



# **Presentation to Investors H1 2024 Earning Release**

5 August 2024

★ AgeSA strengthened its **leadership** in both **Pension AuM** and **Life & PA premium production** thanks to significant growth across all channels and product lines.

★ AgeSA's net profit grew significantly due to robust technical profits from all business lines and financial income despite inflationary pressures on personnel and general expenses.

## 2024 H1 Performance

- **#1 position** in Private Pension AuM; 19.7% m.s.
- **#1 position** in Total Life & PA GWP; 14.5% m.s.
- **Robust net profit growth** both in terms of Management Reporting and SFRS with 90% and 67% yoy increase respectively
- 629 mTL has been paid as capital advance to MediSA (Sabancı Health Insurance Company), in April. AgeSA has become the main shareholder with 80% share.
- Both AgeSA **Management reporting** and **SFRS** financial figures are shown **before** MediSA consolidation.
- **300 mTL dividend** has been paid
- **Share buyback program**; 1.403k shares were bought with an average price of 48,76 TL as of H124. Ratio of owned share is 0.78%. The program has been initiated for 3 years and with 750m funds in April 2023.

## Strengthened fundamentals

- **Strong and exclusive bancassurance** partnership with Akbank
- **Accelerated growth** with strengthened base of **DSF**
- **More Diversified Product Portfolio** with a New RoP and Savings Products
- Continued investments on **digital, analytics and customer** capabilities
- **Synergies with Aksigorta** both for topline and operational excellence areas
- **Regulatory appetite** for the growth of both pension and life business supported by incentives
- **Strong Shareholder Structure** that mixes local expertise and international know how

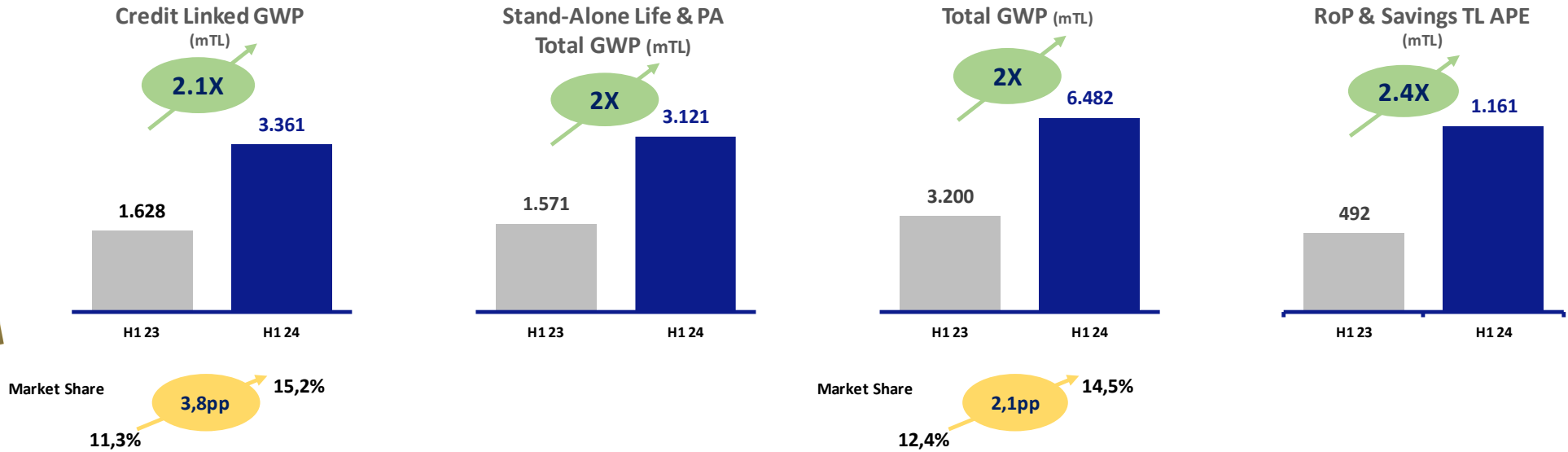
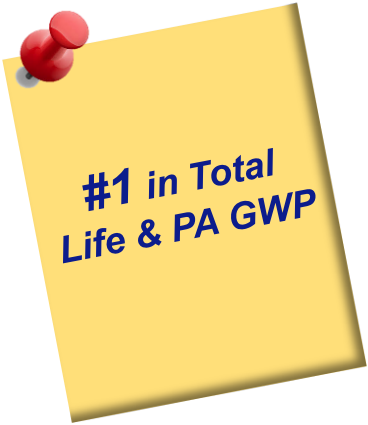
## Future

- Growth & synergy opportunities with MediSA in health business.
- Providing new solutions for ageing population
- Sustainability at the heart of business to build a better future
- Future of work and cultural transformation
- End to end **IT transformation** with a particular focus on new technologies

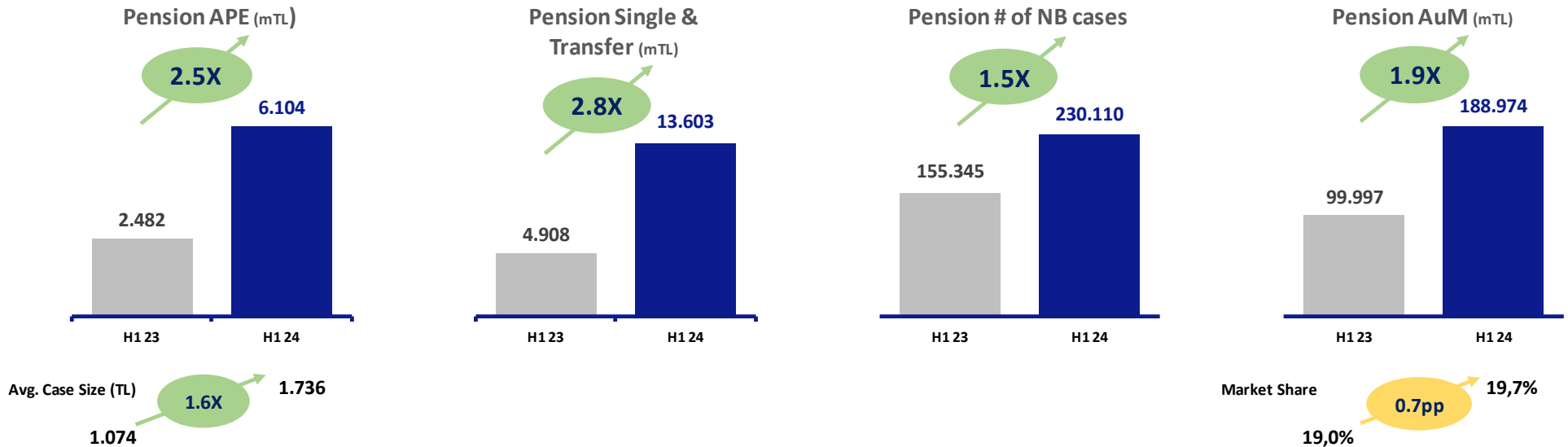
# Evolution of Our Performance



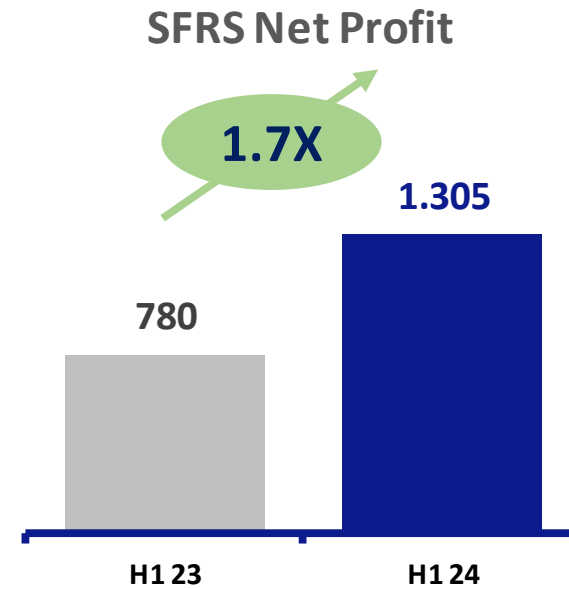
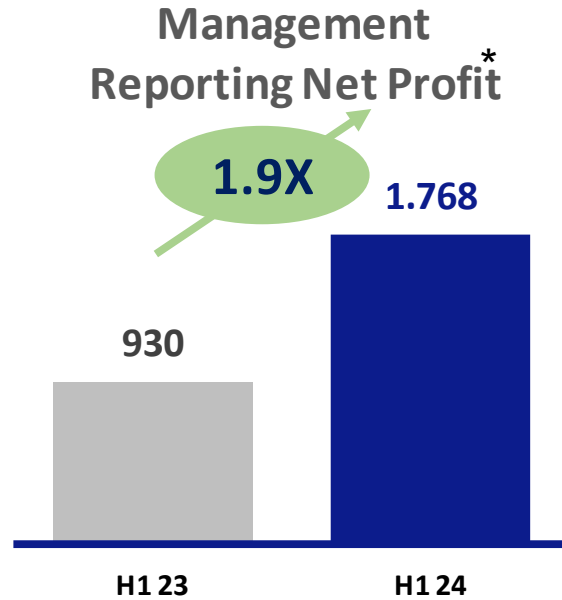
## Life Business



## Pension Business



Both Management reporting and SFRS financial figures are shown before MediSA consolidation



MediSA (Sabancı Health Insurance Company) consolidation P/L impact is **-30 mTL**

# A Story of Solid Profitable Growth



	2019	2023	CAGR 2019-23	H1 2024	YoY 2023-24	
Pension AUM (inc AE)	23.1 bTL	141.5 bTL	57%	195.7 bTL	89%	Leadership in total market in terms of Pension and AE AUM
Total GWP (Life+PA)	988 mTL	7.484 mTL	66%	6.482 mTL	103%	Leadership in total market in terms of Total Life&PA GWP Success of strong growing RoP&New savings portfolio and credit life product
Total Technical Profit <sup>(1)</sup>	564 mTL	3.728 mTL	60%	3.254 mTL	132%	Strong growth resulting from high profitability in life and pension scalability
Net Technical Profit <sup>(1)</sup>	212 mTL	1.377 mTL	60%	1.432 mTL	193%	Increase in net technical profit resulting from high technical profitability and controlled expenses against high inflation
Expense Ratio <sup>(1,2)</sup>	51,4%	47%	-1.1 pts	43,3%	0.7 pts	Expense ratio increased mainly due to inflation adjustments to salaries
Profit for the Period (Management Reporting) <sup>(1)</sup>	258 mTL	1.944 mTL	66%	1.768 mTL	90%	Strong performance thanks to strong technical income increase coming from all business lines despite lower f/x income increase
Profit for the Period (SFRS)	215 mTL	1.425 mTL	61%	1.305 mTL	67%	Significant increase in SFRS Profit , due to higher financial income and net technical profit
RoE (Management Reporting) <sup>(1)</sup>	34,1%	57,7%	5.9 pts	63,0%	-0,1 pts	Strong profit combined with lean capital
Solvency I Ratio	190%	209%		172%		Well managed capital position and dividend payment under volatile macro-economic environment with growing appetite
Dividend Payments	100 mTL	150 mTL		300 mTL		
Shareholders' Equity <sup>(1)</sup>	852 mTL	4.287mTL	50%	5.694 mTL	83%	Steady increase in shareholders' equity reflects active management of capitalization to fund business growth
VNB w/RW		1.770 mTL		2.255 mTL	236%	VNB has increased significantly, owing to the newly launched ROP product. Increased Pension and Credit Life sales also contributed to the 2024 VNB growth.

Note: <sup>(1)</sup> Management Reporting: IFRS Financials excluding inflation accounting effect

<sup>(2)</sup> Expense ratio=(Opex)/(Management Reporting Profit Before Tax-Opex)

«Opex=G&A+Financial Expense»

# Financials



# Summary P&L from Segmental Reporting <sup>(1)</sup>



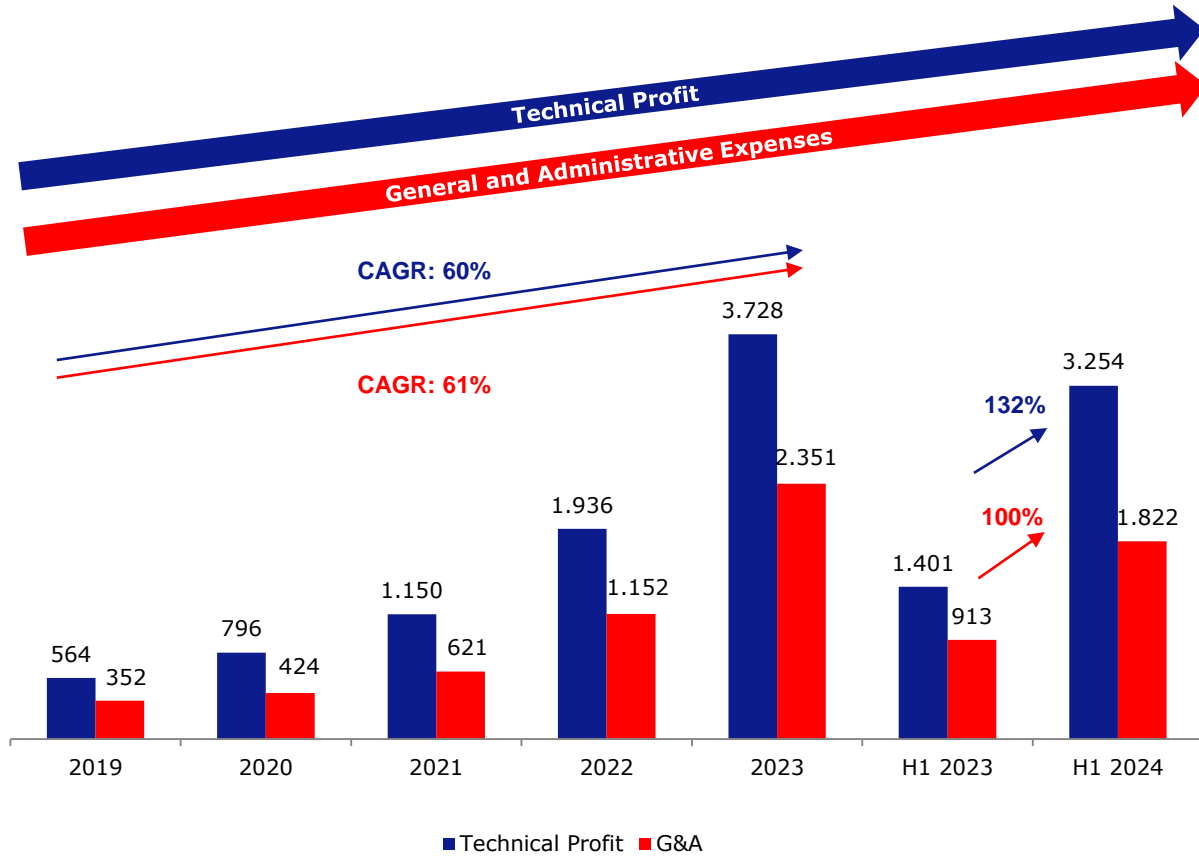
	2019	2020	2021	2022	2023	CAGR	H1 2023	H1 2024	YoY	Q1 2024	Q2 2024	QoQ
Credit-Linked Life	417	550	938	1.538	3.560	71%	1.628	3.361	106%	1.682	1.679	0%
Life RoP & Savings	431	667	967	2.046	3.718	71%	1.451	2.906	100%	1.392	1.301	-7%
Other Life & Personal Accident	140	115	115	132	206	10%	120	215	79%	143	72	-50%
<b>Total Gross Written Premium</b>	<b>988</b>	<b>1.332</b>	<b>2.020</b>	<b>3.717</b>	<b>7.484</b>	<b>66%</b>	<b>3.200</b>	<b>6.482</b>	<b>103%</b>	<b>3.218</b>	<b>3.265</b>	<b>1%</b>
Pension	243	283	349	547	1.166	48%	453	1.146	153%	550	596	8%
Credit-Linked Life	115	254	379	548	1.186	79%	446	1.075	141%	480	596	24%
Life RoP & Savings	147	199	367	785	1.294	72%	469	973	107%	431	472	10%
Other Life & Personal Accident	59	60	55	56	82	9%	33	60	81%	23	37	63%
<b>Total Technical Profit</b>	<b>564</b>	<b>796</b>	<b>1.150</b>	<b>1.936</b>	<b>3.728</b>	<b>60%</b>	<b>1.401</b>	<b>3.254</b>	<b>132%</b>	<b>1.483</b>	<b>1.771</b>	<b>19%</b>
General and Administrative Expenses	-352	-424	-621	-1.152	-2.351	61%	-913	-1.822	100%	-858	-964	12%
<b>Total Technical Profit after G&amp;A</b>	<b>212</b>	<b>372</b>	<b>529</b>	<b>784</b>	<b>1.377</b>	<b>60%</b>	<b>488</b>	<b>1.432</b>	<b>193%</b>	<b>625</b>	<b>807</b>	<b>29%</b>
Net Investment Income & Other	121	80	200	602	1.277	80%	742	954	29%	549	405	-26%
Profit Before Taxes	333	451	729	1.386	2.654	68%	1.230	2.386	94%	1.174	1.213	3%
<b>Management Reporting Profit for the Period</b>	<b>258</b>	<b>350</b>	<b>541</b>	<b>1.127</b>	<b>1.944</b>	<b>66%</b>	<b>930</b>	<b>1.768</b>	<b>90%</b>	<b>885</b>	<b>883</b>	<b>0%</b>
<b>SFRS Profit for the Period</b>	<b>215</b>	<b>295</b>	<b>452</b>	<b>875</b>	<b>1.425</b>	<b>61%</b>	<b>780</b>	<b>1.305</b>	<b>67%</b>	<b>691</b>	<b>615</b>	<b>-11%</b>

- Both Management reporting and SFRS financial figures are shown **before MediSA (Sabancı Health Insurance Company) consolidation**
- MediSA consolidation SFRS P/L impact is - **30 mTL**
- Solid IFRS Reporting Framework
- Robust MCEV / VNB Reporting Framework
- Granular Analysis and Disclosure on Business Segments
- Customised Analysis Aligned to Business Strategy

# Solid and Resilient Technical Profitability with Operating Leverage Potential

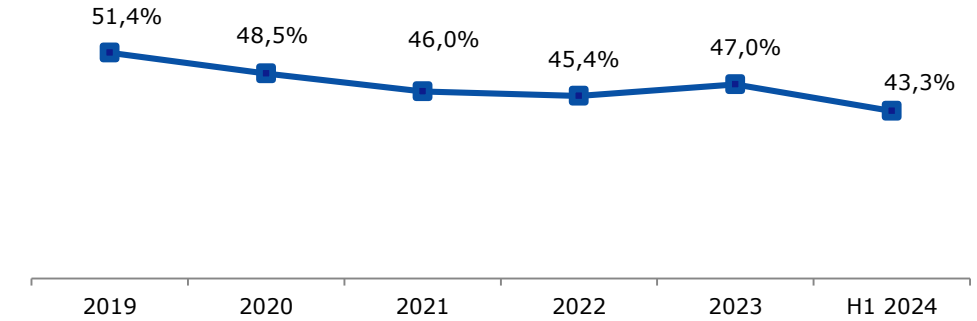


## Technical Profit (mTL) <sup>(2)</sup>

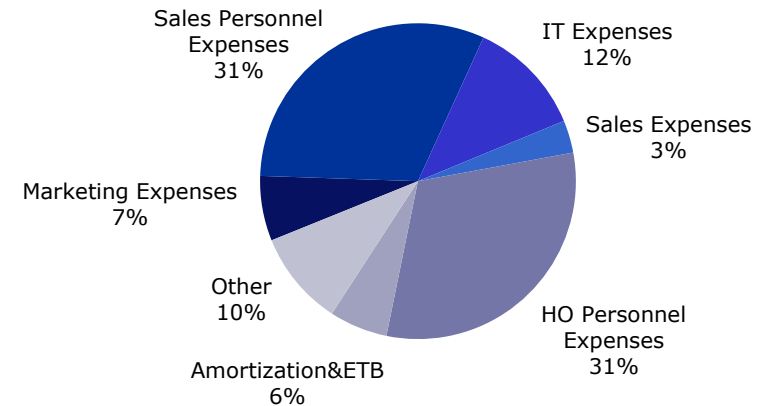


## Expense Ratio (%) <sup>(1,2)</sup>

Expense ratio=(Opex)/(Management Reporting Profit Before Tax-Opex)



## Breakdown of General Expenses, Management Reporting (H1 2024)

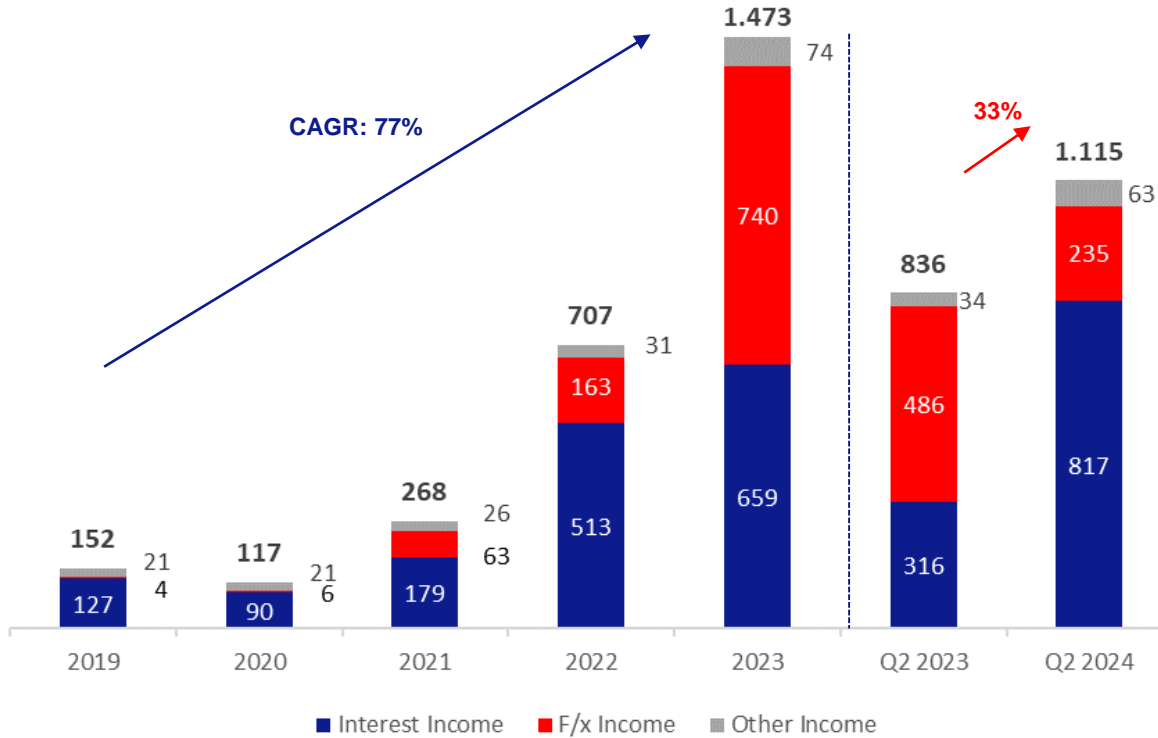


Note: <sup>(1)</sup> Management Reporting: IFRS Financials excluding inflation accounting effect, unaudited results  
<sup>(2)</sup> 2019 management reporting figures are restated (deferral of ROP commissions)

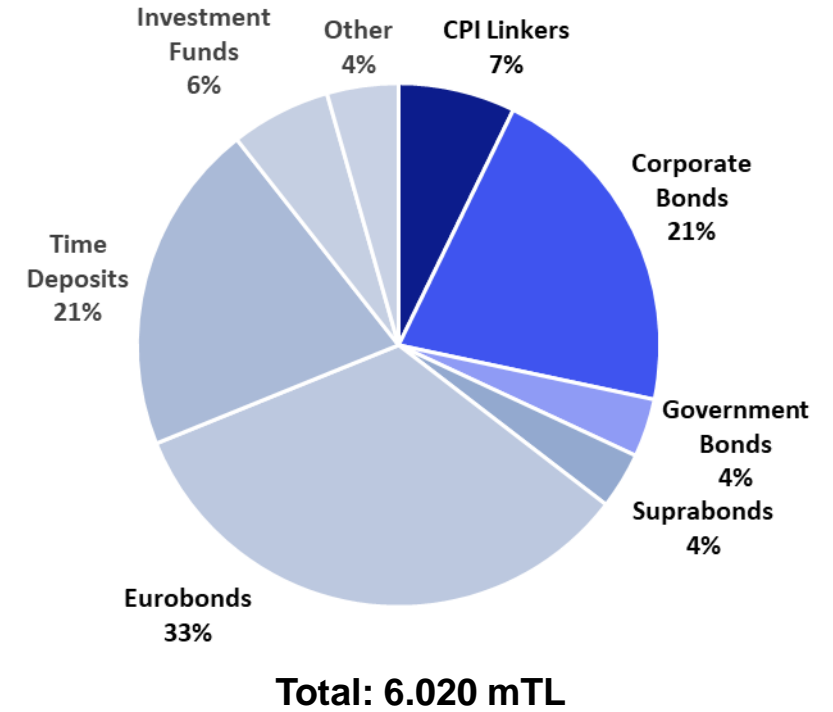


# ... Prudent Though Opportunistic Approach on Investments...

Investment and Other Income (TLm) <sup>(2)</sup>



Shareholders' Asset Portfolio – H1 2024 (mTL) <sup>(1) (2)</sup>



Source: Company information. Management Reporting: IFRS Financials excluding inflation accounting effect, unaudited results

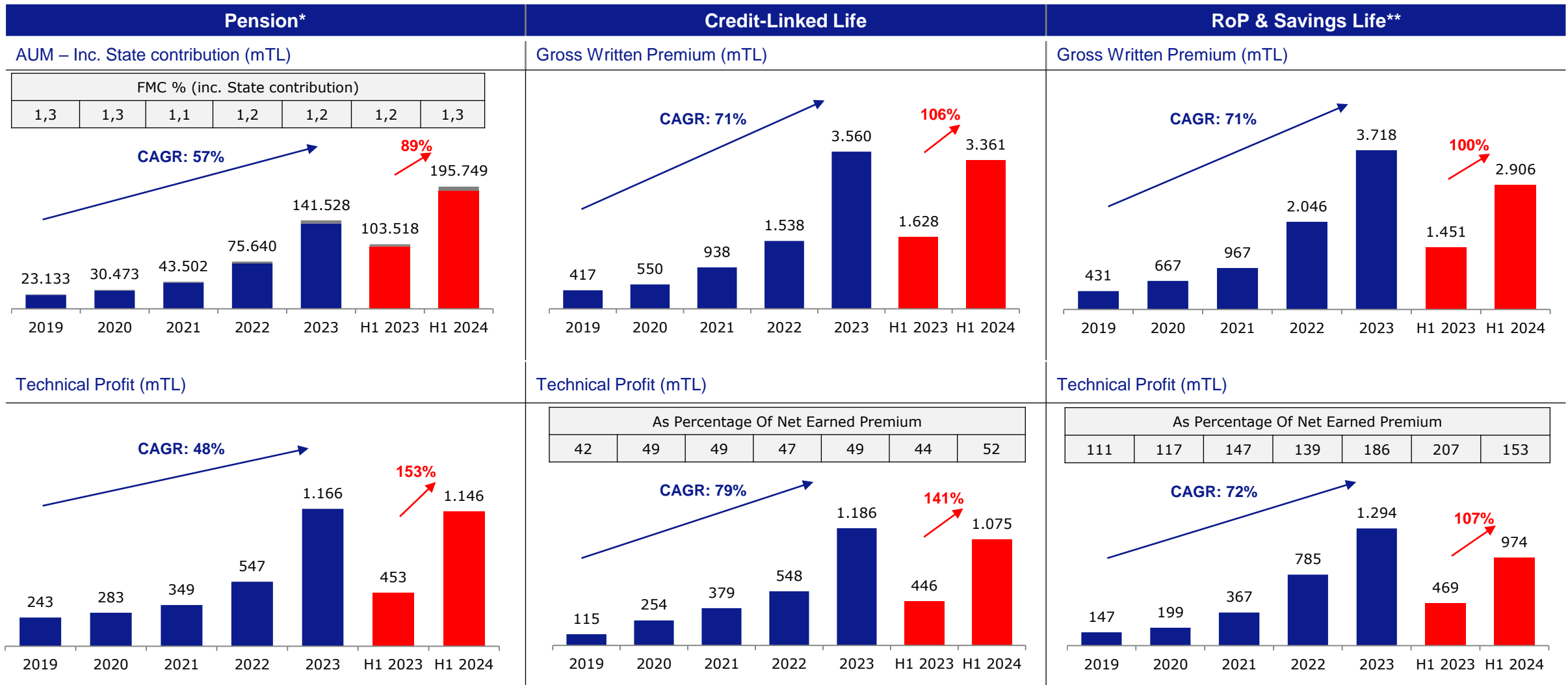
Note: (1) Both managed by AgeSA and Ak Asset Management.

(2) Derived from IFRS, differs from PL "Total Investment Income & Other" line excluding financial and other expenses,

# Overview - Business Lines



# Differentiated Management of Trends & Dynamics per Segment



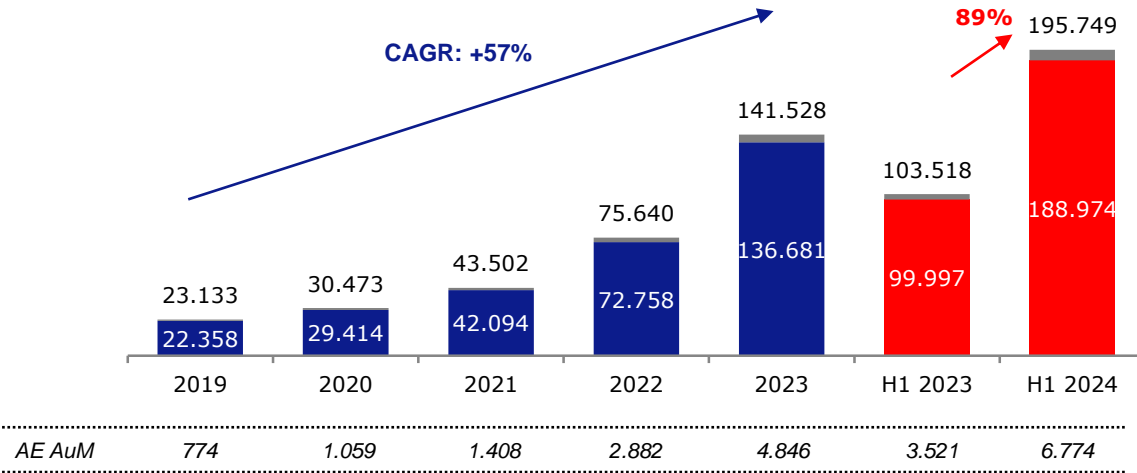
\*Pension figures are including AE

\*\*2019 figures are restated (deferral of ROP commissions)

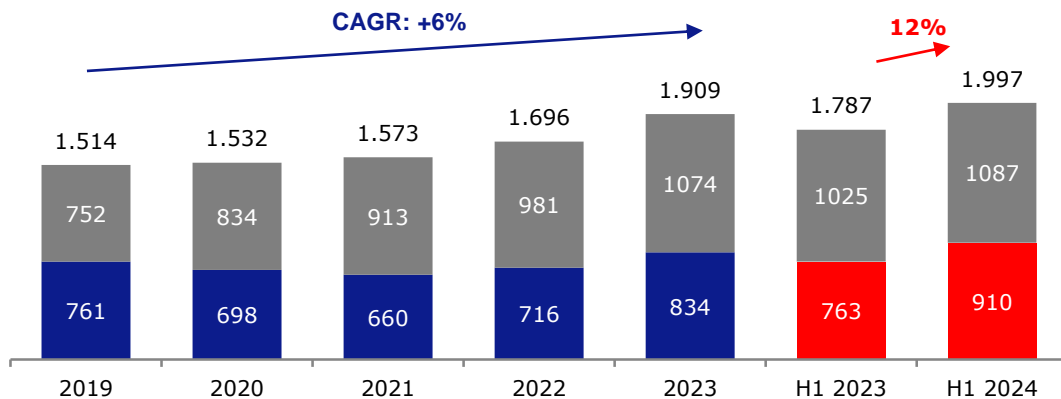
\*\*\* FMC income, net / Average of Opening and closing AuM

## Sustainable Growth and Scale Ambitions

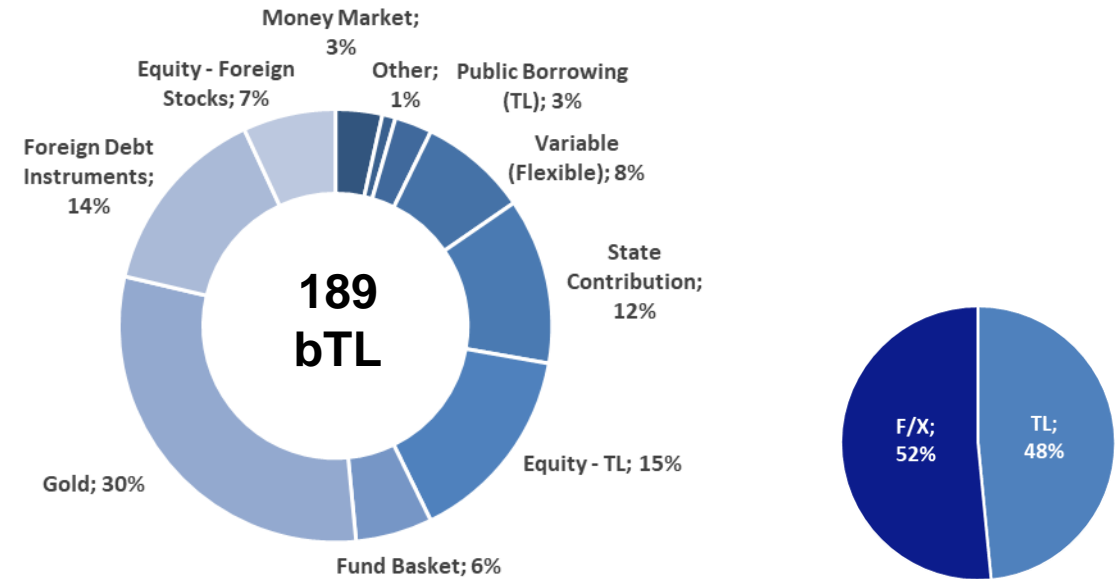
Pensions AUM including State Contribution (mTL)



Number of Participants (x1000)



Private Pension Fund Mix

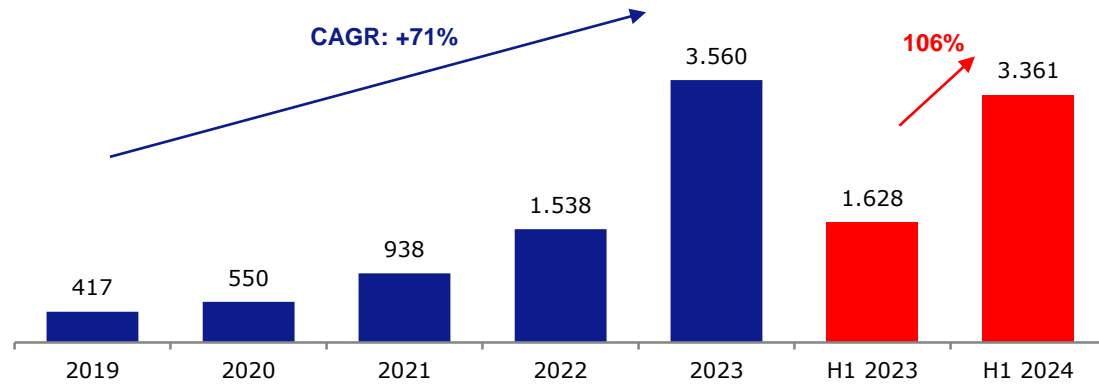


Market Share Of AgeSA % (in terms of AUM) Inc. AE

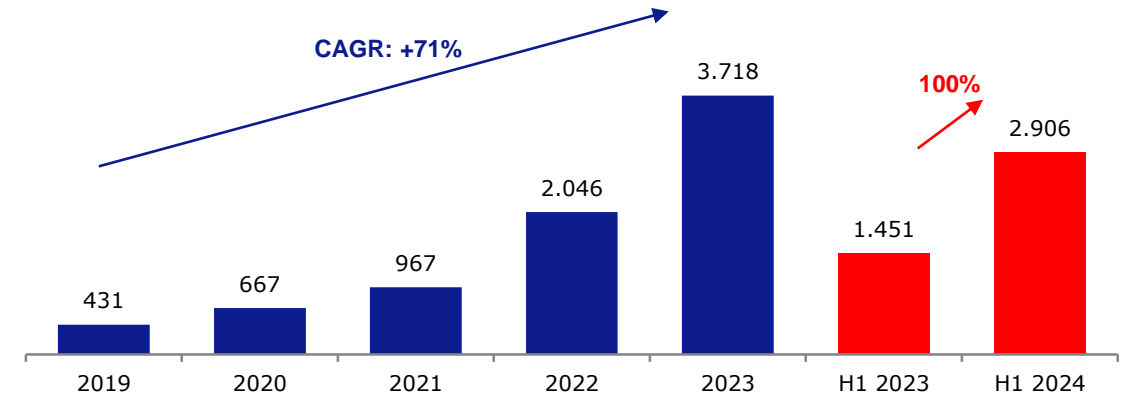
	2019	2020	2021	2022	2023	H1 2023	H1 2024
Private Pension	18,8	18,6	18,5	18,2	19,4	19,0	19,7
AE	9,4	9,0	8,5	8,6	9,1	8,8	9,3
<b>Total</b>	<b>18,2</b>	<b>17,9</b>	<b>17,8</b>	<b>17,5</b>	<b>18,7</b>	<b>18,3</b>	<b>19,0</b>

## Sustainable and Resilient Growth Model Fuelled by Multidistribution Channel Structure

Credit Linked GWP (mTL)



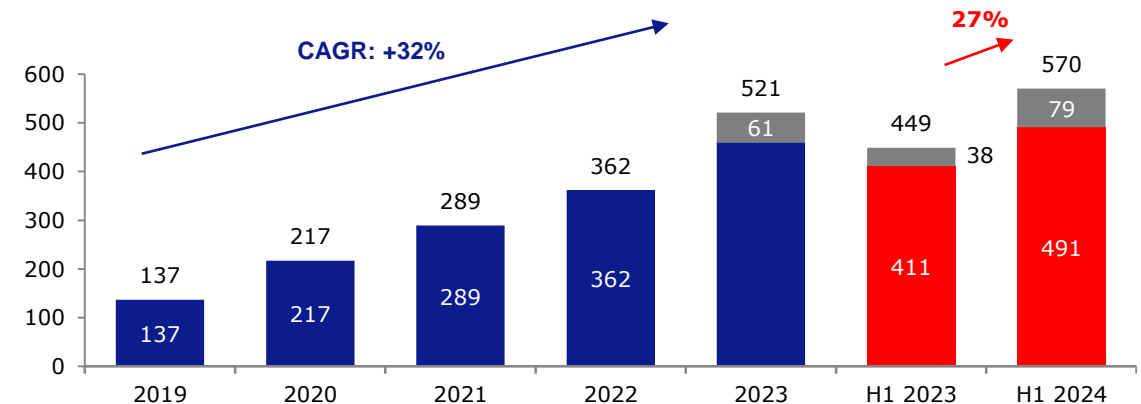
RoP&Savings GWP (mTL)



### Increase in Credit Life Market Share by 10pp since 2019 year-end

Market Share Of AgeSA % (in terms of GWP)							
	2019	2020	2021	2022	2023	H1 2023	H1 2024*
Credit-Linked	5,1	5,3	8,2	8,6	11,5	11,3	15,2
RoP&Savings	25,3	25,2	23,7	23,6	21,7	22,5	20,2
<b>Total Life&amp;PA</b>	<b>8,2</b>	8,8	11,0	11,6	<b>12,7</b>	12,4	<b>14,5</b>

RoP&Savings B/S Asset Volume (mUSD)



# Solvency II

## Value of New Business



# Diversified business model supporting value growth



Solvency II w/RW	Pension		Credit-linked Life		ROP&Savings		Other Life&PA		Total	
	2023 H1	2024 H1	2023 H1	2024 H1	2023 H1	2024 H1	2023 H1	2024 H1	2023 H1	2024 H1
<b>PVNB (m TL)</b>	21.536	32.314	1.687	3.615	1.730	5.488	126	214	25.079	41.631
<b>VNB (m TL)</b>	277	375	296	959	91	901	8	20	672	2.255
<b>New Business Margin (Net tax)</b>										

- ☛ SII VNB are calculated using Best Estimate Liabilities, including a Risk Margin, and also showing the effect of real world yields (taken as RFR +3%).
- ☛ 2024 profit margins are approximately 2.7% above last year's margins due to the portfolio shift to credit and new ROP as well new credit life pricing.
- ☛ Pension PVNB increased by 50%, as regular contributions were up 113% compared to Q2 2023. PVNB was further boosted by 11.6 billion TL of lump-sum payments (up 178% compared to Q2 2023).
- ☛ Total VNB has grown by 236% due to the contribution of the new ROP product as well as impressive Pension and Credit Life sales growth.

\*Results based on unit expense assumptions. Total acquisition expenses above/below the modeled expense level are not taken into account.

\*Source: Company data, unaudited results

*The information in this presentation has been prepared by AgeSA Hayat ve Emeklilik A.Ş. (the “Company”) solely for use at a presentation concerning the Company, its proposed listing on the Borsa İstanbul.*

*This presentation does not constitute or form part of, and should not be construed as, an offer to sell, or the solicitation or invitation of any offer to buy or subscribe for, or otherwise acquire, any securities of the Company or an inducement to enter into investment activity. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.*

*This presentation is the sole responsibility of the Company. The information contained in this presentation does not purport to be comprehensive and has not been independently verified. The information contained herein is for discussion purposes only and does not purport to contain all information that may be required to evaluate the Company and/or its business, financial position or future performance. The information and opinions contained in this document are provided only as at the date of the presentation and are subject to change without notice. No representation, warranty or undertaking, expressed or implied, is or will be made by the Company and Ak Yatırım Menkul Değerler A.Ş. (“Ak Yatırım”) or their respective affiliates, advisors or representatives or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained in this presentation (or whether any information has been omitted from this presentation). The Company, to the extent permitted by law, and Ak Yatırım and its or their respective directors, officers, employees, affiliates, advisors or representatives disclaims all liability whatsoever (in negligence or otherwise) for any loss however arising, directly or indirectly, from any use of this presentation or its contents or otherwise arising in connection with this presentation.*

*To the extent available, the industry, market and competitive position data that may be provided in this presentation come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein. In addition, certain of the industry, market and competitive position data contained in this presentation come from the Company’s own internal research and estimates based on the knowledge and experience of the Company’s management in the markets in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry, market or competitive position data contained in this presentation.*

*This presentation and any materials distributed in connection with this presentation are not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction..*

*The offer and distribution of this presentation and other information may be restricted by law and persons into whose possession this presentation or any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

*Nothing in this presentation constitutes investment advice and any recommendations that may be contained herein have not been based upon a consideration of the investment objectives, financial situation or particular needs of any specific recipient. Investors should not rely on or act upon this presentation or any of its contents and must return it immediately to the Company.*

*This presentation includes “forward-looking statements”. These statements contain the words “anticipate”, “will”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning. All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding the Company’s financial position, prospects, growth, business strategy, plans and objectives of management for future operations (including statements relating to new routes, number of aircraft, availability of financing, customer offerings, passenger and utilization statistics and objectives relating to the Company’s products and services) are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors, that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this presentation. The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual financial position, prospects, growth, business strategy, plans and objectives of management for future operations may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if the Company’s financial position, prospects, growth, business strategy, plans and objectives of management for future operations are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in any future period. The Company does not undertake and expressly disclaims any obligation to review or confirm or to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any events that occur or conditions or circumstances that arise after the date of this presentation.*

*By attending this presentation or by reading the presentation slides, you agree to be bound by the foregoing limitations and restrictions and, in particular, will be deemed to have represented, warranted and undertaken that: (i) you have read and agree to comply with the contents of this disclaimer including, without limitation, the obligation to keep this presentation and its contents confidential; (ii) you will be solely responsible for your own assessment of the Company and its business, financial position and future performance.*



# Thank you



# Appendix



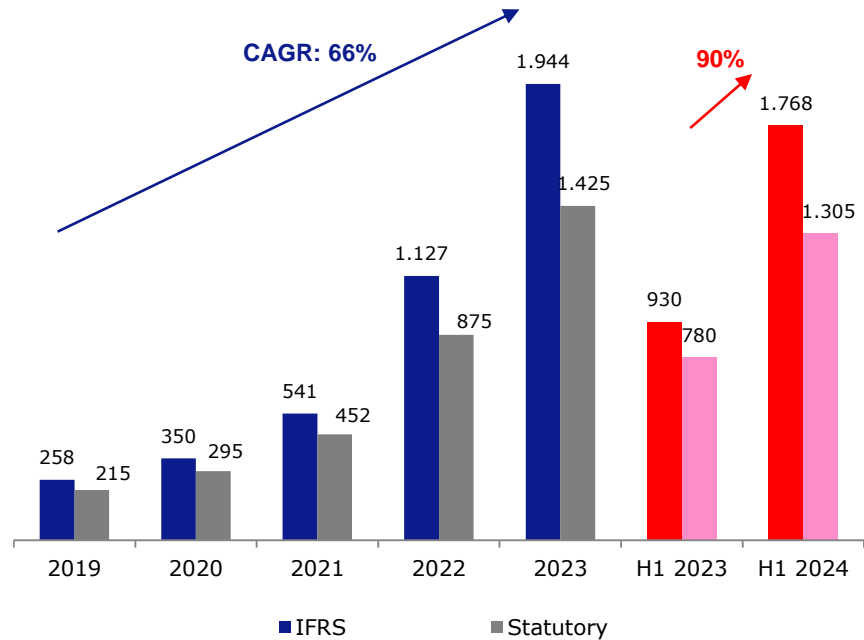
# Summary of P&L from SFRS Reporting

	2019	2023	CAGR	H1 2023	H1 2024	YoY	Q1 2024	Q2 2024	QoQ
Pension Technical Profit	321	1.521	48%	662	1.497	126%	852	645	-24%
Life Technical Profit	378	2.520	61%	978	2.190	124%	952	1.237	30%
Non-Life Technical Profit	69	125	16%	55	80	45%	34	46	37%
<b>Total Technical Profit</b>	<b>769</b>	<b>4.166</b>	<b>53%</b>	<b>1.694</b>	<b>3.767</b>	<b>122%</b>	<b>1.838</b>	<b>1.929</b>	<b>5%</b>
Total Expenses (Including Commissions)	-625	-4.304	62%	-1.735	-3.546	104%	-1.744	-1.802	3%
<b>Total Technical Profit after G&amp;A Expenses</b>	<b>144</b>	<b>-139</b>	<b>n/a</b>	<b>-41</b>	<b>221</b>	<b>n/a</b>	<b>95</b>	<b>127</b>	<b>34%</b>
Total Investment Income & Other	133	2.034	98%	1.057	1.523	44%	829	694	-16%
Profit Before Taxes	277	1.895	62%	1.016	1.745	72%	924	821	-11%
<b>Profit for the Period</b>	<b>215</b>	<b>1.425</b>	<b>61%</b>	<b>780</b>	<b>1.305</b>	<b>67%</b>	<b>691</b>	<b>615</b>	<b>-11%</b>

- ◀ SFRS financial figures are shown **before MediSA consolidation**
- ◀ MediSA (Sabancı Health Insurance Company) consolidation SFRS P/L impact is **-30 mTL**

# Reconciliation between IFRS & Statutory Profit

IFRS vs. Statutory Profit for the Period (mTL)



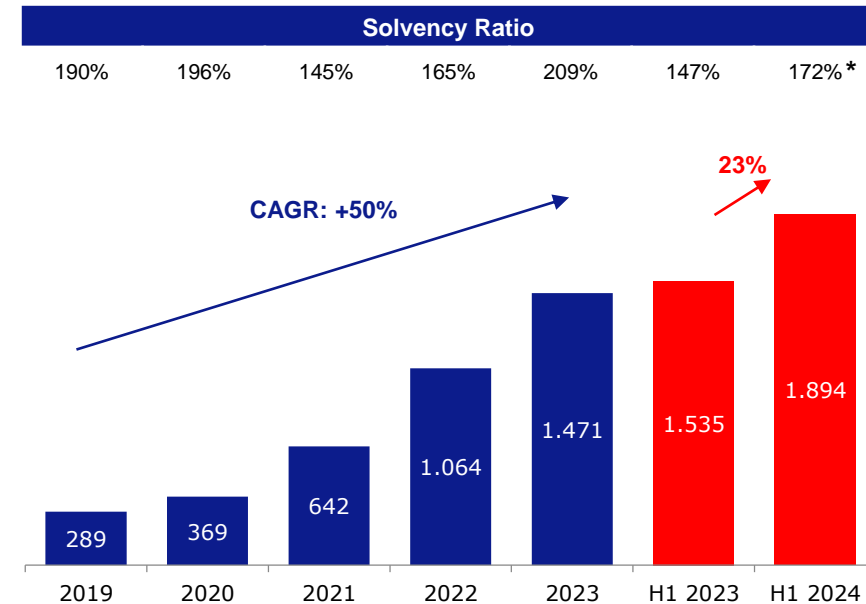
Profit for the Period Reconciliation (mTL)

	2019	2020	2021	2022	2023	CAGR	H1 2023	H1 2024	YoY
<b>IFRS Profit for the Period</b>	<b>258</b>	<b>350</b>	<b>541</b>	<b>1.127</b>	<b>1.944</b>	<b>66%</b>	<b>930</b>	<b>1.768</b>	<b>90%</b>
Equalisation Reserve write-off	-10	-11	-7	-9	-6	-10%	4	-16	n/a
Change in Deferred Acquisition Costs	-51	-57	-107	-356	-889	104%	-319	-805	153%
Change in Deferred Income Reserve	4	-12	-8	24	144	139%	106	185	74%
Deferred Tax	14	17	33	88	232	103%	58	173	198%
Outstanding Legal Claims Discount, net		8	0	2	1	n/a	1	0	-19%
<b>Statutory Profit for the Period</b>	<b>215</b>	<b>295</b>	<b>452</b>	<b>875</b>	<b>1.425</b>	<b>61%</b>	<b>780</b>	<b>1.305</b>	<b>67%</b>
<i>Total Difference</i>	43	55	89	252	519	87%	150	462	208%

- Comfortable solvency ratios driven by a measured approach to risk and new product introductions, which affords the business scope and flexibility pursuing growth options and / or returning cash to shareholders

## Regulatory Capital Requirement

Calculation of net assets to cover solvency margin	December 31					H1 2023	H1 2024
	2019 <sup>(1)</sup>	2020	2021	2022	2023		
<b>A</b> AgeSA net assets	547	722	932	1.752	3.067	2.259	3.256
<b>B</b> AgeSA Required Capital	289	369	642	1.064	1.471	1.535	1.894
AgeSA guarantee fund	96	123	214	355	490	512	631
<b>Surplus of net assets in excess of Required Capital</b>	<b>259</b>	<b>353</b>	<b>290</b>	<b>688</b>	<b>1.596</b>	<b>724</b>	<b>1.361</b>
Surplus of net assets in excess of guarantee fund	451	599	718	1.398	2.576	1.747	2.624



\* 629 mTL has been paid as capital advance to MediSA, in April. AgeSA has become the main shareholder with 80% share. Including capital injection impact, solvency result would be calculated as **205%**