



SIEMENS FINANSAL KİRALAMA A.Ş.

30 SEPTEMBER 2022

ACTIVITY REPORT

Unrestricted

Siemens Finansal Kiralama A.Ş.
Mersis No: 0769007101000012
Ticaret Sicil No: 372954
KEP: siemensfinansalkiralama@hs03.kep.tr

Esentepe Mah. Yakacık Cad.
No:111/14 PK 34870
Kartal / İstanbul

Tel : +90(216) 459 30 30
Faks: +90(216) 459 26 40
www.siemensleasing.com.tr



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GENERAL INFORMATION

a) Activity report for the term 01/10/2021 – 30/09/2022.

b) Title of the Company : Siemens Finansal Kiralama A.Ş.

Trade Registry Number : Istanbul – 372954

Tax Registry Number : Boğaziçi Kurumlar Vergi Dairesi – 7690071010

Date of Establishment

(Permission and Registration Date) : 9 July 1997

Address : Esentepe Mahallesi Yakacık Caddesi No: 111 Kartal / İstanbul

Telephone : 0 216 459 3030

Fax Number : 0 216 459 2640

Website : www.siemensleasing.com.tr

Legal Auditors : Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Branch : Ankara

Address : Eskişehir Yolu, Bilkent Kavşağı Mustafa Kemal Mahallesi 2118. Cad. No:4 Maidan İş Merkezi A Blok, Kat: 5, D: 52 Çankaya / Ankara

Telephone : 0 539 795 2200

Date of Establishment : 11 July 2013

Manager : Meryem Girgin Ercanlı

c) Paid In Capital as of 30 September 2022 : 234,000,000 TL

Partners

Name of the Partner	Share Amount (TL)	Share Percent %
Siemens AG	233,999,950	99.99
Bülent Taşar	50	0.00
Total	234.000.000	100.00

No organizational change was implemented within the mentioned period.

d) There is no share of the company with privileged share and the shares enjoy equal rights with regard to voting

e) Number of Personnel : 65 (30 September 2021 – 57)

MEMBERS OF THE BOARD OF DIRECTORS

Full Name	Post	Beginning and Termination
Hüseyin Gelis	Chairman	24.02.2021 – 24.02.2024
Thomas Kolbinger	Member	24.02.2021 – 24.02.2024
Emre Kemal Girginer	Member- General Manager	22.12.2021 – 24.02.2024
Matthias Grossmann	Member	24.02.2021 – 24.02.2024

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Hüseyin Gelis

Chairman

Hüseyin Gelis, General Manager of Siemens Turkey, finished primary, secondary and high school in Germany. He went on to study Micro and Macro Economics at the University of Berkeley and Business Administration at University of Phoenix.

Mr. Gelis started his career at Siemens in 1976 and received a training of Microchip Manufacturing Process and carried out market analysis in Argentina and Brazil. Between 1990 and 1993 he worked as a Project Director at ROLM System Company, established jointly by Siemens and IBM. He was the director of Institutional Networks Department at Simko since 1993.

Between 1996 and 2000, he was responsible for marketing and sale of mobile phones and beepers in USA at Siemens. Hüseyin Gelis, who worked as a CFO and Vice President in Siemens India, became the General Manager of Siemens Turkey on 1 October 2007 while he was serving as a Vice President and CFO at Siemens Canada.

Thomas Kolbinger

Member

Thomas Kolbinger studied finance and accounting in Switzerland, at the University of St.Gallen. He worked as Strategy Director at Simko between 1993 and 1996. Then he worked as a Commercial Sales Executive at Siemens AG. He worked as a CFO at Siemens Venture Capital GmbH for ten years starting from 1999. He is the CFO of Siemens Sanayi ve Ticaret A.Ş. since 2009.

Emre Kemal GİRGINER

General Manager, Member

Emre Kemal Girginer, born in 1973, graduated from the Finance Department of Saint John's University in New York, USA in 1996. Later, he received an academic achievement scholarship at the same university and worked as a research assistant at the University, where he completed his MBA. Between 1995-1996, he worked as an Analyst at Fidelity Investments investment company in New York. Between 2000-2002, he worked as a Business Consultant at Sapient Company in New York. Since 2002, after taking various roles in Siemens' Financial Services company in New York, USA, he became the President of the Strategy, Marketing and Business Development Group. He was selected to Siemens' Emerging Leader program in America and successfully completed the program. In 2006, he was promoted to the position of Sales and Marketing Team Leader & Director of the US Region of Siemens Financial Services Industrial Finance Group. He returned to Turkey in 2010 and started to work as Siemens Financial Officer and Director of Turkey. In addition to that, he has undertaken the task of Director of Finance(Head of Financing) of Financial Services' Consultancy Services of Siemens in Turkey. He has developed financing solutions to Siemens Turkey's corporate customers which is supported by Euler Helmes Germany and / or other countries' Eximbanks. In addition to his current position, he was appointed as Business Development and Corporate Communications Deputy General Manager at Siemens Finansal Kiralama. At 22nd December, 2021, he was appointed as General Manager at Siemens Finansal Kiralama A.Ş.



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Matthias Grossmann

Member

Matthias Grossman studied Business Administration at Berlin Technical University in Germany. He worked as Financial Control Department Manager at Siemens Leasing Germany between 1999-2006. After working as Senior Vice President and CFO at Siemens America between 2006-2011, he worked as the Siemens Group Corporate Pension Manager at Siemens AG between 2011-2016. He worked as CFO at Siemens Switzerland and Nordic between 2016-2018. He has been working as CEO of Commercial Finance at Siemens Financial Services since 2019.

SIEMENS FINANSAL KİRALAMA A.Ş. SENIOR ADMINISTRATION

<u>Full Name</u>	<u>Title</u>	<u>Experience</u>
Emre Kemal Girginer	General Manager- Member	27 years
Belgin Şen	Assistant General Manager - Finance and Administration	22 years
Levent Kirbıyık	Assistant General Manager – Responsible for Sales	25 years
Asım Bora Kulja	Assistant General Manager - Credits	21 years

Emre Kemal Girginer

General Manager, Member

His curriculum vitae were presented above among the Members of the Board of Directors.

Belgin Şen

Assistant General Manager - Finance and Administration

Belgin Şen, born in 1978, started her career at Ernst & Young Audit Company after graduating from Istanbul University, Department of Business Administration in 2000. She worked at QNB Finans Leasing in 2003 as the Group Manager responsible for the Financial Control and Information Technologies departments until 2020.- After working as Assistant General Manager of Financial Affairs and Operations at Deniz Leasing between 2020-2022, he started working at Siemens Leasing in August 2022.

Levent KIRBIYIK

Deputy Assistant General Manager – Responsible for Sales

Levent Kirbıyık, born in 1975, graduated from Istanbul Technical University Mining Engineering Department in 1997, started his career as a sales representative at Interlease and later continued as Sales Manager at Pamukleasing and Yatırım Leasing companies. In 2009, he started to work as Sales Manager at Siemens Finansal Kiralama. He was appointed as Deputy General Manager in 2020. He is responsible for Vendor, Direct and IVA business.

Asım Bora Kulja

Assistant General Manager - Credits

Asım Bora Kulja was born at 15th April, 1977 in Afyonkarahisar. He obtained his bachelor degree from Başkent University and then successfully completed the MBA program of Istanbul University. Following to his bachelor and MBA programs, he graduated Finance Master's Degree Program of Koç University. In 2002, he started his professional career in Koç Bank A.Ş. as Sales Representative. Then, he had different roles and responsibilities during his more than 20 years career within Garanti Leasing Finansal Kiralama A.Ş. and Siemens Finansal Kiralama A.Ş.. At 7th February, 2022, he was appointed as Chief Risk Officer of Siemens Finansal Kiralama A.Ş.



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- f) The members of the Managing Body of our company are not involved in any transaction with our company, neither in person, nor on behalf of other.

RIGHTS GRANTED TO THE MEMBERS OF THE MANAGING BODY AND SENIOR MANAGEMENT

- a) Our company does not make any payments to the members of the Board of Directors of the company.

The company paid 10.547.859 TL gross to the General Managers and Assistant General Managers as salary and premium in 2022 Financial Year.

- b) Our company does not make any payment in kind or in cash such as travel expense, accommodation, representation expense etc. to the senior administrators. Travel and accommodation expenses generated with the purpose of conducting business are reimbursed after proper documentation. The expenses with regard to the company car, fuel oil, mobile phones and meeting expenses as well as individual insurance expenses and Company proportion of retirement insurance are covered by our Company.

RESEARCH AND DEVELOPMENT ACTIVITIES

In this financial term, especial attention was paid, as in the previous terms, to market analysis, new equipment types, opening of new vendors, studies on providing our customers with different possible methods of payment and profitability analysis of these, development of projects which will provide cost savings, organization of competitions named as Puma which contributes positively to the acceleration, development, improvement of the business as well as boosting the performance as well as many studies carried out with the participation of all the personnel. In addition to this, new project has been started to perform online services to our customers. Automated daily collection and weekly sales reports by integrating RPA systems which increases efficiency. Additionally, in line with our company's sustainability vision, sales/leasing activities related to energy efficiency projects of companies were performed.

THE ACTIVITIES OF THE COMPANY AND SIGNIFICANT DEVELOPMENTS WITH REGARD TO THE ACTIVITIES

a) Investments made in the relevant accounting year

Our company activated a financial leasing investment worth 1.531 Million TL in 2022, as a result of which its trading volume increased by 17,2% compared to 2021. Our asset totals increased by 50,51% compared to 2021 and became 3.909 Million TL. Our equity decreased by 0,01% compared to year 2021 and reached 561.779 million TL. Our profit before taxation, which was 134,2 Million TL last year, has become 131,2 Million TL this year.

As of 30 September 2022, the receivables of our Company resulting from the financial leasing granted to international companies, small and large companies as well as small and medium sized companies are distributed between the sectors as follows: 19% from Health Sector, 18% from Metal sector 14% from construction sector, 14% from processed metal products industry; and 35% from other sectors.

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b) Internal control and auditing activities

Internal control, risk management and internal audit systems and information management system in accordance with the relevant legislation establishment, functioning, suitability and adequacy of financial reporting systems, securing it, separating authorities and responsibilities, making necessary functional distinctions, establishment of management structures and processes within the framework of corporate governance principles and activities, ensuring its continuity is the responsibility of the Board of Directors of the Company. In this matter, the company has hired required personnel in order to perform internal control activities and internal controller's authorities and responsibilities have been determined.

Our Company's Internal Control Department periodically conducts audits and internal controls in order to test and submit the company is inline with regulations and defined processes. Reporting of internal controlling activities regarding BRSA is performed twice a year, AML/ CFT and IT Management systems reportings are performed once a year to the Board of Directors. In addition, the results and effectiveness of these audit activities are also examined by independent auditors and the German Central Internal Control/ Audit Department, and feedback is reported.

c) Direct or Indirect Shareholding

Not applicable.

d) Acquired own shares

Not applicable

e) Private and public audit carried out within the accounting term

In accordance with article 134 of the tax procedure law numbered 213, the examination of the accounts and transactions for 2018 period continues.

f) Lawsuits filed to the detriment of the Company or which may affect the financial situation and activities of the company

Not applicable

g) Administrative and Judicial fines imposed upon the company and the members of the Board of Directors as a result of operations not conforming to the legislation

Not applicable

h) On whether the company reached the goals specified in the previous terms, whether the resolutions at the general assembly were realized, and the reasons why the company was unable to reach its goals if it did not

Our company achieved the goals specified and all the resolutions taken at the General Assembly were realized.

i) The date of the extraordinary general assembly, is applicable, the resolutions of the assembly and other information with regard to the extraordinary general meeting including the actions taken for the resolutions

The Ordinary General Assembly was held on 29 June 2022. The decisions taken at the General Assembly were as follows:

- 1) A unanimous decision was taken for the appointment of Emre Kemal Girginer as Meeting Chairman, Atty. Deniz Ulaş Göçen as Secretary, Atty. Murat Şekercan as Vote Collector.
- 2) The Annual Report of the Board of Directors was read and discussed.
- 3) Report of the Auditors was read and discussed.
- 4) Financial Tables were read, discussed and ratified by unanimous vote.
- 5) Discussion was opened on discharging the Board of Directors. Ministry Representative has read the article 436/2 of Turkish Commercial Code and informed the General Assembly. Separate voting has been conducted in accordance with the article 436/2 of Turkish Commercial Code

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for each Board Members who acted in such role for the time period 01.10.2020 – 30.09.2021. After the separate voting session below decision were made for each Board Members.

- a) A unanimous decision was taken to discharge of Chairman of the Board of Directors Mr.Hüseyin Geliş.
 - b) A unanimous decision was taken to discharge of Vice President of the Board of Directors Mr.Matthias Alfred Werner Grossmann.
 - c) A unanimous decision was taken to discharge of Member of the Board of Directors Mr.Thomas Kolbinger.
 - d) Due to current reviews on his actions within FY2021, an unanimous decision was taken not to discharge of Member of the Board of Directors Mr.Bülent Taşar, who is removed from his duties as of 22.12.2021. It is also decided to rediscuss of discharging Mr.Bülent Taşar after current reviews are finalized.
- 6) Discussion was opened on salary and attendance fees of Board of Directors. A unanimous decision was taken on not to pay any salary or attendance fee to Board of Directors members for their duties as Board Members.
- 7) The auditor Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was released from liability by unanimous votes of the shareholders
- 8) Discussion was opened to decide usage of dividend, dividend payments to shareholders and their shares. Written approval of Banking Regulation and Supervision Authority's and the offer of Board of Directors dated 29.06.22 and numbered on dividend payment distribution have been read. After the discussion:
- i. It is decided to distribute first dividend 11,700,000-TRY gross from 134,213,608.27-TRY total profit, after deducting the corporate tax provision and deferred tax amount from the 2021 Fiscal Year profit and after setting aside the first tranche general legal reserve in accordance with the 519th article of the Turkish Commercial Code (equals to 5% of the company's paid-in capital). It is also decided to distribute 40.643.929,73-TL second dividend after setting aside the second order general legal reserve in accordance with the 519th article of the Turkish Commercial Code from the remaining profit.
 - ii. It is decided to distribute total remaining balance of extraordinary legal reserves amounting 213.787.158,45-TL after setting aside the legal reserves in accordance with the 519th article of the Turkish Commercial Code.
- After the income tax withholding is occurred from the gross 103.436.929.73-TL, net 98,265,083,24-TL portion of the total dividend will be offered to be distributed after deducting the debts of shareholders. Remaining amount shall be paid to shareholder at the time and way to be decided by Board. Remaining 146.449.871,32-TL from the total profit will be paid at the time and way to be decided by Board upon receiving the approval from Banking Regulatory and Supervision Authority.
- 9) Discussion was opened on midterm financial statements ratification and advanced dividend payment in accordance with the Communiqué regarding to Advanced Payment of Dividends dated 9th August, 2021. It is decided not to pay advanced dividend to shareholders.
- 10) Discussion was opened on the assignment the independent auditor for the next financial year. In the election, "Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş." having its seat at Orjin Plaza, Maslak No: 27, Kat: 1-5, Eski Büyükdere Cad. Sarıyer, İstanbul, has been appointed as the independent auditor for the next financial year according to the Turkish Commerce Code No. 6102.
- 11) The members of the Board of Directors were unanimously invested with the authority to execute the procedures required by Articles 395 and 396 of the Turkish Commercial Code.
- j) **Grants and donations given by the company as well the spending made within the framework of social responsibility projects**

Not applicable



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- k) If the company is a part of a group of companies, legal procedures carried out with the holding company, with a company affiliated with the holding company, through the direction by the holding company for the benefit of the holding company or any other company affiliated with it; measures taken and avoided in the past activity year for the benefit of the holding company or any other company affiliated with it.

Not applicable

- l) If the company is a part of a group of companies; according to the terms and conditions prevalent as of the date of completion of the legal procedure or measures taken or avoided as explained in Paragraph (k), whether the company acquired any counter act or whether the measure taken or avoided caused any loss for the company, if they caused losses on the company, whether this was equalised or not

Not applicable

- m) Determination and management body evaluations regarding whether the company's capital is unrequited or whether it is in debt

The capital of the company was not unpaid and there was no insolvency situation.

- n) Measures to be taken to improve the financial structure of the Company, if any

Risk management and credit policies are given importance in the effective follow-up of receivables.

- o) Analysis and evaluation of the management regarding the financial situation and operating results, the degree of realization of the planned activities, the status of the Company against the determined strategic targets

Our company activated a financial leasing investment worth 1.531 Million TL in 2022, as a result of which its trading volume increased by 17,2% compared to 2021. Our asset totals increased by 50,51% compared to 2021 and became 3.909 Million TL. Our equity decreased by 0,01% compared to year 2021 and reached 561.779 million TL. Our profit before taxation, which was 134,2 Million TL last year, has become 131,2 Million TL this year.

As of 30 September 2022, the receivables of our Company resulting from the financial leasing granted to international companies, small and large companies as well as small and medium sized companies are distributed between the sectors as follows: 19% from Health Sector, 18% from Metal sector 14% from construction sector, 14% from processed metal products industry; and 35% from other sectors. The company continues its activities in line with the determined strategies. We think that new investments will increase rapidly as our country starts to grow again, and we are making our plans in this direction.



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- p) Information on the company's sales, productivity, revenue generation capacity, profitability, and debt/equity ratio during the year, compared to previous years, and other matters that will give an idea about the results of the company's operations, and future expectations

As of September 30, 2022, financial leasing revenues amounted to TL 349.1 million (2021: TL 232 million).

As of 30 September 2022, and 2021, the average interest rates applied to financial instruments are as follows:

	30 September 2022			30 September 2021		
	US Dollar (%)	Euro (%)	TL (%)	US Dollar (%)	Euro (%)	TL (%)
Assets						
Banks	0,43%	-	17,25%	-	0,10%	17,25%
Financial leasing receivables	8,70%	4,90%	23,91%	7,85%	4,74%	18,24%
Liabilities						
Credits received	0,19%	0,12%	25,67%	3,34%	2,02%	15,86%
Payables from operational leasing	-	-	18,28%	-	-	17,36%
	0,43%	-	17,25%	-	0,10%	17,25%

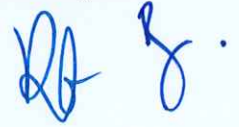
As of September 30, 2022, the total amount of loans used by the Company from financial institutions is 3.002 million TL, and the Company's debt/equity ratio (Liability/Equity) is 5.69 (2021: 1.865 million TL and 3.6, respectively).

The company paid 159.1 million TL interest on the loans used in 2022 (2021: 87.4 million TL).

The net profits of the company for the years ended 30 September 2022 and 2021 are 134 million TL and 98.3 million TL, respectively.

- q) Information on the dividend distribution policy and a proposal on how to use the undistributed profit with its justification if dividend distribution will not be made

According to the letter numbered E-12509071-102.02.01-3090 published by the Banking Regulation and Supervision Agency in 2020, no profit distribution was made. In this regard, in 2022, it is planned to retain the profits to be used in the realization of the company's growing business volume targets.



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FINANCIAL SITUATION

The audit report prepared by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to be presented to Banking Regulation and Supervision Agency has been submitted as an annex to this report.

RISK AND THE EVALUTION OF THE MANAGING BODY

a) Information with regard to the risk management policy of the company against the projected risks

Exchange rate risk

Since our financial statements are prepared in TL, these financials statements are affected by the fluctuation of the foreign currencies against TL.

Foreign currency risk is the risk generated as a result of the change in the value of a financial instrument because of the changes in the exchange rates. Our company has a minimum risk of foreign currency risk as a result of receivables and debts in foreign currency. Main foreign currencies causing the abovementioned risks are USD and Euro.

Our company constantly monitors the position of foreign currency in the balance sheet so as not to take a risk of exchange rate. Receivables and debts in foreign currency within the Assets and Liabilities are in their own currency and equal in terms of their instalments. In addition to that, our company minimizes the risk of exchange rate risk through derivative transactions. The reason behind the exchange rate risk of our company results from the customers, who do not have much income in foreign currency but have debts in foreign currency, being affected by the fluctuations in the exchange rate. This risk is taken into account in the loan evaluation processes and minimised.

Credit risk

Credit risk is generally resulted from financial leasing receivables. As of 30 September 2022 and 2021, collaterals were calculated in accordance with the principles and rates specified in " Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies " announced by Banking Regulation and Supervision Agency on 24 December 2013 and published in the Official Journal numbered 28861.

As of 30 September 2022, the receivables of our Company resulting from the financial leasing granted to international companies, small and large companies as well as small and medium sized companies are distributed between the sectors as follows: 19% from Health Sector, 18% from Metal sector 14% from construction sector, 14% from processed metal products industry; and 35% from other sectors.

Market risk

Market risk is the changes in the interest rates, exchange rates and other financial contracts to be occurred and o be affected negatively. Our company does not have either an exchange rate risk or interest rate risk. Our company uses long-term loans whose instalments are in accordance with the receivables from financial leasing as collateral against fixed-interest rate financial leasing contracts.

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Liquidity risk

Liquidity risk generally occurs during the funding of activities and management of positions. This risk also includes the risks of being unable to fund assets with appropriate instalments and rates or being unable to sell out certain asset at an appropriate time at an appropriate price. The companies have the right to use banks and its shareholders as funding source. Our company assesses the liquidity risk constantly by identifying and monitoring the changes in the conditions of funding necessary to achieve its goals. In addition to this, as a part of the liquidity risk management strategy, the company keeps a portfolio of liquid assets. There is no liquidity risk since the short term receivables are more than the short term debts.

b) Information with regard to the activities of the Committee on the Early Identification and Management of Risks if there is any

Our company holds evaluation meetings twice a year by means of Compliance and Risk and Internal Control (RIC) committee meetings. In these meetings, General Manager and Assistant General Managers, Internal Control Director and related key personnel took part, risks are evaluated, the actions needed to be taken are determined and recorded in a meeting minute.

c) Future risks on issues such as sales, efficiency, income generation capacity, profitability, debt / equity rate and similar issues

The risks of exchange rate, loan and market, which are monitored at the moment, will continue to be monitored and necessary actions will be taken. The shrinkage in the world economy and its effect on our company as well as the political risks that may occur in relation with neighbouring countries are monitored carefully. We will continue to pay a maximum amount of attention and diligence in order to minimize the negative effects of these internal and external effects on our present portfolio, stakeholders, shareholders and employees.

OTHER ISSUES

There are no other issues requiring further explanation

ACTIVITY REPORTS OF THE HOLDING COMPANY IN COMPANY GROUPS

Not applicable

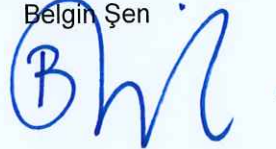
CEO

Emre Kemal Girginer



CFO

Belgin Şen



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