

RATING NOTIFICATION

Rating Agency : JCR AVRASYA DERECELENDİRME A.Ş.
Rated Company : KARTONSAN KARTON SANAYİ VE TİCARET ANONİM ŞİRKETİ
Address : Maslak Mahallesi Taşyoncası Sokak No:1/F F2 Blok Kat:2 34485 Sarıyer, İstanbul- Türkiye
Phone & Fax No : 0212 352 56 73 – 0212 352 56 75
Date : 25/04/2025
Subject : Article 26 of the CMB Serial VIII, No. 51 Communiqué on Principles

Capital Markets Board of Türkiye (SPK)- To the Accounting Standards Department
Central Securities Depository of the Turkish Capital Markets (MKK)- Public Disclosure Platform

"Kartonsan Karton Sanayi ve Ticaret Anonim Şirketi" has been evaluated by JCR Eurasia Rating.

- Maintaining positive networking capital level, despite the partial decline as of FYE2024,
- Solid equity level supported by retained earnings, though an erosion due to recent periodic losses,
- Despite the customer concentration, low level of doubtful receivables,
- Long operating history and financial support from Pak Group companies in FY2024,
- Compliance with the corporate governance practices as a publicly traded company,
- Despite a partial recovery in 2024, significant contraction in production and sales volume due to the labour strike in 2023,
- Sizeable gross and operational losses due to the increasing costs and intense competitive environment,
- Increased financial expenses deepened the net loss in FY2024,
- Despite the high cash inflow from asset sale, negative FOCF in FY2024,
- Production capacity decrease with the closure of one of the two production lines in FY2024,
- Expected continuation of period loss in FY2025,
- High dependence on imports and volatilities on cellulose prices in the 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, Issuer Credit Ratings and outlooks of "Kartonsan Karton Sanayi ve Ticaret Anonim Şirketi" have been assigned as follows.

Long-Term National Issuer Credit Rating	: BBB- (tr) / (Negative)
Short-Term National Issuer Credit Rating	: J3 (tr) / (Stable)
Long Term International Foreign Currency Issuer Credit Ratings	: BB- / (Negative)
Long Term International Local Currency Issuer Credit Ratings	: BB- / (Negative)

Note: JCR Eurasia's ratings are objective and independent opinions regarding the creditworthiness of a security and/or issuer and should not be considered a recommendation to buy, hold, sell, or grant credit to any security. Rating reports are valid for 1 year from publication unless otherwise stated. The validity date of interim reviews cannot exceed the validity date of the original report.

Sincerely,
JCR AVRASYA DERECELENDİRME A.Ş.

Şevket GÜLEÇ
Executive Vice President

Prof. Dr. Feyzullah YETGİN
Chief Executive Officer