



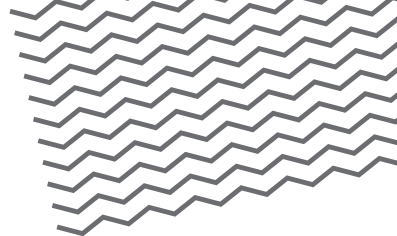
BTA Baltic Insurance Company AAS

PUBLIC QUARTERLY REPORT 3RD QUARTER 2023

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 September 30th 2023

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	01.01.2023 – 30.09.2023											
Shareholder structure at the end of reporting period	<table border="1"> <thead> <tr> <th>Shareholder</th> <th>Number of shares</th> <th>% of the share capital</th> </tr> </thead> <tbody> <tr> <td>VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe</td> <td>516 094</td> <td>100%</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td>516 094</td> <td>100%</td> </tr> </tbody> </table>			Shareholder	Number of shares	% of the share capital	VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	516 094	100%	Total:	516 094	100%
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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											

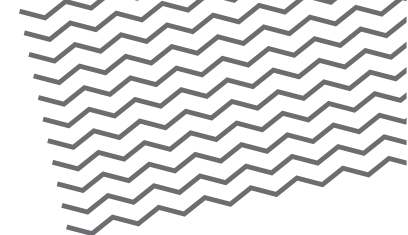
Balance Sheet

Item	At the end of the Reporting Period, EUR	At the end of the Previous Reporting Year, EUR
Tangible assets	2 704 083	2 381 289
Investments in land lots and buildings	6 292 484	4 365 684
Intangible assets	7 165 564	6 651 690
Investments in share capital of related companies	27 207 518	27 052 169
Investments in share capital of associated companies	-	-
Classified as financial assets at fair value through profit and loss	33 890 234	38 913 489
Classified as financial assets at fair value through other comprehensive income	217 565 608	195 882 592
Classified as financial assets at amortized cost	14 691 264	16 653 114
Accrued income and deferred expenses	649 560	876 191
Tax assets	620 313	560 151
Insurance contracts assets	413 428	621 574
Ceded reinsurance and retrocession contracts	32 899 628	24 964 943
Cash on hand and claims on demand on credit institutions	15 136 801	12 594 201
Total assets	359 236 485	331 517 087
Capital and reserves	59 344 079	57 823 383
Insurance and reinsurance liabilities	236 498 986	216 613 938
Reinsurance contracts liabilities held	4 527 593	2 551 967
Financial liabilities at fair value	-	-
Financial liabilities at amortized cost	54 846 735	50 207 367
Provisions	2 295 565	2 476 826
Tax liabilities	331 864	283 296
Accrued expenses and deferred income	1 391 663	1 560 310
Total liabilities	299 892 406	273 693 704
Total capital and reserves, and liabilities	359 236 485	331 517 087

Income Statement

Item	For the Reporting Period, EUR	For the Previous Reporting Year, EUR
Insurance service revenue	207 555 350	245 339 167
Insurance service expenses	(196 484 194)	(218 439 937)
Reinsurance service result	456 969	(12 055 601)
Insurance service result	11 528 125	14 843 629
Result from financial instruments	1 374 844	1 020 188
Insurance finance result	(1 652 843)	2 367 427
Investment management expenses/income and commission payments	(1 066 380)	(918 027)
Other operating income	1 821 437	1 301 275
Profit/loss from derecognition of tangible assets, investments in buildings for ensuring own activities, investments in property and intangible assets	-	-
Other operating expenses	(4 917 659)	(5 224 592)
Negative goodwill	-	-
Net profit/loss from investments in subsidiaries and participations recognized using equity method	-	-
Profit/loss for the reporting period before profit tax	7 087 524	13 389 900
Profit tax	-	(1 229 807)
Profit/loss for the reporting period	7 087 524	12 160 093
Other comprehensive income	(40 869)	(26 992 852)

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	219 698 049	71 843 442	21 367 443	147 854 607	-	128 128 770	44 553 059	11 629 221	83 575 711	-	39 607 511
Accident insurance	6 252 253	2 120 114	1 239 039	4 132 139	-	3 011 994	778 081	332 307	2 233 913	-	331 655
Health Insurance	35 250 594	22 327 878	13 139	12 922 716	-	22 808 015	13 422 021	14 796	9 385 994	-	4 770 870
Motor vehicle insurance (other than railway)	50 470 153	15 351 150	7 730 789	35 119 003	-	33 096 249	10 550 031	6 011 026	22 546 218	-	12 092 353
Railway transport insurance	289 593	90 015	-	199 578	-	54 937	10 697	-	44 240	-	61 066
Aircraft insurance	168 076	29 153	205	138 923	-	7 431	-	-	7 431	-	35 676
Vessel insurance	621 358	225 876	28 303	395 482	-	1 350 178	1 276 827	-	73 351	-	186 999
Cargo insurance	985 130	722 361	-	262 769	-	528 664	483 508	-	45 156	-	229 274
Property insurance against fire and natural disaster damages and other risks	30 012 432	11 633 782	4 606 158	18 378 650	-	23 014 990	10 887 669	2 144 893	12 127 321	-	9 352 628
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	67 124 824	11 515 946	6 022 249	55 608 878	-	38 565 848	6 399 544	2 830 058	32 166 304	-	6 021 931
Civil liability insurance of aircraft owners	259 577	63 211	7 156	196 366	-	12 672	-	-	12 672	-	39 551
Civil liability insurance of vessel owners	385 120	98 018	4 965	287 102	-	25 160	334	-	24 826	-	32 255
General civil liability insurance	11 934 836	2 170 307	442 603	9 764 529	-	1 959 902	260 121	115 639	1 699 781	-	3 224 137
Loan insurance	292 973	292 973	-	-	-	16 673	16 673	-	-	-	19 596
Guarantee insurance	8 304 852	3 381 216	620	4 923 636	-	764 179	117 204	-	646 975	-	758 975
Insurance of various financial losses	689 667	261 392	317	428 275	-	353 647	6 397	-	347 250	-	115 564
Insurance of legal expenses	24 707	12 003	9 364	12 704	-	-	-	-	-	-	322
Assistance insurance	6 631 904	1 548 047	1 262 536	5 083 857	-	2 558 231	343 952	180 502	2 214 279	-	2 334 659



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

No.	Item	In reporting period
1	Basic own funds before deduction	75 760 518
2	Deductions for participations in financial and credit institutions	-
3	Total basic own funds after deductions (1.-2.)	75 760 518
4	Total ancillary own funds	2 000 000
5	Available and eligible own funds	77 760 518
5.1.	Total available own funds to meet the Solvency Capital requirements	77 760 518
5.2.	Total available own funds to meet the Minimum Capital requirements	75 760 518
5.3.	Total eligible own funds to meet the Solvency Capital requirements	77 760 518
5.4.	Total eligible own funds to meet the Minimum Capital requirements	59 246 463
6	Solvency Capital requirements	60 954 942
7	Minimum Capital requirements	27 429 724
8	Ratio of Eligible own funds to Solvency Capital requirements	127.57%
9	Ratio of Eligible own funds to Minimum Capital requirements	215.99%



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 REINSURANCE CO. LTD.	AA-	Standard & Poor's	Switzerland
R+V VERSICHERUNG AG	A+	Standard & Poor's	Germany
SCOR SE	A+	Standard & Poor's	France
HANNOVER RUECK SE	AA-	Standard & Poor's	Germany
POLISH RE (Polskie Towarzystwo Reasekuracji S.A.)	A-	A.M.Best	Poland
ATRADIUS RE DESIGNATED ACTIVITY CO.	A	A.M.Best	Ireland



Insurance and Reinsurance Brokerage Companies

Brokerage Company	Service	Place (Country) of Registration
GRECO SAGAUTA UADBB	Insurance mediation	Lithuania
AON BALTIC UADBB	Insurance mediation	Lithuania
LEGATOR UADBB	Insurance mediation	Lithuania
RIZIKOS CESIJA UADBB	Insurance mediation	Lithuania
ATTOLLO BROKERS SIA	Insurance mediation	Latvia
IIZI KINDLUSTUSMAAKLER	Insurance mediation	Estonia
R&D APDROŠINĀŠANAS BROKERS SIA	Insurance mediation	Latvia
LUMINOR LIISING AS	Insurance mediation	Estonia
AON BALTIC LATVIJAS FILIĀLE UADBB	Insurance mediation	Latvia
REINSONS UN PARTNERI SIA	Insurance mediation	Latvia
DRAUDIMO BITĒS UADBB	Insurance mediation	Lithuania
EURORISK SIA	Insurance mediation	Latvia
AGROBROKER SIA	Insurance mediation	Latvia
BROKERU AĢENTŪRA-ROOT SIA	Insurance mediation	Latvia
INSURANCE BROKERS GROUP UADBB	Insurance mediation	Lithuania
APDROŠINĀŠANAS UN FINANSU BROKERS SIA	Insurance mediation	Latvia
SCANIA FINANS AKTIEBOLAG LIETUVOS FILIALAS	Insurance mediation	Lithuania
PERLO DRAUDIMO BROKERIS UADBB	Insurance mediation	Lithuania
IIZI BROKERS SIA	Insurance mediation	Latvia
PARTNER BROKER SIA	Insurance mediation	Latvia
AON VERSICHERUNGSMAKLER DE GMBH	Reinsurance mediation	Germany
GUY CARPENTER & COMPANY GMBH	Reinsurance mediation	Germany



Operational strategy and goals for 2023

The year 2023 started along the lines of last year's economic trends – inflation and rising interest rates continue to impact companies throughout the Baltics and make them search for new ways to create innovations and adapt to the new economic environment. BTA implemented solutions and strives to continue introducing more flexible solutions to adapt to inflation, as well as to continue improving both internal and external processes. These are the basics for better long-term advancement.

The third quarter for BTA was especially significant as we are celebrating our 30th anniversary. During these 30 years we have continuously worked to provide our customers with understandable, comprehensive, and quality insurance so that our clients can reassuringly say that responsibility is made simple.

Our care for both customers and employees is demonstrated by repeatedly receiving ISO 9001:2015 and ISO 14001:2015 certificates. These certificates confirm BTA investment in sustainability and its commitment to continue working according to the principles of skilled management. The ISO 9001 quality management certificate confirms that BTA has implemented all the principles of quality management defined in the standard, including customer orientation, process approach and continuous improvement. The ISO 14001 environmental management certificate allows monitoring the impact of BTA on the environment, as well as evaluates and promotes the efficiency of the environmental system.

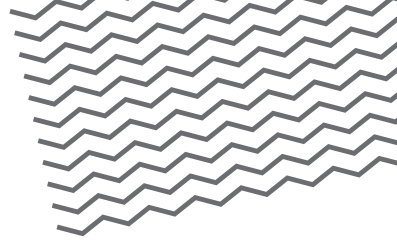
In today's digital age, every second is valuable; therefore, by simplifying the administration of health insurance policies and further increasing their ease of use for companies, BTA has implemented a Corporate Customer Portal, where the corporate customers of BTA Health Insurance can conveniently and simply administer their company's policy without the involvement of BTA. BTA is the first company in the Baltic insurance market that offers its customers this opportunity.

Likewise, to show our care for our clients, in the third quarter BTA implemented One day Personal Accident insurance. This is a unique opportunity for every Latvian citizen to insure themselves and their family for only one day when doing some activities, for example, spending the day at an amusement park or skiing on the mountain. For our MTPL clients we now offer to purchase a new risk – MTPL Direct claim handling. This means that in the result of an MTPL case, the client does not need to contact the other party's insurer, but by contacting BTA, compensation will be paid to the client, and BTA will help settle the formalities with the other party's insurer.

Continuing to implement the investment strategy in the field of real estate in the Baltics, the Company concluded an important investment deal with the construction company YIT for the development of four rental apartment building projects in the Baltic States:

- In Latvia: LiveOn Stirnu un LiveOn Terbatas;
- In Lithuania: LiveOn Linkmenu;
- In Estonia: LiveOn Paevallile.

The total investment of these projects is 65 million EUR and the investment strategy envisage long-term development and maintenance of the rental portfolio of residential buildings in the Baltics. The company was nominated for the "Project of the Year" award at the "BREL Awards 2023", where it received the award.



In 2023, the Company will continue to review its internal processes and work on several strategic focus areas, one of the most significant being the following:

- Improvement of customer experience;
- Customer segmentation;
- Unified office concept throughout the Baltics;
- Sustainability strategy;
- Guidelines for hybrid work.

The Company strives to continue strengthening its insurance portfolio by diversifying and increasing the ratio of voluntary insurance types, particularly in Property, CASCO, and Personal accident insurance. BTA will continue to monitor the indicators of inflation and their impact on the insurance portfolio, to ensure that customer future obligations are met as well. The company cares greatly about quick and high-quality decision-making during insurance claims handling, and this will improve meeting customer needs and enhancing customer satisfaction even more.

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/>