



**CROATIA[®]
OSIGURANJE**

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

**CONSOLIDATED UNAUDITED
QUARTERLY REPORT,
FOR THE PERIOD 1 January 2021 – 31 March 2021**

Zagreb, April 2021

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I. UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

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ISSUER'S GENERAL DATA		
Reporting period:	1.1.2021	to 31.3.2021
Year:	2021	
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: 7478000M0GHQ1VXJU20
Institution code:	199	
Name of the issuer:	CROATIA osiguranje d.d.	
Postcode and town:	10 000	ZAGREB
Street and house number:	Vatroslava Jagliča 33	
E-mail address:	info@crosig.hr	
Web address:	www.crosig.hr	
Number of employees (end of the reporting period):	3415	
Consolidated report:	KD (KN-not consolidated/KD-consolidated)	
Audited:	RN (RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:
CROATIA PREMIUM d.o.o.	ZAGREB	01885880
HISTRIA CONSTRUCT d.o.o.	ZAGREB	02066378
CORE 1 d.o.o.	ZAGREB	04570243
AUTO MAKSIMIR VOZILA d.o.o.	ZAGREB	01804812
CROATIA OSIGURANJE DD	MOSTAR	20097647
MILENIJUM OSIGURANJE A.D.	BEOGRAD	7810318
CROATIA OSIGURANJE A.D. - ZA ŽIVOTNA OSIG.	SKOPJE	05920922
CROATIA OSIGURANJE A.D. - ZA NEŽIVOTNA OSIG.	SKOPJE	06479570
CROATIA OSIGURANJE MIROVINSKO DRUŠTVO D.O.O.	ZAGREB	01731742
RAZNE USLUGE D.O.O. - U LKVIDACIJI	ZAGREB	01892037
CROATIA - TEHNIČKI PREGLEDI D.O.O.	ZAGREB	01450930
PBZ CROATIA OSIGURANJE DD	ZAGREB	01583999
CO ZDRAVLJE D.O.O.	ZAGREB	04837550
STRMEC PROJEKT d.o.o.	ZAGREB	02586649
AGROSERVIS STP d.o.o.	VIROVITICA	01233033
ASTORIA d.o.o.	ZAGREB	080339352
CO LOGISTIKA d.o.o.	ZAGREB	081353961
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:	izdavatelj@crosig.hr	
Audit firm:	(name of the audit firm)	
Certified auditor:	(name and surname)	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2021 - 31.3.2021

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)
I Earned premiums (ADP 119 to 123)	118	140.548.779	578.127.103	718.675.882	137.792.523	603.843.029	741.635.552
1 Gross written premium	119	140.529.884	843.109.202	983.639.086	137.699.311	844.029.942	981.729.253
2 Value adjustment and charged premium value adjustment	120	0	5.381.117	5.381.117	0	2.269.291	2.269.291
3 Outward reinsurance premiums (-)	121	-52.409	-111.725.325	-111.777.734	-44.310	-130.994.703	-131.039.013
4 Change of gross provisions for unearned premiums (+/-)	122	86.575	-216.324.846	-216.238.271	182.877	-188.821.192	-188.638.315
5 Change of provisions for unearned premiums, reinsurers' share (+/-)	123	-15.271	57.686.955	57.671.684	-45.355	77.359.691	77.314.336
II Income from investments (ADP 125 to 131)	124	99.775.424	130.882.489	230.657.913	41.304.606	93.868.547	135.173.153
1 Income from branches, associates and joint ventures.	125	235.441	3.002.303	3.237.744	445.052	4.865.016	5.310.068
2 Income from investment in land and buildings	126	18.354	20.301.008	20.319.362	71.061	26.221.850	26.292.911
3 Interest income	127	28.596.922	24.857.025	53.453.947	25.777.411	22.419.828	48.197.239
4 Unrealised gains on investments	128	144.613	186.708	331.321	907.087	4.372.368	5.279.455
5 Realised gains on investments	129	12.135.998	43.469.114	55.605.112	1.863.165	18.049.795	19.912.960
6 Net positive exchange rate differences	130	58.523.645	28.249.723	86.773.368	12.126.995	9.633.659	21.760.654
7 Other income from investments	131	120.451	10.816.608	10.937.059	113.835	8.306.031	8.419.866
III Income from commissions and fees	132	536.349	8.249.983	8.786.332	477.546	2.867.773	3.345.319
IV Other insurance-technical income, net amount from reinsurance	133	178.469	8.261.442	8.439.911	46.567	10.157.075	10.203.642
V Other income	134	203.825	26.110.377	26.314.202	49.494	34.590.346	34.639.840
VI Claims incurred, net (ADP 136 + 139)	135	-210.962.441	-334.432.655	-545.395.096	-121.885.501	-267.396.767	-389.282.268
1 Claims settled (ADP 137+138)	136	-183.814.429	-320.422.296	-504.236.725	-125.692.658	-362.551.974	-488.244.632
1.1 Gross amount (-)	137	-183.814.429	-335.621.446	-519.435.875	-125.692.658	-394.589.772	-520.282.430
1.2 Reinsurers' share (+)	138	0	15.199.150	15.199.150	0	32.037.798	32.037.798
2 Change in the provision for claims (+/-) (ADP 140+141)	139	-27.148.012	-14.010.359	-41.158.371	3.807.157	95.155.207	98.962.364
2.1 Gross amount	140	-27.148.012	-38.019.873	-65.167.885	3.807.157	87.003.498	90.810.645
2.3 Reinsurers' share	141	0	24.009.514	24.009.514	0	8.151.719	8.151.719
VII Change in mathematical provision and other technical provisions, net of reinsurance (ADP 143+146)	142	20.580.206	19.828.580	40.408.786	-32.203.790	-10.250.854	-42.454.644
1 Change in mathematical provisions (+/-) (ADP 144+145)	143	20.580.206	2.028.911	22.609.117	-32.203.790	1.330.679	-30.873.111
1.1 Gross amount (-)	144	20.585.844	2.028.911	22.614.755	-32.208.612	1.330.679	-30.877.933
1.2 Reinsurers' share (+)	145	-5.638	0	-5.638	4.822	0	4.822
2 Change in other technical provisions, net of reinsurance (+/-) (ADP 147+148)	146	0	17.799.669	17.799.669	0	-11.581.533	-11.581.533
2.1 Gross amount (-)	147	0	17.799.669	17.799.669	0	-11.581.533	-11.581.533
2.2 Reinsurers' share (+)	148	0	0	0	0	0	0
VIII Change of special provision for life assurance where policyholders bear the investment risk, net of reinsurance (+/-) (ADP 150+151)	149	8.773.543	0	8.773.543	2.958.057	0	2.958.057
1 Gross amount (-)	150	8.773.543	0	8.773.543	2.958.057	0	2.958.057
3 Reinsurers' share (+)	151	0	0	0	0	0	0
IX Cash payments for bonuses and rebates, net of reinsurance (ADP 153+154)	152	0	-3.542.507	-3.542.507	0	-3.908.947	-3.908.947
1 Performance-dependent (bonuses)	153	0	-2.192.655	-2.192.655	0	-2.767.377	-2.767.377
2 Performance-independent (rebates)	154	0	-1.349.852	-1.349.852	0	-1.141.570	-1.141.570

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2021 - 31.3.2021

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)
X Operating expenses (business expenditures), net (ADP 156+160)	155	-22.078.581	-228.307.710	-250.386.291	-16.498.820	-277.003.056	-293.501.876
1 Acquisition costs (ADP 157 to 159)	156	-11.294.745	-112.210.187	-123.504.932	-8.492.589	-142.867.885	-151.360.474
1.1 Commission	157	-4.890.158	-75.080.943	-79.971.101	-2.875.066	-79.078.235	-81.953.301
1.2 Other acquisition costs	158	-6.404.587	-47.191.312	-53.595.899	-5.617.523	-71.770.302	-77.387.825
1.3 Change in deferred acquisition costs	159	0	10.062.068	10.062.068	0	7.980.652	7.980.652
2 Administration expenses (administrative costs) (ADP 161 to 163)	160	-10.783.836	-116.097.523	-126.881.359	-8.006.231	-134.135.171	-142.141.402
2.1 Depreciation	161	-1.117.851	-19.409.458	-20.527.309	-847.801	-19.014.113	-19.861.914
2.2 Salaries, taxes and contributions from/on salaries	162	-4.206.906	-44.390.347	-48.597.253	-3.264.552	-45.831.208	-49.095.760
2.3 Other administration expenses	163	-5.459.079	-52.297.718	-57.756.797	-3.893.878	-69.289.850	-73.183.728
XI Investment expenses (ADP 165 to 171)	164	-17.464.544	-65.102.286	-82.566.830	-2.798.203	-24.917.490	-27.715.693
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	-382.078	-2.371.952	-2.754.030	-266.019	-2.344.340	-2.610.359
3 Impairment of investments	167	-1.013.854	-2.494.516	-3.508.370	0	-59.571	-59.571
4 Realised loss on investments	168	-5.042.381	-4.632.875	-9.675.256	-705.769	-1.821.570	-2.527.339
5 Unrealised loss on investments	169	-9.506.955	-40.960.009	-50.466.964	-1.196.995	-8.948.173	-10.145.168
6 Net negative exchange rate differences	170	0	0	0	0	0	0
7 Other investment expenses	171	-1.519.276	-14.642.934	-16.162.210	-629.420	-11.743.836	-12.373.256
XII Other technical expenses, net of reinsurance (ADP 173+174)	172	-335.368	-13.623.726	-13.959.094	-1.080.487	-14.243.147	-15.323.634
1 Expenses of preventive activities	173	0	-327.894	-327.894	0	-312.155	-312.155
2 Other technical expenses of insurance	174	-335.368	-13.295.832	-13.631.200	-1.080.487	-13.930.992	-15.011.479
XIII Other activities, including value adjustments	175	-3.525	-983.112	-986.637	-3.576	-125.065	-128.641
XIV Profit or loss for the accounting period before tax (+/-) (ADP 118+124+132 to 135+142+149+152+155+164+172+175)	176	19.752.136	125.467.978	145.220.114	8.158.416	147.481.444	155.639.860
XV Profit or loss tax (ADP 178+179)	177	-3.371.137	-22.742.122	-26.113.259	-1.394.380	-26.188.351	-27.582.731
1 Current tax expense	178	-3.371.137	-22.763.625	-26.134.762	-1.394.380	-26.235.700	-27.630.080
2 Deferred tax expense (income)	179	0	21.503	21.503	0	47.349	47.349
XVI Profit or loss for the accounting period after tax (+/-) (ADP 176+177)	180	16.380.999	102.725.856	119.106.855	6.764.036	121.293.093	128.057.129
1 Attributable to owners of the parent	181	16.317.327	102.663.661	118.980.988	6.741.849	121.024.747	127.766.596
2 Attributable to non-controlling interest	182	63.672	62.195	125.867	22.187	268.346	290.533
XVII TOTAL INCOME (ADP 118+124+132+133+134+179)	183	241.242.846	751.652.897	992.895.743	179.670.736	745.374.119	925.044.855
XVIII TOTAL EXPENSES (ADP 135+142+149+152+155+164+172+175+178)	184	-224.861.847	-648.927.041	-873.788.888	-172.906.700	-624.081.026	-796.987.726
IX Other comprehensive income (ADP 186 to 193)	185	-69.377.177	-148.099.767	-217.476.944	-2.921.782	66.734.535	63.812.753
1 Gains/losses arising from translation of financial statements relating to foreign operations	186	2.151.604	3.707.905	5.859.509	687.982	884.244	1.572.226
2 Gains/losses arising from the revaluation of financial assets available for sale	187	-87.904.273	-184.975.629	-272.879.902	-5.507.824	80.124.129	74.616.305
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	16.375.492	33.167.957	49.543.449	1.898.060	-14.273.838	-12.375.778
XX Total comprehensive income (ADP 180 +185)	194	-52.996.178	-45.373.911	-98.370.089	3.842.254	188.027.628	191.869.882
1 Attributable to owners of the parent	195	-53.074.513	-45.506.065	-98.580.578	3.816.644	187.744.184	191.560.828
2 Attributable to non-controlling interests	196	78.335	132.154	210.489	25.610	283.444	309.054
XXI Reclassification adjustments	197	0	0	0	0	0	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.3.2021

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)
ASSETS							
A) INTANGIBLE ASSETS (ADP 002 +003)	001	400.575	107.472.364	107.872.939	360.032	127.496.629	127.856.661
1 Goodwill	002	0	0	0	0	0	0
2 Other intangible assets	003	400.575	107.472.364	107.872.939	360.032	127.496.629	127.856.661
B) TANGIBLE ASSETS (ADP 005 to 007)	004	19.988.408	856.977.245	876.965.653	19.827.805	794.854.870	814.682.675
1 Land and buildings occupied by an undertaking for its own activities	005	15.950.768	480.712.555	496.663.323	15.962.041	429.643.919	445.605.960
2 Equipment	006	337.421	77.673.901	78.011.322	301.476	74.194.302	74.495.778
3 Other tangible assets and inventories	007	3.700.219	298.590.789	302.291.008	3.564.288	291.016.649	294.580.937
C) INVESTMENTS (ADP 009+010+014+033)	008	3.681.060.107	5.936.144.775	9.617.204.882	3.771.818.937	6.243.346.426	10.015.165.363
I Investments in land and buildings not occupied by an undertaking for its own activities	009	1.856.338	1.011.390.353	1.013.246.691	1.251.240	1.076.077.262	1.077.328.502
II Investments in branches, associates and joint ventures (ADP 011 to 013)	010	0	76.592.895	76.592.895	0	63.774.531	63.774.531
1 Shares and holdings in branches	011	0	0	0	0	0	0
2 Shares and holdings in associates	012	0	10.091.232	10.091.232	0	4.778.599	4.778.599
3 Shares and holdings in joint ventures	013	0	66.501.663	66.501.663	0	58.995.932	58.995.932
III Financial assets (ADP 015+018+023+029)	014	3.679.203.769	4.848.161.527	8.527.365.296	3.770.567.697	5.103.494.633	8.874.062.330
1 Financial assets held to maturity (ADP 016+017)	015	1.131.858.940	1.037.923.909	2.169.782.849	1.177.696.668	1.035.109.240	2.212.805.908
1.1 Debt financial instruments	016	1.131.858.940	1.037.923.909	2.169.782.849	1.177.696.668	1.035.109.240	2.212.805.908
1.2 Other	017	0	0	0	0	0	0
2 Financial assets available for sale (ADP 019 to 022)	018	2.128.951.896	2.994.696.576	5.123.648.472	2.173.529.316	3.354.144.287	5.527.673.603
2.1 Equity financial instruments	019	29.289.284	507.409.895	536.699.179	33.767.331	598.073.129	631.840.460
2.2 Debt financial instruments	020	2.042.802.269	2.352.073.139	4.394.875.408	2.073.714.913	2.531.289.243	4.605.004.156
2.3 Units in investment funds	021	56.860.343	135.213.542	192.073.885	66.047.072	224.781.915	290.828.987
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	7.622.144	39.728.669	47.350.813	16.154.013	40.224.275	56.378.288
3.1 Equity financial instruments	024	0	17.187.511	17.187.511	0	20.678.213	20.678.213
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	0	434.354	434.354
3.4 Units in investment funds	027	7.304.036	18.744.049	26.048.085	16.154.013	19.111.708	35.265.721
3.5 Other	028	0	0	0	0	0	0
4 Loans and receivables (ADP 030 to 032)	029	410.770.789	775.812.373	1.186.583.162	403.187.700	674.016.831	1.077.204.531
4.1 Deposits with credit institutions	030	350.460.991	557.971.929	908.432.920	342.077.694	464.632.907	806.710.601
4.2 Loans	031	56.843.903	44.081.419	100.925.322	57.644.111	38.627.489	96.271.600
4.3 Other	032	3.465.895	173.759.025	177.224.920	3.465.895	170.756.435	174.222.330
IV Deposits with cedants	033	0	0	0	0	0	0
D) INVESTMENTS FOR THE ACCOUNT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK	034	412.084.501	0	412.084.501	412.546.622	0	412.546.622
E) REINSURANCE AMOUNT IN TECHNICAL PROVISIONS (ADP 036 to 042)	035	124.074	488.140.677	488.264.751	83.843	573.929.180	574.013.023
1 Provisions for unearned premiums, reinsurance amount	036	111.811	64.588.462	64.700.273	66.758	141.884.627	141.951.385
2 Mathematical provision, reinsurance amount	037	12.263	0	12.263	17.085	0	17.085
3 Claims outstanding, reinsurance amount	038	0	423.552.215	423.552.215	0	432.044.553	432.044.553
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
F) DEFERRED AND CURRENT TAX ASSETS (ADP 044 +045)	043	1.777.335	74.974.491	76.751.826	1.777.335	80.813.793	82.591.128
1 Deferred tax assets	044	1.777.335	67.540.416	69.317.751	1.777.335	67.589.312	69.366.647
2 Current tax assets	045	0	7.434.075	7.434.075	0	13.224.481	13.224.481
G) RECEIVABLES (ADP 047+050+051)	046	17.189.750	859.948.848	877.138.598	29.802.431	1.109.428.777	1.139.231.208
1 Receivables arising from insurance business (ADP 048+049)	047	234.219	526.124.255	526.358.474	235.877	703.671.384	703.907.261
1.1 From policyholders	048	0	525.674.054	525.674.054	78	703.133.906	703.133.984
1.2 From insurance agents or insurance brokers	049	234.219	450.201	684.420	235.799	537.478	773.277
2 Receivables arising from reinsurance business	050	128.917	59.948.347	60.077.264	130.045	105.844.562	105.974.607
3 Other receivables (ADP 052 to 054)	051	16.826.614	273.876.246	290.702.860	29.436.509	299.912.831	329.349.340
3.1 Receivables arising from other insurance operations	052	0	166.272.633	166.272.633	0	159.495.975	159.495.975
3.2 Receivables for investment income	053	281.512	234.653	516.165	334.693	134.795	469.488
3.3 Other receivables	054	16.545.102	107.368.960	123.914.062	29.101.816	140.282.061	169.383.877
H) OTHER ASSETS (ADP 056+060+061)	055	73.823.213	588.625.771	662.448.984	82.666.613	434.844.127	517.510.740
1 Cash at bank and in hand (ADP 057 to 059)	056	73.823.213	580.540.248	654.363.461	82.666.613	427.969.646	510.636.259
1.1 Funds in the business account	057	10.877.390	580.104.610	590.982.000	10.708.025	427.161.885	437.869.910
1.2 Funds in the account of assets covering mathematical provisions	058	62.944.474	0	62.944.474	71.957.600	0	71.957.600
1.3 Cash in hand	059	1.349	435.638	436.987	988	807.761	808.749
2 Fixed assets held for sale and termination of business operations	060	0	1.938.705	1.938.705	0	1.915.371	1.915.371
3 Other	061	0	6.146.818	6.146.818	0	4.959.110	4.959.110
I) PREPAYMENTS AND ACCRUED INCOME (ADP 063 to 065)	062	1.247.594	309.981.881	311.229.475	1.747.467	286.671.475	288.418.942
1 Deferred interest and rent	063	0	1.103.855	1,103.855	0	907.016	907.016
2 Deferred acquisition costs	064	0	247.354.173	247.354.173	0	255.487.566	255.487.566
3 Other prepayments and accrued income	065	1.247.594	61.523.853	62.771.447	1,747,467	30.276.893	32.024.360
J) TOTAL ASSETS (ADP 001+004+008+034+035+043+046+055+062)	066	4.207.695.557	9.222.266.052	13.429.961.609	4.320.631.085	9.651.385.277	13.972.016.362
K) OFF-BALANCE SHEET ITEMS	067	371.785.133	2.737.809.222	3.109.594.355	392.515.428	3.097.767.729	3.490.283.157

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.3.2021

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)
LIABILITIES							
A) CAPITAL AND RESERVES (ADP 069+072+073+077+081+084)	068	548.823.726	3.558.528.083	4.107.351.809	567.838.854	3.731.458.361	4.299.297.215
1 Subscribed capital (ADP 070 to 071)	069	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
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
2 Premium on shares issued (capital reserves)	072	0	681.482.525	681.482.525	0	681.482.525	681.482.525
3 Revaluation reserves (ADP 074 to 076)	073	181.953.464	386.496.159	568.449.623	179.028.259	452.771.125	631.799.384
3.1 Land and buildings	074	0	112.256.678	112.256.678	0	111.812.209	111.812.209
3.2 Financial assets available for sale	075	181.953.464	274.074.057	456.027.521	179.028.259	340.793.492	519.821.751
3.3 Other revaluation reserves	076	0	165.424	165.424	0	165.424	165.424
4 Reserves (ADP 078 to 080)	077	85.295.937	316.742.638	402.038.575	85.295.937	316.742.638	402.038.575
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	139.638.995	147.220.496
4.3 Other reserves	080	75.500.000	149.239.289	224.739.289	75.500.000	149.239.289	224.739.289
5 Retained profit or loss brought forward (ADP 082 + 083)	081	201.886.061	1.336.267.156	1.538.153.217	252.484.089	1.614.400.245	1.866.884.335
5.1 Retained profit	082	201.886.061	1.336.267.156	1.538.153.217	252.484.089	1.614.400.245	1.866.884.335
5.2 Loss brought forward (-)	083	0	0	0	0	0	0
6 Profit or loss for the current accounting period (ADP 085+086)	084	35.399.544	292.502.525	327.902.069	6.741.849	121.024.747	127.766.596
6.1 Profit for the current accounting period	085	35.399.544	292.502.525	327.902.069	6.741.849	121.024.747	127.766.596
6.2 Loss for the current accounting period(-)	086	0	0	0	0	0	0
B) SUBORDINATE LIABILITIES	087	0	0	0	0	0	0
C) MINORITY INTEREST	088	746.627	11.907.814	12.654.441	1.569.236	10.730.534	12.299.770
D) TECHNICAL PROVISIONS (ADP 090 to 095)	089	3.118.356.078	4.505.578.686	7.623.934.765	3.148.888.651	4.620.151.171	7.769.039.822
1 Provisions for unearned premiums, gross amount	090	6.096.801	1.429.166.624	1.435.263.425	5.918.788	1.619.115.614	1.625.034.402
2 Mathematical provisions, gross amount	091	3.010.939.268	11.308.894	3.022.248.162	3.045.425.862	9.978.215	3.055.404.077
3 Claims outstanding, gross amount	092	101.320.010	3.039.211.216	3.140.531.226	97.544.001	2.953.555.277	3.051.099.278
4 Provisions for bonuses and rebates, gross amount	093	0	9.463.967	9.463.967	0	18.116.489	18.116.489
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	9.372.452	9.372.452	0	12.330.043	12.330.043
E) SPECIAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK, gross amount	096	412.084.501	0	412.084.501	412.546.622	0	412.546.622
F) OTHER PROVISIONS (ADP 098 + 099)	097	2.845.537	98.385.232	101.230.769	3.390.158	87.803.801	91.193.959
1 Provisions for pensions and similar obligations	098	2.608.688	95.350.774	97.959.462	2.518.941	85.202.943	87.721.884
2 Other provisions	099	236.849	3.034.458	3.271.307	871.217	2.600.858	3.472.075
G) DEFERRED AND CURRENT TAX LIABILITIES (ADP 101 + 102)	100	37.308.321	135.095.733	172.404.054	35.308.229	155.749.077	201.055.306
1 Deferred tax liability	101	35.781.836	116.639.392	152.421.228	33.910.386	131.214.877	165.125.263
2 Current tax liability	102	1.526.485	18.456.341	19.982.826	1.395.843	34.534.200	35.930.043
H) DEPOSITS HELD UNDER BUSINESS CEDED	103	0	0	0	0	0	0
I) FINANCIAL LIABILITIES (ADP 105 to 107)	104	5.112.667	318.779.203	323.891.870	51.194.209	356.666.969	407.861.178
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	5.112.667	318.779.203	323.891.870	51.194.209	356.666.969	407.861.178
J) OTHER LIABILITIES (ADP 109 to 112)	108	55.374.068	321.566.127	376.940.195	72.064.758	375.751.950	447.816.708
1 Liabilities from direct insurance business	109	4.968.998	87.717.976	92.686.974	4.900.196	98.207.935	103.108.131
2 Liabilities from coinsurance and reinsurance business	110	242.461	96.369.663	96.612.124	249.373	137.975.529	138.224.902
3 Liabilities for disposal and discontinued operations	111	0	11.742	11.742	0	12.362	12.362
4 Other liabilities	112	50.162.609	137.466.746	187.629.355	66.915.189	139.556.124	206.471.313
K) ACCRUALS AND DEFERRED INCOME (ADP 114+115)	113	27.044.031	272.425.174	299.469.205	27.832.368	303.073.414	330.905.782
1 Deferred reinsurance commission	114	0	0	0	0	11.206.473	11.206.473
2 Other accruals and deferred income	115	27.044.031	272.425.174	299.469.205	27.832.368	291.866.941	319.699.309
J) TOTAL LIABILITIES (ADP 068+087+088+089+096+097+100+103+104+108+113)	116	4.207.695.557	9.222.266.052	13.429.961.609	4.320.631.085	9.651.385.277	13.972.016.362
M) OFF-BALANCE SHEET ITEMS	117	371.785.133	2.737.809.222	3.109.594.355	392.515.428	3.097.767.729	3.490.283.157

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2021 - 31.3.2021

in HRK

Item	ADP code	Attributable to owners of the parent						Total capital and reserves (3 to 8)	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			
1	2	3	4	5	6	7	8	9	10	11
I Balance on the first day of the previous business year	1	589.325.800	681.482.525	609.339.271	402.038.575	1.198.062.132	339.392.129	3.819.640.432	12.553.358	3.832.193.790
Change in accounting policies	2							0		0
Correction of errors from prior periods	3							0		0
II Balance on the first day of the previous business year (restated)	4	589.325.800	681.482.525	609.339.271	402.038.575	1.198.062.132	339.392.129	3.819.640.432	12.553.358	3.832.193.790
III Comprehensive income or loss for the same period of the previous year (ADP 006 - ADP 007)	5	0	0	-38.971.168	0	0	327.902.069	288.930.901	295.386	289.226.287
Profit or loss for the period	6						327.902.069	327.902.069	298.796	328.200.855
2 Other comprehensive income or loss for the same period of the previous year (ADP 008 to ADP 11)	7	0	0	-38.971.168	0	0	0	-38.971.168	-3.400	-38.974.568
Unrealised gains or losses on tangible assets (land and buildings)	8			-5.448.093				-5.448.093	-63.084	-5.511.177
Unrealised gains or losses on financial assets available for sale	9			14.993.777				14.993.777	-6.590	14.987.187
Realised gains or losses on financial assets available for sale	10			-51.498.680				-51.498.680	0	-51.498.680
Other changes in equity unrelated to owners	11			2.981.828				2.981.828	66.274	3.048.102
IV Transactions with owners (previous period)	12	0	0	-1.918.480	0	340.091.085	-339.392.129	-1.219.524	-194.303	-1.413.827
Increase/decrease in subscribed capital	13							0		0
Other contributions by owners	14							0		0
Payment of share in profit/dividend	15							0	-156.751	-156.751
Other distribution to owners	16	0	0	-1.918.480	0	340.091.085	-339.392.129	-1.219.524	-37.552	-1.257.076
V Balance on the last day of the previous business year reporting period	17	589.325.800	681.482.525	568.449.623	402.038.575	1.538.153.217	327.902.069	4.107.351.809	12.654.441	4.120.006.250
VI Balance on the first day of the current business year	18	589.325.800	681.482.525	568.449.623	402.038.575	1.538.153.217	327.902.069	4.107.351.809	12.654.441	4.120.006.250
Change in accounting policies	19							0		0
Correction of errors from prior periods	20							0		0
VII Balance on the first day of the current business year (restated)	21	589.325.800	681.482.525	568.449.623	402.038.575	1.538.153.217	327.902.069	4.107.351.809	12.654.441	4.120.006.250
VIII Comprehensive income or loss for the year	22	0	0	63.794.232	0	0	127.766.596	191.560.828	309.054	191.869.882
Profit or loss for the period	23						127.766.596	127.766.596	290.533	128.057.129
Other comprehensive income or loss for the year	24	0	0	63.794.232	0	0	0	63.794.232	18.521	63.812.753
Unrealised gains or losses on tangible assets (land and buildings)	25			0				0		0
Unrealised gains or losses on financial assets available for sale	26			76.341.818				76.341.818	-4.359	76.337.459
Realised gains or losses on financial assets available for sale	27			-14.096.932				-14.096.932		-14.096.932
Other changes in equity unrelated to owners	28			1.549.346				1.549.346	22.880	1.572.226
Transactions with owners (current period)	29	0	0	-444.471	0	328.731.118	-327.902.069	394.578	-663.725	-279.147
Increase/decrease in subscribed capital	30							0		0
Other contributions by owners	31					232.207		232.207	-520.337	-288.130
Payment of share in profit/dividend	32							0	-143.388	-143.388
Other transactions with owners	33			-444.471		328.498.911	-327.902.069	152.371		152.371
Balance on the last day of the current year reporting period	34	589.325.800	681.482.525	631.799.384	402.038.575	1.866.884.335	127.766.596	4.299.297.215	12.299.770	4.311.596.985

CONSOLIDATED STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2021 - 31.3.2021

in HRK

Item	ADP code	Same period of the previous year	Current business period
1	2	3	4
I Cash flow from operating activities (ADP 002+013+031)	001	491.579.314	-90.600.684
1 Cash flow before changes in operating assets and liabilities (ADP 003+004)	002	165.375.050	123.995.228
1.1 Profit/loss before tax	003	145.220.114	155.639.860
1.2 Adjustments: (ADP 005 to 012)	004	20.154.936	-31.644.632
1.2.1 Depreciation of property and equipment	005	15.242.682	13.738.350
1.2.2 Amortization of intangible assets	006	5.284.627	6.123.564
1.2.3 Impairment and gains/losses on fair valuation	007	51.537.149	-1.245.248
1.2.4 Interest expenses	008	2.754.030	2.610.359
1.2.5 Interest income	009	-53.453.947	-48.197.239
1.2.6 Share in profit of associates	010	-2.243.426	-2.803.967
1.2.7 Profit/loss from the sale of tangible assets (including land and buildings)	011	584.360	-160.086
1.2.8 Other adjustments	012	449.461	-1.710.365
2 Increase/decrease in operating assets and liabilities (ADP 014 to 030)	013	337.844.995	-191.825.918
2.1 Increase/decrease in financial assets available for sale	014	108.178.190	-291.735.923
2.2 Increase/decrease in financial assets at fair value through statement of profit or loss	015	-13.458.445	-13.839.521
2.3 Increase/decrease in loans and receivables	016	-15.701.392	106.699.037
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	8.991.354	-462.121
2.6 Increase/decrease in reinsurance amount in technical provisions	019	-81.999.509	-85.748.272
2.7 Increase/decrease in tax assets	020	-3.833.255	-5.788.117
2.8 Increase/decrease in receivables	021	-180.720.553	-259.100.152
2.9 Increase/decrease in other assets	022	0	0
2.10 Increase/decrease in prepayments and accrued income	023	-17.371.059	22.810.532
2.11 Increase/decrease in technical provisions	024	261.603.302	145.111.277
2.12 Increase/decrease in special provisions for life assurance where policyholders bear the investment risk	025	-8.991.354	462.121
2.13 Increase/decrease in tax liabilities	026	4.033.679	11.511.916
2.14 Increase/decrease in deposits held under reinsurance business ceded	027	0	0
2.15 Increase/decrease in financial liabilities	028	245.259.755	85.953.781
2.16 Increase/decrease in other liabilities	029	29.266.749	60.862.949
2.17 Increase/decrease in accruals and deferred income	030	2.587.533	31.436.575
3 Income tax paid	031	-11.640.731	-22.769.994
II CASH FLOW FROM INVESTING ACTIVITIES (ADP 033 to 046)	032	208.147.899	-25.787.022
1 Cash receipts from the sale of tangible assets	033	1.259.847	20.755
2 Cash payments for the purchase of tangible assets	034	-28.422.232	-3.874.735
3 Cash receipts from the sale of intangible assets	035	0	0
4 Cash payments for the purchase of intangible assets	036	-14.010.958	-22.564.456
5 Cash receipts from the sale of land and buildings not occupied by an undertaking for its own activities	037	300.068	1.133.665
6 Cash payments for the purchase of land and buildings not occupied by an undertaking for its own activities	038	-539.104	-448.027
7 Increase/decrease of investments in branches, associates and joint ventures.	039	0	3.960.817
8 Cash receipts from financial assets held to maturity	040	350.513.322	37.209.504
9 Cash payments for financial assets held to maturity	041	-102.751.198	-55.174.995
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	994.319	1.533.750
13 Cash receipts from repayments of short-term and long-term loans given	045	9.346.384	17.727.498
14 Cash payments for short-term and long-term loans	046	-8.542.549	-5.310.798
III CASH FLOW FROM FINANCING ACTIVITIES (ADP 048 to 052)	047	-6.222.446	-6.789.884
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	-6.076.189	-6.646.496
4 Cash payments for the redemption of treasury shares	051	0	0
5 Cash payments of share in profit (dividend)	052	-146.257	-143.388
NET CASH FLOW (ADP 001 + 032 + 047)	053	693.504.767	-123.177.590
IV EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	054	-86.773.368	-21.760.654
V NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (053+054)	055	606.731.399	-144.938.244
Cash and cash equivalents at the beginning of period	056	220.351.390	662.448.984
Cash and cash equivalents at the end of period (ADP 055 + 056)	057	827.082.789	517.510.740

II. QUARTERLY MANAGEMENT REPORT

In the period observed, the CROATIA osiguranje Group, operating in Croatia and the markets of the region (BiH, North Macedonia, Serbia and Slovenia), achieved consolidated profit after tax and non-controlling interest in the amount of HRK 127.8m, which represents an increase of 7.4 percent compared to the comparative period of the previous year.

Gross written premium for the reporting period amounted to HRK 981.7m, which represents a decrease of 0.2 percent compared to the comparative period of the previous year. Gross written premium of non-life insurance amounted to HRK 844m which represents an increase by 0.1 percent, while gross written premium of life insurance decreased by 2 percent and amounted to HRK 137.7m.

Earned premium for the reporting period amounted to HRK 741.6m, which represents 80.2 percent of total income and an increase of 3.2 percent compared to the comparative period of the previous year.

In the non-life and life insurance business, the Group has achieved income from investments in the amount of HRK 135.2m, which represents a decrease of 41.4 percent compared to the comparative period of the previous year. Income from investments represents 14.6 percent of total income. Investment expenses amounted to HRK 27.7m, which represents a decrease of 66.4 percent compared to the comparative period of the previous year. Investment expenses represent 3.6 percent of total expenses.

Net claims incurred for the reporting period represent 50.6 percent of total expenses and amounted to HRK 389.3m, which represents a decrease of 28.6 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 costs amounted to HRK 293.5m, representing 38.1 percent of total expenses of the Group. Acquisition and administration costs increased by 17.2 percent compared to the comparative period of the previous year.

Total assets of the Group as at 31 March 2021 amounted to HRK 14 billion, representing an increase of 4 percent compared to 31 December 2020.

Technical reserves as at 31 March 2021 amounted to HRK 7.8 billion, representing an increase of 1.9 percent compared to 31 December 2020.

Unaudited consolidated financial statements for the first quarter of 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

There were no significant business events in the reporting period. Regarding the impact of COVID-19 on operations, due to the further course of the COVID-19 pandemic, the Group continues to closely monitor the situation and possible impacts on operations, with no significant negative impacts on the Group's operations, as evidenced by the high Group's solvency ratio of 229% as of 31 December 2020.

The longer-term financial difficulties caused by the COVID-19 pandemic could be reflected in the deteriorating credit quality of non-financial companies and households through weakened repayment capacity of existing loans, which could have negative effects on banking institutions and the wider economy. The results for the financial year 2020 mainly show increased provisions of banks for credit risks and declining revenues.

The effects of the pandemic in this regard can be expected in 2021, where the ability of companies and households to repay existing loans and the ability of banks to absorb emerging risks will be demonstrated.

Therefore, in the coming period, the Group will place special emphasis on monitoring the financial results and public announcements of companies to which it has identified credit exposure.

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.

Expected development in the future

Economic growth for 2021 will strongly depend on the speed of COVID-19 pandemic suppression in the country (speed of population vaccination) and abroad (speed of border opening and abolition of measures, especially in EU countries) as well as the moment of abolition of all measures. If the tourist season is at the level of expectations, then the insurance market will recover, otherwise a further decline in the market and intensification of competition is expected.

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

- development of a new company website
- new functionalities of the mobile application Moja Croatia
- remote damage reporting
- additional emphasis on digital communication (delivery of IDD documentation by e-mail, digital signatures, delivery of invoices by e-mail, „pay-by-link“...)

Furthermore, the earthquakes in city of Zagreb and Banija county left long-term consequences on people's lives and property, but also opened the door to raising awareness of the need to insure property. In the coming period, the Group will try to raise awareness of the need for insurance through various campaigns and will simplify the conditions for accepting certain insurance conditions.

In the forthcoming period, the goal is to continue the best practice of transferring operational excellence from the parent to subsidiaries in the region. 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 Group 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 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.

In cooperation with Swiss RE, one of the largest reinsurers in the world, Croatia osiguranje also launched the first parametric crop insurance product against lack of soil moisture (drought). This technologically highly sophisticated product is the most modern product of its kind on the market that uses advanced satellite soil moisture measurement technology, which provides accurate data for secured agricultural land and represents another step in the digitalization of the insurance industry to meet future challenges.

A specialist postgraduate study *Products, Digital Innovations and Technologies in Insurance (Insurtech)* was developed and launched with the Faculty of Electrical Engineering and Computing in Zagreb. 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.

Education of employees in the field of artificial intelligence has begun. More than 130 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.

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 Group is exposed in the course of its business, except as described in the note *Significant business events in the reporting period*.

Zagreb, 29 April 2021

Member of the Management Board

Luka Babić



President of the Management Board

Davor Tomašković

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

1. GENERAL INFORMATION

The Group consolidated the following entities as at 31 March 2021:

Group	Activity	31 March 2021		
		Shares directly held by parent (%)	Shares held by the Group (%)	Shares held by non-controlling interests (%)
Subsidiaries registered in Croatia which are consolidated:				
Croatia premium d.o.o., Zagreb	Real estate business	100.00	100.00	-
- <i>M teh d.o.o.</i>	<i>Equipment rental</i>	<i>100.00</i>	<i>100.00</i>	-
Histria Construct d.o.o., Zagreb	Real estate business	100.00	100.00	-
Core 1 d.o.o., Zagreb	Real estate business	100.00	100.00	-
Razne usluge d.o.o. (u likvidaciji)	-	100.00	100.00	-
AUTO MAKSIMIR VOZILA d.o.o.	Insurance agency	100.00	100.00	-
CO LOGISTIKA d.o.o.	Real estate business	100.00	100.00	-
Strmec projekt d.o.o.	Real estate business	100.00	100.00	-
CO Zdravlje d.o.o.	Consulting and services	100.00	100.00	-
- <i>CROATIA Poliklinika, Zagreb</i>	<i>Healthcare</i>	-	<i>100.00</i>	-
Croatia-Tehnički pregledi d.o.o., Zagreb	MOT*	100.00	100.00	-
- <i>Herz d.d., Požega</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Slavonijatrans-Tehnički pregledi d.o.o., Sl. Brod</i>	<i>MOT</i>	-	<i>76.00</i>	<i>24.00</i>
- <i>STP Pitomača, Pitomača</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>STP Blato</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Autoprijevoz d.d.</i>	<i>MOT</i>	-	<i>79.12</i>	<i>20.88</i>
- <i>Crotehna d.o.o., Ljubuški</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Ponte d.o.o., Mostar</i>	<i>Insurance agency</i>	-	<i>100.00</i>	-
- <i>Skadenca d.o.o.,</i>	<i>Insurance agency</i>	-	<i>100.00</i>	-
Croatia osiguranje mirovinsko društvo d.o.o., Zagreb	Fund management	100.00	100.00	-
ASTORIA d.o.o.	Real estate business	100.00	100.00	-
Subsidiaries registered abroad which are consolidated				
Milenijum osiguranje a.d.o., Beograd	Insurance	100.00	100.00	-
Croatia osiguranje d.d., Mostar	Insurance	95.02	95.02	4.98
- <i>Croatia remont d.d., Čapljina***</i>	<i>MOT</i>	-	<i>69.79</i>	<i>30.21</i>
- <i>Croauto d.o.o., Mostar</i>	<i>MOT</i>	-	<i>66.79</i>	<i>33.21</i>
- <i>Hotel Hum d.o.o., Ljubuški**</i>	<i>Hospitality</i>	-	<i>80.00</i>	<i>20.00</i>
Croatia osiguranje d.d., non-life insurance company, Skopje	Insurance	100.00	100.00	-
Croatia osiguranje d.d., life insurance company, Skopje	Insurance	95.00	100.00	-

*MOT – Motor vehicle examination stations

** Croatia osiguranje d.d. Mostar hold 80%, while CROTEHNA d.o.o. Ljubuški hold 20%

*** Crotehna d.o.o. additionally holds 6.84% in Croatia remont d.d.

In consolidation, the equity method is used for the valuation of investments in associates Agroservis - STP d.o.o., Virovitica (37%) and joint venture PBZ CROATIA osiguranje d.d. (50.0%).

The following is a summary of financial information for PBZ Croatia osiguranje d.d. for the last year for which the annual financial statements have been adopted and which have been presented for the Group using the equity method.

Summary statement of financial position	31 December 2020
	in HRK'000
Financial assets	102,892
Other assets	34,225
Total assets	137,117
Liabilities	6,877
Capital and reserves	130,240
Total equity and liabilities	137,117
Summary statement of comprehensive income	
Income	67,007
Expenses	(42,813)
Profit before tax	24,194
Income tax	(4,358)
Profit for the year	19,836
Share in profit of joint venture @ 50%	9,918
Summary financial information	31 December 2020
	in HRK'000
Opening balance of net assets at 1 January	133,304
Profit for the period	19,836
Dividends	(22,900)
Closing balance of net assets	130,240
Share in profit of joint venture @ 50%	65,120
Carrying amount	65,120

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33 (parent company) is registered in the Court Register of the Commercial Court in Zagreb, Republic of Croatia, under the Company's Court Reg. No. ("MBS") o80051022 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.

Croatia osiguranje d.d. 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 Group during the current period is 3,414.

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
Vítomir Palinec	Member
Hrvoje Patajac	Member
Vlasta Pavličević	Member

Members of the Management Board are:

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

Basis for preparation and consolidation

Financial statements are prepared in accordance with the Company's Act (Official Gazette 65/18, 17/20), International Accounting Standard 34 – *Interim Financial Reporting*, Rules of the 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 Group's annual financial statements as at 31 December 2020. The Group's 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 first quarter of 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.

Consolidated financial statements comprise the Company and its subsidiaries (together 'the Group'). All significant intragroup transactions and balances are eliminated.

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

Presentation currency

The Group's financial statements are prepared in Croatian kuna as presentation currency of the Group.

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.

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

Group'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 Group'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.

Earnings per share

	1 January-31 March 2020	1 January-31 March 2021
	in HRK	in HRK
Profit for the year attributable to the Company's shareholders	118,980,988	127,766,596
Weighted average of ordinary shares	420,947	420,947
Earnings per share attributable to the Company's shareholders		
Basic and diluted earnings per share in HRK	282.7	303.5

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 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	2,212,805,908	2,466,771,296	253,965,388	2,169,782,849	2,434,029,051	264,246,202
Loans	259,203,719	259,866,419	662,700	263,179,015	264,053,447	874,432
Deposits	818,000,812	818,783,121	782,309	923,404,147	924,807,760	1,403,613
	3,290,010,439	3,545,420,836	255,410,397	3,356,366,011	3,622,890,258	266,524,247

Methods of assessment or assumptions in determining fair value

For measuring the fair value, the Group 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 Group's assets measured at fair value as at 31 March 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>	-	-	445,605,960	445,605,960
<i>Investment property</i>	-	-	1,077,328,502	1,077,328,502
Equity securities	601,770,134	-	30,070,326	631,840,460
Debt securities	3,732,344,642	863,376,394	9,283,120	4,605,004,156
Investment funds	136,169,699	151,816,018	2,843,270	290,828,987
<i>Available-for-sale financial assets</i>	4,470,284,475	1,015,192,412	42,196,716	5,527,673,603
Equity securities	20,678,213	-	-	20,678,213
Debt securities	-	-	-	-
Investment funds	438,643,747	-	9,168,596	447,812,343
Foreign currency forward contracts	-	434,354	-	434,354
<i>Financial assets at fair value through profit or loss</i>	459,321,960	434,354	9,168,596	468,924,910
Total assets at fair value	4,929,606,435	1,015,626,766	1,574,299,774	7,519,532,975

The Group'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>	-	-	496,663,323	496,663,323
<i>Investment property</i>	-	-	1,013,246,691	1,013,246,691
Equity securities	506,400,695	-	30,298,484	536,699,179
Debt securities	3,270,975,672	1,121,770,063	2,129,673	4,394,875,408
Investment funds	60,338,215	128,706,694	3,028,976	192,073,885
<i>Available-for-sale financial assets</i>	3,837,714,582	1,250,476,757	35,457,133	5,123,648,472
Equity securities	17,187,511	-	-	17,187,511
Debt securities	-	-	-	-
Investment funds	438,132,586	-	-	438,132,586
Foreign currency forward contracts	-	4,115,217	-	4,115,217
<i>Financial assets at fair value through profit or loss</i>	455,320,097	4,115,217	-	459,435,314
Total assets at fair value	4,293,034,679	1,254,591,974	1,545,367,147	7,092,993,800

The Group 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 receivable.

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 for 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 2020.

Intangible assets

In the period observed, intangible assets increased by HRK 20m, primarily due to additional investments in the new Core IT system. The Group capitalized the costs of net salaries in the amount of HRK 1.9m, 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 0.4m, the costs of contributions to salaries in in the amount of HRK 0.5m and other employee costs in the amount of HRK 0.2m.

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

In the period observed Group's investments in land and buildings not occupied by an undertaking for its own activities have increased in the amount of HRK 64m 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 structure of financial assets as at 31 March 2021 and 31 December 2020 was as follows:

					31 March 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
Shares					
Shares, listed	-	629,865,533	20,678,213	-	650,543,746
Shares, not listed	-	1,974,927	-	-	1,974,927
	-	631,840,460	20,678,213	-	652,518,673
Debt securities					
Government bonds	2,168,694,726	4,382,399,415	-	-	6,551,094,141
Corporate bonds	44,111,182	222,604,741	-	-	266,715,923
	2,212,805,908	4,605,004,156	-	-	6,817,810,064
Derivative financial instruments					
Foreign currency forward contracts	-	-	434,354	-	434,354
	-	-	434,354	-	434,354
Investment funds					
Open-ended investment funds	-	290,828,987	35,265,721	-	326,094,708
Open-ended investment funds - assets for coverage of unit-linked products	-	-	412,546,622	-	412,546,622
	-	290,828,987	447,812,343	-	738,641,330
Loans and receivables					
Deposits with credit institutions	-	-	-	818,000,812	818,000,812
Loans	-	-	-	259,203,719	259,203,719
	-	-	-	1,077,204,531	1,077,204,531
	2,212,805,908	5,527,673,603	468,924,910	1,077,204,531	9,286,608,952

	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
Shares					
Shares, listed	-	534,724,501	17,187,511	-	551,912,012
Shares, not listed	-	1,974,678	-	-	1,974,678
	-	536,699,179	17,187,511	-	553,886,690
Debt securities					
Government bonds	2,125,846,022	4,225,370,460	-	-	6,351,216,482
Corporate bonds	43,936,827	169,504,948	-	-	213,441,775
	2,169,782,849	4,394,875,408	-	-	6,564,658,257
Derivative financial instruments					
Foreign currency forward contracts	-	-	4,115,217	-	4,115,217
	-	-	4,115,217	-	4,115,217
Investment funds					
Open-ended investment funds	-	192,073,885	26,048,085	-	218,121,970
Open-ended investment funds - assets for coverage of unit-linked products	-	-	412,084,501	-	412,084,501
	-	192,073,885	438,132,586	-	630,206,471
Loans and receivables					
Deposits with credit institutions	-	-	-	923,404,147	923,404,147
Loans	-	-	-	263,179,015	263,179,015
	-	-	-	1,186,583,162	1,186,583,162
	2,169,782,849	5,123,648,472	459,435,314	1,186,583,162	8,939,449,797

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

	31 March 2021	31 December 2020
	in HRK	in HRK
Lease liabilities	297,508,718	301,613,489
Liabilities for repo transactions	83,268,157	-
Derivative financial instruments	14,433,133	7,425,656
Preference shares	12,250,000	12,250,000
Other financial liabilities	401,170	2,602,725
	407,861,178	323,891,870

Share capital and shares

The Company's share capital with a nominal value of 601,575,800 as at 31 March 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
TOTAL OF ORDINARY SHARES	589,325,800
8,750 preference shares I. emission with ticker CROS-P-A/CROS ₂	12,250,000
TOTAL OF PREFERENCE SHARES	12,250,000

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. CROATIA osiguranje d.d. has no treasury shares.

Liabilities

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

	31 March 2021			
	No later than 1 year	1-5 years	More than 5 years	Total
Other provisions	6,045,363	60,141,657	25,006,939	91,193,959
Financial liabilities	111,085,636	73,012,425	223,763,117	407,861,178
Liabilities arising from insurance contracts, other liabilities and deferred income	728,749,238	32,018,926	17,954,326	778,722,490
Total	845,880,237	165,173,008	266,724,382	1,277,777,627
	31 December 2020			
	No later than 1 year	1-5 years	More than 5 years	Total
Other provisions	10,282,711	65,760,274	25,187,784	101,230,769
Financial liabilities	24,533,855	76,502,749	222,855,266	323,891,870
Liabilities arising from insurance contracts, other liabilities and deferred income	629,178,365	32,864,461	14,366,574	676,409,400
Total	663,994,931	175,127,484	262,409,624	1,101,532,039

Deferred taxes

The Group has recognized deferred tax assets and liabilities as at 31 March 2021. There were no significant changes in deferred tax assets compared to 31 December 2020 while the movement of deferred tax liability is shown in the note below:

	Land and buildings occupied by an undertaking for its own activities	land and buildings not occupied by an undertaking for its own activities	Financial assets available for sale	Other	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
1 January 2021	23,523,624	32,298,123	96,114,191	485,290	152,421,228
Utilization through retained earning	(95,303)	-	-	-	(95,303)
Recognized deferred tax liabilities in profit or loss	-	396,950	-	-	396,950
Change in fair value of available-for-sale investments through other comprehensive income	-	-	12,375,778	-	12,375,778
Foreign exchange differences	-	-	26,610	-	26,610
31 March 2021	23,428,321	32,695,073	108,516,579	485,290	165,125,263

Commitments

As at 31 March 2021, the Group's contractual obligations for future investments amount to HRK 151m based on binding bids for investments in venture capital funds.

MANAGEMENT BOARD STATEMENT

Pursuant to article 20 of the Articles of Association of the Company from 26 February 2020 and article 468 of the Capital Market Law (Official Gazette 65/18, 17/20), the Management Board provides this

STATEMENT

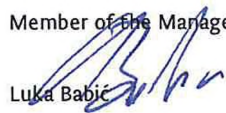
That to the best of our knowledge:

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

Zagreb, 29 April 2021

Member of the Management Board

Luka Babić



President of the Management Board

Davor Tomašković

