Corporate Credit Rating

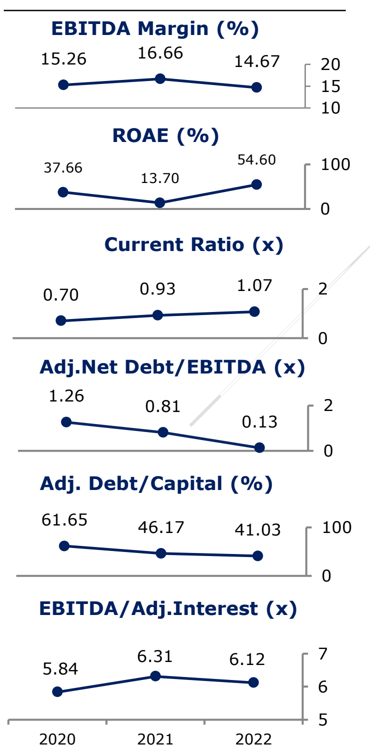
☐New ☒Update

Sector: Plastics and Rubber Products Industry
Publishing Date: 16.12.2024

Team Leader
Yeşim ÖZÜDOĞRU
+90 212 352 56 73
yesim.karaoglu@jcrer.com.tr
Assistant Analyst
Saliha GÜRBÜZ
+90 212 352 56 73
saliha.gurbuz@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)	-

** Assigned by JCR on May 10, 2024*



Beno Plastik Ambalaj ve Kalıp Sanayi Ticaret A.Ş.

JCR Eurasia Rating, has evaluated the consolidated structure of "**Beno Plastik Ambalaj ve Kalıp Sanayi Ticaret A.Ş.**" in the investment grade category with high credit quality and affirmed the Long-Term National Issuer Credit Rating at **'A+ (tr)'** whereas revised the Short-Term National Issuer Credit Rating from **'J1+ (tr)' to 'J1 (tr)'** with **'Stable'** outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were assigned as **'BB/Stable** as parallel to international ratings and outlooks of Republic of Türkiye.

Beno Plastik Ambalaj ve Kalıp Sanayi Ticaret Anonim Şirketi (referred to as **"the Group"** or **"Beno Plastik"**) was established in 2005 and offers packaging solutions that appeal to many industries to facilitate the transportation and storage of products. The main field of activity of the Company is the production and marketing of plastic boxes, lids, containers, dolly, pallets and accessories used especially in the industrial, automotive, food, agriculture, supermarket chains and logistic sectors. Beno Plastik manufactures with a capacity of 55,000 ton/year with its factories located in Yalova, Isparta, Kütahya and Manisa with a total closed area of 80,250 m^2. The Company generated TRY 1.9bn sales revenue in 2023 and has 473 employees as of 31 December 2023 (FYE2022: 474). Also, in 2023, Beno Plastik was ranked as the 339th (FY2022: 284th) largest manufacturer of Türkiye with respect to sales revenue generated from production figures in the annual list of second 500 Largest Industrial Enterprises of Türkiye (ISO500), compiled annually by the Istanbul Chamber of Industry (ISO).

As of the FYE2023, Birol Önderoğlu is the main shareholder of Beno Plastik with a 60% stake, while the remaining shares are held by Hakan Dirgeme.

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

Strengths	Constraints
• Sustainable profitability indicators and EBITDA generation capacity in FY2023 and 9M2024 according to Tax Declaration • Comfortable level of financial leverage and coverage ratios in 9M2024 period • Adequate level of liquidity metrics in the review periods • Synergy generated within group companies responding to different sector requirements in plastic crates and transportation • FX based revenue stream provides natural hedging to a certain extent • Asset quality strengthened by low collection risks	• Absence of financial statements with independent auditor's report for FYE2023 limiting comprehensive analysis • Contraction in revenue growth considering the inflation in 9M2024 period according to Provisional Tax Return • Sectoral high import dependency of the main raw material used in production • Improvement needs in corporate governance practices • In the shadow of geopolitical risks, leading economic indicators point to continued weakness in global demand conditions, whereas actions for a soft-landing are at the forefront

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed at **'A+ (tr)'**. The Company's persistent profitability margins, steady EBITDA generation capacity, comfortable level of leverage and coverage metrics, asset quality along with ongoing uncertainties arisen from geopolitical tensions as well as global tight financial conditions have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as **'Stable'.** The Company's profitability performance, debt level and cash generation capacity together with the trends in the industry will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal frame about the sector will be monitored as well.