

## FOR IMMEDIATE RELEASE

**CONTACTS: Juan Pablo Castro**  
Associate Financial Analyst  
+52 55 1102 2720, ext. 133  
[juanpablo.castro@ambest.com](mailto:juanpablo.castro@ambest.com)

**Eli Sanchez**  
Director, Analytics  
+52 55 1102 2720, ext. 122  
[eli.sanchez@ambest.com](mailto:eli.sanchez@ambest.com)

**Christopher Sharkey**  
Associate Director, Public Relations  
+1 908 882 2310  
[christopher.sharkey@ambest.com](mailto:christopher.sharkey@ambest.com)

**Al Slavin**  
Senior Public Relations Specialist  
+1 908 882 2318  
[al.slavin@ambest.com](mailto:al.slavin@ambest.com)

### **AM Best Affirms Credit Ratings of General de Salud, Compañía de Seguros, S.A.**

**MEXICO CITY, November 8, 2024**—AM Best has affirmed the Financial Strength Rating of A- (Excellent), the Long-Term Issuer Credit Rating of “a-” (Excellent) and the Mexico National Scale Rating (NSR) of “aaa.MX” (Exceptional) of General de Salud, Compañía de Seguros, S.A. (Gsalud) (Mexico City, Mexico). The outlook of these Credit Ratings (ratings) is negative.

The ratings reflect Gsalud’s balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management (ERM).

Gsalud’s balance sheet strength is supported by its risk-adjusted capitalization at the strong level, as measured by Best’s Capital Adequacy Ratio (BCAR). The ratings also recognize Gsalud’s affiliation and strategic importance to its ultimate parent, Peña Verde, S.A.B., the leading group in Mexico’s insurance and reinsurance industries, which provides synergies and operating efficiencies. Offsetting these positive rating factors is Gsalud’s concentration in a single line of business in Mexico’s highly competitive health insurance market.

Gsalud is a fully owned subsidiary of General de Seguros, S.A. (Genseg) and is focused solely on health insurance. The company provides products mainly in the individual and collective health segments, as well as for major medical expenses. Gsalud has used the same distribution channels as Genseg, which involves agents, brokers and commercial offices.

Gsalud’s strong level of risk-adjusted capitalization, as measured by BCAR, is expected to be

—MORE—

—2—

strengthened in the following years due to the exercise of a capital contribution of MXN 50 million in the first half of 2024, and an already approved additional contribution for the same amount that will be performed during the last quarter of the year. Historically, the company's strong underwriting practices have resulted in positive technical performance with no dependence on investment revenue to achieve positive bottom-line results. However, since 2021, the combined ratios have stood above the 100% threshold, influenced by high loss ratios, producing negative bottom-line results. Gsalud deployed a strategy in 2024 focused on recovering profitability by strengthening underwriting, containing claims and enhancing business operations. As of September 2024, the company has achieved premium sufficiency levels driven by significant revenue from ceded premium commission, and positive net income reinforced by investment income. Additionally, AM Best will continue to monitor the relevance of investment income for the company's net result.

The company benefits from being integrated into the Peña Verde, S.A.B. group, gaining operational advantage through common systems, procedures and ERM practices.

Gsalud continues with its comprehensive transformation project, which includes implementing a new core system, pricing and risk-assessment tools, digital platforms and products for agents and policyholders, as part of its strategy to strengthen its underwriting practices and increase market scope.

The negative outlooks reflect Gsalud's recent negative trend in operating performance, despite the company's efforts to improve its underwriting.

Negative rating actions could take place if the negative trend in operating performance is not reversed by Gsalud's efforts to improve underwriting or by any deterioration in risk-adjusted capitalization either by higher risk undertakings or depletion of its capital base. Conversely, positive rating actions are not expected in the medium term; however, the balance sheet assessment could benefit from a revised risk appetite and growing capital base.

—MORE—

—3—

The methodology used in determining these ratings is [Best's Credit Rating Methodology](#) (Version Aug. 29, 2024), which provides a comprehensive explanation of AM Best's rating process and contains the different rating criteria employed in the rating process. Best's Credit Rating Methodology can be found at [www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

Key insurance criteria reports utilized:

- Evaluating Country Risk (Version June 6, 2024)
- Understanding Global BCAR (Version Aug. 1, 2024)
- Available Capital and Insurance Holding Company Analysis (Version Aug. 15, 2024)
- Best's National Scale Ratings (Version May 16, 2024)
- Scoring and Assessing Innovation (Version Feb. 27, 2023)

View a general description of the [policies and procedures](#) used to determine credit ratings. For information on the meaning of ratings, structure, voting and the committee process for determining the ratings and monitoring activities, relevant sources of information and the frequency for updating ratings, please refer to [Guide to Best's Credit Ratings](#).

- Previous Rating Date: Dec. 8, 2023
- Initial Rating Date: Nov. 30, 2016
- Date Range of Financial Data Used: Dec. 31, 2019-Sept. 30, 2024

**Ratings are communicated to rated entities prior to publication. Unless stated otherwise, the ratings were not amended subsequent to that communication.**

**This press release relates to rating(s) that have been published on AM Best's website. For additional rating information relating to the release and pertinent disclosures, including details of the office**

—MORE—

—4—

responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page.

If the ratings referred in this press release do not indicate a specific country suffix, it is understood that they are granted globally and not on a national scale.

AM Best does not validate or certify the information provided by the client in order to issue a credit rating.

While the information obtained from the material source(s) is believed to be reliable, its accuracy is not guaranteed. AM Best does not audit the company's financial records or statements, or otherwise independently verify the accuracy and reliability of the information; therefore, AM Best cannot attest as to the accuracy of the information provided.

AM Best's credit ratings are independent and objective opinions, not statements of fact. AM Best is not an Investment Advisor, does not offer investment advice of any kind, nor does the company or its Ratings Analysts offer any form of structuring or financial advice. AM Best's credit opinions are not recommendations to buy, sell or hold securities, or to make any other investment decisions. View our [entire notice](#) for complete details.

AM Best receives compensation for interactive rating services provided to organizations that it rates. AM Best may also receive compensation from rated entities for non-rating related services or products offered by AM Best. AM Best does not offer consulting or advisory services. AM Best keeps certain activities of its business units separate from each other to preserve the independence and objectivity of their respective activities. As a result, certain business units of AM Best may have information that is not available to other AM Best business units. AM Best has established policies and procedures to maintain the confidentiality of certain confidential (non-public) information received in connection with each analytical

—MORE—

—5—

process. For more information regarding AM Best's rating process, including handling of confidential (non-public) information, independence, and avoidance of conflicts of interest, please read the [AM Best Code of Conduct](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City. For more information, visit [www.ambest.com](http://www.ambest.com).

Copyright © 2024 by A.M. Best Rating Services, Inc. and/or its affiliates. ALL RIGHTS RESERVED.

####