Non-Bank Financial Sector Review

November 2025

National Bank of Ukraine

In Q3 2025, the assets of insurers continued to grow. In non-life insurance, premiums increased faster than claim payments, while in life insurance, conversely, claim payments rose significantly faster than premiums. Accordingly, the profit of non-life insurers substantially increased compared to the previous year, and that of life insurers decreased. The assets of credit unions slightly shrank, as did lending to entrepreneurs, but the volume of consumer loans grew. Improved efficiency and the release of provisions resulted in credit unions posting a small profit. Finance companies' assets stabilized after a contraction in the previous quarter, and the volumes of lending, factoring, and leasing noticeably increased. Finance companies mostly remained profitable. The assets of pawnshops grew for the sixth consecutive quarter, the volume of loans and profit in the segment increased, and profitability ratios improved.

Sector Structure and Penetration

The decline in the number of non-bank financial service providers continued to slow. In total, 14 finance companies, five credit unions, two insurers, and one pawnshop ceased operations in Q3. The majority of these financial institutions closed upon the regulator's decision, in particular because they failed to comply with license terms.

Licenses were revoked for 22 institutions in Q3, predominantly for finance companies. One other finance company had its right to provide certain services restricted.

In July–September, the total assets of non-bank financial service providers increased by 2% (-3% yoy). Insurers'[1] assets grew the most: they rose by almost 8% qoq (25% yoy). The assets of pawnshops grew by 2% (13% yoy), while those of finance companies increased by only 0.8% qoq (-10% yoy). Conversely, the assets of credit unions decreased again by 0.4% (-7% yoy). The share of NBU-supervised non-bank financial institutions (NBFIs) in the financial sector's assets remained at its all-time low of 8.9% in Q3.

Insurers

During the quarter, two insurance companies left the market, leaving the number of active insurers at 60. In Q3, the assets of non-life insurers increased by 10% qoq (31% yoy), and those of life insurers grew by 3% qoq (15% yoy) for the third consecutive quarter. The volume of insurers' assets eligible to cover technical provisions rose by 7% in Q3, and their share in assets was 89%. Bank deposits and bonds accounted for over 90% of eligible assets of life insurers, and nearly two-thirds of those of non-life insurers. Around 30% of non-life insurers' eligible assets consisted of funds with the MTIBU and technical provisions under outward reinsurance agreements.

In July–September, insurance premiums of non-life insurers grew by 9% qoq (39% yoy). The main drivers of this growth were transport and health insurance. Claims paid grew by only 3% qoq (27% yoy), so the annualized claims paid ratio of non-life insurers decreased for the third consecutive quarter by 1 pp, to 37%.

Life insurers' premiums seasonally rose by 12% qoq (6% yoy) in Q3. Claims paid grew even faster – by 23% qoq (39% yoy). As a result, the annualized claims paid ratio reached almost 30%. In Q3, life insurers received over two-thirds of premiums from endowment life insurance products, and the share of premiums from agreements concluded in past periods was about three-quarters of the insurance portfolio.

In Q3, insurance premiums grew for all transport and personal insurance products. Premiums for MTPL (7% qoq) and C&C (5% qoq) increased moderately, and those for the Green Card (13% qoq) rose at the same pace as in previous years. Life insurance premiums (12% qoq) resumed growth only in Q3, while health insurance premiums (14% qoq) have been growing since the start of the year. The rise in assistance premiums (51% qoq) indicated a recovery in travel insurance. Transport and personal insurance accounted for more than 80% of the insurance market's premiums and 90% of claim payments. Premiums for cargo and baggage insurance (17% qoq) and financial risks (6% qoq) also increased, but those for property and fire risk insurance (-4% qoq) and liability insurance (-6% qoq) decreased.

Over the first nine months of 2025, the claims paid ratio for MTPL fell significantly compared to the last year's level – from 47% to 27%. This was driven by a faster growth in premiums after the transition to updated pricing rules, and was most likely temporary. The claims paid ratio for C&C slightly increased, to 49%, while the ratio for the Green Card rose

[1] In accordance with regulatory requirements, the estimates are made for technical provisions under outward reinsurance agreements.

more substantially, to 44%. The claims paid ratio grew from 25% to 31% for life insurance, remained almost unchanged for health insurance, at 52%, and – due to a sizeable rise in premiums – decreased for assistance, from 29% to 18%. The agency network remains the main distribution channel for the largest insurance products. However, in January–September compared to the corresponding period last year, the share of online aggregators increased in the sales structure of MTPL and the Green Card.

In Q3, the loss reserves of non-life insurers increased markedly – by 12% (19% yoy). This was driven by a significant growth in reserves for reported but not settled losses for property and fire risk insurance at several large companies and an increase in loss reserves for MTPL due to a rise in the average loss amount per insured event. At the same time, the coverage of premiums and claims paid by reserves decreased.

Over Q3, the volume of premiums paid to reinsurers grew by 15% exclusively due to an increase in transactions with non-residents. However, the share of premiums ceded to reinsurance for non-life insurance remained low, at around 10% of gross premiums.

In Q3, the annualized net loss ratio of non-life insurers did not change, standing at 49%, and the net combined ratio slightly decreased (improved) – by 1 pp to 98% due to lower expenses. Nevertheless, the acquisition and administrative costs of Ukrainian non-life insurers remained very substantial, resulting in the net expense ratio being higher than in European companies and leading to a worsening of the combined ratio even with moderate loss ratios. Given the unchanged investment income, the net operating ratio also decreased, to 89.5%.

For January–September, non-life insurers earned UAH 3.4 billion in profit, which is two-thirds more than in the same period last year. The profit growth of non-life insurers was facilitated by both higher income from insurance activities and financial and investment incomes. Conversely, the profit of life insurers declined to UAH 0.8 billion – down by one-quarter compared to last year – due to worse operating results.

In Q3, all insurers complied with the solvency capital requirement (SCR) and the minimum capital requirement (MCR), with only one institution having its SCR lower than 120%. The absence of institutions violating the required ratios indicates that insurers have adapted to the updated requirements over the year: there were six violators a year ago.

Credit Unions

In Q3, the number of credit unions and their assets continued to decrease, primarily due to the revocation of licenses from violators of required ratios. Assets decreased in deposit-taking credit unions. At the same time, assets of non-deposit-taking unions edged higher. The ten largest of these credit unions hold 61% of the market's assets. More than half of their assets belong to only one large credit union.

In Q3, the loan portfolio shrank by 1% (-7% yoy), primarily on account of loans to entrepreneurs. Credit unions granted 7% fewer loans than a quarter ago (-4% yoy), and loans to entrepreneurs decreased by 29% qoq. In the meantime, the volume of new consumer loans slightly increased. The reported average share of loan principal payments past due for more than 90 days declined by 1.6 pp, to 25%.

Credit unions' net interest income rose by 8% qoq (3% yoy). Lending profitability improved, driven by an increase in the share of more profitable consumer loans in the portfolio. A decrease in administrative costs slightly improved the cost-to-income ratio, which decreased to 97%. Thus, credit unions earned a moderate profit. This was also facilitated by a minor income from releasing provisions.

In Q3, the amount of credit risk rose based on the prudential assessment. Conversely, financial provisions declined. It exceeds the prudential assessment of credit risk, but this result comes from several individual credit unions. At the same time, for almost half of credit unions, amounts of assessed credit risk and provisions are less than the volume of non-performing loans, which are mostly unsecured and should be provisioned. This may indicate excessive optimism of credit unions and an overstatement of profitability and capital ratios.

Thanks to a moderate profit, credit unions' own capital continued to grow (1% qoq, 6% yoy). The slow decline in members' deposits and the withdrawal of additional share contributions also continued – by 3% qoq (-15% yoy) and 1% qoq (-17% yoy), respectively.

At the start of October, all credit unions remaining in the market complied with the required regulatory capital adequacy ratio (N1). Deposit-taking credit unions also had sufficient values for the Tier 1 capital adequacy ratio (N2). Only one credit union did not have an adequate liquidity cushion.

Finance Companies and Pawnshops

Finance companies' assets in Q3 2025 increased by 0.5% qoq (-10% yoy) after a significant decline a quarter ago. The volumes of financial services provided in July–September grew by almost a half. The largest contribution to the growth came from an increase in factoring and lending, while there was also a sharp rise in the volume of guarantees.

In Q3, new lending grew by 16% qoq (7% yoy). New business loans increased by 27% qoq (13% yoy), reaching the highest level since the start of the full-scale war. In the retail segment, the volume of new loans rose by 0.8% qoq (-2% yoy), remaining consistently high over the last five quarters.

The loan portfolio of finance companies grew for the fifth quarter in a row. The total portfolio increased by 6% qoq (35% yoy). The corporate loan portfolio grew by 8% qoq (35% yoy), while the retail loan portfolio grew by 3% qoq (35% yoy).

Activity in the factoring market also picked up: in July–September, the volume of transactions increased by 33% qoq (72% yoy). The volumes of classical factoring – financing accounts receivable – rose for four consecutive quarters. The volumes of financial leasing increased by 7% qoq (52% yoy). In Q3, finance companies provided guarantees only for the payment of customs duties, and this was sufficient for the volume of guarantees to reach the highest level since mid-2020.

In January–September, finance companies were profitable. A profit was generated by 82% of institutions. As before, Ukrfinzhytlo – the state-owned operator of the *eOselia* program – accounted for more than a half of the segment's total profit. Finance companies' return on equity and assets was slightly lower than a year ago.

As of 1 October, only one finance company, which was in the process of merging with another, did not comply with the minimum equity requirement. A quarter ago, there were five violating institutions. Companies that fail to eliminate violations are gradually winding down their operations. At the same time, the sources of capital increases by several companies continue to be inspected.

Pawnshops' assets in Q3 grew by 2% qoq (13% yoy). The volumes of new loans issued against collateral increased by 6% qoq (-2% yoy). Income from providing financial services and from the sale of collateral rose, making the segment post 62% more profit than in the previous quarter. Profitability ratios also improved. The volume of own capital in July–September decreased by 4% qoq (-4% yoy).

Prospects and Risks

Since 1 September, the NBU has established criteria for determining the significance of finance companies. These include the size of assets and off-balance sheet liabilities, belonging to a financial group, and the assessment of consumer rights violation risk. New requirements have been introduced for such companies: the preparation of a three-year business plan, the disclosure of sources for increasing authorized capital, and further verification of top managers and owners for compliance with qualification and reputation requirements. By 1 February 2026, the NBU will publish the list of significant finance companies, and by 1 July 2026, they must bring their activities into compliance with the new requirements.

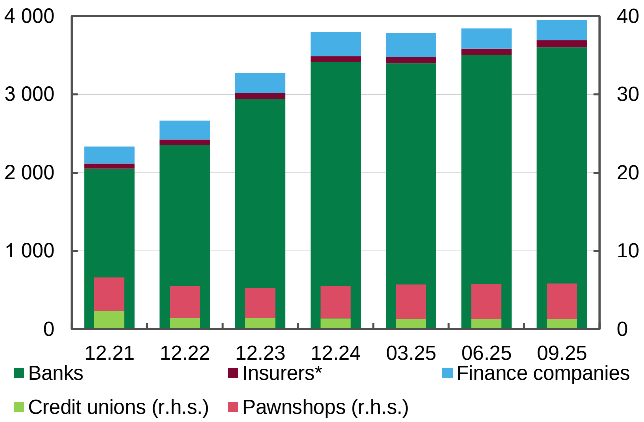
From 1 January 2026, the prudential requirements for finance companies will be updated. Specifically, non-monetary components that cannot absorb losses will be excluded from equity, such as revaluation of assets (excluding government securities), long-term investments accounted for using the equity method, reserve capital not derived from profit, and additional capital not derived from owners' contributions. Other economic activities of finance companies will also be limited. The share of income of a finance company from activities not related to the provision of financial services should not exceed 20% of its total income. Violation of these restrictions may lead to the revocation of the finance company's license.

Also, from 1 January 2026, insurers will form technical provisions in line with an updated methodology. The changes concern, in particular, the criteria for applying simplifications and approximations, the procedure for verifying the adequacy of loss reserves, and the accounting for advance payments under insurance agreements.

Sector Structure and Penetration

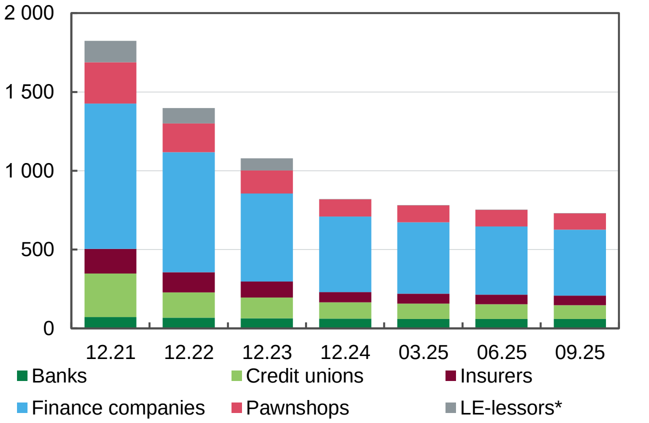
Assets of non-bank financial service providers increased in Q3 across almost all segments. The largest increases in asset volumes were recorded for insurers and pawnshops, and slightly less for finance companies, while credit unions' assets somewhat decreased. The number of institutions in the Register fell by 22 institutions, which were mainly finance companies.

Figure 1. Financial sector asset structure, UAH billions



* Regulatory reporting data reflect the amount of assets and liabilities of an insurer, including the amount of certain components according to prudential requirements, primarily reserves.

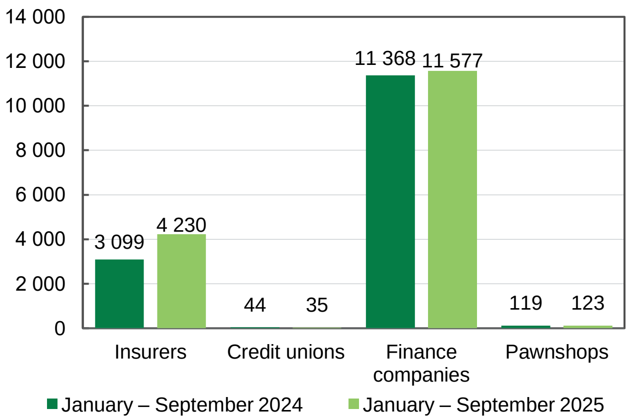
Figure 2. Number of financial services providers



* From 1 January 2024, legal-entity lessors received the status of finance companies.

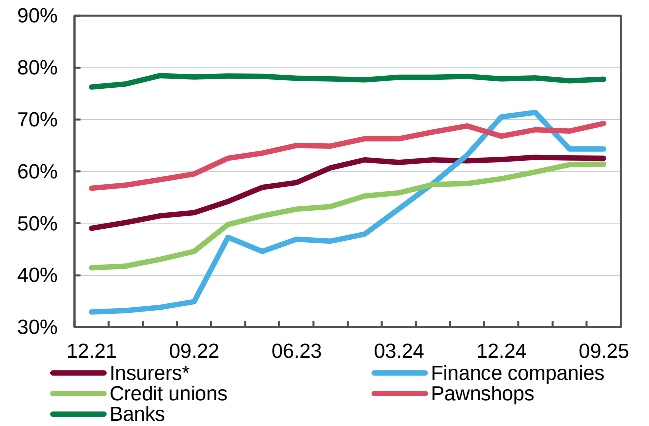
In the first nine months of 2025, all segments of non-bank financial service providers were profitable.

Figure 3. Net profit or loss of non-bank financial services providers, UAH millions



Concentration rose somewhat across almost all market segments over the reporting period.

Figure 4. Share of assets of the TOP 10 institutions by segment



* Regulatory reporting data reflect the amount of assets and liabilities of an insurer, including the amount of certain components according to prudential requirements, primarily technical provisions.

In June–September, the assets of non-bank financial service providers grew by 2.4% qoq (-3.1% yoy), while the banks' assets increased by 2.8%. The total share of NBFIs in the financial sector's assets remained at its all-time low – 8.9% as of the end of September.

Table. Financial institutions regulated and supervised by the NBU*

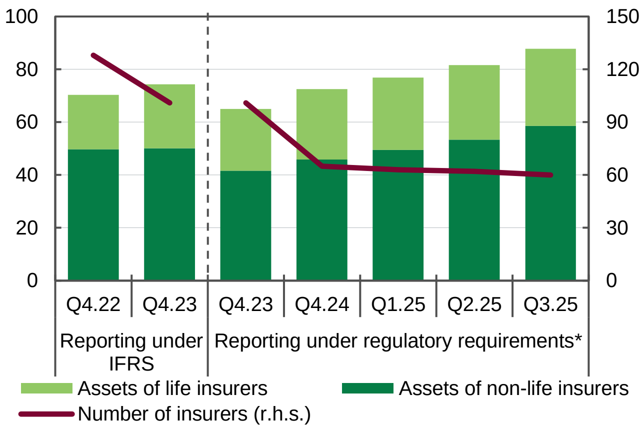
		2021	2022	2023	2024	03.2025	06.2025	09.2025	Change in Q3, qoq
Insurers	Assets, UAH millions	64,737	70,298	74,412	72,530**	76,906**	81,656**	87,753**	7.5%
	Number	155	128	101	65	63	62	60	-2
Credit unions	Assets, UAH millions	2,330	1,449	1,422	1,357	1,323	1,299	1,293	-0.4%
	Number	278	162	133	104	98	93	88	-5
Finance companies	Assets, UAH millions	216,406	243,997	250,454	310,741	307,079	256,815	258,856	0.8%
	Number	922	760	559	479	451	432	418	-14
Pawnshops	Assets, UAH millions	4,289	4,101	3,847	4,130	4,377	4,461	4,553	2.0%
	Number	261	183	146	109	108	105	104	-1
Banks	Assets, UAH millions	2,053,232	2,351,678	2,944,684	3,414,920	3,397,458	3,505,843	3,603,783	2.8%
	Number	71	67	63	62	60	60	60	0

* Along with submitting Q3 2025 reports, the NBFIs could update their reporting data for Q2. Retrospective adjustments were therefore made to certain indicators, in particular the size of assets.
** Regulatory reporting data reflect the amount of assets and liabilities of an insurer, including the amount of certain components according to prudential requirements, primarily technical provisions.

Insurers

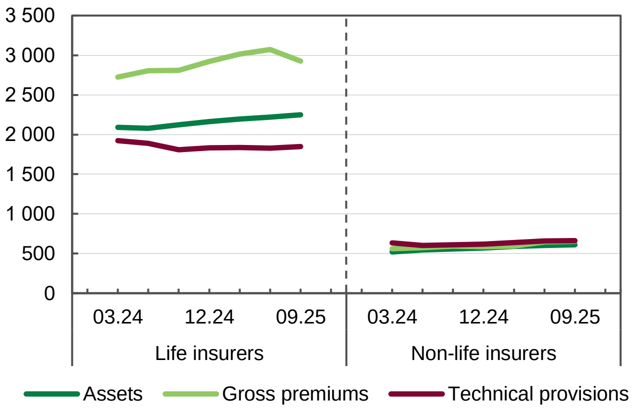
In Q3, non-life insurers' assets grew by 10%, and those of life insurers by 3%. Over the quarter, two insurance companies left the market.

Figure 5. Number of insurers and their assets, UAH billions



* Regulatory reporting data reflect the amount of assets and liabilities of an insurer, including the amount of certain components according to prudential requirements, primarily technical provisions.

Figure 6. Insurance market concentration as measured by the HHI indicator*



* The Herfindahl-Hirschman Index (HHI) is an indicator of insurance market concentration. It is calculated by summing the squared market shares of individual insurers. The index ranges from 0 to 10,000, with values below 1,000 indicating low market concentration.

In Q3, bonds made up a larger share of life insurers' assets, while the percentage of current accounts shrank. Asset structure of non-life insurers was little changed.

Figure 7. Assets and liabilities* of life insurers

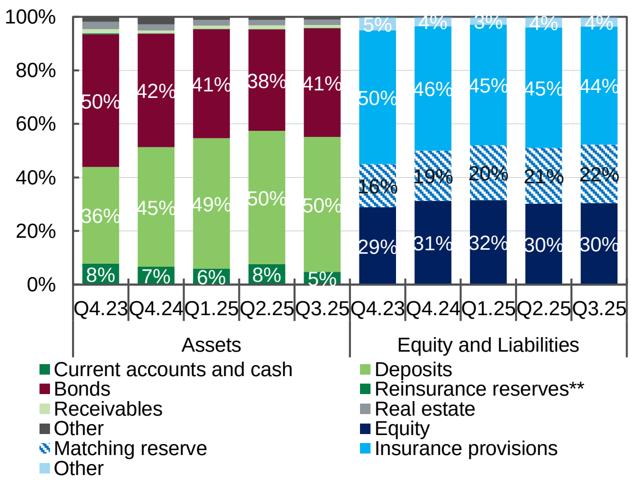
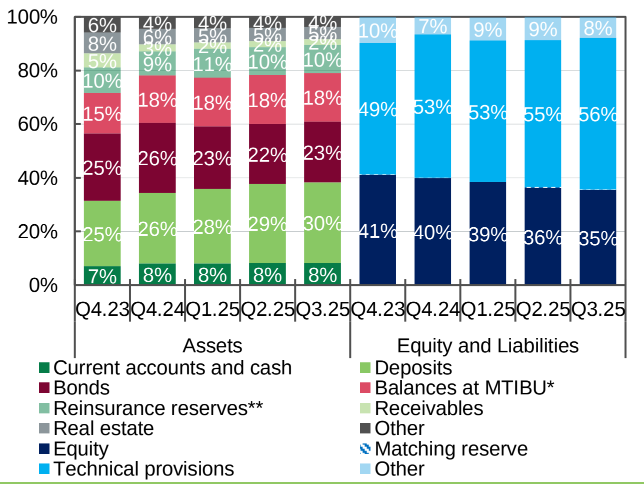


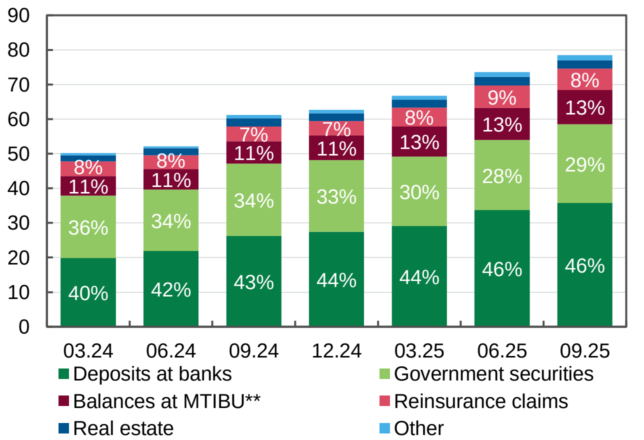
Figure 8. Assets and liabilities* of non-life insurers



* Regulatory reporting data reflect the amount of assets and liabilities of an insurer, including the amount of certain components according to prudential requirements, primarily technical provisions. ** Technical provisions under ceded reinsurance agreements.

In Q3, assets eligible to cover technical provisions of insurers increased by 7%. The share of bonds in the structure of eligible assets of both market segments increased over the quarter.

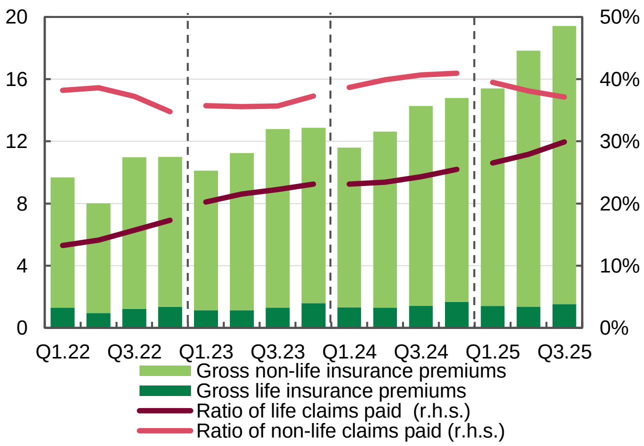
Figure 9. Structure of assets eligible to cover insurers' technical provisions, UAH billions



* Technical provisions under ceded reinsurance agreements.

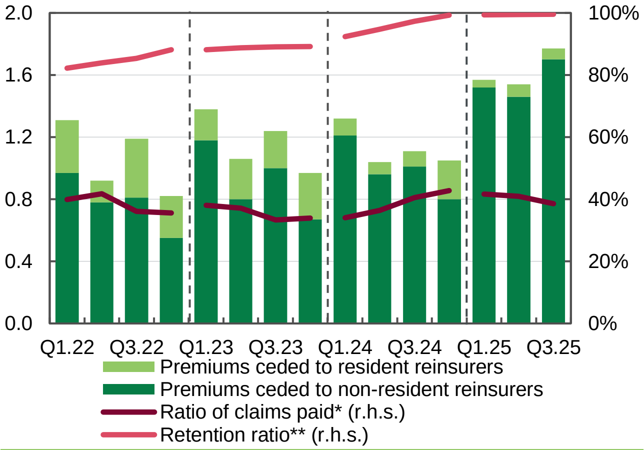
In Q3, insurance premiums grew in both segments of the market: by 9% for non-life insurers and by 12% for life insurers.

Figure 10. Premiums and ratios of claims paid by type of insurance, UAH billions



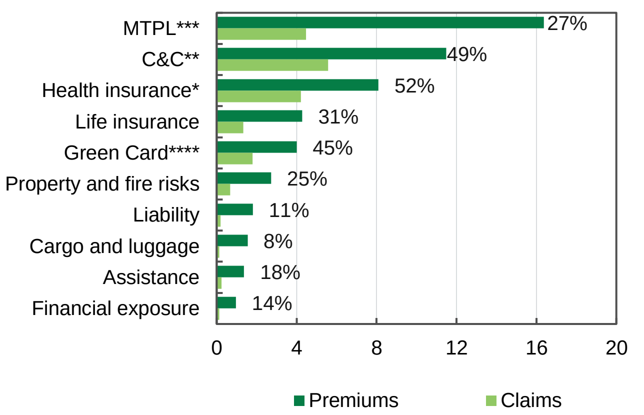
The volume of insurance premiums ceded to reinsurance rose by 15% over the quarter. Among transport insurance products, in January–September, the loss ratio increased year-on-year for C&C and Green Card, but significantly declined for MTPL due to the transition to market-based pricing.

Figure 11. Premiums due to reinsurers, ratio of claims paid, and retention ratio, UAH billions



* Annualized ratios of claims paid.
** The ratio of net premiums to gross premiums.

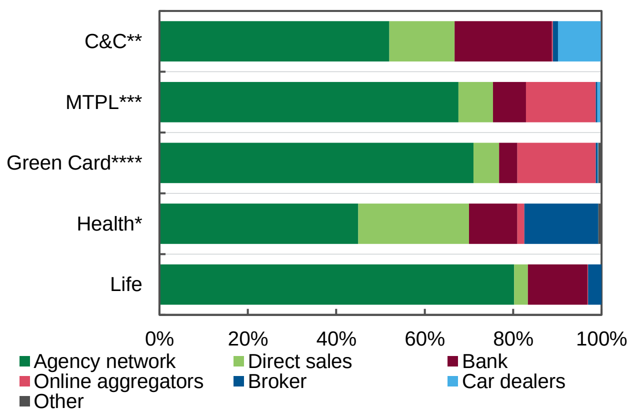
Figure 12. Insurance premiums and claims paid by most common business lines in January – September 2025, UAH billions



Percentage values indicate the claims paid ratio for the respective type of insurance. * From 1 January 2024, the class of accident insurance is included in health insurance. ** C&C – comprehensive and collision car insurance. *** Compulsory motor third party liability insurance. **** International Motor Insurance Card System.

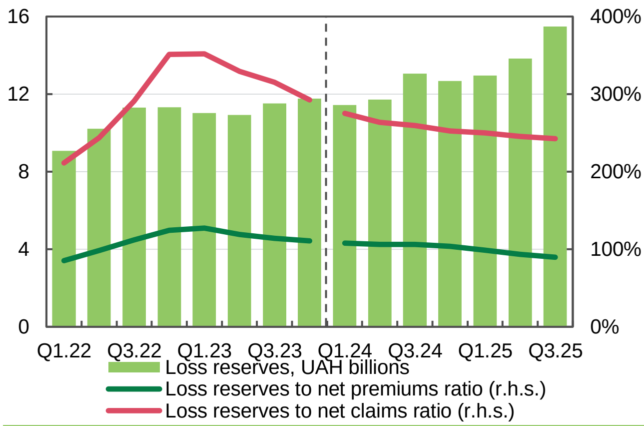
Loss reserves of non-life insurers grew by 12% qoq. The significant growth was driven by an increase in reserves for reported but not settled losses for property and fire risk insurance at several large insurers and by higher reserves made for MTPL.

Figure 13. Structure of gross insurance premiums by major insurance products by sales channels in January – September 2025



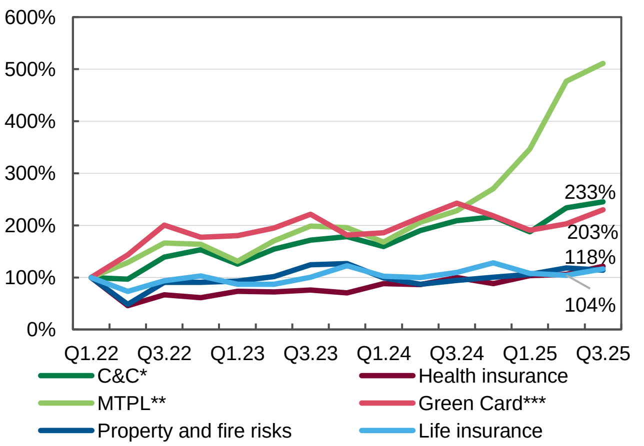
* From 1 January 2024, the class of accident insurance is included in health insurance. ** C&C – comprehensive and collision car insurance. *** Compulsory motor third party liability insurance. **** International Motor Insurance Card System.

Figure 14. Loss reserve ratios of non-life insurance



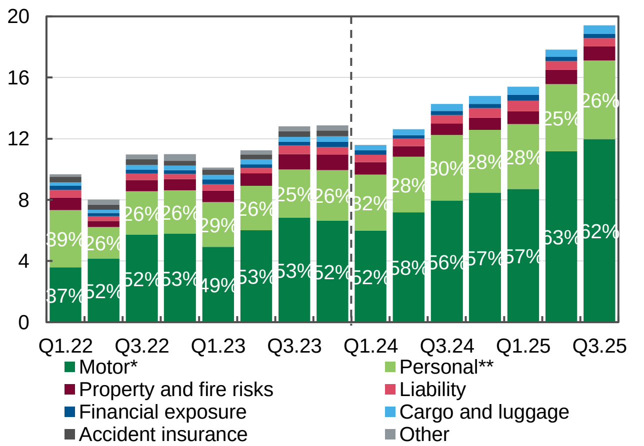
Premiums grew in all core lines of business in Q3, with the largest growth seen in Green Card and health insurance.

Figure 15. Insurance premiums by largest lines of business, Q1 2022 = 100%



* C&C – comprehensive and collision car insurance. ** Compulsory motor third party liability insurance. *** International Motor Insurance Card System.

Figure 16. Structure of insurance premiums by main lines of insurance business, UAH billions



* C&C, MTPL, Green Card.
** Life, health, assistance.

Insurance premiums in the retail segment grew faster than in the corporate segment for the second straight quarter.

Figure 17. Gross insurance premiums by type of insurance (excluding inward reinsurance), Q1 2022 = 100%

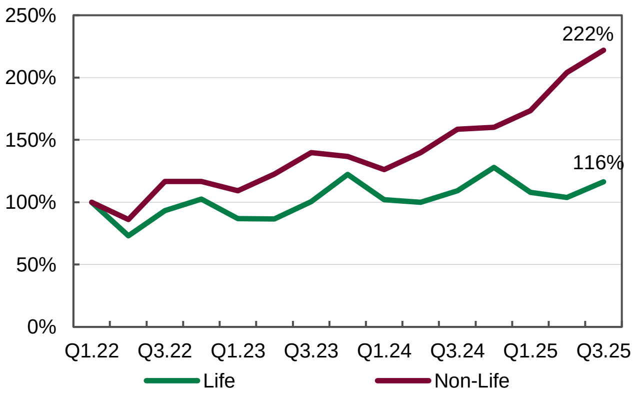
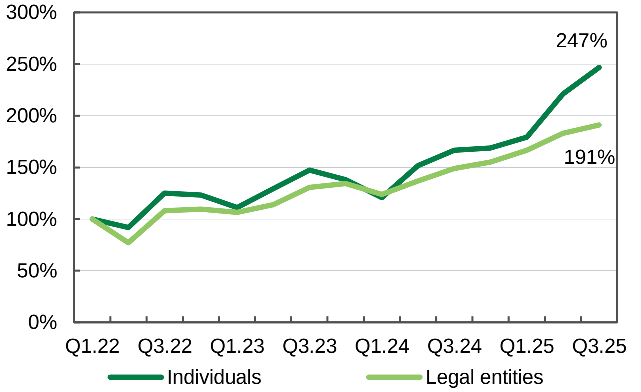
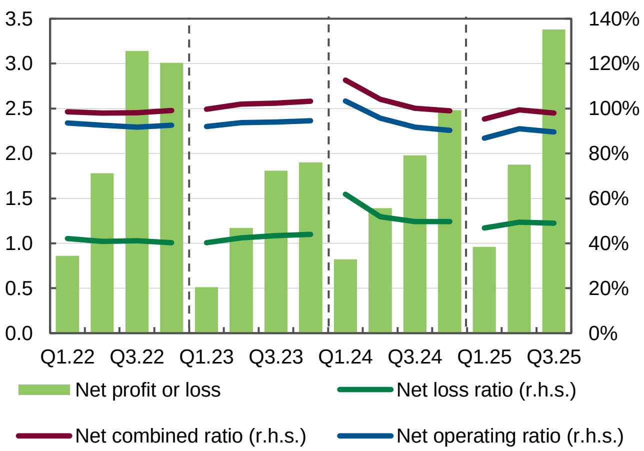


Figure 18. Non-life insurance premiums by type of policyholder, Q1 2022 = 100%



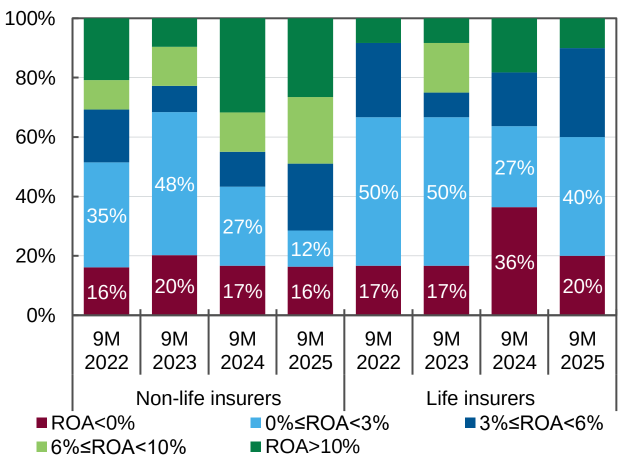
In Q3, insurers' performance indicators slightly decreased (improved).

Figure 19. Cumulative profit or loss and performance indicators of non-life insurers on a net basis, UAH billions



Operating performance indicators for 2024 were annualized on a cumulative basis from the start of the year due to a change in the calculation approach.

Figure 20. Distribution of insurers by return on assets



Most non-life insurers were operationally profitable, and the value of their net combined ratio was less than 100%. Insurers' operating performance indicators were moderately volatile throughout the year.

Figure 21. Distribution of non-life insurers' net combined ratio in January – September 2025

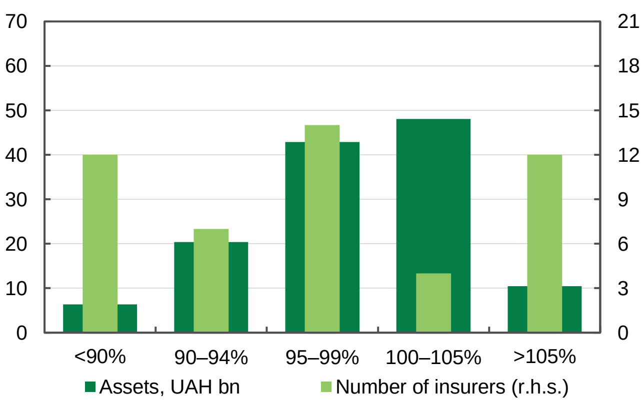
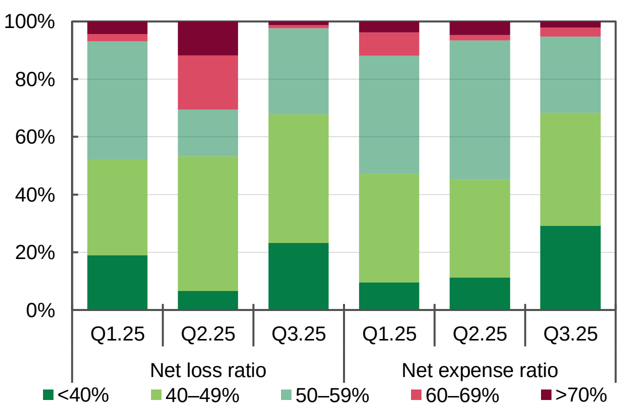


Figure 22. Distribution of non-life insurers' profitability metrics by the amount of assets, quarterly



The net profit of non-life insurers for January–September 2025 rose by more than two-thirds year-on-year, and their return on equity grew by 6 pp, to 17.5%. In contrast, net profit of life insurers declined by almost a quarter as profits of the largest insurer more than halved.

Figure 23. Financial performance of life insurers on a cumulative basis, UAH billions

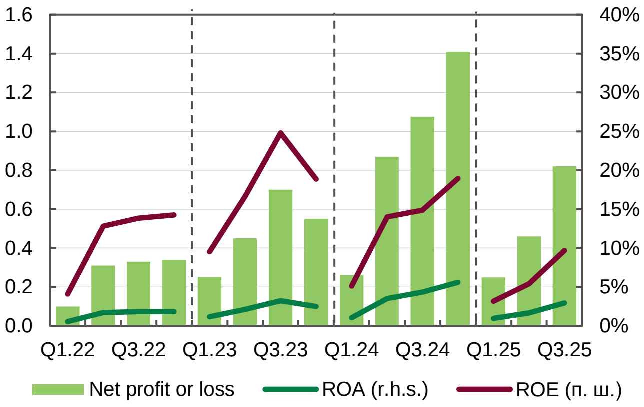
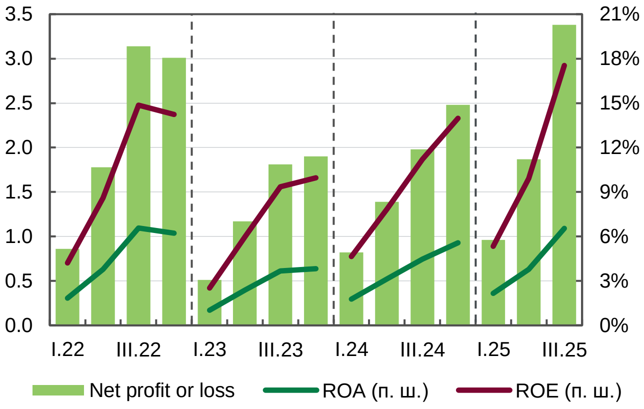
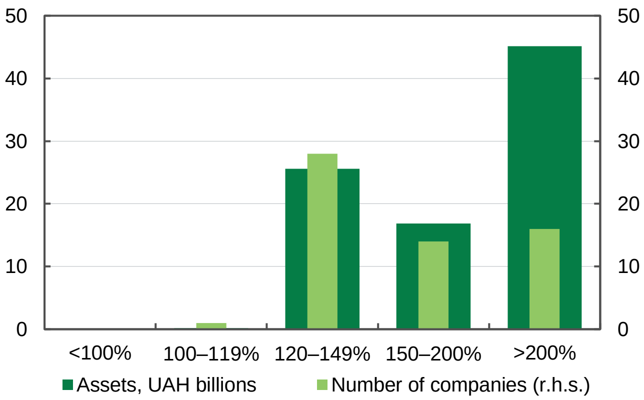


Figure 24. Financial performance of non-life insurers on a cumulative basis, UAH billions



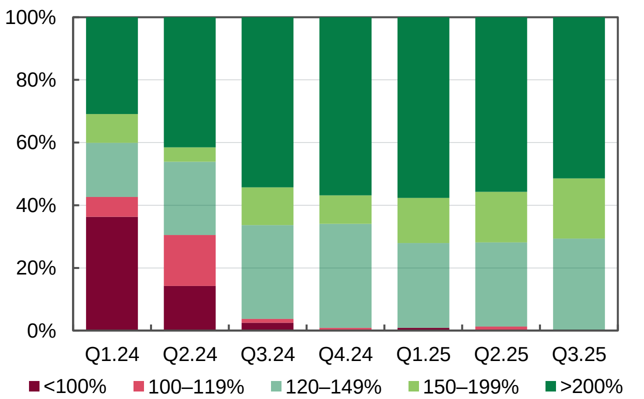
In Q3, all insurers complied with the solvency capital requirement (SCR) and the minimum capital requirement (MCR). At only one company, the SCR ratio was between 100% and 120%.

Figure 25. Distribution of number of insurers and their assets size* by proportion of capital eligible to meet the SCR, and the SCR as of 1 October 2025



* This figure is based on data from 59 companies.

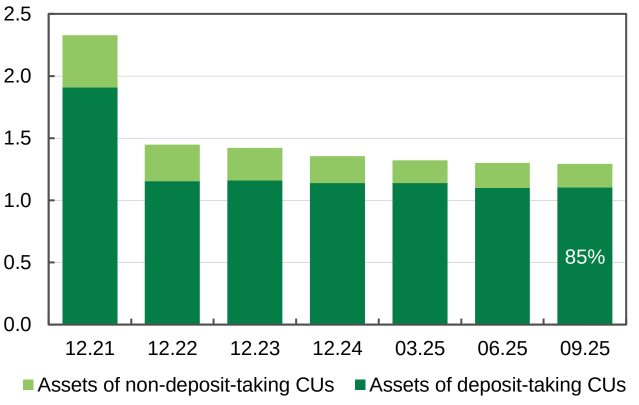
Figure 26. Distribution of insurers' assets by ratio of eligible capital to meet the SCR to the SCR



Credit Unions

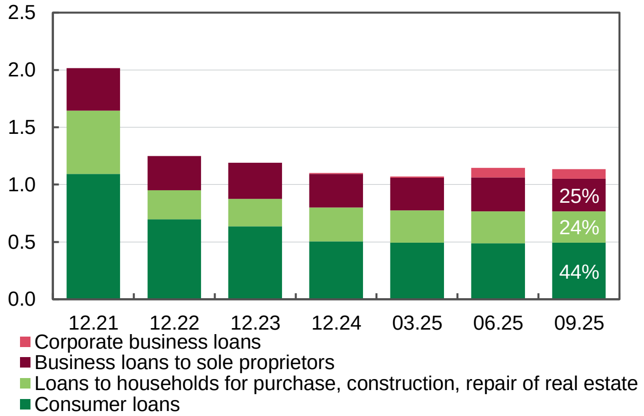
Credit unions' assets declined by only 0.4% in Q3. The share of assets of deposit-taking institutions slightly declined, to 86%.

Figure 27. Total assets of credit unions, UAH billions



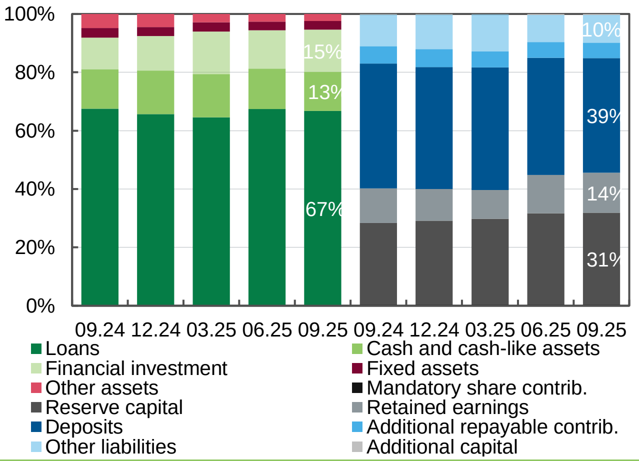
The loan portfolio shrank by 1% in Q3, which was driven by business loans and loans for the purchase, construction, and repairs of real estate.

Figure 28. Breakdown of outstanding loans principal due from credit union members, UAH billions



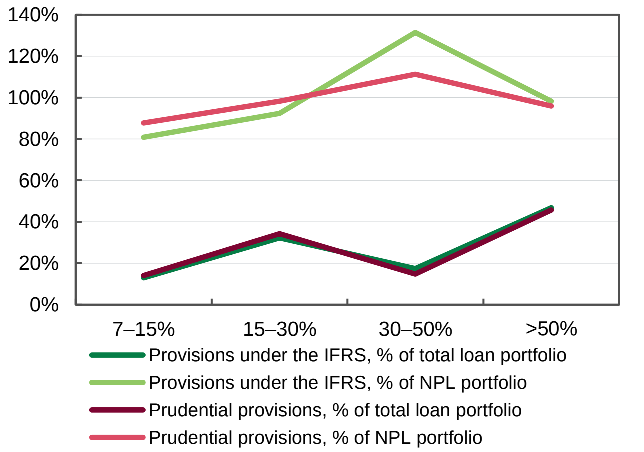
The share of loans in assets declined giving way to financial investment. Reserve capital and retained earnings as a share of total funding somewhat increased, while the share of deposits decreased.

Figure 29. Assets and liabilities of credit unions



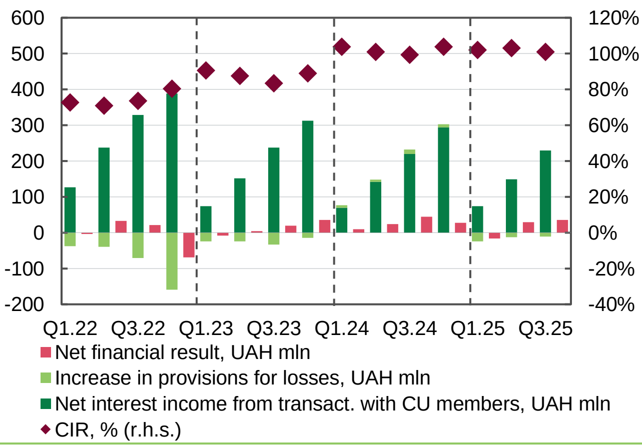
Provisions mostly cover non-performing loans of credit unions with higher solvency. However, for credit unions with a low capital adequacy level, provisions – as the ones for credit risk – are insufficient to cover expected credit losses due to their underestimation.

Figure 30. Provisioning ratio of financial assets of credit unions by capital adequacy ratio as of 1 October 2025



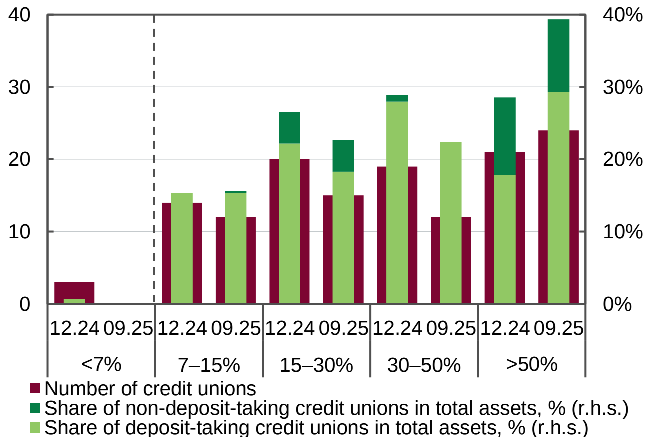
For the first nine months of 2025, credit unions' business was operationally inefficient. Their insignificant profitability resulted from higher yields on the prevailing consumer loans to households.

Figure 31. Operational efficiency of credit unions (on a cumulative basis), UAH millions



As of 1 October 2025, all active credit unions had an acceptable capital adequacy ratio (N1). However, due to underestimated credit risks, the correctness of capital assessment for credit unions with a high level of N1 ratio is doubtful.

Figure 32. Distribution of capital* adequacy ratios by share of credit unions' assets



* The core capital was used as of 1 January 2025, and regulatory capital was introduced to assess the N1 ratio from January 2025 onward.

Finance Companies

In Q3, finance companies' assets increased by only 0.8% qoq (-10.1% yoy). The asset structure of finance companies remained unchanged, while their equity grew by 4.0% qoq.

Figure 33. Finance companies' asset structure, UAH billions

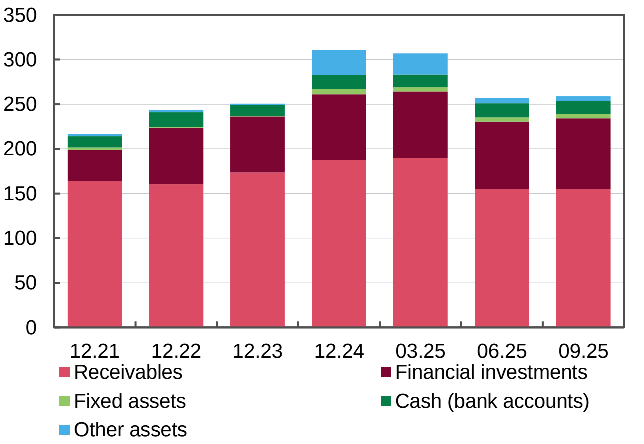
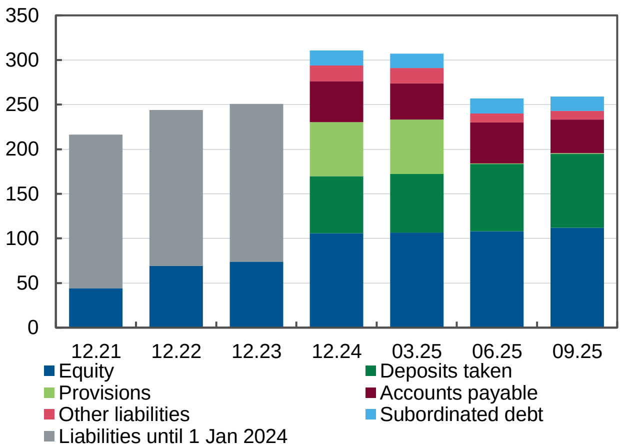


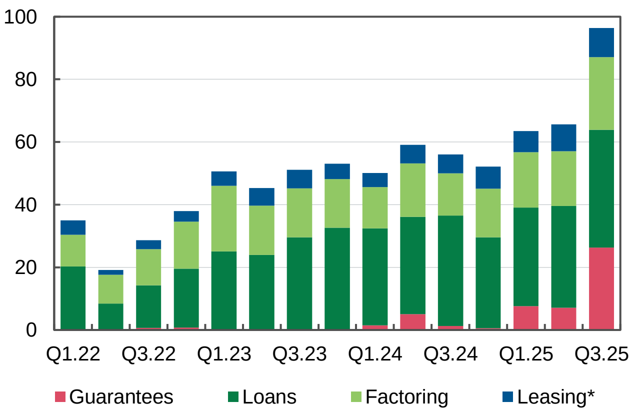
Figure 34. Composition of finance companies' liabilities and equity, UAH billions



For the period of up to 1 January 2024, the gray column shows the aggregated liabilities of institutions.

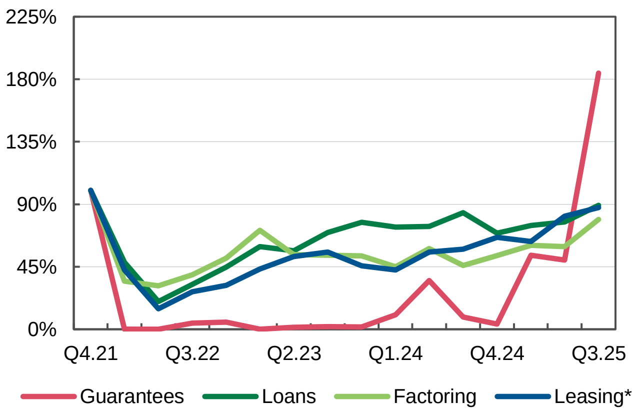
In Q3, lending remained the largest service provided by finance companies in terms of volume. Volumes of new loans increased by 15.8% qoq. The volume of provided guarantees grew markedly, from UAH 7.1 billion in Q2 to UAH 26.3 billion. The volume of factoring transactions rose by almost one-third. The volume of financial leasing, compared to other financial services, increased by only 7.4%.

Figure 35. Financial services provided by finance companies, by type of service (quarterly data), UAH billions



* From 1 January 2024, legal-entity lessors received the status of finance companies.

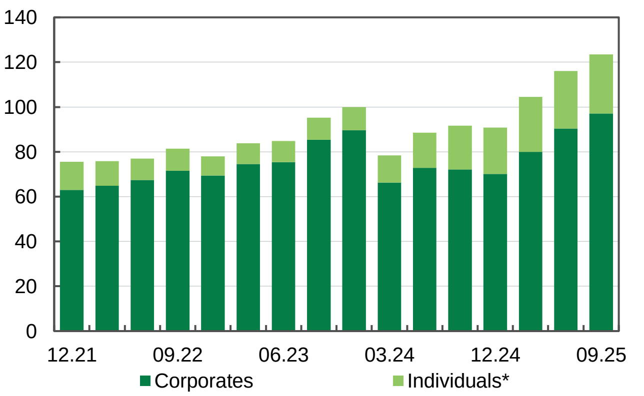
Figure 36. Financial services provided by finance companies, by type of service, Q4 2021 = 100%



* From 1 January 2024, legal-entity lessors received the status of finance companies.

In Q3, finance companies' loan portfolio grew for the third straight quarter, to reach another all-time high. The corporate portfolio increased by 7.5% (34.6% yoy) and the retail one by 2.8% (35.1% yoy).

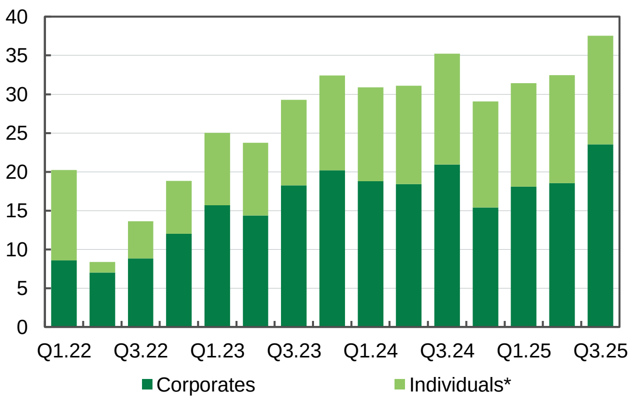
Figure 37. Amount of outstanding loans, end of the period, UAH billions



* Including sole proprietors.

In July–September, the volumes of new loans grew faster than in the previous quarter. However, this growth was primarily driven by loans to businesses (26.9% qoq), while new loans to households increased by only 0.8%.

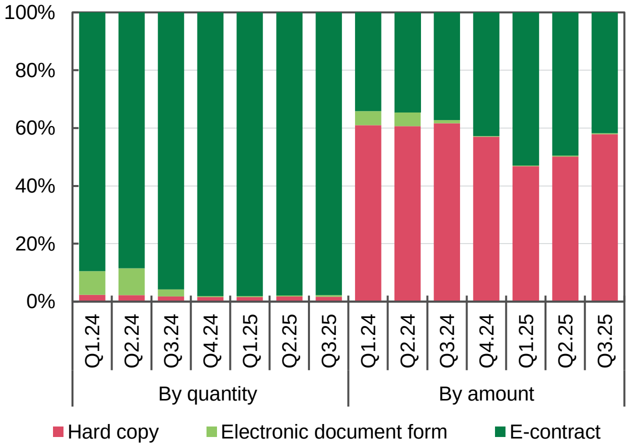
Figure 38. Loans issued during quarter by finance companies, by borrower category, UAH billions



* Including sole proprietors.

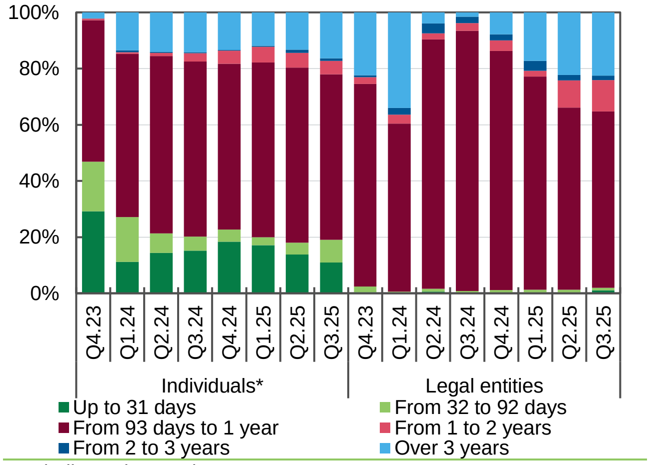
For the second quarter in a row, the share of loan agreements concluded in paper form slightly increased in terms of both their total volume and amounts of the concluded agreements.

Figure 39. Shares of finance companies' loan agreements concluded during the quarter, by form of conclusion



In Q3, the maturity of new loans rose once again, which was more pronounced for retail loans.

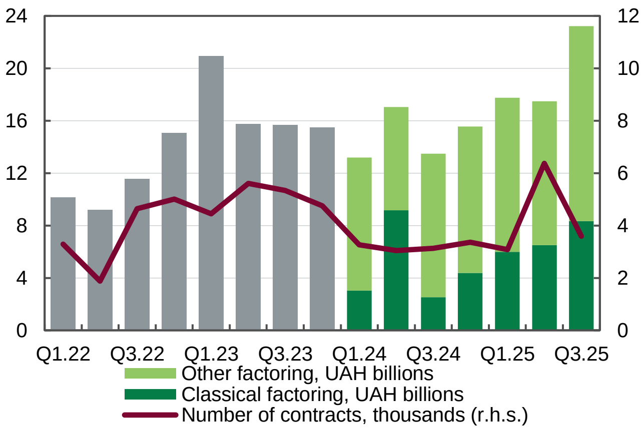
Figure 40. Breakdown of loans issued during quarter by finance companies, by maturity and client type



* Including sole proprietors.

Volumes of factoring transactions increased markedly in Q3. Classical factoring has been growing for 12 months.

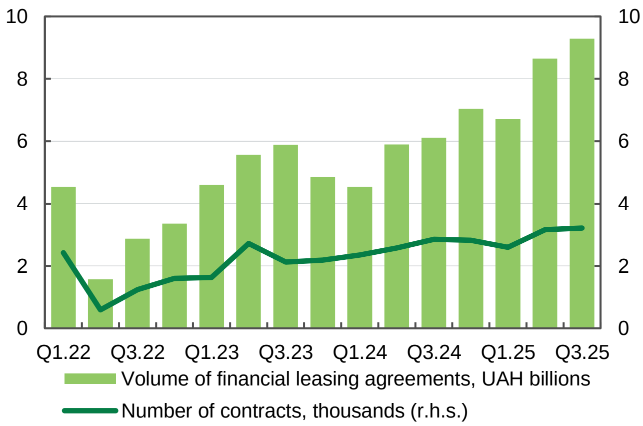
Figure 41. Volume and number of factoring agreements*



* Until 2024, factoring transactions were not broken down by type in the statistics. From 2024 onward, classical factoring refers to financing a company's accounts receivable, and other factoring refers to the assignment of claims (cession), which is usually the purchase of bad debts on loans.

In July–September, the volume of financial leasing transactions rose by 7.4%.

Figure 42. Volume and number of financial leasing agreements*



* Starting from 1 January 2024, financial leasing transactions are carried out exclusively by finance companies.

In January–September, finance companies received almost the same profits as in the corresponding period of the previous year. State-owned Ukrfinzhytlo accounted for more than a half of the profit. Almost 82% of finance companies were profitable. Return on equity was slightly lower compared to January–September 2024.

Figure 43. Financial performance of finance companies on cumulative basis, UAH billions

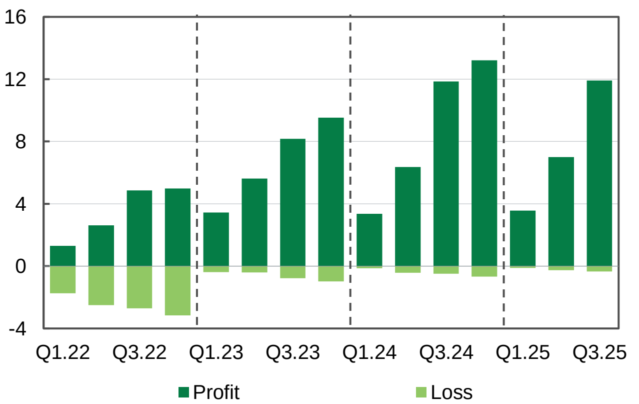
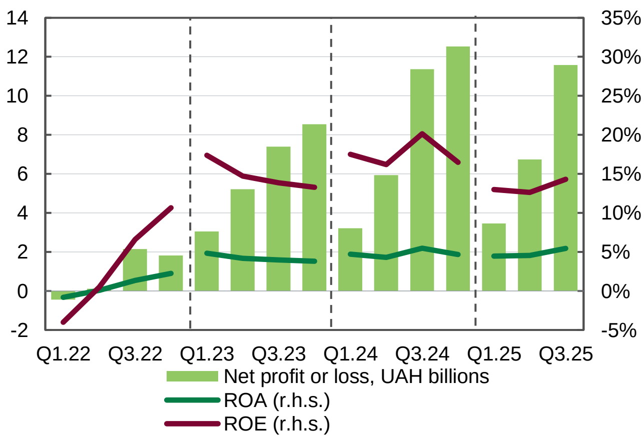


Figure 44. Financial performance of finance companies (on cumulative basis) and their return ratios



Pawnshops

In Q3, pawnshops' assets increased by 2.0% qoq (12.7% yoy). The loan portfolio grew by 2.3% qoq (9.6% yoy), while fixed assets and cash declined slightly. Pawnshops' own capital declined by 3.7% qoq (-4.1% yoy).

Figure 45. Pawnshop's assets, UAH billions

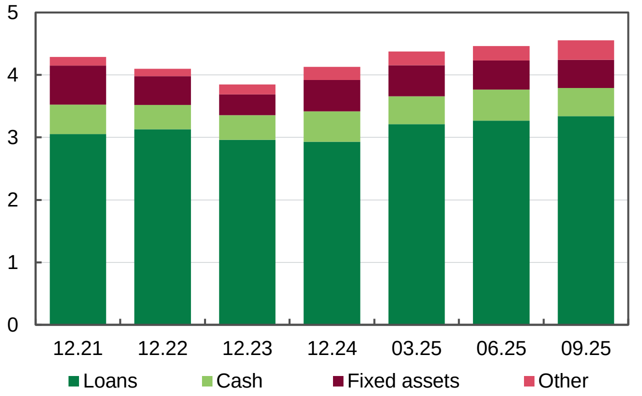
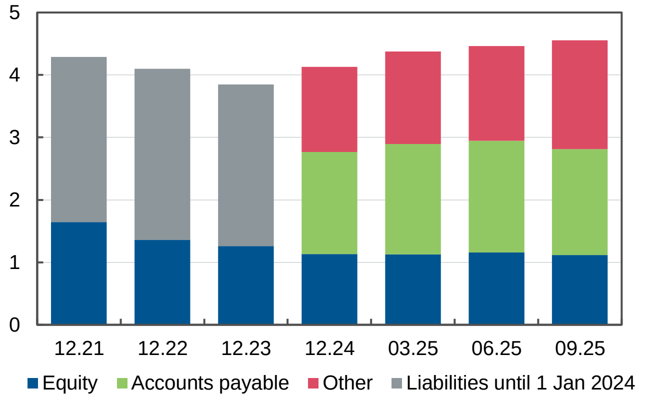


Figure 46. Pawnshops' liabilities and equity, UAH billions



For the period of up to 1 January 2024, the gray column shows the aggregated liabilities of institutions.

In Q3, volumes of new loans issued against collateral increased by 5.7%. The collateral coverage ratio dropped to 37%. The loan portfolio structure by type of collateral was unchanged, dominated by products made of precious metals and gems.

Figure 47. Amount of loans issued by pawnshops during the quarter and collateral coverage ratio

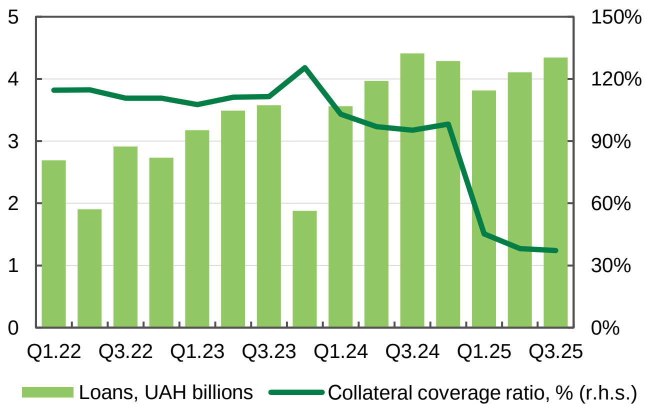
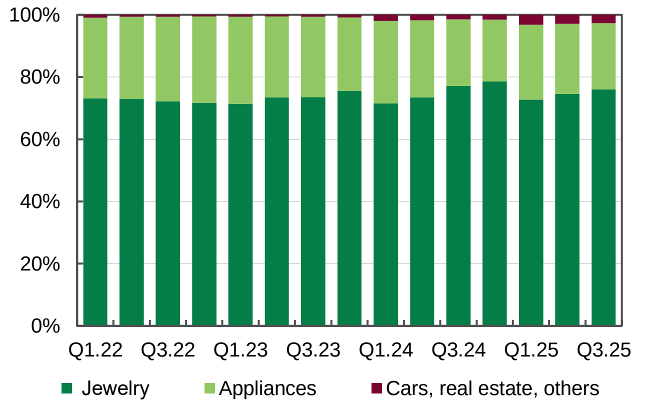


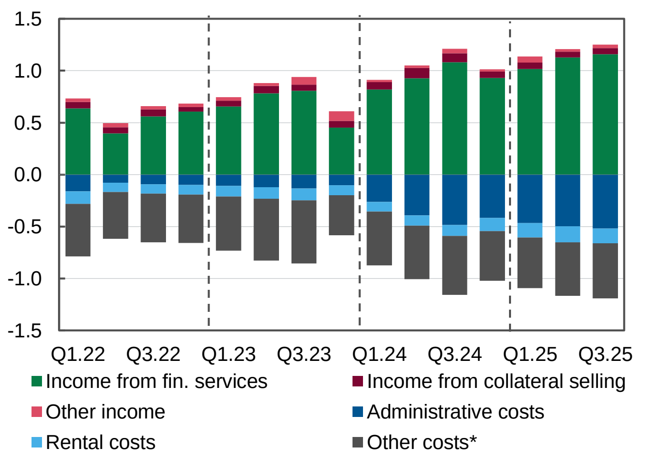
Figure 48. Pawnshop's loan portfolio structure by type of collateral



The share of loans secured with cars, real estate, and other assets was 2.67%.

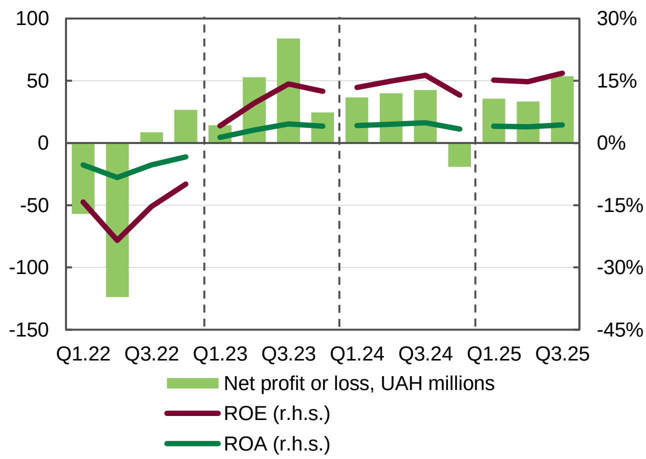
In Q3, income from financial services and from disposal of collateral increased by 2.7% and 5.9%, respectively. At the same time, pawnshops' expenses rose as well, except for rental costs, which declined. According to the results of Q3, the segment made a profit that was 62% higher than in the previous quarter. Return on assets and equity also improved.

Figure 49. Structure of pawnshops' income and expenses, UAH billions



* Including expenses related to selling and maintaining pledged property.

Figure 50. Financial performance of pawnshops



Notes

The source for the data is the National Bank of Ukraine, unless otherwise noted.

This review covers NBU-regulated non-bank financial institutions unless stated otherwise. Unless noted otherwise, the sample consists of institutions that were solvent at each reporting date and submitted their reports. The calculation of changes in insurers' performance indicators for the period takes into account data of insurers that were removed from the Register before the period in which such removal took place.

Along with filing Q3 2025 reports, NBFIs could update their reporting data for Q2 2025. Retrospective adjustments were therefore made to some of the indicators. Any changes in the indicator calculation methodology are reflected in the respective notes to the figures. The reclassification of reporting components by market participants as a result of the transition to the new reporting forms might also have affected the dynamics of the indicators.

The sum of individual components and the total may differ due to rounding.

Terms and Abbreviations:

C&C	Comprehensive and collision insurance – insurance of land transport (including railway transport)
Retention ratio	The ratio of net premiums to gross premiums
CU	Credit union
IFRS	International Financial Reporting standards
MTIBU	Motor (Transport) Insurance Bureau of Ukraine
NBU	National Bank of Ukraine
NBFIs	Non-bank financial institutions
NPL	Non-performing loan
MTPL	Compulsory Motor Third Party Liability Insurance
Register	State Register of Financial Institutions
Non-life insurers	Insurers engaged in types of insurance other than life insurance
Ratio of claims paid	The ratio of claim payments to premiums for four quarters preceding the estimate date
CIR	Cost-to-income ratio. The ratio of operating expenses to operating income
MCR	The minimum capital requirement for an insurer
Net combined ratio	The net loss ratio increased by the ratio of the sum of commissions, acquisition expenses, income tax, commission income received from other insurers and reinsurers, taxes on reinsurance transactions with non-resident reinsurers, and changes in the amount of funds with the MTIBU to net premiums earned
Net investment ratio	The ratio of the sum of investment income and income from placement of funds in the centralized insurance reserve funds of the MTIBU, net of investment management expenses, to net premiums earned
Net loss ratio	The ratio of the sum of claims paid, loss adjustment expenses, and changes in loss reserves, net of income from recourse and subrogations, income from reinsurance claims, and changes in claims against a reinsurer to net premiums earned
Net operating ratio	The difference between the net combined ratio and the net investment ratio
ROA	Return on assets
ROE	Return on equity
SCR	Solvency capital requirement for an insurer
pp	Percentage point
UAH	Ukrainian hryvnia
qoq	Quarter-on-quarter
mln	Million
bn	Billion
r.h.s.	Right-hand scale
yoy	Year-on-year
H	Half of a year
Q	Quarter