

03.09.2021

## Rating of JSC IC “BUSIN” is updated

**September 3, 2021** at the meeting of the rating committee of RA “Expert-Rating” it was decided to update the financial stability rating of the insurer PrJSC “Insurance company “BUSIN” (19492371) at the level **uaAA** according to the national scale. Stability rating of the insurer on the international scale is **A**. The insurer with rating **uaAA** is characterized by a very high level of financial stability compared to other Ukrainian insurers. Making decision to update the Insurer’s rating at this level, the Agency was guided by the analysis results of the Company’s activity for the first half of 2021 year.

Table

### Key performance indicators of JSC IC «BUSIN» for the first half of 2021 year, (th. UAH, p.p., %)

Indicators	I half of 2021 (30.06.2021)	I half of 2020 (30.06.2020)	Change	Growth rate, %
Total assets, th. UAH	704 518	2 645 550	-1 941 032	-73,37%
Shareholders' equity, th. UAH	142 417	130 878	11 539	8,82%
Gross liabilities, th. UAH	562 101	2 514 672	-1 952 571	-77,65%
Shareholders' equity/Liabilities ratio, %	25,34%	5,20%	20,14 p.p.	-
Cash and cash equivalents, th. UAH	146 940	115 652	31 288	27,05%
Cash and cash equivalents/ Liabilities ratio, %	26,14%	4,60%	21,54 p.p.	-
Total gross premiums, th. UAH	318 631	23 036	295 595	1283,19%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	278 424	15 049	263 375	1750,12%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	87,38%	65,33%	22,05 p.p.	-
Insurance indemnities and reimbursements, th. UAH	2 193	2 316	-123	-5,31%
Indemnities/Gross premiums ratio, %	0,69%	10,05%	-9,36 p.p.	-
Financial result from operating activities, th. UAH	19 347	19 641	-294	-1,50%
ROS, %	6,07%	85,26%	-79,19 p.p.	-
Net profit (loss), th. UAH	3 025	29 682	-26 657	-89,81%
ROE, %	2,12%	22,68%	-20,56 p.p.	-

Source: data of the Company, calculations by RA «Expert-Rating»

1. Shareholders' equity of JSC IC “BUSIN” for the period from 30.06.2020 to 30.06.2021 has grown by 8,82% up to UAH 142,42 mln, and its gross liabilities have decreased by 77,65% down to UAH 562,10 mln. A considerable reduction of liabilities of JSC IC “BUSIN” against an increase of its shareholders' equity has resulted in the increase of the ratio between shareholders' equity and liabilities of the insurer by 20,14 p.p. up to 25,34% as at the beginning of the second half of 2021 year.

2. Cash and its equivalents at the accounts of JSC IC “BUSIN” in the analyzed period have grown by 27,05% and as of 30.06.2021 have amounted to UAH 146,94 mln. Therefore, the indicator of covering cash with the Company's liabilities has grown by 21,54 p.p. up to 26,14% that indicates a sufficient level of JSC IC “BUSIN” provision with high liquid assets.

3. Gross premiums, received by JSC IC “BUSIN” for the first half of 2021 year, have amounted to UAH 318,63 mln that by 295,60 mln or in 13,83 times have exceeded its volume for the first half of 2020 year. Considerable fluctuations of the Insurer’s business volumes are related to the specifics of its activity, namely to the specialization of JSC IC “BUSIN” in large risk insurance, in particular in the aviation segment. Thus, for the first half of 2021 receipts of gross premiums from mandatory insurance of civil aviation have grown up to UAH 288,850 mln, while for the first half of 2020 year they have amounted to UAH 15,027 mln.

4. The activity of JSC IC “BUSIN” has been profitable in the analyzed period. Thus, the financial result from operating activity for the first half of 2021 year has amounted to UAH 19,35 mln, and the Insurer’s net profit has amounted to UAH 3,03 mln that is respectively by 1,50% and 89,81% less, than for the same period of 2020 year. Despite the decrease of profit volumes compared to the first half of 2020 year, the Agency appreciates the profitable activity of JSC IC “BUSIN” in conditions of quarantine restrictions.

5. The Agency notes that according to the reporting provided by JSC IC “BUSIN” as of 30.06.2021 the Insurer complied with the criteria established by law and standards of solvency and capital adequacy, liquidity, profitability, asset quality and riskiness of the insurer's operations.

Therefore, the results analysis of JSC IC “BUSIN” activity for the first half of 2021 year indicates: increase in level of covering liabilities by shareholders’ equity and high liquid assets, significant increase in business volumes and the Insurer’s profitable activity.

*Analytical service of RA «Expert-Rating»*