

## Corporate Credit Rating

New  Update

**Sector:** Wholesale Trade

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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	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

\* Assigned by JCR on May 10, 2024

### EBITDA Margin (%)



### Operating Ratio (%) = OPEX / Net Sales



### Current Ratio (x)



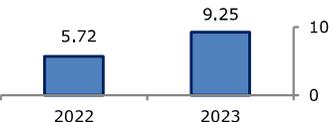
### Adj.Net Debt/EBITDA (x)



### Adj. Debt/Capital (%)



### EBITDA/Adj.Interest (x)



## AZTEK TEKNOLOJİ ÜRÜNLERİ TİCARET ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated the consolidated structure of "Aztek Teknoloji Ürünleri Ticaret Anonim Şirketi" in the investment grade category with high credit quality and affirmed the Long-Term National Issuer Credit Rating at 'A (tr)' and the Short-Term National Issuer Credit Rating at 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks are determined as 'BB/Stable' in parallel to international ratings and outlooks of Republic of Türkiye.

**Aztek Teknoloji Ürünleri Ticaret Anonim Şirketi** (hereinafter referred to as "Aztek Teknoloji" or "the Group") was established in 1996 in Avclar, İstanbul, as a retail sales entity under the dealership of Raksotek Music Market. In 2009, Aztek Teknoloji underwent a legal restructuring, adopting its current name and structure. The Group's primary business activities include the procurement, sale, import, and export of cables, adapters, bags, cases, and similar accessory products related to audio and video merchandise. Additionally, Aztek Teknoloji provides maintenance, repair, and service solutions for these products. The Group operates a warehouse in Çayirova/Kocaeli, which serves as a central hub for its regional and domestic sales and distribution activities.

Aztek Teknoloji is also a distributor of consumer electronics products from globally renowned technology brands, including Apple, Harman, Beats, Hama, JBL, Marshall, and Samsung. The Group holds authorized distribution rights for these brands. As of the reporting date, Aztek Teknoloji operates a network of direct sales stores, comprising five locations in İstanbul and one in İzmir. Beyond its operations in Türkiye, the Group has a subsidiary in Russia, Aztek LLC, which engages in similar business activities.

The Group's head office is located in Beşiktaş, İstanbul. Aztek Teknoloji's shares have been listed on Borsa İstanbul (BIST) since August 17, 2022, under the ticker symbol 'AZTEK'. As of the reporting date, 25.57% of Aztek Teknoloji's shares are publicly traded, with the majority ownership held by the Ütebay Family. Additionally, Nuray Gökşen holds a 0.43% ownership stake. The average number of employees was 200 in FY2023 (FY2022: 180).

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

### Strengths

- Revenue growth underpinned by increased sales volumes in FY2023, despite a contraction in 3Q2024,
- Enhancement in profitability margins and adequate interest coverage metrics in FY2023, with a partial decline anticipated in 2024 financials,
- Moderate leverage profile along with low level of net debt to EBITDA multiplier, supported by a cash buffer and expected to persist in the 2024 financials,
- Distributorship agreements with prominent brands in global and local markets,
- Low collection risk and high receivable quality supported by collaboration with well-known organized retailers,
- Compliance with corporate governance practices as a public company.

### Constraints

- Negative CFO and FOCF in FY2023, primarily due to increasing trade receivables pressuring working capital,
- Dependence on imports in the product range and supply conditions of leading manufacturers determining the market dynamics,
- In the shadow of geopolitical risks, leading economic indicators point to continued weakness in global demand conditions, whereas actions for a soft-landing at the forefront.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been affirmed at 'A (tr)'. Taking into account the Group's revenue growth above the inflation rate in 2023, sound market position, sustained profitability metrics, strong distributorship agreements, as well as negative cash flow metrics, market expectations, inflationary environment and other risk factors 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 revenue & profitability performance, cash flow generations, indebtedness indicators, liquidity metrics, global recession concerns, 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.