

## Corporate Credit Rating

New Update

**Sector:** Textile

**Publishing Date:** 30.05.2025

### Team Leader

Alperen Adanır  
+90 (212) 352 56 73  
[alperen.adanir@jcrer.com.tr](mailto:alperen.adanir@jcrer.com.tr)

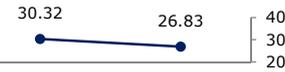
### Analyst

Burak Afrın  
+90 (212) 352 56 73  
[burak.afirin@jcrer.com.tr](mailto:burak.afirin@jcrer.com.tr)

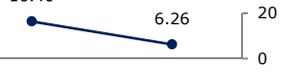
RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR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

\* Assigned by JCR on May 10, 2024

### EBITDA Margin (%)



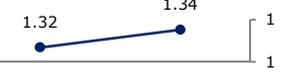
### Net Profit Margin (%)



### Current Ratio (x)



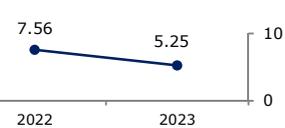
### Adj.Net Debt/EBITDA (x)



### Adj. Debt/Capital (%)



### EBITDA/Adj.Interest (x)



## ŞİRECİ TEKSTİL SANAYİ VE TİCARET A.Ş.

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

**Şireci Tekstil Sanayi ve Ticaret A.Ş.** (referred to as 'the Company' or 'Şireci Tekstil'), was established in Gaziantep in 1993. The Company engages mainly in the field of manufacturing acrylic and cotton yarn. Production is carried out in 4 factories located in Gaziantep. The Company ranked 261<sup>st</sup> in Türkiye's Top 500 Industrial Enterprises in 2023, down from 215<sup>th</sup> in 2022. Headquarter of Şireci Tekstil is located in Gaziantep. The Company employs 2,684 employees as of FYE2023 (FYE2022: 2,061).

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

### Strengths

- Maintaining sustainable sales performance despite declining volume-based sales, while ongoing plant investment is expected to contribute positively to revenue growth in the upcoming period,
- Reasonable level of equity size in asset financing supported by the capital adjustment differences and non-cash contribution of revaluation gains over the years,
- Satisfactory profitability indicators despite contraction in gross profit margin and EBITDA capacity in FY2024 corporate tax return due to the rising production costs not fully reflected to selling prices,
- Industry experience with the know-how provided by the Company's long-term presence in the sector and having reputable rankings over the years in the lists such as ISO 500.

### Constraints

- Deterioration in financial leverage indicators in FY2024 according to the corporate tax return, along with increasing indebtedness level,
- Long cash conversion cycle due to mismatch in payment, inventory and receivable days, increasing the need for external financing,
- Severe competition environment throughout textile industry, import dependency in raw materials used in production along with volatility in raw material prices may lead fluctuations on profit margins,
- Improvement needs in the compliance with corporate governance practices,
- 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 Company's Long-Term National Issuer Credit Rating has been assigned as 'BBB (tr)'. The Company's strong revenue performance, deep experience in the industry, low collection risk and collateralized receivables, capacity increased investments, along with ongoing uncertainties arisen from geopolitical tensions as well as global interest rate hiking cycle, 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, asset quality and equity structure 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 framework about the sector will be monitored as well.