

## Everbest Re Corporation Limited

**Financial Strength Rating** *ir*BBB-/Stable

**Rating Period**

December 16, 2024 – January 1, 2026

**Rating History**

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"Reinsurance Company with an *ir*BBB- rating has an adequate level of certainty to honor the financial obligations to policyholder. However, this certainty is more likely to diminish in the future than with the higher rating categories."

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 has assigned '*ir*BBB-' Financial Strength Rating of Everbest Re Corporation Limited with a 'Stable' outlook

Kredit Rating Indonesia (KRI) has assigned an '*ir*BBB-' Financial Strength Rating to Everbest Re Corporation Limited ('EBST' or 'the Company') with a 'Stable' outlook. The rating for EBST reflects the support from strategic partnership with leading reinsurance company in Indonesia in securing business from Indonesia's market. However, the rating is constrained by the Company's small size and limited business diversification.

The Company was incorporated in Vanuatu under Vanuatu International Companies Act No. 32 of 1992, which allows EBST to market its products outside the Vanuatu area. Through its partner company, EBST primarily targets the reinsurance business within Indonesian market, with a particular focus on Indonesia.

As a newcomer in the reinsurance field, EBST commenced operations in 2011. EBST's size is relatively small, with assets hovering around USD0.86 Mn (2021), USD0.79 Mn (2022), and USD0.73 Mn (2023). The Company targets a significant increase in 2024, especially in Assets and gross written premium (GWP), aligned with tapping into Indonesia's Market following the acquisition of a rating.

The reinsurer estimates its asset will be at around USD8.37 Mn and GWP be around USD3.00 Mn in 2024. EBST recorded return on average assets (ROAA) of -7.94% (FY22: -6.50%; FY21: -6.24%). Additionally, EBST doesn't have any investments yet, but planning to allocate investments in cash and bank balances, constituting a conservative strategy as these investments are highly liquid and carry a very low probability of default, with investment return target around 10-15%.

EBST's product diversification will be primarily concentrated on two classes of business: fire and liability, for around 95% and life with 5%. Simultaneously, EBST's GWP contributions are limited solely to its Indonesian Market.

Downward rating pressures can come from market share position and diversification. Conversely, sustained premium growth accompanied by significant improvement in profitability may pave the way for an upward rating revision.

#### EBST Financial Result Highlights

For the years ended	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)
Total Assets (USD, Mn)	0.73	0.79	0.86	0.91
Total Equity (USD, Mn)	0.72	0.78	0.84	0.89
Total Investment include Cash (USD, Mn)	0.00	0.00	0.00	0.00
Net Premium Written (USD, Mn)	0.00	0.00	0.00	0.00
Net Claims (USD, Mn)	0.00	0.00	0.00	0.00
Net Income After Tax (USD, Mn)	(0.06)	(0.05)	(0.06)	(0.07)
ROAA (%)	(7.90)	(6.50)	(6.20)	(7.00)
Loss Ratio (%)	0.00	0.00	0.00	0.00
Net Premium Written/Equity (x)	0.00	0.00	0.00	0.00
Retention Ratio (%)	0.00	0.00	0.00	0.00
Equity/Total Assets (%)	99.20	99.50	97.60	97.80
Currency Exchange Rate (USD/IDR)	15,415	15,534	14,292	14,194

**Analyst** : Cut Nabila Saraziva ([Cut.Nabila@kreditratingindonesia.com](mailto:Cut.Nabila@kreditratingindonesia.com))

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