

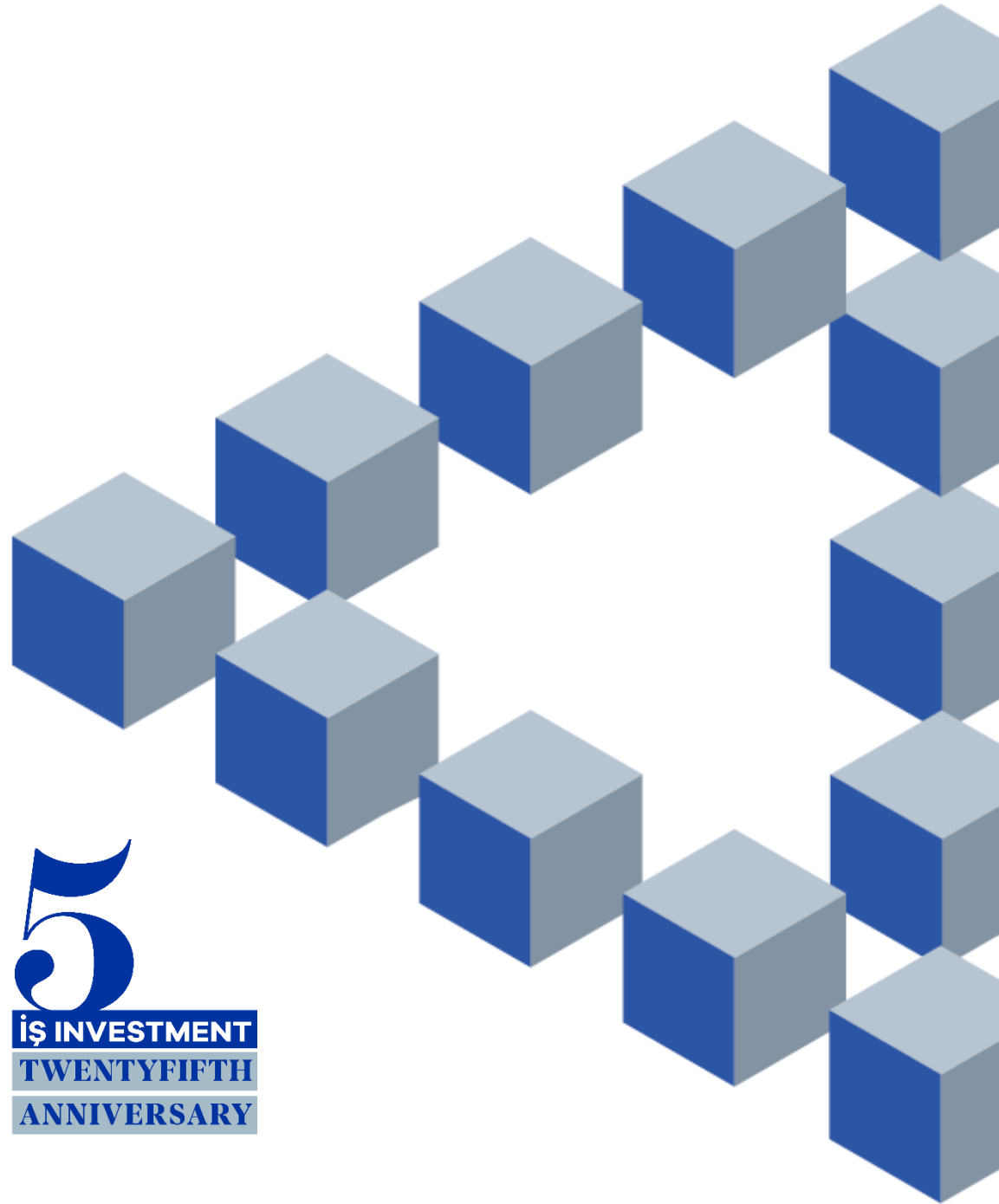
iŞ INVESTMENT

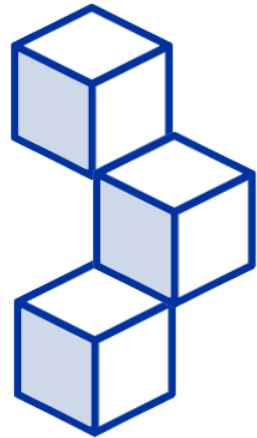


**Performance &
Financial Results 9M21**

November 1, 2021

25
iŞ INVESTMENT
TWENTYFIFTH
ANNIVERSARY





About Us

Operational Performance

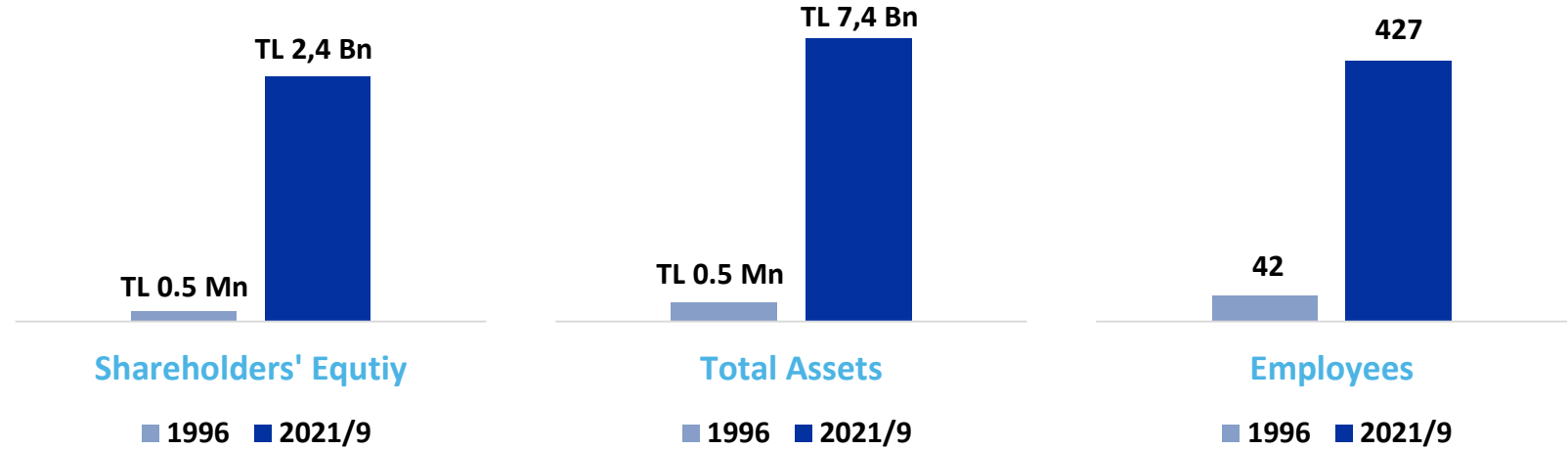
Financial Results

IS Investment will continue to go to great lengths to turn the flow of time into value by constantly following the changing risks, opportunities and the rapid development of technology.

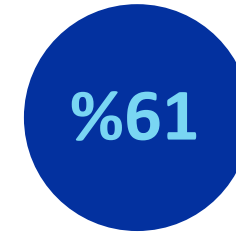




Established in 1996
as the investment
banking arm of İsbank



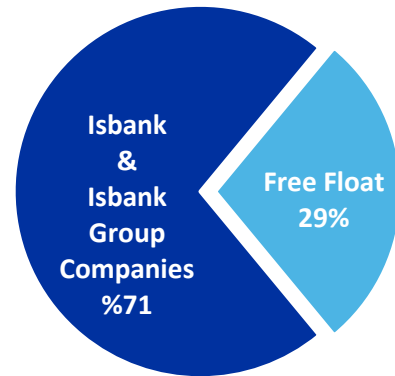
22
Branches



ROAE
2021/9

Total assets and shareholders' equity of IS Investment reached TL 7,4 bn and TL 2,4 bn TL respectively in 25 years after the establishment in 1996 with a capital of TL 500 K

Shareholding Structure



Credit Rating (Saha Rating)

IS Investment's national long-term credit rating of AAA has been reconfirmed with a stable outlook as of September 24, 2021

Vision, Mission and Corporate Values



VISION

To be the leader and the most reliable investment institution in Turkey and in the region.



MISSION

- Offer a wide range of investment banking services
- Deliver insights, develop strategies and create value
- Innovative in product and service development
- Enhance technology to improve efficiency
- Ensure customer satisfaction
- Increase the value created for shareholders
- Lead the development of capital markets



CORPORATE VALUES

- Laws, ethical and governance abiding
- Customer focused
- Market centered
- Dynamic and innovative
- Esteem the employees
- Effective team work
- Objective and impartial
- CSR behaviour



**MAXIS INVESTMENTS
(100.00%)**
London headquartered
subsidiary to serve
brokerage activities



**MAXIS VENTURE CAPITAL
PORTFOLIO MANAGEMENT
(100.00%)**
Already started to
invest in startups and
renewable energy



EFES NPL MANAGEMENT (85.1%)
Mainly specializes in managing
banks' NPLs and restructuring
problematic firms



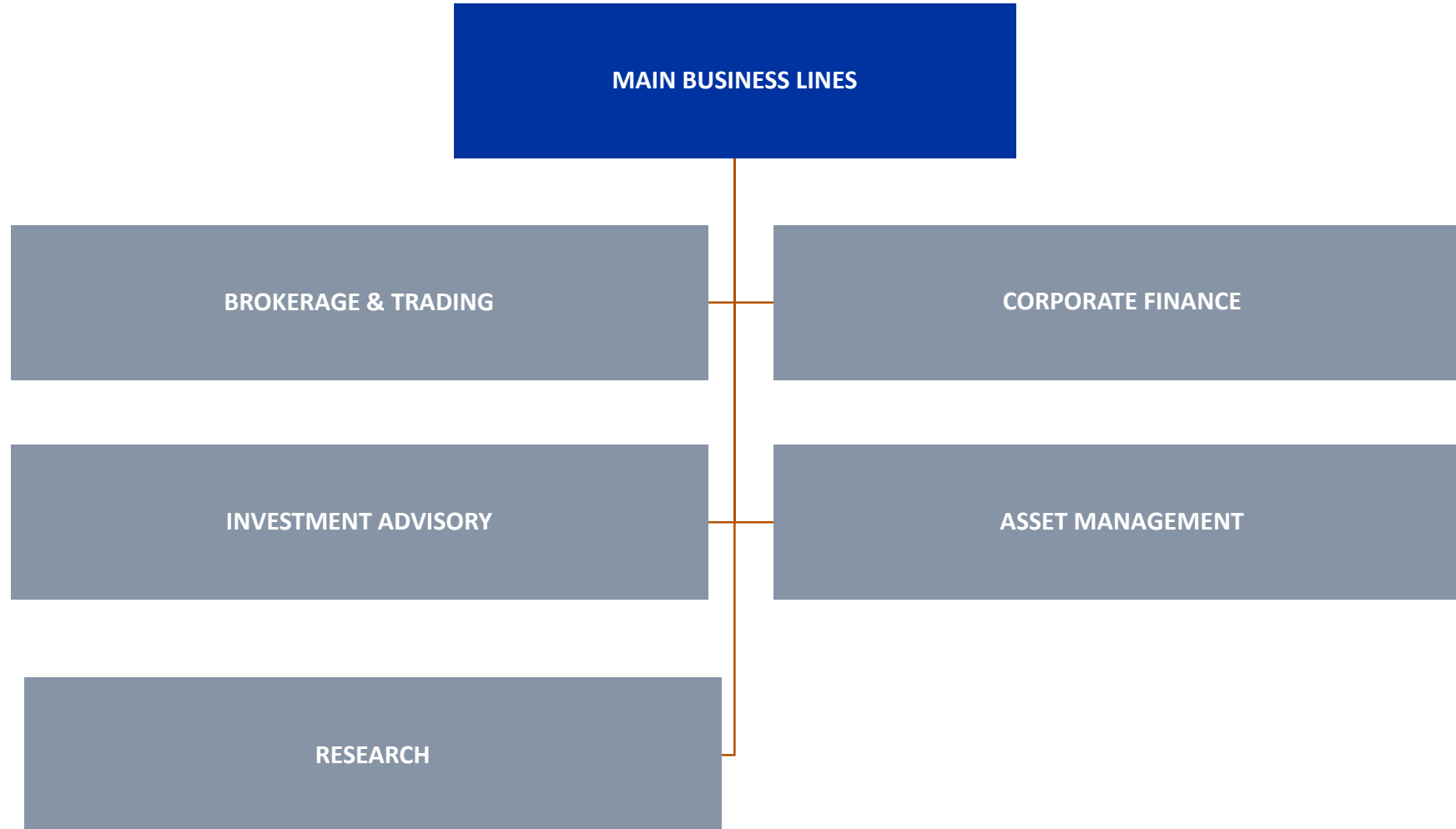
IS ASSET MANAGEMENT (70.00%)
One of Turkey's leading asset
management companies
by its TL 73 bn AuM

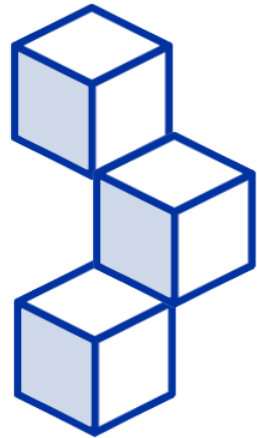


IS PRIVATE EQUITY* (29.1%)
One of the largest private equity
companies in Turkey; %27 IRR on
USD basis from its exits



IS INVESTMENT TRUST* (28.9%)
Closed-end fund representing
roughly 40% of the sector
by its TL 246 mn portfolio size



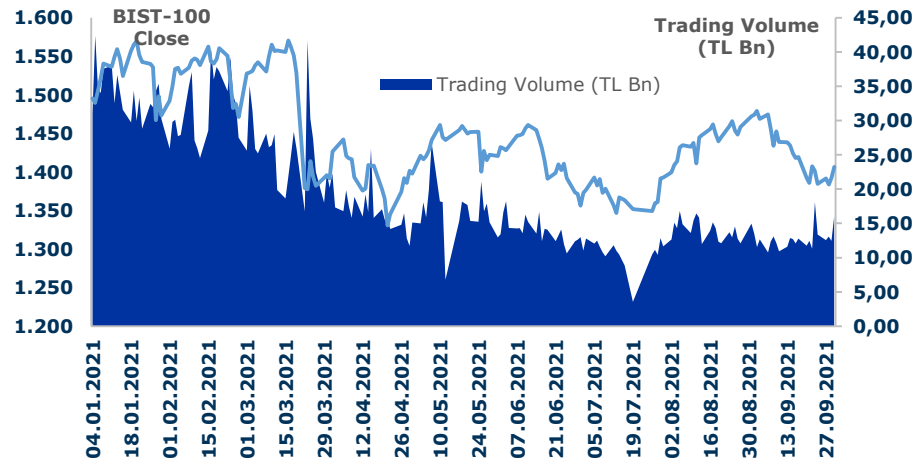
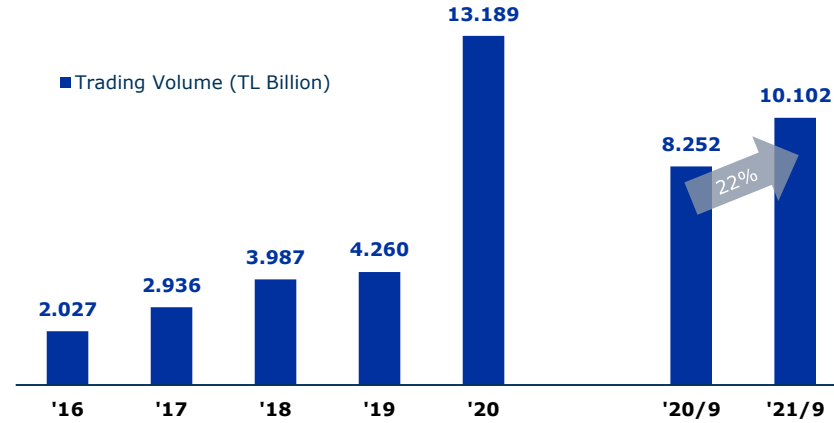


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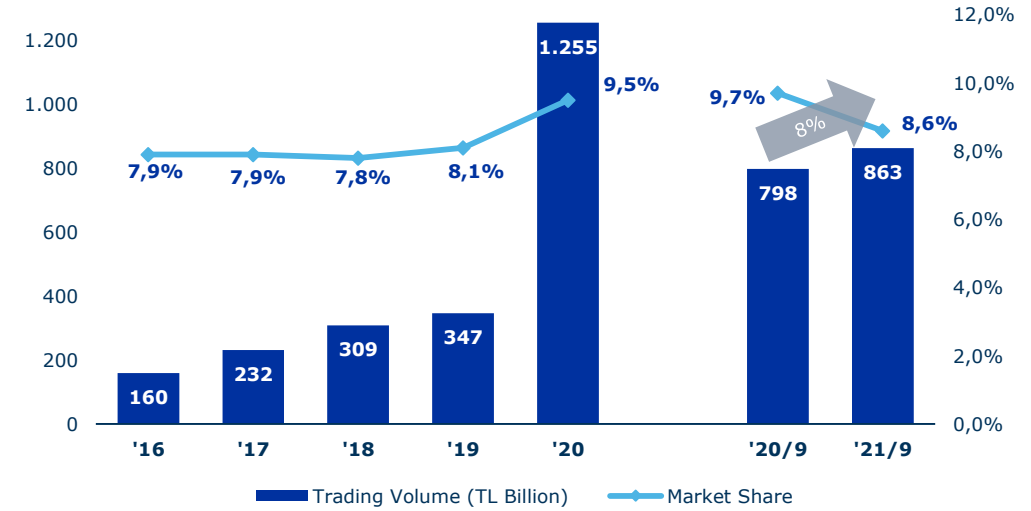
Operational Performance

Financial Results

Equity Market - Borsa Istanbul



IS Investment



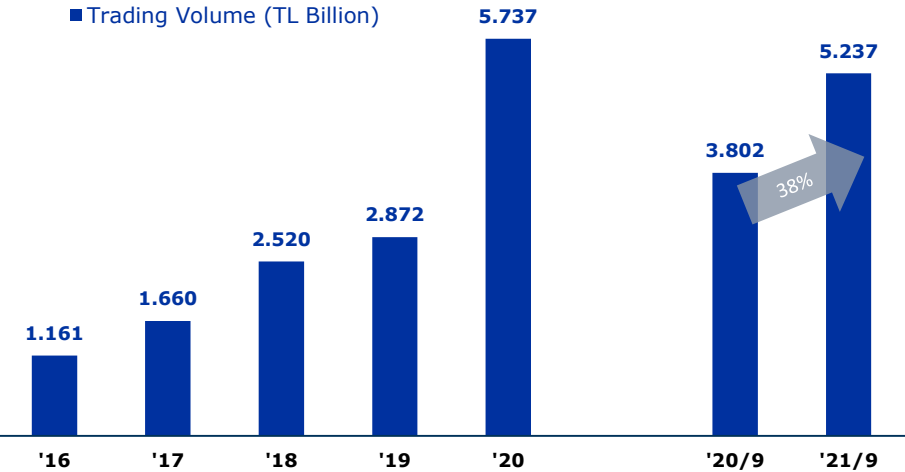
RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (TL MILLION)	MARKET SHARE (%)
1	BROKER 1	1.347.817	13,34
2	BROKER 2	1.020.206	10,10
3	IS INVESTMENT	863.393	8,55
4	BROKER 4	574.859	5,69
5	BROKER 5	480.030	4,75
MARKET TOTAL		10.101.966	-

Source: Borsa Istanbul, Equity Market Data
Market Transactions by Members

Our equity market trading volume in 9M21 increased by 8% y/y against the poor appetite in the last two quarters

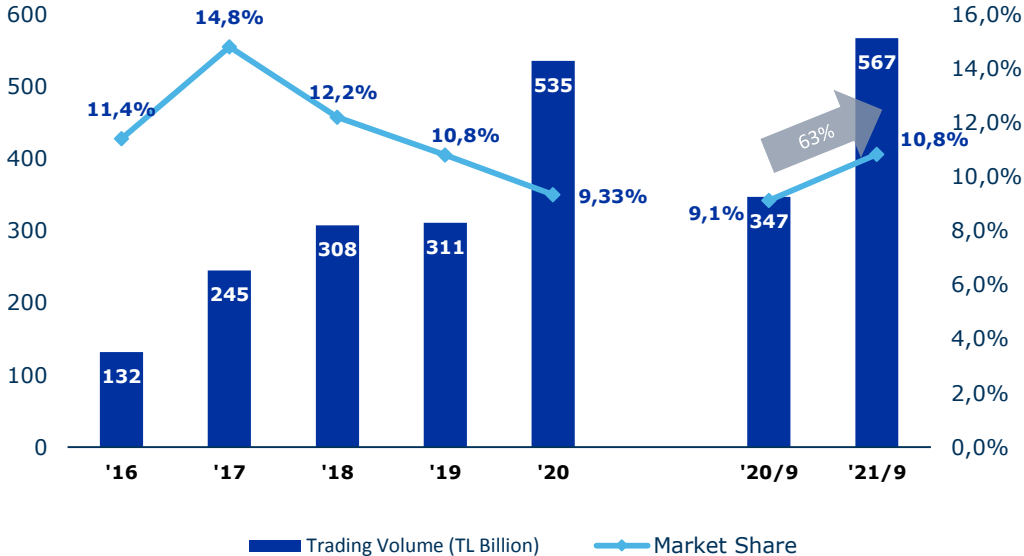
Operational Performance Derivatives

Turkish Derivatives Market (VIOP)



Source: Borsa Istanbul, Derivatives Market Data, Market Transactions by Members

IS Investment

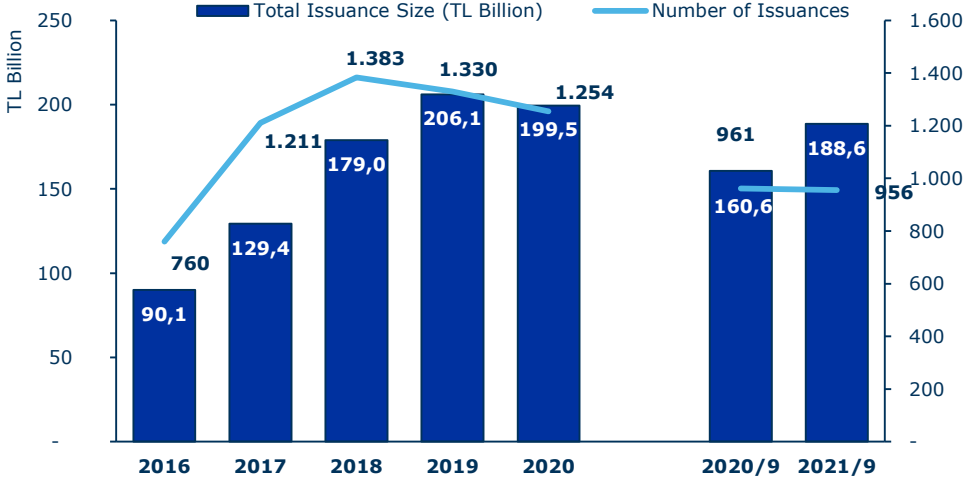


RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (TL MILLION)	MARKET SHARE (%)
1	BROKER 1	1.103.570	21,07
2	IS INVESTMENT	566.833	10,82
3	BROKER 3	355.226	6,78
4	BROKER 4	286.044	5,46
5	BROKER 5	263.820	5,04
MARKET TOTAL		5.237.476	-

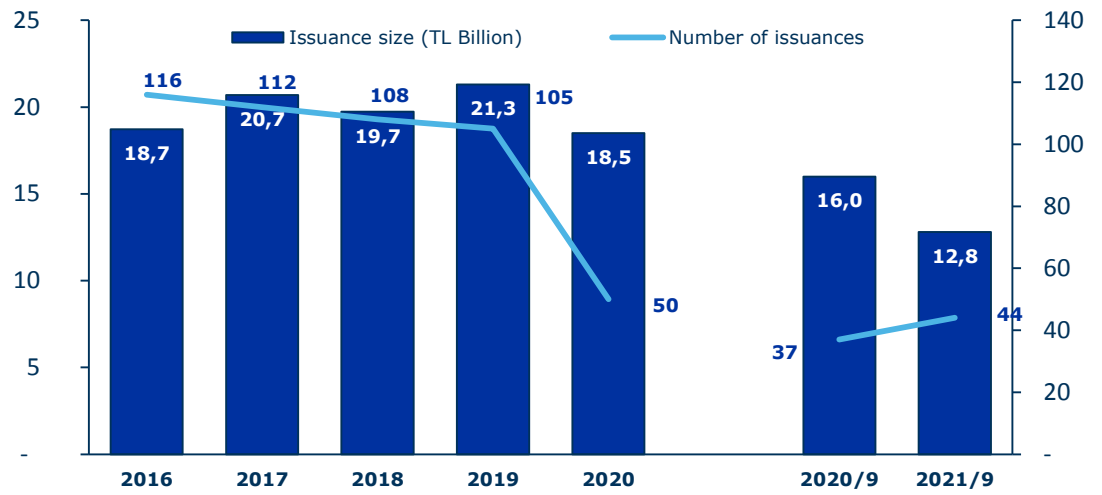
Continued to be market maker at index options, single stock and gold futures in derivatives market while increasing our trading volume by 63% with respect to the same period of 2020

Operational Performance Corporate Finance – Debt Securities Issuances

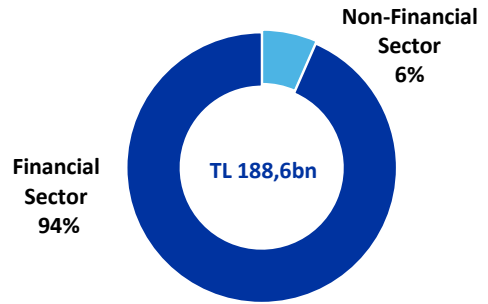
Debt Securities Issuances - Market



IS Investment



Sectoral Breakdown of Debt Sec. Issuances – 2021/9



Source: Borsa Istanbul, IPO Data

RANKING S	INVESTMENT COMPANY	TRADING VOLUME (TL BILLION)	MARKET SHARE (%)
1	BROKER 1	18,7	9,91
2	BROKER 2	17,4	9,25
3	BROKER 3	16,6	8,81
4	BROKER 4	15,7	8,30
5	IS INVESTMENT	12,8	6,79
MARKET TOTAL		188,6	-

We intermediated the issuance of 44 debt securities by a total nominal size of TL 12,8 bn in the nine-month period of the year

IPOs - IS Investment

<p>May 2021 ATP</p>  <p>IPO</p> <p>Consortium Leader \$21,2 mn</p>	<p>April 2021 Penta</p>  <p>IPO</p> <p>Consortium Leader \$71,1 mn</p>	<p>April 2021 Aydem Yenilenebilir Enerji</p>  <p>IPO</p> <p>Consortium Leader \$155,6 mn</p>
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M&A - IS Investment

<p>September 2021 Maxis Girişim Sermayesi</p>  <p>Has acquired 50% shares of Adnan Polat Enerji Yatırımı A.Ş.</p> <p>Financial Advisor to Buyer Undisclosed</p>	<p>September 2021 Mahindra & Mahindra</p>  <p>Has sold 94% of its shares in Hisarlar</p> <p>Financial Advisor to Seller Undisclosed</p>	
<p>April 2021 Çiftay İnşaat</p>  <p>Has acquired 30% of Batıçim shares from</p> <p>Financial Advisor to Buyer \$95 million</p>	<p>March 2021 Finch Capital</p>  <p>Has acquired 100% of Wirecard Turkey</p> <p>Financial Advisor to Seller Undisclosed</p>	<p>January 2021 IsBank</p>  <p>Has acquired 100% of Moka Payment Organisation</p> <p>Financial Advisor to Buyer \$3.8 million</p>

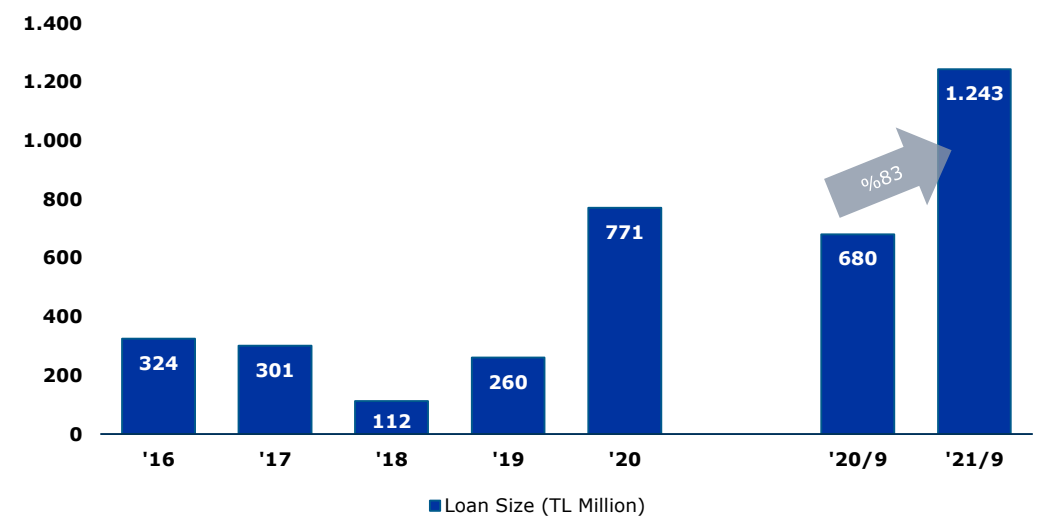
We performed 3 IPOs in Q2 with a total size of TL 2,1 bn while being financial advisor to 5 M&A transactions in 9M21

AuM - IS Asset Management

Assets Under Management (TL Million)	2020/9	2021/9	Change (%)
Mutual Funds	28.129	31.387	12
Pension Funds	27.840	32.315	16
Other	6.195	9.311	50
TOTAL	62.164	73.013	17

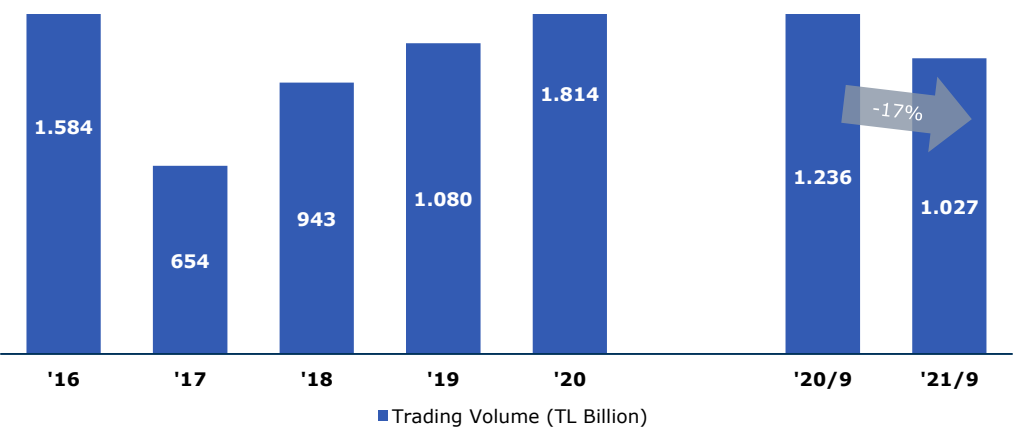
Source: IS Asset Management, AuM managed by IS Asset Management

Equity Loans - IS Investment



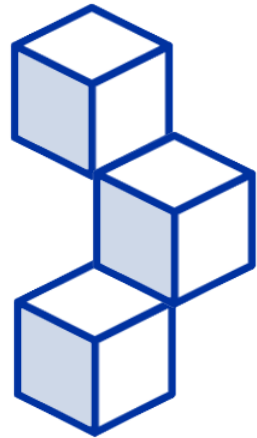
Source: IS Investment

Leveraged Transactions - IS Investment



Source: TSPB, IS Investment

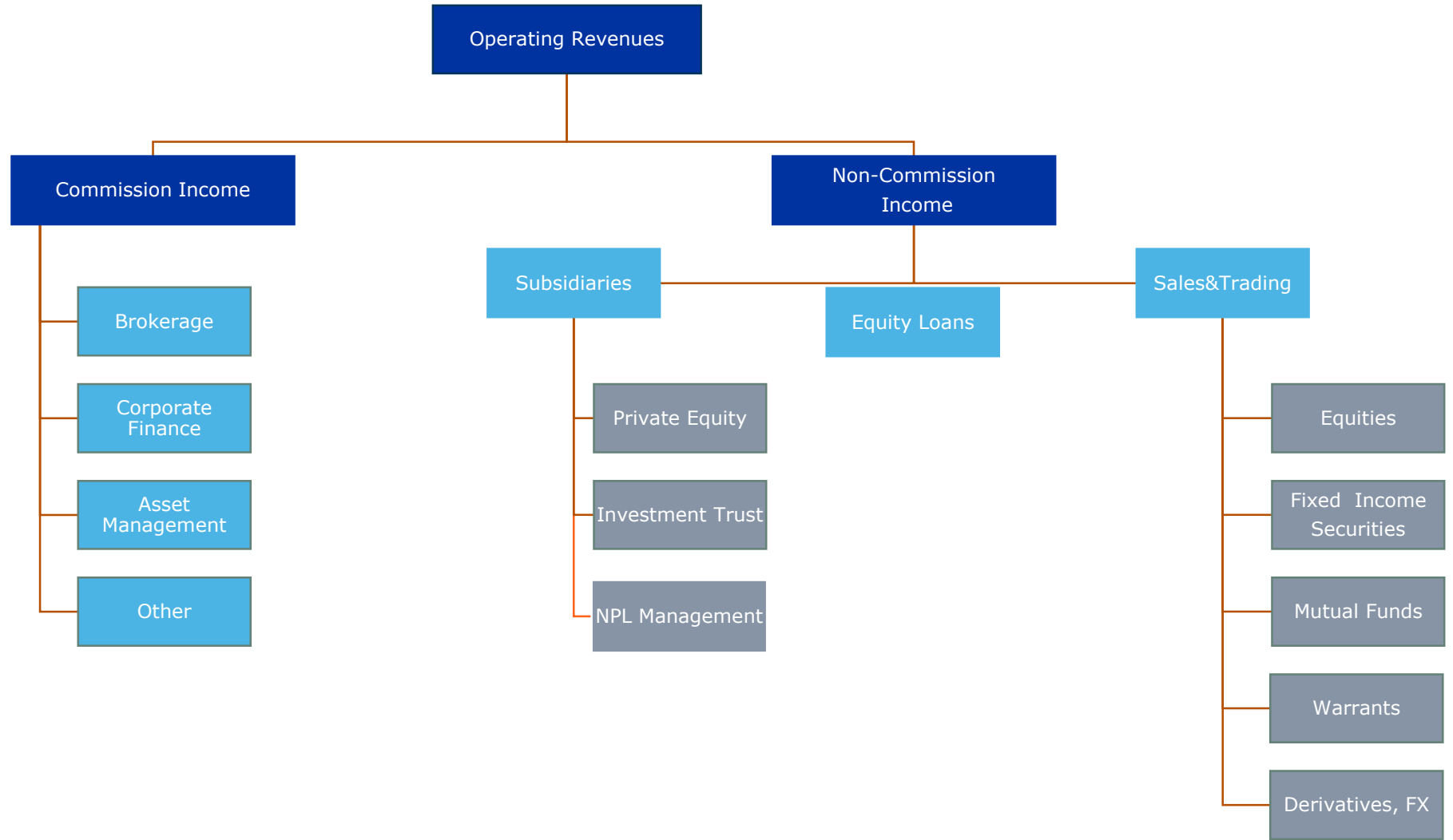
- Our equity loan size expanded to TL 1,2 bn as of end of September 2021 growing by 83% y/y and 4% q/q
- TL 73 bn size of AuM soared up 17% when compared to the same period of 2020 whereas pension funds grew by 16%
- Our leveraged transaction volume decreased by 17% y/y in 9M21 due mainly to the high base effect of 3Q20.



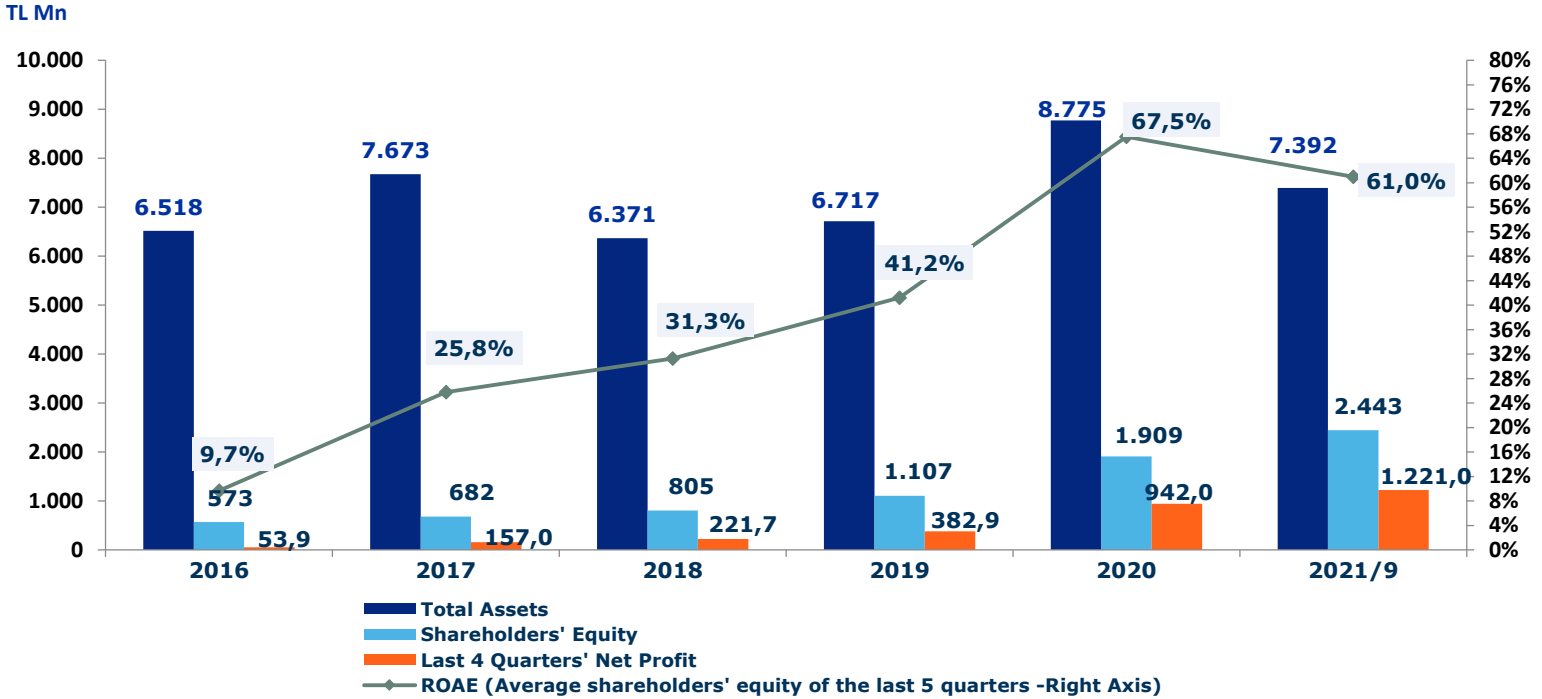
About Us

Operational Performance

Financial Results



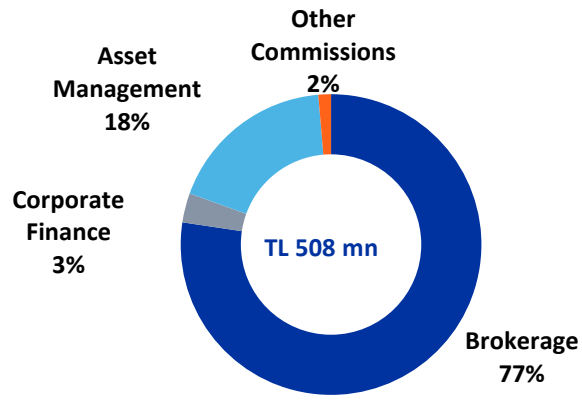
IS Investment - Consolidated (TL 000)	2020/9	2021/9	y/y (%)
Total Assets	7.686.678	7.392.031	-4
Shareholders' Equity	1.566.429	2.442.848	56
Net Profit	603.055	882.072	46



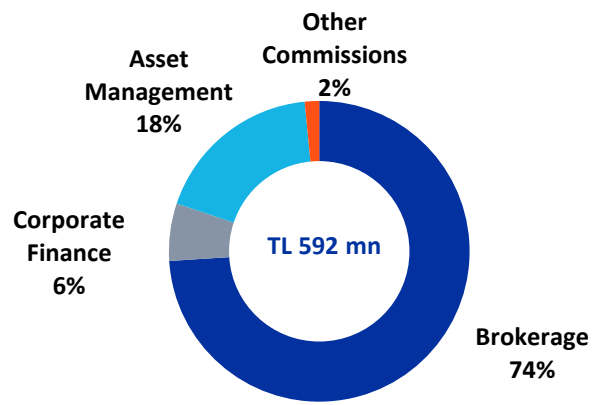
Consolidated net profit reached TL 882,1 mn increasing by 46% y/y and non-consolidated net profit reached TL 829,5 mn rising by 38% while ROAE realized at 61% and 60% respectively

Commission Revenues (TL 000)	2020/9	2021/9	y/y (%)
Brokerage	392.882	437.138	11
Corporate Finance	16.056	36.501	127
Asset Management	92.019	108.127	18
Other Commissions	6.889	9.398	36
TOTAL	507.846	591.164	16

Commission Revenues – 2020/9



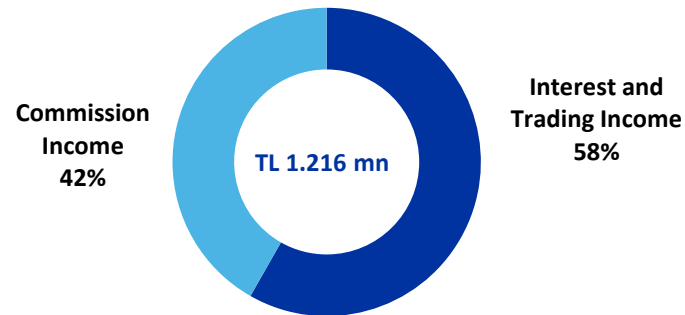
Commission Revenues – 2021/9



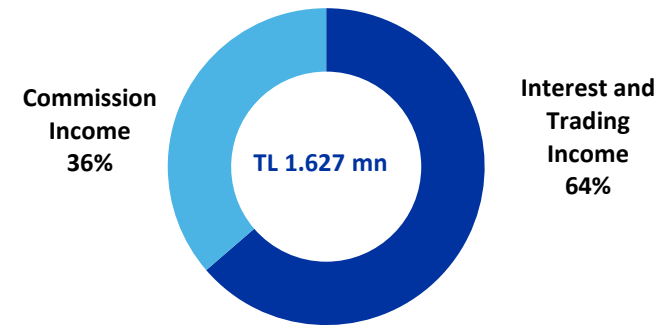
Despite the weak interest in equity transactions in the second and third quarters, brokerage revenues in 9M21 increased by 11% y/y taking 74% share in total commission revenues

Breakdown of Revenues (TL 000)	2020/9	2021/9	y/y (%)
Interest and Trading Income	708.035	1.036.330	46
Commission Income	507.846	591.164	16
TOTAL	1.215.881	1.627.494	34

Operating Revenues – 2020/9



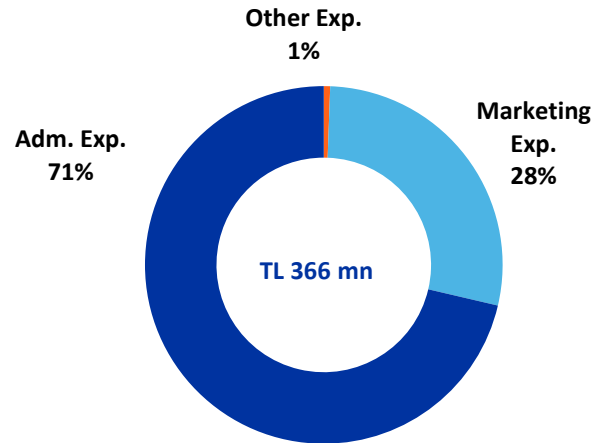
Operating Revenues – 2021/9



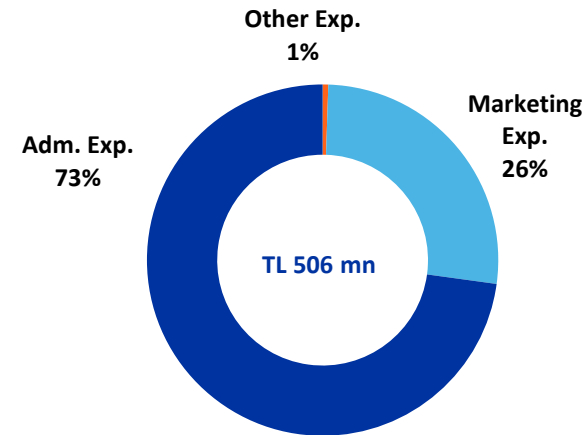
Total operating revenues rose by 34% with respect to the same period of 2020

Operating Expenses (TL 000)	2020/9	2021/9	y/y (%)
Marketing, Sales and Distribution Expenses	102.683	134.932	31
General Administrative Expenses	260.930	368.764	41
Other Operating Expenses	2.101	2.630	25
TOTAL	365.714	506.326	38

Operating Expenses – 2020/9



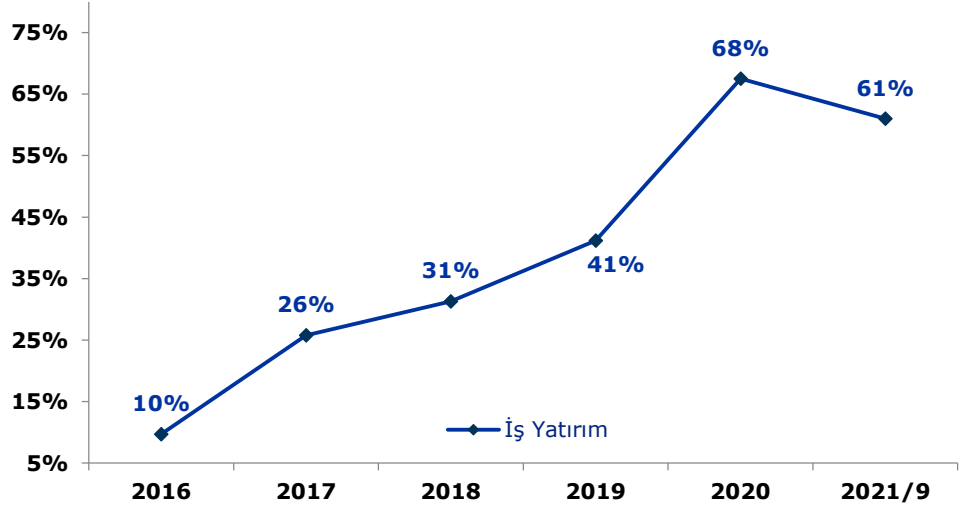
Operating Expenses – 2021/9



OPEX increased by 38% y/y due mainly to the increasing trading volumes both in domestic and international markets while keeping cost/income at a competitive rate of 31% thanks to the operational efficiency

Financial Results– Efficiency Ratios

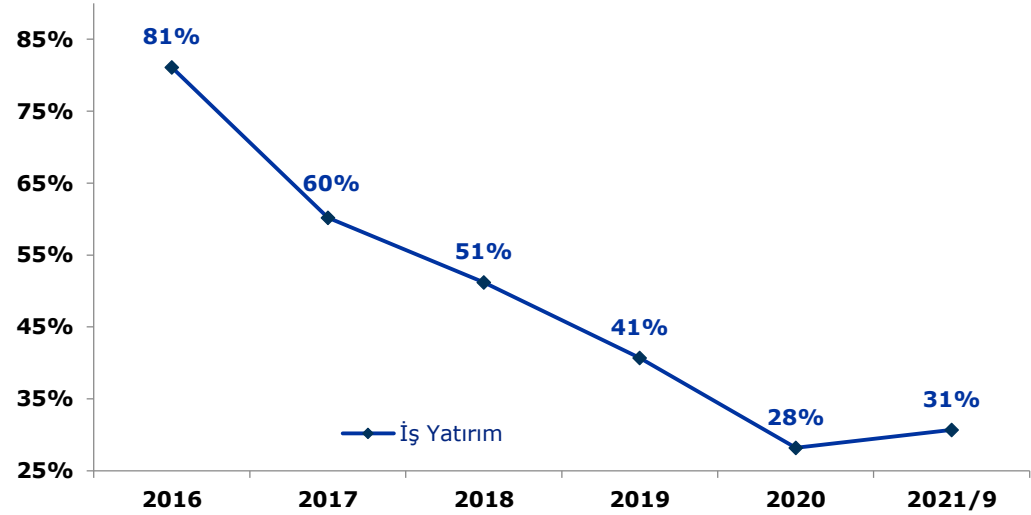
ROAE - ISMEN



-Consolidated figures

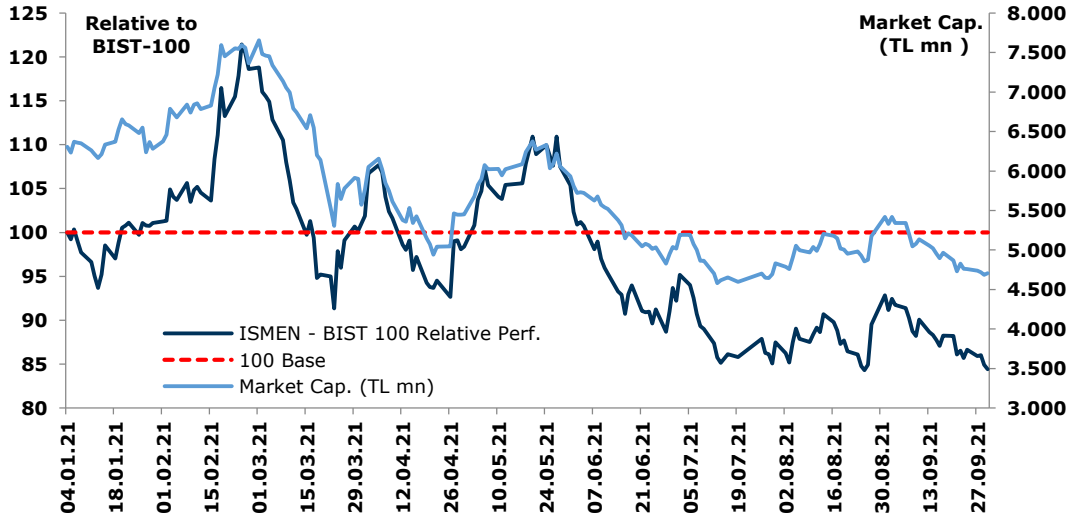
-Average shareholders' equity of the last 5 quarters

Cost/Income Ratio - ISMEN

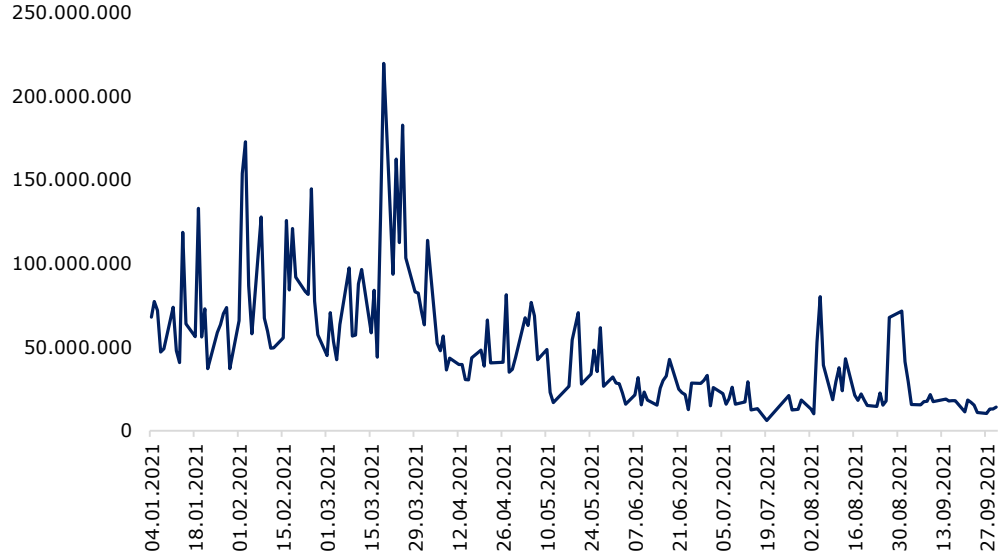


Cost/Income ratio and ROAE realized at 31% and 61% respectively in the nine-month period of 2021

Price Performance - ISMEN



Daily Trading Volume (TL) - ISMEN



Daily average trading volume of ISMEN was TL 48,7 in 9M21 (9M20: TL 35,4mn) while share price closed the period at TL 13,26 with a market cap. of TL 4,7bn

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