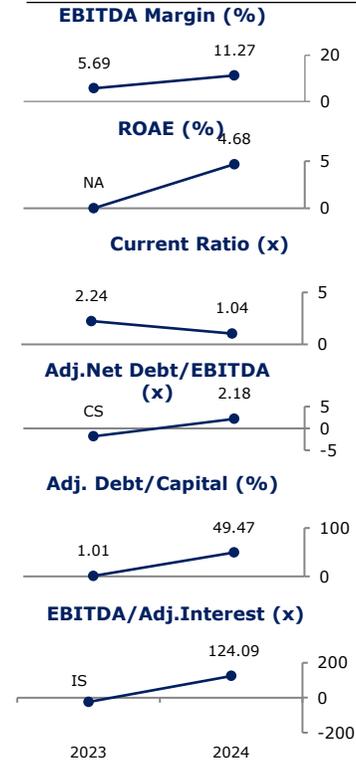## Corporate Credit Rating
☒New ☐Update

Sector: Software Industry
Publishing Date: 29.05.2025
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A- (tr)	J2 (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

EBITDA Margin (%)
5.69   11.27   20 / 0

ROAE (%)
NA   4.68   5 / 0

Current Ratio (x)
2.24   1.04   5 / 0

Adj.Net Debt/EBITDA (x)
CS   2.18   5 / 0 / -5

Adj. Debt/Capital (%)
1.01   49.47   100 / 0

EBITDA/Adj.Interest (x)
IS   124.09   200 / 0 / -200

2023   2024

NA: Not Applicable
CS: Cash Surplus
IS: Interest Surplus

VBT Yazılım A.Ş.

JCR Eurasia Rating, has evaluated **"VBT Yazılım A.Ş."** in the investment grade category with high credit quality and assigned the Long-Term National Issuer Credit Rating at **'A- (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.

VBT Yazılım A.Ş. (hereinafter referred to as **"VBT Yazılım"** or **"the Group"** or **"the Company"**) was established in 1993 in Istanbul and provides software development, system integration, and IT consultancy services. The Company operates across various sectors with a product portfolio including HR management systems, ERP applications, and e-transformation tools. VBT Yazılım also acts as a local representative of international technology companies and develops solutions in collaboration with global partners. The Company collaborates with international vendors including IBM and BMC Software under formal partnerships and provides sector-specific applications related to human resources, enterprise planning, and digital process integration.

As of 1Q2025, the Company's ultimate controlling shareholders include Birol Başaran with a 35.42% stake and İpek Canan Başaran with 7.31%. Additionally, 14 individual shareholders collectively hold 12.64% in smaller proportions, while the remaining 44.63% of the Company's shares are publicly traded on the Borsa Istanbul Stock Exchange Market.

The Company's average number of employees as of March 31, 2025 is 306 (FYE2024: 335)

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

Strengths	Constraints
• Satisfactory equity contribution, largely supported by retained earnings,	• Elevated leverage as of 1Q2025 due to declined EBITDA generation, in addition to increased indebtedness to finance distributorship agreement signed in 4Q2024,
• Positive CFO and FFO metrics and long-term weighted indebtedness structure easing liquidity management to some extent,	• High OpEx suppressing profitability margins with further decline in 1Q2025 compared to the same period of the previous year,
• Low level of doubtful receivables supported by well-known customers, despite its uncollateralized structure,	• Decline in revenue in 2024 and 1Q2025 mainly due to implementation of IAS29,
• Robust coverage metrics during the reviewed periods, despite decrease in 1Q2025,	• Existence of large-scale companies as rivals in the global market intensifying the competition,
• Long-standing industry presence with over 30 years of operational experience, contributing to brand/service recognition,	• As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.
• Compliance with the corporate governance practices owing to listed status.	

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been assigned as **'A- (tr)'**. The Company's satisfactory equity base, positive CFO and FFO metrics and long-term weighted indebtedness structure, robust coverage metrics, well-known customer base and long-standing industry presence as well as declined profitability margins and revenue in 1Q2025 and increased leverage metrics in 1Q2025 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, continuity of EBITDA generation, liquidity level, asset quality and debt structure 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.