Royal Crown Insurance Co Ltd

Solvency and Financial Condition Report

Disclosures

31 December 2020

(Monetary amounts in EUR thousands)

General information

Undertaking name	Royal Crown Insurance Co Ltd
Undertaking identification code	2138000EXQ1KPSBJXC52
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	CY
Language of reporting	en
Reporting reference date	31 December 2020
Currency used for reporting	EUR
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business

S.05.02.01 - Premiums, claims and expenses by country

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S.19.01.21 - Non-Life insurance claims

S.23.01.01 - Own Funds

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02 Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	3,895
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	11,153
R0080	Property (other than for own use)	875
R0090	Holdings in related undertakings, including participations	
R0100	Equities	305
R0110	Equities - listed	305
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	
R0190	Derivatives	
R0200	Deposits other than cash equivalents	9,973
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	811
R0280	Non-life and health similar to non-life	811
R0290	Non-life excluding health	809
R0300	Health similar to non-life	3
R0310	Life and health similar to life, excluding index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	2,101
R0370	Reinsurance receivables	348
R0380	Receivables (trade, not insurance)	262
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1,840
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	20,411

S.02.01.02 Balance sheet

		Solvency II
	Liabilities	C0010
R0510	Technical provisions - non-life	9,389
R0520	Technical provisions - non-life (excluding health)	9,366
R0530	TP calculated as a whole	0
R0540 R0550	Best Estimate Risk margin	8,783 583
R0560	Technical provisions - health (similar to non-life)	23
R0570	TP calculated as a whole	0
R0580	Best Estimate	22
R0590	Risk margin	1
R0600 R0610	Technical provisions - life (excluding index-linked and unit-linked)	0
	Technical provisions - health (similar to life)	0
R0620	TP calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	0
R0660	TP calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	520
R0790	Derivatives	
R0800	Debts owed to credit institutions	02
R0810 R0820		92
R0820	Insurance & intermediaries payables Reinsurance payables	1,149
R0830	Payables (trade, not insurance)	424
R0850	Subordinated liabilities	
R0850	Subordinated liabilities not in BOF	0
R0870	Subordinated liabilities in BOF	0
R0880	Any other liabilities, not elsewhere shown	644
R0900	Total liabilities	12,689
R1000	Excess of assets over liabilities	7,722

S.05.01.02 Premiums, claims and expenses by line of business

Non-life

		L	ne of Business f	or: non-life insu	urance and rein	surance obliga	tions (direct bu	siness and acce	epted proportic	onal reinsuranc	e)		Line of t		cepted non-pro urance	portional	
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	Total
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written				,													
R0110 Gross - Direct Business		41		3,610	1,474	176	3,552	1,139				102					10,093
R0120 Gross - Proportional reinsurance accepted														1			0
R0130 Gross - Non-proportional reinsurance accepted										1							0
R0140 Reinsurers' share		15		316								65					3,635
R0200 Net		26		3,293	1,345	54	786	917				37					6,458
Premiums earned R0210 Gross - Direct Business		48		3,583	1,464	175	3,481	1,214			1	110					10,075
R0210 Gross - Proportional reinsurance accepted		40		3,363	1,404	175	3,401	1,214				110					0
R0230 Gross - Non-proportional reinsurance accepted		1								1	1						0
R0240 Reinsurers' share		16		317	129	122	2,677	223				66					3,551
R0300 Net		32		3,267		53		991				44					6,525
Claims incurred		52		5,207	1,554		004	,,,,		1	1			1			0,325
R0310 Gross - Direct Business		12		2,542	873	54	301	131				2					3,916
R0320 Gross - Proportional reinsurance accepted				, , , , , , , , , , , , , , , , , , ,													0
R0330 Gross - Non-proportional reinsurance accepted																	0
R0340 Reinsurers' share		0		758	5	39	259	45				2					1,108
R0400 Net		12		1,783	869	15	42	86				0					2,808
Changes in other technical provisions																	
R0410 Gross - Direct Business				41		-5											37
R0420 Gross - Proportional reinsurance accepted																	0
R0430 Gross - Non-proportional reinsurance accepted																	0
R0440 Reinsurers' share																	0
R0500 Net		0		41	0	-5	0	0				0					37
R0550 Expenses incurred		9		1,485	614	16	527	383				13					3,047
R1200 Other expenses																	13
R1300 Total expenses																	3,060

S.05.02.01 Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			premiums wri	by amount of gross itten) - non-life ations	Total Top 5 and home country
R0010								
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	10,093						10,093
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	3,635						3,635
R0200	Net	6,458						6,458
	Premiums earned							
R0210	Gross - Direct Business	10,075						10,075
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	3,551						3,551
R0300	Net	6,525						6,525
	Claims incurred							
R0310	Gross - Direct Business	3,916						3,916
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	1,108						1,108
R0400	Net	2,808						2,808
	Changes in other technical provisions							
R0410	Gross - Direct Business	37						37
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	37						37
R0550	Expenses incurred	3,047						3,047
R1200	Other expenses							13
R1300	Total expenses							3,060

S.17.01.02 Non-Life Technical Provisions

						Direct busi	ness and accepte	ed proportional re	einsurance					Ac	cepted non-prop	ortional reinsurar	nce	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non- proportional health reinsurance	Non- proportional casualty reinsurance	Non- proportional marine, aviation and transport reinsurance	Non- proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010 Tech	hnical provisions calculated as a whole		0		0	0	0	0	0				0					0
R0050 adju	Il Recoverables from reinsurance/SPV and Finite Re after the istment for expected losses due to counterparty default clated to TP calculated as a whole																	0
Tech	nnical provisions calculated as a sum of BE and RM																	
Best	estimate																	
	Premium provisions																	
R0060	Gross		12		1,117	540	-1	108	-80				-13					1,683
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		3		-177	-40	-9	-78	-159				-16					-476
R0150	Net Best Estimate of Premium Provisions		9		1,294	580	7	186	79				3					2,158
	Claims provisions																	
R0160	Gross		10		5,201	387	75	431	1,018				0					7,122
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		0		714	0	48	349	176				0					1,287
R0250	Net Best Estimate of Claims Provisions		10		4,487	387	26	82	842				0	İ				5,835
R0260 Tota	al best estimate - gross		22		6,318	927	73	539	938				-13					8,805
	al best estimate - net		19		5,781	967			921				3					7,993
R0280 Risk	margin		1		422	71	2	20	67				0					584
	ount of the transitional on Technical Provisions	1		1									-	1	1		1	
	nnical Provisions calculated as a whole																	0
R0300 Best																		0
R0310 Risk																		0
R0320 Tech	hnical provisions - total		23		6,741	998	76	559	1,005				-13					9,389
	overable from reinsurance contract/SPV and				0,711	,,,,			1,005				1.5					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
R0330 Finit	te Re after the adjustment for expected losses due to nterparty default - total		3		537	-40	39	271	18				-16					811
	hnical provisions minus recoverables from reinsurance/SPV Finite Re - total		20		6,204	1,038	36	288	988				3					8,577

S.19.01.21 Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year Accident Year

ſ	Gross Claims	s Paid (non-cur	mulative)											
	(absolute am	iount)												
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year					Developm	ent year						In Current	Sum of years
		0	1	2	3	4	5	6	7	8	9	10 & +	year	(cumulative)
R0100	Prior											25	25	25
R0160	2011	2,487	1,213	514	67	78	146	28	78	93	118		118	4,823
R0170	2012	2,298	1,290	254	99	66	31	62	33	195			195	4,328
R0180	2013	1,971	841	125	12	15	40	53	48				48	3,104
R0190	2014	2,132	940	229	22	292	9	12					12	3,635
R0200	2015	2,028	960	68	65	89	1,048						1,048	4,259
R0210	2016	2,152	860	111	111	3							3	3,237
R0220	2017	2,319	1,003	98	63								63	3,483
R0230	2018	2,148	987	235									235	3,370
R0240	2019	2,352	1,194										1,194	3,546
R0250	2020	1,726											1,726	1,726
R0260												Total	4,668	35,537

	Gross Undisc (absolute am	counted Best Es	stimate Clain	ns Provisions									
		,											C0360
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	Year end
	Year					Developm	nent year						(discounted
		0	1	2	3	4	5	6	7	8	9	10 & +	data)
R0100	Prior											67	68
R0160	2011	0	0	0	0	0	705	610	511	388	295		299
R0170	2012	0	0	0	0	763	736	638	615	610			618
R0180	2013	0	0	0	982	942	887	561	531				539
R0190	2014	0	0	678	742	601	545	592					601
R0200	2015	0	917	774	917	1,042	805						818
R0210	2016	1,901	942	757	587	467							474
R0220	2017	1,995	925	765	702								712
R0230	2018	2,033	815	495									503
R0240	2019	2,304	995										1,009
R0250	2020	1,461											1,480
R0260												Total	7,122

S.23.01.01 Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

- R0010 Ordinary share capital (gross of own shares)
- R0030 Share premium account related to ordinary share capital
- R0040 Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
- R0050 Subordinated mutual member accounts
- R0070 Surplus funds
- R0090 Preference shares
- R0110 Share premium account related to preference shares
- R0130 Reconciliation reserve
- R0140 Subordinated liabilities
- R0160 An amount equal to the value of net deferred tax assets
- R0180 Other own fund items approved by the supervisory authority as basic own funds not specified above

R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

R0230 Deductions for participations in financial and credit institutions

R0290 Total basic own funds after deductions

Ancillary own funds

- R0300 Unpaid and uncalled ordinary share capital callable on demand
- R0310 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual type undertakings, callable on demand
- R0320 Unpaid and uncalled preference shares callable on demand
- R0330 A legally binding commitment to subscribe and pay for subordinated liabilities on demand
- R0340 Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
- R0350 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
- R0360 Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
- R0370 Supplementary members calls other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
- R0390 Other ancillary own funds
- R0400 Total ancillary own funds

Available and eligible own funds

- R0500 Total available own funds to meet the SCR
- R0510 Total available own funds to meet the MCR
- R0540 Total eligible own funds to meet the SCR
- R0550 Total eligible own funds to meet the MCR

R0580 SCR

- R0600 MCR
- R0620 Ratio of Eligible own funds to SCR
- R0640 Ratio of Eligible own funds to MCR

Reconcilliation reserve

- R0700 Excess of assets over liabilities
- R0710 Own shares (held directly and indirectly)
- R0720 Foreseeable dividends, distributions and charges
- R0730 Other basic own fund items
- R0740 Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

R0760 Reconciliation reserve

Expected profits

- R0770 Expected profits included in future premiums (EPIFP) Life business
- R0780 Expected profits included in future premiums (EPIFP) Non- life business
- R0790 Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
5,000	5,000		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
2,722	2,722			
0		0	0	0
0				0
0	0	0	0	0
0			-	·
0				
7,722	7,722	0	0	0



7,722	7,722	0	0	0
7,722	7,722	0	0	
7,722	7,722	0	0	0
7,722	7,722	0	0	







S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	2,467		
R0020	Counterparty default risk	1,527		
R0030	Life underwriting risk	0		
0040	Health underwriting risk	12		
0050	Non-life underwriting risk	2,760		
0060	Diversification	-1,710		
			USP Key	
0070	Intangible asset risk	0	For life under	writing risk.
				the amount of annuity
0100	Basic Solvency Capital Requirement	5,056	benefits 9 - None	
	Calculation of Solvency Capital Requirement	C0100		derwriting risk: the amount of annuity
0130	Operational risk	302	benefits	
0140	Loss-absorbing capacity of technical provisions	0	z - standard d premium	leviation for NSLT health risk
0150	Loss-absorbing capacity of deferred taxes		3 - Standard d premium	leviation for NSLT health gros
0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		t factor for non-proportional
0200	Solvency Capital Requirement excluding capital add-on	5,358	reinsuran 5 - Standard d	ce leviation for NSLT health
0210	Capital add-ons already set	0	reserve ri	
0220	Solvency capital requirement	5,358	9 - None	
				Inderwriting risk:
	Other information on SCR		4 - Adjustmen reinsuran	it factor for non-proportional ce
0400	Capital requirement for duration-based equity risk sub-module	0	6 - Standard d premium	leviation for non-life
0410	Total amount of Notional Solvency Capital Requirements for remaining part	0		leviation for non-life gross
0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0	premium 8 - Standard d	risk leviation for non-life
0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0	reserve ri	
0440	Diversification effects due to RFF nSCR aggregation for article 304	0	9 - None	
	Approach to tax rate	C0109		
0590	Approach based on average tax rate	0		
		LAC DT		
	Calculation of loss absorbing capacity of deferred taxes			
		C0130		
	LAC DT			
	LAC DT justified by reversion of deferred tax liabilities	0		
0660	LAC DT justified by reference to probable future taxable economic profit	0		
0170				

0 0 0

R0670 LAC DT justified by carry back, current year

R0680 LAC DT justified by carry back, future years

R0690 Maximum LAC DT

Linear formula component for non-life insurance and reinsurance obligations C0010 R0010 MCR_{NL} Result 1,294 Net (of Net (of reinsurance) reinsurance/SPV) best written premiums in estimate and TP the last 12 months calculated as a whole R0020 Medical expense insurance and proportional reinsurance 0 19 26 R0030 Income protection insurance and proportional reinsurance R0040 Workers' compensation insurance and proportional reinsurance 0 R0050 Motor vehicle liability insurance and proportional reinsurance 5.781 3,293 R0060 Other motor insurance and proportional reinsurance 967 1,345 54 R0070 Marine, aviation and transport insurance and proportional reinsurance 34 R0080 Fire and other damage to property insurance and proportional reinsurance 268 786 921 917 R0090 General liability insurance and proportional reinsurance R0100 Credit and suretyship insurance and proportional reinsurance 0 R0110 Legal expenses insurance and proportional reinsurance 0 R0120 Assistance and proportional reinsurance 0 R0130 Miscellaneous financial loss insurance and proportional reinsurance 3 37 R0140 Non-proportional health reinsurance 0 R0150 Non-proportional casualty reinsurance 0 R0160 Non-proportional marine, aviation and transport reinsurance 0 0 R0170 Non-proportional property reinsurance Linear formula component for life insurance and reinsurance obligations C0040 R0200 MCR_L Result 0 Net (of Net (of reinsurance/SPV) best reinsurance/SPV) total estimate and TP capital at risk calculated as a whole C0060 R0210 Obligations with profit participation - guaranteed benefits R0220 Obligations with profit participation - future discretionary benefits R0230 Index-linked and unit-linked insurance obligations R0240 Other life (re)insurance and health (re)insurance obligations R0250 Total capital at risk for all life (re)insurance obligations **Overall MCR calculation** C0070 R0300 Linear MCR 1,294 R0310 SCR 5,358 R0320 MCR cap 2,411 R0330 MCR floor 1,340 R0340 Combined MCR 1,340 R0350 Absolute floor of the MCR 3,700

3,700

R0400 Minimum Capital Requirement