

ICBC TURKEY YATIRIM MENKUL DEĞERLER A.Ş.

ACTIVITY REPORT

01 JANUARY 2021 – 30 SEPTEMBER 2021

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1. HISTORICAL DEVELOPMENT, SHAREHOLDING STRUCTURE AND ASSIGNED BOARD OF DIRECTORS FOR THE PERIOD

1.1 HISTORICAL DEVELOPMENT

Founded in 1996, located in Istanbul, ICBC Turkey Securities is a subsidiary of ICBC Turkey Bank. The paid-up capital is 76.000.000-TL and it has been increased to 76.000.000-TL from 25.000.000-TL at the Extraordinary General Assembly held on 08.09.2017 regarding the capital increase and it was registered by the Istanbul Trade Registry Directorate on 09.10.2017.

ICBC Turkey Securities provides investment banking and brokerage services to its corporate and retail clients through its 20 branches and the Head Office departments. ICBC Turkey Securities is the bridge between corporates from China and Turkey for their M&A needs meanwhile targeting to become a leading financial advisor in Turkey for project finance and structured finance solutions for top corporates. The company provides its clients investment alternatives via different mutual funds and asset management alternatives with different risk and return values. Through public offering activities, ICBC Turkey Securities provides a meeting point for both investors and corporates; meanwhile, creating financial solutions via bonds and commercial paper issue for corporate customers. Providing daily, weekly reports and equity analysis services to its clients with its experienced research team, ICBC Turkey Securities assist to its domestic and international clients to invest in Turkish market.

ICBC Turkey Securities applies its dynamic service principle on its experienced and well-informed human resource and the company has become broadly authorized intermediary institution with the authorization certificate of Capital Markets Board dated 09.02.2016 with number G-050 (388) as of 01.01.2016. As per legal framework, ICBC Turkey Asset Management Company has been established on 21.04.2015.

Capital Market activities are subject to Capital Markets Board of Turkey's (CMB) permission and inspection.

1.2 SHAREHOLDING STRUCTURE

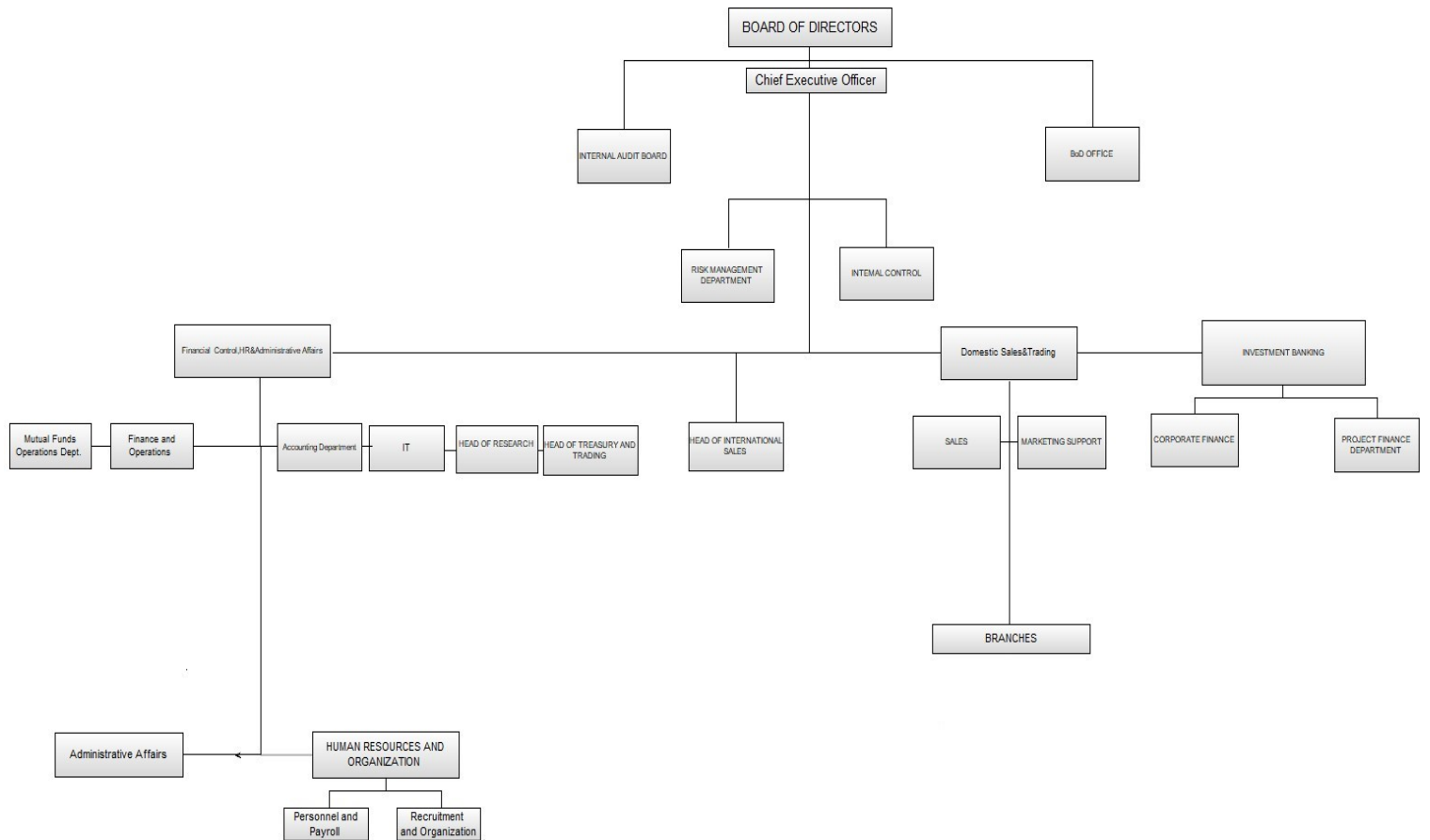
SHAREHOLDERS	SHARE AMOUNT	%
ICBC Turkey Bank A.Ş.	75.998.480,00	99,998
Others	1.520,00	0,002
Total	76.000.000,00	100,00

1.3 ASSIGNED BOARD OF DIRECTORS FOR THE PERIOD

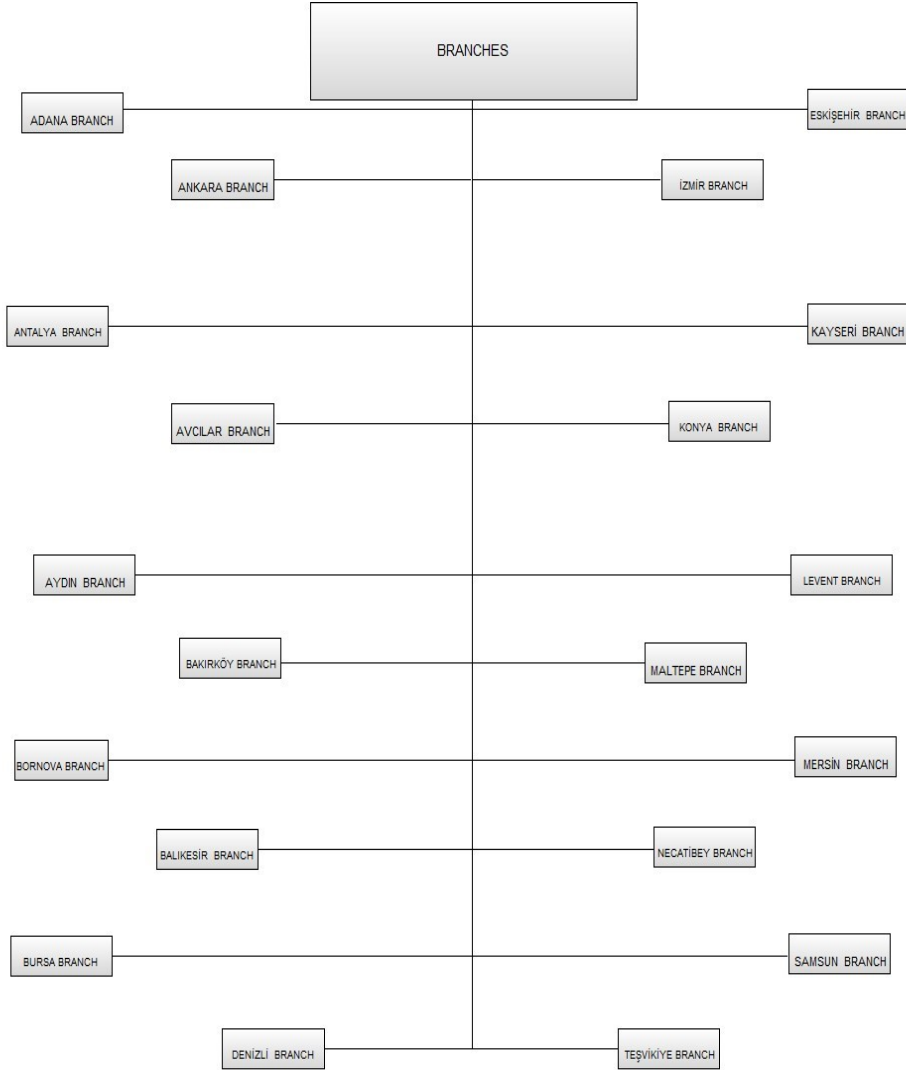
Xie Shaoxiong	Chairman
Liu Peiguo	Member
Oraj Özel	Member / CEO
Chuanling Zhang	Member
Zhang Ke	Member

2. ORGANIZATION CHART

2.1 HEAD OFFICE



2.2 BRANCHES



3. FINANCIAL RIGHTS PROVIDED TO THE MEMBER OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

The total amount of salaries and benefits provided to the Board Chairman, Board Members, and Senior Executives in the current period is 3.900.672-TL as of 30.09.2021.

4. GLOBAL EVALUATION

BIST100 leaned towards the level of 1484. The index was 1356 by the end of June. Meanwhile, the benchmark interest rate tested the level of %17,68, the USD/TRY tested 8,2566/8,9576 TRL.

Foreign investors made 3 mn\$ sell in 2021 July, 477 mn\$ buy in August, 54,4 mn\$ buy in September.

The inflation forecast for the end of 2021 was updated by 1,9 points from 12,2 percent to 14,1 percent (Inflation Report 2021-III).

The Monetary Policy Committee has decided to keep the policy rate (one-week repo auction rate) constant at 19 percent (12 August 2021).

The Monetary Policy Committee has decided to reduce the policy rate (one-week repo auction rate) from 19 percent to 18 percent (23/09/21). The Committee evaluated the analyses to decompose the impact of demand factors that monetary policy can have an effect, core inflation developments and supply shocks. Accordingly it is judged that a revision in monetary policy stance is needed and the policy rate was decided to be reduced.

The FED kept the policy rate in the range of 0,00-0,25%. Powell, we evaluated how the speed and component would be when the reduction in asset purchases started. We will warn about this long before. We are not even close to a rate hike right now.

13 Aug 2021: Fitch Ratings has affirmed Turkey's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BB-' with a Stable Outlook.

Fitch, expect inflation to ease to a still high 16,9% by end-2021, due to a favourable base effect and slowing domestic demand.

Fitch revised up growth forecast up to 7,9% in 2021, from 6,3% in June, due to high carryover effect (especially after a strong performance in 1Q21) and continued resilience in economic activity.

The full year current account deficit will decline to 3% of GDP in 2021, from 5,2% in 2020, as tourism export receipts improve yoy in 2H21.

GDP with chain linked volume index (2009=100) increased by 21,7% compared with the same quarter of the previous year in the second quarter of 2021.

The current account deficit recorded USD 683 million indicating a decrease of USD 1,306 million compared to July of the previous year, bringing the 12-month rolling deficit to USD 27,832 million.

A rise in general index was realized in CPI (2003=100) on the previous month by 1.25%, on December of the previous year by 13.04%, on same month of the previous year by 19.58% and on the twelve months moving averages basis by 16.42% in September 2021.

5. ACTIVITIES OF 2021 3Q

ICBC Turkey Securities has followed a cautious approach in 3rd quarter of 2021 just like in the past. Despite remote marketing due to pandemy there is a 22% decrease in the number of new account openings compared to 2020.

Related to the activities of 2021 3Q;

Equity Trading Volume	47,61 Billion TL
Share of Transactions Over Internet in Commission Incomes	78,02%
Average Shareholders' Equity	201,18 Million TL
Net Interest Income From Margin Trading	24,69 Million TL
Commission Income From Equity Trading	15,66 Million TL
Commission Income From Derivatives Trading	2,19 Million TL

Financial Structure and Capital Adequacy Tables of the Company are inspected and audited twice a year as a half yearly reports and the year end reports by the Independent Audit Company.

6. COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES

The Company performs research and marketing activities for the purpose of generating new clients as well as improving existing customer profile. By analysing local and global economic and sectoral news flow and trends, the research department provides investment ideas for the Company's local and foreign customers. Research reports are prepared in Turkish and English.

7. RISKS AND THE EVALUATION OF THE MANAGEMENT

a) Information Regarding Risk Management Policies To Be Applied on Foreseeable Risks, if any

Our Managers aims for establishing a corporate risk aversion culture through the application of effective risk management and internal control structure throughout the Company.

b) Information about the Activities and Reports of Risk Management Committee and Early Identification of Risks, if any

A separate committee for early identification and management of risk has been formed and work organization is held.

c) Future Risks Regarding Sales, Efficiency, Income Generation Capacity, Profitability, Debt/Equity Ratio, and Other Similar Subjects

The company continues its activities based on the Business Plan targets approved by the Board of Directors.

d) Information About Any Lawsuits Filed Against the Company and Their Possible Outcomes that may Affect the Financials and the Activities of the Company

There are NOT any lawsuits filed against the company that may affect the financials and activities of the company.

8. HUMAN RESOURCE AND REMUNERATION POLICIES

The employee number of our Company is 96 as of 30.09.2021. The social rights of our employees are provided on regular and periodic basis.

Furthermore, all our employees are provided with private health insurance. Fixed salary increases are made once in a year based on the Company's and individuals' performances with the approval of the Board of Directors.

Moreover, the Company encourages its employees to enhance their trainings and to fulfill their necessary certificates.

As per 6331 numbered Occupational Health and Safety Law of Ministry of Labor and Social Security, employer's and employees' duties and responsibilities have been identified and within this context, necessary trainings and exercises continue.

9. MATTERS REGARDING DIVIDEND DISTRIBUTION POLICY

Dividend distribution is made based on the provisions in the Articles of Association.

10. AID AND DONATIONS

As at the end of 2021 September, there is 100-TL donation amount.

11. OTHER MATTERS

There are not any arrangements made regarding shareholders' voting rights in difference with the provisions of Turkish Commercial Code (TCC). Each share gives one voting right.

12. CONTACT INFORMATION

Headquarters;

Headquarters Address	Maslak Mah. Dereboyu/2 Caddesi No:13 34398 Sarıyer-İstanbul
Headquarters Phone	0212 276 2727
Headquarters Fax	0212 276 2900
Web Address	www.icbcyatirim.com.tr
E-mail	icbcyatirim@icbcyatirim.com.tr
Trade Registry No	357753 / İstanbul
Tax Office	Boğaziçi Kurumlar Vergi Dairesi
Tax No	8360070244
Central Registration System No	7388 7857 6173 4756

Branches;

No	Branch	Address	Tel.	Fax
1	Adana Br.	Cemalpaşa Mah. Atatürk Cad. Ceyhan Apt. No:72/A 01120 ADANA	0322 459 5870	0322 459 9740
2	Ankara Br.	Aziziye Mah. Cinnah Cad. No:100/A 06550 Çankaya / ANKARA	0312 440 6980	0312 442 4672
3	Antalya Br.	Şirinyalı Mah. İsmet Gökşen Cad. Elif Apt. No:14/A 07160 Muratpaşa ANTALYA	0242 316 4548	0242 316 4322
4	Avcılar Br.	Merkez Mah. E-5 Yanyol (Londra Asfaltı) No: 159/A 34310 Avcılar / İSTANBUL	0212 593 4270	0212 593 4269
5	Aydın Br.	Zafer Mah. Doğugazi Bulvarı No:55/C 09100 Efeler / AYDIN	0256 212 9234	0256 214 2984
6	Bakırköy Br.	İstanbul Cad. 36/A No:1 34142 Bakırköy / İSTANBUL	0212 543 2230	0212 543 8512
7	Balıkesir Br.	Eski Kuyumcular Mah. Bankalar Sok. No:5 Karasi BALIKESİR	0266 249 3761	0266 249 3768
8	Bornova Br.	Sakarya Cad. Manavkuyu Mah. No:72 Bayraklı / İZMİR	0232 388 1820	0232 342 8915
9	Bursa Br.	Ahmet Paşa Mah. Fevzi Çakmak Cad. No:69/B 16050 Osmangazi BURSA	0224 250 4100	0224 253 1898
10	Denizli Br.	Saraylar Mah. Gazi Mustafa Kemal Bulvarı No:50/A Merkezefendi DENİZLİ	0258 242 1204	0258 242 1193
11	Eskişehir Br.	Hacı Ali Bey Mah. Sakarya 1.Cadde No: 22/A 26100 Tepebaşı ESKİŞEHİR	0222 220 4396	0222 220 4300
12	İzmir Br.	Akdeniz Mah. Cumhuriyet Bulv. No:116 35210 Konak / İZMİR	0232 489 4051	0232 489 4403
13	Kayseri Br.	Cumhuriyet Mah. Millet Cad. No:33/D 38040 Melikgazi KAYSERİ	0352 221 1242	0352 221 1258
14	Konya Br.	Büyük Sinan Mah. Ankara Cad. No:124 42050 Karatay KONYA	0332 238 5723	0332 238 5726
15	Levent Br.	Nispetiye Cad. Yeni Çarşı Durağı No:61 Beşiktaş / İSTANBUL	0212 284 0804	0212 283 9286
16	Maltepe Br.	Bağlarbaşı Mah. 2. İlkokul Cad. Balek İş Merkezi Kat:1 No:6 Maltepe / İSTANBUL	0216 399 3985	0216 459 4047
17	Mersin Br.	Çankaya Mah. İsmet İnönü Bulvarı No:112/B Canatan İş Merkezi 33070 Akdeniz MERSİN	0324 237 8284	0324 237 7655
18	Necatibey Br.	Korkutreis Mahallesi Necatibey Caddesi No:40/A Çankaya / ANKARA	312 232 1760	312 232 1767
19	Samsun Br.	Kale Mah. İstiklal Cad. No:21/19 İlkadım SAMSUN	0362 432 6114	0362 435 5103
20	Teşvikiye Br.	Hüsrev Gerede Cad. No:92/A 34365 Şişli / İSTANBUL	0212 236 1836	0212 259 1389