

AM Best Upgrades Issuer Credit Rating of ONIX Asigurari S.A.

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AMSTERDAM--(BUSINESS WIRE)--AM Best has upgraded the Long-Term Issuer Credit Rating to “bb+” (Fair) from “bb” (Fair) and affirmed the Financial Strength Rating of B (Fair) of ONIX Asigurari S.A. (ONIX) (Romania). The outlook of these Credit Ratings (ratings) is stable.

These ratings reflect ONIX’s balance sheet strength, which AM Best assesses as adequate, as well as its strong operating performance, limited business profile and marginal enterprise risk management.

The rating upgrade of the Long-Term ICR reflects an improved assessment of ONIX’s balance sheet strength. This enhanced view of balance sheet strength recognises the company’s ability to maintain its risk-adjusted capitalization comfortably at the strongest level, as measured by Best’s Capital Adequacy Ratio (BCAR). Additionally, the company’s surplus grew organically in recent years through strong underwriting performance and consistent investment income.

ONIX’s small capital base and its lack of reinsurance protection remain as offsetting factors in the balance sheet strength assessment, which increase the potential for volatility in its risk-adjusted capitalisation, particularly considering the company’s exposure to large surety risks. The company’s limited financial flexibility is also considered an offsetting factor in its balance sheet strength assessment. Conversely, AM Best views positively ONIX’s conservative investment portfolio, entirely made up by cash or term deposits.

ONIX’s operating performance is assessed as strong, reflecting its track record of good underwriting results since inception. For the five-year period ending in 2023, the company reported a weighted average combined ratio of 57.6%, as calculated by AM Best. Non-technical profits have been modest, reflecting the company’s conservative investment portfolio.

ONIX is a niche mono-line insurer that focuses on surety business in Italy and Spain. The company leverages its specialist expertise to compete against larger players.

Solvency II requirements are embedded within ONIX’s risk framework and the company’s Solvency II regulatory capital adequacy ratio is monitored against risk appetite levels approved by its board. The company’s risk management framework is evolving and its risk management capabilities are considered by AM Best to be below the company’s risk profile in some areas.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

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