



**CROATIA[®]
OSIGURANJE**

CROATIA insurance company plc.,
Vatroslava Jagića 33, 10000 Zagreb HR
www.crosig.hr

**UNCONSOLIDATED UNAUDITED
HALF-YEAR REPORT,
FOR THE PERIOD
1 January 2025 – 30 June 2025**

Zagreb, July 2025

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.

CONTENT

I. UNAUDITED FINANCIAL STATEMENTS 3

STATEMENT OF COMPREHENSIVE INCOME..... 4

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)..... 6

STATEMENT OF CHANGES IN EQUITY..... 8

STATEMENT OF CASH FLOWS – indirect method..... 9

II. MANAGEMENT REPORT.....10

III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-VI 202515

MANAGEMENT BOARD STATEMENT 28

I. UNAUDITED FINANCIAL STATEMENTS

Annex 1			ISSUER'S GENERAL DATA		
Reporting period:	1.1.2025	to	30.6.2025		
Year:	2025				
Quarter:	2				
Quarterly financial statements					
Registration number (MB):	03276147	Issuer's home Member State code:	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):	2373				
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)			
Audited:	RN	(RN-not audited/RD-audited)			
Names of subsidiaries (according to IFRS):		Registered office:		MB:	
Bookkeeping firm:	No	(Yes/No)			
Contact person:	Jelena Matijević				
	(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)				

STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2025 - 30.6.2025

Item number	Sum elements	Identifier	Item	Cumulative						Quarter						in EUR
				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	3.617.459	204.191.158	207.808.617	3.528.876	231.514.783	235.043.659	1.777.750	106.179.903	107.957.653	1.751.273	119.735.706	121.486.979	
002		1	General measurement model	3.544.211	1.416.826	4.961.037	3.477.411	1.383.368	4.860.779	1.761.006	712.970	2.473.976	1.719.829	720.758	2.440.587	
003		2	Variable fee approach	73.248	0	73.248	51.465	0	51.465	16.744	0	16.744	31.444	0	31.444	
004		3	Premium allocation approach	0	202.774.332	202.774.332	0	230.131.415	230.131.415	0	105.466.933	105.466.933	0	119.014.948	119.014.948	
005	006+007+...+012	II	Expenditure from insurance contracts	-1.227.354	-187.665.962	-188.893.316	-1.964.199	-204.120.861	-206.085.060	-771.412	-100.573.778	-101.345.190	-916.010	-109.037.185	-109.953.195	
006		1	Claims incurred	-459.083	-120.958.077	-121.417.160	-378.763	-140.301.670	-140.680.433	-121.858	-66.311.186	-66.433.044	-128.181	-75.034.219	-75.162.400	
007		2	Commissions	-226.422	-19.575.930	-19.802.352	-369.629	-23.449.800	-23.819.429	-123.017	-10.119.520	-10.242.537	-197.801	-12.277.611	-12.475.412	
008		3	Other expenses related to the sale of insurance	0	-20.371.606	-20.371.606	0	-21.838.141	-21.838.141	0	-11.615.703	-11.615.703	0	-11.732.418	-11.732.418	
009		4	Other insurance service expenses	-906.408	-28.742.749	-29.649.157	-849.343	-30.946.251	-31.795.594	-452.009	-14.375.335	-14.827.344	-443.761	-15.720.413	-16.164.174	
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	-17.333	897.973	880.640	7.715	1.303.707	1.311.422	-8.444	384.085	375.641	5.345	643.277	648.622	
012		7	Change in liabilities for claims incurred	381.892	1.084.427	1.466.319	-374.179	11.111.294	10.737.115	-66.084	1.463.881	1.397.797	-151.612	5.084.199	4.932.587	
013	014 + 015	III	Net result of (passive) reinsurance contracts	-36	-6.151.156	-6.151.192	-1	-13.710.439	-13.710.440	-37	-3.504.238	-3.504.275	-1	-4.574.849	-4.574.850	
014		1	Income from (passive) reinsurance contracts	0	19.873.441	19.873.441	0	19.976.840	19,976.840	0	10.408.849	10,408.849	0	13,244.642	13,244.642	
015		2	Expenditure from (passive) reinsurance contracts	-36	-26.024.597	-26.024.633	-1	-33.687.279	-33,687.280	-37	-13,913.087	-13,913.124	-1	-17,819.491	-17,819.492	
016	001 + 005 + 013	IV	Result from insurance contracts	2.390.069	10.374.040	12.764.109	1.564.676	13.683.483	15.248.159	1.006.301	2.101.887	3.108.188	835.262	6.123.672	6.958.934	
017	018 + 023 + 024 + 025 + 026 + 027 + 031 + 032 + 033 + 034	V	Net investment result	6.790.482	31.068.640	37.859.122	6.004.621	31.528.467	37.533.088	3.170.590	22.348.419	25.519.009	3.176.391	22.555.593	25.731.984	
018	019 + 020 + 021 + 022	1	Net result from investment in land and buildings	0	2.010.050	2,010.050	0	704.465	704,465	0	1,004.963	1,004,963	0	378.043	378,043	
019		1.1.	Rental gains/losses (net)	0	2,010.050	2,010.050	0	704.465	704,465	0	1,004.963	1,004,963	0	378.043	378,043	
020		1.2.	Realised gains/losses (net) from property not for own use	0	0	0	0	0	0	0	0	0	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	4.803.656	8.708.028	13,511.684	3.874.789	9.760.761	13,635.550	2,315.232	4.279.802	6,595.034	1,862.220	5,057.038	6,919.258	
024		3	Other interest income	0	40.707	40,707	0	0	0	0	11.659	11,659	0	0		
025		4	Dividend income	395.295	18.797.380	19,192.675	1.294.346	17.721.135	19,015.481	321.638	17,344.262	17,665.900	955.846	15,406.929	16,362.775	
026		5	Unrealised gains/losses (net) from financial assets at fair value through profit or loss	822.554	701.181	1,523.735	1,476.515	3.685.292	5,161.807	140.371	-62.455	77,916	686.581	1,933.233	2,619.814	
027	028 + 029 + 030	6	Realised gains/losses	204.155	1.123.554	1,327.709	125.126	2.922.366	3,047.492	301.939	230.403	532.342	177.458	2,216.796	2,394.254	
028		6.1.	Realised gains/losses (net) from financial assets at fair value through profit or loss	406.911	2.021.870	2,428.781	368.196	1.555.993	1,924.189	301.939	1.470.268	1,772.207	300.637	1.335.343	1,635.980	
029		6.2.	Realised gains/losses (net) from financial assets at fair value through other comprehensive income	-202.756	-898.316	-1,101.072	-89.971	1.366.373	1,276.402	0	-1.239.865	-1,239.865	-123.179	881.453	758.274	
030		6.3.	Other realised gains/losses (net)	0	0	0	-153.099	0	-153,099	0	0	0	0	0		
031		7	Net impairment / reversal of impairment of investments	23.245	64.576	87,821	82.090	305.733	387,823	6.989	-133.460	-126,471	30.228	-47.922	-17,694	
032		8	Net exchange rate differences	191.289	646.218	837,507	-793.344	-2.912.071	-3,705.415	64.550	179.998	244,548	-564.074	-2.088.868	-2,652.942	
033		9	Other income from investments	399.087	82.331	481,418	4.829	29.880	34,709	44.283	68.667	112,950	56.620	24.328	80,948	
034		10	Other expenditure from investments	-48.799	-1.105.385	-1,154.184	-59.730	-689.094	-748,824	-24.412	-575.420	-599,832	-28.488	-323.984	-352,472	

STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2025 - 30.6.2025

Item number	Sum elements	Identifier	Item	Cumulative						Quarter						in EUR
				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	-1.476.821	-1.983.764	-3.460.585	-1.492.406	-2.208.993	-3.701.399	-325.731	-1.086.452	-1.412.183	-472.546	-997.918	-1.470.464	
036		1	Net financial income/expenditure from insurance contracts	-1.476.821	-2.352.430	-3.829.251	-1.492.406	-2.606.218	-4.098.624	-325.731	-1.270.976	-1.596.707	-472.546	-1.177.287	-1.649.833	
037		2	Net financial income/expenditure from (passive) reinsurance contracts	0	368.666	368.666	0	397.225	397.225	0	184.524	184.524	0	179.369	179.369	
038		3	Change of liability for investment contracts	0	0	0	0	0	0	0	0	0	0	0	0	
039		VII	Other income	341	3.389.970	3.390.311	2.479	3.717.607	3.720.086	-415	2.177.097	2.176.682	1.700	2.498.717	2.500.417	
040		VIII	Other operating expenses	-81.619	-5.191.899	-5.273.518	-93.886	-7.668.152	-7.762.038	-51.702	-1.623.953	-1.675.655	-68.728	-5.367.056	-5.435.784	
041		IX	Other financial expenses	-14.567	-618.665	-633.232	-14.664	-622.507	-637.171	-7.315	-315.778	-323.093	-7.756	-319.193	-326.949	
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 (+/-)	7.607.885	37.038.322	44.646.207	5.970.820	38.429.905	44.400.725	3.791.728	23.601.220	27.392.948	3.464.323	24.493.815	27.958.138	
044	045 + 046	XII	Tax on profit or loss	-1.345.649	-3.356.611	-4.702.260	-912.731	-3.747.572	-4.660.303	-658.741	-1.202.234	-1.860.975	-466.989	-2.009.985	-2.476.974	
045		1	Current tax expense	-1.345.649	-3.362.087	-4.707.736	-1.127.206	-5.372.384	-6.499.590	-658.741	-1.204.970	-1.863.711	-681.464	-3.629.126	-4.310.590	
046		2	Deferred tax expense/ income	0	5.476	5.476	214.475	1.624.812	1.839.287	0	2.736	2.736	214.475	1.619.141	1.833.616	
047	043+ 044	XIII	Profit or loss of the accounting period after tax (+/-)	6.262.236	33.681.711	39.943.947	5.058.089	34.682.333	39.740.422	3.132.987	22.398.986	25.531.973	2.997.334	22.483.830	25.481.164	
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	1.759.908	20.665.111	22.425.019	4.623.299	47.205.381	51.828.680	46.327	6.508.148	6.554.475	1.773.938	25.110.760	26.884.698	
051	052 + 053 + 054 + 055	1	Items that will not be reclassified to statement of profit or loss	1.645.416	19.321.288	20.966.704	5.184.324	47.558.435	52.742.759	850.305	6.613.151	7.463.456	3.448.572	26.019.478	29.468.050	
052		1.1.	Net change in fair value of equity securities (OCI)	2.006.605	23.562.547	25.569.152	6.322.346	57.998.091	64.320.437	1.036.958	8.064.819	9.101.777	4.205.575	31.731.070	35.936.645	
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	-361.189	-4.241.259	-4.602.448	-1.138.022	-10.439.656	-11.577.678	-186.653	-1.451.668	-1.638.321	-757.003	-5.711.592	-6.468.595	
056	057 + 058 + ... + 063	2	Items that are, or may be, reclassified to statement of profit or loss	114.492	1.343.823	1.458.315	-561.025	-353.054	-914.079	-803.978	-105.003	-908.981	-1.674.634	-908.718	-2.583.352	
057		2.1.	Net change in fair value of debt securities (OCI)	-313.006	530.211	217.205	1.006.121	-221.394	784.727	-240.803	498.144	257.341	2.154.877	2.669.533	4.824.410	
058		2.2.	Exchange rate differences from translation of foreign operations	0	0	0	0	20.429	20.429	0	0	0	0	20.429	20.429	
059		2.3.	Effects of hedging instruments	0	0	0	-627	-20.258	-20.885	0	0	0	-627	-20.258	-20.885	
060		2.4.	Net financial income/expenditure from insurance contracts	452.630	1.397.317	1.849.947	-1.689.533	-802.014	-2.491.547	-739.658	-802.801	-1.542.459	-4.196.349	-4.393.172	-8.589.521	
061		2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	-287.740	-287.740	0	592.058	592.058	0	177.209	177.209	0	614.476	614.476	
062		2.6.	Other	0	0	0	0	0	0	0	0	0	0	0	0	
063		2.7.	Tax	-25.132	-295.965	-321.097	123.014	78.125	201.139	176.483	22.445	198.928	367.465	200.274	567.739	
064	047+ 050	XV	Total comprehensive income	8.022.144	54.346.822	62.368.966	9.681.388	81.887.714	91.569.102	3.179.314	28.907.134	32.086.448	4.771.272	47.594.590	52.365.862	
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: 30.6.2025

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	14.907.112	14.907.112	0	15.275.322	15.275.322
002		1	Goodwill	0	0	0	0	0	0
003		2	Other intangible assets	0	14.907.112	14.907.112	0	15.275.322	15.275.322
004	005+006+007	II	TANGIBLE ASSETS	1.874	61.542.730	61.544.604	1.874	61.867.984	61.869.858
005		1	Land and buildings occupied by an undertaking for its own activities	0	23.930.245	23.930.245	0	23.476.315	23.476.315
006		2	Equipment	1.865	2.912.594	2.914.459	1.865	3.054.217	3.056.082
007		3	Other tangible assets and inventories	9	34.699.891	34.699.900	9	35.337.452	35.337.461
008	009+010+014	III	INVESTMENTS	359.032.108	955.185.980	1.314.218.088	358.852.151	1.074.506.802	1.433.358.953
009		A	Investments in land and buildings not occupied by an undertaking for its own activities	0	34.914.492	34.914.492	0	35.136.265	35.136.265
010	011+012+013	B	Investments in subsidiaries, associates and joint ventures	0	111.010.290	111.010.290	0	112.410.290	112.410.290
011		1	Shares and holdings in subsidiaries	0	107.294.051	107.294.051	0	108.694.051	108.694.051
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	359.032.108	809.261.198	1.168.293.306	358.852.151	926.960.247	1.285.812.398
015	016 + 017 + 018 + 019	1	Financial assets at amortised cost	123.310.340	256.795.197	380.105.537	84.246.015	217.128.947	301.374.962
016		1.1	Debt financial instruments	105.793.328	123.443.252	229.236.580	76.223.707	123.035.862	199.259.569
017		1.2	Deposits with credit institutions	15.935.471	56.370.628	72.306.099	6.992.258	25.364.937	32.357.195
018		1.3	Loans	1.581.541	65.675.598	67.257.139	1.030.050	68.728.148	69.758.198
019		1.4	Other	0	11.305.719	11.305.719	0	0	0
020	021 + 022 + 023 + 024	2	Financial assets at fair value through other comprehensive income	202.181.919	492.823.908	695.005.827	213.053.792	556.972.192	770.025.984
021		2.1	Equity financial instruments	18.497.994	173.198.059	191.696.053	33.459.992	234.733.338	268.193.330
022		2.2	Debt financial instruments	183.683.925	319.625.849	503.309.774	179.593.800	322.238.854	501.832.654
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	33.539.849	59.642.093	93.181.942	61.552.344	152.859.108	214.411.452
026		3.1	Equity financial instruments	0	502.273	502.273	810.941	608.605	1.419.546
027		3.2	Debt financial instruments	0	0	0	9.949.900	49.724.000	59.673.900
028		3.3	Units in investment funds	33.393.758	58.615.068	92.008.826	50.297.169	101.133.519	151.430.688
029		3.4	Derivative financial instruments	0	20.843	20.843	494.334	1.392.984	1.887.318
030		3.5	Other	146.091	503.909	650.000	0	0	0
031	032 + 036 +040	IV	ASSETS FROM INSURANCE CONTRACTS	30.830	14.998.944	15.029.774	41.316	12.129.457	12.170.773
032	034+035+036	1	General measurement model	30.830	12.612.714	12.643.544	41.316	12.129.457	12.170.773
033		1.1.	- Assets for remaining coverage	30.830	-1.262.308	-1.231.478	51.414	-1.199.035	-1.147.621
034		1.2.	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
035		1.3.	- Assets from claims incurred	0	13.875.022	13.875.022	-10.098	13.328.492	13.318.394
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	2.386.230	2.386.230	0	0	0
041		3.1.	- Assets for remaining coverage	0	4.370.994	4.370.994	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	-1.984.764	-1.984.764	0	0	0
044		V	ASSETS FROM REINSURANCE CONTRACTS	1	53.497.827	53.497.828	0	64.060.046	64.060.046
045	046 +047	VI	DEFERRED AND CURRENT TAX ASSETS	552.495	10.578.327	11.130.822	552.495	8.667.960	9.220.455
046		1	Deferred tax assets	552.495	6.190.729	6.743.224	552.495	6.190.729	6.743.224
047		2	Current tax assets	0	4.387.598	4.387.598	0	2.477.231	2.477.231
048		VII	OTHER ASSETS	226.222	30.830.225	31.056.447	344.281	31.204.183	31.548.464
049	050 +051 +052	1	CASH AT BANK AND IN HAND	209.548	1.014.661	1.224.209	316.208	1.726.733	2.042.941
050		1.1	Funds in the business account	0	1.014.661	1.014.661	0	1.726.733	1.726.733
051		1.2	Funds in the account of assets covering liabilities from life insurance contracts	209.548	0	209.548	316.208	0	316.208
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	16.674	29.815.564	29.832.238	28.073	29.477.450	29.505.523
055	001+004+008+031+04	VIII	TOTAL ASSETS	359.843.530	1.141.541.145	1.501.384.675	359.792.117	1.267.711.754	1.627.503.871
056		IX	OFF-BALANCE SHEET ITEMS	1.399.439	43.333.601	44.733.040	2.043.522	47.391.337	49.434.859

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.6.2025

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
				in EUR					
057	058+061+062+0 66+067+071+07	X	CAPITAL AND RESERVES	62.023.654	596.349.352	658.373.006	71.705.040	632.595.942	704.300.982
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	2.877.628	97.322.332	100.199.960	7.909.293	137.297.476	145.206.769
063		3.1	<i>Land and buildings</i>	0	6.673.633	6.673.633	0	6.621.960	6.621.960
064		3.2	<i>Financial assets</i>	2.877.628	90.648.699	93.526.327	7.909.920	130.695.774	138.605.694
065		3.3	<i>Other revaluation reserves</i>	0	0	0	-627	-20.258	-20.885
066		4	Financial reserves from insurance contracts	10.986.709	7.123.609	18.110.318	9.601.292	6.951.926	16.553.218
067	068+069+070	5	Reserves	11.317.678	41.965.240	53.282.918	11.317.678	41.965.240	53.282.918
068		5.1	<i>Legal reserves</i>	294.066	3.702.116	3.996.182	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	20.403.653	232.058.966	252.462.619	31.937.366	248.835.872	280.773.238
072		6.1	<i>Retained profit</i>	20.403.653	232.058.966	252.462.619	31.937.366	248.835.872	280.773.238
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	10.556.664	55.016.110	65.572.774	5.058.089	34.682.333	39.740.422
075		7.1	<i>Profit for the current accounting period</i>	10.556.664	55.016.110	65.572.774	5.058.089	34.682.333	39.740.422
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	289.080.613	424.258.545	713.339.158	275.691.128	460.942.259	736.633.387
080	081+082+083	1	General measurement model	284.797.271	8.397.337	293.194.608	271.777.139	8.793.030	280.570.169
081		1.1	- Liabilities for remaining coverage	274.382.306	8.154.302	282.536.608	258.243.197	8.546.785	266.789.982
082		1.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
083		1.3	- Liabilities for claims incurred	10.414.965	243.035	10.658.000	13.533.942	246.245	13.780.187
084	085+086+087	2	Variable fee approach	4.283.342	0	4.283.342	3.913.989	0	3.913.989
085		2.1	- Liabilities for remaining coverage	2.357.008	0	2.357.008	2.301.906	0	2.301.906
086		2.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
087		2.3	- Liabilities for claims incurred	1.926.334	0	1.926.334	1.612.083	0	1.612.083
088	089+090+091	3	Premium allocation approach	0	415.861.208	415.861.208	0	452.149.229	452.149.229
089		3.1	- Liabilities for remaining coverage	0	102.584.921	102.584.921	0	118.642.097	118.642.097
090		3.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
091		3.3	- Liabilities for claims incurred	0	313.276.287	313.276.287	0	333.507.132	333.507.132
092		XIV	LIABILITIES FROM REINSURANCE	0	6.191.184	6.191.184	0	2.891.336	2.891.336
093		XV	LIABILITY FOR INVESTMENT CONTRACTS	0	0	0	0	0	0
094	095+096	XVI	OTHER PROVISIONS	367.392	5.378.348	5.745.740	381.110	5.958.968	6.340.078
095		1	Provisions for pensions and similar obligations	367.392	5.050.720	5.418.112	381.110	5.631.340	6.012.450
096		2	Other provisions	0	327.628	327.628	0	327.628	327.628
097	098+099	XVII	DEFERRED AND CURRENT TAX	3.043.391	23.089.920	26.133.311	4.971.130	31.668.957	36.640.087
098		1	Deferred tax liability	3.043.391	22.932.237	25.975.628	3.843.924	31.668.957	35.512.881
099		2	Current tax liability	0	157.683	157.683	1.127.206	0	1.127.206
100	101+102+...+10 5	XVIII	FINANCIAL LIABILITIES	218.046	39.411.577	39.629.623	474.816	86.672.827	87.147.643
101		1	Loan liabilities	0	0	0	0	0	0
102		2	Liabilities for issued financial instruments	0	0	0	0	0	0
103		3	Liabilities for derivative financial instruments	216.246	600.864	817.110	627	20.258	20.885
104		4	Liability for unpaid dividend	0	212.811	212.811	0	46.038.128	46.038.128
105		5	Other financial liabilities	1.800	38.597.902	38.599.702	474.189	40.614.441	41.088.630
106	107+108+109	XIX	OTHER LIABILITIES	5.110.434	46.862.219	51.972.653	6.568.893	46.981.465	53.550.358
107		1	Liabilities for disposal and discontinued operations	0	0	0	0	0	0
108		2	Accruals and deferred income	2.393.708	20.943.503	23.337.211	2.243.596	18.428.536	20.672.132
109		3	Other liabilities	2.716.726	25.918.716	28.635.442	4.325.297	28.552.929	32.878.226
110	057+077+078+0 79+092+093+09 4+097+100+106	XX	TOTAL LIABILITIES	359.843.530	1.141.541.145	1.501.384.675	359.792.117	1.267.711.754	1.627.503.871
111		XXI	OFF-BALANCE SHEET ITEMS	1.399.439	43.333.601	44.733.040	2.043.522	47.391.337	49.434.859

STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2025 - 30.6.2025

Item number	Item	Attributable to owners of the parent								in EUR	
		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	Attributable to non-controlling interests*	Total capital and reserves
I.	Balance as at 1 January of the previous 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
II.	Balance as at 1 January of the previous 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
III.	Comprehensive income or loss for the previous year	0	0	56.481.440	-13.241.988	0	0	65.572.774	108.812.226	0	108.812.226
1.	Profit or loss for the period	0	0	0	0	0	0	65.572.774	65.572.774	0	65.572.774
2.	Other comprehensive income or loss for the previous year	0	0	56.481.440	-13.241.988	0	0	0	43.239.452	0	43.239.452
2.1.	Unrealised gains or losses on tangible assets (land and buildings)	0	0	2.655.355	0	0	0	0	2.655.355	0	2.655.355
2.2.	Unrealised gains or losses on financial assets at fair value through other comprehensive income	0	0	48.627.762	0	0	0	0	48.627.762	0	48.627.762
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	5.198.323	0	0	0	0	5.198.323	0	5.198.323
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	-13.691.473	0	0	0	-13.691.473	0	-13.691.473
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	449.485	0	0	0	449.485	0	449.485
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)	0	0	-3.202.821	0	4.041	-64.795.323	-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 distribution to owners	0	0	-3.202.821	0	4.041	16.254.089	-13.055.307	2	0	2
V.	Balance on the last day of the previous year reporting period	78.296.142	90.448.275	100.199.960	18.110.318	53.282.918	252.462.619	65.572.774	658.373.006	0	658.373.006
VI.	Balance as at 1 January of the current year	78.296.142	90.448.275	100.199.960	18.110.318	53.282.918	252.462.619	65.572.774	658.373.006	0	658.373.006
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	100.199.960	18.110.318	53.282.918	252.462.619	65.572.774	658.373.006	0	658.373.006
VIII.	Comprehensive income or loss for the year	0	0	53.385.780	-1.557.100	0	0	39.740.422	91.569.102	0	91.569.102
1.	Profit or loss for the period	0	0	0	0	0	0	39.740.422	39.740.422	0	39.740.422
2.	Other comprehensive income or loss for the year	0	0	53.385.780	-1.557.100	0	0	0	51.828.680	0	51.828.680
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	54.432.884	0	0	0	0	54.432.884	0	54.432.884
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	-1.046.649	0	0	0	0	-1.046.649	0	-1.046.649
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	-2.042.587	0	0	0	-2.042.587	0	-2.042.587
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	485.487	0	0	0	485.487	0	485.487
2.6.	Other changes in equity unrelated to owners	0	0	-455	0	0	0	0	-455	0	-455
IX.	Transactions with owners (current period)	0	0	-8.378.971	0	0	28.310.619	-65.572.774	-45.641.126	0	-45.641.126
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	0	-45.641.124	-45.641.124	0	-45.641.124
4.	Other transactions with owners	0	0	-8.378.971	0	0	28.310.619	-19.931.650	-2	0	-2
X.	Balance on the last day of the current year reporting period	78.296.142	90.448.275	145.206.769	16.553.218	53.282.918	280.773.238	39.740.422	704.300.982	0	704.300.982

STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2025 - 30.6.2025

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	6.648.928	83.896.729
002	003+004	1	Cash flow before changes in operating assets and liabilities	10.830.446	15.337.656
003		1.1	Profit/loss of the accounting period	39.740.422	39.943.947
004	005+006+.....+017	1.2	Adjustments:	-28.909.976	-24.606.291
005		1.2.1	<i>Depreciation of property and equipment</i>	2.382.804	2.582.258
006		1.2.2	<i>Amortization of intangible assets</i>	1.708.883	1.981.621
007		1.2.3	<i>Loss from impairment of intangible assets</i>	0	0
008		1.2.4	<i>Other financial cost</i>	0	0
009		1.2.5	<i>Impairment and gains/losses on fair valuation</i>	-5.578.925	-1.777.337
010		1.2.6	<i>Interest expenses</i>	637.171	633.232
011		1.2.7	<i>Interest income</i>	-13.635.550	-13.552.391
012		1.2.8	<i>Profit from the sale of branch</i>	0	0
013		1.2.9	<i>Share in profit of associates</i>	0	0
014		1.2.10	<i>Equity-settled share-based payment transactions</i>	0	0
015		1.2.11	<i>Cost of income tax</i>	4.660.303	4.702.260
016		1.2.12	<i>Profit/loss from the sale of tangible assets (including land and buildings)</i>	-102.176	92.944
017		1.2.13	<i>Other adjustments</i>	-18.982.486	-19.268.878
018	019+020+...+034	2	Increase/decrease in operating assets and liabilities	-29.914.334	59.987.165
019		2.1	Increase/decrease in financial assets at fair value through other comprehensive income	-12.893.828	61.640.978
020		2.2	Increase/decrease in financial assets at fair value through statement of profit or loss	-116.072.974	13.899.019
021		2.3	Increase/decrease in financial assets at amortised cost	78.193.174	7.280.671
022		2.4	<i>Increase/decrease in assets/liabilities from insurance contracts</i>	23.661.681	-23.160.050
023		2.5	<i>Increase/decrease in assets/liabilities from reinsurance contracts</i>	-13.270.009	-1.152.236
024		2.6	Increase/decrease in tax assets	1.910.367	-4.429.977
025		2.7	Increase/decrease in receivables	0	0
026		2.8	Increase/decrease in investments in real estate	-233.672	-15.050
027		2.9	Increase/decrease in property for own use	0	0
028		2.10	Increase/decrease in other assets	8.646.413	-1.078.228
029		2.11	<i>Increase/decrease in liabilities from investment contracts</i>	0	0
030		2.12	<i>Increase/decrease in other provisions</i>	594.338	-1.498.292
031		2.13	Increase/decrease in tax liabilities	-2.972.974	4.649.769
032		2.14	Increase/decrease in financial liabilities	945.443	3.765.070
033		2.15	Increase/decrease in other liabilities	4.242.786	2.645.331
034		2.16	Increase/decrease in accruals and deferred income	-2.665.079	-2.559.840
035		3	Income tax paid	-2.557.092	-14.743.614
036		4	Interest received	16.473.087	15.559.104
037		5	Dividend received	11.816.821	7.756.418
038	039+040+...+045	II	CASH FLOW FROM INVESTING ACTIVITIES	-4.136.080	-12.843.088
039		1	Cash receipts from the sale of tangible assets	112.749	18.156
040		2	Cash payments for the purchase of tangible assets	-784.681	-301.819
041		3	Cash receipts from the sale of intangible assets	0	45.257
042		4	Cash payments for the purchase of intangible assets	-2.064.148	-1.506.418
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	-1.400.000	-11.098.264
046	047+048+...+057	III	CASH FLOW FROM FINANCING ACTIVITIES	-1.654.377	-66.687.848
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	0	-65.000.265
057		11	Cash payments for rental obligations	-1.654.377	-1.687.583
058	001+038+046	IV	NET CASH FLOW	858.471	4.365.793
059		V	EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	-39.739	-837.507
060	058+059	VI	NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS	818.732	3.528.286
061		1	Cash and cash equivalents at the beginning of period	1.224.209	1.662.494
062	060+061	2	Cash and cash equivalents at the end of period	2.042.941	5.190.780

II. MANAGEMENT REPORT

In the period observed, total income from insurance contracts amounted to EUR 235m and increased by 13.1 percent compared to the same period of the previous year. The total non-life insurance income amounted to EUR 231.5m and increased by 13.4 percent while total life insurance income decreased by 2.4 percent and amounted to EUR 3.5m.

Total expenditure from insurance contracts in the period observed amounted to EUR 206.1m and increased by 9.1 percent compared to the same period of the previous year. The total non-life insurance expenditure amounted to EUR 204.1m and increased by 8.8 percent. Total life insurance expenditure amounted to EUR 2m.

Total net result from insurance contracts in the period observed amounted to EUR 15.2m and has increased by 19.5% compared to the same period of the previous year when it amounted to EUR 12.8m, while the total net profit of the Company amounted to EUR 39.7m and decreased by 0.5 percent compared to the same period of the previous year.

Total assets of the Company as at 30 June 2025 amounted to EUR 1.6 billion, which represents an increase of 8.4 percent compared to 31 December 2024.

Liabilities from insurance contracts as at 30 June 2025 amounted to EUR 736.6m, representing an increase of 3.3 percent compared to 31 December 2024.

Unaudited unconsolidated financial statements for the half-year of the 2025 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

Croatia osiguranje Q2 2025: strong profit growth, new digital breakthroughs and strengthening of the health segment

The digital business segment continues to show positive results. The premium generated from the total digital business grew by 18 percent compared to the same period last year, and the number of clients using the Moja Croatia mobile application increased by 23 percent.

Croatia's digital brand LAQO achieved premium growth of 21 percent compared to the same period last year. LAQO also introduced a new 100% digital property insurance product, thus continuing to expand its product portfolio.

Significant strides in the digitalization of services continue. A new digital process for tracking motor vehicle damage has been introduced in the Moja Croatia mobile application. New functionalities for independently selecting specialist examination appointments under health insurance policies have also been introduced. Moja Poslovna Croatia, a new web portal for business users, has also been launched.

Croatia poliklinika, including the revenues of Osijek-based Medros and Dubrovnik-based Marin Med, recorded a 49 percent increase in revenue compared to the same period last year. The team of doctors and medical staff has increased by 35 percent. The strategic goal of providing superb medical services throughout the country is achieved through top-grade medical teams and the most modern technologies available in nine cities in Croatia.

Croatia's Spektar benefits package continues to show excellent results. May marked the second anniversary of the program, and research shows that the program has become highly recognizable both in the market (55%) and among Croatia osiguranje clients (73%). More than 316,000 users are currently included in Spektar.

Croatia osiguranje has once again met the high standards for the Poslodavac Partner certificate. This recognition confirms the company's commitment to building a quality HR system and creating an excellent work environment.

At the annual awards ceremony of the CX.hr portal, the customer support team of Croatia osiguranje won the first prize in the categories "best user experience" and "best team spirit".

Valuable communication awards were also won. Croatia poliklinika "Ispravi se" campaign was declared the best in the world in the category of creative digital outdoor advertising at the World Out of Home Organization congress in Mexico City. At the Communications Days, Croatia Insurance won the awards for the *Paviljon Hrvatska 2074: Look into the Future* and *Easybook* projects and LAQO for the long-term effectiveness of Pavlo Pauq.

The Management and the Supervisory Board proposed to the General Assembly dividend payment to holders of ordinary and preference shares from the net profit achieved in 2024, in the total amount of EUR 45,771,324.44, or EUR 106.52 per share (ordinary and preference), and the General Assembly adopted the same decision on June 5, 2025. Croatia osiguranje d.d. has been operating successfully in the past years, with a growing level of profit and high capital adequacy rates, both at the Company level and at the Group level, and it is expected that during the year 2025 the capital adequacy should be maintained above the level of 200%.

Geopolitical and macroeconomic situation, conflicts and challenges

The beginning of 2025 was marked by the moves of the US administration led by Donald Trump and the reaction of the financial markets to these moves. Overall, after a negative -4.6% in the first quarter, the first half of 2025 was marked by the overall growth of the US stock market of 5.5% (measured by the S&P 500 index), while European stocks continued to grow from the first quarter (5.2%) to a final total increase of 6.7% (measured by the EuroStoxx 600 index).

Domestic and regional markets recorded an increase in the value of stocks with a simultaneous increase in volatility. The total growth since the beginning of the year stands at an impressive 24.8% (measured by the Adriaprime index, which is a composite index of the stock markets of Croatia and Slovenia).

The above shows that the initial shock on the markets after the announcement of the introduction of tariffs in April 2025 on products from almost all world economies, with a special emphasis on China, was only short-lived. However, as there are still high geopolitical risks in the world caused by numerous conflicts, primarily the Russian-Ukrainian war, conflicts in the Middle East that had a special escalation in June through attacks on Iranian nuclear and military facilities and were followed by Iranian missile strikes on the territory of Israel, tensions related to Taiwan, further developments of the "tariff war", etc. , the high volatility of market movements is expected to continue in the coming period.

Also, given the high uncertainty of future price movements (especially energy and transport prices), further inflationary pressures are possible.

The American FED further reduced the prospects for the growth of the American economy in 2025 from 1.7% (estimated in the first quarter) to 1.4%, while the expectations of the inflation rate were raised to 3% by the end of 2025 (measured by the consumer basket index; CPI Index). Despite the worse forecasts regarding the expectations of key economic indicators, the US Central Bank still shows no intention to lower interest rates, so the reference interest rates remain at the levels as in December 2024.

Unlike the US FED, the European Central Bank has reduced reference interest rates on four occasions since the beginning of the year (by a total of 1 p.p.), thus demonstrating further efforts to suppress current inflation. The consequence of the reduction in interest rates in the Eurozone was also slightly reflected in the Croatian bond market, which has shown a slight growth of 0.6% since the beginning of the year (measured by the CROBIS TR index).

Investors are still inclined to increased demand for euros - the EUR/USD exchange rate has increased by more than 12% since the beginning of the year. At the same time, the value of gold has increased by 26% since the beginning of the year (measured by the spot price of gold in the USA), which is additionally caused by the weakening of the dollar, in which the value of gold is standardly expressed.

In addition to significant geopolitical risks and the pervasiveness of climate change risks, cyber-attack risks are also on the rise, supported, among other things, by the development of new technologies such as artificial intelligence, all of which are creating an uncertain environment for market entities to operate. Despite this, the Company's operations have proven resilient to various stressful

circumstances thanks to its high capitalization, or solvency, as demonstrated by the latest ORSA results. The Company's SCR ratio as of 31.03.2025 is a high 266%, and even in stressful circumstances, the Company would likely continue to operate in accordance with regulatory requirements.

Significant events after the end of the reporting date

There were no significant events after the balance sheet date.

Company branch

In accordance with the Company's decision, for the purpose of more efficient operations, the Company closed its registered branch (Branch Ljubljana) on May 5, 2025. In its legal transactions, the branch operated as CROATIA osiguranje d.d. branch Ljubljana, in the Croatian language, and as CROATIA ZAVAROVANJE d.d. branch Ljubljana, in the Slovenian language.

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

Inflationary pressures in the Republic of Croatia are decelerating much slower than expected. Accordingly, inflation forecasts measured by the harmonized indicator (HIPC) have been corrected on several occasions and the current estimate of inflation is 3.6% for 2025.

Unemployment continues to fall (unemployment survey could fall below 5%) and wage growth, which could amount to around 10% per year, driven by the effects of wage decompression in relation to the increase in the minimum wage, as well as the continuation of higher demand for workers and the "alignment" of wages with wage increases in the public sector.

Among the other effects that will have an impact on the insurance market is the stricter lending policy prescribed by the CNB, which came into force on July 1, 2025.

The non-life insurance market continues to record a very solid premium growth of ten percent, but with a noticeable slowdown in the last few months. This applies in particular to voluntary comprehensive motor vehicle insurance and additional health insurance, but the trend is expected to spill over to other types of insurance. Depending on the further development of inflation related to services and prices of automobile parts, there will potentially be a tightening of competition.

Life insurance premiums are currently below last year's level. Given the uncertainty in the capital markets, it is difficult for insurers to offer an attractive product and the question is in which direction the market will move if the uncertainty continues. Accordingly, no changes are expected in the current trends in life insurance in the short term.

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. Given the increase in global uncertainty and risk, the Company will consider potential new business opportunities much more strictly.

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 2024, 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 July 2025

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-VI 2025

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") o80o51022 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 2,361.

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

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.

Half-year 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 2024. 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 2024, for the purpose of understanding the information published in the notes to the financial statements prepared for the half-year of the 2025, 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 half-year of the 2025 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.

During the current reporting period, the Company applied the following significant judgments for the first time:

Separation of embedded derivative from Virtual Power Purchase Agreement (VPPA)

The embedded derivative represented by the electricity swap is component of the VPPA contract and determining whether such derivatives should be separated from the host contract involves significant judgement. This includes an assessment of the terms and conditions of the VPPA contract and the characteristics of the embedded derivative.

The Company made an assessment and concluded that the economic risks and characteristics of embedded derivative are not closely related to the underlying host contract. Consequently, the Company separately recognized embedded derivative as derivative financial instruments – electricity swap.

Fair value measurement of electricity swaps

The fair value of the electricity swap generally cannot be measured based on quoted prices in active markets, therefore the Company uses other valuation techniques, in particular the discounted cash flow (DCF) models. The inputs to these models are taken from observable market data where possible, but also a significant degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as production volumes, long-dated electricity prices, credit risk or wind or solar capture profiles. Changes in assumptions relating to these inputs could affect the reported fair values.

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 2024, except as stated below.

The Company entered into the Virtual Power Purchase Agreement (VPPA) as a buyer and therefore have applied the following accounting policies for the first time:

Purchases of Guarantees of origin (GoO)

The Company considers the VPPA contract as hybrid contract, and the GoO component within the VPPA contract is considered a "host" contract for the delivery of a non-financial item (GoO) to the customer, while the cash-settled electricity component is reported as an "embedded derivative" in the form of a commodity swap (difference between the contracted price and the market price of cash-settled electricity).

While the embedded derivative is separately recognised under IFRS 9, the residual non-financial host component of the contract is accounted by the Company as a purchase contract to receive the GoO from the seller of the VPPA contract and are recognized in profit or loss.

Derivative financial instruments and hedge accounting

The embedded derivative separated from the VPPA contract represents electricity swap that is used by the Company to hedge the price risk of forecast physical purchases of electricity. The Company does not enter into these electricity swaps for speculative purposes.

The electricity swap is initially recognised on the date on which the respective VPPA contract is concluded and initially measured at nil (due to its non-optional nature) in accordance with IFRS 9. The electricity swap is subsequently measured at fair value.

The Company has designated the electricity swap as hedging instrument in cash flow hedge relationships to hedge the exposure to variability in highly probable forecast transactions that is attributable to the electricity price risk associated with the highly probable forecast transactions.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedge relationship meets the hedge effectiveness requirements.

Given their classification within cash flow hedge relationships, the Company presents the electricity swaps as *Financial assets at fair value through other comprehensive income* when their fair value is positive, or *Financial liabilities – liabilities for derivative financial instruments* when their fair value is negative.

Accounting for cash flow hedges

The effective portion of the gain or loss on the electricity swaps is presented as the *Effects of hedging instruments* within Other comprehensive income, and is further accumulated in the cash flow hedge reserve, i.e. *Other revaluation reserves*, presented within Revaluation reserves. Any ineffective portion of the gain or loss on the electricity swaps is recognised immediately in profit or loss.

The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses the electricity swaps as hedges of its exposure to volatility in the spot electricity prices arising from highly probable future purchases of electricity.

The cash flow hedge reserve accumulated in equity is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss. This is generally when the hedged future cash flows are recognized as items of income or expense. This reclassification adjustment affects the same line items of profit or loss as those that are affected by the hedged items (*Electricity costs*).

If a cash flow hedge relationship is discontinued, the cash flow hedge reserve remains in equity if the hedged future cash flows are still expected to occur. Once the hedged cash flows occur, the respective amount of the cash flow hedge is reclassified to profit or loss in the same period. However, if the hedged future cash flows are no longer expected to occur, the cash flow hedge reserve will be immediately reclassified to profit or loss.

Related party transactions

On 4 April 2025, the Supervisory Board of Croatia osiguranje d.d. approved transactions between Croatia osiguranje d.d. and Adris grupa d.d., which relate to the acquisition of direct equity interests through the purchase and sale of shares in Pozavarovalnice Sava d.d. and Professio Energia d.d. Croatia osiguranje d.d. and Adris grupa d.d., as the majority shareholder of Croatia osiguranje d.d., have signed two agreements for more efficient management within the Group. Croatia osiguranje d.d. purchased and acquired a total of 838,197 shares of Pozavarovalnice Sava d.d. from Adris grupa d.d., which constitute 4.87% of the Issuer's share capital. It is also concluded an agreement by which Adris grupa d.d. purchased and acquired a total of 567,193 ordinary shares of Professio Energia d.d. from Croatia osiguranje d.d., representing 19.9985% of the registered share capital of that company. By implementing these agreements, all shares of Professio Energia d.d. previously held by Croatia osiguranje d.d. will transfer to the ownership of Adris grupa d.d., while Croatia osiguranje d.d. will become the owner of shares in Pozavarovalnice Sava d.d. that were previously owned by Adris grupa d.d.

Apart from stated above, in the current reporting period, there were usual related party transactions of goods and services.

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 2024, 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 June 2025			31 December 2024		
	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	199,259,569	188,953,597	(10,305,972)	229,236,580	217,624,087	(11,612,493)
Loans	69,758,198	69,597,692	(160,506)	78,562,858	76,755,600	(1,807,258)
Deposits	32,357,195	33,082,509	725,314	72,306,099	72,306,099	-
	301,374,962	291,633,798	(9,741,164)	380,105,537	366,685,786	(13,419,751)

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 June 2025 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>	-	-	23,476,315	23,476,315
<i>Investment property</i>	-	-	35,136,265	35,136,265
Equity securities	246,667,201	11,194,000	10,332,129	268,193,330
Debt securities	415,323,479	86,509,175	-	501,832,654
<i>Financial assets at fair value through other comprehensive income</i>	661,990,680	97,703,175	10,332,129	770,025,984
Equity securities	1,419,546	-	-	1,419,546
Debt securities	39,774,100	19,899,800	-	59,673,900
Investment funds	58,080,372	93,350,316	-	151,430,688
Derivative financial instruments	-	1,887,318	-	1,887,318
<i>Financial assets at fair value through profit or loss</i>	99,274,018	115,137,434	-	214,411,452
Total assets at fair value	761,264,698	212,840,609	68,944,709	1,043,050,016

The Company's assets measured at fair value as at 31 December 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>	-	-	23,930,245	23,930,245
<i>Investment property</i>	-	-	34,914,492	34,914,492
Equity securities	160,879,017	-	30,817,036	191,696,053
Debt securities	394,818,759	108,491,015	-	503,309,774
<i>Financial assets at fair value through other comprehensive income</i>	555,697,776	108,491,015	30,817,036	695,005,827
Equity securities	502,273	-	-	502,273
Investment funds	2,510,154	89,498,672	-	92,008,826
Derivative financial instruments	-	20,843	-	20,843
Other	-	650,000	-	650,000
<i>Financial assets at fair value through profit or loss</i>	3,012,427	90,169,515	-	93,181,942
Total assets at fair value	558,710,203	198,660,530	89,661,773	847,032,506

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.

Apart from the sales of equity securities, 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 2024.

Intangible assets

In the period observed, intangible assets increased by EUR 368 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 52.9 thousand, the costs of contributions from salaries in the amount of EUR 15.2 thousand, the costs of taxes and surcharges from salaries in the amount of EUR 10.5 thousand, the costs of contributions to salaries in the amount of EUR 10.1 thousand and other employee costs in the amount of EUR 1.3 thousand.

Financial assets and financial liabilities

The Company's structure of financial assets as at 30 June 2025 and 31 December 2024 was as follows:

30 June 2025

	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	-	267,964,738	1,419,546	269,384,284
Shares, not listed	-	228,592	-	228,592
	-	268,193,330	1,419,546	269,612,876
Debt securities				
Government bonds	196,446,936	371,619,912	-	568,066,848
Corporate bonds	2,812,633	110,226,742	-	113,039,375
Treasury bills	-	19,986,000	59,673,900	79,659,900
	199,259,569	501,832,654	59,673,900	760,766,123
Derivative financial instruments				
Currency option	-	-	-	-
Currency forward contracts	-	-	1,887,318	1,887,318
	-	-	1,887,318	1,887,318
Investment funds				
Open-ended investment funds	-	-	149,212,912	149,212,912
Open-ended investment funds - assets for coverage of unit-linked products	-	-	2,217,776	2,217,776
	-	-	151,430,688	151,430,688
Loans and receivables				
Deposits with credit institutions	32,357,195	-	-	32,357,195
Loans	69,758,198	-	-	69,758,198
	102,115,393	-	-	102,115,393
	301,374,962	770,025,984	214,411,452	1,285,812,398

31 December 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	-	191,467,461	502,273	191,969,734
Shares, not listed	-	228,592	-	228,592
	-	191,696,053	502,273	192,198,326
Debt securities				
Government bonds	226,391,079	370,019,524	-	596,410,603
Corporate bonds	2,845,501	118,428,850	-	121,274,351
Treasury bills	-	14,861,400	-	14,861,400
	229,236,580	503,309,774	-	732,546,354
Derivative financial instruments				
Currency option	-	-	20,843	20,843
	-	-	20,843	20,843
Investment funds				
Open-ended investment funds	-	-	89,752,422	89,752,422
Open-ended investment funds - assets for coverage of unit-linked products	-	-	2,256,404	2,256,404
	-	-	92,008,826	92,008,826
Loans and receivables				
Deposits with credit institutions	72,306,099	-	650,000	72,956,099
Loans	78,562,858	-	-	78,562,858
	150,868,957	-	650,000	151,518,957
	380,105,537	695,005,827	93,181,942	1,168,293,306

The structure of financial liabilities as at 30 June 2025 and 31 December 2024 was as follows:

	30 June 2025	31 December 2024
	in EUR	in EUR
Lease liabilities	37,754,372	36,951,203
Derivative financial instruments	20,885	817,110
Preference shares	1,627,500	1,627,500
Liability for unpaid dividend	46,038,128	212,811
Other financial liabilities	1,706,758	20,999
	87,147,643	39,629,623

Share capital and shares

The Company's share capital with a nominal value of EUR 79,924 thousand as at 30 June 2025 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.

Liabilities

The structure of Company's liabilities as at 30 June 2025 and 31 December 2024 was as follows:

	30 June 2025			
	No later than 1 year	1-5 years	More than 5 years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	828,609	4,683,876	827,593	6,340,078
Financial liabilities	50,377,061	8,654,485	28,116,097	87,147,643
Other liabilities	48,618,129	3,771,563	1,160,666	53,550,358
Total	99,823,799	17,109,924	30,104,356	147,038,079

	31 December 2024			
	No later than 1 year	1-5 years	More than 5 years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	372,101	4,550,924	822,715	5,745,740
Financial liabilities	3,134,379	6,292,358	30,202,886	39,629,623
Other liabilities	47,031,394	4,025,268	915,991	51,972,653
Total	50,537,874	14,868,550	31,941,592	97,348,016

Deferred taxes

The Company on 30 June 2025 has recognized deferred tax assets and liabilities. There were no significant changes in deferred tax assets compared to 31 December 2024, 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 assets at fair value through other comprehensive income	Financial reserves from insurance contracts	Total
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	(398,087)	23,057	-	(375,030)
Changes through other comprehensive income	582,883	11,815,482	(2,902,548)	9,495,817
31 December 2024	1,464,944	20,534,661	3,976,023	25,975,628
Utilization of deferred tax liability through profit and loss account	(11,343)	(1,827,943)	-	(1,839,286)
Changes through other comprehensive income	-	11,718,929	(342,390)	11,376,539
30 June 2025	1,453,601	30,425,647	3,633,633	35,512,881

Commitments

As at 30 June 2025, the Company's contractual obligations for future investments amount to EUR 27.8m 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 465 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 half-year unaudited unconsolidated financial statements of the issuer for the period 1 January – 30 June 2025 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 July 2025

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