

RATING ANNOUNCEMENT FORM

Rating Agency : JCR AVRASYA DERECELENDİRME A.Ş.
Rated Institution : AYGAZ A.Ş.
Address : Maslak Mahallesi Taşyoncası Sokak No:1/F F2 Blok Kat:2 34485 Sarıyer, İstanbul- Türkiye
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Subject : Article 26 of the CMB Serial VIII, No. 51 Communiqué on Principles

**To the CMB- Department of Accounting Standards
Central Securities Depository of Turkey- Public Disclosure Platform**

“Aygaz A.Ş.”, has been evaluated by JCR Eurasia.

- Leading profile in LPG industry with its long-lasting presence in the sector and strong brands,
- Cash flow generation capacity from operations in analyzed years,
- Moderate financial leverage profile with low level of net financial debt compared to business volume,
- Liquid asset level exceeding short-term financial liabilities and mainly long-term structure of financial debt easing liquidity management,
- Distinguished position in the sector through having one of the few R&D centers in Turkey’s LPG sector and strong supply chain, sales & distribution network,
- Growth potential with Bangladesh and Aykargo investment plans, both in the foreign LPG market and in other business fields that may create synergies with its existing domestic activities,
- Being subsidiary of Koç Holding which is the Turkey’s leading diversified conglomerates,
- High level of compliance regarding corporate governance implementations,
- Deterioration in revenue growth and profitability metrics in 2020 mainly due to pandemic effect and shares of investments' losses valued by equity method,
- Import dominance in product supply and fluctuations of the procured commodity prices,
- Possibility of changes in legislation and regulatory environment creating uncertainty for the sector,
- Covid-19 outbreak creating vagueness on global and local economic activity,

Essentially, the rating notes of the "Aygaz A.Ş." are determined as follows considering the above issues.

Long Term International Foreign Currency Rating	: BB / (Stable Outlook)
Long Term International Local Currency Rating	: BB / (Stable Outlook)
Long Term National Rating	: AA+ (Trk) / (Stable Outlook)
Long Term Issue Rating	: -
Short Term International Foreign Currency Rating	: B / (Stable Outlook)
Short Term International Local Currency Rating	: B / (Stable Outlook)
Short Term National Rating	: A-1+ (Trk) / (Stable Outlook)
Short Term Issue Rating	: -
Sponsor Support Note	: 1
Stand-Alone Note	: A

Regards,
JCR AVRASYA DERECELENDİRME A.Ş.

Zeki Metin ÇOKTAN
Head of Group

Prof Dr. Feyzullah YETGİN
General Manager