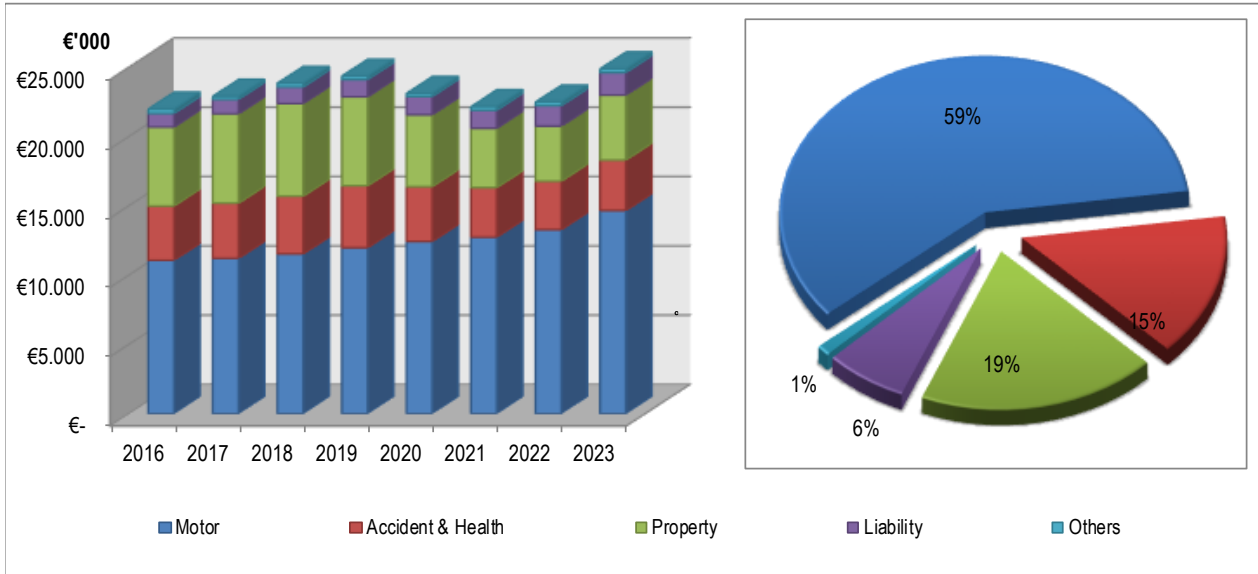


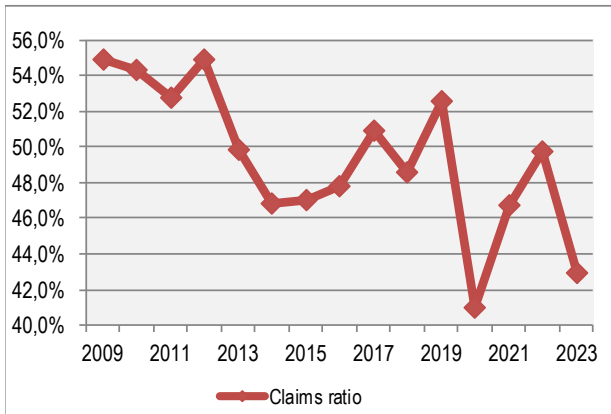


HISTORICAL FINANCIAL INFORMATION

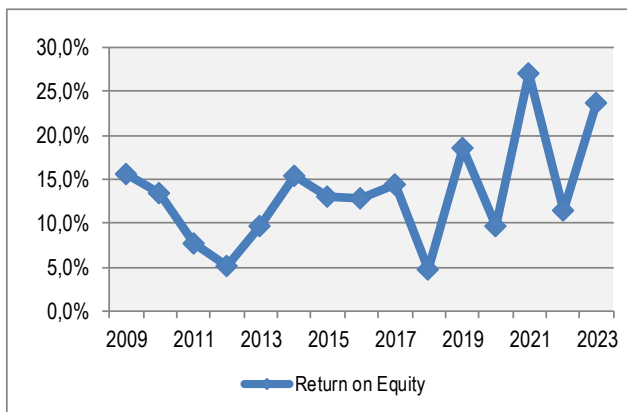
Gross Written Premiums by Insurance class



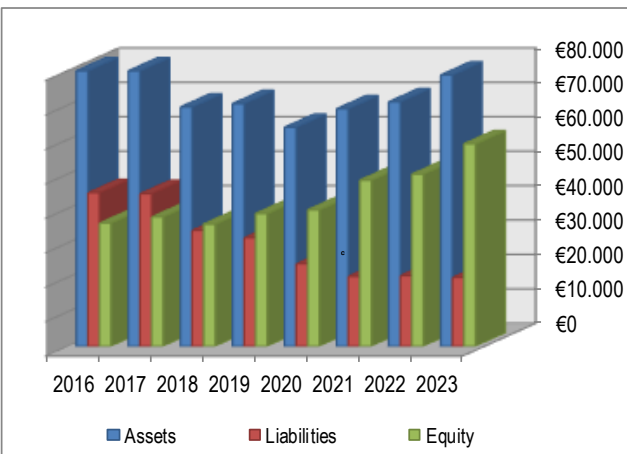
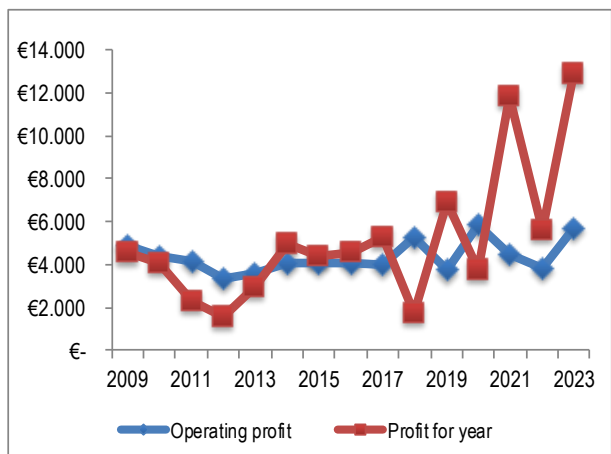
Claims Ratio



Return on Equity



Profits, Assets, Liabilities and Shareholders' Interest



CHAIRMAN'S STATEMENT

It is with great pleasure that I address you to present the financial performance and results of the Group for the year ended 31 December 2023.

ATLANTIC continued its progress based on solid foundations and managed to achieve excellent levels of profitability in 2023. In particular, the Group's total profit attributable to shareholders increased significantly to €12,78 million compared to €6,01 million in 2022. The improvement in profitability is due to the significant increase in profit from operations of 29,4% and the €6,37 million profit from the investment portfolio compared to €0,87 million in the previous year.

Profit from operations increased by 29,4% to €5,65 million compared to €4,37 million in 2022. The increase was due to a 6,2% increase in insurance revenue and a 7,7% decrease in insurance service expenses.

The increase in net insurance revenue was mainly due to the increase in gross premiums in the motor and property sectors of 10,2% and 17,2% respectively. Insurance revenues of all insurance lines in which the Company operates recorded an increase.

Insurance service expenses for the period amounted to €12,78 million compared to €13,85 million in 2022, a decrease of 7,7%. The decrease is mainly due to the reduction in claims and other direct expenses by 11,4% to €9,38 million from €10,59 million in 2022 and is mainly attributable to the decrease in claims in the motor vehicle sector.

Particularly satisfactory was also the profit on investments which amounted to €6,37 million compared to €0,87 million in 2022, resulting in a total return on the investment portfolio of 19,4% against 6,5% in the previous year.

The subsidiary Atlantic Securities also recorded a significant increase in its final profit after tax, which amounted to €282 thousand compared to €151 thousand in 2022. The increase in profitability was mainly due to a 54,9% increase in brokerage commission income which amounted to €813 thousand compared to €525 thousand in 2022.

The Board of Directors of the Company at its meeting dated April 5, 2024, after taking into account the financial results of the year, liquidity, capital requirements, solvency ratios and profitability prospects of the Company, decided to recommend for approval at the next Annual General Meeting of the Company the payment of a dividend of 14,0 cents per share.

Despite the payment of a dividend of €4,67 million on 26 June 2023, the Group's own funds grew by 16,5% to €58,25 million on 31 December 2023 from €49,98 million on 31 December 2022.

Indicative of the Company's strong capital adequacy is the high solvency ratio, which on 31 December 2023 stood at 270,8% against the minimum regulatory level of 100%.

Despite the positive outlook of the local insurance sector for the year 2024, the business environment is expected to remain challenging due to the intense competition. 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 that has characterized the Company throughout its 40 years of existence. 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 2023

CONTENTS	Page
Officers and Professional Advisers	4
Management Report	5 - 10
Consolidated Profit and Loss Account	1
Statement of Comprehensive Income	12
Consolidated Statement of Financial Position	13
Consolidated Statement of Changes in Equity	14
Consolidated Cash Flow Statement	15
Extract from the notes to the consolidated financial statements	16-55

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
 Triantafyllos Lysimachou
 Loukis Ioannou
 Marios Savvides
 George Koutsos

Christos Frangoullis (Alternate director of Mr A. Fragnoullis)

Secretary

Andreas Pirishis

Auditors

Ernst & Young Cyprus
 Certified Public Accountants and Registered Auditors
 Jean Nouvel Tower,
 6 Stasinou Avenue,
 Nicosia

Internal Auditors

KPMG Ltd

Bankers

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

Registered office

15 Esperidon Street
 Atlantic Building
 CY-2001 Strovolos

Legal advisers

L. Papaphilippou & Co.

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 2023.

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 2023 amounted to €12,78 million against €6,01 million in 2022. The increase in profitability is mainly due to increase in profits from operations by 29,4% and the profits from investments which were €6,37 million compared to €0,87 million in 2022.

Profit from operations

Profit from operations increased by 29,4% and amounted to €5,65 mln against €4,37 mln in 2022. The increase resulted mainly from the increase in insurance revenue by 6,2% and the decrease in insurance service expenses by 7,7%.

Net Insurance result

The net insurance result increased by 18,2% to €7,60 mln from €6,43 mln in 2022. The increase resulted mainly from the increase in insurance revenue by 6,2% and the decrease in insurance service expenses by 7,7%.

Financial services

The subsidiary Atlantic Securities Ltd recorded profits from operations of €250 thousand against €144 thousand in 2022. Brokerage commission income increased by 54,9% to €813 thousand from €525 thousand in 2022. Operating expenses increased by 48,0% to €572 thousand. The profits after tax for the year amounted to €282 thousand compared to €151 thousand in 2022.

Insurance revenue

Insurance revenue amounted to €23,60 mln compared to €22,23 mln in 2022 with an increase of 6,2%. The increase is mainly attributable to the increase in gross written premiums of the motor and property sectors by 10,2% and 17,2% respectively. The insurance revenue of all insurance lines in which the Company operates recorded an increase.

Insurance service expenses

Insurance service expenses amounted to €12,78 mln compared to €13,85 €κ. in 2022, recording a decrease of 7,7%. The decrease is mainly due to the reduction in Incurred claims and other directly related expenses (including changes in liabilities for incurred claims) by 11,4% to €9,38 mln from €10,59 mln in 2022 and is mainly attributable to the reduction in claims of the motor sector. The above amounts include direct claims handling expenses of €0,96 mln against €0,81 mln in 2022.

Insurance acquisition costs recorded an increase of 4,4% and amounted to €3,40 mln compared to €3,26 mln in 2022. The costs included commissions payable to agents of €1,31 mln (2022: €1,22 mln) and operating costs for insurance acquisition of €2,10 mln (2022: €2,04 mln).

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED**MANAGEMENT REPORT (continued)***Expense from reinsurance contracts held*

The net expense from reinsurance contracts held amounted to €2,79 mln against €2,45 mln in 2022. Reinsurance premiums after the deduction of reinsurance commission earned increased to €3,40 mln from €3,23 mln in 2022 as a result of the increase of the insured amounts of the property sector. The amounts recoverable from reinsurers for incurred claims decreased to €0,61 mln compared to €0,78 mln in 2022.

Other income

Other income from insurance operations increased to €177 thousand from €78 thousand in 2022. The increase mainly relates to the increase in the share of profits from pool participations from €50 thousand to €166 thousand in 2022.

Administrative expenses

The administrative expenses rose by 4,7% to €5,76 mln from €5,50 mln in 2022. Staff costs, which represent 63% of administrative expenses, increased by 6,9%. There was also an increase in discounts, depreciation, printing, advertising and investment expenses. On the other hand, electricity, motor expenses and professional services recorded a decrease.

Net finance income

Net finance income increased significantly to €1,04 mln from €0,61 mln in 2022. The increase is mainly attributable to interest on short term government treasury bills of €252 thousand (2022: € -) as well as interest on bonds which increased to €795 thousand from €622 thousand in 2022 and bank interest of €82 thousand against €13 thousand in 2022. Bank charges and interest payable decreased to €87 thousand from €105 thousand in 2022 mainly due to the lifting of negative interest rates on bank deposits.

Income and gains from investments

Income from investments which amounted to €544 thousand compared to €725 thousand in 2022 includes rents of €106 thousand (2022: €90 thousand) and dividends of €436 thousand compared to €634 thousand in 2022. Investment gains amounted to €6,31 mln against €0,86 mln in 2022 and the total return of the Group's investment portfolio was 19,4% compared to 6,5% in the previous year.

Revaluation of investment properties

During 2023 the Company recorded a gain on the revaluation of investment properties of €171 thousand (2022: Gain €151 thousand). There was also a gain on the revaluation of property used for own purposes of €187 thousand (2022: Gain €261 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 32,83 cents per share from 15,42 cents in 2022. The earnings per share of the Company increased to 32,35 cents per share from 15,17 cents in 2022.

Own funds

Despite the payment of dividends of €4,67 mln (12 cents per share), the Group's own funds increased by 16,5% to €58,25 mln from €49,98 mln in 2022.

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 2022 was 270,8% (2022: 260,6%) 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 2023 reached €12,78 mln compared to €6,01 mln in 2022. 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

The Board of Directors at its meeting dated April 5, 2024 decided to recommend for approval at the next Annual General Meeting of the Company the payment of dividend of 14,0 cents per share. On May 24, 2023 the Annual General Meeting of the Company approved the proposal of the Board of Directors for the payment of a dividend of 12,0 cents per share. The dividend of €4,67 mln was paid to the shareholders on June 26, 2023.

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 \$5,42 mln at an average agreed rate of \$1,0836: €1,00 and a maturity date of September 18, 2024. The contracts were entered for the purpose of hedging currency risks arising from the USD exposure of the Company's investments and bank balances.

Prospects

The Board of Directors considers the results for the year to be satisfactory, taking into account the difficulties in the economic environment due to intense competition and inflationary pressures. The results of the investment portfolio are also considered particularly satisfactory.

As regards the outlook for the current year, there are no significant developments or cooperations that could affect the assessment of the results for the current period.

A turning point in the global economy was the Russian invasion of Ukraine and the subsequent economic sanctions against Russia, which placed additional pressure on the prices of basic commodities, especially oil and food. The conflict has not yet had a material impact on the Company's operations and financial results. Management continues to assess the consequences of the crisis in order to take all actions deemed necessary to limit as much as possible any negative impact that may arise.

In addition, there has not been any negative impact on the Group's results from the collapse of 3 US banks and the bailout of the Swiss bank Credit Suisse as none of the assets held by the Company with the Swiss bank Credit Suisse have been affected in any way by the recent crisis and the terms of the bailout of this bank.

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 2023 amounted to €213 thousand (2022: €131 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 May 24, 2023 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 May 24, 2023 to May 23, 2024.

During the year the Company did not acquire any own shares. As at 31 December 2023 the Company did not hold any own shares.

Investment in subsidiary companies

Investments in subsidiaries are disclosed in note 16. During the year there was no change in the Company's investments in subsidiary undertakings.

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 20 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 2023. 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 2023 and 5 days before the date of approval of the financial statements are shown in note 29 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 2023 and 5 days before the date of the approval of the financial statements are mentioned in note 30 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 George Pyrishis, Andreas Pirishis and Menikos Messios 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
5 April 2024

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2023

	Notes.	2023 €'000	2022 Restated €'000
Insurance revenue	6	23.599	22.227
Insurance service expense	7	(12.782)	(13.847)
Insurance service result		10.817	8.380
Allocation of reinsurance premiums	8	(3.404)	(3.231)
Amounts recoverable from reinsurers for incurred claims	8	611	780
Net expense from reinsurance contracts held		(2.793)	(2.451)
Insurance finance expenses for insurance contracts issued		(499)	617
Reinsurance finance income for reinsurance contracts held		79	(111)
Net insurance result		7.604	6.435
Other income from operations	9	177	78
Income from brokerage and financial services		810	522
Commission payable for brokerage and financial services		(232)	(37)
Other operating expenses	10	(2.705)	(2.629)
Profit from operations		5.654	4.369
Gain on sale and revaluation of investments	11	6.373	871
Gains on revaluation of investment properties		171	151
Other investment income	12	542	724
Net finance income	13	1.041	607
Profit before taxation		13.781	6.722
Taxation	14	(907)	(665)
Profit after taxation		12.874	6.057
Minority interest		(91)	(49)
Profit attributable to the shareholders		12.783	6.008
Earnings per share (cent)	15	32,83	15,42

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023

	2023 €'000	2022 Restated €'000
Profit for the year	12.874	6.057
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	-	164
Net other comprehensive income that will be reclassified to the profit and loss account in subsequent periods	-	164
Other comprehensive income which will not be reclassified to the profit and loss account in subsequent periods		
Gain on revaluation of immovable property	187	261
Deferred tax on revaluation of immovable property	(16)	(14)
Tax on deemed distribution of subsidiary	(23)	(3)
Net other recognised gains which will not be reclassified to the profit and loss account in subsequent periods	148	244
Other recognised gains after taxation	148	408
Total comprehensive income for the year	13.022	6.465
Comprehensive income attributable to the shareholders	12.939	6.417
Minority interest	83	48
Total comprehensive income for the year	13.022	6.465

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Σημ.	2023 €'000	2022 Restated €'000	1.1.2022 Restated €'000
Assets				
Tangible fixed assets	17	6.657	6.478	6.282
Intangible assets	18	159	143	88
Pool participation		633	561	625
Investment properties	19	4.732	4.553	4.314
Financial assets available for sale	20	-	1.842	473
Debtors and other receivables	21	3.335	2.962	3.058
Assets from reinsurance contracts	27	2.382	3.057	3.085
Financial assets at fair value through profit or loss	20	44.317	33.788	33.508
Short-term government treasury bills	22	10.463	3.267	-
Fixed term bank deposits	23	3.254	5.689	5.222
Cash and bank balances	23	2.847	8.656	12.315
Total assets		78.779	70.996	68.970
Equity				
Share capital	24	13.241	13.241	13.241
Distributable profits		39.612	31.249	29.915
Reserves		5.399	5.496	5.086
Equity attributable to the shareholders		58.252	49.986	48.242
Minority interest		534	451	403
Total equity		58.786	50.437	48.645
Liabilities				
Deferred tax	25	86	90	29
Liabilities from insurance contracts	27	17.298	18.398	18.192
Bank overdrafts	23	74	5	14
Other Liabilities	26	2.535	2.066	2.090
		19.993	20.559	20.325
Total equity and liabilities		78.779	70.996	68.970

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023

	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 2022	13.241	1.943	3.040	103	29.952	48.279	403	48.682
Effect of retrospective application of IFRS 17	-	-	-	-	(37)	(37)	-	(37)
Restated balance 1 January 2022	13.241	1.943	3.040	103	29.915	48.242	403	48.645
Profit for the year	-	-	-	-	6.008	6.008	49	6.057
Other recognised income / (expenses)	-	-	246	164	(1)	409	(1)	408
	-	-	246	164	6.007	6.417	48	6.465
Dividends	-	-	-	-	(4.673)	(4.673)	-	(4.673)
Balance 31 December 2022	13.241	1.943	3.286	267	31.249	49.986	451	50.437
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

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 2023

	Σημ.	2023 €'000	2022 Restated €'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year before taxation		13.781	6.722
<i>Adjustments for:</i>			
Gain on sale and revaluation of investments	11	(6.373)	(871)
Gain on revaluation of investment properties		(171)	(151)
Depreciation of tangible and intangible fixed assets	17/18	350	283
Profit on sale of assets		(2)	(3)
Interest income	13	(1.136)	(716)
Dividend income	12	(436)	(634)
Interest expense and bank charges	13	95	109
(Increase) / decrease in debtors and other receivables		(599)	175
Decrease in assets from reinsurance contracts		676	28
(Decrease) / increase in other liabilities		(952)	713
Cash flow from operations		5.233	5.655
Interest paid		(95)	(109)
Taxation paid		(694)	(699)
Net cash flow from operating activities		4.444	4.847
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for investments		(5.880)	(9.289)
Proceeds from sale of investments		3.792	8.208
Payments for investment property		(8)	(87)
Payments for tangible fixed assets	17	(213)	(131)
Payments for intangible fixed assets	18	(144)	(142)
Receipts on disposal of tangible fixed assets		2	2
Increase in short-term government treasury bills		(7.196)	(3.267)
Decrease / (increase) in fixed term bank deposits		2.434	(467)
Increase in minority interest of subsidiary		(8)	(1)
Interest received		1.136	716
Dividends received		436	634
Net cash flow for investing activities		(5.649)	(3.824)
CASH FLOW FOR FINANCING ACTIVITIES			
Dividend paid		(4.673)	(4.673)
Net cash flow for financing activities		(4.673)	(4.673)
Net decrease in cash and cash equivalents		(5.878)	(3.650)
Cash and cash equivalents at the beginning of the year	23	8.651	12.301
Cash and cash equivalents at the end of the year	23	2.773	8.651
Cash and cash equivalents consist of:			
Cash and bank balances	23	2.847	8.656
Bank overdrafts	23	(74)	(5)
		2.773	8.651

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 acts as a general insurance agent for the holding company Atlantic Insurance Company Public Limited.

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.

The comparative information has been restated as a result of the adoption of IFRS 17 "Insurance Contracts" from 1 January 2023.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2: Basis of preparation (continued)

New standards, amendments and interpretations

IFRS 17 "Insurance Contracts"

The Company adopted IFRS 17 for the first time on 1 January 2023. The standard has made significant changes to the accounting for insurance and reinsurance contracts and had a significant impact on the Company's financial statements in the period of initial application.

IFRS 17 replaces IFRS 4 "Insurance Contracts" for annual periods beginning on 1 January 2023. The Company has restated comparative information for 2022 by applying the transitional provisions in IFRS 17. The nature of the changes in accounting policies can be summarized as follows:

Transitional approach

The Company has retrospectively adopted IFRS 17 using the full retrospective approach for all insurance contracts issued and all reinsurance contracts held.

Under the full retrospective approach on 1 January 2022 the Company:

- Identified, recognized and measured each group of insurance and reinsurance contracts as if IFRS 17 had been applied in the past,
- identified, recognised and measured any assets for cash flows as if IFRS 17 had been applied in the past,
- deleted any existing balances that would not have existed if IFRS 17 had been applied in the past; and
- recognised any net difference arising in equity.

The Company separates the amounts recognised in the statement of profit or loss and other comprehensive income into insurance services result, which includes insurance revenue and insurance services expenses, and insurance finance income or expenses.

The Company shall present the income or expense of reinsurance contracts held separately from the income or expense of insurance contracts issued.

Effect of transition to IFRS 17**Transition effect on equity**

On transition on 1 January 2022, the adoption of IFRS 17 resulted in a decrease in the Company's Equity of €37 thousand after the related tax effect.

Similarly, the effect of the application of IFRS 17 on the Group's and the Company's total equity as reported under IFRS 4 for the year 2022 resulted in an increase in Equity of €410 thousand after the related tax effect as discussed below.

	1 January 2022 €'000	31 December 2022 €'000
IFRS 4 Total equity	48.682	50.027
Elimination of IFRS 4 assets and liabilities and recording the application of IFRS 17 cash flow and risk adjustment	(42)	469
Tax impact	5	(59)
Overall impact of IFRS 17 adjustments	(37)	410
IFRS 17 Total equity	48.645	50.437

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Factors affecting transition

The assets and liabilities under IFRS 4 were deleted on transition and replaced by the insurance assets and liabilities under IFRS 17.

A deferred tax asset/liability was recognised on temporary differences between the carrying amounts of IFRS 17 assets and liabilities and their respective tax bases.

Transitional effect on the consolidated balance sheet as at 31 December 2022

The adjustments to the Group's balance sheet at 31 December 2022 arising from the adoption of IFRS 17 are presented below:

	As originally published	IFRS17 Adjustments	As restated
	€'000	€'000	€'000
Assets			
Tangible fixed assets	6.478		6.478
Intangible assets	143		143
Pool participation	561		561
Investment properties	4.551		4.551
Financial assets available for sale	1.842		1.842
Debtors and other receivables	12.578	(9.616)	2.962
Assets from reinsurance contracts		3.057	3.057
Financial assets at fair value through profit or loss	33.789		33.789
Short-term government treasury bills	3.267		3.267
Fixed term bank deposits	5.689		5.689
Cash and bank balances	8.656		8.656
Total assets	77.554	(6.559)	70.995
Equity			
Share capital	13.241		13.241
Distributable profits	30.838	410	31.248
Reserves	5.496		5.496
Equity attributable to the shareholders	49.575	410	49.985
Minority interest	451		451
Total equity	50.026	410	50.436
Liabilities			
Deferred tax	31	59	90
Liabilities from insurance contracts	24.580	(6.182)	18.398
Bank overdrafts	5		5
Other Liabilities	2.912	(846)	2.066
	27.528	(6.969)	20.559
Total equity and liabilities	77.554	(6.559)	70.995

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies

The following summary of significant accounting policies has been consistently applied for all periods presented in the consolidated and separate financial statements of the Company and have been consistently applied by all Group companies

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.

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

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.

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

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.

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

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.

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3: Summary of Significant Accounting Policies (continued)

- 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.

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED**EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Note 3: Summary of Significant Accounting Policies (continued)**

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).

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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

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 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
Year ended 31 December 2022 (Restated)			
Premiums and other income	22.227	523	22.750
Profit from operations	4.232	136	4.368
Purchase of tangible fixed assets	131	-	131
Purchase of intangible fixed assets	142	-	142
Disposal of tangible fixed assets	12	-	12
Depreciation of tangible fixed assets	196	-	196
Depreciation of intangible fixed assets	87	-	87
Total Assets	68.923	2.073	70.996
Total Liabilities	20.436	123	20.559

Note 6: Insurance revenue

The table below shows insurance revenues by line of business,

Insurance revenues by line of business

Line of business	2023 €'000	2022 €'000
Accident and health	2.747	2.756
Motor Vehicles	13.954	12.941
Marine & hull	241	238
Property	4.308	4.099
Liability	1.509	1.395
Other	840	798
	23.599	22.227

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7: Insurance service expense

	2023	2022
	€'000	€'000
Incurring claims and other insurance service expenses	10.756	11.410
Changes in liabilities for incurred claims	(1.377)	(823)
Insurance acquisition cash flows	3.403	3.260
	12.782	13.847

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

2023

	Motor vehicles	Property	Liability	Accident & health	Marine & hull	Other	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Incurring 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

2022 Restated

	Motor vehicles	Property	Liability	Accident & health	Marine & hull	Other	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Incurring claims and other insurance service expenses	8.551	1.020	223	1.539	18	59	11.410
Changes in liabilities for incurred claims	45	(126)	(345)	(446)	49	-	(823)
Insurance acquisition cash flows	2.199	528	219	255	35	24	3.260
	10.795	1.422	97	1.348	102	83	13.847

Insurance acquisition cash flows

	2023	2022
	€'000	€'000
Amounts incurred during the period	1.683	1.683
Amortisation of Insurance acquisition cash flows	1.720	1.577
	3.403	3.260
Represented by:		
Insurance service expense	1.311	1.220
Other operating costs	2.092	2.040
	3.403	3.260

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 8: Net expense from reinsurance contracts held

Allocation of reinsurance premiums		2023	2022
		€'000	€'000
Reinsurance premiums		4.900	4.012
Changes in assets from reinsurance contracts held		(480)	34
Income from reinsurers		(1.016)	(815)
		3.404	3.231

Amounts recoverable from reinsurers for incurred claims		2023	2022
		€'000	€'000
Recoveries of incurred claims and other insurance service expenses		271	724
Changes relating to past service: changes in recoveries of liabilities for recoverable amounts		340	56
		611	780

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

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

2022 Restated

	Motor vehicles €'000	Property €'000	Liability €'000	Accident & health €'000	Marine & hull €'000	Other €'000	Total €'000
Allocation of reinsurance premiums	525	1.940	203	123	119	321	3.231
Recoveries of incurred claims	-	666	-	14	10	34	724
Changes relating to past service	177	(15)	(177)	(2)	73	-	56
Amounts recoverable from reinsurers	177	651	(177)	12	83	34	780
Net expense from reinsurance contracts held	348	1.289	380	111	36	287	2.451

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 9: Other income from insurance operations

	2023	2022
	€'000	€'000
Share of pool participation profits	166	50
Profit on sale of assets	2	2
Other income	9	26
	177	78

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

	2023	2022
	€000	€000
Staff costs	3.651	3.415
Discounts allowed	491	434
Depreciation	222	196
Motor expenses and traveling	179	188
Printing and stationery	156	135
Amortisation of intangibles	128	87
Advertising and promotion	113	100
Investment expenses	94	115
Computer expenses	110	103
Electricity	88	96
Audit fees	92	115
Professional services	74	152
Telephone	53	54
Legal fees	39	35
Postages and transport	33	31
Staff training	29	14
Other expenses	208	229
	5.760	5.499

The above operating costs are analysed as follows:

	2023	2022
	€'000	€'000
Direct claims expenses (note 7)	963	830
Insurance acquisition cash flows (note 7)	2.092	2.040
Other expenses	2.705	2.629
	5.760	5.499

Audit fees include the following:

	2023	2022
	€'000	€'000
Audit fees	77	73
Fees for the audit of the implementation of IFRS17	14	36
Fees for other verification services	13	11
Fees for non-audit services	3	6

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 10: Other operating expenses (continued)

Staff costs	2023	2022
	€'000	€'000
Salaries	3.092	2.892
Social insurance contributions	229	216
Provident fund contributions	130	120
Other contributions	200	188
	3.651	3.416

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:

	2023	2022
Full-time employees	120	119

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

	2023	2022
	€'000	€'000
Gain on sale of investments	1.113	1.996
Gain on revaluation of investments	2.800	633
Gain / (loss) on revaluation of bonds	938	(1.246)
Gain / (loss) on revaluation of foreign investments	1.522	(512)
	6.373	871

Note 12: Other income from investments

	2023	2022
	€'000	€'000
Dividend income	436	634
Rents receivable	106	90
	542	724

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 13: Net finance income

	2023	2022
	€'000	€'000
Interest from bank deposits	82	13
Interest from bonds	1.046	622
Bank charges and interest paid	(95)	(109)
Other interest	1	-
Exchange differences	7	81
	1.041	607

Note 14: Taxation

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

	2023	2022
	€'000	€'000
Corporation tax	891	572
Defence tax contribution	2	2
Foreign taxes deducted at source	32	46
Deferred taxation	(19)	47
Prior year taxes	1	(2)
	907	665

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:

	2023	2022
	€'000	€'000
Accounting profit	13.781	6.211
Tax based on current tax rates	1.723	776
Defense tax contribution	2	2
Foreign taxes deducted at source	31	46
Prior year taxes	-	(2)
Deferred taxation	(19)	47
<i>Adjustments for:</i>		
Disallowed expenses	71	58
Income not taxed	(55)	(94)
Gain on sale and revaluation of investments	(795)	(108)
Gain on revaluation of property	(21)	(19)
Capital allowances	(26)	(27)
Tax losses brought forward	(5)	(14)
	907	665

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 15: Earnings per share

	2023 €'000	2022 €'000
Net profit attributable to shareholders	12.783	6.008
Weighted average number of issued shares	38.944	38.944
Basic earnings per share (cents)	32,83	15,42

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 %	2023 €'000	2022 €'000
Lyssi Investments Ltd	Car hire	100,0	86	86
Lion Insurance Agency Ltd	General insurance agent	100,0	141	141
Atlantic Securities Limited ⁽¹⁾	Brokerage and investment services	67,7	674	674
			901	901

There was no change in investment in subsidiary companies during the year.

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:

	2023 €'000	2022 €'000
Premiums and other income	23.599	22.227
Profit from operations	5.420	4.234
Total assets	76.822	70.132
Total liabilities	19.010	20.418

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	2023 €'000	2022 €'000
Premiums and other income	811	1	-	811	523
Profit / (loss) from operations	238	(2)	(3)	233	132
Total assets	2.345	111	137	2.593	2.382
Total liabilities	190	6	6	202	142

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 2022	5.954	754	395	702	7.805
Additions	-	14	40	77	131
Revaluation	162	-	-	-	162
Disposals	-	-	-	(12)	(12)
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 31 December 2023	6.202	896	452	830	8.380
Depreciation					
Balance at 1 January 2022	-	610	310	603	1.523
Depreciation for the year	98	27	34	37	196
On revaluation	(98)	-	-	-	(98)
On disposals	-	-	-	(12)	(12)
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 31 December 2023	-	664	379	682	1.725
Net book value at					
31 December 2023	6.201	233	74	148	6.657
31 December 2022	6.116	131	92	139	6.478

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 2023 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	2023	2022
				€'000	€'000
Land & buildings	Relative market value	Fair value per sq. m	€1400-€1450 / τ.μ.	430	415
Land & buildings	Relative market value	Fair value per sq. m	€2700-€2850 / τ.μ.	3.770	3.770
Land & buildings	Relative market value	Fair value per sq. m	€950-€1100 / τ.μ.	635	635
Land & buildings	Relative market value	Fair value per sq. m	€1100-€1200 / τ.μ.	840	785
Land & buildings	Relative market value	Fair value per sq. m	€1350-€1400 / τ.μ.	526	510

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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:

	2023	2022
	€'000	€'000
Land	1.149	1.149
Buildings	1.390	1.491
	2.539	2.640
Revalued amount of land on which no depreciation is charged	2.788	2.743

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 2022	16	16
Balance at 1 January 2023	16	16
Balance at 31 December 2023	16	16
Depreciation		
Balance at 1 January 2022	16	16
Balance at 1 January 2023	16	16
Balance at 31 December 2023	16	16
Net book value		
31 December 2023	-	-
31 December 2022	-	-

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 18: Intangible assets

	Goodwill on acquisition of agents' portfolios €'000	Computer software €'000	Total €'000
Cost or revaluation			
Balance at 1 January 2022	455	574	1.029
Additions	115	27	142
Balance at 1 January 2023	570	601	1.171
Additions	114	30	144
Balance 31 December 2023	684	631	1.315
Amortisation			
Balance at 1 January 2022	422	519	941
Amortisation for the year	58	29	87
Balance at 1 January 2023	480	548	1.028
Amortisation for the year	98	30	128
Balance 31 December 2023	578	578	1.156
Net book value at			
31 December 2023	106	53	159
31 December 2022	90	53	143

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.

	2023 €'000	2022 €'000
Land and buildings	4.553	4.314
Balance at 1 January	4.553	4.314
Additions	8	88
Fair value loss on revaluation	171	151
Balance at 31 December	4.732	4.553

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	2023 €000	2022 €000
Land & buildings	Relative market value	Fair value per sq. m	€1225-€1250 / τ.μ.	235	235
Land & buildings	Relative market value	Fair value per sq. m	€2700-€2850 / τ.μ.	1.195	1.195
Land & buildings	Relative market value	Fair value per sq. m	€950-€1100 / τ.μ.	420	420
Land	Relative market value	Fair value per sq. m	€100-€120 / τ.μ.	1.790	1.700
Land & buildings	Relative market value	Fair value per sq. m	€1400-€1450 / τ.μ.	1.064	975

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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:

	2023	2022
	€'000	€'000
Land	4.356	4.352
Buildings	2.326	2.322
	6.682	6.674

Note 20 Financial assets at fair value through profit or loss

	2023	2022
	€'000	€'000
Equity investment listed in CSE and ASE	10.006	5.263
Foreign equities and investments funds	12.802	12.030
Private equity investment funds	877	937
Hedge funds	2.710	2.583
International real estate funds	2.005	1.904
Cyprus bonds	6.408	3.346
Foreign bonds	8.218	6.194
Gold and commodities	1.291	1.531
	44.317	33.788

Financial assets available for sale

	Συγκρότημα		Εταιρεία	
	2023	2022	2023	2022
	€'000	€'000	€'000	€'000
Cyprus bonds	-	1.842	-	1.842
	-	1.842	-	1.842

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21: Debtors and other receivables

	2023	2022
	€'000	€'000
Debtors and other receivables	149	256
Receivables from financial services operations	595	479
Other receivables	1.220	890
Other receivables from financial services operations	1.224	964
Derivative financial assets	147	373
	3.335	2.962
	2023	2022
	€'000	€'000
Customer and intermediaries' balances		
Receivables	9.545	8.801
Less provision for bad and doubtful debtors	(3.254)	(3.380)
	6.291	5.421
Minus balances included in liabilities from insurance contracts	(5.547)	(4.683)
	744	738
Provision for bad and doubtful debtors		
Balance at 1 January	3.380	3.436
Write offs	(118)	(8)
Reversal of provision for bad and doubtful debtors (including interest suspended and amounts recovered)	(8)	(48)
Balance at 31 December	3.254	3.380

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 €101 thousand (2022: €132 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 2023 was €497 thousand (2022: €350 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 \$5,42mIn at an agreed average rate of \$1,08: €1,00 and maturity date September 18, 2024. 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.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 22: Short-term Government Treasury Bills

	2023	2022
	€'000	€'000
Germany	1.529	1.484
European Union	8.089	1.596
USA	-	187
Netherlands	845	-
	10.463	3.267

Note 23: Cash and bank balances

	2023	2022
	€'000	€'000
Cash and bank balances	2.847	7.662
Fixed term bank deposits maturing between 1 and 3 months	-	994
	2.847	8.656
Bank Overdraft and short-term loans	(74)	(5)
	2.773	8.651

	Interest (Annual)		2023	2022
	2023	2022		
	0,0%-4,22%	-0,20%-2,30%	€'000	€'000
Fixed term deposits between 4 and 12 months	0,0%-4,22%	-0,20%-2,30%	2.054	4.489
Fixed term deposits over 1 year	3,0%	0,35%	1.200	1.200
			3.254	5.689

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

	2023		2022	
	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 May 24, 2023 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."

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 May 26, 2023 to May 24, 2024. During the year the Company did not acquire any own shares. At 31 December 2023 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

	2023	2022
	€'000	€'000
<i>Provision for property revaluation</i>		
Balance 1 January	(64)	(57)
Deferred tax on revaluation of immovable property	(8)	(7)
Balance 31 December	(72)	(64)
	2023	2022
	€'000	€'000
<i>Provision for temporary differences between depreciation and capital allowances</i>		
Balance 1 January	154	91
Deferred tax on transitional impact of IFRS17	-	59
Deferred tax for the year	4	4
Balance 31 December	158	154
Total Balance 31 December	86	90

Note 26: Other Liabilities

	2023	2022
	€'000	€'000
Taxation	377	145
Creditors of parent company	859	750
Other liabilities of parent company	711	653
Dividends payable	415	387
Other liabilities from financial services operations	173	131
Total	2.535	2.066

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 27: Liabilities / (assets) from insurance contracts

On 31 December	LIABILITIES OF INSURANCE CONTRACTS 2023				2022			
	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
Method of valuation: PAA								
Liabilities from insurance contracts on 1 January	4.855	12.883	660	18.398	4.742	12.785	665	18.192
Net (assets) / liabilities from insurance contracts on 1 January	4.855	12.883	660	18.398	4.742	12.785	665	18.192
Premiums	(23.600)	-	-	(23.600)	(22.228)	-	-	(22.228)
Insurance revenue	(23.600)	-	-	(23.600)	(22.228)	-	-	(22.228)
Incurred claims and other direct expenses	-	10.834	225	11.059	-	11.004	154	11.158
Changes in liabilities for incurred claims	-	(994)	(279)	(1.273)	-	(346)	(158)	(504)
Insurance acquisition costs	3.403	-	-	3.403	3.260	-	-	3.260
Insurance service expenses	3.403	9.840	(54)	13.189	3.260	10.658	(6)	13.914
Insurance service result	(20.197)	9.840	(54)	(10.411)	(18.968)	10.658	(6)	(8.314)
Finance income / (expenses) from insurance contracts	-	149	-	149	-	(1.115)	-	(1.115)
Total changes in the statement of profit or loss and OCI	(20.197)	9.989	(54)	(10.262)	(18.968)	9.544	(5)	(9.428)
Premiums received	23.935	-	-	23.935	22.356	-	-	22.356
Claims and other service expenses paid	-	(11.291)	-	(11.291)	-	(9.446)	-	(9.446)
Cash flows for insurance acquisition	(3.483)	-	-	(3.483)	(3.276)	-	-	(3.276)
Total cash flows	20.452	(11.291)	-	9.161	19.080	(9.446)	-	9.634
Net (assets) / liabilities from insurance contracts on 31 December	5.110	11.581	606	17.298	4.855	12.883	660	18.398

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							
	2023		2022		2023		2022	
	Liabilities for remaining coverage	Liabilities for incurred claims	Total	Liabilities for remaining coverage	Liabilities for incurred claims	Total	Liabilities for remaining coverage	Liabilities for incurred claims
On 31 December								
Method of valuation: PAA	Excluding loss component	Estimate of present value of futured cash flows	Risk adjustments	Total	Excluding loss component	Estimate of present value of futured cash flows	Risk adjustments	Total
	€	€	€		€	€	€	
Reinsurance contract held								
Assets from reinsurance contracts on 1 January	853	2.104	101	3.057	856	2.141	106	3.103
Net assets / (liabilities) from reinsurance contracts on 1 January	853	2.104	101	3.057	856	2.141	106	3.103
Allocation of reinsurance premiums paid	(3.623)	-		(3.623)	(3.231)	-		(3.231)
Recoverable amounts from reinsurers	-	254	18	272	-	729	13	742
Recoverable amounts of prior years	-	416	(52)	363	-	(59)	(19)	(78)
Net (expenses) / income from reinsurance contracts	(3.623)	670	(34)	(2.988)	(3.231)	670	(6)	(2.567)
Finance income / (expenses) from reinsurance contracts	-	54	-	54	-	(118)	-	(118)
Total changes in the statement of profit or loss and OCI	(3.623)	724	(34)	(2.934)	(3.231)	552	(6)	(2.684)
Reinsurance premiums and related expenses	3.840	-	-	3.840	3.228	-	-	3.228
Amounts received	-	(1.582)	-	(1.582)	-	(590)	-	(590)
Total cash flows	3.840	(1.582)	-	2.258	3.228	(590)	-	2.638
Net assets from reinsurance contracts on 31 December	1.069	1.246	66	2.382	853	2.104	101	3.057

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 2023			31 December 2022		
	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	3.202	9.160	12.362	2.768	9.887	12.656
Property	943	254	1.197	1.074	814	1.888
Liability	207	1.966	2.173	225	1.961	2.186
Accident and health	905	570	1.475	911	646	1.558
Marine & hull	12	233	245	33	234	267
Other	(157)	3	(154)	(157)	-	(157)
	5.112	12.186	17.298	4.854	13.542	18.398

Assets from reinsurance contracts

	31 December 2023			31 December 2022		
	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	165	896	1.061	194	1.170	1.364
Property	599	148	747	380	611	991
Liability	22	150	172	13	288	301
Accident and health	219	-	219	185	16	201
Marine & hull	46	117	164	87	120	207
Other	18	1	18	(6)	-	(6)
	1.069	1.312	2.382	853	2.205	3.057

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*

Nature of transaction	Transaction value		Debit / (Credit) balance	
	2023	2022	2023	2022
	€'000	€'000	€'000	€'000
Lyssi Investments Limited				
Other income	1	2		
Dividends received	3	2		
Balance			14	12
Lion Insurance Agency Limited				
Commissions paid	4	14		
Dividends received	-	-		
Balance			-	12
Atlantic Securities Limited				
Brokerage commissions	13	8		
Interest receivable	2	2		
Balance			500	590
Clients' brokerage account balance			773	2.342

The amount receivable from Atlantic Securities Ltd carries interest of 0,50% per annum (2022: 0,25% 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.

	2023	2022
	€'000	€'000
Interest income from bank deposits	(1)	-
Interest income from bonds	8	15
Premiums	140	17
Commissions payable for insurance operations	(216)	(163)
Investment management and custody fees	(5)	(6)
Bank balances and bank deposits	308	3.856
Clients' bank accounts of subsidiary undertaking	2.797	737
Receivables from insurance operations	70	10
Financial assets held for trading	90	80

b) Eurautoparts Ltd

The Company's directors Andreas Frangoullis and Nina Pyrishi are directors and shareholders of Eurautoparts 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	
	2023	2022	2023	2022
	€000	€000	€000	€000
Insurance premiums	1	1	67	49

c) BetonAlpha Ltd

The Company's directors Emiliios 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	
	2023	2022	2023	2022
	€000	€000	€000	€000
Insurance premiums	31	20	1	16

d) Lyssi Insurance Agents Ltd

The Company's directors Emiliios 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	
	2023	2022	2023	2022
	€000	€000	€000	€000
Lyssi Insurance Agents Limited	-	-	(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 2023 and 5 days before the date of approval of the financial statements by the Board of Directors, were:

	31 December 2023	2 April 2024
	%	%
Emilios Pyrisihis ¹	34,64	34,64
AstroBank Public Company Ltd	10,00	10,00
Piraeus Bank SA	10,00	10,00
Andreas Frangoullis ²	21,20	21,20
Maro Marathovouniotou ³	5,98	5,98

- (1) The holding of Emilios Pyrishis includes his direct share of 22,98% and his indirect holding arising from the shares owned by his mother Nina Pyrishi (2,37%) and his brother George Pyrishis (9,29%).
- (2) The holding of Andreas Frangoullis includes his direct share (20,10%) 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 Filippos 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 2023 and 5 days before the date of approval of the financial statements by the Board of Directors, were:

	31 December 2023		2 April 2024	
	Number of Shares	%	Number of Shares	%
Emilios Pyrishis	8.950.000	22,98	8.950.000	22,98
Andreas Pirishis	20.000	0,05	20.000	0,05
Andreas Frangoullis ¹	8.255.755	21,20	8.255.755	21,20
George Pyrishis	3.618.271	9,29	3.618.271	9,29
Nina Pyrishi	922.641	2,37	922.641	2,37
Menicos Messios	-	0,00	-	0,00
Charalambos Alexandrou ²	86.224	0,22	86.224	0,22
Triantafyllos Lysimachou	-	0,00	-	0,00
Loukis Ioannou ³	2.510	0,01	2.510	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 (20,10%) and his indirect holding arising from the shares owned by his wife Elli Frangoulli (0,19%), his children Christos, Orthodoxos and Vasilis (0,82%), his mother Vasilou Frangoulli (0,03%) and his brother Filippos 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 for the year 2023 is shown in the table below:

	Salaries, expenses and contributions	Fees	Social Insurance and other contributions	Provident fund contributions	2023 Total	2022 Total
	€000	€000	€000	€000	€000	€000
Executive directors						
Emilios Pyrishis	104	1	11	5	121	120
Andreas Frangoullis	104	1	6	-	111	110
Loukis Ioannou	84	1	10	4	99	88
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
Triantafyllos Lysimachou	-	1	-	-	1	1
Marios Savvides	-	15	-	-	15	15
George Koutsos	-	1	-	-	1	1
	292	32	27	9	360	347

The directors' remuneration is analysed as follows:

	2023	2022
	€000	€000
Executive capacity	356	343
As directors	32	32
	388	375

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:

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

31 December 2022	<i>Change in assumption</i>	<i>Impact on profits before tax</i>	<i>Impact on equity</i>
	<i>%</i>	<i>€'000</i>	<i>€'000</i>
Net Loss Ratio (after deduction of the reinsurers' share of claims)			
- Increase	3%	-546	-546
- Increase	5%	-910	-910
- Decrease	-3%	546	546
- Decrease	-5%	910	910

The 10-year development of the total claim payments for all insurance classes for accident years between 2007 and 2023 is shown below:

Accident year	0	1	2	3	4	5	6	7	8	9	10 +	Total
2007	5.373	1.339	189	21	87	95	246	9	27	-2	3	7.387
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	9.915
2011	6.633	134.360	282	77	35	45	28	156	19	176	298	142.109
2012	6.758	1.655	177	58	12	29	817	92	71	3	193	9.865
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		9.600
2015	6.193	2.145	355	98	2	27	16	76	139			9.051
2016	5.052	2.067	6.349	69	6.631	111	31	115				20.425
2017	5.310	1.843	78	208	58	-2	78					7.573
2018	5.916	1.925	289	450	77	16						8.673
2019	6.388	1.883	145	38	64							8.518
2020	4.868	1.462	250	79								6.659
2021	4.950	1.956	259									7.165
2022	5.792	2.278										8.070
2023	5.963											5.963
	99.173	159.940	9.526	3.524	8.015	1.024	1.591	853	321	1.493	633	286.083

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 2007 and 2023. 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.

Accident Year	0	1	2	3	4	5	6	7	8	9	10	Cumulative claim reserves	Cumulative claim payments	Outstanding claims	% Difference
2007	6.487	986	105	-33	-33	107	53	-1	-81	-2	-33	7.555	7.386	169	14,1%
2008	7.508	849	53	-174	6	-98	-32	-2	4	-31	8	8.091	8.110	-19	7,2%
2009	8.850	776	-182	-143	18	-1	72	-11	-45	5	-63	9.276	9.149	129	4,6%
2010	8.842	1.023	660	100	-348	-250	-65	-14	2	9	38	9.997	9.913	82	11,5%
2011*	309.326	-167.027	28	52	123	-58	-11	-132	14	162	118	142.595	142.110	485	0,5%
2012	9.389	117	-57	-212	750	-65	-178	-5	-3	62	55	9.853	9.865	-12	4,7%
2013	7.893	185	-73	29	-7	-55	-120	-17	35	22	-60	7.832	7.855	-23	-0,8%
2014	7.706	1.104	5	52	-22	488	-52	-16	-18	447	0	9.694	9.599	95	20,5%
2015	8.063	928	177	7	-9	54	117	-10	32	0	0	9.359	9.051	306	13,8%
2016**	27.306	783	-3.976	-3.508	-7	27	-18	4	0	0	0	20.611	20.426	186	4,0%
2017	7.410	853	50	96	-19	-214	-71	0	0	0	0	8.105	7.572	532	8,6%
2018	8.636	405	237	535	126	14	0	0	0	0	0	9.953	8.673	1.279	13,2%
2019	9.327	-219	-10	-60	-114	0	0	0	0	0	0	8.924	8.518	406	-4,5%
2020	7.670	418	-278	125	0	0	0	0	0	0	0	7.935	6.659	1.275	3,3%
2021	7.885	413	-184	0	0	0	0	0	0	0	0	8.114	7.165	949	2,8%
2022	9.138	94	0	0	0	0	0	0	0	0	0	9.232	8.069	1.162	1,0%
2023	8.670	0	0	0	0	0	0	0	0	0	0	8.670	5.963	2.707	0,0%
												295.795	286.083	9.677	6,6%

*The EAC claim with initial claim reserve of €300mln and revision of -€167,5mln was excluded from the calculation of the percentage difference

**The EAC claim with initial claim reserve of €20mln and revision of -€7,5mln was excluded from the calculation of the percentage difference

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 2023 is shown below:

	Euro €'000	US Dollar €'000	Total €'000
Assets			
Debtors and other receivables	3.335	-	3.335
Financial assets at fair value through profit or loss	36.086	8.231	44.317
Short-term government treasury bills	10.463	-	10.463
Fixed term bank deposits	3.255	-	3.255
Cash and bank balances	2.694	154	2.847
Other assets	14.561	-	14.561
Total assets	70.394	8.385	78.779
Liabilities			
Liabilities	19.993	-	19.993
Net assets	50.401	8.385	58.786
	85,7%	14,3%	100,0%
Hedging derivatives	5.000	(5.000)	-
	55.401	3.385	58.786

A potential strengthening of the euro by 5% against the other main currencies in which the Group had exposure as at 31 December 2023 would result in a reduction in the fair value of the total assets and the recognition of exchange losses of €169 thousand which amounts to 0,3% of the Group's own funds and 1,3% 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%	-169
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 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 held	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

31 December 2022	Aa1-A3	Baa1-B3	Caa1-Caa3	Unrated	Total
	€'000	€'000	€'000	€'000	€'000
Debtors and other receivables	-	-	-	2.962	2.962
Assets from reinsurance contracts	3.057	-	-	-	3.057
Fixed term bank deposits	2.200	2.070	-	1.419	5.689
Cash and bank balances	1.803	2.129	481	4.243	8.656
Total	7.060	4.199	481	8.624	20.364

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 2023 there was a net reversal of provision for doubtful debts of €8 thousand compared to a reversal of provision of €29 thousand in 2022.

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	25.090
	25.090
Financial instruments bearing variable interest rates	
Fixed term deposits and notice accounts	3.255
Current and trading accounts and cash	2.847
	6.102
	31.192

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 €16 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	2023			Restated 2022		
	Within 1 year €'000	Over 1 year €'000	Total €'000	Within 1 year	Over 1 year €'000	Total €'000
Financial assets at fair value through profit or loss	42.200	2.117	44.317	31.395	4.235	35.630
Assets from reinsurance contracts	2.382	-	2.382	3.057	-	3.057
Pool participation assets	65	568	633	69	492	561
Debtors and other receivables	3.187	148	3.335	2.781	181	2.962
Fixed term deposits	2.055	1.200	3.255	4.489	1.200	5.689
Cash and bank balances	2.847	-	2.847	8.656	-	8.656
Total financial assets	52.736	4.033	56.769	50.447	6.108	56.555
Financial liabilities						
Liabilities of insurance contracts	17.298	-	17.298	18.398	-	18.398
Bank overdrafts	74	-	74	5	-	5
Taxation	377	86	463	146	89	235
Other liabilities	2.158	-	2.158	1.921	-	1.921
Total financial liabilities	19.907	86	19.993	20.470	89	20.559

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.

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 Group's exposure to market risk as at 31 December 2023 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 2023:

<i>Financial assets at fair value through profit or loss</i>	Fair value as at 31.12.2023	Impact on profits for the year
	€'000	€'000
Equities listed in CSE and ASE	10.006	500
Foreign equities, equity funds and hedge funds	16.388	819
Bonds	14.627	731
International real estate funds	2.005	100
Investments in gold and commodities	1.291	65
	44.317	2.216

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	Impact on own funds
	%	€'000	€'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	-
Government bonds	10%	641	-
Corporate 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	2023	2022	%
Available eligible capital	53.004	45.579	16,29%
Solvency II capital required	19.570	17.493	11,87%
Minimum capital required	4.892	4.373	11,88%
Solvency II ratio (SCR Ratio)	270,85%	260,60%	
Minimum capital required ratio (MCR Ratio)	1083,38%	1042,30%	

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:

2023	Level 1	Level 2	Level 3	Total
	€'000	€'000	€'000	€'000
Financial instruments				
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)
	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

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)

2022 Restated	Level 1	Level 2	Level 3	Total
Financial instruments	€'000	€'000	€'000	€'000
Financial assets at fair value through profit or loss	33.344	1.254	1.033	35.631
Derivatives	373	-	-	373
Short-term government treasury bills	3.267	-	-	3.267
Fixed term deposits	5.689	-	-	5.689
Cash and bank balances	8.656	-	-	8.656
Bank overdrafts	(5)	-	-	(5)
Total	51.324	1.254	1.033	53.611
Non-financial instruments which are measured on a fair value basis				
Investment properties	-	-	4.553	4.553
Immovable property for own use	-	-	6.115	6.115
	-	-	10.668	10.668
Total	51.324	1.254	11.701	64.279

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

	2023 €'000	2022 €'000
1 January	1.033	2.503
Additions	-	-
Disposals	-	(1.450)
Unrealised gains / (losses) in the profit and loss account	100	(20)
31 December	1.133	1.033

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

During the years 2022 and 2023 there were no major transfers between Level 1 and Levels 2 and 3.

The following tables present the fair value as at 31 December 2023 of financial assets that meet the criteria of the SPPI of IFRS 9 those that do not meet the criteria of the SPPI:

Financial assets	Financial assets that meet SPPI criteria		Other financial assets	
	Fair value	Change in fair value	Fair value	Change in fair value
	€'000	€'000	€'000	€'000
Cash, bank balances and bank deposits	6.102	-	-	-
Short-term government treasury bills	10.463	-	-	-
Debtors and other receivables	3.335	-	-	-
Assets from reinsurance contracts held	1.601	-	-	-
Bonds	-	-	14.627	938
Equities	-	-	14.465	2.093
International equity funds	-	-	12.515	2.102
Hedge Funds	-	-	2.710	127
	21.501	-	44.317	5.260

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 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	Fair value	Book value
	€'000	€'000
Cash, bank balances and bank deposits	6.102	6.102
Short-term government treasury bills	10.463	10.463
Debtors and other receivables	3.335	3.335
Assets from reinsurance contracts held	1.601	1.601
Bonds	14.627	14.627
Equities	14.465	14.465
International equity funds	12.515	12.515
Hedge Funds	2.710	2.710
	65.818	65.818

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

Financial assets	Total	Credit rating			
		Aa1-A3	Baa1-B3	Caa1-Caa3	Unrated
	€'000	€'000	€'000	€'000	€'000
Cash, bank balances and bank deposits	6.102	2.848	1.994	49	1.211
Short-term government treasury bills	10.463	10.463	-	-	-
Debtors and other receivables	3.335	-	-	-	3.335
Assets from reinsurance contracts held	1.601	1.601	-	-	-
Bonds	14.627	3.334	10.189	1.013	90
Equities	14.465	1.982	4.557	-	7.925
International equity funds	12.515	3.064	-	-	9.451
Hedge Funds	2.710	-	-	-	2.710
	65.818	23.292	16.740	1.062	24.722

Note 33: Future capital commitments

On 31 December 2023 the Company had the following future capital commitments in respect of foreign investments:

	€'000
North Haven Real Estate Fund VII Offshore Investors Global	95
North Haven Private Equity Asia III	53
	148

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 2023.