

**UNCONSOLIDATED UNAUDITED
QUARTERLY REPORT,
FOR THE PERIOD
1 January 2024 – 30 September 2024**

Zagreb, October 2024

This document is a translation of the original Croatian version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the Croatian original is binding.

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I. UNAUDITED FINANCIAL STATEMENTS

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Reporting period:	1.1.2024	to	30.9.2024		
Year:	2024				
Quarter:	3				
Quarterly financial statements					
Registration number (MB):	03276147	Issuer's home Member State:	HR		
Entity's registration number:	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):	2294				
Consolidated report:	KN	(KN-not consolidated/KD-consolidate)			
Audited:	RN	(RN-not audited/RD-audited)			
Names of subsidiaries (according to IFRS):		Registered office:		MB:	
Bookkeeping firm:	No	(Yes/No)			
Contact person:	Jelena Matijević				
Telephone:	072 00 1884				
E-mail address:	izdavatelj@crosig.hr				
Audit firm:					
Certified auditor:					

STATEMENT OF COMPREHENSIVE INCOME

(STATEMENT OF PROFIT OR LOSS)

For the period: 1.1.2024 - 30.9.2024

in EUR

Item number	Sum elements	Identifier	Item	Cumulative						Quarter					
				Previous accounting period			Current accounting period			Previous accounting period			Current accounting period		
				Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
001	002 + 003 + 004	I	Income from insurance contracts	4.624.780	285.140.375	289.765.155	5.372.875	318.454.785	323.827.660	1.677.185	104.938.908	106.616.093	1.755.416	114.263.627	116.019.043
002		1	General measurement model	4.316.905	2.522.352	6.839.257	5.281.435	2.138.122	7.419.557	1.451.555	1.061.748	2.513.303	1.737.224	721.296	2.458.520
003		2	Variable fee approach	307.875	0	307.875	91.440	0	91.440	225.630	0	225.630	18.192	0	18.192
004		3	Premium allocation approach	0	282.618.023	282.618.023	0	316.316.663	316.316.663	0	103.877.160	103.877.160	0	113.542.331	113.542.331
005	006+007+...+012	II	Expenditure from insurance contracts	-1.582.611	-288.792.093	-290.374.704	-2.104.347	-295.488.063	-297.592.410	-998.868	-128.110.189	-129.109.057	-876.993	-107.822.101	-108.699.094
006		1	Claims incurred	-900.179	-202.812.036	-203.712.215	-652.260	-193.803.910	-194.456.170	-308.336	-97.354.689	-97.663.025	-193.177	-72.845.833	-73.039.010
007		2	Commissions	-213.254	-28.677.524	-28.890.778	-368.530	-31.300.842	-31.669.372	-8.1484	-10.802.711	-10.884.195	-142.108	-11.724.912	-11.867.020
008		3	Other expenses related to the sale of insurance	0	-28.093.248	-28.093.248	0	-31.464.175	-31.464.175	0	-9.566.271	-9.566.271	0	-11.092.569	-11.092.569
009		4	Other insurance service expenses	-1.614.633	-43.899.936	-45.514.569	-1.342.588	-43.212.448	-44.555.036	-527.383	-14.319.752	-14.847.135	-436.180	-14.469.699	-14.905.879
010		5	Depreciation of insurance acquisition costs	0	0	0	0	0	0	0	0	0	0	0	
011		6	Losses and reversal of losses on onerous contracts	1.740.637	-483.246	1.257.391	21.564	813.501	835.065	40.955	-85.286	-44.331	38.897	-84.472	-45.575
012		7	Change in liabilities for claims incurred	-595.182	15.173.897	14.578.715	237.467	3.479.811	3.717.278	-122.620	4.018.520	3.895.900	-144.425	2.395.384	2.250.959
013	014 + 015	III	Net result of (passive) reinsurance contracts	-673	-1.893.605	-1.894.278	1	-8.297.377	-8.297.376	-87	12.272.380	12.272.293	37	-2.146.221	-2.146.184
014		1	Income from (passive) reinsurance contracts	0	33.389.843	33.389.843	0	36.739.641	36.739.641	0	24.844.854	24.844.854	0	16.866.200	16.866.200
015		2	Expenditure from (passive) reinsurance contracts	-673	-35.283.448	-35.284.121	1	-45.037.018	-45.037.017	-87	-12.572.474	-12.572.561	37	-19.012.421	-19.012.384
016	001 + 005 + 013	IV	Result from insurance contracts	3.041.496	-5.545.323	-2.503.827	3.268.529	14.669.345	17.937.874	678.230	-10.898.901	-10.220.671	878.460	4.295.305	5.173.765
017	018 + 023 + 024 + 025 + 026 + 027 + 031 + 032 + 033 + 034	V	Net investment result	10.222.115	29.573.009	39.795.124	9.922.195	39.888.538	49.810.733	4.186.275	6.498.755	10.685.030	3.131.713	8.819.898	11.951.611
018	019 + 020 + 021 + 022	1	Net result from investment in land and buildings	0	2.786.252	2.786.252	0	3.003.995	3.003.995	0	780.924	780.924	0	993.945	993.945
019		1.1.	Rental gains/losses (net)	0	2.753.811	2.753.811	0	3.003.995	3.003.995	0	917.993	917.993	0	993.945	993.945
020		1.2.	Realised gains/losses (net) from property not for own use	0	32.441	32.441	0	0	0	0	-137.069	-137.069	0	0	
021		1.3.	Unrealised gains/losses (net) from property not for own use	0	0	0	0	0	0	0	0	0	0	0	
022		1.4.	Depreciation of land and buildings not occupied by an undertaking for its own activities	0	0	0	0	0	0	0	0	0	0	0	
023		2	Interest revenue calculated using the effective interest rate method	7.480.733	11.594.898	19.075.631	6.637.113	12.621.949	19.259.062	2.470.229	4.222.815	6.693.044	1.833.457	3.913.921	5.747.378
024		3	Other interest income	97.666	807.615	905.281	0	79.417	79.417	30.185	240.520	270.705	0	38.710	38.710
025		4	Dividend income	848.982	13.252.764	14.101.746	1.165.963	21.437.064	22.603.027	614.997	1.730.902	2.345.899	770.668	2.639.684	3.410.352
026		5	Unrealised gains/losses (net) from financial assets at fair value through profit or loss	762.610	1.965.950	2.728.560	1.715.844	2.681.994	4.397.838	369.809	-247.453	122.356	893.290	1.980.813	2.874.103
027	028 + 029 + 030	6	Realised gains/losses	155.553	223.234	378.787	19.106	1.729.283	1.748.389	3.786	-193.014	-189.228	-185.049	605.729	420.680
028		6.1.	Realised gains/losses (net) from financial assets at fair value through profit or loss	6.069	18.939	25.008	496.533	2.978.046	3.474.579	-22.047	-199.820	-221.867	89.622	956.176	1.045.798
029		6.2.	Realised gains/losses (net) from financial assets at fair value through other comprehensive income	149.484	204.295	353.779	-477.427	-1.248.763	-1.726.190	25.833	6.806	32.639	-274.671	-350.447	-625.118
030		6.3.	Other realised gains/losses (net)	0	0	0	0	0	0	0	0	0	0	0	
031		7	Net impairment / reversal of impairment of investments	311.288	421.841	733.129	104.698	179.233	283.931	18.794	-184.367	-165.573	81.453	114.657	196.110
032		8	Net exchange rate differences	70.247	18.160	88.407	-79.238	-176.981	-256.219	163.778	659.098	822.876	-270.527	-823.199	-1.093.726
033		9	Other income from investments	571.150	21.882	593.032	440.605	88.816	529.421	540.300	3.602	543.902	41.518	6.485	48.003
034		10	Other expenditure from investments	-76.114	-1.519.587	-1.595.701	-81.896	-1.756.232	-1.838.128	-25.603	-514.272	-539.875	-33.097	-650.847	-683.944

STATEMENT OF COMPREHENSIVE INCOME (STATEMENT OF PROFIT OR LOSS) For the period: 1.1.2024 - 30.9.2024

in EUR

Item number	Sum elements	Identifier	Item	Cumulative						Quarter					
				Previous accounting period			Current accounting period			Previous accounting period			Current accounting period		
				Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
035	036 + 037 + 038	VI	Net financial expenditure from insurance and (passive) reinsurance contracts	-1.261.416	-2.560.638	-3.822.054	-1.861.390	-3.086.608	-4.947.998	-820.401	-1.252.202	-2.072.603	-384.569	-1.102.844	-1.487.413
036		1	Net financial income/expenditure from insurance contracts	-1.261.417	-3.223.686	-4.485.103	-1.861.390	-3.706.201	-5.567.591	-820.401	-1.798.145	-2.618.546	-384.569	-1.353.771	-1.738.340
037		2	Net financial income/expenditure from (passive) reinsurance contracts	1	663.048	663.049	0	619.593	619.593	0	545.943	545.943	0	250.927	250.927
038		3	Change of liability for investment contracts	0	0	0	0	0	0	0	0	0	0	0	0
039		VII	Other income	10.190	4.695.658	4.705.848	1.160	4.342.695	4.343.855	1.805	836.228	838.033	819	952.725	953.544
040		VIII	Other operating expenses	-142.458	-7.785.214	-7.927.672	-157.048	-10.551.354	-10.708.402	-14.646	-1.571.523	-1.586.169	-75.429	-5.359.455	-5.434.884
041		IX	Other financial expenses	-26.782	-933.537	-960.319	-22.387	-935.195	-957.582	-9.133	-330.941	-340.074	-7.820	-316.530	-324.350
042		X	Share of profit of companies consolidated using equity method, net of tax	0	0	0	0	0	0	0	0	0	0	0	0
043	001+005+013+016+017+035+039+040+041+042	XI	Profit or loss of the accounting period before tax (+/-)	11.843.145	17.443.955	29.287.100	11.151.059	44.327.421	55.478.480	4.022.130	-6.718.584	-2.696.454	3.543.174	7.289.099	10.832.273
044	045 + 046	XII	Tax on profit or loss	-2.025.271	-763.567	-2.788.838	-1.871.470	-4.197.839	-6.069.309	-629.988	1.522.366	892.378	-525.821	-841.228	-1.367.049
045		1	Current tax expense	-2.025.271	-771.987	-2.797.258	-1.871.470	-4.206.042	-6.077.512	-629.988	1.519.537	889.549	-525.821	-843.955	-1.369.776
046		2	Deferred tax expense/ income	0	8.420	8.420	0	8.203	8.203	0	2.829	2.829	0	2.727	2.727
047	043+ 044	XIII	Profit or loss of the accounting period after tax (+/-)	9.817.874	16.680.388	26.498.262	9.279.589	40.129.582	49.409.171	3.392.142	-5.196.218	-1.804.076	3.017.353	6.447.871	9.465.224
048		1	Attributable to owners of the parent	0	0	0	0	0	0	0	0	0	0	0	0
049		2	Attributable to non-controlling interest	0	0	0	0	0	0	0	0	0	0	0	0
050	051 + 056	XIV	Other comprehensive income	-8.536.374	463.798	-8.072.576	-678.820	35.536.819	34.857.999	-1.029.362	-737.364	-1.766.726	-2.438.728	14.871.708	12.432.980
051	052 + 053 + 054 + 055	1	Items that will not be reclassified to statement of profit or loss	670.557	7.865.760	8.536.317	1.512.955	34.285.351	35.798.306	-106.547	409.570	303.023	-132.461	14.964.063	14.831.602
052		1.1.	Net change in fair value of equity securities (OCI)	817.753	9.592.390	10.410.143	1.845.067	41.811.404	43.656.471	-129.935	499.475	369.540	-161.538	18.248.857	18.087.319
053		1.2.	Actuarial gains/losses on defined benefit pension plans	0	0	0	0	0	0	0	0	0	0	0	0
054		1.3.	Other	0	0	0	0	0	0	0	0	0	0	0	0
055		1.4.	Tax	-147.196	-1.726.630	-1.873.826	-332.112	-7.526.053	-7.858.165	23.388	-89.905	-66.517	29.077	-3.284.794	-3.255.717
056	057 + 058 + ... + 063	2	Items that are, or may be, reclassified to statement of profit or loss	-9.206.931	-7.401.962	-16.608.893	-2.191.775	1.251.468	-940.307	-922.815	-1.146.934	-2.069.749	-2.306.267	-92.355	-2.398.622
057		2.1.	Net change in fair value of debt securities (OCI)	-619.933	-1.780.951	-2.400.884	3.280.790	6.480.408	9.761.198	-1.381.307	-2.739.958	-4.121.265	3.593.796	5.950.197	9.543.993
058		2.2.	Exchange rate differences from translation of foreign operations	0	0	0	0	0	0	0	0	0	0	0	0
059		2.3.	Effects of hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
060		2.4.	Net financial income/expenditure from insurance contracts	-10.608.042	-7.551.200	-18.159.242	-5.953.686	-5.168.815	-11.122.501	255.923	1.428.942	1.684.865	-6.406.316	-6.566.132	-12.972.448
061		2.5.	Net financial income/expenditure from (passive) reinsurance contracts	10	301.255	301.265	0	218.210	218.210	0	-91.436	-91.436	0	505.950	505.950
062		2.6.	Other	0	0	0	0	0	0	0	0	0	0	0	0
063		2.7.	Tax	2.021.034	1.628.934	3.649.968	481.121	-278.335	202.786	202.569	255.518	458.087	506.253	17.630	523.883
064	047+ 050	XV	Total comprehensive income	1.281.500	17.144.186	18.425.686	8.600.769	75.666.401	84.267.170	2.362.780	-5.933.582	-3.570.802	578.625	21.319.579	21.898.204
065		1	Attributable to owners of the parent	0	0	0	0	0	0	0	0	0	0	0	0
066		2	Attributable to non-controlling interest	0	0	0	0	0	0	0	0	0	0	0	0
067		XVI	Reclassification adjustments	0	0	0	0	0	0	0	0	0	0	0	0

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.9.2024

in EUR

Item number	Sum elements	Identifier	Item	Last day of the preceding business year			At the reporting date of the current period		
				Life	Non-life	Total	Life	Non-life	Total
001	002+003	I	INTANGIBLE ASSETS	0	15.767.439	15.767.439	0	15.302.581	15.302.581
002		1	Goodwill	0	0	0	0	0	0
003		2	Other intangible assets	0	15.767.439	15.767.439	0	15.302.581	15.302.581
004	005+006+007	II	TANGIBLE ASSETS	1.874	62.695.828	62.697.702	1.874	60.764.631	60.766.505
005		1	Land and buildings occupied by an undertaking for its own activities	0	25.693.150	25.693.150	0	24.888.599	24.888.599
006		2	Equipment	1.865	3.252.574	3.254.439	1.865	2.351.929	2.353.794
007		3	Other tangible assets and inventories	9	33.750.104	33.750.113	9	33.524.103	33.524.112
008	009+010+014	III	INVESTMENTS	414.536.145	911.326.804	1.325.862.949	362.138.386	919.814.795	1.281.953.181
009		A	Investments in land and buildings not occupied by an undertaking for its own activities	0	67.925.833	67.925.833	0	71.008.995	71.008.995
010	011+012+013	B	Investments in subsidiaries, associates and joint ventures	0	54.530.904	54.530.904	0	65.629.168	65.629.168
011		1	Shares and holdings in subsidiaries	0	50.814.665	50.814.665	0	61.912.929	61.912.929
012		2	Shares and holdings in associates	0	0	0	0	0	0
013		3	Shares and holdings in joint ventures	0	3.716.239	3.716.239	0	3.716.239	3.716.239
014	015+020+025	C	Financial assets	414.536.145	788.870.067	1.203.406.212	362.138.386	783.176.632	1.145.315.018
015	016 + 017 + 018 + 019	1	Financial assets at amortised cost	154.503.708	240.561.618	395.065.326	112.656.927	214.313.490	326.970.417
016		1.1	Debt financial instruments	149.614.053	135.454.920	285.068.973	105.367.508	123.120.214	228.487.722
017		1.2	Deposits with credit institutions	2.305.593	51.209.284	53.514.877	5.630.863	19.024.820	24.655.683
018		1.3	Loans	2.584.062	40.568.705	43.152.767	1.658.556	60.240.934	61.899.490
019		1.4	Other	0	13.328.709	13.328.709	0	11.927.522	11.927.522
020	021 + 022 + 023 + 024	2	Financial assets at fair value through other comprehensive income	200.697.053	472.000.910	672.697.963	207.380.483	461.454.362	668.834.845
021		2.1	Equity financial instruments	13.239.174	125.573.254	138.812.428	16.587.285	170.435.724	187.023.009
022		2.2	Debt financial instruments	187.457.879	346.427.656	533.885.535	190.793.198	291.018.638	481.811.836
023		2.3	Units in investment funds	0	0	0	0	0	0
024		2.4	Other	0	0	0	0	0	0
025	026 + 027+....+030	3	Financial assets at fair value through profit and loss account	59.335.384	76.307.539	135.642.923	42.100.976	107.408.780	149.509.756
026		3.1	Equity financial instruments	0	387.390	387.390	0	764.642	764.642
027		3.2	Debt financial instruments	0	10.963.850	10.963.850	0	3.255.227	3.255.227
028		3.3	Units in investment funds	59.238.385	64.567.129	123.805.514	41.944.258	102.980.888	144.925.146
029		3.4	Derivative financial instruments	96.999	389.170	486.169	156.718	408.023	564.741
030		3.5	Other	0	0	0	0	0	0
031	032 + 036 +040	IV	ASSETS FROM INSURANCE CONTRACTS	0	16.997.313	16.997.313	23.267	12.584.918	12.608.185
032	034+035+036	1	General measurement model	0	13.311.689	13.311.689	23.267	12.584.918	12.608.185
033		1.1	- Assets for remaining coverage	0	-1.477.798	-1.477.798	23.267	-1.370.436	-1.347.169
034		1.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
035		1.3	- Assets from claims incurred	0	14.789.487	14.789.487	0	13.955.354	13.955.354
036	037+038+039	2	Variable fee approach	0	0	0	0	0	0
037		2.1	- Assets for remaining coverage	0	0	0	0	0	0
038		2.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
039		2.3	- Assets from claims incurred	0	0	0	0	0	0
040	041 +042 +043	3	Premium allocation approach	0	3.685.624	3.685.624	0	0	0
041		3.1	- Assets for remaining coverage	0	6.049.909	6.049.909	0	0	0
042		3.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
043		3.3	- Assets from claims incurred	0	-2.364.285	-2.364.285	0	0	0
044		V	ASSETS FROM REINSURANCE CONTRACTS	0	49.916.652	49.916.652	1	54.005.237	54.005.238
045	046 +047	VI	DEFERRED AND CURRENT TAX ASSETS	458.066	8.121.850	8.579.916	458.066	15.108.919	15.566.985
046		1	Deferred tax assets	458.066	8.121.850	8.579.916	458.066	8.121.850	8.579.916
047		2	Current tax assets	0	0	0	0	6.987.069	6.987.069
048		VII	OTHER ASSETS	136.525	31.467.371	31.603.896	294.499	34.882.112	35.176.611
049	050 +051 +052	1	CASH AT BANK AND IN HAND	75.348	1.587.146	1.662.494	257.393	1.232.778	1.490.171
050		1.1	Funds in the business account	0	1.587.146	1.587.146	0	1.232.778	1.232.778
051		1.2	Funds in the account of assets covering liabilities from life insurance contracts	75.348	0	75.348	257.393	0	257.393
052		1.3	Cash in hand	0	0	0	0	0	0
053		2	Fixed assets held for sale and discontinued operations	0	0	0	0	0	0
054		3	Other	61.177	29.880.225	29.941.402	37.106	33.649.334	33.686.440
055	001+004+008+031+04	VIII	TOTAL ASSETS	415.132.610	1.096.293.257	1.511.425.867	362.916.093	1.112.463.193	1.475.379.286
056		IX	OFF-BALANCE SHEET ITEMS	11.945.389	67.272.777	79.218.166	6.560.178	51.372.465	57.932.643

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.9.2024

in EUR

Item number	Sum elements	Identifier	Item	Last day of the preceding business year			At the reporting date of the current period		
				Life	Non-life	Total	Life	Non-life	Total
057	066+067+071+074	X	CAPITAL AND RESERVES	65.307.009	599.127.674	664.434.683	60.684.551	573.143.399	633.827.950
058	059+060	1	Subscribed capital	5.881.322	72.414.820	78.296.142	5.881.322	72.414.820	78.296.142
059		1.1	<i>Paid in capital - ordinary shares</i>	5.881.322	72.414.820	78.296.142	5.881.322	72.414.820	78.296.142
060		1.2	<i>Paid in capital - preference shares</i>	0	0	0	0	0	0
061		2	Premium on shares issued (capital reserves)	0	90.448.275	90.448.275	0	90.448.275	90.448.275
062	063+064+065	3	Revaluation reserves	-3.824.142	50.745.483	46.921.341	379.060	89.771.621	90.150.681
063		3.1	<i>Land and buildings</i>	0	5.831.786	5.831.786	0	5.794.416	5.794.416
064		3.2	<i>Financial assets</i>	-3.824.142	44.913.697	41.089.555	379.060	83.977.205	84.356.265
065		3.3	<i>Other revaluation reserves</i>	0	0	0	0	0	0
066		4	Financial reserves from insurance contracts	18.486.074	12.866.232	31.352.306	13.604.051	8.803.766	22.407.817
067	068+069+070	5	Reserves	11.317.518	41.961.359	53.278.877	11.317.678	41.965.240	53.282.918
068		5.1	<i>Legal reserves</i>	293.906	3.698.235	3.992.141	294.066	3.702.116	3.996.182
069		5.2	<i>Statutory reserve</i>	1.003.040	18.455.600	19.458.640	1.003.040	18.455.600	19.458.640
070		5.3	<i>Other reserves</i>	10.020.572	19.807.524	29.828.096	10.020.572	19.807.524	29.828.096
071	072+073	6	Retained profit or loss brought forward	20.394.811	296.863.131	317.257.942	20.222.851	229.610.095	249.832.946
072		6.1	<i>Retained profit</i>	20.394.811	296.863.131	317.257.942	20.222.851	229.610.095	249.832.946
073		6.2	<i>Loss brought forward (-)</i>	0	0	0	0	0	0
074	075+076	7	Profit or loss for the current accounting period	13.051.426	33.828.374	46.879.800	9.279.589	40.129.582	49.409.171
075		7.1	<i>Profit for the current accounting period</i>	13.051.426	33.828.374	46.879.800	9.279.589	40.129.582	49.409.171
076		7.2	<i>Loss for the current accounting period (-)</i>	0	0	0	0	0	0
077		XI	SUBORDINATE LIABILITIES	0	0	0	0	0	0
078		XII	MINORITY INTEREST	0	0	0	0	0	0
079	080+084+088	XIII	LIABILITIES FROM INSURANCE CONTRACTS	342.823.644	389.298.289	732.121.933	293.634.845	427.858.796	721.493.641
080	081+082+083	1	<i>General measurement model</i>	324.771.568	8.396.725	333.168.293	289.252.577	8.481.992	297.734.569
081		1.1	<i>- Liabilities for remaining coverage</i>	313.539.221	8.048.781	321.588.002	276.309.937	8.188.075	284.498.012
082		1.2	<i>- Assets for insurance acquisition cash flows</i>	0	0	0	0	0	0
083		1.3	<i>- Liabilities for claims incurred</i>	11.232.347	347.944	11.580.291	12.942.640	293.917	13.236.557
084	085+086+087	2	<i>Variable fee approach</i>	18.052.076	0	18.052.076	4.382.268	0	4.382.268
085		2.1	<i>- Liabilities for remaining coverage</i>	15.141.549	0	15.141.549	2.303.601	0	2.303.601
086		2.2	<i>- Assets for insurance acquisition cash flows</i>	0	0	0	0	0	0
087		2.3	<i>- Liabilities for claims incurred</i>	2.910.527	0	2.910.527	2.078.667	0	2.078.667
088	089+090+091	3	<i>Premium allocation approach</i>	0	380.901.564	380.901.564	0	419.376.804	419.376.804
089		3.1	<i>- Liabilities for remaining coverage</i>	0	90.040.730	90.040.730	0	101.525.681	101.525.681
090		3.2	<i>- Assets for insurance acquisition cash flows</i>	0	0	0	0	0	0
091		3.3	<i>- Liabilities for claims incurred</i>	0	290.860.834	290.860.834	0	317.851.123	317.851.123
092		XIV	LIABILITIES FROM REINSURANCE	0	1.910.081	1.910.081	0	2.896.284	2.896.284
093		XV	LIABILITY FOR INVESTMENT CONTRACTS	0	0	0	0	0	0
094	095+096	XVI	OTHER PROVISIONS	393.671	6.701.443	7.095.114	380.839	5.784.228	6.165.067
095		1	<i>Provisions for pensions and similar obligations</i>	393.671	6.373.814	6.767.485	380.839	5.456.600	5.837.439
096		2	<i>Other provisions</i>	0	327.629	327.629	0	327.628	327.628
097	098+099	XVII	DEFERRED AND CURRENT TAX	3.159.934	24.632.839	27.792.773	4.882.395	26.431.887	31.314.282
098		1	<i>Deferred tax liability</i>	3.159.934	13.694.907	16.854.841	3.010.925	21.373.481	24.384.406
099		2	<i>Current tax liability</i>	0	10.937.932	10.937.932	1.871.470	5.058.406	6.929.876
100	101+102+...+105	XVIII	FINANCIAL LIABILITIES	18.872	37.130.100	37.148.972	125.355	37.565.467	37.690.822
101		1	<i>Loan liabilities</i>	0	0	0	0	0	0
102		2	<i>Liabilities for issued financial instruments</i>	0	0	0	0	0	0
103		3	<i>Liabilities for derivative financial instruments</i>	18.872	72.193	91.065	0	0	0
104		4	<i>Liability for unpaid dividend</i>	0	208.602	208.602	0	82.969	82.969
105		5	<i>Other financial liabilities</i>	0	36.849.305	36.849.305	125.355	37.482.498	37.607.853
106	107+108+109	XIX	OTHER LIABILITIES	3.429.480	37.492.831	40.922.311	3.208.108	38.783.132	41.991.240
107		1	<i>Liabilities for disposal and discontinued operations</i>	0	0	0	0	0	0
108		2	<i>Accruals and deferred income</i>	2.414.266	13.285.156	15.699.422	2.170.019	15.761.922	17.931.941
109		3	<i>Other liabilities</i>	1.015.214	24.207.675	25.222.889	1.038.089	23.021.210	24.059.299
110	057+077+078+079+092+093+094+097+100+106	XX	TOTAL LIABILITIES	415.132.610	1.096.293.257	1.511.425.867	362.916.093	1.112.463.193	1.475.379.286
111		XXI	OFF-BALANCE SHEET ITEMS	11.945.389	67.272.777	79.218.166	6.560.178	51.372.465	57.932.643

STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2024 - 30.9.2024

in EUR

Item number	Item	Attributable to owners of the parent								Attributable to non-controlling interests*	Total capital and reserves
		Paid in capital (ordinary and preference shares)	Premium on shares issued	Revaluation reserves	Financial reserves from insurance contracts	Capital reserves (legal, statutory, other)	Retained profit or loss brought forward	Profit/loss for the year	Total capital and reserves		
I.	Balance as at 1 January of the previous year	78.216.975	90.448.275	17.423.136	69.717.721	53.359.689	267.939.527	45.625.867	622.731.190	0	622.731.190
1.	Change in accounting policies	0	0	-3.333.388	0	0	2.489.732	0	-843.656	0	-843.656
2.	Correction of errors from prior periods	0	0	0	0	0	0	0	0	0	0
II.	Balance as at 1 January of the previous year (restated)	78.216.975	90.448.275	14.089.748	69.717.721	53.359.689	270.429.259	45.625.867	621.887.534	0	621.887.534
III.	Comprehensive income or loss for the previous year	0	0	34.023.052	-38.365.415	0	0	46.879.800	42.537.437	0	42.537.437
1.	Profit or loss for the period	0	0	0	0	0	0	46.879.800	46.879.800	0	46.879.800
2.	Other comprehensive income or loss for the previous year	0	0	34.023.052	-38.365.415	0	0	0	-4.342.363	0	-4.342.363
2.1.	Unrealised gains or losses on tangible assets (land and buildings)	0	0	-112.126	0	0	0	0	-112.126	0	-112.126
2.2.	Unrealised gains or losses on financial assets at fair value through other comprehensive income	0	0	34.372.141	0	0	0	0	34.372.141	0	34.372.141
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	-236.963	0	0	0	0	-236.963	0	-236.963
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	-39.309.880	0	0	0	-39.309.880	0	-39.309.880
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	944.465	0	0	0	944.465	0	944.465
2.6.	Other changes in equity unrelated to owners	0	0	0	0	0	0	0	0	0	0
IV.	Transactions with owners (previous period)	79.167	0	-1.191.459	0	-80.812	46.828.683	-45.625.867	9.712	0	9.712
1.	Increase/decrease in subscribed capital	79.167	0	0	0	-80.812	0	0	-1.645	0	-1.645
2.	Other contributions by owners	0	0	0	0	0	0	0	0	0	0
3.	Payment of share in profit/dividend	0	0	0	0	0	0	0	0	0	0
4.	Other distribution to owners	0	0	-1.191.459	0	0	46.828.683	-45.625.867	11.357	0	11.357
V.	Balance on the last day of the previous year reporting period	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
VI.	Balance as at 1 January of the current year	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
1.	Change in accounting policies	0	0	0	0	0	0	0	0	0	0
2.	Correction of errors from prior periods	0	0	0	0	0	0	0	0	0	0
VII.	Balance as at 1 January of the current year (restated)	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
VIII.	Comprehensive income or loss for the year	0	0	43.802.488	-8.944.489	0	0	49.409.171	84.267.170	0	84.267.170
1.	Profit or loss for the period	0	0	0	0	0	0	49.409.171	49.409.171	0	49.409.171
2.	Other comprehensive income or loss for the year	0	0	43.802.488	-8.944.489	0	0	0	34.857.999	0	34.857.999
2.1.	Unrealised gains or losses on tangible assets (land and buildings)	0	0	0	0	0	0	0	0	0	0
2.2.	Unrealised gains or losses on financial assets at fair value through other comprehensive income	0	0	42.387.013	0	0	0	0	42.387.013	0	42.387.013
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	1.415.475	0	0	0	0	1.415.475	0	1.415.475
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	-9.123.421	0	0	0	-9.123.421	0	-9.123.421
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	178.932	0	0	0	178.932	0	178.932
2.6.	Other changes in equity unrelated to owners	0	0	0	0	0	0	0	0	0	0
IX.	Transactions with owners (current period)	0	0	-573.148	0	4.041	-67.424.996	-46.879.800	-114.873.903	0	-114.873.903
1.	Increase/decrease in subscribed capital	0	0	0	0	0	0	0	0	0	0
2.	Other contributions by owners	0	0	0	0	0	0	0	0	0	0
3.	Payment of share in profit/dividend	0	0	0	0	0	-81.049.412	-33.824.493	-114.873.905	0	-114.873.905
4.	Other transactions with owners	0	0	-573.148	0	4.041	13.624.416	-13.055.307	2	0	2
X.	Balance on the last day of the current year reporting period	78.296.142	90.448.275	90.150.681	22.407.817	53.282.918	249.832.946	49.409.171	633.827.950	0	633.827.950

STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2024 - 30.9.2024

in EUR

Item number	Sum elements	Identifier	Item	Current business period	Same period of the previous year
001	002+018+035 + 036 + 037	I	CASH FLOW FROM OPERATING ACTIVITIES	130.729.420	-94.466.217
002	003+004	1	Cash flow before changes in operating assets and liabilities	16.396.472	-1.658.322
003		1.1	Profit/loss of the accounting period	49.409.171	26.498.262
004	005+006+.....+017	1.2	Adjustments:	-33.012.699	-28.156.584
005		1.2.1	Depreciation of property and equipment	3.851.514	3.717.331
006		1.2.2	Amortization of intangible assets	2.949.490	2.823.478
007		1.2.3	Loss from impairment of intangible assets	0	0
008		1.2.4	Other financial cost	0	0
009		1.2.5	Impairment and gains/losses on fair valuation	-4.826.263	-2.847.913
010		1.2.6	Interest expenses	957.581	960.319
011		1.2.7	Interest income	-19.338.479	-19.980.912
012		1.2.8	Profit from the sale of branch	0	0
013		1.2.9	Share in profit of associates	0	0
014		1.2.10	Equity-settled share-based payment transactions	0	0
015		1.2.11	Cost of income tax	6.069.309	2.788.838
016		1.2.12	Profit/loss from the sale of tangible assets (including land and buildings)	91.888	-459.682
017		1.2.13	Other adjustments	-22.767.739	-15.158.043
018	019+020+...+034	2	Increase/decrease in operating assets and liabilities	91.940.184	-124.132.890
019		2.1	Increase/decrease in financial assets at fair value through other comprehensive income	55.204.073	27.135.432
020		2.2	Increase/decrease in financial assets at fair value through statement of profit or loss	-9.664.280	-162.339.372
021		2.3	Increase/decrease in financial assets at amortised cost	65.930.349	-4.692.727
022		2.4	Increase/decrease in assets/liabilities from insurance contracts	-17.361.664	32.517.519
023		2.5	Increase/decrease in assets/liabilities from reinsurance contracts	-2.884.172	-15.878.623
024		2.6	Increase/decrease in tax assets	-6.987.069	-5.144.688
025		2.7	Increase/decrease in receivables	0	0
026		2.8	Increase/decrease in investments in real estate	-3.083.162	1.962.919
027		2.9	Increase/decrease in property for own use	0	0
028		2.10	Increase/decrease in other assets	3.262.849	9.374.675
029		2.11	Increase/decrease in liabilities from investment contracts	0	0
030		2.12	Increase/decrease in other provisions	-930.046	1.379.859
031		2.13	Increase/decrease in tax liabilities	7.097.528	4.721.274
032		2.14	Increase/decrease in financial liabilities	286.856	-9.406.425
033		2.15	Increase/decrease in other liabilities	-1.163.598	-3.759.193
034		2.16	Increase/decrease in accruals and deferred income	2.232.520	-3.540
035		3	Income tax paid	-17.300.706	-5.958.465
036		4	Interest received	21.806.909	23.398.356
037		5	Dividend received	17.886.561	13.885.104
038	039+040+...+045	II	CASH FLOW FROM INVESTING ACTIVITIES	-13.953.839	-5.929.197
039		1	Cash receipts from the sale of tangible assets	29.021	904.827
040		2	Cash payments for the purchase of tangible assets	-399.095	-1.375.876
041		3	Cash receipts from the sale of intangible assets	103.894	0
042		4	Cash payments for the purchase of intangible assets	-2.589.395	-2.958.148
043		5	Cash receipts from the sale of branches, associates and joint ventures	0	0
044		6	Cash payments for the purchase of branches, associates and joint ventures	0	0
045		7	Cash receipts and payments based on other investing activities	-11.098.264	-2.500.000
046	047+048+...+057	III	CASH FLOW FROM FINANCING ACTIVITIES	-117.204.123	-2.329.901
047		1	Cash receipts resulting from the increase of initial capital	0	0
048		2	Cash receipts from issuing redeemable preference shares	0	0
049		3	Cash receipts from short-term and long-term loans received	0	0
050		4	Cash receipts from sales of own shares	0	0
051		5	Cash receipts from exercise of share options	0	0
052		6	Cash payments relating to redeemable preference shares	0	0
053		7	Cash payments for the repayment of short-term and long-term loans received	0	0
054		8	Cash payments for the redemption of own shares	0	0
055		9	Cash payments for interest	0	0
056		10	Cash payments for dividend	-114.873.905	-130.068
057		11	Cash payments for rental obligations	-2.330.218	-2.199.833
058	001+038+046	IV	NET CASH FLOW	-428.542	-102.725.315
059		V	EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	256.219	-88.407
060	058+059	VI	NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS	-172.323	-102.813.722
061		1	Cash and cash equivalents at the beginning of period	1.662.494	106.166.366
062	060+061	2	Cash and cash equivalents at the end of period	1.490.171	3.352.644

II. QUARTERLY MANAGEMENT REPORT

In the period observed, total income from insurance contracts amounted to EUR 323.8m and increased by 11.8 percent compared to the same period of the previous year. The total non-life insurance income amounted to EUR 318.5m and increased by 11.7 percent. Total life insurance income increased by 16.2 percent and amounted to EUR 5.4m.

Total expenditure from insurance contracts amounted to EUR 297.6m in the period observed and increased by 2.5 percent compared to the same period of the previous year. The total non-life insurance expenditure amounted to EUR 295.5m and increased by 2.3 percent. Total life insurance expenditure increased and amounted to EUR 2.1m.

Total net result from insurance contracts amounted to EUR 17.9m and is positive compared to the same period of the previous year when it amounted to EUR -2.5m, while the total net profit of the Company amounted to EUR 49.4m and increased by 86.5 percent compared to the same period of the previous year, which was affected by weather disasters which significantly reduced profit in the same period of the previous year.

Total assets of the Company as at 30 September 2024 amounted to EUR 1.5 billion, which represents a decrease of 2.4 percent compared to 31 December 2023.

Liabilities from insurance contracts as at 30 September 2024 amounted to EUR 721.5m, representing a decrease of 1.5 percent compared to 31 December 2023.

Unaudited unconsolidated financial statements for the third quarter of the 2024 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

Strong growth in revenue and profit, continued digitization and investments in healthcare, alongside the celebration of the 140th anniversary and the highest awards for business success

The digital business segment in the first nine months of 2024 continues to grow. Realized premium from total digital business increased by 33 percent compared to the same period last year, while the number of clients using the Moja Croatia mobile application increased by 12 percent. Croatia's digital brand LAQO achieved premium growth of 34 percent compared to the same period last year. Koreqt, an advanced digital platform for comparing and selecting products and services which Croatia launched in February, also recorded positive results. Compared to the previous quarter, the number of active products increased by 10 percent, and the number of clicks to partners increased by 35 percent quarterly.

Investments in private healthcare of the highest standards continue, with over EUR 20m have been invested over the last three years. Top medical teams and medical services and the most modern technology are available to all residents throughout Croatia in polyclinics in nine cities: Zagreb, Split, Rijeka, Osijek, Varaždin, Zadar, Pula, Koprivnica and Dubrovnik. In the first three quarters of 2024,

Croatia Poliklinika recorded a 52 percent increase in revenue compared to the same period of the previous year, and they also include the revenue of Poliklinika Marin Med from June 2024. The team of top doctors and medical staff has increased by 35 percent compared to the same period last year, and the positive trend of patient satisfaction has continued, among which 94 percent are those who emphasize the kindness and commitment of the Croatia Poliklinika staff.

Croatia's Spektar benefits package continues to exceed initial plans. After a year and a half since its launch, more than 78,000 households with over 103,000 members are included in Spektar packages.

Croatia osiguranje again this year won the Golden Kuna award for the most successful insurance company. Golden Kuna is awarded by the Croatian Chamber of Commerce to the most successful companies that have distinguished themselves with their work and results in 2023.

On the 140th anniversary, Croatia Osiguranje was awarded the Charter of the Republic of Croatia for its contributions to the development of the Croatian economy. The Charter of the Republic of Croatia is award to individuals, companies and associations for their contribution to the development and promotion of Croatia's international position and for their contribution to the scientific, cultural, economic and other forms of development of the country.

Due to the occasion of the 140th anniversary of Croatia osiguranje, the multimedia pavilion "*Croatia 2074 - a look into the future*" was opened on Roosevelt Square in Zagreb at the beginning of September, with the aim of the reflecting on the Croatian and European future. In cooperation with around thirty leading Croatian scientists, experts and creatives, pessimistic, realistic and optimistic scenarios were created in the areas of international relations, demographic future, ecosystem, economy and culture and entertainment. The pavilion was visited by more than 12,000 visitors during the month, including a many school and university groups from all over Croatia.

Achievements in the field of corporate social responsibility and the promotion of sustainable business practices at the market and in the community were published during September in the annual Sustainability Report for 2023.

On 19 January 2024, the Management Board and the Supervisory Board proposed to the General Assembly the payment of a dividend in the total amount of EUR 65,000,265.19, or EUR 151.27 per share (ordinary and preference). On 5 March 2024, the General Assembly passed a decision on the payment of the dividend, and the dividend was paid on 18 March 2024. Additionally, on 8 April 2024, the Management Board and the Supervisory Board proposed to the General Assembly an additional dividend payment from retained earnings in the total amount of EUR 16,049,146.52 or EUR 37.35 per share (ordinary and preference) and the payment of dividends from the net profit realized in 2023 in the total amount of EUR 33,954,693.37 or EUR 79.02 per share (ordinary and preference). On 11 June 2024, the General Assembly passed a decision on the payment of the dividend, and the dividend was paid on 8 August 2024. Croatia osiguranje d.d. in the past years operated successfully, with a growing level of profit and high capital adequacy rates, both at the Company and the Group level, and it is expected capital adequacy during 2024 should be maintained above the level of 200%.

Member of the Management Board, Vančo Balen, left the Company on 30 April 2024, as the last day of his mandate, on personal request, for private reasons.

Geopolitical and macroeconomic situation, conflicts and challenges

The geopolitical situation in the world in 2024 is still without signs of calming down and improvement. The Russian-Ukrainian conflict is already in its third year, while the Israeli-Palestinian conflict has entered its second year and has further spread to other countries in Israel's surroundings (Lebanon, Iran). Regarding this, the Company respects all introduced sanctions regulations and has no direct operations in insurance and reinsurance business with Russia and Ukraine. Besides the war conflicts around the world, the American presidential elections in November could also significantly affect the world political and economic picture. The current US president Joe Biden has withdrawn from the race and introduced current vice president Kamala Harris as the presidential candidate, a few months before the elections. The Republicans have re-elected Donald Trump as their candidate, and current polls indicate that the elections will once again be uncertain. Considering all the above, various influences on the world political and economic picture are possible.

As expected, due to favorable inflation indicators, the American and European central banks decided to reduce interest rates in the second half of the year. Following a drop in American inflation below 3%, the FED decided to lower interest rates by 50 basis points in September (the current level is 4.75% to 5.0%). Whether the FED will reduce interest rates again by the end of the year depends on further macroeconomic indicators, but it is likely that the FED's policy in the coming period will involve further lowering of the interest rates. The European Central Bank began its interest rate lowering policy a little earlier, already in June of this year. So far there have been three reductions, with the deposit rate being lowered by a total of 75 basis points. In September, inflation in the Eurozone fell below 2% for the first time since 2021, prompting the ECB to adopt a more aggressive approach to interest rates lowering. Inflation in Croatia also fell to levels below 2% monthly. Regarding the Company's operations, the results of the ORSA process show that the Company is resistant to various stressful circumstances primarily due to the high capitalization, i.e. solvency (SCR ratio of the Company as of 30 June 2024 is 275%) and would probably continue to operate even in a stressful circumstances in accordance with the regulatory requirements.

A significant event for Croatia occurred in September, when two of the three leading credit rating agencies (first Standard & Poor's, and soon after Fitch) upgraded Croatia's credit rating to level A-. This is the first time in Croatian history that Croatia's credit rating has reached the level of a higher investment grade. Both agencies provided a positive outlook along with the rating upgrade, and it is expected that the third leading credit rating agency (Moody's) will do the same by the end of the year. The positive trend in Croatia's credit rating was influenced, among other factors, by the entry into the euro area, strong economic growth, the absorption of European funds and the rising wages.

Significant events after the end of the reporting date

Supervisory Board of the CROATIA osiguranje d.d. at the session held on 11 October 2024, following a prior decision of the Croatian Financial Services Supervisory Agency (HANFA), made a decision on the appointment of Vesna Sanjković, to perform the function of a member of the Management Board of the CROATIA osiguranje d.d., for a period from 11 October 2024 to 31 December 2026.

Company branch

As at 30 September 2024 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.

In accordance with the Company's decision, for the purpose of more efficient operations, the Company is in the process of closing the Ljubljana branch. The Company will continue to operate in Slovenia with cross-border distribution of insurance based on the freedom to provide services in accordance with legal regulations, which means that CROATIA osiguranje d.d. continues to provide insurance services in registered types of insurance based on the freedom to provide services to all current and future corporate clients in Slovenia.

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

In the recent period, regulatory changes related to automobile insurance, HANFA fees, as well as fees for supplementary health insurance services came into force. All of this has impacted the price corrections of most insurers.

This summer once again broke heat records in Croatia and beyond. The consequence has been heatwaves and drought affecting large parts of Croatia. After the summer, storms occurred in many parts of Europe (especially central Europe), while America faced some of the strongest hurricanes ever recorded. All of this caused new significant material damages, which will likely reflect on reinsurance prices on the global market in the upcoming period. There is a high probability that insurers will resort to price changes or tightening of insurance terms for certain types of insurance.

The announcement of a significant correction of the minimum wage in Croatia, by 15% starting 1 January 2025, will continue to raise direct and indirect costs for insurers. Insurers will have to decide between passing on these costs to end users or further internal process optimization and digitization to prevent costs being passed to clients.

Life insurance is affected by the drop-in interest rates due to the upgrade of the credit rating of the Republic of Croatia and the interest rates cuts by the ECB. Despite this, there is a noticeable increase in life insurance premiums, so 2024 is expected to break the trend of the past two years, with the life insurance market likely ending in positive compared to last year.

Research and development activities

The Company continuously monitors environmental events and invests in market research, directs and supports the activities of affiliated companies that are in the function of organic growth and recognition of business opportunities and realization of new acquisitions.

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 2023, 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 chapter *Significant business events in the reporting period*.

Zagreb, 29 October 2024

Member of the Management Board

Luka Babić

Member of the Management Board

Robert Vučković

President of the Management Board

Davor Tomašković

Member of the Management Board

Vesna Sanjković

III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-IX 2024

1. GENERAL INFORMATION OF 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 GRUPA d.d., Rovinj and is included in the consolidated financial statements of ADRIS GRUPA d.d. which are available on the website of ADRIS GRUPA d.d.

The average number of employees of the Company during the current period is 2,329.

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
Dr. sc. Zoran Barac	Member
Pero Kovačić	Member
Dr. sc. Hrvoje Šimović	Member

Members of the Management Board are:

Davor Tomašković	President
Robert Vučković	Member
Luka Babić	Member
Vesna Sanjković	Member since 11 October 2024
Vančo Balen	Member until 30 April 2024

Basis for preparation of financial statements

Financial statements are prepared in accordance with the Capital Market Act (Official Gazette 65/18, 17/20, 83/21, 151/22 and 85/24), 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 2023. 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 2023, for the purpose of understanding the information published in the notes to the financial statements prepared for the third quarter of the 2024, 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 third quarter of the 2024 have not been audited.

Presentation currency

Company's financial statements are prepared in the euros 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 2023. However, due to certain improvements of the accounting processes related to IFRS 17 *Insurance contracts*, the Company reclassified the amounts in the statement of comprehensive income and the statement of cash flows for the comparative period while the amounts in the statement of financial position and in the statement of changes in equity at the reporting date did not change comparative period, i.e. as at 31 December 2023.

Related party transactions

In the current reporting period, there were usual related party transactions of goods and services. Additionally, in May 2024, the Company granted a loan to a related company of Adris Grupa in the amount of EUR 25 million under usual market conditions, and the loan is secured by collateral.

Seasonality of business activities

Company's operations are not seasonal.

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 2023, 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:

	30 September 2024			31 December 2023		
	Net book value	Fair value	Difference	Net book value	Fair value	Difference
	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR
Debt securities	228,487,722	215,656,304	(12,831,418)	285,068,974	268,391,533	(16,677,441)
Loans	73,827,012	71,788,245	(2,038,767)	56,481,476	54,403,270	(2,078,206)
Deposits	24,655,683	25,614,348	958,665	53,514,876	53,514,876	-
	326,970,417	313,058,897	(13,911,520)	395,065,326	376,309,679	(18,755,647)

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 30 September 2024 are presented as follows:

	Level 1 in EUR	Level 2 in EUR	Level 3 in EUR	Total in EUR
<i>Property for own use</i>	-	-	24,888,599	24,888,599
<i>Investment property</i>	-	-	71,008,995	71,008,995
Equity securities	156,205,746	-	30,817,263	187,023,009
Debt securities	388,301,632	93,510,204	-	481,811,836
<i>Financial assets at fair value through other comprehensive income</i>	544,507,378	93,510,204	30,817,263	668,834,845
Equity securities	764,642	-	-	764,642
Debt securities	3,255,227	-	-	3,255,227
Investment funds	56,308,174	88,616,972	-	144,925,146
Derivative financial instruments	-	564,741	-	564,741
<i>Financial assets at fair value through profit or loss</i>	60,328,043	89,181,713	-	149,509,756
Total assets at fair value	604,835,421	182,691,917	126,714,857	914,242,195

The Company's assets measured at fair value as at 31 December 2023 are presented as follows:

	Level 1 in EUR	Level 2 in EUR	Level 3 in EUR	Total in EUR
<i>Property for own use</i>	-	-	25,693,150	25,693,150
<i>Investment property</i>	-	-	67,925,833	67,925,833
Equity securities	109,827,535	-	28,984,893	138,812,428
Debt securities	406,802,867	127,082,668	-	533,885,535
<i>Financial assets at fair value through other comprehensive income</i>	516,630,402	127,082,668	28,984,893	672,697,963
Equity securities	387,390	-	-	387,390
Debt securities	10,963,850	-	-	10,963,850
Investment funds	46,856,047	76,949,467	-	123,805,514
Derivative financial instruments	-	486,169	-	486,169
<i>Financial assets at fair value through profit or loss</i>	58,207,287	77,435,636	-	135,642,923
Total assets at fair value	574,837,689	204,518,304	122,603,876	901,959,869

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, which are not valued at fair value through profit and loss account, 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 and classified in the portfolio of investments in debt securities valued at amortised cost are classified as Level 1.

The fair values of cash and cash equivalents and other receivables, i.e. other assets 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 other receivables i.e. other assets.

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 of the financial asset in question. 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 2023.

Intangible assets

In the period observed, intangible assets decreased by EUR 465 thousand, and this represents the net effect of increasing intangible assets due to additional investments in the observed period and reduction of intangible assets due to amortization. The Company capitalized the costs of net salaries in the amount of EUR 199.3 thousand, the costs of contributions from salaries in the amount of EUR 57.4 thousand, the costs of taxes and surcharges from salaries in the amount of EUR 38.7 thousand, the costs of contributions to salaries in the amount of EUR 44.1 thousand and other employee costs in the amount of EUR 5.1 thousand.

Financial assets and financial liabilities

The Company's structure of financial assets as at 30 September 2024 and 31 December 2023 was as follows:

	30 September 2024			
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit and loss account	Total
	in EUR	in EUR	in EUR	in EUR
Shares				
Shares, listed	-	186,794,416	764,642	187,559,058
Shares, not listed	-	228,593	-	228,593
	-	187,023,009	764,642	187,787,651
Debt securities				
Government bonds	225,644,894	365,432,022	3,255,227	594,332,143
Corporate bonds	2,842,828	116,379,814	-	119,222,642
Treasury bills	-	-	-	-
	228,487,722	481,811,836	3,255,227	713,554,785
Derivative financial instruments				
Foreign currency swap	-	-	31,430	31,430
Foreign currency forward contracts	-	-	533,311	533,311
	-	-	564,741	564,741
Investment funds				
Open-ended investment funds	-	-	142,723,632	142,723,632
Open-ended investment funds - assets for coverage of unit-linked products	-	-	2,201,514	2,201,514
	-	-	144,925,146	144,925,146
Loans and receivables				
Deposits with credit institutions	24,655,683	-	-	24,655,683
Loans	73,827,012	-	-	73,827,012
	98,482,695	-	-	98,482,695
	326,970,417	668,834,845	149,509,756	1,145,315,018

31 December 2023

	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit and loss account	Total
	in EUR	in EUR	in EUR	in EUR
Shares				
Shares, listed	-	138,599,716	387,390	138,987,106
Shares, not listed	-	212,712	-	212,712
	-	138,812,428	387,390	139,199,818
Debt securities				
Government bonds	282,207,468	439,163,288	1,340,131	722,710,887
Corporate bonds	2,861,505	79,864,197	9,623,719	92,349,421
Treasury bills	-	14,858,050	-	14,858,050
	285,068,973	533,885,535	10,963,850	829,918,358
Derivative financial instruments				
Foreign currency swap	-	-	23,786	23,786
Foreign currency forward contracts	-	-	462,383	462,383
	-	-	486,169	486,169
Investment funds				
Open-ended investment funds	-	-	108,768,680	108,768,680
Open-ended investment funds - assets for coverage of unit-linked products	-	-	15,036,834	15,036,834
	-	-	123,805,514	123,805,514
Loans and receivables				
Deposits with credit institutions	53,514,877	-	-	53,514,877
Loans	56,481,476	-	-	56,481,476
	109,996,353	-	-	109,996,353
	395,065,326	672,697,963	135,642,923	1,203,406,212

The structure of financial liabilities as at 30 September 2024 and 31 December 2023 was as follows:

	30 September 2024	31 December 2023
	in EUR	in EUR
Lease liabilities	35,645,352	35,206,805
Derivative financial instruments	-	91,065
Preference shares	1,627,500	1,627,500
Liability for unpaid dividend	82,969	208,602
Other financial liabilities	335,001	15,000
	37,690,822	37,148,972

Share capital and shares

The Company's share capital with a nominal value of EUR 79,924 thousand as at 30 September 2024 is divided among 429,697 shares with a nominal value of EUR 186,00. The shares are marked as follows:

Number of shares	Nominal amount (in 000 EUR):
307,598 ordinary shares I, emission with ticker CROS-R-A/CROS	57,213
113,349 ordinary shares II, emission with ticker CROS-R-A/CROS	21,083
TOTAL OF ORDINARY SHARES	78,296
8,750 preference shares I, emission with ticker CROS-P-A/CROS2	1,628
TOTAL OF PREFERENCE SHARES	1,628
TOTAL OF ORDINARY AND PREFERENCE SHARES	79,924

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.

Based on the provisions of the Act on the introduction of the euro as the official currency in the Republic of Croatia and the provisions of the Companies Act, the Company proposed at the General assembly a decision on the adjustment of the share capital and the nominal amount of the Company's shares in such a way as to increase the amount of the nominal value of the share from 185.81 EUR, calculated by conversion into euros using a fixed conversion rate with rounding to the nearest cent, to the amount of EUR 186.00. The aforementioned increase in the nominal amount of the share is carried out in order to round the nominal amount of the shares to a whole number, as prescribed by Article 163, paragraph 4 of the Companies Act.

With the purpose of aligning the share capital with the provisions of the Companies Act, the share capital is increased by the amount of EUR 80,812.35, whereby the total share capital of the Company after recalculation and adjustment amounts to EUR 79,923,642.00. This adjustment was made on 5 October 2023 after changes in the court register.

Liabilities

The structure of Company's liabilities as at 30 September 2024 and 31 December 2023 was as follows:

	30 September 2024			
	No later than 1 year	1-5 years	More than 5 years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	1,072,631	4,244,112	848,324	6,165,067
Financial liabilities	2,835,581	7,710,575	27,144,666	37,690,822
Other liabilities	38,283,006	2,161,730	1,546,504	41,991,240
Total	42,191,218	14,116,417	29,539,494	85,847,129

	31 December 2023			
	No later than 1 year	1-5 years	More than 5 years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	789,396	5,462,272	843,446	7,095,114
Financial liabilities	2,741,207	7,197,814	27,209,951	37,148,972
Other liabilities	37,182,794	2,368,115	1,371,402	40,922,311
Total	40,713,397	15,028,201	29,424,799	85,166,397

Deferred taxes

The Company on 30 September 2024 has recognized deferred tax assets and liabilities. There were no significant changes in deferred tax assets compared to 31 December 2023, while the movement of deferred tax liabilities is shown in the note below:

	in EUR					
	Land and buildings occupied by an undertaking for its own activities	Financial asset available for sale	Financial assets at fair value through other comprehensive income	Impact of IFRS 17 application	Financial reserves from insurance contracts	Total
31 December 2022	1,369,528	2,459,554	-	12,341,371	15,293,873	31,464,326
Impact of the first application of IFRS 9	-	(2,459,554)	2,606,237	-	-	146,683
Reclassification	-	-	-	9,035	-	9,035
Utilization of deferred tax liability through profit and loss account	(64,767)	-	(1,403,203)	(12,350,405)	-	(13,818,375)
Changes through other comprehensive income	(24,613)	-	7,493,088	-	(8,415,302)	(946,827)
31 December 2023	1,280,148	-	8,696,122	-	6,878,571	16,854,841
Utilization of deferred tax liability through profit and loss account	(8,203)	-	-	-	-	(8,203)
Utilization through equity	-	-	(117,610)	-	-	(117,610)
Changes through other comprehensive income	-	-	9,615,180	-	(1,959,802)	7,655,378
30 September 2024	1,271,945	-	18,193,692	-	4,918,769	24,384,406

Commitments

As at 30 September 2024, the Company's contractual obligations for future investments amount to EUR 30.7m 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 31 May 2023 and article 468 of the Capital Market Law (Official Gazette 65/18, 17/20, 83/21, 151/22 and 85/24), 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 – 30 September 2024 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, 29 October 2024

Member of the Management Board

Luka Babić

Member of the Management Board

Robert Vučković

President of the Management Board

Davor Tomašković

Member of the Management Board

Vesna Sanjković