



BTA Baltic Insurance Company AAS

PUBLIC QUARTERLY REPORT 2ND 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 June 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 – 30.06.2023											
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 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											

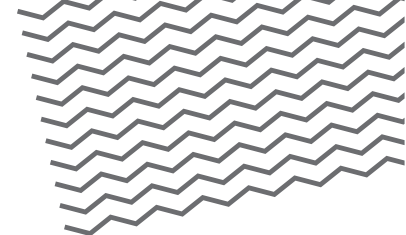
Balance Sheet

Item	At the end of the Reporting Period, EUR	At the end of the Previous Reporting Year, EUR
Tangible assets	2 628 294	2 381 289
Investments in land lots and buildings	6 784 655	4 365 684
Intangible assets	7 650 429	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	39 146 646	38 913 489
Classified as financial assets at fair value through other comprehensive income	196 737 914	195 882 592
Classified as financial assets at amortized cost	16 060 981	16 653 114
Accrued income and deferred expenses	945 274	876 191
Tax assets	275 657	560 151
Insurance contracts assets	495 938	621 574
Ceded reinsurance and retrocession contracts	27 202 452	24 964 943
Cash on hand and claims on demand on credit institutions	18 224 382	12 594 201
Total assets	343 360 140	331 517 087
Capital and reserves	55 833 065	57 823 383
Insurance and reinsurance liabilities	229 237 784	216 613 938
Reinsurance contracts liabilities held	1 687 888	2 551 967
Financial liabilities at fair value	-	-
Financial liabilities at amortized cost	52 536 301	50 207 367
Provisions	1 780 307	2 476 826
Tax liabilities	361 658	283 296
Accrued expenses and deferred income	1 923 137	1 560 310
Total liabilities	287 527 075	273 693 704
Total capital and reserves, and liabilities	343 360 140	331 517 087

Income Statement

Item	For the Reporting Period, EUR	For the Previous Reporting Year, EUR
Insurance service revenue	135 097 819	245 339 167
Insurance service expenses	(127 340 011)	(218 439 937)
Reinsurance service result	(1 511 021)	(12 055 601)
Insurance service result	6 246 787	14 843 629
Result from financial instruments	1 465 225	1 020 188
Insurance finance result	(921 357)	2 367 427
Investment management expenses/income and commission payments	(688 630)	(918 027)
Other operating income	442 095	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	(3 666 235)	(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	2 877 885	13 389 900
Profit tax	-	(1 229 807)
Profit/loss for the reporting period	2 877 885	12 160 093
Other comprehensive income	710 727	(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	148 158 677	50 241 191	14 002 965	97 917 486	-	85 423 868	28 030 621	7 115 573	57 393 247	-	25 275 958
Accident insurance	4 330 365	1 535 660	919 959	2 794 705	-	1 942 356	534 167	229 620	1 408 189	-	212 561
Health Insurance	26 082 885	16 858 877	10 810	9 224 008	-	16 149 053	9 159 574	8 909	6 989 479	-	3 161 925
Motor vehicle insurance (other than railway)	33 795 543	10 529 805	4 912 514	23 265 738	-	23 150 186	7 157 312	3 929 634	15 992 874	-	8 041 531
Railway transport insurance	237 785	75 102	-	162 683	-	44 574	9 502	-	35 072	-	41 161
Aircraft insurance	105 453	3 344	103	102 109	-	5 524	-	-	5 524	-	23 035
Vessel insurance	454 527	164 925	18 327	289 602	-	1 135 209	1 071 420	-	63 789	-	(57 291)
Cargo insurance	499 099	339 857	-	159 242	-	357 334	322 257	-	35 077	-	126 185
Property insurance against fire and natural disaster damages and other risks	20 259 019	7 809 048	3 193 734	12 449 971	-	12 015 518	5 166 779	1 066 968	6 848 739	-	5 157 097
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	43 305 454	7 870 520	3 849 882	35 434 934	-	26 590 589	4 123 968	1 677 551	22 466 621	-	4 526 941
Civil liability insurance of aircraft owners	164 831	43 882	5 584	120 949	-	1 300	-	-	1 300	-	23 782
Civil liability insurance of vessel owners	287 483	79 513	3 561	207 970	-	2 348	334	-	2 014	-	17 876
General civil liability insurance	8 344 734	1 466 571	313 106	6 878 163	-	1 521 153	168 137	79 540	1 353 016	-	2 149 508
Loan insurance	185 212	185 212	-	-	-	13 818	13 818	-	-	-	7 727
Guarantee insurance	5 484 970	2 136 790	250	3 348 180	-	465 420	69 855	-	395 565	-	265 480
Insurance of various financial losses	569 867	195 844	317	374 023	-	341 846	4 058	-	337 788	-	79 111
Insurance of legal expenses	13 749	8 162	5 705	5 587	-	-	-	-	-	-	1 194
Assistance insurance	4 037 701	938 079	769 113	3 099 622	-	1 687 640	229 440	123 351	1 458 200	-	1 498 135



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

No.	Item	In reporting period
1	Basic own funds before deduction	74 355 470
2	Deductions for participations in financial and credit institutions	-
3	Total basic own funds after deductions (1.-2.)	74 355 470
4	Total ancillary own funds	2 000 000
5	Available and eligible own funds	76 355 470
5.1.	Total available own funds to meet the Solvency Capital requirements	76 355 470
5.2.	Total available own funds to meet the Minimum Capital requirements	74 355 470
5.3.	Total eligible own funds to meet the Solvency Capital requirements	76 355 470
5.4.	Total eligible own funds to meet the Minimum Capital requirements	57 744 915
6	Solvency Capital requirements	60 714 272
7	Minimum Capital requirements	26 947 227
8	Ratio of Eligible own funds to Solvency Capital requirements	125.76%
9	Ratio of Eligible own funds to Minimum Capital requirements	214.29%



Key Cooperation Partners

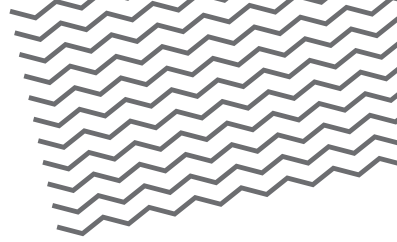
Reinsurers

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.

Continuing to take care of customers' comfort and well-being, in the second quarter of this year, BTA provided a new and large fleet of Toyota Yaris Cross cars, which BTA CASCO customers will be able to use when something goes wrong with their personal car and repairs are needed. BTA cares about its customers' well-being, so we want to provide a helping hand while the customers' car is serviced. BTA customers no longer have to worry about such inconveniences, as a new, comfortable, and modern service car will always be available. In addition, the new service cars were purchased considering sustainability, as they are hybrid cars.

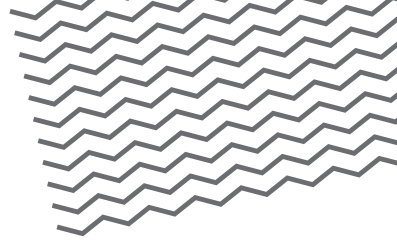
Also taking care of clients' well-being, BTA offers its Health Insurance legal clients an even more convenient way to manage the company's Health Insurance policy. Starting from the second quarter of this year, BTA customers have the opportunity to make policy changes quickly and easily on the new and modern BTA Legal Persons Portal.

BTA's care for customers is highly acknowledged – in the study conducted by the international company "Dive Group" for the best customer service in insurance, BTA received the honorable second place! Moreover, only 0.22% separates BTA from the first place. Customer service quality was measured using the mystery shopper method.

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;
- Hybrid work guidelines.

One of the main focus areas for BTA is sustainability, which is why the Company continues to actively work in sustainability area by creating sustainability strategy. For instance, already for several seasons BTA continues working with BTA Velomaster project. BTA Velomaster is a socially responsible and innovative project – it is a unique track, intended to teach about safe driving by means of various elements and bicycle games imitating city environment. It presents an innovative opportunity to teach numerous children and teenagers in a joyful way to prepare them for the actual city traffic. There are both the most frequently encountered road signs and asphalt markings and bicycle obstacles typical for city environment available on the track – potholes, stairs, rails and change of pavement. In the second quarter of this year together with partner "Velosolutions" BTA continues to develop the project and new tracks in many cities in Latvia and the Baltics.



The Company also continues to support various charity and volunteer work initiatives. VIG gives its employees the opportunity to use one working day a year to dedicate it to volunteer work, or "Social Active Day". During the first half of 2023, more than 500 BTA employees throughout the Baltic used this opportunity. Employees participated in clean-ups, visited senior homes, helped animal shelters, and performed several other important activities for the benefit of society. These activities will continue in the second half of this year.

BTA cares about the well-being of both customers and employees, so the Company is happy that in the "TOP Employer" survey BTA received 6th place in the financial sector. This means that the company's concern for its employees is also recognized outside the company's premises. BTA will continue to promote the welfare of employees and the image of the employer.

The Company strives to continue strengthening its insurance portfolio by diversifying and increasing the ratio of voluntary insurance types, in particular 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/>