



**CROATIA<sup>®</sup>  
OSIGURANJE**

CROATIA osiguranje d.d.  
Vatroslava Jagića 33, 10 000 Zagreb  
[www.crosig.hr](http://www.crosig.hr)

**UNCONSOLIDATED UNAUDITED  
QUARTERLY REPORT,  
FOR THE PERIOD  
1 January 2021 – 31 December 2021**

Zagreb, February 2022

**CONTENT**

- I. UNAUDITED FINANCIAL STATEMENTS..... 3**
- STATEMENT OF COMPREHENSIVE INCOME ..... 4
- STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)..... 6
- STATEMENT OF CHANGES IN EQUITY ..... 8
- STATEMENT OF CASH FLOWS – indirect method..... 9
- II. QUARTERLY MANAGEMENT REPORT .....10**
- III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-XII 2021.....15**
- MANAGEMENT BOARD STATEMENT .....26**

# I. UNAUDITED FINANCIAL STATEMENTS

Annex 1			ISSUER'S GENERAL DATA		
Reporting period:	1.1.2021	to	31.12.2021		
Year:	2021				
Quarter:	4				
Quarterly financial statements					
Registration number (MB):	03276147	Issuer's home Member State code:	HR		
Entity's registration number (MBS):	080051022				
Personal identification number (OIB):	26187994862	LEI:	74780000M0GHQ1VXJU20		
Institution code:	199				
Name of the issuer:	CROATIA osiguranje d.d.				
Postcode and town:	10 000	ZAGREB			
Street and house number:	Vatroslava Jagića 33				
E-mail address:	info@crosig.hr				
Web address:	www.crosig.hr				
Number of employees (end of the reporting period):	2321				
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)			
Audited:	RN	(RN-not audited/RD-audited)			
Names of subsidiaries (according to IFRS):	Registered office:	MB:			
Bookkeeping firm:	No	(Yes/No)			
Contact person:	Jelena Matijević				
Telephone:	072 00 1884				
E-mail address:	izdavatelji@crosig.hr				
Audit firm:					
Certified auditor:					

**STATEMENT OF COMPREHENSIVE INCOME**  
**(STATEMENT OF PROFIT OR LOSS)**  
**For the period: 1.1.2021 - 31.12.2021**

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
<b>I Earned premiums (ADP 119 to 123)</b>	<b>118</b>	<b>453.368.816</b>	<b>2.045.516.759</b>	<b>2.498.885.575</b>	<b>443.785.158</b>	<b>2.155.278.399</b>	<b>2.599.063.557</b>
1 Gross written premium	119	453.598.194	2.288.220.230	2.741.818.424	444.014.654	2.451.749.552	2.895.764.206
2 Value adjustment and charged premium value adjustment	120	0	2.775.347	2.775.347	0	15.076.135	15.076.135
3 Outward reinsurance premiums (-)	121	-72.479	-248.703.784	-248.776.263	-72.243	-278.232.701	-278.304.944
4 Change of gross provisions for unearned premiums (+/-)	122	-153.175	-13.289.226	-13.442.401	-157.253	-49.978.876	-50.136.129
5 Change of provisions for unearned premiums, reinsurers' share (+/-)	123	-3.724	16.514.192	16.510.468	0	16.664.289	16.664.289
<b>II Income from investments (ADP 125 to 131)</b>	<b>124</b>	<b>141.183.338</b>	<b>245.380.705</b>	<b>386.564.043</b>	<b>99.319.691</b>	<b>295.307.927</b>	<b>394.627.618</b>
1 Income from branches, associates and joint ventures.	125	2.103.298	23.594.252	25.697.550	3.583.367	61.798.901	65.382.268
2 Income from investment in land and buildings	126	0	28.494.465	28.494.465	0	42.025.451	42.025.451
3 Interest income	127	88.370.335	91.126.147	179.496.482	85.717.193	83.268.580	168.985.773
4 Unrealised gains on investments	128	280.468	3.756.462	4.036.930	1.942.070	19.030.321	20.972.391
5 Realised gains on investments	129	20.090.027	69.738.695	89.828.722	8.073.469	56.216.172	64.289.641
6 Net positive exchange rate differences	130	30.327.779	6.864.874	37.192.653	0	0	0
7 Other income from investments	131	11.431	21.805.810	21.817.241	3.592	32.968.502	32.972.094
<b>III Income from commissions and fees</b>	<b>132</b>	<b>2.100.261</b>	<b>39.477.927</b>	<b>41.578.188</b>	<b>1.874.557</b>	<b>36.541.824</b>	<b>38.416.381</b>
<b>IV Other insurance-technical income, net amount from reinsurance</b>	<b>133</b>	<b>441.516</b>	<b>30.605.116</b>	<b>31.046.632</b>	<b>944.147</b>	<b>27.605.551</b>	<b>28.549.698</b>
<b>V Other income</b>	<b>134</b>	<b>846</b>	<b>9.017.435</b>	<b>9.018.281</b>	<b>1</b>	<b>12.827.462</b>	<b>12.827.463</b>
<b>VI Claims incurred, net (ADP 136 + 139)</b>	<b>135</b>	<b>-482.361.296</b>	<b>-1.200.100.950</b>	<b>-1.682.462.246</b>	<b>-413.578.267</b>	<b>-1.132.870.252</b>	<b>-1.546.448.519</b>
1 Claims settled (ADP 137+138)	136	-449.163.260	-1.167.191.486	-1.616.354.746	-413.766.028	-1.182.570.496	-1.596.336.524
1.1 Gross amount (-)	137	-449.163.260	-1.270.466.176	-1.719.629.436	-413.766.028	-1.409.225.490	-1.822.991.518
1.2 Reinsurers' share (+)	138	0	103.274.690	103.274.690	0	226.654.994	226.654.994
2 Change in the provision for claims (+/-) (ADP 140+141)	139	-33.198.036	-32.909.464	-66.107.500	187.761	49.700.244	49.888.005
2.1 Gross amount	140	-33.198.036	-277.744.085	-310.942.121	187.761	209.898.839	210.086.600
2.3 Reinsurers' share	141	0	244.834.621	244.834.621	0	-160.198.595	-160.198.595
<b>VII Change in mathematical provision and other technical provisions, net of reinsurance (ADP 143+146)</b>	<b>142</b>	<b>-48.505.070</b>	<b>22.976.061</b>	<b>-25.529.009</b>	<b>-95.547.136</b>	<b>-15.408.776</b>	<b>-110.955.912</b>
1 Change in mathematical provisions (+/-) (ADP 144+145)	143	-48.505.070	6.599.519	-41.905.551	-95.547.136	4.755.518	-90.791.618
1.1 Gross amount (-)	144	-48.495.303	6.599.519	-41.895.784	-95.555.500	4.755.518	-90.799.982
1.2 Reinsurers' share (+)	145	-9.767	0	-9.767	8.364	0	8.364
2 Change in other technical provisions, net of reinsurance (+/-) (ADP 147+148)	146	0	16.376.542	16.376.542	0	-20.164.294	-20.164.294
2.1 Gross amount (-)	147	0	16.376.542	16.376.542	0	-20.164.294	-20.164.294
2.2 Reinsurers' share (+)	148	0	0	0	0	0	0
<b>VIII Change of special provision for life assurance where policyholders bear the investment risk, net of reinsurance (+/-) (ADP 150+151)</b>	<b>149</b>	<b>44.416.501</b>	<b>0</b>	<b>44.416.501</b>	<b>44.865.715</b>	<b>0</b>	<b>44.865.715</b>
1 Gross amount (-)	150	44.416.501	0	44.416.501	44.865.715	0	44.865.715
3 Reinsurers' share (+)	151	0	0	0	0	0	0
<b>IX Cash payments for bonuses and rebates, net of reinsurance (ADP 153+154)</b>	<b>152</b>	<b>0</b>	<b>-5.277.788</b>	<b>-5.277.788</b>	<b>0</b>	<b>-5.316.985</b>	<b>-5.316.985</b>
1 Performance-dependent (bonuses)	153	0	-5.277.788	-5.277.788	0	-5.316.985	-5.316.985
2 Performance-independent (rebates)	154	0	0	0	0	0	0

**STATEMENT OF COMPREHENSIVE INCOME**  
**(STATEMENT OF PROFIT OR LOSS)**  
**For the period: 1.1.2021 - 31.12.2021**

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
<b>X Operating expenses (business expenditures), net (ADP 156+160)</b>	<b>155</b>	<b>-65.446.336</b>	<b>-799.044.691</b>	<b>-864.491.027</b>	<b>-54.779.933</b>	<b>-875.718.038</b>	<b>-930.497.971</b>
1 Acquisition costs (ADP 157 to 159)	156	-28.951.976	-448.794.543	-477.746.519	-22.765.013	-511.372.989	-534.138.002
1.1 Commission	157	-7.464.637	-248.858.271	-256.322.908	-6.024.293	-278.271.016	-284.295.309
1.2 Other acquisition costs	158	-21.487.339	-182.176.164	-203.663.503	-16.740.720	-221.748.690	-238.489.410
1.3 Change in deferred acquisition costs	159	0	-17.760.108	-17.760.108	0	-11.353.283	-11.353.283
2 Administration expenses (administrative costs) (ADP 161 to 163)	160	-36.494.360	-350.250.148	-386.744.508	-32.014.920	-364.345.049	-396.359.969
2.1 Depreciation	161	-3.241.179	-53.822.008	-57.063.187	-2.607.131	-56.408.732	-59.015.863
2.2 Salaries, taxes and contributions from/on salaries	162	-15.326.618	-116.008.796	-131.335.414	-12.832.249	-116.878.801	-129.711.050
2.3 Other administration expenses	163	-17.926.563	-180.419.344	-198.345.907	-16.575.540	-191.057.516	-207.633.056
<b>XI Investment expenses (ADP 165 to 171)</b>	<b>164</b>	<b>-16.810.586</b>	<b>-100.387.576</b>	<b>-117.198.162</b>	<b>-15.378.640</b>	<b>-76.080.111</b>	<b>-91.458.751</b>
1 Depreciation of land and buildings not occupied by an undertaking for its own activities	165	0	0	0	0	0	0
2 Interest	166	-1.280.485	-9.369.907	-10.650.392	-1.074.347	-10.649.415	-11.723.762
3 Impairment of investments	167	-1.013.854	-6.741.194	-7.755.048	0	-2.425.582	-2.425.582
4 Realised loss on investments	168	-9.667.064	-24.903.404	-34.570.468	-3.766.324	-14.049.330	-17.815.654
5 Unrealised loss on investments	169	-2.079.253	-8.691.697	-10.770.950	-702.467	-10.552.706	-11.255.173
6 Net negative exchange rate differences	170	0	0	0	-7.998.369	-5.611.937	-13.610.306
7 Other investment expenses	171	-2.769.930	-50.681.374	-53.451.304	-1.837.133	-32.791.141	-34.628.274
<b>XII Other technical expenses, net of reinsurance (ADP 173+174)</b>	<b>172</b>	<b>-707.601</b>	<b>-37.967.306</b>	<b>-38.674.907</b>	<b>-1.015.246</b>	<b>-37.924.476</b>	<b>-38.939.722</b>
1 Expenses of preventive activities	173	0	0	0	0	0	0
2 Other technical expenses of insurance	174	-707.601	-37.967.306	-38.674.907	-1.015.246	-37.924.476	-38.939.722
<b>XIII Other activities, including value adjustments</b>	<b>175</b>	<b>-9.233</b>	<b>-3.726.536</b>	<b>-3.735.769</b>	<b>-10.242</b>	<b>-2.074.797</b>	<b>-2.085.039</b>
<b>XIV Profit or loss for the accounting period before tax (+/-) (ADP 118+124+132 to 135+142+149+152+155+164+172+175)</b>	<b>176</b>	<b>27.671.156</b>	<b>246.469.156</b>	<b>274.140.312</b>	<b>10.479.805</b>	<b>382.167.728</b>	<b>392.647.533</b>
<b>XV Profit or loss tax (ADP 178+179)</b>	<b>177</b>	<b>-4.904.042</b>	<b>-39.646.997</b>	<b>-44.551.039</b>	<b>-1.682.853</b>	<b>-56.851.399</b>	<b>-58.534.252</b>
1 Current tax expense	178	-4.652.721	-38.036.452	-42.689.173	-2.030.911	-60.271.625	-62.302.536
2 Deferred tax expense (income)	179	-251.321	-1.610.545	-1.861.866	348.058	3.420.226	3.768.284
<b>XVI Profit or loss for the accounting period after tax (+/-) (ADP 176+177)</b>	<b>180</b>	<b>22.767.114</b>	<b>206.822.159</b>	<b>229.589.273</b>	<b>8.796.952</b>	<b>325.316.329</b>	<b>334.113.281</b>
1 Attributable to owners of the parent	181	0	0	0	0	0	0
2 Attributable to non-controlling interest	182	0	0	0	0	0	0
<b>XVII TOTAL INCOME (ADP 118+124+132+133+134+179)</b>	<b>183</b>	<b>596.843.456</b>	<b>2.368.387.397</b>	<b>2.965.230.853</b>	<b>546.271.612</b>	<b>2.530.981.389</b>	<b>3.077.253.001</b>
<b>XVIII TOTAL EXPENSES (ADP 135+142+149+152+155+164+172+175+178)</b>	<b>184</b>	<b>-574.076.342</b>	<b>-2.161.565.238</b>	<b>-2.735.641.580</b>	<b>-537.474.660</b>	<b>-2.205.665.060</b>	<b>-2.743.139.720</b>
<b>IX Other comprehensive income (ADP 186 to 193)</b>	<b>185</b>	<b>-3.802.028</b>	<b>-40.648.486</b>	<b>-44.450.514</b>	<b>-29.064.411</b>	<b>176.771.421</b>	<b>147.707.010</b>
1 Gains/losses arising from translation of financial statements relating to foreign operations	186	0	-107.321	-107.321	0	52.637	52.637
2 Gains/losses arising from the revaluation of financial assets available for sale	187	-4.636.620	-49.176.408	-53.813.028	-35.444.404	215.535.783	180.091.379
3 Gains/losses arising from the revaluation of land and buildings occupied by an undertaking for its own activities	188	0	-264.037	-264.037	0	-25.071	-25.071
4 Gains/losses arising from the revaluation of other tangible (other than land and property) and intangible assets	189	0	0	0	0	0	0
5 Effects of cash flow hedging instruments	190	0	0	0	0	0	0
6 Actuarial gains/losses on pension plans with defined pensions	191	0	0	0	0	0	0
7 Share in other comprehensive income of associates	192	0	0	0	0	0	0
8 Income tax on other comprehensive income	193	834.592	8.899.280	9.733.872	6.379.993	-38.791.928	-32.411.935
<b>XX Total comprehensive income (ADP 180 +185)</b>	<b>194</b>	<b>18.965.086</b>	<b>166.173.673</b>	<b>185.138.759</b>	<b>-20.267.459</b>	<b>502.087.750</b>	<b>481.820.291</b>
1 Attributable to owners of the parent	195	0	0	0	0	0	0
2 Attributable to non-controlling interests	196	0	0	0	0	0	0
<b>XXI Reclassification adjustments</b>	<b>197</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.12.2021

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
<b>ASSETS</b>							
<b>A) INTANGIBLE ASSETS (ADP 002 +003)</b>	<b>001</b>	0	96.858.015	96.858.015	0	133.712.534	133.712.534
1 Goodwill	002	0	0	0	0	0	0
2 Other intangible assets	003	0	96.858.015	96.858.015	0	133.712.534	133.712.534
<b>B) TANGIBLE ASSETS (ADP 005 to 007)</b>	<b>004</b>	14.133	553.220.673	553.234.806	14.133	496.678.283	496.692.416
1 Land and buildings occupied by an undertaking for its own activities	005	0	264.388.018	264.388.018	0	195.045.782	195.045.782
2 Equipment	006	14.051	26.833.703	26.847.754	14.051	26.485.497	26.499.548
3 Other tangible assets and inventories	007	82	261.998.952	261.999.034	82	275.147.004	275.147.086
<b>C) INVESTMENTS (ADP 009+010+014+033)</b>	<b>008</b>	3.114.967.354	5.376.935.614	8.491.902.968	3.223.878.711	5.844.582.499	9.068.461.210
<b>I Investments in land and buildings not occupied by an undertaking for its own activities</b>	<b>009</b>	0	456.652.567	456.652.567	0	524.104.269	524.104.269
<b>II Investments in branches, associates and joint ventures (ADP 011 to 013)</b>	<b>010</b>	0	376.515.932	376.515.932	0	384.197.496	384.197.496
1 Shares and holdings in branches	011	0	342.827.639	342.827.639	0	356.197.496	356.197.496
2 Shares and holdings in associates	012	0	5.688.293	5.688.293	0	0	0
3 Shares and holdings in joint ventures	013	0	28.000.000	28.000.000	0	28.000.000	28.000.000
<b>III Financial assets (ADP 015+018+023+029)</b>	<b>014</b>	3.114.967.354	4.543.767.115	7.658.734.469	3.223.878.711	4.936.280.734	8.160.159.445
1 Financial assets held to maturity (ADP 016+017)	015	1.083.787.700	998.546.873	2.082.334.573	1.231.461.828	1.094.522.138	2.325.983.966
1.1 Debt financial instruments	016	1.083.787.700	998.546.873	2.082.334.573	1.231.461.828	1.094.522.138	2.325.983.966
1.2 Other	017	0	0	0	0	0	0
2 Financial assets available for sale (ADP 019 to 022)	018	1.804.243.754	2.731.918.505	4.536.162.259	1.884.095.466	3.283.111.285	5.167.206.751
2.1 Equity financial instruments	019	29.250.178	506.883.860	536.134.038	78.835.758	794.141.134	872.976.892
2.2 Debt financial instruments	020	1.718.133.233	2.089.821.103	3.807.954.336	1.700.547.001	2.168.583.697	3.869.130.698
2.3 Units in investment funds	021	56.860.343	135.213.542	192.073.885	104.712.707	320.386.454	425.099.161
2.4 Other	022	0	0	0	0	0	0
3 Financial assets at fair value through statement of profit or loss (ADP 024 to 028)	023	318.108	20.984.620	21.302.728	309.553	28.489.385	28.798.938
3.1 Equity financial instruments	024	0	17.187.511	17.187.511	0	25.765.552	25.765.552
3.2 Debt financial instruments	025	0	0	0	0	0	0
3.3 Derivative financial instruments	026	318.108	3.797.109	4.115.217	309.553	2.723.833	3.033.386
3.4 Units in investment funds	027	0	0	0	0	0	0
3.5 Other	028	0	0	0	0	0	0
4 Loans and receivables (ADP 030 to 032)	029	226.617.792	792.317.117	1.018.934.909	108.011.864	530.157.926	638.169.790
4.1 Deposits with credit institutions	030	175.737.297	317.322.719	493.060.016	67.847.755	100.289.307	168.137.062
4.2 Loans	031	47.414.600	301.235.373	348.649.973	39.445.265	283.366.478	322.811.743
4.3 Other	032	3.465.895	173.759.025	177.224.920	718.844	146.502.141	147.220.985
<b>IV Deposits with cedants</b>	<b>033</b>	0	0	0	0	0	0
<b>D) INVESTMENTS FOR THE ACCOUNT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK</b>	<b>034</b>	400.250.132	0	400.250.132	355.280.253	0	355.280.253
<b>E) REINSURANCE AMOUNT IN TECHNICAL PROVISIONS (ADP 036 to 042)</b>	<b>035</b>	12.263	474.856.240	474.868.503	20.627	331.321.934	331.342.561
1 Provisions for unearned premiums, reinsurance amount	036	0	58.699.359	58.699.359	0	75.363.648	75.363.648
2 Mathematical provision, reinsurance amount	037	12.263	0	12.263	20.627	0	20.627
3 Claims outstanding, reinsurance amount	038	0	416.156.881	416.156.881	0	255.958.286	255.958.286
4 Provisions for bonuses and rebates, reinsurance amount	039	0	0	0	0	0	0
5 Equalization provision, reinsurance amount	040	0	0	0	0	0	0
6 Other technical provisions, reinsurance amount	041	0	0	0	0	0	0
7 Special provisions for life assurance where policyholders bear the investment risk, reinsurance amount	042	0	0	0	0	0	0
<b>F) DEFERRED AND CURRENT TAX ASSETS (ADP 044 +045)</b>	<b>043</b>	1.777.335	65.691.032	67.468.367	2.125.392	69.111.257	71.236.649
1 Deferred tax assets	044	1.777.335	65.691.032	67.468.367	2.125.392	69.111.257	71.236.649
2 Current tax assets	045	0	0	0	0	0	0
<b>G) RECEIVABLES (ADP 047+050+051)</b>	<b>046</b>	622.575	741.344.470	741.967.045	16.107.888	895.130.447	911.238.335
<b>1 Receivables arising from insurance business (ADP 048+049)</b>	<b>047</b>	234.219	486.139.967	486.374.186	233.896	536.565.103	536.798.999
1.1 From policyholders	048	0	485.689.766	485.689.766	0	536.452.727	536.452.727
1.2 From insurance agents or insurance brokers	049	234.219	450.201	684.420	233.896	112.376	346.272
<b>2 Receivables arising from reinsurance business</b>	<b>050</b>	415	59.037.982	59.038.397	465	150.119.653	150.120.118
<b>3 Other receivables (ADP 052 to 054)</b>	<b>051</b>	387.941	196.166.521	196.554.462	15.873.527	208.445.691	224.319.218
3.1 Receivables arising from other insurance operations	052	0	164.158.334	164.158.334	0	130.469.004	130.469.004
3.2 Receivables for investment income	053	277.389	756.947	1.034.336	381.379	619.047	1.000.426
3.3 Other receivables	054	110.552	31.251.240	31.361.792	15.492.148	77.357.640	92.849.788
<b>H) OTHER ASSETS (ADP 056+060+061)</b>	<b>055</b>	62.420.478	450.515.970	512.936.448	48.451.977	530.581.366	579.033.343
<b>1 Cash at bank and in hand (ADP 057 to 059)</b>	<b>056</b>	62.420.478	450.515.458	512.935.936	48.451.977	530.580.854	579.032.831
1.1 Funds in the business account	057	0	450.515.458	450.515.458	0	530.580.854	530.580.854
1.2 Funds in the account of assets covering mathematical provisions	058	62.420.478	0	62.420.478	48.451.977	0	48.451.977
1.3 Cash in hand	059	0	0	0	0	0	0
<b>2 Fixed assets held for sale and termination of business operations</b>	<b>060</b>	0	0	0	0	0	0
<b>3 Other</b>	<b>061</b>	0	512	512	0	512	512
<b>I) PREPAYMENTS AND ACCRUED INCOME (ADP 063 to 065)</b>	<b>062</b>	0	260.751.069	260.751.069	0	217.928.510	217.928.510
1 Deferred interest and rent	063	0	10.000	10.000	0	0	0
2 Deferred acquisition costs	064	0	208.349.670	208.349.670	0	196.996.387	196.996.387
3 Other prepayments and accrued income	065	0	52.391.399	52.391.399	0	20.932.123	20.932.123
<b>J) TOTAL ASSETS (ADP 001+004+008+034+035+043+046+055+062)</b>	<b>066</b>	3.580.064.270	8.020.173.083	11.600.237.353	3.645.878.981	8.519.046.830	12.164.925.811
<b>K) OFF-BALANCE SHEET ITEMS</b>	<b>067</b>	368.537.309	2.681.501.745	3.050.039.054	295.776.653	3.127.366.763	3.423.143.416

# STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.12.2021

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
<b>LIABILITIES</b>							
<b>A) CAPITAL AND RESERVES (ADP 069+072+073+077+081+084)</b>	<b>068</b>	<b>453.763.909</b>	<b>3.080.075.801</b>	<b>3.533.839.710</b>	<b>433.496.449</b>	<b>3.582.303.680</b>	<b>4.015.800.129</b>
<b>1 Subscribed capital (ADP 070 to 071)</b>	<b>069</b>	<b>44.288.720</b>	<b>545.037.080</b>	<b>589.325.800</b>	<b>44.288.720</b>	<b>545.037.080</b>	<b>589.325.800</b>
1.1 Paid in capital - ordinary shares	070	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
1.2 Paid in capital - preference shares	071	0	0	0	0	0	0
<b>2 Premium on shares issued (capital reserves)</b>	<b>072</b>	<b>0</b>	<b>681.482.525</b>	<b>681.482.525</b>	<b>0</b>	<b>681.482.525</b>	<b>681.482.525</b>
<b>3 Revaluation reserves (ADP 074 to 076)</b>	<b>073</b>	<b>144.192.801</b>	<b>326.931.603</b>	<b>471.124.404</b>	<b>115.128.390</b>	<b>503.064.646</b>	<b>618.193.036</b>
3.1 Land and buildings	074	0	49.173.638	49.173.638	0	48.514.703	48.514.703
3.2 Financial assets available for sale	075	144.192.801	277.757.965	421.950.766	115.128.390	454.549.943	569.678.333
3.3 Other revaluation reserves	076	0	0	0	0	0	0
<b>4 Reserves (ADP 078 to 080)</b>	<b>077</b>	<b>85.295.937</b>	<b>316.742.639</b>	<b>402.038.576</b>	<b>85.295.937</b>	<b>316.742.639</b>	<b>402.038.576</b>
4.1 Legal reserves	078	2.214.436	27.864.354	30.078.790	2.214.436	27.864.354	30.078.790
4.2 Statutory reserve	079	7.581.501	139.638.995	147.220.496	7.581.501	139.638.499	147.220.000
4.3 Other reserves	080	75.500.000	149.239.290	224.739.290	75.500.000	149.239.786	224.739.786
<b>5 Retained profit or loss brought forward (ADP 082 + 083)</b>	<b>081</b>	<b>157.219.337</b>	<b>1.003.059.796</b>	<b>1.160.279.133</b>	<b>179.986.450</b>	<b>1.210.660.461</b>	<b>1.390.646.911</b>
5.1 Retained profit	082	157.219.337	1.003.059.796	1.160.279.133	179.986.450	1.210.660.461	1.390.646.911
5.2 Loss brought forward (-)	083	0	0	0	0	0	0
<b>6 Profit or loss for the current accounting period (ADP 085+086)</b>	<b>084</b>	<b>22.767.114</b>	<b>206.822.158</b>	<b>229.589.272</b>	<b>8.796.952</b>	<b>325.316.329</b>	<b>334.113.281</b>
6.1 Profit for the current accounting period	085	22.767.114	206.822.158	229.589.272	8.796.952	325.316.329	334.113.281
6.2 Loss for the current accounting period(-)	086	0	0	0	0	0	0
<b>B) SUBORDINATE LIABILITIES</b>	<b>087</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C) MINORITY INTEREST</b>	<b>088</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>D) TECHNICAL PROVISIONS (ADP 090 to 095)</b>	<b>089</b>	<b>2.654.028.927</b>	<b>3.980.977.359</b>	<b>6.635.006.286</b>	<b>2.749.553.919</b>	<b>3.836.466.172</b>	<b>6.586.020.091</b>
1 Provisions for unearned premiums, gross amount	090	5.022.484	1.143.856.246	1.148.878.730	5.179.737	1.193.835.121	1.199.014.858
2 Mathematical provisions, gross amount	091	2.554.176.172	11.308.894	2.565.485.066	2.649.731.672	6.553.376	2.656.285.048
3 Claims outstanding, gross amount	092	94.830.271	2.810.611.741	2.905.442.012	94.642.510	2.600.712.902	2.695.355.412
4 Provisions for bonuses and rebates, gross amount	093	0	7.213.900	7.213.900	0	21.471.444	21.471.444
5 Equalization provision, gross amount	094	0	7.055.533	7.055.533	0	7.055.533	7.055.533
6 Other technical provisions, gross amount	095	0	931.045	931.045	0	6.837.796	6.837.796
<b>E) SPECIAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK, gross amount</b>	<b>096</b>	<b>400.250.132</b>	<b>0</b>	<b>400.250.132</b>	<b>355.280.253</b>	<b>0</b>	<b>355.280.253</b>
<b>F) OTHER PROVISIONS (ADP 098 + 099)</b>	<b>097</b>	<b>2.570.940</b>	<b>87.002.391</b>	<b>89.573.331</b>	<b>4.059.715</b>	<b>56.691.988</b>	<b>60.751.703</b>
1 Provisions for pensions and similar obligations	098	2.570.940	83.967.933	86.538.873	3.950.010	54.103.971	58.053.981
2 Other provisions	099	0	3.034.458	3.034.458	109.705	2.588.017	2.697.722
<b>G) DEFERRED AND CURRENT TAX LIABILITIES (ADP 101 + 102)</b>	<b>100</b>	<b>31.652.078</b>	<b>76.140.059</b>	<b>107.792.137</b>	<b>25.272.086</b>	<b>133.082.324</b>	<b>158.354.410</b>
1 Deferred tax liability	101	31.652.078	71.795.993	103.448.071	25.272.086	110.447.790	135.719.876
2 Current tax liability	102	0	4.344.066	4.344.066	0	22.634.534	22.634.534
<b>H) DEPOSITS HELD UNDER BUSINESS CEDED</b>	<b>103</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>I) FINANCIAL LIABILITIES (ADP 105 to 107)</b>	<b>104</b>	<b>1.528.948</b>	<b>282.748.677</b>	<b>284.277.625</b>	<b>20.256.104</b>	<b>349.578.104</b>	<b>369.834.208</b>
1 Loan liabilities	105	0	0	0	0	0	0
2 Liabilities for issued financial instruments	106	0	0	0	0	0	0
3 Other financial liabilities	107	1.528.948	282.748.677	284.277.625	20.256.104	349.578.104	369.834.208
<b>J) OTHER LIABILITIES (ADP 109 to 112)</b>	<b>108</b>	<b>9.389.826</b>	<b>253.603.410</b>	<b>262.993.236</b>	<b>27.562.002</b>	<b>306.953.588</b>	<b>334.515.590</b>
1 Liabilities from direct insurance business	109	3.266.164	76.576.333	79.842.497	717.639	92.089.280	92.806.919
2 Liabilities from coinsurance and reinsurance business	110	10.330	90.279.328	90.289.658	18.567	110.193.290	110.211.857
3 Liabilities for disposal and discontinued operations	111	0	0	0	0	0	0
4 Other liabilities	112	6.113.332	86.747.749	92.861.081	26.825.796	104.671.018	131.496.814
<b>K) ACCRUALS AND DEFERRED INCOME (ADP 114+115)</b>	<b>113</b>	<b>26.879.510</b>	<b>259.625.386</b>	<b>286.504.896</b>	<b>30.398.453</b>	<b>253.970.974</b>	<b>284.369.427</b>
1 Deferred reinsurance commission	114	0	0	0	0	8.988.308	8.988.308
2 Other accruals and deferred income	115	26.879.510	259.625.386	286.504.896	30.398.453	244.982.666	275.381.119
<b>J) TOTAL LIABILITIES (ADP 068+087+088+089+096+097+100+103+104+108+113)</b>	<b>116</b>	<b>3.580.064.270</b>	<b>8.020.173.083</b>	<b>11.600.237.353</b>	<b>3.645.878.981</b>	<b>8.519.046.830</b>	<b>12.164.925.811</b>
<b>M) OFF-BALANCE SHEET ITEMS</b>	<b>117</b>	<b>368.537.309</b>	<b>2.681.501.745</b>	<b>3.050.039.054</b>	<b>295.776.653</b>	<b>3.127.366.763</b>	<b>3.423.143.416</b>

# STATEMENT OF CHANGES IN EQUITY

## For the period: 1.1.2021 - 31.12.2021

in HFK

Item	ADP code	Attributable to owners of the parent							Attributable to non-controlling interest	Total capital and reserves (9+10)
		Paid in capital (ordinary and preference shares)	Premium on shares issued	Revaluation reserves	Reserves (legal, statutory, other)	Retained profit or loss brought forward	Profit/loss for the year	Total capital and reserves (3 to 8)		
1	2	3	4	5	6	7	8	9	10	11
<b>I Balance on the first day of the previous business year</b>	1	589.325.800	681.482.525	516.655.694	402.038.576	865.830.400	293.130.713	3.348.463.708	0	3.348.463.708
Change in accounting policies	2	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0
<b>II Balance on the first day of the previous business year (restated)</b>	4	589.325.800	681.482.525	516.655.694	402.038.576	865.830.400	293.130.713	3.348.463.708	0	3.348.463.708
<b>III Comprehensive income or loss for the same period of the previous year (ADP 006 + ADP 007)</b>	5	0	0	-44.450.514	0	0	229.589.272	185.138.758	0	185.138.758
Profit or loss for the period	6	0	0	0	0	0	229.589.272	229.589.272	0	229.589.272
2 Other comprehensive income or loss for the same period of the previous year (ADP 008 to ADP 11)	7	0	0	-44.450.514	0	0	0	-44.450.514	0	-44.450.514
Unrealised gains or losses on tangible assets (land and buildings)	8	0	0	-216.511	0	0	0	-216.511	0	-216.511
Unrealised gains or losses on financial assets available for sale	9	0	0	7.374.940	0	0	0	7.374.940	0	7.374.940
Realised gains or losses on financial assets available for sale	10	0	0	-51.501.622	0	0	0	-51.501.622	0	-51.501.622
Other changes in equity unrelated to owners	11	0	0	-107.321	0	0	0	-107.321	0	-107.321
<b>IV Transactions with owners (previous period)</b>	12	0	0	-1.080.776	0	294.448.733	-293.130.713	237.244	0	237.244
Increase/decrease in subscribed capital	13	0	0	0	0	0	0	0	0	0
Other contributions by owners	14	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	15	0	0	0	0	0	0	0	0	0
Other distribution to owners	16	0	0	-1.080.776	0	294.448.733	-293.130.713	237.244	0	237.244
<b>V Balance on the last day of the previous business year reporting period</b>	17	589.325.800	681.482.525	471.124.404	402.038.576	1.160.279.133	229.589.272	3.533.839.710	0	3.533.839.710
<b>VI Balance on the first day of the current business year</b>	18	589.325.800	681.482.525	471.124.404	402.038.576	1.160.279.133	229.589.272	3.533.839.710	0	3.533.839.710
Change in accounting policies	19	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	20	0	0	0	0	0	0	0	0	0
<b>VII Balance on the first day of the current business year (restated)</b>	21	589.325.800	681.482.525	471.124.404	402.038.576	1.160.279.133	229.589.272	3.533.839.710	0	3.533.839.710
<b>VIII Comprehensive income or loss for the year</b>	22	0	0	147.707.010	0	0	334.113.281	481.820.291	0	481.820.291
Profit or loss for the period	23	0	0	0	0	0	334.113.281	334.113.281	0	334.113.281
Other comprehensive income or loss for the year	24	0	0	147.707.010	0	0	0	147.707.010	0	147.707.010
Unrealised gains or losses on tangible assets (land and buildings)	25	0	0	-20.559	0	0	0	-20.559	0	-20.559
Unrealised gains or losses on financial assets available for sale	26	0	0	173.001.043	0	0	0	173.001.043	0	173.001.043
Realised gains or losses on financial assets available for sale	27	0	0	-25.326.111	0	0	0	-25.326.111	0	-25.326.111
Other changes in equity unrelated to owners	28	0	0	52.637	0	0	0	52.637	0	52.637
<b>Transactions with owners (current period)</b>	29	0	0	-638.378	0	230.367.778	-229.589.272	140.128	0	140.128
Increase/decrease in subscribed capital	30	0	0	0	0	0	0	0	0	0
Other contributions by owners	31	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	32	0	0	0	0	0	0	0	0	0
Other transactions with owners	33	0	0	-638.378	0	230.367.778	-229.589.272	140.128	0	140.128
<b>Balance on the last day of the current year reporting period</b>	34	589.325.800	681.482.525	618.193.036	402.038.576	1.390.646.911	334.113.281	4.015.800.129	0	4.015.800.129



# STATEMENT OF CASH FLOWS – indirect method

## For the period: 1.1.2021 - 31.12.2021

in HRK

Item	ADP code	Same period of the previous year	Current business period
1	2	3	4
<b>I Cash flow from operating activities (ADP 002+013+031)</b>	<b>001</b>	<b>333.325.164</b>	<b>186.069.571</b>
<b>1 Cash flow before changes in operating assets and liabilities (ADP 003+004)</b>	<b>002</b>	<b>152.931.886</b>	<b>178.750.267</b>
1.1 Profit/loss before tax	003	274.140.312	392.647.533
1.2 Adjustments: (ADP 005 to 012)	004	-121.208.426	-213.897.266
1.2.1 Depreciation of property and equipment	005	38.763.846	34.681.193
1.2.2 Amortization of intangible assets	006	18.299.341	24.334.670
1.2.3 Impairment and gains/losses on fair valuation	007	15.531.917	-46.349.929
1.2.4 Interest expenses	008	10.650.392	11.723.762
1.2.5 Interest income	009	-179.496.482	-168.985.773
1.2.6 Share in profit of associates	010	0	0
1.2.7 Profit/loss from the sale of tangible assets (including land and buildings)	011	449.307	-692.959
1.2.8 Other adjustments	012	-25.406.747	-68.608.230
<b>2 Increase/decrease in operating assets and liabilities (ADP 014 to 030)</b>	<b>013</b>	<b>231.768.804</b>	<b>51.331.372</b>
2.1 Increase/decrease in financial assets available for sale	014	-58.020.322	-378.593.480
2.2 Increase/decrease in financial assets at fair value through statement of profit or loss	015	21.040.620	7.198.487
2.3 Increase/decrease in loans and receivables	016	183.955.033	336.005.357
2.4 Increase/decrease in deposits with cedants	017	0	0
2.5 Increase/decrease in investments for the account of life assurance policyholders who bear the investment risk	018	45.075.427	44.969.879
2.6 Increase/decrease in reinsurance amount in technical provisions	019	-261.335.323	143.525.941
2.7 Increase/decrease in tax assets	020	-808.588	0
2.8 Increase/decrease in receivables	021	42.453.567	-165.499.442
2.9 Increase/decrease in other assets	022	0	0
2.10 Increase/decrease in prepayments and accrued income	023	-21.444.509	42.822.559
2.11 Increase/decrease in technical provisions	024	349.903.764	-48.986.195
2.12 Increase/decrease in special provisions for life assurance where policyholders bear the investment risk	025	-45.075.427	-44.969.879
2.13 Increase/decrease in tax liabilities	026	-219.169	0
2.14 Increase/decrease in deposits held under reinsurance business ceded	027	0	0
2.15 Increase/decrease in financial liabilities	028	5.347.410	72.332.851
2.16 Increase/decrease in other liabilities	029	19.293.455	44.660.762
2.17 Increase/decrease in accruals and deferred income	030	-48.397.134	-2.135.468
<b>3 Income tax paid</b>	<b>031</b>	<b>-51.375.526</b>	<b>-44.012.068</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES (ADP 033 to 046)</b>	<b>032</b>	<b>111.550.057</b>	<b>-108.563.429</b>
1 Cash receipts from the sale of tangible assets	033	2.612.835	1.329.198
2 Cash payments for the purchase of tangible assets	034	-19.926.098	-19.473.395
3 Cash receipts from the sale of intangible assets	035	0	0
4 Cash payments for the purchase of intangible assets	036	-78.164.706	-61.189.190
5 Cash receipts from the sale of land and buildings not occupied by an undertaking for its own activities	037	80.780.300	6.341.538
6 Cash payments for the purchase of land and buildings not occupied by an undertaking for its own activities	038	-24.368.531	-2.195.220
7 Increase/decrease of investments in branches, associates and joint ventures.	039	-97.029.427	-2.001.490
8 Cash receipts from financial assets held to maturity	040	374.224.065	135.359.093
9 Cash payments for financial assets held to maturity	041	-191.656.958	-310.183.298
10 Cash receipts from the sale of financial instruments	042	0	0
11 Cash payments for investments in financial instruments	043	0	0
12 Cash receipts from dividends and share in profit	044	25.443.331	63.924.492
13 Cash receipts from repayments of short-term and long-term loans given	045	88.391.016	111.728.111
14 Cash payments for short-term and long-term loans	046	-48.755.770	-32.203.268
<b>III CASH FLOW FROM FINANCING ACTIVITIES (ADP 048 to 052)</b>	<b>047</b>	<b>-20.066.455</b>	<b>-25.019.553</b>
1 Cash receipts resulting from the increase of initial capital	048	0	0
2 Cash receipts from short-term and long-term loans received	049	0	0
3 Cash payments for the repayment of short-term and long-term loans received	050	-20.066.455	-23.059.553
4 Cash payments for the redemption of treasury shares	051	0	0
5 Cash payments of share in profit (dividend)	052	0	-1.960.000
<b>NET CASH FLOW (ADP 001 + 032 + 047)</b>	<b>053</b>	<b>424.808.766</b>	<b>52.486.589</b>
<b>IV EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS</b>	<b>054</b>	<b>-37.192.653</b>	<b>13.610.306</b>
<b>V NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (053+054)</b>	<b>055</b>	<b>387.616.113</b>	<b>66.096.895</b>
Cash and cash equivalents at the beginning of period	056	125.320.335	512.936.448
Cash and cash equivalents at the end of period (ADP 055 + 056)	057	512.936.448	579.033.343

## II. QUARTERLY MANAGEMENT REPORT

*In accordance with the statutory deadlines, we submit unaudited reports of the Company at the end of the fourth quarter of 2021. The audit of the financial statements for 2021 is ongoing and the information provided may vary from the final annual audited report.*

CROATIA osiguranje d.d. is still the leading company on the market of the Republic of CROATIA with a total market share of 25.7 percent.

In the period observed, CROATIA osiguranje d.d. reported profit before tax in the amount of HRK 392.6m and profit after tax in the amount of HRK 334.1m which represents an increase of 43.2 percent and 45.5 percent, respectively, compared to the same period of the previous year.

Earned premium, which represents 84.6 percent of total revenues, amounted to HRK 2,599.1m and increased by 4 percent compared to the same period of the previous year. Total gross written premium increased by 5.6 percent and amounted to HRK 2,895.8m. Gross written premium of non-life insurance amounted to HRK 2,451.7m and increased by 7.1 percent compared to the same period of the previous year. Gross written premium of the life insurance amounted to HRK 444m representing a decrease of 2.1 percent.

Investments recorded income in the amount of HRK 394,6m, representing an increase of 2.1 percent compared to the same period of the previous year. Income from investments represents 12.8 percent of total revenues. Expenses from investments amounted to HRK 91.5m, representing a decrease of 22 percent compared to the same period of the previous year. Expenses from investments represent 3.4 percent of total expenses.

Net claims incurred represent 57.7 percent of total expenses and amounted to HRK 1,546.4m, representing a decrease of 8.1 percent compared to the same period of the previous year, while claims settled amounted to HRK 1,596.3m, representing a decrease of 1.2 percent compared to the same period of the previous year primarily due to the absence of claims arising from earthquake insurance risks that were recorded in the comparable period.

Acquisition and administration expenses amounted to HRK 930.5m, increasing by 7.6 percent compared to the same period of the previous year.

Total assets of the Company as at 31 December 2021 amounted to HRK 12.2 billion, which represents an increase of 4,9 percent compared to 31 December 2020.

Technical reserves as at 31 December 2021 amounted to HRK 6.6 billion, representing a decrease of 0.7 percent compared to 31 December 2020.

The quarterly report contains the following key indicators that the Company monitors as alternative performance measures and, together with other measures defined by International Financial Reporting Standards, provides useful information regarding the Company's operational performance.

Key performance indicators	31 December 2020	31 December 2021	Change in percentage points (p.p.)
Claims ratio (non-life) *	56.2%	52.3%	-3.9%
Cost ratio (non-life) **	39.1%	40.6%	1.5%
Combined ratio (non-life)	95.3%	92.9%	-2.4%

\* *Claims ratio = (Income from commissions and fees + Other insurance-technical income + Net Claims incurred + Change in mathematical provisions and other technical provisions, net of reinsurance + Change in technical life insurance provisions where the policy holder bears the investment risk, net of reinsurance + Cost for premium returns (bonuses and rebates), net of reinsurance + Other technical expenses, net of reinsurance) / Net Earned premiums*

\*\* *Cost ratio = Operating expenses (business expenditures) / Net Earned premiums*

The combined ratio represents the sum of the claims ratio and the cost ratio and is the most important indicator of operational success in the non-life insurance segment. It is usually expressed as a percentage and a ratio below 100% means that the insurance result is profitable, and above 100% that it is not profitable. The combined ratio amounted to 92.9 percent for the observed period, which is an improvement of 2.4 percentage points compared to the same period of 2020.

Unaudited unconsolidated financial statements for the fourth quarter of the 2021 will be available on the web sites of CROATIA osiguranje d.d., Zagreb Stock Exchange and Officially appointed mechanism for the central storage of regulated information.

### Significant business events in the reporting period

General Assembly of CROATIA osiguranje d.d. passed the Decision on the use of the profit of CROATIA osiguranje d.d. achieved in 2020 on 18 June 2021. A dividend was voted for 8,750 preferred shares in the amount of HRK 112.00 per share for 2020 and HRK 112.00 per share for 2019, ie in the amount of HRK 980,000.00 for the year ended 31 December 2020 and in the amount of HRK 980,000.00 for the year ended 31 December 2019. The dividend was paid on 16 July 2021.

The Governing Board of the Croatian Financial Services Supervisory Agency (HANFA) held a session on July 14, 2021 and issued a decision approving Željko Lovrinčević to perform the function of a member of the Supervisory Board of CROATIA osiguranje d.d. for a term starting from 20 September 2021 to 20 September 2025.

The Croatian Financial Services Supervisory Agency (HANFA), at its meeting of the Governing Board held on 7 October 2021, issued a resolution authorising Zoran Barac to act as a member of the Supervisory Board of CROATIA osiguranje d.d. for a term of 4 years, with the beginning of the term from the date of receipt of the decision of HANFA, ie from 11 October 2021.

Due to the further course of the COVID-19 pandemic, the Company is continuously monitoring the situation and no significant negative impacts on the Company's operations have been identified in 2021, which is confirmed by the Company's results and high solvency ratio (Company's unaudited quarterly solvency ratio as at 30 December 2021 amounted to 270%). Despite this, the Company continues to assess the possible effects of pandemic on its operations. Negative financial effects caused directly by the COVID-19 pandemic could occur in the event of a new deterioration of the epidemiological situation if it would cause re-closures and reduction of economic activities. In addition, there are risks indirectly caused or triggered by the COVID-19 pandemic. This primarily refers to supply chain disruptions that continue to have negative impact on certain segments of economic activities as well as occurrence of increased inflation, which in the event of prolonged retention could have negative effects on the Company's operations if there is a significant decrease of consumer purchasing power. A negative impact could occur if there is a sharp increase in interest rates in financial markets, which could primarily be effected with the lower market valuations and decrease in value of financial instruments.

The mentioned effects of the pandemic impact could be realized in the future and therefore the Company will continue to have the special emphasis on monitoring the situation and taking timely measures to mitigate the potential negative consequences on its operations.

#### **Significant events after the end of the reporting date**

In accordance with the Capital Market Act and the Rules of the Zagreb Stock Exchange, on 18 January 2022 CROATIA osiguranje held its General Assembly on which the Decision on the election of the members of the Supervisory Board CROATIA osiguranje d.d. was adopted. By the mentioned decision Roberto Škopac and Hrvoje Patajac were elected as members of the Supervisory Board of CROATIA osiguranje d.d. for a term of 4 years, starting from the 24 April 2022, subject to obtaining an approval to perform the function of a member of the Supervisory Board issued by the Croatian Financial Services Supervisory Agency. The Governing Board of the Croatian Financial Services Supervisory Agency (HANFA) held a session on 17 February 2022 and issued a decision approving Roberto Škopac and Hrvoje Patajac to perform the function of a member of the Supervisory Board of CROATIA osiguranje d.d. for a term starting from 24 April 2022 to 24 April 2026.

#### **Company branch**

As at 31 December 2021 the Company has one registered branch (Branch Ljubljana). In its legal transactions, the branch operates as CROATIA osiguranje d.d. branch Ljubljana, in the Croatian language, and as CROATIA ZAVAROVANJE d.d. branch Ljubljana, in the Slovenian language.

#### **Purchase of treasury shares**

The Company does not own treasury shares, and the General Assembly did not authorise the Company to acquire treasury shares.

## **Expected development in the future**

Negative effects and trends are expected to increase in the future. In addition to the already present effect of delays in the delivery of new vehicles (waiting from six months to a year or more) due to the global problem in supply chains, there are also strong inflationary pressures. Rising prices of basic foodstuffs, as well as energy prices (gas, oil) will reduce the amount of the household disposable income for essentials, which includes some insurance products such as voluntary insurance. The negative effects will be partially mitigated by the increase in the minimum wage in the Republic of Croatia as well as the pressure on wage growth in general, which will potentially affect the increased amount of claims due to rising labor costs and repairs that may lead to price corrections.

The potential rise in interest rates could revive the life insurance market, which has grown much slower in recent years due to the pandemic and low interest rates.

At the beginning of 2023, two major regulatory changes took place: the introduction of the euro as the official currency of the Republic of Croatia and changes in the accounting standard for insurance companies (IFRS 17). Accordingly, 2022 will be a year of major IT investments and changes, which due to the state of available resources in the IT market will be a significant challenge for all insurance companies in the Republic of Croatia.

During 2021, new transformation initiatives were launched with the aim of further improving and optimizing the business processes necessary to achieve the goals setted in 2022.

In accordance with the above, the Company will in the coming period improve and refine digital communication channels:

- development of a new services on the company website
- additional functionalities of the mobile application Moja Croatia
- further claims optimization process – both front and back end

In the forthcoming period, the goal is to continue the best practice of transferring operational excellence from the parent to subsidiaries in the region, as well as help by the parent in the adoption on new accounting regulations (in those countries where it enters into force).

New sources of growth in the future are combinations of organic and acquisition activities. New acquisitions are aimed at strengthening the insurance business and further development of healthcare offering in addition to using the synergies arising from the insurance offer.

## **Research and development activities**

Customer focus and continuous innovations are the values of the Company that underlie research activities and new product development. The aim is to provide fast and quality service and increasing client satisfaction.

In accordance with the change in business conditions and the movement of global trends, in 2021 Croatia osiguranje continued to invest in its digital transformation in the amount of more than HRK 100m.

During 2021, strong support for the introduction of Laqo insurance continued, both in marketing and functional terms. The LaqoPrevent program is part of the offer of Croatia's LAQO insurance, the first

fully digital insurance solution in this area. LaqoPrevent promotes safe driving and responsible traffic behavior by using an advanced telematics technology solution, available as part of the LAQO application. The Laqo Prevent program was awarded as the best project of the business sector in achieving community safety by the Croatian Association of Security Managers. The best user experience, for example half as many as number of clicks compared to similar European brands, contributes to high customer satisfaction. All this has led to initial results that show that Laqo in Croatia is more successful than *insurtech* companies in major European markets, while the characteristics of Laqo products are comparable to the world's best *insurtech* solutions.

In cooperation with Swiss RE, one of the largest reinsurers in the world, Croatia osiguranje also launched the first crop insurance product against lack of soil moisture (drought). Thanks to this high-tech product, Croatia osiguranje has so far paid HRK 12.6m in compensation for drought damage. Index moisture protection in the soil is the most modern product of its kind on the market, which uses advanced technology for measuring soil moisture via satellite, and the payment of damages takes place automatically, without the need for an appraiser to go to the field. So far, more than 1,000 farmers have received the payment, and 90% of the compensation has been paid in just two weeks. According to estimates, Croatia osiguranje will pay out a total of HRK 13.7m to insured farmers.

The specialist postgraduate study *Products, Digital Innovations and Technologies in Insurance (Insurtech)* developed in cooperation with the Faculty of Electrical Engineering and Computing in Zagreb continues with work. The aim of the study is to further improve the insurance profession through the education of experts who will handle the development of industry in Croatia and the region.

More than 200 employees enrolled in the "Elements of AI" training. The goal is to use new knowledge and ideas to improve various business processes and services to ensure and increase the satisfaction of both customers and employees of the company.

In addition to the regular educational programs that employees attend to improve their professional competencies, in 2021 Croatia osiguranje will continue to work on initiatives aimed at internal sharing of knowledge and learning from the experience of other colleagues. During the year, all employees had the opportunity to participate in some form of training, including internal, external, and training through the e-learning system. In addition, e-learning as an important educational platform has been further developed and provides constantly available educational content for all employees, so that more than 57,000 hours of e-learning were spent on professional knowledge education.

#### Description of the most significant risks and uncertainties

In relation to the most significant risks and uncertainties which were described in the audited financial statements for the year 2020, in the period observed there were no significant changes in relation to the risks to which the Company is exposed in the course of its business, except as described in the note *Significant business events in the reporting period*.

Zagreb, 28 February 2022

Member of the Management Board

  
Luka Babić



Member of the Management Board

  
Vančo Balen

### III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-XII 2021

#### 1. GENERAL INFORMATION ON THE COMPANY

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33 (the 'Company') is registered in the Court Register of the Commercial Court in Zagreb, Republic of Croatia, under the Company's Court Reg. No. ("MBS") 080051022 and PIN ("OIB") 26187994862. The Company's principal activity is non-life and life insurance business and reinsurance business in the non-life insurance group.

The Company, within the scope of its business, also performs the following tasks::

- activities of offering the investment fund shares and activities of offering pension programs of voluntary pension funds and pension insurance companies in accordance with the provisions of the law governing the offering of shares of investment funds and the offer of pension programs,
- insurance distribution activities for other insurance companies,
- activities that are directly or indirectly related to insurance activities,
- credit intermediation operations in accordance with the regulations governing credit intermediaries.

Since 2004, the Company's shares have been listed at Official Market of the Zagreb Stock Exchange, Zagreb.

The company is majorly owned by ADRIS GRUPE d.d., Rovinj and is included in the consolidated financial statements of ADRIS GRUPE d.d. which are available on the website of ADRIS GROUP d.d..

The average number of employees of the Company during the current period is 2,292.

#### **Supervisory Board and Management Board**

According to the Company Act, Insurance Act and the Articles of Association of the Company the Company's bodies are the General Assembly, the Supervisory Board and the Management Board. Obligations and responsibilities of the members of these bodies are determined by the mentioned acts.

#### **Members of the Supervisory Board are:**

Roberto Škopac	President
Željko Lovrinčević, PhD	Vice President
Vitomir Palinec	Member
Hrvoje Patajac	Member
Vlasta Pavličević	Member
Zoran Barac, PhD	Member since 11 October 2021

**Members of the Management Board are:**

Davor Tomašković	President
Robert Vučković	Member
Luka Babić	Member
Vančo Balen	Member

**Basis of preparation of financial statements**

Financial statements are prepared in accordance with the Capital Market Act (Official Gazette 65/18, 17/20, 83/21), International Accounting Standard 34 – *Interim Financial Reporting*, the Rules of Zagreb Stock Exchange and the Ordinance on the contents and structure of issuers interim reports and on the form and manner of their submission to the Croatian Financial Services Supervisory Agency, which is issued by the Croatian Financial Services Supervisory Agency.

Quarterly financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2020. The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Annual Financial Report for 2020, for the purpose of understanding the information published in the notes to the financial statements prepared for the fourth quarter of the 2021, is available on the company's official website, the official website of the Zagreb Stock Exchange and the Croatian Financial Services Supervisory Agency's Official Register.

Financial statements are prepared by using the accrual principle, which is the underlying accounting assumption. Economic events are recognized when they occurred and are reported in financial statements for the period in which they occurred by using the underlying accounting principle of going concern.

Financial statements for the fourth quarter of the 2021 have not been audited.

**Presentation currency**

Company's financial statements are prepared in the Croatian kuna as the functional and presentation currency.

**Use of estimates and judgements**

Preparation of financial statements in conformity with IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, and information available at the date of preparation of financial statements, the results of which form the basis of making the judgements about carrying value of assets and liabilities that are



not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes of accounting estimates are recognised from the period in which an estimate is revised and in future periods, if the change also affects them.

### **Accounting policies**

Accounting policies and measurement methods which are used in the preparation of financial statements for the reporting period are the same as those which are used for preparation of the audited financial statements for the year 2020.

### **Related party transactions**

There were no unusual related party transactions of goods and services in the current reporting period.

### **Seasonality of business activities**

Company's operations are not seasonal. However, in the first part of the year, gross written premium and receivables for written premiums are higher than in the rest of the year due to dynamics of conclusion of insurance contracts.

### **Segment reporting**

The Company's reporting segments comprise the life insurance segment and the non-life insurance segment. The description of segments as well as allocation of costs between segment of life insurance and non-life insurance, capital and reserves and assets described in the annual financial statements for 2020, have not changed. There were no significant intersegmental revenues and expenses in the period observed.

## Fair value

Fair value is the amount that should be received for an asset sold or paid to settle a liability in an arm's length transaction between market participants at the value measurement date. Fair value is based on quoted market prices, where available. If market prices are not available, fair value is estimated by using discounted cash flow models or other appropriate pricing techniques. Changes in assumptions on which the estimates are based, including discount rates and estimated future cash flows, significantly affect the estimates. Therefore, at this point the estimated fair value cannot be certainly achieved from the sale of a financial instrument. The fair value of investments at amortised cost is presented below:

	31 December 2021			31 December 2020		
	Net book value	Fair value	Difference	Net book value	Fair value	Difference
	in HRK	in HRK	in HRK	in HRK	in HRK	in HRK
Debt securities	2,325,983,966	2,523,640,767	197,656,801	2,082,334,573	2,339,164,612	256,830,039
Loans	466,532,728	481,986,492	15,453,764	510,903,668	525,898,879	14,995,211
Deposits	171,637,062	171,854,639	217,577	508,031,241	509,434,854	1,403,613
	<b>2,964,153,756</b>	<b>3,177,481,898</b>	<b>213,328,142</b>	<b>3,101,269,482</b>	<b>3,374,498,345</b>	<b>273,228,863</b>

### *Methods of assessment or assumptions in determining fair value*

For measuring the fair value, the Company takes into account the IFRS fair value hierarchy rules that reflect the significance of inputs used in the assessment process. Each instrument is assessed individually and in detail. The levels of the fair value hierarchy are determined on the basis of the lowest level and the input data that are important for determining the fair value of the instrument.

The table below analyses financial instruments carried at fair value using the valuation method, Different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices or interest rates information) or indirectly (that is, derived from prices or interest rates) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Company's assets measured at fair value as at 31 December 2021 are presented as follows:

	Level 1 in HRK	Level 2 in HRK	Level 3 in HRK	Total in HRK
<i>Property for own use</i>	-	-	195,045,782	195,045,782
<i>Investment property</i>	-	-	524,104,269	524,104,269
Equity securities	764,572,089	100,466,852	7,937,951	872,976,892
Debt securities	2,798,247,722	1,068,992,279	1,890,697	3,869,130,698
Investment funds	180,957,159	244,082,807	59,195	425,099,161
<b><i>Available-for-sale financial assets</i></b>	<b>3,743,776,970</b>	<b>1,413,541,938</b>	<b>9,887,843</b>	<b>5,167,206,751</b>
Equity securities	25,765,552	-	-	25,765,552
Debt securities	-	-	-	-
Investment funds	355,280,253	-	-	355,280,253
Foreign currency forward contracts	-	3,033,386	-	3,033,386
<b><i>Financial assets at fair value through profit or loss</i></b>	<b>381,045,805</b>	<b>3,033,386</b>	<b>-</b>	<b>384,079,191</b>
<b>Total assets at fair value</b>	<b>4,124,822,775</b>	<b>1,416,575,324</b>	<b>729,037,894</b>	<b>6,270,435,993</b>

The Company's assets measured at fair value as at 31 December 2020 are presented as follows:

	Level 1 in HRK	Level 2 in HRK	Level 3 in HRK	Total in HRK
<i>Property for own use</i>	-	-	264,388,018	264,388,018
<i>Investment property</i>	-	-	456,652,567	456,652,567
Equity securities	505,893,358	-	30,240,680	536,134,038
Debt securities	3,028,770,077	777,054,585	2,129,674	3,807,954,336
Investment funds	60,338,215	128,706,694	3,028,976	192,073,885
<b><i>Available-for-sale financial assets</i></b>	<b>3,595,001,650</b>	<b>905,761,279</b>	<b>35,399,330</b>	<b>4,536,162,259</b>
Equity securities	17,187,511	-	-	17,187,511
Debt securities	-	-	-	-
Investment funds	400,250,132	-	-	400,250,132
Foreign currency forward contracts	-	4,115,217	-	4,115,217
<b><i>Financial assets at fair value through profit or loss</i></b>	<b>417,437,643</b>	<b>4,115,217</b>	<b>-</b>	<b>421,552,860</b>
<b>Total assets at fair value</b>	<b>4,012,439,293</b>	<b>909,876,496</b>	<b>756,439,915</b>	<b>5,678,755,704</b>

The Company has adopted IFRS 13, pursuant to which it is required to disclose the fair value hierarchy of financial assets that are not measured at fair value as well as a description of valuation techniques and inputs used.

Financial liabilities are recorded at amortised cost. The Management Board believes that, due to fact that interest rate of these instruments is in line with market rates, the carrying value of these instruments is not significantly different from their fair value.

The fair value of deposits, loans and financial liabilities are estimated on the basis of inputs that are not commercially available rates, and are therefore classified as Level 3, or by using publicly available rates published by the Croatian national bank (for the Company's loans) and would therefore be classified as Level 2 in the fair value hierarchy. Investments with available market prices that are classified in the portfolio of held-to-maturity investments are classified as Level 1.

The fair values of cash and cash equivalents and insurance receivables and other receivables do not differ significantly from their carrying amounts due to the short-term nature of these financial instruments. Fair value is determined based on Level 2 inputs for cash and cash equivalents and based on Level 3 inputs for insurance receivables and other receivables.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of financial instruments that are classified as Level 3 is determined by using discontinued cash flow techniques or other valuation techniques by using relevant observable market data, information about current business and estimation of issuer's future business. There was no significant increase or decrease in the value of the parameters that would affect the change in the fair value of financial assets classified in Level 3 fair value.

There have been no significant reclassifications from Level 1 and Level 2 to Level 3 and vice versa of financial assets at fair value through profit or loss in statement of financial position.

The fair value of investment property is derived primarily by applying a sales comparison and income approach, and sometimes lacking information on market parameters by applying the cost method, depending on a particular property.

The fair value of the property for own use was carried out primarily by applying the income method.

The most significant inputs in the valuations were prices or rental income per square meter, generated based on comparable properties in the immediate vicinity and then adjusted by differences in key characteristics.

### **Intangible assets**

In the period observed, intangible assets increased by HRK 36.9m, primarily due to additional investments in the new Core IT system. The Company capitalized the costs of net salaries in the amount of HRK 5.7m, the costs of contributions from salaries in the amount of HRK 1.6m, the costs of taxes and surcharges from salaries in the amount of HRK 1m, the costs of contributions to salaries in the amount of HRK 1.3m and other employee costs in the amount of HRK 1.3m.

### **Investments in land and buildings not occupied by an undertaking for its own activities**

In the period observed Company's investments in land and buildings not occupied by an undertaking for its own activities have increased in the amount of HRK 67.5 m which is mostly due to reclassification of assets from the position of Land and buildings occupied by an undertaking for its own activities to the mentioned position due to a change in the purpose of specific property.

## Financial assets and financial liabilities

The Company's structure of financial assets as at 31 December 2021 and 31 December 2020 was as follows:

	31 December 2021				
	Held-to- maturity investments	Available- for-sale financial assets	Financial assets at fair value through profit or loss - for trading	Loans and receivables	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
<b>Shares</b>					
Shares, listed	-	806,336,528	25,765,552	-	832,102,080
Shares, not listed	-	66,640,364	-	-	66,640,364
	-	<b>872,976,892</b>	<b>25,765,552</b>	-	<b>898,742,444</b>
<b>Debt securities</b>					
Government bonds	2,262,102,845	3,346,343,162	-	-	5,608,446,007
Corporate bonds	63,881,121	522,787,536	-	-	586,668,657
	<b>2,325,983,966</b>	<b>3,869,130,698</b>	-	-	<b>6,195,114,664</b>
<b>Derivative financial instruments</b>					
Foreign currency forward contracts	-	-	3,033,386	-	3,033,386
	-	-	<b>3,033,386</b>	-	<b>3,033,386</b>
<b>Investment funds</b>					
Open-ended investment funds	-	425,099,161	-	-	425,099,161
Open-ended investment funds - assets for coverage of unit-linked products	-	-	355,280,253	-	355,280,253
	-	<b>425,099,161</b>	<b>355,280,253</b>	-	<b>780,379,414</b>
<b>Loans and receivables</b>					
Deposits with credit institutions	-	-	-	171,637,062	171,637,062
Loans	-	-	-	466,532,728	466,532,728
	-	-	-	<b>638,169,790</b>	<b>638,169,790</b>
	<b>2,325,983,966</b>	<b>5,167,206,751</b>	<b>384,079,191</b>	<b>638,169,790</b>	<b>8,515,439,698</b>

	31 December 2020				
	Held-to- maturity investments	Available- for-sale financial assets	Financial assets at fair value through profit or loss - for trading	Loans and receivables	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
<b>Shares</b>					
Shares, listed	-	534,217,547	17,187,511	-	551,405,058
Shares, not listed	-	1,916,491	-	-	1,916,491
	-	<b>536,134,038</b>	<b>17,187,511</b>	-	<b>553,321,549</b>
<b>Debt securities</b>					
Government bonds	2,038,397,745	3,638,449,387	-	-	5,676,847,132
Corporate bonds	43,936,828	169,504,949	-	-	213,441,777
	<b>2,082,334,573</b>	<b>3,807,954,336</b>	-	-	<b>5,890,288,909</b>
<b>Derivative financial instruments</b>					
Foreign currency forward contracts	-	-	4,115,217	-	4,115,217
	-	-	<b>4,115,217</b>	-	<b>4,115,217</b>
<b>Investment funds</b>					
Open-ended investment funds	-	192,073,885	-	-	192,073,885
Open-ended investment funds - assets for coverage of unit-linked products	-	-	400,250,132	-	400,250,132
	-	<b>192,073,885</b>	<b>400,250,132</b>	-	<b>592,324,017</b>
<b>Loans and receivables</b>					
Deposits with credit institutions	-	-	-	508,031,241	508,031,241
Loans	-	-	-	510,903,668	510,903,668
	-	-	-	<b>1,018,934,909</b>	<b>1,018,934,909</b>
	<b>2,082,334,573</b>	<b>4,536,162,259</b>	<b>421,552,860</b>	<b>1,018,934,909</b>	<b>8,058,984,601</b>

The structure of financial liabilities as at 31 December 2021 and 31 December 2020 was as follows:

	31 December 2021	31 December 2020
	in HRK	in HRK
Lease liabilities	274,715,764	261,999,244
Liabilities for repo transactions	76,481,325	-
Derivative financial instruments	5,987,102	7,425,656
Preference shares	12,250,000	12,250,000
Other financial liabilities	400,017	2,602,725
	<b>369,834,208</b>	<b>284,277,625</b>

## Share capital and shares

The Company's share capital with a nominal value of 601,575,800 as at 31 December 2021 is divided among 429,697 shares with a nominal value of HRK 1,400. The shares are marked as follows:

Number of shares	Nominal amount:
307,598 ordinary shares I, emission with ticker CROS-R-A/CROS	430,637,200
113,349 ordinary shares II, emission with ticker CROS-R-A/CROS	158,688,600
<b>TOTAL OF ORDINARY SHARES</b>	<b>589,325,800</b>
8,750 preference shares I, emission with ticker CROS-P-A/CROS2	12,250,000
<b>TOTAL OF PREFERENCE SHARES</b>	<b>12,250,000</b>

Each share, ordinary and preference, provides the right to 1 (one) vote at the Company's General Assembly. Due to the guaranteed dividend payment, preference shares are classified as financial liabilities. All shares are paid in full, issued in dematerialized form, are transferable and are managed at the central depository of the Central Depository & Clearing Company.

## Liabilities

The structure of liabilities as at 31 December 2021 and 31 December 2020 was as follows:

	31 December 2021			
	No later than 1 year	1-5 years	More than 5 years	Total
Other provisions	10,576,449	42,993,212	7,182,042	60,751,703
Financial liabilities	98,162,784	53,946,685	217,724,739	369,834,208
Liabilities arising from insurance contracts, other liabilities and deferred income	582,713,194	24,020,210	12,151,613	618,885,017
<b>Total</b>	<b>691,452,427</b>	<b>120,960,107</b>	<b>237,058,394</b>	<b>1,049,470,928</b>
	31 December 2020			
	No later than 1 year	1-5 years	More than 5 years	Total
Other provisions	8,993,146	59,672,549	20,907,636	89,573,331
Financial liabilities	16,398,657	52,902,823	214,976,145	284,277,625
Liabilities arising from insurance contracts, other liabilities and deferred income	507,654,960	29,519,175	12,323,997	549,498,132
<b>Total</b>	<b>533,046,763</b>	<b>142,094,547</b>	<b>248,207,778</b>	<b>923,349,088</b>

## Deferred taxes

The company has recognized deferred tax assets and liabilities as at 31 December 2021.

The movement of deferred tax assets is shown in the note below:

	Impairment of investments in subsidiaries and associates	Financial assets at fair value through profit or loss	Impairment of available-for-sale financial assets	Impairment of loans and deposits	Fair valuation losses on investment property	Other	TOTAL
<b>31 December 2019</b>	<b>673,585</b>	<b>6,102,326</b>	<b>18,434,553</b>	<b>14,693,497</b>	<b>27,773,814</b>	<b>843,869</b>	<b>68,521,644</b>
Reclassifications	-	-	-	-	-	1,029,758	1,029,758
Foreign exchange differences arising on translation of financial statements of foreign operations	-	(3,226,978)	(4,886,463)	(53,086)	(2,805,182)	(1,029,757)	(12,001,466)
Utilised deferred tax assets through profit or loss	-	1,938,771	1,310,750	2,087,647	3,447,684	1,133,579	9,918,431
<b>31 December 2020</b>	<b>673,585</b>	<b>4,814,119</b>	<b>14,858,840</b>	<b>16,728,058</b>	<b>28,416,316</b>	<b>1,977,449</b>	<b>67,468,367</b>
Foreign exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	-	-
Utilised deferred tax assets through profit or loss	(31,541)	(1,285,046)	(1,578,636)	(1,027,578)	(1,811,125)	-	(5,733,926)
Deferred tax assets recognised in profit or loss	-	2,181,662	4,892	474,559	1,567,830	5,273,265	9,502,208
<b>31 December 2021</b>	<b>642,044</b>	<b>5,710,735</b>	<b>13,285,096</b>	<b>16,175,039</b>	<b>28,173,021</b>	<b>7,250,714</b>	<b>71,236,649</b>



The movement of deferred tax liability is shown in the note below:

	<b>Land and buildings occupied by an undertaking for its own activities</b>	<b>Financial assets available for sale</b>	<b>Total</b>
	in HRK	in HRK	in HRK
<b>31 December 2019</b>	<b>11,078,983</b>	<b>102,559,372</b>	<b>113,638,355</b>
Utilization through retained earning	(237,243)	-	(237,243)
Utilization through profit or loss	-	(219,169)	(219,169)
Change in fair value of available-for-sale investments	-	(9,686,345)	(9,686,345)
Impairment of property through other comprehensive income	(47,527)	-	(47,527)
<b>31 December 2020</b>	<b>10,794,213</b>	<b>92,653,858</b>	<b>103,448,071</b>
Utilization through retained earnings	(140,130)	-	(140,130)
Change in fair value of available-for-sale investments	-	32,416,448	32,416,448
Change in fair value of available-for-sale investments through other comprehensive income	(4,513)	-	(4,513)
<b>31 December 2021</b>	<b>10,649,570</b>	<b>125,070,306</b>	<b>135,719,876</b>

## Commitments

As at 31 December 2021, the Company's contractual obligations for future investments amount to HRK 356.5m based on binding bids for investments in alternative investment funds.



**CROATIA<sup>®</sup>  
OSIGURANJE**

CROATIA osiguranje d.d.  
Vatroslava Jagića 33, 10 000 Zagreb  
www.crosig.hr

## MANAGEMENT BOARD STATEMENT

Pursuant to article 20 of the Articles of Association of the Company from 9 September 2021 and article 468 of the Capital Market Law (Official Gazette 65/18, 17/20, 83/21), the Management Board provides this

### STATEMENT

That to the best of our knowledge:

- the set of quarterly unaudited unconsolidated financial statements of the issuer for the period 1 January – 31 December 2021 prepared by using applicable financial reporting standards, gives a true and fair view of assets and liabilities, the financial position and profit or loss of the issuer,
- the management report presents an objective view of the development and business results and position of the issuer with description of significant risks and uncertainties to which the issuer is exposed,

Zagreb, 28 February 2022

Member of the Management Board

  
Luka Babić



Member of the Management Board

  
Vančo Balen

