



ADİYAMAN

FINANCIAL STATEMENTS

DİYARBAKİR

MARDİN

** The cities listed were visited between December 16-21, 2024, as part of the TCIP Truck Project.*



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BAĞIMSIZ DENETÇİ RAPORU

Doğal Afet Sigortaları Kurumu Genel Kurulu'na

Finansal Tabloların Bağımsız Denetimi

Görüş

Doğal Afet Sigortaları Kurumu'nun ("Kurum") 31 Aralık 2024 tarihli finansal durum tablosu ile aynı tarihte sona eren hesap dönemine ait; kapsamlı gelir tablosu, öz kaynak değişim tablosu ve nakit akış tablosu ile önemli muhasebe politikalarının özeti de dahil olmak üzere finansal tablo dipnotlarından oluşan finansal tablolarını denetlemiştir.

Görüşümüze göre, ilişikteki finansal tablolar, Kurum'un 31 Aralık 2024 tarihi itibarıyla finansal durumunu ve aynı tarihte sona eren hesap dönemine ait finansal performansını ve nakit akışlarını, Türkiye Finansal Raporlama Standartlarına ("TFRS"lere) uygun olarak tüm önemli yönleriyle gerçeğe uygun bir biçimde sunmaktadır.

Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartlarına ("BDS"lere) uygun olarak yürütülmüştür. Bu Standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Finansal Tabloların Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar ("Etik Kurallar") ile finansal tabloların bağımsız denetimiyle ilgili mevzuatta yer alan etik hükümlere uygun olarak Kurum'dan bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etige ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.



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Kilit Denetim Konuları

Kilit denetim konuları, mesleki muhakememize göre cari döneme ait finansal tabloların bağımsız denetiminde en çok önem arz eden konulardır. Kilit denetim konuları, bir bütün olarak finansal tabloların bağımsız denetimi çerçevesinde ve finansal tablolara ilişkin görüşümüzün oluşturulmasında ele alınmış olup, bu konular hakkında ayrı bir görüş bildirmiyoruz. Tarafımızca aşağıda açıklanan konular kilit denetim konusu olarak belirlenmiş ve raporumuzda bildirilmiştir.

Kilit denetim konusu	Kilit denetim konusunun denetimde nasıl ele alındığı
Gerçekleşmiş ancak rapor edilmemiş tazminat yükümlülüklerinin tahmini	Gerçekleşmiş ancak rapor edilmemiş tazminat bedellerinin tahminine ilişkin denetim prosedürleri, denetim ekibimizin bir parçası olan aktüer denetçi ile birlikte gerçekleştirilmiştir. Bu prosedürler başlıca, Kurum tarafından gerçekleştirilmiş ancak rapor edilmemiş tazminat karşılığı hesaplamasında kullanılan tahmin ve yöntemlerin uygun olup olmadığını değerlendirme amaçlıdır.
Kurum'un 31 Aralık 2024 tarihi itibarıyla teknik karşılıkları toplamı 8.707.708.492 TL olup, bu tutar Kurum'un toplam yükümlülüklerinin yüzde 41'ini oluşturmaktadır. Kurum, sigorta sözleşmelerine ilişkin olarak ileride ödemesi muhtemel muallak hasarlar için net 1.836.012.957 TL karşılık ayırmıştır. Bahse konu muallak hasar karşılık tutarının içinde muhasebeleşen gerçekleşmiş ancak rapor edilmemiş (IBNR) tazminat karşılığının (iskonto öncesi ve reasürör payı sonrası tutarı 631.566.749 TL) hesaplamasında Kurum Yönetimi, Not 2 ve 17'de detaylı olarak açıkladığı, Kurum aktüerinin görüşleri çerçevesinde belirlenen aktüeryal varsayımlar ve en iyi tahmin yöntemlerini kullanmıştır.	Bu kapsamda, gerçekleşmiş dosya muallakları örneklem yoluyla test edilmiş ve analitik incelemeler yapılmıştır. Gerçekleşmiş dosya muallaklarının davalık olan kısmı için Kurum avukatından yazılı olarak teyit mektubu temin edilmiştir. Kurum aktüeri tarafından belirlenen ortalama dosya hasar tutarı ve dosya açılış tutarları değerlendirilmiştir. Gerçekleşmiş ancak rapor edilmemiş tazminat bedellerinin hesaplamasında kullanılan verinin finansal tablolar ile mutabakatı yapılmıştır. Kurum'un her branş için kullanmış olduğu gerçekleşmiş ancak rapor edilmemiş tazminat bedeli hesaplama yönteminin ilgili branş hasar özelliklerine ve Kurum'un hasar geçmişine uygun olup olmadığı değerlendirilmiştir. Kurum tarafından hesaplanan gerçekleşmiş ancak rapor edilmemiş tazminat bedelleri için aktüeryal hesaplamalar yapılarak makul aralık tahminleri belirlenmiş ve Kurum'un muhasebeleştiği tutarlar ile karşılaştırılmıştır. Söz konusu tazminat bedelleri ile ilgili finansal tabloların bir parçası olan dipnotlarda yer alan açıklamaların uygunluğu ve doğruluğu kontrol edilmiştir.
Gerçekleşmiş ancak rapor edilmemiş tazminat karşılığı tutarının finansal tablolar içerisindeki tutarsal önemi ve karşılık hesaplamalarının yapısı gereği önemli aktüeryal yargı ve tahminler içermesi nedeniyle, bu konu kilit denetim konusu olarak seçilmiştir.	

Yönetimin ve Üst Yönetimden Sorumlu Olanların Finansal Tablolara İlişkin Sorumlulukları

Kurum yönetimi; finansal tabloların TFRS'lere uygun olarak hazırlanmasından, gerçeğe uygun bir biçimde sunumundan ve hata veya hile kaynaklı önemli yanlışlık içermeyecek şekilde hazırlanması için gerekli gördüğü iç kontrolden sorumludur.

Finansal tabloları hazırlarken yönetim; Kurum'un sürekliliğini devam ettirme kabiliyetinin değerlendirilmesinden, gerektiğinde süreklilikle ilgili hususları açıklamaktan ve Kurum'u tasfiye etme ya da ticari faaliyeti sona erdirmeye niyeti ya da mecburiyeti bulunmadığı süreç işletmenin sürekliliği esasını kullanmaktan sorumludur.

Üst yönetimden sorumlu olanlar, Kurum'un finansal raporlama sürecinin gözetiminden sorumludur.





Bağımsız Denetçinin Finansal Tabloların Bağımsız Denetimine İlişkin Sorumlulukları

Bir bağımsız denetimde, biz bağımsız denetçilerin sorumlulukları şunlardır:

Amacımız, bir bütün olarak finansal tabloların hata veya hile kaynaklı önemli yanlışlık içerip içermediğine ilişkin makul güvence elde etmek ve görüşümüzü içeren bir bağımsız denetçi raporu düzenlemektir. BDS'lere uygun olarak yürütülen bir bağımsız denetim sonucunda verilen makul güvence; yüksek bir güvence seviyesidir ancak, var olan önemli bir yanlışlığın her zaman tespit edileceğini garanti etmez. Yanlışlıklar hata veya hile kaynaklı olabilir. Yanlışlıkların, tek başına veya toplu olarak, finansal tablo kullanıcılarının bu tablolara istinaden alacakları ekonomik kararları etkilemesi makul ölçüde bekleniyorsa bu yanlışlıklar önemli olarak kabul edilir.

BDS'lere uygun olarak yürütülen bir bağımsız denetimin gereği olarak, bağımsız denetim boyunca mesleki muhakememizi kullanmakta ve mesleki şüpheciliğimizi sürdürmekteyiz. Tarafımızca ayrıca:

- Finansal tablolardaki hata veya hile kaynaklı "önemli yanlışlık" riskleri belirlenmekte ve değerlendirilmekte; bu risklere karşılık veren denetim prosedürleri tasarlanmakta ve uygulanmakta ve görüşümüze dayanak teşkil edecek yeterli ve uygun denetim kanıtı elde edilmektedir. (Hile; muvazaa, sahtekârlık, kasıtlı ihmal, gerçeğe aykırı beyan veya iç kontrol ihlali fiillerini içerebildiğinden, hile kaynaklı önemli bir yanlışlığı tespit edememe riski, hata kaynaklı önemli bir yanlışlığı tespit edememe riskinden yüksektir.)
- Kurum'un iç kontrolünün etkinliğine ilişkin bir görüş bildirmek amacıyla değil ama duruma uygun denetim prosedürlerini tasarlamak amacıyla denetimle ilgili iç kontrol değerlendirilmektedir.
- Yönetim tarafından kullanılan muhasebe politikalarının uygunluğu ile yapılan muhasebe tahminlerinin ve ilgili açıklamaların makul olup olmadığı değerlendirilmektedir.
- Elde edilen denetim kanıtlarına dayanarak, Kurum'un sürekliliğini devam ettirme kabiliyetine ilişkin ciddi şüphe oluşturabilecek olay veya şartlarla ilgili önemli bir belirsizliğin mevcut olup olmadığı hakkında ve yönetimin işletmenin sürekliliği esasını kullanmasının uygunluğu hakkında sonuca varılmaktadır. Önemli bir belirsizliğin mevcut olduğu sonucuna varmamız hâlinde, raporumuzda, finansal tablolardaki ilgili açıklamalara dikkat çekmemiz ya da bu açıklamaların yetersiz olması durumunda olumlu görüş dışında bir görüş vermemiz gerekmektedir. Vardığımız sonuçlar, bağımsız denetçi raporu tarihine kadar elde edilen denetim kanıtlarına dayanmaktadır. Bununla birlikte, gelecekteki olay veya şartlar Kurum'un sürekliliğini sona erdirebilir.
- Finansal tabloların, açıklamalar dâhil olmak üzere, genel sunumu, yapısı ve içeriği ile bu tabloların, temelini oluşturan işlem ve olayları gerçeğe uygun sunumu sağlayacak şekilde yansıtır yansıtmadığı değerlendirilmektedir.

Diğer hususların yanı sıra, denetim sırasında tespit ettiğimiz önemli iç kontrol eksiklikleri dâhil olmak üzere, bağımsız denetimin planlanan kapsamı ve zamanlaması ile önemli denetim bulgularını üst yönetimden sorumlu olanlara bildirmekteyiz.

Bu bağımsız denetimi yürütüp sonuçlandıran sorumlu denetçi Necip Çakmakoglu'dur.

RSM Turkey Uluslararası Bağımsız Denetim A.Ş.

Member of RSM International



Necip Çakmakoglu, SMMM

Sorumlu Denetçi

İstanbul, 5 Mayıs 2025



TURKISH CATASTROPHE INSURANCE POOL

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

TOGETHER WITH THE

INDEPENDENT AUDITORS’ REPORT

CONTENTS

STATEMENT OF FINANCIAL POSITION	100
STATEMENT OF INCOME	109
STATEMENT OF CASH FLOW	111
STATEMENT OF CHANGES IN EQUITY	112
STATEMENT OF PROFIT DISTRIBUTION	114
NOTES TO THE FINANCIAL STATEMENTS	115

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I- Current Assets			
A- Cash and Cash Equivalents	14	4.235.197.211	5.455.922.656
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	14	4.235.197.211	5.455.922.656
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- Financial Assets and Financial Investments with Risks on Policyholders		11.959.099.661	7.196.153.610
1- Available-for-Sale Financial Assets	11	11.959.099.661	7.196.153.610
2- Held to Maturity Investments		-	-
3- Financial Assets Held for Trading		-	-
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		-	-
C- Receivables from Main Operations	4.2 and 12	1.147.101.313	5.336.727.468
1- Receivables from Insurance Operations	4.2 and 12	1.147.101.313	5.336.727.468
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited to Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Operations		-	-
9- Doubtful Receivables from Main Operations	4.2 and 12	33.136.555	1.994.780
10- Provision for Doubtful Receivables from Main Operations	4.2 and 12	(33.136.555)	(1.994.780)

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I- Current Assets			
D- Due from Related Parties		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
E- Other Receivables		43.511	-
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	12	43.511	-
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
F- Prepaid Expenses and Accrued Income		8.116.790.588	3.882.341.264
1- Deferred Acquisition Costs	17	8.116.790.588	3.855.061.941
2- Accrued Interest and Rent Income		-	-
3- Accrued Income	4.2 and 12	-	25.003.742
4- Other Prepaid Expenses	4.2 and 12	-	2.275.581
G- Other Current Assets		420.018	420.588
1- Stocks to be Used in the Following Months		-	-
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Job Advances	4.2 and 12	420.018	420.588
5- Advances Given to Personnel		-	-
6- Inventory Count Differences		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
I- Total Current Assets		25.458.652.302	21.871.565.586

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
II- Non-Current Assets			
A- Receivables from Main Operations		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to 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- Due from Related Parties		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
C- Other Receivables		-	-
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
D- Financial Assets		-	-
1- Investments in Equity Shares		-	-
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		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
II- Non-Current Assets			
E- Tangible Assets	6	27.611.520	21.452.597
1- Investment Property		-	-
2- Impairment on Investment Property		-	-
3- Owner Occupied Property		-	-
4- Machinery and Equipment's	6	14.388.293	1.458.293
5- Furniture and Fixtures	6	30.642.321	17.596.163
6- Motor Vehicles	6	4.250.689	4.250.689
7- Other Tangible Assets (Including Leasehold Improvements)	6	10.779.467	8.940.467
8- Tangible Assets Acquired Through Finance Leases		-	-
9- Accumulated Depreciation	6	(32.449.250)	(10.793.015)
10- Advances Paid for Tangible Assets (Including Construction in Progress)		-	-
F- Intangible Assets	8	37.482.263	22.583.830
1- Rights	8	24.747.402	24.747.402
2- Goodwill		-	-
3- Pre-operating Expenses		-	-
4- Research and Development Costs		-	-
5- Other Intangible Assets		-	-
6- Accumulated Amortization	8	(19.229.163)	(14.685.021)
7- Advances Paid for Intangible Assets	8	31.964.024	12.521.449
G-Prepaid Expenses and Accrued Income		-	-
1- Deferred Acquisition Costs		-	-
2- Accrued Income		-	-
3- Other Prepaid Expenses		-	-
H-Other Non-Current Assets		-	-
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets		-	-
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortization on Other Non-Current Assets		-	-
8- Provision for Other Non-Current Assets		-	-
II- Total Non-Current Assets		65.093.783	44.036.427
TOTAL ASSETS		25.523.746.085	21.915.602.013

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
III- Short-Term Liabilities			
A- Financial Liabilities		-	-
1- Borrowings from Financial Institutions		-	-
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		-	-
B- Payables Arising from Main Operations	19	6.847.904.844	1.952.457.671
1- Payables Arising from Insurance Operations	19 and 4.2	6.719.142.552	1.340.095.165
2- Payables Arising from Reinsurance Operations	19 and 4.2	128.762.292	612.362.506
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Main Operations		-	-
6- Discount on Payables from Other Main Operations		-	-
C-Due to Related Parties	19 and 45	-	11.817.907
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	19 and 45	-	11.817.907
D- Other Payables		20.757.473	28.867.985
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables	19	20.757.473	28.867.985
4- Discount on Other Miscellaneous Payables		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
III- Short-Term Liabilities			
E-Insurance Technical Provisions	17	7.507.793.081	6.190.293.390
1- Reserve for Unearned Premiums - Net	17	6.871.695.535	2.351.453.864
2- Reserve for Unexpired Risks- Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	17	636.097.546	3.838.839.526
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
F- Provisions for Taxes and Other Similar Obligations	19	10.075.060	6.604.606
1- Taxes and Funds Payable	19	10.075.060	6.604.606
2- Social Security Premiums Payable		-	-
3- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Payables		-	-
5- Corporate Tax Payable		-	-
6- Prepaid Taxes and Other Liabilities Regarding Current Period Profit		-	-
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks		-	-
1- Provision for Employee Termination Benefits		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provisions for Costs		-	-
H- Deferred Income and Expense Accruals	19	3.378.508.630	3.168.486.923
1- Deferred Commission Income		-	-
2- Expense Accruals	19	3.378.508.630	3.168.486.923
3- Other Deferred Income		-	-
I- Other Short-Term Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities		-	-
III – Total Short-Term Liabilities		17.765.039.088	11.358.528.482

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
IV- Long-Term Liabilities			
A- Financial Liabilities		-	-
1- Borrowings from Financial Institutions		-	-
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		-	-
B- Payables Arising from Main Operations		-	-
1- Payables Arising from Insurance Operations		-	-
2- Payables Arising from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Operations		-	-
6- Discount on Payables from Other Operations		-	-
C- Due to Related Parties		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables		-	-
4- Discount on Other Miscellaneous Payables		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
IV- Long-Term Liabilities			
E-Insurance Technical Provisions	17	1.199.915.411	478.743.098
1- Reserve for Unearned Premiums - Net		-	-
2- Reserve for Unexpired Risks - Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	17	1.199.915.411	478.743.098
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
F-Other Liabilities and Relevant Accruals		-	-
1- Other Liabilities		-	-
2- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
3- Other Liabilities and Expense Accruals		-	-
G- Provisions for Other Risks		-	-
1- Provisions for Employment Termination Benefits		-	-
2- Provisions for Employee Pension Funds Deficits		-	-
H-Deferred Income and Expense Accruals	19	2.500.000.000	5.000.000.000
1- Deferred Commission Income		-	-
2- Expense Accruals	19	2.500.000.000	5.000.000.000
3- Other Deferred Income		-	-
I- Other Long-Term Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Other Long-Term Liabilities		-	-
IV- Total Long-Term Liabilities		3.699.915.411	5.478.743.098

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

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

Shareholder's Equity			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
V- Shareholders' Equity			
A- Paid in Capital		-	-
1- (Nominal) Capital		-	-
2- Unpaid Capital		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences		-	-
5- Unregistered Capital		-	-
B- Capital Reserves		-	-
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		-	-
C- Profit Reserves		192.608.861	462.886.505
1- Legal Reserves		-	-
2- Statutory Reserves		-	-
3- Extraordinary Reserves		-	-
4- Special Funds		-	-
5- Revaluation of Financial Assets	11,15	192.608.861	462.886.505
6- Other Profit Reserves		-	-
D- Retained Earnings		4.615.443.928	15.862.966.540
1- Retained Earnings		4.615.443.928	15.862.966.540
E- Accumulated Losses		-	-
1- Accumulated Losses		-	-
F-Net Profit/(Loss) for the Period		(749.261.203)	(11.247.522.612)
1- Net Profit for the Year		-	-
2- Net Loss for the Year		(749.261.203)	(11.247.522.612)
3- Net Profit for the Period not Subject to Distribution		-	-
V- Total Equity		4.058.791.586	5.078.330.433
TOTAL EQUITY AND LIABILITIES		25.523.746.085	21.915.602.013

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

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

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
I-TECHNICAL SECTION			
A- Non-Life Technical Income		3.375.605.367	1.229.600.036
1- Earned Premiums (Net of Reinsurer Share)		3.375.605.367	1.229.600.036
1.1- Written Premiums (Net of Reinsurer Share)		7.895.847.038	2.186.923.675
1.1.1- Written Premiums, gross	17	13.524.059.982	4.978.736.551
1.1.2- Written Premiums, ceded	10,17	(5.628.212.944)	(2.791.812.876)
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)	17,29	(4.520.241.671)	(957.323.639)
1.2.1- Reserve for Unearned Premiums, gross	17	(4.520.241.671)	(957.323.639)
1.2.2- Reserve for Unearned Premiums, ceded		-	-
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)		-	-
1.3.1- Reserve for Unexpired Risks, gross		-	-
1.3.2- Reserve for Unexpired Risks, ceded		-	-
2- Investment Income - Transferred from Non-Technical Section		-	-
3- Other Technical Income (Net of Reinsurer Share)		-	-
3.1- Other Technical Income, gross		-	-
3.2- Other Technical Income, ceded		-	-
4- Accrued Salvage and Subrogation Income		-	-
B- Non-Life Technical Expense		(7.930.497.001)	(14.019.383.597)
1- Incurred Losses (Net of Reinsurer Share)	17	(5.630.671.111)	(12.985.746.833)
1.1- Claims Paid (Net of Reinsurer Share)	17,29	(726.925.391)	(9.054.200.740)
1.1.1- Claims Paid, gross	17	(8.938.209.107)	(40.425.067.889)
1.1.2- Claims Paid, ceded	10,17	8.211.283.716	31.370.867.149
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	17,29	(4.903.745.720)	(3.931.546.093)
1.2.1- Change in Provisions for Outstanding Claims, gross	17	10.081.418.641	(15.184.290.646)
1.2.2- Change in Provisions for Outstanding Claims, ceded	17	(14.985.164.361)	11.252.744.553
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)		-	-
4- Operating Expenses	32	(2.299.825.890)	(1.033.636.764)
5- Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
C- Net Technical Income-Non-Life (A – B)		(4.554.891.634)	(12.789.783.561)
D- Life Technical Income		-	-
E- Life Technical Expense		-	-
F- Net Technical Income- Life (D – E)		-	-
I - Net Technical Income – Pension Business (G-H)		-	-
J- Total Net Technical Income (C+F+I)		(4.554.891.634)	(12.789.783.561)

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

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

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
II-NON-TECHNICAL SECTION			
K- Investment Income		4.497.280.744	9.795.308.665
1- Income from Financial Assets	4.2	3.456.106.641	7.938.848.138
2- Income from Disposal of Financial Assets	4.2	737.130.225	757.678
3- Valuation of Financial Assets	4.2	-	870.687.344
4- Foreign Exchange Gains	4.2	304.043.878	985.015.505
5- Income from Associates		-	-
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Property, Plant and Equipment		-	-
8- Income from Derivative Transactions		-	-
9- Other Investments		-	-
10- Income Transferred from Life Section		-	-
L- Investment Expense		(665.282.322)	(753.203.891)
1- Investment Management Expenses (including interest)	4.2	(281.788.675)	(564.616.641)
2- Diminution in Value of Investments	4.2	(221.159.904)	-
3- Loss from Disposal of Financial Assets		(71.423.110)	-
4- Investment Income Transferred to Non-Life Technical Section		-	-
5- Loss from Derivative Transactions		-	-
6- Foreign Exchange Losses	4.2	(77.348.131)	(179.947.669)
7- Depreciation and Amortisation Expenses	6,8	(13.562.502)	(8.639.581)
8- Other Investment Expenses		-	-
M- Income and Expenses from Other and Extraordinary Operation		(26.367.991)	(7.499.843.825)
1- Provisions	47	(31.141.775)	(7.500.000.000)
2- Rediscounts		-	-
3- Specified Insurance Accounts		-	-
4- Inflation Adjustment Account		-	-
5- Deferred Taxation (Deferred Tax Assets)		-	-
6- Deferred Taxation (Deferred Tax Liabilities)		-	-
7- Other Income		4.773.784	156.175
8- Other Expenses and Losses		-	-
9- Prior Year's Income		-	-
10- Prior Year's Expenses and Losses		-	-
N- Net Profit for the Period		(749.261.203)	(11.247.522.612)
1- Profit for the Period		(749.261.203)	(11.247.522.612)
2- Corporate Tax Provision and Other Fiscal Liabilities		-	-
3- Net Profit for the Period		(749.261.203)	(11.247.522.612)
4- Inflation Adjustment Account		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

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

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
A. Cash flows from main activities			
1. Cash provided from insurance activities		19.729.075.698	36.622.044.509
2. Cash provided from reinsurance activities		-	612.362.506
3. Cash provided from pension business		-	-
4. Cash used in insurance activities		(14.638.524.543)	(50.838.121.893)
5. Cash used in reinsurance activities		(483.600.214)	-
6. Cash used in pension business		-	-
7. Cash provided from main activities		4.606.950.941	(13.603.714.878)
8. Interest paid		-	-
9. Income taxes paid		-	-
10. Other cash inflows		281.526.577	8.742.146.749
11. Other cash outflows		(2.307.977.746)	(7.525.003.742)
12. Net cash provided from operating activities		2.580.499.772	(12.386.571.871)
B. Cash flows from investing activities			
1. Disposal of tangible assets		-	-
2. Acquisition of tangible assets		(34.619.858)	(15.636.579)
3. Acquisition of financial assets		(30.614.728.174)	(443.508.722)
4. Disposal of financial assets		25.611.118.157	13.950.921.655
5. Interests received		1.154.801.575	877.853.247
6. Dividends received		-	-
7. Other cash inflows		1.982.762.296	2.576.399.594
8. Other cash outflows		(2.931.078.794)	(1.788.585.466)
9. Net cash provided by investing activities		(4.557.352.547)	15.157.443.729
C. Cash used in financing activities			
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments		-	-
4. Dividends paid		-	-
5. Other cash inflows		-	-
6. Other cash outflows		-	-
7. Net cash used in financing activities		-	-
D. Impact of currency differences on cash and cash equivalents		803.911.686	757.382.793
E. Net increase/(decrease) in cash and cash equivalents		(1.172.941.089)	3.528.254.651
F. Cash and cash equivalents at the beginning of the period	14	5.361.306.733	1.833.052.082
G. Cash and cash equivalents at the end of the period	14	4.188.365.644	5.361.306.733

TURKISH CATASTROPHE INSURANCE POOL STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

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

Audited Statement of Changes in Equity – December 31, 2023

	Notes	Capital	The business's own stocks	Revaluation of Financial 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
I – Balance at the end of the previous year (January 1, 2022)		-	-	5.608.418.850	-	-	-	-	-	2.074.868.559	13.788.097.981	21.471.385.390
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	15	-	-	(5.145.532.345)	-	-	-	-	-	-	-	(5.145.532.345)
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses		-	-	-	-	-	-	-	-	-	-	-
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year	15	-	-	-	-	-	-	-	-	(11.247.522.612)	-	(11.247.522.612)
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	(2.074.868.559)	2.074.868.559	-
J – Dividends paid		-	-	-	-	-	-	-	-	-	-	-
II- Balance at the end of the period December 31, 2022	15	-	-	462.886.505	-	-	-	-	-	(11.247.522.612)	15.862.966.540	5.078.330.433

Audited Statement of Changes in Equity December 31, 2024

	Notes	Capital	The business's own stocks	Revaluation of Financial 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
I – Balance at the end of the previous year – (January 1, 2023)		-	-	462.886.505	-	-	-	-	-	(11.247.522.612)	15.862.966.540	5.078.330.433
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	15	-	-	(270.277.644)	-	-	-	-	-	-	-	(270.277.644)
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses		-	-	-	-	-	-	-	-	-	-	-
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year	15	-	-	-	-	-	-	-	-	(749.261.203)	-	(749.261.203)
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	11.247.522.612	(11.247.522.612)	-
J – Dividends paid		-	-	-	-	-	-	-	-	-	-	-
II- Balance at the end of the period December 31, 2023	15	-	-	192.608.861	-	-	-	-	-	(749.261.203)	4.615.443.928	4.058.791.586

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF PROFIT DISTRIBUTION FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

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

Notes	Audited Current Period December 31, 2024 (*)	Audited Prior Period December 31, 2023 (*)
I. PROFIT DISTRIBUTION	-	-
1.1. CURRENT YEAR PROFIT	-	-
1.2. TAX AND FUNDS PAYABLE	-	-
1.2.1. Corporate Income Tax (Income Tax)	-	-
1.2.2. Income Tax Deduction	-	-
1.2.3. Other Taxes and Duties	-	-
A NET PROFIT (1.1 – 1.2)	-	-
1.3. PREVIOUS PERIOD LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVE	-	-
1.4. STATUTORY FUND (-) (**)	-	-
B NET PROFIT DISTRIBUTION [(A-(1.3 + 1.4 + 1.5))]	-	-
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. Holders of shares	-	-
1.6.2. Holders of Preferred shares	-	-
1.6.3. Holders of Redeemed shares	-	-
1.6.4. Holders of Participation Bond	-	-
1.6.5. Holders of Profit and Loss sharing certificate	-	-
1.7. DIVIDEND TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO FOUNDERS (-)	-	-
1.9. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.10. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.10.1. Holders of Shares	-	-
1.10.2. Holders of Preferred shares	-	-
1.10.3. Holders of Redeemed shares	-	-
1.10.4. Holders of Participation Bond	-	-
1.10.5. Holders of Profit and Loss sharing certificate	-	-
1.11. SECOND LEGAL RESERVE (-)	-	-
1.12. STATUTORY RESERVES (-)	-	-
1.13. EXTRAORDINARY RESERVES	-	-
1.14. OTHER RESERVES	-	-
1.15. SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES	-	-
2.1. DISTRIBUTION OF RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. COMMON SHARES (-)	-	-
2.3.1. Holders of Shares	-	-
2.3.2. Holders of Preferred shares	-	-
2.3.3. Holders of Redeemed shares	-	-
2.3.4. Holders of Participation Bond	-	-
2.3.5. Holders of Profit and Loss sharing certificate	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. PROFIT PER SHARE	-	-
3.1. HOLDERS OF SHARES (**)	-	-
3.2. HOLDERS OF SHARES (%)	-	-
3.3. HOLDERS OF PREFERRED SHARES	-	-
3.4. HOLDERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE	-	-
4.1. HOLDERS OF SHARES	-	-
4.2. HOLDERS OF SHARES (%)	-	-
4.3. HOLDERS OF PREFERRED SHARES	-	-
4.4. HOLDERS OF PREFERRED SHARES (%)	-	-

(*) TCIP, does not distribute profits.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

1 GENERAL INFORMATION

1.1 Name of the Company

The Turkish Catastrophe Insurance Pool ("TCIP") is responsible for making insurance and performing other duties assigned to it by this Decree Law No. 587, published in the Official Gazette dated 27 December 1999. It was established as a public legal entity of the Ministry. With the Decree Law No. 6305, which came into force after being published in the Official Gazette dated May 18, 2012, the Decree-Law was repealed, the assets and liabilities of the Türkiye Catastrophe Insurance Pool, which was established with the Decree, and all kinds of rights and obligations, no action required.

The execution of the technical and operational activities of TCIP is provided through the use of outsourcing. The task of carrying out the business and transactions of TCIP is carried out by T.C. It was transferred to Eureka Sigorta A.Ş. for a period of 5 years with a contract signed on 8 August 2005 by the Ministry of Treasury and Finance ("Ministry of Treasury and Finance") within the framework of Law No. 6305. As a result of the tender, which was renewed in July 2010 and then in August 2015, Eureka Sigorta A.Ş. was determined as the technical operator again and the relevant contract was signed on 7 August 2015.

Türk Reasürans A.Ş. was appointed as the technical operator for a period of 5 years, with the approval letter of the Ministry of Treasury and Finance dated October 31, 2019 and numbered 454523, replacing Eureka Sigorta A.Ş. The parties changed their duties on the aforementioned date. In line with the principles determined by the technical operator, the Ministry of Treasury and Finance and the decisions taken by the Board of Directors of TCIP, on behalf of and on behalf of TCIP, to carry out the technical and operational works of all insurance activities related to the functioning of TCIP and the compulsory earthquake insurance, to carry out risk transfer and reinsurance plans. It provides services to implement TCIP's resources, to carry out public relations, advertising, promotion and training campaigns, to purchase goods and services from outside in relation to TCIP's business, and to account for the revenue and expenses of TCIP and all account transactions.

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

The address of TCIP'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 main activity of TCIP is to make Compulsory Earthquake Insurance in order to cover the material damages incurred by the building owners or usufruct owners due to the loss or damage of the buildings as a result of an earthquake disaster.

TCIP started policy sales on September 27, 2000.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

1 GENERAL INFORMATION (continued)

1.4 Description of the main operations of TCIP

TCIP, established to provide compulsory earthquake and other natural disaster insurance coverage, operates in accordance with the principles and procedures outlined in the 'Turkish Catastrophe Insurance Pool Working Principles Regulation,' published in the Official Gazette No. 28385, dated August 15, 2012.

The Board of Directors of TCIP consists of seven members in total, including those appointed by the Insurance and Private Pension Regulation and Supervision Agency ("SEDDK"), the Ministry of Environment, Urbanization and Climate Change, the Capital Markets Board, the Insurance Association of Türkiye, the Disaster and Emergency Management Presidency, and the Council of Higher Education, as well as representatives designated by the Technical Operator company.

TCIP and its income are exempt from all kinds of taxes, duties and fees.

TCIP is not subject to the Law No. 3346 on the Regulation of the Audit of Public Economic Enterprises and the Funds by the Turkish Grand National Assembly, the Law on the Court of Accounts No. 6085, the Allowance Law No. 6245, the Public Financial Management and Control Law No. 5018 and the Public Procurement Law No. 4734.

Insurance premium receivables of TCIP are collected in accordance with the provisions of the Law No. 6183 on Collection Procedure of Public Receivables.

The annual accounts, transactions and expenditures of TCIP are audited by SEDDK.

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

To ensure the execution of TCIP's business and operations, the Technical Operator assigns a sufficient number of adequately equipped personnel. The salaries of the personnel employed within the Technical Operator for the purpose of carrying out TCIP's activities are provided by the Technical Operator. In this context; the average number of the personnel during the period in terms of categories are as follows:

	December 31, 2024	December 31, 2023
Executive	5	5
Executive assistant	4	3
Expert / Authorized / Other employees	67	44
Total	76	52

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

1 GENERAL INFORMATION (continued)

1.6 Wages and similar benefits provided to the senior management

For the period that ended on December 31, 2024, TL 3.868.286 to the chairwoman and members of the board of directors (December 31, 2023: TL 1.981.603), no wages and similar benefits were provided to senior executives (December 31, 2023: None).

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 Türkiye 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 Türkiye Ministry of Treasury and Finance or by the companies' own method which approved by Republic of Türkiye Ministry of Treasury and Finance. In this framework, TCIP 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.

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

The accompanying financial statements comprise an individual company (TCIP).

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: Doğal Afet Sigortaları Kurumu (Turkish Catastrophe Insurance Pool)
Registered address of the head office: İnkilap Mahallesi, ,Dr.Adnan Büyükdeniz Cad., Ak Ofis No:8/1
Kat: 7, 34768 Ümraniye / İstanbul

The web page of the Company: www.dask.gov.tr

1.10 Subsequent events to date of balance sheet

The financial statements prepared as at December 31, 2024, have been approved by TCIP's Board of Directors.

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

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

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

TCIP prepares its financial statements in accordance with the principles specified for insurance and reinsurance companies issued by the SEDDK established by the Presidential Decree dated October 18, 2020. The insurance legislation before the establishment of SEDDK had been published by the Republic of Türkiye Ministry of Treasury and Finance.

TCIP conducts its operations in accordance with the "Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies," published on July 14, 2007, and effective as of January 1, 2008. It accounts for its activities in line with this regulation, the Turkish Accounting Standards (TMS) and Turkish Financial Reporting Standards (TFRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK), and other regulations, explanations, and circulars on accounting and financial reporting principles published by the Republic of Türkiye Ministry of Treasury and Finance. With reference to the notice of the Republic of Türkiye Ministry of Treasury and Finance No. 9 dated February 18, 2008, "TAS 1-Financial Statements and Presentation", "TAS 27-Consolidated and Unconsolidated Financial Statements", "TFRS 1 - Transition to TFRS" and "TFRS 4 - Insurance Contracts" have been scoped out of this application. In addition, insurance companies are required to prepare consolidated financial statements pursuant to the official statement on Regulation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies issued in the Official Gazette, dated on December 31, 2008 and numbered 27097. TCIP does not have a subsidiary that needs to be consolidated.

The financial statements are prepared in accordance with the Insurance Chart of Accounts included in the communiqué issued by the Treasury regarding the Insurance Chart of Accounts and Prospects, published in the Official Gazette dated December 31, 2004 and numbered 25686 (Insurance Accounting System Communiqué No. 1) and Sector Announcement on the Opening of New Account Codes in the Insurance Chart of Accounts dated December, 27 2011 and numbered 2011/14. The form and content of the financial statements prepared and their explanations and notes are determined in accordance with the Communiqué on Presentation of Financial Statements published in the Official Gazette dated 18 April 2008 and numbered 26851 and Sector Announcement on the Presentation of Financial Statements with New Account Codes dated May 31, 2012 and numbered 2012/7.

TCIP calculates and accounts for the insurance technical provisions in the financial statements as of December 31, 2024 in accordance with the "Regulation Regarding the Technical Reserves of Insurance, Reinsurance and Pension Companies and the Assets to which These Reserves

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Information about the principles and the specific accounting policies used in the preparation of the financial statements (continued)

Are Invested," ("Regulation on Technical Reserves") dated July 28, 2010 and published in official gazette numbered 27655 and official gazette numbered 28356 dated July 17, 2012 and the regulations issued for insurance and reinsurance companies by the Republic of Türkiye Ministry of Treasury and Finance.

The balance sheet of TCIP prepared as of December 31, 2024, is presented comparatively with the balance sheet prepared as of December 31, 2023. TCIP presents the income statement, equity change table, cash flow table, and profit distribution table for the accounting period of January 1 - December 31, 2024, in comparison with the income statement, equity change table, cash flow table, and profit distribution table for the accounting period of January 1 - December 31, 2023.

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

Information on other accounting policies is explained above and each under its own heading in the following sections of this report.

2.1.3 Current and presentation currency

The accompanying financial statements are presented in TL, which is TCIP 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 financial statements are prepared on the historical cost basis. According to TAS 29 Financial Reporting in Hyperinflationary Economies, entities whose functional currency is that of a hyperinflationary economy are required to present their financial statements in terms of the purchasing power of the currency at the end of the reporting period. In its announcement dated 23 November 2023 titled "Announcement on the Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit", the Public Oversight, Accounting and Auditing Standards Authority of Türkiye (POA) stated that entities applying the Turkish Financial Reporting Standards (TFRS) must present their financial statements for annual reporting periods ending on or after 31 December 2023 adjusted for inflation in accordance with TAS 29. However,

**TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024**

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

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

it also noted that institutions and organizations authorized to regulate and supervise within their respective fields may determine different effective dates for the implementation of TAS 29. In response to this announcement, the Insurance and Private Pension Regulation and Supervision Agency of Türkiye (SEDDK), through its circular dated 6 December 2023 and numbered 2023/30, titled "Circular on the Application of Inflation Accounting in the Insurance Sector", decided that insurance, reinsurance, and pension companies would not be subject to the inflation adjustment required under TAS 29 in their financial statements dated 31 December 2023. Subsequently, in its circular dated 11 March 2024 and numbered 2024/10, also titled "Circular on the Application of Inflation Accounting in the Insurance Sector", SEDDK announced that the effective date for the implementation of inflation accounting for insurance, reinsurance, and pension companies would be 1 January 2025. However, with the issuance of another circular dated 6 December 2024 and numbered 2024/32, the aforementioned Circular No. 2024/10 was repealed. Consequently, it was decided that insurance, reinsurance, and pension companies will not apply inflation accounting in 2025.

2.1.6 Accounting policies, changes in accounting estimates and errors

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. 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. There are no significant changes or errors detected in accounting policies in the current period.

Explanations regarding accounting estimates are included in Note 3.

2.1.7 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the unconsolidated financial statements as of December 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on TCIP's financial position and performance have been disclosed in the related paragraphs.

**TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024**

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date.

TCIP does not expect a material impact on the financial statements.

Amendments to TAS 1 - Disclosure of Accounting Policies

In August 2021, POA issued amendments to TAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. In the absence of a definition of the term 'significant' in TFRS, the POA decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in TFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

The change did not have a significant impact on the financial position or performance of TCIP.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

Amendments to TAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

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

TAS 12 Amendments – International Tax Reform – Second Pillar Model Rules

In September 2023, the POA issued amendments to TAS 12, which introduces a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar 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. However, certain disclosure requirements are not required to be applied for any interim period ending on or before December 31, 2023.

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

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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 unconsolidated financial statements are as follows. TCIP will make the necessary changes if not indicated otherwise, which will be affecting the unconsolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 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.

TCIP 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:

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

- Insurance, Reinsurance and Pension Companies.
- Banks that have partnerships/investments in insurance, reinsurance and pension companies.
- Other companies that have partnerships/investments in insurance, reinsurance and pension companies.

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. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA.

The standard is not applicable for TCIP and will not have an impact on the financial position or performance of TCIP.

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

In January 2021 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 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 are effective for periods beginning on or after January 1, 2024. The amendments must be applied retrospectively in accordance with TAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa.

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

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

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 to annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. 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.

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

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 will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted but will need to be disclosed.

Overall, TCIP expects no significant impact on its balance sheet and equity.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

iii) 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 IAS 12 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. TCIP will make the necessary changes to its unconsolidated financial statements after the amendments are issued and become effective under TFRS.

Amendments to IAS 21 - Lack of exchangeability

In August 2023, IASB issued amendments to IAS 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.

Overall, the Company expects no significant impact on its balance sheet and equity.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation

As of the end of the reporting period, TCIP did not have any subsidiaries or affiliates subject to consolidation, thus consolidated financial statements have not been prepared.

2.3 Segment reporting

As of December 31, 2024, TCIP does not prepare the segment reporting since TCIP has being continuing their activities in mainly Türkiye in non-life insurance branches that is recording as only one reportable segment in scope of TFRS 8- "Activity Segments" standard and also TCIP is not publicly held.

2.4 Foreign currency transactions

Transactions are recorded in TL, which is TCIP'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.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

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 acquisition cost of tangible assets are depreciated using the straight-line depreciation method based on their expected useful lives. The expected useful life, residual value, and depreciation method are reviewed annually for the potential effects of changes in estimates, and any changes in estimates are accounted for prospectively.

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.

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	3-15	33,3-0,7
Furniture and fixtures	5-15	6,6-20
Motor vehicles	5-6	20-16,66
Other tangible assets (includes leasehold improvements)	5	20
Rights	1-3	100-33,3

2.6 Investment property

None (December 31, 2023: None).

2.7 Intangible assets

Intangible fixed assets include the acquired information systems and computer software. Intangible fixed assets are booked 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.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

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.

TCIP's financial assets consist of loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not traded in an active market and are created by providing money, goods, or services to the debtor. In the institution's financial statements, premiums receivable classified as loans and receivables are accounted for by considering the policy amounts, after deducting any provisions set aside for impairment, if applicable.

2.9 Impairment on 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, TCIP 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.

2.10 Derivative financial instruments

TCIP are accounted the derivative instruments in compliance with the standard TAS 39 – Financial Instruments: Recognition and measurement.

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

As of December 31, 2023, TCIP has no derivative financial instruments. (December 31, 2023: None)

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, TCIP 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 TCIP's similar activities like trading transactions.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and short-term, highly liquid investments with a definite amount, easily convertible into cash, with an insignificant risk of change in value and with a maturity of 3 months or less.

Cash and cash equivalents shown in the cash flow statements are as follows:

	December 31, 2024	December 31, 2023
Bank deposits (Note 14)	4.235.197.211	5.455.922.656
Minus: Interest accrual (-)	(46.831.567)	(94.615.923)
Total	4.188.365.644	5.361.306.733

2.13 Capital

As of December 31, 2024 and 2023, TCIP has no paid-in capital.

2.14 Insurance and investment contracts

An insurance contract is a contract under which TCIP 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 insurance contracts produced by TCIP consist of policies issued for compulsory earthquake insurance products.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Investment contracts without discretionary participation feature

None (December 31, 2023: None).

2.16 Credits

None (December 31, 2023: None).

2.17 Taxes

Corporate tax

TCIP is exempt from all kinds of taxes, duties, and fees under Article 3/2 of the 'Law on Disaster Insurance No. 6305', including its revenues.

2.18 Employee benefits

TCIP accounts for its obligations related to severance pay and unused vacation rights in accordance with the provisions of the "Turkish Accounting Standard on Employee Benefits" ("TMS 19").

2.19 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 TCIP 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 TCIP. 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, TCIP discloses the contingent assets in the notes to the financial statements.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue recognition

Written premiums and commission income

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Premiums ceded to reinsurance companies are accounted as "written premiums, ceded" in the statement of income.

Commissions received in the current period but relate to subsequent financial periods in return for the premiums ceded to the reinsurance companies are accounted as deferred commission income.

Interest income and expenses

Interest income and expenses are recognized using the effective interest method.

2.21 Dividend distribution

TCIP does not distribute dividend.

2.22 Unearned premium reserve

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. According to 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") published in the Official Gazette dated July 28, 2010, and numbered 27655, and effective from September 30, 2010, during the calculation of the unearned premiums reserve, the start and end dates of the insurance coverage are considered as half-days, and the calculation is made accordingly.

2.23 Unexpired risk reserves

Within framework of Communiqué on Technical Reserves, insurance companies are required to account for an unexpired risk reserve against the probability that future losses incurred from in force policies may exceed the unearned premium reserve accounted for the related policies considering expected loss ratios. Expected loss ratio is calculated by dividing the current year incurred losses to current year earned premiums. If the expected loss ratio calculated by branch exceeds 95%, the amount ascertained by multiplying the ratio exceeding 95% by the net unearned premiums reserve is calculated as the net provision for unexpired risks, and the amount ascertained by multiplying the

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Unexpired risk reserves (Continued)

ratio exceeding 95% by the gross unearned premiums reserve is calculated as the gross provision for unexpired risks. The difference between the gross amount and the net amount is considered as the reinsurer's share. TCIP, established to provide earthquake and other natural disaster insurance coverage and utilizing all its resources and accumulated reserves for the necessary operations to provide these coverages, has not booked in additional unexpired risk reserve in the current period (December 31, 2023: None).

2.24 Outstanding claims reserve

The insurance 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, 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.

TCIP records outstanding claims reserve in its financial statements for accrued and calculated but not yet paid claim amounts or estimated amounts if these cannot be calculated, as well as incurred but not reported compensation amounts. For the calculation of provisions for incurred but not reported, development triangles have been created on a claims quarter basis, taking into account the paid and outstanding claims data for the period 2014-2023. The data of participation insurance policies has been evaluated both within the total and separately analyzed. Considering the size of the data, loss developments, data quality, and the nature of the branch, data from the 2014-2023 period has been used in the calculations. The calculations have been performed based on actual loss data. For situations considered anomalies in the development coefficient in the triangle, coefficient elimination has been performed. The suitability of the obtained development coefficients to the theoretical distribution has been examined, and coefficients from the Weibull distribution have been used starting from the 28th period development coefficient. The difference between the ultimate loss obtained and the actual loss has been determined as the provision for incurred but not reported losses. A share proportional to its share in the actual loss has been allocated for participation. As of December 31, 2024, TCIP has calculated the gross IBNR amount of TL 2.275.501.464 and TL 631.566.749 net IBNR (December 31, 2023: TL 346.987.423, 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, "Circular on Making Amendments on Circular Numbered 2016/22 on

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Outstanding claims reserve (Continued)

Discounting of Net Cash Flows arising from Outstanding Claims" dated September 15, 2017 and numbered 2017/7 published by the 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 January 15, 2024 and numbered 2024/3 published by the SEDDK, TCIP has not applied a discount to the outstanding claims reserve as of December 31, 2024 (December 31, 2023: None).

2.25 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. Following the completion of the fifth year, if the reserve amount based on premium production figures is lower than the reserve amount stated in the previous year's balance sheet, the difference will be shown under "Other Reserves" within shareholders' equity. This amount recorded in equity can either be kept under reserves or can also be used in capital increase or paying claims. 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. TCIP, established to provide earthquake and other natural disaster insurance coverage and utilizing all its resources and accumulated reserves for the necessary operations to provide these coverages, has not booked in additional unexpired risk reserve in the current period (December 31, 2023: None).

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Related parties

In line with the purpose of the financial statements, the Technical Operator, senior executives, and members of the board of directors, along with their families and companies controlled by or affiliated with these parties, have been considered related parties.

2.27 Subsequent events

Subsequent events that provide additional information about TCIP'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.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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 17 – Insurance liabilities and reinsurance assets

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

4.1 Management of insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. Risk is incidental due to the nature of the insurance process. The most basic risk in insurance contracts is the possibility of realized claims and rights and benefits provided to policyholders are realized above the technical provisions in the financial statements made for insurance contracts.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (Continued)

4.1 Management of insurance risk (Continued)

Insurance is a risk management tool that the transfer of sudden and unexpected risks within a risk management philosophy. The most important aspect of this risk management philosophy is to thoroughly review the possibilities of eliminating, controlling, or insuring risks by clearly defining the risk in every area and stage of the insurance activity.

The Authority provides earthquake coverage to buildings constructed as residential buildings. TCIP's solvency is limited by the accumulated funds it has and the protection it has received from the reinsurance markets. Disaster risk models are evaluated in determining the upper limits and priorities for reinsurance protection. Relevant limits are followed according to the cumulative developments on a regional basis. Premium amounts are calculated according to the tariffs determined according to the risk group and building characteristics. Within the scope of Compulsory Earthquake Insurance, the maximum coverage amount that can be given for a residence is TL 1.636.177 (TL 1.636.177 as of December, 1 2024). In addition, the premium amount to be paid in any case, according to the earthquake risk group from the first risk group to the seventh risk group, respectively: 1.259 TL, 1.118 TL, 951 TL, 891 TL, 670 TL, 476 TL, 324 TL.

TCIP not only creates new policies within the context of risk evaluation as mentioned above, also transfers the risks to reinsurer companies with reinsurance agreements. TCIP transfers the risks with excess of loss reinsurance within the context of the agreements.

The regional distribution of insurance risk (the maximum amount insured) is summarized below:

	31 December, 2024	31 December, 2023
İstanbul region	1.928.340.846.209	819.308.161.176
Other regions	6.937.829.307.894	2.892.985.157.328
Total	8.866.170.154.103	3.712.293.318.504

As of December 31, 2024 and 2023, the distribution of insurance risk according to geographical risk regions in Türkiye, with risk group 1 having the highest earthquake risk, is summarized below:

	December 31, 2024	December 31, 2023
Risk group 1	1.869.763.413.851	781.489.862.500
Risk group 2	1.612.649.242.983	664.696.858.252
Risk group 3	1.741.796.151.942	714.599.245.192
Risk group 4	758.640.438.657	315.798.638.364
Risk group 5	1.576.432.517.045	663.347.565.508
Risk group 6	588.952.722.392	257.730.286.172
Risk group 7	717.935.667.233	314.630.862.516
Total	8.866.170.154.103	3.712.293.318.504

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (Continued)

4.2 Management of financial risk

Introduction and overview

TCIP is exposed to financial risks due to its financial assets, financial liabilities (loans) and insurance liabilities. Specifically, the main financial risk is that the income from financial assets will not be sufficient to meet the liabilities arising from insurance contracts other than reinsurance contract protection. The most important components of financial risk are market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Agency's overall risk management program focuses on the volatility of financial markets and minimizing its potential adverse effects on the Agency's financial performance. Risk management is carried out by TCIP Administrator in line with the procedures determined by legal regulations and approved by the Board of Directors. In the evaluation of investments, the Board of Directors first considers the liquidity and principal security, and then the profitability ratios. TCIP does not use derivative financial instruments to hedge against risks.

Credit risk

Credit risk is basically defined as the possibility that counterparty will fail to meet its obligations in accordance under agreed terms of a contract. The balance sheet items that the Company is exposed to credit risk are bank deposits, receivables from policyholders, receivables from reinsurance companies related to commissions and claims paid, and reinsurance shares of insurance liabilities.

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

	December 31, 2024	December 31, 2023
Available for sale financial assets (Note 11)	11.959.099.661	7.196.153.610
Cash and cash equivalents (Note 14)	4.235.197.211	5.455.922.656
Receivables from main operations (Note 12)	1.147.101.313	5.336.727.468
Accrued income (Note 12)	--	25.003.742
Prepaid expenses (Note 12)	--	2.275.581
Other current assets (Note 12)	420.018	420.588
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	(14.985.164.361)	11.252.744.553
Total	2.356.653.842	29.269.248.198

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

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

	December 31, 2024		December 31, 2023	
	Gross Amount	Provision	Gross Amount	Provision
Not past due	1.147.101.313	--	5.336.727.468	--
Total	1.147.101.313	--	5.336.727.468	--

TCIP's premium receivables are from insurance companies operating in Türkiye, which are operationally and financially subject to SEDDK's special regulations regarding capital adequacy. Insurance premium receivables of TCIP are collected in accordance with the provisions of the Law No. 6183 on Collection Procedure of Public Receivables.

As at December 31, 2024 and 2023, the receivables from main operations are as follows:

	December 31, 2024	December 31, 2023
The receivables from insurance company	1.180.237.868	5.338.722.248
Provision for doubtful receivables	(33.136.555)	(1.994.780)
Total	1.147.101.313	5.336.727.468

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments.

Management of the liquidity risk

TCIP 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.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

Liquidity risk (continued)

Maturity distribution of monetary assets and liabilities:

December 31, 2024	Carrying amount	Up to 1 month	1 to 3 months	3 to 12 months	1 year and up
Cash and cash equivalents	4.235.197.211	3.607.244.723	627.952.488	-	-
Available for sale financial assets	11.959.099.661	8.200.305.196	24.828.945	3.733.965.520	-
Receivables from main operations -related parties	1.147.100.139	1.147.100.139	-	-	-
Other current assets	420.016	-	420.016	-	-
Total monetary assets	17.341.817.027	12.954.650.058	653.201.449	3.733.965.520	-
Payables from main operations -related parties	6.719.142.552	2.266.603.645	566.033.084	3.886.505.823	-
Other payables from main operations-related parties	128.762.292	-	128.762.292	-	-
Payables from main operations -third parties	-	-	-	-	-
Other payables from main operations- third parties	20.757.473	20.757.473	-	-	-
Provision for outstanding claims - Net	1.836.012.957	-	-	636.097.546	1.199.915.411
Taxes and payables	10.075.060	10.075.060	-	-	-
Total monetary liabilities	8.714.750.334	2.297.436.178	694.795.376	4.751.680.732	1.199.915.411

December 31, 2023	Carrying amount	Up to 1 month	1 to 3 months	3 to 12 months	1 year and up
Cash and cash equivalents	5.455.922.656	3.804.876.683	1.651.045.973	-	-
Available for sale financial assets	7.196.153.610	918.527.981	1.947.420	648.016.932	5.627.661.277
Receivables from main operations	5.336.727.468	605.867.136	-	4.730.860.332	-
Other current assets	420.588	420.588	-	-	-
Total monetary assets	17.989.224.322	5.329.692.388	1.652.993.393	5.378.877.264	5.627.661.277
Payables from main operations -third parties	777.026.748	-	-	777.026.748	-
Payables from main operations -related parties	1.175.430.923	563.068.417	-	612.362.506	-
Payables to related parties	11.817.907	11.817.907	-	-	-
Other payables to third parties	28.867.985	28.867.985	-	-	-
Provision for outstanding claims - Net	4.317.582.624	-	-	3.838.839.526	478.743.098
Taxes and payables	6.604.606	6.604.606	-	-	-
Total monetary liabilities	6.317.330.793	610.358.915	-	5.228.228.780	478.743.098

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

Market risk

Market risk refers to the potential losses that may arise from changes in market interest rates, stock prices, real estate fair values, commodity prices, and foreign exchange rates affecting the instruments in TCIP's portfolio. The purpose of market risk management is to identify and measure potential risks, monitor them using limits, and support decision-making in line with TCIP's risk appetite by reporting these risks.

Foreign currency risk

TCIP is exposed to foreign exchange risk arising from exchange rate changes due to the conversion of foreign currency receivables and payables into Turkish Lira. These risks are monitored and limited by analyzing the foreign currency position.

At the end of the periods, foreign currency assets and liabilities evaluated by the Central Bank of the Republic of Türkiye's spot purchase rates and the differences arising from foreign currency rates are recorded as foreign exchange gain or loss in the statement of income.

TCIP's exposure to foreign currency risk is as follows:

December 31, 2024	US Dollar	Euro	Other currencies	Total
Cash and cash equivalents	682.098.913	58.942.902	-	741.041.815
Total foreign currency assets	682.098.913	58.942.902	-	741.041.815
Payables from main operations	-	18.368.100	-	18.368.100
Total foreign currency liabilities	-	18.368.100	-	18.368.100
Net financial position	682.098.913	77.311.002	-	759.409.915

December 31, 2023	US Dollar	Euro	Other currencies	Total
Cash and cash equivalents	52.352.134	706.482.238	-	758.834.372
Total foreign currency assets	52.352.134	706.482.238	-	758.834.372
Payables from main operations	-	-	-	-
Total foreign currency liabilities	-	-	-	-
Net financial position	52.352.134	706.482.238	-	758.834.372

In order to evaluate the table above, the TL equivalents of the relevant foreign currency amounts are shown.

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

As of December 31, 2024, if TL had depreciated/gained 20% against USD and all other variables had remained constant, loss before taxes as a result of foreign exchange gain/loss due to the translation of receivables and payables in USD is 136.419.782 TL (December 31, 2023: profit before taxes TL 10.470.427) would be higher/lower.

As of December 31, 2024, if TL had depreciated/gained 20% against Euro and all other variables had remained constant, loss before taxes as a result of foreign exchange gain/loss due to the translation of receivables and payables in Euro is TL 11.788.580 (December 31, 2023: profit before taxes TL 141.296.448) would be higher/lower.

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

	US Dollar	EUR
December 31, 2024	35,2803	36,7362

	US Dollar	EUR
December 31, 2023	29,4382	32,5739

As of the end of the period December 31, 2024, there is no exchange rate risk exposure.

Exposure to interest rate risk

TCIP is exposed to interest rate risk arising from the effect of changes in interest rates to which its financial assets and liabilities are subject to. The said risk is managed by natural measures that occur by balancing the assets and liabilities that are sensitive to interest rates.

Available-for-sale financial assets with variable interest rates expose TCIP to interest rate risk. As of December 31, 2024, the portion of the available-for-sale financial assets amounting to TL 1.471.930.275 (December 31, 2023: TL 4.774.373.332) has floating interest rates. If the market interest rate applied to the floating rate financial assets of TCIP was 1% higher/lower at December 31, 2024 and all other variables remained constant, the profit for the period would be TL 14.719.303 as a result of the high/low interest income arising from the variable interest rate financial assets. (December 31, 2023: TL 11.926.385) would be higher/lower.

TCIP does not have any other financial assets or liabilities with variable interest rates.

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial 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. TCIP has classified its financial assets as available for sale. Available-for-sale financial assets are measured at their fair values based on their quoted prices in the accompanying financial statements.

Gain and losses from financial assets

<i>Gains and losses recognized in the statement of income:</i>	January 1- December 31, 2024	January 1 – December 31, 2023
Interest income from bank deposits	1.328.177.125	951.214.826
Income from financial instruments classified as available for sale financial assets	2.865.059.741	7.859.078.334
Foreign exchange gains	304.043.878	985.015.505
Investment income	4.497.280.744	9.795.308.665
Foreign exchange losses	(77.348.131)	(179.947.669)
Investment management expenses	(281.788.675)	(564.616.641)
Investment value losses	(221.159.904)	
Investment expenses	(580.296.710)	(744.564.310)
Gains and losses recognized in the statement of income, net	3.916.984.034	9.050.744.355

5 SEGMENT INFORMATION

It is explained in Note 2.

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

6 TANGIBLE ASSETS

Movement in tangible assets in the period from January 1 to December 31, 2024 is presented below:

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost:				
Machinery and equipment	1.458.293	12.930.000	-	14.388.293
Motor vehicles	4.250.689	-	-	4.250.689
Furnitures and fixtures	30.234.038	408.283	-	30.642.321
Other tangible assets (Including Leasehold Improvements)	8.940.467	1.839.000	-	10.779.467
	44.883.487	15.177.283	-	60.060.770
Accumulated depreciation:				
Machinery and equipment	(279.404)	(3.886.553)		(4.165.957)
Motor vehicles	(856.404)	(759.323)		(1.615.727)
Furnitures and fixtures	(20.362.960)	(2.252.006)		(22.914.966)
Other tangible assets (Including Leasehold Improvements)	(1.932.122)	(1.820.478)		(3.752.600)
	(23.430.890)	(9.018.360)	-	(32.449.250)
Carrying amounts	21.452.597			27.611.520
	January 1, 2024	Additions	Disposals	December 31, 2024
Cost:				
Machinery and equipment	1.186.383	271.910	-	1.458.293
Motor vehicles	2.886.449	1.364.240	-	4.250.689
Furnitures and fixtures	28.755.058	1.478.980	-	30.234.038
Other tangible assets (Including Leasehold Improvements)	9.064.367	-	(123.900)	8.940.467
	41.892.257	3.115.130	(123.900)	44.883.487
Accumulated depreciation:				
Machinery and equipment	(58.784)	(220.620)	-	(279.404)
Motor vehicles	(120.269)	(736.135)	-	(856.404)
Furnitures and fixtures	(17.703.260)	(2.659.700)	-	(20.362.960)
Other tangible assets (Including Leasehold Improvements)	(172.944)	(1.759.178)	-	(1.932.122)
	(18.055.257)	(5.375.633)	-	(23.430.890)
Carrying amounts	23.837.000			21.452.597

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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

7 INVESTMENT PROPERTIES

TCIP has not any investment property as at December 31, 2024 (December 31, 2023: None).

8 INTANGIBLE ASSETS

Movement in intangible assets in the period from January 1 to December 31, 2024 is presented below:

	January 1, 2024	Additions	Disposals	December 31, 2024
Costs:				
Rights	24.747.402	-	-	24.747.402
Advances on intangible fixed assets (*)	12.521.449	19.442.575	-	31.964.024
	37.268.851	19.442.575	-	56.711.426
Accumulated amortization:				
Rights	(14.685.021)	(4.544.142)		(19.229.163)
	(14.685.021)	(4.544.142)	-	(19.229.163)
Net book value	22.583.830	14.898.433		37.482.263
	January 1, 2023	Additions	Disposals	December 31, 2023
Costs:				
Rights	24.747.402	-	-	24.747.402
Advances on intangible fixed assets (*)	-	12.521.449	-	12.521.449
	24.747.402	12.521.449	-	37.268.851
Accumulated amortization:				
Rights	(11.421.073)	(3.263.948)	-	(14.685.021)
	(11.421.073)	(3.263.948)	-	(14.685.021)
Net book value	13.326.329	9.257.501		22.583.830

(*) Advances on intangible fixed assets include software development and externally provided services for projects related to insurance products will be issued at current and future period. As at the balance sheet date, they have not been subjected to amortization due to they are not ready for use.

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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

9 INVESTMENTS IN ASSOCIATES

None.

10 REINSURANCE ASSET AND LIABILITIES

As of December 31, 2024 and 2023, the reinsurance assets arising from the existing reinsurance agreements entered into by TCIP in the capacity of a ceding company are as follows:

Reinsurance assets	December 31, 2024	December 31, 2023
Outstanding claims reserve, ceded (Note 4.2 and 17)	(14.985.164.361)	11.252.744.553
Total	(14.985.164.361)	11.252.744.553
Reinsurance liabilities	December 31, 2024	December 31, 2023
Payables to reinsurance companies (Not 19)	6.847.904.844	1.952.457.671
Total	6.847.904.844	1.952.457.671

The gains and losses arising from the reinsurance agreements recognized in the income statement of TCIP are shown in the following table:

	December 31, 2024	December 31, 2023
Claims paid, ceded during the period	8.211.283.716	31.370.867.149
Ceded premiums	(5.628.212.944)	(2.791.812.876)
Outstanding claims reserve ceded	(14.985.164.361)	11.252.744.553
Total	(12.402.093.589)	39.831.798.826

11 FINANCIAL ASSETS

TCIP's financial assets portfolio are detailed as follows:

	December 31, 2024	December 31, 2023
<i>Available for sale financial assets</i>		
Government bonds	2.224.115.405	4.726.121.919
Private sector borrowing bonds (*)	1.602.327.738	2.012.030.134
Equity shares	2.262.720.903	107.167.000
Investment funds	5.869.935.616	-
Repo/Reverse Repo	-	350.834.557
Total	11.959.099.661	7.196.153.610

(*) All of the private sector borrowing bonds held by TCIP consist of debt instruments issued by public banks.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

11 FINANCIAL ASSETS (CONTINUED)

11.1 Information related to the values of securities and financial instruments presented at cost in the balance sheet according to their market prices, and the values of securities and financial instruments presented at market prices according to their cost:

December 31, 2024			
	Nominal value	Cost value	Net book value
Securities			
Government bonds and treasury bonds	1.630.319.022	1.745.675.503	2.224.115.405
Private sector borrowing bonds	1.529.245.000	1.521.533.561	1.602.327.738
Equity shares	97.493.960	2.524.021.850	2.262.720.903
Repo/Reverse Repo	2.085.583.040	4.972.620.606	5.869.935.616
Total	5.342.641.022	10.763.851.520	11.959.099.661

December 31, 2023			
	Nominal value	Cost value	Net book value
Securities			
Government bonds and treasury bonds	3.460.579.356	3.490.360.794	4.726.121.919
Private sector borrowing bonds	1.474.875.000	1.593.104.252	2.012.030.134
Equity shares	7.150.000	123.029.554	107.167.000
Repo/Reverse Repo	58.512.078	350.757.678	350.834.557
Total	5.001.116.434	5.557.252.278	7.196.153.610

The portion of the available-for-sale financial assets amounting to TL 1.471.930.275 (December 31, 2023: TL 4.774.373.332) has variable interest rates.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

11 FINANCIAL ASSETS (CONTINUED)

11.2 Other disclosures related to financial assets

The maturity analysis of financial assets is given in the table below:

December 31, 2024							
	0-3 months	3-6 months	6-12 months	1-5 years	over 5 years	Undated	Total
Government bonds and treasury bonds	2.031.099	4.334.017	19.164.334	1.383.704.750	814.881.205	-	2.224.115.405
Private sector borrowing bonds	90.446.524	99.668.760	105.910.254	16.789.700	1.289.512.500	-	1.602.327.738
Repo/Reverse	-	-	-	-	-	5.869.935.616	5.869.935.616
Equity shares	-	-	-	-	-	2.262.720.903	2.262.720.903
Total	92.477.623	104.002.777	125.074.588	1.400.494.450	2.104.393.705	8.132.656.519	11.959.099.662

December 31, 2023							
	0-3 months	3-6 months	6-12 months	1-5 years	over 5 years	Undated	Total
Government bonds and treasury bonds	569.640.844	2.740.956	316.090.044	2.917.932.359	919.717.716	-	4.726.121.919
Private sector borrowing bonds	-	66.432.179	262.753.755	153.545.000	1.529.299.200	-	2.012.030.134
Repo/Reverse	107.167.000	-	-	-	-	-	107.167.000
Equity shares	-	-	-	-	-	350.834.557	350.834.557
Total	676.807.844	69.173.135	578.843.799	3.071.477.359	2.449.016.916	350.834.557	7.196.153.610

Movements of available for sale financial assets during the period are as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the period	7.196.153.610	20.880.117.394
Acquisitions during the period	30.614.728.174	443.508.722
Disposals (sale and redemption)	(25.611.118.157)	(13.950.921.655)
Change in the fair value of financial assets (Note 15)	(240.663.966)	(176.550.851)
Balance at the end of the period	11.959.099.662	7.196.153.610

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

12 LOAN AND RECEIVABLES

	December 31, 2024	December 31, 2023
Receivables from main operations	1.147.101.313	5.336.727.468
Accrued income (*)	-	25.003.742
Prepaid expenses (**)	-	2.275.581
Other current assets	420.016	420.588
Total	1.147.521.329	5.364.427.379

(*) Consist of accruals related to the Technical Operator fee payable to Türk Reasürans A.Ş. and expense accruals related to expenses paid by the Technical Operator and charged to TCIP.

(**) Prepaid expenses consist of other prepaid externally provided benefits and services.

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

	December 31, 2024	December 31, 2023
Receivables from insurance companies	1.147.100.139	605.867.136
Receivables from reinsurance companies	1.174	4.730.860.332
Doubtful receivables from main operations	33.136.555	1.994.780
Provision for doubtful receivables from main operations	(33.136.555)	(1.994.780)
Receivables from main operations	1.147.101.313	5.336.727.468

TCIP's premium receivables have an average maturity of 45 days (December 31, 2023: 45 days).

As of December 31, 2024 and 2023, there is no guarantee received for the receivables.

13 DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2024 and 2023, TCIP does not have derivative financial instruments.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

14 CASH AND CASH EQUIVALENTS

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

	December 31, 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
Banks	4.235.197.211	5.455.922.656	5.455.922.656	1.854.306.426
Cash and cash equivalents in the balance sheet	4.235.197.211	5.455.922.656	5.455.922.656	1.854.306.426
Accrual of interest (-)	(46.831.567)	(94.615.923)	(94.615.923)	(21.254.344)
Cash and cash equivalents presented in the statement of cash flows	4.188.365.644	5.361.306.733	5.361.306.733	1.833.052.082

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

	December 31, 2024	December 31, 2023
Foreign currency denominated bank deposits		
- time deposits	746.004.071	758.834.372
- demand deposits	20.598.651	-
Bank deposits in Turkish Lira		
- time deposits	3.449.802.487	4.659.341.100
- demand deposits	18.792.002	37.747.184
Total bank deposits	4.235.197.211	5.455.922.656

Interest rates for time deposits to TL applied are %44 and %50 (December 31, 2023: %45,50 - %49,50); for foreign currency deposits are between %0,05 and %4,50. (December 31, 2023: %0,05 - %4,50).

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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

15 EQUITY

a) Accumulated fund reserve (retained earnings)

The movements of the accumulated fund reserve (accumulated earthquake reserve) during the period are as follows:

	2024	2023
Beginning of term - 1 January	4.615.443.928	15.862.966.540
Period profit (Earthquake reserve increase, net)	(749.261.203)	(11.247.522.612)
End of period – December 31	3.866.182.725	4.615.443.928

According to Article 9 of the Law No. 6305, which was published in the Official Gazette dated May 18, 2012, the resources and accumulated fund reserves of the Authority; only in indemnity payments to the insured, in expenses and Technical Operator commission payments necessary for the management and operation of TCIP, in payments related to protection provided from reinsurance, capital and similar markets. Payments related to scientific studies and researches to be made by TCIP in the fields of duty, payments related to consultancy services, payments related to public relations and promotional campaigns, commission payments from authorized insurance companies, interest and principal payments regarding the repayment of the debts taken by TCIP, and damage assessment procedures. can be used for payments.

Except for the above-mentioned issues, the accumulated fund reserves cannot be transferred to any institution or organization. For this reason, the accumulated fund reserve, which consists of the profits of TCIP in the current and previous periods, is shown in the balance sheet as “accumulated earthquake reserve” within the shareholders’ equity.

b) Financial assets available for sale value increase/decrease fund

The movements of the available-for-sale financial assets value increase/(decrease) fund during the period are as follows:

	2024	2023
Beginning of term - 1 January	462.886.505	5.608.418.850
Outflows from sales during the period, net	(29.613.678)	(4.968.981.494)
Fair value decrease of securities purchased during the period and in the current portfolio (-)	(240.663.966)	(176.550.851)
End of period – December 31	192.608.861	462.886.505

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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

16 OTHER RESERVES AND EQUITY COMPONENT OF DISCRETIONARY PARTICIPATION

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

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 TCIP. Estimation of the insurance contract liabilities contains several ambiguities by nature. TCIP 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 December 31, 2024 and 2023, technical reserves of TCIP are as follows:

	December 31, 2024	December 31, 2023
Unearned premiums reserve, gross	6.871.695.535	2.351.453.864
Unearned premiums reserve, ceded (Note 10)	-	-
Unearned premiums reserve, net	6.871.695.535	2.351.453.864
Outstanding claims reserve, gross	5.488.908.536	15.570.327.177
Outstanding claims reserve, ceded (Note 10)	(3.652.895.579)	(11.252.744.553)
Outstanding claims reserve, net	1.836.012.957	4.317.582.624
Total technical provisions, net	8.707.708.492	6.669.036.488
Short-term	7.507.793.081	6.190.293.390
Long-term (*)	1.199.915.411	478.743.098
Total technical provisions, net	8.707.708.492	6.669.036.488

(*) Long-term insurance technical provisions consist of outstanding claims provisions for litigated cases.

As of December 31, 2024 and 2023, movements of the insurance liabilities and related reinsurance assets are presented below:

	December 31, 2024		
Unearned premiums reserve	Gross	Ceded	Net
Unearned premiums reserve at the beginning of the period	2.351.453.864	-	2.351.453.864
Written premiums during the period	13.524.059.982	-	13.524.059.982
Earned premiums during the period	(9.003.818.311)	-	(9.003.818.311)
Unearned premiums reserve at the end of the period	6.871.695.535	-	6.871.695.535

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)

December 31, 2023			
Unearned premiums reserve	Gross	Ceded	Net
Unearned premiums reserve at the beginning of the period	1.394.130.225	-	1.394.130.225
Written premiums during the period	4.978.736.551	-	4.978.736.551
Earned premiums during the period	(4.021.412.912)	-	(4.021.412.912)
Unearned premiums reserve at the end of the period	2.351.453.864	-	2.351.453.864
December 31, 2024			
Outstanding claims reserve	Gross	Ceded	Net
Beginning of term - 1 January	15.570.327.178	(11.252.744.553)	4.317.582.625
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	(1.143.209.534)	(611.434.742)	(1.754.644.276)
Claims paid	(8.938.209.107)	8.211.283.716	(726.925.391)
Outstanding claims reserve at the end of the period	5.488.908.536	(3.652.895.579)	1.836.012.957
December 31, 2023			
Outstanding claims reserve	Gross	Ceded	Net
Beginning of term - 1 January	386.036.531	-	386.036.531
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	55.609.358.535	(42.623.611.702)	12.985.746.833
Claims paid	(40.425.067.889)	31.370.867.149	(9.054.200.740)
Outstanding claims reserve at the end of the period	15.570.327.177	(11.252.744.553)	4.317.582.624

Deferred commission expenses

TCIP capitalizes the portion of commissions paid which is belong following periods, to the intermediaries related to premium production under "Deferred acquisition costs".

	December 31, 2024	December 31, 2023
Short-term deferred commission expenses	8.116.790.588	3.855.061.941
Total	8.116.790.588	3.855.061.941

18 INVESTMENT CONTRACT LIABILITIES

None.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

19 TRADE AND OTHER PAYABLES AND DEFERRED INCOME

	December 31, 2024	December 31, 2023
Expense accruals (*)	5.878.508.630	8.168.486.923
Payables from main operations (Note 10)	6.847.904.844	1.952.457.671
Other payables related parties (Note 45)	-	11.817.907
Other payables (**)	20.757.473	28.867.985
Taxes and liabilities	10.075.060	6.604.606
Total	12.757.246.007	10.168.235.092

(*) The portion amounting of TL 5.000.000.000 relates to unaccrued liabilities under structured reinsurance agreements (TL 2.500.000.000 short-term and TL 2.500.000.000 long-term); the portion amounting of TL 428.396.514 pertains to substitution outstanding premium accruals; the remaining amount consists of accruals related to technical management fees and cost reflections owed to the Technical Operator.

(**) Consists of payments to be made for externally provided benefits and services.

As at December 31, 2024 and 2023, payables from main operations are attributable to the following:

	December 31, 2024	December 31, 2023
Payables to reinsurance company (Note 10)	6.847.904.844	1.952.457.671
Payables from main operations	6.847.904.844	1.952.457.671

20 FINANCIAL LIABILITIES

None (December 31, 2023: None).

21 DEFERRED TAX

None (December 31, 2023: None).

22 RETIREMENT BENEFIT OBLIGATIONS

None (December 31, 2023: None).

23 OTHER LIABILITIES AND EXPENSE ACCRUALS

None (December 31, 2023: None)

24 NET INSURANCE PREMIUMS

The net insurance premium income earned during the period is detailed in the accompanying income statement.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

25 FEE REVENUE

None.

26 INVESTMENT INCOME

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

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

None.

29 INSURANCE RIGHTS AND CLAIMS

	January 1 – December 31, 2024	January 1- December 31, 2023
Change in outstanding claims reserve, net	(4.903.745.720)	(3.931.546.093)
Changes in unearned premiums reserve, net	(4.520.241.671)	(957.323.639)
Claims paid, net	(726.925.391)	(9.054.200.740)
Total	(10.150.912.782)	(13.943.070.472)

30 INVESTMENT CONTRACT BENEFITS

None (December 31, 2023: 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.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

32 EMPLOYEE BENEFIT EXPENSES

As at December 31, 2024 and 2023, operating expense are attributable to the following:

	January 1 – December 31, 2024	January 1- December 31, 2023
Administration expenses	272.288.309	170.767.439
Commission expenses	1.520.521.484	661.820.318
Outsourced benefits and services	421.946.396	199.067.404
Employee benefit expenses (Note 33)	85.069.701	1.981.603
Total	2.299.825.890	1.033.636.764

33 EMPLOYEE BENEFIT EXPENSES

As at December 31, 2024 and 2023, employee benefit expenses are attributable to the following:

	January 1 – December 31, 2024	January 1, – December 31, 2023
Wages and salaries	85.069.701	1.981.603
Total (Note 32)	85.069.701	1.981.603

34 FINANCIAL COSTS

None.

35 INCOME TAXES

TCIP is exempt from all kinds of taxes, duties, and fees under Article 3/2 of the 'Law on Disaster Insurance No. 6305', including its revenues.

36 NET FOREIGN EXCHANGE GAINS

	January 1 – December 31, 2024	January 1 – December 31, 2023
Foreign exchange gains	304.043.878	985.015.505
Foreign exchange losses	(77.348.131)	(179.947.669)
Total	226.695.747	805.067.836

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

37 EARNINGS PER SHARE

It has not been calculated since TCIP has no capital.

38 DIVIDENDS PER SHARE

None (December 31, 2023: None).

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 (December 31, 2023: None).

41 REDEEMABLE PREFERENCE SHARES

None (December 31, 2023: None).

42 RISKS

As of December 31, 2024, the total risk of ongoing lawsuits against the Institution is TL 1.199.915.411 (December 31, 2023: TL 478.743.098). Provisions for the possible risk amount that may arise as a result of the conclusion of the related lawsuits are shown under the provision for outstanding claims in the statement of financial position.

43 COMMITMENTS

None (December 31, 2023: None).

44 BUSINESS COMBINATIONS

None (December 31, 2023: None).

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

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

45 RELATED PARTY TRANSACTIONS

Republic of Türkiye Ministry of Treasury and Finance and Technical Operator of TCIP, Türk Reasürans A.Ş., are defined as related parties at these financial statements.

As of December 31, 2024 and 2023, the details of the transactions performed with related parties are as follows:

a) Receivables from Insurance Operations

	December 31, 2024	December 31, 2023
Republic of Türkiye Ministry of Treasury and Finance	1.476.924.660	4.730.860.332
Total	1.476.924.660	4.730.860.332

b) Payables from Insurance Operations

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	1.134.000.000	563.068.417
Total	1.134.000.000	563.068.417

c) Payables from Reinsurance Operations

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	128.762.292	612.362.506
Total	128.762.292	612.362.506

d) Other trade payables

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	-	11.817.907
Total	-	11.817.907

e) Premiums received

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	403.286.285	231.699.769
Total	403.286.285	231.699.769

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

45 RELATED PARTY TRANSACTIONS (CONTINUED)

f) Reinsurance expenses

	December 31, 2024	December 31, 2023
Republic of Türkiye Ministry of Treasury and Finance	731.028.930	510.839.922
Türk Reasürans A.Ş.	658.741.489	531.910.490
Total	1.389.770.419	1.042.750.412

g) Operating expenses

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	51.857.266	50.961.437
Total	51.857.266	50.961.437

h) Board of Directors fees

	December 31, 2024	December 31, 2023
Board fees	3.868.286	1.981.603
Total	3.868.286	1.981.603

46 SUBSEQUENT EVENTS

None.

47 OTHER

Items and amounts classified under the "other" account in 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

None (December 31, 2023: None).

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

None.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

47 OTHER (CONTINUED)

Subrogation recorded in "Off-Balance Sheet Accounts"

None.

Real rights owned on real estate and their values

None (December 31, 2023: None).

Information on provisions, other income/expense, and prior years' income/loss items in income statement for the period ended December 31, 2024 and 2023

Provisions expenses	January 1 – December 31, 2024	January 1 – December 31, 2023
Provisions expenses (*)	31.141.775	7.500.000.000
Provisions	31.141.775	7.500.000.000

(*) Due to the earthquakes that occurred on February 6, 2023, the insured loss amount paid by the Turkish Catastrophe Insurance Pool (TCIP/DASK) exceeded not only the retention determined for the 2022–2023 period but also the structured reinsurance layers placed above it, and partially impacted the traditional reinsurance layers as well. The losses within the retention were covered from the Institution's own funds, while the traditional reinsurance shares were collected from the respective reinsurers in accordance with DASK's claims payment schedule.

Under the structured reinsurance agreement, which enables the Institution to spread claim payments over the long term, repayments related to the financing collected from the reinsurer are being made in accordance with the terms and maturities defined in the agreement. As for the obligations that are not yet due, an amount of TRY 7.5 billion was presented under the "Provisions" account in the 2023 financial statements. The provision expense amount for 2024 pertains to the doubtful receivables recognized in the current period.

Fees paid to an independent auditor or an independent audit firm for services

	January 1– December 31, 2024	January 1– December 31, 2023
Independent audit fee for the reporting period (*)	1.150.000	700.000
Total	1.150.000	700.000

(*) The fee is excluding VAT.

