

Corporate Credit Rating

New Update

Sector: Port Management
Publishing Date: 27.02.2023
Manager

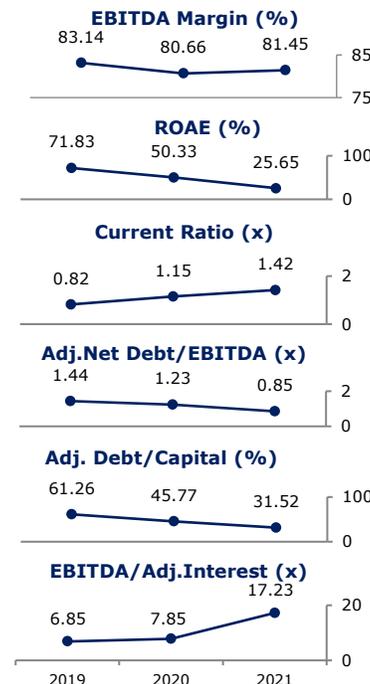
Ömer Sucu
 +90 212 352 56 73
omer.sucu@jcrer.com.tr

Analyst
 Ezgi Çiçek Yılmaz
 +90 212 352 56 73
ezgi.yilmaz@jcrer.com.tr

Assistant Analyst
 Barbaros Dişci
 +90 212 352 56 73
barbaros.disci@jcrer.com.tr

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	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International FC ISR	Negative	-
	International LC ISR	-	-
	Foreign Currency	BB (Negative)	-
Sovereign *	Local Currency	BB (Negative)	-

* Assigned by JCR on August 18, 2022



Asyaport Liman Anonim Şirketi

JCR Eurasia Rating, has evaluated the "Asyaport Liman A.Ş." in the very high investment grade category and revised the Long-Term National Issuer Credit Rating from 'AA- (tr)' to 'AA (tr)' and assigned the Short-Term National Issuer Credit Rating as 'J1+ (tr)' with 'Stable' outlooks. On the other hand, the Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Negative', same as the country ceiling.

Asyaport Liman Anonim Şirketi (hereinafter referred to as 'Asyaport' or 'the Company') was established in 2005 for the purposes of managing the seaport, building and renting ports and providing all kinds of transportation services. On 13 February 2009, the Company signed an occupancy permit agreement with National Real Estate and based on this agreement, the Company leased the land on which the port is constructed from National Real Estate. With this agreement the Company received the right to use the land of the port for 49 year and to build a port on it. The Company has started port operations in Tekirdağ, Türkiye as of July 8, 2015 after the completion of construction process. Asyaport operates as the first transit container port in Türkiye, having a 18m depth, 2,010m berth and annual capacity of 2,5mn TEU. As of December 31, 2021, the Company employed a staff force of 923 including subcontractors (FYE2020: 781).

The Company's main ultimate controlling shareholder is Global Terminal Ltd., one of the MSC Group companies, with 72.76% share and another important shareholder is Ahmet Soyuer with %23,97 share. MSC Group ('the Group') was established in 1970, being currently presented in 155 countries. MSC Group has the leading position and operates in a wide range of operations in the fields of overland transportation, logistics and a growing portfolio of port terminal investments. Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Ongoing improvement in debt profile strengthening the level of financial leverage metrics,
- Strong cash flow metrics from operating activities in reviewed years,
- High equity level supported by internal equity generation capacity,
- Foreign exchange linked cash flows generation providing natural hedge,
- Sustainable profit margins supported by EBITDA growth and operational performance,
- Expected improvement in operating profitability ratios due to conjuncture of shipping sector in Türkiye,
- Brand reputation and operational strength of MSC Group, despite a single customer leading a business risk concentration,
- Operational synergy with shareholding structure.

Constraints

- Operating in a highly sensitive industry vulnerable to geopolitical, environmental and other challenges,
- Need for further improvement in the level of compliance with corporate governance practices given the Group's scale and international operations,
- Global recession and geopolitical risks stemming from Russia-Ukraine tension increasing uncertainty and monetary tightening across the globe deteriorating growth projections.

Considering the aforementioned points together with such additional support factors as ultimate controller's willingness to ensure long term liquidity and equity depending on the adequacy of their financial strength operational efficiency. The Company's Long-Term National Issuer Credit Rating has been revised from 'AA- (tr)' to 'AA (tr)'. Considering operational performance, predictability cash flow from operations, synergy derived from MSC Group as well as, vulnerability of the sector to macroeconomic conditions; the Company's outlook for Long and Short-Term Issuer Credit Ratings has been determined as "Stable". The attainability of the Company's budgeted projections, indebtedness indicators, profitability and sustainability of demand in the market are the factors to be monitored in the upcoming period. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.