



PRIVATE LIFE INSURANCE GUARANTEE FUND

Private Life Insurance Guarantee Fund

Legal Entity in Private Law

Law 3867/2010 (Government Gazette A 128/3.8.2010)

Annual Report 2023

April 2024



MANAGEMENT COMMITTEE

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List of the Register of Member–Insurance Undertakings as of 31.12.2023	
I.	INSURANCE UNDERTAKINGS REGISTERED IN GREECE
1	THE ETHNIKI HELLENIC GEN. INS. CO. S.A.
2	ATLANTIC UNION S.A.
3	INTERAMERICAN HELLENIC LIFE INS. CO. S.A. *
4	INTERSALONICA INSURANCE COMPANY S.A.
5	MINETTA S.A.
6	SYNETERISTIKI INS. CO. INC.
7	ALLIANZ HELLAS SINGLE MEMBER INSURANCE S.A. **
8	ALPHALIFE S.A.
9	CNP ZOIS S.M.S.A.
10	CREDIT AGRICOLE LIFE INSURANCE SINGLE MEMBER S.A.
11	ERGO INSURANCE CO. SINGLE MEMBER S.A.
12	EUROLIFE FFH LIFE INSURANCE CO. SINGLE MEMBER S.A.
13	GENERALI HELLAS INSURANCE COMPANY S.A.
14	GROUPAMA PHOENIX HELLENIC INS. CO. S.A.
15	NN HELLENIC LIFE INSURANCE CO. SINGLE MEMBER S.A.
II.	UNDERTAKINGS OPERATING UNDER FREEDOM OF SERVICES
16	ANCORIA INSURANCE PUBLIC LIMITED
17	CARDIF LUX VIE
18	CNP CYPRIALIFE LTD
19	LOMBARD INTERNATIONAL ASSURANCE S.A.
20	METLIFE EUROPE LTD
21	OCTIUM LIFE DESIGNATED ACTIVITY COMPANY
22	PRUDENTIAL INTERNATIONAL ASSURANCE PLC
23	RED SANDS LIFE ASSURANCE COMPANY LTD
24	SOCIETA REALE MUTUA DI ASSICURAZIONI
25	SWISS LIFE LUXEMBOURG SA
26	THE ONELIFE COMPANY S.A.
27	UNIQA OSTERREICH VERSICHERUNGEN AG
28	UTMOST PANEUROPE DESIGNATED ACTIVITY COMPANY
III.	INSURANCE UNDERTAKINGS WITH BRANCHES IN GREECE
29	ALLIANZ GLOBAL LIFE DESIGNATED ACTIVITY COMPANY
30	EUROLIFE LTD – CYPRUS LIFE INSURANCE

Notes: Undertakings are classified by alphabetical order

* The consolidation of “Interamerican Hellenic Life Ins. Co. SA” by absorption of “Horizon Insurance Single-member Co. SA” was completed on 28 December 2023.

** The consolidation of “Allianz Hellas Single-member Insurance SA” by absorption of “European Reliance Gen. Ins. Co. Single-member SA” was completed on 1 June 2023, the new corporate name being “Allianz European Reliance Single-member Insurance SA”.



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A. ANNUAL REPORT 2023

Introduction

The period from 01.01.2023 to 31.12.2023 is the fourteenth (14th) management period of the legal entity in private law "Private Life Insurance Guarantee Fund" (the "Guarantee Fund").

In 2023, the international economic environment was affected both by the effects of sustained inflationary pressures and efforts to contain them through rising interest rates, and by the ongoing challenges arising from geopolitical developments and climate change (natural disasters).

At the national level, an important development for the Greek economy was the recovery of Greece's investment grade credit rating and the maintenance of a satisfactory, albeit slowing, growth rate significantly higher than the euro area average.¹

As part of the effort to develop the insurance market in order to adapt it to evolving consumer needs, increased regulatory requirements and the modernisation of its financial operation (implementation of IFRS 17), digital transformation and technological upgrades are being promoted. The insurance industry has maintained its resilience in the face of significant challenges, however there are several other factors, both internal and external, that could potentially have a positive impact on the industry's growth in the long term.

In light of these factors, the rate of change in the domestic insurance market, particularly life insurance, as captured through the production of written premiums, was positive, registering a 5.9% increase compared to 2022. An important aspect of the sector is the fact that Greek insurance undertakings maintain high solvency and capital adequacy. At the same time, the degree of concentration of the sector has remained high, as the five largest insurance undertakings operating in life insurance business account for 86% of the relevant market in terms of technical provisions.¹

Finally, the insurance industry is called upon to monitor developments in the institutional framework, as at the end of 2023 the EU institutions concluded negotiations both on the planned revision of the European Solvency II Directive, its adoption being imminent, and on the introduction of a harmonised EU-wide framework for the recovery and resolution of (re)insurance undertakings, leading to the adoption of a new relevant directive.

Developments and events relating to the Life Guarantee Fund

a) Legal framework

The operation of the Legal Entity in Private Law is governed by the provisions of Law 3867/2010 (the "Law"), as currently in force, as well as the relevant decisions of the Bank of Greece, issued on the basis of delegating provisions of the Law in the context of its supervisory role.

Legislative arrangement

Law 5024/2023 (Government Gazette A 41/24.2.2023) was passed in early 2023; it addressed (paragraph 3, article 35) the issue of the beneficiaries of insurance claims of Aspis Pronoia SA and Commercial Value SA (Companies) under insurance liquidation, which are inactive and do not participate in the temporary distributions of the liquidations of the Companies and the advances of the Life Guarantee Fund. In particular, it is provided that there shall be an automatic write-off of claims included in the List of Life Insurance Claims Beneficiaries (LIB) of the Companies in insurance liquidation that are not contested or for which a court decision has been published that is not subject to appeal by 24 February 2023 (date of publication of Law 5024 /2023) and for which payment is pending due to non-participation of the beneficiaries in the process of provisional distributions and advances of the Life Insurance Guarantee Fund. It should be noted that the above legislative regulation established an amortization period of one year, from the last publication of a relevant notice, within

¹ *Annual Report 2023*, Bank of Greece.



which the beneficiaries must submit the necessary distribution documents, as the case may be, determined by the liquidation of the Companies.

Such one-year amortization period also applies to any claim that is incorporated into the LIB by a final court judgment after the entry into force of the aforementioned Law, with the starting date of the period being the date of publication of the court judgment that finally reforms the LIB. In the event that the aforementioned deadline expires without action, the relevant claim of the beneficiary included in the LIB is automatically extinguished, i.e. it is deleted and the beneficiary is not satisfied either from the proceeds of the company in liquidation or from the Life Assurance Guarantee Fund.

Finally, the above provision affects the manner of proportional distribution of the advance payment, under paragraphs 5a and 5b of Article 2 of the Law, of forty-five million euro from the Life Guarantee Fund, as the benefit from the write-off of the claim is distributed by the insurance liquidator proportionally to the other beneficiaries, which only concerns Aspis Pronoia SA under liquidation.

b) Information on existing insurance undertakings under insurance liquidation

b1) International Life SA under insurance liquidation

The insurance liquidation of International Life SA is continuing for the sixth (6th) year. It is recalled that the undertaking's authorisation was withdrawn by decision no. 230/15.05.2017 of the Credit and Insurance Committee (CIC) of the Bank of Greece and the undertaking has been under insurance liquidation since 15.05.2017.

With regard to the coverage provided by the Guarantee Fund to the undertaking's life insurance beneficiaries, in 2019 the insurance liquidator forwarded to the Guarantee Fund² a detailed list of the confirmed life insurance claims (Delivery and Acceptance Protocol), as well as a list of persons covered by article 8 of Law 3867/2010. The Guarantee Fund identified life insurance claims by collecting data and reports by both the liquidator and a prestigious external consultant. As of 31.12.2023, a total of 5,035 unique confirmed life insurance claims, corresponding to EUR 24.364 million, were delivered to the Guarantee Fund for indemnification. The Guarantee Fund, implementing the claims payment process with funds from its accumulated resources, has satisfied the largest part of the life insurance claims at a very satisfactory rate, paying by 31.12.2023 a total of EUR 23.889 million, corresponding to 4,852 life insurance claims, bringing the coverage rate of the total recognised liability to 98%.

In particular, in 2023 the Delivery and Acceptance Protocol was increased by 17 claims for indemnification, corresponding to EUR 101.2 thousand to be paid, while the amount payable to beneficiaries of International Life SA under insurance liquidation came to EUR 137.4 thousand.

It should be noted that the Delivery and Acceptance Protocol is updated by the liquidator, by adding claims to the List of Insurance Beneficiaries (LIB), mainly due to the issuance of final court judgments on appeals against the latter. The appeals relate to cases of beneficiary claims which were either not included in the LIB or were included by an amount which was disputed and therefore not delivered to the Guarantee Fund with the original Delivery and Acceptance Protocol.

For these claims the Guarantee Fund has made a relevant provision, which at the end of the financial year amounted to EUR 0.28 million.

However, the Guarantee Fund has claims against the above insurance undertaking under insurance liquidation for the amounts it has paid to insured persons as, according to para. 1 of article 7 of Law 3867/2010, it is substituted in their rights against the existing property of the liquidation and the preferential classification that applies to the insured persons according to article 240 of Law 4364/2016 applies. The claim is notified to the liquidation in order for the Guarantee Fund to be included in the pro rata distribution of its existing assets,

² In implementation of article 3 of decision no. 262/3/23.2.2018 of the Credit and Insurance Committee of the Bank of Greece, which abrogated and replaced its previous decision no. 12/3/13.7.2011.



whenever this is carried out. By the end of 2023, the provisional distribution from the proceeds of the liquidation of its assets to which the Guarantee Fund is entitled amounts to EUR 1,986 million and the Guarantee Fund has received a total of EUR 1,947 million, i.e. 98% of the proportionate amount, of which EUR 11.6 thousand was received in the current financial year. Finally, the Guarantee Fund, taking into account observable information and data provided by the Liquidator, has modified by impairment the provision for the recoverable amount, setting it at EUR 4.8 million in relation to the expected amount from the proceeds of the liquidation.

b2) VDV Leben International SA under insurance liquidation

The insurance liquidation of VDV Leben International SA (VDV) is in its thirteenth (13th) year of operation.³ As of 31.12.2023, compensation has been paid by the Guarantee Fund for most of the claims, i.e. a total amount of EUR 30,237 million, corresponding to 5,807 recognised claims of life insurance beneficiaries, as derived from the records of the insurance company and calculated in accordance with the Law and the relevant delegating decisions, and corresponding to a coverage rate of 99% of the recognised liability. With regard to the liquidation procedures, there are significant delays due to lack of financial resources, mainly related to the completion of the verification of claims notifications and the preparation of the List of Insurance Beneficiaries (LIB) by the liquidation. The completion of this process may result in new liabilities for the Guarantee Fund.

In addition, the Guarantee Fund has claims against the above insurance undertaking under insurance liquidation for the amounts paid to insured persons as, according to para. 1 of Article 7 of Law 3867/2010, it is substituted in their rights against the existing assets of the liquidation. To date, no distribution of liquidation proceeds has been made by the undertaking under liquidation. At the same time, its assets relating to deposits and shares are subject to seizure in Germany and are expected to be released once the proceedings before the German authorities have been completed. Because of the slow pace of progress in the winding-up process, due to the lack of available cash, and in particular the uncertainty as to the release of the assets after the completion of the legal proceedings in Germany, the Guarantee Fund is unable to make a provision for the recoverable amount.

b3) Developments relating to Aspis Pronoia SA and Commercial Value SA under insurance liquidation

Pursuant to decisions no. 156/21.9.2009 and No 176/25.2.2010 of the Private Insurance Supervisory Committee (PISC), the authorisation and licence of Aspis Pronoia SA and Commercial Value SA (the “Companies”) were withdrawn and they were placed under insurance liquidation, as provided for in the then applicable legislative decree 400/1970. In addition, all the assets of the above companies were classified as insurance placements and were frozen for this reason.

In order to determine the Guarantee Fund’s liability to pay 70% of the part of the claim that will not be satisfied from the proceeds of the liquidation, the liquidation bodies of the Companies under insurance liquidation will have to liquidate their assets and satisfy the beneficiaries in full out of the proceeds of the liquidation.

Regarding the progress of the liquidation process, it is noted for information purposes that on 20.11.2015 Lists of Insurance Beneficiaries (LIBs) recognizing claims of policyholders of the Companies were published.

At the same time, and in accordance with the provisions of the insurance legislation, the aforementioned LIBs are subject to appeal by the parties concerned. When the appeals become final, the Lists of Insurance Beneficiaries will be finalised and the ultimate liability of the Companies to their policyholders will be established. The Guarantee Fund has intervened in the adjudication of certain appeals, in which it has been invited by the Companies as a third party.

It is recalled that the Meeting of the Members of the Guarantee Fund, in implementation of the provisions of Article 92 of Law 4714/2020 and Article 139 of Law 4972/2022, in 2021 and 2023 unanimously approved the disbursement of an advance of forty-five million euro and the transfer of the funds to a special account of Aspis Pronoia SA under liquidation. These funds shall be distributed by the liquidator to satisfy life insurance claims

³ The Credit and Insurance Committee of the Bank of Greece decided at its meeting no. 2/05.01.2011 to permanently withdraw the licence of the insurance undertaking “VDV LEBEN INTERNATIONAL SA” and place it under insurance liquidation, pursuant to the provisions of legislative decree 400/1970 (the withdrawal is effective from 10.01.2011).



of the aforementioned company, for which there is no legal dispute against the List of Insurance Beneficiaries for life insurance claims or such dispute has been resolved by a court judgment not subject to appeal.

It should be noted that, at the end of the current year, out of the total initial advance of EUR 45 million, funds totalling EUR 34 million were paid to the liquidation (of which EUR 14 million in 2023) and funds totalling EUR 33.816 million were gradually used (of which EUR 18.3 million in 2023) for payment of compensation. It is recalled that the advance payment does not create any other obligation for the Guarantee Fund to cover the company's claims at this time and before the completion of the insurance liquidation, as it exhausts its obligation at this stage without in any way entering into the operations and general pending issues of the liquidation.

Taking into account the information disclosed and the data from the liquidations concerning, in particular, the evolution of the List of Insurance Beneficiaries, the progress of the liquidation processes and the overall financial developments, the Guarantee Fund has recognised a provision in its financial statements since 2020, which it reviews every year.

The relevant provision item (for both companies) at the end of the financial year under review, based on the institutional framework and the methodology and assumptions used to estimate the amount, came to EUR 124 million after offsetting the total advance payment of EUR 45 million.

b4) Management of health care providers claims payment procedure

The Guarantee Fund, in the context of the implementation of decision no. 2/38576/0026/10.08.2012 of the Ministry of Finance, as currently in force, which appointed the administrator of the public revenue allocated for the payment of health care providers' claims (hospitals and doctors) for hospitalisation of policyholders of the companies under liquidation, kept the relevant procedure activated by submitting to the competent department of the Ministry of Finance a request for the issuance of a decision to commit funds from the budget of the Ministry of Finance for the financial year 2023, amounting to EUR 54.73 thousand. During the financial year under review, a funding request was submitted to the Ministry of Finance for EUR 2.63 thousand, which was allocated for the one-off and full payment of claims of beneficiaries/health care providers certified as beneficiaries. It should be noted that the Guarantee Fund has paid to beneficiaries a total of EUR 3,856.97 thousand, corresponding to 99% of the total claims, as confirmed by the Companies' liquidations.

It is stated that the amount of financing and the payment to the beneficiaries are not considered resources or expenses of the Guarantee Fund and therefore do not affect its relevant financial figures.



c) Internal matters

Administrative developments

At the beginning of the year and specifically on 28 February 2023, the supreme body of the Life Guarantee Fund, the Meeting of Members, met and made the unanimous decision, in implementation of article 139 of Law 4972/2022, to approve the disbursement of an additional amount of EUR 25 million, by deposit in a special account of Aspis Pronoia SA under liquidation, by debiting its available funds, which increases the advance payment under par. 5a of Article 2 of Law 3867/2010, bringing it to EUR 45 million (relevant reference in b3).

During 2023, the Management Committee took initiatives, where appropriate, to make decisions specifying or supplementing the regulatory provisions, as well as to improve the organisational structure of the Guarantee Fund.

Investment policy

The provisions of Law 3867/2010⁴ define the basic principles governing the investment policy of the Guarantee Fund, according to which the criteria for the placement of available funds are the safety of such funds, adequate diversification of the placements and the possibility of immediate liquidation.

The Management Committee implements the investment policy under specific terms and conditions that constitute the Reference Framework. The management of these funds has been entrusted, by means of a specific management agreement, to the Bank of Greece (Financial Activities Division), which acts in accordance with the applicable Reference Framework, as decided by the Management Committee.

The investment policy in 2023 is characterised by maintaining sufficient diversification and a short-term investment horizon. However, the positive developments in Greece's investment grade credit rating in the second half of 2023 contained the upward pressure on Greek securities yields.

In light of this, a strengthening of the portfolio of invested funds in securities was recorded, compared to placements in deposits of domestic credit institutions, as they offered significantly higher yields, resulting in the generation of significant interest value from such management.

Finally, the average net return on total invested assets at the end of 2023 came to 3%.

d) Members

The number of insurance companies-Members of the Guarantee Fund for 2023 is thirty (30), of which fifteen (15) are based in Greece, thirteen (13) operate in Greece under freedom of services and two (2) are branches in Greece of EU insurance undertakings.

In particular, in 2023 "OCTIUM LIFE DESIGNED ACTIVITY COMPANY", operating in Greece under freedom of services, was added as a Member of the Guarantee Fund, while the merger of a) "EUROPEAN TRUST SA" by "ALLIANZ HELLAS SA" under the new name "ALLIANZ HELLAS SA", and b) "HORIZON SA" by "INTERAMERICAN HELLENIC LIFE INSURANCE SA" was completed.

A detailed list of the Members participating in the Guarantee Fund is provided on page 3 hereof.

e) International cooperation

Since 2012, the Guarantee Fund has been a member of the International Forum of Insurance Guarantee Schemes (IFIGS), which brings together representatives of Insurance Guarantee Schemes from 29 countries around the world. The purpose of FIGS is to exchange experience on issues relating to the protection of policyholders in the event of withdrawal of an insurance undertaking's licence.

⁴ The issues concerning the placement and use of the funds are regulated by article 47 of Law 4941/2022.



Statement of Revenue, Expenditure and Financial Results

The financial figures of the Guarantee Fund are mainly determined by the development of the following factors:

- the amount of gross written premiums, which is the basis for calculating the annual contribution of insurance undertakings to the Guarantee Fund,
- the yields of investments in which the assets of the Guarantee Fund are placed and the interest rate applied to its current account with the Bank of Greece,
- the conservative investment policy, to minimise risks and ensure liquidity, under which it invests its assets,
- the operating costs of the Guarantee Fund,
- income tax on the assets of the Guarantee Fund,
- the recognition of a provision for the coverage of life insurance policies beneficiaries of insurance companies under liquidation before the establishment of the Guarantee Fund,
- the distribution out of the liquidation proceeds as well as estimates of the expected proceeds from the realisation of assets of undertakings under insurance liquidation.

In particular, in the course of 2023, the evolution of the financial figures of the Guarantee Fund compared to the corresponding figures of the previous year is as follows:

1. Contributions income

In 2023 there was a 5.9% increase in gross written premiums compared to the corresponding figure in 2022, mainly due to the change in gross written premiums of Class I and Class VII (Table 7b). In particular, there was a 16.4% increase in the amount of gross written premiums of Class III policies, which offset the substantial decrease of Class I by 13.9%. However, because of the different rates by class in the determination of contributions, this development negatively affected the level of annual contribution.

Contributions income in 2023 amounted to EUR 14,156.1 thousand compared to EUR 14,219.3 thousand in 2022, recording a 0.4% reduction (Tables 4 & 8).

In 2023 the index derived from the ratio of contribution income to gross written premiums came to 0.71%, compared to 0.75% in 2022 (Table 8a).

2. Capital income

Capital income, which relates to interest on the placement of funds for investment, amounted to EUR 1,764.4 thousand, compared to EUR 114 thousand in 2022. It should be noted that, in 2023, the yields on the securities provided for in the reference framework increased substantially compared to the previous year. The Guarantee Fund restructured its investment policy and increased its holdings of European securities pursuant to the implemented Reference Framework, against investments in deposit accounts.



3. Operating costs and coverage provided for the purposes of the Guarantee Fund

The total expenses of the year (operating costs and expenses for the realization of the purpose of the Guarantee Fund) came to EUR 336.4 thousand, compared to EUR 300.1 thousand in 2022, up by 12% (Tables 1 & 5). Specifically:

- i. Operating expenses (staff and third party remuneration, third party benefits, other operating expenses, bank charges, depreciation and provisions) amounted to EUR 329.7 thousand, increased by 15% compared to EUR 287.9 thousand in 2022. This is mainly related to the salary maturities and the evolution of staff salaries related to the implementation of the new remuneration framework, as well as to the cost adjustments due to inflationary pressures that shape the operating costs. It should be noted that the Guarantee Fund does not incur any costs for the use of real estate (e.g. rent, shared and utility costs) due to the free use of offices owned by the Bank of Greece.
- ii. The coverage provided (compensation payments under article 7 of Law 3867/2010 to life insurance beneficiaries) and related costs in 2023 amounted to EUR 6.6 thousand, compared to EUR 12.2 thousand in 2022, and exclusively concern related costs, in particular fees for the representation of the Guarantee Fund in court proceedings and general management expenses for the fulfilment of its purpose.

4. Income tax

The income tax of the legal entity for the year 2023 amounts to EUR 292.7 thousand and is shown as a deduction in the profit and loss account. The tax calculation affects the taxable outturns for the year based on the transactions and events recognised in the financial statements.

5. Extraordinary revenue

The extraordinary revenue item amounts to EUR 10.05 thousand and mainly concerns the settlement of past income tax and past member contributions.

6. Provisions for coverage provided

The item "Provision for future coverage" relates to the provision established to satisfy, in accordance with article 2(5) of Law 3867/2010, life insurance policy beneficiaries of insurance companies under liquidation before the establishment of the Guarantee Fund (this concerns Aspis Pronoia SA and Commercial Value SA, which are under insurance liquidation). It is noted that, as from 2020, when, pursuant to article 92 of Law 4714/2020, data and information relating to the relevant LIBs and estimates of the realisable value of their assets were communicated by the liquidators, the Guarantee Fund established a provision of EUR 153 million (at current value), charging an equal amount to its outturns. An additional provision of EUR 16 million in total was recognised in 2021 for both companies, which remained unchanged in 2022. With regard to the closing fiscal year (2023), the accumulated provision was not restated as the enactment of article 35(3) of Law 5024/2023 was taken into consideration, which indicates a serious possibility of writing off part of the claims.

It is stated that the Guarantee Fund monitors developments and the progress of the liquidations and will reassess the amount of the provision each year so that the latter reflects the actual amount of its liability.



7. Adjustment of receivables/provisions of an undertaking under insurance liquidation

The item "Adjustment of receivables/provisions" relates to International Life SA under insurance liquidation; it has been established on the basis of the estimates made by the Guarantee Fund and concerns the revision (reduction) of the provision for the payment of compensation to beneficiaries, due to favourable developments in pending court cases and, on the other hand, an increase in the related provision for irrecoverable claims (claim impairment), which relates to the potential distribution of an amount to the Guarantee Fund from the proceeds of the liquidation of its assets.

8. Financial result - accumulated funds

The financial outturn for the financial year was a EUR 15,419.2 thousand surplus, compared to a EUR 14,023.5 thousand surplus in 2022, increasing by 10%.

The accumulated funds (accounting presentation of Equity), which includes the founding capital, the surplus of the current financial year plus the difference in the fair value of debt securities and the accumulated outturn of previous years, corresponds to a **deficit** of EUR 47,905.7 thousand (Table 3), against an accumulated deficit of EUR 63,480.1 thousand in 2022.

9. Available funds

The funds available for investment at the end of 2023 amounted to EUR 80.44 million; 57% concerned placements in short-term European government securities and 43% placements in deposit accounts (term deposits, sight deposits and current account with the Bank of Greece). Available funds in 2023 increased by 2% compared to 2022 (Table 2), a change that incorporates the use of part of the funds of the advance payment to Aspis Pronoia SA under insurance liquidation, for distributions of advances to beneficiaries.

The difference between the amount of accumulated funds and the amount of funds available for investment is mainly due to the time lag between accounting presentation and the collection of contribution receipts, as well as to the establishment of provisions for coverage provided, which are expected to be settled in the medium to long term. In addition, it is also due to the accounting recognition of the entire liability for compensation as it arises, which may be different from the time of certification and payment.

Below are 2023 Report Tables, compared to the 2022 figures:



REPORT TABLES 2023 (compared to 2022 figures)

Amounts in EUR

TABLE 1: FINANCIAL RESULT			
	2022	2023	
	Actual Figures		Deviation 2023/2022 (%)
i. Revenue	14,333.349	15,920.570	11
ii. Expenses	(300,167)	(336.405)	12
Operating costs	287,917	329,799	15
Coverage provided and related costs & provisions	12,250	6.606	-
iii. Income tax	(19,738)	(292,784)	-
iv. Extraordinary expenses	10,503	10,050	-
v. Provisions for coverage provided*	-	-	-
vi. Adjustment of receivables/provisions for insurance undertakings under liquidation**	-	117,833	-
Financial results (i+ii+iii+iv+v+vi)	14,013,591	15,419,265	10
	Surplus	Surplus	
Notes			
* The item “provisions for coverage provided” (expenditure) concerns an amount recognised in the year, relating to the coverage of life insurance beneficiaries of Aspis Pronoia SA and Commercial Value SA.			
** The item “adjustment of receivables/provisions for insurance undertakings under insurance liquidation relates to a) the recoverable amount of liquidation and b) the liability to pay compensation to beneficiaries of International Life SA under liquidation.			

TABLE 2: ANALYSIS OF AVAILABLE FUNDS AND INVESTMENT (end of year)			
	2022	2023	
	Actual Figures		Deviation 2023/2022 (%)
Portfolio securities	40,196,665	45,708,521	14
Deposit accounts (time/sight)	38,763,929	34,739,180	(10)
Total	78,960,594	80,447,701	2

TABLE 3: ACCUMULATED FUNDS CAPITAL			
	2021	2022	
	Actual Figures		Deviation 2023/2022 (%)
i. Previous balance	(77,413,759)	(63,480,141)	-
ii. Financial result of the year	14,013,591	15,419,265	10
iii. Fair value reserve	(105,004)	155,103	-
New balance (i+ii+iii)	(63,505,172)	(47,905,773)	25

*Any deviations from the financial statements' figures are due to rounding up.



Amounts in EUR

TABLE 4: BREAKDOWN OF RESOURCES			
	2022	2023	
	Actual Figures		Deviation 2023/2022 (%)
REVENUE	14,333,349	15,920,570	11
Members' contributions	14,219,277	14,156,100	(0.4)
Capital income	114,072	1,764,471	1,1147
Security management income	100,318	1,217,716	-
Interest on deposit accounts (time/sight)	13,754	546,755	-

TABLE 5: BREAKDOWN OF EXPENSES			
	2022	2023	
	Actual Figures		Deviation 2023/2022 (%)
EXPENSES	310,167	336,405	12
<i>Operating costs</i>	298,917	329,799	15
Staff salary and expenses	196,940	242,180	23
Third-party remuneration and expenses	29,720	27,894	(6)
Third-party benefits	43,096	42,188	(2)
Other operating costs	12,937	11,230	(13)
Bank operations	3,851	5,246	36
Fixed asset depreciation	139	173	-
Provisions (except compensations)*	1,234	888	(28)
<i>Coverage provided-related costs and provisions</i>	12,250	6,606	(46)
Notes:			
*The item "Provisions except compensations" has been adjusted for 2022 due to change in the accounting policy for provisions of benefits for compensation to staff due to retirement.			

TABLE 6: MANAGEMENT OF CREDIT UNDER MINISTRY OF FINANCE DECISION 2/38576/0026/10.08.2012			
	2022	2023	
	Actual Figures		
Financing from the Ministry of Finance	6,585	2,636	
Payments to beneficiary healthcare providers	6,585	2,636	
Balance	-	-	

*Any deviations from the financial statements' figures are due to rounding up.



Table 7a:

Percentages by class of life insurance based on the Bank of Greece Governor's Act 2636/24.11.2010

Life Insurance	Insurance operations	Contribution rate % (periodic and one-off payment)
I1.	Survival, Death, Mixed	1.50
I2.	Annuities	1.00
I3.*	Supplementary insurance in classes I1,I2,I1,I3	1.50
II.	Marriage & Birth	1.50
III.	Investment-linked Life	0.80
IV.**	Permanent Illness Insurance	1.50
V.	Tontines	1.50
VI.	Capitalization	1.50
VII.	Management of Collective Pension Funds or Organisations	0.30
VIII.	French Insurance Code	1.50
IX.	Social security	1.50

**It relates to non-supplementary hospital coverage.*

*** Insurance operations included in life insurance class IV.2 are classified as non-life insurance (article 4 of Law 4364/2016).*



Table 7b :

Evolution of gross written premiums per life insurance class
(in the past 5 years)

(EUR thousands)

Years	Class I1	Class I2	Class I3	Class III	Class IV	Class VI	Class VII	Total
2019	808,440	88,018	70,889	380,262	-	8	349,097	1,696,714
2020	547,703	78,346	72,060	590,329	-	3	287,648	1,576,089
2021	490,880	71,159	70,226	914,434	-	0.4	291,887	1,838,586
2022	522,670	64,969	85,442	874,301	-	-1	337,027	1,884,408
2023	430,926	59,210	89,407	1,017,812	-	-	398,822	1,996,177
Change	-17.6%	-8.9%	4.6%	16.4%	-	-	18.3%	5.9%

Class I change: -13.9%

Table 8:

Evolution of annual contributions per life insurance class
(in the past 5 years)

(EUR thousands)

Years	Class I1	Class I2	Class I3	Class III	Class IV	Class VI	Class VII	Total
2019	8,966	760	1,063	2,251	-	0.120	1,048	14,088
2020	6,569	687	1,048	3,514	-	0.052	861	12,679
2021	6,107	620	1,052	5,425	-	0.006	876	14,081
2022	6,486	569	1,041	5,113	-	-0.012	1,010	14,219
2023	5,609	511	1,103	5,738	-	-	1,195	14,156
Change	-13.5%	-10.2%	6.0%	12.2%	-	-	18.3%	-0.4%

Class I change: -10.8%



Table 8a:

**Evolution of the ratio of contributions to gross written premiums
(in the past 5 years)**

Year	2019	2020	2021	2022	2023
Percentage	0.83%	0.80%	0.77%	0.75%	0.71%

Athens, 23 April 2024

THE CHAIRMAN OF THE
MANAGEMENT COMMITTEE

THEODOROS CH.
KONTOVAZAINITIS
ID card no. AH 623617

THE ALTERNATE CHAIRMAN
OF THE MANAGEMENT
COMMITTEE

ILIAS N. APOSTOLOU
ID card no. AB 511644

THE HEAD OF FINANCE AND
ACCOUNTING UNIT

DIMITRIOS I. THOMAS
ID card no. 147757
Class A Licence no. 14176

CERTIFICATE

It is hereby certified that this Annual Report of the Management Committee, consisting of 46 pages, is the one referred to in the Audit Report dated 24 April 2024.

Athens, 24 April 2024

The Certified Auditor Accountant

Vaios A. Rizoulis

SOEL (Institute of Certified Public Accountants of Greece) Registration no. 22041
HAASOB Registration no. 1721



Associated Certified Auditors SA
Member of Crowe Global
3 Fok. Negri Str, 11 257 Athens
SOEL Registration No 125 – HAASOB Registration No 20



PRIVATE LIFE INSURANCE GUARANTEE FUND

Legal entity in private law; Law 3867/2010

TIN: 997866734

B. FINANCIAL STATEMENTS

14th FISCAL YEAR 01.01.2023 -31.12.2023

**pursuant to the Greek Accounting Standards (GAS)
(Law 4308/2014; Government Gazette 251/24.11.2014)**



1) Independent Auditor's Report

To the members of the Private Life Insurance Guarantee Fund

Audit Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Private Law Entity "Private Life Insurance Guarantee Fund" ("Guarantee Fund"), which comprise the statement of financial position dated 31st December 2023, the income statement and the statement of changes in equity for the year ended on that date, as well as the Notes section annexed thereto.

In our opinion, the accompanying financial statements give, in all material respects, a true and fair financial position of the Private Law Entity "Private Life Insurance Guarantee Fund" as of 31st December 2023 and its financial performance and cash flows for the year then ended, in compliance with the applicable provisions of Law 4308/2014.

Basis for Opinion

We conducted our audit, pursuant to the International Audit Standards (IAS), as transposed in Greek legislation. Our responsibilities, according to such standards are further described in the paragraph hereof entitled of our report "Auditor's responsibilities for the Audit of Financial Statements". We are independent of the Company, pursuant to the Code of Ethics for Professional Auditors of the International Ethics Standards Board for Accountants, as transposed in Greek legislation, and the ethics requirements relating to the audit of financial statements in Greece, and we have fulfilled our ethical obligations according to the requirements of applicable laws and the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis on Matters

We draw attention to the following matters: 1) Note 10 of the appendix "Equity" mentions that despite the existence of negative equity, the Guarantee Fund's ongoing concern is not affected given that the determination and collection of annual contributions from its member companies are defined by the establishment Law, therefore preserving a continued inflow of resources. Furthermore, according to the possibilities allowed by virtue of the establishment law (last sections of indent i, para. 3 of article 2, Law 3867/2010), there is a relevant provision for possible ways of additional funding. It is also highlighted that the working capital on 31.12.2023 amounts to EUR 72.21 million and is sufficient to cover the Guarantee Fund's short-term liabilities. 2) Note 12 of the appendix "Provisions for beneficiaries' claims from life insurance of insurance companies under liquidation"; it is therein mentioned that the provision of a total amount of EUR 124 million for claims to life insurance beneficiaries from companies whose license had been revoked prior to the publication of Law 3867/2010 was calculated on the basis of assumptions (e.g. discount rate, timing of the liability) that are reviewed on each reference date of the financial accounts in order to recognise the current estimate of the liability, taking into account Law 5024/2023 paragraph 3 article 35, which is particular significant for the estimation of the provision, the information submitted by liquidations, in implementation of article 92 of Law 4714/31.7.2020, of the article 139 of Law 4972/2022, as well as article 2(5) of Law 3867/2010 where it is laid down that the Guarantee Fund shall pay to policyholders 70% of the claim from insurance that is not satisfied by the proceeds of liquidation.

Our opinion is not qualified in respect of these matters.



Other information

The management is responsible for other information. Other information is comprised in the Annual Report of the Management Committee, of which a relevant reference is made in the "Report on other Legal and Regulatory Requirements".

Our opinion on the financial statements does not cover other information and we do not hereby express any assurance conclusion thereon.

Concerning our audit of the financial statements, our responsibility is to read other information and thereby examine whether such other information is substantially inconsistent with the financial statements or the knowledge we acquired during the audit or appear otherwise substantially wrong. If, on the basis of our work, we conclude that there is a substantial error in such other information, we are obliged to report such fact. We have nothing to report on this matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable provisions of Law 4308/2014, as well as for those internal controls that the Management deems necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, management is responsible for evaluating the ability of the private law entity to continue its activity, disclosing, when necessary, matters relating to going concern and the use of the accounting principle of ongoing concern.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain fair assurance as to whether the financial statements, in their entirety, are free from material misstatement due to fraud or error and issue an auditor's report comprising our opinion. Fair assurance is high-level assurance but does not amount to a guarantee that the audit conducted according to the International Accounting Standards, as transposed in Greek legislation, will always identify material misstatements, if any. Misstatements may be due to fraud or error and are considered material when, individually or cumulatively, could be reasonably expected to affect the financial decisions of the users, made on the basis of such financial statements.

In our audit, pursuant to the IAS, as transposed in Greek legislation, we apply professional judgment and maintain professional scepticism throughout the audit. Moreover:

- We identify and evaluate risks of material misstatement in the financial statements due to fraud or error, planning and conducting audit procedures in response to such risks and we obtain audit evidence that are sufficient and suitable to provide a basis for our opinion. The risk of non-identification of a material misstatement due to fraud is higher than the risk due to error, since fraud can involve collusion, forgery, intentional omissions, false assurances or circumvention of the internal control.
- We comprehend the audit-relevant internal control with an aim to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the private law entity's internal control.
- We evaluate the appropriateness of accounting principles and methods used and the reasonableness of accounting estimates and relevant disclosures made by the Management.
- We rule on the appropriateness of the management's use of the accounting principle of going concern and, on the basis of audit evidence obtained, on whether there is material uncertainty about facts or conditions that may indicate material uncertainty as to the ability of the Legal Entity to continue its activities. If we conclude that there is material uncertainty, we are obliged in our auditor's report to draw



attention to such disclosures in the financial statements or, if such disclosures are insufficient, to differentiate our opinion. Our conclusions are based on audit evidence obtained by the date of the auditor's report. However, future events or conditions may result in the Legal Entity ceasing to operate as an ongoing concern.

- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements reflect the underlying transactions and facts in a manner achieving fair presentation.

Among other matters, we notify the management of the planned extent and schedule of the audit, as well as significant audit findings, including any substantial deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

Taking into consideration that the Management is responsible for the preparation of the Annual Report of the private law entity “Private Life Insurance Guarantee Fund”, in accordance with the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015, we note that:

- a) In our opinion, the Annual Report of the private law entity “Private Life Insurance Guarantee Fund” has been prepared in accordance with the applicable legal requirements of articles of Law 3867/2010 and its content corresponds to the attached financial statements of the fiscal year ended on 31.12.2023;
- b) On the basis of the knowledge we have acquired during our audit on the private law entity “Private Life Insurance Guarantee Fund” and its environment, we have not identified any material misstatements in the Annual Report of its Management Committee for the year ended on 31.12.2023.

Athens, 24 April 2024
The Certified Auditor Accountant

Vaios A. Rizoulis

SOEL Registration no. 22041 – HAASOB Registration no. 1721



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2) Financial Position Statement

PRIVATE LIFE INSURANCE GUARANTEE FUND Private Law Entity
BALANCE SHEET dated 31 DECEMBER 2023
14th FISCAL YEAR (01.01.2023 - 31.12.2023)

ASSETS				LIABILITIES			
	Note	2023	2022		Note	2023	2022
				<i>Amounts in EUR</i>			
Non-current assets				Equity			(restated)
<i>Fixed assets</i>							
Fixed Assets		0.09	0.08	Paid-up capital			
<i>Sub-total</i>	4	0.09	0.08	Start-up capital	10	1,505,431.37	1,505,431.37
<i>Other non-current assets</i>				<i>Sub-total</i>		1,505,431.37	1,505,431.37
Claims from insurance companies under liquidation	5	4,881,000.00	8,815,653.98				
<i>Sub-total</i>		4,881,000.00	8,815,653.98	Outturns carried forward (Surplus/(Deficit))			
				From previous financial years	11	(64,880,568.56)	(78,904,516.59)
Total non-current assets		4,881,000.09	8,815,654.06	In the current year	26	15,419,264.98	14,023,948.03
				Fair value reserve		50,099.68	-105,003.57
				<i>Sub-total</i>	10	(49,411,203.90)	(64,985,572.13)
Current assets				Total equity		(47,905,772.53)	(63,480,140.76)
<i>Financial and other assets</i>							
Claims from insurance companies under liquidation	5	183,589.02	1,266,478.24				
Claims from contributions	6	2,683,265.07	2,847,504.92				
Other claims	7	124,519.26	122,803.35				
Debt securities	8	45,708,520.55	40,196,664.79				
<i>Sub-total</i>		48,699,893.90	44,443,451.39				
<i>Financial assets and down payments</i>							
Accrued income/expenses of the period		239,462.08	5,476.79				
Cash and cash equivalents	9	34,639,180.36	38,763,929.07				
<i>Sub-total</i>		34,978,642.44	38,769,405.86				
				Provisions			
Total				Provisions for employee benefits	11	5,022.20	4,134.67
Total current assets		83,678,536.34	83,202,857.16	Provisions for benefits coverage to beneficiaries	12	124,998,759.43	150,986,195.60



PRIVATE LIFE INSURANCE GUARANTEE FUND

				under L.3867/2010			
						0.00	0.00
				Total provisions		125,003,781.63	150,990,330.27
				Liabilities			
				<i>Long term liabilities</i>			
				Beneficiaries of coverage under art.2 of L. 3867/2010	12	0.00	3,190,895.07
				<i>Short term liabilities</i>			
				Suppliers	16	128.33	3,237.98
				Income tax	13	245,868.68	17,531.03
				Other taxes and duties		8,306.54	8,066.02
				Social security organisations	14	9,407.91	9,235.42
				Beneficiaries of coverage under art.2(5) L. 3867/2010	12	11,183,589.02	1,266,478.24
				Accrued expenses	15	14,226.85	12,877.95
				<i>Total</i>		11,461,527.33	1,317,426.64
				Total liabilities		11,461,527.33	4,508,321.71
				TOTAL ASSETS		88,559,536.43	92,018,511.22
				TOTAL EQUITY, PROVISIONS & LIABILITIES		88,559,536.43	92,018,511.22

*Notes and tables in pages 27-45 are an integral part of these annual financial statements.

**More information on restatement see in note 33.



3) Income Statement

STATEMENT OF COMPEHENSIVE INCOME on 31 December 2023 (01.01.2023 to 31.12.2023)

INCOME STATEMENT dated 31 DECEMBER 2023 (01.01.2023 to 31.12.2023)			
	Note		2022 (restated)
Income (Contributions)	17	14,156,099.83	14,219,277.27
Other income	18	10,050.26	10,502.94
Staff and third-party Benefits	19	(277,564.75)	(240,115.99)
Depreciations	4	(172.99)	(138.99)
Other expenses and losses	20	(53,418.79)	(56,033.14)
Provision for beneficiaries' claims coverage	12	0.00	0.00
Adjustment of impaired claims of insurance undertakings under liquidation		117,833.29	0.00
Other profits		0.00	0.00
Earnings Before Interest and Taxes (EBIT)		13,952,826.85	13,933,492.09
Credit interest & similar income	21	1,764,470.65	114,072.07
Debit interest & similar expenses	22	(5,248.37)	(3,878.28)
Result (Surplus) before tax		15,712,049.13	14,043,685.88
Income tax	15	(292,784.15)	(19,737.85)
Result (Surplus) of the period after tax	26	15,419,264.98	14,023,948.03

*Notes and tables in pages 27-45 are an integral part of these annual financial statements.

**For more information on restatement, see note 33.



4) Statement of Changes in Equity

	Start-up capital	Fair value differences	Results carried forward	Total
Balance on 01.01.2022 (published)	1,505,431.37	6,753.95	(78,919,189.91)	(77,407,004.59)
Change in accounting policy (note 33)	-	-	14,673.32	14,673.32
Balance on 01.01.2022 (restated)	1,505,431.37	6,753.95	(78,904,516.59)	(77,392,331.27)
Changes of assets in the period	-	(111,757.52)	-	(111,757.52)
Outturns (Surplus/(Deficit) of the period	-	-	14,023,948.03	14,023,948.03
Outturns on 31.12.2022	1,505,431.37	(105,003.57)	(64,880,568.56)	(63,480,140.76)
Changes of assets in the period	-	155,103.25	-	155,103.25
Results (Surplus/(Deficit) of the period	-	-	15,419,264.98	-
Balance on 31.12.2023	1,505,431.37	50,009.68	(49,461,303.58)	(47,905,772.53)

*Notes and tables in pages 27-45 are an integral part of these annual financial statements.



5) Appendix - Notes to the Financial Statements for the period ended on 31 December 2023

Note 1 General Information

The private law entity “PRIVATE LIFE INSURANCE GUARANTEE FUND”, abbreviated name (distinctive title) “Life Guarantee Fund”, was established in August 2010 in accordance with the provisions of Law 3867/2010, as in force (the “Law”), is a nonprofit legal entity in private law and is supervised and controlled by the Bank of Greece and not of any Greek State agency.

The legal entity may be dissolved pursuant to Article 13 of the Law may be carried out by law, which shall also determine matters relating to liquidation and distribution of its assets.

All life insurance undertakings must become members of the Life Guarantee Fund automatically as from entry of the Law into force, pursuant to article 13(2) of legislative decree 400/1970, as replaced and currently in force according to Law 4364/2016, provided that:

a) they have their registered office in Greece; b) they are branches in Greece of third-country insurance undertakings; c) they are branches in Greece of EU and EEA insurance undertakings, if they are not already covered by corresponding guarantee schemes in their country of establishment; and d) they operate in Greece under free provision of services, if they are not covered by corresponding guarantee schemes in their country of establishment.

The Life Guarantee Fund, as defined by the Law, is activated in the event of withdrawal of the licence of an insurance undertaking operating in the life insurance sectors. Its purpose is to provide coverage against outstanding claims and benefits payable and to manage the attempted transfer of all or part of the life portfolio of the undertaking whose licence has been withdrawn to other insurance undertaking(s). If the transfer is not possible, the Life Guarantee Fund shall pay money against claims on the life portfolio which have not been transferred. The compensation shall be equal to 100% of the claim under life insurance policies, up to a maximum of EUR 30 thousand for maturity benefits and redemptions and up to a maximum of EUR 60 thousand in case of death and permanent total disability. The coverage extends to all life classes, with the exception of claims relating to (a) supplementary hospital care coverage and (b) persons expressly defined in Article 8 of the Law.

At the same time, the Law also establishes the coverage of life insurance beneficiaries of insurance companies liquidated before the establishment of the Fund. In particular, Article 2 of the Law regulates matters of insurance companies whose license has been withdrawn before the publication of the Law, namely Aspis Pronoia SA and Commercial Value SA. Specifically, it is provided that, upon completion of the liquidation of the aforementioned companies, the Guarantee Fund will pay to policyholders 70% of the balance of the claim from insurance policies not satisfied by the proceeds of the liquidation.

The Guarantee Fund is based in Athens, 2-4 Sina Street, 7th floor, postcode 10672.

The composition of the Life Guarantee Fund Management Committee is as follows:

Chairman of the Management Committee*

Kontovazainitis Theodoros Lawyer of the Bank of Greece

Elected Members**

Apostolou Ilias Member – Alternate Chairman

Kougioumoutzis Konstantinos Member

Mamoulakis Georgios Member

Berti Alberto Member

* Appointed, pursuant to article 12(2) of Law 3867/2010, by the Bank of Greece Governor's Act no. 51/31.01.2022.

** Elected on 6 October 2022.



It is noted that all members of the Management Committee have a three-year term of office.

Note 2 Financial Reporting Framework

The financial statements as at 31 December 2023, covering the period from 1 January 2023 to 31 December 2023 (14th fiscal year), have been prepared by the Management of the Life Guarantee Fund in full compliance with the Greek Accounting Standards (Law 4308/2014) following the historical cost convention, with the exception of financial assets carried at fair value through equity, and its classification as a medium entity. Furthermore, the form, content and nomenclature of the items and accounts in the financial statements are appropriately adapted to the specific nature of the activity and purpose of the Life Guarantee Fund.

The Life Guarantee Fund, for the preparation of the financial statements as at 31 December 2023, was based on the ongoing concern principle. In applying this principle, it takes into account the institutional framework that defines its purpose and operation, as well as current developments in the insurance market and the general economic environment in Greece.

In summary, the accounting policies followed by the Life Guarantee Fund in preparing its financial statements are as follows:

Note 3 Summary of significant accounting policies

3.1 Tangible and intangible fixed assets

These items are initially recognised at cost and subsequently measured at depreciated cost. Depreciation commences when the asset is ready for its intended use and is calculated on the basis of its estimated useful economic life. Note that land, works of art, antiques, jewellery and other fixed assets that are not subject to wear and tear or disrepair are not depreciated. However, improvements on land with a limited useful life are subject to depreciation.

Fixed assets are subject to an impairment test when there are indications of impairment. Impairment losses arise when the recoverable amount of a fixed asset becomes less than its carrying amount. An impairment loss is recognised when it is estimated that the impairment is of a permanent nature. Impairment losses are recognised in profit or loss as an expense and reversed when the circumstances that gave rise to them cease to exist. In particular, goodwill impairment is not reversed. There have been no impairment losses.

A fixed asset is derecognized in the balance sheet when the asset is disposed of or when the future economic benefits associated with its use or disposal are no longer expected to arise from its use or disposal.

Depreciation is calculated using the straight-line method based on the applicable tax rates which, at the management's discretion, correspond to the estimated useful economic life of the asset and are as follows:

Description	Depreciation rate (%)
Computer equipment, main - peripheral and software	20
Equipment other than computers and software	10
Other fixed assets	10

3.2 Advances - other non-financial assets

Advances are initially recognised at cost. They are subsequently measured at original cost less amounts used on an accruals basis and any impairment losses.

Other non-financial assets are initially recognised at cost. Subsequently they are measured at the lower of cost and recoverable amount.



3.3 Financial assets

Financial assets are classified in the balance sheet as current or non-current assets, taking into account Management's intentions and the contractual or estimated time of settlement.

These financial assets are initially recognised at cost. Subsequent to initial recognition, financial assets are measured at cost less impairment losses if there is evidence of impairment and an assessment that the impairment is permanent (in the case of classification as a non-current asset).

Impairment losses are recognised in the income statement and reversed as gains in the income statement when the circumstances that caused them cease to exist. Reversal is up to the amount that the asset would have been worth if no impairment loss had been recognised.

A financial asset shall be derecognised when, and only when: (a) the contractual rights to the cash flows from the asset expire; or (b) substantially all the risks and rewards of ownership of the asset are transferred. The derecognition of a financial asset is recognised as a gain or loss in profit or loss.

3.4 Measurement of Financial Assets

Interest-bearing financial assets are measured at amortised cost using the effective interest rate method or the constant method if the application of this method has a significant effect on the amounts in the financial statements. In particular:

Contributions receivable are measured, on initial recognition, at the amount expected to be received, being the nominal amount of the receivable at the dates of recovery of the receivable.

Cash and cash equivalents relate to the balances of deposit accounts with credit institutions. Cash and cash equivalents are generally held in deposit accounts or invested in low-risk financial assets, as decided by the Management Committee.

3.5 Financial assets measured at fair value

A financial asset is measured at fair value if it is designated as "available for sale" or as a trading portfolio item.

The Life Guarantee Fund has financial assets classified as "Available for sale". The financial assets classified in this category relate to fixed income securities.

The fair values of securities traded in a reputable active market are determined from current market prices at the date of the financial statements.

Subsequent to initial recognition, financial assets are measured at fair value in the statement of financial position and unrealized fair value gains and losses are recognised as a component (difference) of equity in the period in which they arise. On derecognition, accumulated gains or losses previously recognised in equity are transferred to profit or loss and the line item "Interest and similar income".

3.6 Equity

The equity item recognises the paid-up start-up capital and the related accumulated and period gains (surpluses) or losses (deficits), as well as differences arising from the measurement of available-for-sale financial assets at fair value.

3.7 Provisions

- *Provisions for employee benefits*

Provisions for post-employment benefits are recognised and measured for a period of 16 years before reaching retirement age, on the basis of Law 2112/1920, and amount to 40% of the compensation entitled at the balance sheet date.



- ***Other provisions***

The Life Guarantee Fund makes provisions for contingent liabilities and risks when there is a liability present (legal or presumed) as a result of past events and it is highly probable that it will have to set aside resources to settle it.

Provisions are recognised initially and measured subsequently at the nominal amount expected to be required to settle them, unless measurement at present value is expected to have a material effect on the amounts recognised in the financial statements as compared with measurement at nominal value. In this case, initial recognition and subsequent measurement shall be at present value.

Differences arising either on revaluation or on settlement of provisions are recognised as gains or losses in the period in which they arise.

3.8 Income tax and deferred tax

The income tax shown in the income statement is calculated on the taxable outturns for the year and is determined on the basis of the transactions and events recognised in the financial statements. The Life Guarantee Fund, as a nonprofit legal entity, is subject to tax in accordance with the provisions of Article 45(c) of Law 4172/2013 and has not recognised deferred income tax in the financial statements.

3.9 Liabilities (breakdown of financial and non-financial liabilities)

- ***Financial liabilities***

Financial liabilities are recognised initially and subsequently at their outstanding amount. Interest arising on financial liabilities shall be recognised as an expense in profit or loss unless it is charged to the cost of assets.

A financial liability shall be derecognised when, and only when, the contractual obligation is discharged or cancelled or expires. A modification of the terms of an existing financial liability (whether or not due to the debtor's financial difficulty) is treated as an extinguishment of the original financial liability and the recognition of a new financial liability.

- ***Non-financial liabilities***

Non-financial liabilities are recognised initially and measured subsequently at the nominal amount expected to be required to settle them. Differences arising either on re-measurement or on settlement of non-financial liabilities are recognised as gains or losses in the period in which they arise.

3.10 Recognition of income and expenses

Income and expenses are recognised in the financial year to which they relate, regardless of when they are received or paid. Contribution income is recognised in the period in which it is accrued, i.e. when it arises, not when it is settled in cash.

Interest income and expenses are recognised in the income statement on an accrual basis.

3.11 Fair value

Fair value is the estimated price at which an asset can be sold or a liability settled in an orderly transaction to a third party under current market conditions.

In particular, a reliable indicator of fair value is the quoted market prices of its financial assets traded in active markets. Accordingly, fair value is determined from published prices that are current at the date of the financial statements.

Fixed income securities held by the Life Guarantee Fund and classified as "Available for sale" were subsequently measured at fair value after initial recognition (Note 3.5).



3.12 Receivables from insurance undertakings under insurance liquidation

The Life Guarantee Fund, under Article 7(1) of Law 3867/2010, substitutes the rights of policyholders for the sums of money paid thereto, having claims for these amounts against the companies under insurance liquidation. The above claims have absolute preferential treatment over any other claim against the insurance undertaking, in accordance with the provisions of Article 240 of Law 4364/2016. Insurance liquidators are appointed by the Bank of Greece and are subject to its control and supervision. The Life Guarantee Fund therefore has no involvement or control over the liquidation processes and is confined to monitoring the progress of the liquidations in order to be notified on the expected liquidation proceeds of the liquidation assets. In this context, the Life Guarantee Fund estimates the recoverability of the amounts of its claims on the liquidation processes by recognising claims from the insurance undertakings under liquidation and the expected recoverable amount corresponding thereto. The methodology and assumptions used to estimate the amounts are reviewed at each financial statement date. Estimates are made on the basis of reliable information coming to the attention of the Life Guarantee Fund or objective evidence as a result of one or more events that have occurred and whose effect can be reliably estimated.

Impairment of claims from insurance undertakings under insurance liquidation

The Life Guarantee Fund examines at each financial statement date whether there is objective evidence that the assets of an insurance undertaking under liquidation are impaired. Such a claim is presumed to be impaired if and when there is objective evidence of impairment as a result of one or more events that have occurred that affect the estimated future cash flows and the effects can be reliably estimated. Objective evidence that claims from an undertaking under insurance liquidation have been impaired is observable information that comes to the attention of the Life Guarantee Fund about loss events, including, but not limited to, (a) adverse economic and financial developments in the undertaking under insurance liquidation, (b) the financial life cycle of the liquidation; (c) current economic conditions; (d) the presence of any notes in the auditor's certificate of the insurance companies under insurance liquidation which may have an adverse effect on such claim; and (e) changes in the legal framework which may affect the recoverable amount from liquidations in progress.

Impairment provisions are recognised in the income statement as a charge to the income statement under the heading "Impairment of receivables from insurance companies under insurance liquidation".

Reversal of the provision for impairment of claims from insurance undertakings under insurance liquidation

If, in a subsequent period, the amount of the impairment provision decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment provision is offset by that amount and the amount of the provision is consequently restated. The offsetting amount is entered in the income statement as a credit to the profit and loss account "Reversal of impairment of receivables from an insurance undertaking under insurance liquidation".

3.13 Significant legal arrangements

With the adoption, initially, of article 92 of Law 4714/2020 and subsequently of article 139 of Law 4972/2022, amendments were made to Law 3867/2010 by inserting, after paragraph 5 of article 2 of Law 3867/2010, paragraphs 5a and 5b, which mainly relate to the granting, under certain conditions, of an advance payment to a special liquidation account for Aspis Pronoia SA and Commercial Value SA, under insurance liquidation, in order to make temporary distributions to the legal beneficiaries of life insurance claims against the legal obligation of the Guarantee Fund.

It should be noted that the distributions are made solely at the responsibility of the insurance liquidator, following a pro rata allocation by the insurance liquidator of the amounts of the approved advances based on the amount of each beneficiary's claim.



In addition, it is stipulated that any funds resulting from the advances which remain unused for three years, after being transferred to the special liquidation account, shall be returned to the Guarantee Fund by the insurance liquidator.

With the insertion of par. 6 in Article 10 of Law 3867/2010, further protection of the Guarantee Fund is provided by suspending any enforcement against the Guarantee Fund, either in its own hands or in the hands of third parties, until 31.12.2025.

Finally, with the insertion of par. 3 of article 35 of Law 5024/2023, it is stipulated that claims included in the LIB of companies under insurance liquidation are automatically written off, if within a write-off period of one year from the last publication of the relevant notice they do not provide the necessary supporting documents specified by the liquidation.

Note 4 Fixed assets

The non-depreciated balance at the end of the financial year amounts to EUR 0.09. It should be noted that the Life Guarantee Fund does not own any real estate as it is housed (by free concession) in premises made available by the Bank of Greece.

Table of Changes in Fixed Assets

	Intangible fixed assets	Tangible fixed assets Furniture, electronic & other equipment
<u>Acquisition value</u>		
Balance on 01.01.2023	1,949.55	6,848.51
Additions	0.00	173.00
Balance on 31.12.2023	1,949.55	7,021.51
<u>Accumulated depreciation</u>		
Balance on 01.01.2023	(1,949.55)	(6,848.43)
Depreciation for the period	0.00	(172.99)
Balance on 31.12.2023	(1,949.55)	(7,021.42)
<u>Non-depreciated value</u>	0.00	0.09

Note 5 Claims from undertakings under insurance liquidation

	2023	2022
I. Receivables from International Life SA under insurance liquidation	4,881,000.00	5,624,758.91
II. Receivables from Aspis Pronoia SA under insurance liquidation (unused balance of the advance under article 2(5)(a) of Law 3867/2010)	183,589.02	4,457,373.31
Total (I+II+III)	5,064,589.02	10,082,132.22

In more detail:

- i. Claim for the estimated recoverable amount against Life Guarantee Fund claims from International Life SA under insurance liquidation. The recoverable amount, which is estimated to be collected by the Guarantee Fund, includes impairments and recoveries.
- ii. Claim related to the payment of an advance under par. 5a and 5b of article 2 f Law 3867/2010 to Aspis Pronoia SA under insurance liquidation, totalling EUR 45 million. The claim relates



to the unused balance of the part of advance funds transferred to the special account of Aspis Pronoia SA under liquidation for the purpose of paying compensation to life insurance beneficiaries. Note that, amounts are separately classified as non-current and current assets based on the timing of settlement (use of amounts for distributions from the liquidation) according to the liquidation estimates. The items relate to cash and cash equivalents.

The various claims during the year are presented in the tables below

i. Development of the amount receivable from International Life SA under insurance liquidation

Balance on 01.01.2023	Additions	Collections	Provisions/ Impairment reversal	Balance on 31.12.2023
5,624,758.91	101,209.98	(11,592.20)	(833,376.69)	4,881,000.00

ii. Development of the amount receivable from Aspis Pronoia SA under insurance liquidation due to the payment of a total advance of EUR 45 million under article 92 of Law 4714/2020 and article 139 of Law 4972/2022

Date	Description	Amounts in EUR
01.02.2021	Advance amount under Law 4714/2020	20,000,000.00
31.12.2021	Use of funds to pay compensation/coverage provided to life insurance beneficiaries	(14,071,706.30)
31.12.2021	Unused balance	5,928,293.70
31.12.2022	Use of advanced funds to pay compensation/coverage provided to life insurance beneficiaries	(1,470,920.39)
31.12.2022	Unused balance	4,457,373.31
11.09.2023	Advance amount under Law 4972/2022*	14,000,000.00
31.12.2023	Use of advanced funds to pay compensation/coverage provided to life insurance beneficiaries	(18,273,784.29)
31.12.2023	Unused balance*	183,589.02

* The remaining balance of the advance comes to EUR 11 million and is expected to be settled in 2024.

**Note 6 Claims from contributions****Insurance undertaking**

		2023	2022
1.	THE ETHNIKI HELLENIC GEN. INS. CO. S.A.	404,273.04	303,038.77
2.	ATLANTIC UNION S.A.	1,480.22	1,503.32
3.	ALLIANZ EUROPEAN RELIANCE SA	116,811.99	-
4.	INTERAMERICAN HELLENIC LIFE INS. CO. S.A.	47,440.91	51,042.40
5.	INTERSALONICA INSURANCE COMPANY S.A.	1,100.38	1,394.70
6.	MINETTA S.A.	653.50	684.96
7.	SYNETERISTIKI INS. CO. INC.	7,859.50	7,011.56
8.	ALPHALIFE S.A.	350,349.98	326,119.86
9.	CNP ZOIS S.M.S.A.	1,961.08	1,938.47
10.	CREDIT AGRICOLE LIFE INS. SINGLE MEMBER S.A.	11,928.15	12,078.19
11.	ERGO INSURANCE CO. SINGLE MEMBER S.A.	21,548.97	23,809.91
12.	EUROLIFE FFH LIFE INS. CO. SINGLE MEMBER S.A.	712,374.28	998,458.96
13.	GENERALI HELLAS INSURANCE COMPANY S.A.	134,550.53	123,310.55
14.	GROUPAMA PHOENIX HELLENIC INS. CO. S.A.	108,450.94	54,245.20
15.	NN HELLENIC LIFE INSURANCE CO. SINGLE MEMBER S.A.	758,500.57	585,922.25
16.	ANCORIA INSURANCE PUBLIC LIMITED	58.73	56.58
17.	CARDIF LUX VIE	0.00	0.00
18.	CNP CYPRIALIFE LTD	253.54	231.22
19.	LOMBARD INTERNATIONAL ASSURANCE S.A.	0.00	0.00
20.	METLIFE EUROPE LTD	0.00	0.00
21.	PRUDENTIAL INTERNATIONAL ASSURANCE PLC	2.98	0.00
22.	RED SANDS LIFE ASSURANCE COMPANY LTD	400.76	519.39
23.	SOCIETA REALE MUTUA DI ASSICURAZIONI	0.00	0.00
24.	SWISS LIFE LUXEMBOURG S.A.	2,130.97	1,248.42
25.	THE ONELIFE COMPANY S.A	(20.00)	(20.00)
26.	UNIQA OSTERREICH VERSICHERUNGEN AG	0.00	0.00
27.	UTMOST PANEUROPE DESIGNATED ACTIVITY COMPANY	191.26	190.48
28.	ALLIANZ GLOBAL LIFE DESIGNATED ACTIVITY	322.79	195.09
29.	EUROLIFE Ltd (CYPRUS)	640.00	0.00
30.	OCTIUM LIFE DAC	640.00	0.00
H	HORIZON SA*	0.00	197.83
32.	ALLIANZ HELLAS SA*	0.00	50,763.03
	NN II LIFE INS. COMPANY SA*	0.00	249,810.17
	EUROPEAN TRUST SA*	0.00	53,753.61
	Total on 31 December	2,683,265.07	2,847,504.92

* Merger of companies.



The payment of the above claims is mainly related to the sixth instalment of the ordinary contribution for 2023 of the insurance companies/members of the Life Guarantee Fund in the last two months of the year, which are settled in the first two months of the following calendar year.

Note 7 Other claims

	2023	2022
Other receivables from an insurance undertaking under insurance liquidation	117,241.00	117,241.00
Advances paid to staff and Management Committee members	5,261.01	3,868.62
Next year's subscriptions	502.20	1,004.40
Expenditure for the following financial year	1,515.05	689.33
Balances on 31 December	124,519.26	122,803.35

Note 8 Debt securities

According to article 10(2) of the founding law 3867/3.8.2010 of the Life Guarantee Fund, the applicable investment policy is in line with the provisions of article 47 of Law 4941/16.6.2022.

The balance of debt securities at the date of the financial statements, carried at fair value through equity, is broken down as follows:

Portfolio Reference Framework on 31 December	2023	2022
Greek Treasury bills	17,860,789.98	24,160,659.94
Euro area core treasury bills	27,847,730.57	16,036,004.85
Total	45,708,520.55	40,196,664.79

Note 9 Cash and cash equivalents

	2023	2022
Treasury	2,613.43	950.01
Deposit account with the Bank of Greece	65,430.48	90,646.61
Deposit accounts with credit institutions		
• Sight/current accounts	2,091,136.45	3,012,332.45
• Time deposits	32,580,000.00	35,660,000.00
Balances on 31 December	34,739,180.36	38,763,929.07

Note 10 Equity (net position)

(a) Start-up Capital

The start-up capital, in the amount of EUR 1,505,431.37, was established, according to Law 3867/2010 (paragraph 7, article 1), from part (1/10) of the capital resulting from the liquidation of the Private Insurance Supervisory Committee.

(b) Result: Surplus / (Deficit) carried over

The accumulated outturn is as follows:



	2023	2022
Deficit from previous years	(64,880,568.56)	(78.904.516,59)
Surplus/(Deficit) for the current year	15,419,264.98	14.023.948,03
Fair value reserve (differences)*	50,099.68	(105,003.57)
Total outturn carried over	(49,411,203.90)	(64,985,572.13)
Total net position	(47,905,772.53)	(63,480,140.76)
	<i>Deficit</i>	<i>Deficit</i>

* The amount of differences between the depreciated cost and fair value of debt securities classified as available for sale is recognised as a fair value reserve (difference) in equity.

The financial outturn for the financial year 2023 is a positive amount (surplus) of EUR 15.419 million, compared to a surplus of EUR 14.023 million in the previous financial year (2022).

The amount of Equity, including the start-up capital, the result of previous years, the financial outturn of the closed financial year and the "fair value reserve" account, is negative (accumulated deficit) as at 31.12.2023, in the amount of EUR -47.905 million, compared to the negative amount of EUR -64.480 million as at 31.12.2022.

It is noted that the working capital as at 31.12.2023 comes to a positive amount of EUR 72.217 million (Current Assets of EUR 83.678 million minus Current Liabilities of EUR 11.461 million) and is considered sufficient to cover the short-term liabilities of the Life Guarantee Fund.

In addition, the finalisation of the provisions to cover claims vis-a-vis the beneficiaries of Aspis Pronoia SA and Commercial Value SA under insurance liquidation, is expected to take place in the medium to long term, according to the liquidations.

Furthermore, for the next financial year (year 2024), there are no current liabilities, which the Life Guarantee Fund must satisfy immediately and for which funding must be sought.

Finally, the continuation of the activity of the Life Guarantee Fund is not affected since the determination and collection of the annual contributions from its member companies are defined in the Law, thus maintaining a continuous inflow of resources. Moreover, in accordance with the possibilities given by its founding law (last subparagraphs of indent i of paragraph 3 of Article 2 of Law 3867/2010), there is a relevant provision for possible methods of additional financing.

Note 11 Provisions for employee benefits

The Life Guarantee Fund adjusted the provision for staff termination indemnity in application of the HAASOB Guidance "on the allocation of the cost of defined benefit plans in accordance with the Interpretation of IAS 19 by the IFRS Interpretations Committee" (HAASOB Board Decision 211/1/27.12.2021).

Based on the relevant HAASOB guidance, the provision is structured to allocate the staff's severance benefits by year of service, over the 16 years preceding the staff's termination of service, in accordance with the vesting requirements for a full pension.

Further information about the provision for employee benefits is presented in Note 33.

Provisions for employee benefits

	2023	2022
Balances on 1 January	4,134.67	2,900.80
Changes in the period	887.53	1,233.87
Balances on 31 December	5,022.20	4,134.67

**Note 12 Provisions for life insurance claims beneficiaries of insurance undertakings under insurance liquidation**

Category	2023	2022
Provision for compensation of life insurance beneficiaries under article 7 of Law 3867/2010 for VDV Leben International SAAZ	237,980.00	237,980.00
Provision for compensation of life insurance beneficiaries under article 7 of Law 3867/2010 for International Life AEAZ under liquidation	760,779.43	1,748,215.60
Provision for compensation of life insurance beneficiaries under article 2(5)(a) of Law 3867/2010 (cumulative and impaired by the amount of the EUR 45 million advance payment under the provisions of article 92 of Law 4714/2020) for Aspis Pronoia SA and Commercial Value SA	124,000,000.00*	149,000,000.00
Balances on 31 December	124,998,759.43	150,986,195.60

*The above provision has been reduced by the total amount of the advance payment of EUR 45 million. However, EUR 11.8 million relate to a relevant short-term liability to Aspis Pronoia SA, which is under insurance liquidation and will be settled in 2024.

The Life Guarantee Fund will monitor the developments of the liquidations and reassess the amount of the provision by considering the possibility of its adjustment in the future.

In particular:

- The provision, amounting to EUR 237,980.00, is intended to cover the compensation of VDV Leben International S.A.Z. under insurance liquidation and relates pending court proceedings from life insurance policies that have not been certified by 31.12.2023. It should be noted that no reliable forecast can be made as to the outcome of the pending litigation of the policyholders of VDV Leben International S.A.Z. under insurance liquidation against the Life Guarantee Fund.

Furthermore, to date, the process of verifying the claims notified by the policyholders to the liquidator of VDV Leben International S.A. has not been completed in order to draw up the List of Insurance Beneficiaries in accordance with insurance legislation. The compilation of the List of Insurance Beneficiaries (LIB) may result in new claims being recognised by the liquidator, for which the Life Guarantee Fund will be called upon to pay compensation. At this stage, it is not possible to predict the timeframe within which the LIB will be completed. In addition, the Life Guarantee Fund may be notified of court judgments recognising claims under VDV's life insurance policies prior to the withdrawal of its licence, which were not notified to the Life Guarantee Fund by the liquidation. If these judgments are proved to be final, the Legal Entity will proceed to determine and pay compensation for these claims.

- The amount of EUR 760,779.43 relates to a provision for compensation to beneficiaries of International Life S.A. under insurance liquidation. The amount of the provision was determined taking into account the information initially notified to the Life Guarantee Fund by the liquidator, and is reviewed annually as to the amount of future coverage required.

In the course of 2023, the provision was adjusted due to (a) the favourable course of a substantial part of the pending court proceedings that lead to smaller burden for the Life Insurance Fund, and (b) the transfer of funds to the liabilities item in order to pay the compensation to the beneficiary, based on the procedure for collecting, inspecting and verifying the completeness of policyholders' documentation, aiming at certifying and paying the relevant compensations.



It is also indicated that claims for which an appeal has been lodged against the List of Life Insurance Beneficiaries are not surrendered by the liquidation and relate to (a) instances where the amount recognised is disputed, and (b) claims that were not recognised and must be included. These claims shall be notified to the Life Guarantee Fund only after a final court judgment has been issued and shall update the originally delivered Delivery and Acceptance Protocol of the list of life insurance claims.

Evolution of the provision for compensation of beneficiaries of International Life S.A. under insurance liquidation

	2023	2022
Provision on 01.01	1,748,215.60	2,080,271.18
Transfer of amount to liability account	(137,436.17)	(332,055.58)
Adjustment of provision	(850,000.00)	0.00
Provision on 31.12	760,779.43	1,748,215.60

* The provision of EUR 124 million concerns the total provision for claims of life insurance beneficiaries of insurance companies whose license has been withdrawn before the publication of Law 3867/2010, namely for Aspis Pronoia SA under insurance liquidation and Commercial Value SA under insurance liquidation (the “Companies”). The methodology and the assumptions (indicatively, discount rate, duration) used to estimate the amount are reviewed periodically in order to reflect the best current estimate of the expense.

For the year 2023, the estimate of the amount of the provision took into account, in addition to the methodology and assumptions and the following legal provisions that are very important for calculating the provision:

- (a) the application of the provisions of article 92 of Law 4714/2020 and article 139 of Law 4972/2022 on the granting of an advance to a special free liquidation account for Aspis Pronoia SA and Commercial Value SA under liquidation, for a total amount of EUR 45 million, of which EUR 11.2 million remains to be paid within 2024, in order to make temporary distributions to the legal beneficiaries of life insurance claims, by actions of the liquidation, against the legal obligation of the Guarantee Fund; and
- (b) article 35 par. 3 of Law 5024/2023, which provides for the automatic amortisation of claims that have been included in the LIB of companies under insurance liquidation, if within a one-year amortisation period from the last publication of the relevant notice (amortisation date: 28.03.2024) they do not provide the necessary, where applicable, supporting documents specified by the liquidation.

It is recalled that, according to the provisions of article 2 par. 5 of Law 3867/2010, the Life Guarantee Fund satisfies 70% of the part of the insurance claim that is not satisfied by the product of the insurance liquidation.

It is mentioned for information purposes that lists of Insurance Beneficiaries (LIBs) were published on 20.11.2015, recognizing claims of policyholders of the Companies. At the same time and in accordance with the provisions of the insurance legislation, the above LIBs are being challenged by the interested parties through appeals. Consequently, when the appeals become final, the LIB will also be finalised and, following the distribution of the proceeds of the insurance liquidation, the final liability of the Life Guarantee Fund to policyholders will be established. The Life Guarantee Fund has intervened in the adjudication of certain proceedings in which it has been called upon by the Companies' liquidations. In the meantime, and following the agreement of the competent Department of the Bank of Greece, the liquidations of the Companies have made provisional distributions against the amount recognised as a claim in the LIB. The amount of provisional distributions is calculated in relation to the available assets of the Companies and taking into account the proceedings pending before the courts.

**Evolution of the provision for Aspis Pronoia SA and Commercial Value SA under liquidation**

	2020	2021	2022	2023
Provision on 01.01	0.00	133,000,000.00	149,000,000.00	149,000,000.00
Adjustment	153,000,000.00	16,000,000.00	0.00	0.00
Disbursement of advance payment* by virtue of article 92 of Law 4714/2020 to ASPIS Pronoia SA under special liquidation	(20,000,000.00)	0.00	0.00	(25,000,000.00)
Provision on 31.12	133,000,000.00	149,000,000.00	149,000,000.00	124,000,000.00**

* In application of the provisions of article 92 of Law 4714/2020 and article 139 of Law 4972/2022.

**The above provision has been reduced by the total amount of the advance payment of EUR 45 million. However, EUR €11.8 million relate to a relevant short-term liability to Aspis Pronoia SA under insurance liquidation and will be settled in 2024.

Note 13 Income Tax

This item concerns the income tax resulting from the provisions of the applicable tax legislation on interest income of securities and deposits and income from capital gains from the transfer of securities. Law 4799/2021 revised article 58(1) of Law 4172/2013 regarding the taxation of profits from business activity acquired by legal persons and entities with double-entry bookkeeping to twenty-two percent (22%) for income in tax year 2023 onwards.

Note 14 Social security organisations

	2023	2022
EFKA (Unified Social Security Entity)	7,442.52	7,613.98
EFKA (contributions of employed lawyers)	1,803.61	1,621.44
TEKA (Hellenic Auxiliary Pensions Defined Contribution Fund)	161.78	0.00
Balances on 31 December	9,407.91	9,235.42

Note 15 Accrued expenses

	2023	2022
Expenses for Decision 2/38576/0026/10.8.2012	3.85	3.85
Accrued fee of the Bank of Greece's manager	4,427.00	2,458.10
Accrued fee of the certified auditor	7,316.00	7,316.00
Accrued fee of external associates	2,480.00	3,100.00
Balances on 31 December	14,226.85	12,877.95

Note 16 Suppliers

	2023	2021
Suppliers	128.33	3,237.98
Balances on 31 December	128.33	3,237.98

**Note 17 Income (Contributions)**

	2023	2022
Annual contribution from the insurance companies-members of the Guarantee Fund. Contributions are calculated pursuant to article 10(1) of the Law, based on the following rates per insurance branch (Act No. 2636/24.11.2010 of the Governor of the Bank of Greece) and are paid every two months, with the 6 th instalment to be collected at the end of January of the following year.	14,156,099.83	14,219,277.27
Balances on 31 December	14,156,099.83	14,219,277.27

Note 18 Other revenue

	2023	2022
Income tax settlement	8,506.27	0.00
Member contributions from previous years	1,440.00	0.00
Default interest	107.99	0.00
Settlement of previous year's expenses	(4.00)	10,442.04
Balances on 31 December	10,050.26	10,502.94

Note 19 Employee and third-party benefits

Paid staff remained unchanged to seven (7) employees:

- Five (5) employees under unfixed-term private law contract;
- One (1) in house lawyer/legal advisor;
- One (1) person with managerial duties.

The relevant costs, by category, are set out in the table below:

	2023	2022
Remuneration and employer's contributions for employees	203,264.11	164,014.43
Staff provisions	11,430.87	6,632.28
Provision for severance pay	887.53	1,233.87*
Remuneration of the Chairman in the context of performance of his managerial duties and remuneration to elected managerial committee members		39,493.26
Fees of other freelancers and third parties	21,297.33	28,742.15
Balances on 31 December	277,564.75	240,115.99

*See note 33.

Note 20 Other expenses and losses

	2023	2022
Telecommunication & postal charges	850.31	1,759.63
Civil liability insurance premiums	41,338.00	41,336.70
Other operating expenses	11,230.48	12,936.81
Balances on 31 December	53,418.79	56,033.14

**Note 21 Credit interest and related income**

	2023	2022
Interest on deposits held with domestic credit institutions	546,755.12	13,754.30
Interest on portfolio securities	1,217,715.53	100,317.77
Balances on 31 December	1,764,470.65	114,072.07

Note 22 Debit interest and related costs

	2023	2022
Portfolio manager's fee (Bank of Greece)	4,427.00	2,458.10
Bank commissions	821.37	1,420.18
Balances on 31 December	5,248.37	3,878.28

Note 23 Associated parties

The four elected members and the Chairman of the Management Committee receive remuneration for their responsibilities in the operation of the Life Guarantee Fund through their active participation in meetings and management respectively. The total remuneration for 2023 amounts to EUR 40,684.91.

It is noted that, according to the decision of the Meeting of the Members of the Life Guarantee Fund of 16.10.2019, monthly remuneration is paid to the elected members of the Management Committee for their attendance at the meetings.

There are no claims and liabilities from or to members of the Management Committee.

Note 24 Change in claims against an undertaking under insurance liquidation

In the year ended 31.12.2023, the Life Guarantee Fund, taking into account observable information about International Life SA under insurance liquidation, proceed to a) a downward revision of the provision formed for compensation to beneficiaries, in the amount of EUR 850 thousand (relevant Note 12), which has a positive impact on the outturn; and b) a revaluation of the provision for impairment of the recoverable amount, increasing it by EUR 732,166 thousand, which has a negative impact on the outturn. The foregoing have an overall positive impact on the outturn, amounting to EUR 117,833.29 thousand.

	2023	2022
Adjustment of claim for compensation to beneficiaries	850.000/00	0.00
Adjustment of claim for impairment of recoverable amounts	(732,166.71)	0.00
Balances on 31 December	117,833.29	0.00

However, the provision for the evolution of recoverable amounts may be different from the final liquidation proceeds, as this depends on the progress of the liquidations and on external factors such as the economic environment.

Note 25 Audit

The annual audit of the financial management and the Balance Sheet is entrusted in accordance with article 11(3) of Law 3867/2010 by decision of the Members' Meeting to two certified auditors or a recognised audit firm, who submit a report that is communicated to the Minister of Finance, the Bank of Greece and the Hellenic Association of Insurance Companies. For the current financial year, by the decision of the Meeting of Members dated 16.05.2023, the annual audit was entrusted to the audit firm "ASSOCIATED CERTIFIED AUDITORS SA" whose fee amounts to EUR 5,900.00 (plus VAT 24%).



Note 26 Result for the year

The outturn for the financial year was a surplus of EUR 15,419,264.98, which was transferred to the Equity account "Surplus for the current financial year".

Note 27 Revenue or expenses of particular amount, frequency or significance

In addition to the regular income from insurance companies' contributions and the compensation paid to the beneficiaries of life insurance claims based on the procedures set out in Law 3867/2010 and decision no. 262/23.2.2018 of the Credit and Insurance Committee, there are no other revenues or expenses of particular importance.

Note 28 Revenue and expenses offsetting

No offsetting was carried out.

Note 29 Developments in the Guarantee Fund's claims against insurance companies under insurance liquidation

a) International Life SA under liquidation

The Life Guarantee Fund has a claim against International Life SA under insurance liquidation, which as of 31.12.2023 amounts to EUR 24.364 million. The Life Guarantee Fund, for the above claims, taking into account observable information from the liquidation of these assets, estimates that the remaining recoverable amount from the liquidation proceedings as at 31.12.2023 is EUR 4.881 million. It is recalled that the Guarantee Fund has collected a total of EUR 1.9475 million up to 31.12.2023, while the cumulative impairment comes to EUR 17.546 million.

Reference date	Recognised claims of compensation beneficiaries		Related costs**	Amounts paid for compensation		Amount covered
	Number of claims	Amount of claims in euro*		Number of claims	Value of claims in euro	
31.12.2019-31.12.2022	5,018	24,262,850.94	19,242.06	4,830	23,751,784.41	98%
31.12.2023	5,035	24,364,060.92	19,242.06	4,852	23,889,220.56	98%

•Figures are shown cumulatively.

* Excluding the amount of the provision established, coming to €1.5 million, for compensation to beneficiaries of International Life SA under insurance liquidation.

** The related costs are fees to external specialist consultants.

b) VDV Leben International SA under special liquidation

The Life Guarantee Fund has notified a payment-conditional claim against VDV Leben International SA under insurance liquidation for EUR 35.7 million, which, after the write-off of claims of EUR 5.2 million and the addition of a claim by final court judgment in a previous financial year, amounted to EUR 30.5 million at the end of the financial year under review. A total amount of EUR 30.2 million has been paid up to the date of preparation of the financial statements and therefore the condition of payment is met for this amount.

According to the Balance Sheet of the above insurance undertaking under liquidation available to the Life Guarantee Fund (2015), its total assets amount to EUR 60.2 million. It should be noted that, according to the liquidator's notes, among other things, no provision for impairment has been made on



the balance sheet in the accounts for holdings, debtors and receivables from direct insurance activities, totalling EUR 56.9 million. In addition, the company's assets (securities and deposits) are subject to seizure and are frozen in Germany and the lack of funds makes it extremely difficult to enforce them in German courts. It should also be noted that, to date, no distribution of the liquidation proceeds has been made by the insurance company VDV Leben International SA under liquidation.

Table showing the evolution of the claims of VDV Leben International SA under insurance liquidation (authorisation withdrawn on 10.1.2011)

Reference date	Recognised claims of compensation beneficiaries		Related costs**	Amounts paid for compensation		Amount covered
	Number of claims	Amount of claims in euro*		Number of claims	Value of claims in euro	
31.12.2011-31.12.2022	5,868	30,475,415	271,751.86	5,807	30,237,435	99%
31.12.2023	5.868	30.475.415	276.369,28	5.807	30.237.435	99%

•Figures are shown cumulatively.

* Excluding the amount for compensation to beneficiaries of the life business of VDV Leben International SA which are time-barred, in implementation of the ad hoc decision of the Guarantee Fund's Management Committee based on a relevant opinion and in the absence of a relevant arrangement on time-barring in Law 3867/2010.

** The related costs mainly include the fees of external consultants and lawyers for litigation.

The receivables of the Life Guarantee Fund from insurance companies under liquidation in the current year, including impairments and recoveries from insurance companies under liquidations during the year ended 31 December 2023 is shown in the following table:

Undertaking under insurance liquidation	Claims	Additions	Impairment provisions	Collections / Distributions*	Closing balance	Date
International Life SA	23,938,776.26	0.00	(23,938,776.26)	(1,858,754.40)	5,701,245.60	31.12.2020
	23,938,776.26	143,545.34	(24,082,321.60)	(1,903,359.37)	5,656,640.63	31.12.2021
	24,082,321.60	180,529.34	(24,262,850.94)	(1,935,241.10)	5,624,758.90	31.12.2022
	24,262,850.94	101,209.98	(17,536,227.62)	(1,946,833.30)	4,881,000.00	31.12.2023
VDV Leben International SA	30,475,415.00	0.00	(30,475,415.00)	0.00	0.00	31.12.2022

* Figures are shown cumulatively.

Note 30 Collateralisation of liabilities by nature and form of collateral

There are no debts and therefore no collateral has been provided in relation thereto.

Note 31 Other legal matters

As of 31.12.2023, there are pending legal proceedings against the Life Guarantee Fund from policyholders, mainly from an insurance company under liquidation, the outcome of which cannot be predicted with certainty. According to the opinion of the legal department and its external associates, the third-party claims have little chance of success.

**Note 32 Legal entity's liabilities falling due five years after the balance sheet date**

There are no settled liabilities on the reporting date of the financial statements that are payable after five (5) years.

Note 33 Adjustment due to change in accounting policy

The Life Guarantee Fund adjusted the provision for staff severance indemnity in application of the HAASOB Guidance "on the allocation of the cost of defined benefit plans in accordance with the Interpretation of IAS 19 by the IFRS Interpretations Committee" (HAASOB Board Decision 211/1/27.12.2021). According to the Guidance, the interpretation of IAS 19 should be applied by analogy to entities that apply Greek Accounting Standards, taking into account the provisions of articles 22 and 28 of Law 4308/2017.

Based on the relevant HAASOB guidance, the provision is structured to allocate the staff's severance benefits by year of service, during the period of the last 16 years before the staff's departure from service, in accordance with the foundation requirements for receiving a full pension.

This adjustment was treated as a change in accounting policy under article 28 of Law 4308/2014 (GAS). Based on the above article, the provision was recalculated using the new calculation method for 31.12.2021 and 31.12.2022 and the following adjustments were made:

- As at 31.12.2021, the Liabilities item, "Provision for staff benefits", decreased by EUR 14,673.32 and the Net Position (retained earnings) increased by the same amount.
- In the year 2022, the outturn for the year increased by EUR 10,357.42, due to a downward adjustment of the relevant provision item, with a corresponding increase in Net Position (retained earnings).

Details on the changes are shown in the adjusted tables below:

Financial position for the period ended on 31 December 2022	31.12.2022	Adjustments	31.12.2022
	Published		Adjusted
NET POSITION			
Paid-up capital	1,505,431.37		1,505,431.37
Startup capital			
Outturn (surplus/deficit) carried			
Previous years	-78,919,189.91	14,673.32	-78,904,516.59
Current year	14,013,590.61	10,357.42	14,023,948.03
Total net position	<u>-63,505,171.50</u>	<u>25,030.74</u>	<u>-63,480,140.76</u>
PROVISIONS			
Provisions for staff benefits	29,165.41	-25,030.74	4,134.67

Result for 2022	31.12.2022	Adjustments	31.12.2022
	Published		Adjusted
Benefits to staff & third parties	-250,473.41	10,357.42	-240,115.99
Result before interest and taxes	<u>13,923,134.67</u>	<u>10,357.42</u>	<u>13,933,492.09</u>
Result before taxes	<u>14,033,328.46</u>	<u>10,357.42</u>	<u>14,043,685.88</u>
Result after taxes	<u>14,013,590.61</u>	<u>10,357.42</u>	<u>14,023,948.03</u>

**Changes in net position**

	Startup capital	Result carried over	Fair value differences	Total
Balance on 1 January 2021	1,505,431.37	-76,703,429.27	0.00	-75,197,997.90
Changes in assets in the period	0.00	0.00	6,753.95	6,753.95
Outturn (surplus/deficit)	0.00	-2,215,760.64	0.00	-2,215,760.64
Changes in accounting policies and error corrections	0.00	14,673.32	0.00	14,673.32
Balance on 31 December 2021	1,505,431.37	-78,904,516.59	6,753.95	-77,392,331.27
Changes in assets in the period	0.00	0.00	0.00	-111,757.52
Outturn (surplus/deficit)	0.00	14,013,590.61	0.00	14,013,590.61
Changes in accounting policies and error corrections	0.00	10,357.42	0.00	10,357.42
Balance on 31 December 2022	1,505,431.37	-64,880,568.56	-105,003.57	-63,480,140.76

Note 34 Derogation from the implementation of a provision of Law 4308/2014

No derogation was made from the implementation of a provision of Law 4308/2014 in order to fulfil the obligation of article 16(2) on fair presentation and therefore there is no derogation impact on assets, liabilities, equity and outturn to be fully disclosed in the appendix.

Note 35 Post-balance sheet date events

Assets and liabilities are adjusted for events occurring between the end of the financial year and the date of approval of the financial statements if they have a material effect on the financial position of the legal entity at the balance sheet date. In the case of events occurring after the balance sheet date that do not affect the amounts in the balance sheet but are so significant that their non-disclosure would affect the ability of users of the financial statements to make proper evaluations and decisions, those events shall be disclosed in the notes to the financial statements.

Athens, 23 April 2024

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