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

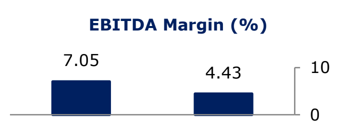
Corporate Credit Rating

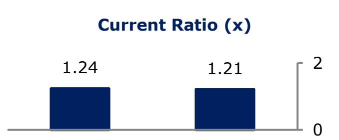
☐New ☒Update

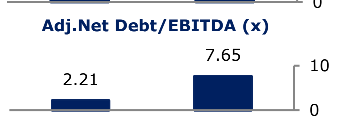
Sector: Farming and Agriculture
Publishing Date: 27/06/2025
Senior Analyst
Ezgi Çiçek Yılmaz
+90 212 352 56 73
ezgi.yilmaz@jcrer.com.tr
Assistant Analyst
Ömer Faruk Özdemir
+90 212 352 56 73
omerfaruk.ozdemir@jcrer.com.tr

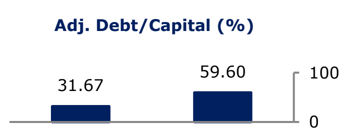
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB+ (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

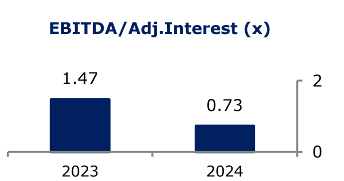
** Assigned by JCR on May 10, 2024*











ÖZSU BALIK ÜRETİM ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated the consolidated structure of **"Özsu Balık Üretim Anonim Şirketi"** in the investment grade category and revised the Long-Term National Issuer Credit Rating to **'BBB+ (tr)'** from **'A- (tr)'** and affirmed the Short-Term National Issuer Credit Rating at **'J2 (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.

Özsu Balık Üretim Anonim Şirketi (hereinafter referred to as **'Özsu Balık'** or **'the Company'** or **'the Group'**) was established in İzmir in 1995. Following the acquisition by the current partners in 2004, the Company underwent restructuring. While the Company's production capacity was 60 tons/year in 2004, it was increased to 5,900 tons/year in 2013. In 2017, the Company completed the investment in a hatchery (juvenile fish production) facility with a capacity of 39 million units/year, built on a total of 30 decares of land in Urla-Demircili Village, İzmir. The Company increased its capacity to 69 million units/year in 2023. The expanding market and increased production capacity enabled the Company to enter international markets. In 2016, Özsu Balık's subsidiaries commenced operations in the United Kingdom and the Netherlands. In 2019, the Company began operating a 2,000 m² cold chain packaging facility used for fish processing and packaging, the final stage before market distribution. To procure fish feed at lower costs and sustainably, the Company acquired a 50% stake in Unifeed Su Ürünleri Yem Sanayi A.Ş. The Company manages the entire vertical integration from fish feed production to sales and marketing in Europe. The Company had two subsidiaries and one affiliate as of FYE2024.

The Company's shares were offered to the public on November 22-23, 2022, and have been traded on Borsa İstanbul under the ticker "OZSUB" since November 29, 2022. As of June 10, 2025, the Company's free float rate is 33.33%. The main shareholder of the Company, Şemsettin Kavalar, has a share of 60%, while Hasan Taygan's share is 6.67%.

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

Strengths	Constraints
• Slight YoY growth in 2024 sales, supported by the natural hedge mechanism provided by the export-oriented sales structure, • Notably low level of doubtful receivables and rapid cash cycle supporting overall efficiency, • Established long-term presence in the sector, supported by a proven track record and adherence to international quality standards, • Improvement in operational efficiency and product quality stemming from the synergy established within the Group, • Compliance with regulations and transparency regarding adherence to corporate governance as an entity subject to Capital Market Law.	• Deterioration in leverage metrics in FY2024, despite relatively reasonable level in the previous year, • Decline in EBITDA generation capacity alongside pressured profit margins in FY2024, • Short-term weighted borrowing profile and escalating financing expenses continuing to pressure bottom-line profitability and weaken coverage metrics, • Ongoing negative cash flow metrics leading to external funding needs, • Potential operational and management risks due to the nature of fishing business, • 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)'** from **'A- (tr)'**. The Company's growth in sales revenue, low level of doubtful receivables, long-lasting presence in the sector, the entire vertical integration, compliance with regulations of capital market law as well as expected deterioration in leverage metrics, decline in EBITDA generation capacity, short-term weighted borrowing profile, ongoing negative cash flow metrics, potential operational and management risks in the sector, deterioration in local and global macroeconomic conditions 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 financial structure, market conditions, profitability indicators, leverage level, liquidity ratios 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.