Annual Financial Report

Eurolife FFH General Insurance S.A.

For the year ended
31 December 2023

EUROLIFE FFH

A FAIRFAX Company

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Contents

BOARD OF DIRECTORS' REPORT OF EUROLIFE FFH General Insurance S.A. 5
INDEPENDENT AUDITOR'S REPORT 19
ANNUAL FINANCIAL STATEMENTS:
STATEMENT OF FINANCIAL POSITION 24
INCOME STATEMENT 25
STATEMENT OF COMPREHENSIVE INCOME 26
STATEMENT OF CHANGES IN EQUITY 27
CASH FLOW STATEMENT 28
NOTE 1: GENERAL INFORMATION 29
NOTE 2: PRINCIPAL ACCOUNTING POLICIES 29
2.1 Basis of Preparation of Financial Statements 29
2.2 Adoption of International Financial Reporting Standards (I.F.R.S.) 31
2.3 Foreign currency 36
2.4 Property, plant and equipment 36
2.5 Investment properties 37
2.6 Intangible assets 37
2.7 Financial assets and liabilities 38
2.8 Fair value measurement of financial instruments 41
2.9 Impairment of assets 41
2.9.1 Impairment of financial assets 41
2.9.2 Impairment of non-financial assets 42
2.10 Offsetting of financial instruments 43
2.11 Current and deferred taxation 43
2.12 Employee benefits 43
2.13 Insurance and Reinsurance Contracts 44
2.13.1 Separating components from insurance and reinsurance contracts 44
2.13.2 Level of aggregation 45
2.13.3 Recognition 46
2.13.4 Modification and Derecognition 46
2.13.5 Insurance Acquisition Cash flows 47
2.13.6 Contract Boundary 47
2.13.7 Measurement 48
2.13.8 Onerous contracts 52
2.13.9 Presentation 53
2.13.10 Insurance Revenue 53
2.13.11 Insurance service expenses 53
2.13.12 Net income or expense from reinsurance contracts held 54
2.13.13 Insurance finance income and expense 54
2.14 Leases 54
2.15 Related party transactions 55
2.16 Share capital 56
2.17 Dividends 56
2.18 Provisions – Pending litigations 56
2.19 Cash and cash equivalents 56
2.20 Revenue recognition 56
2.21 Investments in subsidiaries 56
NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS 56
3.1 Insurance and reinsurance contracts 57
3.2 Estimated impairment of goodwill 58
3.3 Fair value of financial instruments 58
NOTE 4: INSURANCE AND FINANCIAL RISK MANAGEMENT 59
4.1 Framework for risk management 59
4.2 Insurance risk 60
4.3 Financial Risks 63
4.4 Operational risk 74
4.5 Capital adequacy 74
4.6 Fair values of financial assets and liabilities 76
NOTE 5: PROPERTY, PLANT AND EQUIPMENT 77
NOTE 6: RIGHT OF USE ASSETS AND LEASE LIABILITIES 78
NOTE 7: INVESTMENT PROPERTIES 79
NOTE 8: INTANGIBLE ASSETS 80
NOTE 9: INVESTMENTS IN SUBSIDIARIES 81
NOTE 10: DEFERRED TAX ASSET/LIABILITY 82
NOTE 11: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS 83
NOTE 12 : FINANCIAL ASSETS AT AMORTISED COST 84
NOTE 13: REINSURANCE CONTRACT ASSETS 84
NOTE 14: OTHER RECEIVABLES 87
NOTE 15: CASH AND CASH EQUIVALENTS 87
NOTE 16: SHARE CAPITAL 87
NOTE 17: RESERVES 88
NOTE 18: INSURANCE CONTRACT LIABILITIES 88
NOTE 19: EMPLOYEE BENEFITS 91
NOTE 20: OTHER LIABILITIES 92

Contents

NOTE 21: NET INSURANCE SERVICE RESULT 93
NOTE 22: NET INVESTMENT INCOME FROM FINANCIAL ASSETS 94
NOTE 23: NET INSURANCE FINANCIAL RESULT 94
NOTE 24: INSURANCE SERVICE EXPENSES AND OTHER OPERATING EXPENSES 95
NOTE 25: INCOME TAX EXPENSE 96
NOTE 26: RELATED PARTY TRANSACTIONS 96
NOTE 27: COMMITMENTS AND CONTINGENT LIABILITIES 98
NOTE 28: DIVIDENDS 98
NOTE 29: POST BALANCE SHEET EVENTS 98

BOARD OF DIRECTORS' REPORT of Eurolife FFH General Insurance S.A.

The Board of Directors presents the Management Report together with the Annual Financial Statements for the year ended 31 December 2023.

Developments in the Greek economy during 2023: remarkable resilience, despite the uncertainties in the international environment

The Greek economy continues its strong recovery, showing positive growth signs from 2021 onwards. Despite the shocks caused by the war in Israel, inflationary pressures (although there is little decongestion) and the ongoing energy crisis, the country seems to maintain its growth momentum, with the growth rate for 2023 estimated at 2,1% remaining among the highest in the euro area in 2023. The strong performance was boosted by the strong recovery in tourism, the additional fiscal support due to high energy prices, and a decline in unemployment, which has fallen to a 14-year low.

The recovery of investment grade status by international rating agencies strengthens confidence in the Greek economy and creates prospects for broadening the investment base.

Following a decade of very low investment flows, there is now a significant recovery in investments (gradually from mid-2020), supported by European funds and the stabilization of the political and wider framework of the domestic economy. The investment mix is focused on residential and construction, followed by mechanical and transport equipment.

Parallel positive signs emerge from the de-escalation of inflation in 2023 to 3,5%, from 9,6% (two years ago), while a decrease in prices for energy goods was observed. However, rising food prices remained.

At the Eurozone level, inflation declined in 2023, to 5,5% from 8,4% in 2022.

However, there are still uncertainties and difficulties regarding the macroeconomic environment, such as the evolution of the crisis in the Middle East as well as the intensity and duration of the impact of the war in Ukraine. At the same time, there are fears that curbing inflationary pressures by raising interest rates could lead to an economic recession. Coordination of monetary and fiscal policy is essential.

Management closely monitors developments globally and periodically assesses the impact they may have on the Company's operations and financial position. The Company has no operations in the Middle East, nor in Ukraine/Russia and does not expect a direct impact on its operations.

The Company will continue to assess economic conditions so that it can timely reflect any changes resulting from uncertainty about the macroeconomic outlook.

Development of the Greek insurance market in 2023

The 2023 was another year of growth for the Greek insurance market, following the growth path of the country's economy. The Greek insurance market, as expected, was positively affected by the above-mentioned growth rates of Greek economy. Premium production[1] amounted to €5,3 billion increasing by 8,9% compared to 2022.

However, last year was focused on natural disasters, following the summer wildfires and the unprecedented floods in Thessaly region caused by the storm named "Daniel". The Greek insurance market paid over €420 million compensations for citizens and businesses for these events. At the same time, 2023 was the year that the implementation of the ENFIA discount matured, which finally took place in January 2024.

In the Greek insurance market, according to the available data[1], the total premium production for the year 2023 amounts to € 5.265,6 million. (2022: € 4.836,0 million), out of which € 2.701,0 million (2022: € 2.410,5 million) is attributed to general insurance business and € 2.564,6 million. (2022: 2.425,4 million) in life insurance business.

More specifically, general insurance increased by 12,1% (2022: 6,1%), while life insurance premiums increased by 5,7% (2022: 2,4%). Regarding non-life insurance business, the non-motor lines of business recorded an increase of 16,0% compared to 2022, while motor insurance business recorded an increase of 3,2%. Regarding life insurance lines of business, life insurance linked with investments (Unit-linked products)increased by 17,4%, management of group pension funds increased by 18,2%, while traditional life insurance products decreased by -5,9%.

The following table presents the insurance premium production of the Greek market[1] per insurance line of business for year 2023 and the respective variations compared to year 2022.

[1] According to the premium production published by the Hellenic Association of Insurance companies ("H.A.I.C"). that includes information only for the insurance companies that are members of H.A.I.C (http://www1.eaee.gr/paragogi-asfalistron)

Insurance premiums of the Greek market	2023	%	Change % compared to 2022
(amounts in € mil.)			
Life traditional insurance	1.152	22%	-5,9%
Life insurance linked to investments (Unit-linked)	1.007	19%	17,4%
Management of group pension funds	405	8%	18,2%
Motor vehicle liability	764	15%	3,2%
Other non-life	1.937	37%	16,0%
Total gross written premiums	**5.266**	**100%**	**8,9%**

The Greek insurance market remains strong in terms of capital adequacy where Greek insurance companies demonstrate adequate Solvency II ratios. The equity capital of insurance companies has more than doubled since 2012, reaching €3,6 billion. In addition, significant progress has been made both in terms of corporate governance and in increasing transparency towards consumers.

Finally, the adoption of two new financial reporting standards, IFRS 17 "Insurance Contracts" (IFRS 17) and IFRS 9 "Financial Instruments" effective by 1st of January 2023, has played an important role. In particular, the transition to IFRS 17 was one of the most significant changes for insurance undertakings in the last 20 years, as a complete revision of the financial statements was required.

Financial Results Review

2023 was a special year for Eurolife FFH General Insurance S.A. (the "Company") which was characterized by the natural catastrophes occurred in Greece, with wildfires in various areas of the country and floods in Thessaly region caused by the storm "Daniel". The insurance service result of the Company has been significantly affected by these catastrophic events amounting to losses of € -7,1 million in 2023 compared to gains of € 5,1 million in 2022. However, despite these loses the Company managed to remain profitable with profit before tax in 2023 reaching the amount of € 4,3 million (2022: of € 7,6 million), as the catastrophic losses have been offset by the increased valuation gains of the financial assets during the year.

Financial Figures of the Company

Key financial figures

(amounts in € mil.)	2023	2022 Restated
Gross written premiums	80,0	70,4
Insurance revenue	75,9	68,2
Insurance service expenses	(69,1)	(49,3)
Net expense from reinsurance contracts held	(13,9)	(13,7)
Insurance service result	(7,1)	5,1
Net Investment Income [1]	16,2	3,1
Profit Before Tax	4,3	7,6
Income Tax	(1,3)	(2,0)
Profit for the year	3,0	5,6
Total assets	221,7	185,0
Equity	95,5	82,5
Insurance Contract Liability	108,1	84,8
Number of Employees at 31 December	161	170

[1] Net investment income comprises of the sum of the Income Statement lines: Interest and dividends, Net gains/(losses) on financial assets at FVTPL, Change in credit impairment and Other investment income

Financial Ratios

	2023	2022 Restated
Return on Equity after tax (ROE)	3,4%	7,0%
Return on Assets before tax (ROA)	2,0%	4,0%
Profit margin before tax	5,4%	10,8%
Expenses Ratio	44,7%	47,9%
Loss Ratio	50,3%	28,7%
Combined Ratio	94,8%	76,6%
Solvency II Ratio (SCR)	127%	144%
Solvency II Ratio (MCR)	507%	531%

Financial Ratios Glossary

Return on Equity after tax (ROE): Profit for the year divided by the average net assets of the year.

Return on Assets before tax (ROA): Profit for the year before tax divided by the average total assets of the year.

Profit margin before Tax: Profit before tax divided by the gross written premiums.

Expenses Ratio: Attributable (including insurance acquisition cash flows) and non-attributable expenses, divided by insurance revenue.

Loss Ratio: Incurred Claims divided by insurance revenue.

Combined Ratio: Total of claims and benefits, attributable (including insurance acquisition cash flows) and non-attributable expenses, divided by insurance revenue.

Solvency II Ratio (SCR): Eligible Own funds divided by Solvency capital requirement.

Solvency II Ratio (MCR): Eligible Own funds divided by Minimum capital requirement.

Gross written premiums

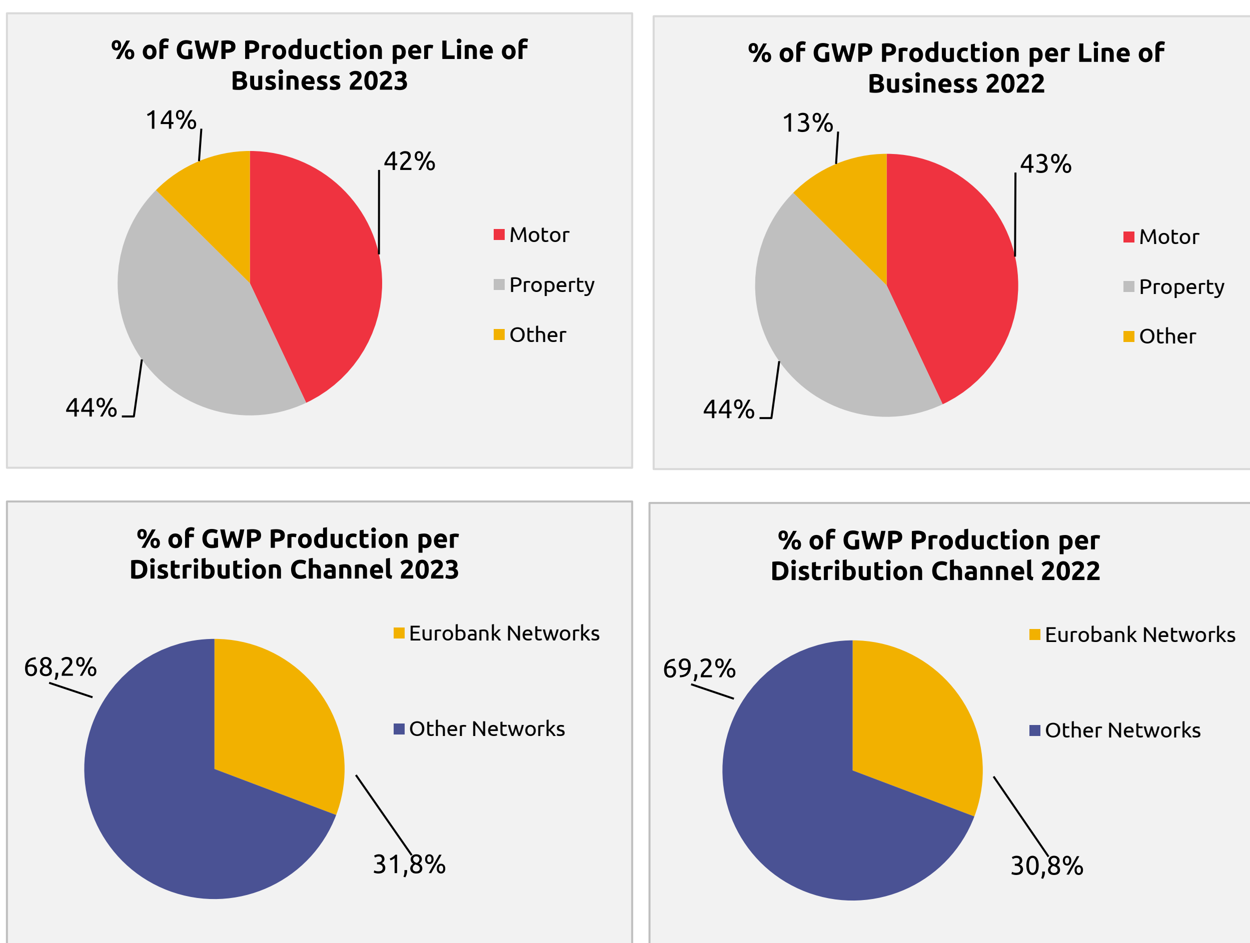
In fiscal year 2023, the gross written premiums of the Company reached € 80,0 million, showing an increase of 13,7% compared to 2022 (2022: € 70,4 million). The increase in the Company's insurance premium production comes from all the insurance sectors.

Specifically, the insurance premium production of the property sector showed an increase of € 4,1 million (13,3% compared to 2022), the insurance premium production of the motor sector showed an increase of € 3,3 million (11,0% compared to 2022), while insurance premium production of the other sector showed an increase of € 2,1 million (24,3% compared to 2022).

In terms of market shares, Eurolife FFH General Insurance S.A. gathered 3,7%[1] of the total market in 2023(2022: 3,3%[2]) .

The following charts present the gross written premium production per line of business and per distribution channel for the years 2023 and 2022, respectively.

[1] Based on the production of insurance premiums published by the Association of Insurance Companies of Greece which includes data only for insurance companies that are members of it. (http://www1.eaee.gr/paragogi-asfalistron)
[2] Based on the Annual Statistical Report published by the Hellenic Association of Insurance Companies ("E.A.E.E.") which includes data from the published statements of insurance companies established in Greece (http:// www1.eaee.gr/etisia-statistiki-ekthesi)



Analysis of insurance service result by insurance sector

	From 01/01 to 31/12/2023				From 01/01 to 31/12/2022 Restated			
(amounts in € thousand)	**Motor**	**Property**	**Other**	**Total**	**Motor**	**Property**	**Other**	**Total**
Insurance revenue	31.846	33.924	10.088	**75.858**	29.572	31.035	7.546	**68.153**
Insurance Service Expenses	(31.623)	(32.254)	(5.233)	**(69.110)**	(26.410)	(19.822)	(3.103)	**(49.335)**
Insurance Service Result from insurance contracts issued	222	1.670	4.855	**6.748**	3.162	11.213	4.443	**18.818**
Net income or expense from reinsurance contracts held	(3.347)	(6.616)	(3.885)	**(13.848)**	(3.086)	(6.249)	(4.348)	**(13.683)**
Insurance Service Result	**(3.125)**	**(4.946)**	**970**	**(7.101)**	**76**	**4.963**	**95**	**5.134**

Net investment income

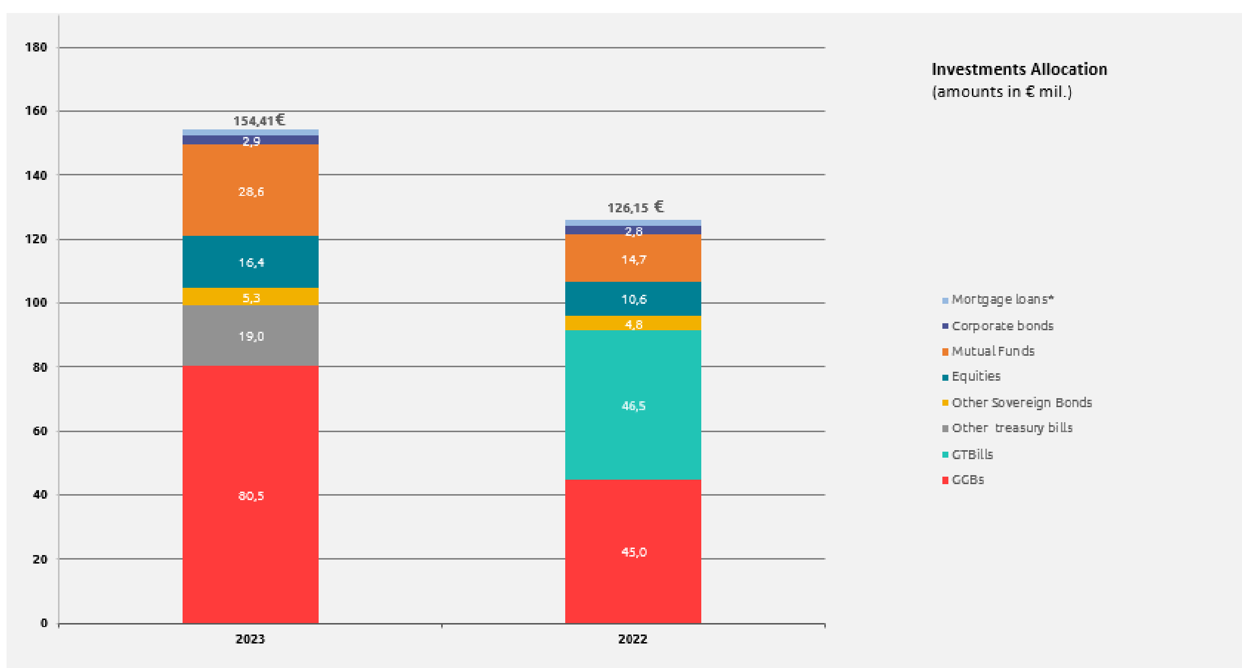
The net investment income of the Company amounted to € 16,2 million in the year 2023 compared to € 3,1 million in the previous year This change is mainly due to valuation gains of financial assets in 2023 compared to valuation losses in 2022.

The following tables present the analysis of total investment income by category of financial assets in the fiscal year 2023 and 2022:

31/12/2023	Investment Income	Realized gains / (losses)	Fair value gains / (losses)	Change in credit impairment	Total
(amounts in € thousand)					
Bonds	3.699	400	1.935	-	**6.034**
Equities	325	-	5.788	-	**6.114**
Mutual Funds	-	-	3.741	-	**3.741**
Loans	96	-	-	(1)	**95**
Deposits	101	-	-	-	**101**
Other	122	-	-	-	**122**
Net Investment Income	**4.343**	**400**	**11.464**	**(1)**	**16.207**

31/12/2022 Restated	Investment Income	Realized gains / (losses)	Fair value gains / (losses)	Change in credit impairment	Total
(amounts in € thousand)					
Bonds	604	406	(258)	-	**753**
Equities	2.469	-	1.212	-	**3.681**
Mutual Funds	-	(2)	(1.538)	-	**(1.539)**
Loans	46	-	-	-	**46**
Deposits	19	-	-	-	**19**
Other	153	-	-	-	**153**
Net Investment Income	**3.291**	**405**	**(583)**	**-**	**3.113**

The allocation of the Company's investment portfolios per asset class at 31 December 2023 and 31 December 2022 is as follows:



* Mortgage loans: 2023: € 1,8 million (2022: € 1,8 million)

Financial Results

Profit before tax amounted to € 4,3 million in 2023, showing a decrease of 43,4% compared to 2022 (2022: € 7,6 million). The decrease is mainly due to decrease of Insurance service result from insurance contracts issued during the year.

Share Capital- Equity- Main Shareholders

The Company is a subsidiary of Eurolife FFH Insurance Group Holdings SA which holds 100% of its share capital

Based on the decision of the extraordinary Shareholders' General Meeting of the Company dated at 22 December 2023, the share capital increased by € 9.999,98 thousand by contribution in cash covered by Eurolife FFH Insurance Group Holdings SA and the issuance of 162.522 new ordinary shares with a nominal value of €61.53 each.

As at 31 December 2023, the share capital of the Company amounts to € 13.064 thousand, divided into 212.322 common registered voting shares with a nominal value of € 61,53 each. All common registered shares have been issued and the share capital is fully paid.

Costa Luxembourg Holding Sà rl, ("Costa") is domiciled in Luxembourg (1 Jean Piret, L-2350 Luxembourg) and holds the 80% of the share capital of Eurolife FFH Insurance Group Holdings SA Costa is fully controlled by Colonnade Finance Sà rl which is also domiciled in Luxembourg and is member of the Fairfax Financial Holding Limited Group. Eurobank SA (hereinafter referred to as "Eurobank") holds the remaining 20% of the share capital of the Eurolife FFH Insurance Group Holdings SA and is considered related party.

Equity of the Company on December 31, 2023 amounted to € 95,5 million compared to € 82,5 million for 2022.

Dividend Distribution

On 24 April 2022, the Annual Shareholders' General Meeting of the Company decided the distribution of a dividend to the shareholder Eurolife FFH Insurance Group Holdings SA amounting to € 5.433 thousand. The distribution of the dividend came from the profits of the year ended 31 December 2021 and as well as from undistributed profits from previous years. The dividend was paid to the shareholder on 18 May 2022.

Subsidiaries

During 2023 the insurance premium production of the Romanian subsidiary Eurolife FFH Asigurari Generale SA, which started operating in September 2007, increased to €7,8 million compared to €4,1 million in 2022. For the year 2023, the loss before tax amounted to €869 thousand (2022: losses €618 thousand), while the losses for the year amounted to €738 thousand (2022: losses €505 thousand).

Based on the decision of the Extraordinary Shareholders' General Meeting of the subsidiary Eurolife FFH Asigurari Generale SA dated at 24.03.2022, the subsidiary increased its share capital by €999 thousand (RON 4.943 thousand) by issuing 3.497 new shares with a nominal value of €286 (RON 1.413,6), which was covered by the Company at a percentage of 95,3% and Eurolife FFH Life Insurance SA at a percentage of 4,7%. After the increase, the share capital of the subsidiary amounts to €6.779 thousand (RON 27.174 thousand).

Events after the Balance Sheet date

According to 08.04.2024 decision of the Extraordinary General Meeting of Shareholders of the subsidiary Eurolife FFH Asigurari Generale S.A., the subsidiary proceeded to an increase of share capital by € 999 thousand (RON 4.967 thousand) by issuing 3.514 new shares at a nominal value of € 285 (RON 1.413,6), which was covered by its shareholders, Eurolife FFH General Insurance S.A. (with a percentage of 95,3%) and Eurolife FFH Life Insurance S.A. (with a percentage of 4,7%). Following the increase, the share capital of the subsidiary amounts to € 7.779 thousand (RON 32.141 thousand).

Management of insurance and financial risks

Risk Management Framework

The existence of an effective risk management framework is considered by the Company a key factor for risk limitation and protection for both policyholders and shareholders. The practices and methodologies applied enhance the framework and contribute to the adoption of the supervisory authorities' requirements.

The risk management framework is reviewed and updated if required, taking into consideration the Company's experience, the market dynamics and its harmonization with the regulatory requirements. In this context, a Risk, Asset-Liability & Investment Management Committee has been established overseeing and leading all risk management activities of the Company in close cooperation with the Risk Management General Division.

The Risk Management system includes the governance system, the strategy that determines the risk appetite as well as the management framework supported by the methodology which includes the risk identification, measurement, monitoring, controlling and reporting. The risk management framework is applied by all the organizational units of the Company which fall into

the 1st line of defense, the Risk Management Function, the Actuarial Function and the Function of Regulatory Compliance which fall into the 2nd line of defense as well as the Internal Audit Function which falls into the 3rd line of defense.

The Company is exposed mostly to the following types of risks: underwriting & reserving (insurance) risk, market risk, credit risk, liquidity risk, operational risk, concentration risk, strategic risk and reputational risk.

Insurance Risk

Insurance risk is the risk under insurance contracts related to the possibility that the insured event occurs as well as the uncertainty surrounding the resulting claim. The general insurance portfolio covers nearly all insurance types dealing with losses and damages.

The main insurance risks (as quantified by the standard method) to which the Company is exposed are:

Premium and reserve risk: reflects the risk of loss or adverse change in the value of insurance liabilities, resulting from fluctuations in time and frequency severity of the insured events, as well as the time and amount of settlement of the compensations.

Catastrophe risk: assesses the risk of loss or adverse change in the value of insurance liabilities, resulting from significant uncertainty in the pricing assumptions and the creation of technical provisions, due to extreme or extraordinary events. Such events are unlikely to occur but very serious in their occurrence (such as natural disasters), resulting in a significant deviation between actual and expected claims.

Insurance cancellation risk: assesses the risk of loss or adverse change in the value of insurance liabilities resulting from changes in the level or volatility of contract cancellation rates.

Managing the insurance risks of General Insurance products

In **motor liability insurance**, the process of underwriting and product pricing constitute material mechanisms of risk management. Product pricing depends on the use of multi-parametric models aiming to better risk assessment and more appropriate matching between risk and premium for every client. The premium's calculation covers both the losses and the expenses of the portfolio. Additionally, reinsurance arrangements include excess of loss with a maximum underwriting limit for the Company in a) Motor TPL per incident and b) high value vehicle insurance.

In **property insurance**, for the estimation of frequency and severity of claims, the Company regularly monitors its portfolio per package. Appropriate underwriting procedures are in place, taking into consideration criteria such as nature of risk, quality of risk, fire and theft protection measures, geographical location, earthquake accumulation, building construction type and construction year, deductibles, sub-limits for certain categories of covers and loss history.

Management of insurance risks also includes establishment of a maximum level of risk accumulation and a maximum level of loss per risk or event. Any excess amounts are, in both cases, subject to reinsurance cessions through reinsurance treaties or facultative cessions.

The Company maintains reinsurance treaties with creditworthy reinsurers, in order to mitigate catastrophic risks as well as individual risks. The majority of the general insurance contracts covering the largest portion of the Company's portfolio are on an excess of loss ("XoL") basis. The Company focuses on modifying both the capacity and its retention by re-evaluating the relevant portfolios each and every year. There is further protection via proportional reinsurance treaties. There are also instances of mid-term re-evaluation in the event of a significant change to the Company's portfolio, followed up with changes if and when deemed necessary.

Moreover, claims' management is also a significant process related to underwriting risks. The estimated cost of claims also includes the cost of claims' handling. In this context, the Company has also put in place adequate claims' management procedures in order to cover the overall cycle of claims: announcement, receipt, assessment, processing and settlement, complaints and dispute settlement and reinsurance recoverable.

Finally, the pricing of the plans and the verification of the adequacy of the reinsurance contracts have the agreement of the actuaries. Through monitoring reserves maintained it is ensured that the Company has the ability to pay its obligation for each insured person. On semi-annual basis the future cost of losses is estimated and the required reserve is built. In these reserves IBNR losses reserve is held, as well as the cost for handling claims. For future losses, the entity also estimates the adequacy of insurance contracts and builds unexpired risk reserve (URR).

Assessment and risk mitigation techniques used for insurance risks

Proper pricing, underwriting process, reinsurance, claims management, and diversification are the main risk mitigating actions for insurance risks. By offering a range of different insurance products with various product benefits and maturities, the Company

reduces the likelihood that a single risk event will have a material impact on the Company's financial condition.

The Company, in order to monitor underwriting risk, reviews its assumptions made in product pricing and profit testing process for mortality, investment returns and administration expenses, using statistical and actuarial methods. It also combines these with additional assumptions using parameters such as lapse rate, option of lump sum pension (for pension coverage) to perform liability adequacy tests.

Moreover, the Company's reinsurance arrangements serve to limit its overall risk exposure as well as to reduce the volatility of its claims and safeguard underwriting result.

B. Market Risk

Market (investment) risk is the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and volatility of market prices of assets and liabilities.

The key market risks the Company is exposed to, are set out below:

Interest rate risk: is the risk related to the fluctuations of interest rates which affect both the assets and the liabilities.

Currency risk: is the risk related to the fluctuations of currencies which affect the assets and the liabilities of the Company.

Equity risk: The Company's investment portfolio, with its placements in equities and equity funds, is exposed to equity risk due to fluctuations in equity market prices.

Market risk concentration: The Company is exposed to this risk through its investments in individual issuers e.g. time deposits, bonds, shares etc.

Credit spread risk: This is the risk arising from changes in the level or volatility of credit spreads and may affect the value of assets. The Company is exposed to this category through placements in time deposits and bonds-loans.

Assessment and risk mitigation techniques used for market risks

The Company continuously monitors market risk on an ongoing basis, by measures defined in the individual risk management policies at entity level. To this end, the Company:

- Has established and follows an Investment Strategy and an Investment Risk Management Policy, on which the Company's investment activity is based,
- Monitors the exposure of investment portfolio in each sub category of market risk and limits have been set.

In order to manage and measure market risks, the Company uses the aforementioned risk limits, applies the Value at Risk ('VaR') methodology, monitors portfolio valuations on an ongoing basis and carries out simulations in order to calculate potential losses in the event of abnormal market conditions or sensitivity analyses on a regular basis, depending on the existing portfolio structure, strategy and market conditions.

C. Credit risk

Credit risk arises from the possibility of a counterparty causing financial loss due to failure to meet its financial obligations as a result of its deteriorating financial condition. The Company is exposed to credit risk arising principally from: debt securities-loans, reinsurance claims, insurance premiums and cash and cash equivalents.

In debt securities-loans credit risk is related to the inability of the issuer to meet its obligation to settle the face value and coupons of the bond upon maturity.

Regarding credit risk related with reinsurers, credit risk refers to the inability of the reinsurer to meet its financial obligation. The Company has placed several types of reinsurance arrangements, with various reinsurers, and as result is exposed to credit risk. While these agreements mitigate insurance risk, the receivables from reinsurers expose the Company to credit risk.

Regarding credit risk related to premium receivables, credit risk refers to the inability of an intermediary to pay the insurance Company the premiums it has collected from the clients.

Finally, placements in cash and cash equivalents expose the Company to concentration of credit risk.

Assessment and risk mitigation techniques used for credit risk

Credit ratings provided by certified rating agencies are used to assess credit risk (debt issuers and reinsurers). The Company does not make its own assessment of counterparty' s credit risk.

Reinsurance arrangements are reviewed by the Company in order to ensure an adequate level of protection and support of contracts by creditworthy reinsurers. In this context, strict principles have been set up for selection of reinsurers.

The Company implements policies and standards for the management and monitoring of credit risk by intermediaries with emphasis on the daily monitoring of the largest balances in combination with the established limits.

D. Liquidity risk

Liquidity risk may arise from the Company's inability to liquidate investments and other assets in order to meet its financial obligations when they become due.

Factors such as a financial crisis, energy crisis due to the pandemic or the war, could potentially influence the policyholders' behavior. In such cases customers may proceed to redeem their contracts resulting in significant cash outflows for the Company. In order to address the above issues, the Company retains adequate liquid assets and reinsurance treaties covering catastrophic risks. The Company's liquidity position is closely monitored on a daily basis.

Assessment and risk mitigation techniques used for liquidity risks

In order for the Company to effectively manage liquidity risk, it has established, recorded and follows a set of documents consisting of the Liquidity Management Policy and a specific implementation directive.

Specific principles govern these documents and ensure the effective management which is mainly achieved by holding sufficient cash and cash equivalents as well as highly marketable financial assets that can easily be liquidated to meet operational needs. In addition, the time mismatch of cash inflows and outflows is monitored both in terms of assets and liabilities.

E. Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems and/or external events. It is inherent in every function and business activity of the Company. An effective system towards management of operational risk is required in order to identify, assess and quantify exposures, identify manifestations of operational risk events, determine tolerance limits and, where necessary, reduce the exposure to acceptable levels.

The Company, considering the nature, scale and complexity of its activities has established a Comprehensive Operational Risk Framework of principles and procedures, allowing for the effective identification, assessment, management, monitoring and reporting of operational risks (to which it is or may be exposed to). The above-mentioned framework is embedded in the decision-making processes and corporate culture by enhancing awareness of operational risk while being implemented alongside a continuous risk awareness program for all staff.

The Company's Operational Risk Management Framework includes methodologies related to: Risk Control Self-Assessment, scenario assessment, business environment assessment, FRA risk exposure assessment (FRA), evaluation of outsourcing relations (ORA), in the assessment of cloud computing service providers, in the conduct risk assessment of business practices (conduct risk assessment), the assessment of the business environment, the monitoring of Key Risk Indicators (KRIs) and in the management of operational risk events (operational losses) and is described in the corresponding documents, methodologies, policies and / or procedures.

The Company's strategy, regarding the management of operational risk, includes:

- Establishment of the Operational Risk Framework and definition of roles, duties and responsibilities of management and personnel.
- Performance of the following activities:
  - ✓ Risk & control self-assessment (RCSA), materiality assessment of outsourced functions or activities, cloud services & providers' risk assessment, Outsourcing Relationship Assessment (ORA), Business Environment Assessment, Business Practice Risk Assessment and Fraud Risk Assessment (FRA)
  - ✓ Record keeping of internal operational losses in combination with relevant events' causal analysis as well as analysis of external operational risk events.
  - ✓ Establishment and monitoring of Key Risk Indicators (KRIs).
  - ✓ Introduction and documentation of operational risk management methodologies, policies and processes.
  - ✓ Development and analysis of an appropriate set of scenarios which examine the potential exposure to operational risk
  - ✓ Identification, evaluation and reduction (when necessary) of risks when creating new products, processes and / or systems
  - ✓ Establishment and annual testing of a business continuity plan
  - ✓ Enhancement of operational risk awareness within the Company.

- ✓ Formulation of the Agency's operational risk profile (including the identification and summary description of the 10 most important operational risks)
- ✓ Submitting reports to inform the Board of Directors (via RALIMCo & the Audit Committee).

Capital Adequacy

The capital management strategy of the Company aims to ensure that the Company has adequate capitalization on an ongoing basis according to the regulatory framework Solvency II and, within these constraints, to maximize shareholders' return without exceeding the total risk tolerance limits of the Company as well as the risk appetite.

The calculations of the Solvency Capital Requirement (SCR), the Minimum Capital Requirement (MCR) as well as the eligible own funds of the Company are being performed on a quarterly basis and results are submitted to the Supervisor Authority, as required by the regulatory framework. In addition, the capital adequacy (SCR ratio) is evaluated on a daily basis, using estimates on the eligible equity and SCR, taking into account market data and real estate portfolio data. The main objective is to ensure timely information and action of the Management whenever necessary.

Additionally, the Company performs simulation exercises or sensitivity analysis with scenarios that reflect the negative impact of unexpected changes both on the macroeconomic environment and on the Company itself, in order to assess the resilience of the future status of its available funds.

As of 31 December 2023 and 31 December 2022, the eligible own funds of the Company exceed the Solvency Capital Requirement (SCR).

Labor issues

The Company's employees are the greatest asset for its success and sustainable development. As at 31 December 2023, the Company employed 161 employees. Gender and age distribution reflects the equal opportunities approach that the Company implements. In particular, the gender distribution is quite balanced with women reaching the 59,6% of the total employees.

The Company is committed to provide equal opportunities for employment and complying with the related legislation on employment opportunities. This commitment was also certified in November 2021 by the signing of the Diversity Charter, the European Commission's initiative to promote diversity in business. Additionally, we recognize as an important priority the training of our employees in matters of diversity management, as well as the implementation of policies and practices to promote it. The Company is committed to implementing equality of opportunity and diversity within the Company, ensuring equal treatment of its human resources, regardless of gender, race, colour, national or ethnic origin, genetic background, religious or other beliefs, disability or chronic illness, age, marital or social status, sexual orientation, identity or gender characteristics. Our goal is to build a work environment every day that emphasizes talent and equal opportunity, without discrimination.

Training and professional competence of our people is an important pillar for the Company. Specifically, the skills, know-how and technical specialization of the employees are evaluated and explored in order to contribute to the success and differentiation of the Company against its peers. Through development schemes that are linked to the Company's strategy and the individual goals of each employee, the skills and the career development of the personnel are enhanced. Performance evaluation is performed through a modern tool that ensures the meritocracy, transparency and objectivity of the process.

The Company, taking into account both the competitiveness and the market trends, regularly reviews the remuneration and benefits framework for employees in order to attract, retain and motivate its human resources. The basic principles of the remuneration and benefits framework ensure the harmonization of employees' individual objectives with the Company's strategy and that long-term value for shareholders is created. These principles ensure that the remuneration packages are sufficient to hold and attract executives with suitable expertise and experience, ensure the internal balance between the units of the organization, avoid excessive risks and connect remuneration with the long-term evaluation of the achievements' performances.

Health and safety are one of the highest priorities of the Company in order to make work safe, improve the quality of employees' working life and prevent related risks. The Company, for another year, continued to take all measures necessary for the prevention and protection of health and safety, by supervising their proper implementation, working conditions and compliance with the rules through an organized risk management framework. Employees' health and safety are part of corporate culture and ensured in all aspects of working life.

Social issues

The Company holds a leading position in the Greek insurance market and its mission is to support every person to live the life they want, by offering insurance products and services that meet all contemporary needs.

By this position, and by recognizing its work and role in Greek society, the Company is committed to return a part of the annual profit to it. In this context, it implements a corporate social responsibility program, through which it designs and implements ideas, initiatives and actions that prove its commitment to support people and society to evolve and thrive.

The Corporate Social Responsibility Program is designed and operates with the intention to address issues that concern Greek citizens and society nowadays, as well as their hopes for a better and more optimistic future. In this context, it considers, plans and implements actions for:

A. The quality of Greek citizens' life and its upgrade.

B. The promotion of Greek culture and education through knowledge and learning initiatives.

C. The reinforcement of new innovative ideas that help Greek entrepreneurship evolve by creating more options and greater optimism about the future.

Through this program, the Company aims to provide substantial benefit to society and people, encouraging them to fight for and accomplish more every day. For the implementation of the program, the Company systematically collaborates with organizations operating within the country, supporting their work and developing joint activities and projects.

Corporate Social Responsibility Program actions target a large number of beneficiaries, from different age groups and regions. More specifically, the initiatives focuses on supporting people living in remote border and island regions, members of vulnerable social groups, children, adults and families with specific actions for each group, as well as economic support on social and educational institutions.

A) For the quality of life and its upgrade

This pillar implements actions aimed at giving more optimism and improving the quality of people's lives. The Company collaborates with key organizations to jointly implement actions that respond to significant problems and difficulties that specific groups of people face today. These actions are designed and implemented with the ultimate goal of real and meaningful impact on the beneficiaries to whom they are intended.

B) Promotion of the Greek culture and education

This pillar is supported by actions to promote Greek culture as well as to help even more people get in touch with the national inheritance. The ultimate objective of the actions is to give the opportunity to as many people as possible to benefit from art and education - with a focus on residents of remote border and island regions that do not have easy access to educational and cultural initiatives. The Company has given particular emphasis on this pillar, as its main priority is to support equal opportunities for both children and adults in learning and cultural activities. For this reason, the actions carried out are not limited to major urban centers of the country, but extended to various cities and regions of Greece.

C) For entrepreneurship and equal opportunities in business

Through this action pillar, the Company aims to support the work of organizations that promote new and innovative entrepreneurship ideas and initiatives. Believing in people's capabilities and abilities, it aims to develop partnerships that give people the opportunity to implement their business ideas and / or develop specific professional skills.

Corporate Social Responsibility Actions for 2023

The Company, participated in the following activities in 2023, within the context of its Corporate Social Responsibility program:

Supporting projects and activities aiming on improving and upgrading people's quality of life:

- Support of HOPEgenesis to provide medical services, examinations and medical check-ups to women of residents of remote areas, who are either already pregnant or wish to give birth to a child, but do not have regular or direct access in hospitals and health centers. With this support, HOPEgenesis provides women with specialized medical practitioners, as well as counseling and psychological support during pregnancy and childbirth. Until 2023, the Company supports through the program the following 10 areas: Patmos, Agrafa, Kasos, Kastelorizo, Lipsi, Tilos, Halki, Nisyros, Anafi, Ano Koufonisi.

- Construction of the kindergarten in Kastelorizo, so that the children have their own space, where they can work creatively and develop their skills. This is the forth kinder garten inaugurated by the Company (the first was in Patmos in 2020 and the second in Paleokatouna Agrafa in 2022 and the third one in Lipsoi in 2022), while it has committed to build a kindergarten in each of the above areas. Work on the construction of the remaining kindergartens is continuing normally.

- Financial support of the organizations "Together for Children", "Arctic Circle", "The Tree of Life" and the athlete Iason Thanopoulos and the painter Vasilis Kekkis, for the implementation of their work and activities, and little Valentina from Kastelorizo to meet her health needs.

- Signing of the Charter of Diversity ,which it undertakes to implement equal opportunities and diversity within it, ensuring equal treatment of its human resources, regardless of gender, race, color, ethnic or national origin, genealogical, religion or other beliefs , disability or chronic illness, age, marital or social status, sexual orientation, identity or gender characteristics.

- Supporting Solidarity Now's Project MAMA, which is aimed at all families, pregnant women and new parents who want to be informed and empowered on issues related to the care of the mother, the young child and the whole family.

- The Company, for the third consecutive year, was certified as climate neutral, following a study carried out on behalf of the CSE Sustainability Center and verified by leading organization First Climate, while proceeding with carbon offsets to minimize it and choosing for another one year as a project Bundled Wind Power (project type: Renewable Energy – Wind) in India.

- The Company signed an agreement for the use of the Green Carpet of Thomas Cook India and LTIMindtree - a platform harmonized with global ESG reporting standards -. for the monitoring and management of emissions resulting from the business trips of its executives.

- The Company, as a member of the Hellenic Association of Insurance Companies (EAEE), responded immediately to the Union's motivation and supported the families and households of Thessaly affected by the catastrophic floods, in order to meet their needs in replacing home equipment and electrical appliances, necessary for their subsistence.

Reinforcement of activities to promote culture and education, such as:

- Sponsorship of the annual artistic program of the Greek National Opera.
- Strategic Cooperation and support of all activities of the Museum of Cycladic Art, which include:
    - ✓ The annual Children's Painting Competition implemented by the Museum , where children from all over Greece can participate.
    - ✓ The 1st Cycladic Kids Festival, a multi-thematic arts festival accessible to all children, in the context of which the exhibition of the Children's Drawing Competition took place.
    - ✓ The Weekend Workshops, a series of educational activities for children and parents carried by the Museum's instructors.
    - ✓ The creation of Family kits, special museum tour kits for families
    - ✓ The weekly workshops for people with disabilities, guided tours in sign language, activities for people with blindness with the mobile tactile display case implemented in the framework of the program "In Contact" that was also presented with the support of the Company in 2022
    - ✓ Transportation to and from the Museum for vulnerable groups (people with disabilities, refugees, etc.).
    - ✓ Educational activities for Young Friends & urban culture events, with exclusive activities and collaborations with cultural institutions.
    - ✓ Curated events for Patrons & Donors.
    - ✓ The support of school visits to the permanent collections of the Museum.
    - ✓ The Young Patrons Cultural Weekend in Ios, a three-day cultural program that includes a visit to archaeological sites etc.
    - ✓ Cycladic walks for all, an action with walks – one-day excursions inside and outside Attica to archaeological and cultural sites
- Donation to the Cyber Security International Institute for the organization of the educational activity "Digital Academies", through which children, adults and families are informed online about internet security issues, cyber bullying, grooming, phishing, game development and robotics.
- Support for the European Cultural Centre of Delphi and its activities, with emphasis on the "Delphic Dialogues", an ambitious programme in which eminent thinkers and scientists of global scope discuss current issues and problems that humanity will be called to face in the near future.

Organizing activities to support entrepreneurship, such as:

- Sponsorship of HIGGS for the implementation of NGO business training activities in Patra and the Philanthropy 2.0 conference, which aimed to highlight the role of NGOs as driver for the development of society.
- Donation to the Stemnitsa School of Silversmithing, through the Bodossaki Foundation, to support the students' curriculum.

Support of various other activities such as:

- Financial support to the Ben Graham Center and Diaspora Project Seesox.
- Membership to the Road Safety Institute "Panos Mylonas".
- The insurance coverage of an ambulance provided by the regional department of the Red Cross in Lassithi, Crete.
- Donation to the Historical Archives – Museum of Hydra, the Craft – Industrial Educational Museum in Lavrion, the Vassilis Papantoniou Foundation and the Sikiaridio Foundation.
- Support of Hellenic-Germany student Education for their participation in the F1 in Schools competition.
- Purchase of invitations to The Christmas Factory and the children's Festival "Together... and Play!" of "Together for the Child" for the employees of the Company.
- Sponsorship of insurance policies to Ithaca, IOAS, Unesco, the Olympic Museum of Athens, Ark of the World, Agioi Anargyroi Boarding School, Craft – Industrial Educational Museum, Association for the Support of Disabled in Kozani, AO Thira and Kremastiotis, Berdou and Kosoglou.

External Auditors

The Board of Directors, after taking into consideration the appointment of external auditors for 2024, will propose an audit firm in the upcoming Annual General Assembly Meeting. The General Assembly will decide on the selection of the Audit Firm and its fee.

Other information

Environmental issues: Due to the nature of its operations, the Company does not address environmental issues, given that it does not consume large amounts of natural resources as an insurance company, compared to the companies from other industries.

Branches: The Company does not have branches.

Own equity shares: The Company does not hold own equity shares.

Prospects of the Greek economy for 2024: Positive dynamics, concerns and uncertainties

The global economy continues to face significant challenges as growth rates shrink while inflation remains high. The war in Ukraine is still ongoing, while recent developments in the Middle East are adding to concerns. These events are the most important source of uncertainty for global geopolitics and economics.

For 2024, growth in Greece is expected to continue reaching 2,1%. A high nominal growth rate and a small increase in debt in absolute terms are projected, i.e. a significant reduction in debt as a percentage of GDP. Greece's exit from enhanced surveillance, which took place in 2023, also contributes to this outcome.

On the household side, it appears that in 2024 too, two opposing forces are influencing the evolution of consumer confidence. On the one hand, the impact of the rising cost of living is a concern for households, but it is partially offset by successive packages of interventions to support the most vulnerable.

Inflation in Greece is expected to be slightly above the Eurozone average in 2024 ~3% (~2,3% in the Eurozone), mainly due to a slower pace of decline in food.

Inbound tourism for 2024 is expected to maintain the positive performance of 2023, in real terms, although there is strong concern due to the situation in the Middle East.

Despite the positive picture of most fiscal indicators, the growth rates of both Greece and the rest of Europe appear to be deteriorating compared to 2023. The government will continue to take support measures during 2024. The measures will focus on supporting households.

At the same time, it is worth mentioning that despite the upgrade of the Greek economy (investment grade), the debt is refinanced at a higher interest rate than the average interest rate on existing debt (about 2%), due to the increase in ECB interest rates.

Greece's fiscal deficits in previous years, during which there was a need to tackle the pandemic and relax fiscal rules in the European context, were particularly deep. For Greece, with a particularly high public debt and a history of deficits, achieving sustainable fiscal

rebalancing in such a way as to support strong growth rates is essential. A key issue is the shift in the production model by boosting exports and investment. There are positive signs, such as the interest of foreign businesses and investors in the Greek economy, the resilience shown by tourism and the continued significant increase in exports of goods from critical sectors of the manufacturing industry. However, the uncertainties from the geopolitical developments and the climate of war in the Middle East increases concerns both globally and locally and weaken the upward momentum of the economic environment that has been built in 2023 Therefore, strengthening the competitiveness, the productive base, the resilience of the economy and the efficiency of the public sector has become urgent.

Recognizing the challenges of the times, the Company continues to rank organic profitable growth and digital transformation at the top of its strategic goals. For this reason, it systematically invests in new technologies and strategic alliances. With first priority the upgrading of infrastructure, the utilization of international practices, and the integration of modern technologies into its operations.

The key to achieving all strategic choices and priorities of the Company is the human resources. People are considered the most important asset of the Company, having understood that they are its driving force. The aim is to staff it with the most capable and effective human resources, in order to build a competitive advantage. At the same time, policies are implemented that enhance loyalty, facilitate communication, strengthen teamwork, as well as the development, training and evaluation of human resources. All activities related to human resources management contribute decisively to the achievement of the Company's objectives and to the acquisition and maintenance of a competitive advantage.

Events after the Balance Sheet date

There are not any significant subsequent events that need to be reported.

The board of directors members

Alexandros Sarrigeorgiou	Chairman and CEO, Executive Member
Konstantinos Vasileiou	Vice-Chairman, Non-Executive Member
Angelos Androulidakis	Independent, Non-Executive Member
Alberto Lotti	Independent, Non-Executive Member
Wade Sebastian Burton	Non-Executive Member
Ioannis Serafimidis	Non-Executive Member
Theodoros Kalantonis	Non-Executive Member
Nikolaos Delendas	Executive Member
Amalia Mofori	Executive Member
Vassilios Nikiforakis	Executive Member

Athens, 12 June 2024

Chairman of the B.O.D and CEO

Alexandros Sarrigeorgiou

[Translation from the original text in Greek]

Independent auditor's report

To the Shareholders of "Eurolife FFH General Insurance S.A."

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Eurolife FFH General Insurance S.A. (Company) which comprise the statement of financial position as of 31 December 2023, the income statement, the statement of comprehensive income, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, comprising material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2023, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union and comply with the statutory requirements of Law 4548/2018**.**

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company, in the period from 01 January 2023 during the year ended as at 31 December 2023, are disclosed in the note 24 to the financial statements.

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Ioannina: 2 Plateia Pargis (or 23 Pyrsinella), 1st floor, 45332
Patra: 2A 28is Oktovriou & Othonos Amalias, 26223

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1. Adoption of IFRS 17 and restatement of comparatives	
IFRS 17 became effective for periods beginning on or after 1 January 2023, replacing IFRS 4, 'Insurance Contracts'. As a result, the Company has adopted IFRS 17 from 1 January 2023 and comparatives have been retrospectively restated from the transition date of 1 January 2022. The adoption of IFRS 17 led to an increase of the Company's net assets by €9,8m as at the transition date of 1 January 2022. The transition to IFRS 17 has introduced new financial statement line items and disclosures, requiring significant changes to the measurement of transactions and balances in the financial statements, including new areas of judgement and estimation. New systems, data flows, interfaces, processes and models have been developed and introduced, giving rise to increased risks of material misstatement. In particular, we consider the key risks in relation to the adoption of IFRS 17 and restatement of comparatives to be as follows: • The determination of the transition approach adopted for each group of insurance contracts; • The judgements involved in the determination of the measurement model to apply under the standard; • The methodology and assumptions in respect of determining the risk adjustment; • The methodology used by management to determine the discount rate; • The implementation of new models to produce the IFRS 17 results,; • The new data flow and interfaces arising from the implementation of IFRS 17, from new systems; and • The appropriateness of methodologies, assumptions and significant judgements applied in the calculation of relevant balances. Refer to notes 2.2.1, 2.13, 3.1, 13 and 18 of the financial statements for the disclosure related to transition to IFRS 17 including significant judgements and estimates.	In performing our audit work over the transition to IFRS 17, and restatement of comparative financial statements (including the opening balance sheet), the procedures we performed included the following: • Performed an understanding of the processes defined by management to determine the impact of the adoption of IFRS 17 on the financial statements as of 1 January 2022, as well as on the comparative financial statements as of 31 December 2022; • Assessed the appropriateness of the transition approach adopted for each group of insurance contracts; • Assessed whether the judgements, methodology and assumptions applied by management in determining their accounting policies are in accordance with IFRS 17; • Applied industry knowledge and compared the methodology, models and assumptions used in determining the risk adjustment, and discounted IFRS 17 future cash flows (including assessment of yield curves) against expected market practice, with the support of our internal actuarial experts; • Assessed the appropriateness of the methodology to derive the discount rate; • Implemented procedures to test on a sample basis the reliability of the data used as the basis for making estimates; • Tested, on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows; • Tested the mathematical accuracy and completeness of the supporting calculations and adjustments used to determine the 2022 comparatives; Based on the work performed and the evidence obtained, we consider the approaches adopted and resulting measurements and disclosures in the financial statements to be appropriate and in line with the requirement of IFRS 17 transition and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Key audit matter	How our audit addressed the key audit matter
Valuation of Property & Casualty liabilities related to incurred claims	
Insurance contract liabilities include liabilities for incurred claims ("LIC") from Property & Casualty insurance contracts measured under the Premium Allocation Approach ("PAA") model amounting to €88,7m for the	Our work was supported by our internal actuarial experts and included the following procedures: 1. We assessed the compliance of the methodology applied to estimate the cash flows and RA related

Company, representing 70% of the Company's total liabilities. The liabilities related to these insurance contracts include the present value of future cash flows and the adjustment for non-financial risks ("RA"). The determination of these liabilities involves significant judgement given the size of the liability and inherent uncertainty in estimating expected future payments for claims incurred and the estimated cost of losses for events which have already occurred, but for which the Company has not yet been notified. Management relies on historical data and uses experts to determine the reserve related to incurred losses estimated on a case by case basis which is highly subjective, especially in relation to cases of personal injuries, death, legal cases and property catastrophes. The Company use statistical models, based on product line, type and extent of coverage, and other assumptions such as average claim cost, claim severity, future inflation and changes in the underlying legal framework Refer to Notes 2.13, 3.1, 4.2 and 18 of the financial statements.	to these contracts with the current accounting standards; 2. We tested, on a sample basis, the reasonableness of reserves recorded for incurred claims by reference to the Company's reserving policy, underlying insurance contract and most recently available supporting claims documentation. 3. We considered the movement in reserves relating to claims incurred in prior years in order to assess the reasonableness of the estimates and the consistency of the methodology used. 4. We obtained a listing of new claims recorded post year end and reviewed it in order to assess any implications on the reserve related to reported losses estimated on a case by case basis. 5. We examined the trend in historical claims development. Based on our procedures, we found the liability for incurred claims under non-life insurance contracts to be reasonable. We also found the disclosures in the financial statements to be appropriate and in accordance with the requirements of IFRS.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise, explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' report for the year ended at 31 December 2023 is consistent with the financial statements.
- The Board of Directors' report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 24 June 1999. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 25 years.

Halandri, 28 June 2024
THE CERTIFIED AUDITOR

PricewaterhouseCoopers S.A.
Certified Auditors
260 Kifissias Avenue
152 32 Halandri
SOEL Reg. No. 113

Andreas Riris
SOEL Reg. No. 65601

STATEMENT OF FINANCIAL POSITION

(amounts in € thousand)	Notes	31/12/2023	31/12/2022 Restated*	01/01/2022 Restated*
ASSETS				
Property, plant and equipment	**5**	155	247	346
Right of use assets	**6**	2.136	2.552	2.891
Investment Properties	**7**	692	710	727
Intangible assets	**8**	26.118	25.912	25.580
Investment in financial assets:				
Financial assets at FVTPL	**11**	152.595	124.325	108.954
Financial assets at amortised cost	**12**	1.818	1.825	1.834
Investment in Subsidiaries	**9**	6.560	6.560	5.607
Insurance contract assets	**18**	673	228	788
Reinsurance contract assets	**13**	14.439	10.850	11.893
Other receivables	**14**	2.833	2.734	3.135
Income Tax Receivable		1.151	290	1.311
Cash and cash equivalents	**15**	12.564	8.732	22.177
Total Assets		**221.734**	**184.964**	**185.243**
EQUITY				
Share capital	**16**	13.064	3.064	3.064
Reserves	**17**	79.418	73.872	73.763
Retained Earnings		3.035	5.567	5.525
Total Equity		**95.517**	**82.504**	**82.353**
Insurance contract liabilities	**18**	108.092	84.817	85.261
Reinsurance contract liabilities	**13**	2.667	3.029	3.366
Employee benefits	**19**	366	365	347
Deferred tax liabilities	**10**	4.041	2.845	2.173
Lease liabilities	**6**	2.380	2.790	3.099
Other liabilities	**20**	8.671	8.614	8.644
Total liabilities		**126.217**	**102.460**	**102.890**
Total Equity and Liabilities		**221.734**	**184.964**	**185.243**

*More information regarding the restatements made in the amounts of the year ended 31 December 2022 is given in note 2.2.1.

Athens, 12 June 2024

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	EVANGELIA D. TZOURALI	EVANGELOS S. EFSTATHIOU
ID AM644393	ID AP186537	LIC. No 0099260	LIC. No 00110083

The notes on pages 29 to 98 are an integral part of these financial statements.

INCOME STATEMENT

(amounts in € thousand)	Notes	01/01 - 31/12/2023	01/01 - 31/12/2022 Restated*
Insurance revenue		75.858	68.153
Insurance service expenses		(69.110)	(49.335)
Insurance service result from insurance contracts issued	**21**	**6.748**	**18.818**
Allocation of reinsurance premiums		(17.550)	(14.751)
Amounts recovered from reinsurance contracts		3.701	1.067
Net expense from reinsurance contracts held	**21**	**(13.848)**	**(13.683)**
Insurance service result		**(7.101)**	**5.134**
Interest and dividends	**22**	4.222	3.138
Net gains/(losses) on financial assets at FVTPL	**22**	11.864	(178)
Change in credit impairment on financial assets at amortised cost	**22**	(1)	-
Other investment income	**22**	122	153
Net investment income		**16.207**	**3.113**
Finance income / (expenses) from insurance contracts issued		(2.464)	3.181
Finance income / (expenses) from reinsurance contracts held		441	(982)
Net insurance finance result	**23**	**(2.023)**	**2.200**
Other operating expenses	**24**	(2.793)	(2.870)
Profit before tax		**4.290**	**7.577**
Income tax expense	**25**	(1.255)	(2.009)
Profit for the year		**3.035**	**5.567**

*More information regarding the restatements made in the amounts of the year ended 31 December 2022 is given in note 2.2.1.

Athens, 12 June 2024

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
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The notes on pages 29 to 98 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(amounts in € thousand)	01/01 – 31/12/2023	01/01 – 31/12/2022 Restated*
Profit for the year	**3.035**	**5.567**
Other comprehensive income		
Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement of post-employment benefit obligations, net of tax	8	17
Other comprehensive income for the year	**8**	**17**
Total comprehensive income for the year	**3.043**	**5.584**

*More information regarding the restatements made in the amounts of the year ended 31 December 2022 is given in note 2.2.1.

Athens, 12 June 2024

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	EVANGELIA D. TZOURALI	EVANGELOS S. EFSTATHIOU
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The notes on pages 29 to 98 are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

(amounts in € thousand)	Share capital	Reserves	Retained earnings	Total
Balance as reported at 31 December 2021	**3.064**	**67.314**	**5.525**	**75.903**
Impact of initial application of IFRS 17	-	6.390	-	6.389
Impact of initial application of IFRS 9	-	59	-	59
Balance at 1 January 2022 Restated*	**3.064**	**73.763**	**5.525**	**82.353**
Remeasurement of post employment benefit obligations	-	17	-	17
Other comprehensive income for the year, net of tax	**-**	**17**	-	**17**
Profit for the year	-	-	5.567	5.567
Total comprehensive income for the year	**-**	**17**	**5.567**	**5.584**
Transfer of retained earnings to reserves	-	5.525	(5.525)	-
Dividend distribution in shareholders	-	(5.433)		(5.433)
Total transactions with shareholders	**-**	**92**	**(5.525)**	**(5.433)**
Balance at 31 December 2022 Restated*	**3.064**	**73.872**	**5.568**	**82.504**
Balance at 1 January 2023	**3.064**	**73.872**	**5.568**	**82.504**
Remeasurement of post employment benefit obligations	-	8	-	8
Other comprehensive income for the year, net of tax	**-**	**8**	**-**	**8**
Profit for the year	-	-	3.035	**3.035**
Total comprehensive income for the year	**-**	**8**	**3.035**	**3.043**
Transfer of retained earnings to reserves	-	5.567	(5.567)	-
Increase of Share Capital	10.000	(30)	-	9.970
Total transactions with shareholders	**10.000**	**5.537**	**(5.567)**	**9.970**
Balance at 31 December 2023	**13.064**	**79.418**	**3.035**	**95.516**

*More information regarding the restatements made in the amounts of the year ended 31 December 2022 is given in note 2.2.1.

The notes on pages 29 to 98 are an integral part of these financial statement.

CASH FLOW STATEMENT

(amounts in € thousand)	Note	01/01-31/12/2023	01/01-31/12/2022 Restated*
Cash flows from operating activities			
Profit for the year		4.290	7.577
Adjustments for :			
Depreciation of property, plant and equipment and amortization of intangible assets		1.945	1.740
Changes in insurance and reinsurance contract assets/liabilities	13,18	18.880	822
Employee benefits provision		12	40
Change in other provisions		(526)	(1.120)
Non realized foreign exchange differences	22	190	(239)
Investment income		(2.508)	(3.312)
Bond amortisation		(1.847)	66
Interest income and expenses, dividends and other investment income		132	152
(Gains) from sale of financial assets	22	(400)	(405)
Fair value (gains) / losses from financial assets	22	(11.654)	822
		8.515	**6.144**
Changes in Operating Assets and Liabilities :			
(Purchases) of financial assets	11,12	(85.897)	(189.133)
Sales of financial assets	11,12	71.805	174.377
Change in other receivables		(355)	402
Changes in other liabilities		496	932
Income tax paid		(581)	(164)
Interest received and other investment income		2.047	2.462
Interest paid		(3)	(3)
Net Cash (Outflows) from Operating Activities		**(3.973)**	**(4.984)**
Cash Flows from Investing Activities			
(Purchases) of property, plant and equipment and intangible assets	5,7,8	(1.474)	(1.399)
(Increase) of interest in subsidiaries	9	-	(953)
Net Cash (Outflows) from Investing Activities		**(1.474)**	**(2.352)**
Cash Flows from Financing Activities			
Principal repayment of lease liabilities		(691)	(676)
Share capital increase	16	9.970	-
Dividends paid	29	-	(5.433)
Net Cash Inflow/ (Outflows) from Financing Activities		**9.279**	**(6.109)**
Net Increase/(decrease) in cash and cash equivalents		3.832	(13.445)
Cash and cash equivalents at the beginning of the year	15	8.732	22.177
Cash and Cash Equivalents at the end of the year	**15**	**12.564**	**8.732**

*More information regarding the restatements made in the amounts of the year ended 31 December 2022 is given in note 2.2.1.

The notes on pages 29 to 98 are an integral part of these financial statements.

NOTE 1: GENERAL INFORMATION

Eurolife FFH General Insurance S.A. (hereinafter referred to as "the Company") has been incorporated in Greece and is active in the insurance industry by providing services relating to motor vehicle liability and other non-life insurance.

The Company's headquarters are located in Athens, 33-35 Panepistimiou Str. & 6-10 Korai Str., P.O. 105 64, Greece, (GEMI Reg. 121637360000), tel (+30) 2109303800, www.eurolife.gr. The Company operates both in Greece and abroad through its subsidiary in Romania under the name of Eurolife FFH Asigurari Generale S.A.

The number of staff at 31 December 2023 amounted to 161 (2022: 170).

The Board of Directors consists of the following members:

Name	Attribute
Alexandros Sarrigeorgiou	Chairman and CEO, Executive Member
Konstantinos Vasileiou	Vice-Chairman, Non-Executive Member
Angelos Androulidakis	Independent, Non-Executive Member
Alberto Lotti	Independent, Non-Executive Member
Wade Sebastian Burton	Non-Executive Member
Ioannis Serafimidis	Non-Executive Member
Theodoros Kalantonis	Non-Executive Member
Nikolaos Delendas	Executive Member
Amalia Mofori	Executive Member
Vassilios Nikiforakis	Executive Member

These financial statements were approved by the Company's Board of Directors on 12 June 2024 and are subject to approval by the Annual General Meeting of Shareholders.

The Company is a subsidiary of Eurolife FFH Insurance Group Holdings SA. (hereinafter referred to as "Eurolife FFH Insurance Group") which holds 100% of its share capital. Eurolife FFH Insurance Group is a subsidiary of the company Costa Luxembourg Holding S.a r.l. ("Costa"), which holds 80% of its share capital. Costa is domiciled in Luxembourg and was controlled by Colonnade Finance S.à rl. The remaining 20% of the share capital of the Company is held by Eurobank SA. (hereinafter referred to as "Eurobank") which is an affiliated party.

Activities of the Company

The Company offers a wide range of property and casualty insurance products which can be divided into three insurance product categories: property, motor and other insurance products. With regard to property insurance, the Company offers to its customers various household and small commercial coverage packages, as well as, to a lesser extent, tailor-made coverage for large commercial and industrial risks. The motor offerings comprise a number of packaged motor insurance products, ranging from mandatory third party liability to partial and full insurance. The other insurance comprise products such as: (i) public (general third party) liability insurance and employers' liability insurance; (ii) cargo insurance; engineering (Construction All Risks ("CAR") and Erection All Risks ("EAR") insurance for all types of construction projects); (iii) personal accident insurance; (iv) yachts liability insurance; and (v) professional liability to certain categories of professionals. The property and casualty insurance products are distributed through Eurobank's network as well as through the distribution channel of the Company's insurance intermediaries and brokers.

NOTE 2: PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The financial statements have been prepared under the historical cost convention, except financial assets held at fair value through other comprehensive income and financial liabilities held at fair value through profit or loss (including derivative financial instruments), which have been measured at fair value.

Unless otherwise stated, the financial statements are presented in Euro (€) and the financial information presented in Euro has been rounded to the nearest thousand.

The policies set out below have been consistently applied to the years ended 31 December 2023 and 2022 respectively.

Going concern assessment

The financial statements have been prepared on a going concern basis, as the Board of the Directors considered as appropriate, taking into consideration the following:

Macroeconomic environment

Despite the fragile international environment, the economy of Greece remained in expansionary territory in 2023, overperforming most of its European Union (EU) peers. More specifically, according to provisional data by the Hellenic Statistical Authority (ELSTAT), the Greek economy expanded by 2% on an annual basis in 2023 (2022: 5,6%), driven by increases in exports of goods and services, household consumption, and fixed investment. The inflation rate, as measured by the annual change in the Harmonized Index of Consumer Prices (HICP) decelerated to 4,2% in 2023 from 9,3% in 2022 according to ELSTAT, while a decrease in prices for energy goods was observed. According to its Winter Economic Forecast (February 2024), the European Commission (EC) expects a GDP growth rate of 2,3% in 2024 and 2025, while it forecasts further de-escalation of the inflation rate to 2,7% in 2024, and 2% in 2025. The average quarterly unemployment rate decreased to 11.1% from 12.4% in 2022, while based on the International Monetary Fund forecasts it is expected at 9.2% and 8.5% in 2024 and 2025, respectively. On the fiscal front, according to the 2024 State Budget, the general government primary balance is expected to post primary surpluses of 1.1% and 2.1% of GDP in 2023 and 2024 respectively, from 0.1% of GDP in 2022.

A significant boost in the growth in Greece is expected to be achieved from the EU-funded investment projects and reforms. Greece shall receive € 36 billion (€ 18,2 billion in grants and € 17,7 billion in loans) up to 2026 through the Recovery and Resilience Facility (RRF), out of which € 14,7 billion (€ 7,4 billion in grants and € 7,3 billion in loans) has already been disbursed by the EU. A further € 40 billion is due through EU's long-term budget (MFF), out of which € 20,9 billion is to fund the National Strategic Reference Frameworks (ESPA 2021–2027).

In 2023, the Greek government issued or re-opened twelve bonds of various maturities (from 5 to 19 years) through the Public Debt Management Agency (PDMA), raising a total of € 11,45 billion from the international financial markets. In February 2024, the PDMA raised an additional € 4,4 billion through a new 10-year bond issue and the reopening of two past issues. Following a series of sovereign rating upgrades, the "investment grade" was recovered for first time since 2010. More specifically, in the second half of 2023, the rating agencies Fitch Ratings, Scope Ratings and S&P Global upgraded the Greek government's long-term debt to the investment grade «BBB-» from «BB+» with a stable outlook, the rating agency DBRS Morningstar upgraded Greece to the investment grade «BBB (low)» from «BB» with a stable outlook and the rating agency Moody's Global upgraded the Greece's credit rating by two notches to «Ba1» from «Ba3» with a stable outlook.

Regarding the outlook for the next 12 months, the major macroeconomic risks and uncertainties in Greece are associated with: (a) the open war fronts in Ukraine and the Middle East, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy, including the disruption in global trade caused by the recent attacks on trading vessels in the Red Sea, (b) a potential prolongation of the ongoing inflationary wave and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, as well as any potential social and/or political ramifications these may entail, (c) the timeline of the anticipated interest rate cuts by the ECB, as persistence on high rates for longer may keep exerting pressure on sovereign and private borrowing costs and certain financial institutions' balance sheets, but early rate cuts entail the risk of a rebound in inflation, (d) the prospect of Greece's major trade partners, primarily the euro area, remaining stagnant or even facing a temporary downturn, (e) the absorption capacity of the RRF funds and the attraction of new investments in the country (f) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience and (g) the environmental challenges, the extreme weather events and the natural disasters due to the climate change and their effect on GDP, employment, fiscal balance and sustainable development in the long run.

Materialization of the above risks, would have potentially adverse effects on the fiscal planning of the Greek government, the liquidity, asset quality, solvency and profitability of the Greek financial sector. In this context, the Company's Board of Directors are continuously monitoring the developments on the macroeconomic, financial and geopolitical fronts. In addition they have increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Company's capital, asset quality and liquidity standing as well as the fulfilment, to the maximum possible degree, of its strategic and business goals.

Capital adequacy and profitability

2023 was a special year for the Company marked by natural disasters that occurred in Greece, with fires in various areas of the country and floods in the region of Thessaly caused by storm "Daniel". However, despite the significant impact of these losses, the Company managed to remain profitable with profit before tax in 2023 amounting to €4.3 million compared to € 7.6 million in 2022.

The Company's management systematically monitors the capital adequacy in accordance with Solvency II and takes the necessary actions to maintain a strong capital base and a high quality investment portfolio. As at 31 December 2023, the Company’s solvency II ratio was 127 % (2022: 144 %).

Conclusion on going concern

The Board of Directors, acknowledging the geopolitical and macroeconomic and financial risks risks in the economy and taking into account the factors relating to (a) the growth opportunities in Greece for the current and coming years, underpinned by the mobilisation of the already approved EU funding mainly through the RRF, (b) the Company's ability to generate profits, the quality of its assets, its strong capital adequacy and its liquidity standing, and (c) the Company's negligible exposure to Russia, Ukraine and Middle East, considered that the Company's financial statements can be prepared on a going concern basis.

2.2 Adoption of International Financial Reporting Standards (I.F.R.S.)

2.2.1. New standards and amendments to standards adopted by the Company

The following new standards and amendments to existing standards as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and endorsed by the European Union (EU), are effective from 1 January 2023:

2.2.1.1. IFRS 17 Insurance Contracts

The Company has adopted IFRS 17 Insurance Contracts from 1 January 2023 and comparatives have been retrospectively restated from the transition date of 1 January 2022. IFRS 17 replaces IFRS 4 *Insurance Contracts* for annual periods beginning on or after 1 January 2023.

The nature and effects of the key changes in the Company’s accounting policies resulting from its adoption of IFRS 17 are summarized below:

i. Recognition, measurement and presentation of (re) insurance contracts

Under IFRS 17, the Company’s insurance contracts issued, and reinsurance contracts held are all eligible to be measured by applying the PAA. The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

When measuring liabilities for remaining coverage, the PAA is similar to the Company previous accounting treatment. However, when measuring liabilities for incurred claims, the Company now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts (‘deferred acquisition costs’) until those costs were included in profit or loss. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

The Company’s classification and measurement of insurance and reinsurance contracts is disclosed in Note 2.13, 13 and 18. The quantitative impact of applying IFRS 17 as at 1 January 2022 is disclosed in Note 2.2.1.3.

ii. Transition

On transition to IFRS 17, the Company has applied the full retrospective approach for all the group of contracts.

Full retrospective approach

Under the full retrospective approach, at 1 January 2022 the Company:

- identified, recognized and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied,
- identified, recognized and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied, except that the recoverability assessment was not applied before 1 January 2022,
- derecognized previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts and insurance receivables and payables. Under IFRS 17, they are included in the measurement of the insurance contracts,
- recognized any resulting net difference in equity.

2.2.1.2 IFRS 9 Financial Instruments

The Company has also adopted IFRS 9 Financial Instruments from 1 January 2023 and comparatives have been retrospectively restated. The Company had previously deferred the application of IFRS 9 to align with the implementation of IFRS 17.

The nature of the changes in accounting policies can be summarised, as follows:

i. Changes to classification and measurement

To determine their classification and measurement category, IFRS 9 requires all financial assets to be assessed based on a combination of the Company's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories for financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity (HTM) and loans and receivables (L&R) at amortised cost) have been replaced by:

- Financial assets at fair value through profit or loss including equity instruments and derivatives
- Debt instruments at fair value through other comprehensive income, with gains or losses recycled to profit or loss on derecognition (not used by the Company)
- Equity instruments at fair value through other comprehensive income, with no recycling of gains or losses to profit or loss on derecognition (not used by the Company)
- Debt instruments at amortised cost

The Company's classification of its financial assets is explained in Notes 2.7, 11 and 12. The quantitative impact of applying IFRS 9 as at 1 January 2023 is disclosed in Note 2.2.1.3.

ii. Changes to the impairment calculation

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for debt instruments held at FVTOCI or amortised cost by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Company to record an allowance for ECLs for all debt instruments not held at FVTPL.

For debt instruments, the ECL is based on the portion of lifetime ECLs (LTECL) that would result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination or purchase of the assets, the allowance is based on the full lifetime ECL.

The adoption of the ECL requirements of IFRS 9 has not resulted in significant increases in impairment allowances as the Company's debt instruments have mainly been classified at FVTPL.

The Company's impairment methodology of its financial assets is disclosed in Note 2.9. The quantitative impact of applying IFRS 9 as at 1 January 2022 is disclosed in Note 2.2.1.3.

2.2.1.3 Impact of the transition to the new accounting standards

The impact on equity from the combined application of IFRS 9 and IFRS 17 has been determined on 1 January 2022. The impact of combined application of new standards on the Company Shareholder's equity at the transition date has been approximately € 9.816 thousand . IFRS 9 has not resulted in any significant measurement differences on adoption by the Company but does impact the disclosure of financial instruments.

The following tables set out the impact of adopting IFRS 9 and IFRS 17 on the statement of financial position.

The table below provides a reconciliation between the carrying amounts at 31 December 2021 as reported under IAS 39 and IFRS 4 to the restated amounts in the balance sheet at 1 January 2022 after implementation of IFRS 9 and IFRS 17.

Reconciliation of balance sheet 31 December 2021/ 1 January 2022 ('transition date')

Original Balance Sheet item with IAS 39 and IFRS 4	Reported amount	IFRS 9 Remeasurement[1]	IFRS 9 Reclassification [2]	Impact of IFRS 17 adoption[3]	Adjusted amount	Restated Balance Sheet item with IFRS 9 and IFRS 17
(amounts in € thousand)						
Property, Plant and Equipment	346	-	-	-	346	Property, Plant and Equipment
Investment Properties	727	-	-	-	727	Investment Properties
Right of use assets	2.891	-	-	-	2.891	Right of use assets
Intangible assets	25.580	-	-	-	25.580	Intangible assets
Available for sale financial assets	23.025	-	(23.025)	-	-	Financial assets at FVTOCI
Financial assets classified at amortised cost	1.837	(3)	-	-	1.834	Financial assets at amortised cost
Financial assets at FVTPL	85.868	61	23.025	-	108.954	Financial assets at FVTPL
Investment in Subsidiaries	5.607	-	-	-	5.607	Investment in Subsidiaries
Deferred tax assets	-	-	-	-	-	Deferred tax assets
Income tax receivable	1.311	-	-	-	1.311	Income tax receivable
	-	-	-	788	788	Insurance contract assets
Reinsurance share on insurance contracts	13.571	-	-	(1.678)	11.893	Reinsurance contract assets
Insurance receivables	3.048	-	-	(3.048)	-	
Other receivables	6.225	-	-	(3.090)	3.135	Other receivables
Cash and cash equivalents	22.177	-	-	-	22.177	Cash and cash equivalents
Total Assets	**192.211**	**59**	**-**	**(7.028)**	**185.243**	**Total Assets**
Technical reserves and other insurance provisions	96.658	-	-	(11.398)	85.261	Insurance contract liabilities
	-	-	-	-	3.366	Reinsurance contract liabilities
Employee benefits	347	-	-	-	347	Employee benefits
Deferred tax liabilities	372	(1)	-	1.802	2.173	Deferred tax liabilities
Lease liabilities	3.099	-	-	-	3.099	Lease liabilities
Insurance and other liabilities	15.833	-	-	(7.189)	8.644	Other Liabilities
Total Liabilities	**116.309**	**(1)**	**-**	**(16.784)**	**102.890**	**Total Liabilities**
Total Equity	**75.903**	**59**	**-**	**9.757**	**82.352**	**Total Equity**

The references in the columns above are explained as follows:

(1) - Unlisted equity securities previously measured at cost and presented as Available for sale financial assets, are remeasured at fair value and presented as financial assets at FVTPL
- Expected credit loss provision has been calculated for the financial assets meaured at amortised cost.

(2) - Previously classified assets as available-for-sale financial assets that do not qualify for measurement at fair value through other comprehensive income are presented as Investments at fair value through profit or lo

(3) -Deferred acquisition costs, insurance receivables and payables are derecognised and form part of the liability for insurance contracts.
- Insurance contracts assets and Reinsurance contracts liabilities are presented separately.
-Measurement differences on insurance contract assets and liabilities and reinsurance contract assets and liabilities.

The following table presents the reconciliation between the provision allowances under IAS 39 at the beginning of the period and the ECL allowances under IFRS 9.

(amounts in € thousand)	Loss provision allowance under IAS 39 at 31 December 2021	Re-measurement	ECLs under IFRS 9 at 1 January 2022
Loss allowance for			
Equity instruments at FVTPL under IFRS 9 From Available-for-sale debt securities per IAS 39	431	(431)	-
Debt instruments at amortised cost under IFRS 9 From loans and receivables under IAS 39	-	3	3
Total	**431**	**(428)**	**3**

The table below presents the reconciliation between the Company Shareholder's equity as at 31 December 2021, as previously reported according to IAS 39 and IFRS 4 and the Company Shareholder's equity at transition date measured with the new IFRS 9 and IFRS 17 accounting standards.

Impact of IFRS 9 and IFRS 17 on Shareholders' Equity

(amounts in € thousand)	Share capital	Revaluaton Reserve	Other Reserves	Retained earnings	Total
Total equity as reported at 31 December 2021	3.064	3.584	63.730	5.525	**75.902**
Impact (net of tax) of IFRS 9:					
- Reclassification of debt instruments from available-for-sale to FVTPL	-	(3.584)	3.584	-	**-**
- Recognition of expected credit losses under IFRS 9 for debt financial assets at FVTOCI or Amortised Cost	-	-	(2)	-	**(2)**
- Remeasurement of equity securities at FVTPL, previously measured at cost according to IAS 39	-	-	61	-	**61**
Total	**-**	**(3.584)**	**3.643**	**-**	**59**
Impact (net of tax) of IFRS 17:					
-Changes due to deferral of other acquisition costs under IFRS 17, excluding commissions	-	-	3.016	-	**3.016**
-Differences in reserving methodology for losses on claims between IFRS 4 and IFRS 17	-	-	3.277	-	**3.277**
-Derecognition of URR	-	-	1.163	-	**1.163**
- Differences in the valuation of future cash flows due to discounting	-	-	97	-	**97**
- Risk Adjustment recognitiion	-	-	(1.146)	-	**(1.146)**
- Other measurement adjustments	-	-	(16)	-	**(16)**
Total	**-**	**-**	**6.390**	**-**	**6.390**
Restated total equity at 1 January 2022	**3.064**	**-**	**73.763**	**5.525**	**82.352**

2.2.1.4 Other Standards

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies'

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates'

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction'

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IAS 12 'Income taxes' (Amendments): International Tax Reform – Pillar Two Model Rules

The amendments introduce a mandatory temporary exception from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements.

The temporary exception applies immediately and retrospectively in accordance with IAS 8, whereas the targeted disclosure requirements will be applicable for annual reporting periods beginning on or after 1 January 2023. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

2.2.2 New standards, amendments to standards and new interpretations not yet adopted by the Company

A number of new standards and amendments to existing standards will enter into force after 2023, as they have not yet been adopted for use in the European Union or the Company has not has adopted them earlier than the date of their mandatory application. The following standards are related to the Company:

IAS 1, Amendment - Classification of liabilities as current or non-current (effective from 1 January 2024, adopted by the EU)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IAS 1, Amendments - Non-current liabilities with covenants (effective from 1 January 2024, adopted by the EU)

The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

The 2022 amendments changed the effective date of the 2020 amendments. As a result, the 2020 and 2022 amendments are effective for annual reporting periods beginning on or after 1 January 2024 and should be applied retrospectively in accordance with IAS 8. As a result of aligning the effective dates, the 2022 amendments override the 2020 amendments when they both become effective in 2024. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IFRS 16, Amendment - Lease Liability in a Sale and Leaseback (effective from 1 January 2024, adopted by the EU)

The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. An entity applies the requirements retrospectively back to sale and leaseback transactions that were entered into after the date when the entity initially applied IFRS 16. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments (Amendments) - Disclosures: Supplier Finance Arrangements (effective from 1 January 2024, adopted by the EU)

The amendments require companies to disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IAS 21, The Effects of Changes in Foreign Exchange Rates (Amendments) - Lack of exchangeability (effective from 1 January 2025, not adopted by the EU)

These amendments require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

2.3 Foreign currency

2.3.1 Functional currency and presentation currency

The financial statements are presented in Euro, which is the functional currency of the Company.

2.3.2 Transactions and balances in foreign currency

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions, are recognized in the income statement.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the market rates of exchange ruling at the reporting date and exchange differences are accounted for in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedge.

Non-monetary assets and liabilities are translated into the functional currency at the exchange rates ruling at initial recognition, except for non-monetary items denominated in foreign currencies that are stated at fair value which have been translated using the rate of exchange at the date the fair value was determined. The exchange differences relating to these items are treated as part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

2.4 Property, plant and equipment

Property, plant and equipment include land and buildings, improvements in leasehold assets, furniture, computers and other equipment as well as vehicles and are presented at historical cost net of accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of such assets. Costs incurred subsequent to the acquisition of a tangible asset are capitalized if only if it is possible that these costs will bring additional future economic benefits to the Company and its cost can be measured reliably. Repair and maintenance costs are recognized in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of property, plant and equipment, in order to reduce the acquisition cost of the property, plant and equipment to their residual value as follows:

Leasehold improvements:	The lowest between the lease contract term and the estimated useful life.
Computers:	4 -7 years
Other furniture and equipment:	4 -12 years
Vehicles:	5 -7 years

Property, plant and equipment are periodically reviewed for impairment, and any impairment loss is recognized directly in the income statement.

The historical cost and the accumulated depreciation of property, plant and equipment are derecognized upon sale or retirement of the respective asset and any arising gain or loss is recognized in the income statement.

2.5 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost plus any cost which is directly attributable to the acquisition of such assets. After initial recognition, investment properties are presented at their acquisition cost net of accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a straight line basis over the estimated useful lives of investment properties, in order to reduce acquisition costs to residual values as follows:

Land:	No depreciation
Buildings:	40 to 50 years

Improvements made to investment properties are depreciated at the lowest between the useful life of the improvement and the building.

Investment properties are examined annually by independent valuers in order to determine whether there is an indication of impairment.

2.6 Intangible assets

(i) Goodwill

Goodwill represents the excess of the aggregate of the fair value of the consideration transferred at the date of acquisition, over the fair value of the Company's share of net identifiable assets and contingent liabilities acquired. Goodwill on acquisitions of subsidiaries is included in "intangible assets".

Goodwill on the acquisition of subsidiaries is not amortized but tested for impairment annually or more frequently if there are any indications that impairment may have occurred. The Company's impairment testing is performed each year end. The Company considers external information such as weak economic conditions, persistent slowdown in financial markets, volatility in markets and changes in the levels of market and exchange risk, an unexpected decline in an asset's market value or market capitalization being below the book value of equity, together with a deterioration in internal performance indicators, in assessing whether there is any indication of impairment.

Goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each Cash Generating Unit (CGU) or groups of CGUs that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Company at which goodwill is monitored for internal management purposes.

The Company's impairment model compares the carrying value of a CGU or group of CGUs with its recoverable amount. The carrying value of a CGU is based on the assets and liabilities of each CGU. The recoverable amount is determined on the basis of the value-in use which is the present value of the future cash flows expected to be derived from the CGU or group of CGUs. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU and the countries where the CGUs operate.

An impairment loss arises if the carrying amount of an asset or CGU exceeds its recoverable amount, and is recognized immediately as an expense in the income statement. Impairment losses are not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Software

Costs associated with the maintenance of existing software programs are recognized in the income statement as incurred. Costs payable to third parties relating to the development and implementation of new software programs are recognized as capital enhancements, added to the cost of new software programs and treated similarly. Intangible assets are presented at historical cost

less accumulated amortization and accumulated impairment losses. Intangible assets are periodically reviewed for impairment and any impairment loss is recognized directly to the income statement.

Amortization is calculated on a straight- line basis over their estimated useful lives as follows:

Software: 4 to 7 years

2.7 Financial assets and liabilities

2.7.1 Financial assets - Classification and measurement

The Company classifies financial assets based on the business model for managing those assets and their contractual cash flow characteristics.

Accordingly, financial assets on initial recognition are classified into one of the following measurement categories: amortized cost, fair value through other comprehensive income or fair value through profit or loss.

Purchases and sales of financial assets are recognized on trade date, which is the date the Company commits to purchase or sell the assets.

Financial Assets measured at Amortized Cost ('AC')

The Company classifies and measures a financial asset at AC only if both of the following conditions are met and is not designated as at FVTPL:

(a) The financial asset is held within a business model whose objective is to collect contractual cash flows (hold-to-collect business model) and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

These financial assets are recognized initially at fair value plus or minus direct and incremental transaction costs and fees received that are attributable to the acquisition of these assets, and are subsequently measured at amortized cost, using the effective interest rate (EIR) method.

Interest income, realized gains and losses on derecognition, and changes in expected credit losses from assets classified at AC, are included in the income statement.

Financial Assets measured at Fair Value through Other Comprehensive Income ('FVTOCI')

The Company classifies and measures a financial asset at FVTOCI only if both of the following conditions are met and is not designated as at FVTPL:

(a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (hold-to-collect-and-sell business model) and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

Financial assets that meet these criteria are debt instruments and are measured initially at fair value, plus or minus direct and incremental transaction costs that are attributable to the acquisition of these assets.

Subsequent to initial recognition, FVTOCI debt instruments are re-measured at fair value through OCI, except for interest income, related foreign exchange gains or losses and expected credit losses, which are recognized in the income statement. Cumulative gains and losses previously recognized in OCI are transferred from OCI to the income statement when the debt instrument is derecognised.

As of December 31, 2023 and December 31, 2022 the Company has not classified any financial assets in the portfolio of FVTOCI.

Financial Assets measured at Fair Value through Profit and Loss ("FVTPL")

The Company classifies and measures all other financial assets that are not classified at AC or FVTOCI, at FVTPL.

Furthermore, a financial asset that meets the above conditions to be classified at AC or FVTOCI, may be irrevocably designated by the Company at FVTPL at initial recognition, if doing so eliminates, or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets measured at FVTPL are initially recorded at fair value and any unrealized gains or losses arising due to changes in fair value are included in the income statement.

Business model and contractual characteristics assessment

The business model assessment determines how the Company manages a group of assets to generate cash flows. That is, whether the Company's objective is solely to collect contractual cash flows from the asset, to realize cash flows from the sale of assets, or both to collect contractual cash flows and cash flows from the sale of assets. In addition, the business model is determined after aggregating the financial assets into groups (business lines) which are managed similarly rather than at an individual instrument's level.

The business model is determined by the Company's key management personnel consistently with the operating model, considering how financial assets are managed in order to generate cash flows, the objectives and how performance of each portfolio is monitored and reported and any available information on past sales and on future sales' strategy, where applicable. Accordingly, in making the above assessment, the Company will consider a number of factors including the risks associated with the performance of the business model and how those risks are evaluated and managed, the related personnel compensation, and the frequency, volume and reasons of past sales, as well as expectations about future sales activity.

Types of business models

The Company's business models fall into three categories, which are indicative of the key strategies used to generate returns.

The hold-to-collect (HTC) business model has the objective to hold the financial assets in order to collect contractual cash flows.

The hold-to-collect-and-sell business model (HTC&S) has the objective both to collect contractual cash flows and sell the assets. As of December 31, 2023 and December 31, 2022 the Company has not classified any financial assets in the category of HTC&S.

Other business models include financial assets which are managed and evaluated on a fair value basis as well as portfolios that are held for trading.

The Company's business models are reassessed at least annually or earlier, if there is a sales' assessment trigger or if there are any changes in the Company's strategy and main activities.

Solely payments of principal and interest (SPPI test)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI (the SPPI test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

The Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective (i.e. instruments tha do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets). Examples of equity instruments include basic ordinary shares.

The Company subsequently measures all equity investments at FVTPL. Gains and losses on equity investments at FVTPL are included in the line 'Net gains on FVTPL investments' in the statement of profit or loss.

The Company chooses not to apply the FVTOCI option for equity instruments that are not held for trading.

Derecognition of financial assets

The Company derecognizes a financial asset when its contractual cash flows expire, or the rights to receive those cash flows are transferred in an outright sale in which substantially all risks and rewards of ownership have been transferred. In addition, a financial asset is derecognized even if rights to receive cash flows are retained but at the same time the Company assumes an obligation to pay the received cash flows without a material delay (pass through agreement) or when substantially all the risks and rewards are neither transferred nor retained but the Company has transferred control of the asset. Control is transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI for financial assets at FVTOCI, is recognized in income statement, except for cumulative gains or losses of FVTOCI equity instruments which are not reclassified from OCI to income statement at the date of derecognition.

Modification of financial assets that may result in derecognition

In addition, derecognition of financial asset arises when its contractual cash flows are modified and the modification is considered substantial enough so that the original asset is derecognized and a new one is recognised. The Company records the modified asset as a 'new' financial asset at fair value plus any eligible transaction costs and the difference with the carrying amount of the existing one is recorded in the income statement as derecognition gain or loss.

When assessing whether or not to derecognise an instrument, amongst others, the Company considers the following factors:

- Change in currency of the debt instrument
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss.

2.7.2. Financial liabilities

Financial liabilities have two subcategories; the financial liabilities held for trading and the financial liabilities designated as at fair value through profit or loss upon initial recognition.

The Financial Liabilities of the Company include mainly derivative financial instruments. The accounting policies of the abovementioned financial liabilities are described in note 2.7.3.

2.7.3. Derivative financial instruments

Derivative financial instruments mainly include foreign exchange contracts, forward currency agreements and interest rate options contracts (written and purchased), currency and interest rate swaps and other derivative financial instruments. Derivatives are initially recognized at fair value at the date on which a derivative contract is entered into, and subsequently re-measured at fair value. Fair value is considered the market value, taking into account recent market transactions, while where there is no market value, the fair value is estimated using discounted cash flows and option pricing models. When the fair value is positive, derivatives are carried as assets while when fair value is negative as liabilities. The fair value measurement policies of financial instruments, including derivative financial instruments, are described in Notes 2.8 and 4.6.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value through the profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement. The Company did not hold embedded derivatives in other financial instruments during the years 2023 and 2022.

The method of recognizing the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument. Once recognized as a hedging instrument, the identification method is determined depending on the nature of the item being hedged by derivatives.

2.8 Fair value measurement of financial instruments

Fair value is the price that would be received to sell a financial asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, in the most advantageous market in which the Company has access at that date. The fair value of a liability reflects its non- performance risk.

The Company measures the fair value of a financial instrument, using the official quoted market price in an active market for that instrument, when it is available. A market is considered active if the transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. When there is no available official quoted price in an active market, the Company utilizes valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all factors that market participants would consider in pricing a transaction.

The Company has elected to use mid-market pricing as a practical expedient for fair value measurements within a bid- ask spread.

The best evidence of fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received, unless the Company believes that the fair value at initial recognition is evidenced by a quoted price in an active market for an identical financial asset or liability, or based on a valuation technique that uses only data from observable markets.

All assets and liabilities whose fair value is measured or disclosed in the financial statements, are classified within the fair value hierarchy based on the lowest level input that is significant to the overall achievement of the measurement (see note 4.6).

2.9 Impairment of assets

2.9.1 Impairment of financial assets

2.9.1.1 Impairment of financial instruments

The Company recognizes allowance for expected credit losses (ECL) that reflect changes in credit quality since initial recognition to financial assets that are measured at AC and FVTOCI. As of December 31, 2023 and December 31, 2022 the Company has not classified any financial assets in the portfolio of FVTOCI. ECL are a probability-weighted average estimate of credit losses that reflects the time value of money. Upon initial recognition of the financial instruments in scope of the impairment policy, the Company records a loss allowance equal to 12-month ECL, being the ECL that result from default events that are possible within the next twelve months. Subsequently, for those financial instruments that have experienced a significant increase in credit risk since initial recognition, a loss allowance equal to lifetime ECL is recognized, arising from default events that are possible over the expected life of the instrument. If upon initial recognition, the financial asset meets the definition of purchased or originated credit impaired (POCI), the loss allowance is based on the change in the ECL over the life of the asset.

For all financial assets subject to impairment, the general three-stage approach applies.

Accordingly, ECL are recognized using a three-stage approach based on the extent of credit deterioration since origination:

- Stage 1 – When there is no significant increase in credit risk since initial recognition of a financial instrument, an amount equal to 12-month ECL is recorded. The 12 – month ECL represent a portion of lifetime losses, that result from default events that are possible within the next 12 months after the reporting date and is equal to the expected cash shortfalls over the life of the instrument or group of instruments, due to loss events probable within the next 12 months. Not credit-impaired financial assets that are either newly originated or purchased, as well as assets recognized following a substantial modification accounted for as a derecognition, are classified initially in Stage 1.
- Stage 2 – When a financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, it is included in Stage 2. Lifetime ECL represent the expected credit losses that result from all possible default events over the expected life of the financial instrument.
- Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.
- POCI - Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. They are not subject to stage allocation and are always measured on the basis of lifetime expected credit losses. Accordingly, ECL are only recognized to the extent that there is a subsequent change in the assets' lifetime expected credit losses. Any subsequent favorable change to their expected cash flows is recognized as impairment gain in the income statement even if the resulting expected cash flows exceed the estimated cash flows at initial recognition. Apart from purchased assets directly from the market or through a business combination, POCI assets may also include financial instruments that are considered new assets, following a substantial modification accounted for as a derecognition.

As of December 31, 2023 and December 31, 2022 the Company does not hold financial assets Purchased or originated credit impaired (POCI) or financial assets classified at Stage 3.

Measurement of Expected Credit Losses

The measurement of ECL is an unbiased probability-weighted average estimate of credit losses that reflects the time value of money, determined by evaluating a range of possible outcomes. A credit loss is the difference between the cash flows that are due to the Company in accordance with the contractual terms of the instrument and the cash flows that the Company expects to receive (i.e. cash shortfalls) discounted at the original effective interest rate (EIR) of the same instrument, or the credit-adjusted EIR in case of purchased or originated credit impaired assets (POCI). In measuring ECL, information about past events, current conditions and reasonable and supportable forecasts of future conditions are considered.

The key elements of the ECL calculations are outlined below:

- The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information. Two types of probability of default are used to calculate the expected credit loss:
    - 12-month PD which is the estimated probability of default occurring within the next 12 months. It is used in the calculation of 12-month expected credit losses for Stage 1;
    - Lifetime PD which is the estimated probability of default arising during the remaining life of the financial asset. It is used to calculate expected credit losses of Stage 2, Stage 3 and purchased or initially recognized credit impaired financial assets (POCI);
- The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.
- The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Central Bank base rates

Write-off of financial assets

Where the Company has no reasonable expectations of recovering a financial asset either in its entirety or a portion of it, the gross carrying amount of that instrument is reduced directly, partially or in full, against the impairment allowance. The amount written-off is considered as derecognized. Subsequent recoveries of amounts previously written off decrease the amount of the impairment losses in the income statement.

2.9.1.2. Impairment of loans to insurance intermediaries

The calculation of ECL follows the same approach as debt securities subject to impairment. However, the Company calcualtes lifetime ECLs by setting all loans to stage 2 allocation and does not perform staging assessment (for Stage 1 and Stage 2).

Despite recognition of lifetime ECLs since initial recognition, the Company tracks cases of defaults and update relevant ECLs accordingly (e.g. PD 100%), for cases of all loans that are considered credit-impaired and allocated to Stage 3.

2.9.2 Impairment of non-financial assets

Items that have indefinite useful life are not subject to amortization and are tested for impairment on an annual basis. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet if, and only if, the Company has a current legally enforceable right to offset the recognized amounts, and also intends either to settle on a net basis or to receive the receivable amount of the asset and settle the liability simultaneously.

2.11 Current and deferred taxation

(i) Current tax

Income tax payable on profits is calculated based on the applicable enacted tax law and is recognized as an expense in the period in which profits arise.

(ii) Deferred tax

Deferred income tax is recognized using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are measured using the tax rates expected to apply upon the period when the asset or liability will be settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The main temporary differences arise from the impairment of financial assets, depreciation of assets, defined benefit obligations to employees due to retirement, impairment of receivables and the valuation of certain financial assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that there will be future taxable profits against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the recovery of all or part of the asset. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Deferred tax associated with the change in fair value of financial assets recognized at fair value through other comprehensive income, is also recognized in the statement of comprehensive income and subsequently transferred to the income statement together with the deferred gain or loss.

Management periodically evaluates its position on issues related to the tax authorities and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

2.12 Employee benefits

i) <u>Defined post –employment contribution plans</u>

The Company provides certain defined post-employment contribution plans. The annual contributions made by the Company are invested and placed in specific asset categories. If employees meet the planned requirements, they participate to the overall performance of the investment. The contributions made by the Company are recognized as an expense in the period that they occur.

ii) <u>Defined post-employment benefit plans</u>

Under labor law in force, when an employee remains in service until normal retirement age is entitled to a lump sum reimbursement calculated based on years of service and salary at the date of retirement. The Company accounts for a provision based on actuarial study for staff leaving indemnities using the projected credit unit method. According to this method, the cost of staff leaving indemnities is recognized in the income statement over during the last 16 years of service of the employees until the date of retirement based on actuarial valuations carried out every year.

The indemnity liability is calculated as the present value of expected future cash outflows using interest rates of high quality European corporate bonds, with terms to maturity approximating the terms of relevant liability (see note 19).

Actuarial gains or losses arising from the calculation of staff leaving indemnities are recognized in other comprehensive income and cannot be recycled to profit or loss in future periods. Past service costs and interest expense are recognized immediately in the income statement.

The reimbursements payable after 12 months from the reporting date are discounted to their present value.

iii) <u>Employee termination benefits</u>

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts to leave voluntary in return for such privileges. The Company accounts for such liabilities when it has committed to either

terminate the employment of existing employees of the Company according to a detailed formal plan without possibility of withdrawal, or when it provides such benefits as an incentive for voluntary redundancy. The benefits payable after 12 months from the reporting date are discounted to present value.

iv) Bonus and benefits participation plans

Management will periodically reward employees of high performance with bonus. Bonus benefits which require only management approval are recognized as accrued expenses. Distribution of profits to employees, which requires approval by the General Assembly, is recognized as an employee benefit expense in the year that is approved by the shareholders of the Company.

2.13 Insurance and Reinsurance Contracts

Insurance and Investment contracts classification

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines that it has significant insurance risk, if, and only if, an insured event could cause the issuer to pay additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance. IFRS 17 requires the assessment of whether a contract transfers significant insurance risk to be made only once (unless the terms of the contract are modified) and specifically at inception.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Company to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. The Company does not issue such type of contracts.

The Company issues insurance contracts to individuals and corporate customers for all property and casualty risks. Property and casualty insurance products mainly offered include motor, property, personal accident and general third-party liability.

The Company also issues reinsurance contracts, mainly for motor insurance, in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities.

The vast majority of Property and Casualty business provide coverage period of one year or less and so are qualified automatically for the Premium Allocation Approach (PAA).

Multi-year insurance contracts are issued covering property, engineering, general third-party liability, cargo and financial loss risks. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.

The Company does not issue any contracts with direct participating features.

Insurance and reinsurance contracts accounting treatment

2.13.1 Separating components from insurance and reinsurance contracts

The Company assesses its insurance and reinsurance contracts to determine whether they contain distinct components which must be accounted for under IFRS 9 or IFRS 15. After separating any distinct components, an entity must apply IFRS 17 to all remaining components of the (host) insurance contract.

IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- *Distinct embedded derivatives:* Derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument;
- *Distinct investment components:* The amounts that an insurance contract requires the Company to repay to a policyholder in all circumstances, regardless of whether an insured event occurs (i.e. investment components) that are not highly inter-related with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.
- *Distinct goods or services components:* promises to transfer to policyholders' distinct goods or services other than insurance coverage and investment services. A good or service is distinct if the policyholder can benefit from it either on its own or with other resources that are readily available to the policyholder.

No distinct service components, embedded derivatives and investment components were identified in Company's portfolio that need to be accounted separately under another IFRS rather than IFRS 17.

Non-distinct investment components were recognized in Company's portfolio related to the following ceding profit commission arrangements in reinsurance contracts held that offer minimum guaranteed amounts.

Some contracts meet the definition of an insurance contract but have as their primary purpose the provision of services for a fixed fee. Such contracts (or components) can meet the definition of an insurance contract because it is uncertain whether, or when, assistance or service will be needed. IFRS 17 provides an accounting option to either apply IFRS 17 or IFRS 15 on these contracts.

Company's portfolio does not contain fixed-fee service contracts. However, distinct fixed fee service components are identified in Health contracts, and in Motor and Property insurance contracts as road-side assistance and technical assistance. The Company has elected to apply IFRS 17 on these distinct components.

2.13.2 Level of aggregation

2.13.2.1 Level of aggregation - Insurance contracts

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together.

The contract is the lowest unit of account, so portfolios can group contracts with multiple risks.

The Company's interpretation of the "similar risk" criterion, was based on the type of insurance risk, the exposure to insurance loss and the similarity in the movement of key assumptions, such as loss ratio, frequency, severity meaning that contracts with similar risks will have future cash flows that respond similarly in amount and timing to changes in key assumptions.

Regarding the "managed together" criterion, the Company considered the management and internal reporting for business monitoring, the distribution channels, the private or commercial lines, the operating segments and the duration of the groups of insurance contracts.

Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder.. The profitability of Company of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The main factors that the Company expects to consider regarding expected profitability are the product pricing, results of similar contracts it has recognised, age bands and environmental factors, such as changes in market experience or regulations.

The portfolios are subdivided into group of contracts on the basis of annual cohorts (contracts issued within calendar year).

2.13.2.2 Level of aggregation - Reinsurance contracts

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, with the exception that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition.

For some groups of reinsurance contracts held, a group can comprise a single contract.

Some reinsurance contracts provide cover for underlying contracts that are included in different groups. However, the Company concludes that the reinsurance contract's legal form reflects the substance of the Company's contractual rights and obligations, taking into consideration that the different covers lapse together and are not sold separately. As a result, the reinsurance contract is not separated into multiple insurance components that relate to different underlying groups.

Summary of the Company Reinsurance Program for 2023:

Program		Maximum net loss (Company's share)	Gross Margins (including Company's Share)	Comment
Property				
Working (property) XOL risk	Per risk	**500.000**	**50.000.000**	bust layer included
Working (property) XOL risk	AAD	**250.000**		
Fire Catastrophe XOL risk	Per event	**10.000.000**	**460.000.000**	
Casualties				
Casualty XOL risk (MOTOR)	Per accident	**1.500.000**	**50.000.000**	
Casualty XOL risk (LIABILITIES, Misc. Acc., etc)	Per accident	**100.000**	**5.000.000**	
Casualty XOL risk (Personal Accident etc)	Per accident	**50.000**	**5.000.000**	
Casualty XOL risk (Drone TPL)	Per accident	**25.000**	**5.000.000**	
Transportation – Shipping				
Cargo & Pleasure Craft XOL risk	Goods in transit	**500.000**	**8.000.000**	
Cargo & Pleasure Craft XOL risk	Crafts	**500.000**	**800.000**	

2.13.3 Recognition

2.13.3.1 Recognition - Insurance contracts

The Company recognises groups of insurance contracts from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder is due, or actually received if there is no due date
- For a group of onerous contracts, as soon as facts and circumstances indicate that the group is onerous

An insurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

2.13.3.2 Recognition - Reinsurance contracts

The Company recognises a group of reinsurance contracts held from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held, and
- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above. For reinsurance contracts acquired by the Company, initial recognition date coincides with the date of acquisition.

2.13.4 Modification and Derecognition

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired) or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract.

On derecognition of a contract from a group of contracts not measured under the PAA:

- the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognised;

- the Contractual Service Margin (CSM) of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component; and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group

If a contract is derecognised because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous.

If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Company entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming that, at the date of modification, the Company received the premium that it would have charged less any additional premium charged for the modification.

If a contract modification does not lead to derecognition, the Company shall treat changes in cash flows caused by the modification as changes in the estimates of fulfilment cash flows.

The exercise of a right included in the terms of a contract, however, is not a modification. The exercise of a contractual right available either to the policyholder or the entity, within the contract boundary, that does not require the agreement of the entity or the policyholder, respectively, does not constitute a contract modification that leads to derecognition under IFRS 17. Instead, the changes coming from the exercise of contractual rights that do not require the agreement of the either party (either the entity or the policyholder) will be treated as changes in the estimates of fulfilment cash flows.

2.13.5 Insurance Acquisition Cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued). These costs are directly attributable to the groups of insurance contracts and the Company uses a systematic and rational method to allocate these costs to: (i) individual contracts and groups of contracts; and (ii) to the portfolio of insurance contracts to which the group belongs.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Company revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

At each reporting date, the Company reviews the carrying amounts of the asset for insurance acquisition cash flows to determine whether there is an indication that the asset has suffered an impairment. If any such indication exists, the Company adjusts the carrying amount of the asset so that the carrying amount of the asset does not exceed the expected net cash inflow for the associated future groups of contracts. An impairment loss is recognised in profit or loss for the difference. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the extent the impairment conditions no longer exist or have improved and the cumulative amount of impairment loss reversal does not exceed the impairment loss recognised for the asset in prior years.

2.13.6 Contract Boundary

The Company includes in the measurement of a group of contracts all the future cash flows within the boundary of each contract in the group.

2.13.6.1 Contract Boundary - Insurance contracts

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with services. A substantive obligation to provide insurance contract services ends when:

- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks or
- Both of the following criteria are satisfied:
    i) The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio

ii) The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date

For insurance contracts with coverage period equal to one year or less, the contract boundary is at least the term of the contract.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

2.13.6.2 Contract Boundary - Reinsurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage

2.13.7 Measurement

According to the specific features of each contract, one of the following approaches should be used:

- **General measurement model (GMM)**: it should be applied to all insurance contracts, unless they have direct participation features and are in the scope of the VFA or the contracts are eligible for the premium allocation approach;
- **Premium allocation approach (PAA):** it is an optional simplification for the measurement of the liability for remaining coverage for insurance contract with short-term coverage;
- **Variable fee approach (VFA):** it should be applied to insurance contract with direct participation features, i.e. contracts under which the entity provides investment-related services and is compensated for the services by a fee that is determined by reference to the underlying items.;

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds.

2.13.7.1 Insurance Contracts - Group of contracts not measured under PAA

2.13.7.1.1 Initial measurement

The Company measures a group of insurance contracts on initial recognition as the sum of: (i) the fulfilment cash flows (FCF) within contract boundary, comprising estimates of future cash flows and risk adjustment for non-financial risk and (ii) the Contractual Service Margin (CSM) representing the unearned profit in the contracts relating to services that will be provided under the contracts. As at 31/12/2022 and 31/12/2023 there are no contracts measured under the General Measurement Model.

Fulfilment cash flows within contract boundary

The fulfilment cash flows are the current unbiased and probability-weighted estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk. In arriving at a probability-weighted mean, the Company considers a range of scenarios to establish a full range of possible outcomes incorporating all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future.

The Company estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

When estimating future cash flows, the Company includes all cash flows within the contract boundary including: premiums and any related cash flows, claims, benefits and other payments to the policyholders, an allocation of insurance acquisition cash flows, claims handling costs, policy administration and maintenance costs, including recurring commissions, an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts, transaction-based taxes etc.

The measurement of fulfilment cash flows-includes insurance acquisition cash flows. The Company determines insurance revenue related to insurance acquisition cash flows by allocating the portion of the premiums that relate to recovering those cash flows to

each reporting period in a systematic way on the basis of the passage of time. The same amount is also recognized as insurance service expenses.

The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in note 3.1.2.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation. Refer to note 3.1.1.

For groups of contracts acquired in a transfer of contracts or a business combination, the consideration received for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date.

The Liability for Remaining Coverage (LRC) is the Company's obligation to (a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (ie the obligation that relates to the unexpired portion of the insurance coverage) and (b) pay amounts under existing insurance contracts that are not included in (a) and that relate to (i) insurance contract services not yet provided (ie the obligations that relate to future provision of insurance contract services), or (ii) any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.

The Liability for Incurred Claims (LIC) is the Company's obligation to (a) investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses, and (b) pay amounts that are not included in (a) and that relate to (i) insurance contract services that have already been provided, or (b) any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage.

Contractual service margin (CSM)

The CSM is a component representing the unearned profit that the Company will recognise as it provides coverage in the future. At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

- the initial recognition of the FCF;
- the derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows;
- cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.

For insurance contracts acquired, at initial recognition, the CSM is an amount that results in no income or expenses arising from: (i) the initial recognition of the FCF; and (ii) cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the ote as a proxy of the premiums received.

2.13.7.1.2 Subsequent measurement

The carrying amount of a group of insurance contracts at each reporting date is the sum of the LRC and the LIC.

The LRC comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date.

The LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

Changes in fulfilment cash flows

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

- Changes relating to future services: Adjusted against the CSM or recognised in the insurance service result in profit or loss if the group is onerous;

- Changes relating to current or past services: Recognised in the insurance service result in profit or loss;
- Effects of the time value of money, financial risk and changes therein on estimated future cash flows: Recognised as insurance finance income or expenses

The following adjustments relate to future service and thus adjust the CSM:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the expected amounts at the beginning of the period. Differences related to premiums received related to current or past services are recognised immediately in profit or loss while differences related to premiums received for future services are adjusted against the CSM;
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage including also changes in discretionary cash flows, except those relating to the time value of money and changes in financial risk;
- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
- Changes in the risk adjustment for non-financial risk that relate to future service

The following adjustments do not relate to future service and thus do not adjust the CSM:

- changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
- changes in the FCF relating to the LIC; and
- experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

If a loss component exists, when there are changes to the fulfillment cash flows within the LRC, they are allocated between the loss component and the LRC excluding the loss component on a systematic basis.

Decreases in future fulfillment cash flows reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero, and conversely, increases in future fulfillment cash flows increase the loss component with changes in the loss component recognized within insurance service expense in the Stand Alone income statement.

For a group of insurance contracts, the carrying amount of the CSM at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- the CSM of any new contracts that are added to the group in the year
- Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition;
- the changes in fulfilment cash flows relating to future service, except to the extent that: (i) Such increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component or (ii) Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage, reversing losses previously recognised in profit or loss;
- the effect of any currency exchange differences on the CSM;
- the amount recognised as insurance revenue because of the services provided in the period.

The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period.

Adjustments to the CSM noted above are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

The Company disaggregates changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses, and hence it adjusts the CSM for the change related to non-financial risk, measured at the discount rates determined on initial recognition, and recognises the effect of the time value of money and changes therein as insurance finance income or expenses.

2.13.7.2. Insurance Contracts - Group of contracts measured under PAA

2.13.7.2.1. Initial measurement

The Company uses the PAA for measuring contracts with a coverage period of one year or less. In addition to the contracts with coverage of less than one year, the PAA can be used for measurement of groups of contracts where the Company reasonably expects that such a simplification would produce a measurement of the LRC that would not differ materially from the one that would be produced by applying the GMM.

On initial recognition of each group of insurance contracts, the carrying amount of the LRC is measured as the premiums received on initial recognition minus any insurance acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset. The Company defers and amortizes insurance acquisition cash flows for all groups of contracts.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the Non PAA. Future cash flows are adjusted for the time value of money since these contracts typically have a settlement period of over one year. For the measurement of the LIC, risk adjustment for non-financial risk is also estimated.

If there are indications that a group of insurance contracts is onerous at initial recognition, then the Company recognizes a loss in insurance service expense in the Stand Alone income statement and increases the LRC if the current estimates of the fulfillment cash flows that relate to remaining coverage exceed the carrying amount of the LRC. This excess is recognized as a loss component within the LRC, which is reported in insurance contract liabilities on the Stand Alone balance sheet. For additional disclosures on the loss component, please refer to Note 2.1.8.

2.13.7.2.2. Subsequent measurement

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of: (i) the LRC; and (ii) the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts of premiums recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

The Company does not adjust the LRC for insurance contracts issued for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

The LIC includes the fulfillment cash flows for losses on claims and expenses that have not yet been paid, including claims that have been incurred but not reported ("IBNR"). It also includes a risk adjustment for non-financial risk and the time value of money for the insurance contracts issued with expected settlement period over one year.

If facts and circumstances indicate that a group of insurance contracts becomes onerous during the coverage period, the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised. For additional disclosures on the loss component, please refer to Note 2.13.8.

2.13.7.3. Reinsurance Contracts - Group of contracts measured under PAA

2.13.7.3.1 Initial measurement

On initial recognition of each group of reinsurance contracts, the carrying amount of the Asset for Remaining Coverage ("ARC") is measured as the premiums paid (i.e. premiums ceded) on initial recognition, adjusted for ceding commissions that are not contingent on claims and any amounts previously recognized for cash flows related to the group. The Company does not recognize any insurance acquisition cash flows for reinsurance contract assets held. For contracts measured under the PAA, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the Asset for Incurred Claims ("AIC").

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage. Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held.

For more detailed information about the loss recovery component, please refer to note 2.13.8.2

2.13.7.3.2 Subsequent measurement

The carrying amount of a group of reinsurance contract assets held at each reporting date is the sum of the ARC and the AIC. On subsequent measurement, the carrying amount of the ARC is increased by any premiums paid, and reduced by the amount recognized as cost of reinsurance for services received.

The AIC includes the fulfillment cash flows for recovery of losses on claims and expenses that have not yet been received, including for recovery of claims that have been incurred but not yet reported. The AIC also includes a risk adjustment for non-financial risk and

the time value of money as most of the Company's reinsurance contract assets held and measured under the PAA typically have a settlement period of over one year.

If a loss-recovery component exists, it is adjusted on subsequent measurement to reflect changes in the loss component of the onerous group of underlying contracts to the extent that it impacts reinsured cash flows, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company to recover from the reinsurance contract assets held.

2.13.8 Onerous contracts

2.13.8.1 Loss Components

An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract, any previously recognised insurance acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow.

The Company has established a loss component of the liability for remaining coverage for any group of onerous insurance contracts depicting the losses recognized that relate to future services (either these contracts are onerous at inception or become onerous after the inception).

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognised at that date in profit or loss. The amount of the group's loss component is tracked for the purposes of presentation and subsequent measurement.

Groups that were not onerous at initial recognition can also subsequently become onerous if the following amounts exceed the CSM when:

- unfavourable changes relating to future service in the fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustment for non-financial risk; and
- for a group of insurance contracts with direct participation features, the decrease in the amount of the Company's share of the fair value of the underlying items.

After the recognition of the loss component, the Company allocates the subsequent changes in fulfilment cash flows of the liability for remaining coverage on a systematic basis between the loss component of the LRC and the LRC excluding the loss component.

The subsequent changes in the fulfilment cash flows of the LRC to be allocated are (for groups not measured under PAA):

- Insurance finance income or expense
- Changes in risk adjustment for non-financial risk recognised in profit or loss representing release from risk in the period
- Estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expenses in the period

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for non-financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Any subsequent decrease relating to future service in fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustment for non-financial risk and any subsequent increases in the amount of the group's share of the fair value of the underlying items, need to be allocated solely to the loss component until that component is reduced to zero. These changes should be discounted at locked-in discount rates for insurance contracts without direct participation features, while for insurance contracts with direct participation features, current discount rates should be used.

2.13.8.2 Loss recovery component

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognised on the group to

insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

2.13.9 Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the amounts recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company, according to the Standard, is not required to disaggregate the change in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. The Company has decided to make such a disaggregation for the risk adjustment.

The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

2.13.10 Insurance Revenue

As the Company provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognises insurance revenue, which is measured at the amount of consideration the Company expects to be entitled ton in exchange for those services.

For groups of insurance contracts measured under the General Model, insurance revenue consists of the sum of the changes in the LRC due to:

- the insurance service expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding: (i) amounts allocated to the loss component, (ii) repayments of investment components, (iii) amounts of transaction-based taxes collected on behalf of third parties and (iv) insurance acquisition expenses;
- the change in the risk adjustment for non-financial risk, excluding: (i) changes that relate to future service that adjust the CSM and (ii) amounts allocated to the loss component
- the amount of CSM for the services provided in the period
- experience adjustments for premium receipts that relate to current or past service, if any.

Insurance revenue also includes the portion of premiums that relate to recovering those insurance acquisition cash flows included in the insurance service expenses in each period. Both amounts are measured in a systematic way on the basis of the passage of time.

For groups of insurance contracts measured under the PAA, the Company recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

2.13.11 Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.

- incurred claims and benefits excluding investment components
- other incurred directly attributable insurance service expenses
- amortisation of insurance acquisition cash flows
- changes in the fulfilment cash flows of the liabilities for incurred claims that relate to past service
- (i.e. changes in the FCF relating to the LIC)
- losses on onerous contracts and reversals of losses
- impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

2.13.12 Net income or expense from reinsurance contracts held

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following amounts:

- Amount recovered from reinsurers
- An allocation of the premiums paid

The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

The allocation of the reinsurance premiums (reinsurance expenses) is recognised similarly to insurance revenue. The amount of reinsurance expenses recognized in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Company expects to pay in exchange for those services.

For groups of reinsurance contracts held measured under the PAA, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

2.13.13 Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance and reinsurance contracts arising from: the effect of the time value of money and changes in the time value of money, together with the effect of financial risk and changes in financial risk.

The Company has an accounting policy choice to present all of the period’s insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). The accounting policy choice to disaggregate insurance finance income or expenses between profit or loss and OCI is applied on a portfolio-by-portfolio basis.

Group of contracts measured under GMM

The main amounts within insurance finance income or expenses are: (i) interest accreted on the FCF and the CSM, (ii) the effect of changes in interest rates and other financial assumptions and (iii) foreign exchange differences arising from contracts denominated in a foreign currency.

The Company have not issued any insurance contracts that are measured under General Model as of December 31, 2023 and December 31, 2022.

Group of contracts measured under the PAA

The main amounts within insurance finance income or expenses are: (i) interest accreted on the LIC and (ii) the effect of changes in interest rates and other financial assumptions.

When applying the PAA, the Company does not discount the liability for remaining coverage to reflect the time value of money and financial risk. For those claims that the Company expects to be paid within one year or less from the date of incurrence, the Company does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted applying the discount rate at the time the incurred claim is initially recognised. The Company has elected to present all insurance finance income or expenses of the groups of contracts measured under PAA in profit or loss.

The interest accretion on the fulfilment cash flows is made by using current discount rates.

2.14 Leases

The Company participates as lessee and lessor in operating leases.

The Company as a Lessor:

Assets leased out under operating leases are included in Property, plant and equipment and are depreciated over their estimated useful lives in accordance with similar own-use tangible assets. The rental income (net of any incentives given to lessees) is recognized on a straight line basis over the lease period.

The Company as a Lessee:

The Company's new accounting policies on the adoption of IFRS 16 effective from the date of initial recognition are the following:

i) Right of use asset

The Company recognizes right of use asset at the commencement of the lease (the date the asset is available for use). The rights of use assets are measured at cost less accumulated depreciation and impairment and adjusted by the remeasurement of lease liabilities. The cost of rights of use assets includes the amount of lease liabilities recognized, initial directly related costs and lease payments made on or before the commencement date, reduced by the amount of discounts or other incentives. Except for the cases where the Company is relatively certain that the ownership of the leased asset will be transferred to the Company at the end of the lease contract, the recognized right of use asset is depreciated on a straight line basis over the shorter period between the useful life of the underlying asset and the lease contract. The right of use assets are subject to impairment test.

ii) Lease liabilities

At the commencement of the lease, the Company recognizes lease liabilities equal to the present value of the lease payments over the duration of the lease contracts. Payments include contractual fixed payments, reduced by any lease incentives received, variable payments depending on an index, and amounts for residual value payments expected to be paid. Leases also include the exercise price of a call option that is relatively certain to be exercised by the Company and the termination penalty payments of a lease, if the contract terms indicate with reasonable certainty that the Company will exercise the right to terminate. Variable payments that are not dependent on an index are recognized as an expense in the period in which the event occurs and the payment is made.

To calculate the present value of the payments, the Company uses the incremental borrowing cost at the commencement date of the lease if the interest implicit in the lease is not readily available. Following the commencement of the lease, the amount of lease liabilities is increased with the accrued interest expense and is reduced by the lease payments made. In addition, the carrying amount of the lease liabilities is remeasured if there is a change in the contract, or any change in the term of the contract, in the fixed lease payments or in the assessment to purchase the asset.

iii) Short term leases

The Company applies the practical expedient for short-term leases (i.e. leases of less than or equal to 12 months from the date of commencement of the lease where there is no right to purchase the asset). Lease payments for short-term leases are recognized as an expense on a straight-line basis over the term of the lease.

iv) Significant considerations in determining the lease term with an extension option

The Company determines the lease term as the contractual lease term, including the period covered by (a) the right to extend the lease, if it is relatively certain that the right will be exercised, or (b) the right to terminate the contract, if it is relatively certain that the right will not be exercised.

The Company has the right for some leases to extend the lease term. The Company assesses whether there is relative certainty that the right of renewal will be exercised, taking into consideration all relevant facts and circumstances creating an economic incentive. Subsequent to the lease commencement, the Company re-assesses the lease term, if there is a significant event or change in circumstances within its control and affects the exercise (or not) of the extension option (such as a change in the business strategy of the Company).

2.15 Related party transactions

The related parties of the Company include:

(a) an entity that has control over the Company and entities that are controlled, jointly controlled or significantly influenced by this entity, as well as members of its key management personnel and their close family members ,

(b) members of key management personnel of the Company, close family members and entities that are controlled or jointly controlled by the abovementioned persons,

(c) associates and joint ventures

(d) other related entities.

All transactions carried out with related parties are within the ordinary course of business and are conducted under pure commercial terms.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax.

2.17 Dividends

Dividend distribution on shares is recognized as a deduction in the Company's equity when approved by the Company's shareholders. Interim dividends are recognized as a deduction in the Company's equity when approved by the Board of Directors.

2.18 Provisions – Pending litigations

Provisions are recognized when the Company has a current legal or constructive obligation as a result of past events and it is likely that an outflow of resources embodying economic benefits required to settle the obligation whose amount can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties relating to the amount recognized as a provision. Provisions are reviewed at each reporting date and adjusted to reflect the best possible estimate. If subsequently, it is no longer probable that in order to settle the obligation an outflow of resources embodying economic benefits will be required, the provision is reversed.

2.19 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits on demand and time deposits held with banks and other short-term highly liquid and low risk investments, with original maturities of three months or less.

2.20 Revenue recognition

Revenue is recognized when it is probable that future economic benefits will flow to the Company and the amount can be measured reliably. Recognition of revenue from insurance contracts is described in note 2.13. Revenue other than from insurance contracts is recognized as follows:

Interest Income

Interest income is recognized in the income statement on an accrual basis for all interest bearing instruments using the effective interest rate method. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, to the net carrying amount of the financial asset.

When an interest bearing asset is impaired, its carrying amount is reduced to its recoverable amount, which is the present value of the expected future cash flows discounted at the original effective interest rate. Interest is subsequently calculated at the same interest rate on the impaired (new book value).

Dividend Income

Dividend income from financial assets is recognized in the income statement when the right to receive them has been substantiated.

2.21 Investments in subsidiaries

Investments in subsidiaries are measured at cost less any impairment. The cost of these investments is the fair value of the consideration given, or if that cannot be reliably measured, the consideration received along with the costs directly attributable to the transaction.

NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Company makes estimates and assumptions concerning the future developments and events that affect the amounts of assets and liabilities presented in the financial statements. These estimates are based on historical data and estimates of future events that are reasonable under the current circumstances. The estimates and assumptions that have a significant risk of causing substantial adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows

3.1 Insurance and reinsurance contracts

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company disaggregates information to disclose insurance contracts issued and reinsurance contracts issued separately. This disaggregation has been determined based on how the Company is managed.

3.1.1 Discount rates

The Company has determined discount rates using the bottom-up approach.

The future cash flows are discounted using risk-free yield curves, adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts and reinsurance contract assets held. The Company determines the yield curves using commercially available currency-specific rates and illiquidity premiums.

The table below sets out the yield curves used to discount the cash flows of insurance contracts for the Company (related to the most material portfolios) as at 31 December 2023 and 31 December 2022.

	2023					2022				
EURO currency	1 year	3 years	5 years	10 years	20 years	1 year	3 years	5 years	10 years	20 years
Premium Allocation Approach										
Property and Casualty	3,38%	2,70%	2,64%	2,86%	3,24%	3,48%	3,38%	3,35%	3,13%	2,64%

3.1.2 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers insurance risk, lapse risk and expense risk. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the best estimate amount.

The calculation of the Risk Adjustment leverages on the Solvency II view of non-financial risks, taking also into account the diversification benefits between risks. The Risk Adjustment is calculated according to the Value at Risk methodology, assuming a confidence level of 75% and normal distribution of future cashflows.

3.1.3 Methods used to measure liability for incurred claims

The Company is required to establish a liability for incurred claims (LIC) for the payment of losses and loss adjustment expenses that arise from the Company's life and property and casualty products. These liabilities represent the expected ultimate cost to settle claims occurring prior to, but still outstanding as of, balance sheet date. The Company establishes its liabilities by product line, type and extent of coverage and accident year. There are two categories of the LIC: liability for reported losses; and liability for incurred but not reported (IBNR) losses. Additionally, the LIC is held for loss adjustment expenses, which contain the estimated legal and other expenses expected to be incurred to finalize the settlement of the losses.

The Company's liability for reported losses and loss adjustment expenses is based on estimates of future payments to settle reported claims. The Company bases such estimates on the facts available at the time the liability is established considering the estimated costs of bringing pending claims to final settlement. The liability takes into account inflation, as well as other factors that can influence the amount required to fulfil the Company's obligations. In determining the level of the liability, the Company considers historical trends and patterns of loss payments, pending levels of unpaid claims and types of coverage. In addition, court decision, economic conditions and public attitudes may affect the ultimate cost of settlement, and as a result, the Company's estimation of the liability.

The Company establishes the liability for IBNR losses to recognize the estimated cost of losses for events which have already occurred, but for which the Company has not yet been notified. This liability is established to recognize the estimated costs required

to bring such claims to final settlement. As these losses have not yet been reported, the Company relies upon historical information and statistical models, based on product line, type and extent of coverage, to estimate its IBNR liability. The Company uses reported claims trends, claims severities, exposure growth and other factors in estimating IBNR liability.

The Company uses a number of accepted actuarial methods to estimate and evaluate the amount of LIC. The most common methods used to estimate claims incurred are the chain-ladder and the Bornhuetter-Ferguson methods.

3.2 Estimated impairment of goodwill

The Company assesses annually whether there is an indication of goodwill impairment in accordance with the accounting policy stated in note 2.6 (i). The recoverable amounts of Cash-Generating Units (CGUs) are determined based on value-in-use calculations. Determining value-in-use is an inherently subjective process that involves the use of management's best estimates and judgments, particularly related to future cash flows of the CGU or group of CGUs and the appropriate discount rates.

The recoverable amount of the CGUs is determined on the basis of the CGU's business plan which is derived from the prospective five-year budgets approved by management, extrapolated over an additional five-year period of sustainable growth followed by a long-term growth rate to perpetuity. The budgets and plans reflect management's current expectations about changes in volumes, margins and capital requirements taking into account the anticipated market conditions, competitive activity and effects of recent regulatory or legislative changes.

The discount rate used for each CGU represents an estimate of the cost of equity for that unit. The "Capital Asset Pricing model" (CAPM) is employed in estimating the discount rate.

The key assumptions for the value-in-use calculations and inputs to the afore-mentioned model, as well as the impact of potential changes to key variables, are described in note 8 and may change as economic and market conditions change.

3.3 Fair value of financial instruments

The fair value of financial instruments that are not quoted in an active market is determined using valuation techniques. Additionally, for financial instruments with rare transactions and low transparency pricing, fair value is less objective and requires judgment in various levels depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting this financial instrument.

Valuation techniques used include present value methods and other models mainly based on observable inputs and to a lesser extent on unobservable inputs, in order to maintain the reliability of fair value measurement.

Valuation models are primarily used to value over the counter derivatives and securities measured at fair value. In such cases, fair value is estimated using observable input of similar financial instruments, or using models.

Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent to the personnel who performed the valuation methods. All models are certified before being used and adjusted so as to ensure that outputs reflect the actual data and the comparative market prices. The key assumptions and estimates considered by management when applying a valuation model include:

(a) the likelihood and expected timing of future cash flows,
(b) the selection of the appropriate discount rate based on the estimate of a market participant for the appropriate spread of the rate over the risk free rate,
(c) judgment in determining the model that will be used to calculate the fair value.

To the extent practicable, models use only observable input, however in areas such as credit risk (both own and the counterparty) management estimates are required for parameters such as volatility and correlations so as to reflect uncertainties in fair value resulting from the lack of observable market input.

Input used in valuations based on unobservable data are inherently uncertain, due to the small number or the lack of available current market data. However, in most cases there will be some historical data on which the measurement of fair value can be based and, therefore, even when unobservable inputs are used, some observable data will be used for fair value.

Valuation techniques used to calculate fair value are described in Note 4.6.

Given the uncertainty and subjectivity inherent in the fair value estimation of financial instruments, changes in management's assumptions and estimates could affect the reported fair values.

NOTE 4: INSURANCE AND FINANCIAL RISK MANAGEMENT

4.1 Framework for risk management

The Company has established an effective risk management system, aiming to address the risks to which it is exposed and protect its policyholders and shareholders. The risk management system is based on a predetermined principles, policies and procedures framework.

Due to the nature of its operations, the Company is exposed to insurance, financial risks such as credit risk, market risk, liquidity risk and operational risk. To minimize the potential adverse effects arising from these risks, the Company has established:

- a framework that reflects its risk management strategy
- a methodology for the identification, measurement, management and reporting of all risks to which the Company is or may be exposed, and finally
- a governance structure, according to the requirements raised by the regulatory and the internally defined framework.

Within this framework the company has established, a Risk, Asset - Liability and Investment Management Committee and a Risk Management Function.

4.1.1 Risk, Asset - Liability and Investment Management Committee

The Risk, Asset - Liability and Investment Management Committee is a committee of the Board of Directors.

The main responsibilities of the Committee are:

- to ensure and provide assurance to the BoD for the continuous compliance with Solvency II Capital Requirements;
- to develop appropriate risk strategies for all types of risks potentially affecting the company and the management of its funds in accordance with the applicable regulatory framework
- to establish the principles and rules governing risk identification, assessment, measurement, monitoring, management and reporting of risks including assets-liability management;
- to establish an adequate system of internal controls allowing risk understanding and the integration of proper risk management policies in the decision making processes of the company;
- to monitor, review and validate the processes that govern the Solvency II capital requirement calculation and the execution of the Own Risk and Solvency Assessment exercise;
- to assist the BoD in adopting a rational and prudent investment strategy and policy;
- to monitor the Company's compliance with the legal and regulatory framework governing its full range of operations;
- to establish appropriate communication channels with respective committees.
- to evaluate investment proposals, following the recommendation of either management or external investment advisors, taking into account legal and regulatory requirements and ensuring the adequacy of the Solvency Coverage Ratio, as dictated by the risk appetite determined by the Board of Directors;
- to integrate the sustainability risk criteria into the investment decision-making process
- to guide the Investment Department and other departments of the Company related to investment management and ensuring the adequacy of human resources for the implementation of the Commission's decisions.

4.1.2 Risk Management Function

The adoption and implementation of the risk management system is ensured through the existence of the Risk Management Function. The Risk Management Function's main responsibilities are to:

- raise awareness of risks within the Company; develop and adopt the appropriate methodology for management of all major risks to which the Company is exposed or might be exposed to. This methodology concerns the identification, assessment, measurement, monitoring, mitigation and reporting of risks;
- evaluate periodically the adequacy of the aforementioned methodology;
- issue and annually review the policies per risk category, and oversee their implementation;
- depict the Company's risk profile and determine and monitor indicators for the early identification and management of risks;
- periodically perform stress testing and scenario analysis assessments for the major risk exposures;

- perform the ORSA process at least once a year and whenever necessary;
- calculation and validation of SCR and SCR coverage ratio;
- assess of risks related to new services, products and processes;
- assess of risks of new investments related to the Solvency Capital Requirement;
- participate in the crisis management team in the event of a major incident and establish (and annually revise) Business Continuity Policy and Business Continuity Plan (including its annual test);
- establish, implement and monitor projects in the area of Information Security in order to be within the Company's risk appetite;
- notify the Risk, Asset-Liability and Investment Management Committee of any potential deviations of risk exposures out of the approved limits, propose mitigation techniques depending on the nature of risk and monitor the implementation progress of the relevant action plans;
- aggregate data and submit reports (on regular and ad – hoc basis) so as to appropriately inform the BoD, the Risk, Asset-Liability and Investment Management and Management for the essential risk exposures and risk related issues;
- perform Risk and Control Self-Assessment (RCSA) exercises, identifying and evaluating operational risk scenarios, Fraud Risk Assessment (FRA) exercises, Conduct Risk Assessment (CRA), Business Environment Assessment, monitoring of early warning indicators (KRIs) and management operational risk events (identification, causal analysis and recording of operating losses) in accordance with what is provided in the approved operational risk management framework (methodologies, policies and / or procedures);
- establish (and annually revise) the Whistleblowing Policy;
- establish (and annually revise) the framework for outsourcing and perform a holistic risk management program for managing operational risks related to outsourced activities which includes; assessment of the criticality of activities before outsourcing, risk assessment of cloud computing services, Operational Risk Assessments (ORA) etc
- participate in Reinsurance Committee aiming to contribute in the development of reinsurance program which is appropriate for the management of the risks inherent in the portfolio.

4.2 Insurance risk

The risk inherent in any insurance contract consists of the possibility that the insured event will occur and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, the risk is random and could be evaluated but is unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or/and severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits may vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently population of risks to reduce the variability of the expected outcome.

4.2.1 Property and Casualty Insurance

The Company operates almost in all insurance sectors related to losses and damages. The main activity comes from Fire insurance sector (including Earthquake and engineering sectors), Motor Liability, Land Vehicle and Other Losses, whose participation in written insurance premiums for 2023 amounted to 43,5%, 23,4%, 10,1% and 23,0% respectively (2022: 44,0%, 24,5%, 9,9% and 21,5%).

4.2.1.1 Motor liability insurance

Underwriting and pricing are critical risk mitigation mechanisms adopted in the insurance industry. Pricing is based on the use of multi-parameter models that aim at a more accurate risk assessment and more appropriate matching with the premium for each policyholder. The premiums charged is calculated in order to be able to cover the claims and expenses that will emerge from the Company portfolio, but also the capital and solvency requirements.

a) Frequency and severity of claims

The frequency and severity of the claims contribute to the calculation of the risk premium and lead to its differentiation at each level of each parameter. These indicators are affected by the terms, limits and deductibles of coverages, the Company's underwriting

policy, the selection of the appropriate reinsurance cover, the reserves policy as well as the processes and controls within the claims handling period.

Third Party Liability limits that are imposed by law are €1,22 mil. per person for Bodily Injuries and €1,22 mil. per accident for material damages.

Reinsurance arrangements include excess of loss with a maximum underwriting limit for the Company in Motor Third Party Liability amounting to €50,0 mil. per incident.

b) Sources of uncertainty in the estimation of future claim payments

Insurance contracts cover claims which occur within the term of the insurance contract, even if the notice or ascertainment of damage is made after the expiry of the insurance (always in accordance with the applicable law). The claims incurred within the term of the contract but reported after the expiry of the contract are part of the Company's liabilities and need to be estimated. In addition, some of the claims for Motor Liability are transferred to judicial resolution which may remain outstanding for a long period of time and as a result this creates uncertainty in the future cost of claims' estimations.

The estimated cost includes the cost of the claim as well as the cost of claims handling. The reserves for outstanding claims for which the Company is considered responsible consist of the following categories: reserve for reported claims, reserve for the incurred but not reported claims (IBNR) and reserve for losses reported but not sufficiently reserved (IBNeR).The estimation for the last two mentioned categories is performed based on actuarial statistical methods. Finally, on those reserves, one more category is added for the Unallocated Loss Adjustment Expenses.

c) Process used to decide on assumptions

The selection of the development factors for assessing the adequacy of reserves and future payments is made on a best-estimate basis.

Development factors that deviate significantly from the average are excluded from the final selection particularly if their application results in estimates lower than expected. For the motor vehicle liability sector, a specific method is chosen in order to create reserve estimates that are as solvent and reliable as possible.

On a quarterly basis the Company estimates the present value of the future cash flows for the liability of incurred claims. For the estimation of the fulfillment cash flows, various actuarial methods are being used on the claims data like Chain Ladder and Bomheutter Ferguson. Both these methods, use prior years claims development in order to estimate the ultimate cost of claims per accident year.

d) Changes in assumptions and sensitivity analysis

The ratio used for the estimation of cash flows for claims incurred is given by the product of development factors which are subject to sensitivity analysis below.

In case of an increase in the product of development factors by 10,0%, the insurance contract liabilities increase by € 4.353 thousand (31 December 2022: € 3.809 thousand). In case of a reduction in the product of development factors by 10,0%, the insurance contract liabilities decrease by € 4.457 (31 December 2022: € 3.902 thousand).

31 December 2023		**Impact on :**		
(amouns in € thousand)	**Change**	Insurance contract liabilities	Profit before tax	Equity
Product of development factors	10%	4.353	(4.353)	(3.395)
Product of development factors	-10%	(4.457)	4.457	3.476

31 December 2022		**Impact on :**		
(amounts in € thousand)	**Change**	Insurance contract liabilities	Profit before tax	Equity
Product of development factors	10%	3.809	(3.809)	(2.971)
Product of development factors	-10%	(3.902)	3.902	3.044

The above sensitivity analysis calculates the impact on the insurance contract liabilities gross of reinsurance.

4.2.1.2 Property insurance

The Company offers retail products for household and small commercial businesses, as well as tailor-made coverage for commercial and industrial risks. The insurance coverage usually has annual duration. The Company has the right of re-pricing upon renewal.

In its product design the Company implements an end-to-end process of assessing, pricing and managing risk. The premiums incorporate the reinsurance cost, the risk premium that covers not only the claims that will emerge from the Company's portfolio but also the capital requirements and also a reasonable profit margin.

a) Frequency and severity of claims

The retail products range from basic fire covers to full packages, including covers such as water perils, short circuit, malicious damages, terrorism acts, debris removals, other expenses, civil liability, and earthquake.

The Company monitors the portfolio per package regularly, especially the loss ratio.

Regarding the large commercial and industrial risks, the Company offers comprehensive multi-risk coverage on a tailor-made basis. Appropriate underwriting procedures are in place, taking into consideration criteria such as nature of risk, quality of risk, fire and theft protection measures, geographical location, earthquake accumulation, building construction type and construction year, deductibles, sub-limits for certain categories of covers and loss history.

The policies are underwritten by reference to the risk category, the protection measures and the level of sum assured.

The Company maintains reinsurance treaties to mitigate catastrophe risks with creditworthy reinsurers.

The frequency and the amount of claims are partly affected by the underwriting rules. The implementation of deductibles in specific perils assists to the mitigation of mainly frequency and secondly severity.

Claims are classified into three main categories as follows:

For losses of small amount, the Company monitors the evolution of the frequency and the average cost and adjusts its pricing policy.

For losses of large amount, the Company examines a longer period to calculate the frequency.

In case of catastrophic losses, i.e. events which may affect a significant number of insurance contracts such as earthquake, the Company analyzes the portfolio in order to evaluate the annual cost and decides the amount to be ceded through the reinsurance treaties and the amount of premium to be charged.

The management of insurance risks also includes the establishment of a maximum level of accumulation of risk and a maximum level of loss per risk or incident which will be charged to the Company's results. Any excess amounts are in both cases subject to reinsurance cessions through reinsurance contracts or facultative cessions.

In Greece the most possible catastrophic risk is considered to be the earthquake. Therefore the Company carefully assesses the concentration, purchases reinsurance cover and charges a different premium per earthquake zone.

The table below analyses the concentration of risk in the Company's portfolio by geographic region for 31 December 2023 and 31 December 2022 (in relation to the risk of earthquake).

Geographical region *(amounts in € thousand)*	**Total insured funds as at 31 December 2023 (GROSS)**	**Total insured funds as at 31 December 2022 (GROSS)**
Attica and Central Greece	12.325.232	12.062.414
Rest of Greece	14.004.921	13.534.432
Total	**26.330.153**	**25.596.847**

The Company is covered by excessive reinsurance contracts for catastrophic events for the amount exceeding € 10 million (2022: € 8 million) per loss and up to € 450 million. The total (maximum) limit has increased from the previous year by € 40 million (2022: € 410 million).

b) Sources of uncertainty in the estimation of future claim payments

The main uncertainties in estimating future payments are as follows:

- the final cost of repair or replacement of damaged property or/and any residual value of rescued items (which affects the final damage to be borne by the Company).

- in case of judicial resolution of the dispute, the interpretation of the terms of the insurance contract and the facts which the court will adopt.
- in case of judicial resolution of the dispute, the time until the payment of any compensation to be awarded for the purpose of calculating interest on overdue amount.

The estimated cost of claims also includes the cost of claims handling. The reserves for outstanding claims consist of the following categories: reserve for reported claims, reserve for the incurred but not reported claims (IBNR) and reserve for losses reported but not sufficiently reserved (IBNR). Finally on those reserves, one more category is added for the Unallocated Loss Adjustment Expenses.

c) Process used to decide on assumptions

The selection of the development factors for estimating the future cash flows and future payments is made on a best-estimate basis.

Development factors that deviate significantly from the average are excluded from the final selection.

The non-attritional claims are monitored separately in order to avoid biases on claims projections from random events with a low probability of recurring. In cases where there is no sufficient data that can be used for statistical analysis then similar risk categories are grouped together.

On a quarterly basis the Company carries out analysis of the gross claims reserves using the actuarial methods above mentioned.

d) Change in assumptions and sensitivity analysis

The ratio used for the estimation of future cash flows for claims incurred is given by the product of development factors which are subject to sensitivity analysis.

In case of an increase in the product of development factors by 10,0%, the insurance contract liabilities increase by € 1.907 thousand (31 December 2022: € 1.164 thousand). In case of a reduction in the product of development factors by 10,0%, the insurance contract liabilities decrease by € 1.936 (31 December 2022: € 1.189 thousand).

31 December 2023	**Change**	**Impact on :**		
(amounts in € thousand)		Insurance contract liabilities	Profit before tax	Equity
Product of development factors	10%	1.907	(1.907)	(1.487)
Product of development factors	-10%	(1.936)	1.936	1.510

31 December 2022	**Change**	**Impact on :**		
(amounts in € thousand)		Insurance contract liabilities	Profit before tax	Equity
Product of development factors	10%	1.164	(1.164)	(908)
Product of development factors	-10%	(1.189)	1.189	927

The above sensitivity analysis calculates the impact on the insurance contract liabilities gross of reinsurance.

4.3 Financial Risks

Financial risk management is crucial part of the Company's risk management framework on daily basis. Management, aiming to maintain the stability and continuity of its operations, places high priority on the goal of implementing and continuously improving an effective risk management framework to minimize potential negative effects on the Company's 's financial results.

The Company systematically monitors the following risks resulting from the structure of its asset portfolio: credit risk, market risk and liquidity risk.

4.3.1 Credit risk

The Company's credit risk relates to the counterparty risk of default that may arise and cause financial loss to the Company by failing to meet its financial obligations due to the deterioration of its financial position. The Company manages individual exposures as well as credit risk concentrations.

Credit risk concentration

The main counterparties, to which the Company is exposed to concentration risk, are reinsurers and issuers of securities. Within the framework of risk management, credit rating standards are specified for counterparties as well as limits for the concentration of credit risk. There was no exposure in excess of the Company's determined limits for its counterparties as of 31 December 2023 and 2022.

The main source of credit risk relates to on-balance sheet exposures. There are also off-balance sheet exposures, which are not considered material and are primarily related to collaterals. These collaterals are used to protect the Company from the underlying credit exposures mainly related to other receivables.

The maximum exposure to credit risk before collateral held or other credit enhancements is the following:

Maximum Exposure *(amounts in € thousand)*	**31/12/2023**	**31/12/2022**
Financial assets at FVTPL	152.595	124.325
Financial assets at amortised cost	1.818	1.825
Insurance contract assets	673	228
Reinsurance contract assets	14.439	10.850
Other receivables	3.983	3.023
Cash and cash equivalents	12.564	8.732
Total financial assets bearing credit risk	**186.072**	**148.983**

As of 31 December 2023, the Company has not exposure to credit risk arising from derivative financial instruments.

The main areas in which the Company is exposed to credit risk are:

Credit risk related to debt securities

Credit risk arising from debt securities relates to the inability of the issuer to meet its obligation to repay the face value of a bond at its maturity and settlement. In the context of the Company's Financial Risk Management Framework, credit ratings assigned by independent certified external rating agencies are used as a primary criterion for the evaluation of the credit risk entailed in investments in debt securities. The applicable limits regarding the government debt securities as well as the corporate securities, which the Company has in its portfolio, are described in the current Risk Management Policy.

The following table shows the credit risk exposure on debt securities including interest accrued, by issuer credit rating, industry and geographical area:

Government Bonds *(amounts in € thousand)*	**Rating Fitch**	**31/12/2023**	**Rating Fitch**	**31/12/2022**
Greece	BBB-	80.494	BB	91.483
Germany	AAA	18.973	AAA	-
Brazil	BB	5.303	BB-	4.812
Total		**104.771**		**96.295**

Corporate Bonds *(amounts in € thousand)*	**Rating Fitch**	**31/12/2023**	**Rating Fitch**	**31/12/2022**
Non-financial industry (Banks)	BB-	2.070	B+	2.014
Non-financial industry (Other commercial companies)	BB+	797	BB	794
Total		**2.867**		**2.809**

As of 31 December 2023 and 2022, the largest concentration in the Company's debt securities portfolio is in European sovereign debt which constitute a percentage of 92,4% and 92,3% respectively of the total debt securities portfolio and a percentage of 59,6% and 67,8% respectively of all financial assets (including cash and cash equivalents).

Especially for the sovereign exposure to Greece, the Company had an exposure of € 99.468 thousand (59,6% of total financial assets) and €91.483 thousand (67,8% of total financial assets) as of 31 December 2023 and 2022, respectively.

Credit risk related to reinsurance assets:

As part of its overall risk management strategy, the Company cedes insurance risk through proportional, non- proportional and facultative reinsurance treaties. While these cessions mitigate insurance risk, the receivables from reinsurers expose the Company to potential credit risk.

Reinsurance contracts are reviewed by the Company on an annual basis (or earlier, in exceptional cases) in order to ensure an adequate level of protection and support of contracts by creditworthy reinsurers. In this context, strict principles have been set up for the selection of reinsurers, who should be highly evaluated by recognized rating agencies under any circumstances.

The Company applies the minimum acceptable rating levels on reinsurers who support the reinsurance contracts, and therefore, reinsurers that are rated below A- by Standard & Poor's or equivalent rating by other rating agencies (AM Best, Fitch), are not acceptable. A temporary exception to this rule could be made for the reinsurers with whom the Company has a long successful cooperation and while they were assigned an A- or higher credit rating at the inception of the reinsurance contract, they were downgraded during the term of the contract.

Based on the Company's reinsurance business strategy, an appropriate mixture of reinsurers has been selected in order to ensure adequate level of reinsurance coverage. The Company's credit risk exposure on the reinsurance receivables due from the top three reinsurance companies as at 31 December 2023 amounts to 40,0% (2022: 45,2%). However due to the high credit rating and the recognized solvency of these reinsurance companies the Company's management does not expect any losses from credit defaults.

The rating of the reinsurance companies per line of business for 2023 and 2022 is given below.

2023 RATING				
Line of Business	**A+**	**A**	**A-**	**AA-**
Property	51,00%	41,00%	0,00%	8,00%
Catastrophe	21,52%	21,19%	2,69%	54,59%
Motor	35,00%	25,00%	0,00%	40,00%
Engineering	51,00%	41,00%	0,00%	8,00%
Cargo	25,00%	40,00%	0,00%	35,00%
Accident /TPL	35,00%	35,00%	25,00%	0,00%

2022 RATING				
Line of Business	**A+**	**A**	**A-**	**AA-**
Property	23,47%	20,88%	11,91%	43,73%
Catastrophe	21,06%	20,34%	12,24%	46,36%
Motor	35,00%	25,00%	0,00%	40,00%
Engineering	23,47%	20,88%	11,91%	43,73%
Cargo	65,00%	35,00%	0,00%	00,00%
Accident /TPL	35,00%	25,00%	0,00%	40,00%

Credit risk related to premium receivables

The Company's main credit risk exposure to insurance receivables is from third party agents, brokers and other intermediaries. The risk arises where they collect premiums from customers to be paid to the insurance entities of the Company's insurance. The Company has policies and standards in place to manage and monitor credit risk from intermediaries with a focus on day-to-day monitoring of the largest balances, including monitoring of the limits of these exposures. The Company has also established a pre-selection process and mitigates the risk through careful selection of counterparties.Past due but not impaired receivables should be regarded as unsecured, but some of these receivable positions may be offset by collateral. The Company prepares internal reports on past due but not impaired receivable balances at the Company level and aims in keeping the balance of past due positions as low as possible, while taking into account customer satisfaction.

Credit risk related to cash and cash equivalents

As at 31 December 2023 and 31 December 2022, cash placements to the Eurobank Group amounted to € 4.062 thousand and € 1.235 thousand respectively.

The following table presents financial assets by credit rating category as at 31 December 2023 and 2022:

31 December 2023 *(amounts in € thousand)*	**FVTPL Portfolio**	**Financial assets at amortised cost**	**Insurance contract assets**	**Re-insurance contract assets**	**Other receivables**	**Cash & cash equivalent**	**Total**
AAA	18.973	-	-	-	-	-	18.973
AA	-	-	-	5	-	696	701
AA+	-	-	-	(15)	-	-	(15)
AA-	-	-	-	5.749	-	-	5.749
A+	-	-	-	6.084	-	-	6.084
A	-	-	-	1.982	-	-	1.982
A-	-	-	-	72	-	-	72
BBB-	80.494	-	-	-	-	-	80.494
BB+	797	-	-	-	-	-	797
BB	5.303	-	-	-	-	6.551	11.854
B++	-	-	-	1	-	-	1
B+	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-
B-	-	-	-	-	-	-	-
BB-	2.070	-	-	-	-	5.314	7.385
Non rating	44.957	1.818	673	561	3.983	2	51.995
Total	**152.595**	**1.818**	**673**	**14.439**	**3.983**	**12.564**	**186.072**

31 December 2022 (amounts in € thousand)	FVTPL Portfolio	Financial assets at amortised cost	Insurance contract assets	Re-insurance contract assets	Other receivables	Cash & cash equivalent	Total
AAA	-	-	-	-	-	-	-
AA	-	-	-	-	-	6.125	6.125
AA+	-	-	-	(19)	-	-	(19)
AA-	-	-	-	4.543	-	-	4.543
A+	-	-	-	4.399	-	-	4.399
A	-	-	-	1.203	-	-	1.203
A-	-	-	-	180	-	-	180
BBB-	--	-	-	-	-	-	-
BB+	-	-	-	-	-	-	-
BB	95.895	-	-	-	-	-	95.895
B++	-	-	-	80	-	-	80
B+	6.764	-	-	-	-	1.360	8.124
B	-	-	-	-	-	974	974
B-	-	-	-	-	-	270	270
BB-	4.812	-	-	-	-	-	4.812
Non rating	16.855	1.825	228	463	3.023	2	22.398
Total	**124.325**	**1.825**	**228**	**10.850**	**3.023**	**8.732**	**148.983**

Expected Credit Losses

The tables below set out the Company's portfolio of financial investments subject to impairment, namely loans and cash and cash equivalent measured at amortized cost, broken down by class of financial investments.

31 December 2023	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross carrying amount	12-month ECLs	Gross carrying amount	Lifetime ECLs	Gross carrying Amount	ECLs allowance
Financial assets at amortised cost						
Commerical mortgage loans	1.821	(3)	-	-	1.821	(3)
Total	**1.821**	**(3)**	-	-	**1.821**	**(3)**
Cash and cash equivalents	**12.564**	-	-	-	**12.564**	-

31 December 2022	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross carrying amount	12-month ECLs	Gross carrying amount	Lifetime ECLs	Gross carrying Amount	ECLs allowance
Financial assets at amortised cost						
Commerical mortgage loans	1.828	(3)	-	-	1.828	(3)
Total	**1.828**	**(3)**	-	-	**1.828**	**3**
Cash and cash equivalents	**8.732**	-	-	-	**8.732**	-

The movement of the expected credit losses is as follows:

31 December 2023	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying amount	12-month ECLs	Gross Carrying amount	Lifetime ECLs	Gross Carrying Amount	ECLs Allowance
Financial assets at amortised cost						
Balance at 1 January	**1.828**	**(3)**	**-**	**-**	**1.828**	**(3)**
Remeasurements	(6)	(1)	-	-	(6)	(1)
Total impairment charge for the period		(1)	-	-		(1)
Balance at 31 December	**1.821**	**(3)**	-	-	**1.821**	**(3)**

31 December 2022	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying amount	12-month ECLs	Gross Carrying amount	Lifetime ECLs	Gross Carrying Amount	ECLs Allowance
Financial assets at amortised cost						
Balance at 1 January	**1.837**	**(3)**	**-**	**-**	**1.837**	**(3)**
Remeasurements	(9)	-	-	-	(9)	-
Total impairment charge for the period		**-**	-	-		**-**
Balance at 31 December	**1.828**	**(3)**	-	-	**1.828**	**(3)**

4.3.2 Market risk

Market risk is the risk associated with the Company's balance sheet positions where the value or cash flow depends on financial markets. Drivers affected by market fluctuations include interest rates, equity market prices, currency exchange rates and inflation.

Based on the structure of the Company's investment portfolio, market risk mainly relates to interest rate risk, equity risk, foreign currency exchange rate risk and credit risk.

It is noted that, in order to monitor market risk, the Company applies the Value at Risk (VAR) methodology and monitors its asset portfolio valuation on a continuous basis. At the same time, the Company carries out stress tests and sensitivity analyses on a regular basis in line with the current investment portfolio structure, the strategy and the current market conditions.

Specifically the market risks to which the Company is exposed to are the following:

a) Interest rate risk

Fluctuations in current market interest rates, may potentially affect both the cash flows and the fair value of the Company's investment placements. Interest rate risk on cash flows relates to future fluctuation of cash flows of an investment due to changes in market interest rates. Respectively, interest rate risk in fair value relates to fluctuation of the fair value of an investment as a result of changes in market interest rates. As a result of such changes in interest rates, the Company's return on investments may increase or decrease.

Analysis of interest bearing financial assets per average effective interest rate:

31 December 2023 *(amounts in € thousand)*	0 – 3 %	3 – 6 %	6 – 10%	Total
Financial assets at FVTPL	68.505	33.831	5.303	107.638
Financial assets at amortised cost	-	1.818	-	1.818
Cash and cash equivalents	12.564	-	-	12.564
Total	**81.069**	**35.649**	**5.303**	**122.020**

31 December 2022 *(amounts in € thousand)*	0 - 3 %	3 – 6 %	6 – 10%	Total
Financial assets at FVTPL	71.234	23.057	4.812	99.103
Financial assets at amortised cost	-	1.825	-	1.825
Cash and cash equivalents	8.732	-	-	8.732
Total	**79.966**	**24.883**	**4.812**	**109.660**

Analysis of interest bearing financial assets by type of interest rate:

	31/12/2023			31/12/2022		
(amounts in € thousand)	Fixed rate	Floating Rate	Total	Fixed rate	Floating rate	Total
Financial assets at FVTPL	105.568	2.070	107.638	97.089	2.014	99.103
Financial assets at amortised cost	1.818	-	1.818	-	1.825	1.825
Cash and cash equivalents	12.564	-	12.564	8.732	-	8.732
Total	**119.950**	**2.070**	**122.020**	**105.821**	**3.839**	**109.660**

(b) Equity risk

The Company is exposed to equity risks resulting from price fluctuations on equity securities and equity mutual funds held.

As part of its overall risk management process, the Company manages and monitors its equity risk and applies limits as expressed in established policies.

As at 31 December 2023, the Company's total exposure to equity risk expressed as a percentage of total investments amounted to 18,1% % (31 December 2022: 15,6%), and is summarized below:

% of Investment portfolio under management	31/12/2023	31/12/2022
Exposure to listed securities	18,1%	15,6%
Total exposure to Equities and Mutual Funds Risks	**18,1%**	**15,6%**

(c) Currency risk

Based on Company’s risk management framework, foreign currency risk is continuously monitored and managed on an ongoing basis.

The Company has limited exposure to currency risk, since it does not enter in significant trading and investment activities in foreign currencies. The Company, assessing the risk it assumes on a case-by-case basis, uses hedging products against foreign currency risk.

The Company’s overall exposures to foreign currency risk at December 31, 2023 amounted to 5,5% (December 31, 2022: 5,9%) and is not considered significant.

31 December 2023 *(amounts in € thousand)*	EUR	USD	RON	GBP	BRL	Total
ASSETS						
Investment in subsidiaries	-	-	6.560	-	-	6.560
Financial assets at FVTPL	147.012	9	271	-	5.303	152.595
Financial assets at amortised cost	1.818	-	-	-	-	1.818
Cash and cash equivalents	12.545	18	-	1	-	12.564
Insurance Contract Assets	673	-	-	-	-	673
Re-insurance contract assets	14.439	-	-	-	-	14.439
Other assets	33.085	-	-	-	-	33.085
Total assets	**209.751**	**28**	**6.831**	**1**	**5.303**	**221.734**
LIABILITIES						
Insurance contract liabilities	108.092	-	-	-	-	108.092
Reinsurance contract liabilities	2.667	-	-	-	-	2.667
Other Liabilities	15.458	-	-	-	-	15.458
Total Liabilities	**126.217**	**-**	**-**	**-**	**-**	**126.217**
Total Equity	**83.354**	**28**	**6.831**	**1**	**5.303**	**95.517**

31 December 2022 *(amounts in € thousand)*	EUR	USD	RON	GBP	BRL	Total
ASSETS						
Investment in subsidiaries	-	-	6.560	-	-	6.560
Financial assets at FVTPL	119.207	-	305	-	4.812	124.324
Financial assets at amortised cost	1.825	-	-	-	-	1.825
Cash and cash equivalents	8.718	12	-	1	-	8.732
Insurance contract assets	228	-	-	-	-	228
Re-insurance contract assets	10.850	-	-	-	-	10.850
Other assets	32.444	-	-	-	-	32.444
Total assets	**173.274**	**12**	**6.865**	**1**	**4.812**	**184.964**
LIABILITIES						
Insurance contract liabilities	84.817	-	-	-	-	84.817
Reinsurance contract liabilities	3.029	-	-	-	-	3.029
Other Liabilities	14.614	-	-	-	-	14.614
Total Liabilities	**102.460**	**-**	**-**	**-**	**-**	**102.460**
Total Equity	**70.814**	**12**	**6.865**	**1**	**4.812**	**82.504**

(d) VaR methodology summary

VaR methodology is used for measuring financial risk by estimating the potential negative change in the market value of the portfolio within a specified timeframe ("holding period") and probability of occurrence ("confidence level"), if positions remain unchanged for the chosen holding period. The VaR calculated by the Company and used for internal risk measurement and control purposes, is based on a confidence level of 99,0% and a 10 days holding period, using the Monte Carlo (full repricing) simulation method.

VaR models are designed to measure market risk under normal market conditions. It is assumed that any changes occurring in the risk factors affecting the normal market environment will follow a normal distribution. Historical movements in prices of risk factors are considered in measuring the risk, while the exponentially weighted moving average (EWMA) estimation is used to apply weights in historical market data.

Since VaR is an integral part of the monitoring system of market risk, VaR limits have been established and are being followed. Nevertheless, the use of this method does not prevent losses beyond these limits in case of extreme market movements.

VaR of financial assets

(amounts in € mil.)	31/12/2023	31/12/2022
Total VaR	**3,4**	**2,9**

Monte Carlo VaR and its use by the Company give rise to a number of limitations, for instance 99,0% VaR means that in 1,0% of cases the loss is expected to be greater than the VaR amount.

The Company monitors VaR. In addition, the Company monitors investment portfolio returns and undertakes sensitivity analysis as well as stress tests, based on the significance of the exposure and the conditions prevailing in the economic environment.

4.3.3 Liquidity risk

Liquidity risk relates to the Company's ability to fulfill its financial obligations when these become due.

In order for the Company to effectively manage liquidity risk, it has established, recorded and followed a set of documents consisting of the Liquidity Risk Management Policy and a specific implementation directive.

Specific principles govern these documents and ensure the effective management which is mainly achieved by holding sufficient cash and cash equivalents as well as highly marketable financial assets that are easy to liquidate to meet operational needs. In addition, the time match of cash inflows and outflows is monitored.

The monitoring includes cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

a) Non-derivative cash flows

The tables below present, at the reporting date, the cash flows payable by the Company under non-derivative financial liabilities based on their contractual maturities. The amounts mentioned are the contractual undiscounted cash flows, except for the insurance reserves, which are presented with their expected cash flows.

The Company manages liquidity risk according to the estimated undiscounted cash flows. Liabilities in foreign currency have been translated into euro based on the current foreign currency exchange rates.

31 December 2023	Carrying Value	0-1 months	1-3 months	3-12 months	> year	Total
Financial Liabilities						
(amounts in € thousand)						
Agents and Insurance Brokers	2.756	290	2.413	-	54	**2.756**
Other creditors	1.524	53	1.471	-	-	**1.524**
Lease liabilities	2.380	57	115	510	1.926	**2.608**
Other liabilities	3.232	-	83	295	2.854	**3.232**
Total financial liabilities	**9.928**	**398**	**4.082**	**843**	**4.843**	**10.157**

31 December 2022	Carrying Value	0-1 months	1-3 months	3-12 months	> year	Total
Financial Liabilities						
(amounts in € thousand)						
Agents and Insurance Brokers	2.441	1.348	1.038	-	54	**2.441**
Other creditors	1.328	45	1.283	-	-	**1.328**
Lease liabilities	2.790	56	111	494	2.473	**3.134**
Other liabilities	3.669	-	45	334	3.291	**3.669**
Total financial liabilities	**10.227**	**1.448**	**2.478**	**827**	**5.819**	**10.572**

Maturity analysis of insurance liabilities (expected future cash flows)

The following tables provide an analysis of the remaining contractual undiscounted cash flows, excluding the risk adjustment for non-financial risks, as of December 31, 2023 and December 31, 2022, for liabilities arising from insurance contracts.

31 December 2023	Carrying amount	0-1 year	1 - 3 years	3-5 years	5-10 years	>10 years	Total
(amounts in € thousand)							
Property & casualty insurance contracts liabilities P&C - PAA							
Liabilities for remaining coverage	18.681	3.459	11.492	2.626	1.104	-	18.681
Liabilities for incurred claims	86.877	58.656	21.906	8.422	3.183	-	92.166
Property & casualty insurance contracts liabilities	**105.557**	**62.114**	**33.397**	**11.049**	**4.287**	**-**	**110.847**

31 December 2022	Carryin g amount	0-1 year	1 - 3 years	3-5 years	5-10 years	>10 years	Total
(amounts in € thousand)							
Property & casualty insurance contracts liabilities P&C - PAA							
Liabilities for remaining coverage	14.929	3.082	8.385	2.422	1.039	-	14.929
Liabilities for incurred claims	68.085	41.730	19.647	8.191	3.282	-	72.850
Property & casualty insurance contracts liabilities	**83.014**	**44.812**	**28.032**	**10.613**	**4.321**	**-**	**87.779**

(b) Asset Liabilities Matching (ALM)

The Company's risk management framework for the monitoring and management of the future cash flows and liquidity has been developed to achieve long-term investment returns in excess of its obligations for the insurance contracts.

On a regular basis, numerous reports for the structure of the investment portfolio, classes of assets and liabilities at Company level are produced and circulated to the Company's key management personnel including the a Risk, Asset-Liability and Investment Management Committee.

The principal technique of the Company for management of the risks arising from the assets and liabilities positions, is to continuously monitor the maturities and expected cash flows of assets and liabilities and to take the appropriate investment decisions to confront any risks arising from potential positions mismatching.

The following table summarizes the estimated amount and timing of cash flows arising from the Company's financial assets and insurance reserves:

31 December 2023	Non-Life Contractual cash flows (undiscounted)						
Financial assets	**Carrying Value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
(amounts in € thousand)							
Carrying value and cash flows arising from assets :							
Financial assets at FVTPL							
Listed equity securities	16.084	16.084	-	-	-	-	**16.084**
Unlisted shares and mutual funds	28.873	28.873	-	-	-	-	**28.873**
Listed bonds:							
– Fixed rate	105.568	21.709	28.390	48.795	7.994	4.155	**111.043**
– Floating rate	2.070	88	2.088	-	-	-	**2.175**
Financial assets at amortised cost							
– Fixed rate	1.818	107	107	1.907	-	-	**2.121**
– Floating rate	-	-	-	-	-	-	-
Cash and cash equivalents	12.564	12.564	-	-	-	-	**12.564**
Total	**166.977**	**79.424**	**30.584**	**50.702**	**7.994**	**4.155**	**172.860**

31 December 2022	Non-Life Contractual cash flows (undiscounted)						
Financial assets	**Carrying Value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
(amounts in € thousand)							
Carrying value and cash flows arising from assets :							
Financial assets at FVTPL							
Listed equity securities	10.272	10.272	-	-	-	-	**10.272**
Unlisted shares and mutual funds	14.950	14.950	-	-	-	-	**14.950**
Listed bonds:							-
– Fixed rate	97.089	48.670	2.476	26.459	27.000	-	**104.605**
– Floating rate	2.014	88	88	2.088	-	-	**2.263**
Financial assets at amortised cost							
– Fixed rate	-	-	-	-	-	-	-
– Floating rate	1.825	82	1.882	-	-	-	**1.963**
Cash and cash equivalents	8.732	8.732	-	-	-	-	**8.732**
Total	**134.882**	**82.792**	**4.445**	**28.547**	**27.000**		**142.783**

31 December 2023	Carrying Value	0-1 years	1-2 years	2-3 years	3-4 years	>4 years	Total
(amounts in € thousand)	Expected cash flows (undiscounted)						
Insurance contract liabilities	**105.557**	62.114	22.218	11.179	6.947	8.388	**110.847**

31 December 2022	Carrying Value	0-1 years	1-2 years	2-3 years	3-4 years	>4 years	Total
(amounts in € thousand)		Expected cash flows (undiscounted)					
Insurance contract liabilities	**83.014**	44.812	17.982	10.050	6.639	8.295	**87.779**

Additionally, the cash flows of the equity shares have been included in the first group of maturity (0-1 years), since the shares that are listed can be realized at any time.

c) Current and non-current assets and liabilities

The table below summarises the expected utilisation or settlement of assets and liabilities.

	31/12/2023			31/12/2022		
(amounts in € thousand)	Current	Non Current	Total	Current	Non Current	Total
ASSETS						
Investments in financial assets:						
Financial assets at amortised cost	-	1.818	1.818	-	1.825	1.825
Financial assets at FVTPL	64.727	87.868	152.595	71.723	52.602	124.325
Investment in subsidiaries	-	6.560	6.560	-	6.560	6.560
Insurance Contract Assets	343	330	673	117	112	228
Reinsurance contract assets	13.161	1.278	14.439	9.725	1.125	10.850
Cash and cash equivalents	12.564	-	12.564	8.732	-	8.732
Other assets	2.606	30.479	33.085	1.504	30.941	32.444
Total assets	**93.401**	**128.333**	**221.734**	**91.800**	**93.164**	**184.964**
LIABILITIES						
Insurance contract liabilities	55.113	52.979	108.092	43.246	41.572	84.817
Reinsurance contract liabilities	2.431	236	2.667	2.715	314	3.029
Other Liabilities	6.343	9.115	15.457	5.806	8.807	14.614
Total Liabilities	**63.887**	**62.330**	**126.217**	**51.767**	**50.693**	**102.460**
Total equity	**29.514**	**66.003**	**95.517**	**40.033**	**42.471**	**82.504**

4.4 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems and/or external events. It is inherent in every function and business activity of the Company. An effective System towards management of operational risk is required in order to identify, assess and quantify exposures, identify manifestations of operational risk events, determine tolerance limits and, where necessary, to reduce the exposure to acceptable levels.

The Company, considering the nature, scale and complexity of its activities, has established the appropriate Operational Risk Management Framework including methodologies, principles of governance, policies and processes, allowing for the effective identification, assessment, management, monitoring and reporting of operational risks (to which it is or may be exposed to in the near future). The aforementioned framework is embedded in the decision making processes and in the corporate culture (Operational risk awareness).

The Company's Operational Risk Management Framework includes methodologies that concern: the Risk Control Self-Assessment, the Scenario Analysis, Fraud Risk Assessment (FRA), evaluation of business environment (internal & external), risk assessment related to outsourcing of functional/activities to third parties (materiality assessment), evaluation of agreements ,the evaluation of cloud computing service providers, conduct risk assessment, Management of Operational Risk Events (operational losses) and is described in relative documents and/or Policies.

4.5 Capital adequacy

The main target of the capital management strategy of the Company is on the one hand to ensure that the Company and insurance subsidiaries has adequate capitalization on an ongoing basis according to the regulatory framework Solvency II, and on the other hand to maximize shareholders' return without exceeding Company’s risk appetite.

Solvency II, effective from 1st January 2016, is the new operational and supervisory framework of insurance and reinsurance undertakings active in the European Union (EU) and the European Economic Area (EEA). Solvency II framework's requirements are based on the Directive 2009/138/EC of the European Parliament and the Council, as amended by the Directive 2014/51/EU (Omnibus II).

In addition, Commission Delegation Regulation (EU) 2015/35 of 10 October 2014, supplementing Directive 2009/138 / EC of the European Parliament and of the Council on the taking up and pursuit of insurance and reinsurance activities (Solvency II), is followed, and its subsequent amendments. In Greece, the Directive 2009/138/EC was integrated into the Greek legislation with Law 4364/05.02.2016.

A specialized IT infrastructure has been developed for the implementation and compliance with the requirements of the three pillars of the supervisory framework.

The level of capital adequacy of the Company is regularly monitored based on the current regulatory framework and also on the internal policies and procedures which have been approved in relation to the risk management, the own risk and solvency assessment (ORSA) and the capital management. In the context of monitoring the solvency capital position of the Company, Management has determined the desired relationship between the own funds and the solvency capital requirement (SCR), as it arises from its risk appetite.

The calculation of the Solvency Capital Requirement (SCR), the Minimum Capital Requirement (MCR) as well as the eligible own funds of the Company are being performed on a quarterly basis as provided for in the supervisory framework. The results of those calculations are submitted to the Supervising Authority. Estimates of SCR and eligible Equity are made on a continuous basis, depending on the company's circumstances.

Furthermore, the Company implements stress tests or sensitivity analyses with scenarios which depict the negative impact from unexpected changes in the macroeconomic and internal environment, in order to estimate the reliance of future available own funds.

It is noted that as of 31 December 2023 and 31 December 2022, the eligible own funds of the Company exceeded the Solvency Capital Required (SCR).

In the table below the SCR ratio is presented.

Solvency II ratio

(amounts in € thousand)	31/12/2023	31/12/2022
Eligible Own Funds	67.202	55.689
Solvency Capital Requirement	53.037	38.666
Minimum Capital Requirement	13.259	10.491
Company's Solvency II ratio (Eligible Own Funds/SCR)	127%	144%
Solvency II Ratio (MCR)	507%	531%

The SCR covers underwriting, market, counterparty default risk and operational risk as follows:

SCR split per risk

(amounts in € thousand)	31/12/2023	31/12/2022
Market risk	17.794	12.293
Counterparty default risk	5.336	5.487
Health underwriting risk	313	699
Non-life underwriting risk	39.246	28.757
Total BSCR (before diversification)	**62.690**	**47.236**
Diversification Effect	(12.738)	(10.045)
Total BSCR (after diversification)	**49.952**	**37.191**
Operational risk	3.085	2.413
Loss-absorbing capacity of deferred taxes	-	(938)
Total Solvency II SCR	**53.037**	**38.666**

4.6 Fair values of financial assets and liabilities

(a) Financial instruments carried at fair value:

Trading assets, derivatives and other transactions undertaken for trading purposes, as well assets at fair-value-through other comprehensive income (hold to collect and sell business model) and assets and liabilities designated at fair-value-through profit-or-loss are measured at fair value by reference to quoted market prices when available. If quoted prices are not available, the fair values are estimated using valuation techniques (see notes 2.7 and 3.b).

All financial instruments carried at fair value are categorized according to the fair value hierarchy levels of IFRS 13 at the end of each reporting period based on whether the inputs to the fair values are observable or unobservable. Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

I. Level 1: Quoted prices (unadjusted) in active markets for identical financial instruments. These prices should be readily and regularly available from an exchange or active index / market and should represent actual and regularly occurring market transactions on an arm's length basis. This level includes listed equity shares and debt securities on exchange markets and exchange traded derivative financial instruments.

II. Level 2: Financial instruments measured using valuation techniques with the following inputs: i) quoted prices for similar financial instruments in active markets, ii) quoted prices for identical or similar financial instruments in markets that are not active, iii) inputs other than quoted prices that are directly or indirectly observable, mainly interest rates and yield curves observable at commonly quoted intervals, forward exchange rates, equity prices, credit spreads and implied volatilities obtained from internationally recognized market data providers and iv) may also include other unobservable inputs which are insignificant to the entire fair value measurement.

These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. There has been no change in valuation techniques from previous years. Level 2 financial instruments mainly include over the counter (OTC) derivatives, less-liquid debt instruments and mutual fund shares.

III. Level 3: Financial instruments measured using valuation techniques with significant unobservable inputs. This level includes participation in non-listed equities and non-listed mutual funds.

The following table presents the Company's financial assets and liabilities carried at fair value and their classification according to the fair value hierarchy levels of IFRS 13.

31 December 2023 *(amounts in € thousand)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at fair value through profit or loss:	123.722	26.258	2.615	152.595
Total financial assets	**123.722**	**26.258**	**2.615**	**152.595**

31 December 2022 *(amounts in € thousand)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at fair value through profit or loss:	109.365	12.840	2.120	124.325
Total financial assets	**109.365**	**12.840**	**2.120**	**124.325**

No transfers between levels 1 and 2 occurred during financial years ended 31 December 2023 and 2022 respectively.

The change in the value of financial assets that have been classified as Level 2 from € 12.840 thousand on December 31, 2022 to € 26.258 thousand on December 31, 2023 is attributed to purchases of financial assets and changes in fair value by € 10.000 thousand and by € 3.418 thousand respectively.

b) Financial assets and liabilities not measured at fair value:

The assumptions and methodologies used for the calculation of the fair value of financial instruments not measured at fair value are consistent with those used to calculate the fair values of financial instruments measured at fair value. The fair value of the financial assets at amortised cost is determined using quoted market prices. If quoted market prices are not available, the fair value is calculated on the basis of bond prices that have similar credit characteristics, maturity and yield or discounted cash flows.

The financial assets measured at amortised cost have been classified at Level 2 of Fair value hierarchy and their carrying value approaches their fair value.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

(amounts in € thousand)	Leasehold Improvements	Vehicles	Furniture and Other Equipment	Total
Cost:				
Balance at 1 January 2023	66	3	1.907	1.975
Additions, improvements	-	-	23	23
Balance at 31 December 2023	**66**	**3**	**1.930**	**1.999**
Accumulated Depreciation:				
Balance at 1 January 2023	(46)	(3)	(1.680)	(1.729)
Depreciation charge	(4)	(0)	(111)	(115)
Balance at 31 December 2023	**(50)**	**(3)**	**(1.791)**	**(1.843)**
Net Book Value at 31 December 2023	**16**	**-**	**139**	**155**

(amounts in € thousand)	Leasehold Improvements	Vehicles	Furniture and Other Equipment	Total
Cost:				
Balance at 1 January 2022	53	3	1.878	1.935
Additions, improvements	12	-	28	41
Balance at 31 December 2022	**66**	**3**	**1.907**	**1.975**
Accumulated Depreciation:				
Balance at 1 January 2022	(41)	(2)	(1.545)	(1.589)
Depreciation charge	(5)	(0)	(134)	(140)
Balance at 31 December 2022	**(46)**	**(3)**	**(1.680)**	**(1.729)**
Net Book Value at 31 December 2022	**20**	**-**	**227**	**247**

On 31 December 2023 and 2022, there were no capital commitments for property, plant and equipment.

NOTE 6: RIGHT OF USE ASSETS AND LEASE LIABILITIES

The movements of the Company's right of use assets for the year ended 31 December 2023 and 2022 respectively, are presented in the tables below:

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2023	4.440	222	92	4.753
Additions	5	60	8	73
Modifications	81	-	-	81
Balance at 31 December 2023	**4.526**	**282**	**99**	**4.907**
Accumulated Depreciation:				
Balance at 1 January 2023	(1.968)	(142)	(91)	(2.201)
Depreciation charge	(526)	(42)	(1)	(570)
Balance at 31 December 2023	**(2.495)**	**(184)**	**(92)**	**(2.771)**
Net Book Value at 31 December 2023	**2.031**	**98**	**7**	**2.136**

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2022	4.283	161	91	4.535
Additions	2	61	1	64
Modifications	154	-	-	154
Balance at 31 December 2022	**4.440**	**222**	**92**	**4.753**
Accumulated Depreciation:				
Balance at 1 January 2022	(1.455)	(105)	(84)	(1.644)
Depreciation charge	(513)	(37)	(7)	(557)
Balance at 31 December 2022	**(1.968)**	**(142)**	**(91)**	**(2.201)**
Net Book Value at 31 December 2022	**2.471**	**80**	**1**	**2.552**

The analysis of lease liabilities in short-term and long-term is as follows:

(amounts in € thousand)	31/12/2023	31/12/2022
Short-term lease liabilities	581	537
Long-term lease liabilities	1.800	2.252
Total lease liabilities	**2.381**	**2.790**

Additionally, lease liabilities are due as follows:

(amounts in € thousand)	31/12/2023	31/12/2022
Within a year	581	537
Within the second year	600	545
From 3 to 5 years	1.200	1.707
Total	**2.381**	**2.790**

In addition, the amounts recognized by the Company in the income statement for the years 2023 and 2022 relating to leases, are as follows:

(amounts in € thousand)	01/01- 31/12/2023	01/01-31/12/2022
Depreciation charge of right of use assets	(569)	(557)
Interest expense on lease liabilities	(129)	(148)
Expenses related to short-term leases and non-lease components	(55)	(53)
Variable lease expenses not included the measurement of lease liabilities	(3)	(6)
Total	**(755)**	**(764)**

NOTE 7: INVESTMENT PROPERTIES

(amounts in € thousand)	Investment properties-Land	Investment properties -Buildings	Total
Cost:			
Balance at 1 January 2023	312	797	1.109
Balance at 31 December 2023	**312**	**797**	**1.109**
Accumulated Depreciation:			
Balance at 1 January 2023	-	(399)	(399)
Depreciation charge	-	(17)	(17)
Balance at 31 December 2023	**-**	**(416)**	**(416)**
Net book value at 31 December 2023	**312**	**381**	**692**

(amounts in € thousand)	Investment properties-Land	Investment properties -Buildings	Total
Cost:			
Balance at 1 January 2022	312	797	1.109
Balance at 31 December 2022	**312**	**797**	**1.109**
Accumulated Depreciation:			
Balance at 1 January 2022	-	(382)	(382)
Depreciation charge	-	(17)	(17)
Balance at 31 December 2022	**-**	**(399)**	**(399)**
Net book value at 31 December 2022	**312**	**398**	**710**

On 31 December 2023 and 31 December 2022 a valuation of investment properties was carried out by an independent certified valuer.

During the year ended December 31 2023, rental income amounting to € 75 thousand (2022: € 73 thousand) was recognized in the "Other Investment Income " of the Income Statement which relates to rentals from investments properties . As at 31 December 2023 and 2022, there were no capital commitments for investment properties.

The fair value of each investment property category as at December 31, 2023 is presented in the table below. The main categories of investment properties have been determined based on the nature, characteristics and risks associated with these properties. The fair values of the Company's investment properties are classified as Level 3 of the fair value hierarchy.

Property Description	Area	Carrying amount 31/12/2023	Carrying amount 31/12/2022	Fair Value 31/12/2023	Fair Value 31/12/2022
Commercial property 558 sq.m .	Athens, 2-4 Sina Str.	646	662	974	945
Commercial property 111,68 sq.m	Thessaloniki , 7 Tantalou Str.	46	48	62	62
Total		**692**	**710**	**1.036**	**1.007**

The key methods used for the fair value measurement of the investment properties is the income approach (income capitalization/discounted cash flow method) and the market approach (comparable transactions), which can also be combined, depending on the category of the property under valuation.

The discounted cash flow method is used for the fair value measurement of commercial investment properties. The fair value is calculated through an estimate of the future cash flows, using specific assumptions for risks and rewards associated to the properties (operating income and expenses, vacancy rates, income growth), including the residual value that the property is expected to have at the end of the discount period. For the calculation of the present value of these cash flows, an appropriate discount rate is used.

According to the income capitalization approach, which is also used for commercial investment properties, the fair value of the property is the result of dividing net operating income produced by the respective property with the discount rate (yield rate).

The market approach is used for residential, commercial properties and land. The fair value is estimated based on data of comparable transactions, either by analyzing the transactions of similar properties, or by using prices following appropriate adjustments.

NOTE 8: INTANGIBLE ASSETS

(amounts in € thousand)	Software	Goodwill	Total
Cost:			
Balance at 1 January 2023	9.449	22.056	31.505
Additions, improvements	1.881	-	1.881
Disposals	(430)	-	(430)
Balance at 31 December 2023	**10.899**	**22.056**	**32.955**
Amortization:			
Balance at 1 January 2023	(5.592)	-	(5.592)
Amortization charge	(1.245)	-	(1.245)
Balance at 31 December 2023	**(6.837)**	**-**	**(6.837)**
Net Book value at 31 December 2023	**4.062**	**22.056**	**26.118**

(amounts in € thousand)	Software	Goodwill	Total
Cost:			
Balance at 1 January 2022	8.090	22.056	30.146
Additions, improvements	1.359	-	1.359
Balance at 31 December 2022	**9.449**	**22.056**	**31.505**
Amortization:			
Balance at 1 January 2022	(4.566)	-	(4.566)
Amortization charge	(1.027)	-	(1.027)
Balance at 31 December 2022	**(5.592)**	**-**	**(5.592)**
Net Book value at 31 December 2022	**3.856**	**22.056**	**25.912**

Goodwill represents the difference between the acquisition cost and the fair value of the net assets acquired during the acquisition and merger of the company Activa Insurance S.A.

Impairment test

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units (CGUs) that are expected to benefit from that business combination. The Company tests on an annual basis whether there is an indication of impairment as described in accounting policy 2.5 (i). At 31 December 2023 and 31 December 2022 there was no indication of goodwill impairment. The recoverable amounts of the CGUs are determined from value-in-use calculations. These calculations use cash flow projections based on business plans approved by Management covering a 5-year period. Cash flow projections for years six to ten have been projected based on operational and market specific assumptions. Cash flows beyond the ten-year period (the period in perpetuity) have been extrapolated using the estimated growth rates stated below.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and cash flow projections based on gross written premium growth. Management determines cash flow projections based on past experience, actual performance, and expectations about market growth. The individual components of the calculation (risk-free interest rate, market risk premium, country-specific risk and beta factor) are based on external sources of information. The growth rates are based on respective internal or external market growth forecasts and do not exceed the average long-term growth rate for the relevant markets.

The key assumptions used for the value-in-use calculations in 2023 and 2022 are as follows:

	31/12/2023	31/12/2022
Discount factor (before tax)	12%	15%
Growth rate	2%	2%

NOTE 9: INVESTMENTS IN SUBSIDIARIES

(amounts in € thousand)	31/12/2023	31/12/2022
Carrying amount	6.560	6.560
Percentage holding	95,29%	95,29%
Subsidiary	EUROLIFE FFH ASIGURARI GENERALE S.A.	EUROLIFE FFH ASIGURARI GENERALE S.A.
Country of incorporation	Romania	Romania
Line of business	Non-Life	Non-Life

The movement of investments is as follows:

(amounts in € thousand)	31/12/2023	31/12/2022
Cost		
Balance at 1 January	6.560	5.607
Share capital increase	-	953
Balance at 31 December	**6.560**	**6.560**

Events after the Balance Sheet date

According to 08.04.2024 decision of the Extraordinary General Meeting of Shareholders of the subsidiary Eurolife FFH Asigurari Generale S.A., the subsidiary proceeded to an increase of share capital by € 999 thousand (RON 4.967 thousand) by issuing 3.514 new shares at a nominal value of € 285 (RON 1.413,6), which was covered by its shareholders, Eurolife FFH General Insurance S.A. (with a percentage of 95,3%) and Eurolife FFH Life Insurance S.A. (with a percentage of 4,7%). Following the increase, the share capital of the subsidiary amounts to € 7.779 thousand (RON 32.141 thousand).

NOTE 10: DEFERRED TAX

Deferred tax assets and deferred tax liabilities are offset when the Company has a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority.

The amounts and movement in deferred tax assets and liabilities for the year are as follows:

(amounts in € thousand)	Opening Balance 01/01/2023	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2023
Valuation of Investments				
Changes in fair value of financial assets measured at fair value through P&L	(893)	(2.616)	-	(3.509)
Expected credit losses of financial assets measured at fair value at amortised cost	1	-	-	1
Changes in fair value of financial assets at amortised cost	(3)	3	-	-
Insurance Provisions				
Revaluation of insurance technical provisions	(4.256)	(305)	-	(4.562)
Revaluation of reinsurance recoverables	1.637	152	-	1.789
Various Provisions				
Provisions for pensions and other post-employment benefits	70	3	-	72
Provision for staff leaving indemnities	11	-	(2)	8
Provision for other doubtful and disputed receivables	558	(40)	-	517
Foreign exchange differences of Investments				
Changes in fair value due to exchange differences	(52)	42	-	(11)
Tangible and intangible assets				
Revaluation of depreciation of tangible and intangible assets	(2)	16	-	15
Recoverable Tax Losses				
Recoverable Tax Losses	-	1.557	-	1.557
Other temporary differences	85	(5)	-	80
Total Deferred Tax (Liabilities)	**(2.845)**	**(1.193)**	**(2)**	**(4.041)**

(amounts in € thousand)	Opening Balance 01/01/2022	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2022
Valuation of Investments				
Changes in fair value of financial assets measured at fair value through P&L	(1.105)	211	-	(893)
Expected credit losses of financial assets measured at fair value at amortised cost	1	-	-	1
Changes in fair value of financial assets at amortised cost	(6)	3	-	(3)
Insurance Provisions				
Revaluation of insurance technical provisions	(2.912)	(1.344)	-	(4.256)
Revaluation of reinsurance recoverables	1.110	528	-	1.637
Various Provisions				
Provisions for pensions and other post-employment benefits	61	9	-	70
Provision for staff leaving indemnities	15	-	(5)	11
Provision for other doubtful and disputed receivables	550	8	-	558
Foreign exchange differences of Investments				
Changes in fair value due to exchange differences	-	(52)	-	(52)
Tangible and intangible assets				
Revaluation of depreciation of tangible and intangible assets	(15)	13	-	(2)
Other temporary differences	128	(43)	-	85
Total Deferred Tax (Liabilities)	**(2.173)**	**(667)**	**(5)**	**(2.845)**

NOTE 11: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

(amounts in € thousand)	31/12/2023	31/12/2022
Greek government bonds	79.468	44.377
Other government bonds	5.057	4.578
Corporate bonds	2.795	2.758
Greek treasury bills	-	46.502
Other treasury bills	18.973	-
Equities	16.355	10.566
Mutual funds	28.602	14.655
Subtotal	**151.250**	**123.436**
Accrued interest	1.345	889
Total	**152.595**	**124.325**

The movement in securities is as follows:

(amounts in € thousand)	2023	2022
Balance at 1 January	**124.325**	**108.954**
Additions	85.897	189.133
Sales / Liquidations	(71.321)	(173.972)
Bonds amortization	1.774	(51)
Foreign exchange differences	(190)	239
Changes in fair value	11.654	(822)
Changes in accrued interest	456	844
Balance at 31 December	**152.595**	**124.325**

NOTE 12 : FINANCIAL ASSETS AT AMORTISED COST

(amounts in € thousand)	31/12/2023	31/12/2022
Commercial mortgage Loans	1.797	1.809
Accrued interest	21	16
Total	**1.818**	**1.825**

The movement in loans is as follows:

(amounts in € thousand)	2023	2022
Balance at 1 January	1.825	1.834
Loans amortization	(12)	(14)
Changes in accrued interest	5	5
Changes in expected credit losses	(1)	-
Balance at 31 December	**1.818**	**1.825**

In October 2020, the Company granted mortgage loans, with a floating interest rate, of a total nominal value of € 3.600 thousand to foreign property management companies. The duration of the loans is three years with the right of extension up to two years. During 2021, a loan with a nominal value of € 1.800 thousand was repaid. During 2023 a modification was performed on the loan terms and the extension for two years was granted.

NOTE 13: REINSURANCE CONTRACT ASSETS

The following table provides a summary of the reinsurance contracts held by asset and liability positions and measurement model.

	31/12/2023	31/12/2022
(amounts in € thousand)	Premium Allocation Approach	Premium Allocation Approach
Property & Casualty reinsurance contacts held		
Reinsurance contracts assets	14.439	10.850
Reinsurance contracts liabilities	(2.667)	(3.029)
Net reinsurance contracts	**11.771**	**7.821**
Motor segment	(675)	185
Property segment	9.646	2.197
Other segment	2.800	5.439
Net reinsurance contracts	**11.771**	**7.821**

Property & Casualty reinsurance contracts held under Premium Allocation Approach - current year

31 December 2023	**Assets for remaining coverage**		**Amounts recoverable on incurred claims**		
(amounts in € thousand)	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**
Reinsurance contract assets as at 01/01/2023	1.016	-	9.711	123	10.850
Reinsurance contract liabilities as at 01/01/2023	(2.991)	-	(38)	-	(3.029)
Net reinsurance contracts as at 01/01/2023	**(1.976)**	**-**	**9.673**	**123**	**7.821**
Allocation of reinsurance premiums	**(17.550)**	**-**	**-**	**-**	**(17.550)**
Amounts recoverable from reinsurers					
Amounts recoverable for claims and other expenses incurred in the period	-	-	4.883	55	4.938
Changes to recoveries of incurred claims that relate to past service	-	-	(1.214)	(22)	(1.237)
	-	**-**	**3.669**	**32**	**3.701**
Net income or expense from reinsurance contracts held	**(17.550)**	**-**	**4.378**	**32**	**(13.140)**
Reinsurance finance income	**-**	**-**	**437**	**6**	**443**
Effect of changes in the risk of reinsurers non-performance	-	-	(1)	-	(1)
Total changes in the statement of profit or loss	**(17.550)**	**-**	**4.104**	**38**	**(13.407)**
Cash flows					
Premiums paid	18.014	-	-	-	18.014
Amount received	-	-	(657)	-	(657)
Total cash flows	**18.014**	**-**	**(657)**	**-**	**17.358**
Net reinsurance contracts as at 31/12/2023	**(1.511)**	**-**	**13.121**	**161**	**11.771**
Reinsurance contract assets as at 31/12/2023	1.127	-	13.150	161	14.439
Reinsurance contract liabilities as at 31/12/2023	(2.638)	-	(29)	-	(2.667)
Net reinsurance contracts as at 31/12/2023	**(1.511)**	**-**	**13.121**	**161**	**11.771**

Property & Casualty reinsurance contracts held under General Model and Premium Allocation Approach - prior year

31 December 2022	**Assets for remaining coverage**		**Amounts recoverable on incurred claims**		
(amounts in € thousand)	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment for non-financial risk**	**Total**
Reinsurance contract assets as at 01/01/2022	1.131	-	10.631	131	11.893
Reinsurance contract liabilities as at 01/01/2022	(3.367)	-	-	-	(3.366)
Net reinsurance contracts as at 01/01/2022	**(2.236)**	**-**	**10.631**	**131**	**8.526**
Allocation of reinsurance premiums	**(14.751)**	**-**	**-**	**-**	**(14.751)**
Amounts recoverable from reinsurers					
Amounts recoverable for claims and other expenses incurred in the period	-	-	2.455	25	2.480
Changes to recoveries of incurred claims that relate to past service	-	-	(1.392)	(20)	(1.413)
	-	-	**1.063**	**4**	**1.067**
Net income or expense from reinsurance contracts held	**(14.751)**	**-**	**1.063**	**4**	**(13.683)**
Reinsurance finance income	**-**	**-**	**(974)**	**(13)**	**(986)**
Effect of changes in the risk of reinsurers non-performance	-	-	5	-	**5**
Total changes in the statement of profit or loss	**(14.751)**	**-**	**94**	**(8)**	**(14.665)**
Cash flows					
Premiums paid	15.012	-	-	-	**15.012**
Amount received	-	-	(1.052)	-	**(1.052)**
Total cash flows	**15.012**	**-**	**(1.890)**	**-**	**13.959**
	(1)	-	1	-	-
Reinsurance Investment components					
Net reinsurance contracts as at 31/12/2022	**(1.976)**	**-**	**9.673**	**123**	**7.821**
Reinsurance contract assets as at 31/12/2022	1.016	-	9.711	123	10.850
Reinsurance contract liabilities as at 31/12/2022	(2.991)	-	(38)	-	(3.029)
Net reinsurance contracts as at 31/12/2022	**(1.976)**	**-**	**9.673**	**123**	**7.821**

NOTE 14: OTHER RECEIVABLES

(amounts in € thousand)	31/12/2023	31/12/2022
Loans and Advances to agent and brokers	528	511
Provisions for doubtful debts from agents and brokers	(12)	-
Prepaid Expenses	939	891
Receivables from Accrued Interest	4	-
Other Receivables	1.374	1.331
Total	**2.833**	**2.734**

NOTE 15: CASH AND CASH EQUIVALENTS

(amounts in € thousand)	31/12/2023	31/12/2022
Cash on hand	2	2
Deposits on demand	2.762	7.199
Time deposits	9.800	1.530
Total	**12.564**	**8.732**

Time deposits have a maturity of less than 90 days. The weighted average effective interest rate on time deposits was 1,60% (2022: 0,20%).

NOTE 16: SHARE CAPITAL

The share capital amounts to 212.322 registered ordinary shares of a nominal amount of €61,53 each. All shares are issued and the share capital is fully paid up. The sole shareholder, "Eurolife FFH Insurance Group Holdings S.A." owns 100% of its share capital. The Company has no stock option plan.

(amounts in € thousand)	31/12/2023	31/12/2022
No of ordinary shares	212.322	49.800
Paid up	13.064	3.064
Share Capital	**13.064**	**3.064**

The movement in Share Capital is as follows:

(amounts in € thousand)	31/12/2023	31/12/2022
Balance at 1 January	3.064	3.064
Share capital increase	10.000	-
Share Capital at 31 December	**13.064**	**3.064**

Based on the decision of the extraordinary Shareholders' General Meeting of the Company dated at 22 December 2023, the share capital increased by € 9.999,98 thousand by contribution in cash covered by Eurolife FFH Insurance Group S.A. and the issuance of 162.522 new ordinary shares with a nominal value of €61,53 each. The share capital of the Company after the share capital increase amounts to € 13.064,17 thousand.

NOTE 17: RESERVES

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	Reserve for Post-employment Benefit obligations	Other reserves	Total
Balance at 1 January 2023	**12.257**	**45.751**	**(38)**	**15.902**	**73.872**
Transfer of prior period profits	-	2.985	-	2.583	5.567
Remeasurement of defined benefit obligation, net of tax	-	-	8	-	8
Expenses of share capital increase	-	(30)	-	-	(30)
Balance at 31 December 2023	**12.257**	**48.706**	**(29)**	**18.484**	**79.418**

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	Reserve for Post-employment Benefit obligations	Other reserves	Total
Balance at 1 January 2022	**12.257**	**45.849**	**(55)**	**15.712**	**73.763**
Transfer of prior period profits	-	(97)	-	189	92
Remeasurement of defined benefit obligation, net of tax	-	-	17	-	17
Balance at 31 December 2022	**12.257**	**45.751**	**(38)**	**15.902**	**73.872**

Statutory reserve has been formed based on the provisions of laws and cannot be distributed to the shareholders of the Company.

Extraordinary Reserves arise from previous years' profits based on General Shareholders' Meeting decisions. These reserves can be distributed to shareholders without additional tax charge.

The reserve for post-employment benefit obligations includes reserves from the remeasurement of the defined benefit obligation, along with the relevant deferred tax. The reserve from actuarial gain or loss has been created in accordance with the provisions of the revised IAS 19 and cannot be distributed.

Other Reserves include reserves that have been formed under special laws that either are not distributable or will become taxable in case of distribution and the relevant income tax rate which is enacted at the distribution period will be applied.

NOTE 18: INSURANCE CONTRACT LIABILITIES

The following table provides a summary of the insurance contracts issued by segment, asset and liability positions and measurement model.

(amounts in € thousand)	31/12/2023	31/12/2022
	Premium Allocation Approach	Premium Allocation Approach
Property & Casualty insurance contracts issued		
Insurance contracts assets	(673)	(228)
Insurance contracts liabilities	108.092	84.817
Net insurance contracts	**107.419**	**84.589**
Motor segment	63.190	56.465
Property segment	36.121	20.979
Other segment	8.108	7.144
Net insurance contracts	**107.419**	**84.589**

Property and Casualty Insurance contracts issued under Premium Allocation Approach - current year

31 December 2023	**Liabilities for remaining coverage**		**Liabilities for incurred claims**		**Total Premium Allocation approach**
(amounts in € thousand)	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment for non-financial risk**	
Insurance contract liabilities as at 01/01/2022	15.335	25	67.883	1.575	84.817
Insurance contract assets as at 01/01/2022	(433)	2	202	1	(228)
Net insurance contract (assets)/liabilities as at 01/01/2022	**14.902**	**27**	**68.085**	**1.575**	**84.589**
Insurance revenue	(75.858)	-	-	-	(75.858)
Insurance service expenses					
Incurred claims	-	-	40.841	619	41.459
Other directly attributable expenses	-	-	11.410	-	11.410
Amortisation of insurance acquisition cash flows	19.509	-	-	-	19.509
Changes to liabilities for incurred claims	-	-	(2.974)	(386)	(3.361)
Losses on onerous contracts and reversals of those losses	-	93	-	-	93
	19.509	**93**	**49.277**	**232**	**69.110**
Insurance service result	**(56.349)**	**93**	**49.277**	**232**	**(6.748)**
Insurance finance expenses	-	-	**2.409**	**55**	2.464
Total changes in the statement of profit or loss	**(56.349)**	**93**	**51.686**	**287**	**(4.284)**
Cash flows					
Premiums received	93.301	-	-	-	93.301
Claims and other expenses paid	-	-	(33.097)	-	(33.097)
Insurance acquisition cash flows	(33.090)	-	-	-	(33.090)
Total cash flows	**60.211**	-	**(33.097)**	-	**27.114**
Investment components	(203)	-	203	-	-
Net insurance contracts as at 31/12/2023	**18.561**	**120**	**86.877**	**1.862**	**107.420**
Insurance contract liabilities as at 31/12/2023	19.372	120	86.738	1.862	108.092
Insurance contract assets as at 31/12/2023	(812)	-	139	-	(673)
Net insurance contracts as at 31/12/2023	**18.560**	**120**	**86.877**	**1.862**	**107.419**

Property and Casualty Insurance contracts issued under Premium Allocation Approach - prior year

31 December 2022	**Liabilities for remaining coverage**		**Liabilities for incurred claims**		**Total Premium Allocation approach**
(amounts in € thousand)	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment for non-financial risk**	
Insurance contract liabilities as at 01/01/2022	15.971	23	67.667	1.599	85.261
Insurance contract assets as at 01/01/2022	(866)	-	77	1	(788)
Net insurance contract (assets)/liabilities as at 01/01/2022	**15.106**	**23**	**67.743**	**1.600**	**84.473**
Insurance revenue	(68.153)	-	-	-	(68.153)
Insurance service expenses		-			
Incurred claims	-	-	25.882	422	26.304
Other directly attributable expenses	-	-	10.697	-	10.697
Amortisation of insurance acquisition cash flows	19.099	-	-	-	19.099
Changes to liabilities for incurred claims	-	-	(6.391)	(377)	(6.769)
Losses on onerous contracts and reversals of those losses	-	4	-	-	4
	19.099	**4**	**30.187**	**45**	**49.335**
Insurance service result	**(49.054)**	**4**	**30.187**	**45**	**(18.818)**
Insurance finance expenses	-	-	**(3.111)**	**(70)**	**(3.181)**
Total changes in the statement of profit or loss	**(49.054)**	**4**	**27.076**	**(25)**	**(21.999)**
Cash flows					
Premiums received	78.490	-	-	-	78.490
Claims and other expenses paid	-	-	(26.937)	-	(26.937)
Insurance acquisition cash flows	(29.438)	-	-	-	(29.437)
Total cash flows	**49.053**	-	**(26.937)**	-	**22.116**
		-			
Investment components	(202)	-	202	-	-
Net insurance contracts as at 31/12/2022	**14.902**	**27**	**68.085**	**1.575**	**84.589**
Insurance contract liabilities as at 31/12/2022	15.335	25	67.883	1.575	84.817
Insurance contract assets as at 31/12/2022	(433)	2	202	1	(228)
Net insurance contracts as at 31/12/2022	**14.902**	**27**	**68.085**	**1.575**	**84.589**

Property & Casualty Development of Insurance Losses, measured under the PAA model - Gross of Reinsurance

Accident Year	<2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Cumulative Claims Paid											
At the end of Accident Year		6.170	3.465	4.790	6.049	7.608	6.539	6.283	6.349	7.533	10.443
1 year later		9.624	5.450	8.013	9.567	16.403	10.897	11.961	10.361	13.072	
2 years later		10.973	5.819	8.801	10.147	17.070	11.692	13.297	11.848		
3 years later		12.285	5.992	9.848	11.194	17.634	12.520	14.065			
4 years later		13.049	6.145	10.040	11.462	18.359	13.453				
5 years later		13.824	6.262	10.214	11.806	19.067					
6 years later		13.852	6.481	10.704	12.097						
7 years later		14.096	7.215	10.839							
8 years later		14.222	7.336								
9 years later		14.871									
Cumulative Claims Paid	**173.608**	**14.870**	**7.336**	**10.839**	**12.097**	**19.067**	**13.453**	**14.065**	**11.848**	**13.071**	**10.443**

Accident Year	<2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Cumulative Claims Incurred											
At the end of Accident Year		22.356	10.846	15.496	18.398	27.252	20.692	20.060	20.777	27.441	43.232
1 year later		23.005	10.909	16.040	18.728	28.058	20.646	20.565	21.863	29.515	
2 years later		22.919	10.759	16.394	18.341	27.917	20.808	20.801	21.889		
3 years later		22.280	10.744	15.874	17.999	27.289	20.873	20.558			
4 years later		20.979	10.558	15.217	16.863	26.463	21.050				
5 years later		16.950	8.640	12.822	13.443	22.621					
6 years later		16.888	8.467	12.283	13.281						
7 years later		16.543	8.007	12.272							
8 years later		16.173	8.051								
9 years later		16.075									
Cumulative Claims Incurred	**183.180**	**16.075**	**8.051**	**12.272**	**13.281**	**22.621**	**21.050**	**20.558**	**21.889**	**29.515**	**43.232**

	<2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Case Reserves	9.572	1.205	716	1.433	1.184	3.554	7.597	6.493	10.041	16.444	32.789	**91.028**
Other reserves												**1.138**
Liabilities for incurred claims *(Undiscounted)*												**92.166**
Effect of Discounting												**(5.289)**
Estimates of PVFCF *(Discounted)*												**86.877**
Risk Adjustment												**1.862**
Liability for Incurred Claims												**88.738**

The line of the Other reserves in the table above mainly includes the IBNR reserves and the ULAE reserves.

NOTE 19: EMPLOYEE BENEFITS

The Company provides for staff retirement indemnity obligation for its employees who are entitled to a lump sum payment based on the number of years of service and the level of remuneration at the date of retirement, if they remain in the employment of the Company until normal retirement age, in accordance with the Greek labor legislation. According to the Company's policy, compensation is provided only at retirement age and the employer's liability is distributed during the last 16 working years prior to retirement. The above retirement indemnity obligations typically expose the Company to actuarial risks such as interest rate risk and salary risk. Therefore, a decrease in the discount rate used to calculate the present value of the estimated future cash outflows or an increase in future salaries will increase the staff retirement indemnity obligations of the Company.

(amounts in € thousand)	2023	2022
Movement of provision for staff leaving indemnities		
Balance at 1 January	**365**	**347**
Benefits paid	(237)	(43)
Total expense recognized in the income statement	249	82
Actuarial (gains) recognized in equity	(11)	(22)
Balance at 31 December	**366**	**365**

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Amounts recognized in the income statement		
Current service cost	46	44
Net interest	11	2
Curtailments / settlements / terminations	193	37
Total expense in income statement	**249**	**82**

The present value of retirement benefit obligations depends on factors determined on an actuarial basis using a number of assumptions as presented in the below table.

The key assumptions used to determine the net cost for pension obligations include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate that should be used to calculate the present value of the estimated retirement obligations at the end of each year. In determining the appropriate discount rate, the Company uses interest rates of highly rated corporate bonds. The currency and maturity terms of the bonds used are consistent with the currency and estimated duration of the retirement benefit obligations. The assumption about the percentage of salary increase is determined by reviewing the Company's salary increases each year.

The other assumptions for pension obligations, such as changes in inflation rate, are based in part on prevailing market conditions.

Actuarial assumptions	2023	2022
Discount rate	3,80%	3,25%
Future salary increases	2,25% to 3,0%	2,0% to 4,0%
Inflation	2,25%	2,75%
Expected remaining service life (years)	5,60	5,51

A quantitative sensitivity analysis based on reasonable changes to significant actuarial assumptions as at 31 December 2023 is as follows:

- An increase/(decrease) of the discount rate by 0,5% / (0,5%) would result in a (decrease)/increase of the retirement benefit obligation by (€7,7) thousand / €8,1 thousand.
- An increase/(decrease) of the future salary growth by 0,5% / (0,5%) would result in an increase/(decrease) of the retirement benefit obligation by €7,7thousand / (€8,1) thousand.

NOTE 20: OTHER LIABILITIES

(amounts in € thousand)	31/12/2023	31/12/2022
Agents and brokers	2.756	2.441
Taxes	512	507
Social security	610	670
Other Creditors	1.524	1.328
Other liabilities	3.269	3.669
Total	**8.671**	**8.614**

Other liabilities include the provisions for unaudited tax fiscal years and other provisions.

NOTE 21: NET INSURANCE SERVICE RESULT

Analysis of net insurance result by segment	Motor	Property	Other	Total
(amounts in € thousand)				
From 01/01 to 31/12/2023				
Insurance revenue from contracts measured under PAA	**31.846**	**33.924**	**10.088**	**75.858**
Incurred claims and benefits	(20.593)	(20.970)	103	(41.459)
Other attributable expenses	(4.657)	(4.879)	(1.874)	(11.410)
Amortisation of insurance acquisition costs	(8.043)	(8.105)	(3.361)	(19.509)
Changes in incurred claims and benefits that relate to past service	1.669	1.700	(8)	3.361
Losses on onerous contracts and reversals of losses	-	-	(93)	(93)
Insurance Service Expenses	**(31.623)**	**(32.254)**	**(5.233)**	**(69.110)**
Insurance Service Result from insurance contracts	**222**	**1.670**	**4.855**	**6.748**
Allocation of reinsurance premiums for contracts measured under PAA	**(3.339)**	**(10.483)**	**(3.727)**	**(17.550)**
Amounts recoverable from reinsurers				
Amounts recoverable for claims and other expenses incurred in the period	(10)	5.159	(211)	**4.938**
Changes in amounts recoverable arising from changes in liability for incurred claims	3	(1.292)	53	**(1.237)**
Allocation recoverable from reinsurers	**(8)**	**3.867**	**(158)**	**3.701**
Net income or expense from reinsurance contracts held	**(3.347)**	**(6.616)**	**(3.885)**	**(13.848)**
Insurance Service Result	**(3.125)**	**(4.946)**	**970**	**(7.101)**

Analysis of net insurance result by segment	Motor	Property	Other	Total
(amounts in € thousand)				
From 01/01 to 31/12/2022				
Insurance revenue from contracts measured under PAA	**29.572**	**31.035**	**7.546**	**68.153**
Incurred claims and benefits	(18.542)	(8.999)	1.238	(26.304)
Other attributable expenses	(4.375)	(4.814)	(1.508)	(10.697)
Amortisation of insurance acquisition costs	(8.263)	(8.325)	(2.511)	(19.099)
Changes in incurred claims and benefits that relate to past service	4.771	2.316	(319)	6.768
Losses on onerous contracts and reversals of losses	-	-	(4)	(4)
Insurance Service Expenses	**(26.410)**	**(19.822)**	**(3.103)**	**(49.335)**
Insurance Service Result from insurance contracts	**3.162**	**11.213**	**4.443**	**18.818**
Allocation of reinsurance premiums for contracts measured under PAA	**(3.219)**	**(8.055)**	**(3.477)**	**(14.751)**
Amounts recoverable from reinsurers				
Amounts recoverable for claims and other expenses incurred in the period	310	4.192	(2.022)	**2.480**
Changes in amounts recoverable arising from changes in liability for incurred claims	(177)	(2.388)	1.152	**(1.413)**
Allocation recoverable from reinsurers	**133**	**1.805**	**(871)**	**1.067**
Net income or expense from reinsurance contracts held	**(3.086)**	**(6.249)**	**(4.348)**	**(13.683)**
Insurance Service Result	**76**	**4.963**	**95**	**5.134**

NOTE 22: NET INVESTMENT INCOME FROM FINANCIAL ASSETS AND OTHER INVESTMENT INCOME

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Interests and dividends		
Equities and mutual funds at FVTPL	325	2.469
Debt securities at FVTPL	3.699	604
Debt securities at amortised cost	96	46
Cash and cash equivalents	101	19
Total	**4.222**	**3.138**
Net gains/(losses) on financial assets at FVTPL		
Realised gains / (losses) from mutual funds	-	(2)
Realised gains / (losses) from debt securities	400	406
Unrealised gains / (losses) from equities	5.788	1.212
Unrealised gains / (losses) from mutual funds	3.741	(1.270)
Unrealised gains / (losses) from debt securities	2.125	(764)
Unrealised gains / (losses) from foreign exchange differences	(190)	239
Total	**11.864**	**(178)**
Change in credit impairment on financial assets at amortised cost		
Change in credit impairment	(1)	-
	(1)	**-**
Other Investment Income	122	153
Total	**16.207**	**3.113**

NOTE 23: NET INSURANCE FINANCIAL RESULT

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Insurance finance income / (expenses) from insurance contracts issued		
Interest accreted	(743)	(128)
Effect of changes in interest rates and other financial assumptions	(1.721)	3.309
Total	**(2.464)**	**3.181**
Represented by:		
Amounts recognised in profit or loss	(2.464)	3.181
	(2.464)	**3.181**
Reinsurance finance income / (expenses) from reinsurance contracts held		
Interest accreted	82	3
Effect of changes in interest rates and other financial assumptions	360	(989)
Changes in risk non-performance reinsurer	(1)	5
Total	**441**	**(982)**
Represented by:		
Amounts recognised in profit or loss	441	(982)
	441	**(982)**
Net insurance financial result	**(2.023)**	**2.200**
Represented by:		
Amounts recognised in profit or loss	(2.023)	2.200
Total	**(2.023)**	**2.200**

NOTE 24: INSURANCE SERVICE EXPENSES AND OTHER OPERATING EXPENSES

01/01-31/12/2023

(amounts in € thousand)	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
Commissions and fees	(13.199)	-	(29)	(13.228)
Employee expenses	(3.401)	(5.606)	(35)	(9.042)
Claims adjustment expenses	-	(960)	-	(960)
Depreciation and amortisation	(654)	(1.101)	(142)	(1.897)
Audit, legal and other professional fees	(7)	(344)	(783)	(1.134)
Advertising	(329)	(177)	(727)	(1.234)
Leases	(20)	(37)	-	(57)
Administrative expenses	(1.499)	(2.188)	(463)	(4.150)
Other expenses	(399)	(997)	(614)	(2.010)
Total	**(19.509)**	**(11.410)**	**(2.793)**	**(33.712)**

01/01-31/12/2022

(amounts in € thousand)	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
Commissions and fees	(12.692)	-	15	(12.677)
Employee expenses	(3.634)	(5.952)	(46)	(9.632)
Claims adjustment expenses	-	(1.072)	-	(1.072)
Depreciation and amortisation	(645)	(603)	-	(1.248)
Audit, legal and other professional fees	(70)	(186)	(651)	(907)
Advertising	(184)	(144)	(1.157)	(1.485)
Leases	(15)	(25)	-	(40)
Administrative expenses	(1.581)	(2.138)	(452)	(4.171)
Other expenses	(279)	(576)	(579)	(1.434)
Total	**(19.099)**	**(10.697)**	**(2.870)**	**(32.666)**

The average number of Personnel of the Company as of 2023 is 161 (2022: 170).

The Company has established Eurolife FFH and Partners Group Companies' Professional Insurance Fund L.P.P.L. (the "Fund") to which all employees of the Company are eligible to participate as members and for which the Company will henceforth pay the employer contributions of the members belonging to its staff while covering, on a pro rata basis, the expenses of the Fund during the first 5 years.

External Auditors

Audit, legal and other professional fees include fees charged by the independent auditor "PricewaterhouseCoopers S.A.". The fees that relate audit and other services provided for fiscal year 2023 and 2022 respectively are analyzed as follows:

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Statutory Audit	(87)	(79)
Tax audit-article 65a, law 4174/2013	(25)	(25)
Other audit related assignments	(35)	(134)
Non audit assignments	(4)	(3)
Total	**(151)**	**(240)**

NOTE 25: INCOME TAX EXPENSE

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Current income tax		
Current tax on profits for the year	-	(1.258)
Adjustment on previous years' income tax and other adjustments	(62)	(84)
Total current income tax	**(62)**	**(1.342)**
Deferred tax		
Decrease in deferred tax assets	110	449
(Decrease) in deferred tax liabilities	(1.303)	(1.116)
Total deferred tax (income)	**(1.193)**	**(667)**
Total income tax	**(1.255)**	**(2.009)**

According to the provisions of article 120 of Law 4799/2021 (Government Gazette A 78) which entered into force in May 2021 and amended article 58 of Law 4172/2013, profits made by legal entities conducting business activities and legal entities in Greece that hold double-entry books, excluding credit institutions, are taxed at a rate of 22% (2022: 22%) for the 2023 tax year onwards.

The tax on the Company's profit before tax using the applicable income tax rates, is analyzed below:

(amounts in € thousand)	01/01-31/12/2023	01/01-31/12/2022
Profit before tax	4.290	7.577
Total	**4.290**	**7.577**
Income tax at applicable tax rate 22%	(944)	(1.667)
Tax effect of amounts which are not deductible in calculating taxable income:		
Non tax deductible expenses	(258)	(259)
Income not subject to tax	8	-
Adjustment in previous years' income tax and other adjustments	(62)	(84)
Total income tax	**(1.255)**	**(2.009)**

NOTE 26: RELATED PARTY TRANSACTIONS

The Company is controlled by Eurolife FFH Insurance Group Holdings S.A. (thereafter "Eurolife FFH Insurance Group") which owns 100% of its share capital. Eurobank, a bank domiciled in Athens and listed on the Athens Stock Exchange, was the ultimate parent of the Company until 4th of August 2016 and owned 100% of the share capital of Eurolife FFH Insurance Group.

On 4 August 2016, the disposal of 80% of the share capital of Eurolife FFH Insurance Group was completed and control of Eurolife FFH Insurance Group was transferred to Costa Luxembourg Holding S.à r.l, while Eurobank retained the remaining 20% of the share capital of the Company and consequently has significant influence. The new parent company of Eurolife FFH Insurance Group is domiciled in Luxembourg and is now wholly owned by Colonnade Finance S.àrl.

All transactions with related parties are conducted in the normal course of business and on arm's length basis. The volume of the transactions with the related parties and the balances at year end are shown in the tables below, in which, due to materiality, transactions with Eurobank are presented separately:

(amounts in € thousand)

Related Party Eurobank 31/12/2023	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	4.062	-	78	-
Insurance operations [(1)]	30	1.721	1.820	4.477
Investment operations	-	-	-	-
Other transactions	-	-	-	275
Total	**4.092**	**1.721**	**1.897**	**4.752**

(amounts in € thousand)

Other Related Parties 31/12/2023	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	10	-	-	-
Insurance operations[(1)]	5	419	416	1.001
Investment operations	-	-	-	361
Other transactions	20	104	192	1.054
Total	**36**	**523**	**608**	**2.416**
Transactions with key management personnel	**-**	**4**	**36**	**6**
Remuneration and benefits of key management personnel				**1.026**

(amounts in € thousand)

Related Party Eurobank 31/12/2022	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	1.224	-	3	-
Insurance operations[(1)]	34	1.418	1.814	3.657
Investment operations	-	-	-	-
Other transactions	-	-	-	241
Total	**1.258**	**1.418**	**1.816**	**3.898**

(amounts in € thousand)

Other Related Parties 31/12/2022	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	11	-	-	-
Insurance operations [(1)]	24	413	334	1.103
Investment operations	-	-	-	337
Other transactions	27	80	189	992
Total	**62**	**493**	**523**	**2.431**
Transactions with key management personnel	**-**	**4**	**34**	**5**
Remuneration and benefits of key management personnel				**1.122**

(1) Revenues and receivables from Insurance operations mainly include the balances from the insurance premium transactions collected by the Company, while expenses and liabilities mainly include the balances from the transactions of commissions, over-commissions and bonuses paid by the Company to partners.

Above table does not include dividend payments of the Company to its shareholder in 2023 and 2022. These transactions are described in detail in Note 28 "Dividends".

On 31 December 2023 and 2022 there were no receivables from loans to key management personnel. Moreover, the Company holds investments in bonds, mutual funds and equities issued by related parties. Moreover, the Company holds investments in bonds, mutual funds and equities issued by related parties. More specifically on 31 December 2023 the fair value of these bonds amounted to € 1.999 thousand (31 December 2022: € 1.965 thousand), of these mutual funds amounted to € 26.258 thousand (31 December 2022: € 12.840 thousand) and of these equities amounted to € 7.248 thousand (31 December 2022: € 4.749 thousand).

NOTE 27: COMMITMENTS AND CONTINGENT LIABILITIES

Legal issues

There are no pending litigations against the Company or other contingent liabilities and commitments as at 31 December 2023 which may materially affect the financial position of the Company.

Unaudited tax years

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within five years as from the end of the fiscal year within which the relevant tax return should have been submitted. Therefore, based on the above as a general rule, the Company has 6 unaudited tax years.

For the financial years starting from 1 January 2016 onwards, according to Law 4174/2013, it is provided on a voluntary basis, the receipt of an Annual Tax Certificate by Greek companies whose annual financial statements are subject to mandatory audit. This certificate is issued after the relevant tax audit has been carried out by the statutory auditor or audit firm that audits the annual financial statements. The Company will continue to receive it.

Under Greek tax legislation, companies for which tax certificates have been issued without notices of tax law violations for the last 6 unaudited tax years are not exempt from the imposition of additional taxes and fines by the Greek tax authorities after the completion of the tax audit.

Therefore, as a general rule, due to the expiry of five years on 31.12.2023, the right of the Greek State to impose taxes until the tax year 2017 has expired for the Company.

The Company has obtained unqualified “Annual Tax Certificates” for the fiscal years 2016-2022. The tax audit conducted in this context for 2023 is currently in progress. Upon completion, the Company's Management does not expect to incur significant tax liabilities other than those already recorded and provided in the financial statements.

Additional taxes and penalties may be imposed as a result of tax audits, the amount of which cannot be determined. However, it is expected that the additional taxes will not have a material effect on the financial position of the Company, as the Company recognizes a provision for additional taxes and fines that may arise from future tax audits.

NOTE 28: DIVIDENDS

Dividends are accounted for after they have been ratified by the Annual Shareholders’ General Meeting.

On 24 April 2022, the Annual General Meeting of the Company's shareholders decided to distribute a dividend to the shareholder Eurolife FFH Insurance Group in the amount of €5.433 thousand. The dividend distribution was derived from the profits of the financial year ended 31 December 2021, as well as from undistributed profits of previous years. The amount was paid to the shareholder on 18 May 2022.

NOTE 29: POST BALANCE SHEET EVENTS

No other significant subsequent events need to be reported.