

Corporate Credit Rating

New Update

Sector: Roadway Passenger Transportation

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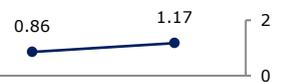
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A+ (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Negative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

* Assigned by JCR on August 18, 2022

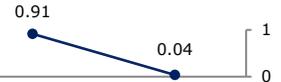
EBITDA Margin (%)



Current Ratio (x)



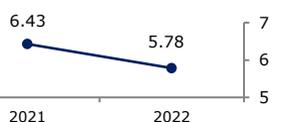
Adj.Net Debt/EBITDA (x)



Adj. Debt/Capital (%)



EBITDA/Adj.Interest (x)



Gür-Sel Turizm Taşımacılık ve Servis Ticaret A.Ş.

JCR Eurasia Rating, has evaluated **Gür-Sel Turizm Taşımacılık ve Servis Ticaret A.Ş.** in the investment-level category on the national scale and assigned its Long-Term National Issuer Credit Rating as '**A+ (tr)**' and 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.

Gür-Sel Turizm Taşımacılık ve Servis Ticaret A.Ş. (hereinafter referred to as 'Gürsel Turizm' or 'the Company') was established in 1993 and is headquartered in Istanbul. The Company's field of activity is to carry out all kinds of public transportation, school, workplace personnel transportation, service and transportation works, urban and intercity transportation for travel and tourism purposes, international passenger transportation by road, to carry out the works of official and unofficial private organizations and companies related to transportation and service works and to participate in tenders for parking lot management, to rent, lease, operate and trade all land transport vehicles for service, transportation and transportation works. The Company also operates in Jordan and Germany as of reporting date.

In 2022, Gürsel Turizm successfully completed its initial public offering (IPO) and its shares are publicly traded on Borsa Istanbul under the ticker symbol "GRSEL" with the free float rate of 21.57% as of reporting date. The Company employed an average staff force of 1,193 as of 1H2023 (FYE2022: 1,069).

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

Strengths

- Robust sales revenue growth in 2022 and 1H2023
- Favorable contract conditions providing ability to reflect changes in costs to sales prices
- Improvement in profitability margins over the analyzed periods
- Comfortable level of financial leverage indicators
- Diversified client structure as well as export sales provides resilience to the Company
- Pre-collections through student shuttle operations supporting cash flow and liquidity management
- Long lasting presence in the sector and compliance with corporate governance practices

Constraints

- Credit risk exposure arising from unsecured trade receivables
- Revaluation gains accounted for a large share of equity
- Limited trend analysis due to revised financial statements for the previous period
- Operational risks arising from nature of roadway passenger transportation business
- 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 as '**A+ (tr)**'. The Company's robust revenue growth, favorable contract conditions, low level of financial leverage indicators, credit risk exposure 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 revenue and profitability performance, debt structure, liquidity position 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.