

Corporate Credit Rating

New Update

Sector: Metal Industry

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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	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Affirmed by JCR on September 01, 2025

KIRAÇ GALVANİZ TELEKOMİNİKASYON METAL MAKİNE İNŞAAT ELEKTRİK SAN. VE TİC. A.Ş.

JCR Eurasia Rating, has evaluated the "Kıraç Galvaniz Telekomunikasyon Metal Makine İnşaat Elektrik San. ve Tic. A.Ş." in the investment grade category with high credit quality and affirmed 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 affirmed as 'BB/Stable'.

Kıraç Galvaniz Telekomunikasyon Metal Makine İnşaat Elektrik San. ve Tic. A.Ş. (hereinafter referred to as 'Kıraç Galvaniz' or 'the Company') was established in 2006 in Bursa, Türkiye. The Company's main activities are the manufacture of steel guardrails and hot dipped galvanizing, as well as the sale/assembly of motorcycle protective barriers, sound and noise barriers, solar energy systems construction, crash cushions, traffic signs and plates, pedestrian guardrails. The Company has two branches, 'Kıraç Georgia Branch' established in Georgia in 2018 and 'Kıraç Galvaniz Sucursala Bucuresti' established in Romania in 2023. The Company has two production facilities in Bursa and Bilecik, with a total area of circa 60,000 sqm.

As of the 1H2025, the shareholding structure of the Company is Feyzi Kıraç (25.74%), Fehmi Emre Kıraç (11.03%), Can Kıraç (11.03%), Havva Kıraç (3.68%), Serkan Malçok (22.06%) and 26.97% of shares are publicly traded. Kıraç Galvaniz have been publicly traded on the Borsa İstanbul A.Ş. ("BİST"), since August 14, 2024. The Company increased its capital from TRY 125mn to TRY 170mn by issuing 45 million nominal shares at a price of TRY 24.00 per share.

The Company's number of employees as of June 2025 is 136 (FYE2024: 141).

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

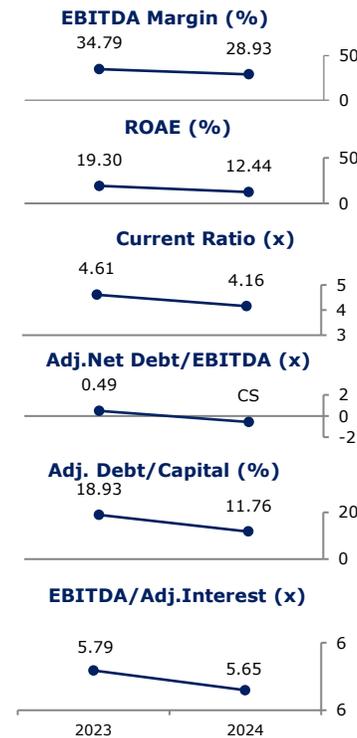
Strengths

- Revenue growth in FY2024, despite decline in 1H2025 related with the project based working model,
- Sustained solid EBITDA generation in review periods, together with improved bottom line, supported by interest income contribution,
- Satisfactory leverage and coverage metrics in analysed periods together with cash surplus position as of FYE2024, thanks to obtained funds following the IPO in August 2024,
- Elevated and high share of equity in resource composition as of FYE2024, mainly through share premium and internal means,
- Strengthened liquidity metrics, as evidenced by boosted current ratio and net working capital as of FYE2024 and 1H2025,
- New factory investments expected to support revenue generation and enhance production capacity,
- Compliance with the corporate governance practices as a publicly listed company.

Constraints

- Negative FOCF realized in FY2024 and 1H2025 due to ongoing CapEx outlays,
- Operating with long cash cycle in review periods,
- Exposure to FX-sensitive raw material prices may weigh on profitability margins, despite exports providing natural hedge to some extent,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been affirmed at 'A+ (tr)'. The Company's revenue growth in FY2024 despite the decline in 1H2025, sustained EBITDA generation with bottom line improvement supported by interest income, satisfactory leverage and coverage metrics together with cash surplus position as of FYE2024, high equity share in resources mainly through share premium, strengthened liquidity ratios in FY2024 and 1H2025, ongoing factory investments and compliance with corporate governance as a listed entity as well as negative FOCF in FY2024 and 1H2025, long cash cycle, exposure to FX-sensitive raw material prices despite partial hedge from exports 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 affirmed as 'Stable'. The Company's revenue growth, profitability margins, cash flow generation, leverage and coverage metrics, liquidity position, and outcomes of ongoing investments 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.



CS: Cash Surplus