



Ag Re

ХӨДӨӨ АЖ АХУЙН  
ДАВХАР ДААТГАЛ ХК

ANNUAL  
REPORT 2016



*Certainty of Success*

## MESSAGE FROM THE CHAIRMAN OF BOARD OF DIRECTORS

On behalf of the Government of Mongolia, I would like to express my sincere greetings to insurance sector representatives, entities and public for the great contribution toward developing reinsurance sector in Mongolia.

The Agricultural Reinsurance Joint Stock Company's founding mandate is to take Mongolian financial sector developmental into to the next stage, assess latent risks in the sector and take measures to prevent potentials risks, diversify the financial sector and play a role sustainable growth of Mongolian economy.

The agricultural is traditional sector of Mongolia which produces 20% percent of gross domestic products as the backbone for social and economic development of Mongolia. The agricultural industry provides raw materials and it employs 35 percent of the domestic work force in the country.

In the framework of protecting the livelihoods of herders from the natural risks, the Government of Mongolia successfully implemented Index-based livestock insurance project. Result of the project more and more herders interested in the insurance policies over the years which shows the resilience of the project. Besides the Index-based livestock insurance, the Company has introduced crop insurance policy in 2016 and now taking major step toward introducing index-based crop insurance product in the agricultural sector with aim of modernizing the sector.

90 percent of Mongolia's exports revenue consisted of mining commodities, in an economy where exports are heavily dominated by mining commodities, the Government of Mongolia and the International Development Association, the World Bank took initiative to diversify the economy of Mongolia. Under this initiative, Export Development project aimed to help small and medium enterprises in non-minerals sectors strengthen their export capabilities and boost their access to export markets.

Part of this project initiative, the Agricultural Reinsurance company taken lead to role to develop export financial products in the financing products in the market and specifically focused on delivering export insurance product for export oriented small and medium enterprises.

I am confident that with a right policy approach, we will able to develop a reinsurance sector which is in line with international standards. Moreover, the Government of Mongolia is working toward establish a legal framework that supports institutional capacity, protects rights of domestic insurers and reduce risks. By successfully implementing these tasks Mongolian reinsurance sector will progress toward next stage of development and contribute toward sustainable economic development of Mongolia

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CHAIRMAN OF BOARD OF DIRECTORS  
B. NYAMAA

## MESSAGE FROM THE MANAGEMENT

Dear clients and partners of the Agricultural Reinsurance Joint Stock Company, it is our pleasure to extend sincere greetings to you all. We are successfully achieving our objectives to provide risk protection against natural disasters for agricultural industry through reinsurance service which is a key constituent of Mongolian national security and economic portfolio.

The State of Mongolia has mandate to provide protection for nomadic herders against natural disasters because of extreme climate zone and geographical location of Mongolia. Index-based livestock insurance scheme participating insurance companies, local representatives, and international reinsurance companies are all participating to protect Mongolian livestock which is treasure of Mongolia.

We are working toward to provide comprehensive risk protection scheme for agricultural sector of Mongolia. The agricultural sector plays vital role for Mongolian food security. We introduced pilot crop insurance product in the agricultural industry to take part in protecting food security of Mongolia. We are ready to offer multi-peril standard crop insurance product for our farmers based on internationally reputable reinsurance company's proposals and based on our actuarial calculation. In near future, we are aiming to provide full insurance coverage for the agricultural sector.

Year 2016 was filled with great successes, it was second year for organizing the Index-based livestock insurance sales season. Premium increased by 26 percent and Index-based livestock insurance coverage increased by 45 percent among herders.

We are aiming to introduce export insurance products for Mongolian small and medium size export oriented enterprises to expand our insurance product ranges, besides in the agricultural sector. The export insurance product will be developed in collaboration with the World Bank and a subsidiary company will be established under the Agricultural Reinsurance Company to reduce Mongolian exporter's risks.

The Agricultural Reinsurance Joint Stock Company is working toward to introduce insurance services that are appropriate and competitive for market and looking forward to establishing fruitful cooperation with our clients.

WISH YOU ALL THE BEST!

CHIEF EXECUTIVE OFFICER  
G.ENKHTAIVAN

DEPUTY CHIEF EXECUTIVE OFFICER  
O.NARANKHUU

# AGRICULTURAL REINSURANCE COMPANY INTRODUCTION

Based on of the Index-Based Livestock Insurance Law, the Agricultural Reinsurance Company was formed on August 2014 by the Government of Mongolia’s resolution 280.

## VISION OF THE COMPANY

Provide reinsurance services and products in Mongolia which are in line with international standards and practices.

## MISSION OF THE COMPANY

Promote employment through reducing agricultural sector risks in lowest possible level.

Advance and develop Mongolian agricultural and financial sectors into next level

## PRIMARY PURPOSE

Our primary purpose is to increase shareholder’s asset value through providing reinsurance products that is competitive in the market which also demand of insurers and policyholders as well as to protect stakeholder’s interests in the market.

## OBJECTIVES

- Advance and improve insurance sector structure which plays vital role in protecting the livelihoods of herders from dzud risk;

- We strive to become a leading reinsurance company in Mongolian insurance industry;

- Play a vital role in strengthening the domestic reinsurance sector financial capacity;

- Become a permanent and key reinsurance company in the industry and endure sustainable financial growth of the company

- Be a bridge between the international reinsurance companies and expand business activities in the international market

- Deliver and provide agricultural products and services in a timely manner which is in needs of customers

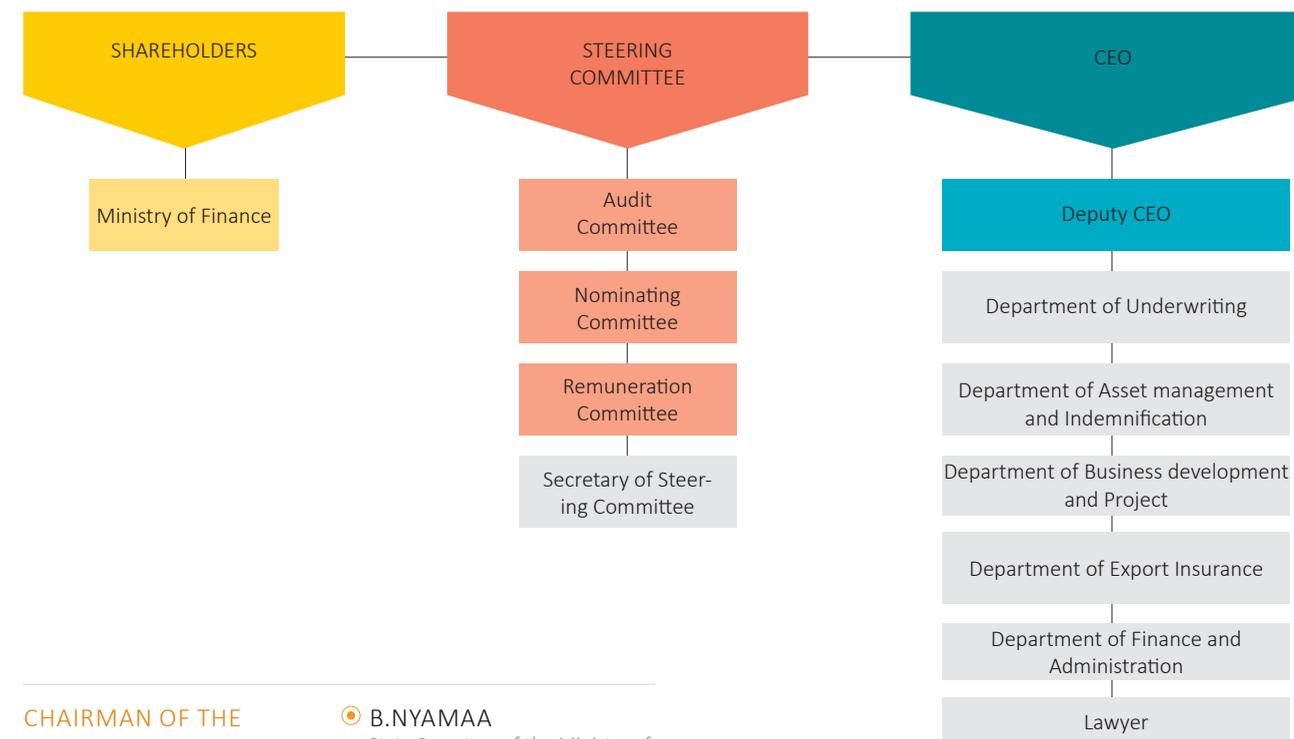
- Train capable human resource in the insurance sector

Shareholder of the company is the Ministry of Finance and the Company provides Index-based livestock insurance product, Crop insurance and other products under the “Voluntary Insurance forms which have been approved by the Financial Regulatory Commission’s resolution.

<sup>1</sup> A summer drought followed by a severe winter, generally causing serious loss of livestock

# STRUCTURE OF THE AGRICULTURAL REINSURANCE COMPANY

The Agricultural Reinsurance Company has five departments. Underwriting Department, Business Development and Project Department, Export Insurance Department, Finance and Administration Department, Asset Management and Indemnification Department.



## CHAIRMAN OF THE BOARD OF DIRECTORS

● B.NYAMAA  
State Secretary of the Ministry of Finance

## MEMBERS OF BOARD OF DIRECTORS

● N.MANDUUL  
Director of the Financial Markets and Insurance Division of the Ministry of Finance

● L.CHOI-ISH  
Director General of the Livestock Policy Department at Ministry of Food, Agriculture and Light Industry

● A.DEMBEREL  
Director General of the Statistical Research and Methodology Department at National Statistical Commission

● M.JALAVDORJ  
Deputy CEO of the MIG Insurance Company

● D.NASANJARGAL  
Board Member of National Association of Mongolian Agricultural Cooperatives.

## INDEPENDENT BOARD MEMBER

● B.SHARAVSAMBUU  
Independent Board Member

● TS.TUMENKHISHEG  
Independent Board Member

● K.ALIYA  
Independent Board Member

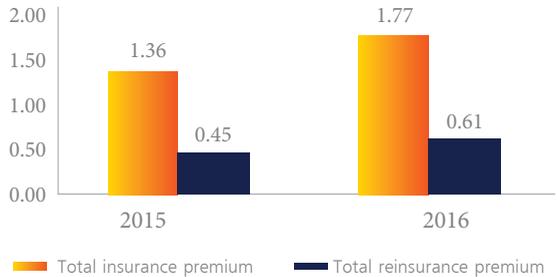


# KEY FINANCIAL INDICATORS

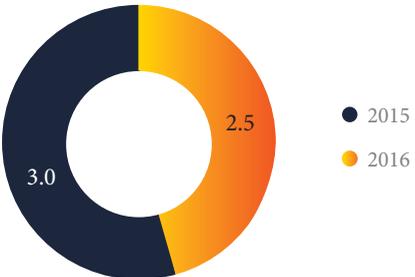
In 2016, the Agricultural Reinsurance company total asset increased by 35 percent or 9.1 billion MNT and total asset reached to 35.5 billion MNT which is 17 percent of Mongolian insurance sector total market capitalization. 35 percent growth generated from increase in the reserve and own asset by 39.5 percent

In 2016, we sold Index-based livestock insurance through commercial banks. Under this scheme total 18738 IBLI policies 7497 sold through commercial banks. As of 2015 1357.1 million MNT premiums have been collected and 413.6 million MNT claims have been paid to the herders which demonstrates 41 percent loss claim ratio. Our investment return has been increased by 25 percent due to increase of interest rate in the financial sector.

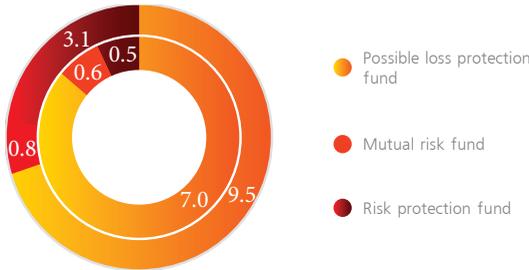
TOTAL INSURANCE PREMIUM /BILLION MNT/



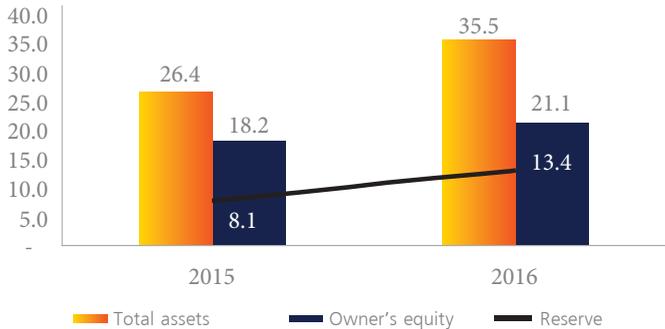
PROFIT /BILLION MNT/



RESERVE /BILLION MNT/



TOTAL ASSETS 2015-2016 /BILLION MNT/





## HIGHLIGHTS OF THE YEAR

- The Agricultural Reinsurance Company organized Index-based livestock insurance sales (IBLI) from April 1st to July 30th in 2016. IBLI sold through two major commercial banks (Khaan and State Bank) that have extensive branch offices in the provinces and soums of Mongolia. We signed an intermediary agreement with these two banks in the early 2016. Also, we have worked with eight commercial insurance companies in effort of boosting sales of the policies such as: Bodi, Mongol Daatgal, Monre, MIG, Practical, Ard, Tenger and Khaan insurance companies. We have covered 18715 herders under the IBLI and net premiums written was 1 billion and seven hundred and seventy-four million MNT. Comparing to last year's sales, IBLI sales has increased by 38 percent.
- We paid 413.6 million MNT claims in 2015 for herders insured their livestock's in Arkhangai, Bulgan, Bayankhongor, Gobisumber, Dornogobi, Dundgobi, Zavkhan, Sukhaatar, Tuv, Uvs and Khovd provinces. 3133 herders received claims in 2015 across 66 different soums of Mongolia.
- We have signed cooperation agreement with SCOR, Swiss Re and Qatar Re in relation to IBLI. In addition to that, Technical cooperation agreement signed with SCOR and Qatar RE.
- Named peril crop insurance pilot product was introduced 10 soums of Selenge province which is a new product in Mongolian insurance sector. First crop insurance policy was issued in Khushaat soum of Selenge province, the policy covered 250 ha field and it was first ever crop insurance policy signed since the 1990s. We have signed reinsurance agreement with the SCOR, objective of the agreement is to transfer 80 percent of the crop insurance

risks to the SCOR and we have covered remaining 20 percent. This reinsurance agreement is a major step toward protecting the agricultural sector from potential risks. It plays especially significant roles in the farming and crop industry.

● Business Development and Project and Underwriting Department officials paid an official visit to the Lloyds Asia Office in Singapore. Aim of the visit was to expand cooperation with the major reinsurance companies such as Swiss Re, Lloyds and to seek capacity building from experienced reinsurance companies. Lloyds Asia offered to provide trainings in Singapore and London in the field of underwriting and loss adjustment. Also, Lloyds Asia extend their offer to conduct disaster insurance assessment in Mongolia and willing assist on developing disaster insurance product that is suitable to Mongolian condition.

● With aim of reducing traditional crop insurance product cost, the Agricultural Reinsurance Company is conducting extensive research on the index and weather based crop insurance product possibility in Mongolia.

● We signed a Memorandum of Understanding with Russian Re Company on June 2016. Objective of the MoU is to expand cooperation between the companies.

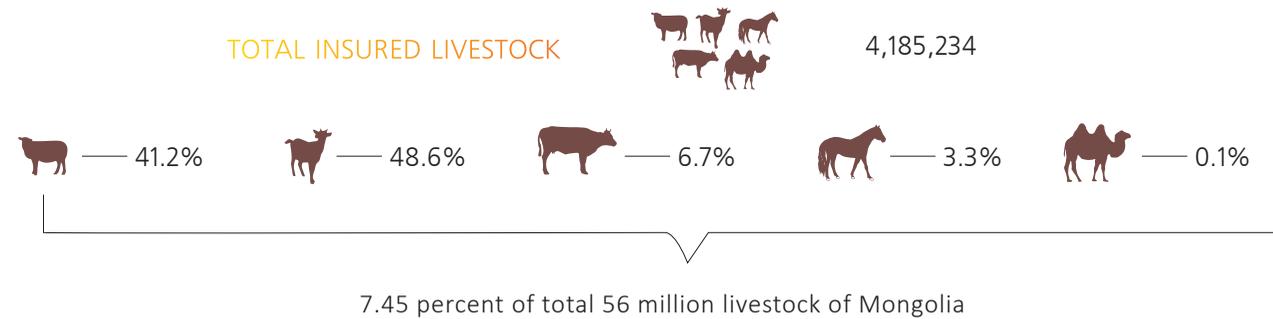
● The Government of Mongolia and the World Bank signed a loan agreement for implementing Export Development Project. The development objective of Export Development Project for Mongolia is to support Mongolian small and



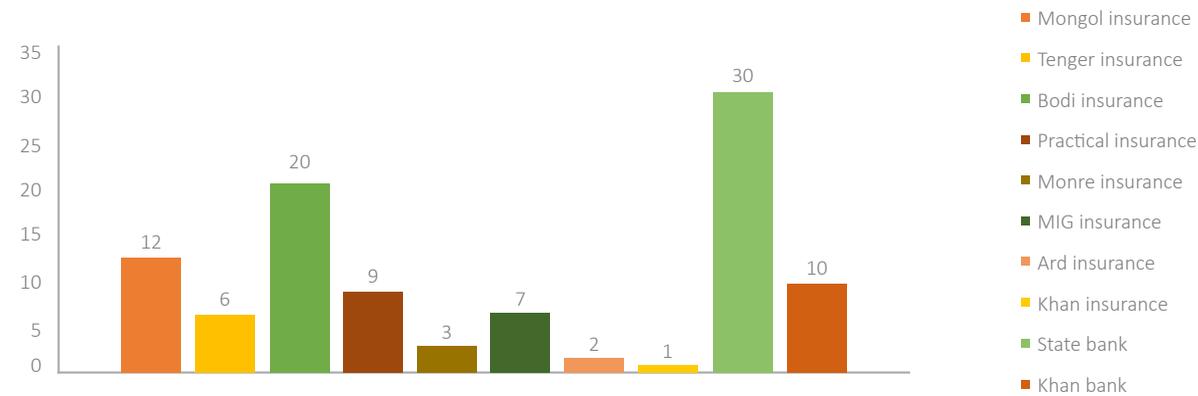
medium size firms (SMEs) in the non-mining sectors to strengthen their export capabilities and expand access to export markets. This project has three components as follows: 1) The first component, Development of a new line of export finance products, will provide financial, technical, and institutional development support to the Agricultural Reinsurance Joint Stock Company (AgRe) in building a new line of export finance.

# SALES SEASON IBLI PRODUCT IN 2016

The Agricultural Reinsurance company is organizing the second sales season of the IBLI products and it is the 11th year since the product launched in Mongolia. The product has delivered 21 provinces of Mongolia's 330 soums. The Agricultural Reinsurance Company organized Index-based livestock Insurance Product (IBLI) sales from April 1st to July 30th in 2016. IBLI sold through two major commercial banks (Khan bank and State Bank) that have extensive branch offices in the provinces and soums of Mongolia. We signed an intermediary agreement with these two banks in the early 2016. Also, we have worked with eight commercial insurance companies in effort of boosting sales of the policies such are: Bodi, MongolDaatgal, Monre, MIG, Practical, Ard, Tenger and Khan insurance companies. We have covered **18738 herders** under the IBLI and net premiums written was **1 billion and seven hundred and seventy-four million MNT**.



## INSURANCE AND INTERMEDIARY COMPANIES SALES FIGURE

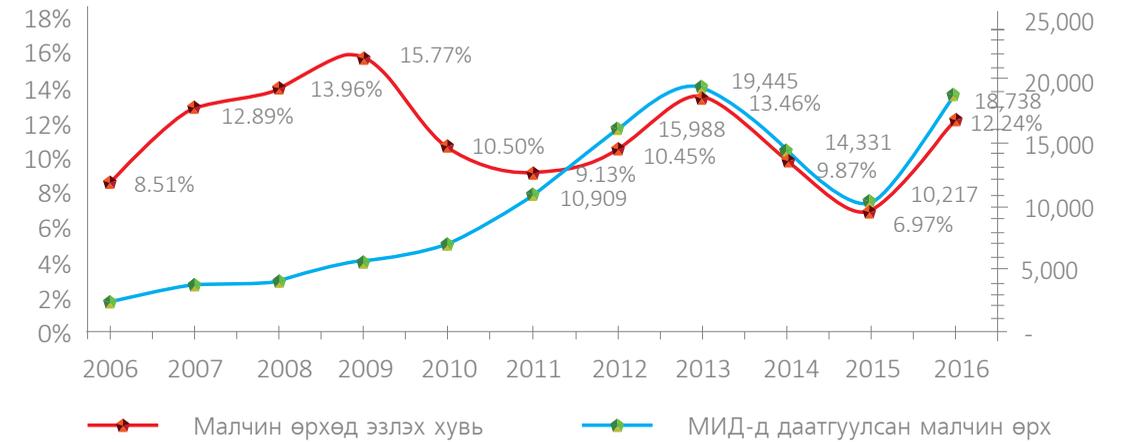


The Agricultural Reinsurance Company provides loan on the Index-based livestock insurance product loans through State and Khan Banks. Also, insured herders able to secure concessional loans from these two banks if you covered under the Index-based livestock. 1088 herders secured 4.491 billion MNT concessional loan from the Khan Bank in 2016. Six herders obtained 1.9 million MNT premium loans from the Khan and State bank.

# SALES SEASON IBLI PRODUCT

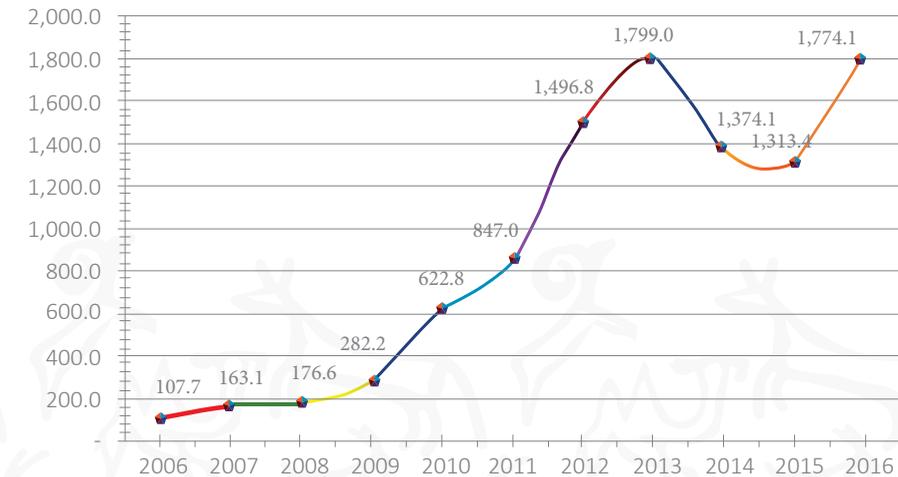
The data since 2006 shows that in duplicated number, around 112 thousand herder households insured 20.3 million livestock and the premium of 9.356 billion MNT was accumulated. From this, approximately 20 thousand herder households received indemnity of 3.644 billion MNT in duplicated number.

## NUMBER HERDER'S HOUSEHOLDS COVERED UNDER IBLI AND PERCENTAGE OF HERDER'S COVERAGE



<sup>1</sup> 2006-2009 онд даатгалд хамрагдсан малчин өрхийн тоо, борлуулалтын орлогыг авахдаа ҮДБ болон ГХБ-д хамрагдсан малчин өрхийн тоо, ҮДБ ГХБ-ний нийт орлогоор авсан болно.

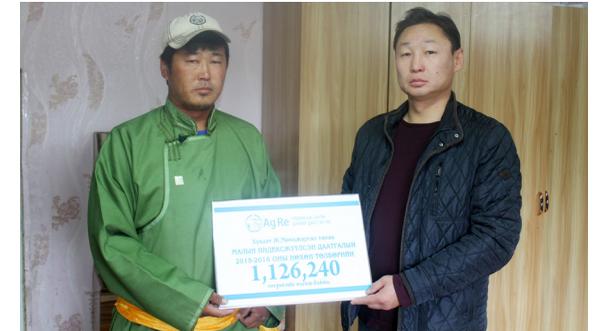
## TOTAL INSURANCE PREMIUM OF IBLI PRODUCT /MILLION MNT/





## IBLI CLAIMS BETWEEN 2015-2015

The Agricultural Reinsurance Company calculates the claims based on the National Statistical Commission's half year live-stock headcount official census. The Agricultural Reinsurance company paid 413,638,948.38 MNT claims for herders who insured under the Index-based livestock insurance. Total number of herders who received compensation was accounted for 3133 which covered 66 soums of following provinces; Arkhangai, Bulgan, Bayankhongor, Govisumber, Dornogobi, Dundgobi, Zavkhan, Sukhaatar, Tuv, Uvs and Khovd provinces.



Cattle loss was accounted 25.27 percent in Airag Soum of Dornogovi province also cattle loss accounted 29.1 percent in the Delgerekh soum in the same province. In the Sukhbaatar province there was significant loss accounted in the Bayandelger Soum. Bayandelger soum's herders lost 32.27 percent of their cattle and 25.7 percent of their horse in 2016. These losses exceeded secondary threshold protection level of 25 percent which means claims paid out from the high- level risk protection fund.

In 2015, total of 413.6 claims paid to the insured herders from participating 6 insurance companies. The claims paid directly out from the mutual risk high protection layer funds and necessary guidelines submitted to the insurance companies for the claims. Claims paid from August 15 through September 15.

### 2015-2016 IBLI INDEMNIFICATION /PROVINCE, BY LIVESTOCK SPECIES/

№	Province	Number of herders compensated	Compensation					Total
			Sheep	Goat	Cattle	Horse	Camel	
1	Arkhangai	162	646,405.36	39,550.00	4,321,198.55	217,250.03	0.00	5,224,403.93
2	Bayankhongor	946	31,811,291.93	29,552,166.04	25,153,025.25	0.00	173,731.64	86,690,214.86
3	Bulgan	51	775,572.41	1,622,610.93	2,351,058.09	0.00	0.00	4,749,241.42
4	Govisumber	5	0.00	672,660.00	253,361.00	0.00	0.00	926,021.00
5	Dornogobi	227	402,619.60	18,258,345.34	22,491,922.16	7,757,677.42	0.00	48,910,564.52
6	Dornod	38	0.00	663,325.00	0.00	0.00	0.00	663,325.00
7	Dundgobi	29	0.00	3,581,644.20	0.00	0.00	0.00	3,581,644.20
8	Zavkhan	97	2,212,855.70	5,011,819.82	1,073,214.33	0.00	0.00	8,297,889.85
9	Sukhbaatar	198	4,476,913.47	19,977,550.39	30,678,573.99	2,077,399.00	24,850.00	57,235,286.85
10	Tuv	97	509,765.14	1,187,274.15	3,128,564.25	453,941.79	0.00	5,279,545.33
11	Uvs	1,227	59,962,255.83	97,994,661.78	27,127,162.33	2,504,981.06	433,791.02	188,022,852.03
12	Khovd	56	721,423.33	3,336,536.06	0.00	0.00	0.00	4,057,959.39
<b>Нийт</b>		<b>3,133</b>	<b>101,519,102.76</b>	<b>181,898,143.71</b>	<b>116,578,079.95</b>	<b>13,011,249.29</b>	<b>632,372.66</b>	<b>413,638,948.38</b>

## CROP INSURANCE PRODUCT

Agriculture is one of the key economic sectors of Mongolia which produces 14 percent of the gross domestic products. Crop industry account for 20 percent of the agricultural sector's total output. Mongolia farmers have planted crop in 291.9 thousand ha land in 2013, 315.9 thousand ha land in 2014, 389.7 thousand ha land in 2015, and 377.3 thousand ha land in 2016 respectively.

In crop industry, wheat production takes up 73 percent of total arable land in Mongolia and wheat production accounts over 90 percent of the total production of crop. 2016 harvesting data shows that wheat account for 58 percent of the crop.

The Government of Mongolia pays special attention on the domestic wheat production over the years. Wheat is singled out as a strategic food product which plays vital role on food security in Mongolia. However, Mongolian dry and cold natural setting is a major challenge for growing crop in Mongolia. Unfortunately, in 2016, farmers lost 26 billion MNT worth harvest due to drought.

### 2016 HARVEST REPORT

No	Crop category	Sown Field (by thousand ha)	Harvest lost field (by thousand ha)	Harvested field (by thousand ha)	Unit harvest (centner)	Total harvest (by thousand ton)	Supplies, %	Direct loss to harvest /by billion MNT/
1	Crop	377.3	32.3	345.0	13.8	475.8	-	20,4
	Wheat out of crop	355.3	25.4	329.9	14.0	460.7	+100.0	16,3
2	Potato	14.5	0.145	14.4	105.1	153.7	+100.0	4,1
3	Vegetable	8.3	0.139	8.2	112.1	93.5	56.0	
4	Animal feed	28.1	1.1	29.2	17.3	50.6	40.0	-
5	Oil plants	63.8	17.0	46.8	3.1	19.6	46.3	4,1
	Total	492.0	49.5	442.5	-	-	-	26,0

Source: Ministry of Food, Agriculture and Light Industry

Due to significant losses occurred in the past year, the Agricultural Reinsurance Company offered pilot crop insurance product in following geographical areas such as Khushaat, Altanbulag, Eruu, Zuunburen, Baruunkharaa, Tsagaannuur, Tushig, Khuder soum of Selenge province which is the main crop industry region. Also, same product offered in the Tuv province Zeel soum.

Crop insurance product is a mechanism or arrangement which farmers can be protected against specific natural risks. Farmers get compensation for loss or destruction of their crop due to events that are unpredictable.

During pilot process, the Agricultural Reinsurance Company offered the pilot products to the farmers above mentioned geographical regions. Ard Insurance, Bodi Insurance and Mandal General Insurance Company joined with the Agricultural Reinsurance Company to implement the pilot crop insurance product in 2016. As result of piloting the product, Khushaat soum farmer insured.

The Agricultural Reinsurance Company is paying significant attention on improving the product design which should be suitable for farmers and insurers. We are also contributing our expertise on developing relevant legal framework for the crop insurance product.

## NEW FINANCIAL PRODUCT FOR EXPORT SECTOR

The Government of Mongolia and Agricultural Reinsurance Company partnered with International Development Association, the World Bank to support small- and medium-sized firms in Mongolia's non-mining sectors by strengthening their export capabilities and expand their access to export markets. The Project will provide training, matching grants and access to export credit insurance products for the SMEs. The Project aims to support economic diversification to agricultural-related products and have an important impact on employment and productivity in the country.

This project initiative started in September 2013 based on the export development program which was approved by the Government of Mongolia.

There were number of other state policies were drafted which in support export development program such as State policy by the Parliament of Mongolia on Food and Agricultural policy which approved on November 26, 2015 with resolution number 104 also small and medium enterprises development program which was approved the Government of Mongolia.

Result of the project, we will deliver a trade insurance product for export oriented Mongolian entities. Aim of the product is to risk management product offered by private insurance companies and governmental export credit agencies to business entities wishing to protect their accounts receivable from loss due to credit risks such as protracted default, insolvency or bankruptcy.

The credit finances the Export Development Project, which will support Mongolian small- and medium size enterprises (SMEs) in non-mining sectors to strengthen their export capabilities and expand access to export markets. The Project will provide training, matching grants and access to export credit insurance products for the SMEs. The Project aims to support economic diversification to agricultural-related products and have an important impact on employment and productivity in the country.

The AgRe has conducted primary survey on the non-mining export oriented small and medium enterprises concerning their challenges and difficulties for exporting their products to overseas. We conducted and organized several meetings and trainings among small and medium enterprises and taken the first actions.

In 2015, Mongolia's total exports were US\$4.9 billion, of which 87 percent consisted of mining commodities, while cashmere products represented 6 percent of total exports. In addition to the concentration of exports in mining products, Mongolia's main export market is China, which absorbs about 95 percent of total Mongolian exports per year

The current export structure indicates significant concentration risks in external trade from (i) heavy dependency on mining sector; and (ii) heavy dependency on China. This dual dependency makes Mongolia's economy vulnerable to external shocks. It leads to the lack of pricing power (inability to change prices of its exports quickly in response to external circumstances) and the economy becomes susceptible to external shocks, such as a drop in global commodity prices as well as declining demand in China

In an economy where exports are heavily dominated by mining commodities, export diversification is expected to boost productivity, overall entrepreneurship and encourage new entrants to the market. Although the mining sector has a high labor productivity, it employs only 4 percent of the workforce; agriculture, on the other hand, employs close to 30 percent of the workforce but has a low productivity. Therefore, economic diversification to agricultural related products is expected to have an important impact in terms of employment and productivity in the country.

The Project will support the GOM in achieving a more diversified export base through the provision of enhanced public sector support to the building of non-mining export sector. Export growth will be a key driver of overall economic growth, stability and poverty reduction. The Project will support easier and broader access for SMEs to export finance, knowhow, data, and competitiveness enhancement tools





# INDEPENDENT AUDITOR'S REPORT

## TO THE ATTENTION OF SHAREHOLDERS OF THE AGRICULTURAL REINSURANCE JOINT STOCK COMPANY

### OPINION

We have audited the Agricultural Reinsurance Joint Stock Company financial position, comprehensive income, changes in equity and consolidated cash flow statement as at December 31, 2016.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Agricultural Reinsurance Joint Stock Company as at 31 December 2016 and of the Agricultural Reinsurance Joint Stock Company financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### BASIS OF OPINION

This auditing report prepared without interference of third party influence, strictly followed auditor's ethics and prepared in accordance with International Standards on Auditing.

We conducted our audit in accordance with International Financial Reporting Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

### MATTERS OF EMPHASIS

Relevant reserve funds accounting and reporting regulation has not been completed yet. To reduce the relevant risks associated with incomplete regulations on the reserve funds, necessary regulations should be prepared and enforced.

Accounting and reporting policies should be prepared and it must be enforced in the operation.

### MANAGEMENT'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

EXECUTIVE DIRECTOR J.TSETSEGMAA

# FINANCIAL POSITION

December 31, 2016  
(thousand MNT)

INDICATORS	Үлдэгдэл	
	2015.12.31	2016.12.31
<b>ASSETS</b>		
Cash and cash equivalents	8,509,842.9	231,318.5
Insurance receivables	156,007.2	128,952.9
Other financial assets	376,121.7	721,782.0
Non-financial assets		
Income tax expenses	0.8	
Inventories	3,133.3	8,311.5
Prepayments	3,000.0	
<b>Other non-financial assets amount</b>	<b>6,134.1</b>	<b>8,311.5</b>
Investment		
Savings		17,889,431.4
Government bond	16,997,271.2	14,999,930.9
Investment amount	16,997,271.2	32,889,362.3
<b>Insurance assets</b>		
Reinsurer's share of provision for unearned premiums		428,088.9
Insurance asset amount		428,088.9
Property, plant and equipment	350,869.5	639,221.1
Intangibles	6,930.0	467,660.1
<b>TOTAL ASSETS</b>	<b>26,403,176.6</b>	<b>35,514,697.3</b>
<b>LIABILITIES</b>		
Insurance liabilities		
Non-financial liabilities		
Salary liabilities	0.7	
Income tax liabilities	39,340.9	21,606.4
Other short term liabilities		2,730.6
Non-financial payables	39,341.6	24,337.0
<b>Reserve for unearned premiums</b>		<b>1,008,701.8</b>
<b>Reserve</b>		
Possible loss protection fund	7,000,000.0	9,500,000.0
Mutual risk fund	591,056.6	846,425.9
Risk protection fund	535,000.0	3,065,790.7
Reserve funds amount	8,126,056.6	13,412,216.6
Total liabilities	8,165,398.2	14,445,255.4
<b>OWNER'S EQUITY</b>		
Owner's equity	15,000,000.0	15,000,000.0
Owner's equity other parts	86,476.6	684,332.9
Net profit (loss)	3,151,301.8	5,385,109.0
Owner's asset amount	18,237,778.4	21,069,441.9
Liabilities and Owner's asset amount	26,403,176.6	35,514,697.3

# STATEMENT OF COMPREHENSIVE INCOME

December 31, 2016  
(thousand MNT)

Indicators	2015.12.31	2016.12.31
Gross earned premium	446,599.2	994,613.4
Premiums ceded to reinsurance	(185,623.64)	(352,810.9)
<b>Net Premiums</b>	<b>260,975.8</b>	<b>641,802.5</b>
Claims incurred	-	4,613.8
Total premiums earned	-	637,188.8
Changes reserve by total amount	-	(367,344.2)
Earned Reinsurance commissions		2,200.5
Earned investment	3,326,094.3	4,439,231.0
Other income		510.0
Total non-premium income	3,326,094.3	4,441,941.5
Earned insurance premium	2,843,358.8	4,711,786.1
Administrative expenses	(992,246.5)	(1,534,775.4)
Profit	1,851,112.3	3,177,010.7
Non-insurance related profit	(53.0)	(392.0)
Profit before taxation (loss)	1,851,059.3	3,176,618.7
Income tax expenses	114,576.8	195,620.5
Profit after taxation (loss)	1,736,482.5	2,980,998.2

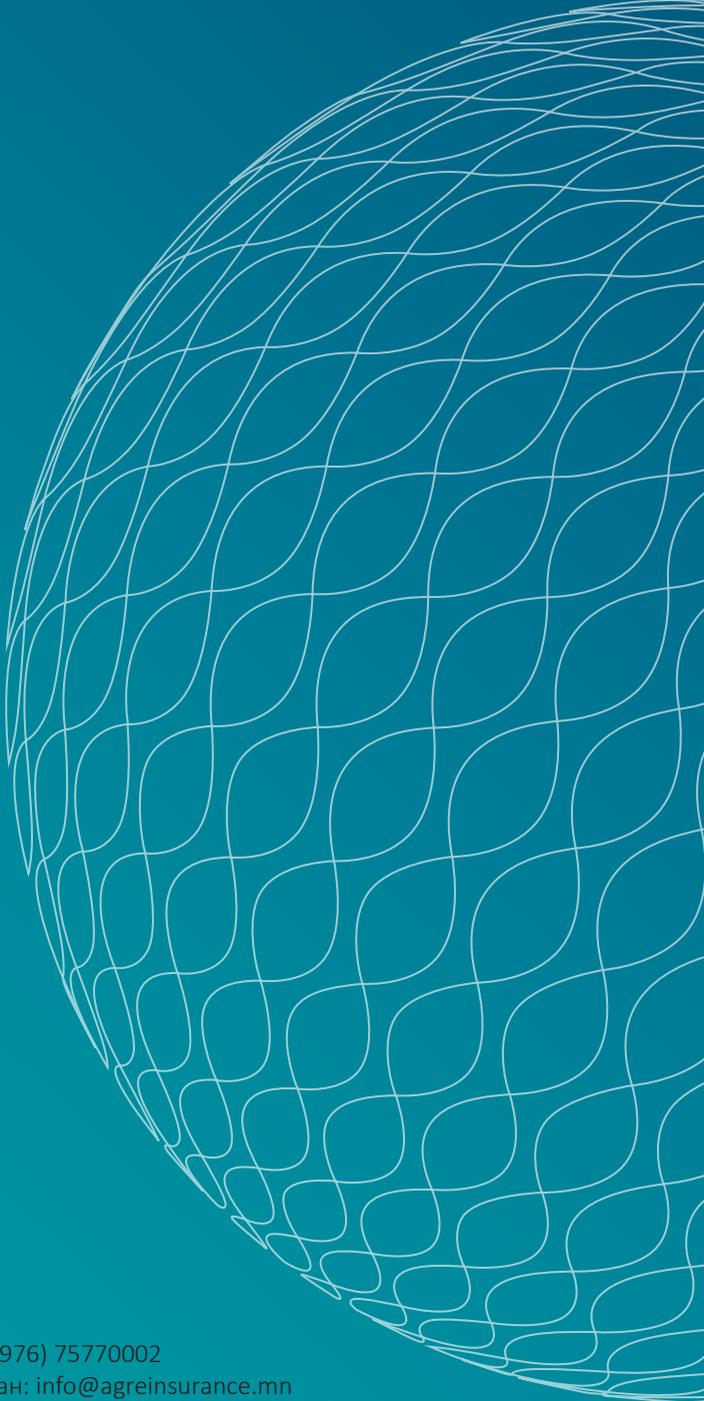


ГАДААД ТҮНШҮҮД:



ДООТООД ТҮНШҮҮД:





Хаяг:  
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