JCR-ER JCR Eurasia Rating
"JCR-ER, Group of Japan Credit Rating Agency, Ltd." JCR

Corporate Credit Rating

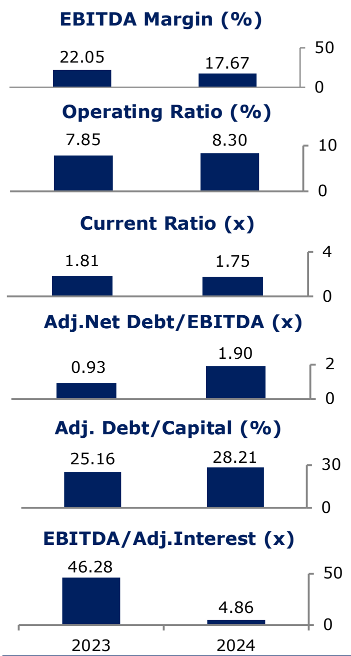
☐New ☒Update

Sector: Textile Industry
Publishing Date: Nov. 27, 2025

Team Leader
Muhammet Başar
+90 212 352 56 73
muhammet.basar@jcrer.com.tr
Analyst
Ahmet Abdüssamed Yılmam
+90 212 352 56 73
ahmetabdussamed.yilmam@jcrer.com.tr
Assistant Analyst
Beste Köse
+92 212 352 56 73
beste.kose@jcrer.com.tr

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A+ (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

** Affirmed by JCR on September 1, 2025*



İŞBİR SENTETİK DOKUMA SANAYİ ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated the consolidated structure of **"İşbir Sentetik Dokuma Sanayi Anonim Şirketi"** in the investment grade category with high credit quality and revised the Long-Term National Issuer Credit Rating to **'A+ (tr)'** from **'AA- (tr)'** and the Short-Term National Issuer Credit Rating to **'J1 (tr)'** from **'J1+ (tr)'** with **'Stable'** outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been determined as **'BB/Stable'** as parallel to sovereign ratings and outlooks of Republic of Türkiye.

İşbir Sentetik Dokuma Sanayi Anonim Şirketi (hereinafter referred to as **"İşbir Sentetik"** or **"the Group"**) was established in 1968 and operates in the field of manufacturing industrial packaging and technical textile products. The products include primarily Big Bags (FIBC), carpet backing, PE fabric, PE film, compound, additive masterbatches and masks. The Group's integrated structure allows to utilize efficiency in production line from raw material to end product. The Group's shares have been publicly traded on the Borsa İstanbul (BIST) under the ticker symbol **"ISSEN"** since November, 2021.

İşbir Sentetik's headquarters is located in Balıkesir. As of December 2024, İşbir Sentetik's shareholders are İşbir Holding A.Ş. (76.42%), İşbir Sünger A.Ş. (2.14%), Public Shareholders (17.50%) and Others (3.94%).

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

Strengths

- Sustainable level of EBITDA margin and profitability ratios despite the deterioration in FY2024,
- Reasonable leverage profile and coverage metrics despite increasing financial indebtedness in the years analyzed,
- Adequate equity to total assets ratio despite contraction in FY2024,
- Foreign currency denominated sales revenue providing a natural hedge to a certain extent,
- Geographically diversified customer portfolio and asset quality strengthened by the low collection risk together with mostly collateralized and insured trade receivables,
- Long experience in the sector and advantage of operating under İşbir Holding,
- Compliance with corporate governance principles as a company listed in BIST.

Constraints

- Volatile sales performance, marked by a decline in FY2024 and a subsequent recovery in 9M2025 driven by tonnage-based volumes,
- Negative CFO and FOCF metrics mainly owing to funding inventories and capital expenditures,
- Relatively long cash conversion cycle due to nature of business,
- High competitive environment, volatile raw material prices and currency fluctuations may put pressure on profitability margins,
- As actions for a global soft landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been revised to **'A+ (tr)'** from **'AA- (tr)'**. Taking into account the Group's sustainable EBITDA margin and profitability ratios, reasonable coverage and leverage metrics, FX dominated sales revenue, diversified customer portfolio, experience in the sector, as well as volatile sales revenue, negative CFO and FOCF metrics, long cash conversion cycle and volatile raw material prices and high competitive environment have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings have been determined as **'Stable'**. The Group's profitability performance, indebtedness indicators, cash flow and liquidity metrics, leverage profile, market position and economic conditions in Türkiye are the priority issues to be monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector, will also be monitored.