

Corporate Credit Rating

New Update

Sector: Banking

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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	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 Aug 18, 2022

GOLDEN GLOBAL YATIRIM BANKASI A.Ş.

JCR Eurasia Rating has evaluated "Golden Global Yatırım Bankası Anonim Şirketi" in the high investment level category and revised the Long-Term National Issuer Credit Rating from 'BBB- (tr)' to 'A- (tr)' and the Short-Term National Issuer Credit Rating from 'J2 (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 determined as 'BB / Negative' as parallel to the international ratings and outlooks of Republic of Türkiye.

Golden Global Yatırım Bankası A.Ş. (hereinafter referred to as "Golden Global", "the Company" or "the Bank") was founded with an initial capital of TRY 150mn as an investment bank in İstanbul on October 15, 2019. The Bank obtained authorization for the establishment from the Banking Regulation and Supervision Agency (BRSA) which became valid by being published in the Official Gazette dated May 29, 2019, and began the process on banking operations on June 1, 2020. The Bank offers Investment Banking, Transactional Banking (Cash Management and International Trade Finance) and Treasury products and services to Corporate and Commercial Banking customers while adopting interest-free banking principles.

As of the report date, the paid-in capital of the Bank is TRY 150mn and the owners of these shares are experienced people in the industry, namely, Emir Kaya, Salih Berberoğlu, Recep Kaba, Ahmet Dağlı and Mustafa Akin. Furthermore, as of 3Q2023, the Bank has 80 employees (FYE2022: 64) working in the head office of the Bank located in İstanbul.

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

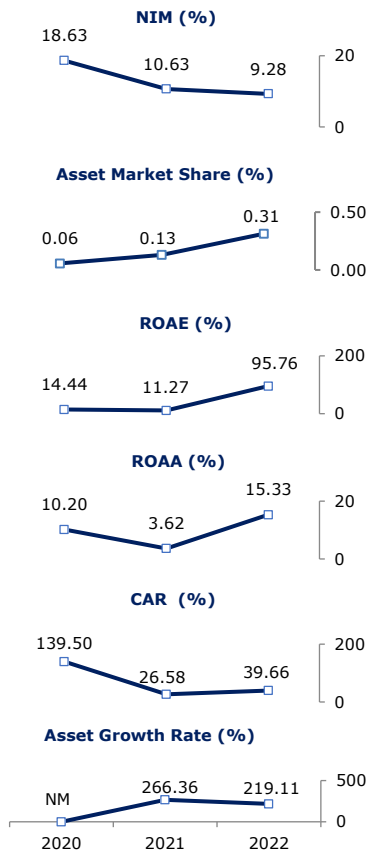
Strengths

- Strong capital adequacy ratios being compatible with the legal requirements,
- Improvement in profitability in FY2022 and further improvement is expected in 2023 financials,
- Experienced management team and well-organized systems and management infrastructure,
- High level of compliance in corporate governance practices and continuity of well-established risk management framework,
- Country-specific advantages encouraging investment and international trade which contributes to the investment banks' operations.

Constraints

- Limited historical data for trend analysis,
- Narrow customer and product diversification despite improvement expected in 2023 financials and beyond,
- Short-term borrowing profile of the sector, reflecting market conditions,
- Volatile environment for Turkish Banking Sector due to weakened TL and inflationary headwinds despite tighter post-election monetary policies of CBRT including interest rate hikes.

Considering the aforementioned points, the Bank's Long-Term National Issuer Credit Rating has been revised from 'BBB- (tr)' to 'A- (tr)'. The Bank's robust capital adequacy ratios, revenue generation capacity, asset quality and risk management implementations as well as limited customer base and uncertainties in the sector despite prudent approach 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 Bank's financial structure, the attainability of the Bank's budgeted projections and the NPL level will be closely monitored by JCR Eurasia Rating in the upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.



NM: Not Meaningful