



2017



DCH is one of the fastest-growing groups of companies in Ukraine with over 20-year history. It consistently implements successful investment projects in various business lines. Top priority areas of the Group's focus are finance, industry, mining, engineering, metallurgy, construction and development, transport etc.

DCH

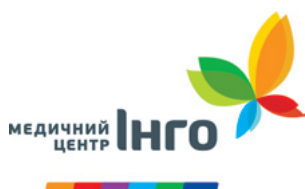


Among DCH assets in Ukraine are Kharkiv Tractor Plant, Dnipro Metallurgical Plant ("Petrivka"), "INGO Ukraine" Insurance Company, Kharkiv International Airport, Ukrainian Mining Company, Premier Palace Hotel Kharkiv 5*, Caravan Megastore (Kyiv, Kharkiv, Dnipro), Sukha Balka mine, Vozdvizhenka Housing Complex in Kyiv. The Group is a sponsor of the most renowned rugby club of Ukraine "Olymp" (Kharkiv) producing the majority of the Ukraine national team.



PJSIC "INGO Ukraine" has been in the insurance business for over 20 years. The Company is one of the largest insurance companies in Ukraine for total gross premiums written, cash reserves and claims paid. With 28 insurance licenses, the Company provides insurance services to corporate and retail customers. We have 25 regional offices across the country with over 727 employees in all companies of the Group. On December 26, 2017, the "IBI-Rating" Rating Agency confirmed uaAA rating (high reliability) of PJSIC "INGO Ukraine" with the stable outlook. Since 2017, the Ukrainian business group Development Construction Holding has become the Company's majority shareholder holding 99.9% of shares.

PJSIC "INGO Ukraine LIFE" was founded in August 2007. The Company offers both risk life insurance programs and long-term corporate whole life insurance programs. Since 2013, it represents the international pool Generali Employee Benefits Network (GEB) ensuring claims payment under corporate risk life insurance programs. Based on 2017 results, it has taken the lead in the rating of corporate risk life insurance companies.



Medical Center "INGO" is a multi-discipline clinic with modern medical equipment and well-qualified medical experts. It offers a wide range of medical services in one clinic, and the Center has its own laboratory which is comfortable for the patients. It was opened in 2014. The Center proved to be successful as the up-to-date health insurance project.



Kind regards,
Oleksandr Yaroslavsky
Owner and President, DCH
Group

Dear friends,

DCH goes hand in hand with success. So it comes as no surprise that such powerful company as INGO Ukraine has become a member of our Group.

2017 results speak well for my words – strong and steady growth in core parameters (top-line premium growth, large cash reserves and assets), achieved key performance indicators (KPI), reliable and professional insurer, high long-term credit rating.

We see the favorable outlook for INGO's development. Our global strategy will be to ensure the stability of its strategic guidelines and integration into DCH structure.

In 2017, the Company increased its surplus in the tough market competition. We also retained our earnings and redoubled the efforts to build the stronger financial stability.

Within the framework of the existing strategy, the Company continued its digital transformation, developed IT infrastructure and created the innovative business landscape.

We invested heavily in training of our employees. In addition to the insurance expertise, our employees are now armed with the invaluable knowledge that will help them take new approaches to customer communications and manage large data volumes.

The change in our shareholder structure was the key event in 2017. INGO Ukraine has become a part of DCH Group. The principal task of the Company's management for the next 3 years is to implement the operational strategy to maintain the Company's further profitable growth.



Best regards,
Igor Gordienko
CEO, PJSIC "INGO Ukraine"

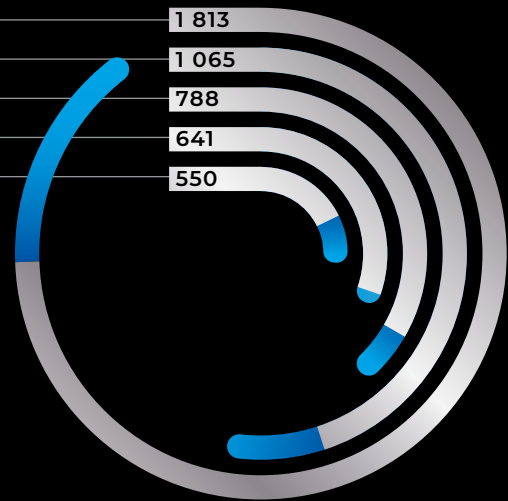
The carbon fiber is a symbol of our annual report as the most durable and flexible material in the world.

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Financial Performance of INGO Ukraine, UAH, in millions

Dynamics, % ■ 2017 ■ 2016

Assets	+21,0%
Insurance premiums	+17,8%
Cash reserves	+16,2%
Shareholder's equity	+4,6%
Claims paid	+49,2%

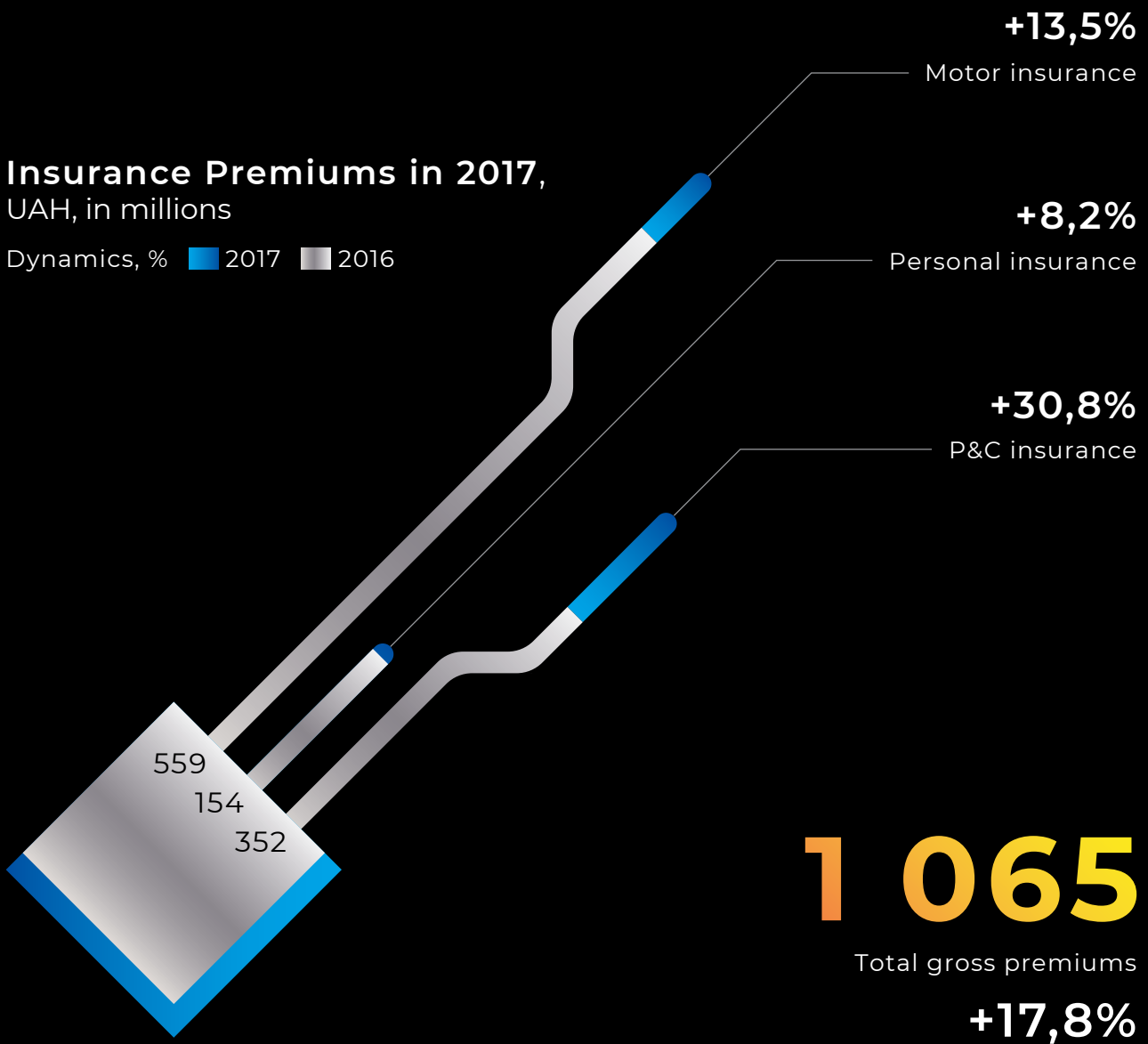


Financial Results Report
PJSIC "INGO Ukraine"



Insurance Premiums in 2017, UAH, in millions

Dynamics, % ■ 2017 ■ 2016



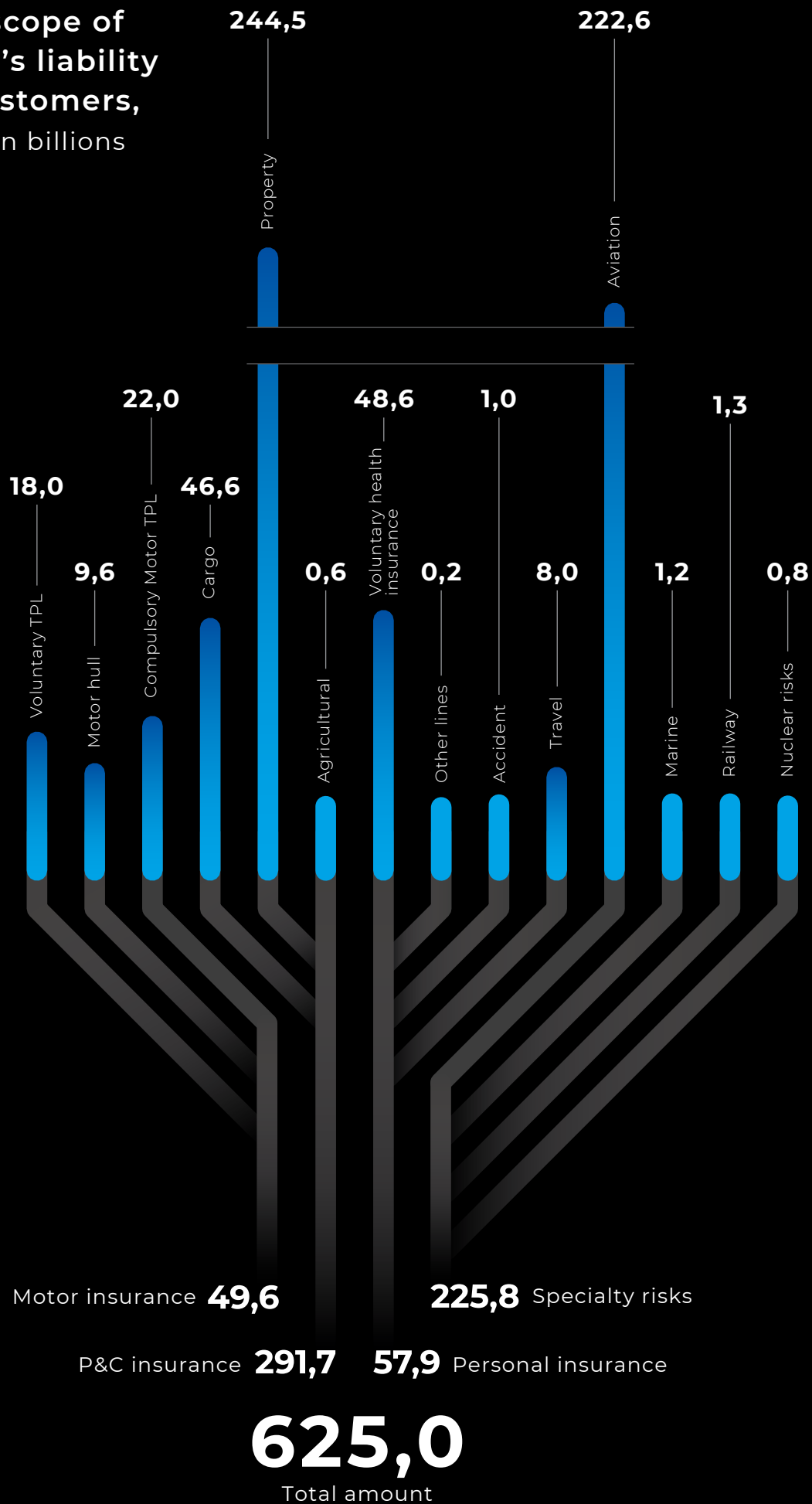
1 065

Total gross premiums

+17,8%

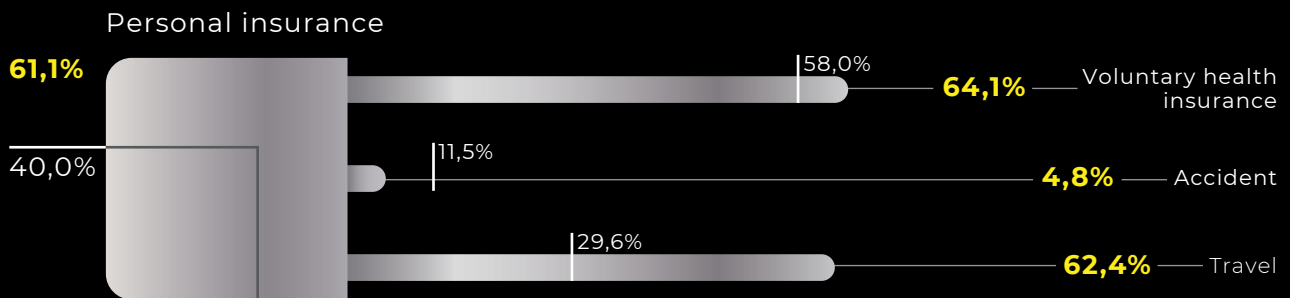
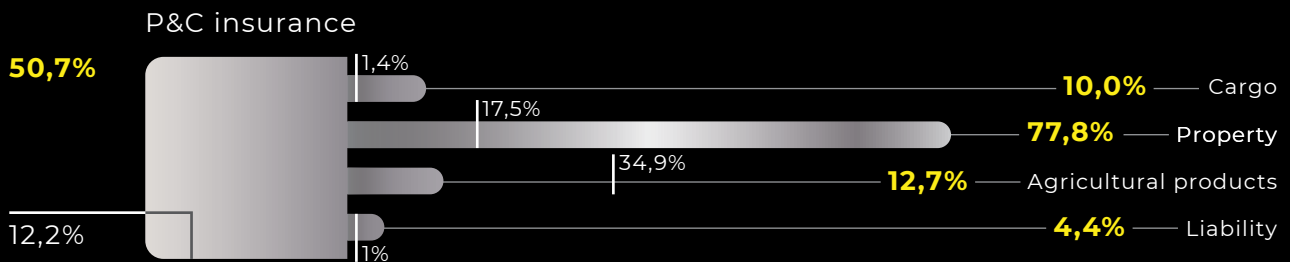
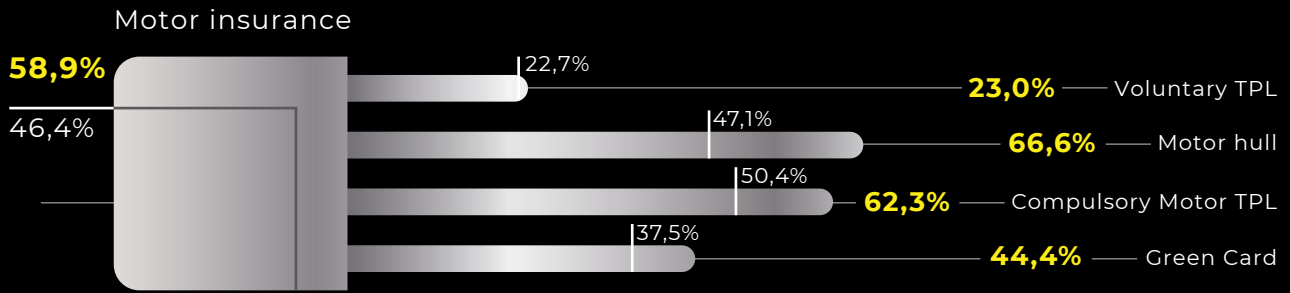


The scope of INGO's liability to customers, UAH, in billions

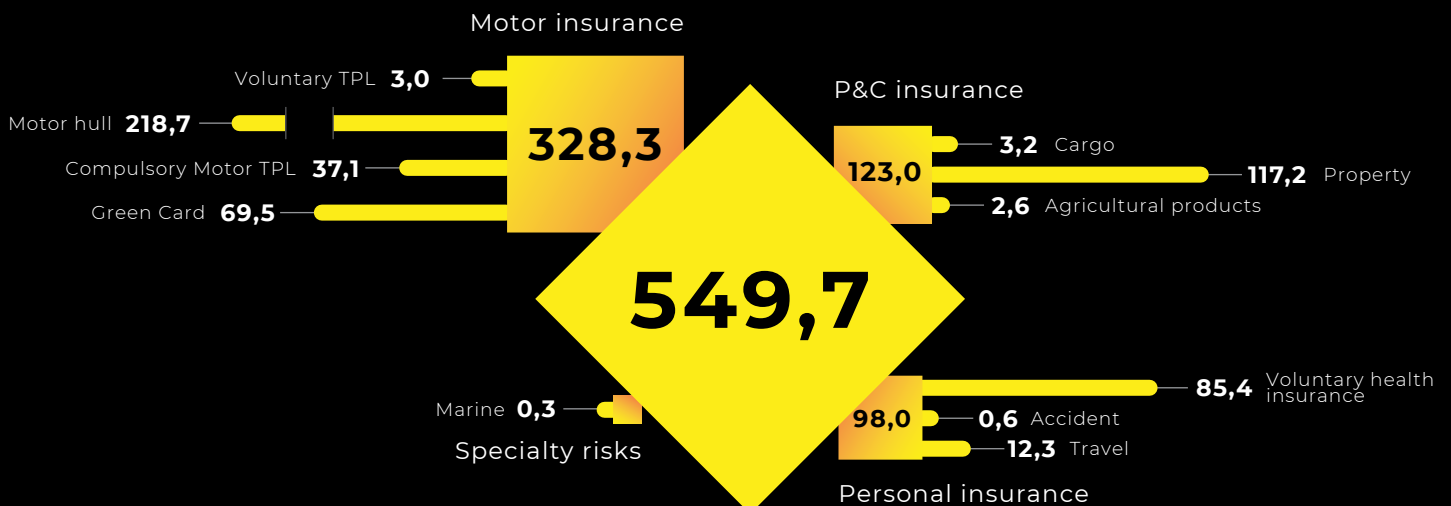


Claims payout by business lines, in percent

■ INGO's payment rate □ Market payment rate



Claims paid, UAH, in thousands





Biggest claims payout in property insurance and specialty risks, UAH, in thousands

1 309,3	Car dealer
1 648,8	Agricultural producer
2 072,8	Payment of INGO Ukraine as a member of the French Nuclear Insurance Pool
16 056,1	Non-food retailer
93 805,8	Food retailer

Biggest motor hull insurance claims payout, UAH, in thousands

Financial leasing company	1 964,2
Car dealer	2 475,2
Individual	2 616,0
Individual	2 646,7
Car dealer	3 043,2



TOP 5 travel insurance claims payout, UAH, in thousands

208,1	USA
236,2	Austria
323,4	USA
648,8	USA
751,4	Italy

Top 5 Green Card claims payout, UAH, in thousands

1 194,5
1 397,0
1 616,2
2 726,8
9 258,2



65 767

customers contacted our
tech support

216 721

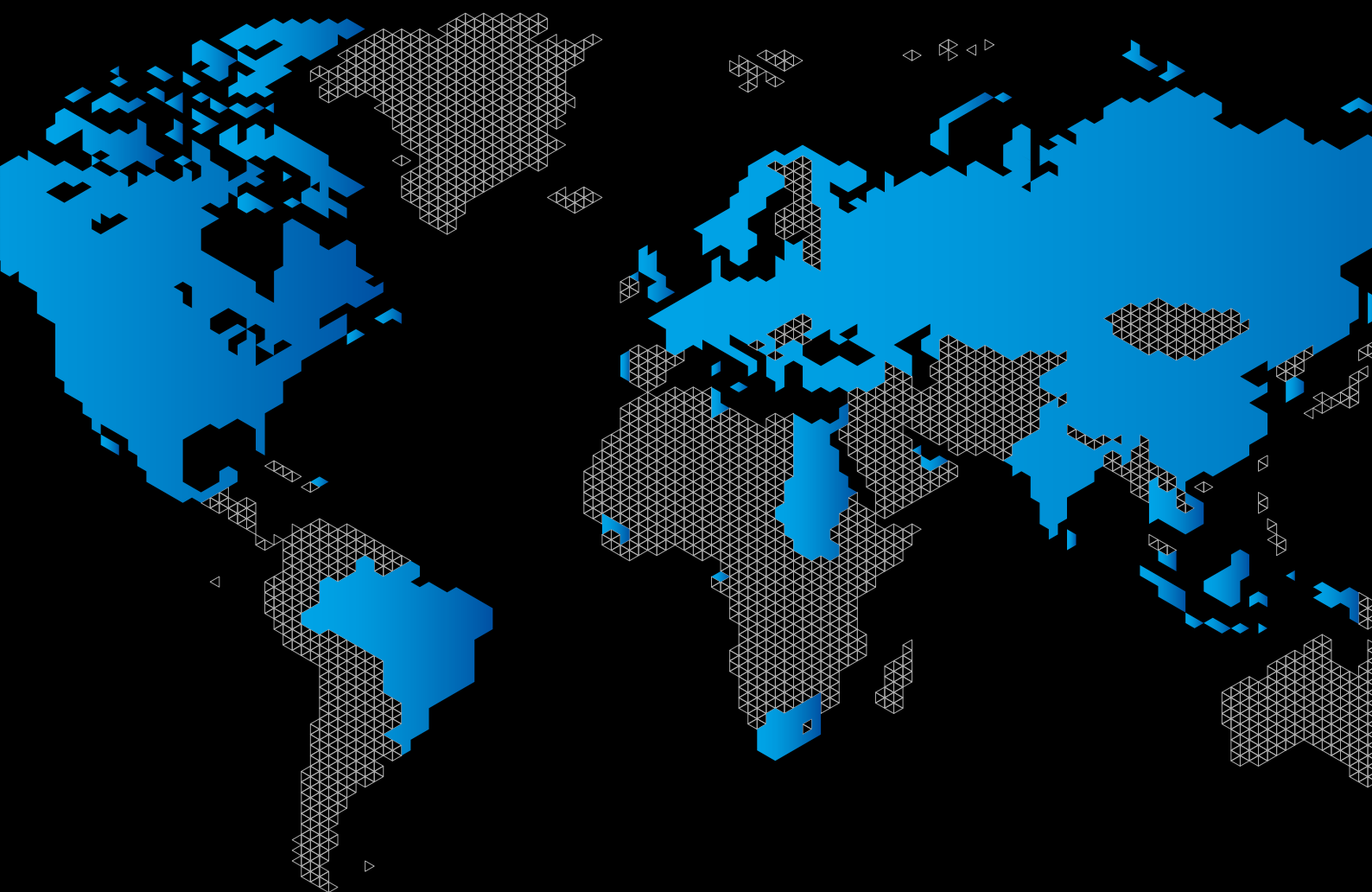
persons sought medical help

In 2017,

60 133

people were insured under
travel insurance agreements

INGO Ukraine around the world in 2017

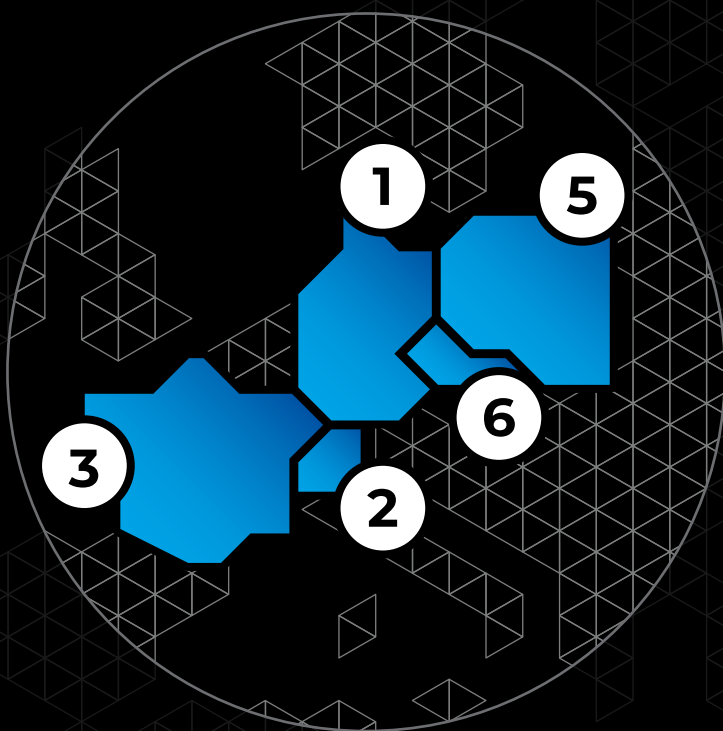


Package reinsurance partners

- 1 Hannover Re (Germany)
- 2 Swiss Re (Switzerland)
- 3 SCOR (France)
- 4 Trust Re (Bahrain)
- 5 Polish Re (Poland)
- 6 VIG Re (Czech Republic)

93,5%

The proportion of reinsurance ceded to companies with A- rating and higher (S & P and A.M.Best) under effective treaty package reinsurance programs



73,5%
EU

2,5%
Turkey

10,0%
Bahrain

4,0%
Azerbaijan

10,0%
Switzerland

40
Reinsurers

46
Surveyors

215
Service
stations

545
Health
facilities

1 749
Pharmacies

12
Leasing
companies

18
Banks

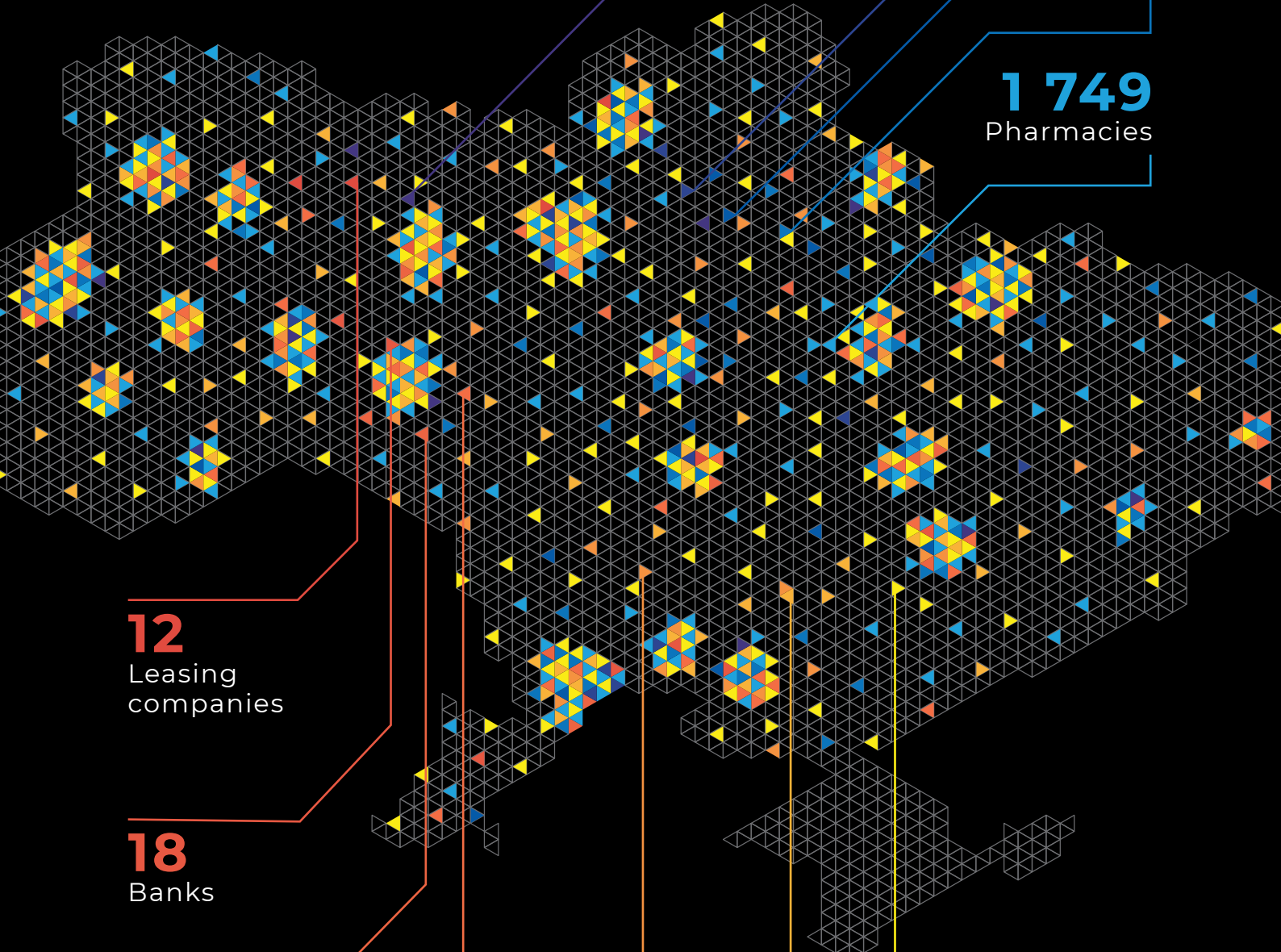
36
Brokers

134
Car dealers

282
Travel
agencies

354
Sales
partners

723
Insurance
agents





Financial Performance of INGO Ukraine LIFE, UAH, in millions

Dynamics, % ■ 2017 ■ 2016

+17,2%	Claims paid
+21,5%	Cash reserves
+34,1%	Insurance premiums
+0,3%	Shareholder's equity
+11,3%	Assets

Payment structure, UAH, in thousands

Disability	1 578,6
Critical illness	3 019,3
Hospitalization and temporary disability	3 083,5
Death	4 023,9



Largest claims payout under life insurance contracts, UAH, in thousands

514,0	Death
601,0	Critical illness diagnosis
691,0	Second disability group
2 268,0	Death

Special Payment

Whole life insurance has become a practical tool for generating the stable income for the winner of the food manufacturer's sales promotions.

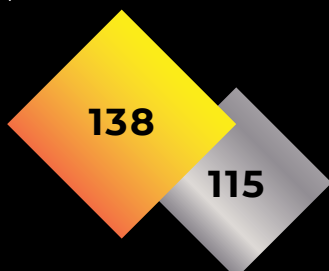
1,2 mln UAH

First time in Ukraine: monthly insurance payments were awarded as the grand prize.

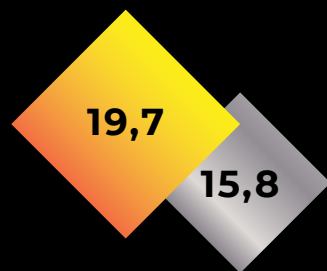
Cooperation with Generali Employee Benefits Network (GEB)

Dynamics ◆ 2017 ◆ 2016

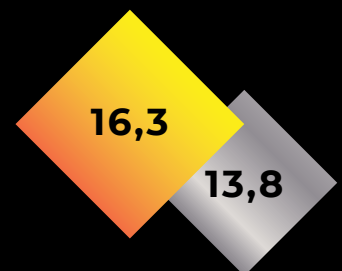
Contracts, pieces



Insurance premiums, UAH, in millions

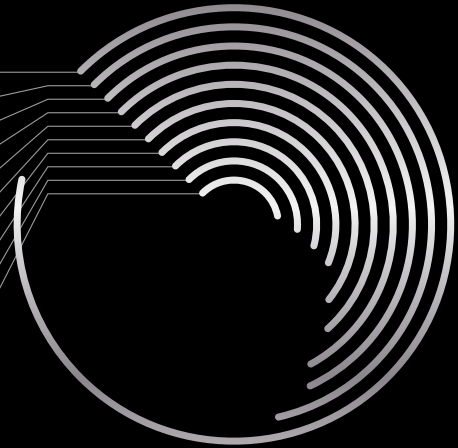


Insured persons, in thousands



TOP services in 2017 Medical services in numbers, in thousands

Collection of blood samples for research	10,2
Clinical blood test	6,5
First therapist consultation	6,3
Spinal massage therapy	6,2
First neurology consultation	5,7
First orthopedic traumatologist consultation	5,4
Doctor's office callout service	4,9
Phonophoresis — 1 area	4,6
First ENT doctor consultation	4,2
Digital chest radiography	3,9



Doctors' qualifications

117 doctors:

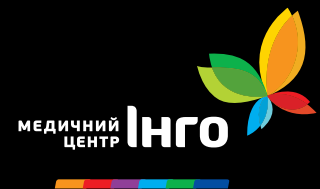
1 doctor of medical science

5 candidates of medical science (PhD in medicine)

62 doctors with the highest qualification category

43 doctors with the first qualification category

12 doctors with the second qualification category



Health Care Statistics

Dynamics  2017  2016

Patients admitted,
in thousands



Services provided,
in thousands



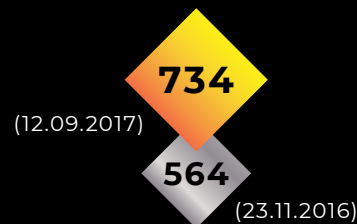
Average number of
patients per day



Average number of patients
per year, visits/day



Maximum number of
patients per day



9 diagnostic and treatment
centers.

29 pieces of instrumental
medical equipment (General
Electirc, Fujinon, Topcon,
Cefla, Meditech, Innomed,
BTL-CPMotion) – digital X-ray,
mammography, ultrasound,
endoscopy, functional studies.

Medical Center "INGO"
Ukraine cooperates with

44

insurance companies.



We will offer our clients and partners convenient online services to purchase and pay for a wide range of insurance products, as well as to receive the indemnity.



This year, the company will implement a number of projects: corporate data management, software architecture development and upgrade of technical infrastructure and information security.

IT Projects



Our key performance indicators in sales, underwriting and claims handling will have the pivotal role.

2018 Business Projects

Marketing strategy

Operational strategy



We will continue to safeguard our partners' businesses with the reliable coverage.

The other key priority will be to develop our marketing plan for the next 3 years to identify the target audience to develop customized services and products.

The company will remain a stable and trustworthy employer.

We will focus on providing our customers with the latest services, get closer to our customers and communicate more effectively with our customers.

Convenient and easy communication

The Company has designed a brand-new customer communication channel for the customers' easy and direct access to their personal insurance information. **The personal customer account** and **the platform for legal entities**, giving the option of online insurance and control over the claims handling process, have been launched. In 2018, the Company plans to implement the individual proposal system and increase a number of online services.

The projects "**WEB-record**" and "**Without dial-up**" helped us optimize the contact center operation with key partners. It saves time, renders our medical services easy and simple both for doctors and patients.

Average indemnity period

By optimizing our business processes and implementing the electronic document management system (DMS), we reduced the average period of indemnity payment, including under compulsory motor TPL insurance agreements.

Service quality

We consistently cooperate with our partners to improve the service quality. We plan to partner with more companies rendering medical and technical services to customers next year.

New services for partners and clients

We began to develop new services outside the scope of insurance. By creating the single customer view, we will implement the novel cross-selling system and multichannel model on all communication stages.

Information security

The Company invests in cyber-security, personal data protection and flawless operation of the Company, its products and services round the clock (24/7), including in case of electrical emergencies and breakdowns. In 2018, the Company will increase the fault tolerance of the server and network infrastructure.

Digital technologies and advanced analytics

Due to the rapid IT development and the use of advanced analytics, the Company plans to take the lead among large general insurance companies.





The long-standing cooperation tradition

Our clients stay with us for 5-10 years.

INGO's own engineering center

We consistently study possible hazards and perils threatening the person, property, and our clients' businesses to offer them better protection. So we can foresee certain trends in hazards development and their influence on people and environment.

We do impact the car repair quality

The Company cooperates with leading car dealers and can monitor the quality of customer car repairs.



Taxes paid

Over
48,5
mIn UAH for 2017

The second medical center "INGO"

We have opened a new medical center "INGO" in Kyiv this year to make high-quality medical services even more available to our customers. It now provides services to 200 patients per day.



Health Insurance for All

INGO Ukraine is one of the few companies to offer health insurance not only to corporate clients, but also to individuals.

World Medicine for treatment of critical illnesses abroad

Our brand-new "World Medicine" insurance program allows our customers to be diagnosed and treated in case of critical illnesses in the best clinics of Europe, Israel and USA.

727

employees in

25regional offices
throughout Ukraine

About **40** alumni of Ukrainian universities were employed by the Company after the internship.

Our employees'
average age is

39,9
years

Our youngest
employee is

20 years
old

Social Projects

Our employees give to charity to help orphanages and boarding schools by collecting clothes, toys, sweets.

The Healthy Leader School was launched. It is a joint education project of medical center "INGO" and the All-Ukrainian Association of Management Consultants drawing parallels between the work with own body and work with the organization.

Medical center "INGO" donated to the charitable project to purchase the medical product, namely Trima Accel kit for platelets LRS, plasma and red blood cells for the National Children's Specialized Hospital "Okhmatdyt" (Department of Oncohematology).



A joint project with the All-Ukrainian Association of Medical Students "Basic Life Support Instructor Training" to train Ukrainians to give the first medical aid.

Partnership with the team of Kyiv National Economic University within the framework of the joint project "New Vision" (ophthalmology).

The project "Support for talented children of Ukraine" allowed ensuring that children brought up in orphanages receive regular payments under life insurance policies.

Raising money to buy the electronic fetal monitor (EFM) for the Kyiv Maternity Hospital № 3. EFM monitors the baby's health during pregnancy and delivery. It tracks and helps identify such risks as placental insufficiency, intrauterine growth retardation, and hypoxia (oxygen starvation) during delivery.

