

# **TÜRKİYE SİGORTA A.Ş.**

CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2025 AND  
INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF  
THE REPORT AND THE CONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY  
ISSUED IN TURKISH)

<b>INDEX</b>	<b>PAGE</b>
<b>DETAILED CONSOLIDATED BALANCE SHEETS.....</b>	<b>1-5</b>
<b>DETAILED CONSOLIDATED STATEMENTS OF INCOME .....</b>	<b>6-8</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS.....</b>	<b>9</b>
<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....</b>	<b>10</b>
<b>STATEMENTS OF PROFIT DISTRIBUTION.....</b>	<b>11</b>
<b>CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS .....</b>	<b>12-80</b>

CONSOLIDATED FINANCIAL STATEMENTS  
AS AT 31 DECEMBER 2025

We confirm that the consolidated financial statements, related disclosures and footnotes as at 31 December 2025 which were prepared in accordance with the accounting principles and standards in force as per the regulations of Republic of Turkey Ministry of Treasury and Finance are in compliance with the “Code Related to the Financial Reporting of Insurance, Reinsurance and Private Pension Companies” and the financial records of our Company.

Türkiye Sigorta A.Ş.

23 January 2026

Aziz Murat ULUĞ  
Chairman of Board

Taha ÇAKMAK  
Vice Chairman & CEO

Prof.Dr. Murat AKBALIK  
Head of the Audit Committee

Yavuz KAYNARCA  
Member of the Audit Committee

Mahmut Subutay ÇELİK  
Member of the Audit Committee

Murat SÜZER  
Chief Financial Officer

Andaç YILMAZ  
Actuary- Register No: 52

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED BALANCE SHEETS**  
**AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

ASSETS			
<i>I- Current Assets</i>	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>A- Cash and Cash Equivalents</b>	4,2 and 14	11.162.984.992	25.228.353.912
1- Cash		-	-
2- Cheques Received		-	-
3- Cash at Banks	14	5.419.670.711	20.602.437.060
4- Cheques Given and Payment Orders		-	-
5- Bank Warranted and Shorter Than 3 Months Credit Card Receivables	14	5.743.314.281	4.625.916.852
6- Other Cash and Cash Equivalents		-	-
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	4,2 and 11	86.507.064.355	34.327.469.974
1- Available-for-Sale Financial Asset	4,2 and 11	29.834.905.098	11.121.213.898
2- Held to Maturity Investments	4,2 and 11	24.596.258.610	3.985.925.466
3- Financial Assets Held for Trading	4,2 and 11	32.075.900.647	19.220.330.610
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Investments with Risks on Saving Life Policyholders		-	-
7- Company's Own Equity Shares		-	-
8- Diminution in Value of Financial Investments (-)		-	-
<b>C- Receivables from Main Operations</b>	4,2 and 12	31.481.788.521	19.005.278.041
1- Receivables from Insurance Operations	12	30.361.635.866	17.138.282.361
2- Provision for Receivables from Insurance Operations (-)	12	(121.465.371)	(87.576.453)
3- Receivables from Reinsurance Operations	12	1.237.678.173	1.950.445.023
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposits on Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders		-	-
7- Provision for Loans to Policyholders (-)		-	-
8- Receivables from Pension Operations		-	-
9- Doubtful Receivables from Main Operations	12	2.989.408.500	1.234.238.817
10- Provision for Doubtful Receivables from Main Operations	12	(2.985.468.647)	(1.230.111.707)
<b>D- Due from Related Parties</b>		348.081	225.653
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		348.081	225.653
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
<b>E- Other Receivables</b>	4,2 and 12	1.564.644.488	730.218.897
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	47	1.564.644.488	730.218.897
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		403.151	418.294
7- Provision for Other Doubtful Receivables (-)		(403.151)	(418.294)
<b>F- Prepaid Expenses and Income Accruals</b>	17	10.309.937.036	7.400.013.011
1- Deferred Acquisition Costs	17	9.784.839.009	7.128.837.108
2- Accrued Profit and Rent Income		-	-
3- Income Accruals		-	-
4- Other Prepaid Expenses	17	525.098.027	271.175.903
<b>G- Other Current Assets</b>		790.140.273	611.193.160
1- Stocks to be used in the Following Months		-	-
2- Prepaid Taxes and Funds	4,2 and 12	784.762.178	607.136.831
3- Deferred Tax Assets		-	-
4- Business Advances		-	-
5- Advances Given to Personnel	4,2	44.018	14.641
6- Inventory Count Deficiency		-	-
7- Other Miscellaneous Current Assets		5.334.077	4.041.688
8- Provision for Other Miscellaneous Current Assets (-)		-	-
<b>I- Total Current Assets</b>		141.816.907.746	87.302.752.648

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED BALANCE SHEETS**  
**AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

ASSETS			
II- Non-Current Assets	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>A- Receivables from Main Operations</b>		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations (-)		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders		-	-
7- Provision for Loans to the Policyholders (-)		-	-
8- Receivables from Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations (-)		-	-
<b>B- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
<b>C- Other Receivables</b>	4.2 and 12	5.451.678	5.607.672
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given	4.2 and 12	5.451.678	5.607.672
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
<b>D- Financial Assets</b>	9	10.048.893.807	6.005.212.086
1- Investments in Equity Shares	9	9.667.523.491	5.725.880.036
2- Investments in Associates		-	-
3- Capital Commitments to Associates (-)		-	-
4- Investments in Subsidiaries	9	18.215.590	18.215.590
5- Capital Commitments to Subsidiaries (-)		-	-
6- Investments in Joint Ventures	9	363.154.726	261.116.460
7- Capital Commitments to Joint Ventures (-)		-	-
8- Financial Assets and Financial Investments with the Risks on Policyholders		-	-
9- Other Financial Assets		-	-
10- Impairment in Value of Financial Assets (-)	9	-	-
<b>E- Tangible Assets</b>		2.500.213.487	1.802.264.584
1- Investment Property	7	408.350.176	325.516.000
2- Impairment in Value of Investment Properties (-)		-	-
3- Land and Buildings Held for Utilization	6	1.782.597.070	1.316.612.000
4- Machinery and Equipment	6	209.963.313	161.590.916
5- Furnitures and Fixtures	6	99.582.607	57.804.135
6- Motor Vehicles	6	13.271.012	13.367.927
7- Other Tangible Assets, Including Leasehold Improvements	6	36.625.649	29.992.646
8- Tangible Assets Acquired Through Finance Leases	6	192.771.181	104.190.414
9- Accumulated Amortizations	6	(242.947.521)	(206.809.454)
10- Advances Given for Tangible Assets (including construction in progress)		-	-
<b>F- Intangible Assets</b>		286.530.003	192.271.121
1- Right	8	465.195.681	277.243.199
2- Goodwill		-	-
3- Pre-Operating Expenses		-	-
4- Research and Development Costs		-	-
5- Other Intangible Assets	8	38.238.939	38.238.939
6- Accumulated Amortizations (-)	8	(216.904.617)	(123.211.017)
7- Advances Paid for Intangible Assets		-	-
<b>G- Prepaid Expenses and Income Accruals</b>		-	-
1- Deferred Acquisition Expenses		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses and Income Accruals		-	-
<b>H- Other Non-Current Assets</b>		-	-
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets		-	-
6- Other Miscellaneous Non-Current Assets		-	-
7- Deprecation on Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
<b>II- Total Non-Current Assets</b>		12.841.088.975	8.005.355.463
<b>Total Assets</b>		154.657.996.721	95.308.108.111

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED BALANCE SHEETS**  
**AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

<b>LIABILITIES</b>			
<b>III - Short Term Liabilities</b>	<b>Notes</b>	<b>Audited Current Period 31 December 2025</b>	<b>Audited Prior Period 31 December 2024</b>
<b>A- Financial Liabilities</b>	<b>4.2</b>	<b>11.108.714.564</b>	<b>1.222.023.075</b>
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	20	67.958.518	23.182.615
3- Deferred Leasing Costs (-)	20	-	(5.349.834)
4- Current Portion of Long-Term Debts		-	-
5- Principal, Installments and Interests on Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Valuation Differences of Other Financial Assets Issued (-)		-	-
8- Other Financial Liabilities	20	11.040.756.046	1.204.190.294
<b>B- Payables Arising from Main Operations</b>	<b>4.2 and 19</b>	<b>12.673.413.969</b>	<b>8.205.211.983</b>
1- Payables Arising from Insurance Operations	19	12.673.413.969	8.205.211.983
2- Payables Arising from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables from Other Main Activities		-	-
6- Discount on Payables from Other Main Operations (-)		-	-
<b>C- Due to Related Parties</b>	<b>4.2</b>	<b>5.547.215</b>	<b>8.421.035</b>
1- Due to Shareholders	45	5.164.698	5.171.916
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		382.517	3.249.119
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>	<b>4.2</b>	<b>1.308.268.262</b>	<b>705.088.334</b>
1- Deposits and Guarantees Received		-	-
2- Debts to SSI for Treatment Expenses	19	392.071.751	255.123.781
3- Other Miscellaneous Payables	19 and 47	916.196.511	449.964.553
4- Discount on Other Miscellaneous Payables		-	-
<b>E- Insurance Technical Provisions</b>		<b>66.607.878.464</b>	<b>48.951.286.734</b>
1- Reserve for Unearned Premiums – Net	17	40.346.692.032	26.765.429.987
2- Reserve for Unexpired Risks – Net	2.23 and 17	1.308.168.985	1.312.097.724
3- Life Mathematical Provisions – Net		-	-
4- Provision for Outstanding Claims – Net	4.2 and 17	24.703.953.783	20.663.806.066
5- Provision for Bonus and Discounts – Net	17	-	1.395.000
6- Other Technical Provisions – Net	10 and 17	249.063.664	208.557.957
<b>F- Provisions for Taxes and Other Similar Liabilities</b>	<b>4.2</b>	<b>3.905.539.018</b>	<b>2.178.584.800</b>
1- Taxes and Funds Payable		774.568.688	553.528.248
2- Social Security Premiums Payable		100.434.921	70.857.210
3- Overdue, Deferred or By Installment Taxes and Other Liabilities		-	-
4- Other Taxes and Liabilities Payable		-	-
5- Corporate Tax Liability Provision on Period Profit	35	7.528.620.439	3.901.084.865
6- Prepaid Taxes and Other Liabilities on Period Profit	35	(4.498.085.030)	(2.346.885.523)
7- Provisions for Other Taxes and Liabilities		-	-
<b>G- Provisions for Other Risks</b>		<b>2.737.955.079</b>	<b>1.539.709.699</b>
1- Provision for Termination Indemnities		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provision for Costs	23	2.737.955.079	1.539.709.699
<b>H- Deferred Income and Expense Accruals</b>		<b>5.259.309.800</b>	<b>3.887.124.127</b>
1- Deferred Commission Income	10 and 19	5.259.309.800	3.887.124.127
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
<b>I- Other Short-Term Liabilities</b>		<b>-</b>	<b>-</b>
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities		-	-
<b>III- Total Short-Term Liabilities</b>		<b>103.606.626.371</b>	<b>66.697.449.787</b>

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED BALANCE SHEETS**  
**AS OF 31 December 2025, AND 31 DECEMBER 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

<b>LIABILITIES</b>			
<i>IV - Long-Term Liabilities</i>	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>A- Financial Liabilities</b>	4.2 and 20	78.598.942	12.035.268
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	20	78.598.942	15.645.849
3- Deferred Leasing Costs (-)	20	-	(3.610.581)
4- Bond Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued (-)		-	-
7- Other Financial Liabilities		-	-
<b>B- Payables Arising from Main Activities</b>		-	-
1- Payables Arising from Insurance Operations		-	-
2- Payables Arising from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Operations		-	-
6- Discount on Payables from Other Operations (-)		-	-
<b>C- Due to Related Parties</b>		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>	4.2	88.074.374	67.758.736
1- Deposits and Guarantees Received	4.2	88.074.374	67.758.736
2- Debts to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Liabilities		-	-
4- Discount on Other Miscellaneous Payables (-)		-	-
<b>E- Insurance Technical Provisions</b>	2.25 and 17	807.274.243	515.996.277
1- Reserve for Unearned Premiums – Net		-	-
2- Reserve for Unexpired Risks – Net		-	-
3- Life Mathematical Provisions – Net		-	-
4- Provision for Outstanding Claim – Net		-	-
5- Provision for Bonus and Discounts – Net		-	-
6- Other Technical Provisions – Net	2.25 and 17	807.274.243	515.996.277
<b>F-Other Liabilities and Relevant Accruals</b>		-	-
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Installment Taxes and Other Liabilities		-	-
3- Other Liabilities for Expense Accruals		-	-
<b>G- Provisions for Other Risks</b>	23	223.855.977	193.980.970
1- Provision for Severance Pay	23	223.855.977	193.980.970
2- Provision for Employee Pension Funds Deficits		-	-
<b>H- Deferred Income and Expense Accruals</b>		-	-
1- Deferred Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
<b>I- Other Long-Term Liabilities</b>		207.834.162	155.832.728
1- Deferred Tax Liabilities	21	207.834.162	155.832.728
2- Other Long-Term Liabilities		-	-
<b>IV- Total Long-Term Liabilities</b>		1.405.637.698	945.603.979

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED BALANCE SHEETS**  
**AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

<b>EQUITY</b>			
<i>V - Equity</i>	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>A- Paid-In Capital</b>	2.13 and 15	<b>10.000.000.000</b>	<b>5.000.000.000</b>
1- (Nominal) Capital	2.13 and 15	10.000.000.000	5.000.000.000
2- Unpaid Capital (-)		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences (-)		-	-
5- Capital to Be Registered		-	-
<b>B- Capital Reserves</b>	15	<b>728.985.408</b>	<b>714.845.297</b>
1- Share Premium	15	692.314.994	678.174.883
2- Cancellation Profits of Equity Shares		-	-
3- Profit on Asset Sales That Will Be Transferred to Capital		-	-
4- Currency Translation Adjustments		-	-
5- Other Capital Reserves		36.670.414	36.670.414
<b>C- Profit Reserves</b>		<b>19.215.759.198</b>	<b>9.067.483.725</b>
1- Legal Reserves	15	1.229.269.303	418.256.161
2- Statutory Reserves		-	-
3- Extraordinary Reserves	15	7.319.154.582	2.409.904.900
4- Special Funds (Reserves)		-	-
5- Valuation of Financial Assets	15	8.796.645.220	4.706.653.338
6- Other Profit Reserves	15	1.870.690.093	1.532.669.326
<b>D- Retained Earnings</b>		<b>173.936.406</b>	<b>102.125.045</b>
1- Retained Earnings		173.936.406	102.125.045
<b>E- Accumulated Losses (-)</b>		<b>-</b>	<b>-</b>
1- Accumulated Losses		-	-
<b>F- Net Profit / Loss for the Period</b>		<b>19.527.051.640</b>	<b>12.780.600.278</b>
1- Net Profit for the Year		19.527.051.640	12.780.600.278
2- Net Loss for the Year (-)		-	-
3- Net Profit That Is Not Subject to Distribution		-	-
<b>Total Equity</b>		<b>49.645.732.652</b>	<b>27.665.054.345</b>
<b>Total Equity and Liabilities</b>		<b>154.657.996.721</b>	<b>95.308.108.111</b>

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED STATEMENTS OF INCOME**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>I - TECHNICAL SECTION</b>			
<b>A- Non-Life Technical Income</b>			
1- Earned Premiums (Net of Reinsurer Share)	5	59.892.225.070	42.316.867.351
1.1- Written Premiums (Net of Reinsurer Share)	5,17, 24	73.469.558.377	48.170.285.335
1.1.1- Written Premiums gross	17, 24	147.117.164.318	101.365.792.989
1.1.2- Written Premiums, ceded	10, 17, 24	(72.350.717.810)	(52.176.526.152)
1.1.3- Premiums transferred to SSI	10, 17, 24	(1.296.888.131)	(1.018.981.502)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Provision Carried Forward)	5, 17	(13.581.262.045)	(6.319.222.612)
1.2.1- Reserve for Unearned Premiums	17	(25.370.287.337)	(19.800.246.844)
1.2.2- Reserve for Unearned Premiums, ceded	10, 17	11.600.407.078	13.530.545.709
1.2.3 SSI Share of Reserve for Unearned Premium	10, 17	188.618.214	(49.521.477)
1.3- Changes in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	5, 17	3.928.738	465.804.628
1.3.1- Reserve for Unexpired Risks, gross	17	614.435.693	158.991.312
1.3.2- Reserve for Unexpired Risks, ceded	10, 17	(610.506.955)	306.813.316
2- Investment Income Transferred from Non-Technical Section	5	19.224.143.606	16.371.068.273
3- Other Technical Income - (Net of Reinsurer Share)		4.570.827	6.423.560
3.1- Other Technical Income, gross		4.570.827	6.423.560
3.2- Other Technical Income, ceded		-	-
4- Accrued salvage and subrogation income		1.995.494.644	766.092.277
<b>B- Non-Life Technical Expense (-)</b>			
1- Incurred Losses - (Net of Reinsurer Share)	5	(42.570.745.293)	(32.626.070.971)
1.1- Claims Paid - (Net of Reinsurer Share)	5	(38.530.597.576)	(24.553.867.477)
1.1.1- Claims Paid, gross		(54.321.451.300)	(33.089.266.697)
1.1.2- Claims Paid, ceded	10	15.790.853.724	8.535.399.220
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Provision Carried Forward)	5	(4.040.147.717)	(8.072.203.494)
1.2.1- Change in Provision for Outstanding Claims, gross		(5.388.151.416)	(12.149.459.736)
1.2.2- Change in Provision for Outstanding Claims, ceded	10	1.348.003.699	4.077.256.242
2- Change in Provisions for Bonus and Discounts (Net of Reinsurer Share and Provision Carried Forward)		1.395.000	(1.395.000)
2.1- Provisions for Bonus and Discounts, gross		1.395.000	(1.395.000)
2.2- Provision for Bonus and Discounts, ceded		-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	17	(291.277.966)	(309.642.950)
4- Operating Expenses	5,32	(15.560.362.807)	(9.263.818.491)
5- Change in Mathematical Provisions (Net of Reinsurer Share and Provision Carried Forward)		-	-
5.1- Mathematical Provisions		-	-
5.2- Mathematical Provisions, ceded		-	-
6- Other Technical Expenses		-	-
6.1- Other Technical Expenses, gross		-	-
6.2- Gross Other Technical Expenses, ceded		-	-
<b>C- Net Technical Income - Non-Life (A - B)</b>		<b>22.695.443.081</b>	<b>17.259.524.049</b>

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED STATEMENTS OF INCOME**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>I - TECHNICAL SECTION</b>			
<b>D- Life Technical Income</b>			
1- Earned Premiums (Net of Reinsurer Share)		-	-
1.1- Written Premiums (Net of Reinsurer Share)		-	-
1.1.1- Written Premiums, gross		-	-
1.1.2- Written Premiums, ceded		-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)		-	-
1.2.1- Reserve for Unearned Premiums, gross		-	-
1.2.2- Reserve for Unearned Premiums, ceded		-	-
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.3.1- Reserve for Unexpired Risks, gross		-	-
1.3.2- Reserve for Unexpired Risks, ceded		-	-
2- Investment Income		-	-
3- Unrealized Gains on Investments		-	-
4- Other Technical Income (Net of Reinsurer Share)		-	-
4.1- Other Technical Expenses, gross		-	-
4.2- Gross Other Technical Expenses, reinsurer share		-	-
5- Accrued subrogation income		-	-
<b>E- Life Technical Expense</b>			
1- Incurred Losses (Net of Reinsurer Share)		-	-
1.1- Claims Paid (Net of Reinsurer Share)		-	-
1.1.1- Claims Paid, gross		-	-
1.1.2- Claims Paid, ceded		-	-
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.2.1- Change in Provision for Outstanding Claims, gross		-	-
1.2.2- Change in Provision for Outstanding Claims, ceded		-	-
2- Change in Provisions for Bonus and Discounts (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
2.1- Provisions for Bonus and Discounts, gross		-	-
2.2- Provisions for Bonus and Discounts, ceded		-	-
3- Change in Life Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
3.1- Mathematical Reserves		-	-
3.1.1- Actuarial Mathematical Reserves		-	-
3.2.1- Reinsurer Share' Actuarial Mathematical Reserves		-	-
3.2.2 Reinsurer Share of Profit Reserve (for Permanent Life Insurance Policies)		-	-
4- Change in Other Technical Reserves		-	-
5- Operating Expenses		-	-
6- Investment Expenses		-	-
7- Unrealised Losses on Investment		-	-
8- Investment Income Transferred to the Non-Life Technical Section		-	-
<b>F- Net Technical Income - Life (D - E)</b>			
<b>G- Pension Business Technical Income</b>			
1- Fund Management Income		-	-
2- Management Fee		-	-
3- Entrance Fee Income		-	-
4- Management Expense Charge in Case of Suspension		-	-
5- Income from Individual Service Charges		-	-
6- Increase in Value of Capital Allowances Given as Advance		-	-
7- Other Technical Expense		-	-
<b>H- Pension Business Technical Expense</b>			
1- Fund Management Expense		-	-
2- Decrease in Value of Capital Allowances Given as Advance		-	-
3- Operating Expenses		-	-
4- Other Technical Expenses		-	-
<b>I- Net Technical Income - Pension Business (G - H)</b>			

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED DETAILED STATEMENTS OF INCOME**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

		Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>II - NON-TECHNICAL SECTION</b>			
<b>C- Net Technical Income - Non-Life (A-B)</b>	Notes	22.695.443.081	17.259.524.049
<b>F- Net Technical Income - Life (D-E)</b>		-	-
<b>I – Net Technical Income - Pension Business (G-H)</b>		-	-
<b>J- Total Net Technical Income (C+F+I)</b>		22.695.443.081	17.259.524.049
<b>K- Investment Income</b>		34.173.605.037	23.580.131.364
1- Income from Financial Assets	26	22.541.089.253	14.393.006.789
2- Income from Disposal of Financial Assets		-	-
3- Valuation of Financial Assets	26	7.660.161.986	5.246.873.200
4- Foreign Exchange Gains	26	3.594.593.022	2.407.756.355
5- Income from Associates	26	184.088.071	165.679.264
6- Income from Subsidiaries and Joint Ventures		102.038.266	60.337.454
7- Income from Property, Plant and Buildings	7,26	91.634.439	89.775.357
8- Income from Derivatives Transactions	26	-	1.216.702.945
9- Other Investments		-	-
10- Income Transferred from Life Section		-	-
<b>L- Investment Expense</b>		(26.619.533.467)	(22.403.819.632)
1- Investment Management Expenses – Interest Included	34	(3.479.432.799)	(3.498.515.944)
2- Diminution in Value of Investments		-	-
3- Loss from Disposal of Financial Assets		-	-
4- Investment Income Transferred to Non-Life Technical Section		(19.224.143.606)	(16.371.068.273)
5- Loss from Derivative Transactions		-	-
6- Foreign Exchange Losses	26	(2.746.299.856)	(1.556.325.762)
7- Depreciation and Amortization Expenses		(228.792.284)	(118.998.582)
8- Other Investment Expenses		(940.864.922)	(858.911.071)
<b>M- Income and Expenses from Other and Extraordinary Operations</b>		(3.193.842.572)	(1.754.150.638)
1- Provisions	47	(3.735.663.391)	(1.774.544.087)
2- Rediscunts	47	(404.439.148)	(77.562.738)
3- Monetary Gains and Losses		-	-
4- Inflation Adjustment Account		-	-
5- Deferred Tax Assets	21 and 35	936.251.926	82.927.091
6- Deferred Tax Liabilities		-	-
7- Other Income		18.966.337	20.135.752
8- Other Expenses and Losses	47	(8.958.296)	(5.106.656)
9- Prior Year's Income		-	-
10- Prior Year's Expenses and Losses		-	-
<b>N- Net Profit for the Year</b>	37	19.527.051.640	12.780.600.278
1- Profit and Loss for the Year		27.055.672.079	16.681.685.143
2- Corporate Tax Provision and Other Fiscal Liabilities	35	(7.528.620.439)	(3.901.084.865)
3- Net Profit and Loss for the Year		19.527.051.640	12.780.600.278
4- Inflation Adjustment Account		-	-

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

<i>STATEMENT OF CASH FLOW</i>	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>A. CASH GENERATED FROM MAIN OPERATIONS</b>			
1. Cash provided from insurance activities		107.412.027.949	73.849.688.060
2. Cash provided from reinsurance activities		-	-
3. Cash provided from pension business		-	-
4. Cash used in insurance activities		(94.119.409.091)	(62.170.820.385)
5. Cash used in reinsurance activities		-	-
6. Cash used in pension business		-	-
<b>7. Cash Provided from operating activities</b>		<b>13.292.618.858</b>	<b>11.678.867.675</b>
8. Interest paid		-	-
9. Income taxes paid		(4.685.847.043)	(3.845.408.653)
10. Other cash inflows		7.062.332.170	1.361.397.361
11. Other cash outflows		(6.222.143.882)	(6.536.298.619)
<b>12. Net cash Provided from operating activities</b>		<b>9.446.960.103</b>	<b>2.658.557.764</b>
<b>B. CASH FLOWS FROM INVESTING OPERATIONS</b>			
1. Disposal of tangible and intangible assets	6	30.718.910	4.180.878
2. Acquisition of tangible and intangible assets	6,8	(403.939.115)	(232.155.546)
3. Acquisition of financial assets	11	(158.567.104.067)	(66.862.169.919)
4. Disposal of financial assets	11	115.676.232.551	59.468.592.294
5. Interests received	26	22.541.089.253	12.678.930.043
6. Dividends received		184.088.071	165.679.264
7. Other cash inflows		-	262.255.448
8. Other cash outflows		-	-
<b>9. Net cash (used in) / generated from Provided by investing activities</b>		<b>(20.538.914.397)</b>	<b>5.485.312.462</b>
<b>C. CASH FLOWS FROM FINANCING OPERATIONS</b>			
1. Equity shares issued		-	7.070.036
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments	20	(97.076.239)	(32.857.972)
4. Dividends paid		(2.000.000.000)	(1.000.000.000)
5. Other cash inflows		9.836.565.752	1.570.179.274
6. Other cash outflows		(6.979.548.862)	(17.156.128.687)
<b>7. Net cash Used in Financing Activities (-)</b>		<b>759.940.651</b>	<b>(16.611.737.349)</b>
<b>D. EFFECT OF EXCHANGE DIFFERENCES IN CASH AND CASH EQUIVALENTS</b>		<b>635.511.015</b>	<b>575.379.392</b>
<b>E. NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(9.696.502.628)</b>	<b>(7.892.487.731)</b>
<b>F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	14	<b>18.273.954.433</b>	<b>26.166.442.164</b>
<b>G. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	14	<b>8.577.451.805</b>	<b>18.273.954.433</b>

The accompanying notes are an integral part of these consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR**  
**THE PERIOD 1 JANUARY - 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

Statements of Changes in Shareholders' Equity – Audited (*)												
	Notes	Capital	Own Shares of the Company (-)	Valuation Increase/(Decrease)	Inflation Adjustment To the Share Capital	Foreign Currency Conversion Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Profit for the Period	Prior Years Profit/(Losses)	Total
<b>I- Balance at the End of the Period – 31 December 2024</b>		1.161.523.363	(43.465.453)	3.442.641.570	-	-	324.063.778	-	3.261.201.360	6.186.049.487	63.065.443	14.395.079.548
A – Capital Increase		3.838.476.637	-	-	-	-	-	-	-	-	(3.838.476.637)	-
1 - Cash		-	-	-	-	-	-	-	-	-	-	-
2 – From Internal Sources		3.838.476.637	-	-	-	-	-	-	-	-	(3.838.476.637)	-
B – Own Shares of the Company		-	7.070.036	-	-	-	-	-	-	-	-	7.070.036
C – Gain and Losses Not Recognized in the Statement of Income		-	-	-	-	-	-	-	(10.447.254)	-	-	(10.447.254)
D – Change in the Value of Financial Assets		-	-	1.264.011.768	-	-	-	-	220.394.045	-	-	1.484.405.813
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other Gains and Losses		-	-	-	-	-	-	-	-	-	8.345.924	8.345.924
G – Inflation Adjustment Differences		-	-	-	-	-	-	-	-	-	-	-
H – Net Profit for the Period		-	-	-	-	-	-	-	-	12.780.600.278	-	12.780.600.278
I – Dividends paid		-	-	-	-	-	-	-	-	-	(1.000.000.000)	(1.000.000.000)
J- Transfer		-	-	-	-	-	94.192.383	-	1.222.666.789	(6.186.049.487)	4.869.190.315	-
<b>II- Balance at the End of the Period – (31 December 2024) (I+A+B+C+D+E+F+G+H+I+J)</b>		5.000.000.000	(36.395.417)	4.706.653.338	-	-	418.256.161	-	4.693.814.940	12.780.600.278	102.125.045	27.665.054.345

Statements of Changes in Shareholders' Equity – Audited (*)												
	Notes	Capital	Own Shares of the Company (-)	Valuation Increase/(Decrease)	Inflation Adjustment To the Share Capital	Foreign Currency Conversion Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Profit for the Period	Prior Years Profit/(Losses)	Total
<b>I- Balance at the End of the Period – 31 December 2025</b>		5.000.000.000	(36.395.417)	4.706.653.338	-	-	418.256.161	-	4.693.814.940	12.780.600.278	102.125.045	27.665.054.345
A – Capital Increase		5.000.000.000	-	-	-	-	-	-	-	-	(5.000.000.000)	-
1 - Cash		-	-	-	-	-	-	-	-	-	-	-
2 – From Internal Sources		5.000.000.000	-	-	-	-	-	-	-	-	(5.000.000.000)	-
B – Own Shares of the Company		-	-	-	-	-	-	-	-	-	-	-
C – Gain and Losses Not Recognized in the Statement of Income		-	-	-	-	-	-	-	-	-	-	-
D – Change in the Value of Financial Assets		-	-	4.089.991.882	-	-	-	-	-	-	-	4.089.991.882
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other Gains and Losses		-	-	-	-	-	-	-	352.160.878	-	11.473.907	363.634.785
G – Inflation Adjustment Differences		-	-	-	-	-	-	-	-	-	-	-
H – Net Profit for the Period		-	-	-	-	-	-	-	-	19.527.051.640	-	19.527.051.640
I – Dividends paid		-	-	-	-	-	-	-	-	-	(2.000.000.000)	(2.000.000.000)
J- Transfer		-	-	-	-	-	811.013.142	-	4.909.249.682	(12.780.600.278)	7.060.337.454	-
<b>II- Balance at the End of the Period – (31 December 2025) (I+A+B+C+D+E+F+G+H+I+J)</b>		10.000.000.000	(36.395.417)	8.796.645.220	-	-	1.229.269.303	-	9.955.225.500	19.527.051.640	173.936.406	49.645.732.652

(\*) Detailed explanations related to equity items are disclosed in Note 15.

The accompanying notes are an integral part of these consolidated financial statements

**TÜRKİYE SİGORTA A.Ş.**  
**STATEMENT OF PROFIT DISTRIBUTION FOR THE**  
**ACCOUNTING PERIOD 1 JANUARY - 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	<b>Audited Current Period (*) 31 December 2025</b>	<b>Audited Prior Period (*) 31 December 2024</b>
1.1. PROFIT FOR THE PERIOD	27.055.672.079	16.681.685.143
1.2 TAXES PAYABLE AND LEGAL LIABILITIES	(7.528.620.439)	(3.901.084.865)
1.2.1. Corporate Tax (Income Tax)	(7.528.620.439)	(3.901.084.865)
1.2.2. Corporate Tax (Income Tax)	-	-
1.2.3. Other Taxes and Legal Liabilities	-	-
<b>A NET PROFIT FOR THE PERIOD (1.1 – 1.2)</b>	<b>19.527.051.640</b>	<b>12.780.600.278</b>
1.3. PREVIOUS YEARS' LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES	-	-
1.5. LEGAL FUNDS TO BE KEPT IN THE COMPANY (-)	-	-
<b>B NET DISTRIBUTABLE – PROFIT FOR THE PERIOD [ (A - (1.3 + 1.4 + 1.5) ]</b>	<b>19.527.051.640</b>	<b>12.780.600.278</b>
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	(2.000.000.000)
1.6.1. To common shareholders	-	(2.000.000.000)
1.6.2. To preferred shareholders	-	-
1.6.3.To Owners of Participating redeemed shares	-	-
1.6.4.To owners of profit-sharing securities	-	-
1.6.5.To Owners of the Profit or Loss Sharing Securities	-	-
1.7. DIVIDENDS TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO FOUNDERS (-)	-	-
1.9. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.10. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.10.1. To common shareholders	-	-
1.10.2. To preferred shareholders	-	-
1.10.3. To Owners of Participating redeemed shares	-	-
1.10.4. To Owners of Profit Sharing Securities	-	-
1.10.5. To Owners of the Profit and Loss Sharing Securities	-	-
1.11. SECOND LEGAL RESERVE (-)	-	(811.013.141)
1.12. STATUORY RESERVES (-)	-	-
1.13. EXTRAORDINARY RESERVES	-	(4.969.587.137)
1.14. OTHER RESERVES	-	(5.000.000.000)
1.15. SPECIAL FUNDS	-	-
<b>I. DISTRIBUTION OF RESERVES</b>	<b>-</b>	<b>-</b>
2.1. DISTRIBUTED RESERVES	-	-
2.2. SECOND LEGAL RESERVE (-)	-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1. To common shareholders	-	-
2.3.2. To preferred shareholders	-	-
2.3.3. To Owners of Participating redeemed shares	-	-
2.3.4. To Owners of profit-sharing securities	-	-
2.3.5. To Owners of the Profit and Loss Sharing Certificates	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
2.5. DIVIDENDS TO THE BOARD OF DIRECTORS (-)	-	-
<b>II. PROFIT PER SHARE</b>	<b>-</b>	<b>-</b>
3.1. TO COMMON SHAREHOLDERS	-	1,6682
3.2. TO COMMON SHAREHOLDERS (%)	-	166.82%
3.3. TO PREFERRED SHAREHOLDERS	-	-
3.4. TO PREFERRED SHAREHOLDERS (%)	-	-
<b>III. DIVIDENDS PER SHARE</b>	<b>-</b>	<b>-</b>
4.1. TO COMMON SHAREHOLDERS	-	1,4000
4.2. TO COMMON SHAREHOLDERS (%)	-	140.00%
4.3. TO PREFERRED SHAREHOLDERS	-	-
4.4. TO PREFERRED SHAREHOLDERS (%)	-	-

(\*) The General Assembly is the authority of the Company for the distribution of the profit for the period. Since the General Assembly meeting for the 1 January - 31 December 2025 accounting period has not been held as of the date of preparation of the financial statements, the profit distribution table has not been prepared.

(\*\*) In accordance with relevant legislation, the Company's consolidated period profit has been included in the profit distribution table.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**1. GENERAL INFORMATION**

**1.1 Name of the Company and the ultimate parent of the group**

As of 31 December 2025 and 31 December 2024, the controlling shareholder of Türkiye Sigorta A.Ş. (“the Company”) is TWF Finansal Yatırımlar A.Ş. (“TWF Finansal Yatırımlar”) with 81.10% shareholding and the ultimate shareholder is Türkiye Varlık Fonu. As of 31 December 2025 and 31 December 2024, 18.90% of the Company's shares are publicly traded shares.

**1.2 Location and the legal structure of the Company, country, and the address of the registered office (address of the operating center if it is different from the registered office)**

The Company has been registered in Istanbul, Turkey in 1957 and operates as a joint stock company in accordance with Turkish Commercial Code (“TCC”). The Headquarter of the Company is located in “Güneş Plaza, Büyükdere Cad. No: 110 Esentepe Şişli 34394”.

In addition to the Head Office, the Company has Aegean Bancassurance Regional Directorate, Çukurova Bancassurance Regional Directorate, Mediterranean Bancassurance Regional Directorate, Boğaziçi Bancassurance Regional Directorate, Marmara Bancassurance Regional Directorate, Central Anatolia Bancassurance Regional Directorate, Black Sea Bancassurance Regional Directorate, Eastern and Southeastern Anatolia Bancassurance Regional Directorate, Ankara Bancassurance Regional Directorate, Istanbul Anatolia Bancassurance Regional Directorate, Istanbul Western and Thrace Bancassurance Regional Directorate, Mediterranean Agencies Regional Directorate, Western Istanbul and Thrace Agencies Regional Directorate, Çukurova Agencies Regional Directorate, Eastern and Southeastern Anatolia Agencies Regional Directorate, Aegean Agencies Regional Directorate, Istanbul Anatolia Agencies Regional Directorate, Istanbul Anatolia Eastern Agencies Regional Directorate, Istanbul Europe Agencies Regional Directorate, Black Sea Agencies Regional Directorate, Cyprus Regional Directorate, Corporate Sales and Technical Directorate, Marmara Agencies Regional Directorate, Central Anatolia Agencies Regional Directorate. As of 31 December 2025, the Company works with 3.920 agencies (31 December 2024: 3.846 agencies).

**1.3 Nature of operations**

The Company operates in non-life insurance branches consisting of automotive and non-automotive accident, fire, marine, engineering, health, agriculture, liabilities, financial losses, loan, and legal protection.

**1.4 Description of the main operations of the Company**

The Company carries out its activities within the framework of the Insurance Law No. 5684 (“Insurance Law”) published in the Official Gazette dated 14 June 2007 and numbered 26552 and other regulations and directives issued by the Insurance and Private Pension Regulation and Supervision Agency (“IPRSA”) established by the Presidential Decree dated 18 October 2019 based on this law, and Company operates in the insurance branches mentioned in Note 1.3 above. Prior to the establishment of IPRSA and the commencement of its regulatory activities in the insurance sector, insurance legislation was issued by the Republic of Türkiye Ministry of Treasury and Finance (“Ministry of Treasury and Finance”).

**1.5 The average number of the personnel during the period in consideration of their categories**

The average number of the personnel during the period was as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Key management (*)	15	16
Other personnel	1.533	1.558
<b>Total</b>	<b>1.548</b>	<b>1.574</b>

(\*) The Company's Chairman and members of the Board of Directors, general manager and assistant general managers are categorized as senior executives.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**1. GENERAL INFORMATION (cont’d)**

**1.6 Total amount of salaries and similar benefits provided to the chairman and members of the board of directors and key management such as general manager and assistant general managers in the current period:**

Short-term benefits provided to key management personnel	1 January - 31 December 2025	1 January - 31 December 2024
Salaries	96.634.886	47.255.056
Bonuses	84.028	15.912.546
Other	30.323.238	18.226.715
<b>Total benefits provided to key management</b>	<b>127.042.152</b>	<b>81.394.318</b>
Provision for employment termination benefits	1.738.392	1.220.777

**1.7 Criteria set for the allocation of investment income and operating expenses (personnel, management, research and development, marketing and sales, outsourcing utilities and services and other operating expenses) in the consolidated financial statements**

The principles and procedures regarding the allocation keys used in the consolidated financial statements to be prepared by companies were amended by the Ministry of Treasury and Finance’s Circular dated 4 January 2008 and numbered 2008/1 titled “Circular on the Principles and Procedures of Allocation Keys Used in Financial Statements Prepared within the Framework of the Insurance Chart of Accounts,” through the Circular dated 9 August 2010 and numbered 2010/9 titled “Circular on the Amendment to the Circular on the Principles and Procedures of Allocation Keys Used in Financial Statements Prepared within the Framework of the Insurance Chart of Accounts.”

Accordingly, all income obtained from the investment of the assets covering non-life technical provisions has been transferred from the non-technical section to the technical section by the Company. Other investment income has been classified under the non-technical section. The Company, in line with the permission obtained from SEDDK on 29 January 2024, has allocated the operating expenses transferred to the technical section to sub-branches, considering personnel efforts.

**1.8 Information on the consolidated financial statements as to whether they comprise an individual company or a group of companies**

Under the provisions of the “Communiqué on the Preparation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies,” the Company’s investment in its sole subsidiary, OSEM Sertifikasyon A.Ş., has been carried at cost in the balance sheet and excluded from consolidation, taking into account the materiality principle, since the total assets of OSEM Sertifikasyon A.Ş. are less than one percent of the Company’s total assets. In addition, in the consolidated financial statements prepared as of 31 December 2025, the Company accounted for its investment in Türk P and I Sigorta A.Ş., which is a jointly controlled entity, using the equity method in accordance with the accounting policies described in Note 2. Furthermore, the special fund established by the Company has not been included in consolidation pursuant to the Insurance and Private Pension Regulation and Supervision Authority’s (SEDDK) Sector Announcement dated 23 December 2022 and numbered 2022/14 regarding the preparation of consolidated financial statements.

**1.9 Name or other identity information about the reporting entity and the changes in this information after previous reporting date**

Name of the Company	:	Türkiye Sigorta Anonim Şirketi
Registered address of the head office	:	Güneş Plaza, Büyükdere Cad. No:110 Esentepe Şişli 34394 İstanbul
The website of the Company	:	<a href="http://www.turkivesigorta.com.tr">www.turkivesigorta.com.tr</a>

**1.10 Subsequent events**

The consolidated financial statements for the period 1 January – 31 December 2025 were approved by the Board of Directors of the Company on 23 January 2026. Explanations on events after the reporting period are presented in Note 46.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

**2.1.1 Information about the principles and the special accounting policies used in the preparation of the consolidated financial statements**

The Company prepares its consolidated financial statements in accordance with the Insurance Law and IPRSA. The insurance legislation before the establishment of IPRSA and the initiation of regulatory activities regarding the insurance sector was published by the Ministry of Treasury and Finance (‘Ministry of Treasury and Finance’).

The consolidated financial statements are prepared in accordance with the Insurance Chart of Accounts included in the communiqué issued by Ministry of Treasury and Finance regarding the Insurance Chart of Accounts and Prospects, published in the Official Gazette (No: 25686) dated 30 December 2004 (Insurance Accounting System Communiqué No.1) and 27 December 2011 dated and 2011/14 numbered Notice regarding to the Opening of New Account Codes in Insurance Account Plan. Content and the format of the financial statements prepared and explanations and notes thereof are determined in accordance with the Communiqué on Presentation of Financial Statements published in the Official Gazette numbered 26851 dated 18 April 2008 and numbered 2012/7 and dated 31 May 2012 Notice regarding to the Presentation of the New Account Codes and Financial Statements.

The consolidated financial statements were prepared as in a TRY and historical cost basis, except for the financial assets and investment properties and properties held for use measured at their fair value.

In accordance with the ‘Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies’ issued on 14 July 2007 and effective from 1 January 2008, and also in accordance with the communiqués which may be issued by Ministry of Treasury and Finance, operations of insurance companies shall be accounted for in accordance with the Turkish Financial Reporting Standards (‘TFRS’) as issued by the Public Oversight, Accounting, and Auditing Standards Authority (‘POA’) and other regulations, communiqués and explanations issued by Ministry of Treasury and Finance regarding accounting and financial reporting issues. With reference to the notice of Ministry of Treasury and Finance No. 9 dated 18 February 2008, ‘TAS 1 - Financial Statements and Presentation’, ‘TAS 27- Consolidated and Unconsolidated Financial Statements’, ‘TFRS 1 - Transition to TFRS’ and ‘TFRS 4- Insurance Contracts’ have been scoped out of this application. In addition, insurance companies are not required to prepare consolidated financial statements pursuant to the official statement on Regulation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies issued in the Official Gazette, dated on 31 December 2008 and numbered 27097.

The Company accounts and recognizes its insurance technical reserves in its consolidated financial statements as of 31 December 2025 in accordance with the ‘Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and the Assets to which These Reserves Are Invested’ (‘Regulation on Technical Reserves’) dated 28 July 2010 published in official gazette numbered 27655 and changes on this regulation on 17 July 2012 and numbered 28356 and other regulations issued for insurance and reinsurance companies by Ministry of Treasury and Finance (Notes 2.22, 2.23, 2.24 and 2.25).

According to the letter dated 4 April 2005 and numbered 19387 of the Ministry of Treasury and Finance, insurance companies are required to restate their financial statements as at 31 December 2004 in accordance with the Communiqué Serial XI, no: 25 “Communiqué on Accounting Standards in Capital Markets” published in the Official Gazette dated 15 January 2003 and numbered 25290 by the Capital Markets Board (“CMB”). The Ministry of Treasury and Finance also announced that, based on the CMB's decision taken on 17 March 2005, the application of inflation accounting is no longer required effective from 1 January 2005. In accordance with the related letter of the Ministry of Treasury and Finance, the Company restated its financial statements as at 31 December 2004 in accordance with the provisions of “Restatement of Financial Statements in Hyperinflationary Periods” and did not apply TAS 29, ‘Financial Reporting in Hyperinflationary Economies’ starting from 1 January 2005.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.1 Basis of Preparation (cont’d)**

With the "Announcement on Adjustment of Financial Statements of Companies Subject to Independent Audit for Inflation" dated 23 November 2023, POA stated that the financial statements of businesses that apply Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2024 must be presented adjusted for the inflation effect within the scope of TAS 29, "Financial Reporting Standard in High Inflation Economies" ("TAS 29"). It has been also stated that institutions or organizations authorized to regulate and supervise their own fields may determine different transition dates for the implementation of TAS 29 provisions. In accordance with the circular numbered 2024/32 dated 6 December 2024, IPRSA decided not to apply inflation accounting by insurance, reinsurance and pension companies in 2025. In this framework, no inflation adjustment has been made in accordance with TAS 29 while preparing the consolidated financial statements dated 31 December 2025. Following this development, pursuant to Circular No. 2025/33 dated 25 December, 2025, the IPRSA decided that insurance, reinsurance, and pension companies should not apply inflation accounting.

**Comparative Information and Restatement of Prior Period Consolidated Financial Statements**

The consolidated financial statements of the Company are prepared in comparison with the previous period in order to allow the determination of financial status and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is revised when necessary and significant differences are disclosed.

**2.1.2 Functional and presentation currency**

The financial statements are presented in TRY, which is the functional currency of the Company.

**2.2 Consolidation**

“Circular on the Preparation of the Consolidated Financial Statements of Insurance, Reinsurance and Individual Pension Companies” issued by Ministry of Treasury and Finance in the Official Gazette dated 31 December 2008 and numbered 27097 (“the Circular for Consolidation”) requires that insurance, reinsurance and individual pension companies issue consolidated financial statements starting from 31 March 2009.

Subsidiaries are companies where the parent company controls the financial and operating policies for the benefit of the parent company, either (a) through the power to exercise more than 50% of the voting rights relating to shares in the companies by owning those shares directly or indirectly; or (b) although not having the power to exercise more than 50% of the voting rights, otherwise having the power to exercise control over the financial and operating policies.

The company purchased all the shares of its subsidiary OSEM Sertifikasyon A.Ş. in 2021. In accordance with the provisions of the "Communiqué on the Preparation of Consolidated Financial Statements of Insurance, Reinsurance Companies and Pension Companies", considering the materiality principle, OSEM Sertifikasyon A.Ş.'s total assets are less than one percent of the Company's total assets. Excluded from the scope of consolidation and carried over the cost value in the balance sheet.

Joint Ventures (Jointly controlled entities): Joint ventures, including joint ventures and associates, are companies in domestic or foreign operations that are controlled by the parent company together with other companies under a joint venture agreement. The Company's investment in a joint venture is accounted for using the equity method.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.2 Consolidation (cont’d)**

Under the equity method, investment in a joint venture is initially recognized at cost. The carried value of the investment is adjusted to account for the changes in the share of the Company in the net assets of the joint venture since the date of purchase. Goodwill associated with the joint venture is included in the carried value of the investment and is not redeemed or individually tested for impairment. The profit or loss statement reflects the share of the Company in the operating results of the enterprise subject to joint management. Any change in the income statement of the invested companies is shown as a part of the company's income. In addition, when there is a change in the equity of the joint venture, the Company accounts for its share of any change in the statement of changes in equity. Unrealized gains and losses arising from the transactions between the company and the joint venture are eliminated to the extent of the share in the joint venture. Financial statements of joint ventures are prepared in the same reporting period as the Company. When necessary, adjustments are made to make the accounting policies the same with the accounting policies of the Company. The company determines whether it is necessary to recognize an impairment loss on its investment in joint ventures after the equity method is applied. The company decides at each reporting date whether there is objective evidence that the investment in the joint venture is impaired. If there is such an indicator, the Company calculates the depreciation amount as the difference between the recoverable value and the carried value of the joint venture and accounts the loss in the consolidated income statement (Note 9).

**2.3 Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Since the main geographical area in which the Company operates is Türkiye, geographical segment reporting is not presented.

Information about the Company’s business reports regarding all branches are explained in the context of TFRS 8 - Business segments in Note 5.

**2.4 Foreign currency transactions**

Transactions are recorded in TRY, which is the Company’s functional currency. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. As of the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated into TRY at the exchange rates at the end of the reporting period and translation differences resulting from the translation are reflected in the foreign exchange gains and foreign exchange losses in the accompanying consolidated financial statements.

Changes in the discounted values of foreign currency denominated financial assets classified as available-for-sale are recognized in the income statement and all other changes in the fair value of these assets and the resulting exchange differences are recognized in the related accounts in equity.

Foreign exchange differences arising from the translation of non-monetary financial assets and liabilities are considered as part of the fair value changes and those differences are accounted for in the accounts in which the fair value changes are accounted for.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.5 Property, plant and equipment**

Property, plant and equipment other than investment properties have been reflected in the consolidated financial statements at cost, less accumulated depreciation. Properties for operational use are recorded at their fair value on the basis of a valuation made by an independent valuation expert less subsequent accumulated depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net carrying amount is restated to the revalued amount.

Increases in the carrying amounts arising on revaluation of property, net of tax effects, are credited to “Other Capital Reserves” under shareholders’ equity. Any subsequent decrease in value offsetting previous increases in the carrying amount of the same asset is charged against the funds in the equity; and all other decreases are charged to profit or loss. At each reporting date, the difference between depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset’s original cost is transferred from ‘Other Capital Reserves’ to retained earnings.

Gains/losses arising from the disposal of the property, plant and equipment are calculated as the difference between the net book value and the net sales price and reflected to the statement of income of the related period. Maintenance and repair costs incurred in the ordinary course of the business are recorded as expense.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the costs or revalued amounts of property, plant and equipment. Depreciation rates and estimated useful lives are below.

	<b>Estimated Useful Life (Year)</b>	<b>Depreciation Rate (%)</b>
Machinery and equipment	4-50	25-2
Furniture and fixtures	4-50	25-2
Motor vehicles	4-5	25-20
Other property, plant and equipment (including leasehold improvements)	3-5	33-20

An investigation is to be performed to determine the possible impairment in case of there are existing conditions which point out impairment of property, plant and equipment except properties for operational use and as a result of that investigation; accrual is to be booked to reduce net book value of property, plant and equipment in case of recoverable value amount is less than net book value of related tangible asset. Profits and losses arising from disposal of property, plant and equipment will be kept in ‘Other income and expense’ account. In case of disposal of revalued assets; amount on ‘Other Capital Reserves’ account related to that assets are to be transferred to retained earnings account (Note 6).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**2.5 Property, plant and equipment (cont'd)**

**Right-of Use-Assets**

The Company accounts for its rights-to-use assets on the date the financial lease contract commences (for example, as of the date the relevant asset is available for use). The right of use assets is calculated by deducting the accumulated depreciation and impairment losses from the cost value. In case the financial leasing debts are revalued, this figure will be corrected.

Right of use assets are measured at cost comprising the following:

- (a) The amount of the initial measurement of lease liability,
- (b) Any lease payments made at or before the commencement date less any lease incentives received
- (c) Any initial direct costs and restoration costs.

Unless the transfer of ownership of the asset to the Company at the end of the lease is reasonably finalized, the Company depreciates its asset right to use until the end of the useful life of the underlying asset. Right of use assets are subject to impairment assessment.

**Lease Liabilities**

At the commencement date of the lease, the Company measures the lease liability over the present value of the unrealized lease payments at that date. Lease payments, if the interest rate implied in the lease can be easily determined, by using this rate; If the implied interest rate cannot be determined easily, it is discounted using the lessee's alternative borrowing interest rate. As of 31 December 2025, the weighted average of the alternative borrowing rates used by the Company for Turkish Lira leases is 45% per year (31 December 2024: 17% per year).

**2.6 Investment Property**

The lands and buildings, which are obtained either to earn income or for capital appreciation or for both, instead of either for the Company's operations or for management purposes or for sale during the regular operations, are classified under investment properties. Investment properties are reflected in the consolidated financial statement at fair value. Changes in fair values of investment properties are recognized in the income statement under investment income (Note 7).

**2.7 Intangible assets**

The Company's intangible assets consist of rights and computer software. Intangible assets are accounted at cost accounting for intangible assets.

The Company record the amortization amount for intangible assets on a straight-line basis over their estimated useful lives. The useful lives of intangible assets vary between 5 and 10 years (Note 8).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.8 Financial Assets**

**Classification and measurement**

*A financial asset* is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity. Financial assets are classified in two categories: as, available-for-sale financial assets and loans and receivables.

*Loans and receivables* are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables those are not interest earning are measured by discounting of future cash flows less impairment losses, and interest earning loans and receivables are measured at amortized cost less impairment losses.

*Held to Maturity Investments*; which are held with the intention of keeping to maturity and include the fixed or determinable payments with fixed or determinable payments, except for loans and receivables and reasonable value during the initial recognition. These are financial assets that are not classified as financial assets, the difference of which is reflected in the income statement and are not shown ready for sale in the records. These assets are first recorded at acquisition cost and this value is accepted as reasonable value. The fair value of the assets held to maturity is determined on the basis of the market price of similar instruments or the market prices of similar financial instruments. Financial assets held to maturity are valued at their ‘discounted value’. Contribution income from assets held to maturity is reflected in the income statement. The Company does not allocate impairment based on short-term market fluctuations, provided that there is no collection risk in securities representing the borrowing classified under financial assets held to maturity. In the event of a collection risk, the amount of the said impairment is the difference between the book value of the financial asset and the value of the cash flows still expected to be collected from the financial asset, if any, based on the original effective rate of return. Currency hedged deposits are also classified under held-to-maturity financial assets in accordance with the related insurance legislation.

*Financial assets classified as held for trading*; If a financial instrument is held for trading after the initial recognition, the financial asset is classified as financial assets at fair value through profit or loss. If the company manages related investments and decides to purchase and sell the fair value of these investments in accordance with the company’s written risk management and investment strategies, the financial assets are recognized as financial assets at fair value through profit or loss. After the initial recognition, all kind of transaction costs are recognized in profit or loss. Financial assets at fair value through profit or loss are measured at fair value and changes in fair value are recognized in profit or loss. Best expected purchase price as of the balance sheet date is used as a base in the determination of fair value. The fair value represents the best purchase order amount current pending orders at Borsa Istanbul A.Ş., the price of most recent transaction realized in the absence of these orders and the cost price which is forwarded by effective interest rate (the ratio which equalize the future cash flows of a financial asset or liability to its current net book value) in the absence of all other method.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.8 Financial Assets (cont’d)**

*Available-for-sale financial assets* consist of other financial assets classified under the affiliated securities. Available-for-sale financial assets are initially recorded at cost and subsequently measured at their fair values. For the assets whose shares are traded on the stock market, prices on the stock market as of the balance sheet date are considered. However, assets that are not traded in an active market are measured by using valuation techniques, including recent market transactions in similar financial instruments, adjusted for factors unique to the instrument being valued; or discounted cash flow techniques for the assets which do not have a fixed maturity. Unrecognized gains or losses derived from the difference between their fair value and the discounted values calculated per effective interest rate method are recorded in ‘Revaluation of financial assets’ under shareholders’ equity. Upon disposal, the realized gain or losses are recognized directly in the profit or loss. During the available-for-sale asset is first recognized, additional costs of recognition will be added to fair value.

**Derecognition**

A financial asset is derecognized when the control over the contractual rights that comprise that asset is lost. This occurs when the rights are realized, expire, or are surrendered.

**2.9 Impairment of Assets**

**Impairment of financial assets**

Financial assets or group of financial assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, the Company estimates the amount of impairment. A financial asset is impaired; if and only, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (‘loss event(s)’) incurred subsequent to recognition. The losses expected to be incurred due to future events are not recognized even if the probability of loss is high.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.9 Impairment of Assets (cont’d)**

Receivables are presented net of specific allowances for uncollectible. Specific allowances are made against the carrying amounts of loans and receivables that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and receivable to their recoverable amounts.

The recoverable amount of an equity instrument is its fair value. The recoverable amount of debt instruments and purchased loans measured to fair value is calculated as the present value of the expected future cash flows discounted at the current market rate of interest.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale and trading financial assets that are debt securities, the reversal is recognized in the statement of income. Impairment provisions arising from investments for equity instruments classified as available-for-sale financial assets and accounted in the income statement cannot be reversal from the income statement in the following periods.

**Impairment on property, plant and equipment**

On each reporting date the Company evaluates whether there is an indication of impairment of tangible and intangible assets. If there is an objective evidence of impairment, the asset’s recoverable amount is estimated and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

Discount and provision expenses of the period are detailed in Note 47.

**2.10 Derivative financial instruments**

Derivative financial instruments of the period are detailed in Note 13.

**2.11 Offsetting of financial assets**

Financial assets and liabilities are presented in the consolidated balance sheet on a net basis when the Company has a legally enforceable right to offset the related financial asset and liability and intends to collect/pay them on a net basis, or has the right to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the Turkish Financial Reporting Standards, or for gains and losses arising from a group of similar transactions included in the Company’s trading activities.

**2.12 Cash and Cash Equivalents**

Cash and cash equivalents, which is the basis for preparation of the statement of cash flows includes cash on hand, cheques received, other cash and cash equivalents, demand deposits and time deposits at banks having an original maturity less than three months and readily to be used by the Company or not blocked for any other purpose (Note 14).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.13 Share Capital**

As of 31 December 2025, and 31 December 2024, the share capital and ownership structure of the Company is as follows:

Name	31 December 2025		31 December 2024	
	Share Amount (TRY)	Share (%)	Share Amount (TRY)	Share (%)
TVF Finansal Yatırımlar A.Ş.	8.110.171.893	81,10	4.055.085.946	81,10
Public shares	1.889.828.108	18,90	944.914.054	18,90
<b>Paid-in Capital</b>	<b>10.000.000.000</b>	<b>100,00</b>	<b>5.000.000.000</b>	<b>100,00</b>

**Registered capital system**

At the Board of Directors meeting held on 27 December 2024, it was decided to increase the registered capital ceiling of the Company from TRY 5.000.000.000 to TRY 50.000.000.000, and to set the validity period of the registered capital ceiling as 2025-2029 (5 years)

In accordance with the permissions granted pursuant to The Capital Markets Board's letter dated 7 January 2025 and numbered 65660, the Insurance and Private Pension Regulation and Supervision Agency's letter dated 21 January 2025 and numbered 3709537, the Ministry of Commerce General Directorate of Domestic Trade dated 29 January 2025 and E-50035491-431.02-00105636074, the amendment of Article 7 titled ‘Capital’ of the Articles of Association were approved by the CMB and The amendment to the Articles of Association was approved by the General Assembly at the 2024 Ordinary General Assembly meeting held on 25 April 2025.

In accordance with the permissions granted pursuant to the Capital Markets Board's letter numbered E-29833736-105.01.01.01-73294, dated 2 June 2025, the Company's issued capital of TRY 5.000.000.000, within the registered capital ceiling of TRY 50.000.000.000, has been increased by 100% to TRY 10.000.000.000, with the entire amount being covered from the 2024 net profit.

As of 31 December 2025, the Company's share capital consists of 10.000.000.000 issued and fully paid shares (31 December 2024: 5.000.000.000 shares).

**2.14 Insurance and investments contracts - classification**

An insurance contract is a contract under which the Company accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk covers all risk except for financial risks. All premiums have been received within the coverage of insurance contracts recognized as revenue under the account caption written premiums.

Financial risk is the risk of a possible future change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided, that it is not specific to a party to the contract, in the case of a non-financial variable. As of reporting date, the Company does not have a predetermined risk guaranteeing contract which is classified as an investment contract.

**2.15 Insurance contracts and investment contracts with discretionary participation feature**

Discretionary participation feature (‘DPF’) within insurance contracts and investment contracts is the right to have following benefits in addition to the guaranteed benefits.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.15 Insurance contracts and investment contracts with discretionary participation feature (cont’d)**

- (i) Those are likely to comprise a significant portion of the total contractual benefits;
- (ii) Whose amount or timing is contractually at the discretion of the Issuer;
- (iii) Those are contractually based on:
  - (1) The performance of a specified pool of contracts or a specified type of contract;
  - (2) Realized and/or unrealized investments returns on a specified pool of assets held by the Issuer;
  - (3) The profit or loss of the Company, Fund or other entity that issues the contract.

As at the reporting date, the Company does not have any insurance or investment contracts that contain a DPF.

**Investment contracts without DPF**

As at the reporting date, the Company does not have any insurance contracts and investment contracts without DPF.

**2.16 Liabilities**

Financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities are measured at their discounted values in the Company’s consolidated financial statements. A financial liability is derecognized when it is extinguished.

**2.17 Taxes**

***Corporate tax***

With the paragraph added to the provisional Article 13 of the Corporate Tax Law No. 5520 with the Article 26 of the Law No. 7394 on the Amendment of Certain Laws and Decree Laws with the Law on the Evaluation of Immovable Properties Belonging to the Treasury and the Amendment of the Value Added Tax Law, which entered into force after being published in the Official Gazette dated 15 April 2022 and numbered 31810, it has been determined that for certain companies, including insurance companies, the Corporate Tax rate will be revised and applied as 25% for the corporate earnings for the taxation period of 2022. With this amendment, starting from the declarations to be submitted as of 1 July 2022, the rate of 25% will be applicable for the taxation of corporate income for the periods starting from 1 January 2022. With the Law No. 7456 published in the Official Gazette No. 32249 dated 15 July 2023, the general corporate tax rate was increased from 25% to 30% for certain companies, including insurance companies. The increase in the corporate tax rate has entered into force starting from the declarations to be submitted as of 1 October 2023 and to be applied to the earnings obtained in 2024 and the following taxation periods.

There is no withholding tax on profit shares (dividends) paid to non-resident companies and companies residing in Türkiye that generate income through a workplace or permanent representative in Türkiye. Dividend payments made to individuals and institutions other than these are subject to 15% withholding tax. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are considered. Appropriation of retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

Prepaid taxes are calculated and paid at the rates valid for the earnings of the related quarterly periods. The payments can be deducted from the annual corporate tax calculated for the whole year.

According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the period’s corporate income provided unless they do not exceed 5 years. However, financial losses cannot be offset against previous years’ profits.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.17 Taxes (cont’d)**

*Corporate tax (cont’d)*

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to tax office which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

The law on the amendment of Tax Procedure Law and Corporate Tax Law was enacted on 20 January 2022 with Law No. 7352 and it was decided that the financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 are met. In accordance with Law No. 7352, inflation adjustment will be applied to the financial statements dated 31 December 2024 and the profit/loss difference arising from the inflation adjustment will be recognized in retained earnings and will not be subject to tax. With the Law No. 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be considered in determining the corporate tax base. Under the provisional article added to the Tax Procedure Law(“TPL”) by the Omnibus Law No. 7571 published in the Official Gazette dated 24 December 2025, it has been stipulated that even if the conditions are met, the application of inflation adjustment based on the CPI shall not be made in the 2025, 2026, and 2027 accounting periods. Accordingly, inflation adjustments will not be applied in the TPL financial statements that will form the basis for corporate tax returns for the aforementioned periods. The company is evaluating the effects of these changes on its consolidated financial statements.

*Deferred Tax*

The deferred tax liability or asset is determined by calculating the tax effects on the “temporary differences” between the values of assets and liabilities shown in the consolidated financial statements and the amounts considered. According to tax legislation, the differences that do not affect the financial or commercial profit that occurred at the acquisition date of the assets and liabilities are excluded from this calculation.

Deferred tax assets and deferred tax liabilities are presented on a net basis in the consolidated financial statements only if the Company has a legally enforceable right to offset current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxable entity.

If the valuation differences arising from the valuation of the assets are recognized in the income statement, the current period corporate tax and deferred tax income or expense are also recognized in the income statement. If the valuation differences arising from the valuation of the related assets are accounted directly in the equity accounts, the related tax effects are accounted directly in the equity accounts (Note 21).

**2.18 Employee benefits**

*Provision for employment termination benefits:*

Under the Turkish Labor Law, the Company is obliged to pay severance compensation to employees who have completed one year of service and whose employment with the Company is terminated for reasons other than resignation or misconduct, as well as to those who have completed their years of service and become entitled to retirement, are called for military service, or pass away. The computation of the liability is based upon the retirement pay ceiling announced by the Government. As of 31 December 2025, the applicable ceiling amount as at TRY 64.948,77 (31 December 2024: TRY 41.828,42).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.18 Employee benefits (cont’d)**

*Provision for employment termination benefits: (cont’d)*

The fundamental assumption is that maximum ceiling for the yearly services increases in line with the inflation.

Therefore, the discount rate reflects the real rate after netting of the effects of inflation. The provision for termination benefits and severance payment has been calculated by using the ceiling amounting to TRY 64.948,77 which is applicable starting from 1 January 2026, as it is adjusted yearly (1 January 2025: TRY 41.828,42).

The Company are calculated provision for employee severance indemnities using actuarial methods. The major statistical assumptions used in the calculation of the total liability as of 31 December 2025 and 31 December 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Annual discount rate	3,32%	3,00%
Estimated employee turnover rate	12,50%	24,10%

*Other employee benefits:*

The Company has provided for undiscounted short-term employee benefits earned during the financial period as per services in the accompanying consolidated financial statements (Note 23).

**2.19 Provisions**

A provision is allocated for an existing obligation resulting from past events if it is probable that the commitment will be settled, and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the reporting date and, if material, such expenses are discounted to their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Company to settle the liability, the related liability is considered as ‘contingent’ and disclosed in the notes to the financial statement.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in consolidated financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Company discloses the contingent asset (Note 23).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.20 Revenue recognition**

**Written Premiums**

Written premiums represent premiums on policies written during the year net of taxes, premiums of the cancelled policies which were produced in prior years and premiums ceded to reinsurance companies. Premiums ceded to reinsurance companies on gross premiums are booked in “premiums ceded to reinsurance companies” account of statement of income (Note 24).

**Subrogation, salvage and other income**

In the calculations related to provisions for outstanding claims accrued and identified, accrued or collected subrogation, salvage or similar income items cannot be deducted. However, accrued subrogation, salvage, and similar income items can be recognized in the assets section of the balance sheet and income statement.

In order to accrue receivable or income of subrogation, salvage; acquisition of the right of subrogation, determination of the amount certainly, and must not have been charged by the end of the period are needed. In accordance with Turkish Commercial Code, the compensation must be paid for getting the right of subrogation.

In accordance with the Ministry of Treasury and Finance’s Circular No. 2010/13 dated 20 September 2010, titled “Circular on Subrogation and Salvage Income,” it is not necessary to obtain a release (discharge form) from insurance companies. Provided that insurance companies have made the indemnity payment, obtained a release document from their policyholders (such as a bank receipt letter confirming the payment), and notified the counterparty insurance company or third parties, Subrogation receivables up to the guarantee limit of the liable insurance company may be accrued. However, if the relevant amount cannot be collected from the counterparty insurance company within six months following the indemnity payment, or from third parties within four months, a provision must be set aside for the outstanding receivable.

On the other hand, if there is an agreement with the insurance company or third parties; where there is a payment plan up to one year, or receipt of cheques, bills or similar documents, the Company is not required to provide provision for subrogation receivables that overdue six months from insurance and four months from other counterparties are under the instalment plan.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.20 Revenue recognition (cont’d)**

**Subrogation, salvage and other income (cont’d)**

At the reporting date, in accordance with the related circular, the Company recognized TRY 932.791.405 (31 December 2024: TRY 693.068.493) net salvage and subrogation receivables in the receivables from main operations account. The Company has set aside a provision for receivables in the amount of TRY 114.001.648 (31 December 2024: TRY 75.664.435) for receivables that cannot be collected within the periods specified in the circular (Notes 4.2 and 12).

When the subrogation is subject to a court case, the amount is recorded on the date of the transaction and the same amount of provision is provided on the same day.

The Company has classified its net subrogation receivables amounting to TRY 2.957.566.661 (31 December 2024: TRY 1.201.794.925) as doubtful receivables from main operations by allocating provision for doubtful receivables for the portion remaining in its retention for Subrogation transactions through litigation and enforcement (Notes 4.2 and 12).

In order to accrue salvage income, it is necessary to accrue the income that can be obtained from the sale of the partially damaged goods in the event that the entire insurance amount is compensated and then these goods are transferred to the ownership or secondary possession of the insurance company (salvage), in the relevant periods, such as subrogation receivables. In this case, in cases where the goods under the secondary possession of the company are sold through a third party (real/legal) or left to the insured or sold directly by the company, the salvage income should be accrued and should not be deducted from the paid claims or outstanding claims.

For the years ended 31 December 2025 and 31 December 2024, accrued salvage and subrogation income per branches is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Motor vehicles	682.191.340	480.664.238
Third part liability for motor vehicles	188.785.718	166.946.945
Fire and natural disasters	43.122.428	37.137.485
Other	18.691.919	8.319.825
<b>Total</b>	<b>932.791.405</b>	<b>693.068.493</b>

For the period 1 January – 31 December 2025 and 2024, salvage and subrogation collections are as follows:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Motor vehicles	3.482.144.469	1.849.338.294
Third part liability for motor vehicles	449.460.270	346.417.185
Fire and natural disasters	109.987.495	106.478.020
Other	142.974.437	120.721.069
<b>Total</b>	<b>4.184.566.670</b>	<b>2.422.954.568</b>

**Commission income and expense**

As further detailed in Note 2.22, commissions paid to the agencies related to the production of the policies and the commissions received from the reinsurance firms related to the premiums ceded are recognized over the life of the contract by deferring commission income and expenses within the calculation of reserve for unearned premiums and they are recognized in deferred commission income and deferred commission expenses.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.20 Revenue recognition (cont’d)**

**Interest income and expense**

Interest income and expense are recognized using the effective interest method. The effective interest is the rate that discounts estimated future cash payments and cash flows through the life of the financial asset or liability to its carrying amount. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

**Dividend**

Dividend income is accounted when related dividend right arises.

**2.21 Dividend distribution**

Dividends distributed are recorded by deducting them from the accumulated profit in the period in which they are declared.

**2.22 Reserve for unearned premiums**

Reserve for unearned premiums, effective insurance contracts premiums occur from gross amounts without any commission or other discount and based on daily premium calculations for the following period or periods. For the good’s marine insurance contracts without a specific expire date, the premiums accrued from the last three months, 50% of the remaining amount is allocated as reserve for unearned premium.

The reserve for unearned premiums during the day basis evaluation while following sections of the extended periods are being evaluated it is assumed that in general implementation, the policy starts at noon 12:00 and ends again at noon 12:00.

Unearned portion of the commissions paid to the intermediaries for written premiums and commissions received from reinsurers for the premiums ceded are recognized in short term Prepaid Expenses and Income Accruals and Deferred Income and Expense Accruals respectively in the balance sheet. They are also recognized in the operating expenses after netting off.

In accordance with the Communiqué on Technical Reserves, for the calculation of reserve for unearned premium of foreign currency indexed insurance agreements, foreign currency selling exchange rates announced by Turkish Central Bank are used, unless there is a specified exchange rate in the agreement (Note 17).

**2.23 Reserve for unexpired risks**

In accordance with the Regulation on Technical Reserves, insurance companies are required to set aside a reserve for unexpired risks (“DERK”) by considering the expected loss ratio, in order to cover the potential claims that may arise from insurance contracts in force, in cases where such claims are expected to exceed the unearned premium reserves allocated for the respective contracts. If the expected loss ratio calculated on a branch basis exceeds 95%, the amount obtained by multiplying the portion exceeding 95% by the net unearned premium reserve is recognized as the net unexpired risk reserve, while the amount obtained by multiplying the same excess ratio by the gross unearned premium reserve is recognized as the gross unexpired risk reserve. The difference between the gross and net amounts is recognized as the reinsurers’ share.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.23 Reserve for unexpired risks (cont’d)**

With the “Circular No. 2022/27 on the Provision for Unexpired Risks” (“Circular No. 2022/27”) published by the Insurance and Private Pensions Regulation and Supervision Agency, the gross loss premium rate to be used in the calculation of the provision for continuing risks to the insurance companies is determined. It is possible to calculate by dividing the amount of final claim found for each quarter (including indirect works) of the last year, based on the current year, by the earned premium. As an alternative to this method, the gross loss premium rate can be calculated by insurance companies over the sum of the last four quarters, including the current period, based on the writing (working) year, including indirect works, and in the relevant method, the policies written in the last year in calculating the amount of damage incurred by the company actuary. In terms of the writing (working) year, the immaturity of the damage development process should be considered within the framework of the best estimation principles. If the gross loss premium ratio calculated based on the accident year in the Land Vehicles, Voluntary Liability and General Liability branches of the Company is above 85%, the excess amount is multiplied by the gross unearned premium reserve; net unearned premium reserve has been multiplied by the net unearned premium reserve. However, the Company evaluated the current situation for the Compulsory Traffic branch as of the balance sheet date, and within the scope of the Circular no 2022/27, the loss premium rate calculated on the basis of the writing (working) year calculated by the Company actuary in the URP calculation of the said branch as of 31 December 2025 has used.

In accordance with the Circular no 2022/27, the amounts of the direct works (including the works transferred to the Risky Insured Pool) related to the works in which 100% of the direct production is transferred to the pools established in Turkey are not included in the gross loss premium calculation. Since the liabilities of the companies in relation to these productions arise only from indirect production (such as the works from the Risky Insured Pool and the works received from the pool under the reinsurance agreement, such as the Yeşilkart insurance pool), only indirect productions can be used to determine the actual liability of the company for these works and similar works. The calculation is made separately from the other production of the branch, considering the damages and other income and expense items in this division. If the company considers that the weight of the production in question in the branch or the general portfolio of the company is insignificant, a separate calculation may not be made for this production.

In cases where 100% of the direct production is ceded to pools established in Türkiye, if a separate calculation is made, the portion of the gross loss ratio exceeding 100% is multiplied by the gross unearned premium reserve (“UPR”) to determine the gross unexpired risk reserve (“URR”), and by the net UPR to determine the net URR amount.

As of 31 December 2025, the Company has calculated a net unexpired risk reserve of TRY 1.308.168.985 and booked (31 December 2024: TRY 1.312.097.724) (Note 17).

The loss ratio (after discount) and gross and net provisions calculated by branches are presented on the following page:

Branch	Claim/Premium	31 December 2025		31 December 2024	
		Gross URR	Net URR	Gross URR	Net URR
Third part Liability for motor vehicles	99%	1.332.197.734	1.280.747.615	1.626.506.679	1.304.132.752
- Compulsory traffic (except RCA)	103%	1.125.163.115	1.125.163.115	902.841.809	902.841.809
- RCA acquired	134%	155.584.500	155.584.500	401.290.943	401.290.943
- RCA transferred	109%	51.450.119	-	322.373.927	-
- Discretionary liability	78%	-	-	-	-
Water vehicles	-	-	-	431.349.055	7.964.972
General Liability	74%	101.699.335	26.130.004	-	-
-General Liability (TPL)	72%	-	-	-	-
-TPL (Assumed)	277%	26.130.004	26.130.004	-	-
-TPL (Ceded)	277%	75.569.331	-	-	-
Surety	107%	9.522.971	1.291.366	-	-
<b>Total</b>		<b>1.443.420.040</b>	<b>1.308.168.985</b>	<b>2.057.855.734</b>	<b>1.312.097.724</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.24 Provision for outstanding claims**

The Company accounts for outstanding claim provision for ultimate cost of the claims incurred, but not paid in the current or previous periods or, for the estimated ultimate cost if the cost is not certain yet and for the incurred but not reported claims. Claim provisions are accounted for based on reports of experts or initial assessments of policyholders and experts, and in the calculations related to the claim provisions, claim recoveries, salvage and similar gains are not deducted.

In accordance with the Communiqué on Technical Reserves and 2011/1 and dated 14 January 2011, starting from 1 July 2012, the Company provided provision for the files that there is uncertainty about their amount and/or which are defined as pilot case based on the average amounts of which the calculation procedure and methods defined by Ministry of Treasury and Finance and updated the provision based on the further court decision and the expert reports.

As of 31 December 2025, the difference between the provision for outstanding claim that is accrued and the amount that is calculated by using the actuarial chain ladder method, of which the content and implementation fundamentals are determined on the Legislation for Technical Provision and the ‘Circular on Provision for Outstanding Claim’ numbered. 2014/16 and dated 5 December 2014 and is effective from 1 January 2015, is accounted for as incurred but not reported claims provision.

In accordance with ‘the Circular on Provision for Outstanding Claim’ dated 5 December 2014 and numbered 2014/16 published by Ministry of Treasury and Finance, the calculation of incurred but not reported claim provision for outstanding claim considering that best estimations of the Company’s actuary has been adjudicated. Based on mentioned circular letter, the data selection on incurred but not reported claim provision calculations, the amendments and adjustments and the selection of the best method and interference with development factor are done by the Company’s actuaries based on actuarial methods. In this related circular letter, on the calculation of incurred but not reported provision for outstanding claim amount, the Company has been given the right to choose Actuarial Chain Ladder Methods (ACLM) for each branch of Chain Ladder Method, Loss Ratio, Cape Cod, Frequency-Severity Techniques, Munich Chain Ladder Method and Bornhuetter - Ferguson. The Company has chosen the actuarial method on the basis of the actuarial opinion and the related methods are explained in Note 17.

The data related accrued claim recoveries, salvage and equivalent income in the balance sheet are taken into consideration in the ACLM calculations with collections. In addition, for the branches with a negative ACLM result, the incurred but not reported claim provision was calculated considering the total amount of the negative ACLM result. The ACLM calculations are performed on a gross basis and the net amounts are determined in accordance with in-forced reinsurance agreements of the Company. The gross and net incurred but not reported claim provision to be added or to be deducted for each branch and the calculation methodology as of 31 December 2025 and 31 December 2024 are explained in the Note 17.

As of 31 December 2025, the Company has provided net additional outstanding claims reserve amounting to TRY 32.290.851.447 (31 December 2024: TRY 30.104.262.426) in its financial statements for incurred but not reported claims considering the amounts found as a result of ACLM calculation.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**2.24 Provision for outstanding claims (cont'd)**

In accordance with the "Circular on the Discounting of Net Cash Flows Arising from the Provision for Outstanding Claims" published by the Ministry of Treasury and Finance dated 10 June 2016 and numbered 2016/22, the "Circular on Amendments to Circular No. 2016/22 on Discounting Net Cash Flows Arising from Outstanding Claims Provision" dated 15 September 2017 and numbered 2017/7, published by the Ministry of Treasury and Finance, and the "Circular Amending the Circular No. 2025/32 Concerning the Discounting of Net Cash Flows Arising from Outstanding Claims Provision" dated 18 December 2025 and numbered 2026/22 published by IPRSA, the company has calculated the discount on outstanding claims provisions of net TRY 20.868.903.899 as of 31 December 2025 (31 December 2024: TRY 20.086.354.287 TRY).

As of 31 December 2025 and 31 December 2024, the Company's net outstanding claims reserves by branch before and after discount are as follows :

<b>31 December 2025 Branch</b>	<b>Net outstanding claims before discount</b>	<b>Discount amount</b>	<b>Discounted net Outstanding claims provisions</b>
Third party liability for motor vehicles	36.997.395.795	(18.981.479.398)	18.015.916.397
Motor Vehicles	2.531.781.941	(323.872.850)	2.207.909.091
Health	3.201.097.843	(159.934.653)	3.041.163.190
General Liability	1.810.995.031	(1.181.971.190)	629.023.841
Fire and Natural Disasters	506.382.648	(117.244.779)	389.137.869
General Losses	314.238.790	(56.172.880)	258.065.910
Accident	73.039.220	(24.819.007)	48.220.213
Transportation	89.723.737	(16.337.623)	73.386.114
Water Vehicles	7.868.419	(1.225.448)	6.642.971
Financial Losses	33.056.113	(3.864.836)	29.191.277
Suretyship	6.856.292	(1.890.920)	4.965.372
Legal Protection	304.887	(81.035)	223.852
Credit	116.966	(9.280)	107.686
<b>Total</b>	<b>45.572.857.682</b>	<b>(20.868.903.899)</b>	<b>24.703.953.783</b>

<b>31 December 2024 Branch</b>	<b>Net outstanding claims before discount</b>	<b>Discount amount</b>	<b>Discounted net Outstanding claims provisions</b>
Third party liability for motor vehicles	35.876.283.805	(19.064.598.167)	16.811.685.638
Motor Vehicles	1.729.255.737	(169.522.845)	1.559.732.892
Health	1.479.604.291	(85.383.997)	1.394.220.294
General Liability	882.953.330	(602.988.889)	279.964.441
Fire and Natural Disasters	369.219.431	(77.467.284)	291.752.147
General Losses	272.902.448	(55.121.838)	217.780.610
Accident	61.210.866	(18.334.687)	42.876.179
Marine	46.411.037	(7.742.920)	38.668.117
Water Vehicles	22.430.762	(3.221.347)	19.209.415
Financial Losses	6.960.499	(1.196.129)	5.764.370
Suretyship	2.426.868	(629.392)	1.797.476
Legal Protection	384.669	(117.503)	267.166
Credit	116.611	(29.290)	87.321
<b>Total</b>	<b>40.750.160.354</b>	<b>(20.086.354.288)</b>	<b>20.663.806.066</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.24 Provision for outstanding claims (cont’d)**

The methods used to estimate the Company's net cash flows as of 31 December 2025 and 31 December 2024 and the estimated net cash flows for each main branch are as follows.

31 Dec 2025 Branch	Used Method	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Third party liability for motor vehicles	Table 57	8.334.273.314	4.761.130.935	4.022.370.404	3.983.043.349	4.000.762.769	3.767.592.231	3.266.510.466	2.562.242.066	1.669.771.599	629.698.662	36.997.395.795
Health	Table 57	3.124.199.619	65.183.400	9.764.863	1.312.035	(58.663)	386.478	232.488	42.377	35.247	-	3.201.097.844
Motor Vehicles	Table 57	2.116.323.047	98.922.943	91.989.920	98.833.874	57.065.584	28.106.601	17.870.935	12.716.764	7.647.222	2.305.052	2.531.781.942
General Liability	Table 57	111.954.358	123.296.248	159.690.240	219.005.967	284.515.507	331.048.191	345.457.462	192.712.353	38.992.601	4.322.102	1.810.995.029
Fire and Natural Disasters	Table 57	320.734.002	75.941.559	37.110.080	21.532.669	16.712.074	13.324.630	9.833.997	6.549.666	3.621.271	1.022.699	506.382.647
General Losses	Table 57	224.482.805	48.512.080	23.885.707	7.819.514	4.802.100	2.423.427	1.256.089	657.610	314.918	84.540	314.238.790
Accident	Table 57	58.553.320	25.985.407	1.885.820	2.081.326	743.640	287.483	115.429	47.757	18.834	4.720	89.723.736
Transportation	Table 57	35.243.424	10.075.236	6.436.825	5.526.266	4.733.327	3.772.435	3.165.639	2.286.080	1.480.695	319.293	73.039.220
Water Vehicles	Table 57	29.874.048	2.436.739	622.512	18.590	8.601	22.173	47.688	23.203	1.342	1.218	33.056.114
Financial Losses	Table 57	5.685.359	1.911.165	256.022	8.842	4.683	1.781	454	94	17	2	7.868.419
Suretyship	Table 57	2.572.674	2.716.343	1.440.187	76.921	33.388	11.118	3.798	1.321	438	103	6.856.291
Legal Protection	Table 57	125.451	122.298	42.306	10.077	3.499	501	360	383	13	-	304.888
Credit	Table 57	115.022	542	402	205	332	338	115	11	-	-	116.967

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.24 Provision for outstanding claims (cont’d)**

31 Dec 2025 Branch	Used Method	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Third party liability for motor vehicles	Table 57	9.437.949.744	4.917.943.550	3.612.376.051	3.504.086.578	3.406.324.753	3.133.990.406	2.862.938.977	2.487.180.803	1.825.739.538	687.753.405	35.876.283.805
Motor Vehicles	Table 57	1.577.054.647	67.790.331	35.944.941	29.256.691	20.646.519	5.203.126	(430.325)	(7.972.034)	(2.842.305)	4.604.146	1.729.255.737
Health	Table 57	268.696.780	45.253.276	17.420.961	10.157.962	7.505.560	8.105.879	5.669.582	3.646.299	2.153.623	609.509	369.219.431
General Liability	Table 57	1.446.377.609	28.918.431	4.230.633	136.114	(228.513)	96.327	43.263	30.427	-	-	1.479.604.291
Fire and Natural Disasters	Table 57	60.911.067	69.246.354	100.014.072	122.254.174	146.583.753	146.870.352	95.664.539	76.751.408	50.325.558	14.332.053	882.953.330
General Losses	Table 57	193.397.307	45.502.071	21.144.314	6.577.556	3.412.755	1.567.671	745.240	356.304	160.638	38.592	272.902.448
Accident	Table 57	34.455.557	11.002.301	4.558.292	3.905.142	2.894.406	1.870.860	1.177.251	738.772	425.698	182.587	61.210.866
Transportation	Table 57	36.602.143	6.141.212	1.442.318	1.297.646	493.295	233.035	113.466	54.387	25.973	7.562	46.411.037
Water Vehicles	Table 57	5.537.800	1.188.971	206.107	17.888	5.998	2.877	679	148	29	2	6.960.499
Financial Losses	Table 57	19.944.972	2.207.104	131.092	79.490	10.435	17.789	27.038	2.096	9.660	1.086	22.430.762
Suretyship	Table 57	1.281.870	998.298	88.350	32.344	16.498	6.036	2.272	830	304	66	2.426.868
Legal Protection	Table 57	165.648	140.063	54.829	17.090	5.824	893	322	-	-	-	384.669
Credit	Table 57	86.677	10.585	4.811	6.768	3.158	2.111	388	2.009	-	104	116.611

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.24 Provision for outstanding claims (cont’d)**

In accordance with the Circular No. 2011/23, it is possible to calculate a winning rate over the amounts of the lawsuits filed against the Company according to the realizations of the last five years according to the realizations of the last five years, and according to the calculated win rate, it is possible to make a discount from the outstanding claims reserves accrued for the files in the litigation process. The company calculated the winning rates by sub-branches by proportioning the amount of the claims, whose all-judicial processes were completed in the last five years, to the total amount of the files. In the calculation of the winning ratio, only the principal amounts related to the compensation are included in the calculation, and the interest and other expenses are not considered. In accordance with the Circular numbered 2011/23 for the branches with a winning ratio of over 25%, a discount was made from the outstanding claims reserve amount by using 25% for those with sufficient previous files and 15% for other branches. The company made the said calculations on the gross amounts and the reinsurance shares of the discount amount were determined by considering the reinsurance share of the related files. As of 31 December 2025, the net deduction amount of the Company's earning rates calculated on the basis of sub-branches and the provision for outstanding claims accrued is TRY 1.448.025.001 (31 December 2024: TRY 1.261.668.920) (Note 17). The winning rates used on a branch basis as of 31 December 2025 and 31 December 2024 are as follows:

<b>Branch</b>	<b>31 December 2025 Utilized Win Rate(%)</b>	<b>31 December 2024 Utilized Win Rate(%)</b>
Fire	%25,00	%25,00
Profit Loss	%0,00	%25,00
Commodity	%25,00	%25,00
Boat	%25,00	%25,00
Compulsory Road Transport Financial Liability	%25,00	%25,00
Motor Land Vehicles Optional Financial Liability	%22,00	%10,00
Motor Land Vehicles - Motor Insurance	%25,00	%21,00
Compulsory Seat Occupational Responsibility for Insurance Transportation on Road	%25,00	%25,00
Financial Liability to Third Parties	%25,00	%25,00
Theft	%25,00	%25,00
Natural Disasters Other Than Earthquakes and Floods	%25,00	%25,00
Medical Malpractice Law	%25,00	%25,00
Professional Responsibility	%25,00	%25,00
Optional Earthquake	%25,00	%25,00
Flood	%25,00	%25,00
Landslide	%25,00	%25,00
Personal Accident	%25,00	%25,00
Loss of Rent and Income	%25,00	%25,00
Legal Protection	%25,00	%25,00
Machine Breakage	%25,00	%25,00
Installation	%25,00	%25,00
Construction	%9,00	%25,00
Compulsory Responsibility for LPG	%17,00	%25,00
Health	%25,00	%25,00
Travel Health	%25,00	%24,00
Compulsory Traffic (Except Green Card)	%21,00	%20,00
Electronic Device	%9,00	%1,00
Employer Financial Liability	%25,00	%11,00
Glass Breakage	%25,00	%25,00
Product Responsibility	%25,00	%25,00
Dangerous Goods Compulsory Liability	%25,00	%15,00
Abuse of Trust	%25,00	%25,00
Aircraft Passenger Accident	%25,00	%0,00

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.25 Equalization provision**

In accordance with the Communiqué on Technical Reserves, the Insurance Companies should provide equalization provision in credit insurance and earthquake branches to equalize the fluctuations in future possible claims and for catastrophic risks. Provision is calculated as 12% of net premiums written in credit insurance and earthquake branches. In the calculation of net premiums, fees paid for un-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms.

The insurance companies are allowed to deduct claim payments and outstanding claims evidenced by expertise reports or official documents received from public institutions due to earthquake losses from the equalization reserve, provided that no deduction has been made from current year charge to the reserve.

As of 31 December 2025, equalization provision amounting to TRY 807.274.243 (31 December 2024: TRY 515.996.277) is presented under “Other Technical Reserves” under the long term-liabilities in the accompanying financial statements (Note 17).

	<b>31 December 2025</b>	<b>31 December 2024</b>
Net Equalization Provision	807.274.243	515.996.277
<b>Total</b>	<b>807.274.243</b>	<b>515.996.277</b>

**2.26 Related parties**

For the purpose of the consolidated financial statements, shareholders, Türkiye Varlık Fonu group companies, key management personnel and board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties (Note 45).

**2.27 Earnings per share**

Earnings per share are determined by dividing the net income by the weighted average number of shares outstanding during the year attributable to the shareholders of the Company. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“Bonus Shares”) to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus shares issued are regarded as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the bonus issue of shares retrospectively from the beginning of the previous reporting period (Note 37).

**2.28 Subsequent events**

Post-balance sheet events that provide additional information about the Company’s position at the reporting dates (adjusting events) are reflected in the consolidated financial statements. Post-balance sheet events that are not adjusting events are disclosed in the notes when material.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.29 New standards and interpretations**

The accounting policies adopted in the preparation of the financial statements for the period ended 31 December 2025 are consistent with those applied in the previous year, except for the adoption of new and amended Turkish Financial Reporting Standards (“TFRS”) and TFRS Interpretations effective as of 1 January 2026, which are summarized below. The effects of these new and amended standards and interpretations on the Company’s financial position and performance are explained in the relevant paragraphs.

**New and Amended Turkish Financial Reporting Standards**

a) Amendments that are mandatorily effective from 2025

**Amendments to TAS 21 *Lack of Exchangeability***

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The aforementioned standard, amendments and improvements do not have any significant effect on the Company’s consolidated financial position and performance.

b) New and revised TFRSs in issue but not yet effective

The Company has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
TFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Power Purchase Arrangements</i>
Annual Improvements	<i>Annual Improvements to TFRSs – Volume 11</i>
Amendments to TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>

**TFRS 17 *Insurance Contracts***

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2027.

**Amendments to TFRS 17 *Insurance Contracts* and *Initial Application of TFRS 17 and TFRS 9 – Comparative Information***

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)**

**2.29 New standards and interpretations(cont’d)**

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 17.

***TFRS 18 Presentation and Disclosures in Financial Statements***

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***TFRS 19 Subsidiaries without Public Accountability: Disclosures***

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***Amendments to TFRS 9 and TFRS 7 Classification and Measurement of Financial Instruments***

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

***Amendments to TFRS 9 and TFRS 7 Power Purchase Arrangements***

The amendments aim at enabling entities to include information in their financial statements that in the IASB’s view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

***Annual Improvements to TFRSs – Volume 11***

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a ‘de facto agent’
- TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

***Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures***

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

The Company evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The notes given in this section are provided to addition/supplement the commentary on the management of insurance risk (Note 4.1) and management of financial risk (Note 4.2).

Preparation of consolidated financial statements requires the use of estimations and assumptions which may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the balance sheet date and reported amounts of income and expenses during the financial period. Accounting estimates and assumptions are continuously evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. Although the estimations and assumptions are based on the best knowledge of the management for existing events and operations, they may differ from the actual results.

The estimation of the ultimate liability for technical expenses that can be incurred for the existing insurance contracts is the one of the most critical accounting estimates. Estimation of the insurance liabilities, by nature, includes the evaluation of several uncertainties.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

- Note 4.1 - Management of insurance risk
- Note 4.2 - Financial risk management
- Note 6 - Property, plant and equipment
- Note 7 - Investment properties
- Note 8 - Intangible assets
- Note 9 - Investments in associates
- Note 10 - Reinsurance assets and liabilities
- Note 11 - Financial assets
- Note 12 - Loans and receivables
- Note 21 - Deferred taxes
- Note 42 - Risks

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK**

**4.1 Management of insurance risk**

The risk under an insurance contract is the probability of an insured event’s occurring including the uncertainty of the amount of any resulting claim. This risk is impossible to estimate because of its structure. The principal risk the Company faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities at the consolidated financial statements.

In every area and stage of insurance operations, the definition of risk is made as clearly as possible, and the possibilities of eliminating, controlling, or insuring it are comprehensively reviewed.

According to risk types, the Company makes some analysis to decide about which branches it can operate in which city or region by using the analysis of district-city actuarial methods.

These analyses are updated about the new information received and so that policies will change about the priorities of the operations.

With the risk policies developed by these methods, it is aimed to increase the Company’s profitability on the basis of branches, regions and cities.

Risks are divided into branches and sizes in terms of the Company’s Risk Acceptance Regulations. Acceptance or rejection according to the result of risk examination’s evaluations is decided by the Company’s Risk Engineers, Related Branch Managers and Technical Unit Assistant of General Manager after evaluation.

The Company determines annual ‘risk acceptance policies’ regarding the products of the Company and revise these policies during the year, if necessary. Based on the mentioned risk acceptance policies, the maximum and minimum limits for risk analysis during the period from order process to the issuance of the policy and the risks which will be excluded are determined for each product. Furthermore, the Company, by considering its financial structure, obtains coverage for the significant risks and catastrophic losses through the use of reinsurance agreements.

The most common method to manage insurance risk is to arrange reinsurance agreements. But the transfer of insurance risk through reinsurance agreements is not eliminating the liability of the Company as the first one made the insurance. If reinsurance company does not pay the loss, Company’s liability towards the policyholder continues. The company evaluates the reliability of reinsurance company by analyzing the financial condition before annual contract.

The Company not only creates new policies within the context of risk evaluation as mentioned above, also transfers the risks to reinsurer companies with reinsurance agreements. The Company transfers the risks with special acceptance of excess loss insurance and quota surplus reinsurance within the context of the agreements.

Reinsurance agreements contains claim excess (quota surplus reinsurance, excess loss insurance) catastrophic guarantee (provision).

In addition, at the jobs, excess of special acceptance capacity which are at different levels for branches, arbitrary reinsurance is done by related technical departments. Generally, the Company has agreements of fire and natural disasters, marine, accident, transportation vehicles (land), transportation vehicles (air), transportation vehicles (sea), general losses, transportation vehicles (land) liability, transportation vehicles (sea) liability, general liability, financial losses, legal protection and health branches. Insurance guarantee amounts are also explained in Note 17.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.1 Management of insurance risk (cont’d)**

As of 31 December 2025, Swiss Re is the leading reinsurer in the Company's catastrophe excess of loss non-proportional reinsurance contracts in fire and engineering branches. The major reinsurers following this reinsurer are Milli Reasürans T.A.Ş., Everest Re, Hannover Re, Korean Re, Malaysian Re, Partner Re, QBE Europe and Scor. The latest credit ratings of these companies are as follows:

Reinsurance Company	Scale	Company	Date
Swiss Reinsurance Company Ltd	A+	AM Best	1 October 2025
Milli Reasürans T.A.Ş.	trA	S&P	26 September 2025
Everest Reinsurance Company	A+	AM Best	12 September 2025
Hannover Rück SE	A+	AM Best	12 December 2025
Korean Reinsurance Company	A	AM Best	12 December 2025
Malaysian Reinsurance Berhad	A-	AM Best	22 January 2025
Partner Reinsurance Company Ltd	A+	AM Best	7 February 2025
SCOR SE	A	AM Best	23 January 2025
QBE Europe SA/NV	A	AM Best	17 July 2025

The Company has annual excess treaty in fire, transportation, engineering and miscellaneous accident branches, as for quota share agreements for surety, executive liability and motor insurance branches as of the date 31 December 2025.

**Premiums transferred to the Social Security Institution**

The collection and settlement of expenses with respect to the medical care related services provided to the injured people due to the traffic accidents have been regulated by Article 98 of Road Traffic Act numbered 2918 altered by Article 59 of ‘The Law on Restructuring of Some Receivables and Changes in Social Security and General Insurance Law and Other Laws and Law Decrees’ (the ‘Law’) numbered 6111 published in the Official Gazette dated 25 February 2011. In this context, all the traffic accident related medical care services provided by any public or private health institution will be covered by Social Security Institution (“SSI”) regardless of social security status of the injured. Besides, in accordance with the temporary Article 1 of the Law, all of the expenses with respect to the traffic accident related medical care services provided before enforcement of the Law, will also be covered by SSI.

The liability of the insurance companies with respect to the service costs to be incurred in the context of abovementioned articles has been determined in accordance with the provisions of ‘The Regulation on the Principles of Collection of the Costs of the Health Services Provided due to the Traffic Accidents’ dated 27 August 2011 (‘The Regulation’), ‘The Communiqué on the Principles of the Implementation of the Regulation on the Principles of Collection of the Costs of the Health Services Provided due to the Traffic Accidents’ dated 15 September 2011 and numbered 2011/17 (the ‘Communiqué numbered 2011/17’) and ‘The Communiqué on the Accounting of Payments to Social Security Institution (‘SSI’) with respect to Treatment Expenses and Introduction of New Account Codes to Insurance Account Chart’ dated 17 October 2011 (the ‘Communiqué numbered 2011/18’), the regulation(‘2012/3 numbered notice) making changes in ‘The Regulation on the Principles of Collection of the Costs of the Health Services Provided due to the Traffic Accidents’ dated 16 March 2012 and numbered 2012/3 and the communiqué about changes related ‘the Principles of Collection of the Costs of the Health Services Provided due to the Traffic Accidents’ dated 30 April 2012 and numbered 2012/6(the ‘Communiqué numbered 2012/6’).Within this framework, the Company is required to cede a certain amount of premiums to be determined in accordance with the Regulation and the Communiqué numbered 2011/17 to SSI in relation to policies issued as of 25 February 2011,the notice numbered 2012/3 and the communiqué numbered 2012/6 in ‘Compulsory Marine’, ‘Compulsory Traffic’ and ‘Compulsory Motor Personal Accident’ branches regarding the expenses with respect to the traffic accident related medical care services provided after enforcement of the Law. Based on the aforementioned regulations. The Company has calculated the amount of the premiums to be ceded to SSI in 1 January – 31 December 2025 account period as TRY 1.296.888.131 under the account of “premiums transferred to SSI” (1 January – 31 December 2024: TRY 1.018.981.502).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.1 Management of insurance risk (cont’d)**

**Premiums and claims transferred to the Risky Insured Pool**

The “Risk Insured Pool” (“Pool”) was established by the Ministry of Treasury and Finance to be valid for the traffic insurance policies written as of 12 April 2017 for the high damage frequency level and/or vehicle groups as determined by the “Regulation on Amendment to the Regulation on Tariff Implementation Principles in Compulsory Financial Liability Insurance of Highways Motor Vehicles” published in the Official Gazette dated 11 July 2017 and numbered 30121. According to the risk insured Pool Work Essentials enacted with the regulation in question, the premium for the pool covered by traffic insurance policy and damage Turkey Motor Vehicle Bureau (‘TMVB’) to be calculated in two stages. Accordingly, 50% of the premiums and damages are shared equally among the insurance companies; while the remaining 50% is distributed considering the share of insurance companies in the last 3 years of traffic insurance premiums. As of 1 January 2026, premiums and claims paid related to policies covered by the Pool are distributed monthly among insurance companies according to their share of motor insurance premiums received in the relevant month.

The Company has recorded the premiums, indemnities and commission amounts transferred from the Risky Insurance Pool within the scope of the Company's share within the scope of the regulation, taking into consideration the estimated amounts of the unreported periods at the closing date of the accounts and the monthly receipts finalized by TMVB. As of 31 December 2025, the Company has transferred TRY 915.593.561 (31 December 2024: 2.652.101.217 TRY) premium and TRY 3.081.707.531 paid compensation and recovery income (31 December 2024: 1.573.844.714 to the Pool. TRY 802.343.679 premium, TRY 132.252.403 commission, TRY 1.811.393.614 paid as compensation and recovery income from Pool to the Company were recognized in accordance with the relevant legislation. (31 December 2024: TRY 1.670.326.990, TRY 453.648.892, TRY 1.318.563.822)

The ‘Compulsory Medical Malpractice Law’ which is annexed to the ‘Procedures and Principles Regarding the Contribution of the Institution in the Compulsory Financial Liability Insurance for Medical Malpractice’ (2010/1) published by Ministry of Treasury and Finance in the Official Gazette dated 7 October 2017 and numbered 30203 Liability Insurance Tariff and Instruction ‘B. INCIDENT’, the Premiums and Claims Sharing Basis for the Medical Malpractice Insurance Liability Insurance, the premiums and claims related to the financial liability policies in the application are calculated in two stages by the company appointed by the Türkiye Sigorta A.Ş. Accordingly, 50% of the premiums and claims are shared equally among the insurance companies; and the remaining 50% is distributed considering the share of insurance companies' medical liability insurance premiums in the last three years.

The Company has accounted the amounts of premiums, claims and commissions that are taken over from the Pool within the scope of the Company's market share and ceded to the Medical Malpractice Liability Pool within the scope of the regulation, considering the amounts in the monthly statements that is finalized by other insurance companies. As of 31 December 2025, The Company has ceded TRY 62.758.899 (31 December 2024: 24.749.537 TRY) premium to the Pool and accounted TRY 19.922.202 premium, TRY 5.194.661 compensation and TRY 7.531.068 commission income; based on its share which are reported by the Pool, on the financial statements in accordance with the legislation (31 December 2024: 9.186.856 TRY, 3.075.192 TRY, 3.374.937 TRY).

**4.2 Management of financial risk**

**Introduction and overview**

This note presents information about the Company’s exposure to each of the below risks, the Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital. The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

**Introduction and overview (cont’d)**

The Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board of Directors monitors the effectiveness of the risk management system through the internal audit department.

The Company’s risk management policies are established to identify and analyzed the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

**Credit risk**

Credit risk is basically defined as the possibility that counterparty will fail to meet its obligations in accordance with agreed terms of a contract. The balance sheet items that the Company is exposed to credit risk are as follows:

- banks
- other cash and cash equivalents (excluding cash)
- financial assets
- receivables from policyholders
- receivables from intermediaries (agencies)
- receivables from reinsurance companies related to commissions and claims paid
- reinsurance shares of insurance liability
- other receivable

Financial assets of the Company, subject to credit risk are mainly demand and time deposits held at banks in Turkey and other financial intermediaries, and credit card receivables. All these receivables are assumed that they do not have a high credit risk.

Net carrying value of the assets that are exposed to credit risk is shown in the table below.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Financial assets (Note 11)	86.507.064.355	34.327.469.974
Cash equivalents (Note 14)	11.162.984.992	25.228.353.912
Receivables from main operations (Note 12)	31.481.788.521	19.005.278.041
Reinsurer share in provision for outstanding claims (Note 10)	17.491.519.515	16.143.515.816
Other receivables (Note 12)	1.570.096.166	735.826.569
Prepaid taxes and funds (Note 12)	784.762.178	607.136.831
Advances given to personnel	44.018	14.641
<b>Total</b>	<b>148.998.259.745</b>	<b>96.047.595.784</b>

Details of mortgages and other guarantees taken for receivables are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Letters of guarantee	336.954.606	242.385.335
Mortgage notes	63.186.726	67.289.026
Cash collateral	102.569.088	82.253.450
Other guarantees and sureties	158.254.747	154.379.717
<b>Total</b>	<b>660.965.167</b>	<b>546.307.528</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

As of 31 December 2025 and 31 December 2024, the aging of receivables from main operations is as follows:

	31 December 2025		31 December 2024	
	Gross Amount	Allocated provision	Gross Amount	Allocated Provision
Receivables not due	28.717.399.142	-	17.522.282.277	-
Receivables 0-30 days overdue	1.182.383.673	-	582.920.440	-
Receivables 31-60 days overdue	382.705.982	-	154.925.179	-
Receivables 61-180 days overdue	279.266.690	-	87.241.050	-
Receivables overdue more than 181 days	136.608.986	(35.365.709)	80.733.838	(40.228.800)
	<b>30.698.364.473</b>	<b>(35.365.709)</b>	<b>18.428.102.784</b>	<b>(40.228.800)</b>
Amounts to be collected through Subrogation and salvage	932.791.405	(114.001.648)	693.068.493	(75.664.435)
Doubtful receivables from operating activities - subrogation receivables	2.957.566.661	(2.957.556.661)	1.201.794.925	(1.201.794.925)
<b>Total</b>	<b>35.588.722.539</b>	<b>(3.106.934.018)</b>	<b>20.322.966.201</b>	<b>(1.317.688.160)</b>

The movement of the provision for receivables from insurance activities during the period is as follows:

	2025	2024
Beginning of the period – 1 January	(1.317.688.160)	(1.019.161.498)
Change in provision for legal follow-up subrogation receivables (Note 47)	(1.755.356.941)	(241.818.107)
Other	(33.888.917)	(56.708.555)
<b>End of the period – 31 December</b>	<b>(3.106.934.018)</b>	<b>(1.317.688.160)</b>

**Liquidity risk**

Liquidity risk is the risk that the Company may have difficulty in meeting its financial obligations.

*Liquidity risk management*

In order to protect the Company from liquidity risk, the maturity matching between monetary assets and liabilities is ensured and liquid assets are maintained in order to meet the liquidity needs that may arise in a complete manner.

The following table shows the distribution of the Company's financial and insurance liabilities according to their remaining contractual or expected maturities at the balance sheet dates:

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

Monetary asset and liabilities’ remaining periods to maturity:

31 December 2025	Book value	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years
<b>Assets</b>						
Cash and cash equivalents	11.162.984.992	6.492.307.170	2.415.992.890	-	2.254.684.932	-
Receivables from operating activities	31.481.788.521	7.130.471.984	9.998.230.897	13.953.336.277	399.749.363	-
Financial assets	86.507.064.355	36.486.542.473	5.243.766.174	16.843.611.291	23.120.516.265	4.812.628.152
Other receivables	1.570.096.166	35.270	22.147.219	1.542.461.999	5.451.678	-
<b>Total monetary assets</b>	<b>130.721.934.034</b>	<b>50.109.356.897</b>	<b>17.680.137.180</b>	<b>32.339.409.567</b>	<b>25.780.402.238</b>	<b>4.812.628.152</b>
<b>Liabilities</b>						
Payables from operating activities	12.673.413.969	7.553.663.638	3.138.392.604	1.631.625.580	349.732.147	-
Payables to related parties	5.547.215	382.517	-	5.164.698	-	-
Other payables	1.396.342.636	916.196.511	392.071.751	88.074.374	-	-
Provision for outstanding claims, net	24.703.953.783	1.538.881.076	4.553.513.821	17.648.315.587	875.675.734	87.567.565
Taxes and other similar liabilities and provisions	3.905.539.018	875.003.609	3.030.535.409	-	-	-
Financial liabilities	11.187.313.506	11.108.714.564	-	-	78.598.942	-
<b>Total monetary liabilities</b>	<b>53.872.110.127</b>	<b>21.992.841.915</b>	<b>11.114.513.585</b>	<b>19.373.180.239</b>	<b>1.304.006.823</b>	<b>87.567.565</b>
<b>31 December 2024</b>						
<b>Assets</b>						
Cash and cash equivalents	25.228.353.912	11.496.079.597	11.977.985.818	1.754.288.497	-	-
Receivables from operating activities	19.005.278.041	6.400.785.167	4.023.198.481	7.822.709.643	758.584.750	-
Financial assets	34.327.469.974	16.819.977.902	1.145.952.841	8.778.529.461	3.318.044.994	4.264.964.776
Other receivables	735.826.569	140.516	15.078.381	715.000.000	5.607.672	-
<b>Total monetary assets</b>	<b>79.296.928.496</b>	<b>34.716.983.182</b>	<b>17.162.215.521</b>	<b>19.070.527.601</b>	<b>4.082.237.416</b>	<b>4.264.964.776</b>
<b>Liabilities</b>						
Payables from operating activities	8.205.211.983	5.523.392.854	1.589.296.664	974.626.393	117.896.072	-
Payables to related parties	8.421.035	3.249.119	-	5.171.916	-	-
Other payables	772.847.070	449.101.862	255.123.781	68.621.427	-	-
Provision for outstanding claims, net	20.663.806.066	1.287.208.533	3.808.820.537	14.762.064.967	732.465.487	73.246.542
Taxes and other similar liabilities and provisions	2.178.584.800	624.385.458	1.554.199.342	-	-	-
Financial liabilities	1.234.058.343	1.222.023.075	-	-	12.035.268	-
<b>Total monetary liabilities</b>	<b>33.062.929.297</b>	<b>9.109.360.901</b>	<b>7.207.440.324</b>	<b>15.810.484.703</b>	<b>862.396.827</b>	<b>73.246.542</b>

**Market risk**

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and credit spreads will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

*Currency risk*

The Company is exposed to currency risk through insurance and reinsurance transactions in foreign currencies.

Foreign exchange gains and losses arising from foreign currency transactions are recorded at transaction dates. At the end of the periods, foreign currency assets and liabilities evaluated by the Central Bank of the Republic of Türkiye’s spot purchase rates and the differences arising from foreign currency rates are recorded as foreign exchange gain or loss in the statement of income.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

The Company’s exposure to foreign currency risk is as follows:

<b>31 December 2025</b>	<b>USD</b>	<b>EUR</b>	<b>Other Currencies</b>	<b>Total</b>
<i>Assets:</i>				
Cash and cash equivalents	428.655.034	310.886.194	58.167.779	797.709.007
Financial assets	2.504.385.951	251.429.500	-	2.755.815.451
Receivables from operating activities	4.095.311.753	3.994.761.442	54.537.756	8.144.610.951
<b>Total foreign currency assets</b>	<b>7.028.352.738</b>	<b>4.557.077.136</b>	<b>112.705.535</b>	<b>11.698.135.409</b>
<i>Liabilities:</i>				
Payables arising from operating activities	2.696.181.779	1.744.232.870	(892.550)	4.439.522.099
Provision for outstanding claims	141.913.714	123.069.618	3.022.572	268.005.904
Deposits and collaterals received	38.730.371	10.281.104	-	49.011.475
<b>Total foreign currency liabilities</b>	<b>2.876.825.864</b>	<b>1.877.583.592</b>	<b>2.130.022</b>	<b>4.756.539.478</b>
<b>Balance sheet position</b>	<b>4.151.526.874</b>	<b>2.679.493.544</b>	<b>110.575.513</b>	<b>6.941.595.931</b>
<b>31 December 2024</b>	<b>USD</b>	<b>EUR</b>	<b>Other Currencies</b>	<b>Total</b>
<i>Assets:</i>				
Cash and cash equivalents	593.871.875	211.507.088	26.428.959	831.807.922
Financial assets	2.310.517.492	551.043.000	-	2.861.560.492
Receivables from operating activities	3.485.107.261	2.193.561.658	30.979.433	5.709.648.352
<b>Total foreign currency assets</b>	<b>6.389.496.628</b>	<b>2.956.111.746</b>	<b>57.408.392</b>	<b>9.403.016.766</b>
<i>Liabilities:</i>				
Payables arising from operating activities	1.604.856.970	1.188.166.596	(2.985.284)	2.790.038.282
Provision for outstanding claims	107.468.069	58.168.533	10.220.778	175.857.380
Deposits and collaterals received	39.144.576	9.582.256	-	48.726.832
<b>Total foreign currency liabilities</b>	<b>1.751.469.615</b>	<b>1.255.917.385</b>	<b>7.235.494</b>	<b>3.014.622.494</b>
<b>Balance sheet position</b>	<b>4.638.027.013</b>	<b>1.700.194.361</b>	<b>50.172.898</b>	<b>6.388.394.272</b>

TRY equivalents of the related foreign currency amounts are shown in order to evaluate the table above.

*Exposure to currency risk*

20% percent devaluation of the TRY against the following currencies as of 31 December 2025 and 31 December 2024 would have increased equity and profit or loss (excluding tax effects) by the amounts shown below This analysis assumes that all other variables, in particular interest rates, remain constant 20% percent appreciation of the TRY against the following currencies’ effect will be in opposite direction.

	<b>1 January – 31 December 2025</b>		<b>1 January - 31 December 2024</b>	
	<b>Income statement</b>	<b>Equity</b>	<b>Income statement</b>	<b>Equity</b>
USD	830.305.375	830.305.375	1.569.548.191	1.569.548.191
Euro	535.898.709	535.898.709	815.305.511	815.305.511
Other currencies	22.115.103	22.115.103	8.840.466	8.840.466
<b>Total, net</b>	<b>1.388.319.187</b>	<b>1.388.319.187</b>	<b>2.393.694.167</b>	<b>2.393.694.167</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

*Exposure to interest rate risk*

The principal risk to which financial assets are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands.

As of 31 December 2025, and 31 December 2024, the interest rate profile of the Company’s interest earning financial assets and interest-bearing financial liabilities are detailed below:

	31 December 2025	31 December 2024
<b>Financial Assets with fixed interest rates:</b>		
Time Deposits (Note 14)	4.420.520.513	20.191.421.981
Available for sale financial assets (Note 11)	17.377.910.692	886.194.052
Held to maturity financial assets (Note 11)	24.573.662.025	2.928.622.646
Financial assets held for trading (Note 11)	506.586.797	2.106.213.785
<b>Financial Assets with floating interest rates:</b>		
Available for sale financial assets (Note 11)	12.456.994.406	10.235.019.846
Held to maturity financial assets (Note 11)	22.596.585	1.057.302.820
Financial assets held for trading (Note 11)	31.569.313.850	17.114.116.825
<b>Financial liabilities with fixed interest rates:</b>		
Payables from finance lease transactions (Note 20)	146.557.460	29.868.049
Other financial liabilities (Note 20)	11.040.756.046	1.204.190.294

*Fair value disclosure*

The estimated fair values of financial instruments are determined using available market data and, where appropriate, appropriate valuation methodologies.

Available-for-sale financial assets are measured at their fair values based on their quoted prices in the accompanying consolidated financial statement. To measure the fair values of the debt securities which has no quoted prices in the financial markets, a valuation technique is applied, which all inputs are based on the observable information.

Management estimates that the fair value of other financial assets and liabilities are not materially different than their carrying amounts.

*Classification of fair value measurement*

‘IFRS 7 - Financial Instruments’: Disclosures requires the measurements of fair value of financial instruments to be classified in a hierarchy that reflects the significance of the valuation inputs used. This classification is based primarily on whether the inputs are observable or not. Observable inputs represent the use of market data obtained from independent sources; unobservable inputs represent the use of the Company's estimates and judgements. This sort of categorization generally results in the classifications below.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Classification requires the utilization of observable market data, if available.

In this context, the fair values of financial assets and liabilities measured at fair value are as follows:

<b>31 December 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Available for sale financial assets (Note 11)	29.809.273.291	25.631.807	-	29.834.905.098
Financial assets held for trading (Note 11)	32.075.900.647	-	-	32.075.900.647
Subsidiary securities (*)	-	-	9.667.523.491	9.667.523.491
Joint ventures	-	-	2.680.750.000	2.680.750.000
Properties held for use	-	1.782.597.070	-	1.782.597.070
Investment properties	-	408.350.176	-	408.350.176
<b>Total</b>	<b>61.885.173.938</b>	<b>2.216.579.053</b>	<b>12.348.273.491</b>	<b>76.450.026.482</b>

<b>31 December 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Available for sale financial assets (Note 11)	1.554.456.045	9.566.757.853	-	11.121.213.898
Financial assets held for trading (Note 11)	19.220.330.610	-	-	19.220.330.610
Subsidiary securities (*)	-	-	5.721.535.040	5.721.535.040
Joint ventures	-	-	1.484.150.000	1.484.150.000
Properties held for use	-	1.316.612.000	-	1.316.612.000
Investment properties	-	325.516.000	-	325.516.000
<b>Total</b>	<b>20.774.786.655</b>	<b>11.208.885.853</b>	<b>7.205.685.040</b>	<b>39.189.357.548</b>

(\*) Investments in subsidiary securities carried at cost are not included.

Fair values of affiliates and subsidiaries are determined in accordance with discounted cash flow and comparative value method in valuation reports prepared by independent valuation companies. Unlisted shares of fair values of affiliates and subsidiaries are determined in accordance with discounted cash flow and comparative value method in valuation reports prepared by independent valuation companies.

*Sensitivity of fair value of financial assets*

The Company's financial assets held for trading and available for sale financial assets are measured at their fair values in the relevant markets. If market prices had increased/decreased by 5% and all other variables had remained constant, the Company's equity would have been TRY 3.256.803.425 (31 December 2024: TRY 1.645.546.839) more/lower as of 31 December 2025, excluding tax effects.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)**

**4.2 Management of financial risk (cont’d)**

**Capital Management**

The Company’s major capital management policies include the following:

- To comply with the insurance capital requirements required by insurance legislation,
- To safeguard the Company’s ability to continue as going concern
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk assumed.

The Company has taken following actions to increase profitability and sustain a structure;

- The company makes production and risk selection in accordance with the new legal regulations in traffic insurances.
- The actuarial schedules related to motor vehicles and traffic branches are regularly reviewed and revised. The company intends to increase its profitability and production in the motor vehicles and to reduce the harm caused by balanced production in the traffic branch.
- In order to set an individual profitable portfolio, the Company operates by adopting adequate price and accurate conditions policy
- The Company has adopted the policy of increasing the treaty capacity in Fire and Construction branches to constitute a profitable portfolio.

The Company's capital adequacy is measured twice a year, in June and December, within two months following these periods in accordance with the relevant legislation. In the calculations made in accordance with the relevant insurance legislation, the required shareholders' equity amount of the Company is determined as TRY 24.244.804.630 as of 31 December 2025. As of 31 December 2025, the Company's shareholders' equity is TRY 27.951.523.984 more than the required shareholders' equity calculated in accordance with the relevant legislation.

Information about earnings from financial assets is indicated in Note 26. The details of financial expenses are as follows.

Details of financial income and losses accounted for in equity are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Changes in the fair value of financial assets, after tax	5.092.961.771	1.264.011.768
<b>Total</b>	<b>5.092.961.771</b>	<b>1.264.011.768</b>

**5. SEGMENT REPORTING**

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments).

**Business Segments**

Information about the Company’s segment reporting is explained in this section within the context of TFRS 8 - Business Segments Standards.

Not only reports given to upper-level management to give a decision about reporting sub-operating segments, also numerical sub limits within the context of TFRS 8 - Business Segments Standards are taken into consideration and premium production, and technical profitability are evaluated as a different business segment.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**5. SEGMENT REPORTING (cont’d)**

**Fire Insurance**

This insurance covers, up to the sum insured, the direct material damages to the insured goods caused by fire, lightning, explosion or smoke, steam and heat resulting from fire and explosion.

**Motor Vehicles Insurance**

The company provide physical damage thereby danger and invasion by motor own damage policyholder motor can be used in road, from non-motorized vehicles , and the trailer or caravan with backhoe, advantage arising from the tractor wheel; can be used in highway motor vehicle, struggle with non-motorized transport, on the move or pause position involuntarily policyholder or user of the car, strike of an object which was moving or the car striking to object tipping, falling, rolling, such as accidents, or movements with bad faith by third party, vehicle's combustion, be stealing of car or attempt to steal.

**Motor Vehicles (Land) Liability Insurance**

The Company described the policy that if the mentioned motor vehicle, during the operation, will cause a person's death or injury or damage a thing, in accordance with No. 2918 Road Traffic Act, the operator’s legal responsibility will be provided up to insurance limits.

Damages caused by trailers or semi-trailers (including light trailers) or a vehicle being towed depending on the vehicle are covered by the tow truck's insurance. However, trailers used to transport people are included in the coverage, provided that an additional liability insurance is provided for them, the special conditions of which will be specified in the policy.

In order to prevent or minimize the damage after an accident, the Insurer’s reasonable and necessary expenses will be covered by the Company. This insurance is the operator (the Insured) to ensure the defense against unjustified claims.

**Health Insurance**

Health insurance; during the period of insurance, provides the treatment costs if the insure got illness, accident, if also there is, daily paid claims up to written amounts in the insurance policy. The policy’s geographical borders are mentioned in the policy.

**Geographical Reporting**

The main geographical segment the Company operates is in Turkey, so the Company does not disclose geographical segment reporting.

Since the performance measurement and follow-up of the operating segments does not require a separate follow-up of assets and liabilities, an analysis on assets and liabilities is not presented.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**5. SEGMENT REPORTING (cont’d)**

Segment results for the period 1 January – 31 December 2025 are as follows:

	<b>Third Party Liability for Motor Vehicles</b>	<b>Motor Vehicles</b>	<b>Health</b>	<b>Fire</b>	<b>Other</b>	<b>Unallocated</b>	<b>Total</b>
<b>Technical Income</b>	<b>13.014.493.352</b>	<b>18.884.603.891</b>	<b>19.296.663.306</b>	<b>14.232.744.664</b>	<b>15.687.928.934</b>	-	<b>81.116.434.147</b>
1 -Earned Premiums (Net of Reinsurers Share)	11.485.105.049	13.774.469.054	14.876.040.437	8.754.773.735	11.001.836.795	-	59.892.225.070
1.1 -Written Premiums (Net of Reinsurers Share)	13.994.940.931	16.115.195.992	20.215.456.693	10.496.639.273	12.647.325.487	-	73.469.558.376
1.2 -Change in reserve for unearned premium risk	(2.533.221.019)	(2.340.726.938)	(5.339.416.256)	(1.741.865.538)	(1.626.032.294)	-	(13.581.262.045)
1.3 -Change in reserve for unexpired risk	23.385.137	-	-	-	(19.456.398)	-	3.928.739
2 -Other technical income and accrued subrogation and salvage receivables (Net of reinsurers share)	868.931.716	798.657.398	7.336.307	230.141.265	94.998.785	-	2.000.065.471
3 – Investment income transferred from the non-technical account	660.456.587	4.311.477.439	4.413.286.562	5.247.829.664	4.591.093.354	-	19.224.143.606
<b>Technical Expense</b>	<b>(16.417.469.281)</b>	<b>(12.213.711.687)</b>	<b>(16.809.594.852)</b>	<b>(4.339.593.247)</b>	<b>(8.640.621.999)</b>	-	<b>(58.420.991.066)</b>
1 -Incurred Losses (Net of Reinsurers Share)	(14.267.488.050)	(8.845.160.648)	(13.757.211.265)	(956.445.595)	(4.744.439.735)	-	(42.570.745.293)
1.1 -Claims Paid (Net of Reinsurers Share)	(13.063.257.291)	(8.196.984.450)	(12.110.268.369)	(859.059.874)	(4.301.027.592)	-	(38.530.597.576)
1.2 -Change in Provisions for Outstanding Claims (Net of Reinsurers Share) (+/-)	(1.204.230.759)	(648.176.198)	(1.646.942.896)	(97.385.721)	(443.412.143)	-	(4.040.147.717)
2-Change in other technical provisions	-	(6.633.714)	-	(264.043.808)	(19.205.444)	-	(289.882.966)
3-Operating expenses	(2.149.981.231)	(3.361.917.325)	(3.052.383.587)	(3.119.103.844)	(3.876.976.820)	-	(15.560.362.807)
<b>Technical profit/(loss)</b>	<b>(3.402.975.929)</b>	<b>6.670.892.204</b>	<b>2.487.068.454</b>	<b>9.893.151.417</b>	<b>7.047.306.935</b>	-	<b>22.695.443.081</b>
Financial income						34.173.605.037	34.173.605.037
Financial expense						(26.390.741.183)	(26.390.741.183)
Amortization expense						(228.792.284)	(228.792.284)
Other operating expense						(4.130.094.498)	(4.130.094.498)
Tax expense						(6.592.368.513)	(6.592.368.513)
<b>Net profit for the period</b>							<b>19.527.051.640</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**5. SEGMENT REPORTING (cont’d)**

Segment results for the period 1 January – 31 December 2024 are as follows:

	Third Party Liability for Motor Vehicles	Motor Vehicles	Health	Fire	Other	Unallocated	Total
<b>Technical Income</b>	<b>12.075.519.385</b>	<b>14.118.930.539</b>	<b>9.554.360.842</b>	<b>11.284.815.950</b>	<b>12.426.824.745</b>	-	<b>59.460.451.461</b>
1 -Earned Premiums (Net of Reinsurers Share)	10.863.203.453	10.309.948.549	7.347.144.907	6.412.687.396	7.383.883.046	-	42.316.867.351
1.1 -Written Premiums (Net of Reinsurers Share)	9.867.587.104	11.230.016.906	9.419.275.674	8.362.629.878	9.290.775.773	-	48.170.285.335
1.2 -Change in reserve for unearned premium risk	528.705.638	(920.068.357)	(2.072.130.767)	(1.949.942.482)	(1.905.786.644)	-	(6.319.222.612)
1.3 -Change in reserve for unexpired risk	466.910.711	-	-	-	(1.106.083)	-	465.804.628
2 -Other technical income and accrued subrogation and salvage receivables (Net of reinsurers share)	248.967.188	453.215.962	259.334	61.375.506	8.697.847	-	772.515.837
3 – Investment income transferred from the non-technical account	963.348.744	3.355.766.028	2.206.956.601	4.810.753.048	5.034.243.852	-	16.371.068.273
<b>Technical Expense</b>	<b>(18.864.588.860)</b>	<b>(9.004.162.143)</b>	<b>(7.838.668.210)</b>	<b>(2.963.893.902)</b>	<b>(3.529.614.297)</b>	-	<b>(42.200.927.412)</b>
1 -Incurred Losses (Net of Reinsurers Share)	(16.951.796.905)	(6.541.548.555)	(6.769.628.791)	(791.450.102)	(1.571.646.618)	-	(32.626.070.971)
1.1 -Claims Paid (Net of Reinsurers Share)	(10.714.444.614)	(5.901.938.178)	(5.915.205.836)	(724.417.923)	(1.297.860.926)	-	(24.553.867.477)
1.2 -Change in Provisions for Outstanding Claims (Net of Reinsurers Share) (+/-)	(6.237.352.291)	(639.610.377)	(854.422.955)	(67.032.179)	(273.785.692)	-	(8.072.203.494)
2-Change in other technical provisions	-	(9.934.239)	-	(296.338.917)	(4.764.794)	-	(311.037.950)
3-Operating expenses	(1.912.791.955)	(2.452.679.349)	(1.069.039.419)	(1.876.104.883)	(1.953.202.885)	-	(9.263.818.491)
<b>Technical profit/(loss)</b>	<b>(6.789.069.475)</b>	<b>5.114.768.396</b>	<b>1.715.692.632</b>	<b>8.320.922.048</b>	<b>8.897.210.448</b>	-	<b>17.259.524.049</b>
Financial income	-	-	-	-	-	23.580.131.364	23.580.131.364
Financial expense	-	-	-	-	-	(22.284.821.050)	(22.284.821.050)
Amortization expense	-	-	-	-	-	(118.998.582)	(118.998.582)
Other operating expense	-	-	-	-	-	(1.837.077.729)	(1.837.077.729)
Tax expense	-	-	-	-	-	(3.818.157.774)	(3.818.157.774)
<b>Net profit for the period</b>							<b>12.780.600.278</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**6. PROPERTY, PLANT AND EQUIPMENT**

Movements in property, plant and equipment for the period 1 January – 31 December 2025 and 2024:

	1 January 2025	Additions	Disposals	Valuation Increase	Transfers	31 December 2025
<b>Cost/Revaluated</b>						
Land and Buildings Held for Utilization	1.316.612.000	-	-	465.985.070	-	1.782.597.070
Machinery and equipment	161.590.916	51.784.861	(3.412.464)	-	-	209.963.313
Furnitures and fixtures	57.804.135	45.213.817	(3.435.345)	-	-	99.582.607
Motor vehicles	13.367.927	-	(96.915)	-	-	13.271.012
Other tangible assets (Inc. Leasehold Improvements)	29.992.646	6.633.003	-	-	-	36.625.649
Tangible Assets Acquired Through Financial Leases	104.190.414	112.354.953	(23.774.186)	-	-	192.771.181
	<b>1.683.558.038</b>	<b>215.986.634</b>	<b>(30.718.910)</b>	<b>465.985.070</b>	-	<b>2.334.810.832</b>
<b>Accumulated Amortizations:</b>						
Machinery and equipment	(86.468.283)	(32.939.823)	3.387.410	-	-	(116.020.696)
Furnitures and fixtures	(22.564.233)	(12.460.109)	2.590.198	-	-	(32.434.144)
Motor vehicles	(11.942.680)	(419.134)	96.915	-	-	(12.264.899)
Other tangible assets (Inc. Leasehold Improvements)	(7.101.112)	(6.091.754)	-	-	-	(13.192.866)
Tangible Assets Acquired Through Financial Leases	(78.733.146)	(14.075.956)	23.774.186	-	-	(69.034.916)
	<b>(206.809.454)</b>	<b>(65.986.776)</b>	<b>29.848.709</b>	-	-	<b>(242.947.521)</b>
<b>Net book value</b>	<b>1.476.748.584</b>					<b>2.091.863.311</b>

	1 January 2024	Additions	Disposals	Valuation Increase	Transfers	31 December 2024
<b>Cost/Revaluated</b>						
Land and Buildings Held for Utilization	1.065.101.001	-	-	251.510.999	-	1.316.612.000
Machinery and equipment	142.872.381	21.448.526	(2.729.991)	-	-	161.590.916
Furnitures and fixtures	27.507.883	31.747.138	(1.450.886)	-	-	57.804.135
Motor vehicles	13.367.927	-	-	-	-	13.367.927
Other tangible assets (Inc. Leasehold Improvements)	14.156.546	15.836.100	-	-	-	29.992.646
Tangible Assets Acquired Through Financial Leases	104.190.414	-	-	-	-	104.190.414
	<b>1.367.196.152</b>	<b>69.031.764</b>	<b>(4.180.878)</b>	<b>251.510.999</b>	-	<b>1.683.558.038</b>
<b>Accumulated Amortizations:</b>						
Machinery and equipment	(57.559.557)	(31.469.563)	2.560.837	-	-	(86.468.283)
Furnitures and fixtures	(15.497.527)	(8.008.500)	941.794	-	-	(22.564.233)
Motor vehicles	(9.852.517)	(2.090.164)	-	-	-	(11.942.680)
Other tangible assets (Inc. Leasehold Improvements)	(3.102.391)	(3.998.721)	-	-	-	(7.101.112)
Tangible Assets Acquired Through Financial Leases	(52.836.893)	(25.896.251)	-	-	-	(78.733.145)
	<b>(138.848.886)</b>	<b>(71.463.199)</b>	<b>3.502.631</b>	-	-	<b>(206.809.454)</b>
<b>Net book value</b>	<b>1.228.347.266</b>					<b>1.476.748.584</b>

The Company's land and buildings held for utilization are subject to revaluation. As of 31 December 2025 and 31 December 2024, these properties are reflected in the financial statements based on the values determined in the expertise reports prepared by independent professional valuation companies licensed by the Capital Markets Board:

	31 December 2025	31 December 2024
Güneş Plaza	1.629.399.820	1.197.000.000
Other	153.197.250	119.612.000
<b>Total</b>	<b>1.782.597.070</b>	<b>1.316.612.000</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**6. PROPERTY, PLANT AND EQUIPMENT (cont’d)**

Revaluation increases resulting from the valuation of properties held for use are recorded by crediting the "Other Profit Reserves" account under equity capital, net of deferred taxes. Revaluation decreases resulting from the valuation of properties held for use are charged against the "Other Profit Reserves" for the corresponding asset under shareholders' equity. Fair value decreases per revaluation fund recorded in 'Other Profit Reserves' are charged to the income statement. The movements of the revaluation increase for the properties held for use accounted for using revaluation model is below:

	2025	2024
Beginning of the period - 1 January	1.245.860.649	1.025.466.604
Increase in value arising from revaluation	465.985.070	251.510.999
Deferred tax arising from revaluation difference	(154.056.756)	(31.116.954)
<b>End of the period – 31 December</b>	<b>1.557.788.963</b>	<b>1.245.860.649</b>

There is no commitment on the land and buildings held for utilization (31 December 2024: None).

**7. INVESTMENT PROPERTIES**

For the periods 1 January - 31 December 2025 and 2024, movements of the investment properties are as follows:

	1 January 2025	Additions	Disposals	Valuation Increase	Transfers	31 December 2025
<b>Fair Value</b>						
Investment Properties	325.516.000	-	-	82.834.176	-	408.350.176

  

	1 January 2024	Additions	Disposals	Valuation Increase	Transfers	31 December 2024
<b>Fair Value</b>						
Investment Properties	240.903.750	235.500	-	84.376.750	-	325.516.000

Land and buildings held for the purpose of obtaining rent or for value appreciation or both, rather than being used in the Company's activities or sold for administrative purposes or during the normal course of business, are classified as investment properties. As of 31 December 2025 and 31 December 2024, investment properties are reflected into the financial statements at their fair values obtained from appraisal reports prepared by independent professional valuation experts:

	31 December 2025	31 December 2024
İzmir Konak Land <sup>(1)</sup>	206.644.877	175.000.000
Tekirdağ Farm <sup>(1)</sup>	96.300.000	65.056.000
Other land and buildings <sup>(1)</sup>	105.405.299	85.460.000
<b>Total</b>	<b>408.350.176</b>	<b>325.516.000</b>

(1) “Peer comparison approach” method.

Rental income is TRY 8.800.263 from investment properties and owner-occupied properties (1 January – 31 December 2024: TRY 5.398.607). There are no pledges on the investment properties and owner-occupied properties (31 December 2024: None).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**8. INTANGIBLE ASSETS**

Movements in intangible assets in the period from 1 January – 31 December 2025 and 2024 are as follows:

	1 January 2025	Additions	Disposals	Transfers	31 December 2025
<i>Cost:</i>					
Rights	277.243.200	187.952.481	-	-	465.195.681
Computer Software	38.238.939	-	-	-	38.238.939
	<b>315.482.139</b>	<b>187.952.481</b>			<b>503.434.620</b>
<i>Accumulated depreciation:</i>					
Rights	(86.622.396)	(93.502.152)	-	-	(180.124.548)
Computer Software	(36.588.622)	(191.447)	-	-	(36.780.069)
	<b>(123.211.018)</b>	<b>(93.693.599)</b>			<b>(216.904.617)</b>
<b>Net book value</b>	<b>192.271.121</b>				<b>286.530.003</b>

	1 January 2024	Additions	Disposals	Transfers	31 December 2024
<i>Cost:</i>					
Rights	114.119.418	163.123.781	-	-	277.243.199
Computer Software	38.238.939	-	-	-	38.238.939
	<b>152.358.357</b>	<b>163.123.781</b>			<b>315.482.138</b>
<i>Accumulated depreciation:</i>					
Rights	(49.710.100)	(36.912.295)	-	-	(86.622.395)
Computer Software	(36.397.174)	(191.448)	-	-	(36.588.622)
	<b>(86.107.274)</b>	<b>(37.103.744)</b>			<b>(123.211.017)</b>
<b>Net book value</b>	<b>66.251.083</b>				<b>192.271.121</b>

**9. INVESTMENT IN EQUITY SHARES**

	Share (%)	31 December 2025		Share (%)	31 December 2024	
		Cost Value	Carrying Amount		Cost Value	Carrying Amount
Türkiye Hayat ve Emeklilik A.Ş. <sup>(1)</sup>	7.36	55.650.000	9.658.979.783	7.36	55.650.000	5.721.535.040
Other		1.127.533	8.543.708		1.127.533	4.344.996
<b>Subsidiary securities</b>		<b>56.777.533</b>	<b>9.667.523.491</b>		<b>56.777.533</b>	<b>5.725.880.036</b>
OSEM Sertifikasyon A.Ş. <sup>(3)</sup>	100.00	18.215.590	18.215.590	100.00	18.215.590	18.215.590
<b>Subsidiary securities</b>		<b>18.215.590</b>	<b>18.215.590</b>		<b>18.215.590</b>	<b>18.215.590</b>
<b>Total financial fixed assets</b>		<b>74.993.123</b>	<b>9.685.739.081</b>		<b>74.993.123</b>	<b>5.744.095.626</b>

- (1) The Company has accounted for its investment in Türkiye Hayat ve Emeklilik A.Ş., classified as a subsidiary security, at fair value. As of 31 December 2025, the fair value of the investment was determined based on a valuation conducted by a CMB-licensed valuation firm on 16 January 2026. Within the scope of this valuation, the fair value of the investment was calculated by weighting the discounted dividend model and market multiples method (50%-50%). Fair value differences were recognized in equity under the “Valuation of Financial Assets” account (as of 31 December 2024, the fair value of the investment was determined based on the valuation conducted by a CMB-licensed valuation firm on 6 January 2025. Within the scope of this valuation, the fair value of the investment was calculated by weighting the discounted dividend model and market multiples method (50%-50%).
- (2) In accordance with the provisions of the “Communiqué on the Preparation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies,” taking into consideration the materiality principle, the investment in the subsidiary OSEM Sertifikasyon A.Ş. has been excluded from the scope of consolidation and carried at cost in the balance sheet, since the total assets of OSEM Sertifikasyon A.Ş. are less than one percent of the Company’s total assets.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**9. INVESTMENT IN EQUITY SHARES (cont’d)**

Movement of the joint venture during the period is as follows:

	2025	2024
Beginning of the period - 1 January	5.744.095.626	4.133.675.978
Valuation increases classified in equity	3.941.643.455	1.610.419.648
<b>End of the period – 31 December</b>	<b>9.685.739.081</b>	<b>5.744.095.626</b>

*Joint venture*

In the consolidated financial statements prepared as of 31 December 2025 and 31 December 2024, the Company accounted for its investment in Türk P and I Sigorta A.Ş., which is a jointly controlled entity, using the equity method in accordance with the accounting policies described in Note 2.

Company Name	31 December 2025		31 December 2024	
	Amount	Share (%)	Amount	Share (%)
Türk P ve I Sigorta A.Ş.	363.154.726	50	261.116.460	50
<b>End of the Period – 31 December</b>	<b>363.154.726</b>		<b>261.116.460</b>	<b>50</b>

Movement of the joint venture during the period is as follows:

	2025	2024
Beginning of the period - 1 January	261.116.460	100.624.747
Shares received from the profit of joint ventures	102.038.266	60.491.713
Cash capital increase	-	100.000.000
<b>End of the period – 31 December</b>	<b>363.154.726</b>	<b>261.116.460</b>

The summary financial statement information regarding the joint venture of the Company as of 31 December 2025 and 2024 is as follows:

31 December 2025	Total Assets	Equity	Profit for the Period
Türk P ve I Sigorta A.Ş.	3.701.127.705	726.309.452	204.340.535
31 December 2024	Total Assets	Equity	Profit for the Period
Türk P ve I Sigorta A.Ş.	2.395.636.649	522.232.920	120.674.907

**10. REINSURANCE ASSETS AND LIABILITIES**

As a ceding company, outstanding reinsurance assets and liabilities of the Company shown in detail as follows:

Reinsurance Assets/(Liabilities)	31 December 2025	31 December 2024
Reserve for unearned premiums, reinsurer share (Note 17)	38.518.917.137	26.918.510.059
Provision for outstanding claims, reinsurer share (Note 17)	17.491.519.515	16.143.515.816
Change in provision for unexpired risks - reinsurer share (Note 17)	135.251.055	745.758.010
Change in unearned premium reserve SSI share (Note 17)	759.485.782	570.867.568
Deferred commission income (Note 19)	(5.259.309.800)	(3.887.124.127)
Current account net debts of reinsurance companies	(11.435.735.795)	(6.254.766.960)

As of 31 December 2025, the Company accounted for a provision amounting to TRY 249.063.664 in short term ‘other technical provisions’ for the claim receivables from several reinsurance companies and reinsurance share of certain outstanding claim files considering that they are under arbitration process or impaired (31 December 2024: TRY 208.557.957) (Note 17).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**10. REINSURANCE ASSETS AND LIABILITIES (cont'd)**

<b>Reinsurance Income / (Expenses)</b>	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Claims paid reinsurer share	15.790.853.724	8.535.399.220
Change in the outstanding claims reserve – reinsurer share	1.348.003.699	4.077.256.242
Change in provision for unexpired risks - reinsurer share	(610.506.955)	306.813.316
Commissions received from reinsurers (Net)	8.684.896.227	5.761.567.674
Change in reserve for unearned premiums - reinsurer share	11.600.407.078	13.530.545.709
Change in reserve for unearned premiums – SSI share	188.618.214	(49.521.477)
Ceded premiums to reinsurers	(72.350.717.810)	(52.176.526.152)
Ceded premiums to SSI	(1.296.888.131)	(1.018.981.502)

Detailed explanations about reinsurance agreements are disclosed in Note 2.14.

**11. FINANCIAL ASSETS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Available for sale financial assets	29.834.905.098	11.121.213.898
Financial assets held to maturity	24.596.258.610	3.985.925.466
Financial assets held for trading	32.075.900.647	19.220.330.610
	<b>86.507.064.355</b>	<b>34.327.469.974</b>

As of 31 December 2025, and 31 December 2024, the details of the Company’s trading financial assets are as follows:

<b>31 December 2025</b>	<b>Cost Value</b>	<b>Fair Value</b>	<b>Book Value</b>
<b>Available for Sale Financial Assets</b>	<b>26.473.423.097</b>	<b>29.834.905.098</b>	<b>29.834.905.098</b>
Stock	1.474	37.144	37.144
Government bond	10.744.229.673	12.072.494.213	12.072.494.213
Corporate bond	14.595.491.950	16.562.854.327	16.562.854.327
Lease certificates	1.133.700.000	1.199.519.414	1.199.519.414
<b>Financial Assets Held to Maturity</b>	<b>21.742.012.294</b>	<b>24.596.258.610</b>	<b>24.596.258.610</b>
Government bond	16.987.898.034	19.605.229.232	19.605.229.232
Other financial assets	4.754.114.260	4.991.029.378	4.991.029.378
<b>Financial Assets Held for Trading</b>	<b>19.878.840.632</b>	<b>32.075.900.647</b>	<b>32.075.900.647</b>
Corporate bond	548.000.000	506.586.797	506.586.797
Lease certificates	-	-	-
Investment fund	19.330.840.632	31.569.313.850	31.569.313.850
<b>Total financial assets</b>	<b>68.094.276.023</b>	<b>86.507.064.355</b>	<b>86.507.064.355</b>
<b>31 December 2024</b>	<b>Cost Value</b>	<b>Fair Value</b>	<b>Book Value</b>
<b>Available for Sale Financial Assets</b>	<b>9.342.227.721</b>	<b>11.121.213.898</b>	<b>11.121.213.898</b>
Stock	1.929	37.413	37.413
Government bond	3.306.544.002	4.777.996.375	4.777.996.375
Corporate bond	5.695.681.790	5.992.192.497	5.992.192.497
Lease certificates	340.000.000	350.987.613	350.987.613
<b>Financial Assets Held to Maturity</b>	<b>3.052.290.962</b>	<b>3.985.925.466</b>	<b>3.985.925.466</b>
Government bond	2.183.552.218	2.945.640.174	2.945.640.174
Other financial assets	868.738.744	1.040.285.292	1.040.285.292
<b>Financial Assets Held for Trading</b>	<b>13.524.826.458</b>	<b>19.220.330.610</b>	<b>19.220.330.610</b>
Corporate bond	3.429.767.078	3.592.689.152	3.592.689.152
Investment fund	10.095.059.380	15.627.641.458	15.627.641.458
<b>Total financial assets</b>	<b>25.919.345.141</b>	<b>34.327.469.974</b>	<b>34.327.469.974</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**11. FINANCIAL ASSETS (cont’d)**

As of 31 December 2025 TRY 7.539.583.617 of financial assets are blocked in favor of IPRSA (31 December 2024: TRY 3.859.915.350).

Movements of financial assets during the period are presented below:

	<b>1 January 2025</b>	<b>Additions</b>	<b>Sales/Amortizations</b>	<b>Valuation Increase</b>	<b>31 December 2025</b>
Available for sale financial assets	11.121.213.898	51.541.825.434	(34.410.629.872)	1.582.495.639	29.834.905.098
Financial assets held to maturity	3.985.925.466	20.140.415.490	(734.753.709)	1.204.671.363	24.596.258.610
Financial assets held for trading	19.220.330.610	86.884.863.143	(80.530.848.969)	6.501.555.863	32.075.900.647
<b>Total</b>	<b>34.327.469.974</b>	<b>158.567.104.067</b>	<b>(115.676.232.551)</b>	<b>9.288.722.865</b>	<b>86.507.064.355</b>

  

	<b>1 January 2024</b>	<b>Additions</b>	<b>Sales/Amortizations</b>	<b>Valuation Increase</b>	<b>31 December 2024</b>
Available for sale financial assets	3.871.674.987	6.381.722.100	(384.178.094)	1.251.994.905	11.121.213.898
Financial assets held to maturity	7.460.172.108	5.358.362.986	(8.589.208.642)	(243.400.986)	3.985.925.466
Financial assets held for trading	10.592.110.890	55.122.084.833	(50.495.205.558)	4.001.340.445	19.220.330.610
<b>Total</b>	<b>21.923.957.985</b>	<b>66.862.169.919</b>	<b>(59.468.592.294)</b>	<b>5.009.934.364</b>	<b>34.327.469.974</b>

**12. LOANS AND RECEIVABLES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Receivables from operating activities (Note 4.2)	31.481.788.521	19.005.278.041
Prepaid taxes and funds (Note 4.2)	784.762.178	607.136.831
Other receivables (Note 4.2)	1.570.096.166	735.826.569
	<b>33.836.646.865</b>	<b>20.348.241.441</b>
Short-term receivables	33.831.195.187	20.342.633.769
Long-term receivables	5.451.678	5.607.672
	<b>33.386.646.865</b>	<b>20.348.241.441</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**12. LOANS AND RECEIVABLES (cont’d)**

As of 31 December 2025, and 31 December 2024, receivables from operating activities are detailed as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Receivables from agencies, brokers and intermediaries	25.083.259.614	13.758.214.029
Receivables from policyholders	4.345.584.847	2.686.999.839
Receivables from reinsurers	1.237.678.173	1.950.445.023
Salvage and subrogation (Note 2.20)	932.791.405	693.068.493
<b>Total receivables from main insurance operations</b>	<b>31.599.314.039</b>	<b>19.088.727.384</b>
Provision for salvage and subrogation receivables (Note 2.20)	(114.001.648)	(75.664.435)
Provision for premium receivables	(7.463.723)	(11.912.018)
<b>Provisions for receivables from insurance operations</b>	<b>(121.465.371)</b>	<b>(87.576.453)</b>
<b>Total receivables from main insurance operations-net</b>	<b>31.477.848.668</b>	<b>19.001.150.931</b>
Salvage and subrogation receivables under administrative and legal follow up, net	2.957.566.661	1.201.794.925
Doubtful receivables from operating activities	31.841.839	32.443.892
<b>Doubtful receivables from operating activities</b>	<b>2.989.408.500</b>	<b>1.234.238.817</b>
<b>Receivables from operating activities - gross</b>	<b>34.467.257.168</b>	<b>20.235.389.748</b>
Provisions for salvage and subrogation receivables under administrative and legal follow up	(2.957.566.661)	(1.201.794.925)
Provisions for doubtful receivables from operating activities	(27.901.986)	(28.316.782)
<b>Allowances for doubtful receivables from operating activities</b>	<b>(2.985.468.647)</b>	<b>(1.230.111.707)</b>
<b>Receivables from operating activities</b>	<b>31.481.788.521</b>	<b>19.005.278.041</b>

The related party transactions of the Company are presented in Note 45 in detail.

Separate amounts of receivables and payables denominated in foreign currencies and foreign currency denominated assets and liabilities with no foreign exchange rate guarantee and their conversion rates to TRY are disclosed in Note 4.2.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**13. DERIVATIVE FINANCIAL INSTRUMENTS**

The Company does not have any derivative financial instruments as of 31 December 2025 (31 December 2024: None).

During the accounting period ended 31 December 2025, the Company did not recognize any derivate transaction income or expense in the statement of profit or loss as no such transactions were carried out during the period. (31 December 2024: TRY 1.216.702.945) (Note 26).

**14. CASH AND CASH EQUIVALENT ASSETS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Bank deposits	5.419.670.711	20.602.437.060
Receivables from credit cards	5.743.314.281	4.625.916.852
<b>Total cash and cash equivalents</b>	<b>11.162.984.992</b>	<b>25.228.353.912</b>
Blocked amounts	(2.304.256.147)	(5.644.313.095)
Accrued interest on bank deposit	(281.277.040)	(1.310.086.383)
<b>Cash and cash equivalents in the statement cash flows</b>	<b>8.577.451.805</b>	<b>18.273.954.434</b>

	<b>31 December 2025</b>	<b>31 December 2024</b>
Foreign currency bank deposits		
- Time Deposit	764.299.190	768.597.861
- Demand Deposit	33.409.817	63.210.062
TRY bank deposits		
- Time Deposit	3.656.221.323	19.422.824.120
- Demand Deposit	965.740.381	347.805.017
<b>Bankalar</b>	<b>5.419.670.711</b>	<b>20.602.437.060</b>

As of 31 December 2025, the Company has no cash blockage in favor of IPRSA (31 December 2024: TRY 3.648.755.422), while it has a blockage amounting to TRY 1.914.785.486 in favor of Agricultural Insurance Pool Management Inc. (“TARSİM”) (31 December 2024: TRY 1.962.678.867) and TRY 47.297.243 in favor of the Central Bank of the Turkish Republic of Northern Cyprus (31 December 2024: TRY 32.878.805).

As of 31 December 2025, maturity distributions of time deposits are between 2 days and 108 days (31 December 2024: 7 - 92 days). Interest rates of time deposits are as follows.

	<b>31 December 2025</b>	<b>31 December 2024</b>
TRY	%41,50-%49	%43 - %54
USD	%1,50 - %3,25	%1,50 - %3,50
EUR	%0,50- %2	%1,00 - %2,50

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**15. SHAREHOLDERS EQUITY**

**Paid in capital**

The Company's paid-in capital as of 31 December 2025 is TRY 10.000.000.000; it is divided into 10.000.000.000 shares, each with a nominal value of TRY 1. As of 31 December 2025, the capital group controlled directly concerned with 81.10% share capital by TVF Finansal Yatırımlar A.Ş. on the Company.

Pursuant to the permissions granted by the Capital Markets Board's letter dated 2 June 2025 and numbered E-29833736-105.01.01.01-73294, the Company's issued capital of TRY 5.000.000.000 within the registered capital ceiling of TRY 50.000.000.000 has been increased by 100% to TRY 10.000.000.000, fully covered by the net profit for the year 2024.

**Capital reserves**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Premium on issued shares	692.314.994	678.174.883
Funds of profit from sale of properties	80.135.867	80.135.867
Repurchased Company shares (-)	(43.465.453)	(43.465.453)
<b>Capital reserves</b>	<b>728.985.408</b>	<b>714.845.297</b>

**Legal reserves**

The legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5%, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Legal Reserves	1.229.269.303	418.256.161
	<b>1.229.269.303</b>	<b>418.256.161</b>

**Extraordinary reserves**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Extraordinary reserves	7.319.154.582	2.409.904.900
	<b>7.319.154.582</b>	<b>2.409.904.900</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**15. SHAREHOLDERS’ EQUITY (cont’d)**

**Valuation of financial assets**

Movements of fair value changes arising from financial assets during the period are as follows:

	<b>2025</b>	<b>2024</b>
Beginning of the period - 1 January	4.706.653.338	3.442.641.570
Fair value increase, net	4.089.991.882	1.264.011.768
<b>End of the period – 31 December</b>	<b>8.796.645.220</b>	<b>4.706.653.338</b>

**Other Profit Reserves**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Revaluation fund (Note 6)	1.557.788.963	1.245.860.649
Affiliate sales gain fund	351.959.910	351.959.910
Earthquake claim fund transferred to shareholder’s equity	19.490.473	19.490.473
Transferred reserves from profits of prior years	6.592.945	6.592.945
Actuarial loss, net (-)	(65.142.198)	(91.234.651)
<b>Other profit reserves</b>	<b>1.870.690.093</b>	<b>1.532.669.326</b>

**Dividends**

Pursuant to the dividend distribution resolution adopted at the Company’s General Assembly held on 25 April 2025, the distribution of a gross dividend amounting to TRY 2.000.000.000 to shareholders was completed as of 28 August 2025 (2024: TRY 1.000.000.000)

**16. OTHER RESERVES AND EQUITY COMPONENT OF DISCRETIONARY PARTICIPATION FEATURE**

The information about other reserves which are within the share holders’ equity is at Note 15.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS**

The details of the Company's technical provisions as of 31 December 2025 and 31 December 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Reserve for unearned premiums, gross	79.625.094.951	54.254.807.614
Reserve for unearned premiums, ceded (Note 10)	(38.518.917.137)	(26.918.510.059)
Reserve for unearned premiums, SSI ceded (Note 10)	(759.485.782)	(570.867.568)
<b>Reserve for unearned premiums, net</b>	<b>40.346.692.032</b>	<b>26.765.429.987</b>
Provision for outstanding claims, gross	42.195.473.298	36.807.321.883
Provision for outstanding claims, ceded (Note 10)	(17.491.519.515)	(16.143.515.817)
<b>Reserve for unearned premiums, net</b>	<b>24.703.953.783</b>	<b>20.663.806.066</b>
Reserve for unexpired risks, gross	1.443.420.040	2.057.855.734
Reserve for unexpired risks, ceded (Note 10)	(135.251.055)	(745.758.010)
<b>Reserve for unexpired risks, net</b>	<b>1.308.168.985</b>	<b>1.312.097.724</b>
<b>Equalization provision, net</b>	<b>807.274.243</b>	<b>515.996.277</b>
<b>Bonuses and discounts provision, net</b>	<b>-</b>	<b>1.395.000</b>
<b>Other technical provisions</b>	<b>249.063.664</b>	<b>208.557.957</b>
<b>Total technical provisions, net</b>	<b>67.415.152.707</b>	<b>49.467.283.011</b>

In accordance with the 5 December 2014 dated and 2014/16 numbered ‘Circular on Provision for Outstanding Claim’ by Ministry of Treasury and Finance, the Company decided ACLM methods for each branch depending on the actuary’s recommendation. In addition, development has been determined by using statistical methods and implemented to ACLM triangles in accordance with actuary’s opinion. The ACLM calculations are performed on a gross basis and the net amounts are determined in accordance with the methods presented below. As of 31 December 2025 and 31 December 2024, ACLM calculation methods for branches and as a result of these calculations, additional gross or net reserves that will be reserved or that will be reduced from reserves are described below:

	Used Method	31 December 2025		31 December 2024	
		Gross Additional Reserve	Net Additional Reserve	Gross Additional Reserve	Net Additional Reserve
Compulsory Traffic	Standard/Frequency Intensity/Bornhuetter Ferguson	32.520.394.530	27.335.330.328	30.927.128.272	27.291.461.734
General Liability	Standard/Bornhuetter Ferguson	11.571.600.574	1.386.923.623	5.192.966.485	608.471.077
Air Vehicles	Standard/ Frequency Intensity/CapeCod	630.963.426	-	650.635.141	-
Fire and Natural Disasters	Standard/ Frequency Intensity	2.114.518.667	169.944.555	1.079.630.808	97.591.620
Air Vehicles Liability	Standard/ Frequency Intensity	135.576.724	-	191.160.409	-
Facultative Financial Liability	Standard/Bornhuetter Ferguson	3.201.406.839	3.201.357.228	2.043.187.900	2.042.960.158
General Losses	Standard/ Frequency Intensity	1.313.035.264	46.705.017	601.590.643	33.217.066
Accident	Standard/ Frequency Intensity	85.726.124	31.912.768	58.603.237	26.611.340
Financial Losses	Standard	49.741.324	2.313.185	28.472.494	1.560.500
Transportation	Standard	157.886.674	21.904.739	109.407.500	18.266.391
Water Vehicles	Standard	195.639.606	15.174.616	52.611.583	4.302.422
Health	Standard	(87.393.212)	(87.386.484)	(94.836.681)	(94.836.681)
Surety	Standard	20.993.379	2.319.573	7.915.021	726.072
Legal Protection	Standard	89.082	94.296	161.244	153.476
Credit	Standard	3.025.495	314	(32.587)	(907)
Motor Vehicles	Standard/CapeCod	177.670.040	164.257.691	74.340.332	73.778.158
<b>Total</b>		<b>52.090.874.536</b>	<b>32.290.851.447</b>	<b>40.922.941.800</b>	<b>30.104.262.426</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)**

Below are the details of methods used to calculate net amount of provisions with additional gross, as a result of ACLM calculations for branches:

<b>Branch</b>	<b>Used Net Off Method</b>
Compulsory Traffic	Conservation rate of incurred claims in incurred period
General Liability	Conservation rate of incurred claims in incurred period after large claim elimination
Air Vehicles	Conservation rate of incurred claims in incurred period after large claim elimination
Fire and Natural Disasters	Conservation rate of incurred claims in incurred period after large claim elimination
Air Vehicles Liability	Conservation rate of incurred claims in incurred period after large claim elimination
Facultative Financial Liability	Conservation rate of incurred claims in incurred period after large claim elimination
General Loses	Conservation rate of incurred claims in incurred period after large claim elimination
Accident	Conservation rate of incurred claims in incurred period after large claim elimination
Financial Losses	Conservation rate of incurred claims in incurred period after large claim elimination
Transportation	Conservation rate of incurred claims in incurred period after large claim elimination
Water Vehicles	Conservation rate of incurred claims in incurred period after large claim elimination
Health	Conservation rate of incurred claims in incurred period
Legal Protection	Conservation rate of incurred claims in incurred period after large claim elimination
Breach of Trust	Conservation rate of incurred claims in incurred period after large claim elimination
Motor Vehicles	Conservation rate of incurred claims in incurred period after large claim elimination
Credit	Conservation rate of incurred claims in incurred period

In order to enable calculations to be performed with a more homogeneous data set in ACML calculations, the Company has identified outlier claims classified as large losses by examining fluctuations in claim occurrences. As a result of these assessments, the Company has adjusted for outlier claims that were considered to create a misleading impact on claim development in the General Liability, Accident, Fidelity Guarantee, General Damages, Financial Losses, Watercraft, Marine, Fire and Natural Disasters branches. No outlier claim elimination was made for the other branches.

<b>Branch</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
General Loses	16.317.101	10.029.972
Fire and Natural Disasters	2.893.517	2.027.000
Breach of Trust	Manual	Manual
Water Vehicles	Manual	Manual
Financial Losses	Manual	Manual
Accident	Manual	Manual
General Liability	Manual	Manual
Transportation	Manual	Manual
Air Vehicles	Manual	Manual
Motor Vehicles	Manual	Manual
Legal Protection	Manual	Manual
Air Vehicles	Manual	Manual
Facultative Financial Liability	Manual	Manual

As of 31 December 2025 and 2024, movements of insurance liabilities and reinsurance assets are as follows:

**Reserve for unearned premiums:**

	<b>2025</b>			
	<b>Gross</b>	<b>Reinsurer share</b>	<b>SSI share</b>	<b>Net</b>
Beginning of the period - 1 January	54.254.807.614	(26.918.510.059)	(570.867.568)	26.765.429.987
Written premium during the period	147.117.164.318	(72.350.717.810)	(1.296.888.131)	73.469.558.377
Earned premiums during the period	(121.746.876.981)	60.750.310.732	1.108.269.917	(59.888.296.332)
<b>End of the period – 31 December</b>	<b>79.625.094.951</b>	<b>(38.518.917.137)</b>	<b>(759.485.782)</b>	<b>40.346.692.032</b>
	<b>2024</b>			
	<b>Gross</b>	<b>Reinsurer share</b>	<b>SSI share</b>	<b>Net</b>
Beginning of the period - 1 January	34.454.560.770	(13.387.964.350)	(620.389.045)	20.446.207.375
Written premium during the period	101.365.792.989	(52.176.526.152)	(1.018.981.502)	48.170.285.335
Earned premiums during the period	(81.565.546.145)	38.645.980.443	1.068.502.979	(41.851.062.723)
<b>End of the period – 31 December</b>	<b>54.254.807.614</b>	<b>(26.918.510.059)</b>	<b>(570.867.568)</b>	<b>26.765.429.987</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)**

**Provision for outstanding claims:**

	<b>2025</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	36.807.321.882	(16.143.515.816)	20.663.806.066
Notified claims during the period and changes in estimates regarding the outstanding claims	46.318.236.911	(13.721.414.165)	32.596.822.746
Claims paid during the period	(54.321.451.300)	15.790.853.724	(38.530.597.576)
<b>Total reported claims end of the period</b>	<b>28.804.107.493</b>	<b>(14.074.076.257)</b>	<b>14.730.031.236</b>
Deduction amount calculated in accordance with winning ratio	(2.567.485.034)	1.119.460.033	(1.448.025.001)
Incurring but not reported claims	52.090.874.536	(19.800.023.089)	32.290.851.447
Discount adjustment for outstanding claim reserve	(36.132.023.697)	15.263.119.798	(20.868.903.899)
<b>End of the period – 31 December</b>	<b>42.195.473.298</b>	<b>(17.491.519.515)</b>	<b>24.703.953.783</b>

	<b>2024</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	20.587.884.665	(12.667.782.649)	7.920.102.016
Notified claims during the period and changes in estimates regarding the outstanding claims	41.198.867.385	(12.657.535.076)	28.541.332.309
Claims paid during the period	(33.089.266.697)	8.535.399.220	(24.553.867.477)
<b>Total reported claims end of the period</b>	<b>28.697.485.353</b>	<b>(16.789.918.505)</b>	<b>11.907.566.848</b>
Deduction amount calculated in accordance with winning ratio	(2.096.707.947)	835.039.027	(1.261.668.920)
Incurring but not reported claims	40.922.941.800	(10.818.679.374)	30.104.262.426
Discount adjustment for outstanding claim reserve	(30.716.397.323)	10.630.043.036	(20.086.354.287)
<b>End of the period – 31 December</b>	<b>36.807.321.883</b>	<b>(16.143.515.816)</b>	<b>20.663.806.067</b>

**Equalization provision:**

	<b>2025</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	2.686.454.016	(2.170.457.739)	515.996.277
Net change	2.015.668.532	(1.724.390.566)	291.277.966
<b>End of the period – 31 December</b>	<b>4.702.122.548</b>	<b>(3.894.848.305)</b>	<b>807.274.243</b>

	<b>2024</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	1.329.607.140	(1.123.253.813)	206.353.327
Net change	1.356.846.876	(1.047.203.926)	309.642.950
<b>End of the period – 31 December</b>	<b>2.686.454.016</b>	<b>(2.170.457.739)</b>	<b>515.996.277</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)**

**Reserve for unexpired risks:**

	<b>2025</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	2.057.855.734	(745.758.010)	1.312.097.724
Net change	(614.435.693)	610.506.954	(3.928.739)
<b>End of the period – 31 December</b>	<b>1.443.420.041</b>	<b>(135.251.056)</b>	<b>1.308.168.985</b>

	<b>2024</b>		
	<b>Gross</b>	<b>Reinsurer Share</b>	<b>Net</b>
Beginning of the period – 1 January	2.216.847.046	(438.944.694)	1.777.902.352
Net change	(158.991.312)	(306.813.316)	(465.804.628)
<b>End of the period – 31 December</b>	<b>2.057.855.734</b>	<b>(745.758.010)</b>	<b>1.312.097.724</b>

**Claim development tables**

The basic assumption used in estimation of the provision for outstanding claims is the Company’s past experience of claims development. In determining the effect of external factors like court decisions and legal changes provision for outstanding claims; The Company management uses its own judgments. Sensitivity of estimations caused by legal changes and other ambiguities in the process of estimation is not measurable. Also, the long intervals between the time claim happens and the payment time prevent the provision for outstanding claims to be determined clearly. Consequently, total liabilities can change according to subsequent events and differences occurred by this re-estimation of the total liabilities are booked in financial statements in succeeding periods.

Development of insurance liabilities allows measuring the performance of the Company in estimating the total claims liability. The amounts in the upper part of the tables below show the changes in the Company’s estimations of aggregate claims from the time that claims happened.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)**

**Claim development tables (cont’d):**

<b>31 December 2025</b>								
<b>Claim Period</b>	<b>1 Januray 2019- 31 December 2019</b>	<b>1 Januray 2020- 31 December 2020</b>	<b>1 Januray 2021- 31 December 2021</b>	<b>1 Januray 2022- 31 December 2022</b>	<b>1 Januray 2023- 31 December 2023</b>	<b>1 Januray 2024- 31 December 2024</b>	<b>1 Januray 2025- 31 December 2025</b>	<b>Total</b>
Claim year								
1 year later	1.780.485.042	2.200.919.668	3.522.342.294	7.579.451.888	19.434.748.103	29.336.928.786	39.824.677.893	1.780.485.041
2 year later	795.070.512	1.427.877.388	2.612.456.327	14.471.912.601	11.433.336.423	12.802.056.270	-	795.070.512
3 year later	644.344.269	840.101.305	1.855.098.381	10.041.354.080	6.093.176.565	-	-	644.344.269
4 year later	636.211.484	887.923.078	1.367.910.000	9.660.315.299	-	-	-	636.211.484
5 year later	696.715.783	872.070.934	1.279.477.771	-	-	-	-	696.715.783
6 year later	749.228.259	926.341.953	-	-	-	-	-	749.228.259
7 year later	706.107.965	-	-	-	-	-	-	706.107.965
<b>Total incurred loss - gross</b>	<b>6.008.163.313</b>	<b>7.155.234.327</b>	<b>10.637.284.772</b>	<b>41.753.033.868</b>	<b>36.961.261.091</b>	<b>42.138.985.056</b>	<b>39.824.677.893</b>	<b>184.478.640.320</b>

<b>31 December 2024</b>								
<b>Claim Period</b>	<b>1 Januray 2018- 31 December 2018</b>	<b>1 Januray 2019- 31 December 2019</b>	<b>1 Januray 2020- 31 December 2020</b>	<b>1 Januray 2021- 31 December 2021</b>	<b>1 Januray 2022- 31 December 2022</b>	<b>1 Januray 2023- 31 December 2023</b>	<b>1 Januray 2024- 31 December 2024</b>	<b>Total</b>
Claim year								
1 year later	1.863.980.270	1.780.485.042	2.200.919.668	3.522.342.294	7.579.451.888	19.434.748.103	29.336.944.755	65.718.872.020
2 year later	1.029.937.490	795.070.512	1.427.877.388	2.612.456.327	14.471.912.601	11.433.320.573	-	31.770.574.890
3 year later	894.720.380	644.344.269	840.101.305	1.855.098.381	10.041.354.080	-	-	14.275.618.416
4 year later	1.128.831.524	636.211.484	887.923.078	1.367.910.000	-	-	-	4.020.876.086
5 year later	1.206.138.148	696.715.783	872.070.934	-	-	-	-	2.774.924.865
6 year later	1.330.599.313	749.228.259	-	-	-	-	-	2.079.827.573
7 year later	1.545.772.716	-	-	-	-	-	-	1.545.772.716
<b>Total incurred loss - gross</b>	<b>8.999.979.843</b>	<b>5.302.055.349</b>	<b>6.228.892.374</b>	<b>9.357.807.001</b>	<b>32.092.718.569</b>	<b>30.868.068.676</b>	<b>29.336.944.755</b>	<b>122.186.466.566</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)**

**Total amount of guarantee that should be placed by the Company for life and non-life branches and guarantees placed for the life and non-life branches in respect of related assets**

	31 December 2025		31 December 2024	
	Need to be established(*)	Established(**)	Need to be established(*)	Established(**)
Non-life bank deposit		2.256.958.904		3.648.755.422
Financial assets		7.539.583.617		3.859.915.351
	<b>8.238.660.045</b>	<b>9.796.542.521</b>	<b>6.987.762.931</b>	<b>7.508.670.773</b>

(\*) In accordance with the relevant legislation, insurance companies are required to establish collateral during the capital adequacy calculation period in an amount corresponding to one-third of the required equity determined in the capital adequacy calculation, as the Minimum Guarantee Fund.

(\*\*) The collateral established as of 31 December 2025 represents the amount determined based on the calculation as of 31 December 2025.

<b>Total amount of insurance risk on a branch basis</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Third party liability for motor vehicles	45.600.843.631.307	36.086.305.290.174
Health	39.099.324.185.023	16.678.296.442.240
Fire and Natural Disasters	22.715.117.434.282	14.787.956.704.007
General Losses	5.566.908.204.974	2.514.692.721.322
Other	2.790.992.495.100	1.130.202.068.595
Motor Vehicles	1.422.556.451.658	625.716.273.007
General Liability	919.903.377.964	620.243.557.565
Air Vehicles Liability	913.889.937.662	335.215.035.597
Financial Losses	518.928.780.683	291.063.788.613
Accident	420.742.532.211	136.155.378.223
Transportation	284.667.283.079	1.758.759.417.100
<b>Total</b>	<b>120.253.874.313.943</b>	<b>74.964.606.676.443</b>

**Number of life insurance policies of the Company and the number of life and current life policyholders entered and left during the period and their mathematical reserves**

None (31 December 2024: None).

**Distribution of new life insurance policyholders in terms of numbers and gross and net premiums as individual or group during the period**

None (31 December 2024: None).

**Distribution of mathematical reserves for life insurance policyholders who left the Company’s portfolio as individual or group during the period**

None (31 December 2024: None).

**Deferred commission expenses**

Deferred portion of commissions paid to the intermediaries in relation to the policy production are capitalized under the account of ‘short-term prepaid expenses’ in the accompanying financial statements. Total prepaid expenses amounting to TRY 10.309.937.036 (31 December 2024: TRY 7.400.013.011) is composed of deferred commission expenses amounting to TRY 9.784.839.009 (31 December 2024: TRY 7.128.837.108) and other prepaid expenses amounting to TRY 525.098.027 (31 December 2024: TRY 271.175.903).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**18. INVESTMENT CONTRACT LIABILITIES**

None (31 December 2024: None).

**19. TRADE AND OTHER PAYABLES, DEFERRED INCOME**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Payables from operating activities	12.673.413.969	8.205.211.983
Deferred commission income (Note 10)	5.259.309.800	3.887.124.127
Payables to SSI	392.071.751	255.123.781
Deposits and guarantees received	88.074.374	67.758.736
Other miscellaneous payables	916.196.511	449.964.552
	<b>19.329.066.405</b>	<b>12.865.183.179</b>
<i><b>Payables Arising from Operating Activities</b></i>		
Payables to reinsurance companies	11.827.146.313	6.125.687.626
Payables to TARSİM	716.600.183	1.994.780.052
Rediscount (-)	(88.158.086)	(93.052.909)
Other	217.825.559	177.797.214
	<b>12.673.413.969</b>	<b>8.205.211.983</b>
<i><b>Other Miscellaneous Payables</b></i>		
Payables to suppliers and contracted institutions	623.721.591	230.954.260
DASK current accounts	291.612.230	218.148.440
Other	862.690	861.852
	<b>916.196.511</b>	<b>449.964.552</b>
<b>Payables Arising from Main Operations</b>	<b>916.196.511</b>	<b>449.964.552</b>

**20. FINANCIAL PAYABLES**

**Lease liabilities**

As of 31 December 2025 and 31 December 2024, the Company's total lease obligation and lease liabilities, which are recognized as part of the transition to TFRS 16 Leases, are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Short - term leases liabilities	67.958.518	23.182.615
Long - term leases liabilities	78.598.942	6.685.434
<b>Total lease liabilities</b>	<b>146.557.460</b>	<b>29.868.049</b>
	<b>2025</b>	<b>2024</b>
Total lease liabilities as of 1 January	29.868.049	56.421.421
Lease payments	(97.076.239)	(32.857.972)
New adding and interest cost	213.765.650	6.304.600
<b>Total lease liabilities as of 31 December</b>	<b>146.557.460</b>	<b>29.868.049</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**20. FINANCIAL PAYABLES (cont’d)**

**Other Financial Payables**

<b>31 December 2025</b>			
	<b>Annual interest rate (%)</b>	<b>Maturity (day)</b>	<b>Amount (TRY)</b>
İstanbul Takas ve Saklama Bankası A.Ş.	40	182	199.052.007
ICBC Standard Bank Plc.	29-36,5	8 - 88	10.841.704.039
<b>Total</b>			<b>11.040.756.046</b>
<b>31 December 2024</b>			
	<b>Annual interest rate (%)</b>	<b>Maturity (day)</b>	<b>Amount (TRY)</b>
İstanbul Takas ve Saklama Bankası A.Ş.	43-48	7 - 120	1.204.190.294
<b>Total</b>			<b>1.204.190.294</b>

Funds obtained from other financial debts received as of 31 December 2025 and 31 December 2024 are used in investment activities.

**21. DEFERRED TAXES**

The Company calculates deferred income tax assets and liabilities for the temporary differences in the balance sheet items arising due to the measurement in these financial statements and measurement in accordance with Tax Procedure Law. The enacted tax rate used for the calculation of deferred income tax assets and liabilities on temporary differences that are expected to be realized in the following periods under the liability method.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**21. DEFERRED TAXES (cont’d)**

	Temporary differences		Deferred tax assets/ (liability)	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>Deferred tax assets</b>				
Provisions for reinsurance receivables	249.063.664	208.557.957	74.719.099	62.567.387
Equalization provision	574.213.606	273.881.487	172.264.082	82.164.446
Severance pay	223.855.977	193.980.970	67.156.793	58.194.291
Provision for doubtful receivables	121.465.371	87.576.453	36.439.611	26.272.936
Provision for ongoing risks	1.308.168.985	1.312.097.724	392.450.696	393.629.317
Bonus discounts provision	-	1.395.000	-	418.500
IFRS 16 difference	22.821.194	4.064.240	6.846.358	1.219.272
Personnel leave, lawsuit and other provisions	2.737.955.079	1.539.709.699	821.386.524	461.912.910
<b>Total deferred tax assets</b>			<b>1.571.263.163</b>	<b>1.086.379.059</b>
<b>Deferred tax liabilities</b>				
Financial assets fair value differences	(11.000.240.405)	(6.179.154.864)	(1.842.160.866)	(828.192.567)
Revaluation fund for use purposes	(888.908.830)	(391.829.317)	(200.004.487)	(43.271.795)
Investment properties valuation difference	(30.948.976)	(309.753.554)	(22.237.743)	(69.694.550)
Other	2.336.580.317	35.375.270	700.974.095	10.612.581
<b>Total deferred tax liabilities (-)</b>			<b>(1.363.429.001)</b>	<b>(930.546.331)</b>
<b>Net deferred tax asset/(liability)</b>			<b>207.834.162</b>	<b>155.832.728</b>
			<b>2025</b>	<b>2024</b>
Beginning of the period - 1 January			155.832.728	331.071.584
Deferred tax income			936.251.926	82.927.091
Deferred tax, recognized in equity			(884.250.492)	(569.831.403)
<b>End of the period – 31 December</b>			<b>207.834.162</b>	<b>155.832.728</b>

**22. RETIREMENT SOCIAL BENEFIT OBLIGATIONS**

None (31 December 2024: None).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**23. PROVISIONS FOR OTHER LIABILITIES AND EXPENSES**

As of 31 December 2025 and 31 December 2024, the details of the provisions for other liabilities and expenses are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Provision for agency commission	920.000.000	435.000.000
BITT provision	711.425.503	362.114.918
Sales premium provision	185.836.500	-
Provision for unused vacations	163.199.954	73.554.986
Provision for lawsuit	53.279.575	27.490.811
Other provisions	704.213.547	641.548.984
<b>Provision for accrued expenses</b>	<b>2.737.955.079</b>	<b>1.539.709.699</b>
<b>Provision for severance pay</b>	<b>223.855.977</b>	<b>193.980.970</b>

The movement of the provision for cost expenses during the period is as follows:

	<b>Personnel Bonus Provision</b>	<b>Agency Commission Provision</b>	<b>Other</b>	<b>Total</b>
Beginning of the period - 1 January 2025	435.000.000	73.554.986	1.031.154.713	1.539.709.699
Change during the period	485.000.000	89.644.968	623.600.412	1.198.245.380
<b>End of the period – 31 December 2025</b>	<b>920.000.000</b>	<b>163.199.954</b>	<b>1.654.755.125</b>	<b>2.737.955.079</b>

	<b>Personnel Bonus Provision</b>	<b>Agency Commission Provision</b>	<b>Other</b>	<b>Total</b>
Beginning of the period - 1 January 2024	130.000.000	43.385.458	253.716.837	427.102.295
Change during the period	305.000.000	30.169.528	777.437.876	1.112.607.404
<b>End of the period – 31 December 2024</b>	<b>435.000.000</b>	<b>73.554.986</b>	<b>1.031.154.713</b>	<b>1.539.709.699</b>

The movement of the severance pay equivalent during the period is as follows:

	<b>2025</b>	<b>2024</b>
<b>Beginning of Period – 1 January</b>	<b>193.980.970</b>	<b>147.469.021</b>
Interest Expense	49.714.182	32.585.845
Service Cost	27.294.211	25.262.316
Payments During the Period	(9.871.358)	(26.260.859)
Actuarial (gains)losses	(37.262.028)	14.924.647
<b>End of Period – 31 December</b>	<b>223.855.977</b>	<b>193.980.970</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**24. NET INSURANCE PREMIUM INCOME**

The distribution of premiums written by branches in the accounting periods of 1 January – 31 December 2025 and 2024 is as follows:

	<b>1 January - 31 December 2025</b>			
	<b>Gross</b>	<b>Re Share</b>	<b>SII Share</b>	<b>Net</b>
General Loses	43.145.934.293	(37.426.617.942)	-	5.719.316.351
Fire and Natural Disasters	34.114.394.621	(23.617.755.348)	-	10.496.639.273
Health	20.215.456.693	-	-	20.215.456.693
Motor Vehicles Liability	17.157.218.807	(1.865.612.345)	(1.296.665.531)	13.994.940.931
Motor Vehicles	16.472.867.351	(357.671.359)	-	16.115.195.992
Accident	5.974.614.533	(343.311.163)	(222.600)	5.631.080.770
General Liability	3.375.726.808	(2.950.367.368)	-	425.359.440
Water Vehicles	1.902.676.725	(1.848.960.420)	-	53.716.305
Air Vehicles	1.380.339.796	(1.380.339.796)	-	-
Air Vehicles Liability	1.116.974.291	(1.116.974.291)	-	-
Transportation	1.102.696.088	(935.036.349)	-	167.659.739
Legal Protection	585.302.899	(253.000)	-	585.049.899
Credit	222.700.975	(222.661.411)	-	39.564
Financial Losses	198.201.739	(155.358.298)	-	42.843.441
Surety	152.058.699	(129.798.720)	-	22.259.979
<b>Total</b>	<b>147.117.164.318</b>	<b>(72.350.717.810)</b>	<b>(1.296.888.131)</b>	<b>73.469.558.377</b>

  

	<b>1 January - 31 December 2024</b>			
	<b>Gross</b>	<b>Re Share</b>	<b>SII Share</b>	<b>Net</b>
General Loses	27.815.176.214	(24.547.771.972)	-	3.267.404.242
Fire and Natural Disasters	25.522.275.016	(17.159.645.134)	-	8.362.629.882
Motor Vehicles Liability	14.670.630.208	(3.784.129.884)	(1.018.913.220)	9.867.587.104
Motor Vehicles	11.468.367.402	(238.350.496)	-	11.230.016.906
Health	9.419.275.674	-	-	9.419.275.674
Accident	5.176.309.940	(148.464.490)	(68.282)	5.027.777.168
General Liability	2.341.861.646	(2.084.465.949)	-	257.395.697
Air Vehicles	1.215.988.067	(1.215.980.577)	-	7.490
Water Vehicles	1.213.512.773	(1.192.936.457)	-	20.576.316
Air Vehicles Liability	902.543.795	(902.540.152)	-	3.643
Transportation	642.887.299	(539.016.327)	-	103.870.972
Legal Protection	545.791.189	(15)	-	545.791.174
Financial Losses	238.502.448	(202.820.808)	-	35.681.640
Credit	134.321.932	(134.321.932)	-	-
Surety	58.349.386	(26.081.960)	-	32.267.426
<b>Total</b>	<b>101.365.792.989</b>	<b>(52.176.526.152)</b>	<b>(1.018.981.502)</b>	<b>48.170.285.335</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**25. SUBSCRIPTION FEE REVENUE**

None (31 December 2024: None).

**26. INVESTMENT INCOME**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Income from financial investments	22.541.089.253	14.393.006.789
<i>Interest income from time deposit</i>	7.207.863.338	9.685.795.817
<i>Interest income from debt instrument</i>	15.333.225.915	4.707.210.972
Valuation of financial investments	7.660.161.986	5.246.873.200
Income from derivative instruments	-	1.216.702.945
Foreign exchange gains	848.293.166	851.430.593
Dividend income from affiliated securities	286.126.337	165.679.264
Lease and valuation income	91.634.439	89.775.357
	<b>31.427.305.181</b>	<b>21.963.468.148</b>

**27. NET REALIZED GAINS ON FINANCIAL ASSETS**

Disclosed in “Financial risk management” note (Note 4.2) above.

**28. NET FAIR VALUE GAINS ON ASSETS AT FAIR VALUE THROUGH PROFIT/LOSS**

Disclosed in “Financial risk management” note (Note 4.2) above.

**29. INSURANCE RIGHTS AND CLAIMS**

Disclosed in Note 17.

**30. INVESTMENT CONTRACT BENEFITS**

None (31 December 2024: None).

**31. OTHER MANDATORY EXPENSES**

The allocation of the expenses with respect to their nature or function is presented in Note 32.

**32. TYPES OF EXPENSES**

Details of operating expenses included in the income statement are as follows.

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Commission expenses	16.134.798.591	10.799.531.481
Employee benefit expense (Note 33)	5.076.911.841	2.745.536.860
Management expenses	368.493.241	240.241.414
Outsourced benefits and services	291.381.554	201.129.229
Advertising expenses	436.418.077	144.107.109
Acquired commission incomes from reinsurer (Note 10)	(8.684.896.227)	(5.761.567.674)
Other operating expenses	1.937.255.730	894.840.072
<b>Total</b>	<b>15.560.362.807</b>	<b>9.263.818.491</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**33. EMPLOYEE BENEFIT EXPENSES**

The details of employee benefit expenses are as follows:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Salaries and wages	3.191.124.617	1.785.563.672
Personnel social benefit expenses	734.907.383	474.577.688
Employer’s share in social security premiums	567.750.830	334.483.020
Other	583.129.011	150.912.480
	<b>5.076.911.841</b>	<b>2.745.536.860</b>

**34. FINANCE COSTS**

For the period 1 January – 31 December 2025 financial expenses recognized in the income statement are TRY 3.479.432.799 (2024: TRY 3.498.515.944).

**35. INCOME TAXES**

Income tax expense in the accompanying consolidated financial statements is as follows:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Current tax expense (-)	(7.528.620.439)	(3.901.084.865)
Deferred tax income	936.251.926	82.927.091
<b>Total income tax expense recognized in statement of income (-)</b>	<b>(6.592.368.513)</b>	<b>(3.818.157.774)</b>

A reconciliation of tax expense applicable to profit from operating activities before income tax at the statutory income tax rate to income tax expense at the Company’s effective income tax rate for 1 January – 31 December 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Profit before tax	26.119.420.153	16.598.758.052
Tax rate	30%	30%
Income tax expense at statutory tax rate (-)	(7.835.826.046)	(4.979.627.416)
Effect of non-taxable income	1.188.302.971	1.465.894.853
Tax rate change and effect of other adjustment	55.154.562	(304.425.211)
<b>Total income tax expense recognized in statement of income (-)</b>	<b>(6.592.368.513)</b>	<b>(3.818.157.774)</b>

**36. NET FOREIGN EXCHANGE GAINS**

Disclosed in Note 26.

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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**37. EARNINGS PER SHARE**

Earnings per share are calculated by dividing net profit for the period into weighted average number of shares of the Company.

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Net profit for the period	19.527.051.640	12.780.600.278
Weighted average number of shares	10.000.000.000	5.000.000.000
Earnings per share (TRY)	1.95	2.54

**38. DIVIDENDS PER SHARE**

Information on dividend distribution is explained in notes 15 and 45.

**39. CASH GENERATED FROM OPERATIONS**

The cash flows from operating activities are presented in the accompanying statement of cash flows.

**40. CONVERTIBLE BONDS**

None (31 December 2024: None).

**41. REDEEMABLE PREFERENCE SHARES**

None (31 December 2024: None).

**42. RISKS**

In the normal course of its operations, the Company is exposed to legal disputes, claims and challenges, in which mainly stem from its insurance operations. The necessary income/expense provision for those revocable cases against/on behalf of the Company are provided whether under provision for outstanding claims or provisions for other risks in the accompanying consolidated financial statements.

As of 31 December 2025, if cases regarding insured damages in which the Company is defendant, result in against the Company, amount of arising potential liability (including interest and other expenses) is TRY 11.461.711.791 (31 December 2024: TRY 10.304.244.272). Provision for all these cases is recognized under provision for outstanding claim account in the related financial statements.

**43. COMMITMENTS**

The details of the guarantees which are given by the Company in favor of the Ministry of Treasury and Finance for insurance operations are presented in Notes 11, 14 and 17.

**44. BUSINESS COMBINATIONS**

None (1 January – 31 December 2024: None).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**45. RELATED PARTY TRANSACTIONS**

Türkiye Varlık Fonu Group companies are considered as related parties. As of 31 December 2025. and 31 December 2024. related party balances are as follows:

<b>Bank deposits</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Türkiye Halk Bankası A.Ş.	660.296.351	383.695.416
T.C. Ziraat Bankası A.Ş.	152.443.460	9.509.492.500
Türkiye Vakıflar Bankası T.A.O. (“Vakıfbank”)	151.041.003	6.721.787.737
Other	66.604.288	77.974.985
	<b>1.030.385.102</b>	<b>16.692.950.638</b>
<b>Financial assets</b>		
Ziraat Portföy Yönetimi A.Ş.	11.823.906.642	5.149.765.154
T.C. Ziraat Bankası A.Ş.	110.549.992	100.058.110
Vakıfbank	805.109.983	752.703.714
	<b>12.739.566.617</b>	<b>6.002.526.978</b>
<b>Receivables from operating activities</b>		
T.C. Ziraat Bankası A.Ş.	4.751.873.269	2.946.253.699
Türkiye Halk Bankası A.Ş.	1.369.937.139	1.097.371.010
Vakıfbank	862.801.756	462.090.714
Other	29.895.691	45.697.514
	<b>7.014.507.855</b>	<b>4.551.412.937</b>
<b>Payables from operating activities</b>		
Türkiye Halk Bankası A.Ş.	83.390.026	91.533.143
Vakıfbank	41.327.769	38.408.263
Other	12.037	-
	<b>124.729.832</b>	<b>129.941.406</b>
<b>Other payable to related parties</b>		
Dividend payables to shareholders	5.164.698	5.171.916
	<b>5.164.698</b>	<b>5.171.916</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**45. RELATED PARTY TRANSACTIONS (cont’d)**

<b>Other financial liabilities</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Halk Yatırım Menkul Değerler A.Ş.	199.052.007	1.204.190.294
	<b>199.052.007</b>	<b>1.204.190.294</b>

The operations performed with related party in organizations are as follows:

<b>Written premiums</b>	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Turkcell İletişim Hizmetleri A.Ş.	1.511.440.448	300.905.855
Türk Hava Yolları Anonim Ortaklığı	1.511.099.225	1.349.199.118
Botaş Boru Hatları İle Petrol Taşıma A.Ş.	1.086.167.836	997.827.256
Türkish Petroleum Off-Shore Technology Center A.Ş	955.830.479	4.312.508.682
Türkiye Halk Bankası A.Ş.	706.135.338	482.489.265
Türkiye Petrolleri A.Ş	546.430.858	478.660.150
Türk Telekomünikasyon A.Ş.	543.204.778	269.600.992
Central Oto Kiralama Anonim Şirketi	488.635.381	311.467.777
Global Bilgi Pazarlama Danışmanlık ve Çağrı Servis A.Ş.	451.239.519	97.603.975
Türksat Uydu Haberleşme Kablo TV ve İşletme A.Ş.	292.422.164	526.400.966
Vakıfbank	269.226.249	196.849.687
T.C. Ziraat Bankası A.Ş.	237.926.390	196.932.086
Superonline İletişim Hizmetleri Anonim Şirketi	222.665.772	93.653.178
Halk Finansal Kiralama A.Ş.	186.712.658	176.654.517
Other	1.579.705.641	1.274.421.993
	<b>10.588.842.736</b>	<b>11.065.175.497</b>

The Company has also paid a commission amounting to TRY 9.680.116.810 to the relevant banks regarding the premiums written through the banks that are related parties as described above for the period 1 January – 31 December 2025. (1 January – 31 December 2024: TRY 7.345.408.459).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**45. RELATED PARTY TRANSACTIONS (cont’d)**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Other commission expenses paid</b>		
Türkiye Halk Bankası A.Ş.	63.995.758	42.151.643
Central Oto Kiralama A.Ş.	37.540.121	8.665.061
Halk Finansal Kiralama A.Ş.	26.211.112	25.217.122
Ptt Anadolom Lojistik A.Ş.	6.644.691	8.904.951
Turkcell İletişim Hizmetleri A.Ş.	4.779.669	14.788.441
Ziraat Katılım Bankası A.Ş.	2.778.148	-
Botas Pipeline Services	1.610.347	17.863.448
Other	70.007.992	21.127.883
	<b>213.567.838</b>	<b>138.718.550</b>
<b>Lease income</b>		
Vakıfbank	2.745.282	1.819.247
	<b>2.745.282</b>	<b>1.819.247</b>
<b>Lease paid</b>		
Türkiye Hayat ve Emeklilik A.Ş.	652.978	422.329
	<b>652.978</b>	<b>422.329</b>
<b>Finance income</b>		
T.C. Ziraat Bankası A.Ş.	2.476.680.198	3.120.101.067
Vakıfbank	1.757.966.070	2.249.462.595
Türkiye Halk Bankası A.Ş.	70.310.899	548.781.610
Other	40.895.874	31.184.284
	<b>4.345.853.041</b>	<b>5.949.529.557</b>
<b>Finance expenses</b>		
İstanbul Takas ve Saklama Bankası A.Ş.	1.488.308.415	2.882.869.691
Halk Yatırım Menkul Değerler A.Ş.	1.126.494.106	240.710.425
Ziraat Yatırım Menkul Değerler A.Ş.	490.905.069	65.244.532
Other	-	79.020.030
	<b>3.105.707.590</b>	<b>3.267.844.678</b>
<b>Dividend income</b>		
Türkiye Hayat ve Emeklilik A.Ş.	184.088.071	165.679.264
	<b>184.088.071</b>	<b>165.679.264</b>
<b>Dividend distributed</b>		
TVF Finansal Yatırımlar A.Ş.	1.622.034.382	811.017.191
Other	377.965.618	188.982.809
	<b>2.000.000.000</b>	<b>1.000.000.000</b>

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**46. EVENTS AFTER THE REPORTING PERIOD**

None.

**47. OTHER**

**Items and amounts classified under the ‘other’ account in consolidated financial statements either exceeding 20 % of the total amount of the group to which they relate or 5% of the total assets in the balance sheet**

<b>Other Miscellaneous Receivables</b>		
	<b>31 December 2025</b>	<b>31 December 2024</b>
Advances given to healthcare institutions and other organizations	1.542.511.162	715.155.039
Others Receivables	22.133.326	15.063.858
	<b>1.564.644.488</b>	<b>730.218.897</b>
<b>Other Miscellaneous Payables</b>		
	<b>31 December 2025</b>	<b>31 December 2024</b>
Payables to suppliers and contracted institutions	623.721.591	230.954.260
DASK current account	291.612.230	218.148.440
Other	862.690	861.853
	<b>916.196.511</b>	<b>449.964.553</b>
<b>Other Expenses and Losses</b>		
	<b>31 December 2025</b>	<b>31 December 2024</b>
Non-tax-deductible expenses	1.590.656	1.078.814
Charity and donations	-	35.250
Other	7.367.640	3.992.592
	<b>8.958.296</b>	<b>5.106.656</b>

**“Total amount of each due to/from personnel items classified under ‘Other Receivables’ and ‘Other Short- and Long-Term Payables’ exceeding one percent of total assets in the balance sheet**

None (31 December 2024: None).

**TÜRKİYE SİGORTA A.Ş.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025 AND 2024**  
(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

**47. OTHER (cont’d)**

**“Total amount of each due to/from personnel items classified under ‘Other Receivables’ and ‘Other Short- and Long-Term Payables’ exceeding one percent of total assets in the balance sheet**

None (31 December 2024: None).

**Subrogation receivables followed under the off-balance sheet accounts**

None (31 December 2024: None).

**Description and amount of rights in real on property**

None (31 December 2024: None).

**Descriptive disclosure in relation to amounts and resources of income. expenses. and losses for the prior periods**

None (31 December 2024: None).

**For the years ended 31 December 2025 and 2024 details of rediscount and provision expenses are as follows:**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Change in provision for Subrogation receivables under legal proceeding (Note 4.2)	(1.755.356.941)	(241.818.107)
Other	(1.980.306.450)	(1.532.725.980)
<b>Total provision expenses (-)</b>	<b>(3.735.663.391)</b>	<b>(1.774.544.087)</b>
Debit/credit rediscount expenses. net	(409.439.148)	(77.562.738)
<b>Total rediscount expenses (-)</b>	<b>(409.439.148)</b>	<b>(77.562.738)</b>

**Fees for services received from an independent auditor/independent audit firm:**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Independent audit fee for the reporting period	7.704.000	4.800.000
<b>Total(*)</b>	<b>7.704.000</b>	<b>4.800.000</b>

(\*) Excludes VAT.

(\*\*) Includes fees for services provided to enterprises under joint management.