

Corporate Credit Rating

New Update

Sector: Intermediary Institutions

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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)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on May 10, 2024

AHLATCI YATIRIM MENKUL DEĞERLER A.Ş.

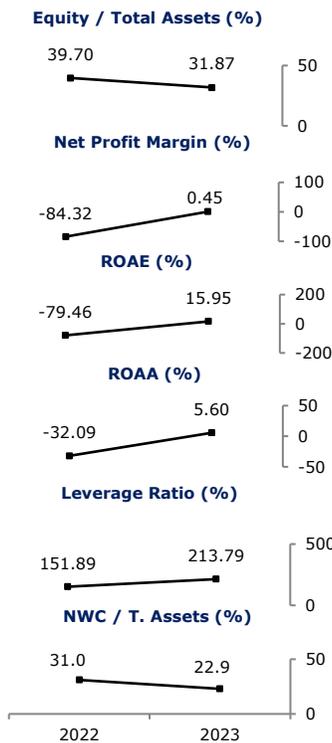
JCR Eurasia Rating has evaluated "Ahlacı Yatırım Menkul Değerler A.Ş." in the investment level category with high credit quality and affirmed the Long-Term National Issuer Credit Rating at 'A- (tr)' and the Short-Term National Issuer Credit Rating at 'J1 (tr)' with 'Stable' outlooks. When the global and national scale rating matching published by JCR Eurasia Rating is considered, the Company's Long-Term International Issuer Credit Ratings were assigned as 'BB/Stable' in line with the sovereign ratings and outlooks of the Republic of Türkiye.

Ahlacı Yatırım Menkul Değerler A.Ş. ("Ahlacı Yatırım" or "the Company") was established in Çorum in 2011 under the trade name Ahlacı Nakliye Otomotiv ve Petrol Ürünleri Ticaret Limited Şirketi. In 2015, the Company has reached an agreement with Endeks Menkul Değerler Anonim Şirketi for the transfer of the License of Authorization for Trading Brokerage and has been authorized by the Capital Markets Board of Türkiye ("CMB") as an intermediary institution under its current title. Since October 2016, the Company operates as a "Broadly Authorized Intermediary Institution" to provide transaction intermediation, portfolio intermediation, individual portfolio management, investment advisory, public offering intermediation, and limited custody services. In July 2021, the Company has been permitted to act as an Intermediary for Order Transmission as well. Ahlacı Yatırım is headquartered in İstanbul with two branches in İstanbul (Sarıyer) and Çorum as well as six contact offices in İstanbul (Göktürk), Ankara, İzmir, Isparta, Konya and Denizli as of FY2023. As of 31.03.2024, the Company had a staff force of 79 employees (FY2023: 73).

Ahlacı Holding A.Ş. is the sole shareholder of the Company since April 2022. Ahlacı Family is the ultimate controlling shareholder.

Ahlacı Holding was established in 1984 as a limited liability company under the commercial title "Ahlacı Kuyumculuk ve Mücevher Sanayi Limited Şirketi". In 2017, the Company changed its type and title, and registered as an incorporated company under the title "Ahlacı Holding Anonim Şirketi". At present, the Holding is one of the well-recognized conglomerates in Türkiye with its operations and investments in the fields of gold refining, jewelry, currency trade, energy (predominantly natural gas distribution activities in several provinces of Türkiye), automotive, real estate (particularly mall construction and management), and healthcare services. According to its website, the Holding has 43 subsidiary companies with around 5k employees.

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



Strengths

- Improvement in operating profit generation as of FY2023,
- Strong capital adequacy base above legal requirements,
- Sufficient liquidity metrics,
- Wide range of services as a broadly authorized intermediary institution,
- Advantages of operating under Ahlacı Group.

Constraints

- Net financing expenses pressurizing bottom line in FY2023,
- Intensity of competition in Turkish capital markets,
- Relatively low level of market share in the sector according to trading volumes,
- Vulnerable nature of risk appetite and capital flows in emerging markets,
- Uncertainty due to the nature of the investment processes, intricate and structured products increasing the risk levels and operational risks.

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been affirmed at 'A- (tr)'. The Company's operating profit generation, capital level, recovering bottom-line profitability in FY2023, and shareholder structure along with asset quality, competition environment, sectoral position, local and global macroeconomic conditions have been evaluated as important indicators for the 'Stable' outlooks for the Short and Long-Term National Issuer Credit Ratings. The Company's sales growth, profitability indicators, liquidity metrics, market position, and risk appetite 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 be monitored as well.