

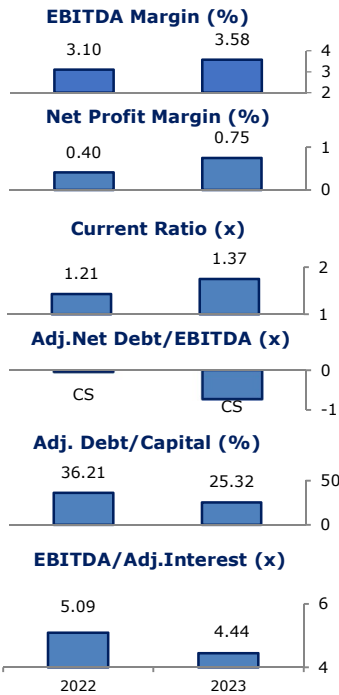
Corporate Credit Rating

New Update

Sector: Retail Trading
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| 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 | - |
| ISRs (Issue Specific Rating Profile) | International FC ISR | - | - |
| | International LC ISR | - | - |
| | Foreign Currency | BB (Stable) | - |
| Sovereign* | Local Currency | BB (Stable) | - |

* Assigned by JCR on May 10, 2024



BEYAZ FİLO OTO KİRALAMA ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated the consolidated structure of "Beyaz Filo Oto Kiralama Anonim Şirketi" in the investment grade category with very high credit quality and revised the Long-Term National Issuer Credit Rating to 'AA- (tr)' from 'A+ (tr)' and the Short-Term National Issuer Credit Rating to 'J1+ (tr)' from 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

Beyaz Filo Oto Kiralama Anonim Şirketi (hereinafter referred to as "the Group" or "Beyaz Filo") was established in 1993 under the name of Rapid Turizm Sanayi ve Tic. Ltd. Şti. The Group was providing operational leasing services until 2016. After 2016, the Group started to carry out new vehicle sales and after-sales services. Currently, the Group is the authorized dealer and service provider of Opel, Peugeot, Citroën, DS, Renault and Dacia brands. Also, the Group obtains second-hand vehicles from individuals, traders and fleet rental companies and sells them through retail and/or auction.

The Group's shares have been publicly traded on the Borsa İstanbul (BIST) under the ticker symbol "BEYAZ" since 2012. As of reporting date Beyaz Filo's shareholders are Flap Kongre Toplantı Hiz.Oto. Tur. A.Ş. (18.84%), Gürkan Gençler (27.05%), Gökhan Saygı (29.56%), Publicly Traded (24.55%).

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

Strengths

- Notable growth in sales revenue driven by increase in sales volume,
- Solid balance sheet with net cash position over the analyzed periods,
- Increase in net working capital level and operating with satisfactory level of liquidity ratios,
- Enhancement in cash flow metrics in FY2023,
- Low collection risk contributing to receivable and asset quality,
- Experience and brand awareness in the sector, leading to a competitive advantage,
- Compliance with corporate governance principles as a company listed in BIST.

Constraints

- Limited profitability metrics over the analyzed years due to nature of the sector,
- Contractionary effect of quantitative tightening steps on the domestic side, expected to reduce total demand in the sector,
- Leading economic indicators signal global economic slowdown whereas quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been revised to 'AA- (tr)' from 'A+ (tr)'. Taking into account, the Group's notable growth in sales revenue, net cash position, strong liquidity ratios, enhancement in cash flow metrics, low collection risk as well as limited profitability metrics 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 Group's profitability metrics, sales growth, liquidity position, debt structure 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 also be monitored.