

Corporate Credit Rating

New Update

Sector: Insurance

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

* Assigned by JCR on May 10, 2024

QUICK SİGORTA A.Ş.

JCR Eurasia Rating, has evaluated "Quick Sigorta A.Ş." in the investment-level category with high credit quality and revised the Long-Term National Issuer Credit Rating to 'A (tr)' from 'A- (tr)' and affirmed the Short-Term National Issuer Credit Rating at '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/Stable' in line with sovereign 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 branches. Quick Sigorta's market share in the non-life insurance sector is 4.73% as of FY2023 (FY2022: 3.32%).

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

Strengths

- Continuously expanding market share at the non-life segment along with the solid growth trend in premium production during the last two year-ends,
- Successfully fulfilling the legal requirement for capital adequacy,
- Diversification of risks and strengthening of the financial structure by investing the collected premiums,
- Capability to transfer the risk to internationally recognized reinsurers to a certain extent,
- Enhanced practice of corporate governance principles thanks to IPO process,
- Existence of Maher Holding A.Ş. as shareholder and the synergy created within the Group.

Constraints

- Combined ratio and loss premium ratio above the sector averages, despite improvement in FY2023, affecting technical profitability in the last two year-ends,
- Potential regulatory changes and catastrophic events may pose industry-wide risk,
- Sectorial concentration still on auto branch despite strengthened revenue diversification,
- In the shadow of geopolitical risks, leading economic indicators point to continued weakness in global demand conditions, whereas actions for a soft-landing are at the forefront.

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been revised to 'A (tr)'. The Company's market position, premium production supporting sustainable profitability, high-level reinsurance agreements enabling effective risk distribution, Group structure, sufficient capital adequacy ratios, material contribution of investment income, ongoing IPO process as well as combined and loss ratios standing above the sector averages, the potential impacts of catastrophic risk in extraordinary circumstances and the effect of intense competition on pricing policy 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'. The Company's market share, profitability and the premium production capacity together with the main financial indicators, potential changes in the regulatory environment besides effects of any possible catastrophic cases will be closely monitored by JCR Eurasia Rating in 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.

