

MIRA INFORM REPORT

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| Report No. : | 543024 |
| Report Date : | 06.12.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | PROMOTECH CELIK PROFIL SANAYI VE TICARET A.S. |
| Registered Office : | 1. Oganize Sanayi Bolgesi Ozbekistan Cad. No:12 Sincan 06935 Ankara |
| Country : | Turkey |
| Date of Incorporation : | 26.07.2013 |
| Com. Reg. No.: | 359678 |
| Legal Form : | Joint Stock Company |
| Line of Business : | The subject deals with steel rolling. |
| No. of Employees : | Not Available |

RATING & COMMENTS

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

| | |
|-----------------|---|
| MIRA's Rating : | B |
|-----------------|---|

| Credit Rating | Explanation | Rating Comments |
|---------------|-------------|---|
| B | Medium Risk | Business dealings permissible on a regular monitoring basis |

| | |
|---------------------|----------|
| Status : | Moderate |
| Payment Behaviour : | Slow |
| 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 (30.06.2018) | Current Rating (30.09.2018) |
|--------------|---------------------------------|--------------------------------|
| Turkey | B1 | 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.

2018 is a year in which risks increased in Turkey due to high devaluation and volatility of foreign exchange rate (EUR/TRY was 4.20 in January 2018 increased to 7.20 in August and now it is 6.07) So this devaluation caused a tremendous increase at inflation and created an uncertainty. There is a sharp decline at domestic demand and many companies are facing financial difficulty.

Source : CIA

COMPANY IDENTIFICATION

| | |
|---------------------|--|
| NAME | PROMOTECH CELIK PROFIL SANAYI VE TICARET A.S. |
| HEAD OFFICE ADDRESS | 1. Oganize Sanayi Bolgesi Ozbekistan Cad. No:12 Sincan 06935 Ankara / Turkey |
| PHONE NUMBER | 90-312-273 88 00 |
| FAX NUMBER | 90-312-273 99 00 |
| WEB-ADDRESS | www.promotech.com.tr |
| E-MAIL | profil@promotech.com.tr |

LEGAL STATUS AND HISTORY

| | |
|-------------------------------|--|
| TAX OFFICE | Sincan |
| TAX NO | 7330399884 |
| REGISTRATION NUMBER | 359678 |
| REGISTERED OFFICE | Ankara Chamber of Commerce |
| COMMERCIAL REGISTRY | Ankara Commercial Registry |
| DATE ESTABLISHED | 26.07.2013 |
| ESTABLISHMENT GAZETTE DATE/NO | 31.07.2013/8375 |
| LEGAL FORM | Joint Stock Company |
| TYPE OF COMPANY | Private |
| REGISTERED CAPITAL | TL 800.000 |
| HISTORY | Previous Address : Saray Mah. Modern Keresteciler Sanayi Sitesi 18. Sokak No:7 Kazan Ankara / Changed on : 25.09.2013/(Commercial Gazette Date /Number 30.09.2013 /8415) Previous Address : Saray Mah. 1022. Sok. No:12/1 Kazan Ankara / Changed on : 15.07.2016/(Commercial Gazette Date /Number 20.07.2016 /9119) |

OWNERSHIP / MANAGEMENT

| | | |
|--------------|---------------|-------|
| SHAREHOLDERS | Mustafa Ekici | 100 % |
|--------------|---------------|-------|

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BOARD OF DIRECTORS Mustafa Ekici (Chairman)

OPERATIONS

BUSINESS ACTIVITIES The subject deals with steel rolling.
NACE CODE DJ.27.30
HEAD OFFICE ADDRESS 1. Oganize Sanayi Bolgesi Ozbekistan Cad. No:12 Sincan Ankara / Turkey
BRANCHES Head Office/Processing Plant : 1. Oganize Sanayi Bolgesi Ozbekistan Cad. No:12 Sincan Ankara/Turkey

FINANCE

PAYMENT BEHAVIOUR Slow

| KEY FINANCIAL ELEMENTS | (2014) | (2015) | (2016) | (2017) |
|-----------------------------|---------|---------|---------|-----------|
| | TL | TL | TL | TL |
| Profit (Loss) Before Tax | 195.347 | 695.216 | 791.403 | 1.019.047 |

COMMENT ON FINANCIAL POSITION

General Financial Position The firm is profitable.

The firm has a moderate amount of capital. The liability of the shareholders is limited to the capital.

CREDIT OPINION WITHOUT OBLIGATION

| | Incr. in producers' price index | Average USD/TL | Average EUR/TL | Average GBP/ TL |
|----------------------|---------------------------------|----------------|----------------|-----------------|
| (2014) | 6,36 % | 2,1891 | 2,8989 | 3,6060 |
| (2015) | 5,71 % | 2,7230 | 3,0254 | 4,1661 |
| (2016) | 9,94 % | 3,0292 | 3,3349 | 4,1006 |
| (2017) | 15,47 % | 3,6337 | 4,1120 | 4,7059 |
| (01.01-30.09.2018) | 38,96 % | 4,5878 | 5,4581 | 6,1749 |

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FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 70.52 |
| UK Pound | 1 | INR 89.45 |
| Euro | 1 | INR 79.84 |
| TRY | 1 | INR 13.19 |

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

INFORMATION DETAILS

| | |
|----------------------|-----|
| Analysis Done by : | NIY |
| Report Prepared by : | TRU |

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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)