



HPB

HRVATSKA POŠTANSKA BANKA

HPB d.d. 3M 2022

Investor information and unaudited financial statements

Limitation of liability

- The information and data contained in this presentation are intended to be general background information on Hrvatska poštanska banka p.l.c. (hereinafter referred to as the Bank or HPB) and its activities. It is supplied in summary form and therefore not necessarily complete. Certain statements contained herein may be statements of future expectations and other forward-looking statements about HPB, which are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, words such as "may", "will", "should", "expects", "plans", "contemplates", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions typically identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As such, no forward-looking statement can be guaranteed. Undue reliance should not be placed on these forward-looking statements. Many factors could cause our results of operations, financial condition, liquidity, and the development of the industries in which we compete, to differ materially from those expressed or implied by the forward-looking statements contained herein.
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Type and name of prescribed information:	Quarterly financial statements for the period 1.1.2022 - 31.3.2022, HPB d.d. 3M 2021 Investor information and unaudited Financial statements
Issuer name, headquarter and address:	Hrvatska poštanska banka p.l.c., Jurišićeva ulica 4, HR-10000 Zagreb
Issuer's Legal Entity Identifier (LEI)	529900D5G4V6THXC5P79
Home Member State:	Republic of Croatia
International Securities Identification Number (ISIN)	HRHPB0RA0002
Stock code (ticker):	HPB-R-A
Regulated market and segment:	Zagreb Stock Exchange, Official market

In accordance with the Capital Markets Act, Hrvatska poštanska Banka p.l.c. publishes unaudited financial statements for the period from January 1 to March 31, 2022.

Original and official quarterly report is published in Croatian.

The report includes:

- Management report of Hrvatska poštanska Banka p.l.c.
- Statement by persons responsible for compiling the report
- Unaudited set of unconsolidated financial statements (balance sheet, profit or loss statement, statement of changes in equity, cash flow statement) and
- Notes to the financial statements

Financial statements and notes have been compiled in accordance with instructions defined in Rulebook on the content and structure of the issuer's reports for periods during the year (NN 114/2018, 27/2021, 26/2022).

1 Executive Summary

2 Macroeconomic environment

3 Financials

4 Risk Management

5 Appendix

Successfully completed resolution of Sberbank d.d.



28 Feb 2022

ECB assessed and SRB decided Sberbank d.d. in Croatia is failing or likely to fail

Deterioration of Sberbank d.d. liquidity position

Deposit outflows as a result of the reputational impact of geopolitical tensions

28 Feb 2022

SRB applied a suspension of payments, enforcement and termination rights (moratoria) to Sberbank d.d.

Moratoria until 1 March 23:59:59

During the two-day moratoria, retail and corporate clients (depositors) were able to use a total of up to HRK 7,280 per day

1 Mar 2022

SRB in cooperation with CNB brought the decision on initiation the resolution proceedings of Sberbank d.d.

EC endorsed the resolution decision

Resolution is to be carried out by sale

2 Mar 2022

HPB becomes the new owner of Sberbank d.d.

SRB has accepted HPB's binding offer to purchase a 100% ownership stake in Sberbank d.d.

CNB passed a Decision on issuing prior consent to HPB for direct acquisition of a qualifying holding in Sberbank dd

14 Apr 2022

Council of the Croatian National Bank issued a decision on ending the resolution procedure of Sberbank d.d. - u sanaciji on 13 Apr 2022 at 23:59:59, , whereby HPB takes control of the business from 14 Apr 2022

The CNB confirmed the appointment of new members of the Management Board and Supervisory Board of Nova hrvatska banka d.d.

Bank's acquisition was realized in a short time since HPB team continuously analyze competitors and potential market opportunities

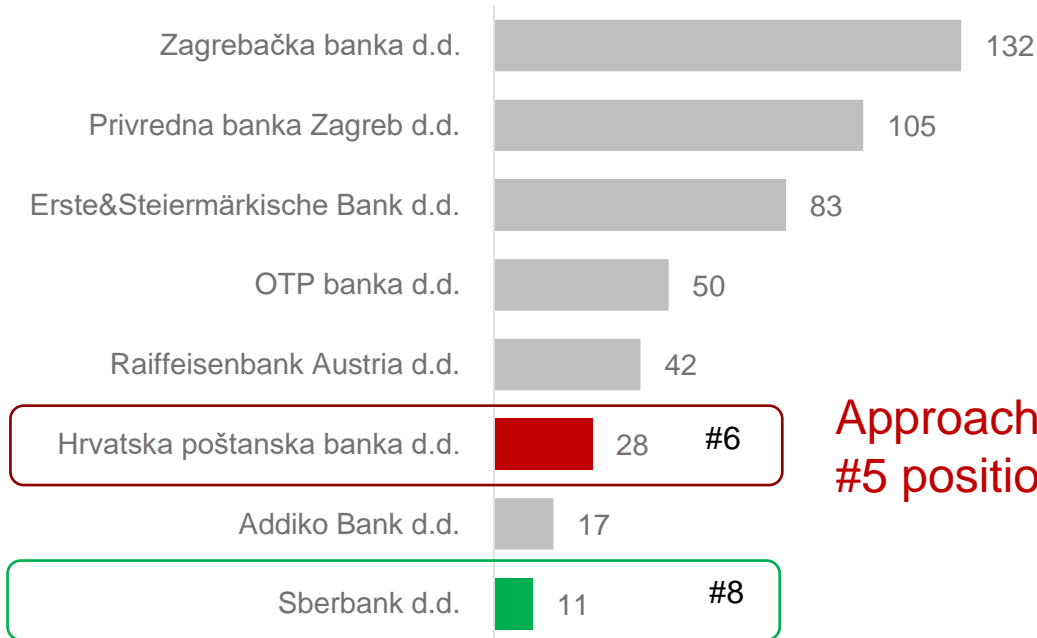


Nova hrvatska banka in HPB Group

By closing the resolution procedure, the activities of **growth, development and integration** begin

Stronger market position

Total assets (in HRK bn)



Approaching #5 position

As at 31.12.2021



Bank is expected to merge with the parent company in the next year, with the inclusion of the Bank's financial results in the consolidated financial statements of HPB for 6M 2022.

Acquisition summary



Transaction parameters

HPB acquired 100% of Sberbank d.d. in Croatia for a total cash consideration of HRK 71 mn.

A transaction financed from accumulated equity, pro-forma consolidated CET-1 significantly above the regulatory requirement.



Strategic rationale

- + **Preserving financial stability** and public interest;
- + **Empowering #6 position** by total assets in the Croatian banking market;
- + **Strengthening the presence on the Croatian market** (30 new business centres for retail clients and 12 for corporate clients);
- + **Complementary and qualitative loan portfolio with minimal direct exposure to entities from Russia**, and additional strength for growth and expansion of business through acquired human and financial capital
- + **Expanded client base** (cca 86 ths clients as of 31 December 2021);



Financial rationale

- + **Attractive investment opportunity** with manageable risks;
- + **Effective use of excess liquidity**;
- + **Financial synergies** (revenue, funding and cost);
- + Funding and comfortable liquidity position maintained;
- + Bargain purchase **positively impacts P&L and capital in long-term**;
- + Additional **growth potential**.



Closing

- + On April 13, 2022 the resolution procedure ended;
- + **On April 14, 2022 HPB took control** over Sberbank d.d. – u sanaciji;
- + **Preparatory actions for integration have already begun**, preconditions have been created for productive cooperation between teams and achievement of synergy effects;
- + **Integration activities will be carried out in parallel with the process of adopting euro**, which is an absolute priority for both institutions.

Nova hrvatska banka in HPB Group

NHB's potential as of 31.3.2022



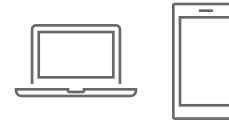
78 ths

Retail clients



5 ths

Corporate clients



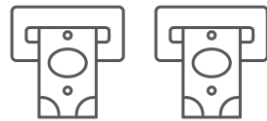
35 ths

Digital channel users



68 ths

Issued cards



31

ATM



432

Employees

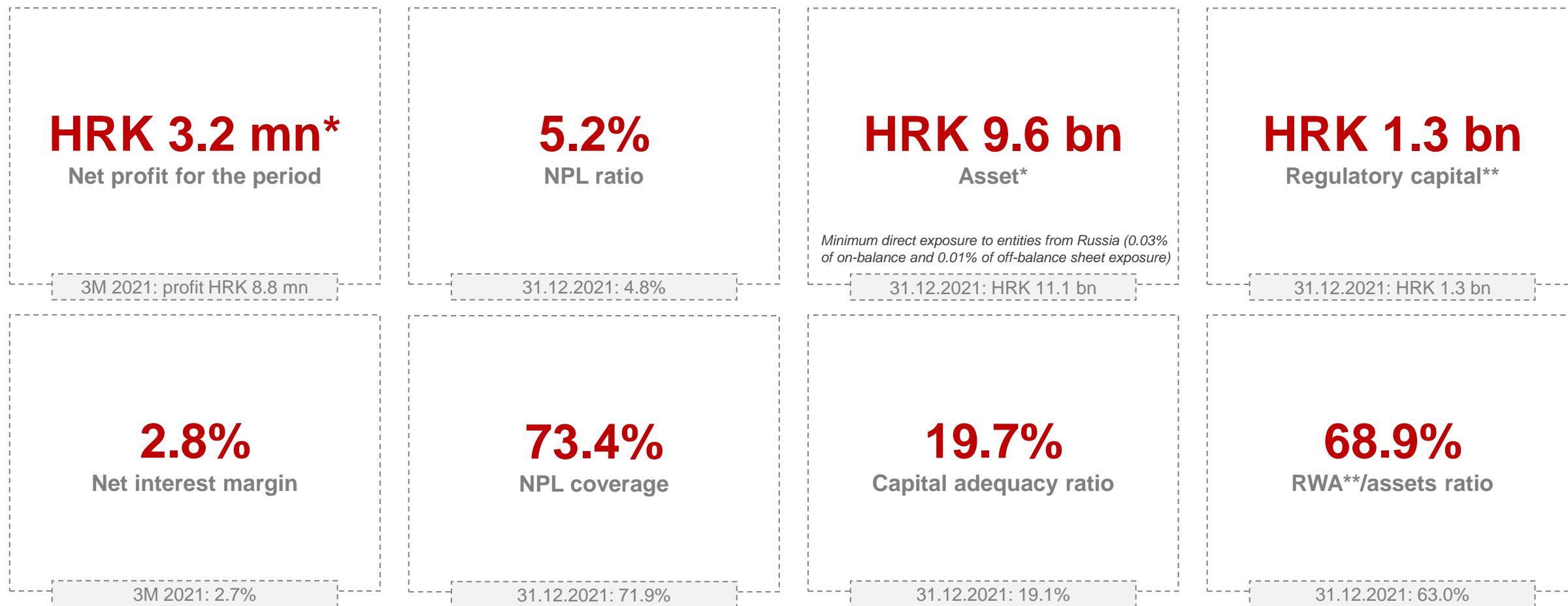


30

Retail branches

Nova hrvatska banka in HPB Group

Financial indicators of Nova Hrvatska banka as of 31.3.2022 or for the period 1.1. – 31.3.2022



Source: Nova hrvatska banka d.d., management reports

* Net profit for the period without the effect of CHF lawsuits amounts to HRK 9.8 million; *inherited CHF portfolio, possible additional provisions for litigation up to HRK 20 mn after independent confirmation by an external expert*

** Preliminary calculation

Successfully acquired Sberbank d.d. despite challenging quarter

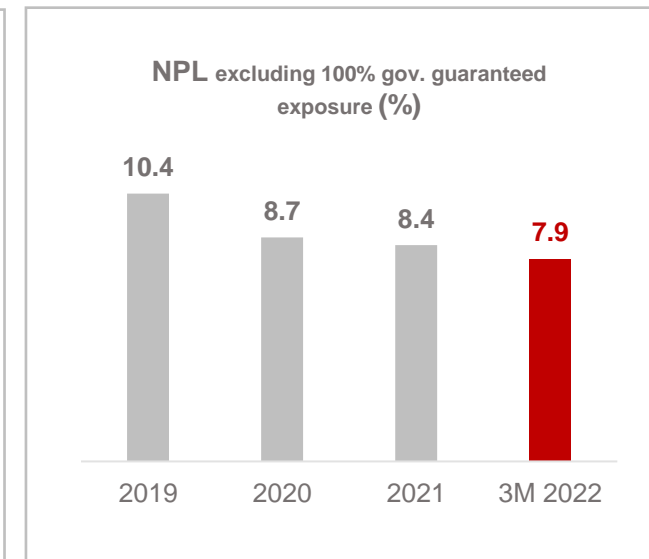
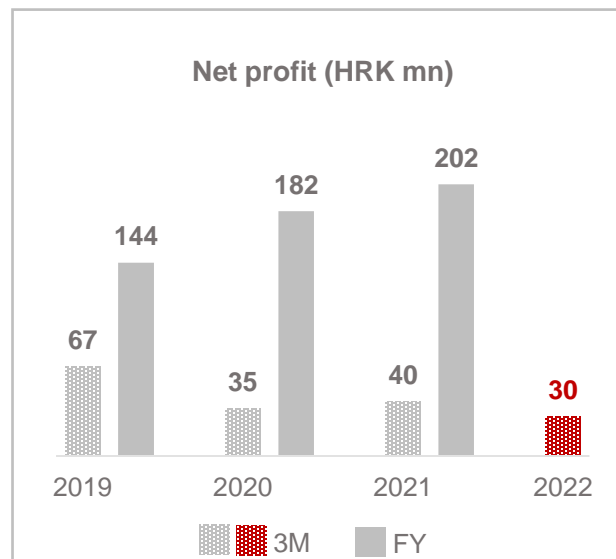
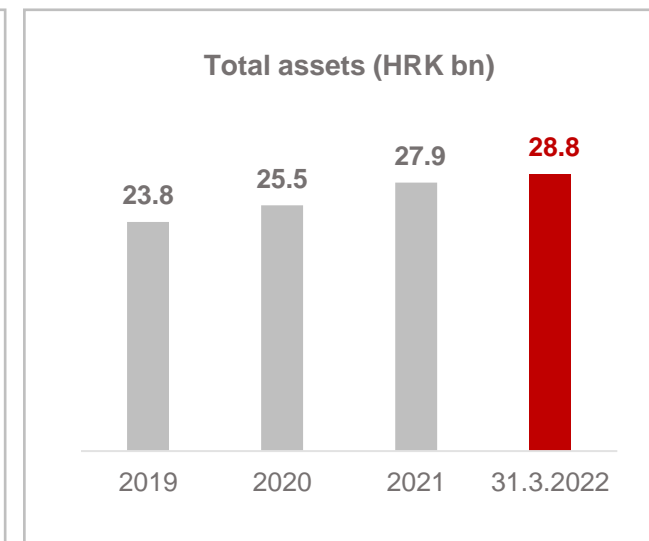
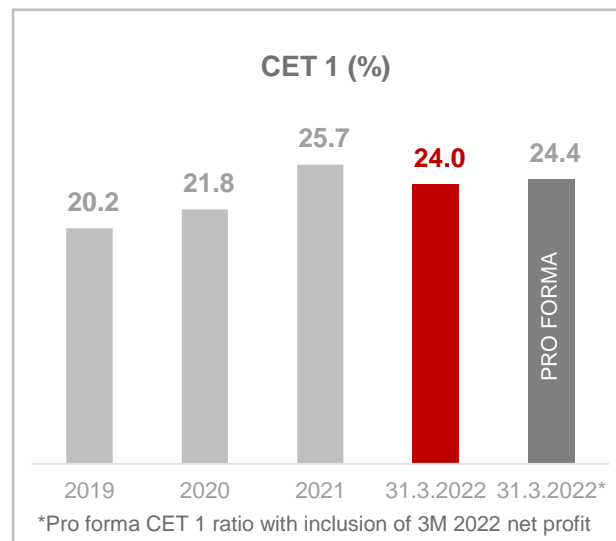


Increase in market share in 2022

- **Rapid takeover of the NHB** based on a robust capital position that has been intentionally created in the last three years, as well as proverbially massive liquidity;
- **Largest banking business network** through own branch offices and post offices; with the acquisition of NHB we are strengthening our presence on the Croatian market (30 new business centers for retail and 12 for corporate clients);
- Further focus on the **EURO project** as an absolute priority, and the **integration of Nova hrvatska banka**.

Realized profit in a challenging quarter

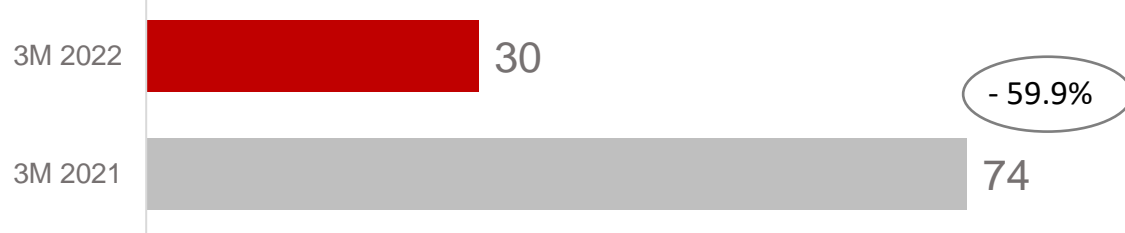
- Decrease in net profit is largely the result of a loss from trading due to government bond falling prices. On the other hand, record prices in real estate segment contributed to the net result of provisions, due to the realization of collateral at higher prices, being significantly above the plan;
- **Asset increase HRK +893 mn** in 2022;
- **Improved portfolio quality** with NPL ratio excluding 100% government guaranteed exposures on historically lowest level.



- Income statement items are shown in cumulative from start of the period until the reporting date; cumulative 1.1 – 31.3;
- Balance sheet items are shown as at reporting date; 31.12. and 31.3.

Key Financials 2022

Operating profit (in HRK mn)



Lower operating profit is a result of lower net interest income due to lower volume and pressure on interest rates, and net loss from trading due to rising yields and falling government bond prices, and higher administrative costs.

Gross loans (in HRK mn)



Increase in gross loans is the result of acquisition activities in the corporate, local government and SMEs segment.

Profit after tax (in HRK mn)



Despite savings in provisioning costs, net profit was lower than in the previous year, profit after tax driven by operating profit.

CET 1 capital ratio (in %)



*Pro forma CET 1 ratio with inclusion of 3M 2022 net profit

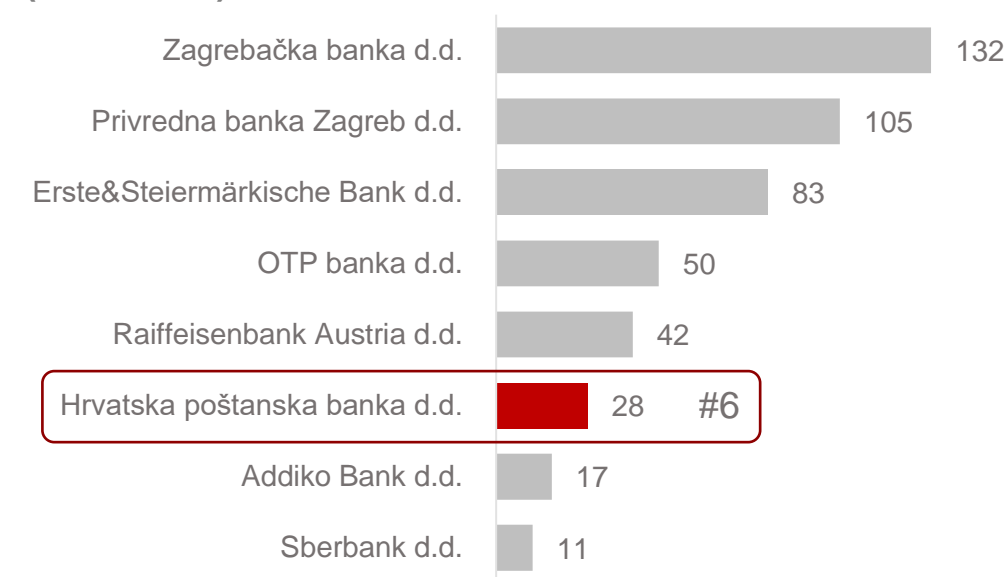
- Income statement items are shown in cumulative from start of the period until the reporting date; cumulative 1.1-31.3;
- Balance sheet items are shown as at reporting date; 31.12. and 31.3.

Resilient to challenges in first quarter

		31.12.2020	31.12.2021	31.3.2022	
Assets	HRK mn	25,500	27,861	28,754	▲
Net loans to customers	HRK mn	14,725	14,243	14,578	▲
Deposits	HRK mn	21,214	23,191	24,493	▲
Equity	HRK mn	2,473	2,650	2,492	▼
CET 1 capital ratio	%	21.8	25.7	24.0	▼
NPL ratio	%	10.4	9.8	9.2	▼
NPL ratio excl. 100% gov. guaranteed exposure	%	8.7	8.4	7.9	▼
NPL coverage	%	62.2	61.1	62.2	▲
NPL coverage excl. 100% gov. guaranteed exposure	%	74.2	72.1	73.5	▲

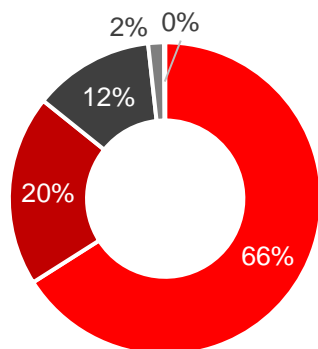
		2020	2021	3M 2021	3M 2022	
Income	HRK mn	1,121	1,143	274	224	▼
Net profit	HRK mn	182	202	35	30	▼
Cost-to-income ratio	%	64.1	62.3	64.6	80.8	▲
Return on equity (ROE)	%	7.4	7.6	6.1	4.8	▼

Market share by total assets as of 31.12.2021 (in HRK bn)

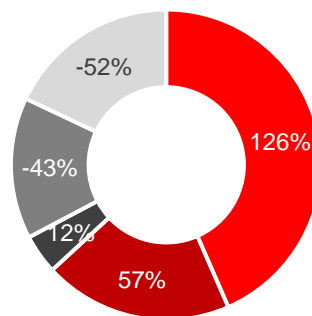


Results by business segments as of 31.3.2022

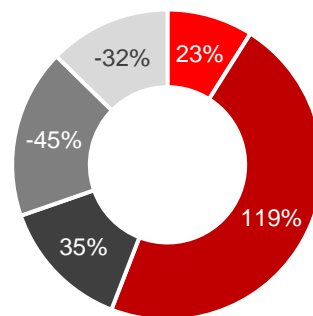
Net income**



Operating result*



Result after tax*



- Retail
- Corporate
- SME
- Financial market
- Other

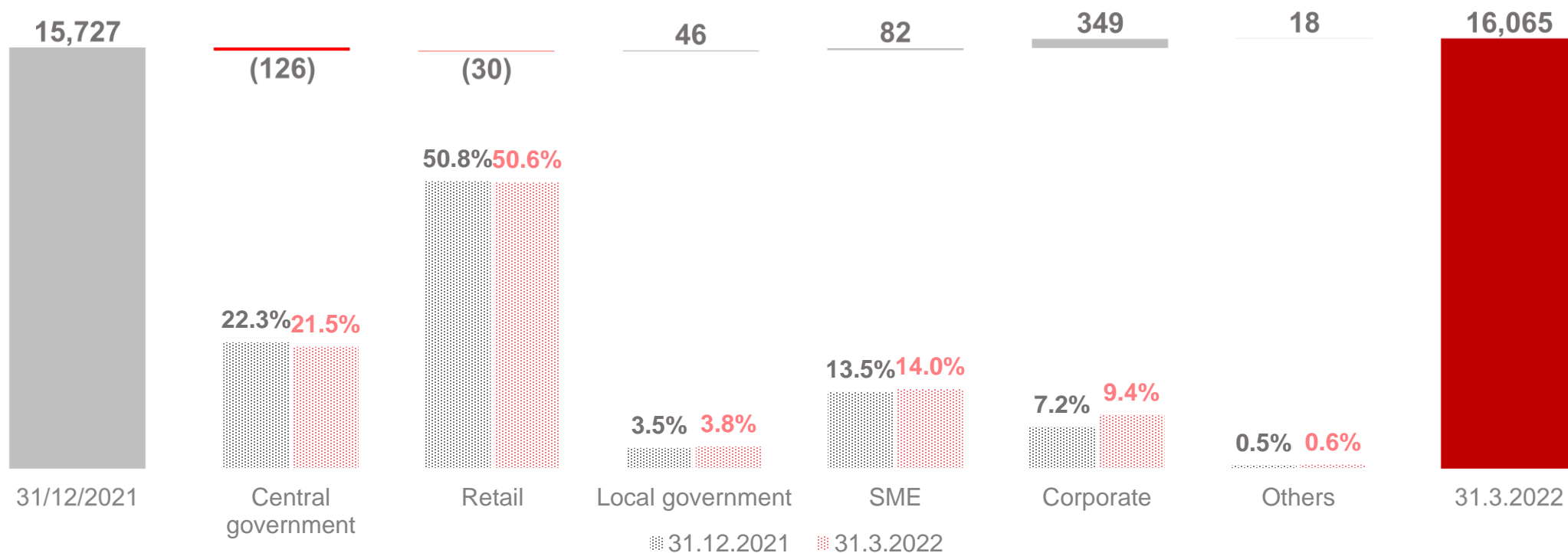
Financial markets segment was negative in operating and after tax results due to strong yield growth and falling government bond prices.

* Internal profitability

** Accounting methodology

Gross loans development by segment

Gross loans (in HRK mn)

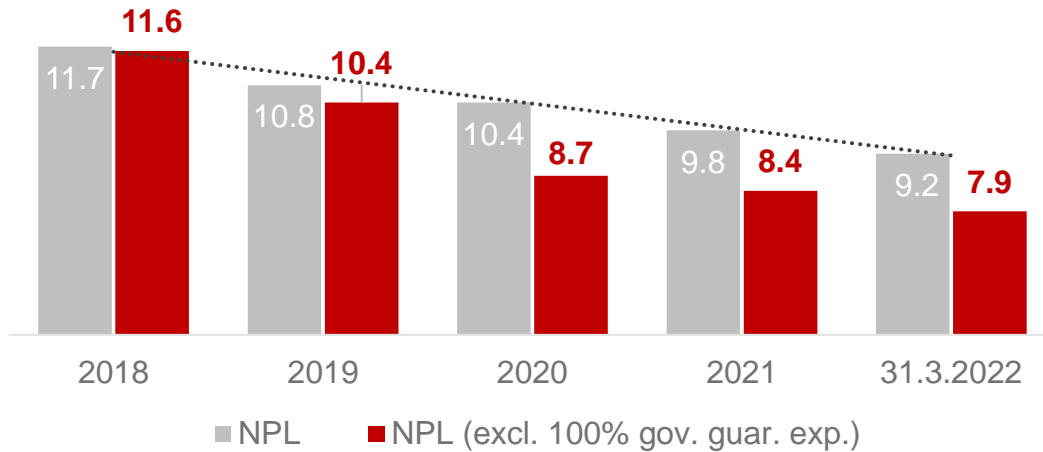


- Retail sector recorded a decline in the gross loan portfolio in the first quarter of 2022 according to lower loan volume due to the processing a large number of APN requests and a significant focus on this type of lending in the first quarter. Time invested in these operations should be seen in the result and the gross loan portfolio (GLP) in the coming months when GLP growth is expected. In addition, the decline in the first quarter was due to the implementation of the Decision of the Civil Protection Headquarters for the mandatory use of COVID certificates when entering branches, which affected the number of received loan applications and disrupted the dynamics of receiving applications at cca 40% clients;
- Corporate segment showed strong recovery in 2021 after the COVID pandemic, and significant credit growth in the first quarter was the result of intensive acquisition activities started in Q4 2021. Although lack of significant investments affected lending activities, the focus was on liquidity requirements and refinancing existing liabilities;
- SME growth is the result of portfolio diversification to a larger number of clients, client acquisitions made through quality refinancing exposures in other banks, monitoring of clients' investments (production plants, warehouses, hotels, ships, halls) which indicate stability and positive trends in their business, monitoring clients in working capital in accordance with their growth and potential. All of the above, although the pressure to reduce interest rates is daily, indicates the sustainable operation of SMEs in the context of income (interest and non-interest).

Portfolio quality improves

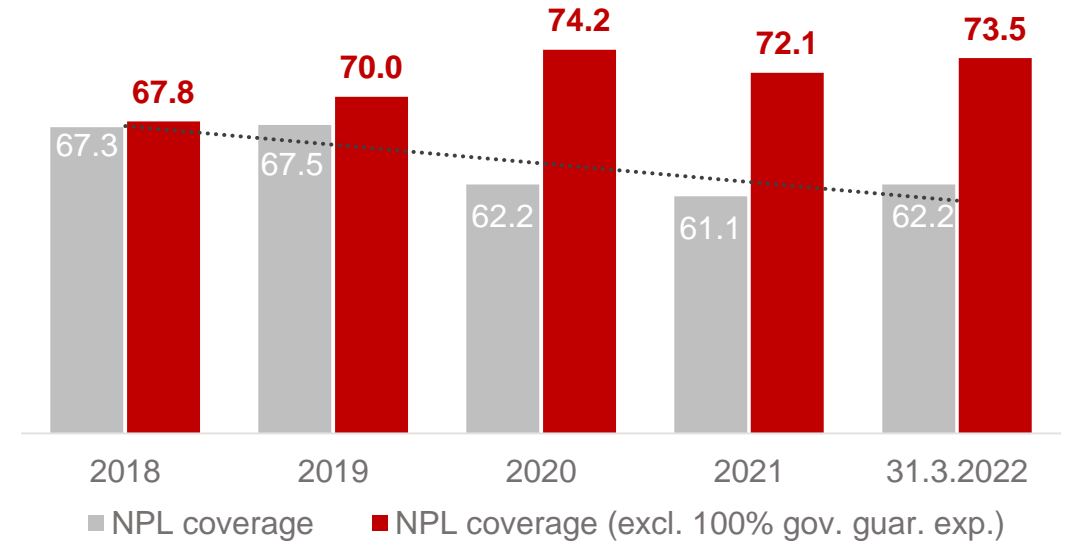
NPL ratio development (in %)

Market NPL ratio* 4.3%



NPL coverage development (in %)

Market NPL coverage* 63.2%



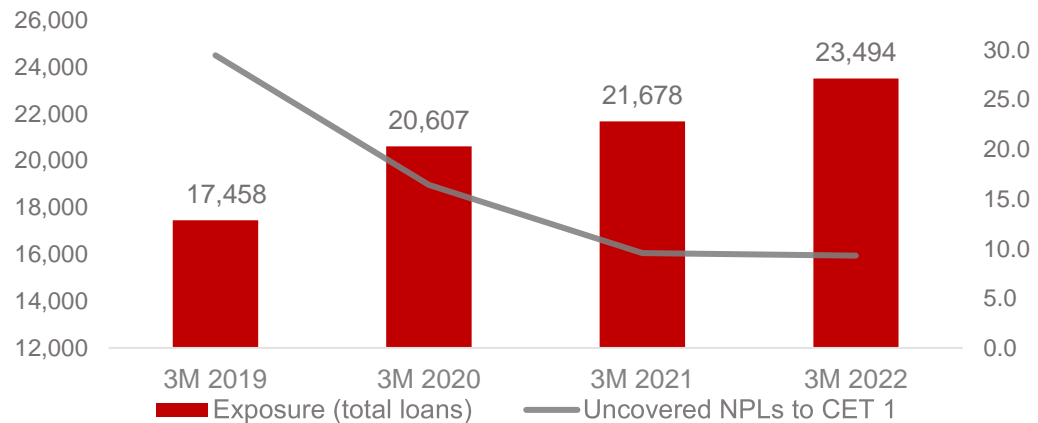
* As of 31.12.2021

- Trend of reducing the NPL ratio ensured by efficient collection activities continued in 2022, which with the continuous growth of performing loans contributes to the continuation of the long-term trend of reducing the NPL ratio;
- Excluding 100% government guaranteed exposures, the **NPL ratio** falls significantly below the long-term average, to a **record low level**;
- **NPL coverage** is still stable and if we exclude 100% government guaranteed exposures NPL coverage is record high and significantly **above the market average level**.

Strong NPL coverage

		3M 2019	3M 2020	3M 2021	3M 2022
Exposure (total loans)	HRK mn	17,458	20,607	21,678	23,494
Total NPL stock	HRK mn	2,160	2,149	2,200	2,164
NPL %	%	12.4	10.4	10.1	9.2
Loss allowance for loans	HRK mn	(1,603)	(1,600)	(1,625)	(1,588)
NPL	HRK mn	(1,453)	(1,390)	(1,364)	(1,346)
PL provision	HRK mn	(150)	(209)	(262)	(242)
NPL Coverage	%	67.3	64.7	62.0	62.2
NPLs not covered by provisions	HRK mn	557	549	575	576
NPLs with 100% government guarantees	HRK mn	0	204	357	341
Uncovered NPLs	HRK mn	557	345	219	235
CET1	HRK mn	1,892	2,104	2,285	2,528
Uncovered NPLs to CET 1	%	29.4	16.4	9.6	9.3

Uncovered NPLs to CET 1 trend



- Active NPL portfolio management with an objective to maintain uncovered NPLs to CET1 ratio at low level;
- NPL coverage by total provisions is 73.4%.

1 Executive Summary

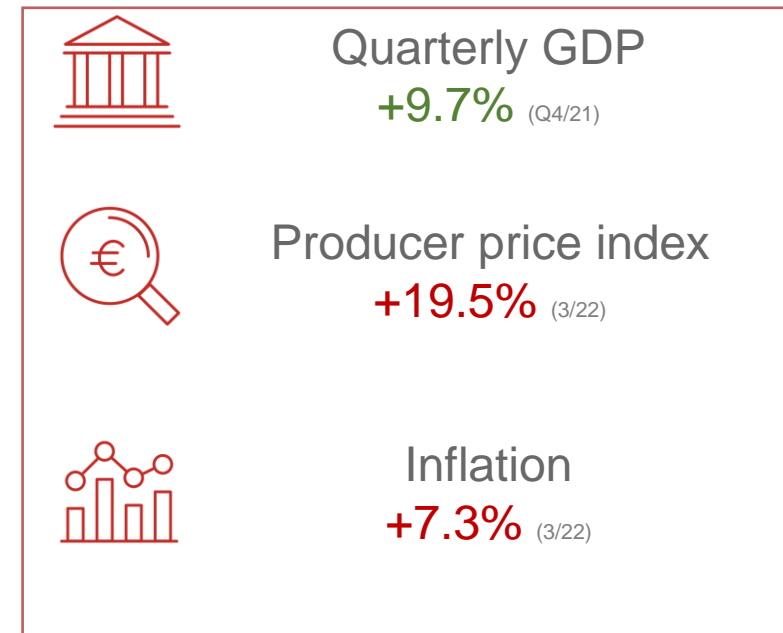
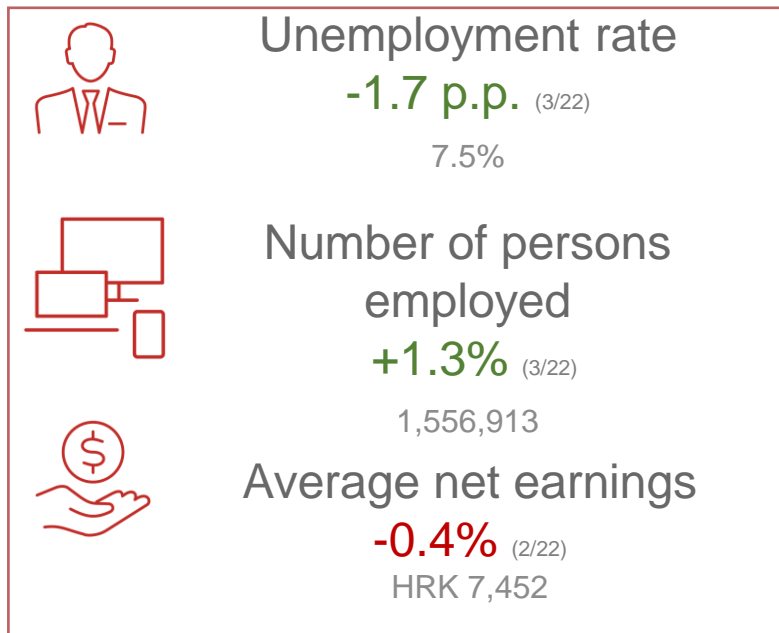
2 Macroeconomic environment

3 Financials

4 Risk Management

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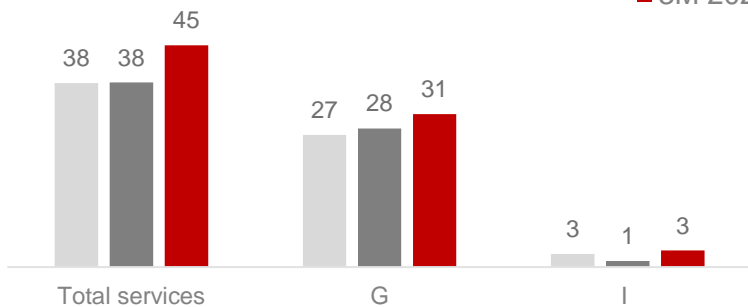
Economic indicators (y-o-y)



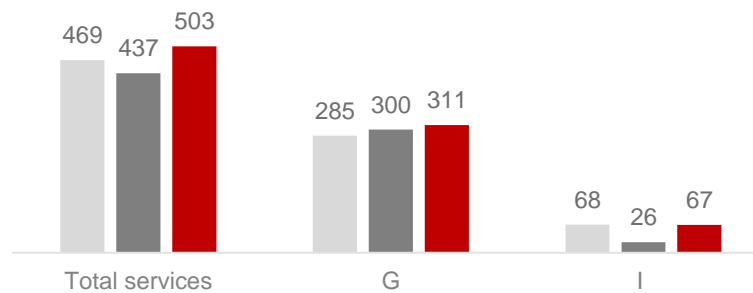
Source: Croatian Bureau of Statistics <https://www.dzs.hr/eng> (December 2021, January, February and March 2022)

Account balance* (in HRK bn)

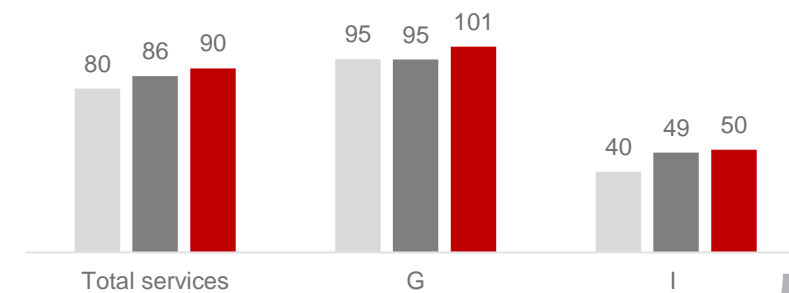
■ 3M 2020
■ 3M 2021
■ 3M 2022



Number of accounts* (in mn)



Average account balance* (in HRK)



*G- WHOLESALE AND RETAIL TRADE OF MOTOR VEHICLES AND MOTORCYCLES, REPAIR OF MOTOR VEHICLES AND MOTORCYCLES "
*I- ACCOMMODATION AND FOOD SERVICE ACTIVITIES "

1 Executive Summary

2 Macroeconomic environment

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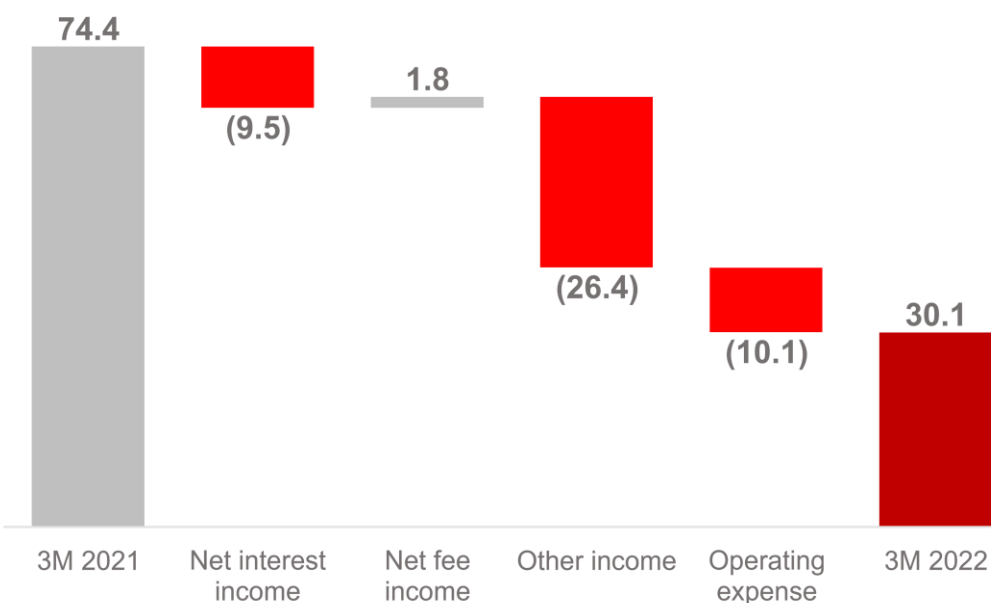
4 Risk Management

5 Appendix

Key financials – Income statement

		3M 2021	3M 2022	Δ y-o-y	
Net interest income	HRK mn	135	126	(9.5)	▼
Net fee income	HRK mn	42	43	1.8	▲
Operating income	HRK mn	191	157	(34.2)	▼
Operating expense	HRK mn	(116)	(126)	10.1	▲
Operating profit	HRK mn	74	30	(44.3)	▼
Provisioning	HRK mn	(25)	0	(25.7)	▼
Net profit	HRK mn	40	30	(10.6)	▼
Cost-to-income ratio	%	61.0	80.8	19.8	▲
Net interest margin	%	2.1	1.8	(0.3)	▼

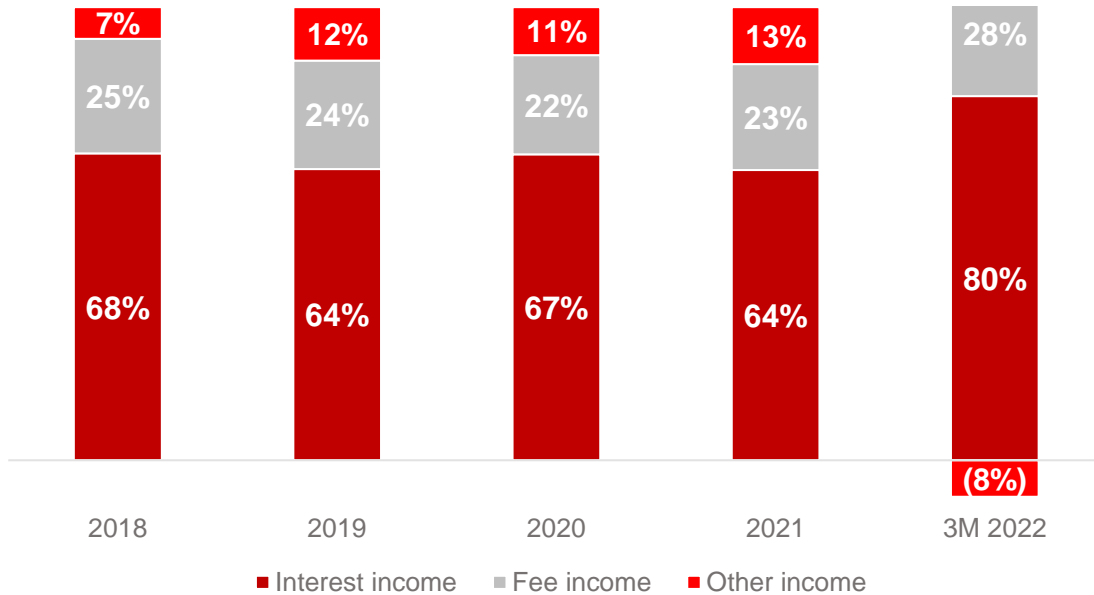
Operating profit development (in HRK mn)



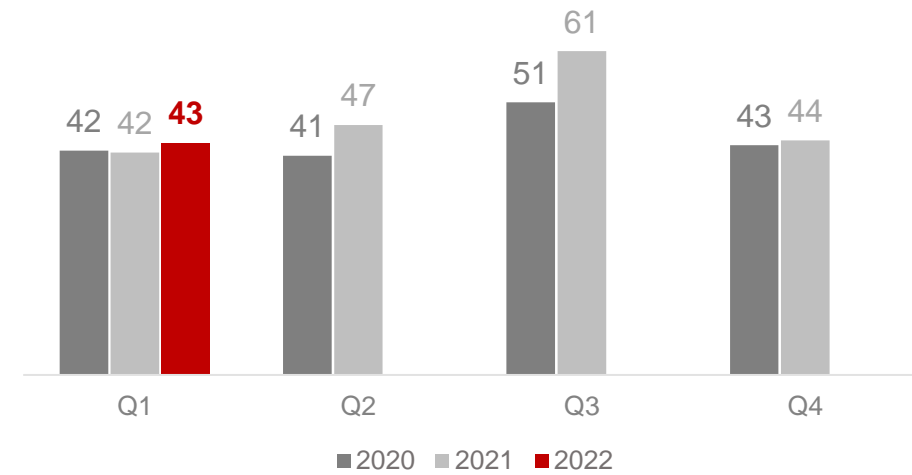
- NII lower by 7.1% due to lower market interest rates, lower gross loans portfolio and strong price competition on banking market; interest expenses management in first quarter 2022 (-35.5%) did not neutralise decrease in interest income (-8.6%) vs PY;
- NFCI higher by 4.2% due to recovery of economic activity, in first quarter highest net income from fees and commissions in the last five years was achieved;
- Net loss from trading is main driver for lower operating income (-28.8 mn vs Q1 21), as a result of strong yield growth and falling government bond prices due to accelerated inflation, tightening monetary policies of the ECB and FED, which was further intensified by the war in Ukraine;
- Lower operating profit (-44.3 mn) as a result of realized loss from trading activities, lower NII and increased administrative costs due to intensive activities initiated on all regulatory projects (EURO, ESG and other);
- Despite savings in provisioning costs, net profit driven by lower operating profit.

Net income development

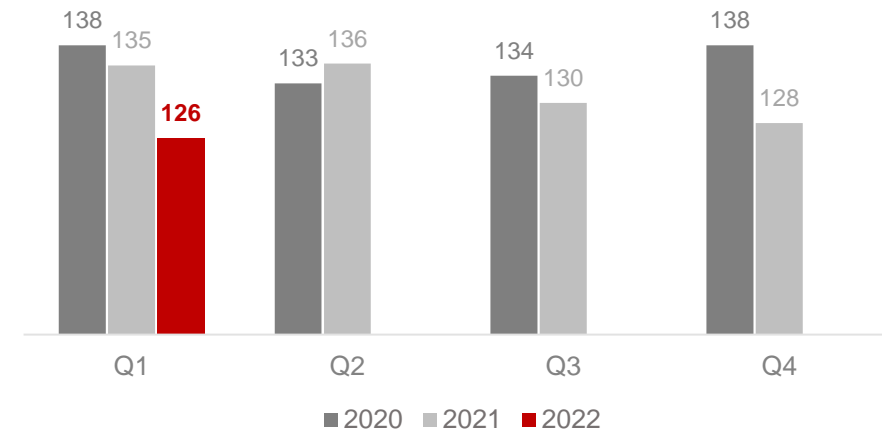
Composition of net income



Net fee income (in HRK mn)



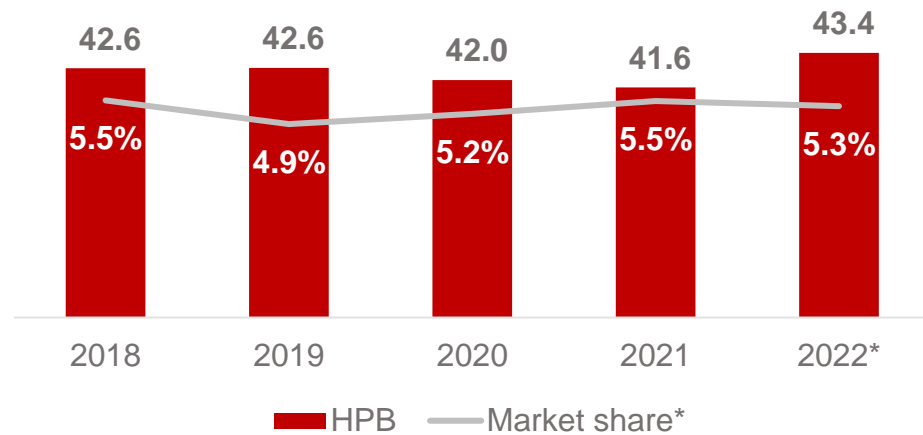
Net interest income (in HRK mn)



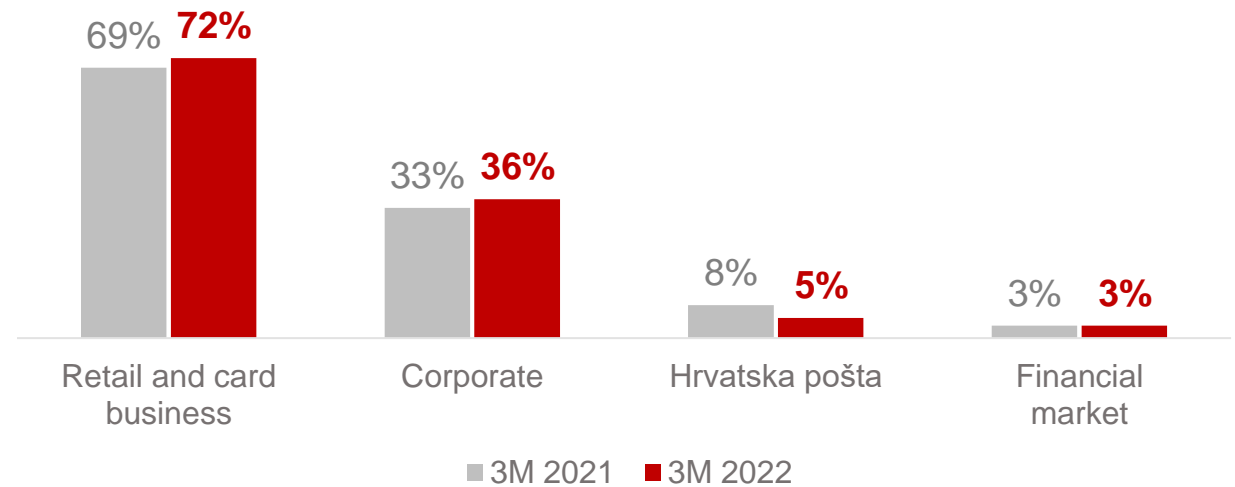
- Higher NFCI as a result of increased fees from credit card transactions, in 3M 2022 recovery above pandemic years and highest in last 5 years;;
- NII lower in comparison with PY due to the strong price competition on the market and lower loan portfolio;
- Lower other income in 2022 as a result of realized losses from trading due to the falling government bond prices.

Fees and commissions

Net fee income overview in 3M (in HRK mn)



Composition of net fee and commission income by sales segments

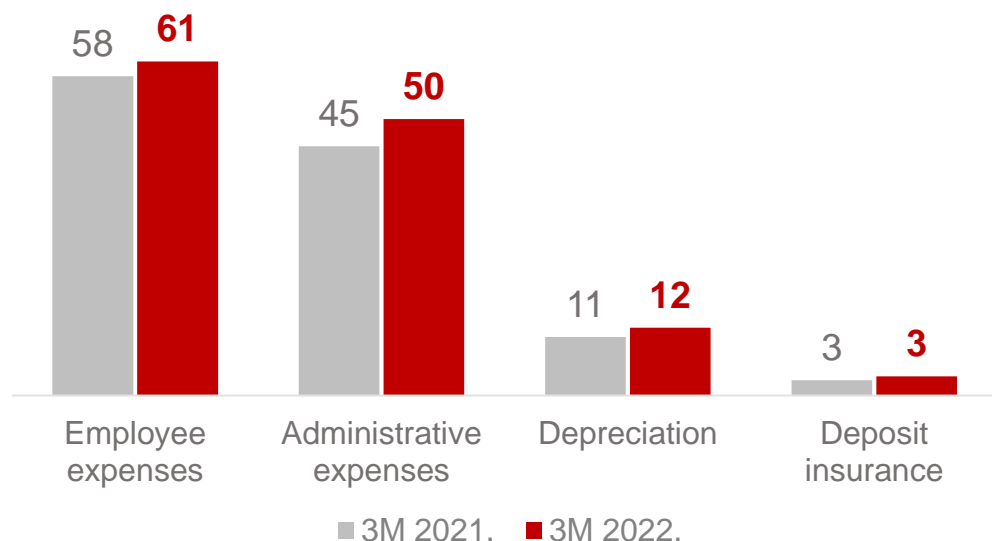


* Market data available for 12M 2021

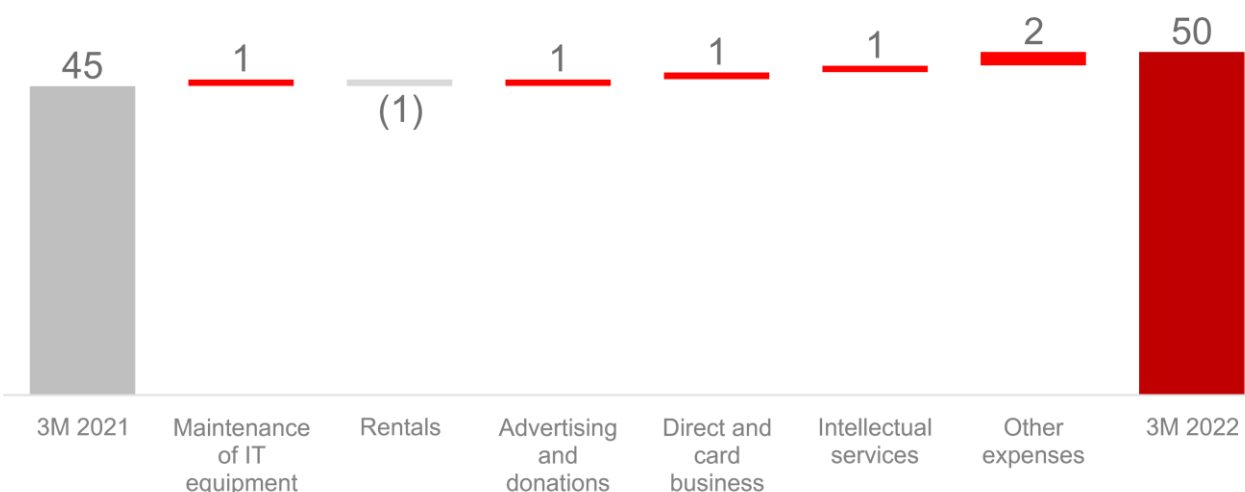
- NFCI in the in the first quarter 2022 exceeded its pre-COVID levels;
- Increase in NFCI mainly driven by recovery of economic activities (net income from card business +38.2%);
- HPB net fee income on par with the banking sector with a relatively stable share.

Operating expenses

Composition of operating expenses
(in HRK mn)



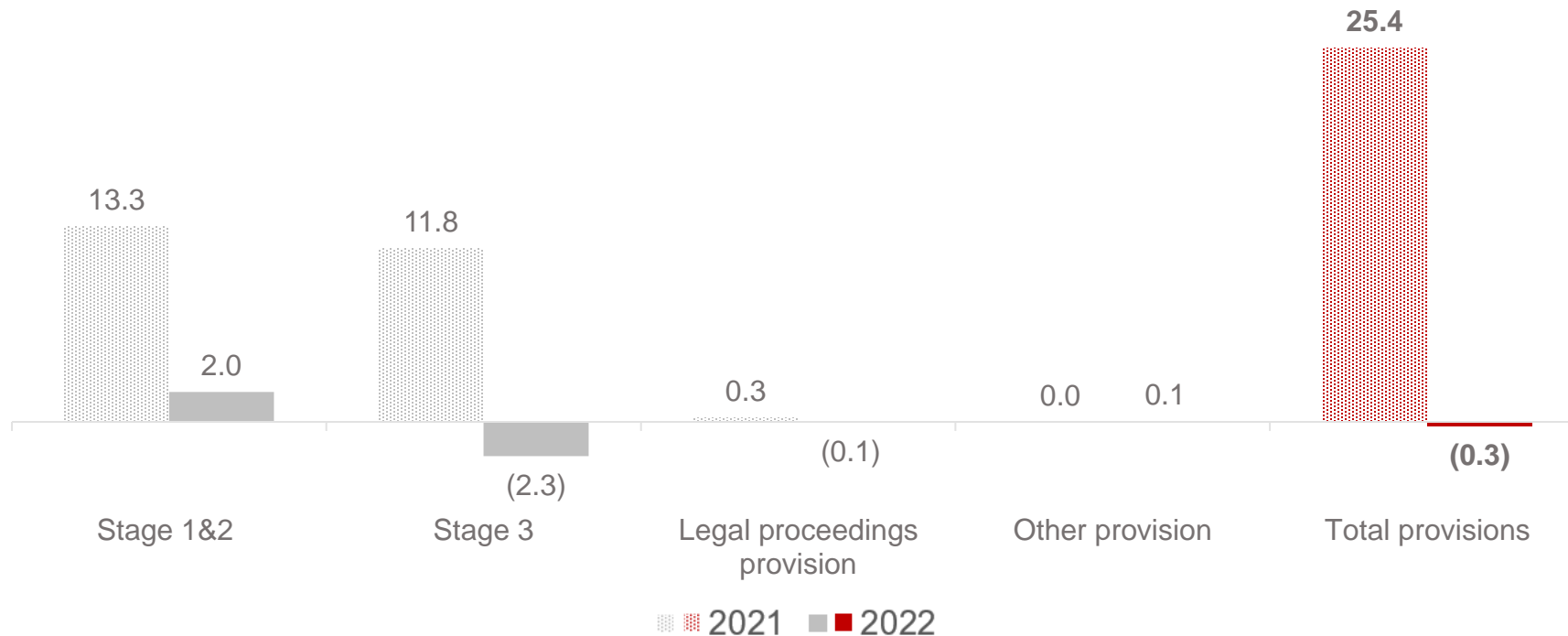
Administrative expenses development
(in HRK mn)



- Higher operating expenses (+ 10.1 mn or +8.6%) coming from higher administrative costs;
- Employee costs up as a result of investing in IT internal resources and intensive activities on regulatory project Euro;
- Administrative expenses increased (+10.9%) due to the timely addressing regulatory requirements and improvements of Bank's processes in order to eliminate technological debt:
 - Maintenance of IT equipment;
 - Intensive marketing activities used as an acquisition tool due to participation in the new APN tranche;
 - Consultation services due to initiated regulatory projects (Euro, ESG and other).

Provisioning

Structure of net provision expenses in 3M 2021/2022 (in HRK mn)



- Provisions for Stage 1 & 2 significantly lower in 2022 due to improved portfolio quality after COVID 19 pandemic;
- Lower stage 3 provisions compared to the realization in 2021 due to record levels of collateral realization where real estates are sold at the first public auctions, which has not been the case so far.

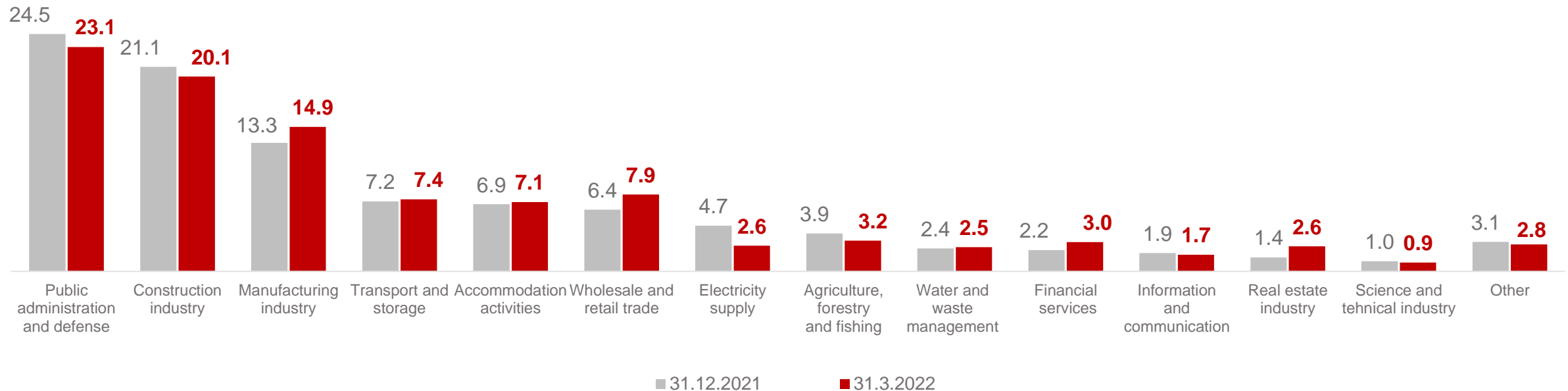
Key financials – Balance sheet

		31.12.2021	31.03.2022	Δ ytd	
Assets	HRK mn	27,861	28,754	893	▲
Gross loans	HRK mn	15,727	16,065	339	▲
Deposits	HRK mn	23,443	24,493	1,050	▲
Equity	HRK mn	2,650	2,492	(159)	▼
Regulatory capital	HRK mn	2,631	2,528	(103)	▼
Loan/deposit ratio	%	60.8	59.5	(1.2)	▼
ROAE	%	7.9	4.6	(3.3)	▼
NPL ratio	%	9.8	9.2	(0.5)	▼
NPL ratio excl. 100% gov. guaranteed exposure	%	8.4	7.9	(0.5)	▼
NPL coverage	%	61.1	62.2	1.1	▲
NPL coverage excl. 100% gov. guaranteed exposure	%	72.1	73.5	1.3	▲
Loss allowance for loans	HRK mn	(1,575)	(1,588)	14	▲

- Assets records continuous growth +3.2% ytd as a result of increase in liquid assets +9.3% primarily due to continuous increase in deposits; gross loans increased +2.2% while securities decreased -5.0%;
- Deposits up +4.5% with largest increase in SMEs +12.1%, the central state and large corporate segment +8.0%, and financial markets +5.2%.

Corporate portfolio industry distribution

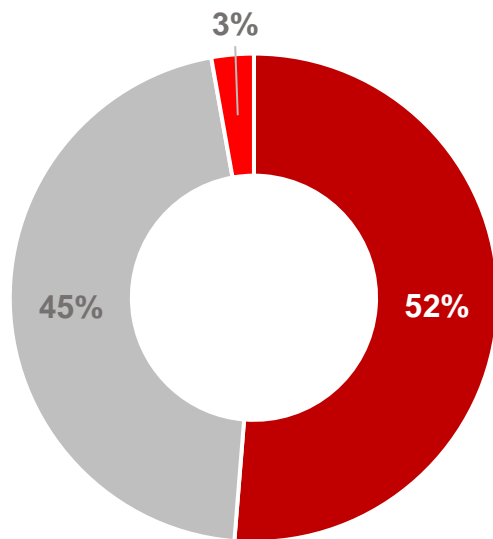
Corporate gross loans per industry (in %)



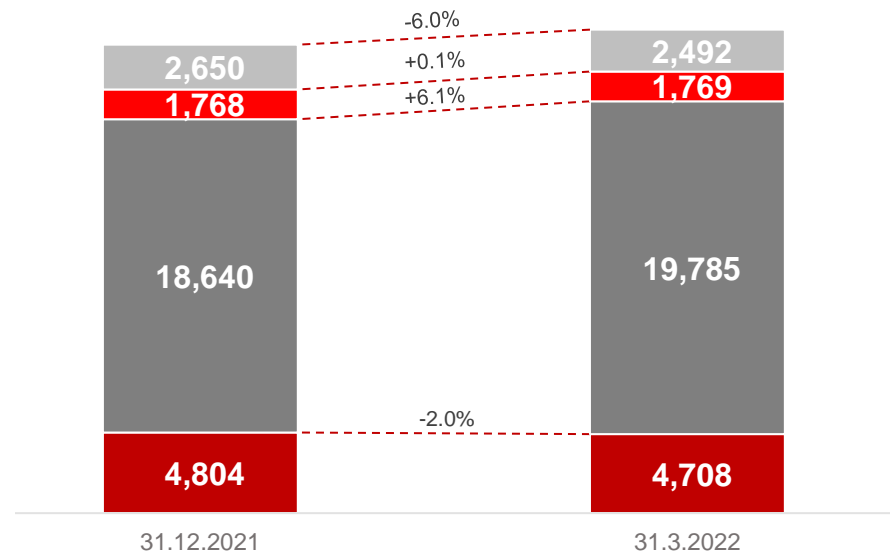
- Recovery of the corporate segment after COVID-19 pandemic is continued in 2022;
- Corporate lending activity is primarily focused on loans for liquid assets and refinancing of existing liabilities and to a lesser extent on lending to investment projects that are partly co-financed by grants from EU funds;
- Increase in the manufacturing and wholesale and retail trade segment is mostly result of new acquisitions;
- Reduction in the electricity supply segment is result of repayment of the part of the allowed overdraft;
- In the real estate segment, a new placement was approved for the purpose of refinancing existing liabilities.

Composition of equity and liabilities

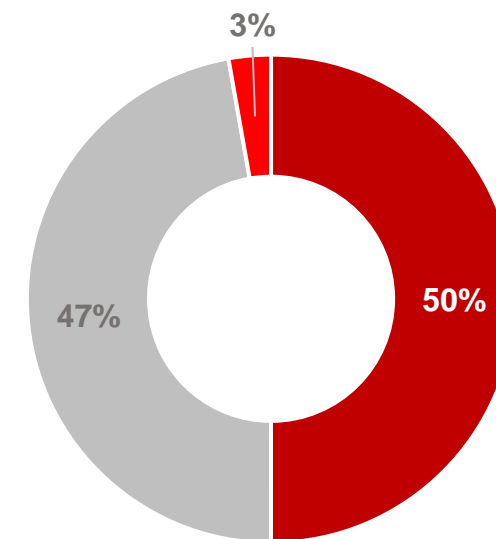
Deposit structure
31.12.2021



Equity and liabilities structure
(in HRK mn)



Deposit structure
31.3.2022

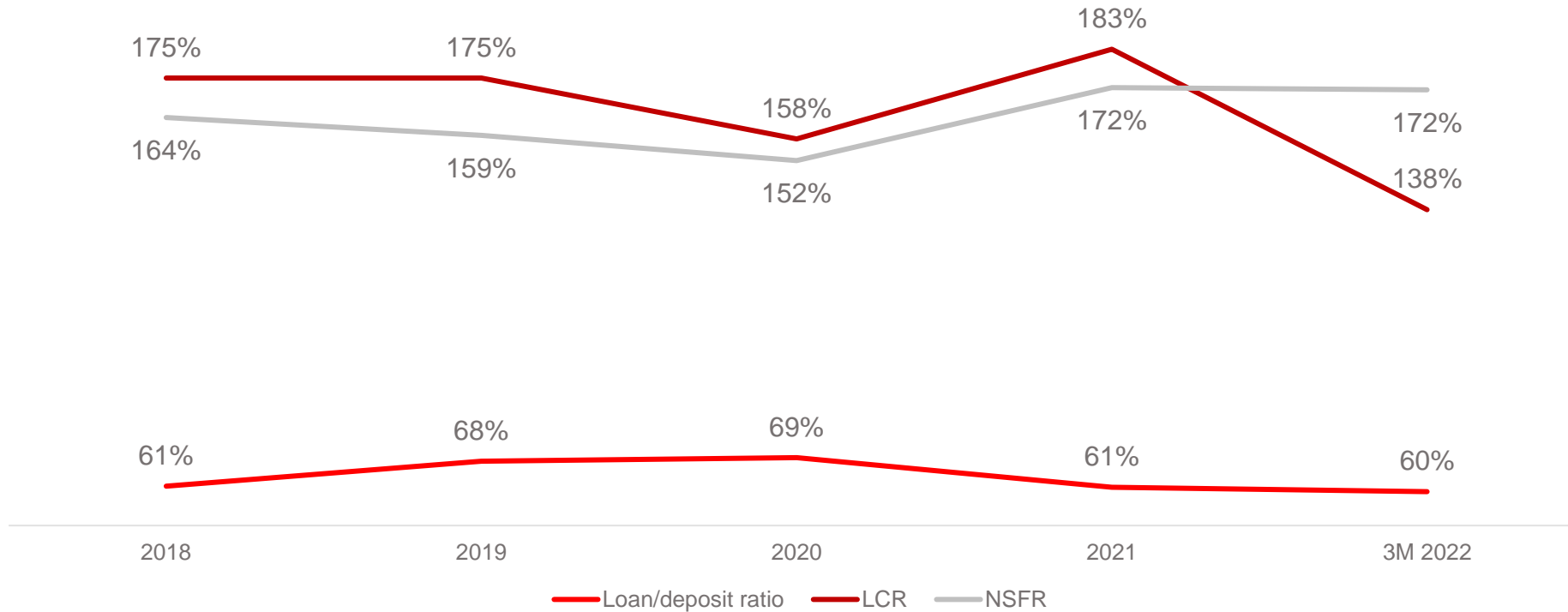


■ Retail ■ Corporate ■ Financial market
 ■ Term deposits ■ A vista deposits ■ Other liabilities ■ Equity
 ■ Retail ■ Corporate ■ Financial market

- Favourable impact on costs from observable trend of reduction of interest rates on deposits and continuous effective interest rate management;
- Customer deposits dominate the funding mix with an 85.2% share
 - Additionally strengthened market position, Bank holds 5.97% of all deposits on a market at 31.1.2022 (31.12.2021 = 5.93%);
- Stable wholesale funding structure – attracted funds through foreign financial institutions, CBRD and CNB repo loans.

Liquidity Overview

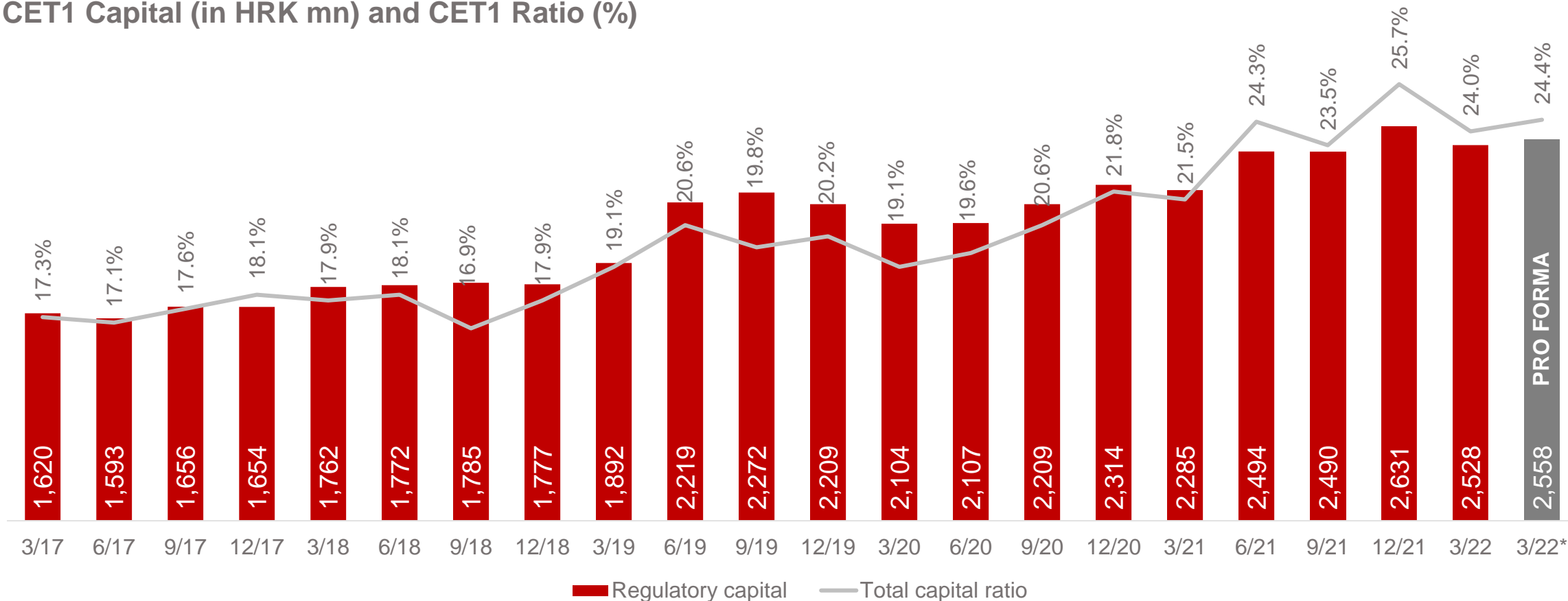
Liquidity ratios



- Optimization of LCR in 2022 through more efficient liquidity management;
- Continuously low loan-to-deposit ratio;
- High share of customer deposits (85.2%) in financing mix.

Continuously strong capital position

CET1 Capital (in HRK mn) and CET1 Ratio (%)



- CET-1 lower than in the previous quarter as a result of growth in loans and consequent risk-weighted assets;
- Pro forma CET1 calculation includes 3M 2022 net profit.

1 Executive Summary

2 Macroeconomic environment

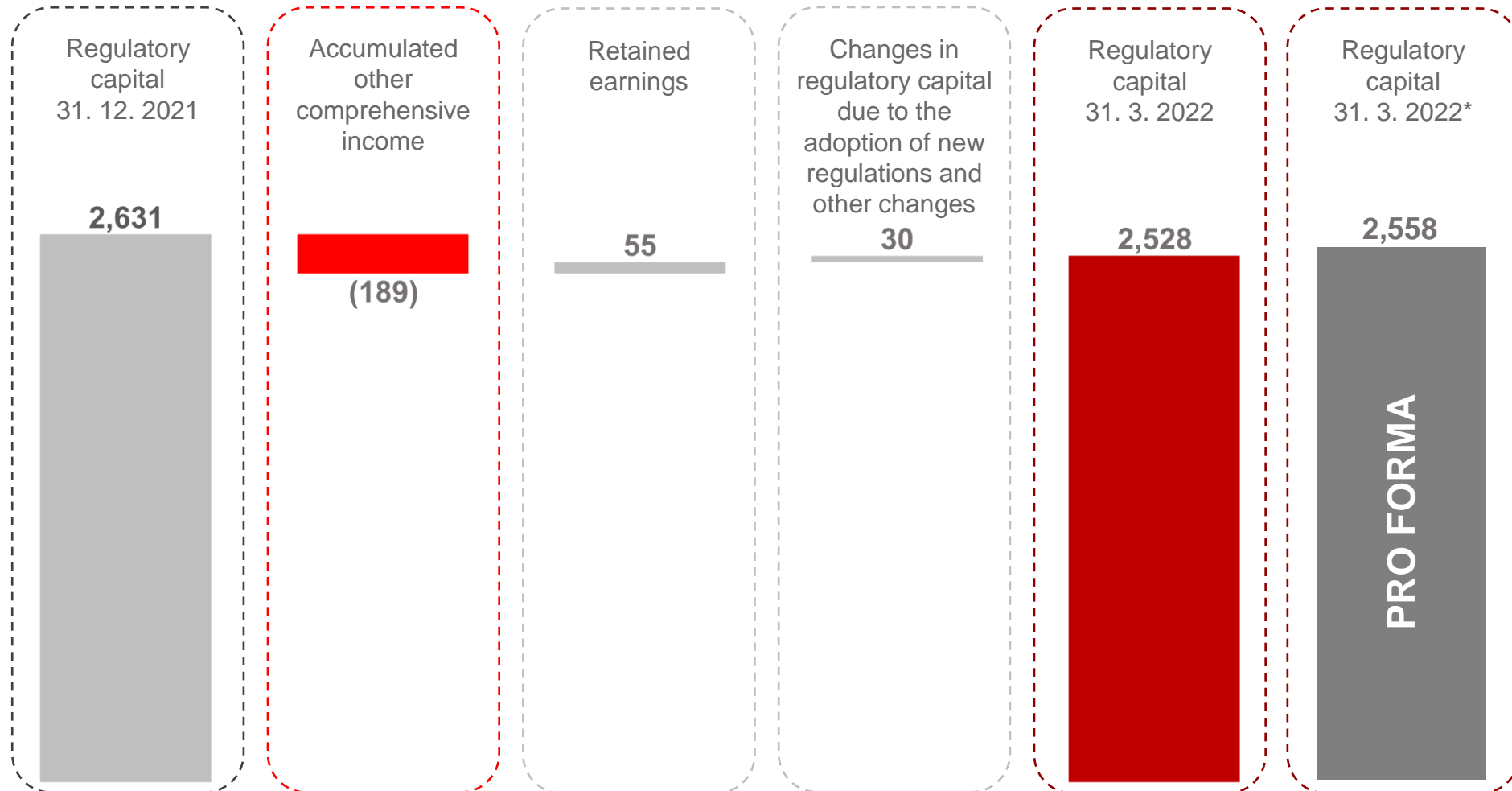
3 Financials

4 Risk Management

5 Appendix

Regulatory Capital Development

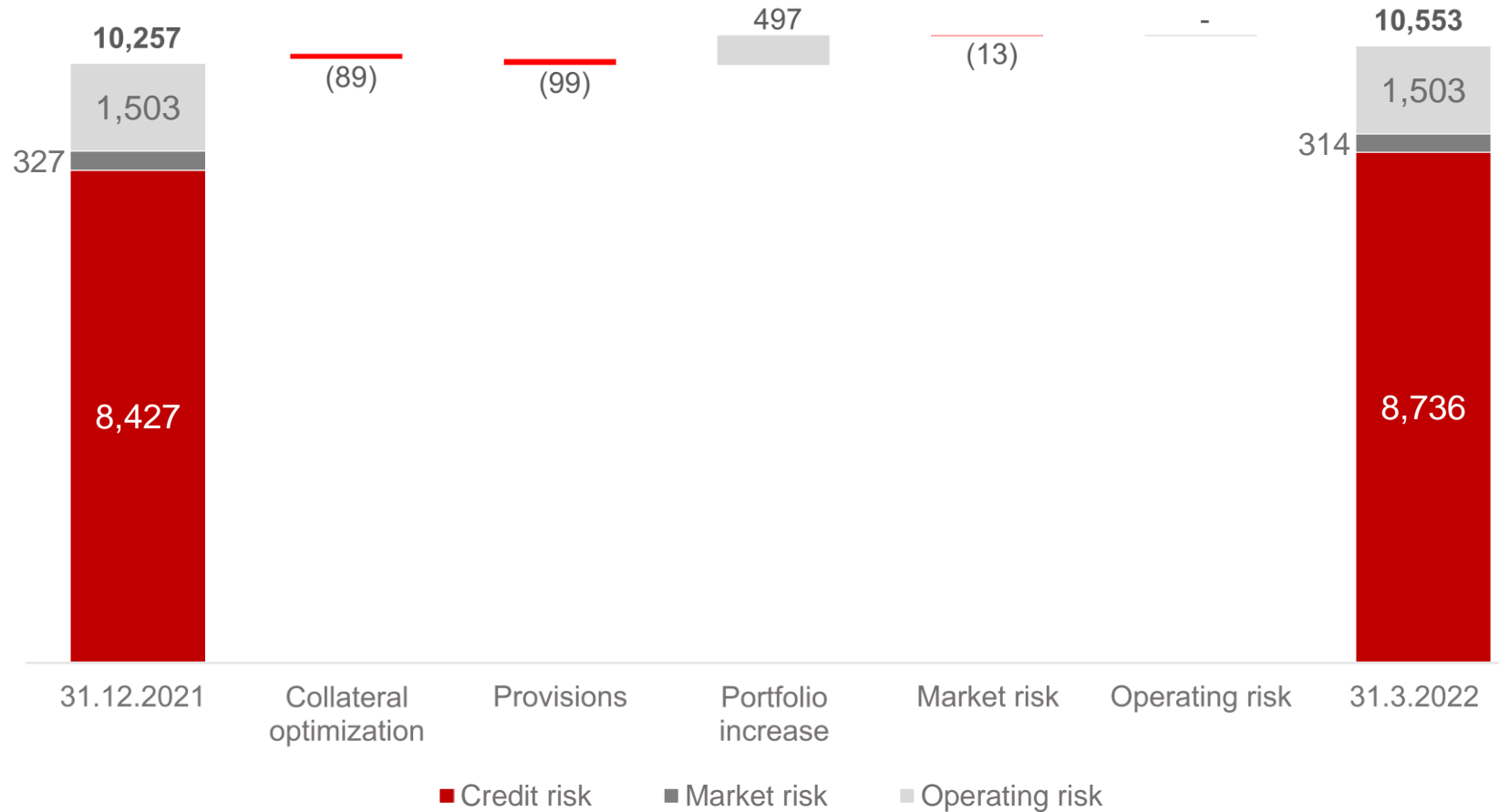
Regulatory capital development (in HRK mn)



*Regulatory capital with inclusion of 3M 2022 net profit

RWA Development

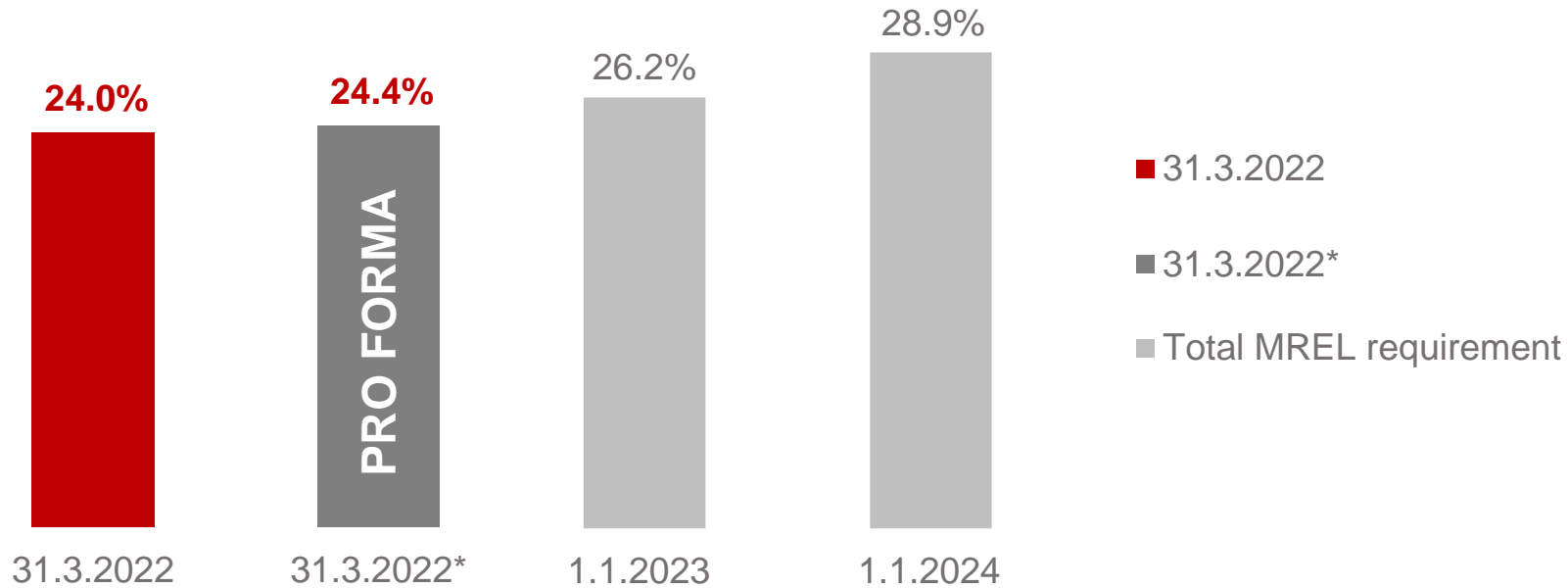
RWA development (in HRK mn)



- Risk-weighted assets higher than in the previous quarter due to the corporate loans growth.

Meeting MREL requirements

Actual CET1 ratios vs. total MREL requirement



* Pro forma CET 1 ratio with inclusion of 3M 2022 net profit

- Bank's total capital ratio in first quarter 2022 above first binding transitional MREL requirement (23.4%) which entered into force on 1 January 2022.

Exposures and coverage per stage

Segment	Stage	31.12.2021				31.3.2022			
		Exposure	Exposure excluding 100% government guarantees	Coverage	Coverage without 100% government guarantees	Exposure	Exposure excluding 100% government guarantees	Coverage	Coverage excluding 100% government guarantees
CORPORATE	S1	45.9%		1.4%		62.6%		1.6%	
CORPORATE	S2	18.2%		7.6%		7.3%		10.1%	
CORPORATE	S3	35.9%	25.8%	47.8%	75.7%	30.1%	21.0%	45.9%	72.8%
SME	S1	41.4%		1.8%		44.3%		1.8%	
SME	S2	26.6%		8.2%		25.2%		8.0%	
SME	S3	31.9%	31.9%	66.7%	66.7%	30.5%	30.5%	68.0%	68.0%
STATE	S1	98.6%		0.4%		98.4%		0.2%	
STATE	S2	1.4%		2.9%		1.6%		2.7%	
STATE	S3	0.0%	0.0%	2.0%	2.0%*	0.0%	0.0%	2.0%	2.0%*
RETAIL	S1	86.1%		1.3%		85.7%		1.3%	
RETAIL	S2	4.4%		10.8%		4.7%		10.5%	
RETAIL	S3	9.5%	9.5%	72.7%	72.7%	9.6%	9.6%	76.8%	76.8%
TOTAL	S1	84.5%		0.7%		86.3%		0.7%	
TOTAL	S2	5.7%		8.5%		4.5%		9.1%	
TOTAL	S3	9.8%	8.4%	61.1%	72.0%	9.2%	7.9%	62.2%	73.3%

*Relates to the exposure below HRK 0.5 mn.

1 Executive Summary

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5 Appendix

Management report of Hrvatska poštanska Banka p.l.c.

Management report of Hrvatska poštanska Banka p.l.c. for the period from January 1 to March 31, 2022 is contained in the previous section of this material.

Marko Badurina

President of the Management Board

Anto Mihaljević

Member of the Management Board

Ivan Soldo

Member of the Management Board



Statement by persons accountable for compiling the report of HPB p.l.c.

In accordance with the Capital Market Act, the Management Board of HPB plc., states that according to their best knowledge the set of unaudited financial statements for the period from January 1 to March 31, 2022, compiled in accordance with the accounting regulation applicable to credit institutions in Croatia, presents complete and accurate view of assets and liabilities, losses and gains, financial position and results of HPB p.l.c.

Tea Bažant

Executive Head of finance division

Marko Badurina

Chief Executive Officer

Anto Mihaljević

Member of the Management Board

Ivan Soldo

Member of the Management Board



Annex 1**ISSUER'S GENERAL DATA**

Reporting period:

1.1.2022

to

31.3.2022

Year:

2022

Quarter:

1

Quarterly financial statements

Registration number (MB):

03777928

Issuer's home Member

State code:

HRVATSKA

Entity's registration
number (MBS):

080010698

Personal identification
number (OIB):

87939104217

LEI:

529900D5G4V6THXC5P79

Institution
code:

319

Name of the issuer: HRVATSKA POŠTANSKA BANKA, dioničko društvo

Postcode and town:

10000

ZAGREB

Street and house number: JURIŠIĆEVA ULICA 4

E-mail address: hpb@hpb.hr

Web address: www.hpb.hr

Number of employees
(end of the reporting

1296

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: Tea Bažant

(only name and surname of the contact person)

Telephone: 014804670

E-mail address: tea.bazant@hpb.hr

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

BALANCE SHEET
Balance as at 31.3.2022

Submitter: Hrvatska poštanska banka

in HRK

Item	ADP code	Last day of the preceding business year	Current period
1	2	3	4
Assets			
Cash, cash balances at central banks and other demand deposits (from 2 to 4)	001	6,177,602,131	5,370,661,117
Cash in hand	002	1,422,548,361	1,284,616,658
Cash balances at central banks	003	4,339,757,848	3,985,406,986
Other demand deposits	004	415,295,922	100,637,473
Financial assets held for trading (from 6 to 9)	005	616,670,614	451,431,363
Derivatives	006	-	384,069
Equity instruments	007	105,639,274	102,299,348
Debt securities	008	511,031,340	348,747,946
Loans and advances	009	-	-
Non-trading financial assets mandatorily at fair value through profit or loss (from 11 to 13)	010	9,316,729	9,176,880
Equity instruments	011	-	-
Debt securities	012	-	-
Loans and advances	013	9,316,729	9,176,880
Financial assets at fair value through profit or loss (15 + 16)	014	-	-
Debt securities	015	-	-
Loans and advances	016	-	-
Financial assets at fair value through other comprehensive income (from 18 to 20)	017	4,601,319,906	3,605,319,222
Equity instruments	018	48,896,784	28,860,225
Debt securities	019	4,552,423,122	3,576,458,997
Loans and advances	020	-	-
Financial assets at amortised cost (22 + 23)	021	15,955,565,325	18,746,595,002
Debt securities	022	454,371	900,585,802
Loans and advances	023	15,955,110,954	17,846,009,200
Derivatives - hedge accounting	024	-	-
Fair value changes of the hedged items in portfolio hedge of interest rate risk	025	-	-
Investments in subsidiaries, joint ventures and associates	026	9,760,843	80,760,843
Tangible assets	027	310,680,257	309,322,964
Intangible assets	028	93,319,300	92,300,710
Tax assets	029	642,640	19,400,826
Other assets	030	51,761,294	47,321,305
Fixed assets and disposal groups classified as held for sale	031	9,200,000	9,200,000
Total assets (1 + 5 + 10 + 14 + 17 + 21 + from 24 to 31)	032	27,835,839,039	28,741,490,232
Liabilities			
Financial liabilities held for trading (from 34 to 38)	033	-	402,542
Derivatives	034	-	402,542
Short positions	035	-	-
Deposits	036	-	-
Debt securities issued	037	-	-
Other financial liabilities	038	-	-
Financial liabilities at fair value through profit or loss (from 40 to 42)	039	-	-
Deposits	040	-	-
Debt securities issued	041	-	-
Other financial liabilities	042	-	-
Financial liabilities measured at amortised cost (from 44 to 46)	043	24,851,379,590	25,889,910,065
Deposits	044	24,756,955,639	25,796,361,085
Debt securities issued	045	-	-
Other financial liabilities	046	94,423,951	93,548,980
Derivatives - hedge accounting	047	-	-
Fair value changes of the hedged items in portfolio hedge of interest rate risk	048	-	-
Provisions	049	89,416,940	93,618,198
Tax liabilities	050	64,392,779	59,151,504
Share capital repayable on demand	051	-	-
Other liabilities	052	180,219,880	206,878,930
Liabilities included in disposal groups classified as held for sale	053	-	-
Total liabilities (33 + 39 + 43 + from 47 to 53)	054	25,185,409,189	26,249,961,239
Equity			
Capital	055	1,214,775,000	1,214,775,000
Share premium	056	-	-
Equity instruments issued other than capital	057	-	-
Other equity	058	-	-
Accumulated other comprehensive income	059	240,193,702	51,120,638
Retained profit	060	291,352,537	493,459,050
Revaluation reserves	061	-	-
Other reserves	062	702,479,098	702,479,098
(-) Treasury shares	063	(477,000)	-
Profit or loss attributable to owners of the parent	064	202,106,513	29,695,207
(-) Interim dividends	065	-	-
Minority interests [non-controlling interests]	066	-	-
Total equity (from 55 to 66)	067	2,650,429,850	2,491,528,993
Total equity and liabilities (54 + 67)	068	27,835,839,039	28,741,490,232

STATEMENT OF PROFIT OR LOSS
For the period 1.1.2022 to 31.3.2022

Submitter: Hrvatska poštanska banka

in HRK

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
Interest income	001	143,774,572	143,774,572	131,750,105	131,750,105
(Interest expenses)	002	9,992,961	9,992,961	6,881,432	6,881,432
(Expenses on share capital repayable on demand)	003	-	-	-	-
Dividend income	004	-	-	28,452	28,452
Fees and commissions income	005	103,797,166	103,797,166	105,796,618	105,796,618
(Fees and commissions expenses)	006	62,155,486	62,155,486	62,410,119	62,410,119
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	007	93,829	93,829	2,286,048	2,286,048
Gains or (-) losses on financial assets and liabilities held for trading, net	008	14,760,520	14,760,520	(14,914,333)	(14,914,333)
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss, net	009	1,360,042	1,360,042	66,627	66,627
Gains or (-) losses on derecognition of financial assets and liabilities at fair value through profit or loss, net	010	-	-	-	-
Gains or (-) losses from hedge accounting, net	011	-	-	-	-
Exchange rate differences [gain or (-) loss], net	012	(3,295,984)	(3,295,984)	(3,310,141)	(3,310,141)
Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net	013	-	-	-	-
Gains or (-) losses on derecognition of non-financial assets, net	014	-	-	-	-
Other operating income	015	2,230,112	2,230,112	3,251,368	3,251,368
(Other operating expenses)	016	2,358,709	2,358,709	2,907,555	2,907,555
Total operating income, net (1 – 2 – 3 + 4 + 5 – 6 + from 7 to 15 – 16)	017	188,213,101	188,213,101	152,755,638	152,755,638
(Administrative expenses)	018	92,704,468	92,704,468	101,426,717	101,426,717
(Cash contributions to resolution boards and deposit guarantee schemes)	019	2,741,250	2,741,250	3,479,089	3,479,089
(Depreciation)	020	16,977,913	16,977,913	17,720,326	17,720,326
Modification gains or (-) losses, net	021	(3,309,564)	(3,309,564)	(2,790,746)	(2,790,746)
(Provisions or (-) reversal of provisions)	022	3,212,236	3,212,236	4,730,980	4,730,980
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	023	20,271,678	20,271,678	(7,797,183)	(7,797,183)
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	024	-	-	-	-
(Impairment or (-) reversal of impairment on non-financial assets)	025	-	-	-	-
Negative goodwill recognised in profit or loss	026	-	-	-	-
Share of the profit or (-) losses of investments in subsidiaries, joint ventures and associates accounted for using the equity method	027	-	-	-	-
Profit or (-) loss from fixed assets and disposal groups classified as held for sale not qualifying as discontinued operations	028	-	-	-	-
Profit or (-) loss before tax from continuing operations (17 – 18 to 20 + 21 - from 22 to 25 + from 26 to 28)	029	48,995,992	48,995,992	30,404,963	30,404,963
(Tax expense or (-) income related to profit or loss from continuing operations)	030	8,655,440	8,655,440	709,756	709,756
Profit or (-) loss after tax from continuing operations (29 – 30)	031	40,340,552	40,340,552	29,695,207	29,695,207
Profit or (-) loss after tax from discontinued operations (33 – 34)	032	-	-	-	-
Profit or (-) loss before tax from discontinued operations	033	-	-	-	-
(Tax expense or (-) income related to discontinued operations)	034	-	-	-	-
Profit or (-) loss for the year (31 + 32; 36 + 37)	035	40,340,552	40,340,552	29,695,207	29,695,207
Attributable to minority interest (non-controlling interests)	036	-	-	-	-
Attributable to owners of the parent	037	40,340,552	40,340,552	29,695,207	29,695,207
STATEMENT OF OTHER COMPREHENSIVE INCOME					
Income or (-) loss for the current year	038	40,340,552	40,340,552	29,695,207	29,695,207
Other comprehensive income (40+ 52)	039	4,024,343	4,024,343	(189,073,064)	(189,073,064)
Items that will not be reclassified to profit or loss (from 41 to 47 + 50 + 51)	040	(457,723)	(457,723)	-	-
Tangible assets	041	-	-	-	-
Intangible assets	042	-	-	-	-
Actuarial gains or (-) losses on defined benefit pension plans	043	-	-	-	-
Fixed assets and disposal groups classified as held for sale	044	-	-	-	-
Share of other recognised income and expense of entities accounted for using the equity method	045	-	-	-	-
Fair value changes of equity instruments measured at fair value through other comprehensive income	046	-	-	-	-
Gains or (-) losses from hedge accounting of equity instruments at fair value through other comprehensive income, net	047	-	-	-	-
Fair value changes of equity instruments measured at fair value through other comprehensive income [hedged item]	048	-	-	-	-
Fair value changes of equity instruments measured at fair value through other comprehensive income [hedging instrument]	049	-	-	-	-
Fair value changes of financial liabilities measured at fair value through profit or loss attributable to changes in their credit risk	050	-	-	-	-
Income tax relating to items that will not be reclassified	051	(457,723)	(457,723)	-	-
Items that may be reclassified to profit or loss (from 53 to 60)	052	4,482,066	4,482,066	(189,073,064)	(189,073,064)
Hedge of net investments in foreign operations [effective portion]	053	-	-	-	-
Foreign currency translation	054	-	-	-	-
Cash flow hedges [effective portion]	055	-	-	-	-
Hedging instruments [not designated elements]	056	-	-	-	-
Debt instruments at fair value through other comprehensive income	057	5,465,934	5,465,934	(230,795,701)	(230,795,701)
Fixed assets and disposal groups classified as held for sale	058	-	-	-	-
Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates	059	-	-	-	-
Income tax relating to items that may be reclassified to profit or (-) loss	060	(983,868)	(983,868)	41,722,637	41,722,637
Total comprehensive income for the current year (38 + 39; 62 + 63)	061	44,364,895	44,364,895	(159,377,857)	(159,377,857)
Attributable to minority interest (non-controlling interest)	062	-	-	-	-
Attributable to owners of the parent	063	44,364,895	44,364,895	(159,377,857)	(159,377,857)

STATEMENT OF CASH FLOW
For the period 1.1.2022 to 31.3.2022

Submitter: Hrvatska poštanska banka

in HRK

Item	ADP code	Same period of the previous year	At the reporting date of the current period
1	2	3	4
Operating activities - direct method			
Interest received and similar receipts	001	-	-
Fees and commissions received	002	-	-
(Interest paid and similar expenditures)	003	-	-
(Fees and commissions paid)	004	-	-
(Operating expenses paid)	005	-	-
Net gains/losses from financial instruments at fair value through statement of profit or loss	006	-	-
Other receipts	007	-	-
(Other expenditures)	008	-	-
Operating activities - indirect method			
Profit/(loss) before tax	009	48,995,992	30,404,963
Adjustments:			
Impairment and provisions	010	26,793,478	(275,457)
Depreciation	011	16,977,913	17,720,326
Net unrealised (gains)/losses on financial assets and liabilities at fair value through statement of profit or loss	012	(12,918,407)	12,561,658
(Profit)/loss from the sale of tangible assets	013	-	-
Other non-cash items	014	(133,781,611)	(124,868,673)
Changes in assets and liabilities from operating activities			
Deposits with the Croatian National Bank	015	(739,596,308)	(22,184,481)
Deposits with financial institutions and loans to financial institutions	016	(11,135,460)	-
Loans and advances to other clients	017	(134,134,255)	(2,141,396,936)
Securities and other financial instruments at fair value through other comprehensive income	018	(45,780,726)	784,504,451
Securities and other financial instruments held for trading	019	12,080,083	150,531,394
Securities and other financial instruments at fair value through statement of profit or loss, not traded	020	-	-
Securities and other financial instruments mandatorily at fair value through statement of profit or loss	021	-	-
Securities and other financial instruments at amortised cost	022	(1,184,307)	(900,131,431)
Other assets from operating activities	023	9,475,316	3,258,477
Deposits from financial institutions	024	(45,589,059)	258,090,507
Transaction accounts of other clients	025	1,480,641,804	(413,468,584)
Savings deposits of other clients	026	349,512,555	1,236,770,141
Time deposits of other clients	027	(209,650,769)	(102,498,835)
Derivative financial liabilities and other liabilities held for trading	028	3,555,420	(472,429)
Other liabilities from operating activities	029	71,638,153	23,126,676
Interest received from operating activities [indirect method]	030	143,774,572	131,750,105
Dividends received from operating activities [indirect method]	031	-	28,452
Interest paid from operating activities [indirect method]	032	(9,992,961)	(6,881,432)
(Income tax paid)	033	-	-
Net cash flow from operating activities (from 1 to 33)	034	819,681,423	(1,063,431,108)
Investing activities			
Cash receipts from the sale / payments for the purchase of tangible and intangible assets	035	(28,574,940)	(15,344,443)
ventures	036	-	(71,000,000)
Cash receipts from the sale / payments for the purchase of securities and other financial instruments held to maturity	037	-	-
Dividends received from investing activities	038	(1,184,307)	-
Other receipts/payments from investing activities	039	-	-
Net cash flow from investing activities (from 35 to 39)	040	(29,759,247)	(86,344,443)
Financing activities			
Net increase/(decrease) in loans received from financing activities	041	1,862,296	(22,283,490)
Net increase/(decrease) in debt securities issued	042	-	-
Net increase/(decrease) in Tier 2 capital instruments	043	-	-
Increase in share capital	044	-	-
(Dividends paid)	045	-	-
Other receipts/(payments) from financing activities	046	-	681,600
Net cash flow from financing activities (from 41 to 46)	047	1,862,296	(21,601,890)
Net increase/(decrease) of cash and cash equivalents (34 + 40 + 47)	048	791,784,472	(1,171,377,441)
Cash and cash equivalents at the beginning of period	049	4,084,192,801	6,586,943,842
Effect of exchange rate fluctuations on cash and cash equivalents	050	(3,295,984)	(3,310,141)
Cash and cash equivalents at the end of period (48 + 49 + 50)	051	4,872,681,289	5,412,256,260

STATEMENT OF CHANGES IN EQUITY
For the period 1.1.2022 to 31.3.2022

Submitter: Hrvatska poštanska banka

in HRK

Item	ADP code	Attributable to owners of the parent										Non-controlling interest		Total	
		Equity	Share premium	Equity instruments issued other than capital	Other equity	Accumulated other comprehensive income	Retained profit	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income		Other items
		3	4	5	6	7	8	9	10	11	12	13	14		15
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Opening balance (before restatement)	001	1,214,775,000	-	-	-	212,656,419	291,352,537	27,543,284	702,478,098	(477,000)	202,106,512	-	-	-	2,650,749,350
Effects of error corrections	002	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	003	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance (current period) (1 + 2 + 3)	004	1,214,775,000	-	-	-	212,656,419	291,352,537	27,543,284	702,478,098	(477,000)	202,106,512	-	-	-	2,650,429,350
Ordinary shares issue	005	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference shares issue	006	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	007	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercise or expiration of other equity instruments issued	008	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of receivables to equity instruments	009	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	010	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	011	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liability	014	-	-	-	-	-	-	-	-	(204,600)	-	-	-	-	(204,600)
Reclassification of financial instruments from liability to equity	015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers among components of equity	016	-	-	-	-	-	202,106,512	-	-	-	(202,106,512)	-	-	-	-
Equity increase or (-) decrease resulting from business combinations	017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	018	-	-	-	-	-	-	-	-	681,600	-	-	-	-	681,600
Other increase or (-) decrease in equity	019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increase or (-) decrease in equity	020	-	-	-	-	(188,073,064)	-	-	-	-	29,695,207	-	-	-	(158,377,857)
YTD comprehensive income for the current year	020	-	-	-	-	(188,073,064)	-	-	-	-	29,695,207	-	-	-	(158,377,857)
Closing balance (current period) (from 4 to 20)	021	1,214,775,000	-	-	-	23,577,355	493,459,049	27,543,284	702,478,098	-	29,695,207	-	-	-	2,491,528,993

Profit for the year 2021 was allocated to retained earnings only for reporting purposes until the decision of the General Assembly on the profit allocation.

Notes to the financial statements

Submitter: Hrvatska poštanska banka

in HRK

1) INTEREST INCOME

ADP 001	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	19,496,752	19,496,752	17,621,204	17,621,204
Loans and advances	124,277,820	124,277,820	114,120,587	114,120,587
Other assets	-	-	8,314	8,314
Deposits	-	-	-	-
Other liabilities	-	-	-	-
Total	143,774,572	143,774,572	131,750,105	131,750,105

2) INTEREST EXPENSE

ADP 002	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	-	-	-	-
Loans and advances	605,010	605,010	893,396	893,396
Other assets	-	-	-	-
Deposits	9,387,191	9,387,191	5,961,132	5,961,132
Other liabilities	760	760	26,905	26,905
Total	9,992,961	9,992,961	6,881,432	6,881,432

3) FEE AND COMMISSION INCOME

ADP 005	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Securities	712,761	712,761	761,543	761,543
Asset management	11,505	11,505	6,234	6,234
Custody (according to the type of client)	1,229,951	1,229,951	1,253,979	1,253,979
Loan commitments	11,393	11,393	4,960	4,960
Other	101,831,557	101,831,557	103,768,202	103,768,202
Total	103,797,166	103,797,166	105,796,618	105,796,618

4) FEE AND COMMISSION EXPENSE

ADP 006	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Bank clearing and settlement	446,254	446,254	635,218	635,218
Other	61,709,232	61,709,232	61,774,901	61,774,901
Total	62,155,486	62,155,486	62,410,119	62,410,119

5) GAIN/LOSSES ON TERMINATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

ADP 007	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	-	-	2,118,089	2,118,089
Loans and advances	-	-	-	-
Deposits	-	-	-	-
Debt Securities issued	-	-	-	-
Other financial liabilities	93,829	93,829	167,959	167,959
Total	93,829	93,829	2,286,048	2,286,048

6) GAINS OR (LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

ADP 008	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Equity instruments	4,329,892	4,329,892	(3,411,601)	(3,411,601)
Debt securities	(1,324,176)	(1,324,176)	(24,540,637)	(24,540,637)
FX transactions and derivatives	11,754,963	11,754,963	13,637,905	13,637,905
Total	14,760,679	14,760,679	(14,914,333)	(14,914,333)

7) GAINS OR LOSSES ON NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

ADP 009	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Equity instruments	-	-	66,627	66,627
Debt securities	-	-	-	-
Loans and advances	1,360,042	1,360,042	-	-
Total	1,360,042	1,360,042	66,627	66,627

8) OPERATING EXPENSES

ADP 015 & ADP 017 & ADP 018	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Other operating expenses	2,258,709	2,258,709	2,907,555	2,907,555
Administrative expenses	92,704,468	92,704,468	101,426,717	101,426,717
Employee expenses	57,447,513	57,447,513	60,126,387	60,126,387
Other administrative expenses	35,256,354	35,256,354	41,300,330	41,300,330
(Contributions in cash rehabilitation committees and Deposit Insurance Schemes)	2,741,250	2,741,250	3,479,089	3,479,089
Amortization	16,977,913	16,977,913	17,720,326	17,720,326
Property, plant and equipment	10,791,029	10,791,029	10,014,380	10,014,380
Investment property	-	-	-	-
Other intangible assets	6,186,885	6,186,885	7,705,945	7,705,945
Total	114,782,340	114,782,340	125,533,686	125,533,686

9) IMPAIRMENT LOSSES AND PROVISION EXPENSES

ADP 019 & ADP 020 & ADP 021 & ADP 023	Same period of the previous year 1.1. - 31.3.2021		Current period 1.1. - 31.3.2022	
	Cumulative	Quarter	Cumulative	Quarter
Modification gains or (-) losses, net	(3,309,564)	(3,309,564)	(2,790,746)	(2,790,746)
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets at amortized cost	(3,309,564)	(3,309,564)	(2,790,746)	(2,790,746)
(Provisions or (-) reversal of provisions)	3,212,236	3,212,236	4,730,980	4,730,980
Liabilities towards resolution committees and deposit insurance systems	-	-	-	-
(Liabilities and Guarantees)	2,914,535	2,914,535	4,789,008	4,789,008
(Other Provisions)	297,701	297,701	(58,027)	(58,027)
(Impairment or (-) reversal of impairment on financial assets that are not measured at fair value through profit or loss)	20,271,678	20,271,678	(7,797,183)	(7,797,183)
(Financial assets at fair value through other comprehensive income)	-	-	-	-
(Financial assets at amortized cost)	19,939,826	19,939,826	(2,188,289)	(2,188,289)
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures, and associates)	-	-	-	-
(Impairment or (-) reversal of impairment of non-financial assets)	-	-	-	-
(Property, plant and equipment)	-	-	-	-
(Investment property)	-	-	-	-
(Goodwill)	-	-	-	-
(Other intangible assets)	-	-	-	-
(Other)	-	-	-	-
Total	26,793,478	26,793,478	(275,457)	(275,457)

10) LOANS AND ADVANCES

ADP 023	31.12.2021			31.3.2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Central banks	1,326,441,533	-	-	1,348,626,014	-	-
Obligatory reserve	1,326,441,533	-	-	1,348,626,014	-	-
Allowance	-	-	-	-	-	-
Government	3,442,887,361	27,214,597	-	3,313,320,417	26,735,769	-
Gross loans	3,458,836,667	27,813,410	-	3,318,356,963	27,313,163	-
Allowance	(13,949,306)	-	-	(5,036,545)	-	-
Credit institutions	277,890,317	(598,813)	(92,006)	1,765,144,842	(577,394)	(92,006)
Gross loans	117,158	-	-	103,794	-	-
Allowance	(0)	-	-	(0)	-	-
Deposits	278,323,532	-	-	1,772,963,913	-	-
Allowance	(50,373)	-	-	(7,922,864)	-	-
Other financial institutions	170,320,447	122	-	244,783,106	895	-
Gross loans	160,489,950	122	-	224,447,219	905	-
Allowance	(2,059,031)	(0)	-	(2,176,090)	(1)	-
Deposits	12,188,549	-	-	12,824,813	-	-
Allowance	(29,121)	-	-	(313,730)	-	-
Non - financial institutions	1,635,385,291	770,088,173	615,079,209	2,344,606,079	537,596,891	620,908,467
Gross loans	1,661,243,557	836,572,344	1,333,341,814	2,384,147,686	589,887,431	1,321,252,268
Allowance	(25,858,296)	(66,484,172)	(718,262,605)	(99,341,608)	(52,390,540)	(700,343,801)
Retail	7,095,278,985	372,303,977	221,121,972	7,049,541,599	399,125,579	188,797,074
Gross loans	7,190,592,928	413,935,430	831,400,100	7,139,820,079	442,199,366	833,873,821
Allowance	(94,214,842)	(41,631,453)	(610,278,228)	(91,478,480)	(43,072,788)	(645,076,747)
Total	13,949,303,305	1,169,608,868	836,201,381	16,965,922,958	963,460,133	869,765,547

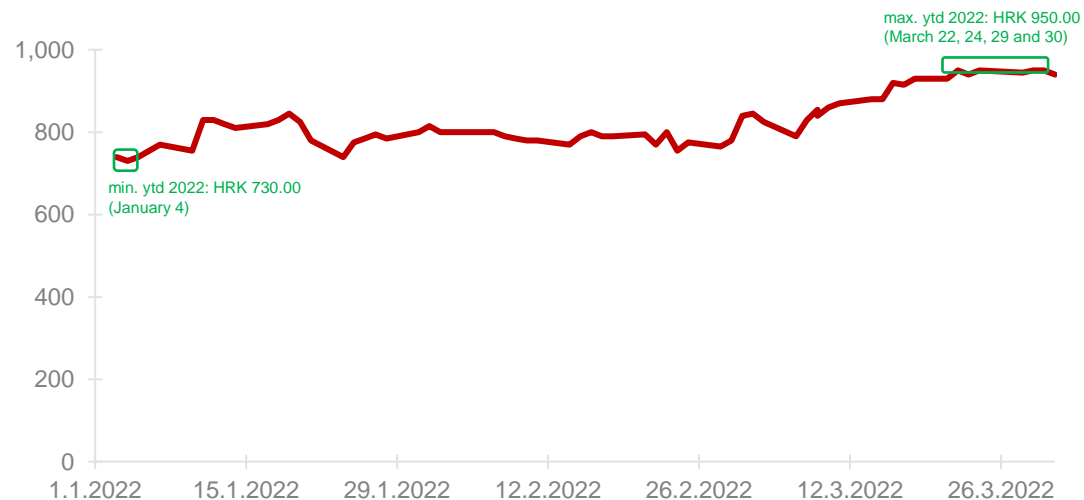
11) NON-TRADING FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

ADP 013	31.12.2021		31.3.2022	
Central banks	-	-	-	-
Local state	-	-	-	-
Credit institutions	-	-	-	-
Other financial institutions	-	-	-	-
Non - financial institutions	2,895,155	2,803,117	-	-
Retail	6,421,574	6,373,763	-	-
Total	9,316,729	9,176,880	-	-

12) DEPOSITS

ADP 044	31.12.2021		31.3.2022	
Government	401,759,516	402,036,191	-	-
Local state	6,575,113,951	6,752,611,254	-	-
Credit institutions	103,484,950	112,990,145	-	-
Other financial institutions	1,472,818,860	1,755,977,229	-	-
Non - financial institutions	3,602,215,243	3,965,155,111	-	-
Retail	12,601,533,019	12,808,191,156	-	-
Total	21,756,955,639	25,796,361,085	-	-

HPB-R-A stock during the reporting period



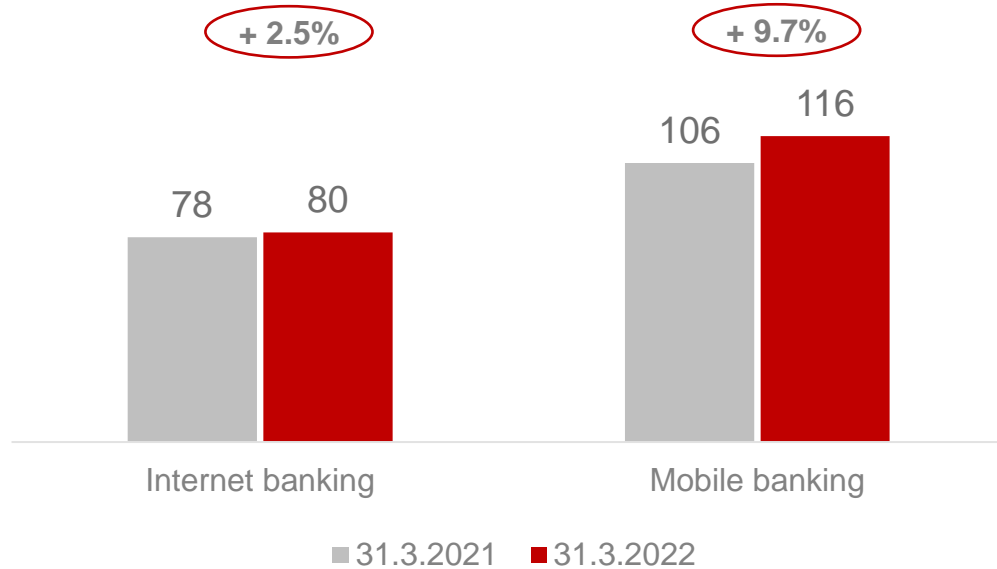
Stock data and details

Issue date	December 12, 2000
ISIN	HRHPB0RA0002
Segment	Official market of the Zagreb Stock Exchange
Listed quantity	2,024,625
Share price as at March 31, 2022 (in HRK)	940.00
Market capitalisation (in HRK million)	1,903.15

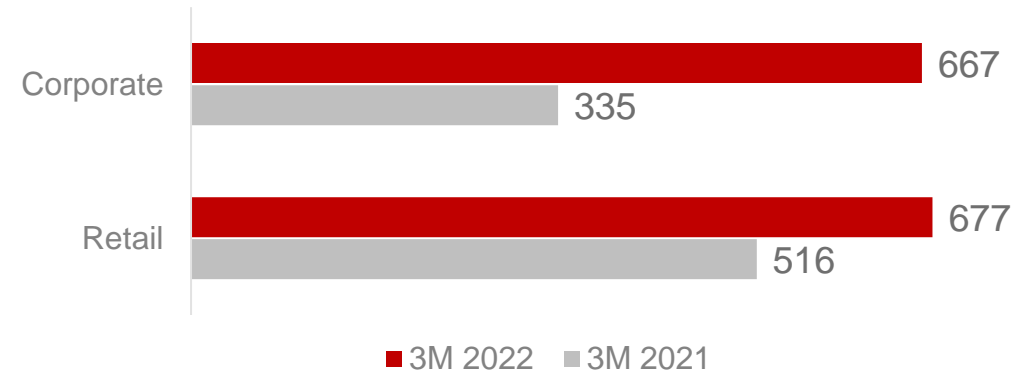
Shareholders	Ownership stake (%)
Republic of Croatia	44.90
Croatian Post PLC	11.93
Croatian Deposit Insurance Agency	8.98
Croatian Pension Insurance Institute	8.76
Other shareholders (each under 5% of share of the equity capital)	25.43
Total shares	100.00

Direct channels

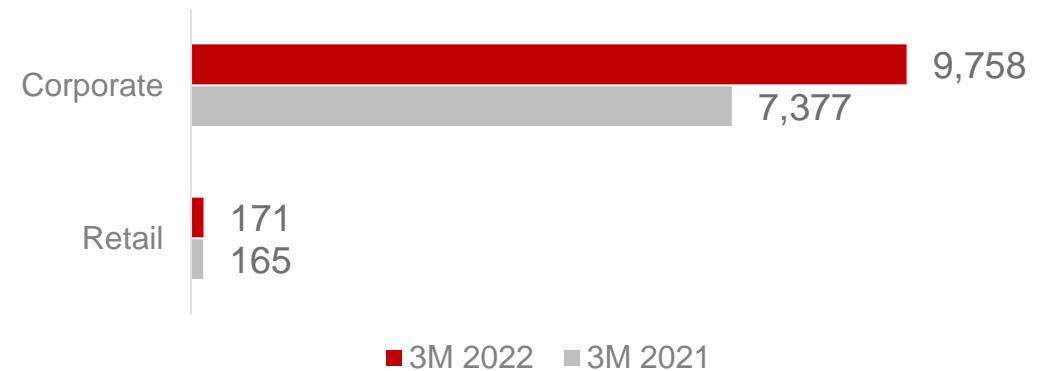
Number of users (in ths)



Transaction volume - Mobile banking (in HRK mn)



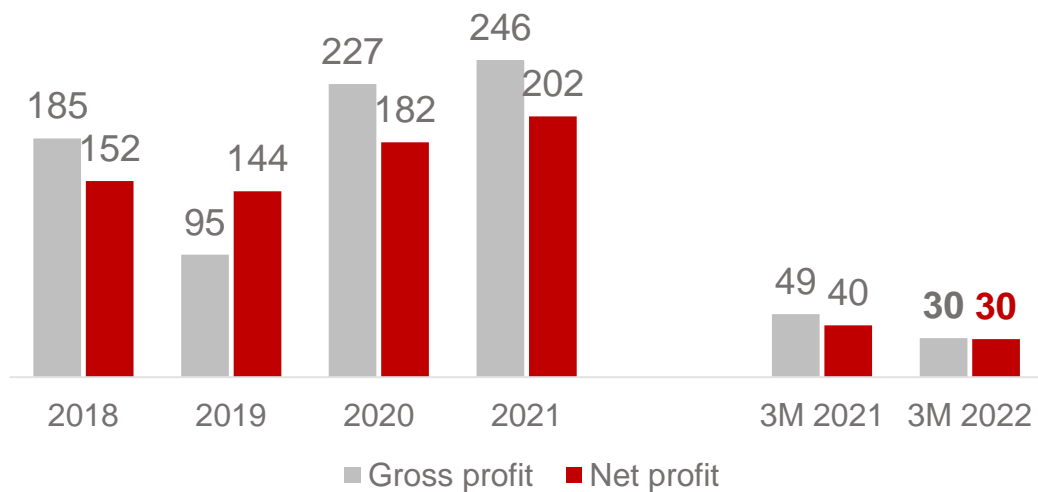
Transaction volume - Internet banking (in HRK mn)



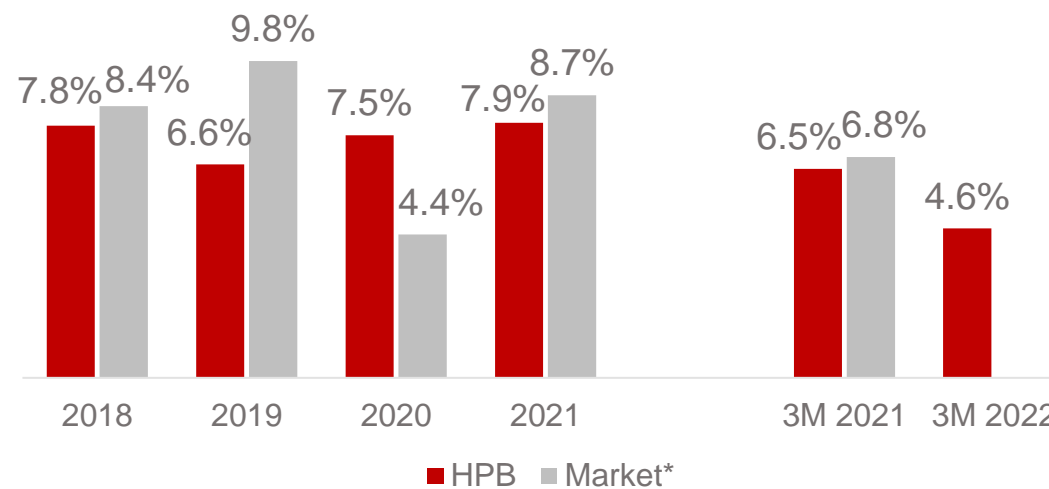
- **Continuous growth in digital channels** with focus on m-banking; m-banking users + 9.65% and transaction volume + 57.89% vs 3M 2021;
- In retail segment m-banking transaction volume is continuously growing; 83% in 3M 2022;
- Further increase in e-banking users (+ 2.48%) and transaction volume (+ 31.6%) is generated primarily by growth in the corporate segment.

Profitability

Profit development (in HRK mn)



Return on Average Equity ROAE

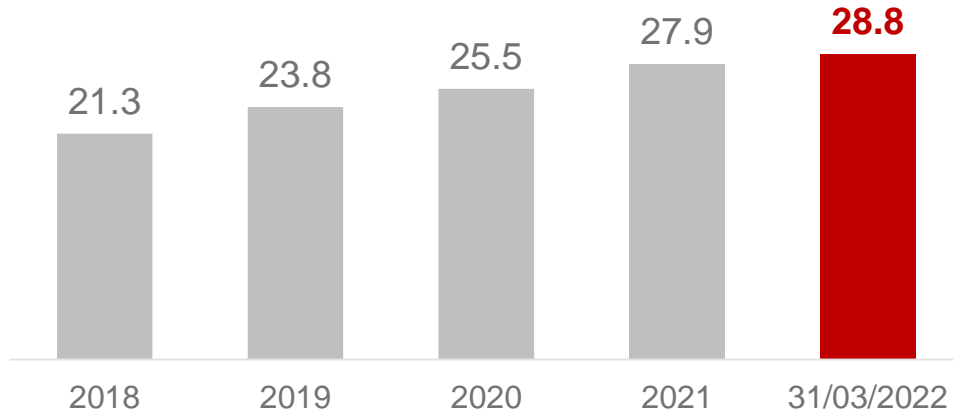


* Market share data for 3M 2022 not available at the time presentation was published

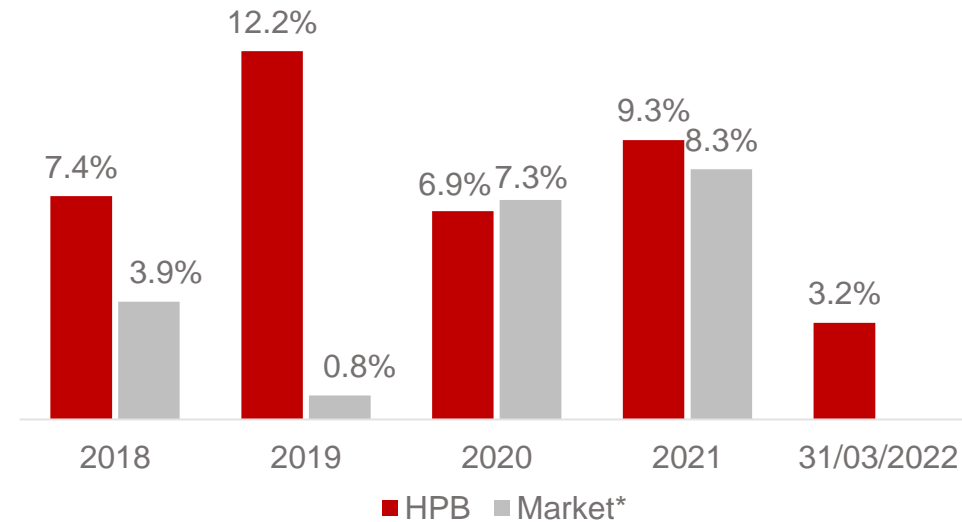


Asset development

HPB's Asset development
(in HRK bn)



Comparative asset growth rates



* Market data were not available for 3M 2022 at the time this presentation was published

- Bank's growth continued in 2022, asset up HRK +0.9 bn;
- LCR (Liquidity Coverage Ratio) as of 31.3.2022 is at 138.3%.



HPB together with strategic partner Hrvatska pošta is accessible at over 1,000 locations

Products and services are offered to our current and potential clients in:

12 regional centers Retail and SME

- 51 offices and 6 branch offices for retail clients;
- 12 offices for corporate clients.

Post offices

- Payment services in HRK and contracting Bank's products and services in 1,015 post offices for retail clients while services for corporate clients are available at 987 locations;
- Loan services to retail clients in HP financial corner at 142 locations.

