

MIRA INFORM REPORT

Report No. :	524220
Report Date :	11.08.2018

IDENTIFICATION DETAILS

Name :	KOBASTAR ELEKTRONIK SANAYI VE TICARET LTD. STI.
Registered Office :	Fevzi Cakmak Mah. Ayyildiz Cad. No:16F Karatay 42050 Konya
Country :	Turkey
Financials (as on) :	31.12.2017
Date of Incorporation :	12.03.2009
Com. Reg. No.:	49100
Legal Form :	Limited Company
Line of Business :	Manufacture and trade of weighing instruments, weighing scales and their spare parts.
No. of Employees :	20

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Turkey	B2	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

TURKEY - ECONOMIC OVERVIEW

Turkey's largely free-market economy is driven by its industry and, increasingly, service sectors, although its traditional agriculture sector still accounts for about 25% of employment. The automotive, petrochemical, and electronics industries have risen in importance and surpassed the traditional textiles and clothing sectors within Turkey's export mix. However, the recent period of political stability and economic dynamism has given way to domestic uncertainty and security concerns, which are generating financial market volatility and weighing on Turkey's economic outlook.

Current government policies emphasize populist spending measures and credit breaks, while implementation of structural economic reforms has slowed. The government is playing a more active role in some strategic sectors and has used economic institutions and regulators to target political opponents, undermining private sector confidence in the judicial system. Between July 2016 and March 2017, three credit ratings agencies downgraded Turkey's sovereign credit ratings, citing concerns about the rule of law and the pace of economic reforms.

Turkey remains highly dependent on imported oil and gas but is pursuing energy relationships with a broader set of international partners and taking steps to increase use of domestic energy sources including renewables, nuclear, and coal. The joint Turkish-Azerbaijani Trans-Anatolian Natural Gas Pipeline is moving forward to increase transport of Caspian gas to Turkey and Europe, and when completed will help diversify Turkey's sources of imported gas.

After Turkey experienced a severe financial crisis in 2001, Ankara adopted financial and fiscal reforms as part of an IMF program. The reforms strengthened the country's economic fundamentals and ushered in an era of strong growth, averaging more than 6% annually until 2008. An aggressive privatization program also reduced state involvement in basic industry, banking, transport, power generation, and communication. Global economic conditions and tighter fiscal policy caused GDP to contract in 2009, but Turkey's well-regulated financial markets and banking system helped the country weather the global financial crisis, and GDP growth rebounded to around 9% in 2010 and 2011, as exports and investment recovered following the crisis.

The growth of Turkish GDP since 2016 has revealed the persistent underlying imbalances in the Turkish economy. In particular, Turkey's large current account deficit means it must rely on external investment inflows to finance growth, leaving the economy vulnerable to destabilizing shifts in investor confidence. Other troublesome trends include rising unemployment and inflation, which increased in 2017, given the Turkish lira's continuing depreciation against the dollar. Although government debt remains low at about 30% of GDP, bank and corporate borrowing has almost tripled as a percent of GDP during the past decade, outpacing its emerging-market peers and prompting investor concerns about its long-term sustainability.

Source : CIA

NOTE

Please kindly note that, according to Commercial Registry, there is no company under the name "Changzhou Weibo Weighing Equipment System Co. Ltd." in Turkey. The address stated at your inquiry belongs to "Kobastar Elektronik Sanayi ve Ticaret Ltd. Sti."

We are also informed that, the company stated at your inquiry "Changzhou Weibo Weighing Equipment System Co. Ltd." is foreign supplier of "Kobastar Elektronik Sanayi ve Ticaret Ltd. Sti."

So we provided the report on "Kobastar Elektronik Sanayi ve Ticaret Ltd. Sti."

COMPANY IDENTIFICATION

NAME	KOBASTAR ELEKTRONIK SANAYI VE TICARET LTD. STI.
HEAD OFFICE ADDRESS	Fevzi Cakmak Mah. Ayyildiz Cad. No:16F Karatay 42050 Konya / Turkey
PHONE NUMBER	90-332-249 38 15 90-332-249 38 16
WEB-ADDRESS	www.kobastarti.net
E-MAIL	bilgi@kobastarloadcell.com

LEGAL STATUS AND HISTORY

TAX OFFICE	Selcuk
TAX NO	5640584454
REGISTRATION NUMBER	49100
REGISTERED OFFICE	Konya Chamber of Commerce
COMMERCIAL REGISTRY	Konya Commercial Registry
DATE ESTABLISHED	12.03.2009
LEGAL FORM	Limited Company
TYPE OF COMPANY	Private
REGISTERED CAPITAL	TL 700.000
PAID-IN CAPITAL	TL 700.000
HISTORY	Previous Legal Type : Sole-Proprietorship / Changed on : 01.04.2016/(Commercial Gazette Date /Number 14.04.2016 /9054) Previous Name : Mustafa Guzel Kobas Tarti / Changed on :

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01.04.2016/(Commercial Gazette Date
/Number 14.04.2016 /9054)

OWNERSHIP / MANAGEMENT

SHAREHOLDERS	Mustafa Guzel	100 %
DIRECTORS	Mustafa Guzel (General Manager)	

OPERATIONS

BUSINESS ACTIVITIES	Manufacture and trade of weighing instruments, weighing scales and their spare parts.	
NACE CODE	DK.29.24	
NUMBER OF EMPLOYEES	20	
NET SALES	3.412 TL Thousand 1.306 TL Thousand	(2017) (01.01-31.03.2018)
IMPORT COUNTRIES	China	
MERCHANDISE IMPORTED	Spare part	
EXPORT VALUE	55 TL Thousand 61 TL Thousand	(2017) (01.01-31.03.2018)
EXPORT COUNTRIES	Qatar European Countries Turkish Republics Syria Iraq	
MERCHANDISE EXPORTED	Weighing instruments	
HEAD OFFICE ADDRESS	Fevzi Cakmak Mah. Ayyildiz Cad. No:16F Karatay Konya / Turkey	
BRANCHES	Head Office/Production Plant : Fevzi Cakmak Mah. Ayyildiz Cad. No:16F Karatay Konya/Turkey Branch Office : Ankara/Turkey	
SIZE OF BUSINESS	Upper-Moderate	

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FINANCE

CREDIT FACILITIES The subject rarely makes use of credit facilities.

PAYMENT BEHAVIOUR No complaints

KEY FINANCIAL ELEMENTS	(2017)	(01.01-31.03.2018)
	TL Thousand	TL Thousand
Net Sales	3.412	1.306
Profit (Loss) Before Tax	26	31
Stockholders' Equity	736	
Total Assets	2.748	
Current Assets	2.141	
Non-Current Assets	607	
Current Liabilities	1.918	
Long-Term Liabilities	94	
Gross Profit (loss)	285	102
Operating Profit (loss)	17	31
Net Profit (loss)	21	31

COMMENT ON FINANCIAL POSITION

Capitalization	Fair As of 31.12.2017
Remarks on Capitalization	A part of liabilities consist of loans from shareholders.
Liquidity	High As of 31.12.2017
Remarks On Liquidity	A part of current liabilities consist of short-term loans from shareholders rather than liabilities to third parties.
Profitability	Low Operating Profitability in 2017 Low Net Profitability in 2017 Fair Operating Profitability (01.01-31.03.2018) Low Net Profitability (01.01-31.03.2018)
Gap between average collection and payable periods	In order in 2017
General Financial Position	Satisfactory

CREDIT OPINION WITHOUT OBLIGATION

Incr. in Average USD/TL Average EUR/TL Average GBP/ TL

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producers' price
index

(2017)	15,47 %	3,6337	4,1120	4,7059
(01.01-31.03.2018)	5,29 %	3,8255	4,6833	5,3266
(01.01-31.07.2018)	17,56 %	4,1645	4,9951	5,6687

FINANCIALS

BALANCE SHEETS

31.12.2017 (Full Year)
TL Thousand

CURRENT ASSETS	2.141	0,78
Not Detailed Current Assets	0	0,00
Cash and Banks	380	0,14
Marketable Securities	0	0,00
Account Receivable	1.406	0,51
Other Receivable	2	0,00
Inventories	293	0,11
Advances Given	4	0,00
Accumulated Construction Expense	0	0,00
Other Current Assets	56	0,02
NON-CURRENT ASSETS	607	0,22
Not Detailed Non-Current Assets	0	0,00
Long-term Receivable	0	0,00
Financial Assets	0	0,00
Tangible Fixed Assets (net)	594	0,22
Intangible Assets	5	0,00
Deferred Tax Assets	0	0,00
Other Non-Current Assets	8	0,00
TOTAL ASSETS	2.748	1,00
CURRENT LIABILITIES	1.918	0,70
Not Detailed Current Liabilities	0	0,00
Financial Loans	14	0,01
Accounts Payable	1.271	0,46
Loans from Shareholders	541	0,20
Other Short-term Payable	24	0,01
Advances from Customers	52	0,02
Accumulated Construction Income	0	0,00
Taxes Payable	11	0,00
Provisions	5	0,00
Other Current Liabilities	0	0,00
LONG-TERM LIABILITIES	94	0,03
Not Detailed Long-term Liabilities	0	0,00
Financial Loans	94	0,03
Securities Issued	0	0,00

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Long-term Payable	0	0,00
Loans from Shareholders	0	0,00
Other Long-term Liabilities	0	0,00
Provisions	0	0,00
STOCKHOLDERS' EQUITY	736	0,27
Not Detailed Stockholders' Equity	0	0,00
Paid-in Capital	700	0,25
Cross Shareholding Adjustment of Capital	0	0,00
Inflation Adjustment of Capital	0	0,00
Equity of Consolidated Firms	0	0,00
Reserves	15	0,01
Revaluation Fund	0	0,00
Accumulated Losses(-)	0	0,00
Net Profit (loss)	21	0,01
TOTAL LIABILITIES AND EQUITY	2.748	1,00

INCOME STATEMENTS

	(2017) (Full Year) TL Thousand		(01.01- 31.03.2018) (Interim Period) TL Thousand	
Net Sales	3.412	1,00	1.306	1,00
Cost of Goods Sold	3.127	0,92	1.204	0,92
Gross Profit	285	0,08	102	0,08
Operating Expenses	268	0,08	71	0,05
Operating Profit	17	0,00	31	0,02
Other Income	11	0,00	0	0,00
Other Expenses	2	0,00	0	0,00
Financial Expenses	0	0,00	0	0,00
Minority Interests	0	0,00	0	0,00
Profit (loss) of consolidated firms	0	0,00	0	0,00
Profit (loss) Before Tax	26	0,01	31	0,02
Tax Payable	5	0,00	0	0,00
Postponed Tax Gain	0	0,00	0	0,00
Net Profit (loss)	21	0,01	31	0,02

LAST FINANCIAL STATEMENT DETAILS

	TL Thousand
Cash	3
Banks	375
Doubtful Trade Receivables	0
Other Miscellaneous Receivables (in Other Receivable)	2
Overdue, Delayed or Deferred Tax by Installments and Other Liabilities	0

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FINANCIAL RATIOS

	(2017)
LIQUIDITY RATIOS	
Current Ratio	1,12
Acid-Test Ratio	0,93
Cash Ratio	0,20
ASSET STRUCTURE RATIOS	
Inventory/Total Assets	0,11
Short-term Receivable/Total Assets	0,51
Tangible Assets/Total Assets	0,22
TURNOVER RATIOS	
Inventory Turnover	10,67
Stockholders' Equity Turnover	4,64
Asset Turnover	1,24
FINANCIAL STRUCTURE	
Stockholders' Equity/Total Assets	0,27
Current Liabilities/Total Assets	0,70
Financial Leverage	0,73
Gearing Percentage	2,73
PROFITABILITY RATIOS	
Net Profit/Stockholders' Eq.	0,03
Operating Profit Margin	0,00
Net Profit Margin	0,01
Interest Cover	
COLLECTION-PAYMENT	
Average Collection Period (days)	148,35
Average Payable Period (days)	146,33
WORKING CAPITAL	223,00

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.95
UK Pound	1	INR 88.19
Euro	1	INR 79.00
TRY	1	INR 10.75

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)