

## Corporate Credit & Issue 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	Positive	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	National ISR	A (tr)	J1 (tr)
	International FC ISR	-	-
Sovereign*	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

\* Assigned by JCR on Aug 18, 2022

## Tera Yatırım Menkul Değerler A.Ş.

JCR Eurasia Rating, has evaluated the "Tera Yatırım Menkul Değerler A.Ş." in the high investment level category and revised the Long-Term National Issuer Credit Rating from 'A-(tr)' to 'A (tr)' and assigned the Short-Term National Issuer Credit Rating at 'J1 (tr)' whereas the Long-Term National Issuer Credit Rating Outlook of the Company revised from "Stable" to "Positive". 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.

Tera Yatırım Menkul Değerler A.Ş. ('Tera Yatırım' or 'the Company') was founded in 1990. After the acquisition of the Company by its current shareholders in 2005, the Company's title has been changed to 'Tera Yatırım Menkul Değerler A.Ş.'. (formerly; 'Stok Menkul Değerler A.Ş.'). Licensed as a "broadly authorized intermediary institution" in accordance with the approval by the Capital Market Board on 02 January 2015, the Company offers services in the fields of execution of orders, reception & transmission of orders, dealing on own account, intermediation for public offering (underwriting and best effort), limited custody services and derivatives trading.

Tera Yatırım conducts its operations via its headquarters in Istanbul and three liaison offices in Antalya, Ankara and Akasya/İstanbul. As of December 31, 2021, Tera Yatırım employed a staff force of 41 (FYE2020: 26). The Company's shareholders are Oğuz Tezmen with 45.84% share, Emre Tezmen with 41.74% share and Gül Ayşe Çolak with 12.42% share as of the report date.

Tera Yatırım acquired "BGC Partners Menkul Değerler A.Ş." in September 2022. With this acquisition, the Company aims to gain market share from both domestic and foreign institutional investors. In addition, Tera Yatırım has targets to expand its branch networks by keeping risk management a priority.

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

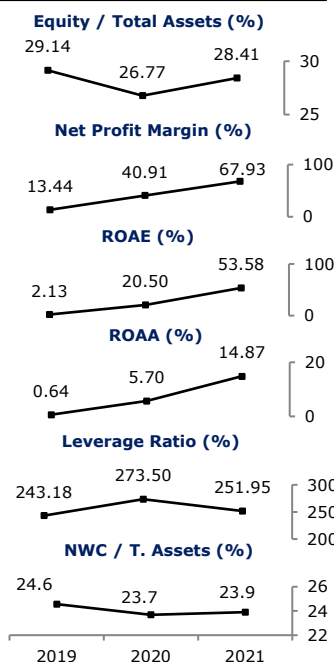
### Strengths

- Improvement in profit generation capacity supported with rising corporate financing incomes in FY2021 and 1H2022
- Satisfactory capital adequacy base above legal requirements
- Healthy receivables portfolio backed by collaterals of common stocks
- Wide range of services as a broadly authorized intermediary institution
- Funding diversity through effective utilization of bond issuances
- Expected revenue streams from the Company's planned IPO

### Constraints

- Intensity of competition throughout the sector
- Relatively low level of market share in the intermediary sector
- Vulnerability of risk appetite towards EMs to potential economic and geopolitical risks
- Uncertainty due to the nature of the investment processes and 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 revised as 'A (tr)'. The Company's adequate liquidity levels and notable improvement in net profit and core profitability indicators in FY2021 and 1H2022 have been evaluated as important indicators for 'Positive' outlook of the Long-Term National Issuer Credit Rating. The Company's revenue and profitability performance, internal equity generation capacity, liquidity profile, market position, local and global financial conditions and risk appetite 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.



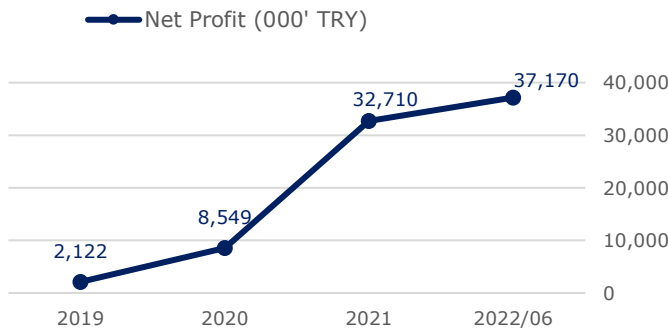
## 1. Rating Rationale

### Improvement in Profit Generation Capacity Supported with Rising Corporate Financing Incomes in FY2021 and 1H2022

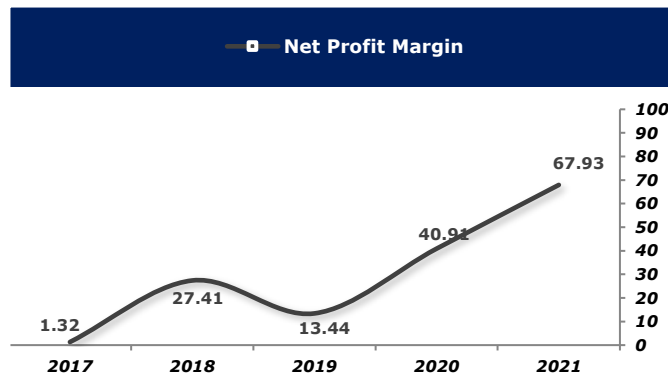
In FY2021, the Company generated a net profit of TRY 32.71mn (FY2020: TRY 8.55mn) denoting an increase of 282.63% compared to the previous year.

This increase mainly stemmed from the Company's corporate financing incomes. In the aforementioned period, corporate financing incomes realised as TRY 24.12mn in FY2021. Moreover, commission revenues of services also contributed operational performance with 26.10% annual increase to TRY 11.63mn level. At FYE2021, corporate financing income accounted for 50.08% and commission income 24.16% of total income. (FYE2020: 0% and 44.12% respectively).

In addition, in 1H2022, the Company generated a net profit of TRY 37.17mn (1H2021: TRY 3.29mn) denoting an increase of 10.30x compared to the previous period.



Net profit margins of the Company are as follows;



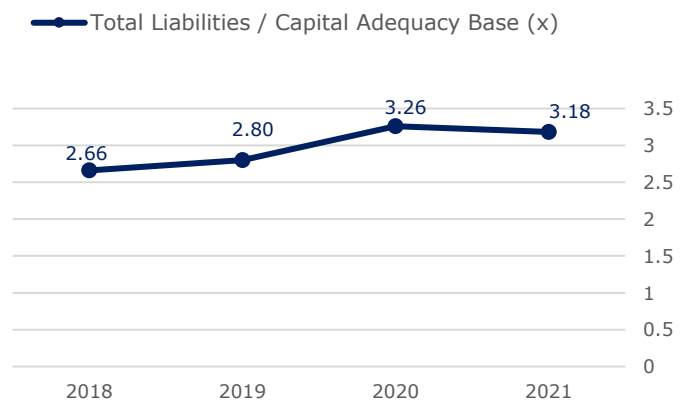
### Satisfactory Capital Adequacy Base Above Legal Requirements

Minimum capital requirement for broadly authorized brokerage firms defined by the CMB was TRY 29.22mn at FY2021. In the same period, Tera Yatırım's level of the equity was well above the legal requirement.

Tera Yatırım's capital adequacy base and capital adequacy surplus were TRY 69.95mn and TRY44.03mn respectively, indicating a sufficient equity base pursuant to CMB regulations at FYE2021. (FYE2020: TRY 49.85mn and 22.06mn). Equity indicators, pursuant to CMB regulations, promise room for borrowing and growth while providing a strong buffer against potential losses derived from the firm's main activities. As a broadly authorized intermediary institution, the Company has established a sustainable revenue generation capacity.

In addition, Tera Yatırım was ranked 30rd amongst all intermediary institutions regarding paid-up capitals as of June 30, 2022.

Regulations state that a company's ratio of total liabilities to its capital adequacy base, which specifies the strength of a Company or its borrowing capacity, should not exceed 15 times that of the capital adequacy base. The Company's ratio was 3.18x as of FYE2021, completely pursuant to the CMB regulations (FYE2020: 3.26x). Consequently, the current level of capitalization has the high capacity to absorb potential losses derived from the Company's main activities.



### **Healthy Receivables Portfolio Backed by Collaterals of Common Stocks**

As of FYE 2021, the Company's main assets were distributed as 46.41% liquid assets (including marketable securities) and 45.73% trade receivables. Credit risk exposure arises principally from trade receivables, which were generally collateralized with publicly traded shares. This profile significantly decreases the credit risk while contributing to assets quality. Therefore, both high performing receivables and the balance sheet composition contributed to the Company's asset quality.

### **Wide Range of Services as a Broadly Authorized Intermediary Institution**

Licensed as a "broadly authorized intermediary institution" in accordance with the approval by the Capital Market Board on 02 January 2015, the Company offers services in the fields of execution of orders, reception & transmission of orders, dealing on own account, intermediation for public offering (underwriting and best effort), limited custody services and derivatives trading. Tera Yatırım conducts its operations via its headquarters in Istanbul and three liaison offices in Antalya, Ankara and Akasya/İstanbul.

In addition, Tera Yatırım acquired "BGC Partners Menkul Değerler A.Ş." in September 2022. With this acquisition, the Company aims to gain market share from both domestic and foreign institutional investors. In addition, Tera Yatırım has targets to expand its branch networks by keeping risk management a priority.

### **Funding Diversity Through Effective Utilization of Bond Issuances**

As of FYE2021, external funding sources of the Company were mainly short-term trade payables, and financial liabilities.

Total financial liabilities of Tera Yatırım faced 67.88% increase at FYE2021 when compared to the previous year. 26.13% of total financial liabilities originated from issued bonds as of FYE2021 (FYE2020: 95.67%).

As of the report date, the size of the Company's outstanding issuances is TRY 50mn in total. For the ongoing year, the Company plans to regularly undertake TRY based bond issuances.

### **Expected Revenue Streams from the Company's Planned IPO**

The Company decided to offer to the public 15,000,000 shares with a nominal value of TRY 15,000,000 to be issued due to the increase of its issued capital from TRY 37,500,000 to TRY 52,500,000 within the framework of the Board of Directors' Decision dated 02.06.2022. In this context, an application was made to the Capital Markets Board on 08.06.2022. The application made to the Capital Markets Board is under review and has not been approved yet. It is planned that all of the funds to be provided will be used for working capital needs.

### **Intensity of Competition Throughout the Sector**

According to the latest monthly bulletin of the CMB, the financial brokerage sector contained 71 licensed companies indicating a hard competition. In addition, the market exhibited a highly concentrated structure with the share of the top 10 players with respect to the different metrics of assets, turnover, net profitability and equity. The larger players are mainly drawn from bank-affiliated companies which enjoy the economies of scale given their size, country-wide branch network and capability to use their parent's marketing channels along with diversified service offering and comprehensive risk management systems. To exemplify the concentration intensity, as of 31.12.2021, top 10 intermediary institutions realized 63.73% of total equity transaction volume. Moreover, the share of the top 10 players with respect to the different metrics of assets, turnover, net profitability and equity also proves the highly concentrated structure of the market.

### **Relatively Low Level of Market Share in the Intermediary Sector**

The market share of the Company by equity trading volume is below 1% over the years.

Equity Trading Volume - 2019 (mn TRY)			
Sector	Tera	Share (%)	Rank
4,229,049	24,937	0.59	33
Equity Trading Volume - 2020 (mn TRY)			
Sector	Tera	Share (%)	Rank
13,109,491	55,586	0.42	32
Equity Trading Volume - 2021 (mn TRY)			
Sector	Tera	Share (%)	Rank
14,934,489	57,373	0.38	30

## **Vulnerability of Risk Appetite Towards Ems to Potential Economic and Geopolitical Risks**

While most of the industries were badly affected in terms of both revenues and profitability during FY2020 due to Covid-19 pandemic, brokerage houses enjoyed increasing investor interest and risk appetite and outperformed when compared to many other sectors. As of FYE2020, total assets of the sector increased 52.05% when compared to FYE2019 and net profit of intermediary institutions faced 156.03% increase. As of FYE2021, total assets of the sector increased 48.46% when compared to FYE2020 and net profit of intermediary institutions faced 30.55% increase compared to same period of the last year.

Major central banks' expansionary monetary policies to combat with pandemic's effects contributed investors' tendency to emerging markets but it should be noted that risk appetite towards EMs is always sensitive and susceptible to both local and foreign based economic conditions and geopolitical tensions. So, a decrease in the risk appetite of both local and foreign investors and deterioration in expectations may pressure trading volume of equities, bond issues, and public offerings and thus profitability of brokerage houses.

## **Uncertainty Due to the Nature of the Investment Processes and Intricate and Structured Products Increasing the Risk Levels and Operational Risks**

Operational risk is the risk of direct or indirect loss arising from a wide variety of external causes associated with the Company's processes, personnel, technology, and infrastructure. In the event that necessary precautions are not taken in time, these risks cause a loss and may dampen the brand value of the institutions.

With respect to the factors mentioned above, JCR Eurasia Rating has revised the Long-Term National Issuer Credit Rating of the Company from '**A- (tr)**' to '**A (tr)**' and assigned the Short-Term National Issuer Credit Rating at '**J1 (tr)**' in JCR Eurasia Rating's notation system.

When the global and national scale rating matching published by JCR Eurasia Rating is considered, the Company's Long-Term International Issuer Credit Rating is assigned at '**BB**'.

## **2. Rating Outlook**

JCR Eurasia Rating has assigned a "**Positive**" outlook on the National Long-Term Issuer Credit Rating perspectives of the Company, taking into consideration the Company's adequate liquidity levels and notable improvement in net profit and core profitability indicators in FY2021 and 1H2022.

Additionally, the outlook on the International Long-Term Issuer Credit Rating perspective of the Company has been assigned as "**Negative**" in line with the sovereign rating outlooks of the Republic of Türkiye.

### **Factors that Could Lead to an Upgrade**

- Further increases in the Company's profitability and maintenance of retention principle leading to a much more amplified equity structure
- Supportive local and global financial climate and increasing investor risk appetite
- Significant improvement in liquidity indicators
- Sizeable cash equity injections
- Upgrades in sovereign ratings and economic growth prospects of Türkiye

### **Factors that Could Lead to a Downgrade**

- Notable deterioration in one or several of listed items of the Company such as asset quality, capital adequacy, liquidity and profitability indicators
- Long standing adverse financial and economic conditions both locally and worldwide
- Challenges while accessing external financing sources
- Severe retreatment in investor risk appetite
- Downgrades in the sovereign rating level of Türkiye

JCR Eurasia Rating will monitor the Company's revenue and profitability performance, internal equity generation capacity, liquidity profile, market position, local and global financial conditions and risk appetite

## **3. Projections & Debt Instruments**

The Company predicts a pretax profit of TRY 62.24mn for FY2022. The projected pretax profit is 53.61% higher when compared to the pretax profit figure of FY2021.

Tera Yatırım diversifies its own borrowings and adjusts its financial needs via bond issuances. Cash flows

generated via activities are deemed sufficient to cover the principal and coupon requirements of the bills.

Following table gives the outstanding issuances of the Company.

BOND ISSUANCE		
Issue Date	Amount (TRY)	Maturity Date
29.04.2022	20,000,000	27.10.2023
30.05.2022	25,000,000	29.05.2023
12.08.2022	5,000,000	11.11.2022
<b>Total</b>	<b>50,000,000</b>	

Tera Yatırım plans to continue bond issuances in the following periods, as so long as the market conditions do not deteriorate.

Given the budget estimations and the previous track record of the Company, all interests payments are expected to be realized without financial tension through generated internal sources. Considering the Company's previous growth performance, recorded levels of profitability, and capital adequacy base, we, as JCR Eurasia Rating, consider that the Company is highly likely to fulfill its obligations in a timely manner depending on the maintenance of its customer portfolio, income streams and realization of its projection.

The Long and Short Term National Issue Specific Rating assigned for the TRY dominated bond issuance has been assigned as the same as the Company's Long and Short Term National Issuer Credit Rating which are '**A (tr)**' and '**J1 (tr)**'.

## 4. Company Profile & Industry

### a. History and Activities

Tera Yatırım was founded in 1990. After the acquisition of the Company by its current shareholders in 2005, the Company's title has been changed to 'Tera Yatırım Menkul Değerler A.Ş.'. (formerly; 'Stok Menkul Değerler A.Ş.'). Licensed as a "broadly authorized intermediary institution" in accordance with the approval by the Capital Market Board on 02 January 2015, the Company offers services in the fields of execution of orders, reception & transmission of orders, dealing on own account, intermediation for public

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### b. Shareholders & Subsidiaries

The Company's shareholder structure is shown below.

#### Shareholders

(000 TRY)	2022/6	%	2021/12	%
Oğuz TEZMEN	17,189	45.84	17,189	45.84
Emre TEZMEN	15,653	41.74	15,653	41.74
Gül Ayşe ÇOLAK	4,657	12.42	4,657	12.42
<b>Paid-in Capital</b>	<b>37,500</b>		<b>37,500</b>	

The Company's current BoD is listed below in the chart:

Board of Directors	Duty
Oğuz TEZMEN	Chairman
Emre TEZMEN	Vice-Chairman
Gül Ayşe ÇOLAK	Board Member
İoakim Çalikuşu	Independent Board Member
Kadir Boy	Independent Board Member

As of FYE2021, consolidated subsidiary of the Company included in the consolidation is listed below in the chart:

	FYE2021	FYE2020
	%	%
Tera Portföy Yönetimi AŞ	100	100

## c. Industry Assessment

### Brokerage & Advisory Services

Intermediary institutions operating in the Turkish Capital Markets are subject to regulations of the CMB (Capital Markets Board of Türkiye), a supervisory and regulatory body. In order to provide financial services in Türkiye, all brokerage firms are required to be authorized and licensed in accordance with the Capital Markets Law and registered as members of the Borsa Istanbul (BIST).

Banks and brokerage firms operating in Türkiye are referred to as “Intermediary Institutions” under capital markets legislation. In line with their authorizations, brokerage firms are licensed to trade stocks, warrants, bonds & bills, derivatives and other leveraged instruments while banks are permitted to trade bonds & bills (except for share based instruments) and derivatives only.

In addition, brokerage firms carry out corporate finance services associated with investment banking, portfolio management and credit transactions. Banks and brokerage firms serving in the capital markets are organized under the Turkish Capital Markets Association (TCMA).

According to TCMA (Turkish Capital Markets Association) data, 229 companies operates in Turkish capital markets as of October 2022. (46 of them are banks, 71 of them are brokerage firms, 57 of them are asset management firms, 55 of them are investment trusts).

Brokerage Firms	2021	2020	2019	2018	2017
<b>Total Assets (bn TRY)</b>	61.39	41.35	27.20	21.90	23.10
<b>Equity (bn TRY)</b>	16.78	11.58	7.60	6.20	4.70
<b>Net Profit (bn TRY)</b>	5.77	4.42	1.73	1.34	0.80
<b>Equity/Assets (%)</b>	27.34	28.01	28.00	28.20	20.50

Brokerage firms serve their clients in the issuance of capital market instruments, public offerings and trading instruments in secondary markets and selling/buying option contracts separately or as a whole based upon economic and financial indicators, capital markets instruments, commodities, foreign currencies and precious metals. Additionally, brokerage firms can provide repo/reverse repo agreements of capital

market instruments, investment consultancy and portfolio management services, provided that the necessary license from the CMB has been obtained. Banks are allowed to provide intermediary services for the trading of previously issued capital market instruments in the over-the-counter (OTC) market and trading of capital market instruments excluding equities in the stock market. In other words, banks may intermediate the trading of government securities of treasury bills and bonds but not private sector securities of shares in the stock market. On the other hand, they may also intermediate in repo and reverse repo agreements.

Non-deposit banks may additionally undertake intermediary services on the issuance of capital market instruments and public offerings, investment consultancy and portfolio management. The emergence of intermediary institutions in Türkiye is broadly based on the establishment of the BIST (formerly Istanbul Stock Exchange), the organized secondary market of stocks and securities.

When equity and derivatives trading volumes of BIST considered, it is obvious that there is still a large room for additional improvement in Turkish capital markets. As of FYE2021, BIST took 20th place in the global ranking of stock exchanges with USD 794bn equity trading volume.

## 5. Additional Rating Assessments

Tera Yatırım is exposed predominantly to credit, liquidity, market, and operational risks derived from its operating activities and use of financial instruments. Defining, monitoring, mitigating and managing the risks are vital integral parts of the Company’s everyday operations. Therefore, risk management constitutes an integral part of the decision-making process of Tera Yatırım. Strict risk management is also a challenge for the sector as a whole

The Company Board has the overall responsibility for conducting risk management activities. As required by CMB regulations, intermediary institutions are under an obligation to establish internal control, internal audit and risk management divisions. The units of internal control and audit report directly to the relevant Board members whilst the unit for risk management reports to the general manager. The working principles and lines of responsibility belonging to the mentioned units have been outlined in written form and is approved by

the Board and senior management. It must be noted that there are no sub-committees present under the Board in the fields of risk, audit and corporate governance, however the committees of credit, asset & liability management and disciplinary matters are present with the participation of senior executives.

**Credit Risk**

As a matter of fact, credit risk of a company is emanated from the possibility of delinquency of receivables or delay in collection.

As of 31.12.2021, the Company did not have any financial receivables which were subject to restructuring and expected credit loss provisions were TRY 2.75mn. (FYE2020: TRY 2.24mn) Furthermore, obtained collateral amount from margin trading customers were TRY 156.95mn. (FYE2020: TRY 147.37mn).

To mention the total exposure; total credit risk exposure of Tera Yatırım was TRY 207.11mn in FYE2021, indicating 51.63% increase from TRY 136.59mn in FYE2020. Excepting receivables from the regulated financial market and reciprocal transactions, credit risk arises from trade receivables which were mainly derived from loans to given to its customers and accounted for 45.73% of assets (FYE2020: 47.50%).

**Market Risk**

Market risk refers to fluctuations of interest rates, prices of securities and other financial contracts that could negatively impact the Company along with the currency risk. A company may be exposed to interest rate risk due to possessing interest bearing assets and liabilities. While financial instruments with fixed interest rates create fair value risk, floating rated financial instruments cause cash flow interest rate risks.

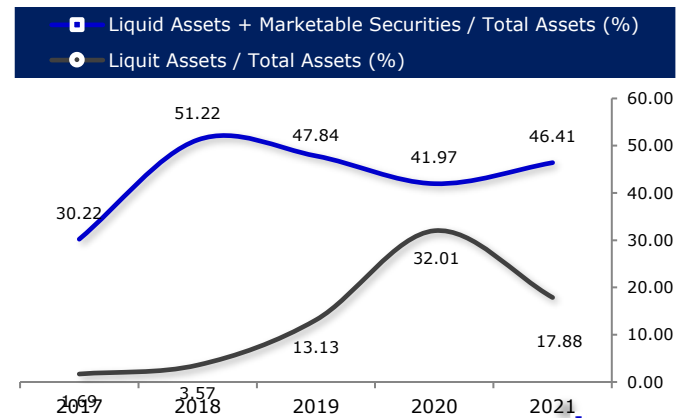
As of 31.12.2021, net fixed rate instruments of the Company were TRY -95.88mn (FYE2020: TRY -55.98mn).

**Liquidity Risk**

A company’s risk of becoming unable to fulfill its payment requirements on time is defined as liquidity risk. An efficient liquidity risk management requires sustaining adequate liquid sources to meet all of the obligations on time and in a sound manner. Tera Yatırım

executes its liquidity risk by matching contractual maturities and amounts of liabilities and assets through monitoring cash flows as well as maintaining the adequate liquid assets.

As of FYE2021, the liquid assets plus marketable securities to total assets ratio increased to 46.41% from 41.97% in FYE2020. The current level of liquid assets stands at adequate levels, easing the liquidity management.



**Operational, Legal Regulatory & Other Risks**

Operational risk is the risk of direct or indirect loss arising from a wide variety of external causes associated with the Company’s processes, personnel, technology, and infrastructure. Operational risk management activities are carried out by the related unit managers and internal audit department provides the necessary coordination and supports. It should be noted that in-house practices and the functionality of those units have been left out of JCR Eurasia Rating’s assessment.

To minimize operational risk and its potential impact, Tera Yatırım continues its efforts to implement human resources and quality polices as well as risk management applications. In addition, there is a detailed internal directive relating to emergency action plans and business flow procedures and the responsibility for back-up systems are outlined in written form and disclosed on the website. On the other hand, the Company was notified with an order of payment by the regulatory and supervisory authority, the CMB, amounting to total TRY 1,59mn in 27 July 2020 and TRY 479k in 16 December 2020, respectively. Fines applied by CMB, due to violation in regulation, required the increase compliance level of the Company. There are no fines applied by CMB in 2021.

TERA YATIRIM MENKUL DEĞERLER A.Ş. BALANCE SHEET - ASSET TRY (Consolidated Financials)	(Year end) 2021 USD (Converted)	(Year end) 2021 TRY (Original)	(Year end) 2021 TRY (Average)	(Year end) 2020 TRY (Original)	(Year end) 2020 TRY (Average)	(Year end) 2019 TRY (Original)	(Year end) 2019 TRY (Average)	As % of 2021 Assets (Original)	As % of 2020 Assets (Original)	As % of 2019 Assets (Original)
<b>I. CURRENT ASSETS</b>	<b>23,687,238</b>	<b>307,401,129</b>	<b>260,300,613</b>	<b>213,200,097</b>	<b>188,566,009</b>	<b>163,931,921</b>	<b>136,891,081</b>	<b>94.95</b>	<b>96.33</b>	<b>94.21</b>
<b>A. Liquid Assets</b>	<b>4,459,646</b>	<b>57,875,057</b>	64,357,454	<b>70,839,850</b>	<b>46,845,007</b>	<b>22,850,164</b>	<b>13,518,127</b>	<b>17.88</b>	<b>32.01</b>	<b>13.13</b>
<b>B. Marketable Securities</b>	<b>7,119,192</b>	<b>92,389,317</b>	<b>57,212,974</b>	<b>22,036,630</b>	<b>41,214,246</b>	<b>60,391,862</b>	<b>58,118,267</b>	<b>28.54</b>	<b>9.96</b>	<b>34.71</b>
1.Bonds, Notes & Bills	2,091,804	27,146,392	21,615,003	16,083,614	38,237,738	60,391,862	58,118,267	8.38	7.27	34.71
2.Common Stocks	4,967	64,456	32,228	0	0	0	0	0.02	n.a	n.a
3.Other	5,073,769	65,844,834	35,898,925	5,953,016	2,976,508	0	0	20.34	2.69	n.a
4.Provision for Decrease in Value of Financial Assets (-)	-51,348	-666,365	-333,183	0	0	0	0	-0.21	n.a	n.a
<b>C. Trade Receivables &amp; Leasing</b>	<b>11,408,140</b>	<b>148,049,134</b>	<b>126,591,539</b>	<b>105,133,943</b>	<b>88,669,770</b>	<b>72,205,597</b>	<b>55,119,940</b>	<b>45.73</b>	<b>47.50</b>	<b>41.50</b>
1.Customers & Notes Receivables	11,408,140	148,049,134	126,591,539	105,133,943	88,669,770	72,205,597	55,119,940	45.73	47.50	41.50
2.Other Receivables	0	0	0	0	0	0	0	n.a	n.a	n.a
3.Doubtful Trade Receivables	212,074	2,752,196	2,495,499	2,238,801	1,119,401	0	0	0.85	1.01	n.a
4.Provision for Doubtful Trade Receivables (-)	-212,074	-2,752,196	-2,495,499	-2,238,801	-1,119,401	0	0	-0.85	-1.01	n.a
5.Rediscount on Notes Receivables (-)	0	0	0	0	0	0	0	n.a	n.a	n.a
<b>D. Due From Related Parties (Net)</b>	<b>56,702</b>	<b>735,847</b>	<b>493,396</b>	<b>250,944</b>	<b>1,062,707</b>	<b>1,874,470</b>	<b>3,762,477</b>	<b>0.23</b>	<b>0.11</b>	<b>1.08</b>
<b>E. Other Receivables</b>	<b>463,319</b>	<b>6,012,727</b>	<b>9,399,170</b>	<b>12,785,613</b>	<b>9,488,587</b>	<b>6,191,560</b>	<b>5,362,174</b>	<b>1.86</b>	<b>5.78</b>	<b>3.56</b>
1.Other Receivables	463,319	6,012,727	9,399,170	12,785,613	9,488,587	6,191,560	5,362,174	1.86	5.78	3.56
2.Other Doubtful Receivables	0	0	0	0	0	0	0	n.a	n.a	n.a
3.Rediscounts on Other Notes Receivable (-)	0	0	0	0	0	0	0	n.a	n.a	n.a
4.Provision for Other Doubtful Receivables (-)	0	0	0	0	0	0	0	n.a	n.a	n.a
<b>F. Live Assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>
<b>G. Inventories (Net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>
<b>H. Contract Progress Income (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>
<b>I. Deferred tax Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>
<b>J. Other Current Assets</b>	<b>180,239</b>	<b>2,339,047</b>	<b>2,246,082</b>	<b>2,153,117</b>	<b>1,285,693</b>	<b>418,268</b>	<b>1,010,097</b>	<b>0.72</b>	<b>0.97</b>	<b>0.24</b>
1.Other Current Assets	180,239	2,339,047	2,246,082	2,153,117	1,285,693	418,268	1,010,097	0.72	0.97	0.24
2.Provision for Other Current Assets (-)	0	0	0	0	0	0	0	n.a	n.a	n.a
<b>II. NON-CURRENT ASSETS</b>	<b>1,261,107</b>	<b>16,366,011</b>	<b>12,240,075</b>	<b>8,114,139</b>	<b>9,093,486</b>	<b>10,072,832</b>	<b>8,712,901</b>	<b>5.05</b>	<b>3.67</b>	<b>5.79</b>
<b>B. Due From Related Parties (Net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>
<b>C. Other Receivables</b>	<b>17,963</b>	<b>233,114</b>	<b>228,045</b>	<b>222,975</b>	<b>222,975</b>	<b>222,975</b>	<b>219,358</b>	<b>0.07</b>	<b>0.10</b>	<b>0.13</b>
1.Other Receivables	17,963	233,114	228,045	222,975	222,975	222,975	219,358	0.07	0.10	0.13
<b>D. Financial Fixed Assets (net)</b>	<b>2,967</b>	<b>38,499</b>	<b>38,499</b>	<b>38,498</b>	<b>38,498</b>	<b>38,498</b>	<b>38,499</b>	<b>0.01</b>	<b>0.02</b>	<b>0.02</b>
1. Long Term Securities (net)	0	0	0	0	0	0	0	n.a	n.a	n.a
2. Affiliates (NET)	0	0	0	0	0	0	0	n.a	n.a	n.a
3. Subsidiaries (NET)	0	0	0	0	0	0	0	n.a	n.a	n.a
4.Other Financial Fixed Assets (NET)	2,967	38,499	38,499	38,498	38,498	38,498	38,499	0.01	0.02	0.02
<b>E. Tangible Assets</b>	<b>936,158</b>	<b>12,148,987</b>	<b>9,162,095</b>	<b>6,175,203</b>	<b>6,213,402</b>	<b>6,251,601</b>	<b>6,545,334</b>	<b>3.75</b>	<b>2.79</b>	<b>3.59</b>
<b>F. Other Fixed Assets</b>	<b>304,019</b>	<b>3,945,411</b>	<b>2,811,437</b>	<b>1,677,463</b>	<b>2,618,611</b>	<b>3,559,758</b>	<b>1,909,710</b>	<b>1.22</b>	<b>0.76</b>	<b>2.05</b>
<b>TOTAL ASSETS</b>	<b>24,948,344</b>	<b>323,767,140</b>	<b>272,540,688</b>	<b>221,314,236</b>	<b>197,659,495</b>	<b>174,004,753</b>	<b>145,603,981</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

- Including JCR Eurasia Rating's adjustments where applicable,



TERA YATIRIM MENKUL DEĞERLER A.Ş. BALANCE SHEET-LIABILITIES+EQUITY TRY (Consolidated Financials)	(Year end) 2021 USD (Converted)	(Year end) 2021 TRY (Original)	(Year end) 2021 TRY (Average)	(Year end) 2020 TRY (Original)	(Year end) 2020 TRY (Average)	(Year end) 2019 TRY (Original)	(Year end) 2019 TRY (Average)	As % of 2021 Assets (Original)	As % of 2020 Assets (Original)	As % of 2019 Assets (Original)
<b>I. SHORT TERM LIABILITIES</b>	<b>17,725,604</b>	<b>230,034,026</b>	<b>195,411,190</b>	<b>160,788,354</b>	<b>140,987,627</b>	<b>121,186,899</b>	<b>100,349,831</b>	<b>71.05</b>	<b>72.65</b>	<b>69.65</b>
A. Financial Liabilities	9,445,268	122,575,962	97,428,416	72,280,870	72,763,146	73,245,422	72,913,932	37.86	32.66	42.09
B. Trade Payables	7,355,887	95,461,023	78,559,912	61,658,801	51,205,486	40,752,171	22,419,883	29.48	27.86	23.42
C. Due to Related Parties	256,222	3,325,124	13,539,483	23,753,841	15,107,880	6,461,918	3,694,583	1.03	10.73	3.71
D. Other Financial Liabilities	18,713	242,853	121,427	0	0	0	0	0.08	n.a	n.a
G. Deferred Tax Liabilities	513,446	6,663,243	4,148,966	1,634,689	817,345	0	685,825	2.06	0.74	n.a
H. Provisions for Liabilities	14,031	182,087	199,997	217,906	109,072	238	28,114	0.06	0.10	0.00
I Other Liabilities	122,037	1,583,734	1,412,991	1,242,247	984,699	727,150	607,496	0.49	0.56	0.42
<b>II. LONG TERM LIABILITIES</b>	<b>134,043</b>	<b>1,739,549</b>	<b>1,505,514</b>	<b>1,271,479</b>	<b>1,692,624</b>	<b>2,113,769</b>	<b>1,274,385</b>	<b>0.54</b>	<b>0.57</b>	<b>1.21</b>
A. Financial Liabilities	20,046	260,141	574,209	888,277	1,275,543	1,662,809	831,405	0.08	0.40	0.96
H. Provisions for Liabilities	35,521	460,979	422,091	383,202	417,081	450,960	442,980	0.14	0.17	0.26
I Other Liabilities (net)	78,477	1,018,429	509,215	0	0	0	0	0.31	n.a	n.a
<b>TOTAL LIABILITIES</b>	<b>17,859,647</b>	<b>231,773,575</b>	<b>196,916,704</b>	<b>162,059,833</b>	<b>142,680,251</b>	<b>123,300,668</b>	<b>101,624,216</b>	<b>71.59</b>	<b>73.23</b>	<b>70.86</b>
<b>F- EQUITY</b>	<b>7,088,697</b>	<b>91,993,565</b>	<b>75,623,984</b>	<b>59,254,403</b>	<b>54,979,244</b>	<b>50,704,085</b>	<b>43,979,766</b>	<b>28.41</b>	<b>26.77</b>	<b>29.14</b>
a) Prior year's equity	4,565,934	59,254,403	54,979,244	50,704,085	43,979,766	37,255,446	34,854,065	18.30	22.91	21.41
b) Equity (Added from internal & external resources at this year)	2,216	28,761	15,179	1,596	5,664,294	11,326,991	5,652,215	0.01	0.00	6.51
c) Minority Interest	0	0	0	0	0	0	0	n.a	n.a	n.a
h) Profit & Loss	2,520,547	32,710,401	20,629,562	8,548,722	5,335,185	2,121,648	3,473,487	10.10	3.86	1.22
<b>TOTAL LIABILITY</b>	<b>24,948,344</b>	<b>323,767,140</b>	<b>272,540,688</b>	<b>221,314,236</b>	<b>197,659,495</b>	<b>174,004,753</b>	<b>145,603,981</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>USD Rates 1=TRY</b>		<b>12.9775</b>		<b>7.3405</b>		<b>5.9402</b>				

- Including JCR Eurasia Rating's adjustments where applicable,

TERA YATIRIM MENKUL DEĞERLER A.Ş. INCOME STATEMENT TRY (Consolidated Financials)	2021	2020	2019
<b>I. Principal Activity Revenues</b>	<b>48,152,404</b>	<b>20,895,536</b>	<b>15,790,528</b>
<b>A. Sales Revenues (Net)</b>	<b>-489,974</b>	<b>-2,628,651</b>	<b>2,689,273</b>
1. Equity & Share Income	2,044,502	8,453	-157,262
2. Incomes From Bond & Bills	-2,540,473	-2,637,104	2,846,535
3. Mutual Funds Income	0	0	0
4. Other Sales Income	5,997	0	0
<b>B. Commission Income (net)</b>	<b>40,020,348</b>	<b>13,341,844</b>	<b>3,262,398</b>
5. Trading & Brokerage Incomes	11,634,763	9,218,950	3,842,578
6. Corporate Finance Revenues	24,115,653	0	0
7. Assets Management Revenues	0	0	0
8. Forex Transactions Income	-2,849,465	2,574,654	-1,379,045
9. Income From Other Activities	7,757,966	1,912,919	921,711
10. Deductions From Service Income (-)	-638,569	-364,679	-122,846
<b>C. Interest &amp; Derivative Income from Operating Activities (Net) (+/-)</b>	<b>8,622,030</b>	<b>10,182,343</b>	<b>9,838,857</b>
<b>D. Other Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GROS PROFIT &amp; LOSS FROM PRINCIPAL ACTIVITIES</b>	<b>48,152,404</b>	<b>20,895,536</b>	<b>15,790,528</b>
Activities Expenses (-)	-21,794,449	-11,484,153	-8,406,172
Provision Expenses (-)	0	0	0
<b>NET PROFIT &amp; LOSS FROM PRINCIPAL ACTIVITIES</b>	<b>26,357,955</b>	<b>9,411,383</b>	<b>7,384,356</b>
Income & Profit From Other Activities	23,359,312	13,103,546	592,146
Expenses & Losses From Other Activities (-)	-14,842,004	-11,181,205	-2,099,860
Financing Income	30,286,525	15,954,253	16,365,782
Financing Expenses (-)	-24,641,168	-16,016,121	-21,306,182
<b>OPERATING PROFIT &amp; LOSS</b>	<b>40,520,620</b>	<b>11,271,856</b>	<b>936,242</b>
Net Monetary Position Profit & Loss (+/-)	0	0	0
<b>PRETAX PROFIT &amp; LOSS</b>	<b>40,520,620</b>	<b>11,271,856</b>	<b>936,242</b>
<b>Taxes (-/+)</b>	<b>-7,810,219</b>	<b>-2,723,134</b>	<b>1,185,406</b>
<b>NET PROFIT FOR THE PERIOD</b>	<b>32,710,401</b>	<b>8,548,722</b>	<b>2,121,648</b>
<b>Total Income</b>	<b>101,798,241</b>	<b>49,953,335</b>	<b>32,748,456</b>
<b>Total Expense</b>	<b>-61,277,621</b>	<b>-38,681,479</b>	<b>-31,812,214</b>
<b>INCOMES OR EXPENSES FOR THE PERIOD</b>	<b>40,520,620</b>	<b>11,271,856</b>	<b>936,242</b>

- Including JCR Eurasia Rating's adjustments where applicable

TERA YATIRIM MENKUL DEĞERLER A.Ş. TRY (Consolidated Financials)	FY 2021	FY 2020	FY 2019
<b>I. PROFITABILITY</b>			
ROAE - Pre-tax Profit / Equity	53.58	20.50	2.13
ROAA - Pre-tax Profit / Total Assets (av.)	14.87	5.70	0.64
Gross Profit / Total Assets (av.)	17.67	10.57	10.84
Net Profit Margin = Net Profit / Net Sales Income	67.93	40.91	13.44
<b>II. LIQUIDITY</b>			
(Liquid Assets + Marketable Securities) / T. Assets	46.41	41.97	47.84
(Liquid Assets + Marketable Securities) / T. Liabilities	64.83	57.31	67.51
Liquid Assets / Equity	163.34	156.74	164.17
Current Ratio	133.63	132.60	135.27
<b>III. CAPITAL and FUNDUNG</b>			
Equity / Total Assets	28.41	26.77	29.14
Equity / Total Liabilities	39.69	36.56	41.12
Net Working Capital/T. Assets	23.90	23.68	24.57
Equity generation/prior year's equity	0.05	0.00	30.40
Internal equity generation/prior year's equity	55.20	16.86	5.69
<b>IV. EFFICIENCY</b>			
Net Sales Growth	130.44	32.33	-10.32
Equity Growth	55.25	16.86	36.10
Asset Growth	46.29	27.19	48.46
<b>V. ASSET QUALITY</b>			
Non-Performing Receivables / Total Receivables	1.75	1.86	0.00
Non-Performing Asset / Total Assets	3.76	2.81	3.61
Financial Fixed Assets / Non-Current Assets	0.24	0.47	0.38
<b>VI. INDEBTEDNESS</b>			
Leverage Ratio	251.95	273.50	243.18
Short Term Liabilities/Total Asset	71.05	72.65	69.65
Long Term Liabilities/Total Asset	0.54	0.57	1.21
Short Term Liabilities/ Total Liabilities	99.25	99.22	98.29
Short Term Financial Liabilities/Short Term Liabilities	53.39	44.95	60.44
Tangible Assets/Total Assets	3.75	2.79	3.59
Financial Liabilities/Total Liabilities	53.00	45.15	60.75
Off Balance Liabilities/(Assets +Off Balance Liabilities)	11.58	14.95	18.27
Off Balance Liabilities/(Equity +Off Balance Liabilities)	31.55	39.63	43.41

- Including JCR Eurasia Rating's adjustments where applicable,

## Rating Info

<b>Rated Company:</b>	Tera Yatırım Menkul Değerler A.Ş. Eski Büyükdere cad. No:9 İz Plaza Giz Kat:11 34398 Maslak   İstanbul Telephone: +90 (212) 365 1000
<b>Rating Report Preparation Period:</b>	04.10.2022-27.10.2022
<b>Rating Publishing Date:</b>	31.10.2022
<b>Rating Expiration Date:</b>	1 full year after publishing date, unless otherwise stated
<b>Audited Financial Statements:</b>	FYE2021-FYE2020-FYE2019- FYE2018   Consolidated
<b>Previous Rating Results:</b>	November 02, 2021 / Long Term National Scale / A-
<b>Rating Committee Members:</b>	Ş. Güleç ( <i>Executive Vice President</i> ), Z. M. Çoktan ( <i>Executive Vice President</i> ), O. İnan ( <i>Senior Chief Analyst</i> ), F.Lap ( <i>Chief Analyst</i> ), K. F. Özüdoğru ( <i>Chief Analyst</i> )

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The ratings revised by JCR Eurasia Rating are a reflection of the Company's independent audit reports prepared in conformity with Turkish Financial Reporting Standards (TFRS) and International Financial Reporting Standards (IFRS), on and off-balance sheet figures, general market conditions in its fields of activity, unaudited financial statements, information and clarifications provided by the Company, and non-financial figures. Certain financial figures of the Company for previous years have been adjusted in line with the JCR Eurasia Rating's criteria.

The Company's balance sheet composition, asset quality, risk management practices, business profile, liquidity management, history in the sector, profitability figures, revenues, debt structure e, growth rates, off-balance sheet commitments, and the financial and non-financial positions of the main shareholders were taken into consideration while determining the risk assessment of the long-term international local currency and foreign currency ratings as well as national ratings.

Considering the fact that there are no additional legal or financial collateral guarantees provided separately for the repayment of the bonds issued, the note assigned for the TRY dominated bond issuance is assigned as the same as the Company's Long and Short Term National Local Ratings, unless otherwise stated.

Previous rating results and other relevant information can be accessed on [www.jcra.com.tr](http://www.jcra.com.tr)

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This rating report has been composed within the methodologies registered with and certified by the SPK (CMB-Capital Markets Board of Türkiye), BDDK (BRSA-Banking Regulation and Supervision Agency) and internationally accepted rating principles and guidelines but is not covered by NRSRO regulations.

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