

## PT ASURANSI SINAR MAS (ASM)

Corporate rating *ir*AAA/Stable

Rated Issues -

Rating Period  
January 16, 2023 – February 1, 2024

“Insurance Company with *ir*AAA rating has the highest level of certainty to honor its financial obligations to policyholder. *ir*AAA is the highest rating for Insurance Company given by KRI.”

Rating History  
December 2021 *ir*AAA/Stable  
November 2020 *ir*AAA/Stable  
October 2019 *ir*AAA/Stable

### **Kredit Rating Indonesia (KRI) assigns a Financial Strength Rating of ‘*ir*AAA’ for PT Asuransi Sinar Mas (ASM or the Company) with “Stable” outlook.**

Kredit Rating Indonesia (KRI) assigns a Financial Strength Rating of ‘*ir*AAA’ for PT Asuransi Sinar Mas (ASM or the Company) with “Stable” outlook. The rating reflects ASM’s dominant market share in the industry, largest distribution channels and sound capitalization.

ASM is market leader in national’s general insurance industry as the Company is capable to capitalize its advantage as a member of Sinarmas Group by using the brand for marketing and securing niche market from sister-companies. As of 1H2022, the Company owned 12.5% of market share – the largest in the industry. ASM is owned by PT Sinar Mas Murtiarta Tbk (SMMA/*ir*AA) with 99.999% of ownership and PT Sinar Mas Multifinance (0.001%).

Established in 1985, ASM is a general national insurance company that has the largest distribution channel in Indonesia. As of 1H2022, the Company has 179 distribution offices throughout Indonesia. ASM has at least one distribution channel in every province and relatively dominant compare to peers in each area. Through its large distribution channel, the Company offers insurance of fire, vehicles, marine cargo, health, liability, and others.

In 1H2022, the Company recorded RBC ratio of 314%, consistently stayed at above 300% since 2018. KRI estimates that the capitalization of the company will remain above the minimum requirement of 120% based on regulations. ASM’s liquid assets in 2021 were higher by 1.16x than its technical reserves. ASM’s consolidated loss ratio of 88.1% was relatively lower compare to its peers.

Downward rating pressures can come from a material decrease of liquidity and market share position, which eroding the Company’s ability to mitigate risk from its underwriting and investment activities.

**ASM Financial Results Highlights (consolidated)**

As of/ for the years ended	June 2022 (Unaudited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)	Dec 2018 (Audited)
Total Assets (IDR, Bn)	52,252.6	47,706.6	44,790.1	44,577.6	39,097.3
Total Equity (IDR, Bn)	4,688.8	4,509.3	4,995.8	4,376.1	3,806.6
Investment exc.Cash (IDR, Bn)	23,869.0	23,300.4	37,675.59	40,789.15	35,566.49
Net Premium Written (IDR, Bn)	10,241.7	23,855.2	29,087.8	24,346.0	23,239.6
Net Claims (IDR, Bn)	9,026.4	23,361.8	26,115.1	25,895.5	22,267.7
Net Income After Tax (IDR, Bn)	137.4	187.8	892.9	757.8	556.9
ROAA (%)	0,5	0,4	2.0	1.8	1.6
Loss Ratio (%)	88.1	97.9	89.8	106.4	95.8
Net Premium Written/Equity (x)	4.4	5.3	5.8	5.6	6.1
Retention Ratio (%)	56.8	73.1	69.9	78.5	80.9
Equity/Total Assets (%)	9.0	9.5	11.2	9.8	9.7
Risk Based Capital; RBC (%)	313.2	302.2	499.6	431.6	403.8

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