



Its strength is implicit in its name...

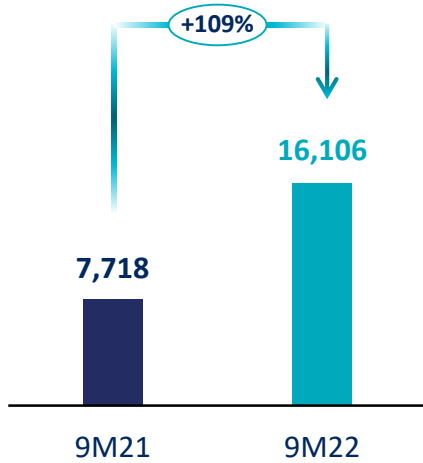
Earnings Presentation

9M 2022

Oct 31, 2022

Gross Written Premiums

Cumulative, Million ₺

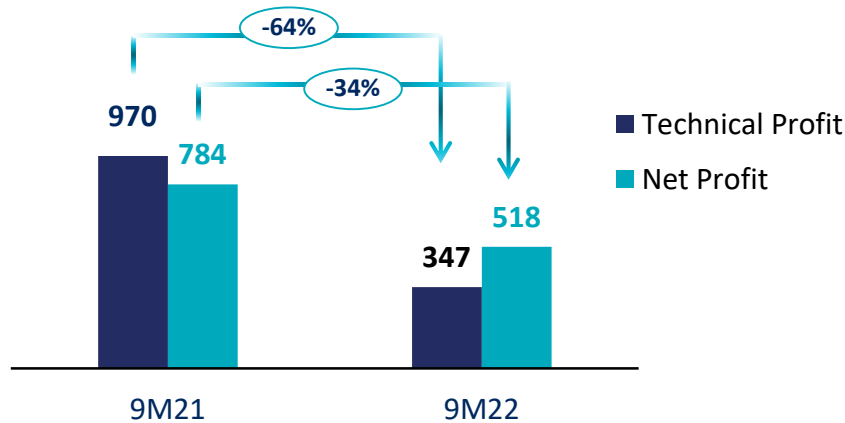


#1 in GWP Production



Technical & Net Profit

Cumulative, Million ₺



Premium Production

- 16.1 bn ₺ premium production, up by 109% YoY
- Sector leadership with 12.8% market share
- Normalization trend begins in MTPL, its market share retreated from 16% in H1 to 13% at the end of 9M

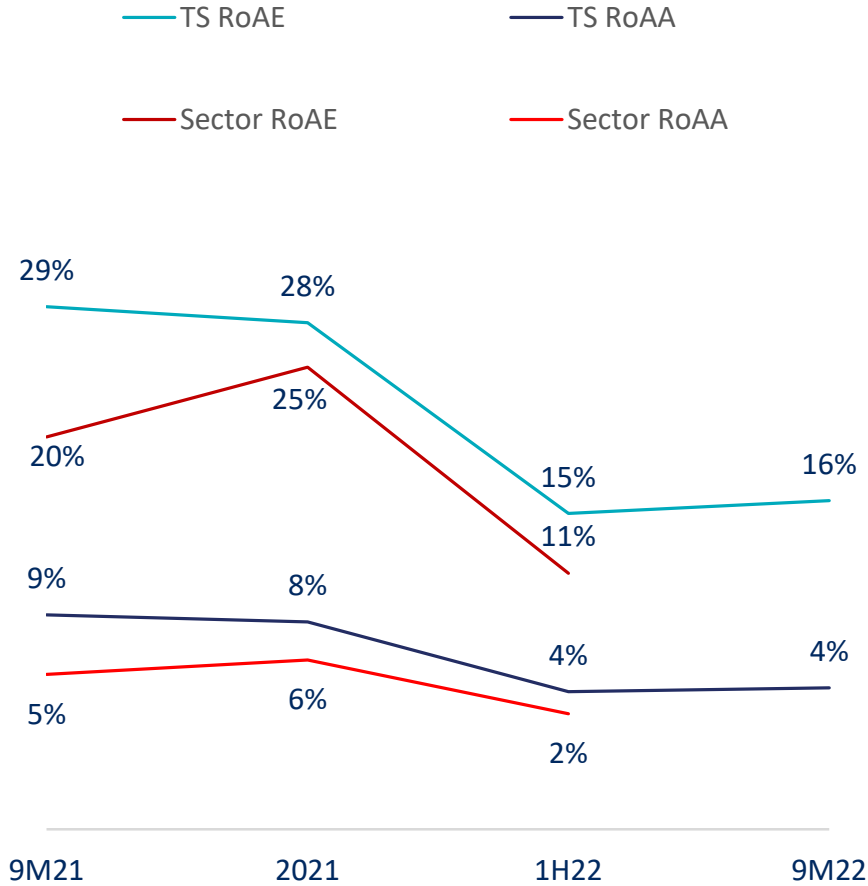
Technical Snapshot of 9M22

- Strong base effect of 2021, particularly prior to the full opening, on lower mobility and damage frequencies due to pandemic
- Upturning technical fundamentals thanks to new premium production and policy renewals
- Increasing damage frequency and claims cost in motor & health branches, yet a second consecutive quarter of improvement in MOD's technical results
- Despite a significant rise in the minimum attorneyship fees, total loss ratio remained resistant
- 347 mn ₺ Technical Profit despite the high level of claims cost increases across the sector

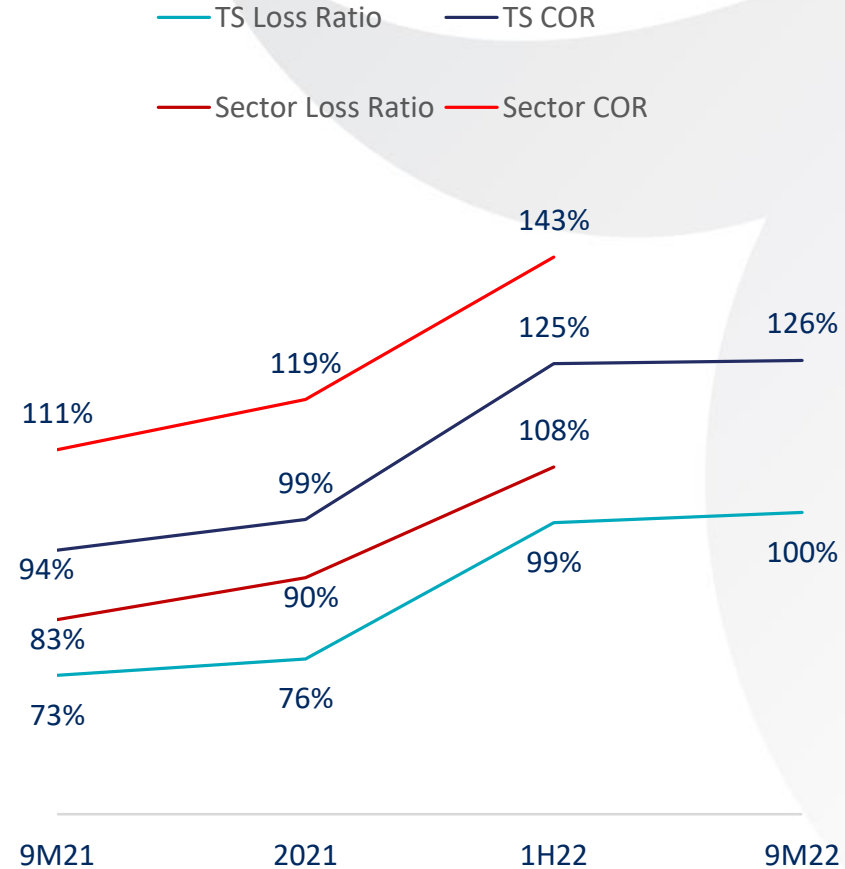
Profitability

- 518 mn ₺ Net Income, down by 34% YoY; RoAE is at 16% and Net COR at 126%
- No change in profitability guidance;
- Expected FY Net Income : flattish/slight YoY Increase
- Expected FY Net COR : ~100%

Cumulative RoAE & RoAA



Cumulative Loss Ratio & Combined Ratio Net



Solvency & Dividend Details

CAR
(H1-22)

121 %

vs. regulatory self-assessment level of 115%

Gross Dividend Payment

493
Mn ₺

2021

530
Mn ₺

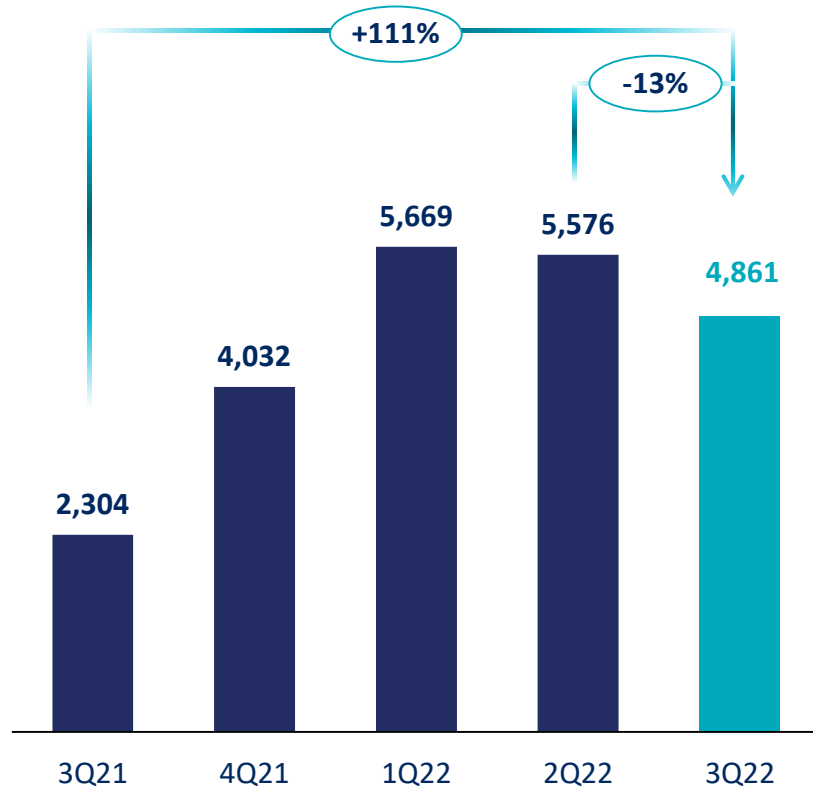
2022

TRY 1.0 bn total dividend payment within a two-year period.

With its solid profitability and solvency position, Türkiye Sigorta aims to sustain strong dividend pay-out performance

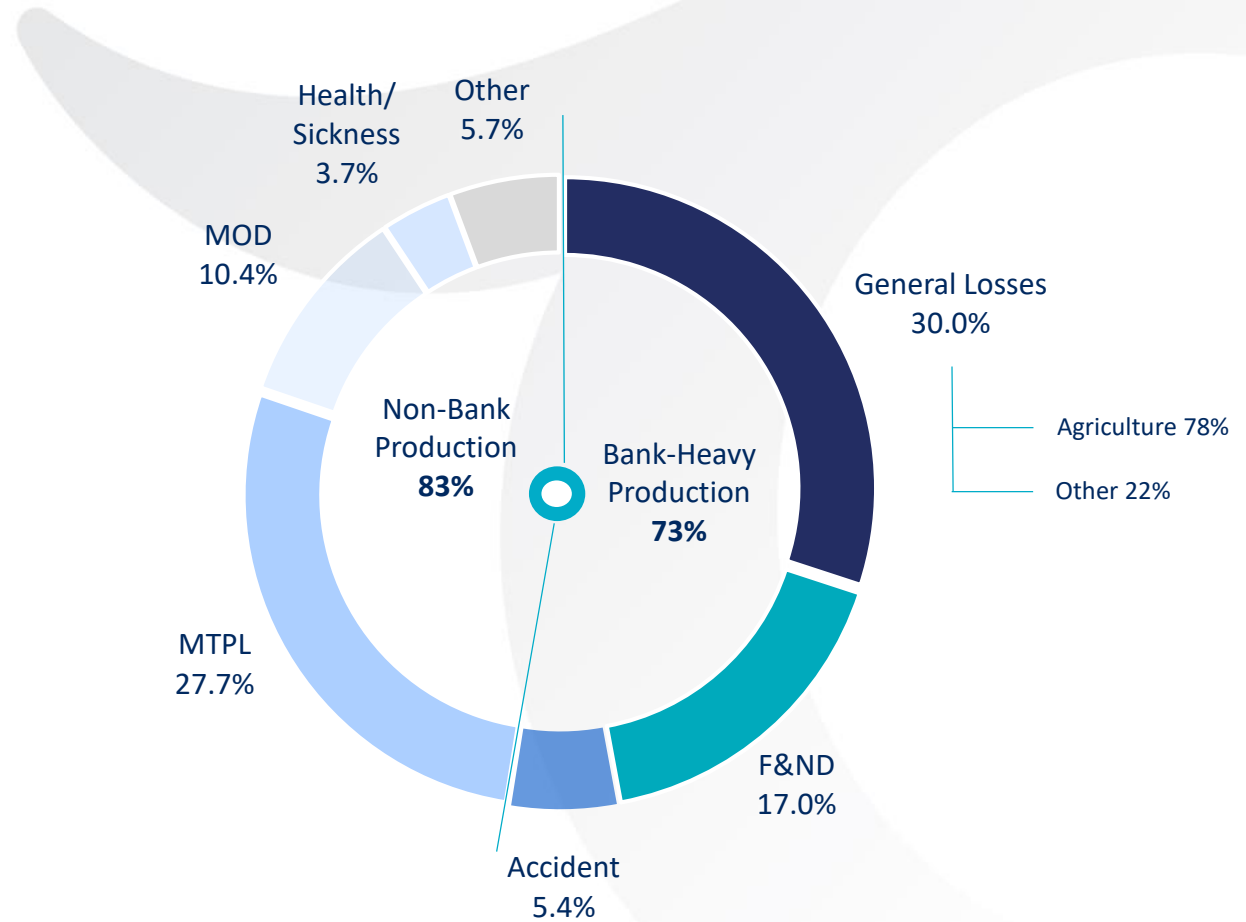
GWP Production

Quarterly, Million ₺



GWP Mix by Major Branches

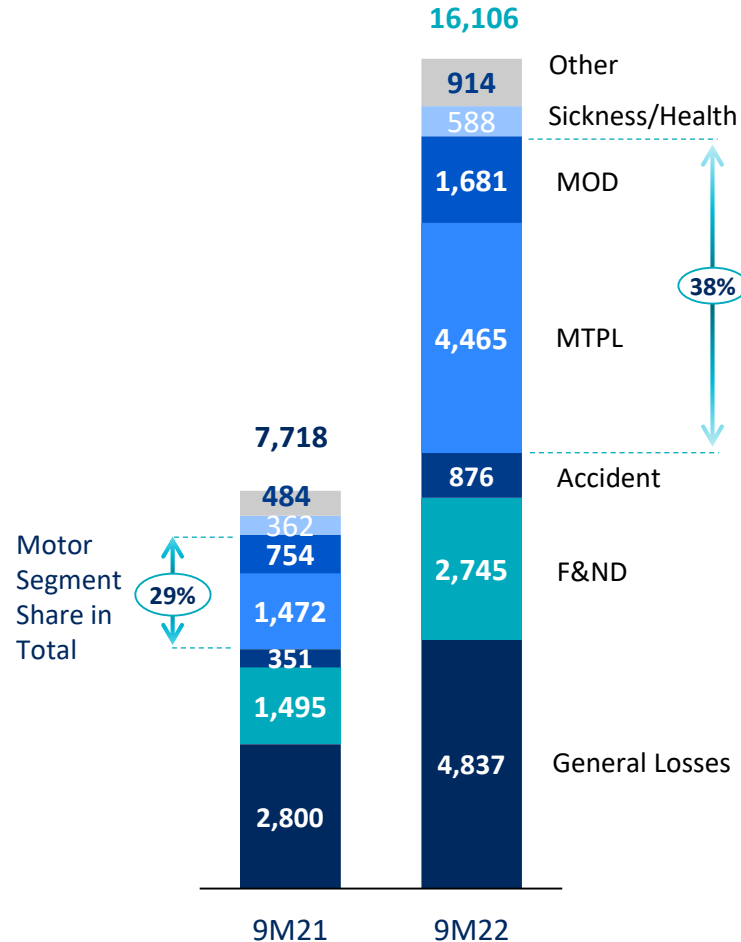
Cumulative



GWP Production by Major Branches

Türkiye Sigorta GWP Production by Major Branches

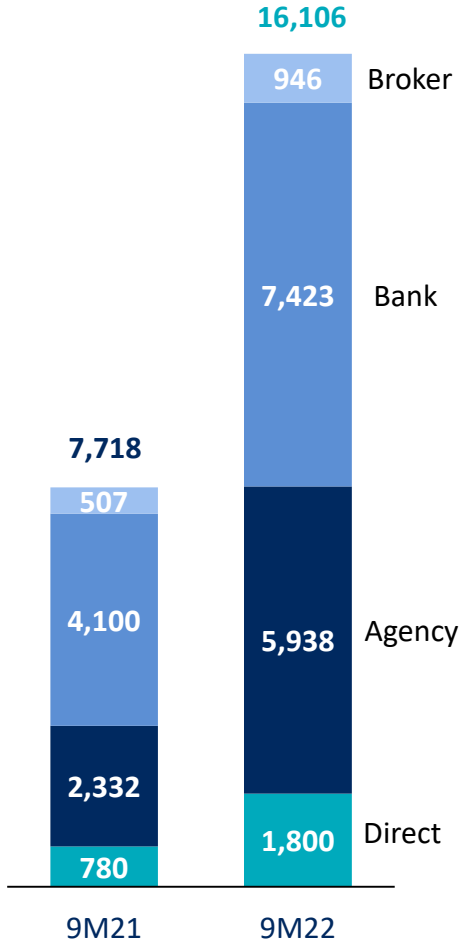
Cumulative, Million ₺



Main Branches	Annual Change		Türkiye Sigorta		Growth Performance & Outlook
	Türkiye Sigorta	Sector	Market Share	Sector Ranking	
General Losses	73%	86%	35%	1	Dominant market leader position to continue
F&ND	84%	89%	16%	2	Strong growth in Fire, strong momentum to continue
Accident	149%	72%	31%	1	Aggressive growth & market share gain in 9M, growth momentum to continue
MTPL	203%	119%	13%	1	Growth pace started to slow down, a more moderate pace going-forward
MOD	123%	187%	6%	7	Relatively moderate growth in 9M. Growth pace to catch-up with MTPL
Sickness/Health	62%	108%	3%	7	Strong demand for complementary policies; but below sector growth in 9M. Growth momentum to get stronger
Other	89%	107%	8%	4	
TOTAL	109%	117%	12.8%	1	

Türkiye Sigorta GWP Production by Distribution Channel

Cumulative, Million ₺



Dist. Channels	Türkiye Sigorta	Sector
Direct	131%	93%
Agency	155%	130%
Bank	81%	90%
Broker	86%	117%
TOTAL	109%	117%

Share in Total Production	Türkiye Sigorta	
	9M21	9M22
Direct	10%	11%
Agency	30%	37%
Bank	53%	46%
Broker	7%	6%

Bank Channel

- 10+10 year exclusive bancassurance agreement with three state-owned banks and **dominant position in premium production with 4,631 bank branches**
- **46% of premiums are generated through bank channel** (sector average is 13%). Market share in bank channel is 46%
- **81% YoY growth** in production in 9M, strong growth performance to continue by further penetrating into the bank channel on exclusivity agreements

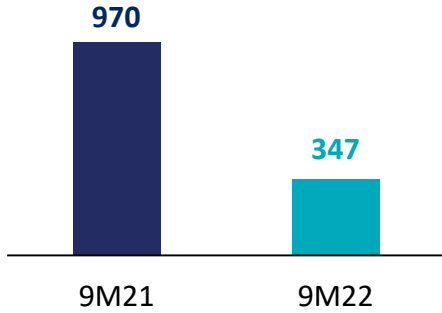
Agency Channel

- Channel diversification strategy with **3,994 agencies** as of end of 9M22
- **155% YoY production growth** in 9M
- **37% of premiums are generated through agencies** (sector average is 61%). Market share in agency channel is 8%
- Going forward, Türkiye Sigorta's focus in respect to agency channel will be efficiency increase and optimization of channel structure

Prominent Technical Profitability Plucked Down by Cost-Sensitive MTPL and Health Branches

Technical Profit*

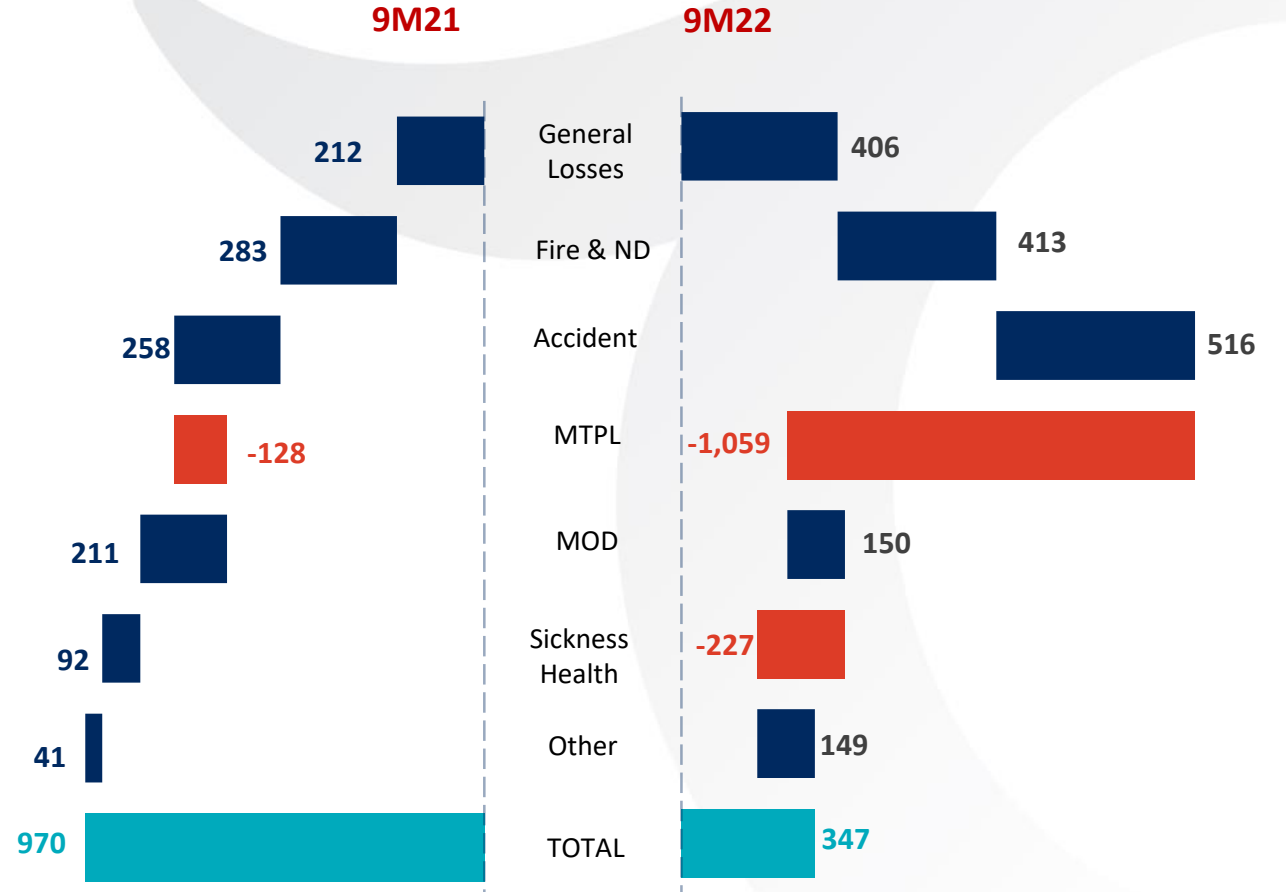
Cumulative, Million ₺



- **Strong base effect** of 2021, prior to full opening
- **Solid technical performance in bank dominant branches;** General Losses, Fire & ND and Accident
- **Declining loss ratio and rising technical profitability in MOD**
- **Rising claim costs and provisioning burden in MTPL** (668 mn ₺ Unexpired Risk Provisions)
- **Medical inflation** suppresses technical metrics of Sickness & Health branch

Technical Profit Walk by Major Branches

Cumulative, Million ₺

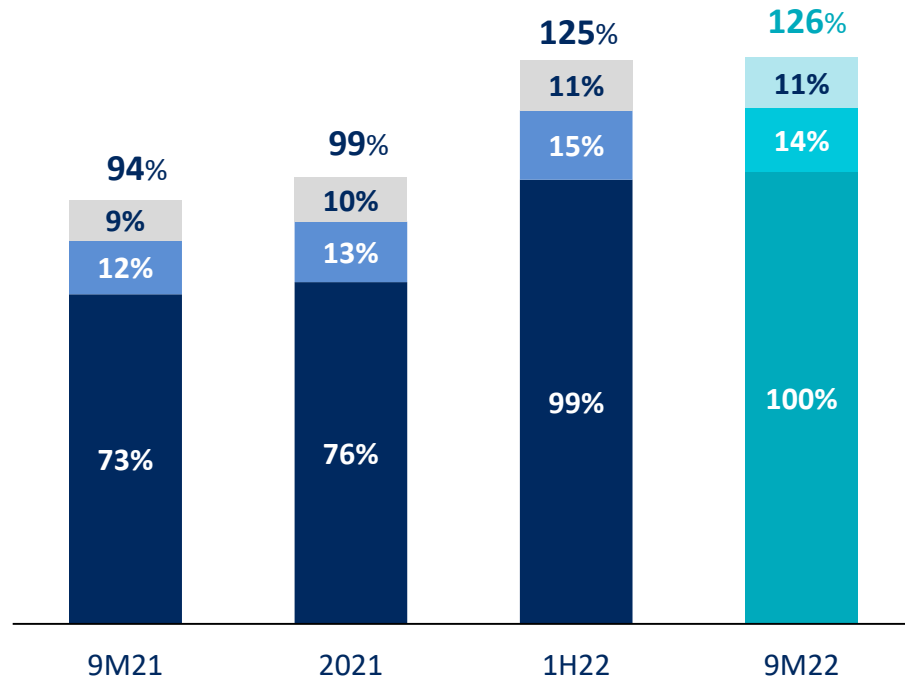


*Including investment income transferred to technical division

Combined Ratio

Cumulative, Net

■ Loss Ratio ■ Expense Ratio ■ Commission Ratio



Sector Avg. COR

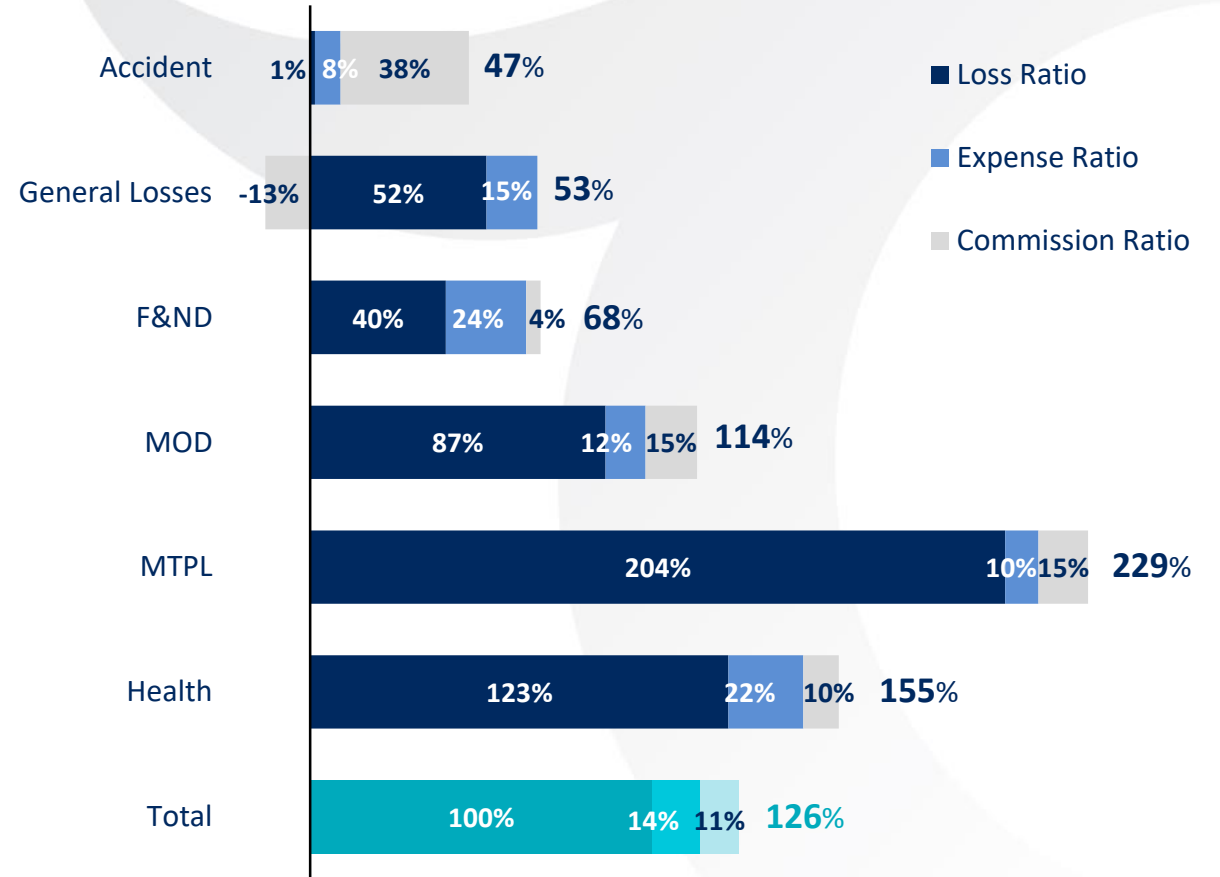
111%

119%

143%

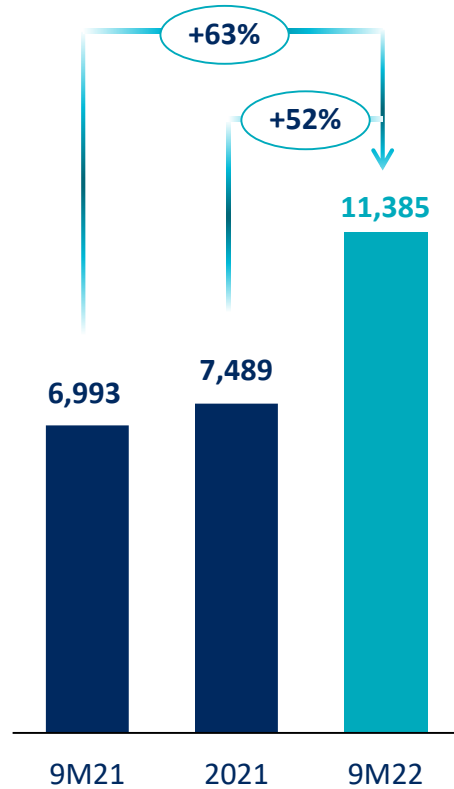
Combined Ratio by Major Branches

9M22, Net

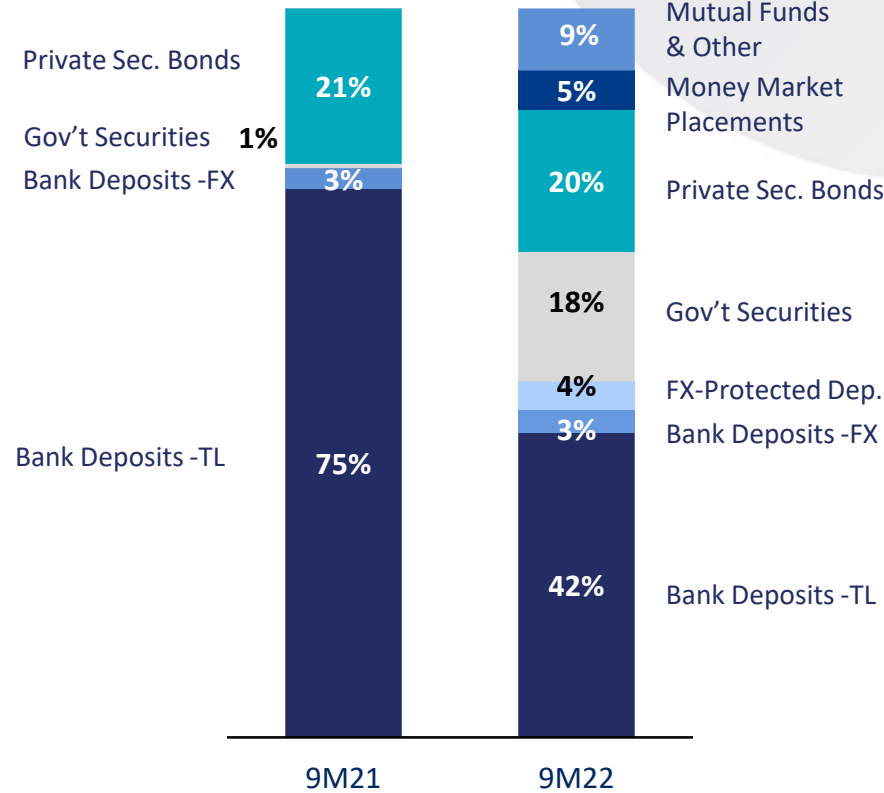


Assets Under Management

Million ₺

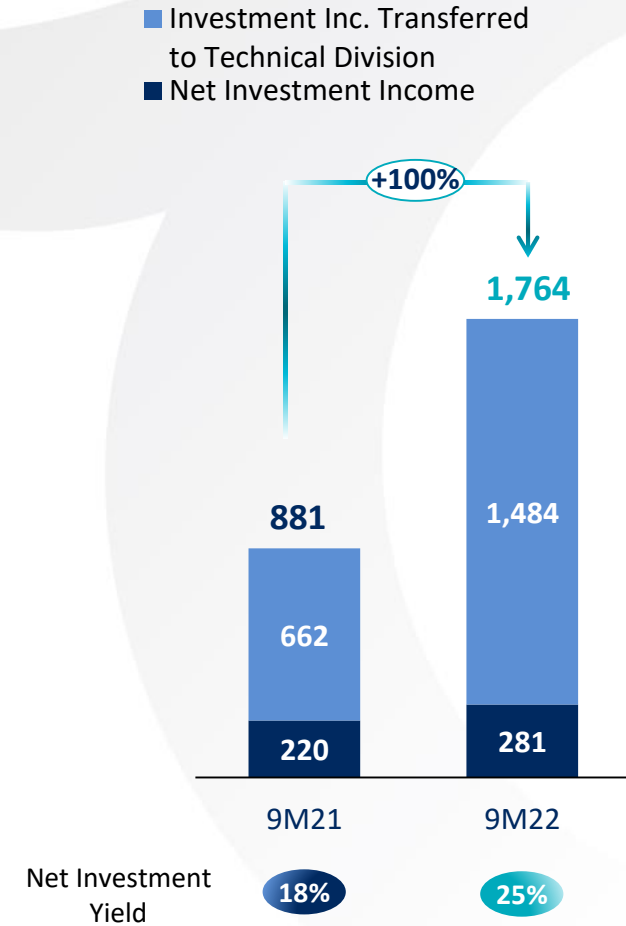


AUM Breakdown



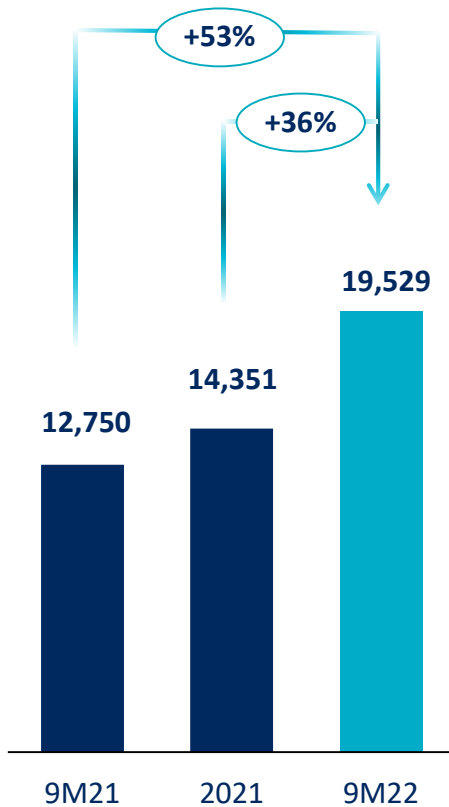
Total Investment Income

Million ₺

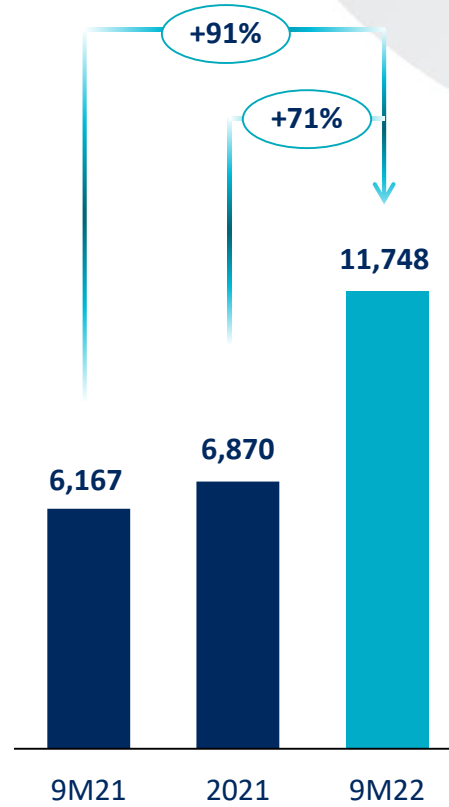


Summary P&L (million ₺)	9M21	9M22	YoY	
Technical Income	3,825	6,284	64%	
Earned Premiums (Net of Reinsurer Share)	3,019	4,702	56%	→ 2.9 bn ₺ unearned premium provisions on high premium production 723 mn ₺ total unexpired risk provision on particularly high MTPL claims
Investment Income From Non-Technical Division	662	1,484	124%	
Other	145	99	-32%	
Technical Expenses	-2,854	-5,938	108%	
Claims Paid (Net of Reinsurer Share)	-1,689	-3,396	101%	→ Growing claims in especially motor and sickness/health branches & → A one-off hit from the significant rise in the minimum attorneyship fees
Change in Provision for Outstanding Claims	-521	-1,327	155%	
Operating Expenses	-631	-1,195	89%	→ 97% increase in net commissions paid on growing premium production & 85% increase in personnel expenses
Other	-13	-21	53%	
Technical Profit/Loss	970	347	-64%	
Investment Income	1,207	2,526	109%	→ Improving investment yield on portfolio diversification 90 mn ₺ dividend income from Life & Pension company Higher FX gains
Investment Expenses	-987	-2,245	127%	→ Higher FX losses and investment income transferred to technical division
Income/Expense from Other Extraordinary Operations	-156	187	N.A.	→ Deferred Tax Asset impact arising from Unexpired Risk Provisions
Profit/Loss Before Tax	1,034	814	-21%	
Tax	-250	-297	19%	→ 36% effective tax rate, inflated by Unexpired Risk Provisions
Net Profit	784	518	-34%	

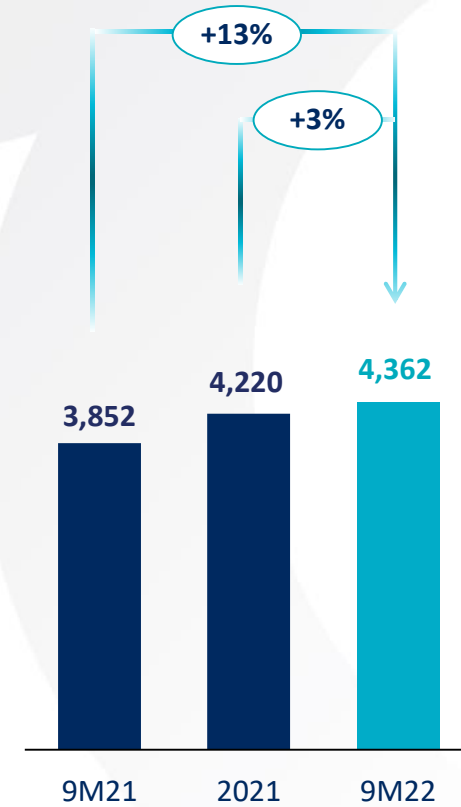
Total Assets Million ₺



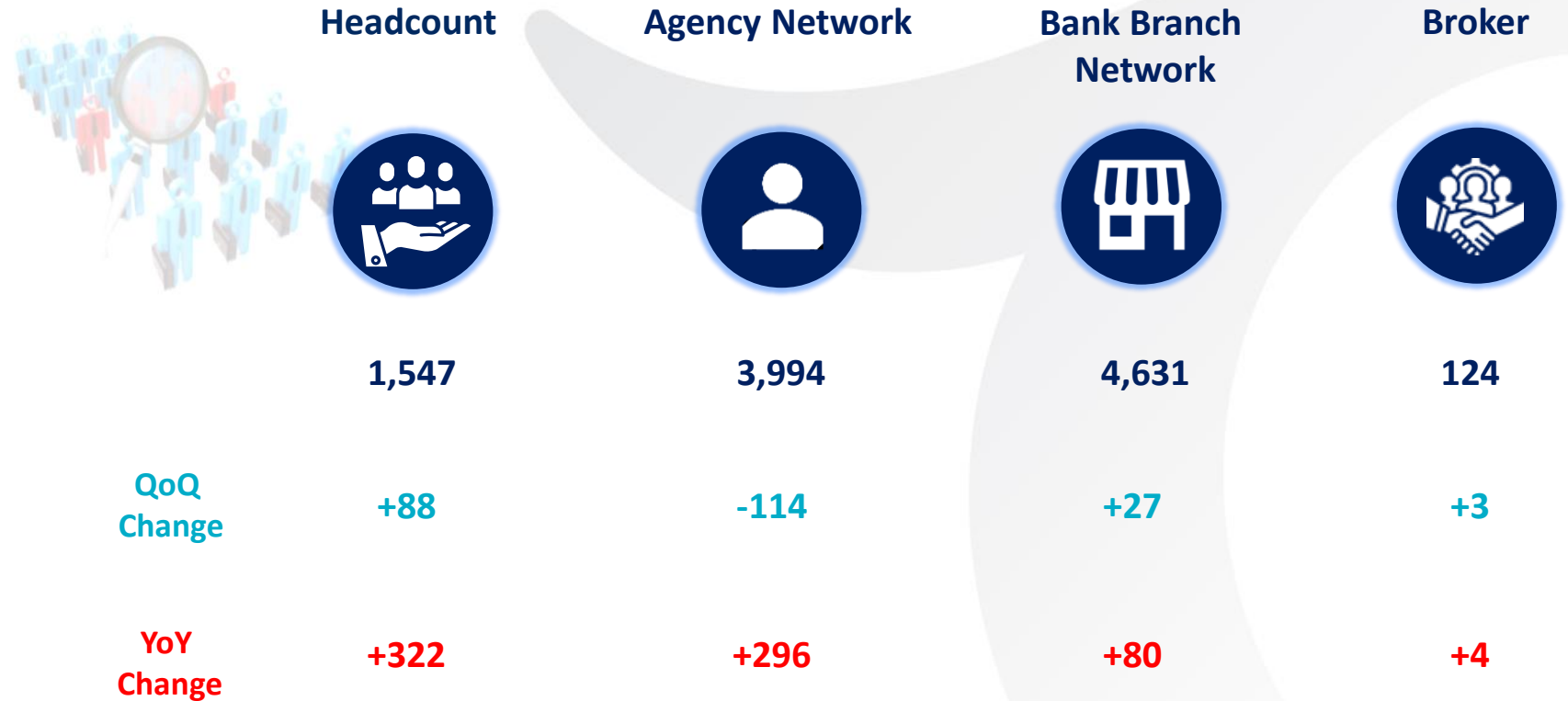
Total Reserves Million ₺



Shareholder's Equity Million ₺



- Operational since **1957**
- Market Leader** with **12.8%** share in total premium production
- Rebranded as Türkiye Sigorta** post-merger of 3 state-owned non-life insurers
- Serving **6.2 million** standalone customers



Strategy

Differentiating From Others

Focusing on **CUSTOMER ACQUISITION** and **CUSTOMER RETENTION** with keywords below:

- Platform based business
- Superapp
- Non-cust. platform users

Business

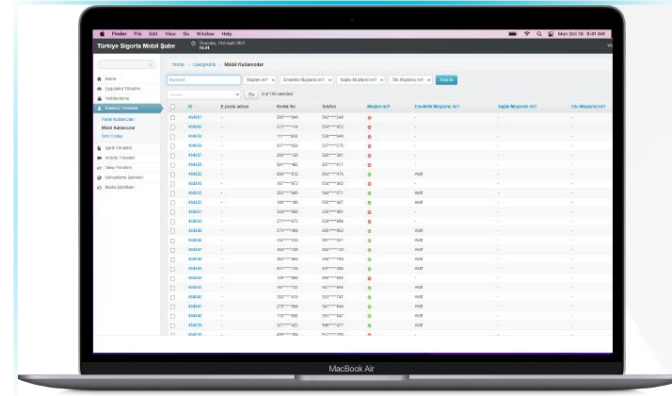
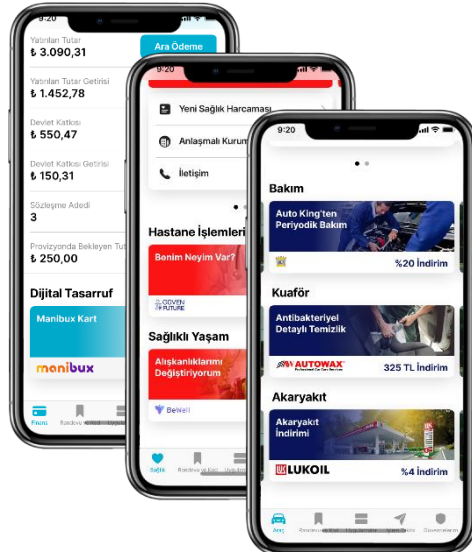
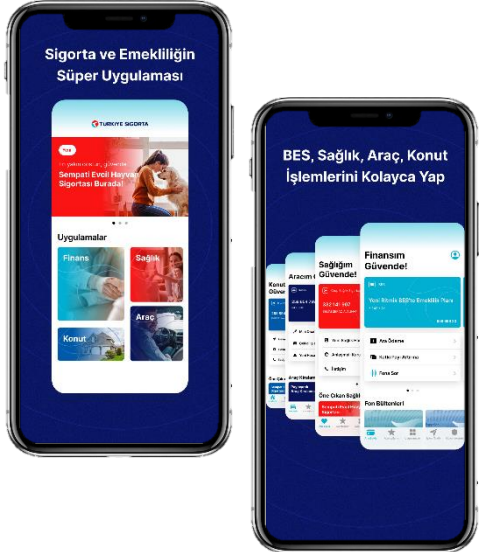
Partnership

- 4 LoB
- 45+ partner
- 35+ category
- 90+ service
- 4 integration models
- 4 service models
- Higher benefit for both customers and partners

Numbers

0 to today

- 1.5M+ user
- 300k non-cust. user
- 80k non-ins. service request
- 25k lead with 30% hit ratio
- 30k non-ins. service usage
- 27% average benefit per customer (Total 3.48mTL)



DATA

- Limitless enrichment opportunity
- Data driven decision making algorithm
- AI/ML based structure



Growth Strategy

- Sustainable innovation
- Endless ecosystem expansion
- Large customer basket size with better platform experience

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Non-Life Main Branch GWP Production (9M22)

Main Branches	Gross Written Premium (Million ₺)	Branch Share	Market Share	Market Share Change (YoY)	Sector Ranking
General Losses	4,837	30.0%	34.6%	-269 bps	1
Fire and Natural Disasters	2,745	17.0%	15.9%	-50 bps	2
MTPL	4,465	27.7%	12.8%	357 bps	1
MOD	1,681	10.4%	6.2%	-179 bps	7
Sickness/Health	588	3.7%	3.2%	-89 bps	7
Accident	876	5.4%	30.7%	950 bps	1
Other	914	5.7%	7.8%	- 39 bps	4
TOTAL	16,106	100.0%	12.8%	-49 bps	1

Quarterly GWP Production Million ₺

Cumulative GWP Production Million ₺

Premium Production	Quarterly GWP Production					QoQ		Cumulative GWP Production					YoY
	3Q21	4Q21	1Q22	2Q22	3Q22	QoQ	YoY	9M21	2021	3M22	1H22	9M22	
General Losses	577	1,115	2,547	1,309	982	-25%	70%	2,800	3,914	2,547	3,855	4,837	73%
F&ND	506	726	865	902	978	8%	93%	1,495	2,221	865	1,767	2,745	84%
Accident	114	231	219	310	348	12%	204%	351	582	219	529	876	149%
MTPL	551	646	1,081	2,046	1,339	-35%	143%	1,472	2,118	1,081	3,126	4,465	203%
MOD	285	372	400	609	672	10%	135%	754	1,126	400	1,009	1,681	123%
Sickness/Health	116	256	208	129	251	95%	117%	362	618	208	337	588	62%
Other	154	686	349	272	292	7%	90%	484	1,171	349	622	914	89%
Total	2,304	4,032	5,669	5,576	4,861	-13%	111%	7,718	11,750	5,669	11,246	16,106	109%

Technical Profit by Major Branches

Quarterly Technical Profit*

Million ₺

Cumulative Technical Profit*

Million ₺

Technical Profit	Quarterly Technical Profit*					QoQ		Cumulative Technical Profit*					YoY
	3Q21	4Q21	1Q22	2Q22	3Q22	QoQ	YoY	9M21	2021	3M22	1H22	9M22	YoY
General Losses	8	55	143	127	136	7%	N.M.	212	267	143	270	406	91%
F&ND	83	124	88	89	236	167%	183%	283	407	88	177	413	46%
Accident	95	152	128	137	250	82%	163%	258	410	128	266	516	100%
MTPL	-97	-171	-24	-492	-542	10%	459%	-128	-299	-24	-517	-1,059	N.M.
MOD	43	69	-5	44	110	150%	156%	211	280	-5	39	150	-29%
Sickness/Health	19	11	-39	-92	-97	6%	N.A.	92	103	-39	-131	-227	N.A.
Other	10	87	39	34	77	126%	661%	41	128	39	73	149	261%
Total	162	327	330	-153	170	N.A.	5%	970	1,297	330	177	347	-64%

*Including investment income transferred to technical division

COR by Major Branches

Combined Ratio	Loss Ratio Cumulative			Expense Ratio Cumulative			Commission Ratio Cumulative			Combined Ratio Cumulative		
	9M21	2021	9M22	9M21	2021	9M22	9M21	2021	9M22	9M21	2021	9M22
General Losses	63.1%	62.3%	51.8%	13.7%	17.3%	14.9%	-7.6%	-10.1%	-13.2%	69.2%	69.6%	53.5%
F&ND	39.5%	38.6%	39.8%	21.4%	22.7%	23.6%	-1.1%	1.6%	4.2%	59.9%	62.9%	67.6%
Accident	6.0%	4.5%	1.3%	7.3%	8.8%	7.6%	33.7%	38.1%	37.7%	47.0%	51.4%	46.6%
MTPL	127.9%	137.1%	204.2%	8.9%	9.0%	9.8%	6.4%	7.0%	14.5%	143.2%	153.1%	228.5%
MOD	69.7%	74.0%	86.8%	9.3%	9.5%	11.7%	15.2%	16.0%	15.2%	94.1%	99.5%	113.6%
Sickness/Health	65.7%	73.6%	122.8%	11.8%	15.5%	22.0%	14.5%	14.0%	10.5%	92.0%	103.1%	155.3%
Total	73.2%	75.9%	100.4%	12.0%	13.4%	14.2%	8.9%	9.9%	11.2%	94.1%	99.3%	125.9%

Summary Balance Sheet

Balance Sheet, Million ₺	9M21	9M22	Share (%)	YoY Change
Cash and Cash Equivalents	6,088	6,150	31%	1%
Receivables from Main Operations	2,727	3,731	19%	37%
Financial Assets	2,773	7,541	39%	172%
Tangible and Intangible Assets	295	458	2%	55%
Other Assets	866	1,648	8%	90%
TOTAL ASSETS	12,750	19,529	100%	53%
Financial Liabilities	15	31	0%	110%
Payables Arising from Main Operations	1,824	2,085	14%	14%
Technical Provisions	6,167	11,748	77%	91%
Other Liabilities	893	1,303	9%	46%
TOTAL LIABILITIES	8,898	15,167	100%	70%
Paid in Capital	1,162	1,162	6%	0%
Capital and Profit Reserves	1,907	2,682	14%	41%
Accumulated Profit/Losses	0	1	0%	N.A.
Net Profit/Loss for the Period	784	518	3%	-34%
TOTAL EQUITY	3,852	4,362	22%	13%
TOTAL EQUITY AND LIABILITIES	12,750	19,529	100%	53%

Ratios	9M21	9M22
ROAA	8.8%	4.1%
ROAE	28.6%	16.1%

Summary Income Statement

Income Statement, Million ₺	9M21	9M22	YoY Change
Gross Written Premiums	7,718	16,106	109%
Technical Balance (Technical Profit)	970	347	-64%
Earned Premiums (Net of Reinsurer Share)	3,019	4,702	56%
Incurred Losses (Net of Reinsurer Share)	-2,210	-4,723	114%
Other Technical Income&Expenses (Net of Reinsurer Share)	131	79	-40%
Financial Income - Transferred from Non-Technical Section	662	1,484	124%
Operating Expenses	-631	-1,195	89%
Financial Profit	220	281	28%
Financial Income	1,207	2,526	109%
Financial Expenses	-987	-2,245	127%
Income and Expenses From Other Operations	-156	187	N.A.
Tax	-250	-297	19%
Net Profit/Loss	784	518	-34%

Ratios	9M21	9M22
Retention Ratio %	43%	52%
Net Loss Ratio %	73%	100%
Net Commission Ratio %	9%	11%
Net Expense Ratio %	12%	14%
Net Combined Ratio %	94%	126%

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