

21.03.2025

Rating of JSC IC “BUSIN” is updated

March 21, 2025 at the meeting of the rating committee of RA "Expert-Rating", a decision was made to update the financial stability rating of the insurer Private Joint-Stock Company "Insurance Company "BUSIN" (EDRPOU code 19492371) at the level of **uaAA** on the national scale. Stability rating of the insurer on the international scale is A. The insurer with the **uaAA** rating is characterized by a very high level of financial stability compared to other Ukrainian insurers. When making a decision to update the rating of the insurer at this level, the Agency was guided by the analysis results of the activity of JSC SC "BUSIN" for the 2024 year.

Table

Key performance indicators of JSC IC “BUSIN”, th. UAH, p.p., %

Indicators	2024 year (31.12.2024)	2023 year (31.12.2023)	Change	Growth rate, %
Total assets, th. UAH	291 385	314 065	-22 680	-7,22%
Shareholders' equity, th. UAH	157 908	197 245	-39 337	-19,94%
Gross liabilities, th. UAH	133 477	116 820	16 657	14,26%
Shareholders' equity/Liabilities ratio, %	118,30%	168,85%	-50,55 p.p.	-
Cash and cash equivalents, th. UAH	253 783	254 677	-894	-0,35%
Cash and cash equivalents/Liabilities ratio, %	190,13%	218,01%	-27,88 p.p.	-
Total gross premiums, th. UAH	397 478	293 238	104 240	35,55%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	301 021	193 951	107 070	55,20%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	75,73%	66,14%	9,59 p.p.	-
Insurance indemnities and reimbursements, th. UAH	32 304	1 317	30 987	2352,85%
Indemnities/Gross premiums ratio, %	8,13%	0,45%	7,68 p.p.	-
Financial result from operating activities, th. UAH	-37 562	59 313	-96 875	-
ROS, %	-9,45%	20,23%	-29,68 p.p.	-
Net profit (loss), th. UAH	-27 293	49 387	-76 680	-
ROE, %	-17,28%	25,04%	-42,32 p.p.	-

Source: data of the Company, calculations by RA “Expert-Rating”

1. For the 2024 year shareholders' equity of JSC IC “BUSIN” decreased by 19.94% and amounted to UAH 157.91 mln, and its liabilities grew by 14.26% up to UAH 133.48 mln. A multidirectional movement of indicators resulted in the decrease of the ratio between shareholders' equity and liabilities: by 50.55 p.p. down to 118.30%. Thus, despite the decrease, as at the beginning of the 2025 year JSC IC “BUSIN” was very well provided with shareholders' equity, which almost in 1,2 times exceeded the Insurer's liabilities.

2. The amount of cash and its equivalents on the accounts of JSC IC “BUSIN” almost didn't change for the 2024 year and as of December 31, 2024 amounted to UAH 253.78 mln, and the level of liabilities coverage with cash of JSC IC “BUSIN” decreased by 27.88 p.p. down to 190.13%. Thus, as of the beginning of the 2025 year JSC IC “BUSIN” was very well provided with high liquidity assets, which in 1,9 times exceeded its liabilities.

3. Gross premiums of JSC IC “BUSIN” for the 12 months of 2024 year amounted to UAH 397.48 mln, that by 35.55% exceeded the indicator for the same period of 2023 year. At the same time, the part of insurance premiums belonged to the reinsurers in the analyzed period increased by 55.20%, and the ratio between premiums, belonged to the reinsurers, and gross premiums grew by 9.59 p.p. up to 75.73%.

4. The activities of JSC IC “BUSIN” according to the results of the 2024 year were unprofitable, while for the 2023 year the Insurer received net and operational profits. In particular, the loss from operational activity of the Insurer for the 2024 year amounted to UAH 37.56 mln, and its net loss amounted to UAH 27.29 mln.

5. The Insurer confirmed to the Agency that as of December 31, 2024, JSC IC “BUSIN” complied with the requirements to solvency and insurer’s assets according to “Regulations on establishing requirements for ensuring the solvency and investment activities of the insurer”.

Therefore, the analysis of the results of JSC IC “BUSIN” for the 2024 year indicates an increase of business volumes, a very high level of coverage of the insurer’s liabilities with its shareholders’ equity and a very high level of provision with high liquidity assets, against the background of the Insurer’s unprofitable activity.

The agency notes that the current rating level determines the probability of default in the case of the insurer's work under normal circumstances and does not take into account force majeure circumstances, as well as the effect of other force majeure circumstances.

Analytical service of RA «Expert-Rating»