



CINCo Group

Central Asian and Caspian Operational Overview

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For over 30 years CINCo Group insurance brokers have been providing innovative solutions to clients in Russia and the C.I.S.

CINCo Group operates through regional offices in Russia, Ukraine, Azerbaijan, Armenia, Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan with European continental operations based in Zurich. In recent years CINCo has established operations in Mongolia.

CINCo is a long-standing and active member of the TRC/ Trust Risk Control, making the most of resources and skills from broking colleagues all around the globe.

Today's presentation will focus on CINCo's activities in the following territories

- Mongolia
- Kazakhstan
- Uzbekistan
- Kyrgyzstan
- Turkmenistan
- Azerbaijan



Central Asian Facts and Initiatives

	Population
Mongolia	3,168,026
Kazakhstan	19,091,949
Uzbekistan	30,565,411
Kyrgyzstan	5,964,897
Turkmenistan	5,528,627
Azerbaijan	10,205,810
Total	74,524,720

- One Road one Belt
- The North South Transport Corridor
- War in Ukraine has resulted in the relocation of many company headquarters and business operations from Russia to Central Asia
- Migration of talent to these republics from Russia

Territory Overview

Mongolia

Description

A huge country of vast resources and huge future potential, twice the size of Texas and three times the size of France. Primary industries are Mining and agriculture.

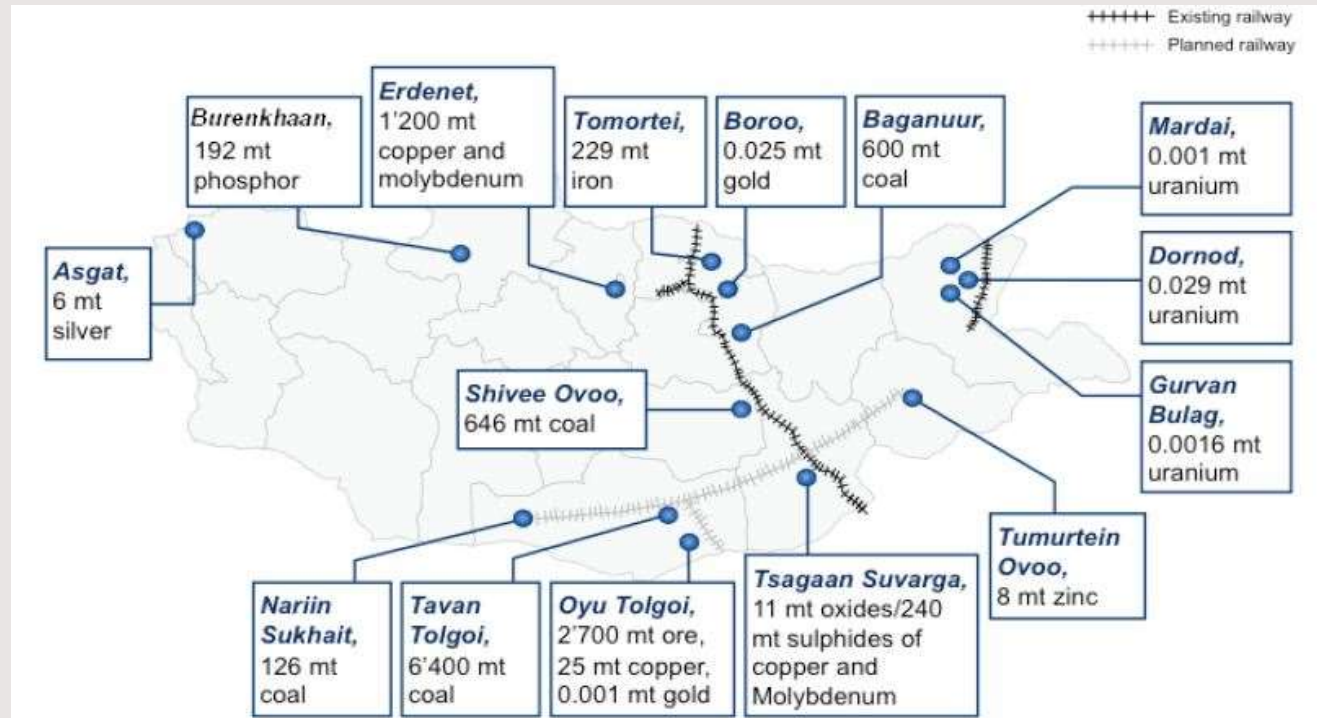
Capital	Ulaanbaatar
Government Type	semi-presidential republic
Currency	Mongolia Tughrik (MNT)
Total Area	603,905 Square Miles 1,564,116 Square Kilometers
Location	Northern Asia, between China and Russia
Language	Khalkha Mongol 90%, Turkic, Russian
GDP - real growth rate	3.5%
GDP - per capita (PPP)	\$12,500.00 (USD)

CINCo in Mongolia

- We have been in the market since 2006 and we are the first licensed insurance brokerage firm of Mongolia
- CINCo Group and AME Insurance Brokers started a joint venture operation called CINCo Group (Mongolia) in January 2015.
- Our focus of services are insurance brokerage to Aviation, Mining, Energy and Infrastructure sectors and it has let us to gain an reputation of “**Aviation, Mining and Energy** specialized insurance broker of Mongolia”.

Territory Overview

Mongolia



The world largest mining group Rio Tinto, Anglo-American, BHP Billiton, Areva, Vale, Shenhua are present in Mongolia.

Trade Stats

Export (to)	%	Import (from)	%
China	72.5	China	35.7
Switzerland	22.2	Russia	26.4
Singapore	2.0	Japan	7.7
UK	1.1	USA	4.6
Russia	1.0	South Korea	4.5

All %	Export	Import
Raw Materials	73.0	2.9
Intermediate Goods	24.8	16.7
Consumer Goods	1.7	48.4
Capital Goods	0.5	32.0

Source: World Integrated Trade Solution

Insurance Market Overview

General insurance market in Mongolia

The Mongolia insurance industry was dominated by the general insurance segment in 2021. Motor insurance was the highest contributing line in the general insurance segment in 2021. As the country started recovering from the pandemic, and with the removal of social restrictions and lockdown measures, the annual growth of moto insurance increased due to the increase in sales of motor vehicles.

Life insurance market in Mongolia

The growth of the life insurance industry in 2021 was supported by the life PA&H insurance class followed by pension insurance and term life insurance. During the review period, Mongolia's life insurance market penetration remained stagnant and was very low compared to emerging and developed countries.

Market Summary

	2016	2017	2018
	MNT 'bn	MNT 'bn	MNT 'bn
Total Assets	208.4	244.7	331.9
Insurers	15	15	15

Market size

	2016	2017	2018
	MNT 'bn	MNT 'bn	MNT 'bn
Premium	114.5	144.3	178.7
Claim payments	34.2	45.2	58.2

Market share by insurance types (premium)

	MNT bn	%
Property	25.6	27.30%
Vehicle	16.3	17.39%
Aviation	7.0	7.50%
Liability	8.0	8.70%
PA, health	9.1	9.69%
Drivers liability	15.1	16.13%
Financial	2.6	2.74%
Construction	4.1	4.39%
Cargo	1.8	1.92%
Health	0.5	0.51%
Life stock	1.0	0.82%
Others	2.9	2.91%
Total	93.8	100.0%

CINCo in Mongolia

Sarangua Davaadorj General Director

Sara is an international consultant, with over twenty years of work experience in law, and finance, who works out of London and Ulaanbaatar. She is a lawyer by background and worked extensively in aviation, mining and energy sectors in Mongolia and elsewhere in the world. Until December 2012 she was a senior advisor to Standard Chartered Bank in London, UK. Sara graduated from Harvard Law School and Moscow State University, law faculty.

Description

Kazakhstan is the world's ninth-largest country by land area and the world's largest landlocked country. It has a population of 19 million people and one of the lowest population densities in the world, at fewer than 6 people per square kilometer (15 people per square mile). Ethnic Kazakhs constitute a majority of the population, while ethnic Russians form a significant minority. Officially secular, Kazakhstan is a Muslim-majority country, although ethnic Russians in the country form a sizeable Christian community.

Capital	Astana
Government Type	presidential republic
Currency	Tennges (KZT)
Total Area	1,052,084 Square Miles 2,724,900 Square Kilometers
Location	Central Asia, northwest of China; a small portion west of the Ural (Zhayyq) River in eastern-most Europe
Language	Kazakh (Qazaq, state language) 64.4%, Russian (official, used in everyday business, designated the "language of interethnic communication") 95%
GDP - real growth rate	1.5%
GDP - per capita (PPP)	\$24,700.00 (USD)



The country is highly dependent on mining industries and in particular on the oil sector, which accounts for 60 % of total exports and more than 25 % of GDP. Kazakhstan has huge fossil fuel reserves and large stocks of other minerals and metals, such as uranium, copper and zinc. Oil production is expected to double in less than ten years, as soon as the Kashagan oil field becomes fully operational.

Industry, however, suffers from low productivity and competitiveness, as well as from the appreciation of the national currency, the 'Tenge'. The country remains vulnerable to commodity price fluctuations. The government has invested significant efforts and created a fund to modernise the country's industrial base.

The service sector, once rather neglected, is also developing steadily thanks to high local demand. In 2002 Kazakhstan became the first country in the former Soviet Union to receive an investment-grade credit rating.

Trade Stats

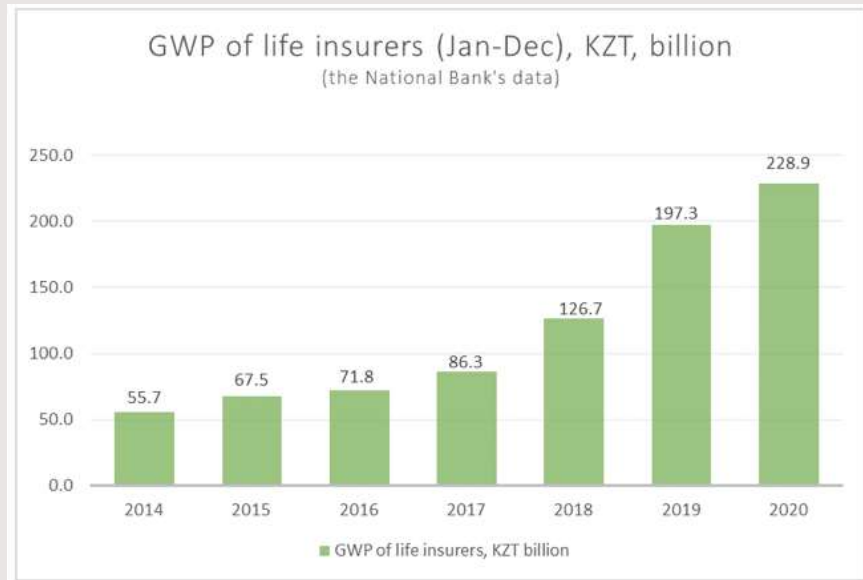
Export (to)	%	Import (from)	%
China	19.2	Russia	34.9
Italy	14.2	China	16.7
Russia	10.4	South Korea	12.8
Netherlands	6.7	Germany	4.7
Uzbekistan	4.5	USA	2.6

All %	Export	Import
Raw Materials	63.8	2.9
Intermediate Goods	25.0	16.7
Consumer Goods	1.7	48.4
Capital Goods	0.5	32.0

Source: World Integrated Trade Solution

Insurance Market Overview

As of January 1, 2023, the insurance sector's assets amounted to KZT 2.07 trillion (~EUR 4.18 billion), which is 13.01% more y-o-y. Asset-to-GDP ratio remains at 2.04%. Liabilities amounted to KZT 1.29 trillion, having increased by 18.76% since the beginning of 2022



For five years, the assets of life insurers have grown 3.7 times, while the assets of non-life insurers increased by only 45.4%.

Market share by Class	%
Property	2.8%
Vehicle	18.2%
Cargo	1.2%
Liability	0.9%
PA, health	17.2%
Drivers liability	50.9%
Financial	0.1%
Others	8.7%
Total	100.0%

CINCo in Kazakhstan

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Uzbekistan

Description

Located between the Amu Darya and Syr-Darya Rivers, Uzbekistan lies at the heart of central Asia. Along its borders are Afghanistan to the south, Turkmenistan to the west and south, Kazakhstan to the north, and Tajikistan and Kyrgyzstan to the east. Aside from Liechtenstein, Uzbekistan is the world's only other doubly landlocked country. Covering an area of 500,000 square kilometres, Uzbekistan is roughly the size of California. Most of the country is desert (the Kyzylkum and the Karakum) or irrigated steppe, but it has rugged mountains in the east (a branch of the Tien Shan range), as well as semi-arid grassland. Only nine percent of Uzbekistan's land

Capital	Tashkent (Toshkent)
Government Type	presidential republic; highly authoritarian
Currency	Uzbekistan Sum (UZS)
Total Area	172,741 Square Miles 447,400 Square Kilometers
Location	Central Asia, north of Turkmenistan, south of Kazakhstan
Language	Uzbek 74.3%, Russian 14.2%, Tajik 4.4%, other 7.1%
GDP - real growth rate	6.8%
GDP - per capita (PPP)	\$6,100.00 (USD)



Uzbekistan has developed an ambitious set of reforms in recent years, but more are needed to continue to spur private sector-led growth and job creation. Notably, reducing the dominance of state-owned enterprises and opening up key sectors of the economy to competition would strengthen market incentives and sustainability.

In December 2022, The President identified six priority areas, which included the following: implementing public administration reform; continuing to strengthen a “social state” putting individuals at the core of the government’s actions; ensuring the protection of human rights and freedoms as a constitutional obligation of the state; strengthening the protection of natural resources, including water and subsoil resources; improving the business environment through free market mechanisms, ensuring healthy competition and the inviolability of private property, and supporting entrepreneurship; attracting investments and privatizing the largest state-owned enterprises and state-owned banks.

In December 2022 and January 2023, citizens and businesses experienced unprecedented natural gas and power outages across the country, including in the capital. These developments highlighted the systemic crisis and needs for reforms in Uzbekistan’s energy sector, which are also supported by the World Bank and other development partners.

Trade Stats

Export (to)	%	Import (from)	%
Unspecified	45.1	China	22.2
Russia	13.1	Russia	20.4
China	9.1	Kazakhstan	10.5
Turkey	7.2	South Korea	9.7
Kyrgyzstan	5.7	Turkey	5.4

All %	Export	Import
Raw Materials	9.3	80.2
Intermediate Goods	70.9	25.9
Consumer Goods	14.3	24.2
Capital Goods	1.4	41.7

Source: World Integrated Trade Solution

Insurance Market Overview

According to the results of the first quarter of 2022, the insurance market of Uzbekistan grew by 93% y-o-y in local currency, to UZS 1,294.69 billion (EUR 101.88 million), according to data published by the Insurance Market Development Agency under the Ministry of Finance.

Life insurance saw extremely rapid growth, having increased by 170%. Its share in the market portfolio reached 26%. It should be noted that growth of life insurance was supported by voluntary insurance, while compulsory life insurance, on the contrary, decreased by almost half. Non-life insurance growth rates were more moderate, but also quite high - over 75%.

Paid claims compared to the first quarter of last year increased by 82% to UZS 511.45 billion (EUR 40.25 million). They grew in almost all classes, except for employer's liability insurance (from compulsory types) and insurance against illnesses (from voluntary types).

Of the 34 non-life insurers, ALFA INVEST SUG'URTA KOMPANIYASI is in first place in terms of GWP, its market share is approaching 15%, while the former leader O'ZBEKINVEST has moved down to second place, and APEX INSURANCE occupies third place with a small margin. Of the 8 life insurers, NEW LIFE SUG'URTA KOMPANIYASI remains the leader, which owns over 39% of the life insurance market in Uzbekistan.

Market share by Class	%
Life insurance industry	0.2%
Accident Insurance	4.5%
Illness insurance	6.4%
Land Vehicle Insurance	3.5%
Railway rolling stock insurance	0.3%
Aviation Insurance	5.7%
Marine insurance	0.0%
Property in Transit	6.4%
Property, fire and natural disasters	15.2%
Property damage insurance	22.8%
Motor third party liability insurance	0.1%
Aviation liability	2.6%
General liability insurance	14.7%
Loan Insurance	11.8%
Guarantee insurance	0.4%
Insurance against other financial risks	5.1%
Health insurance	0.4%

CINCo in Uzbekistan

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Territory Overview

Kyrgyzstan

Description

Kyrgyzstan or the Kyrgyz Republic is a landlocked country in Central Asia. Kyrgyzstan is bordered by Kazakhstan to the north, Uzbekistan to the west, Tajikistan to the south, and China to the east. Its capital and largest city is Bishkek. Ethnic Kyrgyz make up the majority of the country's 7 million people, followed by significant minorities of Uzbeks and Russians. The Kyrgyz language is closely related to other Turkic languages.

Capital	Bishkek
Government Type	parliamentary republic
Currency	Som (KWD)
Total Area	77,201 Square Miles 199,951 Square Kilometers
Location	Central Asia, west of China, south of Kazakhstan
Language	Kyrgyz - official language, Russian - official language
GDP - real growth rate	2%
GDP - per capita (PPP)	\$3,400.00 (USD)



The Kyrgyz Republic is a land-locked, lower-middle-income country. It has rich endowments, including minerals, forests, arable land, pastures, and has significant potential for the expansion of its hydroelectricity production, agriculture sector, and tourism industry.

The country has experienced instability since independence in 1991: political upheavals in 2005, 2010 and 2020 led to the overthrow of presidents. Mr. Sadyr Japarov, who came to power following political unrest in October 2020, was elected president in January 2021 with 79% of the vote and pledged to tackle crime and corruption while establishing order in the country. The presidential form of government has been consolidated, and the overall political situation has stabilized. The latest parliamentary election took place in November 2021.

The Kyrgyz economy is heavily dependent on remittances, gold production and foreign aid and as a result has been vulnerable to external shocks. Strong and sustainable economic growth requires institutional strengthening and policies to develop the private sector, spur international trade, and encourage fiscally sustainable energy production.

Trade Stats

Export (to)	%	Import (from)	%
UK	53.1	Russia	32.2
Kazakhstan	12.3	China	21.8
Russia	11.7	Kazakhstan	12.8
Uzbekistan	8.2	Turkey	5.8
Turkey	3.7	Uzbekistan	5.6

All %	Export	Import
Raw Materials	18.1	5.8
Intermediate Goods	62.5	23.3
Consumer Goods	14.2	50.5
Capital Goods	4.9	20.3

Source: World Integrated Trade Solution

Insurance Market Overview

At the end of 2022, the insurance sector of Kyrgyzstan grew by 71% to KGS 2.16 billion (EUR 23.61 million), according to data published by the State Service of regulation and supervision of the financial market at the government of the Kyrgyz Republic.

The strongest growth was recorded by property insurance (+93.76%), and the weakest - by life insurance (+4.54%).

Insurers' paid claims increased by about 29%, reaching KGS 340.02 million (EUR 3.72 million). Compulsory insurance became the paid claims' growth driver, while the least increase was recorded in liability insurance.

At the end of December 2022, there were 14 insurers operating on the market, among which NSK holds the first place in terms of collected GWP, having retained its leading position since 2021. ARSENAL Kyrgyzstan moved up to the second place, while the leader of 2021 JUBILEE moved down to the third position.

There are no publicly available statistics for the Kyrgyz insurance market



CINCo in Kyrgyzstan

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Description

Turkmenistan is a Central Asian nation roughly the size of California. It shares borders with Kazakhstan, Uzbekistan, Afghanistan, and Iran. Turkmenistan gained its independence in 1991 during the dissolution of the Soviet Union. Primarily a desert country, it has a population of around six million people. Tourist facilities, especially outside of the capital city of Ashgabat, are not highly developed. Many of the goods and services taken for granted in North American and Western European countries are not yet available. Travel within the country can be difficult due to limited infrastructure and government-imposed internal travel restrictions.

Capital	Ashgabat (Ashkhabad)
Government Type	presidential republic; highly authoritarian
Currency	Manat (TMM)
Total Area	188,455 Square Miles 488,100 Square Kilometers
Location	Central Asia, bordering the Caspian Sea, between Iran and Kazakhstan
Language	Turkmen 72%, Russian 12%, Uzbek 9%, other 7%
GDP - real growth rate	8.5%
GDP - per capita (PPP)	\$15,600.00 (USD)



Turkmenistan is located at the centre of the Eurasian continent and has been classified as an upper-middle-income country since 2012. It borders Kazakhstan, Uzbekistan, Iran, Afghanistan, and, to the west of the country, the Caspian Sea, which offers abundant natural resources of gas and oil deposits.

Turkmenistan's gas reserves are estimated to be the world's fourth largest, representing about 10 percent of global reserves. In addition to cotton and natural gas, the country is rich in petroleum, sulphur, iodine, salt, bentonite clays, limestone, gypsum, and cement—all potential inputs to chemical and construction industries.

Although in July 2019 Turkmenistan signed a five-year contract with the Russian Federation to supply natural gas, the resumed volumes will be significantly lower than three years ago, making China the largest market for Turkmenistan's hydrocarbon exports. Additionally, the country is in the process of constructing the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline. Gas exports to other regions through gas swap mechanisms would help diminish the risk of overreliance on a single client.

Trade Stats

Export (to)	%	Import (from)	%
Russia	41.1	Russia	14.3
Italy	16.0	Turkey	14.2
Iran	9.7	Ukraine	12.0
Turkey	7.4	UAE	8.2
Ukraine	6.6	Japan	8.1

All %	Export	Import
Raw Materials	20.0	3.3
Intermediate Goods	5.8	18.3
Consumer Goods	72.3	30.4
Capital Goods	0.5	42.2

Source: World Integrated Trade Solution

Insurance Market Overview

There is currently only one state-owned insurance company in Turkmenistan. There are however rumours that control will be eased and other companies may commence operations. There are no publicly available statistics for the Turkmen insurance market



CINCo in Turkmenistan

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Description

Azerbaijan is a constitutional republic with a developing economy. Western-style amenities are found in the capital, Baku, but infrastructure and access to goods and services outside the city, while improving, are less well developed. Azerbaijan is a developed industrial and agrarian country. The emphasis on heavy industry has considerably expanded two traditional industries—petroleum and natural gas—but engineering, light industry, and food production are also of growing importance. In the early 1990s Azerbaijan began a transition to a market economy. Prices of most goods were liberalized, and some state-owned enterprises were privatized. Land privatization, however, proceeded slowly.

Capital	Baku (Baki, Baky)
Government Type	Presidential republic
Currency	Azerbaijani manats (AZN)
Total Area	33,436 Square Miles 86,600 Square Kilometers
Location	Southwestern Asia, bordering the Caspian Sea, between Iran and Russia, with a small European portion north of the Caucasus range
Language	Azerbaijani (Azeri) 89%, Russian 3%, Armenian 2%, other 6%
GDP - real growth rate	-2.4%
GDP - per capita (PPP)	\$17,700.00 (USD)



Prior to the decline in global oil prices since 2014, Azerbaijan's high economic growth was attributable to rising energy exports and to some non-export sectors. Oil exports through the Baku-Tbilisi-Ceyhan Pipeline, the Baku-Novorossiysk, and the Baku-Supsa Pipelines remain the main economic driver, but efforts to boost Azerbaijan's gas production are underway. The expected completion of the geopolitically important Southern Gas Corridor (SGC) between Azerbaijan and Europe will open up another source of revenue from gas exports.

Azerbaijan has made limited progress with market-based economic reforms. Pervasive public and private sector corruption and structural economic inefficiencies remain a drag on long-term growth, particularly in non-energy sectors. While trade with Russia and the other former Soviet republics remains important, Azerbaijan has expanded trade with Turkey and Europe and is seeking new markets for non-oil/gas exports. It is also improving Baku airport and the Caspian Sea port of Alat for use as a regional transportation and logistics hub.

Long-term prospects depend on world oil prices, Azerbaijan's ability to develop export routes for its growing gas production, and its ability to improve the business environment and diversify the economy. In late 2016, the president approved a strategic roadmap for economic reforms that identified key non-energy segments of the economy for development, such as agriculture, logistics, information technology, and tourism. In October 2017, the long-awaited Baku-Tbilisi-Kars railway, stretching from the Azerbaijani capital to Kars in north-eastern Turkey, began limited service.

Trade Stats

Export (to)	%	Import (from)	%
Italy	30.4	Russia	18.3
Turkey	18.9	Turkey	14.6
Russia	5.2	China	13.2
Greece	3.8	USA	5.9
Croatia	3.4	Germany	5.4

All %	Export	Import
Raw Materials	74.0	8.1
Intermediate Goods	6.0	20.8
Consumer Goods	19.4	38.1
Capital Goods	0.6	28.2

Source: World Integrated Trade Solution

Insurance Market Overview

The insurance sector of Azerbaijan ended the first quarter of 2023 with an increase of 34%, reaching AZN 346.91 million (EUR 187.17 million). However, growth of paid claims was even more rapid - they jumped by 67% in local currency to AZN 102.29 million (EUR 55.19 million), according to statistics published by the National Bank.

Market share by insurance types (premium)	AZN mln	%
medical insurance	7,453.87	3.0%
travel insurance	27.50	0.0%
personal accident insurance	56.18	0.0%
fire & allied perils insurance	546.20	0.2%
motor vehicle insurance	1,636.45	0.7%
cargo insurance	3.79	0.0%
livestock insurance	7.46	0.0%
crop insurance	236.20	0.1%
aircraft owner's liability insurance	6,627.18	2.7%
general third party liability	11,256.06	4.5%
third party liability insurance of motor insurance	1,588.38	0.6%
professional indemnity insurance	832.59	0.3%
employer's liability insurance	748.14	0.3%
carrier's liability insurance	43.86	0.0%
marine liability insurance	135.86	0.1%
compulsory medical occupational insurance	65,181.99	26.2%
compulsory third party liability insurance of motor vehicles	102,219.89	41.1%
compulsory real estate insurance	49,164.26	19.8%
Real estate compulsory third party liability insurance	819.92	0.3%

Recent events such as COVID and the War in Ukraine have played mixed roles in the development in opportunities in the republics of our presentation – COVID clearly hurt growth and stunted initiatives that were in place to modernise and develop. The war has presented huge opportunities for these republics that few would have foreseen only a couple of years ago.

At CINCo we see, and wish to take part in the great opportunities in this region

Thank you for your attention