

## **Corporate Credit Rating**

□ New ⊠Update

Sector: Holding

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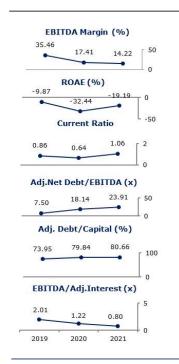
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB+ (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	ВВ	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	ВВ	-
	International LC ICR Outlooks	Negative	-
ISRs (Issue Specific Rating Profile)	Nationa <b>l</b> ISR	BBB+ (tr)	J2 (tr)
	International FC ISR	-	-
	Internationa <b>l</b> LC ISR	-	-
Sovereign*	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-
* Assigned by JCR on August 18, 2022			



## Global Yatırım Holding A.Ş.

JCR Eurasia Rating, has evaluated consolidated structure of **Global Yatırım Holding A.Ş** in investment-level category on the national scale and upgraded its Long-term National Issuer Credit Rating to **`BBB+ (tr)'** from **`BBB (tr)'** and assigned the Short-Term National Issuer Credit Rating at **'J2 (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/Negative'** as parallel to international ratings and outlooks of Republic of Türkiye.

**Global Yatırım Holding A.Ş.** (referred to as 'Global Investment Holdings', 'the Group' or 'the Holding') commenced its operations in 1990 under the name of 'Global Menkul Degerler A.Ş.'. The Holding has played a significant role in the development of Turkish capital markets by paving the way for many of the country's leading businesses to meet international businesses for the first time. In 2004, Global Investment Holdings transformed into an investment portfolio company, drawing on its appetite for growing investments and its strong experience. With interests in a variety of business sectors and traditional non-bank financial service providers, Global Investment Holdings has evolved into a dynamic investment entity. The Holding's operations include financial brokerage, asset management, co/tri-generation, clean and renewable power generation, natural gas (CNG: Compressed Natural Gas / LNG: Liquefied Naturel Gas) distribution, feldspar mining, operating port infrastructure (cruise ship terminals and a commercial seaport) and real estate.

The Holding stands as a roof to manage the issues of investment, financing, organization, and management of its affiliates and subsidiaries by participating in their capital and management. Global Investment Holdings' shares have been traded on the Borsa Istanbul (BIST) with the ticker "GLYHO" since May 1995 (they were traded as 'Global Menkul Degerler A.S.' from May 1995 until October 1, 2004). Besides, The Holding completed its first IPO abroad, in London Stock Exchange in May 2017 with its affiliate named Global Ports Holding PLC.

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

### **Strengths**

# • Remarkable share of final

- Significant improvement in EBITDA margin during Jan-Sep, 2022
- Strong recovery from number of passengers in the port infrastructure business in 2022
- Partially foreseeable cash flow due to business model mainly driven by port and power generation divisions
- Diversified portfolio mitigates concentration risk in a certain extent
- Hard currency cash flow stream provides resilience to the Company
- Prominent positions in sub-divisions
- High level of compliance with the corporate governance practices

- Remarkable share of financial liabilities with floating interest rates among total debt
- Fluctuations in commodity prices may put pressure on profitability margins of energy segment
- High level of pledged and mortgaged assets for borrowings that decreases the elasticity of assets
- Low level of equity compared to asset size of the Company
- High level of financial leverage indicators as of 2021, but exhibited an improvement during Jan-Sep, 2022
- Global recession and geopolitical risks stemming from the Russia-Ukraine tension increasing uncertainty and monetary tightening across the globe deteriorating growth projections

Considering the aforementioned points, the Holding's Long-Term National Rating has been upgraded to **'BBB+ (tr)'**. The Holding's diversified portfolio, prominent positions in sub-divisions, FX revenue generation capacity and improvement in number of passengers and occupancy rates of port infrastructure business along with global recession risks and ongoing uncertainties arising from geopolitical tensions as well as global interest rate hiking constitute the principal reasons underlying the assignation the outlooks for the Long and Short-Term National Ratings as **'Stable'**. On the other hand, the Group's revenue and profitability performance, liquidity position, asset quality, financial leverage indicators and local and global macroeconomic indicators as well as market conditions and legal framework about the sector will be closely monitored by JCR Eurasia Rating.