

PT Asuransi Jiwa Nasional

Financial Strength Rating *ii*BBB/Stable

Rated Issues -

Rating Period
February 27, 2023 – March 1, 2024Rating History
March, 2022 *ii*BBB/Stable

"Insurance Company with an *ii*BBB rating have an adequate level of certainty to honor the financial obligations to policyholder. However, this certainty is more likely to diminish in the future than the higher rating categories."

Kredit Rating Indonesia assigns '*ii*BBB' rating to PT Asuransi Jiwa Nasional with "Stable" outlook

Kredit Rating Indonesia (KRI) assigns a Financial Strength Rating of '*ii*BBB' for PT Asuransi Jiwa Nasional (ASJN or the Company) with "Stable" outlook. The rating reflects ASJN's sound capitalization and sufficient liquid assets to cover technical reserves. The rating is constrained by the company's relatively very small market share of GWP.

ASJN was established in 2017 and is based in Jakarta Pusat, Indonesia. PT Asuransi Jiwa Nasional is an Indonesian life insurance company. As of December 31, 2022, the shareholders of the Company were PT Nasional Investindo Perkasa (99%) and PT Bhakti Artha Global (1%).

ASJN's Risk Based Capital (RBC) ratio is decreasing, falling from 910% in FY18 to 307% in September 2022. The decline in RBC indicates that the Company's working capital is being efficiently employed, and we see that this ratio is sufficient to handle negative risk shocks. ASJN maintains a minimum RBC ratio that is double that of OJK (OJK: minimum 120%, ASJN: minimum 240%).

KRI sees that the Company's liquid assets are 1.85x higher than its technical reserves in September 2022. Thus, we believe the Company is liquid enough to cover sudden claims. ASJN's liquid assets to technical reserves ratio is higher than its peers as of September 2022.

ASJN began operations in 2017 and has been in the life insurance industry for roughly 5 years. ASJN's have a very limited market share in terms of gross written premium. ASJN's GWP market share has fluctuated from 0.027% to 0.089% over the last four years (FY18 - 3Q22).

We are of the view that the ratings are constrained by ASJN's very small market share which limits the development of company's size and the increasing loss ratio which erodes its ability to mitigate risk from its underwriting and investment activities.

ASJN Financial Results Highlights

As of/For the year ended	Sept 2022 (Unaudited)	Dec 2021 (Audited)	Dec 2020 (Audited)	Dec 2019 (Audited)
Total Assets (IDR, bn)	433.69	374.13	297.98	254.09
Total Equity (IDR, bn)	181.09	177.83	165.80	162.42
Investment exc. Cash (IDR, bn)	293.59	257.91	208.86	192.19
Net Premium Written (IDR, bn)	90.44	64.32	56.92	35.49
Net Claims (IDR, bn)	74.51	42.15	20.55	22.23
Net income After Tax (IDR, bn)	4.52	1.28	7.42	2.57
ROAA (%)	1.49	0.38	2.69	1.05
Loss Ratio (%)	82.39	101.10	66.01	70.29
Net Premium Written/Equity (x)	0.67	0.36	0.34	0.22
Retention Ratio (%)	80.47	83.90	75.04	70.03
Equity/Total Assets (%)	41.75	47.53	55.64	63.92
Risk Based Capital; RBC (%)	307.04	387.25	548.60	818.78

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