

## Corporate Credit Rating

New  Update

Sector: IT Products

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### Chief Analyst

Bora Pakyürek

+90 212 352 56 73

bora.pakyurek@jcrer.com.tr

### Senior Analyst

Deniz Ustabas

+90 212 352 56 73

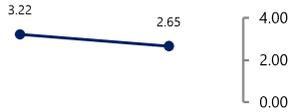
deniz.ustabas@jcrer.com.tr

## RATINGS

		Long Term	Short Term
National	Local Rating	AA (Trk)	A-1+ (Trk)
	Outlook	Stable	Stable
International	Foreign Currency	BB	B
	Local Currency	BB	B
	Outlook	FC: Stable LC: Stable	Stable Stable
Sponsor Support		2	-
Stand-Alone		A	-
Sovereign*	Foreign Currency	BB	-
	Local Currency	BB	-
	Outlook	FC: Stable LC: Stable	- -

\*Assigned by JCR on May 31, 2021

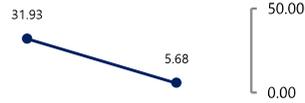
### EBITDA Margin (%)



### ROAA (%)



### Net Working Capital / Assets (%)



### Adjusted Debt / Capital (%)



## İndeks Bilgisayar Sistemleri Mühendislik San. ve Tic. A.Ş. and Its Subsidiaries

JCR Eurasia Rating, has evaluated **İndeks Bilgisayar Sistemleri Mühendislik San. ve Tic. A.Ş.** in high-investment level category on the national scale and determined the ratings on the Long-Term National Scale as **'AA (Trk)'** and the Short Term National Scale as **'A-1+ (Trk)'** with **'Stable'** outlooks. On the other hand, the Long Term International Foreign and Local Currency Ratings have been assigned as **'BB'** with **'Stable'** outlooks.

İndeks Bilgisayar Sistemleri Mühendislik San. ve Tic. A.Ş. (referred to as 'the Company', 'the Group' or 'İndeks Bilgisayar') was established in 1989. The main activity of the Company is; to do wholesale trade by supplying all kinds of information products from domestic and abroad in the IT sector. İndeks Bilgisayar is a distributor that provides leading international brands in the IT sector with its dynamic structure and innovative perspective since 1989. The Company purchases the merchandise from domestic and international suppliers and through its distribution network sells them to the customers in domestic. The Company shares has been trading on the Borsa Istanbul since 2004, with the ticker symbol "İNDES". The Company employed an average workforce of 470 as of FY2020 (FY2019: 478).

As of FYE2020, the Company had 7 subsidiaries. As of the reporting date, İndeks Bilgisayar carries out its operations via its headquarters in Istanbul and its two branches located in Diyarbakır and Ankara. The warehouse activities of the Group are carried out from Kocaeli by Teklos Teknoloji Lojistik Hizmetleri A.Ş. The controlling shareholder of the Company is Nevres Erol Bilecik with shares of 36.37%.

Key rating drivers, as strengths and constraints, are provided below.

### Strengths

- Considerable revenue growth with strong demand stimulated by accelerated pace of digitalization in FY2020
- Reasonable financial indebtedness compared to business volume, easing liquidity management
- Mitigating concentration risk through diversified product range
- Asset-light business model provides resilience to the Company
- Competitive advantages provided by distributorship agreements with globally known brands and wide distribution network
- Reputable brand name and long-lasting presence in the sector
- High compliance with corporate governance practices owing to listed status

### Constraints

- Operating in a tough competitive market put pressure on profitability indicators in line with industry
- Global chip shortage stands out as a potential risk ahead for the Company and industry
- Dependence on imports in the product range
- Albeit the industry is Covid-19 resilient, pandemic on global and local economies overhang as a systematic risk

Considering the aforementioned points, the Company's the Long-Term National Rating has been determined at **'AA (Trk)'**. Considering the Company's capacity of internal equity generation, equity structure, profitability, asset quality, distribution network, competition and market efficiency in the market, EBITDA generation capacity and experience in the sector and past credentials as well as Covid-19 pandemic and geopolitical risks-driven uncertainties; the Company's outlook for Long and Short-Term National ratings has been determined as **'Stable'**. The macroeconomic indicators at national and international markets, as well as market conditions and legal frame about the sector will be continued to be monitored.

The controlling shareholder, Mr. Nevres Erol Bilecik, is thought to possess the financial strength and willingness to provide long term liquidity and equity depending on the adequacy of their financial strength when required and to provide efficient operational support to İndeks Bilgisayar. In this scope, the Sponsor Support Grade has been determined as **(2)** on JCR Eurasia Rating's notation scale.

İndeks Bilgisayar's 'stand-alone rating' has been determined with regard to Company's know-how track record, asset size and quality, liquidity profile, internal resource generation capacity and sales performance, equity-debt level, diversification of products and the trends of the existing risks in the markets and the business environment by taking its internal sources into account. Within this context, the Stand Alone Note of İndeks Bilgisayar has been determined as **'A'**.