

PT ASURANSI SIMAS JIWA (ASJ)

Financial Strength Rating *ii*AA+/Stable

Rated Issues -

Rating Period

May 20, 2024 – June 1, 2025

Rating History

December, 2022 *ii*AA+/Stable

May, 2021 *ii*AA+/Stable

“Insurance Company with *ii*AA rating has a very high level of certainty to honor the financial obligations to policyholder. There is, however, a slight difference in the rating scale with the highest qualification level of Insurance Company.”

The plus sign (+) indicates that the rating given is closer to the rating scale above it.

Kredit Rating Indonesia (KRI) has assigned a Financial Strength Rating of ‘*ii*AA+’ for PT Asuransi Simas Jiwa (ASJ or the Company) with “Stable” outlook.

The rating reflects ASJ’s strong presence in the industry and sound capitalization. The company’s relatively high loss ratio is also considered in rating assigned.

Established on 18 December 1995, PT Asuransi Simas Jiwa started its business activities with the initial name PT Asuransi Jiwa Mentari Mulia. Then it changed its name to PT Asuransi Simas Jiwa in 2015 with the current ownership portion of 99.9% by PT Asuransi Sinar mas (*ii*AAA) and 0.1% by PT Sinar Mas Multiartha Tbk (*ii*AA).

ASJ is one of market leaders in national’s life insurance industry. However, ASJ’s market position in the national life insurance industry has weakened. While it held the second-largest market share in 2022 with a 9.3% share and GWP of IDR13.9 trillion, its GWP fell significantly in 2023 to IDR7.3 trillion, resulting in a reduced market share of 4.6%. KRI is of the view that ASJ’s heavy reliance on unit-linked products, coupled with recent stricter regulations from OJK on these products, is a key challenge hindering customer acquisition within the industry, including ASJ. To address this, the insurer has strategically increased its production of traditional life insurance products by expanding its office network and hire more employees.

Downward rating pressures could arise from a sustained high loss ratio and declining market share, as these factors erode ASJ’s ability to mitigate risk through its underwriting and investment activities.

ASJ Financial Results Highlights

For the years ended	Dec 2023 (Audited)	Dec 2022 (Audited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Assets (IDR, Bn)	23,420.9	28,879.1	33,647.6	32,223.3	35,182.5
Total Equity (IDR, Bn)	1,358.7	1,250.3	1,105.9	1,066.9	936.4
Investment exc. Cash (IDR, Bn)	22,144.0	27,488.2	32,756.4	31,478.8	34,723.2
Net Premium Written (IDR, Bn)	7,291.7	13,879.4	17,863.8	20,227.6	16,671.2
Net Claims (IDR, Bn)	7,313.0	15,126.2	19,897.0	19,130.0	20,750.2
Net Income After Tax (IDR, Bn)	158.4	194.4	104.0	130.5	143.7
ROAA (%)	0.6	0.6	0.3	0.4	0.4
Loss Ratio (%)	100.3	109.0	111.4	94.6	124.5
Net Premium Written/Equity (x)	5.4	11.1	16.2	19.0	17.8
Retention Ratio (%)	99.8	99.9	100.0	100.0	99.9
Equity/Total Assets (%)	5.8	4.3	3.3	3.3	2.7
Risk Based Capital; RBC (%)	931.0	795.0	977.0	1,113.0	815.0

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