

## Corporate Credit Rating

New  Update

**Sector:** Maritime Freight Transportation

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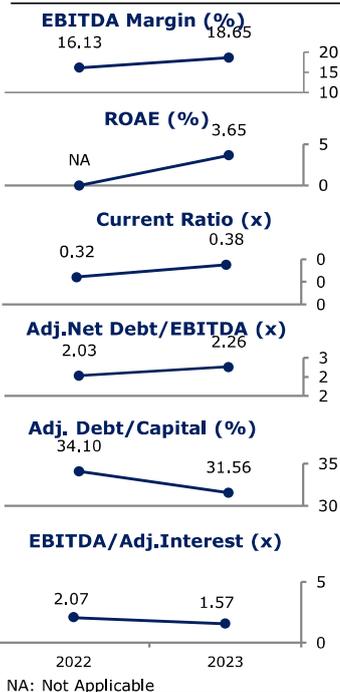
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB+ (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

\* Assigned by JCR on May 10, 2024



## BEYKİM DENİZCİLİK GEMİ İŞLETMECİLİĞİ SAN. VE TİC. A.Ş.

JCR Eurasia Rating has evaluated "Beykim Denizcilik Gemi İşletmeciliği San. ve Tic. A.Ş." in the investment grade category and affirmed the Long-Term National Issuer Credit Rating at 'BBB+ (tr)' and the Short-Term National Issuer Credit Rating at 'J2 (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/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

Beykim Denizcilik Gemi İşletmeciliği San. ve Tic. A.Ş. (hereinafter referred to as "Beykim Denizcilik", "the Group" or "the Company") was established on January 16, 1985. The Company's main activity is the international maritime freight transportation of veg oils and acidic substances used mainly in the agricultural and food industries, as well as chemicals for the petrochemical and industrial sectors. Beykim Denizcilik runs a fleet of six chemical tanker vessels (Alatepe, Günece, Fericek, Darmik, Karruca and Karlıca) recorded in its assets. The Company's activities are centered in Northern Europe and the Western Mediterranean regions, with main routes involving countries such as Morocco, Switzerland, Belgium and Bulgaria.

The Group's shareholders are Selahattin Beyli with 39.32% share, Ayşegül Beyli with 20.23% share, Gönc Beyli with 20.10% share, Ceylin Beyli with 20.10% share and Şenel Savaşkan with 0.25% share.

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

### Strengths

- Reasonable LTV ratio thanks to balanced indebtedness and fleet value,
- Moderate cash flow metrics in 2023,
- Significant level of export sales contributing to FX risk management to a certain extent,
- Diversified transported products supporting the resilience to demand-related challenges to some extent,
- Moderate equity level over the analyzed periods,
- Long-lasting operational track record.

### Constraints

- Deterioration in leverage metrics as per 3Q2024 provisional tax return, despite its reasonable level in 2023,
- Maintenance-intensive nature of the operations resulted with volatility in transportation volume, revenue and profitability,
- Weak interest coverage metrics over the analyzed periods,
- Improvement needs in the level of compliance with corporate governance practices,
- In the shadow of geopolitical risks, leading economic indicators point to continued weakness in global demand conditions, whereas actions for a soft-landing are at the forefront.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed at 'BBB+ (tr)'. The Company's ship portfolio, extensive industry experience, improved cash flow indicators, and enhancements in profitability as well as worsening leverage ratios in 3Q2024 as per provisional tax return, significant maintenance requirements, and uncertainties stemming from geopolitical risks have been evaluated as important indicators for the stability and the outlooks for Long and Short-Term National Issuer Credit Ratings are affirmed as 'Stable'. The Company's profitability, leverage and coverage metrics, indebtedness level, equity structure, global shipping industry, and the potential negative effects of forecasted maintenance needs 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.