

# **Ethniki Holdings S.à r.l.**

## **Group Solvency & Financial Condition Report**

### **2025**

## Executive Summary

Set out below is the executive summary of the Solvency & Financial Condition Report ("Report") of Ethniki Holdings S.à r.l. Group (the "Group"), headed by Ethniki Holdings S.à r.l. (the "Participant").

The following companies are each individually defined as the "related undertakings":

- "THE ETHNIKI" Hellenic General Insurance Company S.A., (hereinafter: "Ethniki Insurance" or "the Company") with its registered seat in Greece,
- Elysee Insurance Agent & Coordinator S.A. ( hereinafter: "Elysee Insurance Agent"), with its registered seat in Greece,
- Elysee Insurance Brokers S.A. (hereinafter: "Elysee Insurance Brokers"), with its registered seat in Greece.

This summary presents key figures and information on the Business and its Performance, System of Governance, Risk Profile, Valuation for solvency purposes and Capital Management.

## Key Figures

The following table depicts the key figures of the Group for the financial years 2025:

Solvency II Key Figures	31.12.2025	31.12.2024	% Change
<b>(€ in thousands)</b>			
Investments	3.192.177	3.368.922	-5,2%
Other Assets	577.206	702.377	-17,8%
<b>Total Assets</b>	<b>3.769.382</b>	<b>4.071.299</b>	<b>-7,4%</b>
Technical provisions	2.803.888	3.034.318	-7,6%
Other liabilities	478.706	579.037	-17,3%
<b>Excess of assets over liabilities</b>	<b>486.788</b>	<b>457.944</b>	<b>6,3%</b>
<b>Subordinated liabilities</b>	<b>177.127</b>	<b>177.128</b>	<b>0,0%</b>
<b>Total Own Funds</b>	<b>663.915</b>	<b>635.072</b>	<b>4,5%</b>
<b>Eligible own funds to meet SCR</b>			
Tier 1	381.085	351.878	8,3%
Tier 2	128.849	129.099	-0,2%
Tier 3	18.509	28.212	-34,4%
<b>Total Eligible Own Funds to meet SCR</b>	<b>528.443</b>	<b>509.190</b>	<b>3,8%</b>
<b>Capital Requirement</b>			
<b>Solvency Capital Requirement (SCR)</b>	294.715	314.623	-6,3%
<b>Solvency Ratio (SCR Coverage Ratio)[1]</b>	179%	162%	17 pp
<b>Minimum Capital Requirement (MCR)</b>	107.319	107.467	-0,1%
<b>Eligible own funds to meet MCR</b>			
Tier 1	381.085	351.878	8,3%
Tier 2	21.464	21.493	-0,1%
<b>Total eligible own funds to meet MCR</b>	<b>402.549</b>	<b>373.372</b>	<b>7,8%</b>
<b>Solvency Ratio (MCR Coverage Ratio)[2]</b>	<b>375%</b>	<b>347%</b>	<b>28 pp</b>

[1] Solvency Ratio (to meet SCR) = Total eligible own funds to meet SCR / Solvency Capital Requirement (SCR)

[2] Solvency Ratio (to meet MCR) = Total eligible own funds to meet MCR / Minimum Capital Requirement (MCR)

As indicated in the above Table, as at 31.12.2025 the Group's eligible own funds exceed both the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR").

## Business and Performance

The Group comprises of the holding entity and its direct insurance subsidiary (Ethniki Insurance), as it disposed of its subsidiaries in Cyprus and Romania within 2025. The holding entity operates as a non-operating parent and does not conduct material business activities in its own right. Accordingly, the holding entity's performance is fully dependent on and derived from the performance of the subsidiary.

Following the acquisition of the holding entity by Piraeus Bank Group in November 2025, the insurance Group does not prepare consolidated financial statements at this level, as it has availed of the exemption from the obligation to prepare group accounts as the Group and its subsidiaries are included in the consolidated IFRS Financial Statements for a larger group drawn up by its ultimate parent entity, Piraeus Bank.

Therefore, the financial information presented in this SFCR Group summary has been prepared on a best-efforts basis to provide material for disclosure purposes only. As the Group no longer prepares consolidated financial statements at this level, the information presented should not be regarded as a comprehensive or fully representative depiction of the Group's financial position. Instead, it is intended solely to provide meaningful, comparable insights on matters relevant to this report, without substituting the consolidated IFRS Financial Statements prepared by the ultimate parent entity, Piraeus Bank.

Consequently, IFRS-based financial analysis is presented separately for the Participant and Ethniki Insurance respectively, whereas Solvency II information is presented on a consolidated Group basis.

### Ethniki Insurance Greece

In 2025, Ethniki Insurance delivered resilient premium production, reaffirming its strategic leadership within the Greek insurance sector.

Despite a challenging transition following the change in shareholding from CVC to Piraeus Bank — which impacted the bancassurance channel—the Company successfully offset production losses through other channels, maintaining its leading market position.

Total premium production for 2025 reached €834,6m, representing a slight decrease of 1.8% compared to 2024. This performance was primarily affected by the decrease of UL Single Premium contracts, which was largely mitigated by robust growth in the New Book Health and Non-Life segments.

Profit before tax amounted to €48m, marking a significant increase compared to €14,8m in 2024. This improvement reflects the progress achieved in the Company's key transformation initiatives and is a result of solid underwriting, optimized investment portfolio management, as well as effective cost management.

It should be noted that the 2025 results include a €26m gain from the sale of the subsidiary in Cyprus, which was successfully completed in the third quarter of the year.

With a 13.6% market share in Gross Written Premiums, Ethniki Insurance maintains a dominant presence and a strong capital base, ensuring policyholders that it will continue providing top-quality services and a wide variety of products.

### Ethniki Holdings S.à r.l

The holding entity operates as a non-operating parent and does not undertake revenue-generating or risk-taking activities. Its business performance is limited to the incurrence of operational expenses required to support group governance, oversight, and administrative functions.

These expenses are stable and predictable in nature and are funded through dividends, capital injections, or other upstream transfers from the subsidiary in line with the Group's capital management policy.

## System of Governance

### Participant

The Participant has strengthened its governance framework through a service level agreement with Ethniki Insurance, effective from 14 May 2025. Under this agreement, Ethniki Insurance staff with adequate expertise are responsible for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. The Participant is responsible for examining and approving the relevant reports. This arrangement has established a formal framework to ensure the effective management and preparation of these reports, enhancing the Participant's governance and operational integrity in these key areas.

The Participant is managed by a Board of three managers, with decisions taken either at board meetings by majority or by unanimous written resolutions. The Participant is legally bound by the joint signature of two managers, as set out in its Articles of Association.

The managers collectively ensure the sound and prudent management of the Participant and are subject to duties of loyalty, diligence and proper administration. Conflicts of interest are required to be disclosed, appropriately managed, and documented.

Shareholders retain authority over key decisions, including the approval of annual accounts, amendments to the Articles of Association, and the appointment or removal of managers. Shareholder decisions are duly recorded in accordance with applicable legal requirements.

The Participant maintains adequate administrative and accounting procedures, including statutory registers and proper record-keeping. Changes to the corporate structure or governance bodies are duly formalized and filed in accordance with applicable laws.

### Ethniki Insurance

The BoD of Ethniki Insurance, supported by the BoD Committees, is responsible for setting the strategic direction, supervising the operations carried and exercising adequate control of the company, aiming at the maximization of its long-term value, the advocacy of general corporate and Sub-Group interest and the promotion of internal affairs, in accordance with the legal and regulatory framework.

The Ethniki Insurance's System of Governance includes:

1. Policies and Procedures, approved by the BoDs of Ethniki Insurance and its related undertakings, such as the Compliance Policy, the Fit & Proper Policy, the Remuneration Policy and the Outsourcing Policy.
2. An Internal Control System aiming at ensuring, to the extent possible, that internal control mechanisms are implemented as designed, are adequate and promote the consistent implementation of business strategy, the timely identification and effective risk management, and the provision of reliable financial management information. In this context, ICS includes, inter alia, allocating responsibilities to Staff, establishing and recording procedures and safeguards, carrying out regular and ad hoc audits by the competent Units,
3. A Risk management system, aiming at the timely identification, adequate assessment and effective monitoring, management and reporting of existing and emerging risks, throughout the range of the Sub-Group business activities. For the effective operation of the Risk Management System, Risk Management Strategies and Policies are adopted and Own Risk & Solvency Assessment ("ORSA") is performed,

4. Four key functions: Internal Audit, Actuarial, Risk Management and Compliance function, which operate on the basis of approved Charters are supervised by the Committees of the BoD or / and directly by the BoD.

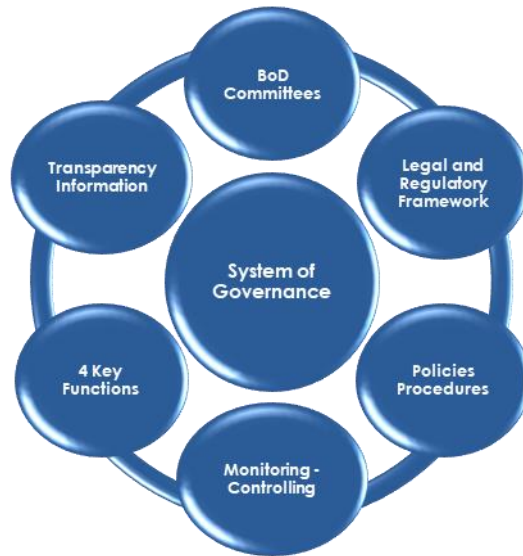


Diagram: Illustration of System of Governance

**Elysee Insurance Agent & Coordinator S.A. and Elysee Insurance Brokers S.A.**

With regard to the recently acquired subsidiaries Elysee Insurance Agent & Coordinator S.A. and Elysee Insurance Brokers S.A., Ethniki Insurance is currently conducting a review of their operating models and governance arrangements. Following this review, further guidance may be communicated, as appropriate, to support alignment with the governance principles of Ethniki Insurance.

**Risk Profile**

The risk profile is monitored through coordinated procedures for the identification, evaluation, management and reporting of the risks undertaken.

In this framework, the following risks have been identified and managed through the development of policies and respective procedures at Ethniki Insurance level:

Market Risk	Credit Risk	Insurance Risk	Operational Risk	Liquidity Risk
Asset - Liability Mismatch Risk	Concentration Risk	Reputation Risk	Strategic Risk	Sustainability Risk

The macroeconomic landscape at year-end 2025 for Greece remained almost the same with that at year-end 2024. General inflation and forecasted GDP growth are almost at the same level as at year-end 2024. The 10-year Greek government bond yield increased since year-end 2024, in line with the general trend for the Eurozone, as depicted in the risk-free yield curve. Overall, fragile macroeconomic conditions still remain, largely due to the ongoing global geopolitical tensions, including the recent Middle-East crisis, and the fear of rising protectionism.

Due to the current conditions in Greece and globally, the main risks that might affect the Group's activities are those stemming from the unstable financial and operating business environment (macroeconomic risks at Global, European and Greek level). The other main risk has to do with developments in morbidity, partly as a result of medical inflation trend.

For the calculation of Group Solvency, for Ethniki Insurance the full consolidation method is followed and is based on the use of transitional measures and volatility adjustment to the relevant risk-free interest rate term structure ("adjusted curve") for Ethniki Insurance.

The quantitative assessment of the Solvency Capital Requirement that stems from the risks undertaken is performed with the use of the standard formula. The suitability of this method, in relation to the Group's risk profile, has been evaluated within the framework of the annual ORSA.

The solvency capital requirements of the Participant as well as its related undertakings are presented in the following tables:

### Solvency Capital Requirements as at 31.12.2025:

Solvency Capital Requirements (€ thousands) 31.12.2025	Companies consolidated under method 1 <sup>(1)</sup>
Market Risk	145.224
Credit Risk	18.545
Life underwriting risk	75.474
Health underwriting risk	103.342
Non-Life underwriting risk	79.627
Diversification	(155.196)
<b>BSCR</b>	<b>267.016</b>
Operational Risk	27.699
LAC	-
<b>Solvency Capital Requirements (method 1)</b>	<b>294.715</b>

(1): The Participant and Ethniki Insurance

The Solvency Capital Requirement as at 31.12.2025, with the use of the volatility adjustment on the relevant risk-free interest rate term structure ("adjusted curve") and the transitional measures on technical provisions ("transitional measures"), amounts to €294,7m compared to €314,6m as at 31.12.2024.

There was a change to the Group's Risk Profile, compared to the previous reporting period, as the Participant sold its subsidiaries in Cyprus and Romania in 2025. Total capital requirements decreased by 6,3%. The decrease came mainly from market risk, health underwriting risk and non-Life Underwriting risk (by 32,3%, 22,9% and 17,7% respectively).

The Group has performed a sensitivity analysis, in order to estimate the effect of changes in risk factors on its own funds as at 31.12.2025. The sensitivity analysis was performed with the use of transitional measures and adjusted curve for Ethniki Insurance.

The results of the sensitivity analysis are summarized in the table below:

Scenarios Change	Value	Own Funds (€ thousands):	Capital Adequacy ratio
Change in interest rates	0.50%	(12.848)	175%
Change in interest rates	-0.50%	10.457	183%
Change in bonds credit spreads	50 bps	(95.254)	147%

<b>Change in bonds credit spreads</b>	-50 bps	102.951	214%
<b>Change in equity prices</b>	25%	27.794	189%
<b>Change in equity prices</b>	-25%	(27.656)	170%
<b>Change in property values</b>	25%	48.833	196%
<b>Change in property values</b>	-25%	(48.649)	163%

A description of the results and parameters of the sensitivity analysis is set out in Chapter 3. "Risk Profile" of the Group SFCR.

## Valuation for Solvency Purposes

The Group measures assets and liabilities and calculates technical provisions in accordance with Chapter VI, section 1 and 2 of Directive 2009/138/EC of the European Parliament and of the Council.

For the calculation of Group Solvency, the Participant consolidates Ethniki Insurance by applying method 1 ("full consolidation method"). Ethniki Insurance's consolidated figures include Elysee Insurance Agent and Elysee Insurance Brokers, using the adjusted equity method.

## Capital Management

Through capital management, the Group aims to optimize the balance between risk and return, while ensuring that its funds are adequate to cover capital requirements.

Ethniki Insurance, as the main driving undertaking of capital and solvency capital requirements of the Group, has established a Capital Management Policy, which is in line with the risk appetite and strategy.

Capital position and capital adequacy limits on the Solvency ratio are set out in this policy.

According to the decision No. 269/5/09.05.2018 of the CIIC of BoG and in accordance with the provisions of article 275 of Greek Law 4364/2016, the transitional measure on technical provisions for Ethniki Insurance was set at €205,8m. The reduction of the technical provisions relates to the liability of the health legacy portfolio with a restriction on premium adjustment and is amortized linearly over a sixteen (16) year period. As at 31.12.2025 the unamortized value of the transitional measure on technical provisions amounting to €90,0m (i.e. 7/16 of the initial amount of the transitional measure of €205,8m) and for 2026 will amount to €77,2m (i.e. 6/16 of €205,8m).

The Solvency Capital Requirement coverage ratio with the use of the volatility adjustment on the relevant risk-free interest rate term structure and transitional measures reached 179% as at 31.12.2025, compared to 162% as at 31.12.2024 and the eligible own funds to cover the SCR reached €528,4m as opposed to €509,2m as at 31.12.2024.

The Solvency Capital Requirement coverage ratio excluding the use of the transitional measure but using the volatility adjustment amounts to 149% as at 31.12.2025, compared to 129% as at 31.12.2024 and the eligible own funds to cover SCR reached €438,4m as opposed to €406,3m as at 31.12.2024.

The Solvency Capital Requirement coverage ratio with the use of the risk-free yield curve, amounts to 142% as at 31.12.2025, compared to 115% as at 31.12.2024 and the eligible own funds to cover SCR reached €416,5m as opposed to €362,9m as at 31.12.2024.

Solvency Ratio (€ thousands)	With transitional measures		Without the use of transitional measures on technical provisions		Risk-free yield curve	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Eligible own funds to meet the SCR	528.443	509.190	438.421	406.251	416.465	362.893
SCR	294.715	314.623	294.715	315.086	293.565	316.930
Solvency Ratio	179%	162%	149%	129%	142%	115%

On 1 January 2025 the transitional measure on technical provisions was amortized by €12,9m.

## Sales of subsidiaries

### a) Ethniki Insurance (Cyprus) Ltd.

Ethniki Insurance announced on 11.04.2025 that it entered into a binding agreement with Bank of Cyprus Holdings Public Limited Company ("Bank of Cyprus") for the transfer of the entire (100%) shareholding of its subsidiary, National Insurance (Cyprus) Limited (the "Transaction"). The total consideration for the Transaction amounted to €32m, while the completion of the Transaction, which was subject to approvals from the competent supervisory authorities, took place in July 2025.

The sale was made by the Company first to its Parent entity (Ethniki Holdings S.à r.l.) and then to the third party, i.e. Bank of Cyprus, at the agreed sale price. Solvency II Eligible Own Funds were not affected by the sale, as the Cypriot subsidiary valuation for Solvency II purposes was almost identical to the sale price.

However, as the corresponding receivable from the parent entity did not comply with Solvency II eligibility rules, due to its repayment terms, the Company's Own Funds decreased by that amount. The Transaction is fully aligned with the broader strategy of Ethniki Insurance and forms part of the restructuring of the Company's activities, with a strategic focus on Greece, a market with strong growth prospects. Moreover, the Transaction will enable Ethniki Insurance to concentrate its resources and capabilities on the implementation of its dynamic transformation and on strengthening its leading position in the Greek market.

### b) Garanta Asigurari S.A. (Romania)

On 01.11.2024 Ethniki Insurance announced the signing of a Share Purchase Agreement (SPA) with SIGNAL IDUNA Asigurare Reasigurare S.A. ("SIGNAL IDUNA"), the subsidiary of SIGNAL IDUNA's Group in Romania, for the sale of its 96.74% stake in Garanta Asigurari S.A. ("Garanta").

The transaction is part of Ethniki Insurance's strategic planning framework, aiming to focus on core markets and strengthen its activities in areas where it holds a significant competitive advantage. The transaction that was subject to approval by the relevant regulatory authorities, completed in September 2025.

## New subsidiaries

In September 2025, Ethniki Insurance entered into an agreement with the Syngelidis Group for the acquisition of a majority stake (55%) in the insurance broker companies Elysee Insurance Agent & Coordinator S.A. and Elysee Insurance Brokers S.A., which operate across all insurance lines in Greece. The transaction aims to expand the Company's product distribution channels, create new growth opportunities, and diversify its sources of revenue, while delivering even greater value to its policyholders.

**"THE ETHNIKI" HELLENIC GENERAL INSURANCE COMPANY**

103-105 SYNGROU AVENUE, 117 45 ATHENS-GREECE, TEL.: +30 2130318189, FAX: +30.210.90.99.111  
VAT Registration Number: 094003849, [www.ethniki-asfalistiki.gr](http://www.ethniki-asfalistiki.gr)