



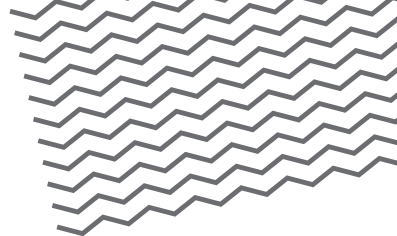
BTA Baltic Insurance Company AAS

PUBLIC QUARTERLY REPORT 4TH 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 December 31st 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 – 31.12.2023									
Shareholder structure at the end of reporting period	<table><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>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									

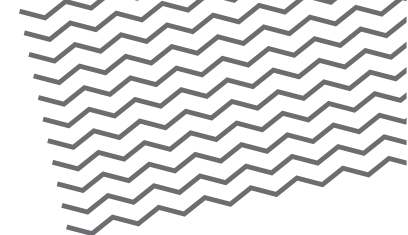
Balance Sheet

Item	At the end of the Reporting Period, EUR	At the end of the Previous Reporting Year, EUR
Tangible assets	2 628 667	2 329 168
Investments in land lots and buildings	5 822 272	4 417 805
Intangible assets	7 965 341	6 651 690
Investments in share capital of related companies	20 491 180	20 491 180
Investments in share capital of associated companies	-	-
Classified as financial assets at fair value through profit and loss	41 546 588	43 802 376
Classified as financial assets at fair value through other comprehensive income	236 399 248	195 882 592
Classified as financial assets at amortized cost	15 610 313	15 662 380
Accrued income and deferred expenses	867 828	876 191
Tax assets	692 609	681 740
Insurance contracts assets	417 259	621 574
Ceded reinsurance and retrocession contracts	27 260 179	24 964 943
Cash on hand and claims on demand on credit institutions	19 083 187	12 894 231
Total assets	378 784 671	329 275 870
Capital and reserves	74 584 105	58 921 077
Insurance and reinsurance liabilities	239 251 830	213 965 731
Reinsurance contracts liabilities held	5 773 037	2 551 967
Financial liabilities at fair value	-	-
Financial liabilities at amortized cost	53 530 989	48 179 738
Provisions	2 754 816	2 476 826
Tax liabilities	721 995	740 610
Accrued expenses and deferred income	2 167 899	2 439 921
Total liabilities	304 200 566	270 354 793
Total capital and reserves, and liabilities	378 784 671	329 275 870

Income Statement

Item	For the Reporting Period, EUR	For the Previous Reporting Year, EUR
Insurance service revenue	279 851 737	245 339 167
Insurance service expenses	(255 193 604)	(215 791 730)
Reinsurance service result	(6 450 156)	(12 055 601)
Insurance service result	18 207 977	17 491 836
Result from financial instruments	2 228 725	(523 921)
Insurance finance result	(2 785 446)	2 367 427
Investment management expenses/income and commission payments	(1 486 198)	(941 421)
Other operating income	1 117 240	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	(5 761 133)	(5 329 190)
Negative goodwill	-	-
Net profit/loss from investments in subsidiaries and participations recognized using equity method	-	-
Profit/loss for the reporting period before profit tax	11 521 165	14 366 006
Profit tax	(1 145 969)	(1 108 218)
Profit/loss for the reporting period	10 375 196	13 257 788
Other comprehensive income	9 932 678	(23 883 935)

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	295 631 454	96 603 492	28 249 561	199 027 962	-	168 219 161	58 410 400	15 592 446	109 808 761	-	56 987 161
Accident insurance	8 012 954	2 511 673	1 455 342	5 501 281	-	3 960 597	1 026 625	448 345	2 933 972	-	425 465
Health Insurance	42 136 533	26 299 415	13 139	15 837 118	-	30 221 440	18 196 882	17 966	12 024 558	-	6 346 917
Motor vehicle insurance (other than railway)	66 564 155	19 852 052	10 104 115	46 712 103	-	43 595 009	14 203 757	8 049 493	29 391 252	-	16 255 551
Railway transport insurance	634 842	344 176	-	290 666	-	57 217	12 050	-	45 167	-	82 947
Aircraft insurance	183 814	35 884	205	147 930	-	30 625	-	-	30 625	-	47 504
Vessel insurance	739 525	315 191	31 351	424 334	-	1 481 048	1 389 147	13 467	91 901	-	262 747
Cargo insurance	1 590 789	1 156 923	-	433 866	-	917 921	829 578	-	88 343	-	357 038
Property insurance against fire and natural disaster damages and other risks	48 421 221	20 719 834	6 412 016	27 701 387	-	29 868 378	14 168 749	3 106 635	15 699 629	-	11 775 043
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	89 037 169	14 898 650	7 940 289	74 138 519	-	51 069 143	8 174 830	3 536 891	42 894 313	-	12 340 353
Civil liability insurance of aircraft owners	292 149	89 861	7 492	202 288	-	12 672	-	-	12 672	-	55 303
Civil liability insurance of vessel owners	461 137	128 763	5 504	332 374	-	29 414	334	-	29 080	-	55 135
General civil liability insurance	15 945 804	2 931 119	605 979	13 014 685	-	2 797 680	380 316	180 006	2 417 364	-	4 347 043
Loan insurance	324 018	324 018	-	-	-	1 114	1 114	-	0	-	33 588
Guarantee insurance	11 367 797	4 544 625	620	6 823 172	-	413 280	(461 642)	-	874 922	-	1 328 764
Insurance of various financial losses	1 102 149	404 232	419	697 917	-	381 189	9 184	-	372 005	-	160 720
Insurance of legal expenses	42 235	17 421	14 318	24 814	-	-	-	-	-	-	(393)
Assistance insurance	8 775 163	2 029 655	1 658 772	6 745 508	-	3 382 434	479 476	239 643	2 902 958	-	3 113 436



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

No.	Item	In reporting period
1	Basic own funds before deduction	81 528 189
2	Deductions for participations in financial and credit institutions	-
3	Total basic own funds after deductions (1.-2.)	81 528 189
4	Total ancillary own funds	2 000 000
5	Available and eligible own funds	83 528 189
5.1.	Total available own funds to meet the Solvency Capital requirements	83 528 189
5.2.	Total available own funds to meet the Minimum Capital requirements	80 893 478
5.3.	Total eligible own funds to meet the Solvency Capital requirements	83 528 189
5.4.	Total eligible own funds to meet the Minimum Capital requirements	64 592 938
6	Solvency Capital requirements	65 441 866
7	Minimum Capital requirements	28 497 303
8	Ratio of Eligible own funds to Solvency Capital requirements	127.64%
9	Ratio of Eligible own funds to Minimum Capital requirements	226.66%



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 beginning of the year 2023 was overshadowed by the last year's economic trends – inflation and rising interest rates continued impacting companies across the Baltics in the previous quarter, forcing them to seek new ways of innovations and adaptation to the new economic environment. BTA implemented flexible solutions to adapt to inflation and will continue improving internal and external processes. Those are the basic conditions for more successful long-term achievements.

The fourth quarter was especially important for the Company as the composition of the BTA Management Board changed at the end of 2023. Wolfgang Stockmeyer left his position as the Chairman of the BTA Management Board and Oskars Hartmanis, former Deputy Chairman of the BTA Management Board, was appointed as the new Chairman of the Management Board, Gediminas Radavičius joined the BTA Management Board and the existing members of the Management Board, Evija Matveja and Tadeuš Podvorski, continue their work. As of 29.02.2024 BTA received the Bank of Latvia's approval for these changes and they came into force. We are delighted to strengthen our cooperation with Lithuania and to continue improving operational processes across the Baltics.

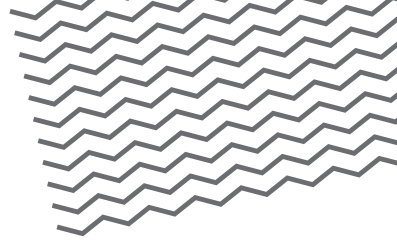
We care for our customers' safety and well-being, therefore in the fourth quarter BTA launched a new product – One-day accident insurance. This is a unique opportunity for everyone to insure themselves and their loved ones for one day of active recreation, for example, skiing in the mountains or at an amusement park.

BTA also continued developing its mobile app, providing its customers the opportunity to choose the most convenient way to receive information about the latest news: via SMS, call, or e-mail. Moreover, to facilitate general processes, the process of requesting a certificate for submission to the State Revenue Service for the health insurance services partly paid by BTA was finalised in the fourth quarter. This functionality will be implemented in the beginning of 2024.

And to facilitate employees' everyday life, a new HR portal was launched in the fourth quarter. It provides a wider functionality and it is possible to use the platform on mobile apps, too. In the new portal, it is possible to apply for vacation, view available days of vacation and birthdays, as well as carry out different other operations. For the heads of departments, the portal provides updated and relevant information about the employees at one place, for example, current absences, work schedules, employees' accrued vacation days. It makes the manager's work life easier, as it is not necessary to search for this information in different sources. We want to ensure that processes are quick and easy, therefore we are delighted that the new HR portal helps to automate processes and do everything quickly and easily.

In the modern digital age, every second matters, therefore in the fourth quarter, BTA continued improving the portal for legal entities to make the administration of health insurance policies easier and more convenient for companies. The portal enables our corporate customers to make all the necessary changes quickly and easily, without the involvement of BTA. BTA is the first company in the Baltic insurance market to offer its customers this option. In 2024, BTA plans to introduce improvements to the portal to enable customers to make changes to other insurance products, too.

In the fourth quarter, BTA celebrated the 20th anniversary since the Company has provided donation in the amount of EUR 1.5 million to insure the Freedom Monument, that was presented as a gift to the



Municipality of Riga. The Freedom Monument has been a symbol of our freedom, independence and unity for 88 years. And the Municipality of Riga has entrusted the insurance of the Freedom Monument to BTA for 20 years. The cultural and historical value of this symbol of Latvia is invaluable, therefore it is the duty and responsibility of all of us to preserve it for the next generations.

The insurance policy that BTA donated for the Freedom Monument includes protection against damage to the monument caused by fire, liquid, or vapour leakage, natural disasters, and unlawful actions of third parties.

The employees of BTA across the Baltics were involved in countless Social Active Day activities throughout entire 2023, proving that good things do multiply good things! BTA is delighted about the large number of colleagues who have invested their time, imagination, and resources to help part of the society who needs it the most. This year, staff of BTA volunteered in refugee centres, cleaned up nature parks, improved nature paths, organised an activity day for orphans, visited old people's homes and helped animal shelters. In 2023, 408 participants or 96% of the employees of BTA Latvija took part in the Social Active Day in Latvia. In Lithuania, the Social Active Day was attended by 299 employees took part, and in Estonia – 51.

In 2023, the Company continued reviewing its internal processes and working on a number of strategic areas, and the key areas are the following:

- Improving customer experience;
- Customer segmenting;
- Concept of single office in the Baltics;
- Sustainability strategy;
- Hybrid working model guidelines.

The Company will continue strengthening its insurance portfolio by diversifying and increasing the share of voluntary insurance lines, especially Property, CASCO and accident insurance. BTA will continue monitoring inflation rates and their impact on the insurance portfolio to continue meeting its customers' obligations in the future. It is important for the Company to make quick and quality decisions in the claims settlement process, which further improves the fulfilment of customers' needs and their satisfaction.

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/>