



BTA Baltic Insurance Company AAS

# PUBLIC QUARTERLY REPORT 4TH QUARTER 2021

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 2021**

# 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	<b>Wolfgang Stockmeyer</b> – Chairman of the Management Board <b>Oskars Hartmanis</b> – Deputy Chairman of the Management Board <b>Evija Matveja</b> – Member of the Management Board <b>Tadeuš Podvorski</b> – Member of the Management Board		
Members of the Council and their positions	<b>Harald Riener</b> – Chairman of the Council <b>Gabor Lehel</b> – Deputy Chairman of the Council <b>Franz Fuchs</b> – Deputy Chairman of the Council <b>Jan Bogutyn</b> – Member of the Council <b>Artur Borowski</b> – Member of the Council <b>Peter Franz Hoefinger</b> – Member of the Council		
Reporting Period	01.01.2021 – 31.12.2021		
Shareholder structure at the end of reporting period	Shareholder	Number of shares	% of the share capital
	VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	416 094	100%
	<b>Total:</b>	<b>416 094</b>	<b>100%</b>
Face value of one share	EUR 100.00		
Subscribed share capital	EUR 41 609 400		
Paid-up share capital	EUR 41 609 400		
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	2 679 148	2 976 883
Investments in land lots and buildings	5 686 866	6 732 720
Intangible assets	4 198 483	3 001 505
Investments in share capital of related companies	17 341 180	614 277
Investments in share capital of associated companies	-	-
Classified as financial assets at fair value through profit and loss	1 360 409	1 605 507
Classified as financial assets at fair value through other comprehensive income	223 513 482	224 920 050
Classified as financial assets at amortized cost	76 067 815	64 637 073
Accrued income and deferred expenses	13 421 239	11 643 126
Tax assets	249 989	221 975
Ceded reinsurance and retrocession contracts	79 903 691	73 413 685
Cash on hand and claims on demand on credit institutions	9 831 096	31 397 288
<b>Total assets</b>	<b>434 253 398</b>	<b>421 164 091</b>
Capital and reserves	65 767 877	71 897 085
Insurance and reinsurance liabilities	305 886 755	289 218 369
Classified as financial liabilities at fair value through profit and loss	-	-
Financial liabilities at amortized cost	54 075 957	54 459 292
Provisions	3 542 370	3 714 956
Tax liabilities	798 144	863 220
Accrued expenses and deferred income	4 182 295	1 011 168
<b>Total liabilities</b>	<b>368 485 521</b>	<b>349 267 005</b>
<b>Total capital and reserves, and liabilities</b>	<b>434 253 398</b>	<b>421 164 091</b>

# Income Statement

Item	For the Reporting Period, EUR	For the Respective Period of the Previous Reporting Year, EUR
Earned premiums	158 138 738	154 233 073
Other technical income, net	573 663	792 272
Incurred claims, net	(111 592 194)	(100 245 030)
Changes in life insurance technical reserves	-	-
Changes in other technical reserves	-	-
Gratuities, net	-	-
Net operating expenses	(35 823 397)	(38 845 263)
Other technical expenses, net	(271 519)	(219 333)
Changes in equalization reserves	-	-
Investment management expenses/income and commission payments	(1 667 943)	(728 438)
Net interest income and dividend income	2 629 011	2 373 663
Net profit/loss from derecognition of the financial assets and financial liabilities not classified at fair value through profit and loss	-	(14 979)
Net profit/loss from the financial assets and financial liabilities classified at fair value through profit and loss	715 320	79 272
Revaluation result of foreign currencies	214 940	(277 964)
Profit/loss from derecognition of tangible assets, investments in buildings for ensuring own activities, investments in property and intangible assets	717 340	452 439
Depreciation	(4 053 608)	(3 422 231)
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	9 580 351	14 177 481
Profit tax	(1 294 842)	(1 574 815)
<b>Profit/loss for the reporting period</b>	<b>8 285 509</b>	<b>12 602 666</b>
<b>Other comprehensive income</b>	<b>(4 411 818)</b>	<b>1 743 259</b>

# 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	218 803 885	80 144 113	22 315 114	138 659 772	-	134 113 350	49 566 335	13 572 565	84 547 015	-	35 823 397
Accident insurance	6 071 586	2 203 093	1 196 587	3 868 493	-	2 547 032	866 412	424 542	1 680 620	-	143 576
Health Insurance	30 574 141	21 809 540	10 093	8 764 601	-	24 471 439	18 208 184	-	6 263 255	-	5 669 550
Motor vehicle insurance (other than railway)	52 356 032	16 457 920	8 789 547	35 898 112	-	36 970 551	11 945 999	6 331 379	25 024 552	-	14 696 357
Railway transport insurance	273 533	73 528	-	200 005	-	2 299	(11 246)	-	13 545	-	53 691
Aircraft insurance	203 298	28 198	(60)	175 100	-	171 920	70 521	-	101 399	-	27 928
Vessel insurance	1 158 365	717 089	39 449	441 276	-	2 128 633	1 067 209	10 672	1 061 424	-	138 952
Cargo insurance	1 310 717	851 609	-	459 108	-	177 277	108 632	-	68 645	-	273 788
Property insurance against fire and natural disaster damages and other risks	37 320 047	19 568 115	5 647 306	17 751 932	-	16 342 986	8 143 934	2 280 301	8 199 052	-	7 853 484
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	63 118 689	9 965 141	5 004 298	53 153 548	-	46 270 666	8 120 660	4 222 743	38 150 006	-	2 152 464
Civil liability insurance of aircraft owners	231 975	60 475	7 459	171 500	-	17 206	-	-	17 206	-	23 976
Civil liability insurance of vessel owners	215 653	144 525	5 349	71 128	-	21 692	5 080	5 080	16 612	-	4 193
General civil liability insurance	10 398 673	2 560 408	563 164	7 838 265	-	2 237 201	416 148	120 683	1 821 053	-	2 040 256
Loan insurance	417 133	417 133	-	-	-	159 424	159 424	-	-	-	22 578
Guarantee insurance	8 346 418	3 376 784	-	4 969 634	-	(21 495)	(80 967)	-	59 472	-	583 845
Insurance of various financial losses	586 558	160 408	160	426 150	-	467 650	104 125	-	363 525	-	108 692
Insurance of legal expenses	16 654	16 654	15 398	-	-	462	462	462	-	-	3 057
Assistance insurance	6 204 413	1 733 493	1 036 364	4 470 920	-	2 148 407	441 758	176 703	1 706 649	-	2 027 010



# 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 (%)	70.57	48.69	83.91	79.14	(3.40)	152.31	49.46	12.08	67.85	79.64	55.64	171.89	17.39	26.18	(15.67)	122.35	2.68	37.94
Expense ratio (%)	25.22	10.01	21.27	31.40	26.22	20.44	53.88	28.71	33.63	11.49	16.97	9.48	29.26	20.00	18.70	33.12	20.67	37.57
Combined ratio (%)	95.79	58.70	105.18	110.54	22.81	172.76	103.33	40.80	101.48	91.14	72.60	181.37	46.66	46.18	3.03	155.48	23.35	75.51



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

No.	Item	In reporting period
1	Basic own funds before deduction	70 087 620
2	Deductions for participations in financial and credit institutions	-
3	<b>Total basic own funds after deductions (1-2.)</b>	<b>70 087 620</b>
4	<b>Total ancillary own funds</b>	<b>-</b>
5	<b>Available and eligible own funds</b>	<b>70 087 620</b>
5.1.	Total available own funds to meet the Solvency Capital requirements	70 087 620
5.2.	Total available own funds to meet the Minimum Capital requirements	70 087 620
5.3.	Total eligible own funds to meet the Solvency Capital requirements	70 087 620
5.4.	Total eligible own funds to meet the Minimum Capital requirements	67 484 608
6	<b>Solvency Capital requirements</b>	<b>55 161 692</b>
7	<b>Minimum Capital requirements</b>	<b>21 984 941</b>
8	<b>Ratio of Eligible own funds to Solvency Capital requirements</b>	<b>127.06%</b>
9	<b>Ratio of Eligible own funds to Minimum Capital requirements</b>	<b>306.96%</b>



# 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 2021

In the fourth quarter of 2021, the insurance sector trends were dictated by the situation regarding Covid-19. Since Covid-19 morbidity increased, many companies in the Baltics continued working remotely or temporarily shut down their business due to Covid-19 restrictions. In turn, BTA has expanded its activities, offering customers new services.

In the last quarter of 2021, the Company continued to inform customers and encourage them to use the innovative DriveX tool, which significantly facilitates the purchase of car insurance policies in BTA. Also, BTA continued work with MTPL and CASCO policies' subscription and also several significant improvements have been made to internal systems and processes.

BTA eMed remote medical visits in the first months of operation was used by several hundred BTA Health insurance clients. They now can easily schedule remote medical visit with a doctor. This kind of service is especially useful in the time of Covid-19 restrictions and social distancing.

In the fourth quarter of 2021, Company continued to develop Employer branding strategy. This strategy defines main BTA drivers, employer value proposition and visual identity, in order to improve BTA employer brand and help attract new professionals.

The Company continues to focus on the development of previously launched projects, introducing new and high-level digital projects.

In order to assess possible Covid-19 impact scenarios and to ascertain the ability to provide sufficient level of liquidity and solvency, the Company constantly monitors the development of the insurance market, the dynamics of gross written premiums and product profitability, as well as continues to perform various stress tests.

In 2021, the Company continues to review internal processes and makes greater improvements in the field of human resource management in order to provide all employees in the Baltics with an opportunity to work in a modern work mode, therefore further improving employees' well-being.

The Company has a positive take on the future prospects of the following months. Focusing on a high-level customer service and product quality, the Company will develop new projects also in 2022, as a result of which further excellent service will be provided both remotely and in person. Taking care of security measures in the process of on-site customer service, BTA and its employees will continue to follow the restrictions set in the country and recommendations for improving the epidemiological situation.

The Company also plans to further strengthen its insurance portfolio by diversifying and increasing the share of voluntary types of insurance, especially Property, CASCO and Private accident insurance. It is also important for the Company to make quick and high-quality decisions in the claims' settlement process, and this furthermore contributes to customer satisfaction when their needs are met.



# 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/>