Annual Financial Report

Eurolife FFH Life Insurance S.A.

For the year ended
31 December 2022

Eurolife FFH Insurance Group

A FAIRFAX Company

Eurolife FFH Life Insurance S.A
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The information contained in these Financial Statements has been translated from the original Financial Statements that have been prepared in the greek language. In the event that differences exist between this translation and the original Financial Statements in Greek, the Greek Financial Statements will prevail over this document.

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

The Board of Directors presents their report together with the Annual Financial Statements for the year ended 31 December 2022.

Developments in the Greek economy during 2022: remarkable resilience, despite the uncertainties in the international environment

Despite the adverse and uncertain economic conditions that intensified during 2022, due to the war in Ukraine, the energy crisis and the acceleration of inflation, the Greek economy showed remarkable resilience and maintained its growth momentum. According to the latest data published by the Hellenic Statistical Authority (ELSTAT), the growth rate of the Greek economy for the whole year of 2022 was estimated at 5,9% (2021: 8,4%), remaining among the highest in the euro zone in 2022. The high performance was supported by the dynamic recovery in tourism, additional fiscal support due to high energy prices, the increase in private consumption and the decrease in unemployment.

Strong inflationary pressures are a key feature of 2022, both in the international market and in Greece. However, inflation slowed for the sixth consecutive month to 6,5% in December (from the highest level of 9,1% of the last 40 years as noted in June 2022) and is estimated at 9,2% overall for 2022. Inflationary pressures are no longer solely due to increase in energy commodity prices, but also to the disruptions this has caused to supply chains and its effects on the production costs of other goods and services. Inflationary pressures are expected to be decreased further following the European Central Bank's interest rate increases. In addition, a relative normalization was observed in energy prices in Q4 2022, with prices remaining high, however, continuing to generate a reduction in the purchasing power of households and businesses.

Policymakers need to remain vigilant, as especially for highly indebted economies like Greece, there is a risk that an excessively rapid increase in the cost of money could undermine overall growth prospects with negative repercussions in all market's sectors.

Development of the Greek insurance market in 2022

As expected, the Greek insurance market was positively affected by the aforementioned growth rates. The production of insurance premiums[1], amounted to € 4,8 billion, increased by 4,2% compared to 2021.

In the Greek insurance market, according to available data[1], total insurance premium production amounted to €4.836,0 mil. in 2022 (2021: €4.264,0 mil.), out of which €2.410,5 mil. (2021: €2.263,5 mil.) is attributed to general insurance business and €2.425,4 mil. (2021: €2.000,5 mil.) to life insurance business. More specifically, general insurance increased by 6,1% (2021: 5,7%) while life insurance premiums increased by 2,4% (2021: 10,0%). Regarding the non-life insurance business, the non-motor lines of business recorded an increase of 8,7% compared to 2021, while the motor insurance business, recorded increase of 0,7%. Regarding life insurance lines of business, life insurance linked with investments (Unit-linked products) decreased by -5,6%, while management of group pension funds increased by 15,8% and the traditional life insurance products increased by 5,2%.

The following table presents the insurance premium production of the Greek market[1] per insurance line of business for the year 2022 and the respective variations compared to the year 2021.

Insurance premiums of the Greek market	**2022**	**%**	**Change % compared to 2021**
(amounts in € mil.)			
Life traditional insurance	1.225	25,3%	5,2%
Life insurance linked to investments (Unit-linked)	858	17,7%	-5,6%
Management of group pension funds	343	7,1%	15,8%
Motor vehicle liability	740	15,3%	0,7%
Other non-life	1.670	34,5%	8,7%
Total gross written premiums	**4.836**	**100%**	**4,2%**

[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)

For another year, the Greek insurance market strengthened its capital adequacy. Equity of Greek insurance entities has more than doubled since 2012, overcoming €3 billion. In addition, significant progress was made both in terms of corporate governance and in increasing transparency to consumers.

In addition, the progress towards the adoption of two new financial reporting standards, IFRS 17 "Insurance Contracts" (IFRS 17) and IFRS 9 "Financial Instruments" (IFRS 9) effective by 01/01/2023, has played an important role. In particular, the transition to IFRS 17 will be one of the most significant changes of the last 20 years for insurance companies, as a total revision of internal operating procedures and financial statements are required.

Financial Results Review

2022 was another positive year for Eurolife FFH Life Insurance S.A. (the "Company"), during which there was a marginal decrease of 0,5% in gross written premiums and high levels of profitability were maintained for another year and further strengthening of the capital position was accomplished.

Financial Figures of the Company

Key Financial Figures

	2022	2021
(amounts in € mil.)		
Gross written premiums *(IFRS)*	537,7	539,9
Gross earned premiums *(IFRS)*	537,1	537,7
Investment Income including Unit Linked[1]	19,9	128,0
Investment Income[1] *(excluding Unit-Linked)*	88,8	94,9
Administrative Expenses *(excluding interest & other investment expenses)*	(24,8)	(23,4)
Movement in technical reserves and other insurance provisions	68,9	(154,4)
Acquisition expenses	(34,2)	(34,7)
Profit Before Tax	114,9	75,6
Income Tax	(26,2)	(17,6)
Profit for the year	88,6	58,0
Total Assets	3.122	3.375,5
Equity *(IFRS)*	446,7	617,1
Technical Reserves, Other Insurance Provisions and Liabilities for Unit-Linked products [2]	2.581,2	2.638,6
Number of Employees at 31 December	181	163

[1] Total investment income is the sum of the Income Statement lines: Investment income, Realized gains, Fair value gains/(losses), Gains/(Losses) from joint ventures, Gains/(Losses) from derivatives.

[2] Technical Reserves, Other Insurance Provisions and Liabilities for Unit-Linked products include the Mathematical reserves, other insurance provisions and liabilities for investment and insurance Unit-Linked products.

Financial Ratios

	2022	2021
Return on equity after tax (ROE)	16,7%	9,1%
Return on assets before tax (ROA)	3,5%	2,3%
Profit margin before tax	21,4%	14,0%
Annualized premium equivalent (APE) (amounts in € mil.)	259	250,6
Administrative expense ratio	9,6%	9,4%
Acquisition costs ratio	6,4%	6,5%

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.

Annualized Premium Equivalent (APE): Calculated as the total life and non-life statutory gross written premium for periodic premium products plus 10% of statutory gross written premium for the single premium products.

Administrative expense ratio: Administrative expenses excluding interest and other related expenses divided by the annualized premium equivalent.

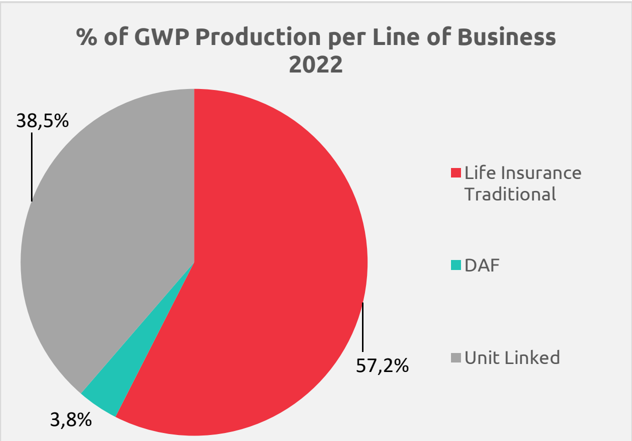
Acquisition costs ratio: Acquisition Expenses of the year divided by the gross earned premiums.

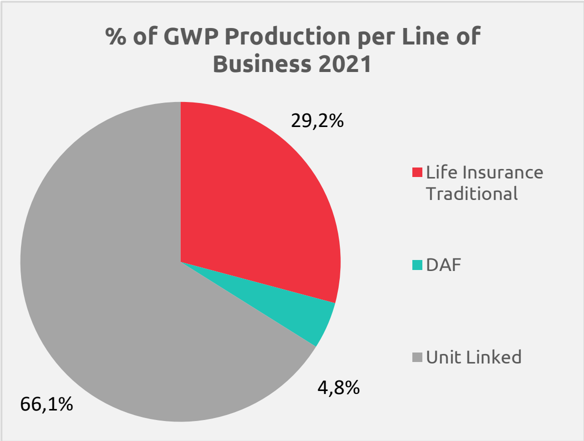
Gross written premiums

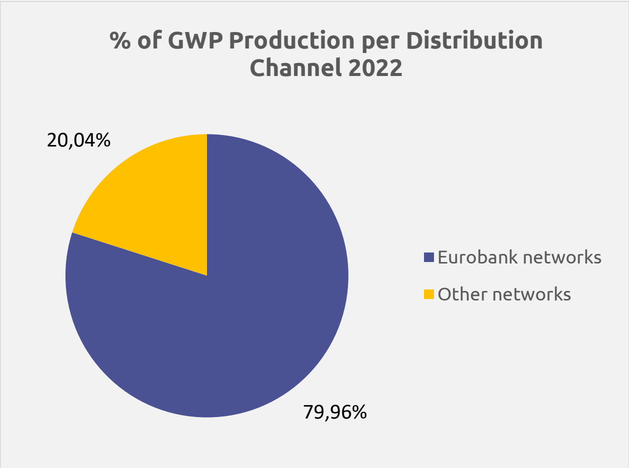
In the fiscal year 2022, the total premium production of the Company exceeded € 537 million, showing an marginal decrease of 0,5% compared to 2021. The change in portfolio composition is noteworthy, as traditional life premiums (guaranteed technical interest) increased from 29% to 57% (€308,8 million) due to single premium promotion campaign held in Q4 2022, while Unit Linked premiums decreased respectively.

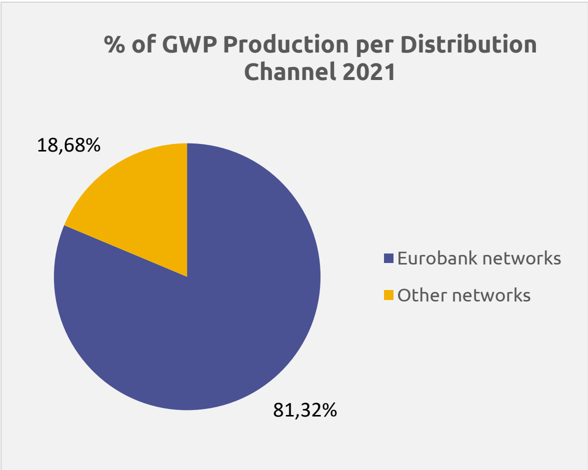
In terms of market shares, the Company gathered in 2022 22,1%[1] (2021: 22,5%[2]), of the total market, maintaining its leading position and its growth course.

The following charts present the gross written premium production per line of business and per distribution channel for the years 2022 and 2021, respectively:









[1] Based on the premium production published by the Hellenic Association of Insurance Companies ("HAIC"), which includes data only for insurance companies that are members of HAIC. (http:// www1.eaee.gr/paragogi-asfalistron)

[2] Based on the Annual Statistical Report published by the Hellenic Association of Insurance Companies ("HAIC") which includes data from the published statements of insurance companies established in Greece. (http:// www1.eaee.gr/etisia-statistiki-ekthesi)

Total Investment Income

The total investment income of the Company amounted to € 18,9 million in the year 2022 compared to € 128 million in the previous year, showing a decrease of 85,2%. This change was mainly due to lower returns on Unit Linked investments.

More specifically, the restructuring of the bond portfolio and the sale of part of the Greek Government Bonds in 2021 resulted in a decrease in the gain on sale of bonds to €30,6 million in 2022 compared to €41,2 million in 2021, unrealized gains on bond valuation amounted to €21 thousand in 2022 compared to €2,4 million in 2021, while interest income increased to €49,1 million in 2022 compared to €41,8 million in 2021. In addition, in the equity portfolio, fluctuations were negative, resulting in valuation losses of €7,8 million in 2022 compared to gains of €4,4 million in 2021. In 2022, the Company increased its investments in mutual funds whose total net investment income amounted to €12,2 million in 2022 compared to €4,7 million in 2021.

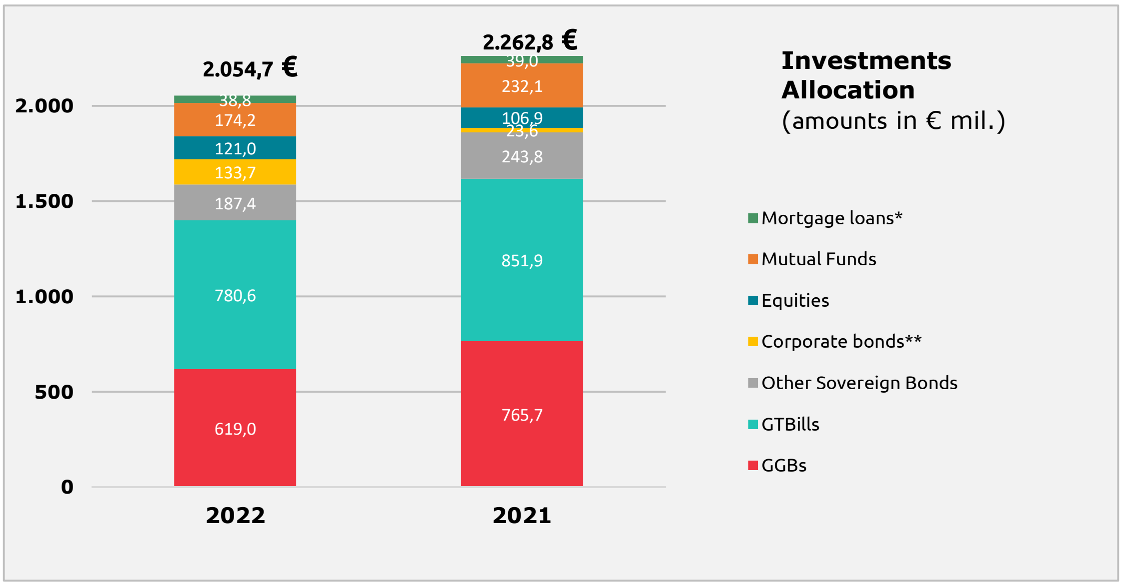
The following tables present the analysis of total investment income by category of financial data in the fiscal year 2022 and 2021:

31 December 2022 (amounts in € thousand)	Investment Income	Realised gains / (losses)	Fair value gains / (losses)	(Losses) from Derivatives	Total
Bonds	49.136	30.608	(21)	-	79.722
Equities	1.068	(3)	(7.827)	-	(6.762)
Mutual Funds	2.914	4.082	5.220	-	12.216
Loans	1.136	-	-	-	1.136
Deposits[1]	2.498	-	-	-	2.498
Other	26	-	-	-	26
Total Investment Income (excluding Unit-Linked)	**56.778**	**34.687**	**(2.628)**	**-**	**88.836**
Unit-Linked	-	2.205	(71.172)	-	(68.967)
Total Investment Income	**56.778**	**36.891**	**(73.800)**	**-**	**19.869**

31 December 2021 (amounts in € thousand)	Investment Income	Realised gains / (losses)	Fair value gains / (losses)	(Losses) from Derivatives	Total
Bonds	41.772	41.212	2.429	-	85.413
Equities	1.095	544	4.397	-	6.035
Mutual Funds	1.236	3.503	(41)	-	4.698
Loans	284	-	-	-	284
Deposits[1]	998	-	-	-	998
Other	46	-	-	(2.616)	(2.570)
Total Investment Income (excluding Unit-Linked)	**45.431**	**45.258**	**6.785**	**(2.616)**	**94.858**
Unit-Linked	-	11.499	21.632	-	33.130
Total Investment Income	**44.185**	**56.757**	**28.416**	**(2.616)**	**127.988**

[1] Includes foreign exchange differences of amount € 2.283 thousand as at 31 December 2022 and € 600 thousand as at 31 December 2021.

The allocation of the Company's investment portfolios per asset class at 31 December 2022 and 31 December 2021 is as follows:



* Mortgage loans: 2022: € 38,8 million (2021: € 39 million)
** Corporate bonds: 2022: € 133,7 million (2021: € 23,6 million)

Financial Results

Profits before taxes amounted to € 114,9 million in 2022, showing an increase of 51,98% compared to 2021 (2021: € 75,6 million). This change is mainly due to the decrease in the adequacy reserve for insurance liabilities resulting from the revised interest rate curves.

Furthermore, the acquisition cost ratio was equal to 6,4% (2021: 6,5%).

Share capital – Equity – Main shareholders

The share capital of the Company on December 31, 2022 amounts to € 29.134 thousand, divided into 843.000 common registered voting shares with a nominal value of € 34,56 each. All common registered shares have been issued and the share capital is fully paid. The Company is a subsidiary of Eurolife FFH Insurance Group SA. Holdings which holds 100% of its share capital.

On 22 December 2015, an agreement was reached between Eurobank Ergasias S.A. ("Eurobank") and Fairfax Financial Holdings Limited to sell 80% of Eurobank's participation in Eurolife FFH Insurance Group Holdings S.A. (the "Transaction"), following a competitive bidding process involving international investors. On 4 August 2016, after having acquired all required approvals by the supervisory and regulatory authorities, the transaction was completed with the sale of 80% of the share capital of Eurolife FFH Insurance Group Holdings S.A. to Costa Luxembourg Holding S.à r.l. which is based in Luxembourg.

Following the completion of the Transaction, the control of Eurolife FFH Insurance Group Holdings S.A. passed to Costa Luxembourg Holding S.à r.l.. Costa is domiciled in Luxembourg and was jointly controlled, until 14th July 2021, by Colonnade Finance S.à r.l., member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.à r.l.. On July 14th, 2021, Colonnade Finance S.à.rl exercised its option to purchase the remaining Costa shares from OPG Commercial Holdings (Lux) S.à rl. Costa is now wholly owned by Colonnade Finance S.àrl. 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.

The equity of the Company for the year ended 31 December 2022 is €446,7 mil compared to €617,1 mil in 2021.

Dividend Distribution

On 30 July 2021 the Annual Shareholders' General Meeting of the Company approved the distribution of the dividend of € 80.000 thousand to the shareholder Eurolife FFH Insurance Group. The dividend was derived from the profits of the fiscal year ended on 31 December 2020. The dividend was paid to the shareholder on 6 August 2021.

On 24 April 2022 the Annual Shareholders' General Meeting of the Company approved the distribution of the dividend of € 26.770 thousand to the shareholder Eurolife FFH Insurance Group. The dividend was derived from the profits of the fiscal year ended on 31 December 2021. The dividend was paid to the shareholder on 18 May 2022.

On 25 October 2022, the Extraordinary Shareholders' General Meeting of the Company approved the distribution of the dividend of € 69.876 thousand to the shareholder Eurolife FFH Insurance Group. The dividend distribution was derived from undistributed profits of previous years, up to the financial year ended 31.12.2020. The amount was paid to the shareholders on 31 October 2022.

Subsidiaries

In the year 2022, the subsidiary in Romania under the name Eurolife FFH Asigurari De Viata SA, which started operating in September 2007 and sells its products through a banking network, recorded premiums amounting to € 2,96 million (2021: € 3,0 million). For the year 2022, the losses before taxes amounted to € 644 thousand (2021: losses of € 40 thousand).

By the decision of the Extraordinary Shareholders' General Meeting of the subsidiary company Eurolife FFH Asigurari de Viata S.A. of 14.10.2022, the subsidiary increased its share capital by €2.000 thousand (RON 9.883 thousand) by issuing 6.877 new shares with a nominal value of €291 (RON 1.437), which was covered by its shareholders, the Company (95%) and Eurolife FFH General SA (5%). After the increase, the share capital of the subsidiary amounts to €6.100 thousand (RON 24.254 thousand).

In 2015, the Company bought 100% of the shares of International Real Estate SA. International Real Estate SA. operates in the real estate sector and owns the property at 33-35 Panepistimiou and Korai, Athens, which houses the Company's offices. Profits before taxes amounted to € 752 thousand (2021: € 755 thousand) and profits after taxes for the current year amounted to € 574 thousand (2021: € 576 thousand).

Investment in Joint Venture

On 19 February 2017, the Company participated as strategic investor in the share capital of Grivalia Hospitality S.A. ("GH"). GH was established from Grivalia Properties REIC ("Grivalia") on 26 June 2015 and its core activities are the acquisition, development and management of hospitality property mainly in Greece. Following the completion of the transaction, the Company's and Grivalia's shareholding in GH's share capital amounted to 50% each.

On 27 July 2017, the London-based international investment firm M&G Investment Management Limited ("M&G") participated in the share capital of GH. Following the completion of the transaction, the share capital of GH was owned 25% by Grivalia, 25% by the Company and 50% by M&G. Further, on 17 May 2019 the merger by absorption of Grivalia by Eurobank was approved by the Ministry of Economy and Development and therefore from that date onwards the share of Grivalia is owned by Eurobank.

On 24 March 2022, the Company acquired 3.825.000 shares of GH from Eurobank for a consideration of €5,29 million. The Company's percentage of participation in GH increased from 25% to 26,7%.

On 13 April 2022, the Company participated in the new share capital increase of GH, amounting to €35,0 million by issuing 25.291.856 shares. The Company paid €27,4 million by acquiring 19.828.815 shares. The Company's percentage of participation in GH increased from 26,7% to 31,9%.

On 5 July 2022, the Company acquired 3.825.000 shares in GH from M&G Investment Management Limited for a consideration of €5,3 million. The Company's percentage of participation in GH increased from 31,9% to 33,5%. M&G Investment Management Limited sold its entire interest to subsidiaries of the Fairfax group and does not exist as a shareholder of GH.

On 8 July 2022 and 21 November 2022 , the Company participated in GH's new share capital increase of €25,4 million and €40,0 million, respectively. The Company paid €19,9 million and €31,4 million by acquiring 11.860.981 shares and 18.678.710 shares, respectively. The Company's percentage of participation in GH increased gradually from 33,5% to 36,0% and 39,5% respectively. After the completion of the increase, the paid-up share capital of GH now amounts to €325,4 million and will be used for the sufficient execution of its investment plan.

Until 5 July 2022, the Company recognized the investment as an "investment in a joint venture" by assessing the nature of the investment and assuming that the three shareholders made all significant decisions by unanimity. From 5 July 2022 onwards when the sale of M&G's shares and its exit from the investment took place, the Company re-assessed the nature of the investment and determined that all conditions were met for the investment to now be classified as an 'investment in associate' and therefore consolidated using the equity method.

The total assets and labilities of GH Group amount to €589.251 thousand as at 31 December 31 2022 (2021: €416.735 thousand) and €270.196 thousand (2021: €167.308 thousand), respectively. The equity of GH Group after the deduction of non-controlling interests amounts to €295.170 thousand (2021: €216.054 thousand).

The most significant assets of the GH Group include the own-use tangible assets which at 31 December 2022 amount to €265.360 thousand (2021: €212.141 thousand), the investment properties amount to €146.248 thousand (2021: €124.706 thousand) and its bank deposits amounting to €45.780 thousand (2021: €25.954 thousand).

Events after the Balance Sheet date

On 27 January 2023, the Company acquired 30.175.328 shares of GH from Eurobank with an amount paid of €48,3 million. The Company's ownership interest in GH increased from 39,51% to 49,94%.

On 28 February 2023, GH completed a new share capital increase with a capitalization of the amount of €12.507.738,0 and the issuance of 12.507.738 new ordinary shares with a nominal value of €1,0 each. The Company did not participate in the new share capital increase. Following the completion of the transaction, the Company's shareholding in GH decreased from 49,94% to 47,87%.

On 24 March 2023, the Company participated in a new share capital increase of GH, amounting to €95,0 million. The Company paid €45,5 million by acquiring 28.421.738 shares. The Company's shareholding in GH did not change as a result of this transaction.

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.

A. 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. Insurance risk manifests in the Company's portfolio, which consists of protection and saving product categories (individual and group contracts).

The Key Life Underwriting and Reserve (Insurance) risks that the Company is exposed to (through the traditional Life products and DAF contracts), are set out below:

Mortality risk : refers to the risk that the Company has to pay more mortality benefits than expected (as assumed in the pricing process of the product).

Longevity risk : related to future losses that may occur if the insured live longer than expected.

Lapse/cancellation risk : arises from the uncertainty related to the behavior of policyholders. The long-term life insurance contracts are also significantly affected by the policyholder's right to pay reduced future premiums and/or terminate the contract (where these rights are part of the contract terms). Policyholder behaviors can be affected by many factors external to business operations such as economic and financial market conditions.

Morbidity/disability risk : refers to the risk that the Company has to pay more disability or morbidity benefits (due to disability, sickness or medical inflation) than expected as a result of increasing frequency and severity of the claims.

Expense risk : arises from the fact that the timing and / or the amount of expenses incurred differs from those expected at the timing of pricing.

Catastrophe risk : is realized when a low frequency, high severity event leads to a significant deviation in actual benefits and payments from the total expected. Unpredictable events may affect multiple insured risks. The extent of losses from catastrophic events is a function of the frequency and severity of each individual event. Both frequency and severity are inherently unpredictable.

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 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 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 2022 and 31 December 2021, 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 2022, the Company employed 181 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 54,7% 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. 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, color, 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 are 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 in such a way as to ensure 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 create 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. At the same time, training sessions took place in order to help personnel become more familiar with health and safety issues related to the pandemic and the gradual return to normality following the provisions laid down . 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 face nowadays. 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 the 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 skills, 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 2022

The Company participated in the following activities in 2022, 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 living in 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 areas: Patmos, Agrafa, Kasos, Kastellorizo, Lipsi, Tilos, Halki, Nisyros, Anafi, Ano Koufonisi.

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

- Collaboration with the NGO People Behind, supporting the laboratories of the Elderly University. In this context, the Company enables people over the age of 60 to be trained in various topics, such as: literature seminars, European history workshops, cooking, physical exercise, theatrical play, counseling and empowerment, use of social media.

- Financial support of the organizations "Together for Children", "Arctic Circle", "The Tree of Life" and the athlete Iason Thanopoulos for the implementation of their project and their activities.

- 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, national or ethnic origin, genealogical, religious 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.

- Exclusive support of the research projects "Observatory of Infertility" of the Athens University of Economics and Business and "The position of women in Greek society" of KEMEFI, which aim to present research findings concerning the issue of infertility in Greece and the position of modern women in work, family and society.

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

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

- Sponsoring Greek National Opera's annual artistic program and exclusive sponsorship of the 1st Festival of Worship Music, which was implemented by the National Opera, with the cooperation of the Ministry of Culture and Sports.
- 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 Weekend Workshops, a series of educational activities for children and parents carried by the Museum's instructors.
  - ✓ The Summer Camps, which are implemented during the summer months, with the participation of children in various cultural and educational workshops.
  - ✓ The educational Museum Kit (suitcase with material provided by the Museum), which were delivered to the public library of Eleftheroupoli Kavala and the kindergarten of Patmos, with the intention to be used by children.
  - ✓ The creation of Digital Tours in all permanent collections of the Museum.
  - ✓ The support of school visits to the permanent collections of the Museum.
  - ✓ The social programs of the Museum for children of different ethnic communities living in Athens.
  - ✓ The educational activities for the Friends of the Museum (Young Friends).
  - ✓ The creation of a portable device with educational material for people with blindness and visual problems, so that they can easily navigate the Museum's collection (the project is entitled "In Contact" and was presented during a press conference).

• 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.

• Donation to the organization Atraktos to support its educational activities, benefiting children and adolescents.

Organizing activities to support entrepreneurship, such as:

• Implementation of educational actions in the framework of the Eurolife Business Academy, the first digital skills academy for professional insurers, created by the Company. Through online courses from the presenters of the non-profit organization Foundation, participants of selected insurance offices cooperating with the Company gained useful knowledge about digital tools, digital marketing, remote work and social media, in order to improve their daily work and the quality of services they offer to their customers.

• Sponsorship of HIGGS for the implementation of NGO business training activities in Ioannina.
• 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 Primary School of Ierissos for its construction.
• Purchase of invitations to The Christmas Factory for the Company's employees.
• Sponsorship of insurance policies to Ithaca, IOAS, Unesco, the Olympic Museum of Athens, the Ark of the World and the Agion Anargyroi Boarding School.
• Sponsorship of the HIGGS organization for the reforestation of the Tatoi Club.

External Auditors

The Board of Directors, after taking into consideration the appointment of external auditors for 2023, 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 2023: Positive dynamics, concerns and uncertainties

The global economy continues to face significant challenges as growth rates are contracting and inflation remains high, despite continued interest rate increases by central banks. The war in Ukraine is still ongoing, with no sign of it ending any time soon, making it the most significant source of uncertainty for the global and geopolitical economy.

On the household side, it appears that two countervailing forces will continue to influence the evolution of consumer confidence in 2023. On the one hand, the impact of the rising cost of living is a concern for households, but it is partly offset by successive packages of interventions to support the most vulnerable.

For 2023, growth is expected to continue at a lower level than in 2022, namely 1,4%. A high nominal growth rate and a small increase in debt in absolute terms, i.e. a significant reduction in debt as a share of GDP, are projected. The exit of Greece from enhanced surveillance, after the implementation of the country's main commitments and the agreed reforms, contributes to this outcome. In addition, the full repayment of the country's debt to the IMF has taken place, benefiting from interest cost savings, reducing the risk of rising interest rates and reducing foreign exchange risk.

2023 will be the first year in which Greece will not be under close fiscal surveillance since 2010, when the first economic adjustment program was launched. This is expected to attract more investment and bring the country closer to regaining investment grade status. At the same time, 2023 will be the year in which national elections will be held.
Despite the positive picture for most fiscal indicators, growth rates for both Greece and the rest of Europe's economies appear to be deteriorating relative to 2022. The government has already announced its intention to continue to take support measures during 2023. The measures focus on supporting households due to the increase in electricity and fuel prices, but also on increasing the purchasing power of workers and pensioners.

Greece's fiscal deficits in the previous two years, during which there was a need to deal with 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 deficit generation, achieving sustainable fiscal balances in a way that supports strong growth rates is an essential condition. A key issue is the shift in the production model, with the strengthening of exports and investment. There are positive signs, such as the interest of foreign firms and investors in the Greek economy, the resilience shown by tourism and the continued significant increase in exports of goods from critical manufacturing sectors. Although the pandemic appears to be under control, its costs are still heavy. At the same time, uncertainties from geopolitical developments and inflationary risk may weaken the upward momentum of economic sentiment that has been building in 2022. Therefore, strengthening the competitiveness, the productive base, the resilience of the economy and together with the efficiency of the public sector becomes urgent.

The evolution of inflation will be of central economic and political importance and is estimated at 4%, lower than in 2022. Price increases in goods and services are expected when economies recover strongly after a deep recession and demand increases. However, given the intensified inflationary pressures that have emerged as a result of geopolitical developments, action at the European and global level, by raising interest rates, was deemed necessary to guard the economy against a strong and dangerous upward spiral in prices and wages that would undermine real growth and reduce real incomes.

Recognizing the challenges, the Company continues to place at the top of its strategic goals organic profitable growth and digital transformation. That is why it systematically invests in new technologies and strategic alliances with first priority the upgrading of the infrastructure, the utilization of international practices, and the integration of modern technologies in its functions.

The key to achieving all the strategic choices and priorities of the Company is the human resources. People are considered the most important asset of the Company, having understood that it is a driving force. The goal is to staff with the most capable and efficient human resources, in order to build a competitive advantage. At the same time, policies are implemented that enhance commitment, facilitate communication, strengthen teamwork, as well as the development, training and evaluation of human resources. All activities related to human resource management contribute significantly to the achievement of the Company's objectives, 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
Iakovos Giannaklis	Non-Executive Member
Theodoros Kalantonis	Non-Executive Member
Nikolaos Delendas	Executive Member
Amalia Mofori	Executive Member
Vassilios Nikiforakis	Executive Member

Athens, 4 April 2023

Chairman of the B.O.D and CEO

Alexandros Sarrigeorgiou

[Translation from the original text in Greek]

Draft Independent auditor's report

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

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Eurolife FFH Life Insurance S.A. (Company) which comprise the statement of financial position as of 31 December 2022, 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, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2022, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards, 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 2022 during the year ended as at 31 December 2022, are disclosed in the note 35 to the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Valuation of liabilities arising from Individual Life Insurance Contracts</td></tr>
<tr><td>The Company's Individual Life insurance contract liabilities, which are measured in accordance with IFRS 4, include liabilities for the estimated cost of settling benefits and claims associated with insurance contracts which amount to €1.793m representing 67% of the Company's total liabilities.

The valuation of these liabilities is highly judgmental and requires management to make a number of assumptions that are linked to high estimation uncertainty. Small changes in the assumptions used may lead to a material impact on the valuation of these liabilities.

We focused on this area because of the significance of these amounts, the use of complex methodologies which use economic and demographic data and assumptions which are highly judgemental.

In particular the significant assumptions, which are highly sensitive to changes, are the following:
● The lapse rate, which is a significant decrement rate that drives the policies in force to gradually decrease over time, and could potentially affect the projected cash flows positively or negatively, depending on the profitability of each product.
● The yield curve used for discounting the projected cash flows, which is based on the risk-free rates curve published by the European Insurance and Occupational Pension Authority (EIOPA) adjusted to take into consideration the current allocation and expected yields of the investment portfolio.</td><td>Our work to address the valuation of the individual life insurance contract liabilities was supported by our internal life actuarial specialists, and included the following procedures:

● We tested the underlying company data which were used in the projection of cash flows and in the experience studies that support the actuarial assumptions used.
● We compared the methodology, models and significant assumptions used against recognised actuarial practices and assessed them by applying our industry knowledge and experience.
● We performed independent model validation procedures, on a sample basis, including detailed independent recalculations on selected policies and products to ensure accuracy of the projection models.

More specifically, the significant assumptions we focused on, were the following:

Lapses
We examined the persistency studies for each distribution channel to assess whether or not they appropriately reflect the long-term lapse profile of the business, taking into account any external or internal factors that affect the policyholder behaviour. Moreover, we assessed the reasonableness of significant judgements made in setting the lapse assumptions.

Yield curve</td></tr>
</table>

• The expense assumptions used to estimate the future cash flows. These assumptions are based on the Company's current expenses adjusted with the projected inflation. The Company has adopted an expense analysis model based on which the expenses are split into elastic and inelastic costs, acquisition and maintenance, and allocated to group of products. The model results are used for determining the assumptions taken into consideration for estimating the future expenses. Refer to notes 3, 4.2 and 21 of the Financial Statements for the disclosure of the related judgements and estimates.	We assessed the methodology applied to determine the yield curves developed for the purpose of discounting the projected cash flows to present value. We examined the actual portfolio yields, along with the cash flow mismatches between assets and liabilities and the respective credit risk used for deriving the discounting yield curves. ***Expenses*** We examined the expense allocation to assess whether or not they appropriately reflect the long-term expense profile of the business. We assessed the reasonableness of significant judgements made in setting the assumptions, including the split between acquisition (new business), maintenance costs, and the allocation of costs to different products based on the current year's experience. Based on our procedures, we found the significant assumptions used to value individual life insurance liabilities to be reasonable. We also found that the methodologies and models used are in line with industry standards and reflect the nature and risk profile of the Company's insurance contracts. Finally, we have assessed that the Company's disclosures in the Financial Statements are 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 2022 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 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 judgment 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 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 24 years.

Halandri, 7 April 2023
THE CERTIFIED AUDITOR

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

Evangelos Venizelos
SOEL Reg. No. 39891

(amounts in € thousand)	Notes	31/12/2022	31/12/2021
ASSETS			
Property, plant and equipment	5	266	462
Right of use assets	6	2.584	2.953
Intangible assets	7	4.789	3.801
Deferred acquisition costs (DAC)	8	27.075	29.476
Investment in subsidiaries	9	21.319	19.419
Investment in associates and joint ventures	9	145.557	56.250
Financial assets at FVTPL:			
- Financial assets held on behalf of policyholders who bear the Investment risk (Unit Linked)	11	630.515	558.782
- Financial assets held for trading	12	942.969	929.351
Available for sale financial assets	13	1.072.959	1.294.474
Financial assets classified as loans and receivables	14	38.790	38.982
Income tax receivable		-	6.413
Insurance receivables	15	11.898	7.404
Other receivables	16	6.730	4.478
Reinsurance receivables	17	2.393	1.945
Cash and cash equivalents	18	214.130	421.316
Total assets		**3.121.974**	**3.375.506**
EQUITY			
Share capital	19	29.134	29.134
Share premium	19	79.014	79.014
Reserves	20	249.918	451.012
Retained Earnings		88.644	57.984
Total equity		**446.710**	**617.145**
Technical reserves and other insurance provisions	21	2.568.102	2.624.924
Financial liabilities			
- Investment contract liabilities	22	13.081	13.629
Employee benefits	23	688	554
Deferred tax liabilities	10	17.979	64.338
Income tax liabilities		14.289	-
Lease liabilities	6	2.821	3.161
Insurance and other liabilities	24	58.304	51.755
Total liabilities		**2.675.264**	**2.758.361**
Total equity and liabilities		**3.121.974**	**3.375.506**

Athens, 04 April 2023

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	CHRISTOS K. TZOUVELEKIS	EVANGELIA D. TZOURALI
ID AM644393	ID AP186537	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 90 are an integral part of these financial statements.

(amounts in € thousand)	Notes	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Gross written premiums		537.091	539.927
Gross change in unearned premium reserve		(1.721)	(2.189)
Gross earned premiums		**535.370**	**537.737**
Minus: Premium ceded to reinsurers		(5.685)	(5.963)
Net earned premiums	**25**	**529.685**	**531.774**
Other insurance related income	**26**	8.912	6.611
Investment income	**27**	56.778	45.431
Gains from sale of financial assets	**28**	36.891	56.757
Fair value gains / (losses) on financial assets	**29**	(73.800)	28.416
Fair value (losses) on derivatives	**30**	-	(2.616)
Other income	**31**	471	351
Total income		**558.937**	**666.724**
Movement in technical reserves and other insurance provisions	**32**	68.859	(154.352)
Claims and insurance benefits incurred	**33**	(447.085)	(371.961)
Claims and insurance benefits incurred -Reinsurers share	**33**	2.128	2.503
Total insurance provisions and claims		**(376.098)**	**(523.810)**
Acquisition expenses	**34**	(34.244)	(34.694)
Administrative expenses	**35**	(33.727)	(32.591)
Profit before tax		**114.867**	**75.629**
Income tax expense	**36**	(26.224)	(17.644)
Profit for the year		**88.644**	**57.984**

Athens, 04 April 2023

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	CHRISTOS K. TZOUVELEKIS	CHIEF ACCOUNTANT
ID AM644393	ID AP186537	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 90 are an integral part of these financial statements.

(amounts in € thousand)	**Notes**	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Profit for the year		**88.644**	**57.984**
Other comprehensive income:			
Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:			
Available for sale financial assets			
- Change in fair value, net of tax	**20**	(162.376)	(19.819)
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	**20**	(57)	9
Other comprehensive income for the year		(162.433)	(19.810)
Total comprehensive income for the year, net of tax		**(73.789)**	**38.174**

Athens, 04 April 2023

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	CHRISTOS K. TZOUVELEKIS	EVANGELIA D. TZOURALI
ID AM644393	ID AP186537	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 90 are an integral part of these financial statements.

(amounts in € thousand)	Share Capital	Share Premium	Reserves	Retained Earnings	Total
Balance at 1 January 2022	**29.134**	**79.014**	**451.012**	**57.984**	**617.145**
Profit of the year	**-**	**-**	**-**	**88.644**	**88.644**
Change in available for sale financial assets reserve, net of tax	-	-	(162.376)	-	(162.376)
Re-measurement of post-employment benefit obligations, net of tax	-	-	(57)	-	(57)
Other comprehensive income, net of tax for the year	**-**	**-**	**(162.433)**	**-**	**(162.433)**
Total comprehensive income, net of tax for the year	**-**	**-**	**(162.433)**	**88.644**	**(73.789)**
Transfer of retained earnings to reserves	-	-	(38.661)	38.661	-
Distribution of dividends to shareholders	-	-	-	(96.646)	(96.646)
Total transactions with shareholders	**-**	**-**	**(38.661)**	**(57.984)**	**(96.646)**
Balance at 31 December 2022	**29.134**	**79.014**	**249.918**	**88.644**	**446.709**

(amounts in € thousand)	Share Capital	Share Premium	Reserves	Retained Earnings	Total
Balance at 1 January 2021	**29.134**	**79.014**	**448.299**	**102.523**	**658.971**
Profit of the year	**-**	**-**	**-**	**57.984**	**57.984**
Change in available for sale financial assets reserve, net of tax	-	-	(19.819)	-	(19.819)
Re-measurement of post-employment benefit obligations, net of tax	-	-	9	-	9
Other comprehensive income, net of tax for the year	**-**	**-**	**(19.810)**	**-**	**(19.810)**
Total comprehensive income, net of tax for the year	**-**	**-**	**(19.810)**	**57.894**	**38.174**
Transfer of retained earnings to reserves	-	-	22.523	(22.523)	-
Distribution of dividends to shareholders	-	-	-	(80.000)	(80.000)
Total transactions with shareholders	**-**	**-**	**22.523**	**(102.523)**	**(80.000)**
Balance at 31 December 2021	**29.134**	**79.014**	**451.012**	**57.984**	**617.145**

The notes on pages 30 to 90 are an integral part of these financial statements.

	Notes	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
(amounts in € thousand)			
Cash Flows from Operating Activities			
Profit before Tax		**114.867**	**75.629**
Adjustments for non cash items :			
Depreciation of property, plant and equipment and amortization of intangible assets	**35**	1.621	1.568
Change in other provisions		573	4.685
Non realized foreign exchange differences	**29**	(3.013)	(2.657)
Fair value (gains) / losses on financial assets	**29,30**	76.814	(25.659)
Change in insurance reserves & deferred acquisition costs	**25,32,33,34**	54.777	159.760
Realized (gains) on financial assets	**28**	(36.891)	(56.757)
(Gains) / losses from disposals of fixed assets		-	13
Interest income and expenses, dividends and other investment income		(47.345)	(41.894)
Bonds amortization and interest on deposits		(8.289)	(4.533)
(Gains)/Losses on derivatives	**30**	-	2.515
Changes in Operating Assets and Liabilities :			
(Purchases) of financial assets	**11,12,,13**	(2.351.100)	(2.661.971)
Sales of financial assets		2.257.957	2.782.642
Intercompany Loans granted	**16**	(13.242)	-
Intercomapny Loans received	**16**	13.242	-
Loans received	**14**	-	38.200
Change in insurance receivables and other receivables		(9.936)	(2.396)
Change in insurance and other liabilities, investment contracts and insurance provisions		829	(29.595)
Interest received / paid and other investment income		43.333	43.926
Income tax paid		(1.442)	(26.759)
(Losses) on derivatives paid		-	(2.515)
Net Cash Inflows/ (Outflows) from Operating Activities		**(16.800)**	**254.202**
Cash Flows from Investing Activities			
(Purchases) of property, plant and equipment and intangible assets		-	-
(Increase) of interest in joint ventures	**5,7**	(1.844)	(1.815)
Net Cash (Outflows) from Investing Activities	**9**	(91.207)	(6.250)
		(93.051)	**(8.065)**
Cash Flows from Financing Activities			
Principal repayment of lease liabilities			
Dividends paid		(690)	(664)
Net Cash (Outflows) from Financing Activities	**39**	(96.646)	(80.000)
		(97.335)	**(80.664)**
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		(207.186)	165.474
Cash and Cash Equivalents at the end of the year	**18**	421.316	255.843
Cash Flows from Operating Activities	**18**	**214.130**	**421.316**

The notes on pages 30 to 90 are an integral part of these financial statements.

NOTE 1: GENERAL INFORMATION

Eurolife FFH Life Insurance S.A. (hereinafter referred to as "the Company") has been established in Greece and operates in insurance sector providing insurance services that concern traditional life insurance contracts, products linked to investments and group pension products.

The Company's headquarters are located in Athens, 33-35 El. Venizelou (Panepistimiou) Str. & 6-10 Korai Str., P.O. 105 64 (GEMI Registration 121651960000), tel:(+30) 2109303800, www.eurolife.gr. The Company operates in Greece and abroad via its Romanian subsidiary under the discreet title Eurolife FFH Asigurari De Viata S.A.

On 31 December 2022 the number of personnel was 181 (2021: 163).

The Board of Directors consists of the members below:

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
Iakovos Giannaklis	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 04 April 2023 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 until 14 July 2021 jointly by Colonnade Finance S.à rl, a member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.àrl. On July 14, 2021, Colonnade Finance S.àrl exercised its option to purchase the remaining Costa shares from OPG Commercial Holdings (Lux) S.àrl. Costa is now wholly owned by Colonnade Finance S.àrl. 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 life insurance products. The Company's Life Insurance market segment is organized into two main life insurance product categories: protection and savings. The protection category comprises offerings such as whole life, term, personal accident, health, disability and credit (life/disability) insurance. The savings category comprises offerings such as annuities, unit-linked products, endowments and group pension products. The life insurance products are distributed through both Eurobank' s network and agents' sale channels as well.

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 for available for sale financial assets and financial assets and financial liabilities held at fair value through profit or loss (including derivative financial instruments), which have been measured at fair value.

Unless stated otherwise, 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 2022 and 2021, 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

The Greek economy, after a strong recovery of 8,4% in 2021, which covered almost all of the losses in 2020 and amid an adverse international environment, managed to maintain its growth momentum in 2022. Despite the uncertain economic conditions that prevailed in 2022, mainly due to the war in Ukraine, the energy crisis and the acceleration of inflation, the Greek economy showed remarkable resilience with growth estimated at 5,9% for 2022. The growth rate of the Greek economy remains among the highest in the euro zone in 2022. The strong performance was supported by a strong recovery in tourism, additional fiscal support due to high energy prices, rising private consumption and a decline in unemployment.

Strong inflationary pressures have been a key feature of 2022, both in the international market and in Greece, with inflation in the Greek economy estimated at 9,2% overall for 2022. Inflationary pressures are no longer solely due to the increase in energy commodity prices, but also to the disruptions this has caused to supply chains and its effects on the production costs of other goods and services. However, inflation from the second half of 2022 has started to slow down (after reaching a 40-year high of 9,1% last June 2022) and inflationary pressures are expected to be decreased further following the European Central Bank's interest rate increase. In addition, a relative normalization occurred in energy prices in Q4 2022, with prices remaining high, however, continuing to generate a reduction in the purchasing power of households and businesses.

A significant boost to growth in Greece is expected to be provided by European Union (EU) funding, mainly under the European Commission's "Next Generation EU" (NGEU) and the EU's Multiannual Financial Framework. Greece will receive from the EU more than €30,5 billion (€17,8 billion in grants and €12,7 billion in loans) by 2026 from the Recovery and Resilience Facility (RRF) to finance projects and actions outlined in the National Recovery and Resilience Plan (NRP), entitled "Greece 2.0". To date, the **Greek economy** has received an advance of €3.96 billion from the RRF, disbursed in August 2021, as well as the first and second tranches in April 2022 and January 2023, respectively, amounting to €3,6 billion each.

Another important event was the country's exit from the enhanced surveillance regime as of 21 August 2022, which was decided at the Eurogroup of 16 June 2022. Consequently, the monitoring of the country's economic, fiscal and financial situation is now part of the simple post-program surveillance, and an assessment of its progress will be made every six months (instead of every three months as was previously the case). However, the Greek economy will need to remain constantly vigilant, as especially for highly indebted economies such as Greece, there is a risk that an excessively rapid increase in the cost of money could undermine overall growth prospects.

The recent banking sector turmoil, which evolved globally and in the euro area in early 2023, is expected to generate substantial inflationary pressure. The Company has increased its level of readiness, so as to accommodate decisions, initiatives and policies to protect its capital and liquidity.

Crisis in Ukraine

On 24 February 2022, Russia invaded Ukraine, where, in addition to the humanitarian crisis it caused in the region, it had a negative economic impact on the global economy, mainly through higher energy and commodity prices that caused higher inflation and negatively affected consumer confidence. In 2022, the international community imposed packages of financial and economic sanctions that, in various ways, restricted transactions with many Russian businesses and individuals, trading in Russian government bonds, investment, trade and financing to and from certain regions of Ukraine.

Management closely monitors developments and periodically assesses the impact they may have on the Company's operations and financial position. The Company has no operations in Ukraine and Russia, has taken all necessary measures to comply with the sanctions imposed and does not expect the sanctions to have a direct impact on its operations.

Impact of pandemic COVID-19

The COVID-19 pandemic, which started in early 2020, negatively affected the global and the Greek economy, with the consequence that economic activity in Greece recorded a significant recession of -9%. The economic impact of the pandemic was widespread, leading to a significant reduction in household incomes and consumption, a contraction in investment and limited external demand for Greek goods and services. However, 2021 was characterized by a recovery of the global economy and Greece in particular, as there was a large degree of adjustment to the data of the Covid-19 pandemic, while in 2022 the Greek economy maintained its growth momentum. As of the second half of 2021, all traffic/activity lockdown measures throughout the country have ended, economic activities that had been suspended have reopened and Greece has reopened its borders to international tourism.

However, a relative risk regarding the pandemic and the potential impact of new, more infectious variants of COVID-19 remains. This risk is reinforced by the fact that the pandemic booster vaccination program at international level has lost momentum. In addition, disruptions may occur in the global supply chain due to the lockdown measures in China.

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

Capital adequacy and profitability

2022 was another successful year for the Company during which the high levels of profitability were maintained and its capital position was further strengthened. The Company's profit after tax for the year ended 31 December 2022 amounted to €88,6 million (2021: €57,98 million)

The Management of the Company systematically monitors its capital adequacy in accordance with Solvency II and takes the appropriate actions to maintain a strong capital base and high quality of investment portfolios. As at 31 December 2022, the eligible own funds of the Company outweigh the Solvency Capital Requirement.

Conclusion on going concern

The Board of Directors, recognizing the geopolitical and macroeconomic risks in the economy and taking into account the factors relating to (a) the Company's ability to generate profits, the quality of its assets and its strong capital adequacy, (b) the growth prospects in Greece for the current and future years, (c) the extensive and continued fiscal and monetary support from the European and Greek authorities in response to the unprecedented pandemic COVID-19 crisis, (d) the activation of new fiscal measures to address the consequences of inflation and (e) the Company's negligible exposure to Russia and Ukraine, considered that the Company's financial statements can be prepared on a going concern basis.

2.1.1 Adoption of International Financial Reporting Standards (IFRS)

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 2022:

IFRS 16, Amendment - COVID-19 Related Rental Concessions

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The adoption of the amendment had no impact on the Company's financial statements.

IAS 16, Amendment - Property, Plant and Equipment – Proceeds before Intended Use

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity’s ordinary activities.

IAS 37, Amendment - Onerous Contracts – Cost of Fulfilling a Contract

The amendment clarifies that “costs to fulfil a contract” comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

IFRS 3, Amendment - Reference to the Conceptual Framework

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

Annual Improvements to IFRS Standards 2018–2020

The amendments listed below include changes to the following IFRSs.

IFRS 9 “Financial instruments”. The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 “Leases”. The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

The adoption of the improvements had no impact on the Company's financial statements.

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 2022, 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. What may be related to the Company are as follows:

IFRS 4, Amendments - Implementation of IFRS 9 Financial Instruments under IFRS 4 Insurance Contracts

In September 2016, the International Accounting Standards Board issued an amendment to IFRS 4 "Insurance Contracts", which was intended to address the issue arising from the different (expected) dates of IFRS 9 and the forthcoming new IFRS 17 for insurance policies. The amended standard gives all entities issuing insurance policies the option to either recognize in the other comprehensive income and not in the income statement any discrepancies arising from the application of IFRS 9 prior to the issuance of the new standard for insurance policies, or provides entities, whose activities mainly concern the insurance industry, the option for temporary exemption from the application of IFRS 9 until 2023. This exemption is only available to entities whose activities are primarily related to insurance. Entities that defer application of IFRS 9 will continue to apply the existing IAS 39 standard for financial instruments.

The Company's activities are primarily related to insurance as defined in this amendment and, therefore, the company meets the conditions and intends to apply the provisional exemption and consequently to apply IFRS 9 in 2023.

It is noted that the Company’s liabilities related to insurance activity under IFRS 4 amount to € 2.478,2 million, € 2.638,6 million, € 2.581,2 million, for December 31, 2020, December 31, 2021, December 31, 2022 respectively, and represent a percentage of 93,8% ,95,7% and 96,5% of the total liabilities of the Company for the respective reporting dates.

The rest of the liabilities, despite the fact that they are not directly related to insurance provisions under IFRS 4, mainly concern liabilities arising from the insurance activity, such as liabilities to reinsurers, associates, reinsured and income tax. It is noted that the Company has no other activity, except insurance.

The Company is currently examining the impact of the application of IFRS 9 until 2023, which cannot be quantified at the date of publication of these financial statements.

IFRS 9, Financial Instruments and Subsequent Amendments to IFRS 9 and IFRS 7 (effective from 1 January 2018. The Company has the right and has chosen to make use of the provisional exemption from IFRS until 1 January 2023)

In July 2014, the International Accounting Standards Board (IASB) issued in its final form IFRS 9 which replaces IAS 39 Financial Instruments. IFRS 9 sets out the revised requirements for the classification and measurement of financial assets, refers to the recognition of the change in the fair value of the same debt measured at fair value through profit or loss, and replaces the existing model used to impair financial assets, based on the losses incurred with a model, based on the expected credit risk losses and, finally, incorporates changes in the hedge accounting.

IFRS 17, Insurance Contracts and Amendments to IFRS 17 (effective from 1 January 2023, adopted by the EU)

On 13 May 2022, the European Securities and Markets Authority (ESMA), published a public statement on the implementation of IFRS 17 to promote its consistent application and high-quality implementation by the issuers. ESMA requires insurers to provide financial statements users with the key elements of IFRS 17 requirements, pointing out the main differences with the current accounting practice.

In line with ESMA requirements, the following paragraphs aim to provide the main impacts deriving from the application of IFRS 17 based on reasonable information available on 31 December 2022.

On 18 May 2017, the IASB published Standard IFRS 17 – Insurance contracts, which replaces the current IFRS 4 – Insurance contracts. The new standard introduces a new model for measuring insurance contracts, structured on a Building Block Approach based on the Fulfilment Cash Flows (FCF), which comprise the present value of future cash flows, weighted by the probability of occurrence (Present Value of Future Cash Flow – PVFC), and the adjustment for non- financial Risk (Risk Adjustment – RA), and the expected value of the unearned profit for the services provided (Contractual Service Margin – CSM). The adoption of a simplified approach (Premium Allocation Approach-PAA) is allowed if the contractual coverage period is less than one year or if the model used for the measurement provides a reasonable approximation with respect to the building block approach , i.e. the General Measurement Model (GMM). The simplification applies to the measurement of the Liability of the remaining coverage (LRC), which does not have to be broken down into PVFCF, RA and CSM, but is essentially based on the premium received net of acquisition costs. As it pertains to the liability of Incurred Claims (LIC), it is consistently measured by means of the GMM, for which all the claims occurred are subject to discounting and the calculation of the Risk Adjustment is executed accordingly.

The Variable fee approach (VFA) is envisaged for contracts entailing the direct participation of the policyholders in the company's financial and/or insurance results; this is an alternative model to GMM, which provides for a different treatment of changes in cash flows linked to financial variable whose impact is reported in the CSM rather than directly in the statement of comprehensive income.

The IFRS 17 will also affect the presentation of revenues from insurance contracts, which will no longer include the premiums written and, in particular, the deposit components included in the premiums and claims. In addition, insurance revenues and costs for insurance services gross of reinsurance will be presented with the reinsurance result included in the costs for insurance service. Pursuant to the IFRS 17, insurance liabilities are subject to discounting; the periodic unwinding of discounting will be a financial charge included in the financial result.

On 9 December 2021, the IASB published a limited amendment to the transition requirements of IFRS 17, as regards the application of the requirements of IFRS 9 to the comparative periods. The proposed amendment allows for a better alignment of the presentation of comparative information pursuant to IFRS 17 and 9, by means of a classification overlay, which effectively applies to all financial instruments, including assets sold in 2022, the rules envisaged by IFRS 9 for the purposes of classification and measurement.

The Company intends to restate the comparative period to the first application of IFRS 9 and envisages the application of this amendment to all financial instruments, in order to produce 2022 comparative information consistent with the IFRS 17 and IFRS 9 requirements, in line with the financial information from 1 January 2023 onwards.

Implementation of the Standard

In order to adopt IFRS 17 in the Company's financial statements, a finance transformation program is in place since 2022. This program includes functional workstream dedicated to developing the methodological and interpretative aspects of the standard in coherence with the market practices of the sector and implementation workstream dedicated to the implementation of the operating model and architecture of the target information systems.

The Company is currently assessing the impacts at transition of the joint application of IFRS 17 and IFRS 9 on the financial statements.

As of 31 December 2022, quantitative information about reasonable expected impact on the financial position of the Company is not available.

IFRS 17: most relevant accounting requirements and policy choice

The following paragraphs summarize the most significant insurance accounting requirements of IFRS 17 and policy choice made by the Company.

Scope
IFRS 17 is applied to contracts that meet the definition of an insurance contracts, which generally includes:
a) insurance contracts that an entity issues;
b) all reinsurance contracts (that is, those an entity issues and those an entity holds); and
c) investment contracts with discretionary participation features, provided that an entity also issues insurance contracts.

Insurance contracts create a bundle of rights and obligations that work together to generate a package of cash flows. Indeed, while some types of insurance contracts only provide insurance coverage (e.g. Most short term non-life contracts) other types of insurance contracts could contains one or more components that would be within the scope of another Standard if they were separate contracts. For example, some insurance contracts may contain:

- investment components (e.g. pure deposits, such as financial instruments whereby an entity receives a specified sum and undertakes to repay that sum with interest);
- good and service components (e.g. services other than insurance contract services, such as pension administration, risk management services, asset management or custody services); and
- embedded derivatives (e.g. financial derivatives such as interest rate options or options linked to an equity index).

In certain cases, specifically defined by IFRS 17, the above-mentioned components must be separately considered and measured under another IFRS standard.

IFRS 17 requires separating from the host contract the distinct investment components only. Indeed, the investment component is distinct only if, and only if, both of the following criteria are met:

- The investment component and the insurance component are not highly interrelated. The two components are highly interrelated if the value of one component varies with the value of the other component and hence the entity is unable to measure each component without considering the other. The components are also highly interrelated if the policyholder is unable to benefit from one component unless the other is also present. This is, for example, the case if the maturity or lapse of one component causes the maturity or lapse of the other component.
- A contract with terms equivalent to the investment component is sold, or could be sold, separately in the same market or same jurisdiction. An entity takes into account all reasonably available information when it makes this assessment, but it does not have to undertake an exhaustive search.

If the investment component does not satisfy the two conditions above, it would be identified as non-distinct and IFRS 17 would apply on the contract as a whole (no separation from the host contract).

Level of Aggregation

IFRS 17 requires that an entity should aggregate contracts at inception in groups for recognition, measurement, presentation and disclosure. An entity shall establish the groups at initial recognition and shall not reassess the composition of the groups subsequently.

The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together.

The assessment of "similar risks' should take into consideration the prevailing risks of the contracts. In case the prevailing risks are similar, the two contracts can be considered as exposed to similar risks.

IFRS 17 then requires the entity to divide the contracts in each portfolio at initial recognition into the following groups:

- Group of contracts that are onerous at initial recognition;
- Group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- Group of the remaining contracts in the portfolio.

IFRS 17 prescribes that an entity cannot include contracts issued more than one year apart in the same group. Therefore, each portfolio should be disaggregated into annual cohorts, or cohorts consisting of periods of less than one year.

Contract Boundary

The measurement of a group of insurance contracts includes all the expected cash flows within the boundary of each contract within the group. The Company considers the contract boundary requirements as linked to the entity ability to fully reprice a contract. All future premiums and policyholder options should be included in the initial projections if the entity does not have the ability to fully reprice the contract when the premium is paid/the option is exercised.

According to this requirement, the contract boundaries will be set considering the insurance contract as a whole and not considering each single component independently, leading to difference compared to the current approach applied in Solvency II, with particular reference to multi-risk contracts, where different risk components may have different contracts boundaries.

Expected Future Cash Flows

Expected Future Cash Flows are the first element of Fulfilment Cash Flows (FCF) and represents an estimate of future cash flows within the contract boundary. The estimate of future cash flows should:

i) incorporate, in an unbiased way, all reasonable and supportable information available;
ii) reflect the perspective of the entity, provided that the estimates of any relevant market variables are consistent with observable market prices for those variables,
iii) be current and
iv) be explicit.

Generally, the operating assumptions underlying the projections of Expected Future Cash Flows are in line with the ones adopted within the Solvency II framework. However, as regard expense perimeter, differences may arise because of the IFRS 17 requirement envisaging that only expenses directly attributable to insurance and reinsurance contracts must be considered for the measurement of Expected Future Cash Flows.

Time value of money

The second element of FCF is represented by the time value of money. IFRS 17 requires adjusting the estimates of expected cash flows to reflect the time value of money and the financial risks associated with those cash flows to the extent that the financial risks are not already included in the cash flow estimates. The discount rates must:
• reflect the time value of money, the characteristics of the cash flows and liquidity characteristics of the insurance contracts;
• be consistent with observable current market prices (if any) for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts (e.g., timing, currency and liquidity);
• exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.
• In case of cash flows that vary according to any financial underlying items, reflect that variability.

The Company will apply a bottom-up approach to define the discount rates to apply to insurance and reinsurance contracts. In detail, the Company's position is to apply a risk neutral approach for IFRS 17 both for participating and non-participating business for the purpose of fulfilling market consistency requirements. In this context, the discount rates should be determined using a risk-free curve with an allowance for an illiquidity premium.

Risk Adjustment

The Risk Adjustment (RA) is the last element included within the FCF. The RA for non-financial risk provides information to users of financial statements about the amount the entity charges for bearing the uncertainty over the amount and timing of cash flows arising from non-financial risk. The RA considers risks arising from an insurance contract other than financial risk. This includes insurance risk and other non-financial risks as lapse and expense risk. Entities are required to account for a risk adjustment explicitly, while time value of money and financial risk remains implicit in the Present Value Future Cash Flows (PVFCF).

The RA reflects:
• the degree of diversification benefit that the entity includes when determining the compensation that it requires for bearing that risk; and
• the entity's degree of risk aversion, reflected by both favorable and unfavorable outcomes.

Differently from Solvency II framework for which the Cost of Capital method is applied to quantify the Risk Margin, IFRS 17 does not prescribe a specific method to calculate the Risk Adjustment. The Company will adopt the value at risk approach, appropriately adjusted to comply with the IFRS 17 requirements for determining the Risk Adjustment.

Contractual Service Margin

The Contractual Service Margin (CSM) reflects the unearned profit in the group of insurance contracts that has not yet been recognized in profit or loss at each reporting date, because it relates to future service to be provided. The pattern of release of the CSM may be different to the straight-line basis and may require judgement. The CSM is released on the basis of coverage units that are determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage duration. Depending on the type of service provided, the coverage unit and the related quantity of benefit could be defined in different ways.

Variable Fee Approach (VFA)

The VFA is the mandatory measurement model for contracts with direct participation features. The Company expects that a material portion of its insurance liabilities (e.g. unit linked contracts) will qualify as direct participation contracts pursuant to the IFRS 17 and measured under VFA. It is to be noted, that the underlying mechanics of VFA measurement model overcome the accounting scheme of IFRS 4 Shadow Accounting since both the insurance liabilities and the backing underlying items are typically measured at current value. As consequence, any change in fair value of the underlying items will be reflected within the measurement of FCF and CSM.

Premium Allocation Approach (PAA)

The PAA is an optional simplification for the measurement of the liability for remaining coverage for insurance contracts with short-term coverage. The Company expects that most of its Non-Life insurance and reinsurance contracts in force at the transition date may be eligible for an extensive application of the premium allocation approach (PAA) and intends to apply the simplified approach thereto, pursuant to the IFRS 17. With reference to Life business, the application of this measurement model will be limited to group of contracts with a coverage period no longer than one year.

Insurance finance income or expenses

IFRS 17 requires an entity to make an accounting policy choice whether to disaggregate insurance finance income or expenses for the period between profit or loss and other comprehensive income.
Once chosen, the accounting policy will need to be applied consistently at the level of a portfolio of insurance contracts issued and reinsurance contracts held.

When determining whether to select the accounting disaggregation policy choice, an entity should assess the combinations of various measurement methods for insurance obligations under IFRS 17 and the underlying financial instruments under IFRS 9 that could lead to accounting mismatch and the potential ways to mitigate them.

The Company will apply the Disaggregation Approach to most of its existing insurance contracts issued and reinsurance contracts held portfolio to mitigate the potential accounting mismatch and related volatility in P&L.

Transition

IFRS 17 will be applied starting from the 1 January 2023. However, the Transition date is identified by the beginning of the annual reporting period immediately preceding the date of initial application (i.e., 1 January 2022). IFRS 17 envisages the following methods to recognize and measure insurance and reinsurance contracts for transition purposes:
1. Full Retrospective Approach (FRA): this method requires an entity to identify, recognize and measure each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
2. Modified Retrospective Approach (MRA): if FRA is impracticable, an entity can choose to apply MRA that introduces a set of simplifications to the general Standard's requirements having regard to the level of aggregation, discount rate, recognition of CSM and allocation of insurance finance income and expenses. However, the objective of the Modified Retrospective Approach, similarly to the Fully Retrospective, is to determine the CSM at initial recognition (allowing for some simplification) and to carry it forward to the transition date;
3. Fair Value Approach (FVA): if FRA is impracticable, an entity can choose to apply the FVA. This transition method relies on the possibility to determine the contractual service margin at the transition date as the difference between the fair value of a group of insurance contracts at that date and the fulfilment cash flows measured at that date.

The Company expects to apply Full Retrospective Approach (FRA) in case full historical data exists and hindsight is not required. This will cover mainly LRC for short-term contracts classified under PAA and LIC for most recent generations.

As for long-term contracts where the FRA is impracticable, the MRA is considered as the preferred transition method since more in line with the entity's estimation of the underlying unearned profit and more aligned to valuation of insurance and reinsurance contracts that will be sold after transition date, while the FVA should be applied, in case MRA is not practicable (e.g., in case of lack of historical information), to group of contracts where the entity chooses to apply the risk mitigation option prospectively from transition date and to other specific group of contracts substantially in run-off.

IFRS 16, Amendment - Lease Liability in a Sale and Leaseback (effective from 1 January 2024, not 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 1, Amendment - Classification of liabilities as short-term or long-term (effective from 1 January 2024, not 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 - Presentation of Financial Statements and Second IFRS Practice Statement Disclosure of accounting policies (effective from 1 January 2024, adopted by the EU)

Amendments require companies to provide information regarding their accounting policies when they are essential and provide guidance on the meaning of the essential when applying it 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 (effective from 1 January 2023, adopted by the EU)

The amendments clarify how companies should discern 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 (effective from 1 January 2023, adopted by the EU)

The amendments require companies to recognize deferred tax on specific transactions that, upon initial recognition, lead to equal amounts of taxable and deductible temporary differences. This usually applies to transactions such as leases for tenants and recovery obligations. The adoption of the amendments is not expected to have a significant impact on the Company's financial statements.

IFRS 17, Amendment - Initial Application of IFRS 17 and IFRS 9 - Comparative Information (effective from 1 January 2023, adopted by the EU)

Amendment is a transition option related to comparative information on financial assets are presented in the original application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the usefulness of comparative information for users of financial statements. The Company is currently examining the impact of the application of IFRS 17 and IFRS 9, which cannot be quantified at the date of publication of these financial statements.

2.2. Foreign currency

2.2.1 Functional currency and presentation currency

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

2.2.2 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 exchange rates prevailing 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 prevailing on the date of initial recognition, except for non-monetary items denominated in foreign currencies that are stated at fair value which have been translated using the exchange rate prevailing on the date that their fair value was determined. The currency 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.

2.3 Property, plant and equipment

Property, plant and equipment include leasehold improvements, furniture, computers and other equipment and 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 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 their acquisition cost to its residual value as follows:

Leasehold improvements:	Shorter of the lease contract term and the estimated useful life.
Computers:	4 to 7 years
Other Furniture and equipment:	4 to 12 years
Vehicles:	5 to 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 and equipment disposed are derecognized upon sale or retirement of the respective asset and any arising gain or loss is recognized in the income statement.

2.4 Intangible assets

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

2.5 Financial assets and liabilities

2.5.1 Financial assets

Financial assets are classified in accordance with IAS 39 in the following categories: i) financial assets at fair value through profit or loss, ii) loans and receivables, iii) investments held to maturity and iv) investments available for sale. The categorization decision is taken by management at initial recognition of financial instruments.

i) Financial assets at fair value through profit or loss

This category includes two subcategories financial assets held for trading and those designated as investments at fair value through profit or loss upon initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of short-term sale or short-term repurchase or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-making. Derivatives instruments held for trading are also recognized in this category, unless they are designated and effective as hedging instruments.

The Company designates certain financial assets upon initial recognition as at fair value through profit or loss, when any of the following apply:

(a) eliminates or significantly reduces a measurement or recognition inconsistency, or
(b) financial assets and financial liabilities share the same risks and those risks are managed and evaluated on a fair value basis, or
(c) structured products containing embedded derivatives that could significantly change the cash flows of the host contract.

ii) Loans and receivables

Loans and receivables are non -derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that at initial recognition were designated by the Company as investments at fair value through profit or loss or as available for sale. Loans and receivables from agents and brokers included in “Other Receivables” are also classified in this category and are accounted for with the same accounting principles that apply for loans and receivables as described below.

iii) Investments held to maturity

Held to maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and for which the Company's management has the positive intention and ability to hold to maturity.

iv) Investments available for sale

Available for sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity, or changes in interest rates, exchange rates or equity prices.

2.5.2 Recognition, accounting treatment and derecognition

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

Financial assets not carried at fair value through profit or loss are initially recognized at fair value plus transaction costs. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are charged to the income statement.

Available for sale financial assets and financial assets at fair value through profit or loss are measured at fair value in subsequent periods as well. Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest rate method. Gains and losses from changes in fair value of the category "financial assets at fair value through profit or loss" are included in the period arising in the income statement. Gains and losses from changes in fair value of "available for sale" investment securities are recognized directly in equity, until the financial asset is derecognized or impaired, when the cumulative gain or loss previously recognized in equity is recycled to the income statement.

The accounting treatment of interest income and dividend income from financial assets is described in Note 2.20.

2.5.3 Derecognition of financial assets

A financial asset is derecognized when the contractual cash flows of the instrument expire, or the Company transfers its rights to receive those cash flows in an outright sale in which substantially all the risk and rewards of ownership have been transferred. The modification of the contractual cash flows of financial assets that does not essentially result in different financial assets will not result in the derecognition of financial assets.

2.5.4 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 unit linked products and derivative financial instruments. The accounting policies of the abovementioned financial liabilities are described in notes 2.12(b) and 2.8 respectively.

2.6 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 this 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).

2.7 Impairment of financial and non-financial assets

2.7.1 Impairment of financial assets

The Company, at each reporting date, evaluates whether there is objective evidence that a financial asset or group of financial assets, that are not carried at fair value through profit or loss, is impaired. A financial asset or group of financial assets is subject to impairment when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the expected future cash flows of the financial asset or group of financial assets and can be measured reliably.

Objective evidence of impairment of financial assets are considered by the Company the following:

- Significant financial difficulty of the issuer or obligor
- Breach of contract, such as outstanding balances or overdue interest or initial payment
- The borrower may initiate bankruptcy or other financial reorganization
- The disappearance of an active market for the asset because of financial difficulties
- Obvious evidence that there is a significant decrease in calculated cash flows from a portfolio of financial assets since the initial recognition of those assets, despite the fact that the decrease cannot be determined in separate financial statements of the portfolio, include:
    - Adverse changes in the payment status of borrowers in a portfolio, and
    - National or local economic conditions that correlate with defaults on assets portfolio.
- Significant deterioration in the internal or external degree of solvency of the borrower's financial instruments when considered with other information.

Financial assets carried at amortized cost

Impairment assessment

The Company first assesses whether objective evidence of impairment exists separately to financial assets that are individually significant. Financial assets that are not individually significant are assessed either individually or in groups. If the Company determines that there is no objective evidence of impairment for a financial asset which has been individually assessed, whether significant or not, it includes the financial asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Financial assets that are individually assessed for impairment and for which impairment loss continues to be recognized are not included in the collective assessment of impairment.

Impairment measurement

If there is objective evidence of impairment on financial assets carried at amortized cost, the amount of impairment loss is measured as the difference between the carrying value of the financial asset and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the original effective interest rate of the financial asset. The current amount of the asset is reduced and the amount of the loss is recognized in the income statement. If a financial asset, bears a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined in the contract. As a practical expedient, the Company may measure impairment based on the fair value of the instrument using observable market prices.

For purposes of collective assessment of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the method of evaluation of the Company, taking into account the type of asset, the business sector, geographical location, collateral type, past-due status and other relevant factors). These characteristics are relevant to the estimation of future cash flows for groups of such financial assets by being indicative of the debtor's ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Impairment reversal

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as improvement in the debtor’s credit rating), the previously recognized impairment loss is reversed. The amount of the reversal is recognized in the income statement.

Available for sale financial assets

In calculating the impairment of investments in equity and debt securities recognized as available for sale, any significant or prolonged decline in the fair value of the security below its cost is taken into account. Where such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss - is transferred from equity to the profit or loss. Impairment losses on equity instruments recognized in the income statement are not reversed through the income statement. If in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event that occurred after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

2.7.2 Impairment of non-financial assets

Items that have an 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).

2.8 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 2.6 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 2022 and 2021.

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 recognition method is determined depending on the nature of the item being hedged by that derivative.

2.9 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.

2.10 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 property, plant and equipment, defined benefit obligations to employees due to retirement and the valuation of certain financial assets and liabilities, including derivative financial instruments.

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 available for sale investments recognized in equity, 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.

2.11 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 in which they occur.

ii) Defined post-employment benefit plans

Under labor law in force, an employee remaining 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 duration of 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 the relevant liability (see note 23).

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) Employee termination benefits

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 a 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, are recognized as employee benefit expenses in the year that they are approved by the shareholders of the Company.

2.12 Insurance contracts

The Company is governed by the provisions of L.4548/2018 that has amended L.2190/1920 "on societes anonymes", and the provisions of L.4364/2016 with which the European Directive for the new regulatory framework "Solvency II" was transposed into Greek Legislation.

The Company adopted IFRS 4 from 1 January 2005 with retrospective effect from 1 January 2004, when it classified the contracts to insurance and investment contracts and evaluated the adequacy of insurance reserves.

Contracts Classification

The Company issues products bearing insurance or financial risk or both. Insurance contracts are those contracts through which significant insurance risk is transferred from the policyholder to the insurance company and where the insurance company agrees to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Insurance risk is significant only if an insured event could cause the Company to pay significant additional benefits. Additional benefits refer to amounts that exceed those that would be payable if the insured risk had not occurred.

A contract that exposes the Company to financial risk without significant insurance risk is not an insurance contract. Some contracts expose the Company to financial risk in addition to significant insurance risk.

There are long-term insurance products containing discretionary profit sharing. These products entitle the holder to receive additional benefits beyond those guaranteed by the contract, the amount of which lies at the discretion of the Company in connection with the contract terms and the investment performance of the Company corresponding to the life insurance provisions.

Investment products are those that bear financial risk with no significant insurance risk.

Applying the provisions of IFRS 4, the Company separated contracts into insurance and investment contracts.

Significant insurance risk for the Company is when the amount paid in case of occurrence of a specified uncertain future event exceeds 10% of paid premiums.

(a)Life Insurance contracts

These are the contracts through which the Company insures risks associated with human life. These include covers of death, survival, life annuities, pensions, disability, accident, illness plans on an individual and group basis. Periodic premiums are recognized as revenue (earned premiums) proportionally to the insurance period and are presented before the deduction of commission, while benefits are recognized as an expense when they occur. Premiums are recognized as revenues when they become payable and are presented before deduction of commission.

Life insurance policies are classified in the following categories :

(i) Long term Life insurance policies with or without discretionary participation features

Contracts of this type are long term covering retirement, survival, mixed assurance or annuities, term insurance or Unit Linked. These contracts also include the coverages of medical expenses, hospital allowance, surgery allowance, death by accident, and disability which are provided as riders. Premiums are recognized as revenue when they become payable by the policyholder. Premiums are presented before the deduction of commissions. Benefits are recognized as expenses when incurred. When benefits are predetermined and guaranteed the liability due to the contractual benefits that are expected to occur in the future, is created for risks whose premiums have been recognized as revenue.

For the traditional life covers, the liability is defined as the expected actuarial present value of benefits minus the expected actuarial present value of the premiums required for such benefits, under the assumptions used in pricing. These assumptions relate to mortality and investments' return. The liability also consists of the profit participation reserve. In long-term contracts of single premium, additional provision is made for the future administration expenses of these contracts.

For the riders coverages the liability consists of the unearned premium reserves.

Liabilities are measured at each reporting date on the basis of each contract's assumptions used in its pricing. In case of Unit Linked coverage, where benefits are not guaranteed, the liability fair value is determined by the current unit price which reflects the fair value per unit of the asset associated with the liability, multiplied by the total units held by the policy holder at the reporting date.

This category also includes the contracts of Deposit Administration Funds (DAF). This is a group insurance through which investment management insurance (Deposit administration funds) is agreed without the policyholders bearing the investment risk but with a guaranteed minimum interest rate specified for each contract. The insurer's benefit is paid either upon the, for any reason, leaving of the insured team member from work, in accordance with the terms of each contract, or the attainment of a certain age.

Claims and expenses related to them are recorded as expenses based on the estimated obligation for claims to policyholders. These include direct and indirect costs arising from the settlement of claims and arising from events that have occurred up to the reporting date even if these have not been reported to the Company. The Company does not discount the provisions for outstanding claims other than those relating to waiver of premium coverage. Provisions for outstanding claims are estimated based on available information filed for the reported claims and based on statistical analysis for the claims that have occurred up to that date but have not been reported.

(ii) Short-term insurance contracts

This category includes individual or group contracts covering term insurance, disability, accident or illness for a short-term period. Benefits in case of an incident can be predetermined or dependent on the extent of the incident, according to the contract terms. No termination benefits and redemption exist.

For all these contracts premiums are recognized as revenue (earned premiums) proportionally to the period covered. The percentage of premiums collected for active contracts, which corresponds to risks that have not occurred, is reported as unearned premium reserve. Premiums are presented before the deduction of commissions and are gross (including the related taxes).

Claims and expenses related to them are recorded as expenses based on the estimated obligation for claims to policyholders. These include direct and indirect costs arising from the settlement of claims and arising from events that have occurred up to the reporting date even if these have not been reported to the Company. Provisions for outstanding claims are estimated based on available information filed for the reported claims and based on statistical analysis for the claims that have occurred up to that date but have not been reported.

(b) Investment contracts

Investment contracts without discretionary participation features

This category consists of contracts where the insured parties bear the financial risk (Unit Linked) with insignificant insurance risk. These contracts are financial liabilities where the fair value depends on the fair value of related financial assets. There are contracts that are associated with internal variable funds and contracts that are linked to market mutual funds.

To determine the fair value of the internal variable fund, both at inception and at each reporting date, valuation techniques are used. The valuation techniques used by the Company incorporate all factors that market participants would consider and are based on observable market input.

The fair value of a mutual fund arises based on the current selling price of the mutual fund unit. The fair value of unit-linked contracts is determined by the current unit price which reflects the fair value per unit of the asset associated with the liability, multiplied by the number of units assigned to the policyholder at the reporting date.

(c) Receivables and payables related to insurance contracts

Receivables and payables are recognized when they become due and include amounts due to and from intermediaries and policyholders. If there is objective evidence of impairment of these receivables, the Company reduces the carrying amount accordingly and recognizes the impairment loss in the income statement. The Company assesses the objective evidence of impairment using the same process adopted for loans and receivables and the impairment loss is calculated in the same manner as described in Note 2.7.

(d) Deferred acquisition costs

Commissions and other acquisition costs associated with the issuance of new life insurance contracts and renewal of existing insurance contracts are capitalized as intangible asset and classified in the account "Deferred acquisition costs". All other costs are recognized as expenses when incurred. The Deferred Acquisition Costs are amortized over the term of the contract as follows:

- For long term life insurance, except for the single premium insurance policies, the Deferred Acquisition Costs are amortized in accordance to the premiums' income using the respective assumptions used to calculate the liability for future benefits of the contract.
- For short term life insurance, the Deferred Acquisition Costs are amortized in proportion to the earned premium.

(e) Technical reserves and other insurance provisions

The Company maintains adequate reserves to cover future liabilities arising from insurance contracts. The insurance provisions are divided into the following types:

Technical provisions: Include the technical life insurance reserve which is the difference arising at the reporting date between the actuarial present value of financial obligations undertaken by the insurance entity for each life insurance contract and the actuarial present value of the net premiums due from the policyholder and payable to the insurance entity within the next years. This difference is calculated using actuarial techniques and in accordance with Greek law. For the long -term contracts of single premium an additional provision for future administration expenses of these contracts is made.

Profit participation reserve: Includes benefits intended for the policyholders, the counterparties or the beneficiaries of benefits, beyond those guaranteed by the contract, the amount of which lies at the performance of the investment assets backing insurance provisions in connection with the contract terms.

Provision for unearned premiums: Represent the part of written premiums covering proportionally the period from the reporting date until the end of the period for which premiums have been registered in the relevant Company' registers.

Provision for unexpired risks: Relates to the additional provision that is set up at the reporting date when it is estimated that the provision for unearned premium, net of the respective acquisition costs, is not adequate to cover the estimated future claims and expense of the corresponding insurance portfolio.

Provisions for life insurance contracts linked with investments (Unit Linked products): Relate to the provisions intended to cover the insurance benefits of the life insurance contracts linked to investments.

Provisions for outstanding claims: Relate to those made as at the reporting date for the full coverage of insurance risk liabilities that have been incurred up to the reporting date, reported or not, for which the relative amounts of insurance claims and related expenses have not been paid or the exact amount has not been determined or the extent of the liability of the insurance company is in dispute. The level of expected provision is determined based on the available information as at the reporting date such as experts' reports, medical reports, court decisions.

Benefits payable: These are the insurance benefits due to policyholders which for various reasons have not been paid until the reporting date.

The estimation of the insurance provisions is carried as at the reporting date, in accordance with the valuation principles and rules applicable to each category of insurance provision and the transitional provisions of IFRS 4 "Insurance Contracts" relating to the standard's first phase are considered.

The difference in insurance provisions (increase/decrease) compared with their previous valuation, is transferred to the income statement for the portion relating to the Company's provisions and the remaining portion is transferred as debit to reinsurers in accordance with the provisions of the reinsurance contracts.

(f) Liability Adequacy Test of insurance reserves

At each reporting date the Company performs an adequacy test of insurance reserves ("Liability Adequacy Test"), in accordance with IFRS 4, using the current estimates of future cash flows from insurance contracts and the related administration costs. In case the insurance liabilities of the Company after the performance of the liability adequacy test exceed its insurance reserves calculated under the current legislative framework minus deferred acquisition costs, the additional provision increases the reserves of the relevant lines of business and impacts the income statement for the year that the test is being conducted.

2.13 Reinsurance contracts

Reinsurance contracts entered into by the Company in order to be compensated for losses of one or more contracts issued by the Company, meet the condition of being categorized as insurance products and are classified as reinsurance contracts. Insurance contracts entered into by the Company where the counterparty is another insurer (reinsurance acceptance), are included in insurance products.

Amounts due from reinsurance contracts, are recognized as assets and classified in the account "Reinsurance receivables". "Reinsurance receivables" include reinsurers' share in insurance provisions from the reinsurance contracts that the Company has entered into. Other short-term amounts due from reinsurers (mainly relate to reinsurers' share in claims paid) are recognized as assets and classified in the account "Other receivables". The liabilities to reinsurers mainly relate to owed reinsurance premiums and are recognized as expenses on accrual basis.

Reinsurance is an important tool to manage and reduce the Company's exposure to risk of loss from insurance contracts. All reinsurance concessions are made to reinsurance companies which meet the standards set by the Company's management. When designing reinsurance programs, the Company takes into account the financial health of reinsurers, as well as the benefits and cost of reinsurance coverage to ensure that all risks have proper and adequate reinsurance protection.

The Company reviews at each reporting date whether its reinsurance assets have been impaired. If there is objective evidence that a receivable has been impaired, then the carrying value is reduced accordingly and an impairment loss is recognized in profit or loss. A receivable from a reinsurer is impaired if, and only if:

1. There is objective evidence, as a result of an event that occurred after the initial recognition of the receivable that the Company may not receive all amounts due to it under the terms of the contract, and
2. The event has a reliably measurable impact on the amounts that the company will receive from the reinsurer.

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) <u>Right of use asset</u>

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 parties transactions

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, their close family members and entities that are controlled or jointly controlled by the above mentioned persons;

(c) associates and joint ventures; and

(d) 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 will be 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 on hand, deposits on demand and time deposits with banks, 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 2.12. The Company's other income streams are recognized as follows:

Asset management fees

Revenue from asset management and other related services offered to clients by the Company are recognized in the accounting period in which the services are accrued.

Fees, primarily consisting of investment management fees arising from services rendered, are associated with the issuance and management of Unit Linked investment contracts. The Company actively manage the payments received from customers in order to invest them and provide return in accordance with the investment profile that the customer has selected upon the initial acceptance of the terms of the investment product.

These services include the management of financial assets held for trading and derivatives in order to attain the contractual returns which the Company's customers expect from their investment. Such activities create revenue recognized according to the stage of completion of contractual services. As business practice, the Company recognizes these fees by allocating them to the estimated life of the contract.

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.

Once a receivable has been impaired, interest income is recognized using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

Dividend income

Dividend income from financial assets is recognized in the income statement when the right to receive is approved by the shareholders.

2.21 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted at cost less any impairment losses. Cost is the fair value of the consideration given, or if that cannot be determined reliably, the consideration received together 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:

a) Estimate of future benefits payments and premiums arising from long term insurance contracts and related deferred acquisition costs

The determination of the liabilities under long-term insurance contracts is dependent on the estimates made by the Company.

Estimates are made for the expected number of deaths for each of the years in which the Company is exposed to insurance risk. The Company bases these estimates on the mortality tables determined by the national insurance legislation. In addition, the Company uses last ten years' experience for comparison purposes.

The main source of uncertainty of the above mentioned risks are the epidemics and wide-ranging lifestyle changes such as smoking, eating and exercise habits which could result in future mortality and morbidity being significantly worse than in the past for the age groups in which the Company has significant exposure to mortality risk.

The Company covers through reinsurance contracts the mortality risk either by proportional contracts or reinsurance protection contracts from catastrophic events. Moreover, the continuous evolution of medical science and the improvement of social benefits can lead to improved longevity beyond estimated mortality table used for the calculation of obligations from contracts that are exposed to this risk (pension contracts).

Estimates are also made for future costs of maintenance and management of the current portfolio, which are based on assumptions related to the expenditure levels of the Company made upon product pricing. The discount of future figures is made using the respective minimum guaranteed technical interest rate of the products. The uncertainty arises from the risk that future returns from investments which cover the respective insurance provisions to be lower than the respective technical interest rate.

Commissions and other acquisition costs associated with the issuance of new insurance contracts and renewal of existing insurance contracts are capitalized as an intangible asset. All other costs are recognized as expenses when incurred. For long term life insurance, the Deferred Acquisition Costs are amortized over the term of the contract in accordance to the premiums' income using the respective assumptions used to calculate the liability for future benefits of the contract.

The Company make assumptions for lapses based on Company's historical statistical data per product category.

The future cash flows are discounted using yield curves constructed at the reporting date based on the yield to historical cost of investment portfolio and the forward yield curve (refer to note 4.2, note 8 and note 21).

(b) Liabilities arising from claims made under insurance contracts

The estimation of outstanding claims made under insurance contracts is also a critical accounting estimate of the Company. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Company will ultimately pay for such claims. In addition to the reserve calculated on a case by case basis, the Company also makes provisions for claims handling costs. The adequacy of provisions for outstanding claims (reported or not at the reporting date) is also examined using statistical methods. When the result of the statistical methods is higher than the existing statutory provisions, the Company recognizes additional provisions (LAT) (refer to note 21).

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 and 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, a Risk, Asset-Liability and Investment Management Committee and a Risk Management Function has been established.

4.1.1 Risk, Asset - Liability and Investment Management Committee

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

The main responsibilities of the Committees are:

- to ensure and provide assurance to the BoD regarding 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 asset-liability;
- 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 confirm 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 the respective committees of the subsidiaries.

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 or/and processes;
- assess of risks of new investments related to the Solvency Capital Requirement;
- participation in the crisis management team in the event of a major incident, 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 Committee 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, risk assessment for outsourcing arrangements, 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 large population of risks to reduce the variability of the expected outcome.

4.2.1 Life Insurance

The Company issues a mix of traditional life insurance contracts, unit-linked contracts, Deposit Administration Fund (DAF) contracts, life and health riders including hospitalization riders and credit life contracts. The main distribution channel for the life insurance business is through the bancassurance network amounting to 85,3% of the total business (31 December 2021: 87,4%). The Company also issues life insurance contracts through independent intermediary channels such as insurance agents and brokers.

The individual life business includes term assurance, endowment and pure endowment assurance and whole of life assurance. The Company also offers pension products in the form of deferred annuities. The Company writes unit-linked business with the premiums being invested in different funds. The Company sells both single premium and periodic premium whole of life and endowment assurances as unit-linked products. There are also several types of rider benefits that can be attached to life insurance policies issued by the Company, the majority of which are health indemnities covering hospitalization and surgery. The Company also has a small portfolio of group health insurance business covering death, illness or disability risk. The credit life business is classified as group business and consists of term life cover linked to small business loans, mortgages, credit cards, and consumer loans.

The production from banking networks consists of savings/ pension plans of single premium at approximately 55% of total production (31 December 2021: 0,52%), Unit Linked products of single premium at approximately 12% of total production (31 December 2021: 78%) and insurance contracts of periodic payments (savings plan, pension plans and insurance protection of borrowers/ primary health coverage) at approximately 17,8% of total written premiums (31 December 2021: 21,4%).

The distribution of the portfolio in terms of written insurance premium for individual-group insurance, Unit Linked and DAF products for the current period amounts to 82%, 14% and 4% respectively.

4.2.1.1 Traditional life insurance and DAF contracts

a) Frequency and severity of claims

Traditional life insurance contracts issued by the Company include long-term or yearly renewable contracts. The Company manages the risks related to these contracts through diversification of underwritten risks and the reinsurance contracts.

The Company is exposed to the following risks for the long-term life insurance business:

- **Mortality risk**

Mortality risk is the risk that the actual number of deaths is higher than expected resulting in increased claims. The Company's most significant exposure to mortality risk is in its term life, whole life and endowment policies which are written as part of the individual life insurance and credit life business (issued through bancassurance network). The Company manages these risks through its underwriting strategy and reinsurance arrangements. The Company has excess of loss reinsurance agreements for long term life insurance contracts with death coverage with a retention limit on any single life insured.

- **Longevity risk**

Longevity risk relates to future claims and benefit payments which may be different from the actual benefit payments that will become due in the future if the policyholders live longer than expected. The Company's most significant exposure to longevity risk is in the deferred annuity portfolio. The Company manages these risks with appropriate pricing policies as well as actuarial methods and through the use of an updated mortality table that reflects lengthened life expectancies. The Company does not have in place any reinsurance for contracts that insure survival risk therefore this risk is managed through a dispersion of the insured funds.

The tables below present the concentration of insured benefits across four bands of insured benefits per individual life assured. The amounts are shown gross and net of reinsurance contracts. These tables do not include annuity contracts, for which a separate analysis is reported further below.

Sum assured per life assured **As at 31 December 2022**	**Before reinsurance**		**After reinsurance**	
	(amounts in € millions)	**%**	*(amounts in € millions)*	**%**
0-6.000	168,6	7,0	168,8	10,5
6.000-15.000	224,3	9,3	171,5	10,6
15.000-20.000	95,3	3,9	77,2	4,8
>20.000	1.932,06	79,8	1.193,1	74,1
Total	**2.420,2**	**100,0**	**1.610,7**	**100,0**

Sum assured per life assured **As at 31 December 2021**	**Before reinsurance**		**After reinsurance**	
	(amounts in € millions)	**%**	*(amounts in € millions)*	**%**
0-6.000	169,0	6,8	169,2	10,1
6.000-15.000	231,1	9,3	177,9	10,6
15.000-20.000	99,3	4,0	81,3	4,8
>20.000	1.994,6	80,0	1.249,2	74,5
Total	**2.494,1**	**100,0**	**1.677,7**	**100,0**

The risk is concentrated in the higher value bands. This has not changed from last year.

The following tables for annuity insurance contracts illustrate the concentration of risk based on ten bands that group these contracts in relation to amount payable per annum as if the annuity were in payment at the year-end. The Company does not hold any reinsurance contract against the liabilities carried for these contracts.

Annuity payable per contract as at 31 December 2022	**Total annuities payable**	
	(amounts in € millions)	*%*
0-500	3,9	8
500-1.000	9,3	20
1.000-2.000	11,0	24
2.000-3.000	6,2	13
3.000-4.000	4,2	9
4.000-5.000	3,7	8
5.000-6.000	1,7	4
6.000-8.000	2,4	5
8.000-10.000	1,6	3
>10.000	2,9	6
Total	**46,8**	**100**

Annuity payable per contract as at 31 December 2021	Total annuities payable	
	(amounts in € millions)	%
0-500	4,7	9
500-1.000	10,4	20
1.000-2.000	12,0	23
2.000-3.000	6,6	13
3.000-4.000	4,4	9
4.000-5.000	4,0	8
5.000-6.000	1,8	4
6.000-8.000	2,5	5
8.000-10.000	1,7	3
>10.000	3,3	6
Total	**51,3**	**100**

- **Lapse/ Cancellation Risk**

Insurance risk for long-term life insurance contracts is also affected by the policyholders' right to pay reduced or no future premiums and to terminate the contract completely. As a result, the amount of insurance risk is also subject to policyholder behavior which may have an impact on future claims payment patterns. Policyholder behaviors and patterns can be influenced by many factors, including economic and financial market conditions. For instance, if an insurance product contains a guaranteed minimum benefit (as in traditional life insurance products), financial market conditions will determine whether that guarantee is "in the money", "out of the money" or "at the money", depending on whether the guaranteed amount is higher, lower or equal to the value of the underlying funds. This in turn may influence the policyholder's decision on whether to maintain the policy.

- **Expense risk**

A failure to accurately estimate inflation and of its integration into the Company's product pricing, estimations of expenses and liabilities could have a material adverse effect on the Company's business, profitability, financial condition and prospects.

b) Sources of uncertainty in the estimation of future benefit payments and premium income

Uncertainty in the estimation of future benefit payments and premium receipts for long-term life insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and change in policyholders' behavior. The Company uses appropriate base tables of standard mortality according to the type of contract being written. An investigation into the actual experience of the Company over the last 10 years is carried out, and statistical methods are used to adjust the crude mortality rates and to produce a best estimate of expected mortality for the future.

c) Process used to decide on assumptions

Upon product initiation, the Company makes assumptions on mortality, investment returns, and administration expenses for long-term life insurance contracts. Also, a margin is added to reduce the uncertainty. These assumptions are "locked" over the life of the contract and used for the calculation of the technical reserve. Furthermore, throughout the life of the contract, the Company reviews these assumptions using statistical and actuarial methods and combines these with additional assumptions using parameters such as lapse/cancelation rate, option of lump sum pension (for pension coverage) to perform liability adequacy tests.

The main parameters taken into account upon the implementation of liability adequacy tests for the traditional life insurance portfolio are as follows:

- **Mortality:** The estimation of parameters applied is based on percentages provided by mortality tables as defined by the Greek legislation taking also into account the Company's experience of insured policyholders.
- **Lapse and surrender rates:** In the long-term life insurances, the contract is cancelled in case of non-payment of the premium. However, if the insurance has acquired the right for surrender the contract is not canceled and the insurance becomes free of further premium payments under the same terms and conditions as the original life insurance, but with reduced annuities. The policyholder shall have the right to request surrender of life insurance with partial return of the mathematical reserve at the time of the surrender application. The policy year in which the contract acquires the right of surrender and the surrender value are specified in the relevant tables of the contract. The lapse and surrenders percentages are estimated per company of similar products, taking into account the Company's experience during the last ten years. The study for lapses and surrenders is updated on an annual basis, so that the models reflect the reality. From time to time, the Company may need to update its assumptions and actuarial and risk models to reflect actual experience and other new information. Changes to assumptions and these models

could result in a review of, and subsequent changes to, the insurance product pricing, which could have a material adverse effect on the Company's business, results of operations, financial position and prospects. The impact of changes in assumptions for the Company would be reflected over the remaining life of the policies through the earnings.

- **Expenses:** The future estimates are based on the current (at the reporting date) expenses of the Company for the maintenance and management of the insurance portfolio and they are readjusted for every future year, with the estimated price inflation. The Company has adopted an expense model through which the expenses are characterized as recurring and non-recurring, acquisition and management, and then they are allocated into groups of products. The output of this model is used to determine the assumptions made in the estimation of future expenses.

- **Percentage of pension surrenders at retirement:** This right is granted only to pension plans. Based on the experience of the last 10 years, the Company estimates the percentage of insured people who will select to receive a lump sum at the beginning of their retirement.

- **Discount Rates:** The estimation of liabilities' adequacy is based on future cash flows of revenues and expenses of the Company, including the reinsurance share. Future cash flows are discounted at the end of each reporting period using interest rates curves, which are based on the risk-free rates curve published by the European supervisory authority for occupational pensions and insurance ("EIOPA"), and take into consideration the current allocation and expected yields of the investment portfolio.

The liability adequacy test conducted for the traditional life traditional insurance products at the end of the current year did not result in additional reserves (31 December 2021: the additional reserves were € 58,3 mil.).

Furthermore, the parameters taken into account upon implementation of liability adequacy tests for the DAF portfolio are as follows:

- **Mortality:** The estimation of parameters applied is based on percentages provided by mortality tables as defined by the Greek legislation taking also into account the Company's experience of insured policyholders.
- **Lapse and surrender rates:** In the long-term life insurances, the contract is cancelled in case of non-payment of the premium, while the policyholder is given the option to terminate the contract. The lapse and surrenders percentages are estimated per group of similar products, taking into account the Company's experience.

- **Expenses:** The future estimates reflect the current (at the reporting date) expenses of the Company for the maintenance of the insurance portfolio and they are readjusted, for every future year, with the estimated price inflation.

The liability adequacy test for the Deposit Administration Funds (DAF) at the end of the current year resulted formation need in additional reserves of €2,6 mil. (31 December 2021: the additional reserves were €8,8 mil.).

d) Sensitivity analysis

The following table presents the sensitivity of the insurance reserve adequacy to the movement in assumptions used in the estimation of insurance liabilities for the traditional life insurance portfolio. The impact on the adequacy of insurance liabilities from changes in assumptions in the traditional life insurance portfolio is zero, due to increased interest rate curves

	Impact on the adequacy of insurance reserves		
	Change	**31/12/2022**	**31/12/2021**
(amounts in € thousand)			
Increase in lapses and surrenders rates	10%	-	(3.228)
Decrease in lapses and surrenders rates	-10%	-	3.377
Increase in administrative expenses	10%	-	6.294
Decrease in administrative expenses	-10%	-	(6.301)
Decrease in surrenders upon retirement	-10%	-	8.161
Increase in interest rates	0,5%	-	(48.948)
Decrease in interest rates	-0,5%	-	52.058

In addition, the table below presents the sensitivity of the adequacy of reserves to the movements in the assumptions used in the estimation of insurance liabilities for the DAF portfolio.

(amounts in € thousand)	Impact on the adequacy of insurance reserves		
	Change	31/12/2022	31/12/2021
Increase in lapses and surrenders rates	10%	158	(3)
Decrease in lapses and surrenders rates	-10%	(173)	3
Increase in administrative expenses	10%	1.009	780
Decrease in administrative expenses	-10%	(225)	(780)
Increase in interest rates	0,5%	(501)	(2.599)
Decrease in interest rates	-0,5%	1.307	3.961

e) Guaranteed annuity options

Insurance risk in pension contracts with guaranteed annuity option depends on the number of policyholders who will choose the pension instead of a lump sum at maturity. This will strongly depend on the investment and financial environment prevailing at the time of selection.

It is noted that the percentage of total policyholders who received annuity instead of a lump sum at maturity during the current period is 0,83% (31 December 2021: 0,70%).

The lower the current interest rates of investments compared to the technical rate of guaranteed pensions are, the more likely it is for policyholders to opt for pension. The continuous improvement of longevity that will be reflected in the current pricing will also increase the number of policyholders who will choose pension and will increase the Company's exposure to insurance risk arising from these portfolios.

4.2.1.2 Rider Covers attached to life insurance contract

a) Frequency and severity of claims

Riders are issued for individual and group policies and relate to indemnities covering medical expenses, hospital allowance, surgery allowance, death by accident, and disability. The Company issues riders for long and short term contracts. For the majority of the riders' portfolio, the Company is exposed to morbidity risk.

Morbidity risk is the risk of increase in the frequency and severity of the claims due to disability, sickness or medical inflation.

The Company's most significant exposure to morbidity risk for group contracts relate to credit life business. As far as the individual contracts is concerned, the morbidity risk relates mainly to hospitalization covers that compensates inpatient medical expenses.

For the group insurance contracts, the risk is influenced by the sector in which the policyholder is employed. The risk of death and disability is therefore differentiated according to the sector. The excessive concentration risk in a specific sector will increase the probability of mortality, disability or morbidity of employees in the specific sector. The Company seeks to manage this risk through the underwriting process, claims' management and reinsurance agreements. For group contracts, the Company retains the right of re-pricing risks upon renewal or not proceeding with the renewal. Additionally, the Company has entered into a proportional reinsurance contract.

For the individual health contracts the risk differentiates depending on the age and the gender of the insured and it is influenced by a number of independent factors affecting the health of the insured such as changes in the lifestyle (smoking), environmental pollution, etc. Especially for hospitalization covers, the level of the claim's paid amount is also influenced by the medical inflation. In order to mitigate the morbidity risk for the individual riders' portfolio covering inpatient medical expenses (hospitalization covers), the Company has established exemptions for the claim amounting to €500, €1.000, €1.500, €2.000, €3.000, €6.000 or €10.000 as well as the percentage of participation of the policyholder to the claim.

In addition, the Company covers the risk for all health covers (disability, hospital allowance, surgery allowance, medical expenses) through a proportional reinsurance agreement.

b) Sources of uncertainty in the estimation of future benefit payments and premium income

The main uncertainty in estimating future payments for Hospitalization programs is to assess the morbidity and medical inflation of the forthcoming years. The effect of continuous development in medical science, especially in the prevention area, as well as major changes in lifestyle such as smoking, is the reason of uncertainty in morbidity estimates.

For all rider coverages, the reserves for outstanding claims consist of the reported losses estimated on a case by case basis, unallocated loss adjustment expenses and an additional reserve resulting from the statistical method of assessing the adequacy of the reserves.

The Company monitors the loss ratios and regularly analyses its experience of the severity and frequency of losses.

For certain rider benefits, the Company uses the expertise of the reinsurers due to the absence of sufficient statistical data.

c) Process used to decide on assumptions

The Company assesses the profitability for hospitalization riders on an annual basis through the use of various technical parameters such as mortality, morbidity, loss ratio, medical claims inflation, lapse in coverage, annual increase in premiums and administrative expenses. Based on this assessment performed, the Company retains the right of re-pricing risks upon renewal.

The Company assesses the adequacy of the premium based on the prior year experience. Parameter measures of the experience are the claim loss ratios (gross and net), combined loss ratios, and severity and frequency of the claims occurred. According to the outcome of the comparison of the premium versus the experience measures, the Company exercises the right to re-price the risks upon renewal.

4.3 Financial risks

Financial risk management is an integral part of the Company’s risk management framework on a 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 financial results.

The Company systematically monitors the following risks resulting from 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 per category as well limits for the concentration of credit risk.

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 concentration risk.

There was no exposure in excess of the Company’s limits for counterparties as of 31 December 2022 and 2021.

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 collateral. 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	**31/12/2022**	**31/12/2021**
(amounts in € thousand)		
Financial assets at FVTPL:		
- Financial assets where the policyholders bear the investment risk (Unit Linked)	630.515	558.782
- Financial assets held for trading	942.969	929.351
Available for sale financial assets	1.072.959	1.294.474
Financial assets classified as loans and receivables	38.790	38.982
Insurance receivables	11.898	7.404
Other receivables	6.730	4.478
Reinsurance receivables	2.393	1.945
Cash and cash equivalents	214.130	421.316
Total assets bearing credit risk	**2.920.384**	**3.256.733**

There is no credit risk associated with unit-linked contracts for the Company, since it is the policyholders who bear the credit, market and liquidity risk related to these investments.

As at 31 December 2022, the Company has no significant 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 accrued interest, by issuer credit rating, industry and geographical area:

Government Bonds (amounts in € thousand)	**Rating Fitch**	**31/12/2022**	**Rating Fitch**	**31/12/2021**
Greece	BB	1.399.595	BB	1.617.871
Germany	AAA	-	AAA	96.995
Spain	A-	-	A-	29.684
Italy	BBB	3.231	BBB-	4.180
Ireland	AA-	9.453	A+	33.535
South Africa	BB-	72.074	BB-	77.055
Brazil	BB-	102.647	BB-	-
Total		**1.587.000**		**1.861.319**

Corporate Bonds (amounts in € thousand)	**Rating Fitch**	**31/12/2022**	**Rating Fitch**	**31/12/2021**
Financial institutions (Banks)	B+	98.699	B+	-
	NR	11.615	NR	11.979
Non-financial institutions (Other commercial companies)	A	994	A	-
	A-	5.025	A-	-
	BB	10.651	BB	11.393
	BBB	4.515	BBB	-
	BBB-	1.999	BBB-	-
	NR	170	NR	182
Total		**133.666**		**23.553**

As at 31 December 2022 and 2021, the largest concentration in the Company's debt securities portfolio is in European sovereign debt which constitute a 82,1% and 94,7% respectively of the total debt securities portfolio and 48,7% and 55% respectively of the total investments (including cash and cash equivalents).

Especially for the sovereign exposure to Greece, the Company had an exposure of €1.399.595 thousand (48,3% of total investments) and € 1.617.538 thousand (50% of total investments) as of 31 December 2022 and 2021, 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 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 largest reinsurance company as at 31 December 2022 amounts to 84,9% (2021: 78,2%). However due to the high credit rating and the recognized solvency of this reinsurance company the Company's management does not expect any losses from credit defaults.

Credit risk related to insurance 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 Company. The Company has policies and standards to manage and monitor credit risk from intermediaries with a focus on day-to-day monitoring of the largest positions, 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 and aims in keeping the balance of past due positions as low as possible, while taking into account customer satisfaction.

The maximum exposure to credit risk from insurance receivables at the reporting date by type of network was:

Analysis per type of network	**31/12/2022**	**31/12/2021**
(amounts in € thousand)		
Group's network	1.995	556
Bancassurance	2.580	2.656
Agents and brokers	7.323	4.192
Total	**11.898**	**7.404**

The Bancassurance network refers to receivables due from the policyholders related to the insurance contracts distributed through the network of branches of Eurobank. Based on the regulatory requirements, the Banks are not authorized to collect insurance premiums on behalf of the Company, but the Company collects the premiums using the network of Banks' branches. As a consequence, the counterparty risk that the Company is exposed to is not transferred to the Bank.

The agents and brokers network is divided into two categories; the intermediaries that are authorized to collect premiums and the intermediaries that are not authorized.

Credit risk related to cash and cash equivalents:

As at 31 December 2022 and 31 December 2021, the cash placements to Eurobank group amounted to € 42.960 thousand and € 31.442 thousand respectively.

The following table presents the financial assets by credit rating category as at 31 December 2022 and 2021:

31 December 2022									
Rating	**Unit Linked**	**Trade Portfolio**	**AFS portfolio**	**Financial assets classified as loans and receivables**	**Premium receivables**	**Other receivables**	**Reinsurane receivables**	**Cash and cash equivalens**	**Total**
(amounts in € thousand)									
AA	-	-	-	-	-	-	-	151.513	**151.513**
AA+	-	-	-	-	-	117	344	-	**461**
AA-	-	-	9.453	-	-	1.326	2.031	-	**12.811**
A	-	994	-	-	-	-	-	-	**994**
A-	-	5.025	-	-	-	-	-	-	**5.025**
BBB	-	4.515	3.231	-	-	-	-	-	**7.746**
BBB-	-	1.999	-	-	-	-	-	-	**1.999**
BB	-	754.725	698.068	-	-	-	-	-	**1.452.793**
B+	-	100.533	60.977	-	-	-	-	52.595	**214.104**
B	-	-	-	-	-	-	-	10	**10**
B-	-	-	-	-	-	-	-	10.012	**10.012**
BB-	5.571	-	174.721	-	-	-	-	-	**180.292**
Non Rated	624.944	75.179	126.510	38.790	11.898	5.288	18	-	**882.626**
Total	**630.515**	**942.969**	**1.072.959**	**38.790**	**11.898**	**6.730**	**2.393**	**214.130**	**2.920.384**

31 December 2021									
Rating	**Unit Linked**	**Trade Portfolio**	**AFS portfolio**	**Financial assets classified as loans and receivables**	**Premium receivables**	**Other receivables**	**Reinsurane receivables**	**Cash and cash equivalens**	**Total**
(amounts in € thousand)									
AAA	-	-	96.995	-	-	-	-	-	**96.995**
AA+	-	-	-	-	-	42	350		**392**
AA-	-	-	-	-	-	-	1.520	241.972	**243.492**
A+	-	-	35.868	-	-	632	64	-	**36.565**
A-	-	-	29.684	-	-	-	-	-	**29.684**
BBB	-	-	4.180	-	-	-	-	-	**4.180**
BB	406	851.850	777.080	-	-	-	-	-	**1.629.336**
B	286	-	-	-	-		-	-	**286**
B-	442	1.549	51.521	-	-	-	-	79.247	**132.759**
BB-	431	-	77.055	-	-	-	-	-	**77.486**
CCC+	-	-	-	-	-	4	-	100.095	**100.099**
Non Rated	557.217	75.951	222.092	38.982	7.404	3.800	10	2	**905.459**
Total	**558.782**	**929.351**	**1.294.474**	**38.982**	**7.404**	**4.478**	**1.945**	**421.316**	**3.256.733**

Analysis of financial assets:

The following table provides an aging analysis, except for Unit Linked products, of financial assets that are past due but not impaired and of financial assets that are individually determined to be impaired.

31 December 2022	Trade Portfolio	AFS Portfolio	Loans and receivables	Insurance Receivables	Re-insurance Receivables	Other Receivables	Total
(amounts in € thousand)							
Neither past due nor impaired financial assets	**942.969**	**1.008.526**	**38.790**	**-**	**2.393**	**6.712**	**1.999.390**
Past due but not impaired financial assets	-	-	-	-	-	-	**-**
Past due by:							
1 to 90 days	-	-	-	11.845	-	-	**11.845**
> 90 days	-	-	-	52	-	19	**71**
Total	**942.969**	**1.008.526**	**38.790**	**11.898**	**2.393**	**6.730**	**2.011.306**
Impaired financial assets							
Gross carrying value of financial assets	**-**	**67.490**	**-**	**52**	**-**	**713**	**68.255**
Less: impairment allowance	-	-	-	-	-	-	**-**
Impairment allowances on individually assessed financial assets	-	(3.057)	-	(52)	-	(713)	**(3.822)**
Net carrying value of financial assets	**942.969**	**1.072.959**	**38.790**	**11.898**	**2.393**	**6.730**	**2.075.739**

31 December 2021	Trade Portfolio	AFS Portfolio	Loans and receivables	Insurance Receivables	Re-insurance Receivables	Other Receivables	Total
(amounts in € thousand)							
Neither past due nor impaired financial assets	**929.351**	**1.229.635**	**38.982**	**-**	**1.945**	**4.444**	**2.204.358**
Past due but not impaired financial assets	-	-	-	-	-	-	**-**
Past due by:							
1 to 90 days	-	-	-	7.328	-		**7.328**
> 90 days	-	-	-	76	-	34	**110**
Total	**929.351**	**1.229.635**	**38.982**	**7.404**	**1.945**	**4.478**	**2.211.796**
Impaired financial assets							
Gross carrying value of financial assets	**-**	**67.360**	**-**	**34**	**-**	**726**	**68.120**
Less: impairment allowance	-	-	-	-	-	-	**-**
Impairment allowances on individually assessed financial assets	-	(2.521)	-	(34)	-	(726)	**(3.281)**
Net carrying value of financial assets	**929.351**	**1.294.474**	**38.982**	**7.404**	**1.945**	**4.478**	**2.276.635**

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 and currency exchange rates.

Based on the structure of the Company's investment portfolio, market risk mainly relates to interest rate risk, equity risk, 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:

Interest analysis

31 December 2022	**0 - 3 %**	**3 - 6 %**	**6 - 10 %**	**Total**
(amounts in € thousand)				
Financial assets at FVTPL:				
- Financial assets where the policyholders bear the investment risk (Unit Linked)	5.571	-	-	5.571
- Financial assets held for trading	763.748	102.208	-	865.956
Available for sale financial assets	302.676	377.314	174.721	854.710
Financial assets classified as loans and receivables	-	38.790	-	38.790
Cash and cash equivalents	210.856	-	3.274	214.130
Total	**1.282.851**	**518.311**	**177.994**	**1.979.156**

31 December 2021	**0 - 3 %**	**3 - 6 %**	**6 - 10 %**	**Total**
(amounts in € thousand)				
Financial assets at FVTPL:				
- Financial assets where the policyholders bear the investment risk (Unit Linked)	3.321	1.669	-	4.990
- Financial assets held for trading	851.850	-	-	851.850
Available for sale financial assets	245.142	710.826	77.055	1.033.022
Financial assets classified as loans and receivables	-	38.982	-	38.982
Cash and cash equivalents	408.344	12.972	-	421.316
Total	**1.508.657**	**764.449**	**77.055**	**2.350.161**

Analysis of interest bearing financial assets by type of rate:

31 December 2022	**Fixed rate**	**Floating Rate**	**Total**
(amounts in € thousand)			
Financial assets at FVTPL:			
- Financial assets where the policyholders bear the investment risk (Unit Linked)	5.571	-	5.571
- Financial assets held for trading	767.257	98.699	865.956
Available for sale financial assets	854.710	-	854.710
Financial assets classified as loans and receivables	-	38.790	38.790
Cash and cash equivalents	214.130	-	214.130
Total	**1.841.668**	**137.489**	**1.979.156**

31 December 2021	**Fixed rate**	**Floating Rate**	**Total**
(amounts in € thousand)			
Financial assets at FVTPL:			
- Financial assets where the policyholders bear the investment risk (Unit Linked)	4.990	-	4.990
- Financial assets held for trading	851.850	-	851.850
Available for sale financial assets	1.033.022	-	1.033.022
Financial assets classified as loans and receivables	-	38.982	38.982
Cash and cash equivalents	421.316	-	421.316
Total	**2.311.178**	**38.982**	**2.350.161**

(b) Equity risk

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

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

The Company's overall exposure to equity risk expressed as a percentage of total investments amounted to 14,8% at 31 December 2022 (2021: 9,1%), and is summarized below:

% of Investment portfolio under management	**31 December 2022**	**31 December 2021**
Exposure to listed equity markets	8,8%	7,0%
Exposure to REITS	6,0%	2,1%
Total Equities & MF's Exposure	**14,8%**	**9,1%**

(c) Currency risk

Based on Company's risk management framework, foreign currency risk is continuously monitored and managed on a regular basis.

The company is exposed to currency risk, due to investments in foreign currency. The Company, assessing the risk it assumes on a case-by-case basis, uses hedging products against foreign currency risk.

The Company's overall exposure to foreign currency risk at 31 December 2022 amounted to 6,3% (2021: 5,2%) and is not considered significant.

The table below presents the Company's exposure to foreign currency exchange rate risk as at 31 December 2022 and 2021 respectively. The table includes the Company's assets and liabilities at carrying amounts categorized by currency.

		31 December 2022					
(amounts in € thousand)	**EUR**	**USD**	**RON**	**GBP**	**ZAR**	**BRL**	**Total**
ASSETS							
Deferred acquisition costs (DAC)	27.075	-	-	-	-	-	27.075
Investments in subsidiaries	15.327	-	5.992				21.319
Investments in associates and joint ventures	145.557	-	-	-	-	-	145.557
Financial assets at FVTPL:							
- Financial assets where the policyholders bear the investment risk (Unit Linked)	630.515	-	-	-	-	-	630.515
- Financial assets held for trading	942.969	-	-	-	-	-	942.969
Available for sale financial assets	886.291	11.626	321	-	72.074	102.647	1.072.959
Financial assets classified as loans and receivables	38.790	-	-	-	-	-	38.790
Cash and cash equivalents	210.558	297	-	1	3.274	-	214.130
Insurance receivables	11.898	-	-	-	-	-	11.898
Reinsurance receivables	2.393	-	-	-	-	-	2.393
Other assets	14.370	-	-	-	-	-	14.370
Total assets	**2.925.742**	**11.923**	**6.314**	**1**	**75.348**	**102.647**	**3.121.974**
LIABILITIES							
Technical reserves and other insurance provisions	2.568.102	-	-	-	-	-	2.568.102
Financial liabilities	13.081	-	-	-	-	-	13.081
Other Liabilities	94.081	-	-	-	-	-	94.081
Total liabilities	**2.675.264**	**-**	**-**	**-**	**-**	**-**	**2.675.264**
Total Equity	**250.477**	**11.923**	**6.314**	**1**	**75.348**	**102.647**	**446.710**

(amounts in € thousand)	31 December 2021 EUR	USD	RON	GBP	ZAR	Total
ASSETS						
Deferred acquisition costs (DAC)	29.476	-	-	-	-	29.476
Investments in subsidiaries	15.327	-	4.092			19.419
Investments in associates and joint ventures	56.250	-	-	-	-	56.250
Financial assets at FVTPL:						
- Financial assets where the policyholders bear the investment risk (Unit Linked)	558.782	-	-	-	-	558.782
- Financial assets held for trading	929.351	-	-	-	-	929.351
Available for sale financial assets	1.138.449	78.696	274	-	77.055	1.294.474
Financial assets classified as loans and receivables	38.982	-	-	-	-	38.982
Cash and cash equivalents	404.744	3.780	-	1	12.792	421.316
Insurance receivables	7.404	-	-	-	-	7.404
Reinsurance receivables	1.945	-	-	-	-	1.945
Other assets	18.106	-	-	-	-	18.106
Total assets	**3.198.816**	**82.476**	**4.367**	**1**	**89.846**	**3.375.506**
LIABILITIES						
Technical reserves and other insurance provisions	2.624.924	-	-	-	-	2.624.924
Financial liabilities	13.629	-	-	-	-	13.629
Other Liabilities	119.808	-	-	-	-	119.808
Total liabilities	**2.758.361**	**-**	**-**	**-**	**-**	**2.758.361**
Total Equity	**440.455**	**82.476**	**4.367**	**1**	**89.846**	**617.145**

(d) VaR 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. For 2022, the approach for the VaR calculation methodology has been updated. 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 estimation (EWMA) 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 followed. Nevertheless, the use of this method does not prevent losses beyond these limits in case of extreme market movements.

VaR of assets

(amounts in € milion)	31 December 2022	31 December 2021
Total VaR	**54,0**	**19,5**

Monte Carlo VaR and the Company's implementation of this risk measurement methodology have a number of limitations, such as 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.

The Company in order to effectively manage liquidity risk, it has established, recorded and followed a set of documents consisting of the Liquidity Risk Management Policy.

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, both in terms of assets and liabilities.

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 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 2022	**Carrying Value**	**0-1 months**	**1-3 months**	**3-12 months**	**> 1 year**	**Total**
Financial Liabilities						
(amounts in € thousand)						
Reinsurance payables	33	-	33	-	-	**33**
Agents and Insurance Brokers	8.116	7.910	155	51	-	**8.116**
Other creditors	10.247	9.305	943	-	-	**10.247**
Lease liabilities	2.821	57	113	505	2.491	**3.166**
Other liabilities	33.692	728	1.240	24.623	7.101	**33.692**
Total financial liabilities	**54.909**	**17.999**	**2.483**	**25.179**	**9.592**	**55.254**

31 December 2021	**Carrying Value**	**0-1 months**	**1-3 months**	**3-12 months**	**> 1 year**	**Total**
Financial Liabilities						
(amounts in € thousand)						
Reinsurance payables	313	-	313	-	-	**313**
Agents and Insurance Brokers	10.656	9.387	1.218	51	-	**10.656**
Other creditors	1.361	1.023	337	-	-	**1.361**
Lease liabilities	3.161	55	109	489	2.977	**3.630**
Other liabilities	31.134	645	1.026	21.450	8.013	**31.134**
Total financial liabilities	**46.625**	**11.110**	**3.003**	**21.990**	**10.990**	**47.094**

Maturity analysis of insurance reserves and other provisions (expected future cash flows)

31 December 2022	**Carrying Value**	**0-1 years**	**1 - 3 years**	**3-5 years**	**5-10 years**	**>10 years**	**Total**
(amounts in € thousand)							
Outstanding claims	57.047	46.147	8.275	1.739	141	75	56.377
Unearned premiums	15.667	15.667	-	-	-	-	15.667
Technical Reserves – Life individual	1.793.019	134.159	344.726	560.029	649.968	395.738	2.084.620
Technical Reserves – Pensions (DAF)	81.595	-5.840	47.237	-364	8.595	59.974	109.603
Unit Linked	620.774	24.088	122.437	125.056	308.713	84.395	664.689
Total Life Insurance Reserves	**2.568.102**	**214.221**	**522.676**	**686.460**	**967.417**	**540.183**	**2.930.956**
Unit Linked	13.081	3.270	872	1.744	3.488	3.706	**13.081**
Total investment contracts	**13.081**	**3.270**	**872**	**1.744**	**3.488**	**3.706**	**13.081**
Total Life insurance Reserves	**2.581.183**	**217.491**	**523.548**	**688.204**	**970.905**	**543.889**	**2.944.037**

31 December 2021	Carrying Value	0-1 years	1 - 3 years	3-5 years	5-10 years	>10 years	Total
(amounts in € thousand)							
Outstanding claims	46.638	37.145	7.015	2.093	265	120	46.638
Unearned premiums	13.946	13.946	-	-	-	-	13.946
Technical Reserves – Life individual	1.810.031	144.027	340.357	480.348	642.198	361.035	1.967.965
Technical Reserves – Pensions (DAF)	207.919	11.009	140.159	-596	6.968	56.233	213.772
Unit Linked	546.390	21.047	102.917	100.586	242.377	13.358	480.285
Total Life Insurance Reserves	**2.624.924**	**227.174**	**590.448**	**582.431**	**891.808**	**430.746**	**2.722.607**
Unit Linked	13.629	3.194	1.065	426	4.685	4.259	**13.629**
Total investment contracts	**13.629**	**3.194**	**1.065**	**426**	**4.685**	**4.259**	**13.629**
Total Life Insurance Reserves	**2.638.553**	**230.368**	**591.513**	**582.857**	**896.493**	**435.005**	**2.736.236**

(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, asset and liability matching measures at the cash flow and maturity level at company level are produced and circulated to the Company's key management personnel including the 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.

For unit-linked products, the Company matches the valuation of these liabilities with the prices of the underlying assets of these portfolios. As a consequence, there is no price, currency, credit or interest rate risk for these contracts.

The following table summarizes the estimated amount and timing of cash flows arising from the Company's financial assets and insurance reserves, excluding the underlying assets and the liabilities arising from the Unit Linked products:

31 December 2022	Carrying Value	Life Contractual cash flows (undiscounted) 0-5 years	5-10 years	10-15 years	15-20 years	>20 Years	Total
(amounts in € thousand)							
Assets							
Carrying value and cash flows arising from assets:							
Trading portfolio:							
Listed equity securities:	14.278	14.278	-	-	-	-	**14.278**
Unlisted equities and mutual funds	62.734	62.734					**62.734**
Listed debt securities:							
– Fixed rate	767.257	773.722	-	-	-	-	**773.722**
– Floating rate	98.699	110.863	-	-	-	-	**110.863**
Available for sale:							
Listed equity securities	106.414	106.414	-	-	-	-	**106.414**
Unlisted equity securities	111.834	111.834	-	-	-	-	**111.834**
Listed debt securities:							
– Fixed rate	854.710	550.288	252.613	273.057	226.566	56.557	**1.359.081**
Loans and receivables:							
- Floating rate loans	38.790	41.661	-	-	-	-	**41.661**
Derivative financial instruments							
Cash and cash equivalents	214.130	214.130	-	-	-	-	**214.130**
Total	**2.268.847**	**1.985.925**	**252.613**	**273.057**	**226.566**	**56.557**	**2.794.718**

Insurance reserves	**Carrying Value**	**0-5 years**	**5-10 years**	**10-15 years**	**15-20 years**	**>20 years**	**Total**
		Expected cash flows (undiscounted)					
Insurance Reserves	**1.947.328**	1.151.775	658.704	262.690	76.227	116.871	**2.266.266**

31 December 2021	**Carrying Value**	**Life Contractual cash flows (undiscounted)**					**Total**
		0-5 years	**5-10 years**	**10-15 years**	**15-20 years**	**>20 Years**	
(amounts in € thousand)							
Assets							
Carrying value and cash flows arising from assets:							
Trading portfolio:							
Listed equity securities:	19.986	19.986	-	-	-	-	**19.986**
Unlisted equities and mutual funds	57.515	57.515					**57.515**
Listed debt securities:							
– Fixed rate	851.850	851.000	-	-	-	-	**851.000**
Available for sale:							
Listed equity securities							
Unlisted equity securities	86.613	86.613	-	-	-	-	**86.613**
Listed debt securities:	174.840	174.840	-	-	-	-	**174.840**
– Fixed rate							
– Floating rate	1.033.022	354.727	288.437	208.427	250.858	213.605	**1.316.054**
Loans and receivables:							
- Floating rate loans	38.982	40.524	-	-	-	-	**40.524**
Derivative financial instruments							
Cash and cash equivalents	421.316	421.316	-	-	-	-	**421.316**
Total	**2.684.124**	**2.006.520**	**288.437**	**208.427**	**250.858**	**213.605**	**2.967.847**

Insurance reserves	**Carrying Value**	**0-5 years**	**5-10 years**	**10-15 years**	**15-20 years**	**>20 years**	**Total**
		Expected cash flows (undiscounted)					
Insurance Reserves	**2.078.534**	1.175.502	649.431	257.409	56.935	103.044	**2.242.321**

On the above tables the hypothesis of reinvesting financial assets cash flows at their maturity has not been taken into consideration.

Additionally, the cash flows of the shares have been included in the first group of maturity, "0-5 years", since the shares that are listed can be realized at any time.

4.4 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. 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, taking into account the nature, scope 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 risks (to which it is or may be exposed in the immediate 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 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 the total risk tolerance limits of the Company as well as 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 by the supervisory framework. The results of the calculations are submitted to the Supervising Authority. Estimates on SCRs and eligible Equity are made on an ongoing basis, depending on the needs and requirements.

Furthermore, the Company implements stress tests with alternative 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 2022 and 31 December 2021, the eligible own funds of the Company exceeded the Solvency Capital Required (SCR).

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 as available-for sale securities 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 2.6).

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 and less-liquid debt instruments.

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 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
(amounts in € thousand)				
Financial assets				
Financial Assets at FVTPL:				
- Financial assets where the policyholders bear the investment risk	630.515	-	-	630.515
- Financial asset held for trading	880.234	62.734	-	942.969
Available for sale financial assets	962.307	107.919	2.733	1.072.959
Total Financial Assets	**2.473.056**	**170.654**	**2.733**	**2.646.443**
Financial Liabilities		-	-	
Investment contract liabilities	13.081	-	-	13.081
Total Financial Liabilities	**13.081**	**-**	**-**	**13.081**

31 December 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
(amounts in € thousand)				
Financial assets				
Financial Assets at FVTPL:				
- Financial assets where the policyholders bear the investment risk	558.782	-	-	558.782
- Financial asset held for trading	871.836	57.515	-	929.351
Available for sale financial assets	1.121.025	167.784	5.666	1.294.474
Total Financial Assets	**2.551.643**	**225.298**	**5.666**	**2.782.607**
Financial Liabilities		-	-	
Investment contract liabilities	13.629	-	-	13.629
Total Financial Liabilities	**13.629**	**-**	**-**	**13.629**

The change in the value of financial assets that have been categorized at Level 3 from € 5.666 thousand on December 31, 2021 to € 2.733 thousand on December 31, 2022 is primarily due to changes in fair value and unit sales.

No reclassifications were made between levels 1 and 2 during the year ended 31 December 2022 and 2021, 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 loans and receivables 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 following table shows, according to the hierarchical levels of IFRS 13, the classification of assets valued at amortized cost:

31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**	**Total Book Value**
(amounts in € thousand)					
Financial assets					
Financial assets Loans and Receivables	-	38.545	-	38.545	38.790
Total financial assets	**-**	**38.545**	**-**	**38.545**	**38.790**

31 December 2021	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**	**Total Book Value**
(amounts in € thousand)					
Financial assets					
Financial assets Loans and Receivables	-	38.432	-	38.432	38.982
Total financial assets	**-**	**38.432**	**-**	**38.432**	**38.982**

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	**Vehicles**	**Furniture and other equipment**	**Total**
(amounts in € thousand)				
Cost:				
Balance at 1 January 2022	**96**	**363**	**2.293**	**2.752**
Additions	-	-	26	26
Balance at 31 December 2022	**96**	**363**	**2.320**	**2.779**
Accumulated depreciation:				
Balance at 1 January 2022	**(64)**	**(304)**	**(1.922)**	**(2.291)**
Depreciation charge	(7)	(59)	(155)	(221)
Balance at 31 December 2022	**(72)**	**(363)**	**(2.078)**	**(2.512)**
Net book value at 31 December 2022	**24**	**0**	**242**	**266**

	Leasehold improvements	**Vehicles**	**Furniture and other equipment**	**Total**
(amounts in € thousand)				
Cost:				
Balance at 1 January 2021	**118**	**363**	**2.267**	**2.747**
Additions	10	-	27	37
Sales and deletions	(31)	-	-	(31)
Balance at 31 December 2021	**96**	**363**	**2.293**	**2.752**
Accumulated depreciation:				
Balance at 1 January 2021	**(68)**	**(233)**	**(1.731)**	**(2.032)**
Depreciation charge	(12)	(71)	(192)	(275)
Sales and deletions	15	-	-	15
Balance at 31 December 2021	**(64)**	**(304)**	**(1.922)**	**(2.291)**
Net book value at 31 December 2021	**32**	**59**	**371**	**462**

As at 31 December 2022 and 2021 there were no capital commitments for property, plant and equipment.

NOTE 6: RIGHT OF USE ASSET AND LEASE LIABILITIES

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2022	4.276	210	100	4.586
Additions	-	42	4	47
Modifications	154	-	-	154
Balance at 31 December 2022	**4.430**	**252**	**104**	**4.787**
Accumulated Depreciation:				
Balance at 1 January 2022	(1.449)	(96)	(89)	(1.634)
Depreciation charge	(511)	(48)	(11)	(570)
Balance at 31 December 2022	**(1.959)**	**(144)**	**(100)**	**(2.204)**
Net book value at 31 December 2022	**2.471**	**108**	**4**	**2.584**

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2021	4.407	134	199	4.739
Additions	-	96	22	118
Reductions	(131)	(20)	(120)	(271)
Modifications	0	-	-	-
Balance at 31 December 2021	**4.276**	**210**	**100**	**4.586**
Accumulated Depreciation:				
Balance at 1 January 2021	(1.012)	(77)	(146)	(1.235)
Depreciation charge	(499)	(37)	(11)	(547)
Reductions	62	18	67	148
Balance at 31 December 2021	**(1.449)**	**(96)**	**(89)**	**(1.634)**
Net book value at 31 December 2021	**2.828**	**114**	**11**	**2.953**

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

(amounts in € thousand)	31/12/2022	31/12/2021
Short-term lease liabilities	551	511
Long-term lease liabilities	2.270	2.650
Total	**2.821**	**3.161**

Lease liabilities are due as follows:

(amounts in € thousand)	31/12/2022	31/12/2021
Within a year	551	511
Within the second year	556	516
From 3 to 5 years	1.714	1.605
After 5 years	-	529
Total lease liabilities	**2.821**	**3.161**

The amounts recognized by the Company in the income statement for the year 2022 and 2021 relating to leases, are as follows:

(amounts in € thousand)	01/01-31/12/2022	01/01-31/12/2021
Depreciation charge of right of use assets	(570)	(547)
Interest expense on lease liabilities	(149)	(165)
Expenses related to short-term leases and non-lease components	(106)	(103)
Variable lease expense not included the measurement of lease liabilities	(4)	(4)
Total	**(829)**	**(819)**

NOTE 7: INTANGIBLE ASSETS

(amounts in € thousand)	Software	Trademarks	Total
Cost:			
Balance at 1 January 2022	**10.033**	**5**	**10.038**
Purchases/ Additions	1.818	-	1.818
Balance at 31 December 2022	**11.851**	**5**	**11.856**
Accumulated Amortization:			
Balance at 1 January 2022	**(6.234)**	**(3)**	**(6.237)**
Amortization charge	(829)	0	(830)
Balance at 31 December 2022	**(7.063)**	**(3)**	**(7.066)**
Net book value at 31 December 2022	**4.788**	**1**	**4.789**

(amounts in € thousand)	Software	Trademarks	Total
Cost:			
Balance at 1 January 2021	**8.254**	**5**	**8.259**
Purchases/ Additions	1.778	-	1.778
Balance at 31 December 2021	**10.033**	**5**	**10.038**
Accumulated Amortization:			
Balance at 1 January 2021	**(5.488)**	**(3)**	**(5.490)**
Amortization charge	(746)	0	**(747)**
Balance at 31 December 2021	**(6.234)**	**(3)**	**(6.237)**
Net book value at 31 December 2021	**3.799**	**2**	**3.801**

NOTE 8: DEFERRED ACQUISITION COSTS (DAC)

(amounts in € thousand)	31/12/2022	31/12/2021
Technical Reserves	24.271	26.980
Acquisition costs	2.804	2.496
Total DAC	**27.075**	**29.476**

The movement of the deferred acquisition costs of the Life insurance business is presented in the following table:

(amounts in € thousand)	Technical Reserves	Acquisition Costs	Total DAC
Cost:			
Balance at 1 January 2022	**26.980**	**2.496**	**29.476**
Capitalization	43	482	**525**
Amortization	(2.751)	(174)	**(2.926)**
Balance at 31 December 2022	**24.271**	**2.804**	**27.075**

(amounts in € thousand)	Technical Reserves	Acquisition Costs	Total DAC
Cost:			
Balance at 1 January 2021	**27.915**	**2.167**	**30.082**
Capitalization	577	477	**1.054**
Amortization	(1.513)	(147)	**(1.660)**
Balance at 31 December 2021	**26.980**	**2.496**	**29.476**

NOTE 9: INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investment in subsidiaries

(amounts in € thousand)	2022 EUROLIFE FFH ASIGURARI DE VIATA	2022 DIETHNIS KTIMATIKI S.A.
Carrying amount	4.092	15.327
Percentage holding	95%	100%
Country of incorporation	Romania	Greece
Line of business	Life Insurance	Real estate
Cost at 1 January	**4.092**	**15.327**
Share capital increase	1.900	-
Balance at 31 December	**5.992**	**15.327**

(amounts in € thousand)	2021 EUROLIFE FFH ASIGURARI DE VIATA	2021 DIETHNIS KTIMATIKI S.A.
Carrying amount	4.092	15.327
Percentage holding	95%	100%
Country of incorporation	Romania	Greece
Line of business	Life Insurance	Real estate
Cost at 1 January	**4.092**	**15.327**
Share capital increase	-	-
Balance at 31 December	**4.092**	**15.327**

According to the decision of the Extraordinary Shareholders' General Meeting of the subsidiary company Eurolife FFH Asigurari de Viata S.A. of 14.10.2022, the subsidiary increased its share capital by €2.000 thousand (RON 9.883 thousand) by issuing 6.877 new shares with a nominal value of €291 (RON 1.437), which was covered by its shareholders, the Company (95%) and Eurolife FFH General Insurance SA (5%). After the increase, the share capital of the subsidiary amounts to €6.100 thousand (RON 24.254 thousand).

Investments in associates and joint ventures

On 19 February 2017, the Company participated as strategic investor in the share capital increase of Grivalia Hospitality S.A. (or “GH”). GH was founded by Grivalia Properties REIC ("Grivalia") on 26 June 2015 and the purpose of its activity is the acquisition, development and management of hotel and tourist properties in Greece and abroad. Following the completion of the transaction, the percentage of the Company and Grivalia in the share capital of GH amounted to 50% each.

On July 27 2017, the investment firm M&G Investment Management Limited (“M&G”), established in London, participated in the share capital of GH. At completion of the transaction, the 25% of share capital of GH are owned by Grivalia, 25% by the Company and 50% by M&G. Furthermore, at 17 May 2019 the Ministry of Economy and Development approved the merger with the absorption of Grivalia by Eurobank and therefore from that date onwards the share of Grivalia belongs to Eurobank.

On March 24 2022, the Company acquired 3.825.000 shares of GH from Eurobank for a paid amount of €5,29 million. The Company’s percentage of participation in GH increased from 25% to 26,7%.

On 13 April 2022, the Company participated in a new share capital increase of GH, amounting to €35,0 million. The Company paid €27,4 million by acquiring 19.828.815 shares. The Company’s participation in GH increased from 26,7% to 31,9%.
On 5 July 2022, the Company acquired 3.825.000 shares in GH from M&G Investment Management Limited for consideration paid of €5,3 million. The Company's shareholding in GH increased from 31,9% to 33,5%. M&G Investment Management Limited sold its entire interest to subsidiaries of the Fairfax group and does not exist as a shareholder of GH.

On 8 July 2022 and 21 November 2022 , the Company participated in GH's new share capital increase of €25,4 million and €40,0 million, respectively. The Company paid €19,9 million and €31,4 million by acquiring 11.860.981 shares and 18.678.710 shares, respectively. The Company's shareholding in GH increased gradually from 33,5% to 36,0% and 39,5% respectively. Following the completion of the increase, GH's paid-up share capital now amounts to €325,4 million and will be used for the uninterrupted execution of its investment plan.

Until 5 July 2022, the Company identified the investment as a "joint venture investment" by assessing the nature of the investment and given that the three shareholders made all major decisions by unanimity. From 5 July 2022 onwards where the sale of M&G's shares and its exit from the investment took place, the Company re-evaluated the nature of the investment and determined that all conditions were met for the investment to now be classified as an 'investment in associate' and therefore consolidated using the equity method.

The total assets and labilities of the GH Group as at 31 December 2022 amount to € 615.942 thousand (2021: € 416.735 thousand) and € 282.006 thousand (2021: € 167.308 thousand), respectively. The equity of the GH Group net of non-controlling interest amounts to € 310.050 thousand (2021: € 216.054 thousand). The most significant assets of the GH Group include the property for own-use valued at historical cost which amount to € 265.360 thousand (2021: € 212.141 thousand), the investment properties at the amount of € 167.029 thousand (2021: €124.706 thousand) and its bank deposits amounting to € 54.530 thousand (2021: € 25.954 thousand) as at 31 December 2022.

Events after the Balance Sheet date

On 27 January 2023, the Company acquired 30.175.328 shares of GH from Eurobank for the amount paid of €48,3 million. The percentage of participation of the Company in GH increased from 39,51% to 49,94%.

On 28 February 2023, GH completed a new share capital increase with a capitalization of share premium amounts of €12.507.738,0 and the issue of 12.507.738 new ordinary shares with a nominal value of €1,0 each. The Company did not participate in the new share capital increase. Following the completion of the transaction, the participation percentage of the Group in GH decreased from 49,94% to 47,87%.

On 24 March 2023, the Company participated in a new share capital increase of GH, amounting to €95,0 million. The Company paid €45,5 million acquiring 28.421.738 capital shares. The participation percentage of the Company in GH did not change as a result of this transaction.

NOTE 10: DEFERRED TAX

(amounts in € thousand)	Opening Balance 01/01/2022	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2022
Valuation of Investments				
Fair value changes of available for sale financial assets	(66.481)	-	45.798	(20.683)
Impairment of available for sale financial assets	555	89	-	644
Changes in fair value of financial assets held for trading	(976)	1.152	-	176
Changes in the amortized cost of Financial assets classified as Loans and Receivables	(121)	67	-	(54)
Changes in the Fair Value of Derivative Financial Instruments	-	-	-	-
Miscellaneous Provisions				
Provision for staff leaving indemnities	122	13	16	151
Provision for unused personnel leave	67	(28)	-	40
Provision for other doubtful and disputed receivables	279	(61)	-	217
Other temporary differences	197	(35)	-	162
Foreign exchange differences of investment securities				
Changes in fair value due to foreign exchange differences	1.945	(663)	-	1.282
Property, plant and equipment				
Adjustment to the depreciation/ amortization of property, plant and equipment and intangible assets	76	11	-	86
Total Deferred Tax Assets / (Liabilities)	**(64.338)**	**545**	**45.814**	**(17.979)**

(amounts in € thousand)	Opening Balance 01/01/2021	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2021
Valuation of Investments				
Fair value changes of available for sale financial assets	(80.635)	183	13.971	(66.481)
Impairment of available for sale financial assets	617	(62)	-	555
Changes in fair value of financial assets held for trading	(85)	(890)	-	(976)
Changes in the amortized cost of Financial assets classified as Loans and Receivables	(411)	290	-	(121)
Changes in the Fair Value of Derivative Financial Instruments	(24)	24	-	-
Miscellaneous Provisions				
Provision for staff leaving indemnities	124	5	(7)	122
Provision for unused personnel leave	73	(6)	-	67
Provision for other doubtful and disputed receivables	231	48	-	279
Other temporary differences	127	70	-	197
Foreign exchange differences of investment securities				
Changes in fair value due to foreign exchange differences	2.759	(814)	-	1.945
Property, plant and equipment				
Adjustment to the depreciation/ amortization of property, plant and equipment and intangible assets	62	13	-	76
Total Deferred Tax Assets / (Liabilities)	**(77.161)**	**(1.141)**	**13.963**	**(64.338)**

The movement in deferred tax from fair value changes of the available-for-sale financial assets is analyzed as follows: € 35.448 thousand (2021: € 9.235 thousand) attributable to changes in fair value and € 10.350 thousand (2021: € 4.735) thousand) attributable to the transfer to income statement due to disposals.

NOTE 11: FINANCIAL ASSETS HELD OF BEHALF OF POLICYHOLDERS WHO BEAR THE INVESTMENT RISK (UNIT LINKED)

	31/12/2022	31/12/2021
(amounts in € thousand)		
Other issuers' securities:		
Banks	-	1.043
Other	630.504	555.305
Subtotal	**630.504**	**556.348**
Total	**630.504**	**556.348**
Bonds	-	2.556
Equity shares	7.510	8.270
Mutual Funds	617.434	545.522
Time deposits	5.560	-
Subtotal	**630.504**	**556.348**
Plus:		
Accrued interest from bonds	-	37
Cash and cash equivalents	11	2.398
Subtotal	**11**	**2.434**
Total	**630.515**	**558.782**

The movement in securities is as follows:

	2022	2021
Balance on 1 January	**558.782**	**300.505**
Additions	203.128	358.413
Sales / Liquidations	(62.929)	(122.871)
Changes in cash and cash equivalents and time deposits	3.173	2.376
Changes in fair value	(71.603)	20.395
Changes in accrued interest	(37)	(37)
Balance at 31 December	**630.515**	**558.782**

NOTE 12: FINANCIAL ASSETS HELD FOR TRADING

	31/12/2022	31/12/2021
(amounts in € thousand)		
Government securities:		
Greek government	754.725	851.850
Subtotal	**754.725**	**851.850**
Other issuers' securities:		
Banks	98.124	1.549
Other	87.637	75.951
Subtotal	**185.761**	**77.501**
Total	**940.487**	**929.351**
Bonds	108.749	-
Treasury bills	754.725	851.850
Equity shares	14.278	19.986
Mutual Funds	62.734	57.515
Subtotal	**940.487**	**929.351**
Plus: accrued interest	2.482	-
Total	**942.969**	**929.351**

The movement in securities is as follows:

	2022	2021
Balance at 1 January	**929.351**	**1.155.758**
Additions	1.862.536	2.221.999
Sales / Liquidations	(1.847.000)	(2.450.506)
Bonds amortization and interest income of treasury bills	836	(2.381)
Foreign exchange differences	-	401
Fair value changes of debt securities	(3.035)	(228)
Fair value changes of equity securities	(2.201)	4.307
Change in accrued interest	2.482	-
Subtotal at 31 December	**942.969**	**929.351**

NOTE 13: AVAILABLE FOR SALE FINANCIAL ASSETS

	31/12/2022	31/12/2021
(amounts in € thousand)		
Government securities:		
Greek Government	629.012	749.713
Foreign Governments	179.312	237.355
Subtotal	**808.324**	**987.068**
Other issuers' securities:		
Banks	60.977	51.521
Other	179.458	233.247
Subtotal	**240.435**	**284.768**
Total	**1.048.759**	**1.271.837**
Bonds	804.642	1.010.384
Treasury bills	25.868	-
Equity shares	106.736	86.887
Mutual funds	111.513	174.565
Subtotal	**1.048.759**	**1.271.837**
Plus:		
Accrued interest from bonds	24.200	22.638
Subtotal	**24.200**	**22.638**
Total	**1.072.959**	**1.294.474**

The movement in securities is as follows:

	2022	2021
Balance at 1 January	**1.294.474**	**1.390.385**
Additions	285.436	81.559
Sales / Liquidations	(310.764)	(150.038)
Bonds amortization and interest income of treasury bills	7.817	6.841
Foreign exchange differences	3.013	2.256
Fair value change of debt securities	(227.654)	(70.032)
Fair value change of equity securities	19.480	36.242
Impairment of equity securities	(406)	49
Change in accrued interest	1.562	(2.787)
Balance at 31 December	**1.072.959**	**1.294.474**

The Hellenic Republic invited on December 6, 2021 the holders of Greek Government Bonds with maturity dates between 2023 and 2042, which were issued during the restructuring of the Greek debt in 2012 ("PSI GGBs"), to exchange them with 4 new bond issues ("New GGBs"). The Company, taking into account the financial consequences of the announced exchange program of PSI GGBss ("Exchange of GGBs") decided to participate in the program with all the PSI GGBs it held in the available for sale investment portfolio. Specifically, the Company proceeded to the exchange of PSI GGBs with a nominal value of € 462.095 thousand, which at the date of completion of the GGBs Exchange on December 17, 2022 had an amortized cost of € 355.545 thousand and unrealized gains of € 268.638 thousand.

The modification of the contractual cash flows of the bonds as a result of the Exchange of GGBs did not meet the criteria for the "De-recognition" of financial assets in accordance with IAS 39 and as a result the transaction was treated as a "Modification" of the contractual terms of the bonds. Therefore, after the Exchange of GGBs, the unrealized gains were not recycled in the income statement, but remained in the AFS reserve.

NOTE 14: FINANCIAL ASSETS CLASSIFIED AS LOANS AND RECEIVABLES

(amount in € thousand.)	31/12/2022	31/12/2021
Loans		
Commercial Mortgage Loans	38.445	38.750
Total	**38.445**	**38.750**
Plus		
Accrued interest on loans	345	232
Total	**38.790**	**38.982**

The movement of loans is as follows:

(amounts in € thousand)	2022	2021
Balance at 1 January	**38.982**	**78.576**
Loans (received)	-	(38.200)
Loans amortization	(305)	(1.161)
Changes in accrued interest	113	(232)
Balance at 31 December	**38.790**	**38.982**

In October 2020, the Company granted mortgage loans, with a floating interest rate, of a total nominal value of € 76.400 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 € 38.200 thousand was repaid.

NOTE 15: INSURANCE RECEIVABLES

(amounts in €thousand)	31/12/2022	31/12/2021
Insurance receivables up to 30 days	9.679	6.147
Insurance receivables between 30 to 90 days	2.469	1.515
Insurance receivables over 90 days	-	111
Provision for doubtful receivables	(52)	(34)
(Less) : premium prepayments	(199)	(334)
Total	**11.898**	**7.404**

Insurance receivables from the parent company and related parties represent 29,9% (2021: 30,3%) of total receivables. Management does not expect impairment losses due to inability of payments by parent company and related parties.

NOTE 16: OTHER RECEIVABLES

(amounts in € thousand)	31/12/2022	31/12/2021
Reinsurance receivables (current accounts)	1.555	674
Receivables from ceding insurers (current accounts)	0	185
Advances to agents and brokers	731	759
Provisions for doubtful debt from agents and brokers	(713)	(726)
Other prepaid expenses	642	749
Receivables from accrued interests	8	4
Other receivables	4.507	2.833
Total	**6.730**	**4.478**

On 11.04.2022 the Company granted a loan to cover the financial needs of the subsidiary "DIETHNIS KTIMATIKI S.A." in the amount of €13.241.554 and maturing on 10.04.2023, with an annual fixed interest rate of 4,10%. On 22.07.2022, the total amount of the loan was repaid with the payment of €13.403.681 (€13.241.554 principal and €162.127 interest). Since the granting and collection of the total amount of the loan was made during the financial year this amount is not shown in the Company's Balance Sheet.

NOTE 17: REINSURANCE RECEIVABLES

(amounts in € thousand)	31/12/2022	31/12/2021
Receivables from unearned premiums reserves (U.P.R.) (note 21)	334	-
Receivables from outstanding claims reserves (O.C.R.) (note 21)	2.060	1.945
Total	**2.393**	**1.945**

The credit risk with respect to the reinsurance receivables is limited due to the high creditworthiness of the reinsurers (note 4.3.1).

NOTE 18: CASH AND CASH EQUIVALENTS

(amounts in € thousand)	31/12/2022	31/12/2021
Cash on hand	2	2
Deposits on demand	166.654	246.905
Time deposits	47.474	174.409
Total	**214.130**	**421.316**

Time deposits have a maturity of less than 90 days. The weighted average effective interest rate on time deposits during the year was 3,37%, which comes from time deposits in foreign currency.

NOTE 19: SHARE CAPITAL AND SHARE PREMIUM

The share capital comprise of 843.000 registered ordinary shares at a nominal value of €34,56 per share. 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)	31/12/2022	31/12/2021
Number of Ordinary shares	843.000	843.000
Paid up	29.134	29.134
Share capital	**29.134**	**29.134**
Share premium	**79.014**	**79.014**

NOTE 20: RESERVES

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	Reserve for post employment benefit obligation	AFS investments revaluation Reserve	Total
Balance at 1 January 2022	**39.777**	**182.783**	**(130)**	**228.582**	**451.012**
Transfer between reserves	-	(38.661)	-	-	**(38.661)**
Change in AFS financial assets	-	-	-	(208.174)	**(208.174)**
Deferred tax on change in AFS financial assets	-	-	-	45.798	**45.798**
Remeasurement of defined benefit obligation, net of tax	-	-	(57)	-	**(57)**
Balance at 31 December 2022	**39.777**	**144.122**	**(187)**	**66.206**	**249.918**

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	Reserve for post employment benefit obligation	AFS investments revaluation Reserve	Total
Balance at 1 January 2021	**39.777**	**160.260**	**(139)**	**248.401**	**448.299**
Transfer between reserves	-	22.523	-	-	**22.523**
Change in AFS financial assets	-	-	-	(33.790)	**(33.790)**
Deferred tax on change in AFS financial assets	-	-	-	13.971	**13.971**
Remeasurement of defined benefit obligation, net of tax	-	-	9	-	**9**
Balance at 31 December 2021	**39.777**	**182.783**	**(130)**	**228.582**	**451.012**

Statutory reserve includes legal reserves that cannot be distributed to the shareholders.

Extraordinary Reserves include: a) reserves from previous years profits following General Shareholders' Meeting decisions. These reserves arising from profits of previous years can be distributed to shareholders upon decision of General Shareholders' Meeting without additional tax charge and b) reserves recognized under special laws, that are either not distributable or in case of distribution they will be taxed with the applicable income tax rate at the date of distribution.

Reserve for post-employment benefit obligations includes reserves from the remeasurement of the defined benefit obligation, along with the relevant deferred tax. This reserve is recognized in accordance with the provisions of the revised IAS 19 and cannot be distributed.

AFS investments revaluation reserve includes revaluation reserves of available for sale investments that are recycled to income statement upon disposal or impairment of the investments. This reserve also includes the associated deferred taxes.

NOTE 21: TECHNICAL RESERVES AND OTHER INSURANCE PROVISIONS

	31/12/2022			31/12/2021		
(amounts in € thousand)	Company	Reinsurers	Total	Company	Reinsurers	Total
Technical reserves - Life	1.793.019	-	1.793.019	1.810.031	-	1.810.031
Technical reserves – pensions (DAF)	81.595	-	81.595	207.919		207.919
Unearned premiums reserves (UPR)	15.333	334	15.667	13.946	-	13.946
Outstanding claims reserves	54.988	2.060	57.047	44.694	1.945	46.638
Total Life insurance reserves	**1.944.935**	**2.393**	**1.947.328**	**2.076.589**	**1.945**	**2.078.534**
Insurance provisions for life insurance contracts where the policyholders bear the investment risk (Unit Linked)	620.774	-	620.774	546.390	-	546.390
Total	**2.566.043**	**2.060**	**2.568.102**	**2.622.979**	**1.945**	**2.624.924**

The technical reserves of life insurance contracts amounted to €1.793 million as at 31 December 2022 compared to €1.810 million in the previous financial year, representing a decrease of €17 million. This change is analyzed as follow: a) an increase of €239,6 million, due to new life insurance policy premium production b) a decrease of €198,4 million coming from acquisitions, maturities and deaths of life insurance policies and c) a decrease of €58,3 million attributable to the change in the adequacy reserve.

The technical reserves for pensions (D.A.F.) amounted to €81,6 million at 31 December 2022 compared to €207,9 million in the previous financial year, a decrease of €126,3 million. This change is mainly broken down as follows: a) an increase of €21,5 million due to the new production of D.A.F. policy premiums , b) an increase of €0,6 million coming from the outperformance of the technical reserve for D.A.F, c) a decrease of €142,3 million resulting from the acquisition, maturity and death of D.A.F. policies.

The decrease in the adequacy reserve in the portfolio of traditional life insurance policies and the D.A.F. policy portfolio is mainly due to the revised interest rate curves.
The insurance provisions for life insurance contracts where the policyholders bear the investment risk (Unit Linked) amount to € 620,8 mil. as at 31 December 2022 compared to € 546,4 mil. in the previous year, presenting increase of € 74,4 mil. This movement is analyzed as: a) an increase of €175,0 million due to the new production of Unit Linked insurance policies, b) a decrease of €53,7 million resulting from the acquisition, maturities and deaths contracts of Unit Linked insurance policies and c) an increase of €46,9 million resulting from a decrease in return on investments.

MOVEMENT OF TECHNICAL RESERVES INSURANCE PROVISIONS

(amounts in € thousand)	Life	Pensions (DAF)	Unit Linked	U.P.R	Total
Balance at 1 January 2022	**1.810.031**	**207.919**	**546.390**	**13.946**	**2.578.285**
New production, renewals	238.662	21.563	175.002	2.167	**437.394**
Surrenders, lapses, maturities, deaths etc.	(198.371)	(142.308)	(53.668)	(780)	**(395.126)**
Additional reserves (LAT)	(58.309)	(6.204)	-	-	**(64.513)**
Return on investments	-	-	(46.949)	-	**(46.949)**
Excess investment return on technical reserves	1.006	624	-	-	**1.630**
Provisions' movement – Company's share	**(17.012)**	**(126.325)**	**74.385**	**1.388**	**(67.564)**
Provisions' movement - Reinsurers' share	-	-	-	334	**334**
Portfolio acquisition	-	-	-	-	**-**
Balance at 31 December 2022	**1.793.019**	**81.595**	**620.774**	**15.667**	**2.511.055**

(amounts in € thousand)	Life	Pensions (DAF)	Unit Linked	U.P.R	Total
Balance at 1 January 2021	**1.935.607**	**184.225**	**291.066**	**11.756**	**2.422.654**
New production, renewals	97.230	28.799	350.485	2.959	**479.473**
Surrenders, lapses, maturities, deaths etc.	(191.427)	(18.433)	(128.764)	(680)	**(339.305)**
Additional reserves (LAT)	(33.217)	(22.049)	-	-	**(55.266)**
Return on investments	-	-	33.603	-	**33.603**
Excess investment return on technical reserves	1.838	33.524	-	-	**35.362**
Provisions' movement – Company's share	**(125.576)**	**21.840**	**255.324**	**2.279**	**153.867**
Provisions' movement - Reinsurers' share	-	-	-	(90)	**(90)**
Portfolio acquisition	-	1.854	-	-	**1.854**
Balance at 31 December 2021	**1.810.031**	**207.919**	**546.390**	**13.946**	**2.578.285**

MOVEMENT OF OUTSTANDING CLAIMS RESERVES

	31/12/2022			31/12/2021		
	Company	Reinsurers	Total	Company	Reinsurers	Total
(amounts in € thpusand)						
Outstanding claims	41.312	1.945	43.257	38.983	1.660	40.643
Additional reserves	3.382	-	3.382	3.189	-	3.189
Balance at 1 January	**44.694**	**1.945**	**46.638**	**42.172**	**1.660**	**43.831**
Decrease from paid claims	(16.329)	(1.287)	(17.616)	(13.353)	(1.533)	(14.886)
Increase from current year' s claims	26.644	1.013	27.657	18.753	1.396	20.149
Increase/ (Decrease) from prior years' claims	(1.134)	388	(746)	(3.071)	423	(2.648)
Additional reserves	1.114	-	1.114	193	-	193
Outstanding claims movements	**10.294**	**115**	**10.409**	**2.522**	**285**	**2.807**
Outstanding claims	50.492	2.060	52.552	41.312	1.945	43.257
Additional reserves	4.496	-	4.496	3.382	-	3.382
Balance at 31 December	**54.988**	**2.060**	**57.047**	**44.694**	**1.945**	**46.638**

NOTE 22: INVESTMENT CONTRACT LIABILITIES

(amounts in € thousand)	31/12/2022	31/12/2021
Balance at 1 January	**13.629**	**11.738**
Additions	628	1.819
Liquidations	(676)	(271)
Realized gains/(losses) from disposals	(78)	1.478
Interest and dividend Income	8	102
Fair value (losses)	(430)	(1.236)
Balance at 31 December	**13.081**	**13.629**

NOTE 23: 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 remuneration at the date of retirement, if they remain at service 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.

Movement of provision for staff leaving indemnities	2022	2021
(amounts in € thousand)		
Balance at 1 January	554	516
Benefits paid by the employer	-	(64)
Total expense recognized in the income statement	61	118
Actuarial (gains)/ losses recognized in OCI	73	(16)
Balance at 31 December	**688**	**554**

Amounts recognized in the income statement	2022	2021
(amounts in € thousand)		
Current service cost	58	54
Net interest	3	-
Curtailments / settlements / terminations	-	64
Total expense in income statement	**61**	**118**

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 retirement benefit obligations include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of retirement benefit obligations.

The Company determines the appropriate discount rate that should be used to calculate the present value of the estimated retirement benefit obligations at the end of each year. In determining the appropriate discount rate, the Company uses interest rates of highly rated 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 retirement benefit obligations, such as changes in inflation rate, are based partly on prevailing market conditions

Actuarial assumptions	**2022**	**2021**
Discount rate	3,25%	0,55%
Future salary increases	2,0% to 4,0%	0,0% to 4,0%
Inflation	2,75%	1,4%
Expected remaining service life (years)	3,54	4,57

A quantitative sensitivity analysis based on reasonable changes to significant actuarial assumptions as at 31 December 2022 is follows:

- An increase/(decrease) of the discount rate assumed by 0,5% / (0,5%) would result in a (decrease)/increase of the staff retirement benefit obligations by (€14,44) thousand / €15,13 thousand
- An increase/(decrease) of the future salary growth assumed by 0,5% / (0,5%) would result in an increase/ (decrease) of the staff retirement benefit obligations by €14,44 thousand / (€15,13) thousand.
- A zero rate of voluntary retirements would result in increase of the retirement benefit obligation by €43,3 thousand

NOTE 24: INSURANCE AND OTHER LIABILITIES

(*amounts in € thousand*)	**31/12/2022**	**31/12/2021**
Reinsurers – current accounts	33	313
Agents and insurance brokers	8.116	10.656
Taxes	3.967	7.181
Social security	1.251	1.110
Other Creditors	11.246	1.361
Surrenders payable and claims settlement	26.026	22.170
Other liabilities	7.666	8.964
Total	**58.304**	**51.755**

As at 31 December 2022 other creditors amounting of € 11.246 thousand included an amount of € 8.262 thousand concerning transactions for the purchase of financial assets that are not settled.

Moreover, other liabilities mainly include provision for unaudited tax years and other provisions.

NOTE 25: NET EARNED PREMIUMS

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Gross Written premiums	537.000	539.785
Policy fees	91	86
Change in unearned premium reserve (note 21)	(1.721)	(2.204)
Gross Earned premiums	**535.370**	**537.668**
Inward Reinsurance gross written premiums	-	55
Change in unearned premium reserve (note 21)	-	14
Inward Reinsurance Gross Earned premiums	**-**	**69**
Total Gross Earned Premiums	**535.370**	**537.737**
Premiums Ceded to Reinsurers	(6.019)	(5.873)
Change in unearned premium reserve (note 21)	334	(90)
Total Premium ceded to reinsurers	**(5.685)**	**(5.963)**
Total Net Earned Premiums	**529.685**	**531.774**

NOTE 26: OTHER INSURANCE RELATED INCOME

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Commission income from reinsurers	3.342	2.210
Income from reinsurance activities	**3.342**	**2.210**
Management fees- Mutual Funds	52	56
Management fees from Mutual Funds	**52**	**56**
Management fees – Insurance Unit Linked contracts	4.856	3.806
Lapse and exit fees- Insurance Unit Linked contracts	602	472
Income from Insurance Unit Linked Products	**5.518**	**4.279**
Management fees-Investment Unit Linked Contracts	60	67
Income from Investment Unit Linked Products	**60**	**67**
Total other income related to insurance activities	**8.912**	**6.611**

NOTE 27: INVESTMENT INCOME

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Trading Portfolio and cash		
Interest income on debt securities	3.418	(2.741)
Interest income on deposits	215	397
Foreign exchange differences from deposits	2.283	600
Subtotal	**5.916**	**(1.743)**
Available for sale financial assets		
Dividend income on equity shares and mutual funds	3.983	2.331
Interest income on debt securities	45.718	44.513
Subtotal	**49.700**	**46.884**

Loans and receivables financial assets		
Interest income on commercial mortgage loans	1.136	284
Subtotal	**1.136**	**284**
Other interest	26	46
Subtotal	**26**	**46**
Total Investment Income	**56.778**	**45.431**

NOTE 28: GAINS FROM SALE OF FINANCIAL ASSETS

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Financial assets held for trading		
(Losses) from equities disposal	(3)	(39)
Gains from mutual funds disposal	-	830
Subtotal	**(3)**	**791**
Financial assets held on behalf of policyholders who bear the investment risk (Unit Linked)		
Gains from mutual funds disposal	2.205	11.499
Subtotal	**2.205**	**11.499**
Available for sale financial assets		
Gains from equities disposal	-	583
Gains from bonds disposal	30.608	41.212
Gains from mutual funds disposal	4.082	2.673
Subtotal	**34.690**	**44.468**
Total gains from sale of financial assets	**36.891**	**56.757**

Gains from the sale of financial assets amount to € 36.891 thousand at 31 December 2022, presenting a € 19.866 thousand decrease compared to the prior year (2021€ 56.757 thousand). The decrease is mainly attributable to the increased gains from the disposal of Greek Government Bonds and mutual funds which were realized in 2021.

NOTE 29: FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Trading Portfolio		
Gains/ (Losses) from equities valuation	(7.421)	4.022
(Losses) from bonds valuation	(3.035)	(228)
Gains from valuation of Mutual Funds	5.220	285
Gains from foreign exchange differences	-	401
Subtotal	**(5.236)**	**4.480**

Financial assets held on behalf of policyholders who bear the investment risk (Unit Linked)		
Unrealized fair value gains / (losses) on Unit Linked contracts	(71.172)	21.632
Subtotal	**(71.172)**	**21.632**
Available for sale portfolio		
Impairment of equities	(406)	49
Gains from foreign exchange differences	3.013	2.256
Subtotal	**2.607**	**2.304**
Total fair value gains / (losses) on financial assets	**(73.800)**	**28.416**

NOTE 30: GAIN/(LOSSES) DERIVATIVES

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Derivatives (Losses)	-	(2.515)
(Losses) from derivatives valuation	-	(101)
Total (losses) on derivatives	**-**	**(2.616)**

The Company entered into foreign exchange futures contracts in the previous year in order to hedge the foreign exchange risk from financial assets in foreign currency. The losses incurred from the closing of the positions of these contracts in the year 2021 amount to € 2,5 million.

NOTE 31: OTHER INCOME

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Revenue from personnel lending	224	210
Currency Translation differences on current deposits and cash	77	(207)
Reversal of unused provisions	20	14
Other income	150	333
Total other income	**471**	**351**

NOTE 32: MOVEMENT IN TECHNICAL RESERVES AND OTHER INSURANCE PROVISIONS

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Change in technical reserves – Life	17.012	125.576
Change in technical reserves - pensions (DAF)	126.325	(21.840)
Plus: Taxes	(92)	(2.764)
Change in insurance provisions for insurance contracts where the policyholders bear the investment risk (Unit Linked)	(74.385)	(255.324)
Total movement in technical reserves and other insurance provisions	**68.859**	**(154.352)**

NOTE 32: CLAIMS AND INSURANCE BENEFITS INCURRED

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Surrenders – Life	(191.310)	(182.586)
Surrenders – DAF	(142.280)	(18.268)
Surrenders - Unit Linked	(59.022)	(128.292)
Subtotal	**(392.613)**	**(329.159)**
Claims paid	(44.063)	(40.008)
Change in outstanding claims reserve (note 21)	(10.409)	(2.807)
Subtotal	**(447.085)**	**(371.961)**
Reinsurers' share on Claims paid	2.013	2.218
Reinsurers' share on change in outstanding claims (note 21)	115	285
Subtotal	**2.128**	**2.503**
Company's share on claims paid	(434.663)	(366.936)
Company's share on outstanding claims' reserve (note 21)	(10.294)	(2.522)
Total claims and insurance benefits incurred	**(444.958)**	**(369.458)**

NOTE 34: ACQUISITION EXPENSES

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 to 31/12/2021
Commission and overcommission fees on premium production	(21.058)	(21.084)
Other commission fees and production expenses	(7.380)	(9.683)
Commissions to cedents	(0)	(39)
	(28.438)	**(30.806)**
Change in deferred acquisition costs	**(2.401)**	**(606)**
Mandatory contributions on premium production	(3.418)	(3.283)
Decrease of provision for doubtful debt	13	4
Interest expenses on Reinsurers' reserves	0	(4)
	(3.405)	**(3.282)**
Total Acquisition Expenses	**(34.244)**	**(34.694)**

NOTE 35: ADMINISTRATIVE EXPENSES

(amounts in € thousand)	From 01/01 to 31/12/2022	From 01/01 To 31/12/2021
Employee benefit expenses	(12.406)	(11.749)
Third party fees	(7.858)	(6.847)
Taxes	(55)	(58)
Other expenses	(3.069)	(2.666)
Depreciation expense	(1.621)	(1.568)
Provisions	265	(511)
Interest and other investment expenses	(8.970)	(9.155)
Extraordinary losses	(14)	(38)
Subtotal	**(33.727)**	**(32.591)**

Salaries and other benefits	(10.500)	(10.225)
Social security contribution	(1.263)	(1.130)
Other provisions related to personnel	(61)	(54)
Defined benefit plans and other costs	(581)	(341)
Total	**(12.406)**	**(11.749)**
Average Number of Personnel	**171**	**159**

In 2020, following relevant Board of Directors' decisions, the Company decided to terminate the defined contribution plans of the employees by returning all accumulated contributions to the employees and to replace these plans through the establishment of an Employee Occupational Insurance Fund in which all employees will be able to participate as members.

Following the above decision, the Company terminated the staff defined contribution plans and returned the accumulated contributions and dividends to the employees before the end of the financial year 2020. Furthermore, on 30 December 2021 the establishment of the 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.

Other administrative expenses include fees charged by the independent auditor "PricewaterhouseCoopers S.A.". The fees paid by the Company for audit and other services provided are analyzed as follows:

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Statutory Audit	(91)	(86)
Tax audit-article 65a, law 4174/2013	(33)	(32)
Other audit related assignments	(387)	(58)
Non audit assignments	(3)	(3)
Total	**(514)**	**(177)**

NOTE 36: INCOME TAX EXPENSE

(amounts in € thousand)	**From 01/01 to 31/12/2022**	**From 01/01 to 31/12/2021**
Current Income tax		
Current tax on profits for the year	(26.786)	(16.666)
Adjustment on previous years' income tax	17	162
Total current income tax	**(26.769)**	**(16.504)**
Deferred tax		
(Decrease) in deferred tax assets	(674)	(747)
(Increase) / Decrease in deferred tax liabilities	1.219	(394)
Total deferred tax income / (expense)	**545**	**(1.141)**
Total income tax	**(26.224)**	**(17.644)**

According to the provisions of article 120 of Law 4799/2021 (Government Gazette A 78), profits from business acquired by legal entities and legal entities in Greece that hold double-entry books, excluding credit institutions, are taxed at a rate of 22% (2021: 22%) for the 2021 tax year onwards.

Income tax on pre-tax profits, based on the applicable rates, is as follows:

(amounts in € thousand)	31/12/2022	31/12/2021
Profit before tax	**114.867**	**75.629**
Income tax at applicable tax rate 22% (2021: 22%)	(25.271)	(16.638)
Tax effect of amounts which are not deductible in calculating taxable income:		
Provisions	3	0
Non tax deductible expenses	(972)	(1.065)
Effect from change in tax rate	-	(103)
Adjustment on previous years' income tax and other adjustments	17	162
Total income tax	**26.224**	**17.644**

NOTE 37: 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 Ergasias S.A. (thereafter "Eurobank"), a bank domiciled in Athens and listed in the Athens Stock Exchange, was the ultimate parent of the Company until 4 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 was jointly controlled by Colonnade Finance S.à r.l, member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.à r.l.. On July 14, 2021, Colonnade Finance S.àrl exercised its option to purchase the remaining Costa shares from OPG Commercial Holdings (Lux) S.àrl. Costa 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 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 31/12/2022	Receivables	Payables	Revenue	Expense
Deposits on demand & time deposits	42.882	-	213	-
Insurance operations	3.271	6.580	21.758	18.282
Investment operations	-	-	-	-
Other transactions	-	-	-	1.235
Total	**46.153**	**6.580**	**21.972**	**19.517**

(amounts in € thousand)

Other Related Parties 31/12/2022	Receivables	Payables	Revenue	Expense
Deposits on demand & time deposits	86	-	-	-
Insurance operations	285	201	1.778	1.315
Investment operations	1.307	-	4.867	6.324
Other transactions	46	148	222	756
Total	**1.724**	**349**	**6.867**	**8.394**

Transactions with key management personnel	2	237	102	1
Remuneration and benefits of key management personnel				5.447

(amounts in € thousand)

Related Party Eurobank 31/12/2021	**Receivables**	**Payables**	**Revenue**	**Expense**
Deposits on demand & time deposits	31.360	-	366	-
Insurance operations	1.991	9.089	28.690	20.997
Investment operations	-	-	250	-
Other transactions	-	-	-	1.260
Total	**33.352**	**9.089**	**29.306**	**22.257**

(amounts in € thousand)

Other Related Parties 31/12/2021	**Receivables**	**Payables**	**Revenue**	**Expense**
Deposits on demand & time deposits	86	-	-	-
Insurance operations	252	384	1.716	1.239
Investment operations	1.319	-	3.729	6.386
Other transactions	37	44	210	713
Total	**1.693**	**428**	**5.655**	**8.338**

Transactions with key management personnel	2	354	116	21
Remuneration and benefits of key management personnel	-	-	-	3.066

The above table does not include dividend payments of the Company to its shareholder in 2022 and 2021. These transactions are described in detail in note 39 “Dividends”.

As of December 31, 2022 and December 31, 2021, there are no loans to the members of the Management.

The Company holds investments in bonds, mutual funds and equities issued by related parties. More specifically on 31 December 2022 the fair value of the relevant bonds amounted to € 107.689 thousand (31 December 2021 € 11.775 thousand), of the mutual funds amounted to € 171.836 thousand (31 December 2021 € 226.689 thousand) and of the equities amounted to € 62.811 thousand (31 December 2021 € 53.070 thousand).

NOTE 38: COMMITMENTS AND CONTINGENT LIABILITIES

Legal issues

There are no pending litigations against the Company or other contingent liabilities and commitments as at 31 December 2022 which may materially affect the financial position of the Company.

Unaudited tax years

The Company has been audited by tax authorities up to 2009.

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 beginning from 1 January 2016 onwards, according to Law 4174/2013, is provided on a voluntary basis, the receipt of 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.

In accordance with Greek tax legislation and the respective Ministerial Decisions issued , companies for which a tax certificate is issued without notices of tax law violations are not exempt from the imposition of additional taxes and fines by the Greek tax authorities after the completion of the tax audit within the legislative limitations (as a general principle, five years from the end of the fiscal year in which the tax return should have been filed).

In light of the above, as at 31 December 2022, as a general rule, the right of the Greek government to impose taxes up to and including the tax year 2015 (inclusive) has lapsed for the Company.

The Company has obtained unqualified "Annual Tax Certificates" for fiscal years 2016-2021. The tax audit conducted in this context for 2021 is currently in progress. Upon completion, the Company's Management does expect to incur significant tax liabilities other than those already recorded and provided in the financial statements.

Due to the existence of unaudited tax years, additional fines and taxes may be imposed, the amounts of which cannot be accurately determined at present. However, it is estimated that they will not have a significant impact on the Company's Balance Sheet, as the Company recognizes provisions for additional taxes and fines that may arise from future tax audits.

NOTE 39: DIVIDENDS

Dividends are accounted for after the relevant decision of the Annual Shareholders' General Meeting or the Board of Directors.

On 30 July 2021, the Annual General Meeting of the Company's shareholders decided to distribute a dividend to the shareholder Eurolife FFH Insurance Group amounting to € 80.000 thousand. The distribution of the dividend came from the profit for the year ended 31 December 2020. The amount was paid to the shareholder on 6 August 2021.

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 €26.770 thousand. The distribution of the dividend came from the profit for the financial year ended 31 December 2021. The amount was paid to the shareholder on 18 May 2022.

On 25 October 2022, the Extraordinary General Meeting of the Company's shareholders decided to distribute a dividend to the shareholder Eurolife FFH Insurance Group for a total amount of €69.876 thousand. The dividend distribution came from undistributed profits of past years, up to and including the financial year ended 31 December 2020. The amount was paid to the shareholders on 31 October 2022.

NOTE 40: POST BALANCE SHEET EVENTS

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