

Axinan Labuan Receives Good Rating

Philippine Rating Services Corporation (PhilRatings) has assigned a financial strength rating of **PRS Baa plus**, with a **Stable Outlook**, to Axinan Labuan Limited (Axinan). Axinan, which has a general insurance and reinsurance license from the Labuan¹ Financial Services Authority (LFSA), is a subsidiary of Axinan Pte. Ltd. The latter operates under the brand Igloo and is one of Southeast Asia’s established digital insurance firms.

An insurer rated PRS Baa has **good** financial security characteristics but is more likely to be affected by adverse business conditions compared to higher-rated insurance companies. An insurance company rated PRS Baa or lower is in the vulnerable range and is regarded as having vulnerable characteristics that may outweigh its strengths. A PRS Baa rating is nevertheless considered an **investment grade** credit rating. The “plus” further qualifies the assigned rating. On the other hand, a **Stable Outlook** indicates that the rating is likely to be maintained or to remain unchanged in the next twelve months.

The assigned financial strength rating and Outlook take into account Axinan’s: strong support from its regional insurtech Parent, which counterbalances the Company’s limited operating history and relatively small size; its experienced and tech-driven management; satisfactory capitalization, considering the size and risk profile of the Company’s business; and conservative investment portfolio.

PhilRatings based its assessment on available information and projections at the time that the rating review was performed. PhilRatings shall continuously monitor developments relating to Axinan and may change the rating and Outlook at any time, should circumstances warrant a change.

Axinan is considered a fairly young company, having been incorporated in July 2019, and is considered moderately-sized. Its operating model is firmly anchored on the scale, technology capabilities, and cemented partnerships of the Igloo Group. Singapore-based Igloo primarily focuses on embedded insurance products and specializes on leveraging technology to create tailored, end-to-end insurance solutions. Through Igloo’s network of close to 100 partners across six Southeast Asean markets, which includes leading e-commerce, e-wallet, and consumer finance companies, among others, the Company gains access to a captive pipeline of digital insurance and embedded protection products across high-volume e-commerce and fintech ecosystems. This structure is supportive of a steady business flow.

At present, bulk of Axinan’s premiums come from direct insurance written with its Parent as policyholder, while the remainder is generated through reinsurance opportunities originating from the Igloo Group’s platform relationships. Regarding its product lines, the Company currently has three: Cargo, Personal Accident, and Liability. Axinan’s product lines have shown some degree of diversification since the Company started. The growing presence of the Igloo Group in the Philippines is expected to further support Axinan’s expansion prospects over the medium term.

¹ Labuan is a federal territory of Malaysia that serves as an offshore financial center (OFC).

Beyond business sourcing, the Igloo Group provides operational assistance to the Company. Core functions such as product development, technology integration, pricing, and regional business development are centrally managed at the Group level. Axinan also benefits from the leadership of senior Igloo officers who have solid experience in insurance, reinsurance, actuarial science, and technology-driven platforms. Wei Zhu, the Company's Principal Officer, has more than two decades of experience in digital engineering from his positions at Grab and Facebook. Director and Group Chief Executive Officer (CEO) Raunak Mehta has led the Igloo Group's expansion across Southeast Asia. He previously held roles at Zalora, Flipkart, and Publicis Groupe, where he managed regional operations, partnerships, and business strategy. Dr. Jack Xia Bingxing, who previously worked with Munich Re, oversees actuarial work and regulatory compliance.

These operational strengths are backed by a capital base that has grown steadily since Axinan began operations. Equity increased from \$2.4 million in 2020 to \$3.0 million in 2024 through consistent earnings retention, and further went up to \$3.4 million as of end-September 2025. Equity levels were also sufficiently above the capital needed to support the Company's small-limit, short-duration portfolio of digital insurance and reinsurance products. PhilRatings notes that the Company remains fully equity-funded, with no outstanding debt. In addition, Axinan maintains a modest level of loss reserves that is aligned with the characteristics of its business.

In view of the scale of its capital base, the Company notably has a conservative placement strategy for its investment portfolio, with funds held entirely in cash and time deposits. Year-end cash and bank balances averaged at \$2.5 million from 2020 to 2024, increasing to \$2.9 million as of end-September 2025. Investment income, meanwhile, substantially rose to \$66.7 thousand in 2024, following higher deposit rates.