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

Corporate Credit Rating

☐New ☒Update

Sector: Metal Industry
Publishing Date: 18.08.2026

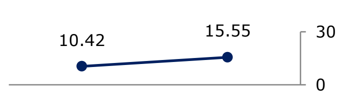
Team Leader
Elif Kırlangıç Keçeli
+90 212 352 56 73
elif.keceli@jcrer.com.tr

Assistant Analyst
Fatih Yalçınkaya
+90 212 352 56 73
fatih.yalcinkaya@jcrer.com.tr

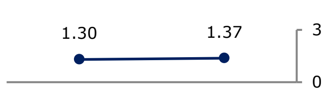
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB+ (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating Profile)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

** Affirmed by JCR on September 01, 2025.*

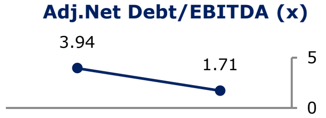
EBITDA Margin (%)



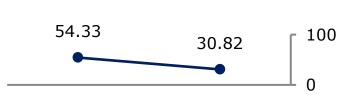
Current Ratio (x)



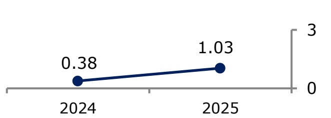
Adj.Net Debt/EBITDA (x)



Adj. Debt/Capital (%)



EBITDA/Adj.Interest (x)



YÜKSELEN ÇELİK ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated the consolidated structure of **'Yükselen Çelik Anonim Şirketi'** 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.

Yükselen Çelik Anonim Şirketi (referred to as **'the Company'** or **'Yükselen Çelik'**) was established in İstanbul in 1989. The main field of activity of the Company is the manufacturing, domestic and international trade of carbon, alloyed and non-alloyed, stainless, tool, qualified and unqualified iron and steel products used in the machinery, automotive, shipbuilding, defense and railway industries, as well as the provision of steel service center services. The products traded by Yükselen Çelik are classified under three main categories in ascending order of added value: carbon steels, alloy steels and tool steels. Within these categories, the Company sells standard products, design products with specifications and/or patents belonging to the Company, and products of companies for which it acts as a distributor. In addition to direct product sales, Yükselen Çelik provides processed steel products through its steel service center operations. The Company operates two steel service centers located in Esenyurt, İstanbul and Dilovası, Kocaeli. Following the completion of the investment at the Dilovası facility in 2024, the Company's total annual steel processing capacity increased to 200,000 tons.

Yükselen Çelik has been publicly traded on Borsa İstanbul since November 2019 with "YKSLN" ticker. As of the report date, the Company's shareholder structure is as follows: Mr. Barış Göktürk with 24.81% of the shares, Mr. Yüksel Göktürk with 22.88%, Mr. Burak Göktürk with 12.38%, Ms. Ferhan Göktürk with 0.70%, and the remaining 39.23% of the shares are publicly traded. The Company increased its paid-in capital from TRY 250mn to TRY 500mn in FY2025 through a rights issue. In 2026, the Company applied to the SPK (CMB, capital market board of Türkiye) to increase its paid-in capital from TRY 500mn to TRY 1.0bn through a 100% rights issue, with the application pending SPK approval as of the reporting date.

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

Strengths

- Improvement in adjusted net debt to EBITDA multiplier in FY2025, driven by the decline in financial borrowings,
- Positive net working capital coupled with favorable cash flow metrics in the reviewed periods,
- Satisfactory equity level as of FYE2025, mainly supported by the increase in paid-in capital,
- Long operational history dating back to 1989,
- Compliance with the corporate governance practices as a publicly traded company.

Constraints

- Contraction in revenue, EBITDA and sales volume in FY2025 despite improvements in 1Q2026,
- High level of financing expenses suppressing the bottom line profitability and coverage indicators despite recovery in 1Q2026,
- Lengthy cash conversion cycle,
- Sensitivity of the steel industry's revenue and profitability to raw material price fluctuations,
- As actions for a global soft-landing gain prominence, geopolitical risks and 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 **'BBB+ (tr)'**. The Company's improved adjusted net debt to EBITDA multiplier, positive net working capital coupled with favorable cash flow metrics, satisfactory equity level as of FYE2025, and long operational history as well as contraction in revenue and profitability in FY2025 despite improvements in 1Q2026, high level of financing expenses leading to net loss and suppressing coverage indicators despite recovery in 1Q2026 and deterioration in local and global macroeconomic 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, cash flow generations, liquidity and financial leverage level 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.