

Corporate Credit Rating

New Update

Sector: Insurance (Non-Life)

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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A- (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Negative	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

* Assigned by JCR on Aug 18, 2022

Quick Sigorta Anonim Şirketi

JCR Eurasia Rating has evaluated "Quick Sigorta Anonim Şirketi" in the investment level category and revised the Long-Term National Issuer Credit Rating from 'BBB- (tr)' to 'A- (tr)' and Short-Term National Issuer Credit Rating from 'J2 (tr)' to 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Negative', as parallel to international ratings and outlooks of Republic of Türkiye.

Quick Sigorta Anonim Şirketi (hereinafter referred to as "Quick Sigorta" or "the Company") was established as Erdemoğlu Sigorta A.Ş. in 2015 and was renamed as Quick Sigorta A.Ş. in 2016. The Company carries out its activities in accordance with the principles determined by the Insurance Law No. 5684. The Company was granted its operating licenses on April 6, 2017 and started its insurance activities as of May 12, 2017.

Quick Sigorta carries out insurance activities in non-life branches and holds licenses in all non-life insurance branches except the nuclear energy sub-branch of the fire and natural disasters branch, and the credit, legal protection and support branches. Quick Sigorta's market share in the non-life insurance sector is 3.93% as of 1H2023 (FY2022: 3.32%).

Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Strong increase in market share with the rise in premium production,
- Combined ratio affecting technical profitability below the sector average in 1H2023,
- Strong capital structure supported by internal resources,
- Diversification of risks and strengthening of the financial structure by investing the collected premiums,
- Capability to transfer the risk to internationally recognized reinsurers in a certain extent,
- Existence of Maher Holding A.Ş. as shareholder and the synergy created within the Group.

Constraints

- Upward trend in loss premium ratio as a result of increased losses due to high CPI level in the last three-year period despite decreasing in 1H2023,
- Sectorial concentration still on auto branch despite strengthened revenue diversification,
- Risks such as cyber risk, climate change risk and legal regulations effecting the insurance industry,
- Leading economic indicators signal global economic slowdown as quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been revised from 'BBB- (tr)' to 'A- (tr)'. Taking into account the Company's market position, premium generation capacity, prudent financial structure, experienced and qualified management team, capital adequacy, regulations of authority as well as, geopolitical risks-driven uncertainties have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. An achievement of budget targets of the Company, loss premium ratio, combined ratio, technical profit margins and regulations, as well as market conditions regarding the sector will be closely monitored by JCR Eurasia Rating in the upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.

