

MIRA INFORM REPORT

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| Report No. : | 535245 |
| Report Date : | 20.10.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | OR-HAN INSAAT TICARET VE SANAYI LTD. STI. |
| Registered Office : | Cemalpasa Mah. Fuzuli Cad. No:77 Seyhan 01120 Adana |
| Country : | Turkey |
| Date of Incorporation : | 19.09.1989 |
| Com. Reg. No.: | 22609 |
| Legal Form : | Limited Company |
| Line of Business : | Construction and contracting. The subject also deals with trade of construction materials |
| No. of Employees : | 35 |

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 : | 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 (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 | OR-HAN INSAAT TICARET VE SANAYI LTD. STI. |
| HEAD OFFICE ADDRESS | Cemalpasa Mah. Fuzuli Cad. No:77 Seyhan 01120 Adana / Turkey |
| PHONE NUMBER | 90-322-457 27 57 |
| FAX NUMBER | 90-322-454 49 72 |
| WEB-ADDRESS | or-haninsaat.com |
| E-MAIL | buro@or-hanins.com |

LEGAL STATUS AND HISTORY

| | |
|---------------------|--|
| TAX OFFICE | Yuregir |
| TAX NO | 6440014575 |
| REGISTRATION NUMBER | 22609 |
| REGISTERED OFFICE | Adana Chamber of Commerce |
| COMMERCIAL REGISTRY | Adana Commercial Registry |
| DATE ESTABLISHED | 19.09.1989 |
| LEGAL FORM | Limited Company |
| TYPE OF COMPANY | Private |
| REGISTERED CAPITAL | TL 15.000.000 |
| HISTORY | Previous Registered Capital : TL 300.000 / Changed on : 27.12.2016/(Commercial Gazette Date /Number 06.01.2017 /9236) Previous Address : Fuzuli Cad. No:83 Adana / Changed on : 10.02.2009/(Commercial Gazette Date /Number 20.02.2009 /7254) |

OWNERSHIP / MANAGEMENT

| | | |
|--------------|------------------|------|
| SHAREHOLDERS | Halil Avci | 40 % |
| | Makbule Avci | 30 % |
| | Billur Avci | 15 % |
| | Orhan Murat Avci | 15 % |

DIRECTORS Orhan Murat Avci
Fahri Dede Avci
Halil Avci (General Manager)

OPERATIONS

BUSINESS ACTIVITIES Construction and contracting. The subject also deals with trade of construction materials.

| UNDERTAKEN PROJECTS | Name Of Project | Place Of Project |
|---------------------|--|------------------|
| | Construction and contracting of Atasehir Residential Housing Project | Istanbul-Turkiye |
| | Construction and contracting of Duzici Industrial Vocational School | Osmaniye-Turkiye |
| | Construction and contracting of Sariz The Fifty-Bed State Hospital | Kayseri-Turkiye |

NACE CODE F .45.21

NUMBER OF EMPLOYEES 35

NET SALES 70.873 TL Thousand (2017)
21.028 TL Thousand (01.01-30.06.2018)

NOTES ON NET SALES The sales figures are declared by the company. There is no certification for these figures.

IMPORT VALUE 0 TL (2016)
0 TL (2017)
0 TL (01.01-30.09.2018)

EXPORT COUNTRIES Turkmenistan

MERCHANDISE EXPORTED Construction materials

HEAD OFFICE ADDRESS Cemalpasa Mah. Fuzuli Cad. No:77 Seyhan Adana / Turkey

TREND OF BUSINESS There appears a decline at business volume in nominal terms in the first 6 months of 2018.

FINANCE

MAIN DEALING BANKS T. Is Bankasi Adana Ticari Branch

PAYMENT BEHAVIOUR No Complaints.

| KEY FINANCIAL ELEMENTS | (2015) TL Thousand | (2016) TL Thousand | (2017) TL Thousand |
|--------------------------|-----------------------|-----------------------|-----------------------|
| Net Sales | | | 70.873 |
| Profit (Loss) Before Tax | 4.378 | 7.091 | 6.433 |

COMMENT ON FINANCIAL POSITION

General Financial Position The firm is profitable.
The firm has a high amount of capital. The liability of the shareholders is limited to the capital.

| | Incr. in producers' price index | Average USD/TL | Average EUR/TL | Average GBP/ TL |
|----------------------|---------------------------------|----------------|----------------|-----------------|
| (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 |
| (01.01-30.06.2018) | 15,52 % | 4,0582 | 4,8864 | 5,5548 |
| (01.01-30.09.2018) | 38,96 % | 4,5878 | 5,4581 | 6,1749 |

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 73.44 |
| UK Pound | 1 | INR 95.65 |
| Euro | 1 | INR 84.17 |
| TRY | 1 | INR 13.01 |

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

INFORMATION DETAILS

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

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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)