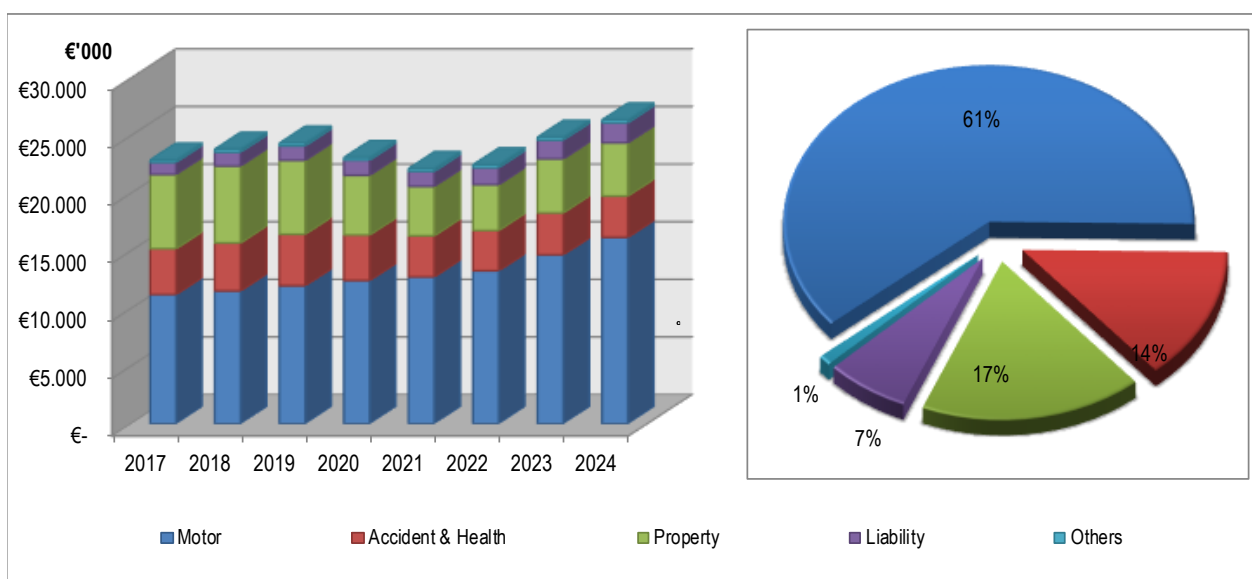


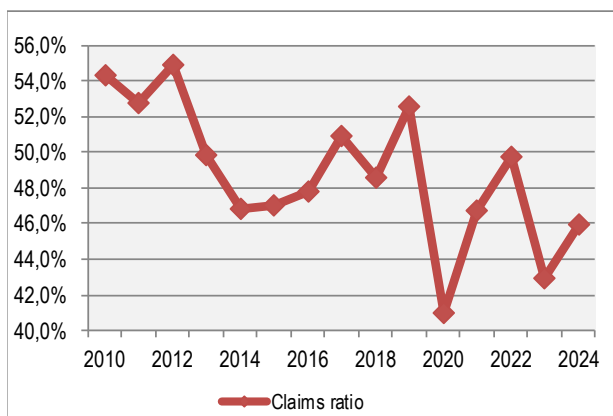


HISTORICAL FINANCIAL INFORMATION

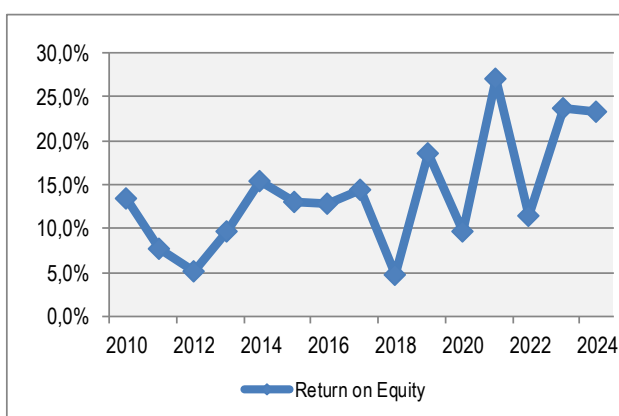
Gross Written Premiums by Insurance class



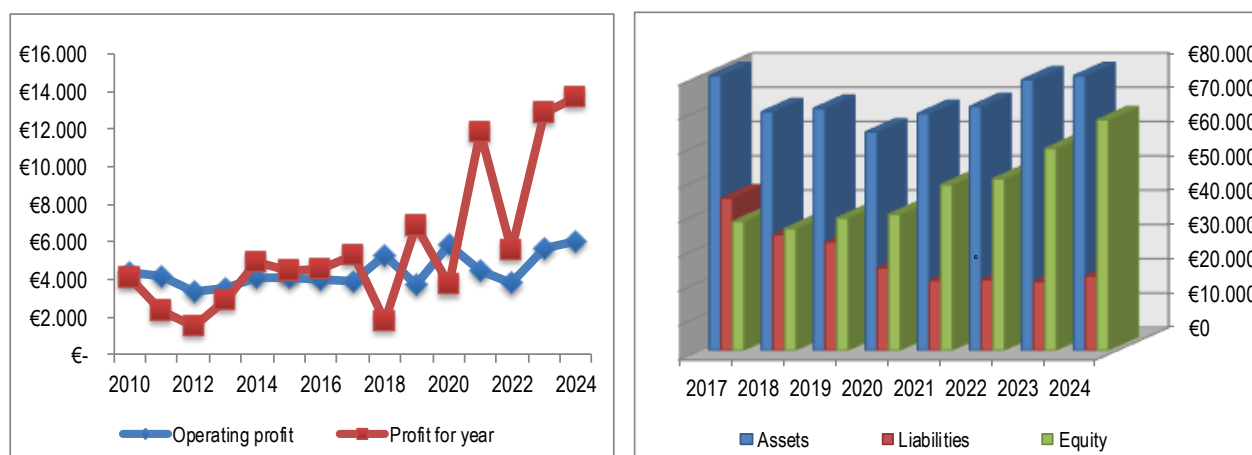
Claims Ratio



Return on Equity



Profits, Assets, Liabilities and Shareholders' Interest



CHAIRMAN'S STATEMENT

Like every year, I am privileged to present to you the Group's financial results for the year ended December 31, 2024.

I am pleased to inform you that ATLANTIC achieved exceptional levels of profitability in 2024. In particular, the Group's total profits attributable to shareholders increased by 5.8% to €13,52 million, compared to €12,78 million in 2023. The improvement in profitability is due to the 6,6% increase in profits from operations and the €6,66 million profit from the investment portfolio compared to €6,37 million in the previous year.

Profit from operations increased by 6,6% and amounted to €6,02 million against €5,65 million in 2023. The increase resulted mainly from the increase in net insurance result.

Insurance revenue amounted to €26,12 mln compared to €23,60 mln in 2023 with an increase of 10,7%. The increase is mainly attributable to the increase in gross written premiums of the motor sector by 12,4%. The property and liability insurance classes also recorded significant increases of 14.0% and 14.2% respectively.

Insurance service expenses amounted to €14,66 million compared to €12,78 million in 2023, recording an increase of 14,7%. The increase is mainly due to the increase in incurred claims and other directly related expenses by 14,9% to €10,77 million from €9,38 million in 2023 and it mainly relates to the increase in claims of the motor sector.

Investment gains were also particularly satisfactory, amounting to €6,66 million compared to €6,31 million in 2023, despite the €1,51 million fair value adjustment of the Fincap Ventures AIF V.C.I.C. Plc / Crevalon investment fund. The total return on the investment portfolio amounted to 16,2% compared to 19,4% in the previous year.

The subsidiary Atlantic Securities posted excellent results, with operating profits up 106,4% to €516 thousand, compared to €250 thousand in 2023. Revenue from brokerage commissions increased by 41,1% to €1,15 million compared to €0,81 million in 2023.

At its meeting on April 4, 2025, the Company's Board of Directors decided that the issue of the proposal to the Annual General Meeting for the payment of dividends should be reviewed at a meeting of the Board of Directors to be held on September 3, 2025.

Despite the payment of dividends of €5,45 million (14 cents per share), the Group's own funds increased by 14,1% to €66,46 million from €58,25 million in 2023.

Indicative of the Company's strong capital adequacy is the high solvency ratio, which on 31 December 2024 stood at 249,2% against the minimum regulatory level of 100%.

Despite the positive outlook of the local insurance sector for the year 2025, the business environment is expected to remain challenging due to intense competition and external factors. The Board of Directors and the Management remain committed to the careful development of the Group's operations so that it remains competitive, while at the same time ensuring high profitability and a healthy financial position.

The Management closely monitors and assesses the challenges and risks in the wider economic environment so as to take all actions deemed necessary to limit as much as possible any adverse effects that may arise.

Finally, I would like to express my sincere appreciation to our shareholders, customers and associates for the trust they have placed in the Company over the years and I would like to assure them that we will continue our progress with the same prudence and diligence. I also thank and congratulate the management and staff of ATLANTIC for their dedication and contribution to the Company.

Emilios Pyrishis
Chairman

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED
EXTRACT FROM THE CONSOLIDATED FINANCIAL STATEMENTS 2024

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ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Board of Directors

Emilios Pyrishis	Chairman and Managing Director
Andreas Pirishis	Vice Chairman
Andreas Frangoullis	
Nina Pyrishis	
George Pyrishis	
Charalambos Alexandrou	
Menikos Messios	
Loukis Ioannou	
Marios Savvides	
George Koutsos	

Christos Frangoullis (Alternate director of Mr A. Frangoullis)

Secretary

Andreas Pirishis

Registered office

15 Esperidon Street
Atlantic Building
CY-2001 Strovolos

Auditors

Ernst & Young Cyprus
Certified Public Accountants and Registered Auditors
10 Esperidon,
1087 Nicosia

Legal advisers

L. Papaphilippou & Co.

Internal Auditors

KPMG Ltd

Bankers

Bank of Cyprus Public Limited
Hellenic Bank Public Limited
Credit Suisse AG, part of UBS
AstroBank Ltd

Eurobank Cyprus Ltd
EFG Bank AG
Alpha Bank (Cyprus) Ltd
Arab Jordan Investment Bank

Company registration number: HE20008

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

MANAGEMENT REPORT

The Board of Directors of Atlantic Insurance Company Public Limited (the "Company") submits its Annual Report, the audited financial statements of the Company and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2024.

Principal activities

The principal activities of the Group are the undertaking of insurance business of the classes of Accident and Medical, Motor, Aviation, Marine and Goods Transportation, Fire and other Property Damage, General Liability, Credit and Guarantees and miscellaneous general business, the possession of land with the intention of its division into plots and their disposal and the provision of financial, consultancy and brokerage services. During the year there were no changes in the Group's activities.

Branches

The Company provides insurance services through its headquarters that are located in Nicosia and its branches which are located in the cities of Larnaka, Limassol and Paphos and through its agency network.

Review of the developments, position and results of activities

The Group's profits attributable to the shareholders for the year ended 31 December 2024 amounted to €13,52 million against €12,78 million in 2023. The increase in profitability is mainly due to increase in profits from operations by 6,6% and the gains from investments which were €6,66 million compared to €6,37 million in the previous year.

Profit from operations

Profit from operations increased by 6,6% and amounted to €6,02 mln against €5,65 mln in 2023. The increase resulted mainly from the increase in the net insurance result.

Net Insurance result

The net insurance result increased by 1,1% to €7,69 mln from €7,60 mln in 2023. The increase resulted mainly from the increase in insurance revenue by 10,7%.

Insurance revenue

Insurance revenue amounted to €26,12 mln compared to €23,60 mln in 2023 with an increase of 10,7%. The increase is mainly attributable to the increase in gross written premiums of the motor sector by 12,4%. The property and liability insurance classes also recorded significant increases of 14.0% and 14.2% respectively.

Insurance service expenses

Insurance service expenses amounted to €14,66 mln compared to €12,78 mln in 2023, recording an increase of 14,7%. The increase is mainly due to the increase in incurred claims and other directly related expenses (including changes in liabilities for incurred claims) by 14,9% to €10,77 mln from €9,38 mln in 2023 and it mainly relates to the increase in claims of the motor sector. The above amounts include direct claims handling expenses of €0,98 mln against €0,96 mln in 2023.

Insurance acquisition costs recorded an increase of 14,3% and amounted to €3,89 mln compared to €3,40 mln in 2023. The costs included commissions payable to agents of €1,56 mln (2023: €1,31 mln) and operating costs for insurance acquisition of €2,33 mln (2023: €2,10 mln).

Expense from reinsurance contracts held

The net expense from reinsurance contracts held amounted to €3,35 mln against €2,79 mln in 2023. Reinsurance premiums after the deduction of reinsurance commission earned increased to €3,95 mln from €3,40 mln in 2023 as a result of the increase of the insured amounts of the property sector. The amounts recoverable from reinsurers for incurred claims decreased slightly to €0,60 mln compared to €0,61 mln in 2023.

Other income

Other income from insurance operations increased to €258 thousand from €177 thousand in 2023. The increase mainly relates to the increase in the share of profits from pool participations from €166 thousand in 2023 to €238 thousand.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

MANAGEMENT REPORT (continued)

Administrative expenses

The administrative expenses rose by 3,9% to €5,98m from €5,76m in 2023. Staff costs, which represent 64% of administrative expenses, increased by 4,8%. There was also an increase in discounts, audit fees, advertising and computer expenses. On the other hand, motor expenses, electricity, printing and investment expenses recorded a decrease.

Financial services

The subsidiary Atlantic Securities posted excellent results, with operating profits up 106,4% to €516 thousand, compared to €250 thousand in 2023. Revenue from brokerage commissions increased by 41,1% to €1,15 million compared to €0,81 million in 2023. Operating expenses increased by 13,0% to €645 thousand. The results were positively affected by the net reduction in provisions for doubtful debts of €103 thousand. Profit after tax amounted to €522 thousand compared to €284 thousand in 2023.

Net finance income

Net finance income amounted to €1,01m against €1,04m in 2023. Interest on bonds and short-term government bills remained at similar levels to the previous year and amounted to €1,04m (2023: €1,05m), while interest on bank deposits amounted to €62 thousand compared to €82 thousand in 2023. Bank charges and interest payable, mainly relating to credit card expenses, increased slightly to €96 thousand from €95 thousand in 2023.

Income and gains from investments

Income from investments amounting to €819 thousand (2023: €542 thousand) includes rents of €112 thousand compared to €106 thousand in 2023 and dividends of €707 thousand compared to €436 thousand in 2023. The Group's investment gains amounted to €6,66 m compared to €6,31 million in 2023, despite the fair value adjustment of the Fincap Ventures AIF V.C.I.C. Plc / Crevalon amounting to €1,51 million (note 20). The total return on the investment portfolio was 16.2% compared to 19.4% in the previous year.

Revaluation of investment properties

During 2024 the Company recorded a gain on the revaluation of investment properties of €117 thousand (2023: Gain €171 thousand). There was also a gain on the revaluation of property used for own purposes of €137 thousand (2023: Gain €187 thousand) which was recognised directly in the consolidated statement of changes in equity.

Earnings per share

The earnings per share of the Group which is attributable to the shareholders increased to 34,71 cents per share from 32,83 cents in 2023. The earnings per share of the Company increased to 34,02 cents per share from 32,35 cents in 2023.

Own funds

Despite the payment of dividends of €5,45 m (14 cents per share), the Group's own funds increased by 14,1% to €66,46 m from €58,25 m in 2023.

Application of IFRS 17

On 1 January 2023, the Company adopted IFRS 17 using the full retrospective approach for all insurance contracts issued and all reinsurance contracts held. Further information is provided in note 2.1 of the financial statements.

Solvency II

Based on the Solvency II calculations of the minimum solvency capital requirements, which were submitted to the superintendent of Insurance, the Solvency Ratio of the Company as at 31 December 2024 was 248,3% (2023: 270,8%) versus the minimum regulatory level of 100%. The Pillar 3 disclosures required under Solvency II are disclosed in the company's website at www.atlantic.com ('Solvency II-SFCR: Solvency and Financial Condition Report').

Financial results

As shown in the consolidated profit and loss account, the profit attributable to shareholders for 2024 reached €13,52 m compared to €12,78 m in 2023. Profit for the year is transferred to reserves.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

MANAGEMENT REPORT (continued)

Definitions and use of Alternative Performance Indicators

Profit from operations: The profit arising from the insurance and financial activities of the companies of the Group excluding net finance income, investment income and gain on sale and revaluation of investments and property.

Equity: Share capital and reserves attributable to shareholders.

Administration Expenses: All administrative and operating expenses of the companies of the Group excluding commissions payable, insurance claims and financing expenses.

Other income from insurance operations: All income from insurance operations excluding premiums, policy fees and reinsurance commissions.

The use of the above alternative performance indicators is made with the aim of providing an adequate explanation in the Management Report for the development of results during the period and the movements compared to the corresponding previous period.

Dividend

At its meeting on April 4, 2025, the Company's Board of Directors decided that the issue of the proposal to the Annual General Meeting for the payment of dividends should be reviewed at a meeting of the Board of Directors to be held on September 3, 2025.

On June 5, 2024 the Annual General Meeting of the Company approved the proposal of the Board of Directors for the payment of a dividend of 14,0 cents per share. The dividend of €5,45 mln was paid to the shareholders on July 1, 2024.

Significant risks and uncertainties

The most significant risks that the Group is exposed to are described in note 32 of the consolidated and separate financial statements of the Company.

Risk Mitigation

As part of its effective risk management the Company whenever necessary uses derivatives for hedging purposes. The Company, as part of its hedging policy, bought 40 futures contracts for the sale of \$5,63 mln at an average agreed rate of \$1,128: €1,00 and a maturity date of September 15, 2025. The contracts were entered for the purpose of hedging currency risks arising from the USD exposure of the Company's investments and bank balances.

Outlook

The Board of Directors considered the results for the year to be satisfactory, taking into account the difficulties in the operating environment due to intense competition. The results of the investment portfolio are also considered highly satisfactory.

With regard to the outlook for the current year, there are no significant developments or collaborations that could affect the assessment of the results for the current period.

Despite global uncertainties and regional challenges, the Cypriot economy has shown remarkable resilience and high growth rates in recent years. In 2024, the economy achieved a growth rate of 3.4% which was driven by increased exports and strong economic activity in key sectors, mainly in the areas of information and communications, business and professional services, tourism, and construction.

Recent upgrades of the country's credit rating by major rating agencies to A- 3 notches above investment grade, are a recognition of its strong economic performance, the reduction of public debt, and the improvement in the stability of the financial system.

The Board of Directors and Management remain committed to the careful development of the Group's operations so that it remains competitive while ensuring high profitability and a healthy financial position.

Tangible Fixed Assets

Capital expenditure for tangible fixed assets during 2024 amounted to €269 thousand (2023: €213 thousand) as shown in note 17 of the financial statements.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

MANAGEMENT REPORT (continued)

Research and technological advancement

The management examines on a continuous basis modern tools for the upgrading and improvement of its systems and internal operating procedures. Technological advancements fall in the following 3 basic categories according to their objective:

- Productivity improvement and cost reduction
- Improvement of customer service and of the quality of services
- Strengthening of security and monitoring systems

Environmental responsibility

The Group takes into account the energy challenges facing the country due to climate change, and recognises its responsibility to undertake defined actions that contribute to minimising its ecological footprint and conserving natural resources. It also recognises the importance of reducing the environmental impact of its activities.

The Group continued to implement the following environmental protection and energy saving measures:

- Reduction of the use of materials that are not recyclable or biodegradable.
- Use of collective waste collection, recovery and recycling systems and systematic recycling of specific materials such as batteries, light bulbs, pallets, packaging materials, paper, toner, electrical equipment, etc.
- Raising staff awareness on energy saving through educational events and other activities.
- Installation of photovoltaic systems at the Company's branches.
- Replacement of conventional lighting with LED technology and maintenance of intelligent lighting control systems.

Share Capital

The authorised share capital of the Holding Company amounts to €85 mln divided into 250 mln ordinary shares of a nominal value of €0,34 each. The issued share capital of the Company which amounts to €13.240.848 divided into 38.943.671 ordinary shares of a nominal value of €0,34 each. There was no change in the capital structure of the Company during the year.

All the titles of the Company are listed in the Cyprus Stock Exchange and there are neither any restrictions in the transferability of the titles of the Company nor any known agreements between shareholders that may imply restrictions in the transferability of the titles and/or the voting rights.

The Extraordinary General Meeting of the Company which took place on June 5, 2024 approved the following Special Resolution: "That the Board of Directors be authorized and is hereby authorized to implement a buy-back programme, in accordance with the provisos of Article 57A of the Companies Act 113 (Amended). The minimum and maximum price at which own shares may be bought, cannot exceed by more than 5%, the average market price of the Company's shares during the last 5 trading sessions before the acquisition. The Company may acquire, within the period of 12 months from the date of AGM resolution, the maximum number of shares which is permitted by the Act. The shares may be acquired either in the market or through a private agreement."

The above resolution was proposed for the renewal of the Company's buy-back program for the period from June 5, 2024 to June 4, 2025.

During the year the Company did not acquire any own shares. As at 31 December 2024 the Company did not hold any own sharers.

Investment in subsidiary companies

Investments in subsidiaries are disclosed in note 16 of the financial statements. On October 31, 2024, the subsidiary Lion Insurance Agency Ltd, which was dormant, entered into voluntary liquidation. There were no other changes in investments in subsidiaries during the year.

The Company periodically assesses the recoverability of the investment in subsidiaries whenever there are indications of impairment. During the year the Company did not make any provision for impairment of the value of the investment in subsidiaries.

Contracts with Directors' and related parties

There were no significant contracts in force by the year end or by the date of approval of the financial statements to which shareholders owning directly or indirectly more than 5% of the share capital of the Company and members of the Board and the management of the Company, their spouses or minor children have or had direct or indirect material interest, with the exception of the contracts of employment of executive directors and the agreement for the appointment of Astrobank Insurance Agency Ltd as an insurance agent of the Company as mentioned in note 31 of the financial statements.

The transactions of the Company with related parties are shown in note 28 of the financial statements.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

MANAGEMENT REPORT (continued)

Events after the reporting date

Events occurring after the reporting period which are affecting the understanding of the financial statements are presented in note 34 of the financial statements.

Corporate Governance

At present the Board of Directors has partly adopted the Code of Corporate Governance ('Code') issued by the Cyprus Stock Exchange since the Company is listed in the Alternative Market of the Cyprus Stock Exchange where the adoption of the Code is voluntary and not compulsory. The Code of Corporate Governance is published on the website www.cse.com.cy.

The report of the Board on the Code ('Report on Corporate Governance') is shown on pages 9 to 21 of the consolidated financial statements and is available on the Company's website www.atlantic.com.cy.

The degree of the Company's compliance and explanation of areas of non-conformity with the principles and articles of the Code at the date of the report are described in the Report on Corporate Governance.

The Group adopts effective procedures in relation to the preparation of the financial statements to safeguard that transactions and events recorded in the accounting books and records are accurately presented in the financial statements, the relevant announcements and the financial reports of the Group.

The risk management process of the Group which covers the presentation of financial information aims at the recognition, analysis and management of the risks related to the preparation of the financial statements, the relevant announcements and other financial reporting so that they are in conformity with the relevant financial reporting standards, the laws and regulations, including the periodical reporting which is required by the Transparency Requirements (Securities Trading in Regulated Markets) Cyprus Laws of 2007 and 2024. This is accomplished by the identification of risks of material inaccuracy in the reports and the adoption and implementation of internal controls for the prevention or detection of items that may lead to a material misstatement.

The company through its internal control system has implemented effective processes for the preparation of its financial statements, as well as for the preparation of periodic reporting required by listed companies. The main characteristics of these procedures are:

- The financial statements of the subsidiaries of the Group are prepared under the responsibility of the Financial Director of each company and under the supervision of the Financial Director of the Company.
- The financial statements of the Company and the Group are prepared under the responsibility of the Financial Director of the Group.
- The announcements of the results of the Group as well as the related explanatory statements are compiled by the Group's Financial Director and are reviewed by the Audit Committee. The relevant announcements are approved by the Board of Directors prior to their publication.

The share capital of the Company is divided into ordinary shares having the same and equal rights. There are no issued shares with special controlling or voting rights. Detailed information on the Company's share capital is presented in note 24 of the consolidated financial statements.

The shareholders owning directly or indirectly more than 5% of the share capital of the Company on 31 December 2024 and 5 days before the date of approval of the financial statements are shown in note 30 of the financial statements.

The percentage holdings on the Company's share capital that is owned by each member of the Board, their spouses, minor children and companies in which they own directly or indirectly more than 20% of the voting rights, on 31 December 2024 and 5 days before the date of the approval of the financial statements are mentioned in note 31 of the consolidated financial statements.

Each member of the Board is elected by the General Meeting of the shareholders or is appointed by the Board of Directors. A member who is appointed by the Board of Directors retires by law at the first annual general meeting following their appointment, which then decides on his appointment. At every annual general meeting one third of the board of directors retires and their appointment is determined by the annual general meeting. A director may be removed from office before the end of his term with an ordinary resolution at a General Meeting.

The Company's Memorandum may be amended with a special resolution at a General Meeting.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED**MANAGEMENT REPORT (continued)**

The power of the directors is general and is limited only by the powers granted in a general meeting of the shareholders of the Company either by law or by the articles of the Company. The decision on the issue of new shares, unless it relates to a rights issue which is offered to the shareholders in proportion to their existing holding, is taken by the general meeting in accordance with the prevailing legislation. The right to purchase the company's own shares, unless the legislation allows otherwise, is provided to the Board of Directors for a specified period by a special resolution of the general meeting.

The composition, terms of reference and details about the functioning of the management, administrative and supervisory bodies and positions designated in accordance with the Code are mentioned in the Report of Corporate Governance which is presented immediately after the Management Report.

Board of Directors

The Board of Directors consists of the members shown on page 1. All the directors served on the board for the whole year and until the date of this report. According to the Articles of the Company's Association Messrs Marios Savvides, Giorgos Koutsos and Charalambos Alexandrou retire from the Board, but being eligible offer themselves for re-election.

Auditors

The Auditors of the Company Ernst & Young Cyprus Ltd have expressed their willingness to continue to provide their services. A resolution authorizing the Board of Directors to determine their remuneration will be submitted at the next Annual General Meeting.

By order of the Board of Directors,

Emilios Pyrishis
Chairman

Nicosia
4 April 2025

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2024

	Notes	2024 €'000	2023 €'000
Insurance revenue	6	26.122	23.599
Insurance service expense	7	(14.664)	(12.782)
Insurance service result		11.458	10.817
Allocation of reinsurance premiums	8	(3.950)	(3.404)
Amounts recoverable from reinsurers for incurred claims	8	601	611
Net expense from reinsurance contracts held		(3.349)	(2.793)
Insurance finance expenses for insurance contracts issued		(475)	(499)
Reinsurance finance income for reinsurance contracts held		53	79
Net insurance result		7.687	7.604
Other income from operations	9	258	177
Income from brokerage and financial services		1.134	810
Commission payable for brokerage and financial services		(377)	(232)
Other operating expenses	10	(2.678)	(2.705)
Profit from operations		6.024	5.654
Gain on sale and revaluation of investments	11	6.657	6.373
Gains on revaluation of investment properties		117	171
Other investment income	12	819	542
Net finance income	13	1.013	1.041
Profit before taxation		14.630	13.781
Taxation	14	(942)	(907)
Profit after taxation		13.688	12.874
Minority interest		(169)	(91)
Profit attributable to the shareholders		13.519	12.783
Earnings per share (cent)	15	34,71	32,83

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	2024 €'000	2023 €'000
Profit for the year	13.688	12.874
Other recognised gains:		
Other comprehensive income which will be reclassified to the profit and loss account in subsequent periods		
Financial assets available for sale		
Fair value gain on financial assets available for sale	-	-
Net other comprehensive income that will be reclassified to the profit and loss account in subsequent periods	-	-
Other comprehensive income which will not be reclassified to the profit and loss account in subsequent periods		
Gain on revaluation of immovable property	138	187
Deferred tax on revaluation of immovable property	(11)	(16)
Tax on deemed distribution of subsidiary	17	(23)
Net other recognised gains which will not be reclassified to the profit and loss account in subsequent periods	144	148
Other recognised gains after taxation	144	148
Total comprehensive income for the year	13.832	13.022
Comprehensive income attributable to the shareholders	13.663	6.417
Minority interest	169	48
Total comprehensive income for the year	13.832	6.465

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Σημ.	2024 €'000	2023 €'000
Assets			
Tangible fixed assets	17	6.829	6.657
Intangible assets	18	196	159
Pool participation		493	633
Investment properties	19	4.852	4.732
Debtors and other receivables	21	3.535	3.335
Assets from reinsurance contracts	27	2.770	2.382
Financial assets at fair value through profit or loss	20	64.665	44.317
Fixed term bank deposits	23	1.731	3.254
Cash and bank balances	23	3.780	2.847
Total assets		88.849	78.779
Equity			
Share capital	24	13.241	13.241
Distributable profits		47.699	39.612
Reserves		5.523	5.399
Equity attributable to the shareholders		66.463	58.252
Minority interest		667	534
Total equity		67.130	58.786
Liabilities			
Deferred tax	25	46	86
Liabilities from insurance contracts	27	18.736	17.298
Bank overdrafts	23	15	74
Other Liabilities	26	2.921	2.535
		21.719	19.993
Total equity and liabilities		88.849	78.779

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Fair Value Reserve €'000	Profit and Loss account €'000	Total €'000	Minority Interest €'000	Total Equity €'000
Balance 1 January 2023	13.241	1.943	3.286	267	31.249	49.986	451	50.437
Profit for the year	-	-	-	-	12.783	12.783	91	12.874
Transfer to profit and loss due to reclassification of financial assets available for sale	-	-	-	(267)	267	-	-	-
Other recognised income / (expenses)	-	-	170	-	(14)	156	(8)	148
	-	-	170	(267)	13.036	12.939	83	13.022
Dividends	-	-	-	-	(4.673)	(4.673)	-	(4.673)
Balance 31 December 2023	13.241	1.943	3.456	-	39.612	58.252	534	58.786
Balance 1 January 2024	13.241	1.943	3.456	-	39.612	58.252	534	58.786
Profit for the year	-	-	-	-	13.519	13.519	169	13.688
Other recognised income / (expenses)	-	-	124	-	20	144	-	144
	-	-	124	-	13.539	13.663	169	13.832
Dividends	-	-	-	-	(5.452)	(5.452)	(36)	(5.488)
Balance 31 December 2024	13.241	1.943	3.580	-	47.699	66.463	667	67.130

Gains or losses on the revaluation of financial assets available for sale are recognised in equity.

The share premium, the revaluation reserve and the fair value reserve are not available for distribution.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2024

	Σημ.	2024 €'000	2023 €'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year before taxation		14.630	13.781
<i>Adjustments for:</i>			
Gain on sale and revaluation of investments	11	(6.657)	(6.373)
Gain on revaluation of investment properties		(117)	(171)
Depreciation of tangible and intangible fixed assets	17	392	350
Profit on sale of assets		(3)	(2)
Interest income	12	(1.109)	(1.136)
Dividend income	9	(707)	(436)
Interest expense and bank charges	13	96	95
Increase in debtors and other receivables		(346)	(599)
(Increase) / decrease in assets from reinsurance contracts		(389)	676
Increase / (decrease) in other liabilities		1.559	(952)
Cash flow from operations		7.349	5.233
Interest paid		(96)	(95)
Taxation paid		(986)	(694)
Net cash flow from operating activities		6.267	4.444
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for investments		(21.219)	(5.880)
Proceeds from sale of investments		15.070	3.792
Payments for investment property		(3)	(8)
Payments for tangible fixed assets	17	(269)	(213)
Payments for intangible fixed assets	18	(196)	(144)
Receipts on disposal of tangible fixed assets		4	2
Decrease / (increase) in short-term government treasury bills		3.449	(7.196)
Decrease in fixed term bank deposits		1.524	2.434
Increase in minority interest of subsidiary		-	(8)
Interest received		1.109	1.136
Dividends received		707	436
Net cash flow for investing activities		176	(5.649)
CASH FLOW FOR FINANCING ACTIVITIES			
Dividend paid		(5.452)	(4.673)
Net cash flow for financing activities		(5.452)	(4.673)
Net increase / (decrease) in cash and cash equivalents		992	(5.878)
Cash and cash equivalents at the beginning of the year	23	2.773	8.651
Cash and cash equivalents at the end of the year	23	3.765	2.773
Cash and cash equivalents consist of:			
Cash and bank balances	23	3.780	2.847
Bank overdrafts	23	(15)	(74)
		3.765	2.773

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1: Incorporation and main activity

The Company was incorporated in Cyprus on 19 July 1983 as a private limited liability company, under the Companies Law, Cap. 113. The Company became a public company on 14 January 2000 and listed its securities on the Cyprus Stock Exchange on 23 October 2000. On 21 January 2003, the Company's securities were registered with the Central Registry and Central Depository maintained by the Cyprus Stock Exchange.

Following a resolution proposed by the Board of Directors at the Extraordinary General Meeting on 25 May 2005, it was decided to change the name from Atlantic Insurance Company Limited to Atlantic Insurance Company Public Limited.

The registered office of the Company is at 15 Esperidon Street, Atlantic Building, 2001 Strovolos.

The principal activity of the Company is the conduct of general insurance business.

The Company is 100% owner of Lyssi Investments Limited and Lion Insurance Agency Limited and holder of 67,73% of Atlantic Securities Limited.

The principal activity of Lyssi Investments Limited is car rental, an activity which commenced in February 1998.

Lion Insurance Agency Limited, which had been dormant, entered into voluntary liquidation on 31 October 2024.

Atlantic Securities Limited (CIF, member of the Cyprus Stock Exchange) is engaged in the provision of financial, advisory and brokerage services.

All of the Group's activities are conducted in Cyprus and remained the same as in the previous year.

Note 2: Basis of preparation

(a) Basis of calculation

The consolidated and separate financial statements have been prepared under the historical cost convention, except for property for own use and investment property, available-for-sale investments, derivative financial instruments and financial assets at fair value through profit or loss, which are measured at fair value. The methods used to determine fair values are explained in detail in note 3.

(b) Presentation of the consolidated and separate financial statements

The consolidated and separate financial statements of the Company are expressed in Euro (the reporting currency) which is the currency that best reflects the economic substance of the underlying events and circumstances of the Company (the main currency used).

All amounts are rounded to the nearest thousand unless otherwise stated. A full stop is used to separate thousands and a comma is used to separate decimals.

The consolidated and separate statements of financial position are generally presented in order of liquidity. An analysis of the expected collection or settlement of financial assets and liabilities in less than twelve months from the date of the financial position is presented in Note 32.

(c) Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU). The financial statements have also been prepared in accordance with the requirements of the Companies Law, Cap. 113 of Cyprus, the Insurance and Reinsurance Business and Other Related Matters Laws and Regulations of 2017 and 2018, (the "Laws"), the Cyprus Securities and Stock Exchange Laws and Regulatory Decisions and the Transparency Requirements (Transferable Securities Admitted to Trading on a Regulated Market) Law.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2: Basis of preparation (continued)

The consolidated and separate financial statements of the Company were approved by the Board of Directors of the Company on 4 April 2025. The consolidated financial statements are available free of charge at the Company's Head Office at 15 Esperidon Street, 2001 Strovolos, as well as on the Company's website www.atlantic.com.cy.

(d) Going concern principle

The consolidated financial statements have been prepared on a going concern basis. The Board of Directors has assessed the financial developments, prospects and the Company's ability to meet its liquidity requirements in order to continue as a going concern. Taking into account the current business and economic environment, the Board of Directors of the Group considers that both the Group and the Company have the ability to continue their operations as a going concern.

(e) Operating environment

Despite global uncertainties and regional challenges, the Cypriot economy has shown remarkable resilience and high growth rates in recent years. In 2024, the economy achieved a growth rate of 3.4%, driven by increased exports and strong economic activity in key sectors, particularly information and communications technology, business and professional services, tourism and construction.

Inflation fell to 3.9% in 2023 and further to 2.3% in 2024. For 2025, it is expected to hover around 2.0%. Core inflation, i.e. excluding energy and food, was more persistent and averaged 2.8% in 2024. Services inflation rose by 4.2% in 2024, compared with 3.6% in 2023.

The unemployment rate, which had fallen to 5.7% in the fourth quarter of 2023, declined gradually to 5.3% in the first quarter of 2024, to 4.8% in the second quarter and to 4.6% in the third quarter, according to seasonally adjusted data. The unemployment rate in Cyprus is expected to average 4.8% for 2025, according to the latest forecasts by the Ministry of Finance.

In the fiscal area, Cyprus' performance remains strong. Fiscal developments continued to be favourable, with public revenues growing at a faster pace than public expenditure. As a result, the fiscal balance for the eleven months was in surplus by 4.2% of GDP.

At the same time, public debt indicators improved significantly. The public debt-to-GDP ratio fell to 67.7% in November 2024 from 73.6% in 2023 and 113.6% at the end of 2020. Looking ahead, expected fiscal surpluses will further reduce the public debt-to-GDP ratio, potentially below 60% by 2026.

The recent upgrades of the country's credit rating by the major rating agencies to A- 3 notches above investment grade are a recognition of its strong economic performance, the reduction in public debt, and the improvement in the stability of the financial system.

Increased geopolitical tensions between the world's largest economies add uncertainty to the outlook for the global economy. External factors, both economic and geopolitical, which are beyond the Group's control, may have a significant impact on domestic economic activity.

Note 2.1: New standards, amendments and interpretations

The accounting policies adopted are consistent with those adopted in the previous financial year, except for the following standards, which the Group and the Company adopted on 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Financial Agreements with Suppliers (amendments)

These amendments require companies to disclose information about financial agreements with suppliers that enable users of financial statements to evaluate the impact of these agreements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosures is to enhance the transparency of financial agreements with suppliers. The amendments do not affect the recognition or measurement principles, but only the disclosure requirements. These amendments had no impact on the Group's results and financial position.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2.1: New standards, amendments and interpretations

IFRS 16 Leases: Lease Liability in Sale and Leaseback Transactions (amendments)

The amendments aim to improve the requirements used by the lessor-seller to measure the lease liability arising from a sale and leaseback transaction in IFRS 16, while not changing the accounting treatment of leases that are not related to sale and leaseback transactions. In particular, the lessor-seller determines the 'lease payments' or 'revised lease payments' in such a way that the lessor-seller does not recognise any profit or loss related to the right of use it retains. The application of these requirements does not prevent the lessor-seller from recognising, in profit or loss, any gain or loss related to the partial or complete termination of the lease. The lessee -seller applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions that occurred after the date of initial application, which is the beginning of the annual reporting period in which the entity first applied IFRS 16. These amendments did not have a significant impact on the Group's results and financial position.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (amendments)

The IASB has issued amendments to IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: (a) what is meant by the right to defer settlement, (b) that the right to defer must exist at the end of the reporting date; and (c) that the classification is not affected by the likelihood that the entity will exercise its right to defer. Terms of a liability that could, at the counterparty's option, result in settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the entity elects the equity instrument by recognising it separately from the liability as an equity component of a compound financial instrument. These amendments had no impact on the Group's results and financial position.

Note 2.2 Standards/amendments not yet effective, but adopted by the European Union

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (amendments)

These amendments help entities assess the convertibility between two currencies and determine the direct exchange rate when there is no possibility of exchange. An entity is affected by the amendments when it has a transaction or operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specific purpose. The amendments to IAS 21 do not provide detailed requirements for how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, comparative information may not be restated. Instead, the affected amounts must be translated at the estimated exchange rates at the date of initial application, with an adjustment to retained earnings or the foreign currency translation reserve. The amendments will apply to annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted. The Group does not expect these amendments to have a significant impact on its results and financial position.

Note 2.3 Standards/amendments not yet effective and not yet adopted by the European Union

Annual Improvements to IFRS Accounting Standards - Volume 11

On 18 July 2024, the International Accounting Standards Board (IASB) published nine narrow-scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on the application of IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. These annual improvements have not yet been adopted by the EU. The amendments are effective for annual periods beginning on or after 1 January 2026. The Group is currently assessing the expected impact of adopting these amendments on its financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (amendments)

The IASB has issued amendments to IFRS 9 and IFRS 7. These amendments: (a) clarify the date of recognition and derecognition of certain financial assets and financial liabilities, and introduce an accounting policy option for derecognising financial liabilities settled using an electronic payment system, (b) include further guidance on assessing whether a financial asset with ESG characteristics meets the solely payments of principal and interest (SPPI) criterion, (c) add new disclosures for financial instruments with contingent features that may alter cash flows, (d) add new disclosures for equity securities classified at fair value through other comprehensive income.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2.3 Standards/amendments not yet effective and not yet adopted by the European Union

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. The Group will assess the impact these amendments may have on its results and financial position.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referring to Electricity Derivatives (Amendments)

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments include clarification of the application of 'own use' requirements, allowing hedge accounting if contracts covered by the amendments are used as hedging instruments, and introduce new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and cash flows. The clarifications regarding 'own use' requirements are to be applied retrospectively, but the guidance allowing hedge accounting is to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments have not yet been approved by the EU. The Group does not expect these amendments to have a significant impact on its results and financial position.

IFRS 18 Presentation and Disclosure in Financial Statements (new standard)

The new standard on presentation and disclosure in financial statements focuses on updates to the income statement. The key new concepts introduced in IFRS 18 relate to the structure of the income statement, required disclosures in the financial statements for certain measures of profit or loss reported outside an entity's financial statements (i.e., performance measures determined by management) and improved principles for aggregation and separation that apply to the main financial statements and notes in general. IFRS 18 will not affect the recognition or measurement of items in the financial statements, but it may change what an entity reports as "operating profit or loss". IFRS 18 will be effective for reporting periods beginning on or after 1 January 2027 and will also apply to comparative information. The Group does not expect these amendments to have an impact on its results and financial position; however, presentation changes and additional disclosures may be required upon adoption.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (new standard)

The IASB has issued a new accounting standard for subsidiaries. IFRS 19 Subsidiaries without Public Accountability will allow subsidiaries to maintain only one set of accounting records to meet the needs of both their parent company and users of their financial statements. In addition, IFRS 19 will allow for reduced disclosures that better meet the needs of users of financial statements, while maintaining the usefulness of the information. The new standard does not apply to the Group's financial statements.

Note 3: Summary of Significant Accounting Policies

The following summary of significant accounting policies has been consistently applied to all periods presented in the Company's consolidated and separate financial statements and has been consistently applied by all companies within the Group.

Basis of consolidation

Subsidiaries

The consolidated financial statements include the Company and the subsidiaries that the Group controls. Control is deemed to exist when the Group has the right to direct the financial and operating policies of an entity so as to obtain benefits from its activities. Specifically, the Group considers that it controls the subsidiary if, and only if, the Group has:

- power over the subsidiary (e.g. existing rights that give it the current ability to direct the relevant activities of the company)
- positions or rights with variable returns from its participation in the company
- the ability to use its power over the company to influence the amount of its returns.

Generally, there is a perception that control derives from the majority of voting rights. Based on this perception and in cases where the Group does not hold the majority of voting rights in the company, the Group considers all relevant facts and circumstances, including contractual agreements with other shareholders and rights arising from contractual arrangements, to assess whether it can exercise power over the company.

The Group reassesses whether it controls a company when events indicate that there are changes in one or more of the three control elements.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (Continued)

The consolidation of companies acquired during the year is carried out from the date control begins until the date control ceases to exist. A change in the percentage of ownership of subsidiaries, without loss of control, is accounted for as an equity transaction between owners.

If the Group loses control of a subsidiary, it derecognises the related assets (including goodwill), liabilities, the minority interest and other equity items, while any resulting gain or loss is recognised in the income statement. The retained investment is recognised at fair value.

Transactions between Group companies

All balances, transactions and any unrealised income and expenses arising from transactions between Group companies have been eliminated in preparing the consolidated financial statements.

Insurance Contracts

The Company issues insurance policies in the ordinary course of business under which it accepts significant insurance risk from its policyholders.

The Company presents detailed information about the insurance policies it issues by its main product lines as follows:

- Motor Vehicles,
- Property,
- Liability,
- Accident and health,
- Marine
- Other.

i. Determination and classification of insurance and reinsurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts.

Contracts issued by the Company will be classified as insurance contracts when the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, the Company will consider all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Company shall use judgment to assess whether a contract transfers significant insurance risk, by assessing if an insured event could cause the Company to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance. The Company issues contracts under which it accepts significant insurance risk from its policyholders, which will be classified as insurance contracts. The Company does not expect significant changes on the classification of contracts to insurance or investment contracts arising from the application of these requirements.

In addition to issuing insurance contracts, the Company holds reinsurance contracts to mitigate certain risk exposures. A reinsurance contract is an insurance contract issued by a reinsurer to compensate the Company for claims arising from one or more insurance contracts issued by the Company. Reinsurance policies held by the Company are still considered to transfer significant insurance risk if they transfer substantially all of the insurance risk associated with the reinsured portions of the underlying insurance policies to the reinsurer. The Company does not expect any impact on the classification of the reinsurance contracts held arising from the application of these requirements.

ii. Separation of the components of insurance and reinsurance contracts

When identifying contracts in the scope of IFRS 17, in some cases the Group will have to assess whether a set or series of contracts needs to be treated as a single contract and whether embedded derivatives, investment components and goods and services components have to be separated and accounted for under another standard. For insurance and reinsurance contracts, the Group does not expect significant changes arising from the application of these requirements.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (Continued)

iii. Degree of concentration of insurance policies

Under IFRS 17, insurance contracts are aggregated into groups for measurement purposes. Groups of contracts are determined by first identifying portfolios of contracts, each comprising contracts subject to similar risks and managed together. Contracts in different product lines or issued by different Group entities are expected to be in different portfolios. Each portfolio is then divided into annual cohorts (i.e. by year of issue) and each annual cohort into three groups:

- any contracts that are onerous on initial recognition;
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the annual cohort.

An annual cohort will include contracts issued within 12 months.

Contracts within a portfolio that would fall into different groups only because law or regulation specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics are included in the same group.

When a contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts may be added.

The level of aggregation requirements of IFRS 17 limit the offsetting of gains on groups of profitable contracts, which are generally deferred, against losses on groups of onerous contracts, which are recognised immediately. Compared with the level at which the liability adequacy test is performed under IFRS 4, the level of aggregation under IFRS 17 is more granular and is expected to result in more contracts being identified as onerous and losses on onerous contracts being recognised sooner.

Reinsurance contracts held will be assessed separately from the insurance contracts issued. The Company will divide the portfolios of reinsurance contracts held by applying the above principles, except for references to onerous contracts which will correspond to contracts with a net profit on initial recognition.

iv. Recognition

Groups of insurance contracts issued will be recognized from the earliest of the following dates:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due; and
- when the Company determines that a group of contracts becomes onerous.

Groups of reinsurance contracts held will be recognized:

- If the reinsurance contracts provide proportionate coverage, the date the Company initially recognizes any underlying insurance contracts (onerous or not);
- In all other cases, at the beginning of the coverage period of the group of reinsurance contracts. However, if the Company recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts will be recognised on that earlier date.
- The Company does not expect any significant changes arising from the application of these requirements.

v. Contract boundaries

Under IFRS 17, the measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Compared with the current accounting, the Group expects that for certain contracts the IFRS 17 contract boundary requirements will change the scope of cash flows to be included in the measurement of existing recognised contracts, as opposed to future unrecognised contracts. The period covered by the premiums within the contract boundary is the 'coverage period', which is relevant when applying a number of requirements in IFRS 17.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (Continued)

Insurance contracts

For insurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and investment services).

A substantive obligation to provide services ends when:

- the Group has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

The Company's non-life insurance contracts are short-term and are renewable each year. The Company does not expect any significant changes arising from the application of these requirements.

Reinsurance contracts

For reinsurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:

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

Some of the Company's proportional reinsurance contracts on risk attaching basis provide coverage for a two-year term and currently the measurement of these reinsurance contracts is generally aligned with that of the underlying contracts.

The Company does not expect any significant changes arising from the application of these requirements.

vi. Measurement – (overview)

IFRS 17 introduces a measurement model based on the estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

The Premium Allocation Approach (PAA) is an optional simplified measurement model in IFRS 17 that is available to insurance policies that meet the eligibility criteria.

The Group expects that it will apply the Premium Allocation Approach to all contracts in the non-life segment because the following criteria are expected to be met at inception:

- The coverage period of each contract in the group is one year or less.
- The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies described above.

*vii. Measurement – Non-life contracts**Insurance contracts*

On initial recognition of each group of non-life insurance contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition, less any insurance acquisition cash flows on that date. The amount is adjusted according to any contracts that expire during the period.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any further premiums received and decreased by the amount recognised as insurance revenue for services provided. The Group expects that the time between providing each part of the services and the related premium due date will be no more than a year. Accordingly, as permitted under IFRS 17, the Group will not adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (Continued)

The measurement of the liability of incurred claims is not expected to be significantly affected by the application of the requirements of IFRS 17. In accordance with IFRS 17, the liability for incurred claims will be calculated based on the future cash flows of settlement for the realized claims. Estimates of future cash flows are based on information that is readily available without undue cost or effort regarding the amount, timing and degree of uncertainty of such future cash flows. The Company will discount future cash flows in order to reflect the time value of money and the effect of financial risk.

If at any time before and during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group will recognise a loss in profit or loss and increase the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flow that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows will be discounted (at current rates) if the liability for incurred claims is also discounted.

Reinsurance contracts

The Company will apply the PAA to measure a group of reinsurance contracts using the same accounting policies to the insurance contracts, as adapted where necessary to reflect the features of reinsurance contracts. The Company will apply the PAA to reinsurance contracts that it holds, as follows:

- To proportional and excess of loss reinsurance contracts on loss occurring basis that provide coverage on the insurance contracts originated for claims incurred during an accident year.
- To proportional reinsurance contracts on risk attaching basis, that provide coverage for short-term underlying insurance contracts over an effective period of two years, and the Company will elect to apply the PAA since at inception it expects it will provide an asset for remaining coverage that would not differ materially from the general model.

Under the PAA, the initial measurement of the asset for remaining coverage would equal the reinsurance premium paid. On initial recognition of each group of reinsurance contracts held, the Company expects that the time between receiving each part of the services and the related reinsurance premium due date is no more than a year. Accordingly, the Company will not adjust the asset for remaining coverage to reflect the time value of money and the effect of financial risk. Subsequently, the Company will measure the amount associated with the remaining coverage by allocating the amount of expected reinsurance premium payments over the coverage period of service receipt.

The measurement of the asset for incurred claims is expected to be significantly affected by the application of the requirements of IFRS 17. The Company will measure the present value estimates of future cash flows using assumptions consistent with those used to measure the present value estimates of future cash flows for the underlying insurance policies, adjusted for any risk of non-performance by the reinsurer.

The presentation of the non-financial risk adjustment as an amount of risk that is transferred from the Company to the reinsurer.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belong. Insurance acquisition cash flows directly attributable to a group of contracts are allocated to the relevant group.

According to IFRS 17, insurance acquisition cash flows arising before the recognition of the related group of contracts will be recognised as an asset.

IFRS 17 requires the Group to assess at each reporting date, if facts and circumstances indicate that an asset for the acquisition of insurance cash flows may be impaired. If impaired, then the Group will recognize the loss in the income statement so that the present value of the assets does not exceed the expected net cash inflow of the particular group of contracts. The Group will reverse any impairment losses in the income statement and increase the present value of the asset to the extent that the impairment conditions have improved.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (Continued)

Impact assessment

Although the PAA is similar to the Group's current accounting treatment when measuring liabilities for remaining coverage, the following changes are expected in the accounting for Non-life contracts:

- Under IFRS 17, the Group will discount future cash flows when measuring liabilities for incurred claims, unless they are expected to occur in one year or less from the date on which the claims are incurred. This is expected to contribute to a small increase in equity during the transition to IFRS 17.
- IFRS 17 requires the fulfilment cash flows to include a risk adjustment for non-financial risk. This is expected to reduce equity during the transition to IFRS 17.

viii. Measurement – significant judgments and estimates

The significant judgments and estimates that the Company is expected to apply as a result of IFRS 17 are the following:

Estimation of future cash flows

In estimating future cash flows, the Group will incorporate, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The measurement of a group of insurance policies will include all future cash flows arising within the limits of a policy. In determining the cash flows that fall within the limits of a contract, the Group will consider the material rights and obligations arising from the terms of the contract, as well as applicable laws and regulations. Cash flows will be considered to be outside the contract limits if the Group has the practical ability to reprice existing contracts to reflect their reassessed risks and if the pricing of the contract for coverage up to the date of the reassessment takes into account only risks up to on the next revaluation date.

- Expenses

Assessment of directly attributable cash flows

The Company will apply judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a group of insurance contracts only if they are directly attributable to either the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. The Company will also consider as attributable cash flows fixed and variable overheads directly attributable to the fulfilment of insurance contracts.

Expense basis for cashflow projections

The Company will perform a detailed expense investigation, at least on an annual basis, to determine the expense assumptions used in the cashflow projections. The expense basis will be set in accordance with the budgeted attributable expenses and the projected volumes of business. The Company will also determine an assumption for the future expense inflation.

- Discount rates

Insurance contract liabilities will be calculated by discounting the expected future cash flows. The Group will use the bottom-up approach in determining the discount rates and hence will use a volatility adjusted risk-free rate, plus an illiquidity premium. Risk-free rates will be determined by reference to the European Insurance and Occupational Pensions Authority (EIOPA) yields and the illiquidity premium will be determined based on the Company's portfolio data, which makes the approach entity specific by reflecting the characteristics of the Company's portfolio.

- Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and the Group specific price for bearing that risk and reflects the degree of the Group's risk aversion.

The IFRS 17 does not specify the estimation techniques used to determine the non-financial risk adjustment. The Company shall determine the risk adjustment for non-financial risk at the entity level and then shall allocate it to all the groups of insurance contracts. The Company will estimate the risk adjustment using a value at risk (VaR) approach which is closely linked to the Solvency II standard formula.

The risk adjustment is determined subject to 75% confidence level.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

ix. Modification and de-recognition of insurance contracts

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired); or
- The contract is modified such that the modification results in the contract being outside the scope of IFRS 17, a different insurance contract due to separating components from the host contract, a substantially different contract boundary or the contract being included in a different group.

If any of the modification criteria described above are met, the Company will derecognise the initial contract and recognise the modified contract as a new contract.

If the contract modification does not meet the above conditions the Company shall treat the effect of the modification as changes in the estimates of fulfilment cash flows.

x. Presentation and notes

IFRS 17 will significantly change how insurance contracts and reinsurance contracts are presented and disclosed in the Group's consolidated financial statements.

Under IFRS 17, portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. All rights and obligations arising from a portfolio of contracts will be presented on a net basis; therefore, balances such as insurance receivables and payables and policyholder loans will no longer be presented separately. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows) will also be presented in the same line item as the related portfolios of contracts.

Under IFRS 17, amounts recognised in the statement of profit or loss are disaggregated into:

- an insurance service result, comprising insurance revenue and insurance service expenses, and
- insurance finance income or expenses.

Amounts from reinsurance contracts will be presented separately.

Insurance service result

For contracts measured using the PAA, insurance revenue is recognised based on an allocation of expected premium receipts to each period of coverage, which is based on the expected timing of incurred insurance service expenses for certain property contracts and the passage of time for other contracts. The requirements in IFRS 17 to recognise insurance revenue over the coverage period will result in slower revenue recognition compared with the Group's current practice of recognising revenue when the related premiums are written.

Expenses that relate directly to the fulfilment of contracts will be recognised in the statement of financial position. Expenses that do not relate directly to the fulfilment of contracts will be presented outside the insurance service result.

Amounts recovered from reinsurers and reinsurance expenses will no longer be presented separately in profit or loss, because the Group will present them on a net basis as 'net expenses from reinsurance contracts' in the insurance service result, but information about these will be included in the disclosures.

The Company will present separately in the statement of profit and loss and other comprehensive income, the amounts expected to be recovered from the reinsurers and the distribution of reinsurance premiums paid.

The Group will choose not to disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk recognised in profit or loss will be included in the insurance service result.

Income and expenses of insurance financing

Under IFRS 17, changes in the carrying amounts of groups of contracts arising from the effects of the time value of money, financial risk and changes therein are generally presented as insurance finance income or expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

The Group has the choice to separate the insurance financing income and expenses for the period between profit or loss and other comprehensive income. This choice is given at the portfolio level of insurance contracts and reinsurance contracts held. The Group will not allocate the financial income or expenses between profit or loss and the other comprehensive income and thus they will be recognized in their entirety in profit or loss.

Financial Instruments

Classification

The classification of financial assets depends on the business model in which a financial asset is held and the characteristics of the contractual cash flows.

Upon initial recognition, a financial asset is classified as measured at:

- amortised cost
- fair value through other comprehensive income
- or fair value through profit or loss

Financial assets are not reclassified after initial recognition unless the Company changes the business model it applies to the holding of financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period after the change in business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- its contractual terms create cash flows at specified dates that are solely payments of principal and interest on the outstanding principal amount.

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- its contractual terms create cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

All financial assets that are not classified as measured at amortised cost or at fair value through other comprehensive income, as described above, are measured at fair value through profit or loss. This includes all derivative financial assets. Upon initial recognition, a financial asset that meets the requirements to be measured at amortised cost or at fair value through other comprehensive income may be irrevocably designated to be measured at fair value through profit or loss if this eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Upon initial recognition of an investment in equity securities not held for trading, the presentation of subsequent changes in the fair value of the investment in other comprehensive income may be irrevocably selected. This option is exercised separately for each instrument.

Impairment of financial assets

The Company measures the loss allowance for a financial instrument at an amount equal to the expected credit losses over the life of the financial instrument, except in the following cases where they are calculated at an amount equal to the expected credit losses over a twelve-month period:

The loss allowance for assets from contracts is always measured at an amount equal to the expected credit losses over the lifetime of the financial instrument.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and reliable information that is relevant and available without excessive cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and updated creditworthiness assessment, as well as future information.

The Company assumes that the credit risk of a financial asset has increased significantly if it is more than 30 days past due from the date it is considered payable.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are valued as the present value of all cash shortfalls (e.g. the difference between the cash flows due to the entity under the contract and the expected cash inflows).

Expected credit losses will be calculated using the following parameters:

- exposure at default (EAD),
- probability of default (PD) and
- loss given default (LGD)

Exposure at default (EAD)

Exposure at default (EAD) represents the expected exposure in the event of default during the lifetime of the financial instrument, taking into account principal and interest repayments and accrued interest.

Probability of default (PD)

Probability of default (PD) represents the probability that the counterparty will be unable to repay within a relatively short period of time.

Loss given default (LGD)

Loss given default (LGD) represents the estimated loss in the event of default at a specific point in time. It is usually expressed as a percentage of the exposure at default.

Financial assets

The fair value of financial assets traded on an active market is based on the average market value at the balance sheet date. If the market for a financial asset is not active and for unlisted securities, the Group and the Company calculate the fair value using valuation methods.

Interest from bonds is recognised in 'Net financial income' in the consolidated and separate income statement using the effective interest method. Dividends from shares are recognised in the consolidated and separate income statement under "Income from financial operations" when the right to receive them is finalised. Gains or losses from the disposal or revaluation of financial assets at fair value through profit or loss are recognised in the income statement in the year in which they arise as 'Gains/(losses) from the sale and revaluation of investments'.

Financial assets at fair value include investments in private real estate development projects under construction within the European Union for future commercial use, which are initially recognised at fair value. After initial recognition, investments are measured at fair value through profit or loss. To determine fair value, investment managers' valuation models are taken into account, which sometimes include data based on observable market data and sometimes on unobservable data. To calculate the percentage of completion, the Company uses quarterly reports from project managers describing the progress of work and estimating the percentage of completion of the project.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

Short-term government bills

These investments relate to bills issued by the Republic of Cyprus and other developed countries with a maturity date of less than 12 months from the date of issue. The accounting valuation of these items is the same as that mentioned above for financial assets at fair value.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that do not have a quoted market price in an active market. These financial assets have not been acquired for the purpose of immediate or short-term sale. After initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less provisions for impairment.

Recognition of other income

Gains or losses from the sale or revaluation of investments held at fair value through profit or loss are recognised in the year in which they arise. Unrealised gains or losses from the revaluation of available-for-sale investments are recognised in equity.

Dividend income is recognised in the income statement when the Group's and the Company's right to receive payment is established. All other income is recognised on an accrual basis.

Cyprus Hire Risks Pool

The Company's share of the profit or loss from Cyprus Hire Risks Pool is included in other income from insurance operations in the income statement and is recognised on an accrual basis. The Company's share is determined based on the amount of the Company's premiums in the motor vehicle sector as a percentage of the total premiums for the entire market in this sector.

The Company's share in the assets of the Cyprus Hire Risks Pool is recognised in the consolidated and separate statement of financial position under "Pool Participation".

Employee benefits

The Company operates a defined contribution plan, the assets of which are held in a separate fund managed by trustees. The plan is funded by contributions from employees and the Group amounting to 5.75% of the employees' gross salary. The contributions of the Group and the Company are recognised in the period to which they relate and are included in staff costs. The Group has no legal or constructive obligation to pay additional contributions if the plan does not hold sufficient assets to pay all employees the benefits attributable to their service during the current and prior periods.

Foreign currency

Balances in foreign currencies are converted into euros based on the exchange rates prevailing on the balance sheet date. Transactions in foreign currencies are converted into euros based on the exchange rates prevailing on the date of the transaction. The resulting exchange differences are recognised in the income statement.

Expenses

Commissions and other expenses are recognised as incurred and charged directly to the income statement.

Operating segments

Operating segments are segments of the Group that generate income and expenses, including income and expenses related to transactions between segments of the Group itself. The results of the operating segments are monitored regularly by the Board of Directors for the purpose of allocating resources and evaluating their performance.

Investments in subsidiaries

Investments in subsidiaries are recorded in the books of the parent company at acquisition cost less adjustments for any permanent reduction in the value of the investments. Any adjustments arising are recorded in the income statement.

Derivative financial assets

The Company uses derivative financial instruments to hedge its exposure to foreign exchange risk. Derivatives are recognised on the trade date. Derivatives are measured at fair value and changes are recognised in the income statement. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and in banks, as well as bank overdrafts.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

Financial liabilities

All financial liabilities are recognised on the trade date. All financial liabilities are initially measured at their fair value plus, in the case of a financial liability not measured at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue.

Fair value is the price that would be received to transfer the liability in an orderly transaction between market participants at the measurement date.

Derecognition of financial assets and liabilities

Financial assets

A financial asset is derecognised when: (a) the contractual rights to the cash flows of the asset expire, or (b) the Group has transferred the contractual rights to the cash flows of the asset, and (c) it has assumed a contractual obligation to pay all cash flows to a third party, and: either (i) it has transferred substantially all the risks and rewards of ownership of the asset, or (ii) it has neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but has transferred control of the asset.

Renegotiated loans

A loan that has been renegotiated is derecognised if the existing agreement is cancelled and a new agreement is entered into with substantially different terms, or if the terms of the existing agreement have been modified so that the renegotiated loan is substantially a different financial instrument.

Financial liabilities

A financial liability is derecognised when the liability is settled, cancelled or expires.

Offsetting financial instruments

A financial asset and a financial liability are offset and the net amount is presented in the statement of financial position when the Company has a legally enforceable right to offset the amounts recognised and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Investment property

Investment property comprises property that the Company and the Group hold for the purpose of earning long-term rental income or capital appreciation and which is not used by them. Investment property is initially recognised at cost, including transaction costs, and is measured at the balance sheet date at its estimated fair value. Gains or losses arising from changes in the estimated fair value of investment property are recognised in "Gain/loss from revaluation of property" in the income statement. Valuations are performed by independent qualified valuers. Transfers to (or from) investment property are made only when there is a change in use.

Taxation

Taxation consists of current and deferred taxation. Taxation is recognised in profit or loss except when it relates to a business combination or to amounts directly related to equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates that have been enacted or substantively enacted by the end of the year and any adjustments to tax payable for previous years.

Deferred taxation is recognised in relation to temporary differences between the carrying amounts of assets and liabilities for financial statement purposes and the amounts used for taxation purposes. The amount of deferred taxation is calculated using the tax rates that are expected to apply to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the end of the year.

The effect on deferred tax of any changes in tax rates is taken to the income statement to the extent that it relates to items for which deferred tax has previously been charged or credited to reserves. Deferred tax for the year arising from the revaluation of fixed assets is transferred to the revaluation reserve.

Deferred tax assets and deferred tax liabilities may be offset only when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to taxes levied by the same taxation authority, either on the same taxable entity, or to different taxable entities, which intend to offset current liabilities and assets or to collect the assets and settle the liabilities simultaneously.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

Intangible assets

Software

Software is initially measured at cost. After initial recognition, it is measured at cost less accumulated amortisation and any accumulated impairment losses. Depreciation is calculated at cost using the straight-line method over the expected useful economic life. The annual depreciation rate is 33 1/3%.

Insurance Portfolio Acquisition Fees

When acquiring a portfolio of insurance contracts, the consideration paid represents the fair value of the portfolio acquired and is accounted for as cost.

After initial recognition, the acquired insurance portfolio is presented at acquisition cost after deducting accumulated depreciation and impairment losses. Depreciation of acquired insurance portfolios is calculated at cost, using the straight-line method over the period that is considered to represent their estimated useful life, which ranges from 2 to 4 years.

Changes in the expected useful life or expected pattern of use of the future economic benefits embodied in the asset are accounted for by changing the amortisation period and treated as a change in accounting estimate.

Amortisation of intangible assets is recognised in 'Administrative expenses' in the consolidated and separate income statement.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation. The market value for the current use of the valued assets is determined on the basis of an appraisal by independent certified appraisers, which is carried out annually. Surpluses or deficits arising from the revaluation of property are recognised in the revaluation reserve. Depreciation is calculated so as to write off the acquisition price or the appraised value of the property in accordance with the straight-line method, taking into account the expected useful life and residual value of the property and equipment.

The depreciation arising during the reporting year on equipment is recognised in the consolidated and separate income statement for the year, under the line "Management expenses".

The additional annual depreciation arising from the revaluation of buildings is transferred from the revaluation reserve to the income statement.

The annual rates used are as follows:

	%
Buildings	3
Vehicles	20
Furniture, fixtures and equipment	10
Computers	20

Land is not depreciated.

Expenditure and repairs of property and equipment

Expenditure on repairs and maintenance is charged to the income statement in the year in which it is incurred. Expenses for significant improvements and renovations of property and equipment are capitalised when they are deemed to increase the Company's future economic benefits beyond those originally estimated.

Property revaluation reserve

Surpluses arising from the revaluation of land and buildings are credited to the property revaluation reserve. If, after revaluation, the depreciation charge increases, then an amount equal to this increase, after deduction for deferred taxation, is transferred each year from this reserve to the income statement. In the event of the disposal of a revalued property, any balance from the revaluation surplus in the property revaluation reserve corresponding to this item is transferred to the income statement.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

Assets with right of use

When establishing an arrangement, the Group determines whether the arrangement is or contains a lease. An arrangement is or contains a lease when, under the contract, substantially all the risks and rewards of ownership of an identifiable asset are transferred to the Group for a period of time in exchange for a consideration.

- The contract includes the use of an identifiable asset. This may be stated explicitly or implied and be physically distinct or represent substantially all of the capacity of the physically distinct asset. If the supplier has a material right of replacement, is the asset not identifiable?
- Does the Group have the right to receive substantially all of the economic benefits from the use of the asset during its useful life? and
- Does the Group have the right to direct the use of the asset? The Group has the right when it has the power to make decisions about whether and for what purpose the asset is used.

When establishing or re-evaluating an arrangement containing a lease, the Group separates the payments and other concessions required by the arrangement into each element of the lease on the basis of their relative fair values. The Group recognises the right-of-use asset and the right-of-use liability on the date the lease commences. Right-of-use assets are initially recognised at cost, which includes the initial amount of the liability adjusted for any payments made before or on the commencement date of the lease, plus expenses directly related to the lease of the asset and an estimate of the cost of dismantling and moving the asset or restoring the asset or the site on which it is located, less any benefits received for entering into the lease.

Right-of-use assets are subsequently depreciated using the straight-line method over the useful life of the asset or the term of the contract, whichever is shorter. The lease liability is initially measured at the present value of the payments that have not been paid at the inception of the lease, discounted at the interest rate implied by the arrangement. The right to use an asset is subject to impairment in accordance with IAS 36.

Lease obligations are initially measured at the present value of future lease payments discounted using the lessee's incremental borrowing rate (IBR), since the interest rate implicit in the lease cannot be directly determined. The lease liability is then adjusted for interest and lease payments, as well as for the effects of lease modifications. Interest is calculated by adjusting the present value of the lease liability and is charged to the consolidated and separate income statement under the heading 'Net finance income'.

Leases are monitored for significant changes that could cause a change in the lease term and at the end of each reporting period, the effect on the lease liability and right-of-use asset is reassessed. The lease liability is recalculated if there is a change in future lease payments, a change in the lease term, or, as the case may be, a change in the assessment of whether an extension option is reasonably certain to be exercised or the termination option is reasonably certain not to be exercised. When the lease liability is recalculated, a corresponding adjustment is made to the right-of-use asset and/or to profit or loss, as appropriate.

Determining the lease term for contracts with renewal and termination rights

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by the option to extend the lease, if it is certain that it will exercise the extension right, or taking into account the periods during which it has the option to terminate the lease. The Group has various lease agreements that include extension and termination rights, and it is at the discretion of the Group's management whether to exercise this right, after first assessing all relevant economic factors. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in current conditions under its control that affects its ability to exercise or not exercise the option to renew or terminate the lease (e.g., significant construction changes or significant adjustments to the leased asset). The periods covered by the termination options are not included as part of the lease.

Leases - Estimation of incremental borrowing cost (IBR)

The Group cannot easily determine the implicit interest rate of the lease and therefore uses the incremental borrowing cost (IBR) to measure lease obligations. The IBR is the interest rate that the Group would have to pay to borrow on similar terms and with similar security the necessary funds to acquire an asset of similar value to the right-of-use asset under similar financial conditions. The IBR therefore reflects what the Group would have to pay, which requires the judgment and assessment of the Group's management when observable interest rates are not available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and makes specific adjustments to reflect the Group's circumstances.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

Short-term leases and leases of low-value assets

The Group applies the exemption from recognizing short-term leases to short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not include a purchase option). The Group applies the exemption from recognition of low-value assets to leases that are considered low-value. Lease payments for short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

The Group as lessor

Leases in which the Group does not transfer substantially all the economic benefits and risks arising from ownership of the leased asset are classified as operating leases. Rental income is recognized in accordance with the terms of the lease using the straight-line method. Initial direct costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term using the straight-line method as rental income. Contingent rents are recognized as income in the period in which they are earned. Rental income is recognized in "Other investment income" in the consolidated and separate income statement.

Note 4: Significant accounting estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the use of certain significant accounting estimates and the exercise of judgment by management in the process of applying the Group's accounting policies. The areas that require the most judgment or are the most complex, or areas where assumptions and estimates have a significant effect on the financial statements, are discussed below.

Uncertainty about these assumptions and estimates may result in results that require a significant adjustment to the carrying amount of the assets or liabilities affected in future periods. Accounting calculations and estimates are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company based their assumptions and estimates on parameters that were available at the time of preparing the Consolidated Financial Statements. However, current conditions and assumptions regarding future developments may change due to changes in the market or conditions beyond the Group's control.

These changes are reflected in the assumptions when they occur. The key assumptions about the future and other main sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are described below:

- *Insurance and reinsurance contracts*

The significant judgments and estimates that the Company expects to apply as a result of IFRS 17 are as follows:

Estimation of future cash flows

When estimating future cash flows, the company incorporates in an unbiased manner all reasonable and supporting information available without undue cost or effort at the reporting date. This information includes both internal and external historical data on claims and other experience, so as to reflect current expectations about future events.

The measurement of a group of insurance contracts includes all future cash flows arising within the boundaries of a contract. In determining the cash flows that fall within the boundaries of a contract, the Company takes into account the substantive rights and obligations arising from the terms of the contract, as well as applicable laws and regulations. Cash flows are considered to be outside the contract boundaries if the Company has the practical ability to reprice existing contracts to reflect their reassessed risks and if the contract pricing for coverage up to the next reassessment date only takes into account the risks up to the next revaluation date.

Estimation of directly attributable cash flows

The Company must estimate whether cash flows can be directly attributed to a specific portfolio of insurance contracts. Cash flows from the acquisition of insurance contracts are included in the measurement of a group of insurance contracts only if they are directly attributable either to the individual contracts or to the portfolio of insurance contracts to which the group of contracts belongs. The Company will also consider as attributable cash flows fixed and variable general expenses directly related to the fulfillment of insurance contracts.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4: Significant accounting estimates and assumptions (continued)*Expense basis for cash flow projections*

The Company must conduct a detailed expense survey annually to determine the expense assumptions used in cash flow projections. The expense basis is determined in accordance with budgeted expenses and projected turnover.

Discount rates

The Company has used the following yield curves to discount cash flows for insurance contracts issued and reinsurance contracts held.

	1 year		2 years		3 years	
	2024	2023	2024	2023	2024	2023
Insurance contract liabilities and reinsurance contract assets	2,47%	3,56%	2,32%	2,89%	2,32%	2,64%

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation required by the Company for assuming the uncertainty regarding the amount and timing of cash flows arising from insurance risk and other non-financial risks, such as lapse risk and expenses risk. risks, such as lapse risk and expense risk. The non-financial risk adjustment reflects the amount the Company would pay to eliminate the uncertainty that future cash flows will exceed the expected value.

IFRS 17 does not specify the valuation technique(s) used to determine the adjustment for non-financial risk. The Company determines the risk adjustment for non-financial risk at the entity level and then allocates it to all insurance contract groups.

The Company has chosen to estimate the non-financial risk adjustment using the value at risk (VaR) approach, which is calibrated based on the standard formula of the Solvency II framework.

The risk adjustment is determined with a confidence level of 75%.

- *Impairment of receivables*

The Group assesses receivables on an individual basis to determine whether there is objective evidence of impairment of debtors and other receivables at each balance sheet date. Receivables are classified as doubtful and an allowance for impairment is made when there is objective evidence of impairment. Such objective evidence includes:

- delays in payment,
- indications of significant weakness in the debtor's ability to repay the debt,
- legal action taken,
- bankruptcy,
- other objective evidence leading to the conclusion that the Group will not collect the full amount due.

In addition to individual impairment provisions, the Group also makes collective impairment provisions. The Group adopts a standardised approach for collective provisions, which involves determining probabilities and loss rates based on the time that the receivables are outstanding. In addition, the use of historical information to determine the probability of default and loss rates is supplemented by significant estimates by management to assess whether current economic and credit conditions are such so as to assess whether the actual level of losses is greater or less than that indicated by historical experience.

- *Impairment of investments*

Financial instruments are impaired when there is objective evidence of impairment due to one or more events that occurred after the initial recognition of the investment and the damaging event (or events) affect the expected future cash flows of the investment. The assessment for impairment involves a series of findings and assumptions and takes into account a number of factors such as the issuer's financial situation, breach of contract terms, the likelihood of the issuer declaring bankruptcy or undergoing financial restructuring.

- *Impairment of receivables from Atlantic Securities Limited ('subsidiary')*

The Company periodically assesses the recoverability of the amount receivable from the subsidiary. The assessment for impairment includes a series of findings and assumptions and takes into account a number of factors such as declines in revenue, profits or cash flows, or significant adverse changes in the economic or political stability of the country, which may indicate that the carrying amount of an asset is not recoverable. If events and circumstances indicate that the amount receivable from the subsidiary may be impaired, the estimated future undiscounted cash flows related to these assets are compared with their carrying amounts to determine whether an impairment to fair value is necessary.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4: Significant accounting estimates and assumptions (continued)

- *Claims for insurance policy compensation*

Liabilities for outstanding claims arising from insurance policies issued by the Group are calculated based on estimates made by the claims management department after review by the legal department and/or external experts and based on the facts existing at the balance sheet date. Over time, these estimates are reviewed and any adjustments are recognized in the financial statements of the period in which they arise.

The main assumptions made in determining the amount of each receivable are based on past experience and market trends and include the amount of expenses incurred in handling the receivables. External factors that may affect the estimation of receivables, such as recent court decisions and the introduction of new legislation, are also taken into account. An estimate is made for liabilities from insurance policy claims. The Company assesses each claim individually and the estimated liability is based on the actual facts of each claim, experience, and other reasonable factors under the circumstances.

Provisions are also made for claims relating to risks that have occurred but have not been reported (IBNR) up to the balance sheet date. To calculate this provision, past experience is taken into account with regard to the number and amounts of claims reported after the reporting date. Insurance contract liabilities are sensitive to changes in the above basic assumptions. The effect of changes in certain assumptions, such as the introduction of new legislation and the outcome of court cases, is very difficult to quantify. In addition, the delay that usually occurs between the time the claim arises and the time it is reported and finally settled increases the uncertainty that exists at the balance sheet date.

- *Fair value of financial instruments*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group exercises judgment in selecting various valuation methods and makes assumptions that are based primarily on market conditions at each balance sheet date.

The Group regularly evaluates the valuation methods used to ensure their validity and appropriateness. Changes in the calculations and assumptions used may affect the fair value of the relevant financial instruments. Further information on the determination of the fair value of financial instruments is presented in note 33.

- *Fair value of property for own use and investment property*

The Group's accounting policy in relation to both property held by the Group for own use and property held for investment requires them to be measured at fair value. In the case of both property held for own use and investment property, fair value is determined at the end of each financial year so that the carrying amount does not differ materially from fair value. Valuations are performed by qualified valuers using valuation models as recommended by the Royal Institution of Chartered Surveyors and the International Valuation Standards Council. For their valuations, the valuers have used their knowledge of the market and their professional judgment and have not relied solely on historical transaction data, taking into account that the degree of uncertainty is increased in relation to the existence of a more active market for determining the market value of real estate. Depending on the nature of the property in question and the information available in the market, determining the fair value of the property may require the use of estimates such as future cash flows from the property and the appropriate discount rate for those cash flows. All these estimates are based on the conditions prevailing in the local market at the reporting date.

- *Taxation*

Estimates are required to determine the provision for corporate tax. For certain transactions and calculations, the determination of the final tax is uncertain. The Company recognizes liabilities for anticipated tax matters based on estimates of whether additional tax will arise. Where the final tax outcome of these issues differs from the amount initially recognized, the differences affect the provision for corporate tax and deferred tax in the period in which the final tax liability is determined.

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EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 5: Segmental Reporting

The Group has two main segments of business activity, general insurance business and financial services, both of which are carried out in Cyprus.

	Insurance €'000	Financial Services €'000	Total €'000
Year ended 31 December 2024			
Premiums and other income	26.122	1.134	27.256
Profit from operations	5.536	489	6.025
Purchase of tangible fixed assets	269	-	269
Purchase of intangible fixed assets	196	-	196
Disposal of tangible fixed assets	3	-	3
Depreciation of tangible fixed assets	233	-	233
Depreciation of intangible fixed assets	159	-	159
Total Assets	86.181	2.668	88.849
Total Liabilities	21.517	203	21.720
Year ended 31 December 2023			
Premiums and other income	23.599	810	24.409
Profit from operations	5.416	238	5.654
Purchase of tangible fixed assets	213	-	213
Purchase of intangible fixed assets	144	-	144
Disposal of tangible fixed assets	5	-	5
Depreciation of tangible fixed assets	222	-	222
Depreciation of intangible fixed assets	128	-	128
Total Assets	75.654	2.345	77.999
Total Liabilities	19.022	190	19.212

Note 6: Insurance revenue

The table below shows insurance revenues by line of business:

Insurance revenues by line of business

	2024 €'000	2023 €'000
Line of business		
Accident and health	2.735	2.747
Motor Vehicles	15.679	13.954
Marine & hull	233	241
Property	4.912	4.308
Liability	1.723	1.509
Other	840	840
	26.122	23.599

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Note 7: Insurance service expense

	2024 €'000	2023 €'000
Incurred claims and other insurance service expenses	11.937	10.756
Changes in liabilities for incurred claims	(1.163)	(1.377)
Insurance acquisition cash flows	3.890	3.403
	14.664	12.782

The table below shows insurance service expenses by class of insurance.

2024

	Motor vehicles €'000	Property €'000	Liability €'000	Accident & health €'000	Marine & hull €'000	Other €'000	Total €'000
Incurred claims and other insurance service expenses	9.704	792	280	1.116	40	5	11.937
Changes in liabilities for incurred claims	(784)	(75)	27	(253)	(75)	(1)	(1.163)
Insurance acquisition cash flows	1.989	1.163	407	260	53	17	3.890
	10.908	1.880	714	1.123	18	21	14.664

2023

	Motor vehicles €'000	Property €'000	Liability €'000	Accident & health €'000	Marine & hull €'000	Other €'000	Total €'000
Incurred claims and other insurance service expenses	8.459	448	416	1.385	37	11	10.756
Changes in liabilities for incurred claims	(682)	(166)	(221)	(287)	(24)	3	(1.377)
Insurance acquisition cash flows	2.024	754	297	256	47	25	3.403
	9.801	1.036	492	1.354	60	39	12.782

Insurance acquisition cash flows

	2024 €'000	2023 €'000
Amounts incurred during the period	2.044	1.683
Amortisation of Insurance acquisition cash flows	1.846	1.720
	3.890	3.403
Represented by:		
Insurance service expense	1.562	1.311
Other operating costs	2.328	2.092
	3.890	3.403

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Note 8: Net expense from reinsurance contracts held

Allocation of reinsurance premiums

	2024	2023
	€'000	€'000
Reinsurance premiums	4.942	4.900
Changes in assets from reinsurance contracts held	236	(480)
Income from reinsurers	(1.228)	(1.016)
	3.950	3.404

Amounts recoverable from reinsurers for incurred claims

	2024	2023
	€'000	€'000
Recoveries of incurred claims and other insurance service expenses	583	271
Changes relating to past service: changes in recoveries of liabilities for recoverable amounts	18	340
	601	611

The table below shows net expense from reinsurance contracts held by class of insurance.

2024

	Motor vehicles €'000	Property €'000	Liability €'000	Accident & health €'000	Marine & hull €'000	Other €'000	Total €'000
Allocation of reinsurance premiums	833	2.168	277	79	102	491	3.950
Recoveries of incurred claims	79	445	11	26	22	-	583
Changes relating to past service	78	(35)	(4)	1	(21)	(1)	18
Amounts recoverable from reinsurers	157	410	7	27	0	(1)	601
Net expense from reinsurance contracts held	676	1.758	270	52	102	492	3.349

2023

	Motor vehicles €'000	Property €'000	Liability €'000	Accident & health €'000	Marine & hull €'000	Other €'000	Total €'000
Allocation of reinsurance premiums	692	1.841	252	52	111	456	3.404
Recoveries of incurred claims	2	244	-	1	23	1	271
Changes relating to past service	474	(23)	(110)	-	(1)	-	340
Amounts recoverable from reinsurers	476	221	(110)	1	22	1	611
Net expense from reinsurance contracts held	216	1.620	362	51	89	455	2.793

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Note 9: Other income from insurance operations

	2024 €'000	2023 €'000
Share of pool participation profits	237	166
Profit on sale of assets	3	2
Other income	18	9
	258	177

The Company's participation in Cyprus Hire Risks Pool is mandatory for insurance companies with operations in the motor vehicle sector. The Company's share of the profits and losses of the pool is calculated on the basis of the percentage of the Company's motor insurance premiums.

Note 10: Other operating expenses

	2024 €'000	2023 €'000
Staff costs	3.825	3.651
Discounts allowed	573	491
Depreciation	233	222
Motor expenses and traveling	167	179
Amortisation of intangibles	159	128
Printing and stationery	153	156
Audit fees	131	92
Advertising and promotion	128	113
Computer expenses	133	110
Professional services	82	74
Office expenses	59	17
Electricity	56	88
Telephone	54	53
Postages and transport	36	33
Insurance	32	23
Investment expenses	28	94
Other expenses	136	208
	5.985	5.760

The above operating costs are analysed as follows:

	2024 €'000	2023 €'000
Direct claims expenses (note 7)	979	830
Insurance acquisition cash flows (note 7)	2.328	2.040
Other expenses	2.678	2.629
	5.985	5.499

Audit fees include the following:

	2024 €'000	2023 €'000
Audit fees	123	91
Fees for other verification services	11	13
Fees for non-audit services	5	3

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Note 10: Other operating expenses (continued)

Staff costs	2024	2023
	€'000	€'000
Salaries	3.223	3.092
Social insurance contributions	251	229
Provident fund contributions	142	130
Other contributions	209	200
	3.825	3.651

The directors' emoluments which are included in the above amounts are analysed in note 31.

Average number of employees

The average number of employees was as follows:

	2024	2023
Full-time employees	120	120

The Company and its subsidiary Atlantic Securities Ltd operate defined contribution provident fund schemes. The funds are separately financed and prepare their own financial statements. In accordance with the Funds' memorandum the members are entitled to the payment of certain benefits on their retirement or early termination of their employment.

Note 11: Gain on sale and revaluation of investments

	2024	2023
	€'000	€'000
Gain on sale of investments	1.984	1.113
Gain on revaluation of investments	2.627	2.800
Gain on revaluation of bonds	825	938
Gain on revaluation of foreign investments	1.231	1.522
Impairment of subsidiary	(10)	-
	6.657	6.373

Note 12: Other income from investments

	2024	2023
	€'000	€'000
Dividend income	707	436
Rents receivable	112	106
	819	542

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Note 13: Net finance income

	2024 €'000	2023 €'000
Interest from bank deposits	62	82
Interest from bonds	1.038	1.046
Bank charges and interest paid	(96)	(95)
Other interest	5	1
Exchange differences	4	7
	1.013	1.041

Note 14: Taxation

The tax charge is based on the profit for the year as adjusted for tax purposes and consists of the following:

	2024 €'000	2023 €'000
Corporation tax	909	891
Defence tax contribution	2	2
Foreign taxes deducted at source	23	32
Deferred taxation	8	(19)
Prior year taxes	-	1
	942	907

The reconciliation between the tax charge and the tax which is calculated on the accounting profit of the year using the current applicable tax rates is as follows:

	2024 €'000	2023 €'000
Accounting profit	14.631	13.781
Tax based on current tax rates	1.829	1.723
Defense tax contribution	2	2
Foreign taxes deducted at source	23	31
Prior year taxes	-	1
Deferred taxation	8	(19)
<i>Adjustments for:</i>		
Disallowed expenses	67	71
Income not taxed	(112)	(55)
Gain on sale and revaluation of investments	(830)	(795)
Gain on revaluation of property	(15)	(21)
Capital allowances	(30)	(26)
Tax losses brought forward	-	(5)
	942	908

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Note 15: Earnings per share

	2024 €'000	2023 €'000
Net profit attributable to shareholders	13.519	12.783
Weighted average number of issued shares	38.944	38.944
Basic earnings per share (cents)	34,71	32,83

Earnings per share is calculated based on the weighted average number of shares which were issued during the year.

The fully diluted earnings per share is equal to the basic earnings per share since the Group has not issued any dilutive instruments.

Note 16: Group companies

The subsidiary companies of the group are the following private limited liability companies registered in Cyprus:

Company	Principal activities	Share %	2024 €'000	2023 €'000
Lyssi Investments Ltd	Car hire	100,0	86	86
Lion Insurance Agency Ltd	Voluntary liquidation.	100,0	-	141
Atlantic Securities Limited ⁽¹⁾	Brokerage and investment services	67,7	674	674
			760	901

The subsidiary Lion Insurance Agency Ltd entered into voluntary liquidation on 31 October 2024.

The Company periodically assesses the recoverability of the investment in subsidiaries whenever there are indications of impairment. Indications of impairment include factors such as the reduction in revenues, earnings or cash flows or other unfavourable changes that may indicate that the carrying amount of the assets may no longer be recoverable. During the year the Company did not make any provision for permanent diminution in the value of the investment in its subsidiary companies.

There are no material restrictions on the ability to transfer funds from subsidiaries to the holding company beyond the regulatory limitations to which Atlantic Securities Limited is subject.

The contribution of the parent company to the consolidated financial statements, after taking into account transactions and balances between Group companies which were eliminated at consolidation, is as follows:

	2024 €'000	2023 €'000
Premiums and other income	26.122	23.599
Profit from operations	5.540	5.420
Total assets	87.249	76.822
Total liabilities	21.512	19.010

The contribution of subsidiary undertakings to the consolidated financial statements is as follows:

	Atlantic Securities Limited €'000	Lyssi Investments Ltd €'000	Lion Insurance Agency Limited €'000	2024 €'000	2023 €'000
Premiums and other income	1.134	-	-	1.134	811
Profit / (loss) from operations	489	(4)	-	484	233
Total assets	2.668	96	-	2.764	2.593
Total liabilities	203	5	-	208	202

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Note 17: Tangible fixed assets

	Land and buildings	Furniture and fittings	Computer hardware and software	Motor vehicles	Total
Cost or revaluation	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2023	6.116	768	435	767	8.086
Additions	-	128	17	68	213
Revaluation	86	-	-	-	86
Disposals	-	-	-	(5)	(5)
Balance at 1 January 2024	6.202	896	452	830	8.380
Additions	-	165	22	82	269
Revaluation	35	-	-	-	35
Disposals	-	-	-	(3)	(3)
Balance at 31 December 2024	6.237	1.062	474	912	8.681
Depreciation					
Balance at 1 January 2023	-	637	344	628	1.609
Depreciation for the year	101	27	35	59	222
On revaluation	(101)	-	-	-	(101)
On disposals	-	-	-	(5)	(5)
Balance at 1 January 2024	-	664	379	682	1.725
Depreciation for the year	102	48	30	53	233
On revaluation	(102)	-	-	-	(102)
On disposals	-	-	-	(3)	(3)
Balance at 31 December 2024	-	712	409	732	1.853
Net book value at					
31 December 2024	6.237	349	65	180	6.829
31 December 2023	6.201	233	74	148	6.657

Revaluation of tangible fixed assets and investment properties

The policy of the Group is to carry out revaluations of its property at the end of each year. Hence the immovable property of the Company was revalued at 31 December 2024 by the independent professional property valuers Roussos, Angelides & Finticlis using the open market value method. The valuers have the required professional qualifications as well as recent experience in the valuation of this type of properties and geographical areas. The market value was calculated based on current comparative data and after taking into account the physical and legal characteristics, prospects and advantages of the relevant properties as well as the general trends in the property market and the economy.

The market value was calculated based on the relative market value method which is based on a comparison with properties having similar physical and legal characteristics both in the area under consideration and in other areas. This comparative data has been collected from the Land Registry's records and has been assessed taking into account factors such as the specific characteristics of the property, its location, urban planning data and any restrictions on the use and the characteristics of the surrounding and wider area.

Property Category	Method of valuation	Non-observable data	Range of data variation	2024	2023
				€'000	€'000
Land & buildings	Relative market value	Fair value per sq. m	€1400-€1450 / τ.μ.	430	430
Land & buildings	Relative market value	Fair value per sq. m	€2850-€2950 / τ.μ.	3.770	3.770
Land & buildings	Relative market value	Fair value per sq. m	€2500-€2600 / τ.μ.	660	635
Land & buildings	Relative market value	Fair value per sq. m	€1150-€1250 / τ.μ.	850	840
Land & buildings	Relative market value	Fair value per sq. m	€1350-€1450 / τ.μ.	526	526

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Note 17: Tangible fixed assets (continued)

The value of the land and buildings that would appear in the consolidated and the parent financial statements based on historical cost minus depreciation is as follows:

	2024	2023
	€'000	€'000
Land	1.149	1.149
Buildings	1.289	1.390
	2.438	2.539
Revalued amount of land on which no depreciation is charged	2.757	2.788

Right of use assets

The implementation of IFRS 16 has led to the recognition of right of use assets and lease liabilities. Right of use assets and the related lease liability were discounted over the non-cancellable period of the lease agreement.

	Right of use land	Total
	€'000	€'000
Cost		
Balance at 1 January 2023	16	16
Balance at 1 January 2024	16	16
Balance at 31 December 2024	16	16
Depreciation		
Balance at 1 January 2023	16	16
Balance at 1 January 2024	16	16
Balance at 31 December 2024	16	16
Net book value		
31 December 2024	-	-
31 December 2024	-	-

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Note 18: Intangible assets

	Goodwill on acquisition of agents' portfolios €'000	Computer software €'000	Total €'000
Cost or revaluation			
Balance at 1 January 2023	570	601	1.171
Additions	114	30	144
Balance at 1 January 2024	684	631	1.315
Additions	131	65	196
Balance 31 December 2024	816	696	1.512
Amortisation			
Balance at 1 January 2023	480	548	1.028
Amortisation for the year	98	30	128
Balance at 1 January 2024	578	578	1.156
Amortisation for the year	124	35	159
Balance 31 December 2024	702	613	1.315
Net book value at 31 December 2024	114	82	196
31 December 2023	106	53	159

Note 19: Investment properties

Revaluation

The Group's policy regarding the revaluation of investment properties is the same as that presented in note 17 for the revaluation of fixed assets.

	2024 €'000	2023 €'000
Land and buildings	4.732	4.553
Balance at 1 January		
Additions	3	8
Fair value loss on revaluation	117	171
Balance at 31 December	4.852	4.732

Information on the valuation of the main properties of the Group is provided below:

Property Category	Method of valuation	Non-observable data	Range of data variation	2024 €000	2023 €000
Land & buildings	Relative market value	Fair value per sq. m	€1200-€1250 / τ.μ.	235	235
Land & buildings	Relative market value	Fair value per sq. m	€2950-€3050 / τ.μ.	1.195	1.195
Land & buildings	Relative market value	Fair value per sq. m	€1450-€1800 / τ.μ.	435	420
Land	Relative market value	Fair value per sq. m	€100-€120 / τ.μ.	1.885	1.790
Land & buildings	Relative market value	Fair value per sq. m	€1400-€1450 / τ.μ.	1.074	1.064

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Note 19: Investment properties (Continued)

The value of investment properties that would appear in the consolidated and the parent financial statements based on historical cost is as follows:

	2024	2023
	€'000	€'000
Land	4.358	4.356
Buildings	2.326	2.326
	6.684	6.682

Note 20 Financial assets at fair value through profit or loss

	2024	2023
	€'000	€'000
Equity investment listed in CSE and ASE	15.164	10.006
Foreign equities and investments funds	14.538	12.802
Private equity investment funds	699	877
Hedge funds	3.275	2.710
International real estate funds	2.067	2.005
Cyprus bonds	7.604	6.408
Foreign bonds	12.740	8.218
Gold and commodities	1.564	1.291
Short term government treasury bills (Note 22)	7.014	10.463
	64.665	54.780

International shares and equity funds include the Company's participation in the Fincap Ventures AIF V.C.I.C. Plc / Crevalon investment fund of a total value of €4.92 million (2023: €5.40 million). The administrator of the fund has informed us that 58.3% of the value of the fund's investments as at 31 December 2024 are held at Euroclear Bank S.A, at a sub-custodian account of VTB Bank, which acted as sub-custodian to the Fund's previous depositary, MeritKapital Ltd. Euroclear Bank S.A currently refuses to release the securities and cash due to the sanctions imposed by the EU on Russia. The management has made a provision for impairment of the fair value of the fund due to the resulting limited liquidity of the investments. The impairment amounted to €1,51 million and represents 36% of the value of the affected investments in the fund.

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Note 21: Debtors and other receivables

	2024	2023
	€'000	€'000
Debtors and other receivables	196	149
Receivables from financial services operations	478	595
Other receivables	1.076	1.220
Other receivables from financial services operations	1.785	1.224
Derivative financial assets	-	147
	3.535	3.335
	2024	2023
	€'000	€'000
Customer and intermediaries' balances		
Receivables	9.019	9.545
Less provision for bad and doubtful debtors	(2.898)	(3.254)
	6.121	6.291
Minus balances included in liabilities from insurance contracts	(5.444)	(5.547)
	677	744
Provision for bad and doubtful debtors		
Balance at 1 January	3.253	3.380
Write offs	(109)	(118)
Reversal of provision for bad and doubtful debtors (including interest suspended and amounts recovered)	(246)	(8)
Balance at 31 December	2.898	3.254

The Group and the Company apply the general approach of IFRS 9 for the calculation of expected credit losses. Expected credit loss rates are based on the past experience of the companies of the Group with the customer, the customer's reliability against his obligations, information in relation to his financial condition, the timing of the agreed payments and generally the prevailing wider economic environment. Management believes that there is no additional credit risk beyond the amounts provided for bad and doubtful debts.

Receivables of the subsidiary undertaking Atlantic Securities Ltd include specific customer balances amounting to €48 thousand (2023: €101 thousand) net of provisions, whose credit facility agreements for trading in financial assets were terminated. With the specific customers, written and oral agreements have been made for the repayment of their obligations to the company on a long-term basis or satisfactory collaterals are held in equity titles which can be liquidated by the Company at its absolute discretion.

Part of the customer balances of Atlantic Securities Ltd are secured by collaterals held by the company against financial assets of the customers, the value of which at 31 December 2024 was €432 thousand (2023: €497 thousand)

Other receivables include an amount of €405 thousand which is deposited in a clients' account at FBME Bank Ltd. As a result of the resolution procedure in which the branch of FBME Bank Ltd in Cyprus has been placed, the release of this amount has not been made possible as of today.

The derivatives relate to 40 futures contracts totaling \$5,63mIn at an agreed average rate of \$1,12: €1,00 and maturity date September 15, 2025. The contracts were entered for the purpose of hedging currency risks arising from the exposure of the Company's investments and bank balances in USD.

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Note 22: Short-term Government Treasury Bills

	2024 €'000	2023 €'000
Germany	-	1.529
European Union	6.283	8.089
Netherlands	-	845
Cyprus	731	-
	7.014	10.463

Note 23: Cash and bank balances

	2024 €'000	2023 €'000
Cash and bank balances	3.780	2.847
Fixed term bank deposits maturing between 1 and 3 months	-	-
	3.780	2.847
Bank Overdraft and short-term loans	(15)	(74)
	3.765	2.773

	Interest (Annual)		2024 €'000	2023 €'000
	2024	2023		
Fixed term deposits between 4 and 12 months	0,0%-4,22%	0,0%-4,22%	1.731	2.054
Fixed term deposits over 1 year	3,0%	3,0%	-	1.200
			1.731	3.254

The bank overdrafts of the Company are secured by a mortgage of €215 thousand on the immovable property of the Company and by personal guarantees of the members of the Board of Directors. Bank deposits of the Company amounting to €0,23 mln are pledged towards letters of guarantee and other bank facilities.

Note 24: Share Capital

	2024		2023	
	Number of shares (thousand)	€'000	Number of shares (thousand)	€'000
Authorised				
Ordinary shares €0,34 per share	250.000	85.000	250.000	85.000
Issued and fully paid				
Ordinary shares €0,34 per share	38.944	13.241	38.944	13.241

The authorized share capital of the Company is €85mln and consists of 250.000.000 ordinary shares with a nominal value of €0,34 each. The issued share capital of the Company is €13.240.848 consisting of 38.943.671 ordinary shares with a nominal value of €0,34 each. There was no change in the capital structure of the Company during the year.

The Extraordinary General Meeting of the Company which took place on June 5, 2024 approved the following resolution:

Special resolution

"That the Board of Directors be authorized and is hereby authorized to implement a buy- back programme, in accordance with the provisos of Article 57A of the Companies Act 113 (Amended). The minimum and maximum price at which own shares may be bought, cannot exceed by more than 5%, the average market price of the Company's shares during the last 5 trading sessions before the acquisition. The Company may acquire, within the period of 12 months from the date of AGM resolution, the maximum number of shares which is permitted by the Act. The shares may be acquired either in the market or through a private agreement."

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Note 24: Share Capital (Continued)

The above resolution was proposed for the renewal of the Company's Repurchase Program of own shares for the period from June 5, 2024 to June 4, 2025. During the year the Company did not acquire any own shares. At 31 December 2024 the company did not hold any own shares.

Nature and scope of reserves:*Share premium reserve*

The share premium reserve consists of the difference between the issue price of the share capital and the nominal value.

Revaluation reserve

The revaluation reserve consists of the surplus or deficit resulting from the revaluation of land and buildings included in tangible fixed assets and are measured at fair value.

Fair value reserve

The fair value reserve includes changes in the fair value of financial assets available for sale. When these financial assets are disposed of or impaired, the accumulated fair value adjustments recognised in equity are transferred to the income statement for the year.

Accumulated retained earnings

The retained earnings comprise total comprehensive income that has not been distributed to the shareholders.

Note 25: Deferred Taxation

	2024	2023
	€'000	€'000
<i>Provision for property revaluation</i>		
Balance 1 January	(72)	(64)
Deferred tax on revaluation of immovable property	15	(8)
Balance 31 December	(57)	(72)
<i>Provision for temporary differences between depreciation and capital allowances</i>		
Balance 1 January	158	154
Deferred tax on transitional impact of IFRS17	(59)	-
Deferred tax for the year	4	4
Balance 31 December	103	158
Total Balance 31 December	46	86

Note 26: Other Liabilities

	2024	2023
	€'000	€'000
Taxation	325	377
Creditors of parent company	894	859
Other liabilities of parent company	689	711
Dividends payable	449	415
Derivative financial liabilities	371	-
Other liabilities from financial services operations	193	173
	2.921	2.535

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Note 27: Liabilities / (assets) from insurance contracts

On 31 December	LIABILITIES OF INSURANCE CONTRACTS 2024				2023			
	Liabilities for remaining coverage	Liabilities for incurred claims		Total	Liabilities for remaining coverage	Liabilities for incurred claims		Total
	Excluding loss component €'000	Estimate of present value of futured cash flows €'000	Risk adjustments €'000	€'000	Excluding loss component €'000	Estimate of present value of futured cash flows €'000	Risk adjustments €'000	€'000
Liabilities from insurance contracts on 1 January	5.111	11.581	606	17.298	4.855	12.883	660	18.398
Net liabilities from insurance contracts on 1 January	5.111	11.581	606	17.298	4.855	12.883	660	18.398
Premiums	(26.122)	-	-	(26.122)	(23.600)	-	-	(23.600)
Insurance revenue	(26.122)	-	-	(26.122)	(23.600)	-	-	(23.600)
Incurred claims and other direct expenses	-	11.685	252	11.937	-	10.834	225	11.059
Changes in liabilities for incurred claims	-	(974)	(189)	(1.163)	-	(994)	(279)	(1.273)
Insurance acquisition costs	3.890	-	-	3.890	3.403	-	-	3.403
Insurance service expenses	3.890	10.711	63	14.664	3.403	9.840	(54)	13.189
Insurance service result	(22.232)	10.711	63	(11.458)	(20.197)	9.840	(54)	(10.411)
Finance income / (expenses) from insurance contracts	-	475	-	475	-	149	-	149
Total changes in the statement of profit or loss and OCI	(22.232)	11.186	63	(10.983)	(20.197)	9.989	(54)	(10.262)
Premiums received	26.478	-	-	26.478	23.935	-	-	23.935
Claims and other service expenses paid	-	(10.129)	-	(10.129)	-	(11.291)	-	(11.291)
Cash flows for insurance acquisition	(3.927)	0	-	(3.927)	(3.483)	-	-	(3.483)
Total cash flows	22.551	(10.129)	-	12.422	20.452	(11.291)	-	9.161
Net liabilities from insurance contracts on 31 December	5.429	12.638	669	18.736	5.110	11.581	606	17.298

Method of valuation: PAA

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 27: Liabilities / (assets) from insurance contracts (continued)

	ASSETS FROM REINSURANCE CONTRACTS HELD							
	Liabilities for remaining coverage	2024 Liabilities for incurred claims		Total	Liabilities for remaining coverage	2023 Liabilities for incurred claims		Total
		Estimate of present value of futured cash flows	Risk adjustments			Estimate of present value of futured cash flows	Risk adjustments	
On 31 December	Excluding loss component				Excluding loss component			
Method of valuation: PAA								
Reinsurance contract held	€	€	€		€	€	€	
Assets from reinsurance contracts on 1 January	1.070	1.246	66	2.382	853	2.104	101	3.057
Net assets from reinsurance contracts on 1 January	1.069	1.246	66	2.382	853	2.104	101	3.057
Allocation of reinsurance premiums paid	(3.950)	-	-	(3.950)	(3.623)	-	-	(3.623)
Recoverable amounts from reinsurers	-	566	16	582	-	254	18	272
Recoverable amounts of prior years	-	21	(2)	19	-	416	(52)	363
Net (expenses) / income from reinsurance contracts	(3.950)	587	14	(3.349)	(3.623)	670	(34)	(2.988)
Finance income / (expenses) from reinsurance contracts	-	53	-	53	-	54	-	54
Total changes in the statement of profit or loss and OCI	(3.950)	640	14	(3.296)	(3.623)	724	(34)	(2.934)
Reinsurance premiums and related expenses	4.011	-	-	4.011	3.840	-	-	3.840
Amounts received	-	(326)	-	(326)	-	(1.582)	-	(1.582)
Total cash flows	4.011	(326)	-	3.684	3.840	(1.582)	-	2.258
Net assets from reinsurance contracts on 31 December	1.130	1.560	80	2.770	1.069	1.246	66	2.382

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 27: Liabilities / (assets) from insurance contracts (continued)

The table below show the carrying amounts of liabilities from insurance contracts and of assets from reinsurance contracts held by line of business.

Liabilities from insurance contracts

	31 December 2024			31 December 2023		
	Liabilities for remaining coverage	Liabilities for incurred claims	Total	Liabilities for remaining coverage	Liabilities for incurred claims	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Insurance contracts issued						
Motor Vehicles	3.582	10.205	13.787	3.202	9.160	12.362
Property	775	402	1.177	943	254	1.197
Liability	215	2.134	2.349	207	1.966	2.173
Accident and health	989	381	1.370	905	570	1.475
Marine & hull	13	185	198	12	233	245
Other	(145)	1	(144)	(157)	3	(154)
	5.429	13.308	18.736	5.112	12.186	17.298

Assets from reinsurance contracts

	31 December 2024			31 December 2023		
	Liabilities for remaining coverage	Liabilities for incurred claims	Total	Liabilities for remaining coverage	Liabilities for incurred claims	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Reinsurance contracts held						
Motor Vehicles	167	1.088	1.255	165	896	1.061
Property	632	262	894	599	148	747
Liability	50	163	213	22	150	172
Accident and health	225	26	251	219	-	219
Marine & hull	36	101	137	46	117	164
Other	20	0	20	18	1	18
	1.130	1.640	2.770	1.069	1.312	2.382

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 28: Transactions between group companies and other related persons

Transactions and balances with subsidiary undertakings

		Transaction value		Debit / (Credit) balance	
		2023	2022	2023	2022
		€'000	€'000	€'000	€'000
Nature of transaction					
Lyssi Investments Limited					
	Other income	3	1		
	Dividends received	-	3		
	Balance			-	14
Lion Insurance Agency Limited					
	Commissions paid	-	4		
	Balance			-	-
Atlantic Securities Limited					
	Brokerage commissions	28	13		
	Interest receivable	5	3		
	Balance			400	500
	Clients' brokerage account balance			1.377	773

The amount receivable from Atlantic Securities Ltd carries interest of 1,00% per annum (2023: 0,50% per annum) and is not secured.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 28: Transactions between group companies and other related persons (continued)

Transactions with related parties

a) AstroBank Ltd

AstroBank Ltd owns more than 5% of the issued share capital of the Company. The transactions which are mentioned below arose from normal banking and financial services offered by the bank to the Company and its subsidiaries as well as insurance agent services offered by its subsidiary company Astrobank Insurance Agency Ltd. The Agency Agreement between Atlantic Insurance and Astrobank Insurance Agency Ltd was terminated on December 31, 2024.

	2024	2023
	€'000	€'000
Interest income from bank deposits	-	(1)
Interest income from bonds	8	8
Premiums	72	140
Commissions payable for insurance operations	(223)	(216)
Investment management and custody fees	(3)	(5)
Bank balances and bank deposits	458	308
Clients' bank accounts of subsidiary undertaking	652	2.797
Receivables from insurance operations	-	70
Financial assets held for trading	100	90

b) Eurautoparts Ltd

The Company's directors Andreas Frangoullis and Nina Pyrishi are directors and shareholders of Eurautoparts Ltd. Eurautoparts Ltd has entered into voluntary liquidation. The transactions with the company during the year and the balances as at 31 December were:

Nature of transaction	Transactions value		Debit /(Credit) balance	
	2024 €000	2023 €000	2024 €000	2023 €000
Insurance premiums	-	1	-	67

c) BetonAlpha Ltd

The Company's directors Emilios Pyrishis and George Pyrishis are shareholders of BetonAlpha Ltd. The transactions with the company during the year and the balances as at 31 December were:

Nature of transaction	Transactions value		Debit /(Credit) balance	
	2024 €000	2023 €000	2024 €000	2023 €000
Insurance premiums	25	31	-	1

d) Lyssi Insurance Agents Ltd

The Company's directors Emilios Pyrishis, George Pyrishis and Andreas Frangoullis are directors and shareholders of Lyssi Insurance Agents Ltd. There were no transactions with the company during the year. The balances as at 31 December were:

Nature of transaction	Transaction value		Debit /(Credit) balance	
	2024 €000	2023 €000	2024 €000	2023 €000
Lyssi Insurance Agents Limited Balance	-	-	(4)	(4)

All transactions with related parties were made at arm's length with standard business terms and conditions.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED
EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Note 29: Shareholders holding more than 5% of the issued share capital

In accordance with article 60 (4) of the Cyprus Stock Exchange Law and Regulations the shareholders owning directly or indirectly more than 5% of the issued share capital of the Company at 31 December 2024 and 5 days before the date of approval of the financial statements by the Board of Directors, were:

	31 December 2024	31 March 2025
	%	%
Emilios Pyrihis ¹	34,64	34,64
Andreas Frangoullis ²	21,22	21,22
Piraeus Bank SA	9,99	9,99
AstroBank Public Company Ltd	9,99	9,88
Maro Marathovouniotou ³	5,98	5,98

- (1) The holding of Emilios Pyrihis includes his direct share of 24,17% and his indirect holding arising from the shares owned by his brother George Pyrihis (10,47%).
- (2) The holding of Andreas Frangoullis includes his direct share (20,12%) and his indirect holding arising from the shares owned by his wife Elli Frangoulli (0,19%), his children Christos, Orthodoxos and Vasilis (0,83%), his mother Vasilou Frangoulli (0,03%) and his brother Filippou Frangoullis (0,05%).
- (3) The holding of Maro Marathovounioti includes her direct share (1,43%) and her indirect holding arising from the shares owned by her daughter Athena Nicolaidou (1,61%), her son Alexis Marathovouniotis (1,43%) and her son Andreas Marathovouniotis (1,49%).

Note 30: Directors' holding in the share capital of the Company

The number of shares and the percentage holding in the share capital of the Company owned directly or indirectly by the members of the Board, their spouses or minor children and companies in which they hold directly or indirectly more than 20% of the voting shares, in accordance with Article 60 (4) of the Cyprus Stock Exchange Law and Regulations, on 31 December 2024 and 5 days before the date of approval of the financial statements by the Board of Directors, were:

	31 December 2024		31 March 2025	
	Number of Shares	%	Number of Shares	%
Emilios Pyrihis	9.411.320	24,17	9.411.320	24,17
Andreas Pirishis	20.000	0,05	20.000	0,05
Andreas Frangoullis ¹	8.265.755	21,22	8.265.755	21,22
George Pyrihis	4.079.592	10,47	4.079.592	10,47
Nina Pyrihi	-	0,00	-	0,00
Menicos Messios	-	0,00	-	0,00
Charalambos Alexandrou ²	86.224	0,22	86.224	0,22
Loukis Ioannou ³	3.556	0,01	3.556	0,01
Marios Savvides ⁴	165.135	0,42	165.135	0,42
George Koutsos	-	0,00	-	0,00

- (1) The holding of Andreas Frangoullis includes his direct share (20,12%) and his indirect holding arising from the shares owned by his wife Elli Frangoulli (0,19%), his children Christos, Orthodoxos and Vasilis (0,83%), his mother Vasilou Frangoulli (0,03%) and his brother Filippou Frangoullis (0,05%).
- (2) The holding of Charalambos Alexandrou includes his direct share (0,21%) and his indirect holding arising from the shares owned by his brother Emilios Alexandrou (0,01%).
- (3) The holding of Loukis Ioannou includes his indirect holding arising from the shares owned by his father Christakis Ioannou (0,003%) and his mother Eleni Ioannou (0,004%).
- (4) The holding of Marios Savvides includes his direct share (0,06%) and his indirect holding arising from the shares owned by his wife Jane Savvides (0,36%).

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 31: Transactions with Directors and related persons

There was no other material contract in force at the end of the financial year or at the date of approval of the financial statements in which shareholders holding directly or indirectly more than 5% of the Company's share capital and members of the Board of Directors, their spouse or minor children have or had directly or indirectly a material interest, except for the agreements listed below.

Triantafyllos Lysimachou is a Director of Piraeus Insurance & Reinsurance Brokers and Piraeus Agency S.A. which are subsidiaries of Piraeus Bank S.A. He is also a Director of Astrobank Insurance Agencies Ltd. The transactions of the Company with AstroBank Public Company Ltd are disclosed in note 28.

The total remuneration of the Directors of the Company for the year 2024 is shown in the table below:

	Salaries, expenses and contributions	Fees	Social Insurance and other contributions	Provident fund contributions	2024 Total	2023 Total
	€000	€000	€000	€000	€000	€000
Executive directors						
Emilios Pyrishis	106	1	12	5	124	121
Andreas Frangoullis	106	1	6	-	113	111
Loukis Ioannou	87	1	11	4	103	99
Non-executive directors						
Nina Pyrish	-	1	-	-	1	1
George Pyrishis	-	1	-	-	1	1
Andreas Pirishis	-	1	-	-	1	1
Charalambos Alexandrou	-	1	-	-	1	1
Menicos Messios	-	8	-	-	8	8
Marios Savvides	-	15	-	-	15	15
George Koutsos	-	1	-	-	1	1
Triantafyllos Lysimachou	-	-	-	-	-	1
	299	31	29	9	368	360

The directors' remuneration is analysed as follows:

	2024	2023
	€000	€000
Executive capacity	357	356
As directors	31	32
	388	388

The remuneration of executive directors includes fixed income such as salaries and other short-term benefits, contributions (social insurance, provident fund) and entertainment expenses. These amounts do not include variable income such as bonuses, shares, warrants, etc.

Part of the total remuneration of the Directors relates to the payment of the 14th salary which, as for all other staff of the Company, is calculated at fixed rates which vary in accordance with the net profit of the previous financial year.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks

1. Risk management

The Group is exposed to risks, the most important of which are insurance risk, credit risk, interest rate risk, currency risk, liquidity risk, market risk and compliance risk. These risks are monitored on a systematic basis in order to avoid the accumulation of excessive exposures. The nature of these risks and the Group's management policy are explained below:

Insurance risk

The table below shows the sensitivity of the results to changes in assumptions that materially affect them. The analysis is performed for a reasonable range of changes in the main assumptions, with other assumptions remaining constant and shows their impact on profit before tax and equity:

	<i>Change in assumption</i>	<i>Impact on profits before tax</i>	<i>Impact on equity</i>
31 December 2024			
Net Loss Ratio (after deduction of the reinsurers' share of claims)	%	€'000	€'000
- Increase	3%	-628	-628
- Increase	5%	-1.047	-1.047
- Decrease	-3%	628	628
- Decrease	-5%	1.047	1.047
31 December 2023			
Net Loss Ratio (after deduction of the reinsurers' share of claims)	%	€'000	€'000
- Increase	3%	-575	-575
- Increase	5%	-959	-959
- Decrease	-3%	575	575
- Decrease	-5%	959	959

The 10-year development of the total claim payments for all insurance classes for accident years between 2008 and 2024 is shown below:

Accident year	0	1	2	3	4	5	6	7	8	9	10 +	Ολικό
2008	6.151	1.339	207	-1	132	189	38	1	15	3	36	8.110
2009	6.434	1.418	140	630	18	13	162	187	15	101	31	9.149
2010	6.660	1.459	207	312	703	349	12	114	33	33	33	9.914
2011	6.633	134.360	282	77	35	45	28	156	19	176	322	142.134
2012	6.758	1.655	177	58	12	29	817	92	71	3	149	9.821
2013	5.525	1.445	379	129	131	31	89	51	0	36	39	7.855
2014	5.207	1.366	220	1.354	65	117	74	52	2	1.143	16	9.615
2015	6.193	2.145	355	98	2	27	16	76	139	211	-2	9.261
2016	5.052	2.067	6.349	69	6.631	111	31	115	-29			20.396
2017	5.310	1.843	78	208	58	-2	78	44				7.616
2018	5.916	1.925	289	450	77	16	5					8.679
2019	6.388	1.883	145	38	64	13						8.531
2020	4.868	1.462	250	79	45							6.704
2021	4.950	1.956	259	84								7.249
2022	5.801	2.275	164									8.240
2023	5.885	2.017										7.901
2024	6.552											6.552
	100.280	160.615	9.502	3.584	7.972	938	1.351	888	264	1.706	625	287.726

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

The table below shows the 10-year development of total incurred claims for all insurance classes for accident years between 2008 and 2024. The table also shows cumulative claim payments for each accident year, so as to distinguish clearly the part of incurred claims which has been settled and the part which remains outstanding at the reporting date.

The percentage difference represents the percentage of the difference between the initial claim reserve at the year of accident and the cumulative claim reserve at the reporting date.

	0	1	2	3	4	5	6	7	8	9	10	Cumulative claim reserves	Cumulative claim payments	Outstanding claims	% Difference	Cumulative claim reserves
Accident Year																
2008	7.508	849	53	-174	6	-98	-32	-2	4	-31	8	8.091	8.110	148		582
2009	8.850	776	-182	-143	18	-1	72	-11	-45	5	-63	9.278	9.149	129	7,2%	427
2010	8.842	1.023	660	100	-348	-250	-65	-14	2	9	39	9.995	9.914	82	4,6%	1.153
2011	309.326	-167.027	28	52	123	-58	-11	-132	14	162	102	142.579	142.134	445	11,5%	-166.748
2012	9.389	117	-57	-212	750	-65	-178	-5	-3	62	36	9.834	9.821	13	-117,0%	167.946
2013	7.893	185	-73	29	-7	-55	-120	-17	35	22	-61	7.832	7.855	-23	1707,8%	-62
2014	7.709	1.101	5	50	-22	490	-52	-16	-13	447	28	9.727	9.615	112	-0,8%	2.018
2015	8.079	928	177	7	-9	54	106	-10	32	63	0	9.426	9.261	165	20,7%	1.347
2016	27.307	783	-3.976	-3.506	-7	27	-18	3	-72	0	0	20.541	20.396	144	14,3%	-6.766
2017	7.416	852	53	97	-19	-214	-71	-18	0	0	0	8.096	7.616	480	-32,9%	8.194
2018	8.595	405	237	535	126	14	-113	0	0	0	0	9.799	8.679	1.120	101,2%	1.204
2019	9.330	-219	-10	-59	-114	-61	0	0	0	0	0	8.866	8.531	335	12,3%	-464
2020	7.706	418	-278	125	-7	0	0	0	0	0	0	7.963	6.704	1.259	-5,2%	257
2021	7.885	413	-184	-267	0	0	0	0	0	0	0	7.847	7.249	599	3,2%	-38
2022	9.102	95	-32	0	0	0	0	0	0	0	0	9.165	8.240	925	-0,5%	63
2023	8.563	744	0	0	0	0	0	0	0	0	0	9.306	7.901	1.405	0,7%	744
2024	9.759	0	0	0	0	0	0	0	0	0	0	9.759	6.552	3.207	8,0%	-
												298.103	287.726	10.525	0,0%	9.859
Liabilities for claims not reported and settlement costs														2.529		
Effect of discounting														(415)		
Effect of non-financial risk adjustment														669		
Gross liabilities for incurred claims														13.308		

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

Currency risk

Currency risk is the risk that the value of financial instruments and financial assets and liabilities will fluctuate as a result of changes in exchange rates. The Group and the Company are subject to foreign exchange risk on bank deposits and financial assets held for trading in foreign currencies.

The Management uses methods of calculation of foreign exchange risk exposures and appropriate limit structures to control and reduce foreign exchange risk and also considers hedging alternatives. In managing foreign exchange risk, the Risk Management Committee has approved maximum acceptable limits for the aggregate open foreign exchange position as well as maximum exposure limits for each currency.

The Company's current exposure to foreign exchange risk against specified tolerance limits is monitored by the Risk Management Function which submits a quarterly monitoring report to the Risk Management Committee of the Board.

The Group's exposure to currency risk at 31 December 2024 is shown below:

	Euro €'000	US Dollar €'000	Total €'000
Assets			
Debtors and other receivables	3.534	-	3.534
Financial assets at fair value through profit or loss	55.946	8.719	64.665
Fixed term bank deposits	1.731	-	1.731
Cash and bank balances	3.628	152	3.780
Other assets	15.139	-	15.138
Total assets	79.978	8.871	88.849
Liabilities			
Liabilities	21.720	-	21.720
Net assets	58.259	8.871	67.130
	86,8%	13,2%	100,0%
Hedging derivatives	5.000	(5.000)	-
	63.259	3.871	67.130

A potential strengthening of the euro by 5% against the other main currencies in which the Group had exposure as at 31 December 2024 would result in a reduction in the fair value of the total assets and the recognition of exchange losses of €194 thousand which amounts to 0,3% of the Group's own funds and 1,4% of the profit attributable to the shareholders. Correspondingly, any weakening of the Euro against the above currencies by 5% would have an equal but opposite effect, provided that all other parameters remain constant.

The table below presents a sensitivity analysis to currency risk arising from the financial instruments held by the group.

	Exchange rate movement	Impact in profits after tax
	%	€'000
USA dollar	-5%	-194
British pound	-5%	-

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

Credit risk

Credit risk is the risk arising from the non-fulfilment of the obligations of the respective parties to the transactions and arises mainly from the customer and intermediaries' balances of the Group and the Company.

The Group and the Company adopt appropriate credit control principles and ensure the adherence of the relevant procedures for monitoring and controlling of credit risk exposures. Additionally, the Group and the Company reduce the concentration of credit risk by undertaking their operations with a large number of clients and insurance agents. The Company has set maximum tolerance credit risk limits and quarterly risk monitoring procedures against these limits. The risk monitoring report is prepared by the Risk Management Function and is submitted for approval to the Risk Management Committee of the Board of Directors.

The tables below show the maximum credit risk exposure of various assets according to their long-term credit ratings as determined by Moody's:

31 December 2024	Aa1-A3	Baa1-B3	Caa1-Caa3	Unrated	Total
	€'000	€'000	€'000	€'000	€'000
Debtors and other receivables	-	-	-	3.534	3.534
Assets from reinsurance contracts held	2.758	-	-	12	2.770
Fixed term bank deposits	1.200	298	-	233	1.731
Cash and bank balances	610	631	-	2.539	3.780
Total	4.568	929	-	6.318	11.815

31 December 2023	Aa1-A3	Baa1-B3	Caa1-Caa3	Unrated	Total
	€'000	€'000	€'000	€'000	€'000
Debtors and other receivables	-	-	-	3.335	3.335
Assets from reinsurance contracts	2.382	-	-	-	2.382
Fixed term bank deposits	2.320	380	-	555	3.255
Cash and bank balances	528	1.614	49	656	2.847
Total	5.230	1.994	49	4.546	11.819

The Company carries out transactions with a large number of clients, agents and brokers and hence a satisfactory level of credit risk diversification is achieved. Credit risk is also reduced because debtors are systematically monitored and, where appropriate, provision is made for doubtful debts. During 2024 there was a net reversal of provision for doubtful debts of €116 thousand compared to a reversal of provision of €8 thousand in 2023.

The Group estimates that the fair value of trade and other receivables does not differ significantly from the carrying amounts in the consolidated financial statements.

Interest rate risk

The interest rate risk arises from the fluctuation in the value of financial instruments and of net financing income of the Group and the Company due to changes in market interest rates. The Group is exposed to interest rate risk with respect to the bonds and capital securities it holds, bank deposits and bank overdrafts and short-term loans. Income and cash flows from operations are affected by changes in market interest rates since the Group has significant interest-bearing assets. The management monitors interest rate fluctuations on a continuous basis and acts accordingly.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

The financial instruments held by the Group which are closely related to market interest rates are analyzed below:

	€'000
Financial instruments bearing fixed interest rates	
Bonds and capital securities	27.358
	27.358
Financial instruments bearing variable interest rates	
Fixed term deposits and notice accounts	1.731
Current and trading accounts and cash	3.780
	5.511
	32.869

A possible reduction of interest rates by one percentage point (1,0%) compared to the average interest rates of the year would result in a decrease in net finance income of about €9 thousand. For the purposes of this analysis, we assume that all other variables remain constant.

A possible increase in interest rates by the same percentage would have an equal but opposite effect on the profit before tax.

Liquidity risk

Liquidity risk is the risk of insufficient available cash to meet the Group's liabilities as and when they fall due. Liquidity risk arises when the maturity of assets and liabilities does not coincide. When maturities do not coincide, profitability may increase but at the same time the risk of suffering losses may also increase.

The above risk is monitored and controlled through a well-developed liquidity management structure, consisting of various types of procedures and risk limits to ensure adherence with defined internal tolerance levels as well as with the minimum requirement of the competent supervisory authorities. The Management monitors the rolling cash flow forecasts of the Group (including unutilized cash and cash equivalents bank facilities) on the basis of expected cash flows.

The Risk Management Committee has established a minimum liquidity level to cover the Company's short-term liquidity needs (up to 90 days) plus a buffer to cover unexpected needs.

The Minimum Liquidity comprises only of the following assets:

- Cash, current and other instant access bank accounts
- Money Market funds
- Fixed term bank deposits that expire within 90 days and provide the right of termination
- Bonds maturing within 90 days

The Risk Management Committee has also set minimum acceptable limits for liquidity ratios. Additionally, the Risk Management Committee has approved a contingency liquidity plan which includes specific funding options to cover emergency liquidity requirements. The contingency plan is triggered if the Company's liquidity levels fall below the specified tolerance limits.

Compliance with the liquidity ratios is monitored on an ongoing basis by the Group's Chief Financial Officer. In addition, the Risk Management Function prepares a quarterly monitoring report of liquidity ratios against the minimum tolerance risk limits which is submitted for approval to the Risk Management Committee of the Board of Directors. Any limit violations are assessed and appropriate measures are taken to reduce current exposures within the approved risk limits.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

Analysis of financial assets and liabilities based on their remaining maturity:

Financial assets	2024			2023		
	Within 1 year €'000	Over 1 year €'000	Total €'000	Within 1 year €'000	Over 1 year €'000	Total €'000
Financial assets at fair value through profit or loss	53.976	3.675	57.651	42.200	2.117	44.317
Assets from reinsurance contracts	2.770	-	2.770	2.382	-	2.382
Pool participation assets	142	351	493	65	568	633
Debtors and other receivables	3.433	102	3.535	3.187	148	3.335
Fixed term deposits	1.731	-	1.731	2.055	1.200	3.255
Cash and bank balances	3.780	-	3.780	2.847	-	2.847
Total financial assets	65.832	4.128	69.960	52.736	4.033	56.769
Financial liabilities						
Liabilities of insurance contracts	18.736	-	18.736	17.298	-	17.298
Bank overdrafts	15	-	15	74	-	74
Taxation	325	46	371	377	86	463
Other liabilities	2.598	-	2.598	2.158	-	2.158
Total financial liabilities	21.674	46	21.720	19.907	86	19.993

Market risk

The risk arises in relation to the Group's investments in equities, bonds and other investment securities and results from any adverse changes in the market prices of these securities.

This risk is managed by limiting the investment exposure of the Group based on defined limits, the assignment of investment management to professional managers, the wide diversification of the investment portfolio, the proper selection of investments and their timely liquidation whenever deemed necessary. The Executive Management and the Investment Committee set the investment strategy which is reviewed frequently taking into account the economic environment and the macroeconomic conditions as well as the Company's solvency situation and the underlying risks to which the Company is exposed. In addition, they monitor the developments in the financial markets and in co-operation with the professional investment advisors they change accordingly the investment positions of the Company.

The framework for the approval, control, management, monitoring and reporting of investment activities and related risks is set out in the Investment Risk Management Manual. The Board of Directors through the Risk Management Committee has set maximum risk exposure limits for each main class of investments as well as for each subcategory and issuer, ineligible investments, minimum issuer credit ratings for bonds, geographical risk limits and maximum exposure limits in foreign currency. The main objective of the above limits and restrictions is to ensure the wide diversification of the portfolio and to limit investment risk exposures to acceptable levels which are in line with the Company's overall risk appetite as determined by the Board.

The Risk Management Function prepares a quarterly monitoring report of the current investment risk exposures against the maximum risk tolerance limits which is submitted for approval to the Risk Management Committee of the Board of Directors. Any risk limit violations are assessed and appropriate measures are taken to limit the current exposure within the acceptable risk limits.

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EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

The table below shows the Group's exposure to market risk as at 31 December 2024 and the impact on the fair value reserve and the profit for the year of a possible reduction in market values by 5% compared to the corresponding values as at 31 December 2024:

<i>Financial assets at fair value through profit or loss</i>	Fair value as at 31.12.2024	Impact on profits for the year
	€'000	€'000
Equities listed in CSE and ASE	15.164	758
Foreign equities, equity funds and hedge funds	18.511	926
Bonds	20.345	1.018
International real estate funds	2.067	103
Investments in gold and commodities	1.564	78
	57.651	2.883

The below table shows the impact on the profits for the year and on the Group's own funds from changes in the market values of the investments held by the Group as a result of logical negative changes in the relevant stock market indices, bond prices and commodity prices.

	Index / price change	Impact on profits for the year
	%	€'000
Cyprus stock exchange	15%	1.220
Athens stock exchange	15%	281
International equity markets	15%	1.920
International real estate funds	10%	200
Alternative investments	5%	135
International private equity funds	10%	88
Cyprus bonds	10%	641
International bonds	10%	822
Gold and commodities	10%	129
		5.436

2. Capital management

The management of the Group pursues prudent capital management aimed at achieving the following objectives:

- a) Ensure the Group's ability to continue as a going concern to safeguard the interests of shareholders and others.
- (b) Compliance with regulatory capital requirements.
- c) Maintain a strong capital base for the further development of the Group's activities.

The Company submits to the Superintendent of Insurance on a quarterly basis a Solvency Statement which is prepared in accordance with the provisions of the Insurance and Reinsurance Operations and Other Related Matters Laws and Regulations.

The Solvency II Directive introduced a uniform system for the calculation of capital requirements in all EU Member States by adopting risk management, corporate governance and transparency procedures, which are now considered necessary for the proper functioning of the market.

Solvency II is based on three pillars. The first pillar, which relates to the quantitative solvency requirements, aims at the adoption of a Minimum Solvency Capital requirement under which an insurance undertaking is subject to supervisory intervention and possible withdrawal of its licence and the desired Solvency Capital which it must hold depending on its size, the risks it undertakes and the quality of its balance sheet.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

The second pillar defines the quality standards of solvency, i.e. the corporate governance and internal control principles on which the risk assessment should be based. The third pillar sets out the requirements for publication and transparency of supervisory and financial information. Within the framework of the required transparency, the Company publishes its Solvency and Financial Condition Report on an annual basis.

Solvency II Ratio II-€000	2024	2023	%
Available eligible capital	61.112	53.004	15,30%
Solvency II capital required	24.521	19.570	25,30%
Minimum capital required	6.130	4.892	25,30%
Solvency II ratio (SCR Ratio)	249,2%	270,8%	
Minimum capital required ratio (MCR Ratio)	996,9%	1083,4%	

Within the framework of efficient capital management, the Company prepares its financial projections and a projected statement of equity and of eligible available capital for the next 3 years. The Company also performs a calculation of expected solvency capital requirements and of its solvency ratio for the next 3 years based on the Solvency II standard formula.

3. Fair Values

Fair value represents the amount at which an asset may be exchanged or an obligation may be repaid in the course of an ordinary business transaction. The Group uses the following hierarchy to determine and disclose fair value:

- Level 1: investments quoted based on stock market prices in active markets.
- Level 2: investments measured using valuation models in which all items that significantly affect fair value are based on observable market data.
- Level 3: Investments measured using valuation models in which items that significantly affect fair value are not based on observable market data.

For assets and liabilities recognized in the Consolidated Financial Statements at fair value, the Group determines whether transfers have been made between the levels in the hierarchy by reassessing the classification at the end of each period. The fair value level hierarchy analysis of financial instruments and of non-financial instruments which are measured on a fair value basis is presented below:

2024	Level 1	Level 2	Level 3	Total
Financial instruments	€'000	€'000	€'000	€'000
Financial assets at fair value through profit or loss	50.066	703	6.881	57.651
Derivatives	(371)	-	-	(371)
Short-term government treasury bills	7.014	-	-	7.014
Fixed term deposits	1.731	-	-	1.731
Cash and bank balances	3.780	-	-	3.780
Bank overdrafts	(15)	-	-	(15)
	62.205	703	6.881	69.790
Non-financial instruments which are measured on a fair value basis				
Investment properties	-	-	4.852	4.852
Immovable property for own use	-	-	6.236	6.236
	-	-	11.088	11.088
Total	62.205	703	17.969	80.878

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EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

2023	Level 1	Level 2	Level 3	Total
Financial instruments	€'000	€'000	€'000	€'000
Financial assets at fair value through profit or loss	42.299	885	1.133	44.317
Derivatives	147	-	-	147
Short-term government treasury bills	10.463	-	-	10.463
Fixed term deposits	3.255	-	-	3.255
Cash and bank balances	2.847	-	-	2.847
Bank overdrafts	(74)	-	-	(74)
Total	58.937	885	1.133	60.955
Non-financial instruments which are measured on a fair value basis				
Investment properties	-	-	4.732	4.732
Immovable property for own use	-	-	6.201	6.201
	-	-	10.933	10.933
Total	58.937	885	12.066	71.888

The movement of the Group's financial instruments which are categorized at Level 3 is presented below:

	2024	2023
	€'000	€'000
1 January	1.133	1.033
Transfer from level 1	5.709	-
Disposals	-	-
Unrealised gains in the profit and loss account	40	100
31 December	6.882	1.133

The movement of non-financial instruments which are measured on a fair value basis is shown on notes 17 and 19.

In 2024 the investment in the Fincap Ventures AIF V.C.I.C. Plc / Crevalon investment fund was transferred from Level 1 to Level 3 for the reasons explained in note 20. There were no other significant transfers between Level 1 and Levels 2 and 3.

The following table presents the fair value of financial assets as at 31 December 2024:

Financial assets	Fair value	Change in fair value
	€'000	€'000
Cash, bank balances and bank deposits	5.511	-
Short-term government treasury bills	7.014	-
Debtors and other receivables	3.534	-
Bonds	20.344	825
Equities	31.410	2.778
International equity funds	2.622	683
Hedge Funds	3.275	387
	73.711	4.673

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EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 32: Financial instruments and management of financial and insurance risks (continued)

The following table provides information about the fair value and the carrying amount for the financial assets that the Group has determined that they do not have low credit risk.

Financial assets	<i>Fair value</i>	<i>Book value</i>
	€'000	€'000
Cash, bank balances and bank deposits	5.511	5.511
Short-term government treasury bills	7.014	7.014
Debtors and other receivables	3.534	3.534
Bonds	20.345	20.345
Equities	31.410	31.410
International equity funds	2.622	2.622
Hedge Funds	3.275	3.275
	73.711	73.711

The current accounting values of the financial assets of the Group are analyzed in the following table by their credit rating:

Financial assets	<i>Total</i>	Credit rating			
		<i>Aa1-A3</i>	<i>Baa1-B3</i>	<i>Caa1-Caa3</i>	<i>Unrated</i>
	€'000	€'000	€'000	€'000	€'000
Cash, bank balances and bank deposits	5.511	1.810	930	-	2.772
Short-term government treasury bills	7.014	7.014	-	-	-
Debtors and other receivables	3.534	-	-	-	3.534
Bonds	20.345	8.115	11.464	666	100
Equities	19.361	2.053	5.534	-	11.774
International equity funds	14.671	6.163	-	-	8.507
Hedge Funds	3.275	-	-	-	3.275
	73.711	25.155	17.927	666	29.962

Note 33: Future capital commitments

On 31 December 2024 the Company had the following future capital commitments in respect of foreign investments:

	€'000
North Haven Real Estate Fund VII Offshore Investors Global	-
North Haven Private Equity Asia III	60
	60

Note 34: Events after the reporting date

There were no events subsequent to the reporting date that have materially affected the financial statements as at 31 December 2024.