

CREDIT RATING REPORT

DATE: 14.10.2022

LEAD ANALYST: TOLGA KARACA

+90 212 232 84 50 tolga.karaca@drcrating.com

ISSUER: BİN ULAŞIM ve AKILLI ŞEHİR TEKNOLOJİLERİ A.Ş.

ISSUE: -

CORE BUSINESS: SHARED MOBILITY

NEW:

UPDATE:

	RATINGS*					
	ISSUER RATING		OUTLOOK	ISSUE RATING		OUTLOOK
	LONG TERM	SHORT TERM		LONG TERM	SHORT TERM	
Bin Ulaşım ve Akıllı Şehir Teknolojileri A.Ş. Saray Mahallesi, Sanayi Cad. B Blok No:54/2 Ümraniye/İstanbul Tel: (0850) 223 34 43 www.binbin.tech	-	-	-	-	-	-
INTERNATIONAL FOREIGN CURRENCY	-	-	-	-	-	-
INTERNATIONAL LOCAL CURRENCY	-	-	-	-	-	-
NATIONAL RATING	TR AA NR	TR A-1 NR	Stable NR			

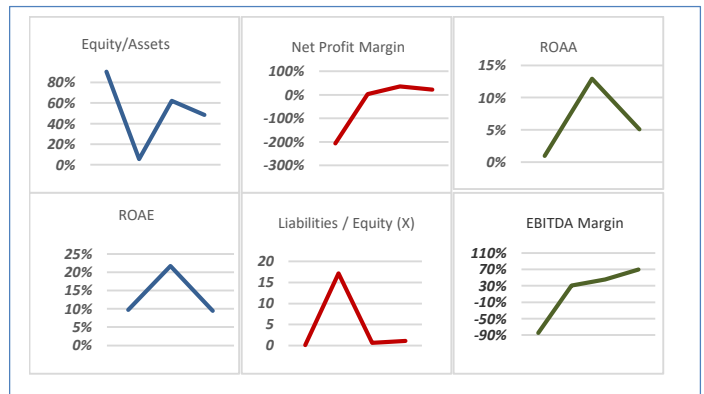
*Previous ratings are at the bottom right of the cells. NR: Not rated by DRC RATING. Outlook: Positive, Negative, Stable, Developing.

SUMMARY: Bin Ulaşım ve Akıllı Şehir Teknolojileri A.Ş. (hereafter Bin Ulaşım or the Company) has been assigned a **long-term national credit rating of TR AA a short-term national credit rating of TR A-1 and outlook Stable**. The credit ratings reflect our opinion about operating in a sector where competition conditions are dynamic and harsh, financial and operational performance in the 2.5 year period in the shared mobility sector as a new global sector, shareholder structure strengthened with the participation of institutional investors in 2021, expanded overseas operation network, high market share in the sector, provision of electric scooter services in 15 different locations in Turkey, including university campuses and Istanbul Airport, foreign currency deposits held in banks, strong equity structure, the exponential growth of its revenues and assets, high profit ratios, Turkey's negative macroeconomic indicators and regulation and transparency in the sector are not at the desired level.

Key Financial Data (Million ₺)

	2018	2019	2020	2021	2022/6
Total Assets	0.9	0.8	15.1	325.0	455.9
Trade Receivables	0.0	0.0	1.7	12.5	32.2
Inventories	0.0	0.5	3.3	70.0	187.7
Financial Payables	0.0	0.0	8.9	110.5	207.1
Equity	0.9	0.8	0.8	201.5	220.4
Net Profit	0.0	-0.2	0.1	21.9	20.0

*Data for 2022 covers the first half of the year.





İstanbul, October 14th, 2022

Financial Data

June 30th, 2022

(Million ₺)

Total Assets	455.9
Trade Receivables	32.2
Inventories	187.7
Financial Liabilities	207.1
Trade Payables	9.0
Gross Sales	88.1
Equity	220.4
Net Profit/Loss	20.0

Financial Ratios

ROAA (%)	5.1
ROAE (%)	9.5
EBITDA Margin (%)	69.9
Equity/Total Assets (%)	48.3
Tot. Liab./Equitt (x)	1.0

Ratings Rationale, Outlook and Important Factors for the Future:

Bin Ulaşım ve Akıllı Şehir Teknolojileri A.Ş. (hereafter Bin Ulaşım or the Company) has been assigned a **long-term national credit rating of TR AA** a **short-term national credit rating of TR A-1** and **outlook Stable**. The credit ratings reflect our opinion about operating in a sector where competition conditions are dynamic and harsh, financial and operational performance in the 2.5 year period in the shared mobility sector as a new global sector, shareholder structure strengthened with the participation of institutional investors in 2021, expanded overseas operation network, high market share in the sector, provision of electric scooter services in 15 different locations in Turkey, including university campuses and Istanbul Airport, foreign currency deposits held in banks, strong equity structure, the exponential growth of its revenues and assets, high profit ratios, Turkey's negative macroeconomic indicators and regulation and transparency in the sector are not at the desired level.

According to the independently audited financial statements of Bin Ulaşım, which is the basis for the credit rating report, its asset size, which was ₺15.1 million (\$ 2 million) at the end of 2020, increased to ₺325 million (\$ 24.3 million) at the end of 2021 and in the first half of 2022, it increased to ₺455.9 million (\$28 million). While the Company achieved a sales revenue of ₺2.2 million from the two full years spent in the sector so far in 2020, it increased its sales revenues by 26.5 times to ₺61.8 million in 2021. In the first half of 2022, sales revenues increased by 5.8 times compared to the first half of the previous year and reached ₺88.1 million. As of June 30, 2022, compared to the end of the previous year, the financial liabilities of Bin

Ulaşım increased by 87.4% to ₺207.1 million. After adding ₺21.9 million period profit to ₺173.1 million partnership premiums on capital stocks in 2021, shareholders' equity increased 242.1 times on an annual basis to ₺201.5 million. With the effect of the net profit of the period, the equity of the Company increased to ₺220.4 million as of June 30, 2022. Despite the rising financial expenses, the increase in the main operating profit and net profit from other activities enabled the Company's net profit for the period, which was ₺4.3 million in the first half of 2021, to increase to ₺20 million in the first half of 2022.

The number of electric scooters of Bin Ulaşım, which was 778 as of the end of 2020 and all imported from abroad, reached 8,220 at the end of 2021, 18,652 on 30 June 2022 and 20,035 as of August 31, 2022. Within the framework of the investment negotiations between Bin Ulaşım and institutional investors, an investment of 5 million dollars was transferred to the bank accounts of the Company after of the agreement reached with a corporate domestic investor in April 2021. During the new negotiations initiated in September 2021, a total investment of \$11 million was transferred to the Company's accounts in November 2021, as a result of the agreements reached with 1 foreign and 2 domestic investors. Bin Ulaşım has become the first electric scooter operator among Turkish companies to go abroad with the operation in Sofia, the capital of Bulgaria, which was initiated at the beginning of 2022. Within the scope of the global growth strategy, the operations started in 2022 in the cities of Sarajevo and Mostar, the capital of Bosnia and Herzegovina, the island of Murter in Croatia, Baku in Azerbaijan and Lefkoşa in the Turkish Republic of Cyprus (TRNC) continued. The establishment activities of the company in Qatar are continuing.

DRC RATING has assigned the outlook of Bin Ulaşım's National Long-Term Rating as “**Stable**”. The growth potential of the shared mobility sector, the group companies operating in software and hardware fields that may be effective in increasing the Company's market share, overseas operations in 5 different countries, high profitability and liquidity ratios, short track record of the sector and the Company, and not strong enough corporate governance structure were taken into consideration and positive/negative factors were evaluated in determining the outlook.



Key factors to consider for the future change in rating and outlook are:

Positive

- Increase in foreign currency income from overseas operations,
- The decrease of the weight of short-term financial debts in total liabilities,
- Expanding the electric scooter fleet and diversifying the product range,

Negative:

- Prolonged cold and rainy weather will adversely affect the Company's operations,
- Disruption of the balance between free cash flows and investments,
- The increase in purchasing costs of imported electric scooters due to the depreciation of ₺,

Disclaimer for Translation: This is an unofficial translation into the English language of the credit rating report/summary report (report), for convenience and information purposes only, that originally was prepared in the Turkish language. DRC RATING is not liable for any inaccuracies in translated materials or misunderstandings due to language usage or dialect. While reasonable efforts are made to provide accurate translations, portions may be incorrect, therefore, DRC RATING cannot guarantee the accuracy of the converted text. The full, legal and binding version of the report for all purposes is the Turkish version, filed by DRC RATING with the Capital Market Board of Turkey and published on DRC RATING's website. In the event of a contradiction or inconsistency or a discrepancy between this translation and the Turkish version of this report, the provisions of the Turkish version shall prevail. DRC RATING does not guarantee that the translation fully, correctly or accurately reflects the Turkish version of report and its contents.

Neither DRC RATING, nor any of its directors, employees, advisors or other office holders, accept any responsibility on any grounds whatsoever to any other person in connection with this translation into English of the report. DRC RATING shall not be liable for any inaccuracies or errors in the translation or for any loss or damage of any kind, including without limitation, indirect or consequential loss or damage arising from or in connection with the use of this translated version of the report.

No liability is assumed by DRC RATING for any errors, omissions, or ambiguities in the translations provided in this report. Any person or entity that relies on translated content does so at their own risk. DRC RATING shall not be liable for any losses caused by reliance on the accuracy or reliability of translated information. If you would like to report a translation error or inaccuracy, we encourage you to please contact us. Where there is any question, the English version is always the authoritative version of the report. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes.