

Corporate Governance Rating

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Sector: Household Appliances

İHLAS EV ALETLERİ İMALAT SAN. VE TİC. A.Ş.

Ratings

Overall Score	8.38	AA(Trk)/bbb (Positive)
Shareholders	8.25	AA(Trk)/bbb (Stable)
Public Disclosure & Transparency	8.44	AA(Trk)/bbb (Positive)
Stakeholders	8.40	AA(Trk)/bbb (Stable)
Board of Directors	8.42	AA(Trk)/bbb (Positive)

Company Profile

Trade Name	İHLAS EV ALETLERİ İMALAT SAN. VE TİC. A.Ş.
Address	Merkez Mah.29 Ekim Cad. İhlas Plaza No:11 B/21 Yenibosna Bahçelievler/ İSTANBUL
Chairman	Mr. Sedat KURUCAN
CEO	Mr. Dr. Ömer KAMBER
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Financial Data	2017*	2016*	2015*	2014*	2013*
Total Assets (000 USD)	68,931	72,959	95,127	105,993	125,227
Total Assets (000 TRY)	260,001	256,756	276,592	245,786	267,272
Equity (000 TRY)	184,339	185,498	210,296	191,299	186,435
Net Profit (000 TRY)	-861	-720	12,477	11,329	-23,272
Sales (000 TRY)	140,953	108,725	116,227	98,139	107,859
Net Profit Margin (%)	-0.61	-0.66	10.74	11.54	-21.58
ROAA (%)	-0.58	0.16	4.15	5.27	-9.98
ROAE (%)	-0.81	0.22	5.40	7.16	-14.09
Equity / Total Assets (%)	70.90	72.25	76.03	77.83	69.75
Net Working Capital / T. Assets (%)	47.42	55.54	59.51	57.61	36.27
Debt Ratio (%)	29.10	27.75	23.97	22.17	30.25
Asset Growth Rate (%)	1.26	-7.17	12.53	-8.04	-12.15

*The End of Year

Company Overview

İhlas Ev Aletleri İmalat Sanayi ve Ticaret A.Ş. (IHEVA or the Company) was incorporated on December 5, 1975 under the name of Hizmet Gazetecilik ve Matbaacılık Ltd. and began operating under its current name on July 5, 1995. The Company produces cleaning robots, water purification systems and water heaters at the facility covering 12,900 m2 within the Beylikdüzü organized industrial zone. Products are sold on the domestic market through İhlas Pazarlama A.Ş.'s widespread distribution channels and are exported to over 60 countries, including those of the European Union and Turkic Republics.

The separate, specialist-managed Shareholder Relations Unit conducts shareholder relations, organizes General Assembly meetings and is responsible for public disclosures.

Company shares have been listed on the BIST under the code of IHEVA since September 26, 1996 and are included in the BIST 100 Index. 77,97% of shares are publicly traded as of July 2018. The Company's equity stood at TL188 mn, and asset size and sales reached TL264 mn and TL45mn as of March 31, 2018, respectively.

The Board of Directors is composed of 7 members, 3 of which are independent, five members are non-executive. Additionally, Audit, Corporate Governance and Risk Committees have been established within the Board and are chaired by independent board members.

Strengths

- Comfortable, safe and healthy working environment
- A female member existing in the Board
- An effective transparency platform in Turkish through the Company's website
- Innovative and technological research and development center
- Increase in the environmental protection activities

Constraints

- The vote of privileged shareholders in determining the Board of Directors
- Absence of regulations in the articles of incorporation for the invitation of stakeholders and the media to the General Meeting
- No liability insurance for board members and top managers