

HRVATSKA POŠTANSKA BANKA

HPB d.d. Q4 2020 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 p.l.c.) and its activities and is supplied in summary form and therefore not necessarily complete.
- This presentation may include information and data derived from publicly available sources that have not been independently verified, therefore HPB p.l.c. hereby expressly makes no representation of warranty of any kind, including, but not limited to the accuracy, completeness or reliability of the provided information and data.
- Contained statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions therefore, when making decisions based on predictions of future uncertain events, the investors and/or others should carefully consider such factors and other uncertainties and events.

In accordance with the Capital Markets Act, Hrvatska poštanska Banka p.l.c. publishes unaudited financial statements for the period from January 01 to December 31, 2020.

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 format and content of interim financial reports of issuers (NN 114/2018).

1 Executive Summary

2 Macroeconomic environment

3 Financials

4 Risk Management

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HPB at a glance

Bank of the people

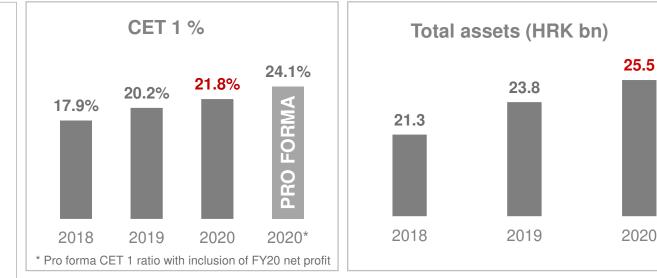
- Our 2020 loan growth determined by macroeconomic situation influenced by COVID-19 (capital light lending);
- Strategic cooperation with Hrvatska pošta allows us to reach even our most remote customers.

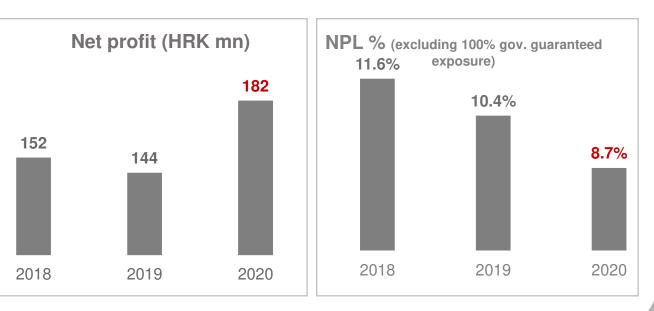
Resilience through hardships

- We adapted our products and services to address earthquakes and the pandemic;
- We adapted to remote work, ensuring the necessary resources for our employees;
- We also donated HRK 1 mn to the City of Petrinja;
- We fortify our position by harnessing efficiencies in our risk and interest profile.

Geared for sustainable growth

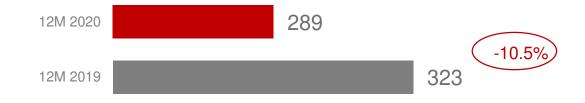
- We stand on the strongest capital position in our recent history;
- We improved our loan portfolio quality;
- We strenghtened our market position.





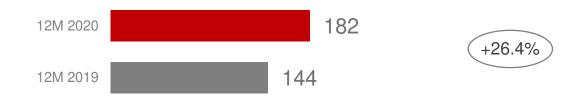
Key Financials 2020

Operating profit (in HRK mn)

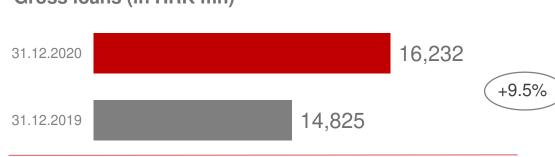


Operating profit down on COVID-driven reduction in net fee income

Profit after tax (in HRK mn)

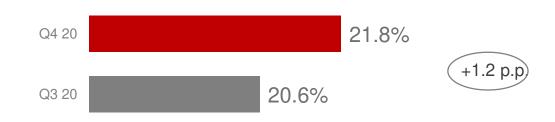


Profit after tax up on legal provisions reversal



Capital-light lending drives growth

CET 1 capital ratio (in %)



Strongest capital position in our recent history Pro forma CET1 at end 2020 at 24.1%

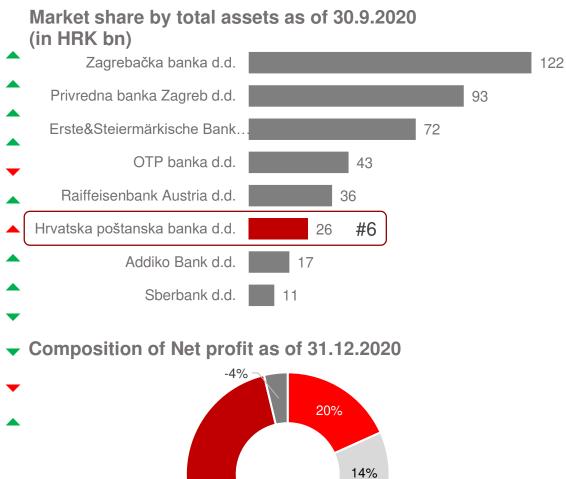
Gross loans (in HRK mn)

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Robust Performance in 2020

		2017	2018	2019	2020	Market s (in HRK
Assets	HRK mn	19,799	21,256	23,844	25,500	▲ Za
Net loans to customers	HRK mn	10,963	11,009	13,341	14,725	Privredn
Deposits	HRK mn	16,951	18,371	20,069	21,214	▲ Erste&S
Equity	HRK mn	1,905	2,003	2,370	2,473	
Income	HRK mn	1,276	1,173	1,227	1,121	•
Net profit	HRK mn	8	152	144	182	Raiffei
Cost-to-income ratio	%	54.4	60.1	61.5	64.1	▲ Hrvatska p
Return on equity (ROE)	%	0.4	7.6	6.1	7.4	
CET 1 capital ratio	%	18.1	17.9	20.2	21.8	
NPL ratio	%	12.8	11.7	10.8	10.4	•
NPL ratio excl. 100% gov. guaranteed exposure	%	12.8	11.6	10.4	8.7	 Compos
NPL coverage	%	61.1	67.3	67.5	62.2	•
NPL coverage excl. 100% gov. guaranteed exposure	%	61.1	67.3	70.0	74.2	

- Steering of risks is based on prudent assessment of primary risk but with having in mind the complete risk profile
- Cost reduction measures impeded by earthquake damages



 56%

 56%

 15%

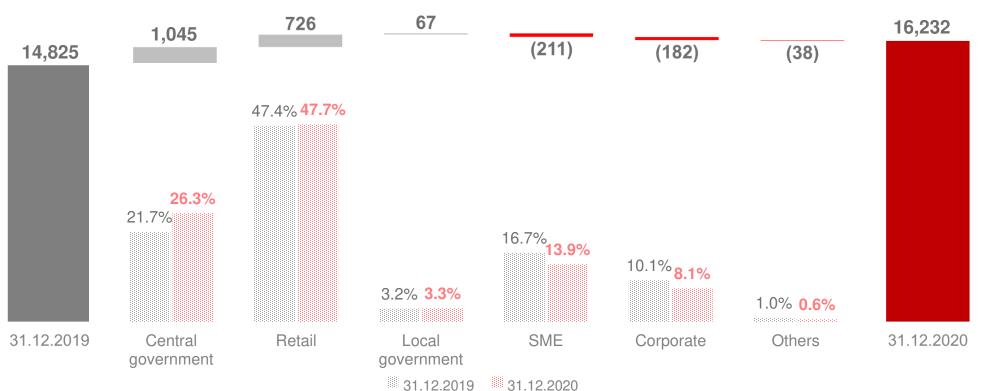
 15%

 Financial market

 State
 Corporate

 Retail
 Other

Gross loans development

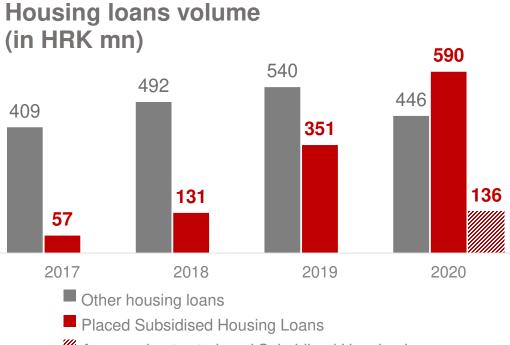


Gross loans (in HRK mn)

- Lending in 2020 was focused on central government, retail and government support transactions;
- Overall market situation and selective growth with high-quality customers led to net reduction in the SME & Corporate segments.

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Subsidised Housing Loans



Approved not yet placed Subsidised Housing Loans

Number of approved 8,153** subsidised housing loans 4,150 15% 2,944 13% 2,299 9% 1,080 5% 627 274 116 2017 2018 2020 2019 HPB HR* -Share

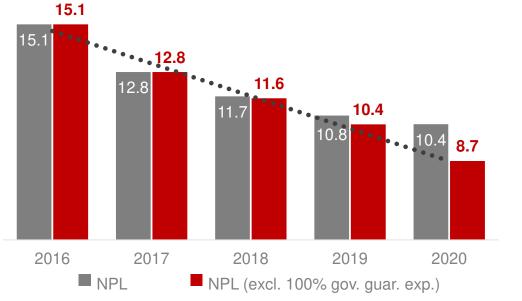
- HPB financed HRK 1.1 bn in 2020, or 12% of the total volume of subsidised housing loans in Croatia in a period 2017 - 2020;
- Through this product, HPB attracts young, highly educated, and active clients (80% of subsidised housing loan clients are new to Bank).

* Source https://mgipu.gov.hr/

** Data of collected requests as of 26.1.2021

Portfolio quality improves

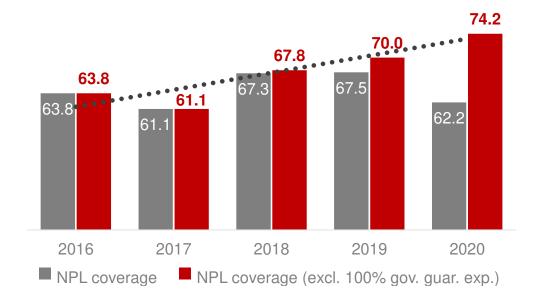
NPL ratio development (in %)



Market NPL ratio* 5.5%

NPL coverage development (in %)

Market NPL coverage* 68.4%



- Material difference in NPL ratio with or without exposure that is 100% government guaranteed;
- Overall NPL share decreased due to collection activities and capital light performing loans growth despite:
 - strong COVID-19 impact and
 - AQR new default entries.

* As of 30.9.2020

Business development in the channel of Hrvatska Pošta d.d.

History of outsourcing	2011 2015 2020		2020	2021	то ве
	Outsourcing of payment operations	Outsourcing of consumer lending	Outsourcing of payment operations – corporate	Outsourcing of foreign exchange business	Strengthening HPB / HP business collaboration and
			KYC online	Post-sale contact	harnessing HP's potential as an
OBJECTIVES: To bec in physical channels	ome the most acces	sible bank on the Cr	oatian market	New framework agreement on strategic partnership and outsourcing	acquisition tool Continuous focus on increasing market share and non-interest income
To provide the best so potential of cooperating		Outsourcing of payment operations – corporate (second, third and fourth phase)			
				KYC online (second and third phase)	
Retail – opening account	Retail - cash payment operations	Outsourcing of a part of credit business, ie consumer lending to	Opening business accounts and related	Outsourcing of foreign exchange business- retail	
		the HP channel	services (first phase)	Implementation of post- sale contact in HP	
	Introduction of new		Introduction of new online functionality:	channel	
			opening and changes on client and account data (first phase)	Replacement of framework agreement on strategic partnership and outsourcing in part of payment and other	

1 Executive Summary

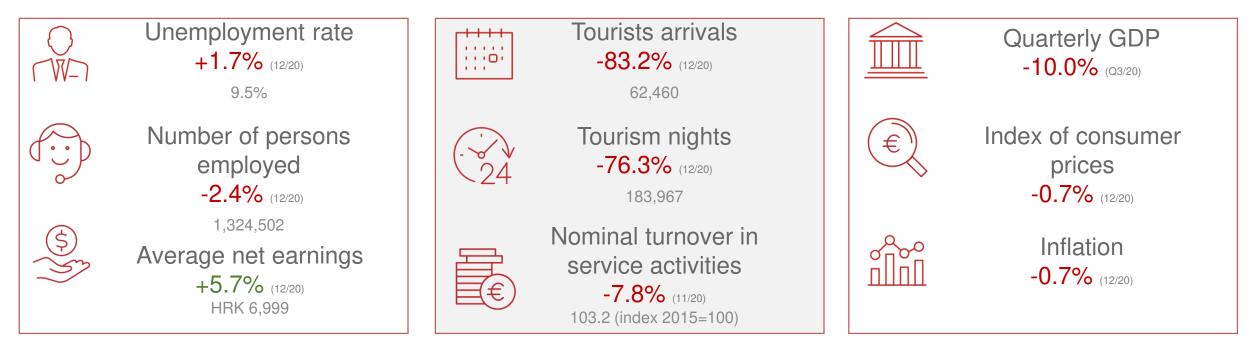
2 Macroeconomic environment

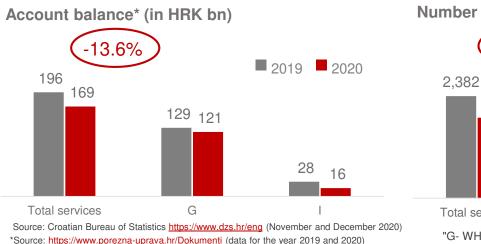
3 Financials

4 Risk Management

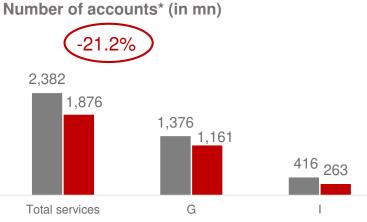
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Socioeconomic indicators (y-o-y)

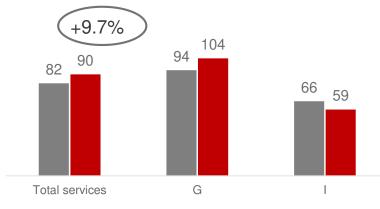




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"G- WHOLESALE AND RETAIL TRADE OF MOTOR VEHICLES AND MOTORCYCLES; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES " "I- ACCOMMODATION AND FOOD SERVICE ACTIVITIES "

COVID-19 moratoria

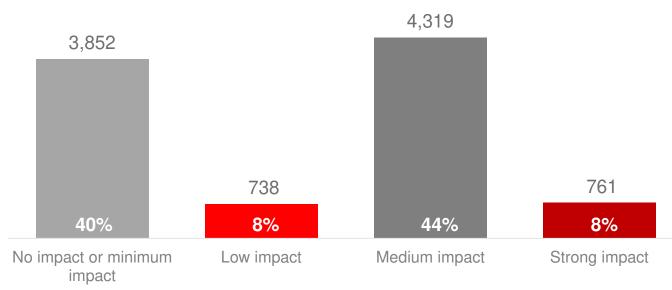
Total approved moratoria (in HRK mn)



- By end-2020, 1.5% of financed corporate moratoria are in default;
- Almost half of approved corporate moratoria have already expired by end-2020 (HRK 872 mn).

COVID-19 impact on loan portfolio

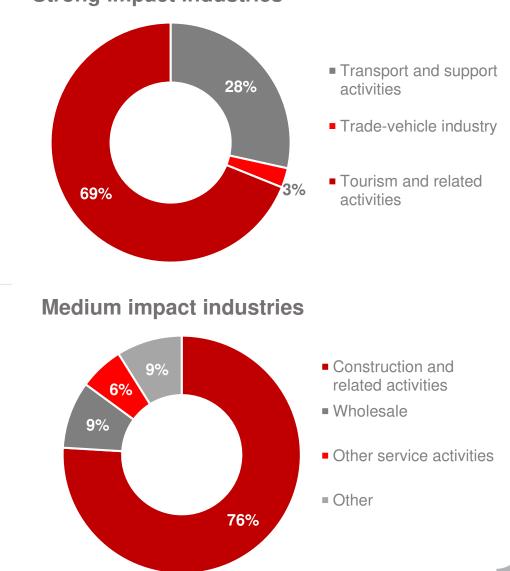
COVID-19 impact on corporate performing loans (in HRK mn)



48% of the Bank's corporate portfolio is largely unaffected by

The Risk Appetite Statement (RAS) was adopted limiting new

exposures to the most affected industries by the COVID-19



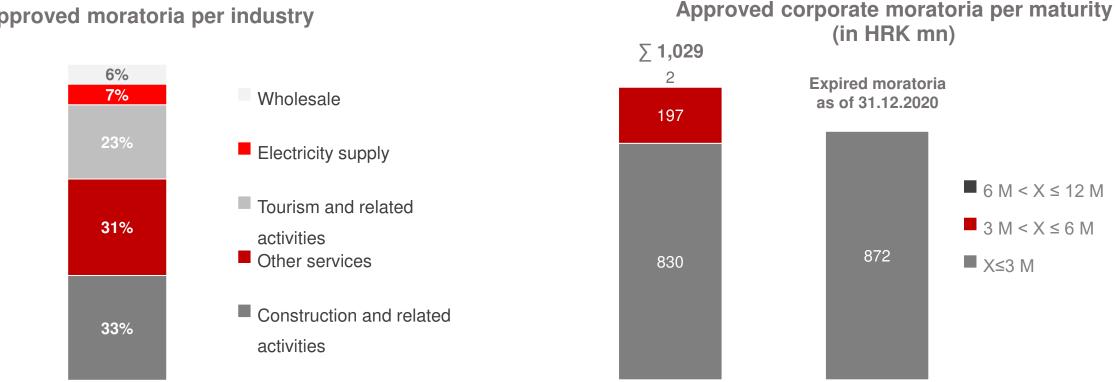
Strong impact industries

COVID-19;

pandemic.

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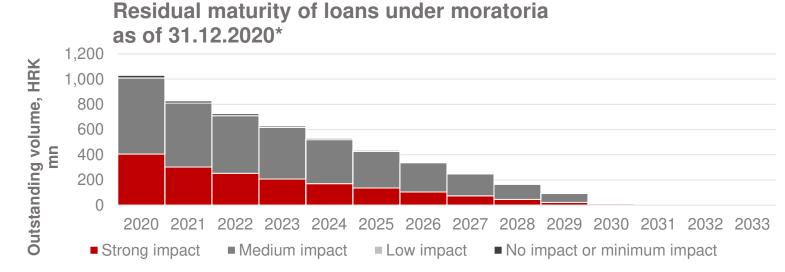
COVID-19 impact on loan portfolio



Approved moratoria per industry

- Approved COVID-19 moratoria to corporates of HRK 1.9 bn (22.6% of outstanding gross corporate loans);
- Tourism has an extremely low share in the Bank's total portfolio (6.0% of outstanding gross corporate loans);
- We actively manage the portfolio through the analysis of pandemic prevention measures impact on industries.

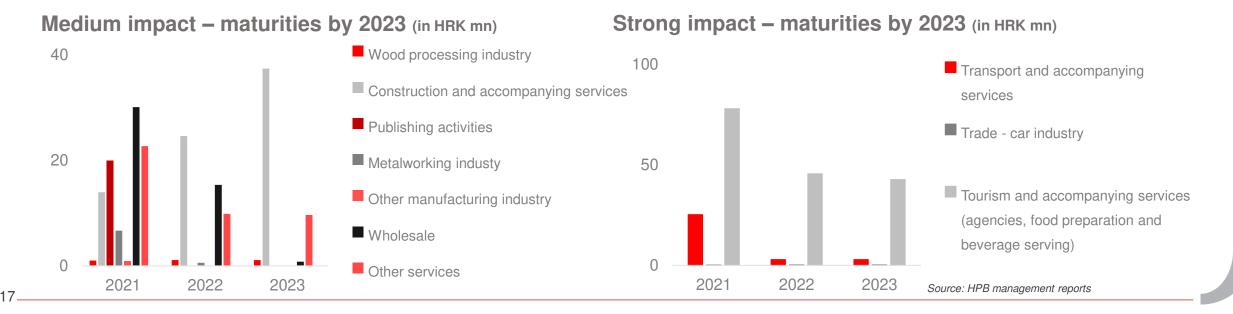
Maturity of loans under moratoria – COVID-19



The Bank regularly monitors loans to clients who have been granted a moratorium, regardless of the COVID-19 impact, and evaluates their cash flows on an individual basis

By the end of 2020, 1.5% of approved corporate moratoria has defaulted

*excl. loans out of moratoria as of 31.12.2020



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Key financials – Income statement

		2019	2020	Δ у-о-у	
Net interest income	HRK mn	541	543	2	
Net fee income	HRK mn	200	176	(24)	▼
Operating income	HRK mn	839	804	(35)	•
Operating expense	HRK mn	(516)	(515)	(1)	•
Operating profit	HRK mn	323	289	(34)	•
Provisioning	HRK mn	(228)	(62)	(166)	•
Net profit	HRK mn	144	182	38	
Cost-to-income ratio	%	61.3	64.1	2.8	
Net interest margin	%	2.4	2.2	(0.2)	•

- Operating profit reduction primarily driven by COVID-19 effects;
- A build-up (HRK +56 mn) in 2019 and consequent release (HRK -79 mn) account for intra-year provision fluctuations.

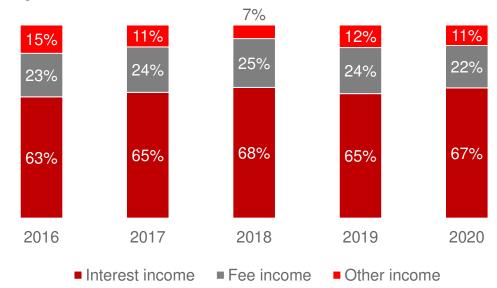
Operating profit development

Operating profit development (in HRK mn)



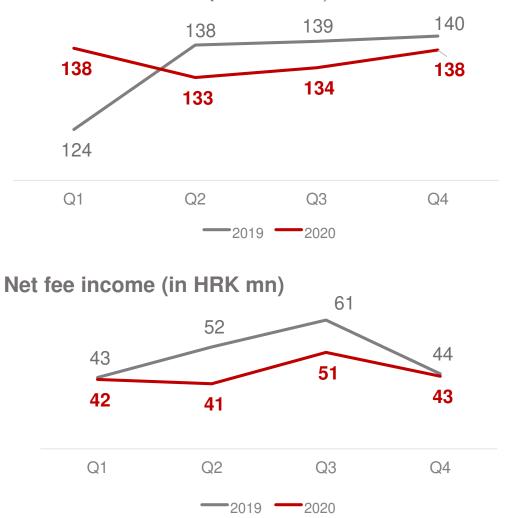
- COVID-19 effects on operating profits reflected in reduced interest and fee income;
- Active management of the interest profile neutralised the drop in interest income.

Net income development



Composition of net income

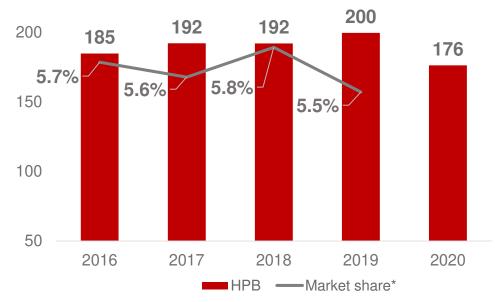




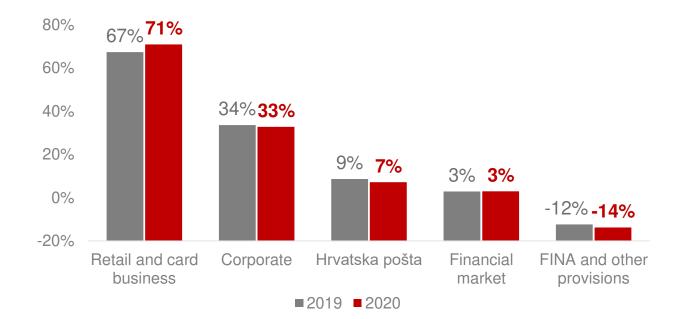
- Net interest income is slightly higher on better management of interest expense;
- Net fee income impacted by COVID-19, which was mostly reflected in Q2 and Q3.

Fees and commissions

Net fee income overview (in HRK mn)



Composition of net fee and commission income

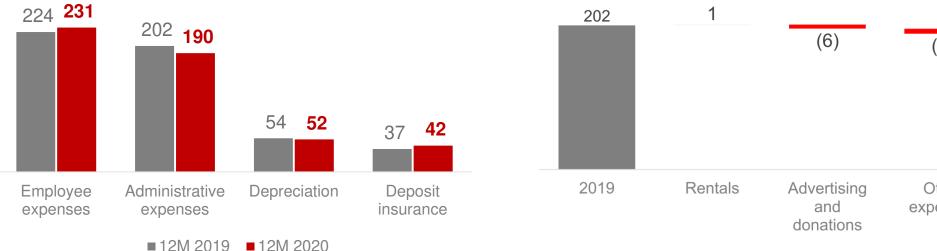


- Net fee income decline of HRK 23.4 mn vs 2019 is caused by:
 - temporary suspension of fees for cash withdrawals at ATMs of other banks (25.3.2020 1.7.2020);
 - slowdown in economic activities;
 - significantly lower number of tourist arrivals in the 2020 summer season;
- HPB net fee income on par with the banking sector with a relatively stable share;
- Retail and card business fees are highest contributors to net fee income.

^{*} Market data for year 2020 is not available at time of publishing of this presentation

Operating expenses

Composition of operating expenses (in HRK mn)

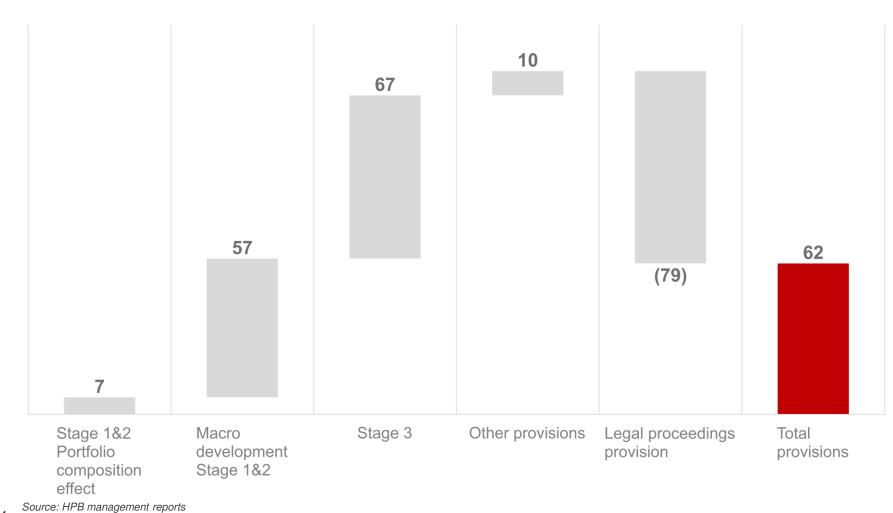


Administrative expenses development (in HRK mn)

- 190 (7)Other 2020 expenses
- Employee costs up with investments on IT infrastructure optimization in house solutions;
- Cost-cutting measures effectively reduced administrative expenses in 2020;
- Rental costs up with contingency office space acquisition following earthquakes.

Provisioning

Structure of provision expenses in 2020 (in HRK mn)



- Booking and consequent reversal of significant provisions for legal proceeds drive intra-year volatility;
- Portfolio optimization efforts drive risk costs down despite COVID-19 effects.

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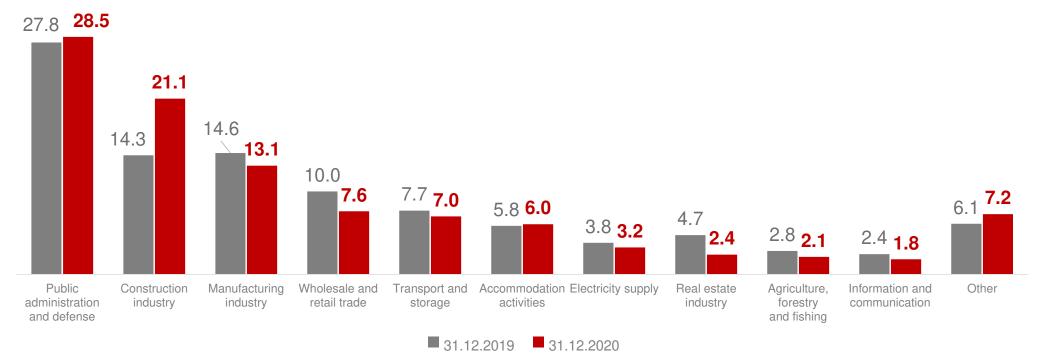
Key financials – Balance sheet

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	I	31.12.2019	31.12.2020	Δ ytd
Assets	HRK mn	23,844	25,500	1,656
Gross loans	HRK mn	14,825	16,232	1,407
Deposits	HRK mn	20,069	21,214	1,145
Equity	HRK mn	2,370	2,473	103
Regulatory capital	HRK mn	2,209	2,314	105
Loan/deposit ratio	%	66.5	69.4	2.9
ROAE	%	6.6	7.5	0.9
NPL ratio	%	10.8	10.4	(0.4)
NPL ratio excl. 100% gov. guaranteed exposure	%	10.4	8.7	(1.7)
NPL coverage	%	67.5	62.2	(5.3)
NPL coverage excl. 100% gov. guaranteed exposure	%	70.0	74.2	4.2
Provision for impairment losses	HRK mn	(1,488)	(1,512)	24

- Assets records continuous growth +6.9% ytd, liquid assets +15.5%, securities -7.2%, gross loans +9.5%;
- Deposits up +5.7% with largest increase in the segment of financial market HRK +314.5 mn, retail HRK +308.9 mn, central state and large corporate clients HRK +295.8 mn, SMEs HRK +233.3 mn;
- NPL coverage increases when excluding exposures covered by state guarantees (70.0% Q4 19 and 74.2% Q4 20).
 Source: HPB management reports

Corporate portfolio industry distribution



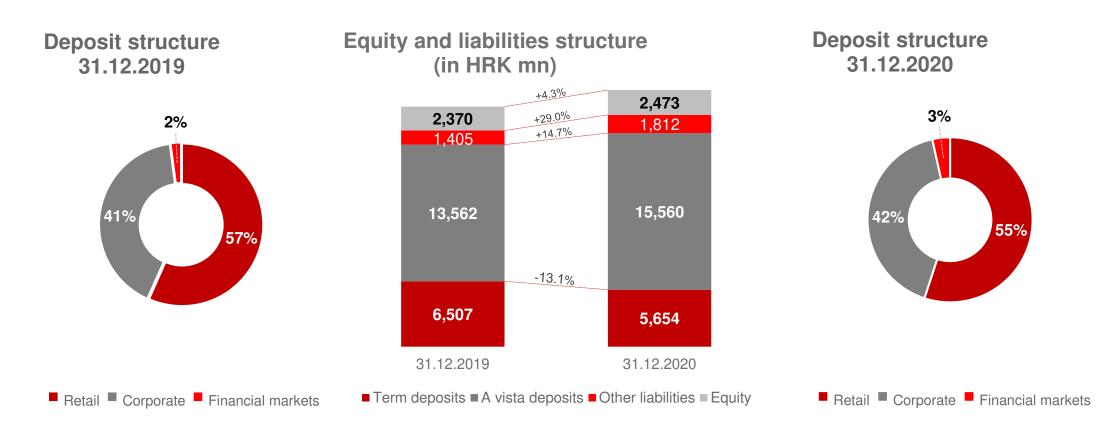
Corporate gross loans per industry (in %)

- Construction industry growth with road and infrastructure state-owned enterprises;
- Reduction to some industry sectors is in line with general macroeconomic trends:
 - Wholesale and retail trade;
 - Real estate industry;

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Accommodation activities lending was done backed up by government guarantee schemes. Source: HPB management reports

Composition of equity and liabilities



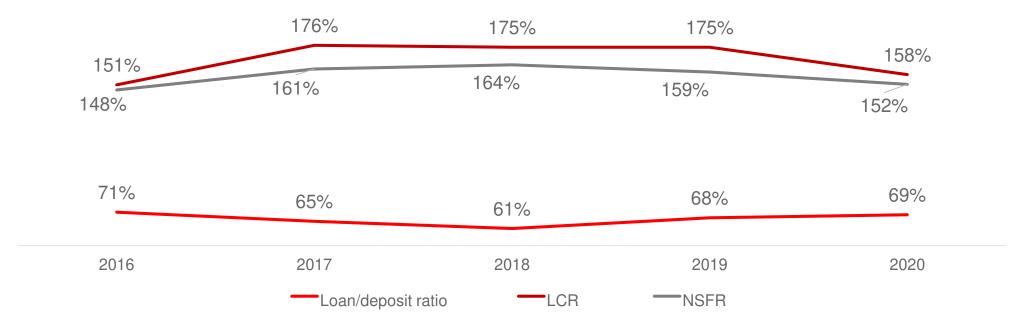
- Favorable impact on costs from observable trend of transforming term deposits into a vista deposits;
- Customer deposits dominate the funding mix with a 92% share;

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- Bank holds 5.8 % of all deposits at 30.11.2020 (31.12.2016 = 5.3%);
- Stable wholesale funding structure attracted funds through foreign financial institutions, CBRD and CNB repo loans.
 Source: HPB management reports

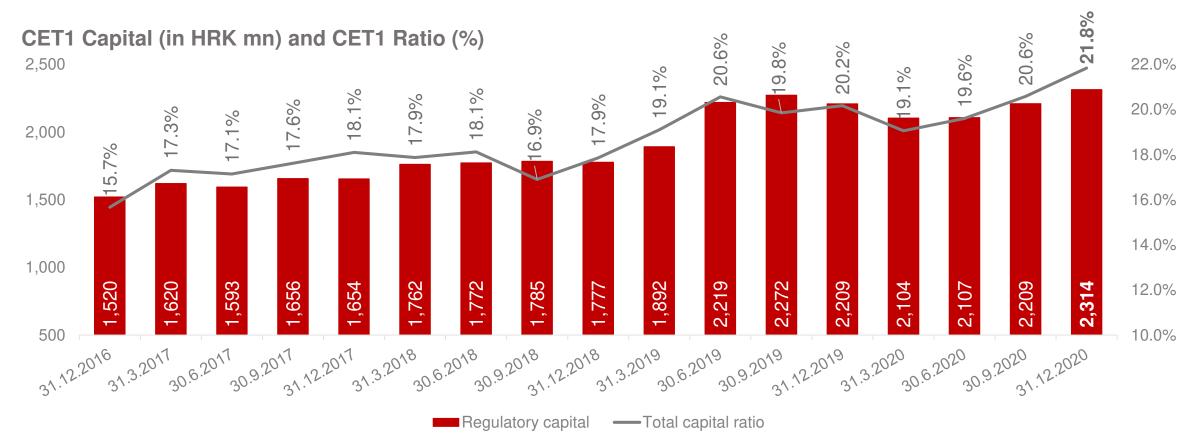
Liquidity Overview

Liquidity ratios



The Bank is highly liquid with markedly low loan-to-deposit ratio.

Highest level of CET1 ratio in recent history



- Considering the 2020 unaudited after-tax profit, pro forma CET1 stands at 24.1%;
- Contribution to improvement from both:
 - Profit retention;
 - Capital management optimization measures launched in Q4 19.

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Regulatory Capital Development

Regulatory capital development (in HRK mn)



* on 31.12.2019 the Bank included 6-month profit in 2019 in the calculation of regulatory capital (retained earnings position), in accordance with the approval of the regulator. By decision of the General Assembly of the Bank this year, the net profit in 2019 was allocated equally to the position of retained earnings and other reserves.

Source: HPB management reports

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RWA Development

RWA development (in HRK mn)



Despite asset growth, risk-weighted assets decreased as a result of the strengthening the capital management culture.

Exposures and coverage per stage

		31.12.2019					31.12.	2020	
Segment	Stage	Exposure	Exposure excl. gov. guarantees	Coverage excl. gov. guarantees		Exposure	Exposure excl. gov. guarantees	Coverage	Coverage excl. gov. guarantees
CORPORATE	S1	61.8%		2.9%		58.5%		3.8%	
CORPORATE	S2	7.8%		10.2%		6.8%		8.1%	
CORPORATE	S3	30.5%	27.5%	62.9%	69.5%	34.7%	21.7%	47.7%	75.2%
SME	S1	55.3%		3.3%		49.3%		4.2%	
SME	S2	10.7%		15.5%		16.8%		15.5%	
SME	S3	34.0%	34.0%	72.5%	72.5%	33.9%	33.9%	71.3%	71.3%
STATE	S1	99.2%		0.8%		98.7%		1.0%	
STATE	S2	0.8%		7.0%		1.3%		7.2%	
STATE	S3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RETAIL	S1	87.0%		0.4%		88.5%		0.5%	
RETAIL	S2	4.2%		4.9%		3.2%		7.6%	
RETAIL	S3	8.8%	8.8%	68.6%	68.6%	8.3%	8.3%	75.6%	75.6%
TOTAL	S1	85.3%		0.8%		85.9%		1.0%	
TOTAL	S2	3.9%		9.3%		3.7%		10.5%	
TOTAL	S3	10.8%	10.4%	67.5%	70.0%	10.4%	8.7%	62.2%	74.2%

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

Management report of Hrvatska poštanska Banka p.l.c. for the period from January 01 to December 31, 2020 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 01 to December 31, 2020, 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.

Executive Head of finance division

Marko Badurina

Chief Executive Officer

Anto Mihaljević

Member of the Management Board

Ivan Soldo

Member of the Management Board

Tea Bažant

BALANCE SHEET			
as at December 31, 2020			
Submitter: Hrvatska poštanska banka p.l.c.			in HRK
Item	AOP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
Assets			
Cash, cash balances at central banks and other demand deposits (from 2 to 4)	001	2,772,746,813	3,662,460,152
Cash in hand	002	961,912,026	900.072.987
Cash balances at central banks	003	1,014,563,142	2,224,401,393
Other demand deposits Financial assets held for trading (from 6 to 9)	004	796,271,645 612,871,552	537,985,772
Derivatives	005	852,203	719,257,423
Equity instruments	007	96,079,539	95,340,654
Debt securities Loans and advances	008 009	515,939,810	623,916,769
Non-trading financial assets mandatorily at fair value through profit or loss (from 11 to 13)	010	21,199,086	18,865,901
Equity instruments	011	-	-
Debt securities Loans and advances	012 013	- 21,199,086	-
Financial assets at fair value through profit or loss (15 + 16)	013	21,199,000	18,865,901
Debt securities	015	-	-
Loans and advances	016	-	4 150 015 400
Financial assets at fair value through other comprehensive income (from 18 to 20) Equity instruments	017	4,640,197,866 57,269,384	4,158,015,469 49,027,711
Debt securities	019	4,582,928,482	4,108,987,758
Loans and advances	020	-	-
Financial assets at amortised cost (22 + 23) Debt securities	021	15,217,710,292 4,305,695	<u>16,414,151,555</u> 1,978,784
Loans and advances	023	15,213,404,597	16,412,172,771
Derivatives - hedge accounting	024	-	-
Fair value changes of the hedged items in portfolio hedge of interest rate risk Investments in subsidiaries, joint ventures and associates	025 026	5,490,000	- 9,760,843
Tangible assets	027	324,429,807	326,523,749
Intangible assets	028	109,095,746	91,038,847
Tax assets Other assets	029 030	6,453,295 42,962,745	7,545,824 40,280,095
Fixed assets and disposal groups classified as held for sale	031	20,000,000	20,000,000
Total assets (1 + 5 + 10 + 14 + 17 + 21 + from 24 to 31)	032	23,773,157,202	25,467,899,859
Liabilities			
Financial liabilities held for trading (from 34 to 38)	033	863,025	21,172
Derivatives Short positions	034 035	863,025	21,172
Deposits	036	-	-
Debt securities issued	037	-	-
Other financial liabilities Financial liabilities at fair value through profit or loss (from 40 to 42)	038		
Deposits	000	-	
Debt securities issued	041	-	-
Other financial liabilities Financial liabilities measured at amortised cost (from 44 to 46)	042	21,056,875,186	- 22,688,405,792
Deposits	043	20,944,398,925	22,569,135,023
Debt securities issued	045	-	-
Other financial liabilities Derivatives - hedge accounting	046 047	112,476,261	119,270,769
Fair value changes of the hedged items in portfolio hedge of interest rate risk	048	-	-
Provisions	049	196,063,323	125,643,877
Tax liabilities Share capital repayable on demand	050 051	1,728,314	30,445,178
Other liabilities	052	147,415,709	- 150,105,150
Liabilities included in disposal groups classified as held for sale	053		
Total liabilities (33 + 39 + 43 + from 47 to 53)	054	21,402,945,557	22,994,621,169
Equity			
Initial capital	055	1,214,775,000	1,214,775,000
Share premium Equity instruments issued other than capital	056 057	-	-
Other equity instruments	058	-	-
Accumulated other comprehensive income	059	319,404,893	242,230,591
Retained profit Revaluation reserves	060 061	153,174,469	200,321,464 22,743,964
Other reserves	062	539,561,769	611,448,026
(-) Treasury shares	063	(477,000)	(477,000)
Profit or loss attributable to owners of the parent () Interim dividends	064 065	143,772,514	182,236,646
Minority interests [non-controlling interests]	066		
Total equity (from 55 to 66) Total equity and liabilities (54 + 67)	067	2,370,211,645	2,473,278,691
Total equity and liabilities (54 + 67)	068	23,773,157,202	25,467,899,860

STATEMENT OF PROFIT AND LOSS for the period January 01, 2020 to December 31, 2020

Submitter: Hrvatska poštanska banka p.l.c.

ltem	AOP	Same period of the	previous vear	Current p	eriod
	code				
		Cumulative	Quarter	Cumulative	Quarte
	2	3	4	5	6
Interest income	001	603,977,673	154,214,054	588,918,099	147,709,898
(Interest expenses)	002	68,008,691	19,495,171	51,583,346	11,627,607
(Expenses on share capital repayable on demand)	003	-	-	-	44.07
Dividend received	004	3,645,670	23,216	3,292,513	11,67
Fees and commissions income	005	527,494,435	119,265,559	450,155,698	108,279,355
(Fees and commissions expenses)	006	327,852,440	75,488,475	273,888,635	65,272,158
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through	007	5,158,277	1,078,594	35,035,565	
rofit or loss, net	007	5,150,277	1,070,394	33,033,303	
Gains or (-) losses on financial assets and liabilities held for trading, net	800	87,516,168	10,458,710	47,068,263	18,424,922
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss, net	009	813,430	811,403	(571,077)	(787,789
ains or (-) losses on financial assets and liabilities at fair value through profit or loss, net	010	-	-	-	
ains or (-) losses from hedge accounting, net	011	-	-	-	
xchange rate differences [gain or (-) loss], net	012	(3,398,215)	(607,639)	(8,624,819)	(1,037,018
ains or (-) losses on derecognition of non-financial assets, net	013	-	-	-	
Other operating income	014	4,500,059	1,109,378	8,723,496	2,367,59
Other operating expenses)	015	43,512,701	11,744,086	54,017,656	12,855,88
otal operating income, net (1 – 2 – 3 + 4 + 5 – 6 + from 7 to 14 – 15)	016	790,333,665	179,625,543	744,508,102	185,212,99
		391,518,366		, ,	, ,
Administrative expenses)	017	,,	102,114,372	382,990,226	104,941,45
Depreciation)	018	75,879,820	38,564,207	75,816,110	17,704,70
lodification gains or (-) losses, net	019	(15,756,307)	(2,701,140)	(3,386,347)	(2,550
Provisions or (-) reversal of provisions)	020	64,757,476	74,602,661	(61,671,217)	1,020,37
Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or bss)	021	135,818,040	56,149,366	109,876,155	26,428,65
	022	-	-	-	
mpairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)					
Impairment or (-) reversal of impairment on non-financial assets)	023	11,535,517	11,535,517	6,986,227	6,986,22
legative goodwill recognised in profit or loss	024	-	-	-	
share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for	025	-	-	-	
ising the equity method Profit or (-) loss from fixed assets and disposal groups classified as held for sale not qualifying as	026				
iscontinued operations Profit or (-) loss before tax from continuing operations (16 – 17 – 18 + 19 – from 20 to 23 + from 24				-	
o 26)	027	95,068,139	(106,041,720)	227,124,253	28,129,02
Tax expense or (-) income related to profit or loss from continuing operations)	028	(48,704,376)	(79,452,557)	44,887,608	10,841,59
Profit or (-) loss after tax from continuing operations (27 – 28)	029	143,772,515	(26,589,163)	182,236,645	17,287,43
Profit or (-) loss after tax from discontinued operations (31 – 32)	030	-	-	-	
rofit or (-) loss before tax from discontinued operations	031	-	-	-	
Tax expense or (-) income related to discontinued operations)	032	-	-	-	
rofit or (–) loss for the year (29 + 30; 34 + 35)	033	143,772,515	(26,589,163)	182,236,645	17,287,43
ttributable to minority interest [non-controlling interests]	034	-	-	-	
ttributable to owners of the parent	035	143,772,515	(26,589,163)	182,236,645	17,287,43
STATEMENT OF OTHER COMPREHENSIVE INCOME		-	-	100 000 015	17 007 10
ncome or (-) loss for the current year	036	143,772,515	(26,589,163)	182,236,645	17,287,43
Other comprehensive income (38 + 50)	037	182,222,701	(60,237,230)	(82,538,216)	9,184,87
tems that will not be reclassified to profit or loss (from 39 to 45) + 48 + 49)	038	(59,646)	(59,646)	(4,527,763)	(4,527,763
angible assets	039	(72,739)	(72,739)	(7,533,354)	(7,533,354
ntangible assets	040	-	-	-	
Actuarial gains or (-) losses on defined benefit pension plans	041	-	-	1,825,625	1,825,62
ixed assets and disposal groups classified as held for sale	042	-	-	-	.,,.
	043				
share of other recognised income and expense of entities accounted for using the equity method		-	-	-	
air value changes of equity instruments measured at fair value through other comprehensive income	044	-	-	-	
Gains or (-) losses from hedge accounting of equity instruments at fair value through other comprehensive	045	-	-	-	
ncome, net air value changes of equity instruments measured at fair value through other comprehensive income	046	_	_	_	
hedged item] air value changes of equity instruments measured at fair value through other comprehensive income		-	-	-	
nedging instrument]	047	-	-	-	
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their redit risk	048	-	-	-	
ncome tax relating to items that will not be reclassified	049	13,093	13,093	1,179,966	1,179,96
tems that may be reclassified to profit or loss (from 51 to 58)	050	182,282,347	(60,177,584)	(78,010,453)	13,712,63
edge of net investments in foreign operations [effective portion]	051	. 52,202,047	(, ,00 P)	(. 2, 3 : 0, 100)	,
	052	-	-	-	
		-	-	-	
oreign currency translation				-	
Foreign currency translation Cash flow hedges [effective portion]	053	-			
Foreign currency translation Cash flow hedges [effective portion] Hedging instruments [not designated elements]	053 054	-	-	-	10 700
oreign currency translation ash flow hedges [effective portion] ledging instruments [not designated elements] lebt instruments at fair value through other comprehensive income	053 054 055	230,953,233	(64,703,423)	(95,134,699)	16,722,73
oreign currency translation cash flow hedges [effective portion] ledging instruments [not designated elements] bebt instruments at fair value through other comprehensive income fixed assets and disposal groups classified as held for sale	053 054	230,953,233	(64,703,423)	(95,134,699)	16,722,73
oreign currency translation Cash flow hedges [effective portion] ledging instruments [not designated elements] Debt instruments at fair value through other comprehensive income ixed assets and disposal groups classified as held for sale Share of other recognised income and expense of investments in subsidiaries, joint ventures and	053 054 055	230,953,233	(64,703,423)	- (95,134,699) -	16,722,73
Toreign currency translation Cash flow hedges [effective portion] Hedging instruments [not designated elements] Debt instruments at fair value through other comprehensive income Fixed assets and disposal groups classified as held for sale Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates nocome tax relating to items that may be reclassified to profit or (-) loss	053 054 055 056	230,953,233	(64,703,423) - 4,525,839	(95,134,699) - - 17,124,246	16,722,73 (3,010,091

 Disconters
 058
 (48,670,886)
 4,525,839
 17,124,246
 (3,010,091)

 Total comprehensive income for the current year (36 + 37; 60 + 61)
 059
 325,995,216
 (86,826,393)
 99,698,429
 26,472,307

 Attributable to minority interest [non-controlling interest]
 060

 Attributable to owners of the parent
 061
 325,995,216
 (86,826,393)
 99,698,429
 26,472,307

in HRK

STATEMENT OF CASH FLOW

for the period January 01, 2020 to December 31, 2020

Submitter: Hrvatska poštanska banka p.l.c.

AOP Same period of the Item **Current period** code previous vear 1 3 Operating activities - direct method Interest received and similar receipts 001 002 Fees and commissions received 003 (Interest paid and similar expenditures) 004 (Fees and commissions paid) 005 (Operating expenses paid) 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 009 90,724,397 227,124,253 Profit/(loss) before tax Adjustments: Impairment and provisions 010 227.442.554 174 933 719 Depreciation 011 75,961,605 74,952,898 012 (93, 487, 877) (73,479,009) Net unrealised (gains)/losses on financial assets and liabilities at fair value through statement of profit or loss (Profit)/loss from the sale of tangible assets 013 Other non-cash items (533,130,112) (537,334,753) 014 Promjene u imovini i obvezama iz poslovnih aktivnosti Deposits with the Croatian National Bank 015 (138,266,736) (280,916,192) Deposits with financial institutions and loans to financial institutions 016 (912, 523)258.285.873 Loans and advances to other clients 017 (1,257,440,547)(1,316,301,519)Securities and other financial instruments at fair value through other comprehensive income 018 (406,248,652) 468,611,329 Securities and other financial instruments held for trading 019 250,303,478 (65,609,242) 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 (19,522,798) Securities and other financial instruments at amortised cost 022 95,018,103 2,326,911 Other assets from operating activities 023 5,003,711 2,682,650 Deposits from financial institutions 024 (53,076,859)105,943,541 025 151,009,453 1.255,559,114 Transaction accounts of other clients 026 354 874 462 720 175 408 Savings deposits of other clients Time deposits of other clients 027 (659,126,094) (928,046,118) Derivative financial liabilities and other liabilities held for trading 5.952.655 028 417.751 Other liabilities from operating activities 029 862,044 Interest received from operating activities [indirect method] 030 509,499,920 588,918,099 Dividends received from operating activities [indirect method] 031 3,280,842 Interest paid from operating activities [indirect method] 032 (48,067,618) (51,583,346) (Income tax paid) 033 Net cash flow from operating activities (from 1 to 33) (1,449,024,382)636,339,157 034 Investing activities Cash receipts from the sale / payments for the purchase of tangible and intangible assets 035 (48,408,503) (58,989,941) Cash receipts from the sale / payments for the purchase of investments in branches, associates and joint 036 ventures Cash receipts from the sale / payments for the purchase of securities and other financial instruments held to 037 70.953.916 maturity Dividends received from investing activities 038 (3,645,670)2,326,911 Other receipts/payments from investing activities 039 Net cash flow from investing activities (from 35 to 39) 040 18,899,743 (56,663,030) **Financing activities** Net increase/(decrease) in loans received from financing activities 041 335,049,011 475,822,595 Net increase/(decrease) in debt securities issued 042 043 Net increase/(decrease) in Tier 2 capital instruments Increase in share capital 044 (Dividends paid) 045 Other receipts/(payments) from financing activities 046 Net cash flow from financing activities (from 41 to 46) 047 335,049,011 475,822,595 Net increase/(decrease) of cash and cash equivalents (34 + 40 + 47) 048 1,055,498,721 (1.095.075.628) Cash and cash equivalents at the beginning of period 3,037,318,898 049 4.132.394.524 Effect of exchange rate fluctuations on cash and cash equivalents 050 (8,624,819) Cash and cash equivalents at the end of period (48 + 49 + 50) 051 3,037,318,896 4,084,192,800

in HRI

STATEMENT OF CHANGES IN EQUITY for the period January 01, 2020 to December 31, 2020

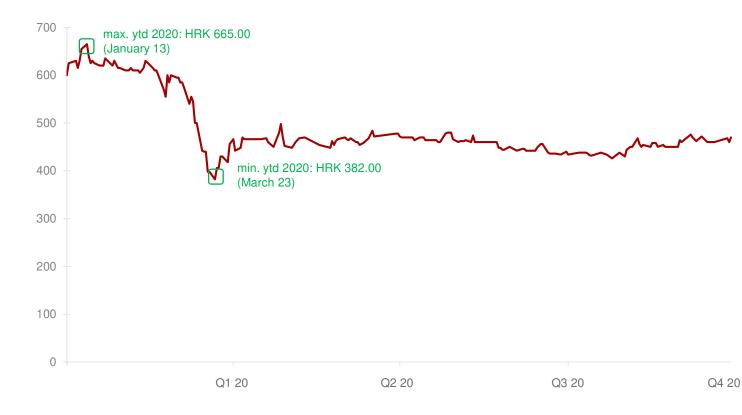
						Attributa	ole to owners of	the parent					Non-contr interes		
Item	AOP code	Equity	Share premium	Equity Oth instruments ins issued other than capital		Accumulated other comprehensive income	Retained profit	Revaluation reserves	Other reserves	() Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulat ed other comprehen sive income	Other items	Total
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	-	-	-	319,405,173	153,174,469	-	539,561,769	(477,000)	143,772,514	-	-	-	2,370,211,925
Effects of error corrections	002					(661,142)	(24,739,262)	28,768,739					-	-	3,368,335
Effects of changes in accounting policies	003												-	-	-
Opening balance [current period] (1 + 2 + 3)	004	1,214,775,000	-	-	-	318,744,031	128,435,207	28,768,739	539,561,769	(477,000)	143,772,514	-	-	-	2,373,580,260
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 debt to equity	009	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	010	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	011	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase/sale of treasury shares	012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liability	014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liability to equity	015	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers among components of equity instruments	016	-	-	-	-	-	71,886,257	-	71,886,257	-	(143,772,514)	-	-	-	(1)
Share based payments	017	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other increase or (-) decrease of equity instruments	018	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the current year	019		-	-	-	(76,513,440)	-	(6,024,776)	-	-	182,236,646	-	-	-	99,698,430
Equity instruments increase or (-) decrease resulting from business combinations	020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance [current period] (from 4 to 20)	021	1,214,775,000	-	-	-	242,230,591	200,321,464	22,743,963	611,448,026	(477,000)	182,236,646	-	-	-	2,473,278,689

in HRK

1) INTEREST INCOME				in HRK		
AOP 001	Same period of the previo		Current period 0	1.01 31.12.2020.		
	31.12.2019 Cumulative	Quarter	Cumulative	Quarter		
Debt securities Loans and advances	93,737,077 509,816,505	23,930,631 130,273,720	81,200,505 507,402,688	19,781,507 127,826,158		
Dther assets Deposits	424,091	9,704	314,906	102,233		
Other liabilities Total	603,977,673	154,214,054	- 588,918,099	147,709,899		
2) INTEREST EXPENSE				in HRK		
AOP 002	Same period of the previo 31.12.2019		Current period 0	1.01 31.12.2020.		
Debt securities	Cumulative	Quarter	Cumulative	Quarter		
Loans and advances	2,658,894	774,888	2,873,659	847,064		
Other assets Deposits	64,311,373	18,430,199	47,526,686	10,310,091		
Other liabilities Total	1,038,423 68,008,691	290,083 19,495,171	1,183,001 51,583,346	470,451 11,627,606		
3) FEE AND COMMISSION INCOME				in HRK		
AOP 005	Same period of the previo 31.12.2019	1	Current period 0	1.01 31.12.2020.		
Securities	Cumulative 397.609	Quarter 80.066	Cumulative 3.269.735	Quarter 3,037,509		
Asset management Custody [according to the type of client]	84,655 5.041,832	46,521 1,348.090	44,754 3,651,553	10,656 97,941		
Loan commitments Other	151,466 521,818,873	34,698 117,756,183	72,553 443,117,102	13,757 105,119,492		
Total	527,494,435	119,265,558	450,155,698	108,279,355		
4) FEE AND COMMISSION EXPENSE	Same period of the provi	200 YOOT 01 01 -		in HRK		
AOP 006	Same period of the previo 31.12.2019)	-	1.01 31.12.2020.		
Bank clearing and settlement	1,552,230	Quarter 413,905	Cumulative 1,726,624	Quarter 454,600		
Other Total	326,300,211 327,852,440	75,074,570	272,162,011 273,888,635	64,817,558 65,272,158		
5) GAIN/LOSSES ON TERMINATION OF FINANCIAL ASSETS AND FINAN	ICIAL LIABILITIES			in HRK		
AOP 007	Same period of the previo 31.12.2019)	Current period 0	1.01 31.12.2020.		
Debt securities	Cumulative 5,158,277	Quarter 1,078,594	Cumulative 35,035,565	Quarter		
Loans and advances Deposits			-	-		
Depositis Debt Securities issued Other financial liabilities	-	-	-	-		
Other financial liabilities Total	5,158,277	1,078,594	35,035,565			
6) GAINS OR (-) LOSSES ON FINANCIAL ASSETS AND LIABILITIES HEL	D FOR TRADING			in HRK		
AOP 008	Same period of the previo 31.12.2019			1.01 31.12.2020.		
Equity instruments	Cumulative 17,025,588	Quarter 958,913	Cumulative (770,953)	Quarter (770,953)		
Debt securities FX transactions and derivatives	20,243,874 50,246,706	(2,244,700) 11,744,496	(7,006,878) 54,846,094	5,373,210 13,822,665		
Total	87,516,168	10,458,709	47,068,263	18,424,922		
7) GAINS OR LOSSES ON NON-TRADING FINANCIAL ASSETS MANDAT	ORILY AT FAIR VALUE THR Same period of the previo					
AOP 009	Same period of the previo 31.12.2019 Cumulative			1.01 31.12.2020.		
Equity instruments	-	-	Cumulative -	Quarter -		
Debt securities Loans and advances	813,430	811,403	(571,077)	(787,788)		
Total	813,430	811,403	(571,077)	(787,788)		
8) OPERATING EXPENSES AOP 015 & AOP 017 & AOP 018	Same period of the previo	ous year 01.01	<u> </u>	in HRK		
AUF 013 & AUF 017 & AUF 018	31.12.2019 Cumulative	Quarter	Cumulative	1.01. – 31.12.2020. Quarter		
Other operating expenses Administrative expenses	43,512,701 391,518,366	11,744,087 102,114,372	54,017,656 382,990,226	12,855,881 104,941,454		
Administrative expenses Employee expenses Other administrative expenses	221,778,276 169,740,090	70,834,782 31,279,589	229,034,086 153,956,140	62,111,670 42,829,783		
Amortization	75,879,820	38,564,207	75,816,110 42,995,932	17,704,706		
Property, plant and equipment Investment property	41,291,006	27,476,950	-	10,798,118		
Other intangible assets Total	34,588,814 510,910,886	11,087,256 152,422,665	32,820,178 512,823,992	6,906,588 135,502,040		
9) IMPAIRMENT LOSSES AND PROVISION EXPENSES				in HRK		
AOP 019 & AOP 020 & AOP 021 & AOP 023	Same period of the previo 31.12.2019	ous year 01.01	Current period 0	1.01 31.12.2020.		
Modification gains or (-) losses, net	Cumulative (15,756,307)	Quarter (2,701,140)	Cumulative (3,386,347)	Quarter (2,549)		
Financial assets at fair value through other comprehensive income Financial assets at amortized cost	(15,756,307)	(2,701,140)	(3,386,347)	(2,549)		
(Provisions or (-) reversal of provisions)	64,757,476	74,602,661	(61,671,217)	1,020,378		
(Liabilities and Guarantees) (Other Provisions)	8,774,476 55,983,000	2,793,555 71,809,105	17,214,299 (78,885,516)	6,384,646 (5,364,268)		
(Impairment or (-) reversal of impairment on financial assets that are not measured at fair value through profit or loss)	135,818,040	56,149,366	109,876,155	26,428,653		
(Financial assets at fair value through other comprehensive income) (Financial assets at amortized cost)	3,400,611 132,417,429	(1,677,861) 57,827,227	577,174 109,298,981	(99,553) 26,528,206		
Impairment or (-) reversal of impairment off of investments in subsidiaries, oint ventures, and associates)			-			
(Impairment or (-) reversal of impairment off non-financial assets)	11,535,517	11,535,517	-			
(Inpairment of (-) reversal of impairment of non-imarcial assets) (Property, plant and equipment) (Investment property)	7,366,949 3,599,080	7,366,949 3,599,080	-			
(Goodwill)	3,599,080	3,539,080	-	-		
(Other intangible assets) (Other)	569,488	569,488		-		
Total	227,867,340	144,990,710	51,591,285	27,451,580		
10) LOANS AND ADVANCES AOP 023		31.12.2019.			31.12.2020.	in H
	Stage 1	Stage 2		Stage 1	Stage 2	Stag
Central banks	1,558,206,655		Stage 3	1,219,156,918		
Central banks Gross Ioans Allowance	1,558,206,655 1,558,206,655	-	Stage 3	1,219,156,918	-	
Central banks Gross Ioans Allowance Government	1,558,206,655	4,456,728 5.026,891	383,503	1,219,156,918 1,219,156,918 - 2,513,669,837 2,520,514,249	- 10,294,601 10,456,303	
Central banks Gross Ioans Allowance Government Gross Ioans Allowance	1,558,206,655 1,558,206,655 - 2,244,696,909	4,456,728	-	1,219,156,918 - 2,513,669,837 2,520,514,249 (6,844,412)		
Central banks Gross Ioans Movement Movement Allowance Credit Institututons Gredit Institututons	1,558,206,655 1,558,206,655 - 2,244,696,909 2,250,085,612 (5,388,703)	4,456,728 5,026,891	383,503	1,219,156,918 - 2,513,669,837 2,520,514,249	10,456,303	
Central banks Gross loans Alovance Government Groef in Institututions Groef in Institututions Groes loans Allovance Deposits	1,558,206,655 1,558,206,655 2,244,696,909 2,250,085,612 (5,388,703) 23,379,960 574,599 (547,979) 233,416,895	4,456,728 5,026,891	383,503	1,219,156,918 2,513,669,837 2,520,514,249 (6,844,412) 368,510,087 57,300 27 368,996,913	10,456,303	
Central banks Gross loans Novemene Growmenet Growmene altututions Gross loans Gross loans Oross loans Of peopoits Allowance Other financial institutions	1,558,206,655 1,558,206,655 2,244,696,009 2,250,085,612 (5,388,703) 233,79,950 574,599 (574,599 (574,599 (54,797) 233,416,895 (63,565) 129,436,444	4,456,728 5,026,891 (570,163) 461,201	383,503 (383,503)	1,219,156,918 2,513,669,837 2,520,514,249 (6,844,412) 368,510,087 57,300 27 368,996,913 (544,154) 178,937,655	10,456,303 (161,702) - - - - 3,893	
Central banks Gross loans Allowance Government Gross loans Allowance Oecolit institutions Allowance Opeonits Allowance Other financial institutions Gross loans	1,558,206,655 1,558,206,655 2,244,696,200 2,250,085,612 (5,388,703) 233,379,950 573,4599 (547,979) 233,416,895 (63,565) 129,436,444 117,745,218 (398,194)	4,456,728 5,026,891 (570,163)	383,503	1,219,156,918 2,513,669,837 2,520,514,249 (6,844,412) 368,510,087 57,300 27 368,996,913 (544,154) 178,937,655 168,353,095 (584,453)	10,456,303 (161,702)	
Central banks Gross Ioans Allowance Government Gross Ioans Allowance Cedit Institutions Gross Ioans Deposits Allowance Deposits Allowance Deposits Allowance	1,558,206,655 1,558,206,655 2,244,696,909 2,250,085,612 (5,38,703) 233,379,950 (547,979) 233,416,895 (63,759) 129,345,444 117,745,218 (398,194) 12,197,705 (106,285)	4,456,728 5,026,891 (570,163) 461,201 466,361 (5,160)	383,503 (383,503) 15,995 (15,995)	1,219,156,918 2,513,669,837 2,520,514,249 (6,844,412) 368,510,087 57,300 27 368,996,913 (544,415 178,937,655 168,353,095 (584,453) 11,262,954 (93,941)	10,456,303 (161,702) - - - - - - - - - - - - - - - - - - -	
Central banks Cross Joans Vilowance Government Gross Joans Vilowance Cedit Institutions Gross Joans Vilowance Deposits Vilowance Vilowan	1,558,206,655 1,558,206,655 2,244,668,0655 2,259,068,612 2,538,703 (5,388,703)	4,456,728 5,026,891 (570,183) 461,201 466,361 (5,160) 170,418,701 219,244,197	383,503 (383,503) 15,995 (15,995) 441,502,507 1,343,775,272	1,219,156,98 - - 2,513,669,837 2,520,514,249 (6,844,412) 368,950,087 57,300 27,300 27,303 (544,4154) 1778,937,655 168,353,095 (584,453) 178,937,655 168,353,095 (584,453) 1,262,954 (93,941) 3,622,843,047 3,753,243,005	10,456,303 (161,702) 3,893 3,983 (90) 422,197,574 480,885,197	1,456,527,8
Central banks Stross loans Milowance Credit Institutions Gredit Institutions Gredit Institutions Other financial institutions Other financial institutions Allowance Deposits Allowance Reposits Allowance Reposits Reposit	1,558,206,655 1,558,206,655 2,244,698,690 2,259,665 2,254,698,690 2,259,700 2,33,70,900 (5,475,790) 2,33,70,900 (547,579) 2,33,416,895 (65,555) 1,29,436,444 117,745,218 (386,154) 12,219,755 3,572,046,794 16,702,617 (6,702,617) (7,702,617) (7,702	4,456,728 5,026,591 (570,163) 461,201 466,361 (5,160) 170,418,701 219,244,197 (48,825,406) 394,661,307	383,503 (383,503) (5,995) (15,995) (15,995) 1,443,775,272 (902,272,765) 192,441,409	1,219,156,9187 - 2,513,669,837 - 2,520,514,249 - (6,844,412) - 366,910,987 - 368,996,913 - (544,154) - 178,937,655 - (584,453) - (128,453) - (128,453) - (128,453) - (128,2813,947) - (128,2843,005) - (128,429,057) - (128,42	10,456,303 (161,702) 3,893 3,983 (90) 422,197,574 480,885,197 (58,887,623) 251,126,985	1,456,527,8 (819,541,2) 162,079,0
Central banks Gross loans Newsnee Government Gross loans Gross loans CredinalInutions Gross loans Allowance Opeopoils Allowance Deposits Gross loans Newsfinancialinstitutions Gross loans Allowance Defail Allowance Defail Gross loans Defail Gross loans Defail De	1,558,206,655 1,558,206,655 2,244,696,960 2,250,038,510 2,250,038,510 2,254,0370,950 233,470,950 (67,759) 233,416,895 (65,555) 129,436,444 117,745,218 (108,256) 129,436,444 117,745,218 (108,256) 1,029,479,151 (9,702,617) (6,702,617) (6,510,237,489 6,330,028,490 (28,629,002)	4,456,720 5,028,831 (570,163) (570,163) 466,361 (5,160) 170,418,701 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) (49,145,197) (48,835,415) (49,145,197) (48,835,415) (49,145,197) (48,835,415) (48,145,197) (48,145,197) (48,145,197) (48,145,197) (48,197) (48,197) (48,197) (48,197) (48,197) (47,197	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2) 162,079,0 688,049,2 (525,970,1)
Central banks Stross loans Milvanance Advance Advance Advance Credit Institutions Gredit Institutions Gredit Institutions Other Afrancial institutions Other Afrancial institutions Advance Deposits Advance Boposits Advance Boposits Advance Boposits Bolts Bolt	1,558,206,655 1,558,206,655 2,244,698,909 2,250,008,612 2,350,008,612 23,379,960 574,599 123,347,979 123,347,979 123,345,444 122,197,705 1(08,256) 3,652,348,246 12,197,705 1(08,256) 3,652,348,246 10,008,104 10,008,108	4,456,728 5,026,591 (570,163) (570,163) 466,361 (5,160) 170,418,701 219,244,197 304,661,307 304,661,307	383,503 (383,603) (15,995) 441,502,507 1,343,775,272 (1902,272,765) 192,441,409 644,630,416	1,219,156,9187 2,510,514,249 2,520,514,249 (6,844,412) 366,510,087 57,300 27 368,996,913 (544,154) 178,937,655 (584,453) 178,937,655 (584,453) 178,937,655 (584,453) 178,937,655 (584,453) 178,243,005 (126,429,057) 7,022,395,635 -,060,888,859 -,060,890,90 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,80 -,060,800,800,80 -,060,800,800,800 -,060,800,800,800,800 -,060,800,800,800 -,060,800,800,800 -,060,800,800,800 -,060,800,800,800 -,060,800,800 -,060,800,800 -,060,800,800 -,060,800,800 -,060,800,800 -,060,800,800 -,060,800,800 -	10,456,303 (161,702) 3,883 3,983 (90) 422,197,574 480,885,7574 480,885,7574 251,126,985 272,846,699	1,456,527,8 (819,541,2) 162,079,0 688,049,2 (525,970,1)
Central banks Gross loans Allowance Government Gross loans Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Opeopoits Allowance Total J) NON-TRADING FINANCIAL ASSETS MEASURED AT FAIR VALUE TI	1,558,206,655 1,558,206,655 2,244,698,909 2,250,066,612 2,337,9650 5,74,599 (37,579) 233,416,885 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 14,099,462,743 HROUGH PROCET OR LOSS	4,456,728 5,026,501 (570,153) (570,153) 466,361 (570,153) (5,160) 170,418,701 219,244,197 (48,62,846,197 219,244,197 (48,62,84,197 219,244,197 (48,62,84,197) 219,244,197 (47,530,00) 479,997,937	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2) 162,079,0 688,049,2 (525,970,1) 799,065,6
Central banks Gross Ioans Howance Credit Institutions Gross Ioans Allowance Orber Intancial institutions Gross Ioans Allowance Other Intancial institutions Gross Ioans Allowance Deposits Allowance Deposits Allowance Retail Allowance Total Intervention Total Intervention Interve	1,558,206,655 1,558,206,655 2,244,066,50 2,250,058,610 2,250,058,610 2,250,058,610 2,250,745,90 (67,579) 2,233,416,895 (66,565) 129,436,444 117,745,218 (108,256) (102,265) 3,552,446,246 117,745,218 (103,256) 12,30,202,400 (28,620,02) 14,099,462,743	4,456,720 5,028,831 (570,163) (570,163) 466,361 (5,160) 170,418,701 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,825,465) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) 219,244,197 (48,835,415) (49,145,197) (48,835,415) (49,145,197) (48,835,415) (49,145,197) (48,835,415) (48,145,197) (48,145,197) (48,145,197) (48,145,197) (48,197) (48,197) (48,197) (48,197) (48,197) (47,197	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2 162,079, 688,049,2 (525,970,1 799,065 ,6
Central banks Gross Loans Howance Gross Loans Howance Gross Loans Howance Deposits Other financial institutions Gross Loans Other financial institutions Gross Loans Howance Deposits Howance Deposits Howance How - financial institutions Gross Loans Howance How - financial institutions Gross Loans Howance Total Howance Total Howance Total Const Loans Howance Const Loans Howance How	1,558,206,655 1,558,206,655 2,244,698,909 2,250,066,612 2,337,9650 5,74,599 (37,579) 233,416,885 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 14,099,462,743 HROUGH PROCET OR LOSS	4,456,728 5,026,501 (570,153) (570,153) 466,361 (570,153) (5,160) 170,418,701 219,244,197 (48,62,846,197 219,244,197 (48,62,84,197 219,244,197 (48,62,84,197) 219,244,197 (47,530,00) 479,997,937	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2 162,079, 688,049,2 (525,970,1 799,065 ,6
Central banks Gross loans Allowance Government Allowance Credit institutions Gross loans Allowance Deposits Allowance Deposits Allowance Deposits Allowance Allowance Deposits Allowance Deposits Allowance Deposits Allowance Deposits Allowance Deposits Diverses Dive	1,558,206,655 1,558,206,655 2,244,698,605 2,259,098,612 2,259,098,612 2,359,705 2,33,416,895 (5,74,579) 233,416,895 (65,555) 129,436,444 117,742,218 (386,194) 2,610,265 129,436,444 117,742,218 (386,194) 2,610,265 14,099,462,743 14,099,462,745 14,099,	4,456,728 5,028,691 (570,163) (570,163) (570,163) (570,163) (5,160) (5,160) (5,160) (5,160) (7,163,263,463) (7,163,264,197 (48,825,466) (71,533,300) (479,997,837 31,12,2020, 5,093,283	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2 162,079, 688,049,2 (525,970,1 799,065 ,6
Central banks Gross Joans Newance Government Gross Joans Credit Institutions Gross Joans Nilowance Opposits Allowance Other financial institutions Gross Joans Natowance Other financial institutions Gross Joans New - financial institutions Gross Joans Nilowance Credit Institutions Gross Joans Nilowance Credit Institutions Credit Institutions	1,558,206,655 1,558,206,655 2,244,698,690 2,250,065,612 2,33,479,950 5,74,599 (5,74,979) 233,416,885 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 13,622,346,296 3,723,07,917 6,501,337,489 6,333,026,490 (28,629,002,490 (28,629,002,490 (28,629,002,490 (28,629,002,490 14,099,462,743 31,12,2019,	4,456,728 5,026,5491 5,026,5491 (570,163) 461,201 466,361 (5,160) 170,418,701 2,19,244,197 (17,533,080) (17,533,080) 479,997,837 31,12,2020.	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2 162,079, 688,049,2 (525,970,1 799,065 ,6
Central banks Gross Loans Mavance Government Mavance Derodit Institutions Grodit Institutions Grodit Institutions Other financial Institutions Mavance Deposits Allowance Deposits Mavance	1,558,206,655 1,558,206,655 2,244,698,909 2,250,066,612 233,749,950 574,599 (374,7979) 233,416,885 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 10,022,519 14,099,482,743 HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 14,099,482,743 HROUGH PROFIT OR LOSS HROUGH PROFIT OR LOSS HROU	4,455,728 5,026,501 5,026,501 (570,163) 466,361 466,361 (5,160) 219,244,107 (48,282,466) 219,244,107 (48,282,466) 219,244,107 (17,553,060) 479,997,937 31,12,2020, 5,003,283 13,772,216	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2) 162,079,0 688,049,2 (525,970,1) 799,065,6 in H
Central banks Stross loans Howance Credit Institutions Credit Inst	1,558,206,655 1,558,206,655 2,244,698,909 2,250,066,612 233,749,950 574,599 (374,7979) 233,416,885 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 12,197,705 10,022,519 14,099,482,743 HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 31,12,2019. HROUGH PROFIT OR LOSS 14,099,482,743 HROUGH PROFIT OR LOSS HROUGH PROFIT OR LOSS HROU	4,455,728 5,026,501 5,026,501 (570,163) 466,361 466,361 (5,160) 219,244,107 (48,282,466) 219,244,107 (48,282,466) 219,244,107 (17,553,060) 479,997,937 31,12,2020, 5,003,283 13,772,216	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,2) 162,079,0 688,049,2 (525,970,1) 799,065,6 in H
Central banks Gross Ioans Allowance Gross Ioans Allowance Orcedit institutuions Gross Ioans Allowance Opcosits Allowance Opcosits Allowance Gross Ioans Allowance Opcosits Allowance Opcosits Allowance Mowner Allowance Mowner Allowance Allowanc	1,558,206,655 1,558,206,655 2,244,668,806,655 2,244,668,806,812 2,259,908,612 2,359,908,612 2,359,908 (5,398,703) 233,416,895 (6,3565) 129,436,444 117,745,218 1127,452,181 (10,255) 3,622,345,246 1127,745,218 (10,225) 3,622,345,246 3,722,047,913 (6,502,617) 14,907,462,743 14,907,462,743 11,22019, 6,682,018 14,507,085 21,119,085	4,456,728 5,028,591 5,028,591 (570,163) 461,201 465,361 (5,160) 170,418,701 219,244,197 (48,825,406) 219,244,197 (48,825,406) 219,244,197 (48,825,406) 219,244,197 (49,825,406) 211,22,020, 5,008,288 13,772,618 158,865,501 11,122,020, 400,000,000	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (684,453) - (126,44,54) - (126,44,54) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,8 (819,541,20 162,079,0 688,049,2 (525,970,11 799,065,6
Central banks Stross loans Uswance Vowance Vow	1,558,206,655 1,558,206,655 2,244,698,969 2,250,065,12 (5,388,703) 5,74,599 (5,74,599 1,647,579,19 2,647,579,19 2,647,559 12,943,654 117,745,218 1,638,194) 12,197,705 3,650,444 12,197,705 3,650,444 13,729,047,913 3,650,449 14,209,662,743 14,699,662,743 14,499,662,743 14,207,659 21,199,066 21,199,066 21,199,066	4,456,728 5,026,591 5,026,591 (570,163) 465,361 (570,163) 465,361 (5,160) 170,418,701 219,244,197 (48,825,466) 304,661,307 322,184,397 (17,533,060) 475,979,337 31,12,2020, 31,2020,31,300,300,300,300,300,300,300,300,300	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (654,453) - (126,435) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	1,456,527,4 (819,541,2 162,079,1 688,049,3 (525,970,1 799,065,1 in H
Central banks Gross loans Movemment Gross loans Allowance Credit Institutions Gross loans Allowance Deposits Allowance Other financial institutions Gross loans	1,558,206,655 1,558,206,655 2,244,698,690 2,250,066,612 2,33,749,650 5,74,599 1,538,703) 233,416,885 1,538,703) 233,416,885 1,538,703) 1,538,703) 1,545 1,538,703 1,545	4,455,728 5,026,5491 5,026,5491 5,026,5491 5,026,5491 4,65,361 4,65,361 4,65,361 4,65,361 4,65,361 4,65,361 4,65,491 4,65,491 4,65,491 4,152 4,1	383,503 (383,503) (15,995 (15,595) (15,595) (1343,775,272 (1992,272,755) 132,441,409 644,430,416 (452,189,007)	1.219,156,918 - 2,513,669,37 - 2,520,514,249 (6,844,412) - 368,510,067 - 37,500 - 77,300 - 77,300 - 77,300 - 77,300 - 77,307,855 - (654,453) - (126,435) - (126,429,057) - (126,429	10,456,303 (161,702) 3,883 3,983 3,983 3,983 3,983 (90) 422,197,574 480,885,197 (58,687,623) 251,126,985 272,846,699 (21,719,714)	636,996,5 1,455,527,6 (\$19,541,637,64 (\$19,541,637,070,1 688,049,2 (\$25,970,1 799,065,6 in Hi

As of 31 December 2020 the Bank has recorded corrections of tangible assets s immaterial effect of HRK 2.6 million on net assets.

HPB-R-A stock during the reporting period

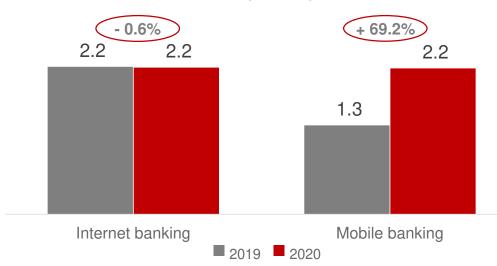


Stock data and details

Issue date	December 12, 2000
ISIN	HRHPB0RA0002
Segment	Official market of the Zagreb Stock Exchange
Listed quantity	2,024,625
Share price as at December 30, 2020 (in HRK)	470.00
Market capitalisation (in HRK million)	992.07

	Shareholders	Ownership stake (%)
	Republic of Croatia	42.43
	Croatian Post PLC	11.93
	Croatian Deposit Insurance Agency	8.98
	Croatian Pension Insurance Institute	8.76
	Hrvatska poštanska banka p.l.c. – treasury shares	0.04
)	Other shareholders (each under 5% of share of the equity capital)	27.86
	Total shares	100.00

Direct channels



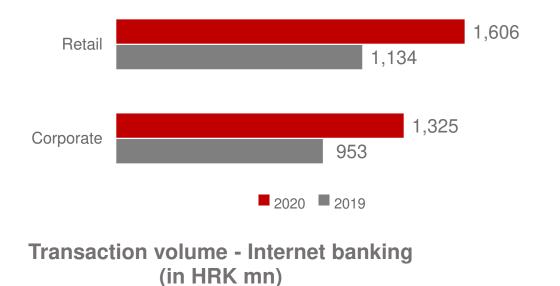
Number of transactions (in mn)

Transaction volume - Mobile banking (in HRK mn)

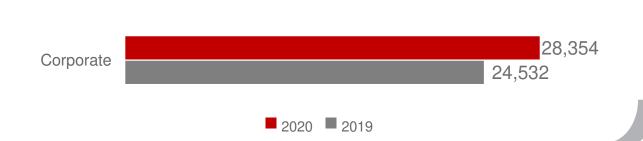
629

749

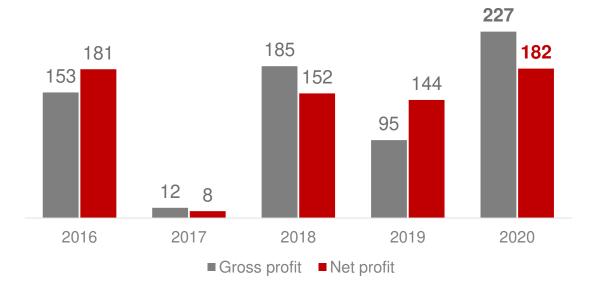
Retail



Expected further increase in mobile banking – both in the volume and number of transactions.

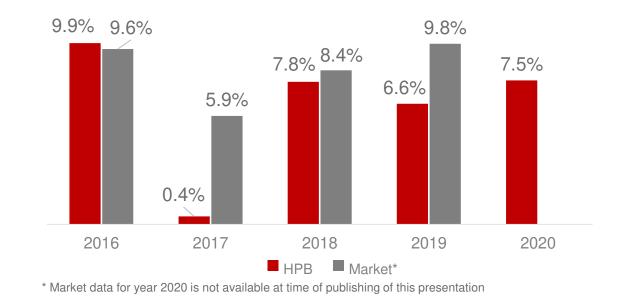


Profitability



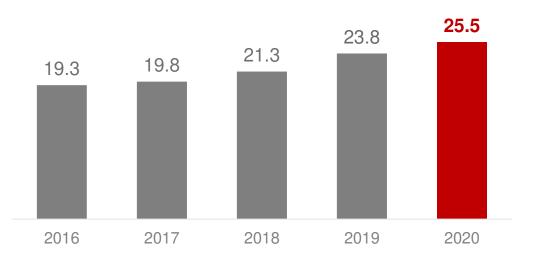
Profit development (in HRK mn)

Return on Average Equity ROAE



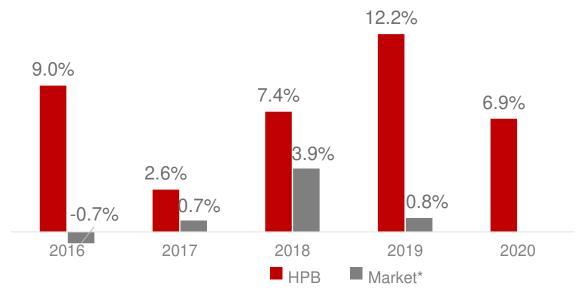
 Marked improvement in ROAE in 2020 over 2019 despite growing equity base from incorporation of previous year profits.

Asset development



HPB's Asset development (in HRK bn)

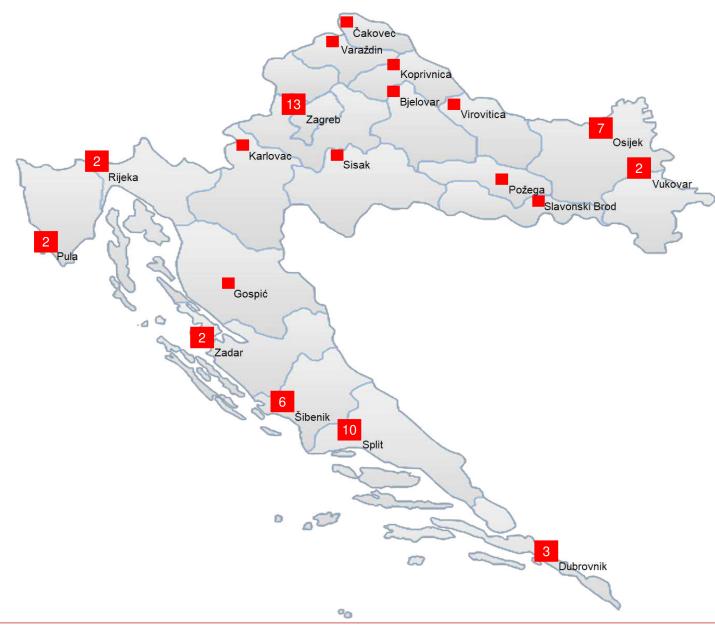




* Market share data for year 2020 not available at the time presentation was published

- Rapid organic growth in 2020;
- Asset growth reciprocated with growth in funding. Increase of liquid assets in 2020 was HRK +707.2 mn;
- LCR (Liquidity Coverage Ratio) as of 31.12.2020 is at 158%.

Accessibility



57 branch offices

- **12** regional centers
- 3 business centers
- **142** financial corners at the Croatian post

Over 1,500 cash-out points with no

fees