

Adj. Debt/Capital (%)



EBITDA/Adj.Interest (x)



Ard Grup Bilişim Teknolojileri A.Ş.

JCR Eurasia Rating, has evaluated **"Ard Grup Bilişim Teknolojileri A.Ş."** in the investment grade category with very high credit quality and assigned the Long-Term National Issuer Credit Rating as **'AA (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 were assigned as '**BB** with **Stable'** outlooks as parallel to international ratings and outlooks of Republic of Türkiye.

Ard Grup Bilişim Teknolojileri A.Ş. (hereinafter referred to as 'Ard Grup Bilişim' or 'the Company') was established in September 2011, in Ankara. The Company operates in technology and research-development activities in IT, health, defence, consulting, energy and construction sectors and closely follows the technology and produces different solutions for the specific needs of the institutions.

Ard Grup Bilişim's headquarters is in Çankaya/Ankara. According to the audit report, as of FY2023, the Company employed an average of 187 personnel (FY2022: 108). The Company's current shares belong to ARD Grup Holding A.Ş. 25.13% and publicly traded 74.87%.

The key rating drivers, as strengths and constraints, are provided below.

Strengths	Constraints
• Growth in sales revenues thanks to the operational diversity, solid increase in EBITDA generation capacity, • Sustainable financial leverage indicators as of FY2023, despite increasing financial debt in the current period, • Improvement in core profitability ratios in FY2023, notable internal equity generation capacity with contributions from the bottom line, • Expected growth in domestic and international operations through subsidiaries and collaborations. • High compliance with corporate governance practices owing to listed status.	• Despite the contribution of internal resource generation capacity, paid-in capital is low compared to total assets, • 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 assigned as **'AA (tr)'**. Satisfactory revenue growth and EBITDA generation capacity, sustainable financial leverage ratios, improvement in profitability ratios, high compliance with corporate governance practices and market position 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 continuity of revenue generation capacity, asset quality, profitability performance, adequacy of liquidity, indebtedness level, market position, ongoing investments and customer portfolio 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.