RAY SİGORTA
VIENNA INSURANCE GROUP

2020 HALF YEAR INTERIM REPORT

JANUARY 1, 2020-JUNE 30, 2020
FINANCIAL ACTIVITY
RESULTS

STATEMENT OF RESPONSIBILITY PURSUANT TO FINANCIAL REPORTS FOR THE PERIOD OF JANUARY 1, 2020 AND JUNE 30, 2020

RESOLUTION OF BOARD OF DIRECTORS ON APPROVAL OF FINANCIAL REPORTS

MEETING DATE : 28 / 07 / 2020

MEETING NO. : ……

RESOLUTION NO. : …… . .

We declare that we are responsible for the disclosed of,

the Balance Sheets, Statement of Income, Statement of Cash Flows, Statement of Changes in Shareholders' Equity and Interim Report of Ray Sigorta A.Ş. for the period 01.01.2020 – 30.06.2020 together with the prepared notes, which have been prepared and limited audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., in accordance with the Capital Markets Board's Communiqué Series II No: 14-1, the Financial Reporting Standards published by Public Oversight Accounting and the insurance legislation,

a) Has been examined,

b) Within the framework of information available in so far as its duties and responsibilities; the financial statements and interim report do not contain any misrepresentation of the facts on major issues, or any omissions that may be construed as misleading as of the date of the disclosure,

c) Within the framework of information available in so far as its duties and responsibilities; The financial statements prepared in accordance with applicable financial reporting standards truthfully reflect the facts about the assets, liabilities, financial condition and profit and loss of the Company and also truthfully reflects, along with major risks and uncertainties that might be occurred, the progress and performance of the Company.

Yours sincerely,

RAY SİGORTA ANONİM ŞİRKETİ
HEAD OFFICE

Kemal BOZYİĞİT	**Yılmaz KORAP**	**Koray ERDOĞAN**	**Derya ÖZTÜRK**
Audit Committee Chairman	Audit Committee Member	Board of Directors Member, General Manager	Member of the Management Board, CFO

CORPORATE PROFILE

Leaving 61 years behind in the insurance industry, Ray Sigorta generated **728.073.266,- TL** premiums in Six months of the year 2020.

By the end of June 30, 2020, Ray Sigorta is carrying out its activities with 281 employees in 8 Regional Directorates and a Call Centre.

At the same period, Ray Sigorta has offered its services through **1.352** agencies, **128** agency branches, **50** ABank branches, **71** Fibabank branches, **96** Brokers, **9** Broker branches and **3** leasing companies. With **1.265** contracted automobile service stations, **394** glass service stations and **3.184** contracted healthcare establishments, Ray Sigorta has successfully maintained its value creating company vision in its industry.

General Information on Ray Sigorta:

Trade Name :	Ray Sigorta Anonim Sirketi
Trade Registry Number :	297257
Central Registration System (MERSIS) Nr. :	0734 - 0039 - 7980 - 0033
Electronic Mail Address	info@raysigorta.com.tr
Web Site :	www.raysigorta.com.tr
Registered Electronic Mail Address (KEP) :	raysigorta@hs03.kep.tr
Address of Registered Offices :	Cumhuriyet Mahallesi Haydar Aliyev Cad. No.28 Sariyer/Istanbul

Phone : 0 (212) 363 25 00
Fax : 0 (212) 299 48 49

REGIONAL DIRECTORATES BRANCH OFFICES:

İstanbul Anatolian Side Regional Directorate
Merdivenköy Mah. Yumurtacı Abdibey Cad. Nur Sok. No: 1 A Blok Kat: 10 Ofis No: 94-95
İç Kapı No: 1004-1005 34732 **Kadıköy/İstanbul**
Phone : 0216 411 16 06
Fax : 0216 411 16 19

Istanbul European Side Regional Directorate
Yeşilköy Mah. Atatürk Cad. Egs Business Park Blokları No: 12 B/1 Blok Kat: 9 D: 323-324
34149 **Bakırköy/İstanbul**
Phone : 0212 465 40 45
Fax : 0212 465 04 75

Ankara (Central Anatolian) Regional Directorate
Beştepe Mah. Yaşam Cad. Adalet Sok. Neorama İş Merkezi No: 13/A Kat: 4 D: 11-12-14-15-16
06560 **Söğütözü-Yenimahalle/Ankara**
Phone : 0312 428 50 00
Fax : 0312 428 50 49

İzmir (Aegean) Regional Directorate
Adalet Mah. Manas Bulvarı Folkart Towers A Kule No: 47/B
Kat: 36 D: 3604 35530 **Bayraklı/İzmir**
Phone : 0232 483 72 46
Fax : 0232 489 86 05

Bursa (Marmara) Regional Directorate
Konak Mah. Lefkoşe Cad. NM Ofis Park A Blok Kat: 3 No: 34-36
16110 **Nilüfer/Bursa**
Phone : 0224 211 28 27
Fax : 0224 211 28 37

Adana (Southeastern Anatolian) Regional Directorate
Cemalpaşa Mah. Atatürk Cad. Sapmaz İş Merkezi No: 48 D: 10-11
01120 **Seyhan/Adana**
Phone : 0322 457 06 83
Fax : 0322 454 77 61

Antalya (Mediterranean) Regional Directorate
Deniz Mah. Konyaaltı Cad. Antmarin İş Merkezi No: 24
Kat: 6 07050 **Konyaaltı / Antalya**
Phone : 0242 247 20 25
Fax : 0242 247 39 59

Malatya (East Anatolia) Regional Directorate
İsmetiye Mah. Mina Sokak Mehmet Ilıcak İş Merkezi No: 1 Kat: 4 D: 30-31
44100 **Battalgazi/Malatya**
Phone : 0422 503 11 40
Fax : 0 422 503 11 47

RAY SIGORTA: FROM THE PAST TO PRESENT

- Was founded as an initiative of national transportation companies (Turkish Airlines, Maritime Lines, State Railways, PTT) in 1958.
- Was privatized by Doğan Holding in 1992.
- Became a listed company in Istanbul Stock Exchange in 1997.
- In 2007, 74.26% of its capital was acquired by TBIH Financial Services Group, an affiliate of VIG.
- In 2008, Ray Sigorta added Vienna Insurance Group to its logo.
- In 2009, 84.26% of its capital shares were owned by VIG, 10% by Doğan Group, and 5.74% by more than 4,000 investors.
- In 2011, 81.59% of its capital shares were owned by TBIH Services Group N.V., 12.67% by Vienna Insurance Group (VIG), and 5.7% as free float.
- In 2019, total premium production of Ray Sigorta: 1.238.078.671,-TL
- In 2019, market share of Ray Sigorta among non-life insurance companies: 2,14%.
- In 2019, Ray Sigorta is ranked the 17th among non-life insurance companies.
- In 2019, The Company announced an annual profit of TL 50.083.088,-
- In 2019, Ray Sigorta received the Great Place to Work Certificate as a result of the strong corporate culture and evaluation carried out by the Great Place to Work Institute.

OUR VISION:

To be a pioneering insurance company that is reliable, solution-oriented, fast, digitally – transformed, and has a sustainable growth rate.

OUR MISSION;

To rank in the top 6 in non-life insurance segment as the best insurance company for its customers, business partners, stakeholders, employees and particularly its distribution channels.

SHAREHOLDER STRUCTURE

For the end of June 30, 2020, the shareholder structure which is share ratio over 10 % is as follows;

Name of the Partner	Share Ratio	Number of Shares	Value of Shares
ATBIH GmbH(*)	**%81,59**	**13.304.862.688**	**133.048.627**
Vienna Insurance Group AG	**%12,67**	**2.066.352.811**	**20.663.528**
LVP Holding Gmbh (*)	**% 0,70**	**114.573.400**	**1.145.734**

(*) Both ATBIH GmbH and LVP Holding Gmbh are a subsidiary of Vienna Insurance Group. Total share of VIG Group in Ray Sigorta A.Ş. is % 94,96.
5.04% shares are publicly-trade shares and traded in Borsa İstanbul A.Ş.

Our Company's issued capital has been raised by TL 26.000.000 (twenty six million) against cash payment from TL 137.069.856 (one hundred and thirty seven million sixty nine thousand eight hundred and fifty six) to TL 163.069.856 (one hundred and three million sixty nine thousand eight hundred and fifty six) by the resolution of Board of Directors dated March 23, 2011.

There is no privileged share in Ray Sigorta A.Ş.

The Chairman and Members of Board of Directors, General Manager and Deputy General Managers have no shares in the Company.

ORDINARY GENERAL ASSEMBLY MEETING

The Ordinary General Assembly Meeting of Ray Sigorta A.Ş. was held at 10:30 on March 30, 2020 Monday at the address of "Cumhuriyet Mahallesi, Haydar Aliyev Cad. No:28 Sarıyer/İstanbul", under the supervision of Mr.Orhan Karabey, the Ministry Commissioner appointed by a letter of assignment of the Istanbul Provincial Directorate of Ministry of Customs and Trade.

At this meeting, ordinary agenda was discussed according to the provisions of the Turkish Commercial Code and Capital Market Law.

The Annual Report and the Financial Statements' Report issued for the year 2019 are approved.

It has been resolved that Presiding Board Members are individually released from their liabilities in relation to 2019 activities and accounts.

The proposal of the Board of Directors regarding the net profit of the year 2019 has been put to the vote following the discussion on the proposal; and it has been unanimously resolved as follows;
a) The amount of TRY 2.504.154.- shall be transferred to the " Legal Reserves "as a primary reserve
b) The amount of TRY_9.515.787 .- which represents20% of the Distributable Net Profit Amount according to Company's Profit Distribution Policy, is an inconsiderable dividend for nominal value, therefore, this amount will not be distributed as a dividend, the amount of 47.578.938,- TL shall be transferred to the "Retained Earnings".

Except Koray Erdoğan, Board Member as of right according to the Insurance Code number 5684, as the terms of office of the Board of Directors members will be expired in 2020, the number and the appointment of the Board of Directors members are discussed. Based on the motion of the shareholders, it has been resolved with majority vote, that number of Board of Directors Members including Mr. Koray Erdoğan, Board Member as of right according to the Insurance Code number 5684 are fixed as 9 (nine) members and 3 (three) years of serve to assign; Mr. Peter Dr.Thirring, Mr.Martin Dr. Simhandl, Mr.Josef Dr. Aigner, Mr. Gerald Klemensich, Mr. Dr. İsmail Hakkı Ergener, Mr. Gerhard LAHNER, Mr. Koray Erdoğan and, Independent board members ; Mr.Kemal Bozyiğit and Mr. Yılmaz KORAP.

It has been unanimously resolved that KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş shall be selected as the independent auditor for the audit of 2020 interim and annual financial statements and board of directors report within the frame of the Turkish Commercial Code, the Insurance Legislation, Capital Markets Legislation and other relevant legislation.

AMENDMENTS OF ARTICLES OF ASSOCIATION

There is no amendments to the articles of association during the period.

The current articles of association of our firm is published in our web site, part of investor relations.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

Ray Sigorta A.Ş. , has adopted the concepts of equity, transparency, accountability and responsibility of the Corporate Governance Principles and aims to comply with these principles in its activities at its most. Within this context, the company complies with all compulsory principles.

Moreover, you can reach Corporate Governance Compliance Report and Corporate Governance Information Form which have been arranged by our firm for 2019 at the below addresses.

Public Disclosure Platform

https://www.kap.org.tr/tr/sirket-bilgileri/ozet/1063-ray-sigorta-a-s

Company’s official internet site

https://www.raysigorta.com.tr/About/General/11585/2018-uyum-raporu

We, Ray Sigorta A.Ş., disclosed 23 information and document items during the period of 01.01.2020 - 30.06.2020.

BOARD OF DIRECTORS

The Members of the Board of Directors of our Company:

Full Name	Appointed on	Position – Committees
Dr. Peter THIRRING	07.08.2018	**Chairman of the Board of Directors** **Member of Corporate Governance Committee**

Holds a Phd degree in Law.

He has held various offices within the organization of Generali Insurance at Middle and East part of Europe between 2000 and 2015 as a manager, General Manager and member of Board of Directors. In 2016 he was appointed as General Manager of Donna Versicherung AG, a subsidiary firm of Vienna Insurance Group He has been serving as the Member of the Managing Board, CFO of Vienna Insurance Group AG since July 2018.

He has no executive duties or responsibilities at the Company.

Full Name	Appointed on	Position – Committees
Dr. Martin SIMHANDL	12.04.2011	**Deputy Chairman of the Board of Directors** **Member of Early Identification of Risk Committee**

Holds a degree in Law.

He has held various offices within the organization of Vienna Insurance Group AG between 1985 and 2004. He has been serving as the Member of the Managing Board, CFO of Vienna Insurance Group AG since 2004.

He has no executive duties or responsibilities at the Company

Full Name	Appointed on	Position – Committees
Gerhard LAHNER	20.05.2020	**Member**

Holds a degree in Business and holds a master's degree on Liberal Arts.

He has been serving various offices within the organization of Vienna Insurance Group AG since 2002. He has served as a board member in various offices. He is a member of the Managing Board of VIG in 2020.

He has no executive duties or responsibilities at the Company.

Full Name	Appointed on	Position – Committees

Dr. Ismail Hakki ERGENER **18.09.2012** **Member**

Holds a degree in economics.

He has served at various banks in Turkey and Europe since 1984. He has worked at Express Trade Bank between 1995 and 2007, and at Denizbank AG between 1997 and 2008, and at Eurocity Bank AG between 2012 and 2013, as CEO and General Manager. As of 2009, he has been serving as the CEO at SK Danube AG.

He has no executive duties or responsibilities at the Company.

Full Name	Appointed on	Position – Committees

Dr.Josef AIGNER **29.03.2013** **Member**

Holds a degree in Chemistry.

He has served at the Allianz Insurance Group between 1995 and 1999, and at Vienna Insurance Group AG between 2000 and 2007. He has been serving as the Head of Corporate Business Department of Vienna Insurance Group AG since 2007.

He has no executive duties or responsibilities at the Company.

Full Name	Appointed on	Position – Committees

Gerald KLEMENSICH **11.06.2014** **Member**

Member of the Corporate Governance Committee

Member of the Early Identification of Risk Committee

He has served as Shipping Surveyor and Claims Examiner at various insurance companies between 1993 and 1995. He has held various offices within the organization of Vienna Insurance Group AG between 1995 and 2004. Since 2007, he has been serving as a Senior Executive in Reinsurance Department of Vienna Insurance Group AG, and a member of the board of directors of Wiener RE.

He has no executive duties or responsibilities at the Company.

Full Name	Appointed on	Position – Committees
Kemal BOZYİĞİT	**04.07.2017**	**Independent Member** **Chairman of the Audit Committee** **Chairman of Corporate Governance Committee** **Chairman of the Early Identification of Risk Committee**

He holds degrees in Engineer for Metallurgy.

He has been in professional life since 1990. He is still the General Manager of Voestalpine Eurostahl GmbH, Istanbul.

Full Name	Appointed on	Position – Committees
Yılmaz KORAP	**07.08.2018**	**Independent Member** **Member of the Audit Committee**

He holds a master's degree on International Management between 1982 and 2005, he has held as product/sales manager and General Manager at various firms in Turkey. Since 2005. He has been serving as a General Manager at Arılı Plastik Sanayi A.Ş. in Istanbul.

Full Name	Appointed on	Position – Committees
Koray ERDOĞAN	**01.08.2015**	**Member and General Manager**

He holds degrees in International Relations. He holds a master's degree on Administrative Sciences from Carnegie Mellon University.

He started his career in 1997 as an Insurance Auditing Specialist in the Insurance Auditing Board of the Undersecretariat of Treasury. Since 2009, he served as Deputy Chairman thereof. He joined Ray Sigorta A.Ş. as a member of the Management Board and Financial and Administrative Affairs Director on 02.05.2011. He served as the Deputy General Manager since 01.01.2014 and has appointed as General Manager and Board Member on 01.08.2015. He worked at member of Board of Directors of VIG Ukrayna: UIG, Kniazha, Globus and Kniazha Life between 2017 and 2019.

.

COMPARATIVE PREMIUM REVENUE FOR THE PERIOD OF 01.01.2020-30.06.2020 / 01.01.2019 - 30.06.2019

1) In the six months of year 2020 and 2019 gross Premium revenue and percentage change are given below (in TL , Reinsurer's share is not deducted)

	30.06.2020	30.06.2019	Percentage Change
Accident	7.435.176	4.258.207	74,61%
Health	24.026.555	20.211.747	18,87%
Motor own Damage	122.626.191	102.465.206	19,68%
Other Vehicles	7.539.334	5.906.811	27,64%
Marine	28.059.758	24.949.557	12,47%
Fire and Catastrophic Losses	165.924.423	121.761.103	36,27%
General Losses	161.429.461	75.708.284	113,23%
Third Party Liability	174.237.334	175.408.012	-0,61%
General Liability	25.328.408	33.451.298	-24,28%
Surety	585.409	519.582	12,67%
Financial Losses	9.547.707	6.310.979	51,29%
Legal Protection	1.232.976	676.653	82,22%
TOTAL	**728.073.266**	**571.627.439**	**27,37%**

2) For the same period, Gross Premium Revenue, Reinsurer's Share and Net Premium Revenue (in TL and Percentage Change)

	30.06.2020	30.06.2019	Percentage Change
Gross Premium	**728.073.266**	**571.627.439**	**27.37%**
Reinsurer's Share	**442.570.886**	**333.822.602**	**32.58%**
Net Premium	**285.502.380**	**237.804.837**	**20.06%**

COMPARATIVE FINANCIAL INDICATORS (in TL)

SUMMARY OF FINANCIAL INDICATORS	30.06.2020	2019	2018	2017	2016	2015
Total Assets	1.400.886.851	1.276.030.751	926.672.507	735.353.658	585.045.563	450.401.905
Paid-In Capital	163.069.856	163.069.856	163.069.856	163.069.856	163.069.856	163.069.856
Shareholder's Equity	318.134.812	262.154.106	212.171.865	184.925.667	144.491.853	94.014.445
	30.06.2020	2019	2018	2017	2016	2015
Net Premium	285.502.380	546.605.129	419.797.619	290.890.278	260.727.471	212.940.008
Investment Income Transferred From Non-Technical Division	32.963.298	73.479.799	44.721.557	29.418.740	20.778.791	14.147.549
Change in Unearned Premium Reserve-Net	4.848.332	-62.122.416	-80.382.615	-15.288.461	-27.949.967	-28.450.173
Unexpired Risk Reserves Changed-Net	-428.651	901.258	-2.014.693	-473.625	2.846.131	-6.782.677
Other Technical Income/Expenditure	-14.304.104	-13.096.432	-7.780.906	1.787.816	-4.320.585	1.282.718
Net Claims Paid	-125.544.896	-300.582.823	-220.715.817	-164.297.193	-141.758.613	-133.800.519
Change in Outstanding Claims-Net	-39.724.275	-27.823.365	-46.677.186	-54.020.050	-11.156.655	-16.624.563
Other Technical Provisions	-4.098.412	-6.689.534	-4.480.605	-2.270.839	-2.295.762	-1.986.948
Operating Expenses	-62.439.077	-134.421.672	-79.147.919	-60.063.143	-43.102.666	-52.977.956
Investment Income	62.990.496	119.730.370	141.996.080	58.621.439	44.021.442	31.380.123
Investment Expenditures	-60.178.794	-108.481.015	-113.581.449	-46.795.747	-35.961.704	-28.270.104
Other Expenditures/Income	-5.203.102	-21.808.601	-12.910.873	-6.355.920	-17.382.609	-5.671.294
Corporate Tax Provision and Other Fiscal Liabilities	-17.592.063	-15.607.610	10.431.663	-9.875.432	-7.086.896	0
Net Profit/Loss	56.791.132	50.083.088	28.391.530	21.277.863	37.358.377	-14.813.838

Full financial statement report for June 30, 2020 and previous periods are on our web site www.raysigorta.com.tr and Public Disclosure Platform web site www.kap.org.tr