



**CROATIA<sup>®</sup>  
OSIGURANJE**

CROATIA osiguranje d.d.  
Vatroslava Jagića 33, 10 000 Zagreb  
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**UNCONSOLIDATED UNAUDITED  
QUARTERLY REPORT,  
FOR THE PERIOD  
1 January 2022 – 31 March 2022**

Zagreb, April 2022

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# I. UNAUDITED FINANCIAL STATEMENTS

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ISSUER'S GENERAL DATA		
Reporting period:	1.1.2022	to 31.3.2022
Year:	2022	
Quarter:	1	
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):	2424	
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) (name of the bookkeeping firm)
Contact person:	Jelena Matijević (only name and surname of the contact person)	
Telephone:	072 00 1884	
E-mail address:	izdavatelji@crosig.hr	
Audit firm:	(name of the audit firm)	
Certified auditor:	(name and surname)	

**STATEMENT OF COMPREHENSIVE INCOME**  
**(STATEMENT OF PROFIT OR LOSS)**  
**For the period: 1.1.2022 - 31.3.2022**

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>116.721.074</b>	<b>509.160.580</b>	<b>625.881.654</b>	<b>144.037.948</b>	<b>527.930.100</b>	<b>671.968.048</b>
1 Gross written premium	119	116.693.301	750.160.755	866.854.056	144.253.768	841.174.685	985.428.453
2 Value adjustment and charged premium value adjustment	120	0	2.628.479	2.628.479	0	4.589.072	4.589.072
3 Outward reinsurance premiums (-)	121	-44.310	-123.384.926	-123.429.236	-37.578	-146.674.224	-146.711.802
4 Change of gross provisions for unearned premiums (+/-)	122	61.472	-196.234.504	-196.173.032	-205.319	-253.725.972	-253.931.291
5 Change of provisions for unearned premiums, reinsurers' share (+/-)	123	10.611	75.990.776	76.001.387	27.077	82.566.539	82.593.616
<b>II Income from investments (ADP 125 to 131)</b>	<b>124</b>	<b>36.347.166</b>	<b>81.612.060</b>	<b>117.959.226</b>	<b>48.420.641</b>	<b>92.185.867</b>	<b>140.606.508</b>
1 Income from branches, associates and joint ventures.	125	445.052	10.988.002	11.433.054	493.108	11.924.680	12.417.788
2 Income from investment in land and buildings	126	0	9.541.056	9.541.056	0	10.922.502	10.922.502
3 Interest income	127	21.447.203	22.373.849	43.821.052	21.419.969	20.479.901	41.899.870
4 Unrealised gains on investments	128	197.119	4.347.245	4.544.364	825.964	5.877.563	6.703.527
5 Realised gains on investments	129	1.863.165	17.390.025	19.253.190	3.768.664	22.231.516	26.000.180
6 Net positive exchange rate differences	130	12.394.148	9.705.318	22.099.466	21.912.039	14.757.290	36.669.329
7 Other income from investments	131	479	7.266.565	7.267.044	897	5.992.415	5.993.312
<b>III Income from commissions and fees</b>	<b>132</b>	<b>477.546</b>	<b>2.411.392</b>	<b>2.888.938</b>	<b>389.349</b>	<b>10.444.248</b>	<b>10.833.597</b>
<b>IV Other insurance-technical income, net amount from reinsurance</b>	<b>133</b>	<b>46.551</b>	<b>4.174.315</b>	<b>4.220.866</b>	<b>36.707</b>	<b>4.224.488</b>	<b>4.261.195</b>
<b>V Other income</b>	<b>134</b>	<b>1</b>	<b>2.488.658</b>	<b>2.488.659</b>	<b>3.707</b>	<b>2.053.358</b>	<b>2.057.065</b>
<b>VI Claims incurred, net (ADP 136 + 139)</b>	<b>135</b>	<b>-107.117.898</b>	<b>-217.211.819</b>	<b>-324.329.717</b>	<b>-127.653.291</b>	<b>-233.115.946</b>	<b>-360.769.237</b>
1 Claims settled (ADP 137+138)	136	-111.199.269	-317.021.273	-428.220.542	-115.850.592	-286.029.229	-401.879.821
1.1 Gross amount (-)	137	-111.199.269	-347.718.972	-458.918.241	-115.850.592	-319.638.586	-435.489.178
1.2 Reinsurers' share (+)	138	0	30.697.699	30.697.699	0	33.609.357	33.609.357
2 Change in the provision for claims (+/-) (ADP 140+141)	139	4.081.371	99.809.454	103.890.825	-11.802.699	52.913.283	41.110.584
2.1 Gross amount	140	4.081.371	92.245.466	96.326.837	-11.802.699	60.210.101	48.407.402
2.3 Reinsurers' share	141	0	7.563.988	7.563.988	0	-7.296.818	-7.296.818
<b>VII Change in mathematical provision and other technical provisions, net of reinsurance (ADP 143+146)</b>	<b>142</b>	<b>-29.182.111</b>	<b>-9.619.985</b>	<b>-38.802.096</b>	<b>-76.773.680</b>	<b>-1.230.687</b>	<b>-78.004.367</b>
1 Change in mathematical provisions (+/-) (ADP 144+145)	143	-29.182.111	1.330.679	-27.851.432	-76.773.680	886.397	-75.887.283
1.1 Gross amount (-)	144	-29.186.933	1.330.679	-27.856.254	-76.775.050	886.397	-75.888.653
1.2 Reinsurers' share (+)	145	4.822	0	4.822	1.370	0	1.370
2 Change in other technical provisions, net of reinsurance (+/-) (ADP 147+148)	146	0	-10.950.664	-10.950.664	0	-2.117.084	-2.117.084
2.1 Gross amount (-)	147	0	-10.950.664	-10.950.664	0	-2.117.084	-2.117.084
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>4.749.889</b>	<b>0</b>	<b>4.749.889</b>	<b>44.379.000</b>	<b>0</b>	<b>44.379.000</b>
1 Gross amount (-)	150	4.749.889	0	4.749.889	44.379.000	0	44.379.000
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>-2.767.377</b>	<b>-2.767.377</b>	<b>0</b>	<b>-3.506.207</b>	<b>-3.506.207</b>
1 Performance-dependent (bonuses)	153	0	-2.767.377	-2.767.377	0	-3.506.207	-3.506.207
2 Performance-independent (rebates)	154	0	0	0	0	0	0

**STATEMENT OF COMPREHENSIVE INCOME**  
**(STATEMENT OF PROFIT OR LOSS)**  
**For the period: 1.1.2022 - 31.3.2022**

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>	-12.393.406	-202.712.035	-215.105.441	-8.247.295	-223.200.026	-231.447.321
1 Acquisition costs (ADP 157 to 159)	156	-5.878.525	-116.742.524	-122.621.049	-2.737.173	-131.788.387	-134.525.560
1.1 Commission	157	-1.556.314	-74.219.926	-75.776.240	-1.657.393	-88.314.790	-89.972.183
1.2 Other acquisition costs	158	-4.322.211	-50.974.738	-55.296.949	-1.079.780	-59.244.557	-60.324.337
1.3 Change in deferred acquisition costs	159	0	8.452.140	8.452.140	0	15.770.960	15.770.960
2 Administration expenses (administrative costs) (ADP 161 to 163)	160	-6.514.881	-85.969.511	-92.484.392	-5.510.122	-91.411.639	-96.921.761
2.1 Depreciation	161	-556.162	-12.910.932	-13.467.094	-336.041	-15.373.673	-15.709.714
2.2 Salaries, taxes and contributions from/on salaries	162	-2.675.978	-26.534.235	-29.210.213	-2.204.459	-29.676.147	-31.880.606
2.3 Other administration expenses	163	-3.282.741	-46.524.344	-49.807.085	-2.969.622	-46.361.819	-49.331.441
<b>XI Investment expenses (ADP 165 to 171)</b>	<b>164</b>	<b>-2.647.986</b>	<b>-23.010.438</b>	<b>-25.658.424</b>	<b>-3.171.116</b>	<b>-34.099.792</b>	<b>-37.270.908</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	-230.196	-1.995.909	-2.226.105	-118.290	-2.413.452	-2.531.742
3 Impairment of investments	167	0	-9.816	-9.816	0	-2.174.163	-2.174.163
4 Realised loss on investments	168	-705.769	-1.821.570	-2.527.339	-201.733	-1.491.466	-1.693.199
5 Unrealised loss on investments	169	-1.148.570	-8.947.056	-10.095.626	-2.394.710	-17.703.744	-20.098.454
6 Net negative exchange rate differences	170	0	0	0	0	0	0
7 Other investment expenses	171	-563.451	-10.236.087	-10.799.538	-456.383	-10.316.967	-10.773.350
<b>XII Other technical expenses, net of reinsurance (ADP 173+174)</b>	<b>172</b>	<b>-883.528</b>	<b>-9.911.963</b>	<b>-10.795.491</b>	<b>-108.056</b>	<b>-9.299.535</b>	<b>-9.407.591</b>
1 Expenses of preventive activities	173	0	0	0	0	0	0
2 Other technical expenses of insurance	174	-883.528	-9.911.963	-10.795.491	-108.056	-9.299.535	-9.407.591
<b>XIII Other activities, including value adjustments</b>	<b>175</b>	<b>-3.579</b>	<b>-146.670</b>	<b>-150.249</b>	<b>-2.841</b>	<b>-10.441.738</b>	<b>-10.444.579</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>6.113.719</b>	<b>134.466.718</b>	<b>140.580.437</b>	<b>21.311.073</b>	<b>121.944.130</b>	<b>143.255.203</b>
<b>XV Profit or loss tax (ADP 178+179)</b>	<b>177</b>	<b>-1.020.360</b>	<b>-22.227.936</b>	<b>-23.248.296</b>	<b>-3.835.990</b>	<b>-19.825.231</b>	<b>-23.661.221</b>
1 Current tax expense	178	-1.020.360	-22.227.936	-23.248.296	-3.835.990	-19.825.231	-23.661.221
2 Deferred tax expense (income)	179	0	0	0	0	0	0
<b>XVI Profit or loss for the accounting period after tax (+/-) (ADP 176+177)</b>	<b>180</b>	<b>5.093.359</b>	<b>112.238.782</b>	<b>117.332.141</b>	<b>17.475.083</b>	<b>102.118.899</b>	<b>119.593.982</b>
<b>1 Attributable to owners of the parent</b>	<b>181</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2 Attributable to non-controlling interest</b>	<b>182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XVII TOTAL INCOME (ADP 118+124+132+133+134+179)</b>	<b>183</b>	<b>153.592.338</b>	<b>599.847.005</b>	<b>753.439.343</b>	<b>192.888.352</b>	<b>636.838.061</b>	<b>829.726.413</b>
<b>XVIII TOTAL EXPENSES (ADP 135+142+149+152+155+164+172+175+178)</b>	<b>184</b>	<b>-148.498.979</b>	<b>-487.608.223</b>	<b>-636.107.202</b>	<b>-175.413.269</b>	<b>-534.719.162</b>	<b>-710.132.431</b>
<b>IX Other comprehensive income (ADP 186 to 193)</b>	<b>185</b>	<b>-13.809.587</b>	<b>64.947.477</b>	<b>51.137.890</b>	<b>-81.639.999</b>	<b>-81.409.784</b>	<b>-163.049.783</b>
1 Gains/losses arising from translation of financial statements relating to foreign operations	186	0	-71.281	-71.281	0	-234.084	-234.084
2 Gains/losses arising from the revaluation of financial assets available for sale	187	-16.840.960	79.291.168	62.450.208	-99.560.974	-98.994.757	-198.555.731
3 Gains/losses arising from the revaluation of land and buildings occupied by an undertaking for its own activities	188	0	0	0	0	0	0
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	3.031.373	-14.272.410	-11.241.037	17.920.975	17.819.057	35.740.032
<b>XX Total comprehensive income (ADP 180 +185)</b>	<b>194</b>	<b>-8.716.228</b>	<b>177.186.259</b>	<b>168.470.031</b>	<b>-64.164.916</b>	<b>20.709.115</b>	<b>-43.455.801</b>
<b>1 Attributable to owners of the parent</b>	<b>195</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2 Attributable to non-controlling interests</b>	<b>196</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<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: 31.3.2022

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	133.712.534	133.712.534	0	136.957.623	136.957.623
1 Goodwill	002	0	0	0	0	0	0
2 Other intangible assets	003	0	133.712.534	133.712.534	0	136.957.623	136.957.623
<b>B) TANGIBLE ASSETS (ADP 005 to 007)</b>	<b>004</b>	14.133	496.678.283	496.692.416	14.133	494.443.757	494.457.890
1 Land and buildings occupied by an undertaking for its own activities	005	0	195.045.782	195.045.782	0	197.236.064	197.236.064
2 Equipment	006	14.051	26.485.497	26.499.548	14.051	25.883.739	25.897.790
3 Other tangible assets and inventories	007	82	275.147.004	275.147.086	82	271.323.954	271.324.036
<b>C) INVESTMENTS (ADP 009+010+014+033)</b>	<b>008</b>	3.223.878.711	5.844.582.499	9.068.461.210	3.200.173.514	5.810.838.594	9.011.012.108
<b>I Investments in land and buildings not occupied by an undertaking for its own activities</b>	<b>009</b>	0	524.104.269	524.104.269	0	520.989.260	520.989.260
<b>II Investments in branches, associates and joint ventures (ADP 011 to 013)</b>	<b>010</b>	0	384.197.496	384.197.496	0	384.197.496	384.197.496
1 Shares and holdings in branches	011	0	356.197.496	356.197.496	0	356.197.496	356.197.496
2 Shares and holdings in associates	012	0	0	0	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>	3.223.878.711	4.936.280.734	8.160.159.445	3.200.173.514	4.905.651.838	8.105.825.352
1 Financial assets held to maturity (ADP 016+017)	015	1.231.461.828	1.094.522.138	2.325.983.966	1.246.300.200	1.111.790.832	2.358.091.032
1.1 Debt financial instruments	016	1.231.461.828	1.094.522.138	2.325.983.966	1.246.300.200	1.111.790.832	2.358.091.032
1.2 Other	017	0	0	0	0	0	0
2 Financial assets available for sale (ADP 019 to 022)	018	1.884.095.466	3.283.111.285	5.167.206.751	1.846.856.007	3.260.908.617	5.107.764.624
2.1 Equity financial instruments	019	78.835.758	794.141.134	872.976.892	88.141.707	838.744.602	926.886.309
2.2 Debt financial instruments	020	1.700.547.001	2.168.583.697	3.869.130.698	1.660.324.402	2.136.900.132	3.797.224.534
2.3 Units in investment funds	021	104.712.707	320.386.454	425.099.161	98.389.898	285.263.883	383.653.781
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	309.553	28.489.385	28.798.938	161.538	28.941.606	29.103.144
3.1 Equity financial instruments	024	0	25.765.552	25.765.552	0	27.159.521	27.159.521
3.2 Debt financial instruments	025	0	0	0	0	0	0
3.3 Derivative financial instruments	026	309.553	2.723.833	3.033.386	161.538	1.782.085	1.943.623
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	108.011.864	530.157.926	638.169.790	106.855.769	504.010.783	610.866.552
4.1 Deposits with credit institutions	030	67.847.755	100.289.307	168.137.062	68.200.780	70.379.909	138.580.689
4.2 Loans	031	39.445.265	283.366.478	322.811.743	37.448.937	282.546.646	319.995.583
4.3 Other	032	718.844	146.502.141	147.220.985	1.206.052	151.084.228	152.290.800
<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>	355.280.253	0	355.280.253	304.992.282	0	304.992.282
<b>E) REINSURANCE AMOUNT IN TECHNICAL PROVISIONS (ADP 036 to 042)</b>	<b>035</b>	20.627	331.321.934	331.342.561	49.075	406.591.655	406.640.730
1 Provisions for unearned premiums, reinsurance amount	036	0	75.363.648	75.363.648	27.077	157.930.186	157.957.263
2 Mathematical provision, reinsurance amount	037	20.627	0	20.627	21.998	0	21.998
3 Claims outstanding, reinsurance amount	038	0	255.958.286	255.958.286	0	248.661.469	248.661.469
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>	2.125.392	69.111.257	71.236.649	2.125.392	79.783.550	81.908.942
1 Deferred tax assets	044	2.125.392	69.111.257	71.236.649	2,125.392	69,111.257	71,236.649
2 Current tax assets	045	0	0	0	0	10,672.293	10,672.293
<b>G) RECEIVABLES (ADP 047+050+051)</b>	<b>046</b>	16.107.888	895.130.447	911.238.335	1.059.946	1.078.374.370	1.079.434.316
<b>1 Receivables arising from insurance business (ADP 048+049)</b>	<b>047</b>	233.896	536.565.103	536.798.999	233.896	750.030.719	750.264.615
1.1 From policyholders	048	0	536.452.727	536.452.727	0	749.546.486	749.546.486
1.2 From insurance agents or insurance brokers	049	233.896	112.376	346.272	233.896	484.233	718.129
<b>2 Receivables arising from reinsurance business</b>	<b>050</b>	465	150.119.653	150.120.118	752	106.753.836	106.754.588
<b>3 Other receivables (ADP 052 to 054)</b>	<b>051</b>	15.873.527	208.445.691	224.319.218	825.298	221.589.815	222.415.113
3.1 Receivables arising from other insurance operations	052	0	130.469.004	130.469.004	0	129.995.695	129.995.695
3.2 Receivables for investment income	053	381.379	610.571	991.950	354.406	77.060	431.466
3.3 Other receivables	054	15.492.148	77.366.116	92.858.264	470.892	91.517.060	91.987.952
<b>H) OTHER ASSETS (ADP 056+060+061)</b>	<b>055</b>	48.451.977	530.581.366	579.033.343	84.505.061	514.582.331	599.087.392
<b>1 Cash at bank and in hand (ADP 057 to 059)</b>	<b>056</b>	48.451.977	530.580.854	579.032.831	84.505.061	514.581.819	599.086.890
1.1 Funds in the business account	057	0	530.580.854	530.580.854	0	514.581.819	514.581.819
1.2 Funds in the account of assets covering mathematical provisions	058	48.451.977	0	48.451.977	84.505.061	0	84.505.061
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
3 Other	061	0	512	512	0	512	512
<b>I) PREPAYMENTS AND ACCRUED INCOME (ADP 063 to 065)</b>	<b>062</b>	0	217.928.510	217.928.510	0	239.609.950	239.609.950
1 Deferred interest and rent	063	0	0	0	0	0	0
2 Deferred acquisition costs	064	0	196.996.387	196.996.387	0	212.767.347	212.767.347
3 Other prepayments and accrued income	065	0	20.932.123	20.932.123	0	26.842.603	26.842.603
<b>J) TOTAL ASSETS (ADP 001+004+008+034+035+043+046+055+062)</b>	<b>066</b>	3.645.878.981	8.519.046.830	12.164.925.811	3.592.919.403	8.761.181.830	12.354.101.233
<b>K) OFF-BALANCE SHEET ITEMS</b>	<b>067</b>	295.776.653	3.127.366.763	3.423.143.416	295.892.252	3.531.291.726	3.827.183.978

# STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.3.2022

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>433.496.449</b>	<b>3.582.303.680</b>	<b>4.015.800.129</b>	<b>369.331.533</b>	<b>3.603.034.572</b>	<b>3.972.366.105</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>115.128.390</b>	<b>503.064.646</b>	<b>618.193.036</b>	<b>33.488.391</b>	<b>421.555.660</b>	<b>455.044.051</b>
3.1 Land and buildings	074	0	48.514.703	48.514.703	0	48.415.501	48.415.501
3.2 Financial assets available for sale	075	115.128.390	454.549.943	569.678.333	33.488.391	373.140.159	406.628.550
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	139.638.499	147.220.000	7.581.501	139.638.499	147.220.000
4.3 Other reserves	080	75.500.000	149.239.786	224.739.786	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>179.986.450</b>	<b>1.210.660.461</b>	<b>1.390.646.911</b>	<b>188.783.402</b>	<b>1.536.097.769</b>	<b>1.724.881.171</b>
5.1 Retained profit	082	179.986.450	1.210.660.461	1.390.646.911	188.783.402	1.536.097.769	1.724.881.171
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>8.796.952</b>	<b>325.316.329</b>	<b>334.113.281</b>	<b>17.475.083</b>	<b>102.118.899</b>	<b>119.593.982</b>
6.1 Profit for the current accounting period	085	8.796.952	325.316.329	334.113.281	17.475.083	102.118.899	119.593.982
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>2.749.553.919</b>	<b>3.836.466.172</b>	<b>6.586.020.091</b>	<b>2.838.336.987</b>	<b>4.031.212.730</b>	<b>6.869.549.717</b>
1 Provisions for unearned premiums, gross amount	090	5.179.737	1.193.835.121	1.199.014.858	5.385.056	1.447.561.093	1.452.946.149
2 Mathematical provisions, gross amount	091	2.649.731.672	6.553.376	2.656.285.048	2.726.506.722	5.666.979	2.732.173.701
3 Claims outstanding, gross amount	092	94.642.510	2.600.712.902	2.695.355.412	106.445.209	2.540.502.801	2.646.948.010
4 Provisions for bonuses and rebates, gross amount	093	0	21.471.444	21.471.444	0	22.324.477	22.324.477
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	6.837.796	6.837.796	0	8.101.847	8.101.847
<b>E) SPECIAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK, gross amount</b>	<b>096</b>	<b>355.280.253</b>	<b>0</b>	<b>355.280.253</b>	<b>304.992.282</b>	<b>0</b>	<b>304.992.282</b>
<b>F) OTHER PROVISIONS (ADP 098 + 099)</b>	<b>097</b>	<b>4.059.715</b>	<b>56.691.988</b>	<b>60.751.703</b>	<b>3.842.273</b>	<b>46.848.887</b>	<b>50.691.160</b>
1 Provisions for pensions and similar obligations	098	3.950.010	54.103.971	58.053.981	3.842.273	44.226.910	48.069.183
2 Other provisions	099	109.705	2.588.017	2.697.722	0	2.621.977	2.621.977
<b>G) DEFERRED AND CURRENT TAX LIABILITIES (ADP 101 + 102)</b>	<b>100</b>	<b>25.272.086</b>	<b>133.082.324</b>	<b>158.354.410</b>	<b>11.187.104</b>	<b>135.066.723</b>	<b>146.253.827</b>
1 Deferred tax liability	101	25.272.086	110.447.790	135.719.876	7.351.110	92.606.958	99.958.068
2 Current tax liability	102	0	22.634.534	22.634.534	3.835.994	42.459.765	46.295.759
<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>20.256.104</b>	<b>349.578.104</b>	<b>369.834.208</b>	<b>1.676.648</b>	<b>304.176.883</b>	<b>305.853.531</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	20.256.104	349.578.104	369.834.208	1.676.648	304.176.883	305.853.531
<b>J) OTHER LIABILITIES (ADP 109 to 112)</b>	<b>108</b>	<b>27.562.002</b>	<b>306.953.588</b>	<b>334.515.590</b>	<b>53.841.902</b>	<b>331.533.680</b>	<b>385.375.582</b>
1 Liabilities from direct insurance business	109	717.639	92.089.280	92.806.919	2.159.521	105.935.888	108.095.409
2 Liabilities from coinsurance and reinsurance business	110	18.567	110.193.290	110.211.857	18.803	144.503.792	144.522.595
3 Liabilities for disposal and discontinued operations	111	0	0	0	0	0	0
4 Other liabilities	112	26.825.796	104.671.018	131.496.814	51.663.578	81.094.000	132.757.578
<b>K) ACCRUALS AND DEFERRED INCOME (ADP 114+115)</b>	<b>113</b>	<b>30.398.453</b>	<b>253.970.974</b>	<b>284.369.427</b>	<b>9.710.674</b>	<b>309.308.355</b>	<b>319.019.029</b>
1 Deferred reinsurance commission	114	0	8.988.308	8.988.308	0	15.892.797	15.892.797
2 Other accruals and deferred income	115	30.398.453	244.982.666	275.381.119	9.710.674	293.415.558	303.126.232
<b>J) TOTAL LIABILITIES (ADP 068+087+088+089+096+097+100+103+104+108+113)</b>	<b>116</b>	<b>3.645.878.981</b>	<b>8.519.046.830</b>	<b>12.164.925.811</b>	<b>3.592.919.403</b>	<b>8.761.181.830</b>	<b>12.354.101.233</b>
<b>M) OFF-BALANCE SHEET ITEMS</b>	<b>117</b>	<b>295.776.653</b>	<b>3.127.366.763</b>	<b>3.423.143.416</b>	<b>295.892.252</b>	<b>3.531.291.726</b>	<b>3.827.183.978</b>

# STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2022 - 31.3.2022

in HRK

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>	<b>1</b>	589.325.800	681.482.525	471.124.404	402.038.576	1.160.279.132	229.589.272	3.533.839.709	0	3.533.839.709
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>	<b>4</b>	589.325.800	681.482.525	471.124.404	402.038.576	1.160.279.132	229.589.272	3.533.839.709	0	3.533.839.709
<b>III Comprehensive income or loss for the same period of the previous year (ADP 006 + ADP 007)</b>	<b>5</b>	0	0	147.707.008	0	0	334.113.281	481.820.289	0	481.820.289
Profit or loss for the period	6	0	0	0	0	0	334.113.281	334.113.281	0	334.113.281
2 Other comprehensive income or loss for the same period of the previous year (ADP 008 to ADP 11)	7	0	0	147.707.008	0	0	0	147.707.008	0	147.707.008
Unrealised gains or losses on tangible assets (land and buildings)	8	0	0	-20.559	0	0	0	-20.559	0	-20.559
Unrealised gains or losses on financial assets available for sale	9	0	0	173.001.041	0	0	0	173.001.041	0	173.001.041
Realised gains or losses on financial assets available for sale	10	0	0	-25.326.111	0	0	0	-25.326.111	0	-25.326.111
Other changes in equity unrelated to owners	11	0	0	52.637	0	0	0	52.637	0	52.637
<b>IV Transactions with owners (previous period)</b>	<b>12</b>	0	0	-638.376	0	230.367.779	-229.589.272	140.131	0	140.131
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	-638.376	0	230.367.779	-229.589.272	140.131	0	140.131
<b>V Balance on the last day of the previous business year reporting period</b>	<b>17</b>	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
<b>VI Balance on the first day of the current business year</b>	<b>18</b>	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
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>	<b>21</b>	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
<b>VIII Comprehensive income or loss for the year</b>	<b>22</b>	0	0	-163.049.783	0	0	119.593.982	-43.455.801	0	-43.455.801
Profit or loss for the period	23	0	0	0	0	0	119.593.982	119.593.982	0	119.593.982
Other comprehensive income or loss for the year	24	0	0	-163.049.783	0	0	0	-163.049.783	0	-163.049.783
Unrealised gains or losses on tangible assets (land and buildings)	25	0	0	0	0	0	0	0	0	0
Unrealised gains or losses on financial assets available for sale	26	0	0	-142.021.772	0	0	0	-142.021.772	0	-142.021.772
Realised gains or losses on financial assets available for sale	27	0	0	-20.793.927	0	0	0	-20.793.927	0	-20.793.927
Other changes in equity unrelated to owners	28	0	0	-234.084	0	0	0	-234.084	0	-234.084
<b>Transactions with owners (current period)</b>	<b>29</b>	0	0	-99.202	0	334.234.260	-334.113.281	21.777	0	21.777
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	-99.202	0	334.234.260	-334.113.281	21.777	0	21.777
<b>Balance on the last day of the current year reporting period</b>	<b>34</b>	589.325.800	681.482.525	455.044.051	402.038.576	1.724.881.171	119.593.982	3.972.366.105	0	3.972.366.105



# STATEMENT OF CASH FLOWS – indirect method

## For the period: 1.1.2022 - 31.3.2022

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>-114.894.953</b>	<b>51.503.847</b>
<b>1 Cash flow before changes in operating assets and liabilities (ADP 003+004)</b>	<b>002</b>	<b>110.661.050</b>	<b>107.758.815</b>
1.1 Profit/loss before tax	003	140.580.437	143.255.203
1.2 Adjustments: (ADP 005 to 012)	004	-29.919.387	-35.496.388
1.2.1 Depreciation of property and equipment	005	7.953.346	9.045.614
1.2.2 Amortization of intangible assets	006	5.513.748	6.664.100
1.2.3 Impairment and gains/losses on fair valuation	007	-543.920	-10.071.004
1.2.4 Interest expenses	008	2.226.105	2.531.742
1.2.5 Interest income	009	-43.821.052	-41.899.870
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	-136.647	-655.079
1.2.8 Other adjustments	012	-1.110.967	-1.111.891
<b>2 Increase/decrease in operating assets and liabilities (ADP 014 to 030)</b>	<b>013</b>	<b>-214.561.954</b>	<b>-45.582.675</b>
2.1 Increase/decrease in financial assets available for sale	014	-309.067.540	-98.756.480
2.2 Increase/decrease in financial assets at fair value through statement of profit or loss	015	-5.294.905	5.116.555
2.3 Increase/decrease in loans and receivables	016	93.210.683	18.253.919
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	1.450.689	50.287.971
2.6 Increase/decrease in reinsurance amount in technical provisions	019	-83.570.196	-75.298.168
2.7 Increase/decrease in tax assets	020	-10.994.049	-10.672.293
2.8 Increase/decrease in receivables	021	-238.276.051	-168.578.868
2.9 Increase/decrease in other assets	022	0	0
2.10 Increase/decrease in prepayments and accrued income	023	26.371.619	-21.681.440
2.11 Increase/decrease in technical provisions	024	138.653.115	283.529.626
2.12 Increase/decrease in special provisions for life assurance where policyholders bear the investment risk	025	-1.450.689	-50.287.971
2.13 Increase/decrease in tax liabilities	026	10.994.049	10.672.293
2.14 Increase/decrease in deposits held under reinsurance business ceded	027	0	0
2.15 Increase/decrease in financial liabilities	028	88.919.104	-63.616.867
2.16 Increase/decrease in other liabilities	029	47.414.602	40.799.451
2.17 Increase/decrease in accruals and deferred income	030	27.077.615	34.649.597
<b>3 Income tax paid</b>	<b>031</b>	<b>-10.994.049</b>	<b>-10.672.293</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES (ADP 033 to 046)</b>	<b>032</b>	<b>-24.921.717</b>	<b>10.615.175</b>
1 Cash receipts from the sale of tangible assets	033	17.220	341.825
2 Cash payments for the purchase of tangible assets	034	-2.177.820	-4.556.743
3 Cash receipts from the sale of intangible assets	035	0	0
4 Cash payments for the purchase of intangible assets	036	-22.344.183	-9.932.849
5 Cash receipts from the sale of land and buildings not occupied by an undertaking for its own activities	037	3.288.270	4.300.000
6 Cash payments for the purchase of land and buildings not occupied by an undertaking for its own activities	038	-158.115	-625.990
7 Increase/decrease of investments in branches, associates and joint ventures.	039	-5.696.810	0
8 Cash receipts from financial assets held to maturity	040	35.193.367	36.336.582
9 Cash payments for financial assets held to maturity	041	-52.602.801	-37.027.954
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	1.531.448	1.917.788
13 Cash receipts from repayments of short-term and long-term loans given	045	25.868.549	38.082.372
14 Cash payments for short-term and long-term loans	046	-7.840.842	-18.219.856
<b>III CASH FLOW FROM FINANCING ACTIVITIES (ADP 048 to 052)</b>	<b>047</b>	<b>-4.964.466</b>	<b>-5.395.644</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	-4.964.466	-5.395.644
4 Cash payments for the redemption of treasury shares	051	0	0
5 Cash payments of share in profit (dividend)	052	0	0
<b>NET CASH FLOW (ADP 001 + 032 + 047)</b>	<b>053</b>	<b>-144.781.136</b>	<b>56.723.378</b>
<b>IV EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS</b>	<b>054</b>	<b>-22.099.466</b>	<b>-36.669.329</b>
<b>V NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (053+054)</b>	<b>055</b>	<b>-166.880.602</b>	<b>20.054.049</b>
Cash and cash equivalents at the beginning of period	056	512.936.448	579.033.343
Cash and cash equivalents at the end of period (ADP 055 + 056)	057	346.055.846	599.087.392

## II. QUARTERLY MANAGEMENT REPORT

CROATIA osiguranje d.d. is still the leading company on the market of the Republic of CROATIA with a total market share of 29.1 percent.

In the period observed, CROATIA osiguranje d.d. reported profit before tax in the amount of HRK 143.3m and profit after tax in the amount of HRK 119.6m which represents an increase of 1.9 percent compared to the same period of the previous year.

Earned premium, which represents 81 percent of total revenues, amounted to HRK 672m and increased by 7.4 percent compared to the same period of the previous year. Total gross written premium increased by 13.7 percent and amounted to HRK 985.4m. Gross written premium of non-life insurance amounted to HRK 841.2m and increased by 12.1 percent compared to the same period of the previous year. Gross written premium of the life insurance amounted to HRK 144.3m representing an increase of 23.6 percent.

Investments recorded income in the amount of HRK 140.6m, representing an increase of 19.2 percent compared to the same period of the previous year. Income from investments represents 16.9 percent of total revenues. Expenses from investments amounted to HRK 37.3m, representing an increase of 45.3 percent compared to the same period of the previous year. Expenses from investments represent 5.4 percent of total expenses.

Net claims incurred represent 52.6 percent of total expenses and amounted to HRK 360.8m, representing an increase of 11.2 percent compared to the same period of the previous year, while claims settled amounted to HRK 401.9m, representing a decrease of 6.2 percent compared to the same period of the previous year.

Acquisition and administration expenses amounted to HRK 231.4m, increasing by 7.6 percent compared to the same period of the previous year.

Total assets of the Company as at 31 March 2022 amounted to HRK 12.4 billion, which represents an increase of 1.6 percent compared to 31 December 2021.

Technical reserves as at 31 March 2022 amounted to HRK 6.9 billion, representing an increase of 4.3 percent compared to 31 December 2021.

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 March 2021	31 March 2022	Change in percentage points (p.p.)
Claims ratio (non-life) *	45.7%	44.0%	-1.7%
Cost ratio (non-life) **	39.8%	42.3%	2.5%
Combined ratio (non-life)	85.5%	86.3%	0.8%

\* *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 86.3 percent for the observed period, which is an increase of 0.8 percentage points compared to the same period of 2021.

Unaudited unconsolidated financial statements for the first quarter of the 2022 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

#### *Approvals from the Croatian Financial Services Supervisory Agency to perform the functions of members of the Supervisory Board*

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.

### *Employee representative to the Supervisory Board of CROATIA osiguranje d.d.*

After elections for the employee representative to the Supervisory Board of CROATIA osiguranje d.d. for a member of the Supervisory Board of CROATIA osiguranje d.d. is elected employee Pero Kovačić from Zagreb, for a term of 4 years, starting from 10 March 2022.

### *Impact of the COVID-19 outbreak on the Company's operations*

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 of the Company of 272% (as of 31 December 2021.). Despite this, 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.

### *The Russian-Ukrainian crisis*

The ongoing war in Ukraine and the related sanctions targeted against the Russian Federation may have impact on the European economies and globally. The Company has no direct operations in insurance and reinsurance business with Russia and Ukraine (nor with reinsurance companies, brokers, MGA agencies, etc.). In addition, reinsurance contracts through the Sanction & Embargo clause exempt reinsurance transactions with states under any sanctions and the terms of insurance on the direct side exclude war damage. The Company has an exposure to insurance policyholders who are members of certain companies (related to entities from Russia) and does not expect a significant adverse effect on the ability to collect these receivables in the short term, ie. as a direct consequence of the war in Ukraine. In case of collection receivables inability, the Company can activate collateral instruments in the form of mortgage on real estate. The Company does not have direct business operations in Russia or Ukraine. However, the Company's certain investments are to some extent exposed to operations in Russia - investments in shares and investments in debt instruments of EU issuers that have a slightly more exposed part of operations in Russia. These exposures are not material in terms of business threats and given the size of the total investment portfolio. The aforementioned indirect exposures may have a negative impact on the Company's results in the event of escalation, which cannot be precisely quantified due to uncertainty and market volatility. However, based on the internal analysis of the impact of the Russian-Ukrainian crisis, as well as the sanctions imposed on Russia, the Company expects to maintain financial stability and a further high level of solvency (SCR ratio). In addition, at the date of

these financial statements the Company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation.

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

No events occurring after the reporting date were material to the financial statements for the reporting period.

#### **Company branch**

As at 31 March 2022 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 groceries, 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 will take place: the introduction of the euro as the official currency of the Republic of Croatia and changes in the accounting standards for insurance companies (IFRS 17 and IFRS 9). 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.

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 the first quarter of 2022, a new cycle of transformation initiatives "Sprint 2022" was launched, the implementation of which in the second half of the year should lead to new premium growth and even more efficient cost management. This program also includes Croatian and regional branches.

The process of digitalization of business continues, and total investments in this segment in 2022 amount to more than HRK 100 million. The realized premium from digital business in the first quarter of 2022 increased by 42 percent compared to the first quarter of 2021, while the number of Croatia osiguranje clients using the Moja Croatia mobile application increased by 80 percent. In the first quarter of 2022, Croatia's digital brand Laqo grew by 95 percent compared to the same period last year. The Laqo Prevent safe driving program is actively used by 33 percent of mobile application users, and was awarded as the best in the Technology and Innovation category at this year's Communication Days.

Croatia osiguranje continuously invests in private healthcare with the highest standards, while total value of the investment amounts HRK 60 million in this and next year. In March, a new Croatia Polyclinic was opened in Rijeka, equipped with the most modern devices and technology for diagnostics and treatment. This is the fifth Polyclinic after Zagreb, Split, Pula and Koprivnica. The plan is to open two more Polyclinics in 2022.

#### 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 2021, 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 April 2022

Member of the Management Board

Luka Babić



President of the Management Board

Davor Tomašković



### III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-III 2022

#### 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 2,373.

#### 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
Dr.sc. Željko Lovrinčević	Vice President
Vitomir Palinec	Member
Hrvoje Patajac	Member
Vlasta Pavličević	Member
Dr. sc. Zoran Barac	Member
Pero Kovačić	Member since 10 March 2022



**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 2021. 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 2021, for the purpose of understanding the information published in the notes to the financial statements prepared for the first quarter of the 2022, 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 first quarter of the 2022 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 2021.

### **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 2021, 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 March 2022			31 December 2021		
	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	2,358,091,032	2,382,538,814	24,447,782	2,325,983,966	2,523,640,767	197,656,801
Loans	457,185,863	471,804,935	14,619,072	466,532,728	481,986,492	15,453,764
Deposits	153,680,689	153,819,936	139,247	171,637,062	171,854,639	217,577
	<b>2,968,957,584</b>	<b>3,008,163,685</b>	<b>39,206,101</b>	<b>2,964,153,756</b>	<b>3,177,481,898</b>	<b>213,328,142</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 March 2022 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>	-	-	197,236,064	197,236,064
<i>Investment property</i>	-	-	520,989,260	520,989,260
Equity securities	768,478,843	150,466,808	7,940,658	926,886,309
Debt securities	2,974,941,551	820,663,826	1,619,157	3,797,224,534
Investment funds	100,853,464	282,741,120	59,197	383,653,781
<i>Available-for-sale financial assets</i>	<b>3,844,273,858</b>	<b>1,253,871,754</b>	<b>9,619,012</b>	<b>5,107,764,624</b>
Equity securities	27,159,521	-	-	27,159,521
Debt securities	-	-	-	-
Investment funds	304,992,282	-	-	304,992,282
Foreign currency forward contracts	-	1,943,623	-	1,943,623
<i>Financial assets at fair value through profit or loss</i>	<b>332,151,803</b>	<b>1,943,623</b>	-	<b>334,095,426</b>
<b>Total assets at fair value</b>	<b>4,176,425,661</b>	<b>1,255,815,377</b>	<b>727,844,336</b>	<b>6,160,085,374</b>

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
<i>Available-for-sale financial assets</i>	<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
<i>Financial assets at fair value through profit or loss</i>	<b>381,045,805</b>	<b>3,033,386</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 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 of financial assets at fair value through profit or loss from Level 1 and Level 2 to Level 3 and vice versa 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.

Information on measurements of the fair value of investment property using significant inputs that are not available on the market (Level 3) is published in the financial statements for 2021.

### **Intangible assets**

In the period observed, intangible assets increased by HRK 3.2m, primarily due to additional investments in the new Core IT system. The Company capitalized the costs of net salaries in the amount of HRK 2m, the costs of contributions from salaries in the amount of HRK 0.6m, the costs of taxes and surcharges from salaries in the amount of HRK 0.3m, the costs of contributions to salaries in in the amount of HRK 0.4m and other employee costs in the amount of HRK 0.1m.

## Financial assets and financial liabilities

The Company's structure of financial assets as at 31 March 2022 and 31 December 2021 was as follows:

	<b>31 March 2022</b>				
	<b>Held-to- maturity investments</b>	<b>Available- for-sale financial assets</b>	<b>Financial assets at fair value through profit or loss - for trading</b>	<b>Loans and receivables</b>	<b>Total</b>
	in HRK	in HRK	in HRK	in HRK	in HRK
<b>Shares</b>					
Shares, listed	-	860,245,945	27,159,521	-	<b>887,405,466</b>
Shares, not listed	-	66,640,364	-	-	<b>66,640,364</b>
	<b>-</b>	<b>926,886,309</b>	<b>27,159,521</b>	<b>-</b>	<b>954,045,830</b>
<b>Debt securities</b>					
Government bonds	2,293,987,187	3,134,318,540	-	-	<b>5,428,305,727</b>
Corporate bonds	64,103,845	662,905,994	-	-	<b>727,009,839</b>
	<b>2,358,091,032</b>	<b>3,797,224,534</b>	<b>-</b>	<b>-</b>	<b>6,155,315,566</b>
<b>Derivative financial instruments</b>					
Foreign currency forward contracts	-	-	1,943,623	-	<b>1,943,623</b>
	<b>-</b>	<b>-</b>	<b>1,943,623</b>	<b>-</b>	<b>1,943,623</b>
<b>Investment funds</b>					
Open-ended investment funds	-	383,653,781	-	-	<b>383,653,781</b>
Open-ended investment funds - assets for coverage of unit-linked products	-	-	304,992,282	-	<b>304,992,282</b>
	<b>-</b>	<b>383,653,781</b>	<b>304,992,282</b>	<b>-</b>	<b>688,646,063</b>
<b>Loans and receivables</b>					
Deposits with credit institutions	-	-	-	153,680,689	<b>153,680,689</b>
Loans	-	-	-	457,185,863	<b>457,185,863</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>610,866,552</b>	<b>610,866,552</b>
	<b>2,358,091,032</b>	<b>5,107,764,624</b>	<b>334,095,426</b>	<b>610,866,552</b>	<b>8,410,817,634</b>

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>

The structure of financial liabilities as at 31 March 2022 and 31 December 2021 was as follows:

	31 March 2022	31 December 2021
	in HRK	in HRK
Lease liabilities	275,645,900	274,715,764
Liabilities for repo transactions	-	76,481,325
Derivative financial instruments	17,913,019	5,987,102
Preference shares	12,250,000	12,250,000
Other financial liabilities	44,612	400,017
	<b>305,853,531</b>	<b>369,834,208</b>

## Share capital and shares

The Company's share capital with a nominal value of 601,575,800 as at 31 March 2022 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 Company's liabilities was as follows:

	31 March 2022			
	No later than 1 year	1-5 years	More than 5 years	Total
Other provisions	5,610,075	37,865,083	7,216,002	50,691,160
Financial liabilities	33,294,382	53,572,330	218,986,819	305,853,531
Liabilities arising from insurance contracts, other liabilities and deferred income	666,068,942	23,922,006	14,403,663	704,394,611
<b>Total</b>	<b>704,973,399</b>	<b>115,359,419</b>	<b>240,606,484</b>	<b>1,060,939,302</b>

  

	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>



## Deferred taxes

The Company has recognized deferred tax assets and liabilities as at 31 March 2022. There were no significant changes in deferred tax assets compared to 31 December 2021 while 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 2021</b>	<b>10,649,570</b>	<b>125,070,306</b>	<b>135,719,876</b>
Utilization through retained earnings	(21,776)	-	(21,776)
Change in fair value of available-for-sale investments	-	(35,740,032)	(35,740,032)
<b>31 March 2022</b>	<b>10,627,794</b>	<b>89,330,274</b>	<b>99,958,068</b>

## Commitments

As at 31 March 2022, the Company's contractual obligations for future investments amount to HRK 394.5m based on binding bids for investments in alternative investment funds.

## 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 March 2022 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 April 2022

Member of the Management Board



Luka Babić



President of the Management Board



Davor Tomašković