JCR Eurasia Rating
"JCR-ER, Group of Japan Credit Rating Agency, Ltd."

Corporate Credit Rating

☐New ☒Update

Sector: Paper & Forest Products

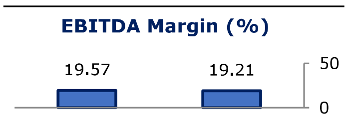
Publishing Date: 30/03/2026

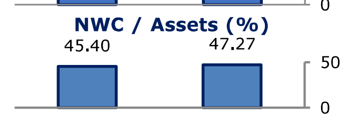
Team Leader
Ezgi Çiçek YILMAZ
+90 212 352 56 73
ezgi.yilmaz@jcrer.com.tr

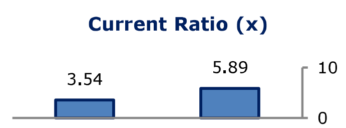
Senior Analyst
Hayrettin ÇELİK
+90 212 352 56 73
hayrettin.celik@jcrer.com.tr

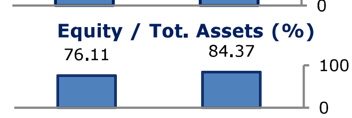
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	**National ICR**	**AA+ (tr)**	**J1+ (tr)**
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific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

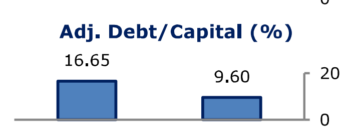
** Affirmed by JCR on September 1, 2025*

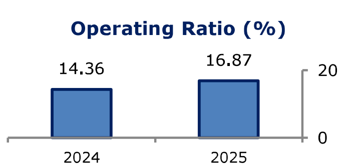












LİLA KAĞIT SANAYİ VE TİCARET A.Ş.

JCR Eurasia Rating has evaluated the consolidated structure of **"Lila Kağıt Sanayi ve Ticaret A.Ş."** in the investment grade category with very high credit quality, affirmed the Long-Term National Issuer Credit Rating at **'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 determined as **'BB/Stable'** in line with the sovereign ratings and outlooks of Republic of Türkiye.

"Lila Kağıt Sanayi ve Ticaret A.Ş." (hereinafter referred to as **"Lila Kağıt"**, **"the Company"** or **"the Group"**) was established on January 17, 1984 in İstanbul, Türkiye. The Group, headquartered in İstanbul, operates in the production of jumbo roll, toilet paper, paper towels, paper napkins and tissue paper in its production facility built on an area of 300 thousand m^2 in Ergene, Tekirdağ. Lila Kağıt is one of the key players in the domestic tissue paper market with its registered brands (*Domestic Market; Sofia, Maylo, Ultra Berrak – Foreign Market; Nua, Nua Professional*) and private label products.

The Company ranked 182nd in the list of Türkiye's Top 500 Industrial Enterprises published by Istanbul Chamber of Industry in 2024 (2023: 191st). In addition, the Company ranked 129th in the list of "Türkiye's Top 1000 Exporters" prepared by the Turkish Exporters Assembly in 2024 (2023: 140th).

The Company has a subsidiary established in Switzerland on January 19, 2023 with the trade name "Lila Paper Swiss AG".

The Group has a total of 994 employees as of FYE2025 (FYE2024: 1,026).

As of FYE2025, the main ultimate controlling shareholder of the Company is Öğücü Family, holding a direct stake of 55.89%. 17.05% of the shares are publicly traded on the BIST with the ticker symbol "LILAK" since May 9, 2024.

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

Strengths	Constraints
• Satisfactory core profitability margins in the analyzed periods, • Solid leverage and coverage indicators thanks to net cash position in the last two-year period, • Ongoing positive cash flow metrics and net working capital easing liquidity management, • Increasing and high equity level in FYE2025 mainly supported by internal resource generation capacity and share premiums through IPO in 2024, despite regular dividend payment, • Net exporter status supported by geographical diversification together with long FX position in the analyzed periods, • Expected increase in production capacity with the completion of ongoing investments, • Low collection risk thanks to a diversified customer portfolio supporting asset quality, • Compliance with corporate governance and sustainability implementations, • Long-lasting operating history.	• Relatively long cash conversion cycle in FY2025, • Import dependency in raw material supply and competitive environment in the sector, • As actions for a global soft-landing gain prominence, geopolitical risks and decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been affirmed at **'AA+ (tr)'.** The Group's satisfactory core profitability margins, cash surplus and net interest receiver position, positive cash flow metrics and NWC, increasing equity level and low collection risk as well as relatively long cash conversion cycle and uncertainties in the global economy have been evaluated as important indicators for the stability of the ratings and the outlook for the Short-Term National Issuer Credit Ratings is determined as **'Stable'.** The Group's financial structure, sales and profitability performance, liquidity and leverage indicators will be closely monitored by JCR Eurasia Rating in the 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.