Annual Financial Report

Eurolife FFH General Insurance S.A.

For the year ended
31 December 2021

Eurolife FFH Insurance Group

A FAIRFAX Company

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

The Board of Directors presents their report together with the Annual Financial Statements for the year ended 31 December 2021.

Developments in the Greek economy in 2021: significant recovery, potentially covering prior year losses.

In 2021 Greek economy marked a strong GDP recovery setting the foundations for a sustainable growth as of 2022 and for a number of years forward. According to the latest data published by the Hellenic Statistical Authority (ELSTAT), the growth rate for 2021 is estimated at 8,3%. This increase is one of the highest in the Eurozone and adverses the deep recession of the previous years. The significant recovery is mainly due to the increase in consumption, accompanied by a high increase in exports of both goods and services, as well as a decrease in unemployment.

Inflationary pressure escalated at the end of 2021. Its dynamics are no longer solely affected by rising energy prices, but are also impacted by the disruptions this has caused to supply chains, as well as its effects on the production cost of other products and services. These developments are slowing down the global economic recovery. At the beginning of 2022, it was announced that new measures would be applied, in order to contain the effects of rising energy prices. As long as energy prices remain high, subsidies to households and businesses are expected to continue.

A significant part of the European economy is already exercising pressure for increased interest rates to soothe inflation. In addition to the aforementioned drawbacks, there is a risk that an excessively rapid increase in the cost of money will downgrade the overall growth prospects, especially in economies with high debt such as the greek.

Development of the Greek insurance market in 2021

The greek insurance market, was positively affected, as anticipated, by the aforementioned growth rates. The production of insurance premiums(1), amounted to € 4,3 billion, increased by 7,7% compared to 2020.

More specifically, in the greek insurance market, according to available data[(1)], the total insurance premium production amounted to € 4.264,0 mil. (2020: € 3.924,3 mil.), of which € 2.263,5 mil. is attributed to general insurance business and € 2.000,5 mil. to life insurance business. Compared to 2020, insurance premium production increased by approximately 7,7% in 2021 (2020:-3,7%). In particular, general insurance increased by 5,7% (2020: 0,4%), while life insurance increased by 10,0% (2020: -8,0%). Regarding the non-life insurance business, the non-motor lines of business recorded an increase of 9,1% compared to 2020, while the motor insurance business recorded a decrease of -1,0%. Regarding life insurance lines of business, life insurance policies linked to investments (unit-linked products) grew by 57,7%, while deposit administration funds products increased by 3,0% and the traditional life insurance products decreased by 4,5%.

The following table presents the production of insurance premiums of the Greek market [(1)] per insurance line of business for the year 2021 and the respective variations compared to 2020.

Insurance premiums of the Greek Market	**2021**	**%**	**Change % compared to 2020**
(amounts in € mil.)			
Life traditional	1.165	27%	-4,5%
Life insurance linked to investments (Unit Linked)	630	15%	57,7%
Management of group pension funds	206	5%	3,0%
Motor vehicle liability	727	17%	-1,0%
Other Non Life	1.536	36%	9,1%
Total gross written premiums	**4.264**	**100%**	**7,7%**

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

For yet another year, the greek insurance market strengthened its capital adequacy. Equity of greek insurance entities has more than doubled since 2012, overcoming €3 billion.

In addition, the adoption of two new financial reporting standards, IFRS 17 "Insurance Contracts" (IFRS 17) and IFRS 9 "Financial Instruments" (IFRS 9) effective by 01/01/2023, will play a major role. In particular, the transition to IFRS 17 will be one of the most significant changes of the last 20 years for insurance companies, as a total revision of financial statements is required. Insurance companies are already preparing to be able to adopt the new standards starting from 1/1/2023. It is expected that there will be a significant impact on their financial results while at the same time examining both personnel and infrastructure issues in order to support these new standards.

Requirements differ significantly from the existing, with direct impact on the following:

- Change in the recognition of profitability.
- Increase in the complexity of valuation methods and assumptions.
- Increase in the volume of data required.

Changes imposed by the standards are expected to affect the Company as a whole.

Financial Results Review

2021 was another successful year for Eurolife FFH General Insurance S.A. ("The Company"), during which strong capital position was maintained for another year.

Financial Figures of the Company

Key financial figures

(amounts in € mil.)	2021	2020 Restated
Gross written premiums	60,6	64,1
Gross earned premiums	63,9	68,1
Total Investment Income [1]	(0,0)	6,8
Administrative Expenses *(excluding interest & other investment expenses)*	(16,0)	(16,5)
Profit Before Tax	7,7	18,2
Income Tax	(2,2)	(4,9)
Profit for the year	5,5	13,3
Total assets	192,2	192,3
Equity	75,9	71,8
Insurance Provisions	96,7	99,9
Number of Employees at 31 December	168	160

[1] Total investment income comprises of the sum of the Income Statement lines: Investment income, Realized Gains/ (Losses) on financial assets, Fair value Gains/ (Losses) on financial assets and Gains/ (Losses) on derivatives.

Financial Ratios

(amounts in € mil.)	2021	2020 Restated
Return on Equity after tax (ROE)	7,5%	19,6%
Return on Assets before tax (ROA)	4,0%	9,6%
Profit margin before tax	12,7%	28,3%
Operating Expense Ratio (*excluding interest and other investment costs*)	26,4%	25,7%
Acquisition costs ratio	21,7%	19,4%
Net Loss ratio of general insurance business	28,0%	28,1%

Financial Ratios Glossary

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

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

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

Operating expense Ratio: Operating Expenses excluding interest and other investment related expenses divided by the annualized premium equivalent.

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

Net Loss ratio: Incurred claims (net of reinsurance share) divided by the net earned premiums.

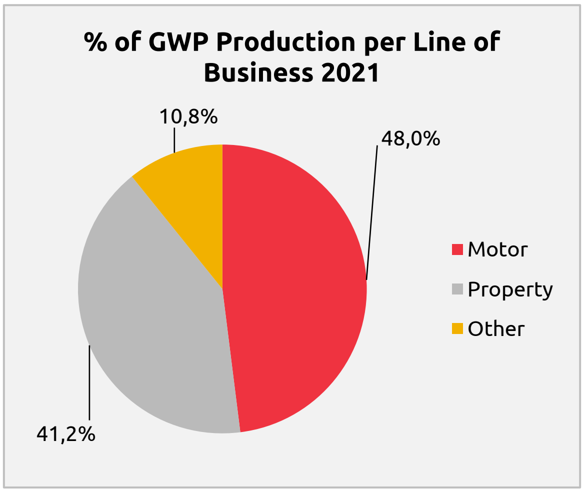
Gross written premiums

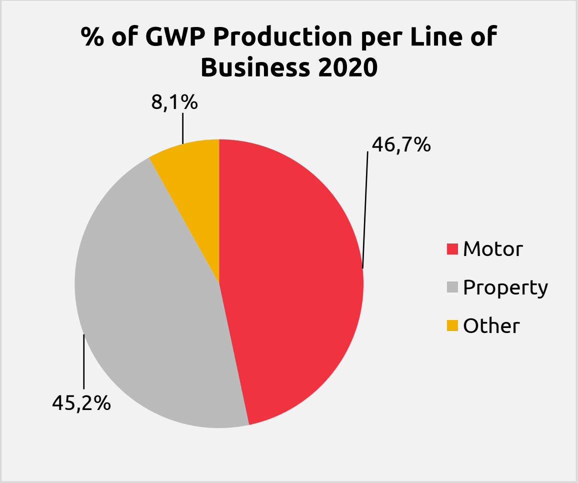
In the fiscal year 2021, the total insurance premium production of the Company reached € 60,5 mil., showing a decrease of 5,6% compared to 2020 (2020: € 64,1 mil.).

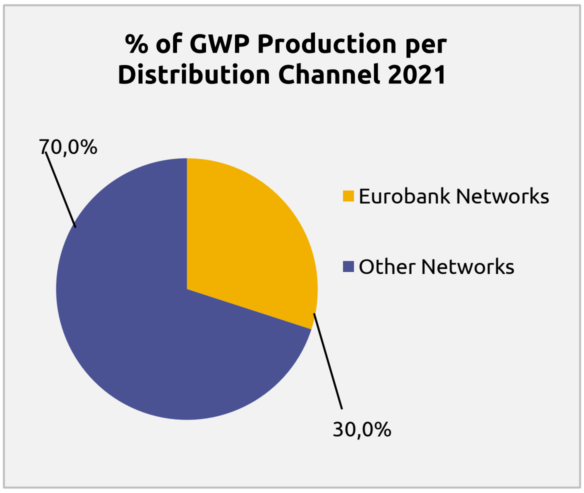
Specifically, the insurance premium production in the property sector showed a decrease of € 4,1 mil. (a decrease of 14% compared to 2020).

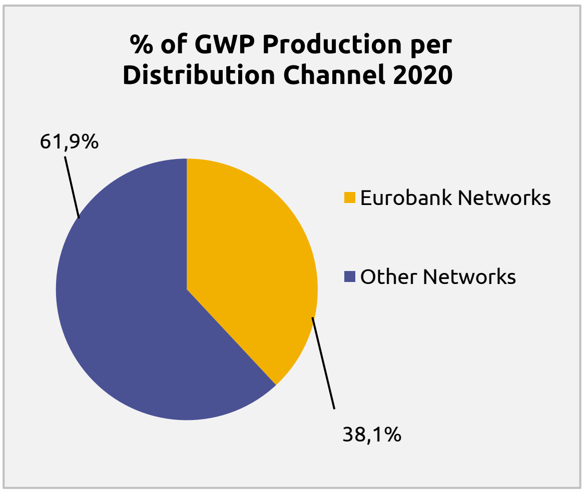
In terms of market shares, Eurolife FFH General Insurance S.A. gathered 2,7%[2] of the total market (2020: 3,0%) in 2021.

The following charts present the gross written premium production per line of business and per distribution channel for the years 2021 and 2020, respectively.









Total investment income/(expenses)

The total investment income/(expenses) of the Company amounted to € -0,37 mi. in the year 2021 compared to € 6,8 mil. in the previous year. This change is mainly due to the increased realised gains from the sale of Greek Government Bonds recorded by the Company in the fiscal year 2020.

[2] Based on the production of insurance premiums published by the Association of Insurance Companies of Greece which includes data only for insurance companies that are members of it. (http://www1.eaee.gr/paragogi-asfalistron)

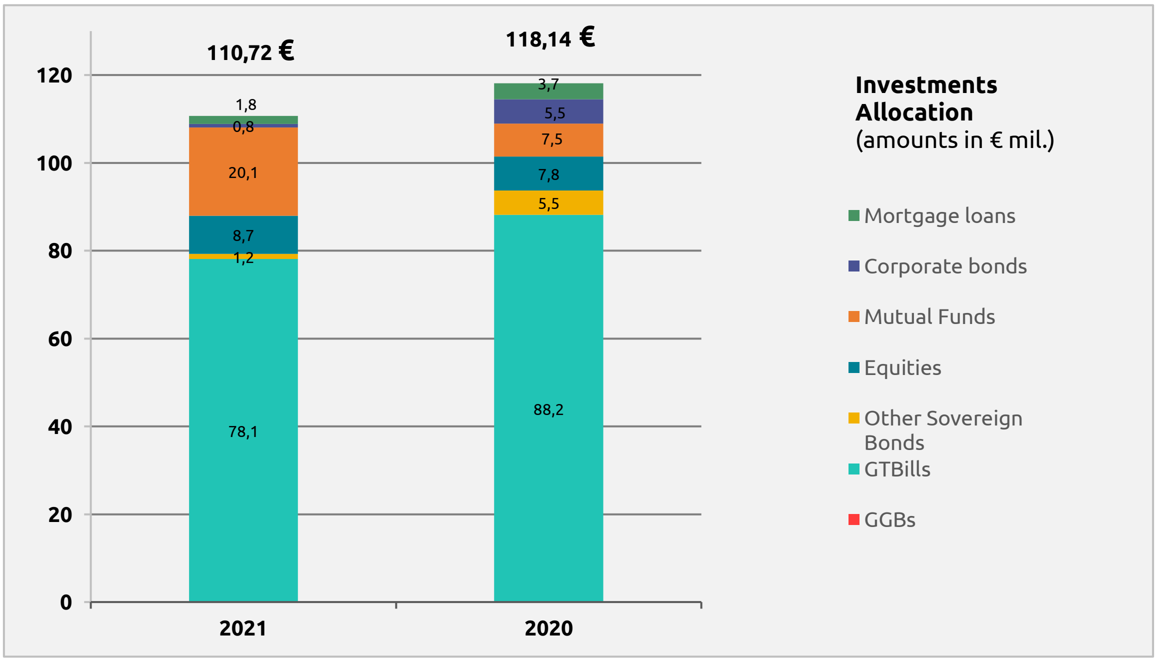
The following tables present the analysis of total investment income by category of financial data in the fiscal year 2021 and 2020:

31/12/2021	Investment Income/(Expenses)	Realized gains / (losses)	Fair value gains / (losses)	(Losses) on derivatives	Total
(amounts in € thousand)					
Bonds	(120)	11	24	-	**(85)**
Equities	164	(1.070)	595	-	**(312)**
Mutual Funds	171	144	(27)	-	**288**
Loans	13	-	-	-	**13**
Deposits [1]	63	-	-	-	**63**
Other	124	-	-	(130)	**(5)**
Total Investment Income/(expenses)	**416**	**(915)**	**592**	**(130)**	**(37)**

31/12/2020	Investment Income/(Expenses)	Realized gains / (losses)	Fair value gains / (losses)	Gains on derivatives	Total
(amounts in € thousand)					
Bonds	1.063	6.931	7	-	**8.002**
Equities	184	-	(956)	-	**(772)**
Mutual Funds	4	0	-	-	**4**
Loans	16	-	-	-	**16**
Deposits [1]	(525)	-	-	-	**(525)**
Other	108	-	-	**7**	**115**
Total Investment Income/(expenses)	**851**	**6.931**	**(949)**	**7**	**6.840**

[1] Includes foreign exchange differences of amount € 60 thousand as at 31 December 2021 and € (570) thousand as at 31 December 2020.

The allocation of the Company's investment portfolios per asset class at 31 December 2021 and 31 December 2020 is as follows:



Financial Results

Profit before tax amounted to € 7,7 mil. in 2021, showing a decrease of 57,6% compared to 2020 (2020: € 18,2 mil.). The decrease is mainly attributed to the increased realized gains recorded in 2020 by the Company due to the sale of a large portion of the Greek Government Bonds portfolio. Furthermore, the general insurance net loss ratio decreased to 28,0% in 2021 compared to 28,1% in

2020, due to the decreased net accrued premiums in the property line of business sector, while the acquisition costs ratio increased to 21,7% compared to the previous year (2020: 19,4%).

Share Capital- Equity- Main Shareholders

The share capital of the Company on 31 December 2021 amounts to € 3.064 thousand, divided into 49.800 common registered voting shares with a nominal value of € 61,53 each. All common registered shares have been issued and the share capital is fully paid. The Company is a subsidiary of Eurolife FFH Insurance Group Holdings S.A. which holds 100% of its share capital.

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

Following the completion of the Transaction, the control of Eurolife FFH Insurance Group Holdings S.A. passed to Costa Luxembourg Holding S.à.r.l. Costa is domiciled in Luxembourg and was jointly controlled until the 14th of July 2021 by Colonnade Finance S.à.r.l, member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.à.r.l. On July 14th, 2021, Colonnade Finance S.àr.l exercised its option to purchase the remaining shares in Costa from OPG Commercial Holdings (Lux) S.à.r.l. Costa is now wholly owned by Colonnade Finance S.à.r.l. The remaining 20% of the share capital of the Company is held by Eurobank SA. (hereinafter referred to as "Eurobank") which is a related party.

The equity of the Company as at 31 December 2021 amounted to € 75,9 mil. compared to € 71,8 mil. for 2020.

Dividend Distribution

On 30 July 2021, the Annual Shareholders' General Meeting of the Company decided the distribution of a dividend to the shareholder Eurolife FFH Insurance Group amounting to € 5.000 thousand. The dividend was derived from the profits of the year ended 31 December 2020. The dividend was paid to the shareholder on 6 August 2021.

Subsidiaries

During 2021 the insurance premium production of the Company's subsidiary in Romania under the name "Eurolife FFH Asigurari Generale S.A.", which started operating in September 2007 and sells its products through a bancassurance network increased to €1,97 mil. compared to €1,4 million in 2020. For the year 2021, the losses before tax amounted to €596 thousand (2020: losses €568 thousand), while the losses for the year amounted to €504 thousand (2020: losses €489 thousand).

With the decision of 02.12.2020 of the Extraordinary General Meeting of Shareholders of the subsidiary Eurolife FFH Asigurari Generale S.A., the subsidiary increased its share capital by € 999 thousand (RON 4.871 thousand) by issuing 3.446 new shares with a nominal value of € 290 (RON 1.413,6), covered by its shareholders, Eurolife FFH General Insurance S.A. (95,3%) and Eurolife FFH Life Insurance S.A. (4,7%). After the increase, the share capital of the subsidiary amounts to € 5.779 thousand (RON 22.230 thousand).

Management of insurance and financial risks

Risk Management Framework

The existence of an effective risk management framework is considered by the Company, as 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 financial risk management framework is reviewed and updated where and when it is required, taking into consideration the Company's experience, the market dynamics and its alignment with the regulatory requirements. In this context, a Risk, Asset-Liability & Investment Management Committee has been established overseeing 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 risk management framework supported by the methodology and the procedures for identifying, measuring, monitoring, controlling and reporting the risks. 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 Control Function which falls into the 3rd line of defense.

The Company, due to the nature of its operations, is mainly exposed to the following risks: underwriting & reserving (insurance), market, credit, liquidity, operational, concentration, strategic and reputational.

Insurance Risk

Insurance risk is the risk inherent in every insurance contract and relates to the possibility that the insured event occurs as well as the uncertainty surrounding the resulting claim. The general insurance portfolio covers nearly all insurance types dealing with losses and damages.

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

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

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

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

Managing the insurance risks of General Insurance products

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

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

Management of insurance risks also includes establishment of a maximum level of risk accumulation and a maximum level of loss per risk or event that will be charged in Company's financial results . Any excess amounts are, in both cases, subject to reinsurance cessions through reinsurance treaties or facultative cessions.

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

Moreover, claims' management is also a significant process related to underwriting risks. The estimated cost of claims also includes the cost of claims' handling. In this context, appropriate procedures have been established for the management of claims announcements to cover the entire processing cycle: announcement, receipt, assessment, processing and settlement, complaints and dispute settlement and reinsurance recoverable.

Finally, through monitoring reserves maintained it is ensured that the Company has the ability to pay its obligation for each insured person. On a semi-annual basis, the future cost of losses is estimated and the required technical reserve is formed. Technical reserves include IBNR losses reserve, as well as the cost for handling claims. For future losses, the Company also estimates the adequacy of insurance contracts and builds unexpired risk reserve (URR).

Market Risk

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

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

Interest rate risk: is the risk related to the change in the direction, fluctuation or correlation of interest rates, the shape of the yield curve and the variance between different interest rates which affects the assets and the liabilities.

Currency risk: is the risk related to the change in the direction, fluctuation or correlation of currency exchange rates which affect the assets and the liabilities.

Equity risk: The Company holding positions in shares and equity mutual funds, is exposed to equity risk due to fluctuations in equity market prices.

Market risk concentration: The Company is exposed to this risk due to investment 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 and liabilities. The Company is exposed to this category through placements in time deposits and corporate bonds.

Assessment and risk mitigation techniques used for market risks

From a quantitative perspective, the Company monitors market risk on an ongoing basis, by measures defined in the individual risk management policies. To this end:

- An Investment Strategy and an Investment Risk Management Policy have been established and implemented, on which the Company's investment activity is based
- The exposure of the asset portfolio in each sub category of market risk is monitored and limits per asset category have been set.

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

Credit Risk

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

Credit risk in bonds is related to the inability of the issuer to meet its financial obligations to settle the face value and coupons of the bond upon maturity.

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

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

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

Assessment and risk mitigation techniques used for credit risk

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

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

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

Liquidity risk

Liquidity risk is the risk arising from the prospect that the Company will be are unable to liquidate investments and other assets in order to meet its financial obligations as they become due.

Factors such as a financial crisis or a pandemic could potentially influence policyholders' behavior. In such cases customers tend to proceed with the surrender of their policies or with claims resulting in large cash outflows for the Company. In order to deal with such a contingency, the Company retains sufficient assets that can be immediately liquidated, as well as reinsurance treaties covering catastrophic risks. The Company's liquidity position is closely monitored on a daily basis.

Assessment and risk mitigation techniques used for liquidity risks

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

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

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or/and 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, to assess/quantify exposures, to identify the manifestations of operational risk events, to determine the tolerance limits and, where necessary, to reduce the exposure to acceptable levels.

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

The Company's Operational Risk Management Framework includes methodologies related to: Risk Control Self-Assessment, Scenario Assessment, FRA Risk Assessment (FRA), External Assignment Assessment (ORA), in the evaluation of cloud computing service providers, in the conduct risk assessment of business practices (conduct risk assessment), in the management of operational risk events (operational losses) and is described in respective documents and / or policies.

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

- Establishment of the Operational Risk Management 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 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.

Capital Adequacy

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

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 as required by the supervisory framework. Results are submitted to the Supervisor Authority. In addition, the SCR capital adequacy ratio is estimated on a constant 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 on the one hand in the macroeconomic environment and on the other hand in the internal environment, in order to assess the resilience of the future status of the available funds (at Greek insurance entities level).

It is noted that as at 31 December 2021 and 31 December 2020, the eligible own funds of the Company exceed the Solvency Capital Requirement (SCR).

Labor issues

The Company's employees are an important asset for its success and development. As at 31 December 2021, the Company employed 168 employees. Gender and age distribution reflects the defense of equal opportunities that the Company stands for. In particular, the gender distribution of the Company is balanced, with the percentage of women being 56% of the total number of employees.

The Company is committed to provide equal opportunities for employment and to comply with the related legislation on employment opportunities. The Company rejects all forms of social exclusion and is committed to providing equal opportunities for employment, training and development to all employees, regardless of demographics, social and other characteristics and aspects, diversity or minority, and based solely on the objective assessment of competencies and other labor-related performance criteria.

Training and professional competence of our people is an important pillar for the Company. Specifically, the skills, know-how and 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 appraisal is performed in such a way as to ensure the meritocracy, transparency and objectivity of the process.

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

Health and safety are one of the highest priorities of the Company in order to make work safe, improve the quality of employees' working life and prevent related risks. More specifically, within the year 2021, the Company took all measures necessary for prevention and protection of health and safety by supervising their proper implementation, working conditions and compliance with the rules through an organized risk management framework. At the same time, workers are encouraged with training on fire safety and evacuation of premises. Employees' health and safety are part of corporate culture and ensured in all aspects of working life.

Social issues

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

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

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

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

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

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

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

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

A) For the quality of life and its upgrade

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

In this context, the Company collaborates with HOPEgenesis, supporting its activities against low birth rate in Greece. Additionally it cooperates with Ethelon to implement activities in support of people who belong to socially vulnerable groups with no access to basic daily goods. Moreover, it supports the work of the magazine "Shedia" participating in its task to relief homeless people and cooperates with Municipality of Athens, supporting its efforts to upgrade the city center. The Company participates in the dialogue on climate change in Athens, supporting the Athens Climate Lab of the Global Shapers Athens Hub. It has been certified as a climate neutral Company, offsetting its environmental footprint with projects that enhance environmental issues in developing countries. Finally, the Company has signed the Charter of Diversity and is committed to implementing and promoting equal opportunities.

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.

The Company is collaborating with two of the country's leading cultural institutions in order to achieve its goals with regard to this pillar: the Greek National Opera, the Museum of Cycladic Art and Cyber Security International Institute.

The collaboration with the Greek National Opera includes supporting the annual artistic program (both for Central and Alternative Stage), as well as implementing free of charge educational activities for children, families and adults that are traveling in various Greek cities.

The collaboration with the Museum of Cycladic Art aims at supporting all activities implemented by the Museum for the promotion of the ancient greek and Cycladic culture to children, parents and adults across the country.

Finally, through the collaboration with the Cyber Security International Institute, it implements trainings for parents and children on cyber security, internet browsing, robotics and game development.

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.

In this context, it has created the Eurolife Business Academy, in collaboration with the innovation body Found.ation. This is the first digital skills academy for professional insurers who want to gain knowledge on remote work and digital marketing.

<u>Corporate Social Responsibility Actions for 2021</u>

The Company, participated in the following activities in 2021, within the context of its Corporate Social Responsibility program:

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

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

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

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

- Purchase of a "solidarity subscription" to the street magazine "Shedia" on behalf of each employee– this initiative enables two elderly beneficiaries of the magazine to work on specific days of the month at the magazine's offices, handling the shipments to the subscribers' base.

- Financial support of the organizations "Together for Children", "Homo Digitalis" and "Make A Wish, in order to continue to offer their social and educational work.

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

- Exclusive support of the Athens Climate Lab which is an initiative of the Global Shapers Athens Hub and aims to map the main challenges of climate change and improve the quality of life in Athens.

- The Company was certified as climate neutral, following a study carried out on behalf of the CSE Sustainability Center, while proceeding with carbon offsets to minimize it and choosing as a project the REDD + Project, in the Amazon basin in Peru.

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

- Sponsoring Greek National Opera's annual artistic program and support for the children's play "Silence, the King Listens"

- Strategic Cooperation and support of all activities of the Museum of Cycladic Art, which include:

    - ✓ The annual Children's Painting Competition implemented by the Museum , where children from all over Greece can participate.
    - ✓ The Weekend Workshops, a series of educational activities for children and parents carried by the Museum's instructors.
    - ✓ The Summer Camps, which are implemented during the summer months, with the participation of children in various cultural and educational workshops.
    - ✓ The educational Museum Kit (suitcase with material provided by the Museum), which were delivered to the public library of Eleftheroupoli Kavala and the kindergarten of Patmos, with the intention to be used by children.
    - ✓ The creation of Digital Tours in all permanent collections of the Museum.
    - ✓ A video tour of Cycladic Culture in Sign language.
    - ✓ The support of school visits to the permanent collections of the Museum.
    - ✓ The social programs of the Museum for children of different ethnic communities living in Athens.
    - ✓ The educational activities for the Friends of the Museum (Young Friends).

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

- Donation to the Craft Industrial Educational Museum to support his work

Organizing activities to support entrepreneurship, such as:

- Design and operation of the Eurolife Business Academy, the first digital skills academy for professional insurers, regardless of whether they collaborate with the Company or not. Through online courses from the presenters of the non-profit organization Found.ation, participants gain useful knowledge about digital tools, digital marketing, remote work and social media, in order to improve their daily work and the quality of services they offer to their customers.

Support of various other social activities such as:

- Financial support to the Ben Graham Center and Diaspora Project Seesox.
- Membership to the Road Safety Institute "Panos Mylonas".
- The insurance coverage of an ambulance provided by the regional department of the Red Cross in Lassithi, Crete.
- Donation to the organization Partnership for Athens, to support its work

External Auditors

The Board of Directors, after taking into consideration the appointment of external auditors for 2022, 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 as an insurance company, compared to the companies from other industries.

Branches: The Company does not have branches.

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

Impact of the pandemic

The COVID-19 pandemic, which began in early 2020, affected both the global and greek economies negatively; more specifically Greece experienced a deep recession of -9%. The economic impact of the pandemic was extensive, leading to a significant reduction in household income and consumption, shrinking investments and limited external demand for Greek goods and services.

During 2021 though, the global economies including Greece recovered, as societies have adapted to the Covid-19 pandemic conditions. Following the progress of vaccination programs, the latest lockdown restrictions ended in May 2021. All domestic movement restrictions were removed, and Greece reopened its borders to international travelers. Previously suspended economic activities were allowed to resume, with certain protective measures remaining in place.

Financial impact on macroeconomic level

The economic activity in 2021 rapidly recovered, following the significant recession recorded in 2020 due to the pandemic and the restrictions imposed. The economy' s restart gave rise to a significant increase of real GDP during the second and third quarters of 2021, while according to the first estimate announced by the Hellenic Statistical Authority (ELSTAT), GDP in 2021 increased by 8,3% compared to 2020. This growth is mainly attributed to the increased disposable income which led to increased private consumption, while important roles were also played by exports of goods and services, public consumption and increased companies' investments.

In response to the Covid-19 outbreak and in order to address the effects of the pandemic, there has been an unprecedented monetary, fiscal and regulatory support to the businesses and employees since 2020. As a sovereign action against the pandemic, the European Union has created the EC's Next Generation EU framework (NGEU), that will fund development initiatives in the period 2021-2027. Furthermore, the European Central Bank's decision to include Greek Government Bonds in the Pandemic Emergency Purchase Program (PEPP) and their acceptance as collateral for liquidity from the Euro system were also particularly favorable.

In 2021, the favorable international monetary and financial environment, as well as the performance of the Greek economy positively affected investments in the Greek government bond market. Yields on Greek government bonds of all maturities, were low, facilitating the Greek government to issue new bonds at a low borrowing cost. European Central Bank's decision, on December

16th, to purchase Greek Government bonds after March 2022 and until the end of the reinvestment period by 2024 end, is expected to sustain favorable financial conditions and low borrowing cost in both public and private sector.

Since June 2021, inflation escalated, largely due to deflation presented in 2020 and sharp increases in prices of energy, food, and imported goods as a result of disruptions in global supply chains. Despite the recorded price increases in recent months, inflation in Greece remains one of the lowest in the eurozone, while it is not expected to exceed 0.6% on an annual basis in 2021.

Operating Capability

From the very beginning of the pandemic, the Company has activated a Special Action Plan to deal with the emergency. The commitment of the Board of Directors that the protection of employees' health and safety is a priority remains non-negotiable. Another key priority is business continuity. The Company has managed to achieve business continuity, meet its business objectives as well as fulfill its obligations to all stakeholders such as: Customers, Partners, Supervisory Authority, Shareholders by taking immediate actions and measures. Also, demonstrating social sensitivity, the Company undertook initiatives to alleviate and support vulnerable groups by supporting the Society.

Without reducing their awareness, along with the experience of managing the situation for over 2 years, both the Board of Directors and the Management Team of the Company, closely monitor the developments and then decide and act accordingly. The core measures taken to achieve the smooth operation of the Company under the new conditions imposed by the pandemic are:

- Measures for the safety and health of employees such as: review of human resource management policies and practices (vulnerable groups, special purpose leave, rules regarding business travel, etc.), implementation of working remotely and adjusting the percentage of employees working remotely according to the pandemic conditions as well as relevant measures applied by the government and provision of information /enhancing staff awareness on the pandemic and remote working conditions.

- Measures related to the new Work at Home operating model (W@H) such as alternative procedures and control mechanisms adapted to the new needs / conditions, appropriate allocation of employees, job rotation, provision of additional tools to facilitate work and collaboration, supply of equipment (laptops, headsets, etc.) to support working remotely.

- Other measures taken that are meant to support the implementation of working remotely are the use of "Information and Communication Technology" (ICT) infrastructures, the protection of such infrastructures, the prevention of data leakage, the provision of safe and uninterrupted access to the necessary infrastructures and increasing employee awareness.

Based on all the above, two years later, the Company succeeds in achieving its business goals, without reducing its risk awareness.

Financial situation and solvency of the Company

Despite the adverse effects of the pandemic during the past two years 2020 - 2021, the Company successfully responded to the new conditions and proved it's resilience to unprecedented challenges but also its quick adaptability. For the Company, 2021 is described as a year of gradual adaptation to the new era of the pandemic and return to a new normality. More specifically:

- The government bond purchase program of the European Central Bank resulted in the reduction of Greek bond yields and the improvement of the country's borrowing cost. In this context, the Company recorded significant realized gains in 2020, by disinvesting a significant part of its position in Greek government bonds. Another result of the liquidation of the bonds was the strengthening of the Company's liquidity.
- The Company's profits before tax amounted to € 18,2 mil. in 2020 and € 7,7 mil. in 2021.
- No significant changes were observed in the behavior of insurance policyholders and their insurance needs. The Company continues its digital transformation so that it can cover any increased needs of distribution channels, insurance policyholders and claims' beneficiaries.
- In terms of insurance underwriting procedures, in cases where it was required to be adjusted, this was done in line with reinsurance coverage.
- There was no significant lag in the production of insurance premiums in 2020 and 2021.
- In terms of claims, there was a decrease in paid claims in the motor line of business, mainly in 2020. The reduction in claims is attributable on one hand to the lock-down measures adopted to control the spread of the pandemic and on the other hand to the instructions of the national public health organization.

- The existing products and insurance coverages offered smoothly support the Company's business planning without identifying a significant negative impact from the effects of the pandemic.

The Company conducts "Own Risk and Solvency Assessment" exercises at least annually considering, among other things, the special conditions of Covid 19. During 2020, the Company, considering that the effects of the pandemic outbreak had penetrated the entire economic activity, updated its business plan and carried out the first exercise "Own Risk and Solvency Assessment" under these new special conditions (1st ORSA report in COVID-19 conditions). At the beginning of 2021, the Company further updated the new business plan and reperformed the annual exercise "Own Risk and Solvency Assessment" based on the new data (2nd ORSA report in COVID-19 conditions). In these exercises, stress tests adjusted to the updated risk profile were selected and no significant financial impact of the pandemic on the Company's financial figures was identified. Also, the results showed that the solvency situation of the Company will not be threatened in the future.

During 2021, calculations of the Solvency Capital Requirement (SCR), the Minimum Capital Requirement (MCR) as well as the eligible own funds of the Company are made on a quarterly basis and are submitted to the regulator. In addition, the Company assesses its capital adequacy SCR ratio on an ongoing basis, considering market data and actual data on the asset portfolio. As of December 31, 2021, the Company's solvency ratio (SCR coverage ratio) is estimated at 142% with volatility adjustment.

Prospects of the Greek economy for 2022: positive dynamics, concerns and uncertainties

Significant recovery and easier access to ways of finance are the basis of the prospects for the greek economy in 2022. However, these conditions do not ensure that the systemic problems that have prevailed in the economy in recent years, combined with the preceding 10-years crisis, are resolved. Growth is expected to be maintained in 2022 (even though at a lower level than 2021).

The recent geopolitical situation in Ukraine creates risks, affecting among others the energy and agriculture prices, resulting in heightened inflationary pressures both in intensity and duration above initial estimates. Second-order effects may exert a negative impact on consumption and business activity. As the situation is still evolving, it is premature to assess the long-term impact to the Greek economy and society. However, as the prerequisites for sustainable growth for the Greek economy have been set, the consequences of the crisis could be mitigated based on relief measures at European level, similar to the ones taken to address the pandemic.

The budget deficits of Greece in the two previous years, during which there was a need to tackle the pandemic and relax fiscal rules in the European context, were particularly deep. In Greece's case, with a particularly high public debt and a tendency in creating deficits, it is essential to achieve a sustainable fiscal balance, in order to support high growth rates. A key issue is the shift of the production model, with the strengthening of exports and investments. There are positive signs, such as the interest of foreign companies and investors in the Greek economy, the resilience presented by tourism and the ongoing significant increase in exports of goods from vital sectors of the manufacturing industry. Although the pandemic is under control and there are reasonable grounds to believe that the situation will be further normalized by spring, the cost to be paid is still high. At the same time, the uncertainties from the geopolitical issues and the inflation risk could weaken the growth of the economy marked in 2021. Therefore, strengthening of competitiveness, productivity, adaptability of the economy, as well as efficiency of the public sector have become imperative.

It is crucial that the expected general increase in interest rates will not accompanied by an increase but a reduction in the differential cost of finance (spread) that separates the greek economy from other European ones.

Inflation will be at the center of attention both in an economic and a political context. Price increases in products and services are expected when economies rapidly recover after a deep recession and demand increases. However, due to the intense inflationary pressures raised as a result of the geopolitical issues, actions at European level are deemed necessary to safeguard against a strong and dangerous upward spin of prices and wages that will undermine real growth and reduce real incomes.

Recognizing the challenges, the Company continues to place at the top of its strategic goals organic profitable growth and digital transformation. In that respect, the Company systematically invests in new technologies and strategic alliances having as first priorities the upgrading of the infrastructure, the utilization of international practices, and the integration of modern technologies in its functions.

The key to achieving all the strategic objectives and priorities of the Company is human resources. Taking into account that people are the Company's driving force, they are considered to be its most important asset. With the intention to build a competitive advantage, the Company aims to employ the most capable and efficient human resources. At the same time, policies are implemented that enhance commitment, facilitate communication, strengthen teamwork, as well as the development, training and evaluation of human resources. All activities related to human resources management contribute significantly not only to the achievement of the Company's objectives, but also to the acquisition and maintenance of its competitive advantage.

Events after the Balance Sheet date

The recent geopolitical events in Ukraine, the military actions from Russia and the response from the European countries and the United States in the form of economic sanctions may affect the global and domestic economies and lead to strong inflationary pressures and increases in energy and agriculture prices. The international community is responding to the conflict with a broad array of sanctions targeting the Russian and Belarussian economies, certain Russian and Belarussian businesses and the assets of certain Russian citizens. The number of nations implementing sanctions and the nature of sanctions are constantly evolving, which requires regular monitoring of changes.

The Company closely monitors and assesses the conditions created in the international and Greek economy and has increased its readiness to make decisions on protecting it from the economic effects of recent geopolitical events in Ukraine. Management recognizes the significance of the impacts that the conflict will have on the business environment, liquidity and asset values in the affected region and the fact that the economic sanctions will have broad impacts to many businesses. The Company does not operate in the region where the conflict is taking place and the imposed sanctions are not expected to have a direct impact on the operations of the Company.

The board of directors members

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

Athens, 6 April 2022

Chairman of the B.O.D and CEO

Alexandros Sarrigeorgiou

[Translation from the original text in Greek]

Draft Independent auditor's report

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

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Eurolife FFH General Insurance S.A. (Company) which comprise the statement of financial position as of 31 December 2021, the income statement, the statement of comprehensive income, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2021, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018**.**

Basis for opinion

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

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

Independence

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

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

The non-audit services that we have provided to the Company, in the period from 01 January 2021 during the year ended as at 31 December 2021, are disclosed in the note 31 to the financial statements.

Key audit matters

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

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Valuation of reserves related to reported losses estimated on a case by case basis</td></tr>
<tr><td>The Company’s insurance provisions, measured in accordance with IFRS 4, include liabilities for the estimated cost of settling gross outstanding claims. These liabilities amount to €72m as of 31 December 2021, representing 62% of the Company’s total liabilities.

Out of the €72m, €70m or 96% of gross outstanding claims liabilities represent reported losses estimated on a case by case basis and the remaining balance represents additional reserves (Incurred but not reported – IBNR, additional reserves-LAT and Unallocated loss adjustment expenses – ULAE).

Management relies on historical data and uses experts to determine the reserve related to reported losses estimated on a case by case basis which is highly subjective, especially in relation to cases of personal injuries, death, legal cases and property catastrophes.

The reported losses estimated on a case by case basis are considered as significant because of the relative size of the amount in the Company’s Statement of Financial Position, of the inherently subjective nature of their valuation and due to the significant judgement in the estimation of these liabilities.

Refer to notes 3, 4.2 and 21 of the Financial Statements for the disclosure of the related judgements and estimates.</td><td>Our work to address the valuation of the reserve related to reported losses estimated on a case by case basis, included the following procedures:
• We tested, on a sample basis, specific cases in order to obtain evidence for the accuracy and completeness of the underlying company data.
• We tested, on a sample basis, that the estimated liability is appropriately based on the most recent available information and that there is consistency in the valuation of cases estimates.
• We considered the movement in reserves relating to claims incurred in prior years in order to assess the reasonableness of the estimates and the consistency of the methodology used.
• We obtained a listing of new claims recorded post year end and reviewed it in order to assess any implications on the reserve related to reported losses estimated on a case by case basis.
• We examined the trend in historical claims development.

Based on our procedures performed, we found the estimates used to value the reserve related to reported losses estimated on a case by case basis to be reasonable.

Finally, we have assessed that the Company’s disclosures in the Financial Statements are in accordance with the requirements of IFRS.</td></tr>
</table>

Other Information

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

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

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

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

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

- The information given in the Board of Directors' report for the year ended at 31 December 2021 is consistent with the financial statements.
- The Board of Directors' report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

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

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 24 June 1999. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 23 years.

Halandri, 11 April 2022
THE CERTIFIED AUDITOR

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

Konstantinos Michalatos
SOEL Reg. No. 17701

STATEMENT OF FINANCIAL POSITION

(amounts in € thousand)	Notes	31/12/2021	31/12/2020 Restated*
ASSETS			
Property, plant and equipment	**5**	346	489
Right of use assets	**6**	2.891	3.420
Investment properties	**7**	727	744
Intangible assets	**8**	25.580	25.155
Investment in subsidiaries	**9**	5.607	5.607
Deferred tax assets	**10**	-	808
Financial assets at fair value through profit or loss			
- Derivative financial instruments		-	7
- Financial assets held for trading	**11**	85.868	92.537
Available for sale financial assets	**12**	23.025	21.924
Financial assets classified as loans and receivables	**13**	1.837	3.703
Income tax receivables		1.311	1.324
Premiums receivables	**14**	3.048	3.709
Other receivables	**15**	6.225	6.504
Reinsurance receivables	**16**	13.571	12.204
Cash and cash equivalents	**17**	22.177	14.145
Total Assets		**192.211**	**192.281**
EQUITY			
Share Capital		3.064	3.064
Reserves	**18**	67.313	55.472
Retained Earnings	**19**	5.525	13.301
Total Equity		**75.903**	**71.837**
LIABILITIES			
Employee benefits	**20**	347	317
Insurance provisions	**21**	96.658	99.868
Lease liabilities	**6**	3.099	3.582
Insurance and other liabilities	**22**	15.833	16.676
Deferred tax liabilities	**10**	372	-
Total Liabilities		**116.309**	**120.443**
Total Equity and Liabilities		**192.211**	**192.281**

** More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

Athens, 6 April 2022

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	CHRISTOS K. TZOUVELEKIS	EVANGELIA D. TZOURALI
ID AM644393	ID AM245236	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 84 are an integral part of these financial statements.

INCOME STATEMENT

(amounts in € thousand)	Notes	01/01 - 31/12/2021	01/01 - 31/12/2020 Restated*
Gross written premiums		60.597	64.134
Gross change in unearned premium reserve		3.335	3.926
Gross earned premiums	**23**	**63.932**	**68.060**
Minus: Premium ceded to reinsurers	**23**	(13.639)	(12.241)
Net earned premiums	**23**	**50.293**	**55.819**
Other insurance related income	**24**	1.924	1.345
Investment income	**25**	416	851
Realized Gains/(Losses) on financial assets	**26**	(915)	6.931
Fair value Gains/(losses) on financial assets	**27**	592	(949)
Gains/(Losses) on derivatives		(130)	7
Other income	**28**	182	173
Total Income		**52.361**	**64.178**
Claims and insurance benefits incurred	**29**	(15.080)	(13.288)
Change in insurance provisions	**29**	(125)	(2.644)
Reinsurers' share of claims and insurance benefits incurred and changes in insurance provisions	**29**	1.136	245
Total insurance claims and change in insurance provisions		**(14.070)**	**(15.687)**
Acquisition expenses	**30**	(13.894)	(13.196)
Administrative expenses	**31**	(16.691)	(17.140)
Profit before tax		**7.707**	**18.156**
Income tax expense	**33**	(2.182)	(4.855)
Profit for the year		**5.525**	**13.301**

** More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

Athens, 6 April 2022

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	CHRISTOS K. TZOUVELEKIS	EVANGELIA D. TZOURALI
ID AM644393	ID AM245236	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 84 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(amounts in € thousand)	01/01 – 31/12/2021	01/01 - 31/12/2020 Restated*
Profit for the year	5.525	13.301
Other comprehensive income:		
Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:		
Available for sale financial assets		
- Change in fair value, net of tax	3.530	(4.476)
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	11	(11)
Other comprehensive income for the year	**3.541**	**(4.487)**
Total comprehensive income for the year	**9.066**	**8.814**

** More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

Athens, 6 April 2022

CHAIRMAN & CHIEF EXECUTIVE OFFICER	MEMBER OF THE B.O.D. AND GENERAL MANAGER OF FINANCE, STRATEGIC PLANNING & MIS	FINANCE MANAGER	DEPUTY FINANCE MANAGER
ALEXANDROS P. SARRIGEORGIOU	VASSILEIOS N. NIKIFORAKIS	CHRISTOS K. TZOUVELEKIS	EVANGELIA D. TZOURALI
ID AM644393	ID AM245236	LIC. No 0025315	LIC. No 0099260

The notes on pages 30 to 84 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

(amounts in € thousand)	Share Capital	Reserves	Retained Earnings	Total
Balances as at 1 January 2021	**3.064**	**55.472**	**13.301**	**71.837**
Profit for year	**-**	**-**	**5.525**	**5.525**
Change in available for sale financial assets reserve, net of tax	-	3.530	-	3.530
Remeasurement of post-employment benefit obligations, net of tax	**-**	11	**-**	11
Other comprehensive income, net of tax	**-**	**3.541**	**-**	**3.541**
Total comprehensive income, net of tax	**-**	**3.541**	**5.525**	**9.066**
Transfer of retained earnings to reserves	-	8.301	(8.301)	-
Dividend distribution to the shareholders	-	-	(5.000)	(5.000)
Total transactions with shareholders	**-**	**8.301**	**(13.301)**	**(5.000)**
Balance as at 31 December 2021	**3.064**	**67.314**	**5.525**	**75.903**

(amounts in € thousand)	Share Capital	Reserves	Retained Earnings	Total
Balances as at 1 January 2020	**3.064**	**56.282**	**4.559**	**63.906**
Change in accounting policy	-	159	-	159
Restated Balance as at 1 January 2020*	**3.064**	**56.441**	**4.559**	**64.064**
Profit for year	**-**	**-**	**13.301**	**13.301**
Change in available for sale financial assets reserve, net of tax	-	(4.476)	-	(4.476)
Remeasurement of post-employment benefit obligations, net of tax	**-**	(11)	**-**	(11)
Other comprehensive income, net of tax	**-**	**(4.487)**	**-**	**(4.487)**
Total comprehensive income, net of tax	**-**	**(4.487)**	**13.301**	**8.814**
Transfer of retained earnings to reserves	-	3.518	(3.518)	-
Dividend distribution to the shareholders	-	-	(1.041)	(1.041)
Total transactions with shareholders	**-**	**3.518**	**(4.559)**	**(1.041)**
Restated Balance as at 31 December 2020*	**3.064**	**55.472**	**13.301**	**71.837**

** More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

The notes on pages 30 to 84 are an integral part of these financial statements.

CASH FLOW STATEMENT

(amounts in € thousand)

	Notes	01/01-31/12/2021	01/01-31/12/2020 Restated*
Cash Flows from Operating Activities			
Profits before tax		7.707	18.156
Adjustments for non-cash items:			
Depreciation and amortization of property, plant and equipment and intangible assets	31	1.676	1.521
Insurance provisions		(4.577)	(1.564)
Change in deferred acquisition costs		253	376
Employee benefit provisions	32	46	8
Change in other provisions		(72)	685
Non realized foreign exchange differences	27	(45)	(9)
Investment (income)		(726)	(1.154)
Bond amortization	11,12	256	298
Interest Expense		216	200
(Gains)/Losses on derivatives		130	(7)
(Gains)/Losses from disposal of fixed assets		(2)	8
Realized (Gains)/Losses on financial assets	26	915	(6.931)
Fair value (gains)/losses on financial assets	27	(547)	958
		5.231	**12.544**
Changes in Operating Assets and Liabilities:			
(Purchases) of financial assets	11,12	(213.354)	(259.110)
Sales of financial assets		222.864	255.781
Commercial mortgage loans received	13	1.800	-
Commercial mortgage loans granted	13	-	(3.600)
Change in receivables from policy holders and other receivables		904	2.647
Change in insurance and other liabilities		(1.125)	(557)
Income tax paid		(1.853)	(1.366)
(Losses) on derivatives paid		(123)	-
Interest received and other investment income		796	2.829
Interest paid		(52)	(11)
Net Cash Inflows from Operating Activities		**15.089**	**9.157**
Cash Flows from Investing Activities			
(Purchases) of property, plant and equipment and intangible assets	5,8	(1.411)	(1.338)
Increase of interest in subsidiaries	9	-	(953)
Net Cash (Outflows) from Investing Activities		**(1.411)**	**(2.291)**
Cash Flows from Financing Activities			
Principal repayment of lease liabilities		(646)	(724)
Dividends paid	36	(5.000)	(1.041)
Net Cash (Outflows) from Financing Activities		**(5.646)**	**(1.765)**
Net increase in cash and cash equivalents		8.032	5.102
Cash and cash equivalents at the beginning of the year	17	14.145	9.043
Cash and Cash Equivalents at the end of the year	17	**22.177**	**14.145**

** More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

The notes on pages 30 to 84 are an integral part of these financial statements.

NOTE 1: GENERAL INFORMATION

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

On 22 May 2020, the General Secretariat of Consumer Affairs of the Ministry of Development and Investment, based on its decision number 51302 / 22-05-2020, approved the amendment of article 1 of the Company's Articles of Association and specifically the change of name and of its distinctive title in "Eurolife FFH General Insurance Single Member S.A." and "Eurolife FFH General Insurance S.A." respectively. The amendment of the Articles of Association was decided by the Extraordinary General Meeting of the Company's shareholders, which took place on 11 May 2020.

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

The number of staff as at 31 December 2021 amounted to 168 (2020: 160).

The Board of Directors consists of the following members:

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

These financial statements were approved by the Company's Board of Directors on 6 April 2022 and are subject to approval by the Annual General Meeting of Shareholders.

The Company is a subsidiary of Eurolife FFH Insurance Group Holdings SA. (hereinafter referred to as "Eurolife FFH Insurance Group") which holds 100% of its share capital. Eurolife FFH Insurance Group is a subsidiary of the company Costa Luxembourg Holding S.a r.l. ("Costa"), which holds 80% of its share capital. Costa is domiciled in Luxembourg and was controlled until the 14th of July 2021 jointly by Colonnade Finance S.à rl, a member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.àrl. On July 14th, 2021, Colonnade Finance S.àrl exercised its option to purchase the remaining shares in Costa from OPG Commercial Holdings (Lux) S.àrl. Costa is now wholly owned by Colonnade Finance S.àrl. The remaining 20% of the share capital of the Company is held by Eurobank SA. (hereinafter referred to as "Eurobank") which is a related party.

Activities of the Company

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

NOTE 2: PRINCIPAL ACCOUNTING POLICIES

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

2.1 Basis of Preparation of Financial Statements

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

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

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

The policies set out below have been consistently applied to the years ended 31 December 2021 and 2020 respectively.

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:

Going concern assessment

In 2021, economic activity in Greece recovered with high rates, after the significant recession of -9% recorded in 2020, due to the pandemic and social distancing measures imposed to address it. According to forecasts announced by the Hellenic Statistical Authority (ELSTAT), the growth rate for the Greek economy is expected to exceed 8% for the whole of 2021, which is the third highest growth rate in the Eurozone. This development is mainly attributed to the increase in private consumption, which was enhanced by the increase in disposable income, while a significant role was played by exports of goods and services, public consumption and the increase in companies' investments. The insurance market, which followed the general course of GDP, also recorded a similar growth in 2021.

Russia's recent military action in Ukraine and the response of European countries and the United States in the form of economic sanctions may affect the global and domestic economies and lead to higher inflationary pressures and increases in energy prices.

The Company closely monitors developments in the international and greek macroeconomic environment and, taking into account its exposure to financial and insurance risks, examines on a daily basis the possible effects of fluctuating market conditions and has increased its readiness to decision making in terms of protective measures against economic consequences of both the pandemic and recent geopolitical events in Ukraine.

The Management of the Company systematically monitors its capital adequacy in accordance with Solvency II requirements and takes the appropriate actions to maintain a strong capital base and a high-quality investment portfolio. As at 31 December 2021, the eligible own funds of the Company outweigh the Solvency Capital Requirement.

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

i) New standards and amendments to standards adopted by the Company

The following new standards and amendments to existing standards as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and endorsed by the European Union (EU), are effective from 1 January 2021:

IFRS 16, Amendment - COVID-19 Related Rental Concessions

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The adoption of the amendment did not have an impact on the Company's financial statements.

IFRS 4, Amendment - Extension of the provisional exemption from the application of IFRS 9

The amendment changes the maturity date for the temporary exemption to IFRS 4 "Insurance policies" from the application of IFRS 9 "Financial Instruments", so that entities are required to apply IFRS 9 for annual periods beginning on or after the 1st day of January 2023.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, Amendments - Interest rate benchmark reform - Phase 2

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose. The adoption of the amendment did not have an impact on the Company's financial statements.

ii) 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 2021, as they have not yet been adopted for use in the European Union or the Company has not has adopted them earlier than the date of their mandatory application. What may be related to the Company are as follows:

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

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

The Company's activities are primarily related to insurance as defined in this amendment and, therefore, the Company meets the conditions and intends to apply the provisional exemption and consequently to apply IFRS 9 in 2023. It is noted that the Company’s liabilities related to insurance activity under IFRS 4 amount to € 101,2 mil., € 99,9 mil. and € 96,7 mil. for 31 December 2019, 31 December 2020 and 31 December 2021 respectively, and represent a percentage of 82,3% ,82,8% and 83,1% of the total liabilities of the Company for the respective reporting dates.

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

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

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

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

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

IFRS 17 was issued in May 2017 and, together with Amendments to IFRS 17 issued in June 2020, replaces IFRS 4. IFRS 17 establishes the principles for the identification, measurement and presentation of insurance policies that fall within the scope of the standard as well as the relevant disclosures. The purpose of the standard is to ensure that an entity provides relevant information that provides a reasonable picture of these contracts. The new standard solves the comparability problems created by IFRS 4 as it requires all insurance policies to be accounted for consistently. Insurance liabilities will be measured at current values and not at historical cost.

The Company is currently examining the impact of IFRS 17 on the financial statements, which cannot be quantified at the date of publication of these financial statements. The Company plans to adopt IFRS 17 on the date it enters into force.

IFRS 16, Amendment - COVID-19 Rental Concessions - Extended Period (effective from 1 April 2021, adopted by the EU)

The amendment extends the application period of the practical expedient provided for rent concessions under one year to cover the reductions in rents due on or until 30 June 2022. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IAS 16, Amendment - Property, Plant and Equipment – Proceeds before Intended Use (effective from 1 January 2022, adopted by the EU)

The amendment prohibits an entity from deducting from the cost of an item of Property, Plant & Equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IAS 37, Amendment - Onerous contracts - Cost of fulfilling a contract (effective from 1 January 2022, adopted by the EU)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IFRS 3, Amendment - Reference to the Conceptual Framework (effective from 1 January 2022, adopted by the EU)

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

IFRS 3, Amendment - Reference to the Conceptual Framework (effective from 1 January 2022, adopted by the EU)

The amendment updated the standard to refer to the Conceptual Framework for the Financial Reporting issued in 2018, when it is necessary to determine what constitutes asset or liability in a business combination. In addition, an exemption was added for certain types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize any assets, as defined in IAS 37, at the acquisition date. The adoption of the amendment is not expected to have an impact on the Company's financial statements.

IAS 1, Amendment - Classification of liabilities as short-term or long-term (effective from 1 January 2023, not adopted by the EU)

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

IAS 1, Amendments - Presentation of Financial Statements and Second IFRS Practice Statement Disclosure of accounting policies (effective from 1 January 2023, adopted by the EU)

Amendments require companies to provide information regarding their accounting policies when they are essential and provide guidance on the meaning of the essential when applying it to accounting policy disclosures. The adoption of the amendments is not expected to have an impact on the Company's financial statements.

IAS 8, Amendments - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective from 1 January 2023, adopted by the EU)

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

IAS 12, Amendments - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (effective from 1 January 2023, not adopted by the EU)

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

IFRS 17, Amendment - Initial Application of IFRS 17 and IFRS 9 - Comparative Information (effective from 1 January 2023, not adopted by the EU)

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

Annual improvements to IFRS 2018–2020 (effective from 1 January 2022, adopted by the EU)

The amendments listed below include changes to the following IFRSs.

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

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

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

iii) Decision of the International Financial Reporting Interpretation Committee (IFRIC)

IAS 19, Employee Benefits - Distribution of Employment Benefits

In May 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final decision on the application of IAS 19 with respect to the distribution of benefits over periods of service. The decision includes explanatory material on the manner of distribution of benefits in periods of service on a specific program of defined benefits (as defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement). This explanatory information differs from the way in which the basic principles and rules of IAS 19 have been applied in the past. In particular, according to the above decision, the distribution of the benefit will not start from the beginning of the employment date but from the date on which the employee's service leads for the first time to benefits under the terms of the program until the date on which further service from the employee will lead to insignificant amounts of additional benefits. The final decision of the Commission was treated as a retrospective change of accounting policy in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors".

The impact of the above decision on the financial statements of the Company is described in detail in Note 2.1.2.

2.1.2. Accounting Policies, Changes in Accounting Estimates and Errors

Changes in Accounting Policies

Changes in accounting policies are recorded retrospectively in the financial statements of all periods that are disclosed with the financial statements of the current period, so that the items presented are comparable. In the year ended 31 December 2021 there was a need for such a change.

More specifically, in May 2021, the IFRIC issued a final decision on the application of IAS 19 regarding the allocation of benefits over periods of service.

The Company, until the issuance of the Decision of IFRIC, distributed the cost of benefits provided by article 8 of Law 3198/1955, Law 2112/1920 and its amendment by Law 4093/2012 in the period from recruitment until the date of retirement of employees. Now, based on the decision of IFRIC, the distribution of benefits is made in the last 16 years until the date of retirement of employees following the scale of Law 4093/2012.

Therefore, the Company, implementing the program of defined benefits, provided by the provisions of article 8 of Law 3198/1955, distributes the exit benefits of the staff from the service per year of service of the employees, during the period of the last 16 years before leaving the service, in accordance with the conditions of establishment for receiving a full pension. This period is the reasonable basis for the formation of the relevant provision, as beyond this period the retirement benefits are not substantially increased. A reasonable basis for completing the formation of the provision for severance pay is considered the 62nd year of age of employees, so the distribution of retirement benefits takes place from the 46th to the 62nd years of age, subject to those cases where the retirement age is proven to be over 62 years, in which case the start-up time varies accordingly.

Based on the above, the Company recalculated in the financial statements for the year ended 31 December 2021 the provision for "Employee benefits" for the years ended31 December 2019 and 31 December 2020 and restated the comparative information presented in the financial statements for the year ended 31 December 2021. The effects of this restatement are presented in the tables below:

STATEMENT OF FINANCIAL POSITION

(amounts in € thousand)	Note	Published Data 31/12/2019	Changes in accounting policy	Restated Data 31/12/2019
ASSETS				
Deferred tax assets	**10**	-	-	**-**
Total assets		**186.761**	**-**	**186.761**
EQUITY AND LIABILITIES				
Reserves	**19**	56.282	159	56.441
Retained earnings		4.559	-	4.559
Total equity		**63.905**	**159**	**64.064**
Employee benefits	**20**	503	(209)	294
Deferred tax liabilities	**10**	760	50	810
Total Liabilities		**122.856**	**(159)**	**122.697**
Total Equity and Liabilities		**186.761**	**-**	**186.761**

(amounts in € thousand)	Notes	Published Data 31/12/2020	Changes in accounting policy	Restated Data 31/12/2020
ASSETS				
Deferred tax assets	**10**	864	(56)	808
Total assets		**192.337**	**(56)**	**192.281**
EQUITY AND LIABILITIES				
Reserves	**19**	55.294	178	55.472
Retained earnings		13.300	1	13.301
Total equity		**71.658**	**179**	**71.837**
Employee benefits	**20**	552	(235)	317
Total Liabilities		**120.678**	**(235)**	**120.443**
Total Equity and Liabilities		**192.337**	**(56)**	**192.281**

INCOME STATEMENT

(amounts in € thousand)	Notes	Published Data from 01/01 to 31/12/2020	Changes in accounting policy	Restated Data from 01/01 to 31/12/2020
Other operational expenses	**31**	(17.141)	1	(17.140)
Profit before tax		**18.155**	**1**	**18.156**
Income tax expense	**33**	(4.855)	-	(4.855)
Profit for the year		**13.300**	**1**	**13.301**

STATEMENT OF COMPREHENSIVE INCOME

(amounts in € thousand)	Published Data from 01/01 to 31/12/2020	Changes in accounting policy	Restated Data from 01/01 to 31/12/2020
Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement of past employment benefit obligation, net of tax	(30)	19	(11)
Other comprehensive income for the year	**(4.506)**	**19**	**(4.487)**
Total comprehensive income for the year, net of tax	**8.794**	**20**	**8.814**

STATEMENT OF CHANGES IN EQUITY

(amounts in € thousand)	Share capital	Reserves	Retained earnings	Total
Published Balance as at 1 January 2020	**3.064**	**56.282**	**4.559**	**63.905**
Changes in accounting policy	-	159	-	159
Restated Balance as at 1 January 2020	**3.064**	**56.441**	**4.559**	**64.064**
Restated profit for the year	**-**	**-**	**13.301**	**13.301**
Restated remeasurement of post-employment benefit obligations,net of tax	-	(11)	-	(11)
Restated other comprehensive income for the year, net of tax	**-**	**(4.487)**	**-**	**(4.487)**
Restated total comprehensive income for the year, net of tax	**-**	**(4.487)**	**13.301**	**8.814**
Total transactions with shareholders	**-**	**3.518**	**(4.559)**	**(1.041)**
Restated Balance as at 31 December 2020	**3.064**	**55.472**	**13.301**	**71.837**

2.2. Foreign currency

2.2.1 Functional currency and presentation currency

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

2.2.2 Transactions and balances in foreign currency

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange 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 market rates of exchange ruling at the reporting date and exchange differences are accounted for in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedge.

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

2.3 Property, plant and equipment

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

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

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

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

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

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

2.4 Investment properties

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

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

Land:	No depreciation
Buildings:	40 to 50 years

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

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

2.5 Intangible assets

(i) Goodwill

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

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

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

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

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

(ii) Software

Costs associated with the maintenance of existing software programs are recognized in the income statement as incurred. Costs payable to third parties relating to the development and implementation of new software programs are recognized as capital enhancements, added to the cost of new software programs and treated similarly. Intangible assets are presented at historical cost less accumulated amortization and accumulated impairment losses. Intangible assets are periodically reviewed for impairment and any impairment loss is recognized directly to the income statement.

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

Software:	**4 to 7 years**

2.6 Financial assets and liabilities

2.6.1 Financial assets

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

i) Financial assets at fair value through profit or loss

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

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

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

ii) Loans and receivables

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

iii) Investments held to maturity

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

iv) Investments available for sale

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

2.6.2 Recognition, accounting treatment and derecognition

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

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

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

The accounting treatment of interest income and dividend income from financial assets is described in note 2.21.

2.6.3 Derecognition of financial assets

A financial asset is derecognized when the contractual cash flows of the instrument expire, or the Company transfers its rights to receive those cash flows in an outright sale in which substantially all the risk and rewards of ownership have been transferred.

The modification of the contractual cash flows of financial assets that does not essentially result in different financial assets will not result in the derecognition of financial assets

2.6.4 Financial liabilities

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

The Financial Liabilities of the Company include mainly derivative financial instruments. The accounting policies of the abovementioned financial liabilities are described in note 2.9.

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 liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, in the most advantageous market in which the Company has access at that date. The fair value of a liability reflects its non- performance risk.

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

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

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

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

2.8 Impairment of financial and non-financial assets

2.8.1 Impairment of financial assets

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

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

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

Financial assets carried at amortized cost

Impairment assessment

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

Impairment measurement

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

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

Impairment reversal

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

Available for sale financial assets

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

2.8.2 Impairment of non-financial assets

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

2.9 Derivative financial instruments

Derivative financial instruments mainly include foreign exchange contracts, forward currency agreements and interest rate options contracts (written and purchased), currency and interest rate swaps and other derivative financial instruments. Derivatives are initially recognized at fair value at the date on which a derivative contract is entered into, and subsequently re-measured at fair value. Fair value is considered the market value, taking into account recent market transactions, while where there is no market value, the fair value is estimated using discounted cash flows and option pricing models. When the fair value is positive, derivatives are carried as assets while when fair value is negative as liabilities. The fair value measurement policies of financial instruments, including derivative financial instruments, are described in Notes 2.7 and 4.6.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value through the profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement. The Company did not hold embedded derivatives in other financial instruments during the years 2021 and 2020.

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.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting in accordance with IFRS and changes in fair value are recognized directly in the income statement.

2.10 Offsetting of financial instruments

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

2.11 Current and deferred taxation

(i) Current tax

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

(ii) Deferred tax

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

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

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

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

2.12 Employee benefits

i) Defined post –employment contribution plans

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

ii) Defined post-employment benefit plans

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 during the last 16 years of service of the employees until the date of retirement based on actuarial valuations carried out every year.

The indemnity liability is calculated as the present value of expected future cash outflows using interest rates of high quality European corporate bonds, with terms to maturity approximating the terms of relevant liability (see note 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. Cash benefits which require only management approval are recognized as accrued expenses. Distribution of profits to employees, which requires approval by the General Assembly, is recognized as an employee benefit expense in the year that is approved by the shareholders of the Company.

2.13 Insurance contracts

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

The Company adopted IFRS 4 from 1 January 2005 with retrospective effect from 1 January 2004.

a) Insurance contracts

The Company issues mainly short-term insurance contracts relating to all non-life insurance sectors where it has a presence, while it will also issue long-term insurance contracts mainly related to property sector.

Insurance contracts for accidents cover customers of the Company mainly from the risk of injury or disease or the risk of damage to third parties (third party civil liability) during their lawful activities. The cases covered include contractual and non-contractual events. This category includes contracts covering the risk of motor vehicle liability, employer's liability and general civil liability for individuals and corporations.

Property insurance contracts mainly cover customers of the Company from the risk of damage or total destruction to their property and in some cases loss of income from inability to use this property.

Premiums from non-life contracts are recognized as revenue (earned premiums) proportionally to the insurance period. At the reporting date, the amount of premiums written, which corresponds to the next or subsequent financial years, is transferred at the Unearned Premiums Reserve. For all non-life insurance sectors this is calculated based on the proportion of days starting from the reporting date up to the end of the period for which premiums have been registered in the relevant register, except for the transportation sector where the reserve is estimated at 20,0% of the annual premiums under applicable Greek legislation. Premiums are recognized before the deduction of commissions payable.

The claims and related expenses are recognized in the income statement, based on the estimated liability for claims to policyholders of the Company or third parties harmed by actions or omissions of the Company's customers. These include claims paid, and direct and indirect costs and are calculated so as to fully cover the liabilities of insurance risks that have been incurred up to the reporting date, irrespective of whether or not they have been reported by the Company. The Company does not discount the liabilities of outstanding claims. Full provision is made for the final cost of all outstanding claims at the reporting date, with deduction of amounts that the Company is entitled to recover from reinsurers, using the information available at the date of the financial statements. In addition, provisions for outstanding claims include the reserve for incurred but not reported losses at the date of the financial statements (IBNR - Incurred But Not Reported) and any costs incurred for settling these losses. Delays may occur both in the reporting of claims and in their settlement, particularly in cases of claims of civil liability. Therefore, it is essential to make estimates and assumptions when calculating the reserve for outstanding claims, the final cost of which is not known accurately at the reporting date.

b) Insurance provisions

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

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

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

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

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

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

The change in insurance provisions (increase/decrease) compared with their valuation in previous reporting dates, is transferred to the income statement for the portion relating to the Company's own share while the remaining portion is transferred as a reinsurance charge in accordance with the terms of the reinsurance contracts.

c) Deferred acquisition costs

Commissions and other acquisition costs associated with the issuance of new contracts and renewal of existing insurance contracts are classified in the account "Other Receivables". All other costs are recognized as expenses when incurred. The Deferred Acquisition Costs are amortized in proportion to earned premiums.

d) Receivables and payables related to insurance contracts

Receivables and payables are recognized when they become due and include amounts due to and from intermediaries and policyholders. If there is objective evidence of impairment of these receivables, the Company reduces the carrying amount accordingly and recognizes the impairment loss in the income statement. The Company assesses the objective evidence of impairment using the same process adopted for loans and receivables and the impairment loss is calculated in the same manner as described in note 2.8.

e) Liability Adequacy Test of insurance reserves

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

2.14 Reinsurance contracts

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

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

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

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

1. There is objective evidence, as a result of an event that occurred after the initial recognition of the receivable, that the Company may not receive all amounts due to it under the terms of the contract and
2. The event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer.
3.

Summary of the Company’s Reinsurance Program for 2021:

Program		Maximum net loss (Company’s share)	Gross Margins (including Company’s Share)	Comment
Property				
Working (property) XOL risk	Per risk	**500.000**	**50.000.000**	bust layer included
Working (property) XOL risk	(AAD)	**250.000**		
Fire Catastrophe XOL risk	Per event	**8.000.000**	**382.000.000**	
Casualties				
Casualty XOL risk (MOTOR)	Per accident	**1.500.000**	**50.000.000**	
Casualty XOL risk (LIABILITIES, Misc. Acc., etc)	Per accident	**100.000**	**5.000.000**	
Casualty XOL risk (Personal Accident etc)	Per accident	**50.000**	**5.000.000**	
Casualty XOL risk (Drone TPL)	Per accident	**25.000**	**5.000.000**	
Transportation – Shipping				
Cargo & Pleasure Craft XOL risk	Goods in transit	**500.000**	**8.000.000**	
Cargo & Pleasure Craft XOL risk	Crafts	**500.000**	**800.000**	

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

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

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

ii) <u>Lease liabilities</u>

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

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

iii) <u>Short term leases</u>

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) <u>Significant considerations in determining the lease term with an extension option</u>

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

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

2.16 Related party transactions

The related parties of the Company include:

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

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

(c) associates and joint ventures of the Company; and

(d) other related entities.

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

2.17 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

Dividend distributed to shareholders are recognized as a liability at the time at which they are approved by the General Assembly of the Company's shareholders. Interim dividends are recognized as liabilities when approved by the Board of Directors.

2.19 Provisions – Pending litigations

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

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

2.20 Cash and cash equivalents

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

2.21 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. Recognition of revenue from insurance contracts is described in note 2.13. Revenue other than from insurance contracts is recognized by the Company as follows:

Interest Income

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

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

Dividend Income

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

2.22 Investments in subsidiaries

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

NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

(a) Liabilities arising from claims of insurance contracts

The estimation of outstanding claims of insurance contracts is the most critical accounting estimate of the Company. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Company will ultimately pay for such claims. Customer claims relate to both property and casualty insurance. In addition to the reserve calculated on a case by case basis, the Company also makes provisions for claims handling costs. The adequacy of provisions for outstanding claims is also examined using statistical methods. When the result of the statistical methods is higher than the existing statutory provisions, the Company recognizes additional provisions (LAT) (refer to note 21).

(b) Fair value of financial instruments

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

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

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

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

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

(b) the selection of the appropriate discount rate based on the estimate of a market participant for the appropriate spread of the rate over the risk free rate,

(c) judgment in determining the model that will be used to calculate the fair value.

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

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

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

Given the uncertainty and subjectivity inherent in the fair value estimation of financial instruments, changes in management's assumptions and estimates could affect the reported fair values (refer to note 4.6).

(c) Estimated impairment of goodwill

The Company assesses annually whether there is an indication of goodwill impairment in accordance with the accounting policy stated in note 2.5 (i). The recoverable amounts of Cash-Generating Units (CGUs) are determined based on value-in-use calculations. Determining value-in-use is an inherently subjective process that involves the use of management's best estimates and judgments, particularly related to future cash flows of the CGU or group of CGUs and the appropriate discount rates.

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

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

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

NOTE 4: INSURANCE AND FINANCIAL RISK MANAGEMENT

4.1 Framework for risk management

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

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

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

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

4.1.1 Risk, Asset - Liability and Investment Management Committee

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

The main responsibilities of the Committee are:

- to ensure and provide assurance to the BoD for the continuous compliance with Solvency II Capital Requirements;
- to develop appropriate risk strategies for all types of risks potentially affecting the Company;
- to establish the principles and rules governing risk identification, assessment, measurement, monitoring, management and reporting of risks including assets-liability management;
- to establish an adequate system of internal controls allowing risk understanding and the integration of proper risk management policies in the decision making processes of the Company;
- to monitor, review and confirm the processes compliance that govern the Solvency II capital requirement calculation and the execution of the Own Risk and Solvency Assessment exercise;
- to assist the BoD in adopting a rational and prudent investment strategy and policy;
- to monitor the Company's compliance with the legal and regulatory framework governing its full range of operations;
- to establish appropriate communication channels with respective committees of subsidiaries.

4.1.2 Risk Management Function

The adoption and implementation of the risk management system is ensured through the existence of the Risk Management Function.

The Risk Management Function's main responsibilities are to:

- raise awareness of risks within the Company; develop and adopt the appropriate methodology for management of all major risks to which the Company is exposed or might be exposed to. This methodology concerns the identification, assessment, measurement, monitoring, mitigation and reporting of risks;
- evaluate periodically the adequacy of the aforementioned methodology;
- issue and annually review the policies per risk category, and oversee their implementation;

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

4.2 Insurance risk

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

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

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

4.2.1 Non-Life Insurance

The Company operates almost in all insurance sectors related to losses and damages. The main activity comes from Fire insurance sector (including Earthquake and engineering sectors), Motor Liability, Land Vehicle and Other Losses, whose participation in written insurance premiums for 2021 amounted to 41,1%, 28,2%, 10,6% and 20,1% respectively (2020: 45,2%, 28,5%, 9,6% and 16,7%).

4.2.1.1 Motor liability insurance

Underwriting and pricing are critical risk mitigation mechanisms adopted in the insurance industry. Pricing is based on the use of multi-parameter models that aim at a more accurate risk assessment and more appropriate matching with the premium for each policyholder. The premiums charged is calculated in order to be able to cover not only the claims and expenses that will emerge from the Company portfolio, but also the capital and solvency requirements.

a) Frequency and severity of claims

Frequency and severity of claims

The frequency and severity of the claims contribute to the calculation of the risk premium and lead to its differentiation at each level of each parameter. These indicators are affected by the terms, limits and deductibles of coverages, the Company's underwriting policy, the selection of the appropriate reinsurance cover, the reserves policy as well as the processes and controls within the claims handling period.

Third Party Liability limits that are imposed by law are €1,22 mil. per person for bodily injuries and €1,22 mil. per accident for Material damages.

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

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

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

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

c) Process used to decide on assumptions

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

Development factors that deviate significantly from the average are excluded from the final selection particularly if their application results in estimates lower than expected.

On a six-month basis the Company performs an adequacy test of insurance reserves. On the basis of this test various actuarial methods are being used on the claims data like Chain Ladder and Bornheutter Ferguson. These methods used reflect the experience from prior years in order to estimate the ultimate cost of claims per accident year.

Also, the Company examines the need for unexpired risk reserve (URR). In calculating the URR, the most recent accident years loss ratio is used as well as the management expense ratio based on the Company's expense analysis at the end of each financial year.

d) Changes in assumptions and sensitivity analysis

The ratio used for the adequacy assessment is given by the product of development factors which are subject to sensitivity analysis.

In case of an increase of the product of development factors by 10,0%, a deficit of reserve arises by € 612 thousand (31 December 2020: € 948 thousand) amounting to 1,3% (31 December 2020: 2,1%). In case of a reduction of the product of development factors by 10,0%, a surplus is generated amounting to € 6.361 thousand (31 December 2020: €5.794 thousand), which is equal to 13,1% of the total reserves for outstanding claims (31 December 2020: 12,6%).

In case of an increase of the estimated loss ratio or of the administrative expense ratio by 10,0%, additional unexpired risks reserve of € 595 thousand (31 December 2020: € 596 thousand) is required. In case of a decrease of the estimated loss ratio or of the administrative expense ratio by 10,0%, a surplus of unexpired risks reserve is generating amounting to € 595 thousand (31 December 2020: € 596 thousand).

	Change	Impact on the adequacy of insurance reserves	
		31/12/2021	31/12/2020
(amounts in € thousand)			
Increase of the product of development factors	+10%	612	948
Decrease of the product of development factors	-10%	(6.361)	(5.794)
Increase of loss ratio or administrative expense ratio	+10%	595	596
Decrease of loss ratio or administrative expense ratio	-10%	(595)	(596)

4.2.1.2 Property insurance

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

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

a) Frequency and severity of claims

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

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

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

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

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

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

Claims are classified into three main categories as follows:

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

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

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

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

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

The table below analyses the concentration of risk in the Company's portfolio by geographic region for 31 December 2021 and 31 December 2020 (in relation to the risk of earthquake).

Geographical region (amounts in € thousand)	**Total insured funds as at 31 December 2021 (GROSS)**	**Total insured funds as at 31 December 2020 (GROSS)**
Attica and Central Greece	10.777.480	9.517.498
Rest of Greece	12.258.702	9.831.555
Total	**23.036.182**	**19.349.053**

The Company is covered by excessive reinsurance contracts for catastrophic events for the amount exceeding € 8 mil. (2020: € 6 mil.) per loss and up to € 382 mil.. The total (maximum) limit has been increased from the previous year by € 24 mil. (2020: € 358 mil.).

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

The main uncertainties in estimating future payments are as follows:

- the final cost of repair or replacement of damaged property or/and any residual value of rescued items (which affects the final damage to be borne by the Company).
- in case of judicial resolution of the dispute, the interpretation of the terms of the insurance contract and the facts which the court will adopt.

- in case of judicial resolution of the dispute, the time until the payment of any compensation to be awarded for the purpose of calculating interest on overdue amount.

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

c) Process used to decide on assumptions

The selection of the development factors for assessing the adequacy of reserves and future payments is made in order to normalize random behaviors and is considered to be prudent.

Development factors that deviate significantly from the average are excluded from the final selection particularly if their application results in estimates lower than expected.

The non-attritional claims and the claims from exceptional and unpredictable events such as the riots in Athens at the end of 2008, are monitored separately in order to avoid biases on claims projections from random events with a low probability of recurring. In cases where the there is no sufficient data that can be used for statistical analysis then similar risk categories are grouped together.

The Company, during the half-year and year-end reporting periods, carries out analysis of the gross claims reserves using the actuarial methods above mentioned. It is worth mentioning that for these risk categories the Company has a positive experience and no additional reserve is required as result of the adequacy assessment of claims.

In addition the Company also assesses the calculation of unexpired risk reserve, but such a reserve is not considered to be necessary.

d) Change in assumptions and sensitivity analysis

The ratio used for the adequacy assessment is given by the product of development factors which are subject to sensitivity analysis.

In case of increase of the product of development factors by 10,0%, a deficit of reserve arises by € 11 thousand (31 December 2020: € 791 thousand), amounting to 0,1% (31 December 2020: 4,7%). In case of a reduction of the product of development factors by 10,0%, a surplus is generated amounting to € 2.267 thousand (31 December 2020: € 1.865 thousand), which is equal to 15% of the total outstanding claim reserve (31 December 2020: 11,1%).

	Change	Impact on the adequacy of insurance reserves	
		31/12/2021	31/12/2020
(amounts in € thousand)			
Increase of the product of development factors	+10%	11	791
Decrease of the product of development factors	-10%	(2.267)	(1.865)

4.3 Financial Risks

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

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

4.3.1 Credit risk

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

Credit risk concentration

The main counterparties, to which the Company is exposed to concentration risk, are reinsurers and issuers of securities. Within the framework of risk management, credit rating standards are specified for counterparties as well as limits for the concentration of credit risk. There was no exposure in excess of the Company's determined limits for its counterparties as of 31 December 2021 and 2020.

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

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

Maximum Exposure (amounts in € thousand)	**31/12/2021**	**31/12/2020**
Derivative financial instruments	-	7
Financial assets held for trading	85.868	92.537
Available for sale financial assets	23.025	21.924
Financial assets classified as loans and receivables	1.837	3.703
Insurance receivables	3.048	3.709
Other receivables	6.225	6.504
Reinsurance receivables	13.571	12.204
Cash and cash equivalents	22.177	14.145
Total financial assets bearing credit risk	**155.750**	**154.732**

As at 31 December 2021, the Company has no 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 the 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 Company initially uses the Fitch credit ratings and if there are no recent data available, then the Standard & Poor's or Moody's credit ratings are used. The applicable limits regarding the government debt securities as well as the corporate securities, which the Company has in its portfolio, are described in the current Risk Management Policy.

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

Government Bonds (amounts in € thousand)	**Rating Fitch**	**31/12/2021**	**Rating Fitch**	**31/12/2020**
Greece	BB	78.080	BB-	88.194
Ireland	A+	1.231	A+	1.300
USA	AAA	-	AAA	4.156
Total		**79.311**		**93.650**

Corporate Bonds (amounts in € thousand)	**Rating Fitch**	**31/12/2021**	**Rating Fitch**	**31/12/2020**
Non-financial industry (Other commercial companies)	BBB+	-	BB+	2.669
	BBB	-	B+	2.038
	BB	827	NR	832
Total		**827**		**5.539**

As at 31 December 2021 and 2020, the largest concentration in the Company's debt securities portfolio is in European sovereign debt which constitute a percentage of 98,97% and 90,2% respectively of the total debt securities portfolio and a percentage of 59,7% and 67,6% respectively of all financial assets (including cash and cash equivalents).

Especially for the sovereign exposure to Greece, the Company had an exposure of €78.080 thousand (58,7% of total financial assets) and €88.194 thousand (66,7% of total financial assets) as at 31 December 2021 and 2020, respectively.

Credit risk related to reinsurance assets:

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

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

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

Based on the Company's reinsurance business strategy, an appropriate mixture of reinsurers has been selected in order to ensure adequate level of reinsurance coverage. The Company's credit risk exposure on the reinsurance receivables due from the top three reinsurance companies as at 31 December 2021 amounts to 49,9% (2020: 51,5%). However due to the high credit rating and the recognized solvency of these reinsurance companies the Company's management does not expect any losses from credit defaults.

The rating of the reinsurance companies per line of business for 2021 and 2020 is given below.

	2021 RATING			
Line of Business	**A+**	**A**	**A-**	**AA-**
Property	16,83%	16,72%	12,52%	53,94%
Catastrophe	16,83%	16,72%	12,52%	53,94%
Motor	35,00%	20,00%	0,00%	45,00%
Engineering	16,83%	16,72%	12,52%	53,94%
Cargo	40,00%	25,00%	0,00%	35,00%
Accident /TPL	35,00%	20,00%	0,00%	45,00%

		2020 RATING			
Line of Business	**A+**	**A**	**A-**	**AA-**	**B+**
Property	3,68%	24,20%	4,76%	47,20%	20,16%
Catastrophe	3,68%	24,20%	4,76%	47,20%	20,16%
Motor	10,00%	20,00%	10,00%	60,00%	0,00%
Engineering	3,68%	24,20%	4,76%	47,20%	20,16%
Cargo	25,00%	25,00%	0,00%	25,00%	25,00%
Accident /TPL	10,00%	20,00%	10,00%	60,00%	0,00%

The change in the rating of reinsurers during 2021 is due to the termination of contract with a reinsurer with a degraded credit rating.

Credit risk related to premium receivables

The Company's main credit risk exposure to insurance receivables is from third party agents, brokers and other intermediaries. The risk arises where they collect premiums from customers to be paid to the insurance entities of the Company. The Company has policies and standards in place to manage and monitor credit risk from intermediaries with a focus on day-to-day monitoring of the largest balances, including monitoring of the limits of these exposures. The Company has also established a pre-selection process and mitigates the risk through careful selection of counterparties.

Past due but not impaired receivables should be regarded as unsecured, but some of these receivable positions may be offset by collateral (i.e. letter of credits). The Company prepares internal reports on past due but not impaired receivable balances and aims in keeping the balance of past due positions as low as possible, while taking into account customer satisfaction.

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

Analysis per type of network (amounts in € thousand)	**31/12/2021**	**31/12/2020**
Company's network	115	123
Bancassurance network	315	1.307
Agents and brokers	2.618	2.279
Total	**3.048**	**3.709**

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

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

Credit risk related to cash and cash equivalents

As at 31 December 2021 and 31 December 2020, cash placements to the Eurobank Group amounted to € 1.713 thousand and € 1.489 thousand respectively.

The following table presents financial assets by credit rating category as at 31 December 2021 and 2020:

31 December 2021	**Trade Portfolio**	**AFS Portfolio**	**Derivatives**	**Financial assets classified as loans and receivables**	**Premium receivables**	**Other receivables**	**Reinsurance receivables**	**Cash & cash equivalent**	**Total**
(amounts in € thousand)									
AA+	-	-	-	-	-	-	1	-	1
AA-	-	-	-	-	-	147	5.414	11.786	17.347
A+	-	1.231	-	-	-	6	5.927	-	7.164
A	-	-	-	-	-	99	1.757	-	1.856
A-	-	-	-	-	-	-	233	-	233
BB	78.080	827	-	-	-	-	-	-	78.907
B++	-	-	-	-	-	0	121	-	121
B-	1.396	2.617	-	-	-	-	-	4.619	8.632
CCC+	-	-	-	-	-	-	-	5.769	5.769
Non rating	6.392	18.350	-	1.837	3.048	5.974	117	2	35.719
	85.868	**23.025**	**-**	**1.837**	**3.048**	**6.225**	**13.571**	**22.177**	**155.750**

31 December 2020	**Trade Portfolio**	**AFS Portfolio**	**Derivatives**	**Financial assets classified as loans and receivables**	**Premium receivables**	**Other receivables**	**Reinsurance receivables**	**Cash & cash equivalent**	**Total**
(amounts in € thousand)									
AAA	4.156	-	-	-	-	-	-	-	4.156
AA-	-	-	-	-	-	1	5.630	6.802	12.432
A+	-	1.300	7	-	-	64	4.827	-	6.198
A	-	-	-	-	-	47	1.485	-	1.532
A-	-	-	-	-	-	-	140	-	140
BBB+	-	2.669	-	-	-	-	-	-	2.669
BBB	-	2.038	-	-	-	-	-	-	2.038
B++	-	-	-	-	-	0	100	-	101
BB	88.194	832	-	-	-	-	-	-	89.026
B+	183	1.699	-	-	-	-	-	-	1.881
B-	-	-	-	-	-	-	-	1.491	1.491
CCC+	-	-	-	-	-	-	-	3.925	3.925
CCC	-	-	-	-	-	-	-	1.926	1.926
Non rating	3	13.387	-	3.703	3.709	6.392	23	2	27.218
	92.537	**21.924**	**7**	**3.703**	**3.709**	**6.504**	**12.204**	**14.145**	**154.732**

Analysis of financial assets:

The following table provides an aging analysis of financial assets that are past due but not impaired and of financial assets that are individually determined to be impaired.

31 December 2021 (amounts in € thousand)	Trade Portfolio	AFS Portfolio	Financial assets classified as loans and receivables	Derivatives	Premium receivables	Reinsurance receivables	Other receivables	Total
Neither past due nor impaired financial assets	**85.868**	**19.657**	**1.837**	**-**	**-**	**13.571**	**6.225**	**127.158**
Past due but not impaired financial assets								
Past due by:								
1 to 90 days	-	-	-	-	2.545	-	-	2.545
>90 days	-	-	-	-	502	-	-	502
Total	**85.868**	**19.657**	**1.837**	**-**	**3.048**	**13.571**	**6.225**	**130.206**
Financial assets impaired								
Gross carrying value of financial assets	-	**3.831**	**-**	**-**	**3.616**	**-**	**-**	**7.447**
Impairment allowance on individually assessed financial assets	-	(463)	-	-	(3.616)	-	-	(4.079)
Net carrying value of financial assets	**85.868**	**23.025**	**1.837**	**-**	**3.048**	**13.571**	**6.225**	**133.573**

31 December 2020 (amounts in € thousand)	Trade Portfolio	AFS Portfolio	Financial assets classified as loans and receivables	Derivatives	Premium receivables	Reinsurance receivables	Other receivables	Total
Neither past due nor impaired financial assets	**92.537**	**19.650**	**3.703**	**7**	**-**	**12.204**	**6.504**	**134.604**
Past due but not impaired financial assets								
Past due by:								
1 to 90 days	-	-	-	-	3.054	-	-	3.054
>90 days	-	-	-	-	655	-	-	655
Total	**92.537**	**19.650**	**3.703**	**7**	**3.709**	**12.204**	**6.504**	**138.313**
Financial assets impaired								
Gross carrying value of financial assets	**-**	**3.229**	**-**	**-**	**3.866**	**-**	**-**	**7.095**
Impairment allowances on individually assessed financial assets	-	(954)	-	-	(3.866)	-	-	(4.821)
Net carrying value of financial assets	**92.537**	**21.924**	**3.703**	**7**	**3.709**	**12.204**	**6.504**	**140.587**

4.3.2 Market risk

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

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

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

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

a) Interest rate risk

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

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

31 December 2021 (amounts in € thousand)	0,0 – 3,0 %	3,0 – 6,0 %	Total
Financial assets at FVTPL:			
- Financial assets held for trading	78.080	-	78.080
Available for sale financial assets	827	1.231	2.057
Financial assets classified as loans and receivables	-	1.837	1.837
Cash and cash equivalents	22.177	-	22.177
Total	**101.083**	**3.068**	**104.151**

31 December 2020 (amounts in € thousand)	0,0 – 3,0 %	3,0 – 6,0 %	Total
Financial assets at FVTPL:			
- Financial assets held for trading	92.351	-	92.351
Available for sale financial assets	5.539	1.300	6.839
Financial assets classified as loans and receivables	-	3.703	3.703
Cash and cash equivalents	14.145	-	14.145
Total	**112.034**	**5.002**	**117.037**

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

	31/12/2021			31/12/2020		
(amounts in € thousand)	Fixed rate	Floating Rate	Total	Fixed rate	Floating rate	Total
Financial assets at FVTPL:						
- Financial assets held for trading	78.080	-	78.080	92.351	-	92.351
Available for sale financial assets	2.057	-	2.057	6.239	600	6.839
Financial assets classified as loans and receivables	-	1.837	1.837	-	3.703	3.703
Cash and cash equivalents	22.177	-	22.177	14.145	-	14.145
Total	**102.314**	**1.837**	**104.151**	**112.735**	**4.302**	**117.037**

(b) Equity risk

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

As part of its overall risk management process, the Company manages and monitors its equity risk and applies limits as expressed in established policies. Based on the Financial Risk Management Framework followed by the Company, its investments in equities (including its investments in mutual funds) should not exceed 15,0 % of total investments. Investments in Real Estate Investment Companies (REICs) should not exceed 10,0% of total investments.

As at 31 December 2021, the Company's total exposure to equity risk expressed as a percentage of total investments amounted to 15,7% (31 December 2020: 7,7%), and is summarized below:

% of Investment portfolio under management	31/12/2021	31/12/2020
Exposure to listed securities	15,7%	7,7%
Total exposure to Equities and Mutual Funds Risks	**15,7%**	**7,7%**

(c) Currency risk

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

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

The Company's overall exposures to foreign currency risk at December 31, 2021 amounted to 5,1% (December 31, 2020: 7,1%) and is not considered significant.

The following table presents the Company's exposure to foreign currency exchange rate risk at 31 December 2021 and 31 December 2020 respectively. table includes the Company's assets and liabilities at carrying amounts categorized by currency.

31 December 2021 (amounts in € thousand)	EUR	USD	RON	GBP	Total
ASSETS					
Deferred acquisition costs (DAC)	2.342	-	-	-	2.342
Investment in subsidiaries	-	-	5.607	-	5.607
Financial assets at FVTPL :					
- Financial assets held for trading	85.868	-	-	-	85.868
Available for sale financial assets	18.843	3.977	205	-	23.025
Financial assets classified as loans and receivables	1.837	-	-	-	1.837
Cash and cash equivalents	22.177	-	-	-	22.177
Insurance receivables	3.048	-	-	-	3.048
Reinsurance receivables	13.571	-	-	-	13.571
Other assets	34.738	-	-	-	34.738
Total assets	**182.422**	**3.977**	**5.812**	**-**	**192.211**
LIABILITIES					
Insurance provisions	96.658	-	-	-	96.658
Other Liabilities	19.650	-	-	-	19.650
Total Liabilities	**116.309**	**-**	**-**	**-**	**116.309**
Total Equity	**66.114**	**3.977**	**5.812**	**-**	**75.903**

31 December 2020 Restated* (amounts in € thousand)	EUR	USD	RON	GBP	Total
ASSETS					
Deferred acquisition costs (DAC)	2.595	-	-	-	2.595
Investment in subsidiaries	-	-	5.607	-	5.607
Financial assets at FVTPL :					
Derivatives	7	-	-	-	7
- Financial assets held for trading	88.388	4.156	-	-	92.544
Available for sale financial assets	17.940	-	205	3.780	21.924
Financial assets classified as loans and receivables	3.703	-	-	-	3.703
Cash and cash equivalents	14.145	-	-	-	14.145
Insurance receivables	3.709	-	-	-	3.709
Reinsurance receivables	12.204	-	-	-	12.204
Other assets	35.842	-	-	-	35.842
Total assets	**178.532**	**4.156**	**5.812**	**3.780**	**192.281**
LIABILITIES					
Insurance provisions	99.868	-	-	-	99.868
Other Liabilities	20.574	-	-	-	20.574
Total Liabilities	**120.443**	**-**	**-**	**-**	**120.443**
Total Equity	**58.089**	**4.156**	**5.812**	**3.780**	**71.837**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

(d) VaR methodology summary

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

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

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

VaR of financial assets

(amounts in € mil.)	31/12/2021	31/12/2020
Total VaR	**0,4**	**0,3**

The Monte Carlo VaR and the implementation of this risk measurement methodology by the Company raise specific limitations, for instance 99,0% VaR means that in 1,0% of cases the loss is expected to be greater than the VaR amount.

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

4.3.3 Liquidity risk

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

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

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

Monitoring involves measuring cash flows and making estimates for the next day, week and month respectively, as these are key periods for liquidity management. The first step in making these estimates is to analyze the contractual maturity of the financial liabilities and the expected collection date of the financial receivables.

a) Non-derivative cash flows

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

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

31 December 2021 (amounts in € thousand)

Financial Liabilities	Carrying Value	0-1 months	1-3 months	3-12 months	> year	Total
Reinsurance payables	4.233	-	-	4.233	-	4.233
Payables to ceding insurers	3	-	-	3	-	3
Agents and Insurance Brokers	2.714	1.683	956	-	74	2.714
Other creditors	875	-	875	-	-	875
Lease liabilities	3.099	41	82	370	2.606	3.099
Other liabilities	4.763	-	57	811	3.894	4.763
Total financial liabilities	**15.687**	**1.724**	**1.970**	**5.418**	**6.575**	**15.687**

31 December 2020 (amounts in € thousand)

Financial Liabilities	Carrying Value	0-1 months	1-3 months	3-12 months	> year	Total
Reinsurance payables	2.618	-	-	2.618	-	2.618
Payables to ceding insurers	4	-	-	4	-	4
Agents and Insurance Brokers	2.212	858	1.269	0	84	2.212
Other creditors	3.912	2.903	1.009	-	-	3.912
Lease liabilities	3.582	42	85	383	3.072	3.582
Other liabilities	4.399	-	28	395	3.975	4.399
Total financial liabilities	**16.727**	**3.804**	**2.391**	**3.400**	**7.131**	**16.727**

Maturity analysis of insurance reserves (expected future cash flows)

31 December 2021 (amounts in € thousand)	Carrying Value	0-1 years	1-3 years	3-5 years	5-10 years	Total
Unearned Premium Reserves	24.435	5.139	14.295	3.284	1.717	**24.435**
Outstanding claims Reserves	72.223	43.112	19.114	7.215	2.782	**72.223**
Total non-life reserves	**96.658**	**48.252**	**33.409**	**10.499**	**4.499**	**96.658**

31 December 2020 (amounts in € thousand)	Carrying Value	0-1 years	1-3 years	3-5 years	5-10 years	Total
Unearned Premium Reserves	27.770	5.039	17.249	3.773	1.710	**27.770**
Outstanding claims Reserves	72.098	42.437	19.951	6.849	2.862	**72.098**
Total non-life reserves	**99.868**	**47.475**	**37.200**	**10.621**	**4.572**	**99.868**

(b) Asset Liabilities Matching (ALM)

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

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

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

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

31 December 2021 (amounts in € thousand)	Non-Life Contractual cash flows (undiscounted)						
Assets	**Carrying value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
Carrying value and cash flows arising from assets:							
Trading portfolio							
Listed equity securities	1.422	1.422	-	-	-	-	**1.422**
Unlisted equity securities and mutual funds	6.366	6.366	-	-	-	-	**6.366**
Listed bonds:							
– Fixed rate	78.080	78.080	-	-	-	-	**78.080**
Available for Sale:							
Listed equity securities and mutual funds	7.050	7.050	-	-	-	-	**7.050**
Unlisted equity securities and mutual funds	13.918	13.918	-	-	-	-	**13.918**
Listed bonds:							
– Fixed rate	2.057	74	74	873	1.054	-	**2.075**
– Floating rate	-	-	-	-	-	-	**-**
Loans and receivables:							
- Floating rate loans	1.837	54	1.854	-	-	-	**1.908**
Derivative financial instruments	-	-	-	-	-	-	**-**
Cash and cash equivalents	22.177	22.177	-	-	-	-	**22.177**
Total	**132.906**	**129.140**	**1.928**	**873**	**1.054**	**-**	**132.994**

31 December 2021 (amounts in € thousand)							
Insurance Reserves	**Carrying value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
		Expected cash flows (undiscounted)					
Insurance Reserves	96.658	48.252	22.396	11.013	6.355	8.643	**96.658**
Total	**96.658**	**48.252**	**22.396**	**11.013**	**6.355**	**8.643**	**96.658**

31 December 2020 (amounts in € thousand)	Non-Life Contractual cash flows (undiscounted)						
Assets	**Carrying value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
Carrying value and cash flows arising from assets:							
Trading portfolio							
Listed equity securities	186	186	-	-	-	-	**186**
Listed bonds:							
– Fixed rate	92.351	92.334	-	-	-	-	**92.334**
Available for Sale:							
Listed equity securities and mutual funds	7.388	7.388	-	-	-	-	**7.388**
Unlisted equity securities and mutual funds	7.697	7.697	-	-	-	-	**7.697**
Listed bonds:							
– Fixed rate	6.239	4.184	79	79	873	1.054	**6.269**
– Floating rate	600	621	-	-	-	-	**621**
Loans and receivables:							
- Floating rate loans	3.703	110	110	3.710	-	-	**3.929**
Derivative financial instruments	7	7	-	-	-	-	**7**
Cash and cash equivalents	14.145	14.145	-	-	-	-	**14.145**
Total	**132.315**	**126.672**	**189**	**3.789**	**873**	**1.054**	**132.576**

31 December 2020 (amounts in € thousand)							
Insurance Reserves	**Carrying value**	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**>4 years**	**Total**
		Expected cash flows (undiscounted)					
Insurance Reserves	99.868	47.475	25.487	11.713	6.782	8.411	**99.868**
Total	**99.868**	**47.475**	**25.487**	**11.713**	**6.782**	**8.411**	**99.868**

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 equity shares have been included in the first group of maturity, since the shares that are listed can be realized at any time.

4.4 Operational risk

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

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

The Company's Operational Risk Management Framework is described in relative documents and/or policies and consists of methodologies that concern: the Risk Control Self-Assessment, the Scenario Analysis, Fraud Risk Assessment (FRA), Outsourcing Relationship Assessment (ORA), evaluation of cloud computing service providers, Conduct Risk Assessment and Management of Operational Risk Events (operational losses).

4.5 Capital adequacy

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

Solvency II, effective from 1st January 2016, is the new operational and supervisory framework of insurance and reinsurance undertakings active in the European Union (EU) and the European Economic Area (EEA). Solvency II framework's requirements are based on the Directive 2009/138/EC of the European Parliament and the Council, as amended by the Directive 2014/51/EU (Omnibus II). In addition, Commission Delegation Regulation (EU) 2015/35 of 10 October 2014, supplementing Directive 2009/138 / EC of the European Parliament and of the Council on the taking up and pursuit of insurance and reinsurance activities (Solvency II), is followed, and its subsequent amendments. In Greece, the Directive 2009/138/EC was integrated into the Greek legislation with Law 4364/05.02.2016.

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

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

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

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

It is noted that as of 31 December 2021 and 31 December 2020, the eligible own funds of the Company exceeded the Solvency Capital Required (SCR).

4.6 Fair values of financial assets and liabilities

(a) Financial instruments carried at fair value:

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

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

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

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

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

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

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

31 December 2021 (amounts in € thousand)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at fair value through profit or loss:				
- Derivative financial instruments	-	-	-	-
Financial assets held for trading	79.502	6.366	-	85.868
Available for sale financial assets	9.107	9.476	4.441	23.025
Total financial assets	**88.609**	**15.842**	**4.441**	**108.892**

31 December 2020 (amounts in € thousand)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at fair value through profit or loss:				
- Derivative financial instruments	-	7	-	7
Financial assets held for trading	92.537	-	-	92.537
Available for sale financial assets	14.227	5.119	2.578	21.924
Total financial assets	**106.764**	**5.126**	**2.578**	**114.468**

No transfers between levels 1 and 2 occurred during financial years ended 31 December 2021 and 2020 respectively.

The change in the value of financial assets which have been classified as Level 2 from € 5.126 thousand as at 31 December 2020 to € 15.842 thousand as at 31 December 2021 is mostly attributed to the financial assets purchases amount of € 10.219 thousand, to fair value differences in the amount of € 505 thousand and to sales- maturities in the amount of € (7) thousand.

The change in the value of financial assets which have been categorized at Level 3 from € 2.578 as at 31 December 2020 to € 4.441 as at 31 December 2021 is mainly due to the change in their fair value.

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

The following table shows the carrying and fair value of assets and liabilities that are not measured at fair value.

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

The following table shows, according to the hierarchical levels of IFRS 13, the classification of assets valued at amortized cost:

31 December 2021	**Level 1**	**Level 2**	**Level 3**	**Total Fair value**	**Total Carrying value**
(amounts in € thousand)					
Financial assets					
Financial assets classified as loans and receivables	-	1.811	-	1.811	1.837
Total financial assets	**-**	**1.811**	**-**	**1.811**	**1.837**

31 December 2020	**Level 1**	**Level 2**	**Level 3**	**Total Fair value**	**Total Carrying value**
(amounts in € thousand)					
Financial assets					
Financial assets classified as loans and receivables	-	3.622	-	3.622	3.703
Total financial assets	**-**	**3.622**	**-**	**3.622**	**3.703**

The value of the financial assets, which have been categorized in Level 2, amounts to € 1,811 thousand and concerns loans granted during the fiscal year 2020, which were partially repaid during the fiscal year 2021.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

(amounts in € thousand)	**Leasehold Improvements**	**Vehicles**	**Furniture and Other Equipment**	**Total**
Cost:				
Balance at 1 January 2021	53	3	1.856	1.912
Additions and improvements	-	-	23	23
Balance at 31 December 2021	**53**	**3**	**1.878**	**1.935**
Accumulated Depreciation:				
Balance at 1 January 2021	(37)	(2)	(1.384)	(1.423)
Depreciation charge	(5)	(0)	(161)	(167)
Balance at 31 December 2021	**(41)**	**(2)**	**(1.545)**	**(1.589)**
Net Book Value at 31 December 2021	**12**	**0**	**333**	**346**

(amounts in € thousand)	**Leasehold Improvements**	**Vehicles**	**Furniture and Other Equipment**	**Total**
Cost:				
Balance at 1 January 2020	53	3	1.543	1.599
Additions andimprovements	-	-	313	313
Balance at 31 December 2020	**53**	**3**	**1.856**	**1.912**
Accumulated Depreciation:				
Balance at 1 January 2020	(32)	(1)	(1.218)	(1.252)
Depreciation charge	(5)	0	(165)	(171)
Balance at 31 December 2020	**(37)**	**(2)**	**(1.384)**	**(1.423)**
Net Book Value at 31 December 2020	**17**	**1**	**472**	**489**

As at 31 December 2021 and 2020, there were no capital commitments for property, plant and equipment.

NOTE 6: RIGHT OF USE ASSETS AND LEASE LIABILITIES

The movements of the Company's right of use assets for the year ended 31 December 2021 and 2020 respectively, are presented in the tables below:

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2021	4.283	128	197	4.608
Additions	-	40	14	54
Cancellations	-	(7)	(120)	(127)
Modifications	-	-	-	-
Balance at 31 December 2021	**4.283**	**161**	**91**	**4.535**
Accumulated Depreciation:				
Balance at 1 January 2021	(969)	(75)	(144)	(1.188)
Depreciation charge	(486)	(37)	(7)	(530)
Cancellations	-	6	67	73
Balance at 31 December 2021	**(1.455)**	**(106)**	**(84)**	**(1.644)**
Net Book Value at 31 December 2021	**2.828**	**56**	**7**	**2.891**

(amounts in € thousand)	Buildings	Vehicles	Other Equipment	Total
Cost:				
Balance at 1 January 2020	4.252	116	176	4.544
Additions	-	19	-	19
Cancellations	-	(6)	-	(6)
Modifications	31	-	21	51
Balance at 31 December 2020	**4.283**	**128**	**197**	**4.608**
Accumulated Depreciation:				
Balance at 1 January 2020	(483)	(40)	(66)	(588)
Depreciation charge	(486)	(40)	(78)	(605)
Cancellations	-	5	-	5
Balance at 31 December 2020	**(969)**	**(75)**	**(144)**	**(1.188)**
Net Book Value at 31 December 2020	**3.314**	**53**	**53**	**3.420**

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

(amounts in € thousand)	31/12/2021	31/12/2020
Short-term lease liabilities	493	510
Long-term lease liabilities	2.606	3.072
Total lease liabilities	**3.099**	**3.582**

Additionally, lease liabilities are due as follows:

(amounts in € thousand)	31/12/2021	31/12/2020
Within a year	493	510
Within the second year	497	488
From 3 to 5 years	1.580	1.506
After 5 years	529	1.079
Total	**3.099**	**3.582**

In addition, the amounts recognized by the Company in the income statement for the years 2021 and 2020 relating to leases, are as follows:

(amounts in € thousand)	2021	2020
Depreciation charge of right of use assets	(530)	(605)
Interest expense on lease liabilities	(164)	(189)
Expenses related to short-term leases and non-lease components	(47)	(55)
Variable lease expenses not included in the measurement of lease liabilities	(10)	(18)
Total	**(751)**	**(867)**

NOTE 7: INVESTMENT PROPERTIES

(amounts in € thousand)	Investment properties-Land	Investment properties -Buildings	Total
Cost:			
Balance at 1 January 2021	312	797	1.109
Disposals and Write-offs	-	-	-
Balance at 31 December 2021	**312**	**797**	**1.109**
Accumulated Depreciation:			
Balance at 1 January 2021	-	(364)	(364)
Depreciation charge	-	(17)	(17)
Disposals and Write-offs	-	-	-
Balance at 31 December 2021	**0**	**(382)**	**(382)**
Net book value at 31 December 2021	**312**	**415**	**727**

(amounts in € thousand)	Investment properties-Land	Investment properties - Buildings	Total
Cost:			
Balance at 1 January 2020	312	797	1.109
Disposals and Write-offs	-	-	-
Balance at 31 December 2020	**312**	**797**	**1.109**
Accumulated Depreciation:			
Balance at 1 January 2020	-	(347)	(347)
Depreciation charge	-	(17)	(17)
Disposals and Write-offs	-	-	-
Balance at 31 December 2020	**-**	**(364)**	**(364)**
Net book value at 31 December 2020	**312**	**432**	**744**

As at 31 December 2021 and 31 December 2020 a valuation of investment properties was carried out by an independent certified valuer.

During the year ended 31 December 2021, an amount of € 71 thousand (2020: € 62 thousand) was recognized in the account "Investment Income " of the Income Statement, which relates to rentals from investments properties. As at 31 December 2021 and 2020, there were no capital commitments for investment properties.

The fair value of each investment property category as at 31 December 2021 is presented in the table below. The main categories of investment properties have been determined based on the nature, characteristics and risks associated with these properties. The fair values of the Company's investment properties are classified as Level 3 of the fair value hierarchy.

Property Description	Area	Carrying amount 31/12/2021	Carrying amount 31/12/2020	Fair Value 31/12/2021	Fair Value 31/12/2020
Commercial property 558 sq.m .	Athens, 2-4 Sina Str.	678	694	923	900
Commercial property 111,68 sq.m	Thessaloniki , 7 Tantalou Str.	49	51	62	60
Total		**727**	**744**	**985**	**960**

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

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

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

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

NOTE 8: INTANGIBLE ASSETS

(amounts in € thousand)	Software	Goodwill	Total
Cost:			
Balance at 1 January 2021	6.702	22.056	28.758
Additions and improvements	1.388	-	1.388
Balance at 31 December 2021	**8.090**	**22.056**	**30.146**
Accumulated Depreciation:			
Balance at 1 January 2021	(3.603)	-	(3.603)
Amortization charge	(963)	-	(963)
Balance at 31 December 2021	**(4.566)**	**-**	**(4.566)**
Net Book value at 31 December 2021	**3.524**	**22.056**	**25.580**

(amounts in € thousand)	Software	Goodwill	Total
Cost:			
Balance at 1 January 2020	5.698	22.056	27.754
Additions and improvements	1.025	-	1.025
Disposals and Write-offs	(22)	-	(22)
Balance at 31 December 2020	**6.702**	**22.056**	**28.758**
Accumulated Depreciation:			
Balance at 1 January 2020	(2.888)	-	(2.888)
Amortization charge	(728)	-	(728)
Disposals and Write-offs	13	-	13
Balance at 31 December 2020	**(3.603)**	**-**	**(3.603)**
Net Book value at 31 December 2020	**3.099**	**22.056**	**25.155**

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

Impairment test

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units (CGUs) that are expected to benefit from that business combination. The Company tests on an annual basis whether there is an indication of impairment as described in accounting policy 2.5 (i). At 31 December 2021 and 31 December 2020 there was no indication of goodwill impairment. The recoverable amounts of the CGUs are determined from value-in-use calculations. These calculations use cash flow projections based on business plans approved by Management covering a 5-year period. Cash flow projections for years six to ten have been projected based on operational and market specific assumptions. Cash flows beyond the ten-year period (the period in perpetuity) have been extrapolated using the estimated growth rates stated below.

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

The key assumptions used for the value-in-use calculations in 2021 and 2020 are as follows:

	2021	2020
Discount factor (before tax)	8%	9%
Growth rate	2%	2%

NOTE 9: INVESTMENTS IN SUBSIDIARIES

(amounts in € thousand)	31/12/2021	31/12/2020
Carrying amount	5.607	5.607
Percentage holding	95,29%	95,29%
Subsidiary	EUROLIFE FFH ASIGURARI GENERALE S.A.	EUROLIFE FFH ASIGURARI GENERALE S.A.
Country of incorporation	Romania	Romania
Line of business	Non-Life	Non-Life

The movement of investments is as follows:

(amounts in € thousand)	31/12/2021	31/12/2020
Cost		
Balance at 1 January	5.607	4.665
Share capital increase	-	953
Balance at 31 December	**5.607**	**5.607**

According to 02.12.2020 decision of the Extraordinary General Meeting of Shareholders of the subsidiary Eurolife FFH Asigurari Generale S.A., the subsidiary proceeded to an increase of share capital by € 999 thousand (RON 4.871 thousand) by issuing 3.446 new shares at a nominal value of € 290 (RON 1.413,6), which was covered by its shareholders, Eurolife FFH General Insurance S.A. (with a percentage of 95,3%) and Eurolife FFH Life Insurance S.A. (with a percentage of 4,7%). Following the increase, the subsidiary's share capital amounts to € 5.779 thousand (RON 22.230 thousand).

NOTE 10: DEFERRED TAX ASSET/LIABILITY

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

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

(amounts in € thousand)	Opening Balance 01/01/2021	Changes in Income Statement	Changes in OCI	Closing Balance 31/12/2021
Valuation of Investments				
Changes in fair value of financial assets available for sale	(194)	15	(994)	(1.173)
Changes in fair value of financial assets available for sale due to impairment	229	(127)	-	102
Changes in fair value of financial assets held for trading	(23)	(10)	-	(34)
Changes in the amortized cost of financial assets classified as Loans and Receivables	(19)	14	-	(6)
Changes in the fair value of Derivative financial instruments	(2)	2	-	-
Various Provisions				
Provision for staff leaving indemnities	76	5	(5)	76
Provision for other doubtful and disputed receivables	678	(128)	-	550
Foreign exchange differences of Investments				
Changes in fair value of financial assets held for trading	11	(11)	-	-
Property, plant and equipment & Intangible Assets				
Depreciation/Amortization of property, plant and equipment and intangible assets	(42)	27	-	(15)
Other temporary differences	94	34	-	128
Total Deferred Tax Assets / (Liabilities)	**808**	**(180)**	**(999)**	**(372)**

(amounts in € thousand)	Opening Balance 01/01/2020 Restated*	Changes in Income Statement	Changes in OCI	Closing Balance 31/12/2020 Restated*
Valuation of Investments				
Changes in fair value of financial assets available for sale	(1.607)	-	1.413	(194)
Changes in fair value of financial assets available for sale due to impairment	25	204	-	229
Changes in fair value of financial assets held for trading	(49)	26	-	(23)
Changes in the amortized cost of financial assets classified as Loans and Receivables	-	(19)	-	(19)
Changes in the fair value of Derivative financial instruments	-	(2)	-	(2)
Various Provisions				
Provision for staff leaving indemnities	70	2	3	76
Provision for other doubtful and disputed receivables	680	(2)	-	678
Foreign exchange differences of Investments				
Changes in fair value of financial assets held for trading	13	(2)	-	11
Property, plant and equipment & Intangible Assets				
Depreciation/Amortization of property, plant and equipment and intangible assets	(26)	(16)	-	(42)
Other temporary differences	84	10	-	94
Total Deferred Tax Assets / (Liabilities)	**(810)**	**201**	**1.417**	**808**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

The deferred tax movement from changes in the fair value of Available-for-sale financial assets is analyzed as follows: € (810) thousand (2020: € 276 thousand) from changes in fair value and € (169) thousand (2020: € 1.138 thousand) from transfers to profit or loss due to the sale of AFS assets.

NOTE 11: FINANCIAL ASSETS HELD FOR TRADING

(amounts in € thousand)	31/12/2021	31/12/2020
Government securities:		
Greek government	78.080	88.194
Foreign governments	-	4.156
Other issuers' securities:		
Banks	1.396	183
Other	6.392	3
Total	**85.868**	**92.537**

(amounts in € thousand)	31/12/2021	31/12/2020
Treasury bills	78.080	92.351
Equity shares	1.422	186
Mutual Funds	6.366	-
Total	**85.868**	**92.537**

The movement of securities is as follows:

(amounts in € thousand)	2021	2020
Balance at 1 January	92.537	13.290
Additions	209.248	250.660
Sales/ Liquidations	(215.799)	(171.337)
Bonds amortization	(219)	21
Foreign exchange differences	45	9
Changes in fair value of debt securities	(20)	(2)
Changes in fair value of equity securities	77	(105)
Balance at 31 December	**85.868**	**92.537**

NOTE 12: AVAILABLE FOR SALE FINANCIAL ASSETS

(amounts in € thousand)	31/12/2021	31/12/2020
Government securities:		
Foreign governments	1.187	1.257
Other issuers' securities:		
Banks	2.617	1.699
Other	19.175	18.865
Total	**22.980**	**21.821**
Listed securities	9.062	14.124
Unlisted Securities	13.918	7.697
Total	**22.980**	**21.821**
Bonds	2.012	6.735
Equity shares	7.255	7.593
Mutual Funds	13.713	7.492
Total	**22.980**	**21.821**
Plus		
Accrued interest	45	104
Total	**23.025**	**21.924**

The movement of securities is as follows:

(amounts in € thousand)	2021	2020
Balance at 1 January	21.924	99.737
Additions	4.106	8.450
Sales /Liquidations	(7.980)	(77.513)
Bonds amortization	18	(313)
Changes in fair value of debt securities	(152)	(4.649)
Changes in fair value of equity securities	4.676	(1.240)
Impairment on equity securities	491	(852)
Changes in accrued interest	(59)	(1.697)
Balance at 31 December	**23.025**	**21.924**

NOTE 13 : FINANCIAL ASSETS CLASSIFIED AS LOANS AND ASSETS

(amounts in € thousand)	31/12/2021	31/12/2020
Loans		
Commercial mortgage loans	1.826	3.681
Total	**1.826**	**3.681**
Plus:		
Accrued interest on loans	11	22
Total	**1.837**	**3.703**

The movement of loans is as follows:

(amounts in € thousand)	2021	2020
Balance at 1 January	3.703	-
Loans granted	-	3.600
Loans collected	(1.800)	-
Capitalized expenses	-	86
Loans amortization	(55)	(6)
Changes in accrued interest	(11)	22
Balance at 31 December	**1.837**	**3.703**

In October 2020, the Company granted commercial mortgage loans, with a floating interest rate, of a total nominal value of € 3.600 thousand to foreign property management companies. The duration of the loans is three years with the right of extension up to two years.

NOTE 14: INSURANCE RECEIVABLES

(amounts in € thousand)	31/12/2021	31/12/2020
Insurance receivables		
Insurance receivables up to 30 days	2.187	2.163
Insurance receivables between 30 and 90 days	407	975
Insurance receivables beyond 90 days	4.118	4.521
Provision for doubtful receivables	(3.616)	(3.866)
(minus) Premium prepayments	(49)	(83)
Total	**3.048**	**3.709**

Insurance receivables from related parties represent 8,93 % (2020: 5,9%) of total receivables. Management does not expect impairment losses from related parties due to inability of payments.

NOTE 15: OTHER RECEIVABLES

(amounts in € thousand)	31/12/2021	31/12/2020
Receivables from ceding insurers	941	836
Reinsurance receivables (current account)	305	324
Other receivables	1.715	1.843
Commissions and deferred acquisition costs	2.342	2.595
Other prepaid expenses	922	905
Total	**6.225**	**6.504**

NOTE 16: REINSURANCE RECEIVABLES

Reinsurance receivables relate to reinsurers' share on unearned premiums and outstanding claims reserves.

(amounts in € thousand)	31/12/2021	31/12/2020
Receivables from unearned premiums reserves (U.P.R.) (note 21)	3.078	2.486
Receivables from outstanding claims reserves (O.C.R.) (note 21)	10.493	9.719
Total	**13.571**	**12.204**

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

NOTE 17: CASH AND CASH EQUIVALENTS

(amounts in € thousand)	31/12/2021	31/12/2020
Cash on hand	2	2
Deposits on demand	12.666	7.533
Time deposits	9.509	6.610
Total	**22.177**	**14.145**

Time deposits have a maturity of less than 90 days. The weighted average effective interest rate on time deposits during the year was 0,07% (2020: 0,58%).

NOTE 18: SHARE CAPITAL

The share capital amounts to 49.800 registered ordinary shares of a nominal amount of €61,53 each. All shares are issued and the share capital is fully paid up. The sole shareholder, "Eurolife FFH Insurance Group Holdings S.A." owns 100% of its share capital. The Company has no stock option plan.

(amounts in € thousand)	31/12/2021	31/12/2020
No. of ordinary shares	49.800	49.800
Paid up	3.064	3.064
Share Capital	**3.064**	**3.064**

NOTE 19: RESERVES

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	AFS investments revaluation Reserve	Reserve for Post-employment benefit obligations	Other reserves	Total
Balance at 1 January 2021	**12.257**	**35.209**	**54**	**(66)**	**8.018**	**55.472**
Transfer of prior period profits	-	10.640	-	-	(2.339)	8.301
Remeasurement of defined benefit obligation, net of tax	-	-	-	11	-	11
Change in fair value of AFS financial assets	-	-	4.524	-	-	4.524
Deferred tax on change in fair value of AFS financial assets	-	-	(994)	-	-	(994)
Balance at 31 December 2021	**12.257**	**45.849**	**3.584**	**(55)**	**5.679**	**67.313**

(amounts in € thousand)	Statutory Reserve	Extraordinary Reserves	AFS investments revaluation Reserve	Reserve for Post-employment benefit obligations	Other reserves	Total
Balance at 1 January 2020	**12.257**	**30.210**	**4.529**	**(94)**	**9.379**	**56.282**
Change in accounting policy	-	-	-	39	120	159
Restated Balance at 1 January 2020*	**12.257**	**30.210**	**4.529**	**(55)**	**9.499**	**56.441**
Transfer of prior period profits	-	4.999	-	-	(1.481)	3.518
Remeasurement of defined benefit obligation, net of tax	-	-	-	(11)	-	(11)
Change in fair value of AFS financial assets	-	-	(5.889)	-	-	(5.889)
Deferred tax on change in fair value of AFS financial assets	-	-	1.413	-	-	1.413
Restated Balance at 31 December 2020*	**12.257**	**35.209**	**54**	**(66)**	**8.018**	**55.472**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

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

Extraordinary Reserves arise from previous years' profits based on General Shareholders' Meeting decisions. These reserves can be distributed to shareholders without additional tax charge.

The AFS investments revaluation reserve is recycled to the income statement upon disposal or impairment of investments. This reserve also includes the associated deferred taxes.

The reserve for post-employment benefit obligations includes reserves from the remeasurement of the defined benefit obligation, along with the relevant deferred tax. The reserve from actuarial gain or loss has been created in accordance with the provisions of the revised IAS 19 and cannot be distributed.

Other Reserves include reserves that have been formed under special laws that either are not distributable or will become taxable in case of distribution and the relevant income tax rate which is enacted at the distribution period will be applied.

NOTE 20: EMPLOYEE BENEFITS

The Company provides for staff retirement indemnity obligation for its employees who are entitled to a lump sum payment based on the number of years of service and the level of remuneration at the date of retirement, if they remain in the employment of the Company until normal retirement age, in accordance with the Greek labor legislation. According to the Company's policy, compensation is provided only at retirement age and the employer's liability is distributed during the last 16 working years prior to retirement. The above retirement indemnity obligations typically expose the Company to actuarial risks, such as interest rate risk and salary risk. Therefore, a decrease in the discount rate used to calculate the present value of the estimated future cash outflows or an increase in future salaries will increase the staff retirement indemnity obligations.

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020 Restated*
Movement of provision for staff leaving indemnities		
Balance at 1 January	317	294
Benefits paid	-	(227)
Total expense recognized in the income statement	46	235
Actuarial (gains)/ losses recognized in equity	(16)	14
Balance at 31 December	**347**	**317**

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020 Restated*
Amounts recognized in the income statement		
Current service cost	46	44
Net interest	-	1
Curtailments / settlements / terminations	-	189
Total expense in income statement	**46**	**235**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

The present value of retirement benefit obligations depends on factors determined on an actuarial basis using a number of assumptions as presented in the below table.

The key assumptions used to determine the net cost for pension obligations include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate that should be used to calculate the present value of the estimated retirement obligations at the end of each year. In determining the appropriate discount rate, the Company uses interest rates of highly rated corporate bonds. The currency and maturity terms of the bonds used are consistent with the currency and estimated duration of the retirement benefit obligations. The assumption about the percentage of salary increase is determined by reviewing the Company's salary increases each year.

The other assumptions for pension obligations, such as changes in inflation rate, are based partially on prevailing market conditions.

Actuarial assumptions	2021	2020
Discount rate	0,55%	0,06%
Future salary increases	0,0% έως 4,0%	0,0% έως 4,0%
Inflation	1,4%	1,4%
Expected remaining service life (years)	6,29	7,12

A quantitative sensitivity analysis based on reasonable changes to significant actuarial assumptions as at 31 December 2021 is as follows:

- An increase/(decrease) of the discount rate by 0,5% / (0,5%) would result in a (decrease)/increase of the retirement benefit obligation by (€9) thousand / €9,7 thousand.
- An increase/(decrease) of the future salary growth by 0,5% / (0,5%) would result in an increase/(decrease) of the retirement benefit obligation by €9,4 thousand / (€9) thousand.

NOTE 21: INSURANCE PROVISIONS

(amounts in € thousand)	31/12/2021			31/12/2020		
	Company	Reinsurers	Total	Company	Reinsurers	Total
Unearned premiums reserves (UPR)	19.867	3.078	22.945	23.436	2.486	25.922
Outstanding claims reserves	61.730	10.493	72.223	62.379	9.719	72.098
Unexpired risk reserve	1.491	-	1.491	1.848	-	1.848
Total Insurance Provisions	**83.087**	**13.571**	**96.658**	**87.664**	**12.204**	**99.868**

The outstanding claims reserves from inwards reinsurance amounts to € 3.588 thousand as at 31 December 2021 (2020: €3.605 thousand) and the unearned premiums reserves from inwards reinsurance amounts to €142 thousand in 2021 (2020: €115 thousand).

Outstanding claims reserves mainly comprise of reserve for reported losses amounting to €69.630 thousand in 2021 (2020: €69.212 thousand).

Change in Outstanding Claims

	31/12/2021			31/12/2020		
(amounts in € thousand)	Company	Reinsurers	Total	Company	Reinsurers	Total
Outstanding claims	59.508	9.704	69.212	56.946	9.669	66.615
Additional reserves	2.872	14	2.886	2.839	-	2.839
Balance at 1 January	**62.379**	**9.719**	**72.098**	**59.785**	**9.669**	**69.454**
Decreasefrom claims paid	(8.561)	(248)	(8.809)	(7.008)	(76)	(7.085)
Increase from current year's claims	13.262	1.162	14.424	13.537	239	13.776
Increase/(decrease) from prior years' claims	(5.072)	(126)	(5.198)	(3.967)	(128)	(4.094)
Additional Reserves	(278)	(14)	(292)	32	14	47
Movement in Outstanding Claims (note 29)	**(649)**	**774**	**125**	**2.595**	**49**	**2.644**
Outstanding claims	59.137	10.493	69.630	59.508	9.704	69.212
Additional Reserves	2.593	0	2.593	2.872	14	2.886
Balance at 31 December	**61.730**	**10.493**	**72.223**	**62.379**	**9.719**	**72.098**

Table of claims development

Year of Incident	**< 2012**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**Total**
Estimate of ultimate cost of claims:												
Year of claim		19.757	19.132	22.359	10.835	15.496	18.400	27.254	20.692	20.060	20.774	330.902
One year later		19.682	19.729	23.017	10.908	16.041	18.731	28.061	20.647	20.566		
Two years later		20.395	19.458	22.921	10.757	16.395	18.345	27.920	20.808			
Three years later		20.441	19.316	22.282	10.743	15.876	18.003	27.292				
Four years later		20.339	18.824	20.981	10.557	15.218	16.867					
Five years later		17.456	15.167	16.952	8.638	12.824						
Six years later		18.931	14.687	16.889	8.465							
Seven years later		18.626	14.462	16.545								
Eight years later		18.319	13.787									
Nine years later		18.103										
Current estimate of ultimate cost of claims:	107.160	18.103	13.787	16.545	8.465	12.824	16.867	27.292	20.808	20.566	20.774	283.193
Cumulative payments	103.794	11.160	12.414	14.097	6.480	10.216	11.466	17.637	11.693	11.962	6.350	217.269
Amount of provision	**3.366**	**6.943**	**1.373**	**2.448**	**1.986**	**2.608**	**5.401**	**9.655**	**9.115**	**8.604**	**14.424**	**65.923**
Reserve for previous years												**370**
Reserve for inwards reinsurance –Motor												**3.337**
Additional reserve with statistical method												**269**
Unallocated Loss Adjustment expenses												**2.324**
Total Reserve for Outstanding Claims	**3.366**	**6.943**	**1.373**	**2.448**	**1.986**	**2.608**	**5.401**	**9.655**	**9.115**	**8.604**	**14.424**	**72.223**

The development of insurance provisions provides an indication of the Company's ability to estimate the ultimate cost of claims. The top of the table illustrates how the Company's estimate of total claims outstanding for each incident year changes in the coming years. The bottom of the table reconciles the cumulative claims' amount to the amount presented in the Statement of Financial Position.

NOTE 22: INSURANCE AND OTHER LIABILITIES

(amounts in € thousand)	31/12/2021	31/12/2020
Reinsurers – Current account	4.233	2.618
Ceding companies – current accounts	3	4
Agents and insurance brokers	2.714	2.212
Taxes	2.702	2.990
Social security	544	542
Other Creditors	875	3.912
Other liabilities	4.763	4.399
Total	**15.833**	**16.676**

Other liabilities include the provisions for unaudited tax fiscal years, as well as other provisions.

NOTE 23: NET EARNED PREMIUMS

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Other Non-life Gross Written premiums- Direct	36.456	37.906
Other Non-life Policy Fees	5.920	6.923
Change in unearned premium reserve	3.194	3.384
Total Other Non-life Gross Earned premiums	**45.570**	**48.213**
Motor vehicle liability gross written premiums- Direct	13.682	14.638
Motor vehicle liability policy fees	3.421	3.660
Change in unearned premium reserve	167	522
Total Motor vehicle liability Gross Earned premiums	**17.269**	**18.820**
Total Gross Earned premiums- Direct	**62.840**	**67.034**
Other non-life inward reinsurance written premiums	1.119	1.006
Change in unearned premium reserve	(26)	20
Total other Non-life earned premiums from inward reinsurance	**1.092**	**1.026**
Total Inward Reinsurance Earned premiums	**1.092**	**1.026**
Total gross earned premiums	**63.932**	**68.060**

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Other Non-life premiums ceded to reinsurers	(14.067)	(12.296)
Change in unearned premium reserve	592	233
Total other non-life premiums ceded to reinsurers	**(13.474)**	**(12.063)**
Motor vehicle liability premiums ceded to reinsurers	(165)	(177)
Total motor vehicle liability premiums ceded to reinsurers	**(165)**	**(177)**
Total earned premiums ceded	**(13.639)**	**(12.241)**
Total net earned premiums	**50.293**	**55.819**

NOTE 24: OTHER INSURANCE RELATED INCOME

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Commission income from reinsurers motor vehicle liability	25	24
Commission income from reinsurers other non-life	1.899	1.321
Total	**1.924**	**1.345**

NOTE 25: INVESTMENT INCOME

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Trading portfolio & Cash equivalents		
Interest and amortization on debt securities	(262)	181
Interest income on deposits	4	45
Gains / (losses) from foreign exchange differences	60	(570)
Subtotal	**(198)**	**(344)**
Available for sale financial assets		
Dividend income on equities	164	184
Dividend income on mutual funds	171	4
Interest income and amortization on debt securities	141	883
Subtotal	**476**	**1.070**
Loans and Receivables financial assets		
Interest income on commercial mortgage loans	13	16
Subtotal	**13**	**16**
Other investment income		
Rental income	71	62
Interest income on inwards reinsurance reserve	4	6
Other interest income	49	40
Subtotal	**124**	**108**
Total Investment Income	**416**	**851**

NOTE 26: REALIZED GAINS ON FINANCIAL ASSETS

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Trading Portfolio		
(Losses) from equities disposal	(1.070)	-
Gains from Mutual Funds disposal	144	-
Gains from bonds disposal	11	6.931
Subtotal	**(915)**	**6.931**
Total realized Gains/(Losses) on financial assets	**(915)**	**6.931**

NOTE 27: FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Trading Portfolio		
Gains / (Losses) from equities valuation	71	(105)
Gains from mutual funds valuation	5	-
(Losses) from bonds valuation	(20)	(2)
Gains from foreign exchange differences ofBonds	45	9
Subtotal of Trading Portfolio	**101**	**(98)**
Portfolio of available for sale financial assets		
Gains / (Losses) from the Impairment of equities	524	(852)
(Losses) from the Impairment of mutual funds	(32)	-
Subtotal of Available for sale financial assets portfolio	**491**	**(852)**
Total fair value Gains / (Losses) on financial assets	**592**	**(949)**

NOTE 28: OTHER INCOME/ (EXPENSES)

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Revenue from personnel premiums	1	13
Revenue from personnel lending	122	115
Other income	39	28
Foreign exchange differences of bank deposits and cash	13	6
Income from unused provisions	6	11
Total	**182**	**173**

NOTE 29: CLAIMS AND CHANGE IN INSURANCE PROVISIONS

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Claims paid - motor vehicle liability	(6.551)	(6.864)
Claims paid - other non-life	(8.529)	(6.424)
Claims paid	**(15.080)**	**(13.288)**
Change in outstanding claims reserve - motor vehicle liability	(2.640)	(1.035)
Change in outstanding claims reserve – others non-life	2.515	(1.609)
Change in insurance provisions	**(125)**	**(2.644)**
Reinsurance share on claims paid- others non-life	339	196
Reinsurance share in change of outstanding claims reserve - motor vehicle liability	22	-
Reinsurance share in change of outstanding claims reserve - other non-life	774	49
Reinsurance share on claims paid and outstanding claims	**1.136**	**245**
Company's share on claims paid - Motor Vehicle Liability	(6.528)	(6.864)
Company's share on claims paid - other non-life	(8.191)	(6.228)
Company's share on outstanding claims reserve - motor vehicle liability	(2.640)	(1.035)
Company's share on outstanding claims reserve - other non-life	3.289	(1.560)
Total claims and changes in insurance provisions	**(14.070)**	**(15.687)**

NOTE 30: ACQUISITION EXPENSES

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Commission and overcommission fees on premium production	(8.964)	(9.023)
Other commission fees	(2.364)	(1.649)
Other production expenses	(596)	(407)
Commissions to cedents	(371)	(304)
Change in acquisition expense for future periods	(43)	(229)
Contributions on premium production	(1.556)	(1.584)
Total	**(13.894)**	**(13.196)**

NOTE 31: OTHER ADMINISTRATIVE EXPENSES

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020 Restated*
Employee benefit expenses (note 32)	(8.765)	(9.302)
Administrative expenses	(5.683)	(5.602)
Taxes	(46)	(39)
Depreciation and amortization expense	(1.676)	(1.521)
Provisions	167	8
Interest expense, bank and other related expenses	(687)	(684)
Other expenses	(1)	(0)
Total	**(16.691)**	**(17.140)**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

External Auditors

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

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020
Statutory Audit	(75)	(75)
Tax audit-article 65a, Law 4174/2013	(23)	(23)
Other audit related assignments	(32)	(32)
Non audit assignments	(3)	(3)
Total	**(132)**	**(132)**

NOTE 32 : EMPLOYEE BENEFIT EXPENSES

(amounts in € thousand)	01/01-31/12/2021	01/01-31/12/2020 Restated*
Salaries and other benefits	(7.102)	(7.411)
Social security contributions	(1.097)	(1.171)
Other provisions related to personnel	(46)	(8)
Pension costs -Defined benefit plans and other costs	(521)	(712)
Total	**(8.765)**	**(9.302)**
Average Number of Personnel:	**163**	**162**

**More information regarding the restatements made in the amounts of the year ended 31 December 2020 is given in note 2.1.2.*

The Company, in its effort to enhance the creation of pension funds for its employees, provided them with certain defined (employer and voluntary individual) contribution plans. On December 31st, 2020, following relevant Board of Directors' decisions, the Company decided to terminate the defined contribution plans that were in force and to return the total contributions to the employees. At the same time, in replacement of the previous plans, the Company has proceeded with all actions necessary to establish an Employee Occupational Insurance Fund in which all employees will be able to participate, as members.

NOTE 33: INCOME TAX EXPENSE

(amounts in € thousand)	01/01-31/12/2021	01/01- 31/12/2020
Current income tax		
Current tax on profits for the year	(1.942)	(5.011)
Adjustment on previous years' income tax and other adjustments	(60)	(45)
Total current income tax	**(2.002)**	**(5.056)**
Deferred tax		
Increase/(Decrease) in deferred tax assets	(227)	213
(Increase) / Decrease in deferred tax liabilities	47	(12)
Total deferred tax income / (expense)	**(180)**	**201**
Total income tax	**(2.182)**	**(4.855)**

According to the provisions of article 120 of Law 4799/2021 (Government Gazette A 78) which entered into force in May 2021 and amended article 58 of Law 4172/2013, profits made by legal entities conducting business activities and legal entities in Greece that hold double-entry books, excluding credit institutions, are taxed at a rate of 22% (2020: 24%) for the 2021 tax year onwards.

This change in the tax rate led to a decrease in the net deferred tax asset recognized in profit or loss by € 67 thousand and a reduction in the net deferred tax asset recognized in equity by € 0,3 thousand.

The tax on the Company's profit before tax using the applicable income tax rates, is analyzed below:

(amounts in € thousand)	01/01- 31/12/2021	01/01-31/12/2020
Profit before tax	7.707	18.155
	7.707	**18.155**
Income tax at applicable tax rate 22% (2020: 24%)	(1.696)	(4.357)
Impact of change in tax rate	(67)	-
Tax effect of amounts which are not deductible in calculating taxable income:		
Non tax deductible expenses	(361)	(455)
Income not subject to tax	1	2
Adjustment in previous years' income tax and other adjustments	(60)	(45)
Total income tax	**(2.182)**	**(4.855)**

NOTE 34: RELATED PARTY TRANSACTIONS

The Company is controlled by Eurolife FFH Insurance Group Holdings S.A. (thereafter "Eurolife FFH Insurance Group") which owns 100% of its share capital. Eurobank, a bank domiciled in Athens and listed on the Athens Stock Exchange, was the ultimate parent of the Company until 4th of August 2016 and owned 100% of the share capital of Eurolife FFH Insurance Group.

On 4 August 2016, the disposal of 80% of the share capital of Eurolife FFH Insurance Group was completed and control of Eurolife FFH Insurance Group was transferred to Costa Luxembourg Holding S.à r.l, while Eurobank retained the remaining 20% of the share capital of the Company and consequently has significant influence. The new parent company of Eurolife FFH Insurance Group is domiciled in Luxembourg and was controlled until 14 July 2021 jointly by Colonnade Finance S.à rl, a member of the Fairfax Group, and OPG Commercial Holdings (Lux) S.àrl. On July 14, 2021, Colonnade Finance S.àrl exercised its option to purchase the remaining shares in Costa from OPG Commercial Holdings (Lux) S.àrl. Costa is now wholly owned by Colonnade Finance S.àrl.

All transactions with related parties are conducted by the Company in the normal course of business and on arm's length basis. The volume of the transactions with the related parties and the balances at year end are shown in the tables below, in which, due to materiality, transactions with Eurobank are presented separately:

(amounts in € thousand)

Related Party Eurobank 31/12/2021	Receivables	Payables	Revenue	Expenses
Deposits on demand & time deposits	1.703	-	1	-
Insurance operations	29	1.149	1.752	3.112
Investment operations	-	-	-	-
Other transactions	-	-	-	226
Total	**1.732**	**1.149**	**1.753**	**3.338**

(amounts in € thousand)

Other Related Parties 31/12/2021	Receivables	Payables	Revenue	Expenses
Deposits on demand & time deposits	10	-	-	-
Insurance operations	243	516	381	1.312
Investment operations	8	-	-	296
Other transactions	22	22	193	903
Total	**283**	**538**	**574**	**2.511**
Transactions with key management personnel	**-**	**4**	**30**	**25**
Remuneration and benefits of key management personnel				**1.191**

(amounts in € thousand)

Related Party Eurobank 31/12/2020	Receivables	Payables	Revenue	Expenses
Deposits on demand & time deposits	1.481	-	32	-
Insurance operations	6	1.307	1.724	2.555
Investment operations	-	-	-	-
Other transactions	-	-	-	214
Total	**1.487**	**1.307**	**1.756**	**2.770**

(amounts in € thousand)

Other Related Parties 31/12/2020	Receivables	Payables	Revenue	Expenses
Deposits on demand & time deposits	10	-	-	-
Insurance operations	213	337	456	1.245
Investment operations	-	-	-	379
Other transactions	25	83	177	1.258
Total	**248**	**420**	**633**	**2.881**
Transactions with key management personnel	**-**	**4**	**32**	**28**
Remuneration and benefits of key management personnel				**940**

The above table does not include dividend payments of the Company to its shareholder in 2021 and 2020. These transactions are described in detail in Note 36 “Dividends”.

As at 31 December 2021 there were no receivables from loans to key management personnel (31 December 2020: € 0). Moreover, the Company holds investments in mutual funds and equities issued by related parties. More specifically on 31 December 2021 the fair value of these mutual funds amounted to € 15.842 thousand (31 December 2020: € 5.119 thousand) and the shares to € 4.013 thousand (31 December 2020: € 1.881 thousand).

NOTE 35: COMMITMENTS AND CONTINGENT LIABILITIES

Legal issues

There are no pending litigations against the Company or other contingent liabilities and commitments as at 31 December 2021 which may materially affect the financial position of the Company.

Unaudited tax years

The Company has been audited by tax authorities up to 2008.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within five years as from the end of the fiscal year within which the relevant tax return should have been submitted. Based on the above the right of the Greek State to impose taxes has been time-barred up to year ended 31 December 2015.

For the year ended 31 December 2011 onwards as the Law 4174/2013 (article 65A) currently stands (and as Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before 1 January 2016, the Greek Société's Anonymes and limited liability companies whose annual financial statements are audited compulsorily, were required to obtain an "Annual Tax Certificate", which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements. For fiscal years starting from 1 January 2016 onwards, the "Annual Tax Certificate" is optional, however, the Company will continue to obtain such certificate.

The Company has obtained unqualified "Annual Tax Certificates" for the fiscal years 2015-2020. The tax audit conducted in this context for 2021 is currently in progress. Upon completion, the Company's Management does not expect to incur significant tax liabilities other than those already recorded and provided in the financial statements.

Additional taxes and penalties may be imposed as a result of tax audits, the amount of which cannot be determined. However, it is expected that the additional taxes will not have a material effect on the financial position of the Company, as the Company recognizes a provision for additional taxes and fines that may arise from future tax audits.

NOTE 36: DIVIDENDS

Dividends are accounted for after they have been ratified by the Annual Shareholders' General Meeting or the Board of Directors.

On 23 September 2019, the Board of Directors of the Company approved an interim dividend distribution of €15.000 thousand to the shareholder Eurolife FFH Insurance Group. The interim dividend was paid to the shareholder on 18 December 2019.

On 18 May 2020 the Annual Shareholders' General Meeting of the Company approved the distribution of the interim dividend decided on 23 September 2019 and the distribution of additional dividend of €1.041 thousand to the shareholder Eurolife FFH Insurance Group. The dividend was derived from the profits of the fiscal year ended on 31 December 2019. The dividend was paid to the shareholder on 25 May 2020.

On July 30, 2021, the Annual Ordinary General Meeting of the Company's shareholders decided to distribute a dividend to the shareholder Eurolife FFH Insurance Group amounting to € 5.000 thousand. The dividend was derived from the profits of the fiscal year ended on 31 December 2020. The dividend was paid to the shareholder on 6 August 2021.

NOTE 37: IMPACT OF THE PANDEMIC

The COVID-19 pandemic, which began in early 2020, affected both the global and greek economies negatively; more specifically Greece experienced a deep recession of -9%. The economic impact of the pandemic was extensive, leading to a significant reduction in household income and consumption, shrinking investments and limited external demand for Greek goods and services.

During 2021 though, the global economies including Greece recovered, as societies have adapted to the Covid-19 pandemic conditions. Following the progress of vaccination programs, the latest lockdown restrictions ended in May 2021. All domestic movement restrictions were removed, and Greece reopened its borders to international travelers. Previously suspended economic activities were allowed to resume, with certain protective measures remaining in place.

Financial impact on macroeconomic level

The economic activity in 2021 rapidly recovered, following the significant recession recorded in 2020 due to the pandemic and the restrictions imposed. The economy' s restart gave rise to a significant increase of real GDP during the second and third quarters of 2021, while according to the first estimate announced by the Hellenic Statistical Authority (ELSTAT), GDP in 2021 increased by 8,3% compared to 2020. This growth is mainly attributed to the increased disposable income which led to increased private consumption, while important roles were also played by exports of goods and services, public consumption and increased companies' investments.

In response to the Covid-19 outbreak and in order to address the effects of the pandemic, there has been an unprecedented monetary, fiscal and regulatory support to the businesses and employees since 2020. As a sovereign action against the pandemic, the European Union has created the EC's Next Generation EU framework (NGEU), that will fund development initiatives in the period

2021-2027. Furthermore, the European Central Bank's decision to include Greek Government Bonds in the Pandemic Emergency Purchase Program (PEPP) and their acceptance as collateral for liquidity from the Euro system were also particularly favorable.

In 2021, the favorable international monetary and financial environment, as well as the performance of the Greek economy positively affected investments in the Greek government bond market. Yields on Greek government bonds of all maturities, were low, facilitating the Greek government to issue new bonds at a low borrowing cost. European Central Bank's decision, on December 16th, to purchase Greek Government bonds after March 2022 and until the end of the reinvestment period by 2024 end, is expected to sustain favorable financial conditions and low borrowing cost in both public and private sector.

Since June 2021, inflation escalated, largely due to deflation presented in 2020 and sharp increases in prices of energy, food, and imported goods as a result of disruptions in global supply chains. Despite the recorded price increases in recent months, inflation in Greece remains one of the lowest in the eurozone, while it is not expected to exceed 0.6% on an annual basis in 2021.

Operating Capability

From the very beginning of the pandemic, the Company has activated a Special Action Plan to deal with the emergency. The commitment of the Board of Directors that the protection of employees' health and safety is a priority remains non-negotiable. Another key priority is business continuity. The Company has managed to achieve business continuity, meet its business objectives as well as fulfill its obligations to all stakeholders such as: Customers, Partners, Supervisory Authority, Shareholders by taking immediate actions and measures. Also, demonstrating social sensitivity, the Company undertook initiatives to alleviate and support vulnerable groups by supporting the Society.

Without reducing their awareness, along with the experience of managing the situation for over 2 years, both the Board of Directors and the Management Team of the Company, closely monitor the developments and then decide and act accordingly. The core measures taken to achieve the smooth operation of the Company under the new conditions imposed by the pandemic are:

- Measures for the safety and health of employees such as: review of human resource management policies and practices (vulnerable groups, special purpose leave, rules regarding business travel, etc.), implementation of working remotely and adjusting the percentage of employees working remotely according to the pandemic conditions as well as relevant measures applied by the government and provision of information /enhancing staff awareness on the pandemic and remote working conditions.

- Measures related to the new Work at Home operating model (W@H) such as alternative procedures and control mechanisms adapted to the new needs / conditions, appropriate allocation of employees, job rotation, provision of additional tools to facilitate work and collaboration, supply of equipment (laptops, headsets, etc.) to support working remotely.

- Other measures taken that are meant to support the implementation of working remotely are the use of "Information and Communication Technology" (ICT) infrastructures, the protection of such infrastructures, the prevention of data leakage, the provision of safe and uninterrupted access to the necessary infrastructures and increasing employee awareness.

Based on all the above, two years later, the Company succeeds in achieving its business goals, without reducing its risk awareness.

Financial situation and solvency of the Company

Despite the adverse effects of the pandemic during the past two years 2020 - 2021, the Company successfully responded to the new conditions and proved it's resilience to unprecedented challenges but also its quick adaptability. For the Company, 2021 is described as a year of gradual adaptation to the new era of the pandemic and return to a new normality. More specifically:

- The government bond purchase program of the European Central Bank resulted in the reduction of Greek bond yields and the improvement of the country's borrowing cost. In this context, the Company recorded significant realized gains in 2020, by disinvesting a significant part of its position in Greek government bonds. Another result of the liquidation of the bonds was the strengthening of the Company's liquidity.
- The Company's profits before tax amounted to € 18,2 mil. in 2020 and € 7,7 mil. in 2021.
- No significant changes were observed in the behavior of insurance policyholders and their insurance needs. The Company continues its digital transformation so that it can cover any increased needs of distribution channels, insurance policyholders and claims' beneficiaries.
- In terms of insurance underwriting procedures, in cases where it was required to be adjusted, this was done in line with reinsurance coverage.
- There was no significant lag in the production of insurance premiums in 2020 and 2021.

- In terms of claims, there was a decrease in paid claims in the motor line of business, mainly in 2020. The reduction in claims is attributable on one hand to the lock-down measures adopted to control the spread of the pandemic and on the other hand to the instructions of the national public health organization.
- The existing products and insurance coverages offered smoothly support the Company's business planning without identifying a significant negative impact from the effects of the pandemic.

The Company conducts "Own Risk and Solvency Assessment" exercises at least annually considering, among other things, the special conditions of Covid 19. During 2020, the Company, considering that the effects of the pandemic outbreak had penetrated the entire economic activity, updated its business plan and carried out the first exercise "Own Risk and Solvency Assessment" under these new special conditions (1st ORSA report in COVID-19 conditions). At the beginning of 2021, the Company further updated the new business plan and reperformed the annual exercise "Own Risk and Solvency Assessment" based on the new data (2nd ORSA report in COVID-19 conditions). In these exercises, stress tests adjusted to the updated risk profile were selected and no significant financial impact of the pandemic on the Company's financial figures was identified. Also, the results showed that the solvency situation of the Company will not be threatened in the future.

During 2021, calculations of the Solvency Capital Requirement (SCR), the Minimum Capital Requirement (MCR) as well as the eligible own funds of the Company are made on a quarterly basis and are submitted to the regulator. In addition, the Company assesses its capital adequacy SCR ratio on an ongoing basis, considering market data and actual data on the asset portfolio. As of December 31, 2021, the Company's solvency ratio (SCR coverage ratio) is estimated at 142% with volatility adjustment.

NOTE 38: POST BALANCE SHEET EVENTS

The recent geopolitical events in Ukraine, the military actions from Russia and the response from the European countries and the United States in the form of economic sanctions may affect the global and domestic economies and lead to strong inflationary pressures and increases in energy and agriculture prices. The international community is responding to the conflict with a broad array of sanctions targeting the Russian and Belarussian economies, certain Russian and Belarussian businesses and the assets of certain Russian citizens. The number of nations implementing sanctions and the nature of sanctions are constantly evolving, which requires regular monitoring of changes.

The Company closely monitors and assesses the conditions created in the international and Greek economy and has increased its readiness to make decisions on protecting it from the economic effects of recent geopolitical events in Ukraine. Management recognizes the significance of the impacts that the conflict will have on the business environment, liquidity and asset values in the affected region and the fact that the economic sanctions will have broad impacts to many businesses. The Company does not operate in the region where the conflict is taking place and the imposed sanctions are not expected to have a direct impact on the operations of the Company.