

PT REASURANSI NUSANTARA MAKMUR (NUSANTARA RE)

Financial Strength rating *irAA-/Stable*

Rated Issues -

Rating Period

February 13, 2023 – February 1, 2024

Rating History

December, 2021	<i>irAA-/Stable</i>
December, 2020	<i>irAA-/Stable</i>
October, 2019	<i>irAA-/Stable</i>

“Reinsurance Company with *irAA* rating has a very high level of certainty to honor the financial obligations. There is, however, a slight difference in the rating scale with the highest qualification level of Reinsurance Company.”

The minus sign (-) indicates that the rating is still higher than the rating category below, although it is closer to the lower rating than it is to the higher rating category.

Kredit Rating Indonesia assigns a Financial Strength Rating of ‘*irAA-*’ for PT Reasuransi Nusantara Makmur with “Stable” outlook.

Kredit Rating Indonesia (KRI) assigns a Financial Strength Rating of ‘*irAA-*’ for PT Reasuransi Nusantara Makmur (Nusantara Re or the Company) with “Stable” outlook. The rating reflects Nusantara Re’s ability to secure high market share in such a short period of operational time, sufficient capital and strong shareholder commitment to support the Company’s business. However, the rating is constrained by the Company’s relatively weak investment to cover technical reserves requirement.

Nusantara Re is a national reinsurance company that commenced its operational activities in July 2017. The Company is owned by PT Asuransi Sinar Mas (99%), the biggest non-life insurance in Indonesia, and PT Sinarmas Multiartha Tbk (1%). The Company offers reinsurance services for fire, cargo, liability, vehicles, engineering, health, energy, credit, and others.

Downward rating pressures can come from a material decrease of liquidity and market share position, which eroding the Company’s ability to mitigate risk from its underwriting and investment activities.

Nusantara Re Financial Results Highlights (consolidated)

For the years ended	Dec 2022 (Unaudited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)	Dec 2018 (Audited)
Total Assets (IDR, Bn)	3,178.8	1,877.8	2,093.6	1,168.6	967.2
Total Equity (IDR, Bn)	503.3	546.7	633.7	452.7	364.0
Investment exc.Cash (IDR, Bn)	915.4	730.2	777.5	630.3	393.9
Net Premium Written (IDR, Bn)	793.6	758.1	670.1	356.7	152.5
Net Claims (IDR, Bn)	408.0	570.0	456.5	137.7	35.4
Net Income After Tax (IDR, Bn)	70.3	54.2	180.0	88.8	53.8
ROAA (%)	2.8	2.7	11.0	8.3	7.9
Loss Ratio (%)	51.4	75.2	68.1	38.6	23.2
Net Premium Written/Equity (x)	1.6	1.4	1.1	0.8	0.4
Retention Ratio (%)	14.3	15.6	7.2	10.5	6.9
Equity/Total Assets (%)	15.8	29.1	30.3	38.7	37.6
Risk Based Capital; RBC (%)	407.6	201.9	592.9	694.3	714.6

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