

ICBC TURKEY YATIRIM MENKUL DEĞERLER A.Ş.

ACTIVITY REPORT

01 JANUARY 2025 – 31 MARCH 2025

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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 19 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 30 May 2024 are listed below;

Name-Surname	Position	Start Date	Ending Date
Qian Hou	Board Member / Chairman	30.05.2024	30.05.2025
Oraj Özel	Board Member / CEO	30.05.2024	30.05.2025
Li Xiao	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 Zhang	Board Member	30.05.2024	30.05.2025
Guangxin Wang	Board Member	30.05.2024	30.05.2025

The current 8 members were re-elected for a 1-year term at the general assembly dated 14 April 2025.

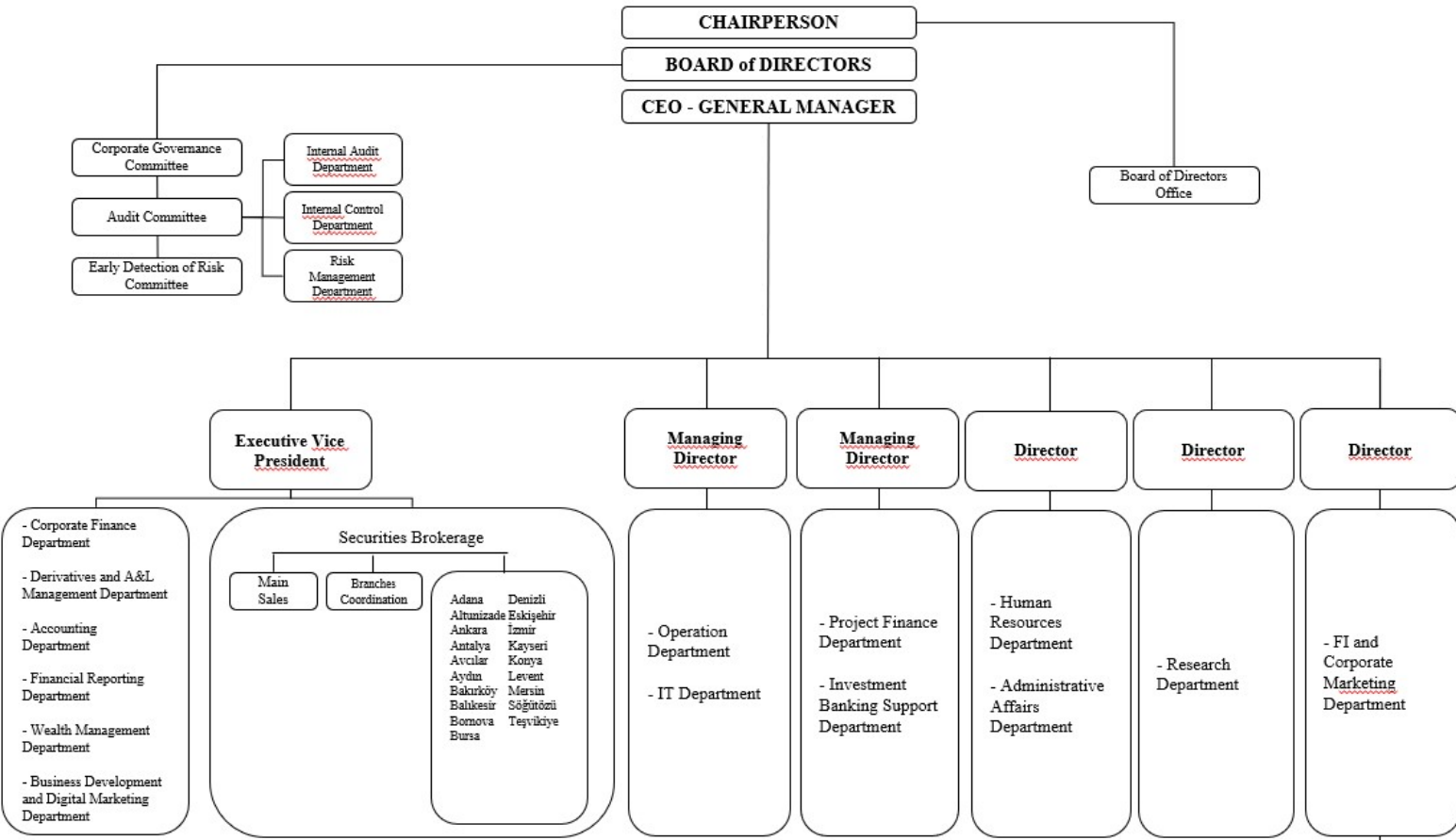
In accordance with the article 399 of the Turkish Commercial Code and Capital Markets Law No. 6362, KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. selected as the independent audit firm to audit the Company for the fiscal year 2025 with the decision of the Company's Genral Assembly dated 14 April 2025.

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 Department

2. ORGANIZATION CHART

2.1 HEAD OFFICE



2.2 BRANCHES

BRANCHES	
ADANA	DENİZLİ
ALTUNİZADE	ESKİŞEHİR
ANKARA	İZMİR
ANTALYA	KAYSERİ
AVCILAR	KONYA
AYDIN	LEVENT
BAKIRKÖY	MERSİN
BALIKESİR	SÖĞÜTÖZÜ
BORNOVA	TEŞVİKİYE
BURSA	

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 12.608.276-TL as of 31.03.2025.

4. GLOBAL EVALUATION

A broad range of macroeconomic, geopolitical, and domestic factors influenced trading sentiment, and shaped the direction of financial markets. We still note sustained rational macro policies and confidence restored by the CBRT. Ultimately, the BIST100 was sold 1.7% qoq. The Benchmark BIST100 traded between a high of 10,903 points and a low of 8,873 points in the quarter. The average daily trading volume, re-gaining its momentum in 1Q25, rose 36% qoq.

Bonds were all sold in 1Q25 qoq. The 2-year benchmark bond was sold to the highest of the 1Q25 at 51.54%. The 10-year issue was sold to the highest of the 1Q25 at 33.51%, and the 5-year issue was sold to the highest of the 1Q25 at 38.18%. The TL was sold against hard currencies. Following a total of TL434.1bn redemption to the market in 1Q25, the Treasury plans a total of TRL692.6bn redemption to the market in 2Q25.

The CBRT reduced the policy rate by 250bp to 42.5% on March 6 MPC meeting. Following the 250bp cut in January, the improving normalisation with implementation of orthodox macro policies, helped expand space for the CBRT to reduce interest rates. The CBRT announced that “the decisiveness regarding tight monetary stance is strengthening the disinflation process through moderation in domestic demand, real appreciation in Turkish lira, and improvement in inflation expectations. The tight monetary stance will be maintained until price stability is achieved via a sustained decline in inflation. The Committee will make its decisions prudently on a meeting-by-meeting basis with a focus on the inflation outlook. Monetary policy tools will be used effectively in case a significant and persistent deterioration in inflation is foreseen. In case of unanticipated developments in credit and deposit markets, monetary transmission mechanism will be supported via additional macroprudential measures. Liquidity conditions will be closely monitored and sterilization tools will continue to be used effectively with additional measures.”

March CPI rose 2.46% mom, and 38.10% yoy. PPI rose 1.88% mom, and 23.50% yoy. Core inflation rose 1.46% mom, and 37.42% yoy.

The February C/A balance printed a deficit at US\$4.40bn. The last 12-month C/A balance produced a deficit at US\$12.84bn, narrowing considerably from the previous year's US\$27.01bn deficit.

The March preliminary foreign trade balance printed a deficit at US\$7.26bn, narrowing from US\$7.30bn deficit in the same month of previous year. Exports printed at US\$ 23.38bn in March, rising 3.2% yoy. Imports was realised at

US\$30.65bn in March, expanding 2.3% yoy. Accordingly; exports/imports ratio printed at 76.3% in March, up from 75.6% in the same period of previous year.

The February unemployment rate declined by 20bp mom to 8.2%, and by 40bp yoy. The participation rate became 53.2%, down by 40bp mom. The employment rate became 48.8%, down by 30bp mom.

Youth unemployment rate was up by 10bp mom to 15.0%. The composite measure of labour underutilization rate rose by 20bp mom, printing at 28.4%.

In March; the Treasury cash-based budget printed a deficit of TL298.4bn, expanding from a deficit of TL167.0bn in the same month of previous year. In 1Q25, the Treasury cash-based budget printed a deficit of TL901.0bn, expanding from a deficit of TL570.4bn in the same period of previous year. The primary balance printed a deficit of TL162.8bn, expanding from a TL103.8bn deficit in the same month of previous year. In 1Q25, the primary balance printed a deficit of TL483.6bn, expanding from a deficit of TL345.9bn in the same period of previous year.

March CUR rose by 30bp mom, while declined by 200bp yoy, printing at 75.2%.

The February Industrial Production (IP) declined 1.9% yoy, and 1.6% mom.

5. **ACTIVITIES OF 2025 MARCH END**

ICBC Turkey Securities has followed a cautious approach in 2025 1Q just like in the past. Customer number increased %3 compared to same period of last year. Related to the activities of 2025 1Q;

Equity Trading Volume	41,02 Billion TL
Share of Transactions Over Internet in Commission Incomes	67,73%
Shareholders' Equity	873,52 Million TL
Net Interest Income From Margin Trading	91,33 Million TL
Commission Income From Equity Trading	10,54 Million TL
Commission Income From Derivatives Trading	621,90 Thousand 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.

As of the fourth quarter of 2024, compliance audit being carried out by The Financial Crimes Investigation 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 113 as of 31 March 2025. 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 Human Resources Committee.

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

As at the end of 2025 March, there is 400-TL donation amount.

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 Mahallesi, Atatürk Caddesi, No:72/A Ceyhan/Adana	0322 459 5876	0322 459 9740
2	Altunizade Br.	Altunizade Mahallesi, Mahir İz Caddesi, No:20/A Üsküdar/İstanbul	0216 399 3985	0216 459 4047
3	Ankara Br.	Aziziye Mahallesi, Cinnah Caddesi, No:100/A Çankaya/Ankara	0312 439 8045	0312 440 6217
4	Antalya Br.	Şirinyalı Mahallesi, İsmet Gökşen Caddesi, No:14/A Muratpaşa/Antalya	0242 316 4548	0242 316 4322
5	Avcılar Br.	Zuhurat Baba Mahallesi, İncirli Caddesi, No:101/B Bakırköy/İstanbul	0212 593 4245	0212 543 8512
6	Aydın Br.	Zafer Mahallesi, Doğugazi Bulvarı, No:55/C Efeler/Aydın	0256 215 2569	0256 214 2984
7	Bakırköy Br.	Zuhurat Baba Mahallesi, İncirli Caddesi, No:101/B Bakırköy/İstanbul	0212 543 2230	0212 543 8512
8	Balıkesir Br.	Eski Kuyumcular Mahallesi, Salih Tozan Caddesi, No:8/A Karesi/Balıkesir	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/İzmir	0232 342 9291	0232 342 8915
10	Bursa Br.	Ahmetpaşa Mahallesi, Fevziçakmak Caddesi, No:69/B Osmangazi/Bursa	0224 251 6116	0224 253 1898
11	Denizli Br.	Saraylar Mahallesi, Gazi Mustafa Kemal Bulvarı, No:50/A Merkezefendi/Denizli	0258 241 4399	0258 242 1193
12	Eskişehir Br.	Hacı Alibey Mahallesi, Sakarya 1.Caddesi, No:22/A Tepebaşı/Eskişehir	0222 220 4396	0222 220 4300
13	İzmir Br.	Akdeniz Mahallesi, Cumhuriyet Bulvarı, No:116 Konak/İzmir	0232 446 3350	0232 489 4403
14	Kayseri Br.	Cumhuriyet Mahallesi, Millet Caddesi, No:33/D Melikgazi/Kayseri	0352 221 1261	0352 221 1258
15	Konya Br.	Büyüksinan Mahallesi, Ankara Caddesi, No:124 Karatay/Konya	0332 238 5723	0332 238 5726
16	Levent Br.	Levent Mahallesi, Gonca Sokak, No:11 Levent Beşiktaş/İstanbul	0212 284 5227	0212 459 4047
17	Mersin Br.	Çankaya Mahallesi, İsmet İnönü Bulvarı, No:112/B Canatan İş Merkezi Akdeniz/Mersin	0324 237 4471	0324 237 7655
18	Söğütözü Br.	Söğütözü Mahallesi, Söğütözü Caddesi, No:2/A, İç Kapı No:19, Çankaya/Ankara	0312 232 1760	0312 232 1767
19	Teşvikiye br.	Teşvikiye Mahallesi, Nişantaşı İhlamur Yolu Sokak, No:14/B Şişli/İstanbul	0212 259 1228	0212 287 6389