



HRVATSKA POŠTANSKA BANKA

HPB p.l.c. 6M 2024

Investor information and unaudited financial statements

July 2024



Limitation of liability

- The information and data contained in this presentation are intended as general background information on Hrvatska poštanska banka p.l.c. (hereinafter referred to as the Bank or HPB) and its activities. They are provided in summary form and therefore do not necessarily represent complete information. 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," "estimates," "potential" or "continues" 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, forward-looking statements cannot be guaranteed. Accordingly, we cannot guarantee the realization of such forward-looking statements, nor should full reliance be placed on such forward-looking statements. Many factors may affect our results of operations, financial conditions, liquidity, and developments in the industry in which we operate, and these may differ materially from those expressed or implied by the forward-looking statements contained herein.
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- This presentation has been prepared and the information in it has been checked with the greatest possible care. Nevertheless, rounding and transmission cannot be excluded. When adding up rounded amounts and percentages, differences may appear.

Type and name of prescribed information:	Financial statements for the period 1.1.2024 - 30.6.2024, HPB p.l.c. 6M 2024 Investor information and unaudited Financial statements for the period 1.1.2024 - 30.6.2024
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. (hereinafter referred to as the Bank or HPB), publishes unaudited unconsolidated financial statements for the period from January 1 to June 30, 2024.

Original and official report is published in Croatian.

The report includes:

- Management report of HPB p.l.c.,
- Statement by persons responsible for compiling the report of HPB p.l.c.,
- 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 (OG 114/2018, 27/2021, 26/2022 and 32/2023).

Statement of the President of the Management Board



On the occasion of releasing the half-year financial results for 2024, **Marko Badurina, President of the Management Board of Hrvatska poštanska banka**, stated: *„At HPB, our long-term vision prioritizes expanding our market presence and elevating the quality of services we provide to our clients. We've consistently achieved above-average profitability, bolstered our capital base, and successfully met our short-term goals. With the successful operational integration of Nova Hrvatska Banka, we've unlocked resources for new development projects, and the achievements drive us to set new goals and maintain our growth trajectory, which consistently outpaces the market. Due to the significant potential for further strengthening of HPB in the future, we are ready for new challenges and successes in a changing monetary environment, continuing to contribute to improving the lives of our fellow citizens and entrepreneurs, as well as the economic progress of Croatia.”*



Executive Summary

Macroeconomic Environment

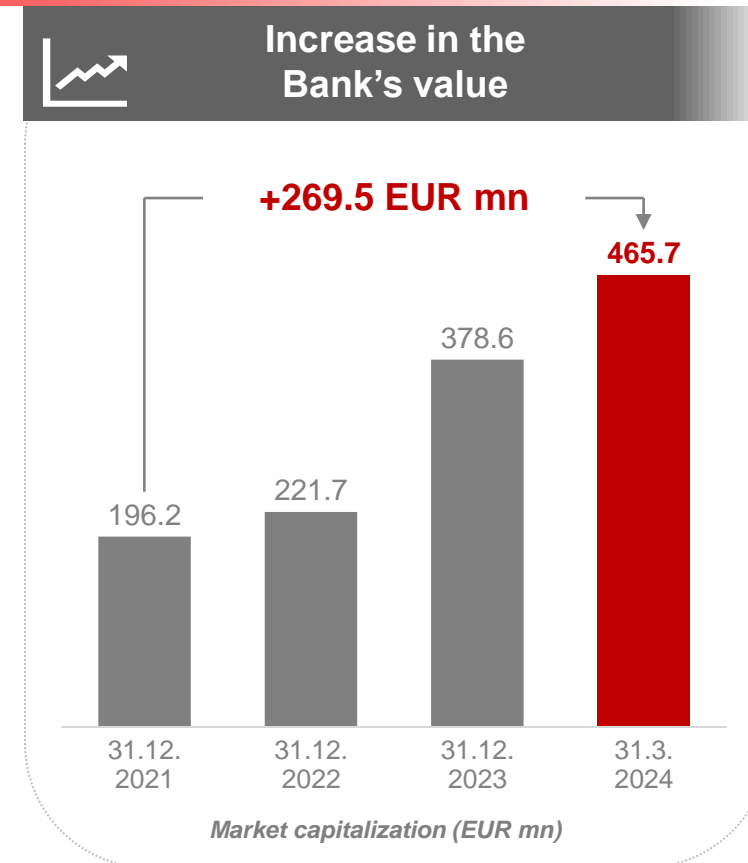
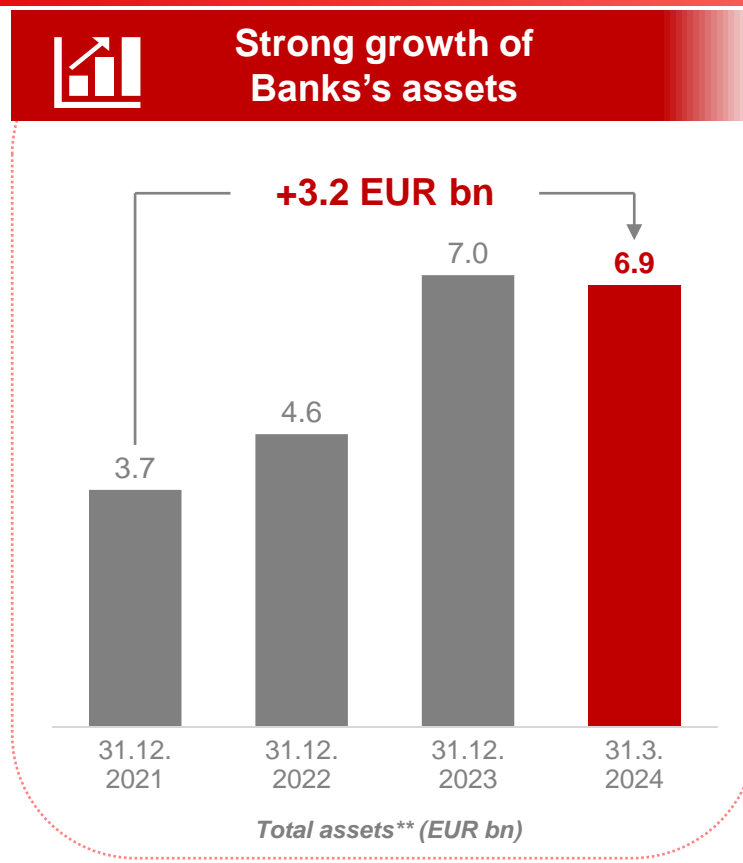
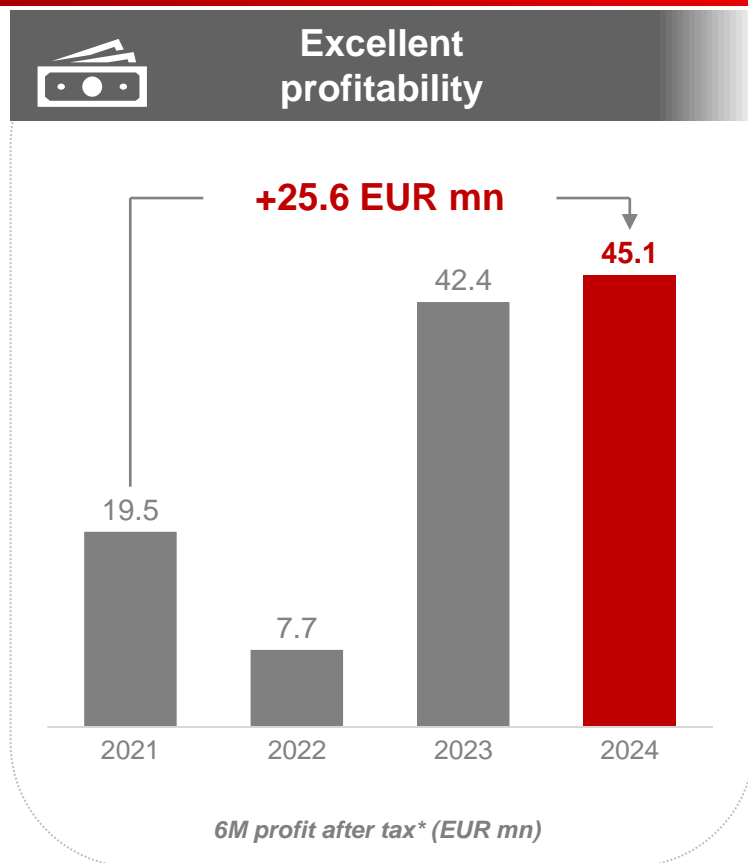
Financials

Risk Management

Additional information



Exceptional profitability with successful integration of Nova hrvatska banka



* Profit and loss account positions in this presentation for the first half of 2021-2023 show the result of HPB on a stand-alone basis, while the first half (6M) of 2024 includes the result of integrated Bank (HPB + Nova hrvatska banka) in accordance with the integration of Nova hrvatska banka in July 2023

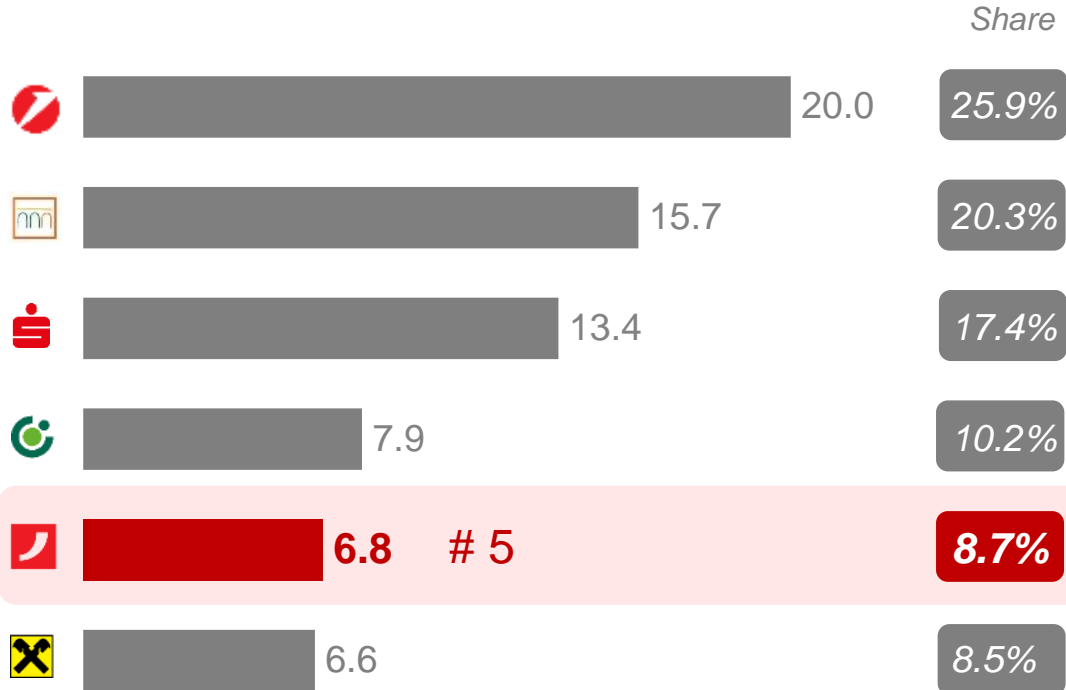
** The balance sheet positions in this presentation on the reporting dates 31.12.2021 and 31.12.2022 show the result of HPB on a stand-alone basis, while the reporting dates 31.12.2023 and 30.6.2024 include results of an integrated Bank (HPB + Nova hrvatska banka) in accordance with the integration of Nova hrvatska banka in July 2023



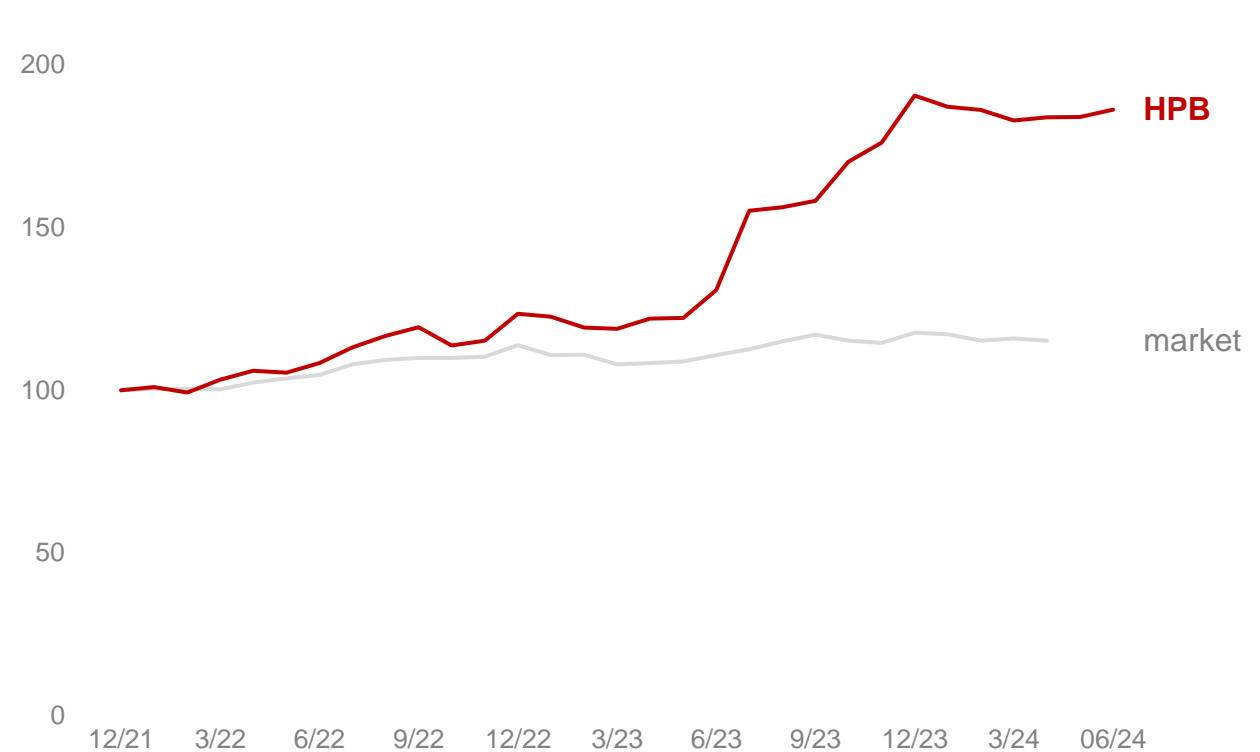
We are creating conditions for a better life in Croatia.

HPB in the TOP 5 banks by total assets

Total assets
31.3.2024 (EUR bn)



Total assets development
Base index = 2021



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Macroeconomic indicators



Croatia

Jun 24: **3.4%**
Jun 23: 12.1%

Euro area €

Jun 24: **2.5%**
Jun 23: 6.9%



Croatia

May 24: **2.0%**
May 23: 1.3%

Euro area €

May 24: **3.1%**
May 23: 2.5%

Households



May 24: **5.3%**
May 23: 6.1%

May 24: **6.5%**
May 23: 6.5%



May 24: **3.5%**
May 23: 2.3%

May 24: **3.6%**
May 23: 3.0%

Corporations

Q1 24: **6.7%**
Q1 23: 5.4%

Q1 24: **2.0%**
Q1 23: 2.3%

Households



Q1 24: **3.9%**
Q1 23: 2.8%

Q1 24: **0.4%**
Q1 23: 1.3%



Q1 24: **7.0%**
Q1 23: 11.0%

Q1 24: **1.8%**
Q1 23: 2.7%

Corporations

May 24: **4.8%**
May 23: n/a

May 24: **7.9%**
May 23: 7.7%

Households' consumption

May 24: **3.7%**
May 23: 3.0%

May 24: **3.8%**
May 23: 3.7%

Households' home purchase

May 24: **5.2%**
May 23: 4.7%

May 24: **5.0%**
May 23: 4.6%

Corporations

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Strong growth in interest income resulted in a net profit of EUR 45 mn

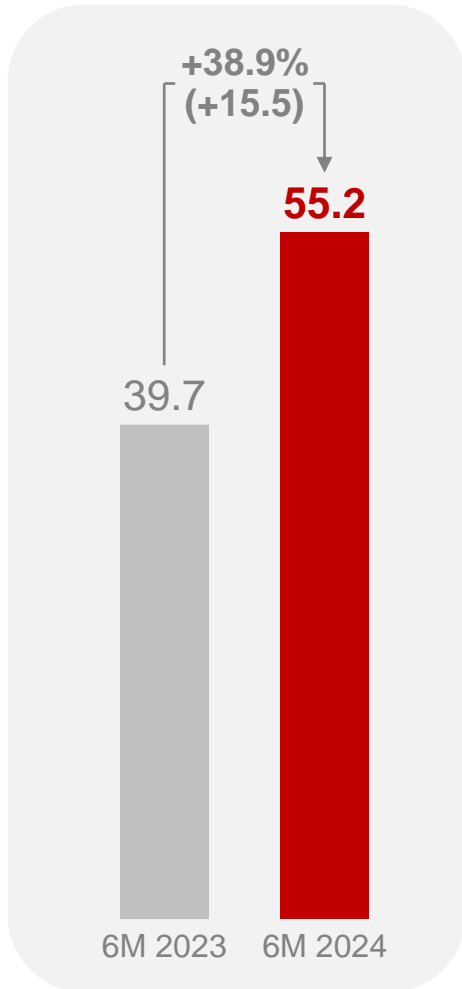
Profit and loss account (EUR mn)	6M 2023*	6M 2024*	Y-o-Y	Y-o-Y %
Net interest income	55.3	91.2	35.9	64.8
Net fee and commission income	13.0	16.7	3.7	28.3
Net other income	7.9	2.2	(5.7)	(71.9)
Operating income	76.3	110.1	33.8	44.4
Employee expenses	(18.3)	(27.5)	9.1	49.7
Administrative expenses	(14.9)	(21.9)	7.0	46.9
Depreciation	(3.3)	(5.6)	2.3	68.5
Operating expenses	(36.6)	(54.9)	18.4	50.3
Operating profit	39.7	55.2	15.5	38.9
Provisions	7.0	(0.6)	(7.6)	(108.6)
Tax	(4.4)	(9.5)	5.1	117.1
Profit after tax	42.4	45.1	2.7	6.4

* 6M in 2023 includes the result of the Bank's operations on a stand-alone basis, while 6M in 2024 includes the result of the integrated Bank (HPB + Nova hrvatska banka) in accordance with the integration of Nova hrvatska banka in July 2023

- **The record half-year profit after tax** results from a strong increase in net interest income
- **Net interest income significantly above the first half of 2023 (+65%)** primarily due to the market trend of interest rates and the higher volume of deposits with central banks and other financial institutions
- The growth of net fee and commission income of 28% in the observed period is the result of **higher income from payment transactions, guarantees and other loan fees**
- Net other income lower due to the absence of non-recurring effects such as those recorded in 2023, which related to the results of legal actions taken in favor of the Bank
- The movement of employee expenses primarily due to the **impact of the integration of Nova hrvatska banka in 2023 and the increase in employees' material rights in 2024**
- Operating expenses in the observed period increased in line with the integration of Nova hrvatska banka, the general increase in expenses and the increase in depreciation due to the activation of newly acquired assets
- Prudent credit policy, which is reflected in the quality of new loans, almost **completely neutralized the cost of provisions for NPL portfolio**, which is still below the long-term average

We continue to create value for the shareholders

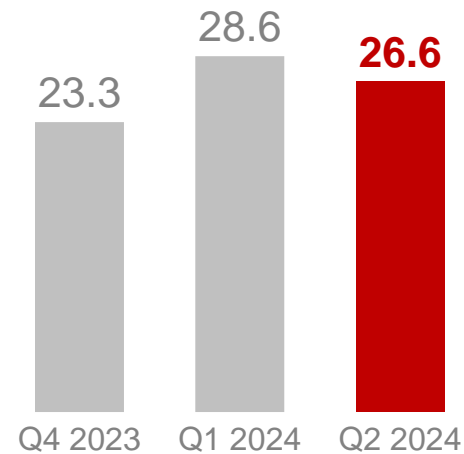
Operating profit (EUR mn)



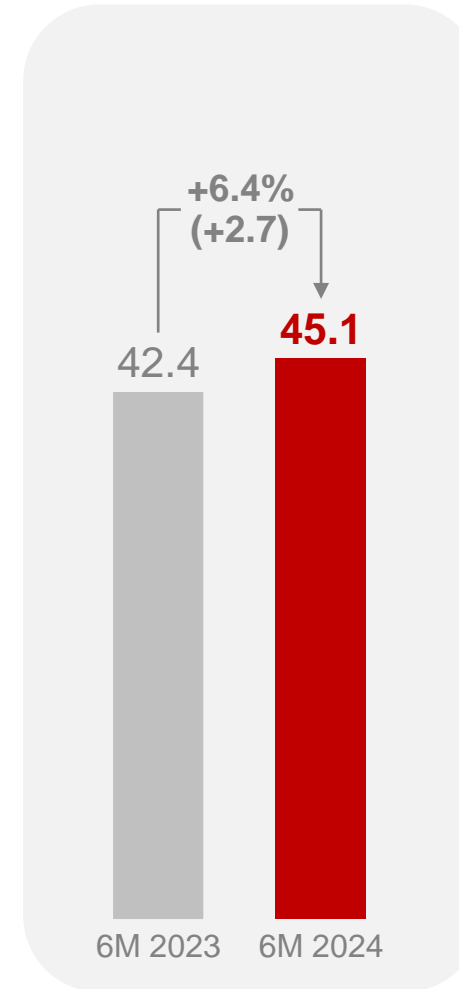
49.9%

6M 2024

Cost to Income Ratio (CIR)



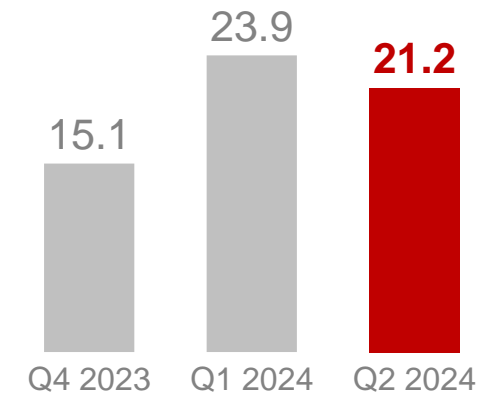
Profit after tax (EUR mn)



16.2%

30.6.2024

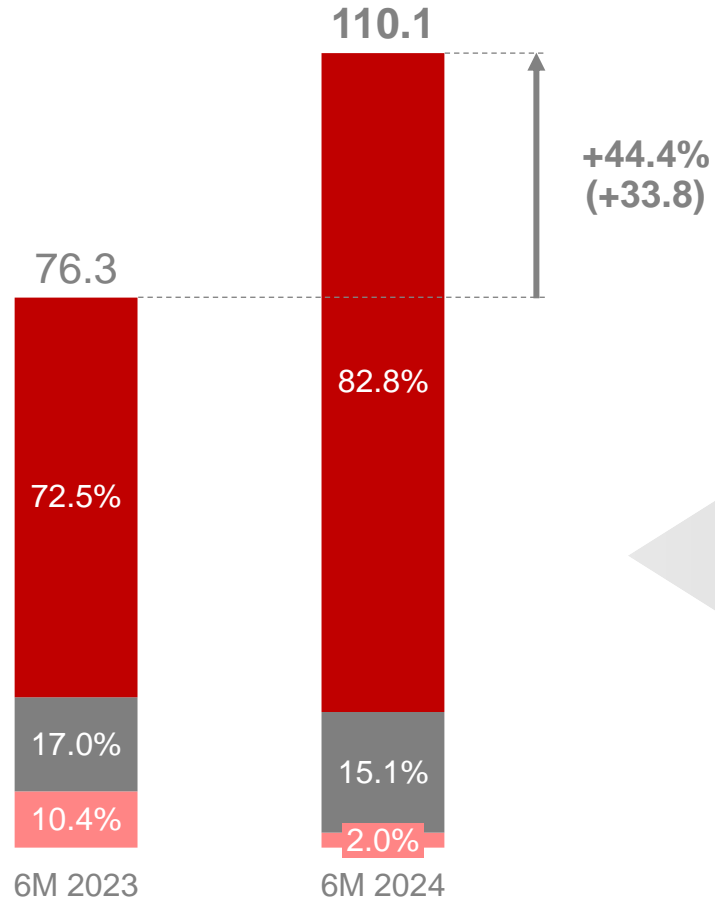
Return on Average Equity (ROAE)



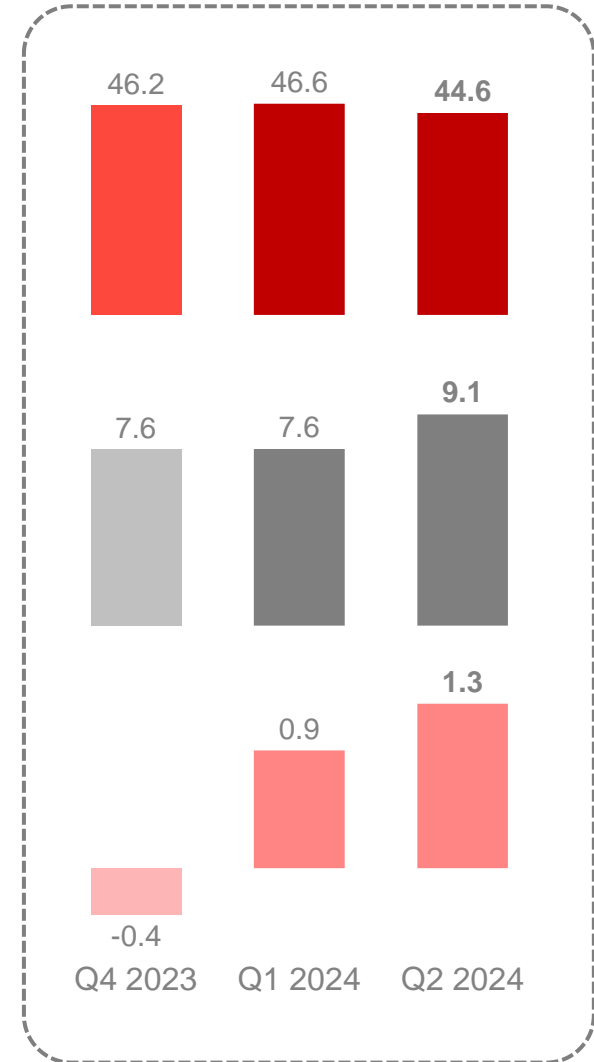
Record operating income

Strong growth in core revenue categories

Operating income (EUR mn)

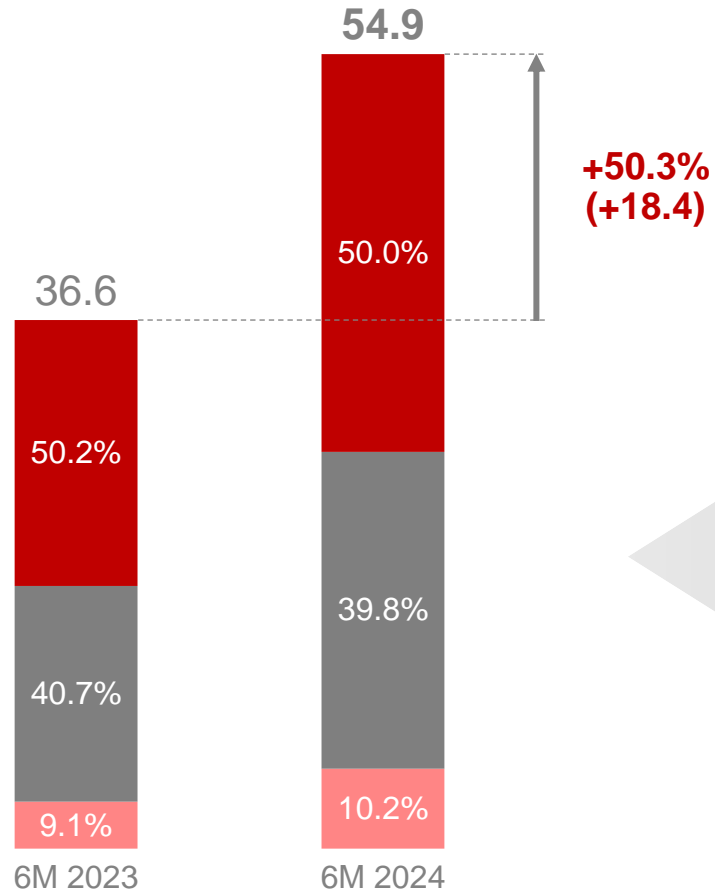


- Net interest income **+64.8%** (Y-o-Y)
- Net fee and commission income **+28.3%** (Y-o-Y)
- Net other income **-71.9%** (Y-o-Y)

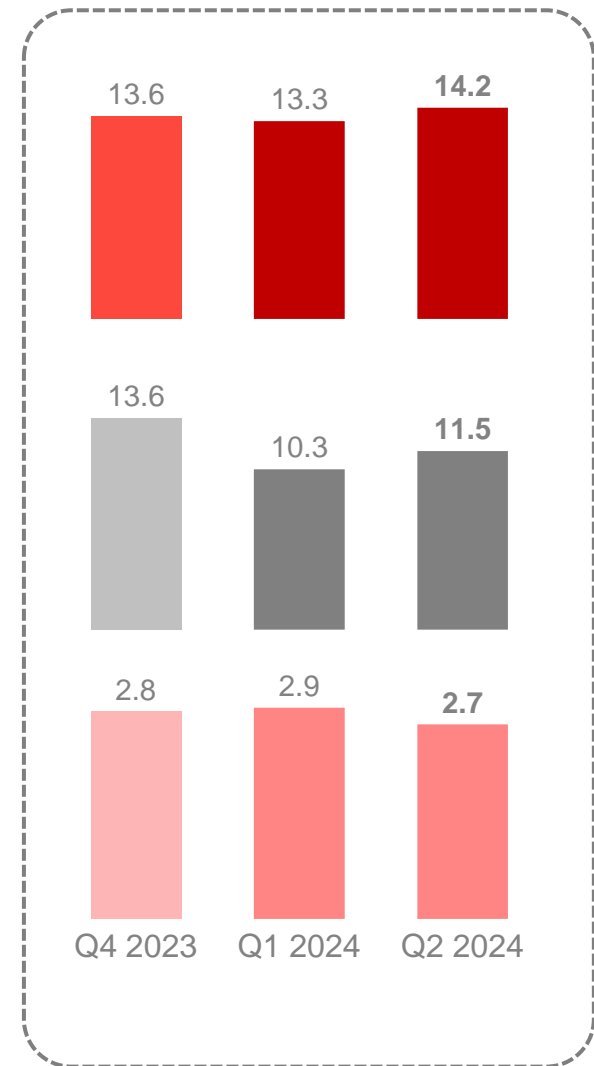
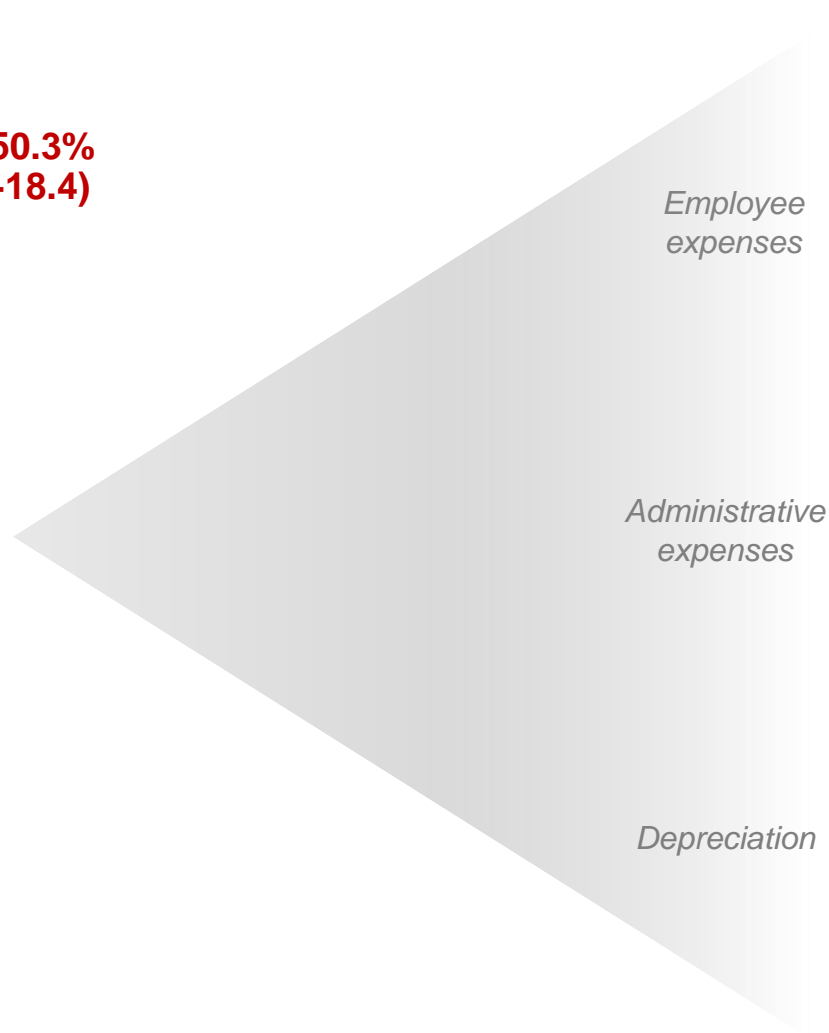


Higher level of expenses due to integration completely outpaced by significantly higher income CIR at 49.9%

Operating expenses (EUR mn)



+50.3%
(+18.4)



- Employee expenses **+49.7%** (Y-o-Y)
- Administrative expenses **+46.9%** (Y-o-Y)
- Depreciation **+68.5%** (Y-o-Y)

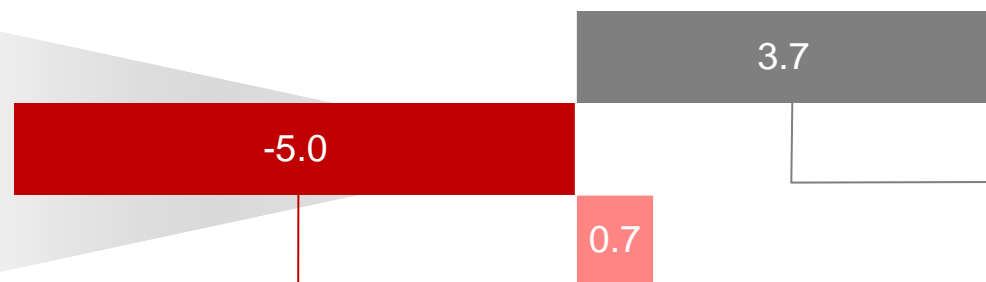
Quality loan portfolio

NPL coverage at 77.2%



6M 2024

Net effect 6M 2024
expense **EUR -0.6 mn**

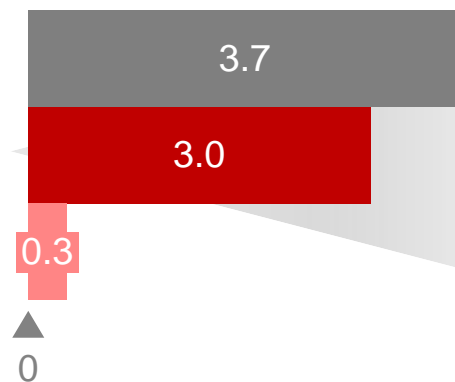


Favorable macroeconomic conditions affect the improvement of the loan quality portfolio, measured through lower internal client ratings, resulting in an income of EUR 3.7 mn for **Stage 1 and 2**.

The movement of provisions for **non-performing loans (Stage 3)** within the expected target values after the integration of Nova hrvatska banka, which was partially neutralized by inflows from NPL collection, with a lower loss rate than the historical average. The NPLs coverage is still above the market average.

6M 2023

Net effect 6M 2023
income **EUR +7.0 mn**



■ Stage 1 & 2 ■ Stage 3 ■ Other provisions

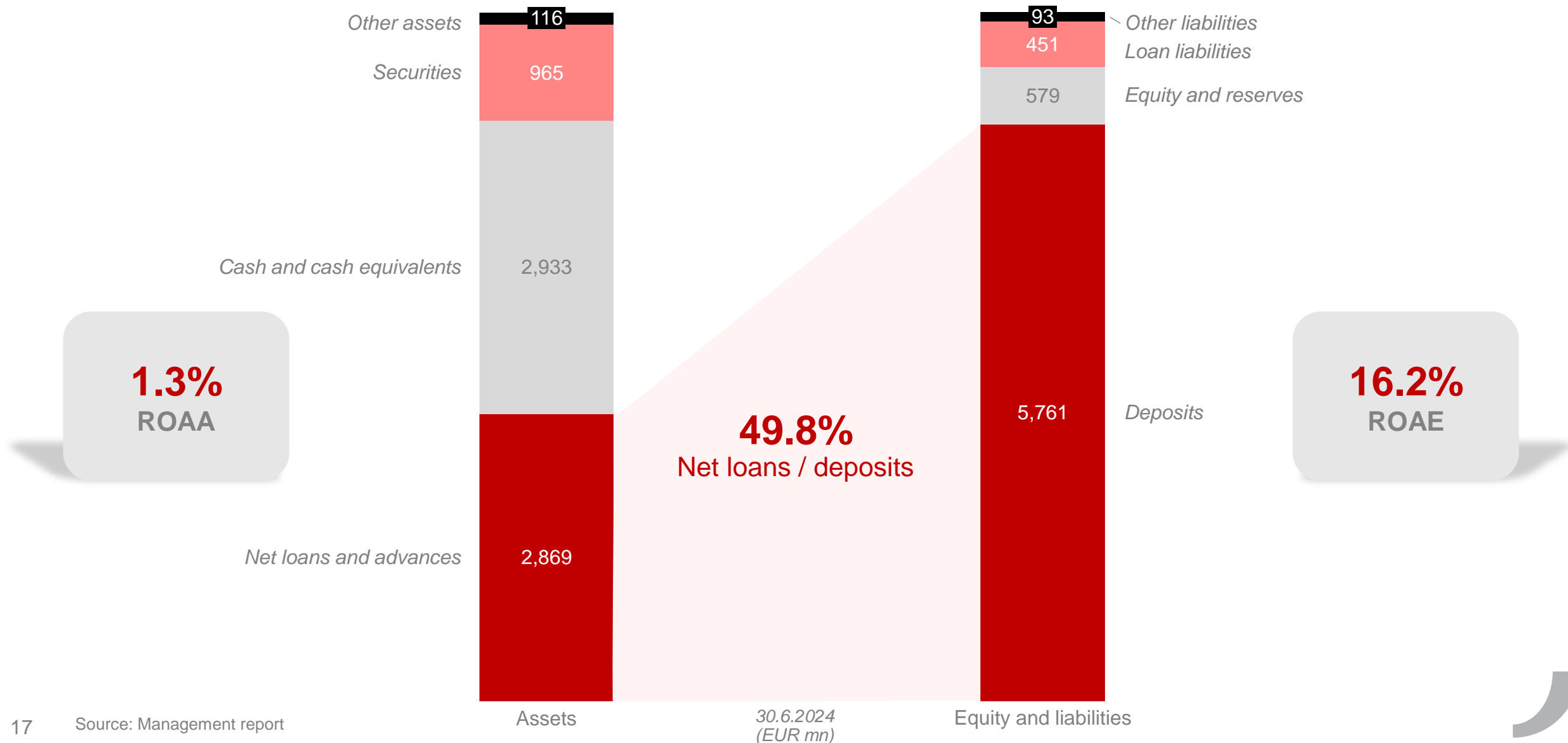
Consolidation after enormous growth in 2023

Balance sheet (EUR mn)	31.12.2023	30.6.2024	YTD	YTD %
Cash and cash equivalents	3,103	2,933	(170)	(5.8)
Securities	915	965	50	5.2
Net loans and advances	2,908	2,869	(39)	(1.4)
Other assets	120	116	(3)	(3.0)
Total assets	7,046	6,884	(162)	(2.4)
Deposits	5,929	5,761	(168)	(2.9)
Loan liabilities	468	451	(17)	(3.8)
Other liabilities	115	93	(23)	(24.5)
Total liabilities	6,512	6,305	(207)	(3.3)
Total equity and reserves	534	579	45	7.8

- Total assets lower by EUR 162 mn compared to the end of 2023 mainly due to **lower volume of a vista deposits**, which on the asset side was reflected in a reduction of cash and cash equivalents
- In total deposits, **term deposits recorded a growth of 6.8%** in the observed period (30.6.: Super Štednja 2 amounts EUR 350 mn), with a simultaneous decrease in a vista deposits by 8.3%, primarily due to the continuation of the trend of overflowing a vista into term deposits as well as auctions of treasury bills of the Republic of Croatia, in February and May, with more attractive interest rates
- Loans remain flat with an **improved structure of the loan portfolio**
- Loan liabilities refer to MREL instruments and received loans from financial institutions (CBRD, CNB repo loans and foreign financial institutions), where reduction refers to regular repayment

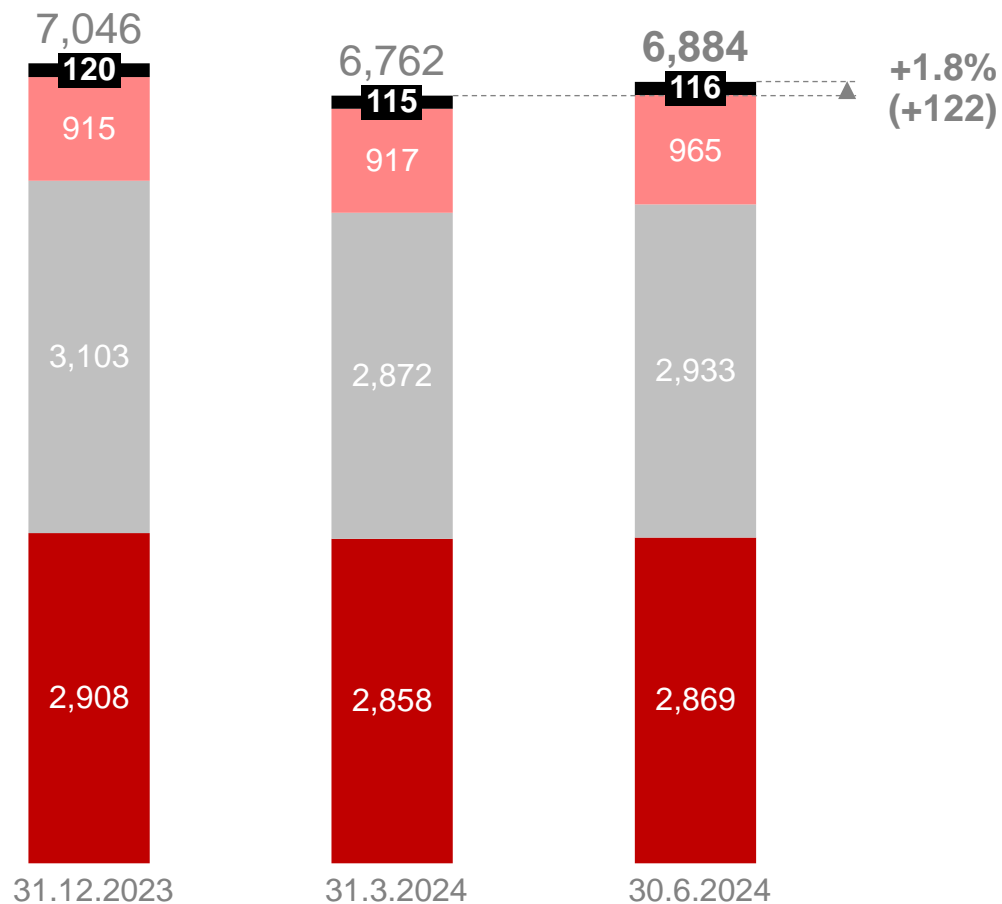
Client deposits form the basis of financing

84% of total liabilities are related to deposits

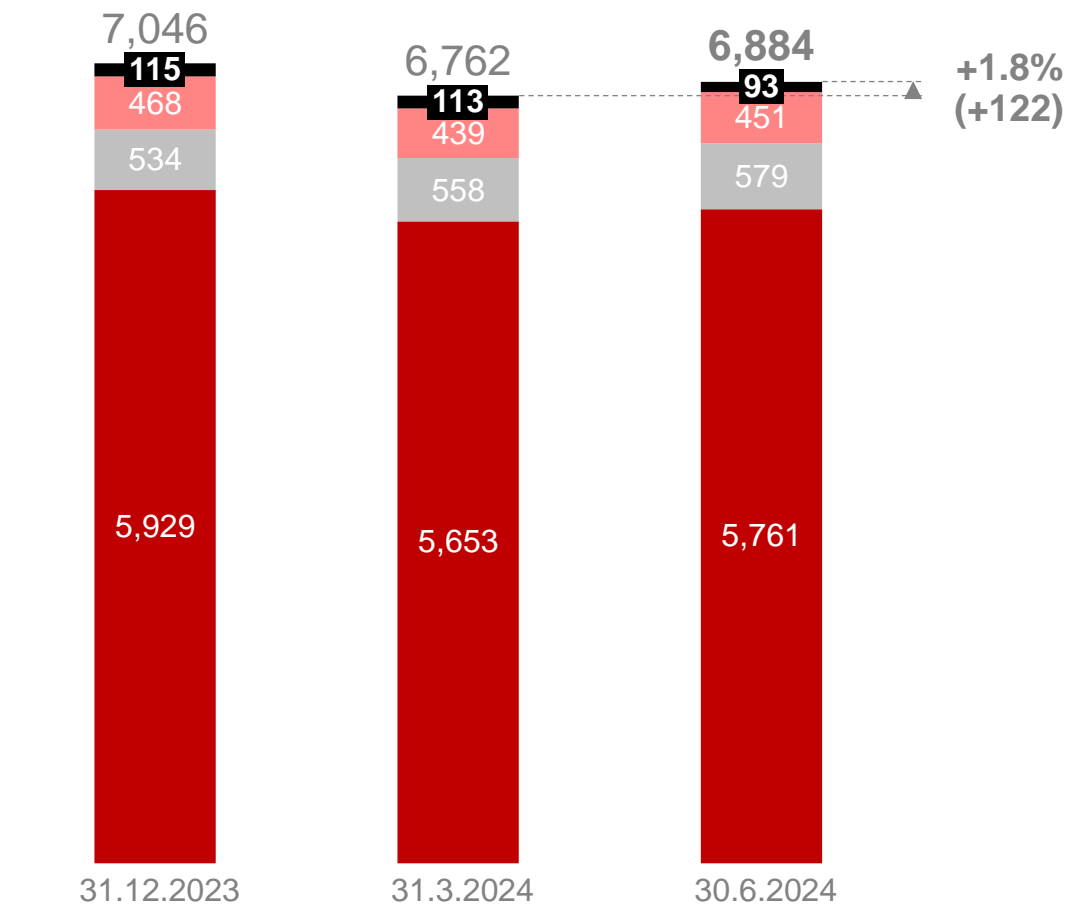


Stable balance sheet structure

Assets (EUR mn)



Liabilities and equity (EUR mn)

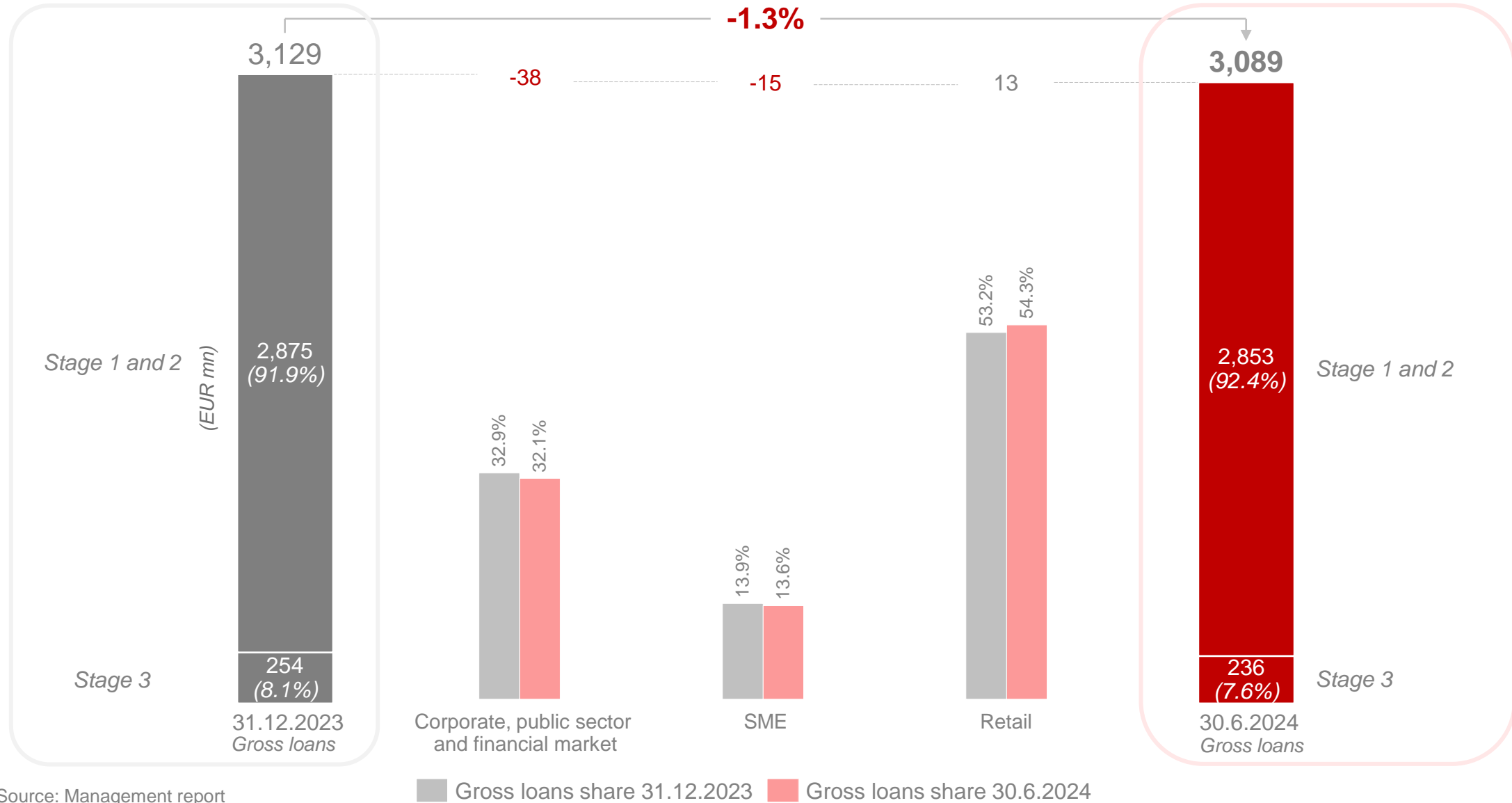


Other assets
 Cash and cash equivalents
 Securities
 Net loans and advances

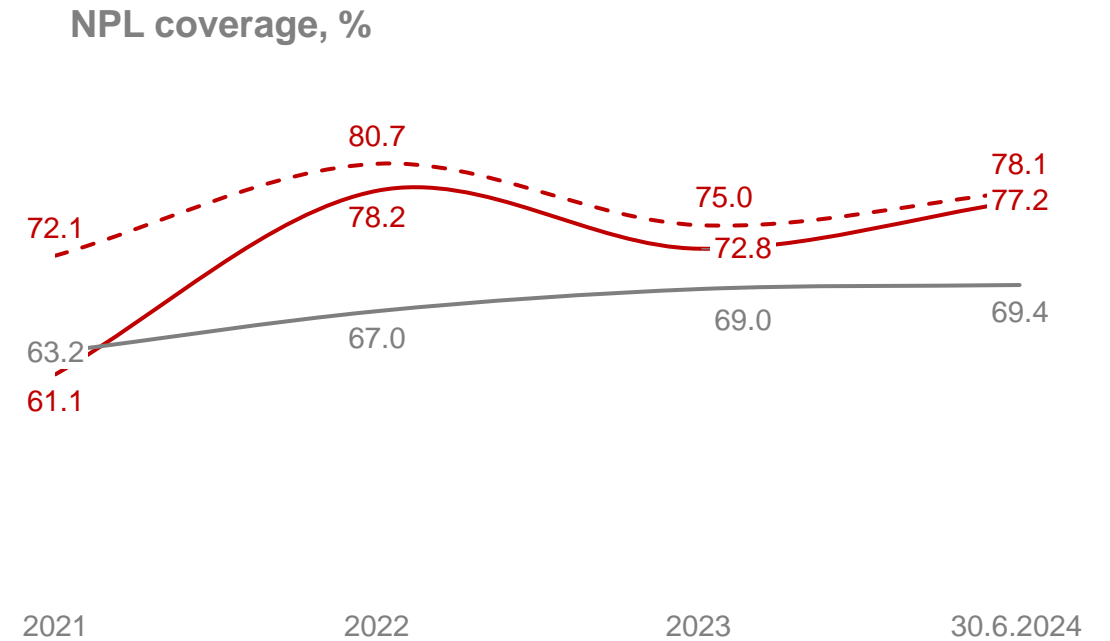
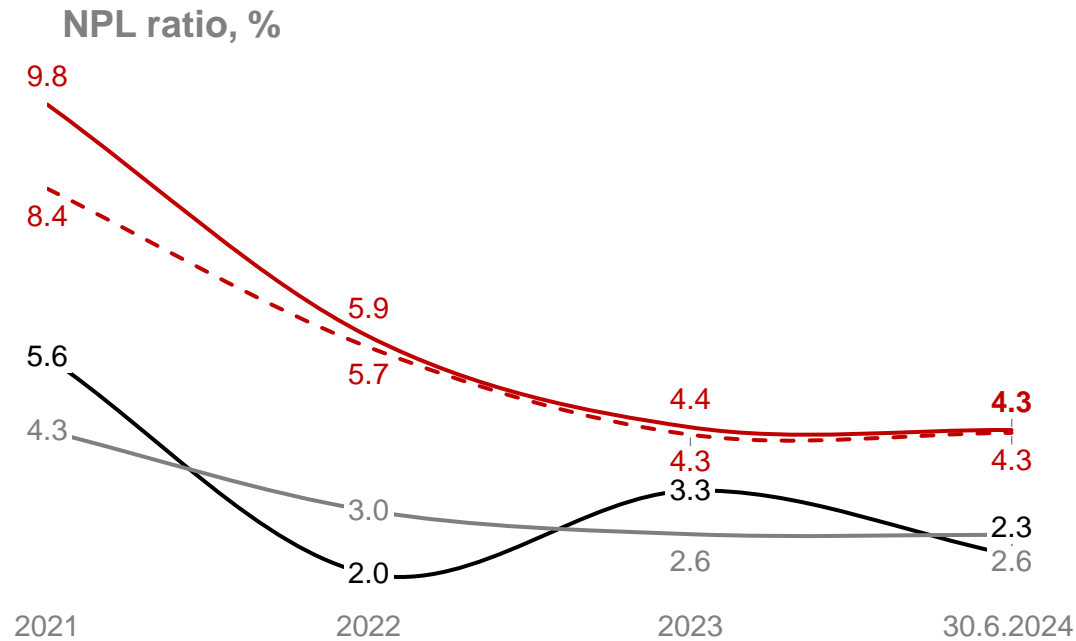
Other liabilities
 Equity and reserves
 Loan liabilities
 Deposits

Improved quality of gross loan portfolio

The share of NPLs in total loans decreased by 1.5 pp



Improved NPL ratio with still high coverage



— NPL ratio
 - - NPL ratio - excluded gov. guarantees
 — Uncovered NPL in CET 1 ratio
 — Market NPL ratio*

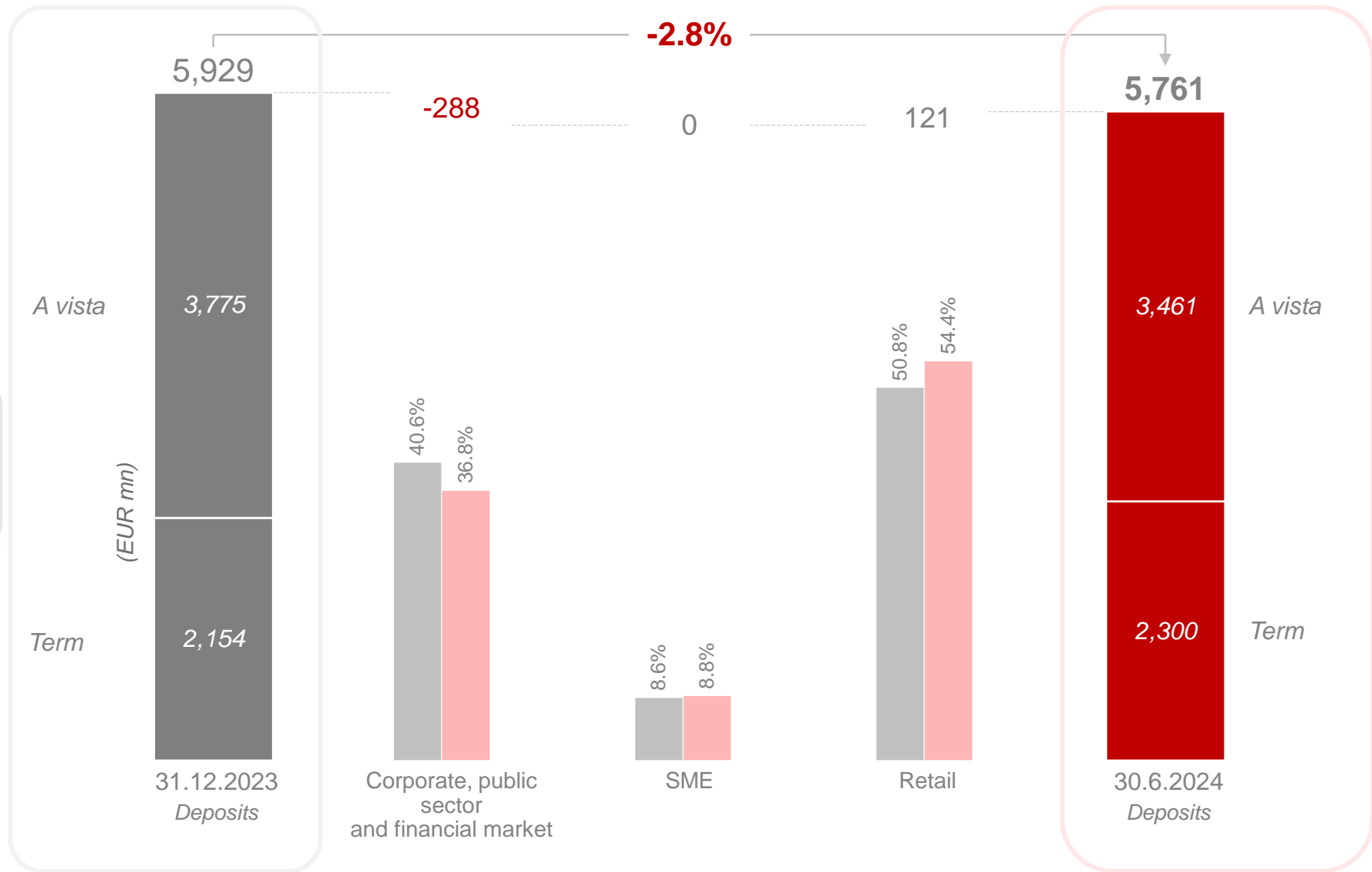
— NPL coverage
 - - NPL coverage - excluded gov. guarantees
 — Market NPL coverage*

* Data as of March 31, 2024, source: CNB statistics, SV2 Selected indicators of the structure, concentration and operations of credit institutions

- Continuation of decreasing trend of the NPL ratio primarily due to further reduction of exposure to NPLs, while maintaining the coverage of NPLs at high levels and above the sector average, which ultimately contributes to the Bank's overall positive result

Continuation of the growth trend of term deposits in a challenging environment

254.5%
LCR
31.12.2023



260.9%
LCR
30.6.2024

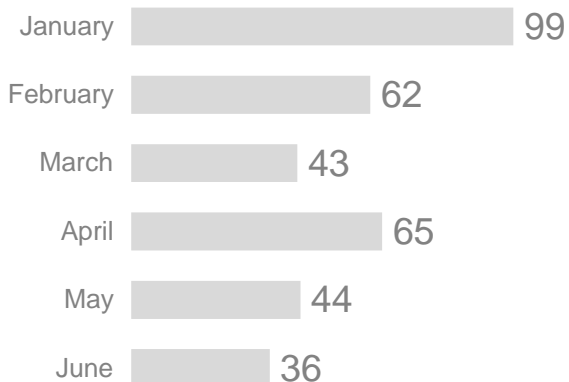


Best Buy Award medal winner for saving products

HPB Super Štednja 2

Contracted deposits per month (EUR mn)

30. 6. 2024



**EUR 350
mn**

total term
deposits



o/w

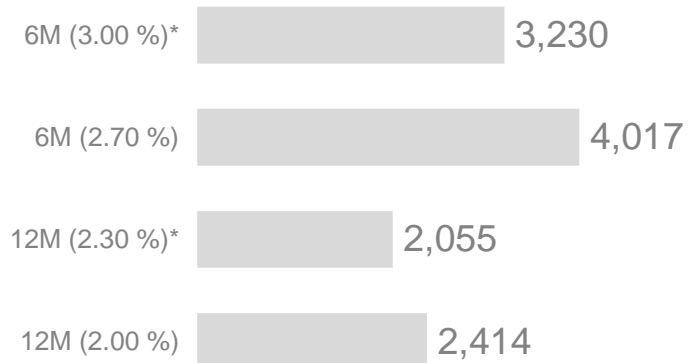
49 %
new deposits



EUR 171 mn
future client potential

No. of contracts based on maturity and interest rates

30. 6. 2024



11,716

no. of
contracted
deposits

Super Štednja 2

- One of the most favorable savings offers from January 1, 2024.
- HPB winner of the Best Buy Award medal for saving products in the category Bank that offers the best price-quality ratio on the Croatian market when it comes to savings options
- Strategy for retaining existing and attracting new clients

*including the transfer of regular income

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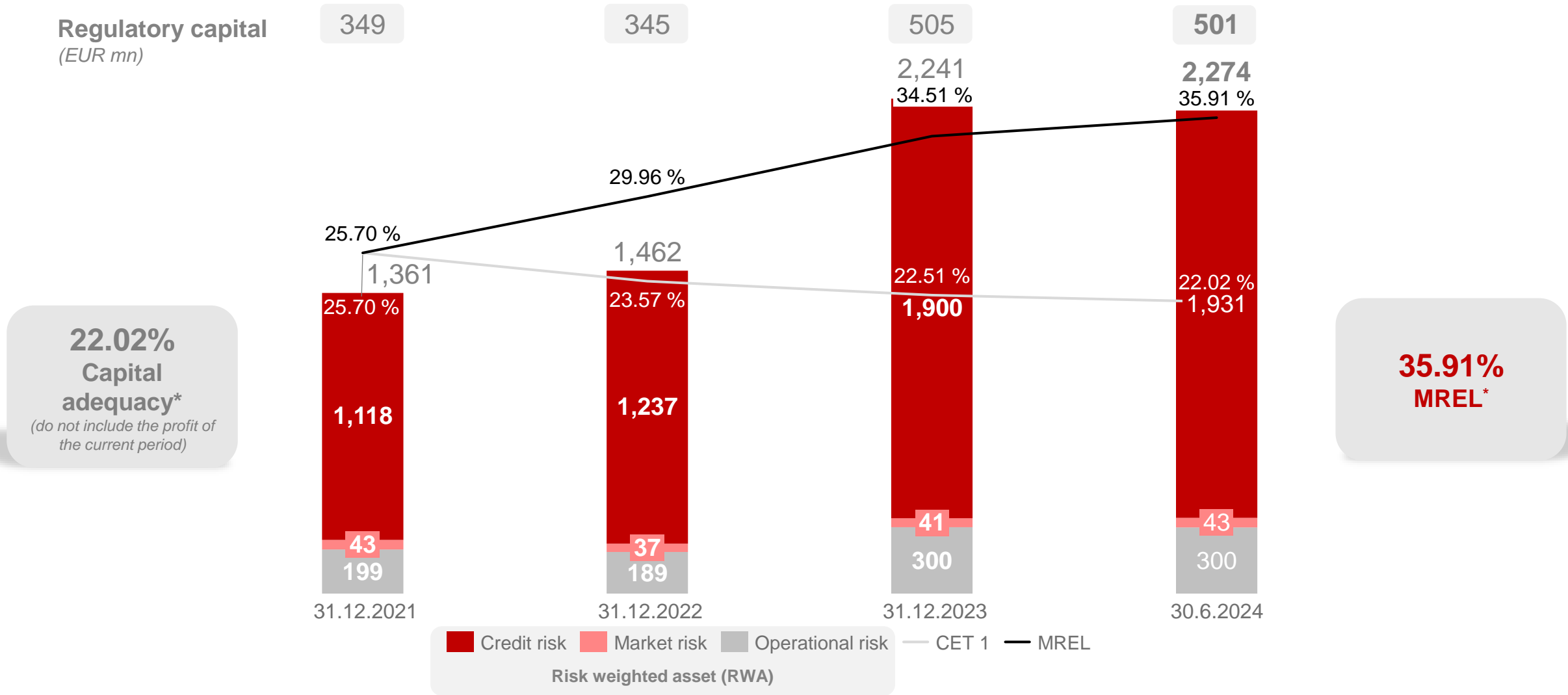
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A high level of capitalization that enables growth

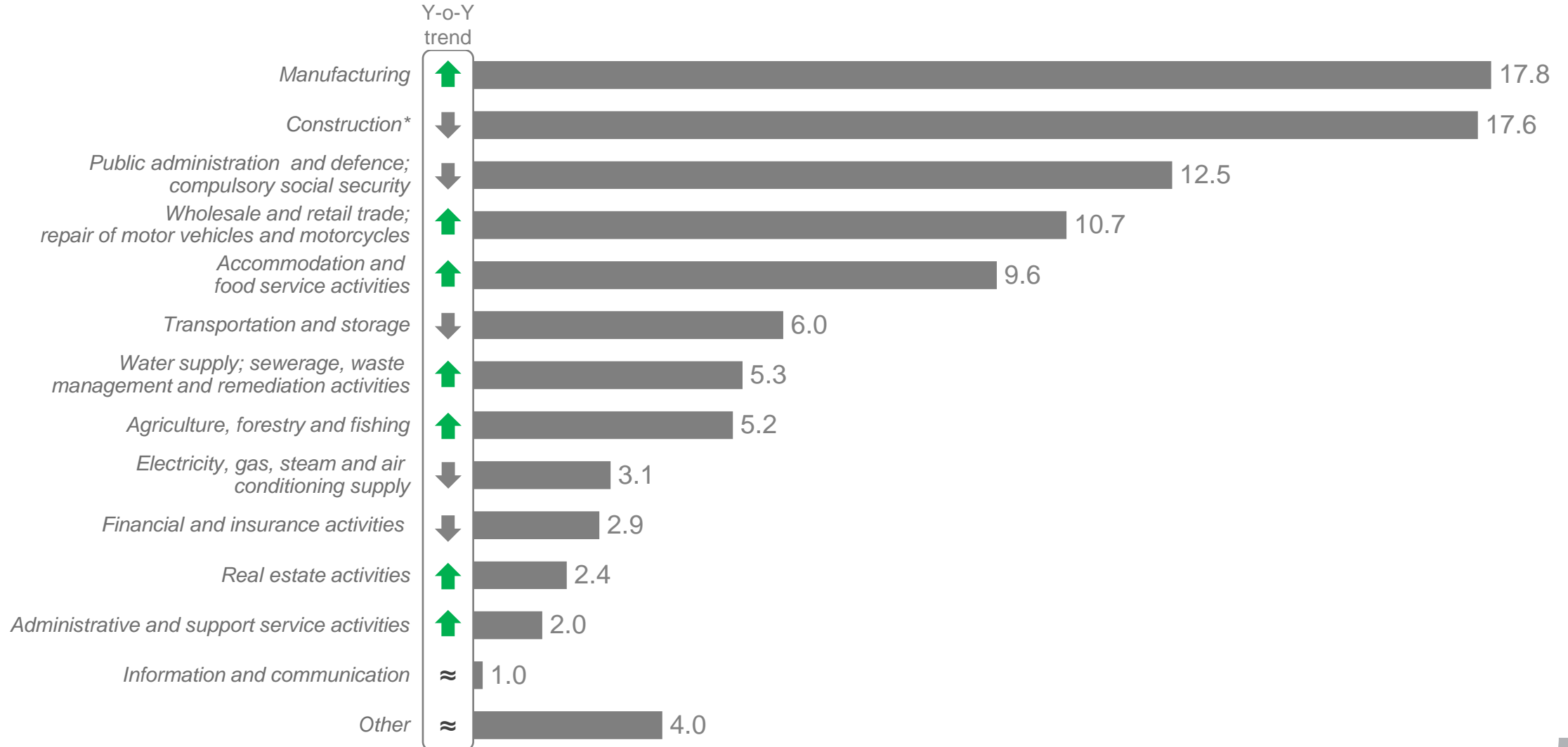


* The regulatory MREL requirement, as of June 30, 2024, is 31.31%, while the requirement for the regulatory capital adequacy rate is 16.96%

A highly diversified and stable credit portfolio

Corporate gross loans per industry, %

30.6.2024



* Hrvatske autoceste are included in construction industry, with a share of 53.49% of the total exposure to that industry

Source: Management report, according to National Classification of Activities (NKD)

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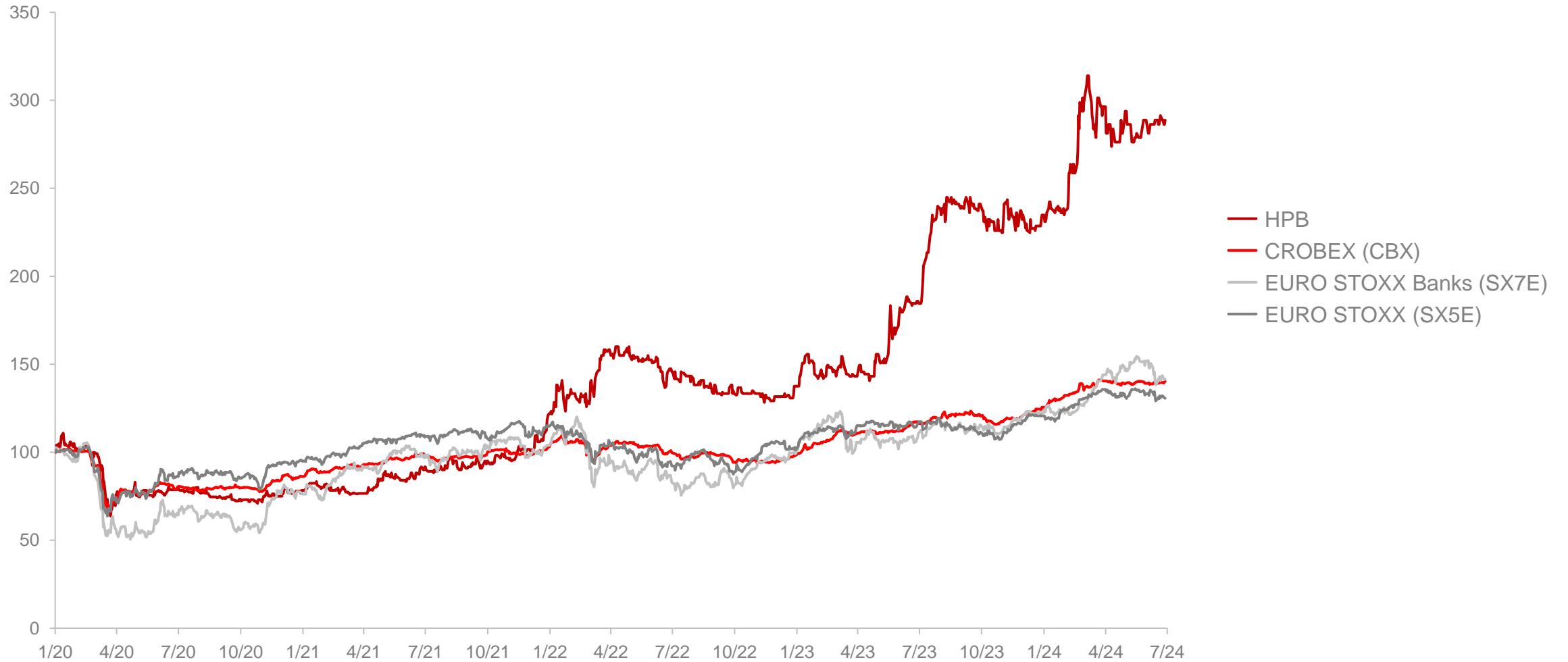
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Significantly faster growth of the share value than the market

HPB share price movement index and CROBEX, EURO STOXX and EURO STOXX Banks indices



Sustainability report for 2023

In accordance with the international sustainability reporting framework of the Global Reporting Initiative (GRI)

ENVIRONMENT

Climate strategy until 2050

Defined principles, areas of influence, priorities and goals of the Bank in adjustment and mitigating climate change

Analysis of activities according to the Regulation on Taxonomy

An assessment of the acceptability and compliance of the Bank's activities was carried out

Calculation of greenhouse gas emissions

New methodology and calculation of greenhouse gas emissions Ranges 1, 2 and 3

❖ Range 1
649.41 tCO₂e

❖ Range 2
597.05 tCO₂e

❖ Range 3
799,574.21 tCO₂e

Assessment of the significance of environmental risks

The first assessment of the materiality of environmental risks to other types of prudential risks was carried out

Green asset ratio

Published green asset ratio (GAR - Green Asset Ratio) in accordance with the Taxonomy Regulation

❖ GAR: 0.75%

SOCIETY

Non-discrimination and diversity

In accordance with the Sustainable Development Goals of the UN (SDG), defined and adopted:

❖ Principles of diversity and non-discrimination

❖ Principles of protection of human and children's rights

Taking care of employees

Creating a work environment that enables a better work-life balance

Implementation of the organizational vitality survey, December 2023

❖ 80% employee-participant

Continuous investment in professional training and development of employees

❖ 335 educations

A high proportion of women in management positions and a wide age range of employees

❖ 62.65% women in managerial positions

Support community

Corporate volunteering Volontirajmo za Hrvatsku

❖ 7 actions

Financial literacy activities expanded with new collaborations

❖ Foundation Hrvatska za djecu
❖ Toni Milun 2.0

Participation in the project: 'Sigurnije škole i vrtići'

Cooperation with the academic community

❖ Support for student competitions (STEM Games, TVZ Mc2, Money Motion Student Hackathon, Organize Yout Talk)

❖ Support for awarding the best FERIT students

GOVERNANCE

Code of ethics

Implementation of the prescribed principles and guidelines that imply legal, ethical and professional conduct in business with all persons and entities with which the Bank is in contact

Cooperation with suppliers

Principles for suppliers with high ethical standards and values, implemented in the procurement process

Transparent reporting

Development of an application system for sustainability data management and reporting

Communication with stakeholders

Key stakeholders involved in the dual materiality assessment process

Continuous publication of accurate, timely and reliable information about the Bank's impact on the environment and society

Principles of responsible banking

HPB is the first bank in the Republic of Croatia to sign the UN principles for responsible banking, an analysis of the impact of the portfolio was carried out and key business segments with positive and negative effects were identified

COMPLIANCE WITH THE NORM FOR SOCIAL RESPONSIBILITY ISO 26000:2020

HRIO award - sustainability index in the Environmental Management category as a confirmation of the excellence of the Bank, which cares about the environment as one of the most important segments of sustainable business

Employer Partner certificate, which is particularly due to investments in employee development, increase in material rights and continuous improvement of the organizational climate

Recognition in the Business sector category from the **Volunteer Oscar** edition of the Volunteer Center Zagreb

Extended certificate of CIPH **Tvrtka prijatelj zdravlja** as part of the National program Živjeti zdravo

PwC's **Recognition for the greatest progress in building public trust** as an indicator of effort and investment in corporate improvement management and transparent communication

Abbreviations

Abbreviation	Definition
CBRD	Croatian Bank for Reconstruction and Development
CET 1	Common Equity Tier 1
CIR	Cost-to-income ratio
CNB	Croatian National Bank
CROBEX	Croatian Benchmark Stock Exchange Index
ECB	European Central Bank
ESG	Environmental, Social and Governance
GDP	Gross Domestic Product
HICP	Harmonised index of consumer prices
HPB	Hrvatska poštanska banka
ISIN	International Securities Identification Number
LCR	Liquidity Coverage Ratio
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
Q	Quarter
ROAA	Return on Average Assets
ROAE	Return on Average Equity
RWA	Risk-Weighted Assets
Stage 1 and 2	Performing Loans
Stage 3 or NPL	Non-Performing Loans
Y-o-Y	Year-over-Year
YTD	Year to Date
6M	First half



Indicies calculation

Indicator	Calculation
Liquidity coverage ratio (LCR)	The ratio of liquid assets to net liquidity outflow
NPL coverage	Ratio of accumulated impairments for non-performing loans to total non-performing loans
NPL ratio	Ratio of non-performing loans to total loans
Loan to deposit ratio	Ratio of net loans to deposits as of the reporting date
Cost to income ratio (CIR)	Operating cost to net operating income ratio
Return on average assets (ROAA)	Ratio of annualized profit for the current year to average assets (arithmetic mean of the balance in assets at the end of the reporting period and the balance in assets at the end of the previous year)
Return on average equity (ROAE)	Ratio of annualized profit for the current year to average equity (arithmetic mean of the balance in equity at the end of the reporting period and the balance in equity at the end of the previous year)
Common Equity Tier 1 (CET 1)	Common Equity Tier 1 (CET1) capital to risk-weighted assets (RWA) ratio



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

In accordance with the Capital Market Act, the Management Board of HPB p.l.c., states that according to their best knowledge the set of unaudited unconsolidated financial statements for the period from January 1 to June 30, 2024, are 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.

On behalf of HPB p.l.c.:

Marko Badurina

President of the Management Board

Tadija Vrdoljak

Member of the Management Board

Ivan Soldo

Member of the Management Board

Josip Majher

Member of the Management Board

Anto Mihaljević

Member of the Management Board

Management report of HPB p.l.c.

Management report of Hrvatska poštanska Banka p.l.c. for the period from January 1 to June 30, 2024, is contained in the previous section of this material.

Marko Badurina

President of the Management Board

Ivan Soldo

Member of the Management Board

Anto Mihaljević

Member of the Management Board

Tadija Vrdoljak

Member of the Management Board

Josip Majher

Member of the Management Board

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2024.

to

30.06.2024.

Year:

2024

Quarter:

2

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, p.l.c.

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

1724

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 30.06.2024.

in EUR

Submitter: HRVATSKA POŠTANSKA BANKA, p.l.c.

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	3,103,793,849	2,933,874,492
Cash in hand	002	136,782,367	138,618,855
Cash balances at central banks	003	2,957,462,257	2,785,318,866
Other demand deposits	004	9,549,225	9,936,771
Financial assets held for trading (from 6 to 9)	005	54,809,698	55,509,502
Derivatives	006	612,632	0
Equity instruments	007	14,348,314	15,608,510
Debt securities	008	39,848,752	39,900,992
Loans and advances	009	0	0
Non-trading financial assets mandatorily at fair value through profit or loss (from 11 to 13)	010	490,500	495,957
Equity instruments	011	0	0
Debt securities	012	0	0
Loans and advances	013	490,500	495,957
Financial assets at fair value through profit or loss (15 + 16)	014	0	0
Debt securities	015	0	0
Loans and advances	016	0	0
Financial assets at fair value through other comprehensive income (from 18 to 20)	017	4,394,287	4,539,163
Equity instruments	018	4,394,287	4,539,163
Debt securities	019	0	0
Loans and advances	020	0	0
Financial assets at amortised cost (22 + 23)	021	3,786,154,629	3,797,730,561
Debt securities	022	855,856,956	905,107,190
Loans and advances	023	2,930,297,673	2,892,623,371
Derivatives - hedge accounting	024	0	0
Fair value changes of the hedged items in portfolio hedge of interest rate risk	025	0	0
Investments in subsidiaries, joint ventures and associates	026	1,295,487	1,495,487
Tangible assets	027	60,791,774	55,849,370
Intangible assets	028	14,601,447	14,239,649
Tax assets	029	5,316,953	5,273,307
Other assets	030	14,404,364	13,988,234
Fixed assets and disposal groups classified as held for sale	031	0	742,073
Total assets (1 + 5 + 10 + 14 + 17 + 21 + from 24 to 31)	032	7,046,052,988	6,883,737,795
Liabilities			
Financial liabilities held for trading (from 34 to 38)	033	16,165	182,699
Derivatives	034	16,165	182,699
Short positions	035	0	0
Deposits	036	0	0
Debt securities issued	037	0	0
Other financial liabilities	038	0	0
Financial liabilities at fair value through profit or loss (from 40 to 42)	039	0	0
Deposits	040	0	0
Debt securities issued	041	0	0
Other financial liabilities	042	0	0
Financial liabilities measured at amortised cost (from 44 to 46)	043	6,418,350,046	6,225,266,242
Deposits	044	6,397,218,638	6,212,439,562
Debt securities issued	045	0	0
Other financial liabilities	046	21,131,408	12,826,680
Derivatives - hedge accounting	047	0	0
Fair value changes of the hedged items in portfolio hedge of interest rate risk	048	0	0
Provisions	049	41,571,561	36,596,403
Tax liabilities	050	7,508,138	5,873,630
Share capital repayable on demand	051	0	0
Other liabilities	052	44,870,183	36,940,454
Liabilities included in disposal groups classified as held for sale	053	0	0
Total liabilities (33 + 39 + 43 + from 47 to 53)	054	6,512,316,093	6,304,859,428
Equity			
Capital	055	161,970,000	161,970,000
Share premium	056	0	0
Equity instruments issued other than capital	057	0	0
Other equity	058	0	0
Accumulated other comprehensive income	059	8,645,102	8,720,174
Retained profit	060	194,508,595	275,123,650
Revaluation reserves	061	0	0
Other reserves	062	87,998,143	87,998,143
(-) Treasury shares	063	0	-3,920
Profit or loss attributable to owners of the parent	064	80,615,055	45,070,320
(-) Interim dividends	065	0	0
Minority interests [non-controlling interests]	066	0	0
Total equity (from 55 to 66)	067	533,736,895	578,878,367
Total equity and liabilities (54 + 67)	068	7,046,052,988	6,883,737,795

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2024. to 30.06.2024.

in EUR

Submitter: HRVATSKA POŠTANSKA BANKA, p.l.c.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
Interest income	001	60,617,029	33,056,039	129,613,124	64,397,065
(Interest expenses)	002	5,502,750	3,228,303	38,702,380	19,957,688
(Expenses on share capital repayable on demand)	003	0	0	0	0
Dividend income	004	973,377	893,554	212,950	207,378
Fees and commissions income	005	32,109,824	16,653,019	36,194,967	19,316,430
(Fees and commissions expenses)	006	19,107,228	9,519,342	19,509,492	10,228,770
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	007	0	0	0	0
Gains or (-) losses on financial assets and liabilities held for trading, net	008	2,176,440	1,269,262	1,603,725	795,128
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss, net	009	454,131	491,117	487	575
Gains or (-) losses on derecognition of financial assets and liabilities at fair value through profit or loss, net	010	0	0	0	0
Gains or (-) losses from hedge accounting, net	011	0	0	0	0
Exchange rate differences [gain or (-) loss], net	012	-3,203	5,778	448,603	-177,567
Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net	013	0	0	0	0
Gains or (-) losses on derecognition of non-financial assets, net	014	0	0	69,773	59,435
Other operating income	015	6,364,967	6,067,513	1,658,027	1,377,039
(Other operating expenses)	016	3,279,062	2,387,676	1,698,281	953,545
Total operating income, net (1 – 2 – 3 + 4 + 5 – 6 + from 7 to 15 – 16)	017	74,803,525	43,300,961	109,891,503	54,835,480
(Administrative expenses)	018	31,606,572	16,277,279	47,482,324	24,813,651
(Cash contributions to resolution boards and deposit guarantee schemes)	019	50,000	-313,060	0	0
(Depreciation)	020	4,673,084	2,330,829	7,200,569	3,431,906
Modification gains or (-) losses, net	021	-193,042	-41,112	-143,596	-69,656
(Provisions or (-) reversal of provisions)	022	-2,800,400	389,512	-32,546	994,556
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	023	-5,680,963	-4,071,809	496,492	-240,211
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	024	0	0	0	0
(Impairment or (-) reversal of impairment on non-financial assets)	025	0	0	0	0
Negative goodwill recognised in profit or loss	026	0	0	0	0
Share of the profit or (-) losses of investments in subsidiaries, joint ventures and associates accounted for using the equity method	027	0	0	0	0
Profit or (-) loss from fixed assets and disposal groups classified as held for sale not qualifying as discontinued operations	028	0	0	0	0
Profit or (-) loss before tax from continuing operations (17 – 18 to 20 + 21 - from 22 to 25 + from 26 to 28)	029	46,762,190	28,647,098	54,601,068	25,765,922
(Tax expense or (-) income related to profit or loss from continuing operations)	030	4,389,048	4,257,874	9,530,748	4,553,026
Profit or (-) loss after tax from continuing operations (29 – 30)	031	42,373,142	24,389,224	45,070,320	21,212,896
Profit or (-) loss after tax from discontinued operations (33 – 34)	032	0	0	0	0
Profit or (-) loss before tax from discontinued operations	033	0	0	0	0
(Tax expense or (-) income related to discontinued operations)	034	0	0	0	0
Profit or (-) loss for the year (31 + 32; 36 + 37)	035	42,373,142	24,389,224	45,070,320	21,212,896
Attributable to minority interest [non-controlling interests]	036	0	0	0	0
Attributable to owners of the parent	037	42,373,142	24,389,224	45,070,320	21,212,896
STATEMENT OF OTHER COMPREHENSIVE INCOME					
Income or (-) loss for the current year	038	42,373,142	24,389,224	45,070,320	21,212,896
Other comprehensive income (40+ 52)	039	373,429	373,429	75,071	-168,600
Items that will not be reclassified to profit or loss (from 41 to 47 + 50 + 51)	040	373,429	373,429	75,071	-168,600
Tangible assets	041	0	0	0	0
Intangible assets	042	0	0	0	0
Actuarial gains or (-) losses on defined benefit pension plans	043	0	0	0	0
Fixed assets and disposal groups classified as held for sale	044	0	0	0	0
Share of other recognised income and expense of entities accounted for using the equity method	045	0	0	0	0
Fair value changes of equity instruments measured at fair value through other comprehensive income	046	456,662	456,662	145,382	-205,610
value through other comprehensive income, net	047	0	0	0	0
other comprehensive income [hedged item]	048	0	0	0	0
other comprehensive income [hedging instrument]	049	0	0	0	0
Fair value changes of financial liabilities measured at fair value through profit or loss attributable to changes in their credit risk	050	0	0	0	0
Income tax relating to items that will not be reclassified	051	-83,233	-83,233	-70,311	37,010
Items that may be reclassified to profit or loss (from 53 to 60)	052	0	0	0	0
Hedge of net investments in foreign operations [effective portion]	053	0	0	0	0
Foreign currency translation	054	0	0	0	0
Cash flow hedges [effective portion]	055	0	0	0	0
Hedging instruments [not designated elements]	056	0	0	0	0
Debt instruments at fair value through other comprehensive income	057	0	0	0	0
Fixed assets and disposal groups classified as held for sale	058	0	0	0	0
Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates	059	0	0	0	0
Income tax relating to items that may be reclassified to profit or (-) loss	060	0	0	0	0
Total comprehensive income for the current year (38 + 39; 62 + 63)	061	42,746,571	24,762,653	45,145,391	21,044,296
Attributable to minority interest [non-controlling interest]	062	0	0	0	0
Attributable to owners of the parent	063	42,746,571	24,762,653	45,145,391	21,044,296

STATEMENT OF CASH FLOW
for the period 01.01.2024 to 30.06.2024.

in EUR

Submitter: HRVATSKA POŠTANSKA BANKA, p.l.c.

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	46,762,190	54,601,068
Adjustments:		0	0
Impairment and provisions	010	-8,288,321	463,946
Depreciation	011	4,673,084	7,200,569
Net unrealised (gains)/losses on financial assets and liabilities at fair value through statement of profit or loss	012	-2,630,571	-1,604,212
(Profit)/loss from the sale of tangible assets	013	0	-69,773
Other non-cash items	014	-55,114,279	-91,428,701
Changes in assets and liabilities from operating activities			
Deposits with the Croatian National Bank	015	0	0
Deposits with financial institutions and loans to financial institutions	016	0	0
Loans and advances to other clients	017	81,356,605	37,674,302
Securities and other financial instruments at fair value through other comprehensive income	018	-3,222,364	-144,876
Securities and other financial instruments held for trading	019	1,206,829	-699,805
Securities and other financial instruments at fair value through statement of profit or loss, not traded	020	0	0
Securities and other financial instruments mandatorily at fair value through statement of profit or loss	021	0	-5,457
Securities and other financial instruments at amortised cost	022	-26,921,398	-49,250,234
Other assets from operating activities	023	2,336,644	416,128
Deposits from financial institutions	024	119,807,193	78,337,329
Transaction accounts of other clients	025	683,252,405	-340,224,810
Savings deposits of other clients	026	-1,002,224,920	-18,658,554
Time deposits of other clients	027	150,872,379	112,720,132
Derivative financial liabilities and other liabilities held for trading	028	312,563	166,534
Other liabilities from operating activities	029	236,731,389	-12,067,038
Interest received from operating activities [indirect method]	030	60,617,029	129,613,124
Dividends received from operating activities [indirect method]	031	973,377	212,950
Interest paid from operating activities [indirect method]	032	-5,502,750	-38,702,380
(Income tax paid)	033	0	-11,121,610
Net cash flow from operating activities (from 1 to 33)	034	284,997,084	-142,571,368
Investing activities			
Cash receipts from the sale / payments for the purchase of tangible and intangible assets	035	-9,455,427	-10,201,094
Cash receipts from the sale / payments for the purchase of investments in branches, associates and joint ventures	036	0	0
Cash receipts from the sale / payments for the purchase of securities and other financial instruments held to maturity	037	0	0
Dividends received from investing activities	038	0	0
Other receipts/payments from investing activities	039	0	-200,000
Net cash flow from investing activities (from 35 to 39)	040	-9,455,427	-10,401,094
Financing activities			
Net increase/(decrease) in loans received from financing activities	041	37,736,969	-16,953,174
Net increase/(decrease) in debt securities issued	042	0	0
Net increase/(decrease) in Tier 2 capital instruments	043	0	0
Increase in share capital	044	0	0
(Dividends paid)	045	0	0
Other receipts/(payments) from financing activities	046	0	0
Net cash flow from financing activities (from 41 to 46)	047	37,736,969	-16,953,174
Net increase/(decrease) of cash and cash equivalents (34 + 40 + 47)	048	313,278,626	-169,925,636
Cash and cash equivalents at the beginning of period	049	1,325,718,840	3,103,793,849
Effect of exchange rate fluctuations on cash and cash equivalents	050	-3,203	6,279
Cash and cash equivalents at the end of period (48 + 49 + 50)	051	1,638,994,263	2,933,874,492

STATEMENT OF CHANGES IN EQUITY
for the period from to 30.6.2024

in EUR

Sources of equity changes	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	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Opening balance [before restatement]	001	161,970,000	0	0	0	8,645,102	194,508,594	0	87,998,144	0	80,615,055	0	0	0	533,736,895
Effects of error corrections	002	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Effects of changes in accounting policies	003	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Opening balance [current period] (1 + 2 + 3)	004	161,970,000	0	0	0	8,645,102	194,508,595	0	87,998,144	0	80,615,055	0	0	0	533,736,896
Ordinary shares issue	005	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Preference shares issue	006	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Issue of other equity instruments	007	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exercise or expiration of other equity instruments issued	008	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conversion of receivables to equity instruments	009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital reduction	010	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	011	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of treasury shares	012	0	0	0	0	0	0	0	0	-3,920	0	0	0	0	-3,920
Sale or cancellation of treasury shares	013	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reclassification of financial instruments from equity to liability	014	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reclassification of financial instruments from liability to equity	015	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers among components of equity	016	0	0	0	0	0	80,615,055	0	0	0	-80,615,055	0	0	0	0
Equity increase or (-) decrease resulting from business combinations	017	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Share based payments	018	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other increase or (-) decrease in equity	019	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive income for the current year	020	0	0	0	0	75,071	0	0	0	0	45,070,320	0	0	0	45,145,391
Closing balance [current period] (from 4 to 20)	021	161,970,000	0	0	0	8,720,173	275,123,650	0	87,998,144	-3,920	45,070,320	0	0	0	578,878,367

Notes to financial statements

1) INTEREST INCOME

AOP 001	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	6,888,495	3,914,303	10,674,095	5,138,828
Loans and advances	40,020,316	20,423,467	63,191,869	31,625,396
Other assets	13,708,218	8,718,268	55,747,160	27,632,841
Deposits	-	-	-	-
Other liabilities	-	-	-	-
Total	60,617,029	33,056,039	129,613,124	64,397,065

2) INTEREST EXPENSE

AOP 002	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	-	-	-	-
Loans and advances	3,539	1,020	150	45
Other assets	-	-	-	-
Deposits	5,494,474	3,224,204	38,495,956	19,937,903
Other liabilities	4,736	3,079	206,274	19,740
Total	5,502,750	3,228,303	38,702,380	19,957,688

3) FEE AND COMMISSION INCOME

AOP 005	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Payment transactions	19,246,034	9,641,674	19,905,399	10,284,167
Account and package fees	4,827,428	2,411,610	6,011,632	3,073,505
Card business	2,060,504	1,091,934	2,469,503	1,280,274
Mobile and internet banking	984,017	491,705	1,246,334	617,154
Other	5,011,841	3,016,096	6,560,098	4,061,329
Total	32,109,824	16,653,019	36,194,967	19,316,429

4) FEE AND COMMISSION EXPENSE

AOP 006	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Payment transactions	13,707,304	6,715,061	12,590,839	6,399,879
Other	5,399,924	2,804,281	6,918,653	3,828,892
Total	19,107,228	9,519,342	19,509,492	10,228,770

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

AOP 007	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Debt securities	-	-	-	-
Loans and advances	-	-	-	-
Deposits	-	-	-	-
Debt Securities issued	-	-	-	-
Other financial liabilities	-	-	-	-
Total	-	-	-	-

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

AOP 008	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Equity instruments	1,252,977	692,005	1,284,801	140,999
Debt securities	68,106	63,960	62,232	104,443
FX transactions and derivatives	855,357	513,297	256,692	549,686
Total	2,176,440	1,269,262	1,603,725	795,128

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

AOP 009	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
Loans and advances	454,131	491,117	487	574
Total	454,131	491,117	487	574

8) OPERATING EXPENSES

AOP 015 & AOP 017 & AOP 018	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Other operating expenses	3,278,062	2,387,676	1,898,261	853,344
Administrative expenses	13,606,572	16,277,279	47,482,324	24,813,651
Employee expenses	18,345,191	9,540,885	27,471,760	14,188,159
Other administrative expenses	13,261,381	6,736,394	20,010,564	10,627,492
(Contributions in cash rehabilitation committees and Deposit Insurance Schar)	50,000	(313,960)	-	-
Amortization	4,673,084	2,330,829	7,200,569	3,431,907
Property, plant and equipment	2,775,756	1,204,455	4,402,253	2,060,536
Investment property	-	-	-	-
Other intangible assets	1,897,327	1,126,374	2,798,316	1,371,370
Total	39,608,717	20,682,723	56,381,174	29,199,102

9) IMPAIRMENT LOSSES AND PROVISION EXPENSES

AOP 019 & AOP 020 & AOP 021 & AOP 023	Same period of the previous year		Current period 01.01. – 30.06.2024.	
	01.01. - 30.06.2023.		01.01. - 30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Modification gains or (-) losses, net	(193,942)	(41,112)	(143,596)	(69,655)
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets at amortized cost	(193,042)	(41,112)	(143,596)	(69,655)
(Provisions or (-) reversal of provisions)	(2,800,400)	389,512	(32,546)	994,555
Liabilities towards resolution committees and deposit insurance systems (Liabilities and Guarantees)	(2,469,984)	(128,084)	651,930	834,658
(Other Provisions)	(330,416)	517,596	(684,477)	159,897
(Impairment or (-) reversal of impairment on financial assets that are not measured at fair value through profit or loss)	(5,680,963)	(4,071,809)	496,492	(240,211)
(Financial assets at fair value through other comprehensive income)	-	-	-	-
(Financial assets at amortized cost)	(5,680,963)	(4,071,809)	496,492	(240,211)
(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	(8,288,320)	(3,641,185)	607,541	824,000

10) LOANS AND ADVANCES

AOP 023	31.12.2023.			30.06.2024.		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Central banks	-	-	-	455,300	-	-
Mandatory reserve	-	-	-	-	-	-
Allowance	-	-	-	-	-	-
Other receivables	-	-	-	455,300	-	-
Government	448,859,075	1,773,946	2,846,111	393,613,694	58,338	2,813,643
Gross loans	450,089,885	1,805,576	2,916,570	394,706,996	61,536	2,883,854
Allowance	(1,230,810)	(31,630)	(70,459)	(1,093,302)	(3,198)	(70,211)
Credit institutions	1,564,563	-	168	133,338	-	-
Gross loans	16,432	-	172	1,798	-	-
Allowance	-	-	(4)	-	-	-
Deposits	1,551,167	-	-	132,081	-	-
Allowance	(3,035)	-	-	(670)	-	-
Other financial institutions	37,699,866	6,402	527	42,967,187	2,273	146
Gross loans	35,792,179	11,336	132,772	41,007,253	2,472	160
Allowance	(197,893)	(4,934)	(132,245)	(214,966)	(199)	(14)
Deposits	2,157,717	-	-	2,227,257	-	-
Allowance	(52,138)	-	-	(52,357)	-	-
Non - financial institutions	652,151,087	186,276,332	36,332,874	707,872,696	152,004,140	24,458,351
Gross loans	661,450,793	195,925,509	96,793,546	716,526,279	159,813,471	84,628,087
Allowance	(9,299,697)	(9,649,177)	(62,460,672)	(8,853,584)	(7,809,331)	(60,169,736)
Retail	1,273,097,668	255,463,828	34,225,225	1,294,990,504	242,047,972	31,405,789
Gross loans	1,279,022,452	277,544,147	167,697,343	1,300,409,746	262,996,119	169,966,493
Allowance	(5,924,784)	(22,080,319)	(133,472,118)	(6,419,242)	(29,948,147)	(138,562,703)
Total	2,413,372,259	443,520,509	73,404,905	2,439,832,718	394,112,723	58,677,929

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

AOP 013	31.12.2023.		30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Central banks	-	-	-	-
Local state	-	-	-	-
Credit institutions	-	-	-	-
Other financial institutions	-	-	-	-
Non - financial institutions	-	-	-	-
Retail	490,500	495,957	-	-
Total	490,500	495,957	-	-

12) DEPOSITS

AOP 044	31.12.2023.		30.06.2024.	
	Cumulative	Quarter	Cumulative	Quarter
Central banks	73,696,625	73,797,465	-	-
Local state	1,850,606,910	1,597,303,580	-	-
Credit institutions	119,203,207	186,352,789	-	-
Other financial institutions	517,689,710	352,740,158	-	-
Non - financial institutions	897,267,392	712,280,169	-	-
Retail	3,138,752,794	3,289,965,397	-	-
Total	6,397,216,638	6,212,439,562	-	-