



## CORPORATE GOVERNANCE RATING REPORT CREDITWEST FAKTORİNG A.Ş.

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CORE BUSINESS: FACTORING

NEW:

UPDATE:

		COMPANY PROFILE
<p>CREDITWEST FAKTORİNG A.Ş. Büyükdere Caddesi No: 108 Enka Binası Kat: 1 Esentepe Şişli / İstanbul Tel: +90 212 356 19 10 <a href="http://www.creditwest.com.tr">www.creditwest.com.tr</a> <a href="mailto:yatirimciiliskileri@creditwest.com.tr">yatirimciiliskileri@creditwest.com.tr</a></p> <p><b>CHAIRMAN:</b> Nusret ALTINBAŞ <b>GENERAL MANAGER:</b> Dilber BIÇAKÇI <b>INVESTOR RELATIONS:</b> Selin DURMAZ <b>INVESTOR CONTACT #:</b> +90 212 356 19 10</p>		<p>Creditwest Faktoring (first title Toprak Faktoring A.Ş.) was established in Turkey on May 9, 1994 and started its operations in March 1995. The process, which started with the transfer of the previous main partner Toprakbank and its subsidiaries to the Savings Deposit Insurance Fund (SDIF), continued with the acquisition of the company by the main partner Altınbaş Holding from the SDIF in 2003. Company title was changed as Creditwest Faktoring A.Ş. on 11 July 2012. Within the framework of Altınbaş Holding's steps towards institutionalization, Creditwest Faktoring, which was one of the first companies to get operating license in 2008 after factoring companies were subject to BRSA regulations, is one of the 4 factoring companies traded in BIST. The headquarters of the company is in İstanbul, and it has a total of 38 employees in 2 branches and headquarters in Ankara and Kocaeli provinces as of December 31, 2021.</p> <p>25% of the partnership shares representing the capital of Creditwest Faktoring, which is fully paid and the total amount is 80 million ₺, consists of Group A preferred shares and 75% consists of Group B ordinary shares, most of which are traded in BIST. Having 85% of the partnership shares as of December 31, 2019, Altınbaş Holding, the parent company, reduced its share to 51.25% with the sales it made in BIST in 2020. The application made for the transformation of 20.8 million ₺ of the Group A partnership shares of Altınbaş Holding with a nominal value of 40.8 million ₺ into B Group ordinary shares traded on the BIST was approved by the CMBT on April 16, 2021. After the transformation approval, Altınbaş Holding's share in Creditwest Faktoring's partnership shares decreased to 29.05%, 25% of which was Group A shares, with the share sales made in the BIST between October and December, 2021. As of the report date, Altınbaş Holding is in a position to sell 4.05% of the B Group Company partnership shares that can be sold on the BIST.</p> <p>At the end of 2021, Creditwest Faktoring's assets increased to ₺586.2 million, net factoring receivables to ₺411.2 million, bank loans ₺200.4 million and equity to ₺227 million on the other hand with a net profit decreased to ₺13.5 million. As of the end of 2021, the Company's NPL ratio was 5%, and its market share was 0.7%.</p>
<b>OVERALL RATING</b>	<b>8.90</b> *	<b>Summary Commentary</b>
	8.86	
<b>SHAREHOLDERS</b>	<b>8.77</b>	The efficiency of the Investor Relations Department, which was established to protect and enable shareholders' rights, is in Turkish standards.
	8.51	
<b>PUBLIC DISCLOSURE AND TRANSPARENCY</b>	<b>8.89</b>	The partnership and senior management structure, the final version of the articles of association, material event disclosures, financial reports, annual reports, general assembly meeting information, dividend policy and ethical values have been released on the Company website.
	9.00	
<b>STAKEHOLDERS</b>	<b>8.69</b>	Stakeholders' rights are protected by legislation, article of incorporation and elaborate policies and contracts.
	8.69	
<b>BOARD OF DIRECTORS</b>	<b>9.10</b>	The Board of Directors manages the Company by combining its annual budgets with the balance of risk, growth and return at an optimum level.
	9.10	

\*Previous ratings are at the right bottom of the cells. NR: Not rated by DRC RATING.



DRC Rating Services Inc., has determined Creditwest Faktoring A.Ş.'s (Creditwest Faktoring or the Company) overall compliance rating with the corporate governance principles as 8.90. Since the previous compliance ratings of the Company with corporate governance principles was announced to the public on May 18, 2021, according to our opinion regarding the evaluations we have made for the monitoring period since that date, the Company's rating in the shareholders section has increased, its ratings in the stakeholders and board of directors sections have remained constant and its grade in the public disclosure and transparency section has decreased.

## Shareholders

### Creditwest Faktoring Shareholders Structure (Dec. 31, 2021)

	Partnership Share (₺)	Group	%
Altınbaş Holding A.Ş.	20,000,000	A	25.00
Altınbaş Holding A.Ş.	3,239,977	B	4.05
Halka Açık	56,760,023	B	70.95
<b>Toplam</b>	<b>80,000,000</b>		<b>100.00</b>

- Creditwest Faktoring's application to obtain the necessary permissions to increase the issued capital, which was 80 million ₺ to 400 million ₺ within the registered capital ceiling of 500 million ₺, by an increase of 320 million ₺ (by 400%) to be fully covered in cash, was rejected at by CMBT after being discussed at its meeting on April 28, 2022.

- In the ordinary general assembly meeting of 2020 held on June 10, 2021, 2 amendments were made to the 6th article titled capital. The board of directors is authorized to issue new partnership shares with a value below or above the nominal value and 20.8 million ₺ of nominal value from Group A privileged partnership shares has been converted into Group B unprivileged partnership shares traded in BIST. The nominal value of Group A privileged partnership shares, which had a total nominal value of ₺40.8 million, decreased to ₺20 million.

## Public Disclosure and Transparency

- Due to the conversion of privileged Group A partnership shares into non-privileged Group B partnership shares, in the material event disclosure made by Creditwest Faktoring on 15 June 2021 via Public Disclosure Platform (PDP); It has been announced that the shareholders, who attended the ordinary general assembly meeting for 2021 and cast their dissenting opinion in the minutes, can sell their partnership shares between 17-30 June 2021 with the exercise value of ₺5.61 per share.
- Due to Russia's attempt to invade Ukraine, the Company made a material event statement on the PDP on February 24, 2022. It has been announced that the Joint Company West Finance And Credit Bank, in which Creditwest Faktoring has a 42% stake continues its operations. However, data on the financial statements of Joint Company West Finance And Credit Bank were not disclosed to the public during the monitoring period.
- In the statement announced by the Company to the public with the material event disclosure made on the PDP Platform on 29 June 2021; Altınbaş Holding stated that it has been decided to sell all or part of the Group B partnership shares of the Company with a nominal value of ₺21,298,421.52 at the price to be formed in the BIST and that the Share Sales Information Form prepared for the relevant shares has been submitted for the approval of the CMBT.

## Stakeholders

- The number of employees of Creditwest Faktoring, which was 42 in the previous year, decreased to 38 as of December 31, 2021.
- Although the rights of the employees are protected with the employment contracts created in accordance with Turkish standards, no new practice has been implemented to support the use of the rights of employees to form a union and collective bargaining agreement during the monitoring period.

## Board of Directors

- There was no change in the duties of the members of the board of directors during the monitoring period.
- There was no change in the executive duties of the members of the board of directors during the monitoring period. Dilber BIÇAKÇI, the only executive member, is also the general manager.



- Haluk Levent ÜNAL was replaced by Atilla SAPLAN, one of the members of the “early risk detection committee” during the monitoring period,.

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