

ICBC TURKEY YATIRIM MENKUL DEĞERLER A.Ş.

ACTIVITY REPORT

01 JANUARY 2024 – 30 SEPTEMBER 2024

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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 (TL)	%
ICBC Turkey Bank A.Ş.	75.998.480,00	99,998
Other	1.520,00	0,002
Total	76.000.000,00	100,00

1.3 ASSIGNED BOARD MEMBERS AND INDEPENDENT AUDITOR FOR THE PERIOD

Board Members that elected for a period of 1 year at the Ordinary General Assembly of ICBC Turkey Yatırım Menkul Değerler A.Ş. dated May 30, 2024 are listed below;

Name-Surname	Position	Start Date	Ending Date
Hou Qian	Board Member / Chairman	30.05.2024	30.05.2025
Oraj Özel	Board Member / CEO	30.05.2024	30.05.2025
Xiao Li	Board Member	30.05.2024	30.05.2025
Füruzan Evrim Ökçün	Board Member	30.05.2024	30.05.2025
Hui Jin	Board Member	30.05.2024	30.05.2025
Zhiyi Luo	Board Member	30.05.2024	30.05.2025
Zhengyang	Board Member	30.05.2024	30.05.2025
Guangxin Wang	Board Member	30.05.2024	30.05.2025

The Article 9 of the Company's Articles of Association has been amended in accordance with the permissions of Capital Markets Board dated 27.03.2024 and numbered E-32992422-205.01.01-51952 and the permissions of Ministry of Trade Directorate General of Internal Trade dated 04.04.2024 and numbered E-50035491-431.02.-00095723543. The current number of board members was revised to be at least 5 and the most 8 and was approved at the Ordinary General Assembly meeting held on 30.05.2024. Eight members were elected at the general assembly dated May 30, 2024, to serve for a period of 1 year.

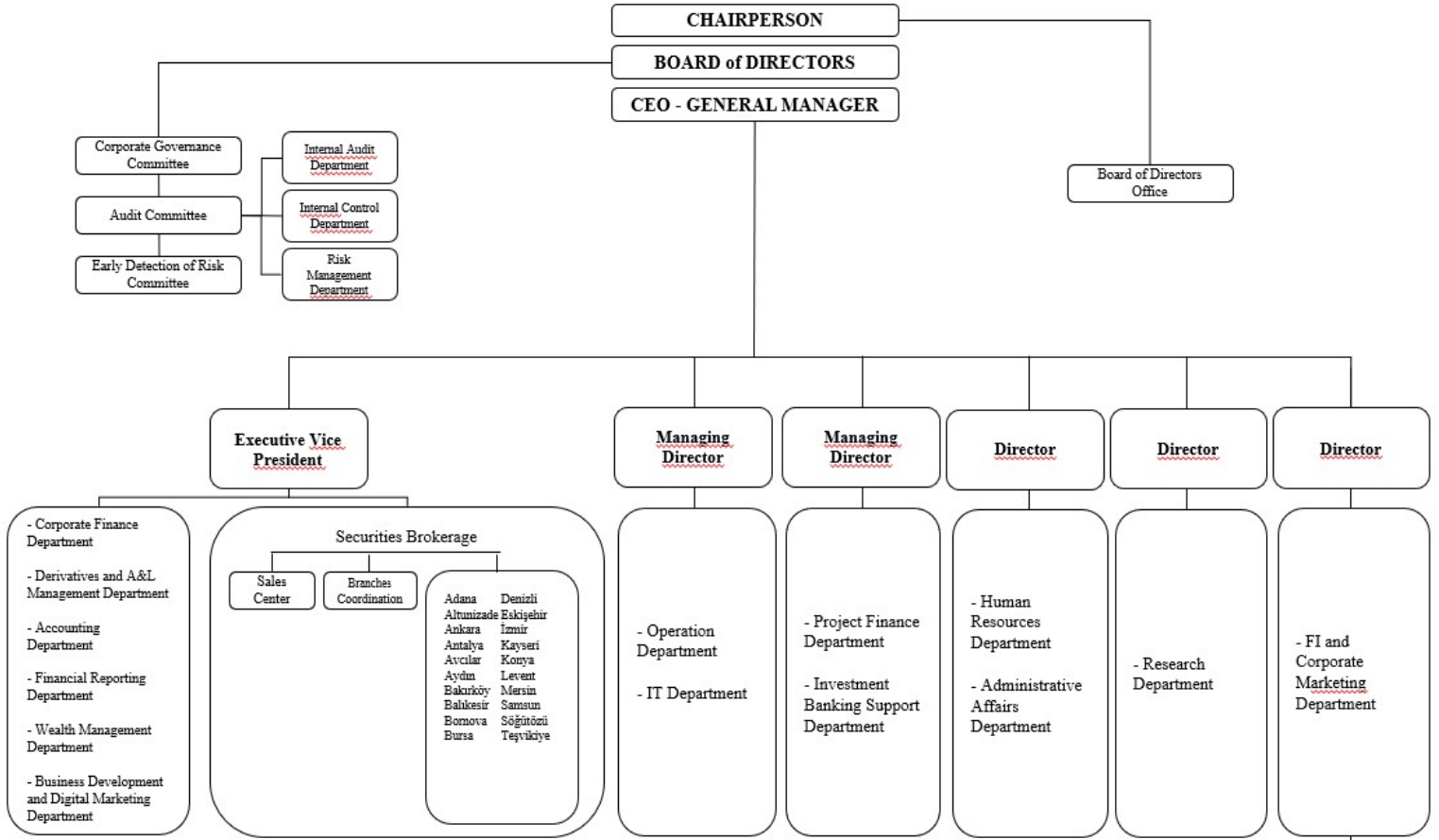
In accordance with the article 399 of the Turkish Commercial Code and Capital Markets Law No. 6362, DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. selected as the independent audit firm to audit the Company for the fiscal year 2024 with the decision of the Company's Genral Assembly dated 30.05.2024.

1.4 SENIOR MANAGEMENT

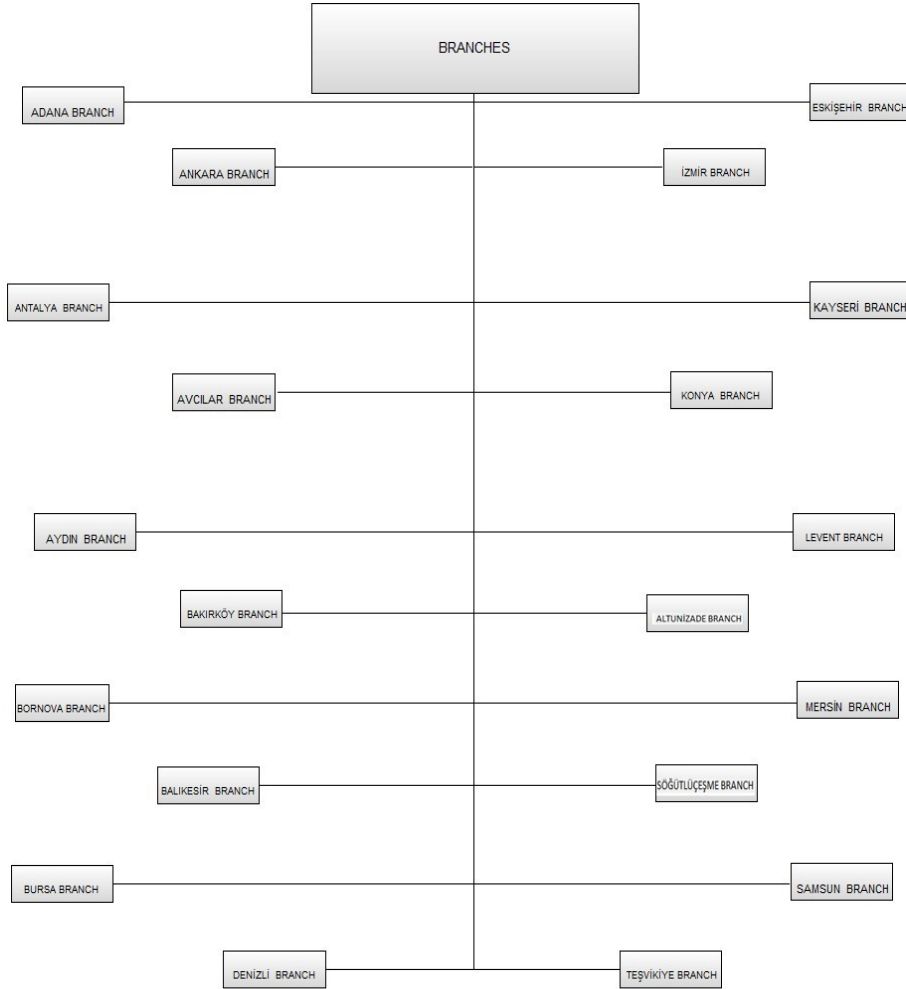
Name-Surname	Position	Responsibility Field
Oraj Özel	CEO	--
Hakan Bozyiğit	Executive Vice President	Investment Banking- Corporate Finance / Derivatives and A&L Management / Accounting / Financial Reporting/ Wealth Management/ Business Development and Digital Marketing/Securities Brokerage
Sinan Hacıoğlu	Managing Director	Operation Department/ Information Technologies Department
Ahmet Can Yakar	Managing Director	Investment Banking- Project Finance/ Investment Banking Support

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 26.920.086-TL as of 30.09.2024.

4. GLOBAL EVALUATION

A broad range of macroeconomic, geopolitical, and domestic factors influenced the direction of financial markets. The BIST100 index decreased by 9.2% quarter-on-quarter, trading between a high of 11,173 points and a low of 9,420 points during the quarter. The average daily trading volume in 3Q24 declined by 13% quarter-on-quarter.

The 2-year benchmark bond was in demand in 3Q24, closing the quarter at 41.16%, down 43 basis points quarter-on-quarter. The 10-year bond, however, was sold off and closed at 28.40%, up 12 basis points quarter-on-quarter. The Turkish lira depreciated against major currencies: the USD/TL exchange rate rose by 3.9% quarter-on-quarter, while the EUR/TL exchange rate increased by 8.7% quarter-on-quarter.

The Central Bank of Turkey (CBRT) maintained its policy rate at 50%, as anticipated. The Monetary Policy Committee (MPC) noted a slight increase in the underlying trend of inflation in September and highlighted increased uncertainty about the pace of inflation improvement. The MPC emphasized that inflation expectations and pricing behaviour continue to pose risks to the disinflation process. A tight monetary stance will be maintained until there is a substantial and sustained decline in the underlying trend of monthly inflation, with inflation expectations aligning with the projected forecast range. The CBRT will deploy monetary tools as needed if significant, persistent inflationary pressures arise.

The Consumer Price Index (CPI) increased by 2.97% month-on-month in September, lowering the annual inflation rate to 49.38% from 51.97% in August. Quarterly inflation in 3Q24 was 8.92%.

The current account recorded a net surplus of USD 4.3 billion in August, with a surplus of USD 9.0 billion when excluding gold and energy. The goods deficit was USD 2.9 billion, while services posted a net inflow of USD 8.7 billion, including a net inflow of USD 6.8 billion in travel. Primary income registered a net outflow of USD 1.5 billion, and secondary income showed a net inflow of USD 14 million.

Industrial production (IP) decreased by 5.3% year-on-year and 1.6% month-on-month in August, marking the third consecutive month of annual contraction, following a 5.0% year-on-year decrease in June and 4.0% year-on-year in July. Among industry subsectors, the mining and quarrying index declined by 5.4% year-on-year, while the manufacturing index dropped by 5.4% year-on-year. Conversely, the electricity, gas, steam, and air conditioning supply index rose by 1.6% year-on-year in August.

The seasonally adjusted unemployment rate was 8.5% in August, compared to 8.8% in July. The employment rate rose by 10 basis points month-on-month to 49.7%, while the labour force participation rate decreased by 10 basis points month-on-month to 54.3%. Youth unemployment in the 15-24 age group edged up by 10 basis points month-on-month to 16.5%.

The primary deficit narrowed to TL 60.8 billion in September, down from TL 108.6 billion in August, bringing the primary deficit for 9M24 to TL 692.6 billion. The cash balance was largely unchanged month-on-month at a TL 201.0 billion deficit, while the 9M24 treasury cash balance recorded a TL 1.54 trillion deficit.

The Treasury's total cash budget deficit for 9M24 reached TL 1.536 trillion, representing a 247.5% increase year-on-year.

Turkey's total reserves rose by USD 14.5 billion during the quarter, reaching a record high of USD 157.4 billion. Gross FX reserves increased by USD 9.0 billion to USD 93.8 billion, and gold reserves rose by USD 5.5 billion to USD 63.6 billion. Net international reserves climbed by USD 14.7 billion to USD 54.1 billion, while net reserves excluding swaps increased by USD 20.1 billion to USD 31.7 billion.

5. **ACTIVITIES OF 2024 SEPTEMBER END**

ICBC Turkey Securities has followed a cautious approach in 2024 3Q just like in the past. Customer number increased %7 compared to same period of last year. Related to the activities of 2024 3Q;

Equity Trading Volume	137,8 Billion TL
Share of Transactions Over Internet in Commission Incomes	68,53%
Shareholders' Equity	765,81 Million TL
Net Interest Income From Margin Trading	312,41 Million TL
Commission Income From Equity Trading	45,66 Million TL
Commission Income From Derivatives Trading	2,07 Million TL

Financial structure of our Company inspected and audited quarterly, capital adequacy tables are inspected and audited twice a year by the Independent Audit Company. There are no capital market instruments issued by our company.

6. **PARTICIPATIONS**

Company	Partnership %
ICBC Turkey Portföy Yönetimi A.Ş.	100,0000
Borsa İstanbul A.Ş.	0,0377

7. INFORMATION ON PUBLIC AUDIT

As of the second quarter of 2024, Tax audit is being carried out in accordance with Article 134 of Tax Procedure Law No. 213 by the Tax Inspection Board of the Ministry of Treasury and Finance of Republic of Türkiye in our Company and the process is ongoing.

8. 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.

9. 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.

10. EVALUATION OF INTERNAL CONTROL SYSTEM AND AUDIT ACTIVITIES

The Internal Audit System is the assurance of compliance with the legislation and corporate policies. Our Company's Internal Audit system adopts an approach in line with the three-lines of defense principle. In this scope, the front office is the first line of defense in risk management. The first line of defense develops risk management functions and capabilities to operate risk identification, measurement, control and

other risk control functions in the early stages. Risk Management and Internal Control Departments constitute the second line of defense. It provides support for the risk management and control of the first line of defense, oversees the effectiveness of the risk management carried out at the front office, monitors, assesses and reports the risk profile. The Internal Audit Board is the third line of defense. It is responsible for overseeing the performance of the first and second lines of defense in risk management and supervising, evaluating and reporting the effectiveness of risk management. The enhanced third line of defense strengthens the independent assessment capability, and effectively evaluates the risk management systems and mission performance results of the first and second lines of defense.

Under the responsibility of our Board of Directors, an Internal Audit System has been established in compliance with the scope and corporate structure of our Company's activities, with the quality, adequacy and efficiency to respond to changing conditions and continues its activities in this context.

11. HUMAN RESOURCE AND REMUNERATION POLICIES

The employee number of the Group is 109 as of 30.09.2024. The social rights of our employees are provided on regular and periodic basis. There is no collective agreement practice.

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.

12. MATTERS REGARDING DIVIDEND DISTRIBUTION POLICY

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

13. AID AND DONATIONS

There is no donation amount made by the Company as at the end of 2024 September.

14. 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.

15. 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	0836 0070 2440 0015

Branches;

No	Branch	Address	Tel.	Fax
1	Adana Br.	Cemalpaşa Mah. Atatürk Cad. Ceyhan Apt. No:72/A 01120 ADANA	0322 459 5876	0322 459 9740
2	Altunizade Br.	Altunizade Mah. Mahir İz Cad. No:20/A Üsküdar / İSTANBUL	0216 399 3985	0216 459 4047
3	Ankara Br.	Aziziye Mah. Cinnah Cad. No:100/A 06550 Çankaya / ANKARA	0312 439 8045	0312 440 6217
4	Antalya Br.	Şirinyalı Mah. İsmet Gökşen Cad. Elif Apt. No:14/A 07160 Muratpaşa ANTALYA	0242 316 4548	0242 316 4322
5	Avcılar Br.	Zuhuratbaba Mah. İncirli Cad. ABlok No:101B 34147 Bakırköy-İst	0212 543 2230	0212 543 8512
6	Aydın Br.	Zafer Mah. Doğugazi Bulvarı No:55/C 09100 Efeler / AYDIN	0256 215 2569	0256 214 2984
7	Bakırköy Br.	Zuhuratbaba Mah. İncirli Cad. No:101B 34147 Bakırköy-İst	0212 543 2230	0212 543 8512
8	Balıkesir Br.	Eski Kuyumcular Mah. Salih Tozan Cad. No:8/A Karesi BALIKESİR	0266 239 1572	0266 239 4239
9	Bornova Br.	Çınarlı Mahallesi Şehit Polis Fethi Sekin Caddesi Dış Kapı No:5 İç Kapı No: 5A Konak / İZMİR	0232 342 9291	0232 342 8915
10	Bursa Br.	Ahmet Paşa Mah. Fevzi Çakmak Cad. No:69/B 16050 Osmangazi BURSA	0224 256 0609	0224 253 1898
11	Denizli Br.	Saraylar Mah. Gazi Mustafa Kemal Bulvarı No:50/A Merkezefendi DENİZLİ	0258 241 4399	0258 242 1193
12	Eskişehir Br.	Hacı Ali Bey Mah. Sakarya 1. Cadde No: 22/A 26100 Tepebaşı ESKİŞEHİR	0222 220 4396	0222 220 4300
13	İzmir Br.	Akdeniz Mah. Cumhuriyet Bulv. No:116 35210 Konak / İZMİR	0232 446 3350	0232 489 4403
14	Kayseri Br.	Cumhuriyet Mah. Millet Cad. No:33/D 38040 Melikgazi KAYSERİ	0352 221 1261	0352 221 1258
15	Konya Br.	Büyük Sinan Mah. Ankara Cad. No:124 42050 Karatay KONYA	0332 238 5723	0332 238 5726
16	Levent Br.	Levent Mah. Gonca Sok. No:11 Levent Beşiktaş-İSTANBUL	0212 325 3215	0212 287 6389
17	Mersin Br.	Çankaya Mah. İsmet İnönü Bulvarı No:112/B Canatan İş Merkezi 33070 Akdeniz MERSİN	0324 237 4471	0324 237 7655
18	Samsun Br.	Kale Mah. İstiklal Cad. No:21/19 İlkadım SAMSUN	0362 432 6114	0362 435 5103
19	Söğütözü Br.	Söğütözü Mah. Söğütözü Cad. No:2/A İç Kapı No:19 Çankaya / ANKARA	0312 232 1760	0312 232 1767
20	Teşvikiye br.	Levent Mah. Gonca Sok. No:11 Levent Beşiktaş-İSTANBUL	0212 325 3215	0212 287 6389