



**CROATIA[®]
OSIGURANJE**

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

**CONSOLIDATED UNAUDITED
HALF-YEAR REPORT,
FOR THE PERIOD
1 January 2022 – 30 June 2022**

Zagreb, July 2022

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 CONSOLIDATED FINANCIAL STATEMENTS

Annex 1		ISSUER'S GENERAL DATA	
Reporting period:	1.1.2022	to	30.6.2022
Year:	2022		
Quarter:	2		
Quarterly financial statements			
Registration number (MB):	03276147	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080051022		
Personal identification number (OIB):	26187994862	LEI:	74780000M0GHQ1VXJU20
Institution code:	199		
Name of the issuer:	CROATIA osiguranje d.d.		
Postcode and town:	10 000	ZAGREB	
Street and house number:	Vatroslava Jagića 33		
E-mail address:	info@crosig.hr		
Web address:	www.crosig.hr		
Number of employees (end of the reporting period):	3739		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):		Registered office:	MB:
	CROATIA PREMIUM d.o.o.	ZAGREB	01885880
	CORE 1 d.o.o.	ZAGREB	04570243
	AUTO MAKSIMIR VOZILA d.o.o.	ZAGREB	01804812
	CROATIA OSIGURANJE DD	MOSTAR	20097647
	MILENIJUM OSIGURANJE A.D.	BEOGRAD	7810318
	CROATIA OSIGURANJE AD. - ZA ŽIVOTNA OSIG.	SKOPJE	05920922
	CROATIA OSIGURANJE AD. - ZA NEŽIVOTNA OSIG.	SKOPJE	06479570
	CROATIA OSIGURANJE MIROVINSKO DRUŠTVO D.O.O.	ZAGREB	01731742
	RAZNE USLUGE D.O.O. - U LIKVIDACIJI	ZAGREB	01892037
	CROATIA - TEHNIČKI PREGLEDI D.O.O.	ZAGREB	01450930
	PBZ CROATIA OSIGURANJE DD	ZAGREB	01583999
	CO ZDRAVLJE D.O.O.	ZAGREB	04837550
	STRMEC PROJEKT d.o.o.	ZAGREB	02586649
	AGROSERVIS STP d.o.o.	VIROVITICA	01233033
	ASTORIA d.o.o.	ZAGREB	080339352
	CO LOGISTIKA d.o.o.	ZAGREB	081353961
Bookkeeping firm:	No	(Yes/No)	(name of the bookkeeping firm)
Contact person:	Jelena Matijević (only name and surname of the contact person)		
Telephone:	072 00 1884		
E-mail address:	izdavatelji@crosig.hr		
Audit firm:	(name of the audit firm)		
Certified auditor:	(name and surname)		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2022 - 30.6.2022

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
I Earned premiums (ADP 119 to 123)	118	323.123.097	1.237.195.690	1.560.318.787	244.255.554	1.331.576.956	1.575.832.510
1 Gross written premium	119	323.794.241	1.671.451.087	1.995.245.328	244.316.024	1.937.046.837	2.181.362.861
2 Value adjustment and charged premium value adjustment	120	0	9.031.070	9.031.070	0	2.120.287	2.120.287
3 Outward reinsurance premiums (-)	121	-44.082	-209.412.415	-209.456.497	-47.955	-268.316.996	-268.364.951
4 Change of gross provisions for unearned premiums (+/-)	122	-515.006	-317.975.507	-318.490.513	113.062	-445.525.212	-445.412.150
5 Change of provisions for unearned premiums, reinsurers' share (+/-)	123	-112.056	84.101.455	83.989.399	-125.577	106.252.040	106.126.463
II Income from investments (ADP 125 to 131)	124	60.710.537	192.053.248	252.763.785	65.962.478	193.844.758	259.807.236
1 Income from branches, associates and joint ventures.	125	958.918	25.604.446	26.563.364	1.578.458	38.927.173	40.505.631
2 Income from investment in land and buildings	126	88.049	51.956.816	52.044.865	40.468	56.036.881	56.077.349
3 Interest income	127	51.463.852	43.287.822	94.751.674	52.195.048	41.460.916	93.655.964
4 Unrealised gains on investments	128	4.710.389	21.049.638	25.760.027	2.423.476	11.227.816	13.651.292
5 Realised gains on investments	129	3.258.897	30.964.460	34.223.357	5.631.883	29.353.433	34.985.316
6 Net positive exchange rate differences	130	0	0	0	4.085.573	8.350.452	12.436.025
7 Other income from investments	131	230.432	19.190.066	19.420.498	7.572	8.488.087	8.495.659
III Income from commissions and fees	132	952.356	14.214.474	15.166.830	886.948	26.000.882	26.887.830
IV Other insurance-technical income, net amount from reinsurance	133	89.665	24.549.279	24.638.944	63.625	21.621.688	21.685.313
V Other income	134	105.837	76.159.674	76.265.511	186.462	93.491.425	93.677.887
VI Claims incurred, net (ADP 136 + 139)	135	-261.944.440	-639.337.888	-901.282.328	-245.709.499	-699.789.683	-945.499.182
1 Claims settled (ADP 137+138)	136	-271.202.407	-675.694.270	-946.896.677	-245.272.835	-655.890.964	-901.163.799
1.1 Gross amount (-)	137	-271.202.407	-768.575.831	-1.039.778.238	-245.272.835	-724.127.919	-969.400.754
1.2 Reinsurers' share (+)	138	0	92.881.561	92.881.561	0	68.236.955	68.236.955
2 Change in the provision for claims (+/-) (ADP 140+141)	139	9.257.967	36.356.382	45.614.349	-436.664	-43.898.719	-44.335.383
2.1 Gross amount	140	9.257.967	111.633.168	120.891.135	-436.664	-69.495.773	-69.932.437
2.3 Reinsurers' share	141	0	-75.276.786	-75.276.786	0	25.597.054	25.597.054
VII Change in mathematical provision and other technical provisions, net of reinsurance (ADP 143+146)	142	-48.180.633	-12.033.230	-60.213.863	-62.695.417	3.330.452	-59.364.965
1 Change in mathematical provisions (+/-) (ADP 144+145)	143	-48.180.633	2.648.500	-45.532.133	-62.695.417	1.710.583	-60.984.834
1.1 Gross amount (-)	144	-48.178.592	2.648.500	-45.530.092	-62.686.638	1.710.583	-60.976.055
1.2 Reinsurers' share (+)	145	-2.041	0	-2.041	-8.779	0	-8.779
2 Change in other technical provisions, net of reinsurance (+/-) (ADP 147+148)	146	0	-14.681.730	-14.681.730	0	1.619.869	1.619.869
2.1 Gross amount (-)	147	0	-14.808.584	-14.808.584	0	1.619.869	1.619.869
2.2 Reinsurers' share (+)	148	0	126.854	126.854	0	0	0
VIII Change of special provision for life assurance where policyholders bear the investment risk, net of reinsurance (+/-) (ADP 150+151)	149	918.940	0	918.940	68.572.014	0	68.572.014
1 Gross amount (-)	150	918.940	0	918.940	68.572.014	0	68.572.014
3 Reinsurers' share (+)	151	0	0	0	0	0	0
IX Cash payments for bonuses and rebates, net of reinsurance (ADP 153+154)	152	0	-5.932.527	-5.932.527	0	-7.773.104	-7.773.104
1 Performance-dependent (bonuses)	153	0	-4.134.436	-4.134.436	0	-5.626.751	-5.626.751
2 Performance-independent (rebates)	154	0	-1.798.091	-1.798.091	0	-2.146.353	-2.146.353

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2022 - 30.6.2022

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
X Operating expenses (business expenditures), net (ADP 156+160)	155	-35.861.609	-585.001.305	-620.862.914	-27.663.114	-649.059.902	-676.723.016
1 Acquisition costs (ADP 157 to 159)	156	-17.855.672	-300.812.128	-318.667.800	-12.899.994	-338.586.383	-351.486.377
1.1 Commission	157	-6.411.974	-166.179.040	-172.591.014	-6.303.762	-206.211.840	-212.515.602
1.2 Other acquisition costs	158	-11.443.698	-153.941.205	-165.384.903	-6.596.232	-166.034.503	-172.630.735
1.3 Change in deferred acquisition costs	159	0	19.308.117	19.308.117	0	33.659.960	33.659.960
2 Administration expenses (administrative costs) (ADP 161 to 163)	160	-18.005.937	-284.189.177	-302.195.114	-14.763.120	-310.473.519	-325.236.639
2.1 Depreciation	161	-1.761.745	-38.326.797	-40.088.542	-1.276.528	-44.193.070	-45.469.598
2.2 Salaries, taxes and contributions from/on salaries	162	-6.515.979	-93.084.685	-99.600.664	-6.320.080	-114.896.328	-121.216.408
2.3 Other administration expenses	163	-9.728.213	-152.777.695	-162.505.908	-7.166.512	-151.384.121	-158.550.633
XI Investment expenses (ADP 165 to 171)	164	-20.473.236	-37.183.627	-57.656.863	-3.788.214	-44.508.352	-48.296.566
1 Depreciation of land and buildings not occupied by an undertaking for its own activities	165	0	0	0	0	0	0
2 Interest	166	-546.061	-5.017.767	-5.563.828	-308.125	-5.676.893	-5.985.018
3 Impairment of investments	167	0	-592.024	-592.024	-1.032.515	-2.209.408	-3.241.923
4 Realised loss on investments	168	-1.377.142	-3.247.515	-4.624.657	-309.867	-4.264.713	-4.574.580
5 Unrealised loss on investments	169	-600.228	-2.696.741	-3.296.969	-1.221.106	-13.538.829	-14.759.935
6 Net negative exchange rate differences	170	-16.980.814	-7.539.368	-24.520.182	0	0	0
7 Other investment expenses	171	-968.991	-18.090.212	-19.059.203	-916.601	-18.818.509	-19.735.110
XII Other technical expenses, net of reinsurance (ADP 173+174)	172	-1.237.010	-30.344.317	-31.581.327	-662.790	-29.642.611	-30.305.401
1 Expenses of preventive activities	173	0	-604.052	-604.052	0	-583.345	-583.345
2 Other technical expenses of insurance	174	-1.237.010	-29.740.265	-30.977.275	-662.790	-29.059.266	-29.722.056
XIII Other activities, including value adjustments	175	-5.858	-569.443	-575.301	-4.948	-13.725.688	-13.730.636
XIV Profit or loss for the accounting period before tax (+/-) (ADP 118+124+132 to 135+142+149+152+155+164+172+175)	176	18.197.646	233.770.028	251.967.674	39.403.099	225.366.821	264.769.920
XV Profit or loss tax (ADP 178+179)	177	-3.199.029	-39.982.215	-43.181.244	-7.533.794	-35.340.671	-42.874.465
1 Current tax expense	178	-3.199.029	-40.076.930	-43.275.959	-7.533.794	-34.677.613	-42.211.407
2 Deferred tax expense (income)	179	0	94.715	94.715	0	-663.058	-663.058
XVI Profit or loss for the accounting period after tax (+/-) (ADP 176+177)	180	14.998.617	193.787.813	208.786.430	31.869.305	190.026.150	221.895.455
1 Attributable to owners of the parent	181	14.984.427	193.543.640	208.528.067	31.837.115	189.881.683	221.718.798
2 Attributable to non-controlling interest	182	14.190	244.173	258.363	32.190	144.467	176.657
XVII TOTAL INCOME (ADP 118+124+132+133+134+179)	183	384.981.492	1.544.267.080	1.929.248.572	311.355.067	1.665.872.651	1.977.227.718
XVIII TOTAL EXPENSES (ADP 135+142+149+152+155+164+172+175+178)	184	-369.982.875	-1.350.479.267	-1.720.462.142	-279.485.762	-1.475.846.501	-1.755.332.263
IX Other comprehensive income (ADP 186 to 193)	185	-5.140.258	95.495.657	90.355.399	-187.212.090	-246.502.097	-433.714.187
1 Gains/losses arising from translation of financial statements relating to foreign operations	186	-980.501	-984.988	-1.965.489	71.383	378.212	449.595
2 Gains/losses arising from the revaluation of financial assets available for sale	187	-6.375.475	117.609.682	111.234.207	-224.921.074	-297.032.935	-521.954.009
3 Gains/losses arising from the revaluation of land and buildings occupied by an undertaking for its own activities	188	0	0	0	0	0	0
4 Gains/losses arising from the revaluation of other tangible (other than land and property) and intangible assets	189	0	0	0	0	0	0
5 Effects of cash flow hedging instruments	190	0	0	0	0	0	0
6 Actuarial gains/losses on pension plans with defined pensions	191	0	0	0	0	0	0
7 Share in other comprehensive income of associates	192	0	0	0	0	0	0
8 Income tax on other comprehensive income	193	2.215.718	-21.129.037	-18.913.319	37.637.601	50.152.626	87.790.227
XX Total comprehensive income (ADP 180 +185)	194	9.858.359	289.283.470	299.141.829	-155.342.785	-56.475.947	-211.818.732
1 Attributable to owners of the parent	195	9.850.146	289.053.862	298.904.008	-155.376.071	-56.608.986	-211.985.057
2 Attributable to non-controlling interests	196	8.213	229.608	237.821	33.286	133.039	166.325
XXI Reclassification adjustments	197	0	0	0	0	0	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.6.2022

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
ASSETS							
A) INTANGIBLE ASSETS (ADP 002 +003)	001	472.132	143.869.010	144.341.142	430.469	148.965.094	149.395.563
1 Goodwill	002	0	0	0	0	0	0
2 Other intangible assets	003	472.132	143.869.010	144.341.142	430.469	148.965.094	149.395.563
B) TANGIBLE ASSETS (ADP 005 to 007)	004	17.732.515	799.689.323	817.421.838	17.546.152	804.885.699	822.431.851
1 Land and buildings occupied by an undertaking for its own activities	005	13.689.938	402.155.214	415.845.152	13.610.957	399.352.223	412.963.180
2 Equipment	006	271.955	79.170.914	79.442.869	448.333	85.309.860	85.758.193
3 Other tangible assets and inventories	007	3.770.622	318.363.195	322.133.817	3.486.862	320.223.616	323.710.478
C) INVESTMENTS (ADP 009+010+014+033)	008	3.814.231.702	6.395.107.932	10.209.339.634	3.669.442.396	6.297.045.910	9.966.488.306
I Investments in land and buildings not occupied by an undertaking for its own activities	009	1.287.178	1.070.658.666	1.071.945.844	1.289.047	1.067.719.853	1.069.008.900
II Investments in branches, associates and joint ventures (ADP 011 to 013)	010	0	72.411.760	72.411.760	0	67.298.373	67.298.373
1 Shares and holdings in branches	011	0	0	0	0	0	0
2 Shares and holdings in associates	012	0	4.778.185	4.778.185	0	5.288.035	5.288.035
3 Shares and holdings in joint ventures	013	0	67.633.575	67.633.575	0	62.010.338	62.010.338
III Financial assets (ADP 015+018+023+029)	014	3.812.944.524	5.252.037.506	9.064.982.030	3.668.153.349	5.162.027.684	8.830.181.033
1 Financial assets held to maturity (ADP 016+017)	015	1.279.408.121	1.128.479.246	2.407.887.367	1.295.434.446	1.153.909.551	2.449.343.997
1.1 Debt financial instruments	016	1.279.408.121	1.128.479.246	2.407.887.367	1.295.434.446	1.153.909.551	2.449.343.997
1.2 Other	017	0	0	0	0	0	0
2 Financial assets available for sale (ADP 019 to 022)	018	2.256.877.011	3.564.079.383	5.820.956.394	2.093.001.786	3.466.257.685	5.559.259.471
2.1 Equity financial instruments	019	78.874.762	794.171.621	873.046.383	85.691.892	756.920.397	842.612.289
2.2 Debt financial instruments	020	2.073.289.542	2.449.521.308	4.522.810.850	1.898.291.077	2.419.164.101	4.317.455.178
2.3 Units in investment funds	021	104.712.707	320.386.454	425.099.161	109.018.817	290.173.187	399.192.004
2.4 Other	022	0	0	0	0	0	0
3 Financial assets at fair value through statement of profit or loss (ADP 024 to 028)	023	5.183.476	50.361.276	55.544.752	7.593.720	62.037.599	69.631.319
3.1 Equity financial instruments	024	0	25.765.552	25.765.552	0	23.485.106	23.485.106
3.2 Debt financial instruments	025	0	0	0	0	0	0
3.3 Derivative financial instruments	026	309.553	2.723.833	3.033.386	2.106.412	10.680.090	12.786.502
3.4 Units in investment funds	027	4.873.923	21.871.891	26.745.814	5.487.308	27.872.403	33.359.711
3.5 Other	028	0	0	0	0	0	0
4 Loans and receivables (ADP 030 to 032)	029	271.475.916	509.117.601	780.593.517	272.123.397	479.822.849	751.946.246
4.1 Deposits with credit institutions	030	223.330.823	324.013.977	547.344.800	228.486.797	307.339.458	535.826.255
4.2 Loans	031	47.426.249	38.601.483	86.027.732	42.755.455	33.104.796	75.860.251
4.3 Other	032	718.844	146.502.141	147.220.985	881.145	139.378.595	140.259.740
IV Deposits with cedants	033	0	0	0	0	0	0
D) INVESTMENTS FOR THE ACCOUNT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK	034	376.481.979	0	376.481.979	297.476.511	0	297.476.511
E) REINSURANCE AMOUNT IN TECHNICAL PROVISIONS (ADP 036 to 042)	035	164.115	348.954.558	349.118.673	29.784	480.790.495	480.820.279
1 Provisions for unearned premiums, reinsurance amount	036	143.488	81.788.923	81.932.411	17.936	188.048.561	188.066.497
2 Mathematical provision, reinsurance amount	037	20.627	0	20.627	11.848	0	11.848
3 Claims outstanding, reinsurance amount	038	0	267.041.716	267.041.716	0	292.617.648	292.617.648
4 Provisions for bonuses and rebates, reinsurance amount	039	0	123.919	123.919	0	124.286	124.286
5 Equalization provision, reinsurance amount	040	0	0	0	0	0	0
6 Other technical provisions, reinsurance amount	041	0	0	0	0	0	0
7 Special provisions for life assurance where policyholders bear the investment risk, reinsurance amount	042	0	0	0	0	0	0
F) DEFERRED AND CURRENT TAX ASSETS (ADP 044 +045)	043	2.125.392	82.469.832	84.595.224	2.125.392	107.786.376	109.911.768
1 Deferred tax assets	044	2.125.392	70.777.210	72.902.602	2.125.392	70.875.036	73.000.428
2 Current tax assets	045	0	11.692.622	11.692.622	0	36.911.340	36.911.340
G) RECEIVABLES (ADP 047+050+051)	046	47.134.307	1.022.187.283	1.069.321.590	40.669.538	1.385.047.858	1.425.717.396
1 Receivables arising from insurance business (ADP 048+049)	047	233.896	583.556.745	583.790.641	233.896	954.941.907	955.175.803
1.1 From policyholders	048	0	583.444.369	583.444.369	0	954.334.847	954.334.847
1.2 From insurance agents or insurance brokers	049	233.896	112.376	346.272	233.896	607.060	840.956
2 Receivables arising from reinsurance business	050	128.630	150.534.850	150.663.480	747	113.899.977	113.900.724
3 Other receivables (ADP 052 to 054)	051	46.771.781	288.095.688	334.867.469	40.434.895	316.205.974	356.640.869
3.1 Receivables arising from other insurance operations	052	0	133.942.791	133.942.791	0	134.435.564	134.435.564
3.2 Receivables for investment income	053	386.389	140.639	527.028	251.234	179.628	430.862
3.3 Other receivables	054	46.385.392	154.012.258	200.397.650	40.183.661	181.590.782	221.774.443
H) OTHER ASSETS (ADP 056+060+061)	055	57.404.797	711.958.881	769.363.678	72.122.418	759.254.960	831.377.378
1 Cash at bank and in hand (ADP 057 to 059)	056	57.404.797	703.157.606	760.562.403	72.122.418	750.120.442	822.242.860
1.1 Funds in the business account	057	8.255.075	702.705.594	710.960.669	6.179.680	748.908.269	755.087.949
1.2 Funds in the account of assets covering mathematical provisions	058	49.148.673	0	49.148.673	65.942.353	0	65.942.353
1.3 Cash in hand	059	1.049	452.012	453.061	385	1.212.173	1.212.558
2 Fixed assets held for sale and termination of business operations	060	0	1.731.115	1.731.115	0	1.737.249	1.737.249
3 Other	061	0	7.070.160	7.070.160	0	7.397.269	7.397.269
I) PREPAYMENTS AND ACCRUED INCOME (ADP 063 to 065)	062	1.563.722	269.261.313	270.825.035	1.240.322	311.085.607	312.325.929
1 Deferred interest and rent	063	0	384.071	384.071	0	356.464	356.464
2 Deferred acquisition costs	064	0	236.929.796	236.929.796	0	270.644.697	270.644.697
3 Other prepayments and accrued income	065	1.563.722	31.947.446	33.511.168	1.240.322	40.084.446	41.324.768
J) TOTAL ASSETS (ADP 001+004+008+034+035+043+046+055+062)	066	4.317.310.661	9.773.498.132	14.090.808.793	4.101.082.982	10.294.861.999	14.395.944.981
K) OFF-BALANCE SHEET ITEMS	067	298.481.477	3.175.257.358	3.473.738.835	302.718.927	3.082.548.718	3.385.267.645

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.6.2022

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
LIABILITIES							
A) CAPITAL AND RESERVES (ADP 069+072+073+077+081+084)	068	542.627.107	4.058.521.258	4.601.148.365	387.704.636	4.001.642.496	4.389.347.132
1 Subscribed capital (ADP 070 to 071)	069	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
1.1 Paid in capital - ordinary shares	070	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
1.2 Paid in capital - preference shares	071	0	0	0	0	0	0
2 Premium on shares issued (capital reserves)	072	0	681.482.525	681.482.525	0	681.482.525	681.482.525
3 Revaluation reserves (ADP 074 to 076)	073	147.476.155	548.957.110	696.433.265	-39.737.031	301.615.424	261.878.393
3.1 Land and buildings	074	0	106.333.697	106.333.697	0	105.499.095	105.499.095
3.2 Financial assets available for sale	075	147.476.155	442.457.823	589.933.978	-39.737.031	195.950.739	156.213.708
3.3 Other revaluation reserves	076	0	165.590	165.590	0	165.590	165.590
4 Reserves (ADP 078 to 080)	077	85.295.937	316.742.638	402.038.575	85.295.937	316.742.638	402.038.575
4.1 Legal reserves	078	2.214.436	27.864.354	30.078.790	2.214.436	27.864.354	30.078.790
4.2 Statutory reserve	079	7.581.501	139.638.499	147.220.000	7.581.501	139.638.499	147.220.000
4.3 Other reserves	080	75.500.000	149.239.785	224.739.785	75.500.000	149.239.785	224.739.785
5 Retained profit or loss brought forward (ADP 082 + 083)	081	252.230.964	1.617.294.890	1.869.525.854	266.019.895	1.966.883.146	2.232.903.041
5.1 Retained profit	082	252.230.964	1.617.294.890	1.869.525.854	266.019.895	1.966.883.146	2.232.903.041
5.2 Loss brought forward (-)	083	0	0	0	0	0	0
6 Profit or loss for the current accounting period (ADP 085+086)	084	13.335.331	349.007.015	362.342.346	31.837.115	189.881.683	221.718.798
6.1 Profit for the current accounting period	085	13.335.331	349.007.015	362.342.346	31.837.115	189.881.683	221.718.798
6.2 Loss for the current accounting period(-)	086	0	0	0	0	0	0
B) SUBORDINATE LIABILITIES	087	0	0	0	0	0	0
C) MINORITY INTEREST	088	821.750	9.349.523	10.171.273	868.487	9.221.467	10.089.954
D) TECHNICAL PROVISIONS (ADP 090 to 095)	089	3.235.659.788	4.396.227.440	7.631.887.228	3.298.974.945	4.909.034.985	8.208.009.930
1 Provisions for unearned premiums, gross amount	090	6.639.516	1.494.855.949	1.501.495.465	6.527.016	1.940.974.197	1.947.501.213
2 Mathematical provisions, gross amount	091	3.126.810.816	6.553.376	3.133.364.192	3.187.671.787	4.842.794	3.192.514.581
3 Claims outstanding, gross amount	092	102.209.456	2.847.892.563	2.950.102.019	102.663.529	2.917.892.818	3.020.556.347
4 Provisions for bonuses and rebates, gross amount	093	0	24.175.940	24.175.940	0	24.910.367	24.910.367
5 Equalization provision, gross amount	094	0	7.055.533	7.055.533	0	7.055.533	7.055.533
6 Other technical provisions, gross amount	095	0	15.694.079	15.694.079	2.112.613	13.359.276	15.471.889
E) SPECIAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK, gross amount	096	376.481.979	0	376.481.979	297.476.511	0	297.476.511
F) OTHER PROVISIONS (ADP 098 + 099)	097	4.397.636	66.183.483	70.581.119	2.985.437	52.427.987	55.413.424
1 Provisions for pensions and similar obligations	098	3.994.621	63.595.466	67.590.087	2.768.114	49.803.210	52.571.324
2 Other provisions	099	403.015	2.588.017	2.991.032	217.323	2.624.777	2.842.100
G) DEFERRED AND CURRENT TAX LIABILITIES (ADP 101 + 102)	100	30.065.787	192.016.345	222.082.132	-1.607.463	147.674.876	146.067.413
1 Deferred tax liability	101	28.818.637	154.880.088	183.698.725	-9.141.222	105.298.502	96.157.280
2 Current tax liability	102	1.247.150	37.136.257	38.383.407	7.533.759	42.376.374	49.910.133
H) DEPOSITS HELD UNDER BUSINESS CEDED	103	0	0	0	0	0	0
I) FINANCIAL LIABILITIES (ADP 105 to 107)	104	24.048.547	394.592.699	418.641.246	3.950.031	344.733.751	348.683.782
1 Loan liabilities	105	0	2.647.724	2.647.724	0	2.138.362	2.138.362
2 Liabilities for issued financial instruments	106	0	0	0	0	0	0
3 Other financial liabilities	107	24.048.547	391.944.975	415.993.522	3.950.031	342.595.389	346.545.420
J) OTHER LIABILITIES (ADP 109 to 112)	108	72.602.199	388.044.337	460.646.536	101.370.477	487.166.957	588.537.434
1 Liabilities from direct insurance business	109	2.592.849	101.831.575	104.424.424	3.645.712	110.119.498	113.765.210
2 Liabilities from coinsurance and reinsurance business	110	18.567	116.272.399	116.290.966	18.683	206.801.355	206.820.038
3 Liabilities for disposal and discontinued operations	111	0	11.819	11.819	0	8.414	8.414
4 Other liabilities	112	69.990.783	169.928.544	239.919.327	97.706.082	170.237.690	267.943.772
K) ACCRUALS AND DEFERRED INCOME (ADP 114+115)	113	30.605.868	268.563.047	299.168.915	9.359.921	342.959.480	352.319.401
1 Deferred reinsurance commission	114	0	8.988.308	8.988.308	0	24.715.646	24.715.646
2 Other accruals and deferred income	115	30.605.868	259.574.739	290.180.607	9.359.921	318.243.834	327.603.755
J) TOTAL LIABILITIES (ADP 068+087+088+089+096+097+100+103+104+108+113)	116	4.317.310.661	9.773.498.132	14.090.808.793	4.101.082.982	10.294.861.999	14.395.944.981
M) OFF-BALANCE SHEET ITEMS	117	298.481.477	3.175.257.358	3.473.738.835	302.718.927	3.082.548.718	3.385.267.645

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2022 - 30.6.2022

in HRK

Item	ADP code	Attributable to owners of the parent							Total capital and reserves (3 to 8)	Attributable to non-controlling interest	Total capital and reserves (9+10)
		Paid in capital (ordinary and preference shares)	Premium on shares issued	Revaluation reserves	Reserves (legal, statutory, other)	Retained profit or loss brought forward	Profit/loss for the year				
1	2	3	4	5	6	7	8	9	10	11	
I Balance on the first day of the previous business year	1	589.325.800	681.482.525	568.449.623	402.038.575	1.538.153.217	327.902.069	4.107.351.809	12.654.441	4.120.006.250	
Change in accounting policies	2	0	0	0	0	0	0	0	0	0	
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0	
II Balance on the first day of the previous business year (restated)	4	589.325.800	681.482.525	568.449.623	402.038.575	1.538.153.217	327.902.069	4.107.351.809	12.654.441	4.120.006.250	
III Comprehensive income or loss for the same period of the previous year (ADP 006 + ADP 007)	5	0	0	130.012.326	0	0	362.342.346	492.354.672	417.356	492.772.028	
Profit or loss for the period	6	0	0	0	0	0	362.342.346	362.342.346	414.927	362.757.273	
2 Other comprehensive income or loss for the same period of the previous year (ADP 008 to ADP 11)	7	0	0	130.012.326	0	0	0	130.012.326	2.429	130.014.755	
Unrealised gains or losses on tangible assets (land and buildings)	8	0	0	-3.889.180	0	0	0	-3.889.180	6.012	-3.883.168	
Unrealised gains or losses on financial assets available for sale	9	0	0	160.194.552	0	0	0	160.194.552	-6.985	160.187.567	
Realised gains or losses on financial assets available for sale	10	0	0	-25.615.096	0	0	0	-25.615.096	0	-25.615.096	
Other changes in equity unrelated to owners	11	0	0	-677.950	0	0	0	-677.950	3.402	-674.548	
IV Transactions with owners (previous period)	12	0	0	-2.028.684	0	331.372.637	-327.902.069	1.441.884	-2.900.524	-1.458.640	
Increase/decrease in subscribed capital	13	0	0	0	0	0	0	0	0	0	
Other contributions by owners	14	0	0	0	0	1.131.514	0	1.131.514	-2.785.495	-1.653.981	
Payment of share in profit/dividend	15	0	0	0	0	0	0	0	-134.972	-134.972	
Other distribution to owners	16	0	0	-2.028.684	0	330.241.123	-327.902.069	310.370	19.943	330.313	
V Balance on the last day of the previous business year reporting period	17	589.325.800	681.482.525	696.433.265	402.038.575	1.869.525.854	362.342.346	4.601.148.365	10.171.273	4.611.319.638	
VI Balance on the first day of the current business year	18	589.325.800	681.482.525	696.433.265	402.038.575	1.869.525.854	362.342.346	4.601.148.365	10.171.273	4.611.319.638	
Change in accounting policies	19	0	0	0	0	0	0	0	0	0	
Correction of errors from prior periods	20	0	0	0	0	0	0	0	0	0	
VII Balance on the first day of the current business year (restated)	21	589.325.800	681.482.525	696.433.265	402.038.575	1.869.525.854	362.342.346	4.601.148.365	10.171.273	4.611.319.638	
VIII Comprehensive income or loss for the year	22	0	0	-433.703.855	0	0	221.718.798	-211.985.057	166.325	-211.818.732	
Profit or loss for the period	23	0	0	0	0	0	221.718.798	221.718.798	176.657	221.895.455	
Other comprehensive income or loss for the year	24	0	0	-433.703.855	0	0	0	-433.703.855	-10.332	-433.714.187	
Unrealised gains or losses on tangible assets (land and buildings)	25	0	0	0	0	0	0	0	0	0	
Unrealised gains or losses on financial assets available for sale	26	0	0	-409.001.796	0	0	0	-409.001.796	-14.795	-409.016.591	
Realised gains or losses on financial assets available for sale	27	0	0	-25.147.191	0	0	0	-25.147.191	0	-25.147.191	
Other changes in equity unrelated to owners	28	0	0	445.132	0	0	0	445.132	4.463	449.595	
Transactions with owners (current period)	29	0	0	-851.017	0	363.377.187	-362.342.346	183.824	-247.644	-63.820	
Increase/decrease in subscribed capital	30	0	0	0	0	0	0	0	0	0	
Other contributions by owners	31	0	0	0	0	0	0	0	0	0	
Payment of share in profit/dividend	32	0	0	0	0	0	0	0	-247.644	-247.644	
Other transactions with owners	33	0	0	-851.017	0	363.377.187	-362.342.346	183.824	0	183.824	
Balance on the last day of the current year reporting period	34	589.325.800	681.482.525	261.878.393	402.038.575	2.232.903.041	221.718.798	4.389.347.132	10.089.954	4.399.437.086	

CONSOLIDATED STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2022 - 30.6.2022

in HRK

Item	ADP code	Same period of the previous year	Current business period
1	2	3	4
I Cash flow from operating activities (ADP 002+013+031)	001	-76.820.309	83.199.565
1 Cash flow before changes in operating assets and liabilities (ADP 003+004)	002	140.991.855	168.744.978
1.1 Profit/loss before tax	003	251.967.674	264.769.920
1.2 Adjustments: (ADP 005 to 012)	004	-110.975.819	-96.024.942
1.2.1 Depreciation of property and equipment	005	27.301.806	31.687.761
1.2.2 Amortization of intangible assets	006	12.786.736	13.781.837
1.2.3 Impairment and gains/losses on fair valuation	007	-33.727.256	-13.725.372
1.2.4 Interest expenses	008	5.563.828	5.985.018
1.2.5 Interest income	009	-94.751.674	-93.655.964
1.2.6 Share in profit of associates	010	-5.505.684	-5.385.489
1.2.7 Profit/loss from the sale of tangible assets (including land and buildings)	011	-590.991	-885.682
1.2.8 Other adjustments	012	-22.052.584	-33.827.051
2 Increase/decrease in operating assets and liabilities (ADP 014 to 030)	013	-189.242.867	-41.150.304
2.1 Increase/decrease in financial assets available for sale	014	-462.011.739	-203.192.597
2.2 Increase/decrease in financial assets at fair value through statement of profit or loss	015	10.592.436	-6.289.004
2.3 Increase/decrease in loans and receivables	016	220.642.368	7.648.361
2.4 Increase/decrease in deposits with cedants	017	0	0
2.5 Increase/decrease in investments for the account of life assurance policyholders who bear the investment risk	018	3.218.081	79.005.468
2.6 Increase/decrease in reinsurance amount in technical provisions	019	-8.638.675	-131.701.605
2.7 Increase/decrease in tax assets	020	-18.587.757	-25.979.602
2.8 Increase/decrease in receivables	021	-372.497.759	-325.919.832
2.9 Increase/decrease in other assets	022	0	0
2.10 Increase/decrease in prepayments and accrued income	023	6.979.168	-41.500.893
2.11 Increase/decrease in technical provisions	024	251.629.441	576.122.702
2.12 Increase/decrease in special provisions for life assurance where policyholders bear the investment risk	025	-3.218.081	-79.005.468
2.13 Increase/decrease in tax liabilities	026	15.487.102	14.145.479
2.14 Increase/decrease in deposits held under reinsurance business ceded	027	0	0
2.15 Increase/decrease in financial liabilities	028	43.780.844	-71.336.999
2.16 Increase/decrease in other liabilities	029	92.891.286	113.703.199
2.17 Increase/decrease in accruals and deferred income	030	30.490.418	53.150.487
3 Income tax paid	031	-28.569.297	-44.395.109
II CASH FLOW FROM INVESTING ACTIVITIES (ADP 033 to 046)	032	9.163.704	10.286.552
1 Cash receipts from the sale of tangible assets	033	304.465	424.054
2 Cash payments for the purchase of tangible assets	034	-11.826.140	-25.823.541
3 Cash receipts from the sale of intangible assets	035	0	0
4 Cash payments for the purchase of intangible assets	036	-34.367.453	-18.762.757
5 Cash receipts from the sale of land and buildings not occupied by an undertaking for its own activities	037	2.156.942	6.484.479
6 Cash payments for the purchase of land and buildings not occupied by an undertaking for its own activities	038	-2.562.116	-1.370.410
7 Increase/decrease of investments in branches, associates and joint ventures.	039	8.106.958	10.500.000
8 Cash receipts from financial assets held to maturity	040	60.905.399	47.408.847
9 Cash payments for financial assets held to maturity	041	-60.578.265	-47.856.427
10 Cash receipts from the sale of financial instruments	042	0	0
11 Cash payments for investments in financial instruments	043	0	0
12 Cash receipts from dividends and share in profit	044	18.968.359	6.999.510
13 Cash receipts from repayments of short-term and long-term loans given	045	45.105.602	42.304.501
14 Cash payments for short-term and long-term loans	046	-17.050.047	-10.021.704
III CASH FLOW FROM FINANCING ACTIVITIES (ADP 048 to 052)	047	-15.421.365	-19.036.392
1 Cash receipts resulting from the increase of initial capital	048	0	0
2 Cash receipts from short-term and long-term loans received	049	0	0
3 Cash payments for the repayment of short-term and long-term loans received	050	-15.286.393	-17.808.748
4 Cash payments for the redemption of treasury shares	051	0	0
5 Cash payments of share in profit (dividend)	052	-134.972	-1.227.644
NET CASH FLOW (ADP 001 + 032 + 047)	053	-83.077.970	74.449.725
IV EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	054	24.520.182	-12.436.025
V NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (053+054)	055	-58.557.788	62.013.700
Cash and cash equivalents at the beginning of period	056	662.448.984	769.363.678
Cash and cash equivalents at the end of period (ADP 055 + 056)	057	603.891.196	831.377.378

II. HALF-YEAR MANAGEMENT REPORT

In the period observed, the CROATIA osiguranje Group, operating in Croatia and the markets of the region (BiH, North Macedonia, Serbia and Slovenia), achieved consolidated profit after tax and non-controlling interest in the amount of HRK 221.7m, which represents an increase of 6.3 percent compared to the comparative period of the previous year.

Gross written premium for the reporting period amounted to HRK 2,181.4m, which represents an increase of 9.3 percent compared to the comparative period of the previous year. Gross written premium of non-life insurance amounted to HRK 1,937m which represents an increase by 15.9 percent. Gross written premium of life insurance decreased by 24.5 percent and amounted to HRK 244.3m.

Earned premium for the reporting period amounted to HRK 1,575.8m, which represents 79.7 percent of total income and an increase of 1 percent compared to the comparative period of the previous year.

In the non-life and life insurance business, the Group has achieved income from investments in the amount of HRK 259.8m, which represents an increase of 2.8 percent compared to the comparative period of the previous year. Income from investments represents 13.1 percent of total income. Investment expenses amounted to HRK 48.3m, which represents a decrease of 16.2 percent compared to the comparative period of the previous year. Investment expenses represent 2.8 percent of total expenses.

Net claims incurred for the reporting period represent 55.2 percent of total expenses and amounted to HRK 945.5m, which represents an increase of 4.9 percent compared to the same period of the previous year, while claims settled amounted to HRK 901.2m, representing a decrease of 4.8 percent compared to the same period of the previous year.

Acquisition and administration costs amounted to HRK 676.7m, representing 39.5 percent of total expenses of the Group. Acquisition and administration costs increased by 9 percent compared to the comparative period of the previous year.

Total assets of the Group as at 30 June 2022 amounted to HRK 14.4 billion, representing an increase of 2.2 percent compared to 31 December 2021.

Technical reserves as at 30 June 2022 amounted to HRK 8.2 billion, representing an increase of 7.5 percent compared to 31 December 2021.

Unaudited consolidated financial statements for the first half-year of 2022 will be available on the web sites of CROATIA osiguranje d.d., Zagreb Stock Exchange and Officially appointed mechanism for the central storage of regulated information.

Significant business events in the reporting period

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

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

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

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

Impact of the COVID-19 pandemic on the Group's operations

In the first half of 2022, there was a significant improvement in the epidemiological situation related to the COVID-19 pandemic. Accordingly, no significant negative impacts of the pandemic on the Group's operations have been identified, which is confirmed by the results of the Group's operations and the Group's strong solvency ratio of 232% as of 31 March 2022. Despite this, and primarily due to the risk of epidemiological situation deteriorating in the second half of the year, the Company continuously monitors the situation and continues to act with caution. Thus, the Group continues to assess the possible impacts of the pandemic on its operations, analysing the effects of a possible increase in the frequency of claims due to the normalization of the epidemiological situation, but also possible negative effects in the event of a new escalation of the pandemic in the second half of the year. In addition, there are risks indirectly caused or triggered by the COVID-19 pandemic. Firstly, this refers to supply chain disruptions, which continue to have a negative impact on certain segments of economic activity, and since February have been further reinforced by the negative impact of the war in Ukraine, which has global effects. Also, a long-term increased level of inflation could have negative effects on the Group's operations, through a decrease of realized premium if there is a significant drop in the purchasing power of citizens, an increase in average claims and an increase in the Group's operating costs. The rise in interest rates on the financial markets, which further intensified after the escalation of the war in Ukraine, had negative effects primarily in the form of lower market valuations and a decline in the value of financial instruments, but currently does not cause significant difficulties for the Group, due to the adequate alignment of assets and liabilities. On the other hand, the increase in interest rates enables new investments by the Group with slightly higher yields.

The mentioned effects of the pandemic and other related events could be realized or, in the case of a negative scenario, further intensified in the future, and therefore the Group will continue to have the special emphasis on monitoring the situation and taking timely measures to mitigate the potential negative consequences on its operations.

The Russian-Ukrainian crisis

The ongoing war in Ukraine and the related sanctions targeted against the Russian Federation are affecting the European economies and globally, primarily in the form of rising energy prices and the spill over of inflationary effects on economies as a whole. The Group has no direct operations in insurance and reinsurance business with Russia and Ukraine (nor with reinsurance companies, brokers, MGA agencies, etc.). In addition, reinsurance contracts through the Sanction & Embargo clause exempt reinsurance transactions with states under any sanctions and the terms of insurance on the direct side exclude war damage. The Group has an exposure to insurance policyholders who are members of certain companies related to entities from Russia and does not expect a significant adverse effect on the ability to collect these receivables in the short term, ie. as a direct consequence of the war in Ukraine. In case of collection receivables inability, the Group disposes of receivables insurance instruments that can be activated as part of compulsory collection if necessary. Furthermore, the Group's certain investments are to some extent exposed to operations in Russia – shareholdings in individual companies and investments in debt instruments of EU issuers that have a slightly more exposed part of operations in Russia. These exposures are not material in terms of business threats and considering the size of the total investment portfolio. The aforementioned indirect exposures may have a negative impact on the Group's results in the event of escalation, which cannot be precisely quantified due to uncertainty and market volatility. However, based on the internal analysis of the impact of the Russian-Ukrainian crisis, as well as the sanctions imposed on Russia, the Group expects to maintain financial stability and a further high level of solvency (SCR ratio). In addition, at the date of these financial statements the Group continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation.

Dividend payment

The General Assembly of CROATIA osiguranje d.d. on 26 May 2022, passed the Decision on the use of the profits of CROATIA osiguranje d.d. achieved in 2021. A dividend was voted for 8,750 preferred shares in the amount of HRK 112.00 per share, i.e. in the amount of HRK 980,000.00. The dividend was paid on 23 June 2022.

Significant events after the end of the reporting date

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

Expected development in the future

In the future, an increase in the negative effects and trends resulting from the COVID-19 pandemic, the Russian-Ukrainian crisis and other global macroeconomic trends is expected. In addition to the already present effect of delays in the delivery of new vehicles (waiting from six months to a year or more) due to the global problem in supply chains, there are also strong inflationary pressures. Rising prices of basic commodities and energy products (gas, oil) will reduce the amount of the household disposable income for specific essentials, which include some insurance products such as voluntary insurance. The negative effects on the demand side for insurance products will be partially mitigated by the increase in the minimum wage in the Republic of Croatia as well as the pressure on wage growth in general, but at the same time it will cause inflationary pressures on the cost side through increased amount of claims due to higher labour costs and repairs that may consequently lead to the need for price corrections of insurance products.

As a result of the significant increase in market interest rates from the beginning of 2022, increase in the life insurance premium is possible, especially for part of life insurance products which has grown much slower in recent years due to the pandemic and low interest rates environment.

At the beginning of 2023, two major regulatory changes will take place: the introduction of the euro as the official currency of the Republic of Croatia and changes in the accounting standards for insurance companies (IFRS 17 and IFRS 9). Accordingly, 2022 will be a year of major IT investments and changes, which due to the state of available resources in the IT market will be a significant challenge for all insurance companies in the Republic of Croatia. Extensive adaptations to regulatory changes are in progress, and Croatia osiguranje, in accordance with the decision of the Council of the European Union on the fixed kuna to euro conversion rate, as the first insurer in Croatia and before the legal obligation, prepared a dual display of the prices of products and services in both currencies on all its communications channels.

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

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

Research and development activities

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

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

The process of digitalization of business continues, and total investments in this segment in 2022 amount to more than HRK 100 million. The realized premium from digital business in the first half-year of 2022 increased by 49 percent compared to the first half-year of 2021, while the number of Croatia osiguranje clients using the Moja Croatia mobile application increased by 132 percent. In the first half-year of 2022, Croatia's digital brand Laqo grew by 93 percent compared to the same period last year. The Laqo Prevent safe driving program is actively used by 36 percent of mobile application users, and was awarded as the best in the Technology and Innovation category at this year's Communication Days.

Croatia osiguranje continuously invests in private healthcare with the highest standards, while total value of the investment in this and next year amounts to HRK 60 million. The business development strategy is focused on geographical coverage of the entire country with modern polyclinics that provide a wide range of services. In March, a new Croatia Polyclinic was opened in Rijeka, equipped with the most modern devices and technology for diagnostics and treatment. This is the fifth Polyclinic after Zagreb, Split, Pula and Koprivnica. By the end of 2022, opening of one more Polyclinic is planned, and two more new Croatia Polyclinics during 2023. Croatia Polyclinics strengthened their market position and are now in fourth place in terms of revenue among comparable polyclinics in Croatia.

Croatia's Brigometar, launched as part of a health insurance campaign as a unique interactive digital ad powered by artificial intelligence, was declared the best European digital outdoor advertising project by the European Digital Marketing Association (IAB Europe) in May, and Brigometar was also among the finalists of this year's Cannes Lions.

Description of the most significant risks and uncertainties

In relation to the most significant risks and uncertainties which were described in the audited financial statements for the year 2021, in the period observed there were no significant changes in relation to the risks to which the Group is exposed in the course of its business, except as described in the chapter *Significant business events in the reporting period*.

Zagreb, 27 July 2022

Member of the Management Board

Luka Babić



Member of the Management Board

Vančo Balen



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

1. GENERAL INFORMATION

The Group consolidated the following entities as at 30 June 2022:

Group	Activity	30 June 2022		
		Shares directly held by parent (%)	Shares held by the Group (%)	Shares held by non-controlling interests (%)
Subsidiaries registered in Croatia which are consolidated:				
Croatia premium d.o.o., Zagreb	Real estate business	100.00	100.00	-
- <i>M teh d.o.o.</i>	<i>Equipment rental</i>	<i>100.00</i>	<i>100.00</i>	-
Core 1 d.o.o., Zagreb	Real estate business	100.00	100.00	-
Razne usluge d.o.o. (u likvidaciji)	-	100.00	100.00	-
AUTO MAKSIMIR VOZILA d.o.o.	Insurance agency	100.00	100.00	-
CO LOGISTIKA d.o.o.	Real estate business	100.00	100.00	-
Strmec projekt d.o.o.	Real estate business	100.00	100.00	-
CO Zdravlje d.o.o.	Consulting and services	100.00	100.00	-
- <i>CROATIA Poliklinika, Zagreb</i>	<i>Healthcare</i>	-	<i>100.00</i>	-
Croatia-Tehnički pregledi d.o.o., Zagreb	MOT*	100.00	100.00	-
- <i>Herz d.d., Požega</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Slavonijatrans-Tehnički pregledi d.o.o., Sl. Brod</i>	<i>MOT</i>	-	<i>76.00</i>	<i>24.00</i>
- <i>STP Pitomača, Pitomača</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>STP Blato</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Autoprijevoz d.d.</i>	<i>MOT</i>	-	<i>79.12</i>	<i>20.88</i>
- <i>Crotehna d.o.o., Ljubuški</i>	<i>MOT</i>	-	<i>100.00</i>	-
- <i>Ponte d.o.o., Mostar</i>	<i>Insurance agency</i>	-	<i>100.00</i>	-
- <i>Skadunca d.o.o.,</i>	<i>Insurance agency</i>	-	<i>100.00</i>	-
Croatia osiguranje mirovinsko društvo d.o.o., Zagreb	Fund management	100.00	100.00	-
ASTORIA d.o.o.	Real estate business	100.00	100.00	-
Subsidiaries registered abroad which are consolidated				
Milenijum osiguranje a.d.o., Beograd	Insurance	100.00	100.00	-
Croatia osiguranje d.d., Mostar	Insurance	97.12	97.12	2.88
- <i>Croatia remont d.d., Čapljina**</i>	<i>MOT</i>	-	<i>69.79</i>	<i>30.21</i>
- <i>Croauto d.o.o., Mostar</i>	<i>MOT</i>	-	<i>66.79</i>	<i>33.21</i>
- <i>Hotel Hum d.o.o., Ljubuški</i>	<i>Hospitality</i>	-	<i>100.00</i>	-
Croatia osiguranje d.d., non-life insurance company, Skopje	Insurance	91.75	100.00	-
Croatia osiguranje d.d., life insurance company, Skopje	Insurance	95.00	100.00	-

*MOT – Motor vehicle examination stations

** Crotehna d.o.o. additionally holds 9.27% in Croatia remont d.d.

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

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

Summary statement of financial position

	31 December 2021
	in HRK'000
Financial assets	104,872
Other assets	36,203
Total assets	141,075
Liabilities	9,247
Capital and reserves	131,828
Total equity and liabilities	141,075

Summary financial information

	31 December 2021
	in HRK'000
Opening balance of net assets at 1 January	130,240
Profit for the period	21,389
Dividends	(19,800)
Closing balance of net assets	131,829
Share in profit of joint venture @ 50%	65,914
Carrying amount	65,914

Croatia osiguranje d.d., Zagreb, Vatroslava Jagića 33 (parent company) is registered in the Court Register of the Commercial Court in Zagreb, Republic of Croatia, under the Company's Court Reg. No. ("MBS") o80o51022 and PIN ("OIB") 26187994862. The Company's principal activity is non-life and life insurance business together with activities that are related to insurance activities and reinsurance business in the non-life insurance segment. Among other important activities, the Group also carries out activities of pension fund management, technical examinations and providing medical services of clinics.

Croatia osiguranje d.d. 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 Group during the current period is 3,661.

Supervisory Board and Management Board

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

Members of the Supervisory Board are:

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

Members of the Management Board are:

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

Basis for preparation and consolidation

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

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 Group's annual financial statements as at 31 December 2021. The Group's annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Annual Financial Report for 2021, for the purpose of understanding the information published in the notes to

the financial statements prepared for the half-year of the 2022, is available on the company's official website, the official website of the Zagreb Stock Exchange and the Croatian Financial Services Supervisory Agency's Official Register.

Several new standards and interpretations have been published that are not mandatory for the reporting period and that the Group has not previously adopted and intends to adopt with the effective date:

- *IFRS 17 Insurance contracts (effective for annual periods beginning on or after 1 January 2023)*

IFRS 17 was issued in May 2017 as a replacement for IFRS 4 Insurance Contracts. By the reporting date, various supplements to IFRS 17 and IFRS 4 have been issued, which contain a number of clarifications for the purpose of facilitating the implementation of IFRS 17, simplifying certain requirements of the standard, and extending the temporary exemption from the application of IFRS 9 to annual periods beginning on or after 1 January 2023. The amendments cover eight areas of IFRS 17, but are not intended to change the underlying principles of the standard.

The Standard requires a measurement model based on current best estimates, whereby estimates are remeasured in each reporting period. The contracts are measured by using the following parameters:

- discounted probability-weighted cash flows
- non-financial risk adjustment due to uncertainty of the amount and timing of estimated cash flows
- contractual service margin - CSM which represents the unearned profit under the contract which is recognised as income over the coverage period of the insurance contract.

According to the Standard, the Group may choose where to present the change in the discount rates - either in profit or loss or in other comprehensive income. The final choice will reflect the manner in which insurers disclose their financial assets in accordance with IFRS 9, and in this sense the Group's objective will be to minimize the accounting mismatch between assets and liabilities.

An alternative, simplified approach based on the allocation of premiums based on the passage of time is permitted for the liability for remaining coverage for insurance contracts with short-term coverage, usually underwritten up by non-life insurers.

A variation of the general measurement model, called the "variable fee approach", is also envisaged, which should be applied to certain life insurance contracts where the policyholders participate in the changes of fair value of specific items specified by the relevant insurance contracts. When applying the variable fee approach, the insurer's share of the change in fair value of these items is included in the contractual service margin. Consequently, the results of the insurers using this model are likely to be less volatile than under the general measurement model.

In accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", IFRS 17 requires the Group to apply IFRS 17 retroactively, unless it is not practicable to do so. The above implies that the effective date of the transition is 1 January 2022, whereby one-off adjustments to the initial balances will be recognized in capital and reserves.

The Group expects to use the full retrospective approach for groups of contracts that will be measured using the premium allocation approach and for more recent groups of contracts which will be measured under the general measurement approach.

Where retrospective application for a group of insurance contracts is not practical, IFRS 17 lists two alternative transition methods that could be used:

- A modified retrospective approach that allows certain simplifications and changes compared to full retrospective application. This approach allows insurers lacking certain information to calculate initial balances that are as close as possible to the balances that would be obtained by applying full retrospective application, using information that is available, verifiable and appropriate for the insurer.
- Fair value approach where the CSM amount for a group of insurance contracts is obtained using the fair value of the insurance contract at the transition date. The fair value approach allows the entity to calculate the initial transition balances, even if the entity does not have reasonable and verifiable information about the contracts at the transition date.

The Group plans to use a combination of both alternative methods to calculate opening balances for those groups of contracts where the application of the full retrospective approach is not practical, whereby the selection of one of the methods will depend on the availability of historical information.

- *IFRS 9 Financial instruments and related supplements to various other standards*

IFRS 9 regulates the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The classification of financial assets is divided into the following categories with regards to the valuation method: valuation according to the amortized cost method, valuation at fair value through the profit and loss and valuation at fair value through other comprehensive income. The classification of financial assets depends on the business model chosen by the Group for managing financial assets and contracted cash flows.

In accordance with IFRS 9, the impairment model will require the recognition of provisions for impairment on the basis of expected credit losses (the so-called "ECL"), and not only on the basis of incurred credit losses as is the case with IAS 39 and will apply to financial assets classified at amortized cost and debt instruments measured in other comprehensive income.

Given that the Group's financial assets, for which ECL will be recognized in accordance with IFRS 9, are primarily invested in government bonds and placements with banks that carry a low credit risk, the Group does not expect the amount of expected credit losses to be significant in the context of the Group's overall portfolio of financial assets.

- *IFRS 17 and IFRS 9 implementation process*

The Group has started a project to implement IFRS 17 and 9 and is continuously monitoring the process of updating IFRS 17 by the International Accounting Standards Board (IASB) and conducting an impact assessment on financial statements together with an impact assessment of IFRS 9. The Group expects that the new standard will result in a significant change in accounting policies for measuring insurance contract liabilities, that it will have an impact on reported profit and equity and will lead to changes in terms of presentation and disclosures in financial statements. In this regard, the Group sees the most significant sources of change in:

1. The method of recognizing insurance income, whereby the concept of gross written premium is abandoned and the savings component of the premium is excluded from the profit or loss account
2. Estimating the total profitability from the insurance contract at initial recognition, the so-called CSM and the systematic allocation of CSM to the profit and loss account based on the volume of insurance services provided in the period
3. Discounting of insurance liabilities using current discount yield curves

4. Recognition of expected cash flows from recourses on the balance sheet as part of liabilities for claims
5. Separation of unprofitable (onerous) contracts from profitable ones and immediate recognition of total expected losses on such contracts directly to the profit or loss account

Considering the significant effect of the standard, the Group has engaged additional resources in terms of human resources (experts), including external consultants, and is in the process of development of information systems needed to implement the Standard. The Group expects that, on the transition date, the majority of non-life insurance contracts and reinsurance contracts will be eligible for measurement under the simplified approach based on premium allocation. For life insurance contracts with direct participation such as unit linked contracts, the Group plans to use a variable fee approach.

For most insurance and reinsurance contracts measured by the general measurement model, the Group plans to use the option to recognize the effect of change in the current discount rate in relation to the initial (so-called "locked-in") discount rate in other comprehensive income.

As of the reporting date, the potential combined effect of the two standards on the financial position and results of the Company and the Group cannot be precisely quantified, and in future quarterly reports, after the implementation of the transition, quantified estimates of the impact of the standards on the financial statements will be published, if available.

- *Other standards and interpretations*

The International Accounting Standards Board has published several new amendments to standards and interpretations that are not mandatory for the reporting period and that the Group has not previously adopted. The group estimates that their effect is not material.

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

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

Financial statements for the half-year of the 2022 have not been audited.

Presentation currency

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

Use of estimates and judgements

Preparation of financial statements in conformity with IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the

circumstances, and information available at the date of preparation of financial statements, the results of which form the basis of making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes of accounting estimates are recognised from the period in which an estimate is revised.

Accounting policies

Accounting policies and measurement methods which are used in the preparation of financial statements for the reporting period are the same as those which are used for preparation of the audited financial statements for the year 2021.

Related party transactions

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

Seasonality of business activities

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

Segment reporting

The Group's reporting segments comprise the life insurance segment and the non-life insurance segment. The description of segments as well as allocation of costs between segment of life insurance and non-life insurance, capital and reserves and assets described in the annual financial statements for 2021, have not changed. There were no significant intersegmental revenues and expenses in the period observed.

Earnings per share

	1 January-30 June 2021	1 January-30 June 2022
	in HRK	in HRK
Profit for the year attributable to the Company's shareholders	208,528,067	221,718,798
Weighted average of ordinary shares	420,947	420,947
Earnings per share attributable to the Company's shareholders		
Basic and diluted earnings per share in HRK	495.4	526.7

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 2022			31 December 2021		
	Net book value	Fair value	Difference	Net book value	Fair value	Difference
	in HRK	in HRK	in HRK	in HRK	in HRK	in HRK
Debt securities	2,449,343,997	2,302,990,545	(146,353,452)	2,407,887,367	2,610,989,562	203,102,195
Loans	208,786,391	209,386,291	599,900	229,748,717	230,316,307	567,590
Deposits	543,159,855	543,432,268	272,413	550,844,800	551,062,376	217,576
	3,201,290,243	3,055,809,104	(145,481,139)	3,188,480,884	3,392,368,245	203,887,361

Methods of assessment or assumptions in determining fair value

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

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

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

The Group's assets measured at fair value as at 30 June 2022 are presented as follows:

	Level 1 in HRK	Level 2 in HRK	Level 3 in HRK	Total in HRK
<i>Property for own use</i>	-	-	412,963,180	412,963,180
<i>Investment property</i>	-	-	1,069,008,900	1,069,008,900
Equity securities	680,903,780	153,349,151	8,359,358	842,612,289
Debt securities	2,581,349,809	1,734,434,275	1,671,094	4,317,455,178
Investment funds	76,644,476	322,488,332	59,196	399,192,004
<i>Available-for-sale financial assets</i>	3,338,898,065	2,210,271,758	10,089,648	5,559,259,471
Equity securities	23,485,106	-	-	23,485,106
Debt securities	-	-	-	-
Investment funds	330,836,222	-	-	330,836,222
Foreign currency forward contracts	-	12,786,502	-	12,786,502
<i>Financial assets at fair value through profit or loss</i>	354,321,328	12,786,502	-	367,107,830
Total assets at fair value	3,693,219,393	2,223,058,260	1,492,061,728	7,408,339,381

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

	Level 1 in HRK	Level 2 in HRK	Level 3 in HRK	Total in HRK
<i>Property for own use</i>	-	-	415,845,152	415,845,152
<i>Investment property</i>	-	-	1,071,945,844	1,071,945,844
Equity securities	764,583,928	100,466,852	7,995,603	873,046,383
Debt securities	3,071,780,572	1,449,139,583	1,890,695	4,522,810,850
Investment funds	180,957,159	244,082,807	59,195	425,099,161
<i>Available-for-sale financial assets</i>	4,017,321,659	1,793,689,242	9,945,493	5,820,956,394
Equity securities	25,765,552	-	-	25,765,552
Debt securities	-	-	-	-
Investment funds	403,227,793	-	-	403,227,793
Foreign currency forward contracts	-	3,033,386	-	3,033,386
<i>Financial assets at fair value through profit or loss</i>	428,993,345	3,033,386	-	432,026,731
Total assets at fair value	4,446,315,004	1,796,722,628	1,497,736,489	7,740,774,121

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

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

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

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

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

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

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

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

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

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

Intangible assets

In the period observed, intangible assets increased by HRK 5.1m, primarily due to additional investments in the new Core IT system. The Group capitalized the costs of net salaries in the amount of HRK 2m, the costs of contributions from salaries in the amount of HRK 0.6m, the costs of taxes and surcharges from salaries in the amount of HRK 0.3m, the costs of contributions to salaries in the amount of HRK 0.4m and other employee costs in the amount of HRK 0.6m.

Financial assets and financial liabilities

The structure of financial assets as at 30 June 2022 and 31 December 2021 was as follows:

	30 June 2022				
	Held-to- maturity investments	Available- for-sale financial assets	Financial assets at fair value through profit or loss - for trading	Loans and receivables	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
Shares					
Shares, listed	-	840,514,822	23,485,106	-	863,999,928
Shares, not listed	-	2,097,467	-	-	2,097,467
	-	842,612,289	23,485,106	-	866,097,395
Debt securities					
Government bonds	2,385,189,152	3,647,564,380	-	-	6,032,753,532
Corporate bonds	64,154,845	669,890,798	-	-	734,045,643
	2,449,343,997	4,317,455,178	-	-	6,766,799,175
Derivative financial instruments					
Foreign currency forward contracts	-	-	12,786,502	-	12,786,502
	-	-	12,786,502	-	12,786,502
Investment funds					
Open-ended investment funds	-	399,192,004	33,359,711	-	432,551,715
Open-ended investment funds - assets for coverage of unit-linked products	-	-	297,476,511	-	297,476,511
	-	399,192,004	330,836,222	-	730,028,226
Loans and receivables					
Deposits with credit institutions	-	-	-	543,159,855	543,159,855
Loans	-	-	-	208,786,391	208,786,391
	-	-	-	751,946,246	751,946,246
	2,449,343,997	5,559,259,471	367,107,830	751,946,246	9,127,657,544

31 December
2021

	Held-to-maturity investments	Available-for-sale financial assets	Financial assets at fair value through profit or loss - for trading	Loans and receivables	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
Shares					
Shares, listed	-	806,347,984	25,765,552	-	832,113,536
Shares, not listed	-	66,698,399	-	-	66,698,399
	-	873,046,383	25,765,552	-	898,811,935
Debt securities					
Government bonds	2,344,006,246	4,000,023,314	-	-	6,344,029,560
Corporate bonds	63,881,121	522,787,536	-	-	586,668,657
	2,407,887,367	4,522,810,850	-	-	6,930,698,217
Derivative financial instruments					
Foreign currency forward contracts	-	-	3,033,386	-	3,033,386
	-	-	3,033,386	-	3,033,386
Investment funds					
Open-ended investment funds	-	425,099,161	26,745,814	-	451,844,975
Open-ended investment funds - assets for coverage of unit-linked products	-	-	376,481,979	-	376,481,979
	-	425,099,161	403,227,793	-	828,326,954
Loans and receivables					
Deposits with credit institutions	-	-	-	550,844,800	550,844,800
Loans	-	-	-	229,748,717	229,748,717
	-	-	-	780,593,517	780,593,517
	2,407,887,367	5,820,956,394	432,026,731	780,593,517	9,441,464,009

The structure of financial liabilities as at 30 June 2022 and 31 December 2021 was as follows:

	30 June 2022	31 December 2021
	in HRK	in HRK
Lease liabilities	323,142,294	320,875,077
Liabilities for repo transactions	-	76,481,325
Loan liabilities	2,138,063	2,647,724
Derivative financial instruments	10,903,125	5,987,102
Preference shares	12,250,000	12,250,000
Other financial liabilities	250,300	400,018
	348,683,782	418,641,246

Share capital and shares

The Company's share capital with a nominal value of HRK 601,575,800 as at 30 June 2022 is divided among 429,697 shares with a nominal value of HRK 1,400. The shares are marked as follows:

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

Each share, ordinary and preference, provides the right to 1 (one) vote at the Company's General Assembly. Due to the guaranteed dividend payment, preference shares are classified as financial liabilities. All shares are paid in full, issued in dematerialized form, are transferable and are managed at the central depository of the Central Depository & Clearing Company. CROATIA osiguranje d.d. has no treasury shares.

Liabilities

The structure of liabilities as at 30 June 2022 and 31 December 2021 was as follows:

	30 June 2022			
	No later than 1 year in HRK	1-5 years in HRK	More than 5 years in HRK	Total in HRK
Other provisions	5,483,220	39,274,701	10,655,503	55,413,424
Financial liabilities	34,434,120	86,369,330	227,880,332	348,683,782
Liabilities arising from insurance contracts, other liabilities and deferred income	886,711,347	24,186,427	29,959,061	940,856,835
Total	926,628,687	149,830,458	268,494,896	1,344,954,041
	31 December 2021			
	No later than 1 year in HRK	1-5 years in HRK	More than 5 years in HRK	Total in HRK
Other provisions	13,369,039	46,382,641	10,829,439	70,581,119
Financial liabilities	106,827,432	76,455,463	235,358,351	418,641,246
Liabilities arising from insurance contracts, other liabilities and deferred income	719,758,884	26,022,288	14,034,278	759,815,450
Total	839,955,355	148,860,392	260,222,068	1,249,037,815

Deferred taxes

The Group has recognized deferred tax assets and liabilities as at 30 June 2022. There were no significant changes in deferred tax assets compared to 31 December 2021 while the movement of deferred tax liability is shown in the note below:

	Land and buildings occupied by an undertaking for its own activities	Land and buildings not occupied by an undertaking for its own activities	Financial assets available for sale	Other	Total
	in HRK	in HRK	in HRK	in HRK	in HRK
31 December 2021	22,098,310	33,219,941	127,895,184	485,290	183,698,725
Recognized deferred tax liabilities in profit or loss	(183,819)	-	-	-	(183,819)
Recognized deferred tax liabilities in profit or loss	-	756,884	-	-	756,884
Change in fair value of available-for-sale investments through other comprehensive income	-	-	(87,790,227)	-	(87,790,227)
Foreign exchange differences	-	-	(324,283)	-	(324,283)
31 March 2022	21,914,491	33,976,825	39,780,674	485,290	96,157,280

Commitments

As at 30 June 2022, the Group's contractual obligations for future investments amount to HRK 365.2m based on binding bids for investments in alternative investment funds.

MANAGEMENT BOARD STATEMENT

Pursuant to article 20 of the Articles of Association of the Company from 9 September 2021 and article 465 of the Capital Market Law (Official Gazette 65/18, 17/20, 83/21), the Management Board provides this

STATEMENT

That to the best of our knowledge:

- the set of half-year consolidated unaudited financial statements of the issuer for the period 1 January – 30 June 2022, prepared by using applicable financial reporting standards, gives a true and fair view of assets and liabilities, the financial position, profit or loss of the issuer and the entities included in consolidation,
- the management report presents an objective view of the development and business results and position of the issuer and entities included in consolidation, with description of significant risks and uncertainties to which they are exposed.

Zagreb, 27 July 2022

Member of the Management Board



Luka Babić



Member of the Management Board



Vančo Balen