



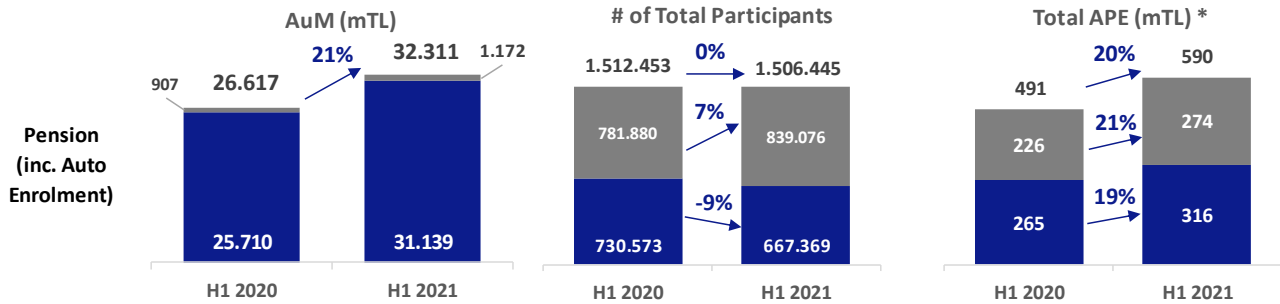
H1 2021 EARNINGS RELEASE

While continuing the leading position in Pension, we also maintained a sustainable growth in Life

- ✧ The Pension Assets under Management (AuM) has grown by 21% yoy and reached 31.1 billion TL as of H1 2021.
- ✧ Auto Enrolment AuM increased by 29% yoy resulting mainly from the increasing inforce volume. AgeSA is one of the leader companies in terms of private sector participants and AuM.
- ✧ Total protection premiums grew by 31% yoy, driven by both 37% growth in credit linked and 27% growth in stand-alone (non-credit linked) life protection underpinning AgeSA's diverse business model and product positioning
- ✧ IFRS Net Profit is higher than prior year by 97% at 258 mTL mainly due to strong growth in all major business lines (pension, credit Life and RoP) and increase in net financial income resulting from higher interest and f/x rates.
- ✧ Total technical income has increased by 62% yoy driven by the growth in life protection volumes and pension AuM.
- ✧ RoE is 48.7% as of H1 2021.
- ✧ Statutory profit is 229 mTL with an increase of 93% due to mainly growth in life protection technical profit and increase in financial income.
- ✧ The first installment of 2021 dividend payment amounting to 80 mTL has been paid at the end of March 2021. 80m TL dividend is planned to be paid in September 2021 as second installment, in accordance with the General Assembly decision.
- ✧ The second installment of 2020 dividend payment amounting to 60 mTL has been paid in January 2021 since it has been postponed due to regulatory restriction until the end of 2020.
- ✧ There is no material impact from Covid-19 on Company's financials.

Topline Volumes

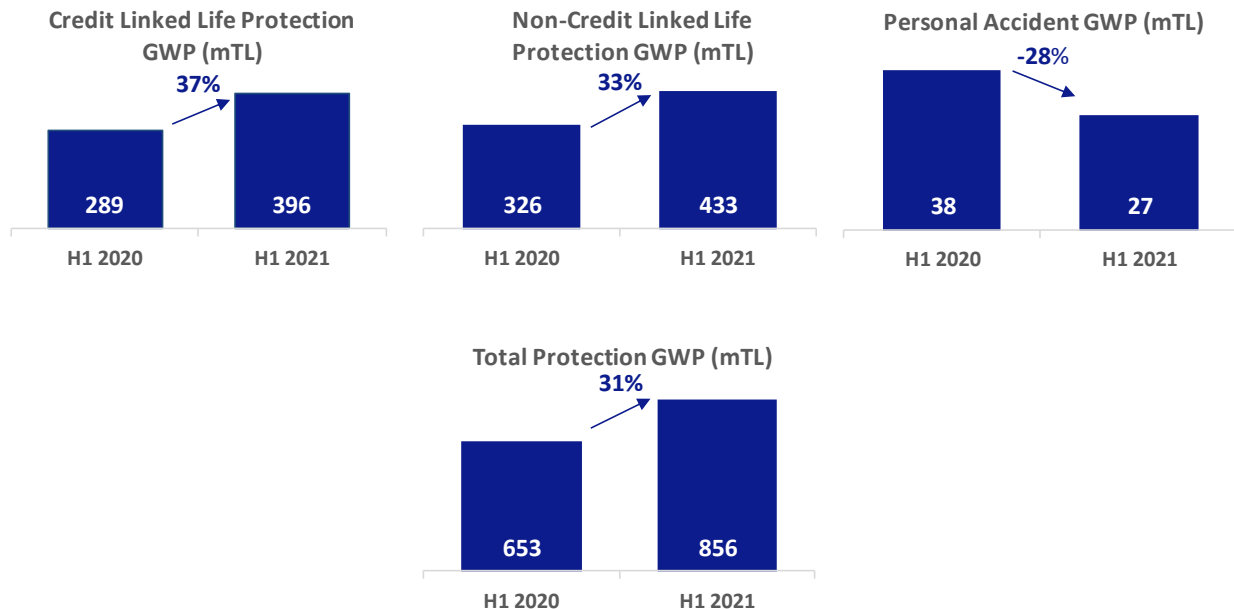
- AgeSA is in the market leader position in terms of Pension AuM since June 2015 among the private pension companies.
- Supported by the strong asset performance despite the volatility in financial markets Total AuM reached 32.3 bnTL with 1.5m participants, including AE.



Source: Pension Monitoring Center 30.06.2021

*Before opt-out

- Total Protection gross written premiums reached 856 mTL; higher than prior year by 31% continuing the momentum in a sustainable manner



IFRS Segmental Results

(mTL)	H1 2020	H1 2021	Change
Life Protection	178	355	100%
Personal Accident	17	15	-15%
Savings	2	2	6%
Pension	130	159	22%
Total Technical Income	327	531	62%
Total General Expenses	-199	-264	33%
Net Technical Profit	128	267	108%
Total Investment & Other Income	41	79	90%
Total Tax	-38	-88	128%
Net Profit	131	258	97%

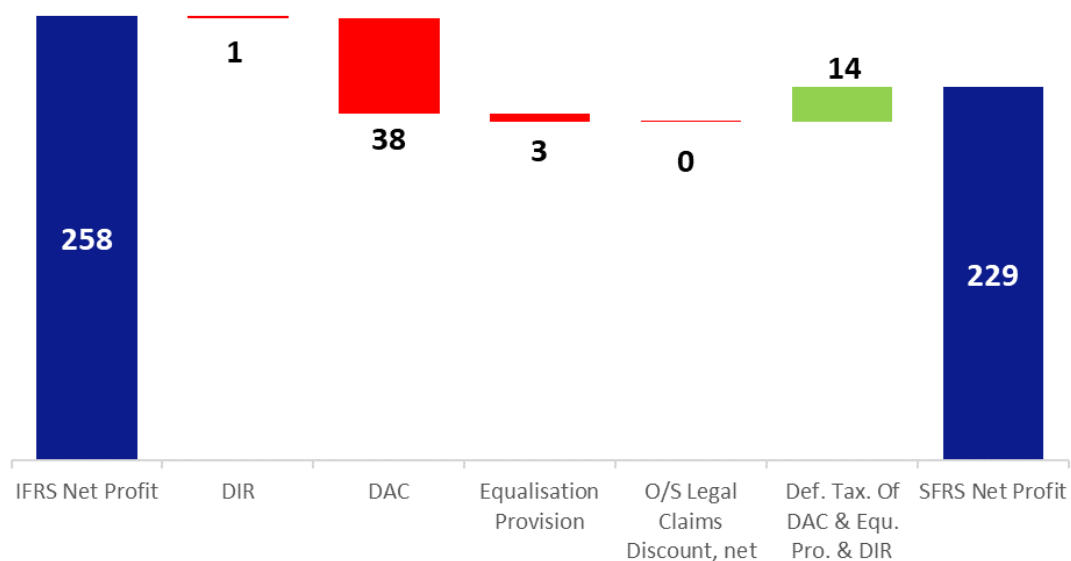
- < Total technical income grew by 62% mainly driven by protection and pension profitability growth
 - Pension technical profit increased by 22% due to higher total fund management fee regarding AuM increase and higher account maintenance fee regarding minimum wage increase.
 - Life protection technical profit increased by 100% due to increase in premiums thanks to both our credit linked and non-credit linked RoP products.
 - Personal accident technical profit decreased by 15% due to lower premiums.
- < General expenses for H1 2021 is 264 mTL with a yoy increase of 33% mainly due to rebranding costs and increase in IT and personnel bonus expenses.
- < Total investment and other income is 79 mTL with a yoy increase by 90% mainly due to higher interest and f/x rates.

Statutory / SFRS Results

(m TL)	H1 2020	H1 2021	Change
Life	71	167	136%
Non-Life	3	1	-69%
Pension	30	4	-88%
Net Technical Profit	104	171	64%
Total Investment & Other Income	49	132	169%
Tax	-34	-74	114%
Net Profit	119	229	93%

- Net profit for the period is 229 mTL with an increase of 93% mainly due to growth in Life technical profit and financial income
- Total net technical profit increase :
 - Life net technical profit is higher than prior year by 136% due to increasing volume; even though the SFRS profitability is negatively impacted from the commissions paid which are not deferrable in SFRS.
 - Non-life (personal accident) net technical profit after general expenses is lower than prior year by 69% mainly due to lower premium production.
 - Pension net technical profit after general expenses is 4 mTL and 88% lower compared to prior year due to commissions paid which are not deferrable in SFRS.

Bridging from IFRS to Statutory Profit



Market Consistent Embedded Value

(m TL)	FY 2020	HY 2021	FY 2020 vs HY 2021
Value of In-Force	1,602.7	1,899.8	18.5%
Present Value of Future Profits	1,884.0	2,214.1	17.5%
Fricitional Costs	-43.6	-63.0	44.2%
Cost of Non-Hedgeable Risks	-237.6	-251.3	5.8%
Time Value of Options & Guarantees	0.0	0.0	
Net Worth	689.0	727.8	5.6%
Free Surplus	135.2	80.8	-40.3%
Required Capital	553.8	647.1	16.8%
Market Consistent Embedded Value	2,291.8	2,627.6	14.7%

Source: Company data, unaudited results

- ☛ MCEV as at 30 June 2021 is 2.6bn TL, up 14.7% from start of the year.
- ☛ Present value of future profits has grown since FY20 due the addition of new business and the growth of the inforce portfolio due to an increase in USD swap levels and USD/TRY exchange rate.
- ☛ The growth of the life protection portfolio led to the increase in the statutory solvency capital requirement.
- ☛ Free surplus remains positive even after accounting for 160m TL in dividend payments.

New Business

(m TL)	Q2 2020	Q2 2021	Change(%)
Life Protection	135.2	188.1	39.1%
Personal Accident	7.3	4.0	-45.2%
Pensions	14.0	13.6	-2.7%
Value of New Business	156.5	205.7	31.4%

(m TL)	Q2 2020	Q2 2021	Change(%)
Life Protection	694.1	1,070.9	54.3%
Personal Accident	46.5	35.3	-24.0%
Pensions ^(*)	1,779.4	1,970.7	10.8%
Present Value of New Business Premiums	2,519.9	3,076.9	22.1%

(*): Including State Contribution

(m TL)	Q2 2020	Q2 2021	Change(Diff.)
Life Protection	19.5%	17.6%	-1.9%
Personal Accident	15.7%	11.3%	-4.4%
Pensions	0.8%	0.7%	-0.1%
New Business Margin	6.2%	6.7%	0.5%

Source: Company data, unaudited results

- Value of new business, present value of new business premiums (PVNBP), as well as new business margin (NBM) have increased year-on-year owing to higher new business sales and a further shift in product mix towards the life protection portfolio, which has a higher new business margin.
- Life protection VNB increased by 39.1% helped by higher volumes as well as an increase in USD swaps.
- The present value of new business premiums for pensions is higher compared to last year due to new business sales and additional contributions.
- The personal accident line of business has seen a decrease in NB margin compared to last year due to higher unit expenses and lower volumes.