ANNUAL FINANCIAL REPORT

Eurolife FFH Life Insurance Single Member Societe Anonyme

For the year ended in
31 December 2024

EUROLIFE FFH

A FAIRFAX Company

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BOARD OF DIRECTORS' REPORT OF EUROLIFE FFH LIFE INSURANCE S.A.

The Board of Directors of Eurolife FFH Life Insurance Single Member Société Anonyme Company, under the distinctive title 'Eurolife FFH Life Insurance S.A.' (hereinafter the 'Company'), presents the Annual Management Report and its Annual Financial Statements of the Company for the fiscal year ended 31 December 2024.

Developments in the Greek economy during 2024: remarkable resilience, despite the uncertainties in the international environment

In 2024, the Greek economy demonstrated remarkable resilience, despite the uncertainties in the international environment. The continuance of the war in Ukraine for third consecutive year, the serious developments in the Middle East, the election of new President in the USA and the intensifying geostrategic competition between the USA and China, constitute the main sources of concern. However, the annual GDP growth of Greek economy was estimated at 2,3%, significantly exceeding the eurozone average growth, which was 0,9%.

This resilience is attributed to several factors, such as the continuous inflows of European funds, the increase of employment and nominal wages, the decrease of unemployment to the lowest rate of the past 15 years, as well as the decreasing inflation. In addition, private consumption was boosted by the increased real disposable income.

The recovery of investment grade status by international credit rating agencies, from previous year, strengthens confidence in the Greek economy and continues to create prospects for broadening the investment base.

Also, a significant development during the current year was in the field of monetary policy, in which after consecutive interest rate increases in 2022 and 2023 and based on the improved inflation outlook, the European Central Bank decided on a series of interest rate reductions from June 2024 to June 2025, reducing the deposit facility rate by a total of 200 basis points.

At the same time, the average annual inflation based on the Harmonized Index of Consumer Prices decreased to 3,0% in 2024 from 4,2% in 2023, as a result of the milder increase in food and industrial product prices.

However, there are still uncertainties and difficulties regarding the macroeconomic environment, such as those arising from the ongoing crisis in the Middle East, the continuance of the war in Ukraine and the election of new president in the USA. Management closely monitors developments globally and periodically assesses the impact they may have on the Company's operations and financial position. The Company has no activities in the Middle East, nor in Ukraine/Russia, and does not expect a direct impact on its operations. Moreover, the tariff measures announced by the new USA president have no significant impact on the Company's operations and financial position.

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

Development of the Greek insurance market in 2024

In 2024, the Greek insurance market showed significant growth, continuing its upward trend from the previous year. According to the Hellenic Association of Insurance companies, premium production increased by 8,7% in 2024, exceeding GDP growth, which was 2,3%.

More specifically, in the Greek insurance market[(1)], according to the available data, the total premium production for the year 2024 amounts to € 5.689,3 million (2023: € 5.235,2 million), out of which € 2.954,8 million is attributed to general insurance business (2023: € 2.700,9 million) and € 2.734,5 million in life insurance business (2023: € 2.534,3 million).

In particular, general insurance increased by 9,4% (2023: 12,0%) while life insurance premiums increased by 7,9% (2023: 4,5%). Regarding non-life insurance sectors, the non-motor sectors recorded an increase of approximately 11,9% compared to 2023, while motor insurance sectors recorded an increase of 4,6%. Regarding life insurance sectors, life insurance linked with investments (Unit-Linked products) increased by 21,5% compared to the previous year, traditional life insurance products recorded increase of 5,0%, while management of group pension funds decreased by 17,8%.

The following table presents the insurance premium production of the Greek market[(1)] per insurance sector for year 2024 and the respective variations compared to 2023.

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

Insurance premiums of the Greek market	2024	%	Change % compared to 2023
(amounts in € mil.)			
Life traditional insurance	1.183,0	20,8%	5,0%
Life insurance linked to investments (Unit-linked)	1.218,2	21,4%	21,5%
Management of group pension funds	333,3	5,9%	(17,8)%
Motor vehicle liability	799,4	14,1%	4,6%
Land vehicles	335,9	5,9%	15,3%
Sickness	517,0	9,1%	9,1%
Fire and natural forces	442,9	7,8%	12,8%
Other non-life	859,6	15,0%	10,4%
Total gross written premiums	**5.689,3**	**100,0%**	**8,7%**

The adoption of two new financial reporting standards, IFRS 17, "Insurance Contracts" and IFRS 9, "Financial Instruments", which were effective as of 1st January 2023, has played an important role. In particular, the transition to IFRS 17 was one of the most significant changes for insurance companies in the last 20 years, as a complete revision of the financial statements was required. The implementation of the new accounting standard IFRS 17 provides new information on the financial position of insurance companies, allowing a more transparent and accurate presentation of their performance.

During fiscal year 2024, through a series of state legislative initiatives the importance and role of insurance has emerged, and the protection of citizens and businesses has been promoted. The significant reforms continued also in the first months of 2025. More specifically with Law 5116/2024, as amended and in force by Law 5162/2024, from 1 June 2025, the insurance of large businesses (i.e. those with an annual turnover of over € 500 thousands) against natural disasters (flood, earthquake and forest fire risks) has been mandatory. Moreover, with Law 5162/2024, it is mandatory from 1 June 2025, the insurance of vehicles against natural disasters. These are important reforms that strengthen protection against the increasing risks from natural disasters, phenomena that have become more frequent in recent years. Furthermore, with the same Law, in the context of the implementation of the government's commitments on private insurance, announced by the Prime Minister in September 2024 at the Thessaloniki International Fair ("TIF"), it has been also established the exemption of health insurance premiums for minors from the insurance tax.

With Law 5170/2025 it was introduced a legislative regulation for the adjustment of premiums for long-term individual contracts. More specifically, this law abolished the Unified Health Index ("EDY") and established the development of a new index, the Annual Premium Index ("EDA") by ELSTAT, which will be applied from 1 January 2026 to long-term individual health insurance.

In addition, with Law 5193/2025, the insurance process is moving towards modern, digital era, as the possibility of submitting an insurance application by electronic means is established, changing the way in which insurance applications are submitted in the Greek market. At the same time, insurance companies are now required to ensure the identification of the customer as well as to confirm that the customer has received and agrees with the content of the application.

Moreover, 2024 was a year of challenges and opportunities for the Greek insurance market, with companies adapting to new conditions and exploiting technological developments for their further development. Artificial intelligence ("AI") has emerged as a critical tool for transforming the insurance sector, improving operational efficiency as well as customer experience. The need for modernization of insurance companies, particularly in the area of financial management, has become more urgent in order to adapt to new technological and regulatory requirements.

Finally, the Greek insurance market remains strong in terms of capital adequacy where Greek insurance companies demonstrate adequate Solvency II ratios. Despite challenges such as high inflation and the increasing frequency of natural disasters, the industry is showing resilience, supported by solid investment strategies and growing demand for insurance products.

Financial results review

2024 was another positive year for the Company, during which high levels of profitability and strong capital position were retained.

Financial figures of the Company

Key Financial Figures

	2024	2023
(amounts in € mil.)		
Gross written premiums *(including investment contracts)*	589,6	527,9
Insurance Revenue	117,5	106,4
Insurance Service Expense	(92,1)	(87,9)
Net expense from reinsurance contracts held	(0,5)	(1,1)
Insurance Service Result	24,9	17,4
Investment income from financial assets [(1)]	276,3	277,3
Fair value losses on investment contract liabilities	(29,1)	(45,9)
Net insurance finance expenses	(127,4)	(86,6)
Profit Before Tax	133,0	152,4
Income Tax	(31,9)	(34,3)
Profit for the year	101,1	118,1
Total Assets	3.548,7	3.435,6
Equity	570,6	580,8
Net Insurance Contract Liabilities	2.244,0	2.155,2
Investment Contract Liabilities	592,3	584,6
Number of Employees at 31 December	181	172

Financial Ratios

	2024	2023
Return on equity after tax (ROE)	17,6%	21,6%
Return on assets before tax (ROA)	3,8%	4,7%
Annualized premium equivalent (APE) (amounts in € mil.)	287,3	270,2
Contractual service margin (CSM) (amounts in € mil.)	117,5	112,2
Life present value of new business premiums (PVNBP) (amounts in € mil.)	545,6	475,5
Life new business CSM (NB CSM) (amounts in € mil.)	55,5	38,7
Solvency II Ratio (SCR)	159%	168%
Solvency II Ratio (MCR)	636%	673%

Financial Ratios Glossary

Return on equity after tax (ROE): Profit for the year after tax divided by the average of total equity for the previous and the current year.

Return on assets before tax (ROA): Profit for the year before tax divided by the average of total equity for the previous and the current year.

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

Life present value of new business premiums (PVNBP) : Present value of new business premiums is gross of reinsurance.

Life new business CSM (NB CSM): New business CSM of life insurance contracts, gross of reinsurance.

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

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

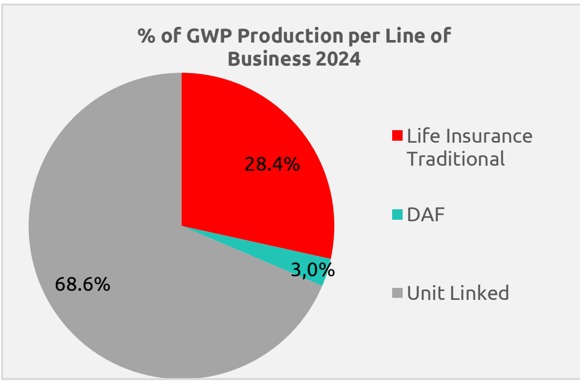
(1) Investment income is the sum of the following line items from the income statement: Interest and dividends, Net gains on financial assets at fair value through profit or loss, Net (losses)/gains on financial assets at fair value through other comprehensive income, (Impairment provisions) / Reversal of impairment for credit risk coverage and other impairments, and Other investment income.

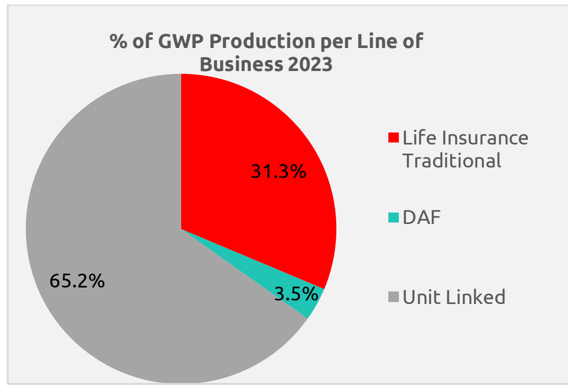
Gross written premiums

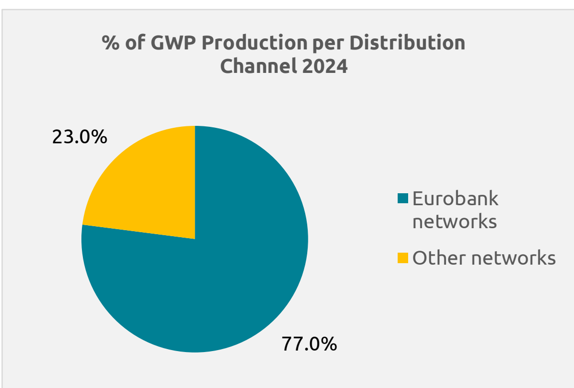
In the financial year 2024, the Company's gross written premiums amounted to € 589,6 million, marking an increase over the already high production levels of the previous year (2023: € 527,9 million). Sales of Unit-Linked savings products increased by 17,6% in 2024,in comparison to prior year, reaching 68,6% of total sales (2024: € 404,6 million), compared to 65,2% in the previous year (2023: € 344,0 million). Premium production through the Bank (Bancassurance) remained at high levels in 2024, accounting for 77,0% of the Company's total production (2023: 77,5%).

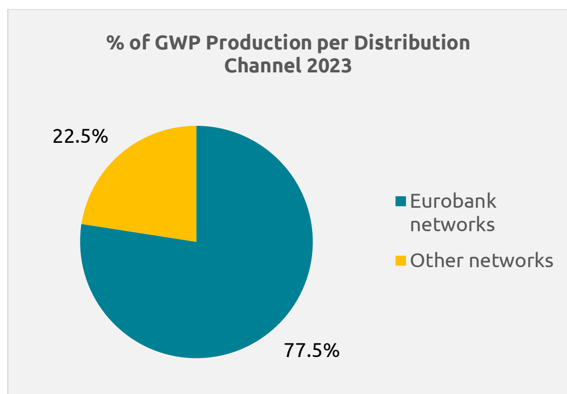
In terms of market share, the Company captured 21,6%[1] of the total market in 2024 (2023: 17,1%[1]), increasing its market share and confirming its leading position and continuing its growth trajectory.

The following charts present the gross written premiums by insurance segment and by distribution channel for the fiscal years 2024 and 2023, respectively:









Insurance Service Result per Measurement Model

From 01/01 to 31/12/2024	**General Model**	**Premium Allocation Approach**	**Variable fee Approach**	**Total**
(amounts in € thousand)				
Insurance revenue	16.021	71.338	30.154	117.514
Insurance service expenses	(4.450)	(75.231)	(12.457)	(92.138)
Net expense from reinsurance contracts held	(155)	(352)	-	(507)
Insurance service result	**11.416**	**(4.245)**	**17.697**	**24.869**

(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)

From 01/01 to 31/12/2023	General Model	Premium Allocation Approach	Variable fee Approach	Total
(amounts in € thousand)				
Insurance revenue	18.941	62.444	25.037	106.422
Insurance service expenses	(13.091)	(65.813)	(9.031)	(87.935)
Net expense from reinsurance contracts held	(373)	(722)	-	(1.094)
Insurance service result	**5.477**	**(4.091)**	**16.007**	**17.393**

The Company's insurance service result amounted to € 24,9 million in 2024 (2023: € 17,4 million), highlighting the Company's positive technical profitability.

Investments

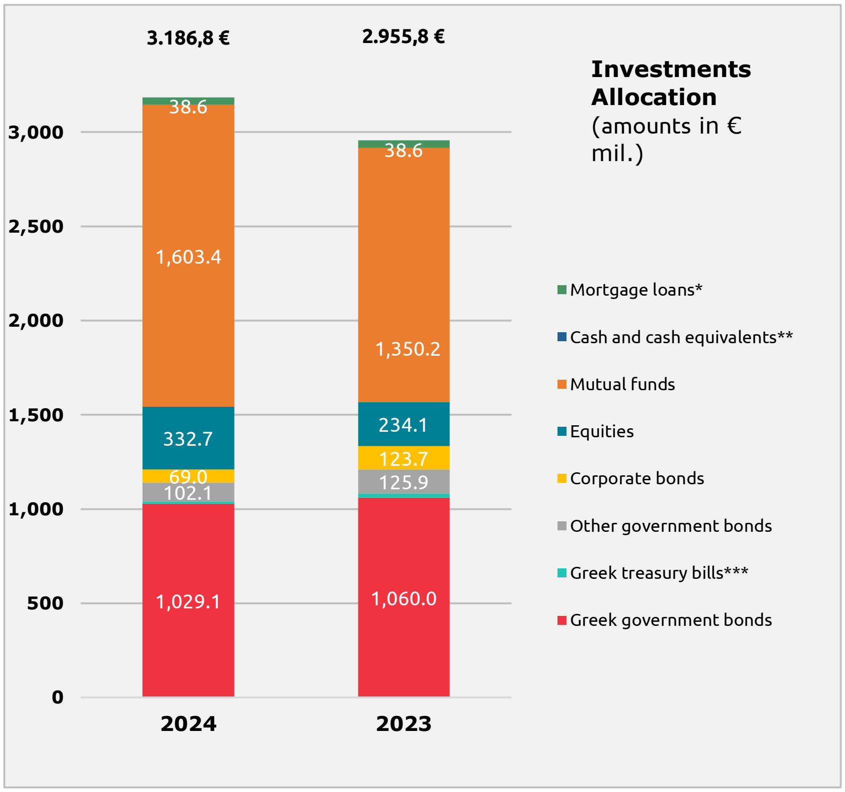
The Company's net investment income amounted to € 247,2 million in 2024, compared to € 231,4 million in the previous year. Investment income from financial assets (excluding the valuation of investment contract liabilities and the impairment loss on the investment in an associate) increased by € 7,0 million, reaching €284,3 million in the current year, compared to € 277,3 million in 2023. This increase was mainly attributed to an increase of € 45,7 million in gains from the sale of bonds and mutual funds, partially offset by a € 39,6 million decrease in valuation gains (primarily bonds, which recorded losses of € 16,5 million in 2024, compared to gains of € 10,7 million in the previous year). At the same time, net investment income from assets covering Unit-Linked insurance contracts (direct participation contracts) amounted to € 125,6 million in 2024, compared to € 80,1 million in 2023. In 2024, investment contract liabilities recorded valuation losses of € 29,1 million, though to a lesser extent than the previous year, mainly due to the decline in interest rates (2023: valuation losses of € 45,9 million). Additionally, during the current year, the Company recognized an impairment loss of € 8.000 thousand on its investment in the associate 'Grivalia Hospitality S.A.' (2023: € 0 thousand).

The following tables present the breakdown of net investment income by category of financial assets and liabilities for the years 2024 and 2023.

From 01/01 to 31/12/2024 *(amounts in € thousand)*	Investment Income	Realized gains	Fair Value gains/ (losses)	(Impairment provisions) / Reversal of impairment for credit risk coverage and other impairments	Total
Bonds	53.675	13.693	(16.543)	332	51.158
Equities	9.474	56	77.940	(8.000)	79.470
Mutual Funds	1.072	25.576	102.369	-	129.017
Loans	2.278	-	-	(3)	2.275
Deposits	1.421	-	-	-	1.421
Other	12.988	-	-	-	12.988
Investment contract liabilities	-	-	(29.089)	-	(29.089)
Net Investment Income/(expense)	**80.908**	**39.326**	**134.677**	**(7.671)**	**247.239**

From 01/01 to 31/12/2023 *(amounts in € thousand)*	Investment Income	Realized gains/ (losses)	Fair Value gains/ (losses)	(Impairment provisions) / Reversal of impairment for credit risk coverage	Total
Bonds	65.406	(6.904)	10.741	601	69.843
Equities	3.127	129	87.349	-	90.605
Mutual Funds	8	435	105.277	-	105.721
Loans	2.042	-	-	(15)	2.027
Deposits	1.070	-	-	-	1.070
Other	8.056	-	-	-	8.056
Investment contract liabilities	-	-	(45.921)	-	(45.921)
Net Investment Income/(expenses)	**79.709**	**(6.339)**	**157.445**	**585**	**231.400**

The allocation of the Company's investment portfolios per asset class at 31 December 2024 and 2023 is as follows:



** Corporate loans: 2024: € 38,6 million (2023: € 38,6 million)*

*** Cash and cash equivalents of Unit-Linked contracts: 2024: €40,0 thousand (2023: € 3,5 thousand)*

**** Greek Government Treasury Bills: 2024: € 9,9 million (2023: € 23,3 million)*

***** Other Government Treasury Bills: 2024: € 2,0 million (2023: € 0,0 million)*

Financial Results

Profit before tax amounted to € 133,0 million in 2024, representing a decrease of 12,7% compared to 2023 (€ 152,4 million). The decline is primarily driven by the decline in the valuation gains of the investment portfolio by approximately € 39,6 million (primarily bonds, equities, and mutual funds), as well as the impairment provision of € 8,0 million recognized in 2024 for the investment in the associate 'Grivalia Hospitality S.A.' (2023: € 0 million). These effects were partially offset by an increase of € 7,5 million in insurance service results.

Share capital – Equity – Main shareholders

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

As of 31 December 2024, the Company's share capital amounts to € 29.134 thousand (2023: € 29.134 thousand), divided into 843.000 common shares with a nominal value of € 34,56 each. All common shares have been issued, and the share capital is fully paid up.

Costa Luxembourg Holding Sàrl" ("Costa") is based in Luxembourg (1 Jean Piret, L-2350 Luxembourg) and holds 80% of the share capital of Eurolife FFH Insurance Group S.A. Holdings. Costa is fully controlled by "Colonnade Finance Sàrl", also based in Luxembourg, which is a member of the "Fairfax Financial Holdings Limited" group ("Fairfax Group"). "Fairfax Financial Holdings Limited", headquartered in Ontario, Canada, is the ultimate parent of the Fairfax Group and indirectly holds an 80% interest in the Company. Eurobank S.A. (hereinafter "Eurobank") holds the remaining 20% of the share capital of Eurolife FFH Insurance Group S.A. Holdings and is considered a related party.

The Company's Equity as of 31 December 2024 amounted to € 570,6 million, compared to € 580,8 million in 2023.

Dividend Distribution

The dividends are recognized following the decision of the General Assembly of the shareholders.

On 20 October 2023, the Extraordinary Shareholders' General Meeting resolved to distribute a dividend to the shareholder Eurolife FFH Insurance Group S.A. Holdings of € 39.983 thousand. The dividend distribution was made from retained earnings of previous fiscal years. The amount was paid to the shareholder on 24 October 2023.

On 25 October 2024, the Extraordinary General Meeting of the Company's shareholder resolved to distribute a dividend to the shareholder Eurolife FFH Insurance Group S.A. Holdings in the total amount of € 71.000 thousand. The dividend distribution was made from retained earnings. The amount was paid to the shareholder on 21 November 2024.

Subsidiaries

In 2024, the Romanian subsidiary Eurolife FFH Asigurari de Viata S.A., which commenced operations in September 2007, recorded gross written premiums of € 3,8 million (2023: € 3,3 million). For the fiscal year 2024, the subsidiary reported a pre-tax loss of € 1.159 thousand (2023: loss of € 1.332 thousand), while the net loss for the current year amounted to € 984 thousand (2023: loss of € 1.130 thousand).

In 2015, the Company acquired 100% of the shares of DIETHNIS KTIMATIKI S.A. DIETHNIS KTIMATIKI S.A. which operates in the real estate management sector and owns the property located at 33–35 Panepistimiou Street and Korai Street, in Athens, where the Company's headquarters are located. The subsidiary's pre-tax profit amounted to € 1.043 thousand (2023: € 962 thousand), and the net profit for the current year amounted to € 807 thousand (2023: € 738 thousand).

Investment in Associates

A. Grivalia Hospitality S.A.

On 19 February 2017, the Company participated as strategic investor in the share capital of Grivalia Hospitality S.A. ("GH"). GH was founded by Grivalia Properties REIC ("Grivalia") on June 26 2015 and the purpose of its activity is the acquisition, development and management of hotel and tourist properties in Greece and abroad.

As of 31 December 2022, the Company held 114.268.506 shares of GH, which had been acquired at a participation cost of € 145,6 million, representing a 39,51% ownership interest.

On 27 January 2023, the Company acquired 30.175.328 shares of GH from Eurobank for a consideration of € 48,3 million. As a result, 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 through the capitalization of share premium in the amount of € 12,5 million, issuing 12.507.738 new common 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 ownership interest 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 contributed € 45,5 million, acquiring 28.421.738 shares. The Company's ownership interest in GH remained unchanged as a result of this transaction.

On 6 November 2023, the Company participated in a new share capital increase of GH, amounting to € 60,0 million. The Company contributed € 28,7 million, acquiring 17.950.571 shares. The Company's ownership interest in GH remained unchanged as a result of this transaction.

The Company's ownership interest in GH did not change during the current fiscal year.

The Company assessed the nature of the investment and concluded that all conditions are met for the investment to be classified as an "investment in associates"

As of 31 December 2024, the investment in the aforementioned company amounted to € 260.079 thousand (2023: € 268.079 thousand).

The total assets and liabilities of the GH Group as of 31 December 2024 amounted to € 731.055 thousand (2023: € 751.244 thousand) and € 398.440 thousand (2023: € 362.565 thousand), respectively. The GH Group's equity, after deducting minority interests, amounted to € 317.532 thousand (2023: € 369.787 thousand).

The most significant assets of the GH Group as of 31 December 2024 relate to its owner-occupied properties, amounting to € 438.089 thousand (2023: € 360.003 thousand), its investment properties, amounting to € 133.752 thousand (2023: € 183.588 thousand), the right of use assets, amounting to € 71.356 thousand (2023: € 44.808 thousand) and its cash and cash equivalents, amounting to € 34.567 thousand (2023: € 106.133 thousand).

On 31 December 2024, the Company assessed that there are indications of impairment for the investment in GH, and an impairment test was conducted.

The recoverable amount of this investment for the year ended 31 December 2024, was calculated as the higher of the fair value less costs to sell and the value in use. The estimation of the fair value was made based on the adjusted net asset value approach. The key assumption used relates to the discounting of the deferred tax liability in accordance with IFRS 13.

The Company recognized an impairment loss of € 8,000 thousand (2023: €0 thousand) within the current year, which relates to the accumulated impairment amount of this investment.

Events after the reporting date

In March 2025, GH completed a new share capital increase of € 12,0 million, issuing 7.493.876 new common shares. The Company did not participate in the new share capital increase. Following the completion of the transaction, the Company's ownership interest in GH decreased from 47,87% to 46,98%.

B. Share Exchange of Antenna Digital Platform TV

In February 2023, the Company acquired 1.765 common shares of Antenna Digital Platform TV CEE B.V., with a nominal value of € 0,01 each, for a total consideration of € 20 million. As of 31 December 2023, the Company's ownership interest in Antenna Digital Platform TV CEE B.V. amounted to 15%.

The Company assessed the nature of the investment in Antenna Digital Platform TV CEE B.V. and concluded that all conditions were met for the investment to be classified as an investment in an associate.

In March 2024, the Company transferred its 15% ownership interest in Antenna Digital Platform TV CEE B.V. to Antenna Greece B.V. in exchange for a 3,1% equity interest in Antenna Greece B.V. Additionally, in March 2024, the Company invested € 50 million in unsecured convertible bonds issued by Antenna Greece B.V.

The Company classified its equity interest in Antenna Greece B.V. as common shares.

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: It constitutes the risk that actual mortality exceeds expected mortality, leading to higher insurance benefit payouts.

Longevity risk: It relates to potential future losses that may arise and differ from actual outcomes if policyholders live longer than expected.

Lapse/Non-Renewal Risk: This risk arises from uncertainty regarding policyholder behavior. For long-term life insurance contracts, it is also affected by the policyholders' right to pay reduced premiums and/or to cancel the policy. As a result, the magnitude of the risk is significantly influenced by policyholder behavior. Policyholder actions are affected by various factors, including prevailing economic conditions and developments in financial markets.

Morbidity/disability risk: refers to the possibility of higher-than-expected benefit payments due to an increase in the frequency and severity of claims related to disability, illness, and rising medical inflation.

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: arises from the occurrence of an event with a low probability but high severity, resulting in a significant deviation in claims or benefit payments compared to expectations. In general, the frequency and severity of catastrophic events are unpredictable.

Insurance Risk Management

Proper pricing, underwriting, reinsurance, claims management, and diversification are the key actions for mitigating insurance risk. By offering a range of different insurance products across all life, disability, and health risks, the Company reduces the likelihood that a single event will have a significant impact on its financial position.

The Company, in order to monitor insurance risks, reviews the assumptions used—such as mortality, investment returns, and expenses—during product pricing, utilizing statistical and actuarial methods.

Additionally, reinsurance agreements are entered into to limit the Company's overall exposure to risk, reduce claims volatility, and enhance its organic profitability.

B. Market Risk

Market risk (investment risk) is the risk of loss or adverse change in the financial position of a business entity, arising 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.

Market risk management

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

- an Investment Policy has been established and is implemented, governing the Company's investment activities, along with an Investment Risk Management Policy,
- the exposure of investment portfolio in each sub category of market risk is monitored and limits have been set for each category of assets.

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 of the asset portfolio on an ongoing basis and regularly carries out simulations in order to calculate potential losses in the event of abnormal market conditions or sensitivity analyses on market variables (e.g. interest rates), depending on the existing structure of the portfolio, the strategy, and the prevailing 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.

Credit risk from insurance premium receivables refers to the inability of an intermediary/agent to remit the premiums collected from the customer to the Company.

Finally, the Company is exposed to credit risk through its positions in cash and cash equivalents.

Credit Risk Management

As a measure for assessing credit risk, the creditworthiness of each counterparty (issuer of debt securities and reinsurer) is used, as determined by certified rating agencies, without the Company conducting its own evaluation.

Reinsurance contracts are reviewed at regular intervals to ensure that the level of protection is adequate and that such contracts are backed by creditworthy reinsurers. In this context, strict principles have been established for the selection of reinsurers.

The Company implements policies and standards for managing and monitoring credit risk from intermediaries, with an emphasis on the daily monitoring of the largest balances, while also tracking 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, an energy crisis due to a pandemic or war, could potentially influence policyholder behavior. In such cases, customers may proceed with the surrender of their insurance policies, which could result in significant cash outflows for the Company. To address such a scenario, the Company maintains sufficient readily liquid assets as well as reinsurance contracts that cover catastrophic risks. Its liquidity is closely monitored on a continuous basis.

Liquidity Risk Management

In order to effectively manage liquidity risk, the Company has established, documented, and adheres to a set of policies, including the Liquidity Risk Management Policy, the Investment Policy, and the Investment Risk Management Policy.

These documents are governed by specific principles that ensure effective management, primarily achieved through the maintenance of adequate cash and cash equivalents, as well as highly marketable financial assets that can be easily liquidated to meet operational needs. In addition, the Company monitors the maturity mismatch of cash inflows and outflows, both at the level 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, taking into account the nature, scale, and complexity of its activities, has developed an appropriate Operational Risk Management Framework with methodologies, governance principles, policies, and procedures that allow for the effective identification, assessment, management, monitoring, and reporting of risks (to which it is exposed or may be exposed in the immediate future). The above-mentioned framework is integrated into decision-making processes and the corporate culture, enhancing awareness of operational risk, while being implemented in parallel with a program of continuous strengthening of ownership regarding operational risk across all staff.

The Company's Operational Risk Management Framework includes methodologies for various assessments such as : Risk and Control Self-Assessment (RCSA), scenario analysis, Fraud Risk Assessment (FRA), Outsourcing Risk Assessment (ORA), cloud service provider evaluation, assessment of business practices risk ("conduct risk assessment"), assessment of the business environment. It also encompasses the monitoring of Key Risk Indicators (KRIs) and the management of operational risk events (operational losses). This framework is described in corresponding approved documents (methodologies, policies, or/and 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 Company's capital management strategy prioritizes two key objectives. First, it ensures the Company maintains adequate capitalization continuously, complying with the Solvency II regulatory framework. Second, within this framework, it seeks to maximize shareholder returns while remaining within the Company's established risk tolerance and appetite parameters.

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 continuous 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 2024 and 31 December 2023, the Company's eligible own funds significantly exceed the Solvency Capital Requirement (SCR).

Labor issues

The Company's employees represent a key asset for its success and development. As of 31 December 2024, the Company employed 181 employees (2023: 172 employees). The distribution of the workforce by age and gender reflects the Company's commitment to equal opportunity. Specifically, gender representation within the Company is balanced, with women accounting for 55,3% (2023: 56,4%) of the total workforce.

The Company is committed to providing equal employment opportunities and complying with workplace equality legislation. This commitment has been formally recognized since November 2021, when the Company signed the Diversity Charter, an initiative of the European Commission aimed at promoting diversity in business. Furthermore, we consider the training of our employees on diversity management issues a key priority, along with the implementation of policies and practices that foster inclusion. The Company is dedicated to upholding equality and diversity internally, ensuring fair treatment of its workforce regardless of gender, race, color, national or ethnic origin, ancestry, religious or other beliefs, disability or chronic illness, age, family or social status, sexual orientation, gender identity, or gender characteristics. Our goal is to build a workplace every day that emphasizes talent and equal opportunities, free from discrimination.

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

The Company, taking into account both market competitiveness and prevailing trends, periodically reviews its compensation and benefits framework with the aim of attracting, retaining, and motivating its workforce. The core principles of this framework, which ensure alignment between individual employee goals and the Company's strategy as well as the long-term creation of shareholder value, include ensuring that remuneration is sufficient to retain and attract professionals with the appropriate expertise and experience, maintaining internal equity across organizational units, avoiding excessive risk-taking, and linking compensation to the long-term evaluation of achieved performance.

Health and safety in the workplace are of utmost priority for the Company, aiming to ensure safe working conditions, improve employees' quality of professional life, and prevent related risks. For yet another year, the Company continued to implement all prescribed measures for the prevention and protection of health and safety, overseeing their proper application, monitoring working conditions, and ensuring compliance with regulations through a structured risk management framework. Employee health and safety are integral to the Company's corporate culture and are safeguarded across all aspects of work.

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.

Recognizing its role and contribution to Greek society, the Company is committed to returning a portion of its annual profits to the community. To this end, it implements a corporate social responsibility program, designing and executing initiatives that demonstrate its commitment to supporting individual growth and progress, and giving back to society.

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 tangible benefits to society and individuals, encouraging them to strive for and achieve more each day and empowering them to pursue a richer life. To implement the program, the Company systematically collaborates with organizations operating within the country, supporting their work and jointly developing programs and activities.

The corporate social responsibility program's initiatives benefit a large number of individuals across various age groups and regions. Specifically, these initiatives focus on supporting people in remote, border, and island areas; members of vulnerable social groups; children, adults, and families (with tailored actions for each group); and providing financial support to social and educational institutions and organizations.

A) For quality of life and its improvement

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

B) Promotion of the Greek culture and education

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

C) For entrepreneurship and equal opportunities in business

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

Corporate Social Responsibility Actions for 2024

As part of its corporate social responsibility program, the Company participated in the following activities in 2024:

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

- The Company supported HOPEgenesis in providing medical services, examinations, and check-ups to pregnant women and women wishing to conceive in remote areas lacking ready access to maternity hospitals and healthcare centers. This support ensures these women receive monitoring by specialized medical personnel, as well as counseling and psychological support during pregnancy and childbirth. In 2024, the Company added two more areas to the program, bringing the total number of "adopted" areas to twelve: Patmos, Agrafa, Kasos, Kastellorizo, Lipsoi, Tilos, Chalki, Nisyros, Anafi, Ano Koufonisi, Sikinos, and Oinousses.

- Construction of a kindergarten in Chalki providing children with a dedicated space for creative engagement and skill development. This represents the fifth kindergarten inaugurated by the Company (the first on Patmos in 2020, the second in Palaiokatouna, Agrafa in 2021, the third on Lipsoi in 2022, and the fourth on Kastellorizo in 2023). The Company is committed to constructing a kindergarten in each of the twelve aforementioned "adopted" areas, with work progressing on the remaining seven.

- For the third consecutive time, support, as "Founding Sponsor" of the Economist's conference on low birth rate, the premier meeting organized every two years, where developments on the demographic issue are presented by prominent speakers from Greece and abroad.

- Support of the organizations «Together for Children» through its sponsorship of the 3rd Children's Festival «Together… in the Game!», with the aim of highlighting the value of games as a key factor in children's development and socialization.

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

- Support for the 2nd consecutive year of Solidarity Now's Project MAMA in Thessaloniki, which was addressed to new and expectant mothers from vulnerable social groups, and their partners, who wanted to be informed and empowered on issues related to the care of the mother, the young child and the whole family.

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

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

- Sponsorship of the annual artistic program of the Greek National Opera, and exclusive sponsorship of the 2nd Festival of Religious Music, which was implemented by the Greek National Opera, with the cooperation of the Ministry of Culture and Sports, and was a cultural event of great scope, with over 50 concerts in churches, museums, archaeological and concert venues and with free admission for the public.

- 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 2nd "Cycladic Kids Festival" a multi-thematic arts festival accessible to all children, in the context of which the exhibition of the Children's Drawing Competition took place,
  - ✓ the Weekend Workshops, series of educational activities for children and parents carried the Museum's instructors,
  - ✓ the creation of "Family kits", special museum tour kits for families,
  - ✓ the weekly workshops for people with disabilities, guided tours in sign language, activities for people with blindness with the mobile tactile display case implemented in the framework of the program "IN CONTACT" that was also presented with the support of the Company in 2022,
  - ✓ transportation to and from the Museum for vulnerable groups (people with disabilities, refugees, etc.),
  - ✓ the support of school visits to the permanent collections of the Museum,

- ✓ educational activities for "Young Friends" and "urban culture events", with exclusive activities and collaborations with cultural institutions,
- ✓ curated events for Patrons & Donors,
- ✓ the "Young Patrons Cultural Weekend" in Antiparos, a three-day cultural program that includes a visit to archaeological sites etc,
- ✓ the "Cycladic walks for all", an action with walks – one-day excursions inside and outside Attica to archaeological and cultural sites.

- Donation to the Cyber Security International Institute for the organization of the educational activity "Digital Academies", through which children, adults and families are informed online about internet security issues, cyber bullying, grooming, phishing, game development and robotics.

- Support for the 2nd consecutive year for the European Cultural Centre of Delphi and its activities, with emphasis on the "Delphic Dialogues", an ambitious program in which eminent thinkers and scientists of global scope discuss current issues and problems that humanity will be called to face in the near future.

Organizing activities to support entrepreneurship, such as:

- Donation to the Stemnitsa School of Silversmithing, through the Bodossaki Foundation, to support the students' curriculum and the newly created specialty "Mountain Guide", and by extension the local community of Stemnitsa.

Support of various other activities such as:

- Financial support to the «Ben Graham Center».
- Membership to the Road Safety Institute "Panos Mylonas".
- Donation to the Historical Archives – Museum of Hydra, the Jewish Museum of Greece, at the Athens Olympic Museum, in AMKE «Mporoume», in the Union Financial Planners of Greece and at the Handicraft and Industrial Educational Museum, for the implementation of their project and activities.
- Sponsorship of insurance policies to Ithaca, IOAS, Unesco, the Olympic Museum of Athens, Ark of the World, Agioi Anargyroi Boarding School, Association for the Support of Disabled in Kozani, and Mr. Kremastiotis, Berdos, Kosoglou, and Athanasopoulos.

External Auditors

The Board of Directors, after taking into consideration the appointment of external auditors for 2025, will propose an audit firm in the upcoming Annual General Assembly Meeting. The General Assembly Meeting 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, compared to the companies in other industries.

Branches: The Company does not have branches.

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

Prospects of the Greek economy for 2025: Positive dynamics, concerns and uncertainties

The prospects for the Greek economy in 2025 appear favorable, with projected growth to be higher than the eurozone average growth. According to the Bank of Greece, Greece's GDP growth rate is expected to be 2,2% in 2025 and to slightly decrease to 2,1% in 2026 and 2,0% in 2027.

At the same time, the Organisation for Economic Co-operation and Development ("OECD") forecasts an annual growth rate of over 2% for the Greek economy over the next two years, supported by continued inflows of European funds.

One of the main drivers of this growth is the Recovery and Resilience Facility, which is expected to inject approximately € 30 billion into the Greek economy, an amount equivalent to around 16% of GDP. These funds will be allocated to infrastructure projects, digital transformation and the green transition, thereby boosting investments, which are expected to reach € 20 billion.

However, concerns and uncertainties remain that could affect the country's economic outlook. The investment gap (the deviation in total investments, expressed as a percentage of GDP, between Greece and the average of the 20 Eurozone countries) and low productivity remain significant challenges for the Greek economy. Despite a reduction in the investment gap from ~ 11% in 2019 to ~ 6% in 2023, Greece must maintain its efforts to further converge with the European average.

In addition, the management of public debt, which remains among the highest in the EU, continues to be a persistent challenge for the country.

External factors, such as geopolitical tensions, political instability in major European countries and the effects of global trade policy, including the continuance of the war in Ukraine, the developments in the Middle East as well as the politics of the new USA government, may also negatively impact the Greek economy over the coming years. Furthermore, the persistence of inflationary pressures represents an additional source of uncertainty that could affect economic stability. Overall, while the outlook for 2025 is encouraging, Greece must effectively address the aforementioned challenges in order to ensure sustainable and robust economic growth.

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

A key factor in achieving all of the Company's strategic choices and priorities is its human capital. People are considered the Company's most important asset, fully recognized as its driving force. The goal is to staff the organization with the most capable and effective professionals, in order to build a strong competitive advantage.

At the same time, policies are implemented to enhance loyalty, facilitate communication, strengthen teamwork, as well as the development, training and evaluation of human resources. All activities related to human resources management contribute decisively to the achievement of the Company's objectives and to the acquisition and maintenance of a competitive advantage.

Events after the reporting date

On 15 January 2025, the Company announced that will set the average premium adjustment rate for its portfolio of lifetime health insurance programs at approximately 50% of the health index published by the Foundation for Economic and Industrial Research ("IOBE"), by ensuring, at the same time, that the maximum premium increase per customer remains in a single digit, with no impact on the Company's net assets.

In the first quarter of 2025, the USA announced and implemented a series of tariff measures initially against Canada, Mexico, and China, and subsequently against steel and aluminum exports from the EU. As expected, all these economies responded with corresponding countermeasures. The USA tariff burdens did not have a significant impact on the activity, capital position and valuations of the Company's investment portfolios, as the initial sharp fluctuations triggered in the stock markets by the related announcement have subsided. Even if the financial conditions have improved, they remain vulnerable to negative developments that could impair global economic prospects. Management closely monitors developments and periodically assesses the potential impacts on the Company's operations and financial position.

There are no other significant subsequent events that need to be reported.

The Board of Directors

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

Athens, 17 June 2025

Chairman of the B.O.D and CEO	Member of the B.O.D. and General Manager of Finance, Strategic Planning & MIS
Alexandros Sarrigeorgiou	Vassileios Nikiforakis

Independent Auditors' Report
(Translated from the original in Greek)

To the Shareholders of Eurolife FFH Life Insurance Single Member SA

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Eurolife FFH Life Insurance Single Member SA (the "Company"), which comprise the Statement of Financial Position, as at 31 December 2024, the Income Statement, Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of Eurolife FFH Life Insurance Single Member SA as at 31 December 2024 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as incorporated in Greek legislation. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, as incorporated in Greek legislation, and with the ethical requirements that are relevant to the audit of the financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the applicable legislation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 and the relevant significant assessed risks of material misstatement 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.

Valuation of the insurance contracts liabilities (including additional coverages) measured under General Measurement Model (GMM) and Variable Fee Approach (VFA)	
Reference to notes 2.13, 3.1, 4.2, 4.3.2 and 18 of the Financial Statements. The insurance liabilities for Life Insurance contracts (including additional coverages) which are valued under the General Measurement Model (GMM) and Variable Fee Approach (VFA) include as of 31 December 2024 the Liability for Remaining Coverage (LRC) amount of EUR 2,172mln	
Key Audit Matter	**How the matter is approached during our audit**
The Life insurance contracts liabilities (including additional coverages) measured under General Measurement Model (GMM) and Variable Fee Approach (VFA) concern estimations for future cash flows arising from the respective insurance contracts. The calculation of Life insurance contracts liabilities (including additional coverages) measured under General Measurement Model (GMM) and Variable Fee Approach (VFA) contain a high level of subjectivity and determined using complex valuation models which estimate the future cash flows. The selection of the appropriate actuarial models and assumptions contain subjectiveness applied from the Company's actuarial specialists. Furthermore, the determination of assumptions at the Financial Position date may include subjective judgment and decisions from management which contain high levels of uncertainty regarding future events. The critical actuarial assumptions used in the models include mainly the discount rates, such as lapses and surrenders. Other assumptions relate to demographic assumptions such as mortality and morbidity – disability. Slight changes mainly in discount rates and in other key assumptions noted above may result to significant changes in the Life Insurance liabilities. Notes 3.1, 4.2 and 4.3.2 of the financial statements includes information over	Our audit approach regarding this issue includes the testing of the design and implementation of internal controls of the Life insurance contracts liabilities (including additional coverages) measured under General Measurement Model (GMM) and Variable Fee Approach (VFA), as well as other substantive audit procedures, as analyzed below: With the involvement of our actuarial specialists, we performed the following audit procedures: ● Comparison of underlying components and data that are included in the cash flow estimation models with the analytical data of the relevant insurance registers and data on assumption reports on a sample basis. ● Testing of the underlying components and data that are included in the relevant insurance and claims registers on a sample basis. ● Assessment of the validity of the calculations of cash flows on a sample basis according to the insurance contracts terms and the relevant assumptions. ● Examination of the estimates regarding the reasonability of critical assumptions and the appropriateness of the methodologies and models used, based on International Actuarial practices and internal guidelines and polices of the Company, also comparing with historical data of the Company (Assumptions Reports) and market benchmarking data where available. ● Evaluation of the reasonableness of the criteria used for the determination of coverage units of the Contractual Service Margin (CSM) as well as the reasonableness of the movements of this account.

the determination of the significant assumptions. Given the importance of the aforementioned insurance liabilities amount, the related disclosures and the complexity of the cash flows calculation as well as the level of judgment required relating to critical actuarial assumption, we consider this to be a key audit matter.	● Analysis and commentary on the major and unexpected changes and fluctuations as well as any significant change in assumptions and calculation methodology compared to the prior year. Finally, we assessed the adequacy and appropriateness of disclosures in the notes to the Financial Statements.

Valuation of the Financial assets at fair value classified at Level 3

Reference to notes 3.2, 4.6 and 11 of the Financial Statements. The Financial assets at fair value classified at Level 3, include investments though profit and loss valued with valuation techniques using unobservable inputs as of 31 December 2024 total amount EUR 378mln.

Key Audit Matter	How the matter is approached during our audit
The Financial assets valued with valuation techniques using unobservable inputs. The fair value of the Financial assets classified at Level 3 is calculated based on valuation techniques that include management judgment, assumptions, estimates and valuation models. Where the material prices data are unobservable, the management has not valuable market prices available for the calculation of the fair value. The valuation of these financial assets includes high level of subjectivity and complexity and it is determined using complicated valuation methods. The selection of the appropriate valuation methods includes subjectivity from the specialists' side. For the financial assets valued with valuation methods using unobservable inputs, the estimate of the uncertainty is high due to the increased market volatility.	Our audit approach regarding this issue includes the examination of the design and implementation of internal controls which concern the valuation of the financial assets classified at Level 3, as well as the substantive procedures are analysed below: With the involvement of our valuation specialists we performed the following audit procedures: ● Understanding of the processes relate to the valuation of the unlisted investment items. ● Examination of the supporting documentation for the valuation as prepared by the external valuation experts of the Company. ● Examination of the appropriateness of the models and methodologies used for the valuation of the unlisted financial items. ● Examination of the data and parameters used in the valuation. The KPMG valuation specialists performed independent calculation of the fair value of the unlisted investment items in order to verify that the fair value is within the acceptable range. Finaly we assessed the adequacy and appropriateness of the disclosures in the relevant note of the Financial Statements.

<table>
<tr><td>Given the importance of the aforementioned account, the related disclosures and the complexity of the valuation of the financial assets, we consider this to be key audit matter.</td><td></td></tr>
<tr><td colspan="2">Assessment of the impairment of the investment in real estate associate company</td></tr>
<tr><td colspan="2">Reference to notes 3.3 and 8 of the Financial Statements. The assessment of the impairment of the investment in real estate associate company (Group) include non financial assets valued with valuation methods using unobservable inputs total amount of EUR 260mln as of 31 December 2024.</td></tr>
<tr><td>Key Audit Matter</td><td>How the matter is approached during our audit</td></tr>
<tr><td>According to accounting policy 2.22, the Company's management assesses annually whether there are indications of impairment of investments in associated companies.

In cases where there are indications of impairment for an investment, an impairment test is performed. In this way, the recoverable amount of the investment is calculated as the higher amount between its fair value less selling costs and its value in use. The value in use is calculated as the present value of the future cash flows expected that the assessed investment to generate. For investments in associate companies operate in real estate industry, the impairment test is based on methodologies of adjusted net asset value.

The adjusted value of the assets mainly includes the fair value of the properties. The assessment of the fair value of the properties requires a high level of judgment. The valuation takes into account factors such as the specific nature of each property and the location in which it is located. The key assumptions include future rents related to the less active markets, occupancy rates, and discount rates.</td><td>Our audit approach regarding this issue includes the examination of the design and implementation of internal controls, as well as substantive procedures are analysed below:

With the involvement of our valuation specialists we performed the following audit procedures

● Understanding the processes related to properties valuation.
● Examination of the supporting documentation for the valuation prepared by the external valuation experts of the Company.
● Review of the appropriateness of the models, methodologies, and assumptions used for properties valuation.
● Review of the most significant properties of associate companies with physical presence on a sample basis.
● Examination of the data and parameters used for the adjusted net asset value methodology, including deferred tax adjustments.

Finally we assessed the adequacy and appropriateness of the disclosures in the relevant note of the Financial Statements</td></tr>
</table>

The valuation of the properties of the associate companies was engaged to certified appraisers in order to support the relevant assessments. Certified valuators made assumptions regarding assumptions such as market rent, occupancy, and discount rate based on available market information, in order to conclude to appropriate estimates. The impairment test based on adjusted net assets also includes estimates of the current value of relevant deferred taxes arising from the fair value adjustments of real estate. Given the importance of the relevant account and the related disclosures, the complexity and the assumptions of the valuation of the properties and deferred tax, we consider this to be key audit matter.	

Other Matter

The Financial Statements of Eurolife FFH Life Insurance Single Member SA for the prior year ended 31 December 2023 were audited by another audit firm for which the Certified Auditor issued an audit report on 28 June 2024 expressing an unmodified opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, for which reference is made in the "Report on Other Legal and Regulatory Requirements" and the Declarations of the Members of the Board of Directors but does not include the Financial Statements and our Auditors' Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 IFRS, as adopted by the European Union, and for such internal control as the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of the Company is responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 which have been incorporated in Greek legislation 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, which have been incorporated in Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the 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 auditors' 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 auditors' 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.

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

The Board of Directors is responsible for the preparation of the Board of Directors' Report. Our opinion on the financial statements does not cover the Board of Directors' Report and we do not express an audit opinion thereon. Our responsibility is to read the Board of Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work pursuant to the requirements of paragraph 1, cases aa, ab and b, of article 154C of L. 4548/2018, we note that:

(a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of Article 150 of L. 4548/2018, and its contents correspond with the accompanying Financial Statements for the year ended 31 December 2024.

(b) Based on the knowledge acquired during our audit, relating to Eurolife FFH Life Single Member Insurance SA and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our audit opinion on the Financial Statements is consistent with the Additional Report to the Audit Committee of the Company dated 17 June 2025, pursuant to the requirements of article 11 of the Regulation 537/2014 of the European Union (EU).

3. Provision of non-Audit Services

We have not provided to the Company any prohibited non-audit services referred to in article 5 of Regulation (EU) 537/2014.

The permissible non-audit services that we have provided to the Company during the year ended 31 December 2024 are disclosed in Note 27 of the accompanying Financial Statements.

4. Appointment of Auditor

We were appointed for the first time as Certified Auditors of the Company based on the decision of the Annual General Shareholders' Meeting dated 19 July 2024.

Athens, 24 June 2025

KPMG Certified Auditors S.A.
AM SOEL 186

Philippos Kassos, Certified Auditor Accountant
AM SOEL 26311

(amounts in € thousand)	**Notes**	**31/12/2024**	**31/12/2023**
ASSETS			
Property, Plant and Equipment	**5**	1.095	166
Right of use assets	**6**	1.953	2.317
Intangible assets	**7**	6.404	5.356
Investment in financial assets:			
Financial assets at FVTOCI	**10**	1.148.652	1.208.197
Financial assets at FVTPL	**11**	1.999.553	1.709.029
Financial assets at amortized cost	**12**	38.580	38.584
Investment in subsidiaries and associates	**8**	281.398	309.398
Income tax receivable		-	9.978
Insurance contract assets	**18**	515	420
Reinsurance contract assets	**13**	5.042	4.087
Other receivables	**14**	16.920	12.286
Cash and cash equivalents	**15**	48.596	135.743
Total Assets		**3.548.708**	**3.435.562**
EQUITY			
Share Capital	**16**	29.134	29.134
Share Premium	**16**	79.014	79.014
Reserves and prior years' retained earnings	**17**	361.416	354.594
Profit for the year		101.064	118.070
Total Equity		**570.629**	**580.813**
LIABILITIES			
Insurance contract liabilities	**18**	2.244.488	2.155.595
Investment contract liabilities	**19**	592.261	584.636
Employee benefits	**20**	745	745
Deferred tax liabilities	**9**	68.300	61.984
Lease liabilities	**6**	2.185	2.562
Provisions and other liabilities	**21**	58.547	49.227
Income tax payables		11.554	-
Total Liabilities		**2.978.080**	**2.854.749**
Total Equity and Liabilities		**3.548.708**	**3.435.562**

Athens, 17 June 2025

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	EVANGELIA D. TZOURALI	EVANGELOS S. EFSTATHIOU
ID A01446375	ID AP186537	LIC. No 0099260	LIC. No 0110083

The notes on pages 33 to 113 are an integral part of these financial statements.

(amounts in € thousand)	Notes	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Insurance revenue	22	117.514	106.422
Insurance service expenses	23	(92.138)	(87.935)
Insurance service result from insurance contracts issued		**25.376**	**18.487**
Allocation of reinsurance premiums	24	(2.651)	(2.352)
Amounts recovered from reinsurance contracts	24	2.144	1.258
Net expense from reinsurance contracts held		**(507)**	**(1.094)**
Insurance service result		**24.869**	**17.393**
Interest and dividends	25	67.920	71.652
Net gains on financial assets at FVTPL	25	205.907	196.391
Net (losses)/gains on financial assets at FVTOCI	25	(2.815)	637
(Impairment provisions) / Reversal of impairment for credit risk coverage and other impairments	25	(7.671)	585
Fair value losses on investment contract liabilities	25	(29.089)	(45.921)
Other investment income	25	12.988	8.056
Net investment income		**247.239**	**231.400**
Finance expenses from insurance contracts issued	26	(127.310)	(86.603)
Finance expenses from reinsurance contracts held	26	(83)	(8)
Net insurance finance expenses		**(127.392)**	**(86.612)**
Other operating expenses	27	(11.714)	(9.789)
Profit before tax		**133.002**	**152.393**
Income tax expense	28	(31.938)	(34.322)
Profit for the year		**101.064**	**118.070**

Athens, 17 June 2025

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
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ID A01446375	ID AP186537	LIC. No 0099260	LIC. No 0110083

The notes on pages 33 to 113 are an integral part of these financial statements.

(amounts in € thousand)	Notes	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Profit for the year		**101.064**	**118.070**
Other comprehensive income:			
Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:			
- Net (losses)/gains on financial assets measured at FVTOCI, net of tax	**17**	(27.348)	43.879
- Finance (expenses) from insurance contracts issued, net of tax	**17**	(12.888)	(54.904)
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	**17**	(12)	10
Other comprehensive income for the year		**(40.248)**	**(11.015)**
Total comprehensive income for the year, net of tax		**60.816**	**107.055**

Athens, 17 June 2025

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	EVANGELIA D. TZOURALI	EVANGELOS S. EFSTATHIOU
ID A01446375	ID AP186537	LIC. No 0099260	LIC. No 0110083

The notes on pages 33 to 113 are an integral part of these financial statements.

(amounts in € thousand)	Share Capital (Note 16)	Share Premium (Note 16)	Reserves and prior years' retained earnings (Note 17)	Profit for the year	Total
Balance at 1 January 2024	**29.134**	**79.014**	**354.594**	**118.070**	**580.813**
Net losses on financial assets measured at FVTOCI, net of tax	-	-	(27.348)	-	(27.348)
Finance expenses from insurance contracts issued, net of tax	-	-	(12.888)	-	(12.888)
Remeasurement of post employment benefit obligations, net of tax	-	-	(12)	-	(12)
Other comprehensive income for the year, net of tax	**-**	**-**	**(40.248)**	**-**	**(40.248)**
Profit for the year	-	-	-	101.064	101.064
Total comprehensive income for the year, net of tax	**-**	**-**	**(40.248)**	**101.064**	**60.816**
Transfer of prior year's retained earnings to reserves	-	-	118.070	(118.070)	-
Dividend distribution in shareholders	-	-	(71.000)	-	(71.000)
Total transactions with shareholders	**-**	**-**	**47.070**	**(118.070)**	**(71.000)**
Balance at 31 December 2024	**29.134**	**79.014**	**361.416**	**101.064**	**570.629**

(amounts in € thousand)	Share Capital (Note 16)	Share Premium (Note 16)	Reserves and prior years' retained earnings (Note 17)	Profit for the year	Total
Balance at 1 January 2023	**29.134**	**79.014**	**229.310**	**176.282**	**513.740**
Net gains on financial assets measured at FVTOCI, net of tax	-	-	43.879	-	43.879
Finance expenses from insurance contracts issued, net of tax	-	-	(54.904)	-	(54.904)
Remeasurement of post employment benefit obligations, net of tax	-	-	10	-	10
Other comprehensive income for the year, net of tax	**-**	**-**	**(11.015)**	**-**	**(11.015)**
Profit for the year	-	-	-	118.070	118.070
Total comprehensive income for the year, net of tax	**-**	**-**	**(11.015)**	**118.070**	**107.055**
Transfer of prior year's retained earnings to reserves	-	-	176.282	(176.282)	-
Dividend distribution in shareholders	-	-	(39.983)	-	(39.983)
Total transactions with shareholders	**-**	**-**	**136.299**	**(176.282)**	**(39.983)**
Balance at 31 December 2023	**29.134**	**79.014**	**354.594**	**118.070**	**580.813**

The notes on pages 33 to 113 are an integral part of these financial statements.

(amounts in € thousand)	Notes	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Cash Flows from operating activities			
Profit before tax		**133.002**	**152.393**
Adjustments for non-cash items:			
Depreciation of property, plant and equipment	**5, 6, 7**	2.472	2.077
Change in other provisions		9.933	600
Non realized foreign exchange differences	**25**	16.509	(7.496)
Fair value gains on financial assets	**25**	(180.606)	(196.471)
Changes in insurance and reinsurance contract assets/liabilities	**13, 18**	71.319	196.199
Change in investment liabilities	**19**	7.625	11.443
Realized (gains)/ losses on financial assets	**25**	(39.326)	6.339
Interest income and expenses, dividends and other investment income		(51.312)	(51.011)
Bonds amortization and interest on deposits		(16.019)	(18.925)
Changes in operating assets and liabilities:			
Purchases of financial assets	**10, 11**	(685.087)	(1.494.132)
Sales of financial assets		653.192	1.492.322
Increase in other receivables		(4.721)	(1.929)
Increase/(decrease) in other liabilities		3.873	(11.898)
Interest received / paid and other investment income		56.831	49.457
Income tax refund/(payment)		10.753	(22.176)
Net cash (outflows)/inflows from operating activities		**(11.563)**	**106.793**
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets	**5, 7**	(3.783)	(1.952)
Increase of interest in associates	**8**	-	(142.522)
Net cash outflows from investing activities		**(3.783)**	**(144.474)**
Cash flows from financing activities			
Principal repayment of lease liabilities		(801)	(723)
Dividends paid	**31**	(71.000)	(39.983)
Net cash outflows from financing Activities		**(71.801)**	**(40.706)**
Net decrease in cash and cash equivalents		(87.147)	(78.387)
Cash and cash equivalents at the beginning of the year	**15**	135.743	214.130
Cash and cash equivalents at the end of the year	**15**	**48.596**	**135.743**

The notes on pages 33 to 113 are an integral part of these financial statements.

NOTE 1: GENERAL INFORMATION

Eurolife FFH Single Member Life Insurance S.A., with distinctive title "Eurolife FFH Life Insurance S.A." (hereinafter the "Company") is 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) 210 930 3800, 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.

The number of employees of the Company as at 31 December 2024, was 181 (2023: 172).

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
Ioannis Serafimidis	Non-Executive Member
Theodoros Kalantonis	Non-Executive Member
Nikolaos Delendas	Executive Member
Amalia Mofori	Executive Member
Vassilios Nikiforakis	Executive Member

These financial statements were approved by the Company's Board of Directors on 17 June 2025 and are subject to approval by the Annual General Meeting of shareholders.

The Company is a subsidiary of Eurolife FFH Insurance Group Holdings S.A. (hereinafter referred to as "Eurolife FFH Insurance Group"), which holds 100% of its share capital. Eurolife FFH Insurance Group Holdings S.A. is a subsidiary of Costa Luxembourg Holding S.à r.l. ("Costa"), which holds 80% of its share capital. Costa is based in Luxembourg (1 Jean Piret, L-2350 Luxembourg) and is fully controlled by "Colonnade Finance S.à r.l.", a member of the "Fairfax Financial Holdings Limited group" (hereinafter "Fairfax group"). Fairfax Financial Holdings Limited, headquartered in Ontario, Canada, is the ultimate parent of the Fairfax group and indirectly holds an 80% share in the Company. The remaining 20% of Eurolife FFH Insurance Group Holdings S.A.'s share capital is held by Eurobank S.A. (hereinafter "Eurobank"), which is considered a related 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). 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 bank network and agents' sales channels as well.

NOTE 2: MATERIAL ACCOUNTING POLICIES

The material 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 (hereinafter "IFRSs") as endorsed by the European Union (the "EU") and are effective from 1 January 2024.

The financial statements have been prepared under the historical cost convention, except for financial assets which are valued at fair value through other comprehensive income, 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 through profit or loss.

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 2024 and 31 December 2023, 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

2024 was a year of particularly increased uncertainty and multiple challenges for global economic activity, with the continuance of the war in Ukraine, the developments in the Middle East, the election of new president in the USA and the intensifying geostrategic competition between the USA and China, constitute the main sources of concern. Despite the uncertainties in the international environment, the Greek economy remained in expansionary territory, achieving a higher performance than most of its European Union peers. More specifically, according to data from the Hellenic Statistical Authority ("ELSTAT"), in 2024 Greece's actual GDP increased by 2,3%, significantly exceeding the eurozone average growth, which was 0,9%, driven by household consumption and stockpiling. Furthermore, average annual inflation rate based on the Harmonized Index of Consumer Prices ("HICP") decreased to 3,0% in 2024 from 4,2% in 2023, while the average monthly unemployment rate decreased to 10,1% from 11,1% in 2023, the lowest in the last 15 years. According to the Bank of Greece's estimates, economic activity is expected to grow by 2,3% in 2025, with private consumption and investment as the main drivers. In the fiscal area, the Bank of Greece expects a primary surplus of 2,4% of GDP in 2025, which is at similar levels to the 2,5% of GDP in 2024.

A significant boost in the growth in Greece, is expected to be achieved from the EU-funded investment projects and reforms. Greece shall receive € 36 billion (€ 18,2 billion in grants and €17,7 billion in loans) up to 2026 through the Recovery and Resilience Fund ("RRF"), out of which € 18,2 billion (€ 8,6 billion in grants and € 9,6 billion in loans) has already been disbursed from the EU by the end of 2024. A further € 40 billion is due through EU's long-term budget ("MFF"), out of which € 20.9 billion is to fund the National Strategic Reference Frameworks (NSRF 2021–2027).

In 2024, the Greek government raised € 9,55 billion from the international financial markets with the issuance of two new bonds (a 10-year with a yield of 3.478% in January and a 30-year with a yield of 4.241% in April) as well as reinsurance of 11 older securities with maturities of 5 and 10 years, through the Public Debt Management Organization ("PDMO"). As a result of a series of sovereign rating upgrades of the Greek Public in the second half of 2023, its long-term debt securities were classified at investment grade according to four of the five external credit rating agencies accepted by the ECB (DBRS: BBB (low), positive outlook, Fitch: BBB-, stable outlook, Scope: BBB, stable outlook, S&P: BBB-, positive outlook) and one notch below the investment grade by the fifth agency, Moody's (Ba1 with positive outlook), on 31 December 2024. In the field of monetary policy, after 10 consecutive interest rate increases in 2022 and 2023 and based on the improved inflationary outlook, the European Central Bank ("ECB") decided on eight interest rate reductions from June 2024 to June 2025, reducing the deposit facility rate by a total of 200 basis points.

Regarding the outlook for the next 12 months, the main macroeconomic risks and uncertainties in Greece are associated with: (a) geopolitical tensions caused mainly by the war in Ukraine and the fragile situation in the Middle East, their implications regarding regional and global stability and security and their repercussions on the global and European economy; (b) a cessation or even reversal of the deflationary trend observed over the last 24 months, with impact on economic growth, employment, public finances, household budgets, business production costs, foreign trade and the bank's asset quality, as well as any potential social and/or political ramifications that may entail; (c) the timeline of any further interest rate reductions by the ECB and the USA Federal Bank, persistence on high rates for longer may keep exerting pressure on sovereign and private borrowing costs and certain financial institutions' balance sheets, but early rate cuts entail the risk of a rebound in inflation; (d) the prospect of Greece's major trade partners, primarily the euro area, remaining stagnant or even facing a temporary downturn; (e) the increased political and economic uncertainty stemming from the international foreign and trade policy of the new United States government, including the tariff burdens imposed by the USA on EU's products, which could disrupt trade flows more than expected and hit its exports, especially in critical industrial sectors; (f) the persistently high current account deficit which appears to be once again becoming a structural feature of the Greek economy; (g) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost enhance productivity, competitiveness and resilience; and (h) the worsening of natural disasters due to climate change and their effect on GDP, employment, fiscal balance and sustainable development in the long term.

Regarding tariffs imposed by the USA on products produced in the EU, the direct impact on the Greek economy is expected to be limited, due to the small size of Greece's trade with the USA and the steady flow of investment from European funding (exports to the USA represent less than 5% of Greece's total exports). However, the Greek economy may be indirectly affected through the slowdown in eurozone growth and increased uncertainty, negatively affecting exports and the investment climate. However, already in Europe, and particularly in Germany, there is a shift from a conservative fiscal approach towards implementing targeted measures to support economic growth and stability.

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

Capital adequacy and profitability

The year 2024 was another successful year for the Company, during which high levels of profitability and a strong capital position were maintained. The Company's profit after tax for the year ended 31 December 2024, amounted to € 101,1 million (2023: € 118,1 million).

The Company's Management systematically monitors its capital adequacy in accordance with Solvency II and takes the necessary actions to maintain a strong capital base and a high-quality investment portfolio. As of 31 December 2024, the Company's Solvency II ratio stood at 159% (2023: 168%).

Conclusion on going concern

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

2.2 Adoption of International Financial Reporting Standards (IFRS)

2.2.1. Amendments to standards adopted by the Company

The following amendments to existing standards, as issued by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee ("IFRIC") and endorsed by the European Union (EU), are effective from 1 January 2024:

IAS 1, amendments - Classification of liabilities as current or non-current

In January 2020, IASB issued amendments to IAS 1 clarifying the requirements for the classification of the liabilities. In particular, the amendments clarify that one of the criteria for the classification of a liability as non-current is the entity's right to defer settlement for at least 12 months after the reporting date. The amendments clarify, among other, the clarification of an entity's right to defer settlement, the requirement of this right to exist at the reporting date and that Management's intention in relation to the option to defer the settlement does not affect current or non-current classification. The adoption of the amendments has no impact on the Company's financial statements.

IAS 1, Amendment – Non-current liabilities with covenants

In October 2022, IASB issued an amendment providing clarifications for the classification of debt with covenants and requires new disclosures for non-current liabilities that are subject to future covenants. The adoption of the amendment has no impact on the Company's financial statements.

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

A number of new standards and amendments to existing standards will enter into force after 2024, as they have not yet been adopted for use in the European Union or the Company has not adopted them earlier than the date of their mandatory application. The following standards are related to the Company:

IFRS 18, Presentation and disclosures in financial statements (effective from 1 January 2027, not yet adopted by EU)

In April 2024, the IASB issued a new standard, IFRS 18, which replaces IAS 1 "Presentation of financial statements". The primary objective of the standard is to improve the assessment of a company's performance by increasing comparability in presentation in an entity's financial statements, particularly in the income statement of profit or loss and in the disclosures in its notes to the financial statements. Specifically, the standard will improve the quality of financial reporting due to: (a) the requirement of defined subtotals in the statement of profit or loss; (b) the requirement to disclose in separate note of certain Management's performance measures ("MPMs"); and (c) the new principles for aggregation/ disaggregation of the information. The adoption of the standard is not expected to have a significant impact on the Company's financial statements.

IFRS 19, Subsidiaries without public accountability: Disclosures (effective from 1 January 2027, not yet adopted by EU)

In May 2024, the IASB issued a new standard, IFRS 19, which permits to a subsidiaries, without public accountability and that has a parent entity that prepares consolidated financial statements available for public use that comply with IFRS accounting standards, to provide reduced disclosures when applying IFRS accounting standards in its financial statements. An eligible subsidiary that applies IFRS 19 will still be required to apply the requirements in other IFRS accounting standards for recognition, measurement and presentation, but for disclosure requirements, it will not be required to apply other IFRS accounting standards requirements, unless otherwise specified. The adoption of the standard is not expected to have an impact on the Company's financial statements.

IFRS 9 and IFRS 7, Amendments to the classification and measurement of financial instruments (effective from 1 January 2026, adopted by EU)

The amendments clarify that a financial liability is derecognized on the "settlement date" and introduce an accounting policy choice to derecognise financial liabilities which are settled by using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets linked with environmental, social and governance features "ESG" via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVTOCI). The adoption of the standard is not expected to have an impact on the Company's financial statements.

Annual improvements to IFRS, Amendments to IFRS 1, IFRS 7, IFRS 9 and IAS 7 (effective from 1 January 2026, adopted by EU)

In the "Annual improvements in IAS and IFRS - Volume 11" issued on 18 July 2024 by the IASB, there are amendments that include clarifications, simplifications, corrections and changes in the following accounting standards:

- IFRS 1 - "First-time adoption of International Financial Reporting Standards": Hedge accounting by a first-time adopter
- IFRS 7 – "Financial instruments": Disclosures:
    - gain or loss on derecognition;
    - disclosures of differences between the fair value and the transaction price;
    - disclosures on credit risk.
- IFRS 9 – "Financial instruments":
    - derecognition of lease liabilities;
    - transaction price.
- IAS 7 – "Statement of cash flows": cost method

The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 – "Revenue from contracts with customers", over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under IFRS 9.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

The adoption of the improvements is not expected to have an impact on the Company's financial statements.

2.3 Foreign currency

2.3.1. Functional currency and presentation currency

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

2.3.2. Transactions and balances in foreign currency

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange differences (gains/ 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 rate 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 rate of exchange at the date the fair value was determined. The exchange differences relating to these items are treated as part of the change in fair value and they are recognized in the income statement or recorded directly in equity, depending on the classification of the non-monetary item.

2.4 Property, plant and equipment

Property, plant and equipment include leasehold improvements in leasehold assets, furniture, computers, other equipment as well as vehicles and are presented at historical cost net of accumulated depreciation and any 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 probable that these costs will generate additional future economic benefits to the Company and its cost can be measured reliably. Repair and maintenance costs are recognized in the income statement as incurred.

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

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

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

The historical cost and the accumulated depreciation of property, plant 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.

2.5 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 any accumulated impairment losses. Intangible assets are reviewed for impairment when there are impairment indicators 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

2.6 Financial assets and liabilities

2.6.1. Financial assets - classification and measurement

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

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

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

Financial assets measured at amortized cost ("AC")

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

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

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

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

Interest income, realized gains and losses on derecognition, as well as changes in expected credit losses ("ECL") from assets measured at amortized cost, are recognized in the income statement.

Financial assets measured at fair value through other comprehensive income (“FVTOCI”)

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

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

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

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

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

Financial assets measured at fair value through profit or loss (“FVTPL”)

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

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

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

Business model and contractual characteristics assessment

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

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

Types of business models

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

(a) the hold-to-collect (“HTC”) business model has the objective to hold the financial assets to collect contractual cash flows.

(b) the hold-to-collect-and-sell (“HTC&S”) business model has the objective both to collect contractual cash flows and sell the assets.

(c) other business models include financial assets which are managed and valued on a fair value, as well as portfolios that are held for trading.

The Company’s business models are reassessed if there is a sales’ assessment trigger or if there are any changes in the Company’s strategy and main activities.

Solely payments of principal and interest (SPPI test)

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

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

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

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

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

Equity instruments

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

Subsequently, the Company measures all equity investments at FVTPL. Gains and losses on equity instruments at FVTPL are included in the line item "Net gains/ (losses) on financial assets at FVTPL" in the income statement.

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

Derecognition of financial assets

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

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

Modification of financial assets that may result in derecognition

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

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

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

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

2.6.2. Financial Liabilities

Financial liabilities have two subcategories; the financial liabilities held for trading and the financial liabilities designated as at fair value through profit or loss upon initial recognition. The financial liabilities of the Company include Unit-Linked products and derivative financial instruments. The accounting policies of the abovementioned financial liabilities are described in notes 2.9 and 2.14 respectively. The financial liabilities are not reclassified in accordance IFRS 9.

2.7 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 financial 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 financial liability reflects its non- performance risk.

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

The Company has elected to use the mid-market pricing as a practical expedient for measuring fair value within the 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 financial assets and financial 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).

2.8 Impairment of assets

2.8.1. Impairment of financial assets

2.8.1.1. Impairment of financial instruments

The Company recognizes allowance for expected credit losses ("ECL") that reflect changes in credit quality since initial recognition to financial assets that are measured at AC and FVTOCI. ECL are a probability-weighted average estimate of credit losses that reflects the time value of money. Upon initial recognition of the financial instruments in scope of the impairment policy, the Company records an impairment loss equal to the 12-month ECL, being the ECL results from default events that are possible to occur within the next twelve months. Subsequently, for those financial instruments that have experienced a significant increase in credit risk since initial recognition, an impairment allowance equal to the lifetime ECL is recognised. arising from default events that are possible to occur over the expected life of the instrument. If, upon initial recognition, the financial asset meets the definition of a purchased or originated credit-impaired financial asset ("POCI"), the impairment loss is based on the change in lifetime ECL of the asset.

For all financial assets subject to impairment, the general three-stage approach applies, based on the extent of credit deterioration since origination:

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

As of 31 December 2024 and 31 December 2023, the Company does not hold any purchased or originated credit-impaired ("POCI") or financial assets classified under Stage 3.

Measurement of Expected Credit Losses

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

The key elements of the ECL calculations are outlined below:

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

Forward looking information

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

- GDP growth;
- Central Bank base rates.

Write-off of financial assets

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

2.8.1.2. Impairment of loans to insurance intermediaries

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

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

2.8.2. Impairment of non-financial assets

Items that have indefinite useful life are not subject to amortization and are tested for impairment on an annual basis. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised 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 its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash floes (cash-generating units).

2.9 Derivatives

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 2.7 and 4.6.

Embedded derivatives

Embedded derivatives are components of hybrid contracts that also include non-derivative hosts with the effect that some of the cash flows of the combined instruments vary in a way similar to stand-alone derivatives.

Financial assets that contain embedded derivatives are recognised in the statement of financial position in their entirety in the appropriate classification category, following the instruments' assessment of their contractual cash flows and their business model as described in note 2.7.

In addition, a financial asset that meets the above conditions to be classified at amortized cost or at fair value through other comprehensive income directly in equity, may be designated by the Company as measured at fair value through profit or loss upon initial recognition, if in this way an accounting inconsistency that would otherwise arise is eliminated or significantly reduced. These embedded derivatives are measured at fair value, with changes in their fair value recognized in the income statement. The Company did not hold any embedded derivatives in financial liabilities during fiscal years 2024 and 2023.

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

2.10 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position, if and only if, the Company has a current legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to receive the receivable of the asset and settle the liability simultaneously.

2.11 Current and deferred taxation

(a) 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.

(b) 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 valuation of the financial assets and financial liabilities as well as the impairment of financial assets, depreciation of tangible and amortization of intangible assets, employee benefit obligations due to retirement and the measurement of the insurance contracts liabilities.

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

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

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

2.12 Employee benefits

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

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

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

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

The indemnity liability is calculated as the present value of expected future cash outflows using interest rates of high quality European corporate bonds, with terms to maturity approximating the terms of the relevant liability (see note 20).

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 bonus. Bonus benefits which require only Management's approval are recognized as accrued expenses. Moreover, distribution of profits to employees, which requires approval by the General Meeting, is recognized as an accrued employee benefit expense in the year that the relevant service is provided.

2.13 Insurance and reinsurance contracts

Insurance and investment contracts classification

The Company issues insurance contracts and investment contracts with Discretionary Participations Features ("DPF") in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines that it has significant insurance risk, if, and only if, an insured event could cause the issuer to pay additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance. Additional amounts of at least 5% paid on insured event indicate that significant insurance risk exists. IFRS 17 requires the assessment of whether a contract transfers significant insurance risk to be made only once (unless the terms of the contract are modified) and specifically at inception.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Company to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without DPF issued by the Company fall under this category. For more details, refer to note 2.14.

The Company issues:

- life risk contracts which provide protection against risk of death, disability or critical illness. These concern term assurance whole-life contracts and life insurance policies with attached riders (such as disability, critical illness), credit insurance, individual health, and group health.
- life Saving products which provide long term insurance with accumulated features through a maturity benefit, such as annuities, endowment and Deposits Administration Fund products ("DAF").
- direct participating contracts, which are savings products that allow policyholders to benefit from participating in the performance of a wide range of underlying items. These contracts are determined as direct participating contracts because at inception:
    - the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
    - the Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
    - the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The Company uses different measurement approaches, depending on the type of contracts, as follows:

Insurance contracts issued	Product classification	Measurement model
Individual life term insurance, whole life insurance and life insurance policies with attached rider benefits (the majority of which are health indemnities)	Insurance contracts	GMM
Individual endowment and pure endowment with profit participation features, group pension products in the form of deferred annuities (deposit admisitration funds)	Invenstment contracts with DPF	GMM
Unit-Linked insurance contracts (direct participating contracts)	Insurance contracts	VFA
Individual term life contracts, group health insurance contracts covering death, illness or disability risk, credit life contracts	Insurance contracts	PAA
Unit-Linked investment contracts, pure endowment premium products with premium refund in the event of death, group pension products without profit participation features	Investment contracts without DPF	Financial liabiliies measured at FVTPL under IFRS 9

Reinsurance contracts held	Product classification	Measurement model
Individual life reinsurance treaty that provides coverage to certain individual life policies and individual personal accident insurance contracts	Reinsurance contracts held	GMM
All the remaining reinsurance contracts held	Reinsurance contracts held	PAA

Insurance and reinsurance contracts accounting treatment

2.13.1. Separating components from insurance and reinsurance contracts

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

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

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

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

Non-distinct embedded derivatives were recognized in some Unit-Linked and life insurance traditional contracts. Non-distinct investment components were recognized in Company's portfolio related to the following:

- surrender value in savings life insurance contracts;
- low claim bonus in health contracts;
- ceding profit commission arrangements in reinsurance contracts held that offer minimum guaranteed amounts.

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

Company's portfolio does not contain fixed-fee service contracts. However, distinct fixed fee service components are identified in health contracts. The Company has elected to apply IFRS 17 on these distinct components.

2.13.2. Level of aggregation

2.13.2.1. Level of aggregation - insurance contracts

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

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

The Company's interpretation of the "similar risk" criterion, was based on the type of insurance risk, exposure to insurance loss and the similarity in the variability of key assumptions, such as mortality/longevity, morbidity, policyholder behavior and loss ratios. This means that contracts with similar risks are expected to have future cash flows that respond in a similar manner, in terms of both amount and timing, to changes in these key assumptions.

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

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

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

2.13.2.2. Level of aggregation - reinsurance contracts

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

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

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

2.13.3. Recognition

2.13.3.1. Recognition - insurance contracts

The Company recognizes groups of insurance contracts from the earliest of the following dates:

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

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

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

2.13.3.2. Recognition - reinsurance contracts

The Company recognizes a group of reinsurance contracts held from the earliest of the following dates:

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

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

2.13.4. Modification and derecognition

The Company derecognises insurance contracts when:

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

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

- the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognized,
- the Contractual Service Margin ("CSM") of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component ("LC"); and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognized from the group.

If a contract is derecognized because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous, in such case the loss component is adjusted.

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

If a contract modification does not result in derecognition, the Company treats the changes in cash flows caused by the modification as changes in estimates of the fulfilment cash flows.

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

2.13.5. Insurance Acquisition Cash Flows

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

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

For annually renewable life insurance contracts, measured using the Premium Allocation Approach (PAA) and distributed through specific channels, the Company expects to recover part of the related IACF through the renewals of these contracts. The allocation to renewals is based on the manner in which the Company expects to recover those cash flows.

The asset for IACF is derecognized from the statement of financial position when the IACF are included in the initial measurement of the related group of insurance contracts. The Company expects that the above IACF asset will be derecognized over periods of up to eight years.

At the end of each reporting period, the Company reviews the amounts of IACF allocated to groups of insurance contracts that have not yet recognized, to reflect changes in assumptions related to the allocation method used.

<u>Recoverability assessment</u>

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows ("IACF") may be impaired, the Company:

- recognizes an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
- if the asset relates to future renewals, recognizes an impairment loss in profit or loss to the extent that it expects those IACF to exceed the net cash inflow for the expected renewals and this excess has not already been recognized as an impairment loss, as mentioned above.

The Company reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

2.13.6. Contract boundary

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

2.13.6.1. Contract boundary - insurance contracts

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

- the Company has the practical ability to reassess the risks of the particular policyholder and, therefore, as a result, can set a price or level of benefits that fully reflects those risks; or
- both of the following criteria are satisfied:
  i) the Company has the practical ability to reassess the risks of the portfolio of insurance contracts portfolio containing the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio;
  ii) the pricing of premiums up to the date of risk reassessment does not take into account risks relating to periods after the reassessment date.

For life insurance contracts with renewal periods, the Company assesses whether the premiums and related cash flows arising from contract renewals fall within the contract boundary. Renewal pricing is determined by considering all risks covered by the Company on behalf of the policyholder, considering the underwriting of equivalent contracts on the renewal dates for the remaining coverage. These risks may include both insurance and financial risks, but exclude lapse and expense risks.

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

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

2.13.6.2. Contract boundary - reinsurance contracts

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

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

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

2.13.7. Measurement

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

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

Life insurance contracts and life investment contracts with DPF are measured under General Measurement Model (GMM), except for yearly renewable contracts for which Premium Allocation Approach (PAA) is applied and Unit-Linked insurance contracts measured under Variable Fee Approach (VFA).

Reinsurance contracts held are mainly measured under Premium Allocation Approach (PAA), except for risk attaching reinsurance with long-term life underlying contracts for which General Measurement Model (GMM) applies.

2.13.7.1 Insurance contracts - group of contracts not measured under PAA

2.13.7.1.1. Initial measurement

The Company measures a group of insurance contracts on initial recognition as the sum of: (i) the fulfilment cash flows ("FCF") within contract boundary, comprising estimates of future cash flows and risk adjustment for non-financial risk; and (ii) the Contractual Service Margin ("CSM") representing the unearned profit in the contracts relating to services that will be provided under the contracts.

<u>Fulfilment Cash Flows within contract boundary</u>

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

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

The measurement of fulfilment cash flows includes insurance acquisition cash flows. The Company determines the insurance revenue related to the insurance acquisition cash flows by allocating the portion of premiums that relate to recovering those cash flows to each reporting period in a systematic manner, according to the passage of time. The same amount is also recognized as an insurance service expense.

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

The methods and assumptions used to determine the risk adjustment ("RA") are disclosed in note 3.1.4.

The estimates of future cash flows are adjusted using current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency, and liquidity of those cash flows.

The determination of the discount rate that reflects the characteristics of the cash flows and the liquidity characteristics of the insurance contracts requires significant judgment and estimation. Refer to note 3.1.3.

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

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

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

Contractual service margin ("CSM")

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

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

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognized in profit or loss immediately with no CSM recognized on the statement of financial position on initial recognition.

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

2.13.7.1.2. Subsequent measurement

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

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

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

Changes in fulfilment cash flows

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

- changes relating to future services: adjusted against the CSM or recognized in the insurance service result in profit or loss if the group is onerous;
- changes relating to current or past services: recognized in the insurance service result in profit or loss statement;
- effects of the time value of money, financial risk and changes therein on estimated future cash flows: recognized as insurance finance income or expenses.

The following adjustments concern future services and, consequently, adjust the CSM:

- experience adjustments that arise from the difference between the premium receipts (and any related cash flows, such as insurance acquisition cash flows and insurance premium taxes) and the expected amounts at the beginning of the period. Differences related to premiums received related to current or past services are recognized immediately in profit or loss, while differences related to premiums received for future services are adjusted against the CSM;
- changes in estimates of the present value of future cash flows of the Liability for Remaining Coverage ("LRC"), including changes in discretionary cash flows, except those relating to the time value of money and changes in financial risk;
- differences between each investment component expected to become payable during the period and the actual investment component that becomes payable during the period; and
- changes in the Risk Adjustment ("RA") for non-financial risk that relate to future services.

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

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

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

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

2.13.7.1.2. (A) Insurance contracts without direct participation features (group of contracts measured under GMM)

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

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

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

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

The Company allocates changes in the Risk Adjustment (RA) for non-financial risk between insurance service result and insurance finance income or expenses and hence it adjusts the Contractual Service Margin (CSM) for the change related to non-financial risk, measured at the discount rates determined on initial recognition, and recognizes the effect of the time value of money and changes therein as insurance finance income or expenses.

2.13.7.1.2. (B) Insurance contracts with direct participation features (group of contracts measured under VFA)

The Company issues insurance contracts with substantial investment-related services. Under these contracts, the Company offers investment services by promising an investment return based on underlying assets, in addition to insurance coverage. When assessing whether a contract meets the definition of a direct participation contract, the Company applies the definition of IFRS 17. In applying the definition of a direct participation contract, the Company considers the legal enforceability of the contractual link with the participating policyholder to a share of returns from a clearly identified pool of underlying items.

Direct participation contracts are contracts under which the Company's obligation to the policyholder consists of an obligation to pay the policyholders the fair value of the underlying items, minus a variable fee for future service provided under the insurance contract.

When measuring a group of direct participation contracts, the Company adjusts the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognized in profit or loss. Subsequently, the Company adjusts any CSM for changes in the amount of the Company's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- the change in the amount of the Company's share of the fair value of the underlying items except for:
  - the amount of CSM the Company chooses to present in profit or loss to offset the impact from its risk mitigation instruments;
  - the decrease in the amount of the Company's share of the fair value of the underlying items that exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss that makes the associated group of contracts onerous, or that results in a loss for an existing onerous group becoming more onerous;
  - the increase in the amount of the Company's share of the fair value of the underlying items that reverses a previously recognized loss on an onerous group of contracts.
- the changes in fulfilment cash flows relating to future service, except:
  - the amount of the Contractual Service Margin (CSM) that the Company chooses to present in profit or loss to offset the impact from its risk mitigation instruments;
  - such increases in the fulfilment cash flows that exceed the carrying amount of the CSM and the group of contracts becomes onerous or more onerous;
  - such decreases in fulfilment cash flows that reverse a previously recognized loss in an onerous group of contracts.
- the effect of any exchange rate differences on the CSM;
- the amount recognized as insurance revenue due to services provided during the year.

The changes in fulfillment cash flows that relate to future services include the changes relating to the future services specified above (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items, such as the impact of financial guarantees.

2.13.7.2. Insurance contracts - group of contracts measured under PAA

2.13.7.2.1. Initial measurement

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

On initial recognition of each group of insurance contracts, the carrying amount of liability for remaining coverage ("LRC") is measured as the premiums received on initial recognition, less any insurance acquisition cash flows ("IACF") paid and any amounts arising from the derecognition of the prepaid acquisition cash flow asset ("Asset for IACF"). The Company defers and amortizes insurance acquisition cash flows for all groups of contracts.

For contracts measured under the Premium Allocation Approach ("PAA"), the LIC is measured similarly to the LIC's measurement under the non-PAA. Future cash flows are discounted to reflect the time value of money, since these contracts typically have a settlement period of over one year. However, for those claims (mainly in the life insurance contracts) that the Company expects to be paid one year or less from the date of occurrence, the Company does not adjust future cash flows for the time value of money and the effects of financial risks. For the measurement of the LIC, risk adjustment (RA) for non-financial risk is also estimated.

If there are indications that a group of insurance contracts is onerous at initial recognition, then the Company recognizes a loss in insurance service expenses in the income statement and increases the LRC if the current estimates of fulfilment cash flows that related to remaining coverage exceed the carrying amount of the LRC. This excess is recognized as a loss component within the LRC, which is presented under insurance contract liabilities in the statement of financial position. For additional disclosures regarding the loss component, refer to note 2.13.8.

2.13.7.2.2. Subsequent measurement

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

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

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

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

The LIC includes the fulfilment cash flows for losses on claims and expenses that have not yet been paid, including claims that have been incurred but not reported ("IBNR"). It also includes a risk adjustment ("RA") for non-financial risk and the time value of money for insurance contracts issued with expected settlement period over one year. For the claims under the life insurance contracts that the Company expects to be settled within one year or less, no adjustment for the time value of money in the future cash flows related to claims in made.

If facts and circumstances indicate that a group of insurance contracts becomes onerous during the coverage period, the Company recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for that group being equal to the fulfilment cash flows ("FCF"). A loss component ("LC") is established by the Company for the liability for remaining coverage ("LRC") for such the onerous group, depicting the losses recognized. For additional disclosures regarding the loss component, refer to note 2.13.8.

2.13.7.3. Reinsurance contracts - group of contracts measured under GMM

2.13.7.3.1. Initial measurement

On initial recognition, the CSM of a group of reinsurance contract assets held represents the net cost or net gain on purchasing reinsurance, i.e. the CSM represents a deferred gain or loss that the Company will recognize as a reinsurance expense as it receives reinsurance coverage in the future. The CSM is measured as the equal and opposite amount of: (i) the total fulfilment cash flows; (ii) any amounts arising from the derecognition of any assets or liabilities previously recognized for cash flows related to the group; (iii) any cash flows that arise at that date; and (iv) any income recognized in the income statement because of the onerous underlying insurance contracts recognized at that date. However, if any net cost of purchasing reinsurance coverage relates to insured events that occurred before the initial recognition of the group, then the Company recognizes the cost immediately in income statement as an expense in the net reinsurance service result.

The Company measures the estimates of the present value of future cash flow using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer, which represents losses from disputes or credit risk. The Company does not recognize any insurance acquisition cash flows for reinsurance contract assets held.

The risk adjustment ("RA") for non-financial risk is the amount of risk being transferred by the Company to the reinsurer and is calculated by determining these amounts on a gross and net of reinsurance basis, with the difference representing the amount transferred. The significant assumptions used in determining the RA are further described in note 3.1.4.

The Company adjusts the contractual service margin ("CSM") of the group of reinsurance contracts and recognizes a loss recovery component on the initial recognition of onerous underlying insurance contracts, if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. The adjustment to the CSM is determined by multiplying the amount of the loss component that relates to the underlying contracts and the expected percentage of claims recovery on the underlying contracts.

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

For reinsurance contract assets held acquired in a transfer of contracts or a business combination covering onerous underlying insurance contracts, the adjustment to the contractual service margin ("CSM") is determined using the same calculation, except it is calculated at the acquisition date. For reinsurance contract assets acquired in a business combination, the CSM adjustment reduces goodwill or increases the gain from a bargain purchase.

2.13.7.3.2. Subsequent measurement

The carrying amount of a group of reinsurance contract assets held at each reporting date is the sum of the Asset for Remaining Coverage ("ARC") and the Asset for Incurred Claims ("AIC"). The ARC comprises: (i) the fulfilment cash flows that relate to services that will be received under the contracts in future periods; and (ii) any remaining contractual service margin (CSM) at that date. The AIC includes the fulfilment cash flows for recovery of losses on claims and expenses that have not yet been received, including the recovery of claims that have been incurred but not yet reported.

The carrying amount of the CSM at each reporting date is the carrying amount at the beginning of the year, adjusted for:

- the CSM of any new contracts added to the group during the year;
- interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on initial recognition;
- income recognized in profit or loss in the year on initial recognition of onerous underlying contracts;
- reversals of a loss recovery component to the extent that they are not changes in the fulfilment cash flows of the group of reinsurance contracts;
- changes in the fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in the fulfilment cash flows of onerous underlying contracts, in which case they are recognized in profit or loss and create or adjust a loss recovery component;
- the effect of any foreign exchange differences on the CSM; and
- the amount recognized in profit or loss because of the services received during the year.

If a loss recovery component exists, it is adjusted on subsequent measurement to reflect changes in the loss component of the onerous group of underlying contracts to the extent that it impacts the reinsurance cash flows, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts assets held. For more detailed information regarding the loss recovery component, refer to note 2.13.8.2.

2.13.7.4. Reinsurance contracts - group of contracts measured under PAA

2.13.7.4.1. Initial measurement

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

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

For more detailed information on the loss recovery component, refer to note 2.13.8.2.

2.13.7.4.2. Subsequent measurement

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

For contracts measured under the PAA, the asset for incurred claims is measured consistent with the asset for incurred claims under the GMM.

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

2.13.8. Onerous contracts

2.13.8.1. Loss Components ("LC")

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

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

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

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

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

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

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

- insurance finance income or expenses;
- changes in the risk adjustment for non-financial risk recognized in profit or loss representing release from risk in the period;
- estimates of the present value of future cash flows for claims and expenses released from the LRC because of insurance service expenses incurred in the period.

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

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

2.13.8.2. Loss recovery component

For a group of reinsurance contracts covering onerous underlying contracts, the Company determines a loss-recovery component of the asset for remaining coverage ("ARC") to depict the recovery of losses recognized:

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

The Company calculates the loss-recovery component by multiplying the loss recognized on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognized in the group of insurance contracts covered by the group of reinsurance contracts, held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

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

2.13.9. Presentation

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

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

The Company disaggregates the amounts recognized in the income statement and in other comprehensive income into insurance service result, comprising insurance revenue and insurance service expenses, and insurance finance income or expenses.

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

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

2.13.10. Insurance revenue

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

For groups of insurance contracts measured under the GMM and VFA, insurance revenue consists of the sum of the changes in the LRC due to:

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

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

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

2.13.10.1. Release of Contractual Service Margin ("CSM")

An amount of the contractual service margin ("CSM") for a group of insurance contracts is recognized in profit or loss in each period to reflect the insurance contract services provided under the group of insurance contracts in that period.

To determine the amount of CSM to be released in each period, the Company follows three steps:

- determine the total number of coverage units in the group. The amount of coverage units in the group is determined by considering the quantity of benefits provided under the contract and the expected coverage period for each contract;
- allocate the CSM at the end of the period (before recognizing any amounts in profit or loss to reflect the insurance contracts services provided during the period) equally to each of the coverage units provided in the current period and expected to be provided in the future;
- recognize in profit or loss the amount of CSM allocated to the coverage units provided during the period.

The release of the CSM into profit or loss is the final step in the analysis of the CSM movement and is performed at the end of the reporting period. Allocating the amount of CSM after adjusted for the most up-to-date assumptions and not before any adjustments made because of changes in fulfilment cash flows that relate to future service, provides the most relevant information about the profit earned from service provided during the period and the profit to be earned in the future from future service.

The amount of CSM's release is determined by the coverage units in the group. Judgment is required to determine appropriate coverage units for different types of products. For more information, refer to note 3.1.5.

2.13.11. Insurance service expenses

Insurance service expenses arising from insurance contracts are recognized in profit or loss, generally as incurred. There are excluded repayments of investment components and comprise the following items:

- incurred claims and benefits, excluding investment components;
- other incurred directly attributable insurance service expenses;
- amortization of insurance acquisition cash flows;
- changes in the fulfilment cash flows of liabilities for incurred claims related to past service;
- losses on onerous contracts and reversals of losses;
- impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

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

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

2.13.12. Income or expense from reinsurance contracts

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in the income statement separately. The income or expenses from reinsurance contracts held are split to the following amounts:

- amounts recovered from reinsurers;
- an allocation of the premiums paid.

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

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

For contracts not measured under the PAA, reinsurance service expenses comprise the following amounts related to changes in remaining coverage:

- recovery of insurance claims and other expenses during the period, measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;
- changes in the risk adjustment for non-financial risk, excluding: changes included in insurance finance income or expenses from reinsurance contracts; and changes related to future coverage (which adjust the CSM);
- amounts of the CSM recognized in profit or loss for services received during the period; and
- ceded premium experience adjustments relating to past and current service.

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

2.13.13. Insurance finance income and expense

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

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

Group of contracts measured under the GMM

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

The Company has elected to disaggregate insurance finance income or expenses between profit or loss and other comprehensive income for the group of life contracts measured under the GMM. The impact of changes in market interest rates on the value of insurance and related reinsurance contract assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and the insurance contract assets and liabilities.

The systematic allocation method for contracts measured using the General Measurement Model (GMM), will depend on the impact of changes in financial assumptions. More specifically, the systematic allocation (i.e., the amount presented in the profit or loss statement) is determined using the discount rates determined at the initial recognition date ("locked-in discount rates") of the contract group.

The interest accretion on the CSM and fulfillment cash flows is made by using discount rates determined at initial recognition (initial "locked-in" discount rates).

Group of contracts measured under the VFA

The insurance finance income or expenses of the group of contracts measured under VFA mainly include changes in the fair value of underlying items. The Company has elected to present all insurance finance income or expenses of the groups of contracts measured under VFA in profit or loss.

Group of contracts measured under the PAA

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

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

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

2.13.14. Asset management services revenue

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

The fees, primarily consisting of investment management fees arising from services provided, are rassociated with the issuance and management of Unit-Linked investment contracts. The Company actively manages the payments received from customers in order to invest them and provide returns 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 in order to attain the contractual returns which the Company’s customers expect from their investment. Such activities generate revenue recognized according to the stage of completion of the contractual services. As a business practice, the Company recognizes these fees by allocating them to the estimated life of the contract.

2.13.15. Premiums receivables from intermediaries

The Company recognizes the premiums receivable from intermediaries as part of the insurance contract liability and not as a separate financial assets under IFRS 9. The Company determines that the premiums receivable from the intermediary are future cash flows within the boundary of an insurance contract.

2.13.16. IFRS 17, transition from IFRS 4

The Company adopted IFRS 17 – “Insurance contracts” from 1 January 2023. IFRS 17 replaced IFRS 4 – “Insurance contracts” for annual periods beginning on or after 1 January 2023.

On transition to IFRS 17, the Company applied the full retrospective approach, unless impracticable. The Company applied the full retrospective approach on the transition to all groups of contracts measured under the PAA and to the groups of contracts measured under the GMM and VFA that issued on or after 1 July 2021. For groups of contracts measured under the GMM and issued prior to 2016, the fair value approach was applied. For all remaining groups of contracts measured under the GMM (issued from 1 January 2016 to 30 June 2021) and VFA (issued before 30 June 2021), the modified retrospective approach was applied.

Full retrospective approach

The Company applied the full retrospective approach on transition to all groups of contracts measured under the PAA and for groups of contracts measured under the GMM and VFA, that were issued on or after 1 July 2021.

In accordance with the full retrospective approach, on 1 January 2022 the Company:

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

Modified retrospective approach

The Company applied the modified retrospective approach for groups of contracts measured under the GMM issued between 1 January 2016 and 30 June 2021, and for all groups of contracts measured under the VFA issued before 30 June 2021. The application of the full retrospective approach on the transition of these portfolios was deemed impracticable for the Company, as obtaining all the necessary historical data for existing products was not possible. Therefore, the Company used reasonable and supportable information from its existing systems, which resulted in the closest possible outcome to the full retrospective approach.

The Company elected to use the simplification of the modified retrospective approach to determine the CSM or the Loss Component (“LC”) of the liability for remaining coverage (“LRC”) at the transition date. The Company used the following process to determine the CSM at initial recognition of these contracts:

- estimated the future cash flows at the initial recognition date as the amount of future cash flows at the transition date, adjusted for actual cash flows that occurred between the initial recognition date and the transition date. The cash flows that are known to have occurred include cash flows arising from contracts that ceased to exist before the transition date;
- estimated historical discount rates using an observable market yield curve for that period, adjusted by a spread to reflect the liquidity characteristics of the underlying contracts;
- estimated the RA for non-financial risk at the initial recognition date by adjusting the RA at the transition date by the expected release of risk in the periods prior to transition.

The CSM at the transition date was further determined by:

- using the modified discount rates determined at initial recognition to accrete interest on the CSM;
- applying the amount of the CSM recognized in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at the date with the coverage units provided under the group of contracts before the transition date.

For the group of contracts measured under the GMM, the Company elected to disaggregate insurance finance income or expenses (“IFIE”) between amounts presented in profit or loss and amounts presented in other comprehensive income.

Fair value approach

The Company applied the fair value approach on transition for groups of contracts measured under GMM issued prior to 2016, where it grouped contracts from multiple cohorts and years into a single unit for accounting purposes. Obtaining reasonable and supportable information to apply the full retrospective approach was impracticable without undue cost or effort. The Company determined the CSM of the liability for remaining coverage ("LRC") at the transition date, as the difference between the fair value of the group of insurance contracts and the present value of the fulfillment cash flows ("FCF") measured at that date. In determining fair value, the Company applied the requirements of IFRS 13 – “Fair Value Measurement” and more specifically the income approach (discounted cash flow method), except for the demand deposit floor requirement.

The Company aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition, as it did not have reasonable and supportable information to aggregate groups into those including only contracts issued within one year.

Assets for insurance acquisition cash flows ("IACF")

For the life risk segment measured under PAA, the Company also has recognized and measured certain assets for insurance acquisition cash flows at 1 January 2022.

2.14 Investment contract liabilities

Investment contracts are contracts that do not transfer significant insurance risk and do not include discretionary participation features ("DPF"). The Company issues investment contracts without DPF either in the form of Unit-Linked investment contracts or non Unit-Linked investment contracts, with fixed and guaranteed terms (i.e. fixed interest rates). The Company measures the investment contract liabilities at fair value through profit or loss ("FVTPL").

Unit-Linked investment contracts without discretionary participation features ("DPF")

The Unit-Linked investment contracts are financial liabilities that transfer the financial risks to the policyholders and are associated with certain underlying financial assets. The Unit-Linked investment contracts are carried out at their fair value, which is determined by reference to the underlying financial assets. There are contracts that are associated with internal variable funds and contracts that are linked to market mutual funds. The related financial assets for Unit-Linked investment contracts are also measured at fair value through profit or loss in order to reduce measurement inconsistencies.

Non Unit-Linked investment contracts without discretionary participation features ("DPF")

The non Unit-Linked investment contracts issued by the Company include predominantly individual pure endowment contracts with no profit participation features. These contracts offer to the policyholders a guaranteed interest rate over the duration of the contract and do not provide profit participation features. The non Unit-Linked investment contracts can be sold either as single or regular premium products, offer premium refund in case of death of the policyholder and do not include any riders. The Company also issues group pension contracts with no profit participation features ("Deposit Administration Funds" – "DAF") that are classified as investment contracts.

The Company measures the non Unit-Linked investment contract liabilities at fair value through profit or loss. When measuring the fair value of these contracts, the Company estimates the present value of the future cash flows by applying a discount rate that is composed by the risk free yield curves adjusted with a credit spread.

For more information on discount rates, refer to note 3.1.3.

2.15 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 following are the Company's accounting policies upon adoption of IFRS 16, effective from the date of initial application:

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the corresponding lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.
Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, recognized right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. Right-of-use assets are subject to impairment testing.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities equal to the present value of the lease payments over the total lease term. The payments include the contractually fixed lease payments, reduced by the amount of any offered incentives, variable lease payments that depend on an index, as well as amounts for residual value guarantees expected to be paid. The lease payments also include the exercise price of a purchase option that is reasonably certain to be exercised by the Company and penalties for terminating a lease, if the lease terms indicate with reasonable certainty that the Company will exercise the termination option. Variable lease payments that do not depend on an index are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

To calculate the present value of the payments, the Company uses the incremental borrowing rate at the lease commencement date, if the implicit interest rate is not readily determinable from the lease contract. After the commencement date, the amount of lease liabilities is increased by interest expenses and reduced by lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification to the contract, or any change in the lease term, fixed lease payments, or the assessment of the purchase option.

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 period, including the period covered by (a) an extension option, if it is reasonably certain that the option will be exercised, or (b) a termination option, if it is reasonably certain that the option will not be exercised.
The Company has the right, for certain leases, to extend the lease term. The Company assesses whether there is reasonable certainty that the renewal option will be exercised, taking into account all relevant factors that create an economic incentive to exercise the renewal option. After the lease commencement date, the Company reassesses the lease term if a significant event or change in circumstances occurs that is within its control and affects the decision to exercise (or not) the renewal option (such as a change in the Company's business strategy).

2.16 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 (if any), 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.

2.17 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.

2.18 Dividends

Dividends distributed to the shareholder are recognized as a liability and deducted from Equity at the point in time when they are approved by the General Meeting of the Company's shareholder.

Any interim dividends are recognized as a liability and deducted from Equity when approved by the Company's Board of Directors.

2.19 Provisions – Pending litigations

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the 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 related to the amount recognized. Provisions are reviewed at each reporting date and adjusted to reflect the best current estimate. If subsequently, it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.20 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.

2.21 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. The recognition of revenue from insurance contracts is described in Note 2.13. The recognition of the Company's other revenues is as follows:

Interest income

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

When a receivable is impaired, its carrying amount is reduced to its recoverable amount, which is the present value of the expected future cash flows discounted at the original effective interest rate. Interest is then recognized using the same rate on the impaired (new carrying) amount.

Dividend income

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

2.22 Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost less any impairment losses. Cost is the fair value of the consideration given, or if that cannot be reliably measured, the fair value of the consideration received, together with directly attributable transaction costs. Investments in subsidiaries and associates are periodically assessed for impairment, and any impairment loss is recognized directly in the income statement.

NOTE 3: SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Company makes estimates and assumptions about the outcome of future events that affect the amounts of assets and liabilities presented in the financial statements. These estimates are based on historical data and on estimates of future events that are reasonable in the current circumstances. The estimates and assumptions that have a high likelihood of resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year are as follows:

3.1 Insurance and reinsurance contracts

Below are analysed the key assumptions about the future and other key sources of uncertainty in the estimates at the reporting date, which carry a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on the parameters available at the time of preparing the financial statements. Existing conditions and assumptions about future developments, however, may change due to market changes or circumstances arising outside the Company's control. Such changes are considered in the determination of assumptions when they occur. The Company analyses the information separately for insurance contracts and reinsurance contracts. This specific separation has been determined based on the Company's management approach.

3.1.1. Classification of insurance and investment contracts

The Company applies its judgement in the assessment of the significance of insurance risk transferred to the Company and the discretionary participation features in determining whether a contract should be accounted for as an insurance or investment contract. Insurance contracts are defined as those containing significant insurance risk. Contracts that transfer financial risks, but not significant insurance risk are classified as investment contracts. Judgement is required to assess whether insurance risk is significant at inception of the contract. Some insurance and investment contracts contain a discretionary participation feature which is a supplement to guaranteed benefits. Judgement is required to determine whether discretionary additional benefits are likely to be a significant portion of the total contractual payments. For more detail, refer to note 4.2, note 2.13 and note 2.14.

3.1.2. Methods used to measure life insurance contracts

The Company primarily uses deterministic projections to estimate the present value of future cash flows based on best estimate assumptions. In respect of specific products with profit-participation features, stochastic valuation techniques are considered. The time value of these financial options and guarantees is calculated stochastically considering 1.000 different sets of economic scenarios.

The following assumptions were used when estimating future cash flows:

- **Mortality, morbidity and longevity rates**

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 the experience of the last ten years for comparison purposes.

The main sources of uncertainty regarding the aforementioned risks are epidemics and changes in lifestyle, such as smoking, dietary habits, and exercise routines, which could lead to a significant deterioration in future mortality and morbidity rates compared to the past for the age groups to which the Company has significant exposure to these specific risks.

The Company covers through reinsurance contracts the mortality and morbidity risk either by proportional contracts or by reinsurance treaties for the protection from catastrophic events.

Moreover, the continuous evolution of medical science and the improvement of social benefits can lead to improved longevity beyond that estimated by the mortality table used for the calculation of liabilities for the contracts that are exposed to this risk (pension contracts).

Mortality, morbidity, and longevity assumptions are related to age, gender, and product.

An increase in expected mortality and morbidity rates will increase the expected cost of claims, which will reduce the Company's future expected profits. An increase in expected longevity rates will lead to an increase in the expected cost of immediate annuities, which will also reduce the Company's future expected profits.

- **Expenses**

Estimates are also made for future costs related to the administration of in-force insurance contracts and associated general expenses, which are derived from the analysis of the Company's actual attributable expenses as of the valuation date. To project attributable expenses into the future, expense inflation assumptions are applied. The cash flows within the contract boundaries include the allocation of fixed and variable general expenses that are directly attributable to the administration of insurance contracts. These general expenses are allocated to groups of contracts using methods that are systematic and rational and are applied consistently to all expenses with similar characteristics.

An increase in the expected level of expenses will reduce future expected profits of the Company.

- **Lapse and surrender rates**

Lapse and surrender assumptions reflect the expected behavior of policyholders. These assumptions are determined using statistical measures based on the Company's experience and vary depending on the product category.

The impact of increases or decreases in lapse rates on the Company's profitability depends on the specific characteristics of the products and the discount rates applied.

3.1.3. Discount rates

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

Insurance contract liabilities are calculated by discounting the expected future cash flows using risk-free interest rates as published by the European Insurance and Occupational Pensions Authority ("EIOPA"), plus an illiquidity premium determined according to the liquidity characteristics of each type of insurance portfolio. The illiquidity premiums are derived based on an approach that considers either actual assets or reference investment portfolios, depending on the product type. In addition, an adjustment factor is applied in the calculation of the illiquidity premium to address any duration mismatches.

The table below presents the interest rate curves used to discount the cash flows of insurance contracts for the Company as at 31 December 2024 and 31 December 2023.

	31/12/2024					31/12/2023				
	1 year	3 years	5 years	10 years	20 years	1 year	3 years	5 years	10 years	20 years
General model (GMM)										
Individual investment contracts with DPF*	2,50%	2,35%	2,40%	2,53%	2,52%	3,70%	2,78%	2,66%	2,73%	2,75%
Individual insurance contracts	2,71%	2,56%	2,61%	2,74%	2,73%	3,56%	2,64%	2,52%	2,59%	2,61%
Group investment contracts with DPF* (DAF)	2,90%	2,75%	2,80%	2,93%	2,92%	3,72%	2,80%	2,68%	2,75%	2,77%
Variable fee approach (VFA)										
Life participating contracts (Unit Linked)	2,24%	2,09%	2,14%	2,27%	2,26%	3,36%	2,44%	2,32%	2,39%	2,41%
Investment Contracts	2,50%	2,36%	2,40%	2,53%	2,52%	3,70%	2,79%	2,67%	2,74%	2,75%

* DPF: «Discretionary Participation Features»

For the premium allocation approach ("PAA"), the Company does not discount the LRC to reflect the time value of money and the financial risk (see note 2.13.13).

3.1.4. Risk adjustment for non-financial risk

The risk adjustment for non-financial risks ("Risk Adjustment" – "RA") represents the compensation the Company requires for bearing the uncertainty regarding the amount and timing of cash flows arising from groups of insurance contracts. It covers insurance risk, lapse risk, and expense risk. The risk adjustment reflects the amount that an insurance entity would rationally pay to eliminate the uncertainty that future cash flows might exceed the amount determined based on the best estimate.

The calculation of the risk adjustment is based on the Solvency II approach for non-financial risks, also taking into account the diversification benefits among risks. The risk adjustment is calculated using the "Value at Risk" methodology, assuming a 75% confidence level and a normal distribution of future cash flows.

3.1.5. Contractual Service Margin (CSM) release

The Contractual Service Margin ("CSM") is a component of the liability for a group of insurance contracts and represents the unearned profit the Company expects to recognize as it provides services in the future. A portion of the CSM for a group of insurance contracts is recognized in profit or loss as insurance revenue in each period to reflect the services provided for that group during the period. The amount is determined by:

- identifying the coverage units of the group of contracts,
- allocating the CSM at the end of the period (before recognizing any amounts in profit or loss that reflect insurance services provided during the period) in proportion to the coverage units provided in the current period and those expected to be provided in the future,
- recognizing in profit or loss the amount allocated to the coverage units provided during the period.

The number of coverage units in a group of contracts is the quantity of coverage provided by the contracts in the group, determined by considering the amount of benefits and the expected coverage period. The amount of benefits considered depends on the type of product. For certain product categories, the benefits considered in determining coverage units are weighted based on the premiums of the individual coverages within the group of contracts.

The total coverage units for each group of insurance contracts are reassessed at the end of each reporting period to reflect the reduction in remaining coverage due to claims paid, expected expirations, and lapses during the period.

For reinsurance contracts, the principles for the release of the CSM follow the same approach as for issued insurance contracts. The expected coverage period of reinsurance contracts is the period during which the cedant has a substantive right to receive services from the reinsurer.

3.1.6. Insurance acquisition cash flow assets

The Company exercises judgment in determining the data used in the methodology for the systematic and rational allocation of insurance acquisition cash flows ("IACF") to groups of insurance contracts. These estimates relate to the amounts allocated to insurance contracts arising from renewals of existing contracts and the number of expected renewals from new contracts issued during the period.

At the end of each reporting period, the Company reviews the assumptions made for the allocation of insurance acquisition cash flows to the groups and, where necessary, adjusts the amounts of the insurance acquisition cash flow assets accordingly.

In each reporting period, the Company must consider any events and circumstances (e.g., changes in lapse or surrender rates) that may lead to an impairment loss. Applying the impairment test at the group level, the Company compares the insurance acquisition cash flow asset for each future group with the expected net cash inflows for that group. The Company may reverse any impairment loss in profit or loss and increase the carrying amount of the asset to the extent that the impairment conditions have improved.

During the current and prior year, the Company did not identify any events or circumstances indicating that the assets may be impaired.

3.1.7. Methods used to measure liability for incurred claims

The Company is required to establish a liability for incurred claims ("LIC") for the payment of losses and claims settlement expenses arising from the Company's life insurance contracts. These liabilities represent the expected ultimate cost of settling claims that occurred prior to the reporting date but remain outstanding as of the valuation date. The Company determines its liabilities by product type, type and extent of coverage, and accident year. The LIC includes two categories: liability for reported claims and liability for claims incurred but not reported ("IBNR"). In addition, the LIC is calculated for claims settlement expenses, which include estimated legal and other expenses expected to be incurred until the final settlement of the claims.

The Company's liability for reported claims and claims settlement expenses is based on estimates of future payments for the settlement of reported claims. The Company bases these estimates on the data available at the time the liability is determined, taking into account the estimated cost through the final settlement of the claims. The liability reflects inflation as well as other factors that may affect the amount required to fulfill the Company's obligations. In determining the amount of the liability, the Company considers historical trends and patterns of claims payments, unpaid claims, and types of coverage. In addition, court decisions, economic conditions, and public behavior may influence the ultimate cost of claims and, consequently, the Company's estimate of the liability.

The Company establishes a liability for claims incurred but not reported ("IBNR") to recognize the estimated cost of claims from events that have already occurred but have not yet been reported to the Company. This liability is established to recognize the estimated cost required for the final settlement of such claims. Since these claims have not yet been reported, the Company relies on historical information and statistical models, based on product type, type and extent of coverage, in order to estimate the IBNR liability. The Company uses claims trends, claim severity, exposure growth, and other factors to estimate the IBNR liability.

The Company uses a number of accepted actuarial methods to estimate and assess the amount of the LIC. The most commonly used methods for estimating incurred liabilities are the "chain-ladder" method and the "Bornhuetter-Ferguson" method.

3.2 Fair value of financial instruments

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

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

Valuation models are primarily used for the valuation of over-the-counter derivatives and securities measured at fair value. In such cases, fair value is estimated using observable data from similar financial instruments or through the use of models.

When valuation techniques are used to determine fair values, they are validated and periodically reviewed by specialized personnel independent from those who performed the valuation methods. All models are certified before use and are adjusted to ensure that the results reflect actual data and market-comparable prices. The key assumptions and estimates considered by Management in applying a valuation model include:

(a) the probability and expected timing of future cash flows,

(b) the selection of an appropriate discount rate based on a market participant's estimate of the appropriate interest margin over the risk-free rate,

(c) the exercise of judgment in determining the model to be used for calculating fair value.

To the extent possible, models use only observable inputs. However, in areas such as credit risk (both of the Company and of the counterparty), Management estimates are required for parameters such as volatility and correlations, in order to reflect uncertainties in fair value due to the lack of actual market data.

Inputs used in valuations based on unobservable data are by definition uncertain, due to the limited number or unavailability of recent market data. Nevertheless, in most cases, there will be some historical data on which the fair value measurement can be based, and therefore, even when unobservable inputs are used, some observable data will be incorporated into the fair value calculation.

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

Given the uncertainty and subjectivity involved in estimating the fair value of financial instruments, changes in Management's assumptions and estimates could affect the fair values presented.

3.3 Impairment testing of investments in subsidiaries and associates

According to accounting policy 2.22, the Company's Management assesses on an annual basis whether there are indications of impairment of investments in subsidiaries and associates. In cases where there are indications of impairment for an investment, an impairment test is conducted. In this way, the recoverable amount of the investment in question is calculated as the greater amount between fair value less costs to sell and value in use. The value in use is calculated as the present value of the future cash flows expected to be generated by the investment being assessed.

In the event that the carrying amount exceeds the recoverable amount, an impairment loss is recognized, which is recorded in the results of the period.

On December 31, 2024, the Company assessed that there are indications of impairment for the investments in the subsidiary company "Eurolife FFH Asigurari de Viata S.A." and in the associated company "Grivalia Hospitality S.A." and an impairment review was conducted.

Regarding the recoverable value of investments in Eurolife FFH Asigurari de Viata S.A. and Grivalia Hospitality S.A. that was used in the impairment test for the year ending as at 31 December 2024, the fair value assessment was based on the approach of adjusted net asset value. The Company recognized an impairment loss of € 8.000 thousand for Grivalia Hospitality S.A. during the current fiscal year. For Eurolife FFH Asigurari de Viata S.A., no impairment loss was identified during the current fiscal year.

NOTE 4: INSURANCE AND FINANCIAL RISK MANAGEMENT

4.1 Framework for Risk Management

The Company has established an effective risk management system aimed at addressing the risks to which it is exposed, as well as protecting its policyholders and shareholders. The system is based on a defined framework of principles, policies, and procedures. Due to the nature of its activities, the Company is exposed to insurance risks, financial risks such as credit risk, market risk, and liquidity risk, as well as operational risk. To minimize the potential adverse effects arising from these risks, the Company has developed:

- a framework that reflects its risk management strategy,
- a methodology for identifying, measuring, managing, and reporting all risks to which the Company is or may be exposed, and
- a governance structure in accordance with the requirements set out by the regulatory and internally defined framework.

Within this framework, a Risk, Asset-Liability and Investment Management Committee and a Risk Management Function have been established.

4.1.1. Risk, Asset - Liability and Investment Management Committee

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

The main responsibilities of the Committee are:

- Ensuring and providing assurance to the Board of Directors regarding ongoing compliance with Solvency II Capital Requirements,
- Developing an appropriate strategy for managing risks affecting the Company and managing its capital in accordance with the applicable regulatory framework,
- Establishing principles and rules governing the identification, assessment, measurement, monitoring, management, and reporting of risks, including Asset-Liability Management,
- Establishing an adequate internal control system that ensures the understanding and integration of appropriate risk management policies into the Company's decision-making process,
- Monitoring, reviewing, and validating adherence to the procedures for calculating Solvency II capital requirements and conducting Own Risk and Solvency Assessment exercise,
- Assisting the Board of Directors in adopting a sound and prudent investment strategy and policy,
- Monitoring the Company's compliance with the legal and regulatory framework governing all its operations,

- Establishing appropriate communication channels with relevant committees,
- Evaluating investment proposals, upon recommendation from either Management or external investment advisors, considering legal and regulatory requirements and ensuring the adequacy of the solvency coverage ratio, as dictated by the risk appetite set by the Board of Directors,
- Integrating sustainability risk criteria into the investment decision-making process,
- Guiding the Investment Department and other Company departments related to investment management and ensuring the adequacy of human resources for implementing the Committee's decisions.

4.1.2. Risk Management Function

Through the Risk Management Function, the establishment and implementation of the risk management system is ensured. Its main duties are:

- Enhancing risk awareness, developing and implementing appropriate methodology for managing the most significant risks to which the Company is or may be exposed. This methodology involves the identification, assessment, measurement, monitoring, mitigation, and reporting of these risks,
- Periodically evaluating the adequacy of the aforementioned methodology,
- Issuing policies for each risk category, reviewing them annually, and supervising their implementation,
- Depicting the Company's risk profile, defining and monitoring indicators for the early recognition and effective management of risks,
- periodically perform stress testing and scenario analysis assessments for the major risk exposures,
- Conducting the ORSA process at least once per year and whenever deemed necessary,
- Calculating and validating the calculations for determining the Solvency Capital Requirements and the Solvency Coverage Ratio,
- Evaluating risks involved in new services, products and/or processes,
- Evaluating risks involved in new investment placements in relation to the Solvency Capital Requirement,
- Participating in the crisis management team in case of a serious incident, preparing (and annually reviewing) the Business Continuity Policy as well as the Business Continuity Plan (including annual testing),
- Preparing, implementing, and monitoring projects in the field of Information Security to ensure alignment with the Company's risk appetite,
- Notifying the Risk Management, Asset-Liability and Investment Committee of any deviations in risk exposure from approved limits, submitting proposals for mitigation techniques depending on the nature of the risk, and monitoring the progress of implementing relevant action plans,
- Collecting data and submitting reports (periodically and/or "ad-hoc") to appropriately inform the Board of Directors, the Risk Management, Asset-Liability and Investment Committee, and Management regarding risk exposure and generally on risk-related matters,
- Conducting Risk and Control Self-Assessment exercises ("RCSA"), identifying and evaluating operational risk scenarios, assessing exposure to Fraud Risk ("FRA"), evaluating risk from business practices ("CRA"), assessing the business environment, monitoring Key Risk Indicators ("KRIs"), and managing operational risk events (identification, causal analysis, and recording of operational losses) in accordance with the approved operational risk management framework (methodologies, policies and/or procedures),
- Developing (and annually reviewing) a framework for outsourcing work to third parties and implementing a comprehensive program for managing operational risks related to the outsourcing of functions/activities, including: assessing the criticality of activities before outsourcing, evaluating risks in cloud computing service providers, annual assessment of outsourcing agreements related to critical activities ("ORA"), etc.,
- Participating in the Reinsurance Committee to contribute to the formation of a reinsurance program capable of managing portfolio risks.

4.2 Insurance risk

The risk inherent in any insurance contract consists of the possibility that the insured event will occur and of the uncertainty of the amount of the resulting claim. Due to the 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 actuarial 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.

The factors that exacerbate the insurance risk include the lack of diversification of the risk in terms of the type and amount of covered risk.

4.2.1. Life Insurance

The Company enters into a variety of insurance contracts, which include traditional insurance contracts, investment contracts on behalf of policyholders bearing the investment risk ("Unit-Linked"), Deposit Administration Fund contracts ("DAF"), and supplementary health and life insurance contracts, including hospital care programs and borrower life insurance. The main distribution channel for life insurance products is the bancassurance network, which accounts for 77,0% of total programs (31 December 2023: 77,5%). The Company also distributes life insurance contracts through independent partners such as insurance agents and brokers.

The carrying amount per measurement model of the life insurance contracts, investment contracts with DPF issued and life reinsurance contracts held, as at 31 December 2024 and 31 December 2023 respectively, is shown below.

(amounts in € thousand)	31/12/2024	31/12/2023
Insurance and investment contracts		
Life insurance contracts and investment contracts with DPF under GMM	1.010.577	1.150.578
Life insurance contracts under VFA (Unit Linked)	1.176.639	961.929
Life insurance contracts under PAA	56.756	42.668
Total life insurance and investment contract balances	**2.243.972**	**2.155.175**
Reinsurance contracts held		
Reinsurance Contracts held under GMM	1.173	977
Reinsurance Contracts held under PAA	3.869	3.110
Total reinsurance contract balances	**5.042**	**4.087**

The life contracts that are measured under the general model include both life insurance contracts and investment contracts with discretionary participation features (DPF) that are measured under IFRS 17. The life insurance contracts consist of individual life term assurance, whole life assurance and life insurance policies with attached rider benefits (the majority of which are health indemnities covering hospitalization and surgery). The investment contracts with DPF measured under General Model mainly include individual endowment and pure endowment with profit participation features as well as group pension products in the form of deferred annuities.

The life insurance contracts that are measured under the Variable Fee Approach include the unit- linked business where the premiums are invested in a variety of mutual funds or other internal funds. The Company sells both single premium and periodic premium term assurances as unit-linked products. The Unit-Linked insurance contracts transfer the financial risk to the policyholder.

The life insurance contracts that are measured under the premium allocation approach ("PAA") include individual term life contracts and group health insurance business covering death, illness or disability risk. The credit life business that consists of term life cover linked to small business loans, mortgages, credit cards, and consumer loans is also measured under the premium allocation approach ("PAA").

The reinsurance contracts under General Model relate to the Individual Life reinsurance treaty that provides coverage to (a) individual life policies issued by Company for risks that include Accidental Death, Permanent and Total Disability due to accident and sickness, Dread Disease and Waiver of Premium due to death and (b) individual Personal Accident insurance contracts including the risks of Accidental Death, Permanent Total/ Partial Disability, Hospital Daily allowance due to accident and Medical Expenses due to accident.

The remaining reinsurance contracts are measured in accordance with the Premium Allocation Approach ("PAA"). With regard to life reinsurance contracts, these include: (a) surplus-type contracts for borrower insurance programs and group policies, (b) proportional contracts for surgical benefit and personal accident coverage, (c) excess of loss contract for hospitalization programs, and (d) catastrophic life and health excess of loss contracts.

4.2.1.1. Life insurance contracts

(a) Frequency and severity of claims

The traditional life insurance policies offered by the Company include long-term contracts and annually renewable contracts. The Company manages the risks associated with these contracts through diversification of the assumed risks and by entering into reinsurance agreements.

The risks to which the Company is exposed in relation to Life contracts are:

- **Mortality risk**

Mortality risk consists of the risk that the actual number of deaths will be higher than expected, resulting in increased claims. The Company's most significant exposure to mortality risk arises from term life insurance programs, whole life insurance, and endowment insurance, which form part of individual life insurance policies, as well as borrower life insurance (mainly sold through the "Bancassurance" network). The Company manages these risks through its risk underwriting strategy and by entering into appropriate reinsurance agreements. The Company has entered into excess of loss reinsurance contracts for long-term life insurance policies with death coverage, with a retention limit per insured.

- **Longevity risk**

Longevity risk relates to future losses and claim payments that may differ from the actual claims payable in the future if policyholders live longer than expected. The Company's greatest exposure to longevity risk arises from the annuity portfolio. The Company addresses these risks through appropriate pricing policies, actuarial methods, and the use of an updated mortality table that reflects increased life expectancy. Since survival risk is not reinsured, the Company manages this risk through the diversification of insured funds.

The following tables present the concentration of risk sums in four groups of insured amounts per policyholder. The amounts are shown before and after the conclusion of reinsurance contracts and include life insurance policies, investment contracts with DPF, and investment contracts without DPF. The following tables do not include annuity contracts, for which a separate analysis is provided below.

Insured funds per insured life as at 31/12/2024	**Gross of reinsurance**		**Net of reinsurance**	
	(amounts in € mil.)	**%**	*(amounts in € mil.)*	**%**
0-6.000	224,7	9,3	224,7	14,0
6.000-15.000	206,8	8,5	162,0	10,1
15.000-20.000	86,7	3,6	71,3	4,4
>20.000	1.902,1	78,6	1.149,7	71,5
Total	**2.420,3**	**100,0**	**1.607,7**	**100,0**

Insured funds per insured life as at 31/12/2023	**Gross of reinsurance**		**Net of reinsurance**	
	(amounts in € mil.)	**%**	*(amounts in € mil.)*	**%**
0-6.000	204,9	8,6	204,9	12,7
6.000-15.000	193,8	8,1	156,8	9,7
15.000-20.000	79,5	3,3	70,9	4,4
>20.000	1.909,5	80,0	1.180,3	73,2
Total	**2.387,7**	**100,0**	**1.612,9**	**100,0**

The risk is concentrated in the groups with the highest insured amounts. This has not changed compared to the previous year.

The following table presents the risk concentration for annuity contracts in ten groups, into which these contracts are categorized based on the annual payable amounts, assuming that the annuity is paid at the end of the year. The Company has not entered into reinsurance agreements to cover the obligations arising from these contracts.

Annuity payable per contract as of	Total annuities payable			
	31/12/2024		31/12/2023	
	(amounts in € mil.)	%	(amounts in € mil.)	%
0-500	2,6	7,1	3,2	7,5
500-1.000	6,5	17,7	8,1	19,1
1.000-2.000	8,6	23,4	10,0	23,6
2.000-3.000	5,2	14,2	5,8	13,7
3.000-4.000	3,5	9,5	3,9	9,2
4.000-5.000	3,2	8,7	3,5	8,3
5.000-6.000	1,4	3,8	1,6	3,8
6.000-8.000	2,0	5,4	2,2	5,2
8.000-10.000	1,2	3,3	1,4	3,3
>10.000	2,5	6,8	2,7	6,4
Total	**36,7**	**100,0**	**42,4**	**100,0**

- **Morbidity risk**

Morbidity risk consists of the risk of an increase in the frequency and severity of claims due to disability, illness, and rising medical inflation. The Company offers supplementary coverages for individual and group policies, which include benefits covering medical expenses, hospitalization costs, surgical procedures, accidental death, and disability. These supplementary coverages are issued for both long-term and short-term contracts.

The Company's most significant exposure to morbidity risk from group policies relates to borrower life insurance contracts. Regarding individual policies, morbidity risk arises from hospitalization claims paid for inpatient expenses.

For group insurance policies, the risk is influenced by the industry in which the insured is employed. Consequently, the risk of death and disability varies by sector of activity. Excessive risk concentration in a specific sector increases the likelihood of mortality, disability, or morbidity among employees in that sector. The Company seeks to manage this risk through its underwriting process, claims management, and reinsurance agreements. For group policies, the Company retains the right to reprice risks at renewal or to decline renewal. Additionally, the Company is covered by a proportional reinsurance agreement.

For individual health policies, the risk varies depending on the insured's age and gender and is influenced by a range of independent factors affecting the insured's health, such as lifestyle changes (e.g., smoking), environmental pollution, etc. Specifically for hospitalization coverages, the level of claims paid is also affected by medical inflation. To address the morbidity risk of the individual supplementary benefits portfolio covering hospitalization expenses, the Company provides exclusions for claims up to €500, €750, €1.000, €1.500, €2.000, €3.000, €6.000 or 10.000 as well as a co-payment percentage by the insured.

Furthermore, the Company mitigates the risk for all health coverages (disability, hospitalization expenses, surgeries, medical expenses) through a proportional reinsurance agreement.

- **Lapse/non-renewal risk**

The insurance risk for long-term life insurance contracts is also affected by the policyholders' right to pay reduced premiums (or to cease paying future premiums) and to cancel the policy. Therefore, the level of insurance risk also depends on policyholder behavior, which may impact the pattern of future benefit payments. Policyholder behavior is influenced by various factors, including prevailing economic and financial market conditions. For example, if an insurance product includes a minimum guaranteed benefit (as in traditional life insurance products), financial market conditions will determine whether the guaranteed benefit 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 funds. This, in turn, may influence the policyholder's decision on whether to maintain the policy.

- **Expense risk**

The failure to accurately estimate expenses and inflation and to incorporate them into the Company's pricing and liability calculations could have a significant adverse impact on the Company's operations, results, financial position, and future prospects.

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

The uncertainty in estimating future benefit payments and premium income for long-term life insurance contracts arises from the inability to predict long-term changes in overall mortality levels and policyholder behavior. The Company uses standard mortality tables depending on the type of contract entered into. A study of the Company's historical data from the past ten years is conducted, and statistical methods are used to adjust mortality rates and determine the best possible estimate of expected future mortality.

Uncertainty in estimating future payments under hospitalization coverage programs arises from the estimation of morbidity and medical inflation in the coming years. The impact of ongoing advances in medical science, particularly in the field of prevention, as well as significant lifestyle changes such as smoking, are the cause of uncertainty in morbidity estimates. For all supplementary coverages, the liabilities from incurred claims consist of the liability for reported claims, the liability for incurred but not reported claims, and the liability for claims handling expenses.

The Company monitors loss ratios and regularly analyzes its experience regarding the severity and frequency of claims. For certain supplementary coverages, the Company relies on the specialized knowledge of reinsurers due to the lack of sufficient statistical data.

(c) Methods used to decide on assumptions

The main parameters taken into account for the estimation of the future cash flows 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/non-renewal and surrender rates:** In long-term life insurance, the contract is cancelled in the event of non-payment of premiums. However, if the insurance has acquired a surrender value, the policy is not cancelled and is converted into a paid-up policy under the same terms and conditions as the original life insurance, but with a reduced sum insured. The policyholder has the right to request the surrender of the life insurance in exchange for a partial refund of the mathematical reserve at the time of the surrender request. The policy year in which the surrender right is acquired, as well as the surrender amount, are specified in the relevant tables of the contract. Lapse and surrender rates are estimated per group of homogeneous product benefits, taking into account the Company's experience over the past ten years. The lapse and surrender study is updated annually so that the models reflect reality. The Company may, on a periodic basis, need to update its assumptions as well as its actuarial and risk models in order to reflect reality and any new data. Changes in assumptions and in these models may lead to a revision and modification of the pricing of insurance products, which could have a significant adverse impact on the Company's operations, results, financial position, and prospects. The effects of any changes in the Company's assumptions will be reflected over the remaining duration of the programs through profits.

- **Morbidity**: 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 & net), combined loss and expenses 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 holds the right to re-price the risks upon renewal.

- **Expenses:** Future estimates are based on the Company's current (as of the valuation date) expenses for the maintenance and management of the portfolio and are adjusted, for each future year, by the estimated inflation. The Company has adopted an expense model according to which expenses are classified as recurring and non-recurring, acquisition and management, and are then allocated to product groups. The results of the model are used to determine the assumptions taken into account in the estimation of future expenses.

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

- **Discount Rates:** Future cash flows are discounted at the end of each reporting period using interest rate curves, which are based on the risk-free interest rate curve published by the European Insurance and Occupational Pensions Authority ("EIOPA"), and take into account additions for reduced liquidity ("illiquidity premium") by product category. The additions for reduced liquidity are derived based on approach that takes into account either actual assets or investment portfolios, depending on the type of product

(d) Sensitivity analysis

The following tables present information on how potential changes in the assumptions made by the Company regarding significant insurance risk variables affect insurance contract liabilities, results, and equity before risk management from reinsurance contracts. The analysis is based on the change of a single assumption, while all others remain constant. In practice, this is unlikely to occur, and changes in certain assumptions may be correlated.

31/12/2024 (amounts in € thousand)	Change	Impact on: FCF	CSM	Insurance contract liabilities	Profit before tax	Equity
Lapse and surrenders rate	+10%	2.835	(3.258)	(423)	423	330
Lapse and surrenders rate	-10%	(3.750)	4.209	459	(459)	(358)
Expenses	+10%	4.608	(2.055)	2.553	(2.553)	(1.991)
Expenses	-10%	(4.614)	2.102	(2.512)	2.512	1.959

31/12/2023 (amounts in € thousand)	Change	Impact on: FCF	CSM	Insurance contract liabilities	Profit before tax	Equity
Lapse and surrenders rate	+10%	2.814	(3.279)	(465)	465	363
Lapse and surrenders rate	-10%	(3.549)	3.973	424	(424)	(331)
Expenses	+10%	4.780	(1.880)	2.900	(2.900)	(2.262)
Expenses	-10%	(4.776)	2.106	(2.670)	2.670	2.083

The table below presents the analysis of how a potential change in market interest rates could affect the balances of insurance contracts falling under the scope of IFRS 17, investment contracts, and financial assets, as well as the net impact on results and equity. The Company's other financial assets and liabilities are not significantly sensitive to interest rates.

(amounts in € thousand)	Change in Interest rate	2024		2023	
		Impact on Total Income before tax	Impact on equity	Impact on Total Income before tax	Impact on equity
Insurance contracts under IFRS 17	+100 bps	41.681	32.511	45.168	35.231
Investment contract liabilities	+100 bps	22.209	17.323	26.697	20.824
Financial assets	+100 bps	(43.813)	(34.174)	(57.037)	(44.489)
Insurance contracts under IFRS 17	- 100 bps	(57.624)	(44.947)	(66.676)	(52.007)
Investment contract liabilities	-100 bps	(24.462)	(19.080)	(28.985)	(22.608)
Financial assets	-100 bps	46.875	36.563	61.798	48.202

4.3 Financial Risks

The management of financial risks constitutes an integral part of the Company's risk management framework on a daily basis. Management, aiming to maintain the stability and continuity of operations, places high priority on the implementation and continuous improvement of an effective risk management framework to minimize potential negative impacts on the Company's financial results.

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

4.3.1. Credit Risk

Credit risk for the Company arises from the possibility that a counterparty may cause financial loss due to its inability to fulfill its obligations as a result of a deterioration in its financial condition. The Company manages credit risk exposures by category, as well as credit risk concentrations.

Credit Risk Concentration

The main counterparties that entail a high concentration of risk for the Company are reinsurers and bond issuers. The adopted risk management framework defines specific credit rating standards for counterparties, as well as limits regarding concentration.

As of 31 December 2024 and 31 December 2023, the Company's exposure did not exceed the applicable limits for counterparties.

Credit risk exposure mainly relates to balance sheet items. There are also off-balance sheet items that give rise to credit risk exposure, which, however, is not considered significant and mainly relates to collateral. Such collateral is used to protect the Company from credit risk exposure, which primarily arises from other receivables.

The maximum exposure to credit risk, without taking into account any collateral or other credit enhancements, is as follows:

Maximum exposure	**31/12/2024**	**31/12/2023**
(amounts in € thousand)		
Financial assets at FVTOCI	1.148.652	1.208.197
Financial assets at amortised cost	38.580	38.584
Financial assets at FVTPL:		
Financial assets held for trading	496.823	529.761
Financial assets for unit-linked insurance contracts	1.160.447	940.946
Financial assets for unit-linked investment contracts	9.616	4.250
Insurance contract assets	515	420
Reinsurance contract assets	5.042	4.087
Other receivables[1]	16.920	22.264
Cash and cash equivalents	48.596	135.743
Total of financial assets bearing credit risk	**2.925.192**	**2.844.252**

(1) The "Other receivables" above include the "Other receivables" and "Income tax receivables" financial statements line items from statement of financial position.

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. Moreover, from the line items "Financial assets held for trading" and "Financial assets for unit-linked investment contracts" of the above table, equities with total amount of € 307.713 thousand and € 24.954 thousand, respectively, as at 31 December 2024 (2023 € 220.915 thousand and € 13.158 thousand respectively), have been excluded as they have no credit risk exposure.

As at 31 December 2024 and 31 December 2023, 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 & Treasury Bills				
(amounts in € thousand)	**Rating Fitch**	**31/12/2024**	**Rating Fitch**	**31/12/2023**
Greece	BBB-	1.038.940	BBB-	1.083.306
Germany	AAA	1.961	AAA	-
France	AA-	3.930	AA	-
Italy	BBB	3.685	BBB	3.564
Ireland	AA	8.714	AA-	9.218
Brazil	BB	85.799	BB	113.131
Total		**1.143.030**		**1.209.218**

Corporate Bonds				
(amounts in € thousand)	**Rating Fitch**	**31/12/2024**	**Rating Fitch**	**31/12/2023**
Financial institutions	BB	-	BB	101.451
(Banks)	BBB	12.315	BBB	-
	NR	-	NR	11.177
Non-financial institutions	BB+	4.974	BB+	10.935
(Other commercial companies)	NR	51.746	NR	174
Total		**69.035**		**123.737**

As of 31 December 2024 and 31 December 2023, the largest concentration in the Company's debt securities portfolio was in European government bonds, which represented 87,2% and 82,2%, respectively, of the total bond portfolio and 36,4% and 38,4%, respectively, of total financial assets (including cash and cash equivalents).

Specifically regarding the risk arising from Greek government debt securities, as of 31 December 2024 and 31 December 2023, the Company's exposure amounted to € 1.038.940 thousand (35,8% of total financial assets, including the cash and cash and equivalents) and € 1.083.306 thousand (37,9% of total financial assets, including the cash and cash and equivalents), respectively.

Credit risk related to reinsurance assets:

As part of its overall risk management strategy, the Company mitigates insurance risk through proportional, non-proportional, and facultative reinsurance agreements. Although these agreements address insurance risk, receivables from reinsurers expose the Company to potential credit risk.

Reinsurance contracts are reviewed by the Company on an annual basis (or earlier in exceptional cases) to ensure that the level of protection is adequate and that such contracts are supported by creditworthy reinsurers. In this context, strict principles have been established for the selection of reinsurers, who must in all cases have a high credit rating from recognized rating agencies.

The Company applies minimum acceptable rating levels for reinsurers supporting its reinsurance contracts, and therefore reinsurers with a rating lower than A- by Standard & Poor's, or an equivalent rating from another recognized agency (AM Best, Fitch), are not accepted. Temporary deviation from this rule may occur for reinsurers with whom the Company has a long-standing successful relationship and who, although rated A- or higher at the time of entering into the reinsurance contract, were downgraded during the term of the contract.

According to the reinsurance strategy implemented by the Company, an appropriate combination of reinsurers has been selected to ensure an adequate level of reinsurance coverage. As of 31 December 2024, the credit risk assumed by the Company from reinsurance receivables from the largest reinsurer amounted to 89,4% (2023: 86,5%). However, given the high rating and recognized creditworthiness of this reinsurer, the Company's management does not expect any losses from default.

Credit risk related to insurance receivables:

The credit risk assumed by the Company in relation to insurance receivables arises mainly from independent agents, brokers, and other intermediaries. The risk exists when they collect premiums from customers to remit them to the Company. The Company applies policies and standards for managing and monitoring credit risk from intermediaries, with emphasis on the daily monitoring of the largest balances, while also tracking the limits of these exposures. Additionally, the Company has established a pre-selection process and addresses the risk through the careful selection of counterparties.

Receivables that are past due but not impaired are considered unsecured, except for certain cases that are covered by collateral. The Company prepares internal reports on past due but not impaired receivables and seeks to keep the balance of overdue receivables as low as possible, while also considering customer satisfaction.

Credit risk from cash and cash equivalents:

As of 31 December 2024 and 31 December 2023, cash placements within the Eurobank Group amounted to € 27.259 thousand and € 39.308 thousand, respectively.

Financial assets per credit rating

The following table presents the financial assets by credit rating category as of 31 December 2024 and 31 December 2023:

31/12/2024								
Rating	**FVTPL Portfolio (1)**	**FVTOCI Portfolio**	**Financial assets at amortized cost**	**Insurance contract assets**	**Reinsurance contract assets**	**Other Receivables (2)**	**Cash & cash Equivalent**	**Total**
(amounts in € thousand)								
AAA	1.961	-	-	-	-	-	-	1.961
AA	-	8.714	-	-	-	-	854	9.568
AA+	-	-	-	-	496	-	-	496
AA-	-	3.930	-	-	4.418	-	-	8.349
BBB	-	16.000	-	-	-	-	37.487	53.488
BBB-	9.885	1.029.055	-	-	-	-	10.253	1.049.193
BB+	-	4.974	-	-	-	-	-	4.974
BB	40	85.799	-	-	-	-	-	85.839
BB-	-	-	-	-	-	-	-	-
Non Rated	1.655.000	179	38.580	515	128	16.920	2	1.711.324
Total	**1.666.887**	**1.148.652**	**38.580**	**515**	**5.042**	**16.920**	**48.596**	**2.925.192**

Rating	FVTPL Portfolio [1]	FVTOCI Portfolio	Financial assets at amortized cost	Insurance contract assets	Reinsurance contract assets	Other Receivables [2]	Cash & cash Equivalent	Total
	31/12/2023							
(amounts in € thousand)								
AAA	-	-	-	-	-	-	-	-
AA	-	-	-	-	-	-	1.423	1.423
AA+	-	-	-	-	535	-	-	535
AA-	-	9.218	-	-	3.451	-	-	12.669
BBB	-	3.564	-	-	-	-	-	3.564
BBB-	23.307	1.059.999	-	-	-	-	-	1.083.306
BB+	-	10.935	-	-	-	-	-	10.935
BB	101.454	113.131	-	-	-	-	79.306	293.892
BB-	-	-	-	-	-	-	55.012	55.012
Non Rated	1.350.195	11.351	38.584	420	102	22.264	2	1.422.918
Total	**1.474.956**	**1.208.197**	**38.584**	**420**	**4.087**	**22.264**	**135.743**	**2.884.252**

[1] In the 'FVTPL portfolio' line item, the amount classified as 'Non Rated' mainly relates to mutual funds

[2] The line item 'Other receivables' above includes the items 'Other receivables' and 'Income tax receivables' from statement of financial position

Expected Credit Losses ("ECL")

The tables below set out the Company's portfolio of financial investments subject to impairment, namely debt instruments measured at fair value through OCI ("FVTOCI") and debt instruments, loans and cash and cash equivalent measured at amortized cost, broken down by class of financial investments.

31/12/2024	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying Amount before provision	12-month ECLs	Gross Carrying Amount before provision	Lifetime ECLs	Gross Carrying Amount before provision	ECLs allowance
Financial assets at FVTOCI						
Greek government bonds	961.358	(1.049)	-	-	961.358	(1.049)
Other government bonds	108.600	(107)	-	-	108.600	(107)
Corporate bonds	18.321	(246)	-	-	18.321	(246)
Total	**1.088.279**	**(1.402)**	**-**	**-**	**1.088.279**	**(1.402)**
Financial assets at amortised cost						
Commerical mortgage loans	38.653	(73)	-	-	38.653	(73)
Total	**38.653**	**(73)**	**-**	**-**	**38.653**	**(73)**
Cash and cash equivalents	**48.596**	**-**	**-**	**-**	**48.596**	**-**

31/12/2023	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying Amount before provision	12-month ECLs	Gross Carrying Amount before provision	Lifetime ECLs	Gross Carrying Amount before provision	ECLs allowance
Financial assets at FVTOCI						
Greek government bonds	967.000	(1.142)	-	-	967.000	(1.142)
Other government bonds	122.353	(228)	-	-	122.353	(228)
Corporate bonds	23.741	(363)	-	-	23.741	(363)
Total	**1.113.094**	**(1.734)**	**-**	**-**	**1.113.094**	**(1.734)**
Financial assets at amortised cost						
Commerical mortgage loans	38.653	(70)	-	-	38.653	(70)
Total	**38.653**	**(70)**	**-**	**-**	**38.653**	**(70)**
Cash and cash equivalents	**135.743**	**-**	**-**	**-**	**135.743**	**-**

From 01/01 to 31/12/2024	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying Amount before provision	12-month ECLs	Gross Carrying Amount before provision	Lifetime ECLs	Gross Carrying Amount before provision	ECLs allowance
Financial assets at FVTOCI						
Balance at 1 January 2024	**1.113.094**	**(1.734)**	**-**	**-**	**1.113.094**	**(1.734)**
Purchases / Acquisitions	3.932	(1)	-	-	3.932	(1)
Maturities / Sales	(6.658)	95	-	-	(6.658)	95
Remeasurements	(22.089)	237	-	-	(22.089)	237
Total impairment charge for the period	**-**	**332**	-	-	**-**	**332**
Balance at 31 December 2024	**1.088.279**	**(1.402)**	-	-	**1.088.279**	**(1.402)**
Financial assets at amortised cost						
Balance at 1 January 2024	**38.653**	**(70)**	**-**	**-**	**38.653**	**(70)**
Remeasurements	-	(3)	-	-	-	(3)
Total impairment charge for the period	**-**	**(3)**	-	-	**-**	**(3)**
Balance at 31 December 2024	**38.653**	**(73)**	-	-	**38.653**	**(73)**

From 01/01 to 31/12/2023	Stage 1		Stage 2		Total	
(amounts in € thousand)	Gross Carrying Amount before provision	12-month ECLs	Gross Carrying Amount before provision	Lifetime ECLs	Gross Carrying Amount before provision	ECLs allowance
Financial assets at FVTOCI						
Balance at 1 January 2023	**816.557**	**(2.334)**	**-**	**-**	**816.557**	**(2.334)**
Purchases / Acquisitions	550.226	(455)	-	-	550.226	(455)
Maturities / Sales	(257.208)	635	-	-	(257.208)	635
Remeasurements	3.519	421	-	-	3.519	421
Total impairment charge for the period	**-**	**601**	-	-	**-**	**601**
Balance at 31 December 2023	**1.113.094**	**(1.734)**	-	-	**1.113.094**	**(1.734)**
Financial assets at amortised cost						
Balance at 1 January 2023	**38.790**	**(54)**	**-**	**-**	**38.790**	**(54)**
Remeasurements	(137)	(15)	-	-	(137)	(15)
Total impairment charge for the period	**-**	**(15)**	-	-	**-**	**(15)**
Balance at 31 December 2023	**38.653**	**(70)**	-	-	**38.653**	**(70)**

Furthermore, as of 31 December 2024, the Company has recognized expected credit losses (ECL) of € 743 thousand (31 December 2023: € 753 thousand) regarding loans and advances to agents and insurance brokers with a total value of € 1.665 thousand (31 December 2023: € 1.845 thousand), which are classified under Stage 2 and 3.

4.3.2. Market risk

Market risk is the risk arising from balance sheet items whose value or related cash flows depend on financial markets. The elements subject to fluctuations and entailing market risk include interest rates, equity prices, exchange rates, and inflation.

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

It is noted that, for the monitoring of market risk, the Company applies the Value-at-Risk ("VaR") methodology and continuously monitors the valuations of its asset portfolio. At the same time, the Company regularly conducts stress testing and sensitivity analyses, depending on the existing portfolio structure, strategy, and prevailing market conditions.

Specifically, the market risks to which the Company is exposed are as follows:

(a) Interest rate risk

Fluctuations in prevailing market interest rates may potentially affect both the cash flows and the fair value of the Company's investments. Interest rate risk in terms of cash flows refers to the possibility that the future cash flows of an investment may vary due to changes in market interest rates. Similarly, interest rate risk in terms of fair value refers to the possibility that the fair value of an investment may fluctuate due to changes in market interest rates. Such changes in interest rates may increase or decrease the return on the Company's investments.

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

31/12/2024	0 - 3 %	3 - 6 %	6 - 10 %	Σύνολο
(amounts in € thousand)				
Financial assets at FVTPL:				
- Financial assets for unit-linked contracts	40	-	-	40
- Financial assets held for trading	11.846	51.567	-	63.413
Financial assets at FVTOCI	636.066	426.787	85.799	1.148.652
Financial assets at amortised cost	-	38.580	-	38.580
Cash and cash equivalents	48.596	-	-	48.596
Total	**696.549**	**516.934**	**85.799**	**1.299.281**

31/12/2023	0 - 3 %	3 - 6 %	6 - 10 %	Σύνολο
(amounts in € thousand)				
Financial assets at FVTPL:				
- Financial assets for unit-linked contracts	3	-	-	3
- Financial assets held for trading	23.307	101.451	-	124.758
Financial assets at FVTOCI	618.929	476.137	113.131	1.208.197
Financial assets at amortised cost	-	38.584	-	38.584
Cash and cash equivalents	135.743	-	-	135.743
Total	**777.982**	**616.172**	**113.131**	**1.507.285**

Analysis of interest bearing financial assets by type of rate:

31/12/2024	Fixed rate	Floating Rate	Total
(amounts in € thousand)			
Financial assets at FVTPL:			
- Financial assets for unit-linked contracts	40	-	40
- Financial assets held for trading	63.413	-	63.413
Financial assets at FVTOCI	1.148.652	-	1.148.652
Financial assets at amortised cost	38.580	-	38.580
Cash and cash equivalents	48.596	-	48.596
Total	**1.299.281**	**-**	**1.299.281**

31/12/2023	Fixed rate	Floating Rate	Total
(amounts in € thousand)			
Financial assets at FVTPL:			
- Financial assets for unit-linked contracts	3	-	3
- Financial assets held for trading	23.307	101.451	124.758
Financial assets at FVTOCI	1.208.197	-	1.208.197
Financial assets at amortised cost	38.584	-	38.584
Cash and cash equivalents	135.743	-	135.743
Total	**1.405.834**	**101.451**	**1.507.285**

(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.

As at 31 December 2024, the Company's total exposure to equity risk as a percentage of total investments amounts to 30,4% (31 December 2023: 25,1%), and is summarized below:

% of Investment portfolio under management	31/12/2024	31/12/2023
Exposure to listed equity markets	19,1%	14,0%
Exposure to REITS (Real estate investment trusts)	11,3%	11,1%
Total Equities & MF's Exposure	**30,4%**	**25,1%**

Sensitivity analysis

The sensitivity analysis of the Company's stock portfolio to price fluctuations as at 31 December 31 2024, and 31 December 2023, is analyzed below:

(amounts in € thousand)	Change	Impact – Equity 31/12/2024	Impact – Equity 31/12/2023
Prices variances	+10%	30.590	25.614
Prices variances	-10%	(30.590)	(25.614)

(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 its investment positions in foreign currency. The Company, assessing the risk undertaken on a case-by-case basis, uses hedging instruments against foreign exchange risk. The total exposure of assets to foreign exchange risk as of 31 December 2024 amounted to 3,6% (2023: 4,4%) and is not considered significant.

The following table presents the Company's exposure to foreign exchange risk as of 31 December 2024 and 31 December 2023, respectively. The table shows the carrying amount of the Company's assets and liabilities by currency.

31/12/2024 *(amounts in € thousand)*	EUR	USD	RON	GBP	CAD	BRL	Total
ASSETS							
Investments in financial assets:							
Financial assets at FVTOCI	1.050.538	12.315	-	-	-	85.799	1.148.652
Financial assets at amortised cost	38.580	-	-	-	-	-	38.580
Financial assets at FVTPL	1.977.629	21.310	247	-	367	-	1.999.553
Investment in subsidiaries and associates	275.405	-	5.992	-	-	-	281.398
Insurance contract assets	515	-	-	-	-	-	515
Reinsurance contract assets	5.042	-	-	-	-	-	5.042
Cash and cash equivalents	48.487	108	-	1	-	-	48.596
Other assets	26.372	-	-	-	-	-	26.372
Total assets	**3.422.569**	**33.734**	**6.239**	**1**	**367**	**85.799**	**3.548.708**
LIABILITIES							
Insurance contract liabilities	2.244.488	-	-	-	-	-	2.244.488
Investment contract liabilities	592.261	-	-	-	-	-	592.261
Other liabilities	141.331	-	-	-	-	-	141.331
Total liabilities	**2.978.080**	**-**	**-**	**-**	**-**	**-**	**2.978.080**
Total equity	**444.489**	**33.734**	**6.239**	**1**	**367**	**85.799**	**570.629**

31/12/2023 *(amounts in € thousand)*	EUR	USD	RON	GBP	CAD	BRL	Total
ASSETS							
Investments in financial assets:							
Financial assets at FVTOCI	1.083.888	11.177	-	-	-	113.131	1.208.197
Financial assets at amortised cost	38.584	-	-	-	-	-	38.584
Financial assets at FVTPL	1.689.797	19.022	210	-	-	-	1.709.029
Investment in subsidiaries and associates	303.405	-	5.992	-	-	-	309.398
Insurance contract assets	420	-	-	-	-	-	420
Reinsurance contract assets	4.087	-	-	-	-	-	4.087
Cash and cash equivalents	135.357	385	-	1	-	-	135.743
Other assets	30.103	-	-	-	-	-	30.103
Total assets	**3.285.642**	**30.584**	**6.202**	**1**	**-**	**113.131**	**3.435.562**
LIABILITIES							
Insurance contract liabilities	2.155.595	-	-	-	-	-	2.155.595
Investment contract liabilities	584.636	-	-	-	-	-	584.636
Other liabilities	114.518	-	-	-	-	-	114.518
Total liabilities	**2.854.749**	**-**	**-**	**-**	**-**	**-**	**2.854.749**
Total equity	**430.893**	**30.584**	**6.202**	**1**	**-**	**113.131**	**580.813**

(d) Brief presentation of the VaR method

The VaR methodology is used to measure financial risk by calculating the potential negative change in the market value of a portfolio over a specific time period ("holding period") and with a specific probability of occurrence ("confidence level"), assuming that the positions remain unchanged during the holding period. The VaR calculated by the Company is used for internal risk measurement and control purposes, and is based on a 99,.0% confidence level and a 10-day holding period, calculated using the "Monte Carlo" simulation method (full revaluation).

VaR models are designed to measure market risk under normal conditions. It is assumed that any changes in the risk factors affecting normal market conditions will follow a normal distribution. The entire historical data of the risk factor prices is taken into account, while the weighting of historical observations follows the exponentially weighted moving average method ("EWMA").

Since VaR is an integral part of the market risk monitoring framework, a corresponding limit has been set and is adhered to. Nevertheless, the use of this method does not prevent losses that exceed this limit in the event of extreme market fluctuations.

VaR of assets

(amounts in € milion)	31/12/22024	31/12/2023
Total VaR	**98,6**	**112,4**

The Monte Carlo VaR and the application of this risk measurement methodology by the Company raise specific limitations, such as the fact that the 99,0% VaR means that in 1,0% of cases, the loss is expected to exceed the VaR amount.

The Company monitors the VaR. It also monitors the returns of the investment portfolio and conducts sensitivity analyses and stress testing on a case-by-case basis, depending on the materiality of the exposure and the prevailing conditions in the economic environment.

4.3.3. Liquidity risk

Liquidity risk relates to the Company's ability to meet its financial obligations as they become due.

In order to effectively manage liquidity risk, the Company has established, documented, and follows a set of documents, including the Liquidity Risk Management Policy.

Specific principles govern these documents and ensure effective management, which is primarily achieved by maintaining adequate cash and cash equivalents, as well as highly marketable financial assets that can be easily liquidated to meet operational needs. In addition, the timing match of cash inflows and outflows is monitored, both at the level of assets and liabilities.

Monitoring includes the measurement of cash flows and the preparation of forecasts for the next day, week, and month, respectively, as these are the critical time periods for liquidity management. The first step in preparing these forecasts is the analysis of the contractual maturities of financial liabilities and the expected collection dates of financial receivables.

(a) Cash flows from non-derivative financial instruments

The following table presents the Company's expected cash outflows as at the balance sheet date relating to liabilities from non-derivative financial instruments, based on their contractual maturity dates. The amounts presented represent contractual undiscounted cash flows, except for insurance liabilities, which are presented based on their respective expected cash flows.

The Company manages liquidity risk based on estimated undiscounted cash flows. Liabilities denominated in foreign currencies have been converted into euros using the prevailing exchange rates.

31/12/2024	**Carrying Value**	**0-1 months**	**1-3 months**	**3-12 months**	**> year**	**Total**
Financial Liabilities						
(amounts in € thousand)						
Agents and Insurance Brokers	10.996	1.168	9.785	43	-	10.996
Other creditors	2.545	718	1.827	-	-	2.545
Payable surrenders and claims settlement	32.952	23	-	32.918	10	32.952
Lease liabilities	2.185	67	135	604	1.531	2.337
Other liabilities	9.588	-	1.172	3.013	5.403	9.588
Total financial liabilities	**58.267**	**1.977**	**12.919**	**36.579**	**6.944**	**58.419**

31/12/2023	Carrying Value	0-1 months	1-3 months	3-12 months	> year	Total
Financial Liabilities						
(amounts in € thousand)						
Agents and Insurance Brokers	6.860	1.081	5.738	41	-	6.860
Other creditors	2.325	190	2.135	-	-	2.325
Payable surrenders and claims settlement	27.794	73	-	27.709	12	27.794
Lease liabilities	2.562	62	125	553	2.073	2.813
Other liabilities	9.975	-	2.871	447	6.656	9.975
Total financial liabilities	**49.517**	**1.406**	**10.870**	**28.750**	**8.741**	**49.768**

Maturity analysis for insurance contract and investment contract liabilities (expected future cash flows basis)

The following tables provide an analysis of the remaining contractual undiscounted cash flows, excluding the non-financial risk adjustment, as at 31 December 2024 and 31 December 2023, for liabilities arising from insurance contracts and investment contracts.

31/12/2024	Carrying amount	0-1 year	1 - 3 years	3-5 years	5-10 years	>10 years	Total
(amounts in € thousand)							
Life insurance contracts liabilities							
PAA							
Liabilities for remaining coverage	9.485	9.485	-	-	-	-	9.485
Liabilities for incurred claims	55.860	55.860	-	-	-	-	55.860
Assets for insurance cash flows	(10.652)	(2.401)	(4.004)	(2.856)	(1.391)	-	(10.652)
	54.693	**62.945**	**(4.004)**	**(2.856)**	**(1.391)**	**-**	**54.693**
GMM							
Liabilities for remaining coverage	969.063	160.975	214.137	162.571	400.085	225.170	1.162.938
Liabilities for incurred claims	15.430	15.430	-	-	-	-	15.430
	984.493	**176.404**	**214.137**	**162.571**	**400.085**	**225.170**	**1.178.367**
VFA							
Liabilities for remaining coverage	1.076.298	68.941	225.407	276.645	481.867	176.848	1.229.708
Liabilities for incurred claims	476	476	-	-	-	-	476
	1.076.774	**69.417**	**225.407**	**276.645**	**481.867**	**176.848**	**1.230.184**
Life insurance contracts liabilities	**2.115.960**	**308.766**	**435.539**	**436.360**	**880.562**	**402.018**	**2.463.244**
Life investment contracts liabilities							
Unit linked investment contracts	34.683	3.194	6.787	219	3.790	20.692	34.683
Non-unit linked investment contracts	557.578	32.081	305.723	22.474	245.618	14.303	620.199
Life investment contracts liabilities	**592.261**	**35.275**	**312.510**	**22.693**	**249.409**	**34.995**	**654.882**
Life insurance and investment contracts	**2.708.221**	**344.041**	**748.049**	**459.053**	**1.129.970**	**437.013**	**3.118.126**

31/12/2023	Carrying amount	0-1 year	1 – 3 years	3-5 years	5-10 years	>10 years	Total
(amounts in € thousand)							
Life insurance contracts liabilities							
PAA							
Liabilities for remaining coverage	2.736	2.736	-	-	-	-	2.736
Liabilities for incurred claims	50.500	50.500	-	-	-	-	50.500
Assets for insurance cash flows	(12.340)	(2.857)	(4.684)	(3.170)	(1.629)	-	(12.340)
	40.896	**50.379**	**(4.684)**	**(3.170)**	**(1.629)**	**-**	**40.896**
GMM							
Liabilities for remaining coverage	1.108.773	154.267	245.658	258.559	421.611	283.573	1.363.668
Liabilities for incurred claims	14.210	14.210	-	-	-	-	14.210
	1.122.983	**168.477**	**245.658**	**258.559**	**421.611**	**283.573**	**1.377.878**
VFA							
Liabilities for remaining coverage	868.970	52.388	175.402	207.747	413.833	155.338	1.004.709
Liabilities for incurred claims	548	548	-	-	-	-	548
	869.518	**52.936**	**175.402**	**207.747**	**413.833**	**155.338**	**1.005.256**
Life insurance contracts liabilities	**2.033.397**	**271.792**	**416.376**	**463.136**	**833.815**	**438.911**	**2.424.030**
Life investment contracts liabilities							
Unit linked investment contracts	17.562	735	2.610	1.167	1.996	10.896	17.404
Non-unit linked investment contracts	567.074	23.032	220.066	132.042	195.308	82.746	653.193
Life investment contracts liabilities	**584.636**	**23.767**	**222.676**	**133.209**	**197.303**	**93.642**	**670.597**
Life insurance and investment contracts	**2.618.033**	**295.559**	**639.052**	**596.345**	**1.031.118**	**532.553**	**3.094.627**

(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, a series of reports regarding the composition of investment portfolios, asset and liability categories, asset-liability matching measures at the level of cash flows and duration, are prepared and disclosed to the Company's Management, including the Asset-Liability and Investment Risk Management Committee.

The main technique applied by the Company for managing risks arising from its assets and liabilities is the continuous monitoring of maturities and expected cash flows from assets and liabilities, and the adoption of appropriate investment decisions to address any risks arising from potential mismatches in these positions.

For Unit-Linked products, the Company matches the valuation of these liabilities with the prices of the underlying assets of these portfolios. Therefore, for these contracts, there is no price, foreign exchange, credit, or interest rate risk.

The following table summarizes the estimated amounts and time horizon of cash flows arising from the Company's financial assets and liabilities, excluding the assets and liabilities of Unit-Linked products, as of 31 December 2024 and 31 December 2023 respectively:

31/12/2024 **Financial assets**	**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)							
Carrying value and cash flows arising from assets:							
Financial assets at FVTPL							
Listed equity securities	287.466	287.466	-	-	-	-	**287.466**
Unlisted equities and mutual funds	453.657	453.657	-	-	-	-	**453.657**
Listed debt securities:							
– Fixed rate	11.846	12.000	-	-	-	-	**12.000**
– Floating rate	-	-	-	-	-	-	**-**
Unlisted debt securities:							
– Fixed rate	51.567	60.180	-	-	-	-	**60.180**
Financial assets at FVTOCI							
Listed debt securities							
– Fixed rate	1.148.652	952.893	226.455	114.220	5.568	-	**1.299.136**
Financial assets at amortised cost							
Unlisted securities							
– Fixed rate	38.580	42.731	-	-	-	-	**42.731**
Cash and cash equivalents	48.596	48.596	-	-	-	-	**48.596**
Total	**2.040.364**	**1.857.523**	**226.455**	**114.220**	**5.568**	**-**	**2.203.766**

31/12/2024 **Insurance and investment contracts liabilities**	**Carrying Value**	**Expected cash flows (undiscounted)**					**Total**
		0-5 years	**5-10 years**	**10-15 years**	**15-20 years**	**>20 years**	
(amounts in € thousand)							
Life insurance contracts (PAA & GMM)	1.039.186	609.197	398.694	84.481	49.909	90.780	1.233.060
Life investment contracts (Non Unit-Linked)	557.578	360.277	245.618	11.631	2.206	467	620.199
Total	**1.596.764**	**969.474**	**644.312**	**96.112**	**52.114**	**91.247**	**1.853.259**

31/12/2023 **Financial assets**	**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)							
Carrying value and cash flows arising from assets:							
Financial assets at FVTPL							
Listed equity securities	220.705	220.705	-	-	-	-	**220.705**
Unlisted equities and mutual funds	405.213	405.213	-	-	-	-	**405.213**
Listed debt securities:							
– Fixed rate	23.307	23.700	-	-	-	-	**23.700**
– Floating rate	101.451	106.575	-	-	-	-	**106.575**
Financial assets at FVTOCI							
Listed debt securities							
– Fixed rate	1.208.197	976.592	255.794	128.050	60.280	-	**1.420.717**
Financial assets at amortised cost							
Unlisted securities							
– Fixed rate	38.584	45.003	-	-	-	-	**45.003**
Cash and cash equivalents	135.743	135.743	-	-	-	-	**135.743**
Total	**2.133.200**	**1.913.532**	**255.794**	**128.050**	**60.280**	**-**	**2.357.657**

31/12/2023 **Insurance and investment contracts liabilities**	**Carrying Value**	**Expected cash flows (undiscounted)**					**Total**
		0-5 years	**5-10 years**	**10-15 years**	**15-20 years**	**>20 years**	
(amounts in € thousand)							
Life insurance contracts (PAA & GMM)	1.163.879	715.219	419.982	104.165	67.968	111.440	1.418.774
Life investment contracts (non-unit linked)	567.074	375.139	195.308	77.344	4.417	985	653.193
Total	**1.730.954**	**1.090.358**	**615.289**	**181.509**	**72.385**	**112.425**	**2.071.967**

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.

(c) Current and non-current assets and liabilities

The tables below summarises the expected utilisation or settlement of assets and liabilities for the years ended 31 December 2024 and 31 December 2023, respectively.

(amounts in € thousand)	Current	Non Current	Total
ASSETS			
Investments in financial assets:			
Financial assets at FVTOCI	43.512	1.105.140	**1.148.652**
Financial assets at amortised cost	-	38.580	**38.580**
Financial assets at FVTPL	903.450	1.096.103	**1.999.553**
Investment in subsidiaries and associates	-	281.398	**281.398**
Insurance Contract Assets	515	-	**515**
Reinsurance contract assets	4.010	1.032	**5.042**
Cash and cash equivalents	48.596	-	**48.596**
Other assets	19.019	7.352	**26.372**
Total assets	**1.019.102**	**2.529.606**	**3.548.708**
LIABILITIES			
Insurance contract liabilities	325.418	1.919.070	**2.244.488**
Investment contract liabilities	31.796	560.465	**592.261**
Other Liabilities	65.408	75.923	**141.331**
Total Liabilities	**422.622**	**2.555.458**	**2.978.080**
Total equity	**596.481**	**(25.852)**	**570.629**

(amounts in € thousand)	Current	Non Current	Total
ASSETS			
Investments in financial assets:			
Financial assets at FVTOCI	6.576	1.201.621	**1.208.197**
Financial assets at amortised cost	-	38.584	**38.584**
Financial assets at FVTPL	756.825	952.204	**1.709.029**
Investment in subsidiaries and associates	-	309.398	**309.398**
Insurance Contract Assets	420	-	**420**
Reinsurance contract assets	3.228	860	**4.087**
Cash and cash equivalents	135.743	-	**135.743**
Other assets	22.288	7.815	**30.103**
Total assets	**925.080**	**2.510.481**	**3.435.562**
LIABILITIES			
Insurance contract liabilities	285.666	1.869.929	**2.155.595**
Investment contract liabilities	21.995	562.642	**584.636**
Other Liabilities	43.189	71.329	**114.518**
Total Liabilities	**350.850**	**2.503.899**	**2.854.749**
Total equity	**574.231**	**6.582**	**580.813**

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 of the Company. Effective management of this risk requires a system that identifies exposure points and assesses/quantifies this exposure, recognizes operational risk events, sets tolerance limits, and, where necessary, reduces exposure to acceptable levels.

Taking into account the nature, scale, and complexity of its activities, the Company has developed an appropriate Operational Risk Management Framework with methodologies, governance principles, policies, and procedures that enable the effective identification, assessment, management, monitoring, and reporting of risks (to which it is or may be exposed in the near future). This framework is embedded in decision-making processes and corporate culture (operational risk awareness), and is implemented alongside a program aimed at continuously enhancing risk awareness across all staff.

The Company's Operational Risk Management Framework includes methodologies related to: Risk Control Self-Assessment (RCSA), scenario analysis, assessment of the business environment (internal & external), Fraud Risk Assessment (FRA), assessment of risks related to outsourcing of operations/activities to third parties (materiality assessment, outsourcing agreement evaluation, cloud service provider assessment, etc.), conduct risk assessment, management of operational risk events (operational losses), and is described in corresponding documents and policies.

4.5 Capital adequacy

The capital management strategy implemented by the Company aims primarily to ensure that the Company maintains adequate capitalization on an ongoing basis in accordance with the Solvency II regulatory framework, and secondly, to maximize shareholder returns without breaching the Company's overall risk tolerance and risk appetite limits.

Since 1 January 2016, Solvency II has constituted the unified operational and supervisory framework for insurance and reinsurance undertakings operating in the European Union and the European Economic Area. The Solvency II rules are based on Directive 2009/138/EC of the European Parliament and of the Council, as amended by Directive 2014/51/EU ("Omnibus II"). In addition, the Company follows Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, which supplements Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of insurance and reinsurance ("Solvency II"), along with its subsequent amendments. In Greece, Directive 2009/138/EC was transposed into national law by Law 4364/05.02.2016.

To implement and comply with the requirements of the three pillars of the supervisory framework, a specialized IT infrastructure has been developed.

The Company's capital adequacy level is continuously monitored both in accordance with the applicable regulatory framework and based on internal policies and procedures approved for risk management, Own Risk and Solvency Assessment ("ORSA"), and capital management. As part of the Company's solvency monitoring, Management has defined the desired ratio between own funds and the Solvency Capital Requirement (SCR), reflecting the Company's risk appetite.

The calculation of the Solvency Capital Requirement ("SCR"), the Minimum Capital Requirement ("MCR"), and the eligible Own Funds of the Company is performed on a quarterly basis, as required by the supervisory framework and in accordance with the standard formula. The results of these calculations are submitted to the Supervisory Authority. Estimates of the SCR and eligible Own Funds are also made on an ongoing basis, depending on current needs/requirements.

Additionally, the Company conducts stress testing or sensitivity analyses using scenarios that reflect the negative impact of unexpected changes in both the macroeconomic environment and its internal environment, in order to assess the resilience of its future capital position.

It is noted that as of 31 December 2024 and 31 December 2023, the Company's eligible own funds exceed the Solvency Capital Requirement (SCR).

Solvency II Ratio

	31/12/2024	31/12/2023
Eligible Own Funds *(amounts in € thousand)*	555.608	622.744
Solvency Capital Requirement (SCR)	349.616	370.035
Minimum Capital Requirement (MCR)	87.404	92.509
Company's Solvency II ratio (Eligible Own Funds/SCR)	159%	168%
Company's Solvency II ratio (Eligible Own Funds/MCR)	636%	673%

The Solvency Capital Requirement (SCR) covers life underwriting risk, market risk, counterparty default risk, and operational risk as follows:

SCR allocated by risk
(amounts in € thousand)

	31/12/2024	31/12/2023
Market risk	321.532	339.530
Counterparty default risk	5.111	8.848
Life underwriting risk	36.961	43.013
Health underwriting risk	18.748	15.885
Total BSCR (before diversification)	**382.353**	**407.276**
Diversification Effect	(42.657)	(47.325)
Total BSCR (after diversification)	**339.696**	**359.951**
Operational risk	9.920	10.084
Total Solvency II SCR	**349.616**	**370.035**

4.6 Fair values of financial assets and liabilities

(a) Financial assets and financial liabilities measured at fair value:

Financial assets that are traded, derivatives and other transactions carried out for trading purposes, as well as financial assets measured at fair value through other comprehensive income ("hold to collect and sell" business model), and financial assets and liabilities designated at fair value through profit or loss, are measured at fair value based on quoted market prices, when available. If quoted market prices are not available, fair values are estimated using valuation techniques (see notes 2.6 & 3.2).

All financial instruments measured at fair value are categorized at the end of each reporting period according to the fair value hierarchy levels defined by IFRS 13, depending on whether their valuation is based on observable or unobservable inputs. Observable inputs are market data obtained from independent sources, while unobservable inputs reflect the Company's own assumptions about the market. These two types of data are used to form the following hierarchy:

I. Level 1: Quoted (unadjusted) prices for identical instruments in active markets. These prices must be readily and regularly available from an exchange or active index/market and represent actual and frequent transactions that comply with the arm's length principle. This level includes listed equity securities and debt securities traded in organized markets.

II. Level 2: Financial instruments valued using valuation techniques with the following inputs: (i) quoted prices for similar financial instruments in active markets, (ii observable prices for identical or similar financial instruments in markets that are not active, (iii) inputs other than quoted prices that are observable, either directly or indirectly, such as interest rates and yield curves observable at commonly quoted intervals, forward foreign exchange rates, equity prices, credit spreads, and implied volatilities obtained from internationally recognized market data providers, and (iv) possibly unobservable inputs that are not significant to the overall fair value measurement.

These valuation techniques maximize the use of observable market data where available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of a financial instrument are observable, the instrument is classified as Level 2. If one or more of the significant inputs are not based on observable market data, the instrument is classified as Level 3. There have been no changes in valuation techniques compared to previous years. Level 2 financial instruments mainly include less liquid debt securities and mutual fund units.

III. Level 3: Financial instruments valued using valuation techniques that incorporate significant unobservable inputs. This level mainly includes investments in unlisted equity securities and unlisted mutual fund units within financial assets and non-Unit-Linked investment contracts classified as financial liabilities.

The valuation methods used for financial instruments classified as level 3 include:

• the income approach (discounted cash flow method) and the market approach (comparable transactions) for unlisted debt securities,

• the income approach for investment contracts other than Unit-Linked, and

• the adjusted net asset value approach for unlisted shares.

The following table presents the Company's financial assets and financial liabilities measured at fair value and their classification according to the IFRS 13 fair value hierarchy levels, for the years ended 31 December 2024 and 31 December 2023, respectively.

31 December 2024 *(amounts in € thousand)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial asset held for trading	300.839	125.576	378.121	804.536
Financial assets for unit-linked insurance contracts	1.160.447	-	-	1.160.447
Financial assets for unit-linked investment contracts	34.570	-	-	34.570
Financial assets at FVTOCI	1.148.652	-	-	1.148.652
Total Financial Assets	**2.644.508**	**125.576**	**378.121**	**3.148.205**
Financial Liabilities				
Unit Linked Investment contracts	34.683	-	-	34.683
Non Unit Linked Investment contracts	-	-	557.578	557.578
Total Financial Liabilities	**34.683**	**-**	**557.578**	**592.261**

31 December 2023 *(amounts in € thousand)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial asset held for trading	346.793	114.343	289.540	750.676
Financial assets for unit-linked insurance contracts	940.946	-	-	940.946
Financial assets for unit-linked investment contracts	17.408	-	-	17.408
Financial assets at FVTOCI	1.208.197	-	-	1.208.197
Total Financial Assets	**2.513.344**	**114.343**	**289.540**	**2.917.227**
Financial Liabilities				
Unit Linked Investment contracts	17.562	-	-	17.562
Non Unit Linked Investment contracts	-	-	567.074	567.074
Total Financial Liabilities	**17.562**	**-**	**567.074**	**584.636**

The change in the value of financial assets classified as Level 3 from € 289.540 thousand as at 31 December 2023 to € 378.121 thousand as at 31 December 2024 is attributed to purchases of financial assets and changes in fair value by € 72.667 thousand and € 15.914 thousand, respectively.

There were no transfers between Levels 1, 2 and 3 during the years ended 31 December 2024 and 2023, respectively.

The analysis of the significant unobservable inputs relates to underlying assets of the mutual fund that included in the Level 3 per valuation technique and the sensitivity analysis of the unobservable inputs, for the years ended 31 December 2024 and 31 December 2023 respectively, is presented in the below tables:

31/12/2024						
(amounts in € thousand)						
Category of assets	**Valuation technique**	**Unobservable input**	**Negative change**	**Positive change**	**Negative change to valuation**	**Positive change to valuation**
Loans	DCF	Credit spread	-1%	+1%	1.621	(1.290)
Loans	Other	Credit spread	-1%	+1%	-	(484)
Equities	NAV	NAV	-10%	+10%	(2.966)	2.966

31/12/2023						
(amounts in € thousand)						
Category of assets	**Valuation technique**	**Unobservable input**	**Negative change**	**Positive change**	**Negative change to valuation**	**Positive change to valuation**
Loans	DCF	Credit spread	-1%	+1%	92	(349)
Loans	Other	Credit spread	-2%	+2%	-	(1.201)
Loans	Recent Transaction Price	Credit spread	-2%	+2%	1.808	(2.624)
Equities	NAV	NAV	-10%	+10%	(13)	13

(b) Financial assets not measured at fair value:

The assumptions and methodologies used in the calculation of the fair value of financial instruments not measured at fair value are consistent with those used for the calculation of the fair values of financial instruments measured at fair value. The fair value of financial assets measured at amortized cost is determined using quoted market prices from active markets. In cases where such information is not available, fair value has been estimated based on the prices of debt securities with similar credit characteristics, maturity, and yield, or by discounting cash flows.

Financial assets measured at amortized cost are classified as Level 3 in the fair value hierarchy, and their carrying amount approximates their fair value.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

(amounts in € thousand)	Leasehold improvements	Vehicles	Furniture and other equipment	Total
Acquisition cost:				
Balance at 1 January 2024	**96**	**365**	**2.353**	**2.815**
Additions	144	12	913	1.068
Sales and write-offs	-	(10)	-	(10)
Balance at 31 December 2024	**240**	**367**	**3.266**	**3.873**
Accumulated depreciation:				
Balance at 1 January 2024	**(79)**	**(363)**	**(2.207)**	**(2.649)**
Sales and write-offs	-	10	-	10
Depreciation charge	(32)	(3)	(105)	(140)
Balance at 31 December 2024	**(111)**	**(356)**	**(2.312)**	**(2.778)**
Net book value at 31 December 2024	**130**	**11**	**954**	**1.095**

(amounts in € thousand)	Leasehold improvements	Vehicles	Furniture and other equipment	Total
Acquisition cost:				
Balance at 1 January 2023	**96**	**363**	**2.320**	**2.779**
Additions	-	3	34	36
Balance at 31 December 2023	**96**	**365**	**2.353**	**2.815**
Accumulated depreciation:				
Balance at 1 January 2023	**(72)**	**(363)**	**(2.078)**	**(2.512)**
Depreciation charge	(7)	-	(129)	(137)
Balance at 31 December 2023	**(79)**	**(363)**	**(2.207)**	**(2.649)**
Net book value at 31 December 2023	**18**	**2**	**146**	**166**

As of 31 December 2024 and 2023 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
Acquisition cost:				
Balance at 1 January 2024	**4.511**	**475**	**116**	**5.102**
Additions	50	188	-	238
Reductions	-	(13)	-	(13)
Modifications	68	-	-	68
Balance at 31 December 2024	**4.630**	**650**	**116**	**5.396**
Accumulated Depreciation:				
Balance at 1 January 2024	**(2.483)**	**(200)**	**(103)**	**(2.786)**
Depreciation charge	(545)	(118)	(3)	(666)
Reductions	-	9	-	9
Balance at 31 December 2024	**(3.028)**	**(309)**	**(106)**	**(3.443)**
Net book value at 31 December 2024	**1.602**	**341**	**10**	**1.953**

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Acquisition cost:				
Balance at 1 January 2023	**4.430**	**252**	**105**	**4.787**
Additions	-	240	11	251
Reductions	-	(17)	-	(17)
Modifications	81	-	-	81
Balance at 31 December 2023	**4.511**	**475**	**116**	**5.102**
Accumulated Depreciation:				
Balance at 1 January 2023	**(1.959)**	**(144)**	**(100)**	**(2.204)**
Depreciation charge	(524)	(66)	(3)	(593)
Reductions	-	10	-	10
Balance at 31 December 2023	**(2.483)**	**(200)**	**(103)**	**(2.786)**
Net book value at 31 December 2023	**2.028**	**275**	**13**	**2.317**

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

(amounts in € thousand)	31/12/2024	31/12/2023
Short-term lease liabilities	720	631
Long-term lease liabilities	1.464	1.932
Total lease liabilities	**2.185**	**2.562**

Lease liabilities are due as follows:

(amounts in € thousand)	31/12/2024	31/12/2023
Within a year	720	631
Within the second year	739	653
From 3 to 5 years	726	1.279
Total lease liabilities	**2.185**	**2.562**

The amounts recognized by the Company in the income statement for the year 2024 and 2023 respectively, relating to leases, are as follows:

(amounts in € thousand)	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Depreciation charge of right of use assets	(666)	(593)
Interest expense on lease liabilities	(117)	(132)
Expenses related to short-term leases and non-lease components	(151)	(131)
Variable lease expense not included the measurement of lease liabilities	(3)	(3)
Total	**(937)**	**(858)**

NOTE 7: INTANGIBLE ASSETS

(amounts in € thousand)	Software	Trademarks	Total
Acquisition cost:			
Balance at 1 January 2024	**13.767**	**5**	**13.771**
Purchases/ Additions	2.714	-	2.714
Balance at 31 December 2024	**16.481**	**5**	**16.486**
Accumulated Amortization:			
Balance at 1 January 2024	**(8.411)**	**(4)**	**(8.415)**
Amortization charge	(1.666)	-	(1.666)
Balance at 31 December 2024	**(10.077)**	**(4)**	**(10.081)**
Net book value at 31 December 2024	**6.404**	**1**	**6.404**

(amounts in € thousand)	Software	Trademarks	Total
Acquisition cost:			
Balance at 1 January 2023	**11.851**	**5**	**11.856**
Purchases/ Additions	1.916	-	1.916
Balance at 31 December 2023	**13.767**	**5**	**13.771**
Accumulated Amortization:			
Balance at 1 January 2023	**(7.063)**	**(3)**	**(7.066)**
Amortization charge	(1.348)	-	(1.349)
Balance at 31 December 2023	**(8.411)**	**(4)**	**(8.415)**
Net book value at 31 December 2023	**5.355**	**1**	**5.356**

The purchases and improvements in the software are related to the development and implementation of enhancements to existing applications as well as new investments in software technologies.

NOTE 8: INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Investment in subsidiaries

Subsidiary	**2024** **EUROLIFE FFH ASIGURARI DE VIATA S.A.**	**2024** **DIETHNIS KTIMATIKI S.A.**
Carrying amount *(amounts in € thousand.)*	5.992	15.327
Percentage holding %	95%	100%
Country of incorporation	Romania	Greece
Line of Business	Life Insurance	Real Estate
Acquisition cost at 1 January *(amounts in € thousand)*	**5.992**	**15.327**
Balance at 31 December *(amounts in € thousand)*	**5.992**	**15.327**

Subsidiary	**2023** **EUROLIFE FFH ASIGURARI DE VIATA S.A.**	**2023** **DIETHNIS KTIMATIKI S.A.**
Carrying amount *(amounts in € thousand.)*	5.992	15.327
Percentage holding %	95%	100%
Country of incorporation	Romania	Greece
Line of Business	Life Insurance	Real Estate
Acquisition cost at 1 January *(amounts in € thousand)*	**5.992**	**15.327**
Balance at 31 December *(amounts in € thousand)*	**5.992**	**15.327**

Investments in Associates

Associate	2024 Grivalia Hospitality S.A. (a)	2024 Antenna Digital Platform TV CEE B.V. (b)
Carrying amount *(amounts in € thousand.)*	260.079	-
Percentage holding %	47,87%	-
Country of incorporation	Greece	Netherlands
Line of Business	Acquisition, development and management of hotel and tourist properties	Digital platform

Associate	2023 Grivalia Hospitality S.A. (a)	2023 Antenna Digital Platform TV CEE B.V. (b)
Carrying amount *(amounts in € thousand.)*	268.079	20.000
Percentage holding %	47,87%	15%
Country of incorporation	Greece	Netherlands
Line of Business	Acquisition, development and management of hotel and tourist properties	Digital platform

A. Grivalia Hospitality S.A.

On 19 February 2017, the Company participated as a strategic investor in the share capital of 'Grivalia Hospitality S.A.' ('GH'). GH was established by 'Grivalia Properties REIC' ('Grivalia') on 26 June 2015, and its business purpose is the acquisition, development, and management of hotel and tourism properties in Greece and abroad.

As at 31 December 2022, the Company held 114.268.506 shares of GH, which had been acquired at a participation cost of € 145,6 million and represented a 39,51% ownership interest

On 27 January 2023, the Company acquired 30.175.328 shares of GH from Eurobank for a consideration 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 through the capitalization of share premium amounting to € 12,5 million and the issuance of 12.507.738 new common shares with a nominal value of € 1,0 each. The Company did not participate in this new share capital increase. Following the completion of the transaction, the Company's ownership interest 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 shares. The Company's ownership interest in GH remained unchanged as a result of this transaction.

On 6 November 2023, the Company participated in a new share capital increase of GH amounting to € 60,0 million. The Company paid € 28,7 million, acquiring 17.950.571 shares. The Company's ownership interest in GH remained unchanged as a result of this transaction.

The Company's ownership interest in GH did not change during the current financial year.

The Company assessed the nature of the investment and concluded that all conditions are met for the investment to be classified as an 'investment in associate'.

As at 31 December 2024, the investment in the said company amounted to € 260.079 thousand (2023: € 268.079 thousand).

The total assets and liabilities of the GH group as at 31 December 2024 amounted to € 731.055 thousand (2023: € 751.244 thousand) and € 398.440 thousand (2023: € 362.565 thousand), respectively. The equity of the GH group, after deducting minority interests, amounted to € 317.532 thousand (2023: € 369.787 thousand).

The most significant assets of the GH group as at 31 December 2024 relate to owner-occupied properties amounting to € 438.089 thousand (2023: € 360.003 thousand), investment properties amounting to € 133.752 thousand (2023: € 183.588 thousand), the right of use assets that amount to € 71.356 thousand (2023: € 44.808 thousand) and cash and cash equivalents amounting to € 34.567 thousand (2023: € 106.133 thousand).

On 31 December 2024, the Company assessed that there are indications of impairment for the investment in GH, and an impairment test was conducted.

The recoverable amount of this investment for the year ended 31 December 2024, was calculated as the higher of the fair value less costs to sell and the value in use. The estimation of the fair value was made based on the adjusted net asset value approach. The key assumption used relates to the discounting of the deferred tax liability in accordance with IFRS 13.

The Company recognized an impairment loss of € 8,000 thousand (2023: € 0 thousand) within the current year, which relates to the accumulated impairment amount of this investment.

Events after the Balance Sheet date

In March 2025, GH completed a new share capital increase amounting to € 12,0 million through the issuance of 7.493.876 new common shares. The Company did not participate in this new share capital increase. Following the completion of the transaction, the Company's ownership interest in GH decreased from 47,87% to 46,98%.

B. Antenna Digital Platform TV exchange of shares

In February 2023, the Company acquired 1.765 common shares of Antenna Digital Platform TV CEE B.V., with a nominal value of € 0,01 each, for a total consideration of € 20 million. As of 31 December 2023, the Company's ownership interest in Antenna Digital Platform TV CEE B.V. amounted to 15%.

The Company assessed the nature of the investment in Antenna Digital Platform TV CEE B.V. and concluded that all conditions were met for the investment to be classified as an investment in an associate.

In March 2024, the Company transferred its 15% ownership interest in Antenna Digital Platform TV CEE B.V. to Antenna Greece B.V. in exchange for a 3,1% equity interest in Antenna Greece B.V. Additionally, in March 2024, the Company invested € 50 million in unsecured convertible bonds issued by Antenna Greece B.V.

The Company classified its equity interest in Antenna Greece B.V. as common shares.

NOTE 9: DEFERRED TAX

(amounts in € thousand)	Opening Balance 01/01/2024	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2024
Valuation of Investments				
Changes in fair value of financial assets measured at fair value through OCI	(21.304)	-	7.714	(13.590)
Changes in fair value of financial assets measured at fair value through P&L	(40.198)	(20.681)	-	(60.879)
Expected credit losses of financial assets measured at fair value through OCI or amortised cost	397	(72)	-	324
Changes in the financial assets measured at amortised cost	-	-	-	-
Insurance Provisions				
Revaluation of insurance technical provisions	(852)	(626)	3.635	2.157
Revaluation of reinsurance recoverables	(282)	82	-	(200)
Other Provisions				
Provision for staff leaving indemnities	164	(3)	3	164
Provision for unused personnel leave	21	(5)	-	16
Provision for other doubtful and disputed receivables	182	(15)	-	167
Other temporary differences	165	18	-	183
Foreign exchange differences of investment securities				
Changes in fair value due to foreign exchange differences	(367)	3.632	-	3.264
Property, plant and equipment				
Adjustment to the depreciation/ amortization of property, plant and equipment and intangible assets	92	2	-	94
Total Deferred Tax Assets / (Liabilities)	**(61.984)**	**(17.668)**	**11.352**	**(68.300)**

(amounts in € thousand)	Opening Balance 01/01/2023	Changes in Income Statement	Changes in OCI	Ending Balance 31/12/2023
Valuation of Investments				
Changes in fair value of financial assets measured at fair value through OCI	(8.928)	-	(12.376)	(21.304)
Changes in fair value of financial assets measured at fair value through P&L	(11.448)	(28.750)	-	(40.198)
Expected credit losses of financial assets measured at fair value through OCI or amortised cost	525	(129)	-	397
Changes in the financial assets measured at amortised cost	(54)	54	-	-
Insurance Provisions				
Revaluation of insurance technical provisions	(18.928)	2.590	15.486	(852)
Revaluation of reinsurance recoverables	(10)	(272)	-	(282)
Other Provisions				
Provision for staff leaving indemnities	151	15	(3)	164
Provision for unused personnel leave	40	(18)	-	21
Provision for other doubtful and disputed receivables	217	(36)	-	182
Other temporary differences	162	3	-	165
Foreign exchange differences of investment securities				
Changes in fair value due to foreign exchange differences	1.282	(1.649)	-	(367)
Property, plant and equipment				
Adjustment to the depreciation/ amortization of property, plant and equipment and intangible assets	86	5	-	92
Total Deferred Tax Assets / (Liabilities)	**(36.905)**	**(28.186)**	**3.107**	**(61.984)**

The movement in deferred tax from changes in the fair value of financial assets measured through other comprehensive income and recognized directly in equity, arises by € 4.407 thousand (2023: € (13.735) thousand) from changes in fair value and by € 3.306 thousand (2023: € 1.359 thousand) from reclassification to profit or loss due to disposal.

NOTE 10: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(amounts in € thousand)	31/12/2024	31/12/2023
Greek government bonds	1.011.746	1.041.144
Other government bonds	97.382	120.284
Corporate bonds	17.226	22.044
Subtotal	**1.126.354**	**1.183.472**
Accrued interest	22.298	24.726
Total financial assets at fair value through other comprehensive income	**1.148.652**	**1.208.197**

The movement in financial assets at fair value through other comprehensive income is as follows:

(amounts in € thousand)	2024	2023
Balance at 1 January	**1.208.197**	**854.710**
Additions	22.418	544.121
Sales / Liquidations	(41.750)	(267.414)
Bonds amortization	13.454	11.902
Foreign exchange differences	(16.509)	7.496
Changes in fair value	(35.062)	56.255
Changes in expected credit losses (ECL)	332	601
Changes in accrued interest	(2.428)	526
Balance at 31 December	**1.148.652**	**1.208.197**

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

(amounts in € thousand)	31/12/2024	31/12/2023
Corporate bonds	51.000	97.972
Greek treasury bills	9.885	23.307
Other treasury bills	1.961	-
Equities	332.667	234.073
Mutual funds	1.603.433	1.350.195
Cash and cash equivalents	40	3
Subtotal	**1.998.987**	**1.705.550**
Accrued interest	567	3.479
Total financial assets at fair value through profit or loss	**1.999.553**	**1.709.029**

The movement of financial assets at fair value through profit or loss is as follows:

(amounts in € thousand)	2024	2023
Balance at 1 January	**1.709.029**	**1.791.662**
Additions(1)	682.670	950.011
Sales / Liquidations	(572.116)	(1.231.248)
Bonds amortization	2.571	7.304
Changes in fair value	180.275	195.871
Changes in cash and cash equivalents	37	(5.567)
Changes in accrued interest	(2.913)	997
Balance at 31 December	**1.999.553**	**1.709.029**

(1) The additions for fiscal year 2024 include an amount of €20 million relating to the transfer to "Antenna Greece B.V." of 15% of the participation held by the Company in the digital platform Antenna Digital Platform TV CEE B.V., in exchange for a 3,1% participation in the share capital of Antenna Greece B.V., as referred to in note 8 (B).

(amounts in € thousand)	31/12/2024	31/12/2023
Financial assets held for trading	804.536	750.676
Financial assets for unit-linked insurance contracts	1.160.447	940.946
Financial assets for unit-linked investment contracts	34.570	17.408
Total financial assets measured at fair value through profit or loss	**1.999.553**	**1.709.029**

The financial assets on behalf of the policyholders who bear the investment risk (Unit-Linked) and concern insurance contracts are analyzed as follows:

(amounts in € thousand)	31/12/2024	31/12/2023
Mutual funds (listed)	1.160.447	940.946
Total financial assets for Unit-Linked insurance contracts	**1.160.447**	**940.946**

The movement of the above securities is as follows::

(amounts in € thousand)	2024	2023
Balance at 1 January	**940.946**	**615.628**
Additions	399.413	334.995
Sales / Liquidations	(254.343)	(74.836)
Changes in fair value	74.431	65.159
Balance at 31 December	**1.160.447**	**940.946**

NOTE 12: FINANCIAL ASSETS AT AMORTIZED COST

(amounts in € thousand)	31/12/2024	31/12/2023
Loans		
Commercial Mortgage Loans	38.127	38.130
Plus: Accrued interest on loans	453	453
Total financial assets at amortised cost	**38.580**	**38.584**

The movement of financial assets at amortised cost is as follows:

(amounts in € thousand)	2024	2023
Balance at 1 January	**38.584**	**38.735**
Loans amortization	-	(245)
Changes in accrued interest	-	108
Changes in expected credit losses (ECL)	(3)	(15)
Balance at 31 December	**38.580**	**38.584**

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. During 2021, a loan with a nominal value of € 38.200 thousand was repaid. During 2023 a modification was performed on the loan terms and the extension up to 20 October 2026 granted. On 31 December 2024, the fair value of the properties on which there are mortgages is € 67.524 thousand (2023: € 65.977 thousand).

NOTE 13: REINSURANCE CONTRACT ASSETS

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

	31/12/2024			31/12/2023		
	General Model	Premium Allocation Approach	Total	General Model	Premium Allocation Approach	Total
(amounts in € thousand)						
Life reinsurance contracts held						
Reinsurance contracts assets	1.173	3.869	5.042	977	3.110	4.087
Reinsurance contracts liabilities	-	-	-	-	-	-
Net Life reinsurance contracts	**1.173**	**3.869**	**5.042**	**977**	**3.110**	**4.087**

Life reinsurance contracts held under General Model and Premium Allocation Approach (PAA) - current year

From 01/01 to 31/12/2024	Assets for remaining coverage		Amounts recoverable on incurred claims			
(amounts in € thousand)				Contracts under PAA		
	Excluding loss recovery component	Loss recovery component	Contracts not under PAA	Estimates of the present value of future cash flows	Risk adjustment for nonfinancial risk	Total
Reinsurance contract assets as at 01/01/2024	(1.804)	270	1.466	4.155	-	4.087
Reinsurance contract liabilities as at 01/01/2024	-	-	-	-	-	-
Net reinsurance contracts as at 01/01/2024	**(1.804)**	**270**	**1.466**	**4.155**	**-**	**4.087**
Allocation of reinsurance premiums	(2.651)	-	-	-	-	(2.651)
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period	-	-	(115)	363	-	248
Changes to recoveries of incurred claims that relate to past service	-	-	99	1.845	-	1.944
Recognition or reversal of loss-recovery from onerous underlying contracts	-	(49)	-	-	-	(49)
	-	**(49)**	**(15)**	**2.208**	**-**	**2.144**
Net income/ (expense) from reinsurance contracts Held	**(2.651)**	**(49)**	**(15)**	**2.208**	**-**	**(507)**
Finance (expenses) from reinsurance contracts	(82)	-	-	-	-	(82)
Effect of changes in the risk of non-performance by the reinsurer	-	-	-	-	-	(1)
Total changes in the income statement	**(2.733)**	**(49)**	**(15)**	**2.208**	**-**	**(590)**
Cash flows						
Premiums paid	6.376	-	-	-	-	6.376
Amount received	-	-	(1.133)	(3.698)	-	(4.831)
Total cash outflows/(inflows)	**6.376**	**-**	**(1.133)**	**(3.698)**	**-**	**1.545**
Reinsurance Investment components	(4.218)	-	1.168	3.050	-	-
Net reinsurance contracts as at 31/12/2024	**(2.379)**	**222**	**1.485**	**5.714**	**-**	**5.042**
Reinsurance contract assets as at 31/12/2024	(2.379)	222	1.485	5.714	-	5.042
Reinsurance contract liabilities as at 31/12/2024	-	-	-	-	-	-
Net reinsurance contracts as at 31/12/2024	**(2.379)**	**222**	**1.485**	**5.714**	**-**	**5.042**

Life reinsurance contracts held under General Model and Premium Allocation Approach - prior year

From 01/01 to 31/12/2023	Assets for remaining coverage		Amounts recoverable on incurred claims			Total
(amounts in € thousand)	Excluding loss recovery component	Loss recovery component	Contracts not under PAA	Contracts under PAA: Estimates of the present value of future cash flows	Contracts under PAA: Estimates of the present value of future cash flows	
Reinsurance contract assets as at 01/01/2023	(1.437)	235	1.533	3.440	-	3.772
Reinsurance contract liabilities as at 01/01/2023	-	-	-	-	-	-
Net reinsurance contracts as at 01/01/2023	**(1.437)**	**235**	**1.533**	**3.440**	**-**	**3.772**
Allocation of reinsurance premiums	(2.352)	-	-	-	-	(2.352)
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period	-	-	(28)	968	-	940
Changes to recoveries of incurred claims that relate to past service	-	-	(27)	310	-	283
Recognition or reversal of loss-recovery from onerous underlying contracts	-	35	-	-	-	35
	-	**35**	**(55)**	**1.278**	**-**	**1.258**
Net income/ (expense) from reinsurance contracts Held	**(2.352)**	**35**	**(55)**	**1.278**	**-**	**(1.094)**
Finance (expenses) from reinsurance contracts	(9)	-	-	-	-	(9)
Total changes in the income statement	**(2.361)**	**35**	**(55)**	**1.278**	**-**	**(1.102)**
Cash flows						
Premiums paid	5.990	-	-	-	-	5.990
Amount received	-	-	(1.212)	(3.361)	-	(4.572)
Total cash outflows/(inflows)	**5.990**	**-**	**(1.212)**	**(3.361)**	**-**	**1.418**
Reinsurance Investment components	(3.997)	-	1.200	2.797	-	-
Net reinsurance contracts as at 31/12/2023	**(1.804)**	**270**	**1.466**	**4.155**	**-**	**4.087**
Reinsurance contract assets as at 31/12/2023	(1.804)	270	1.466	4.155	-	4.087
Reinsurance contract liabilities as at 31/12/2023	-	-	-	-	-	-
Net reinsurance contracts as at 31/12/2023	**(1.804)**	**270**	**1.466**	**4.155**	**-**	**4.087**

The Components of Life reinsurance contracts held under General Model are the following:

(amounts in € thousand)	31/12/2024	31/12/2023
Assets for remaining coverage		
Estimates of the present value of future cash flows (PVFCF)	(729)	(967)
Risk adjustment for non- financial risk (RA)	78	70
Contractual service margin (CSM)	339	408
	(312)	**(489)**
Amounts recoverable on incurred claims	**1.485**	**1.466**
Total Reinsurance Assets held under General Model	**1.173**	**977**

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

NOTE 14: OTHER RECEIVABLES

(amounts in € thousand)	31/12/2024	31/12/2023
Loans and Advances to agents and brokers	1.516	1.594
Provisions for doubtful counterparties	(743)	(753)
Other prepaid expenses	1.076	843
Other receivables	15.070	10.602
Total of other receivables	**16.920**	**12.286**

The increase of the 'other receivables' item in the above table by € 4.468 thousand is mainly due to advances to affiliated hospitals, within the framework of signed agreements.

NOTE 15: CASH AND CASH EQUIVALENTS

(amounts in € thousand)	31/12/2024	31/12/2023
Cash on hand	2	2
Deposits on demand	10.184	19.201
Time deposits	38.410	116.540
Total cash and cash equivalents	**48.596**	**135.743**

Term deposits do not exceed 90 days in duration. The weighted average effective interest rate of the Company's term deposits during the year was 2,1% (2023: 2,1%), which mainly derives from term deposits in foreign currency.

NOTE 16: 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.

	31/12/2024	31/12/2023
Number of common shares *(units)*	843.000	843.000
Paid-in *(amounts in € thousand)*	29.134	29.134
Share capital *(amounts in € thousand)*	**29.134**	**29.134**
Share premium *(amounts in € thousand)*	**79.014**	**79.014**

NOTE 17: RESERVES AND PRIOR YEARS' RETAINED EARNINGS

(amounts in € thousand)	Statutory Reserve	Special Reserves	Financial Assets at FVTOCI revaluation Reserve	Reserve from the change in financial assumptions in the valuation of insurance policies	Reserve for Post-employment benefit obligations	Prior years' retained earnings	Total
Balance at 1 January 2024	**39.777**	**(19.402)**	**75.533**	**57.224**	**(177)**	**201.640**	**354.594**
Transfer to reserves from prior years' retained earnings	-	96.535	-	-	-	21.535	**118.070**
Dividend distribution	-	-	-	-	-	(71.000)	**(71.000)**
Net losses from change in fair value	-	-	(19.701)	-	-	-	**(19.701)**
Net gains transferred to the income statement due to disposal	-	-	(15.029)	-	-	-	**(15.029)**
Transfer of expected credit losses to the income statement	-	-	(332)	-	-	-	**(332)**
Deferred tax on change in Financial Assets at FVTOCI	-	-	7.714	-	-	-	**7.714**
Change in financial assumptions in the valuation of insurance policies	-	-	-	(16.523)	-	-	**(16.523)**
Deferred tax on change in financial assumptions in the valuation of insurance policies	-	-	-	3.635	-	-	**3.635**
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	(12)	-	**(12)**
Balance at 31 December 2024	**39.777**	**77.133**	**48.184**	**44.336**	**(189)**	**152.175**	**361.416**

(amounts in € thousand)	Statutory Reserve	Special Reserves	Financial Assets at FVTOCI revaluation Reserve	Reserve from the change in financial assumptions in the valuation of insurance policies	Reserve for Post-employment benefit obligations	Prior years' retained earnings	Total
Balance at 1 January 2023	**39.777**	**(103.535)**	**31.653**	**112.128**	**(187)**	**149.473**	**229.310**
Transfer to reserves from prior years' retained earnings	-	84.132	-	-	-	92.149	**176.282**
Dividend distribution	-	-	-	-	-	(39.983)	**(39.983)**
Net gains from change in fair value	-	-	63.034	-	-	-	**63.034**
Net gains transferred to the income statement due to disposal	-	-	(6.178)	-	-	-	**(6.178)**
Transfer of expected credit losses to the income statement	-	-	(601)	-	-	-	**(601)**
Deferred tax on change in Financial Assets at FVTOCI	-	-	(12.376)	-	-	-	**(12.376)**
Change in financial assumptions in the valuation of insurance policies	-	-	-	(70.390)	-	-	**(70.390)**
Deferred tax on change in financial assumptions in the valuation of insurance policies	-	-	-	15.486	-	-	**15.486**
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	10	-	**10**
Balance at 31 December 2023	**39.777**	**(19.402)**	**75.533**	**57.224**	**(177)**	**201.640**	**354.594**

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

The special reserves are reserves that have been formed under special laws that either are not distributable or will be taxed in case of distribution according to the applicable income tax rate at the date of distribution.

The financial assets at FVTOCI revaluation reserve includes revaluation reserves of financial assets through Other Comprehensive Income that are recycled to income statement upon disposal or impairment of the investments. This reserve also includes the associated deferred taxes.

The reserve from the change in financial assumptions in the valuation of insurance policies includes the insurance finance income or expenses for the life group of contracts that are measured under General Model. The impact of changes in market interest rates on the value of the insurance assets and liabilities is reflected in OCI, in order to minimize accounting mismatches between the accounting for financial assets and insurance assets and liabilities. This reserve also includes the associated deferred taxes.

The reserve for post-employment benefit obligations includes reserves from actuarial gains or (losses) on employee obligations arising from termination of employment, along with the corresponding deferred tax. The reserve from actuarial gains or losses has been formed in accordance with the revised IAS 19 and is not distributable.

Prior years' retained earnings arise from previous years' profit after 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.

NOTE 18: INSURANCE CONTRACT LIABILITIES

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

(amounts in € thousand)	General Model	Variable fee approach	Total General Model and Variable fee approach	Premium Allocation Approach	Total
31/12/2024					
Life insurance contracts issued					
Insurance contracts assets	(134)	(24)	**(157)**	(358)	**(515)**
Insurance contracts liabilities	1.010.710	1.176.663	**2.187.373**	57.114	**2.244.488**
Net life insurance contracts	**1.010.577**	**1.176.639**	**2.187.216**	**56.756**	**2.243.972**
31/12/2023					
Life insurance contracts issued					
Insurance contracts assets	(164)	(24)	**(188)**	(232)	**(420)**
Insurance contracts liabilities	1.150.743	961.952	**2.112.695**	42.899	**2.155.595**
Net life insurance contracts	**1.150.579**	**961.929**	**2.112.507**	**42.668**	**2.155.175**

Life Insurance contracts issued under General Model and Variable Fee approach - current year

From 01/01 to 31/12/2024	**Liabilities for remaining coverage**		**Liabilities for incurred claims**	**Total General Model and Variable fee approach**
(amounts in € thousand)	**Excluding loss component**	**Loss component**		
Insurance contract liabilities as at 01/01/2024	2.015.271	82.668	14.756	2.112.695
Insurance contract assets as at 01/01/2024	(199)	10	1	(188)
Net insurance contracts as at 01/01/2024	**2.015.072**	**82.678**	**14.758**	**2.112.507**
Insurance revenue	(46.175)	-	-	(46.175)
Insurance service expenses				
Incurred claims and benefits	-	(12.335)	9.841	(2.494)
Other directly attributable expenses	-	-	24.092	24.092
Amortisation of insurance acquisition cash flows	1.599	-	-	1.599
Losses on onerous contracts and reversals of those losses	-	(4.267)	-	(4.267)
Changes in incurred claims and benefits that relate to past service	-	-	(2.023)	(2.023)
	1.599	**(16.602)**	**31.911**	**16.907**
Insurance service result	**(44.577)**	**(16.602)**	**31.911**	**(29.268)**
Insurance contracts finance expenses	143.222	611	-	143.833
Total changes in the income statement and statement of comprehensive income	**98.645**	**(15.991)**	**31.911**	**114.565**
Cash flows				
Premiums received	496.122	-	-	496.122
Claims, benefits and other expenses paid	-	-	(517.400)	(517.400)
Insurance acquisition cash flows	(18.577)	-	-	(18.577)
Total cash inflows/(outflows)	**477.544**	**-**	**(517.400)**	**(39.856)**
Investment components	(486.637)	-	486.637	-
Net insurance contracts as at 31/12/2024	**2.104.624**	**66.687**	**15.905**	**2.187.216**
Insurance contract liabilities as at 31/12/2024	2.104.799	66.669	15.905	2.187.373
Insurance contract assets as at 31/12/2024	(175)	18	-	(157)
Net insurance contracts as at 31/12/2024	**2.104.624**	**66.687**	**15.905**	**2.187.216**

Life Insurance contracts issued under General Model and Variable Fee approach - prior year

From 01/01 to 31/12/2023	**Liabilities for remaining coverage**		**Liabilities for incurred claims**	**Total General Model and Variable fee approach**
(amounts in € thousand)	**Excluding loss component**	**Loss component**		
Insurance contract liabilities as at 01/01/2023	1.749.665	90.016	12.402	1.852.083
Insurance contract assets as at01/01/2023	(1.528)	512	163	(853)
Net insurance contracts as at 01/01/2023	**1.748.137**	**90.528**	**12.564**	**1.851.230**
Insurance revenue	(43.978)	-	-	(43.978)
Insurance service expenses				
Incurred claims and benefits	-	(9.737)	10.262	525
Other directly attributable expenses	-	-	20.961	20.961
Amortisation of insurance acquisition cash flows	1.182	-	-	1.182
Losses on onerous contracts and reversals of those losses	-	1.434	-	1.434
Changes in incurred claims and benefits that relate to past service	-	-	(1.979)	(1.979)
	1.182	**(8.303)**	**29.243**	**22.121**
Insurance service result	**(42.796)**	**(8.303)**	**29.243**	**(21.856)**
Insurance contracts finance expenses	156.401	593	-	156.993
Total changes in the income statement and statement of comprehensive income	**113.605**	**(7.711)**	**29.243**	**135.137**
Cash flows				
Premiums received	449.753	-	-	449.753
Claims, benefits and other expenses paid	-	-	(307.685)	(307.685)
Insurance acquisition cash flows	(15.928)	-	-	(15.928)
Total cash inflows/(outflows)	**433.826**	**-**	**(307.685)**	**126.141**
Investment components	(280.635)	-	280.635	-
Other movements	140	(140)	-	-
Net insurance contracts as at 31/12/2023	**2.015.072**	**82.678**	**14.758**	**2.112.507**
Insurance contract liabilities as at 31/12/2023	2.015.271	82.668	14.756	2.112.695
Insurance contract assets as at 31/12/2023	(199)	10	1	(188)
Net insurance contracts as at 31/12/2023	**2.015.072**	**82.678**	**14.758**	**2.112.507**

Reconciliation of the measurement components of Life insurance contracts under General Model and Variable Fee approach - current year

From 01/01 to 31/12/2024	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total General Model and Variable fee approach
(amounts in € thousand)				
Insurance contract liabilities as at 01/01/2024	1.993.486	7.632	111.577	2.112.695
Insurance contract assets as at 01/01/2024	(985)	145	652	(188)
Net insurance contracts as at 01/01/2024	**1.992.501**	**7.778**	**112.229**	**2.112.507**
Changes that relate to future service				
Contracts initially recognised in the period	(56.646)	1.140	55.506	-
Changes in estimates that adjust the contractual service margin	33.302	545	(33.846)	-
Changes in estimates that do not adjust the contractual service Margin	(43.109)	51	-	(43.058)
	(66.453)	**1.736**	**21.660**	**(43.058)**
Changes that relate to current service				
Contractual service margin recognised for services provided	-	-	(16.970)	(16.970)
Adjustment for the non-financial risk recognized for the expired risk	-	(1.152)	-	(1.152)
Experience adjustments	33.934	-	-	33.934
	33.934	**(1.152)**	**(16.970)**	**15.812**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	**(2.023)**	**-**	**-**	**(2.023)**
Insurance service result	**(34.542)**	**584**	**4.690**	**(29.268)**
Insurance contracts finance expenses	**143.165**	**120**	**548**	**143.833**
Total changes in the income statement and statement of comprehensive income	**108.622**	**704**	**5.238**	**114.565**
Cash flows				
Premiums received	496.122	-	-	496.122
Claims, benefits and other expenses paid	(517.400)	-	-	(517.400)
Insurance acquisition cash flows	(18.577)	-	-	(18.577)
Total cash outflows	**(39.856)**	**-**	**-**	**(39.856)**
Net insurance contracts as at 31/12/2024	**2.061.267**	**8.482**	**117.467**	**2.187.216**
Insurance contract liabilities as at 31/12/2024	2.061.911	8.421	117.041	2.187.373
Insurance contract assets as at 31/12/2024	(644)	61	426	(157)
Net insurance contracts as at 31/12/2024	**2.061.267**	**8.482**	**117.467**	**2.187.216**

Reconciliation of the measurement components of Life insurance contracts under General Model and Variable Fee approach - prior year

From 01/01 to 31/12/2023	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total General Model and Variable fee approach
(amounts in € thousand)				
Insurance contract liabilities as at 01/01/2023	1.759.289	6.395	86.398	1.852.083
Insurance contract assets as at 01/01/2023	(1.427)	243	331	(853)
Net insurance contracts as at 01/01/2023	**1.757.862**	**6.638**	**86.730**	**1.851.230**
Changes that relate to future service				
Contracts initially recognised in the period	(39.788)	1.078	38.710	-
Changes in estimates that adjust the contractual service margin	(3.463)	493	2.970	-
Changes in estimates that do not adjust the contractual service Margin	(33.706)	64	-	(33.642)
	(76.957)	**1.635**	**41.680**	**(33.642)**
Changes that relate to current service				
Contractual service margin recognised for services provided	-	-	(16.637)	(16.637)
Adjustment for the non-financial risk recognized for the expired risk	-	(819)	-	(819)
Experience adjustments	31.222	-	-	31.222
	31.222	**(819)**	**(16.637)**	**13.766**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	(1.979)	-	-	(1.979)
Insurance service result	**(47.714)**	**816**	**25.043**	**(21.855)**
Insurance contracts finance expenses	**156.212**	**323**	**457**	**156.992**
Total changes in the income statement and statement of comprehensive income	**108.498**	**1.139**	**25.499**	**135.137**
Cash flows				
Premiums received	449.753	-	-	449.753
Claims, benefits and other expenses paid	(307.685)	-	-	(307.685)
Insurance acquisition cash flows	(15.928)	-	-	(15.928)
Total cash inflows	**126.141**	**-**	**-**	**126.141**
Net insurance contracts as at 31/12/2023	**1.992.501**	**7.778**	**112.229**	**2.112.507**
Insurance contract liabilities as at 31/12/2023	1.993.486	7.632	111.577	2.112.695
Insurance contract assets as at 31/12/2023	(985)	145	652	(188)
Net insurance contracts as at 31/12/2023	**1.992.501**	**7.778**	**112.229**	**2.112.507**

Life insurance contracts recognized in the period

(amounts in € thousand)	2024		2023	
	Non-Onerous	Onerous	Non-Onerous	Onerous
Insurance contracts issued				
- Estimates of insurance acquisition cash flows	9.364	-	6.995	1
- Claims, benefits and other directly attributable expenses	479.521	79	428.628	41
Estimate of present value of future cash outflows	488.885	79	435.623	42
Estimates of present value of future cash inflows	(545.531)	(79)	(475.409)	(44)
Risk adjustment for non-financial risk	1.140	-	1.074	4
CSM	55.506	-	38.712	-
Insurance contracts initially recognised in the period	**-**	**-**	**-**	**2**

Insurance revenue and contractual service margin by transition method - current year

From 01/01 to 31/12/2024	Contracts under modified retrospective approach	Contracts using the fair value approach	All other contracts	Total General Model and Variable fee approach
(amounts in € thousand)				
Contractual Service Margin as at 01/01/2024	**25.501**	**295**	**86.433**	**112.229**
Changes that relate to future service				
Contracts initially recognized in the period	-	-	55.506	55.506
Changes in estimates that adjust the contractual service margin	(4.901)	2.047	(30.993)	(33.846)
Changes that relate to current service				
Contractual service margin recognized for services provided	(4.910)	(430)	(11.629)	(16.970)
Insurance contract finance income	**76**	**2**	**470**	**548**
Total changes in the income statement and statement of comprehensive income	**(9.735)**	**1.620**	**13.353**	**5.238**
Contractual Service Margin as at 31/12/2024	**15.766**	**1.915**	**99.786**	**117.467**
Insurance revenue	**7.320**	**10.160**	**28.695**	**46.175**

Insurance revenue and contractual service margin by transition method - prior year

From 01/01 to 31/12/2023	Contracts under modified retrospective approach	Contracts using the fair value approach	All other contracts	Total General Model and Variable fee approach
(amounts in € thousand)				
Contractual Service Margin as at 01/01/2023	**34.553**	**192**	**51.985**	**86.729**
Changes that relate to future service				
Contracts initially recognized in the period	-	-	38.710	38.710
Changes in estimates that adjust the contractual service margin	(3.104)	435	5.638	2.970
Changes that relate to current service				
Contractual service margin recognized for services provided	(6.404)	(333)	(9.900)	(16.637)
Insurance contract finance income / (expenses)	**457**	**1**	**(1)**	**457**
Total changes in the income statement and statement of comprehensive income	**(9.051)**	**103**	**34.448**	**25.499**
Contractual Service Margin as at 31/12/2023	**25.501**	**295**	**86.433**	**112.229**
Insurance revenue	**13.228**	**10.692**	**20.058**	**43.978**

CSM expected recognition in profit or loss

Number of years until expected to be recognized *(amounts in € thousand)*	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
31/12/2024								
Life insurance contracts								
Life General Model	3.527	2.534	2.818	2.343	2.047	5.410	2.269	20.948
Life Variable Fee Approach	15.300	10.202	12.967	10.300	8.773	24.487	14.491	96.519
Contractual service margin	**18.827**	**12.735**	**15.785**	**12.643**	**10.819**	**29.897**	**16.760**	**117.467**
31/12/2023								
Life insurance contracts								
Life General Model	3.436	2.796	2.481	2.307	2.149	7.013	2.092	22.275
Life Variable Fee Approach	13.120	12.359	11.196	9.854	8.400	23.046	11.979	89.954
Contractual service margin	**16.556**	**15.155**	**13.677**	**12.161**	**10.549**	**30.059**	**14.072**	**112.229**

Life Insurance contracts issued under Premium Allocation Approach - current year

From 01/01 to 31/12/2024	Liabilities for remaining coverage		Liabilities for incurred claims		Assets for insurance acquisition cash flows	Total Premium Allocation approach
(amounts in € thousand)	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk		
Insurance contract liabilities as at 01/01/2024	2.159	848	50.462	1.771	(12.340)	42.899
Insurance contract assets as at 01/01/2024	(270)	-	38	-	-	(232)
Net insurance contracts as at 01/01/2024	**1.889**	**848**	**50.500**	**1.771**	**(12.340)**	**42.668**
Insurance revenue	(71.338)	-	-	-	-	(71.338)
Insurance service expenses						
Incurred claims	-	-	48.787	1.387	-	50.174
Other directly attributable expenses	-	-	8.999	-	-	8.999
Amortisation of insurance acquisition cash flows	19.889	-	-	-	-	19.889
Changes to liabilities for incurred claims	-	-	(2.981)	(1.094)	-	(4.075)
Losses on onerous contracts and reversals of those Losses	-	245	-	-	-	245
	19.889	**245**	**54.806**	**292**	**-**	**75.231**
Insurance service result	**(51.450)**	**245**	**54.806**	**292**	**-**	**3.893**
Total changes in the income statement	**(51.450)**	**245**	**54.806**	**292**	**-**	**3.893**
Cash flows						
Premiums received	92.005	-	-	-	-	92.005
Claims and other expenses paid	-	-	(52.701)	-	-	(52.701)
Insurance acquisition cash flows	(29.108)	-	-	-	(681)	(29.789)
Total cash inflows/(outflows)	**62.897**	**-**	**(52.701)**	**-**	**(681)**	**9.515**
Investment components	(3.255)	-	3.255	-	-	-
Release from asset for insurance acquisition cash flows	-	-	-	-	2.369	2.369
Other movements	(1.688)	-	-	-	-	(1.688)
Net insurance contracts as at 31/12/2024	**8.393**	**1.092**	**55.860**	**2.063**	**(10.652)**	**56.756**
Insurance contract liabilities as at 31/12/2024	8.829	1.092	55.782	2.063	(10.652)	57.114
Insurance contract assets as at 31/12/2024	(436)	-	78	-	-	(358)
Net insurance contracts as at 31/12/2024	**8.393**	**1.092**	**55.860**	**2.063**	**(10.652)**	**56.756**

Life Insurance contracts issued under Premium Allocation Approach - prior year

From 01/01 to 31/12/2023	Liabilities for remaining coverage		Liabilities for incurred claims		Assets for insurance acquisition cash flows	Total Premium Allocation approach
(amounts in € thousand)	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk		
Insurance contract liabilities as at 01/01/2023	2.248	267	44.665	1.493	(11.306)	37.368
Insurance contract assets as at 01/01/2023	(346)	-	19	-	-	(327)
Net insurance contracts as at 01/01/2023	**1.903**	**267**	**44.683**	**1.493**	**(11.306)**	**37.041**
Insurance revenue	(62.444)	-	-	-	-	(62.444)
Insurance service expenses						
Incurred claims	-	-	43.313	1.221	-	44.535
Other directly attributable expenses	-	-	8.290	-	-	8.290
Amortisation of insurance acquisition cash flows	15.848	-	-	-	-	15.848
Changes to liabilities for incurred claims	-	-	(2.497)	(943)	-	(3.440)
Losses on onerous contracts and reversals of those Losses	-	580	-	-	-	580
	15.848	**580**	**49.107**	**278**	**-**	**65.813**
Insurance service result	**(46.596)**	**580**	**49.107**	**278**	**-**	**3.369**
Total changes in the income statement	**(46.596)**	**580**	**49.107**	**278**	**-**	**3.369**
Cash flows						
Premiums received	75.358	-	-	-	-	75.358
Claims and other expenses paid	-	-	(47.558)	-	-	(47.558)
Insurance acquisition cash flows	(25.542)	-	-	-	(4.296)	(29.839)
Total cash inflows/(outflows)	**49.816**	**-**	**(47.558)**	**-**	**(4.296)**	**(2.038)**
Investment components	(4.268)	-	4.268	-	-	-
Release from asset for insurance acquisition cash flows	-	-	-	-	3.262	3.262
Other movements	1.034	-	-	-	-	1.034
Net insurance contracts as at 31/12/2023	**1.889**	**848**	**50.500**	**1.771**	**(12.340)**	**42.668**
Insurance contract liabilities as at 31/12/2023	2.159	848	50.462	1.771	(12.340)	42.899
Insurance contract assets as at 31/12/2023	(270)	-	38	-	-	(232)
Net insurance contracts as at 31/12/2023	**1.889**	**848**	**50.500**	**1.771**	**(12.340)**	**42.668**

NOTE 19: INVESTMENT CONTRACT LIABILITIES

(amounts in € thousand)	2024			2023		
	Unit Linked Contracts	Non Unit Linked Contracts	Total	Unit Linked Contracts	Non Unit Linked Contracts	Total
Investment contract liabilities as at 01/01	**17.562**	**567.074**	**584.636**	**15.254**	**557.939**	**573.193**
Contributions received	5.411	12.233	17.644	2.943	11.908	14.851
Benefits paid	(729)	(38.379)	(39.109)	(7.035)	(42.294)	(49.328)
Change in fair value	11.922	16.650	28.572	6.025	39.521	45.545
Investment return from Unit Linked underlying assets	517	-	517	376	-	376
Investment contract liabilities as at 31/12	**34.683**	**557.578**	**592.261**	**17.562**	**567.074**	**584.636**

NOTE 20: EMPLOYEE BENEFITS

The Company calculates an employee benefit obligation due to retirement for its employees who are entitled to a lump sum payment based on the number of years of service and the level of remuneration at the retirement date, provided they remain employed by the Company until the statutory retirement age, in accordance with labor legislation in Greece. According to the Company's policy, compensation is provided only at retirement age and the employer's obligation is allocated over the last 16 working years prior to retirement. Employee benefit obligations due to retirement usually 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 Company's employee benefit obligations due to staff leaving indemnities.

Movement of provision for staff leaving indemnities	**2024**	**2023**
(amounts in € thousand)		
Balance at 1 January	745	688
Benefits paid by the employer	(114)	(271)
Total expense recognized in the income statement	99	341
Actuarial (gains)/ losses recognized in OCI	15	(13)
Balance at 31 December	**745**	**745**

Amounts recognized in the income statement	**From 01/01 to 31/12/2024**	**From 01/01 to 31/12/2023**
(amounts in € thousand)		
Current service cost	57	60
Net interest	20	18
Curtailments / settlements / terminations	22	263
Total expense in income statement	**99**	**341**

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	**2024**	**2023**
Discount rate	3,00%	3,80%
Future salary increases	2,0 % to 3,0%	2,25% to 3,0%
Inflation	2,00%	2,25%
Expected remaining service life (years)	3,53	3,50

The sensitivity analysis based on reasonable changes to significant actuarial assumptions as at 31 December 2024, is as follows:

- An increase / (decrease) in the discount rate by 0,5% / (0,5%) would result in a (decrease) / increase in employee retirement benefit obligations by (€ 14,9) thousand / € 15,7 thousand.
- An increase / (decrease) in future salary increases by 0,5% / (0,5%) would result in an increase / (decrease) in employee retirement benefit obligations by € 15,7 thousand / (€ 14,9) thousand.
- A zero voluntary turnover rate would result in an increase in employee retirement benefit obligations by € 42,5 thousand.

NOTE 21: PROVISIONS AND OTHER LIABILITIES

(amounts in € thousand)	31/12/2024	31/12/2023
Agents and insurance brokers	10.996	6.860
Taxes	1.087	868
Social security	1.340	1.223
Other Creditors	2.583	2.507
Surrenders payable and claims settlement	32.952	27.794
Provisions	2.681	2.509
Other liabilities	6.907	7.466
Total of provisions and other liabilities	**58.547**	**49.227**

The line item “provisions” in the above table mainly includes the provision for unaudited tax years and other provisions.

NOTE 22: INSURANCE REVENUE

	Life insurance			
(amounts in € thousand)	General Model	Variable fee Approach	Premium Allocation Approach	Total
From 01/01 to 31/12/2024				
Insurance revenue from contracts not measured under PAA				
Expected claims, benefits and other insurance service expenses	10.440	16.002	-	26.442
Change in risk adjustment for non-financial risk for risk expired	964	188	-	1.152
CSM recognised for the services provided	3.915	13.054	-	16.970
Experience adjustments for premium receipts	4	9	-	13
Insurance acquisition cash flows recovery	697	901	-	1.599
Insurance revenue from contracts not measured under PAA	**16.021**	**30.154**	**-**	**46.175**
Insurance revenue from contracts measured under PAA	-	-	71.338	71.338
Insurance revenue	**16.021**	**30.154**	**71.338**	**117.514**
From 01/01 to 31/12/2023				
Insurance revenue from contracts not measured under PAA				
Expected claims, benefits and other insurance service expenses	14.043	12.046	-	26.089
Change in risk adjustment for non-financial risk for risk expired	687	133	-	820
CSM recognised for the services provided	3.674	12.964	-	16.637
Experience adjustments for premium receipts	(5)	(745)	-	(750)
Insurance acquisition cash flows recovery	543	639	-	1.182
Insurance revenue from contracts not measured under PAA	**18.941**	**25.037**	**-**	**43.978**
Insurance revenue from contracts measured under PAA	-	-	62.444	62.444
Insurance revenue	**18.941**	**25.037**	**62.444**	**106.422**

NOTE 23: INSURANCE SERVICE EXPENSES

(amounts in € thousand)	Life insurance			Total
	General Model	Variable fee Approach	Premium Allocation Approach	
From 01/01 to 31/12/2024				
Incurred claims and benefits	1.849	645	(50.174)	(47.679)
Other attributable expenses	(11.812)	(12.280)	(8.999)	(33.092)
Amortisation of insurance acquisition costs	(697)	(901)	(19.889)	(21.487)
Changes in incurred claims and benefits that relate to past service	2.023	-	4.075	6.098
(Losses) on onerous contracts and reversals of losses	4.188	79	(245)	4.022
Insurance Service Expenses	**(4.450)**	**(12.457)**	**(75.231)**	**(92.138)**

(amounts in € thousand)	Life insurance			Total
	General Model	Variable fee Approach	Premium Allocation Approach	
From 01/01 to 31/12/2023				
Incurred claims and benefits	(1.299)	775	(44.535)	(45.059)
Other attributable expenses	(12.574)	(8.386)	(8.290)	(29.251)
Amortisation of insurance acquisition costs	(543)	(639)	(15.848)	(17.029)
Changes in incurred claims and benefits that relate to past service	1.992	(13)	3.440	5.419
Losses on onerous contracts	(667)	(767)	(580)	(2.015)
Insurance Service Expenses	**(13.091)**	**(9.031)**	**(65.813)**	**(87.935)**

NOTE 24: NET EXPENSE FROM REINSURANCE CONTRACT HELD

(amounts in € thousand)	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Allocation of reinsurance premiums not measured under PAA		
Expected recovery for insurance service expenses incurred in the period	(292)	(268)
Change in the risk adjustment for non-financial risk	(2)	(54)
CSM recognized for the service provided	203	(30)
	(91)	**(353)**
Allocation of reinsurance premiums for contracts measured under PAA	(2.560)	(2.000)
Allocation of reinsurance premiums	**(2.651)**	**(2.352)**
Amounts recoverable from reinsurers		
Amounts recoverable for claims and other expenses incurred in the period	(221)	620
Changes in amounts recoverable arising from changes in liability for incurred claims	2.414	604
Changes in fulfilment cash flows which relate to onerous underlying contracts	(49)	35
Allocation recoverable from reinsurers	**2.144**	**1.258**
Net expense from reinsurance contracts held	**(507)**	**(1.094)**

NOTE 25: NET INVESTMENT INCOME

Net Investment income from financial assets	**From 01/01 to 31/12/2024**			**From 01/01 to 31/12/2023**		
(amounts in € thousand)	**Life Insurance (excl. Direct Participating)**	**Direct Participating**	**Total**	**Life Insurance (excl. Direct Participating)**	**Direct Participating**	**Total**
Interests and dividends						
Equities and mutual funds at FVTPL	10.030	517	10.546	2.762	373	3.135
Debt securities at FVTPL	4.946	-	4.946	11.719	-	11.719
Debt securities at FVTOCI	48.729	-	48.729	53.687	-	53.687
Debt securities at amortised cost	2.278	-	2.278	2.042	-	2.042
Cash and cash equivalents	1.420	-	1.421	1.068	2	1.070
Total	**67.404**	**517**	**67.920**	**71.277**	**376**	**71.652**
Net gains on financial assets at FVTPL						
Realised gains from equities	-	56	56	-	129	129
Realised gains / (losses) from mutual funds	(195)	25.771	25.576	1	434	435
Realised losses from debt securities	-	-	-	(44)	-	(44)
Unrealised gains from equities	66.474	11.466	77.940	81.656	5.693	87.349
Unrealised gains from mutual funds	27.553	74.816	102.369	39.916	65.362	105.277
Unrealised gains / (losses) from debt securities	(34)	-	(34)	3.245	-	3.245
Total	**93.798**	**112.109**	**205.907**	**124.773**	**71.618**	**196.391**
Net gains/(losses) on financial assets at FVTOCI						
Realised gains / (losses) from debt securities	13.693	-	13.693	(6.860)	-	(6.860)
Unrealised gains / (losses) from foreign exchange differences	(16.509)	-	(16.509)	7.496	-	7.496
Total	**(2.815)**	**-**	**(2.815)**	**637**	**-**	**637**
(Impairment provisions) / Reversal of impairment for credit risk coverage and other impairments						
Impairment provision for credit risk on financial assets at amortized cost	(3)	-	(3)	(15)	-	(15)
Impairment provision for investment in associate	(8.000)	-	(8.000)	-	-	-
Reversal of impairment provision for credit risk on financial assets at fair value through other comprehensive income	332	-	332	601	-	601
	(7.671)	**-**	**(7.671)**	**585**	**-**	**585**
Other investment income / (expenses)	**61**	**12.927**	**12.988**	**(45)**	**8.101**	**8.056**
Total net investment income from financial assets	**150.776**	**125.553**	**276.329**	**197.227**	**80.095**	**277.322**

The "impairment provision for investment in associate" amounting to € 8.000 thousand in 2024 (2023: € 0 thousand), relates to the impairment of the investment in the associate company Grivalia Hospitality S.A. For further information, see Note 8.

Other investment income amounting to € 12.927 thousand (2023: € 8.101 thousand) relates to fees from the management of Unit-Linked contracts.

Net Investment income from investment contract liabilities	**From 01/01 to 31/12/2024**	**From 01/01 to 31/12/2023**
(amounts in € thousand)		
Change in fair value of unit linked investment contracts	(12.439)	(6.401)
Change in fair value of non-unit linked investment contracts	(16.650)	(39.521)
Total revaluation losses on investment contracts	**(29.089)**	**(45.921)**

NOTE 26: NET INSURANCE FINANCE INCOME / (EXPENSES)

(amounts in € thousand)	From 01/01 to 31/12/2024			From 01/01 to 31/12/2023		
	Life Insurance (excl. Direct Participating)	**Direct Participating**	**Total**	**Life Insurance (excl. Direct Participating)**	**Direct Participating**	**Total**
Insurance finance expenses from insurance contracts issued						
Changes in fair value of underlying assets of contracts measured under the VFA	-	(111.106)	(111.106)	-	(73.347)	(73.347)
Accrued interest	(16.204)	-	(16.204)	(13.256)	-	(13.256)
Effect of changes in interest rates and other financial assumptions	(16.523)	-	(16.523)	(70.390)	-	(70.390)
Total finance expenses from insurance contracts	**(32.727)**	**(111.106)**	**(143.833)**	**(83.646)**	**(73.347)**	**(156.993)**
Out of which:						
Amounts recognised in profit or loss	(16.204)	(111.106)	(127.310)	(13.256)	(73.347)	(86.603)
Amounts recognised in OCI	(16.523)	-	(16.523)	(70.390)	-	(70.390)
Reinsurance finance expenses from reinsurance contracts held						
Accrued Interest	(1)	-	(1)	1	-	1
Effect of changes in interest rates and other financial assumptions	(82)	-	(82)	(10)	-	(10)
Changes in risk non-performance reinsurer	-	-	-	-	-	-
Total insurance finance expenses from reinsurance contracts	**(83)**	**-**	**(83)**	**(8)**	**-**	**(8)**
Out of which:						
Amounts recognised in profit or loss	(83)	-	(83)	(8)	-	(8)
Net insurance finance result	**(32.810)**	**(111.106)**	**(143.916)**	**(83.654)**	**(73.347)**	**(157.002)**
Out of which:						
Amounts recognised in profit or loss	(16.287)	(111.106)	(127.392)	(13.264)	(73.347)	(86.612)
Amounts recognised in OCI	(16.523)	-	(16.523)	(70.390)	-	(70.390)

The following table presents the relationship between insurance finance income or (expenses) and the net investment income on financial assets recognized in profit or loss and OCI.

(amounts in € thousand)	From 01/01 to 31/12/2024			From 01/01 to 31/12/2023		
	Life Insurance (excl. Direct Participating)	**Direct Participating**	**Total**	**Life Insurance (excl. Direct Participating)**	**Direct Participating**	**Total**
Net Investment income from financial assets and investment contract liabilities	**99.064**	**113.114**	**212.177**	**213.961**	**73.694**	**287.656**
Out of which:						
Amounts recognised in profit or loss	134.126	113.114	247.239	157.706	73.694	231.400
Amounts recognised in OCI	(35.062)	-	(35.062)	56.255	-	56.255
Net insurance finance expenses	**(32.810)**	**(111.106)**	**(143.916)**	**(83.654)**	**(73.347)**	**(157.002)**
Out of which:						
Amounts recognised in profit or loss	(16.287)	(111.106)	(127.392)	(13.264)	(73.347)	(86.612)
Amounts recognised in OCI	(16.523)	-	(16.523)	(70.390)	-	(70.390)

NOTE 27: INSURANCE SERVICE EXPENSES AND OTHER OPERATING EXPENSES

	From 01/01 to 31/12/2024			
(amounts in € thousand)	**Expenses attributed to insurance acquisition cash flows**	**Other directly attributable expenses**	**Other operating expenses**	**Total**
Commissions and fees	(16.634)	(9.730)	-	(26.364)
Employee expenses	(2.229)	(7.275)	(1.158)	(10.663)
Claims adjustment expenses	-	(1.755)	-	(1.755)
Depreciation and amortisation	(199)	(1.603)	(410)	(2.212)
Audit, legal and other professional fees	(2)	(11)	(1.153)	(1.166)
Advertising expenses	(215)	(250)	(1.892)	(2.357)
Lease expenses	(6)	(21)	(3)	(30)
Administrative expenses	(1.289)	(8.077)	(1.999)	(11.365)
Investment expenses	-	(2.796)	(2.887)	(5.682)
Other expenses	(913)	(1.574)	(2.211)	(4.698)
Total expenses	**(21.487)**	**(33.092)**	**(11.714)**	**(66.292)**

	From 01/01 to 31/12/2023			
(amounts in € thousand)	**Expenses attributed to insurance acquisition cash flows**	**Other directly attributable expenses**	**Other operating expenses**	**Total**
Commissions and fees	(10.650)	(7.079)	-	(17.730)
Employee expenses	(3.120)	(6.384)	(866)	(10.370)
Claims adjustment expenses	-	(1.727)	-	(1.727)
Depreciation and amortisation	(262)	(1.368)	(281)	(1.912)
Audit, legal and other professional fees	(4)	(12)	(1.203)	(1.219)
Advertising expenses	(137)	(100)	(1.176)	(1.413)
Lease expenses	(13)	(32)	(4)	(49)
Administrative expenses	(1.588)	(9.241)	(2.086)	(12.915)
Investment expenses	-	(1.851)	(1.818)	(3.669)
Other expenses	(1.254)	(1.457)	(2.354)	(5.066)
Total expenses	**(17.029)**	**(29.251)**	**(9.789)**	**(56.069)**

The average number of the Company's employees for 2024 amounts to 179 employees (2023: 175 employees).

On 30 December 2021, the Boards of Directors of the companies of the Eurolife FFH Group decided the establishment of the Professional Insurance Fund of Eurolife FFH Group Companies and Partners N.P.I.D. (the "Fund"), through which all employees of the Company are eligible to participate as members and for which the Company pays the employer's contributions. Additionally, insurance intermediaries with a valid cooperation agreement with the Company are eligible to participate in the Fund. The Company, during the first 5 years, covers the Fund's expenses, on a pro rata basis.

External Auditors

The fees to the independent auditors are included in other operating expenses. In 2024, the Company received the relevant services from the audit firm "KPMG", while in 2023, the respective services were provided by "PricewaterhouseCoopers". The fees relating to audit and other services for the years 2024 and 2023 are analyzed as follows:

(amounts in € thousand)	**From 01/01 to 31/12/2024**	**From 01/01 to 31/12/2023**
Statutory Audit	(109)	(107)
Tax audit-article 65a, law 4987/2022	(40)	(34)
Other audit related assignments	(34)	(156)
Non audit assignments	(3)	(4)
Total fees	**(186)**	**(300)**

NOTE 28: INCOME TAX EXPENSE

(amounts in € thousand)	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Current Income tax		
Current tax on profits for the year	(14.836)	(6.199)
Adjustment on previous years' income tax	566	62
Total current income tax	**(14.270)**	**(6.136)**
Deferred tax		
Increase / (decrease) in deferred tax asset	2.563	(1.386)
Increase in deferred tax liability	(20.231)	(26.799)
Total deferred tax expense	**(17.668)**	**(28.186)**
Total income tax	**(31.938)**	**(34.322)**

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% for the 2021 tax year onwards.

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

(amounts in € thousand)	From 01/01 to 31/12/2024	From 01/01 to 31/12/2023
Profit before tax	133.002	152.393
Income tax at applicable tax rate 22,0% (2023: 22,0%)	(29.260)	(33.526)
Tax effect of amounts which are not deductible in calculating taxable income:		
Provisions	4	3
Non tax deductible expenses	(3.247)	(862)
Adjustment on previous years' income tax and other adjustments	566	62
Total income tax	**(31.938)**	**(34.322)**
Effective tax rate	**24,0%**	**22,5%**

NOTE 29: 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 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)	31/12/2024		From 01/01 to 31/12/2024	
Eurobank	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	27.164	-	705	-
Insurance operations[1]	-	9.417	20.459	20.209
Other transactions	-	73	-	1.379
Totals	**27.164**	**9.490**	**21.164**	**21.588**

((amounts in € thousand)	31/12/2024		From 01/01 to31/12/2024	
Other Related Parties	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	97	-	-	-
Insurance operations[1]	229	256	1.683	1.538
Investment operations	2.333	-	7.781	5.190
Other transactions	42	17	235	822
Totals	**2.700**	**273**	**9.700**	**7.551**
Transactions with key management personnel [2]	**2**	**293**	**79**	**9**
Remuneration and benefits of key management personnel				**3.815**

((amounts in € thousand)	31/12/2023		From 01/01 to 31/12/2023	
Eurobank	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	39.285	-	1.143	-
Insurance operations[1]	-	5.822	18.935	16.221
Other transactions	-	433	-	1.290
Totals	**39.285**	**6.255**	**20.078**	**17.512**

((amounts in € thousand)	31/12/2023		From 01/01 to31/12/2023	
Other Related Parties	**Receivables**	**Payables**	**Revenue**	**Expenses**
Deposits on demand & time deposits	86	-	-	-
Insurance operations[1]	295	185	1.773	1.397
Investment operations	1.868	-	5.395	6.009
Other transactions	41	16	237	763
Totals	**2.290**	**201**	**7.405**	**8.169**
Transactions with key management personnel [2]	**2**	**266**	**61**	**13**
Remuneration and benefits of key management personnel				**4.011**

[1]The revenues and receivables from Insurance operations mainly include the balances from the insurance premium transactions collected by the Company, while the expenses and liabilities mainly include the balances from the transactions of commissions, over-commissions and bonuses paid by the Company to partners.

[2]Transactions with members of Management are within the normal course of insurance business and mainly include premiums and commissions received and paid by the Company.

The above table does not include dividend payments of the Company to its shareholder in 2024 and 2023. These transactions are described in detail in Note 31 “Dividends”.

As of 31 December 2024, loans to members of the Management amounted to €4 thousand (31 December 2023: € 45 thousand).

The Company holds investments in bonds, mutual funds, and shares issued by related parties. Specifically, as of 31 December 2024, the fair value of these bonds amounted to € 12.093 thousand (31 December 2023: € 108.940 thousand), the mutual funds amounted to € 1.599.588 thousand (31 December 2023: € 1.347.150 thousand), and the shares amounted to € 154.432 thousand (31 December 2023: € 114.866 thousand).

NOTE 30: COMMITMENTS AND CONTINGENT LIABILITIES

Legal issues

As at 31 December 2024, there were no pending legal claims against the Company, nor any other contingent liabilities or commitments that could materially affect the Company's financial position.

Unaudited Tax Years

In accordance with Greek tax legislation and the relevant Ministerial Decisions, the tax authorities are entitled to issue an administrative, estimated, or corrective tax assessment within five years from the end of the year in which the tax return filing deadline expires. Consequently, based on the above, the Company generally has up to six unaudited tax years.

For the fiscal years starting from 1 January 2016 onwards, in accordance with Law 4987/2022, it is provided on an optional basis for Greek companies whose annual financial statements are subject to statutory audit, to obtain an annual tax compliance certificate.

This certificate is issued following the performance of a relevant tax audit by the statutory auditor or audit firm that audits the annual financial statements. The Company will continue to obtain it.

According to Greek tax legislation, companies for which tax compliance certificates have been issued without remarks for violations of tax legislation for the last six unaudited fiscal years are not exempt from the imposition of additional taxes and penalties by the Greek tax authorities following the completion of a tax audit.

In light of the above, as at 31 December 2024, in principle, the right of the Greek State to impose taxes up to and including the fiscal year 2018 has lapsed for the Company.

The Company has obtained a tax compliance certificate without reservation for the fiscal years 2016–2023. For the fiscal year 2024, the tax audit within the framework of the tax compliance certificate is in progress. Upon its completion, the Company's Management does not expect significant tax liabilities to arise beyond those already recorded and reflected in the financial statements.

Due to the existence of unaudited tax years, it is possible that additional taxes and penalties may be imposed, the amounts of which cannot be accurately determined at this time. However, it is estimated that they will not have a material impact on the Company's Statement of Financial Position, as the Company recognizes provisions for additional taxes and penalties that may arise from future tax audits.

NOTE 31: DIVIDENDS

Dividends are recognized as a liability following the decision of the Shareholder's General Meeting.

On 20 October 2023, the Extraordinary General Meeting of the Company's sole shareholder resolved the distribution of a dividend to the shareholder Eurolife FFH Insurance Group Holdings S.A. in the total amount of € 39.983 thousand. The dividend distribution was made from retained earnings of previous years. The amount was paid to the shareholder on 24 October 2023.

On 25 October 2024, the Extraordinary General Meeting of the Company's sole shareholder resolved the distribution of a dividend to the shareholder Eurolife FFH Insurance Group Holdings S.A. in the total amount of € 71.000 thousand. The dividend distribution was made from retained earnings of previous years. The amount was paid to the shareholder on 21 November 2024.

NOTE 32: EVENTS AFTER THE REPORTING DATE

On 15 January 2025, the Company announced that will set the average premium adjustment rate for its portfolio of lifetime health insurance programs at approximately 50% of the health index published by the Foundation for Economic and Industrial Research ("IOBE"), by ensuring, at the same time, that the maximum premium increase per customer remains in a single digit, with no impact on the Company's net assets.

In the first quarter of 2025, the USA announced and implemented a series of tariff measures initially against Canada, Mexico, and China, and subsequently against steel and aluminum exports from the EU. As expected, all these economies responded with corresponding countermeasures. The USA tariff burdens did not have a significant impact on the activity, capital position and valuations of the Company's investment portfolios, as the initial sharp fluctuations triggered in the stock markets by the related announcement have subsided. Even if the financial conditions have improved, they remain vulnerable to negative developments that could impair global economic prospects. Management closely monitors developments and periodically assesses the potential impacts on the Company's operations and financial position.

There are no other significant subsequent events that need to be reported.