

# **Türk Reasürans Anonim Şirketi and Subsidiaries**

## **Consolidated Interim Financial Statements as of June 30, 2024 together with the Independent Auditors' Report**

*(Convenience Translation of Consolidated Financial Statements and Related  
Disclosures and Notes Originally Issued in Turkish)*



**Building a better  
working world**

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**(Convenience translation of a report and consolidated financial statements originally issued in Turkish)**

## **Report on Review of Consolidated Interim Financial Statements**

To the Board of Directors of Türk Reasürans Anonim Şirketi,

### **Introduction**

We have reviewed the accompanying consolidated interim statement of financial position of Türk Reasürans Anonim Şirketi ("the Group") as of June 30, 2024 and the consolidated interim statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Group management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with the prevailing accounting principles and standards as per the insurance legislation and Turkish Financial Reporting Standards for the matters not regulated by insurance legislation; "Insurance Accounting and Financial Reporting Legislation" Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim 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 audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the financial position of the Group as at June 30, 2024, and of its financial performance and its cash flows for the six-month period then ended in accordance with the prevailing accounting principles and standards set out by the Insurance Accounting and Financial Reporting Legislation.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Faik Polat  
Partner

September 30, 2024  
Istanbul, Turkey

**TÜRK REASÜRANS ANONİM ŞİRKETİ****THE MANAGEMENT'S REPRESENTATION ON THE  
CONSOLIDATED FINANCIAL STATEMENTS  
PREPARED AS OF JUNE 30, 2024**

We confirm that the consolidated financial statements and related disclosures and notes as of June 30, 2024 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.

Istanbul, September 30, 2024



Dr. Ahmet GENÇ  
Chairman of the  
Board of Directors



Ayşe DİLBAY  
Member of the  
Board of Directors



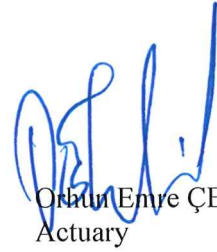
Selva EREN  
Member of the  
Board of Directors and  
General Manager



Erdal TURGUT  
Assistant General Manager



Dilek OĞUZ EKER  
Finance Group Manager



Orhan Emre ÇELİK  
Actuary

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# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Financial Position

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

I- Current Assets	Notes	Reviewed Current Period June 30, 2024	Audited Prior Period December 31, 2023
<b>A- Cash and Cash Equivalents</b>		<b>2.819.947.425</b>	<b>1.858.956.430</b>
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	4.2, 14	2.819.947.425	1.858.956.430
4- Cheques Given and Payment Orders		-	-
5- Bank Guaranteed Credit Card Receivables with Maturity Less Than Three Months		-	-
6- Other Cash and Cash Equivalents		-	-
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	<b>4.2</b>	<b>5.889.634.661</b>	<b>2.271.752.731</b>
1- Available-for-Sale Financial Assets	4.2, 11	2.221.760.994	897.874.947
2- Held to Maturity Investments	4.2, 11	413.855.471	-
3- Financial Assets Held for Trading	4.2, 11	3.254.018.196	1.373.877.784
4- Loans and Receivables		-	-
5- Provision for Loans and Receivables		-	-
6- Financial Investments with Risks on Saving Life Policyholders		-	-
7- Company's Own Equity Shares		-	-
8- Diminution in Value of Financial Investments		-	-
<b>C- Receivables from Main Operations</b>		<b>4.686.299.341</b>	<b>4.548.942.623</b>
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations	4.2, 12	4.596.552.129	4.472.896.643
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited to Insurance and Reinsurance Companies	4.2, 12	89.747.212	76.045.980
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations		-	-
<b>D- Due from Related Parties</b>		<b>-</b>	<b>-</b>
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
<b>E- Other Receivables</b>		<b>6.315.327.958</b>	<b>2.515.478.218</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	4.2, 12	6.315.327.958	2.515.478.218
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
<b>F- Prepaid Expenses and Income Accruals</b>		<b>2.599.523.702</b>	<b>1.314.194.795</b>
1- Deferred Acquisition Costs	17	2.399.032.976	1.046.904.941
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	4.2, 12	190.533.162	254.881.061
4- Other Prepaid Expenses	4.2, 12	9.957.564	12.408.793
<b>G- Other Current Assets</b>		<b>5.094.424</b>	<b>31.076.136</b>
1- Stocks to be Used in the Following Months		-	-
2- Prepaid Taxes and Funds	4.2, 12	5.022.951	31.010.859
3- Deferred Tax Assets		-	-
4- Job Advances	4.2, 12	71.473	65.277
5- Advances Given to Personnel		-	-
6- Inventory Count Differences		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
<b>I- Total Current Assets</b>		<b>22.315.827.511</b>	<b>12.540.400.933</b>

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Financial Position

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

II- Non-Current Assets	Notes	Reviewed Current Period June 30, 2024	Audited Prior Period December 31, 2023
<b>A- Receivables from Main Operations</b>		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Business		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations		-	-
<b>B- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
<b>C- Other Receivables</b>		<b>4.581.570.605</b>	<b>5.000.003.000</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given	4.2, 12	-	3.000
4- Other Miscellaneous Receivables	4.2, 12	4.581.570.605	5.000.000.000
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
<b>D- Financial Assets</b>		-	-
1- Investments in Equity Shares	4.2, 9	4.497.494	4.497.494
2- Investments in Associates		-	-
3- Capital Commitments to Associates		-	-
4- Investments in Subsidiaries		-	-
5- Capital Commitments to Subsidiaries		-	-
6- Investments in Joint Ventures		-	-
7- Capital Commitments to Joint Ventures		-	-
8- Financial Assets and Financial Investments with Risks on Policyholders		-	-
9- Other Financial Assets		-	-
10- Impairment in Value of Financial Assets	4.2, 9	(4.497.494)	(4.497.494)
<b>E- Tangible Assets</b>		<b>44.263.032</b>	<b>34.570.509</b>
1- Investment Property		-	-
2- Impairment on Investment Property		-	-
3- Owner Occupied Property		-	-
4- Machinery and Equipment's	6	13.049.647	8.760.532
5- Furniture and Fixtures	6	6.080.681	6.020.766
6- Motor Vehicles	6	29.511.039	14.541.126
7- Other Tangible Assets (Including Leasehold Improvements)	6	6.115.043	6.115.043
8- Tangible Assets Acquired Through Finance Leases	6	19.076.167	22.011.980
9- Accumulated Depreciation	6	(30.049.545)	(22.878.938)
10- Advances Paid for Tangible Assets (Including Construction in Progress)	6	480.000	-
<b>F- Intangible Assets</b>		<b>107.877.827</b>	<b>58.559.405</b>
1- Rights	8	21.080.408	18.677.501
2- Goodwill		-	-
3- Pre-operating Expenses		-	-
4- Research and Development Costs	8	69.212.681	-
5- Other Intangible Assets	8	9.526.530	9.106.530
6- Accumulated Amortization	8	(18.192.771)	(10.595.561)
7- Advances Paid for Intangible Assets	8	26.250.979	41.370.935
<b>G-Prepaid Expenses and Income Accruals</b>		<b>59.730</b>	<b>1.554.338</b>
1- Deferred Acquisition Costs		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses	4.2, 12	59.730	1.554.338
<b>H-Other Non-Current Assets</b>		<b>30.694.240</b>	<b>93.740.721</b>
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21	30.694.240	93.740.721
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortization on Other Non-Current Assets		-	-
8- Provision for Other Non-Current Assets		-	-
<b>II- Total Non-Current Assets</b>		<b>4.764.465.434</b>	<b>5.188.427.973</b>
<b>TOTAL ASSETS</b>		<b>27.080.292.945</b>	<b>17.728.828.906</b>

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Financial Position

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

III- Short-Term Liabilities	Notes	Reviewed Current Period June 30, 2024	Audited Prior Period December 31, 2023
<b>A- Financial Liabilities</b>		<b>6.303.098.137</b>	<b>2.509.141.173</b>
1- Borrowings from Financial Institutions	20	6.299.216.353	2.500.000.000
2- Finance Lease Payables		-	-
3- Deferred Leasing Costs		-	-
4- Current Portion of Long-Term Debts		-	-
5- Principal Instalments and Interests on Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Valuation Differences of Other Financial Assets Issued		-	-
8- Other Financial Liabilities	20	3.881.784	9.141.173
<b>B- Payables Arising from Main Operations</b>		<b>1.727.228.673</b>	<b>570.879.327</b>
1- Payables Arising from Insurance Operations		-	-
2- Payables Arising from Reinsurance Operations	4.2, 19	1.615.206.483	505.900.089
3- Cash Deposited by Insurance and Reinsurance Companies	4.2, 10, 19	112.022.190	64.979.238
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Main Operations		-	-
6- Discount on Payables from Other Main Operations		-	-
<b>C-Due to Related Parties</b>		<b>1.260.208</b>	<b>319.152</b>
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel	4.2, 19	1.260.208	319.152
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>	<b>4.2, 19</b>	<b>25.612.250</b>	<b>17.775.966</b>
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables	4.2, 19	25.612.250	17.775.966
4- Discount on Other Miscellaneous Payables		-	-
<b>E-Insurance Technical Provisions</b>		<b>9.552.927.829</b>	<b>6.444.416.075</b>
1- Reserve for Unearned Premiums - Net	17	5.195.193.608	4.391.949.189
2- Reserve for Unexpired Risks- Net	17	101.056.989	38.103.605
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	4.1, 17	4.256.677.232	2.014.363.281
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
<b>F- Provisions for Taxes and Other Similar Obligations</b>	<b>4.2, 19</b>	<b>309.885.570</b>	<b>46.734.294</b>
1- Taxes and Funds Payable	4.2	11.635.149	5.226.421
2- Social Security Premiums Payable	4.2	20.664.234	5.259.740
3- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Payables		-	-
5- Corporate Tax Payable	4.2, 19, 35	522.137.822	487.054.620
6- Prepaid Taxes and Other Liabilities Regarding Current Period Profit	4.2, 19	(245.679.365)	(451.542.575)
7- Provisions for Other Taxes and Similar Liabilities	4.2	1.127.730	736.088
<b>G- Provisions for Other Risks</b>		<b>7.589.706</b>	<b>106.576.202</b>
1- Provision for Employee Termination Benefits		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provisions for Costs	23	7.589.706	106.576.202
<b>H- Deferred Income and Expense Accruals</b>		<b>71.153.360</b>	<b>86.707.466</b>
1- Deferred Commission Income	10, 19	2.479.728	3.082.097
2- Expense Accruals	23	68.673.632	83.625.369
3- Other Deferred Income		-	-
<b>I- Other Short-Term Liabilities</b>		<b>-</b>	<b>-</b>
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities		-	-
<b>III – Total Short-Term Liabilities</b>		<b>17.998.755.733</b>	<b>9.782.549.655</b>

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Financial Position

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

IV- Long-Term Liabilities	Notes	Reviewed Current Period June 30, 2024	Audited Prior Period December 31, 2023
<b>A- Financial Liabilities</b>		<b>4.581.570.605</b>	<b>5.000.450.384</b>
1- Borrowings from Financial Institutions	20	4.581.570.605	5.000.000.000
2- Finance Lease Payables		-	-
3- Deferred Leasing Costs		-	-
4- Bonds Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued		-	-
7- Other Financial Liabilities	20	-	450.384
<b>B- Payables Arising from Main Operations</b>		<b>-</b>	<b>-</b>
1- Payables Arising from Insurance Operations		-	-
2- Payables Arising from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Operations		-	-
6- Discount on Payables from Other Operations		-	-
<b>C- Due to Related Parties</b>		<b>-</b>	<b>-</b>
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>		<b>-</b>	<b>-</b>
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables		-	-
4- Discount on Other Miscellaneous Payables		-	-
<b>E-Insurance Technical Provisions</b>		<b>225.880.355</b>	<b>117.187.665</b>
1- Reserve for Unearned Premiums - Net		-	-
2- Reserve for Unexpired Risks - Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net		-	-
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net	17	225.880.355	117.187.665
<b>F-Other Liabilities and Relevant Accruals</b>		<b>-</b>	<b>-</b>
1- Other Liabilities		-	-
2- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
3- Other Liabilities and Expense Accruals		-	-
<b>G- Provisions for Other Risks</b>		<b>6.086.016</b>	<b>4.458.426</b>
1- Provisions for Employment Termination Benefits	23	6.086.016	4.458.426
2- Provisions for Employee Pension Funds Deficits		-	-
<b>H-Deferred Income and Expense Accruals</b>		<b>-</b>	<b>-</b>
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
<b>I- Other Long-Term Liabilities</b>		<b>-</b>	<b>-</b>
1- Deferred Tax Liabilities		-	-
2- Other Long-Term Liabilities		-	-
<b>IV- Total Long-Term Liabilities</b>		<b>4.813.536.976</b>	<b>5.122.096.475</b>

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



# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Financial Position

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

V- Shareholders' Equity	Notes	Reviewed Current Period June 30, 2024	Audited Prior Period December 31, 2023
<b>A- Paid in Capital</b>	<b>2.13, 15</b>	<b>600.000.000</b>	<b>600.000.000</b>
1- (Nominal) Capital	2.13, 15, 37	600.000.000	600.000.000
2- Unpaid Capital		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences		-	-
5- Unregistered Capital		-	-
<b>B- Capital Reserves</b>		<b>-</b>	<b>-</b>
1- Share Premium		-	-
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		-	-
<b>C- Profit Reserves</b>		<b>129.938.883</b>	<b>28.635.146</b>
1- Legal Reserves	15	114.502.223	50.136.238
2- Statutory Reserves		-	-
3- Extraordinary Reserves		-	-
4- Special Funds		-	-
5- Revaluation of Financial Assets	4.2, 15	(7.407.307)	(41.730.626)
6- Other Profit Reserves	15	22.843.967	20.229.534
<b>D- Retained Earnings</b>		<b>2.131.181.645</b>	<b>930.840.290</b>
1- Retained Earnings		2.131.181.645	930.840.290
<b>E- Accumulated Losses</b>		<b>-</b>	<b>-</b>
1- Accumulated Losses		-	-
<b>F-Net Profit/(Loss) for the Period</b>		<b>1.406.879.708</b>	<b>1.264.707.340</b>
1- Net Profit for the Year		1.406.879.708	1.264.707.340
2- Net Loss for the Year		-	-
3- Net Profit for the Period not Subject to Distribution		-	-
<b>V- Total Equity</b>		<b>4.268.000.236</b>	<b>2.824.182.776</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27.080.292.945</b>	<b>17.728.828.906</b>

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Income

For the Six-Months-Period Ended June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

I-TECHNICAL SECTION	Notes	Reviewed Current Period January 1 – June 30, 2024	Non - reviewed Current Period April 1 – June 30, 2024	Reviewed Prior Period January 1 – June 30, 2023	Non - reviewed Prior Period April 1 – June 30, 2023
<b>A- Non-Life Technical Income</b>		<b>7.710.541.864</b>	<b>4.595.795.547</b>	<b>3.952.080.032</b>	<b>2.578.380.817</b>
1- Earned Premiums (Net of Reinsurer Share)		6.257.808.648	3.785.349.815	3.162.483.755	1.936.373.923
1.1- Written Premiums (Net of Reinsurer Share)		7.124.006.451	1.935.761.709	3.954.081.679	1.294.065.680
1.1.1- Written Premiums, gross	17, 24	8.308.015.245	2.541.517.999	4.427.474.478	1.577.196.043
1.1.2- Written Premiums, ceded	10, 17, 24	(1.184.008.794)	(605.756.290)	(473.392.799)	(283.130.363)
1.1.3- Premiums Transferred to Social Security Institutions		-	-	-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	29	(803.244.419)	1.807.236.636	(809.303.185)	632.099.198
1.2.1- Reserve for Unearned Premiums, gross	17	(801.340.032)	1.807.811.833	(808.422.700)	632.780.411
1.2.2- Reserve for Unearned Premiums, ceded	10, 17	(1.904.387)	(575.197)	(880.485)	(681.213)
1.2.3 - Reserve for Unearned Premiums, Social Security Institution Share		-	-	-	-
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	29	(62.953.384)	42.351.470	17.705.261	10.209.045
1.3.1- Reserve for Unexpired Risks, gross	17	(62.953.384)	42.351.470	18.561.500	10.485.902
1.3.2- Reserve for Unexpired Risks, ceded	10, 17	-	-	(856.239)	(276.857)
2- Investment Income - Transferred from Non-Technical Section		1.452.417.860	810.177.797	789.481.939	641.892.556
3- Other Technical Income (Net of Reinsurer Share)		315.356	267.935	30.398	30.398
3.1- Other Technical Income, gross		315.356	267.935	30.398	30.398
3.2- Other Technical Income, ceded		-	-	-	-
4- Accrued Salvage and Subrogation Income		-	-	83.940	83.940
<b>B- Non-Life Technical Expense</b>		<b>(5.771.762.707)</b>	<b>(3.282.338.335)</b>	<b>(3.054.052.562)</b>	<b>(1.781.729.674)</b>
1- Incurred Losses (Net of Reinsurer Share)		(3.561.821.163)	(2.040.778.397)	(1.979.702.801)	(1.154.130.888)
1.1- Claims Paid (Net of Reinsurer Share)	29	(1.319.507.212)	(973.600.163)	(601.699.325)	(426.412.438)
1.1.1- Claims Paid, gross	17	(1.962.168.444)	(1.069.214.533)	(1.530.742.814)	(985.088.031)
1.1.2- Claims Paid, ceded	17	642.661.232	95.614.370	929.043.489	558.675.593
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	29	(2.242.313.951)	(1.067.178.234)	(1.378.003.476)	(727.718.450)
1.2.1- Change in Provisions for Outstanding Claims, gross	17	(1.922.175.464)	(1.023.276.123)	(4.012.975.436)	(1.476.037.351)
1.2.2- Change in Provisions for Outstanding Claims, ceded	10, 17	(320.138.487)	(43.902.111)	2.634.971.960	748.318.901
2- Change in Provision for Bonus and Discounts (Net of Reinsurer and Less the Amounts Carried Forward)		-	-	-	-
2.1- Provision 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, 29	(108.692.690)	(14.793.364)	(40.093.711)	(14.063.815)
4- Operating Expenses	32	(1.933.172.817)	(1.120.574.063)	(946.653.444)	(557.498.058)
5- Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-	-	-
5.1- Mathematical Provisions, gross		-	-	-	-
5.2 - Mathematical Provisions, ceded		-	-	-	-
6- Other Technical Expenses (Net of Reinsurer and Less the Amounts Carried Forward)	47	(168.076.037)	(106.192.511)	(87.602.606)	(56.036.913)
6.1- Other Technical Expenses, gross	47	(168.076.037)	(106.192.511)	(87.602.606)	(56.036.913)
6.2- Other Technical Expenses, ceded		-	-	-	-
<b>C- Net Technical Income-Non-Life (A – B)</b>		<b>1.938.779.157</b>	<b>1.313.457.212</b>	<b>898.027.470</b>	<b>796.651.143</b>

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Income

For the Six-Months-Period Ended June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

I-TECHNICAL SECTION	Notes	Reviewed Current Period January 1 – June 30, 2024	Non - reviewed Current Period April 1 – June 30, 2024	Reviewed Prior Period January 1 – June 30, 2023	Non - reviewed Prior Period April 1 – June 30, 2023
<b>D- Life Technical Income</b>		-	-	-	-
1- Earned Premiums (Net of Reinsurer Share)		-	-	-	-
1.1- Written Premiums (Net of Reinsurer Share)		-	-	-	-
1.1.1- Written Premiums. gross		-	-	-	-
1.1.2- Written Premiums. ceded		-	-	-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)		-	-	-	-
1.2.1- Reserve for Unearned Premiums. gross		-	-	-	-
1.2.2- Reserve for Unearned Premiums. ceded		-	-	-	-
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-	-	-
1.3.1- Reserve for Unexpired Risks. gross		-	-	-	-
1.3.2- Reserve for Unexpired Risks. ceded		-	-	-	-
2- Investment Income		-	-	-	-
3- Unrealized Gains on Investments		-	-	-	-
4- Other Technical Income (Net of Reinsurer Share)		-	-	-	-
4.1- Other Technical Income. gross		-	-	-	-
4.2- Other Technical Income. ceded		-	-	-	-
5- Accrued Salvage Income		-	-	-	-
<b>E- Life Technical Expense</b>		-	-	-	-
1- Incurred Losses (Net of Reinsurer Share)		-	-	-	-
1.1- Claims Paid (Net of Reinsurer Share)		-	-	-	-
1.1.1- Claims Paid, gross		-	-	-	-
1.1.2- Claims Paid, ceded		-	-	-	-
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-	-	-
1.2.1- Change in Provisions for Outstanding Claims, gross		-	-	-	-
1.2.2- Change in Provisions for Outstanding Claims, ceded		-	-	-	-
2- Change in Provision for Bonus and Discounts (Net of Reinsurer and Less the Amounts Carried Forward)		-	-	-	-
2.1- Provision for Bonus and Discounts, gross		-	-	-	-
2.2- Provision for Bonus and Discounts, ceded		-	-	-	-
3- Change in Life Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-	-	-
3.1- Change in Life Mathematical Provisions		-	-	-	-
3.1.1- Actuarial Mathematical Provisions		-	-	-	-
3.1.2- Dividend Equivalent (Investment Risk Life Policy Holders' Response to Policies)		-	-	-	-
3.2- Reinsurance Share for Math		-	-	-	-
3.2.1- Reinsurance Share in Actuarial Mathematics Provisions		-	-	-	-
3.2.2- Dividend Equivalent (Investment Risk Provision for Policies for Life Policy Holders) (+)		-	-	-	-
4- Changes in Other Technical Reserves (Net of Reinsurer Share and Reserves Carried Forward) (+/-)		-	-	-	-
5- Operating Expenses (-)		-	-	-	-
6- Investment Expenses (-)		-	-	-	-
7- Unrealized Losses from Investments (-)		-	-	-	-
8- Investment Income Transferred to Non- Technical Part (-)		-	-	-	-
<b>F- Net Technical Income- Life (D – E)</b>		-	-	-	-
<b>G- Pension Business Technical Income</b>		-	-	-	-
1- Fund Management Income		-	-	-	-
2- Management Fee		-	-	-	-
3- Entrance Fee Income		-	-	-	-
4- Management Expense Charge in case of Suspension		-	-	-	-
5- Income from Individual Service Charges		-	-	-	-
6- Increase in Value of Capital Allowances Given as Advance		-	-	-	-
7- Other Technical Expense		-	-	-	-
<b>H- Pension Business Technical Expense</b>		-	-	-	-
1- Fund Management Expense		-	-	-	-
2- Decrease in Value of Capital Allowances Given as Advance		-	-	-	-
3- Operating Expenses		-	-	-	-
4- Other Technical Expenses		-	-	-	-
<b>I- Net Technical Income - Pension Business (G – H)</b>		-	-	-	-

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Income

For the Six-Months-Period Ended June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

II-NON-TECHNICAL SECTION	Notes	Reviewed Current Period January 1 – June 30, 2024	Non - reviewed Current Period April 1 – June 30, 2024	Reviewed Prior Period January 1 – June 30, 2023	Non - reviewed Prior Period April 1 – June 30, 2023
<b>C- Net Technical Income – Non-Life (A-B)</b>		<b>1.938.779.157</b>	<b>1.313.457.212</b>	<b>898.027.470</b>	<b>796.651.143</b>
<b>F- Net Technical Income – Life (D-E)</b>		-	-	-	-
<b>I - Net Technical Income – Pension Business (G-H)</b>		-	-	-	-
<b>J- Total Net Technical Income (C+F+I)</b>		<b>1.938.779.157</b>	<b>1.313.457.212</b>	<b>898.027.470</b>	<b>796.651.143</b>
<b>K- Investment Income</b>	<b>4.2</b>	<b>1.762.136.209</b>	<b>893.262.003</b>	<b>1.018.391.768</b>	<b>797.774.634</b>
1- Income from Financial Assets	4.2	513.200.010	430.746.096	205.012.549	152.515.071
2- Income from Disposal of Financial Assets	4.2	388.708.749	181.243.225	102.921.225	51.884.598
3- Valuation of Financial Assets	4.2	505.994.082	205.060.304	182.059.207	120.832.407
4- Foreign Exchange Gains	4.2	334.266.660	76.212.378	431.342.384	397.057.089
5- Income from Associates		-	-	-	-
6- Income from Subsidiaries and Joint Ventures		-	-	-	-
7- Income from Property, Plant and Equipment		-	-	-	-
8- Income from Derivative Transactions	4.2	19.966.708	-	97.056.403	75.485.469
9- Other Investments		-	-	-	-
10- Income Transferred from Life Section		-	-	-	-
<b>L- Investment Expense</b>		<b>(1.769.618.195)</b>	<b>(897.685.909)</b>	<b>(1.026.776.340)</b>	<b>(802.192.524)</b>
1- Investment Management Expenses (including interest)	4.2	(332.970)	(150.348)	(806.581)	(407.082)
2- Diminution in Value of Investments	4.2	(12.454.672)	-	(10.502.454)	-
3- Loss from Disposal of Financial Assets	4.2	(26.995.403)	(26.079.694)	(54.385.619)	(23.269.116)
4- Investment Income Transferred to Non-Life Technical Section		(1.452.417.860)	(810.177.797)	(789.481.939)	(641.892.556)
5- Loss from Derivative Transactions	4.2	-	-	(290.447)	(290.447)
6- Foreign Exchange Losses	4.2	(261.515.495)	(53.050.781)	(163.731.309)	(132.322.515)
7- Depreciation and Amortisation Expenses	6, 8	(15.901.795)	(8.227.289)	(7.577.991)	(4.010.808)
8- Other Investment Expenses		-	-	-	-
<b>M- Income and Expenses from Other and Extraordinary Operation</b>		<b>(2.279.641)</b>	<b>(88.235.617)</b>	<b>53.992.434</b>	<b>40.686.942</b>
1- Provisions	47	(8.036.918)	(2.537.822)	534.056	(501.772)
2- Rediscounts		-	-	-	-
3- Specified Insurance Accounts		-	-	-	-
4- Inflation Adjustment Account		-	-	-	-
5- Deferred Taxation (Deferred Tax Assets)	21, 35	4.437.024	-	22.674.987	8.072.825
6- Deferred Taxation (Deferred Tax Liabilities)		(64.596.779)	(80.018.109)	-	-
7- Other Income	47	24.496.484	11.677.379	40.113.828	31.852.842
8- Other Expenses and Losses		(2.254.826)	(1.057.241)	(10.930.974)	(337.490)
9- Prior Year's Income	47	43.777.825	(16.197.373)	1.600.537	1.600.537
10- Prior Year's Expenses and Losses		(102.451)	(102.451)	-	-
<b>N- Net Profit for the Period</b>		<b>1.406.879.708</b>	<b>903.409.867</b>	<b>717.960.332</b>	<b>649.245.195</b>
1- Profit for the Period		1.929.017.530	1.220.797.689	943.635.332	832.920.195
2- Corporate Tax Provision and Other Fiscal Liabilities	19, 35	(522.137.822)	(317.387.822)	(225.675.000)	(183.675.000)
3- Net Profit for the Period		1.406.879.708	903.409.867	717.960.332	649.245.195
4- Inflation Adjustment Account		-	-	-	-

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

# Türk Reasürans Anonim Şirketi

## Consolidated Statement of Cash Flow

For the Six-Months-Period Ended June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

CASH FLOW	Notes	Reviewed Current Period January 1 – June 30, 2024	Reviewed Prior Period January 1 – June 30, 2023
<b>A. Cash flows from main activities</b>			
1. Cash provided from insurance activities		-	-
2. Cash provided from reinsurance activities		10.107.341.179	5.570.962.895
3. Cash provided from pension business		-	-
4. Cash used in insurance activities		-	-
5. Cash used in reinsurance activities		(4.804.340.397)	(3.600.739.882)
6. Cash used in pension business		-	-
<b>7. Cash provided from main activities</b>		<b>5.303.000.782</b>	<b>1.970.223.013</b>
8. Interest paid		-	-
9. Income taxes paid	19	(255.203.502)	(129.465.013)
10. Other cash inflows		(14.951.737)	10.112.985.180
11. Other cash outflows		(3.421.478.427)	(10.008.703.793)
<b>12. Net cash provided from operating activities</b>		<b>1.611.367.116</b>	<b>1.945.039.387</b>
<b>B. Cash flows from investing activities</b>			
1. Disposal of tangible assets		-	-
2. Acquisition of tangible assets	6, 8	(76.714.575)	(7.345.494)
3. Acquisition of financial assets	11	(19.406.776.671)	(5.121.556.297)
4. Disposal of financial assets	11	16.284.748.548	5.296.380.544
5. Interests received		467.418.366	168.802.742
6. Dividends received		8.706.715	14.871.244
7. Other cash inflows		4.218.040.252	630.862.174
8. Other cash outflows		(2.192.497.862)	(1.126.509.947)
<b>9. Net cash provided by investing activities</b>		<b>(697.075.227)</b>	<b>(144.495.034)</b>
<b>C. Cash used in financing activities</b>			
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments		(4.240.910)	(4.589.868)
4. Dividends paid		-	-
5. Other cash inflows		-	-
6. Other cash outflows		-	-
<b>7. Net cash used in financing activities</b>		<b>(4.240.910)</b>	<b>(4.589.868)</b>
<b>D. Impact of currency differences on cash and cash equivalents</b>		<b>29.373.096</b>	<b>13.653.554</b>
<b>E. Net increase/(decrease) in cash and cash equivalents</b>		<b>939.424.075</b>	<b>1.809.608.039</b>
<b>F. Cash and cash equivalents at the beginning of the period</b>	<b>14</b>	<b>1.846.166.874</b>	<b>612.498.166</b>
<b>G. Cash and cash equivalents at the end of the period</b>	<b>14</b>	<b>2.785.590.949</b>	<b>2.422.106.205</b>

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

## Türk Reasürans Anonim Şirketi

### Consolidated Statement of Changes in Equity For the Six-Months-Period Ended June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

Reviewed Statement of Changes in Equity – June 30, 2023												
EQUITY CHANGE	Notes	Capital	The business's own stocks	Increase in assets	Equity inflation adjustment differences	Foreign currency exchange differences	Legal reserves	Status reserves	Other reserves and undistributed profits	Net period profit	Profit-losses in past years	Total
<b>I – Balance at the end of the previous year – December 31, 2022</b>	<b>2.13, 15</b>	<b>600.000.000</b>	-	<b>6.400.863</b>	-	-	<b>15.331.450</b>	-	<b>21.851.659</b>	<b>696.095.752</b>	<b>269.549.326</b>	<b>1.609.229.050</b>
<b>II – Change in Accounting Standards</b>		-	-	-	-	-	-	-	-	-	-	-
<b>III – Restated balances (I+II) – January 1, 2023</b>	<b>2.13, 15</b>	<b>600.000.000</b>	-	<b>6.400.863</b>	-	-	<b>15.331.450</b>	-	<b>21.851.659</b>	<b>696.095.752</b>	<b>269.549.326</b>	<b>1.609.229.050</b>
A – Capital increase		-	-	-	-	-	-	-	-	-	-	-
1 – In cash		-	-	-	-	-	-	-	-	-	-	-
2 – From reserves		-	-	-	-	-	-	-	-	-	-	-
B – Purchase of own shares		-	-	-	-	-	-	-	-	-	-	-
C – Gains and losses that are not included in the statement of income		-	-	-	-	-	-	-	-	-	-	-
D – Change in the value of financial assets	4.2, 15	-	-	(31.379.119)	-	-	-	-	-	-	-	(31.379.119)
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses	15	-	-	-	-	-	-	-	(764.145)	-	-	(764.145)
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year		-	-	-	-	-	-	-	-	717.960.332	-	717.960.332
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	-	-	-
J – Dividends paid		-	-	-	-	-	-	-	-	(696.095.752)	696.095.752	-
<b>IV- Balance at the end of the period June 30, 2023</b> <b>(III+A+B+C+D+E+F+G+H+I+J)</b>	<b>15</b>	<b>600.000.000</b>	-	<b>(24.978.256)</b>	-	-	<b>15.331.450</b>	-	<b>21.087.514</b>	<b>717.960.332</b>	<b>965.645.078</b>	<b>2.295.046.118</b>

Reviewed Statement of Changes in Equity June 30, 2024												
EQUITY CHANGE	Notes	Capital	The business's own stocks	Increase in assets	Equity inflation adjustment differences	Foreign currency exchange differences	Legal reserves	Status reserves	Other reserves and undistributed profits	Net period profit	Profit-losses in past years	Total
<b>I – Balance at the end of the previous year – (December 31, 2023)</b>	<b>2.13, 15</b>	<b>600.000.000</b>	-	<b>(41.730.626)</b>	-	-	<b>50.136.238</b>	-	<b>20.229.534</b>	<b>1.264.707.340</b>	<b>930.840.290</b>	<b>2.824.182.776</b>
<b>II- Change in Accounting Standards</b>		-	-	-	-	-	-	-	-	-	-	-
<b>III- Restated Balances (January 1, 2024)</b>	<b>2.13, 15</b>	<b>600.000.000</b>	-	<b>(41.730.626)</b>	-	-	<b>50.136.238</b>	-	<b>20.229.534</b>	<b>1.264.707.340</b>	<b>930.840.290</b>	<b>2.824.182.776</b>
A – Capital increase		-	-	-	-	-	-	-	-	-	-	-
1 – In cash		-	-	-	-	-	-	-	-	-	-	-
2 – From reserves		-	-	-	-	-	-	-	-	-	-	-
B – Purchase of own shares		-	-	-	-	-	-	-	-	-	-	-
C – Gains and losses that are not included in the statement of income		-	-	-	-	-	-	-	-	-	-	-
D – Change in the value of financial assets	4.2, 15	-	-	34.323.319	-	-	-	-	-	-	-	34.323.319
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses	15	-	-	-	-	-	-	-	2.614.433	-	-	2.614.433
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year		-	-	-	-	-	-	-	-	1.406.879.708	-	1.406.879.708
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	-	-	-
J – Dividends paid		-	-	-	-	-	64.365.985	-	-	(1.264.707.340)	1.200.341.355	-
<b>IV- Balance at the end of the period June 30, 2024</b> <b>(III+A+B+C+D+E+F+G+H+I+J)</b>	<b>15</b>	<b>600.000.000</b>	-	<b>(7.407.307)</b>	-	-	<b>114.502.223</b>	-	<b>22.843.967</b>	<b>1.406.879.708</b>	<b>2.131.181.645</b>	<b>4.268.000.236</b>

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

# **Türk Reasürans Anonim Şirketi**

## **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

*(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)*

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### **1 General Information**

#### **1.1 Name of the Company**

The Company was established by the Republic of Turkey Ministry of Treasury and Finance as of January 18, 2019 under the title of "Türk Reasürans Anonim Şirketi" in accordance with Law No. 5684 and started its activities as of register date which is September 6, 2019.

As at June 30, 2024, the shareholder having direct or indirect control over the shares of Türk Reasürans Anonim Şirketi ("the Company") is the Republic of Turkey Ministry of Treasury and Finance.

In order to support the healthy and sustainable development of the participation insurance sector in Turkey, to contribute to Turkey's becoming an important player in this developing market all over the world, and to fulfill the participation reinsurance activities included in its articles of association, the Company has established Türk Katılım Reasürans Anonim Şirketi with fully paid-up capital TL 100.000.000 by 100% share on September 8, 2021.

To produce competitive solutions focused on insurance and reinsurance by combining academic and technological competencies and to offer products and services that will add value to the technical and technological maturity of the insurance industry in the fields of insurance/reinsurance and catastrophic modeling the Company has established T Rupt Teknoloji Anonim Şirketi with fully paid-up capital of TL 50.000.000 by 100% share on December 21, 2022.

The Company and its subsidiary, Türk Katılım Reasürans Anonim Şirketi and T Rupt Teknoloji Anonim Şirketi, (collectively referred to as the "Group") are included in the consolidated financial statements as of June 30, 2024.

#### **1.2 The Company's address and legal structure and address of its registered country and registered office**

The Company was registered in Turkey in September 6, 2019 and has the status of 'Incorporated Company'. The address of the Company's registered office is "İnkılap Mahallesi Dr. Adnan Büyükdeniz Caddesi Ak Ofis No:8/1 Kat:7 34768 Ümraniye, İstanbul".

#### **1.3 Business of the Company**

The subject of the Company's actual activity is to perform all sorts and branches of insurance transactions of the insurance groups in Turkey and foreign countries, to perform proportional and/or non-proportional all kinds of reinsurance, retrocession and alternative risk transfer operations related to these insurances, and to participate in risk sharing and transfers by managing pool activities approved by the Republic of Turkey Ministry of Treasury and Finance.

The subject of actual activity of the Türk Katılım Reasürans A.Ş. which is the Company's subsidiary, is to fulfill the abovementioned traditional insurance and reinsurance transactions within the framework of participation principles.

The subject of actual activity of the T Rupt Teknoloji A.Ş. which is the Company's subsidiary, is engaged in providing reinsurance and catastrophic earthquake modeling solutions, as well as services positioned around these solutions, to local and global insurance/reinsurance companies.

# Türk Reasürans Anonim Şirketi

## Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

### 1 General Information (continued)

#### 1.4 Description of the main operations of the Company

The Company conducts its operations in accordance with the Insurance Law No. 5684 ("the Insurance Law") issued in June 14, 2007 dated and 26552 numbered Official Gazette and the communiqués and other regulations in force issued by Republic of Turkey Ministry of Treasury and Finance based on the Insurance Law.

The Company's objective and its main work issues are as follows as stated in the Company's Articles of Association:

- To take over the portfolios of other reinsurance and insurance companies and pension companies or their agencies at Turkey and abroad, in compliance with the Insurance Law and all other regulations, and transfer them including their own portfolio when necessary;
- Managing pool activities approved by the Republic of Turkey Ministry of Treasury and Finance and participating in risk sharing and transfers;
- To purchase, sale lease and lease out or to obtain through construction of all kinds of movable and immovable goods in order to conduct the operations of the Company to keep them as Company assets;
- To issue all kinds of bonds, redeemed share, profit partnership certificate and other securities in accordance with the provisions of the Turkish Commercial Code and other legislation on the subject;
- In addition to these, to perform other operations which are deemed to be useful and required for the Company and are not prohibited by the law.

The objective and its main occupations of Türk Katılım Reasürans A.Ş., the subsidiary of the Company, are to perform the specified above company activities, to conduct its operations in accordance with the participation principles determined in the relevant legislation, and to provide and get services as religiously permissible.

The objective and its main occupations of T Rupt Teknoloji A.Ş., the subsidiary of the Company, to generate technological knowledge in various fields including the insurance and reinsurance sector, as well as in information technology, catastrophic modeling, and software; to develop computer software programs; to provide improvement and enhancement updates to existing software; and to offer consultancy and project services in software design, modeling, system analysis, feasibility, development, and adaptation.

#### 1.5 The average number of the personnel during the year in consideration of their categories:

The average number of the personnel during the period in terms of categories is as follows:

	June 30, 2024	December 31, 2023
Top executive	8	7
Executive	28	26
Executive assistant	12	10
Expert / Authorized / Other employees	214	186
<b>Total (*)</b>	<b>262</b>	<b>229</b>

(\*) 96 personnel who are assigned for the operations of the institutions, authorized by the Group as the 'Technical Operator', are included (December 31, 2023: 84).

#### 1.6 Wages and similar benefits provided to the senior management

For the period that ended on June 30, 2024, TL 1.670.407 to the chairman and members of the board of directors (January 1 - June 30, 2023: TL 685.122), TL 33.082.468 (January 1 - June 30, 2023: TL 14.972.559) wages and similar benefits were provided to senior executives.



# Türk Reasürans Anonim Şirketi

## Notes to the Consolidated Financial Statements

As of June 30, 2024

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

### 1 General Information (continued)

#### 1.7 Keys used in the distribution of investment income and operating expenses (personnel, administrative, research and development, marketing and selling, services rendered from third parties and other operating expenses) in the financial statements

Procedures and principles related to keys used in the financial statements of the companies are determined in accordance with the January 4, 2008 dated and 2008/1 numbered “Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan” issued by the Republic of Turkey Ministry of Treasury and Finance.

In accordance with the above-mentioned communiqué, companies may transfer the operating expenses of the technical section to the insurance section through method determined by the Republic of Turkey Ministry of Treasury and Finance or by the companies’ own method which approved by Republic of Turkey Ministry of Treasury and Finance. In this framework, the Group directly allocates its costs, which are certainly documented to be made for related branches and for which there is no hesitation regarding the ownership of such costs to respective branches while it allocates its other operating expenses based on their shares within the total gross written premium during a period for each sub-branches.

Investment income from the assets covering the non-life technical provisions is transferred to technical section from non-technical section; other investment income is remained in the non-technical section. Income is distributed to the sub-branches in accordance with the percentage calculated by dividing “net cash flow” to the “total net cash flow”. Net cash flow is calculated by deducting net claims paid from net written premiums.

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

The accompanying consolidated financial statements consist of the consolidated financial statements of Türk Katılım Reasürans A.Ş. and T Rupt Teknoloji A.Ş, subsidiaries of the Company, according to the full consolidation method. Information about the consolidation principles applied is explained in detail in the Note 2.2 – Consolidation note.

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

Trade name of the Company	: Türk Reasürans Anonim Şirketi
Registered address of the head office	: İnkılap Mahallesi Dr. Adnan Büyükdeniz Caddesi Ak Ofis No:8/1 Kat:7 34768 Ümraniye, İstanbul
The web page of the Company	: <a href="http://www.turkreasurans.com.tr">www.turkreasurans.com.tr</a>

There has been no change in the information presented above since the previous reporting period.

#### 1.10 Subsequent events to date of balance sheet

The financial statements prepared as at June 30, 2024, have been approved by the Company's Board of Directors on September 30, 2024.

Explanations related to date of balance sheet subsequent events are disclosed in Note 46 – Subsequent events.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

*(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)*

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## **2 Summary of significant accounting policies**

### **2.1 Basis of preparation**

#### **2.1.1 Information about the principles and the specific accounting policies used in the preparation of the financial statements**

The Group prepares its consolidated financial statements in accordance with the accounting principles and standards in force as per the regulations of Insurance Law numbered 5684 published in the Official Gazette dated June 14, 2007 and numbered 26522, and other regulations, statements and guidance issued by the Insurance and Private Pension Regulation and Supervision Agency ("IPPRSA") established by the Presidential Decree dated October 18, 2019 and "Communiqué Related to the Financial Reporting of Insurance, Reinsurance, and Individual Pension Companies" contains terms of Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS"). The insurance legislation before the establishment of IPPRSA had been published by the Republic of Turkey Ministry of Treasury and Finance.

According to numbered 4<sup>th</sup> of related law, the procedures and principles regarding the accounting of insurance contracts, subsidiaries, jointly controlled partnerships and associates and the preparation of financial statements to be announced to the public and related disclosures and notes are determined by notices to be issued by the Republic of Turkey Ministry of Treasury and Finance.

The "Communiqué on Presentation of Financial Statements" published in the Official Gazette numbered 26851 and dated April 18, 2008 and "Communiqué on Presentation of Financial Statements with the New Accounting Codes" numbered 2012/7 and dated May 31, 2012 and published by the Republic of Turkey Ministry of Treasury and Finance determines the comparison of the financial statements with the prior periods and also other companies in terms of the format and content.

#### **2.1.2 Other accounting policies appropriate for the understanding of the financial statements**

##### **Accounting in hyperinflationary countries**

Financial statements of the Turkish entities have been restated for the changes in the general purchasing power of the Turkish Lira based on TAS 29 – Financial Reporting in Hyperinflationary Economies as at December 31, 2004. TAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting period, and that corresponding figures for previous years be restated in the same terms.

Entities whose functional currency is the currency of a hyperinflationary economy present their financial statements in terms of the measuring unit current at the end of the reporting period according to "TAS 29 Financial Reporting in Hyperinflation Economies". Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after December 31, 2023, in accordance with the accounting principles specified in TAS 29. In the same announcement, it was stated that institutions or organizations authorized to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting, and in this context, Insurance and Private Pension Regulation and Supervision Agency ("IPPRSA") announced that financial statements of insurance and reinsurance companies as of March 11, 2024 would not be subject to the inflation adjustment in accordance with IPPRSA Board decision on January 1, 2025.

Accordingly, "TAS 29 Financial Reporting Standard in High Inflation Economies" is not applied in the consolidated financial statements of the Company as of June 30, 2024.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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## **2 Summary of significant accounting policies (continued)**

### **2.1 Basis of preparation (continued)**

#### **2.1.2 Other accounting policies appropriate for the understanding of the financial statements (continued)**

##### **Other accounting policies**

The Group record premiums, commissions and claims accruals based on the notifications sent by the insurance and reinsurance companies after the closing of their balances. Premiums, commissions and claims accruals are recorded in the accompanying consolidated financial statements with the three-month delay. Therefore, related consolidated income statement balances consist of amounts for the three-months period ended October 1 - December 31, 2023 and also for the three-months period ended January 1 – March 31, 2024. Accordingly related balance sheet balances as of June 30, 2024 do not reflect the actual position. According to the letter dated September 1, 2020 and numbered 97354901-040.03.E.474952 sent by IPPRSA to the Company, it is stated that account statements sent by the ceding companies are subject to possible delays and Republic of Turkey Ministry of Treasury and Finance is considered special situations of the reinsurance companies in their regulations.

Information on other accounting policies is explained above in the section 2.1.1 - *Information about the principles and special accounting policies used in the preparation of the financial statements* and each under its own heading in the following sections of this report.

#### **2.1.3 Current and presentation currency**

The accompanying consolidated financial statements are presented in TL, which is the Group’s functional currency.

#### **2.1.4 Rounding scale of the amounts presented in the financial statements**

Financial information presented in TL, has been rounded to the nearest TL values.

#### **2.1.5 Basis of measurement used in the preparation of the financial statements**

The accompanying consolidated financial statements are prepared on the historical cost basis except financial assets held for trading, available-for-sale financial assets, derivative financial instruments which are measured at their fair values in case of reliable measures are available.

#### **2.1.6 Accounting policies, changes in accounting estimates and errors**

If changes of accounting estimations are related to only one period, it is applied on current period which is change made. If it’s related to future period, it is applied rewardingly on future period.

Significant changes in accounting policies and identified significant accounting errors are applied retrospectively and previous period of financial statements are restated.

In current period, there is no changes in accounting policies and no significant accounting errors identified.

Critical accounting judgements used in applying the Group’s accounting policies are explained in 3 – *Critical accounting estimates and judgments in applying accounting policies*.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

## 2 Summary of significant accounting policies (continued)

### 2.1 Basis of preparation (continued)

#### 2.2 Consolidation

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

In this framework, the financial statements of the Company's subsidiaries, Turk Katılım Reasürans A.Ş and T Rupt Teknoloji A.Ş, are included in the consolidated financial statements to be prepared using the full consolidation method in accordance with the provisions of the *Circular for Consolidation* and *TFRS 10 Consolidated Financial Statements*.

Within the framework of *TAS 27 Consolidated and Separate Financial Statements*, *TFRS 10 Consolidated Financial Statements* and *Circular for Consolidation*, consolidated financial statements have been prepared in accordance with the same account chart and by eliminating all related equity, income, expense, and cash flows, as well as intra-Group assets and liabilities.

According to the *Circular for Consolidation*, the Group excludes investments with a capital share of less than 10% that do not have a significant impact on the scope of consolidation, either directly or indirectly, and are accounted for at cost in financial assets.

Information on subsidiaries included to consolidation is as follows:

Name	Shareholding rate	Total asset	Total equity	Net profit / (loss) for the period	Whether it has passed independent audit	Period
Türk Katılım Reasürans A.Ş.	100%	1.615.080.438	177.442.761	55.219.596	Reviewed	June, 30 2024
T Rupt Teknoloji A.Ş.	100%	143.177.505	133.785.892	39.826.090	Non-reviewed	June, 30 2024

### 2.3 Segment reporting

As of June 30, 2024, the Group does not prepare the segment reporting since the Group has being continuing their activities in mainly Turkey in non-life insurance branches that is recording as only one reportable segment in scope of *TFRS 8- “Activity Segments”* standard and also the Group is not publicly held.

### 2.4 Foreign currency transactions

Transactions are recorded in TL, which is the Group’s functional currency. Transactions in foreign currencies are recorded at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date and all exchange differences, except for those arising on the translation of the fair value change of available-for-sale financial assets, are offset and are recognized as foreign exchange gains or losses.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 2 Summary of significant accounting policies (continued)

### 2.5 Tangible assets

Tangible assets are shown by deducting accumulated depreciation from the acquisition cost. Depreciation is allocated based on the useful lives of tangible assets by using the straight-line method. The depreciation periods estimated based on the useful lives of tangible assets are as follows:

Tangible assets	Estimated useful lives (years)	Depreciation rates (%)
Machinery and equipment	3 – 10	33,3 – 10,0
Furniture and fixtures	5 – 10	20,0 – 10,0
Motor vehicles	5	20,0
Other tangible assets (includes leasehold improvements)	5	20,0
Leased tangible assets	2 – 5	50,0 – 20,0

In case of there are indicators of impairment on tangible assets, a review is made in order to determine possible impairment and when the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the balance of impairment associates with expense accounts.

As of June 30, 2024, the Group has no any impairment on tangible assets (December 31, 2023: None). Gains and losses on the disposal of tangible assets are determined in reference to their carrying amounts and are taken into account in determining operating profit and losses (Note 6).

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected to the statement of income of the related period.

Assets held for use in the construction, or for leasing, administrative or any other purposes are carried at cost, less any impairment. Legal charges are also added to costs. For assets that need substantial time to be ready for use or sale, borrowing costs are capitalized based on the Group's accounting policy.

Maintenance and repair costs incurred in the ordinary course of the business are recorded as expense.

There are not any pledges, mortgages and other encumbrances on tangible assets.

There are not any changes in accounting estimates that have significant effect on the current period or that are expected to have significant effect on the following periods.

### 2.6 Investment property

As at June 30, 2024, the Group has not any investment property (December 31, 2023: None).

### 2.7 Intangible assets

Intangible fixed assets include the acquired information systems, franchise rights and computer software. Intangible fixed assets are recorded at their acquisition cost in accordance with TAS 38 - Accounting Standard for Intangible Fixed Assets and are subjected to depreciation with the straight-line depreciation method over their estimated useful lives after the date of acquisition. In case of impairment, the registered value of intangible fixed assets is brought to their recoverable value. As of June 30, 2024, the Group does not have any intangible fixed assets impaired (December 31, 2023: None) (Note 8).

Expenditures that are under the control of the Group, that can be directly associated with identifiable and unique software products and that will provide economic benefits above their cost for more than one year are considered as intangible assets.

The depreciation periods of intangible fixed assets vary between 3 and 15 years.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

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## 2 Summary of significant accounting policies (continued)

### 2.8 Financial assets

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 favourable to the entity.

Financial assets are classified in four categories; as financial assets held for trading, available-for-sale financial assets, held to maturity financial assets, and loans and receivables.

*Financial assets at fair value through profit or loss* are presented as financial assets held for trading in the accompanying consolidated financial statements and trading securities and derivatives are included in this category. Financial assets at fair value through profit or loss measured at their fair values and gain/loss arising due to changes in the fair values of related financial assets is recorded in profit / loss. Interest income earned on trading purpose financial assets and the difference between their fair values and acquisition costs are recorded as interest income in the statement of income. In case of disposal of such financial assets before their maturities, the gains/losses on such disposal are recorded under trading income/losses. Accounting policies of derivatives are detailed in note 2.10 – *Derivative financial instruments*.

*Held to maturity financial assets* are the financial assets with fixed maturities and fixed or pre-determined payment schedules that the Group has the intent and ability to hold until maturity, excluding loans and receivables. Subsequent to initial recognition, held to maturity financial assets and loans and receivables are measured at amortized cost using effective interest rate method less impairment losses, if any. The Group has no financial assets that are allowed to be classified as held to maturity financial assets.

*Available-for-sale financial assets* are the financial assets other than assets held for trading financial assets, held-to-maturity financial assets and loans and receivables.

Available-for-sale financial assets are initially recorded at cost and subsequently measured at their fair values. 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. The realized gain or losses through disposal are recognized directly in the statement of income.

The determination of fair values of financial instruments not traded in an active market is determined by using valuation techniques. Observable market prices of the quoted financial instruments which are similar in terms of interest, maturity and other conditions are used in determining the fair value.

The Group has accounted equity shares classified as available-for-sale according to quoted market prices or dealer price quotations for financial instruments traded in active markets or according to cost less impairment losses for financial instruments not traded in active markets.

*Investments in equity shares* are shares and partnership interests, in which the Group has a share less than 10% and which are not participating in the determination of partnership policies and management of other companies directly or indirectly and are acquired for the purpose of investment. Differences between fair value and book value of such securities are recognized under “Revaluation of financial assets” within equities items provided they can be measured reliably with their book values. Market value securities are demonstrated under assets with their market value while others are demonstrated with their net value subsequent to impairment from their book values, if available.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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## **2 Summary of significant accounting policies (continued)**

### **2.8 Financial assets (continued)**

*Subsidiaries* are partnership shares in which the Group's share is more than 50% or in which it has the opportunity to manage its activities that significantly affect the returns of the invested partnership. In accordance with the provisions of the Consolidation Circular and TFRS 10 Consolidated Financial Statements subsidiaries are, including in the scope of consolidation in the content of the consolidated financial statements.

*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 Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are measured at amortized cost by effective interest method less impairment losses, if exist.

Securities are recognized and derecognized at the date of settlement.

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, expired or surrendered.

### **2.9 Impairment on assets**

#### **Impairment on financial assets**

Financial assets or group of financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the Group estimates the amount of impairment. Impairment loss incurs, if and only if, 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 incur due to future events are not recognized even if the probability of loss is high.

Loans and receivables are presented net of specific allowances for uncollectibility. 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 financial assets that are debt securities, the reversal is recognized in the statement of income. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.

#### **Impairment on tangible and intangible assets**

On each balance sheet date, the Group evaluates whether there is an indication of impairment of fixed assets. If there is an objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the “TAS 36 – Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

Provision and rediscount expenses of the period(s) are detailed in *Note 47*.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

## 2 Summary of significant accounting policies (continued)

### 2.10 Derivative financial instruments

Derivative instruments are treated as held for trading financial assets in compliance with the standard *TAS 39 – Financial Instruments: Recognition and measurement*.

Derivative financial instruments are initially recognized at their fair value.

The receivables and liabilities arising from the derivative transactions are recognized under the off-balance sheet accounts through the contract amounts.

Derivative financial instruments are subsequently remeasured at fair value and positive fair value differences are presented either as “income accruals” and negative fair value differences are presented as “other financial liabilities” in the accompanying financial statements. All unrealized gains and losses on these instruments are included in the statement of income.

As of June 30, 2024, the Group has no derivative financial instruments. (December 31, 2023: None).

### 2.11 Offsetting of financial assets

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

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

### 2.12 Cash and cash equivalents

Cash and cash equivalents, which is the basis for the 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 3 months which are ready to be used by the Group or not blocked for any other purpose.

### 2.13 Capital

As at June 30, 2024 and December 31, 2023, the share capital and ownership structure of the Company are as follows:

Name	June 30, 2024		December 31, 2023	
	Shareholding amount (TL)	Shareholding rate (%)	Shareholding amount (TL)	Shareholding rate (%)
Republic of Turkey Ministry of Treasury and Finance	600.000.000	100,00	600.000.000	100,00
<b>Paid in capital</b>	<b>600.000.000</b>	<b>100,00</b>	<b>600.000.000</b>	<b>100,00</b>

The capital of the Company is TL 600.000.000 in total which consists of 600.000.000 shares, each of them is valued as TL 1. TL 600.000.000 corresponding to 600.000.000 shares, which are valued as TL 1 each, is paid in cash by Republic of Turkey Ministry of Treasury and Finance as of June 30, 2024.

As of June 30, 2024, there are not any privileges on common shares representing share capital (December 31, 2023: None).

As of June 30, 2024 and December 31, 2023, the Company is not subject to registered capital system.



## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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## **2 Summary of significant accounting policies (continued)**

### **2.14 Insurance and investment contracts - classification**

An insurance contract is a contract under which the Group 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 scope of insurance contracts recognized as revenue under the account caption “written premiums”.

Investment contracts are those contracts which transfer financial risk with no significant insurance risk. 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.

The Group acts as a reinsurer when writing insurance from an insurance company (cedant) on the basis of reinsurance contracts and cedes insurance business to another retrocessionaire (the retrocedant) on the basis of retrocession contracts.

As at the reporting date, the Group does not have a contract which is classified as an investment contract.

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

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

- (i) that 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; and
- (iii) that 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 Group, Fund or other entity that issues the contract

As of balance sheet date, the Group does not have any insurance or investment contracts that contain a DPF (December 31, 2023: None).

### **2.16 Investment contracts without discretionary participation feature**

As of the reporting date, the Group does not have any insurance contracts and investment contracts without discretionary participation feature (December 31, 2023: None).

### **2.17 Liabilities**

*Financial liability* is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities of the Group are measured at their discounted values. A financial liability is derecognized when it is paid.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

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## 2 Summary of significant accounting policies (continued)

### 2.18 Taxes

#### Corporate tax

Statutory income is subject to corporate tax at 30%. This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax deductible expenses and allowances for tax purposes. If there is no dividend distribution planned, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 10%. 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 taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their corporate tax returns to their tax offices by the end of last day of the fourth month of following the close of the accounting period to 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.

As per the Article 17 of the Omnibus Law published in the Official Gazette dated December 28, 2023, Banks, companies within the scope of the Law on Financial Leasing, Factoring, Financing and Savings Finance Companies, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will apply inflation accounting in accordance with the Tax Procedure Law as of December 31, 2023, and the profit / loss difference arising from the inflation adjustment made in the 2024 and 2025 accounting periods, including the temporary tax periods, will not be taken into account in the determination of the tax base.

#### Deferred tax

In accordance with *TAS 12 – Income taxes*, deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

Deferred tax assets and liabilities are reported as net in the financial statements if, and only if, the Group has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity.

In case where gains/losses resulting from the subsequent measurement of the assets are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized as an item under equity, then the related current and/or deferred tax effects are also recognized directly in the equity.

As of June 30, 2024, 30% tax rate is used for temporary differences in deferred tax calculation (December 31, 2023: 30%).

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

## 2 Summary of significant accounting policies (continued)

### 2.18 Taxes (continued)

#### Transfer pricing

The transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm’s length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

### 2.19 Employee benefits

#### Pension and other post-retirement obligations

In accordance with existing Turkish Labour Law, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as at June 30, 2024 is TL 35.058,58 (December 31, 2023: TL 23.489,83).

In accordance with TAS 19 which published by Public Oversight Accounting and Auditing Standards Authority of Turkey (POA) dated March 12, 2013 and numbered 28585 is about “Benefits Employee Accounting Standard” and defined by beginning from December 31, 2012, net defined benefit liability of the actuarial gains and losses arising on re-measurement should be recognized in other comprehensive income under shareholders' equity and this effect should be applied retrospectively. The Group started to account current actuarial gains and losses under equity (other profit reserves) due to the fact that prior period actuarial gains and losses have remained below the materiality.

The Group accounted for employee severance indemnities using actuarial method in compliance with the TAS 19 – *Employee Benefits*.

The major actuarial assumptions used in the calculation of the total liability as of June 30, 2024 and December 31, 2023 are as follows:

	June 30, 2024	December 31, 2023
Discount rate	%2,92	%3,35
Expected rate of salary/limit increase	%30,00	%30,00

#### Other benefits

The Group has provided for undiscounted short-term employee benefits earned during the year as per services rendered in compliance with *TAS 19* in the accompanying financial statements.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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## **2 Summary of significant accounting policies (continued)**

### **2.20 Provisions**

A provision is made 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 not any probability of cash outflow from the Group to settle the liability, the related liability is considered as “contingent” and disclosed in the notes to the financial statements.

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 Group. Contingent assets are not recognized in 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 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 financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Group discloses the contingent assets in the notes to the financial statements.

### **2.21 Revenue recognition**

#### **Written premiums**

Written premiums represent premiums ceded from insurance and reinsurance companies as a reinsurance company. Premiums ceded to retrocessionaire companies are accounted as “written premiums, ceded” in the profit or loss statement. Written premiums are recorded upon the receipt of quarterly statements of accounts from cedant in treaties whereas facultative accounts are registered upon the receipt of monthly slips.

#### **Claims paid**

Claims paid represent payments of the Group as a reinsurance company when risks ceded from insurance and reinsurance companies are realized. Claims are recognised as expense upon the receipt of notifications. Notifications have not specific periods and depend on the initiative of the insurance and reinsurance companies.

#### **Commission income and expenses**

Commissions paid to the insurance and reinsurance companies and brokers related to the taken risk of written premium as a reinsurance company and the commissions received from the reinsurance companies related to the premiums ceded are recognized over the life of the contract by deferring commission income and expenses respectively within the calculation of reserve for unearned premiums for the policies produced.

#### **Interest income and expenses**

Interest income and expenses are recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. 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.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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## **2 Summary of significant accounting policies (continued)**

### **2.21 Revenue recognition (continued)**

#### **Trading income/expense**

Trading income/expense includes gains and losses arising from disposals of financial assets held for trading purpose and available-for-sale financial assets. Trading income and trading expenses are recognized as “Income from disposal of financial assets” and “Loss from disposal of financial assets” in the accompanying consolidated financial statements.

#### **Dividends**

Dividend income is recognized when the Group’s right to receive payment is ascertained.

### **2.22 Leasing transactions**

Tangible assets acquired through finance leasing are recognised in tangible assets and the obligations under finance leases arising from the lease contracts are presented under finance lease payables account in the financial statements. In the determination of the related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expanded in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realizable value. Depreciation for assets obtained through financial lease is calculated in the same manner as tangible assets.

#### **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes as following;

- (a) the initial amount of lease liabilities recognised,
- (b) lease payments made at or before the commencement date less any lease incentives received, and
- (c) all initial direct costs incurred by the Group

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets are subject to impairment.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

## 2 Summary of significant accounting policies (continued)

### 2.22 Leasing transactions (continued)

#### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

At the commencement date of the lease, lease payments included in the measurement of lease liability consist of the following payments that will be made for the right to use the underlying asset throughout the lease term and that have not been paid at the commencement date of the lease:

- (a) fixed payments,
- (b) Variable lease payments based on an index or rate, the first measurement of which is made using an index or rate on the date the lease actually begins,
- (c) The amounts expected to be paid by the Company under residual value guarantees,
- (d) If the Company is reasonably certain to exercise the purchase option, the exercise price and
- (e) In the event that the lease term indicates that the Company will use an option to terminate the lease, penalty payments related to the termination of the lease.

Variable lease payments that are not dependent on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

The Company determines the revised discount rate for the remaining term of the lease as the implicit interest rate in the lease if easily determinable; if not easily determinable, it is determined as the alternative borrowing rate at the date of the reassessment.

The Company measures the lease liability after the commencement of the lease as follows:

- (a) Increases the carrying amount to reflect the interest expense on the lease liability, and
- (b) Decreases the carrying amount to reflect the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The right of use which is calculated on leasing agreements is accounted under “Tangible Assets” account.

The interest expense on the lease obligation is accounted under “Investment Management Expense - Including Interest”, and the depreciation expense of the usage right asset is accounted under “Depreciation and Amortization Expenses”.

Information on the duration of the operating leases and discount rates applied are as follows:

<b>Assets subject to operational leasing</b>	<b>Contract Period (Year)</b>	<b>Discount Rate - TL (%)</b>
Buildings	3-5 yıl	11,32-23,00
Vehicles	2-3 yıl	10,92-23,00

### 2.23 Dividend distribution

Dividend distributions are reflected in the financial statements as a liability in the period in which they are declared as a component of profit distribution in accordance with Turkish Commercial Law, related tax laws, Insurance legislation and the Company’s Articles of Association.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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## 2 Summary of significant accounting policies (continued)

### 2.24 Insurance technical provisions

#### *Unearned premium reserve*

In accordance with the “Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” (“Communiqué on Technical Reserves”) which was issued in 26606 numbered and August 7, 2007 dated Official Gazette and put into effect starting from January 1, 2008, the unearned premiums reserve represents the proportions of the gross premiums written without deductions of commission or any other allowance, in a period that relate to the period of risk subsequent to the reporting date for all current insurance policies. Nonetheless;

- Unearned premium reserve is calculated on the basis of 1/8 for reinsurance and retrocession transactions that are not subject to basis of day or 1/24 due to application limitations,
- For commodity marine policies with indefinite expiration dates, 50% of the remaining portion of the premiums accrued in the last three months is also provided as unearned premium reserves.

In this frame the Group: for proportional reinsurance contracts, on the basis of 1/24 over the ceded premiums for treaty and facultative contracts, for commodity marine policies with indefinite expiration dates, 50% of the remaining portion of the premiums accrued in the last three months is also provided as unearned premium reserves and for facultative and non-proportional reinsurance contracts, on the basis on day by considering beginning and ending of the contracts. The Group calculates unearned premiums reserve for ceded premium as retrocedant on the same basis.

Unearned premiums reserve is calculated for all insurance contracts except for the contracts for which the mathematical reserve is provided. Reserve for unearned premiums is also calculated for the annual premiums of the annually renewed long term insurance contracts.

#### *Unexpired risk reserves*

In accordance with the Communiqué on Technical Reserves, while providing unearned premiums reserve, in each accounting period, the companies should perform adequacy test covering the preceding 12 months due to the probability that future claims and compensations of the outstanding policies may be in excess of the unearned premiums reserve already provided. In performing this test, it is required to multiply the unearned premiums reserve, net with the expected claim/premium ratio. Expected claim/premium ratio is calculated by dividing incurred losses (outstanding claims reserve, net at the end of the period + claims paid, net – outstanding claims reserve, net at the beginning of the period) to earned premiums (written premiums, net + unearned premiums reserve, net at the beginning of the period – unearned premiums reserve, net at the end of the period).

According to the “Communiqué on Amendments to Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” published in Official Gazette no 28356 dated July 17, 2012; besides the net unexpired risk reserve detailed in the above, gross unexpired risk reserve is also calculated. The test is performed on main branch basis and in case where the net and gross expected claim/premium ratio is higher than 95%, reserve calculated by multiplying the exceeding portion of the expected claim/premium ratio with the unearned premiums reserve of that main branch is added to the reserves of that branch. Difference between the gross and net amount is represents reinsurer’s share. Premiums paid for non-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

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## **2 Summary of significant accounting policies (continued)**

### **2.24 Insurance technical provisions (continued)**

#### *Unexpired risk reserves (continued)*

According to the Circular numbered 2012/15 dated December 10, 2012, reserve for unexpired risks are calculated on main branches.

According to “Regulation on the technical provisions and assets which are to be invested of Insurance and Reinsurance and Pension Companies” (“Regulation”), unexpired risk reserve is calculated on net claim/premium ratio (outstanding claims (net) + claims paid (net)) / ((written premiums (net) – reserve for unearned premiums (net)) on a sub-branch basis. If the net claims/premiums ratio exceeds 95%, net amount of unexpired risk reserve is calculated as ratio which exceeds 95% by multiplying with net amount of unearned premiums reserve, gross unexpired risk reserve is calculated by multiplying with gross amount of unearned premiums reserve.

As a result of the calculation during the reporting period, the Group has TL 101.056.989 unexpired risk reserves (December 31, 2023: TL 38.103.605).

#### *Outstanding claims reserve*

The Companies are obliged to reserve outstanding claims provision for unearned compensation amounts that have been accrued and calculated but have not yet been paid in the previous accounting period or if this amount has not been calculated the provision should be reserved for the estimated amount that have accrued but have not been reported (“IBNR”).

In accordance with the “Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” (“Communiqué on Technical Reserves”) which was issued in 27655 numbered and July 28, 2010 dated Official Gazette, all expenses related to the claim files including calculated or expected expertise, consultant, lawsuit and communication expenses are considered while the calculation of outstanding claims reserve. In these calculations salvage and subrogation income are not considered.

In accordance with the Regulation, the calculation of provisions for incurred but not reported outstanding claims and outstanding claims reserve adequacy difference calculated by the Company’s actuary for the five years following the start of the activity are calculated. In addition, adequate differences will be calculated for extracted major damages that are determined by the actuary. The procedures and principles regarding the calculation of provisions for outstanding claim adequacy difference, sending these calculation table to the Republic of Turkey Ministry of Treasury and Finance and the addition of the calculated difference to provision for outstanding claims in financial statements are determined by the Republic of Turkey Ministry of Treasury and Finance.

Current or related reinsurance agreement conditions are considered in calculations of provisions for outstanding claims, ceded.

Except for the life branch, the difference between the outstanding claims reserve that has accrued and determined in amount, and the results of the actuarial chain ladder method whose content and application criteria stated by Republic of Turkey Ministry of Treasury and Finance, is called as incurred but not reported (“IBNR”) claims. Actuarial chain ladder method may be differentiated by Republic of Turkey Ministry of Treasury and Finance for reinsurance companies due to their special conditions.



## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

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## **2 Summary of significant accounting policies (continued)**

### **2.24 Insurance technical provisions (continued)**

#### ***Outstanding claims reserve (continued)***

December 5, 2014 dated "Circular regarding Outstanding Claims Reserve (2014/16)" and 2010/12 numbered "Circular regarding actuarial chain ladder method" except its Article 9 and 10 have abolished. According to circular that explains ACML measurement method, insurance and reinsurance companies calculate ACML with six different methods as "Standard Chain, Claim/Premium, Cape Cod, Frequency/Intense, Munich Chain and Bornhuetter-Ferguson".

The Group, as a reinsurance company, selects data, adjustments, applicable methods and development factors by itself over the data obtained from insurance companies on a branch basis via actuarial methods. According to the article 11 clause 5 of "Circular on Actuarial Report for Non-Life Insurance Branch" dated November 6, 2008, selections and results should be assess in detail in actuarial report by the actuary.

As of June 30, 2024, gross and ceded IBNR amount based on sub-branch except Agricultural sub-branches in the General Losses main branch was calculated by deducting incurred loss from final loss dated June 30, 2024 determined through sector loss ratio based on sub-branch due to insufficient data in branches. However, the IBNR amounts reported by Tarsim (Insurance of Agriculture) as of June 30, 2024 in the Agriculture sub-branches of the General Losses main branch were included in the financial statements. In the calculation of the ceded IBNR, the retrocession / gross ratio in the incurred loss on the basis of sub-branch is used. As of June 30, 2024, the Company reflected to unconsolidated financial statement the gross IBNR amount of TL 1.981.202.578 TL and TL 1.880.868.727 net IBNR (As of December 31, 2023, gross and ceded IBNR amount based on sub-branch except Agricultural sub-branches in the General Losses main branch was calculated by deducting incurred loss from final loss dated December 31, 2023 determined through sector loss ratio based on sub-branch due to insufficient data in branches. However, the IBNR amounts reported by Tarsim (Insurance of Agriculture) as of December 31, 2023 in the Agriculture sub-branches of the General Losses main branch were included in the financial statements. In the calculation of the ceded IBNR, the retrocession / gross ratio in the incurred loss on the basis of sub-branch is used. As of December 31, 2023, the Company reflected to unconsolidated financial statement the gross IBNR amount of TL 863.870.798 TL and TL 835.877.828 net IBNR).

In the framework of "Circular on Discounting Net Cash Flows Arising from Outstanding Claims Reserves" dated June 10, 2016 and numbered 2016/22 published by the Republic of Ministry of Treasury and Finance and "Circular on Making Amendments on Circular Numbered 2016/22 on Discounting of Net Cash Flows arising from Outstanding Claims" dated September 15, 2017 and numbered 2017/7 of Ministry of Treasury and Finance, discounting of net cash flows arising from outstanding claims reserves calculated and allocated according to insurance legislation has become obligatory in terms of General Liability and Land Vehicles Liability branches and possible in terms of other branches.

In accordance with the Circular No. 2024/03 on the Discounting of Net Cash Flows Arising from Outstanding Claims Provisions as of January 15, 2024, Article 7 of the circular no 2016/22 has been changed "Net cash flows are discounted to cash value by taking into account 35% as of the financial reporting period date". (December 31, 2023: %35).

The Group has calculated taking into account the sector cash flow rates to discount of all branches. Accordingly, as of June 30 2024, the Group discounted the cash flows to will be generated by the outstanding claims provision, net of TL 1.074.937.325 (December, 31 2023: TL 504.453.345).

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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## **2 Summary of significant accounting policies (continued)**

### **2.24 Insurance technical provisions (continued)**

#### ***Equalization reserve***

In accordance with the Communiqué on Technical Reserves put into effect starting from November 10, 2021, the companies should provide equalization reserve in credit insurance and earthquake branches to equalize the fluctuations in future possible claims and for catastrophic risks. Equalization reserve, started to be provided in 2008, is calculated as 12% of net premiums written in credit insurance and earthquake branches. In the calculation of net premiums, fees paid for non-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms. The companies should provide equalization reserve up to reaching 150% of the highest premium amount written in a year within the last five years. In case where claims incurred, the amounts below exemption limits as stated in the contracts and the share of the reinsurance firms cannot be deducted from equalization reserves. Claims payments are deducted from first year’s equalization reserves by first in first out method.

With the Communiqué released on July 28, 2010 and numbered 27655 “Communiqué on Amendments to Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves”, ceded premiums of earthquake and credit for non-proportional reinsurance contracts covered multiple branches should be calculated according to percentage of premiums of those branches within the total premiums unless the Group is determined any other methods. Share of earthquake and credit premium of written premiums for non-proportional reinsurance contracts is based on share of earthquake and credit premiums of proportional reinsurance contracts. After five financial years, in case that provision amount is less than previous year amount depending on written premiums, the difference is recognized in other profit reserves under equity.

This amount recorded in equity can either be kept under reserves or can also be used in capital increase or paying claims.

Equalization reserves are presented under “Other technical reserves” within long term liabilities in the accompanying consolidated financial statements. As of the reporting date, the Group has recognized equalization reserves amounting to TL 225.880.355 (December 31, 2023: TL 117.187.665).

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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## **2 Summary of significant accounting policies (continued)**

### **2.25 Related parties**

Parties are considered related to the Group if:

(a) directly, or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with the Group (this includes parent, subsidiaries and fellow subsidiaries);
- has an interest in the Group that gives it significant influence over the Group; or
- has joint control over the Group;

(b) the party is an associate of the Group;

(c) the party is a joint venture in which the Group is a venturer;

(d) the party is member of the key management personnel of the Group and its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or (e);

(g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

A number of transactions are entered into with related parties in the normal course of business.

### **2.26 Earning 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 Group. In Türkiye, 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.

### **2.27 Subsequent events**

Subsequent events that provide additional information about the Group’s position at the reporting dates (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

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## **2 Summary of significant accounting policies (continued)**

### **2.28 The new standards, amendments and interpretations**

The accounting policies adopted in preparation of the financial statements as of June 30, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and IFRIC interpretations effective as of 1 January 2024 and thereafter. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

#### **i) The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows:**

##### **Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities**

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity’s right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period (“future covenants”), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

The amendments did not have a significant impact on the financial position or performance of the Group.

##### **Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback**

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

The amendments did not have a significant impact on the financial position or performance of the Group.

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### Notes to the Consolidated Financial Statements

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## 2 Summary of significant accounting policies (continued)

### 2.28 The new standards, amendments and interpretations (continued)

i) **The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows: (continued)**

#### **Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements**

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The amendments did not have a significant impact on the financial position or performance of the Group.

#### **ii) Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting financial statements and disclosures, when the new standards and interpretations become effective.

#### **Amendments to TFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

#### **TFRS 17 - The new Standard for insurance contracts**

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a “classification overlay” to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17.

The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA:

- Insurance, reinsurance and pension companies.
- Banks that have ownership/investments in insurance, reinsurance and pension companies and
- Other entities that have ownership/investments in insurance, reinsurance and pension companies.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

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## **2 Summary of significant accounting policies (continued)**

### **2.28 The new standards, amendments and interpretations (continued)**

#### **ii) Standards issued but not yet effective and not early adopted (continued)**

##### **Amendments to IAS 21 - Lack of exchangeability**

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The Group does not expect a material impact on the consolidated financial statements.

#### **iii) Amendments which are effective immediately upon issuance**

##### **Amendments to IAS 12 - International Tax Reform – Pillar Two Model Rules**

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The amendments did not have a significant impact on the financial position or performance of the Group.

#### **iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

The following amendments to TFRS 9 and TFRS 7 as well as TFRS 18 and TFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

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### **Notes to the Consolidated Financial Statements**

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## **2 Summary of significant accounting policies (continued)**

### **2.28 The new standards, amendments and interpretations (continued)**

#### **iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA) (continued)**

##### **Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments**

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

##### **TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements**

In April 2024, IASB issued TFRS 18 which replaces IAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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

In May 2024, IASB issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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**As of June 30, 2024**

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

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### **3 Critical accounting estimates and judgments in applying accounting policies**

The notes given in this section are provided to addition/supplement the commentary on the management of insurance risk note 4.1 – *Management of insurance risk* and note 4.2 – *Financial risk management*.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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.

In particular, 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 10 – *Reinsurance assets/liabilities*
- Note 11 – *Financial assets*
- Note 12 – *Loans and receivables*
- Note 17 – *Insurance liabilities and reinsurance assets*
- Note 21 – *Deferred taxes*
- Note 23 – *Other liabilities and cost provisions*
- Note 34 – *Financial costs*



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## **4 Management of insurance and financial risk**

### **4.1 Management of insurance risk**

#### **Objective of managing risks arising from insurance (reinsurance) contracts and policies used to minimize such risks**

Reinsurance and retrocession risk are defined as a possibility of financial loss due to inappropriate and insufficient application of reinsurance techniques in the activities of taking insurance contract responsibility partially or completely.

Potential risks that may be exposed in transactions are described, classified and managed based on the requirements set out in the Group’s “Risk Acceptance Criteria” issued by the approval of the Board of Directors.

The main objective of the “Risk Acceptance Criteria” is to determine the risk measurement, assessment, and control procedures and maintain consistency between the Group’s asset quality and limitations allowed by the insurance standards together with the Group’s risk tolerance of the accepted risk level assumed in return for a specific consideration. In this respect, instruments that are related to risk transfer, such as; insurance risk selection, risk quality follow-up by providing accurate and complete information, effective monitoring of level of claims by using risk portfolio claim frequency, treaties, facultative reinsurance contracts and coinsurance agreements, and risk management instruments, such as; risk limitations, are used in achieving the related objective.

Reinsurance risk is measured by quantitative methods and kept under pre-specified limits based on the “Limit over Acceptable Reinsurance Risk and Maximum Custody Share Limit” updated and approved annually by the Board of Directors.

Reinsurance risk is monitored regularly according to criteria described in the “Limit over Acceptable Reinsurance Risk and Maximum Custody Share Limit” policy and results are analysed and reported to the Board of Directors. Action plan is determined by the Board of Directors in the case of having exposure higher than acceptable level of risk and probability.

#### **Sensitivity to insurance risk**

Insurance risks do not generally have significant unrecoverable losses in the course of ordinary transactions, except for risks associated with earthquake and other catastrophic risks. Therefore, there is a high sensitivity to earthquake and catastrophic risks.

The case of potential claims’ arising from earthquake and other catastrophic risks exceeding the maximum limit of the excess of loss agreements, such risks are treated as the primary insurance risks and are managed based on the precautionary principle. Maximum limit of excess of loss agreements is determined based on the worst-case scenario on the possibility of an earthquake in terms of its severity and any potential losses incurred in accordance with the generally accepted international earthquake models.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

#### 4 Management of insurance and financial risk (continued)

##### 4.1 Management of insurance risk (continued)

###### Insurance risk condensation

As at June 30, 2024 and December 31, 2023, the Group's insurance risk condensation on the basis of branches is summarized in the following table as gross and net (post-reinsurance):

Total claims liability June 30, 2024	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
General Loses	2.463.367.259	(62.325.961)	2.401.041.298
Fire and Natural Disasters	1.761.939.955	(782.746.724)	979.193.231
General Liabilities	272.881.209	(18.932.513)	253.948.696
Water Vehicles	188.357.484	1.750.506	190.107.990
Marine	238.729.851	(50.374.597)	188.355.254
Land Vehicles	145.041.688	(17.584.674)	127.457.014
Financial Losses	83.268.153	(14.597.080)	68.671.073
Credit	20.374.777	(32.865)	20.341.912
Accident	15.629.276	(1.045.297)	14.583.979
Breach of Trust	5.989.517	-	5.989.517
Land Vehicles Liability	3.847.100	-	3.847.100
Air Vehicle	2.898.598	-	2.898.598
Air Vehicles Liability	154.690	-	154.690
Legal Protection	19.118	2	19.120
Health	67.760	-	67.760
<b>Total</b>	<b>5.202.566.435</b>	<b>(945.889.203)</b>	<b>4.256.677.232</b>

Total claims liability December 31, 2023	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
General Loses	1.035.052.988	(95.272.565)	939.780.423
Fire and Natural Disasters	1.557.083.820	(1.020.990.342)	536.093.478
General Liabilities	184.890.066	(16.367.333)	168.522.733
Water Vehicles	127.957.566	-	127.957.566
Marine	179.428.686	(14.468.350)	164.960.336
Land Vehicles	79.903.895	(39.744.195)	40.159.700
Financial Losses	80.287.276	(75.408.363)	4.878.913
Credit	14.433.738	(62.719)	14.371.019
Accident	12.381.247	(3.510.460)	8.870.787
Breach of Trust	4.544.473	-	4.544.473
Land Vehicles Liability	2.411.790	-	2.411.790
Air Vehicle	1.704.118	-	1.704.118
Air Vehicles Liability	81.703	-	81.703
Legal Protection	17.743	-	17.743
Health	211.861	(203.362)	8.499
<b>Total</b>	<b>3.280.390.970</b>	<b>(1.266.027.689)</b>	<b>2.014.363.281</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 4 Management of insurance and financial risk (continued)

### 4.1 Management of insurance risk (continued)

#### Insurance risk condensation (continued)

#### Given insurance collateral amounts in respect to branches

	June 30, 2024	December 31, 2023
Fire and Natural Disasters	1.995.148.051.193	1.153.807.858.120
General Losses	772.053.512.562	452.068.306.901
Land Vehicles Liability	112.207.437.027	12.204.154.437
Financial Losses	76.688.765.985	42.963.133.109
General Liabilities	30.061.105.724	20.729.193.898
Accident	23.289.874.962	11.102.618.850
Water Vehicles	6.244.897.488	3.501.537.692
Land Vehicles	5.586.626.889	3.265.852.695
Marine	3.400.839.834	1.725.324.206
Credit	1.323.118.557	770.182.009
Air Vehicles	744.769.529	391.199.387
Breach of Trust	81.607.186	64.486.293
Health	861.369	861.369
Legal protection	7.760.044	4.284.261
<b>Total(*)</b>	<b>3.026.839.228.349</b>	<b>1.702.598.993.227</b>

(\*) Net amount which deducted share of reinsurance.

#### Effects of the changes in assumptions used in the measurement of insurance assets and liabilities showing the effect of each change separately that has significant effect on financial statements

In the current year, there are no material changes in the assumptions of measurement of insurance assets and liabilities.

## 4.2 Management of insurance risk

### Introduction and overview

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

- Credit risk
- Liquidity risk
- Market risk

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

The Group's risk management policies are established to identify and analyze the risks faced by the Group, 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 Group, 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.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 4 Management of insurance and financial risk (continued)

### 4.2 Management of insurance risk (continued)

#### Credit risk

Credit risk is the risk of financial loss to the Group if counterparties (parties issued financial instrument, insurance companies, reinsurance companies and other debtors) having business relationship with the Group fails to meet its contractual obligations. The Group manages this credit risk by regularly assessing reliability of the counterparties. The balance sheet items that the Group is exposed to credit risk are as follows:

- Banks
- Available for sale financial assets
- Held for trading financial assets
- Premium receivables from insurance companies
- Premium receivables from brokers due to reinsurance activity
- Receivables related to commission from retrocessionaire
- Reinsurance shares of insurance liability
- Prepaid expenses
- Other receivables

Credit risk is measured by both quantitative and qualitative methods. The Group assess the financial strengths, financial positions and payment performance of companies described as third party. In addition, the Group consider to credit ratings confirmed by international credit rating agencies related to retrocessionaire.

The results evaluated by the Risk Committee and reported regularly to the Board of Directors. Action plan is determined by the Board of Directors in the case of having exposure higher than acceptable level of risk and probability.

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

	June 30, 2024	December 31, 2023
Cash and cash equivalents (Note 14)	2.819.947.425	1.858.956.430
Financial assets (Note 11) (*)	4.338.810.977	1.644.871.006
Receivables from main operations (Note 12)	4.686.299.341	4.548.942.623
Other receivables (Note 12)	10.896.898.563	7.515.478.218
Income accruals (Note 12)	190.533.162	254.881.061
Prepaid expenses (Note 12)	9.957.564	12.408.793
Prepaid taxes and funds (Note 12)	5.022.951	31.010.859
Other current assets (Note 12)	71.473	65.277
Other non-current assets (Note 12)	-	3.000
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	945.889.202	1.266.027.689
<b>Total</b>	<b>23.893.430.658</b>	<b>17.132.644.956</b>

(\*) Equity shares amounting to TL 1.550.823.685 are not included (December 31, 2023: TL 626.881.724).

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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#### 4 Management of insurance and financial risk (continued)

##### 4.2 Management of insurance risk (continued)

###### Credit risk (continued)

As at June 30, 2024 and December 31, 2023, the aging of the receivables from main operations and related provisions are as follows:

	June 30, 2024		December 31, 2023	
	Gross Amount	Provision	Gross Amount	Provision
Not past due	4.339.695.750	-	4.372.022.165	-
Past due 0-30 days	220.941.965	-	33.221.602	-
Past due 31 – 60 days	29.084.988	-	32.221.240	-
Past due 61 – 90 days	60.278.757	-	46.627.228	-
Past due 90+	36.297.881	-	64.850.388	-
<b>Total</b>	<b>4.686.299.341</b>	<b>-</b>	<b>4.548.942.623</b>	<b>-</b>

The Group does not have any allowance for impairment losses for receivables from main operations as of June 30, 2024 (December 31, 2023: None).

###### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as a result of the imbalance between the Group's cash inflows and outflows in terms of maturity and volume.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities.

In respect of this risk which is measured by quantitative methods, any liquidity deficit is observed via the maturity analysis of assets and liabilities in the statement of balance sheet. Furthermore, liquidity structure of the Group is monitored by using the following basic indicators in respect of liquidity ratios.

- Liquid Assets / Total Assets
- Liquidity Ratio
- Current Ratio
- Premium and Reinsurance Receivables / Total Assets

Action plan is determined by the Board of Directors in the case of having exposure higher than acceptable level of risk and probability.

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### Notes to the Consolidated Financial Statements

As of June 30, 2024

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#### 4 Management of insurance and financial risk (continued)

##### 4.2 Management of insurance risk (continued)

###### Liquidity risk (continued)

###### Management of the liquidity risk

The Group considers the maturity match between asset and liabilities for the purpose of avoiding liquidity risk and ensure that it will always have sufficient liquidity to meet its liabilities when due.

Maturity distribution of monetary assets and liabilities:

June 30, 2024	Carrying amount	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 year and up	Unallocated
Cash and cash equivalents	2.819.947.425	2.717.822.316	-	-	-	-	102.125.109
Financial assets	5.889.634.661	198.075.945	553.603.658	158.402.044	125.971.382	48.739.751	4.804.841.881
Receivables from main operations	4.686.299.341	435.504.905	454.391.604	328.010.706	3.468.392.126	-	-
Other receivables and current assets	11.087.503.198	-	6.292.947.906	212.984.687	-	4.581.570.605	-
<b>Total monetary assets</b>	<b>24.483.384.625</b>	<b>3.351.403.166</b>	<b>7.300.943.168</b>	<b>699.397.437</b>	<b>3.594.363.508</b>	<b>4.630.310.356</b>	<b>4.906.966.990</b>
Other financial liabilities	10.884.668.742	810.896	6.300.419.320	1.417.538	450.383	4.581.570.605	-
Payables from main operations	1.727.228.673	618.173.583	257.698.038	752.417.352	98.939.700	-	-
Insurance technical reserves <sup>(*)</sup>	4.256.677.232	-	-	-	-	-	4.256.677.232
Provisions for taxes and other similar obligations	309.885.570	37.456.357	272.429.213	-	-	-	-
Other payables	26.872.458	26.872.458	-	-	-	-	-
Provisions for other risks and expense accruals	82.349.354	-	-	68.673.632	7.589.706	6.086.016	-
<b>Total monetary liabilities</b>	<b>17.287.682.029</b>	<b>683.313.294</b>	<b>6.830.546.571</b>	<b>822.508.522</b>	<b>106.979.789</b>	<b>4.587.656.621</b>	<b>4.256.677.232</b>

(\*) Outstanding claims reserve is presented as net of reinsurance share in Insurance technical reserves.

December 31, 2023	Carrying amount	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 year and up	Unallocated
Cash and cash equivalents	1.858.956.430	1.408.566.377	290.374.142	-	-	-	160.015.911
Financial assets	2.271.752.731	220.858.425	383.640.416	43.444.626	70.544.945	92.245.643	1.461.018.676
Receivables from main operations	4.548.942.623	832.647.047	3.627.257.309	49.522.269	39.515.998	-	-
Other receivables and current assets	7.770.427.556	-	240.259.074	30.165.482	2.500.000.000	5.000.003.000	-
<b>Total monetary assets</b>	<b>16.450.079.340</b>	<b>2.462.071.849</b>	<b>4.541.530.941</b>	<b>123.132.377</b>	<b>2.610.060.943</b>	<b>5.092.248.643</b>	<b>1.621.034.587</b>
Other financial liabilities	7.509.591.557	818.183	1.667.921	2.563.992	2.504.091.077	5.000.450.384	-
Payables from main operations	570.879.327	596.389	501.400.882	68.882.056	-	-	-
Insurance technical reserves <sup>(*)</sup>	2.014.363.281	-	-	-	-	-	2.014.363.281
Provisions for taxes and other similar obligations	46.734.294	11.222.249	-	35.512.045	-	-	-
Other payables	18.095.118	18.095.118	-	-	-	-	-
Provisions for other risks and expense accruals	194.659.997	-	15.110.200	170.171.976	4.919.395	4.458.426	-
<b>Total monetary liabilities</b>	<b>10.354.323.574</b>	<b>30.731.939</b>	<b>518.179.003</b>	<b>277.130.069</b>	<b>2.509.010.472</b>	<b>5.004.908.810</b>	<b>2.014.363.281</b>

(\*) Outstanding claims reserve is presented as net of reinsurance share in Insurance technical reserves.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

#### 4 Management of insurance and financial risk (continued)

##### 4.2 Management of insurance risk (continued)

###### Market risk (continued)

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and credit spreads will affect the Group’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.

###### Foreign currency risk

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

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

June 30, 2024	US Dollar	Euro	Other currencies	Total
Receivables from main operations	419.273.167	997.563.064	137.955.879	1.554.792.110
Cash and cash equivalents	301.433.842	1.422.593.588	8.784.184	1.732.811.614
<b>Total foreign currency assets</b>	<b>720.707.009</b>	<b>2.420.156.652</b>	<b>146.740.063</b>	<b>3.287.603.724</b>
Payables from main operations	68.832.471	1.011.153.138	2.434.445	1.082.420.054
Insurance technical reserves (*)	835.280.690	248.557.331	85.129.327	1.168.967.348
<b>Total foreign currency liabilities</b>	<b>904.113.161</b>	<b>1.259.710.469</b>	<b>87.563.772</b>	<b>2.251.387.402</b>
<b>Net financial position</b>	<b>(183.406.152)</b>	<b>1.160.446.183</b>	<b>59.176.291</b>	<b>1.036.216.322</b>

December 31, 2023	US Dollar	Euro	Other currencies	Total
Receivables from main operations	202.455.920	357.285.599	102.138.785	661.880.304
Cash and cash equivalents	357.281.915	1.000.369.696	8.414.540	1.366.066.151
<b>Total foreign currency assets</b>	<b>559.737.835</b>	<b>1.357.655.295</b>	<b>110.553.325</b>	<b>2.027.946.455</b>
Payables from main operations	-	147.718.607	-	147.718.607
Insurance technical reserves (*)	457.368.820	66.365.479	80.874.858	604.609.157
<b>Total foreign currency liabilities</b>	<b>457.368.820</b>	<b>214.084.086</b>	<b>80.874.858</b>	<b>752.327.764</b>
<b>Net financial position</b>	<b>102.369.015</b>	<b>1.143.571.209</b>	<b>29.678.467</b>	<b>1.275.618.691</b>

(\*) According to the “Communiqué on Amendments to Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” published in Official Gazette no 27655 dated July 28, 2010; foreign currency denominated claims provisions evaluated by the Central Bank of Republic of Türkiye’s spot selling rates.

In order to evaluate the table above, the TL equivalents of the relevant foreign currency amounts are shown. If no exchange rate is specified, foreign currency technical provisions are valued at the CBRT's selling rate of June 30, 2024, while other foreign currency transactions are accounted at the prevailing exchange rates on the date of the transaction, and as of the end of the reporting period, assets are valued at the CBRT buying rates and liabilities are valued at the CBRT selling rate as of June 30, 2024 and the resulting exchange rate differences are recorded as foreign exchange profit and loss.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 4 Management of insurance and financial risk (continued)

### 4.2 Management of insurance risk (continued)

#### Market risk (continued)

##### Exposure to foreign currency risk

Foreign currency rates used for the translation of foreign currency denominated monetary assets and liabilities as of June 30, 2024 and December 31, 2023 are as follows:

	End of period -Buying		End of period -Selling		Average	
	US Dollar	EUR	US Dollar	EUR	US Dollar	EUR
June 30, 2024	32,8262	35,1284	32,8853	35,1917	31,6040	34,1737
December 31, 2023	29,4382	32,5739	29,4913	32,6326	23,7380	25,6793

The change in equity and the income statement (excluding tax impact) is shown in the following table during the accounting periods ended June 30, 2024 and December 31, 2023 due to the 10 percent depreciation of the TL against the following currencies. This analysis was prepared on the assumption that all other variables, especially interest rates, remain constant. If TL values 10 percent against related currencies, the effect will be in the same amount but in the opposite direction.

	June 30, 2024		December 31, 2023	
	Profit or loss	Equity <sup>(*)</sup>	Profit or loss	Equity <sup>(*)</sup>
US Dollar	18.340.615	18.340.615	(10.236.902)	(10.236.902)
Euro	(116.044.618)	(116.044.618)	(114.357.121)	(114.357.121)
Other	(5.917.629)	(5.917.629)	(2.967.847)	(2.967.847)
<b>Total, net</b>	<b>(103.621.632)</b>	<b>(103.621.632)</b>	<b>(127.561.870)</b>	<b>(127.561.870)</b>

(\*) Equity effect also includes profit or loss effect of 10% depreciation of TL against related currencies.

##### Exposure to interest rate risk

The principal risk to which non-trading portfolios 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 repricing bands.

As at reporting date, the variable interest income and interest-bearing financial assets and liabilities are as follows:

	June 30, 2024	December 31, 2023
<b>Financial assets / (liabilities) with fixed interest rates:</b>		
Cash at banks (Note 14)	2.758.780.307	1.698.940.519
Available for sale financial assets – Government bonds – TL (Note 11)	836.784	763.565
Available for sale financial assets – Private sector borrowing bonds – TL (Note 11)	468.548.952	113.444.385
Available for sale financial assets – Private sector bonds – TL (Note 11)	85.654.777	89.206.106
Marketable securities held to maturity – time deposit – TL (Note 11)	413.855.471	-
Held for trading financial assets – FX indexed financial assets (Note 11)	-	539.740.831
<b>Financial assets / (liabilities) with variable interest rate:</b>		
Available for sale financial assets – Private sector bonds – TL (Note 11)	103.323.689	67.579.166
Available for sale financial assets – Private sector borrowing bonds – TL (Note 11)	12.573.108	-



## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

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#### 4 Management of insurance and financial risk (continued)

##### 4.2 Management of insurance risk (continued)

###### Market risk (continued)

###### Fair value information

The estimated fair values of financial instruments have been determined using available market information, and where it exists, appropriate valuation methodologies.

The Group has classified its financial assets as available for sale, held for trading or held to maturity. As of the reporting date, available for sale financial assets and financial assets held for trading are measured at their fair values based on their quoted prices or fair value information obtained from brokers in the accompanying consolidated financial statements.

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

###### Classification relevant to fair value information

IFRS 7 – *Financial instruments: Disclosures* requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Group. This distinction brings about a fair value measurement classification generally as follows.

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

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

In accordance with *IFRS 13 - Measurement of Fair Value* standard effective from January 1, 2013, all assets measured at fair value are classified and presented in an order that reflects the importance of the data used in determining their fair value.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

#### 4 Management of insurance and financial risk (continued)

##### 4.2 Management of insurance risk (continued)

###### Market risk (continued)

Classification relevant to fair value information (continued)

The classification of fair value measurements of financial assets and liabilities measured at fair value is as follows:

	June 30, 2024			Total
	Level 1	Level 2	Level 3	
<b>Financial assets:</b>				
Available for sale financial assets (Note 11)	2.221.760.994	-	-	<b>2.221.760.994</b>
Held to maturity financial assets (Note 11)	413.855.471	-	-	<b>413.855.471</b>
Held for trading financial assets (Note 11)	3.254.018.196	-	-	<b>3.254.018.196</b>
<b>Total</b>	<b>5.889.634.661</b>	<b>-</b>	<b>-</b>	<b>5.889.634.661</b>

	December 31, 2023			Total
	Level 1	Level 2	Level 3	
<b>Financial assets:</b>				
Available for sale financial assets (Note 11)	897.874.947	-	-	<b>897.874.947</b>
Held for trading financial assets (Note 11)	1.034.605.678	339.272.106	-	<b>1.373.877.784</b>
<b>Total</b>	<b>1.932.480.625</b>	<b>339.272.106</b>	<b>-</b>	<b>2.271.752.731</b>

###### Equity shares price risk

Equity share price risk is defined as the risk of decreasing the market price of equity shares as a result of a decline in index.

The effect on income as a result of 10% decrease in the fair value of equity share instruments available for sale financial assets (traded at İstanbul Stock Exchange) due to a reasonably possible change in equity share indices, with all other variables held constant, is as follows (excluding tax effect):

	June 30, 2024		December 31, 2023	
	Profit or loss	Equity	Profit or loss	Equity
Available for sale financial assets	(149.528.304)	(149.528.304)	(61.127.145)	(61.127.145)
<b>Total, net</b>	<b>(149.528.304)</b>	<b>(149.528.304)</b>	<b>(61.127.145)</b>	<b>(61.127.145)</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 4 Management of insurance and financial risk (continued)

### 4.2 Management of insurance risk (continued)

#### Gain and losses from financial assets

<i>Gains and losses recognized in the statement of income, net:</i>	<b>January 1- June 30, 2024</b>	<b>April 1- June 30, 2024</b>	<b>January 1- June 30, 2023</b>	<b>April 1- June 30, 2023</b>
Interest income from bank deposits	488.985.286	330.930.455	207.327.134	140.860.425
Income from debt securities classified as available for sale financial assets	118.090.208	72.780.549	40.585.744	16.301.815
Income from investment funds classified as available for sale financial assets	298.997.960	151.093.055	116.933.596	56.421.274
Income from investment funds classified as trading financial assets	501.829.387	262.245.566	125.146.507	111.648.562
Income from derivative financial instruments	19.966.708	-	97.056.403	75.485.469
Foreign exchange gains	334.266.660	76.212.378	431.342.384	397.057.089
<b>Investment income</b>	<b>1.762.136.209</b>	<b>893.262.003</b>	<b>1.018.391.768</b>	<b>797.774.634</b>
Foreign exchange losses	(261.515.495)	(53.050.781)	(163.731.309)	(132.322.515)
Value decrease of securities	(12.454.672)	-	(10.502.454)	-
Loss from disposal of financial assets	(26.995.403)	(26.079.694)	(54.385.619)	(23.269.116)
Loss from derivative financial instruments	-	-	(290.447)	(290.447)
Investment management expenses (including interest)	(332.970)	(150.348)	(806.581)	(407.082)
<b>Investment expenses</b>	<b>(301.298.540)</b>	<b>(79.280.823)</b>	<b>(229.716.410)</b>	<b>(156.289.160)</b>
<b>Investment income, net</b>	<b>1.460.837.669</b>	<b>813.981.180</b>	<b>788.675.358</b>	<b>641.485.474</b>

<i>Gains and losses recognized in the statement of equity, net:</i>	<b>June 30, 2024</b>	<b>June 30, 2023</b>
Fair value changes in available for sale financial assets (Note 15)	34.020.091	(31.379.119)
<b>Total, net</b>	<b>34.020.091</b>	<b>(31.379.119)</b>

#### Capital management

The Group's capital management policies include the following:

- To comply with the insurance capital requirements required by Republic of Turkey Ministry of Treasury and Finance
- To safeguard the Company's ability to continue as a going concern

In accordance with the "Communiqué on Measurement and Assessment of Capital Adequacy for Insurance, Reinsurance and Individual Pension Companies" issued by Republic of Turkey Ministry of Treasury and Finance on August 23, 2015 dated and 29454 numbered; capital adequacy calculations are conducted twice a year, in June and December;

As of June 30, 2024, Türk Reasürans A.Ş. measured its minimum capital requirement as TL 2.423.465.203 (December 31, 2023: TL 1.683.276.051), the capital amount of the Company calculated according to the Communiqué is TL 1.855.531.014 (December 31, 2023: TL 1.116.133.620) more than the minimum capital requirement amounts.

Türk Katılım Reasürans A.Ş. measured its minimum capital requirement as TL 309.369.758 (December 31, 2023: TL 164.594.798). As of June 30, 2024, the capital amount of the Türk Katılım Reasürans calculated according to the Communiqué is TL 94.485.383 less than the minimum required equity capital (December 31, 2023: TL 22.633.250 capital shortfall). The Company Management has declared and committed in writing that necessary actions will be taken in compliance with legal regulations in full and on time.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

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## 5 Segment Information

A segment is a distinguishable component of the Group 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.

As of June 30, 2024 and December 31, 2023, the Group operates in non-life branches and is not required to present segment reporting since its debt or equity instruments are not traded in a public market. The main geographical segment the Group operates is in Turkey, so the Group does not disclose geographical segment reporting.

## 6 Tangible assets

Movement in tangible assets in the period from January 1 to June 30, 2024 is presented below:

	January 1, 2024	Additions	Disposals	June 30, 2024
<b>Cost:</b>				
Machinery and equipment	8.760.532	4.289.115	-	13.049.647
Furniture and fixtures	6.020.766	59.915	-	6.080.681
Motor vehicles	14.541.126	14.969.913	-	29.511.039
Other tangible assets (including leasehold improvements)	6.115.043	-	-	6.115.043
Operating leases (Buildings)	14.103.479	-	(2.753.057)	11.350.422
Operating leases (Vehicles)	7.908.501	-	(182.756)	7.725.745
Advances paid for tangible assets (including construction in progress)	-	480.000	-	480.000
	<b>57.449.447</b>	<b>19.798.943</b>	<b>(2.935.813)</b>	<b>74.312.577</b>
<b>Accumulated depreciation:</b>				
Machinery and equipment	(4.023.771)	(1.232.269)	-	(5.256.040)
Furniture and fixtures	(1.623.128)	(657.610)	-	(2.280.738)
Motor vehicles	(922.397)	(2.093.441)	-	(3.015.838)
Other tangible assets (including leasehold improvements)	(2.931.014)	(812.102)	-	(3.743.116)
Operating leases (Buildings)	(9.303.714)	(1.725.534)	951.222	(10.078.026)
Operating leases (Vehicles)	(4.074.914)	(1.783.629)	182.756	(5.675.787)
	<b>(22.878.938)</b>	<b>(8.304.585)</b>	<b>1.133.978</b>	<b>(30.049.545)</b>
<b>Carrying amounts</b>	<b>34.570.509</b>			<b>44.263.032</b>

Movement in tangible assets in the period from January 1 to June 30, 2023 is presented below:

	January 1, 2023	Additions	Disposals	June 30, 2023
<b>Cost:</b>				
Machinery and equipment	6.913.574	1.416.624	-	8.330.198
Furniture and fixtures	2.236.581	426.827	-	2.663.408
Other tangible assets (including leasehold improvements)	4.714.855	1.400.188	-	6.115.043
Operating leases (Buildings)	11.518.096	1.533.061	-	13.051.157
Operating leases (Vehicles)	4.711.879	4.701.233	(1.236.220)	8.176.892
	<b>30.094.985</b>	<b>9.477.933</b>	<b>(1.236.220)</b>	<b>38.336.698</b>
<b>Accumulated depreciation:</b>				
Machinery and equipment	(2.059.126)	(975.184)	-	(3.034.310)
Furniture and fixtures	(452.548)	(193.968)	-	(646.516)
Other tangible assets (including leasehold improvements)	(1.348.802)	(769.717)	-	(2.118.519)
Operating leases (Buildings)	(4.682.631)	(2.274.526)	-	(6.957.157)
Operating leases (Vehicles)	(2.185.905)	(1.698.349)	1.236.220	(2.648.034)
	<b>(10.729.012)</b>	<b>(5.911.744)</b>	<b>1.236.220</b>	<b>(15.404.536)</b>
<b>Carrying amounts</b>	<b>19.365.973</b>			<b>22.932.162</b>

There is not any mortgage over tangible assets of the Group as at June 30, 2024 (December 31, 2023: None).

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 7 Investment properties

The Group has not any investment property as at June 30, 2024 (December 31, 2023: None).

## 8 Intangible assets

Movement in intangible assets in the period from January 1 to June 30, 2024 is presented below:

	January 1, 2024	Additions	Transfers	Disposals	June 30, 2024
<b>Costs:</b>					
Rights	18.677.501	2.402.907	-	-	21.080.408
Other intangible assets	9.106.530	54.512.725	15.119.956	-	78.739.211
Advances on intangible fixed assets (*)	41.370.935	-	(15.119.956)	-	26.250.979
	<b>69.154.966</b>	<b>56.915.632</b>	<b>-</b>	<b>-</b>	<b>126.070.598</b>
<b>Accumulated amortization:</b>					
Intangible assets	(10.595.561)	(7.597.210)	-	-	(18.192.771)
	<b>(10.595.561)</b>	<b>(7.597.210)</b>	<b>-</b>	<b>-</b>	<b>(18.192.771)</b>
<b>Net book value</b>	<b>58.559.405</b>				<b>107.877.827</b>

Movement in intangible assets in the period from January 1 to June 30, 2023 is presented below:

	January 1, 2023	Additions	Transfers	Disposals	June 30, 2023
<b>Costs:</b>					
Rights	12.440.464	4.101.855	-	-	16.542.319
Advances on intangible fixed assets (*)	501.695	-	-	-	501.695
	<b>12.942.159</b>	<b>4.101.855</b>	<b>-</b>	<b>-</b>	<b>17.044.014</b>
<b>Accumulated amortization:</b>					
Intangible assets	(5.191.509)	(1.666.247)	-	-	(6.857.756)
	<b>(5.191.509)</b>	<b>(1.666.247)</b>	<b>-</b>	<b>-</b>	<b>(6.857.756)</b>
<b>Net book value</b>	<b>7.750.650</b>				<b>10.186.258</b>

(\*) Consist of advances for computer software, program licenses, etc.

## 9 Investments in associates

	June 30, 2024		December 31, 2023	
	Net book value TL	Participation rate %	Net book value TL	Participation rate %
B3i Services AG	4.497.494	0,89%	4.497.494	0,89%
Impairment (-)	(4.497.494)		(4.497.494)	
<b>Investments in equity shares (Note 4.2)</b>	<b>-</b>		<b>-</b>	

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

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#### 10 Reinsurance asset and liabilities

As of June 30, 2024 and December 31, 2023, outstanding reinsurance assets and liabilities of the Group, as reinsurance company in accordance with existing reinsurance contracts are as follows:

Reinsurance assets	June 30, 2024	December 31, 2023
Receivables from reinsurance companies (Note 12)	24.424.148	273.261
Unearned premiums reserve, ceded (Note 17)	8.546.125	10.450.512
Unexpired risk reserve, ceded (Note 17)	-	-
Outstanding claims reserve, ceded (Note 17 and 4.2)	945.889.202	1.266.027.689
Other technical reserves, ceded (Note 17)	123.166.421	66.055.073
<b>Total</b>	<b>1.102.025.896</b>	<b>1.342.806.535</b>

There are no impairment losses recognized for reinsurance assets.

Reinsurance liabilities	June 30, 2024	December 31, 2023
Payables to reinsurance companies related to premiums written	33.090.445	6.472.563
Deferred commission income (Note 19)	2.479.728	3.082.097
<b>Total</b>	<b>35.570.173</b>	<b>9.554.660</b>

The gains and losses recognized in the income statement in accordance with the retrocession contracts of the Group are shown in the following table:

	January 1 – June 30, 2024	April 1 – June 30, 2024	January 1 – June 30, 2023	April 1 – June 30, 2023
Premiums ceded during the period (Note 17)	(1.184.008.794)	(605.756.290)	(473.392.799)	(283.130.363)
Unearned premiums reserve, ceded at the beginning of the period (Note 17)	(10.450.512)	-	(10.652.881)	
Unearned premiums reserve, ceded at the end of the period (Note 17)	8.546.125	(575.198)	9.772.396	(681.213)
<b>Premiums earned, ceded (Note 17)</b>	<b>(1.185.913.181)</b>	<b>(606.331.488)</b>	<b>(474.273.284)</b>	<b>(283.811.576)</b>
Claims paid, ceded during the period (Note 17)	642.661.232	95.614.370	929.043.489	558.675.593
Outstanding claims reserve, ceded at the beginning of the period (Note 17)	(1.266.027.689)	-	(30.743.448)	-
Outstanding claims reserve, ceded at the end of the period (Note 17)	945.889.202	(43.902.110)	2.665.715.408	748.318.901
<b>Claims incurred, ceded (Note 17)</b>	<b>322.522.745</b>	<b>51.712.260</b>	<b>3.564.015.449</b>	<b>1.306.994.494</b>
Commission income accrued from reinsurers during the period (Note 32)	2.364.135	1.392.366	1.811.257	1.138.722
Deferred commission income at the beginning of the period (Note 19)	3.082.097	-	1.420.874	-
Deferred commission income at the end of the period (Note 19)	(2.479.728)	131.149	(1.867.133)	(528.899)
<b>Commission income earned from reinsurers (Note 32)</b>	<b>2.966.504</b>	<b>1.523.515</b>	<b>1.364.998</b>	<b>609.823</b>
<b>Changes in unexpired risks reserve, ceded (Note 17)</b>	<b>-</b>	<b>-</b>	<b>33.752</b>	<b>(276.856)</b>
<b>Changes in equalization reserve, ceded (Note 17)</b>	<b>123.166.421</b>	<b>37.593.426</b>	<b>42.830.710</b>	<b>9.962.788</b>
<b>Total, net</b>	<b>(737.257.511)</b>	<b>(515.502.287)</b>	<b>3.133.971.625</b>	<b>1.033.478.673</b>

# Türk Reasürans Anonim Şirketi

## Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

### 11 Financial assets

As of June 30, 2024 and December 31, 2023, the Group's financial assets portfolio are detailed as follows:

	June 30, 2024	December 31, 2023
Available for sale financial assets	2.221.760.994	897.874.947
Financial assets held to maturity	413.855.471	-
Financial assets held for trading	3.254.018.196	1.373.877.784
<b>Total</b>	<b>5.889.634.661</b>	<b>2.271.752.731</b>

As of June 30, 2024 and December 31, 2023, the Group's available for sale financial assets are as follows:

	June 30, 2024			Net book value
	Nominal value	Cost	Fair value	
<b>Debt instruments:</b>				
Government bonds – TL	1.000.582	735.552	836.784	836.784
Private sector borrowing bonds – TL	464.025.000	437.920.245	481.122.060	481.122.060
Private sector bonds - TL	177.450.000	177.341.428	188.978.466	188.978.466
<b>Total</b>		<b>615.997.225</b>	<b>670.937.310</b>	<b>670.937.310</b>
<b>Non-fixed income financial assets:</b>				
Equity shares	89.276.706	1.598.675.819	1.550.823.684	1.550.823.684
<b>Total</b>		<b>1.598.675.819</b>	<b>1.550.823.684</b>	<b>1.550.823.684</b>
<b>Total available for sale financial assets (Note 4.2)</b>		<b>2.214.673.044</b>	<b>2.221.760.994</b>	<b>2.221.760.994</b>
	December 31, 2023			Net book value
	Nominal value	Cost	Fair value	
<b>Debt instruments:</b>				
Government bonds – TL	1.000.582	735.547	763.565	763.565
Private sector borrowing bonds – TL	121.470.000	109.339.560	113.444.385	113.444.385
Private sector bonds - TL	150.250.000	150.141.428	156.785.272	156.785.272
<b>Total</b>		<b>260.216.535</b>	<b>270.993.222</b>	<b>270.993.222</b>
<b>Non-fixed income financial assets:</b>				
Equity shares	40.505.977	712.454.065	626.881.725	626.881.725
<b>Total</b>		<b>712.454.065</b>	<b>626.881.725</b>	<b>626.881.725</b>
<b>Total available for sale financial assets (Note 4.2)</b>		<b>972.670.600</b>	<b>897.874.947</b>	<b>897.874.947</b>

All of the debt securities of the Group shown in the above tables consist of securities traded in stock exchanges.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

#### 11 Financial assets (continued)

As of June 30, 2024, the Company has presented time deposits of TL 413.855.471, which have a maturity date of more than three months, in its unconsolidated financial statements to be classified as 'Held to Maturity Investments' (December 31, 2023: None). All of the time deposits are denominated in TL and the interest rates applied are between 51,5% and 53,0%.

As of June 30, 2024 and December 31, 2023, the details of the Group's financial assets held for trading are as follows:

	June 30, 2024			Net book value
	Nominal value	Cost value	Fair value	
<b>Other non-fixed income financial assets:</b>				
Investment funds	1.433.106.997	2.407.024.460	3.254.018.196	3.254.018.196
<b>Total</b>		<b>2.407.024.460</b>	<b>3.254.018.196</b>	<b>3.254.018.196</b>
<b>Total trading financial assets (Not 4.2)</b>		<b>2.407.024.460</b>	<b>3.254.018.196</b>	<b>3.254.018.196</b>
	December 31, 2023			Net book value
	Nominal value	Cost value	Fair value	
<b>Other fixed income financial assets:</b>				
Receivables from repo transactions		200.402.846	200.468.725	200.468.725
FX indexed financial assets (*)		325.941.619	339.272.106	339.272.106
<b>Total</b>		<b>526.344.465</b>	<b>539.740.831</b>	<b>539.740.831</b>
<b>Other non-fixed income financial assets:</b>				
Investment funds	506.276.558	390.228.533	834.136.953	834.136.953
<b>Total</b>		<b>390.228.533</b>	<b>834.136.953</b>	<b>834.136.953</b>
<b>Total trading financial assets (Not 4.2)</b>		<b>916.572.998</b>	<b>1.373.877.784</b>	<b>1.373.877.784</b>

(\*) The Group classified the foreign exchange protected Turkish Lira deposits having a maturity of three months or more in scope of Law No. 7352 published in the Official Gazette dated January 29, 2022 and numbered 31734 as trading financial assets.

The Group does not have any financial assets issued by its affiliates.

There are no securities representing debt issued by the Group during the period or previously issued but redeemed during the period.

Among the financial asset portfolios of the Group, there is no financial asset that is overdue but not impaired yet.



## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 11 Financial assets (continued)

Movements of financial assets during the period are as follows:

	June 30, 2024			Total
	Available for sale	Held to maturity	Held for trading	
<b>Balance at the beginning of the period</b>	<b>897.874.947</b>	-	<b>1.373.877.784</b>	<b>2.271.752.731</b>
Acquisitions during the period	10.410.082.865	390.700.560	8.605.993.246	19.406.776.671
Disposals (sale and redemption)	(9.169.206.762)	-	(7.115.541.786)	(16.284.748.548)
Change in the fair value of financial assets	83.009.944	23.154.911	389.688.952	495.853.807
<b>Balance at the end of the period</b>	<b>2.221.760.994</b>	<b>413.855.471</b>	<b>3.254.018.196</b>	<b>5.889.634.661</b>

	June 30, 2023		Total
	Available for sale	Held for trading	
<b>Balance at the beginning of the period</b>	<b>227.221.663</b>	<b>1.482.150.499</b>	<b>1.709.372.162</b>
Acquisitions during the period	4.515.018.761	606.537.536	5.121.556.297
Disposals (sale and redemption)	(4.077.237.995)	(1.219.142.549)	(5.296.380.544)
Change in the fair value of financial assets	(30.916.173)	127.318.406	96.402.233
<b>Balance at the end of the period</b>	<b>634.086.256</b>	<b>996.863.892</b>	<b>1.630.950.148</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

## 12 Loan and receivables

	June 30, 2024	December 31, 2023
Receivables from main operations (Note 4.2)	4.686.299.341	4.548.942.623
Other receivables (Note 4.2) (*)	10.896.898.563	7.515.478.218
Income accruals (Note 4.2) (**)	190.533.162	254.881.061
Prepaid expenses (Note 4.2) (***)	9.957.564	12.408.793
Prepaid taxes and funds (Note 12)	5.022.951	31.010.859
Other current assets (Note 4.2)	71.473	65.277
Other non-current assets (Note 4.2)	-	3.000
<b>Total</b>	<b>15.788.783.054</b>	<b>12.362.789.831</b>
Short-term receivables	11.207.212.449	7.362.786.831
Long-term receivables	4.581.570.605	5.000.003.000
<b>Total</b>	<b>15.788.783.054</b>	<b>12.362.789.831</b>

(\*) The part amounting to 10.880.639.739 TL of receivables from the sedan companies regarding the repayment of financing provided to sedan companies under structured reinsurance agreements (Note 20) and the rest of receivables accrued within the scope of the Technical Operation of the Natural Disaster Insurance Institution and the Special Risks Management Center (Note 47).

(\*\*) The portion of total balance TL 181.726.231 consists of restatement premium accruals; and the remaining part are accruals related to the reflection of the costs incurred for the reporting period within the scope of the Technical Operations of the Turkish Catastrophe Insurance Pool.

(\*\*\*) Prepaid expenses consist of personnel health insurance, meal benefits and other prepaid externally provided benefits and services.

As of June 30, 2024 and December 31, 2023, receivables from main operations are detailed as follows:

	June 30, 2024	December 31, 2023
Receivables from insurance companies	3.945.559.204	4.219.915.918
Receivables from brokers and intermediaries	626.568.777	312.856.555
Receivables from reinsurance companies (Note 10)	24.424.148	273.261
<b>Total receivables from insurance operations, net</b>	<b>4.596.552.129</b>	<b>4.533.045.734</b>
Cash deposited to insurance and reinsurance companies	89.747.212	15.896.889
<b>Receivables from main operations</b>	<b>4.686.299.341</b>	<b>4.548.942.623</b>

As of June 30, 2024, the Group does not have any mortgages and collaterals obtained for receivables (December 31, 2023: None).

### Provisions provided for doubtful receivables that are due and not due

a) *Receivables under legal or administrative follow up (due)*: There are not any legal and administrative follow-ups arising from main operations and other receivables (December 31, 2023: None).

b) *Provision for premium receivables (due)*: None (December 31, 2023: None).

The Group’s receivables from and payables to shareholders, associates and subsidiaries are detailed in 45 -Related party transactions.

The details of the receivables and payables denominated in foreign currencies and foreign currency rates used for the translation are presented in Note 4.2.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

#### 13 Derivative financial instruments

As of June 30, 2024, the Group has not derivative financial instruments (December 31, 2023: None).

#### 14 Cash and cash equivalents

As at June 30, 2024 and December 31, 2023, cash and cash equivalents are as follows:

	June 30, 2024		December 31, 2023	
	At the end of the period	At the beginning of the period	At the end of the period	At the beginning of the period
Bank deposits	2.819.947.425	1.858.956.430	1.858.956.430	617.803.942
<b><i>Cash and cash equivalents in the balance sheet</i></b>	<b>2.819.947.425</b>	<b>1.858.956.430</b>	<b>1.858.956.430</b>	<b>617.803.942</b>
Interest accruals on bank deposits	(34.356.476)	(12.789.556)	(12.789.556)	(5.305.776)
<b><i>Cash and cash equivalents presented in the statement of cash flows</i></b>	<b>2.785.590.949</b>	<b>1.846.166.874</b>	<b>1.846.166.874</b>	<b>612.498.166</b>

As at June 30, 2024 and December 31, 2023, bank deposits are further analyzed as follows:

	June 30, 2024	December 31, 2023
Foreign currency denominated bank deposits		
- time deposits	1.672.766.119	1.254.029.600
- demand deposits	60.045.495	112.230.078
Bank deposits in Turkish Lira		
- time deposits	1.086.014.188	444.910.919
- demand deposits	1.121.623	47.785.833
<b>Banks</b>	<b>2.819.947.425</b>	<b>1.858.956.430</b>

The interest rates applied to time deposits are in the range of 38,00%-52,00% for Turkish Lira deposits (December 31, 2023: 32,00%-49,00%); for foreign currency deposits, the rates range from 0,05% to 0,10% (as of December 31, 2023: 0,05%-5,10%), and all of them have a maturity period of less than three months.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 15 Equity

### Paid in capital

As of June 30, 2024 and December 31, 2023, the shareholding structure of the Company is as follows:

Name	June 30, 2024		December 31, 2023	
	Shareholding amount (TL)	Shareholding rate (%)	Shareholding amount (TL)	Shareholding rate (%)
Republic of Turkey Ministry of Treasury and Finance	600.000.000	100,00	600.000.000	100,00
<b>Paid in capital</b>	<b>600.000.000</b>	<b>100,00</b>	<b>600.000.000</b>	<b>100,00</b>

The capital of the Company is TL 600.000.000 in total which consists of 600.000.000 shares, each of them is valued as TL 1. TL 600.000.000 corresponding to 600.000.000 shares, which are valued as TL 1 each, is paid in cash by Republic of Turkey Ministry of Treasury and Finance as of June 30, 2024.

There are not any privileges on common shares representing share capital.

### Legal reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the entity's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the entity's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital but may be used to absorb losses in the event that the general reserve is used.

The movement table for legal reserves is as follows;

	June 30, 2024	December 31, 2023
Legal reserves at the beginning of the period	50.136.238	15.331.450
Transfer from profit	64.365.985	-
<b>Legal reserves at the end of the period</b>	<b>114.502.223</b>	<b>15.331.450</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 15 Equity (continued)

### Valuation of financial assets

As of June 30, 2024 and 2023, detailed change of fair value of marketable securities, debt securities classified as available for sale financial assets is as following:

	June 30, 2024		June 30, 2023	
	Available for sale financial assets	Total	Available for sale financial assets	Total
<b>Revaluation differences at the beginning of the period</b>	<b>(41.730.626)</b>	<b>(41.730.626)</b>	<b>6.400.863</b>	<b>6.400.863</b>
Change in the fair value during the period	36.085.462	36.085.462	(42.252.596)	(42.252.596)
Deferred tax effect	(1.762.143)	(1.762.143)	10.873.477	10.873.477
<b>Revaluation differences at the end of the period</b>	<b>(7.407.307)</b>	<b>(7.407.307)</b>	<b>(24.978.256)</b>	<b>(24.978.256)</b>

### Other Profit Reserves

In accordance with TAS 19 which published by Public Oversight Accounting and Auditing Standards Authority of Turkey (POA) dated March 12, 2013 and numbered 28585 is about "Benefits Employee Accounting Standard" and defined by beginning from December 31, 2012, net defined benefit liability of the actuarial gains and losses arising on re-measurement should be recognized in other comprehensive income under shareholders' equity and this effect should be applied retrospectively. The Group started to account current actuarial gains and losses under equity (other profit reserves) due to the fact that prior period actuarial gains and losses have remained below the materiality.

The movement table of other profit reserves as of June 30, 2024 and 2023 is as follows:

	June 30, 2024	June 30, 2023
<b>Other profit reserves at the beginning of the period</b>	<b>(1.430.473)</b>	<b>191.652</b>
Actuarial (loss)/gain (Note 23)	3.739.016	(1.018.860)
Deferred tax effect	(1.124.583)	254.715
<b>Other profit reserves at the end of the period</b>	<b>1.183.960</b>	<b>(572.493)</b>

Revaluation surplus amounting to TL 21.660.007 which generated as a result of the revaluation application of depreciable tangible and intangible assets purchased before 2022 within the scope of Temporary Article 32 and reiterated Article 298's paragraph (ç) of the Tax Procedure Law, has been transferred from the 'Retained Earnings' to the 'Other Profit Reserves' within the framework of the provisions of the Tax Procedure Law General Communiqué numbered 537 and published in the Official Gazette dated January 14, 2023.

## 16 Other reserves and equity component of discretionary participation

As of June 30, 2024 and December 31, 2023, other reserves are explained in detail in Note 15 – Equity above.

As of June 30, 2024 and December 31, 2023, the Group does not hold any insurance or investment contracts which contain a discretionary participation feature.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

#### 17 Insurance contract liabilities and reinsurance assets

Estimation of the ultimate payment for the outstanding claims is one of the most important accounting assumptions of the Group. Estimation of the insurance contract liabilities contains several ambiguities by nature. The Group makes calculation of the related insurance technical provisions accordance with the Insurance Legislation and reflects them into financial statements as mentioned in Note 2 – Summary of significant accounting policies.

As at June 30, 2024 and December 31, 2023, technical reserves of the Group are as follows:

	June 30, 2024	December 31, 2023
Unearned premiums reserve, gross	5.203.739.733	4.402.399.701
Unearned premiums reserve, ceded (Note 10)	(8.546.125)	(10.450.512)
<b>Unearned premiums reserve, net</b>	<b>5.195.193.608</b>	<b>4.391.949.189</b>
Unexpired risk reserve, gross	101.056.989	38.103.605
Unexpired risk reserve, ceded (Note 10)	-	-
<b>Outstanding claims reserve, net</b>	<b>101.056.989</b>	<b>38.103.605</b>
Outstanding claims reserve, gross	5.202.566.434	3.280.390.970
Outstanding claims reserve, ceded (Note 10)	(945.889.202)	(1.266.027.689)
<b>Outstanding claims reserve, net</b>	<b>4.256.677.232</b>	<b>2.014.363.281</b>
Equalization reserve, gross	349.046.776	183.242.738
Equalization reserve, ceded (Note 10)	(123.166.421)	(66.055.073)
<b>Equalization reserve, net</b>	<b>225.880.355</b>	<b>117.187.665</b>
<b>Total technical provisions, net</b>	<b>9.778.808.184</b>	<b>6.561.603.740</b>
Short-term	9.552.927.829	6.444.416.075
Mid and long-term	225.880.355	117.187.665
<b>Total technical provisions, net</b>	<b>9.778.808.184</b>	<b>6.561.603.740</b>

As at June 30, 2024 and December 31, 2023, technical reserves of the Group are as follows:

	June 30, 2024		
	Gross	Ceded	Net
<b>Unearned premiums reserve</b>			
Unearned premiums reserve at the beginning of the period	4.402.399.701	(10.450.512)	4.391.949.189
Written premiums during the period	8.308.015.245	(1.184.008.794)	7.124.006.451
Earned premiums during the period	(7.506.675.213)	1.185.913.181	(6.320.762.032)
<b>Unearned premiums reserve at the end of the period</b>	<b>5.203.739.733</b>	<b>(8.546.125)</b>	<b>5.195.193.608</b>
	June 30, 2023		
	Gross	Ceded	Net
<b>Unearned premiums reserve</b>			
Unearned premiums reserve at the beginning of the period	1.909.610.818	(10.652.881)	1.898.957.937
Written premiums during the period	4.427.474.478	(473.392.799)	3.954.081.679
Earned premiums during the period	(3.619.051.778)	474.273.284	(3.144.778.494)
<b>Unearned premiums reserve at the end of the period</b>	<b>2.718.033.518</b>	<b>(9.772.396)</b>	<b>2.708.261.122</b>

**Türk Reasürans Anonim Şirketi**

**Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

*(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)*

**17 Insurance contract liabilities and reinsurance assets(continued)**

<b>Unexpired risk reserve</b>	<b>June 30, 2024</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Unexpired risk reserve at the beginning of the period	38.103.605	-	38.103.605
Change in unexpired risk reserves during the period	62.953.384	-	62.953.384
<b>Unexpired risk reserve at the end of the period</b>	<b>101.056.989</b>	<b>-</b>	<b>101.056.989</b>

<b>Unexpired risk reserve</b>	<b>June 30, 2023</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Unexpired risk reserve at the beginning of the period	25.917.499	(889.991)	25.027.508
Change in unexpired risk reserves during the period	(18.561.500)	856.239	(17.705.261)
<b>Unexpired risk reserve at the end of the period</b>	<b>7.355.999</b>	<b>(33.752)</b>	<b>7.322.247</b>

<b>Outstanding claims reserve</b>	<b>June 30, 2024</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Outstanding claims reserve at the beginning of the period	3.280.390.970	(1.266.027.689)	2.014.363.281
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	3.884.343.908	(322.522.745)	3.561.821.163
Claims paid during the period	(1.962.168.444)	642.661.232	(1.319.507.212)
<b>Outstanding claims reserve at the end of the period</b>	<b>5.202.566.434</b>	<b>(945.889.202)</b>	<b>4.256.677.232</b>

<b>Outstanding claims reserve</b>	<b>June 30, 2023</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Outstanding claims reserve at the beginning of the period	845.319.971	(30.743.448)	814.576.523
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	5.543.718.250	(3.564.015.449)	1.979.702.801
Claims paid during the period	(1.530.742.814)	929.043.489	(601.699.325)
<b>Outstanding claims reserve at the end of the period</b>	<b>4.858.295.407</b>	<b>(2.665.715.408)</b>	<b>2.192.579.999</b>

<b>Equalization reserve</b>	<b>June 30, 2024</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Equalization reserve at the beginning of the period	183.242.738	(66.055.073)	117.187.665
Equalization reserve during the period	165.804.038	(57.111.348)	108.692.690
<b>Equalization reserve at the end of the period</b>	<b>349.046.776</b>	<b>(123.166.421)</b>	<b>225.880.355</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 17 Insurance contract liabilities and reinsurance assets(continued)

Equalization reserve	June 30, 2023		Net
	Gross	Ceded	
Equalization reserve at the beginning of the period	112.478.323	(24.274.540)	88.203.783
Equalization reserve during the period	58.649.880	(18.556.169)	40.093.711
<b>Equalization reserve at the end of the period</b>	<b>171.128.203</b>	<b>(42.830.709)</b>	<b>128.297.494</b>

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

The Group, being a reinsurance company, has no obligation of providing guarantees.

### Total amount of insurance risk on a branch basis

Total amount of insurance risk on branch basis for non-life insurance branch is not kept by the Group.

### Group's number of life insurance policies, additions, disposals during the year and the related mathematical reserves

None.

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

None.

### Distribution of mathematical reserves for life insurance policyholders who left the Group's portfolio as individual or group during the period

None.

### Pension investment funds established by the Group and their unit prices

None.

### Number and amount of participation certificates in portfolio and circulation

None.

### Portfolio amounts in terms of number of new participants, left or cancelled participants, and existing participants for individuals and groups

None.

### Valuation methods used in profit share calculation for saving life contracts with profit sharing

None.

### Distribution of new participants in terms of their numbers and gross and net contributions for individuals and groups

None.

### Distribution of new participants in terms of their numbers and gross and net contributions for individuals and groups which were transferred from other insurance companies during the year

None.



## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

#### 17 Insurance contract liabilities and reinsurance assets(continued)

**Distribution of individual and group participants and their gross and net contributions which were transferred from life insurance portfolio to private pension portfolio during the year**

None.

**Distribution of individual and group participants which were cancelled or transferred to other insurance companies in terms of their numbers and gross and net contributions**

None.

**Profit share distribution rate of life insurances**

None.

**Deferred commission expenses**

The Group capitalizes the portion of commissions paid which is belong following periods, to the intermediaries related to premium production under “Deferred acquisition costs”. As at June 30, 2024, deferred acquisition costs are amounting to TL 2.399.032.976 (December 31, 2023: TL 1.046.904.941) that consist of short-term deferred commission expenses are amounting to TL 1.098.815.993 (December 31, 2023: TL 946.855.437) and the part amounting to TL 1.300.216.983 consists of deferred excess of loss premiums and other technical expense deferrals (December 31, 2023: TL 100.049.504).

For the periods ended June 30, 2024 and 2023, the movement of deferred commission expenses are presented below:

	June 30, 2024	June 30, 2023
Deferred commission expenses at the beginning of the period	946.855.437	403.020.706
Commissions accrued during the period (Note 32)	1.804.125.458	982.583.613
Commissions expensed during the period (Note 32)	(1.652.164.902)	(802.349.327)
<b>Deferred commission expenses at the end of the period</b>	<b>1.098.815.993</b>	<b>583.254.992</b>

#### 18 Investment contract liabilities

None.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 19 Trade and other payables and deferred income

	June 30, 2024	December 31, 2023
Other financial liabilities (Not 20)	10.884.668.742	7.509.591.557
Payables from reinsurance operations	1.615.206.483	505.900.089
Cash deposited by reinsurance companies (Note 10)	112.022.190	64.979.238
Deferred commission income (Note 10)	2.479.728	3.082.097
Taxes and other liabilities and similar obligations	309.885.570	46.734.294
Other payables	26.872.458	18.095.118
<b>Total</b>	<b>12.951.135.171</b>	<b>8.148.382.393</b>
Short-term liabilities	12.951.135.171	8.147.932.009
Long-term liabilities	-	450.384
<b>Total</b>	<b>12.951.135.171</b>	<b>8.148.382.393</b>

As of June 30, 2024, Other payables consist of payments to be made for outsourced benefits and services and guarantees received.

Corporate tax liabilities and prepaid taxes are disclosed below:

	June 30, 2024	December 31, 2023
Corporate tax liabilities	(522.137.822)	(487.054.620)
Taxes paid during the year	250.702.316	482.553.434
<b>Corporate tax asset/(liability), net</b>	<b>(271.435.506)</b>	<b>(4.501.186)</b>

**Total amount of investment incentives which will be benefited in current and forthcoming periods**

None.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 20 Financial liabilities

	June 30, 2024	December 31, 2023
Debts to credit institutions within the scope of structured reinsurance agreements (*)	10.880.639.739	7.500.000.000
<i>Short term</i>	6.299.069.134	2.500.000.000
<i>Mid and long term</i>	4.581.570.605	5.000.000.000
Payables from operating leases (Note 34) (**)	3.881.784	9.591.557
<i>Short term</i>	3.881.784	9.141.173
<i>Mid and long term</i>	-	450.384
Other financial payables	147.219	-
<b>Total</b>	<b>10.884.668.742</b>	<b>7.509.591.557</b>

(\*) It consists of credited liabilities related to the source of financing provided to sedan companies under structured reinsurance agreements. All of the financial liabilities arising from these agreements belong to the sedan companies, and within this framework, the balance equal to the amount of the obligation is recorded in the 'Other Receivables' account as receivables from the sedan companies that are parties to the agreement. In accordance with the repayment plan, the amount of TL 6.299.069.134 is short-term; the remaining amount is accounted for on a long-term basis.

(\*\*) As of June 30, 2024 and December 2023, the details of financial liabilities are presented in Note 34 – Financial costs.

## 21 Deferred tax

As at June 30, 2024 and December 31, 2023, deferred tax assets and liabilities are attributable to the following:

	June 30, 2024		December 31, 2023	
	Tax rate used %	Deferred tax assets / (liabilities)	Tax rate used %	Deferred tax assets / (liabilities)
Expense accruals	30	20.602.090	30	25.087.611
Equalization reserves	30	37.521.711	30	25.760.935
Unexpired risk reserves	30	30.317.097	30	11.431.082
Provision for unused vacation	30	2.276.912	30	1.475.819
Provisions for employee termination benefits	30	1.825.805	30	1.337.528
Adjustment of TFRS 16	30	160.974	30	283.724
Other	30	438.445	30	206.818
Time deposits rediscount	30	371.582	30	188.390
Valuation differences in financial assets	30	8.918.927	30	45.377.875
TAS adjustment differences in depreciation	30	(17.221.407)	30	(8.359.416)
Income accrual	30	(54.517.896)	30	(9.049.645)
<b>Deferred tax assets / (liabilities), net</b>		<b>30.694.240</b>		<b>93.740.721</b>

As at June 30, 2024, the Group has not any deductible tax losses (December 31, 2023: None).

Movement of deferred tax assets are given below:

	June 30, 2024	June 30, 2023
<b>Opening balance at January 1</b>	<b>93.740.721</b>	<b>14.138.433</b>
Deferred tax income/ expense (Note 35)	(60.159.755)	22.674.987
Deferred tax income/ expense recognised in equity (Note 15)	(2.886.726)	11.128.192
<b>Deferred tax assets / (liabilities)</b>	<b>30.694.240</b>	<b>47.941.612</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 22 Retirement benefit obligations

None.

## 23 Other liabilities and expense accruals

As of June 30, 2024 and December 31, 2023, other liabilities and expense accruals are as follows:

	June 30, 2024	December 31, 2023
Restatements outstanding reserves under excess of loss agreements	68.673.632	83.625.369
Personnel bonus provision	-	86.546.608
Provision for unused vacation	7.589.706	4.919.394
Provision for employee termination benefits	6.086.016	4.458.426
Invoice accruals	-	15.110.200
<b>Total</b>	<b>82.349.354</b>	<b>194.659.997</b>

The movement of the provision for employee termination benefits within the period is as follows:

	June 30, 2024	June 30, 2023
Provision for employee termination benefits beginning of the period	4.458.426	1.679.031
Interest cost (Note 47)	558.417	179.992
Service cost (Note 47)	4.937.474	595.871
Payments during the period (Note 47)	(129.285)	(849.365)
Actuarial loss/(gain) (Note 15)	(3.739.016)	1.018.860
<b>Provision for employee termination benefits end of the period</b>	<b>6.086.016</b>	<b>2.624.389</b>

The movement of the provision for unused vacation within the period is as follows:

	June 30, 2024	June 30, 2023
Provision for unused vacation beginning of the period	4.919.394	2.834.029
Provision made during the period (Note 47)	2.845.562	(23.272)
Reversed provision during the period (Note 47)	(175.250)	(437.282)
<b>Provision for unused vacation end of the period</b>	<b>7.589.706</b>	<b>2.373.475</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 24 Net insurance premiums

The distribution of written premiums is as follows:

	January 1 - June 30, 2024			April 1 - June 30, 2024		
	Gross	Ceded	Net	Gross	Ceded	Net
General Losses	5.653.932.277	(299.520.570)	5.354.411.707	1.585.586.418	(154.357.245)	1.431.229.173
Fire and Natural Disasters	2.026.351.770	(800.284.878)	1.226.066.892	702.670.378	(400.201.177)	302.469.201
General Liabilities	141.929.867	(9.938.318)	131.991.549	71.101.390	(4.911.274)	66.190.116
Land Vehicles	99.871.956	(3.575.551)	96.296.405	65.881.532	(3.542.593)	62.338.939
Accident	105.432.678	(21.690.091)	83.742.587	13.443.688	(10.617.691)	2.825.997
Marine	99.294.776	(19.159.287)	80.135.489	45.343.352	(12.352.799)	32.990.553
Financial Losses	72.907.463	(16.150.939)	56.756.524	14.626.661	(12.179.174)	2.447.487
Water Vehicles	57.384.336	(7.488.274)	49.896.062	23.156.086	(3.816.953)	19.339.133
Credit	43.700.536	(6.209.820)	37.490.716	18.833.764	(3.772.464)	15.061.300
Land Vehicles Liability	3.202.515	-	3.202.515	24.677	-	24.677
Air Vehicles	3.076.901	-	3.076.901	448.554	-	448.554
Air Vehicles Liability	443.676	-	443.676	-	-	-
Breach of Trust	394.307	-	394.307	332.303	-	332.303
Legal Protection	94.418	(9.786)	84.632	69.196	(4.920)	64.276
Health	(2.231)	18.720	16.489	-	-	-
<b>Total</b>	<b>8.308.015.245</b>	<b>(1.184.008.794)</b>	<b>7.124.006.451</b>	<b>2.541.517.999</b>	<b>(605.756.290)</b>	<b>1.935.761.709</b>

	January 1 - June 30, 2023			April 1 - June 30, 2023		
	Gross	Ceded	Net	Gross	Ceded	Net
General Losses	3.324.621.761	(109.756.636)	3.214.865.125	1.006.782.014	(61.283.495)	945.498.519
Fire and Natural Disasters	865.342.976	(326.862.633)	538.480.343	475.326.765	(196.557.214)	278.769.551
General Liabilities	57.798.566	(2.962.803)	54.835.763	25.198.375	(3.152.171)	22.046.204
Land Vehicles	18.612.696	(3.745.195)	14.867.501	2.595.562	(1.778.334)	817.228
Accident	29.761.886	(3.697.022)	26.064.864	11.152.685	(2.292.760)	8.859.925
Marine	33.304.961	(6.457.601)	26.847.360	10.193.111	(4.352.165)	5.840.946
Financial Losses	26.491.718	(12.536.187)	13.955.531	11.476.760	(7.990.524)	3.486.236
Water Vehicles	31.994.067	(4.093.247)	27.900.820	12.574.964	(2.434.113)	10.140.851
Credit	35.784.628	(3.249.347)	32.535.281	21.203.960	(3.264.245)	17.939.715
Land Vehicles Liability	2.386.269	-	2.386.269	252.185	-	252.185
Air Vehicles	1.209.227	-	1.209.227	535.774	-	535.774
Air Vehicles Liability	-	-	-	(224.353)	-	(224.353)
Breach of Trust	106.369	-	106.369	119.123	-	119.123
Legal Protection	50.236	(17.001)	33.235	-	(10.215)	(10.215)
Health	9.118	(15.127)	(6.009)	9.118	(15.127)	(6.009)
<b>Total</b>	<b>4.427.474.478</b>	<b>(473.392.799)</b>	<b>3.954.081.679</b>	<b>1.577.196.043</b>	<b>(283.130.363)</b>	<b>1.294.065.680</b>

## 25 Fee revenue

None

## 26 Investment income

Investment income is presented in Note 4.2 – *Financial risk management*.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

#### 27 Net income accrual on financial assets

Net realized gains on financial assets are presented in Note 4.2 – *Financial risk management*.

#### 28 Asset held at fair value through profit or loss

Presented in Note 4.2 – *Financial Risk Management*.

#### 29 Insurance rights and claims

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
Claims paid, net off reinsurers’ share	1.319.507.212	973.600.163	601.699.325	426.412.438
Changes in unearned premiums reserve, net off reinsurers’ share	803.244.419	(1.807.236.636)	809.303.185	(632.099.198)
Changes in unexpired risk reserve, net off reinsurers’ share	62.953.384	(42.351.470)	(17.705.261)	(10.209.045)
Change in outstanding claims reserve, net off reinsurers’ share	2.242.313.951	1.067.178.234	1.378.003.476	727.718.450
Change in equalization reserve, net off reinsurers’ share	108.692.690	14.793.364	40.093.711	14.063.815
<b>Total</b>	<b>4.536.711.656</b>	<b>205.983.655</b>	<b>2.811.394.436</b>	<b>525.886.460</b>

#### 30 Investment contract benefits

None

#### 31 Other expenses

The allocation of the expenses with respect to their nature or function is presented in Note 32 – *Expenses by nature below*.

#### 32 Operating expenses

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
Commission expenses (Note 17)	1.652.164.902	962.880.630	802.349.327	476.264.137
<i>Commissions to the intermediaries accrued during the period (Note 17)</i>	1.804.125.458	569.142.187	982.583.613	335.277.813
<i>Changes in deferred commission expenses (Note 17)</i>	(151.960.556)	393.738.443	(180.234.286)	140.986.324
Employee benefit expenses (Note 33)	211.139.224	113.995.173	84.896.564	45.627.091
Administration expenses	60.142.378	37.262.141	37.999.855	19.929.067
Outsourced benefits and services	12.692.817	7.959.634	22.772.696	16.287.586
Commission income from reinsurers (Note 10)	(2.966.504)	(1.523.515)	(1.364.998)	(609.823)
<i>Commission income from reinsurers accrued during the period</i>	(2.364.135)	(1.392.366)	(1.811.257)	(1.138.722)
<i>Change in deferred commission income</i>	(602.369)	(131.149)	446.259	528.899
<b>Total</b>	<b>1.933.172.817</b>	<b>1.120.574.063</b>	<b>946.653.444</b>	<b>557.498.058</b>

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

### 33 Employee benefit expenses

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
Wages and salaries	154.279.077	84.343.096	67.452.511	36.361.862
Employer’s share in social security premiums	35.053.511	18.158.427	8.649.576	4.579.385
Pension fund benefits	21.806.636	11.493.650	8.794.477	4.685.844
<b>Total (Note 32)</b>	<b>211.139.224</b>	<b>113.995.173</b>	<b>84.896.564</b>	<b>45.627.091</b>

### 34 Financial costs

As of June 30, 2024, TL 332.970 (January 1 - June 30, 2023: TL 806.581) interest expense arising from leases that the Group is subject to *TFRS 16 Leasing Transactions* standard is recognised under “Investment Management Expenses - Interest Included” account; and the depreciation expense amounting to TL 3.509.164 is recognised under the “Depreciation and Amortization Expense” accounts (January 1 - June 30, 2023: TL 3.972.876).

As of June 30, 2024 and December 31, 2023, discounted reimbursement plan for operating leases of the Group is as follows:

	June 30, 2024	December 31, 2023
	Operating Leases Reimbursement Plan -TL	Operating Leases Reimbursement Plan -TL
Up to 1 year	3.881.784	9.141.173
1 to 2 years	-	450.384
<b>Total (*)</b>	<b>3.881.784</b>	<b>9.591.557</b>

(\*) As of reporting date, the entire amount of TL 3.881.784 (December 31, 2023: TL 9.141.173) was short term, (December 31, 2023: TL 450.384 was long term).

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

## 35 Income taxes

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

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
<b>Corporate tax expense:</b>				
Corporate tax provision	(522.137.822)	(317.387.822)	(225.675.000)	(183.675.000)
<b>Deferred taxes:</b>				
Origination and reversal of temporary differences	(60.159.755)	(80.018.109)	22.674.987	8.072.825
<b>Total income tax income / (expense)</b>	<b>(582.297.577)</b>	<b>(397.405.931)</b>	<b>(203.000.013)</b>	<b>(175.602.175)</b>

For the periods then ended as of June 30, 2024 and 2023, 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 Group's effective income tax rate is as follows:

	June 30, 2024		June 30, 2023	
		Tax rate		Tax rate
Profit before taxes	1.989.177.285	(%)	920.960.345	(%)
Taxes on income per statutory tax rate	622.868.696	31,31	230.240.086	25,00
Tax-exempt incomes	(196.081.376)	(9,86)	(81.342.401)	(8,83)
Non-deductible expenses	155.519.601	7,82	56.617.385	6,15
Donations and charities	(9.344)	(0,00)	(2.515.057)	(0,27)
<b>Total tax expense recognized in loss / (profit)</b>	<b>582.297.577</b>	<b>29,27</b>	<b>203.000.013</b>	<b>22,04</b>

## 36 Net foreign exchange gains

Net foreign exchange gains are presented in Note 4.2 – *Financial Risk Management* above.

## 37 Earnings per share

Earnings per share are calculated by dividing net profit of the year to the weighted average number of shares.

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
Net profit for the period	1.406.879.708	903.409.867	717.960.332	649.245.195
Weighted average number of shares	600.000.000	600.000.000	600.000.000	600.000.000
Earnings per share (TL)	2,345	1,506	1,197	1,082

## 38 Dividends per share

None.



## **Türk Reasürans Anonim Şirketi**

### **Notes to the Consolidated Financial Statements**

**As of June 30, 2024**

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

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#### **39 Cash generated from operations**

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

#### **40 Convertible bonds**

None.

#### **41 Redeemable preference shares**

None.

#### **42 Risks**

As of June 30, 2024, the Group has not been the subject of any lawsuits (December 31, 2023: None).

#### **43 Commitments**

Due to the Group's activities, it provides protection to sedan companies as reinsurers in non-life insurance branches, and guarantees the insurance risk through reinsurance agreements.

The details of the guarantees that are given by the Group for the operations in non-life branches are presented in *Note 17 - Insurance contract liabilities and reinsurance assets*.

#### **44 Business combinations**

None.

#### **45 Related party transactions**

Republic of Turkey Ministry of Treasury and Finance which own 100% shares of the Company and B3i Services AG which is the Company's investment of the shares by 0,89%, are defined as related parties at these consolidated financial statements.

As of June 30, 2024 there are no transactions performed with related parties.

#### **46 Subsequent events**

Subsequent events are disclosed in *Note 1.10 – Subsequent events to date of balance sheet*.

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

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#### 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**

They are presented in the related notes above.

**Payables to employees and receivables from employees presented under accounts, “other receivables” and “other short or long term payables”, and which have balance more than 1% of the total assets**

They are presented in the related notes above.

**Subrogation recorded in “Off-Balance Sheet Accounts”**

None.

#### **Explanatory note for the amounts and nature of previous years’ income and losses**

In accordance with the TAS 1 – *Presentation of Financial Statements*, the Company has booked income, profits, expenses, and losses related to the period, that exist at the balance sheet date and can be reasonably estimated as true, its unconsolidated financial statements during the period in which it occurred according to accrual basis, and the principle of periodicity, even if cash inflows or payments occur in a different period. Accordingly, the Company excludes the unrealized portion of the income and expense accruals reflected in the financial statements for the period ending December 31, 2023, from the current period income statement by recognizing it under the items "Prior Year’s Income and Gains " or "Prior Year’s Expense and Losses," in a manner that reflects its impact.

The provision amount related to the annual corporate income tax return deadline is included in the financial statements under the principle of periodicity in accounting. This is due to the fact that the deadline for filing the annual corporate income tax return is later than the date of the last publication of their financial statements as determined by the Insurance Law No. 5684, for insurance, reinsurance, and pension companies. In this context, the Group records the difference that arises between the provision amount for the corporate income tax for the year 2022, reflected in its financial statements prepared as of December 31, 2023, and the definitive tax amount realized in the 2023 corporate income tax return. This difference is appropriately recorded in the current period income statement under the 'Prior year’s income and profits' or 'Prior year’s expenses and losses' line, taking into account its impact.

#### **Information on Other income items in income statement for the period ended June 30, 2024 and 2023**

Other technical expenses in the income statement amounting to TL 168.076.037 consists of technical expenses arising from reinsurance business acceptances and deferral of these expenses (January 1- June 30, 2023: TL 87.602.606).

## Türk Reasürans Anonim Şirketi

### Notes to the Consolidated Financial Statements

As of June 30, 2024

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

#### 47 Other (continued)

##### Information on Other income items in income statement for the period ended June 30, 2024 and 2023

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
<b>Other income and profits</b>				
Technical operating income (*)	19.950.297	9.164.280	39.973.353	31.780.710
Sales revenues of the Catastrophic Modeling Platform (**)	4.360.443	2.420.227	-	-
Other income and gain	185.744	92.872	140.475	72.132
<b>Other income and gain</b>	<b>24.496.484</b>	<b>11.677.379</b>	<b>40.113.828</b>	<b>31.852.842</b>

(\*) The Company is determined as ‘Technical Operator’ of Turkish Natural Catastrophe Insurance Pool for 5 years applicable as of August 8, 2020 with the Approval, dated October 31, 2019 and numbered 454523, Office of Deputy Minister of Republic of Turkey Ministry of Treasury and Finance as it is stated in the assignment letter, dated November 4, 2019 and numbered 71065509-030.02-E.463394 and referenced as Selection of Technical Operator of Turkish Natural Catastrophe Insurance Pool and notified by General Directorate of Insurance of Republic of Turkey Ministry of Treasury and Finance.

The Company is appointed as ‘Technical Operator’ of Special Risks Management Center with respect to approval letter, dated July 8, 2021 and numbered 24996009-256 [258.01.02] notified by Republic of Turkey Ministry of Treasury and Finance. Accordingly, the Company is assigned as Technical Operator of the Center for 5 years effective as of July 30, 2021, with approval of Center Board of Directors in accordance with Technical Operator Agreement established between the Company and Center.

(\*\*) The Company's subsidiary, T Rupt Teknoloji A.Ş., generates revenues from the sales of services related to the provision, reporting, and consultancy of the catastrophic earthquake modeling platform developed within the scope of their main activities.

##### The details of provisions for the period ended on June 30, 2024 and 2023 are as follows:

	January 1 – June 30, 2024	April 1- June 30, 2024	January 1 – June 30, 2023	April 1- June 30, 2023
<b>Provisions expenses</b>				
Provision for unused vacation expense (Note 23)	2.670.312	756.788	(460.554)	238.446
Provision for employee termination benefits expense (Note 23)	5.366.606	1.781.034	(73.502)	263.326
<b>Provisions</b>	<b>8.036.918</b>	<b>2.537.822</b>	<b>(534.056)</b>	<b>501.772</b>