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## FOR IMMEDIATE RELEASE

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### **AM Best Affirms Credit Ratings of Redbridge Insurance Company Limited**

**MEXICO CITY, June 10, 2021**—AM Best has affirmed the Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of “bbb” (Good) of Redbridge Insurance Company Limited (RICL) (St. James, Barbados). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect RICL’s balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management.

The ratings also reflect the company’s very strong risk-adjusted capitalization as of year-end 2019, as measured by Best’s Capital Adequacy Ratio (BCAR), sound business strategy and its experienced management team. Partially offsetting these positive rating factors are the small size of the company, and the competitive environment in which it operates, which could pressure future growth and underwriting performance.

RICL is an insurance and reinsurance company founded in December 2010, and is part of Redbridge Holding, Inc. (Redbridge Holding), a company specialized in the management of insurance and reinsurance. Most members of the management team have worked together for many years in developing and expanding RICL; consequently, the company has achieved significant growth in recent years. During 2020, a set of companies originally falling under Redbridge Holding were incorporated into the organizational structure of RICL. These companies provide their services primarily to RICL, further bolstering management’s commitment to expanding RICL.

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RICL's main line of business is health insurance, with a complete network of operations that has enabled growth in the Latin American and Caribbean markets. As of December 2020, health insurance composed 95% of RICL's portfolio, with the remaining 5% life insurance. The company is diversified geographically among 30 countries in the Caribbean and Latin America, with its largest concentration in Costa Rica (22%).

The improvement in RICL's risk-adjusted capitalization as of year-end 2019 was mainly a result of two USD 1 million capital contributions in 2019. During 2020, the projected risk-adjusted capitalization of the company reflects the incorporation of the new entities to the organization. Overall, the balance sheet appears strengthened after the consolidation, but it is still subject to volatility derived from the company's net business portfolio distribution and growth.

RICL's overall operating performance metrics have remained stable, with combined ratios close to the 100% threshold. In addition, RICL's prudent underwriting practices have maintained the loss ratio at stable levels. After the incorporation of the new entities into the organization, the cost-revenue structure of the company is expected to shift during 2020, according to the unaudited financials, improving the company's profitability and anticipating to continue this trend into projected years.

Positive rating actions could occur if the company's risk-adjusted capitalization further strengthens as a result of capital contributions, or from significant improvement in its bottom-line results. Negative rating actions could occur if premium growth or deteriorating underwriting results erode the company's capital base and reduce risk-adjusted capitalization to a level that no longer supports the ratings. Negative rating actions also could occur as a result of a material increase in RICL's holding company's operating leverage.

The methodology used in determining these ratings is Best's Credit Rating Methodology, which provides a comprehensive explanation of AM Best's rating process and contains the different rating criteria employed in the rating process. Best's Credit Rating Methodology can be found at [www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

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Key insurance criteria reports utilized:

- Evaluating Country Risk (Version Oct. 13, 2017)
- Understanding Universal BCAR (Version March 11, 2021)
- Available Capital & Holding Company Analysis (Version Oct. 13, 2017)
- Scoring and Assessing Innovation (Version March 5, 2020)

View a general description of the [policies and procedures](#) used to determine credit ratings. For information on the meaning of ratings, structure, voting and the committee process for determining the ratings and monitoring activities, please refer to [Guide to Best's Credit Ratings](#).

- Previous Rating Date: May 29, 2020
- Date Range of Financial Data Used: Dec. 31, 2014-Dec. 31, 2020

**This press release relates to rating(s) that have been published on AM Best's website. For additional 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.**

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