

**ICBC TURKEY YATIRIM MENKUL DEĞERLER A.Ş.**

**ACTIVITY REPORT**

**01 JANUARY 2021 – 31 DECEMBER 2021**

**CONTENTS**

<b>1.</b>	<b>HISTORICAL DEVELOPMENT, SHAREHOLDING STRUCTURE AND ASSIGNED BOARD OF DIRECTORS FOR THE PERIOD .....</b>	<b>3</b>
<b>1.1</b>	<b>HISTORICAL DEVELOPMENT .....</b>	<b>3</b>
<b>1.2</b>	<b>SHAREHOLDING STRUCTURE .....</b>	<b>3</b>
<b>1.3</b>	<b>ASSIGNED BOARD OF DIRECTORS FOR THE PERIOD .....</b>	<b>3</b>
<b>2.</b>	<b>ORGANIZATION CHART .....</b>	<b>4</b>
<b>2.1</b>	<b>HEAD OFFICE .....</b>	<b>4</b>
<b>2.2</b>	<b>BRANCHES.....</b>	<b>5</b>
<b>3.</b>	<b>FINANCIAL RIGHTS PROVIDED TO THE MEMBER OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES .....</b>	<b>6</b>
<b>4.</b>	<b>GLOBAL EVALUATION.....</b>	<b>6</b>
<b>5.</b>	<b>ACTIVITIES OF THE YEAR 2021 .....</b>	<b>7</b>
<b>6.</b>	<b>COMPANY’S RESEARCH AND DEVELOPMENT ACTIVITIES .....</b>	<b>7</b>
<b>7.</b>	<b>RISKS AND THE EVALUATION OF THE MANAGEMENT.....</b>	<b>7</b>
<b>8.</b>	<b>HUMAN RESOURCE AND REMUNERATION POLICIES.....</b>	<b>8</b>
<b>9.</b>	<b>MATTERS REGARDING DIVIDEND DISTRIBUTION POLICY .....</b>	<b>8</b>
<b>10.</b>	<b>AID AND DONATIONS.....</b>	<b>8</b>
<b>11.</b>	<b>OTHER MATTERS.....</b>	<b>8</b>
<b>12.</b>	<b>CONTACT INFORMATION .....</b>	<b>9</b>

## **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**

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

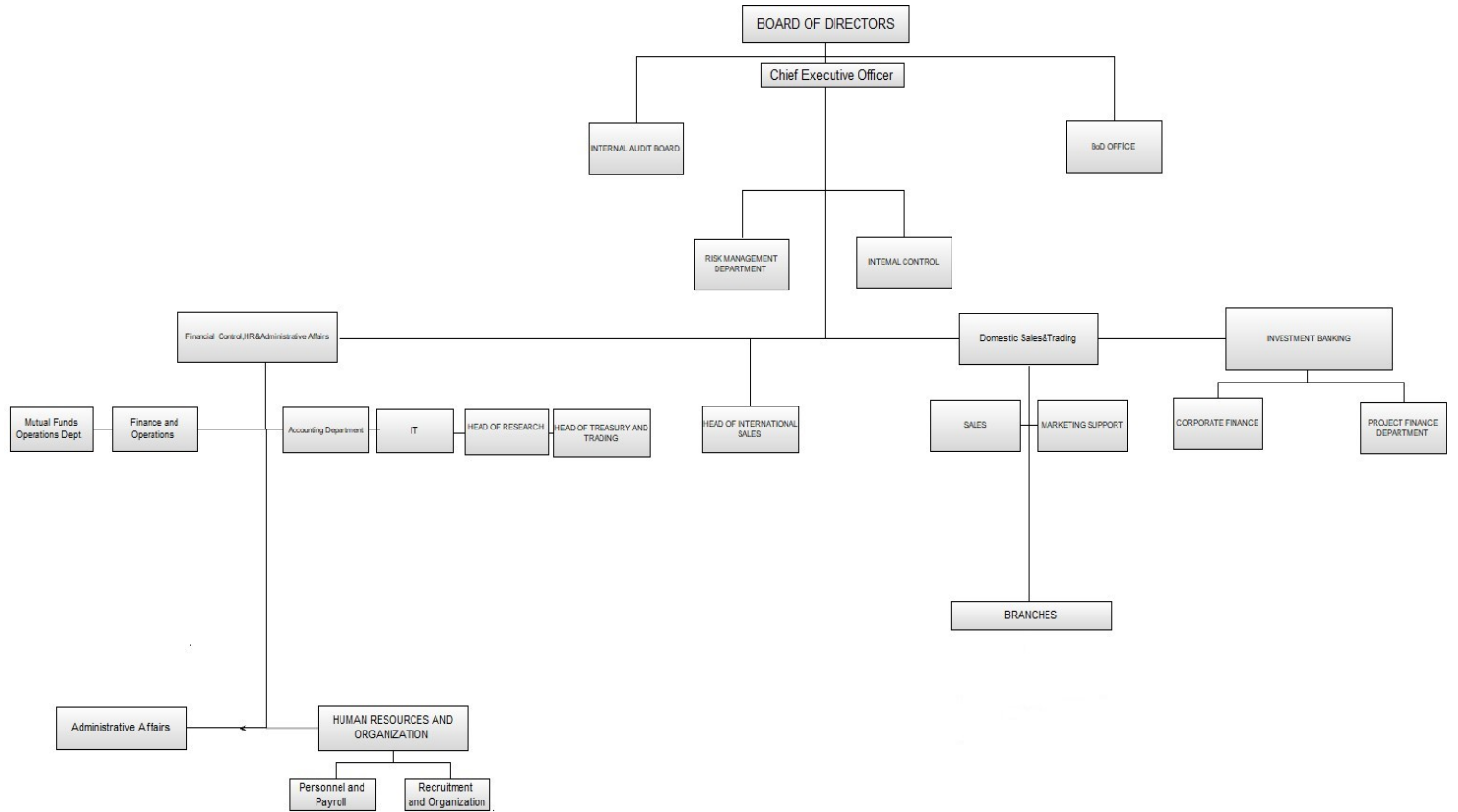
### **1.3 ASSIGNED BOARD OF DIRECTORS FOR THE PERIOD**

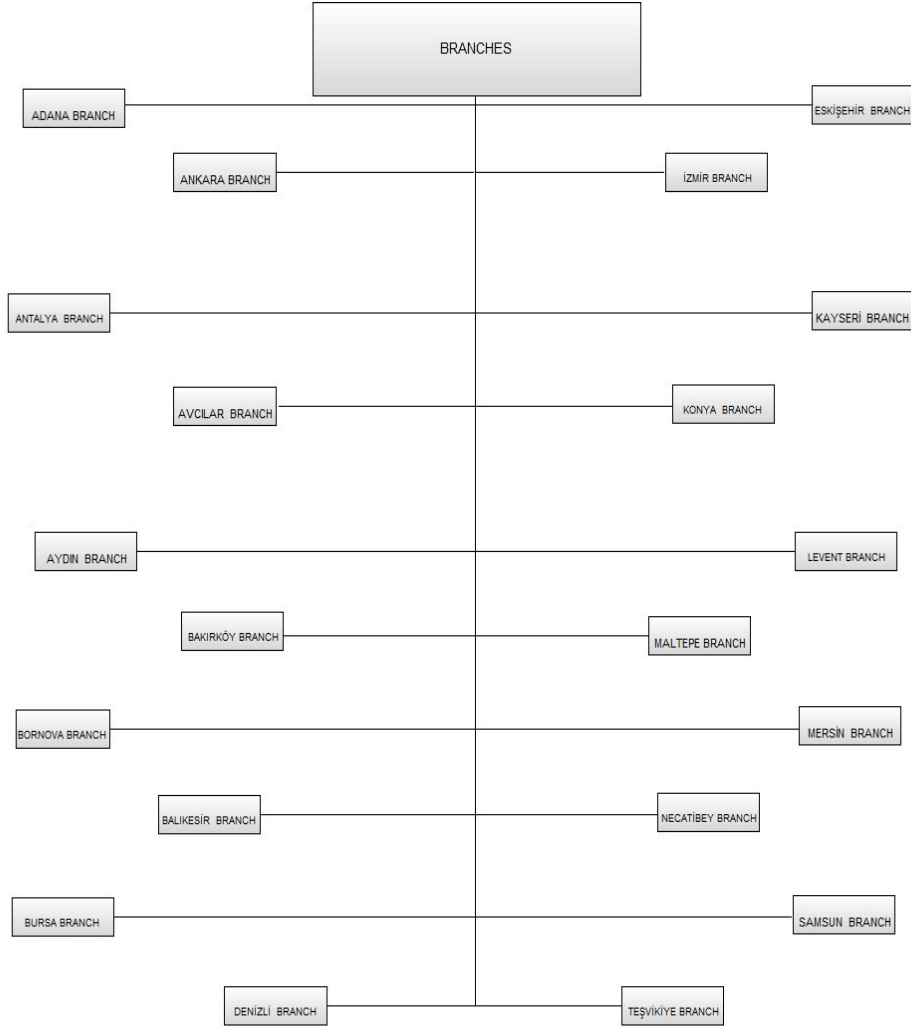
Gao Xiangyang (*)	Chairman
Liu Peiguo	Member
Oraj Özel	Member / CEO
Chuanling Zhang	Member
Zhang Ke	Member

(\*) Gao Xiangyang was appointed with the Board Decision no.886 dated 10.01.2022 to replace Xie Shaoxiong who resigned as of 10.01.2022 from the position of Member of the Board of Directors.

## 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 4.598.492-TL as of 31.12.2021.

**4. GLOBAL EVALUATION**

BIST100 leaned towards the level of 2406. The index was 1406 by the end of September. Meanwhile, the benchmark interest rate tested the level of %24,07 the USD/TRY tested 18,40 TRL.

Foreign investors made 45 mn\$ buy in 2021 October, 707 mn\$ buy in November, 1,03 bn\$ sell in December.

The Monetary Policy Committee has decided to reduce the policy rate from 18 percent to 16 percent (21 October 2021).

The Monetary Policy Committee has decided to reduce the policy rate from 16 percent to 15 percent (18 November 2021).

The Monetary Policy Committee has decided to reduce the policy rate from 15 percent to 14 percent (16 December 2021). The Committee decided to complete the use of the limited room implied by transitory effects of supply-side factors and other factors beyond monetary policy's control on price increases and reduced the policy rate by 100 basis points.

GDP with chain linked volume index increased by 7,4% compared with the same quarter of the previous year in the third quarter of 2021.

In order to help exporting and importing companies to manage exchange rate risk, TL-settled foreign exchange forward sales will be carried out at the CBRT via auctions and at the BIST Derivatives Market (VIOP).

The Central Bank of the Republic of Turkey has decided to provide support to deposit and participation fund holders in the event that these FX deposit accounts and FX participation funds are converted into Turkish lira time deposit accounts at the account holder's request.

The current account recorded a surplus of USD 3,156 million, against a deficit of USD 93 million observed in the same month of 2020, bringing the 12-month rolling deficit to USD 15,425 million.

December 2021 consumer price index (CPI) increased by 36,08% annually and 13,58% monthly.

Fitch Ratings affirmed Turkey's long-term credit rating as BB-, downgrading the outlook from "stable" to "negative".

Moody's affirmed Turkey's credit rating as "B2", leaving the outlook as "negative".

## 5. ACTIVITIES OF THE YEAR 2021

ICBC Turkey Securities has followed a cautious approach in 2021 just like in the past. Despite remote marketing due to pandemic there is a 18% decrease in the number of new account openings compared to 2020.

Related to the activities of 2021;

Equity Trading Volume	65,55 Billion TL
Share of Transactions Over Internet in Commission Incomes	56,24%
Average Shareholders' Equity	210,81 Million TL
Net Interest Income From Margin Trading	31,88 Million TL
Commission Income From Equity Trading	21,65 Million TL
Commission Income From Derivatives Trading	4,04 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 31.12.2021. 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 December, there is 200-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	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 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