

AKSIGORTA EARNINGS PRESENTATION 2024 / Q3

October 31st, 2024

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AKSigorta



COMPANY SCORECARD

2024 Q3 SCORECARD

FINANCIAL INDICATORS



m TL 7.498
Gross Written
Premiums

+11% YoY



m TL 555
Net Income

+320% YoY

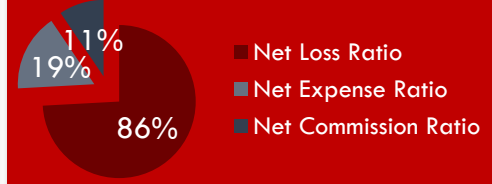


m TL 4.525
Total Equity

+68% YoY

117%

Combined Ratio



-4pp YoY

FINANCIAL INCOME



m TL 12.773
Asset Under
Management

+44% YoY



39%
Average Annualized
Yield*

+11pp YoY



m TL 1.090
Financial Income*

+93% YoY

42%

RoE

-1pp YoY

(*): Includes interest income + FX gain/(loss)

2024 9M SCORECARD

FINANCIAL INDICATORS



m TL 25.020
Gross Written
Premiums

+40% YoY



m TL 1.163
Net Income

+62% YoY

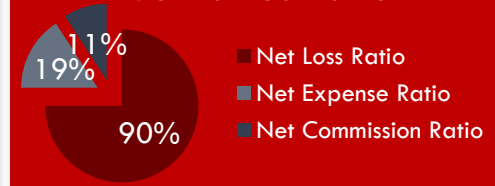


m TL 4.525
Total Equity

+68% YoY

121%

Combined Ratio



+1pp YoY

FINANCIAL INCOME



m TL 12.773
Asset Under
Management

+44% YoY



39%
Average Annualized
Yield*

+3pp YoY



m TL 2.904
Financial Income*

+34% YoY

42%

RoE

-1pp YoY

(*): Includes interest income + FX gain/(loss)



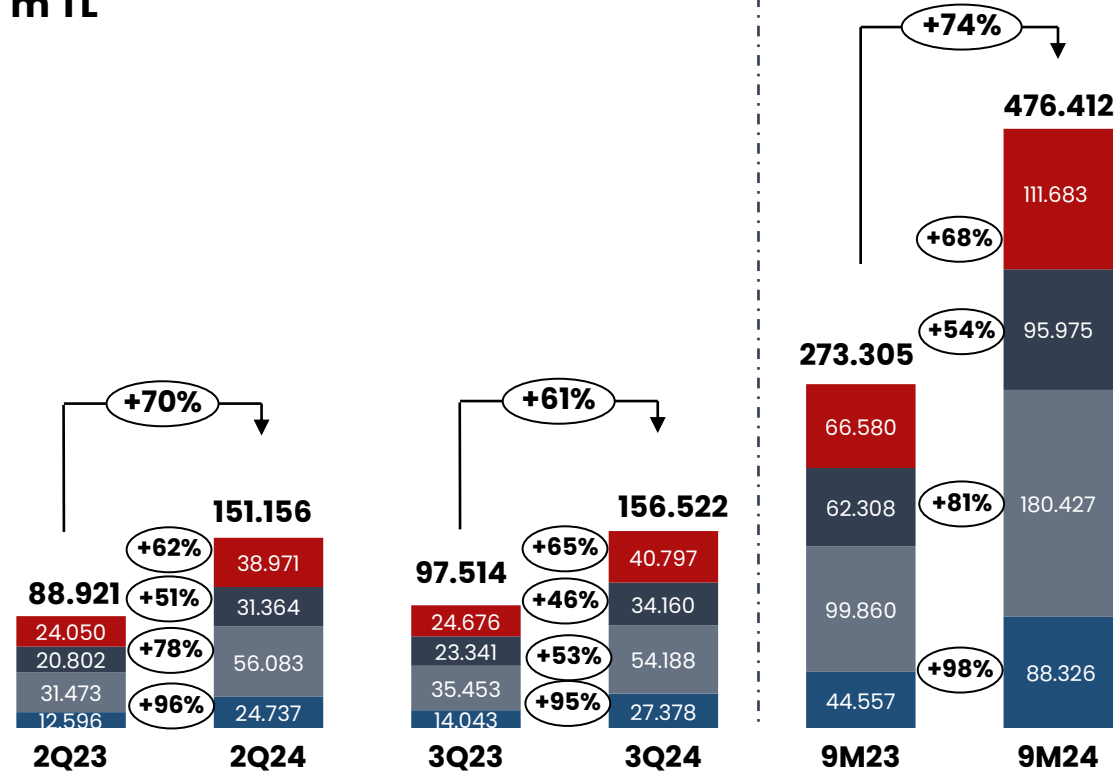
GROSS WRITTEN PREMIUMS

Gross Written Premiums – Historical Trend

Optimizing LoB Mix Enabling Sufficient Capital Adequacy

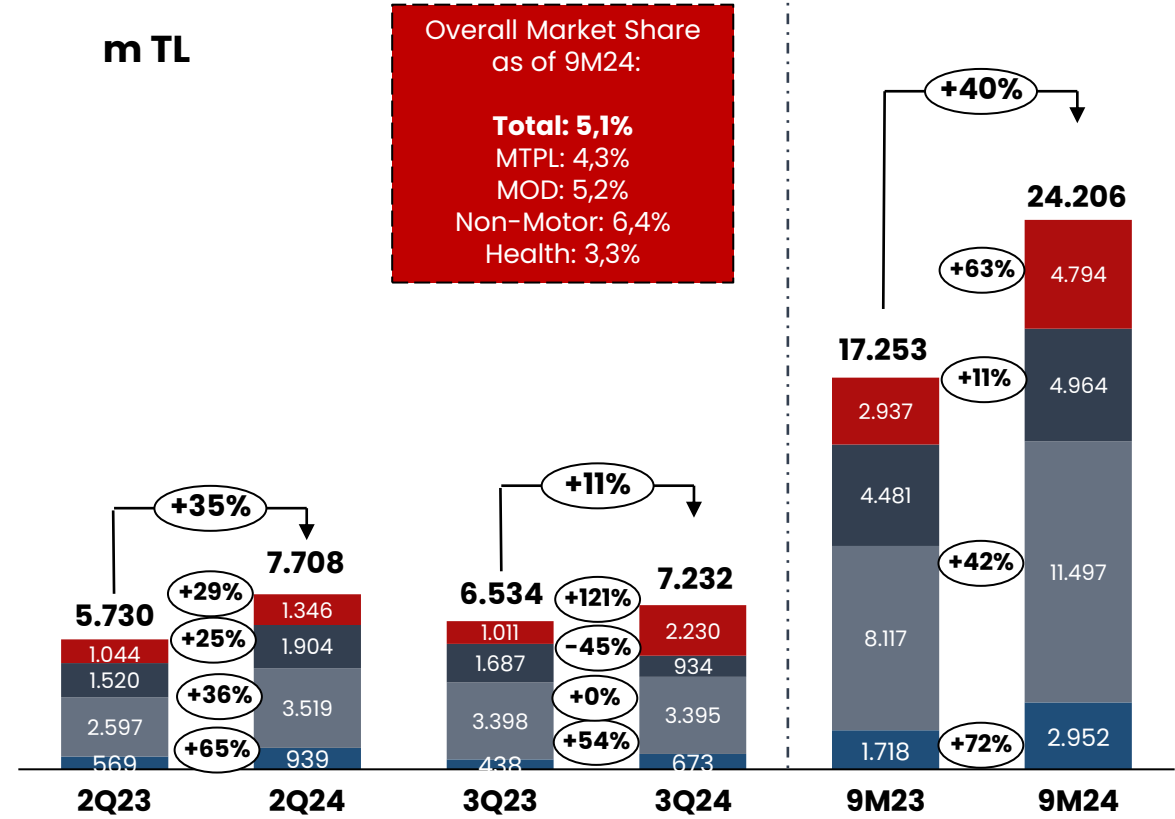
Market GWP

m TL



Aksigorta GWP

m TL



■ MTPL
 ■ MOD
 ■ Non-Motor
 ■ Health

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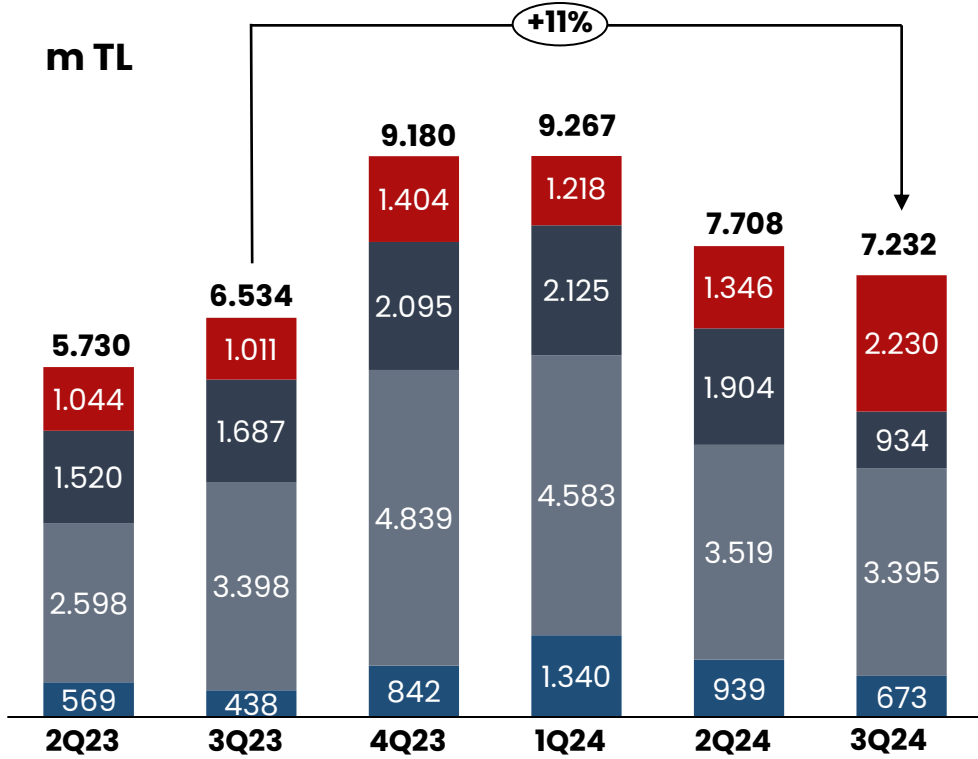
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Note: Excludes double count retrocession premiums from pools

Gross Written Premiums - Aksigorta

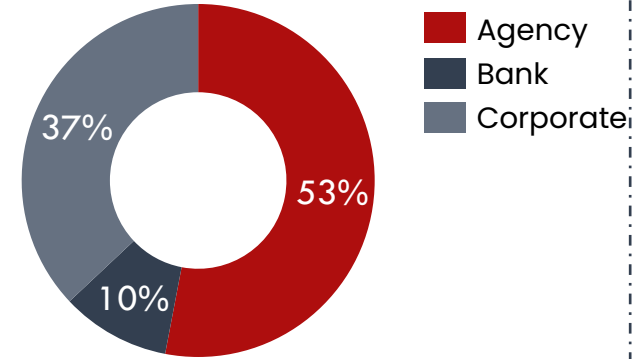
Prioritizing High-Margin Products and Creating a Strong Basis for Sustainable Growth

Quarterly GWP Trend



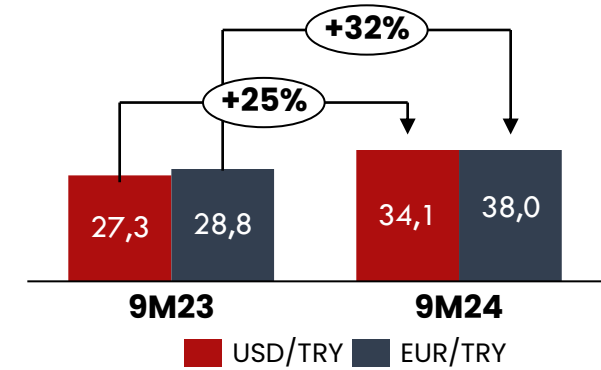
■ MTPL ■ MOD ■ Non-Motor ■ Health

9M GWP Channel Mix



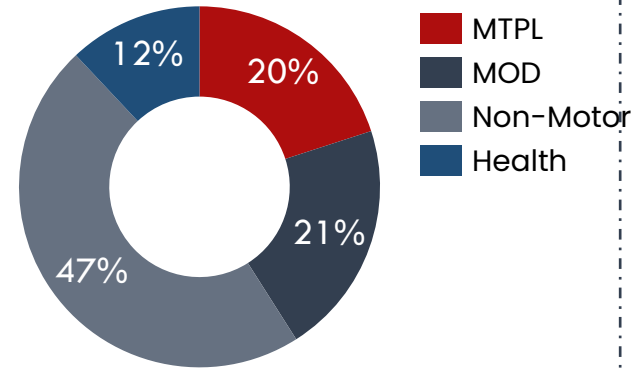
■ Agency
■ Bank
■ Corporate

Currency



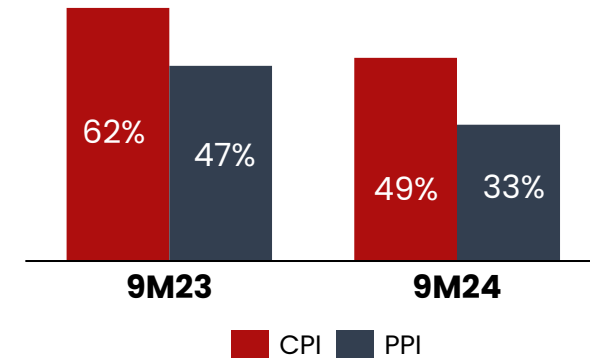
■ USD/TRY ■ EUR/TRY

9M GWP Product Mix



■ MTPL
■ MOD
■ Non-Motor
■ Health

Inflation (YoY)



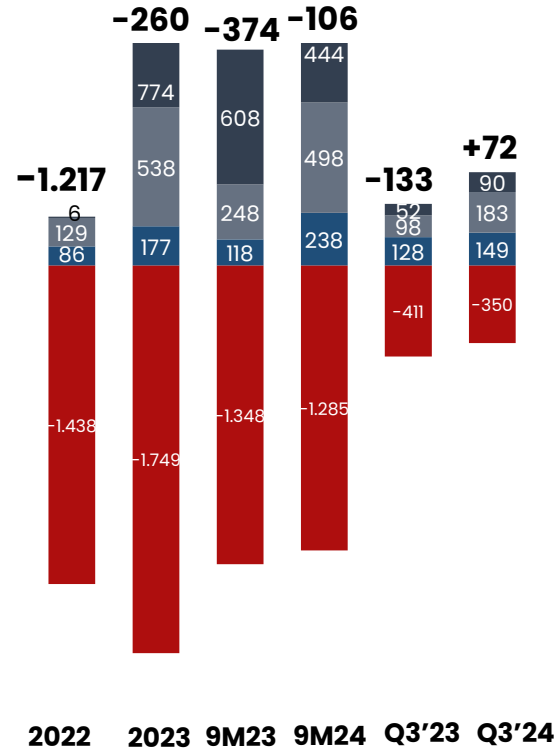
■ CPI ■ PPI



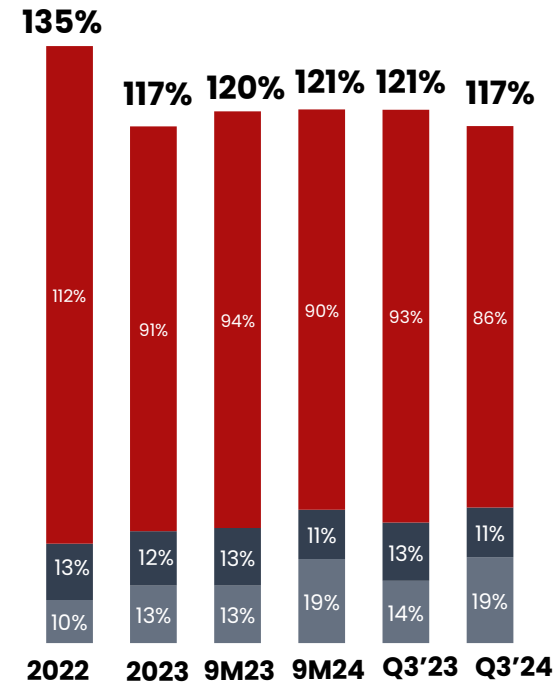
TECHNICAL PROFITABILITY AND FINANCIAL INCOME

Underwriting Profit and Combined Ratio

Underwriting Profit (m TL)



Combined Ratio (%)



■ MTPL
 ■ MOD
 ■ Non-Motor
 ■ Health

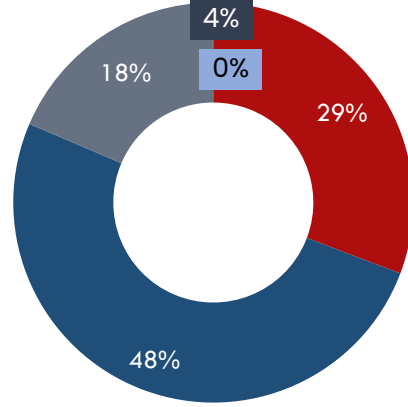
■ Loss Ratio
 ■ Commision Ratio
 ■ Expense Ratio

Financial Income and Asset Under Management Details

As of September 2024, AuM has reached TL 12,8b with 44% YoY growth

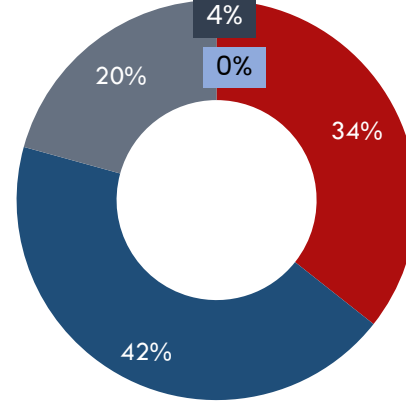
Portfolio Mix

AuM 11.629m TL

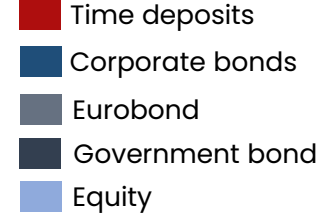


June'24

AuM 12.773m TL



Sep'24



Avg. annualized yield*:

38%

39%



Quarterly financial income*:

906m TL

1.090m TL

(* Including FX gain / loss

Note: Financial income figures are after BITT (net off tax).

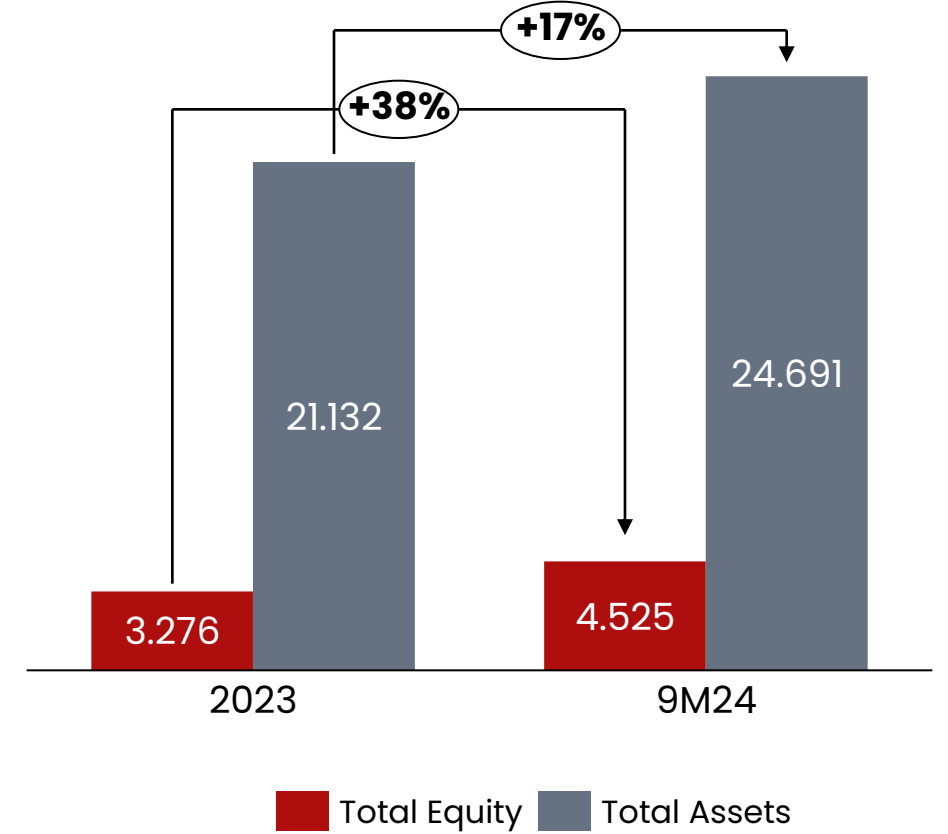
Note: In 9M 2024 tax advantage TL fund generated 403 million TL tax shield.

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2024 / 9M Financials Summary – Balance Sheet

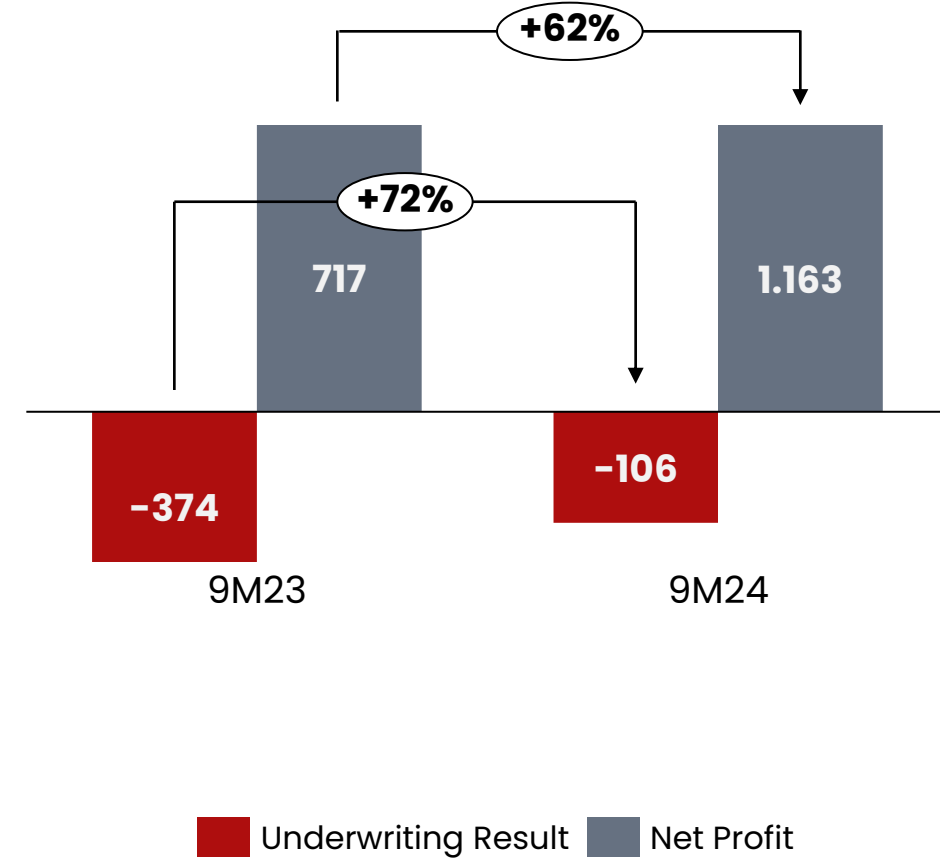
Balance Sheet (m TL)	2023	9M24	Δ
AUM	9.141	12.773	40%
Receivables	7.020	4.868	-31%
Total Assets	21.132	24.691	17%
Reserves	9.984	11.754	18%
Payables	5.825	5.841	0%
Total Equity	3.276	4.525	38%
Total Liabilities	21.132	24.691	17%
RoE	45%	42%	-3pp



2024 / 3Q Financials Summary – Income Statement

Income Statement (m TL)	3Q23	3Q24	Δ
Gross Written Premiums	6.727	7.498	11%
Gross Earned Premiums	5.324	8.371	57%
Net Earned Premiums	2.110	2.658	26%
Underwriting Result	-133	72	154%
Underwriting Result, excl. MTPL	278	422	52%
Expenses	-303	-517	70%
Net Financial Income (*)	491	1.063	117%
Net Profit	132	555	320%

Profitability Ratios	3Q23	3Q24	Δ
Combined Ratio	121%	117%	-4pp
Combined Ratio Excl. MTPL	96%	95%	-1pp
Loss Ratio	93%	86%	-7pp
Commission Ratio	13%	11%	-2pp
Expense Ratio	14%	19%	5pp
UW Margin (**)	-2%	1%	3pp

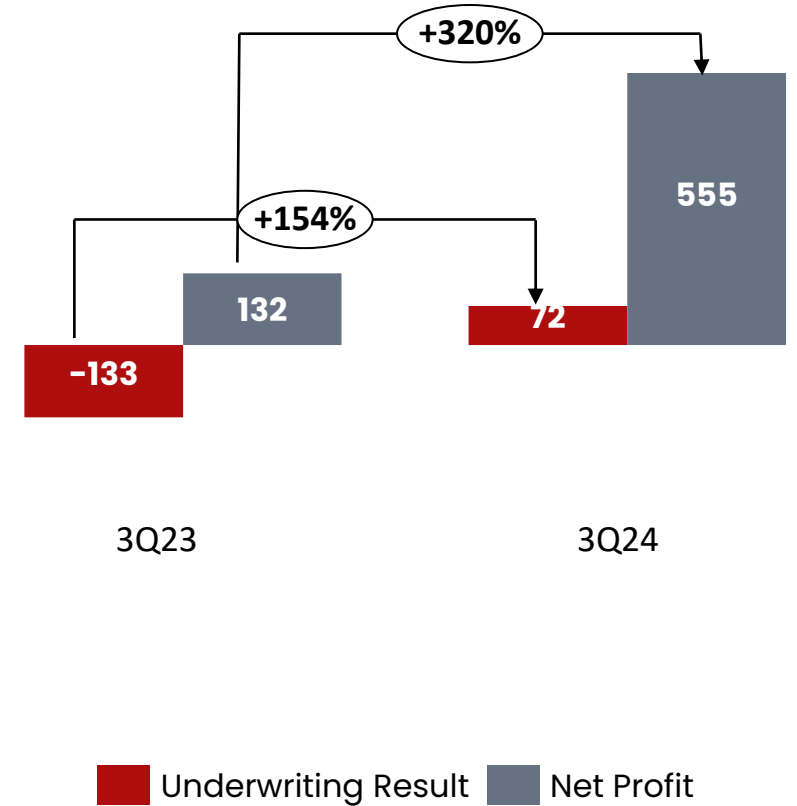


2024 / 9M Financials Summary – Income Statement

Enhanced UWR through Selective Growth, Inflation-Driven Expense Rise, and Stabilized FX Volatility Impacting Financial Income

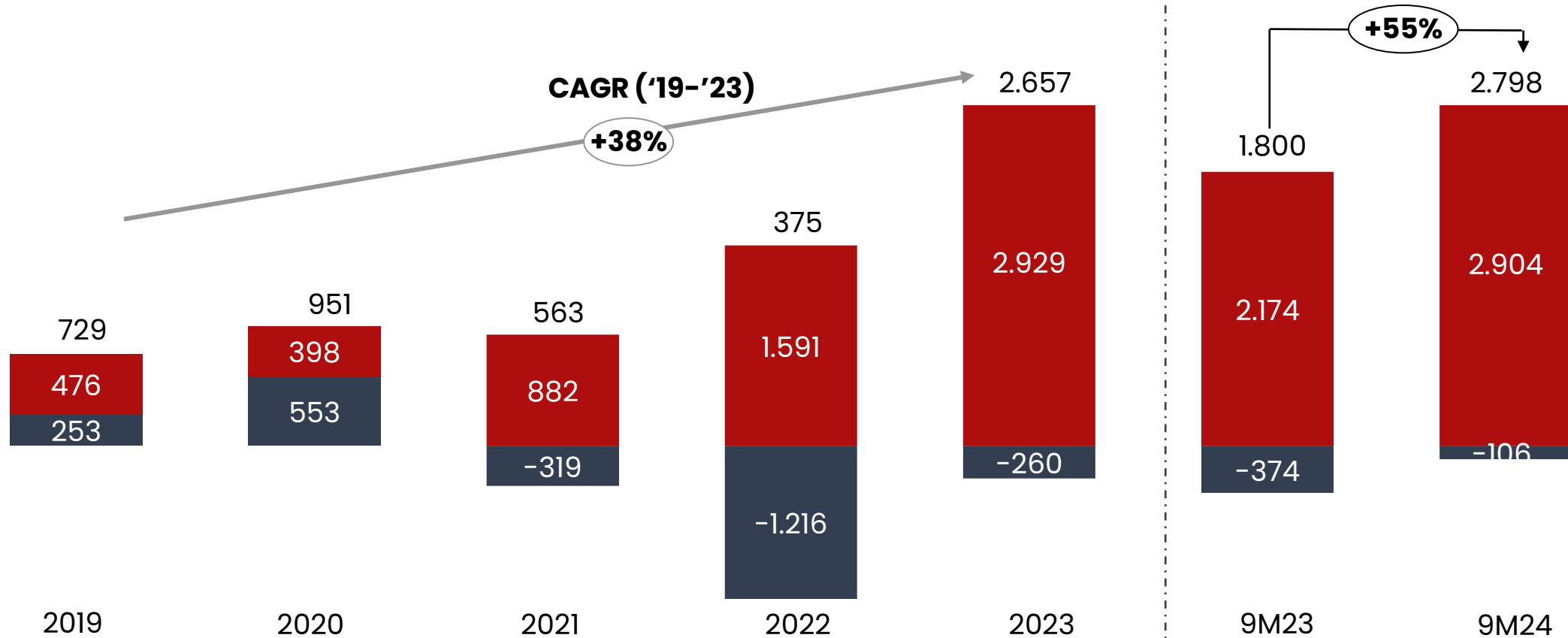
Income Statement (m TL)	9M23	9M24	9M24 Δ
Gross Written Premiums	17.843	25.020	40%
Gross Earned Premiums	13.617	23.964	76%
Net Earned Premiums	5.802	7.912	36%
Underwriting Result	-374	-106	72%
Underwriting Result, excl. MTPL	974	1.179	21%
Expenses	-787	-1.521	-93%
Net Financial Income (*)	1.894	2.850	50%
Net Profit	717	1.163	62%

Profitability Ratios	9M23	9M24	9M24 Δ
Combined Ratio	120%	121%	+1pp
Combined Ratio Excl. MTPL	89%	97%	8pp
Loss Ratio	94%	90%	-4pp
Commission Ratio	13%	11%	-2pp
Expense Ratio	14%	19%	+5pp
UW Margin (**)	-3%	0%	+3pp



Underwriting Profit and Financial Income Trend

Beyond the Balance: Financial Gains Outshining Underwriting Challenges



Underwriting Profit = Net Earned Premiums + Net Claims + Net Commissions

■ Financial Income ■ Underwriting Profit



RISKS AND OPPORTUNITIES

RISKS & OPPORTUNITIES

Risks

- Negative real interest rates limit financial income
- Uncertainty, high volatility on currency
- Increase in reinsurance cost
- Natural disasters due to climate change (e.g.: hail, flood, fire, EQ etc.)
- Possible churn in individual segments due spending cut offs

Opportunities

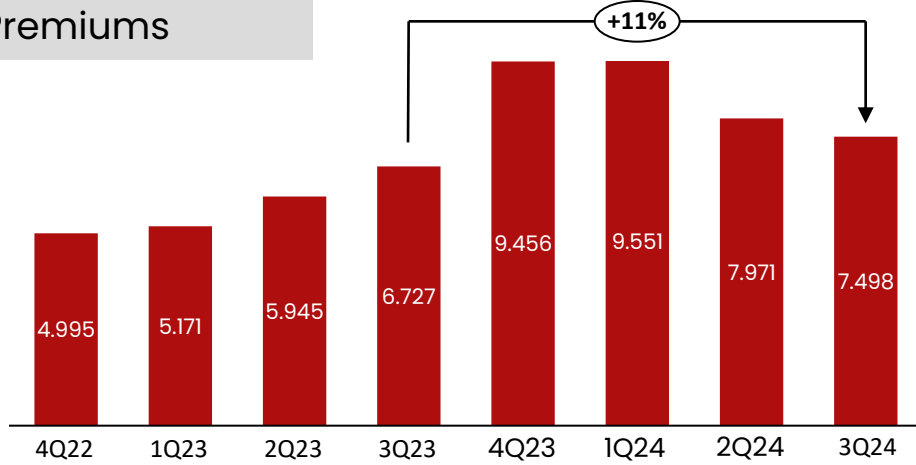
- Increase in TL interest rates and FX rates
- Increase in switch to free tariff in MTPL
- Revisited TCIP price cap
- Accelerating digital transformation with the pandemic
- Increasing efficiency, quality and innovation with remote working
- Higher premiums and improved UW Margin with the introduction of new products (cyber, credit etc.)
- High focus of industry on technology and analytics to generate value



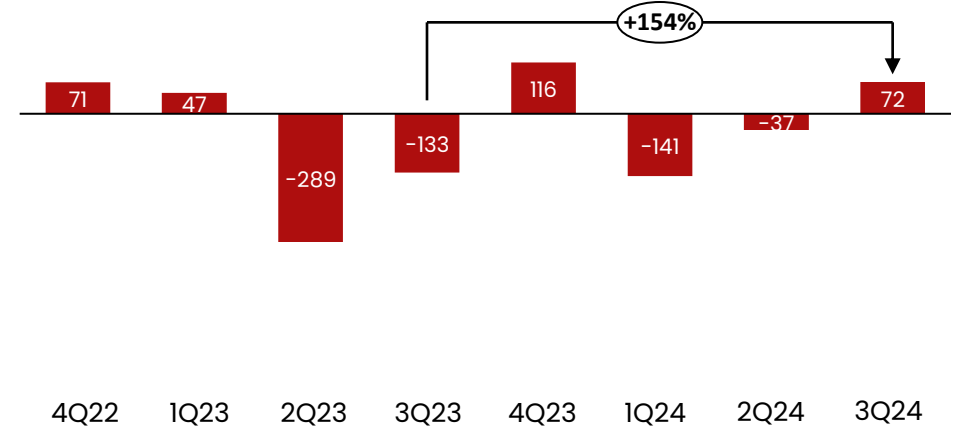
APPENDIX

Historical Financials

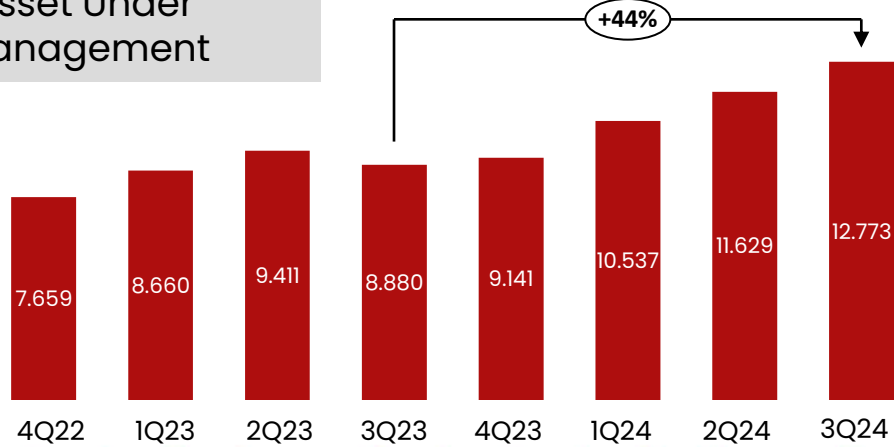
Gross Written Premiums



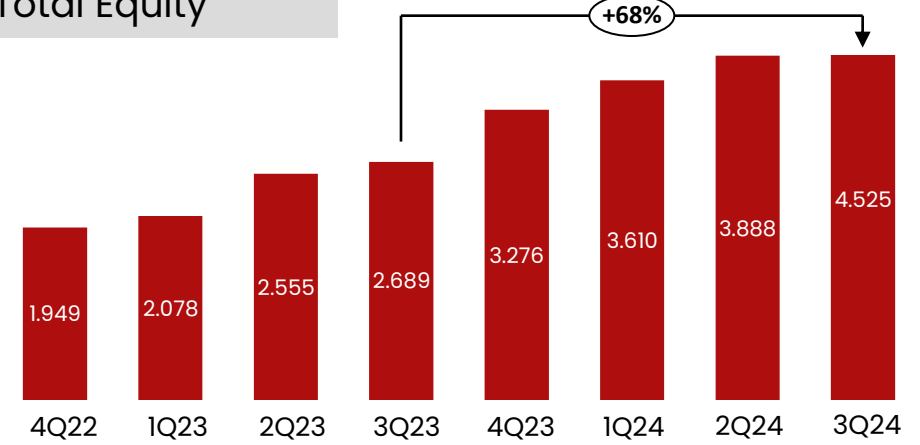
Underwriting Profit



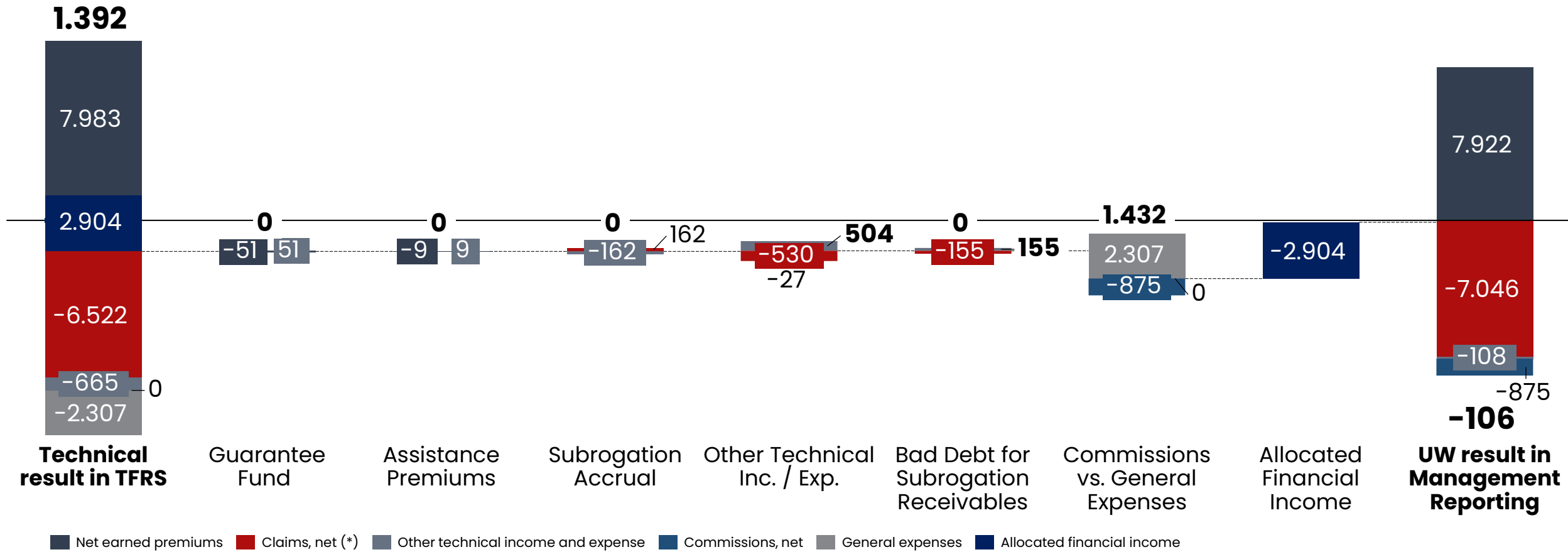
Asset Under Management



Total Equity



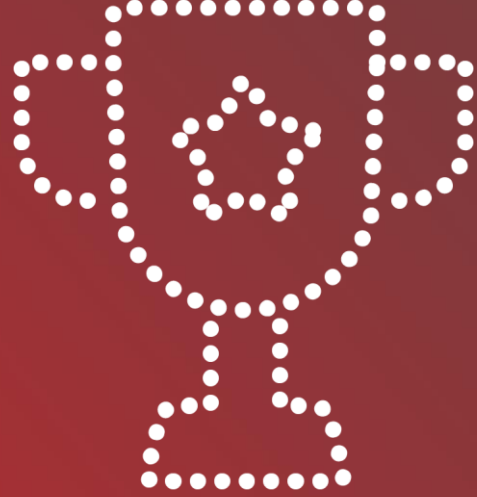
Technical Result Bridge between TFRS & Management Reporting



(*) Claims, net in CMB reporting includes non-life technical expenses, namely incurred claims, bonus and rebates and other reserve provisions

GLOSSARY

AUM	Asset Under Management
Ceded Premiums	Premiums transferred to reinsurers
Combined Ratio	Total of Loss ratio, commission ratio and expense ratio
FI	Financial Income
FTE	Full-Time Employee
GEP	Gross Earned Premiums
GWP	Gross Written Premiums
HC	Headcount
LoB	Line of Business
MOD	Motor Own Damage
MTPL	Motor Third Party Liability
NEP	Net Earned Premiums
Net Written Premiums	Premium net of reinsurer share
Retention Ratio	Net Written Premiums as a share in GWP
RoE	Return On Equity
TCIP	Turkish Catastrophic Insurance Pool
Tech. Margin	Technical Margin, Technical Result as a share in NEP
Tech. Result	Technical Result = UWR + Financial Income + Expenses
UWM	Underwriting margin , Underwriting Result as a share in GEP
UWR	Underwriting Result



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