

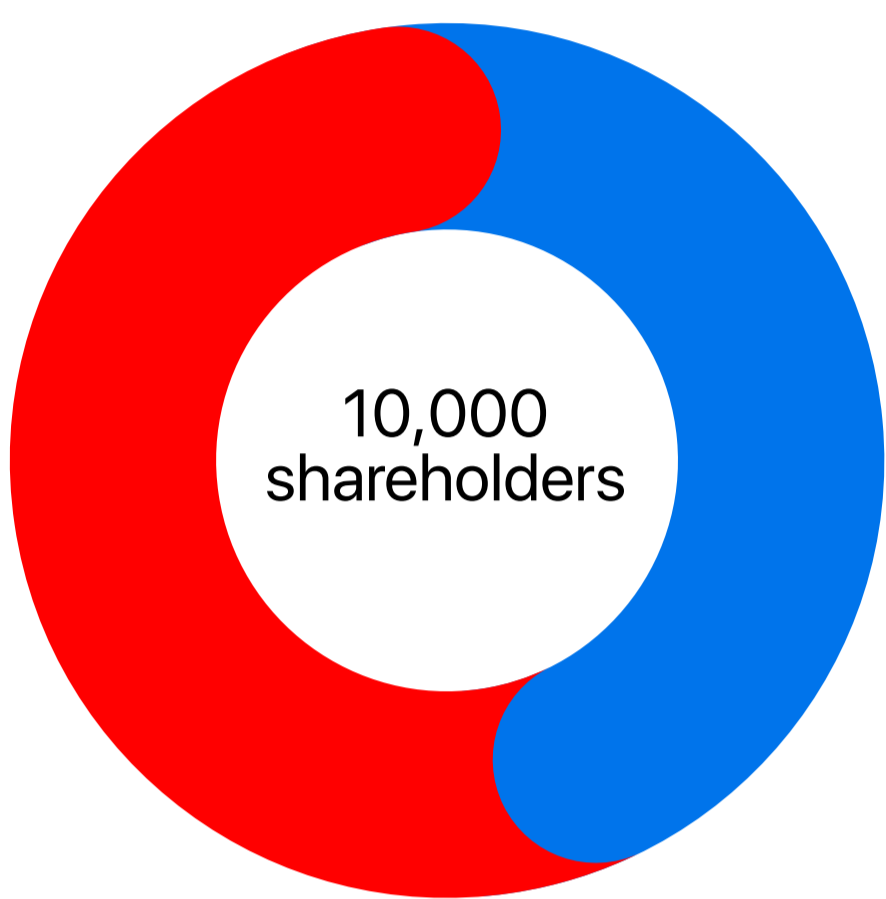
COMPANY IN BRIEF

Ard Insurance is a publicly listed company founded in 1994 operating according to the regulations issued by authority organizations by the special license permitted by the Financial Regulatory Office (License number 2/16).

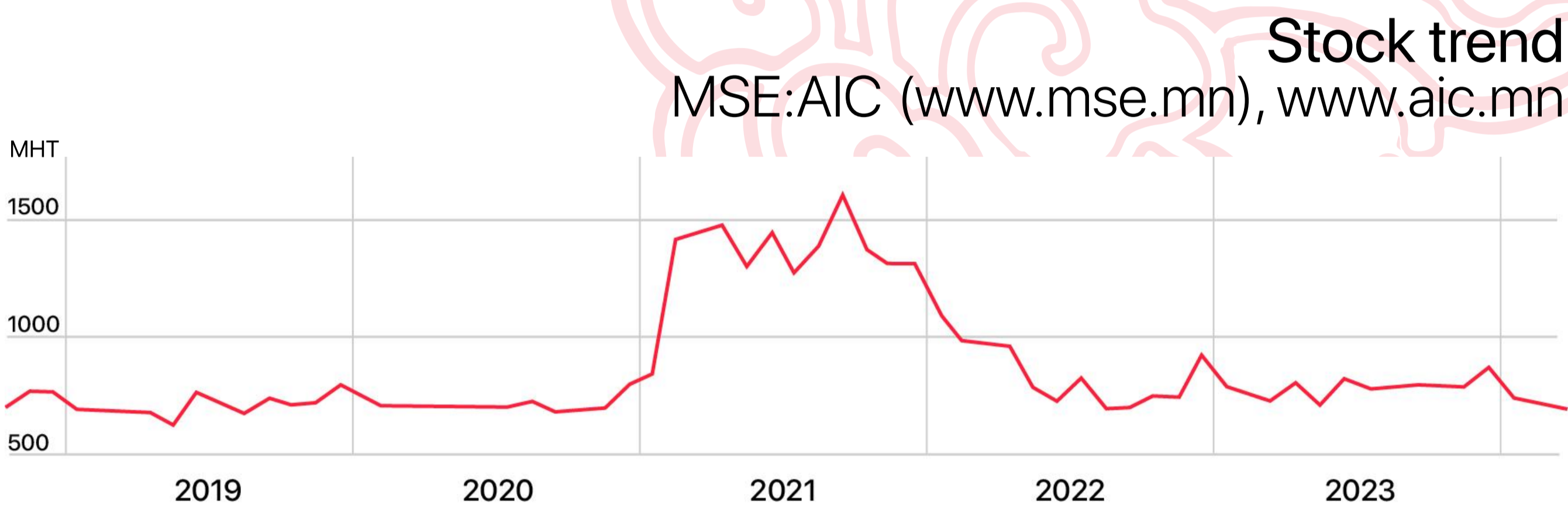
We operate in conformity with the Civil Code of Mongolia, Commercial Insurance Law and regulations issued by the FRC, Articles 9 and 49 of the Insurance Law, and provide professional services under the jurisdiction.

Nowadays, with sustainable growth and expertise, we are one of the pioneers in the local market and a trusted partner with internationally recognized reinsurers and brokers. Moreover, it is been remarkable that we are contributing to the country's economy and social development by supporting many Mongolian businesses.

SHAREHOLDERS



- Ard Financial Group JSC45.5%
- Public54.5%



FACTS

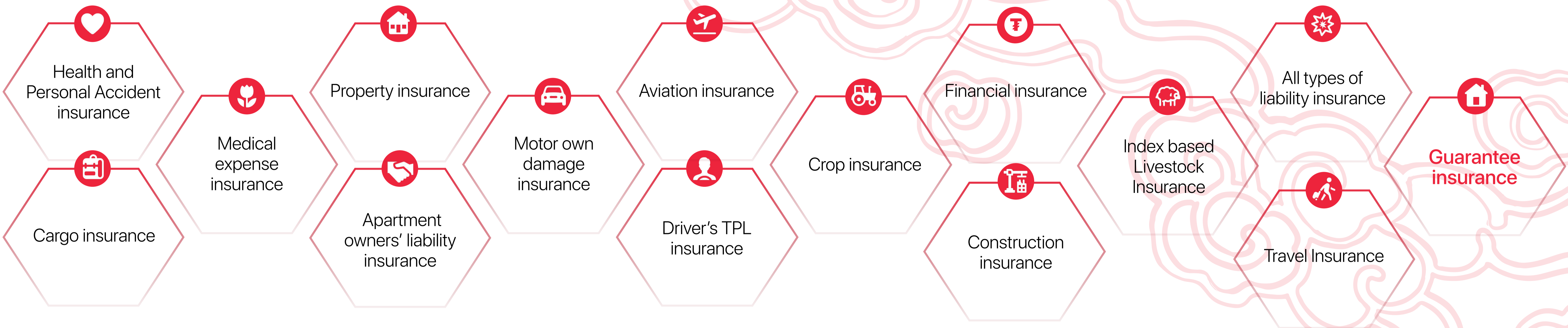
#1 Company with the most shareholders	30 Years of operation	50 Types of insurance products	10k Shareholders	100 Employees	21 Branches
8.3 Market share % (gross premium)	9.5 Million USD Billion MNT - Gross written premium	4.1 Million MNT Billion MNT – total claim	243k Insured clients	4 Cooperating banks	70+ Agents and brokers

TIMELINE

	Ard Insurance was founded		UK based Omni Whittington Group became a strategic investor		Received International Quality Era Award (Switzerland, Geneva)	Built business relationship with Oyu Tolgoi project	Named as the Top Insurer of the year of "Grand Expo"	Awarded with Grand Prix of Mongolian Chamber of Commerce 3 years in a row	
	1994	2000	2004	2008	2010	2011	2012	2013	2014
	First private insurance company in Mongolia	Recognized as one of the TOP 5 insurers in Mongolia		Awarded as the "Top Insurance Company of the year" by Financial Regulatory Commission	Started writing aviation insurance	Acquisition of Grand Insurance LLC			Named as the "Tax payer of the year" by the Mongolian Taxation Office (blue book)
Ard Financial Group has become a strategic investor	Started writing index based livestock insurance	Started writing crop insurance	Became a publicly listed company	Launched insurance service on ArdApp	Provided insurance products and services for Renewable Energy and Mining projects	Implemented online insurance service	Added Covid-19 coverage to the Travel Insurance Product	Updated an insurance core system	
2015	2016	2017	2018	2019	2020	2021	2022	2023	
	Signed reinsurance treaty contract	Launched global health insurance jointly with MSH International		Started Ardcoin loyalty	Listed TOP 20 on Mongolian Stock Exchange 3 years in a row	Total number of shareholders soared to 10,151	Implemented CRM system	#1 insurer in driver's TPL insurance	

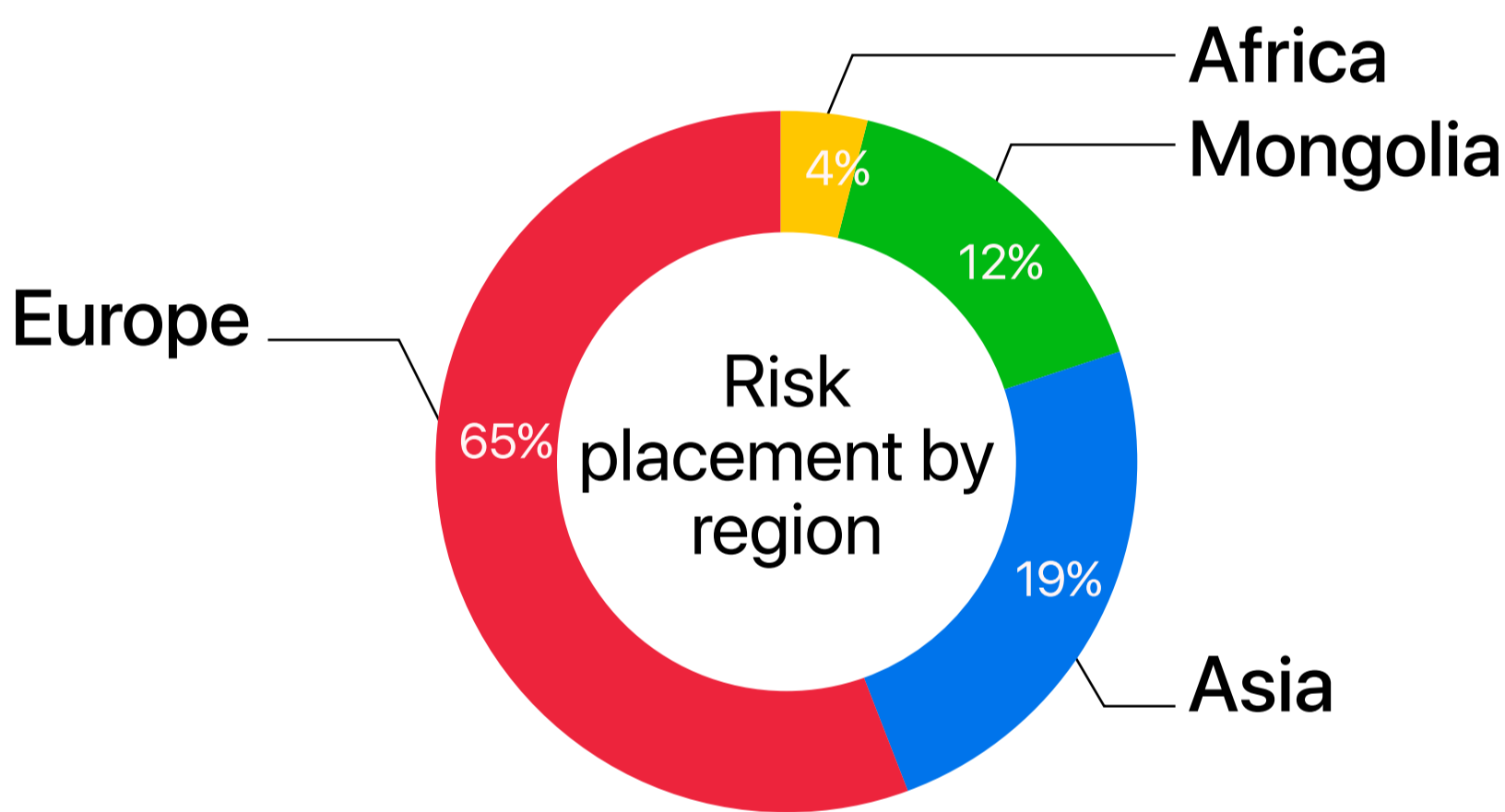
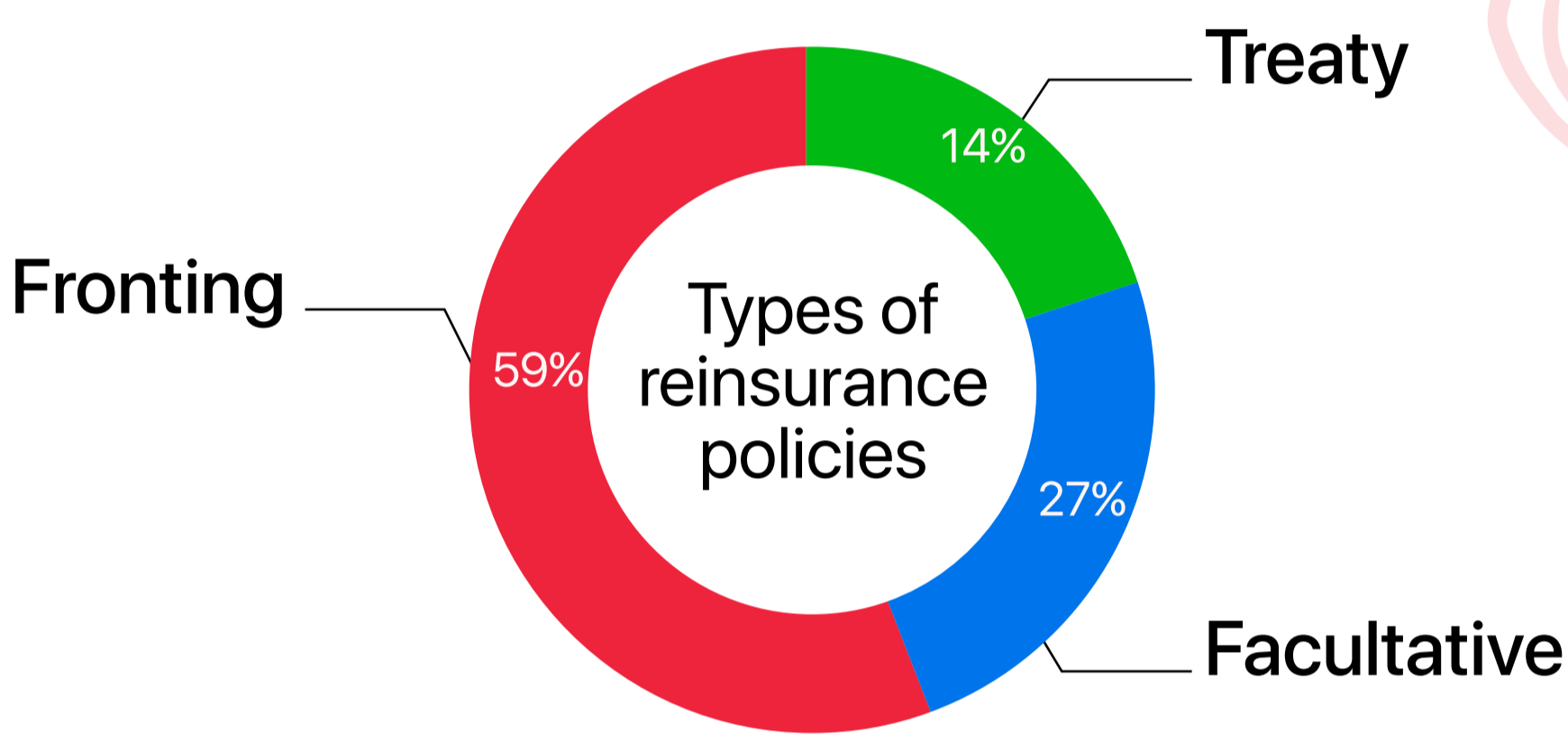
INSURANCE SERVICE

Ard Insurance is a non-life insurance company offers over 50 types of insurance products and services to its customers. It is the first publicly listed general insurance company, listed in a board “A” TOP 20 index of MSE and a pioneer in the local market to write Compulsory Motor TPL insurance, Livestock insurance and Crop insurance.



REINSURANCE

We have been ceding our risk to reputable Reinsurers in the UK, USA, Germany, Japan, Singapore and Switzerland since 2003 and we are one of the most experienced in this field. We have a strong long-lasting partnership with German Reinsurance / Insurance company Allianz. Furthermore, Hannover Re, Swiss Re and Mongolian Re are our main reinsurer and we cede our risk through Treaty and Facultative policies. We are committed to choose the best reinsurance solution and tailor-made coverage for each and every client.



HEALTH INSURANCE

For the last 3 years, our health insurance team has provided services to 33,178 clients and reimbursed over MNT 3.5 billion. We serve more than 150,000 insured customers offering health insurance products: locally Ard Mend and internationally Ard-Medicare.

ARD Medicare international health plan provides an access to extensive network of quality healthcare providers both locally and in more than 200 countries with over 330,000 providers across the world with Direct Billing services. MSH China is a leading provider of comprehensive expatriate insurance services and TPA (Third Party Administration) services around the world. Our insured members have been provided direct billing services at hospitals across the world including Mainland China, South Korea, Japan, Thailand, Mongolia, Australia, Germany, Sweden, and Switzerland.

Our health insurance team consists of medical doctors, health insurance underwriters and claim managers focusing on to improve public's health education. Moreover, we organized over 100 trainings to 4,500 employees who work in a mining industry and other sectors collaborating with professional doctors on a topic of benefit of health insurance, unforeseen risks, and its prevention.



FINANCIAL INFORMATION (thousand USD)

	Premium	Claim	Reinsurance premium	Total asset	Total reserve	Net profit
2023	9,511	4,133	1,659	12,946	6,558	961
2022	6,479	2,282	1,228	10,348	4,269	214
2021	5,779	1,744	842	12,225	4,110	2,519

INSURANCE PORTFOLIO (thousand USD)

	Premium			Claim			Reinsurance			
	2022	2023	%	2022	2023	%	Premium		Claim	
Health and Personal Accident insurance	1,276	1,530	16	511	644	16	124	7	57	5
Property insurance	1,223	1,629	17	35	323	8	1,103	66	214	19
Motor Own Damage insurance	1,195	2,047	22	378	765	19	-	0	-	0
Cargo insurance	77	102	1	28	11	0	11	1	-	0
Construction insurance	867	162	2	103	-	0	162	10	-	0
Liability insurance	447	605	6	22	24	1	149	9	-	0
Driver’s TPL insurance	976	2,333	25	735	1,219	29	0	0	-	0
Others (8 types)	417	1,103	12	469	1,148	28	110	7	844	76
Total	6,478	9,511		2,281	4,133		1,660		1,115	

CLAIM

	2022		2023	
	Number of claims	%	Number of claims	%
Health and Personal accident insurance	3,128	41	2,899	33
Motor Own Damage insurance	1,333	17	1,620	18
Driver’s TPL insurance	2,717	35	3,804	43
Credit insurance	294	4	253	3
Others insurance products	196	3	246	3
Total	7,668	100	8,822	100
Number of claims solved per day (average)	29		34	

RATIO

(CALCULATED FROM NET PREMIUM. RATIO<100%, Solvency ratio is at a sufficient level)

	Loss ratio	Expense Ratio	Combined Ratio
2023	41%	56%	97%
2022	40%	59%	99%
2021	36%	71%	107%

INSURANCE MARKET UW YEAR 2023 (GENERAL INSURANCE) (thousand USD)

	Market	Market average	Ard Insurance JSC	
Total Premium Income	114,012	7,601	▲	9,511
Reinsurance Income	41,501	2,491	▼	9,511
Net Premium Income	69,462	3,547	▲	7,608
Total Claims	34,833	2,192	▲	4,133
Net Claims	28,352	1,529	▲	2,446
Operating Expense	37,662	2,511	▲	3,299
Total Assets	137,519	9,168	▲	12,963
Total Reserves	17,403	1,160	▲	1,334
Shareholders equity	53,452	3,563	▲	5,317
Loss Ratio	56%	-		41%
Expense Ratio	60%	-		56%
Combined Ratio	116%	-		97%

COMPANY ACHIEVEMENTS OF 2023

- The year was characterized by a significant increase in Driver's Third-Party Liability client growth, writing over 139 thousand policies which makes the company No 1 by the number of Driver's insurance clients in the local market.
- 2023 also marked a year of strengthening our position in the health insurance for mining sector employees and their families. Mongolia's economy is heavily reliant on mining sector, the country's cornerstone of income and development.
- Last year also marked a pivotal point in bringing our cooperation with MSH China (TPA service provider) to the next level after initial agreement in 2017. Representatives of the MSH China visited in Mongolia to discuss expanding and improving our cooperation and organized meetings with the Mongolian top healthcare providers.
- 2023 experienced torrential rains and flash floods which resulted in a substantial number of losses. The company, together with its reinsurers, paid USD 293.1 thousand for flood claims.
- To develop online insurance, we made it possible to cooperate with and through services that The National Data Center, E-Mongolia, and The National Road Transport Center are providing.
- In 2023, we also focused on strengthening our core insurance system. A comprehensive update of the main system has been implemented. Continuous development is being carried out, and introducing up to 70 percent automation was not only a new achievement but also an important task for the data-driven decision-making.
- 2023 also marked a year of financial achievements for Ard Insurance. The company's total assets reached USD 12.9. million, a 24% increase that has been a favorable event for our shareholders.

INTERESTING FACTS

- In 2023, a total of 5,424 claims of motor damage and driver's TPL insurance, amounting to USD 1.9 million were paid. 52% of the claims were registered and visited by the company, while 48% of the claims were verified by the Traffic Police Authority.
- More than 90% of the above motor related claims were traffic accidents.
- 30% of the above motor related claims were in respect of Motor own damage insurance and 70% were Driver's TPL insurance.
- Average cost per claim for the driver's TPL insurance was USD 318, and Motor own damage was USD 475.

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