

Corporate Credit Rating

New Update

Sector: Cement

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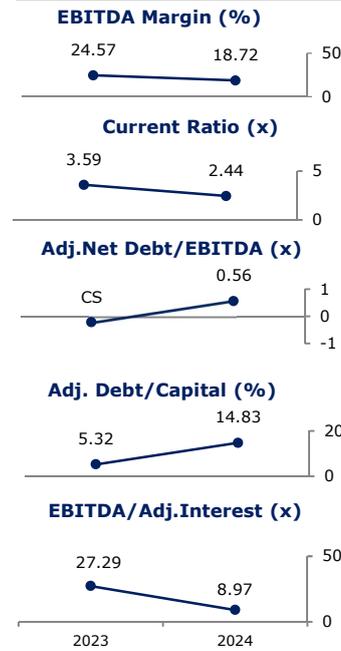
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| RATINGS | | Long Term | Short Term |
|--------------------------------------|-------------------------------|-------------|------------|
| ICRs (Issuer Credit Rating Profile) | National ICR | A+ (tr) | J1 (tr) |
| | National ICR Outlooks | Stable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

* Affirmed by JCR on September 01, 2025



BURSA ÇİMENTO FABRİKASI ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated "Bursa Çimento Fabrikası A.Ş." in the investment grade category with high credit quality and revised the Long-Term National Issuer Credit Rating from 'AA (tr)' to 'A+ (tr)' and the Short-Term National Issuer Credit Rating from 'J1+ (tr)' to 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been affirmed as 'BB/Stable' as parallel to sovereign ratings and outlooks of Republic of Türkiye.

Bursa Çimento Fabrikası Anonim Şirketi (referred to as 'Bursa Çimento' or 'the Company' or 'the Group') was established on July 14, 1966, to provide the cement demand of the Bursa Region. The factory, which started operating in 1969 with a clinker production capacity of 230,000 tons and a cement grinding capacity of 250,000 tons, has upgraded its clinker production capacity to 1,400,000 tons and its cement grinding capacity to 2,850,000 tons with the investments made over time. The Group produces cement, clinker and ready-mixed concrete along with stabilizer bar for automotive industry. The number of personnel employed in the Company as of 1H2025 is 1,013 (FY2024: 973). The current shareholding structure of Bursa Çimento consists of İsmail Tarman (32.79%), Tarman Çimento Yatırım San. Ve Tic. A.Ş. (12.92%), Bems Bursa Emprime Plastik San. Tic. A.Ş. (8.67%), Other Publicly Traded Shares (45.62%). Currently, the Company have been publicly traded on the Borsa İstanbul (BIST) under the ticker symbol "BUCIM" since 1988.

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

Strengths

- Maintaining reasonable profitability metrics, despite the deterioration in FY2024 and 1H2025,
- Retaining solid leverage and coverage ratios as of FYE2024, despite increased external borrowing as of 1H2025,
- Positive CFO and FFO metrics in FY2024 and 1H2025,
- Strengthened equity structure backed by satisfactory internal resource generation despite dividend payments,
- Deep-rooted experience in the sector and compliance with corporate governance practices as a publicly listed company.

Constraints

- Contraction in volume and value-based sales over the periods analyzed,
- Prolonged cash conversion cycle along with investment expenditures increase external borrowing burden as of FYE2024 and 1H2025,
- Foreign currency denominated raw material and energy costs may pressure on profit margins in a certain circumstance though partially minimizing FX risk by export sales,
- Competitive and capital-intensive structure of the cement sector,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been revised from 'AA (tr)' to 'A+ (tr)'. The Company's sales revenues and profitability ratios, level of indebtedness and leverage ratios, equity structure, liquidity metrics, 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 assigned as 'Stable'. The Company's profitability performance, borrowing structure, equity level, liquidity position 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 frame about the sector will be monitored as well.