TÜRKİYE SİGORTA A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS
AND LIMITED AUDIT REPORT FOR THE
INTERIM ACCOUNTING PERIOD ENDING
ON 30 JUNE 2026

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

CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2026

We confirm that the consolidated financial statements, related disclosures and footnotes as at 30 June 2026 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.

20 July 2026

Aziz Murat ULUĞ Chairman of Board	Taha ÇAKMAK Vice Chairman & CEO	Ayşe TÜRKMENOĞLU 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

CONVENIENCE TRANSLATION OF
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION
(ORIGINALLY ISSUED IN TURKISH)

To the General Assembly of Türkiye Sigorta A.Ş.

Introduction

1. We have reviewed the accompanying consolidated balance sheet of Türkiye Sigorta A.Ş. (the "Company") as of 30 June 2026 and the consolidated statement of income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Company management is responsible for the preparation and fair presentation of the interim consolidated financial information in accordance with "Regulation on Insurance Accounting and Financial Reporting Principles" which includes accounting and financial reporting regulations enforced by the insurance legislation and Turkish Accounting Standard 34, "Interim Financial Reporting" for the matters not regulated by such insurance legislation. Our responsibility is to express a conclusion on the interim consolidated financial information based on our review.

Scope of Review

2. We conducted our review in accordance with the Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity" and the principles on the review as set out in the insurance legislation. A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim consolidated financial information is substantially less in scope than an independent audit conducted in accordance with the Standards on Auditing and the regulations on the principles on auditing as set out in the insurance legislation performed to express an opinion on the financial statements. Consequently, a review on the interim consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
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Conclusion

3. Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim consolidated financial information does not present fairly, in all material respects, the consolidated financial position of Türkiye Sigorta A.Ş. as of 30 June 2026, and its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with the Regulation on Insurance Accounting and Financial Reporting Principles.

Other Matter

4. The consolidated financial statements of the Company for the year ended 31 December 2025 were audited and the interim consolidated financial statements for the six-month period ended 30 June 2025 were reviewed by another audit firm whose report dated 23 January 2026 expressed an unqualified opinion and whose review report dated 18 July 2025 expressed a conclusion that no material non-compliance with the Regulation on Insurance Accounting and Financial Reporting Principles has come to their attention.

Additional Paragraph for Convenience Translation into English

5 The effects of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the accompanying interim consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying interim consolidated financial statements. Accordingly, the accompanying interim consolidated financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

ORIGINALLY ISSUED IN TURKISH

Ramazan Yüksekkaya, SMMM
Independent Auditor

İstanbul, 20 July 2026

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TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED BALANCE SHEETS
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

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

ASSETS			
I- Current Assets	**Notes**	**Reviewed Current Period 30 June 2026**	**Audited Prior Period 31 December 2025**
A- Cash and Cash Equivalents	**4.2 and 14**	**12.918.134.988**	**11.162.984.992**
1- Cash		-	-
2- Cheques Received		-	-
3- Cash at Banks	14	5.930.055.583	5.419.670.711
4- Cheques Given and Payment Orders		-	-
5- Bank Warrantied and Shorter Than 3 Months Credit Card Receivables	14	6.988.079.405	5.743.314.281
6- Other Cash and Cash Equivalents		-	-
B- Financial Assets and Financial Investments with Risks on Policyholders	**4.2 and 11**	**98.173.457.311**	**86.507.064.355**
1- Available-for-Sale Financial Asset	4.2 and 11	37.121.359.731	29.834.905.098
2- Held to Maturity Investments	4.2 and 11	25.985.402.625	24.596.258.610
3- Financial Assets Held for Trading	4.2 and 11	35.066.694.955	32.075.900.647
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 (-)		-	-
C- Receivables from Main Operations	**4.2 and 12**	**51.943.757.357**	**31.481.788.521**
1- Receivables from Insurance Operations	12	48.580.901.480	30.361.635.866
2- Provision for Receivables from Insurance Operations (-)	12	(204.009.291)	(121.465.371)
3- Receivables from Reinsurance Operations	12	3.562.925.315	1.237.678.173
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	3.557.876.501	2.989.408.500
10- Provision for Doubtful Receivables from Main Operations	12	(3.553.936.648)	(2.985.468.647)
D- Due from Related Parties		**221.593.462**	**348.081**
1- Due from Shareholders		-	-
2- Due from Associates	45	220.905.686	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		687.776	348.081
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables	**4.2 and 12**	**1.933.721.575**	**1.564.644.488**
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	47	1.933.721.575	1.564.644.488
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		403.151	403.151
7- Provision for Other Doubtful Receivables (-)		(403.151)	(403.151)
F- Prepaid Expenses and Income Accruals	**17**	**12.919.532.989**	**10.309.937.036**
1- Deferred Acquisition Costs	17	12.501.669.490	9.784.839.009
2- Accrued Profit and Rent Income		-	-
3- Income Accruals		-	-
4- Other Prepaid Expenses	17	417.863.499	525.098.027
G- Other Current Assets		**62.643.076**	**790.140.273**
1- Stocks to be used in the Following Months		-	-
2- Prepaid Taxes and Funds	4.2 and 12	12.072.146	784.762.178
3- Deferred Tax Assets		-	-
4- Business Advances		-	-
5- Advances Given to Personnel	4.2	7.369.437	44.018
6- Inventory Count Deficiency		-	-
7- Other Miscellaneous Current Assets		43.201.493	5.334.077
8- Provision for Other Miscellaneous Current Assets (-)		-	-
I- Total Current Assets		**178.172.840.758**	**141.816.907.746**

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

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED BALANCE SHEETS
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

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

ASSETS			
II- Non-Current Assets	Notes	Reviewed Current Period 30 June 2026	Audited Prior Period 31 December 2025
A- Receivables from Main Operations		**-**	**-**
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- Due from Related Parties		**-**	**-**
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 (-)		-	-
C- Other Receivables	**4.2 and 12**	**5.433.678**	**5.451.678**
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given	4.2 and 12	5.433.678	5.451.678
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
D- Financial Assets	**9**	**10.101.707.412**	**10.048.893.807**
1- Investments in Equity Shares	9	9.675.198.380	9.667.523.491
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	408.293.442	363.154.726
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	-	-
E- Tangible Assets		**2.472.342.522**	**2.500.213.487**
1- Investment Property	7	408.350.176	408.350.176
2- Impairment in Value of Investment Properties (-)		-	-
3- Land and Buildings Held for Utilization	6	1.782.597.070	1.782.597.070
4- Machinery and Equipment	6	212.060.929	209.963.313
5- Furnitures and Fixtures	6	99.582.607	99.582.607
6- Motor Vehicles	6	13.117.364	13.271.012
7- Other Tangible Assets, Including Leasehold Improvements	6	36.625.649	36.625.649
8- Tangible Assets Acquired Through Finance Leases	6	227.331.657	192.771.181
9- Accumulated Amortizations	6	(307.322.930)	(242.947.521)
10- Advances Given for Tangible Assets (including construction in progress)		-	-
F- Intangible Assets		**304.947.681**	**286.530.003**
1- Right	8	555.429.700	465.195.681
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	(288.720.958)	(216.904.617)
7- Advances Paid for Intangible Assets		-	-
G- Prepaid Expenses and Income Accruals		**-**	**-**
1- Deferred Acquisition Expenses		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses and Income Accruals		-	-
H-Other Non-Current Assets		**-**	**-**
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- Depreciation on Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets		**12.884.431.293**	**12.841.088.975**
Total Assets		**191.057.272.051**	**154.657.996.721**

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED BALANCE SHEETS
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

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

LIABILITIES			
III - Short Term Liabilities	**Notes**	**Reviewed Current Period 30 June 2026**	**Audited Prior Period 31 December 2025**
A- Financial Liabilities	**4.2**	**15.750.488.984**	**11.108.714.564**
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	20	93.985.357	67.958.518
3- Deferred Leasing Costs (-)		-	-
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	15.656.503.627	11.040.756.046
B- Payables Arising from Main Operations	**4.2 and 19**	**23.376.490.799**	**12.673.413.969**
1- Payables Arising from Insurance Operations	19	23.376.490.799	12.673.413.969
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 (-)		-	-
C- Due to Related Parties	**4.2**	**3.005.281.159**	**5.547.215**
1- Due to Shareholders	45	3.005.164.698	5.164.698
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		116.461	382.517
6- Due to Other Related Parties		-	-
D- Other Payables	**4.2**	**1.710.952.171**	**1.308.268.262**
1- Deposits and Guarantees Received		-	-
2- Debts to SSI for Treatment Expenses	19	335.786.374	392.071.751
3- Other Miscellaneous Payables	19 and 47	1.375.165.797	916.196.511
4- Discount on Other Miscellaneous Payables		-	-
E- Insurance Technical Provisions		**73.307.234.426**	**66.607.878.464**
1- Reserve for Unearned Premiums – Net	17	44.501.562.353	40.346.692.032
2- Reserve for Unexpired Risks – Net	2.23 and 17	789.800.632	1.308.168.985
3- Life Mathematical Provisions – Net		-	-
4- Provision for Outstanding Claims – Net	4.2 and 17	27.782.936.964	24.703.953.783
5- Provision for Bonus and Discounts – Net		-	-
6- Other Technical Provisions – Net	10 and 17	232.934.477	249.063.664
F- Provisions for Taxes and Other Similar Liabilities	**4.2**	**3.992.902.755**	**3.905.539.018**
1- Taxes and Funds Payable		791.949.840	774.568.688
2- Social Security Premiums Payable		117.760.770	100.434.921
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	3.745.875.652	7.528.620.439
6- Prepaid Taxes and Other Liabilities on Period Profit		(662.683.507)	(4.498.085.030)
7- Provisions for Other Taxes and Liabilities		-	-
G- Provisions for Other Risks		**1.589.660.910**	**2.737.955.079**
1- Provision for Termination Indemnities		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provision for Costs	23	1.589.660.910	2.737.955.079
H- Deferred Income and Expense Accruals		**6.752.603.395**	**5.259.309.800**
1- Deferred Commission Income	10 and 19	6.752.603.395	5.259.309.800
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
I- Other Short-Term Liabilities		**-**	**-**
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities		-	-
III- Total Short-Term Liabilities		**129.485.614.599**	**103.606.626.371**

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED BALANCE SHEETS
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

LIABILITIES			
IV - Long-Term Liabilities	**Notes**	**Reviewed Current Period 30 June 2026**	**Audited Prior Period 31 December 2025**
A- Financial Liabilities	**4.2 and 20**	**52.865.133**	**78.598.942**
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	20	52.865.133	78.598.942
3- Deferred Leasing Costs (-)		-	-
4- Bond Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued (-)		-	-
7- Other Financial Liabilities		-	-
B- Payables Arising from Main Activities		**-**	**-**
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 (-)		-	-
C- Due to Related Parties		**-**	**-**
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		-	-
D- Other Payables	**4.2**	**99.755.797**	**88.074.374**
1- Deposits and Guarantees Received	4.2	99.755.797	88.074.374
2- Debts to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Liabilities		-	-
4- Discount on Other Miscellaneous Payables (-)		-	-
E- Insurance Technical Provisions	**2.25 and 17**	**1.026.006.094**	**807.274.243**
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	1.026.006.094	807.274.243
F-Other Liabilities and Relevant Accruals		**-**	**-**
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Installment Taxes and Other Liabilities		-	-
3- Other Liabilities for Expense Accruals		-	-
G- Provisions for Other Risks	**23**	**269.337.309**	**223.855.977**
1- Provision for Severance Pay	23	269.337.309	223.855.977
2- Provision for Employee Pension Funds Deficits		-	-
H- Deferred Income and Expense Accruals		**-**	**-**
1- Deferred Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
I- Other Long-Term Liabilities	**21**	**1.083.487.933**	**207.834.162**
1- Deferred Tax Liabilities	21	1.083.487.933	207.834.162
2- Other Long-Term Liabilities		-	-
IV- Total Long-Term Liabilities		**2.531.452.266**	**1.405.637.698**

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED BALANCE SHEETS
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

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

EQUITY			
V - Equity	**Notes**	**Reviewed Current Period 30 June 2026**	**Audited Prior Period 31 December 2025**
A- Paid-In Capital	**2.13 and 15**	**20.000.000.000**	**10.000.000.000**
1- (Nominal) Capital	2.13 and 15	20.000.000.000	10.000.000.000
2- Unpaid Capital (-)		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences (-)		-	-
5- Capital to Be Registered		-	-
B- Capital Reserves	**15**	**728.985.408**	**728.985.408**
1- Share Premium		692.314.994	692.314.994
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
C- Profit Reserves	**15**	**24.641.453.239**	**19.215.759.198**
1- Legal Reserves	15	2.450.519.971	1.229.269.303
2- Statutory Reserves		-	-
3- Extraordinary Reserves	15	12.193.202.974	7.319.154.582
4- Special Funds (Reserves)		-	-
5- Valuation of Financial Assets	15	7.800.283.195	8.796.645.220
6- Other Profit Reserves	15	2.197.447.099	1.870.690.093
D- Retained Earnings		**173.936.406**	**173.936.406**
1- Retained Earnings		173.936.406	173.936.406
E- Accumulated Losses (-)		**-**	**-**
1- Accumulated Losses		-	-
F- Net Profit / Loss for the Period		**13.495.830.133**	**19.527.051.640**
1- Net Profit for the Year		13.495.830.133	19.527.051.640
2- Net Loss for the Year (-)		-	-
3- Net Profit That Is Not Subject to Distribution		-	-
Total Equity		**59.040.205.186**	**49.645.732.652**
Total Equity and Liabilities		**191.057.272.051**	**154.657.996.721**

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED STATEMENTS OF INCOME
FOR THE PERIOD 1 JANUARY – 30 JUNE 2026 AND 2025

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

I - TECHNICAL SECTION	Notes	Reviewed Current Period 1 January – 30 June 2026	Not Reviewed Current Period 1 April- 30 June 2026	Reviewed Prior Period 1 January – 30 June 2025	Not Reviewed Prior Period 1 April- 30 June 2025
A- Non-Life Technical Income		**51.341.941.534**	**27.814.077.547**	**39.472.625.356**	**21.175.272.423**
1- Earned Premiums (Net of Reinsurer Share)	5	39.248.890.939	20.908.862.372	27.659.913.806	14.648.433.764
1.1- Written Premiums (Net of Reinsurer Share)	5,17, 24	42.885.392.906	20.236.551.363	33.593.619.275	14.529.652.547
1.1.1- Written Premiums gross	17, 24	94.213.289.469	40.407.474.585	72.679.136.833	31.277.295.109
1.1.2- Written Premiums, ceded	10, 17, 24	(50.710.268.629)	(19.835.179.308)	(38.587.828.724)	(16.523.899.176)
1.1.3- Premiums transferred to SSI	10, 17, 24	(617.627.934)	(335.743.914)	(497.688.834)	(223.743.386)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Provision Carried Forward)	5, 17	(4.154.870.321)	473.782.815	(6.199.518.434)	49.826.041
1.2.1- Reserve for Unearned Premiums	17	(14.398.141.859)	2.849.417.823	(15.366.024.302)	(217.812.271)
1.2.2- Reserve for Unearned Premiums, ceded	10, 17	10.281.481.439	(2.372.893.115)	9.182.023.683	275.871.275
1.2.3 SSI Share of Reserve for Unearned Premium	10, 17	(38.209.901)	(2.741.893)	(15.517.815)	(8.232.963)
1.3- Changes in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	5, 17	518.368.354	198.528.194	265.812.965	68.955.176
1.3.1- Reserve for Unexpired Risks, gross	17	160.570.810	(20.236.379)	679.947.338	(34.281.089)
1.3.2- Reserve for Unexpired Risks, ceded	10, 17	357.797.544	218.764.573	(414.134.373)	103.236.265
2- Investment Income Transferred from Non-Technical Section	5	11.556.755.244	6.655.818.073	10.808.289.312	6.065.582.407
3- Other Technical Income - (Net of Reinsurer Share)		2.866.296	-	4.570.827	2.656.729
3.1- Other Technical Income, gross		2.866.296	-	4.570.827	2.656.729
3.2- Other Technical Income, ceded		-	-	-	-
4- Accrued salvage and subrogation income		533.429.055	249.397.102	999.851.411	458.599.523
B- Non-Life Technical Expense (-)		**(34.891.296.668)**	**(18.254.539.560)**	**(27.090.908.774)**	**(14.114.443.417)**
1- Incurred Losses - (Net of Reinsurer Share)	5	(25.712.261.801)	(13.417.371.170)	(20.484.618.929)	(10.589.977.489)
1.1- Claims Paid - (Net of Reinsurer Share)	5	(22.633.278.620)	(11.526.376.264)	(16.009.976.366)	(8.617.740.200)
1.1.1- Claims Paid, gross		(28.450.323.274)	(13.945.202.971)	(20.861.517.349)	(10.578.408.564)
1.1.2- Claims Paid, ceded	10,17	5.817.044.654	2.418.826.707	4.851.540.983	1.960.668.364
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Provision Carried Forward)	5	(3.078.983.181)	(1.890.994.906)	(4.474.642.563)	(1.972.237.289)
1.2.1- Change in Provision for Outstanding Claims, gross		(7.585.284.468)	(6.128.759.986)	(7.030.123.745)	(3.358.031.215)
1.2.2- Change in Provision for Outstanding Claims, ceded	10	4.506.301.287	4.237.765.080	2.555.481.182	1.385.793.926
2- Change in Provisions for Bonus and Discounts (Net of Reinsurer Share and Provision Carried Forward)		-	-	-	-
2.1- Provisions for Bonus and Discounts, gross		-	-	-	-
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	(218.731.851)	(135.178.321)	(123.118.655)	(77.069.924)
4- Operating Expenses	5, 32	(8.960.303.016)	(4.701.990.069)	(6.483.171.190)	(3.447.396.004)
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		-	-	-	-
C- Net Technical Income - Non-Life (A - B)		**16.450.644.866**	**9.559.537.987**	**12.381.716.582**	**7.060.829.006**

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED STATEMENTS OF INCOME
FOR THE PERIOD 1 JANUARY – 30 JUNE 2026 AND 2025

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

I- TECHNICAL SECTION	Notes	Reviewed Current Period 1 January – 30 June 2026	Not Reviewed Current Period 1 April – 30 June 2026	Reviewed Prior Period 1 January – 30 June 2025	Not Reviewed Prior Period 1 April- 30 June 2025
D- Life Technical Income		-	-	-	-
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		-	-	-	-
E- Life Technical Expense		-	-	-	-
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)		-	-	-	-
3- Change in Life Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-	-	-
3.1- Mathematical Reserves		-	-	-	-
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		-	-	-	-
F- Net Technical Income - Life (D - E)		-	-	-	-
G- Pension Business Technical Income		-	-	-	-
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		-	-	-	-
H- Pension Business Technical Expense		-	-	-	-
1- Fund Management Expense		-	-	-	-
2- Decrease in Value of Capital Allowances Given as Advance		-	-	-	-
3- Operating Expenses		-	-	-	-
4- Other Technical Expenses		-	-	-	-
I- Net Technical Income - Pension Business (G - H)		-	-	-	-

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED DETAILED STATEMENTS OF INCOME
FOR THE PERIOD 1 JANUARY – 30 JUNE 2026 AND 2025

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

II - NON-TECNICAL SECTION	Notes	Reviewed Current Period 1 January – 30 June 2026	Not Reviewed Current Period 1 April – 30 June 2026	Reviewed Prior Period 1 January – 30 June 2025	Not Reviewed Prior Period 1 April- 30 June 2025
C- Net Technical Income - Non-Life (A-B)		**16.450.644.866**	**9.559.537.987**	**12.381.716.582**	**7.060.829.006**
F- Net Technical Income - Life (D-E)		-	-	-	-
I – Net Technical Income - Pension Business (G-H)		-	-	-	-
J- Total Net Technical Income (C+F+I)		**16.450.644.866**	**9.559.537.987**	**12.381.716.582**	**7.060.829.006**
K- Investment Income		**19.146.670.676**	**11.128.354.309**	**16.083.705.666**	**9.117.523.237**
1- Income from Financial Assets	26	15.818.051.173	7.927.737.075	9.877.002.873	6.179.090.271
2- Income from Disposal of Financial Assets		-	-	-	-
3- Valuation of Financial Assets	26	1.316.320.757	1.764.241.884	3.840.505.525	1.600.903.796
4- Foreign Exchange Gains	26	1.741.075.899	1.189.926.665	2.119.598.593	1.105.086.720
5- Income from Associates	26	220.905.686	220.905.686	184.088.071	184.088.071
6- Income from Subsidiaries and Joint Ventures		45.138.715	23.071.989	58.342.538	46.192.742
7- Income from Property, Plant and Buildings	7, 26	5.178.446	2.471.010	4.168.066	2.161.637
8- Income from Derivatives Transactions		-	-	-	-
9- Other Investments		-	-	-	-
10- Income Transferred from Life Section		-	-	-	-
L- Investment Expense		**(16.184.198.973)**	**(9.508.547.361)**	**(13.975.215.246)**	**(8.205.282.610)**
1- Investment Management Expenses – Interest Included	34	(2.743.810.797)	(1.668.828.885)	(985.679.844)	(852.067.675)
2- Diminution in Value of Investments		-	-	-	-
3- Loss from Disposal of Financial Assets		-	-	-	-
4- Investment Income Transferred to Non-Life Technical Section		(11.556.755.244)	(6.655.818.073)	(10.808.289.312)	(6.065.582.407)
5- Loss from Derivative Transactions		-	-	-	-
6- Foreign Exchange Losses	26	(1.129.846.036)	(754.948.731)	(1.663.506.247)	(1.011.191.674)
7- Depreciation and Amortization Expenses		(143.544.106)	(75.009.836)	(76.846.773)	(39.735.731)
8- Other Investment Expenses		(610.242.790)	(353.941.836)	(440.893.070)	(236.705.123)
M- Income and Expenses from Other and Extraordinary Operations		**(2.171.410.784)**	**(920.061.679)**	**(2.323.671.656)**	**(1.459.703.109)**
1- Provisions	47	(969.379.404)	(1.588.165.386)	(1.367.860.365)	(805.948.546)
2- Rediscounts	47	2.270.957	(34.305.537)	(445.387.354)	(423.763.730)
3- Monetary Gains and Losses		-	-	-	-
4- Inflation Adjustment Account		-	-	-	-
5- Deferred Tax Assets	21 and 35	(1.204.849.918)	702.665.114	(516.796.228)	(232.904.748)
6- Deferred Tax Liabilities		-	-	-	-
7- Other Income		4.720.520	1.706.398	12.597.426	6.254.218
8- Other Expenses and Losses	47	(4.172.939)	(1.962.268)	(6.225.135)	(3.340.303)
9- Prior Year's Income		-	-	-	-
10- Prior Year's Expenses and Losses		-	-	-	-
N- Net Profit for the Year	**37**	**13.495.830.133**	**7.044.028.014**	**9.392.637.961**	**4.857.515.519**
1- Profit and Loss for the Year		17.241.705.785	10.259.283.256	12.166.535.346	6.513.366.524
2- Corporate Tax Provision and Other Fiscal Liabilities	35	(3.745.875.652)	(3.215.255.242)	(2.773.897.385)	(1.655.851.005)
3- Net Profit and Loss for the Year		13.495.830.133	7.044.028.014	9.392.637.961	4.857.515.519
4- Inflation Adjustment Account		-	-	-	-

TÜRKİYE SİGORTA A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY - 30 JUNE 2026 AND 2025
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

STATEMENT OF CASH FLOW	**Notes**	**Reviewed Current Period 1 January-30 June 2026**	**Reviewed Prior Period 1 January-30 June 2025**
A. CASH GENERATED FROM MAIN OPERATIONS			
1. Cash provided from insurance activities		71.641.909.233	64.012.729.515
2. Cash provided from reinsurance activities		-	-
3. Cash provided from pension business		-	-
4. Cash used in insurance activities		(71.181.437.777)	(58.362.213.626)
5. Cash used in reinsurance activities		-	-
6. Cash used in pension business		-	-
7. Cash Provided from operating activities		**460.471.456**	**5.650.515.889**
8. Interest paid		-	-
9. Income taxes paid		(2.920.528.884)	(2.086.987.015)
10. Other cash inflows		1.094.798.700	1.028.108.976
11. Other cash outflows		(1.650.264.537)	(1.518.053.291)
12. Net cash Provided from operating activities		**(3.015.523.265)**	**3.073.584.559**
B. CASH FLOWS FROM INVESTING OPERATIONS		-	-
1. Disposal of tangible and intangible assets	6	24.677.424	3.665.024
2. Acquisition of tangible and intangible assets	6,8	(151.415.887)	(84.372.423)
3. Acquisition of financial assets	11	(76.456.618.166)	(58.232.171.123)
4. Disposal of financial assets	11	64.252.215.114	29.842.622.746
5. Interests received	26	15.818.051.173	9.877.002.873
6. Dividends received		-	-
7. Other cash inflows			-
8. Other cash outflows		-	-
9. Net cash provided by investing activities		**3.486.909.658**	**(18.593.252.903)**
C. CASH FLOWS FROM FINANCING OPERATIONS			-
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments	20	(46.253.048)	(7.321.164)
4. Dividends paid		-	-
5. Other cash inflows		3.792.832.231	8.902.536.720
6. Other cash outflows		(3.847.589.057)	(354.936.153)
7. Net cash provided by financing activities (-)		**(101.009.874)**	**8.540.279.403**
D. EFFECT OF EXCHANGE DIFFERENCES IN CASH AND CASH EQUIVALENTS		**559.587.170**	**486.597.539**
E. NET DECRASE IN CASH AND CASH EQUIVALENTS		**929.963.689**	**(6.492.791.402)**
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**14**	**8.577.451.805**	**18.273.954.434**
G. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**14**	**9.507.415.494**	**11.781.163.032**

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

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

Statements of Changes in Shareholders' Equity – Reviewed (*)

	Notes	Capital	Own Shares of the Company (-)	Valuation Increase/(Decrease)	Inflation Adjustment To the Share Capital	Foreign Currency Conversion Diffrences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Profit for the Period	Prior Years Profit/(Losses)	Total
I- Balance at the End of the Period – 31 December 2024		**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		-	-	440.469.387	-	-	-	-	-	-	-	**440.469.387**
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other Gains and Losses		-	-	-	-	-	-	-	46.128.153	-	-	**46.128.153**
G – Inflation Adjustment Differences		-	-	-	-	-	-	-	-	-	-	-
H – Net Profit for the Period		-	-	-	-	-	-	-	-	9.392.637.961	-	**9.392.637.961**
I – Dividends paid		-	-	-	-	-	-	-	-	-	(2.000.000.000)	**(2.000.000.000)**
J- Transfer		-	-	-	-	-	811.013.142	-	4.969.587.136	(12.780.600.278)	7.000.000.000	-
II- Balance at the End of the Period – (30 June 2025) (I+A+B+C+D+E+F+G+H+I+J)		**10.000.000.000**	**(36.395.417)**	**5.147.122.725**	**-**	**-**	**1.229.269.303**	**-**	**9.709.530.229**	**9.392.637.961**	**102.125.045**	**35.544.289.846**

Statements of Changes in Shareholders' Equity – Reviewed (*)

	Notes	Capital	Own Shares of the Company (-)	Valuation Increase/(Decrease)	Inflation Adjustment To the Share Capital	Foreign Currency Conversion Diffrences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Profit for the Period	Prior Years Profit/(Losses)	Total
I- Balance at the End of the Period – 31 December 2025		**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**
A – Capital Increase		10.000.000.000	-	-	-	-	-	-	-	-	(10.000.000.000)	-
1 - Cash		-	-	-	-	-	-	-	-	-	-	-
2 – From Internal Sources		10.000.000.000	-		-	-	-	-	-	-	(10.000.000.000)	-
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		-	-	(996.362.025)	-	-	-	-	-	-	-	**(996.362.025)**
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other Gains and Losses		-	-	-	-	-	-	-	326.757.006	-	(431.752.580)	**(104.995.574)**
G – Inflation Adjustment Differences		-	-	-	-	-	-	-	-	-	-	-
H – Net Profit for the Period		-	-	-	-	-	-	-	-	13.495.830.133	-	**13.495.830.133**
I – Dividends paid		-	-	-	-	-	-	-	-	-	(3.000.000.000)	**(3.000.000.000)**
J- Transfer		-	-	-	-	-	1.221.250.668	-	4.874.048.392	(19.527.051.640)	13.431.752.580	-
II- Balance at the End of the Period – (30 June 2026) (I+A+B+C+D+E+F+G+H+I+J)		**20.000.000.000**	**(36.395.417)**	**7.800.283.195**	**-**	**-**	**2.450.519.971**	**-**	**15.156.030.898**	**13.495.830.133**	**173.936.406**	**59.040.205.186**

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

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

(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 June 30, 2026, TVF Finansal Yatırımlar A.Ş. (“TVF Finansal Yatırımlar”) is the controlling shareholder of Türkiye Sigorta A.Ş. (“the Company”) with a 76,10% ownership stake (December 31, 2025: 81,10%). As of June 30, 2026, 23,90% of the Company’s shares are publicly held (December 31, 2025:18,90%). The Company’s controlling shareholder, TVF Finansal Yatırımlar A.Ş., sold TRY 500.000.000 in nominal value shares-corresponding to 5,00% of the issued capital on May 14-15, 2026, to via an accelerated bookbuilding (ABB) method to institutional investors domiciled abroad at a price of TRY 13,50 per share (total TRY 6.750.000.000). As a result of the transaction, TVF Finansal Yatırımlar’s direct shareholding decreased from 81,10% to 76,10%, while the public float increased from 18,90% to 23,90%.

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 30 June 2026, the Company works with 4.062 agencies (31 December 2025: 3.920 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:

	30 June 2026	31 December 2025
Key management (*)	15	15
Other personnel	1.530	1.533
Total	**1.545**	**1.548**

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

(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 - 30 June 2026	1 January - 30 June 2025
Salaries	59.262.422	47.543.976
Bonuses	-	84.028
Other	7.389.613	10.729.036
Total benefits provided to key management	**66.652.035**	**58.357.040**
Provision for employment termination benefits	1.844.187	1.268.763

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 30 June 2026, 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	:	www.turkiyesigorta.com.tr

1.10 Subsequent events

The consolidated financial statements for the period 1 January – 30 June 2026 were approved by the Board of Directors of the Company on 20 July 2026. Explanations on events after the reporting period are presented in Note 46.

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 30 June 2026 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.

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

2.1 Basis of Preparation (cont'd)

In its "Announcement Regarding the Adjustment of Financial Statements of Companies Subject to Independent Audit for Inflation" dated November 23, 2023, the KGK stated that entities applying Turkish Financial Reporting Standards must present their financial for the annual reporting period ending on or after December 31, 2023, must be presented adjusted for the effects of inflation in accordance with TMS 29; furthermore, it stated that institutions or organizations authorized to regulate and supervise their respective fields may set different transition dates for the application of the provisions of TMS 29. Pursuant to the aforementioned announcement by the KGK, the SEDDK issued its Circular No. 2023/30 dated December 6, 2023, and No. 2023/30, "Circular on the Application of Inflation Accounting in the Insurance Sector," decided that the financial statements of insurance, reinsurance, and pension companies as of December 31, 2023, shall not be subject to the inflation adjustment required under TMS 29. Subsequently published by SEDDK, the "Circular on the Application of Inflation Accounting in the" (Circular No. 2024/10), the transition date for insurance, reinsurance, and pension companies to adopt inflation accounting was set as January 1, 2025; however, pursuant to the "Circular on the Application of Inflation Accounting in the Insurance Sector" dated December 6, 2024, and No. 2024/32, published by the SEDDK, Circular No. 2024/10 was repealed, and it was decided that insurance, reinsurance, and pension companies will not apply inflation accounting in 2025. Furthermore, pursuant to the "Circular on the Application of Inflation Accounting in the Insurance Sector," published by the SEDDK, it was decided that insurance, reinsurance, and pension companies would not apply inflation accounting. Accordingly, IFRS 29 was not applied in the Company's unaudited financial statements as of June 30, 2026, and December 31, 2025.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

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.

	Estimated Useful Life (Year)	**Depreciation Rate (%)**
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).

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 30 June 2026, the weighted average of the alternative borrowing rates used by the Company for Turkish Lira leases is 37,6% per year (31 December 2025: 45% 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).

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.

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

2.8 Financial Assets (cont’d)

*Available-for-sale financial asset*s 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.

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).

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

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

2.13 Share Capital

As of 30 June 2026, and 31 December 2025, the share capital and ownership structure of the Company is as follows:

	30 June 2026		31 December 2025	
Name	**Share Amount (TRY)**	**Share (%)**	**Share Amount (TRY)**	**Share (%)**
TVF Finansal Yatırımlar A.Ş.	15.220.343.786	76,10	8.110.171.893	81,10
Public shares	4.779.656.214	23,90	1.889.828.107	18,90
Paid-in Capital	**20.000.000.000**	**100**	**10.000.000.000**	**100**

Letter No. 65660 of the Capital Markets Board dated January 7, 2025, regarding the Insurance and Private Pension Regulation and Supervision Agency dated January 21, 2025, No. 3709537, and the Ministry of Trade, General Directorate of Domestic Trade's letter dated January 29, 2025, No. E-50035491-431.02-00105636074; the Company's registered capital ceiling of TRY 5.000.000.000 TL has been increased to TRY 50.000.000.000, and it has been decided that the validity period of the registered capital ceiling shall be from 2025 to 2029 (5 years).

Pursuant to the Capital Markets Board's approval No. E-29833736-105.01.01.01-92461 dated June 11, 2026, the Company's issued capital of TRY 10.000.000.000, within its registered capital ceiling of TRY 50.000.000.000, has been increased by 100% to TRY 20.000.000.000, funded entirely from the 2025 net income for the period.

As of June 30, 2026, the Company's capital consists of 20.000.000.000 shares, all of which have been issued and fully paid (December 31, 2025: 10.000.000.000 shares).

The Company's controlling shareholder, TVF Finansal Yatırımlar A.Ş., issued corresponding to 5,00% of the issued capital, to institutional investors domiciled abroad via an accelerated book-building (ABB) process at a price of TRY 13,50 per share (totaling TRY 6.750.000.000). As a result of the transaction, TVF Finansal Yatırımlar' direct share ownership decreased from 81,10% to 76,10%, while the public float increased from 18,90% to 23,90%.

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.

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.

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.

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 2025 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. Pursuant to Transitory Article 37, added to the Tax Procedure Code by Law No. 7571, published in the Official Gazette dated December 25, 2025, it has been decided that, for the 2025 fiscal year and the 2026 and 2027 fiscal years-including the 2025 fiscal year and the interim tax periods—it has been decided that the financial statements used as the basis for taxation shall not be subject to inflation adjustment, regardless of whether the conditions for inflation adjustment have been met; and with regard to the revaluation application set forth in paragraph (c) of Repeated Article 298, (c), the periods for which it is specified that no inflation adjustment will be made are to be considered as periods in which the conditions for inflation adjustment have not been met. Following this regulation, it has become possible to perform revaluation under paragraph (c) of Repeated Article 298 of the Tax Procedure Code, and the Company has opted to apply the revaluation method in its tax calculations.

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).

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

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

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 30 June 2026, the applicable ceiling amount as at TRY 73.729,87 (31 December 2025: TRY 64.948,77).

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 73.729,87 which is applicable starting from 1 January 2026, as it is adjusted yearly (31 December 2025: TRY 64.948,77).

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 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	**31 December 2025**
Annual discount rate	3,92%	3,32%
Estimated employee turnover rate	3,20%	12,50%

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).

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.

(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 897.804.928 (31 December 2025: TRY 932.791.405) 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 172.450.188 (31 December 2025: TRY 114.001.648) 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 3.525.982.116 (31 December 2025: TRY 2.957.566.661) 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 30 June 2026 and 31 December 2025, accrued salvage and subrogation income per branches is as follows:

	30 June 2026	31 December 2025
Motor vehicles	613.105.417	682.191.340
Third part liability for motor vehicles	194.841.294	188.785.718
Fire and natural disasters	57.552.045	43.122.428
Other	32.306.172	18.691.919
Total	**897.804.928**	**932.791.405**

For the period 1 January – 30 June 2026 and 2025, salvage and subrogation collections are as follows:

	1 January - 30 June 2026	1 January - 30 June 2025
Motor vehicles	2.144.075.174	1.575.711.737
Third part liability for motor vehicles	324.132.142	164.269.233
Fire and natural disasters	129.473.966	47.798.931
Other	131.425.560	59.448.261
Total	**2.729.106.842**	**1.847.228.161**

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.

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 it 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 Technical Reserves Regulation, insurance companies are required to set aside a reserve for continuing risks ("DERK"), taking into account the expected loss ratio, to cover the possibility that claims arising from current insurance contracts may exceed the unearned premiums set aside for the relevant contracts. The expected loss ratio is calculated by dividing actual losses by earned premiums. As of June 30, 2026, for lines of business other than Mandatory Motor Liability, Voluntary Financial Liability, and General Liability, the company is required to calculate the expected loss ratio in accordance with the "Circular Regarding Changes in the Calculation of the Continuing Risks " ("Circular No. 2012/15") as of June 30, 2026, for lines of business other than Mandatory Motor Liability, Voluntary Financial Liability, and General Liability. If the expected loss ratio calculated on a line-of-business basis exceeds 95%, the amount resulting from multiplying the portion exceeding 95% by the net unearned premium reserve; the amount obtained by multiplying the portion of the ratio exceeding 95% by the net unearned premium reserve is calculated as the net reserve for continuing risks, and the amount obtained by multiplying the portion of the ratio exceeding 95% by the gross unearned premium reserve is calculated as the gross reserve for continuing risks. The difference between the gross amount and the net amount is considered the reinsurer's share.

(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 30 June 2026 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 Green Card 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.

If a separate calculation is made for lines of business where 100% of direct production is transferred to pools established in Turkey, the gross loss ratio of 100% applies; for other lines of business, if the gross loss ratio exceeds 85%, the excess amount is multiplied by the gross unearned premium reserve ("UPR") to determine the gross URR, and the net URR amount is determined by multiplying the net UPR by the gross URR.

As of 30 June 2026, the Company has calculated a net unexpired risk reserve of TRY 789.800.632 and booked (31 December 2025: TRY 1.308.168.985) (Note 17).

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

		30 June 2026		31 December 2025	
Branch	**Claim/Premium**	**Gross URR**	**Net URR**	**Gross URR**	**Net URR**
Third part Liability for motor vehicles		1.105.132.743	743.575.174	1.332.197.734	1.280.747.615
- Compulsory traffic (except RCA)	94%	499.311.674	499.311.674	1.125.163.115	1.125.163.115
- RCA acquired	153%	228.271.018	228.271.018	155.584.500	155.584.500
- RCA transferred	152%	361.557.569	-	51.450.119	-
- Discretionary liability	87%	15.992.482	15.992.482	-	-
General Liability		177.716.488	46.225.458	101.699.335	26.130.004
-TPL (Assummed)	270%	*46.225.458*	*46.225.458*	*26.130.004*	*26.130.004*
-TPL (Ceded)	270%	*131.491.030*	-	*75.569.331*	-
Surety	-	-	-	9.522.971	1.291.366
Total		**1.282.849.231**	**789.800.632**	**1.443.420.040**	**1.308.168.985**

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 30 June 2026, 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 30 June 2026 and 31 December 2025 are explained in the Note 17.

As of 30 June 2026, the Company has provided net additional outstanding claims reserve amounting to TRY 32.557.444.998 (31 December 2025: TRY 32.290.851.447) in its financial statements for incurred but not reported claims considering the amounts found as a result of ACLM calculation.

(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)

"Circular No. 2016/22 dated June 10, 2016, issued by the Ministry of Treasury and Finance, Regarding the Net Cash Flows Arising from Contingent Claims," and the Ministry of Treasury and Finance's Circular No. 2017/7 dated September 15, 2017, titled "Circular on Amendments to Circular No. 2016/22 Net Cash Flows Arising from Contingent Claims," and the "Circular No. 2025/32 dated December 18, 2025, issued by the SEDDK, titled 'Circular on Amendments to Circular No. 2016/22 Regarding the Discounting of Net Cash Flows Arising from Contingent Claims' Reserve: Circular No. 2016/22 on the Discounting of Net Cash Flows Arising from the Unpaid Claims Reserve," the Company has calculated a discount on its net unpaid claims reserves of 20.425.497.102 TL (December 31, 2025: 20.868.903.899 TL) as of June 30, 2026. In accordance with the relevant circular, a rate of 29% was applied in discounting the net cash flows arising from the provision for contingent liabilities. (December 31, 2025: 29%)

As of 30 June 2026 and 31 December 2025, the Company's net outstanding claims reserves by branch before and after discount are as follows:

30 June 2026 Branch	Net outstanding claims before discount	Discount amount	Discounted net Outstanding claims provisions
Third party liability for motor vehicles	36.550.263.579	(17.588.229.947)	18.962.033.632
Motor Vehicles	3.168.599.120	(472.317.149)	2.696.281.971
Health	3.523.980.044	(170.603.464)	3.353.376.580
General Liability	2.627.425.673	(1.740.571.974)	886.853.699
Fire and Natural Disasters	822.714.360	(166.325.226)	656.389.134
General Losses	1.238.698.405	(235.223.260)	1.003.475.145
Accident	67.438.611	(19.604.918)	47.833.693
Transportation	97.510.280	(16.829.739)	80.680.541
Financial Losses	18.217.831	(3.231.647)	14.986.184
Water Vehicles	86.952.580	(10.775.262)	76.177.318
Suretyship	6.302.527	(1.708.855)	4.593.672
Legal Protection	273.740	(70.317)	203.423
Credit	57.316	(5.344)	51.972
Total	**48.208.434.066**	**(20.425.497.102)**	**27.782.936.964**

31 December 2025 Branch	Net outstanding claims before discount	Discount amount	Discounted net Outstanding claims provisions
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
Financial Losses	7.868.419	(1.225.448)	6.642.971
Water Vehicles	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
Total	**45.572.857.682**	**(20.868.903.899)**	**24.703.953.783**

(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 30 June 2026 and 31 December 2025 and the estimated net cash flows for each main branch are as follows.

30 June 2025 Branch	Used Method	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Third party liability for motor vehicles	Table 57	5.503.557.327	6.508.293.960	4.672.191.992	4.220.408.747	4.029.445.830	3.602.575.853	3.076.503.661	2.418.311.885	1.628.576.937	829.622.994	60.774.393	36.550.263.579
Health	Table 57	3.308.619.231	184.376.233	26.409.520	3.500.610	119.497	351.104	346.912	108.389	148.548	-	-	3.523.980.044
Motor Vehicles	Table 57	2.320.198.314	267.684.432	151.737.427	173.716.968	124.966.991	62.096.431	28.480.946	20.227.074	12.973.426	6.102.474	414.637	3.168.599.120
General Liability	Table 57	86.985.579	151.785.298	199.194.816	253.105.818	339.610.696	445.217.568	417.605.971	462.584.100	226.676.877	43.538.303	1.120.647	2.627.425.673
General Losses	Table 57	611.716.251	367.027.543	135.213.302	64.909.926	31.646.247	14.377.371	7.334.973	3.821.630	1.897.152	714.889	39.121	1.238.698.405
Fire and Natural Disasters	Table 57	425.430.030	203.397.572	82.858.367	43.557.927	26.647.555	17.505.694	10.837.156	6.749.971	3.852.974	1.774.406	102.708	822.714.360
Transportation	Table 57	41.180.176	46.085.172	5.274.010	2.135.528	1.677.413	675.065	283.527	123.371	54.020	20.628	1.370	97.510.280
Water Vehicles	Table 57	52.373.263	31.492.985	2.691.534	147.479	30.459	37.947	63.850	98.358	16.705	-	-	86.952.580
Accident	Table 57	26.836.378	17.437.355	5.383.216	4.372.121	3.165.871	2.781.963	2.688.151	2.360.348	1.664.665	731.802	16.741	67.438.611
Financial Losses	Table 57	7.839.321	7.652.541	2.034.846	567.936	87.837	26.264	6.787	1.770	447	78	4	18.217.831
Suretyship	Table 57	1.053.612	2.552.989	2.488.201	68.307	78.973	33.634	15.012	6.956	3.288	1.555	-	6.302.527
Legal Protection	Table 57	54.070	131.102	60.137	22.747	4.661	1.015	8	-	-	-	-	273.740
Credit	Table 57	51.264	3.221	317	493	506	763	471	117	128	36	-	57.316

(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	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	3.124.199.618	65.183.400	9.764.863	1.312.035	(58.663)	386.478	232.488	42.377	35.247	-	3.201.097.843
Motor Vehicles	Table 57	2.116.323.046	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	2.531.781.941
General Liability	Table 57	111.954.360	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	1.810.995.031
Fire and Natural Disasters	Table 57	320.734.003	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	506.382.648
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
Transportation	Table 57	58.553.321	25.985.407	1.885.820	2.081.326	743.640	287.483	115.429	47.757	18.834	4.720	89.723.737
Accident	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	29.874.047	2.436.739	622.512	18.590	8.601	22.173	47.688	23.203	1.342	1.218	33.056.113
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	2.572.675	2.716.343	1.440.187	76.921	33.388	11.118	3.798	1.321	438	103	6.856.292
Legal Protection	Table 57	125.450	122.298	42.306	10.077	3.499	501	360	383	13	-	304.887
Credit	Table 57	115.021	542	402	205	332	338	115	11	-	-	116.966

(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 30 June 2026, 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 1.559.150.667 (31 December 2025: TRY 1.448.025.001) (Note 17). The winning rates used on a branch basis as of 30 June 2026 and 31 December 2025 are as follows:

Branch	30 June 2026 Utilized Win Rate (%)	31 December 2025 Utilized Win Rate (%)
Fire	25,00%	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	25,00%	22,00%
Motor Land Vehicles - Motor Insurance	25,00%	25,00%
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	22,00%	25,00%
Installation	25,00%	25,00%
Construction	11,00%	9,00%
Compulsory Responsibility for LPG	17,00%	17,00%
Health	25,00%	25,00%
Travel Health	25,00%	25,00%
Compulsory Traffic (Except Green Card)	20,00%	21,00%
Electronic Device	8,00%	9,00%
Employer Financial Liability	25,00%	25,00%
Glass Breakage	25,00%	25,00%
Product Responsibility	25,00%	25,00%
Dangerous Goods Compulsory Liability	25,00%	25,00%
Abuse of Trust	25,00%	25,00%
Private Security Financial Liability	25,00%	25,00%
Aircraft Passenger Accident	25,00%	25,00%
Aircraft Legal Liability	25,00%	0,00%

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

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 30 June 2026, equalization provision amounting to TRY 1.026.006.094 (31 December 2025: TRY 807.274.243) is presented under "Other Technical Reserves" under the long term-liabilities in the accompanying financial statements (Note 17).

	30 June 2026	31 December 2025
Net Equalization Provision	1.026.006.094	807.274.243
Total	**1.026.006.094**	**807.274.243**

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.

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

2.29 New standards and interpretations

a) Standards, amendments, and interpretations applicable as of 30 June 2026:

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments**; effective from annual reporting periods beginning on or after 1 January 2026 (earlier application permitted). These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

- **Annual improvements to IFRS – Volume 11;** effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 list of amended Accounting Standard and accompanying guidance include the following:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

b) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2026:

- **IFRS 17, “Insurance Contracts”,** is effective for annual reporting periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide range of accounting practices. IFRS 17 will fundamentally change the accounting for all entities issuing insurance contracts and investment contracts with discretionary participation features.

Following the regulatory amendments published by the Insurance and Private Pension Regulation and Supervision Agency (“SEDDK”) in the Official Gazette No. 32765 dated 27 December 2024, the mandatory application date of IFRS 17 for the statutory financial statements of insurance, reinsurance and pension companies was deferred to 1 January 2026. Subsequently, as a result of the regulatory amendments published by SEDDK in the Official Gazette No. 33108 dated 15 December 2025, the mandatory application date of IFRS 17 was further deferred to 1 January 2027. The Company has established the necessary accounting policies required under IFRS 17 and continues its analyses and assessments regarding the potential impacts of the standard on its financial statements. IFRS 17 introduces significant differences compared to the current Insurance Accounting and Financial Reporting Regulations, particularly with respect to the measurement of insurance liabilities, the recognition of insurance revenue and related presentation requirements. The Company is continuing its IFRS 17 implementation project and, at this stage, the quantitative effects of the transition on the financial statements for 2026 have not yet been finalized. The transition is expected to have a significant impact, particularly on the remeasurement of assets and/or liabilities related to insurance and reinsurance contracts, the timing of recognition of insurance-related income and expenses, and the resulting effects on equity.

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

2.29 New standards and interpretations (cont'd)
b) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2026: (cont'd)

● **Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency;** effective from annual periods beginning on or after 1 January 2027 (earlier application permitted). These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
- it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner and reduce diversity in practice.

● **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027 (earlier application permitted). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

To comply with paragraph 30 of IAS 8, it is expected that March year-end disclosures should about:
- the nature of the changes,
- the fact that IFRS 18 application is required for annual periods beginning on or after 1 January 2027,
- the planned adoption date, and
- either:
  - known or reasonably estimable information relevant to assessing the possible impact that application of IFRS 18 will have on the entity's financial statements in the period of initial application; or
  - if that impact is not known or reasonably estimable, a statement to that effect.

When preparing disclosures related to the adoption of IFRS 18 to comply with paragraph 30 of IAS 8, entities should consider the following principles:

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

2.29 New standards and interpretations (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2026: (cont'd)

a. Disclosures are expected to become increasingly detailed as entities' implementation process progresses toward 2027.

The level of detail that an entity includes in its disclosures will depend on the progress of its implementation activities, including those related to internal controls. For the year ending31 March 2026, entities that have yet to make significant progress in implementation might only disclose that they are actively assessing the impact of IFRS 18 and that more comprehensive disclosures cannot reasonably be provided.

b. Where appropriate and reliable, consider including quantitative information.

It may be appropriate to disclose preliminary figures, when the company has an appropriate and reliable basis for making such disclosures and provides clear explanations regarding their provisional nature. For example, an entity might quantify the effects on profit and loss subtotals. If the quantitative impact is not reasonably estimable, a statement to that effect should be included. An entity may disclose known and reasonably quantifiable impacts, but it is not expected to early provide IFRS 18 disclosures, such as an MPM reconciliation, before the application date.

c. Consider alignment with other public communications.

If management has publicly detailed anticipated impacts, such as in an investor presentation, the IAS 8 financial statement disclosures should be consistent with these communications.

Disclosures should be based on the information available through the date of issuance of the financial statements, not only the end of the reporting period.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures';** effective from annual periods beginning on or after 1 January 2027 (earlier application permitted). This new standard and amendments works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

  - it does not have public accountability; and
  - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

- **Amendment to IFRS 19 Subsidiaries without Public Accountability: Disclosures';** effective from annual periods beginning on or after 1 January 2027 (earlier application permitted). In developing the reduced disclosure requirements in IFRS 19, the IASB considered the disclosure requirements in other IFRS Accounting Standards as at 28 February 2021. When IFRS 19 was issued, it did not contain reduced versions of any disclosure requirements that were added or amended after that date. Subsequently, the IASB issued these amendments to help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:

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

2.29 New standards and interpretations (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2026: (cont'd)

- IFRS 18, 'Presentation and Disclosure in Financial Statements';
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
- Lack of Exchangeability (Amendments to IAS 21); and
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

- **IFRS 20 Regulatory Assets and Regulatory Liabilities;** effective from annual periods beginning on or after 1 January 2029 (earlier application permitted). This is a new Accounting Standard for entities subject to a specific type of rate regulation. It aims to help investors better understand how that rate regulation affects an entity's financial performance, financial position and its prospects for future cash flows.

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 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

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.

(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 30 June 2026, 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 Swiss Re 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 October 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 2026
Partner Reinsurance Company Ltd	A+	AM Best	13 February 2026
SCOR SE	A	AM Best	13 February 2026
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 30 June 2026.

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 communique 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 'Communique 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 – 30 June 2026 account period as TRY 617.627.934 under the account of "premiums transferred to SSI" (1 January – 30 June 2025: TRY 497.688.834).

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 Poolare 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 30 June 2026, the Company has transferred TRY 679.506.745 (30 June 2025: TRY 357.016.472) premium and TRY 1.009.792.716 paid compensation and recovery income (30 June 2025: 1.553.575.077) to the Pool. TRY 396.662.982 premium, TRY 98.150.974 commission, TRY 682.445.782 paid as compensation and recovery income from Pool to the Company were recognized in accordance with the relevant legislation. (30 June 2025: TRY 270.288.245, TRY 61.068.607, TRY 903.113.114)

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 30 June 2026, The Company has ceded TRY 74.154.624 (30 June 2025: TRY 10.140.979) premium to the Pool and accounted TRY 27.463.784 premium, TRY 2.859.393 compensation and TRY 8.898.555 commission income; based on its share which are reported by the Pool, on the financial statements in accordance with the legislation (30 June 2025: TRY 3.940.731, TRY 2.092.488, TRY 1.382.861).

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

(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.

	30 June 2026	31 December 2025
Financial assets (Note 11)	98.173.457.311	86.507.064.355
Cash equivalents (Note 14)	12.918.134.988	11.162.984.992
Receivables from main operations (Note 12)	51.943.757.357	31.481.788.521
Reinsurer share in provision for outstanding claims (Note 10)	21.997.820.802	17.491.519.515
Other receivables (Note 12)	1.939.155.253	1.570.096.166
Prepaid taxes and funds (Note 12)	12.072.146	784.762.178
Advances given to personnel	7.369.437	44.018
Total	**186.991.767.294**	**148.998.259.745**

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

	30 June 2026	31 December 2025
Letters of guarantee	426.647.256	336.954.606
Mortgage notes	61.779.226	63.186.726
Cash collateral	114.250.511	102.569.088
Other guarantees and sureties	380.030.397	158.254.747
Total	**982.707.390**	**660.965.167**

(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 30 June 2026 and 31 December 2025, the aging of receivables from main operations is as follows:

	30 June 2026		31 December 2025	
	Gross Amount	**Allocated provision**	**Gross Amount**	**Allocated Provision**
Receivables not due	48.316.931.177	-	28.717.399.142	-
Receivables 0-30 days overdue	1.562.052.183	-	1.182.383.673	-
Receivables 31-60 days overdue	592.763.765	-	382.705.982	-
Receivables 61-180 days overdue	706.451.659	-	279.266.690	-
Receivables overdue more than 181 days	99.717.468	(59.513.635)	136.608.986	(35.365.709)
	51.277.916.252	**(59.513.635)**	**30.698.364.473**	**(35.365.709)**
Amounts to be collected through Subrogation and salvage	897.804.928	(172.450.188)	932.791.405	(114.001.648)
Doubtful receivables from operating activities - subrogation receivables	3.525.982.116	(3.525.982.116)	2.957.566.661	(2.957.566.661)
Total	**55.701.703.296**	**(3.757.945.939)**	**34.588.722.539**	**(3.106.934.018)**

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

	2026	**2025**
Beginning of the period – 1 January	(3.106.934.018)	(1.317.688.160)
Change in provision for legal follow-up subrogation receivables (Note 47)	(568.468.001)	(880.590.161)
Other	(82.543.920)	(89.623.830)
End of the period – 30 June	**(3.757.945.939)**	**(2.287.902.151)**

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:

(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:

30 June 2026	Book value	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years
Assets						
Cash and cash equivalents	12.918.134.988	3.024.353.312	6.938.158.202	2.955.623.474	-	-
Receivables from operating activities	51.943.757.357	14.942.094.607	15.711.496.436	20.830.058.739	460.107.575	-
Financial assets	98.173.457.311	39.333.098.358	7.686.194.984	18.649.954.404	25.721.551.304	6.782.658.261
Other receivables	1.939.155.253	35.270	22.957.899	1.910.728.406	5.433.678	-
Total monetary assets	**164.974.504.909**	**57.299.581.547**	**30.358.807.521**	**44.346.365.023**	**26.187.092.557**	**6.782.658.261**
Liabilities						
Payables from operating activities	23.376.490.799	14.418.730.824	6.417.035.143	2.307.740.296	232.984.536	-
Payables to related parties	3.005.281.159	116.461	-	3.005.164.698	-	-
Other payables	1.810.707.968	1.375.165.797	335.786.374	99.755.797	-	-
Provision for outstanding claims, net	27.782.936.964	1.730.679.886	5.121.042.104	19.847.917.616	984.815.788	98.481.570
Taxes and other similar liabilities and provisions	3.992.902.755	909.710.610	3.083.192.145	-	-	-
Financial liabilities	15.803.354.117	15.750.488.984	-	-	52.865.133	-
Total monetary liabilities	**75.771.673.762**	**34.184.892.562**	**14.957.055.766**	**25.260.578.407**	**1.270.665.457**	**98.481.570**

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
Assets						
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	-
Total monetary assets	**130.721.934.034**	**50.109.356.897**	**17.680.137.180**	**32.339.409.567**	**25.780.402.238**	**4.812.628.152**
Liabilities						
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	-
Total monetary liabilities	**53.872.110.127**	**21.992.841.915**	**11.114.513.585**	**19.373.180.239**	**1.304.006.823**	**87.567.565**

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.

(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:

30 June 2026	USD	EUR	Other Currencies	Total
Assets:				
Cash and cash equivalents	623.515.616	276.755.115	74.336.091	974.606.822
Financial assets	2.381.852.482	273.155.308	-	2.655.007.790
Receivables from operating activities	10.394.698.729	3.959.416.403	84.063.764	14.438.178.896
Total foreign currency assets	**13.400.066.827**	**4.509.326.826**	**158.399.855**	**18.067.793.508**
Liabilities:				
Payables arising from operating activities	10.046.209.524	2.877.022.406	-	12.923.231.930
Provision for outstanding claims	205.874.873	350.636.934	4.572.789	561.084.596
Deposits and collaterals received	41.732.795	10.669.177	-	52.401.972
Total foreign currency liabilities	**10.293.817.192**	**3.238.328.517**	**4.572.789**	**13.536.718.498**
Balance sheet position	**3.106.249.635**	**1.270.998.309**	**153.827.066**	**4.531.075.010**

31 December 2025	USD	EUR	Other Currencies	Total
Assets:				
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
Total foreign currency assets	**7.028.352.738**	**4.557.077.136**	**112.705.535**	**11.698.135.409**
Liabilities:				
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
Total foreign currency liabilities	**2.876.825.864**	**1.877.583.592**	**2.130.022**	**4.756.539.478**
Balance sheet position	**4.151.526.874**	**2.679.493.544**	**110.575.513**	**6.941.595.931**

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 30 June 2026 and 31 December 2025 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.

	1 January - 30 June 2026		**1 January - 31 December 2025**	
	Income statement	**Equity**	**Income statement**	**Equity**
USD	621.249.927	621.249.927	830.305.375	830.305.375
Euro	254.199.662	254.199.662	535.898.709	535.898.709
Other currencies	30.765.413	30.765.413	22.115.103	22.115.103
Total, net	**906.215.002**	**906.215.002**	**1.388.319.186**	**1.388.319.186**

(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 30 June 2026, and 31 December 2025, the interest rate profile of the Company's interest earning financial assets and interest-bearing financial liabilities are detailed below:

	30 June 2026	**31 December 2025**
Financial Assets with fixed interest rates:		
Time Deposits (Note 14)	4.770.964.529	4.420.520.513
Available for sale financial assets (Note 11)	21.298.576.758	17.377.910.692
Held to maturity financial assets (Note 11)	25.959.068.361	24.573.662.025
Financial assets held for trading (Note 11)	-	506.586.797
Financial Assets with floating interest rates:		
Available for sale financial assets (Note 11)	15.822.782.973	12.456.994.406
Held to maturity financial assets (Note 11)	26.334.264	22.596.585
Financial assets held for trading (Note 11)	35.066.694.955	31.569.313.850
Financial liabilities with fixed interest rates:		
Payables from finance lease transactions (Note 20)	146.850.490	146.557.460
Other financial liabilities (Note 20)	15.656.503.627	11.040.756.046

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

'TFRS 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.

(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:

30 June 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale financial assets (Note 11)	20.548.102.683	16.573.257.048	-	37.121.359.731
Financial assets held for trading (Note 11)	35.066.694.955	-	-	35.066.694.955
Subsidiary securities (*)	-	-	9.675.198.380	9.675.198.380
Joint ventures	-	-	-	-
Properties held for use	-	1.782.597.070	-	1.782.597.070
Investment properties	-	408.350.176	-	408.350.176
Total	**55.614.797.638**	**18.764.204.294**	**9.675.198.380**	**84.054.200.312**

31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
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	-	-	-	-
Properties held for use	-	1.782.597.070	-	1.782.597.070
Investment properties	-	408.350.176	-	408.350.176
Total	**29.809.273.291**	**34.292.479.700**	**9.667.523.491**	**73.769.276.482**

(*) 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 4.761.039.898 (31 December 2025: TRY 3.256.803.425) more/lower as of 30 June 2026, excluding tax effects.

(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 28.638.107.258 as of 30 June 2026. As of 30 June 2026, the Company's shareholders ‘equity is TRY 32.407.975.292 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 - 30 June 2026	1 January - 31 December 2025
Changes in the fair value of financial assets, after tax	(996.362.025)	5.092.961.771
Total	**(996.362.025)**	**5.092.961.771**

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.

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.

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

5. SEGMENT REPORTING (cont'd)

Segment results for the period 1 January – 30 June 2026 are as follows:

	Third Party Liability for Motor Vehicles	Motor Vehicles	General Losses	Fire	Other	Unallocated	Total
Technical Income	**7.892.447.194**	**11.355.532.863**	**7.095.852.469**	**8.767.347.813**	**16.230.761.195**	**-**	**51.341.941.534**
1 -Earned Premiums (Net of Reinsurers Share)	7.463.293.340	8.664.113.679	4.630.108.960	5.290.852.102	13.200.522.858	-	39.248.890.939
1.1 -Written Premiums (Net of Reinsurers Share)	6.330.150.373	9.839.753.072	5.467.533.920	6.813.873.618	14.434.081.923	-	42.885.392.906
1.2 -Change in reserve for unearned premium risk	595.970.527	(1.175.639.393)	(837.424.960)	(1.523.021.516)	(1.214.754.979)	-	(4.154.870.321)
1.3 -Change in reserve for unexpired risk	537.172.440	-	-	-	(18.804.086)	-	518.368.354
2 -Other technical income and accrued subrogation and salvage receivables (Net of reinsurers share)	260.493.730	149.553.585	5.802.025	85.125.601	35.320.410	-	536.295.351
3 – Investment income transferred from the non-technical account	168.660.124	2.541.865.599	2.459.941.484	3.391.370.110	2.994.917.927	-	11.556.755.244
Technical Expense	**(8.947.609.463)**	**(7.447.884.451)**	**(2.135.777.462)**	**(2.948.527.414)**	**(13.411.497.878)**	**-**	**(34.891.296.668)**
1 -Incurred Losses (Net of Reinsurers Share)	(7.744.095.403)	(5.701.992.420)	(1.735.909.520)	(909.285.017)	(9.620.979.441)	-	(25.712.261.801)
1.1 -Claims Paid (Net of Reinsurers Share)	(6.797.978.168)	(5.213.619.540)	(990.500.285)	(642.033.751)	(8.989.146.876)	-	(22.633.278.620)
1.2 -Change in Provisions for Outstanding Claims (Net of Reinsurers Share) (+/-)	(946.117.235)	(488.372.880)	(745.409.235)	(267.251.266)	(631.832.565)	-	(3.078.983.181)
2-Change in other technical provisions	-	(5.051.762)	(3.708.510)	(196.830.060)	(13.141.519)	-	(218.731.851)
3-Operating expenses	(1.203.514.060)	(1.740.840.269)	(396.159.432)	(1.842.412.337)	(3.777.376.918)	-	(8.960.303.016)
Technical profit/(loss)	**(1.055.162.269)**	**3.907.648.412**	**4.960.075.007**	**5.818.820.399**	**2.819.263.317**	**-**	**16.450.644.866**
Financial income	-	-	-	-	-	19.146.670.676	19.146.670.676
Financial expense	-	-	-	-	-	(16.040.654.867)	(16.040.654.867)
Amortization expense	-	-	-	-	-	(143.544.106)	(143.544.106)
Other operating expense	-	-	-	-	-	(966.560.866)	(966.560.866)
Tax expense	-	-	-	-	-	(4.950.725.570)	(4.950.725.570)
Net profit for the period						**-**	**13.495.830.133**

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

5. SEGMENT REPORTING (cont'd)

Segment results for the period 1 January – 30 June 2025 are as follows:

	Third Party Liability for Motor Vehicles	Motor Vehicles	General Losses	Fire	Other	Unallocated	Total
Technical Income	**6.402.723.545**	**8.776.119.356**	**9.212.044.085**	**6.542.425.584**	**8.539.312.787**	**-**	**39.472.625.357**
1 -Earned Premiums (Net of Reinsurers Share)	5.563.795.879	6.158.878.097	6.547.641.699	3.849.480.073	5.540.118.059	-	27.659.913.807
1.1 -Written Premiums (Net of Reinsurers Share)	5.479.711.503	7.407.405.393	9.437.716.206	5.031.481.199	6.237.304.975	-	33.593.619.276
1.2 -Change in reserve for unearned premium risk	(178.008.885)	(1.248.527.296)	(2.890.074.507)	(1.182.001.126)	(700.906.620)	-	(6.199.518.434)
1.3 -Change in reserve for unexpired risk	262.093.261	-	-	-	3.719.704	-	265.812.965
2 -Other technical income and accrued subrogation and salvage receivables (Net of reinsurers share)	477.444.500	345.516.658	6.071.309	124.735.586	50.654.185	-	1.004.422.238
3 – Investment income transferred from the non-technical account	361.483.166	2.271.724.601	2.658.331.077	2.568.209.925	2.948.540.543	-	10.808.289.312
Technical Expense	**(8.453.928.281)**	**(5.051.505.174)**	**(7.123.639.587)**	**(1.837.696.413)**	**(4.624.139.319)**	**-**	**(27.090.908.774)**
1 -Incurred Losses (Net of Reinsurers Share)	(7.568.225.546)	(3.560.285.960)	(5.896.800.530)	(424.052.740)	(3.035.254.153)	-	(20.484.618.929)
1.1 -Claims Paid (Net of Reinsurers Share)	(6.712.054.523)	(3.309.797.482)	(4.642.769.475)	(399.174.294)	(946.180.591)	-	(16.009.976.366)
1.2 -Change in Provisions for Outstanding Claims (Net of Reinsurers Share) (+/-)	(856.171.023)	(250.488.478)	(1.254.031.055)	(24.878.446)	(2.089.073.562)	-	(4.474.642.563)
2-Change in other technical provisions	-	(4.009.103)	-	(112.966.793)	(6.142.763)	-	(123.118.655)
3-Operating expenses	(885.702.735)	(1.487.210.111)	(1.226.839.057)	(1.300.676.880)	(1.582.742.403)	-	(6.483.171.190)
Technical profit/(loss)	**(2.051.204.736)**	**3.724.614.182**	**2.088.404.498**	**4.704.729.171**	**3.915.173.468**	**-**	**12.381.716.582**
Financial income						16.083.705.666	16.083.705.666
Financial expense						(13.898.368.473)	(13.898.368.473)
Amortization expense						(76.846.773)	(76.846.773)
Other operating expense						(1.806.875.428)	(1.806.875.428)
Tax expense						(3.290.693.613)	(3.290.693.613)
Net profit for the period							**9.392.637.961**

(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 – 30 June 2026 and 2025:

	1 January 2026	Additions	Disposals	Valuation Increase	Transfers	30 June 2026
Cost/Revaluated						
Land and Buildings Held for Utilization	1.782.597.070			-	-	1.782.597.070
Machinery and equipment	209.963.313	9.296.322	(7.198.706)	-	-	212.060.929
Furnitures and fixtures	99.582.607	-	-	-	-	99.582.607
Motor vehicles	13.271.012	-	(153.648)	-	-	13.117.364
Other tangible assets (Inc. Leasehold Improvements)	36.625.649	-	-	-	-	36.625.649
Tangible Assets Acquired Through Financial Leases	192.771.181	51.885.546	(17.325.070)	-	-	227.331.657
	2.334.810.832	**61.181.868**	**(24.677.424)**	**-**	**-**	**2.371.315.276**
Accumulated Amortizations:						
Machinery and equipment	(116.020.696)	(21.542.704)	7.198.706	-	-	(130.364.694)
Furnitures and fixtures	(32.434.144)	(9.738.541)	-	-	-	(42.172.685)
Motor vehicles	(12.264.899)	(202.067)	153.648	-	-	(12.313.318)
Other tangible assets (Inc. Leasehold Improvements)	(13.192.866)	(3.402.757)	-	-	-	(16.595.623)
Tangible Assets Acquired Through Financial Leases	(69.034.916)	(54.166.764)	17.325.070	-	-	(105.876.610)
	(242.947.521)	**(89.052.833)**	**24.677.424**	**-**	**-**	**(307.322.930)**
Net book value	**2.091.863.311**					**2.063.992.346**

	1 January 2025	Additions	Disposals	Valuation Increase	Transfers	30 June 2025
Cost/Revaluated						
Land and Buildings Held for Utilization	1.316.612.000	-	-	-	-	1.316.612.000
Machinery and equipment	161.590.916	4.543.161	(2.043.006)	-	-	164.091.071
Furnitures and fixtures	57.804.135	1.719.055	(1.938.635)	-	-	57.584.555
Motor vehicles	13.367.927	-	-	-	-	13.367.927
Other tangible assets (Inc. Leasehold Improvements)	29.992.646	9.234.525	-	-	-	39.227.171
Tangible Assets Acquired Through Financial Leases	104.190.414	-	-	-	-	104.190.414
	1.683.558.038	**15.496.741**	**(3.981.641)**	**-**	**-**	**1.695.073.138**
Accumulated Amortizations:						
Machinery and equipment	(86.468.283)	(15.997.115)	2.020.946	-	-	(100.444.452)
Furnitures and fixtures	(22.564.233)	(5.201.150)	1.644.078	-	-	(26.121.305)
Motor vehicles	(11.942.680)	(209.567)	-	-	-	(12.152.247)
Other tangible assets (Inc. Leasehold Improvements)	(7.101.112)	(3.240.652)	-	-	-	(10.341.764)
Tangible Assets Acquired Through Financial Leases	(78.733.146)	(11.104.992)	-	-	-	(89.838.138)
	(206.809.454)	**(35.753.475)**	**3.665.024**	**-**	**-**	**(238.897.905)**
Net book value	**1.476.748.584**					**1.456.175.233**

The Company's land and buildings held for utilization are subject to revaluation. As of 30 June 2026 and 31 December 2025, 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:

	30 June 2026	31 December 2025
Güneş Plaza	1.629.399.820	1.629.399.820
Other	153.197.250	153.197.250
Total	**1.782.597.070**	**1.782.597.070**

(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:

	2026	2025
Beginning of the period - 1 January	1.557.788.963	1.245.860.649
Increase in value arising from revaluation	-	-
Deferred tax arising from revaluation difference	-	-
Other	329.714.313	
End of the period – 30 June	**1.887.503.276**	**1.245.860.649**

(*) In the current period, due to accounting entries related to revaluation transactions conducted under Article 298/Ç of the Tax Procedure Code, an allocation has been made to the retained earnings account within equity items.

There is no commitment on the land and buildings held for utilization (31 December 2025: None).

7. INVESTMENT PROPERTIES

For the periods 1 January - 30 June 2026 and 2025, movements of the investment properties are as follows:

	1 January 2026	Additions	Disposals	Valuation Increase	Transfers	30 June 2026
Fair Value						
Investment Properties	408.350.176	-	-	-	-	408.350.176

	1 January 2025	Additions	Disposals	Valuation Increase	Transfers	30 June 2025
Fair Value						
Investment Properties	325.516.000	-	-	-	-	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 30 June 2026 and 31 December 2025, investment properties are reflected into the financial statements at their fair values obtained from appraisal reports prepared by independent professional valuation experts:

	30 June 2026	31 December 2025
İzmir Konak Land (1)	206.644.877	206.644.877
Tekirdağ Farm (1)	96.300.000	96.300.000
Other land and buildings (1)	105.405.299	105.405.299
Total	**408.350.176**	**408.350.176**

(1) “'Peer comparison approach” method.

Rental income is TRY 5.178.446 from investment properties and owner-occupied properties (1 January – 30 June 2025: TRY 4.168.066). There are no pledges on the investment properties and owner-occupied properties (31 December 2025: None).

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

8. INTANGIBLE ASSETS

Movements in intangible assets in the period from 1 January – 30 June 2026 and 2025 are as follows:

	1 January 2026	Additions	Disposals	Transfers	30 June 2026
Cost:					
Rights	465.195.681	90.234.019	-	-	555.429.700
Computer Software	38.238.939	-	-	-	38.238.939
	503.434.620	**90.234.019**			**593.668.639**
Accumulated depreciation:					
Rights	(180.124.548)	(71.720.616)	-	-	(251.845.164)
Computer Software	(36.780.069)	(95.725)	-	-	(36.875.794)
	(216.904.617)	**(71.816.341)**			**(288.720.958)**
Net book value	**286.530.003**				**304.947.681**

	1 January 2025	Additions	Disposals	Transfers	30 June 2025
Cost:					
Rights	277.243.200	68.875.682	-	-	346.118.882
Computer Software	38.238.939	-	-	-	38.238.939
	315.482.139	**68.875.682**			**384.357.821**
Accumulated depreciation:					
Rights	(86.622.396)	(40.997.575)	-	-	(127.619.971)
Computer Software	(36.588.622)	(95.724)	-	-	(36.684.346)
	(123.211.018)	**(41.093.299)**			**(164.304.317)**
Net book value	**192.271.121**				**220.053.504**

9. INVESTMENT IN EQUITY SHARES

	30 June 2026			31 December 2025		
	Share (%)	**Cost Value**	**Carrying Amount**	**Share (%)**	**Cost Value**	**Carrying Amount**
Türkiye Hayat ve Emeklilik A.Ş. (1)	7.36	55.650.000	9.658.979.783	7.36	55.650.000	9.658.979.783
Other		2.215.253	16.218.597		1.127.533	8.543.708
Subsidiary securities		**57.865.253**	**9.675.198.380**		**56.777.533**	**9.667.523.491**
OSEM Sertifikasyon A.Ş. (3)	100.00	18.215.590	18.215.590	100.00	18.215.590	18.215.590
Subsidiary securities		**18.215.590**	**18.215.590**		**18.215.590**	**18.215.590**
Total financial fixed assets		**76.080.843**	**9.693.413.970**		**74.993.123**	**9.685.739.081**

(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 30 June 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.

(2) The Company accounted for its investment in Türk P ve I Sigorta A.Ş. at fair value in the balance sheet as of 31 December 2025 under TFRS 27 "Separate Financial Statements." As of 30 June 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 at 75%-25%, respectively. Fair value differences were recognized in equity under the "Valuation of Financial Assets" account.

(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:

	2026	**2025**
Beginning of the period - 1 January	**9.685.739.081**	**5.744.095.626**
Valuation increases classified in equity	6.894.300	-
Others	780.589	316.492.968
End of the period – 30 June	**9.693.413.970**	**6.060.588.594**

Joint venture

In the consolidated financial statements prepared as of 30 June 2026 and 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.

	30 June 2026		**31 December 2025**	
Company Name	**Amount**	**Share (%)**	**Amount**	**Share (%)**
Türk P ve I Sigorta A.Ş.	408.293.442	50	363.154.726	50
End of the Period – 31 December	**408.293.442**		**363.154.726**	**50**

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

	2026	**2025**
Beginning of the period - 1 January	**363.154.726**	**261.116.460**
Shares received from the profit of joint ventures	45.138.716	58.342.538
Cash capital increase - -	-	-
End of the period – 30 June	**408.293.442**	**319.458.998**

The summary financial statement information regarding the joint venture of the Company as of 30 June 2026 and 2025 is as follows:

30 June 2026	**Total Assets**	**Equity**	**Profit for the Period**
Türk P ve I Sigorta A.Ş.	4.123.298.113	816.586.884	90.973.296

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

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)	**30 June 2026**	**31 December 2025**
Reserve for unearned premiums, reinsurer share (Note 17)	48.800.398.576	38.518.917.137
Provision for outstanding claims, reinsurer share (Note 17)	21.997.820.802	17.491.519.515
Change in provision for unexpired risks - reinsurer share (Note 17)	493.048.599	135.251.055
Change in unearned premium reserve SSI share (Note 17)	721.275.881	759.485.782
Deferred commission income (Note 19)	(6.752.603.395)	(5.259.309.800)
Current account net debts of reinsurance companies	(19.813.565.484)	(11.435.735.795)

As of 30 June 2026, the Company accounted for a provision amounting to TRY 232.934.477 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 2025: TRY 249.063.664) (Note 17).

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

10. REINSURANCE ASSETS AND LIABILITIES (cont'd)

Reinsurance Income / (Expenses)	1 January - 30 June 2026	1 January - 30 June 2025
Claims paid reinsurer share	5.817.044.654	4.851.540.983
Change in the outstanding claims reserve – reinsurer share	4.506.301.287	2.555.481.182
Change in provision for unexpired risks - reinsurer share	357.797.544	(414.134.373)
Commissions received from reinsurers (Net)	5.659.766.630	4.200.945.632
Change in reserve for unearned premiums - reinsurer share	10.281.481.439	9.182.023.683
Change in reserve for unearned premiums – SSI share	(38.209.901)	(15.517.815)
Ceded premiums to reinsurers	(50.710.268.629)	(38.587.828.724)
Ceded premiums to SSI	(617.627.934)	(497.688.833)

Detailed explanations about reinsurance agreements are disclosed in Note 4.1.

11. FINANCIAL ASSETS

	30 June 2026	31 December 2025
Available for sale financial assets	37.121.359.731	29.834.905.098
Financial assets held to maturity	25.985.402.625	24.596.258.610
Financial assets held for trading	35.066.694.955	32.075.900.647
	98.173.457.311	**86.507.064.355**

As of 30 June 2026, and 31 December 2025, the details of the Company's trading financial assets are as follows:

30 June 2026	Cost Value	Fair Value	Book Value
Available for Sale Financial Assets	**36.426.377.672**	**37.121.359.731**	**37.121.359.731**
Stock	1.474	37.143	37.143
Government bond	20.929.583.602	20.819.043.523	20.819.043.523
Corporate bond	14.744.292.596	15.506.313.653	15.506.313.653
Lease certificates	752.500.000	795.965.412	795.965.412
Financial Assets Held to Maturity	**21.253.843.172**	**35.066.694.955**	**35.066.694.955**
Government bond	93.000.000	43.522.757	43.522.757
Other financial assets	21.160.843.172	35.023.172.198	35.023.172.198
	57.680.220.844	**72.188.054.686**	**72.188.054.686**

30 June 2026	Cost Value	Value Determined by the Internal Rate of Return	Book Value
Financial Assets Held to Maturity	**22.618.458.231**	**25.985.402.625**	**25.985.402.625**
Government bond	19.482.411.320	22.495.728.281	22.495.728.281
Other financial assets	3.136.046.911	3.489.674.344	3.489.674.344

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

11. FINANCIAL ASSETS (cont'd)

31 December 2025	Cost Value	Fair Value	Book Value
Available for Sale Financial Assets	**26.473.423.097**	**29.834.905.098**	**29.834.905.098**
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
Financial Assets Held for Trading	**19.878.840.632**	**32.075.900.647**	**32.075.900.647**
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
Total	**46.352.263.729**	**61.910.805.745**	**61.910.805.745**

31 December 2025	Cost Value	Value Determined by the Internal Rate of Return	Book Value
Financial Assets Held to Maturity	**21.742.012.294**	**24.596.258.610**	**24.596.258.610**
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

As of 30 June 2026, TRY 10.022.730.699 of financial assets are blocked in favor of IPRSA (31 December 2025: TRY 7.539.583.617).

Movements of financial assets during the period are presented below:

	1 January 2026	Additions	Sales/Amortizations	Valuation Increase	30 June 2026
Available for sale financial assets	29.834.905.098	23.311.783.318	(13.358.828.744)	(2.666.499.941)	37.121.359.731
Financial assets held to maturity	24.596.258.610	2.703.044.962	(1.826.599.024)	512.698.077	25.985.402.625
Financial assets held for trading	32.075.900.647	50.441.789.886	(49.066.787.346)	1.615.791.768	35.066.694.955
Total	**86.507.064.355**	**76.456.618.166**	**(64.252.215.114)**	**(538.010.096)**	**98.173.457.311**

	1 January 2025	Additions	Sales/Amortizations	Valuation Increase	31 December 2025
Available for sale financial assets	11.121.213.898	15.684.667.140	(5.741.781.375)	(418.478.838)	20.645.620.825
Financial assets held to maturity	3.985.925.466	16.699.241.078	-	1.659.779.100	22.344.945.644
Financial assets held for trading	19.220.330.610	25.848.262.905	(24.100.841.371)	3.680.355.580	24.648.107.724
Total	**34.327.469.974**	**58.232.171.123**	**(29.842.622.746)**	**4.921.655.842**	**67.638.674.193**

12. LOANS AND RECEIVABLES

	30 June 2026	31 December 2025
Receivables from operating activities (Note 4.2)	51.943.757.357	31.481.788.521
Prepaid taxes and funds (Note 4.2)	12.072.146	784.762.178
Other receivables (Note 4.2)	1.939.155.253	1.570.096.166
	53.894.984.756	**33.836.646.865**
Short-term receivables	53.889.551.078	33.831.195.187
Long-term receivables	5.433.678	5.451.678
	53.894.984.756	**33.836.646.865**

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

12. LOANS AND RECEIVABLES (cont'd)

As of 30 June 2026, and 31 December 2025, receivables from operating activities are detailed as follows:

	30 June 2026	31 December 2025
Receivables from agencies, brokers and intermediaries	37.378.883.701	25.083.259.614
Receivables from policyholders	10.304.212.851	4.345.584.847
Receivables from reinsurers	3.562.925.315	1.237.678.173
Salvage and subrogation (Note 2.20)	897.804.928	932.791.405
Total receivables from main insurance operations	**52.143.826.795**	**31.599.314.039**
Provision for salvage and subrogation receivables (Note 2.20)	(172.450.188)	(114.001.648)
Provision for premium receivables	(31.559.103)	(7.463.723)
Provisions for receivables from insurance operations	**(204.009.291)**	**(121.465.371)**
Total receivables from main insurance operations-net	**51.939.817.504**	**31.477.848.668**
Salvage and subrogation receivables under administrative and legal follow up, net	3.525.982.116	2.957.566.661
Doubtful receivables from operating activities	31.894.385	31.841.839
Doubtful receivables from operating activities	**3.557.876.501**	**2.989.408.500**
Receivables from operating activities - gross	**55.497.694.005**	**34.467.257.168**
Provisions for salvage and subrogation receivables under administrative and legal follow up	(3.525.982.116)	(2.957.566.661)
Provisions for doubtful receivables from operating activities	(27.954.532)	(27.901.986)
Allowances for doubtful receivables from operating activities	**(3.553.936.648)**	**(2.985.468.647)**
Receivables from operating activities	**51.943.757.357**	**31.481.788.521**

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.

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

13. DERIVATIVE FINANCIAL INSTRUMENTS

As of 30 June 2026, there are no derivative financial instruments of the Company (31 December 2025: none).

No derivative transaction income/expense was recognized in the statement of profit or loss for the accounting period ended 30 June 2026 due to the transactions performed during the period (31 December 2025: no derivative transaction income/expense was recognized in the statement of profit or loss) (Note 26)..

14. CASH AND CASH EQUIVALENT ASSETS

	30 June 2026	**31 December 2025**
Bank deposits	5.930.055.583	5.419.670.711
Receivables from credit cards	6.988.079.405	5.743.314.281
Total cash and cash equivalents	**12.918.134.988**	**11.162.984.992**
Blocked amounts	(2.726.670.683)	(2.304.256.147)
Accrued interest on bank deposit	(684.048.811)	(281.277.040)
Cash and cash equivalents in the statement cash flows	**9.507.415.494**	**8.577.451.805**

	30 June 2026	**31 December 2025**
Foreign currency bank deposits		
- Time Deposit	919.554.124	764.299.190
- Demand Deposit	55.052.698	33.409.817
TRY bank deposits		
- Time Deposit	3.851.410.405	3.656.221.323
- Demand Deposit	1.104.038.356	965.740.381
Banks	**5.930.055.583**	**5.419.670.711**

As of 30 June 2026, the Company has no cash blockage in favor of IPRSA (31 December 2025: TRY None.), while it has a blockage amounting to TRY 3.086.061.043 in favor of Agricultural Insurance Pool Management Inc. ("TARSİM") (31 December 2025: TRY 1.914.785.486) and TRY 60.396.710 in favor of the Central Bank of the Turkish Republic of Northern Cyprus (31 December 2025: TRY 47.297.243).

As of 30 June 2026, maturity distributions of time deposits are between 2 days and 108 days (31 December 2025: 2 - 108 days). Interest rates of time deposits are as follows.

	30 June 2026	**31 December 2025**
TRY	38,5% - 43,25%	41,50% - 49%
USD	1,5% - 2,75%	1,50% - 3,25%
EUR	0,50% - 1,75%	0,50% - 2%

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

15. SHAREHOLDERS EQUITY

Paid in capital

The Capital Markets Board's letter dated January 7, 2025, No. 65660; the Insurance and Private Pension Regulation and Supervision Authority's letter dated January 21, 2025, No. 3709537; and the Ministry of Trade General Directorate of Domestic Trade dated January 29, 2025, No. E-50035491-431.02-00105636074, the Company's registered capital ceiling of TRY 5.000.000.000 has been increased to TRY 50.000.000.000, and it has been decided that the validity period of the authorized capital ceiling shall be from 2025 to 2029 (5 years).

Pursuant to the Capital Markets Board's approval No. E-29833736-105.01.01.01-92461 dated June 11, 2026, the Company's issued capital of TRY 10.000.000.000, within its registered capital ceiling of TRY 50.000.000.000, has been increased by 100% to TRY 20.000.000.000, with the entire amount funded from the 2025 net income for the period.

As of June 30, 2026, the Company's capital consists of 20.000.000.000 shares, all of which have been issued and fully paid (December 31, 2025: 10.000.000.000 shares).

Capital reserves

	30 June 2026	31 December 2025
Premium on issued shares	685.244.958	685.244.958
Funds of profit from sale of properties	80.135.867	80.135.867
Repurchased Company shares (-)	(36.395.417)	(36.395.417)
Capital reserves	**728.985.408**	**728.985.408**

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.

	30 June 2026	31 December 2025
Legal Reserves	2.450.519.971	1.229.269.303
	2.450.519.971	**1.229.269.303**

Extraordinary reserves

	30 June 2026	31 December 2025
Extraordinary reserves	12.193.202.974	7.319.154.582
	12.193.202.974	**7.319.154.582**

(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:

	2026	2025
Beginning of the period - 1 January	8.796.645.220	4.706.653.338
Fair value increase, net	(1.426.329.022)	629.241.981
Tax effect of fair value increase, net	429.966.997	(188.772.594)
End of the period – 30 June	**7.800.283.195**	**5.147.122.725**

Other Profit Reserves

	30 June 2026	31 December 2025
Revaluation fund (Note 6)*	1.887.503.276	1.557.788.963
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 (-)	(68.099.505)	(65.142.198)
Other profit reserves	**2.197.447.099**	**1.870.690.093**

(*) In the current period, due to accounting entries related to revaluation transactions conducted under Article 298/Ç of the Tax Procedure Code, a classification has been made within the equity items under the "retained earnings" account.

Dividends

Pursuant to the dividend distribution resolution adopted at the Company's General Assembly held on 9 April 2026, the distribution of a gross dividend amounting to TRY 3.000.000.000 to shareholders was completed as of 27 August 2026 (2025: TRY 2.000.000.000)

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.

(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 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Reserve for unearned premiums, gross	94.023.236.810	79.625.094.951
Reserve for unearned premiums, ceded (Note 10)	(48.800.398.576)	(38.518.917.137)
Reserve for unearned premiums, SSI ceded (Note 10)	(721.275.881)	(759.485.782)
Reserve for unearned premiums, net	**44.501.562.353**	**40.346.692.032**
Provision for outstanding claims, gross	49.780.757.766	42.195.473.298
Provision for outstanding claims, ceded (Note 10)	(21.997.820.802)	(17.491.519.515)
Reserve for unearned premiums, net	**27.782.936.964**	**24.703.953.783**
Reserve for unexpired risks, gross	1.282.849.231	1.443.420.040
Reserve for unexpired risks, ceded (Note 10)	(493.048.599)	(135.251.055)
Reserve for unexpired risks, net	**789.800.632**	**1.308.168.985**
Equalization provision, net	**1.026.006.094**	**807.274.243**
Bonuses and discounts provision, net	**-**	**-**
Other technical provisions	**232.934.477**	**249.063.664**
Total technical provisions, net	**74.333.240.520**	**67.415.152.707**

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 30 June 2026 and 31 December 2025, 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:

		30 June 2026		31 December 2025	
	Used Method	**Gross Additional Reserve**	**Net Additional Reserve**	**Gross Additional Reserve**	**Net Additional Reserve**
Compulsory Traffic	Standard/Frequency Intensity/Bornhuetter Ferguson	30.443.625.005	25.847.505.419	32.520.394.530	27.335.330.328
General Liability	Standard/Bornhuetter Ferguson	15.250.745.103	2.104.564.926	11.571.600.574	1.386.923.623
Air Vehicles	Standard/ Frequency Intensity	569.827.541	-	630.963.426	-
Fire and Natural Disasters	Standard/ Frequency Intensity	2.605.232.009	191.844.373	2.114.518.667	169.944.555
Air Vehicles Liability	Standard	134.335.376	-	135.576.724	
Facultative Financial Liability	Standard/ Frequency Intensity/CapeCod	4.223.989.327	4.219.862.243	3.201.406.839	3.201.357.228
General Losses	Standard/ Frequency Intensity	1.763.453.762	64.056.890	1.313.035.264	46.705.017
Accident	Standard	68.491.839	25.549.596	85.726.124	31.912.768
Financial Losses	Standard/ Frequency Intensity	57.990.563	4.510.149	49.741.324	2.313.185
Transportation	Standard/ Frequency Intensity	130.102.125	18.812.819	157.886.674	21.904.739
Water Vehicles	Standard/CapeCod	284.202.991	43.923.949	195.639.606	15.174.616
Health	Standard	(135.809.364)	(135.809.364)	(87.393.212)	(87.386.484)
Surety	Standard	16.646.053	1.964.049	20.993.379	2.319.573
Legal Protection	Standard	80.429	81.693	89.082	94.296
Credit	Standard	1.787.859	1.024	3.025.495	314
Motor Vehicles	Standard	173.613.787	170.577.232	177.670.040	164.257.691
Total		**55.588.314.405**	**32.557.444.998**	**52.090.874.536**	**32.290.851.447**

(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 :

Branch	Used Net Off Method
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, Breach of Trust, General Loses, Financial Losses, Water Vehicles, Transportation, Fire and Natural Disasters, Air Vehicles Liability, Air Vehicles, Motor Vehicles, Legal Protecion, Facultative Financial Liability branches. No outlier claim elimination was made for the other branches.

Branch	30 June 2026	31 December 2025
General Loses	19.332.000	16.317.010
Fire and Natural Disasters	3.800.603	2.893.517
Breach of Trust	Manuel	Manual
Water Vehicles	Manuel	Manual
Financial Losses	Manuel	Manual
Accident	Manuel	Manual
General Liability	Manuel	Manual
Transportation	Manuel	Manual
Air Vehicles Liability	Manuel	Manual
Motor Vehicles	Manuel	Manual
Legal Protection	Manuel	Manual
Air Vehicles	Manuel	Manual
Facultative Financial Liability	Manuel	Manual

As of 30 June 2026 and 2025, movements of insurance liabilities and reassurance assets are as follows:

Reserve for unearned premiums:

	2026			
	Gross	**Reinsurer share**	**SSI share**	**Net**
Beginning of the period - 1 January	79.625.094.951	(38.518.917.137)	(759.485.782)	40.346.692.032
Written premium during the period	94.213.289.469	(50.710.268.629)	(617.627.934)	42.885.392.906
Earned premiums during the period	(79.815.147.610)	40.428.787.190	655.837.835	(38.730.522.585)
End of the period – 30 June	**94.023.236.810**	**(48.800.398.576)**	**(721.275.881)**	**44.501.562.353**

	2025			
	Gross	**Reinsurer share**	**SSI share**	**Net**
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	72.679.136.833	(38.587.828.724)	(497.688.833)	33.593.619.276
Earned premiums during the period	(57.313.112.531)	29.405.805.042	513.206.647	(27.394.100.842)
End of the period – 30 June	**69.620.831.916**	**(36.100.533.741)**	**(555.349.754)**	**32.964.948.421**

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

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

Provision for outstanding claims:

	2026		
	Gross	**Reinsurer Share**	**Net**
Beginning of the period – 1 January	42.195.473.298	(17.491.519.515)	24.703.953.783
Notified claims during the period and changes in estimates regarding the outstanding claims	21.807.702.361	(6.668.237.789)	15.139.464.572
Claims paid during the period	(28.450.323.274)	5.817.044.654	(22.633.278.620)
Total reported claims end of the period	**35.552.852.385**	**(18.342.712.650)**	**17.210.139.735**
Deduction amount calculated in accordance with winning ratio	(2.956.823.089)	1.397.672.422	(1.559.150.667)
Incurred but not reported claims	55.588.314.407	(23.030.869.409)	32.557.444.998
Discount adjustment for outstanding claim reserve	(38.403.585.937)	17.978.088.835	(20.425.497.102)
End of the period – 30 June	**49.780.757.766**	**(21.997.820.802)**	**27.782.936.964**

	2025		
	Gross	**Reinsurer Share**	**Net**
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	17.075.069.546	(6.083.991.415)	10.991.078.131
Claims paid during the period	(20.861.517.349)	4.851.540.983	(16.009.976.366)
Total reported claims end of the period	**33.020.874.079**	**(17.375.966.248)**	**15.644.907.831**
Deduction amount calculated in accordance with winning ratio	(1.986.678.755)	751.992.383	(1.234.686.372)
Incurred but not reported claims	47.849.972.484	(16.203.411.726)	31.646.560.758
Discount adjustment for outstanding claim reserve	(35.046.722.180)	14.128.388.592	(20.918.333.588)
End of the period – 30 June	**43.837.445.628**	**(18.698.996.999)**	**25.138.448.629**

Equalization provision:

	2026		
	Gross	**Reinsurer Share**	**Net**
Beginning of the period – 1 January	4.702.122.548	(3.894.848.305)	807.274.243
Net change	1.292.552.636	(1.073.820.785)	218.731.851
End of the period – 30 June	**5.994.675.184**	**(4.968.669.090)**	**1.026.006.094**

	2025		
	Gross	**Reinsurer Share**	**Net**
Beginning of the period – 1 January	2.686.454.016	(2.170.457.739)	515.996.277
Net change	1.230.610.803	(1.107.492.148)	123.118.655
End of the period – 30 June	**3.917.064.819**	**(3.277.949.887)**	**639.114.932**

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

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

Reserve for unexpired risks:

	2026		
	Gross	**Reinsurer Share**	**Net**
Beginning of the period – 1 January	1.443.420.040	(135.251.055)	1.308.168.985
Net change	(160.570.809)	(357.797.544)	(518.368.353)
End of the period – 30 June	**1.282.849.231**	**(493.048.599)**	**789.800.632**

	2025		
	Gross	**Reinsurer Share**	**Net**
Beginning of the period – 1 January	2.057.855.734	(745.758.010)	1.312.097.724
Net change	(679.947.338)	414.134.373	(265.812.965)
End of the period – 30 June	**1.377.908.396**	**(331.623.637)**	**1.046.284.759**

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.

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

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

Claim development tables (cont'd):

30 June 2026

Claim Period	1 April 2019- 30 June 2020	1 April 2020- 30 June 2020	1 April 2021- 30 June 2021	1 April 2022- 30 June 2022	1 April 2023- 30 June 2023	1 April 2024- 30 June 2024	1 April 2025- 30 June 2026	Total
Claim year								
1 year later	1.722.510.621	2.545.733.590	5.301.349.162	17.471.494.828	22.069.669.602	32.365.683.690	51.050.811.874	132.527.253.367
2 year later	1.062.665.216	1.570.755.577	4.175.269.164	18.754.534.324	13.947.430.285	14.475.643.400	-	53.986.297.966
3 year later	749.245.780	1.138.017.236	2.484.444.183	11.872.580.719	5.656.331.266	-	-	21.900.619.184
4 year later	785.506.100	1.042.463.424	1.735.483.946	9.751.620.459	-	-	-	13.315.073.929
5 year later	796.798.976	983.752.883	1.816.538.030	-	-	-	-	3.597.089.889
6 year later	846.057.326	995.142.043	-	-	-	-	-	1.841.199.369
7 year later	820.520.680	-	-	-	-	-	-	820.520.680
Total incurred loss - gross	**6.783.304.699**	**8.275.864.753**	**15.513.084.485**	**57.850.230.330**	**41.673.431.153**	**46.841.327.090**	**51.050.811.874**	**227.988.054.384**

30 June 2025

Claim Period	1 April 2018- 30 June 2019	1 April 2019- 30 June 2019	1 April 2020- 30 June 2020	1 April 2021- 30 June 2021	1 April 2022- 30 June 2022	1 April 2023- 30 June 2023	1 April 2024- 30 June 2025	Total
Claim year								
1 year later	1.965.253.010	1.722.510.621	2.545.733.590	5.301.349.162	17.471.494.828	22.069.650.072	32.365.149.457	83.441.140.739
2 year later	1.022.883.532	1.062.665.216	1.570.755.577	4.175.269.164	18.754.553.854	13.947.934.303	-	40.534.061.646
3 year later	1.048.427.389	749.245.780	1.138.017.236	2.484.444.183	11.872.610.935	-	-	17.292.745.522
4 year later	1.110.670.380	785.506.100	1.042.463.424	1.735.483.946	-	-	-	4.674.123.849
5 year later	1.197.621.050	796.798.976	983.752.883	-	-	-	-	2.978.172.909
6 year later	1.358.024.803	846.057.326	-	-	-	-	-	2.204.082.128
7 year later	915.271.226	-	-	-	-	-	-	915.271.226
Total incurred loss - gross	**8.618.151.388**	**5.962.784.017**	**7.280.722.711**	**13.696.546.454**	**48.098.659.617**	**36.017.584.375**	**32.365.149.457**	**152.039.598.019**

(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

	30 June 2026		31 December 2025	
	Need to be established(*)	Established(**)	Need to be established(*)	Established(**)
Non-life bank deposit		2.666.273.973		2.256.958.904
Financial assets		10.022.730.699		7.539.583.617
	9.543.585.888	**12.689.004.672**	**8.238.660.045**	**9.796.542.521**

(*) 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 30 June 2026 represents the amount determined based on the calculation as of 30 June 2026.

Total amount of insurance risk on a branch basis	30 June 2026	31 December 2025
Third party liability for motor vehicles	50.218.841.049.324	45.600.843.631.307
Health	36.591.771.673.503	39.099.324.185.023
Fire and Natural Disasters	27.569.419.890.906	22.715.117.434.282
General Losses	7.966.642.925.174	5.566.908.204.974
Other	3.570.448.349.292	2.790.992.495.100
Motor Vehicles	1.687.671.429.147	1.422.556.451.658
Air Vehicles Liability	1.432.994.743.543	913.889.937.662
General Liability	1.250.423.492.953	919.903.377.964
Financial Losses	669.242.081.460	518.928.780.683
Accident	487.015.096.967	420.742.532.211
Transportation	349.886.582.529	284.667.283.079
Total	**131.794.357.314.798**	**120.253.874.313.943**

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 2025: 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 2025: 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 2025: 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 12.919.532.989 (31 December 2025: TRY 10.309.937.036) is composed of deferred commission expenses amounting to TRY 12.501.669.490 (31 December 2025: TRY 9.784.839.009) and other prepaid expenses amounting to TRY 417.863.499 (31 December 2025: TRY 525.098.027).

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

18. INVESTMENT CONTRACT LIABILITIES

None (31 December 2025: None).

19. TRADE AND OTHER PAYABLES, DEFERRED INCOME

	30 June 2026	31 December 2025
Payables from operating activities	23.376.490.799	12.673.413.969
Deferred commission income (Note 10)	6.752.603.395	5.259.309.800
Payables to SSI	335.786.374	392.071.751
Deposits and guarantees received	99.755.797	88.074.374
Other miscellaneous payables	1.375.165.797	916.196.511
	31.939.802.162	**19.329.066.405**
Payables Arising from Operating Activities		
Payables to reinsurance companies	22.565.496.857	11.827.146.313
Payables to TARSİM	715.526.352	716.600.183
Rediscount (-)	(83.537.591)	(88.158.086)
Other	179.005.181	217.825.559
	23.376.490.799	**12.673.413.969**
Other Miscellaneous Payables		
Payables to suppliers and contracted institutions	985.493.585	623.721.591
DASK current accounts	388.819.420	291.612.230
Other	852.792	862.690
Payables Arising from Main Operations	**1.375.165.797**	**916.196.511**

20. FINANCIAL PAYABLES

Lease liabilities

As of 30 June 2026 and 31 December 2025, the Company's total lease obligation and lease liabilities, which are recognized as part of the transition to TFRS 16 Leases, are as follows:

	30 June 2026	31 December 2025
Short - term leases liabilities	93.985.357	67.958.518
Long - term leases liabilities	52.865.133	78.598.942
Total lease liabilities	**146.850.490**	**146.557.460**

	2026	2025
Total lease liabilities as of 1 January	146.557.460	29.868.049
Lease payments	(46.253.048)	(7.321.164)
New adding and interest cost	46.546.078	(1.587.252)
Total lease liabilities as of 30 June	**146.850.490**	**20.959.633**

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

20. FINANCIAL PAYABLES (cont'd)

Other Financial Payables

30 June 2026			
	Annual interest rate (%)	**Maturity (day)**	**Amount (TRY)**
İstanbul Takas ve Saklama Bankası A.Ş.	37,75 - 39	31 - 132	11.789.457.821
ICBC Standard Bank Plc.	36,5	30	3.867.045.806
Total	37,75 - 39	31 - 132	**15.656.503.627**

31 December 2025			
	Annual interest rate (%)	**Maturity (day)**	**Amount (TRY)**
İstanbul Takas ve Saklama Bankası A.Ş.	40	182	199.052.007
ICBC Standart Bank Plc	29-36,5	8 - 88	10.841.704.039
Total			**11.040.756.046**

Funds obtained from other financial debts received as of 30 June 2026 and 31 December 2025 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.

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

21. DEFERRED TAXES (cont'd)

	Temporary differences		Deferred tax assets/ (liability)	
	30 June 2026	**31 December 2025**	**30 June 2026**	**31 December 2025**
Deferred tax assets				
Provisions for reinsurance receivables	232.934.477	249.063.664	69.880.343	74.719.099
Equalization provision	843.445.790	574.213.606	253.033.737	172.264.082
Severance pay	269.337.309	223.855.977	80.801.193	67.156.793
Provision for doubtful receivables	204.009.291	121.465.371	61.202.787	36.439.611
Provision for ongoing risks	789.800.632	1.308.168.985	236.940.190	392.450.696
Provision for bonus and discounts	-	-	-	-
IFRS 16 difference	2.574.248	22.821.194	772.274	6.846.358
Personnel leave, lawsuit and other provisions	1.589.660.910	2.737.955.079	476.898.273	821.386.524
Other	-	951.019.237	-	285.305.771
Total deferred tax assets	**3.931.762.657**	**6.188.563.113**	**1.179.528.797**	**1.856.568.934**
Deferred tax liabilities				
Financial assets fair value differences	(9.567.017.083)	(11.000.240.405)	(1.412.193.869)	(1.842.160.866)
Revaluation fund for use purposes	(888.908.830)	(888.908.830)	(200.004.487)	(200.004.487)
Investment properties valuation difference	(30.948.976)	(30.948.976)	(22.237.743)	(22.237.743)
Other	(2.095.268.770)	-	(628.580.631)	-
Total deferred tax liabilities (-)	**(12.582.143.659)**	**(11.920.098.212)**	**(2.263.016.730)**	**(2.064.403.096)**
Net deferred tax asset/(liability)	**(8.650.381.002)**	**(5.731.535.098)**	**(1.083.487.933)**	**(207.834.162)**

	2026	**2025**
Beginning of the period - 1 January	(207.834.162)	(155.832.728)
Deferred tax income	(1.204.849.918)	(516.796.228)
Deferred tax, recognized in equity	329.196.147	(72.901.959)
End of the period – 30 June	**(1.083.487.933)**	**(745.530.915)**

22. RETIREMENT SOCIAL BENEFIT OBLIGATIONS

None (31 December 2025: None).

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

23. PROVISIONS FOR OTHER LIABILITIES AND EXPENSES

As of 30 June 2026 and 31 December 2025, the details of the provisions for other liabilities and expenses are as follows:

	30 June 2026	31 December 2025
Provision for agency commission	358.564.823	920.000.000
Provision for unused vacations	207.959.471	163.199.954
Sales premium provision	31.374.531	185.836.500
Provision for lawsuit	47.713.744	53.279.575
BITT provision	842.072.774	711.425.503
Other provisions	101.975.567	704.213.547
Provision for accrued expenses	**1.589.660.910**	**2.737.955.079**
Provision for severance pay	**269.337.309**	**223.855.977**

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

	Personnel Bonus Provision	Agency Commission Provision	Other	Total
Beginning of the period - 1 January 2026	920.000.000	163.199.954	1.654.755.125	2.737.955.079
Change during the period	(561.435.177)	44.759.517	(631.618.509)	(1.148.294.169)
End of the period – 30 June 2026	**358.564.823**	**207.959.471**	**1.023.136.616**	**1.589.660.910**

	Personnel Bonus Provision	Agency Commission Provision	Other	Total
Beginning of the period - 1 January 2025	627.000.000	435.000.000	477.709.699	1.539.709.699
Change during the period	(604.799.990)	-	313.021.978	(291.778.012)
End of the period – 30 June 2025	**22.200.010**	**435.000.000**	**790.731.677**	**1.247.931.687**

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

	2026	2025
Beginning of Period – 1 January	**223.855.977**	**193.980.970**
Interest Expense	29.192.796	24.652.786
Service Cost	16.260.536	27.831.322
Payments During the Period	(4.196.726)	(18.355.106)
Actuarial (gains)losses	4.224.726	(65.762.531)
End of Period – 30 June	**269.337.309**	**162.347.441**

(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 – 30 June 2026 and 2025 is as follows:

	1 January - 30 June 2026			
	Gross	**Re Share**	**SII Share**	**Net**
General Losses	32.632.721.185	(27.165.187.264)	-	5.467.533.921
Fire and Natural Disasters	22.816.433.360	(16.002.559.742)	-	6.813.873.618
Third party liability for motor vehicles	8.275.006.543	(1.327.817.640)	(617.038.529)	6.330.150.374
Motor Vehicles	9.875.973.539	(36.220.467)	-	9.839.753.072
Health	10.649.405.250	-	-	10.649.405.250
Accident	3.299.457.121	(156.382.503)	(589.405)	3.142.485.213
General Liability	2.168.636.751	(1.956.224.206)	-	212.412.545
Air Vehicles	1.245.133.437	(1.245.133.437)	-	-
Water Vehicles	809.594.338	(677.259.960)	-	132.334.378
Air Vehicles Liability	1.105.945.891	(1.105.945.891)	-	-
Transportation	893.202.747	(770.871.647)	-	122.331.100
Legal Protection	141.504.697	-	-	141.504.697
Financial Losses	105.624.155	(82.814.565)	-	22.809.590
Credit	163.984.640	(163.984.162)	-	478
Surety	30.665.815	(19.867.145)	-	10.798.670
Total	**94.213.289.469**	**(50.710.268.629)**	**(617.627.934)**	**42.885.392.906**

	1 January - 30 June 2026			
	Gross	**Re Share**	**SII Share**	**SII Share**
General Losses	11.500.617.816	(10.046.775.990)	-	1.453.841.826
Fire and Natural Disasters	10.447.834.533	(6.632.814.549)	-	3.815.019.984
Third party liability for motor vehicles	4.481.106.926	(676.940.474)	(335.383.651)	3.468.782.801
Motor Vehicles	4.606.855.991	(9.561.114)	-	4.597.294.877
Health	4.997.456.699	-	-	4.997.456.699
Accident	1.706.469.942	(65.859.033)	(360.263)	1.640.250.646
General Liability	1.110.606.353	(1.009.668.494)	-	100.937.859
Air Vehicles	314.780.454	(314.780.454)	-	-
Water Vehicles	453.566.396	(435.692.228)	-	17.874.168
Air Vehicles Liability	42.074.570	(42.074.570)	-	-
Transportation	505.852.986	(442.487.724)	-	63.365.262
Legal Protection	65.004.492	-	-	65.004.492
Financial Losses	74.466.692	(63.107.287)	-	11.359.405
Credit	83.495.540	(83.495.062)	-	478
Surety	17.285.195	(11.922.329)	-	5.362.866
Total	**40.407.474.585**	**(19.835.179.308)**	**(335.743.914)**	**20.236.551.363**

	1 January - 30 June 2025			
	Gross	**Re Share**	**SII Share**	**Net**
General Losses	21.920.715.974	(19.026.619.602)	-	2.894.096.372
Fire and Naturel Disasters	18.275.861.314	(13.244.380.115)	-	5.031.481.199
Third party liability for motor vehicles	6.804.849.445	(827.501.241)	(497.636.701)	5.479.711.503
Motor Vehicles	7.569.741.139	(162.335.746)	-	7.407.405.393
Health	9.437.716.206	-	-	9.437.716.206
Accident	2.894.430.475	(131.093.333)	(52.132)	2.763.285.010
General Liability	1.964.305.351	(1.758.886.919)	-	205.418.432
Air Vehicles	1.103.641.891	(1.103.641.891)	-	-
Water Vehicles	733.223.058	(708.938.381)	-	24.284.677
Air Vehicles Liability	954.109.583	(954.109.583)	-	-
Transportation	439.072.927	(371.220.882)	-	67.852.045
Legal Protection	246.722.771	-	-	246.722.771
Financial Losses	109.464.865	(86.390.521)	-	23.074.344
Credit	92.466.107	(92.427.434)	-	38.673
Surety	132.815.727	(120.283.076)	-	12.532.651
Total	**72.679.136.833**	**(38.587.828.724)**	**(497.688.833)**	**33.593.619.276**

	1 January - 30 June 2025			
	Gross	**Re Share**	**SII Share**	**SII Share**
General Losses	9.348.465.320	(8.442.647.063)	-	905.818.257
Fire and Naturel Disasters	8.016.880.661	(5.283.813.736)	-	2.733.066.925
Third party liability for motor vehicles	3.525.037.339	(406.745.531)	(251.696.123)	2.866.595.685
Motor Vehicles	3.685.555.925	(76.876.820)	-	3.608.679.105
Health	2.834.603.239	-	-	2.834.603.239
Accident	1.379.665.096	(61.199.268)	(28.852)	1.318.436.976
General Liability	995.008.743	(914.988.810)	-	80.019.933
Air Vehicles	379.140.943	(379.140.943)	-	-
Water Vehicles	392.272.475	(379.476.121)	-	12.796.354
Air Vehicles Liability	153.269.108	(153.269.108)	-	-
Transportation	248.289.771	(209.051.357)	-	39.238.414
Legal Protection	113.657.339	-	-	113.657.339
Financial Losses	36.625.481	(24.874.092)	-	11.751.389
Credit	48.026.676	(47.988.003)	-	38.673
Surety	120.796.993	(115.846.734)	-	4.950.259
Total	**31.277.295.109**	**(16.495.917.586)**	**(251.724.975)**	**14.529.652.548**

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

25. SUBSCRIPTION FEE REVENUE

None (31 December 2025: None).

26. INVESTMENT INCOME

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Income from financial investments	15.818.051.173	7.927.737.075	9.877.002.873	6.179.090.271
Interest income from time deposit	*1.412.674.955*	*825.089.000*	*4.385.044.739*	*2.664.345.799*
Interest income from debt instrument	*14.405.376.218*	*7.102.648.075*	*5.491.958.134*	*3.514.744.472*
Valuation of financial investments	1.316.320.757	1.764.241.884	3.840.505.525	1.600.903.796
Income from derivative instruments	-	-	-	-
Foreign exchange gains	611.229.863	434.977.934	456.092.346	93.895.046
Dividend income from affiliated securities	266.044.401	243.977.675	242.430.609	230.280.813
Lease and valuation income	5.178.446	2.471.010	4.168.066	2.161.637
	18.016.824.640	**10.373.405.578**	**14.420.199.419**	**8.106.331.563**

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 2025: 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.

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Commission expenses	10.070.480.103	5.467.657.762	7.449.580.034	4.028.204.648
Employee benefit expense (Note 33)	2.891.920.657	1.517.208.662	1.966.069.914	992.317.193
Management expenses	113.761.438	64.197.717	158.306.658	100.680.309
Outsourced benefits and services	232.538.167	114.469.045	139.762.119	72.313.524
Advertising expenses	220.040.822	127.051.256	163.316.787	96.594.276
Acquired commission incomes from reinsurer (Note 10)	(5.659.766.630)	(3.161.762.306)	(4.200.945.632)	(2.329.677.865)
Other operating expenses	1.091.328.459	573.167.933	807.081.310	486.963.919
Total	**8.960.303.016**	**4.701.990.069**	**6.483.171.190**	**3.447.396.004**

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

33. EMPLOYEE BENEFIT EXPENSES

The details of employee benefit expenses are as follows:

	1 January - 30 June 2026	**1 April - 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2025**
Salaries and wages	1.750.078.107	931.595.385	1.339.412.622	691.756.895
Personnel social benefit expenses	466.693.409	242.110.825	280.874.206	137.685.156
Employer's share in social security premiums	510.076.335	220.728.030	282.638.986	129.095.336
Other	165.072.806	122.774.422	63.144.100	33.779.806
	2.891.920.657	**1.517.208.662**	**1.966.069.914**	**992.317.193**

34. FINANCE COSTS

For the period 1 January – 30 June 2026, financial expenses recognized in the income statement are TRY 2.743.810.797 (2025: TRY 985.679.844).

35. INCOME TAXES

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

	1 January - 30 June 2026	**1 January - 30 June 2026**	**1 January - 30 June 2025**	**1 January - 30 June 2025**
Current tax expense (-)	(3.745.875.652)	(3.215.255.242)	(2.773.897.385)	(1.655.851.005)
Deferred tax income	(1.204.849.918)	702.665.114	(516.796.228)	(232.904.748)
Total income tax expense recognized in statement of income (-)	**(4.950.725.570)**	**(2.512.590.128)**	**(3.290.693.613)**	**(1.888.755.753)**

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 – 30 June 2026 and 2025 is as follows:

	2026	**2025**
Profit before tax	18.446.555.703	12.683.331.574
Tax rate	30%	30%
Income tax expense at statutory tax rate (-)	(5.533.966.711)	(3.804.999.472)
Effect of non-taxable income	589.508.002	497.174.572
Tax rate change and effect of other adjustment	(6.266.861)	17.131.287
Total income tax expense recognized in statement of income (-)	**(4.950.725.570)**	**(3.290.693.613)**

36. NET FOREIGN EXCHANGE GAINS

Disclosed in Note 26.

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.

	1 January - 30 June 2026	**1 April - 30 June 2026**	**1 January - 30 June 2026**	**1 April - 30 June 2026**
Net profit for the period	13.495.830.133	7.044.028.014	9.392.637.961	4.857.515.519
Weighted average number of shares	20.000.000.000	20.000.000.000	20.000.000.000	20.000.000.000
Earnings per share (TRY)	0,67	0,35	0,47	0,24

38. DIVIDENDS PER SHARE

Information regarding dividend distributions is disclosed in Notes 15 and 45; for the period from January 1 to June 30, 2026, the dividend per share was calculated as TRY 0.15.

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 2025: None).

41. REDEEMABLE PREFERENCE SHARES

None (31 December 2025: 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 30 June 2026, 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 13.040.453.987 (31 December 2025: TRY 11.461.711.791). 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 or 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 2025: None).

(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 30 June 2026. and 31 December 2025. related party balances are as follows:

Bank deposits	**30 June 2026**	**31 December 2025**
T.C. Ziraat Bankası A.Ş.	160.293.322	152.443.460
Türkiye Vakıflar Bankası T.A.O. ("Vakıfbank")	601.011.604	151.041.003
Türkiye Halk Bankası A.Ş.	84.081.891	660.296.351
Other	55.000.000	66.604.288
	900.386.817	**1.030.385.101**

Financial assets		
Ziraat Portföy Yönetimi A.Ş.	16.729.091.861	11.823.906.642
T.C. Ziraat Bankası A.Ş.	-	110.549.992
Vakıfbank	545.978.066	805.109.983
	17.275.069.927	**12.739.566.618**

Receivables from operating activities		
T.C. Ziraat Bankası A.Ş.	5.315.481.546	4.751.873.269
Türkiye Halk Bankası A.Ş.	461.711.704	1.369.937.139
Vakıfbank	36.170.587	862.801.756
Other	-	29.895.691
	5.813.363.837	**7.014.507.855**

Payables from operating activities		
Vakıfbank	37.573.689	41.327.769
Türkiye Halk Bankası A.Ş.	148.328.989	83.390.026
Other	242.670	12.037
	186.145.348	**124.729.832**

Other payable to related parties		
Dividend payables to shareholders	3.005.164.698	5.164.698
	3.005.164.698	**5.164.698**

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

45. RELATED PARTY TRANSACTIONS (cont'd)

Other financial liabilities	30 June 2026	31 December 2025
İstanbul Takas ve Saklama Bankası A.Ş.	-	199.052.007
Halk Yatırım Menkul Değerler A.Ş.	-	-
Ziraat Yatırım Menkul Değerler A.Ş.	-	-
	-	**199.052.007**

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

Written premiums	1 January - 30 June 2026	1 January - 30 June 2025
Türk Hava Yolları Anonim Ortaklığı	1.869.203.906	1.515.958.954
Turkish Petroleum Offshore Technology Center A.Ş.	1.203.187.926	37.783.477
Botaş Boru Hatları İle Petrol Taşıma A.Ş.	1.076.509.055	1.128.815.338
Türkiye Halk Bankası A.Ş.	794.454.199	583.571.171
Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş.	694.872.205	241.109.143
Türkiye Petrolleri A.Ş.	586.950.491	460.795.015
Turkcell İletişim Hizmetleri A.Ş.	298.208.261	770.606.206
Superonline İletişim Hizmetler A.Ş.	282.457.014	191.468.509
Türk Telekomünikasyon A.Ş.	279.081.154	201.429.623
Türksat Uydu Haberleşme Kablo TV ve İşletme A.Ş.	255.129.939	88.921.650
Vakıfbank	227.885.373	193.339.266
T.C. Ziraat Bankası A.Ş.	200.310.192	225.203.127
Ptt Anadolum Lojistik Anonim Şirketi	122.027.839	68.881.837
TVF İFM Gayrimenkul İnşaat ve Yönetim Anonim Şirketi	104.155.069	75.674.626
Halk Finansal Kiralama A.Ş.	98.484.727	110.690.881
Other	282.221.525	365.441.609
	8.375.138.875	**6.259.690.433**

Premiums written through related parties	1 January- 30 June 2026	1 January - 30 June 2025
T.C. Ziraat Bankası A.Ş.	31.684.058.766	21.070.246.097
Türkiye Halk Bankası A.Ş.	6.593.394.917	5.378.967.773
Vakıfbank	5.290.006.890	4.966.975.465
	43.567.460.573	**31.416.189.335**

The Company has also paid a commission amounting to TRY 5.301.575.643 to the relevant banks regarding the premiums written through the banks that are related parties as described above for the period 1 January – 30 June 2026. (1 January – 30 June 2025: TRY 4.364.755.504).

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

45. RELATED PARTY TRANSACTIONS (cont'd)

Other commission expenses paid	**1 January - 30 June 2026**	**1 January - 30 June 2025**
Türkiye Halk Bankası A.Ş.	75.319.246	53.351.430
Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş.	44.999.246	17.340.263
Türk Telekomünasyon Anonim Şirketi	16.600.862	1.336.505
Halk Finansal Kiralama A.Ş.	13.406.275	15.060.684
Ptt Anadolum Lojistik A.Ş.	6.672.220	1.622.623
Posta ve Telgraf Teşkilatı Anonim Şirketi	5.104.613	846.867
Türk Hava Yolları Anonim Şirketi	3.110.356	1.535.141
Botas Pipeline Services IC Merkezi Jersey Ankara Merkez Şubesi	2.383.637	-
Turkish Petroleum Offshore Technology Center A.Ş.	2.058.540	957.926
Ziraat Katılım Bankası A.Ş.	1.833.084	1.835.081
Other	5.425.803	3.310.470
	176.913.882	**97.196.989**
Lease income		
Vakıfbank	1.664.223	1.165.923
	1.664.223	**1.165.923**
Lease paid		
Türkiye Hayat ve Emeklilik A.Ş.	412.200	297.919
	412.200	**297.919**
Finance income		
Vakıfbank	701.938.963	1.769.224.351
Ziraat Portföy	217.799.459	530.484.249
Türkiye Halk Bankası A.Ş.	56.055.324	35.543.812
Other	28.468.248	23.488.393
T.C Ziraat Bankası A.Ş	28.180.712	1.870.669.009
	1.032.442.706	**4.229.409.814**
Finance expenses		
İstanbul Takas ve Saklama Bankası A.Ş.	301.587.671	395.876.216
Halk Yatırım Menkul Değerler A.Ş.	162.879.452	450.844.192
Ziraat Yatırım Menkul Değerler A.Ş.	65.446.575	38.132.877
Other	-	-
	529.913.698	**884.853.285**
Dividend income		
Türkiye Hayat ve Emeklilik A.Ş.	220.905.686	184.088.071
	220.905.686	**184.088.071**
Dividends to be distributed		
TVF Finansal Yatırımlar A.Ş.	2.283.000.000	1.622.034.382
Diğer	717.000.000	377.965.618
	3.000.000.000	**2.000.000.000**

(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

Other Miscellaneous Receivables

	30 June 2026	31 December 2025
Advances given to healthcare institutions and other organizations	1.910.777.569	1.542.511.162
Others Receivables	22.944.006	22.133.326
	1.933.721.575	**1.564.644.488**

Other Miscellaneous Payables

	30 June 2026	31 December 2025
Payables to suppliers and contracted institutions	985.493.585	623.721.591
DASK current account	388.819.420	291.612.230
Other	852.792	862.690
	1.375.165.797	**916.196.511**

Other Expenses and Losses

	30 June 2026	30 June 2025
Non-tax-deductible expenses	1.113.698	596.079
Other	3.059.241	5.629.056
	4.172.939	**6.225.135**

“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 2025: None).

(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 2025: None).

Subrogation receivables followed under the off-balance sheet accounts

None (31 December 2025: None).

Description and amount of rights in real on property

None (31 December 2025: None).

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

None (31 December 2025: None).

For the years ended 30 June 2026 and 2025 details of rediscount and provision expenses are as follows:

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 202
Change in provision for Subrogation receivables under legal proceeding (Note 4.2)	(568.468.001)	(255.407.758)	(880.590.161)	(467.710.825)
Other	(400.911.403)	(1.332.757.628)	(487.270.204)	(338.237.721)
Total provision expenses (-)	**(969.379.404)**	**(1.588.165.386)**	**(1.367.860.365)**	**(805.948.546)**
Debit/credit rediscount expenses. net	2.270.957	(34.305.537)	(445.387.354)	(423.763.730)
Total rediscount expenses (-)	**2.270.957**	**(34.305.537)**	**(445.387.354)**	**(423.763.730)**