

## Corporate Credit Rating

New  Update

**Sector:** Energy

**Publishing Date:** 25/04/2025

### Team Leader

Halil İbrahim Yaman

+90 212 352 56 73

[halil.yaman@jcrer.com.tr](mailto:halil.yaman@jcrer.com.tr)

### Senior Analyst

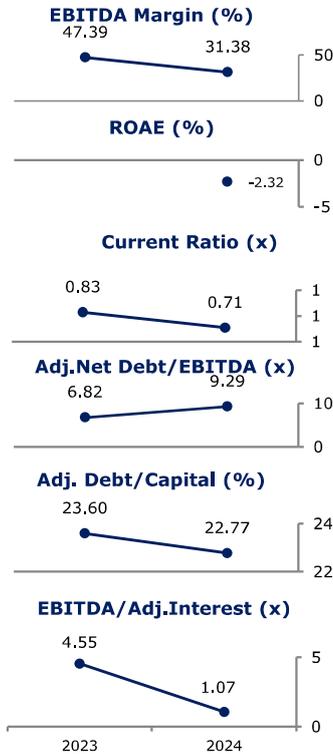
Hasan Kadri Duman

+90 212 352 56 73

[hasankadri.duman@jcrer.com.tr](mailto:hasankadri.duman@jcrer.com.tr)

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Profile)	National ICR	BBB (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific 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



## Margün Enerji Üretim Sanayi Ve Ticaret A.Ş.

JCR Eurasia Rating, has evaluated consolidated structure of "Margün Enerji Üretim Sanayi Ve Ticaret A.Ş." in the investment-level category on the national scales and revised the Long-Term National Issuer Credit Rating to 'BBB (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 were assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

**Margün Enerji Üretim Sanayi Ve Ticaret A.Ş.** (hereinafter referred to as 'Margün Enerji' or 'the Company') was founded in Kahramanmaraş in 2014 then moved the company headquarters to Ankara in 2018. The Company's main field of operation consists of installation, operation, maintenance and contracting works of renewable energy generation facilities. Margün Enerji operates 89 different solar energy power plants with a total installed power of 118.03 MWp within Türkiye. Within the Renewable Energy Resource Areas (RERA) SPP-3 competitions, the Company won tenders for a total of 157,50 MWe capacity in addition to existing production capacity in 2021. The Company also carries out EPC projects in Italy with a total contract amount of EUR 66.5Mn. In addition, the Company has an ongoing application process to EMRA (Energy Market Regulatory Authority) for battery solar power plant investments through its subsidiaries. The Company acquired 30,39% shares of the Enda Enerji Holding A.Ş. which has production portfolio of 4 HEPPs, 5 WEPPs, 1 GPP and 3 SPPs with a total installed power of 189,12 MWE in January 2023, with an acquisition amount of TRY 1.12Bn. In February 2025, Enda Enerji was listed on Borsa Istanbul under the "ENDAE" ticker. Margün Enerji currently holds a 24.02% stake in Enda Enerji. In line with its inorganic growth strategy, the Company continued to expand its portfolio in 2025 and acquired 100% of the shares of RSC Elektrik Üretim İnşaat Turizm A.Ş., which operates a 12 MWE geothermal power plant located in Seferihisar, in a transaction valued at USD 16Mn.

Margün Enerji has been quoted on the Borsa Istanbul Stock Exchange (BIST) since September, 2021. As of the report date, the shareholders are Esenboğa Elektrik Üretim A.Ş. (75.6%), Yusuf Şenel (5.9%) while the remaining 18.5% share is publicly traded on the BIST with the ticker symbol "MAGEN".

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

### Strengths

- Diversified revenue stream through sustainable electricity generation and EPC activities
- High collection capability of receivables by the nature of the sector
- Strong equity base supported by substantial retained earnings over prior years
- Mostly FX based fixed price scheduled within the scope of feed-in-tariff mechanism increases predictability and stimulates the cash generation capacity
- Regulatory incentives promoting renewable energy usage and the tendency towards clean energy sources supports the industry
- Compliance with the corporate governance practices

### Constraints

- Contraction in EBITDA and core profitability metrics in FY2024 due to the increased costs mainly resulted from high inflation
- Deterioration in financial leverage indicators and interest coverage ratio in FY2024 due to contracted EBITDA generation
- Net working capital deficit primarily driven by high level of short-term financial borrowings during the reviewed periods
- High financing expenses due to FX-denominated borrowings despite the unrealized portion along with impairment losses of the investment properties leading to a significant period loss recorded in FY2024
- High volume of unsecured related party receivables distorting balance sheet integrity
- High level of pledge and mortgages on tangible assets provided for financial obligations
- Susceptibility of renewable power generation to climatic conditions
- 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 to 'BBB (tr)'. The Company's diversified revenue stream, strong equity base, profitability metrics, global soft landing actions along with ongoing uncertainties with potential to adversely affect global trade have been evaluated as important indicators for the stability of the ratings and the outlook for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Company's revenue and profitability performance, cash generation capacity, debt structure, financial leverage indicators and asset quality 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.