



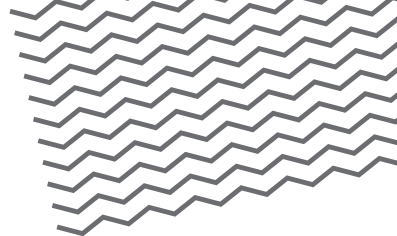
BTA Baltic Insurance Company AAS

# PUBLIC QUARTERLY REPORT 3RD 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 September 30th 2022**

# Company information



<b>Name of the Company</b>	BTA Baltic Insurance Company									
<b>Legal status</b>	Insurance Joint Stock Company									
<b>Number, place and date of registration</b>	40103840140, registered in Riga, Latvia on 28 October 2014									
<b>Address</b>	Sporta 11, Riga, Latvia, LV-1013									
<b>Members of the Board and their positions</b>	<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									
<b>Members of the Council and their positions</b>	<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 Borowinski</b> - Member of the Council									
<b>Reporting Period</b>	01.01.2022 – 30.09.2022									
<b>Shareholder structure at the end of reporting period</b>	<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>416 094</td><td>100%</td></tr><tr><td><b>Total:</b></td><td><b>416 094</b></td><td><b>100%</b></td></tr></tbody></table>	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>
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>								
<b>Face value of one share</b>	EUR 100.00									
<b>Subscribed share capital</b>	EUR 41 609 400									
<b>Paid-up share capital</b>	EUR 41 609 400									
<b>Foreign branches</b>	Lithuania, Estonia									

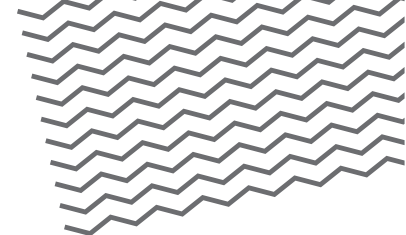
# Balance Sheet

Item	At the end of the Reporting Period, EUR	At the end of the Previous Reporting Year, EUR
Tangible assets	2 193 241	2 679 148
Investments in land lots and buildings	4 603 392	5 686 866
Intangible assets	5 749 989	4 198 483
Investments in share capital of related companies	17 341 180	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	217 813 777	223 513 482
Classified as financial assets at amortized cost	89 581 008	76 067 815
Accrued income and deferred expenses	14 724 298	13 421 239
Tax assets	1 459 243	249 989
Ceded reinsurance and retrocession contracts	74 778 607	79 903 691
Cash on hand and claims on demand on credit institutions	14 575 821	9 831 096
<b>Total assets</b>	<b>442 820 556</b>	<b>434 253 398</b>
Capital and reserves	44 514 017	65 767 877
Insurance and reinsurance liabilities	318 890 754	305 886 755
Classified as financial liabilities at fair value through profit and loss	-	-
Financial liabilities at amortized cost	71 429 303	54 075 957
Provisions	3 384 565	3 542 370
Tax liabilities	956 148	798 144
Accrued expenses and deferred income	3 645 769	4 182 295
<b>Total liabilities</b>	<b>398 306 539</b>	<b>368 485 521</b>
<b>Total capital and reserves, and liabilities</b>	<b>442 820 556</b>	<b>434 253 398</b>

# Income Statement

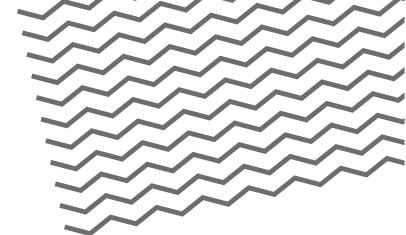
Item	For the Reporting Period, EUR	For the Respective Period of the Previous Reporting Year, EUR
Earned premiums	137 851 861	117 501 520
Other technical income, net	1 003 629	229 894
Incurred claims, net	(94 381 806)	(82 695 751)
Changes in life insurance technical reserves	-	-
Changes in other technical reserves	-	-
Gratuities, net	-	-
Net operating expenses	(36 042 127)	(26 407 768)
Other technical expenses, net	(200 495)	(336 860)
Changes in equalization reserves	-	-
Investment management expenses/income and commission payments	(994 413)	(1 160 780)
Net interest income and dividend income	2 285 843	1 942 647
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	152 284	387 572
Revaluation result of foreign currencies	(43 237)	148 469
Profit/loss from derecognition of tangible assets, investments in buildings for ensuring own activities, investments in property and intangible assets	369 370	611 021
Depreciation	(3 120 724)	(3 032 237)
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	6 880 185	7 187 727
Profit tax	-	-
<b>Profit/loss for the reporting period</b>	<b>6 880 185</b>	<b>7 187 727</b>
<b>Other comprehensive income</b>	<b>(28 134 044)</b>	<b>(2 969 311)</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 in Latvia		for agreements signed in EU		Total	for agreements signed in Latvia		for agreements signed in EU		
		incl. agreements signed with private persons	in branches	FOS	incl. agreements signed with private persons		in branches	FOS			
<b>Non-life insurance</b>	193 166 052	65 216 605	20 331 129	127 949 447	-	121 670 687	44 156 870	12 038 907	77 513 817	-	36 042 127
Accident insurance	5 130 223	1 902 361	1 113 852	3 227 862	-	2 586 956	866 608	381 308	1 720 348	-	428 024
Health Insurance	31 700 619	19 122 124	10 413	12 578 495	-	23 384 987	13 663 503	-	9 721 484	-	4 347 705
Motor vehicle insurance (other than railway)	46 804 235	14 554 536	7 478 194	32 249 699	-	31 810 385	10 333 472	5 580 075	21 476 913	-	10 515 402
Railway transport insurance	325 541	63 998	-	261 543	-	18 175	3 214	-	14 961	-	44 907
Aircraft insurance	170 248	24 386	100	145 862	-	153 503	2 595	-	150 908	-	38 480
Vessel insurance	1 047 087	639 195	38 694	407 892	-	801 360	733 892	-	67 468	-	94 554
Cargo insurance	836 239	560 419	-	275 820	-	93 060	75 182	-	17 878	-	256 794
Property insurance against fire and natural disaster damages and other risks	25 468 562	11 336 004	4 577 659	14 132 558	-	20 141 690	11 310 616	2 375 229	8 831 074	-	7 881 952
Civil liability insurance of motor vehicle owners, incl. compulsory civil liability insurance of motor vehicle owners	56 398 153	10 070 408	5 371 279	46 327 745	-	37 370 238	6 443 354	3 286 111	30 926 884	-	6 376 323
Civil liability insurance of aircraft owners	208 050	47 429	5 981	160 621	-	1 959	-	-	1 959	-	45 415
Civil liability insurance of vessel owners	242 541	105 240	5 115	137 301	-	10 384	5 700	5 700	4 684	-	11 520
General civil liability insurance	10 050 869	2 233 752	451 863	7 817 117	-	1 967 331	330 698	89 288	1 636 633	-	2 744 610
Loan insurance	393 062	393 062	-	-	-	62 461	62 461	-	-	-	9 566
Guarantee insurance	6 816 204	2 222 536	-	4 593 668	-	144 668	(384 050)	-	528 718	-	661 943
Insurance of various financial losses	596 318	106 030	287	490 288	-	228 619	11 373	-	217 246	-	89 806
Insurance of legal expenses	12 819	12 819	11 653	-	-	-	-	-	-	-	384
Assistance insurance	6 965 282	1 822 306	1 266 039	5 142 976	-	2 894 911	698 252	321 196	2 196 659	-	2 494 742

# Insurer's performance indicators by Type of Insurance

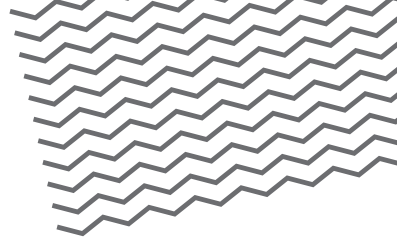


Item	Total in reporting period	Type of Insurance																
		Accident insurance	Health Insurance	Motor vehicle insurance (other than railway)	Railway transport insurance	Aircraft insurance	Vessel insurance	Cargo insurance	Property insurance against fire and natural disaster damages and other risks	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 (%)	68.47	73.06	89.97	77.87	17.40	124.15	106.66	14.04	67.45	67.42	10.99	(220.04)	15.20	54.45	(16.63)	50.09	(0.10)	43.54
Expense ratio (%)	28.55	24.09	17.86	26.36	24.29	32.42	36.42	36.56	37.97	29.06	36.61	24.34	42.43	9.83	22.52	24.14	3.48	40.56
Combined ratio (%)	97.02	97.15	107.83	104.23	41.68	156.57	143.09	50.60	105.41	96.48	47.60	(195.70)	57.63	64.28	5.89	74.24	3.38	84.10



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

No.	Item	In reporting period
1	Basic own funds before deduction	63 920 115
2	Deductions for participations in financial and credit institutions	-
3	<b>Total basic own funds after deductions (1.-2.)</b>	<b>63 920 115</b>
4	<b>Total ancillary own funds</b>	<b>-</b>
5	<b>Available and eligible own funds</b>	<b>63 920 115</b>
5.1.	Total available own funds to meet the Solvency Capital requirements	63 920 115
5.2.	Total available own funds to meet the Minimum Capital requirements	63 920 115
5.3.	Total eligible own funds to meet the Solvency Capital requirements	63 920 115
5.4.	Total eligible own funds to meet the Minimum Capital requirements	46 816 321
6	<b>Solvency Capital requirements</b>	<b>57 110 131</b>
7	<b>Minimum Capital requirements</b>	<b>24 481 033</b>
8	<b>Ratio of Eligible own funds to Solvency Capital requirements</b>	<b>111.92%</b>
9	<b>Ratio of Eligible own funds to Minimum Capital requirements</b>	<b>191.24%</b>

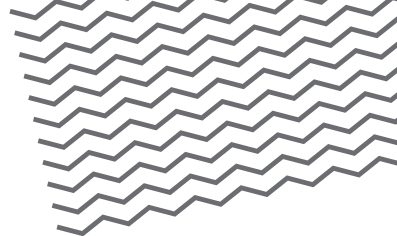


# Key Cooperation Partners

## 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 2022

It was already evident in the first quarter of 2022 that the war in the Ukraine affected several industries and also in the third 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.

One of BTA's strategic drivers is sustainability. Proceeding with taking care of sustainability and reduction of negative climate changes, BTA has received certificates for implementation and maintenance of ISO 9001:2015 and ISO 14001:2015 international standards. The certificates apply to BTA company in Latvia, Estonia and Lithuania, which is an important step towards even more sustainable management of the company. These certificates are proof to BTA's investment in sustainability and its commitment to keep on working according to good management principles further on. The ISO 9001 quality management certificate confirms that BTA has developed quality measurement criteria, as well as all possible risks have been identified, and the company keeps on working on continuous quality improvement. Whereas the ISO 14001 environmental management certificate allows monitoring BTA's environmental footprint, as well as evaluates and promotes the efficiency of the environmental system.

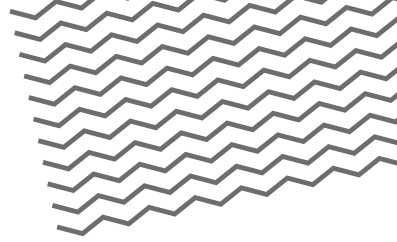
Development, innovation and investment in sustainable projects are important to BTA. In autumn this year BTA was presented award in the nomination Investor of the Year 2022 at the Baltic Real Estate Forum BRELF Awards 2022. Proceeding with implementation of its investment strategy in the real estate field in the Baltics, BTA has concluded a significant investment deal with the construction company YIT on development of 5 rental apartment housing projects in the Baltic States. The total amount of investment of these projects is EUR 65 million and is historically the largest transaction of its kind in the real estate industry.

In 2022, the Company continues 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/>