

Corporate Credit Rating

New Update

Sector: Automotive

Publishing Date: 21.09.2023

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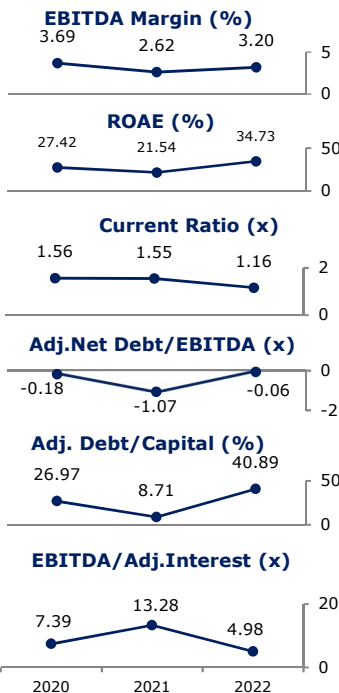
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A+ (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Negative	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

* Assigned by JCR on Aug 18, 2022



BEYAZ FİLO OTO KİRALAMA ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated **Beyaz Filo Oto Kiralama A.Ş.** in the investment-level category on the national scales and assigned the Long-Term National Issuer Credit Rating at '**A+ (tr)**' and the Short-Term National Issuer Credit Rating at '**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/Negative**' as parallel to international ratings and outlooks of Republic of Türkiye.

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

Beyaz Filo's registered address is located in Ankara, Türkiye whereas the Company employs 117 (FYE2022: 115 personnel) personnel as of June 2023.

The Company's shares have been publicly traded on the Borsa İstanbul (BIST) under the ticker symbol "**BEYAZ**" since 2012.

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

Strengths

- Steady increase in sales revenue during the review period underpinned by increase in unit prices and sales volume
- Solid financial standing with net cash position over the analyzed periods
- Improvement in net working capital surplus over the analyzed years and operating with adequate level of current ratio
- Asset quality strengthened by high collection ability of receivables
- The advantage of being the authorized dealer of reputable brands with long-lasting presence in the industry
- High level of compliance with corporate governance practices as a company listed in BIST

Constraints

- Relatively low level of equity compared to asset size
- Limited and volatile EBITDA margin over the analyzed years coupled with a decline in net profit margin in 1H2023 period
- Limited pricing abilities due to tax items, sector specific regulations and the fluctuations of Turkish lira against hard currencies
- Global economic growth slows down evidenced by commodity prices and trade figures on the back of rapid monetary tightening, whereas domestic restrictive financial conditions limit access to finance

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been assigned at '**A+ (tr)**'. Increase in sales revenue, net cash position, net working capital surplus, adequate level of current ratio, high collection ability, level of equity, volatile EBITDA margin along with ongoing uncertainties arisen from geopolitical tensions as well as global tight financial 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 sustainability of profitability performance, 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 be monitored as well.