

Corporate Credit Rating

New Update

Sector: Energy & Construction
Publishing Date: Feb. 28, 2024

Team Leader

Muhammet Başar
+90 212 352 56 73
muhammet.basar@jcrer.com.tr

Senior Analyst

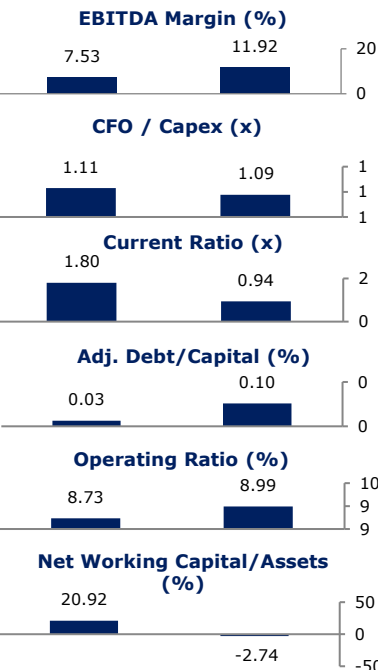
Çağlanur Tekin
+90 212 352 56 73
caqlanur.tekin@jcrer.com.tr

Assistant Analyst

Nuray Yanık Parlak
+90 212 352 56 73
nuray.yanik@jcrer.com.tr

| RATINGS | | Long Term | Short Term |
|---|-------------------------------|---------------|------------|
| ICRs (Issuer Credit Rating Profile) | National ICR | BBB+ (tr) | J2 (tr) |
| | National ICR Outlooks | Stable | Stable |
| | International FC ICR | BB | - |
| | International FC ICR Outlooks | Negative | - |
| | International LC ICR | BB | - |
| ISRs (Issue Specific Rating Profile) | International LC ICR Outlooks | Negative | - |
| | National ISR | - | - |
| | International FC ISR | - | - |
| Sovereign* | International LC ISR | - | - |
| | Foreign Currency | BB (Negative) | - |
| | Local Currency | BB (Negative) | - |

* Assigned by JCR on August 18, 2022



MENSİS ENERJİ SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated the consolidated structure of "Mensis Enerji Sanayi ve Dış Ticaret A.Ş." in the investment level category and assigned the Long-Term National Issuer Credit Rating as 'BBB+ (tr)' and the Short-Term National Issuer Credit Rating as 'J2 (tr)'. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been assigned as 'BB/Negative' in parallel to international ratings and outlooks of Republic of Türkiye.

Mensis Enerji Sanayi ve Dış Ticaret A.Ş. (hereinafter referred to as "the Group" or "Mensis Enerji") began its operations in 2018. The Group provides various professional services in the energy sector to its customers within the scope of its expertise. These services include consultancy services on renewable energy investments and energy storage systems, professional support services in energy investments of industrial enterprises, contracting and infrastructure works in the energy sector and installation of electric vehicles charging systems. Mensis Enerji also works on fossil energy sources and continues to expand its services in the energy industry.

The only shareholder of Mensis Enerji is Abdullah ATALAY as of FYE2022. Mensis Enerji has one subsidiary which is Solarsun Enerji Üretimi Sanayi ve Ticaret A.Ş.

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

Strengths

- Improvement in sales figures thanks to increase in renewable energy investments,
- Enhancement of profitability indicators in FY2022,
- Net cash position thanks to low level of indebtedness as of FYE2022,
- Satisfactory level of leverage ratios in FY2022,
- Growing local and global demand for the renewable energy sources.

Constraints

- Limited independently audited financial statements restricting trend analysis and financials that have not yet been formed properly due to being newly established,
- High level of operating ratio suppressing efficiency,
- Fluctuating input prices and exchange rates and inherently variable and competitive sector conditions of energy and construction businesses,
- Leading economic indicators signal global economic slowdown whereas quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been assigned as 'BBB+ (tr)'. Taking into account, the Group's increasing sales figures, improvement in profitability ratios, cash surplus position thanks to its low level of indebtedness, adequate level of leverage ratios for this reporting period, increasing demand to renewable energy resources which is main operation field for the Group, as well as limited independently audited financial statement restricting trend analysis, inadequate level of operating ratio, operating in a volatile sector and tightening local and global economic 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 Group's revenue generation performance, leverage profile, liquidity metrics and profitability margins will be closely monitored by JCR Eurasia Rating in the 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.