

Modernising Reinsurance for Asia and beyond

Peak Reinsurance Company Limited leverages Hong Kong's unique position to extend reinsurance covers to emerging societies.

Companies that specialise in reinsurance in Asia are rare, yet the eight-year-old Peak Reinsurance Company Limited (Peak Re) has successfully positioned itself as a professional global reinsurer with a root in Hong Kong.

Founded in 2012 with a vision to serve the needs of communities and emerging middle class through the provision of risk solutions and services, the company has fast expanded over the years to become the 29th largest global reinsurer in terms of net written premiums.

As this group continues to grow, Peak Re's portfolio also expands to cover risk exposure from more business lines and geographic regions.

The experience of Peak Re exemplifies the potential of Hong Kong enterprises that combine a talented team with global expertise, an ambition to deliver on its purpose and a commendable vision to supporting the needs of societies.

Reinsurance for the 21st century

The company has a diverse portfolio with more than two thirds of its business in Asia Pacific and nearly half in Property & Engineering reinsurance. "The unique approach of Peak Re reflects our focus on modernising reinsurance while supporting growth in Asia Pacific and beyond," explained Franz-Josef Hahn, CEO of Peak Re. "We use relevant technology and information to assess the risks and offer innovative solutions. This is illustrated in our unmatched claim settlement record: within the last few years, we settled 90 percent of claims within five days."

“
Hong Kong remains attractive to overseas talent.”

Franz Josef Hahn
 CEO
Peak Reinsurance Company Limited

Since its inception in 2012, Peak Re has evolved and reached numerous milestones. "Last June, Moody's assigned us a first-time A3 rating, and we were named Asian Reinsurer of the Year for the fifth time in a row at the Asian Banking and Finance Insurance Awards," said Hahn. "In October, we announced the successful issuance of US\$250 million of perpetual subordinated guaranteed capital securities at 5.35 percent—the first public capital instrument in perpetual hybrid format issued by a Hong Kong-based global reinsurer."

Hong Kong, as an international financial centre at the heart of Asia, offers unique advantages for Peak Re. "It has a large pool of talented risk-management professionals, top of the class financial infrastructure and supportive government policies," stated Hahn. "Because of the global nature of our business, it is necessary that we operate as a multicultural team with knowledge of different markets. In this regard, we have found that Hong Kong remains attractive to overseas talent."

Advantages offered by the Belt and Road Initiative

With Mainland China being a major market for Peak Re, the Belt and Road Initiative (BRI) is particularly relevant. "The initiative will underpin investment and infrastructural construction of multiple territories in the years to come," observed Hahn. "We believe Hong Kong is well positioned to help us capture BRI opportunities, and we are working to strengthen our franchise by improving our risk screening and business portfolio management. As a result, despite the Mainland's property insurance market slowing in 2019, we still managed to record a robust 15 percent growth in property premiums."

Further, the Hong Kong government has implemented various initiatives that are beneficial to Peak Re. These include the preferential treatment granted to Hong Kong based reinsurers in regard to capital requirement under the China Risk Oriented



Solvency System. This gives Peak Re an edge over international reinsurers. Hahn added: "The favourable tax rate at 8.25 percent further affords strong competitive advantage to Hong Kong based reinsurers."

After years of living in Hong Kong, Hahn admires the city's work ethic, "People in Hong Kong have a huge capacity to execute well and get things done, and this has been a major part of Peak Re's growth and success."

Peak Reinsurance Company Limited

- Headquartered in Hong Kong, Peak Re is a reinsurance company underwriting both life and non-life reinsurance business
- Its shareholders include Fosun International Limited and Prudential Financial, Inc.
- It ranks among the top 30 Global Reinsurance Groups in terms of net written premiums, according to S&P Top 40 Global Reinsurance Groups 2020

 www.peak-re.com