JCR-ER JCR Eurasia Rating
"JCR-ER, Group of Japan Credit Rating Agency, Ltd." JCR

Corporate Credit Rating

☐New ☒Update

Sector: Operational Fleet Leasing

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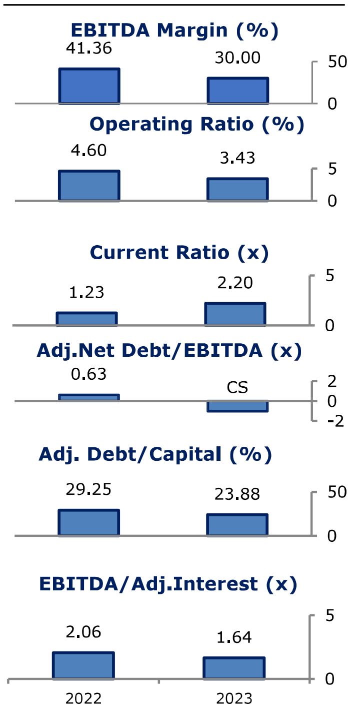
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	**National ICR**	**A+ (tr)**	**J1+ (tr)**
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating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



** CS: Cash Surplus*

LDR TURİZM A.Ş.

JCR Eurasia Rating has evaluated **"LDR Turizm A.Ş."** in the investment grade category with high credit quality, 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 determined as **'BB/Stable'** in line with the sovereign ratings and outlooks of Republic of Türkiye.

"LDR Turizm A.Ş." (hereinafter referred to as **"Lider Filo"** or **"the Company"**) was established on August 11, 2010 in İstanbul, Türkiye. The Company operates in the field of operational fleet leasing and used car sales under the brand **'Lider Filo'**. As of 30.06.2024; the total number of vehicles in the Company fleet is 2,970.

The Company has a total of 44 employees as of 1Q2024 (FYE2023: 44).

As of 1Q2024, the Company's main ultimate controlling shareholder is Metin Barokas with 69.09% share. Remaining 30.91% of shares are publicly traded on the Borsa İstanbul (BIST) with the ticker symbol "LIDER" since April 4, 2022.

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

Strengths	Constraints
• Steady increase in sales revenue in the analyzed periods, • Net cash position as of FYE2023 and 1Q2024 supporting leverage indicators, • Positive cash flow metrics and net working capital easing liquidity management, • Strengthened equity level mainly due to accumulated profit in the analyzed periods, • Multi-year contracts providing predictability in operational performance, • Low collection risk supported by diversified customer portfolio, • Steady demand outlook in the fleet leasing sector due to the willingness of companies to prefer leased vehicles, • Compliance with corporate governance principles.	• Relatively low level of coverage metrics and decreasing core profitability indicators in the analyzed periods mainly due to TAS 29 effect, • Long cash conversion cycle in the analyzed periods despite slightly shortened in FY2023, • Limited market influence together with decrease in the share of fleet leasing revenue, • Possible fluctuations in demand due to sector-specific regulations and high correlation with macroeconomic dynamics, • Leading economic indicators signal global economic slowdown whereas quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed at **'A+ (tr)'**. The Company's increasing sales revenue, net cash position, positive cash flow metrics and NWC as well as relatively low level of coverage metrics, long cash cycle and slowdown signal in the global economy 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 financial structure, sales and profitability performance, liquidity and leverage indicators will be closely monitored by JCR Eurasia Rating in the 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.