



Solvency and Financial Condition Report (SFCR)
Valuation date: 31st of December 2024



Table of Contents

SUMMARY	4
A BUSINESS AND PERFORMANCE	9
A.1 BUSINESS.....	9
A.2 UNDERWRITING PERFORMANCE	11
A.3 INVESTMENT PERFORMANCE	11
A.2. PERFORMANCE OF OTHER ACTIVITIES.....	12
A.3. ANY OTHER INFORMATION	12
B SYSTEM OF GOVERNANCE	14
B.1 GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE	14
B.2 FIT AND PROPER REQUIREMENTS	19
B.3 RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT	22
B.4 INTERNAL CONTROL SYSTEM	25
B.5 INTERNAL AUDIT FUNCTION	26
B.6 ACTUARIAL FUNCTION	27
B.7 OUTSOURCING.....	27
B.8 ANY OTHER INFORMATION	28
C RISK PROFILE	29
C.1 UNDERWRITING RISK	29
C.2 MARKET RISK	30
C.3 CREDIT RISK	31
C.4 LIQUIDITY RISK.....	31
C.5 OPERATIONAL RISK.....	31
C.6 OTHER MATERIAL RISKS	32
C.7 ANY OTHER INFORMATION	32
D VALUATION FOR SOLVENCY PURPOSES	34
D.1 ASSETS.....	34
D.2 TECHNICAL PROVISIONS	34
D.3 OTHER LIABILITIES	37
D.4 ALTERNATIVE METHODS FOR VALUATION.....	37
D.5 ANY OTHER INFORMATION	37
E CAPITAL MANAGEMENT	39
E.1 OWN FUNDS	39
E.2 SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT	39
E.3 USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT	40
E.4 DIFFERENCES BETWEEN THE STANDARD FORMULA AND INTERNAL MODEL	40
E.5 NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND SOLVENCY CAPITAL REQUIREMENT	40



E.6	ANY OTHER INFORMATION	40
APPENDIX – QUANTITATIVE REPORTING TEMPLATES.....		42

Summary

Eurosurance Insurance Company Ltd hereafter also referred to as “**the Company**” is an Insurance Company, which was registered in Cyprus in 1991 and begun operations in 1992. The Company operates in the Non-Life field and offers all insurance products in the General Business.

Based on the requirements as specified in the Commission Delegated Regulation (EU) 2015/35 hereafter referred to as “**Delegated Acts**” of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (SII) the Company has to provide a report that will be made available to the public describing the performance of the Company for the relevant year end. This is called the Solvency and Financial Condition Report hereafter also referred to as “**SFCR**”.

This SFCR is produced as per the requirements of articles 290 – 302 and Annex XX of the Delegated Acts.

The reference date of the report is the 31st of December 2024 hereafter referred to as the “**valuation date**”.

All quoted results are in EUR (€).

The Report can be found on the Company’s website and will be made available on the Company’s website for at least 5 years. The Company will also provide a copy of this report to the Insurance Company Control Service (ICCS).

The SFCR was approved by the Board of Directors (BOD) of the Company on 7 April 2025.

The previous report produced was with valuation date 31/12/2023 hereafter referred to as the “**previous valuation date**”.

A summary of the key points of the report is provided below:

1. Business and Performance

As at the valuation date the Company writes its major business in Cyprus. The business written for 2024 is summarised below:

	Gross		Ceded		Net	
	Written	Earned	Written	Earned	Written	Earned
Total Non-life (excluding health)	8.673.813	8.358.744	1.654.765	1.539.755	7.019.048	6.818.989
Motor vehicle liability insurance	4.779.282	4.665.786	304.678	304.678	4.474.604	4.361.109
Other motor insurance	1.649.073	1.576.771	105.128	105.128	1.543.945	1.471.643
Marine, aviation and transport insurance	20.949	23.947	13.635	15.700	7.315	8.248
Fire and other damage to property insurance	1.493.202	1.374.229	1.161.185	1.042.576	332.017	331.654
General liability insurance	731.307	717.891	70.139	71.618	661.167	646.272
Miscellaneous financial loss	-	120	-	57	-	63
Total health (similar to non-life)	198.085	198.343	1.967	1.968	196.117	196.376
Medical expense insurance	172.328	175.281	-	-	172.328	175.281
Income protection insurance	25.757	23.062	1.967	1.968	23.789	21.095
Total	8.871.898	8.557.087	1.656.732	1.541.723	7.215.165	7.015.365

The underwriting performance of each line of business of the Company as at the current and the previous valuation date is as follows:

	Amounts in € 2024	Amounts in € 2023
Medical expense insurance	74.523	43.769
Expense/(income) protection insurance	13.932	10.314
Motor vehicle liability insurance	(455.950)	(986.949)
Other Motor insurance	(208.677)	(172.410)
Marine, Aviation and transport insurance	7.261	4.224
Fire and other damage to property	39.991	104.311
General liability insurance	258.030	315.646
Miscellaneous financial loss insurance.	45	1.705
Technical result	(270.845)	(679.390)

The investment performance as at the current and the previous valuation dates is as follows:

	Amounts in € 2024	Amounts in € 2023
Interest income from term deposits with Banks	89.954	58.833
Dividend income	1.443	450
Fair value gain on investment properties	(68.000)	588.000
Profit from sale of vehicle	6.000	-
Change in the fair value of corporate bonds	-	-
Rental income	54.216	54.120
Other income/(expense)	9.354	49.910
Loss on sale of investment properties	-	(54.000)
Currency exchange differences	3.377	(1.776)
Change in the fair value of equity shares	61.523	26.082
Net gains	157.867	721.619

2. System of Governance

The Company is governed by the BOD which has established the Audit, Risk and Reserving Committee. The Company has also established the Risk, Compliance, Internal Audit and Actuarial Functions to ensure effective oversight of its operations, in accordance with the requirements of SII for an effective Internal Control System.

To assess the fitness of the function holders and the committees, the Company has laid down its requirements in the Fit and Proper policy. In case any outsourcing is required this is governed by the outsourcing policy established by the Company.

3. Risk Profile

As at the valuation date the Company is exposed to:

- Underwriting Risk
- Market Risk
- Credit Risk
- Liquidity Risk
- Operational Risk

The risk capital required against these risks as at the valuation date is analysed below:

	€ 31/12/2024 Capital Requirements
Market Risk (diversified)	1,528,840
Property Risk	1,340,236
Equity Risk	55,545
Spread Risk	46,831
Concentration Risk	417,220
Currency Risk	13,502
Interest Rate Risk	111,187
Counterparty Default Risk (diversified)	646,024
Health Underwriting Risk (diversified)	99,013
Premium & Reserve Risk	31,591
Health Catastrophe Risk	85,668
Lapse Risk	8,247
Non-life Underwriting Risk (diversified)	2,159,107
Premium & Reserves Risk	1,996,770
Catastrophe Risk	410,740
Lapse Risk	309,630
Diversification (BSCR)	-1,105,365
BSCR (diversified)	3,327,619
Operational Risk	256,713
SCR	3,584,332
MCR	4,000,000

4. Risk Profile

As at the valuation date the total liabilities of the Company are €9,3M under IFRS and €7,5M under the SII basis:

Liabilities	€ IFRS 31/12/2024	€ SII 31/12/2024
Gross Technical Provisions – Non-Life (excluding health)	7.751.050	6.721.461
TP calculated as a whole (Best estimate + Risk margin)	-	-
Best Estimate	-	6.408.495
Risk Margin	-	312.966
Gross Technical Provisions - health (similar to non-life)	-	55.702
TP calculated as a whole (Best estimate + Risk margin)	-	-
Best Estimate	-	49.201
Risk Margin	-	6.501
Total	7.751.050	6.777.163

There are difference between the IFRS liabilities and the SII technical provisions in the way certain items are measured such as the discounting, the reinsurance default and the risk adjustment.

5. Capital Management

The results of the Capital Requirements of the Company based on the standard formula of SII are shown below including the results of the MCR and SCR coverage ratios:

	€	€
	31/12/2024	31/12/2023
Market Risk (diversified)	1,528,840	1,515,125
Property Risk	1,340,236	1,345,393
Equity Risk	55,545	28,792
Spread Risk	46,831	55,493
Concentration Risk	417,220	406,817
Currency Risk	13,502	12,658
Interest Rate Risk	111,187	111,014
Counterparty Default Risk (diversified)	646,024	611,357
Health Underwriting Risk (diversified)	99,013	102,344
Premium & Reserve Risk	31,591	38,559
Health Catastrophe Risk	85,668	85,561
Lapse Risk	8,247	3,326
Non-life Underwriting Risk (diversified)	2,159,107	2,220,767
Premium & Reserves Risk	1,996,770	2,073,387
Catastrophe Risk	410,740	406,912
Lapse Risk	309,630	213,193
Diversification (BSCR)	-1,105,365	-1,099,421
BSCR (diversified)	3,327,619	3,350,172
Operational Risk	256,713	265,246
SCR	3,584,332	3,615,418
MCR	4,000,000	4,000,000
Own Funds eligible to cover the SCR and MCR	4,749,413	4,875,962
SCR coverage ratio	132.50%	134.87%
MCR coverage ratio	118.74%	121.90%



A. Business and Performance

A Business and Performance

A.1 Business

A.1.1 Name and legal form of the Company

The name of the undertaking is Eurosure Insurance Company Ltd. The Company is a limited liability entity registered in Cyprus in 1991 to operate in the insurance sector by offering General insurance products.

The registered office is:

Eurosure Tower
5 Limassol Avenue, 2112 Aglantzia, P.O.Box 22220
1519 Nicosia, Cyprus
Telephone Number: + 357-22882500
Fax Number: + 357-22882599
Email Address: info@eurosure.com
Website: www.eurosure.com

A.1.2 Supervisory authority responsible for financial supervision

The Supervisory Authority responsible for financial supervision of the Company is the Cyprus Insurance Companies Control Service,

The contact details of the unit are as follows:

Insurance Companies Control Service
Address: P.O. Box 23364, 1682 Nicosia, Cyprus
Telephone Number: + 357-22602990
Fax Number: + 357-22302938

E-mail: insurance@mof.gov.cy

The Company reports as a solo entity to the Cyprus Insurance Companies Control Service hence there is no Group Supervisor.

A.1.3 External auditor of the Company

The Company's external Auditor as at the valuation date is KPMG Limited.

The contact details of the auditor are as follows:

KPMG Limited
Certified Public Accountants and Registered Auditors
14 Esperidon Street
1087 Nicosia, Cyprus
Telephone Number: + 357-22209000
Fax Number: + 357-22513294

A.1.4 Qualifying holdings

The Shareholders of the Company are Individuals.

The individual shareholders of the Company are Luke Benfield and Charalambos Andreou.

A.1.5 Position within the legal structure of the group

The Company does not belong to a Group.

A.1.6 Material lines of business and geographical areas

The Company writes its major business in Cyprus. There is no inwards reinsurance business.

The material lines of business of the Company as per the SII business segmentation as at the valuation date are shown below:

Valuation as at 31/12/2024

	Gross		Ceded		Net	
	Written	Earned	Written	Earned	Written	Earned
Total Non-life (excluding health)	8.673.813	8.358.744	1.654.765	1.539.755	7.019.048	6.818.989
Motor vehicle liability insurance	4.779.282	4.665.786	304.678	304.678	4.474.604	4.361.109
Other motor insurance	1.649.073	1.576.771	105.128	105.128	1.543.945	1.471.643
Marine, aviation and transport insurance	20.949	23.947	13.635	15.700	7.315	8.248
Fire and other damage to property insurance	1.493.202	1.374.229	1.161.185	1.042.576	332.017	331.654
General liability insurance	731.307	717.891	70.139	71.618	661.167	646.272
Miscellaneous financial loss	-	120	-	57	-	63
Total health (similar to non-life)	198.085	198.343	1.967	1.968	196.117	196.376
Medical expense insurance	172.328	175.281	-	-	172.328	175.281
Income protection insurance	25.757	23.062	1.967	1.968	23.789	21.095
Total	8.871.898	8.557.087	1.656.732	1.541.723	7.215.165	7.015.365

The material lines of business of the Company as per the SII business segmentation at the previous valuation date are shown below:

Valuation as at 31/12/2023

	Gross		Ceded		Net	
	Written	Earned	Written	Earned	Written	Earned
Total Non-life (excluding health)	8.404.579	8.648.572	2.205.488	2.245.894	6.199.091	6.402.678
Motor vehicle liability insurance	4.673.684	4.831.989	585.863	585.863	4.087.821	4.246.126
Other motor insurance	1.533.613	1.556.626	506.685	524.590	1.026.928	1.032.036
Marine, aviation and transport insurance	28.754	24.756	18.877	16.319	9.877	8.437
Fire and other damage to property insurance	1.417.920	1.457.409	1.013.404	1.037.859	404.516	419.551
General liability insurance	748.301	774.225	80.308	80.189	667.993	694.036
Miscellaneous financial loss	2.307	3.567	350	1.075	1.957	2.492
Total health (similar to non-life)	195.223	192.964	1.668	1.668	193.555	191.296
Medical expense insurance	174.241	171.465	-	-	174.241	171.465
Income protection insurance	20.982	21.499	1.668	1.668	19.313	19.831
Total	8.599.801	8.841.536	2.207.156	2.247.563	6.392.646	6.593.973

A.1.7 Significant business or other events

There have been no significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking

A.2 Underwriting Performance

The tables below show the underwriting performance of each line of business of the Company as at the current and the previous valuation date:

	Amounts in € 2024	Amounts in € 2023
Medical expense insurance	74.523	43.769
Expense/(income) protection insurance	13.932	10.314
Motor vehicle liability insurance	(455.950)	(986.949)
Other Motor insurance	(208.677)	(172.410)
Marine, Aviation and transport insurance	7.261	4.224
Fire and other damage to property	39.991	104.311
General liability insurance	258.030	315.646
Miscellaneous financial loss insurance.	45	1.705
Technical result	(270.845)	(679.390)

A.3 Investment Performance

A.1.a. Income and expenses arising by asset class

	Amounts in € 2024	Amounts in € 2023
Interest income from term deposits with Banks	89.954	58.833
Dividend income	1.443	450
Fair value gain on investment properties	(68.000)	588.000
Profit from sale of vehicle	6.000	-
Change in the fair value of corporate bonds	-	-
Rental income	54.216	54.120
Other income/(expense)	9.354	49.910
Loss on sale of investment properties	-	(54.000)
Currency exchange differences	3.377	(1.776)
Change in the fair value of equity shares	61.523	26.082
Net gains	157.867	721.619

A.1.b. Gains and Losses recognised directly in Equity

	Amounts in € 2024	Amounts in € 2023
Revaluation of buildings	61.959	157.018
Net gains	61.959	157.018

A.1.c. Investments in Securitisation

There were no investments in securitisations as at the valuation date.



A.2. Performance of other activities

The Company does not carry out any activities other than the operations described above.

A.3. Any other information

None.



B. System of Governance

B System of Governance

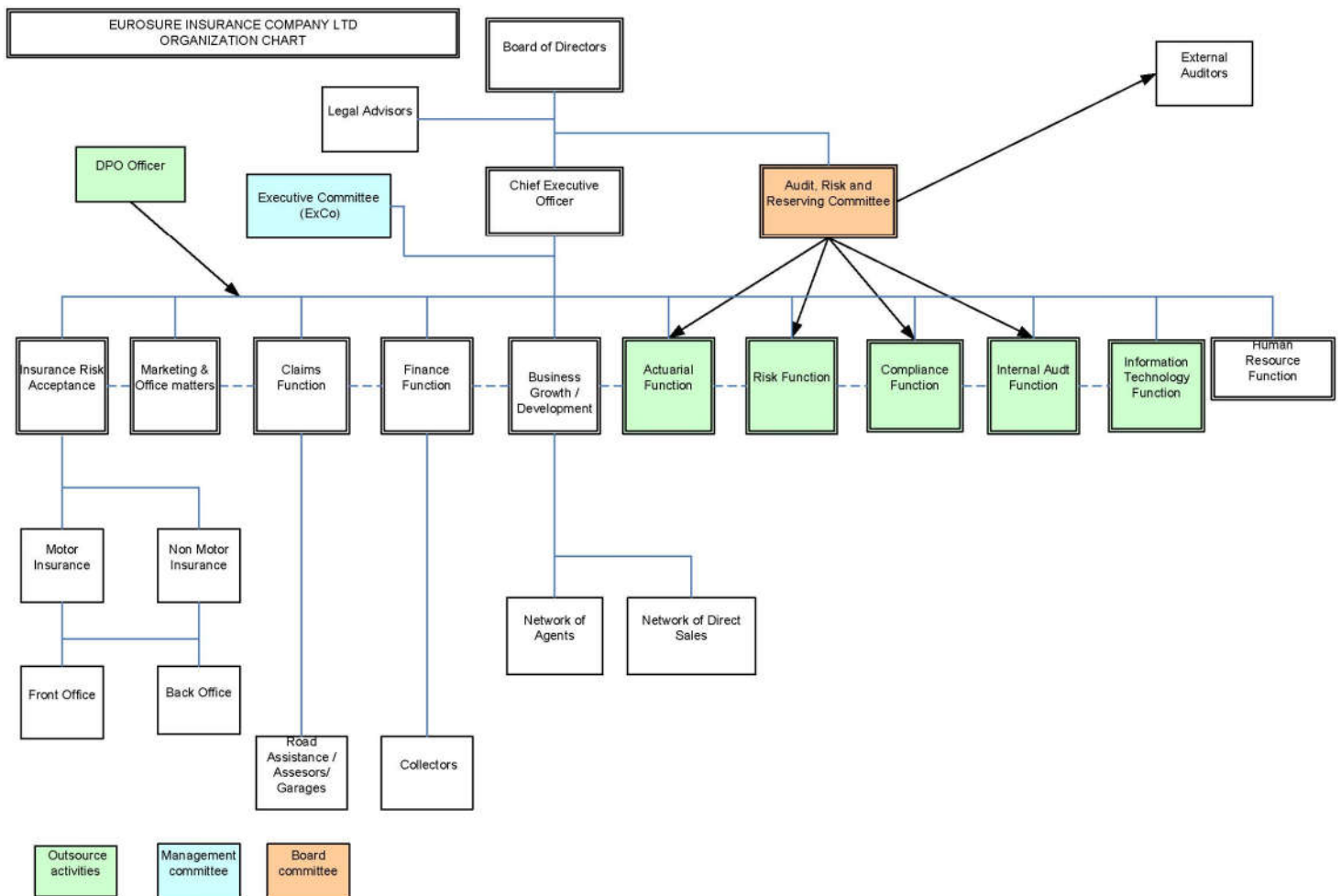
B.1 General information on the system of governance

B.1.1 Structure of Administrative and Management Body

The Company is managed by the Board of Directors who, through the CEO, carries out the Business Philosophy of the Company. The Board of Directors is supported by an Audit, Risk and Reserving Committee. In addition, the Company has an Executive Committee which assists the CEO in the day-to-day management of the Company.

The Company's ultimate supervisory body is the BoD. The Company's Chief Executive Officer (CEO) has the day to day responsibility for the implementation of the BoD's approved strategy and reports to the BoD. Reporting to the BoD is both structured, through planned meetings and regular reporting and ad hoc as required.

The chart below summarises the System of Governance currently operating for the Company:



The Business Functions of the Company through their Managers have the responsibility for the implementation of the BoD's strategy in their business functions. They report directly to the CEO with regards to their day-to-day duties. In order to minimise the probability of a potential conflict of interest and preserve their operational independence, the key control functions have additional direct reporting lines to the BoD or Board Committees. These additional reporting lines are implemented in order to ensure that these functions have the ability to escalate important issues directly to the BoD. Consequently the Actuarial, Risk and Compliance Functions

reports to the Audit, Risk and Reserving Committee. The Company's internal audit provides independent assurance to the BoD and reports to the Audit, Risk and Reserving Committee and to the BoD. The Internal Audit function is administratively independent from all other functions and activities of the Company.

B.1.1.1 Board of Directors

The Board of Directors (BoD) is the ultimate authority for the management of the Company and it maintains responsibility for the prudent management of the Company. It organises and directs the affairs of the Company in a manner that seeks to protect its policyholders' funds, maximise the value of the Company for the benefit of its shareholders, while complying with regulatory requirements and relevant governance standards.

The members of the BoD serve as the elected representatives of the current and future shareholders, act as advisers and counselors to the CEO and Senior Management and oversee the Senior Management's performance on behalf of the shareholders. In performing its overall oversight function, the BoD reviews and assesses the Company's strategic and business planning, its solvency, as well as the Senior Management's approach to addressing significant risks and challenges facing the business. As part of this function, the BoD reviews and discusses reports regularly submitted to the BoD by Senior Management with respect to financial and non-financial performance. In performing its oversight function, the BoD maintains frequent, active and open communication and discussions with the CEO and the Executive Committee.

The BoD is responsible for setting the appropriate "tone at the top" by providing appropriate organisational values, ethics and priorities and by establishing and embedding an organisational culture that supports the effective operation of the system of governance.

The BOD of the Company is structured as follows:

Duties	Name
Chairman	LUKE BENFIELD
Chief Executive Officer	CHARALAMBOS ANDREOU
Directors	REA CHRISTOFIDOU BENFIELD
	KATERINA SHIOKKOU-STYLIANOU
	PAMBOS IOANNIDES
	PERICLES SPYROU (resigned on 31 August 2024)
	CHRISTOS VAKIS
	STYLIANOS PROCOPIOU (appointed on 13 February 2025)

B.1.1.2 Summary of roles and responsibilities of the Committees

The Company has one board committee as follows:

Audit, Risk, Investment and Reserving Committee

The Committee is accountable to the BoD and assist the BoD in meeting its responsibilities in ensuring an effective system of internal control and compliance and for meeting its external financial reporting obligations under applicable laws and regulations and is directly responsible on behalf of the BoD for the selection, oversight and remuneration of the external auditor.

The Audit, Risk and Reserving Committee of the Company is appointed by the BoD for a term of 5 years and then is automatically re-elected.

The Committee comprise not less than two independent non-executive Directors. The Chairperson of the BoD cannot participate in the Audit, Risk and Reserving Committee. Members of the Audit Committee should not hold any other posts or positions or conduct transactions which could be considered to be in conflict with the objective of the Committee.

The Chairperson of the Committee shall be appointed by the BoD.

The BoD may from time to time appoint additional members to the Committee from among the non-executive Directors it has determined to be independent.

If considered advisable, the Chairperson of the Audit, Risk and Reserving Committee may invite upon his discretion, to a Committee meeting, the CEO and the Head of the Internal Audit Function, the External Auditors, and other Executives of the Company, depending on the issue to be examined / discussed. These individuals will be in attendance but are not considered as full members of the Committee, and therefore cannot make a decision.

The members of the Audit, Risk and Reserving Committee must comply with the Fit and Proper requirements.

B.1.1.3 Summary of Roles and Responsibilities of the Key Functions

Per the requirements of SII the Company has setup the following functions:

- Actuarial function
- Internal Audit function
- Compliance function
- Risk management function

Actuarial function

The Actuarial Function is responsible for coordinating all actuarial activities.

The Actuarial function of the Company is outsourced to Numisma Advisory Services Limited. The main duties of the Actuarial Function include:

- Coordinate the calculation of technical provisions
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions
- Assess the sufficiency and quality of the data used in the calculation of technical provisions
- Compare best estimates against experience
- Inform the Senior Management and the BoD of the reliability and adequacy of the calculation of technical provisions
- Oversee the calculation of technical provisions in cases where approximations are used in the calculation of the best estimate
- Express an opinion on the overall underwriting policy
- Express an opinion on the adequacy of reinsurance arrangements

- Contribute to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements and to the Own Risk and Solvency Assessment (ORSA)

Internal Audit function

The Internal Audit function of the Company is outsourced to Baker Tilly.

The scope of internal audit activity includes examining and evaluating the policies, procedures and systems which are in place to ensure reliability and integrity of information, compliance with policies, plans, procedures, laws and regulations, safeguarding assets, economical and efficient use of resources, and accomplishment of established objectives and goals for operations or programs.

Internal Audit may provide consulting services within the Company concerning issues related to internal controls, special investigations, and other areas of interest and concern.

The primary objective of Internal Audit is to assist the Senior Management in the effective discharge of their responsibilities. In order to carry out this responsibility, Internal Audit:

- Shall have unrestricted access to the Audit, Risk and Reserving Committee, and if required, the Chairman of the BoD
- Does not have any third party responsibilities on behalf of the Company

The Internal Audit Function (IAF) has the following responsibilities:

- The IAF should develop an annual audit plan prioritising high risk audit areas. The risk assessment and related audit plan are subject to Audit, Risk and Reserving Committee approval
- The IAF staff should be sufficient in number and appropriately trained
- All auditing methodology (including audit objectives, programmes and procedures), should be documented by the Internal Audit staff
- Compliance with recommendations should be verified with the follow-up procedures
- To monitor the performance and effectiveness of the Internal Control System
- To conduct general or sample ex-post audits of the functions and transactions of the Company
- To evaluate compliance with and the efficiency of risk control / management procedures
- To evaluate the efficiency of the Company's accounting and information systems
- To evaluate the efficiency of the organisational structure and reporting lines
- To prepare a report on the outsourcing of activities in accordance on the risk based plan
- To evaluate the adequacy of mechanisms set by the BoD
- To carry out special investigations and special audits in situations where it is possible to relate with suspected fraud.
- To prepare, at least on an annual basis, a risk assessment and audit plan
- To assess the risk management procedures
- To assess the data upon which the Company has calculated its Pillar 1 and Pillar 2 solvency requirements as well as the data that the actuarial function has used for the valuation of the technical provisions
- To assess the compliance procedures followed by the Company
- To assess the Internal Governance System, as well as the Company's Business Continuity and Disaster Recovery Plans
- To review and provide an independent opinion on the Own Risk and Solvency Assessment (ORSA)

Compliance function

The Compliance function of the Company is outsourced to Ioannides Demetriou.

The Compliance Function has the following responsibilities:

- Ensuring that all actions undertaken by the Company are, at all times, in compliance with all applicable laws and regulations

- In line with best practice, it is also responsible to take measures to monitor the compliance of the Company with internal strategies, policies, processes and reporting procedures (including agreed exposure limits and operating principles/instructions)
- Identify, assess, monitor and report the compliance risk exposure of the Company and assess the possible impact of significant changes in the legal environment that the Company operates in, as well as identify and assess the compliance risk that could arise from such changes
- Monitor projected revisions of legislation and plans to introduce new regulation and assess their potential impact on the Company, in addition to monitoring the relevant court decisions
- Advise the CEO, the ExCo and the BoD of the Company on compliance with the SII Directive and the relevant regulations and provisions
- Ensure that the Company acts in accordance with all other applicable laws and regulations, whether insurance-specific or not. Other applicable laws and regulations may address issues on intermediation, bankruptcy, sales practices, cover's commencement and termination, policy terms and conditions, data protection, discrimination, international sanctions, insurance fraud, health and safety in the workplace, etc
- Assess the appropriateness of the Company's compliance procedures and guidelines, follow up identified deficiencies promptly and make suggestions for improvements as necessary
- Assist both management and staff with compliance issues,
- Draw guidelines and procedures that provide support with relation to the compliance with external regulatory requirements and internal policies and procedures
- Involved in the product development process by providing its advice on the potential effect of new products, services and markets from a compliance point of view
- Monitoring compliance with Complaints handling policy (reference can be made to the Company's Complaints Policy)
- Training of members of staff on new regulations and policies

Risk management function

The Risk Management Function ("RMF") is responsible for coordinating all risk management activities. The Risk Officer reports directly to the Company's CEO, the ExCo and to the BoD, and has the overall responsibility for all the risk issues discussed in the Company's risk Manuals. During the year 2018 this function has been outsourced to Numisma Advisory Services Ltd.

More specifically, the duties of the RMF include:

- Assisting the CEO and the ExCo in the effective operation of the Risk Management System, in particular by discussing the results of specialist analysis and quality reviews carried out and proposing possible solutions for addressing material system failures that may have been identified
- Maintaining a Company-wide and aggregated view on the risk profile of the Company
- Reporting details on risk exposures and advising the CEO and the BoD on risk management matters in relation to strategic affairs such as corporate strategy, mergers and acquisitions and major projects and investments
- Assisting the CEO and the BoD with capital and resource allocation decisions and facilitating risk assessments, and
- Ensuring that there are sufficient and appropriate tools and methods in place for predicting, identifying, assessing, monitoring, controlling and reporting the Company's risks
- Coordinates all risk management activities across the Company and ensures the correct implementation of risk policies
- Designing and/or performing specialist analyses and quality reviews of the Company's Risk Management System, and reporting their results to the CEO and the ExCo
- Monitoring the Risk Management System, and bringing to the attention of the CEO and the ExCo any issues of concern
- Identifying, assessing and monitoring existing and emerging risks
- Regularly evaluating the design and operational effectiveness of the Risk Management System to identify, measure, monitor, manage and report the risks to which the Company is exposed

- Preparing the section of the Pillar 3 reports that relates to the Risk Management Function as per the Disclosure and Reporting Manual for Pillar 3
- Carrying out the maintenance of this Manual and staying up-to-date with its contents and with all other policies and procedures that relate to the management of risk
- Monitoring compliance by the Company's ExCo and other staff with all established risk policies and procedures

B.1.2 Changes in System of Governance

There were no other material changes to the System of Governance other than the outsourcing of certain activities.

B.1.3 Remuneration

The remuneration of the BoD is decided by the BoD and it is approved by the Company's shareholders through the AGM. The remuneration of Board Directors takes into account financial and non-financial performance. Remuneration of non-Executives takes into account other factors, such as their regular attendance and of Board and Committee meetings and their responsibilities.

The Company, in assessing the performance of its CEO, BoD and key function holders considers the following financial and non-financial variables:

- Financial performance of the organisation in relation to market conditions, competition and the Company's own strategy
- Non- financial targets related to the contribution to the performance of the Company or function
- Non - financial factors relating to skills, personal development, compliance with the Company's internal rules and procedures, compliance with the code of ethics and standards of professional conduct under the Fit and Proper requirements

The Company believes that the remuneration of the CEO should be competitive in order to attract qualified individuals with appropriate skills and professional competence. The reward must promote a cooperative environment and team work in the Executive team and in the Company and create the conditions for high performance and continuous improvement.

The CEO is appointed by the Company's shareholders.

B.1.4 Other material transactions

None.

B.2 Fit and proper requirements

B.2.1 Requirements

The BoD and the CEO together with the ExCo of the Company identified the following individuals and functions as in scope for the Fit and Proper requirements:

- BoD (executives and non-executives)
- CEO
- Financial Officer
- Actuarial Officer
- Risk Officer
- Compliance Officer
- Head of Internal Audit
- Managers responsible for significant business operations (e.g. Human Resources Officer)

For the above identified individuals, supervisory authority notification is required before an individual commences any such role and at termination of an individual's role and appointment of a suitable replacement. The BoD maintains ultimate responsibility to notify the supervisory authority of the key functions identified in the Company, and the individuals that are in scope of the fit and proper requirement, ensure they are fit and proper and seek approval from the Supervisor with regards to the fit and propriety of the individuals identified above. The Company will perform background checks and assess competence to this end.

Processes for notifying the Supervisory authority of the above have been established, of any changes to the individuals that hold the Fit and Proper requirements and of any persons replaced because they no longer fulfil the Fit and Proper requirements.

The ExCo has the responsibility for monitoring the regulatory requirements on the fit and proper requirement and informs the BoD and key function holders of any changes to the information that needs to be submitted.

The above identified individuals are required to comply with the code of standards defined by the Company, documented in the next section of this policy. Individuals in scope of the requirement should inform the Human Resources department if their fitness or propriety is adversely affected and Compliance if they believe they have breached any regulatory requirements.

B.2.2 Assessing fitness and propriety

B.2.2.1 Fitness

In assessing the fitness of a person his/her professional competence and capability are considered. The assessment of professional competence covers the assessment of the competence in terms of management and in the area of business activities carried out by the Company (technical competence).

This assessment is based on the person's previous experience, knowledge, and professional qualifications and should demonstrate due skill, care, diligence and compliance with the relevant standards for the area sector they have worked in.

The Company will have regard to whether the person is competent, and demonstrate, through experience and training; they are able to perform the key functions. Any previous dismissal or suspensions from employment, including for drug or alcohol abuses, may also be considered.

All individuals must maintain their competence for the role they fulfil. The HR function is responsible for ensuring that all individuals receive appropriate training for maintaining their competence.

Professional qualifications applicable to each key function are in line with the supervisory authority's requirements.

With regards to the BoD, the collective knowledge, competence and experience of its members, should at a minimum include:

- Market knowledge, i.e. an awareness and understanding of the wider business, economic and market environment in which the Company operates.
- Business strategy and business model, i.e. an appropriately detailed understanding of the Company's business strategy and model.
- System of governance, i.e. the awareness and understanding of the risks the Company is facing and the capability of managing them. Furthermore the ability to assess the effectiveness of the Company's arrangements to deliver effective governance, oversight and controls in the business
- Financial and actuarial analysis, i.e. the ability to interpret the Company's financial and actuarial information, identify key issues, put in place appropriate controls and take necessary measures based on this information.

- Regulatory framework and requirements, i.e. an awareness and understanding of the regulatory framework in which the Company operates, and the regulatory requirements and expectations relevant to it and the capacity to adapt to changes which stem from the regulatory framework without delay:
 - By collective knowledge the members of the BoD are not each expected to possess expert knowledge, competence and experience within all areas of the undertaking. However, the collective knowledge, competence and experience of the BoD as a whole has to provide for a sound and prudent management of the undertaking.
 - When changes occur within the BoD, e.g. replacement of one of its members, the undertaking is expected to be able to demonstrate that the collective knowledge of the members of the BoD is maintained on an adequate level so that the sound and prudent management of the undertaking will continue.

B.2.2.2 Proprietary

In assessing the propriety of a person, the Company assesses its honesty, integrity, reputation and financial soundness.

The Company may take into account convictions for criminal offences, adverse findings in civil proceedings, or disciplinary actions by regulators in Cyprus or abroad. The criteria include an assessment of reasons to believe from past conduct that the person may not discharge their duties in line with applicable rules, regulations and guidelines. Such reasons may arise from criminal antecedents, financial antecedents, and supervisory experience with that person or past business conduct. This approach does not imply that all previous infringements will automatically result in a failure to meet the requirements, but rather than they will be assessed on a case by case basis by the Company before an appointment and application to the supervisory authority is made.

At application, criminal records checks will be performed for approved persons, and other selected roles. Annual criminal records checks of approved persons will not be conducted. Approved persons will self-certify that they remain proper.

The Company will also consider whether the person has a debt that remains outstanding or was not paid within a reasonable period and/or has been involved in bankruptcy proceedings or other insolvency arrangements.

Factors that may have a negative impact on propriety and shall be considered include:

- Relevant criminal offences are in particular any offence under the laws governing banking, financial, securities or insurance activity, or concerning securities markets or securities or payment instruments, including but not limited to laws on money laundering, market manipulation, or insider dealing and usury as well as any offences of dishonesty such as fraud or financial crime. Further any other offences under legislation relating to companies, bankruptcy, insolvency, or consumer protection
- Any other criminal offences currently being tried or having been tried in the past will also be considered, as they can cast doubt on the integrity of the person and may mean that the integrity requirements are not met
- Relevant disciplinary or administrative offences are in particular any offences made under an activity of the financial sector, including offences under legislation relating to companies, bankruptcy, insolvency, or consumer protection
- When assessing the propriety of the person other circumstances than court decisions and ongoing judicial proceedings, which may cast doubt on the repute and integrity of the person, will also have to be considered. These could include current investigations or enforcement actions, the imposition of administrative sanctions for non-compliance with provisions governing banking, financial, securities or insurance activity, securities markets, securities or payment instruments or any financial services legislation
- Pending investigations or enforcement actions by any other regulatory or professional body for non-compliance with any relevant provisions could be taken into account
- When assessing the repute and integrity of a person honesty is one of the features to take into consideration. One of the triggers that could put into question this feature is the existence of conflicts of interest. In this regard, consideration should be given to the financial soundness of the person to be assessed in order to assess if it may trigger any dishonest or unprofessional behavior

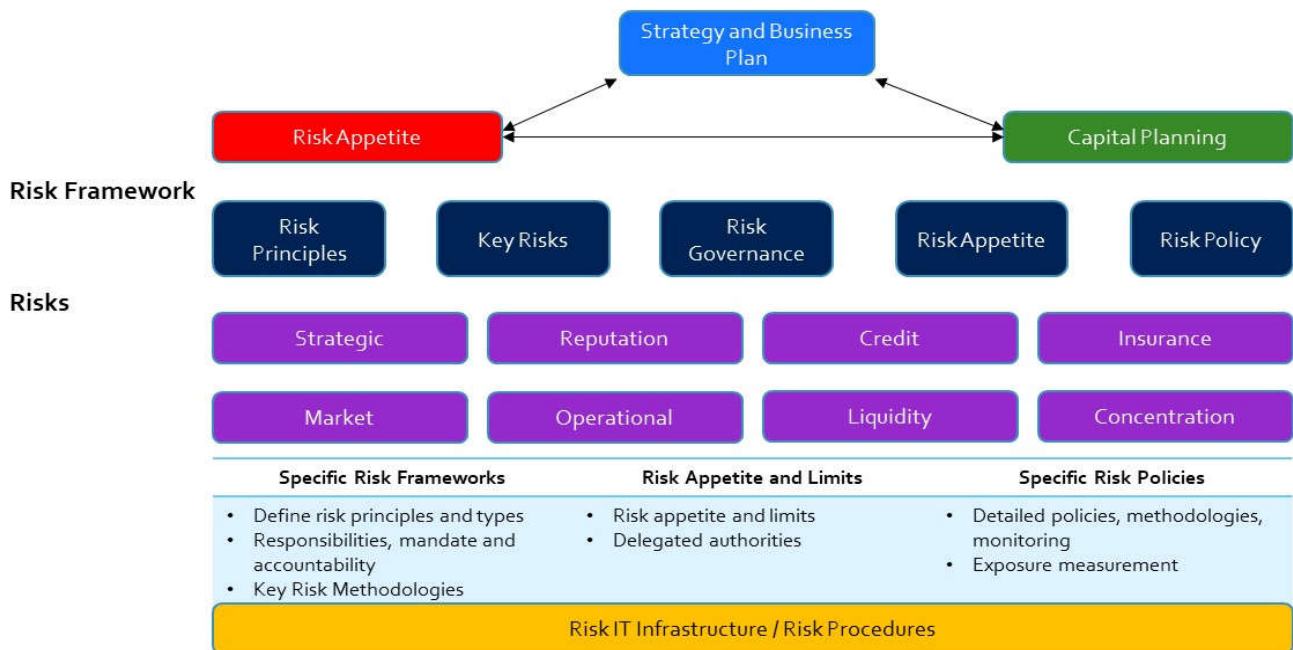
- Notwithstanding the above, having previous infringements does not automatically result in the person not being assessed as proper for the duties he/she is to perform. It is recognised that, while criminal, disciplinary or administrative convictions or past misconduct are significant factors, the assessment of the fitness and propriety is to be done on a case-by-case basis and that consideration needs to be given to the type of misconduct or conviction, the level of appeal (definitive vs. non-definitive convictions), the lapse of time since the misconduct or conviction, and its severity, as well as the person’s subsequent conduct

B.3 Risk management system including the own risk and solvency assessment

B.3.1 Risk management framework

The Company has in place a Risk Management Framework and aims through the appropriate risk management to achieve the Company’s business and financial strategy without exceeding the set risk tolerances and limits. The Company’s Risk Management Framework is an embedded part of the business and fully interacts with the strategic planning and the capital management process and is the guiding framework for the implementation of the ORSA process.

The Company’s Risk Management Framework is illustrated below:



The Company’s Risk Management Framework objectives are, to provide:

- a clearly defined, well documented, risk management strategy that:
 - sets the Company’s Risk Management objectives, key risk management principles, overall risk appetite and assignment of responsibilities for Risk across all the activities of the Company.
 - is consistent with the Company’s overall business strategy
- adequate written policies that:
 - define and categorise the material risks the Company is exposed to, by type, and the levels of acceptable risk limits for each type of risk
 - implement the Company’s risk strategy
 - facilitate control mechanisms
 - take into consideration the nature, scope and time horizon of the business and the risks associated with it

- appropriate processes and procedures which enable the Company to identify, assess, manage, monitor and report the risks it is or might be exposed to.

B.3.2 Risk management process

The Company's Risk Management process comprises of four stages:

1. **Risk Identification** - Risk Identification is the process followed by the Company to identify and record all material risk exposures that arise from its activities.

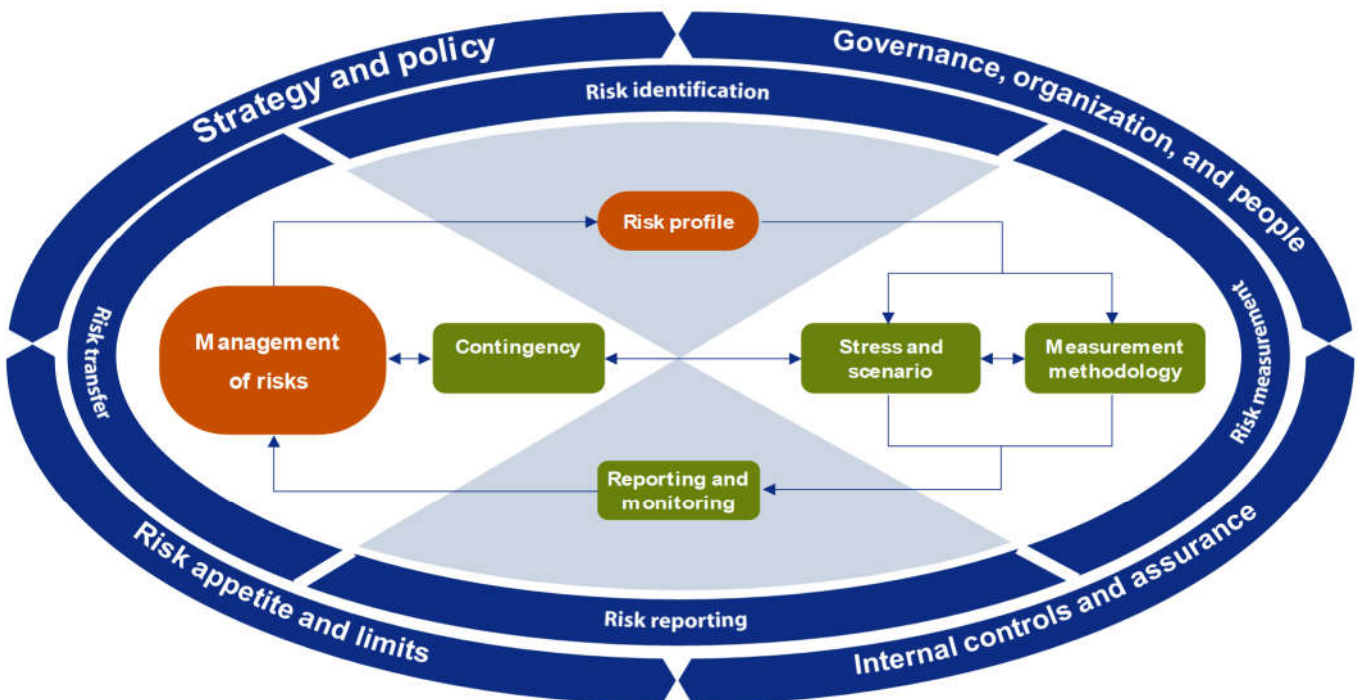
Risk Identification is performed for both existing and emerging risks.

2. **Risk Measurement** – This is to assess whether the risks identified by the Company are material. Materiality is usually assigned based on a high level qualitative assessment of risk. Risks that appear material are being considered more carefully to measure their impact precisely using qualitative and quantitative techniques.

3. **Risk Monitoring and Reporting** – This part of the process ensures that all material risk exposures are monitored on an ongoing basis and that any risks that fall outside the approved risk appetite of the Company are identified and appropriately escalated to the Risk and Reserving Committee.

4. **Risk Mitigation** – Mitigations are actions taken by the Company to manage the Risk that have been identified and measured for example through Reinsurance.

This is also summarised in the diagram below:



B.3.3 The ORSA process

The Company follows the steps below to implement its ORSA:

1. Define the driving factors before ORSA planning
2. Identify and classify risks, including governance - The Company identifies the material risks facing the organisation. This exercise includes risks considered in the SCR formula, as well as risks not included in the standard formula such as liquidity, strategic, business risks, etc. The assessment is done using the impact and probability of the risk occurring. The Company assigns a materiality threshold for this exercise. The risks that exceed the materiality threshold will be the ones where the Company will have to make decisions i.e. mitigate them, transfer them, stop the operation, assign more capital.
3. Assess and measure the material risks using quantitative and qualitative techniques including stress testing - the Company collects data, quantifies and aggregates risks using different approaches such as those described in section "Stress Testing". The Company uses this assessment of its risk profile to decide whether there is a need to assign additional capital over and above the SCR, taking into account diversification techniques.
4. Allocate Capital to Risk – According to its risk profile, the Company determines the necessary additional capital over and above the SCR. The capital allocation methodology is outlined in the section "Capital Allocation and Capital Planning".
5. Prepare capital planning for the next 3-5 years – Based on the capital allocation projections, the Company prepares a capital plan for the following 3-5 years. Such plans depend on its strategic objectives and financial projections and assumptions on future economic conditions.
6. Using a forward looking stress scenario, decide on actions in case the risks are crystallised – The Company applies additional stress and scenario testing to the forward looking capital plan and develops actions that can be taken in unforeseen circumstances in the future. Such actions include measures to improve its internal control system, risk management system and its overall governance.
7. Communicate and document the results – The Company presents the results of the process to senior management and the BoD and prepares the ORSA report.
8. Embed the ORSA in the decision making of the Company - The Company confirms that the above procedure is not independent from the "business as usual" process of the Company. As a result, the Actuarial Function reports the Company's risks and stress tests and the BoD and ExCo make decisions upon the results of these procedures. In addition, the Company shows that it considers the impact on its capital in its financial projections.

B.3.3.1 ORSA Review and Approval Frequency by the Board of Directors

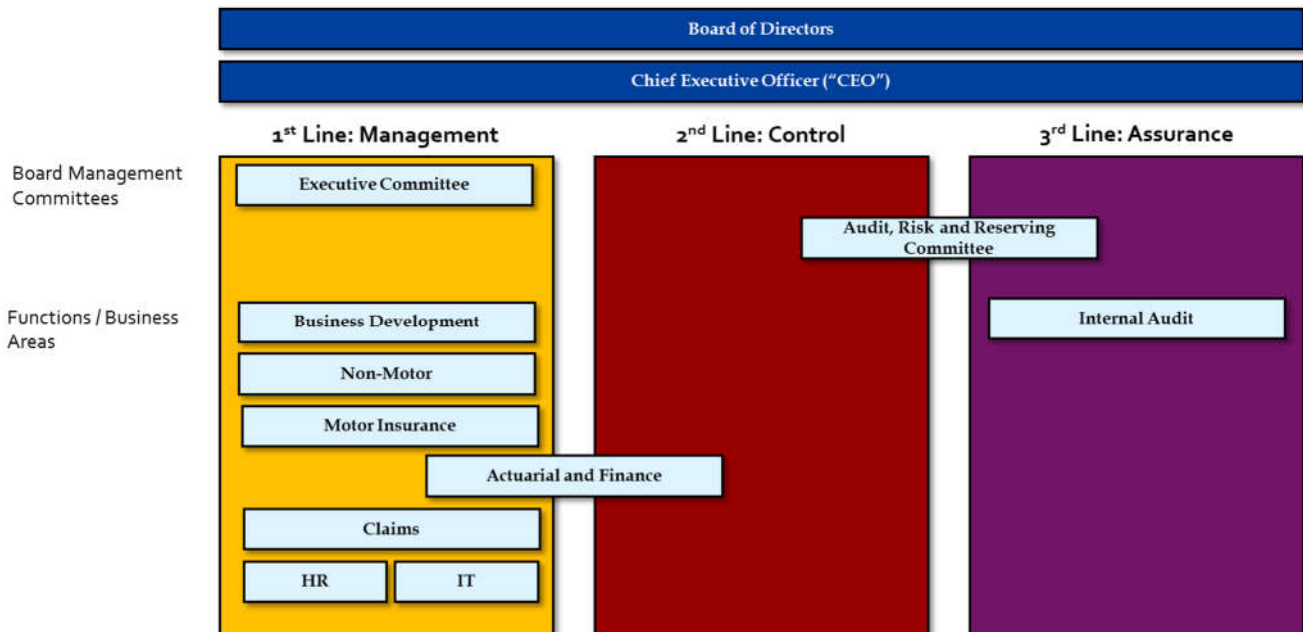
The ORSA is produced by Numisma Advisory Services once a year and is approved by the BOD.

B.3.3.2 Determining Own Solvency Needs

The Company uses the standard formula for the calculation of the Company SCR.

B.4 Internal control system

The Governance Framework for the management of risks within the Company is based on the “Three lines of defence model”, as illustrated in the diagram below.



The “three lines of defence” model supports the implementation of a robust internal control system and is aligned with the ‘four eye principle’ that the Company is required to comply with SII. In practice, there is sufficient control and challenge at all levels of the organisation.

- **1st Line of Defence:** This line relates to the management of risks at the points where they arise. Risk management at this level consists of appropriate checks and controls, carried out by business line management (operations, HR, IT etc.). These control activities will usually be built into policies, systems, processes and procedures of the specific business.
- **2nd Line of Defence:** This line relates to the monitoring of risks and oversight over the activities of the 1st Line of Defence. Bodies that provide challenge and oversight to these activities include the Actuarial Function and Finance Function which together with Internal Audit comprise the Company’s key control functions.
- **3rd Line of Defence:** The third line concerns the activities of Internal Audit that through its work provides an independent and objective assurance to the BoD, on the performance and effectiveness of the risk management systems within the Company.
- **Governing Body:** This refers to the controlling body of the Company (i.e. Board of Directors or “BoD”) which has the ultimate responsibility for ensuring that Corporate Governance arrangements within the Company are sufficient and appropriate for the size, nature and complexity of its business.

The Compliance Officer has oversight responsibility and is free from influences that may compromise his or her ability to undertake his or her duties in an objective, fair and independent manner. The Officer cooperates with other functions and business areas to carry out his or her role and in this context it operates within the structure of the Company and under the oversight of the CEO and the ExCo. In addition the Compliance Officer also has a reporting line to the BoD, through the Audit, Risk and Reserving Committee, through which it is possible to escalate issues and act independently from management. By adhering to this principle, the management of risks within the Company remains independent from all risk-taking activity.

B.5 Internal audit function

B.5.1 Internal audit function implementation

The Internal Audit function provides an innovative, responsive, effective and highly valued internal audit function by providing assistance to the BoD and Senior Management in their management of the strategic risks of the Company.

To raise awareness of enterprise risk management and provide counsel to the Senior Management, in order to assist them in enhancing the performance of the Company.

The scope of internal audit activity includes examining and evaluating the policies, procedures and systems which are in place to ensure: reliability and integrity of information, compliance with policies, plans, procedures, laws and regulations; safeguarding assets; economical and efficient use of resources; and accomplishment of established objectives and goals for operations or programs. Internal Audit may provide consulting services within the Company concerning issues related to internal controls, special investigations, and other areas of interest and concern.

Internal Audit shall have full access to all records, properties and personnel of the Company. All staff and the Senior Management of the Company shall endeavour to provide necessary assistance to, and cooperate with, staff of the Internal Audit function in the proper performance of their duties.

B.5.2 Internal audit function independence and objectivity

The Internal Audit needs to be independent from the organisational activities audited and carry out its assignments with impartiality. The principle of independence entails that the Internal Audit Function should only operate under the oversight of the administrative, management or supervisory body, reporting to the Audit Risk and Reserving Committee. At the same time, it has to be ensured that the Internal Audit Function is not subject to instructions of the administrative, management or supervisory body when performing the audit and when evaluating and reporting the audit results.

The IAF is expected to maintain the independence, objectivity and effectiveness of the audit work by applying the following principles:

1. The IAF should decide on the scope of the audit work, carry out work and report findings freely and objectively
2. If independence or objectivity of the IAF is impaired in substance or appearance, the details of the impairment should be disclosed to the Audit, Risk and Reserving Committee
3. The IAF should refrain from assessing specific operations for which it was previously responsible (at least within the previous year).
4. Participation in non-audit (advisory) engagements should be accepted provided that it does not threaten independence and objectivity

B.6 Actuarial function

The Actuarial Function and the associated reporting lines are free from influences that may compromise their ability to undertake their duties in an objective, fair and independent manner. The Actuarial Function reports to the CEO, and where necessary, cooperates with other functions to carry out its role. In addition the Actuarial Function has a reporting line to the BoD, through the Audit, Risk and Reserving Committee, through which it is possible to escalate issues and act independently from the ExCo and the CEO.

B.7 Outsourcing

B.7.1 Outsourcing policy

Critical or important operational functions include the key functions of the Company's system of governance, such as its internal audit, compliance, risk management and actuarial functions. In addition, functions or activities that are fundamental to the Company's ability to carry out its core business are likely to be critical or important.

The Company considers the following functions or activities to be critical or important:

- The design and pricing of insurance products
- The investment of assets or portfolio management
- Claims handling
- Provision of regular or constant compliance, internal audit, accounting, risk management or actuarial support
- Provision of data storage
- Provision of Rescue Line Auto services
- Provision of ongoing, day-to-day systems maintenance or support
- The ORSA process

When choosing a service provider for any critical or important functions or activities the Company ensures that:

- A detailed examination is performed to ensure that the potential service provider has the ability and capacity and any authorisation required by law to deliver the required functions or activities satisfactorily, taking into account the undertaking's objectives and needs
- The service provider has adopted all means to ensure that no explicit or potential conflict of interests with the Company impairs the needs of the outsourcing undertaking
- It enters into a written agreement with the service provider which clearly allocates the respective rights and obligations of the undertaking and the service provider
- The general terms and conditions of the outsourcing agreement are authorised and understood by the Company's CEO and Executive Committee
- The outsourcing does not represent a breach of any data protection regulation or any other laws
- The service provider is subject to the same provisions on the safety and confidentiality of information relating to the Company or to its policyholders or beneficiaries, that are applicable to the Company
- The service provider has a good reputation for delivering top quality services and for being reliable in fulfilling their duties
- All available service providers have been considered in terms of quality of services and cost of the agreement and the most suitable one has been chosen

In order to get the final approval of the outsourcing service, a detailed examination is performed to allow the Company to understand the main risks that might arise from the outsourcing and identify the most suitable strategies for the mitigation/management of these risks and ensure that the service provider has the ability, capacity and any authorisation required by law to perform the outsourced activities reliably and professionally. For this purpose an internal assessment is performed by the Executive Committee and reviewed and approved by the Company's CEO.



The Company ensures that there is a written agreement between the service provider and itself before outsourcing any function or service.

B.7.2 Outsourcing activities

Outsourced Activity	Description of outsourced service	Jurisdiction
Internal Audit	Internal Audit Function outsourced to Baker Tilly	Cyprus
Actuarial	Actuarial Function outsourced to Numisma Advisory Services	Cyprus
Risk	Risk Function outsourced to Numisma Advisory Services	Cyprus
Compliance	Compliance Function outsourced to Ioannides Demetriou	Cyprus

B.8 Any other information

B.8.1 Adequacy of the System of Governance

It is considered that the system of governance in place is effective and provides a sound and prudent management of risks faced by the Company.

B.8.2 Any other material information

None.

C Risk Profile

As at the valuation date the Company is exposed to the following types of risks:

- Underwriting Risk
- Market Risk
- Credit Risk
- Liquidity Risk
- Operational Risk

To measure the capital requirements of these risks the Company employs the SII standard formula. It is confirmed that the standard model adequately represents the risk profile of the Company, and no internal model is required given the nature, scale and complexity of the risks of the Company.

The table summarises the risk profile of the Company as at the valuation date.

	€ 31/12/2024 Capital Requirements
Market Risk (diversified)	1,528,840
Property Risk	1,340,236
Equity Risk	55,545
Spread Risk	46,831
Concentration Risk	417,220
Currency Risk	13,502
Interest Rate Risk	111,187
Counterparty Default Risk (diversified)	646,024
Health Underwriting Risk (diversified)	99,013
Premium & Reserve Risk	31,591
Health Catastrophe Risk	85,668
Lapse Risk	8,247
Non-life Underwriting Risk (diversified)	2,159,107
Premium & Reserves Risk	1,996,770
Catastrophe Risk	410,740
Lapse Risk	309,630
Diversification (BSCR)	-1,105,365
BSCR (diversified)	3,327,619
Operational Risk	256,713
SCR	3,584,332
MCR	4,000,000

In the sections that follow the report provides an analysis of the exposures / risks to which the Company is exposed and which result in capital requirements.

C.1 Underwriting Risk

The Company assesses underwriting risk using the standard formula part of SII. This includes an assessment of the risks resulting from:

- Premium and Reserve Risk i.e. a random change in the volume of premiums and reserves of the Company
- Natural and manmade extreme / exceptional events which arise from the failure to manage risk aggregation or accumulation that may result in an increased exposure to natural or manmade catastrophe losses.

This generates a total capital requirement as follows.

	€ 31/12/2024 Capital Requirements
Health Underwriting Risk (diversified)	99,013
Premium & Reserve Risk	31,591
Health Catastrophe Risk	85,668
Lapse Risk	8,247
Non-life Underwriting Risk (diversified)	2,159,107
Premium & Reserves Risk	1,996,770
Catastrophe Risk	410,740
Lapse Risk	309,630

The major part of the risk capital in the Non-Life Underwriting Risk is the Premium and Reserves part of the module which is primarily driven by the level of reserves and the premium written. This is subsequently driven by the type and the level of business written by the Company.

To manage the underwriting risks the company is monitoring and controlling the risks it is undertaking including strict approval and underwriting requirements and reinsurance.

C.2 Market Risk

To assess Market Risk the Company is using the standard model of SII. This includes an assessment of the capital requirements resulting from:

- Spread Risk - financial loss due to the increase in the spread that an asset trades relative to a comparable government bond
- Currency Risk - financial loss due to the change in value of currency exchange rates
- Interest Rate Risk - financial loss arising due to changes in the level of interest rates
- Equity Risk - financial loss due to changes in prices of equities, mutual funds and equity-linked capital market instruments
- Property Risk - financial loss arising due to changes in real estate prices
- Concentration Risk - financial loss arising due to the concentration of assets in a particular asset class and / or Counterparty

The total (diversified) capital required by the Company to cover Market risk is €1,529 thousand. Most of this risk capital is tied up to protect against Company's concentration risk (€417 thousand) due to concentration in specific assets and against the property risk (€1,340 thousand).

The capital requirements for Market risk are summarised below.

	€ 31/12/2024 Capital Requirements
Market Risk (diversified)	1,528,840
Property Risk	1,340,236
Equity Risk	55,545
Spread Risk	46,831
Concentration Risk	417,220
Currency Risk	13,502
Interest Rate Risk	111,187

Lower amounts of capital are required to protect against other types of market risk towards which the Company is exposed.

The Company's investment management policy ensures the Company's compliance with the Prudent Person Principle as per Article 132 of the Directive 2009/138/EC.

C.3 Credit Risk

Credit Risk is the risk that the Company cannot recover the value of its assets if the counterparty defaults. The Company assesses Credit Risk using the standard formula part of SII.

The SCR for credit risk is €646 thousand (defined as Counterparty default risk under the SII model).

Credit Risk is categorised as:

- **Type 1** - involves exposures to counterparties that are non-diversifiable and usually rated e.g. reinsurance arrangements, cash at bank etc.

The Company is exposed to Credit Risk through its deposits in Banks and the reinsurance treaties.

From reinsurance exposures major risks arise from the arrangements with SiriusPoint, CCR, R+V, Swiss Re and DEVK Re. From the deposits with Banks arrangements major risk arises from the exposure to Hellenic Bank, Bank of Cyprus and Julis Baer.

However, in general, more capital is absorbed by the exposures to reinsurers rather than banks.

Type 1 exposures give a total risk capital requirement (before diversification) of €426 thousand.

- **Type 2** - involves diversifiable and unrated exposures e.g. receivable from intermediaries, policyholder etc.

The Company is exposed to Credit Risk through its receivables from policyholders and intermediaries. These are classified as receivables within 3 month or more than 3 months as follows:

- Exposures type 2, excluding those which have been due for more than 3 months – €1,744 thousand
- Exposures type 2 which have been due for more than 3 months – 0

Type 2 exposures give a total risk capital requirement (before diversification) of €262 thousand.

C.4 Liquidity Risk

Liquidity Risk is defined as the risk of not being able to make payments as they become due because there are insufficient assets in cash form or that can easily be turned into cash at no excessive cost.

The Company aims to maintain sufficient liquidity to manage its day-to-day operations in the short, medium and long term as well as sufficient buffer of liquid assets for covering sudden liquidity demands that may arise. To manage this risk the Company maintains a pool of liquid assets equal to a minimum of €1 million, which is used to meet short term liquidity demands (up to 3 months) as well as a buffer for unexpected cash demands, and, if combined with deposits, equal to a minimum of 25% of its liabilities.

C.5 Operational Risk

Operational Risk is the risk of loss arising in the Company from its people, processes, systems or the external environment which is a natural consequence of its business operations.

Operational Risks are assessed by the Company through the standard model of SII. This involves assessing Operational Risk through assessing the Company earned premium, provisions and expenses.

The Company also assesses Operational Risk through an internal assessment of its risks of people, processes, systems or the external environment affecting the business.

C.6 Other Material Risks

C.6.1 Reputational risk

The Company monitors and pays attention to customer complaints, in order to identify any potential reputational threats to the Company arising from unsatisfied customers.

C.6.2 Legal and compliance risk

The Company avoids any legal or compliance issues.

C.7 Any other information

The scenarios that were applied are the following.

1. Reduction by 20% in the market value of the Company's property assets in 2025, with a fair value loss of €795,336 recognized in profit and loss. The reduction continues into 2026.
2. Occurrence of 10 large claims in 2026, each valued at €150,000, resulting in a total loss of €1,500,000 under Motor Own Damage. The P&L impact remains outstanding at YE 2026.
3. Increase by €1 million in Motor TPL written premium during 2025, outperforming the business plan. The premium increase remains in 2026.
4. Increase in the Company's expenses by €300,000 during 2025 due to fines, lawsuits, and other extraordinary costs.
5. (RSS) Hellenic Bank liquidation in 2026 results in 80% asset loss, including a decrease of €70,400 in equity shares, €944 in bonds, and €566,085 in current accounts. Additionally, the market value of the Company's property assets decreases by 30% in 2026.

No scenario is expected to affect the YE 2024 valuation as all of them are assumed to materialise in 2025 (Scenario 1, Scenario 3, and Scenario 4) or 2026 (Scenario 2 and Scenario 5).

Capital Requirements 31/12/2024	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
SCR coverage ratio	138.16%	138.16%	138.16%	138.16%	138.16%
MCR coverage ratio	121.16%	121.16%	121.16%	121.16%	121.16%

Capital Requirements 31/12/2025	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
SCR coverage ratio	124.05%	141.20%	133.95%	131.48%	141.20%
MCR coverage ratio	110.45%	130.33%	134.82%	120.23%	130.33%

Capital Requirements 31/12/2026	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
SCR coverage ratio	127.51%	99.15%	141.13%	134.60%	103.62%
MCR coverage ratio	119.10%	102.16%	148.43%	128.81%	93.00%



D. Valuation for Solvency Purposes

D Valuation for Solvency Purposes

D.1 Assets

D.1.1 Summary of asset valuation

As at the valuation date the values of Company assets are as follows:

- €12,614 thousand on an IFRS basis, and
- €12,286 thousand on a SII basis.

The table that follows shows the valuation of the Company assets under a SII basis and an IFRS basis after certain rearrangements (to both assets and liabilities) for the purpose of comparability to the SII basis as at the valuation date.

	€ SII 31/12/2024	€ IFRS 31/12/2024
Assets	12,286,262	13,950,895
Goodwill	0	0
DAC	0	1,200,566
Intangible assets	0	91,812
DTA	0	0
Property, plant & equipment held for own use	1,480,945	1,480,945
Investments (other than assets held for index-linked and unit-linked funds)	6,714,710	6,714,710
Reinsurance recoverable	371,749	744,004
Insurance & intermediaries receivables	1,663,490	1,663,490
Reinsurance receivables	-112,523	-112,523
Receivables (trade, not insurance)	337,198	337,198
Cash and cash equivalents	1,830,693	1,830,693
Any other assets, not elsewhere shown	0	0

The total difference of €1,665 thousand between the two bases is due to:

- the exclusion of “Other Intangible Assets” and “Deferred Acquisition Costs”; and
- the revaluation of the “Reinsurance Recoverables”.

D.2 Technical provisions

D.2.1 Summary of Technical Provisions valuation

The technical provision net of reinsurance as at the valuation date for the Company are shown in the table below.

Line of Business	€ SII Best Estimate Liability 31/12/2024	€ SII Risk Margin 31/12/2024	€ SII Technical Provision 31/12/2024
Medical expense insurance	47,696	5,806	53,502
Income protection insurance	1,505	696	2,201
Motor vehicle liability insurance	4,322,072	212,312	4,534,384
Other motor insurance	926,154	53,899	980,053
Marine, aviation and transport insurance	0	246	246
Fire and other damage to property insurance	274,320	14,445	288,765
General liability insurance	514,199	32,061	546,260
Credit and suretyship insurance	0	0	0
Miscellaneous financial loss	0	2	2
Total	6,085,947	319,467	6,405,414

The technical provisions are taken as the sum of Best Estimate Liability (BEL) and Risk Margin (RM). These items are further explained below.

Best Estimate Liability (BEL)

The BEL calculation corresponds to the probability weighted average of future cash-flows taking account of the time value of money. The cash flows that make up the BEL components as at the valuation date is the total of the Claim Provisions reserves and the Premium Provisions.

Claim Provisions account for claims that have already incurred up to the valuation date and Premium Provisions account for future claims and expenses that are expected to arise given the in-force portfolio of the Company. The Company consistently closes its accounts on the 15th of December each year. Given this, any claim received between the 16th of December and 31/12/2024 is considered to be part of the following valuation year. However, since this is consistently applied every year, the IBNR (Incurred but Not Reported) factor of Claim Provisions appropriately account for these claims.

The time value of money is allowed by discounting using the risk-free yield curve for EUR (€) published by EIOPA.

Risk Margin (RM)

The risk margin is calculated by projecting the solvency capital requirement (SCR) for the run-off of existing business for 'non-hedgeable' risks. A prescribed cost of capital charge of 6% is applied and the result is then discounted at the risk-free rate to determine the risk margin.

The value of the RM is calculated in total and is then allocated to the lines of business (SII segments) based on the BEL requirement of each line.

D.2.2 Liabilities: Valuation for Solvency purposes vs Valuation in Financial Statements

The tables that follow show a comparison between the liabilities as calculated for IFRS and SII purposes.

	€ SII 31/12/2024	€ IFRS 31/12/2024
Technical Provisions (gross)	6,777,163	7,751,050
TP calculated as a whole	0	
Best Estimate	6,457,696	
Risk margin	319,467	

The material differences between the valuation of technical provisions for Solvency II purposes and those used for financial statements are as follows:

1. The Liability for Remaining Coverage does not exist for Solvency II purposes and are replaced by the best estimate of the premium provision.
2. The liabilities from insurance contracts in financial statements are discounted using risk-free rates plus a volatility adjustment as opposed to those used for Solvency II purposes where future cash flows are discounted using risk-free rates without such adjustment.
3. The non-financial risk adjustment is calculated for the purposes of financial statements only and is not included in Solvency II.
4. The risk margin is calculated for Solvency II purposes only and is not included in financial statements.

D.2.3 Transitional measures: Matching Adjustment

Not applicable.

D.2.4 Transitional Measures: Volatility Adjustment

Not applicable.

D.2.5 Transitional measures: Risk Free Interest Rate

Not applicable.

D.2.6 Transitional measures: Impact

Not applicable.

D.2.7 Recoveries from reinsurance and special purpose vehicles

D.2.7.1 Recoveries

The Company does not use any special purpose vehicles.

The Company reinsures its business, and this reduces the technical provision by lowering the BEL and consequently reducing the Capital Requirements, through building the reinsurance recoveries as an asset.

The table below shows a summary of the reinsurance recoveries on various segments written by the Company inclusive of the reinsurance default adjustments:

	€ Reinsurance Best Estimate Liabilities 31/12/2024	€ Reinsurance Premiums Provisions 31/12/2024	€ Reinsurance Claim Provisions 31/12/2024
Medical expense insurance	0	0	0
Income protection insurance	0	0	0
Motor vehicle liability insurance	3,743	0	3,743
Other motor insurance	-5,863	0	-5,863
Marine, aviation and transport insurance	0	0	0
Fire and other damage to property insurance	372,263	93,114	279,149
General liability insurance	1,608	1,033	575
Credit and suretyship insurance	0	0	0
Miscellaneous financial loss	0	0	0
Total	371,750	94,146	277,604

The Reinsurance asset overall result ties back to the reinsurance assets as summarised in the asset section.

Assets	€ SII 31/12/2024
Reinsurance share of TPs - non-life excluding health	371,749
Reinsurance share of TPs - health similar to non-life	0

D.2.8 Comparison with the previous reporting period

No material changes.

D.3 Other liabilities

D.3.1 Summary of the valuation of Other Liabilities

As at the valuation date the values of Company liabilities are as follows:

- €8,027 thousand on an IFRS basis and
- €7,537 thousand on a SII basis.

The table that follows shows the valuation of the Company liabilities under a SII basis and an IFRS basis after certain rearrangements (to both assets and liabilities) for the purpose of comparability to the SII basis as at the valuation date.

	€ SII 31/12/2024	€ IFRS 31/12/2024
Liabilities	7,536,849	9,364,214
TPs – non-life	6,777,163	8,456,966
Provisions other than TPs	0	170,809
Deferred tax liabilities	101,947	78,700
Financial liabilities other than debts owed to credit institutions	0	0
Insurance & intermediaries payables	420,275	420,275
Reinsurance payables	0	0
Payables (trade, not insurance)	163,089	163,089
Any other liabilities, not elsewhere shown	74,375	74,375

The total difference of €1,827 thousand between the two bases is due to:

- the exclusion of “Deferred Acquisition Revenue” (within Provisions other than TPs);
- the revaluation of the “Technical Provisions”; and
- the revaluation of the “Deferred tax liabilities”.

D.4 Alternative methods for valuation

No alternative methods of valuation were used.

D.5 Any other information

None.



E. Capital Management

E Capital Management

E.1 Own funds

E.1.1 Structure, Amount and Quality of Owned Funds

SII Own Funds as at the valuation date are €4,749 thousand. The total amount of own funds is classified as Tier 1 capital and is broken down as follows.

	Basic Own Funds 31/12/2024 €	Basic Own Funds 31/12/2023 €
Ordinary share capital (net of own shares)	4,511,011	6,446,809
Retained earnings including profits from the year net of foreseeable dividends	0	-2,085,310
Other reserves from accounting balance sheet	75,670	157,019
Reconciliation reserve	162,732	357,444
Total Basic own funds	4,749,413	4,875,962

The total amount of Own Funds is used to support the SCR and the MCR.

The differences between equity in financial statements and excess of assets over liabilities as calculated for solvency purposes is fully explained by the Reconciliation reserve.

There were no basic own-fund items subject to transitional arrangements.

There were no ancillary Own Funds.

There were no deductions from Own Funds.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 SCR and MCR Results

The SCR of the Company as at the valuation date was €3,584,332.

The MCR of the Company as at the valuation date was €4 million.

The Company is not making any simplified calculations.

The Company does not use undertaking-specific parameters.

The results based on the standard formula of SII are shown below including the results of the MCR and SCR coverage ratios for the current and the previous valuation dates:

	€	€
	31/12/2024	31/12/2023
Market Risk (diversified)	1,528,840	1,515,125
Property Risk	1,340,236	1,345,393
Equity Risk	55,545	28,792
Spread Risk	46,831	55,493
Concentration Risk	417,220	406,817
Currency Risk	13,502	12,658
Interest Rate Risk	111,187	111,014
Counterparty Default Risk (diversified)	646,024	611,357
Health Underwriting Risk (diversified)	99,013	102,344
Premium & Reserve Risk	31,591	38,559
Health Catastrophe Risk	85,668	85,561
Lapse Risk	8,247	3,326
Non-life Underwriting Risk (diversified)	2,159,107	2,220,767
Premium & Reserves Risk	1,996,770	2,073,387
Catastrophe Risk	410,740	406,912
Lapse Risk	309,630	213,193
Diversification (BSCR)	-1,105,365	-1,099,421
BSCR (diversified)	3,327,619	3,350,172
Operational Risk	256,713	265,246
SCR	3,584,332	3,615,418
MCR	4,000,000	4,000,000
Own Funds eligible to cover the SCR and MCR	4,749,413	4,875,962
SCR coverage ratio	132.50%	134.87%
MCR coverage ratio	118.74%	121.90%

E.3 Use of the duration-based Equity risk sub-module in the calculation of the Solvency Capital Requirement

Not applicable.

E.4 Differences between the Standard Formula and internal model

The Company did not use an internal model for the calculation of the Solvency Capital Requirement.

E.5 Non-Compliance with the Minimum Capital Requirement and Solvency Capital Requirement

There was no breach of the Minimum Capital Requirements or Solvency Capital Requirements during the reporting period.

E.6 Any other information

None.



Appendix

Appendix – Quantitative Reporting Templates

This Annex lists the annual quantitative templates submitted to the local Regulator on behalf of the Company for the valuation date.

The following templates are reproduced in this annex:

Code	Template name
S.02.01.02	Balance Sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.17.01.02	Non-life Technical Provisions
S.19.01.21	Non-life Insurance claims
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement – for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement – only life or non-life insurance or reinsurance activity

S.02.01.02
Balance sheet

		Solvency II value
		C0010
Assets		
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	1,480,944.83
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	6,714,709.74
R0080	<i>Property (other than for own use)</i>	3,880,000.00
R0090	<i>Holdings in related undertakings, including participations</i>	0.00
R0100	<i>Equities</i>	132,700.00
R0110	<i>Equities - listed</i>	132,700.00
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	1,092.22
R0140	<i>Government Bonds</i>	0.00
R0150	<i>Corporate Bonds</i>	1,092.22
R0160	<i>Structured notes</i>	0.00
R0170	<i>Collateralised securities</i>	0.00
R0180	<i>Collective Investments Undertakings</i>	0.00
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	2,700,917.52
R0210	<i>Other investments</i>	0.00
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0.00
R0240	<i>Loans on policies</i>	
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	371,750.45
R0280	<i>Non-life and health similar to non-life</i>	371,750.45
R0290	<i>Non-life excluding health</i>	371,750.45
R0300	<i>Health similar to non-life</i>	0.00
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0.00
R0320	<i>Health similar to life</i>	
R0330	<i>Life excluding health and index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0.00
R0360	Insurance and intermediaries receivables	1,663,490.00
R0370	Reinsurance receivables	-112,523.00
R0380	Receivables (trade, not insurance)	337,198.00
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0.00
R0410	Cash and cash equivalents	1,830,693.12
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	12,286,263.14
		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	6,777,164.32
R0520	<i>Technical provisions - non-life (excluding health)</i>	6,721,461.25
R0530	<i>TP calculated as a whole</i>	0.00
R0540	<i>Best Estimate</i>	6,408,496.25
R0550	<i>Risk margin</i>	312,965.00
R0560	<i>Technical provisions - health (similar to non-life)</i>	55,703.07
R0570	<i>TP calculated as a whole</i>	0.00

R0580	<i>Best Estimate</i>	49,201.07
R0590	<i>Risk margin</i>	6,502.00
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0.00
R0610	<i>Technical provisions - health (similar to life)</i>	0.00
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	0.00
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0.00
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	101,947.00
R0790	Derivatives	
R0800	Debts owed to credit institutions	0.00
R0810	Financial liabilities other than debts owed to credit institutions	0.00
R0820	Insurance & intermediaries payables	420,275.00
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	163,089.00
R0850	Subordinated liabilities	0.00
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	0.00
R0880	Any other liabilities, not elsewhere shown	74,375.00
R0900	Total liabilities	7,536,850.32
R1000	Excess of assets over liabilities	4,749,412.82

Non-Life Technical Provisions

Direct business and accepted proportional reinsurance								Total Non-Life obligation	
Medical expense insurance	Income protection insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Miscellaneous financial loss		
C0020	C0030	C0050	C0060	C0070	C0080	C0090	C0130	C0180	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
								0.00	
Technical provisions calculated as a whole									
R0010	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole								
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
R0060	Gross - Total								
	33,407.81	1,504.85	1,564,067.19	618,428.45	0.00	267,018.27	86,446.82	0.00	2,570,873.39
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								
	0.00	0.00	0.00	0.00	0.00	93,113.57	1,032.53	0.00	94,146.10
R0150	Net Best Estimate of Premium Provisions								
	33,407.81	1,504.85	1,564,067.19	618,428.45	0.00	173,904.70	85,414.29	0.00	2,476,727.29
Claims provisions									
R0160	Gross - Total								
	14,288.41	0.00	2,761,748.22	301,862.49	0.00	379,564.96	429,359.85	0.00	3,886,823.93
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								
	0.00	0.00	3,743.43	-5,863.32	0.00	279,149.17	575.07	0.00	277,604.35
R0250	Net Best Estimate of Claims Provisions								
	14,288.41	0.00	2,758,004.79	307,725.81	0.00	100,415.79	428,784.78	0.00	3,609,219.58
R0260	Total best estimate - gross								
	47,696.22	1,504.85	4,325,815.41	920,290.94	0.00	646,583.23	515,806.67	0.00	6,457,697.32
R0270	Total best estimate - net								
	47,696.22	1,504.85	4,322,071.98	926,154.26	0.00	274,320.49	514,199.07	0.00	6,085,946.87
R0280	Risk margin								
	5,806.00	696.00	212,312.00	53,899.00	246.00	14,445.00	32,061.00	2.00	319,467.00
R0320	Technical provisions - total								
	53,502.22	2,200.85	4,538,127.41	974,189.94	246.00	661,028.23	547,867.67	2.00	6,777,164.32
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total								
	0.00	0.00	3,743.43	-5,863.32	0.00	372,262.74	1,607.60	0.00	371,750.45
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total								
	53,502.22	2,200.85	4,534,383.98	980,053.26	246.00	288,765.49	546,260.07	2.00	6,405,413.87

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020 Accident year / underwriting year

Gross Claims Paid (non-cumulative)														
(absolute amount)														
Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180	
	Development year										In Current year	Sum of years (cumulative)		
	0	1	2	3	4	5	6	7	8	9	10 & +			
R0100	Prior											60,223.91	60,223.91	60,223.91
R0160	N-9	1,600,217.00	631,001.00	552,599.00	21,297.00	330,334.00	682,300.29	30,866.08	535.50	76,723.00	27,006.00		27,006.00	3,952,878.87
R0170	N-8	1,578,243.00	810,657.00	7,508.00	57,210.00	8,958.00	0.00	14,715.00	3,106.00	138,647.00			138,647.00	2,619,044.00
R0180	N-7	1,510,870.00	667,226.00	125,634.00	234,762.50	6,570.00	3,463.50	12,747.50	-1,415.00				-1,415.00	2,559,858.50
R0190	N-6	1,826,850.00	1,144,587.00	246,347.69	122,011.85	30,768.71	18,436.11	231,465.00					231,465.00	3,620,466.36
R0200	N-5	2,547,790.00	1,373,601.71	263,063.51	128,073.51	100,678.56	67,937.00						67,937.00	4,481,144.29
R0210	N-4	1,872,146.24	1,447,836.43	250,753.79	294,717.43	26,417.00							26,417.00	3,891,870.89
R0220	N-3	2,642,714.28	1,841,335.61	325,432.37	208,924.50								208,924.50	5,018,406.76
R0230	N-2	2,438,359.91	1,546,691.12	375,054.69									375,054.69	4,360,105.72
R0240	N-1	2,141,542.39	1,219,914.39										1,219,914.39	3,361,456.78
R0250	N	1,610,182.73											1,610,182.73	1,610,182.73
R0260												Total	3,964,357.22	35,535,638.81

Gross undiscounted Best Estimate Claims Provisions

(absolute amount)

Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Development year											Year end
	0	1	2	3	4	5	6	7	8	9	10 & +	(discounted data)
Prior											28,317.11	27,085.64
N-9	0.00	0.00	0.00	0.00	0.00	200,480.50	128,738.72	102,452.23	11,868.20	-25,002.71		-24,699.54
N-8	0.00	0.00	0.00	0.00	157,538.40	165,266.29	168,922.16	158,350.77	12,600.86			11,948.41
N-7	0.00	0.00	0.00	103,366.42	179,843.67	136,597.40	127,884.49	156,960.78				152,167.74
N-6	0.00	0.00	525,403.66	595,615.97	548,557.75	421,414.89	312,829.47					300,171.47
N-5	0.00	580,493.29	557,759.68	423,836.21	471,015.13	607,735.53						582,088.47
N-4	1,727,907.29	551,607.36	470,790.42	376,401.20	469,506.65							450,932.41
N-3	2,044,499.06	768,901.07	519,609.54	434,582.72								416,671.81
N-2	2,120,019.18	592,107.60	414,962.16									399,602.97
N-1	1,406,957.34	340,068.04										326,573.82
N	1,288,367.02											1,244,280.75
Total												3,886,823.95

Own Funds

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

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

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

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

Deductions

R0230	Deductions for participations in financial and credit institutions
-------	--

R0290 Total basic own funds after deductions

Ancillary own funds

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

Available and eligible own funds

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

R0580	SCR
R0600	MCR
R0620	Ratio of Eligible own funds to SCR
R0640	Ratio of Eligible own funds to MCR

Reconciliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds
R0760	Reconciliation reserve

Expected profits

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

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
4,511,011.00	4,511,011.00		0.00	
0.00	0.00		0.00	
0.00	0.00		0.00	
0.00		0.00	0.00	0.00
0.00	0.00			
0.00		0.00	0.00	0.00
0.00		0.00	0.00	0.00
238,401.82	238,401.82			
0.00		0.00	0.00	0.00
0.00				0.00
0.00	0.00	0.00	0.00	0.00

0.00

0.00

4,749,412.82 4,749,412.82 0.00 0.00 0.00

0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00				
0.00			0.00	0.00

4,749,412.82 4,749,412.82 0.00 0.00 0.00
4,749,412.82 4,749,412.82 0.00 0.00
4,749,412.82 4,749,412.82 0.00 0.00 0.003,584,331.69
4,000,000.00
132.50%
118.74%

Value

C0060
4,749,412.82
0.00
4,511,011.00
0.00
238,401.82

0.00

Solvency Capital Requirement - for undertakings on Standard Formula

Gross solvency capital requirement	USP	Simplifications
C0110	C0090	C0120
1,528,839.33		
646,023.56		
0.00		
99,013.19		
2,159,107.90		
-1,105,364.87		

R0070 Intangible asset risk	0.00
R0100 Basic Solvency Capital Requirement	3,327,619.11

Calculation of Solvency Capital Requirement

	C0100
R0130 Operational risk	256,712.58
R0140 Loss-absorbing capacity of technical provisions	0.00
R0150 Loss-absorbing capacity of deferred taxes	
R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0.00
R0200 Solvency Capital Requirement excluding capital add-on	3,584,331.69
R0210 Capital add-ons already set	0.00
R0211 of which, capital add-ons already set - Article 37 (1) Type a	0.00
R0212 of which, capital add-ons already set - Article 37 (1) Type b	0.00
R0213 of which, capital add-ons already set - Article 37 (1) Type c	0.00
R0214 of which, capital add-ons already set - Article 37 (1) Type d	0.00
R0220 Solvency capital requirement	3,584,331.69

Other information on SCR

R0400 Capital requirement for duration-based equity risk sub-module	0.00
R0410 Total amount of Notional Solvency Capital Requirements for remaining part	0.00
R0420 Total amount of Notional Solvency Capital Requirements for ring-fenced funds	0.00
R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0.00
R0440 Diversification effects due to RFF nSCR aggregation for article 304	0.00

Approach to tax rate

R0590 Approach based on average tax rate	0.00
--	------

Calculation of loss absorbing capacity of deferred taxes

LAC DT	
	C0130
R0640 LAC DT	
R0650 LAC DT justified by reversion of deferred tax liabilities	0.00
R0660 LAC DT justified by reference to probable future taxable economic profit	0.00
R0670 LAC DT justified by carry back, current year	0.00
R0680 LAC DT justified by carry back, future years	0.00
R0690 Maximum LAC DT	0.00

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

1,177,093.42

- R0020 Medical expense insurance and proportional reinsurance
- R0030 Income protection insurance and proportional reinsurance
- R0040 Workers' compensation insurance and proportional reinsurance
- R0050 Motor vehicle liability insurance and proportional reinsurance
- R0060 Other motor insurance and proportional reinsurance
- R0070 Marine, aviation and transport insurance and proportional reinsurance
- R0080 Fire and other damage to property insurance and proportional reinsurance
- R0090 General liability insurance and proportional reinsurance
- R0100 Credit and suretyship insurance and proportional reinsurance
- R0110 Legal expenses insurance and proportional reinsurance
- R0120 Assistance and proportional reinsurance
- R0130 Miscellaneous financial loss insurance and proportional reinsurance
- R0140 Non-proportional health reinsurance
- R0150 Non-proportional casualty reinsurance
- R0160 Non-proportional marine, aviation and transport reinsurance
- R0170 Non-proportional property reinsurance

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
---	---

C0020	C0030
47,696.22	172,328.00
1,504.85	23,789.00
0.00	
4,322,071.98	4,474,604.00
926,154.26	1,543,945.00
0.00	7,314.00
274,320.49	332,017.00
514,199.07	661,167.00
0.00	
0.00	
0.00	
0.00	
0.00	
0.00	
0.00	
0.00	
0.00	
0.00	

α	β	α.β + β.C
4.7%	4.7%	10341.13834
13.1%	8.5%	2219.20035
10.7%	7.5%	0
8.5%	9.4%	787988.8943
7.5%	7.5%	185257.4445
10.3%	14.0%	1023.96
9.4%	7.5%	50687.40106
10.3%	13.1%	139575.3812
17.7%	11.3%	0
11.3%	6.6%	0
18.6%	8.5%	0
18.6%	12.2%	0
18.6%	15.9%	0
18.6%	15.9%	0
18.6%	15.9%	0
18.6%	15.9%	0

DR Annex XIX

1177093.42

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

0.00

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
---	--

C0050	C0060

3.7%
-5.2%
0.7%
2.1%
0.07%

DR ARTICLE 251

0
0
0
0
0
0

Overall MCR calculation

- R0300 Linear MCR
- R0310 SCR
- R0320 MCR cap
- R0330 MCR floor
- R0340 Combined MCR
- R0350 Absolute floor of the MCR

C0070

1,177,093.42
3,584,331.69
1,612,949.26
896,082.92
1,177,093.42
4,000,000.00

R0400 Minimum Capital Requirement

4,000,000.00



KPMG Limited
Chartered Accountants
14 Esperidon Street, 1087 Nicosia, Cyprus
P.O. Box 21121, 1502 Nicosia, Cyprus
T: +357 22 209000, F: +357 22 678200

INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
EUROSURE INSURANCE COMPANY LIMITED

Report on the audit of the relevant elements of the solvency and financial condition report

Opinion

We have audited the following Solvency II Quantitative Reporting Templates (“QRTs”) contained in Annex I to Commission Implementing Regulation (EU) No 2023/895 of 4 April 2023, of Eurosure Insurance Company Limited (the “Company”), prepared as at 31 December 2024:

- S.02.01.02 - Balance sheet
- S.17.01.02 – Non-Life Technical Provisions
- S.23.01.01 – Own funds
- S.25.01.21 - Solvency Capital Requirement – for undertakings on Standard Formula
- S.28.01.01 – Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

The above QRTs are collectively referred to for the remainder of this report as “the relevant QRTs of the Solvency and Financial Condition Report”.

In our opinion, the information in the relevant QRTs of the Solvency and Financial Condition Report as at 31 December 2024 is prepared, in all material respects, in accordance with the Insurance and Reinsurance Services and other Related Issues Law of 2016, the Commission Delegated Regulation (EU) 2015/35, the Commission Delegated Regulation (EU) 2016/467, the relevant EU Commission’s Implementing Regulations and the relevant Orders of the Superintendent of Insurance (collectively “the Framework”).

Limassol
P.O. Box 50161, 3601
T: +357 25 869000
F: +357 25 363842

Paphos
P.O. Box 60288, 8101
T: +357 26 943050
F: +357 26 943062

Polis Chrysochous
P.O. Box 66014, 8330
T: +357 26 322098
F: +357 26 322722

Larnaca
P.O. Box 40075, 6300
T: +357 24 200000
F: +357 24 200200

Paralimni / Ayia Napa
P.O. Box 33200, 5311
T: +357 23 820080
F: +357 23 820084

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant QRTs of the Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the International Code of Ethics (Including International Independence Standards) for Professional Accountants of the International Ethics Standards Board for Accountants ("IESBA Code") together with the ethical requirements in Cyprus that are relevant to our audit of the relevant QRTs of the Solvency and Financial Condition Report and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' sections of the Solvency and Financial Condition Report, which describe the basis of preparation. The Solvency and Financial Condition Report is prepared in compliance with the Framework, and therefore in accordance with a special purpose financial reporting framework. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the Other information. The Other information comprises certain narrative sections and certain QRTs of the Solvency and Financial Condition Report as listed below:

Narrative sections:

- Business and performance
- Valuation for solvency purposes
- Capital management

QRTs (contained in Annex I to Commission Implementing Regulation (EU) No 2023/2452 of 4 April 2023):

- S.05.01.02 - Premiums, claims and expenses by line of business
- S.05.02.04 - Premiums, claims and expenses by country
- S.19.01.21 - Non-Life insurance claims

Our opinion on the relevant QRTs of the Solvency and Financial Condition Report does not cover the Other information listed above and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Solvency and Financial Condition Report, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the relevant elements of the Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Solvency and Financial Condition Report

The Board of Directors is responsible for the preparation of the Solvency and Financial Condition Report in accordance with the Framework.

The Board of Directors is also responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of a Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the relevant QRTs of the Solvency and Financial Condition Report

Our objectives are to obtain reasonable assurance about whether the relevant QRTs of the Solvency and Financial Condition Report 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 it 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 the Solvency and Financial Condition Report.

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

- Identify and assess the risks of material misstatement of the relevant QRTs of the Solvency and Financial Condition Report, 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 the basis of preparation used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Auditor's Responsibilities for the Audit of the relevant QRTs of the Solvency and Financial Condition Report (cont.)

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Solvency and Financial Condition Report 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.

We communicate with the Board of Directors 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.

Other Matter

Our report is intended solely for the Board of Directors of the Company and should not be used by any other parties. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

KPMG Limited

Certified Public Accountants and Registered Auditors
14 Esperidon Street
1087 Nicosia
Cyprus

7 April 2025