

## **1) Independent Auditor's Report**

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### **To the members of the Private Life Insurance Guarantee Fund**

#### **Audit Report on the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of the Private Law Entity "Private Life Insurance Guarantee Fund" ("Guarantee Fund"), which comprise the statement of financial position dated 31st December 2022, the statement of income and changes in equity for the year then ended, as well as the Notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the true financial position of the Private Law Entity "Private Life Insurance Guarantee Fund" as of 31st December 2022 and its financial performance and its cash flows for the year then ended in compliance with the applicable provisions of Law 4308/2014.

##### **Basis for Opinion**

We conducted our audit in accordance with International Audit Standards (IAS) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in "Auditor's responsibilities for the Audit of Financial Statements" section of our report. We are independent of the Company and throughout our appointment in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Auditors (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### **Emphasis on Matters**

We draw attention to the following matters: 1) Note 10 of the appendix "Equity" mentions that despite the existence of negative equity, the Guarantee Fund's ongoing concern is not affected given that the determination and collection of annual contributions from its member companies are defined by the establishment Law, therefore preserving a continued inflow of resources. Furthermore, according to the possibilities allowed by virtue of the establishment law (last sections of indent i, para. 3 of article 2, Law 3867/2010), there is a relevant provision for possible ways of additional funding. It is also highlighted that the working capital on 31.12.2022 amounts to EUR 81.88 million and is sufficient to cover the Guarantee Fund's short-term liabilities. 2) Note 12 of the appendix "Provisions for beneficiaries' claims from life insurance of insurance companies under liquidation"; it is thereby mentioned that the provision of a total amount of EUR 149 million for claims to life insurance beneficiaries from companies whose license had been revoked prior to the publication of Law 3867/2010 was calculated on the basis of assumptions (e.g. discount rate, timing of the liability) that are reviewed on each reference date of the financial accounts in order to recognise the current estimate of the liability, taking into account the information submitted by liquidations, in implementation of article 92 of Law 4714/31.7.2020, as well as article 2(5) of Law 3867/2010 where it is laid down that the Guarantee Fund shall pay to policyholders 70% of the claim from insurance that is not satisfied by the proceeds of liquidation.

Our opinion is not qualified in respect of these matters.

##### **Other information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report of the Management Committee, for which reference is made to the "Report on other Legal and Regulatory Requirements".

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, on the basis of our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Law 4308/2014, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Accounting Standards, as incorporated into the Greek Legislation, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with IAS, as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism throughout the audit. We also

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

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

**Report on other Legal and Regulatory Requirements**

Taking into consideration that management is responsible for the preparation of the Annual Report of the private law entity “Private Life Insurance Guarantee Fund”, in accordance with the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015, we note that: a) In our opinion, the Annual Report of the private law entity “Private Life Insurance Guarantee Fund” has been prepared in accordance with the applicable legal requirements of articles of Law 3867/2010 and its content corresponds with the accompanying financial statements for the year ended 31.12.2022. b) Based on the knowledge we obtained during our audit of the private law entity “Private Life Insurance Guarantee Fund” and its environment, we have not identified any material misstatements in the Annual Report of its Management Committee.

Athens, 26 April 2023

The Certified Auditor Accountant

Andreas Diamantopoulos

SOEL Registration no. 25021



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### 3) Income Statement

#### STATEMENT OF COMPEHENSIVE INCOME on 31 December 2022 (01.01.2022 to 31.12.2022)

<b>INCOME STATEMENT dated 31 DECEMBER 2022</b>			
<i>(01.01.2022 to 31.12.2022)</i>			
	<b>Note</b>	<b>2022</b>	<b>2021</b>
Income ( Contributions)	19	14,219,277.27	14,080,715.36
Other income	20	10,502.94	418.54
Staff and third-party Benefits	21	(250,473.41)	(244,146.80)
Depreciations	4	(138.99)	0.00
Other expenses and losses	22	(56,033.14)	(48,793.36)
Provision for beneficiaries' claims coverage	12	0.00	(16,000,000.00)
<b><i>Surplus / (deficit) before Interest and tax</i></b>		<b><i>13,923,134.67</i></b>	<b><i>(2,211,806.26)</i></b>
Credit interest & similar income	23	114,072.07	(431.01)
Debit interest & similar expenses	24	(3,878.28)	(3,523.37)
<b><i>Surplus / (deficit) before tax</i></b>		<b><i>14,033,328.46</i></b>	<b><i>(2,215,760.64)</i></b>
Income tax	15	(19,737.85)	0.00
<b><i>Surplus / (deficit) after tax</i></b>	<b>27</b>	<b><i>14,013,590.61</i></b>	<b><i>(2,215,760.64)</i></b>

#### 4) Statement of Changes in Equity

	Start-up capital	Results carried forward	Fair value differences	Total
<b>Balance 01.01.2021</b>	<b>1,505,431.37</b>	<b>(76,703,429.27)</b>	<b>0.00</b>	<b>(75,197,977.90)</b>
Changes in the period	0.00	0.00	6,753.95	6,753.95
Results (Surplus/(Deficit)) of the period		(2,215,760.64)	0.00	(2,215,760.64)
Changes in accounting policies	0.00	0.00	0.00	0.00
<b>Balance 31.12.2021</b>	<b>1,505,431.37</b>	<b>(78,919,189.91)</b>	<b>6,753.95</b>	<b>(77,407,004.59)</b>
Changes in the period	0.00	0.00	(111,757.52)	(111,757.52)
Results (Surplus/ (Deficit)) of the period		14,013,590.61	0.00	14,013,590.61
<b>Balance 31.12.2022</b>	<b>1,505,431.37</b>	<b>(64,905,599.30)</b>	<b>(105,003.57)</b>	<b>(63,505,171.50)</b>

Athens, 25 April 2023

THE CHAIRMAN OF THE  
MANAGEMENT  
COMMITTEE

THEODOROS CH.  
KONTOVAZAINITIS  
ID card no. AH 623617

THE ALTERNATE  
CHAIRMAN OF THE  
MANAGEMENT  
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