

Indonesia in focus

What's new in non-life

SEPTEMBER 2025 EDITION

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We are pleased to share our half-yearly newsletter focused on the non-life insurance market in Indonesia. This edition covers developments during the period from 1 January 2025 to 30 June 2025.

We trust you find this edition informative. As always, we look forward to receiving your feedback, questions or comments.



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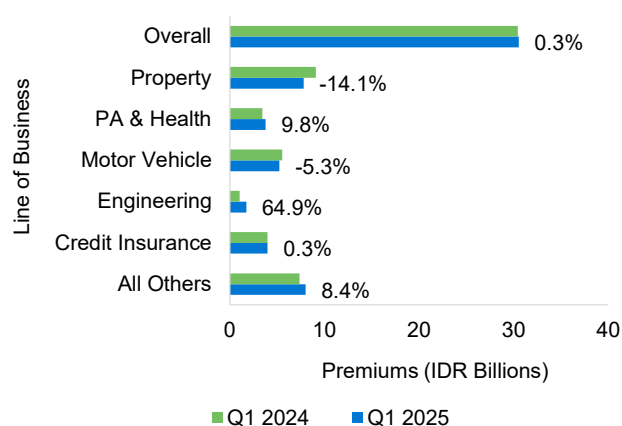


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Market performance

CONVENTIONAL INDUSTRY GROWTH FOR Q1 2025

GROSS WRITTEN PREMIUM (IDR BILLIONS) AND PERCENTAGE GROWTH (%)



Notes: (1) PA—Personal Accident. (2) Only the top five lines of business are shown individually in the chart above.

Source: General Insurance Association of Indonesia (AAUI)

YOY CONVENTIONAL GENERAL INSURANCE PERFORMANCE

FINANCIALS (IN IDR BILLIONS)	MAY 2024	MAY 2025	% CHANGE
GROSS WRITTEN PREMIUM	49,019	51,814	5.7%
NET EARNED PREMIUM	26,454	29,931	13.1%
OTHER UNDERWRITING INCOME	18	17	-5.5%
INVESTMENT INCOME	3,077	3,288	6.9%
TOTAL INCOME	29,549	33,237	12.5%
NET LOSS INCURRED	15,263	15,417	1.0%
OTHER UNDERWRITING EXPENSE	372	486	30.4%
OPERATIONAL EXPENSE	7,395	8,129	9.9%
NET COMMISSION	2,474	2,050	-17.1%
TOTAL EXPENSE	25,504	26,081	2.3%
UNDERWRITING PROFIT	4,045	7,156	76.9%
NET LOSS RATIO	57.7%	51.5%	-6.2%
EXPENSE RATIO (INCLUDING COMMISSION)	37.3%	34.0%	-3.3%
EXPENSE RATIO	28.0%	27.2%	-0.8%
NET COMMISSION RATIO	9.4%	6.8%	-2.5%
NET COMBINED RATIO	95.0%	85.5%	-9.5%

Source: Financial Services Authority (OJK)

- Overall premiums rose slightly by 0.3% year over year (YOY) in the first quarter of 2025. The overall increase was limited, as the growth seen in multiple sectors were offset by the decreases in Property and Motor Vehicle premiums, which represent the largest share of total premiums.
- The increase in Engineering premiums was mainly driven by a surge in infrastructure projects, particularly the continued development of the new National Capital City (IKN), supported by the allocation of additional fundings.
- Property insurance premiums declined by 14.1% in Q1 2025, as businesses purchased less comprehensive insurance amid global economic uncertainty. Insurers also tightened underwriting standards due to rising climate and disaster risks.
- The decrease in Motor Vehicle premiums is likely due to the decline in new vehicle sales. This trend reflects the broader weakening in public purchasing power, which may further reduce the demand for Motor Vehicle insurance coverage.
- Health insurance premiums continued to grow in 2025, driven by repricing initiatives to address persistent medical inflation. The increase in premiums was further supported by an increase in health claims, likely stemming from both higher patient volumes and increasing treatment costs. These repricing initiatives resulted in an improvement in loss ratios in Q1 2025.
- The conventional general insurance performance table indicates a significant improvement in underwriting profit with a YOY growth of 76.9%.
- The overall net combined ratio decreased, with both the loss ratio and expense ratio reducing.

Market news

NEW PRODUCTS

- PT Asuransi Umum BCA and PT Catur Sentosa Berhasil (ATRIA) have introduced ATRIA Protection, an insurance program that provides up to two years of coverage for furniture and mattresses purchased at ATRIA showrooms. The plan safeguards customers against accidental damage, liquid spills, fire, lightning, theft, riots, natural disasters and issues arising from self-assembly. The coverage is available to customers who pay with a BCA credit or debit card on an instalment plan and can be purchased at any of ATRIA's 28 showrooms nationwide.
- PT Zurich Asuransi Indonesia Tbk has partnered with PT Bank UOB Indonesia to launch Zurich U-Travel, a travel insurance program that provides comprehensive protection for both domestic and international flights. The policy covers personal accidents, medical emergencies (including COVID-19), travel delays, lost baggage, extreme weather, natural disasters and medical expenses up to IDR 2.5 billion. Customers can choose round-trip, one-way, in-progress (purchased within three days after leaving

Indonesia) or annual multi-trip coverage, and add extra protection for activities such as winter sports, adventure pursuits, cruise travel and visa requirements.

- PT Sampo Insurance Indonesia (Sampo Insurance) has launched a new scheme under its health insurance product, specifically designed for micro, small and medium enterprises (MSMEs). Offered under the name Healthcare+ Insurance, the scheme eliminates the waiting periods for several illnesses, which were previously six to 12 months. This waiver applies where the annual premium is at least IDR 50 million or the MSME has at least 10 employees. This initiative aims to improve access to private health insurance for MSMEs and complements the existing coverage provided by BPJS Kesehatan.
- Lifepal, an online insurance marketplace and broker, has introduced a new set of prepackaged employee health insurance products aimed at small and medium-sized enterprises (SMEs). This development adds to its existing employee benefits offerings by focusing on simpler and faster processes for smaller businesses. The products are provided in collaboration with five insurers: PT Asuransi Sinar Mas, PT Asuransi AIA Indonesia, PT Chubb Life Insurance Indonesia, PT AXA Insurance Indonesia and PT Roojai Insurance Agent (Roojai). The collaboration allows SMEs to access a variety of coverage and pricing options. Businesses can start by completing an online form on the Lifepal website, after which the employee benefits team will follow up to assist with plan selection and purchase.
- PT BRI Asuransi Indonesia (BRINS) has introduced a set of microinsurance products aimed at MSMEs, particularly those participating in the Permodalan Nasional Madani Membina Ekonomi Keluarga Sejahtera (PNM Mekaar) program. The products, Asuransi Mikro Kerusakan Tempat Usaha (KTU), Rumahku and Proteksiku, are offered with annual premiums starting from IDR 10,000. KTU provides a benefit of IDR 5 million to support business recovery following property damage. Rumahku offers coverage up to IDR 15 million for fire-related losses and a death benefit of IDR 5 million in the event of fire-related fatalities. Proteksiku includes compensation of IDR 25 million for death or permanent disability due to accidents, up to IDR 2.5 million for surgery, daily inpatient benefits of IDR 150,000 for up to 10 consecutive days per year and fire-related compensation of IDR 3 million. These products are accessible through BRILink agents and the BRINS mobile app.
- PT Asuransi Jasa Indonesia (Jasindo) has introduced two government-supported agricultural insurance products aimed at strengthening national food security: Asuransi Usaha Tani Padi (AUTP) and Asuransi Usaha Ternak Sapi/Kerbau (AUTSK). Both products feature a 20% premium contribution from farmers, with the remaining

80% funded by the government. AUTP provides protection for rice farmers against crop failure caused by floods, drought, pests or plant diseases. Premiums are set at 3% of the total farming capital per planting season, claims apply when at least 75% of the crop is damaged, and payouts cover 100% of the initial farming investment. AUTSK insures cattle and buffalo farmers against losses due to calving-related deaths, diseases, accidents or theft. The annual premium is IDR 200,000 per animal, with compensation up to IDR 10 million per case. To be eligible, livestock must be at least one year old, have clear identification (microchip, ear tag or neck tag), be declared healthy by a veterinarian and owned by a breeder who pays the subsidized premium.

DISTRIBUTION CHANNEL

- PT Asuransi Tri Pakarta (TRIPA) has partnered with PT Bank Pembangunan Daerah Kalimantan Selatan (Bank Kalsel) to offer bancassurance services based on a referral business model. Bank Kalsel customers will now have access to insurance protection through a process that is integrated with their banking services. This model provides convenience in obtaining insurance coverage via referrals from the bank to TRIPA.
- PT Asuransi Umum Mega (Mega Insurance) has partnered with PT Bank Pembangunan Daerah Papua (Bank Papua) to provide insurance products for heavy equipment, property and motor vehicles. The collaboration uses a bancassurance referral model, where Bank Papua refers Mega Insurance's products to its clients. The partnership aims to extend insurance access to support both business and personal asset protection by utilizing Bank Papua's customer network.

INSURTECH

- Roojai has launched Asuransi Karyawan HealthCare+, a health insurance product specifically designed for SMEs in Indonesia, with a minimum of three participants. Supported by Sampo Insurance, this product offers customizable benefits, including inpatient, outpatient, dental and maternity care. Companies can also choose options to help reduce premiums, such as deductibles, copayments for outpatient and dental care, sub-limits for certain diseases and select plans with or without a waiting period. Claims for Asuransi Karyawan HealthCare+ can be made cashless at more than 2,000 partner hospitals or through a reimbursement process at non-partner hospitals.
- Igloo has unveiled Igloo Tech Solutions, a modular suite of digital tools designed to streamline insurance operations across Southeast Asia. The portfolio comprises Igloo Agent, Igloo Partner, Igloo Consumer, Turbo and integrated claims and administration modules. Developed and refined over the past five

years, these solutions are already deployed individually by more than 75 insurers and brands across multiple distribution channels. By consolidating them on a single platform, Igloo is further enhancing the suite with artificial intelligence capabilities such as guided claims processing and fraud detection.

- Igloo has partnered with PT Akulaku Silvr Indonesia (Akulaku), the marketplace platform of the Akulaku Group, to introduce gadget protection services for Akulaku users. This program is provided by PT Victoria Insurance, and protects against various risks such as gadget repair and replacement, with premiums starting from IDR 29,000. The plan covers 95% of the total repair and replacement costs, up to a maximum benefit of IDR 30 million. With a coverage period of one year, consumers can file up to two repair claims and one replacement claim for their gadgets, including mobile phones, tablets and PCs. Customers can purchase this protection when purchasing the gadgets through Akulaku, and claims can be submitted through the Akulaku application or by contacting customer service.
- Jasindo has partnered with House of Metamorfis (HOM) and Igloo to launch Indonesia's first digital-based PA insurance, specifically designed for members of HOM Fitness Center and HOM Kids Academy. This insurance provides coverage for accidental death and medical expenses while members are active at HOM facilities. With support from Igloo, the product offers electronic policy delivery and digital claims processing services.
- PT Fokus Solusi Proteksi (Cermati Protect), an insurtech company, has launched a comprehensive gadget protection program to mark the official arrival of the iPhone 16 series in Indonesia. The program is available free of charge to all iPhone 16 series buyers at partner stores under PT Global Danapati Niaga. Cermati Protect provides up to 24 months of free coverage for the iPhone 16 Pro and iPhone 16 Pro Max, while purchases of the iPhone 16, iPhone 16e and iPhone 16 Plus receive 12 months of protection. This coverage extends beyond the standard Apple warranty, including protection against liquid damage, loss due to theft and burglary, and damage caused by riots or natural disasters. To activate the protection, users simply scan the QR code on the iPhone 16 series product packaging and complete the registration process by providing details such as the IMEI number, name and proof of purchase within 30 days from the date of purchase.
- Cermati Protect has partnered with PT Day Trans (DayTrans), an intercity land transportation and delivery service provider, to introduce two travel insurance products: Cancellation insurance and Misconnecting insurance. Cancellation insurance provides compensation of up to 75% of the ticket price if a trip is cancelled for any reason at least six hours after purchase and no later than six hours before departure. Misconnecting insurance offers

compensation of up to 50% of the ticket price if a passenger cannot continue the next scheduled trip due to a delay of at least one hour caused by DayTrans. Both insurance products can be purchased through the DayTrans website, application or counters, and approved claims are processed within seven days.

OTHER INSURER INITIATIVES

- PT Lippo General Insurance Tbk (LGI) has launched MyPro+, a digital platform that enables users to purchase and manage a variety of insurance products via a mobile app. The app uses artificial intelligence and digital risk surveys, where users submit photos and information about their vehicles, allowing policies to be issued instantly without a physical inspection. MyPro+ offers several types of insurance, including health (inpatient and outpatient), travel, motor vehicle, PA and home insurance. The platform allows users to purchase, renew, update and monitor their policies in real time, with product recommendations tailored to their profiles.
- LGI has launched MyGo+, a telematics-based app aimed at promoting safer driving habits for all drivers, not just LGI policyholders. MyGo+ analyses driving data such as travel distance and acceleration patterns to generate driving scores, offering features like driving behaviour analysis and monthly driving challenges to encourage responsible driving. Users earn reward points for safe driving, which can be redeemed for vouchers and other benefits, while those who purchase LGI insurance products through the app can access further discounts.
- PT Asuransi Astra Buana (Asuransi Astra) is collaborating with sole authorized agents to ensure greater certainty regarding spare part availability, repair timelines and related matters for its motor vehicle insurance product, Garda Oto. Currently, Garda Oto has established a partnership with Hyundai as part of this initiative. Through this collaboration, Garda Oto reaffirms its commitment to providing insurance protection for electric vehicle owners, as long as their vehicles remain in standard factory condition. Incidents involving vehicles that catch fire or experience technical issues will also be covered according to policy terms, and components may be covered by the sole authorized agent if they are still under warranty.
- Garda Oto has also launched Virtual Survey, a new feature in the myGarda application. This service enables customers to conduct vehicle surveys online via video call with a surveyor. If the claim is approved and all documents are complete, a work order is issued on the same day, allowing customers to proceed directly to an Asuransi Astra partner workshop for repairs. Customers can also monitor the status of their claim and track repair progress through the app. Virtual Survey is designed to simplify the claims process, particularly for customers in areas with limited access.

- Lifepal has partnered with Oona Insurance Indonesia to offer motor vehicle insurance through its platform, aiming to provide more users with optimal vehicle protection and expand the selection of motor vehicle insurance options available. Premiums start at IDR 1.9 million per year, with choices including Total Loss Only (TLO) and comprehensive coverages. Users can also add riders for third-party liability and personal accident protection for drivers and passengers, as well as coverage for riots, terrorism, natural disasters and medical expenses up to 10% of personal accident limit.
- PT Asuransi Perisai Listrik Nasional (PLN Insurance) has signed a cooperation agreement with hospitals managed by the Ministry of Health. Through this partnership, 38 government-owned hospitals under the Ministry of Health across Indonesia will now accept PLN Insurance for patient services. This initiative aims to expand access, enabling these hospitals to serve all PLN employees and PLN Insurance customers throughout Indonesia.
- PT Asuransi Kredit Indonesia (Askrindo) has partnered with Perum Perhutani West Java and Banten to provide PA insurance for tourists at 73 Perhutani-owned tourist locations. Every visitor who purchases an entrance ticket automatically receives PA insurance, offering coverage ranging from IDR 23 million to IDR 25 million. The insurance covers medical expenses, permanent disability and the risk of death, ensuring greater protection for tourists during their visit.
- Askrindo has also partnered with PT Sumber Alfaria Trijaya Tbk (Alfamart) to launch a business protection program for 10,000 Alfamart MSME partners across Indonesia. The program offers insurance coverage with a total sum insured of up to IDR 50 billion, designed to help anticipate the risks of workplace accidents and fire. The protection also extends to employees, providing compensation benefits in the event of accident or death.
- Askrindo has partnered with PT Bahana Security Sistem (BSS Parking) in Makassar to offer public liability insurance, providing protection against claims from third parties for injuries or property damage related to BSS Parking's operations. This collaboration aims to enhance safety and financial security in public parking areas across the rapidly growing city. The partnership supports Askrindo's expansion into non-credit insurance products and plans to extend similar coverage to other cities.
- Warranty Solution International has partnered with PT Asuransi Cakrawala Proteksi Indonesia to launch Perlindungan Asuransi Bermotor, a motor vehicle insurance program designed to protect vehicle owners not only from accident risks and theft but also from unexpected technical problems. The program offers comprehensive coverage and includes additional benefits such as 24-hour roadside assistance, providing emergency services like towing, tire replacement and battery jump starts.

MERGERS AND ACQUISITIONS (M&A)

- LGI announced that one of its majority shareholders, PT Hanwha Life Insurance Indonesia, has signed a share sale and purchase agreement to sell a 46.6% stake in LGI to Hanwha General Insurance Co. Ltd (HGI). Through this transaction, HGI's ownership in LGI will increase from 14.9% to 61.5%.

KEY APPOINTMENTS

- PT Asuransi Tugu Pratama Indonesia Tbk has appointed Adi Pramana as its new president director.
- Igloo has appointed Sasitharan Krishnan as its new chief distribution officer.

REGULATORY UPDATES

- OJK has officially revoked the business license of PT Berdikari Insurance (Berdikari Insurance) in the general insurance sector, as stated in letter KEP-11/D.05/2025 dated 17 January 2025. As a result, Berdikari Insurance is prohibited from conducting any business activities in the general insurance sector and is required to fulfill all obligations in accordance with applicable regulations. These obligations include preparing and submitting a closing balance sheet to OJK, as well as organizing a general meeting of shareholders to determine the dissolution of the legal entity within the specified time frame.
- OJK issued SEOJK No. 7/SEOJK.05/2025, effective 1 January 2026, introducing two main changes for health insurance companies. First, insurers must have an internal medical advisory board made up of specialist doctors to provide clinical guidance and evaluate medical practices and service utilisation. Second, policyholders are required to pay part of their medical costs through a copayment system, covering at least 10% of each claim up to a limit of IDR 300,000 for outpatient care and IDR 3 million for inpatient care. This aims to help control costs and medical inflation. The regulation does not apply to government health programs under BPJS-JKN (National Health Programme). However, as of the date of release of this newsletter, OJK has officially postponed the implementation of this regulation until a more comprehensive legal framework (POJK) is established. This postponement was made to give more time for further review and wider stakeholder consultation, and ensure the policy can be more carefully considered and fair for all stakeholders.

OTHER SYARIAH UPDATES

- PT Zurich General Takaful Indonesia has partnered with PT Bank OCBC NISP Tbk (OCBC Syariah) to distribute syariah-compliant insurance products to individual and corporate customers. The products, available through OCBC Syariah branches nationwide, cover vehicles, fire, heavy equipment, machinery breakdown and property all-risk. They operate under the mutual-help

(ta'awun) principle, whereby a portion of each contribution funds designated social programs, and participants who do not file claims may be eligible for surplus returns. The collaboration is intended to expand access to syariah insurance and provide asset-protection solutions that align with Islamic guidelines.

- PT Asuransi Umum Mega Unit Usaha Syariah has partnered with PT Aman Jelajah International to launch Mega Travel Syariah, a syariah-compliant travel insurance product. The plan provides protection for a range of travel-related risks such as flight delays and lost baggage, and includes coverage for Umrah and Hajj trips. This product is designed to meet the growing demand for syariah-based insurance solutions in Indonesia.

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