

MIRA INFORM REPORT

Report No. :	534608
Report Date :	12.10.2018

IDENTIFICATION DETAILS

Name :	POLYTEK MAKINA DIS TICARET LTD. STI.
Registered Office :	Beylikduzu Mermerciler Organize Sanayi Sitesi 2. Bulvar No:20 Beylikduzu 34524 Istanbul
Country :	Turkey
Financials (as on) :	31.12.2017
Date of Incorporation :	15.07.2005
Com. Reg. No.:	559698
Legal Form :	Limited Company
Line of Business :	Trade of machinery, to be used for production of sack.
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 but Correct
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.

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.

Source : CIA

COMPANY IDENTIFICATION

NAME	POLYTEK MAKINA DIS TICARET LTD. STI.
HEAD OFFICE ADDRESS	Beylikduzu Mermerciler Organize Sanayi Sitesi 2. Bulvar No:20 Beylikduzu 34524 Istanbul / Turkey
PHONE NUMBER	90-212-876 90 01
FAX NUMBER	90-212-876 46 08
WEB-ADDRESS	www.polytek.com.tr
E-MAIL	info@polytek.com.tr

LEGAL STATUS AND HISTORY

TAX OFFICE	Beylikduzu
TAX NO	7320589918
REGISTRATION NUMBER	559698
REGISTERED OFFICE	Istanbul Chamber of Commerce
COMMERCIAL REGISTRY	Istanbul Commercial Registry
DATE ESTABLISHED	15.07.2005
ESTABLISHMENT GAZETTE DATE/NO	20.07.2005/6350
LEGAL FORM	Limited Company
TYPE OF COMPANY	Private
REGISTERED CAPITAL	TL 600.000
PAID-IN CAPITAL	TL 600.000
HISTORY	Previous Registered Capital : TL 30.000 / Changed on : 31.01.2018/(Commercial Gazette Date /Number 06.02.2018 /9510) Previous Address : Ibrahimaga Cad. 2. Emintas Sanayi Sitesi No:20/60 Bayrampasa Istanbul / Changed on : 07.09.2007/(Commercial Gazette Date /Number 12.09.2007 /6893) Previous Shareholder : Please vide Previous Shareholders section for the former shareholders' names. / Changed on : 18.03.2013/(Commercial Gazette Date /Number 22.03.2013 /8284)
PREVIOUS SHAREHOLDERS	Yilmaz Caglar Bastug 98 % Nefise Hilmiye Bastug 2 %

OWNERSHIP / MANAGEMENT

SHAREHOLDERS	Yilmaz Caglar Bastug	98 %
	Berk Bastug	2 %
DIRECTORS	Yilmaz Caglar Bastug (General Manager)	

OPERATIONS

BUSINESS ACTIVITIES	Trade of machinery, to be used for production of sack.	
NACE CODE	G .51.83	
SECTOR	Commerce	
NET SALES	3.950 TL Thousand	(2016)
	7.194 TL Thousand	(2017)
CAPACITY	None	
PRODUCTION	None	
IMPORT VALUE	0 TL	(2016)
	0 TL	(2017)
	0 TL	(01.01-31.07.2018)
EXPORT VALUE	3.852 TL Thousand	(2016)
	7.154 TL Thousand	(2017)
EXPORT COUNTRIES	Russia India Brazil Ukraine	
MERCHANDISE EXPORTED	Machinery	
HEAD OFFICE ADDRESS	Beylikduzu Mermerciler Organize Sanayi Sitesi 2. Bulvar No:20 Beylikduzu Istanbul / Turkey	
NOTES ON INVESTMENTS	None	

TREND OF BUSINESS There was an upwards trend in 2017.
SIZE OF BUSINESS Medium

FINANCE

MAIN DEALING BANKS T. Is Bankasi Bayrampasa Branch
T. Garanti Bankasi Beylikduzu Branch

CREDIT FACILITIES No credit facility has come to our knowledge.

PAYMENT BEHAVIOUR Slow But Correct

KEY FINANCIAL ELEMENTS	(2016)	(2017)
	TL Thousand	TL Thousand
Net Sales	3.950	7.194
Profit (Loss) Before Tax	232	971
Stockholders' Equity	683	1.460
Total Assets	5.566	6.087
Current Assets	5.566	6.087
Current Liabilities	4.883	4.627
Gross Profit (loss)	639	1.131
Operating Profit (loss)	80	469
Net Profit (loss)	185	777

COMMENT ON FINANCIAL POSITION

THE DETAILS OF THE
CAPITAL INCREASE Equity Part 570.000 TL
AFTER LAST BALANCE Payment Due Date 31.01.2018
SHEET

Capitalization Insufficient
Remarks on Capitalization A part of liabilities consist of loans from shareholders.

There has been capital increase after the last balance sheet date.

The increase is decided to be financed by equity items so the capital increase is not expected to have a positive effect on equity total.

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.

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The favorable gap between average collection and average payable period has a positive effect on liquidity.

Profitability

Fair Operating Profitability in 2016
Good Net Profitability in 2016
Good Operating Profitability in 2017
High Net Profitability in 2017

Gap between average collection and payable periods

Favorable in 2017

General Financial Position

Passable

	Incr. in producers' price index	Average USD/TL	Average EUR/TL	Average GBP/ TL
(2016)	9,94 %	3,0292	3,3349	4,1006
(2017)	15,47 %	3,6337	4,1120	4,7059
(01.01-31.07.2018)	17,56 %	4,1645	4,9951	5,6687
(01.01-30.09.2018)	38,96 %	4,5878	5,4581	6,1749

BALANCE SHEETS

	31.12.2016 (Full Year) TL Thousand		31.12.2017 (Full Year) TL Thousand	
CURRENT ASSETS	5.566	1,00	6.087	1,00
Not Detailed Current Assets	0	0,00	0	0,00
Cash and Banks	4.392	0,79	5.626	0,92
Marketable Securities	0	0,00	0	0,00
Account Receivable	898	0,16	125	0,02
Other Receivable	0	0,00	0	0,00
Inventories	0	0,00	0	0,00
Advances Given	0	0,00	1	0,00
Accumulated Construction Expense	0	0,00	0	0,00
Other Current Assets	276	0,05	335	0,06
NON-CURRENT ASSETS	0	0,00	0	0,00
Not Detailed Non-Current Assets	0	0,00	0	0,00
Long-term Receivable	0	0,00	0	0,00
Financial Assets	0	0,00	0	0,00
Tangible Fixed Assets (net)	0	0,00	0	0,00
Intangible Assets	0	0,00	0	0,00
Deferred Tax Assets	0	0,00	0	0,00
Other Non-Current Assets	0	0,00	0	0,00
TOTAL ASSETS	5.566	1,00	6.087	1,00
CURRENT LIABILITIES	4.883	0,88	4.627	0,76
Not Detailed Current Liabilities	0	0,00	0	0,00

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Financial Loans	0	0,00	0	0,00
Accounts Payable	3.286	0,59	3.121	0,51
Loans from Shareholders	134	0,02	1.107	0,18
Other Short-term Payable	0	0,00	0	0,00
Advances from Customers	1.439	0,26	337	0,06
Accumulated Construction Income	0	0,00	0	0,00
Taxes Payable	24	0,00	54	0,01
Provisions	0	0,00	8	0,00
Other Current Liabilities	0	0,00	0	0,00
LONG-TERM LIABILITIES	0	0,00	0	0,00
Not Detailed Long-term Liabilities	0	0,00	0	0,00
Financial Loans	0	0,00	0	0,00
Securities Issued	0	0,00	0	0,00
Long-term Payable	0	0,00	0	0,00
Loans from Shareholders	0	0,00	0	0,00
Other Long-term Liabilities	0	0,00	0	0,00
Provisions	0	0,00	0	0,00
STOCKHOLDERS' EQUITY	683	0,12	1.460	0,24
Not Detailed Stockholders' Equity	0	0,00	0	0,00
Paid-in Capital	30	0,01	30	0,00
Cross Shareholding Adjustment of Capital	0	0,00	0	0,00
Inflation Adjustment of Capital	0	0,00	0	0,00
Equity of Consolidated Firms	0	0,00	0	0,00
Reserves	645	0,12	653	0,11
Revaluation Fund	0	0,00	0	0,00
Accumulated Losses(-)	-177	-0,03	0	0,00
Net Profit (loss)	185	0,03	777	0,13
TOTAL LIABILITIES AND EQUITY	5.566	1,00	6.087	1,00

INCOME STATEMENTS

	(2016) (Full Year) TL Thousand		(2017) (Full Year) TL Thousand	
Net Sales	3.950	1,00	7.194	1,00
Cost of Goods Sold	3.311	0,84	6.063	0,84
Gross Profit	639	0,16	1.131	0,16
Operating Expenses	559	0,14	662	0,09
Operating Profit	80	0,02	469	0,07
Other Income	593	0,15	888	0,12
Other Expenses	441	0,11	386	0,05
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	232	0,06	971	0,13
Tax Payable	47	0,01	194	0,03
Postponed Tax Gain	0	0,00	0	0,00
Net Profit (loss)	185	0,05	777	0,11

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LAST FINANCIAL STATEMENT DETAILS

	TL Thousand
Cash	2
Banks	5.624
Doubtful Trade Receivables	0
Overdue, Delayed or Deferred Tax by Installments and Other Liabilities	0
Profit from Foreign Currency Exchange	777
Loss from Foreign Currency Exchange	386

FINANCIAL RATIOS

	(2016)	(2017)
LIQUIDITY RATIOS		
Current Ratio	1,14	1,32
Acid-Test Ratio	1,08	1,24
Cash Ratio	0,90	1,22
ASSET STRUCTURE RATIOS		
Inventory/Total Assets	0,00	0,00
Short-term Receivable/Total Assets	0,16	0,02
Tangible Assets/Total Assets	0,00	0,00
TURNOVER RATIOS		
Inventory Turnover		
Stockholders' Equity Turnover	5,78	4,93
Asset Turnover	0,71	1,18
FINANCIAL STRUCTURE RATIOS		
Stockholders' Equity/Total Assets	0,12	0,24
Current Liabilities/Total Assets	0,88	0,76
Financial Leverage	0,88	0,76
Gearing Percentage	7,15	3,17
PROFITABILITY RATIOS		
Net Profit/Stockholders' Eq.	0,27	0,53
Operating Profit Margin	0,02	0,07
Net Profit Margin	0,05	0,11
Interest Cover		
COLLECTION-PAYMENT RATIOS		
Average Collection Period (days)	81,84	6,26

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Average Payable Period (days)	357,28	185,31
WORKING CAPITAL	683,00	1460,00

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 74.39
UK Pound	1	INR 98.30
Euro	1	INR 85.90
TRY	1	INR 12.55

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	POJ

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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)