

## Corporate Credit Rating

New  Update

**Sector:** Factoring

**Publishing Date:** Apr. 28, 2025

**Senior Analyst**

Ezgi Çiçek Yılmaz  
+90 212 352 56 73

[ezgi.yilmaz@jcrer.com.tr](mailto:ezgi.yilmaz@jcrer.com.tr)

**Analyst**

Ömer Emre Yücel  
+90 212 352 56 73

[omeremre.yucel@jcrer.com.tr](mailto:omeremre.yucel@jcrer.com.tr)

		Long Term	Short Term
<b>ICRs</b> (Issuer Credit Rating Profile)	<b>National ICR</b>	<b>A (tr)</b>	<b>J1 (tr)</b>
	National ICR Outlooks	Positive	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
<b>ISRs</b> (Issue Specific Rating Profile)	National ISR	<b>A (tr) (Positive)</b>	<b>J1 (tr) (Stable)</b>
	International FC ISR	-	-
	International LC ISR	-	-
<b>Sovereign*</b>	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

\* Assigned by JCR on May 10, 2024

## PARAFİNANS FAKTORİNG ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated "Parafinans Faktoring A.Ş." in the investment level category with high credit quality, affirmed the Long-Term National Issuer Credit Rating at 'A (tr)' and revised its outlook to 'Positive' from 'Stable'; affirmed the Short-Term National Issuer Credit Rating at 'J1 (tr)' with 'Stable' outlook. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Stable' in line with the sovereign ratings and outlooks of Republic of Türkiye.

**Parafinans Faktoring A.Ş.** (hereinafter referred to as 'the Company' or 'Parafinans Faktoring') has operated in the Turkish Factoring sector since 1997 as a non-bank owned factoring company. As of the report date the Company sustains its cautious growth on a local basis with its 87 employees through eight branch networks within the structure. As a factoring services provider, Parafinans Faktoring's operations include revocable factoring services, guaranteeing, intermediating to collection and consulting by purchase, sale, assignment or acquisition of the customer receivables based on invoices or other certifying documents representing the domestic or international commercial sales of goods and services.

Değirmenci Family is the primary shareholder of the Company as of December 31, 2024. The Company maintains its operations by a staff force of 87 employees as of FYE2024 (FYE2023: 91)

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

### Strengths

- Sustainable profit generation capacity, along with sector above Return on Average Assets (ROAA) and Return on Average Equity (ROAE),
- Equity to total asset ratio standing above sector averages backed by solid internal equity generation capacity,
- NPL ratios remaining below the sector in the analysed period supporting asset quality,
- Reasonable collateral coverage in a certain extent diminishing the credit risk,
- Diversified funding structure through refactoring facility and bond issuances supporting financial flexibility,
- Attached importance to risk focused structure and to investments in digital IT infrastructure.

### Constraints

- Short-term borrowing profile in parallel with the sector,
- Low market share due to competitive environment in the sector dominated by bank-owned factoring companies with wide branch network and lower borrowing costs,
- 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 affirmed at 'A (tr)'. The Company's internal equity generation capacity, the risk management infrastructure supported by internal control systems and experienced management team as well as short-term borrowing profile and low market share have been evaluated as important indicators for the stability of the ratings and the outlook for Short-Term National Issuer Credit Rating is determined as 'Stable'. Considering the Company's sustainable profit generation capacity, increasing equity level, NPL ratios standing below sector averages and improving collateral structure, the outlook for the Long-Term National Issuer Credit Rating is revised to 'Positive' from 'Stable'. Parafinans Faktoring's turnover and asset development, attainability of the Company's budgeted projections, net interest margin trend, market share, profitability indicators, capitalization level, funding structure, the growth in the number of customers in the competitive market, improvements in receivable portfolio granularity to reduce the concentration exposure to be monitored by JCR Eurasia Rating.

