



BTA Baltic Insurance Company AAS

PUBLIC QUARTERLY REPORT 4TH QUARTER 2022

This Report is prepared in accordance with the Financial and Capital Market Commission Regulations No. 128 "Regulations on Preparation of Public Quarterly Reports of the Insurers" of 11 August 2020.

The Report includes the summarized information
on the Company's activity over the period
from January 1st until December 31st 2022

Company information

Name of the Company	BTA Baltic Insurance Company		
Legal status	Insurance Joint Stock Company		
Number, place and date of registration	40103840140, registered in Riga, Latvia on 28 October 2014		
Address	Sporta 11, Riga, Latvia, LV-1013		
Members of the Board and their positions	Wolfgang Stockmeyer – Chairman of the Management Board Oskars Hartmanis – Deputy Chairman of the Management Board Evija Matveja – Member of the Management Board Tadeuš Podvorski – Member of the Management Board		
Members of the Council and their positions	Harald Riener – Chairman of the Council Gabor Lehel – Deputy Chairman of the Council Franz Fuchs – Deputy Chairman of the Council Jan Bogutyn – Member of the Council		
Reporting Period	01.01.2022 – 30.09.2022		
Shareholder structure at the end of reporting period	Shareholder	Number of shares	% of the share capital
	VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	516 094	100%
	Total:	516 094	100%
Face value of one share	EUR 100.00		
Subscribed share capital	EUR 51 609 400		
Paid-up share capital	EUR 51 609 400		
Foreign branches	Lithuania, Estonia		

Balance Sheet

Item	At the end of the Reporting Period, EUR	At the end of the Previous Reporting Year, EUR
Tangible assets	2 329 168	2 679 148
Investments in land lots and buildings	4 417 805	5 686 866
Intangible assets	6 651 690	4 198 483
Investments in share capital of related companies	20 491 180	17 341 180
Investments in share capital of associated companies	-	-
Classified as financial assets at fair value through profit and loss	-	1 360 409
Classified as financial assets at fair value through other comprehensive income	233 123 387	223 513 482
Classified as financial assets at amortized cost	85 545 918	76 067 815
Accrued income and deferred expenses	15 679 549	13 421 239
Tax assets	201 820	249 989
Ceded reinsurance and retrocession contracts	83 004 536	79 903 691
Cash on hand and claims on demand on credit institutions	12 894 201	9 831 096
Total assets	464 339 254	434 253 398
Capital and reserves	53 933 833	65 767 877
Insurance and reinsurance liabilities	320 860 343	305 886 755
Classified as financial liabilities at fair value through profit and loss	-	-
Financial liabilities at amortized cost	80 215 497	54 075 957
Provisions	2 476 826	3 542 370
Tax liabilities	382 366	798 144
Accrued expenses and deferred income	6 470 389	4 182 295
Total liabilities	410 405 421	368 485 521
Total capital and reserves, and liabilities	464 339 254	434 253 398

Income Statement

Item	For the Reporting Period, EUR	For the Respective Period of the Previous Reporting Year, EUR
Earned premiums	187 235 852	158 138 738
Other technical income, net	1 422 709	573 663
Incurred claims, net	(125 966 021)	(111 592 194)
Changes in life insurance technical reserves	-	-
Changes in other technical reserves	-	-
Gratuities, net	-	-
Net operating expenses	(49 445 263)	(35 823 397)
Other technical expenses, net	(450 364)	(271 519)
Changes in equalization reserves	-	-
Investment management expenses/income and commission payments	(570 458)	(1 667 943)
Net interest income and dividend income	1 686 331	2 629 011
Net profit/loss from derecognition of the financial assets and financial liabilities not classified at fair value through profit and loss	-	-
Net profit/loss from the financial assets and financial liabilities classified at fair value through profit and loss	572 210	715 320
Revaluation result of foreign currencies	(52 420)	214 940
Profit/loss from derecognition of tangible assets, investments in buildings for ensuring own activities, investments in property and intangible assets	312 967	717 340
Depreciation	(4 212 632)	(4 053 608)
Impairment losses	-	-
Negative goodwill	-	-
Net profit/loss from investments in subsidiaries and participations recognized using equity method	-	-
Profit/loss for the reporting period before profit tax	10 532 911	9 580 351
Profit tax	(1 229 807)	(1 294 842)
Profit/loss for the reporting period	9 303 104	8 285 509
Other comprehensive income	(26 992 852)	(4 411 818)

Gross Written Premiums, Gross Claims paid and Net operating expenses by type of insurance, EUR



	Gross Premiums Written					Gross Claims Paid					Net operating expenses
	Total	for agreements signed		for agreements signed in EU		Total	for agreements signed		for agreements signed in EU		
		in Latvia	incl. agreements signed with private persons	in branches	FOS		in Latvia	incl. agreements signed with private persons	in branches	FOS	
Non-life insurance	262 066 297	90 734 828	27 262 415	171 331 469	-	164 620 370	58 031 203	15 873 257	106 589 166	-	49 445 263
Accident insurance	6 677 949	2 329 587	1 318 236	4 348 362	-	3 575 370	1 157 716	544 126	2 417 654	-	572 043
Health Insurance	37 806 304	22 826 109	10 593	14 980 195	-	32 100 551	18 407 792	-	13 692 758	-	5 972 249
Motor vehicle insurance (other than railway)	61 672 162	18 787 411	9 627 795	42 884 751	-	41 975 103	13 693 586	7 394 536	28 281 517	-	14 403 983
Railway transport insurance	451 963	78 160	-	373 803	-	46 611	31 650	-	14 961	-	75 331
Aircraft insurance	209 144	32 879	100	176 265	-	260 365	3 429	-	256 936	-	51 566
Vessel insurance	1 281 947	817 112	40 633	464 835	-	949 170	852 050	8 520	97 120	-	145 863
Cargo insurance	1 291 234	728 497	-	562 737	-	159 822	109 354	-	50 468	-	348 042
Property insurance against fire and natural disaster damages and other risks	43 319 982	22 603 181	7 066 610	20 716 801	-	26 528 126	13 341 915	2 935 221	13 186 211	-	10 844 595
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	75 501 356	13 036 771	6 825 498	62 464 585	-	51 122 823	8 713 048	4 443 654	42 409 775	-	8 530 768
Civil liability insurance of aircraft owners	237 017	68 581	6 416	168 436	-	3 451	-	-	3 451	-	61 840
Civil liability insurance of vessel owners	306 912	131 206	5 693	175 706	-	13 296	5 700	5 700	7 596	-	17 318
General civil liability insurance	13 470 567	3 001 445	670 238	10 469 122	-	2 743 722	455 969	123 111	2 287 753	-	3 749 384
Loan insurance	433 462	433 462	-	-	-	157 309	157 309	-	-	-	18 661
Guarantee insurance	9 576 453	3 351 618	300	6 224 835	-	1 051 584	230 436	-	821 148	-	1 177 251
Insurance of various financial losses	853 551	177 025	387	676 526	-	234 639	17 393	-	217 246	-	124 890
Insurance of legal expenses	16 672	16 672	15 172	-	-	-	-	-	-	-	560
Assistance insurance	8 959 622	2 315 112	1 674 744	6 644 510	-	3 698 428	853 856	418 389	2 844 572	-	3 350 919

Insurer's performance indicators by Type of Insurance



Item	Total in reporting period	Type of Insurance																
		Accident insurance	Health Insurance	Motor vehicle insurance (other than railway)	Railway transport insurance	Aircraft insurance	Vessel insurance	Cargo insurance	Property insurance against fire and natural disaster damages and other risks	Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle	Civil liability insurance of aircraft owners	Civil liability insurance of vessel owners	General civil liability insurance	Loan insurance	Guarantee insurance	Insurance of various financial losses	Insurance of legal expenses	Assistance insurance
Loss ratio (%)	67.28	66.70	92.60	73.74	27.89	94.86	113.70	15.36	65.59	65.80	(24.56)	(108.71)	14.63	42.67	(3.61)	82.90	0.45	42.66
Expense ratio (%)	29.14	24.08	18.00	26.48	27.27	32.89	37.60	35.62	39.32	29.92	38.22	24.58	41.95	12.05	26.96	23.81	3.75	41.78
Combined ratio (%)	96.41	90.78	110.59	100.22	55.16	127.75	151.30	50.98	104.91	95.72	13.67	(84.14)	56.58	54.72	23.35	106.71	4.21	84.44



Insurer's Own Funds and Solvency Capital Requirement calculation, EUR

No.	Item	In reporting period
1	Basic own funds before deduction	71 078 379
2	Deductions for participations in financial and credit institutions	-
3	Total basic own funds after deductions (1.-2.)	71 078 379
4	Total ancillary own funds	-
5	Available and eligible own funds	71 078 379
5.1.	Total available own funds to meet the Solvency Capital requirements	71 078 379
5.2.	Total available own funds to meet the Minimum Capital requirements	71 078 379
5.3.	Total eligible own funds to meet the Solvency Capital requirements	71 078 379
5.4.	Total eligible own funds to meet the Minimum Capital requirements	54 167 717
6	Solvency Capital requirements	59 153 131
7	Minimum Capital requirements	25 446 690
8	Ratio of Eligible own funds to Solvency Capital requirements	120.16%
9	Ratio of Eligible own funds to Minimum Capital requirements	212.87%



Key Cooperation Partners

Reinsurers

Reinsurer	Reinsurer's Rating	Rating Agency	Place (Country) of Registration of the Reinsurer
VIG RE ZAJISTOVNA, A.S.	A+	Standard & Poor's	Czech Republic
VIENNA INSURANCE GROUP AG	A+	Standard & Poor's	Austria
SWISS RE EUROPE S.A.	AA-	Standard & Poor's	Luxembourg
R+V VERSICHERUNG AG	A+	Standard & Poor's	Germany
SCOR SE	AA-	Standard & Poor's	France
HANNOVER RÜCK SE	AA-	Standard & Poor's	Germany
POLISH RE	A-	A.M.Best	Poland
ATRADIUS RE	A	A.M.Best	Ireland

Insurance and Reinsurance Brokerage Companies

Brokerage Company	Service	Place (Country) of Registration
ATTOLLO BROKERS SIA	Insurance mediation	Latvia
IIZI KINDLUSTUSMAAKLER	Insurance mediation	Estonia
APDROŠINĀŠANAS UN FINANSU BROKERS SIA	Insurance mediation	Latvia
R&D APDROŠINĀŠANAS BROKERS SIA	Insurance mediation	Latvia
EURORISK LATVIA SIA	Insurance mediation	Latvija
MARSH SIA	Insurance mediation	Latvia
AON BALTIC LATVIJAS FILIĀLE UADBB	Insurance mediation	Latvia
BROKERU AĢENTŪRA-ROOT SIA	Insurance mediation	Latvia
Amber Broker Baltic SIA	Insurance mediation	Latvia
IIZI BROKERS SIA	Insurance mediation	Latvia
SKANDI APDROŠINĀŠANAS BROKERI SIA	Insurance mediation	Latvia
AON BALTIC UADBB	Insurance mediation	Lithuania
KINDLUSTUSEST KINDLUSTUSMAAKLER OÜ	Insurance mediation	Estonia
AON BALTIC EESTI FILIAAL UADBB	Insurance mediation	Estonia
CHB KINDLUSTUSMAAKLER OÜ	Insurance mediation	Estonia
SMART KINDLUSTUSMAAKLER AS	Insurance mediation	Estonia
MARSH KINDLUSTUSMAAKLER AS	Insurance mediation	Estonia
GRECO LIETUVA, UADBB	Insurance mediation	Lithuania
IVP PARTNERS UADBB	Insurance mediation	Lithuania
KOMINSUR KINDLUSTUSMAAKLER OSAÜHING	Insurance mediation	Estonia
AON	Reinsurance mediation	Germany
Guy Carpenter	Reinsurance mediation	Germany



Operational strategy and goals for 2022

It was already evident in the first quarter of 2022 that the war in the Ukraine affected several industries and also in the fourth quarter of the year, the impact of the war on the business environment was noticeable. In addition, fast rising interest rates and a price inflation, which at the moment reaches in the Baltics the highest level in all European Union, create a new economic environment. BTA had and will undertake flexible measures to adapt to inflation and continue to improve both internal and external processes. These are the key conditions for even higher long-term achievements.

For BTA sustainability isn't just a fashion trend. We care about environment, social and governance areas, that is why BTA invests resources and develops new projects in these areas. For instance, employees of VIG and its Group companies (including BTA) who want to become involved with a good cause or social organization are generally allowed to spend one working day also known as Social Active Day of their time on such activities. In 2022 after long Covid-19 restrictions which limited the ability to participate and create social responsibility projects, BTA employees in all Baltics enthusiastically participated in Social Active Day projects. In 2022 more than 800 employees in Baltics volunteered in animal shelters, senior homes, orphanages, helped to make our environment cleaner and volunteered in projects which help people with disabilities. These projects prove that BTA employees are willing to help not only to Company's clients, but also to help those in need.

In 2022, the Company continued reviewing internal processes and working on several directions of strategic importance, some of the most important are:

- Customer journey;
- Customer segmentation;
- Unified office concept in Baltics;
- Sustainability strategy;
- Hybrid work guidelines.

All these projects will help to increase its efficiency, create innovations and provide all employees in the Baltics with an opportunity to work in a modern operating mode, therefore, improving the wellbeing of employees even more. On the other hand, from the perspective of customers, special efforts are being made to improve the customer experience and customer segmentation, which will help to provide even more accurate offers that meet customer expectations.

Company continues strengthening its insurance portfolio by diversifying and increasing the ratio of voluntary insurance types, in particular Property, CASCO and Personal accident insurance types. BTA will continue to monitor inflation rate and its impact on insurance portfolio in order to continue to ensure the fulfilment of customer obligations in the future. Quick and qualitative decision-making within insurance claims handling process is important for the Company and that improves meeting customer needs and satisfaction rates. Moreover, Company will continue develop various sustainability projects such as the development of Sustainability Strategy, the creation of the BTA Sustainability Forest, the maintenance of the "Green office" certificate, the maintenance of the paperless office concept and other long-term sustainable innovations.



Departments and Branches of the Company

Customer service locations that offer BTA insurance services in Latvia:

<https://www.bta.lv/en/contacts/customer-service-centers>

Foreign branches:

Estonia - <https://www.bta.ee/>

Lithuania - <https://www.bta.lt/>